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HOUSE OF REPRESENTATIVES—*Thursday, August 1, 1991*

The House met at 10 a.m.

Rev. W. Douglas Tanner, Jr., executive director, Faith and Politics Institute, Washington, DC, offered the following prayer:

O Lord God, we open this session on this first day of August aware that this is the month of recess, and that we will soon begin a period of rest and relaxation with our families and friends. We know, too, that by this time each year our souls and spirits deeply yearn for such a respite. We need time to touch our own depths, to reflect, to be still and know that You are God.

We pray this August that we might experience that stillness and knowledge in such a way that we will be led to follow it, to listen for Your distinctive call that comes to each of us to be about a particular work in this Congress and in our country—a work of justice, a work of reconciliation, a work of healing. We pray for clarity in discerning that call, and for courage to respond to it.

This we pray, that we might become who You intend us to be. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentleman from California [Mr. DOOLEY] will please come forward and lead the House in the Pledge of Allegiance.

Mr. DOOLEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1448. An act to amend the Act of May 12, 1920 (41 Stat. 596), to allow the city of Pocatello, ID, to use certain lands for a correctional facility for women, and for other purposes;

H.R. 1779. An act to designate the Federal building being constructed at 77 West Jackson Boulevard in Chicago, IL, as the "Ralph H. Metcalfe Federal Building"; and

H.R. 2901. An act to authorize the transfer by lease of 4 naval vessels to the Government of Greece.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2608. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes; and

H.R. 2698. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1992, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2608) "An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1992, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HOLLINGS, Mr. INOUYE, Mr. BUMPERS, Mr. LAUTENBERG, Mr. SASSER, Mr. ADAMS, Mr. BYRD, Mr. RUDMAN, Mr. STEVENS, Mr. HATFIELD, Mr. KASTEN, Mr. GRAMM, to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 2698) "An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1992, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BURDICK, Mr. BUMPERS, Mr. HARKIN, Mr. ADAMS, Mr. FOWLER, Mr. KERREY, Mr. BYRD, Mr. COCHRAN, Mr. KASTEN, Mr. SPECTER, Mr. NICKLES, Mr. BOND, and Mr. HATFIELD, to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1455) "An act to authorize appropriations for fiscal year 1991 for intelligence activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes."

The message also announced that the Senate had passed bills, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 477. An act to afford congressional recognition of the National Atomic Museum at Kirtland Air Force Base, Albuquerque, NM, as the official atomic museum of the U.S. Government under the aegis of the Department of Energy, and to provide a statutory basis for its betterment, operation, maintenance, and preservation;

S. 550. An act to amend the act of May 15, 1965, authorizing the Secretary of the Interior to designate the Nez Perce National Historical Park in the State of Idaho, and for other purposes;

S. 628. An act to direct the Secretary of the Interior to conduct a study of certain historic military forts in the State of New Mexico;

S. 996. An act to authorize and direct the Secretary of the Interior to terminate a reservation of use and occupancy at the Buffalo National River; and for other purposes;

S. 1247. An act to amend the Securities Exchange Act of 1934 to ensure the efficient and fair operation of the Government securities market, in order to protect investors and facilitate Government borrowing at the lowest possible cost to taxpayers;

S. 1475. An act to amend the Protection and Advocacy for Mentally Ill Individuals Act of 1986 to reauthorize programs under such Act, and for other purposes;

S. 1594. An act to honor and commend the efforts of Terry Beirn, to amend the Public Health Service Act to rename and make technical amendments to the community-

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

based AIDS research initiative, and for other purposes;

S.J. Res. 179. Joint resolution to designate the week beginning August 25, 1991, as "National Parks Week"; and

S. Con. Res. 58. Concurrent resolution to waive the provisions of the Legislative Reorganization Act of 1970 which require the adjournment of the House and Senate by July 31st.

"START" AT HOME

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, it is good to see President Bush sign a START agreement in Moscow. However, my question is, When do we start here at home? When do we start building? When do we start working on the problems we have in this country?

George Bush is now touring the Soviet Republics. Meanwhile, our States at home are becoming financial basket cases.

Enjoy the Ukraine, but how about California? Or West Virginia? Or other States that are having great fiscal problems? While talking about the need to build Russian infrastructure, the President says he will veto Congress' bill to build roads, bridges, and mass transportation at home.

Meetings with Boris Yeltsin are nice, but how about meetings with our own State Governors? After the summit with Gorbachev is over, maybe, just maybe, this President would like to begin negotiating the "Build America at Home."

OLDER AMERICANS HAVE THE MOST TO GAIN FROM CAPITAL GAINS TAX CUT

(Mr. SAXTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAXTON. Mr. Speaker, want to help senior citizens? Cosponsor Congressman DEAN GALLO's All-Americans Savings and Investment Incentive Act of 1991.

We have heard a lot about how unfair the capital gains tax cut is to the average American. We have heard that cutting the capital gains tax rate will only benefit the rich. Well I have some news for you. In any given year, almost one-third of the older Americans have a capital gain. Are seniors on fixed incomes classified as rich?

Additionally, on the average, seniors' capital gains are almost three times as large as younger taxpayers.

After retiring, older Americans usually sell off the assets they gained throughout their lives. I ask, is it fair to penalize seniors.

Since older Americans are not normally rich, and since they report one-third of all capital gains, and their gains are much larger than most younger Americans, why don't you join me and become a cosponsor of New Jersey Congressman DEAN GALLO's All-Americans Savings and Investment Incentive Act of 1991? It will lower the capital gains tax rate so all Americans, including seniors, will benefit.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WALKER. Is it not true that the rules of House specify that Members, in order to address the House, must obtain permission from the House in order to read from papers?

The SPEAKER. If any Member objects to a Member reading from any document, then the Chair, at that point, will put the question as to whether the House will give leave to the Member to read.

Mr. WALKER. Members can resolve that problem by asking unanimous consent, however, to read from papers?

The SPEAKER. That is correct.

Mr. WALKER. And at that point, no objection would lie, but if someone is reading from papers, an objection does lie against that, should the objection be raised, is that correct?

The SPEAKER. The gentleman is correct. The House would then decide whether to give leave to the Member to continue reading from the paper.

Mr. WALKER. I thank the Speaker.

GIVE FAMILIES A BREAK

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today I am releasing my first report as chairwoman of the House Select Committee on Children, Youth, and Families.

Its message is simple. Let us give our kids and middle income families a break.

The report centers around two proposals—both of which I am introducing as legislation.

The first, Kidsnet, declares Head Start, WIC, and Childhood Immunizations emergency actions until all kids who need those services receive them. My bill holds these programs harmless in the budget, allowing us to fully fund them without requiring new revenues or offsets.

The second, the family tax break, merges the two major family tax fairness bills before Congress, the Schroeder-Wolfe bill and Gore-Downey bill.

The family tax break increases the personal exemption to $3,500, but raises revenues by adding a 36 percent tax bracket and by imposing a surtax on incomes of $500,000 and above.

I have a chart that shows how this proposal provides real tax relief for the largest number of middle-income taxpayers. It costs half as much as a tax credit, but reaches twice as many people.

This plan of action for families amounts to nothing less than granting America's families and their kids most favored status.

Support it and watch the American dream once again thrive.

CURRENT REGULATION IS ABSURD

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, let me update you on the absurdity of current wetland regulation in our country:

A northern Missouri farmer wanted to repair a levee on his farm that was built in the 1930's. The land had been farmed for over 100 years. However, he would have to get a permit and maintain one-fourth of his farm as permanent wetlands, with no compensation for lands taken out of production.

A Pennsylvania family learned that they could sell their 127-acre ancestral farm valued at $190,000 after it was labeled a wetland. The government offered no compensation.

A Pennsylvania man was found guilty by a Federal jury of filling in wetlands without a permit. He was sentenced to 3 years in prison and fined $202,000. His defense lawyers claimed that no environmental damage occurred when he used topsoil to fill in 5 acres of his own property. But the prosecutor argued that he had no right to fill the property, a mostly dry lot designated a wetland by the Government because of its vegetation, without a proper permit.

Federal wetland regulation is clearly out of hand. H.R. 1330 provides an alternative to this absurd regulation. It defines wetlands in a practical way and provides for the preservation of the true wetlands. Let's stop this nonsense and start protecting the real wetlands, not harassing hardworking, honest Americans who happen to own property.

□ 1010

NAACP IS RIGHT ABOUT JUDGE THOMAS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, for years the NAACP has been questioned as an institution that only supports and advocates black interests. Today all Americans should pay tribute and should salute the NAACP for their objectivity and fairness in evaluating the nomination of Judge Thomas to the Supreme Court of America.

The decision of the NAACP should not be seen as a slap in the face of the black community, but should be seen as a symbol of leadership for all Americans. Today, I say that the white community of America should do two things: No. 1, applaud the leadership and objectivity and fairness of the NAACP and lobby hard for a black Supreme Court Justice who will take care of the interests of whites and the needs of all Americans, not just black Americans, but white Americans as well, and those black candidates exist. The NAACP has proved to America today that they are a leader for rights in our country.

THE DEMOCRATS JUST SAY NO

(Mr. EDWARDS of Oklahoma asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Oklahoma. Mr. Speaker, the Democrats once more have taken an issue away from us. Nancy Reagan came up with "just say no." What she was talking about was telling America's young people to say no to drugs, but the Democratic leadership of this House has perfected the art of saying no.

When the President says, "Let's bring forth a crime bill to address the problem of crime and drugs in this country," the Democratic leadership just says no.

When the President says, "Give us the authority to send troops into the Middle East to try to deal with Saddam Hussein," the Democratic leadership says no.

When the President says, "Let us bring forth our education bill in order to try to improve America's schools and make us more competitive," the Democratic leadership just says no.

This is the Congress that has perfected the art of just saying no to every solution to America's problems.

SAFE HIGHWAYS

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, there is hell on America's highways. Every day in America 120 people are killed, moms, dads, kids, grandparents, coworkers, friends, every year 45,000 Americans are killed, 5 million are injured, a half million are hospitalized.

In legislation I have just introduced, H.R. 3123, the national highway traffic safety reauthorization bill, we bring hope and help to the highways through safer car bumpers, through airbags, through crash protection, and through preventing 50,000 head injuries, we bring hope to America's highways.

Now, the auto companies say they, too, want a safer America. They, too, want to save lives. I am saying let us be partners. Let us let America's leaders in business and in government join together and reauthorize the National Highway Traffic Safety Administration and save lives in America.

THE POSTAL SYSTEM IS A FIRST CLASS MESS

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, America's postal system is a first-class mess. Postal rates are shooting up; postal service is plunging down.

I've introduced a resolution to create a bipartisan commission to study the postal system. Over 100 Members have already signed on. The number is growing every day.

The cosponsors of this resolution are from both parties and from every part of the country. People in their districts are fed up. They've been telling Members in no uncertain terms that things have got to change.

The complaints come from housewives, from business organizations, and even from postal workers themselves.

We've got to assure them that Congress is doing something about it. America needs a commission to find out what's wrong and to come up with some real solutions.

I welcome other cosponsors.

THE PRESIDENT SHOULD GRANT MOST-FAVORED-NATION STATUS TO AMERICA

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, the President is on his way returning from the Soviet Union with a great arms treaty that was signed, talking about the Russian economy. Before that he has been in Europe and he has been in Turkey; but the real ballpark is domestic and the real problems facing America are our economic and social problems here at home. They mount.

America cannot remain the greatest country in the world if those problems continue to occupy us. Here in the Congress, we are working on unemployment. We are working on infrastructure, and the President is paying no attention to these issues. The President is busy granting most-favored-nation status to the Soviet Union. How about making America our most favored nation? How about paying attention to the domestic problems that beguile us?

It is about time, Mr. Speaker, that the President turns his attention away from the field of foreign affairs and toward domestic America, because without improving our own America our foreign policy will revert to nothingness.

Mr. Speaker, the President has to get back and pay attention to the fundamental problems plaguing this country.

A TRAGEDY IN CALIFORNIA

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, yesterday a horrible tragedy happened in California. Sixty young Girl Scouts who were part of the Spanish Trail Girl Scout Council rolled down a hill in a yellow school bus at the Aerial Tramway in Palm Springs. There were 6 girls so far who died, and 36 were injured, 4 from Finland, most of them from the area which I represent, the San Gabriel and Pomona Valleys.

Mr. Speaker, Mayor Sonny Bono of Palm Springs said this was the greatest tragedy he had seen there.

I would simply like to say, Mr. Speaker, that my prayers and condolences go to the family and loved ones of those who were victimized by this horrible tragedy.

THE NATION HAS ONLY HALF A PRESIDENT

(Mr. FROST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, once again it is time to remind the Nation that we have only half a President. George Bush continues to make his mark in foreign policy but he remains totally missing when it comes to the important domestic issues affecting our Nation.

Today and tomorrow, this Congress must address two vital issues—the extension of unemployment benefits to people who have lost jobs in the Bush recession and the rebuilding of our roads and bridges.

Not only does President Bush appear to be more interested in the unemployed of the Soviet Union and the rebuilding of Kuwait but his administration and his party are actively blocking action on these two vital domestic matters.

Americans need extra weeks of unemployment benefits and Americans need better highways and infrastructure.

Americans need a President who cares about America.

AUGUST RECESS IS A GOOD OPPORTUNITY TO LISTEN TO SMALL BUSINESS CONSTITUENTS

(Mr. IRELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. IRELAND. Mr. Speaker, as we return home for the August recess, we will all have the opportunity to meet and talk with the small-business owners in our districts.

We need to hear about the regulatory hoops they are forced to jump through for OSHA, IRS, EPA, and the whole alphabet soup of Federal agencies who claim authority over their business affairs.

We need to hear their very legitimate fears about yet another Federal mandate intended to dictate how they run their business.

Small business owners do their best to provide a living for themselves and their employees. They care about the quality of life in their communities.

Mr. Speaker, I say to my colleagues, we must not stifle the entrepreneurial spirit that generates 60 percent of the jobs in this country with ill-conceived laws and needless regulations.

As you talk with small business owners in your district in the coming month, I urge you to remember: that they understand it is easy to say that you are for small business. But it is how you vote that really counts.

WHEELS UP, THUMBS DOWN

(Mr. DOOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOOLEY. Mr. Speaker, it is wheels up on Air Force One, thumbs down on hard working families.

That is the message the American people have been getting from the frequent flier Bush administration.

For months, while the administration's attention has been overseas, there have been moral obligations here at home, too.

Among those looking for help are farmers and farmworkers struck by disaster. In central California, where a deep freeze struck in December, 73,000 farmworkers are out of work. Entire communities have been devastated. Families are hungry.

They have sought additional help from their Federal Government. But to the administration, no emergency exists. They're wrong.

It is time for the Bush administration to turn their attention to problems here at home. Park the big jet. There is plenty of work to be done in America.

□ 1020

PRESIDENT IGNORING PROBLEMS AT HOME

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FAZIO. Mr. Speaker, while the President is out promising taxpayer funds to foreign countries, he continues to ignore the needs Americans have here at home. Now, we understand that he will oppose any effort to increase the investment we need to make in our Nation's transportation infrastructure.

If the President could manage to visit his own country he would understand: America's roads need to be resurfaced, our bridges need to be restored, our people need new jobs, and our country needs a new highway program.

For those who suggest that we cannot afford to raise a nickel for America, I suggest that we cannot afford not to. For only $31 more a year per driver, we can help the average motorist eliminate the estimated $152 per year wasted on motor fuel, excess tire wear and added vehicle repairs caused by rough, broken pavement.

The nickel for America will create over 20 million new jobs this decade and restore one of our Nation' most valuable resources.

Democrats understand that you cannot have a strong economy without a strong, safe, and modern system of highways and mass transit. Let us take care of our own for a change. While the President is travelling in foreign countries, let is pass a highway bill that invests in this one.

RURAL HEALTH CARE

(Mr. COX of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. COX of Illinois. Mr. Speaker, I rise today to address the health care crisis that our Nation's rural areas are facing. Foreign policy and our country's large, urban centers, important as they are, cannot continue to be the sole focus or our Government. Contrary to popular belief, the rate of poverty and unemployment is now greater in rural areas than metropolitan centers.

While rural residents comprise approximately one quarter of the country's population, rural areas have only 12 percent of all U.S. physicians, 18 percent of the registered nurses and 14 percent of the pharmacists.

The major changes in Federal health policy in the 1980's have exacerbated the problems of rural health care. Not only has Federal health care funding significantly decreased, but the bulk of the money that is provided goes to urban hospitals and treatment centers. Rural residents receive 42 percent less per capita of the Federal health expenditures than the average recipient.

Mr. Speaker, it is time for our Nation to address this problem, committing ourselves to affordable rural health care—and working to form effective Federal, State, and local partnerships to address such health care needs.

My home State of Illinois has worked to find innovative solutions to address this shortage of rural health care providers. Community health centers operate outreach programs and urban medical schools teach and provide health care to rural recipients.

The Rural Health Care Coalition has introduced an excellent package of legislative proposals addressing the varying problems of rural health care. It is a good start, and I am pleased to be a cosponsor of this package.

NATIONAL RECOGNITION OF OMAHA AND STATE OF NEBRASKA

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOAGLAND. Mr. Speaker, although many of today's headlines broadcast the problems of the 1990's—recession, the Federal deficit, Middle East tension and crime—it is refreshing to run across a bright spot. Recently, several articles in national newspapers have featured Omaha and the State of Nebraska. From the natural beauty of the sandhills highlighted in the July 28 Washington Post to the economic vitality of Omaha, the Nation is recognizing that Nebraska offers "the good life."

As the national recession continues, Nebraska's unemployment rate is 2.4 percent, far below the national rate of 6.6 percent. Where does this economic stability and growth come from? As reported recently by the Wall Street Journal, a serious work ethic, a healthy banking system and a record number of small business incorporations have all combined to make a success story in the middle of economic tenuousness elsewhere. Nebraska boasts a well-educated work force; the average college board exam of public high school students ranks fifth nationally. The State's banking system is the Nation's third healthiest.

The New York Times on July 20 highlighted Omaha for putting together an effective economic development program to attract telecommunications companies. The city now has over 10,000 jobs in communications and three of the Nation's five largest telemarketers have handled accounts from Johnson & Johnson to Eastman Kodak and raised funds for FarmAid and LiveAid concerts. A senior vice president at Utell International claimed in the New York Times to get "twice as many qualified applicants" to fill manager positions in Omaha in telemarketing jobs as in comparable cities. American competitiveness and entrepreneurial opportunities are alive and well in Nebraska.

I am pleased that these three national newspapers have for once brought us good news—good news for Omaha, for Nebraska, and for the Nation.

FDIC: REGULATOR OR ART INVESTOR?

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, the poor financial judgment that has been the ruin of so many banks exists today within the agency charged with insuring their deposits. While the bank insurance fund is approaching insolvency, the FDIC has been busy constructing and decorating the lavish L. William Seidman office complex and hotel located in Arlington, VA.

Recently the RTC was criticized for furnishing a regional office with artwork purchased with $26,000 of taxpayer money. As a result, the RTC regional director was removed. One might hope that this was an isolated incident.

Regrettably, that does not appear to be the case. The FDIC, which runs the RTC, and has just asked Congress for $25 billion in loss funds, just spent over $85,000 for artwork for its new offices, including individual prints purchased for over $2,000. For example, the FDIC paid $2,130 for a print entitled "Olan Panel I," which includes $630 for framing.

Mr. Speaker, who is really being framed here? Failed financial institutions are not the only drain on taxpayer funds. The FDIC should use its remaining cash protecting depositors, not buying expensive art.

UNEMPLOYMENT INSURANCE

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, the Republican recession has put nearly 9 million Americans out of work. Fully 7 percent of our people have no job. They need our help.

Yet, today the Republicans say no. They say we cannot afford a few extra weeks of unemployment benefits. They say we cannot afford to keep millions of families in their homes, to keep food on their tables, while they look for work. They say it will break the budget.

Who are they trying to kid? Today there should be $8 billion in the fund set aside for the kind of unemployment emergency the country faces today—$8 billion to provide a little security for working men and women. But it is gone. It has been spent on things like star wars and defending foreign powers—in short, on everything but what it was intended for. How can the Republicans, after encouraging this misspending of unemployment benefit funds, look American workers in the eye and tell them tough luck? They would make working families pay for their own mistakes.

And how is it that President Bush can find tens of billions of dollars to defend Kuwait, protected the Kurds, and rescue Bangladesh flood victims—but when American workers ask for a little help, they are told the well is dry. Apparently, The Republicans do not think our people matter as much as people in far off lands. The Democrats do, and that is why they are standing up for unemployed workers today.

A MARSHALL PLAN FOR AMERICA

(Mr. THORNTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THORNTON. Mr. Speaker, all over America people are joining the call for a Marshall plan for America—comprehensive and interrelated strategies for education, economic competitiveness, better jobs, and investment in the future.

Some of us have been meeting regularly for many months to outline a process for accomplishing these objectives, and many Members of Congress will be scheduling town meetings during August to discuss this concept and to get public input.

Already many groups and individuals are joining the call for a Marshall plan for America: Robert Reich's recent oped in the New York Times calls for such a process and the National Urban League has just released an outline of suggestions for such an approach. Strobe Talbott in a recent editorial in Time magazine cites William Hyland, editor of Foreign Affairs as calling for a Marshall plan "to put our house in order."

In Congress we have made a good beginning by pulling together some of the best minds in America to advise us. The task is so large that all who are interested are needed and welcome to help and participate.

A number of meetings will be scheduled this fall to address this challenging opportunity. We have an important task to accomplish, but the people of America are equal to the occasion.

□ 1030

A KNOCK ON THE NUCLEAR DOOR

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, one of the news magazines, the weekly news magazines, this week has a cover story: "Was It Worth It?" It is about the American and allied coalition struggle to free Kuwait.

At this moment over in the Rayburn Office Building in one of our meeting rooms there is going to be an all morning session where people have come from Kuwait at the behest of those of us who were on the first trip back into Kuwait after its liberation to carefully explain to the world and to our fellow Americans the level of Nazi and Stalinist type atrocities that were perpetrated on the Kuwait people.

Of course the answer is that it was worth it, but, when we still see Saddam Hussein in power, yes, it gives us pause that someone who was properly compared to an emerging Hitler in the mid-1930's can still be there. It is disconcerting, but the clock is ticking, and his days are numbered.

Meanwhile, up in the northwest corner of the Pacific, North Korea is doing the exact same thing that Saddam Hussein has done, driving to develop weapons of mass destruction.

I recommend for my colleagues' reading, terrifying night reading, the April 29 issue of U.S. News & World Report, and read the story "A Knock on the Nuclear Door." It is the horrifying story of Kim II Sung's drive to have a nuclear weapon, a bomb, before the mid-1990's.

WHAT ABOUT US?

(Mr. ESPY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ESPY. Mr. Speaker, the contradictions in this place are very apparent, and in over half of our country's counties we are experiencing some sort of agricultural disaster. But while our farmers are struggling to recover, the Bush administration is opposing domestic disaster provisions unless offsets are provided.

On the other hand, Mr. Bush has agreed to send $1.14 billion in response to international emergencies, all exempt from budgetary caps. We have recently sent $725,000 to the Philippines for volcano destruction. OK. But what about the flooding in America's Southeast? We recently sent $298,000 to Costa Rica and Panama because of their earthquake. OK. But what about the drought in Montana? We recently sent $20 million to Bangladesh because of their typhoon. OK. But what about the freeze in Florida?

Mr. Speaker, I strongly believe that we need to remain responsible neighbors, however, Mr. Speaker, we also need to take care of our own. So, to the administration today we need to ask the question. What about us? These domestic disasters are national emergencies.

BOAT USER FEE: MURPHY'S LAW IN CONGRESS

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, we have heard about Murphy's most famous law—things that can go wrong, will go wrong. If Murphy were to devise a law for this Congress, it would go something like this: The more terrible the legislation we pass, the harder it is to repeal.

Today the clock starts ticking for the Nation's 4.1 million recreational boaters who were ambushed in the dead of the night last fall during the new infamous budget deal. Starting today, these citizens will have to pony up anywhere from $25 to $100 for a boat decal—a fee they pay for nothing more than a sticky slip of paper and the dubious privilege of shouldering an extra burden in reducing the Federal budget deficit. Mr. Speaker, just 2 weeks ago, 412 Members of this body voted in favor of repeal—and the Senate is on its way toward the same overwhelming conclusion. Clearly this is a law that should never have been allowed to make it into our law books—Now, as millions of boaters scramble to try to comply—and as the Coast Guard tries on its new hat as a branch of the IRS—do we not think it is time we put a stop to this craziness, wipe this tax off the books and get back to the job of fairly and rationally cutting our budget deficit?

AMERICAN MEDIA TAKEOVER BY FOREIGN INTEREST

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, Paul Harvey recently broadcast some chilling news that "the Federal Communication Commission is willing to consider allowing foreigners to buy American television and radio stations." He also stated that "publisher Eric Rhoads of the respected media journal the Pulse of Radio says Hollywood companies now owned or controlled by Japanese are being told to rewrite scripts to include subtle changes to include certain political views and cultural favoritism."

Our airwaves are considered as part of our national security for us. Charles Paul Freund eloquently wrote in the Washington Post about television providing America's common cultural glue, but the Harvey reports shows we are given the ability for cultural glue to foreigners. We passed the Communications Act of 1934 to prohibit the ownership of media by foreign interests to prevent propaganda in a time of war. Now we are laying out the welcome mat by selling Columbia to Sony and MCA to Matsushita. Paul Harvey calls this a sneak attack through our television sets. What we need is a good Paul Revere to alert the public and wake up our policymakers to the danger of America.

TRIBUTE TO MEMBERS OF STAFF OF SUBCOMMITTEE ON ENERGY AND WATER DEVELOPMENT

(Mr. BEVILL asked and was given permission to address the House for 1 minute.)

Mr. BEVILL. Mr. Speaker, as I said yesterday, we have a good staff on my subcommittee. What I neglected to say was the most important member of that staff is Lori Whipp. Without her contributions we would not be here today.

Also, I would like to thank Tim Buck of our computer operations staff for his help.

COURT DECISION PROVIDES CONSUMERS HOPE

(Mr. HASTERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTERT. Mr. Speaker, 1 week ago today, U.S. District Court Judge Harold Greene handed down a decision which could ultimately change the U.S. telecommunications landscape in a way unseen since the breakup of AT&T in 1984. His decision, allowing all U.S. companies the ability to compete in the information services marketplace subject to the completion of the appeals process, is far-reaching. American consumers, both young and old, through the sophistication of the public telephone network could, in the near future, enjoy the benefits of interactive education classes, home shopping and banking, health care monitoring, and the like, if the judge's decision is affirmed by the higher court.

Mr. Speaker, it has been 10 years since restrictions on information services offerings were made a part of the consent decree. It has been nearly 4 years since the district court first ruled on this important matter in the context of a review of the AT&T consent decree. More importantly, Congress, once again, through its oversight of the Federal Communications Commission, will be in a position to greatly influence national telecommunications policy as far as information services is concerned, if the judge's decision is upheld.

We can see the light at the end of the tunnel, Mr. Speaker. Let's us not rush to judgment with a legislative fix and interfere with the process Judge Greene has put in place. Let's not interfere and the American consumer and the Congress will be the winners.

CONFERENCE REPORT ON H.R. 2427, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1992

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. MCNULTY). The unfinished business is consideration of the amendments in disagreement on the conference report on H.R. 2427.

Pursuant to the order of the House of Tuesday, July 30, 1991, the amendments in disagreement are considered as having been read.

The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate Amendment No. 2: Page 2, line 18, strike out all after "expended" over to and including "law" in line 5 on page 6, and insert:

Provided, That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following items under General Investigations in fiscal year 1992 in the amounts specified:

Red River Waterway, Index, Arkansas, to Denison Dam, Texas, $500,000;

Chicago Shoreline, Illinois, $150,000:

Illinois Waterway Navigation Study, Illinois, $1,000,000;

Little Calumet River Basin (Cady Marsh Ditch), Indiana, $170,000;

St. Louis Harbor, Missouri and Illinois, $500,000;

Passaic River Mainstem, New Jersey, $5,400,000, of which $400,000 shall be used to initiate the General Design Memorandum for the Streambank Restoration Project, West Bank of the Passaic River, as authorized by section 101(a)(18)(B) of Public Law 101–640;

Red River Waterway, Shreveport, Louisiana, to Daingerfield, Texas, $700,000; and

La Conner, Washington, $60,000:

Provided further, That using $425,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete a reconnaissance report and initiate a feasibility phase study of the bank stabilization problems at Norco Bluffs, California, as authorized by section 116(b) of the Water Resources Development Act of 1990: *Provided further*, That with $425,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete preconstruction engineering and design for the Olcott Harbor, New York, project, including all activities necessary to ready the project for construction as authorized by Public Law 99–662: *Provided further*, That with $225,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue the reconnaissance study for Montauk Point, New York, to be derived by transfer of funds otherwise made available to conduct a study of Onondaga Lake, New York: *Provided further*, That the Secretary of the Army is authorized, in partnership with the Department of Transportation, and in coordination with other Federal agencies, including the Department of Energy, to conduct research and development associated with an advanced high speed magnetic levitation transportation system: *Provided further*, That with $120,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake a study, in cooperation with the Port of Walla Walla, Washington, of the Disposition of the current Walla Walla District headquarters: *Provided further*, That using $1,100,000 of the funds appropriated in the Energy and Water Development Appropriations Act, 1991, Public Law 101-514, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete the South Atlantic Cargo Traffic study authorized by section 116(a) of the Water Resources Development Act of 1990 at full Federal expense in accordance with existing law: *Provided further*, That with $300,000 for the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete a regional environmental reconnaissance study to identify and quantify point and nonpoint sources of pollution of Old Hickory, Percy Priest and Cheatham Lakes in Tennessee, and to complete the reconnaissance study of the nondam alternatives for the Mill Creek flood control project in Nashville, Tennessee.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 2 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

: *Provided*, That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following items under General Investigations in fiscal year 1992 in the amounts specified:

Red River Waterway, Index, Arkansas, to Denison Dam, Texas, $500,000;

Casino Beach, Illinois, $375,000;

Chicago Shoreline, Illinois, $150,000;

Illinois Waterway Navigation Study, Illinois, $2,185,000;

McCook and Thornton Reserviors, Illinois, $2,000,000;

Miami River Sediments, Florida, $200,000;

Lake George, Hobart, Indiana, $330,000;

Little Calumet River Basin (Cady Marsh Ditch), Indiana, $170,000;

St. Louis Harbor, Missouri and Illinois, $900,000;

Fort Fisher and Vicinity, North Carolina, $250,000;

Passaic River Mainstem, New Jersey, $7,150,000, of which $400,000 shall be used to initiate the General Design Memorandum for the Streambank Restoration Project, West Bank of the Passaic River, as authorized by section 101(a)(18)(B) of Public Law 101-640;

Buffalo Small Boat Harbor, New York $70,000;

Red River Waterway, Shreveport, Louisiana, to Daingerfield, Texas, $3,200,000; and

La Conner, Washington, $60,000:

Provided further, That using $425,000 of the funds appropriated herein, the Secretary of the Army acting through the Chief of Engineers, is directed to complete a reconnaissance report and initiate a feasibility phase study of the bank stabilization problems at Norco Bluffs, California, as authorized by section 116(b) of the Water Resources Development Act of 1990: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete preconstruction engineering and design of the Miami River, Florida, sediments project, to include the full dredging of all polluted bottom sediments from the Seybold Canal and the Miami River between the mouth of the river and the salinity control structure at 36th Street, and the disposal of the polluted sediments in an environmentally sound manner, in compliance with Public Law 99-662, using funds appropriated for that purpose in this Act and the Energy and Water Development Appropriations Act, 1991, Public Law 101-514: *Provided further*, That using $200,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake the development of a comprehensive waterfront plan for the White River in central Indianapolis, Indiana: *Provided further*, That with $425,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete preconstruction engineering and design for the Olcott Harbor, New York, project, including all activities necessary to ready the project for construction as authorized by Public Law 99-622: *Provided further*, That with $700,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to create, in cooperation with the National Park Service and other agencies as appropriate, a comprehensive river corridor greenway plan for the Lackawanna River Basin, Pennsylvania: *Providced further*, That with $120,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake a study, in cooperation with the Port of Walla Walla, Washington, of the disposition of the current Walla Walla District headquarters: *Provided further*, That using $1,100,000 of the funds appropriated in the Energy and Water Development Appropriations Act, 1991, Public Law 101-514, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete the South Atlantic Cargo Traffic study authorized by section 116(a) of the Water Resources Development Act of 1990 at full Federal expense in accordance with existing law: *Provided further*, That the Secretary of the Army is authorized, in partnership with the Department of Transportation, and in coordination with other Federal agencies, including the Department of Energy, to conduct research and development associated with an advanced high speed magnetic levitation transportation system during fiscal year 1992: *Provided further*, That with $300,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete a regional environmental reconnaissance study to identify and quantify point and nonpoint sources of pollution of Old Hickory, Percy Priest and Cheatham Lakes in Tennessee, and to complete a reconnaissance study of the nondam alternatives for the Mill Creek flood control project in Nashville, Tennessee.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agree to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate Amendment No. 4: Page 6, line 5, after "law" insert: ": *Provided further*, That the Secretary of the Army is directed to use $450,000 of available funds to initiate a reconnaissance level study of proposed dams and related riverfront development to be located along the North Canadian River in Oklahoma".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 4, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

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The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 7: Page 6, line 5, after "law" insert: ": *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers is directed to use $1,000,000 appropriated herein to carry out the purposes of section 401 of Public Law 101-596".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert: "$500,000".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 8: Page 6, line 15, strike out "$1,191,310,000 and insert: "$1,203,760,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will read.

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: "$1,160,461,000".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. WALKER. Mr. Speaker, reserving the right to object, these are, of course, a series of amendments in disagreement where it would have been possible at my count that if we really wanted to get down to all of the things to be done, we could have probably gotten about 200 votes on these amendments in disagreement.

There are about 52 votes that were available to us and probably closer to 200, if we really wanted to stretch it.

The fact is that in the last few minutes, the minority side has been informed that indeed there will be a vote, separate vote on the motion to recommit on the gas tax, and that indeed we will have the 3 days that we are guaranteed under the rules to file views on the unemployment compensation bill, which were the two things that we thought were the violations of the rules that were about to take place.

With that in mind, there is no need to continue the House in a pattern of voting and so there will not be votes requested, 52 or 200.

Mr. MYERS of Indiana. Mr. Speaker, certainly the committee appreciates what the gentleman is doing here and I am greatful for the House too. If it had come up last night, as it could have, there would have been a series of votes inconveniencing a lot of Members. So we do appreciate the fact that both of the leaderships of the House are willing to compromise.

Mr. WALKER. Those of us who were engaged in the activities yesterday apologize to the Hosue for inconvenience to the personal Members' schedules. There is a need to maintain some semblance of rule of law in the House of Representatives, and probably the best thing was that we did break last night. We were able to take the evening and go through this, and today the gentleman's amendments in disagreement can be moved through here without votes and the House can proceed under the normal course and schedule and with full applicability of the rule of law.

Mr. MYERS of Indiana. Mr. Speaker, of course we could have continued last night and had all those periods of votes, which I presume we probably would have had well into the night. It has worked out the way we hoped it would.

Mr. WALKER. Mr. Speaker, I think it worked out well, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 9: Page 6, line 18, strike out all after "pended" over to and including "amended" in line 4 on page 12, and insert:

Provided, That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following projects in fiscal year 1992 in the amounts specified:

Red River Emergency Bank Protection, Arkansas and Louisiana, $7,300,000;

O'Hare Reservoir, Illinois, $4,00,000;

Kissimmee River, Florida, $2,000,000;

Red River Below Denison Dam, Louisiana, Arkansas, and Texas, $2,300,000;

New York Harbor Collection and Removal of Drift, New York and New Jersey, $2,500,000:

Provided further, That with $20,500,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue the work for the levees/floodwalls and to undertake other structural and nonstructural work associated with the Barbourville, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367 and to continue to work for the river diversion tunnels and to undertake other structural and nonstructural work associated with the Harlan, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367: *Provided further*, That with $9,000,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue floodwall construction at Matewan, West Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367: *Provided further*, That with $17,000,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue construction of the lower Mingo County, West Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367: *Provided further*, That with $1,110,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete specific project reports for McDowell County, West Virginia, Hatfield Bottom, West Virginia, Upper Mingo County, West Virginia, Wayne County, West Virginia, Tug Fork Tributaries, West Virginia, Upper Tug Fork, West Virginia, and Pike County, Kentucky: *Provided further*, That no fully allocated funding policy shall apply to construction of the Matewan, West Virgiia, Lower Mingo County, West Virginia; specific projects reports for McDowell County, West Virginia, Upper Mingo County, West Virginia, Wayne County, West Virginia, Tug Fork Tributies, West Virginia, Hatfield Bottom, West Virginia, Upper Tug Fork, West Virginia, and Pike County, Kentucky; and construction of Barbourville, Kentucky, and Harlan, Kentucky, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project: *Provided further*, That using $40,500,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue to prosecute the planning, engineering, design and construction of projects under the sections 14, 103, 107, 111, 205 and 208 Continuing Authorities Programs: *Provided further*, That with $750,000 of the funds appropriated herein, or funds hereafter provided in subsequent annual appropriations Acts, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts until construction is complete in accordance with the terms and conditions of Public Law 100-202 for the Des Moines Recreational River and Greenbelt project in Iowa: *Provided further*, That $100,000 of the funds appropriated herein shall be made available to the Town of Krotz Springs, Louisiana for restoration and improvement of Bayou Latanier: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall expend $300,000 of the funds appropriated herein in fiscal year 1992 on plans and specifications, environmental documentation and hydraulic modeling to advance to the maximum extent practicable the project to restore the riverbed gradient at Mile 206 of the Sacramento River in California: *Provided further*, That with $2,500,000 appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with construction of the Fort Yates Bridge, North Dakota and South Dakota project using continuing construction contracts: *Provided further*, That using $600,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to use continuing contracts to construct hurricane and storm protection measures for Folly Beach, South Carolina, in accordance with the Charleston District Engineer's Post Authorization Change Report dated May 1991: *Provided further*, That the April 1977, contract for recreational Development at Stonewall Jackson Lake, West Virginia is amended to include such elements as proposed by the State on March 28, 1990, except a golf course: *Provided further*, That the Secretary of the Army is authorized and directed to provide $100,000, from funds herein appropriated to reimburse the Town of Grande Isle, Louisiana, for interim emergency measures constructed by the Town: *Provided further*, That within available funds, the Secretary of the Army, acting through the Chief of Engineers, is directed to study, design, and construct streambank protection measures along the bank of the Tennessee River adjacent to the Sequoyah Hills Park in the City of Knoxville, Tennessee, under the authority of section 14 of Public Law 79-526: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the San Timoteo feature of the Santa Ana River Mainstem flood control project by scheduling design and construction. The Secretary is further directed to initiate and complete design and to fund and award all construction contracts necessary for completion of the San Timoteo feature. Furthermore, the Corps of Engineers is directed to use $2,000,000 of the funds appropriated herein to initiate the design: *Pro-*

vided further, That with funds heretofore, herein or hereafter appropriated, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts until construction is complete in accordance with the terms and conditions of Public Law 101–101 for the O'Hare Reservoir, Illinois project: *Provided further*, That with funds appropriated herein and hereafter for the Lake Pontchartrain and Vicinity, Louisiana Hurricane Protection project, the Secretary of the Army is authorized and directed to provide parallel hurricane protection along the entire lengths of the Orleans Avenue and London Avenue Outfall Canals by raising levees and improving flood protection works along and parallel to the entire lengths of the outfall canals and other pertinent work necessary to complete an entire parallel protection system, to be cost shared as an authorized project feature, the Federal cost participation in which shall be 70 percent of the total cost of the entire parallel protection system, and the local cost participation in which shall be 30 percent of the total cost of such entire parallel protection system.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

Provided, That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following projects in fiscal year 1992 in the amounts specified:

Red River Emergency Bank Protection, Arkansas and Louisiana, $7,300,000;

O'Hare Reservoir, Illinois, $4,000,000;

Kissimmee River, Florida, $5,000,000;

Red River Below Denison Dam, Louisiana, Arkansas, and Texas, $2,300,000;

New York Harbor Collection and Removal of Drift, New York and New Jersey, $2,500,000; and

Red River Basin Chloride Control, Texas and Oklahoma, $3,000,000;

Provided further, That with $20,500,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue the work for the levees/floodwalls and to undertake other structural and nonstructural work associated with the Barbourville, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96–367 and to continue the work for the river diversion tunnels and to undertake other structural and nonstructural work associated with the Harlan, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96–367: *Provided further*, That with $9,000,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue floodwall construction at the Matewan, West Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96–367: *Provided further*, That with $17,000,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue construction of the Lower Mingo County, West Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96–367: *Provided further*, That with $2,437,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete specific project reports for McDowell County, West Virginia, Hatfield Bottom, West Virginia, Upper Mingo County, West Virginia, Wayne County, West Virginia, Tug Fork Tributaries, West Virginia, Upper Tug Fork, West Virginia, Pike County, Kentucky, Middlesboro, Kentucky, Clover Fork, Kentucky, and Upper Cumberland River Basin, Kentucky: *Provided further*, That no fully allocated funding policy shall apply to construction of the Matewan, West Virginia, Lower Mingo County, West Virginia; specific project reports for McDowell County, West Virginia, Upper Mingo County, West Virginia, Wayne County, West Virginia, Tug Fork Tributaries, West Virginia, Hatfield Bottom, West Virginia, Upper Tug Fork, West Virginia, Pike County, Kentucky, Middlesboro, Kentucky, Clover Fork, Kentucky, and Upper Cumberland River Basin, Kentucky; and construction of Barbourville, Kentucky, and Harlan, Kentucky, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project: *Provided further*, That using $43,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue to prosecute the planning, engineering, design and construction of projects under the sections 14, 103, 107, 111, 205, and 208 Continuing Authorities Programs: *Provided further*, That using $600,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue construction of the Salyersville cut-through as authorized by Public Law 99–662, section 401(e)(1), in accordance with the Special Project Report for Salyersville, Kentucky, concurred in by the Ohio River Division Engineer on or about July 26, 1989: *Provided further*, That with $750,000 of the funds appropriated herein, or funds hereafter provided in subsequent annual appropriations Acts, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts until construction is complete in accordance with the terms and conditions of Public Law 100–202 for the Des Moines Recreational River and Greenbelt project in Iowa: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall expend $300,000 of the funds appropriated herein in fiscal year 1992 on plans and specifications, environmental documentation and hydraulic modeling to advance to the maximum extent practicable the project to restore the riverbed gradient at Mile 206 of the Sacramento River in California: *Provided further*, That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the project for shoreline protection at Emeryville Point Park Marina, California, under the authority of section 103 of the River and Harbor Act of 1962, as amended, at a total estimated first cost of $1,396,000 with an estimated first Federal cost of $907,000 and an estimated first non-Federal cost of $498,000, in accordance with the plan recommended by the Division Commander in the report entitled Detailed Project Report, section 103, Shoreline Protection Project, Emeryville Point Park Marina dated November 1988. The cost sharing for this project shall be in accordance with the provisions of title I, section 103, of Public Law 99–662 for hurricane and storm damage reduction: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the San Timoteo feature of the Santa Ana River Mainstream flood control project by scheduling design and construction. The Secretary is further directed to initiate and complete design and to fund and award all construction contracts necessary for completion of the San Timoteo feature. Furthermore, the Corps of Engineers is directed to use $2,000,000 of the funds appropriated herein to initiate the design: *Provided further*, That using $1,252,000 previously appropriated for the Hansen Dam, California, project, the Secretary of the Army, acting through the Chief of Engineers, is directed to plan, design and construct a swim lake and associated recreational facilities at Hansen Dam as described in the February 1991 Hansen Dam Master Plan prepared by the United States Army Corps of Engineers Los Angeles District: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to pursue the acquisition of Mollicy Farms for environmental restoration, flood control and navigation and the completion of the Ouachita-Black Rivers navigation project in Louisiana and Arkansas in accordance with law and the revised General Design Memorandum for the project, including required cutoffs and bendway widenings in Louisiana and Arkansas. The Federal Government is authorized to advance rights-of-way acquisition funds for the cutoffs and bendway widenings at Federal expense, and the States of Louisiana and Arkansas shall have 10 years after construction begins to repay its portion of the costs: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall include as project costs in accordance with the Post Authorization Change Report, dated April 1989, as revised in January 1990, the costs for aesthetics for the Brush Creek, Kansas City, Missouri, project, which shall be shared with non-Federal interests under the provisions of section 103(a) of Public Law 99–662: *Provided further*, That with funds heretofore, herein or hereafter appropriated, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts until construction is complete in accordance with the terms and conditions of Public Law 101–101 for the O'Hare Reservoir, Illinois, and Wallisville Lake, Texas, projects: *Provided further*, That with funds appropriated herein and hereafter for the Lake Pontchartrain and Vicinity, Louisiana Hurricane Protection project, the Secretary of the Army is authorized and directed to provide parallel hurricane protection along the entire lengths of the Orleans Avenue and London Avenue Outfall Canals by raising levees and improving flood protection works along and parallel to the entire lengths of the outfall canals and other pertinent work necessary to complete an entire parallel protection system, to be cost shared as an authorized project feature, the Federal cost participation in which shall be 70 percent of the total cost of the entire parallel protection system, and the local cost participation in which shall be 30 percent of the total cost of such entire parallel protection system: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to construct project modifications for improvement of the environment, as part of the Anacostia River Flood Control and Navigation project, District of Columbia and Maryland, within Prince Georges County, Maryland, using $700,000 of the funds appropriated herein, under the authority of section 1135 of Public Law 99-662, as amended: *Provided further*, That $100,000 of the funds appropriated herein shall be made available to the Town of Krotz Springs, Louisiana, for restoration and improvement of Bayou Latanier: *Provided further*, That with $2,500,000 appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with construction of the Fort Yates Bridge, North Dakota and South Dakota, project using continuing construction contracts: *Provided further*, That using $600,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to use continuing contracts to construct hurricane and storm protection measures for Folly Beach, South Carolina, in accordance with the Charleston District Engineer's Post Authorization Change Report dated May 1991: *Provided further*, That the Secertary of the Army is authorized and directed to provide $100,000 from funds herein appropriated to reimburse the Town of Grand Isle, Louisiana, for interim emergency measures constructed by the Town: *Provided further*, That within available funds, the Secretary of the Army, acting through the Chief of Engineers, is directed to study, design, and construct streambank protection measures along the bank of the Tennessee River adjacent to the Sequoyah Hills Park in the City of Knoxville, Tennessee, under the authority of section 14 of Public Law 79-526: *Provided further*, That the April 1977 contract for Recreational Development at Stonewall Jackson Lake, West Virginia, is amended to include such elements as proposed by the State on March 28, 1990, except a golf course; and, in addition, $123,681,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project, and the Secretary of the Army is directed to complete the actions necessary to award continuing contracts, which are not to be considered fully funded, and to award such contracts for the second phase construction for Locks and Dams 4 and 5 during the first quarter of fiscal year 1992; to continue construction of the McDade, Moss, Elm Grove, and Cecile Revetments in Pool 5 which were previously directed to be initiated in fiscal year 1991; to award continuing contracts in fiscal year 1992 for construction of the following features of the Red River Waterway Pool 4 and 5 which are not to be considered fully funded: Caroll Capout, Cupples Capout, Sunny Point Revetment and Dikes, Curtis Revetment, and Eagle Bend Revetment; and to continue land acquisition in the vicinity of Stumpy Lake/Swan Lake/Loggy Bayou Wildlife Management area to insure acquisition of manageable units and to develop such lands to maximize benefits for mitigation of fish and wildlife losses; and to initiate planning and acquisition of mitigation lands in the Bayou Bodcau area for the mitigation of fish and wildlife losses all as authorized by laws.

Mr. BEVILL (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

Mr. MYERS of Indiana. Mr. Speaker, reserving the right to object, I ordinarily at this point would ask it to be considered as read. One of our colleagues has notified us he does have an amendment he wants to offer at this point. He is on his way here, so if the Clerk will continue to read, we will comply with the comity here in the House.

The SPEAKER pro tempore. The Clerk will read.

The Clerk continued the reading of the motion.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

Mr. BURTON of Indiana. Mr. Speaker, reserving the right to object, yesterday I took the floor and mentioned that there were in amendments 8, 9, and 10, 11 water projects that were added in the Senate, totaling $27 million. This was not approved by the House of Representatives or the committee in question in the House, and it was added by the Senate. And with a $350 to $400 billion deficit staring us in the face this year, it seems singularly inappropriate that we start adding what many consider to be pork barrel projects to this bill.

I understand on the other side in the Senate they indicated that they had more money to spend for water projects and that is why they put this $27 million 11-project package together. The fact of the matter is that seems amusing to me.

How can they say they have this extra money when we are facing, as I said before, a $350 to $400 billion deficit?

We should be trying to figure out ways to cut spending instead of to spend more money. So I would just say that on this amendment No. 8, I object to it because it involves additional projects that I think are not necessary at this time and they should not be considered priority items. So I do object.

The SPEAKER pro tempore (Mr. MCNULTY). The Chair would advise the gentleman that amendment No. 8 has been disposed of. We are on amendment No. 9.

Mr. BURTON of Indiana. Mr. Speaker, I just want time for debate, then, on amendment No. 9.

The SPEAKER pro tempore. The gentleman will restate his position.

Mr. BURTON of Indiana. Mr. Speaker, I just wanted time to debate the amendment in question.

The SPEAKER pro tempore. Does the gentleman withdraw his reservation of objection to dispensing with the reading?

Mr. BURTON of Indiana. Mr. Speaker, I do withdraw my reservation of objection, but I want to recede from the amendment. I want to divide the question.

The SPEAKER pro tempore. Do any Members wish to debate the motion on amendment No. 9?

Mr. BURTON of Indiana. Mr. Speaker, I do.

The SPEAKER pro tempore. Is the gentleman opposed to the motion?

Mr. BURTON of Indiana. Mr. Speaker, I am.

The SPEAKER pro tempore. Is the gentleman from Indiana [Mr. MYERS] opposed to the motion?

Mr. MYERS of Indiana. Mr. Speaker, no, I am not.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama [Mr. BEVILL] that the motion be considered as read and printed in the RECORD?

There was no objection.

The SPEAKER pro tempore. The Chair will allocate 20 minutes to each of the three Members, the gentleman from Indiana [Mr. BURTON], the gentleman from Indiana [Mr. MYERS], and the gentleman from Alabama [Mr. BEVILL].

The Chair recognizes the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for the past probably couple of months, I and my staff have made it a top priority to try to find what we consider to be wasteful projects or pork in the spending bills that come before this body, in both the appropriation bills and the authorization bills.

We have found projects such as a $700 million project for the shipyards in Pennsylvania on the U.S.S. *Kennedy* that the Defense Department did not want. We found numerous projects like that that were considered to be pork barrel projects to help specific congressional districts.

Today, Mr. Speaker, in amendments Nos. 8, 9, and 10, we found $27 million, as I stated before, that were not authorized or appropriated by the House committees. It was put in in the Senate.

I think it is pure and simple projects that are not high priority, at least not according to our House committees. These are projects that many would consider to be pork barrel projects, at least some of them.

For that reason, Mr. Speaker, I think that we should not support the position that has been taken by the Senate and should reject that.

Mr. Speaker, I reserve the balance of my time.

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Mr. BEVILL. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. FAZIO], the distinguished ranking member of this panel.

Mr. FAZIO. Mr. Speaker, I appreciate the gentleman yielding me this time. I will not belabor the issue.

Mr. Speaker, I would, first of all, to stipulate that I have no direct interest in any of these projects. I do want to say to the gentleman from Indiana [Mr. BURTON] that the House took a very, very conservative, tight-fisted approach, to financing our bill when it was before this body. We made it very clear that we had no new starts in this bill. There were no new construction projects in the budget of the Corps of Engineers, the Bureau of Reclamation, or any of the agencies that develop water for this country.

However, the Senate felt differently. It did add a number of projects, which I want to point out are authorized projects. These are not unauthorized projects. But they had not been funded by the House for construction starts.

What the Senate did was force the House in conference to confront the differences between the two bodies in their approach, as we normally would, in order to reach some agreement that we could bring back to both the Senate and the House floor. We were forced to compromise, and in doing so, we did accept a number of projects, I believe a total of 11, which do reflect the decision to begin construction on a number of needed projects.

Mr. Speaker, I think to use the term "pork barrel" is the sort of a pejorative term which we always seem to apply to projects that are not in our districts, and are obviously line items, whether in authorization bills or appropriation bills.

As I understand it, the two that the gentleman has zeroed in on at this point, Fort Yates Bridge in North Dakota and Folly Beach in South Carolina, are perhaps typical of the kind of projects that we normally fund when we have adequate resources.

Of course, our bill has been beset by the need to fund the superconducting super collider and a number of other projects, including the cleanup of the Department of Energy's nuclear weapons facilities.

So we have had a tight budget year. But I think these projects are all reasonable. I know that the gentleman would have on a number of others.

I have looked at these projects very carefully. I think they are all reasonable. I think in fact, about half of them are in Republican Members' districts. I see the gentleman from South Carolina [Mr. RAVENEL] is here. He is very concerned about Folly Beach. I see my friend, the gentleman from California [Mr. PACKARD], very concerned about Oceanside Harbor. I see the gentleman from Louisiana [Mr. LIVINGSTON] is here, because of a very important project in his area, which affects the gentleman from Louisiana [Mr McCRERY] as well as Mr. LIVINGSTON.

Mr. Speaker, this is not in any sense a partisan issue. This is simply a matter of the House doing its best to reach agreement with the Senate, and, at the same time, accommodating a number of Members on both sides of the aisle with very legitimate projects that had not been included when we brought the House the bill that the Subcommittee on Energy and Water had developed on its own. I do not believe there is any violation of comity or partisanship. In fact, I think all of these can stand on their own.

If the gentleman from Indiana [Mr. BURTON] wants to consume the next 40 minutes, I am sure we have many Members who will explain in detail the value of these projects to their constituents.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. FAZIO. I would be happy to yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, the reason I would like for the gentleman to yield is I may have missed part of the gentleman's debate, because we were talking about some other things over here pertaining to getting a vote.

Mr. Speaker, could the gentleman from California [Mr. FAZIO] explain briefly to me why the House committee did not put these projects in their bill when they sent it over to the Senate?

Mr. FAZIO. Mr. Speaker, reclaiming my time, I think the House decided we simply did not have the funds. We had many Members who wanted us to begin construction projects, and we did not feel it would be appropriate, given the restricted dollars that we had, to begin to open up this subject.

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman would yield further, what the gentleman is saying then is this was not considered a top priority by the House at the time that this bill was sent to the Senate?

Mr. FAZIO. Mr. Speaker, reclaiming my time, I think we felt they were all priorities. We simply did not at that point believe we had room. The Senate obviously took a different approach. They had far more money allocated to the Subcommittee on Energy and Water.

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Speaker, I would say to our friend from Indiana [Mr. BURTON], that all of this occurred after the House acted on this bill. We did not put any Corps of Engineers new starts in the bill, although the President requested funds for four that he wanted. There were many good projects that we could not fund. They were approved by the Corps of Engineers and the Corps of Engineers recommended we start them, but we did not have the money.

When the bill went to the Senate, our Senate counterparts were allocated $290 million above the House allocation for domestic programs.

The Senate added the President's projects and all these critical projects that we knew were needed, but could not accommodate because we did not have the money. These are good projects. There is no question about them. We are within our 602(b) allocation.

Mr. Speaker, this answers the question of the gentleman from Indiana [Mr. BURTON] as to why we did not include these projects when the bill was considered in the House. We did not have the allocation. Our revised 602(b) allocation allows us to provide for these projects now.

Mr. FAZIO. Mr. Speaker, reclaiming my time, I want to reiterate what the chairman said. This bill is under the 602(b) outlay level, is under the budget authority level. We found the room we needed to make available the funds for these projects. They are not only authorized, but they are fully funded to the degree that we have stayed within our budget limit.

Mr. Speaker, I do believe that there is not one project in here that deserves the negative description of pork barrel project.

Mr. MYERS of Indiana. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], a member of the Committee on Appropriations.

Mr. LIVINGSTON. Mr. Speaker, I thank my friend from Indiana for yielding.

Mr. Speaker, I am a little bit concerned with the motion of the gentleman from Indiana [Mr. BURTON]. I do rise in support of the chairman's motion to recede and concur on amendment No. 9.

Mr. Speaker, we are speaking specifically about amendment No. 9. I know the gentleman from Indiana [Mr. BURTON] is very concerned about 11 projects which total about $27 million, which is not an inconsequential sum. These projects are included in amendments 8, 9, and 10.

The problem is, if the gentleman prevails, for example, on amendment No. 9, he is not only tackling 2 of those 11, he will also be killing many other worthy projects, one of which happens to be a flood control project in the city of New Orleans. If this project is not built, a lot of low-income areas will be affected. Moreover, if New Orleans ever gets that devastating hurricane that has always been projected, thousands of people may be flooded out of their homes or even drown.

Mr. Speaker, I think that unless this question is divided, we get ourselves into a terribly difficult problem of overkill.

I would point out that the sole basis for the gentleman from Indiana's [Mr. BURTON] opposition is the fact that the 11 projects which he is concerned about were not included in the administration's budget. Most of them, though, have actually gone through the long approval process of the Army Corps of Engineers and have received favorable reports from the Chief of the Corps of Engineers, and, I might add, have all been authorized. They were tagged in by the Senate and included in this bill. They were not included by the House, but the projects were only classified as new starts because we are funding the construction phase of most of them for the first time.

Mr. Speaker, I am not sure that with the given procedure, that this is the proper way to attack these projects, even if they were unworthy. I have to say it is my understanding that since they are authorized and most of them have gone through the process of the Corps of Engineers, and because the bill in its current form is within the 602(b) allocation, and we are not over the budget, frankly, we should support the motion to recede and concur.

Mr. Speaker, I would urge that the motion of the gentleman from Alabama [Mr. BEVILL] to recede and concur on amendments No. 9, and No. 10 as well, be sustained.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself 3 minutes and 15 seconds.

Mr. Speaker, I would just like to say to the gentleman from Louisiana [Mr. LIVINGSTON], we most certainly are not going after the project to which he alluded that deals with flood control and might help low-income people in a hurricane area. I am going after in amendment No. 9 two projects that were not approved by the House of Representatives or the committee in question in the House of Representatives. These were added in the Senate.

Mr. Speaker, I understand everyone who is coming to the floor and saying, "You know, these are priority projects." But they were not priority projects when this bill left the House. They were added by the Senate.

Only when the Senate said they found money for these projects were they put back in the bill. The problem I have with it is that we are facing the largest deficit in the history of the United States of America. It is $350 to $400 billion. When somebody says they found money for projects that were not authorized or appropriated for in the House of Representatives, it kind of amuses me. Where are you finding this extra $27 million for these 11 projects that were not authorized or appropriated for by the House of Representatives?

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What you are doing is saying we found $27 million that we can add to the deficit, that we can add to the debt. That is the fact of the matter. And what we should be doing in this House of Representatives and in the Senate is, instead of finding ways to spend money, we should be trying to find ways to save money.

If we were a private enterprise or business in this country, and we were in the hole, in the red, we would not be trying to find ways to pay for new projects, new cars for our employees, and so forth. We would be trying to find ways to cut spending to make sure that our business remained in the black so we would not go bankrupt.

The fact of the matter is last year we had the largest tax increase in U.S. history, and this year we are going to have the largest deficit in U.S. history, and we are not doing a darn thing about it. Every time a bill goes to the other body they add something to it, it comes back, and we approve it. I think this is a trend in the wrong direction.

Many of these projects may not be considered pork barrel projects, like the gentleman from Louisiana said. Many of them are worthwhile. But the fact of the matter is we have to prioritize around here and get our budget in balance. We cannot continue to dig ourselves deeper and deeper into this hole.

Mr. MYERS of Indiana. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of H.R. 2427 and wish to express my special support for the conferees' agreement on the general construction account of the Army Corps of Engineers.

In 1990, the Board of Engineers for Rivers and Harbors recommended approval of navigation improvements for Oceanside Harbor, CA. Specifically, the approved plan would extend and deepen the harbor entrance channel, extend the north breakwater of the harbor, and place a stub groin on the inside of the south jetty. These modifications will assist in reducing hazardous navigation entrance conditions and wave damages in the inner harbor. Although the House Commission on Appropriations could not recommend funding for this project because of a commitment to start no new projects in 1992, I am pleased that conferees were able to free up $3.1 million for it.

Mr. Speaker, the Oceanside Harbor project is responsibly planned. The corps estimates its cost-benefit ratio to be 1.5—it has concluded that the storm damage and navigation conditions warrant Federal involvement. All engineering and design work on it is almost complete. The Oceanside Harbor District has committed to provide $1.7 million toward this endeavor.

Furthermore, the project cannot be called wasteful—these improvements will protect life and property. There have been 164 boating accidents resulting in 56 serious injuries and 13 deaths because of design deficiences of the harbor. Equally important, the harbor serves the military needs of the Nation as the homeport for a U.S. Coast Guard cutter and a common entrance for Marine and Navy traffic from Camp Pendleton Marine Corps Base.

I understand the concern of some of my colleagues about starting new projects in these tight fiscal times, but the benefits of the harbor improvements are too clear to ignore. I support Senate amendment No. 8 and oppose the amendment to strike.

Mr. MYERS of Indiana. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Speaker, I would like to thank my colleague for yielding time to me.

Mr. Speaker, I rise in support of the chairman's motion to concur and recede. I think the point the gentleman from Indiana makes is valid in one respect, and that is that we need to prioritize in order to spend our money wisely.

But I would like to tell you, Mr. Speaker, and my colleagues here, why I think the committee has done a good job of prioritizing by citing just one example, and that is the funding for new construction of the Holbrook levee in my district in Arizona.

The first think I would like to say is that we are talking about the grand sum of $100,000. Now $100,000 may not seem like a lot of money, but in the case of the people of Holbrook, AZ, it means all of the difference in the world because we have a problem there. The administration has supported the funding for the design and planning of the project. Funds have been authorized and appropriated for the design of the project. But until it actually begins construction, the local authorities do not have the ability to buy the property that is necessary for the relocation of the people who need to be relocated as a part of the project.

To cite just one example, Mr. and Mrs. Victor Alcorn, who have a business called Jack's Place, which is a gas station and convenience market, are located at 614 South Apache in Holbrook, where a bridge has been built right next to them, rerouting the traffic around their business. Nobody is coming in for business anymore, and they are stuck. They are going broke. The have no relief, and until the county comes in and buys their property, all they can do is continue to suffer losses. But the county cannot come in and buy the property because it cannot sign a cooperative agreement with the Federal Government yet. Why? Because no money has been authorized or appropriated for construction.

So what we said is give us some amount of money, $10, $100,000, whatever is the appropriate amount for the government to actually begin construction so that the Corps of Engineers can then make an agreement with the county so that the county can buy the property and Mr. and Mrs. Alcorn can move and will not go bankrupt. Otherwise it would be 1993 at the earliest before the county would be able to sign the agreement with the Federal Government, appropriate the money, and actually acquire their property.

I think this is a good example of a priority, of something that ought to happen now. And this $100,000 is very, very important to the people of that region.

The Holbrook levee is an authorized project. It is needed to provide flood protection to 658 residences and 196 commercial, industrial, and public establishments in the Holbrook area to provide protection against flooding which would exceed $31.9 million, according to corps estimates.

As I said, Mr. Speaker, essentially this $100,000 is simply an advance on the construction which is certain to be authorized and appropriated for next year. In effect it is $100,000 that will be spent this coming year rather than the following year. So it is not a net increase in funds at all. It simply advances by 1 year the appropriation for those funds.

So I think it demonstrates a high priority to the people in that region, and I think amendment No. 9 ought to be defeated.

Mr. MYERS of Indiana. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina [Mr. RAVENEL].

Mr. RAVENEL. Mr. Speaker, I do not know how many of my colleagues saw the movie "Glory," but if they did not, have not seen it they ought to see it. One of the projects that the gentleman's motion or amendment would strike is the work that is being done at Folly Beach. If you recall, Folly Island was the base from which the Union forces crossed the inlet to Morris Island and made the assault on Battery Wagner, and of course that was the black, African-American regiment there that assaulted the Battery Wagner and was repulsed with great loss of life, a tragic, tragic thing.

Anyhow, during the 1930's certain activities of the Corps of Engineers caused Morris Island to start to erode. I was a little boy at the time and went over there with my father, and the erosion was terrific on Morris Island and caused their graves to be uncovered, and the beach was littered for years with the bones of those Confederate and Union soldiers that were killed in that unhappy circumstance.

After Morris Island eroded, Folly Beach, which is now a town, started to erode. And then, of course, with the last hurricane, Hurricane Hugo, it just got devastated.

For 13 years now there has been an ongoing study as to what to do about the erosion on the town of Folly Beach. Substantial State and local money has been involved. This amendment that has come out of the Senate, and the activities on Folly Beach has traditionally, I say to the chairman of the subcommittee, Mr. BEVILL, come out of the Senate, and we have confirmed it over here. It would permit some of this $600,000 to continue to be used to address the problems of erosion at Folly Beach. The project is ongoing. It has almost reached fruition. This is nothing new. It is something that has been going on for 13 years, and we really need to continue it.

Therefore, I am going to enthusiastically support the gentleman's motion.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, regretfully I must stand in opposition to my good friend, the gentleman from Indiana [Mr. BURTON]. There are only two of us Republicans in the Indiana delegation, and we always have to be on the opposite sides of something I am sorry to say. But in this instance I must state my disagreement because he is wrong. There seems to be a misunderstanding of just how these particular items got into our bill.

We did not include them in the House bill because we simply did not have the funds after the 602(b) allocations were made this year. The 602(b) allocations are made by the appropriations "cardinals." The chairmen of the committee got together and divided up how much money we had to spend.

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Then our subcommittee, having the allocation we received under 602(b), back 2 months ago decided we just simply could not consider any new starts. We just simply could not take care of those programs already under construction. We just did not have the money to do all of them.

So without prejudice to any of these, we simply did not even consider them. Now, after our bill passed and went to the Senate, the Senate had almost half a billion dollars more money in their allocation to the subcommittee. They put these badly needed projects in. They could have put many more in. So could we. However, we did not include them because they were not important to the country. Just simply, we did not have enough money, and we decided it would be better to finish the projects underway and allocate that money, than to start additional projects. Every one of these 11 projects, or more than 11 projects, but all of these projects that the Senate did include are authorized by law. Every one of them has a positive benefit-cost ratio.

Now, a lot of people, I think, do not understand benefit-to-cost ratio. It is nice to come to the well. The media loves to say, "Oh, it is pork barrel." Well, I recall many years ago when I first came to the Congress. The chairman of the committee and I came the same year. We heard about pork barrel, and I think somewhat I believed it. However, I learned that pork barrel is any project in someone else's district. These are programs that benefit America, open up harbors for deeper dredges, for deeper ships to come in, projects that will open up navigations so that we can compete with the rest of the world, projects that provide flood control so that farmers can produce a crop so we might eat cheaper and better than other nations in the world.

Pork barrel? Pork barrel? Name one of the projects in any other bill that has to meet a benefit-cost ratio. That means the taxpayers of the country that make an investment in our own future, our children's future, our grandchildren's future, have to get more in benefits back, more back than we pay into it. Every one of these has a positive benefit-to-cost ratio. Through the years that the chairman of the committee and I have been on the committee, we have never had a project that we have ever approved or supported that has not brought back many times more dollars than the taxpayers had to invest.

The President has asked how we would find the money. The President's budget contained five new starts, $17.9 million in new starts. The President had his budget. Now, the House and Senate had a different priority than the President. Yes, he counted room for money for projects, but Members who are closer to the President than the President or his advisers would put different projects in.

Friends, it is easy to attack another Member's project. In all due respect to my colleague from Indiana, and I am just as concerned about the deficit as each member of our subcommittee, and every member of the Committee on Appropriations is just as concerned about the deficit as any other Member, or our friend from Indiana. We also recognize that we just cannot close everything down and say that we can't afford it. Some things just simply cannot wait. We have to continue progress for our country.

That is the reason our subcommittee, in conference with the other body, agreed to these additions. Do not vote not to recede. These are good projects. They are ones that are badly needed.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I fully subscribe to everything the gentleman in the well has said.

I wanted to add that I think almost every one of these projects has a local contribution. In other words, they are cooperative projects with local governments.

Mr. MYERS of Indiana. Reclaiming my time, under the new rules established 5 years ago, as all Members know, all projects have to have local participation, as the gentleman said, local government. Some people have to put up a portion of funds.

Yes, these would have local support or we would not be able to put them in here. They all are good projects.

Mr. Speaker, I reserve the balance of my time.

Mr. BURTON of Indiana. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore [Mr. McNULTY]. The gentleman from Indiana [Mr. BURTON] has 16 minutes remaining, the gentleman from Indiana [Mr. MYERS] has 3 minutes remaining, and the gentleman from Alabama [Mr. BEVILL] has 14 minutes remaining.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself 7 minutes.

First of all, I want to say that I have the highest respect for my colleague from Indiana [Mr. MYERS]. He is the dean of our delegation. Our delegation only consists of two Members on the Republican side of the aisle, so that is not too big of a delegation. It has shrunk a little bit in the last few years. I respect the gentleman, and I look to him for leadership on many, many issues.

Here our paths diverge, and I would like to tell Members why. First of all, my colleague said that in this particular case that I am wrong. I disagree with that, and I disagree strongly.

These projects that we are debating right now were not priority items when this bill left the House. Twenty-seven million dollars, 11 projects. They may be important projects, but they were not considered priority items when this bill left the House.

Now, when this bill left the House, it was $344 million lighter than it is today. When it came back from conference committee, and the bill we have before Members is $344 million heavier than it was when it left here and went to the Senate. Now, everything in this bill, I understand, is a priority item, and it is very important, but when it left this House it was $344 million less expensive to the taxpayer.

I want to go back and say that when my colleague from Indiana said a few minutes ago that projects that are going to help agriculture are going to help dredge out an area so ships can get in and out, will be helpful to our prosperity, to the future generations of America. I think that many of these projects are going to be helpful to the future generations of America. But what about the debt? What about the deficit?

Last year, we had the largest tax increase in history. We had a luxury tax. We had a gasoline tax. We had an airport tax. We had every tax a person can think of, added last year. It was supposed to help the United States deal with the huge deficit. This year, 1 year later, we are facing the largest deficit in U.S. history. It is $350 to $400 billion, and yet this bill, when it left the House, had $344 million less in it than it does today.

But we hear that all this stuff is extremely important. The fact of the matter is, everthing we do around here is important. Members will remember we had a child-care bill not too long ago that was going to cost, I think, $26 billion. All Members are for child care. I am for child care. However, it was a new project, a new program, an entitlement that digs the United States into debt another $26 billion. However, we passed it because it was very important. We could not do without it. Just like we cannot do without these $344 million in new projects that were added in conference.

I say to Members, how are we ever going to get control of spending, because everything is important around here. Every project in every district is important around here. So what do we do? We keep digging ourselves into a deeper and deeper hole for our kids.

Members talk about our prosperity, about future generations. I say who will pay for all this? I mean, a $3 trillion debt right now. A $350 to $400 billion deficit this year alone, and there is no hope in sight, because every year, we keep coming back here saying, "My gosh, this project is so important in this district, and so important in this district, and so important in this district." It seems to me that when we come to this place, we get vaccinated, not with something that will keep Members from spending more money, but we get vaccinated with saying, "Let's get everything we can for everybody in our district." I am not talking about every district of every Member.

So when we are talking about digging this huge hole for our kids and grandchildren, we come up with more ways to spend money. Let me give Members an example. When Ronald Reagan took office, we were bringing $500 billion into the Treasury. He had a tax cut, and my colleagues on the Democrat side of aisle said that is responsible for our deficit. That was the reason the deficit is what it is today. The fact of the matter is, during the 8 years that Ronald Reagan was in office, we increased revenues per year, double. It went from $5 billion to over $1 trillion a year.

□ 1120

So it is not that we are not bringing more money in the Treasury. We are just out of control as far as spending is concerned. I mean, we have doubled the amount of money coming into the Treasury, and yet this year, we are going to have a $350 to $400 billion deficit this 1 year.

Now, explain to me, somebody, why that is happening.

I do not want to go into a long diatribe here every time we have an appropriation bill come back from conference, but the fact of the matter is that we just keep on spending and spending and spending and there is no end in sight.

Now, if you can explain to me how an average family in this country can double their income and still have a $350 to $400 billion deficit, comparatively speaking as far as their families are concerned, and not go into bankruptcy, I would like to know about it. They cannot do it.

We are not only going further and further into debt at an ever-increasing pace, the interest alone on the debt is almost 15 percent, and some people believe in the not too distant future it is going to be 20 or 25 percent. What are you going to do then when one-fourth of every tax dollar goes just to pay the interest on the debt? That would take care of a lot of programs if we could get our appetite for spending under control.

So I apologize for going into this diatribe, but I get a little upset when I hear people come down to this well and say continually, "Oh, this project is so important, we can't live without it," or "this project is so important we can't live without it," when the fact of the matter is we have more than doubled the tax revenues and we are still going to have the largest single-year deficit in the history of this country, and last year we just had the largest tax increase, and now they are talking this week about raising the gas tax on the people who drive back and forth to work another 5 cents a gallon. Where is it all going to end?

I say to you, we as a body representing the people of this country have to get our appetite under control and we have to start prioritizing our spending. That means we cannot have every project for every congressional district in this country.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, anyone who wants to get into the Indiana show is welcome to get into it here.

Well, Mr. Speaker, I certainly support generally what my colleague, the gentleman from Indiana, is saying, but there is a big difference between reckless spending and investments in our future which will return more dollars to the taxpayer and pay more taxes.

The gentleman mentioned Ronald Reagan. I remember Ronald Reagan talking about taxation. Many times he told us a story about making two movies a year when he was acting, and then because of taxes he quit. He said not only did he not pay taxes, but the people who worked on the lot, the supporting people who did the things necessary to make the movie, did not work, either, and did not pay taxes.

This is true today. You ask, where is the money going to come from to pay for this? May I use myself as an example. In real life, back when I worked for a living, I was a farmer and a country banker. Now, last year, if I may use myself for an example, I did not pay taxes on my farm because I lost money due to a flood. A 100-acre crop in the river bottom was planted three times, three times expenses on that 100 acres, and I never harvested a bushel. Do you think I paid taxes on that? Absolutely not.

I overestimated last year about $3,700 on my taxes, those of you who have to estimate your taxes. I got back about $3,700 I would have paid in taxes.

You ask who is going to pay for it. Taxpayers like me who will save their crops, save their farms, save their businesses because we built a flood control project. They will be taxpayers instead of tax recipients.

So you just cannot close down everything and say we are not going to make an investment because we cannot afford it.

Sure, there are lots of areas where we can cut down. Maybe we can build only 2 aircraft carriers next year instead of 3, only 1,000 tanks instead of 2,000, a lot of places where we could save money if we are actually just thinking about saving money; but my colleague would not think about cutting back defense to save money, would he? It is dangerous, and it is dangerous to cut back these projects that are going to control floods, that are going to open up avenues so we can export more, the many things that these projects are going to do for America, for its future; we are going to pay for it by people paying more taxes, having more income. That is what this is.

Again I reiterate, every one of these projects that my friend would like to take out, meet a benefit cost ratio, and you will not find one project in the past that did not return to the taxpayers many times the investment. And that is true about these programs that my friend, the gentleman from Indiana, would like to take out. They are sound investments in our future. They will make a great return. They will pay for themselves many times and pay for some other things that are higher priority on my friend's list then interest in our own future, investments in us and our children.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself 6 minutes.

Mr. Speaker, this is a rare occasion for my colleague and I to take issue with each other so vehemently.

First of all, let me just set the record straight. The gentleman mentioned defense. When John F. Kennedy was President of the United States, we spent almost 15 percent of our total budget on defense. This fiscal year, the amount of money that is spent on defense, and it is going down at a rapid rate with the reduction-in-force structure and equipment we are buying, it is going to go down much below this, but this year, it is 23.2 percent, or well less than half what it was back under John F. Kennedy.

But I am not taking issue, and I want to make this very clear to all my colleagues. I realize that in this bill and in other bills coming before this body there are items of great import to this country and to many congressional Members. What I am saying is we have to prioritize and get control of our appetite for spending, and I think everybody around here really understands what I am saying and I think they agree with me. We have to prioritize.

What I am saying is when this bill left the House, there were 11 projects in it that were not in it that were added by the Senate and kept in the conference committee. Those projects totaled $27 million. What I am saying is they were not considered a priority item at that time, otherwise they would have been in the bill, and when the bill came back it had $344 million more in spending than it had when it left the House.

All I am saying is we have to get control of our appetite for spending, our appetite for new projects, and we have to prioritize around here. Otherwise we are going to dig ourselves into a hole that our children will never ever get out of, and you all knew that. The deficit this 1 year is going to be $350 to $400 billion, which is the largest in U.S. history, followed right on the heels of the greatest tax increase in history, so the tax increase has not solved the problem. It is the spending that is killing us, so we have to get control of that, and I urge my colleagues to start thinking about that.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to my colleague, the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, the gentleman is citing the fact that this has come back, as he calls it, a heavier bill than that which passed the House, which is true; but $200 million of that heavier part is in national defense in our bill. The $200 million increase is in national defense.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for that contribution.

I will add, the part I am attacking of the $27 million in projects that were not in the bill when it left the House, 11 projects that were not priority items.

Mr. BEVILL. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. PANETTA], the chairman of the Budget Committee.

Mr. PANETTA. Mr. Speaker, I thank the gentleman for yielding this time to me. I will be very brief.

Mr. Speaker, I have listened to the gentleman from Indiana try to be the apostle concerned about the deficit, and yet I also recall that when we made an effort working with the President to develop a budget reduction agreement of $500 billion, the gentleman decided to vote against that. Perhaps it was not good enough for him, but he made that decision when we had a real opportunity to do something real about getting the deficit down.

The fact is that we voted that agreement in place, not with the help of the gentleman, but with the help of Members from both sides of the aisle, including the President's help.

We also are staying within the targets established by that agreement in every appropriations bill, and that is what Members need to pay attention to.

The deficit that the gentleman mentions is not because of fiscal spending. The deficit is being added to because of a recession which is losing $60 billion to $70 billion as a result of that recession in revenues to the Federal Government and because of the S&L bailout, which is totaling almost $100 billion. Those are the two factors that are adding to the deficit, not the appropriations bills.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself an additional 2 minutes.

Mr. Speaker, last year I did vote against the tax increase, because I said to my constituents, "Read my lips, no new taxes," and I meant it. So we passed a compromise budget with a tax increase that totaled $137 billion.

Now, you ask why we have a recession. It is because every time you raise taxes, it takes buying power out of the pockets of the American people and they cannot buy cars, they cannot buy refrigerators. They cannot buy other items because they do not have that $137 billion that we took out of their pockets in new taxes.

☐ 1130

And when you cannot buy products, they do not produce products, they do not produce cars. If they do not produce cars, you start laying people off, you then end up with a recession.

The fact of the matter is any time you have a tax increase and the taxes become a large percentage of the gross national product, you go into a recession, and the reason we are in this recession is, in my opinion, because we passed that huge tax increase.

Now, the reason we have the deficit is not for lack of revenues, because, as I told the gentleman before, we have doubled the amount of revenues we received 10 years ago. Ten years ago we were getting half a trillion dollars a year, $500 billion; now we are getting about $1.1 trillion a year and we still have almost a $400 billion deficit this year.

So you cannot say that it is because we have not been bringing in revenues. We have raised the taxes last year, and I submit to you that is the reason we have the recession and we are only digging ourselves into a deeper and deeper hole by spending more and more money.

Every time we raise taxes in this place, we spend more money. In fact, since 1948—and you can check me out on this—since 1948, for every $1 in new taxes, this place has spent $1.58. And when we passed TEFRA in 1982, we were supposed to have a $1 tax increase but $3 in spending cuts. We never got the spending cuts, but we got the tax increase.

The fact of the matter is that raising taxes only increases our appetite for spending around this place. We raised $137 billion last year and dug ourselves into another $400 billion hole this year. The reason for the recession is we did not keep our word with the American people that we would not have tax increases.

Mr. PANETTA. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. I thank the gentleman for yielding.

Mr. Speaker, the gentleman votes for the spending that he thinks is necessary for this country. Make no mistake about it, you voted for spending, the kind of spending that you think is important to this country.

Mr. Speaker, let me assure you, when it comes to trying to deal with the size deficit we have, you cannot do it just on the spending side, just on the revenue side; it takes both. In the budget agreement, two-thirds came out of spending reductions and one-third came out of revenues. That was a balanced package, and the gentleman voted against that.

Mr. BURTON of Indiana. I voted against it because, if the package was so good, why do we have a $350 to $400 billion deficit this year?

Now, I voted against it also because I said I would not support a tax increase when I was running for reelection, along with a lot of you and along with our President. The fact of the matter is the compromise budget agreement last year broke that pledge to the American people and we raised taxes by $137 billion. We took that money out of their pockets, took that amount of buying power out of the private sector and put it into the Government sector, and as a result we now have a recession. That recession is not going to go away with you guys and everybody else in here voting for a 5-cent gas-tax increase this week. We are only going to cause more of a problem. The only way to get out of a recession, in my opinion, is to give the American people more buying power so they can buy more products to get the economy going and there will then be more taxpayers like the 20 million people that became employed as a result of the Reagan tax cuts during the 1980's.

The SPEAKER pro tempore (Mr. McNULTY). The time of the gentleman from Indiana [Mr. BURTON] has expired.

The Chair would advise that the gentleman from Indiana [Mr. BURTON] has 2 minutes remaining, and the gentleman from Alabama [Mr. BEVILL] has the right to close.

Does the gentleman from Indiana [Mr. BURTON] wish to use his remaining time?

Mr. BURTON of Indiana. I am tired, Mr. Speaker.

Mr. Speaker, I yield back the balance of my time.

Mr. BEVILL. Mr. Speaker, I urge everyone to support my motion.

Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on my motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BURTON of Indiana. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 338, nays 80, not voting 15, as follows:

[Roll No. 249]

YEAS—338

Abercrombie
Ackerman
Alexander
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Baker
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Boehlert
Bonior
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Byron
Callahan
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fawell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Goss
Gradison
Grandy
Gray
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Herger
Hertel
Hoagland
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Ireland
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Mavroules
Mazzoli
McCandless
McCloskey
McCrery
McCurdy
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Mfume
Michel
Miller (CA)
Miller (OH)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Orton
Owens (NY)
Owens (UT)
Packard
Pallone
Panetta
Parker
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Roe
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schulze
Schumer
Serrano
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walsh
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Young (AK)
Young (FL)

NAYS—80

Archer
Armey
Ballenger
Bilirakis
Boehner
Broomfield
Bunning
Burton
Camp
Campbell (CA)
Coble
Coleman (MO)
Cox (CA)
Crane
Cunningham
Dannemeyer
Doolittle
Dornan (CA)
Dreier
Duncan
Fields
Franks (CT)
Gekas
Gingrich
Glickman
Goodling
Hancock
Hefley
Henry
Hobson
Hunter
Hyde
Inhofe
Jacobs
Johnson (TX)
Jontz
Kasich
Klug
Levine (CA)
Lewis (FL)
McCollum
McEwen
Meyers
Miller (WA)
Moorhead
Neal (NC)
Nussle
Oxley
Patterson
Paxon
Penny
Petri
Ramstad
Riggs
Ritter
Roemer
Rohrabacher
Roth
Roukema
Santorum

Schroeder
Sensenbrenner
Sharp
Shays
Sikorski
Slattery
Slaughter (VA)
Smith (TX)
Snowe
Solomon
Stearns
Stump
Taylor (NC)
Upton
Walker
Waters
Weber
Weldon
Zeliff
Zimmer

NOT VOTING—15

Borski
Bustamante
Campbell (CO)
Clement
Fascell
Gephardt
Guarini
Hefner
Hopkins
Kaptur
Matsui
McDade
Ortiz
Vucanovich
Yatron

□ 1157

Messrs. ARCHER, ZIMMER, MILLER of Washington, JOHNSON of Texas, CUNNINGHAM, and SIKORSKI changed their vote from "yea" to "nay."

Messrs. CHANDLER, MILLER of California, and DELAY changed their vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 10: Page 12, line 4, after "amended" insert: ": *Provided further*, That with $5,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake emergency construction of aspects of the Bethel, Alaska Bank Stabilization Project as authorized by Public Law 99-662 including, but not limited to, toe protection at the petroleum dock and tank farm, steel whaler installation on pipe piles, toe protection from the West end of First Avenue to the city dock, and toe protection to Mission Road bulkhead and in other areas vulnerable to collapse: *Provided further*, That no fully allocated funding policy shall apply to construction of the Bethel, Alaska Bank Stabilization Project and to the greatest extent possible the work described herein should be compatible with the authorized project".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 10, and concur therein.

Mr. BURTON of Indiana. Mr. Speaker, I would like time to debate this issue. I rise in opposition and ask for time to debate.

□ 1200

The SPEAKER pro tempore (Mr. MCNULTY). Is the gentleman from Indiana [Mr. MYERS] opposed to the motion?

Mr. MYERS of Indiana. Mr. Speaker, I am not.

The SPEAKER pro tempore. Therefore, the Chair will recognize the gentleman from Indiana [Mr. BURTON] for 20 minutes, the gentleman from Indiana (Mr. MYERS] for 20 minutes, and the gentleman from Alabama [Mr. BEVILL] for 20 minutes.

The Chair now recognizes the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for the benefit of Members, I do not anticipate belaboring the points that were made on the previous amendment. I think the previous debate covered all of the salient points that would be important to this amendment, so I will not belabor the issue.

I will just say this is another $5 million that was added by the Senate and kept in in conference committee. I think amendment No. 10 is spending money that we simply do not have. With the huge deficit we are facing this year of $350 to $400 billion, we need to prioritize spending.

Mr. Speaker, for that reason I think this amendment should be rejected. I urge Members to take a hard look at it and vote with me on this.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this has to do with an erosion problem in Alaska, about 400 miles west of Anchorage, in a little community called Bethel. It is not new to this committee. In fact, last year we put money in for the preconstruction and planning phase. During high water this last year, the city has been threatened because of erosion on this stream. What we provide for here is a concrete riprap along the river to stop erosion, which has already done some damage to this community of Bethel.

Mr. Speaker, this project has been considered for a number of years by the committee. The very reason the committee did not include it was we had a precommittee commitment, an agreement that we would put in no new starts. This is a very high priority item as far as this committee is concerned. It was not passed over when we brought the bill to the floor in May with prejudice. It was just the fact we did not have enough money to have new starts. When new starts come, this would have been one we certainly would have put in.

Mr. Speaker, I reserve the balance of my time.

Mr. BEVILL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of my motion and urge Members to vote in favor of the motion which my good friend, the gentleman from Indiana [Mr. MYERS], the ranking member of this panel, has covered very ably.

Mr. Speaker, this is an emergency. I do not think anyone familiar with the project would question it. It is a situation that deserves immediate attention. That is why we accepted the amendment of the Senate to do this at the request of Senator STEVENS.

Mr. MYERS of Indiana. Mr. Speaker, I yield such time as he may consume to the gentleman from Alaska [Mr. YOUNG], in whose district this problem exists.

Mr. YOUNG of Alaska. Mr. Speaker, I would like to remind Members that this is a unique situation. It is an emergency. My senior Senator and myself have worked on this project over the years to try to save a village and its infrastructure, a hospital, two churches, the business community, and their water system. This is the finalization of this project, to stop the Kuskotwim River from eroding the infrastructure of the small town of Bethel.

Mr. Speaker, I will say it is also one of the priorities for the Corps of Engineers. They have supported this project over the years, as our delegation has supported the project. I am in strong support of retaining this amount, and would compliment the chairman of the committee and the ranking member in agreeing with the Senate to protect this town.

Mr. Speaker, small though it may be in many Members' eyes, it is important to my district.

Mr. Speaker, the money should be left in, this project should be completed, and my people should be saved. I again compliment the House on their action, and compliment the Senate on their action.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I would just like to ask the gentleman from the great State of Alaska [Mr. YOUNG] if this is an emergency and a priority item, why is it that it was not in the bill when it left the House?

Mr. YOUNG of Alaska. Mr. Speaker, reclaiming my time, the reason is because my Senator and I work very closely together, and we thought it would be best to put it in on the Senate side, and allow us to work the will of the House as it comes back to the House. We believe in a team effort, and this effort has been worked together many times on this specific project, and been successful.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it really hurts me to attack a project of any Member, especially on this side of the aisle. The gentleman from Alaska [Mr. YOUNG] and I are good friends and have served together for a long time.

Any time I start to talk about a project that might be worthwhile or one that might be considered a pork barrel project I am taking on, I always approach it with trepidation, because I do not want to lose a friend. But the fact of the matter is, as I said before, we have to set priorities on spending.

Mr. Speaker, it appears, and I may be incorrect, as though this was not a top priority item, because it was not in the appropriations bill when it left the

House. The total of all these projects totaled $27 million, and I think that we have to really start setting priorities around here in order to get control of our appetite for spending. Otherwise, the deficit, which is going to be $350 to $400 billion this year, will continue to escalate. It is already out of control, but it will get even worse. The legacy we are leaving our children is one that I do not think any of us will be proud of, if we do not stop it.

Mr. Speaker, I would just like to say that although I approach this particular amendment with trepidation, I shall not call for a vote on it, and will continue to carry on the fight against projects that are not really a top priority.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, during the previous vote, listening to Members come in and ask how they should vote, the issue was presented that we are going to save money. That is true, if you are looking at how much money we will spend next year, and if that is one example where we will not be spending this money if it is taken out of the bill today. But we can be penny-wise and pound-foolish if we do things like this. Because if we do not do this for this village, this town in Alaska, there will be severe damage to that town and its surroundings. There is going to be physical damage. People are going to have losses. There will be no production from that city that would ordinarily occur.

Mr. Speaker, again there is a big difference in spending here. For some reason many Members do not realize there is a difference in spending.

Mr. Speaker, I would join the gentleman from Indiana [Mr. BURTON] in voting down frivolous, unnecessary spending, or something that can wait to a future date when we get our house in better order, our financial house. But some of these things just simply cannot wait.

This river, eating away the banks of this town, Bethel, Alaska, is doing damage every flood. Some years they have lost 100 feet of bank to this river. They cannot just continue to wait.

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So some things have to be a high priority, and we just simply cannot wait. There is also a big difference in spending in this House, some of which does not have to meet a benefit-cost ratio. In fact, most of the things we appropriate, usually without much soundness, never have to meet a benefit-to-cost ratio that will return to the taxpayer more than the taxpayer invests. But this one had to meet that benefit-to-cost ratio or it would not have been considered by this committee.

The Corps of Engineers is ready to start construction. They have advised that they have the capability.

And it is an investment in our future. Things that are attempted to be taken out today are investments in this country's future, a big difference from other spending. If we do not spend it now we pay the price later, an even higher, greater price.

So our committee has very carefully selected which items we would include in this conference report, and this is a priority item as far as this committee is concerned. I think we have explained time and time again why it was not in the House version, because frankly the chairman and I sat down ahead of time before we ever considered this bill back in May and said that we would not put any new starts. The mere fact is we did not have money, but if we had the money this would have been put in. It is in today and deserves to be, it is justified and should stay in the bill.

Mr. FAZIO. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from California.

Mr. FAZIO. Mr. Speaker, first of all I want to associate myself with the gentleman's remarks and thank him for further clarifying the situation we face.

I just saw some information that I think bears on this debate. I am sure it will bear on the debate on the highway construction bill as well. Out of our total budget of well over $1 trillion, we are spending 1.2 percent on physical structure investment of all sorts, water projects in Alaska to highway projects in Florida. All across the expanse of this country we are watching our infrastructure crumble. We are investing a record low in terms of a percentage of our total budget in these kinds of activities.

So when people find areas to criticize and to cut, usually in someone else's district, I think they have to place that in the context of the fact that we are underinvesting in this country. And, of course, this is the kind of investment that directly relates to productivity increases.

So I strongly support the gentleman's remarks.

Mr. MYERS of Indiana. I thank my colleague. If we look at just how to save money, we would never have built the highway system we have today. We never would have built the subway systems or mass transit systems. We would not have built the ports in the country if we wanted to save money and if money had been the only issue.

But, fortunately, our forefathers who came before us in this Congress and elsewhere had the wisdom and courage to move forward and build what we use every day and we take for granted. These things we are talking about today are the items that our children and our grandchildren will come to thank us for. They will have flood control. They will raise crops. They will get their crops and their products to a market someplace else in the world. They will thank us for that, because we had the judgment and the courage to move forward.

Sure, this committee has to prioritize all of the time. We do prioritize. Some things are not as high, some things do not meet benefit-cost ratio. This one does, just as the others on the earlier vote did. They are investments in our future. And I was shocked looking down the list here that some people voted against their own projects. They came to our committee and they testified that they would like to have these projects, and yet they voted to take them out.

Certainly, the gentleman from Alaska knows this better than any of us, that this is needed. There are good people living in Bethel, Alaska and they know it is needed. And, many of the projects we have put in, we understand, yes, they may not be politically popular in other parts of the country, but they are certainly important for the overall welfare of our Nation and our communities.

Mr. Speaker, I reserve the balance of my time.

Mr. BURTON of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I said before, we have covered most of this ground before and I do not want to belabor the point. My colleague from Indiana makes a very good point about the things that we have done with the highway system and the subway systems around this country to help the infrastructure, the dikes and things that stop rivers things that have saved people from tragedies and disasters.

But the fact of the matter is when our forefathers did a lot of these things or started a lot of these things they did not have a $350 to $400 billion deficit staring them in the face, coming on the heels of the largest tax increase in U.S. history. So, I just would like to say that I am not specifically against any one individual Congressman or his desire for a project in his district. What I am saying is collectively we have to start prioritizing. We cannot continue to live beyond our means, especially to the degree that we have. If we do, the legacy that we will have left our children and our grand-children as far as the infrastructure is concerned will be far overshadowed by the financial obligations and the economic problems that they are going to face.

Germany at the end of World War I had hyperinflation, and that hyperinflation caused people to be able to buy virtually nothing. They would take a bushel basket full of marks to the store to try to buy bread and groceries. When we create hyperinflation because we spend way beyond our means and live beyond our means, we are not doing the current generation or future generations any favor.

So all I am saying is we have to prioritize our appetite for spending, and the projects we are talking about, I will continue to come to this floor on these appropriation conference committee reports and point out where we are adding these items that really are not of national import so far as the country is concerned. We must get control of our appetite for spending.

Mr. Speaker, I yield back the balance of my time.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself 1 minute just to respond to my friend.

He spoke about the German marks and that people had to bring bushel baskets full of marks to the market to buy groceries and other necessities.

Another good example is the Soviet Union where people have bushels of rubles, but when they get to the store there are no groceries because they do not have the means to get them there, they do not have the transportation system, they do not have the farm production to bring the products to market that need to be purchased. This is what this is all about. This is going to provide what the American people need, so when they get to the market, whatever they expect to buy in most cases will be there because we have done what was the proper thing.

Mr. Speaker, I yield back the balance of my time.

Mr. BEVILL. Mr. Speaker, I urge every Member to vote with the committee, voting "aye" on my motion.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 12: Page 13, line 19, strike out "$1,547,855,000 and insert: "$1,537,265,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment, insert the following: "$1,535,229,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 13: Page 14, line 2, strike out all after "4601)" over to and including "channel" in line 12 on page 15, and insert" ": *Provided further*, That with $4,825,000 of the funds appropriated herein, to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to modify the fish lift at the Cooper River, Charleston Harbor, South Carolina (Rediversion Project), authorized by the River and Harbor Act of 1968, Public Law 90-483, and to monitor operation of the fish lift for two years following such modifications: *Provided further:* That with $8,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed on a one-time basis, at full Federal expense, and without requirement of local sponsorship, to maintain navigation access to and berthing areas at all currently operating public and private commercial dock facilities associated with the Federal navigation project on the Columbia and Snake Rivers, from Bonneville Dam to Lewiston, Idaho, at a depth commensurate with the Federal navigation project, and that the Federal Government is exempted from any liability due to damages to public and private facilities including docks adjacent to the access channels and berthing areas resulting from this maintenance: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized to provide water releases from Broken Bow Lake for the Mountain Fork trout fishery at no expense to the State of Oklahoma and under terms and conditions acceptable to the Secretary of the Army for a time period not to exceed two years from the date of enactment of this Act".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: ": *Provided*, That not to exceed $8,000,000 shall be available for obligation for national emergency preparedness programs: *Provided further*, That $1,000,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, to continue the development of recreation facilities at Sepulveda Dam, California: *Provided further*, That using $400,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to plan and design a fifteen-acre swim lake and related recreational facilities at Hansen Dam, California: *Provided further*, That using $1,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake the one-time repair and rehabilitation of the Flint, Michigan, project in order to restore the project to original project dimensions: *Provided further*, That $40,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, to continue the project for removal of silt and aquatic growth at Sauk Lake, Minnesota: *Provided further*, That $150,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, for the development of Gateway Park at the Lower Granite Lock and Dam project: *Provided further*, That with $2,000,000 of the funds herein appropriated to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to use continuing contracts, which are not to be considered fully funded, for construction of the riverfront park at Charleston, West Virginia, in accordance with the cost sharing principles of Public Law 99-662: *Provided further*, That with $8,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed on a one-time basis, at full Federal expense, and without requirement of local sponsorship, to maintain navigation access to and berthing areas at all currently operating public and private commercial dock facilities associated with the Federal navigation project on the Columbia and Snake Rivers, from Bonneville Dam to Lewiston, Idaho, at a depth commensurate with the Federal navigation project, and the Federal Government is exempted from any liability due to damages to public and private facilities including docks adjacent to the access channels and berthing areas resulting from this maintenance: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized to provide water releases from Broken Bow Lake for the Mountain Fork trout fishery under terms and conditions acceptable to the Secretary of the Army for a time period not to exceed two years from the date of enactment of this Act: *Provided further*, That with $4,825,000 of the funds appropriated herein, to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to modify the fish lift at the Cooper River, Charleston Harbor, South Carolina (Rediversion Project), authorized by the River and Harbor Act of 1968, Public Law 90-483, and to monitor operation of the fish lift for two years following such modifications".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 14: Page 15, line 12, after "channel" insert ": *Provided further*, That using $900,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to rehabilitate recreation facilities at Wilson Lake".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following ": *Provided further*, That using $900,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to rehabilitate recreation facilities at Wilson Lake, Kansas".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 15: Page 16, after line 17, insert:

None of the funds in this Act shall be used to identify or delineate any land as a "water of the United States" under the Federal Manual for Identifying and Delineating Jurisdictional Wetlands that was adopted in January 1989 (1989 Manual) or any subsequent manual not adopted in accordance with the requirements for notice and public comment of the rule-making process of the Administrative Procedure Act.

In addition, regarding Corps of Engineers ongoing enforcement actions and permit application involving lands which the Corps or EPA has delineated as waters of the United States under the 1989 Manual, and which have not yet been completed on the date of enactment of this Act, the landowner or permit applicant shall have the option to elect a new delineation under the Corps 1987 Wetland Delineation Manual, or completion of the permit process or enforcement action based on the 1989 Manual delineation, unless the Corps of Engineers determines, after investigation and consultation with other appropriate parties, including the landowner or permit applicant, that the delination would be substantially the same under either the 1987 or the 1989 Manual.

None of the funds in this Act shall be used to finalize or implement the proposed regulations to amend the fee structure for the Corps of Engineers regulatory program which were published in Federal Register, Vol. 55, No. 197, Thursday, October 11, 1990.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 15, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 21: Page 21, after line 13, insert:

SEC. 105. The project for shoreline protection for Folly Beach, South Carolina, authorized by section 501(a) of the Water Resources Development Act of 1986 (Public Law 99-662; 100 Stat. 4136), is modified to authorize the Secretary to construct hurricane and storm protection measures based on the Charleston District Engineer's Post Authorization Change Report dated May 1991, at an estimated total initial cost of $15,283,000, with an estimated Federal cost of $12,990,000 and an estimated non-Federal cost of $2,293,000, and an annual cost of $647,000 for periodic beach nourishment over the life of the project, with an estimated annual Federal cost of $550,000 and an estimated non-Federal annual cost of $97,000.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows:

In lieu of the first section number named in said amendment, insert: "108".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

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The SPEAKER pro tempore (Mr. MCNULTY). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 22: Page 21, after line 13, insert:

SEC. 106. The Secretary of the Army, acting through the Chief of Engineers, is directed to maintain in caretaker status the navigational portion of the Fox River System in Wisconsin for a period of time extending one year from the date of enactment of this legislation. During this one-year period, the Corps of Engineers shall engage in good faith negotiations with the State of Wisconsin for the orderly transfer of ownership and operational duties of the Fox River System to the State of Wisconsin or other appropriate entity. No later than one year from the date of enactment of this legislation, the Corps of Engineers shall present to Congress the terms of a negotiated settlement reached between the Corps of Engineers and the State of Wisconsin. Such settlement shall include provisions for both the logistics and timing of the transfer, as well as a negotiated recommendation of monetary compensation to the State for repair and rehabilitation of damage and deterioration associated with all portions of the Fox River System which are being transferred to the State.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment, as follows:

In lieu of the section number named in said amendment, insert: "109".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 23: Page 21, after line 13, insert:

SEC. 107. None of the funds in this Act may be used to recommend closure or realignment of any United States Army Corps of Engineers civil works office, or by the United States Army Corps of Engineers to terminate, merge, or substantially reduce the work force of any such office prior to enactment by Congress of legislation authorizing such a policy.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 110. None of the funds appropriated in this Act or any prior Act shall be used to close any Corps of Engineers Division or District headquarters office.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 24: Page 21, after line 13, insert:

SEC. 108. None of the funds in this Act shall be used to implement the final rule for the Army Corps of Engineers shoreline management regulation fee schedule which was published in the Federal Register, Vol. 56, No. 125, Friday. June 28, 1991.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 24 and concur therein with an amendment, as follows:

In lieu of the section number named in said amendment, insert: "111".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 28: Page 25, line 8, after "Dam" insert: "*Provided further*, That with $7,000,000 appropriated herein, to remain available until expended, the Secretary of the Interior is directed to award continuing contracts which are not to be considered fully funded for the Sixth Water Aqueduct, Bonneville Unit, Central Utah Project: *Provided further*, That funds expended by the Central Utah Water Conservancy District in anticipation of passage of the Central Utah Project Completion Act, shall be credited toward the District's cost-sharing obligations required by the Completion Act".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 28, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 30: Page 26, strike out lines 17 to 26, and insert:

For the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, including the cost of modifying loans, of direct loans authorized by the Act of August 6, 1956, as amended (43 U.S.C. 422a–4221), as follows: cost of direct loans $2,000,000, to remain available until expended: *Provided*, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed $3,240,000: *Provided further*, That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from that fund.

In addition, for administrative expenses necessary to carry out the direct loan programs, $890,000.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 30 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"For the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, including the cost of modifying loans, of direct loans and/or grants authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a–4221), as follows: cost of direct loans and/or grants $2,000,000 to remain available until expended: *Provided*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,240,000.

"In addition, for administrative expenses necessary to carry out the program for direct loans, and/or grants, $890,000: *Provided*, That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from the fund.".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 31: Page 32, after line 12, insert:

SEC. 205. The Bureau of Reclamation may invite non-Federal entities involved in cost sharing arrangements for the development of water projects to participate in the contracting processes without invoking the provision of the Federal Advisory Committee Act, Public Law 92–463 (3 U.C.A. Appendix 2 (1985 Supp.)).".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SEC. 205. The Bureau of Reclamation may invite non-Federal entities involved in cost sharing arrangements for the development of water projects to participate in contract negotiation and source selection proceedings without invoking provisions of the Federal Advisory Committee Act (5 U.S.C. Appendix (1988)): *Provided*, That such non-Federal participants shall be subject to the provisions of the Federal Procurement Integrity Act (41 U.S.C. 423 (1988)) and to the conflict of interest provisions appearing at 18 U.S.C. 201 et seq. (1988).

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 32: Page 33, line 2, strike out $2,854,053,000 and insert: "$2,940,516,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment, insert the following: "$2,961,903,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 34: Page 33, line 9, after "Program" insert: "of which $20,000,000 is for a Technology Research Program to be established within the Office of Energy Research which shall provide funds to the national laboratories of the Department of Energy for long-range fundamental technology research of interest to American industry and for co-funding cooperative research and development agreement (CRADAs) and, in considering proposals for funding, the Department shall take a broad view of projects that would benefit both the Department's traditional mission and the economy of the United States; and, of which $20,000,000 shall be available only for the Institute for Micromanufacturing, Louisiana Tech University and the Ambulatory Research and Education Building, Oregon Health Sciences University".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ", of which $84,800,000 shall be available only for the Institute for Micromanufacturing, Louisiana Tech University; the Ambulatory Research and Education Building, Oregon Health Sciences University; Cancer/Oncology Center, Medical Universtiy of South Carolina; Biomedical Research Institute, LSU Medical Center, Shreveport, Louisiana; Technology Complex at Pittsburg State University, Pittsburg, Kansas; Energy, Mineral and Materials Science Research Building Expansion at the University of Alabama; Research Institute at Loma Linda University Medical Center; Cancer Research Center at Indiana University School of Medicine at Indianapolis; Old Colony Center for Technological Applications at Bridgewater State College in Bridgewater, Massachusetts; and the Center for Molecular Electronics at the University of Missouri-St. Louis".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 36: Page 33, line 22, strike out "$1,337,600,000" and insert: "$1,367,600,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 36 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment, insert the following: "$1,313,600,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 39: Page 35, line 2, strike out "$305,071,000" and insert: "$295,071,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 39 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment, insert the following: "$275,071,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 45: Page 37, strike out all after line 18, over to and including line 25 on page 38, and insert:

ATOMIC ENERGY DEFENSE ACTIVITIES

RESEARCH, DEVELOPMENT AND TESTING

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense research, development and testing activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion and the purchase of passenger motor vehicles (not to exceed 87 for replacement only), $1,976,650,000, to remain available until expended.

PRODUCTION AND SURVEILLANCE

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense production and surveillance activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et. seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion and the purchase of passenger motor vehicles (not to exceed 9 for replacement only), $2,590,478,000, to remain available until expended.

MATERIALS PRODUCTION

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense materials production activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et. seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion and the purchase of passenger motor vehicles (not to exceed 31 for replacement only), $1,891,900,000, to remain available until expended.

NEW PRODUCTION REACTOR

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense new production reactors activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et. seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, $483,000,000, to remain available until expended, of which $100,000,000 shall be for design of new production reactor capacity, to become available for obligation sixty days after issuance of the Record of Decision on the Environmental Impact Statement on New Production Reactor Capacity.

NAVAL REACTORS

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense naval reactors activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et. seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion and the purchase of passenger motor vehicles (not to exceed 11 for replacement only), $818,000,000, to remain available until expended.

ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense environmental restoration and waste management actitivies in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et. seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion and the purchase of passenger motor vehicles (not to exceed 70 for replacement only), $3,640,372,000, to remain available until expended, of which $20,000,000 shall be made available to the State of New Mexico to assist the State and its affected units of local government in mitigating the environmental, social, economic, and other impacts resulting from the Waste Isolation Pilot Plant: *Provided*, That a portion of the $20,000,000 received by the State of New Mexico may be provided directly to the affected units of local government in the vicinity of, and along the transportation routes to, the Waste Isolation Pilot Plant based on a State assessment of needs, conducted in consulation with its affected units of local government, and the demonstration of impacts: *Provided further*, That the $20,000,000 shall be provided upon initation of the performance assessment phase at the Waste Isolation Pilot Plant site.

OTHER DEFENSE PROGRAMS

For expenses of the Department of Energy activities, including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for atomic energy defense, other defense program activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et. seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion and the purchase of passenger motor vehicles (not to exceed 28 for replacement only), $567,600,000, to remain available until expended.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 45 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 96 for replacement only, and purchase of one rotary-wing aircraft, for replacement only), $4,623,428,000, to remain available until expended.

NEW PRODUCTION REACTOR

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense new production reactor activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, $515,500,000, to remain available until expended, of which $100,000,000 shall be for design of new production reactor capacity, to become available for obligation sixty days after issuance of the Record of Decision on the Environmental Impact Statement on New Production Reactor Capacity.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 70 for replacement only, and purchase of one rotary-wing aircraft, for replacement only), $3,680,672,000, to remain available until expended, of which $17,100,000 shall be available only for the Environmental and Molecular Sciences Laboratory, and of which $20,000,000 shall be made available to the State of New Mexico to assist the State and its affected units of local government in mitigating the environmental, social, economic, and other impacts resulting from the Waste Isolation Pilot Plant: *Provided*, That a portion of the $20,000,000 received by the State of New Mexico may be provided directly to the affected units of local government in the vicinity of, and along the transportation routes to, the Waste Isolation Pilot Plant based on a State assessment of needs, conducted in consultation with its affected units of local government, and the demonstration of impacts: *Provided further*, That the $20,000,000 shall be provided upon initiation of the performance assessment phase at the Waste Isolation Pilot Plant site.

MATERIALS PRODUCTION AND OTHER DEFENSE PROGRAMS

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense materials production, and other defense program activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 70 for replacement only), $3,148,400,000, to remain available until expended.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 47: Page 39, line 8, strike out "$414,976,000" and insert: "$416,476,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment, insert the following: "$405,976,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 48: Page 39, line 25, strike out "$130,624,000" and insert: "$131,624,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment, insert the following: "$121,624,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 49: Page 39, line 25, after "$130,624,000" insert": : *Provided further*, That of the sum herein appropriated, $1,300,000 shall be used for the Reduced Enrichment in Research and Test Reactors Program under the Office of International Affairs and Energy Emergencies".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 49, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 53: Page 43, after line 6, insert:

The Federal Energy Regulatory Commission is authorized pursuant to section 4 of the Natural Gas Act of allow recovery, in advance, of expenses by natural-gas companies for research, development and demonstration activities by the Gas Research Institute for projects on the use of natural gas in motor vehicles and on the use of natural gas to control emissions from the combustion of other fuels: *Provided*, That the Commission finds that the benefits, including environmental benefits, to both existing and future ratepayers resulting from such activities exceed all direct costs to both existing and future ratepayers.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 53, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

PROVIDING FOR PRINTING OF "COLUMBUS IN THE CAPITOL" AS A HOUSE DOCUMENT

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 151) providing for the printing of the volume entitled "Columbus in the Capitol" as a House document, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. DICKINSON. Mr. Speaker, reserving the right to object, I do so to give the gentleman from Illinois [Mr. ANNUNZIO] the opportunity to explain the bill, if he would.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. Mr. Speaker, further reserving the right to object, I am happy to yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, the resolution provides for the printing of the volume entitled "Columbus in the Capitol". The volume will contain descriptions and illustrations of the numerous statues, paintings and other works of art in the Capitol and on the Capitol grounds which depict the life and explorations of Christopher Columbus as well as interesting factual information describing the historic first voyage and the observance of Columbus Day. Two hundred copies shall be distributed to each Member. The book should prove to be an excellent resource for our constituents during the commemoration of the 500th anniversary of Columbus' voyage in 1992.

Mr. DICKINSON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The clerk read the concurrent resolution, as follows:

H. CON. RES. 151

Resolved by the House of Representatives (the Senate concurring), That the volume entitled "Columbus in the Capitol" prepared pursuant to House Concurrent Resolution 275, One Hundred First Congress, shall be printed as a House document. In addition to the usual number, there shall be printed 278,000 copies of the document, of which 221,500 copies shall be for the House of Representatives, 51,500 copies shall be for the use of the Senate, and

5,000 copies shall be for the use of the Joint Committee on Printing.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ANNUNZIO

Mr. ANNUNZIO. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. ANNUNZIO: Strike out all after the resolving clause and insert the following: "That the volume entitled "Columbus in the Capitol" prepared pursuant to House Concurrent Resolution 275, One Hundred First Congress, shall be printed as a House Document. In addition to the usual number, there shall be printed 123,000 copies of the document, of which 88,000 copies shall be for the use of the House of Representatives, 20,000 copies shall be for the use of the Senate, and 15,000 copies shall be for the use of the Joint Committee on Printing.".

Mr. ANNUNZIO (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. DICKINSON. Mr. Speaker, reserving the right to object, I wonder if the gentleman from Illinois would explain the amendment that is being brought by the committee.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. Further reserving the right to object, I am pleased to yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, I explained the nature of the bill, but the amendment reduces the number of copies, in other words, to 200 copies per Member. Originally the committee had decided on 500. We have reduced it to 200 copies.

Mr. DICKINSON. Mr. Speaker, I thank the gentleman for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Illinois [Mr. ANNUNZIO].

The amendment in the nature of a substitute was agreed to.

The concurrent resolution was agreed to.

Motion to reconsider was laid on the table.

PROVIDING FOR PRINTING OF REVISED EDITION OF "OUR AMERICAN GOVERNMENT" AS A HOUSE DOCUMENT

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 172) providing for the printing of a revised edition of the booklet entitled "Our American Government" as a House document and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. DICKINSON. Mr. Speaker, reserving the right to object, I do so in order that I may yield to the gentleman from Illinois [Mr. ANNUNZIO] for an explanation of the concurrent resolution.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I am happy to yield to the gentleman from Illinois.

☐ 1230

Mr. ANNUNZIO. Mr. Speaker, I appreciate the gentleman from Alabama yielding.

Mr. Speaker, the resolution provides for the printing of a revised edition of the booklet entitled "Our American Government." Since its printing in 1981, this easy-to-understand description of our U.S. Government has become one of the most requested booklets printed by the Federal Government. Much of the material contained in the booklet is out-of-date and the supply has been exhausted. Approval of a revised edition will assist the Members of Congress in fulfilling their role as legislators in helping others to understand and participate in the governmental process.

Mr. DICKINSON. Mr. Speaker, I withdraw my reservation of objection.

Mr. SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 172

Resolved by the House of Representatives (the Senate concurring), That a revised edition of the booklet entitled "Our American Government" shall be printed as a House document. In addition to the usual number, there shall be printed 560,000 copies of the document, of which 443,000 copies shall be for the use of the House of Representatives, 103,000 copies shall be for the use of the Senate, and 14,000 copies shall be for the use of the Joint Committee on Printing.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF PROCEEDINGS AT PORTRAIT UNVEILING CEREMONY OF HONORABLE GEORGE H. MAHON

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 172) authorizing printing of the proceedings of the portrait unveiling ceremony of the Honorable GEORGE H. MAHON, and ask for its immediate consideration in the HOUSE.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. DICKINSON. Mr. Speaker, reserving the right to object, I yield to the gentleman from Illinois [Mr. ANNUNZIO] for an explanation.

Mr. ANNUNZIO. Mr. Speaker, this resolution is sponsored and requested by the chairman of the Appropriations Committee, the Honorable JAMIE WHITTEN. The resolution provides for the printing of the proceedings of the portrait unveiling ceremony of the Honorable George H. Mahon, whose extensive career in Congress from 1935 to 1979 included dedicated service as chairman of the Committee on Appropriations during the eighty-eighth through the ninety-fifth Congress. Chairman WHITTEN's resolution calls for the usual number and for 50 casebound volumes not provided at the time.

Mr. DICKINSON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 172

Resolved, That the proceedings of the portrait unveiling ceremony of the Honorable George H. Mahon, Chairman, Committee on Appropriations, which occurred on December 10, 1974, be printed as a House document, with illustrations and suitable binding.

SEC. 2. In addition to the usual number, there shall be printed, for the use of the Committee on Appropriations, five hundred copies of such document, of which fifty copies shall be casebound.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF "THE DOME OF THE UNITED STATES CAPITOL: AN ARCHITECTURAL HISTORY"

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 39) to authorize the printing of "The Dome of the United States Capitol: An Architectural History," prepared by the office of the Architect of the Capitol, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

to take this opportunity to yield to the gentleman from Illinois [Mr. ANNUNZIO] to explain the contents of the resolution.

Mr. ANNUNZIO. Mr. Speaker, the resolution provides for the printing of the book entitled "The Dome of the United States Capitol: An Architectural History," as prepared by the Architect of the Capitol. The publication will describe the history of the Capitol dome, its symbolism, construction, and design and in so doing enhance appreciation of the dome as a remarkable architectural achievement. The booklet will be available to Members of Congress as we observe the 200th anniversary of the Capitol in 1993.

Mr. DICKINSON. Mr. Speaker, with that very lucid and ample explanation, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document, the book entitled "The Dome of the United States Capitol: An Architectural History", as prepared by the Office of the Architect of the Capitol.

SEC. 2. Such document shall include illustrations, and shall be in such style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

SEC. 3. In addition to the usual number of copies, there shall be printed with suitable binding 15,000 copies for the use of the Senate and the House of Representatives, to be allocated as determined jointly by the Secretary of the Senate and the Clerk of the House of Representatives.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

FLIGHT ATTENDANT DUTY TIME ACT

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 203 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 203

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14) to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Public Works and Transportation now printed in the bill as an original bill for the purpose of amendment under the five-minute rule and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 203 is an open rule providing for the consideration of H.R. 14, the Flight Attendants Duty Time Act. The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transporation.

The rule also makes in order the Public Works and Transportation Committee amendment in the nature of a substitute now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule. The bill is amendable by section, and each section shall be considered as having been read.

Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, H.R. 14 is an important bill which sets reasonable working hours for our Nation's flight attendants. The bill requires the Department of Transportation to issue regulations establishing limits on duty time, including minimum rest requirements. It is in the interests of those men and women who work many long hours on our airlines, and in the interests of public safety.

Mr. Speaker, this bill is supported by the major organizations representing flight attendants as well as consumer groups. Flight attendants have enormous safety responsibilities that are related to the aircraft. They are also expected to function in emergency situations when a patient becomes ill. They deserve to be treated as fairly as other employees in the transportation field, and to be well-rested.

Mr. Speaker, H.R. 14 is the result of hearings and many careful consultations. I am pleased that we have an open rule which was unanimously adopted in the Rules Committee. I urge my colleagues to adopt it.

Mr. Speaker, for purposes of debate only, I yield to my dear friend, the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I am very pleased to join our very distinguished chairman of the committee, the gentleman from Massachusetts [Mr. MOAKLEY] in urging Members to support this open rule.

The bill before Members today is highly controversial, and I thank the Committee on Public Works and Transportation, and its chairman, the gentleman from New Jersey [Mr. ROE], and its cochairman, the gentleman from Minnesota [Mr. OBERSTAR], as well as the gentleman from Arkansas [Mr. HAMMERSCHMIDT] for requesting such a rule.

I also want to commend the Committee on Rules for bringing up an open rule and for protecting the right of the minority to offer a motion to recommit with or without instructions.

Mr. Speaker, I must, however, state that after originally looking favorably on this bill, I am unalterably opposed to the bill accompanying the rule, H.R. 14, the Flight Attendant Duty Time Act, which establishes limits on the hours flight attendants may be on duty. There is strong opposition to this legislation from the flight attendants that I have spoken with. In fact, I spend a great deal of time flying back and forth every week, sometimes twice a week, and I have spoken with many, many flight attendants on a number of different airlines. I just found overwhelming opposition from all the flight attendants, regardless of whether they have been on the job for 1 year, 2 years, or been there for 7 or 8 years.

As is the case with the vast majority of American families today, a great many of these flight attendants are part of a two-person working family, most of them with children, most of them working a 3-day or a 4-day workweek, by choice. Then they spend the rest of the week with their families, as they should. They are often located hundreds and hundreds of miles away from their base station. In other words, they may be based out of Pittsburgh and may live up in northern New York. They may be based in Boston, MA, and they may live over in Lancaster, PA.

The way it is now, they have the right to spend 3 or 4 days a week with their children and their families. They are absolutely opposed to the Federal Government intervening and breaking up their workweek and their family time.

☐ 1240

In addition, the administration, the Department of Transportation, and the Federal Aviation Administration, all oppose this bill.

The FAA recently conducted an extensive study of the flight attendant duty hours. That study concluded that requirements such as those in the bill would produce no quantifiable safety benefits for airline passengers. That was a very extensive study.

Furthermore, the FAA has been unable to indentify a single incident in which flight attendant fatigue was a safety impediment.

The FAA estimates—and I think we all ought to listen to this because we are here to represent our constituents back home—that these requirements would, however, impose $1 billion in additional cost on airline passengers over the next decade. These increases would not only adversely affect passengers, but would add to the financial difficulties of American air carriers which lost a record $4.1 billion last year and $1 billion during the first quarter of this year that we are in now. Yes, we are still in that recession.

I agree with the administration that implementation of these unnecessary regulations will impose tremendous added costs to our air carriers, and these increased costs will have to be passed on to the customers, or absorbed by the airlines, and either way will create more hardships on an industry already in severe financial difficulty, and everybody in this Chamber knows it.

Mr. Speaker, at this point I will include the administration's statement of policy in the RECORD.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 24, 1991.

STATEMENT OF ADMINISTRATION POLICY

The administration opposes enactment of H.R. 14 because it would needlessly reregulate the airline industry and increase costs to passengers without increasing airline safety. If H.R. 14 were presented to the President in its current form, the Secretary of Transportation would recommend a veto.

The Federal Aviation Administration [FAA] recently completed an extensive study of flight attendant duty hours. That study concluded that requirements such as those in H.R. 14 would produce no quantifiable safety benefits for airline passengers. The FAA estimates that these requirements would, however, impose $1 billion in additional costs on airline passengers over the next 15 years. These increases would not only adversely affect passengers, but add to the financial difficulties of America's air carriers, which lost a record $4.1 billion last year and $1 billion during the first quarter of 1991.

Mr. Speaker, all these issues will be discussed as we debate the ramifications of enacting this into law. It is only appropriate that we consider this bill under an open rule so that any Member from either side of the aisle can work his or her will, and I urge all Members to support this fair and open rule, and again I thank the chairman of the Rules Committee for his fairness of this issue.

Mr. SOLOMON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to House Resolution 203 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 14.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 14) to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants, with Mr. HERTEL in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Minnesota [Mr. OBERSTAR] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. CLINGER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Chairman, the Flight Attendant Duty Time Act, H.R. 14, provides for the establishment of limitations on the time flight attendants are required to be on duty aboard aircraft.

Safety-related duty time limitations to prevent fatigue-caused accidents is not a new issue. Pilots are so limited, and their limitations on duty time go back to the early days of flying. Today duty time limitations apply not only to pilots, but flight engineers, flight navigators, air traffic controllers, mechanics, and dispatchers. Flight attendants, who also perform safety-related functions, are not so covered. In fact, workers at nuclear powerplants have limitations on the amount of time that they are permitted to be on duty, and they are not 4 or 5 miles in the air working under very stressful conditions.

As early as 1978, the FAA in written correspondence promised to issue a notice of proposed rulemaking on flight attendants and duty time limitations and their rest requirements by the end of that year. The end of the year came and nothing happened.

In 1984 and in 1985 flight attendant unions filed two petitions to establish limitations for their members. The FAA denied those petitions in January 1989, saying they were not in the public interest.

Then legislation similar to H.R. 14 was introduced out of frustration that the FAA had not acted, had not undertaken the responsibility as it had authority to do under the law, and as it had committed to do.

The subcommittee held a hearing on this subject in May 1989 to air all the aspects of the issue, all the concerns that both the FAA and the Department might have had, and those who supported and those who opposed the issue.

At that hearing, the witness for the FAA told the subcommittee that it had denied the petition because the FAA lacked the data on which to base a regulatory decision. The FAA witness said that the agency would undertake a study to develop the data, and said that he had the support of the then-Acting Administrator and the Secretary of Transportation to take whatever action the data, when developed, would support.

The study which followed was completed in September and did indeed find wide variations in flight attendant duty times among the carriers and various segments of the industry, dependent upon union contracts, dependent upon company work rules, and the various guidelines of those companies. It also found that 23 foreign countries regulate flight duty time, and in July 1990 the FAA sent that information forward to the Office of the Secretary.

Meanwhile, the committee continued to monitor the progress on that rulemaking, because we felt it would be appropriate for the agency to act under its existing authority, rather than for the committee to have to legislate, and we trusted the agency to act; but each time we inquired, we were told, "Well, it's still in the works. It's still under consideration. The Department is going to send it to the Office of Management and Budget." And for 2 years we forebore any activity on legislation, believing in good faith that the Department was moving forward on its own.

Then it became apparent that there was a stall, if not a flameout, on the regulations, and we decided to hold a hearing.

On March 13, we were told that the Department of Transportation had decided against the need for a rule. The committee decided otherwise.

The weight of evidence was so clear and the preponderance of concern was so evident that we decided we had to take action.

Clearly, fatigue brought on by working long hours on an irregular schedule is recognized across the board as an occupational safety and health issue in all other walks of life, as I have previously discussed, in the aviation industry and in other industries as well.

The files of the National Transportation Safety Board are filled with documented cases where fatigue was a factor in accidents, from the trucking industry, the railroad industry, shipping; we need only recall the *Exxon Valdez* where the NTSB found that the fatigue and overwork of the third mate who was at the helm when the ship ran aground was a major factor in that tragic accident.

The aviation industry likewise recognizes clearly the importance of fatigue and has imposed duty-time limitations for all safety professionals, except flight attendants. They have very clear safety functions. They have to know the procedures to follow in the event of an emergency, such as operating ditching and evacuation equipment, first-aid equipment, and fire extinguishers. They have to be able to deal with rapid depressurization, cabin fires, evacuation of passengers, illness, or injury of passengers, skyjacking attempts, and other related and similar incidents that occur with some significant regularity aboard aircraft.

□ 1250

They have to stay alert throughout the flight, watch for any signs of emergency in the cabin. Flight attendants told us in many instances where they work very long hours with short rest periods and recognized and understood that fatigue can impair their functioning.

The FAA itself has advised the committee of cases in which flight attendants have been required to work for 24 consecutive hours and given rest periods of as little as 6 hours.

An accident which is one of the first that I inquired into as chairman of the Subcommittee on Investigations and Oversight several years ago involving Galaxy Airlines out of Reno, NV, crashed at 1 a.m., killed 69 people. At the time of that accident, the NTSB found two flight attendants had been on duty for over 18 hours and were scheduled for another 7 hours of duty. Mr. Chairman, it does not make sense. Twenty-three foreign countries recognize the need to regulate flight attendants' duty time. The United States ought to join their ranks.

Mr. Chairman, I just want to add this: The night before that hearing, March 13, my wife had just a day or so earlier had chemotherapy treatment, was sitting in bed. I was sitting on the sofa in the bedroom with a sheaf of papers. She said, "What are you doing? Why don't you get to bed?" I said, "I am preparing for a hearing we are having tomorrow." "What is that on?" "Flight attendant duty time."

I explained a little bit about it.

She said, out of that nausea and misery that was fixed upon her, "For heaven's sake, what do you need a hearing on that for?" Well, I said, "Flight attendants are forced to work 14, 16, 18 hours at a stretch." She said, "You can't be alert and function effectively under stressful conditions, under that kind of work order. No one with an ounce of common sense would make such a foolish requirement. It doesn't take much to figure that out. Why do you need a bill on it?" I said, "Well, obviously you aren't from the FAA or the Department of Transportation, so we need a bill and a law to deal with it."

Well, she said in her usual direct fashion, "Get on with it and pass it and get to bed."

Mr. Chairman, let us get on with it, pass it and make some sense.

Mr. Chairman, I reserve the balance of my time.

Mr. CLINGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 14, the Flight Attendant Duty Time Act.

Before beginning my formal remarks, I would like to commend and recognize the author of this legislation, the gentleman from California [Mr. MINETA], chairman of the Surface Transportation Subcommittee. I commend him for his hard work and his leadership and dedication, keeping attention focused on the importance of this issue. His leadership has been instrumental in bringing the legislation to the House floor. I also commend my chairman, the gentleman from Minnesota [Mr. OBERSTAR], for his diligent attention to this issue over a long period of time from the days when we dealt with it in the Subcommittee on Investigations and Oversight and now Subcommittee on Aviation.

Mr. Chairman, flight attendants play a crucial role in the safe operation of commercial air carrier flights. Their primary charge is to assure the passengers' safety, and flight attendants are generally the only personnel with whom passengers have contact during the course of the flight. They are the front line, if you will, of safety.

A flight attendant's job is one of the most unique in the American economy. The hours of each work day varies. Work days are interspersed with periods of free time. Flight attendants are required to spend many evenings away from home, and they travel through a number of time zones in any given day.

Clearly, these types of conditions promote the onset of fatigue much more quickly than would be present in other jobs.

Despite these stresses, the Federal Aviation Administration has decided against developing regulations establishing maximum flight attendant duty time restrictions, arguing that present work rules have not been proven to diminish the level of safety. Yet in the name of safety, the FAA promulgated regulations establishing duty time restrictions for most other work forces in the aviation industry, including pilots, mechanics, and flight dispatchers. The clear exception to this trend has been flight attendants.

Opponents of this legislation argue that establishing flight and duty time limits for flight attendants will produce no quantifiable safety benefits for the traveling public. Indeed, in testimony before our committee, the FAA stated that not one fatality or injury can be attributed to flight attendant fatigue.

I don't believe we should wait for the first attributable fatality to occur before regulations are imposed.

Today's flying environment is much more complex than it was 10 or 15 years ago. With increased emphasis on passenger protection and evacuation systems, and compliance with myriad safety regulations, the cabin crew of a commercial aircraft is required to be alert to a host of problems. Failure to adequately address any of these could lead to fines or penalties against the carrier, and fines, penalties, or dismissal against the flight attendant. And failure may lead to injuries for passengers.

At a minimum, I believe flight attendants deserve the very same consideration for flight and duty time limits as imposed on flight crews. Fatigue, or even the threat of fatigue, has been proven to diminish an individual's reaction to emergencies. Flight attendants are no exception.

I urge Members to support this worthwhile legislation.

Mr. Chairman, I yield such time as he may consume to the ranking member of the full committee, the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Chairman, I want to express my appreciation to the gentleman from Minnesota [Mr. OBERSTAR] for bringing this bill to the floor and for the work done by our distinguished ranking member, the gentleman from Pennsylvania [Mr. CLINGER] and certainly credit must go to the author of this legislation, the gentleman from California [Mr. MINETA] of our committee.

Mr. Chairman, the issue of flight attendant duty time has had a long and tortured history. The FAA has been working on it for many years. At various times in the past, the Agency has indicated that the issuance of a rulemaking on flight attendant duty time was imminent. But no rule has even been issued.

On several occasions, I have joined with my colleagues on the Public Works and Transportation Committee to urge the FAA to issue its rule. I did this because I believed that the FAA was in the best position to determine what the proper duty time limits should be. It has experience in establishing flight and duty times for pilots, dispatchers, and other airmen. It would be better able than Congress to sort through the conflicting costs and operational considerations to come up with the best mix of duty and rest requirements for flight attendants.

Unfortunately, FAA officials have now made it quite clear that they do not plan to issue a rule on flight attendant duty time. They say that it is not justified on safety grounds and does not pass muster under a cost-benefit analysis.

The cost-benefit analysis is a matter of much dispute. In an earlier document, the FAA stated that duty time limits would cost the air carrier industry $17 million over 15 years. Now, the Agency says that the cost would be more than $1 billion. This disparity is puzzling.

Much has also been made of the safety role of flight attendants and the safety benefits of duty time limitations. However, even if not justified on safety grounds, flight attendant duty time limitations could seemingly be justified on the basis of simple fairness. After all, it seems unfair, if not inhumane, to force flight attendants to work for 25 or 30 hours. Testimony at our hearing indicated that this was sometimes required of them. Most other businesses limit the work day to 8 hours regardless of whether safety is involved.

I do not know whether the proper duty time limits should be 14 hours as proposed in this bill, 16 hours, 18 hours, or some other limit. But it does seem that some limits can be justified.

I continue to prefer that the FAA take the lead on this issue and move to adopt the proper duty time limits. Hopefully, favorable action on H.R. 14 today will prompt them to do so.

Therefore, I support a "yes" vote on H.R. 14.

Mr. CLINGER. Mr. Chairman, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I take this opportunity to express my very great appreciation to the gentleman from Pennsylvania [Mr. CLINGER] for the many long hours of work he invested in shaping this legislation, going through the hearings and refining the bill in the form that it reaches the House floor today; also to the gentleman from Arkansas [Mr. HAMMERSCHMIDT], who participated in those deliberations and has been a very strong supporter of the legislation.

Mr. Chairman, I especially want to pay tribute to the progenitor of the idea of statutory limitations on duty time for flight attendants, the gentleman from California [Mr. MINETA], my predecessor as chairman of the Subcommittee on Aviation.

□ 1300

It was he who held the very first inquiry, committee inquiry, into this subject, saw the need for it, urged the Department to act through the regulatory process, and then, when they failed, shaped the legislation, introduced it, and has been its most vocal, and effective, and knowledgeable advocate.

Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Chairman, I rise in strong support of H.R. 14, the Flight Attendant Duty Time Act.

I want to commend the chairman and the ranking minority member of the Subcommittee on Aviation for their leadership on this important aviation safety issue. The gentleman from Minnesota has been a valued supporter and advocate for this legislation I introduced this Congress to address this issue.

On January 3, I reintroduced legislation, H.R. 14, which will limit the amount of time flight attendants can be on duty to 14 hours for domestic flights and 16 hours for international flights.

Mr. Chairman, this bill comes to the House floor with the bipartisan support of the House Public Works and Transportation Committee leadership.

Surveys of foreign countries with flight attendant duty time regulations show that 14 hours of domestic duty is the general standard. The United States could be falling well below the international safety standard.

Mr. Chairman, the United States should be the world leader on aviation issues. Our air travel system is a source of pride for our Nation. We must continue this tradition when addressing all aviation safety issues. However, the Federal Aviation Administration has been unable to move on this issue for 12 years.

This lack of action is extremely distressing. I have correspondence from the FAA dating back as far as April 21, 1978, which states that the FAA planned to issue a notice of proposed rule making [NPRM] on flight duty time rules by the end of that year. Even as late as last fall, I received commitments to proceed with this process from the FAA.

Ironically, flight attendants are required by the FAA to be on board carriers for safety purposes.

Mr. Chairman, first and foremost, this is a safety issue. It is time that the House of Representatives take this issue in hand. I urge my colleagues to support H.R. 14 as reported by Chairmen OBERSTAR and ROE without weakening amendments.

Mr. CLINGER. Mr. Chairman, I yield 3½ minutes to the gentleman from Oklahoma [Mr. INHOFE], a member of the subcommittee.

Mr. INHOFE. Mr. Chairman, I thank the gentleman from Pennsylvania [Mr. CLINGER], for yielding this time to me.

Mr. Chairman, first of all let me say that I do not question the sincerity and the feelings at all, or the motives, of the gentlemen who are taking the positive side of this legislation. I have been opposed to this legislation since it was in our Subcommittee on Aviation, and the reason is not the normal reason that others would have who might oppose this legislation. Mine comes from a background of being a commercial aviator for some 35 years.

Mr. Chairman, I, just 2 weeks ago, completed a trip around the world. I became the first Member of Congress to fly a small airplane around the world. One of the sponsors of this trip around the world, commemorating the 60th anniversary of Wiley Post's famous flight in 1931, was the House caucus on travel and tourism. The gentleman from South Carolina [Mr. TALLON], the chairman of that, had some very strong feelings about the attitude of the public that flying was not safe, and for that reason he joined in a news conference to try to impress upon the public that flying is indeed the safest form of transportation and that the day of the danger that is involved in flying that we hear about is over, and of course the highly publicized accidents do draw a lot of attention, more attention than any other form of transportation.

Mr. Chairman, this concerned me because I looked statistically, and I can see that flying is very safe. I do not believe that the bill today, the resolution, should be revolving around the issue of safety. This is a management-labor issue, and it is something that should be presented as such, and, if people want to vote for it on that basis, then I think that is perfectly appropriate.

We have heard a lot of testimony in our Subcommittee on Aviation from the FAA concerning some of the studies they made. One was a 6-month study that was completed in September of 1989 where they cannot find any significant abuses of duty limits or rest requirements among the major national carriers. And the safe operations are the No. 1 priority of the airlines.

Mr. Chairman, I cannot think of anyone who would be more concerned about safe operations than the airlines themselves.

We have an ailing airline industry; we know that. We watch on a daily basis as they go into chapter 11 and chapter 7, and we have very serious problems in this industry. Yet the airlines seem to be portrayed as an entity that is not for safety. They are the ones that are directly paying the penalty for unsafe travel.

In examination of data, according to the FAA, from 1975 through 1989, which is a 15-year period, it showed approximately 38,000 passengers have been involved in evacuation or evacuation-related occurrences. The FAA was unable to identify, and this is before our subcommittee, a single incident in which flight attendant fatigue was a safety impediment. Another comprehensive FAA study of over 12,500 records, including interviews with some 140 flight attendants, showed only 37 instances of duty in excess of 16 hours a day and only 5 instances of people working in excess of 20 hours a day.

Last, Mr. Chairman, I really do believe that, if we are going to approach this in the dialog today, we should be talking about labor and management. Maybe this is something that should be discussed, but I suggest to my colleagues, Mr. Chairman, that 78 percent of the U.S. flight attendants work under union contracts, and they are in a position to handle these labor and management negotiations.

Now it has been stated by our ranking member on the committee, the gentleman from Pennsylvania [Mr. CLINGER], that it is not a billion dollar cost, and to me it is not significant whether it is $1 billion, or $100 million, or $20 million. The fact remains it is a cost to the airline industry, and, if it is not necessary, that cost should not be borne because the industry does not pay the cost. It is the flying public, and I do not think the flying public wants to pay more.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. JONES].

Mr. JONES of Georgia. Mr. Chairman, I thank the gentleman from Minnesota [Mr. OBERSTAR], for yielding, and I compliment the chairman on his work on this.

I think this is a bill which is brought with all good intentions, that it is rooted also in frustration with the failure of the FAA to make a decision in this matter. However, I rise in opposition to it.

Mr. Chairman, I have gone to the horse's mouth on this and asked many flight attendants in our district how they felt about it, and, as we all do a lot of flying, I have asked around, and I found from many of my friends and neighbors who are committed flight attendants that they are opposed to it. They have already worked with their company to establish fair duty time and rest rules, and our office has been flooded with letters from flight attendants who are simply opposed to this legislation.

Make no mistake. Their priority is safety, and they are trained and committed to ensuring the safety and comfort of each passenger. At the same time they like their flexibility, and they appreciate the ability to make additional money by working more days.

□ 1310

H.R. 14 would severely limit that flexibility without improving safety.

One flight attendant from Stone Mountain, GA, wrote:

> This bill will place undue hardship on my family as I will be gone more and I will earn less.

Another wrote:

> Over the years I have been a flight attendant, I have been able to further my education, raise two sons, do volunteer work, and still work full time and pay a lot of taxes. I am a single parent and now more than ever I need the flexibility I currently have to be able to be a quality parent. I urge you to oppose H.R. 14.

Today we have a chance to vote for flexible work rules and for individual choices for flight attendants. I urge my colleagues to vote no on H.R. 14.

Mr. CLINGER. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. BALLENGER], also a valued member of the Aviation Subcommittee.

Mr. BALLENGER. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding time to me.

I am speaking against H.R. 14. How many times have we heard people throughout the country say to the Federal Government, "Don't do me any more favors"? Flight attendants' duty times and rest requirements are already covered by work rules and union contracts. In fact, contrary to what Congress has been led to believe, not all flight attendants support H.R. 14.

I think the last speaker agreed to that. Flight attendants have been here in Washington to see Members and to persuade both the House and the Senate that these regulations are unnecessary, and may force them into additional layovers, more time away from home.

One airline tells me that they may have to add in the neighborhood of 88 crew layovers each night due to rest requirements in H.R. 14.

I would like to quote, if I may, from a letter from Secretary Skinner. It says:

> Apart from needlessly increasing costs of air travel for the public, the enactment of H.R. 14 would further add to the financial difficulties of our Nation's airlines.

This past year our airline carriers lost $4.1 billion, and this has been further compounded by an additional loss of $1 billion in the first quarter of this year. The enactment of H.R. 14 could diminish air carrier competition in domestic markets and, as a result, increase financial pressure on the weaker carriers and create a competitive disadvantage for America's carriers as they compete with the foreign carriers with lower costs overseas.

H.R. 14 could hurt air service to small communities where I live and where marginal returns are already involved in many cases. H.R. 14 is needless intrusion of the Federal Government into labor-management relations. H.R. 14 represents bad public policy, cloaked in the guise of a safety improvement.

If I may, I would like to quote from a report by the National Transportation Safety Board. Strangely enough, I say to the gentleman from Minnesota [Mr. OBERSTAR], my next door neighbor in Fort Lauderdale, FL—when I go down to visit my mother and father-in-law—happens to be the past president of Galaxy Airlines. And I thought I would quote from this statement by the National Transportation Safety Board.

> This accident and flight attendant duty time limits have no relationship. The probable cause of the Galaxy Airlines accident, in the NTSB finding, was the captain's failure to control and the co-pilot's failure to monitor the flight path and airspeed of the aircraft. Contributing to the accident was the failure of the ground handlers to properly close the air start access door which led to a vibration which was felt by the pilots in the cockpit. In trouble-shooting the vibration, which occurred immediately after liftoff, the cockpit crew's attention was diverted from controlling the aircraft's departure path.
>
> The accident was considered almost completely nonsurvivable. Sixteen passengers survived the impact but died in the fire. The three flight attendants did not survive the crash. If they had survived it, NTSB did not identify any action they could have taken to reduce fatalities.

And also it mentions:

> The duty time of the Galaxy flight attendants, which is frequently cited by supporters of duty time limits, was discovered during the NTSB investigation of the accident but was not a factor in the accident and was not included in the report.

Mr. OBERSTAR. Mr. Chairman, I yield myself 30 seconds to respond to the gentleman from North Carolina.

In no way did I suggest—either now, or during the hearings, or during the markup—that the extended period of duty time of those flight attendants on Galaxy Airlines, was a contributing factor to the tragedy. It was not, but I cited it because it is a very clear case of the NTSB finding very extensive duty time being required of flight attendants. That was not, under the circumstances, a survivable accident.

Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. KOPETSKI].

Mr. KOPETSKI. Mr. Chairman, I rise today in support of H.R. 14, the Flight Attendant Duty Time Act. This bill's merits are self-evident.

Eighty-five percent of our Nation's 100,000 flight attendants are female. The current situation is a good example of ugly discrimination in the workforce. I find it unconscionable that flight attendants have been so singled out by the Federal Aviation Administration for neglect. Flight attendants are the only airline workers whose duty time is not regulated by the FAA.

The FAA keeps promising to implement duty time regulations for flight attendants. They keep saying they'll get around to it, but they never have. This is like paying your bills by telling people the check's in the mail. The fact is they're not going to do it, and if I were a flight attendant, I'd be tired of waiting for them. I'd be even more tired if I'd just worked a 16-plus hour day.

I see two reasons to pass H.R. 14: The public's safety, and the workers' well-being.

The safety issue is obvious. Whether suffering a heart attack, choking on a piece of food, or experiencing some other medical emergency, consumers deserve alert workers. Is limiting flight attendant shifts to 14 hours too high a price to pay for more alert attendants? I think not. Are the airlines going to go broke with this bill? No. In regulating other airline employees' hours, the FAA has recognized that fatigue reduces safety. In failing to regulate flight attendants' hours, the FAA is ignoring this fact.

Just as pressing an issue is fairness. It is appalling that flight attendants can be forced to work 20-hour days in the 20th century. I think it is more than just a coincidence that the FAA has regulated duty time for all the other groups of airline employees, all of which are predominantly male, and that it has only made noises about doing so for flight attendants who are predominantly female. Women are unfortunately still second-class citizens in a lot of ways. Passage of this bill would be a step toward changing that.

Opponents claim that H.R. 14 is a needless intrusion into labor-management relations. Is the FAA's regulation of other airline employees an intrusion? This issue goes beyond labor-management relations; it is a public safety issue as well. Opponents claim that H.R. 14 will hurt small airlines. Small airlines don't have 16-hour flights.

I ask my colleagues to see through the smoke clouds. H.R. 14 provides long-overdue protections for passengers, and ensures a more healthy and safe work environment for flight attendants. Please join me in voting for this legislation.

Mr. INHOFE. Mr. Chairman, will the gentleman yield?

Mr. KOPETSKI. I yield to the gentleman from Oklahoma.

Mr. INHOFE. Mr. Chairman, the gentleman has said that he finds it unconscionable that someone could be forced to work for 20 hours. Is the gentleman aware that in the records, I mentioned in my testimony, 12,500 work records, that they only found 5 instances where anyone has worked over 20 hours? And in four of those instances, it was by request of the attendant herself?

Mr. KOPETSKI. Mr. Chairman, in my response to the gentleman, No. 1, it is the protection and safety of the passengers that is at issue as well. Whether the worker wants to work 20 hours or 36 hours, we have lives of the consumers on that flight to take care of as well. We should be saying to them, it is unsafe to work more than the 14-hour day. A person should not be forced to work that long.

Mr. CLINGER. Mr. Chairman, I yield 5 minutes and 30 seconds to the gentleman from Georgia [Mr. GINGRICH], a valued former member of Public Works and Transportation.

Mr. GINGRICH. Mr. Chairman, let me start and say that I am delighted the gentleman from Oregon just spoke because he illustrates the whole problem I have with this bill. I have the greatest respect and frankly affection for my dear friend from Minnesota, and I have a long period of working with the gentleman from Minnesota [Mr. OBERSTAR] and the gentleman from Arkansas [Mr. HAMMERSCHMIDT] and the gentleman from Pennsylvania [Mr. CLINGER] and the gentleman from California [Mr. MINETA], and I am puzzled by this particular bill. Let me stay on the flight example.

This is from the FAA's own study, page 5-19:

> At one carrier where flight attendants expressed some concern over the issue, the longer routes were nevertheless preferred by senior flight attendants. The following example of this preference was a turn between the Midwest and the West Coast, with a duty day of more than 12 hours, including more than 8 hours block time.
>
> Senior flight attendants preferred the route shown below because it allowed them to log approximately 80 block hours in only 10 working days.

It is a long day. They list the route.

> The total block time for the flight is 8.25 hours with the time away from base being 12 hours. In this example, the pilots were prevented by flight time limitations from completing the same trip in a 24-hour period and must lay over in Los Angeles. The flight attendants preferred to avoid the layover and sought to schedule the trip as a turn-around. Through a letter of agreement between management and the union, the flight attendants can exceed normal maximum flight time limitations to complete the flight as a turn-around.

The gentleman goes on to say, but we protect other kinds of workers. My question would be, yes, and we have looked at the kind of protection. Mechanics have to have one 24-consecutive-hour period free of duty in any 7-day period or the equivalent within 1 calendar month. That is the only limitation. We can go down the list. The point is this: Flight attendants overwhelmingly like their job, in part because it allows them to schedule the time together and then to be home with their families to have time off, and they like working 3 days on and 4 days off, and many mothers have found a powerful relationship where they can work with their children for 4 days, work with their airline for 3 days. They are into that rhythm. They enjoy it, and the senior attendants who know the most and have the best choices often pick the longer flights.

□ 1320

Now, what are we doing here? We are saying that we in the Congress are going to micromanage the job relationship of every flight attendant in America. Why? Because in 12,500 cases, we found 5 we did not like. So we are going to change the lives for every flight attendant in America by congressional law.

This is the most thorough micromanagement I have seen recently. We are not saying to the FAA, "Develop a regulation." We are writing a regulation on the House floor. We are going to put together a detailed regulation, which, by the way, in some aspects is more onerous than pilot regulations. There are some provisions in here which are stricter than we have for airline pilots.

As to the question of this being a safety issue, I just want to make one clear case about the FAA: The FAA has not failed to act on this issue. What the FAA has done is it has studied the issue decisively, and they have said flatly there is no safety issue.

That is an action. It may not be an action my friends agree with, but it is an action.

Let me quote from Admiral Busey, the FAA Administrator, in his July 26, 1991 letter.

> I understand that some Members are under the impression that the Federal Aviation Administration (FAA) determined that there are potential safety problems associated with flight attendant duty time. In addition, I understand some Members believe that the FAA sought to issue a Notice of Proposed Rulemaking to limit flight attendant duty time but was reversed on this determination by the Department of Transportation.
>
> With H.R. 14 now scheduled for floor action, I would like to be clear on the FAA's position concerning the regulation of flight attendant duty time: (1) regulation of flight attendant duty time is not a safety issue; (2) regulation of flight attendant duty time would not produce any quantifiable safety benefits, despite substantial costs to the traveling public; and (3) my advice to the Secretary of Transportation, following my detailed review of data gathered by the FAA on flight attendant duty time, was that safety would not be improved by promulgation of flight attendant duty time regulations.
>
> My position on this issue has been consistent and unequivocal.

Mr. Speaker, let me summarize: First, this is not a safety issue; second, this bill is unbelievable overkill. In order to affect five flight attendants, at the margin, we are going to affect every flight attendant in the United States with regulations written in the Congress; third, at a time when airlines are going into chapter 11 almost weekly, to add an additional cost while gaining no advantage seems to me to be killing jobs in a way that makes no sense at all.

Mr. Speaker, I urge Members to vote no, and ask the committee to reconsider this particular proposal.

Mr. OBERSTAR. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, indeed the Administrator of the FAA sent a letter around to all Members of Congress, on the legislation, and a quote from the Administrator has been used. But that is only part of the quote.

To complete the quote, we should continue.

> The FAA recognizes the difficulty of evaluating costs and benefits of the proposed regulation in monetary terms. Based on qualitative evaluation of the proposal, the FAA believes the proposal is cost beneficial—

And, I would include as is—

> warranted, because the proposed rule changes would contribute to an overall en-

hancement of transport category airplane safety and utility that would both promote and enhance the U.S. air transportation system.

The FAA goes on to say:

> The FAA lacks data specifically linking flight attendant fatigue with injuries or fatalities in past accidents. This makes the proposal's benefits difficult to quantify. However, the proposed rule, if enacted, is expected to help ensure flight attendants are rested and alert enough to perform their safety duties, and, therefore, help reduce fatalities and injuries to passengers and crew members, particularly during evacuations.

Mr. Chairman, I yield 1½ minutes to the gentleman from Georgia [Mr. RAY].

Mr. CLINGER. Mr. Chairman, I yield 1½ minutes to the gentleman from Georgia.

The CHAIRMAN. The gentleman from Georgia [Mr. RAY] is recognized for 3 minutes.

Mr. RAY. Mr. Chairman, I rise in opposition to H.R. 14, the Flight Attendant Duty Time Act. There are three primary reasons I take this position.

I firmly believe that flight attendant duty time limitations and rest requirements are not safety issues. This fact was stated in a letter from FAA Administrator James Busey. Administrator Busey said "regulation of flight attendant duty time is not a safety issue."

He further stated his belief that safety would not be improved by issuing flight attendant duty time regulations. The FAA did not take this position without carefully researching it. An extensive study of the flight attendant duty time issue was conducted, and the FAA could not demonstrate any substantive safety benefits from the passage of H.R. 14.

The second reason I oppose H.R. 14 is that there are a substantial number of flight attendants who live in Georgia who oppose the bill. They do not like the bill because it would diminish their earning power by establishing rules that would require more days of work each month for the same amount of pay. The bill would reduce their flexibility in scheduling their work hours. They prefer to maintain the present system.

The third reason I oppose H.R. 14 is that the Department of Transportation has estimated that the enactment of this bill could burden airlines with up to $1 billion in additional costs over a 15-year period.

In this time of airline industry turmoil—when we are watching airlines go bankrupt one after the other—we should not burden airlines with this type of additional costs.

Mr. Chairman, I encourage my colleagues to closely examine H.R. 14 and vote against this bill.

Mr. Chairman, I include a letter from Secretary of Transportation Skinner for the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, DC, July 22, 1991.

Hon. RICHARD RAY,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE RAY: H.R. 14, the proposed "Flight Attendant Duty Time Act," will soon be brought to the floor for a vote. This bill would establish a complex system regulating the duty time of flight attendants. Its enactment could cost airline passengers nearly $1 billion over the next 15 years. The Federal Aviation Administration, following an extensive study of flight attendant duty time which included a survey of industry practices, concluded that the establishment of flight attendant duty time requirements would not produce any quantifiable safety benefits for the traveling public.

Apart from needlessly increasing the cost of air travel for the public, the enactment of H.R. 14 would further add to the financial difficulties of our Nation's airlines. This past year, our air carriers lost a record $4.1 billion; this has been further compounded by an additional loss of $1 billion in the first quarter of this year. The enactment of H.R. 14 could diminish air carrier competition in domestic markets, as a result of its increased financial pressures on the weaker carriers, and create a competitive disadvantage for America's carriers as they compete with foreign carriers with lower costs overseas. H.R. 14 could hurt air service to small communities where marginal returns are already involved in many cases. H.R. 14 is also a needless intrusion by the Federal Government into labor-management relations in our air transportation system. H.R. 14 represents bad public policy, cloaked in the guise of a safety improvement.

Accordingly, if H.R. 14 or comparable legislation were enacted, I would recommend to the President that he veto the legislation.

The Office of Management and Budget advises that the enactment of H.R. 14 would not be in accord with the President's program.

Sincerely,

SAMUEL K. SKINNER.

Mr. OBERSTAR. Mr. Chairman, might I inquire how much time both sides have remaining?

The CHAIRMAN. The gentleman from Minnesota [Mr. OBERSTAR] has 9½ minutes remaining, and the gentleman from Pennsylvania [Mr. CLINGER] has 9 minutes remaining.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Chairman, as a frequent flyer who is very interested in aviation safety, I rise in strong support of the bill before us. I would like to commend the gentleman from California [Mr. MINETA] and the gentleman from Minnesota [Mr. OBERSTAR] for the leadership they have shown on what is an urgent safety issue.

Mr. Chairman, for years the FAA, as has been pointed out, has set limits on the hours worked by pilots, by flight engineers, by flight navigators, by mechanics, by dispatchers, and by air traffic controllers. These limitations are in place for a very good reason: So that the flying public is ensured of alert airline personnel, able to handle any situation that might arise, for all of us.

But there is a critical weak link in the safety chain, which is the 83,000 flight attendants in this industry. These are the men and women who are charged with on-board medical emergencies, fires, hijackings, and evacuation of passengers. But these people are working what can only be called crazy hours.

During the hearing this year in the committee of the gentleman from Minnesota [Mr. OBERSTAR], flight attendants testified that 20- to 30-hour shifts are common. In some cases flight attendants have been required to work for as long as 24 consecutive hours, and given rest periods for as short as 6 hours.

□ 1330

Somebody just referred to flextime. Let me tell you, my constituents do not call that flextime.

Somebody said the FAA said that this is safe. If you want to know whether it is safe or not, talk to your seatmate next time you are on a flight and ask them if they feel safe flying with a crew that has been up in a shift for 24 straight hours. The FAA, the National Transportation Safety Board, the Air Line Pilots Association, and others have commented on the dangers of flight attendants' fatigue.

The current situation is unsafe, Mr. Chairman, and it is untenable. We need standards for flight attendants who are on the front lines of passenger safety, just as we need the same standards and do have them for their colleagues in other aspects of the industry. The 83,000 flight attendants in this country must be given professional equality with their peers. This bill does it. It is for safety. Do not call this flextime. This is for public safety, and I commend the gentleman for his bill and I support it.

Mr. CLINGER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. BOEHNER].

Mr. BOEHNER. Mr. Chairman, here we go again. The U.S. Congress has developed a solution that is looking for a problem.

We have heard a lot about the safety issue. The fact is it does not exist. There is no history that there has been problems with flight attendants and the time that they are required to serve on duty.

At a time when American airlines are losing billions of dollars and trying to stay alive, what are we going to do here in Congress? We are going to mandate more costs on America's airlines. It is wrong.

As with other labor-sponsored legislation, the other problem that we have with this legislation is that it is one size fits all. Whether you are a large, international carrier or whether you are a small, regional airline, the Federal mandate that is prescribed in this legislation is going to fit all of them.

I believe, Mr. Chairman, that what we need to do is to stay out of this. Let the flexibility that exists in the private sector occur. But like other labor issues that come to this floor, the reason it is here is because flight attendants could not get it at the bargaining table.

Unions learned a long time ago what they could not get at the bargaining table they could get through the political process, and that is why this issue is here on the floor today.

Let us not saddle America's private sector and our airlines and the airline attendants who are members of the union, who do not want this legislation passed, let us not interfere with their right to negotiate this issue with their employer, to work out what is best for them and their colleagues with their particular airline.

Mr. OBERSTAR. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, it has been mentioned several times that there are certain flight attendants who do not want this legislation, and let us be very candid about it. There is one carrier that has indeed promoted a response from its flight attendants, Delta Air Lines, whose flight attendants did everything but lick the stamp for the letters and envelopes that were prepared for their attendants. They set up tables for 2 weeks, had the letters ready, typed and ready to be signed and sent.

A company would not give the flight attendant who talked to the committee about this problem a copy of the bill. When she finally got one she said, "They must think we are dumber than dirt. This legislation protects us."

Clearly, whether or not you are a member of a union, the issue is should a flight attendant be required to be on duty for such extended periods of time, and the answer clearly must be no. The flight attendant has important safety responsibilities to perform and ought to be alert enough to perform them.

I do not want someone responding to my heart attack or my seatmate's heart attack who is so exhausted that he or she cannot think properly and do the right things, to make the right response at the right time.

Sometimes we need legislation to protect workers against the overbearing power of a corporation that says look, you are on your own, you make your own choices, you work on your own time, put in as many hours continuously as you want whether it is good for you or not.

This legislation is in the interest of the traveling public as well as in the interest of the flight attendants.

Mr. CLINGER. Mr. Chairman, I yield myself 1½ minutes just to respond to a couple of statements that have been made. I know there has been a lot of talk about the fact that this bill could potentially or conceivably inconvenience flight attendants, that they now have an opportunity to arrange for time with their families and so forth. I can empathize with that. I think all who serve in this body would like to have an opportunity to spend more time with our families.

But this is really not about the convenience or inconvenience of flight attendants. We are discussing the safety of the traveling public this afternoon. So I think that really should not be a part of our deliberations here in determining whether to vote for or against this bill.

This really is a safety bill. It is true that we have not been able to establish, there has not been established an accident when this occurred, but consider the fact that every other profession that is involved in the flight of that airplane that takes you home every weekend now has limits on the amount of time that they are required to serve because of the fact that their fatigue could result in a fatal accident and the killing of thousands of people. And when that plane has to land on fire, or for whatever reason, I certainly hope that the flight attendants who are serving in that cabin are going to be alert enough to get the people to the exits, to get the slides down that are necessary and to be able to advise people how to most effectively get out of that aircraft without serious injury or loss of life.

We are talking here not about convenience but about safety.

Finally, I would just say that it really has been overblown, this idea of the cost that would be involved in implementation of this bill. As I have indicated, most of the airlines now have, by contractual relations, a limitation on flight attendant duty time. So we are really talking about those where there have been egregious examples of flight attendants who have been required to work inordinately too much time so that they would not be safe.

Mr. Chairman, I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. DARDEN].

Mr. DARDEN. Mr. Chairman, I appreciate very much the distinguished and respected chairman of the subcommittee yielding this time to me. I rise very reluctantly to oppose this legislation.

Mr. Chairman, it has been said that two of the most widely disbelieved statements in America are: "The check's in the mail," and "I'm from the Government and I'm here to help you."

Unfortunately, in the situation in which we find ourselves today, the major carrier in the southeast part of the United States does not really want any help from the Government on this issue. We have been in contact with a number of companies, and of course these are turbulent times in the airline industry, and we have found out that these matters can best be worked out among the companies and the employees themselves.

We have had hundreds of letters and requests from flight attendants throughout the southeastern United States asking please let us set our own hours, please let this be left up to the company and us to negotiate.

So I reluctantly oppose this legislation and respectfully insist, Mr. Chairman, that it be defeated and that the companies and the flight attendants be allowed to set their own hours and their own working conditions.

Mr. CLINGER. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. BOEHLERT], a valued member of the subcommittee.

Mr. BOEHLERT. Mr. Chairman, the National Transportation Safety Board, a key Federal agency charged with airline safety, concluded that flight attendant fatigue poses a safety threat. The NTSB submitted testimony to the Aviation Subcommittee stating:

> The Safety Board frequently has acknowledged the importance of flight attendants with regard to passenger safety and supports the principle underlying H.R. 14 to ensure that flight attendants have adequate rest. (H.R. 14 Committee Report)

As recently as last year the Federal Aviation Administration recognized that fatigue is an adverse safety factor. In a proposed rulemaking submitted to the DOT in the summer of 1990 to limit flight attendant duty and provide minimum rest, the FAA stated:

> After extensive research on the issue, the Federal Aviation Administration has determined that certain limitations and requirements for flight attendants are necessary to address extreme cases of inadequate rest that could directly affect safety in commercial air transportation.

While this FAA rule was never published by DOT, the FAA has imposed duty time rules for flight crews, air traffic controllers, and dispatchers.

The FAA's proposed rule addressed costs saying, "Based on qualitative evaluation of the proposal, the FAA believes that the proposal is cost beneficial" and concluded that duty time rules "—are warranted because they would contribute to an overall enhancement of transport category airplane safety and utility that would both promote and enhance the U.S. air transportation system."

I urge a vote in favor of H.R. 14 to put flight attendants on par with other safety-sensitive transportation employees.

□ 1340

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have no other speakers, but I will then close with some remarks, observations, on previous statements made, and then we can proceed to open the bill to amendment.

Mr. Chairman, I want to follow up on a point that the gentleman from Pennsylvania [Mr. CLINGER] made earlier about cost. The claims of cost have just ranged from one extreme to, well, I would not say to the other, because there has not really been much said on the other side.

The extreme is an estimate by the FAA that H.R. 14 will cost the airlines $1 billion over the next 15 years. Well, even if you took that number, that is $60 million a year in a $50 billion a year industry.

The FAA did some figures on its own draft regulations and said that they would cost $8 million to $17 million over 15 years, discounted in 1989 dollars.

That is such a disparity between those two numbers it is almost ridiculous.

Let us just take that $60 million. Let us assume the worst-case scenario, $60 million, 15 years, 450 million passengers a year, 13 cents a passenger. If you take the most extreme case, 13 cents a passenger is not going to break this $50 billion industry, and I suspect the cost probably will be half that if even that much.

But let us not get bogged down in costs. Let us focus on what this legislation is all about.

Let us just take June 1991. We have a report of all carriers, page after page of accidents and incidents; June 1, 1991, turbulence and the flight attendant fell during turbulence and hurt her back; June 1, female passenger had a possible heart attack, flight attendant administered oxygen; June 2, 15-year-old girl had a seizure after takeoff; passenger was taken to the hospital; aircraft was diverted to another airport; flight attendant had to administer. Passenger opened an overhead bin, a briefcase fell out, knocking another passenger out. Flight attendant attended to the passenger. Paramedic met the aircraft. We go on page after page.

The question I have for those who oppose this legislation is: Which flight do you want to be on when you have the heart attack or when the bin opens up and the briefcase hits you on the head and knocks you out, the one with the flight attendant who is rested and refreshed and ready to respond, or the one where they are exhausted, cannot think quickly and properly and do not do the right thing?

For 200 years of the industrial revolution, employers said that you did not need to limit work time, and then we got to a 10-hour day, and in 1910 when workers pleaded for an 8-hour workday, the steel industry took out full-page ads around America saying an 8-hour workday is not in the best interests of employees: they prefer to work longer hours and make more money. Well, we all know that that was not the case, and it took another 20 years actually to get to an 8-hour workday.

This is safety legislation. This is responsible legislation. It is in the interests of the traveling public, and it is certainly in the interests of flight attendants, and I urge passage of the bill.

Mrs. KENNELLY. Mr. Chairman, I rise today in support of H.R. 14, the Flight Attendant Duty Time Act of 1991. This legislation establishes limits to the uninterrupted time that a flight attendant may be on duty. In addition, it sets minimum rest periods between scheduled shifts. For example, a flight attendant should work no more than 14 hours of duty time for domestic flights without at least 10 hours of rest between duty periods. For international flights, an attendant should work no more than 16 hours of actual duty time without at least 12 hours of rest between duty periods. These numbers illustrate that flight attendants are still working longer shifts than most people work daily. The time has come to establish reasonable limits on flight attendants' excessive amount of duty time. Pilots, navigators, flight engineers and air traffic controllers are all regulated by guidelines set by the FAA. But flight attendants are not.

While the FAA contends that flight attendants can be considered safety employees for the purposes of restricting and prohibiting passenger alcohol consumption, we all know their safety responsibilities extend well beyond that. Flight attendants are the only professionals with direct contact to the passengers during flight. And they are professionals—as much as the flight engineers, and navigators are. Flight attendants deserve the same protections.

We know that fatigue and stress diminish work effectiveness. To react successfully to situations one must be alert. And up there in the air, there are few resources except those of well-trained and functioning attendants. These professionals must be ready for just about anything—evacuation, in-flight fires, decompressions, medical emergencies—to name only a few. Rest is essential to the effectiveness of these employees and in turn the safety of the passengers. Safety can not be compromised.

Mr. Chairman, I urge my colleagues to join me in support of this legislation.

Ms. NORTON. Mr. Chairman, I rise in strong support of the Flight Attendant Duty Time Act. This legislation will correct yet another way that women have experienced discrimination. As we all know, the flight attendant profession in our country has traditionally been dominated by women—even today, 85 percent of all flight attendants are women. All of the male-dominated safety-sensitive aviation professions have Federal regulations limiting time on duty. It is time that flight attendants were included.

I recently heard a story that illustrates just how important it is that the Congress take action to remedy this unfavorable situation. A flight attendant in the Washington area who happened to be male was in his third hour of duty as the head flight attendant on a particular flight when the plane hit massive turbulence. Shortly after hitting the turbulence, a female passenger suffered a massive coronary, a man who was eating stabbed himself in the tongue with a fork, and a fellow flight attendant sliced her hand. Because the head flight attendant had only been on duty for 3 hours, he was able to perform CPR on the female passenger and save her life, help the male passenger with the eating utensil in his tongue, and bandage the flight attendant's hand. The flight attendant said that he was not sure he would have been able to handle these troubling situations if he had been exhausted after having been on duty for several more hours, as flight attendants are frequently required to be.

This incident tells the story of the important role flight attendants play in the operation of airline flights on a daily basis. This legislation is designed to take into account such flight-related emergency situations that sometimes occur. Flight attendants cannot be expected to react in the most efficient manner when they are extremely tired. We must pass this legislation to bring workplace fairness to flight attendants and to make the skies safer for the traveling public. I urge all of you to support it.

Mr. GRADISON. Mr. Chairman, I rise in opposition to H.R. 14, the Flight Attendant Duty Time Act.

On its face, the case made by the proponents of the legislation seems a compelling one. Everyone agrees that safety aboard airlines is critical and everyone agrees that flight attendants perform important functions in the safe operation of an aircraft. Upon further examination, however, the charge that the safety of the flying public has been compromised by the absence of regulation of flight attendant duty time by the FAA is without foundation.

For over 50 years, commercial passenger airlines have flown in the United States. Over half a century there has not been one example of a passenger injury or loss of life that can be attributed to the fatigue of a flight attendant.

The FAA recently testified that a complete examination of records between 1975 and 1989 revealed that roughly 38,000 passengers have been involved in evacuation or evacuation-related incidents. In no case was flight attendant fatigue cited as even an impediment to safety. In addition, in September 1989, the FAA completed an exhaustive study in which approximately 12,500 airline duty time records were examined to determine maximum duty time and minimal rest periods. Among the five major and four national airlines involved in the review, duty time exceeded 18 hours in only six cases and exceeded 165 hours in 39 cases. This is hardly convincing evidence, given the overall safety record of U.S. airlines, on which to base the requirements of H.R. 14.

The safety case for H.R. 14 is even weaker when one examines the only case the proponents hold up as an example of flight attendant fatigue affecting safety. In 1985. a fatal accident involving Galaxy Airlines occurred in Reno, NV. Records show that two flight attendants had been on duty for over 18 hours. Yet, in its report on the accident, the National Transportation Safety Board determined that the probable cause of the accident was the failure of the flight crew to control and monitor the flight path and airspeed of the aircraft. Failure of the ground crew to close properly the air start access door was also a factor. In its 22 findings, listing of a probable cause, and six recommendations, the NTSB did not refer to flight attendant duty time. It was never a factor.

While there is no demonstrable safety benefit to H.R. 14, there is a considerable cost. On March 13, 1991, the Air Transport Association testified that the airline industry experienced unprecedented losses in 1990—quite likely, in excess of $2 billion. The ATA added that, although no comprehensive cost estimate of H.R. 14 had yet been completed, one carrier had estimated that the bill would add nearly $50 million annually to their operating costs.

The FAA, however, has estimated the implementation of H.R. 14 across the airline industry will increase operating costs nearly $1 billion over a 15-year period. Who will pay? The flying public will.

In spite of the considerable costs this bill would ultimately impose on the consumer, the committee report, in its discussion of costs and benefits, never addresses the testimony of the ATA or the FAA estimate. To read the committee report, you would think that this bill is without cost. Nothing could be further from the truth.

Two of the great myths about this bill are that it will improve safety and cost nothing. Those have been dispelled. The third myth is that all flight attendants favor H.R. 14. I know I initially thought so. The reality is different. Flight attendants at Southwest Airlines, represented by the Transport Workers Union, have made clear their opposition to the bill. The nonunionized flight attendants who fly with Delta Air Lines have done the same.

Proponents have now taken to stressing that unions representing 70,000 of the Nation's 83,000 flight attendants favor the bill and that, therefore, it deserves the House's support. They dismiss the opposition of Southwest and Delta flight attendants as stemming, to quote the committee report, "from concern for the impact on their private lives," in an attempt to discredit them by implying that they do not care about safety.

I fly regularly, as does every Member of this House, and, it so happens, I spend most of my flight time aboard Delta Air Lines. On numerous occasions, flight attendants have approached me to urge me to oppose H.R. 14. It is true that many of them have expressed a concern that the bill will eliminate much of the scheduling flexibility they currently enjoy. Delta Air Lines and its flight attendants have an extremely cooperative relationship on their scheduling committee. The legislation would effectively require them to give up the flexibility they have won in exchange for the opportunity, in many cases, to work longer hours at the same rate of compensation. This is not merely a concern for "their private lives." H.R. 14 fundamentally affects their jobs.

As everyone knows, the safe operation of the aircraft is a key component of flight attendant duty. That is as true at Delta Air Lines as it is elsewhere and the safety record proves it. The flight attendants I represent should not be penalized for the inability of flight attendant unions to win more beneficial arrangements with management through collective bargaining.

Airline safety is not the issue. The cost of H.R. 14 could well be $1 billion over a 15-year period and the consumer will bear most, if not all, of that. H.R. 14 amounts to an unsubstantiated claim of benefit without any consideration of the cost. In the end, after all the hyperbole, what the House has before it is little more than a labor-management issue. Allow the parties to consider these issues through negotiation—where they belong.

I urge my colleagues to vote against H.R. 14.

Mr. MORAN. Mr. Chairman, I would like to join my colleagues today in support of H.R. 14, the Flight Attendant Duty Time Act.

In the past century, we have worked with labor and management to enact many safe labor laws. Child labor is prohibited, the workweek has been shortened to 40 hours. These laws, however, do not apply to flight attendants.

Flight attendants can be assigned shifts as long as 14 hours, with rotating shifts that can carry on for days on end. In effect, we have created a situation in which flight attendants work extended schedules in a strenuous environment punctuated by short rest periods. These rotating shifts, compounded by jet lag and a confined working environment, lead to fatigue and an inability to concentrate that ultimately can lead to a disaster.

Pilots do not work under these conditions; neither do flight engineers, flight navigators, air traffic controllers, mechanics, or dispatchers. All of these positions have limited duties and established regulations.

I think it is past time to extend these regulations to professional flight attendants. I support H.R. 14, and I urge all of my colleagues to join me in passing this important legislation.

Mr. CHANDLER. Mr. Chairman, I oppose H.R. 14, the Flight Attendant Duty Time Limits Act. I believe that this legislation is overly burdensome to our airline industry and addresses an issue which should more appropriately be determined by Federal regulation.

As a pilot, I fully appreciate the need to man commercial flights with a completely rested crew. However, this bill actually mandates more stringent "rest" requirements for flight attendants than limits placed on pilots.

On domestic flights, for example, pilots must receive 9 hours of rest, which may be reduced to 8 hours and 15 minutes during times of adverse weather conditions. Under H.R. 14, however, flight attendants must be provided a minimum rest period of 10 hours.

Mr. Speaker, this legislation unnecessarily burdens an industry which is already struggling to remain solvent. This past year alone, our air carriers lost a record $4.1 billion. H.R. 14 will further increase the financial pressures being experienced by U.S. carriers.

I support reasonable duty time regulations for flight attendants. However, I believe that the Federal Aviation Administration [FAA] and not Congress should make that determination.

I urge my colleagues to join me in opposing H.R. 14.

Mrs. MINK. Mr. Chairman, I rise in strong support of H.R. 14, the Flight Attendant Duty Time Act, which was introduced by my distinguished colleague Congressman NORM MINETA. This legislation will provide needed limits on how long airlines can keep flight attendants on duty per duty. It is a shame that Congress must step into this matter because I would have hoped that the airlines themselves would have recognized the need for such limitations and taken firm action long ago.

In the absence of firm and consistent action throughout the industry, we in Congress must fulfill our responsibility to take preventive measures in the interest of public safety.

In the past months I have received an overwhelming number of calls and letters from the many flight attendants living in my home State of Hawaii, urging my support of H.R. 14. They point out quite correctly that while we all hope for a safe and uneventful flight, should an emergency occur, the safety of the passengers becomes the first priority of the highly trained attendant staff. At that time it is more important than ever that those attendants be at their most alert and that their training not be compromised by the human factors of fatigue or exhaustion.

Some have said that safety is not at issue here. I must then wonder why all other aviation workers have limits on their duty time, including pilots, air traffic controllers, navigators, dispatchers, and mechanics. Flight attendants, who will play such critical roles in an emergency and are recognized by the FAA as safety employees, have been left off this list.

Because my congressional district is the farthest district from our Nation's Capital, I am well acquainted with long plane rides lasting 12 hours or more and occurring at all times of the day and night. Even with limited physical activity these flights are extremely taxing. For the attendant who must spend a good portion of the flight standing or walking, it is a test of endurance.

Over the years airlines have provided many attractive incentives to flight attendants that have often made them actually prefer to endure the longer journeys because of the attached benefits. Mr. Chairman, this is inherently wrong and not in the best interests of safety. When the answer to this potentially risky situation it for the industry to entice individuals to place themselves and their passengers at risk, it becomes the duty of Congress to step in and declare that the safety and welfare of the public takes precedence.

I urge my colleagues to support passage of H.R. 14.

Mrs. BOXER. Mr. Chairman, I rise today in support of H.R. 14, the Flight Attendant Duty Time Act. This bill's intent is very simple: To promote airline safety by providing flight attendants with the same duty and rest protections that have been provided for all other transportation safety professionals. Since 1952, Federal rules have required flight attendants to aircraft for safety reasons. They are responsible for evacuating passengers in emergencies, handling in-flight medical emergencies, and protecting passengers from in-flight safety hazards.

The Federal Aviation Administration has designated flight attendants, flight engineers, pilots, and air traffic controllers as safety sensitive employees. The FAA considers the flight attendants safety sensitive enough for them to be drug tested. Yet flight attendants are the only employees whose duty hours remain unlimited. Coincidentally, the flight attendants make up the only work force under FAA jurisdiction that is predominantly female—85 percent of all flight attendants are women.

Flight attendants often are required to work long hours. Those without union contract protection have no protections. They are scheduled at management's discretion or otherwise can be fired. Even unionized workers may still be forced to work 14 to 17 hour shifts. Work as a flight attendant is physically demanding in a noisy, poorly ventilated, stressful environment.

It should be self-evident that fatigued workers make more mistakes and respond more slowly in crises. Scientific studies have shown it. The FAA has long accepted it. The National Transportation Safety Board recognizes it. The Board "supports the principle underlying H.R. 14." I urge this body to vote for airline safety and basic equity.

Mr. BORSKI. Mr. Chairman, I rise in support of H.R. 14, the Flight Attendant Duty Time Act.

H.R. 14 will improve the safety of airline travel. This legislation will require the Department of Transportation to issue regulations that establish specified limits on the amount of time that airline flight attendants may be on duty. H.R. 14 will also establish minimum required rest periods for flight attendants.

We have limits on the amount of continuous time that pilots, flight engineers, navigators, air traffic controllers, airplane mechanics, and dispatchers can be on duty. This helps prevent accidents caused by fatigue.

We should also require similar duty limits for flight attendants. They have many safety-related responsibilities both inflight and on the ground.

In times of emergency, flight attendants are primarily responsible for the safety of airline passengers. Flight attendants suffering from fatigue could make dangerous mistakes in the event of an air emergency.

The Federal Aviation Administration [FAA] has refused to regulate flight attendant duty time. Therefore, it is time for Congress to act.

Common sense tells you that scheduling a flight attendant to work 20 hours at a time is not conducive to air safety. I urge you to support H.R. 14, a reasonable step toward greater air travel safety.

Mr. SCHEUER. Mr. Chairman, I would like to register my strong support for H.R. 14, the Flight Attendant Duty Time Act—legislation that I believe is long overdue. Flight attendants are currently the only airline employees responsible for safety whose duty hours have no limit. H.R. 14 would correct this inconsistency.

On an airline flight, flight attendants are responsible for a wide range of safety duties, including: providing first aid and care for passengers that fall ill, and—in the event of an emergency—putting out fires and evacuating passengers. They are just as important to a safe flight as pilots and navigators. Therefore, they should be spared the unreasonably long shifts that reduce their effectiveness in potentially life-threatening situations.

For many years, flight attendants have been telling the FAA that these incredibly long shifts—which can sometimes stretch on for as long as 30 hours—threaten the safety of airline passengers. In 1989, the FAA completed its study of the problem and concluded that such safety concerns justified Federal regulations limiting the uninterrupted duty time of flight attendants.

The FAA proceeded to draft a proposed rule, which it sent to the Department of Transportation in July 1990. But the DOT has refused to take action, presuming to know better than the FAA how best to protect the flying public.

In the past, the FAA has established maximum uninterrupted duty times and minimum rest periods for pilots, flight navigators, flight engineers, air traffic controllers, mechanics, and dispatchers. Now it has determined that similar regulations are necessary with regard to flight attendants.

H.R. 14 will do just that, and in the process, secure the safety of the millions of passengers who fly everyday. I congratulate my colleague from California for championing this safety measure.

Mr. OBERSTAR. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. CLINGER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered by sections as an original bill for the purpose of amendment, and each section is considered as read.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 14

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Flight Attendant Duty Time Act".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. AMENDMENT TO THE FEDERAL AVIATION ACT.

(a) In General.—Title VI of the Federal Aviation Act of 1958 (49 U.S.C. App. 1421–1433) is amended by adding at the end thereof the following new section:

"SEC. 614. DUTY TIME OF FLIGHT ATTENDANTS.

"(a) Rulemaking Proceeding.—Not later than 60 days after the date of the enactment of this section, the Secretary shall initiate a rulemaking proceeding for the purpose of establishing limitations on duty time for flight attendants, including minimum rest requirements.

"(b) Final Regulations.—Except in any case in which the prohibitions referred to in subsection (c) take effect, the Secretary shall issue, not later than 240 days after the date of the enactment of this Act, final regulations establishing limitations on duty time for flight attendants, including minimum rest requirements as follows:

"(1) For domestic flights, a maximum of 14 hours of actual duty time and a minimum of at least 10 consective hours of rest after each duty period.

"(2) For international flights, a maximum of 16 hours of actual duty time and minimum of at least 12 consecutive hours of rest after each duty period.

"(3) For a long-range international nonstop flight, a maximum period of actual duty time no more than 4 hours greater than the scheduled duty time, with a maximum period of actual duty time no greater than 20 hours, and a minimum consecutive rest period (after such duty period) equal to at least twice the scheduled flight time.

"(4) For all flight attendants, a minimum of eight 24 consecutive hour periods of rest at their domicile per calendar month, including at least one 24 hour consecutive period of rest within every 7 calendar days.

"(5) For all flight attendants, at least a continuous 1 hour rest break on any flight or segment thereof scheduled for 8 hours or more of flight time in a designated rest area.

"(c) Mandated Prohibitions.—If the Secretary does not initiate a rulemaking proceeding under subsection (a) before the 60th day following the date of the enactment of this Act or does not issue final regulations under subsection (b) before the 240th day following such date of enactment, no air carrier may after such date operate an aircraft using a flight attendant who has been on duty more hours, or who has had fewer hours of rest, than those required by paragraphs (1) through (5) of subsection (b).

"(d) Modification of Mandated Prohibitions.—The Secretary may issue regulations modifying the prohibitions contained in paragraphs (1) through (5) of subsection (b) if the Secretary determines that such modifications are in the interest of safety and transmits a copy of the modifying regulations to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives. The modifying regulations may not take effect until the expiration of the 90-day period beginning on the date of the transmittal of the modifying regulations to such committees.

"(e) Definitions.—In this section, the following definitions apply:

"(1) Air carrier.—The term 'air carrier' means any air carrier which is subject to the provisions of part 121 or part 135 of title 14 of the Code of Federal Regulations.

"(2) Debriefing time.—The term 'debriefing time' means a time period of at least 30 minutes for domestic flight and of at least 45 minutes for international flight after the block-in time of the last flight or segment of a flight.

"(3) Designated rest area.—The term 'designated rest area' means a passenger seat of an aircraft assigned for crew rest purposes.

"(4) Domestic flight.—The term 'domestic flight' means any flight or segment of a flight worked by a flight attendant totally within the 48 contiguous States and the District of Columbia.

"(5) Duty time.—The term 'duty time' means all time worked for an air carrier at any place and in any capacity and, with respect to flying, shall begin at the required report time and shall end at the conclusion of the debriefing time, or when released by the carrier, whichever is later. Duty time accrues until the crewmember is given a required rest period by the carrier. Time spent deadheading, either on an aircraft or by surface transportation, to or from an assignment by an air carrier, time spent ferrying, and time spent attending meetings and training shall also be considered duty time. Duty time continues—

"(A) throughout a rest period of a shorter duration than that contained in subsection (b)(1), (b)(2), or (b)(3), as the case may be; and

"(B) during in-flight rest periods contained in subsection (b)(5).

"(6) International flight.—The term 'international flight' means any flight or segment thereof worked by a flight attendant for which a take off or landing is scheduled outside the 48 contiguous States and the District of Columbia.

"(7) Long-range international nonstop flight.—The term 'long-range international nonstop flight' means a single nonstop international flight scheduled for 8 hours or more of flight time.

"(8) REPORT TIME.—The term 'report time' means a time period of at least 30 minutes prior to the scheduled departure time of the flight or segment of a flight in a flight attendant's duty period or the time the flight attendant is required to report to work, whichever is earlier.

"(9) REST.—The term 'rest' means uninterupted time free from all duty.

"(10) SCHEDULED FLIGHT TIME.—The term 'scheduled flight time' means the elapsed time of a flight of an air carrier based on the times shown in schedules published for the air carrier.

"(11) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"(f) TREATMENT OF DUTY PERIOD WITH DOMESTIC AND INTERNATIONAL FLIGHT SEGMENTS.—A duty period with both domestic and international flight segments shall be treated as international flying for the purpose of calculating duty and rest requirements under this section if the majority of the flight time during that duty period is on an international segment and domestic flying if the majority of the flight time during that duty period is on a domestic segment.".

(b) CONFORMING AMENDMENT.—The table of contents contained in the first section of the Federal Aviation Act of 1958 is amended by adding at the end of the matter relating to title VI the following:

"Sec. 614. Duty time of flight attendants.
"(a) Rulemaking proceeding.
"(b) Final regulations.
"(c) Mandated prohibitions.
"(d) Modification of mandated prohibitions.
"(e) Definitions.
"(f) Treatment of duty period with domestic and international flight segments.".

The CHAIRMAN. Are there any amendments to section 2?

AMENDMENT OFFERED BY MR. CUNNINGHAM

Mr. CUNNINGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CUNNINGHAM: Page 5, line 2, insert "which operates more than 7 passenger aircraft in air transportation and" after "air carrier".

Mr. CUNNINGHAM. Mr. Chairman, my amendment would exempt airlines which operate seven or fewer aircraft from the provisions set forth in H.R. 14. It will affect only a small portion of the airline industry, but it is a make-or-break issue for small business.

If deregulation is going to work for the American public, we must be careful not to artifically and unnecessarily limit competition.

H.R. 14, The flight attendant duty time legislation would severely limit charter operations. Charter operators perform a vital service by disciplining the scheduled airlines to provide lower air fares.

In addition, charter operations fill a void left by scheduled carriers. Most charter carriers travel to out of the way places on a weekly or infrequent basis. As a result, the proposed crew rules that apply to daily scheduled operations when applied to charter airlines would make most charter flights impossible or prohibitively expensive.

A charter operation needs 18 hours of crew duty time to be effective to fill voids in scheduled passenger service. To compete effectively, charter airline airplanes have more seats. These airplanes need more seats in order to provide lower airfares. To tie up one or two passenger seats for crew rest—as outlined in this bill—is prohibitively expensive.

Each seat on a normal charter flight produces $30 revenue, per seat, per hour. A charter airline needs to fly a new airplane about 300 hours a month to be profitable. So—$30 times 300 hours, per month is $9,000 per month or $108,000 per year in lost revenue to tie up a passenger seat for a flight attendant in which to rest. A crew seat is certainly adequate.

The airline industry lost about $4 billion this past year. How many airlines even make $108,000 profit? Virtually none.

The use of a single passenger seat on one flight for crews to rest on could cost a 10 airplane airline over $1 million a year.

Projecting it out to only one-half of the 4,835 commercial airliners in service in the United States today, this provision in H.R. 14 could cost the industry at least $270 million a year.

In the duty time provision of this bill, including dead-heading time after a flight has nothing to do with safety. All they are doing, is returning back to their home base. This is a very important issue for charter airlines.

If they cannot bring a crew who worked the outbound leg back with them, they might have to leave a crew at some distant location until they return on the next flight a week later.

This is prohibitively expensive for the airline and also keeps the flight attendant from working an entire week, while he or she must wait for the charter aircraft to return and retrieve them.

If there is scheduled airline service to that distant location, the charter airline then must buy five or six tickets to transport their crew on another airline. This also makes it economically unfeasible. This provision in the bill is extremely detrimental to all charter carriers. It is even more restrictive than the current rules for pilots.

In order that small business remain competitive and in operation, it will take a certain amount of flexibility with crew members because charter airlines fly to many destinations scheduled airlines normally do not.

Charter operations do not fly the kind of frequencies that make it economical to implement the kind of restrictions currently in H.R. 14.

I would like to cover not only the safety aspect but the business aspect of this as well. Many of us travel almost weekly on airlines, and flight attendants in this country provide a valuable service. They are probably the most professional group in the airline industry we deal with almost on a daily basis. They do have aspects that affect our safety.

I have been on flights where a man had a heart attack. Luckily I have not been on a hijacking. I have been on an airplane that had a fire problem, and I have also had to evacuate an aircraft.

We have heard testimony that in over 38,000 deplanings, not one single factor of safety was affected by fatigue. Of over 12,500 records, only four occasions where a flight attendant had to work more than 20 hours, but yet I hear Members for H.R. 14 saying, well, 24 hours. No one has ever mentioned 24 hours. Why do we not go to 36? No one even goes over 20 hours in fact, but it sounds better, 24 or 36 hours.

There have been no fatigue-related flight attendant accidents.

I was a college professor and a dean of a college of school of aviation and studied safety in aviation for years. I have spent the majority of my life in aviation.

We heard one of the Members, with over 35 years in the airline industry, state that this is not a safety issue.

I would like to say, in defense of my amendment, that no flight attendant would be against my amendment. That is not true.

I would like to say that no flight attendant supports H.R. 14, but I find flight attendants who support it. But I have also found those on the other side who say, "It is an inconvenience to us," and those who would say, "Well, it is not an inconvenience matter. It is a safety matter."

Flight attendants have their own union. If it was a safety factor, the flight attendants' union would have demanded it a long time ago.

Mr. Chairman, my wife is a high school principal. I would love to go to a higher body and have her hours reduced. She works with 1,000 screaming children every single day, and if you do not think that is a safety factor, you are wrong.

Let us not let this body be directed by unions. Let us let this body be directed by the merit of a bill.

If deregulation is going to work for the American public, we have got to be careful not to artificially and unnecessarily limit competition. I cannot tell you how tough it is to start a new airline.

Well, let me give you some statistics.

☐ 1350

An aircraft filled to capacity must earn about $30 in revenue per hour to make that airplane profitable. That same airplane must travel at least 300 hours per month to be profitable.

I'm not asking for the major airlines not to have this rule, but this affects the small guy, the guy that only goes down to maybe the islands or across the country or internationally once a week, and it would be impossible for him to station flight attendants in different places.

This 300-hour figure works out to about $9,000 a month, or $108,000 per year per seat. Now, figure that out times the number of seats on the aircraft that they sit on.

(By unanimous consent, Mr. CUNNINGHAM was allowed to proceed for 5 additional minutes.)

Mr. CUNNINGHAM. Mr. Chairman, my amendment protects small business in the airline industry. Each airplane earns about $15 million per year gross. That is before expenses. A seven-aircraft fleet is around $100 million. We are talking about small business here. We are not talking about safety. We are talking about increased cost of revenue to this country and to working people.

Mr. Chairman, on behalf of small business in the United States, I urge a yes vote on my amendment. It is imperative that charter operations remain competitive in a very hostile environment. Delta Airlines has mentioned attendants are in support of my amendment and against H.R. 14. The administrators of the FAA are against H.R. 14. The Secretary of Transportation is against H.R. 14.

Save flight attendants jobs, and support my amendment.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the gentleman's amendment.

I would like to make a statement generally about the bill, a statement which I think tends to express my opposition to the amendment of the gentleman.

We all in this body spend a lot of time on airplanes. As I go back and forth on the extremely long trip from here to Montana, which I have done, I think, about 12 out of the last 13 weekends, I have come to know, through the years, more than a dozen years of constant travel, who is responsible for my safety back in the passenger cabin. It is the flight attendants.

The FAA considers flight attendants to be safety employees because they make them responsible for restricting and prohibiting the consumption of certain drugs. They make them monitor alcohol consumption on the planes. By the way, those flight attendants themselves are subject to DOT's drug testing. Why? Because they are in a safety-sensitive position.

It is flight attendants who are primarily in charge of passenger safety during emergencies. We all understand that. We count on them to act quickly and competently during all in-flight medical emergencies, fires, or of course the ultimate, the crash and the disaster.

In order to do that appropriately, flight attendants must have sufficient rest periods and off-duty times. Now, if the FAA had established such reasonable time limits, this legislation would be unnecessary.

In concluding, I want to take a moment to sincerely commend the gentleman from New Jersey [Mr. ROE] and the gentleman from Minnesota [Mr. OBERSTAR] for their hard, diligent work and their patience and foresight in bringing H.R. 14 before the House.

Mr. CLINGER. Mr. Speaker, I strike the requisite number of words. I must reluctantly oppose the amendment of my friend, the gentleman from California.

If Members accept the argument that this is really about safety, and this is really about protecting passengers in a dangerous situation or what could be a dangerous situation, then I think this amendmnent has to be rejected. If, on the other hand, it is not about safety, then I think the economic arguments which he makes bear consideration.

However, I do not think we are arguing here about the economics. We are arguing about the safety situation.

I would just point out in the study that was done for FAA with regard to types of airlines or the types of enterprises required their attendants to work unusually long hours, the most egregious offenders of the duty-time limitations were the very airlines which the gentleman would exempt under his provision. I just want to point out that of the cases that were studied, for example, the 5 major airlines were reviewed. There were 33 cases where the duty time exceeded 16 hours. There were six cases where the duty time exceeded 18 hours. However, with regard to the supplementals, and most of the charters, and most of the airlines that have owned fewer number of aircraft would be included in this category, there were 193 cases where the duty time exceeded 16 hours, and there were 100 hours where the duty time exceeded 18 hours, and 109 cases where the duty time exceeded 20 hours.

As I said, if the issue is indeed safety, then this is where the most egregious violations occur.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. CLINGER. I yield to the gentleman from California.

Mr. CUNNINGHAM. Mr. Chairman, the gentleman from Montana [Mr. WILLIAMS] and the gentleman from Pennsylvania [Mr. CLINGER] have stated the matter of safety. I fully agree.

A flight attendant—and I have worked in the aviation industry most of my life—a flight attendant does have a very serious flight safety factor. The documentation that we have heard of over the 35,000 deplanees, and all the documentation in the testimony says that the safety factor is not affected by fatigue, and has not been. In most cases, very few over 20 hours have ever existed.

If this is really so, this is not a safety issue.

I support the gentleman's findings that, yes, a flight attendant is very important in the safety aspect of operating the aircraft, but the statistics show that it is not a factor, the fatigue, with the flight attendants.

Mr. CLINGER. Mr. Chairman, reclaiming my time, I thank the gentleman for that contribution, but would point that, indeed, we do not have examples where fatalities have been caused because of what has been documented to be flight attendant fatigue.

On the other hand, I think that we are not prepared, at least this bill would recognize we are not prepared to take the risk that that could not happen. In other words, there is no evidence to prove that fatigue would not be a part of an accident at some point. There does not happened to have been any.

Mr. CUNNINGHAM. Mr. Speaker, if the gentleman will continue to yield, of course fatigue could have a place in an accident. No one disagrees with that.

However, with a small airline, a number of flight hours and accidents are based on numbers of flight hours if we look at the safety reports. Your commercial airlines and your commuter airlines do not operate as much as the big airline to spread out the safety factors.

When we try and prove anything by statistics, we can offset those statistics by the number of flight hours versus the number of accidents.

□ 1400

So, yes, small feeder airlines do not fly as much and their accidents are higher per flight hour.

Mr. CLINGER. Just in conclusion, Mr. Chairman, I would say if in fact we agree that safety is a factor here, then it is the small airlines that have been the ones who have forced the flight attendants to work 20 and 30 hours at a time. They have been the worst offenders, or those who required their flight attendants to work inordinate amounts of times; so if you believe that safety is involved, as I do, then they should not be exempt from the provisions of this legislation.

Mr. Chairman, I yield back the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment of the gentleman from California.

The FAA study that I referred to earlier in 1989 indicated that charter carriers represent the greatest problem in the scheduling of excessive duty times. The FAA examined 1 month's record for flight attendants at five charter airlines. The gentleman from Pennsylvania has cited those cases.

There were 193 in which duty time exceeded 16 hours; 100 cases where duty time exceeded 18 hours; 109 cases in which duty time without adequate rest exceeded 20 hours.

The gentleman's amendment, indeed, would propose to exonerate from the limitation on duty times the very greatest perpetrators of wrong against the principle of adequate rest for flight attendants.

The FAA concluded:

> The greatest potential for extended duty time was found in supplemental carriers, charters, due to the nature of their operations, particularly with international and charter flights.

The hearing record of the committee goes on to cite specific instances of excessive duty hours on charter airlines, especially those operating only a few aircraft. They are the ones who, as I said in the case of Galaxy Airlines earlier, most likely are the ones to violate the concept that duty time should be limited.

At the hearing, a flight attendant from Tower Airlines, one that would be covered by the gentleman's amendment, has both charter and regular serviced and has testified.

> It is not uncommon for us to fly 20 or even 30 hour duty periods with little or no rest. In fact, I had a hard time deciding which trips to use for this testimony, there were just too many long ones to choose from.

That flight attendant went on to testify that a colleague of hers had been required to dead head for 26 hours from New York to California to Dallas to Nashville to Hopkinsville, TN, with only 6 hours rest before beginning duty.

The first phase of her duty then consisted of 9 hours of flight time to Bangor, ME, and then on to Rome, Italy.

Well, now, that is just plain nonsensical.

That just flies in the face of common sense.

Listen to what my wife said 4 months ago:

> Anyone with an ounce of comomn sense knows you can't work people that hard that long without rest.

Mr. Chairman, I urge a no vote on the gentleman's amendment.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I rise in opposition to the amendment of the gentleman from California and in support of the basic bill, and commend the gentleman from Minnesota [Mr. OBERSTAR] and the gentleman from California [Mr. MINETA] for their leadership on this matter.

Mr. Speaker, I rise in support of H.R. 14, a bill which I have cosponsored to require the Department of Transportation to issue regulations that would establish specified limits on the amount of time that airline flight attendants may be on duty, as well as minimum requested rest periods.

Under this legislation, the DOT must initiate this rulemaking process within 60 days of enactment and issue final rules within 240 days of enactment. Alternatively, if the Department of Transportation fails to meet either of these deadlines, the bill would statutorily prohibit airlines from operating any flight with attendants whose work schedules fail to meet the duty time limits set in the bill. H.R. 14 provides that flight attendants would be allowed to work up to 14 consecutive hours on domestic flights, and up to 16 hours on most international flights.

With the introduction to service of new generation long-range transports, such as the Boeing 747–400 and the McDonnell Douglas MD–11, airlines can now operate nonstop segments from New York to Tokyo—14 hours—and Los Angeles to Sydney—14 hours 35 minutes. Flight attendants may work coast to coast in 1 day crossing numerous time zones. Additionally, fierce economic competition between air carriers requires many to extract increased productivity from fewer employees.

The problem of excessive duty time for flight attendants has been documented. The Federal Aviation Administration [FAA] has advised the Public Works and Transportation Committee of numerous cases in which flight attendants have been required by their employers to work as long as 24 consecutive hours and give rest periods as short as 6 hours.

In 1985, a Galaxy Airlines charter flight carrying tourists from Reno, NV to Minneapolis/St. Paul crashed on takeoff kiling all but one passenger. The two flight attendants aboard that fatal flight had been on duty for over 18 hours and were scheduled to continue on duty for an additional 7 hours. While this excessive duty time was clearly not the cause of this tragic accident, it could well have affected the ability of these flight attendants to effectively perform their evacuation and safety duties had they and more passengers survived the crash.

There is compelling medical evidence which links sleep deprivation to fatigue-induced errors on the job. While the Federal Aviation Administration presently regulates the dutytime hours of other aviation employees in safety-related jobs, including pilots, flight engineers, navigators, dispatchers, and air traffic controllers, there is no similar dutytime limitation for flight attendants. Yet in an aborted takeoff, evacuation, or other in-flight emergency, passengers rely upon flight attendants to perform their safety-related duties flawlessly and with expertise. Their performance would be critical to the safety and possibly even the survival of their passengers.

Mr. Speaker, I want to commend my good friend from Minnesota, Mr. Oberstar, the chairman of the Public Works and Transportation Subcommittee on Aviation for his leadership on this issue and for holding hearings which have demonstrated the clear need for this legislation. I urge my colleagues to join me in voting for H.R. 14.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. CUNNINGHAM].

The question was taken; and on a division (demanded by Mr. CUNNINGHAM) there were ayes 4, noes 9.

So the amendment was rejected.

The CHAIRMAN. Are there any other amendments?

If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MCNULTY) having assumed the chair, Mr. HERTEL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 14) to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants pursuant to House Resolution 203, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CLINGER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 228, nays 195, not voting 10, as follows:

[Roll No. 250]

YEAS—228

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Berman
Bilbray
Boehlert
Bonior
Boucher
Boxer
Brewster
Brooks
Brown
Bruce
Bryant
Campbell (CO)
Cardin
Carper
Clay
Clement
Clinger
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Emerson

Engel
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frost
Gaydos
Gejdenson
Gephardt
Gilman
Gonzalez
Gordon
Green
Gunderson
Hall (OH)
Hammerschmidt
Hayes (IL)
Hertel
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Hughes
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnston
Jones (NC)
Jontz
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lipinski
Long
Lowey (NY)
Machtley
Manton
Markey
Martinez
Mavroules
Mazzoli
McCloskey
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Moody
Moran
Morella
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Nowak
Oakar
Oberstar
Obey
Olver
Ortiz
Owens (NY)
Pallone
Panetta
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (MN)
Pickle
Poshard
Price
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Ridge
Rinaldo
Roe
Rose
Roukema
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Savage
Sawyer
Schaefer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Staggers
Stallings
Stark
Stokes
Studds
Swett
Swift
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Young (AK)

NAYS—195

Allard
Andrews (TX)
Anthony
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehner
Broomfield
Browder
Bunning
Burton
Byron
Callahan
Camp
Campbell (CA)
Carr
Chandler
Chapman
Coble
Combest
Coughlin
Cox (CA)
Cramer
Crane
Cunningham
Dannemeyer
Darden
DeLay
Dickinson
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Edwards (TX)
English
Erdreich
Espy
Ewing
Fawell
Fields
Fish
Frank (MA)
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gingrich
Glickman
Goodling
Goss
Gradison
Grandy
Gray
Hall (TX)
Hamilton
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Henry
Herger
Hoagland
Hobson
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jenkins
Johnson (TX)
Jones (GA)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Lancaster
Leach
Lent
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Luken
Marlenee
Martin
McCandless
McCollum
McCrery
McCurdy
McEwen
McMillan (NC)
Michel
Miller (OH)
Montgomery
Moorhead
Morrison
Myers
Neal (NC)
Nichols
Nussle
Olin
Orton
Owens (UT)
Oxley
Packard
Parker
Patterson
Paxon
Penny
Peterson (FL)
Petri
Pickett
Porter
Pursell
Quillen
Ravenel
Ray
Rhodes
Riggs
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Rowland
Sarpalius
Saxton
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Sisisky
Skeen
Slaughter (VA)
Smith (OR)
Smith (TX)
Solomon
Spence
Spratt
Stearns
Stenholm
Stump
Sundquist
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wilson
Wolf
Wylie
Young (FL)
Zeliff
Zimmer

NOT VOTING—10

Borski
Bustamante
Guarini
Hefner
Holloway
Hopkins
Kaptur
Matsui
McDade
Yatron

☐ 1427

Mr. GRAY changed his vote from "yea" to "nay."

Mr. VOLKMER changed his vote from "nay' to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OBERSTAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just considered and passed.

The SPEAKER pro tempore. (Mr. MCNULTY). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

CONFERENCE REPORT ON H.R. 2699, DISTRICT OF COLUMBIA SUPPLEMENTAL APPROPRIATIONS AND RESCISSIONS ACT, 1991

Mr. DIXON. Mr. Speaker, I call up the conference report on the bill (H.R. 2699) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the order of the House of Tuesday, July 30, 1991, the conference report is considered as having been read.

(For conference report and statement, see Proceedings of the House of July 31, 1991, at page 20678.)

The SPEAKER pro tempore. The gentleman from California [Mr. DIXON] will be recognized for 30 minutes, and the gentleman from New Jersey [Mr. GALLO] will be recognized for 30 minutes.

☐ 1430

GENERAL LEAVE

Mr. DIXON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report H.R. 2699 and on the amendments in disagreement, and that I be permitted to include a tabulation summarizing the conference agreement.

The SPEAKER pro tempore. (Mr. MCNULTY). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DIXON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to present to the House today the highlights of the conference report on the fiscal year 1992 District of Columbia Appropriations Act. There were some 34 Senate amendments, 9 of which involved the general provisions.

Let me say at the outset that this conference agreement is within the subcommittee's 602(b) allocations in budget authority and in the budget outlays.

Mr. Speaker, in Federal funds the conference agreement provides a total of $700 million in budget authority, which is $53,000 above the House-passed bill, but we are $56 million below the Senate bill. There was no change in the Federal payment of $630.5 million, which was included in both bills.

The Senate proposed three significant changes to the bill as it relates to Federal funds. Let me take them up one at a time.

First, $10 million was used to set up a trauma care fund for the uncompensated cost of medical care provided to indigents. The District of Columbia is presently considering a bill to address the uncompensated care issue so the Senate receded on that amendment which is number 4.

Second, the Senate provided an advance appropriation of $6 million to the Children's Hospital for a cost-shared National Child Protection Trauma and Research Center. The House-passed bill and the Senate-passed bill both had $3 million for fiscal year 1992. The House Members are very supportive of Children's Hospital, and it has broad-based bipartisan support. However, if this amendment, amendment No. 9, had been adopted, the conferees would have committed $6 million for fiscal year 1993, and the budget allocation for that amount would have been taken from this year's District appropriations bill. So the Senate receded on amendment No. 9.

I would like to call to the attention of the Members amendment number 10. I have had a lot of inquiries about this amendment which would commit $50 million of the District's budget allocation over the next 4 years to George Washington University for a new medical center. These funds would be matched, I am told, dollar-for-dollar with non-Federal contributions.

Mr. Speaker, this is a very worthy project, and I have had many inquiries about it. It is my opinion that the health delivery system in the District of Columbia is in need of acute care, particularly as it relates to the uninsured members of the District of Columbia community.

The medical profession estimates that about 20 percent of the District's population has no insurance at all, and that has placed a burden not only on D.C. General Hospital but also on the four or five private hospitals that provide services to the indigent and uninsured and are not compensated.

Let me say once again that George Washington University, its president and, as far as I know, all of the medical people working there and their emergency room have an excellent program. I believe it when the president tells me that. I read newspaper articles about the program and their delivery system is excellent, but the issue before our committee was not the quality or the quantity of care that George Washington Hospital is providing. Some would like to think that that is the issue. It is not the issue.

The issue is where should the funding of the $50 million come from, and that was the issue this conference had to address.

The House bill had no provision for this. The Senate bill would have provided $50 million for the next 4 years to the George Washington Hospital Center to improve their medical facilities. The conferees on the House side felt that this was not an appropriate expenditure of District money. Certainly, the District of Columbia should work with George Washington University and the other hospitals that are providing uncompensated care. They would include not only George Washington but Georgetown University, certainly Howard University, and three or four others that are providing uncompensated care.

The Senate's proposal was to commit $50 million of advance payment that more than likely would be taken off the top of the 602 budget allocation to the District of Columbia over the next 4 years. There was bipartisan support on this side of the Capitol not to approve that amendment, and so it, in fact, comes back to us in total disagreement.

Let me touch on a few other items in the conference report. The conferees on the House side went along with the Senate proposal to provide $500,000 to continue an early detection program for breast and cervical cancer for low-income women who are not covered by insurance. We also agreed to provide $330,000 for the options school program, which is an alternative full-day program for youth, 12 to 15 years of age, who are severely at-risk of dropping out of school. We are providing $250,000 to fund a Parents-as-Teachers Program which encourages parental involvement in their children's education.

We did not include in this conference agreement provisions that were passed by this House on July 29 as part of a separate authorization bill—H.R. 2969. One of the provisions would have given the Mayor the authority to reduce the budget of independent agencies if necessary to balance the District's budget. The second would have allowed the District to sell bonds to retire its accumulated deficit and have a cash balance. We were told that H.R. 2969 with those provisions included will pass the Senate soon and be sent to the President.

So all in all, I think this is a good conference report. It is in substantial compliance with the bill that left this House.

At this point in the RECORD, Mr. Speaker, I will insert a tabulation summarizing the conference action:

The table referred to follows:

H.R. 2699—DISTRICT OF COLUMBIA APPROPRIATION, 1992

	FY 1991 Enacted	FY 1992 Estimates	House	Senate	Conference	Conference compared with Enacted
FEDERAL FUNDS						
Federal payment to the District of Columbia	530,500,000	630,500,000	630,500,000	630,500,000	630,500,000	+100,000,000
Federal contribution to retirement funds	52,070,000	52,070,000	52,070,000	52,070,000	52,070,000	---
Transitional payment for Saint Elizabeths Hospital	10,000,000	---	---	---	---	-10,000,000
Drug emergency	26,708,000	---	---	---	---	-26,708,000
Commission on budget and financial priorities	1,000,000	---	---	---	---	-1,000,000
Office of the Mayor	---	---	52,000	---	---	---
Metropolitan Police Department	---	---	75,000	75,000	75,000	+75,000
Fire and Emergency Medical Service Department	1,141,000	---	---	799,000	---	-1,141,000
Superior Court of the District of Columbia	160,000	---	---	---	---	-160,000
Board of Education (Public schools)	14,080,000	---	1,100,000	1,130,000	3,205,000	-10,875,000
District of Columbia General Hospital	5,000,000	---	12,000,000	900,000	9,500,000	+4,500,000
Department of Human Services	3,041,000	---	---	500,000	500,000	-2,541,000
Federal payment for Desert Shield/Storm	3,565,000	---	---	---	---	-3,565,000
Trauma care fund	---	---	---	10,000,000	---	---
Department of Housing and Community Development	---	---	---	200,000	---	---
Total, Federal funds to District of Columbia	647,265,000	682,570,000	695,797,000	696,174,000	695,850,000	+48,585,000
D.C. Institute for Mental Health	1,000,000	---	1,000,000	426,000	1,000,000	---
Children's National Medical Center	3,000,000	---	3,000,000	3,000,000	3,000,000	---
Advance Appropriations, fiscal year 1993	---	---	---	6,000,000	---	---
George Washington University Medical Center	---	---	---	250,000	---	---
Advance Appropriations, fiscal year 1993	---	---	---	16,750,000	---	---
Advance Appropriations, fiscal year 1994	---	---	---	16,500,000	---	---
Advance Appropriations, fiscal year 1995	---	---	---	16,500,000	---	---
Total, Federal funds	651,265,000	682,570,000	699,797,000	755,600,000	699,850,000	+48,585,000
Appropriations, fiscal year 1992	(651,265,000)	(682,570,000)	(699,797,000)	(699,850,000)	(699,850,000)	(+48,585,000)
Advance Appropriations, fiscal year 1993	---	---	---	(22,750,000)	---	---
Advance Appropriations, fiscal year 1994	---	---	---	(16,500,000)	---	---
Advance Appropriations, fiscal year 1995	---	---	---	(16,500,000)	---	---
DISTRICT OF COLUMBIA FUNDS						
Operating Expenses						
Governmental direction and support	(112,879,000)	(110,921,000)	(111,973,000)	(110,921,000)	(110,921,000)	(-1,958,000)
Economic development and regulation	(135,541,000)	(106,430,000)	(106,430,000)	(106,630,000)	(106,430,000)	(-29,111,000)
Public safety and justice	(920,464,000)	(930,761,000)	(930,836,000)	(931,635,000)	(930,836,000)	(+10,372,000)
Public education system	(737,240,000)	(705,331,000)	(706,431,000)	(706,461,000)	(708,536,000)	(-28,704,000)
Human support services	(876,431,000)	(865,033,000)	(877,033,000)	(866,433,000)	(875,033,000)	(-1,398,000)
Public works	(229,482,000)	(234,390,000)	(234,390,000)	(234,390,000)	(234,390,000)	(+4,908,000)
Washington Convention Center Fund	(8,383,000)	(13,110,000)	(13,110,000)	(13,110,000)	(13,110,000)	(+4,727,000)
Repayment of loans and interest	(252,740,000)	(277,577,000)	(277,577,000)	(277,577,000)	(277,577,000)	(+24,837,000)
Repayment of general fund deficit	(1,713,000)	(41,170,000)	(41,170,000)	(41,170,000)	(41,170,000)	(+39,457,000)
Short-term borrowings	(13,028,000)	---	---	---	---	(-13,028,000)
Optical and dental benefits	(3,112,000)	(3,423,000)	(3,423,000)	(3,423,000)	(3,423,000)	(+311,000)
Supply, energy and equipment adjustment	(-10,000,000)	---	---	---	---	(+10,000,000)
Personal services adjustment	(-10,000,000)	---	---	---	---	(+10,000,000)
Personal and nonpersonal services adjustment	---	---	(-1,000,000)	---	---	---
Trauma care fund	---	---	---	(10,000,000)	---	---
Total, operating expenses, general fund (net)	(3,271,013,000)	(3,288,146,000)	(3,301,373,000)	(3,301,750,000)	(3,301,426,000)	(+30,413,000)
Capital Outlay						
General fund	(324,322,000)	(309,828,946)	(310,928,946)	(310,378,946)	(312,453,946)	(-11,868,054)
Enterprise Funds						
Water and Sewer Enterprise Fund:						
Operating expenses	(226,209,000)	(219,752,000)	(219,752,000)	(219,752,000)	(219,752,000)	(-6,457,000)
Capital outlay	(28,730,000)	(51,690,000)	(51,690,000)	(51,690,000)	(51,690,000)	(+22,960,000)
Total, Water and Sewer Enterprise Fund (net)	(254,939,000)	(271,442,000)	(271,442,000)	(271,442,000)	(271,442,000)	(+16,503,000)
Lottery and Charitable Games Enterprise Fund	(8,600,000)	(8,450,000)	(8,450,000)	(8,450,000)	(8,450,000)	(-150,000)
Cable Television Enterprise Fund	(1,700,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(+300,000)
Total, Enterprise Funds (net)	(265,239,000)	(281,892,000)	(281,892,000)	(281,892,000)	(281,892,000)	(+16,653,000)
Total, District of Columbia funds (net)	(3,860,574,000)	(3,879,866,946)	(3,894,193,946)	(3,894,020,946)	(3,895,771,946)	(+35,197,946)
Grand total:						
Federal Funds:						
Funds to District of Columbia	647,265,000	682,570,000	695,797,000	696,174,000	695,850,000	+48,585,000
D.C. Institute for Mental Health	1,000,000	---	1,000,000	426,000	1,000,000	---
Children's National Medical Center	3,000,000	---	3,000,000	3,000,000	3,000,000	---
GWU Medical Center	---	---	---	250,000	---	---
Total, Federal funds, fiscal year 1992	651,265,000	682,570,000	699,797,000	699,850,000	699,850,000	+48,585,000
Advance Appropriations, FY 1993	---	---	---	22,750,000	---	---
Advance Appropriations, FY 1994	---	---	---	16,500,000	---	---
Advance Appropriations, FY 1995	---	---	---	16,500,000	---	---
Total, Federal funds	651,265,000	682,570,000	699,797,000	755,600,000	699,850,000	+48,585,000
District of Columbia funds (net)	(3,860,574,000)	(3,879,866,946)	(3,894,193,946)	(3,894,020,946)	(3,895,771,946)	(+35,197,945)

CONCLUSION

Mr. Speaker, let me close by expressing my appreciation to all of the conferees on both sides of the aisle and in both bodies for their spirit of cooperation.

The ranking member, the gentleman from New Jersey [Mr. GALLO] is very supportive and I want him to know that I appreciate his hard work.

Mr. Speaker, this is a good conference report and I urge an "aye" vote on its adoption.

Mr. Speaker, I reserve the balance of my time.

□ 1440

Mr. GALLO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on H.R. 2699 making appropriations for the District of Columbia.

I think the chairman has provided an adequate summary of the conference report on H.R. 2699 which provides the Federal payment to the District of Columbia for fiscal year 1992 and approves the District's budget.

The conferees worked very hard to resolve any differences and to respond to the real needs of the District.

This conference agreement is consistent with the authorization bill passed by the House.

And, this conference report meets the requirements of the budget resolution and is within our 602(b) allocation.

Most importantly, this conference agreement supports the District's commitment to make the difficult choices and to get the District of Columbia back on the right track.

I am especially pleased that this agreement maintains the full Federal payment to the District and addresses some special areas of need such as school repairs and law enforcement.

Also, in deference to the hard work of my colleagues on the District of Columbia authorizing committee, we have deferred action in our bill on the Mayor's request for bonding authority and increased powers over independent agency budgets.

We do have one area of disagreement with the other body relating to funding for the George Washington University Hospital.

Let me make it clear that I am not an opponent of George Washington University Hospital.

GW Hospital is a vital institution and plays a critical and important role in the health care delivery system of the District of Columbia.

And, like many other hospitals, it faces the problems of uncompensated care and aging facilities.

But, we simply cannot commit $50 million over the next 4 years out of the District's budget allocation to pay for improvements to a private health care facility.

To expect the funding to come from the District's appropriation would jeopardize the good faith and credit that has been built between Congress and the administration of Mayor Dixon.

Granted, I do not disagree that GW has pressing needs. But, this same need exists at other D.C. health care facilities as well. The fact is that other D.C. health care facilities bear an even greater share of the uncompensated care burden.

More important, this amendment makes promises for the future that I am not sure we can meet.

The Appropriations Committee has been very generous to our subcommittee this year, and in so doing, expressed their strong commitment and confidence in the new administration of the District of Columbia. And rightly so.

But once we provided the Federal payment and the mandatory Federal contribution to the D.C. retirement fund, there was only about $10 million left for Congress to address a few areas of dire need.

We have used those moneys to help the District address such needs as the 10,000 fire code violations in the District's schools and the need for more police foot patrols. The other body used some of these moneys to address such critical needs as breast cancer and cervical cancer screening.

Who is to say that next year we will have $17 million over and above the Federal payment and that we will have those same moneys available 2 and 3 years from now?

Finally, some more dire need may arise next year that will require those moneys.

If we agree to this amendment, we won't have the flexibility to respond and more important, the District will not have that flexibility.

I respect the request of the hospital and I am sympathetic to the need for improved facilities.

But I am concerned that these moneys will be taken away from the District and dedicated to a private institution. I strongly believe that there are more appropriate areas of the budget where these moneys should come from. This is just not the right place.

Mr. Speaker, I would also like to comment, as the gentleman from California [Mr. DIXON] has indicated, dealing with the true disagreement in amendment No. 10. It certainly was not a disagreement based on George Washington University Hospital and its needs or what services it delivers. I think we are all very cognizant of the importance of this hospital and the need for capital infusion.

Like the chairman, I felt very strongly that the Committee on the District of Columbia was not the appropriate area to incorporate those funds. I indicated further that I would most certainly support it in some other fashion where it would be more appropriate.

Mr. Speaker, let me say that this was a difficult conference, but one that I think reflects very well on the House bill.

Finally, let me thank the full Appropriations Committee for providing us sufficient resources to meet these needs.

I ask the Members of the House to join me and the other members of our subcommittee in supporting this conference agreement.

Mr. Speaker, I reserve the balance of my time.

Mr. DIXON. Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Speaker, I have for the first time seen the budget process of the Committee on Appropriations for the District of Columbia at work. I want to begin by offering my thanks to the outstanding chairman of the committee, the gentleman from California [Mr. DIXON], and the outstanding ranking minority member, the gentleman from New Jersey [Mr. GALLO].

I witnessed yesterday in the conference the great care and skill with which both gentlemen moved difficult issues through the conference, with a great sensitivity to the needs of the District of Columbia. They have worked through the difficult amendment No. 10 as Members have described here, where there was a true disagreement. Bearing in mind that however solicitous we in the District have been of the needs of George Washington University to build an emergency room, the interests of the District of Columbia as a whole should be put first, and that is something we did not have to tell or plead either to the chairman or to the ranking minority member. In the spirit of safeguarding the scarce resources that are available to the District, I wish to thank both gentlemen in particular.

The gentleman from New Jersey [Mr. GALLO], of course, virtually saved the District of Columbia from insolvency when he was able to obtain $100 million in an emergency supplemental only a few months ago. That was the beginning of a period that culminates today when we are asking for an additional permanent amount, so that the District of Columbia can in true form begin to express the reforms that are in its planning.

Mr. Speaker, this budget allows the District, albeit with continuing sacrifices to be made at home, to move forward from a period of 5 years of level funding, where, almost uniquely, the District had to operate without any increases whatsoever from the Federal Government. The increases we get now are not fulsome, but they are adequate to begin the period of reform, when you consider the cuts that the District has already made and will continue to make.

Mr. Speaker, the Mayor is considering additional stringencies, because, even with the amount requested here, the District continues to have very severe financial problems. But with the passage of this appropriation, I assure you, Mr. Speaker, now begins true reform.

Mr. Speaker, we are very appreciative, we in the District of Columbia, that the Congress has recognized that reform is not free. Congress has done its part. Certainly the Committee on Appropriations, led by the chairman and ranking member, have done their part. Now it is up to Mayor Sharon Pratt Dixon, to Council Chair John Wilson, and to the residents of the District of Columbia, to take the ball into their own hands and begin to do their part in the way they have so diligently started to do.

Mr. Speaker, I urge passage.

Mr. GALLO. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank my good friend for yielding.

Mr. Speaker, I rise in opposition to H.R. 2699 as presented today to the House, owing to the fact this bill reverses current law and authorizes taxpayer funding for abortion on demand.

Mr. Speaker, let me remind Members that President Bush has made it abundantly clear that he will veto this legislation or any legislation that weakens or repeals current policy. The language of H.R. 2699 reverses current law, thus it will be coming back nixed by the President.

Let me also remind Members that current law, the policy which is in force today, appears to be having some very positive effects. Taxpayer-subsidized abortions, for example, in the District of Columbia declined in fiscal year 1988 from 3,139 to 1 in fiscal year 1989.

The repeat abortion rate in the District of Columbia has declined from 55 percent to 50 percent, and the overall number of abortions has declined as well, suggesting that when we do not subsidize the killing and slaughter of unborn children, more lives evade the abortionist's knife and are protected and thus fewer abortions are procured.

Mr. Speaker, I do not believe that the argument advanced by the pro-abortionists in the House that home rule ought to be given preference has any suasion vis a vis the issue of abortion. Appeals to home rule in no way mitigates our responsibility as legislators and our duty to protect vulnerable human beings from the risk of abortion.

The simple fact of the matter is that abortion kills unborn children by way of literal dismemberment or by means of chemical poisoning. If we go ahead and pass this bill, and if this legislation were to become law, we would again be providing subsidies to those abortionists who ply their trade and kill babies with chemical poisons, as well as with dismemberment.

I would also point out and remind Members that this bill will be vetoed. We will deal with this legislation when it comes back vetoed. In the previous Congress, the 101st Congress, the President on two occasions vetoed a D.C. appropriations bill. It came back. Finally, the current pro-life policy was enacted into law—and its working daily to protect the lives of unborn children.

Mr. Speaker, I urge a no vote on this conference report. Again, we are talking about abortion on demand, taxpayer subsidized abortions with no restrictions, and I do not believe the taxpayers ought to subsidize that kind of carnage.

☐ 1450

Mr. DIXON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, a Member just came up to me and said that this debate sounds like a broken record. No disrespect to the gentleman who was just speaking, but we have been through this issue every year for at least 5 years, and both sides, quite honestly, say the same thing.

I happen to come down on the side that the District, with its own money, should promulgate its own rules as it relates to a woman's right to receive services and have them paid for with District funds as it relates to abortion. Not only do I feel that that is the correct position personally, it is my understanding of the most recent Supreme Court case that it allows State jurisdictions to promulgate rules in this area, and I certainly think that would apply to the District.

Notwithstanding that, the President has sent a letter to the Speaker and to the committee saying he will veto the bill. I understand that. But I think this House has spoken out very clearly on this issue time and time again, and it is our responsibility to send responsible legislation to the White House, and the White House has to make a decision.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. DIXON. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I thank the distinguished chairman for yielding.

I just want to make one thing very clear. There is no Federal money in this bill for abortions or any other such thing. Is that correct?

Mr. DIXON. That is absolutely true.

Mrs. SCHROEDER. And so this is only that we do not have a provision in there saying they cannot do them with their money they collect from their own taxpayers that elect them?

Mr. DIXON. The gentlewoman is absolutely correct.

Mrs. SCHROEDER. I thank the gentleman.

Ms. NORTON. Mr. Speaker, will the gentleman yield?

Mr. DIXON. I am glad to yield to the gentlewoman from the District of Columbia.

Ms. NORTON. Mr. Speaker, I recognize that most Members have gone through the process that the chairman described when he says, "I've heard this one before." I feel I must say a word in behalf of the residents of the District of Columbia who feel strongly that this is a matter of local import.

We ask only to be treated as every other local jurisdiction is in the United States. We recognize, and I implore this House to recognize that there is great division in this country on this question. As a result of that division, essentially what the country has decided to do is to let each jurisdiction decide this matter for itself. The District of Columbia would become the only jurisdiction which did not have that local option.

We ask only that we be allowed to spend our own money as our own government determines and as our own residents determine.

Mr. DIXON. Mr. Speaker, I reserve the balance of my time.

Mr. GALLO. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, this is always a very troublesome issue because it involves the subject of abortion, and the country is indeed divided on abortion.

The difficulty is that when you use taxpayers' dollars to pay for abortions, you are coercing people whose conscience is repelled by the notion of exterminating an innocent, unborn child. Abortion is not removing an appendix or a diseased set of tonsils. It is killing a human life once it has begun.

Now if you do not accept that, if you want to look away from the facts and say abortion is a surgical proceeding, and people ought to be able to use their own money, I suppose that is all right, although if you saw somebody in front of a speeding car and you could save that child, you should do it. I think you have a moral duty to do it.

The District of Columbia is unique. It is not the same as all of the other States, because Public Law 93-198 charges this body with responsibility for the appropriation of all funds over our Nation's Capital. So the law imposes a responsibility on us to exercise that stewardship wisely and in defense of innocent human life.

If we are going to accept abortion as just another surgical proceeding, then this is a great bill. But if you are troubled by the fact that abortion stops a beating heart, it is killing. If you accept the notion there are too many poor people, there are too many people who are rejected and unwanted, and so the answer to that is to kill them, get rid of them, sweep them under the rug, then this is a great bill. But if you think abortion is pernicious, it is killing an innocent life, it is denying equal protection and due process of law, as I believe, and I do not ask anybody else to believe, I am just telling Members I believe that, I think that it is a terrible mistake, and then I think you have a duty to stop the killing, stop the killing.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I am happy to yield to my friend, the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I just want to remind the distinguished gentleman from Illinois that the chairman said there is no Federal money in here for abortion.

Mr. HYDE. Recapturing my time, I understand the argument, and it has been made before.

Mrs. SCHROEDER. But the gentleman does not believe there is money in there?

Mr. HYDE. No, I do not, because money is fungible. It is like putting grain in the silo. If you put money in here and say do not use it here, then you can use other money for that purpose that otherwise might not be available.

The fact is we have the responsibility under the law to say how this money is spent. We put lots of restrictions on how money is spent within the District of Columbia, and among those restrictions it seems to me one of the most beneficial for the cause of innocent human life would be to say no abortions.

Therefore, I regretfully cannot support this conference report because it provides money for killing unborn, preborn innocent children.

Mr. DIXON. Mr. Speaker, I yield 1 minute to the gentlewoman from Colorado [Mrs. Schroeder].

Mrs. SCHROEDER. Mr. President, I thank the gentleman for yielding.

I just wanted to make a point. There is no Federal money in here. If people are concerned about that, that is for the people of the District of Columbia to take to their elected officials at the local level. They elect people locally, and if they do not like the way people are spending their money locally, then I think they express that at the ballot box.

But here, this bill is to deal with many of the services the District of Columbia provides the Federal Government. There is no Federal money in here for abortion.

I think we should move on. I think that this is something that comes up every time, and it is really a way to go after the District of Columbia. I think it is very unfair.

I compliment the committee on a very fine bill and I hope Members support it.

Mr. DIXON. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. AuCoin], a member of the Appropriations Committee.

Mr. AUCOIN. Mr. Speaker, I rise in strong support of the conference report.

Last May, the House passed the D.C. appropriations bill, this bill, by the largest margin in many many years. A lot of us had hoped that this might mean that the antichoice crowd had given up on its annual crusade against the District home rule itself. It appears that is not the case.

That is extremely unfortunate because here we are again listening to bizarre and irrelevant orations from the other side. They know they cannot defeat the conference report. Their only goal is to try to keep the margin of victory on the passage of this conference report below 291 votes so that they can claim enough votes to sustain yet another Presidential veto on a simple question of whether or not the District of Columbia has the right to exercise its authority through its own elected leadership over its funds with regard to the use of abortion.

Please, my colleagues, do not let this crowd do that. Home rule is not what is at stake here. We are laboring in my judgment under a government by veto, backed by a willful minority that talks about respecting local government, but when it comes to the Nation's Capital is more than willing, because of its own special interests, more than willing to have it live in a case like it is a plantation.

Let us pass this conference report with a new administration, give it the support we gave it last May, and ignore the arguments that are being made and are not being made against any other city in this land.

I hope we have a resounding vote in favor of the conference report.

Mr. GALLO. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. Smith].

Mr. SMITH of New Jersey. Mr. Speaker, I thank my friend for yielding time to me.

Mr. Speaker, I just want to respond to some of the proabortion speakers so that my colleagues who are listening to this debate in their offices know that we are talking about taxpayer funds, over which we have jurisdiction, being used for abortion on demand. As prolifers we are advancing a policy designed to save lives.

My friend and colleague from Oregon [Mr. AuCoin] just called bizarre and irrelevant the argument just made by our side. Since, in this shout debate only two of us spoke he can only be referencing the gentleman from Illinois [Mr. Hyde] and myself. Mr. AuCoin thus construes it to be bizarre and irrelevant to protect innocent human life. According to Mr. AuCoin, it is bizarre and irrelevant to argue in favor of saving children from chemical poisoning and literal dismemberment and the use of suction machines and other methods that are employed by abortionists to shatter the fragile and delicate bodies of maturing, developing, unborn children.

Calling the defense of unborn babies from the slaughter of abortion-on-demand bizarre and irrelevant is immature, petty and in no way contributes to constructive debate on this volatile issue.

☐ 1500

I am sure the gentleman from Illinois [Mr. Hyde] would agree with me that we stand ready to make defense of an unborn child's right to life, any time, anywhere. I believe that when one knows the truth about abortion he or she has a moral responsibility and a moral duty to defend the defenseless with all the courage and ability one has to muster.

Mr. AuCoin's denunciation of this bizzare and irrelevant is, at best, disappointing and unnecessary.

Mr HYDE. Mr. Speaker, will the gentleman yield?

Mr. SMITH of New Jersey. I am happy to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, the abortion rate in the District of Columbia the last time that they kept the statistics in 1988 was triple that of any other State in the Nation. Is that something to be proud of?

Mr. GALLO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DIXON. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. Frank].

Mr. FRANK of Massachusetts. Mr. Speaker, while we are talking about penalizing the District of Columbia because of what people call abortion on demand, we are talking about a President who is prepared to reward the People's Republic of China where they have abortion on command. I wonder why we cannot ask the President to show to the District of Columbia a small percentage of the consideration he is going to show the People's Republic of China where he is going to reward a country that has a compulsory abortion policy, and have his veto upheld if he has to in the Senate, and then the people of the District of Columbia who democratically try to do something are going to be penalized by that President.

Mr. SMITH of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Speaker, then am I to presume that the gentleman will join us in supporting the Kemp-Kasten anticoercion law which withholds Federal funds to those organizations that are found to have comanaged and supported a program that employs forced abortion and forced sterilization as part of that program? The gentleman from Massachusetts has not joined us in that human rights struggle. As a matter of fact, the gentleman has actually voted to get rid of the Kemp-Kasten law and has voted to give millions of dollars to the one organization that the President has determined is in violation of the anticoercion law. The U.N. Population Fund [UNFPA] aggressively supports and comanages China's brutal one child per couple policy. Over the past decade, UNFPA has given the Chinese hardliners over $100 million to craft and implement this coercive policy. Since 1979, over 120 million babies have been slaughtered by abortion—most of these abortions were the result of coercion. Yet the U.N. Population Fund defends the butchery of the Chinese abortionists and Mr. FRANK has not joined us in withholding funds to this organization. That is a tragedy.

Mr. FRANK of Massachusetts. No. I certainly never will. I would not want my friend to hold his breath waiting for me to join him.

My point is, and my position has been consistent, that people have a right to make this very painful choice. I do not think anyone makes it easily.

What we are talking about is the President of the United States who is going to veto this bill probably because we allow the people of the Disrict of Columbia by their vote to use their tax money to allow people to make a free choice, and that same President is going to use that veto power to reward the People's Republic of China, where people are commanded to have abortions.

It is that glaring contrast that, I think, ought to be pat of the public record.

Mr. DELAY. Mr. Speaker, reluctantly, I rise in opposition to the conference report as it stands right now.

It is with great disappointment that I read the abortion language contained in the bill. Over the last several years, the President has made his position very clear on this subject—no funds, Federal, or the District's can or should be used to perform abortions in our Nation's Capital. I share the President's sentiment on this issue and would like to take a moment to discuss my views.

My position on abortion is very clear: Scientific evidence shows that the unborn child is a living human being and abortion takes the life of a child. As a strong believer in the sanctity of life, I cannot support any prochoice legislation.

Mr. Speaker, that's what this conference report before us here today is—prochoice legislation. In years past, I have not supported the District of Columbia appropriations bill because it allowed the use of local funds for abortions. However, once the bill was suitably amended by the Congress after intense pressure from the White House, it became an acceptable piece of legislation.

I understand many Members' concerns about abortion and should state that I fundamentally agree that a person has a constitutional right to govern his or her own body. However, that statement is incomplete without the final clause stipulating that the action not interfere with another person's right to life. I support policies that recognize a constitutional right to life for all persons, regardless of age, health, function, or condition of dependency including unborn children.

In closing, I would like to express my support for the President and his convictions regarding this issue. Without objection I would like to have included for the RECORD a letter to the Speaker from the President dated June 4, 1991, outlining the President's pro-life stand in relation to legislation under consideration in the House of Representatives.

THE WHITE HOUSE,
Washington, DC, June 4, 1991.

Hon. THOMAS B. FOLEY,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Legislation is now being considered by several committees in both the House and Senate that would substantially change Federal policy with respect to abortion. Given the importance of this issue, I am writing to make sure there is no misunderstanding of my views or convictions.

I have not reached these decisions easily or lightly. Abortion is a difficult, deeply emotional and very personal decision for all Americans. It is made even more difficult when the underlying issue is whether the Government—and ultimately the American taxpayer—is asked to pay for abortions and under what circumstances. Since 1981, the Federal Government has determined that taxpayer funds should be used for abortion in only the most narrow of circumstances; where the life of the mother is endangered.

Current law also prohibits contributions made to international organizations that fund coercive abortion programs. The Department of Defense prohibits abortions at U.S. military facilities, unless the life of the mother is endangered. And, the Department of Health and Human Services has promulgated regulations that prohibit the use of Federal family planning funds for abortion related activities.

I believe all these policies should continue. I will veto any legislation that weakens current law or existing regulations.

Sincerely,

GEORGE BUSH.

Mr. DIXON. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. NCNULTY). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SMITH of New Jersey. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 239, nays 180, not voting 14, as follows:

[Roll No. 251]

YEAS—239

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Anthony
Aspin
Atkins
AuCoin
Bacchus
Barnard
Bateman
Beilenson
Bennett
Berman
Bilbray
Bliley
Boehlert
Bonior
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bryant
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Coughlin
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gonzalez
Gordon
Gradison
Gray
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hertel
Hoagland
Hobson
Horn
Horton
Houghton
Hoyer
Hubbard
Jacobs
Jefferson
Jenkins
Johnson (CT)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kennedy
Kennelly
Kleczka
Klug
Kolbe
Kopetski
Kostmayer
Lancaster
Lantos
LaRocco
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Long
Lowey (NY)
Machtley
Manton
Markey
Martin
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Moody
Moran
Morella
Morrison
Nagle
Natcher
Neal (MA)
Neal (NC)
Oakar
Obey
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Payne (NJ)
Payne (VA)
Pease
Pelosi
Peterson (FL)
Pickle
Price
Rangel
Reed
Regula
Richardson
Ridge
Riggs
Roe
Rose
Roukema
Rowland
Roybal
Sabo
Sanders
Savage
Sawyer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skeen
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
Stark
Stokes
Studds
Swift
Synar
Tanner
Thomas (CA)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Zimmer

NAYS—180

Allard
Annunzio
Applegate
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bentley
Bereuter
Bevill
Bilirakis
Boehner
Broomfield
Bruce
Bunning
Burton

Byron
Callahan
Camp
Clement
Clinger
Coble
Coleman (MO)
Combest
Costello
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Donnelly
Doolittle
Dornan (CA)
Dreier
Duncan
Emerson
English
Ewing
Fields
Fish
Gallegly
Gaydos
Gillmor
Gingrich
Glickman
Goodling
Goss
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hochbrueckner
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (SD)
Johnson (TX)
Kanjorski
Kasich
Kildee
Kolter
Kyl
LaFalce
Lagomarsino
Laughlin
Leach
Lent
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Luken
Marlenee
Mavroules
Mazzoli
McCandless
McCollum
McCrery
McEwen
McMillan (NC)
Michel
Miller (OH)
Mollohan
Montgomery
Moorhead
Murphy
Murtha
Myers
Nichols
Nowak
Nussle
Oberstar
Orton
Oxley
Packard
Parker
Patterson
Paxon
Penny
Perkins
Peterson (MN)
Petri
Pickett
Porter
Poshard
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Rhodes
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Russo
Sangmeister
Santorum
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shuster
Skelton
Slattery
Slaughter (VA)
Smith (NJ)
Smith (OR)
Smith (TX)
Solomon
Spence
Staggers
Stallings
Stearns
Stenholm
Stump
Sundquist
Swett
Tallon
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff

NOT VOTING—14

Borski
Bustamante
Edwards (OK)
Hefner
Holloway
Hopkins
Kaptur
Martinez
Matsui
McDade
McGrath
Mrazek
Sarpalius
Yatron

□ 1523

The Clerk announced the following pairs:

On this vote:

Ms. Kaptur for, with Mr. Edwards of Oklahoma, against.

Mr. Bustamante for, with Mr. McGarth against.

Mr. McMILLAN of North Carolina and Mr. HOCHBRUECKNER changed their vote from "yea" to "nay."

Mr. GEPHARDT and Mr. NEAL of Massachusetts changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. McNULTY). Pursuant to the order of the House of Tuesday, July 30, 1991, the amendments in disagreement are considered as having been read.

The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 2: Page 2, line 24, strike out all after "bia," over to and including "1991" in line 10 on page 3 and insert: "$1,130,000 for the District of Columbia Public Schools: *Provided*, That $550,000 shall be for renovations, maintenance, improvements and repairs to public school facilities, including athletic and recreational grounds; $330,000 for the Options Program; and, $250,000 for the Parents as Teachers Program".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert: "$3,205,000, of which $2,125,000 shall be for renovations to public school athletic and recreational grounds and facilities; $330,000 shall be for the Options Program; $250,000 shall be for the Parents as Teachers Program; and $500,000 shall be for maintenance, improvements, and repairs to public school facilities under the Direct Activity Purchase System (DAPS): *Provided*, That the $500,000 provided for DAPS shall be returned to the United States Treasury on October 1, 1992, if the amount spent by the District of Columbia out of its own funds under DAPS and for maintenance, improvements, and repairs to public school facilities in fiscal year 1992 is less than the amount spent by the District out of its own funds for such purposes in fiscal year 1991: *Provided further*, That of the $3,205,000 appropriated under this heading, $1,500,000 shall not be available for obligation until September 30, 1992 and shall not be expended prior to October 1, 1992".

Mr. GALLO (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 7: Page 3, after line 15 insert:

DEPARTMENT OF HUMAN SERVICES

For a Federal contribution to the District of Columbia for the Department of Human Services for the breast and cervical cancer screening program, $500,000.

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 7, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 10: Page 4, after line 4, insert:

GEORGE WASHINGTON UNIVERSITY MEDICAL CENTER

For the construction and renovation of the George Washington University Medical Center, $250,000, pursuant to Public Law 101-590 (104 Stat. 2929), together with $16,750,000 to become available October 1, 1992, $16,500,000 to become available October 1, 1993, and $16,500,000 to become available October 1, 1994.

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House insist on its disagreement to the amendment of the Senate numbered 10.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 15: Page 11, line 6, strike out "$706,431,000" and insert: "$706,461,000".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 15, and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment, insert: "$708,536,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 17: Page 11, line 8, strike out "$1,100,000" and insert: "$550,000".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 17, and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment, insert: "$2,625,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 18: Page 11, line 9, strike out all after "schools" down to and including "1991" in line 21.

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 18, and concur therein with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows: ", of which $2,125,000 shall be for renovations to public school athletic and recreational grounds and facilities and $500,000 shall be for maintenance, improvements, and repairs to public school facilities under the Direct Activity Purchase System (DAPS): *Provided*, That the $500,000 provided for DAPS shall be returned to the United States Treasury on October 1, 1992, if the amount spent by the District of Columbia out of its own funds under DAPS and for maintenance, improvements, and repairs to public school facilities in fiscal year 1992 is less than the amount spent by the District out of its own funds for such purposes in fiscal year 1991: *Provided further*, That of the $708,536,000 appropriated under this heading and the $2,625,000 allocated for pay-as-you-go capital projects for public schools, $1,500,000 shall not be available for obligation until September 30, 1992 and shall not be expended prior to October 1, 1992: *Provided further*, That of the $519,344,000 allocated for the public schools of the District of Columbia under this heading, $3,050,000 shall be paid within fifteen (15) days of the enactment of this Act directly to the District of Columbia Public Schools Foundation for a series of demonstration projects including Project ACCORD ($800,000 of which $250,000 shall be paid directly to the Foundation when the Foundation certifies that an equal amount of private contributions has been received); the Anacostia Project ($1,000,000); the Cooperative Employment Education Project ($500,000); and the Options Program ($750,000)".

Mr. GALLO (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 23: Page 15, line 18, strike out "$310,928,946" and insert: "$310,378,946".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 23, and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment, insert: "$312,453,946".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 24: Page 17, line 1, strike out "$1,100,000" and insert: "$550,000".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment, insert: "$2,625,000".

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 25: Page 17, line 3, after "revenues" insert ": *Provided further*, That up to $1,500,000 of the funds provided under this heading may be used to secure access, rights of way, easements or title to lands not now in public ownership known as the Metropolitan Branch Trail from its current owners".

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the final amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 26: Page 30, line 32, strike out all after "1990" down to and including "court" in line 23 and insert ": *Provided*, That nothing herein is intended to prohibit the parties from negotiating a limited duty policy that is fair for all concerned and that does not impede the Department from carrying out its duties: *Provided further*, That whatever negotiations take place should also consider methods to prevent abuses of the program which drains scarce police resources.

MOTION OFFERED BY MR. DIXON

Mr. DIXON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DIXON moves that the House recede from its disagareement to the amendment of the Senate numbered 26, and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert ": *Provided*, That nothing herein is intended to prohibit the parties from negotiating a limited duty policy that is fair for all concerned and that does not impede the Department from carrying out its duties: *Provided further*, That whatever negotiations take place should also consider methods to prevent abuses of the program which drains scarce police resources".

"(e) If less than the 75 officers or members excluded under subsection (a) are retired on disability, the actuary shall adjust accordingly the determinations made pursuant to section 142(d) of the District of Columbia Retirement Reform Act of 1979 (Public law 96-122)".

Mr. GALLO (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DIXON].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

AUTHORIZING A STUDY OF NATIONALLY SIGNIFICANT PLACES IN AMERICAN LABOR HISTORY

Mr. VENTO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1143) to authorize a study of nationally significant places in American labor history, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate amendments:

Page 1, strike out all after line 3, down to and including "tary" in line 5, and insert:

"(a) The Secretary".

Page 2, after line 14 insert:

"(b) The theme study shall be completed not later than 3 years after the date funds are made available for such study.".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

Mr. LAGOMARSINO. Mr. Speaker, reserving the right to object, I yield to the gentleman from Minnesota, the chairman of the subcommittee.

Mr. VENTO. Mr. Speaker, last May the House of Representatives passed H.R. 1143, a bill introduced by Congressman MICHAEL MCNULTY that directs the Secretary to prepare a landmark theme study in American labor history.

The Senate has now passed H.R. 1143 with an amendment that specifies that the study shall be completed within 3 years after funds are made available, rather than 3 years from enactment as provided in the House-passed bill. While I am concerned that this amendment may have the effect of delaying this important landmark theme study, especially since the administration may be slow to request the necessary funds, I am prepared to accept the amendment, and so recommend that the bill, as the Senate amended it, be passed and sent to the President. I look forward to the timely completion of this study and the designation of additional national historic landmarks in American labor history so that this important part of American history is preserved and interpreted for us and for future generations.

□ 1530

Mr. LAGOMARSINO. Mr. Speaker, further reserving the right to object, I have no objection to what is happening here.

Mr. Speaker, I withdraw my reservation of objection and urge enactment of the bill.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

A motion to reconsider was laid on the table.

DIRECTING THE SECRETARY OF THE INTERIOR TO PREPARE A NATIONAL HISTORIC LANDMARK THEME STUDY ON AFRICAN-AMERICAN HISTORY

Mr. VENTO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 904) to direct the Secretary of the Interior to prepare a national historic landmark theme study on African-American history with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate amendments:

Page 2, line 2, strike out all after "(a)" down to and including "the" the first time it appears in line 3, and insert: "The".

Page 2 after line 23 insert:

"(e) The theme study shall be completed not later than 3 years after the date funds are made available for such study.".

Mr. VENTO (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Minnesota?

Mr. LAGOMARSINO. Mr. Speaker, reserving the right to object, I do so for the purpose of yielding to the chairman of the subcommittee, the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, last May the House of Representatives passed H.R. 904, a bill introduced by Congressman JOHN LEWIS that directs the Secretary to prepare a landmark theme study in African-American history.

The Senate has now passed H.R. 904 with an amendment that specifies that the study shall be completed within 3 years after funds are made available, rather than 3 years from enactment as provided in the bill passed by the House May 7, 1991. While I am concerned that this amendment may have the effect of delaying this important landmark theme study, especially since the administration may be slow to request the necessary funds, I am prepared to accept the amendment, and so recommend that the bill, as the Senate amended it, be passed and sent to the President. I look forward to the timely completion of this study and the designation of additional national historic landmarks so that this important part of American history is preserved and interpreted for us and for future generations.

Mr. LAGOMARSINO. Mr. Speaker, further reserving the right to object, I want to say that I rise in strong support of this measure and congratulate the chairman of the subcommittee, the gentleman from Minnesota [Mr. VENTO], for bringing this matter forward, and the primary author, the gentleman from Georgia [Mr. LEWIS].

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Minnesota?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the two bills just considered by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PERSONAL EXPLANATION

Mr. WEISS. Mr. Speaker, I would like to make a statement explaining how I would have voted on rollcall votes Nos. 206 through 209 and ask that it be entered into the RECORD.

Mr. Speaker, had I been able to be present, I would have voted "yea" on rollcall votes Nos. 207, 208, 209, 210, 212, 213, 214, 217, 218, 224, 225, 226, 227, and 229, and I would have voted "nay" on rollcall votes Nos. 206, 211, 215, 216, 220, 221, 223, and 228.

SCHOOL DROPOUT DEMONSTRATION ASSISTANCE ACT OF 1988 AUTHORIZATION EXTENSION

Mr. KILDEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2313) to amend the School Dropout Demonstration Assistance Act of 1988 to extend authorization of appropriations through fiscal year 1993, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

TITLE I—AMENDMENTS TO SCHOOL DROPOUT DEMONSTRATION ASSISTANCE ACT OF 1988

SEC. 101. SHORT TITLE.

This title may be cited as the "National Dropout Prevention Act of 1991".

SEC. 102. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS.

Section 6003(a) of the School Dropout Demonstration Assistance Act of 1988 (hereafter in this title referred to as the "Act") (20 U.S.C. 3243(a)) is amended to read as follows:

"(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated for the purposes of this part $50,000,000 for fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993.".

SEC. 103. GRANTS TO LOCAL EDUCATIONAL AGENCIES.

(a) AMENDMENTS.—Section 6004 of the Act (20 U.S.C. 3244) is amended—

(1) in subsection (a), by striking "$1,500,000" and inserting "$2,000,000";

(2) in subsection (c), by inserting after "value as a demonstration." the following: "Any local educational agency, educational partnership, or community-based organization that has received a grant under this Act shall be eligible for additional funds subject to the requirements under this Act."; and

(3) in subparagraph (B) of subsection (f)(1), by striking "for the second such year" and inserting "in each succeeding fiscal year".

(b) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 1992.

SEC. 104. DROPOUT PREVENTION.

Section 6005 of the Act (20 U.S.C. 3245) is amended by adding at the end thereof the following new subsection:

"(e) GRANTS FOR NEW GRANTEES.—In awarding grants under this part in fiscal year 1992 and each fiscal year thereafter to applicants who did not receive a grant under this part in fiscal year 1991, the Secretary shall utilize only those priorities and special considerations described in subsections (c) and (d).".

SEC. 105. AUTHORIZED ACTIVITIES.

Section 6006(b) of the Act (20 U.S.C. 3246(b)) is amended—

(1) in paragraph (8), by striking "and"; and

(2) by striking paragraph (9) and inserting the following new paragraphs:

"(9) mentoring programs; and

"(10) any other activity described in subsection (a).".

SEC. 106. REPORTS.

The Act (20 U.S.C. 3241 et seq.) is further amended by adding at the end the following new section:

"SEC. 6008. REPORTS.

"(a) Annual Reports.—The Secretary shall submit to the Congress a report by January 1 of each year, beginning on January 1, 1993, which sets forth the progress of the Commissioner of Education Statistics, established under section 406(a) of the General Education Provisions Act, to implement a definition and data collection process for school dropouts in elementary and secondary schools, including statistical information for the number and percentage of elementary and secondary school students by race and ethnic origin who drop out of school each year including dropouts—

"(1) throughout the Nation by rural and urban location as defined by the Secretary; and

"(2) in each of the individual States and the District of Columbia.

"(b) Recommendations.—The report under subsection (a) shall also contain recommendations on ways in which the Federal Government, States and localities can further support the implementation of an effective methodology to accurately measure dropout and retention rates on the national, State, and local levels.".

TITLE II—DEPARTMENT OF EDUCATION TECHNICAL AMENDMENTS

SEC. 201. ESTABLISHMENT OF POSITION.

Section 202 of the Department of Education Organization Act (20 U.S.C. 3412) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) There may be in the Department an Under Secretary of Education who shall perform such functions as the Secretary may prescribe. The Under Secretary shall be appointed by the President, by and with the advice and consent of the Senate.".

SEC. 202. COMPENSATION.

Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following:

"Under Secretary of Education".

SEC. 203. EFFECTIVE DATE.

(a) In General.—This Act shall take effect on the first day of the first Department of Education pay period that begins on or after the date of enactment of this Act.

(b) Special Rule.—An incumbent in a position within the Department of Education on the day preceding the day that this Act takes effect who has been appointed by the President to a position within the Department of Education with the advice and consent of the Senate may serve as the Under Secretary at the pleasure of the President after the day preceding the day that this Act takes effect.

TITLE III—MISCELLANEOUS PROVISIONS

PART A—STAR SCHOOLS

SEC. 301. STATEMENT OF PURPOSE.

Section 902 of the Star Schools Program Assistance Act (hereafter in this title referred to as the "Act") (20 U.S.C. 4081) is amended—

(1) by striking "vocational education" and inserting "literacy skills and vocational education and to serve underserved populations including the disadvantaged, illiterate, limited-English proficient, and disabled";

(2) by striking "demonstration"; and

(3) by inserting "to" before "obtain".

SEC. 302. PROGRAM AUTHORIZED.

Section 903 of the Act (20 U.S.C. 4082) is amended—

(1) in subsection (a)—

(A) by inserting "(1)" before "The Secretary"; and

(B) by inserting at the end thereof the following new paragraphs:

"(2) The Secretary shall award grants pursuant to paragraph (1) for a period of 2 years.

"(3) Grants awarded pursuant to paragraph (1) may be awarded for an additional 2-year period in accordance with section 907.";

(2) in subsection (b)—

(A) in paragraph (1), by striking "$100,000,000 for the period beginning October 1, 1987, and ending September 30, 1992" and inserting "$50,000,000 for fiscal year 1992 and such sums as may be necessary in fiscal year 1993";

(B) by striking paragraph (2); and

(C) by redesignating paragraph (3) as paragraph (2);

(3) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A)—

(I) by striking "(A)";

(II) by striking "demonstration"; and

(III) by inserting "in any one fiscal year" after "$10,000,000"; and

(ii) by striking subparagraph (B); and

(B) in paragraph (2)—

(i) by inserting "(A)" after "(2)";

(ii) by inserting "to the Secretary" after "available"; and

(iii) by inserting at the end thereof the following new subparagraph:

"(B) Not less than 25 percent of the funds available to the Secretary in any fiscal year under this title shall be used for telecommunications facilities and equipment."; and

(4) by inserting at the end thereof the following new subsection:

"(e) Coordination.—The Department of Education, the National Science Foundation, the Department of Agriculture, and any other Federal agency operating a telecommunications network for educational purposes shall coordinate the activities assisted under such programs.".

SEC. 303. ELIGIBLE TELECOMMUNICATIONS PARTNERSHIPS.

Subsection (a) of section 904 of the Act (20 U.S.C. 4083(a)) is amended—

(1) in the matter preceding paragraph (1) by striking "demonstration";

(2) in paragraph (2)—

(A) in subparagraph (B), by striking ", or a State higher education agency";

(B) in subparagraph (C), by inserting "or a State higher education agency" after "education";

(C) in subparagraph (D)—

(i) in the matter preceding clause (i), by inserting "or academy" after "center"; and

(ii) by striking "or" at the end of clause (ii); and

(D) in subparagraph (E)—

(i) by amending clause (i) to read as follows:

"(i) a public or private entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunications through satellite, cable, telephone, or computer; or";

(ii) by striking clause (ii);

(iii) by redesignating clause (iii) as clause (ii); and

(iv) by striking the period at the end of clause (ii) (as redesignated by clause (iii)) and inserting a comma and "or"; and

(E) by inserting at the end thereof the following new subparagraph:

"(F) a public or private elementary or secondary school."; and

(3) by adding at the end thereof the following new subsection:

"(c) Special Statewide Network.—

"(1) In general.—The Secretary may fund one statewide telecommunications network under this title if such network—

"(A) provides two-way full motion interactive video and audio communications;

"(B) links together public colleges and universities and secondary schools throughout the State; and

"(C) meets any other requirements determined appropriate by the Secretary.

"(2) State contribution.—A statewide telecommunications network funded under paragraph (1) shall contribute (either directly or through private contributions) non-Federal funds equal to not less than 50 percent of the cost of such network.".

SEC. 304. APPLICATIONS.

Section 905 of the Act (20 U.S.C. 4084) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (B), by inserting ", or any combination thereof" after "equipment"; and

(ii) in subparagraph (G) by—

(I) striking "elementary and secondary school teachers (particularly teachers in schools receiving assistance under chapter 1 of title I of the Elementary and Secondary Education Act of 1965) in" and inserting "instructors who will be"; and

(II) inserting "in using such facilities and equipment, and in integrating programs into the class curriculum" after "sought";

(B) in paragraph (2)—

(i) by striking "describe,";

(ii) by inserting "describe" after "instructional programming,"; and

(iii) by inserting "and provide assurances that such programming will be designed in consultation with professionals who are experts in the applicable subject matter and grade level" after "training";

(C) in paragraph (3), by inserting "(in accordance with section 907)" after "languages,";

(D) in paragraph (4)—

(i) by striking "teacher"; and

(ii) by inserting "for teachers and other school personnel" after "policies";

(E) in paragraph (6)—

(i) by striking "the facilities" and inserting "any facilities";

(ii) by striking "will be made available to" and inserting "for"; and

(iii) by inserting "will be made available to schools" after "schools";

(F) in paragraph (7)—

(i) by inserting "(such as students who are disadvantaged, limited-English proficient, disabled, or illiterate)" after "students"; and

(ii) in paragraph (7), by inserting "and will use existing telecommunications equipment, where available" before the semicolon at the end thereof;

(G) by striking "and" at the end of paragraph (8);

(H) by redesignating paragraph (9) as paragraph (10); and

(I) by inserting after paragraph (8) the following new paragraph:

"(9) describe the activities or services for which assistance is sought, including activities and services such as—

"(A) providing facilities, equipment, training, services, and technical assistance described in paragraphs (1), (2), (4) and (7);

"(B) making programs accessible to individuals with disabilities through mechanisms such as closed captioning and descriptive video services;

"(C) linking networks together, for example, around an issue of national importance such as elections;

"(D) sharing curriculum materials between networks;

"(E) providing teacher and student support services;

"(F) incorporating community resources such as libraries and museums into instructional programs;

"(G) providing teacher training to early childhood development and Head Start teachers and staff;

"(H) providing teacher training to vocational education teachers and staff; and

"(I) providing programs for adults at times other than the regular school day in order to maximize the use of telecommunications facilities and equipment.";

(2) in subsection (c)—

(A) in paragraph (3)—

(i) by striking "public and private" and inserting ", in the case of elementary and secondary schools, those";

(ii) striking "(particularly schools"; and

(iii) striking "1965)" and inserting "1965";

(B) by striking "and" at the end of paragraph (6);

(C) by redesignating paragraph (7) as paragraph (9);

(D) by redesignating paragraph (6) as paragraph (7);

(E) by inserting after paragraph (5) the following new paragraph:

"(6) the eligible telecommunications partnership will—

"(A) provide a comprehensive range of courses for educators with different skill levels to teach instructional strategies for students with different skill levels;

"(B) provide training to participating educators in ways to integrate telecommunications courses into the existing school curriculum; and

"(C) include instruction for students, teachers, and parents;"; and

(F) by inserting after paragraph (7) (as redesignated by subparagraph (D)) the following new paragraph:

"(8) a telecommunications entity (such as a satellite, cable, telephone, computer, or public or private television station) will participate in the partnership and will donate equipment or in-kind services for telecommunications linkages; and".

SEC. 305. CONTINUING ELIGIBILITY.

The Act (20 U.S.C. 4081 et seq.) is amended—

(1) by redesignating section 907 as section 911; and

(2) by inserting after section 906 the following new sections:

"CONTINUING ELIGIBILITY

"SEC. 907. (a) IN GENERAL.—In order to be eligible to receive an additional grant under section 903(a)(3) in any fiscal year, an eligible telecommunications partnership shall demonstrate in the application submitted pursuant to section 905 that such partnership will—

"(1) continue to provide services in the subject areas and geographic areas assisted with funds received under this title in previous fiscal years; and

"(2) use all such grant funds to provide expanded services by—

"(A) increasing the number of students, schools or school districts served by the courses of instruction assisted under this title in previous fiscal years;

"(B) providing new courses of instruction; or

"(C) serving new populations of underserved individuals, such as children or adults who are disadvantaged, have limited-English proficiency, are disabled, are illiterate, lack high school diplomas or their equivalent.

"(b) SPECIAL RULES.—Grant funds received pursuant to the application of subsection (a) shall be used to supplement and not supplant services provided by the recipient under this title in previous fiscal years.

"EVALUATION

"SEC. 908. (a) IN GENERAL.—From amounts appropriated pursuant to the authority of section 903(b), the Secretary shall reserve the greater of not more than $500,000 or 5 percent of such appropriations to conduct an independent evaluation by grant, contract or cooperative agreement, of the Star Schools Assistance Program.

"(b) REPORT.—The Secretary shall prepare and submit an interim report on the evaluation described in subsection (a) not later than January 1, 1993 and shall prepare and submit a final report on such evaluation not later than June 1, 1993.

"(c) EVALUATION.—Such evaluation shall include—

"(1) a review of the effectiveness of telecommunications partnerships and programs after Federal funding ceases;

"(2) an analysis of non-Federal funding sources, including funds leveraged by Star Schools funds and the permanency of such funding;

"(3) an analysis of how Star Schools grantees spend funds appropriated under this Act;

"(4) a review of the subject matter, content effectiveness, and success of distance learning through Star Schools program funds, including an in-depth study of student learning outcomes as measured against stated course objectives of distance learning courses offered by Star Schools grantees;

"(5) a comprehensive review of in-service teacher training programs through Star Schools programming, including the number of teachers trained, time spent in training programs, and a comparison of the effectiveness of such training and conventional teacher training programs;

"(6) an analysis of Star School projects that focus on teacher certification and other requirements and the resulting effect on the delivery of instructional programming;

"(7) the effects of distance learning on curricula and staffing patterns at participating schools;

"(8) the number of students participating in the Star Schools program and an analysis of the socioeconomic characteristics of students participating in Star Schools programs, including a review of the differences and effectiveness of programming and services provided to economically and educationally disadvantaged and minority students;

"(9) an analysis of the socioeconomic and geographic characteristics of schools participating in Star Schools projects, including a review of the variety of programming provided to different schools; and

"(10) the impact of dissemination grants under section 910 on the use of technology-based programs in local educational agencies.

"FEDERAL ACTIVITIES

"SEC. 909. The Secretary may assist grant recipients under this title in acquiring satellite time, where appropriate, as economically as possible.

"DISSEMINATION GRANTS

"SEC. 910. (a) IN GENERAL.—The Secretary shall make grants under this section to telecommunications partnerships funded by the Star Schools Program and to other eligible entities to enable such partnerships and entities to provide dissemination and technical assistance to State and local educational agencies not presently served by telecommunication partnerships.

"(b) SPECIAL RULE.—The Secretary shall make grants under this section in any fiscal year in which the amount appropriated for this title exceeds the amount appropriated for this title in fiscal year 1991 by not less than 10 percent.

"(c) RESERVATION.—In any fiscal year in which the Secretary awards grants under this section in accordance with subsection (b), the Secretary shall reserve not less than 5 percent but not more than 10 percent of the amount appropriated under this title for such fiscal year to award such grants.

"(d) APPLICATIONS.—

"(1) IN GENERAL.—Each telecommunications partnership and other eligible entity that desires to receive a grant under this section shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(2) CONTENTS.—Each application described in paragraph (2) shall contain assurances that the telecommunications partnership or other eligible entity shall provide technical assistance to State and local educational agencies to plan and implement technology-based systems, including—

"(A) information regarding successful distance learning resources for States, local educational agencies, and schools;

"(B) assistance in connecting users of distance learning, regional educational service centers, colleges and universities, the private sector, and other relevant entities;

"(C) assistance and advice in the design and implementation of systems to include needs assessments and technology design; and

"(D) support for the identification of possible connections, and cost-sharing arrangements for users of such systems.

"(e) DEFINITION.—For purposes of this section, the term 'eligible entity' means a federally funded program or an institution of higher education that has demonstrated expertise in educational applications of technology and provides comprehensive technical assistance to educators and policy makers at the local level.".

PART B—TECHNICAL AND MISCELLANEOUS PROVISIONS

SEC. 311. CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.

(a) CORRECTIONS EDUCATION.—Subsection (c) of section 102 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2312) is amended—

(1) in paragraph (1), by—

(A) striking "paragraph (2)" and inserting "paragraph (3)";

(B) inserting "and" before "the sex equity"; and

(C) striking "and the program for criminal offenders under section 225,";

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting the following new paragraph after paragraph (1):

"(2) Except as provided in paragraph (3) and notwithstanding the provisions of subsection (a), each State shall reserve for the program for criminal offenders under section 225, an amount that is not less than the amount such State expended under this Act for such program for the fiscal year 1990.".

(b) INDIAN AND NATIVE HAWAIIAN PROGRAMS.—Paragraph (1) of section 103(b) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2313(b)(1)) is amended by inserting at the end thereof the following new subparagraph:

"(D)(i) Funds received pursuant to grants and contracts described in subparagraph (A) may be used to provide stipends to students who are enrolled in vocational education programs and who have acute economic needs which cannot be met through work-study programs.

"(ii) Stipends described in clause (i) shall not exceed reasonable amounts as prescribed by the Secretary.".

SEC. 312. THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.

Subsection (c) of section 1221 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2791(c)) is amended by adding at the end thereof the following new paragraph:

"(3) SPECIAL RULE.—Notwithstanding any other provision of law, for purposes of determining the amount of a grant under this subsection for which a State educational agency is eligible

from funds appropriated for the program assisted under this subpart for each fiscal year beginning after October 1, 1990, the Secretary shall allow intermediate school districts to count children with disabilities in the same manner as such children were counted in determining such amount in fiscal year 1990, regardless of whether such children receive services directly from the intermediate school district.''.

SEC. 313. NATIONAL LITERACY ACT AMENDMENTS.

Section 601 of the National Literacy Act of 1991 is amended to read as follows:

"SEC. 601. FUNCTIONAL LITERACY AND LIFE SKILLS PROGRAMS FOR STATE AND LOCAL PRISONERS.

''(a) ESTABLISHMENT.—The Secretary is authorized to make grants to eligible entities to assist such entities in establishing, improving, and expanding a demonstration or system-wide functional literacy program.

''(b) PROGRAM REQUIREMENTS.—(1) To qualify for funding under subsection (d), each functional literacy program shall—

''(A) to the extent possible, make use of advanced technologies, such as interactive video- and computer-based adult literacy learning; and

''(B) include—

''(i) a requirement that each person incarcerated in the system, prison, jail, or detention center who is not functionally literate, except a person described in paragraph (2), shall participate in the program until the person—

''(I) achieves functional literacy, or in the case of an individual with a disability, achieves a level of functional literacy commensurate with his or her ability;

''(II) is granted parole;

''(III) completes his or her sentence; or

''(IV) is released pursuant to court order; and

''(ii) a prohibition on granting parole to any person described in clause (i) who refuses to participate in the program, unless the State parole board determines that the prohibition should be waived in a particular case; and

''(iii) adequate opportunities for appropriate education services and the screening and testing of all inmates for functional literacy and disabilities affecting functional literacy, including learning disabilities, upon arrival in the system or at the prison, jail, or detention center.

''(2) The requirement of paragraph (1)(B)(i) may not apply to a person who—

''(A) is serving a life sentence without possibility of parole;

''(B) is terminally ill; or

''(C) is under a sentence of death.

''(c) ANNUAL REPORT.—(1) Within 90 days after the close of the first calendar year in which a literacy program authorized by subsection (a) is placed in operation, and annually for each of the 4 years thereafter, a grantee shall submit a report to the Secretary with respect to its literacy program.

''(2) A report under paragraph (1) shall disclose—

''(A) the number of persons who were tested for eligibility during the preceding year;

''(B) the number of persons who were eligible for the literacy program during the preceding year;

''(C) the number of persons who participated in the literacy program during the preceding year;

''(D) the names and types of tests that were used to determine functional literacy and the names and types of tests that were used to determine disabilities affecting functional literacy;

''(E) the average number of hours of instruction that were provided per week and the average number per student during the preceding year;

''(F) sample data on achievement of participants in the program, including the number of participants who achieved functional literacy;

''(G) data on all direct and indirect costs of the program; and

''(H) information on progress toward meeting the program's goals.

''(d) COMPLIANCE GRANTS.—(1) The Secretary shall make grants to eligible entities that elect to establish a program described in subsection (a) for the purpose of assisting in carrying out the programs, developing the plans, and submitting the reports required by this section.

''(2) An eligible entity may receive a grant under this subsection if the entity—

''(A) submits an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require;

''(B) agrees to provide the Secretary—

''(i) such data as the Secretary may request concerning the cost and feasibility of operating the functional literacy programs authorized by subsection (a), including the annual reports required by subsection (c); and

''(ii) a detailed plan outlining the methods by which the provisions of subsections (a) and (b) will be met, including specific goals and timetables.

''(e) LIFE SKILLS TRAINING GRANTS.—(1) The Secretary is authorized to make grants to eligible entities to assist them in establishing and operating programs designed to reduce recidivism through the development and improvement of life skills necessary for reintegration into society.

''(2) To receive a grant under this subsection, an eligible entity shall—

''(A) submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary shall require; and

''(B) agree to report annually to the Secretary on the participation rate, cost, and effectiveness of the program and any other aspect of the program on which the Secretary may request information.

''(3) In awarding grants under this subsection, the Secretary shall give priority to programs that have the greatest potential for innovation, effectiveness, and replication in other systems, jails, and detention centers.

''(4) Grants awarded under this subsection shall be for a period not to exceed 3 years, except that the Secretary may establish a procedure for renewal of the grants under paragraph (1).

''(f) DEFINITIONS.—For the purposes of this section—

''(1) the term 'eligible entity' means a State correctional agency, a local correctional agency, a State correctional education agency, and a local correctional education agency;

''(2) the term 'functional literacy' means at least an eighth grade equivalence or a functional criterion score on a nationally recognized literacy assessment; and

''(3) the term 'life skills' includes self-development, communication skills, job and financial skills development, education, interpersonal and family relationship development, and stress and anger management.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out this section $10,000,000 for fiscal year 1992, $15,000,000 for fiscal year 1993, $20,000,000 for fiscal year 1994, and $25,000,000 for fiscal year 1995.''.

SEC. 314. REAUTHORIZATION OF SCIENCE SCHOLARSHIP PROGRAMS.

(a) NATIONAL SCIENCE SCHOLARS PROGRAM.—Subsection (b) of section 601 of the Excellence in Mathematics, Science and Engineering Act of 1990 (20 U.S.C. 5381(b)) is amended by inserting '', $4,500,000 for fiscal year 1992 and $10,000,000 for fiscal year 1993'' after ''1991''.

(b) NATIONAL ACADEMY OF SCIENCE, SPACE, AND TECHNOLOGY.—Subsection (o) of section 621 of the Excellence in Mathematics, Science and Engineering Act of 1990 (20 U.S.C. 5411(o)) is amended by striking ''fiscal year 1991'' and inserting ''each of the fiscal years 1992 and 1993''.

SEC. 315. TECHNICAL AMENDMENT.

Section 343(a)(2)(A) of the Tech-Prep Education Act (20 U.S.C. 2394a(a)(2)(A)) is amended by striking ''subject to a default management plan required by the Secretary'' and inserting ''prohibited from receiving assistance under part B of the Higher Education Act of 1965 pursuant to the provisions of section 435(a)(3) of such Act''.

TITLE IV—IMPACT AID

SEC. 401. ADJUSTMENT FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES.

Section 3(e) of the Act of September 30, 1950 (Public Law 81–874) (hereafter in this title referred to as the ''Act'') (20 U.S.C. 238(e)) is amended—

(1) in the matter following subparagraph (C) of paragraph (1), by inserting ''this subsection and'' before ''subsections (a) and (b)''; and

(2) in paragraph (2), by striking ''section'' and inserting ''subsection''.

SEC. 402. PAYMENT AMOUNTS.

Section 5 of the Act (20 U.S.C. 240) is amended:

(1) by amending paragraph (2) of subsection (b) to read as follows:

''(2) As soon as possible after the beginning of any fiscal year, the Secretary shall, on the basis of a written request for a preliminary payment from any local educational agency that was eligible for a payment for the preceding fiscal year on the basis of an entitlement established under section 2, make such a preliminary payment of 50 percent of the amount that such agency received for such preceding fiscal year on the basis of such entitlement.''; and

(2) by amending subparagraph (D) of subsection (e)(1) to read as follows:

''(D) For any fiscal year after September 30, 1991, the Secretary is authorized to modify the per pupil amount described in subparagraph (A) of this paragraph, in any case in which, in the fiscal year for which the determination is made, a local educational agency is described under a different clause of section 5(c)(2)(A) than such agency was in fiscal year 1987.''.

SEC. 403. SPECIAL PAYMENT RULES.

(a) PAYMENTS TO LOCAL EDUCATIONAL AGENCIES.—Any local educational agency that received a payment for fiscal year 1987, 1988, 1989, or 1990 under section 3 of the Act of September 30, 1950 (Impact Aid) (20 U.S.C. 238), the amount of which was incorrect because of a failure by the Secretary of Education to apply any of the limitations on per pupil payments or local contribution rates specified in Public Law 99–500, Public Law 99–591, and Public Law 100–202, and which such payment resulted in or would result in an overpayment, shall be entitled to the amount of such payment.

(b) FEDERAL CONTRIBUTIONS.—No portion of any payment received by a local educational agency for fiscal year 1988, 1989, or 1990 under section 2 of the Act of September 30, 1950 (Impact Aid) (20 U.S.C. 237) may be recovered on the ground that such payment was determined incorrectly by employing a formula using such agency's base revenue limit per average daily attendance.

Mr. KILDEE (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Michigan?

Mr. GOODLING. Mr. Speaker, reserving the right to object, I rise in support of H.R. 2313, the School Dropout Demonstration Assistance Act.

I am pleased we have continued this important program. It is vital that we develop methods of keeping all students in school so they can obtain the skills they require to obtain a job or continue their education. This program helps us achieve these goals.

We have also extended the authorization for the National Science Scholars Program, another important program which addresses the National Education Goal that U.S. students will be first in the world in science and mathematics achievement.

Mr. Speaker, we have also reauthorized the Star Schools Program and brought the reauthorization in sync with the Hawkins-Stafford Elementary and Secondary School Improvement amendments. While this program will no longer be a demonstration program, I would like to point out that grantees will be limited to a total of 4 years of Federal funding. Although the goal of this program is an important one, it is my intention that the purpose of, and our priorities for this program be reexamined once access to the program covers all areas of the United States.

I urge my colleagues to support this legislation.

Mr. KILDEE. Mr. Speaker, H.R. 2313 was passed by the House on June 3, 1991, and by the Senate, with amendments, on July 30, 1991. This legislation extends the School Dropout Demonstration Assistance Act and the Star Schools Program Assistance Act through 1993 and includes other miscellaneous amendments.

Mr. Speaker, I would like to call particular attention to a few of the key provisions within H.R. 2313.

The National Dropout Prevention Act of 1991 continues the commitment that Congress began in 1988, at the initiative of Mr. HAYES, to address the growing number of dropouts in our Nation's schools when it first authorized the School Dropout Demonstration Assistance Act.

The National Dropout Prevention Act of 1991 not only builds on the past and existing efforts of the Congress, but also the recent efforts of the Nation's governors who have made reducing the dropout rate one of their six national education goals.

In order to measure our progress toward reducing the dropout rate, it is critical that the country have the most accurate dropout data available. To this end, the Dropout Prevention Act of 1991 includes a provision which calls upon the Secretary of Education to report to the Congress annually on the progress being made toward implementing a uniform dropout definition and data collection process. This is particularly important because of the wide variations among State and local definitions and data collection processes.

H.R. 2313 also extends the Star Schools Program Assistance Act through 1993. This extension includes the provisions of H.R. 2789, a bill which I authored, to provide for a comprehensive independent evaluation of the Star Schools Program, and to provide for technical assistance and dissemination of successful educational technology programs.

Mr. FORD of Michigan. Mr. Speaker, I rise in support of H.R. 2313, which contains the provisions of the bill as passed by the House on June 3, as well as several amendments adopted by the other body. Our committee has been working very closely with our colleagues in the other body on these additions to the original bill. The most important provisions included in this package are the following:

The School Dropout Demonstration Assistance Act is extended through fiscal year 1993. The bill also calls for the implementation of a definition of "school dropout" and a data collection process for school dropouts which should provide a more accurate count of the number of school dropouts in the Nation. Mr. Speaker, these provisions were in the original bill adopted by the House on June 3.

The Star Schools Program has been extended for 2 years in an amendment proposed by the other body. The purpose is to put this program on the same schedule as the reauthorization of the major elementary and secondary school programs. In general, the Star Schools Program encourages improvement in instruction primarily by means of satellite or microwave relay between centrally located sources of instruction and students in different locations.

H.R. 2313 amends the program to provide for a more comprehensive technological approach to the improvement of education. We are concerned that previous grants did not emphasize the integration of technology into the regular curriculum.

Consequently, we are amending the provisions dealing with giving a priority in grantmaking to provide for a comprehensive interactive technological framework wherein teachers, administrators, teacher educators, parents, and business will be brought together through preservice and inservice professional development to create model effective instructional strategies, outcomes based curriculum, and parenting practices.

Eligible telecommunications partnerships should use a comprehensive approach in looking toward the 21st century at pre-K through 12th grade in terms of restructuring teacher preparation, staff development, curriculum, and learning environments; diverse and dispersed audiences; identification and dissemination of best practices; collaboration and sharing of resources among education providers; and collaboration among parents, educators, and business and industry. It is our intent that every grantee receiving a priority for funding in this program fulfill this new requirement.

Also included in the package, Mr. Speaker, is a very specific amendment to correct a problem in the chapter 1, Disabled Students Program, known as the Public Law 89–313 Program. For years, the Department has allowed States with intermediate school districts to administer services to disabled students who otherwise would have to be served by the States in centralized locations. This has fostered the congressionally mandated requirement to move these children closer to home and into the community.

A few intermediate districts such as the one serving Wayne County, MI, have contracted with local education agencies for certain services, minimizing costs and maximizing community contact. Only 8 weeks ago, however, these districts learned that the Department would no longer allow this practice. Coming so late in the year, and affecting a program vital to the children and the districts, the inequity is obvious.

This amendment allows the intermediate school districts to continue to count children for whom they have arranged and contracted services by local education agencies for purposes of receiving chapter 1, Public Law 89–313 funds. Then, we will be able to review this issue within the context of the reauthorization of the entire program.

Mr. Speaker, the package also contains four substantive amendments to the Impact Aid Program, Public Law 81–874. The first adds a third factor to the provision authorizing payments to school districts which see a decrease in Federal activity and must adjust their programs accordingly. This factor is 90 percent of the preceding year's payments under a sliding and decreasing scale to the equation for the determination of payments.

The second amendment does away with preliminary payments for schools receiving payments under section 3, and stipulates that those receiving payments under section 2 will receive, upon application, a preliminary payment of 50 percent of the preceding year's actual payment.

The third amendment removes the fiscal year 1987 cap on payments which may be received, thus allowing school districts which have seen an increase in enrollment to reflect that increase in their student count submission. The same adjustment already applies to school districts which have shown a decrease in student population.

The final amendment, in two parts, forgives any overpayments which have been made to school districts as a result of the Department's failure to use proper data or apply the proper rules.

Mr. Speaker, the bill also addresses an inequity in the pay schedule for Mr. Ted Sanders, the Under Secretary of the Department of Education, makes several minor improvements in the Perkins Vocational Education Act, extends the Science Scholarship Program, and corrects errors in the new National Literacy Act.

Mr. Speaker, I urge my colleagues to give their full support to these vital and necessary education amendments. I would also like to commend Chairman KILDEE and Mr. GOODLING for working so long and hard on this bill.

Mr. HAYES of Illinois. Mr. Speaker, as the original sponsor of the School Dropout Demonstration Assistance Act, Public Law 100–297, I am pleased to rise in support of the pending reauthorization measure.

As you know, Mr. Speaker, the School Dropout Demonstration Assistance Act provides fundings to school districts and community-based organizations for dropout prevention programs. The program assists in a wide range of activities, from identifying students who are at-risk of dropping out of school, promoting efforts to return students to school, as well as developing programs to focus on the improvement of basic skills.

This act has been very popular nationwide, having provided assistance to just under 100 schools. The efforts of this legislative measure really only touch the tip of the iceberg in terms of the needs this country has as it concerns school dropouts.

The need is phenomenal, as noted in the recent report of the National Commission on Children, "Beyond Rhetoric: A New American Agenda for Children and Families." The Commission's findings highlight the fact that almost 30 percent of ninth graders in the United States will not graduate 4 years later. The report further states that among young people age 16–24, 12.6 percent, about 4 million, have not completed high school and are not currently enrolled in school.

The Commission's report speaks to the desperate situation faced by my own city of Chicago, by observing that Chicago's dropout rate in recent years has been approximately 40 percent. I would add that that figure is probably a little bit higher at many of the schools in my district. This is a distinction that I believe the residents of the city of Chicago would much prefer to relinquish.

Dropping out of school is a serious problem in the United States and the problem has grown, and continues to grow to phenomenal levels for African-Americans, Hispanics, and native Americans. We all know that youths who dropout of school are virtually certain to be seriously handicapped in the intensifying competition for economic security in this Nation. For these reasons, today's reauthorization is critical.

In closing, I would like to thank the chairmen of my committee, Mr. KILDEE and Mr. FORD, for their perseverance in ensuring the favorable approval of this measure. I look forward to continuing to work closely with my colleagues on improving and expanding the School Demonstration Assistance Act in the 103d Congress. Thank you for allowing me this time, Mr. Speaker.

Mr. GOODLING. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Michigan?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2313, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE ACT AMENDMENTS OF 1991

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be discharged from further consideration of the Senate bill (S. 1593) to improve the operation and effectiveness of the U.S. National Commission on Libraries and Information Science, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mrs. ROUKEMA. Mr. Speaker, reserving the right to object, and I do not intend to object, I rise for the purpose of asking the chairman of the subcommittee the purpose of the bill.

Mr. Speaker, under my reservation, I yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Secretary, I thank the gentlewoman for yielding to me, and I am pleased to respond.

Mr. Speaker, S. 1593, the National Commission on Libraries and Information Science Act Amendments of 1991, is a bill that makes technical amendments to the Library Commission's authority. It is a bill that is supported by the library community and by the administration. Let me give you a quick explanation of this bill and its contents.

This legislation makes some small but important improvements to the Library Commission's authorizing statute, which was first enacted in 1970. It permits the Commission on obtaining administrative support from any Federal agency, not just the Department of Education as is currently the case. It permits the Commission to receive in-kind as well as monetary contributions. Under current law, the Commission can only receive monetary contributions. It clarifies the terms of office and voting status of Commission members, so that as Commissioners change office and vacancies arise the Commission's activities can continue to be conducted in an orderly manner. It allows the Commission to be involved in international library and information activities, thus recognizing that the sharing of information now extends beyond national borders. Finally, the bill removes the 20-year ceiling on the Commission's authorization of appropriations thus providing the Commission with an authorization of appropriations that is consistent with the President's fiscal year 1992 budget request.

Mr. Speaker, this is a very noncontroversial bill, but a bill that is extremely important to our Nation's library community. At the White House Conference on Libraries, which was held earlier this month, a great deal of staff and logistical support for that conference was provided by the National Commission. A number of delegates to the White House conference discussed the importance of the Commission with me, and urged me to do what I could to move this technical assistance bill as expeditiously as possible. The action we will take today will do just that, and I urge my colleagues to support S. 1593.

Mrs. ROUKEMA. Mr. Speaker, I thank the gentleman for his comments and, further reserving the right to object, I wish to say that I rise today in strong support of these amendments to the National Commission on Libraries and Information Science Act. This legislation would make some technical, but important, changes to the authorizing statute for the National Commission on Libraries and Information Science to improve the Commission's operation and effectiveness.

The bill would permit the Commission to obtain administrative support services from any Federal agency, not just the Department of Education, and to receive in-kind as well as monetary contributions. These purely technical amendments would clarify terms of office and voting status of Commissioners and would also make clear that the Commission can be involved in international library and information activities. Finally, this bill would remove the 20-year-old ceiling on the Commission's authorization of appropriations.

Of course, we all share the goals of the Commission to enhance literacy and thereby improve productivity and strengthen our democracy.

We are all familiar with the phrase: "Knowledge is power." We are hurtling headlong toward the global information age. If we, the United States of America, are to remain a global leader in technology, science, medicine, commerce, and telecommunications, we must retain the ability to stay ahead of the information curve. Naturally, our Nation's libraries will continue to serve as a valuable source of knowledge and training. In this sense, libraries are one of the best investments. And this Commission is critical.

In this regard, I would like to pause to recognize one of the driving forces behind the current Commission on Library and Information Sciences—the chairman—Mr. Charles Reid of Bergen County, NJ.

I have known Charlie longer than either of us would care to admit. So I can happily confirm what everyone associated with the Commission has learned during his term—Charlie Reid is a dynamic and tremendously valuable public servant. His energy and intelligence have positioned the Commission well to meet the challenges of the 1990's.

Mr. Speaker, this is a wholly noncontroversial bill—supported by the majority, the minority, and the administration. I urge the adoption of S. 1593.

And further reserving the right to object, I am pleased to yield to the chairman of the Labor-Management Subcommittee, the gentleman from Montana.

Mr. Speaker, I urge adoption of the bill.

□ 1540

Mr. WILLIAMS. Mr. Speaker, I urge passage of this technical correction legislation.

Mrs. ROUKEMA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1593

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Commission on Libraries and Information Science Act Amendments of 1991".

SEC. 2. COMMISSION ESTABLISHED.

Subsection (b) of section 3 of the National Commission on Libraries and Information Science Act (hereafter in this Act referred to as the "Act") (20 U.S.C. 1502(b)) is repealed.

SEC. 3. CONTRIBUTIONS.

Section 4 of the Act (20 U.S.C. 1503) is amended to read as follows:

"SEC. 4. CONTRIBUTIONS.

"The Commission is authorized to accept, hold, administer, and utilize gifts, bequests, and devises of property, both real and personal, for the purpose of aiding or facilitating the work of the Commission. Gifts, bequests, and devises of money and proceeds from sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon the order of the Commission.".

SEC. 4. FUNCTIONS.

Paragraph (6) of section 5(a) of the Act (20 U.S.C. 1504(a)(6)) is amended by striking "the national communications networks" and inserting "national and international communications and cooperative networks".

SEC. 5. MEMBERSHIP.

Subsection (a) of section 6 of the Act (20 U.S.C. 1505(a)) is amended—

(1) after the third sentence thereof, by inserting the following new sentence: "A majority of members of the Commission shall constitute a quorum for conduct of business at official meetings of the Commission."; and

(2) in the fourth sentence thereof by striking "(1) the terms of office" and all that follows through "times of appointment," and inserting "(1) the term of office of any member of the Commission shall continue until the earlier of (A) the date on which the member's successor has been appointed by the President; or (B) July 19 of the year succeeding the year in which the member's appointed term of office shall expire,".

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

Section 7 of the Act (20 U.S.C. 1506) is amended to read as follows:

"SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $911,000 for fiscal year 1992 and such sums as may be necessary for each succeeding fiscal year thereafter to carry out the provisions of this Act.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1593, the legislation just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

ESTABLISHING AN ALBERT EINSTEIN CONGRESSIONAL FELLOWSHIP PROGRAM

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 208) to establish an Albert Einstein Congressional Fellowship Program, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. ROBERTS. Mr. Speaker, reserving the right to object, I shall not object, but I would simply like to ask the gentlewoman from Ohio [Ms. OAKAR] for an explanation of the resolution.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Speaker, House Resolution 208, was introduced by my good friend and colleague from Ohio, the Honorable TOM SAWYER, as well as the Honorable WILLIAM GOODLING, who serves as the ranking minority member of the Committee on Education and Labor; my subcommittee ranking minority member, the Honorable PAT ROBERTS and myself.

House Resolution 208 establishes the Albert Einstein Congressional Fellowship Program. This fellowship program, which will provide for two fellowships in the House of Representatives, is designed to facilitate understanding, cooperation, and communication between Congress and the scientific community.

Through this resolution, the Speaker of the House will be authorized to enter into an agreement with the "Triangle Coalition for Science and Technology Education." This unique coalition came into existence in the spring of 1985. It has grown from 20 member organizations to a total of 78 as of December 1988. Organizations on this list include: the American Institute of Physics, the American Chemical Society, and the American Association for the Advancement of Science. The coalition offers a national structure for organizing and disseminating information, and provides a forum for discussing issues in science and technology education.

House Resolution 208 would authorize the speaker and minority leader of the House to consult with the chairman and ranking minority members of the Committee on Education and Labor, and the Committee on Science, Space, and Technology, in the selection of the fellowship recipients. One fellowship recipient will be detailed to the Committee on Education and Labor, and one will be detailed to the Committee on Science, Space, and Technology.

For further explanation, Mr. Speaker, I would like to at this time defer to my friend, the gentleman from Ohio [Mr. SAWYER], a member of the Committee on Education and Labor who is the major sponsor of this resolution and who is the one who, as far as I know, pressed for this. I think it is a great idea, and I defer at this time with the permission, of course, of the gentleman from Kansas [Mr. ROBERTS].

Mr. SAWYER. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. Under my reservation of objection, I yield to the gentleman from Ohio [Mr. SAWYER], the author of the resolution.

Mr. SAWYER. Mr. Speaker, I rise today in support of House Resolution 208 which will establish the Albert Einstein Congressional Fellowship Program. This pilot program is designed to bring talented secondary science and mathematics teachers to serve on Capitol Hill and bring to the policymaking arena something we lack: A real connection between the way we as legislators fashion education policy and the way it is taught in the classroom.

No matter how you look at the problem of the substandard performance of American students in math and science, there is one thing that is clear: Teachers are at the core of the solution. In fact, one of the reasons for the poor performance of American students is that we do not have nearly enough math and science teachers. Many, if not most, teachers who teach math and science at the secondary level are teaching out of their field. This lack of subject matter expertise handicaps teachers and students.

Now, the Einstein Fellowship Program will not change this but it can contribute to the rebuilding process. Math and science programing needs to be innovative and flexible enough to meet the needs of diverse communities. Practicing teachers can tell us something unique: What works in a classroom, and what does not. I believe this could prove a small but useful tool for policymakers.

This legislation provides for two fellowships in the House. The fellows will serve on the Committee on Education and Labor, the Committee on Science, Space, and Technology, or on the personal staff of a member interested in this policy area. The candidates themselves will go through a rigorous peer review and selection process. Their placement would be decided on a purely bipartisan basis and they would serve in a purely bipartisan way.

Mr. Speaker, my colleagues are aware of my deep concern for the improvement of mathematics and science education. I have sponsored, along with my friend and colleague Mr. Goodling from Pennsylvania, a number of legislative efforts to improve math and science instruction in this country. In recent years, Congress has acknowledged that the Federal Government has an important role to play by providing incentives and encouragement to local school districts and communities. This fellowship program is one small but meaningful piece of that ongoing effort.

Mr. Speaker, the Senate has approved a similar proposal twice. This money will be used solely to pay for the salaries of the fellows. The MacArthur Foundation will match the Federal money and pay administrative costs. This proposal has been endorsed by the National Science Teachers Association and the National Council of Teachers of Mathematics.

Finally, Mr. Speaker, I hope you will allow me to thank the chair of the committee Mary Rose Oakar for advocating in favor of this proposal. My thanks as well to your staff, Joe Grimes and Ann Fleischman who really went out of their way to assist my staff in this effort.

Mr. ROBERTS. Mr. Speaker, reclaiming my time under my reservation of objection, House Resolution 208 was brought to my attention by the minority of the House Committee on Education and Labor and House Committee on Science. I appreciate representing the interests of the capable ranking Republican Members, Bob Walker and Bill Goodling, by moving this legislation ahead today.

House Resolution 208, as described by the gentlewoman from Ohio [Ms. Oakar] authorizes the creation of two fellowships to serve on the above committees. These positions will be paid for and administered through an agreement with the Triangle Coalition for Science and Technology Education, a group interested in the advancement of mathematics and science education.

Mr. Speaker, these fellowships are meant to improve the effectiveness of the committees in addressing educational issues. The recipients of the positions will come from a national search and they will equally serve the majority and minority.

I appreciate the cooperation of my colleagues, Congressman Sawyer—the resolution's sponsor—Congressman Bill Goodling and Congressman Bob Walker. In addition, I appreciate the assistance that was provided by Chairman Rose and Congressman Bill Thomas that enabled this legislation to be brought so quickly to the House floor.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the resolution, as follows:

H. Res. 208

Resolved,

SECTION 1. FELLOWSHIP PROGRAM.

(a) In General.—The Speaker of the House of Representatives is authorized to enter into an agreement with the Triangle Coalition for Science and Technology Education to establish an Albert Einstein Congressional Fellowship Program (referred to in this resolution as the "fellowship program"), which provides for each fiscal year, beginning with fiscal year 1992, two fellowships within the House of Representatives (referred to in this resolution as the "House fellowships").

(b) Responsibilities.—The Speaker of the House of Representatives may enter into the agreement described in subsection (a), and fund fellowships as specified in section 4(a), only if the Triangle Coalition for Science and Technology Education—

(1) undertakes the application responsibilities referred to in section 2(a);

(2) participates in the evaluation referred to in section 3; and

(3) provides the funding for administration and evaluation costs referred to in section 4(b).

SEC. 2. SELECTION PROCESS.

(a) Application.—The Triangle Coalition for Science and Technology Education shall—

(1) publicize the fellowship program;

(2) develop and administer an application process; and

(3) conduct an initial screening of applicants for the fellowship program.

(b) Selection.—The Speaker and the Minority Leader of the House of Representatives, in consultation with the chairmen and ranking minority party members of the Committee on Education and Labor of the House of Representatives and the Committee on Science, Space, and Technology of the House of Representatives, shall each select one of the recipients of the House fellowships.

(c) Placement of Fellowships.—The Speaker of the House of Representatives, in consultation with the Members referred to in subsection (b), may place one fellowship recipient on the staff of the Committee on Education and Labor of the House of Representatives, and one recipient on the staff of the Committee on Science, Space, and Technology of the House of Representatives. Either or both of these recipients may instead serve on the personal staff of a member of the House of Representatives.

(d) Eligible Recipients.—Recipients shall be selected from a pool of nationally recognized outstanding secondary school science and mathematics teachers. The pool shall include teachers who have received Presidential Awards for Excellence in Science and Mathematics Teaching, as established by section 117(a) of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1881b), or other similar recognition of skills, experience, and ability as science or mathematics teachers.

(e) Compensation.—The Speaker of the House of Representatives shall fix the compensation of each recipient of a House fellowship.

(f)(1) Length of Term.—Each fellowship recipient shall serve for a period of up to 1 year.

(2) The period of time which comprises the term of fellowship shall be divided equally between the Majority and Minority Committee office as designated in paragraphs (C)(1) and (C)(2) or between the Majority and Minority Members' personal staff as designated in such paragraphs.

SEC. 3. EVALUATON.

The Chairman of each committee referred to in section 2(b) and the Executive Director of the Triangle Coalition for Science and Technology Education shall submit to the Speaker of the House of Representatives an annual report evaluating the fellowship program, and shall make recommendations concerning the continuation of the program.

SEC. 4. FUNDING.

(a) House Fellowships.—For fiscal years 1992 and 1993, the funds necessary to provide any House fellowships shall be paid from the contingent fund of the House of Representatives, but not to exceed a total of $40,000 in fiscal year 1992 and $42,500 in fiscal year 1993 for the House fellowships.

(b) Administration and Evaluation.—The Triangle Coalition for Science and Technology Education shall provide the funds necessary for the administration of the fellowship program and for the evaluation referred to in section 3.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MS. OAKAR

Ms. OAKAR. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Ms. Oakar:

Strike out all after the resolving clause and insert the following;

SECTION 1. FELLOWSHIP PROGRAM.

(a) In General.—The Speaker of the House of Representatives is authorized to enter into an agreement with the Triangle Coalition for Science and Technology Education to establish an Albert Einstein Congressional Fellowship Program (referred to in this resolution as the "fellowship program"), which provides for each fiscal year, beginning with fiscal year 1992, two fellowships within the House of Representatives (referred to in this resolution as the "House fellowships").

(b) Responsibilities.—The Speaker of the House of Representatives may enter into the agreement described in subsection (a), and fund fellowships as specified in section 4(a), only if the Triangle Coalition for Science and Technology Education—

(1) undertakes the application responsibilities referred to in section 2(a);

(2) participates in the evaluation referred to in section 3; and

(3) provides the funding for administration and evaluation costs referred to in section 4(b).

SEC. 2. SELECTION PROCESS.

(a) Application.—The Triangle Coalition for Science and Technology Education shall—

(1) publicize the fellowship program;

(2) develop and administer an application process; and

(3) conduct an initial screening of applicants for the fellowship program.

(b) Selection.—The Speaker and the minority Leader of the House of Representatives, in consultation with the chairmen and ranking minority party members of the Committee on Education and Labor of the House Representatives and the Committee on Science, Space, and Technology of the

House of Representatives, shall each select one of the recipients of the House fellowships.

(c) PLACEMENT OF FELLOWSHIPS.—The Speaker of the House of Representatives, in consultation with the Members referred to in subsection (b), may place one fellowship recipient on the staff of the Committee on Education and Labor of the House of Representatives, and one recipient on the staff of the Committee on Science, Space, and Technology of the House of Representatives. Either or both of these recipients may instead serve on the personal staff of a Member of the House of Representatives.

(d) ELIGIBLE RECIPIENTS.—Recipients shall be selected from a pool of nationally recognized outstanding secondary school science and mathematics teachers. The pool shall include teachers who have received Presidential Awards for Excellent in Science and Mathematics Teaching, as established by section 117(a) of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1881b), or other similar recognition of skills, experience, and ability as science or mathematics teachers.

(e) COMPENSATION.—The Speaker of the House of Representatives shall fix the compensation of each recipient of a House fellowship.

(f) LENGTH OF TERM.—Each fellowship recipient shall serve for a period of up to 1 year. The period of time which comprises the term of the fellowship shall be divided equally between the majority and minority staffs of a committee referred to in section 2(c) or between the personal staff of a majority party Member of the House of Representatives and the personal staff of a minority party Member of the House of Representatives.

SEC. 3. EVALUATION.

The Chairman of each committee referred to in section 2(b) and the Executive Director of the Triangle Coalition for Science and Technology Education shall submit to the Speaker of the House of Representatives an annual report evaluating the fellowship program, and shall make recommendations concerning the continuation of the program.

SEC. 4. FUNDING.

(a) HOUSE FELLOWSHIPS.—For fiscal years 1992 and 1993, the funds necessary to provide any House fellowships shall be paid from the contingent fund of the House of Representatives, but not to exceed a total of $40,000 in fiscal year 1992 and $42,000 in fiscal year 1993 for the House fellowships.

(b) ADMINISTRATION AND EVALUATION.—The Triangle Coalition for Science and Technology Education shall provide the funds necessary for the administration of the fellowship program and for the evaluation referred to in section 3.

Ms. OAKAR (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentlewoman from Ohio [Ms. OAKAR].

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 208, the resolution just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

PROVIDING FOR CIVILIAN SUPPORT POSITIONS FOR THE CAPITOL POLICE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 199) providing for certain civilian support positions for the Capitol Police for the performance of functions with respect to the House of Representatives, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. ROBERTS. Mr. Speaker, reserving the right to object, under my reservation I ask the gentlewoman from Ohio [Ms. OAKAR] for an explanation of the legislation.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Speaker, House Resolution 199 provides for civilian support positions for the Capitol Police for the performance of functions with respect to the House of Representatives.

The Capitol Police, in consultation with the Committee on House Administration, have identified 114 adminstrative positions which are currently the rank of "private".

Mr. Speaker, through House Resolution 199 the Committee on House Administration will be authorized to establish these civilian support positions, and these positions will be compensated under the U.S. Capitol Police civilian pay schedule identical to the House employees schedule and treated as positions under the House Employees Classification Act to the extent determined by the committee.

The resolution mandates that as one civilian support position is filled, one private position on the House of Representatives Capitol Police payroll will be abolished.

According to estimates done by the Congressional Budget Office, a cost savings of $1.4 million will be achieved through civilianization through the end of 1992, and over the 5-year period that savings will amount to $9.7 million.

Mr. Speaker, I am certain that my colleagues would agree that this is a fiscally smart and efficient proposal.

Mr. Speaker, I would like to take this opportunity to thank my respected ranking minority member the Honorable PAT ROBERTS. He provides constant support and assistance to the Subcommitee on Personnel and Police, and has taken a personal interest in all issues related to the subcommittee, especially those that address fairness and equity for the members of the Capitol Police force.

We also would not have reached this point today without the support and assistance of our committee chairman, the Honorable CHARLIE ROSE, and his ranking minority member, the Honorable BILL THOMAS.

I really sincerely think this is another hallmark in our efforts to improve the Capitol Police force.

Mr. Speaker, I include for the RECORD additional material relative to this resolution, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 23, 1991.

Hon. CHARLIE ROSE,
Chairman, Committee on House Administration, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached preliminary cost estimate for a House resolution providing for certain civilian support positions for the Capitol Police for the performance of functions with respect to the House of Representatives. Enactment of this legislation would not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to the bill.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JAMES L. BAUM
(For Robert D. Reischauer).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: Not yet assigned.

2. Bill title: A House resolution providing for certain civilian support positions for the Capitol Police for the performance of functions with respect to the House of Representatives.

3. Bill status: Draft resolution transmitted to the Congressional Budget Office on July 22, 1991 from the Subcommittee on Personnel and Police of the Committee on House Administration.

4. Bill purpose: The resolution would establish 114 civilian support positions for the Capitol Police to be used in the performance of duties involving the House of Representatives. Of the 114 positions, 50 positions would have to be filled by the end of the first session of the 102nd Congress, with the balance filled by the end of the 102nd Congress. The resolution would require that as each civilian position is filled, one position of private on the Capitol Police force be abolished.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1992	1993	1994	1995	1996
Estimated authorization level	−1.4	−2.0	−2.0	−2.1	−2.2

[By fiscal year, in millions of dollars]

	1992	1993	1994	1995	1996
Estimated outlays	−1.4	−2.0	−2.0	−2.1	−2.2

The budget impact of this bill falls within budget function 800.

Basis of estimate: The resolution would result in savings equal to the difference between the salaries and benefits of privates currently on the police force and the salaries and benefits of the proposed civilian positions. Information from the Capitol Police indicates that the average annual salary and benefit cost for the 732 privates (first class) is about $42,400 each. Of the 114 civilian positions, 80 positions would be paid salary and benefits of about $23,400 a year. The salaries and benefits of the remaining 34 positions would range from $30,900 to $40,000 annually.

Thus, for example, replacing a private, first-class position costing an average of $42,400 with a civilian position costing $23,400 would save about $19,000 a year. The savings would be lower in 1992 than in the later years because only 50 of the 114 positions are required to be filled by the beginning of 1992 and the remaining positions would be filled over the course of 1992. We do not expect this change would affect retirement costs because it is likely that most of the civilian hires would replace the private positions through normal attrition.

6. Pay-as-you-go considerations: The Budget Enforcement Act of 1990 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1995. CBO estimates that enactment of this legislation would not affect direct spending or receipts. Therefore, pay-as-you-go procedures would not apply to the bill.

7. Estimated cost fo State and local governments: NONE.

8. Estimate comparison: None.

9. Previous CBO estimate: None.

10. Estimate prepared by: James Hearn.

11. Estimate approved by: C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

CIVILIANIZATION PRIORITIZATION LIST

Positions to be civilianized, element, and type	House employees schedule			
	Number	Salary	Level	Step
1. House gallery metal detectors, Capitol, security aide	6	$19,199	3	1
2. Lower independence door, RHOB (2d and 3d reliefs) House, security aide	2	19,199	3	1
3. Horseshoe entrance RHOB (2d and 3d reliefs) House, security aide	2	19,199	3	1
4. Main entrance LHOB (2d and 3d reliefs) House, security aide	2	19,199	3	1
5. Rotunda entrance CHOB (2d and 3d reliefs) House, security aide	2	19,199	3	1
6. Southeast door CHOB (2d and 3d reliefs) House, security aid	2	19,199	3	1
7. Annex II HIS House, security aide	3	19,199	3	1
8. Identification section Senate & House PSB, security aide	5	19,199	3	1
9. Fingerprint unit PSB, security aide	2	19,199	3	1
Total number of security aide positions	26			
10. Receptionist office chief's, secretary/clerk I	1	19,199	3	1
11. Property and supply clerks ASB, secretary/clerk I	4	19,199	3	1
12. Division clerks patrol, secretary/clerk I	4	19,199	3	1
13. Division clerks (communications) patrol, secretary/clerk I	4	19,199	3	1
14. Division clerks Capitol, secretary/clerk I	4	19,199	3	1
15. Division clerks Senate, secretary/clerk I	3	19,199	3	1
16. Division clerks House, secretary/clerk I	4	19,199	3	1
17. Administrative clerks various, secretary/clerk I	15	19,199	3	1
Total number of secretary/clerk I positions	39			
18. Admin/specialty clerk, various, accounts payable clerk	2	19,199	3	1
19. Admin/specialty clerk, various, inventory accounting clerk	2	19,199	3	1
20. Admin/specialty clerk, various, security coordination clerk	5	19,199	3	1
21. Admin/specialty clerk, various, time and attendance clerk	3	19,199	3	1
22. Admin/specialty clerk, various, reports processing clerk	3	19,199	3	1
23. Admin/specialty clerk, various, secretary/clerk II	13	25,353	5	1
24. Admin/specialty clerk, various, off-set press operator	1	25,353	5	1
25. Admin/specialty clerk, various, procurement clerk	1	25,353	5	1
26. Admin/specialty clerk, various, secretary/clerk III	6	29,001	6	1
27. Admin/specialty clerk, various, vehicle maint. technician	6	29,001	6	1
28. Admin/specialty clerk, various, radio maint. technician	5	29,001	6	1
29. Admin/specialty clerk, various, programmer	2	33,155	7	1
Total number of admin/specialty positions	49			
Grand total of civilian positions	114			

U.S. CAPITOL POLICE CIVILIAN PAY SCHEDULE

	Steps and longevity periods											
	1 year	1 year	1 year	2 year	2 year	2 year	3 year	3 year	3 year	5 year	5 year	
H.S. level	1	2	3	4	5	6	7	8	9	10	11	12
1	14,492	15,033	15,578	16,119	16,664	17,201	17,748	18,296	18,841	19,379	20,470	21,552
2	16,664	17,201	17,748	18,296	18,641	19,379	19,924	20,470	21,006	21,552	22,639	23,723
3	19,199	19,832	20,470	21,100	21,733	22,370	23,001	23,637	24,269	24,901	26,174	27,430
4	22,099	22,726	23,362	23,995	24,620	25,263	25,895	26,532	27,165	27,799	29,068	30,333
5	25,353	26,081	26,807	27,526	28,251	28,976	29,704	30,427	31,151	31,875	33,324	34,773
6	29,001	29,728	30,457	31,174	31,901	32,627	33,349	34,079	34,803	35,530	36,975	38,426
7	33,155	33,939	34,825	35,670	36,505	37,338	38,179	39,014	39,853	40,694	42,369	44,046
8	37,767	38,615	39,457	40,297	41,141	41,984	42,829	43,671	44,512	45,358	47,046	48,736
9	42,790	43,750	44,714	45,668	46,632	47,589	48,547	49,508	50,468	51,424	53,339	55,260
10	48,136	49,102	50,063	51,030	51,989	52,947	53,915	54,876	55,839	56,798	58,727	60,655
11	54,687	55,782	56,880	57,969	59,066	60,161	61,252	62,350	63,442	64,535	66,716	69,911
12	61,884	63,074	64,266	65,454	66,649	67,840	69,033	70,224	71,416	72,611	74,992	77,372
13	69,093	70,425	71,737	73,059	74,372	75,691	77,015	78,335	79,654	80,970	83,612	86,249
14	77,881	80,477	83,074	85,666	88,166	90,855	93,455	96,051	98,731	101,456	105,890	110,401
15	91,317	94,056	96,878	99,501	102,160	104,939	107,993	111,179	114,425	117,732	123,100	

Mr. ROBERTS. Mr. Speaker, reclaiming my time under my reservation I would like to say that I am very pleased to join the gentlewoman today to bring House Resolution 199, legislation to civilianize 114 administrative positions on the Capitol Hill Police Force.

This legislation will save the U.S. taxpayer an estimated $9.7 million over the next 5 years, as predicted by the Congressional Budget Office. However, the consistent and quality protection that has been provided by this professional force will not be jeopardized.

This reform is good for the force. It is sensible for the Congress. And, it is certainly the fiscally responsible and sensible approach.

Mr. Speaker, it has been a challenging and difficult course that has allowed us to arrive at this legislation today. Under the capable leadership of Chairperson OAKAR, the House Administration Subcommittee on Personnel and Police has been able to implement a series of needed reforms for the Capitol Hill Police, including improvements in the grievance and retirement systems. And, the subcommittee continues to work to improve the administration of the force even more.

In addition, I must recognize the assistance of my other colleagues on the subcommittee, Chairman ROSE and ranking Republican member BILL THOMAS. In addition, I must recognize the past efforts of former Chairman LEON PANETTA and former Congressman Bill Frenzel. All contributed greatly to this effort.

Mr. Speaker, I am pleased that we are now at a time to bring about these changes that save taxpayer moneys.

Mr. ROBERTS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MORAN). Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 199

Resolved,

SECTION 1. CIVILIAN SUPPORT POSITIONS FOR THE CAPITOL POLICE FOR THE HOUSE OF REPRESENTATIVES.

(a) IN GENERAL.—The Committee on House Administration of the House of Representatives is authorized to establish 114 civilian support positions for the Capitol Police. The positions so authorized shall—

(1) be for the performance of functions with respect to the House of Representatives;

(2) be subject to rates of compensation that are equivalent to the rates under the House Employees Schedule; and

(3) to the extent determined by the Committee on House Administration, be treated as positions under the House Employees Position Classification Act (2 U.S.C. 291 et seq.).

(b) APPOINTMENTS.—Each appointment to a civilian support position under this section shall be made—

(1) by the Capitol Police Board, with prior approval of the Committee on House Administration of the House of Representatives; and

(2) without regard to political affiliation and solely on the basis of fitness to perform the functions of the position.

(c) ABOLITION OF CAPITOL POLICE POSITIONS.—As each civilian support position under this section is filled, there shall be abolished one position of private on the Capitol Police for duty with respect to the House of Representatives.

(d) TRANSITION PROVISIONS.—The civilian support positions authorized by this section shall—

(1) to the extent practicable, be filled by individuals in Capitol Police positions abolished under subsection (c); and

(2) be filled as needed, with all such positions to be filled not later than the end of the One Hundred Second Congress, and at least 50 of such positions to be filled not later than the end of the first session of such Congress.

SEC. 2. REGULATIONS.

The Committee on House Administration of the House of Representatives shall have authority to prescribe regulations to carry out this resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on House Resolution 199, the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

REAPPOINTMENT OF BARNABAS McHENRY AS CITIZEN REGENT OF BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the joint resolution (H.J. Res. 139) providing for the reappointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. BARRETT. Mr. Speaker, reserving the right to object, I yield to the gentlewoman from Ohio [Ms. OAKAR] for the purpose of explaining the request.

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding to me.

This provides for the reappointment of Barnabas McHenry to the Board of Regents of the Smithsonian Institution. Mr. McHenry has been a member of the Board of Regents of the Smithsonian since July 1985, and has done a very fine job.

During his tenure, he served as chairman of its Investment Policy Committee. He has proven diligence and leadership which merit his reappointment and will afford the regents continuity as the Smithsonian moves into the 21st century.

Mr. Speaker, I would like to acknowledge the work of the subcommittee chairman, the gentleman from Missouri [Mr. CLAY], who could not be here and who I am substituting for, having been the Chair of this subcommittee myself in the past.

I want to congratulate the gentleman from Missouri and the distinguished minority leader of this committee for all the good work they have done.

Mr. BARRETT. Mr. Speaker, I thank the gentlewoman for her explanation.

Mr. Speaker, I also rise in support of House Joint Resolution 139, which would appoint Barnabas McHenry to a second 6-year term on the Smithsonian Board of Regents.

After meeting with Mr. McHenry, and after reading his responses to questions concerning his previous 6 years on the board, and on what he anticipates for the next 6, I am pleased to endorse his reappointment. I believe he will continue to serve the Smithsonian and all of its patrons well in the coming years. I urge my colleagues to join me in supporting this joint resolution.

Mr. GREEN of New York. Mr. Speaker, will the gentleman yield?

Mr. BARRETT. I yield to the gentleman from New York.

Mr. GREEN. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I rise in strong support of this unanimous-consent request and to pass the resolution reappointing Barnabas McHenry to the Board of Regents of the Smithsonian Institution. Barney is a constituent who has had a successful career in the law and who has contributed his considerable talent to the fields of the arts, the environment, and the humanities. He has served on the boards of the Supreme Court Historical Society, the American Conservation Association, the Hudson River Foundation for Science and Environmental Research, the President's Commission on Arts and Humanities, and the Empire State Performing Arts Center Corp. to name a few.

I believe that the reappointment of Barney McHenry would be a great service to the Smithsonian and that the Smithsonian will continue to benefit from his knowledge, his wisdom, and his commitment to the arts and the environment.

Mr. BARRETT. Mr. Speaker, I will not object to the measure, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H. RES. 139

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with Section 5581 of the Revised Statutes of the United States (20 U.S.C. 43), the vacancy on the Board of Regents of the Smithsonian Institution, in the class other than Members of Congress, occurring by reason of the expiration of the term of Barnabas McHenry of New York on July 21, 1991, be filled by the reappointment of the present incumbent for a term of six years, effective on the day after the current term expires.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

NATIONAL CAMPUS CRIME AND SECURITY AWARENESS WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 142) to designate the week beginning September 1, 1991, as "National Campus Crime and Security Awareness Week", and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to yield to my friend and colleague, the gentleman from Pennsylvania [Mr. GOODLING], who is the chief sponsor of this resolution.

Mr. GOODLING. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I rise in strong support of House Joint Resolution 142, designating the week beginning September 1, 1991 as "National Campus Crime and Security Awareness Week." I am the sponsor of this resolution.

While we pass a large number of commemorative resolutions each year, I believe House Joint Resolution 142 is one of the few which will help save lives. During the 101st Congress, we enacted the Student Right-to-Know and Campus Security Act, which called on colleges and universities throughout the United States to provide their students information on campus crime statistics and school policies related to campus security. While schools will begin collecting data today, August 1, 1991, they are not required to provide this data to students until September 1, 1992. In the meantime, too many students will fall victim to campus crimes.

I introduced House Joint Resolution 142 to encourage colleges and universities to use the first week in September to provide students with this vital information 1 year before the reporting requirements take effect.

As students arrive on campuses across the United States, many for the first time, they will be caught up in the excitement of meeting other students, settling into their classes, and the overall enjoyment of college life. They will give little thought to the possible dangers which exist on college campuses today—unless their schools make an effort to provide them with information on crime trends on campus and the security precautions they will need to take to prevent themselves from becoming victims.

The reality of the matter is that students are being killed, raped, and assaulted on college campuses. While we don't want to scare college students, we want to make them aware of the fact that life on a college campus is not that different than life in any city or town in the United States. Passage of the Campus Crime and Security Awareness Week will provide schools with an incentive to provide students with this important information.

I urge my colleagues to join me in passing this resolution and in calling on colleges and universities in their congressional district to use this week to provide students with this vital information.

Mr. Speaker, I want to thank Congressmen TOM SAWYER and TOM RIDGE for bringing this resolution to the floor for early consideration, thereby assuring it will be considered by the Senate before the August recess.

□ 1600

Mr. RIDGE. Mr. Speaker, continuing my reservation of objection, I thank the gentleman from Pennsylvania [Mr. GOODLING] for both his persistence and his patience, as we finally get this matter to the floor.

Mr. Speaker, further reserving the right to object, I yield to our friend, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise today in strong support of House Joint Resolution 142 to create National Campus Crime and Security Awareness Week. I would like to take this opportunity to commend the gentleman from Pennsylvania [Mr. GOODLING], the distinguished ranking member of the Education and Labor Committee, for introducing this important resolution.

In recent years there has been an alarming rise in the number of crimes on the campuses of our Nation's colleges and universities. The increase in date rapes, assaults, and other crimes must not be allowed to continue. This resolution designating an awareness week will help educate students about campus dangers and how they can better protect themselves.

Mr. Speaker, we hear a lot in this body about the need to improve the quality of our Nation's education so that our future generations will be able to lead us into the 21st century. I feel that a safe and secure campus is vital to all students. Our young people in college today have enough to worry about with their term papers, research, and job searches without having to worry about getting back to their dormitories safely.

Accordingly, I urge my colleagues to support this resolution and help our students to learn and to make school both a safe and an enlightening experience.

Mr. SMITH of Florida. Mr. Speaker, I rise today in support of House Joint Resolution 142, designating the week of September 1, 1991, as Campus Crime and Security Awareness Week. I hope that on campuses across the country, the collegiate community will take this opportunity to inform themselves and protect themselves, to prevent victimization by crime.

Last fall, Congress passed, with my support, a law that requires colleges to gather crime statistics and pass that information on to students, parents, faculty, and administrators. Although colleges will begin collecting this crime data on August 1, 1991, the schools do not have to publicize the numbers until September 1992. Criminals will not take a recess for the next year, so until next autumn, we must advise students about crime prevention and remind them of the dangers.

Information is necessary for protection. Until now, only 352 out of 8,000 postsecondary schools directly collected data on campus crime, which provides a skewed picture of campus crime. Surveys may say that 95 percent of all college crimes are alcohol and drug related, and that 80 percent are committed by one student against another; however, this data comes from such limited sources that I doubt that it is comprehensive. Because the law says that only crimes committed on campus have to be included in the crime statistics, the numbers from any given college may not include all the criminal acts that involve their students. Students must be alert and vigilant both on and off campus, and Campus Crime and Security Awareness Week will drive this point home.

I ask our colleges and universities for three things during Campus Safety Week. First, I urge them to publicize their crime statistics as soon as they receive them, so students can take precautions about safety. Second, colleges should develop procedures to educate students about assaults of both a verbal and a physical nature. Third, school administrators, who know the area better than most incoming students, must tell their students the best ways to protect their dorms and off-campus homes.

Next year, students will know the number of alcohol and drug violations, murders, thefts, racial attacks, and sexual assaults on their campus, so they will be able to take steps toward protecting themselves and their property. Most students leave home for the first time to go to college, and for some, it is their first time living in a city. If they have never experienced urban life they don't know about the potential dangers. Few universities have programs that teach all students how to avoid victimization. I hope that this resolution will provide the incentive they need to develop crime prevention measures.

On a university campus in Florida in August 1990, there was a sense that the problems of the outside world would not disturb the peace. Students were arriving, registering, moving in, and getting acclimated to a new year filled with potential. This was rapidly replaced with a sense of panic, terror, and sadness, as five young lives were taken by a murderer who has yet to be caught. Before the killings, some students felt so safe in their college town that they didn't lock their doors. Now, many of those students realize that without safety precautions, any one of them could become a victim.

As a father, I remember when my children started college. Like all parents, I worried about their safety. As they leave home, teenagers feel invincible. They are not. In fact, some crooks consider the average college student devoid of street smarts and, therefore, easy prey. This resolution will help remind students to be careful. Parents cannot follow their children to college to make sure the doors are locked, and the streets are safe. All we can do is remind them to take care of their things and themselves, to keep safe when they are away from home. Let this resolution reinforce that reminder.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MORAN). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 142

Whereas colleges and universities are not immune from the criminal forces that exist outside the campus;

Whereas college and university students on campuses across the United States have been the victims of violent crimes, including rape, murder, robbery, and aggravated assault;

Whereas surveys indicate that 80 percent of campus crimes are perpetrated by students upon other students and that 95 percent of violent campus crimes are alcohol or drug related;

Whereas students have a right to know when campus crimes occur in order to take precautions against becoming victims;

Whereas the Congress enacted the Student Right-to-Know and Campus Security Act of 1990, which requires colleges and universities to inform students about campus crime statistics and campus security policies; and

Whereas designation of National Campus Crime and Security Awareness Week provides an opportunity for colleges and universities to inform students about existing campus crime trends, campus security policies, crime prevention techniques, and drug and alcohol education, prevention, and treatment programs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 1, 1991, is designated as "National Campus Crime and Security Awareness Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VACATING OF SPECIAL ORDER AND REINSTATEMENT OF SPECIAL ORDER

Mr. ABERCROMBIE. Mr. Speaker, I ask unanimous consent to vacate my 60-minute special order tonight and, in lieu thereof, be permitted to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

NATIONAL SARCOIDOSIS AWARENESS DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 309) designating August 29, 1991, as "National Sarcoidosis Awareness Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to yield to my friend, the gentleman from Kansas [Mr. SLATTERY], the chief sponsor of this resolution.

Mr. SLATTERY. Mr. Speaker, once again I would like to draw attention to a little known disease called sarcoidosis. I thank my 222 colleagues who have supported House Joint Resolution 309, and I especially want to thank Mr. SAWYER for his prompt consideration and discharge of this resolution, which will designate August 29, 1991, as "National Sarcoidosis Awareness Day."

This date has a special significance in my office, for it is the birthday of my receptionist, Carolyn Anderson. Miss Anderson was diagnosed 5 years ago with sarcoidosis, only after many failed attempts at finding the source of her illness.

Sarcoidosis is a multisystemic disorder and the cause of the disease remains a mystery. Sarcoidosis most frequently attacks the lungs, but may develop in any organ of the body. Symptoms include a persistent cough and nasal drip, fatigue, vomiting, blurred vision, shortness of breath, headaches, and facial paralysis.

Sarcoidosis strikes between 20 and 50 individuals out of every 100,000 Americans. In the United States, sarcoidosis has been most prevalent among African-Americans, with 90 percent of the cases developing in young adults between 20 and 40 years old. In fact, sarcoidosis is 10 to 17 times more likely to be found in African-Americans than in any other racial or ethnic group in the United States.

About 50 percent of sarcoidosis patients improve spontaneously, but in 5 to 10 percent of cases the disease is fatal. At present, the only known treatment for sarcoidosis is the use of corticosteroids.

There are hundreds of Americans suffering every day from symptoms associated with sarcoidosis. These individuals deserve special recognition for the courageous battles they are waging against this disease. By designating August 29, 1991, as "National Sarcoidosis Awareness Day," I hope to focus national attention on the urgent need for continuing research into the detection and treatment of this potentially fatal disease.

Perhaps most importantly, this national day of recognition will provide us with the opportunity to provide information about sarcoidosis to at-risk populations.

In closing, I want to thank all of my colleagues once again for helping to designate August 29, 1991, as "National Sarcoidosis Awareness Day."

Mr. RIDGE. Mr. Speaker, I thank the gentleman from Kansas [Mr. SLATTERY] for his contribution to this initiative.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 309

Whereas sarcoidosis is a systemic disease of unknown causes that can affect any part of the body;

Whereas sarcoidosis affects between 20 and 50 individuals in 100,000 in the United States;

Whereas most victims of the disease range in age between 20 and 40 years, with blacks being affected at least 10 times more often than other ethnic groups in the United States;

Whereas between 10 to 20 percent of individuals stricken with sarcoidosis eventually develop serious disabling conditions caused by damage to vital organs, such as lungs, heart, and central nervous system;

Whereas sarcoidosis is an enigma in the realm of medicine and disease that requires extensive and ongoing study and research in an effort to develop an effective treatment and eventually a cure;

Whereas individuals with sarcoidosis and family members across the United States are seeking treatment and support services to assist in controlling the effects of the disease;

Whereas grassroot support groups and nonprofit organizations are forming across the United States to encourage public awareness of the mysterious and debilitating disease;

Whereas the Federal Government has a responsibility to lead a nationwide effort to find a cure for the disabling disease; and

Whereas the Federal Government should make research into the causes of the life-threatening ailment a greater priority and provide the public with more information about potential treatments for individuals with sarcoidosis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 29, 1991, is designated as "National Sarcoidosis Awareness Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMODORE JOHN BARRY DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 166) to designate September 13, 1991, as "Commodore John Barry Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to acknowledge the efforts of my friend, the gentleman from New York [Mr. GILMAN], the author of this resolution.

Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to thank all of my colleagues for their support for House Joint Resolution 166, which designates September 13, 1991, as "Commodore John Barry Day."

Commodore John Barry, one of the great heroes of the American Revolutionary War, was a native of the County Wexford in Ireland. My resolution recognizes Commodore Barry's outstanding contributions to our Nation, both in fighting for our independence and assuring our fledgling Nation's survival.

John Barry first shipped out as a cabin boy. However, by adulthood, John Barry was the captain of his own ship in the American merchant marine. After the commencement of hostilities between the British and the American forces, then Capt. John Barry offered his services to General Washington and the Congress for the cause of liberty.

John Barry gave the revolutionary forces their first victory in the war at sea with the capture of the Royal Navy sloop *Edward*. On one occasion, John Barry sailed into Philadelphia with a prize ship loaded with overcoats. A desperate commodity needed in General Washington's Army in order to survive the cold winter. Another mission safety delivered the gold from France which paid the French and American armies in the Yorktown campaign.

Furthermore, John Barry was principally responsible for organizing the Marblehead sailors and boats to effect Washington's famous crossing of the Delaware, which led to General Washington's victory at Trenton during the Christmas 1776.

After the conclusion of the War for Independence, the Congress recognized Capt. John Barry as the premier naval hero of that conflict. Further, when George Washington, as President of the Constitutional Convention, could not achieve a quorum for the essential adoption vote, it was John Barry who organized the compellers, so-called because they sought out and compelled the attendance of enough delegates to assure passage of the Constitution of the United States.

Under the new Constitution, Congress authorized President Washington to create and maintain the U.S. Navy. President Washington turned to John Barry and conferred "Commission No. 1", dated June 14, 1794 upon him. Commodore John Barry then built and commanded the U.S. Navy including his flagship, the U.S.S. *United States* and the U.S.S. *Constitution*, popularly known as Old Ironsides.

A resolution proclaiming September 13, 1991 as Commodore John Barry Day is a fitting tribute to the sacrifices and contributions of this great American hero and honors our Navy veterans and Irish-Americans who have sacrificed so much for our country.

Mr. Speaker, I am pleased that the House of Representatives by this resolution will be honoring this American hero, and I urge my colleagues to wholeheartedly support this resolution.

Mr. RIDGE. Mr. Speaker, I thank the gentleman from New York [Mr. GILMAN] for his remarks.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 166

Whereas John Barry, an immigrant from Ireland, volunteered his services to the Continental Navy and was commissioned as captain on October 10, 1775;

Whereas during the War for Independence Captain John Barry achieved the first victory for the Continental Navy while in command of the ship "Lexington" by capturing the British ship "Edward", organized General George Washington's crossing of the Delaware River which led to the victory at Trenton in 1776, transported gold from France to America while in command of the ship "Alliance", and achieved the last victory of the war for the Continental Navy while in command of "Alliance" by defeating the British ship HMS Sybille;

Whereas during the War for Independence Captain John Barry rejected British General Lord Howe's offer to desert the Continental Navy and join the British Navy, stating: "Not the value and command of the whole British fleet can lure me from the cause of my country.";

Whereas after the War for Independence the United States Congress recognized Commodore John Barry as the premier American naval hero of that war;

Whereas in 1787 Captain John Barry organized the compulsory attendance of members of the Constitutional Convention in Philadelphia, thus ensuring the quorum necessary to adopt the Constitution and recommend it to the States for ratification;

Whereas on June 14, 1794, pursuant to "Commission No. 1", President Washington commissioned John Barry as commodore in the new United States Navy;

Whereas Commodore John Barry helped to build and lead the new United States Navy which included his command of the U.S.S. United States and U.S.S. Constitution ("Old Ironsides");

Whereas Commodore John Barry is recognized along with General Stephen Moylan in the Statue of Liberty Museum as 1 of 6 foreign-born great leaders of the War for Independence;

Whereas in 1982 President Ronald Reagan proclaimed September 13th, the date of John Barry's birth, as "Commodore John Barry Day";

Whereas in 1986 the New York State legislature designated September 13th of each year as "Commodore John Barry Day" in the State of New York; and

Whereas designating a day to commemorate Commodore John Barry would be important to United States Navy veterans, Irish-Americans, and to all the people of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 13, 1991, is designated as "Commodore John Barry Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1610

NATIONAL PARKS WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 179) to designate the week beginning August 25, 1991, as "National Parks Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. MORAN). Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to yield to my colleague, the gentleman from California [Mr. LAGOMARSINO], who is the chief sponsor of this Senate joint resolution.

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman for yielding. I want to thank him and the gentleman from Ohio [Mr. SAWYER] for bringing this resolution to the floor as quickly as they have done.

This resolution marks the 75th anniversary of the National Park Service. The first national park, of course, was Yellowstone, created under the administration of President Grant a long time ago. It was a very unique situation at that time, and now I understand more than 100 countries have emulated what we have done here in creating national parks and preserving their historical and their natural treasures.

I want to also take this time to compliment the gentleman from Minnesota [Mr. VENTO], who is the chairman of the Subcommittee on National Parks and Public Lands, on which I have the privilege of serving. He and I have worked together on many issues relating to national parks, and I think that when we honor, as we do here today, the national parks and the National Park Service, we should keep in mind the contributions the gentleman from Minnesota has made.

I think the National Park Service deserves a great deal of credit. We hear from time to time as we go home and talk to our constituents' complaints about them and about things that happen in the national parks. But I would point out that for the most part they are very dedicated people who know what they are doing, and many times the problems about which we hear are caused by a lack of funding or something of that kind which is far beyond their control and more in our control than theirs. So I want to certainly rise today to honor the men and women of the National Park Service for all they have done and all they have been doing for the last 75 years.

Mr. VENTO. Mr. Speaker, will the gentleman from Pennsylvania yield to me under his reservation?

Mr. RIDGE. I am happy to yield to my friend, the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I want to thank the gentleman for yielding and for his assistance, as well as that of the gentleman form Ohio [Mr. SAWYER], chairman of the subcommittee that processes and deals with these important measures dealing with commemoratives, and so forth. I too want to rise and strongly support this measure.

I want to return the compliment to the gentleman from California [Mr. LAGOMARSINO], my ranking member on the Subcommittee on National Parks and Public Lands. Congressman LAGOMARSINO has worked as the ranking member on that committee through the entire decade of the 1980's, the last half of which I have had a chance to work with him, and we have made a pretty good team in terms of acting on proposals that have come before the subcommittee.

We all recognize that it was in 1916 that Woodrow Wilson signed the law that created the National Park System. At that time there were 36 national parks. Today there are 10 times that many national parks, 360. And the fact of the matter is we are going to have to act to create more, because the American public is demanding it. They are using these national parks.

With all of the commotion and anxiety over actions of the Congress, I think seldom do we face these types of dilemmas in creating parks that we might from some of the other actions we might have to take. This is one of the good parts of the job that we do.

My colleague from Pennsylvania, Mr. RIDGE, and I have the privilege of working on the Committee on Banking, Finance and Urban Affairs, and believe me, I would like to be able to spend full time working on parks issues, but for the fact that we have this other responsibility that we have to face up to.

So this is the diamond anniversary, 10 times the number that existed.

I picked up the most recent copy of National Geographic, and I commend it to my colleagues, because I think in it Paul Pritchard, who is the president of the National Parks and Conservation Association, captures really the spirit of why our park system is what it is. He points out a quote by James Bryce, former British Ambassador to the United States, who said that the national park system is the best idea that America ever had. And it has been emulated worldwide in terms of its implications.

It gives us a chance to preserve our American heritage, our natural heritage, so much of which, of course, has been modified or changed, and our cultural heritage as a people, as American people. This is the stuff that brings us together. We come out of many different backgrounds, all of us—or nearly all of us except the native Americans—are from diverse backgrounds, and this is the stuff that brings us together. It is these parks that we recognize.

We are also trying to preserve something. I have often said, and I know others feel the same, that we are trying to preserve that which we have, we are trying to conserve the resources and carefully use them, and also trying to remediate areas that have been damaged in terms of our natural environment.

So this represents the best that we have. We hope, with the help of the Members of the House and the Congress, to continue. I think the article that Paul Pritchard wrote points out that we have these wonderful natural and cultual resources, but that that in and of itself is not enough. We need people who will provide the proper stewardship of these resources.

This article does not talk about Capitol Reef, or Yellowstone, or Yosemite, or Great Basin, or other works that we have designated, that which of course is created by God, but it talks about caring for it; it talks about the people who are working down at Saguaro National Monument or people working in some of the other areas around this country who are trying to preserve and protect, because without their stewardship and without their dedication those parks and those actions that we take here would not be worth the paper they are written on.

But they have become worth much more than that because of the response of the American people and because of the response of the dedicated National Park Service that was the genius of our laws that were created and written in 1916 and for 75 years have been serving us.

So throughout this 75th year I hope we will be able to take many more actions to honor and recognize the system in terms of designation and protection of this magnificent resource and heritage.

I thank the gentleman for yielding and for his support of this measure.

Mr. RIDGE. I thank the gentleman from Minnesota for his eloquent statement and for his initiative along with our colleague from California, Mr. LAGOMARSINO, in bringing this matter before us.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 179

Whereas on August 25, 1916, the Congress established the National Park Service charged with the conservation of 'the scenery and the natural and historic objects and the wildlife' of the National Park System and 'to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations';

Whereas the National Park Service, now celebrating its seventy-fifth anniversary, has shown leadership in the protection of our natural, cultural, and recreational resources internationally, and locally;

Whereas today the three hundred fifty-seven units of the National Park System preserve and interpret unique resources that shape our sense of its identity, from the scenic beauty of the great natural parks to the rich diversity of the historical and archeological areas and the varied activities of the recreational areas;

Whereas millions of Americans as well as people from foreign nations visit the national parks each year, deriving pleasure and inspiration from them;

Whereas we who have inherited this legacy and who are enriched by it, believe that the parks deserve to be kept unimpaired to ensure that future generations will continue to appreciate and enjoy them;

Whereas the National Park Service has long cooperated with the counties, localities, and other entities to assist in the preservation of historic resources, the management of diverse natural resources, and the increase of public recreational opportunities;

Whereas the men and women of the National Park Service charged with the protection of our parks and their visitors have steadfastly served the purposes for which the national park system was created; and

Whereas, during the year beginning August 25, 1991, the National Park Service will celebrate its diamond anniversary with programs focusing the Nation's attention on the riches of these parks and the need for their preservation: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That the week beginning August 25, 1991, is hereby designated as "National Park Week" and the President of the United States is authorized and requested to issue a proclamation inviting the people of the United States to participate in the events commemorating the seventy-fifth anniversary of the creation of the National Park Service.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL REHABILITATION WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 72) to designate the week of September 15, 1991, through September 21, 1991, as National Rehabilitation Week, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so simply to acknowledge the work and the authorship of this resolution by my colleague and friend the gentleman from Pennsylvania [Mr. McDADE].

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 72

Whereas the designation of a week as "National Rehabilitation Week" gives the people of this Nation an opportunity to celebrate the victories, courage, and determination of individuals with disabilities in this Nation and recognize dedicated health care professionals who work daily to help such individuals achieve independence;

Whereas there are significant areas where the needs of such individuals with disabilities have not been met, such as certain research and educational needs;

Whereas half of the people of this Nation will need some form of rehabilitation therapy;

Whereas rehabilitation agencies and facilities offer care and treatment for individuals with physical, mental, emotional, and social disabilities;

Whereas the goal of the rehabilitative services offered by such agencies and facilities is to help disabled individuals lead active lives at the greatest level of independence possible; and

Whereas the majority of the people of this Nation are not aware of the limitless possibilities of invaluable rehabilitative services in this Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the week of September 15, 1991, through September 21, 1991, is designated as "National Rehabilitation Week" and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities, including educational activities to heighten public awareness of the types of rehabilitative services available in this Nation and the manner in which such services improve the quality of life of disabled individuals; and

(2) each State governor, and each chief executive of each political subdivision of each State, is urged to issue proclamation (or other appropriate official statement) calling upon the citizens of such State or political subdivision of a State to observe such week in the manner described in paragraph (1).

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL MILITARY FAMILIES RECOGNITION DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 215) acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 25, 1991, as National Military Families Recognition Day, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to yield to my friend and colleague, the gentleman from Mississippi [Mr. ESPY], and to his son, who is with him in the Chamber.

Mr. ESPY. Mr. Speaker, I thank the distinguished gentleman from Pennsylvania for yielding to me under his reservation, and also thank the distinguished chairman of the subcommittee for bringing this resolution to the floor.

House Joint Resolution 215, National Military Families Day, is legislation to commemorate the more than 4 million family members of our regular military active duty personnel, and of our Guard and Reserve men and women.

For the past 3 years Congress has passed this resolution designating the Monday before Thanksgiving as National Military Families Day. I know all of my colleagues will agree that this year National Military Families Day is more appropriate than ever.

For the past few weeks, we have been welcoming our troops home from the Persian Gulf.

Today, by passing this resolution, we will be extending our gratitude to the families who shoulder the responsibility of providing our troops emotional support.

We will be saying thank you to the loved ones who suffer the extended separations, who endure the stress, and who demonstrate their patriotism through steadfast support and commitment to our Nation in times of peace and in times of war.

Mr. Speaker, I want to thank the more than 222 colleagues who have cosponsored this resolution, and who recognize that National Military Families Day is not just another commemorative.

By passing this resolution today, we will have ample time to ensure that come November 25, National Military Families Day will be a fitting tribute to the families whose sacrifices make our freedom possible.

I urge all of my colleagues to join me in supporting this resolution.

I thank the distinguished chairman for making this possible.

□ 1720

Mr. RIDGE. Mr. Speaker, continuing my reservation, I want to thank the gentleman for his initiative. I cannot imagine that there was a Member of this body who did not on several occasions have the opportunity to speak to family members of the troops that we sent to the Persian Gulf. I cannot help but also think that it was a very emotional reminder that when we send men and women in uniform offshore that they take a piece of the heart and the mind and the spirit of their families with them. They take a little bit of their spouses with them, their mom and dad, their sons and daughters, and when we encourage these young people to become involved, to enlist in the service, and when we encourage them to stay, we are also looking for a commitment from a supportive family. Fortunately, in this country, we have been served by hundreds of thousands, if not millions, of patriots who have been supported at all times by their families and those who love them the most and know them the most and who have absolutely the most to lose when they are sent overseas to protect or promote the interests of this great country.

Mr. Speaker, I thank the gentleman for his initiative.

Further reserving the right to object, I yield to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I ask for just this moment to associate myself with the remarks of both the sponsor, our friend, the gentleman from Mississippi, and the gentleman from Pennsylvania.

The value of this particular resolution is of sufficient importance that I hope that we might join in recommending to our colleague from Mississippi that he consider even more permanent enactment of such recognition in the future.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MORAN). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 215

Whereas the Congress recognizes and supports the Department of Defense policies to recruit, train, equip, retain, and field a military force that is capable of preserving peace and protecting the vital interest of the United States and its allies;

Whereas the people of the United States are particularly indebted to and respecting of the family members of the more than 500,000 military personnel activated for Operation Desert Shield and Operation Desert Storm;

Whereas the military families shoulder the responsibility of providing emotional support for their service members;

Whereas, in times of war and military action, military families have demonstrated their patriotism through their steadfast support and commitment to the Nation;

Whereas the emotional and mental readiness of United States military personnel around the world is tied to the wellbeing and satisfaction of their families;

Whereas the quality of life that the Armed Forces provide to military families is a key factor in the retention of military personnel;

Whereas the people of the United States are truly indebted to military families for facing adversities, including extended separations from their service members, frequent household moves due to reassignments, and restrictions on their employment and educational opportunities;

Whereas 74 percent of officers and 53 percent of enlisted personnel in the Armed Forces are married;

Whereas the families of active duty military personnel (including individuals other than spouses or children) account for more than 2,770,000 of the more than 4,841,000 in the active duty community, and spouses and children of members of the Reserves in paid status account for more than 1,317,000 of the more than 2,346,000 in the Reserves community;

Whereas spouses, children, and other dependents living abroad with members of the Armed Forces total nearly 487,000, and these family members at times face feelings of cultural isolation and financial hardship; and

Whereas military families are devoted to the overall mission of the Department of Defense and have accepted the role of the United States as the military leader and protector of the free world: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the Congress acknowledges and appreciates the commitment and devotion of present and former military families and the sacrifices that the families have made on behalf of the Nation; and

(2) November 25, 1991, is designated as "National Military Families Recognition Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the various joint resolutions just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GENERAL LEAVE

Mr. ESPY. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days in which to extend their remarks, and to include therein extraneous material, on the bills, H.R. 2801, H.R. 1107, and H.R. 500, which passed the House Wednesday, July 31, 1991.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1415. An act to authorize appropriations for fiscal years 1992 and 1993 for the Department of State, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 1415) "An Act to authorize appropriations for fiscal years 1992 and 1993 for the Department of State, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PELL, Mr. KERRY, Mr. SIMON, Mr. MOYNIHAN, Mr. BIDEN, Mr. SARBANES, Mr. DODD, Mr. HELMS, Mr. LUGAR, Mrs. KASSEBAUM, Mr. PRESSLER, Mr. MURKOWSKI, and Mr. BROWN, to be the conferees on the part of the Senate.

The messages also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1608. An act to make technical amendments to the Nurtrition Information and Labeling Act, and for other purposes.

OPPOSE FLIGHT ATTENDANT DUTY TIME ACT

(Mr. RAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RAY. Mr. Speaker, later today the House will consider H.R. 14, the Flight Attendant Duty Time Act. I want to encourage my colleagues to vote against this well-intentioned, but I want to say very misguided, legislation.

The supporters of H.R. 14 will say that the flight attendants want this bill. However, I have heard from representatives of several thousands of flight attendants in my district and throughout the Nation who oppose this bill. My district would prefer we not pass it. They prefer to keep the current system of scheduling duty time which provides flexibility to them.

The supporters of H.R. 14 also claim that this is a safety issue. However, in a letter from FAA Administrator, James Busey, dated July 26, 1991, he states "Regulation of flight attendant duty time is not a safety issue."

While the FAA does not believe safety is an issue, I can assure my colleagues that the increased costs for airline tickets is an issue and will affect this Congress in its budget.

Now, Mr. Speaker, one last point I will make is that the Department of Transportation is opposed to H.R. 14 and Secretary Sam Skinner will recommend a veto of this bill.

So, Mr. Speaker, I encourage my colleagues to closely examine this bill, and vote against it when it is considered on the House floor later today.

THE SECRETARY OF TRANSPORTATION,
Washington, DC, July 22, 1991.

Hon. RICHARD RAY,
House of Representatives, Washington, DC.

DEAR REPRESENTATIVE RAY: H.R. 14, the proposed "Flight Attendant Duty Time Act," will soon be brought to the floor for a vote. This bill would establish a complex system regulating the duty time of flight attendants. Its enactment could cost airline passengers nearly $1 billion over the next 15 years. The Federal Aviation Administration, following an extensive study of flight attendant duty time which included a survey of industry practices, concluded that the establishment of flight attendant duty time requirements would not produce any quantifiable safety benefits for the traveling public.

Apart from needlessly increasing the cost of air travel for the public, the enactment of H.R. 14 would further add to the financial difficulties of our Nation's airlines. This past year, our air carriers lost a record $4.1 billion; this has been further compounded by an additional loss of $1 billion in the first quarter of this year. The enactment of H.R. 14 could diminish air carrier competition in domestic markets, as a result of its increased financial pressures on the weaker carriers, and create a competitive disadvantage for America's carriers as they compete with foreign carriers with lower costs overseas. H.R. 14 could hurt air service to small communities where marginal returns are already involved in many cases. H.R. 14 is also a needless intrusion by the Federal Government into labor-management relations in our air transportation system. H.R. 14 represents bad public policy, cloaked in the guise of a safety improvement.

Accordingly, if H.R. 14 or comparable legislation were enacted, I would recommend to the President that he veto the legislation.

The Officer of Management and Budget advises that the enactment of H.R. 14 would not be in accord with the President's program.

Sincerely,

SAMUEL K. SKINNER.

U.S. CONGRESS,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 29, 1991.

FAA SAYS H.R. 14 IS NOT A SAFETY ISSUE

DEAR COLLEAGUE: Tomorrow the House will consider H.R. 14. Supporters of this legislation contend the bill will address a safety issue regarding the number of hours worked by flight attendants.

However, in a letter dated July 26, 1991 FAA Administrator James Busey states:

"With H.R. 14 now scheduled for floor action, I would like to be clear on the FAA's position concerning the regulation of flight attendant duty time: 1) regulation of flight attendant duty time is *not* a safety issue; 2) regulation of flight attendant duty time would *not* produce any quantifiable safety benefits, despite substantial costs to the traveling public; and 3) my advice to the Secretary of Transportation, following my detailed review of data gathered by the FAA on flight attendant duty time, was that safety would not be improved by promulgation of flight attendant duty time regulations."

Clearly, the FAA does not believe safety is an issue, but I assure you that the increased cost for airline tickets is an issue. Furthermore, a lack of flexibility in scheduling is an issue for the many flight attendants who have written me in opposition to this bill.

I urge you to closely examine H.R. 14, and vote against this bill when it is considered on the House floor.

Sincerely,

RICHARD RAY,
Member of Congress.

CRITICAL HUMAN RIGHTS SITUATION IN BURMA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii [Mr. ABERCROMBIE], is recognized for 5 minutes.

Mr. ABERCROMBIE. Mr. Speaker, I rise to call attention to the critical situation in respect to human rights in the nation of Burma, or Myanmar.

In 1988, students, workers, clergy, and Burmese from all walks of life arose in a nonviolent protest to restore democracy in their country. Like the advocates of democracy in Tiananmen Square, they were met with bullets, brutality, and repression. Burma's military rulers relented briefly to permit a free election, but reimposed a crackdown as soon as it became clear that the people of Burma had rejected dictatorship and embraced democracy.

The general elections of May 1990 provided an overwhelming mandate to the National League for Democracy, which won 80 percent of the seats in Parliament. The ruling military junta, not surprisingly, refused to relinquish power. As if to emphasize the point, the people of Burma had voted to empower a party headed by a political prisoner: Aung San Suu Kyi, who has been under house arrest since July 1989.

This month marks the second anniversary of her detention. Why, you may ask, was she arrested in the first place? The fact is that her wide popular appeal constituted an intolerable threat. That appeal is rooted in a firm commitment to Ghandian nonviolence, an ability to speak clearly and passionately in favor of nonviolence, and her renown as the daughter of Aung San, the postwar father of Burmese independence.

Aung San Suu Kyi's increasing peril was brought to my attention by Amnesty International's Hawaii Group 449. They inform me that she has been the target of a defamatory media campaign characterized by falsehood and invective.

This is particularly disturbing, because such campaigns have frequently preceded destructive actions against the targeted individuals and their associates. The kind of international attention exemplified by Amnesty International's campaign and by our expression of concern on this floor today are important means for dissuading the Burma dictatorship from further persecution.

I am pleased to note also that the administration is showing more concern for the situation in Burma. Last week the United States Government announced the imposition of trade sanctions against Burma.

They were imposed because of the dictatorship's repression and lack of progress in curbing the flow of narcotics. The State Department announced last Monday that our bilateral textile agreement with Burma will not be renewed. Last year, Burmese textile exports earned $9 million in hard currency, a loss for which the current dictatorship will have to answer to its own people.

I commend President Bush and Secretary Baker for this action to make plain the attitude of the international community.

I hope that this step will pave the way for applying the same standard to China and make extension of its most-favored-nation status conditional on improving respect for human rights in that nation.

Like the people of China, Burma's people suffer under the yoke of a dictatorship which suppresses free expression, terrorizes its own citizens, and denies the political legitimacy of the democratic process. Today, Aung San Suu Kyi, the rightful leader of Burma, is a prisoner. The woman who should by rights be charting the course of her nation's future is held in bondage.

That bondage, Mr. Speaker, extends to the entire population of Burma. Until Aung San Suu Kyi is free—until Burma is free—we can not, we must not, relax our efforts to insist that the Government of Burma respect international norms of human rights.

□ 1640

FRAUD ALLEGED IN RECENT FORD MEXICO UNION ELECTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Mr. Speaker, I would like to submit for the RECORD a letter that I sent to Mexican President Carlos Salinas de Gortari last week. This letter describes the incidents surrounding union delegate elections that took place on June 3, in two Mexican subsidiary Ford plants—La Villa and Cuautitlan.

More specifically, my correspondence outlines the findings of observor groups alleging that workers in the subject plants were not permitted to freely elect delegates to represent labor interests in collective bargaining negotiations. Instead, the workers who did participate in these elections were reportedly coerced into casting votes for the Government-sponsored union—Confederation of Mexico Labor [CTM]—candidates.

As I indicate in my letter to President Salinas, I focus on these reports because I believe that if true in whole or in part, they could directly affect the political viability of any trade agreement that the Bush administration and the Salinas government craft over the next several months.

The Congress is not likely to look favorably on a pact with a nation whose labor force does not have the chance to bargain for fair wage and benefit packages. Why? Because without an effective union movement in Mexico, there will be no link between wage rates and productivity, and the Mexican economy will not develop into the ripe export market that has recommended it to the United States as a partner in a free trade area.

In deciding whether to vote for or against a free trade agreement [FTA], every Member will make a determination as to what Mexico offers his or her district in the way of exporting opportunity. Members will view Mexico as rich in such opportunity only if they can reasonably anticipate increases in the disposal income of average Mexicans. Income does not rise if workers cannot bargain for wage increases through fairly elected representatives.

Additionally, of course, if worker rights are not observed, the large comparative wage advantage Mexico now enjoys will be perpetuated despite productivity increases. That will certainly disadvantage United States workers as firms decide whether to locate production facilities in the United States or in Mexico.

I have asked President Salinas to look into this matter and to communicate with me his views and plans with respect to the June 3 elections. I have also requested action on this matter from President Bush, Ambassador Hills, and Labor Secretary Martin, as well as from American labor union leaders and Ford Motor Co. management both in the United States and in Mexico.

In conclusion, I strongly urge my legislative colleagues to review the details in the following letter and to press for further elucidation of these events.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 19, 1991.

PRESIDENT CARLOS SALINAS DE GORTARI,
Presidente Constitucional de los Estados Unidos Mexicanos, Palacio Nacional, Mexico, D.F.

DEAR MR. PRESIDENT: As our two governments begin to negotiate a far-reaching and historic trade agreement, I write as a friend of improved, principled relations between the United States and Mexico to request your government's attention to a labor dispute in the Mexican affiliate of an important U.S.-owned firm, the Ford Motor Company. I request this because of the alleged injustices involved.

I fully realize that in labor disputes there are often two sides to each story, so I do not assume the reports I have are correct. Neither, of course, can I assume they are incorrect.

The cases in point are the elections held on June 3, 1991 in two Ford plants in or near Mexico City, La Villa and Cuautitlan. Apparently, these elections were intended to determine the affiliation of the local workers' union.

These elections were reportedly called after a 17-month effort by the union to secure from the courts and the Federal Board of Conciliation and Arbitration approval for a new affiliation election in the wake of CTM (Conferation of Mexican Labor)-related violence against the Cuautitlan workers in January, 1990. The January incident allegedly left one worker dead and nine other workers with gunshot wounds.

At issue was whether the workers would continue to be represented by the CTM or by the Confederation of Revolutionary Workers (COR). The election was allegedly conducted in an atmosphere of great tension, due not only to the history of violence at the factory but to the presence of several thousand police who surrounded the factory on the day of the election, and a pattern of open intimidation of anti-CTM workers in the days before the vote.

The result, as announced by the Federal Board of Conciliation and Arbitration, was a victory for the CTM by a vote of 1,325 to 1,112. However, a Committee of Independent Observers (COI) has issued a report that charges the CTM and the Mexican government with serious abuses of the workers' legal rights and due process during the election. Composed of 27 church leaders, human rights organizations, scholars, journalists, lawyers and other Mexican citizens, this Committee was convened for the express purpose of monitoring the election out of fear of violence.

Although the COI members were barred from access to the polling places, their extensive investigation prior to, during, and after the election documented allegations of multiple abuses by government officials, CTM officials and the company. The following is an illustrative list of these alleged abuses:

The vote was not by secret ballot. Instead, workers had to vote out loud in front of management and CTM personnel, and then sign their names next to their votes.

The Secretariat of Labor and the Federal Board of Conciliation and Arbitration allowed the company to decide which workers could vote. Supervisors chose each group of voters and brought them to the voting areas. As a result, many workers never had the chance to vote.

The Secretariat of Labor and the Federal Board of Conciliation and Arbitration allowed the company to bring in a large number of people, who were not eligible, to vote.

The company and the CTM were permitted to threaten workers on their way to vote that if they voted against the CTM, they would be fired. This threat could have been perceived as very real in that the company had previously fired more than 800 workers dissatisfied with the agreement between the CTM and Ford management.

The company was allowed to videotape some of the voters as they stated their names and which union they preferred.

In light of these and other reported abuses, the COI concluded the following:

(1) There were multiple irregularities in the representation election and these irregularities seriously affected the outcome of the voting.

(2) The fundamental right of the Ford workers to freely choose their union representation was denied.

(3) A new election should be held under conditions that would ensure a free and democratic choice.

Apparently, the Federal Board of Conciliation and Arbitration has not responded to the call by these union leaders and by the COI for a new and fair election.

Additionally, I have recently seen a copy of a relevant letter allegedly sent by Labor Secretary Arsenio Farell Cubillas to Commerce Secretary Jaime Serra Puche. In this letter, a copy of which I have enclosed, Secretary Farell stated that he had let the Director of Ford and his attorneys know that it was "essential that they coordinate with Don Fidel Velazquez and with the CTM staff in charge of controlling the workers." Secretary Farell goes on to "plead" for Secretary Serra's "intervention to make Ford see the grave consequences that losing in this process [the election] would bring."

Mr. President, I recognize that these are serious charges, which, if true, call into question the integrity of the collective bargaining process in Mexico and Mexico's commitment to protecting internationally recognized workers rights. However, in the interest of concluding a free trade agreement (FTA) between our two countries, I thought it prudent to raise this matter now.

(Incidentally, you may know that in 1984, Congress adopted, on my personal initiative, far-reaching legislation to link the granting of Generalized System of Preferences (GSP) status to a nation based on its observance of internationally recognized worker rights.)

The existence of a real collective bargaining process in Mexico in which workers are afforded negotiating power that is commensurate with that of management is essential to the development of the Mexican economy and therefore essential to the passage of a U.S.-Mexico FTA through the U.S. Congress. A viable labor movement creates the link between wage levels and productivity, without which Mexico cannot develop into an attractive market for American exports. I think that there is no question that Mexico too is seeking this sort of economic development through an FTA.

In short, the success of the FTA talks rests upon the establishment of a high degree of confidence that both countries respect the rights of workers to freely select their own representatives. Your government will advance that confidence greatly by investigating the recent incidents at the subject Ford plants; exposing any and all violations of Mexico labor law; and taking the steps necessary to rectify the workers' situation in La Villa and Cuautitlan.

I urge you to intervene in this situation and request that you share with me—in writing—your findings and views regarding the allegations made by the COI. I am also asking the Ford Motor Company to investigate the June 3 elections and to respond to the COI report.

Sincerely yours,

DON J. PEASE,
Member of Congress.

The following is a translation of a letter which was obtained by members of the Mexican Congress, who distributed it on the floor of the House of Deputies and to the news media on May 29, 1991. Deputies from the ruling Institutional Revolutionary Party (PRI) rejected opposition proposals to 1) call Farell before the House to answer questions about the letter, and 2) establish a multiparty congressional delegation to observe the June 3 elections. The Revolutionary Union of Auto Workers referred to in the letter is the auto union of the Confederation of Revolutionary Workers (COR).

ARSENIO FARELL CUBILLAS [MEXICAN SECRETARY OF LABOR],
May 17, 1991.

Senor Doctor JAIME SERRA PUCHE,
Secretary of Commerce.

DEAR JAIME: As you will recall, the Mexican Revolutionary Union of Auto Workers, which includes dissident Ford workers, sought to be recognized by the company and the CTM [Confederation of Mexican Workers] as the legal bargaining agent for the Cuautitlan plant and the [parts] plant in the borough Gustavo A. Madero.

The Federal Board of Conciliation and Arbitration closed the case, ruling that the Revolutionary Union of Auto Workers lacked legal standing; however, this organization filed for an injunction, which unfortunately was neglected by Ford and which was granted by the federal courts.

In compliance with that court order, the Federal Board of Conciliation and Arbitration has been forced to reopen the case and set June 3 as the election date.

I spoke today with the Director of Ford and his attorneys, to whom I indicated, first of all, that they neglected their responsibilities in the courts and that if that attitude continues they are in danger, if the necessary work is not done, of losing the election among the workers, who could eventually leave the CTM.

I also let them know that it is essential that they coordinate with Don Fidel Velazquez [general secretary of the CTM] and with the CTM staff in charge of controlling the workers. They offered to take the necessary measures; but in any case, I think it appropriate to inform you of the situation and plead for your intervention to make Ford see the grave consequences that losing in this process would bring.

Affectionate greetings,

ARSENIO FARELL.

RETIREMENT CONGRATULATIONS TO LT. GEN. DONALD W. JONES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. HUTTO] is recognized for 5 minutes.

Mr. HUTTO. Mr. Speaker, yesterday marked the retirement of my friend, Lt. Gen. Donald W. Jones, Deputy Assistant Secretary of Defense for Military Manpower and Personnel Policy.

General Jones' distinguished career spans 34 years, and a wide variety of important command and staff positions culminating in his current assignment in Washington. General Jones is the senior uniformed personnel chief within the Department of Defense and is widely regarded as the resident expert on military personnel matters. Responsible for Department-wide compensation, training, education, and career management policies, he has been the driving force behind programs which have substantially improved the quality of life and readiness of our All-Volunteer Force. His frequent testimony before Congress has earned him the admiration and respect of the Members.

Other key assignments held recently include: Assistant Deputy Chief of Staff for Personnel, Headquarters U.S. Army, Washington, DC; Commanding General, U.S. Total Army Personnel Agency, Alexandria, VA; Deputy Director for Defense Test and Evaluation, Office of the Under Secretary of Defense for Research and Engineering, Washington, DC; executive officer to the Commanding General, U.S. Forces Command, Fort McPherson, GA; chief of staff at the Army Field Artillery Center, Fort Sill, OK; and assistant division commander of the 1st Cavalry Division, Fort Hood, TX.

General Jones' contributions have been recognized through a number of awards and decorations to include the Defense Distinguished Service Medal, the Army Distinguished Service Medal, the Legion of Merit, the Bronze Star Medal, the Meritorious Service Medal, the Army Commendation Medal with Oak Leaf Cluster, and the Good Conduct Medal.

He is married to the former Betty Karnes and they have two children, Lori and Donald.

As a member of the House Armed Services Committee I have had the pleasure to work with Don on defense matters. He has done an exemplary job as Deputy Assistant Secretary and our armed services are better trained, better educated and more highly motivated as a result of his leadership. He is to be highly commended for his service to our Nation since he first put on an Army uniform in 1958.

Nancy and I would like to wish Don, Betty, and family a wonderful retirement. May God richly bless them with good health and happiness.

AUDIO HOME RECORDING ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BROOKS] is recognized for 5 minutes.

Mr. BROOKS. Mr. Speaker, today I am introducing the Audio Home Recording Act of 1991. I am pleased to be joined in sponsoring this legislation by Congressman BILL HUGHES, the distinguished chairman of the Judiciary Committee's Subcommittee on Intellectual Property and Judicial Administration.

The Audio Home Recording Act will allow the introduction of digital audio technology while guarding against the re-recording of music using that technology. It is the product of lengthy negotiations between the electronic and music industries, industries that have had very deep differences, but were willing to toil in good faith until they came to a consensus.

After more than a decade of these bitter disputes—in which the specter of intractable commercial litigation prevented general introduction of state-of-the-art digital audio recording products—a fair compromise has been fashioned by the parties. Most importantly, resolution of this dispute now holds the prospect that the American consumer will gain the benefit of this advanced technology.

Covering only digital audio recording technology, this legislation does three things—it sets up a royalty system; it sets up a serial copy management system [SCMS]; and it provides remedies for failure to abide by those systems. It may be useful to briefly summarize these features for the record.

THE ROYALTY SYSTEM

The royalty system is designed to compensate creators and copyright owners of music for lost sales due to copying on digital audio recorders. This bill places an obligation on importers and manufacturers to pay royalties into a fund at the Copyright Office. Royalties on the digital audio recording machines are set in the legislation at 2 percent of the wholesale price, with a $1 minimum and $8 maximum per machine. Royalties on the blank digital audio media are set at 3 percent of the manufacturer's wholesale price. The moneys from the fund are to be distributed by the Copyright Royalty Tribunal to the interested copyright parties.

The bill provides for a system for the collection, distribution and verification of these royalty payments, but also allows negotiated arrangements between the interested parties on these matters.

The Copyright Royalty Tribunal retains jurisdiction to resolve any disputes and to ensure that the rights and interests of those not party to any negotiated agreement are protected.

THE SERIAL COPY MANAGEMENT SYSTEM [SCMS]

All nonprofessional digital audio recorders imported for sale or manufactured in the United States must contain the SCMS. This system allows one copy to be made of a prerecorded tape, but encodes the copy so that additional copies cannot be made from it. The legislation also prohibits any circumvention of SCMS.

REMEDIES FOR VIOLATIONS

To enforce the royalty system and SCMS, actions can be brought in Federal district court. The courts can grant appropriate equitable relief and can award damages.

For royalty payment violations, statutory damages range up to $100 per digital audio recorder and $4 per blank digital audio medium. If a violation is willful, the courts increase those damages to a range of $100 to $500 per digital audio recorder and $4 to $15 per digital audio medium.

For SCMS violations, actual or statutory damages are awarded. This award cannot exceed a total of $1,000,000—excluding actual damages—unless the violation is willful, then up to $5,000,000. For innocent violations, the courts can reduce damages to $250.

Statutory damages for digital audio recorder violations will be between $1,000 and $10,000 per recorder or device. For encoding phonorecords with inaccurate information, statutory damages will be between $10 to $100 per phonorecord.

The legislation provides alternative dispute resolution procedures, which are binding by mutual consent of the parties, or if initiated by one party prior to the first distribution of a product that is the subject of the dispute.

All damages awarded to interested copyright parties are deposited into the royalty pool, in the same manner as normal royalty payments, and distributed by the Copyright Royalty Tribunal to royalty claimants.

Mr. Speaker, I want to emphasize two additional points about this legislation. With regard to consumers, the bill specifically provides that private, noncommercial home audio recording by consumers is immune from copyright infringement actions. This is, indeed, an important protection for many Americans.

With regard to uniformity, as is the case in other areas dealing with intellectual property, a uniform world-wide approach to digital audio technology is, of course, desirable. This bill provides an excellent model for the international community to consider and adopt.

In sum, this act provides substantial benefit to consumers, strong and effective protection for intellectual property rights, and a legal environment more conducive to the development and introduction in the United States of state-of-the-art digital audio technology.

Mr. Speaker, the list of supporters of this legislation is extensive. They include: AFL-CIO Department of Professional Employees, American Federation of Musicians, American Federation of Television & Radio Artists, American Society of Composers, Authors and Publishers, Broadcast Music, Inc., Electronic Industries Association, National Academy of Recording Arts & Sciences, National Association of Retail Dealers of America, National Academy of Songwriters, National Consumers League, National Music Publishers Association, Nashville Songwriters Association International, Recording Industry Association International, Recording Industry Association of America, SESAC, and the Songwriters Guild of America.

In conclusion, Mr. Speaker, I am hopeful that the Committee on the Judiciary will swiftly move this proposal forward.

THE 1989 FIRREA SOLUTION HAS BECOME A MAJOR ECONOMIC PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 5 minutes.

Mr. LAFALCE. Mr. Speaker, as chairman of the Small Business Committee, I have recently conducted hearings which have explored the impact of thrift and bank closures on local economies and small businesses. As I am certain Members of this House can appreciate, such closures can be particularly devastating for smaller firms.

Small- and mid-sized companies rely heavily on bank and thrift lending and have few, if any, alternative sources of financing in this time of credit restraint. As banks and thrifts close, or their ability to lend is restricted, smaller companies invariably suffer the most.

Since the Congress first began consideration of the FIRREA legislation proposed by President Bush in 1989, I have been concerned that the apparent disposition of the administration and many in the Congress to adopt a policy which relies too heavily on capital as the sole measure of a financial institution's strength would needlessly destroy viable institutions and wreak havoc with our economy. My concern has increased as the 1989 legislation has been implemented, as a credit crunch and recession have ensued, and as the debate on the banking legislation currently under consideration in the House seems headed in the same direction.

I have believed that the type of approach adopted in the 1989 FIRREA legislation would force the unnecessary closure of viable institutions with predictable, and devastating results: Increasing restraint on credit, particularly to small business; an increase in the cost to the taxpayer; government ownership of enormous quantities of assets; and a resulting depreciation in asset values, particularly in the real estate market, that would adversely affect even the healthiest of financial institutions. The experience we have had to date with FIRREA and the RTC, the continuing credit crunch, and the deteriorating condition of our banking industry should clearly demonstrate that these concerns are justified. In my view, the 1989 purported solution to the thrift crisis become the problem itself for our financial institutions sector and, indeed, for our economy.

Witnesses who appeared before the Small Business Committee—including a former Vice Chairman of the Federal Reserve Board and a former Chairman of the Federal Home Loan Bank Board, a former general counsel and a former director of research of the FDIC, academics, accountants, et cetera—were highly critical of an overly mechanistic approach in resolving the problems of our financial institutions. In summary, they contend that a shortsighted emphasis solely on capital has forced and will continue to force the liquidation of viable institutions that have a valuable franchise and could survive or otherwise have their problems resolved at no taxpayer expense. These experts believe that such actions have had and will continue to have serious implications for the flow of credit.

The full House is likely to be voting again on these important issues later this session. As we do so, I believe it is imperative that we seriously question whether the current approach is the right approach.

Certainly, hopelessly insolvent institutions should be quickly closed. Moreover, early intervention by the regulators to impose appropriate controls on weakening institutions is imperative to ensure they do not end up a burden on the insurance fund, and the taxpayer. But early intervention need not, and should not, be equated with early closure. A narrow liquidation strategy carries enormous costs: For the community, for the taxpayer, and for the economy as a whole.

The problems facing our financial institutions have not arisen overnight. Nor, as much as we would like to put these problems squarely behind us, can they realistically be solved overnight. If we try to eliminate in a year or two problems that have taken decades to create, we will only succeed in worsening the current credit crunch, increasing taxpayer cost, and jeopardizing our economic recovery. Some balance and restraint in our approach is called for.

For the information of my colleagues, I am inserting in the RECORD excerpts from the testimony we received. I believe these witnesses have raised compelling arguments that merit attention, and would urge that the Members give some serious consideration to the views expressed.

SUMMARY OF TESTIMONY BEFORE THE HOUSE SMALL BUSINESS COMMITTEE

(Hearings on the Impact of Bank/Thrift Closures on Local Economies, July, 1991)

STEPHEN G. FINN, MANAGING PARTNER, D.C. OFFICE, KENNETH LEVENTHAL & COMPANY (CERTIFIED PUBLIC ACCOUNTING FIRM THAT CRITICIZED THE AUDITING OF LINCOLN S&L)

In definition, it is the Financial Institutions Reform Recovery and Enforcement Act. Unfortunately, there seems to be no latitude within the Act to let an institution up easy and Recovery does not seem to be a word in the FIRREA dictionary.

The banking system in the United States is under tremendous pressure partly stemming from the enactment of FIRREA and coupled with the convolution of market factors in the late 1980's. What is certain, however, is that those who need credit the most (such as the small businessmen, the entrepreneur who needs somebody to take a risk with their ideas) are all coming up short. Relief must be found for the financial institutions to allow them the ability to take reasonable risks and further the expansion of lending to the small business community.

Bankers perceive that regulators are harsh, uncompromising and sometimes unrealistic in their attitudes. On the other side of the table is the * * * small business borrowers who are being denied credit under the guise of "what the regulators have said or what the regulators will do." This confusion, mistrust and uncertainty must be resolved.

The ultimate costs associated with this crisis may represent the largest price tag ever paid by the American public.

Regulatory capital requirements * * * represent guidelines from which the government can regulate and not absolutes in determining how to resolve instances of non-compliance or troubled situations. The violation of a regulatory requirement should not automatically translate into government takeover.

Consideration must be given to varying alternatives, like government assistance coupled with an infusion of private capital. Given the severity of problems facing the nation's banks today what is wrong with allowing a financial institution to operate somewhere below statutory standards? If continued operations can be effectively evaluated and controlled to limit current or potential FDIC losses and also avoid excessive costs of intervention, then judicious tolerance of undercapitalized institutions may prove to be a reasonable alternative.

I could recite a litany of war stories indicating the severe stress that FIRREA has placed upon the real estate industry. Probably the single most stressful situation has been the evaporation of an available credit source for the entrepreneur and start-up real estate developer. Of concern to this Committee is real estate because it represents a large segment of many small businesses in this country.

The real estate market has gone through a profound and substantial price readjustment. There is more property for sale today than there are available buyers. The government, in its bureaucratic way, is coming across as a liquidator of assets not an operator of a business. Consequently, they may do a fine job of liquidating assets but not a good job of managing those assets to their ultimate and best use of and highest value.

LELAND S. PRUSSIA, RETIRED CHAIRMAN OF BANK OF AMERICA

In the [current resolution process of RTC (or FDIC) conservatorship, slipping to receivership and finally defaulting to liquidation], virtually no effort is made to maintain the continuity and going concern value of the institution. Lending operations are totally dislocated and even terminated in many cases. The small credit users, more often than not, get frozen out in this process.

Most banks are now too risk averse to seriously consider taking on any more exposure in the current credit crunch and the nonbank lenders tend only to finance larger scale operations with much higher cost funds.

I think we have fixed upon a very slow and costly resolution process for which there is a better alternative.

I respectfully submit that there is a better model that can vastly speed up the resolution process and save the taxpayers many billions of dollars . . . I advocate the use of enlightened discretion wherever possible to resolve troubled situations that need early assistance to protect the insurance funds, taxpayers and the local service are . . . this model stands a far better chance of solving the financial services industry crisis in a more expeditious, more orderly and vastly cheaper manner than that which we are currently pursuing.

ROBERT HAWKINS, PRESIDENT-ELECT, INDEPENDENT BANKERS' ASSOCIATION OF AMERICA

Congress should send a message to the regulators to closely supervise troubled banks, but not close them when they could recover and serve their communities' credit needs.

Closing a bank prematurely could unnecessarily deprive a community of local access to credit * * * Closing a bank prematurely would also unnecessarily increase the cost to the troubled Bank Insurance Fund. Chairman Seidman has stated repeatedly that placing institutions into conservatorship immediately reduces their franchise value.

Triggering mandatory regulatory action based on one measure of a bank's viability, within arbitrary time periods, oversimplifies the regulatory process. It also appears that this would greatly increase the cost of resolving institutions.

The IBAA supports early intervention but believes that the regulators must have the flexibility to take the actions that they determine to be appropriate.

While the IBAA strongly supports strong capital standards, we are not convinced that capital can be used as the sole measure of a bank's viability * * * The fallacy of the language being considered is that it has made capital "king." It tells everyone that capital is everything, to the exclusion of other very important factors in determining a bank's viability.

Changes in portfolio and investment strategies cannot be done overnight. We believe that as long as a bank is making progress improving its capital position, under regulatory supervision, the bank does not need to be closed.

STEVEN M. ROBERTS, FORMER ASSISTANT TO PAUL VOLCKER, CHAIRMAN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

The health of our financial system is extremely important to small businesses, as most of them depend on credit availability for insured depositories to finance their operations.

This is a critical issue for small businesses because banking institutions provide most of their financing. The stronger our banking institutions, the greater will be their ability to provide funds for the operation and expansion of small businesses.

Many institutions that can be survivors will have a difficult time raising new outside capital and face an extended period of time to grow capital internally through earnings in order to qualify for the term 'healthy institution.' The alternative is to shrink through sale of existing loans and limitations on new lending, and credit contraction is not desirable.

There are several issues * * * that deserve careful consideration in structuring the rules for early intervention and closures. First, there should be a careful determination of the appropriate quantitative measures to be used by the regulators in setting the specifics of the scheme. It has been suggested that stated capital ratios be the major or only criteria to be used. This would have the effect of taking away all regulatory flexibility and providing apparent certainty to affected institutions.

However, the health of a banking institution is more complicated than its capital ratio reflects. In fact, as has been pointed out by others, declining capital is a lagging indicator of an institution's health. That is the major reason that bank regulators use a CAMEL [Capital, Assets, Management, Earnings, and Liquidity] rating system—to capture other information about the health and viability of an institution. At a minimum, the calculus of early intervention should be designed to take into account both asset quality and earnings—two other components of the CAMEL rating system.

Second, it would be unfair, and perhaps unwise as well, to implement the new system immediately or with too short a lead time. The new prompt corrective action requirements are meant, I assume, to change behavior—not to be punitive. The institutions, the regulators, and the markets will need time to sort them out. I would suggest, therefore, that there be a year's delay in the effective date for the new prompt corrective action rules generally. For those institutions which are currently operating at low capital levels, but are otherwise financially viable, a much longer period should be given before the early closure provisions become effective.

PAUL S. NADLER, PROFESSOR OF FINANCE, RUTGERS UNIVERSITY GRADUATE SCHOOL OF MANAGEMENT

When the FDIC does close a bank, are America's taxpayers better off? In some cases, the answer is no. Often the bank has put in new management that is no longer making bad loans, is reducing expenses, and is working night and day to turn the bank around. To close a bank under these conditions seems a tragedy. It is harsh on the staff and a drain on the taxpayers—a drain that a little patience might have avoided. Capital is an accounting concept, not necessarily a good measure of an institution's health. If it can generate profits now, no matter how unsavory, unlucky or unwise its past might be, there's good reason to give it a shot at survival.

The problem is that the agency uses a bank's capital position to assess survival potential * * * On the books, certainly, a bank with assets larger than deposit liabilities has some capital that can serve as a cushion for losses. But this is true only if, should the bank be closed, the assets could be liquidated for their value as stated in the banks' books * * * it is doubtful that sale of a bank's assets could bring anything near what the books say they are worth—especially if the assets were sold in a hurry to meet deposit withdrawals that occur when rumors of trouble develop.

A capital cushion may look good on a statement and in reports to the FDIC but utilizing it to back deposits may be a different story. Instead of using a static measure like bank capital adequacy, the regulators should determine the bank's prospects for earning profits now and in the future—profits that can build up capital over time.

JOHN P. DANFORTH, MANAGING DIRECTOR, SECURA GROUP

Capital ratios are not the best measures of bank viability, and in terms of trip wires for early intervention they may be among the least useful.

In fact, capital ratios are incredibly poor excuses for early warning devices, and if they were to become the guide for determining when and what kind of supervisory intervention was appropriate, such intervention would invariably be too late. * * * In the vast majority of [major bank failures during the past decade], the die had been cast well before earnings began to plummet and capital began to be depleted. The massive losses that were realized later by the FDIC were already there, typically embedded in a portfolio of rapidly deteriorating loans, and closing the bank when reported equity hit two percent rather than zero would have done little or nothing to mitigate the FDIC's eventual loss.

The presence of a capital ratio threshold for automatic closure could actually be counterproductive. * * * The existence of automatic closure thresholds also would be expected to decrease the supply and increase the cost of equity for the nation's depository institutions.

PRESTON MARTIN, FORMER VICE CHAIRMAN, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM; FORMER CHAIRMAN, FEDERAL HOME LOAN BANK BOARD

It is not in the public interest to substitute the "too late" government takeovers of the 1980's with "too early" criteria in the 1990's.

If * * * criteria of improvement are met, the FDIC has nothing to gain and the taxpayer much to lose by the immediate seizure of the entity and, in fact, would needlessly be incurring an exorbitant expense. The FDIC has admitted that a takeover destroys franchise value. It is widely accepted that the FDIC realizes lessser net proceeds from the sale of distressed assets than a competent operating management would have.

* * * in judging the health of a financial institution, more factors should be taken into account than a mere simplistic consideration of its capital position.

Where management is successfully adding to capital and reducing asset risk, liquidity risk and interest risk, and doing so along lines laid down by strong examination and supervision, it is definitely in the taxpayers' interest that risk averse earnings be plowed back to build a cushion against possible loss.

* * * my regulatory experience tells me to tell you respectfully that there should be a differentiation by regulators and resolvers between those capital short institutions which are basically and widely improving and those which continue to exhibit the signs of declining capital and negative core income.

The rising FDIC estimates of last month's FDIC/RTC projections of 200 or so banks probable of failure and of $200 billion or so of additional assets to be administered, together with the current caseload of the RTC argues for differentiation. The minimal premia being received upon the sale of billions of deposit balances argues for differentiation. The funding difficulties involved in the disposition of tens of billions of resolved assets argues for differentiation. The relatively small volume of assets finally sold, the prices realized, and the administrative expenses thereon argues for differentiation.

I am greatly concerned * * * about the trend in the current discussion to tie restrictive actions to a mechanistic interpretation of the capital positions of insured institutions. While its capital position is extremely important, capital alone does not an institution make. In the first place, current definitions of capital are an imperfect measure of the solvency and viability of an institution. Second, capital is a measurement of past events rather than necessarily a predictor of the future * * * many institutions that have failed in the past, some even spectacularly, had reported quite respectable capital positions up to a relatively short time before they had failed.

In other words, if the focus is too exclusively on the capital position of an institution while ignoring the many other factors that are relevant to the question of risk to the taxpayers, the regulators may be targetting the wrong institutions. As well as capital, stability of earnings, the riskiness or conservatism of investments and the capability of management play a crucial role in determining whether or not an institution is likely to cause losses to the public. These factors should be given just as much weight as the capital position in determining the future of insured institutions.

THOMAS A. BROOKS, PARTNER, WEINER, MCCAFFREY, BRODSKY, KAPLAN & LEVIN, P.C., FORMER GENERAL COUNSEL, FDIC

We should not overemphasize the need for capital in an institution. In my opinion, of the five CAMEL factors (Capital, Assets, Management, Earnings, and Liquidity), management is by far the most important. You can have all the capital in the world, but incompetent management can result in the dissipation of that capital very quickly. Conversely, good management should result in solid assets which would require infrequent write-downs against capital. My fear is that capital is used in the legislation because it can be measured more precisely than management, and hence proponents of restrictive early intervention overly rely on it.

What is important, is that the regulators be allowed the flexibility to deal with failing institutions at a stage prior to insolvency, where the result is less cost to the FDIC and ultimately, to the taxpayer.

PAUL M. HORVITZ, PROFESSOR OF BANKING AND FINANCE, UNIVERSITY OF HOUSTON AND MEMBER, SHADOW FINANCIAL REGULATORY COMMITTEE, FORMER DIRECTOR OF RESEARCH AT THE FDIC

Determination of insolvency * * * involves some estimation and judgment. This means that there must be some degree of latitude in determining whether or when the bank should be closed * * * I am reluctant to endorse the final step of taking away all FDIC discretion and embodying that policy * * * in statutory concrete * * * I am skeptical of the ability of a legislated rule to cover all cases. My recommendation is that you leave some room for agency discretion.

If the bank has positive earnings, restrictions on growth and dividends, for example, may be a more appropriate supervisory action than closure. Under these conditions, the capital ratio will improve over time.

INTRODUCING RESOLUTION RATIFYING ORIGINAL SECOND AMENDMENT TO THE CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. BOEHNER] is recognized for 5 minutes.

Mr. BOEHNER. Mr. Speaker, today myself and 35 freshman colleagues from both sides of the aisle have introduced a concurrent resolution calling on 15 remaining States to pass a resolution ratifying what was the original second amendment to the U.S. Constitution.

As a former State representative from Ohio, I understand clearly the need to have bipartisan friends on both sides of the aisle. For those Members who ran last year who believed strongly that this House operated in a more efficient way, we have gotten together as freshmen, and come together behind this concurrent resolution, asking that only three more States are needed, that we can reform the way the pay of Congress is handled.

In 1789, there were 12 original amendments to the U.S. Constitution that were offered. The second original amendment to the Constitution, as proposed, was suggested by James Madison. Ten of those original 12 amendments were ratified and became what is now the original Bill of Rights. One of the two remaining amendments is an amendment that we are asking the 15 remaining States that have not ratified it, to look at it seriously. That amendment says that no law varying the compensation for Members of the House or Senate shall become effective until an intervening election of Representatives.

What that fact would do, if we look at the current situation with the pay raise in the Senate, is that the raise that was voted on and approved by this Congress would not become effective until January 1, 1993. Many people, especially the freshman class, many Members, many of our constituents from around the country, believe that reform is necessary, and that if Congress needs a pay raise, that a pay raise should be enacted, but should not become law, and should not become effective until the Members of this Congress have presented themselves to the voters in an election.

As I mentioned, over the years, 35 States have ratified this amendment that was first proposed in 1879, and only 3 States are needed. Many Members of our freshman class have been meeting on a regular basis, in a bipartisan way to look at reforms to the process. We stand here today and congratulate two of our colleagues, the gentleman from Indiana [Mr. HAMILTON] and the gentleman from Ohio [Mr. GRADISON] on their resolution that was offered to set up a joint select committee with the House and Senate to look at the institutional reform, to look at the issue of the numbers of committees and the numbers of subcommittees, and the staff levels.

We congratulate these Members and look forward to working with them in the months and years ahead.

Mr. Speaker, I appreciate the opportunity to speak here tonight, and I ask for the support of my colleagues. I thank my freshman colleagues for their efforts in introducing the resolution.

□ 1640

PROJECT HELP, A PARTNERSHIP WITH GOVERNMENT AND LOCAL COMPANIES FOR EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. CAMPBELL] is recognized for 5 minutes.

Mr. CAMPBELL of California. Mr. speaker, the educational woes this Nation faces must be solved from the bottom up—by parents who are involved in the education of their children, by teachers who are willing to go the extra mile, by businesses that become resources for our schools. And government must work as a partner with those individuals who want to brighten the future of America's children.

I am extremely proud to speak today of a new program that represents the best in American education. I hope it will become a model for the Nation. Called Project HELP, it began operating 2 weeks ago at Ponderosa School in Sunnyvale, CA, in my district. Project HELP is a tremendous program that gives special summer attention to 65 at-risk schoolchildren. It utilizes the facilities at Ponderosa School, using classrooms that otherwise would have been empty, computers that would have gone unused, and teachers who would likely have spent the summer underemployed or unemployed. It puts children in small classes—about 12 per class—so that teachers can give them individual attention. It requires a parental commitment; parents meet with teachers once a week.

Project HELP is funded entirely by corporate and private donors. Parents pay tuition according to their ability—ranging from $75 to $250. The rest of the funding—$60,000—has come from outside donors—companies and individuals who recognize that the future of Sunnyvale's children is the future of Sunnyvale.

The man responsible for Project HELP is truly an American educational hero. Michael Goltzer has been a teacher for more than 20 years. I have never met a person with more energy or commitment to helping children. Mr. Goltzer has mobilized the resources of the community and created something that will pay dividends for decades. He arranged for access to the school building and facilities, established an excellent curriculum, and successfully sought private funding. Now he is interested in expanding the program. I cannot think of a more worthy project.

Project HELP is an example of what individual parents and teachers, working in partnership with government and local companies, can accomplish. America can improve its system of education, and I hold up Project HELP as proof that we can make our children's future brighter.

THE FINANCIAL INSTITUTIONS SAFETY AND CONSUMER CHOICE ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, the first morning after I was placed on the House Banking Committee, the Republican members were invited to have breakfast at the Treasury Department with Secretary Brady.

Mr. Brady is a very nice man, with whom I agree on many things. However, that morning, he voiced his concern that the United States no longer had any bank in the top 25 in the world.

He said that what we needed in this country were fewer and bigger banks.

Of course, that is a regulator's dream. Many government officials like it when they have fewer entities to supervise, because it is less of a headache. And they feel more important when dealing with larger institutions and bigger money.

But I left the Treasury Department that morning feeling that we were headed in the wrong direction.

The day after the Bank of New England collapsed, I said in a speech on the House floor that what we really needed was more small, conservatively run institutions.

After all, it is just plain common sense that if a small bank fails, it is not the major catastrophe for the taxpayers and the economy that the failure of a Bank of New England is.

Yet, within the Federal bureaucracy, common sense is not given much credence.

Old-fashioned virtues like thrift and conservatism do not seem to impress Federal regulators either.

Actually, what we need to do is to ease some of the governmental barriers to entry into the banking business.

We need to allow and even encourage more people and especially more free enterprise into the industry.

However, the House Banking Committee has now passed a banking reform law that goes in the opposite direction.

Already, the cover of the Congressional Quarterly, the very objective weekly magazine that covers the Congress, has declared the bill as "Big Banks Victory."

The July 8 issue of U.S. News and World Report has a headline saying "Banks Get the Urge to Merge," reporting on two proposed mergers between four of our largest banks.

So the big will get bigger, and maybe this is inevitable, but it is a trend that should not be aided, abetted, and even encouraged or required by our own Federal Government.

And many small businessmen, farmers, average consumers, and middle- and lower-income people will find it increasingly more difficult to get loans or possible even the time of day at these banks.

After all, the megabanks do not want the business of the little man, although that is a term I do not really like to use. They are a nuisance to the larger financial institutions.

And most rural areas and small and even medium sized communities will find it increasingly difficult to get loans or charitable contributions for worthwhile local projects from banks whose home offices and real power are long distances away.

I opposed the Banking Committee bill primarily because it will help the big to get bigger and make policies like too-big-to-fail more common.

However, there are other reasons to oppose this bill as well.

At one of our hearings, I asked a banker from Wisconsin what one single thing Congress could do to make our Nation's banks stronger.

He replied, "Decrease the regulatory paperwork," or words to that effect.

Other bankers testified along similar lines and reported having to put more employees and spend more money to keep up with all the new rules, regulations, and redtape.

Well, they had better get ready. The bill passed by the Banking Committee will increase the number of laws and rules the banks have to follow. It will increase their paperwork and associated costs.

Once again, the big banks, with their larger staffs, will find it easier to comply. Some small institutions, in good shape now, will drown in a sea of paperwork and will become marginal and have to merge.

The bill will increase the power of regulators. At another of our hearings, a banker from Ohio made a comment about overzealous regulators and how there is some risk even in good loans.

He told in his testimony how bankers used to be able to consider intangibles like character and reputation and consider future earnings prospects, say in making a loan to a new young doctor, for example. But he said these things did not satisfy today's young bank examiners.

During the months this bill was under consideration by our committee, there were two front page articles in the Wall Street Journal about the "credit crunch."

President Bush was concerned enough about it to speak out in his State of the Union speech and say that now was the time for banks to be making loans.

That was late January, and yet our recession continued with bankers all over the Nation complaining privately about the power and authority and unreasonableness of 25-year-old banking examiners.

Now all the experts say we are coming out of the recession. Many small businessmen wonder if this is true. Home sales dropped more than 3 percent in May when all the experts were predicting we would have an increase of about that amount.

I hope our economy is recovering and that times are getting better. But I do not believe we will be able to have a long-term, sustained recovery with our national debt and deficits so unbelievably high and when we are passing banking reform that increases the power of the Federal Government over our banks.

Finally, going along with the bigger-is-better theory, the bill will limit the authority of the States to control interstate branching within their own borders.

The goal is to get a national banking system and not a locally controlled, decentralized one. Thus, the bill increases the power of the Federal Government over banking at the expense of the States.

Our Founding Fathers envisioned a system in which the States had more power than did the central or National Government.

In modern times, we have seen the wisdom of their views. Not only is a government that is closer to the people more democratic, but there has been much less waste, fraud, and inefficiency at the state level than at the Federal level.

Despite the fact that Federal employees are almost always paid much more than State employees, the States have done a better job at governing and of spending the people's money than has the Federal Government.

In the same way, I believe in our two-tiered banking system and believe we should leave as much of the regulation and supervision up to the States as possible. This bill goes in the opposite direction.

I know many members of the Banking Committee have worked long and hard on this bill. They are very sincere and dedicated, and I hope they are right. But, in the long run, I do not believe this bill will strengthen or improve the banking system in this country.

Thus, I must oppose this bill and urge my colleagues to do likewise.

□ 1650

Mr. Speaker, I at this point insert in the RECORD two articles, one a column by Robert Samuelson, an economist with whom I seldom agree, who wrote a column for the Washington Post, "Bigger Banks, But Better?" Also, a column by Louis Rukeyser covering many of these same topics.

The articles referred to are as follows:

BIG MERGERS ONLY DILUTE BANKING POLLUTION

(By Louis Rukeyser)

Big is in among the nation's super-banks, as the mergers of Chemical Bank-Manufacturers Hanover and NCNB–C&S/Sovran dramatize. Never in the history of bean-counting have so many competing assets been thrown into the same pot. But one of America's shrewdest financial titans tells me that he thinks it is, on the whole, a pretty bum idea.

George Champion, who was the mighty chairman of Chase Manhattan through the 1960s, sees the consolidations as typical examples of change that isn't always for the better. "They ought to clean up the individual messes at their own banks," he told me, rather than seeking salvation through size.

Champion regards these mega-mergers as symptoms of a dangerous trend away from personal relations with customers. "The vast changes that have taken place in business and finance over the last 30 years have caused problems that will require at least 20 years of readjustment," he says.

Contending that the problems resulted from a combination of "governmental action and poor judgment on the part of many bankers," the 87-year-old Champion is characteristically outspoken in pointing the way to solutions:

1—The federal guarantee of deposits has proved to be "a complete failure," he contends—a once-radical view that may now make sense to taxpayers faced with the costs of massive bailouts of failed financial institutions.

Even with the evidence that such guarantees encouraged wildly imprudent behavior on the part of many savings-and-loan and bank executives, is it too late to put that particular genie back in the legislative bottle?

Champion says no. "The guarantee of deposits should be reduced by 5 percent a year of the original total amount," he proposes, "so that, 20 years from now the guarantee will be eliminated entirely."

2—National branching by major banks—now seen as the inevitable wave of the future—is a bad idea, he says, and one that would further distance banks from their customers.

"Nationwide branching takes away the human element in lending," he believes. A branch manager will be "given a booklet outlining lending policies and programs to be followed," will be forced to operate "by the book" and will have limited interest in developing local business, as opposed to pursuing his own national promotion goals. "There is no way to write a lending policy program that allows for individual judgment."

Furthermore, says Champion, "national banking would restrict competition—which has been one of the key reasons why the United States has had, over the years, the world's only truly competitive banking operation."

3—Government regulation has pushed bankers in all the wrong directions—and, he believes, badly needs to be reformed itself.

"The banks are under greater control by the government than ever before, and must be unshackled if they are to be able to resume their position as the lifeblood of a free economy," Champion says. "Up to 30 years ago, they were the ones who supplied the funds for the individual with character, energy and ability to compete with the old-timer who wanted to continue the status quo."

To get banks back on the track, Champion believes, a number of steps are necessary. Strengthen banks' financial position by restoring "a healthy ratio of loans and investments to capital, with limitations something on the order of those existing 20 years ago," before those rules were loosened. Maintain a level playing field with other financial institutions. Eliminate the "pure conflict of interest" at the Federal Reserve, which simultaneously runs the nation's monetary policy and regulates banks—leading to such unwise pressures as those that induced banks to make bum loans to Third World countries that the banks themselves had previously rejected. (The banks "were certainly not in a position to turn down a request of the Federal Reserve.")

The goal is to "create a healthy banking situation without guarantees," and with "no segment preferred—including foreign institutions." With banks required (and permitted) to stick to traditional sound credit practices, Champion maintains, the current nightmare in the financial industry can pass—without endless mergers and nonstop bailouts. Is anybody listening in Washington?

BIGGER BANKS—BUT BETTER?

(By Robert J. Samuelson)

Bigger banks may not be better banks. You should keep that in mind if—as expected—a series of mega-mergers sweeps the banking industry. Ideally, these bigger banks would be sounder. They would prevent losses to the Federal Deposit Insurance Corp., whose funds are already being depleted. In fact, bigger banks could create bigger problems that increase the exposure of the FDIC and, ultimately, of taxpayers.

We've already had two mega-mergers. Chemical Banking Corp. and Manufacturers Hanover in New York will form the nation's second biggest bank with $135 billion of assets. And NCNB, headquartered in Charlotte, N.C., will merge with Atlanta-based C&S/Sovran to form the third largest bank with $118 billion in assets. Speculation is rampant about other mergers and the vast savings of a banking consolidation.

If banks were widgets, the mergers would merit only passing notice. Sure, five to 15 nationwide banks may emerge. They will become brand names and pitch services to wider markets. "In a decade, football games will be sponsored by lots of banks," says economist Robert Litan of the Brookings Institution. But customers won't see huge changes, and many small banks will remain. In 1990, 11,194 of the 12,165 U.S. banks were small (assets under $300 million). Litan thinks 70 percent to 80 percent will survive. They provide more personalized service and have a natural niche in small communities.

But banks aren't widgets, because the government is liable for the industry's losses. Congress shows no signs of curbing deposit insurance or the "too big to fail" doctrine (a policy of protecting all depositors at large banks). Everyone wants to limit the government's liability, but no one wants to make changes that might foster financial panic. As long as the government safety net remains, the best protection for taxpayers is profitable banks (which won't fail) and strict regulatory supervision to catch bad banks before losses soar.

Are big banks more profitable? Anyone who thinks so should examine Citicorp, the nation's biggest with $217 billion of assets. Between 1986 and 1990, its profits dropped 71 percent; in 1991, profits have almost vanished. A successful bank must keep operating costs low and earn profits through good loans and investments. Even if Citicorp were efficiently run (it isn't), it has made lots of lousy loans and investments.

Unfortunately, the same is true of many other big banks. Between 1986 and 1990, for example, Manufacturers Hanover made not a penny of profit. Modest profits in three years were more than offset by huge loan-loss provisions in two years. In the same period, Chemical barely broke even. Or consider this comparison: In 1990, big banks (those with more than $10 billion in assets) had $5 of nonperforming loans for every $100 in loans. Small banks (those with $300 million or less in assets) had only $2 of bad loans for every $100 of loans.

Bad loans are inevitable and, to some extent, desirable. If there were no bad loans, banks wouldn't be taking any risks. New or expanding businesses might suffocate from a lack of credit. What's distrubing about big banks is that their losses aren't random. Whole classes of loans—first to developing countries, now to real estate firms—have gone rotten. Big banks often mimicked each other. Imitation substituted for credit judgment. So they made similar mistakes.

No merger can compensate for stupidity. This doesn't mean mergers are necessarily bad. America is overbanked—that is, banks have too many many branches and too much overhead. Eliminating some of the excess could cut costs without much hurting service. The Chemical-Manufacturers merger envisions savings of this sort. It would eliminate 80 of its 660 branches, 6,200 of its 45,000 employees and one of its two headquarter buildings. Projected savings would total $650 million annually.

It's a tidy sum, $220 million more than the banks' combined profits in 1990. If realized, the savings could make the surviving bank (to be called Chemical) more profitable and provide a bigger cushion against problem loans and investments. They now total about $7 billion.

The trouble is that savings may not be realized. Mergers are messy. "They've got to merge mailroom operations, the check-sorting operations, a lot of branches and the executive suites," says banking consultant Bert Ely of Ely & Co. And even if the Chemical-Manufacturers merger achieves its savings (as Ely thinks it will), other mergers may not.

Consider the new NationsBank, which would result from the merger of NCNB and C&S/Sovran. C&S only recently absorbed Virginia-based Sovran and stumbled "because it didn't realize that Sovran had a black hole—Washington, DC., real estate [losses]," says banking consultant David Cates of Ferguson & Co. He thinks savings from the new merger will be modest, because there are few overlapping branches. (The banks' official estimate is $350 million.) And Cates anticipates some bruising conflicts among executives and managers.

Bankers are forever promising that they've changed. Chastened by their experience with developing countries, they pledged more prudence. It didn't happen. Witness today's huge real estate losses. We're now hearing the same song.

Walter Shipley, chairman of Chemical, says that the "lemming era [of] banking is over—that time when you looked across and saw other guys doing something and you wondered why you weren't doing it." Right. That's why the entire industry is now abuzz with merger talk. Along with the good reasons for mergers, there are familiar bad reasons: peer pressure and the quest for corporate empire-building.

The best that can be said of these mega-mergers is that they may work. They may create better-capitalized, more streamlined banks. And they may not. The verdict may not be clear for years, because bank problems tend to emerge in great spasms, not dribs and drabs. What ultimately counts is bankers' sound judgment and managerial competence. There are a lot of well-run banks and a lot of not-so-well-run banks. It's not a matter of size.

RURAL HEALTH CARE COALITION URGES ADOPTION OF RURAL HEALTH CARE LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 60 minutes.

Mr. SKELTON. Mr. Speaker, I rise with several of my colleagues to discuss an issue of increasing importance in America. As we all know, various health issues have recently been the subject of increased discussion at both the Federal and State levels of government in recent years. Of particular concern are the more than 33 million Americans who lack any type of health insurance. Other growing concerns are the lack of quality, affordable long-term care for our aging population, and the increasing cost of prescription drugs. While all physicians, hospitals, and other health care providers are experiencing budget shortfalls, problems tend to be magnified even more in rural areas.

Back in February 1987, a group of us in Congress, concerned that changes in health policy were contributing to the decline in access to care in rural areas, decided to form the Rural Health Care Coalition. We started out in 1987 with 46 Members, and only 4 years later, the group has grown to include 164 Members from 46 States, representing every point on the ideological spectrum. Our uniting force is a common interest in improving access to quality, affordable health care for rural citizens.

Mr. Speaker, at this time I yield to the gentleman from the State of North Carolina [Mr. LANCASTER], my friend and colleague.

Mr. LANCASTER. I thank the gentleman for yielding and allowing me to participate in this special order.

Mr. Speaker, I am glad to share time today with my colleagues on the Rural Health Care Coalition to discuss this country's leading domestic problem, our Nation's health care, and particularly rural health care.

Discussing and debating health care issues are necessary. However, if my colleagues' mail and phone calls and town meetings are like mine, the American public is crying out for solutions and guidance and leadership, not just talk. Earlier this year this coalition introduced a legislative agenda to work toward correcting many of the deficiencies in our rural health care system.

While the 15 bills introduced are all worthy of our intense legislative efforts, time does not allow for extensive discussion of all bills. My friend and colleague from Tennessee, Mr. COOPER, has introduced a bill, the Primary Care Training Amendments of 1991, that I believe would help significantly in getting more primary care physicians into underserved rural areas. This bill would require medical schools that receive Public Health Service grants under section 784 to have a department of family medicine and require clinical experience in family medicine. Presently there are 17 medical schools with no department of family medicine and 50 do not require any clinical rotation for medical students in family medicine.

Access to care, having more physicians in rural areas, and keeping those physicians there through incentives as exemplified in the Rural Physicians' Incentives Act introduced by the gentleman from Georgia, Dr. ROWLAND, are imperative if there is to be adequate medical care for our rural citizens. I have family members and friends whose day at the doctor is just that, a day spent trying to see a doctor who, with his staff, is worked beyond his or her limits in attempting to meet the needs of patients.

Also, our rural hospitals and emergency medical personnel play critical roles in addressing the needs of those living in rural areas.

The health of this Nation is ailing. I stand with my colleagues on this coalition to continue to offer and pass legislation that will make significant inroads in resolving our health care crisis.

Mr. SKELTON. Mr. Speaker, I thank the gentleman from North Carolina for his comments.

At this time I yield to my fellow Missourian and neighbor, the gentleman from back home in Missouri [Mr. VOLKMER].

Mr. VOLKMER. I thank the gentleman from Missouri [Mr. SKELTON] for yielding to me.

Mr. Speaker, I first wish to commend the gentleman for bringing this topic to the attention of the Members of the House and also by way of, hopefully, our airwaves and the media to the citizenry not only of our State but of the whole country.

The gentleman in the well has performed well in a leadership role in the Rural Health Care Coalition to help provide the necessary solutions to the problems that we face and that he knows so well we face out in rural America and all over America, as far as that is concerned.

But we have distinct problems within rural America on health care.

The gentleman in the well and others who have joined together in the Rural Health Care Coalition have sought to bring to the attention of the Congress and the other Members here those situations that need attention.

With the cooperation of the gentleman in the well, and the gentleman from North Carolina and others, hopefully, we will be able to bring about some of the legislation that has been introduced that will bring better health care for the people of rural Missouri, including the gentleman's district and my district and all of these United States.

So I wish to commend the gentleman from Missouri [Mr. SKELTON] for showing leadership in this effort.

Mr. SKELTON. I thank the gentleman from Missouri, and I do appreciate his kind remarks.

Mr. Speaker, during the 101st Congress, led by the gentleman from Oklahoma [Mr. SYNAR] and our former colleague from Iowa, Mr. Tauke, the health coalition had a number of successes. The most notable one was a provision in the 1990 budget reconciliation that provides for a phasing-out of the rural-urban Medicare differential over a 5-year period. Back in 1985, I was the first Representative to introduce legislation to remedy inequity, and offered similar proposals in succeeding Congresses. Elimination of the rural-urban differential became a primary goal of the Rural Health Care Coalition. As you know, the survival of hospitals is central to the economy of rural communities, and we will closely monitor the implementation of new Medicare hospital reimbursement rates over the next few years.

Legislation revitalizing the National Health Service Corps was also signed into law last year. For 20 years, the corps has played a vital role in attracting and retaining quality health care personnel in rural America. Unfortunately, while the number of medically underserved areas has increased form 1,432 to 1,955 areas since 1981, the number of physicians in the corps has declined by 14 percent. To meet the demand for doctors just in these designated areas, we would need 4,224 physicians. I am hopeful that the revitalization of the corps will be effective in recruiting physicians to these rural areas.

During the 102d Congress, our health coalition is being led by our distinguished colleague from Texas [Mr. STENHOLM] and the gentleman from Kansas [Mr. ROBERTS]. In May, a package of about 15 bills was introduced, many of which will be discussed by their sponsors here tonight:

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First, legislation dealing with Medicare certification for rural hospitals, as well as rural health medical education demonstration projects, authored by our cochairman from Texas, Mr. STENHOLM;

Second, a bill for the creation or enhancement of emergency medical services, which face critical problems in many rural States, authored by our cochairman from Kansas, Mr. ROBERTS.

Third, legislation addressing access to obstetrical care, and attracting and retaining physicians to rural America, authored by our distinguished colleague from Georgia, Dr. ROWLAND, who chairs our task force on physicians;

Fourth, legislation promoting the use of telecommunications in health service delivery, assistance by the Cooperative Extension Service, and compilation of rural health statistics, all authored by the gentleman from Oklahoma [Mr. ENGLISH] who chairs our task force on rural development and access, as well as the Agriculture Subcommittee on Rural Development;

Fifth, legislation dealing with clinical laboratory personnel shortages, as well as a bill addressing antitrust concerns of hospitals, authored by the chairman of our task force on hospitals, Mr. SLATTERY.

Sixth, a bill critical in many communities in my district, which protects employees of community and migrant health centers from legal liability, authored by the gentleman from Oregon [Mr. WYDEN].

These are only a few of the measures contained in the coalition package. These and other health care proposals will be discussed by my colleagues during the next few minutes. While our health care crisis is confronting both urban and rural America, it is important that we bring attention to problems unique to, or especially serious in, rural America, and ensure these matters are addressed as we continue our efforts to craft health care policy.

Mr. Speaker, I yield to the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Speaker, I appreciate the opportunity to join with the gentleman from Missouri [Mr. SKELTON] to talk about health care and particularly rural health care. It is an item that all of us have been concerned with, I think, over a period of time.

Obviously there are two or three problems that are paramount to the whole country. One is access of course, the access, the availability of the financial access of the rural to health care, and in rural areas access also means where there are providers available to provide access. Costs of course continue to be a predominant and prevailing question, and, when costs go up to a double digit every year, obviously we have to do something about that. Mr. Speaker, the third area we have worked a good deal in in Wyoming is long-term care, where this again, especially in rural areas where it is difficult to have facilities to do that.

It seems to me that there are three aspects to dealing with the health care problem. One of them is the immediate changes that need to be made. Another, of course, is the uniqueness of the rural areas when we deal with the national program, and the third I think are long-term changes that need to be made, fundamental changes that need to be made in the whole program. Surely we do need to make some changes more quickly than the fundamental changes will come. I think they will be difficult, and indeed I do not know that anyone knows all the answers to the fundamental changes that need to be made, but there are some that need to be made immediately, and they have particular impact on the rural areas.

Mr. Speaker, I am talking specifically of the reimbursement for physicians. It is difficult. I just came last week from my hometown in Cody, WY, where there is only one surgeon available to the town of about 6,000 people, and he is on call 5 or 6 nights a week. It makes it difficult to attract someone to an area where there is that kind of pressure on performance. So, we couple that then with substantially lower reimbursement for doctors' services in an area, or physicians' services, and we are having, I think, a very serious problem with attracting and maintaining health care providers in a rural area. Not only does it make it difficult, but it also is basically fundamentally unfair to provide substantially lower repayments to a rural area than we pay for the very same thing in other areas.

Mr. Speaker, I think there are several other times that make it even more difficult with regard to rural health care. One of them is the administrative burden. I think there is no one in the country that would deny the fact that the administrative burden, the amount of billing problems, the amount of other kinds of administrative costs that accrue to health care, are excessive. When we are talking about rural areas, we are almost invariably talking about sole practitioners, people who practice by themselves, and they want to be doctors, not accountants, and they are not in clinics where they can hire someone to do all these kinds of things. So that, I think, is doubly difficult in rural areas.

Certifications: In our State we have small communities that will not be able to have the kinds of health care facilities that meet the requirements of various kinds of certifications. So, we are going to have to take into account that kind of change. I believe that, whether we feel comfortable with it or not, we are going to find ourselves in some sort of an arrangement for facilities where there is a sort of a spoke-in-the-wheel kind of thing. One simply cannot afford the sort of technical equipment that all of us want when we have ill health in small communities, so we are going to have to move at various levels of technology into a central area.

So, Mr. Speaker, I appreciate very much the emphasis that is on health care, particularly the emphasis that has been given by the Health Care Caucus on which the gentleman from Missouri [Mr. SKELTON] is a leader, and I appreciate this opportunity to participate.

I have, as a matter of fact, one of the bills which the gentleman mentioned in the 15 that has to do with rural drug abuse. We have for some time of course worked at providing for drug abuse problems, but they are unique in rural areas. For example, the ADMF block grant in 1988 included 50 percent set-aside for intravenous needle sharing.

Frankly, in Wyoming that is not the principal problem we have. Alcoholism and others are more difficult. This bill would simply allow more flexibility and would provide that 25 percent needs to be used for intravenous problems, and the other could be used to meet the needs of the State.

So, I guess in summary again let me thank the gentleman from Missouri [Mr. SKELTON] for this special order, for highlighting this special issue of rural medicine and say again that I think we need to move in a number of areas. We need to immediately do something about reimbursement. We need to take particular care for the uniqueness of rural areas, and then I think we need to move forward on fundamental changes in health care, and I appreciate the leadership which the gentleman from Missouri [Mr. SKELTON] has given.

Mr. SKELTON. Mr. Speaker, I thank the gentleman from Wyoming [Mr. THOMAS] for his comments and foresight. Obviously he has done a great deal of study in this area, and I thank him for participating this evening.

In May of this year, the University of Missouri Extension put together a rural health care issues briefing for me at the medical center in Richland, MO. Dr. John Pelham, of the University Extension, put together a panel representing all facets and rural health care in Missouri—public health departments, community health centers, hospitals, physicians, the State of Missouri, the University of Missouri Medical School, experts in health management and rural development from the university, and a recipient of maternity care provided at the Richland Medical Center.

The paramount issue in health care noted by this panel, whether it is provided in rural or urban areas, is that of access to health care services for all citizens. The director of the Richland Medical Center, Audra Johnson, testified about the cost of liability insurance and endorsed the Wyden bill we discussed earlier. She also related problems in recruiting and retaining physicians for the center.

> The status of health care in rural Missouri is in a crisis state, due to the lack of providers who are willing to work in the rural areas. There are physicians who work very hard to provide high quality health care to the rural population that are continually frustrated due to the inability to recruit a partner to share the workload. Those physicians that do come to rural areas usually do not stay longer than a few years. They get tired, disgruntled, and desire things that the rural practice can't provide: having the ability to be off-call for a weekend, not working 60 to 80 hours a week, earning a sufficient income which will allow time with family, working with up-to-date medical equipment, and developing better relationships with specialty physicians for referral services. These do not seem like extravagant demands.

These concerns were echoed by Dr. Jack Colwill, chair of the University of Missouri—Columbia Department of Family and Community Medicine, who noted that only about 22 percent of medical school graduates are interested in going into family practice. Dr. Barton Warren, medical director at Richland Medical Center, spoke of economic problems faced by physicians locating in rural areas:

> In a medically underserved area such as ours, the standard of living is lower than in urban areas. The likelihood therefore of patients having medical insurance is diminished and this decreases the ability to fully reimburse physicians who practice here as compared with urban practices. Cities also tend to offer more lucrative alternatives with more benefits. As an example I would mention a friend who for the last year has joined a private practice in this area and is already considering leaving because he can't make an adequate salary to pay off his student loans and support his family. This physician is working approximately 80 hours per week between a busy clinic practice, hospital practice, and an emergency room.

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At this point, I yield to the gentlewoman from the State of Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Speaker, let me thank the gentleman from Missouri [Mr. SKELTON] for taking what I think is a very important special order. For those of us that represent communities of a rural nature, we are only too well aware of the problems with our health care system.

We all are in this country aware of the difficulty of a health care system, but I think those of us in rural America understand it more dramatically. Certainly during our lifetime we have made tremendous strides in health care, and overall we probably are today a healthier nation, benefiting from medical expertise, technology that has made enormous breakthroughs throughout the world. And we spend a tremendous amount of money on health care, more than $600 billion last year.

We get a lot from that, yet despite our increasing financial commitment today, we are confronted by a very serious challenge in meeting the health care needs and the demands of our American citizens, but especially those of us that have small towns.

While the problems of cost and accessibility to health care are present across the country, they have become particularly acute in rural areas where distances are great and physicians are few. I represent seven counties in Maryland, of which at least four could be considered as rural. I am especially concerned about the need to focus our attention on primary care physicians serving in these rural communities.

Without some attention toward increasing the supply of these doctors, we are really headed toward a crisis in primary care medicine. We talk about the graying of America. This includes the solo practitioner who provides medical care to hundreds of families in small villages and towns that make up rural America.

Just this last Sunday I had an opportunity in Washington County and the privilege of meeting a new physician, a pediatrician who is located in a rural area. While I was at a function that the medical society held, two other physicians came up and asked if I could help them obtain assistance for their offices in small communities.

We have seen the costs of medical malpractice deterring many physicians from practicing obstetrics, leaving entire communities without a doctor willing to do OB. For a number of other physicians, they have tried or are quickly tiring of the regulation hassles, both Federal and State, and are giving up their practice. I do not think we in this country can afford to lose those doctors before the retirement age and cannot ignore the need to replace them, physicians dedicated to primary practice.

Let me say to my colleague from Missouri that I am pleased to be a cosponsor of a number of legislative initiatives introduced by the Rural Health Care Caucus. The coalition has worked hard to address this. It is a pressing issue.

They start with the basics, back to medical schools, and getting medical students interested in primary health care and getting medical students interested in rural areas.

I think these bills are a good effort toward promoting responsible health care at a reasonable cost.

While we have looked at rural America as an opportunity for health care, I think we need to make sure that the access is there. So I want to commend my colleague for taking this special order and really getting some time to talk about what to the small communities is a very serious issue. Let me join with him in his remarks.

Mr. SKELTON. Mr. Speaker, I certainly thank the gentlewoman from Maryland [Mrs. BYRON]. I know she speaks from great experience, representing the district that she has, which is a small town in rural Maryland at its best but also it reflects problems, and I know very similar to those that we have in the State of Missouri and other places across the Nation.

Mrs. BYRON. Mr. Speaker, if the gentleman will continue to yield, let me bring up one point that I think he and I have worked on on a regular basis. That is the point that both of us serve on the Armed Services Committee and in just the recent Desert Storm, we have seen many of our small rural communities devastated when the only physician has been called up to active duty. They are now, fortunately, back into those small communities. But once again, many of our rural communities were left without any coverage medically because of those individuals that have seen fit to serve their country in the Guard and in the Reserves.

Mr. SKELTON. Mr. Speaker, I thank the gentlewoman for mentioning that. That is so true.

The lack of access to maternity care was discussed by several of our panelists at the briefing: Jack Clingan, executive director of the Big Springs Medical Association; Dr. Warren; and Shelly Mulrenin, a young woman expecting her second child. Ms. Mulrenin, who lives in Lebanon, MO, already has to travel about 30 miles to receive care at Richland. As she stated at the briefing, "If this clinic was not here, I have no idea where I could go to have my baby."

Nearly all of the panelists stressed the need for preventive care, which of course is applicable in all areas of the country. Theresa Phillips, nurse supervisor of the Pulaski County Health Department, said:

> The effectiveness of preventive services in reducing morbidity and premature mortality is well-documented. Health screenings, education, and promotion of healthy lifestyles are the key to reducing health care costs.

Larry Jones, deputy director of the State of Missouri Division of Maternal, Child and Family Health, praised the WIC Program for its cost effectiveness and success in improving maternal and child health in rural areas. Mr. Jones and Charles Stokes, deputy director of the Missouri Department of Health, stated their satisfaction with expansion of Medicaid to cover additional people. But noted the lack of providers who accept Medicaid in rural areas places a further strain on those who do treat Medicaid patients.

As chairman of the Small Business Subcommittee on Procurement, Tourism, and Rural Development, I have an interest in the economics of rural hospital administration. Dr. Lanis Hicks, associate professor in the department of health sciences management at the University of Missouri—Columbia Medical School, has done significant research on this issue. She testified that while virtually all hospitals are facing severe budget problems, rural hospitals are more susceptible to the problems resulting from shortage of funding. With increased substitution of inpatient services with outpatient care, these small hospitals are finding it more and more difficult to meet the fixed costs of operation. Since hospitals in rural areas also serve a higher proportion of elderly Medicare beneficiaries, Federal budget cuts impose a disproportionate share of the burden on rural hospitals.

Last fall, the University of Missouri Rural Innovation Institute developed a statewide satellite seminar to provide a forum for citizens, leaders, and health care providers to discuss issues of concern to their respective communities. Eighty-one of Missouri's counties and more than 2,000 people participated in the seminar. The manager of the project, Mary Simon Leuci, of the Innovation Institute, reported on the results of this seminar to date. In response to the seminar, communities have updated health directories, established meal delivery systems for the frail elderly, explored improvements in transportation services to improve health care access, developed adult day care and respite care options, and in my home of Lafayette County, worked to increase public awareness regarding health policy. These successes are just the tip of the iceberg in the accomplishments of this fine seminar.

Mr. Speaker, I am most appreciative of the efforts of the Missouri Extension in organizing this important briefing. I was pleased that the panelists not only addressed problems they are experiencing but related proposals for solutions as well as actions they are already taking to address them. Many of the problems discussed by the participants are addressed by the coalition agenda. As we investigate the various options for changes in American health care policy, it is critical that we keep in mind the problems facing medically underserved areas, particularly those in rural America.

Mr. COLEMAN of Missouri. Mr. Speaker, I rise today, as a member of the Rural Health Care Coalition to discuss the future of health care for many rural Americans. In a recent survey of my constituents in northwest Missouri, reforming the Nation's health care system was listed as one of their top priorities.

As Congress works to find a long-term solution to the health care system, I believe it is important to address some of the unique problems facing health care providers in rural areas, and continue to develop a workable and realistic framework for the rural health care delivery system. This Congress, as in the past, I am cosponsoring legislation which seeks to get at the heart of some rural-specific problems: attracting and keeping physicians in rural areas; and improving and ensuring access to tertiary, emergency and primary care.

H.R. 2233 would expand rural health medical demonstration projects to allow teaching hospitals to affiliate with a consortium of rural hospitals and clinics in order to provide resident physicians with the most beneficial rural health care and lifestyle experiences. The bill also authorizes living and travel expenses for the resident while in the rural rotation to encourage participation in the program by the teaching hospitals. The intent of the program is to enhance the resident physician's rural training with the ultimate goal of increasing the supply of physicians to rural areas.

I am also cosponsoring legislation that will improve access to health care. Concerned residents in rural Missouri have contacted my office to tell me stories about having to drive for an hour to reach the nearest hospital for emergency services because the ambulance stopped serving their area, or the local hospital was forced to shutdown, or the local hospital could not perform the needed surgery. One bill I am cosponsoring—H.R. 2232—authorizes a demonstration grant program designed to encourage the use of telecommunications between larger facilities and rural hospital consortia, enabling the rural facilities to provide more comprehensive care to their patients. The idea is to connect rural health care providers with consulting physicians, providing the rural physician with the ability to discuss a special case with an expert in that field. The consortia established under this grant program is a vital link for rural communities to quality care, and may be the format for rural care in the future.

Access to tertiary care—specialized medical treatments, such as burn units—is increasingly difficult for rural patients, since many rural facilities are not financially able or do not have the staff to provide this type of service. That is why, in addition to the telecommunications grant program, I am cosponsoring legislation to allow States to apply for grants to create or enhance air transport systems.

I, like the other members of the coalition, am extremely concerned about the current state of the health care delivery system. I believe that given the appropriate tools, those providing the services and affected communities will take steps toward creating an economically sound system tailored to their specific needs. I am hopeful that the legislation I cosponsored will supply rural health care providers with some of the necessary tools.

Mr. GUNDERSON. Mr. Speaker, over the past several years, Congress has played a major role in developing health care programs that are designed to assist rural communities. The last Congress passed several initiatives that will hopefully benefit the rural health care delivery system. These include: revitalization of the National Health Service Corps, equity in hospital payments, direct Medicare reimbursement for nurse practitioners, establishment of State offices of rural health, development of the health services outreach grants program, and physician payment reform.

Physician payment reform was established to create a more equitable Medicare reimbursement schedule for family practitioners. This would be extremely helpful to physicians living in rural communities, especially primary care physicians. Primary care physicians account for over 75 percent of all practicing physicians in rural counties with fewer than 10,000 residents.

A more equitable Medicare reimbursement fee schedule is especially important in rural communities since a third of the Nation's elderly reside in rural America and often comprise a large percentage of a rural physician's practice. In recent years, many physicians have chosen to leave their rural practices because of low Medicare reimbursement. A 1988 survey of rural physicians, by Dr. David Kindig of the University of Wisconsin, found that as many as 25 percent of rural physicians were considering retirement or relocation within the next 5 years.

Last month, the Health Care Financing Administration released proposed regulations for the new physician Medicare payment system which becomes effective January 1, 1992. The proposed regulations indicate that most providers, including primary care physicians, will have their Medicare payments substantially reduced. Medicare payments will be reduced by 3 percent in 1992 to 16 percent in 1996. The draft regulations indicate that payments to physicians would be reduced by $7 billion over the next 5 years. This clearly violates the 1989 agreement, reached with the administration, the Congress, and the physician community, that the new payment system would be budget neutral when it was enacted.

I am calling on the Secretary of the Department of Health and Human Services, Dr. Louis Sullivan, and the Director of the Office of Management and Budget, Richard Darman, to withdraw the proposed regulations. The purpose of the withdrawal would allow the Health Care Financing Administration to develop regulations in line with the congressional intent of the law. That intent is to strive for equity in Medicare physician payments. This mission will only be accomplished if physician payment reform is implemented in a budget neutral fashion consistent with the 1989 law.

A key problem facing rural communities is the lack of a coordinated health care delivery system. Two of the more promising programs that help address this issue are the Essential Access Community Hospital [EACH]/Rural Primary Care Hospital Program [RPCH] and the Rural Health Outreach Program.

EACHs/RPCHs: These facilities are short stay, low-intensity facilities that will provide ambulatory, emergency, outpatient, and limited inpatient care. This program is designed to provide a viable delivery system for rural areas that need primary and urgent health care services. This approach should be helpful to communities that have hospitals with very high costs, low occupancy rates, and a physician shortage. Specific details of EACH's and RPCH's may be found on the attached handout. However, some modifications are necessary if this program is to be successful. These include:

Waiver of the 72-hour limit on inpatient stays within a RPCH. The 72-hour limit was set arbitrarily and is not based on medical criteria. One possible alternative is to base inpatient stays on certain diagnostic related groups.

The EACH bed limit of 75 is an issue because many rural hospitals do not have 75 beds. The bed size should be allowed to be waived if a proposal meets other appropriate criteria.

Clarification of the 6 bed limit for RPCH's. Six beds is a very arbitrary number. Additional beds could be limited to subacute care patients only.

Some States may propose rural health networks that include facilities in other States. Regional networks involving cross border providers is a primary mechanism for integrating health care services.

The 35-mile restriction regarding EACH's also poses a problem. Under the current law, EACH's can only be established more than 35 miles apart from other EACH's or traditional hospitals. This eliminates many facilities from qualifying for EACH status.

Neither proposed nor final regulations have ever been published for EACH's and RPCH's. These regulations should be released as soon as possible.

RURAL HEALTH OUTREACH PROGRAM

The fiscal year 1991 Labor, Health, Human Services, and Education appropriations bill provided $19 million for rural health outreach demonstration grants to expand or enhance the availability of essential health services in rural areas. The goal of this program is to develop innovative models that integrate health services in rural communities. The program requires the formation of a consortium of three or more existing providers of health services for the purpose of delivering health care.

Gaps in the rural health care delivery system vary from community to community, from State to State, and region to region. Thus, it is important to note that these problems cannot be resolved through the implementation of one particular strategy. Improvements in the rural health care delivery system will only be accomplished if communities develop their own innovative approaches. The Federal Government and State governments must serve as the impetus for promoting these creative programs.

Mr. EMERSON. Mr. Speaker, of the many complex problems rural communities must face, none is as pervasive, persistent, and frustrating as the physician shortage. Rural communities still fall well behind their urban counterparts in physician-to-population ratios with the "physician surplus" providing minimal improvements. Thousands of rural communities need physicians to provide the very basic of health care needs; an alarming 5 percent of U.S. counties have no physicians to cover such demands. As a result of the lack of influx by physicians into rural America, physician shortages will be exacerbated as older physicians retire or curtail their practices.

The Rural Health Care Coalition, of which I am a member, has taken the initiative to introduce legislation that will address and assist many of the hurdles facing health care in these communities. One such proposed piece of legislation is the Rural Physicians' Incentives Act which would allow primary care physicians who practice in rural areas to deduct their student loan interest payments and to defer student loan payments until their residency is completed. This is just one of 15 legislative measures designed to improve health care in our Nation's very deserving areas.

A need exists to recognize and correct the inequity of our health care in this country's rural sections. An excellent starting point will be to place special emphasis on physician recruitment to such areas. The Rural Health Care Coalition remains committed to providing accessible and affordable health care to the people who need it most—those people in America's heartland.

Mr. ALEXANDER. Mr. Speaker, I rise today to join my colleagues in this special order focusing on America's rural health care system.

Over the past few years, national policymakers have finally discovered that many Americans have little or no access to health care services. Many others have no way to pay for them. And rural America has been particularly hard-hit as the fabric of our health care system comes apart at the seams.

But for those of us from rural areas, these problems are not new ones. In my district of northeastern Arkansas, health care has been hard to come by for quite a few years. An absence of nearby, affordable medical services and comprehensive preventive care is just part of the poverty that afflicts much of my district and stretches across the entire Mississippi Delta area.

All of us here today know that health care workers in rural America face tremendous hurdles. Hospitals close, physicians can't make ends meet on the Government reimbursement they receive, and patients can't afford to buy medicine or hire someone to take them to the doctor. When a young mother and her baby, or a sick elderly person can't get help for what ails them, I think our Nation's priorities have gotten out of line.

As a Member of Congress, I'm committed to getting our priorities back on track. Because of the Federal Government's responsibilities for providing and paying for health care, Congress can play a constructive role in rethinking the way we deliver health care services. In fact, I am hopeful that several pieces of legislation which the Rural Health Care Coalition has introduced this year will push us along that road of reform. In particular, the initiatives to encourage health care professionals to locate in rural areas hold great promise for large, rural districts with severe manpower shortages like my own.

Developing new laws and regulations like these will certainly ease our health care crisis. But the most innovative solutions to our problems can be found in our small towns, not inside the Washington Beltway.

In my home State of Arkansas, one out of every four persons can't afford health insurance. Much of the State has been designated as a health manpower shortage area by the Department of Health and Human Services, underscoring the scarcity of medical personnel and resources in these areas. Over the past decade, at least 11 rural hospitals closed down, and more are expected to follow.

Those are pretty formidable odds for our health care professionals to work against.

But in rural communities across my district, doctors, nurses, and other medical workers put in long hours to fight those problems. I am convinced that without their time and energy, our fragile rural health care system would have collapsed some time ago. Let me give you a few examples of their commitment:

Despite inadequate reimbursement and a daunting workload, doctors still remain in small communities to deliver care to patients who would have to travel many miles without them. Specialists in Jonesboro, the largest town in my district, work together to deliver services to patients across the region.

Although originally intended to serve only low-income families, physicians in the federally assisted Community Health Centers in eastern Arkansas have helped to make services available to all patients in towns with no other access to care. In fact, several of the Arkansas Community Health Centers have expanded their efforts to provide much-needed perinatal care to mothers and infants in my district. Their work is critical in teaching mothers how to give birth to health babies.

In towns like Corning or Pocahontas, where financial stress has hit local hospitals especially hard, community leaders are sitting down to review their resources so they can plan responsibly for their health care needs.

And across the Mississippi Delta region, health care professionals, public health workers, and community leaders are evaluating the factors behind Arkansas' high infant mortality rate and developing new ways to turn this trend around.

In closing, Mr. Speaker, I want to say that the legislative work we do on behalf of rural health care is a big step in fixing the widening gaps in our medical system. But without the continued efforts or rural health care professionals, we can't make it work. I applaud them.

Mr. FAZIO. Mr. Speaker, I rise today on behalf of accessible, quality health care for the underserved populations of rural area America.

As we all know, there is now a pressing need for universal health care reform here in the United States. What we often fail to realize, however, is that, as critical as the situation is for the country as a whole, the problems associated with inadequate health care are compounded in rural America. Quality health service is an even scarcer commodity for the rural American families who constitute 25 percent of our population.

Greater proportions of both uninsured and underinsured Americans—at every income level—live in our rural areas. Only 25 percent of the rural poor qualify for Medicaid, compared to 43 percent in inner cities. Our rural residents also report more chronic or serious illnesses and have higher injury-related mortality rates than our urban dwellers.

Yet, our rural families lag far behind our city dwellers when it comes to accessing quality medical care. There is an ongoing shortage of physicians, particularly in primary care practice, and rural areas cannot compete with cities when it comes to attracting them.

Additionally, the future of the rural hospital, often a community's sole source of medical care, is at risk. Two hundred rural hospitals were closed between 1980 and 1988, accounting for approximately half of all closures in the United States. Because rural hospitals tend to be smaller, are located in areas with weak economies and are heavily dependent on public funding, they lack the financial resources to survive. But 23 percent of the Nation's 1 million hospital beds are in rural hospitals. Forty-seven percent of America's 5,749 hospitals are in rural areas.

Yolo County's General Hospital is a fatality in my own district. A provider of traditional health care services for uninsured people all over the country for 46 years, Yolo General will be closing within the week.

I urge my colleagues to support the Rural Health Care Coalition's agenda for the 102d Congress. It is an aggressive agenda that will ensure that, as we reform our overall health care system, we do not neglect the needs of our rural families and that we address the rural/urban imbalance by equally distributing our health care services and providing reasonable access for all of our people. It will ensure that our plans consider the diversity that is unique to America, and take the needs of all of our underserved populations into consideration.

Mr. MOLLOHAN. Mr. Speaker, today, we have heard ample proof that a great many Americans are inadequately served by our Nation's health care delivery system. And we have learned that while the crises in health care delivery affect all Americans, they have a devastating effect on rural residents.

My colleagues in the Rural Health Care Coalition have described these problems as they affect our individual States and our Nation as a whole. Many people—far too many people—do not receive adequate health care. The mission of our coalition is to make such care more available and more affordable to these rural residents.

In my home State of West Virginia, there is a great need to improve the quality of health care delivery. Consider the statistics:

Forty-nine of West Virginia's 55 counties are designated by the Federal Government as medically underserved areas, and 43 of our counties are designated as primary care health manpower shortage areas;

Fewer than 46 percent of our medical doctors list their specialty as primary care medicine, and

Our infant mortality rate is one of the highest in the Nation.

The legislative package we have introduced addresses issues of concern for the rural health care provider and the rural patient. I believe this multilayered approach is the best way to help solve the problems which afflict our Nation's rural health care delivery system.

As we know, the crises in health care delivery affect all citizens. It is important for each of us to understand the health care needs of our rural—and urban—constituents. With that in mind, I urge my colleagues to carefully examine the initiatives offered by the Rural Health Care Coalition, and to consider the role each could play in addressing the broader issue of health care delivery across our Nation. I am hopeful that such consideration will lead to your support of our efforts.

Mr. ROBERTS. Mr. Speaker, I rise today to discuss health care in rural America. I represent 58 counties in western Kansas. My district has 38 hospitals with 50 beds or less. Among the 116 rural hospitals in the State of Kansas, the average occupancy rate is 26 percent. This compares to an occupancy rate of 50 percent for all other hospitals in Kansas.

Personnel shortages continue to be a problem. Statewide in 1988 there was 1 practicing physician for every 723 Kansans. In my rural district, the ratio is 1 physician for every 2,300 people. I believe these figures accurately reflect what is going on in rural health care today.

The House Rural Health Care Coalition cochaired by Congressman STENHOLM and me, is a group of 171 Members from 48 States concerned about access to quality health care in rural America. The coalition has formed seven task forces to address areas such as the supply and placement of health professionals in rural areas, hospitals and physicians issues, rural veterans, mental health, and rural development and access. The task forces have worked diligently in recent months in efforts to come up with proposals to address some of the problems we currently face within our rural health care delivery system. On May 8, the coalition announced its list of recommendations for the 102d Congress.

In addition to these specific proposals, I am committed to efforts on a broad range of problems facing rural communities and health care providers. Paperwork continues to plague our rural health care delivery system. According to an article that appeared in the Washington Post on May 2, the U.S. health care system spends up to 24 cents out of every dollar on administrative and billing costs. The average U.S. hospital employs 50 persons in its billing department. The average small, rural hospital doesn't even have a billing department—or for that matter—50 employees. The problems that plague this country's health care system on a broad scale are magnified in rural areas. The Rural Health Care Coalition is looking at ways to address the paperwork problem in order to provide some form of relief for rural providers.

Another issue of vital importance to rural health care is the supply of primary care physicians. In 1988, 111 rural counties had no physician.

I have joined Senator KASSEBAUM in introducing two pieces of legislation addressing the shortage in primary care providers. H.R. 2483, the "Health Professions Training Improvement Act" is aimed at reducing this country's alarming shortage of primary care physicians, as well as its serious undersupply of health care providers in rural and inner-city communities. Only about 30 percent of the doctors practicing in the United States are primary care physicians. It is my hope this bill will boost the profile of primary care in our medical schools and residency programs.

The second bill, H.R. 2484, increases the Direct Medical Education weighting factor for primary care residents by 20 percent, while at the same time reducing overall resident reimbursements by an exactly proportionate amount. This proposal is budget neutral. The goal of this legislation is to provide incentives for residency programs to shift greater emphasis toward training physicians in the underrepresented primary care specialties.

Despite recent advances, our rural hospitals continue to struggle. Negative PPS margins, low occupancy health professional shortages, and the migration from rural America to the cities create obstacles for rural health care delivery. I believe a successful rural health care delivery system needs to include six things: emergency services, primary care physicians, public health service, geriatric outpatient services, and system should be community based and run.

The combination of these vital elements will produce an atmosphere conducive to meeting the health care needs of rural residents.

As I have mentioned, we face many challenges within our rural health care delivery system. Issues we need to bring to the forefront of debate include paperwork reduction, medical liability, and ensuring equity in Medicare reimbursement rates for rural physicians and hospitals. I remain committed to leadership of the House Rural Health Care Coalition toward workable solutions to help improve the access and the quality of health care services for rural Americans.

Mr. ENGLISH. Mr. Speaker, I stand before you today on behalf of the rural citizens I represent in the Sixth Congressional District of Oklahoma to discuss the status of health care in rural America.

Each of the 164 Members of the House Rural Health Care Coalition will attest to the fact that there is a health care crisis in our rural areas. Rural populations face a special set of problems in obtaining health services: a fragile economy, an exodus of the population to urban and suburban areas, a high rate of poverty, a high percentage of elderly residents and distance impediments all combine to stack the cards against rural citizens before the game even begins. When historically, low Medicare reimbursement rates are factored in, it hardly seems surprising that the system of health care delivery in rural America is in danger of imploding.

The severity of the situation is detailed in an OTA report that was issued in September 1990. This study paints a very grim picture indeed, one that we cannot ignore. According to the report, rural America simply cannot sustain the status quo regarding health care. Unless changes are made quickly, and most of those changes involve the Federal Government, the system will collapse. And then it will be too late.

In my home State of Oklahoma, 80 percent of our hospitals are rural. Of that 80 percent, more than one-half are operating at a loss or are just breaking even. The situation is desperate. In fact, one of our hospitals has been having bake sales and auctions just to keep the doors open. One-fifth of Oklahomans have no health insurance, but simply guaranteeing their access to health insurance does not ensure their access to health care services. A health insurance policy will do our citizens no good at all if there is no doctor and no health care facility. We here at the Federal level cannot stand by and allow rural Americans to die because there is nowhere for them to go when they get sick.

Solutions, however, are not easy and certainly not free. The task force that I chair on the House Rural Health Care Coalition is grappling with the critical issue of access to health care. While no one proposition can serve as a panacea for all of the health care delivery system's ills, the proposal that we would like to further serves as a broad-reaching first step in improving the plight of our rural citizens as they attempt to obtain quality and affordable health care.

Federal resources are scarce; I know of no one who would attempt to disprove that fact. In the face of limited funds, maximum use of available existing resources must be achieved. Delivering services with the highest degree of efficiency means that community leaders in rural areas must reexamine the basic tenet under which they have historically operated. Competition is what has made this country great. However, in the case of rural health care, we're dealing with a unique set of circumstances. While each health care facility would like to be all things to all people, we are beginning to see that this is simply no longer feasible. While each hospital would like to obtain the newest high-tech piece of diagnostic equipment, having an MRI scanner every 30 miles doesn't make sense. And while every community would like to have a healthy full-service hospital, one that would attract citizens from all over the region, it is just not the most efficient way to deliver care. Communities will have to cooperate if they want to continue to provide health services for their inhabitants.

I would like to see towns get together and plan, pool their resources, work out agreements, regionalize, if you will, in order to maximize their resources. By eliminating duplication and redundancy, we will be well on our way to having the means to deliver services to everyone. While it is impossible to guarantee that every citizen would be 15 minutes away from a neurosurgeon, everyone would have access to basic services if he suffers from a heart attack or if his tractor rolls over. If further care is deemed necessary after stabilization, the patient could be transferred to a nearby facility which offers more services. And if he is, in fact in need of that neurosurgeon, he would eventually end up in a facility that offers such procedures. Access to the right kinds of care at the appropriate time is assured for everyone. It's important to understand that diversifying, scaling down or even closing a community hospital is not necessarily the death knell for a rural town. Rather, through establishment of an integrated rural health network, a community's economic stability could actually be strengthened. Any attempt to adapt to a changing health care environment is certainly preferable to standing by and watching the ability to provide services being washed away.

Of course, we cannot sit in our offices in Washington and hand down decisions on the fate of a town's hospital. This right will, of course, remain where it should be: in the hands of the local communities. However, there are incentives we can make available should rural citizens decide to follow this course. I have introduced three bills as part of the House Rural Health Care Coalition's legislative package for this year. Of these three pieces of legislation, two of them work to advance the solution theory I just discussed.

One, H.R. 2232, provides funds to local hospital consortia to set up two-way telecommunications systems among providers. Through establishment of such a system, physicians in rural areas will be able to communicate through state-of-the-art telecommunications networks with providers in other areas. The potential for improving the availability and quality of health care through telecommunications is almost limitless. Providers can link up for consultations, diagnoses, lab slide and x-ray readings, and continuing medical education courses. Patient records can be instantaneously transferred from one facility to another. This feature in particular is important to participants in a hospital referral network. Perhaps most importantly, a rural health care professional will feel less isolated through interaction with his colleagues.

A second bill I introduced, H.R. 2236, authorizes the Cooperative Extension Service to set up educational programs to better inform local residents on the options available to them regarding health care services. There are a wide range of alternatives between sustaining a full-service hospital and shuttering it; community leaders must be aware of them to make education decisions. The Extension Service, an established entity, already has its infrastructure in place and is in an excellent position to disseminate this information.

A third bill I offered, H.R. 2238, amends the Public Health Service Act to include data on the status of health care in rural America in the compilation of its annual chart book entitled "Health United States." While the statistics in this book are broken down by almost every decision imaginable, once again rural needs are left unaddressed. This legislation simply moves to correct a glaring omission.

There are two other pieces of legislation I would like to briefly discuss. H.R. 2229, introduced by Representative ROY ROWLAND, addresses the problem of obtaining access to obstetrical care in rural areas. In 1989, the United States ranked 20th among industrialized countries in infant mortality, placing it behind such countries as Singapore, Spain and Ireland. This standing is indefensible; steps must be taken to improve our children's chances of living. There is an obvious correlation between access to proper obstetrical care and infant mortality. H.R. 2229 targets the neediest of the needy by providing incentives for increased participation in Medicaid by obstetrical providers in rural areas. Currently, many Medicaid beneficiaries find that no provider will render care to them because they do not accept Medicaid patients. For rural citizens, this may mean absolutely no access to care for their unborn children. H.R. 2229 moves to correct this dangerous situation.

Lastly, H.R. 2239, authorized by Representative RON WYDEN, extends Federal protection from liability claims to employees of community and migrant health centers. In 1989, these health centers spent approximately $58 million in malpractice insurance premiums but paid out only $4 million in actual claims. The resulting savings from providing Federal protection would be around $54 million. H.R. 2239 ensures that Federal dollars are spent in the most efficient and effective way.

In closing, Mr. Speaker, I would simply commend to my colleagues' attention the entire legislative package of the Rural Health Care Coalition. It is a far reaching yet realistic set of proposals that holds the potential to bring much-needed relief to rural areas. I would also like to thank the two chairmen of the coalition, CHARLIE STENHOLM and PAT ROBERTS, for their hard work and strong leadership. Under their guidance, I am confident that the Rural Health Care Coalition will successfully advance measures to improve the quality and availability of health care services in rural America.

Ms. SNOWE. Mr. Speaker, as many of you may know, my congressional district is the largest in area east of the Mississippi. As such, it holds in common many characteristics indicative of rural areas across the country. The pace and style of life, the values, the population density, the economics and demographics all differ from those found in urban areas. These differences form the basis of the quality of life that we have come to know as rural.

It is also these differences that have created challenges in the delivery of health care services. Compared to more urban areas, the population in rural areas tends to be older and therefore more likely to use health care; tends to be in poorer health, in general; and tends to have a higher percentage of individuals in poverty, particularly those who are the working poor.

The issue of health care in rural areas is generally defined as centering around the availability, the accessibility and the affordability of care. All of these present barriers to the delivery of health care in general, but they are even greater in rural areas.

The myriad of problems afflicting the rural health care delivery system has resulted in a precarious situation for health care facilities, physicians and beneficiaries. I am pleased that this issue has received greater congressional recognition in recent years. This increased attention has resulted in numerous legislative changes designed to strengthen the rural health care delivery system. Most of these changes can be attributed to the work of the House of Representatives Rural Health Care Coalition of which I am a member.

The Rural Health Care Coalition, made up of 164 Members, representing 46 States, was organized in 1987, when a group of Representatives became concerned that Federal health policy was exacerbating the decline in the availability and affordability of health care in rural America. The organization has quickly grown from a membership of 46 representatives to become a vital bipartisan group of 164 lawmakers representing various ideological viewpoints, yet who all share the common goal of ensuring access to quality health care in rural America.

Across the Nation, rural hospitals have experienced financial shortfalls which have resulted in significant operating losses. Such shortfalls have caused the State of Maine to lose two small rural hospitals between the Spring of 1988 and Spring of 1989.

One key factor in this fiscal squeeze is the fact that in the past, the Federal Medicare Program reimbursed rural hospitals at a lower rate than urban hospitals—when many expenses were actually similar. And Medicare has also failed to provide adequate protection for the smallest and most vulnerable rural hospitals. However, I am pleased that Congress has taken significant steps to assist rural hospitals, particularly in moving towards phasing out the urban/rural Medicare reimbursement differential and establishing a single national standardized payment amount.

The dilemmas facing rural hospitals are not wholly the creation of the Medicare system, but rather an assortment of interacting factors. So in order to survive, rural hospitals are looking increasingly toward innovative approaches for providing services and care.

During my visit to rural hospitals in my home State of Maine, I have seen how they are diversifying services, and how they have created collaborations with other facilities to strengthen their financial conditions. Since these efforts are instrumental in helping the hospitals meet new challenges, the Federal Government must work toward providing incentives for these activities and removing barriers to their development.

Of related concern to health care access is the issue of rural transportation. In the past, Federal funding for transportation has been targeted primarily toward urban areas. I have long been concerned about ensuring that residents in rural areas receive adequate transportation in order to have optimal access to necessary services, particularly those relating to health care. For this reason, I am an original cosponsor of H.R. 1079, the Mobility Assistance Act, which would substantially improve transportation services in rural and small urban areas.

We need to ensure that those who live in rural areas receive the same quality of health care as those Americans living in urban areas. The decision to live in a rural area must not be a decision to accept inferior health care. To ensure that this is not the case, our ongoing efforts must be channeled in new directions. Hospitals, providers, rural health centers, communities, and all levels of government must work together to meet the full range of challenges.

Mr. HARRIS. Mr. Speaker, I rise today in strong support of the rural health initiatives put forth by the Rural Health Coalition this year. This coalition, which represents more than 100 Members of the House of Representatives, presented a bipartisan package of legislation that is designed to revitalize the rural health care delivery system in this Nation. I hope that my colleagues on the House Appropriations Committee will review this package carefully when they consider the budget later this year.

In my State of Alabama, there has been an unprecedented increase in the number of closures of rural hospitals. In 1988 there were 7 closures, including 4 rural hospitals. These closures represent a tragedy for a rural community. In addition to the loss of access to care, rural residents also lose a valuable employer for their communities.

For many of Alabama's rural citizens, access to quality health care is a major problem. The infant mortality rate in many Alabama counties is higher than that of Third World countries such as Jamaica and Trinidad. In many of Alabama's 67 counties, there is no resident physician who will deliver babies. Many new physicians, with a heavy burden of student loan payments, simply cannot afford to practice in relatively impoverished, rural areas.

Of particular interest to me were four bills in the package. The first bill will enhance air medical transport systems that carry victims rapidly to emergency medical facilities. Another measure requires the Public Health Service to include data on health care delivery in rural America as a separate reporting category. With more information, Congress will be better able to draft legislation that will help rural residents. In order to further increase the number of health care professionals working in rural areas, I am also supporting the Rural

Physicians Incentives Act of 1991, allowing doctors who practice primary care in rural areas to deduct their interest payments on student loans. This legislation also requires that new physicians receive the same reimbursement rate during the first 2 years of practice, if they agree to practice in a rural location. Finally, I am supporting changes to the rural health medical education demonstration projects. This program helps medical students complete a rotation in rural practice. The measure would provide reasonable reimbursements for living and travel expenses of the resident, as well as a faculty supervisor to encourage more projects throughout the Nation. At present, only one project has been successfully implemented.

Rural America deserves to have its health care needs met. We must find innovative ways to provide quality care for Alabamians. Rural areas are the backbone of America and deserve the same accessible, quality care that other citizens enjoy. For too long the needs of these communities have been ignored in favor of the larger, more populous urban areas.

Mr. LAROCCO. Mr. Speaker, the crisis in rural health care has reached critical proportions. We can no longer pretend that one more small adjustment here or there in the Government-administered portions of the health care system will solve the problems of health care access and affordability in rural America.

Access to health care in rural areas is affected by a variety of factors, but one of the most critical elements is the supply of health care providers and support facilities.

Idaho is one of the most rural States in the Nation. Long distances separate communities, and population is sparsely distributed over large portions of the geography. It should not be surprising that rural Idahoans face difficulty in obtaining health care services, since they often travel long distances to reach basic services of all types, including doctors and hospital services.

Numerous rural communities in Idaho have no doctor or health care provider in residence. With only 113 doctors per 100,000 people, Idaho is the most under-doctored State in the Nation according to the Idaho Rural Health Education Center.

Primary care physicians provide the majority of patient care in Idaho and throughout rural America, and people in this field of medicine in rural settings are in short supply. And there is no end in sight to this trend; in fact, the evidence suggests that it will only get worse.

In 1980, 30 percent of Idaho's medical service areas were considered to be primary health care professional shortage areas. A decade later, that number has grown to 48 percent. The trend is clear, and all the data I have seen suggests that current policies are failing to address or reverse it. A 1988 survey of physicians in rural communities found that fully one-quarter of all doctors in rural areas planned to leave their communities within 5 years.

To encourage physicians to serve in Idaho's rural communities, I have cosponsored H.R. 2230, the Rural Physicians Incentives Act of 1991. This legislation will require medicare to reimburse doctors in their first 4 years of practice at the same rate as other practicing physicians. In addition, this legislation will allow primary care physicians to deduct their student loan payments, and it will allow residents in primary care disciplines to defer payments on student loans until their residency is completed.

In addition, I have cosponsored H.R. 3070, the Medicare Physician Payment Reform Amendments of 1991. This legislation will correct three of the problems created by the Health Care Financing Administration's draft regulations issued on June 5 of this year. By removing the Administration's asymmetry adjustment, the behavioral offset, and the tripling effect, Congress will honor its agreement with physicians and prevent the implementation of these potentially disastrous regulations.

In Idaho's hospitals, dedicated health care professionals provide quality care for all who enter their doors. But the policies of the Health Care Finance Administration are bleeding the resources and the incentives out of the institutions and the people who serve them. In addition to the shortage of qualified personnel available for the hospital work force, rural hospitals must deal with HCFA policies that act as disincentives with regard to capital investment in technology and facilities. When the additional burden of lower reimbursement rates for rural hospitals are factored in, it is amazing that there are hospitals in rural communities at all.

Mr. Speaker, availability of health care services can mean life or death to a rural community, and we need to keep these communities alive in Idaho. We need health care policies that promote equitable reimbursement for doctors and hospitals in rural areas. We need regulations from HCFA that encourage doctors to practice in rural communities, and we need regulations that make it possible for rural hospitals to make needed capital improvements and provide the latest in technology.

Idaho's citizens should have access to the best health care available, and it will be up to Congress to provide the leadership necessary to achieve this goal. While I am certain that Idaho's health care professionals are dedicated to making quality care available throughout the State, they cannot achieve this goal so long as Government policies obstruct their efforts. Congress must develop solutions to the rural health care crisis that reverse the current policies of disincentives and deterioration, and promote a renewed commitment to continued improvement of all rural health care delivery systems.

Mr. Speaker, health care reform may be the most critical task we will face this decade, and we must begin solving these problems now. As we do, my primary concern will be to see that the special problems of rural Idaho are dealt with so that access to quality, affordable health care is secured for all Idahoans.

Mr. STALLINGS. Mr. Speaker, our Nation is facing a growing health care crisis. More than 33 million Americans lack insurance for either basic or catastrophic health care. Millions more Americans are underinsured. And soaring costs in the current system threaten people's ability to pay for badly needed care.

The statistics are staggering. More than $1 out of every $10 expended in the U.S. economy is for medical care and related activities. In 1989, expenditures for health activities amounted to $604 billion. Health care is one of the largest components of the Federal budget, accounting for $74.4 billion of Federal spending and nearly 14.7 percent of total Federal outlays in 1989.

In my home State of Idaho, we spent approximately $1.8 billion on health care during 1990. That was $1,726 for every man, woman, and child in the State and represents about a 150-percent increase over what was spent in 1980.

The 102d Congress is expected to deal with a wide range of issues related to access and financing of health care services. Rising health care costs and an aging population have created increasing pressure on public and private health care programs.

Federal budget limitations have restricted the range of congressional response. Within this context, health care legislation in the 102d Congress is likely to involve a careful balancing of needs, resources, and responsibilities between the public and private sectors.

The House Rural Health Care Coalition was formed to help meet these challenges and I am proud to be a member. This bipartisan group is committed to protecting rural health care delivery systems and ensuring that the residents of our rural communities have access to high-quality medical services.

One hundred and sixty-four Members of Congress, representing 46 States and virtually every point on the ideological spectrum, are involved in the coalition. Its members are strategically placed on the Budget, Energy and Commerce, Ways and Means, Appropriations, Agriculture, and Veterans Affairs Committees.

This broad network has brought the coalition exceptional success with its legislative agenda. For Example, of the seven bills which were part of the coalition's agenda in the spring of 1990, five were passed in some form by the end of the year. Few organizations can boast such a success rate. Again this year, the coalition has an extensive action plan and I am optimistic more improvements can be made in our health care system.

The crisis in health care delivery affects all Americans, but it is having a particularly devastating effect on rural Americans. Without the availability of quality health care, the lives of individuals, as well as entire communities, are at stake. The goal of the Rural Health Care Coalition is to make certain that the people in rural communities, like Idaho, survive this crisis and have access to affordable, quality health care.

Mr. KOPETSKI. Mr. Speaker, I rise as a member of the Rural Health Care Coalition. Our Nation's health care system is coming under very intense scrutiny. Well, it should. I am sure my colleagues know the story: Thirty-three to thirty-seven million Americans without insurance, the Nation's health care bill rising by 63 percent in the 1980's and health cost inflation rates of over 8 percent per year.

I would like to focus on the intersection of two aspects of the health care issue that are getting the short end of the stick: Rural health care and mental health care.

Mr. Speaker, the impending national health care crisis is just as threatening to rural America as it is to the rest of the country. People talk in generalities about how many Americans have no health care insurance, but the fact is rural Americans are much more likely than urban Americans to have no health insurance coverage. Rural Americans are also less likely than urban residents to be covered by Medicaid. Aside from the question of who pays for health care, rural America frequently does not have acess to health care. In 1988 there were 111 counties in the United States without any physicians. Roughly half-a-million rural Americans live in counties without a physician trained in obstetrics. Rural hosptials are going broke and folding at an alarming rate.

The differences between rural and urban residents' access to health care services is even more alarming in the mental health field. While 63 percent of urban counties had inpatient mental health services of some kind, only 13 percent of rural counties had similar facilities. Only 7 percent of the 2,110 counties with small urban populations had inpatient service facilities.

Mental health care providers are also scarce in rural areas. In the early 1980's a study found that there were more counties without a mental health professional than there were counties with at least one type of mental health professional. The lack of mental health professionals has pushed mental health services onto the backs of primary care physicians.

The availability problem is compounded by the lack of awareness among rural residents that mental health services exist. While the incidence of mental illness among rural Americans is not significantly different than the incidence among urban Americans, a recent six-State survey found that fewer than one-half of rural country residents knew of available treatment centers and services for mental health and substance abuse problems.

As the debate about health care reform rages on during the upcoming months I urge my colleagues to think aobut those who so often are forgotten, those living in rural areas and those with mental illnesses. There is a saying that a chain is only as strong as its weakest link. Let us strengthen these weak links. Let's move all of health care in America forward.

Mr. STENHOLM. Mr. Speaker, I am pleased to come to the well of the House of Representatives today, joining my colleagues of the House Rural Health Care Coalition, which I am privileged to cochair, to speak about the state of health care in rural America.

Over the past 4½ years, some of my most rewarding professional experiences have come from working with this bipartisan coalition. What started as 40 somewhat disorganized but like-minded Representatives back in 1987 has now turned into a highly active group of 171 Members, functioning in 7 distinct task forces. The spirit of compromise and bipartisanship of this group is born of a dedication we all share, the dedication to preserve quality health care in rural areas.

Our coalition has brought about some significant successes over the years. I have no doubt that without this coalition's efforts, health care in rural areas would be in a far more precarious state than it is today.

Unfortunately, saying that things aren't as bad as they could be isn't the same as saying that we have solved all of our problems. In my own district, I have had 10 hospitals close over the past 10 years, and I have another half dozen barely hanging on for life. Like my colleagues gathered here this evening, I have constituents who have difficulty finding a doctor to deliver their babies, communities with severe shortages of allied health professionals, and low-income people struggling to find regular health services.

The good news is that out across rural America, hundreds of creative, caring citizens are working on solving our problems. They share with us in a coalition some of their insights, and after many, many hours of study, discussion, and internal debate, the House Rural Health Care Coalition developed a comprehensive legislative package for 1991. This package addresses some of the most pressing health care concerns facing rural communities today. The coalition is proud of the work that was accomplished by its task forces in bringing reasonable, affordable, and effective bills forward.

At this point, I would like to take a moment to commend all of the members of the coalition—Members like PAT ROBERTS who cochairs this organization with me and IKE SKELTON who organized this special order—and specifically to praise the hard work of the seven task force chairmen. Those task forces and their chairs are:

Physicians—J. ROY ROWLAND.

Hospitals and clinics—JIM SLATTERY.

Health professions/medical education—JIM COOPER.

Mental health—GLENN POSHARD.

Rural veterans health—TIM PENNY.

Rural development/access—GLENN ENGLISH.

Older Americans—STEVE GUNDERSON.

In addition, four at-large steering committee members are BYRON DORGAN, DOUG BEREUTER, CRAIG THOMAS, and VIN WEBER.

The legislative package we introduced in May of this year covers the full gamut of rural health concerns and, while ambitious, is also very realistic, both politically and fiscally. We did not introduce bills simply to make a political statement or to catch a newspaper headline; we introduced bills which should have a good chance of being implemented and, more importantly, of improving rural health care.

With the supply, recruitment, and retention of physicians in rural areas a top priority, the coalition's package includes several bills to address this concern. Dr. ROWLAND's Rural Physicians' Incentives Act, H.R. 2230, would provide financial incentives particularly to young physicians practicing in rural areas, while his Rural Access to Obstetrical Care Act, H.R. 2229, would establish Medicaid demonstration projects to increase Medicaid participation of obstetrical providers in rural areas.

In a related measure, H.R. 2231, JIM COOPER has introduced the Primary Care Training Amendments which would require, as a condition for receiving certain Public Health Service funds, that medical schools have Departments of Family Practice and require clinical experience in family practice.

The fourth bill relating to physicians is RON WYDEN's H.R. 2239, providing protection from legal liability to employees of Community and Migrant Health Centers.

Relief to rural hospitals would be provided through Jim Slattery's Hospital Antitrust Fairness Act, which would assist rural hospitals attempting to merge, consolidate, or contract to provide a more rational supply of health services; his Rural Clinical Laboratory Personnel Shortage Act, intended to address potential clinical laboratory personnel shortages in hospitals and physicians' offices; and my Medicare certification due process bill, which tries to ensure a safe and reasonable process that will prevent hospitals from being needlessly closed.

Perhaps the single most important health concern in rural America is the question of access to services. Hospitals closing and doctors leaving pose a life-endangering threat to a community, because with no health care, there soon is no business and no community at all. While virtually all of our bills address access to care in one way or another, the questions of access to care are specifically considered through GLENN ENGLISH's telecommunications bill, H.R. 2232, and his Leadership Education Act, H.R. 2236, as well as PAT ROBERTS' Emergencies Air Transport Act.

One area sometimes ignored in rural areas is that of mental health and substance abuse. GLENN POSHARD has introduced H.R. 2237 to direct the Office of Rural Mental Health to fund effective research demonstration projects for delivering basic mental health outreach services to rural Americans. In addition, CRAIG THOMAS' H.R. 2235 would give States more flexibility in using alcohol and drug abuse funds.

Other coalition initiatives address issues such as sharing agreements between rural hospitals and the Veterans health care system, TIM PENNY's resolution, requiring the compilation and publication of better data on rural health care, and improving medical education demonstrations which tie rural hospitals to teaching hospitals.

Since introduction of these bills, the coalition has been busy in promoting them in the appropriate committees, working toward funding of rural health programs within the appropriations bill, sponsoring face-off briefings on critical issues for rural health care, and representing rural views to the administration on issues such as capital reimbursement and physician payment reform.

The problems of rural health remain large. Speaking personally, my motivation to tackle those issues comes from the creative and caring spirit of Americans out across the country trying to make a difference in their own communities, the cooperation and congeniality of the members of this coalition, and the belief that, indeed, together we can do those things which will improve the country we love.

Mr. ROSE. Mr. Speaker, no one doubts that there is a health care crisis going on in America. I believe that there isn't an area hit harder by this problem than rural communities. I rise in support of the Rural Health Care Coalition's legislative priorities for the 102d Congress.

There are two urban areas in my district, Fayetteville and Wilmington, NC. The rest of the district, which spans over five counties, is rural. I'd like to shed a light unto the problems that are of particular concern to rural areas.

Currently, there is an appalling lack of primary care physicians all over the country and especially in rural areas. A recent report from the University of North Carolina's Cecil G. Sheps Center for Health Services Research, stated that the national average was 1 physician for every 545 people. In North Carolina, there is 1 doctor for every 623 people. But in the southeastern part of the State, there are some counties with rates of 2,600 to 3,600 people for every 1 physician.

Today, many students of medicine are seeking larger incomes in urban markets. This is very enticing considering the large bills that will have to be paid because of six figure student loans. We are not providing any incentives for medical students to do otherwise.

There are a few programs to attract medical students to do some training in rural health care clinics but when the program is over, these students often return to school and are never to be seen again in these communities. I have repeatedly been asked to do something to get medical residents to do their internships in these clinics. But these young people feel isolated and don't want to be trapped when more attractive offers exist in urban areas.

Affordable health insurance is a problem across the country. It is heartbreaking to read the letters from constituents who can not afford, or are too medically risky, to obtain private insurance. Therefore, many of them turn to the Government for help. But Medicare and Medicaid are programs that do not fare well in rural areas. As you know, Medicare and Medicaid have a network of participating physicians. These Government programs offer little incentives to become enrolled as a participating doctor. So the few that do accept assignment, get bombarded by needy patients. Often times, the entire bill is not reimbursed and the patient is expected to cover the remaining costs. For example, a teen mother with a sick child or an 85-year-old man do not have the resources to pay the balance. Doctors are left with the net loss again and again. These doctors find it harder and harder to stay in business. We must adopt a fee schedule that adequately compensates our country doctors.

I am aware that the Health Care Financing Administration is in the process of drafting a new fee schedule. Doctors who specialize in certain practices receive a greater percentage of reimbursement than primary care physicians. It is ironic that we put such little value on preventative health measures that end up costing three times as much later on.

A question of quality must also be raised. In a report released last year from the Office of Technology Assessment, a primary care provider in a nonmetropolitan—rural—area averaged 170.4 patient visits per week. The same type of doctor in a metropolitan area had 124.3 patients in a week. That breaks down to 34.4 patient visits a day for the rural physician and 24.8 patients for his colleague in the city. The country doctor also spent an average of 54.7 hours a week in direct patient care activities while the city doctor averaged 47.5 hours.

The dwindling number of private physicians in rural areas makes it even harder for people, especially the elderly, to get to the doctor. Practicing in rural areas means there is a larger service area to cover and transportation becomes a real problem. My colleagues are currently working on the reauthorization of the Surface Transportation Act. I would challenge them to come up with a plan that would shift more transportation funds to rural areas. I think we should be striving for a transportation package that would benefit everyone, not just ease traffic congestion in the big cities.

Rural hospitals, like rural physicians, face problems unique to their location. Rural hospitals also find it difficult to attract the best physicians and specialists. Southeastern General, in Lumberton, serves Robeson County which is the largest county in the State of North Carolina. The lack of adequate technology and specialists in rural hospitals requires some patients to be moved to urban centers that are better equipped to care for the patient. Being put in a hospital is stressful enough, but being moved to one that is at least 2 to 3 hours from home can complicate the patient's medical problem. Also, being away from family and friends, who help to speed recovery, may result in longer and more costly hospital stays.

I am known to be an advocate for furthering our technological capabilities so that life can be better. The gentleman from Oklahoma, [Mr. ENGLISH] has introduced the Improving Access to Health Care Through Telecommunications Act, H.R. 2232, of which I am a cosponsor. I think that it is vital that our rural hospitals develop a consortia to which they can turn. If a general surgeon runs into a complication during surgery, a specialist from another hospital hundreds of miles away could immediately assist the surgeon via satellite. I know the technology is available, but small rural hospitals cannot do it alone. The full support of Congress is needed to make this great idea become a reality so that lives can be saved.

Mr. Speaker, our rural people and physicians deserve the best health care that our Nation has to offer. We cannot fix all the problems that rural areas face but we can certainly provide guidance and the opportunity to make these problems a little better. I urge you and the rest of my colleagues to support the package of initiatives that the Rural Health Care Coalition has endorsed as priorities for this Congress.

Mr. GILCHREST. Mr. Speaker, I rise to commend my colleagues, Mr. SKELTON, Mr. STENHOLM, and Mr. ROBERTS, for bringing this special order to the floor. I support the legislative agenda sponsored by the Rural Health Care Coalition, especially bills to attract health professionals to rural areas, to promote obstetrical care and family medicine, and to provide rural air emergency transport. I urge my colleagues to adopt the coalition's agenda.

In my district two major health problems are a lack of primary care physicians and a lack of insurance. While there has been some progress because of programs like the National Health Service Corp. and Federal support for community health centers, on the whole the picture is troubling.

A July 3, 1991 article in the Journal of the American Medical Association, by Dr. Politzer, notes that despite Federal efforts to increase the number of physicians, the numbers of physicians entering primary care have remained only constant relative to the overall number of physicians. This means we must continue to devise education strategies and work to ensure fair reimbursement in order to bring the primary care physicians to rural areas.

The waiting period for an appointment in some parts of the Eastern Shore can be 6 or 7 months. When we fail to provide basic primary care services—those offered by family physicians, obstetricians and gynecologists, pediatricians, internists, and dentists, even nurse practitioners and physician's assistants—we pay the price in traumatic care in the hospital emergency room.

In my district, community health care centers play a critical role in filing in the gaps for primary care. For example, I recently visited SCOPE, a community health center in Princess Anne, MD, that treats about 26,000 patients each year. Patients may receive pediatric, family practice, dental, and mental health services. SCOPE could easily see more patients, but is restrained by a lack of health care providers.

Two smaller centers in Denton and Goldsborough, MD, treat about 6,000 patients each year. These centers play an essential role in the health care and are excellent taxpayer investments. Patients at these clinics are not limited to indigent or unemployed. Instead people from all walks of life seek treatment, including those who do not have health insurance at their jobs, or do not have private practitioners nearby.

A recent Washington Post article about Smith and Tangier Islands captured the difficulties caused by a lack of health care personnel. I ask that a copy be included in the RECORD.

WHEN THE NEAREST DOCTOR IS ACROSS THE CHESAPEAKE BAY

(By John F. Yarbrough)

SMITH ISLAND, MD.—When 61-year-old Mary Evans died of an acute asthma attack at 1 a.m. one Sunday last February, her death shocked many of the 400 residents of this remote archipelago in the Chesapeake Bay. Because there is no doctor or nurse here, several times in the months before her death Evans had made the three-hour round trip to the mainland to see a doctor.

About an hour before she died, Evans, gasping for breath, telephoned her sister Charlotte Dize who lived nearby and begged for help. Dize immediately called the 911 operator in Crisfield, Md., the closest mainland community; the operator dispatched a Medevac helicopter. Dize then rushed to her sister's house, dialed 911 again and, following the instructions of an emergency medical technician, began trying to perform cardiopulmonary resuscitation.

By the time the helicopter arrived about 30 minutes later, Evans was dead. "She just needed to be in a hospital, to be seen by a doctor or nurse," said Dize. "We need a doctor or nurse on the island. I don't know if they could have saved her in this case, but there are cases [here] where people could be saved."

The death of Mary Evans illustrates a problem that has long plagued the residents of this tiny insular fishing community and those of Tangier Island, Va., its slightly larger neighbor to the south: lack of access to basic medical care.

While Tangier, population 660, has a resident nurse who doubles as the island's lone high school teacher, there hasn't been a doctor or nurse on Smith Island for several years. The closest hospital is in Crisfield, which, weather permitting, is a 45-minute ferry ride away. Most medical emergencies are sent to Peninsula Regional Medical Center in Salisbury, a trip that takes another 45 minutes by car from Crisfield, much of it over a two-lane road.

The geographical isolation of these insular Eastern Shore communities and the fact that ferries make a single daily roundtrip to the mainland limit islanders' ability to obtain basic health services and can make emergencies that are handled routinely elsewhere life-threatening.

The difficulties are compounded by weather. Fog, storms and ice frequently prevent boats from leaving and helicopters from landing and, especially in winter, can isolate residents for days at a time. When weather is not a factor, distance can pose a problem. Although several residents on each island have basic training in emergency medical techniques, it can take as long as 90 minutes for a helicopter to arrive from Salisbury or Norfolk, Va., and for a patient to be stabilized enough to be moved. To people suffering from heart attacks, strokes or uncontrolled asthma, that critical time may mean the difference between life and death.

Several years ago, a heart attack victim had to remain overnight on Tangier because rough winds prevented a helicopter from making the trip. He died at an Eastern Shore hospital after undergoing surgery. In 1988, a 19-year-old resident broke his neck during a swimming accident. Because thick fog had enveloped the island, the youth had to wait 24 hours before being airlifted to the mainland. Residents immobilized him by placing sandbags around his head and neck; he recovered without suffering permanent damage.

Pregnant women frequently leave the islands for the mainland before their babies are due, particularly if there is fear that bad weather will prevent travel. Smith Island women often move in with relatives or friends in and around Crisfield; some Tangier women wait until they experience the first contractions and then climb on a boat bound for the mainland. Five years ago, one Tangier mother gave birth on a speedboat 10 minutes from the Crisfield dock.

"People here just can't go down the street to the local doctor any time they want or need to," said David Nichols, a physician in White Stone, Va., who since 1979 has been making the 30-minute flight to Tangier to see patients several times each month. "As a result, they let things go too long. There's not much in the way of regular checkups or the preventive medicine sort of thing. It's more 'Treat me now because I need it.' I had one person wait three days with a broken arm to see me. You never hear of that in our world."

NO DOCTOR SINCE 1968

The problems of recruiting—and retaining—doctors and nurses may be particularly apparent on these islands, but they are not unique to them, rural health experts say.

"Different geographic areas have different problems," said Frank Park, program management officer for the U.S. Public Health Service district that includes Smith and Tangier. "Some are economic problems, in other areas it is an access problem, or a maldistribution of doctors problem. You see it in the mountains of Appalachia in southwest Virginia, where people are just so darn isolated that it's a disincentive for doctors to practice. You see it on Indian reservations, or out West where there are great distances."

As is the case in other rural communities around the country, both islands have experienced an exodus of young residents who have left for the mainland in search of jobs and better opportunities. Smith Island has lost 200 people since 1980. Some are victims of the economically depressed seafood industry, the lifeblood of both islands, which were settled in the 1600s by British sailors.

The insularity of the islands has made it hard to attract health care workers. Tangier has not had a fulltime doctor since 1968. Smith's last resident physician left four years ago to work in a Maryland state prison, partly, he said, because he was unable to earn enough money to support his family.

These days, Tangier residents rely on Nichols and another physician, as well as a rural health nurse and dentist Dale Lazar, each of whom flies to Tangier to see patients several times a month. They operate out of a three-room white clapboard clinic on Tangier's main street named after Charles F. Gladstone, a physician who retired in 1954 at age 76 after practicing on the island for 37 years.

Few doctors have stayed nearly as long; some have left in less than a year. Over the years, Smith and Tangier have been forced to try unorthodox methods to recruit doctors, including several worldwide appeals by ham radio operators.

In 1957, after a four-year campaign, Tangier attracted international publicity when Mikio Kato, a 33-year-old Japanese surgeon who had trained in America, traveled 8,000 miles from his home in Kobe, Japan, to serve as the island's doctor.

GENERAL LEAVE

Mr. SKELTON. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks and to include extraneous material on the topic of my special order.

The SPEAKER pro tempore (Mr. MORAN). Is there objection to the request of the gentleman from Missouri?

There was no objection.

□ 1750

HEALTH CARE FOR ALL AMERICANS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. OAKAR] is recognized for 60 minutes.

Ms. OAKAR. Mr. Speaker, tonight I would like to address the House on the very important issue of health care for all Americans. I and many of my colleagues have formed a bipartisan caucus for national health care reform. This bipartisan group extends to all Members of the House of Representatives. I am pleased to say that we have about 80 Members so far who have indicated their interest in joining this caucus, because we feel that the American people deserve more, and that there is a crisis with respect to health care reform.

We may not all agree on how we should get there, but everyone agrees that it is outrageous that we have 37 million Americans who are in working families, who have no health care insurance; we have 40 million Americans who are underinsured; we have 80 million Americans who need long-term care, that is home care and nursing home care. Yet, Americans spend more than any other industrialized country on health care. In fact, we are the only industrialized country, besides South Africa, that does not have as an inalienable right access to health care, and I believe that is a scandal.

Mr. Speaker, we spend 12.2 percent of our gross national product on health care in this country. That translates into $700 billion of taxpayer money that goes into this huge pot. Yet we have all these gaps and all these kinds of unfortunate loopholes that do not permit every American to have comprehensive health care. I think it is the most, in many ways, important domestic issue on our agenda.

Mr. Speaker, in this bipartisan group I am pleased to announce that cochairing the caucus with myself is the distinguished gentleman from New Jersey [Mr. RINALDO]. I am very, very pleased as well to announce that the vice chairs of the caucus are the gentleman from California [Mr. TORRES], who is a Democrat, and the gentleman from Ohio [Mr. HOBSON], who is a Republican.

We are going to have a series of meetings to join together, because we feel very, very strongly that we must put health care reform on the front burner, not the back burner, before we adjourn Congress.

Mr. Speaker, I will have more to say about this issue, but at this time I would like to yield to some Members who have asked to join me today in this special order. After that I would like to add the remarks of a number of Members who could not be here to directly address the House, but would like to put their important statements in the RECORD.

Mr. Speaker, let me first of all call on the gentleman from California [Mr. TORRES], one of the vice chairs of the caucus, and then the gentleman from Vermont [Mr. SANDERS], who has been waiting here as well to speak.

Mr. Speaker, I yield to my distinguished friend from California [Mr. TORRES], the vice chair of the bipartisan caucus.

Mr. TORRES. Mr. Speaker, I was going to say thank you to Madam Chairman in this case, but the gentlewoman from Ohio [Ms. OAKAR] is not in the Chair. But the gentlewoman from Ohio [Ms. OAKAR] has, along with the gentleman from New Jersey [Mr. RINALDO], taken the leadership on calling for this very special order.

Mr. Speaker, while the gentlewoman from Ohio did mention that this is bipartisan, Democrats and Republicans on each side, we also have with us, of course, the honorable gentleman from Vermont [Mr. SANDERS], who is an independent.

Mr. Speaker, my colleagues in the Bipartisan Caucus for National Health Care Reform have different perspectives, and represent diverse parts of our great Nation. Yet, we are all in agreement that the health care crisis in our Nation must be addressed, and the time is now. We are brought together by agreement on a fundamental principal: All Americans must have quality health care when they need it.

We have created the Bipartisan Caucus for National Health Care Reform to meet the health care crisis headon, to build consensus on concrete proposals that will make quality care available to all Americans.

Like the rest of the country, my own home State of California has been hard hit by the health care crisis. One young mother, Mrs. Isabel Briones of California writes to me:

> DEAR CONGRESSMAN TORRES: I am a new mother of a 4-month-old daughter. I have decided to quit a promising career as a buyer to stay home and devote my time caring for my baby. I believe the warmth, love, and security I can provide during her growing years will help her grow into a more stable, responsible person.
>
> I may not be able to stay home and care for my child. We now have to change our lifestyles quite a bit, and make more sacrifices so we can provide the basic necessities, including medical insurance, since my husband's work does not cover for dependents.

Mrs. Briones is part of a young working family. One where the father works a full-time job out of the home, and the mother works at home taking care of her 4-month-old infant daughter.

Thirty-five million Americans have no health insurance. Most of them, more than 85 percent, work, or like Mrs. Briones, live in a family headed by a worker. The majority of the uninsured are in families of married couples. Ten million of the uninsured are children.

In my own State of California, the number of the uninsured has increased dramatically. During an 8-year period, from 1979 to 1986, the number of people without health insurance coverage, no private insurance, no Medicare, and no Medicaid, known as MediCal in California, increased from 3½ million to more than 5 million.

The scope of the health care crisis is remarkably broad. It now touches, or threatens to touch every American household. Today, more than 1 in 5 Californians has no health insurance. The health care crisis hits small businesses the hardest. I was appalled to learn that at least 5 million children without health insurance live in households headed by a small business employee.

With small businesses providing much of the engine for our domestic economic growth, it is unacceptable, in an industrialized country such as ours, that children of small business employees go without health care.

Take, for instance, the case of Connecticut car dealer Richard Shaker, whose story is described in the June 11, 1991, edition of the Washington Post. Dick Shaker learned that health insurance premiums for his 50 employees were going to rise an additional 30 percent, threatening the very survival of his business, founded 60 years ago by his father.

Dick Shaker's insurance problems started when Katie Reed was born to one of his best salesmen, Bill. Soon after her birth, doctors discovered Katie was partially blind and deaf and needed surgery on her esophagus, then on her spine. Also, she needed to eat through a tube in her stomach. Katie needed operations, including open-heart surgery, to make it through her first year of life.

When it came time for Dick Shaker to renew the dealership's health insurance policy, the insurance company told him that the rates would be close to 30 percent higher. When Dick Shaker shopped around, he found that no other insurance company wanted to cover his business if Katie was included.

Dick Shaker tells us, "I was scared. A lot of people said we should let Bill Reed go, but we weren't raised that way. We could not just leave him out in the cold."

Many small businesses are being faced with this dilemma. When a member of the small business group gets sick, and actually needs health insurance, the entire group may be denied coverage, or be charged rates that will break the small business.

Twelve million Americans, over a third of the uninsured, are in small businesses. Clearly, we need to understand the special problems of small businesses. We need to have a regular source of information on the specific health needs and problems of small businesses. The path to health care reform must include a sensitivity to the needs of small businesses, and a response to these needs.

The time for health reform is now. We can no longer deny our people their health.

□ 1730

Ms. OAKAR. Mr. Speaker, I thank the gentleman for his excellent statement that mirrors the problems that we have, and I thank him for accepting the role as co-vice-chair of our new bipartisan health care caucus designed to put health care on the front end of the domestic agenda for this Congress.

Mr. Speaker, I yield to my friend, the gentleman from Vermont [Mr. SANDERS] and I am delighted that he was able to be here.

Mr. SANDERS. Mr. Speaker, I thank the gentlewoman from Ohio for yielding and thank the gentleman from California [Mr. TORRES] for his important remarks as well.

Let me, if I might, just give an overview of the problem. We have heard some of the aspects of the problem.

The first point that we have to make is that in this Nation, ostensibly the richest nation in the world, we have to ask ourselves a simple question: How come in every other industrialized nation on Earth, with the exception of South Africa, and we should be wondering why we share this commonality with South Africa, every other nation has in one form or another a national health care system which guarantees health care for all of its people?

It is true that the national health care systems around the world are different. The Swedish system is different from the English system which is different from the Japanese or the German or Canadian system, but basically all of them share the common accomplishment of saying that if you are a citizen of this country you are going to be guaranteed all of the health care that you need without out-of-pocket expense. Yet we do not do this.

In our country, 35 million Americans have no health insurance, 50 million Americans have partial health insurance, which means that if you end up in the hospital or you have an accident, you are going to go bankrupt paying off those bills.

In terms of our infant mortality rate, we rank 22d, I repeat, 22d in the world, not a very positive accomplishment for this Nation. In terms of life expectancy, how long do we live? We rank 12th in the world. Over 20 percent of the women in our country receive inadequate prenatal care, 40 percent of our toddlers are not fully immunized.

In other words, my friends, we have a health care system which is disintegrating before our eyes. Some may say given that record, that dismal report, that maybe we are being cheap, we are just not putting enough money into health care, let us just start pouring some more money into the problem. Yet, my friends, of course that is not the answer, because on top of the disgrace as to how poorly our system functions, we must make the point that this dismal system is costing us far, far more per capita than any other health care system on Earth. This is an interesting chart that I do not know if the cameras can pick up on, but it talks about per capita health care spending around the world. The point is in the United States we spend close to $2,400 a year per capita. The Canadians, which have the second highest per capita spending, are at $1,683. We spend 40 percent more than the Canadians, over twice what the English spend and so forth and so on. In terms of our health care spending as a percentage of our gross national product, we are leading the world.

As the gentleman from California, [Mr. TORRES], mentioned a moment ago, the cost of health care is zooming up. In my own State of Vermont elderly people are looking at 20 or 30 percent increases in their health care insurance.

Having said all of that, what is the solution? Should we continue to talk about this issue for another 50 years, because we should remember that in 1948 when Harry Truman ran for President and won, do you know what he talked about? He talked about the need for a national health care system.

Now some people say the Congress moves slowly. I agree. But my friends, 43 years is even very slow for this institution.

What is the solution? What do we do? I think really we know the information, we know what we need, we know the direction that we have to go in, and we know why for 45 or 50 years we have not yet gotten there.

The most important fact to understand is that, in terms of movement in health care, if we move toward a national health care system which guarantees health care for all people, which is comprehensive, which is single payer, which finally says that this Nation can no longer afford the 1,500 separate private health insurances with their myriad of different policies, with doctors going crazy trying to fill out the bills, with hospitals asking gee, do we cover you in Connecticut General for aspirin, you for Blue Cross and Blue Shield for this and that; if we finally say that we can no longer afford to accept the 1,500 separate health insurance companies and move toward a single payer system, the General Accounting Office of the U.S. Congress recently estimated that we could save $67 billion. Using more recent figures, a study in the New England Journal of Medicine indicated that the savings could be $100 billion moving toward single payer, one system, one insurance company for rich and poor, young and old, saving $100 billion which we then take out of the bureaucracy, take out of the billing, take out of the paper pushing and use that for health care.

□ 1740

You know what, with that money we can guarantee health care for all of the uninsured, all of the partially insured. We can, in fact, have a national health insurance system without spending one penny more than we are presently spending, an estimate of $700 billion. We can guarantee health care for all of our people, so I think, my friends, the answer is that this Congress has got to do something which, in fact, is very hard for this Congress, and that is we have got to summon up the courage to stand up to the private insurance companies, to the AMA, to the pharmaceutical companies, to the medical equipment suppliers, to the people who are making billions and billions of dollars out of this disintegrating system, and say, "Sorry, our priority is not profit for you but health care for all of the people."

I would ask my colleagues to join me in moving forward toward a single-payer national health care system for all of our people. We can have that without spending a penny more than we are right now.

Ms. OAKAR. Mr. Speaker, I yield to the gentleman from Rhode Island [Mr. REED].

Mr. REED. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I wish to address this very, very important issue. I also want at this time to salute the gentlewoman's distinguished leadership in this great fight for health care reform in the United States. Her efforts, along with the gentleman from New Jersey [Mr. RINALDO], the cochair of the Caucus on National Health Care Reform, are setting the pace of this Congress to deal with the critical issue. I would also like to acknowledge and thank my friend, the gentleman from California [Mr. TORRES], and the gentleman from Ohio [Mr. HOBSON], who are also leading the way in this very difficult issue and, of course, my colleague, the gentleman from Vermont [Mr. SANDERS].

Mr. Speaker, we are in the midst of a grave health care crisis. As I go throughout my district in Rhode Island, this is the one topic that every constituent, every person, is excited about and fearful about.

When I talk to seniors, they are concerned that their health care will not be sufficient to maintain them. They are concerned that the cost of health care will make them literally bankrupt. They see escalating pharmaceutical prices. They see decreasing access to quality health care, and they are concerned.

When you talk to health professionals, doctors and nurses and professionals of all types, they see a system fraught with confusion, inefficiency, undermining their ability to practice good medicine.

We have talked to small business people. They see escalating costs, unpredictable costs, which destroy their budgets and pit small business against working people. That situation has to be corrected.

Then when you look to children and you see, as the gentleman from Vermont [Mr. SANDERS] pointed out, where most other industrial societies have policies which care for children, we do not, and many of the problems we face in society today and in the future are directly related to a lack of care for children, medical care.

As a member of the House Education Subcommittee on Elementary and Secondary Education, we are struggling with difficult issues in improving the quality of education in the United States, and time and time again we are reminded that one of the critical factors that impedes good education is poor health care for our children, particularly prenatal care and pediatric care. If a child is not cared for, then, unfortunately, and regrettably, there is a strong possibility that he or she will enter school unwilling or unable to learn, and that this will carry over into the work force.

So we have a grave crisis that affects all Americans, and we talk about a health care system. Well, in reality, we do not have a health care system. We have an ad hoc series of arrangements which have grown like Topsy and without direction or coherence over many, many years.

It is time now for the fundamental reform to make our health care system work for America.

The sad legacy of this lack of policy and lack of direction is for too many people in America getting sick means going broke, and we have to change that.

There are four significant parameters in health care reform which we must address. First, we have to extend coverage to all Americans, and we have to provide that coverage, adequate for even those with minimal coverage right now.

Second, we have to contain those costs. As has been said before by my predecessors, we are spending a lot of money for health care in America with very little to show for it. We have to contain costs.

There are proposals and projects today in Rhode Island to try to get a handle on those costs, to try to develop innovative systems, to try to cut out some of that incredible paperwork where, through a myriad of payers, third party, second party, through hospitals, through Federal regulators we spend more time doing paperwork than doing medicine.

We also have to insist on health care reform for professional responsibility and professional input so that our medical practitioners can provide the best possible care for all Americans.

Then, we also have to provide consumer choice, because any system to work has to give the average man and woman the opportunity to make wise choices and efficient choices.

The challenge is great, but it is unavoidable. We have to reform our health care system. It is part and parcel of what it is to have a just and decent society and a productive society. Ultimately the measure of America is not how many people have expensive sports cars and how many people can vacation around the world. It is are we a just, decent, and productive society, and the hallmark of such a society is a medical system that provides access to all at affordable prices. That is our goal.

I am encouraged by the leadership of the gentlewoman from Ohio and her colleagues. They are in the vanguard of a great struggle. They will succeed, and we will succeed. Now is the time to begin.

I am glad today that we are beginning those steps.

Ms. OAKAR. Mr. Speaker, I thank the gentleman for his excellent statement.

At this time, Mr. Speaker, I yield to my distinguished colleague, the gentleman from Ohio [Mr. HOBSON], who, as a member of the Ohio State Senate, was the leader of health reform, and we are so lucky, I think, to have his expertise here in the House of Representatives. He is also a co-vice chair along with the gentleman from California [Mr. TORRES], indicating the bipartisan nature of this caucus.

Mr. HOBSON. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I appreciate this opportunity to share my thoughts on bipartisan strategies for addressing the American health care crisis. Also, as the vice chair of the Bipartisan Caucus for Health Care Reform, I want to thank my colleagues for their participation in this special order. In particular I want to thank the Bipartisan Caucus cochairs, MARY ROSE OAKAR and MATTHEW RINALDO, and Vice Chair ESTEBAN TORRES for their initiative in organizing this special order.

Mr. Speaker, health care reform is no longer a rhetorical debate, limited to hospital halls and the board rooms of insurance companies. Health care reform is being discussed on the assembly line, around the kitchen table, and in Congress.

When I visit county fairs and ice cream socials; when I answer the mail that comes into my office; when I meet with the leaders in the public and private sector—these are the questions I am asked most often: How do we contain health care costs? How do we ensure access to health care services? How do we address the anxiety and fear that now exists because of our Nation's health care system?

I began looking for the answers to some of these questions in the Ohio General Assembly. I served in the Ohio Senate for 8 years—and for 4 years I was the chairman of the senate health committee. As I began to recognize the complexity and scope of this issue, I also became convinced that positive reform is possible only through bipartisan efforts and support.

As a member of the Republican majority in the Ohio Senate, I worked with the Democratic majority in the House and Governor's office to establish innovative health care programs.

In a bipartisan effort, I sponsored legislation to:

Promote Alzheimer's research and respite care,

Reduce Medicaid fraud and patient abuse,

Reform Ohio's Department of Mental Health,

Provide home-based health care programs to senior citizens, and

Establish a cost effective yet caring policy to battle the AIDS epidemic in Ohio.

The strength of these programs—and the ongoing success of these programs—is based on our initial attempts to gain broad based input and support. These programs are more than political victories—they are reasonable attempts to address a definite need.

Today in America there is a definite need—a need to provide access to cost effective, high quality health care. Our discussion here today is in response to that need; a reaction to facts that are too dramatic—and often too devastating—to ignore:

National health expenditures are currently around 12 percent of GNP. Over the past decade, health spending increased 30 percent. In the next decade, health spending is expected to increase another 45 percent. Inflation and population growth account for only half the increase; the other half is due to the intensity and volume of health services, and medical price growth.

Thirteen percent of all Americans, many of them children, do not have adequate health insurance. Of these individuals without insurance, 80 percent live in working families and at least 60 percent live in families with an income above the poverty line.

Seventy-five percent of our Nation's expenditures on long-term health care goes to nursing homes. Fifty to eighty percent of this amount is provided by Medicaid. In the next 50 years the nursing home population will grow from the current 1.7 million residents to nearly 5 million residents.

And finally, rural health care is suffering as malpractice insurance and limited access to specialized equipment forces physicians into group practices in urban areas.

These facts are the foundation of the congressional debate on health care reform. However, the debate that is being held on the assembly line, and around the kitchen table, is not driven by fact—it is driven by anxiety and fear.

Americans have every right to be afraid when:

They do not have access to an OB/GYN in their community because malpractice insurance is too high, and salaries are too low, to attract a qualified physician;

They have a preexisting physical condition that makes them ineligible for health insurance;

They are forced prematurely into a nursing facility because they cannot afford—and the Government does not reimburse—home health care and hospice services;

Their insurance does not support preventative health care and they cannot afford a screening mammography for the early detection of breast cancer.

As we begin this process of health care reform, we must recognize that there is no one answer, no single solution, to satisfy our diverse constituencies. We will encounter conflicting facts, competing constituencies, and ethical dilemmas. And we will, of course, encounter politics.

However, in closing, I want to say I am optimistic that we can create a constructive dialog on this issue; that we can include everyone in the discussion; and that we can begin to work toward reasonable health care reform.

I am optimistic because we have a range of options and proposals available to us—innovative State programs that are proven to work; health care systems in other countries that we can observe and use as examples of what does, and does not work; and we can work with our current system, enhancing the effective programs and eliminating those programs that are inconsistent with our evolving vision of what health care should be.

And finally, I am optimistic because I know that the individuals who will push our efforts toward serious reform are, at this moment, debating this issue on the assembly line and around the kitchen table.

☐ 1750

Mr. Speaker, I am just pleased that we, in Congress, have finally recognized, by coming together, that we must find an answer and a solution to this problem. It is never too late to start. I am glad we are finally starting.

With the kind, strong leadership, and determined leadership of the gentlewoman from Ohio [Ms. OAKAR], I think we will come up with solutions that will be helpful to this problem in this country, and provide the kind of health care, and health care with dignity, that our constituencies across this country want. I am especially pleased when I see constituencies like the AMA, the labor unions, doctors, and others, as a whole, and especially politicians, coming together and saying that we have to get rid of rhetoric. It is time to begin to find solutions that will work. I am sure with the leadership of this bipartisan coalition that we will move forward on this issue. I thank the gentlewoman for her leadership in this manner.

Ms. OAKAR. Mr. Speaker, I thank the gentleman for his excellent statements. I look forward to working with the gentleman from Ohio [Mr. HOBSON] very, very closely.

Mr. Speaker, I yield to the distinguished gentlewoman from Hawaii [Mrs. MINK], who has been a longtime advocate of health care reform, and who is an outstanding Member of Congress.

Mrs. MINK. Mr. Speaker, I rise today to urge my colleagues to support the concept of universal health care for America, and to recognize the need for an imaginative agenda of health care reforms to benefit each and every man, woman, and child in this great country.

I would also like to take this opportunity to commend the Bipartisan Caucus for National Health Care Reform, cochaired by my esteemed colleague from Ohio, Congresswoman MARY ROSE OAKAR, for bringing into focus once again our critical need for unprecedented reforms to our health care system.

Unlike other band-aid type approaches to health care, we must have comprehensive solutions to the health care dilemma in our Nation. Proposals that advocate mandated benefits and insurance reform are only partial solutions. We need equity, and access in every State that does not merely gloss over the need for real change.

Mr. Speaker, we can no longer endure half-measures. The entire body of America's health care system is sick, and we need to heal its pervasive wounds.

Thirty-seven million Americans go uninsured in this Nation. Our average working families cannot afford to take their children to the doctor when needed. The elderly and disabled are shamefully ignored. Hospitalization can often devastate the financial situation of individuals and families over the simplest admittance not covered by insurance.

Even those who have medical insurance will not be able to afford the escalating costs of health care much longer because of rising premiums. Between 1970 and 1980, health care costs amounted to 6.6 percent gross earnings for the average American. In 1989, this figure increased to 9.5 percent of earnings. Insurance or no insurance, the affordability of basic health care is rapidly ascending out of the reach of even more Americans unless something is done.

With universal health care reform, each and every American will be guaranteed high quality health care—no matter which insurance company covers them now, who their employers are, or what State they live in. The right to receive standard medical services including preventive care, hospital services, nursing-facility services, home-health care, hospice care, dental and vision services, and prescription drugs will be available for all without qualification. There would be no more confusion about what medical services are covered and what is not. Copayments and deductibles will be words of the past in health circles.

Sounds too good to be true? Well believe it. The simplification of the health-care process can and must be done to sweep aside over 1,500 insurance plans and a myriad of other programs that could actually save all Americans billions of dollars.

Mr. Speaker, I have special interest in this concept of a universal health care system because my home State of Hawaii is already far ahead of the Nation in the implementation of such a program, with over 17 years of practical experience that it works.

Hawaii is the only State in the Union to offer an employer-mandated benefits program for health care. We are the only State which now provides universal access to health care through the creation of a program which complements our existing health care access and delivery systems.

In 1974, Hawaii adopted the Prepaid Health Care Act, which requires employers to provide health insurance and medical coverage for most employees in the State. To be eligible for coverage, the employee has only to work more than 19 hours a week and earn a minimum amount of salary or equivalent wages. Employees and employers share the costs of their insurance program, with costs of the employee's contribution not to exceed 1.5 percent of their monthly wages.

To be sure, the Federal Medicaid Program provides a major portion of the population with medical coverage. In Hawaii, about 72,000 persons are provided coverage under Medicaid.

Medicaid covers the elderly poor and disabled, and children under the age of 6 years with incomes up to 133 percent of the poverty level. Expectant mothers and infants up to 1 year of age are also covered, provided their family incomes do not exceed 185 percent of the poverty level

And of course Medicare covers persons over the age of 65 years.

The result is that about 95 percent of the people of Hawaii were provided medical care coverage through the combination of private and federally supported insurance.

The 5 percent not covered numbered about 30,000 to 35,000 persons.

In 1989, Hawaii enacted the State Health Insurance Program [SHIP], which covers about half of the remaining 5 percent, leaving only about 17,000 persons who are not now covered by any program. At present, Hawaii has achieved almost 98 percent of a truly universal health care system.

The State Health Insurance Program uses the private insurance industry to extend coverage to the gap group through two of the largest insurance carriers in Hawaii. Competitive bidding was used to select these vendors, with over 1,000 participating physicians enlisted in one of them. The other is an HMO.

SHIP allows a minimum of 12 physician visits within each calendar year, with a $5 copayment per visit and limited hospitalization coverage lasting no more than 52 days. It covers income from 100 to 300 percent of the poverty line. These families pay a graduated monthly payment with an increasing individual share as income increases, and the State subsidizes the remaining costs.

The Hawaii program has been in operation since the summer of 1990, and as I said still has some 17,000 persons outside of the system. The State government has come to the Congress to ask permission to consolidate all Federal funds in the health area so that with sone funding source, it might be able to provide complete coverage on an absolutely universal basis.

The Hawaii model is certainly an alternative for providing universal health care, Mr. Speaker, which I am proud to speak of. The most important point, however, is I believe we have the occasion to install an even better, more unified program across the entire country.

I believe we can have a program which will allow us to have a national program at the lowest possible per capita cost. American consumers will not have to be plagued with confusing forms to fill out, applications to submit, and massive confusion of what treatment or services are covered and what are not; who is eligible, and who is not?

We should be promoting the concept of wellness, to set up a system to keep people healthy, encourage people to visit their doctors often, to have mammograms and pap smears, blood tests, and all the other preventive care services for the young and old that ward off sickness.

Universal health care is not an idea too far into the future to enact into law today. In point of fact, Hawaii has on its own moved in the direction of a universal system and broken ground for the rest of the Nation. But America needs a program to include all States and citizens, and we, in Congress, can accomplish this.

It is not too expensive—Americans are already paying over $756 billion for the spotty health care system in place today. Of this amount, nearly 30 percent is paid by the Federal Government already through payments under Medicare—$114 billion, Medicaid—$39 billion, and other Federal health expenditures which totaled $174 billion in 1989. The States and local governments pay $83 billion or about 13 percent of the total. Senior citizens are paying over $84 billion for their participation in the Medicare Program and for other health coverages. Corporations and businesses contribute about $176 billion toward the health insurance policies of their employees. And private persons pay over $135 billion for their own health insurance programs and for out-of-pocket medical expenses.

Three-quarters of a trillion dollars is being spent on our present health delivery system in America of uneven availability, questionable fairness, and appalling costs. Too many people are falling through the cracks. Too many, are being priced right off the examination table.

Every year that a universal health care system languishes on Capitol Hill, America loses a little more of its energy and productivity. Our seniors see their golden years lose more glitter. Our children's ambitions are lowered. And families face disintegration as the cost of medical care overwhelms their finances, emotions and hope.

Mr. Speaker, I urge my fellow members to support universal health coverage and the well-being of all Americans.

□ 1800

Ms. OAKAR. Mr. Speaker, I thank my friend for her excellent statement.

Mr. Speaker, I yield to the gentlewoman from Maryland [Mrs. BENTLEY], my distinguished colleague.

Mrs. BENTLEY. Mr. Speaker, I want to thank the distinguished gentlewoman for yielding to me. I was over here for another purpose, but having listened to all this discussion, I thought there is not a day that goes by in my district office that we do not have a cry for help from a constituent family that suddenly has been hit with the high cost of an illness, and this certainly is a No. 1 problem for every district in this country and for people everywhere; so it is crucial that something be done to provide the kind of adequate care for all Americans that they need. I do encourage the caucus to go on.

I want to commend the very distinguished gentlewoman from Ohio for her leadership on this vital subject, and to say that I want to join her bipartisan caucus. I do not know why I am not on there already.

Ms. OAKAR. Well, I am happy to put the gentlewoman on.

Mrs. BENTLEY. I would be very happy to join.

Ms. OAKAR. The gentlewoman will be No. 73, and the gentleman from California [Mr. DYMALLY] has indicated that he would like to be on. That is 74.

Anyone else who is not a member?

Let me yield further to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Speaker, I will include the following statement on this subject in the RECORD:

Mr. Speaker, I do not think that there is a Member of this body that has not discovered the huge rips that run from one end of our health care fabric to the next. If one takes a snapshot on this day, August 1, 1991, one finds that the health care picture is not all that pretty.

Aside from the general fact that our health care costs are rising at an outrageous pace, we have clinical laboratories in the Second District of Maryland which employ as many people to collect bills and shuffle paperwork as to turn out medical results. Many of our small businesses, already weathering an onslaught of federally imposed mandates, are unable to provide adequate employee insurance. Not an insignificant number of these small businesses are hovering near the brink of insolvency. We have 34 million people who are underinsured. We have Congress imposing so many additional mandates on State Medicaid programs to the point that they now have to find creative and, quite frankly—highly questionable—means of fulfilling them. These revenue-raising programs—I believe the one in Maryland is referred to as the "provider fee project"—are a last gasp effort to keep up with the mandates. But let's face it, they are nothing more than clever bookkeeping schemes.

And, last but not least, we have a lot of rhetoric. I suspect that in the coming months the level of rhetoric will build and build, eventually coming to resemble the notorious, midsummer, black-fly swarms of Maine. But unlike the black-fly swarms that plague hikers—this one won't go away in the fall. The Congress, the administration and the American people are going to have to reach some kind of consensus in order to settle this problem.

I would submit that, under no circumstance, should our collective action in scripting out a workable solution be driven by the embarrassment factor. The most common example of the embarrassment factor is when you have 700 op-ed pages screaming out phrases like: "The United States is the only western industrialized nation that doesn't have a mandated parental leave policy in place—we should look to Sweden." Why should we look to Sweden—a country with one of the highest suicide rates in Europe and an astronomical number of unwed mothers, as the example of how to craft a successful social policy?

We also do not need to rush into adopting a Canadian or British-style system based on scattershot polling data. Each of these systems has some distinct problem areas that cannot—under any circumstance—be glossed over by this Congress. In fact, earlier this week, the Canadian Ambassador to the United States, Derek Burney, was up here telling Members and staff that they—the Canadians, that is—might do things a bit differently if the original blueprint could be reworked, perhaps by adding a few selective restraints into the overall equation. In Quebec, according to the Ambassador—"I am paraphrasing", efforts to slow the utilization rates of the emergency room, for nonemergency situations, by adding a $5 charge, were derailed by the Federal authorities. In Canada, attempts to implement selective restraints, such as the $5 charge, are viewed as compromising the integrity of the health care system, and, thus, are frowned upon at all levels of society.

Likewise, in the United States, attempts to limit the spread of new technologies would be dimly viewed by the general public. Our system tends to be somewhat more flexible than our northern neighbors and we should hesitate before acting in a rash fashion. Clearly, we have some major problems with our own patchwork system, and clearly we have to work together to solve them.

One particular area that demands more attention is that which involves pharmaceutical products. I've held hearings on this issue and some came away deeply impressed both by the scope of the problem, but also the difficulty in nailing down a solution. Many would simply argue that we control drug prices by forcing pharmaceutical companies to charge less. But, while appealingly simple, it leaves unanswered the issue of providing the financial incentives for pharmaceutical firms to continue their research. And with AIDS and heart disease and cancer just a few examples, new and improved drugs such as taxol will continue to be in high demand. Therefore, we must also look at how doctors and pharmacists prescribe and treat their patients. Should select surgical procedures or certain pharmaceutical products always be used? How about generic versus brand name products?

Another issue of equal importance involves a fairly widespread practice known as defensive medicine. One of my constituents in Baltimore—a urologist—told me about a patient of his that came in for a minor surgical procedure. Well, evidently, when the patient was resting in the recovery room he complained of having chest pains. Making an on-the-spot diagnosis, the attending physician administered a few tablespoons of Maalox and was sent home a few hours later. The patient had heartburn. The next day, the physician was chewed-out by his superior because he hadn't administered a full battery of cardiac tests. The reason: If the patient lost control of his automobile in 2 weeks time, crashed into a tree and happened to die, the man's estate and insurance company would have a field day because they would claim negligence on the part of the hospital. The insurance company would claim that the man had actually had a minor heart attack while resting in the hospital. Now, this is but one of the untold number of stories about defensive medicine—a routine practice that must add billions of dollars to our health care tab.

Mr. Speaker, for those of us who have spent time examining this issue, the need for improvement is painfully obvious. Thus, I hope that the administration and this Congress will set aside the need to score political points at the expense of sitting down to carve out an appropriate set of solutions. The American people deserve no less.

Ms. OAKAR. Mr. Speaker, I thank the gentlewoman for her fine statement and for joining the caucus.

Mr. Speaker, I yield to the distinguished gentleman from Kentucky [Mr. MAZZOLI], a long-time advocate of strong health reform.

Mr. MAZZOLI. Mr. Speaker, I thank the gentlewoman very much for yielding to me. It is a great pleasure to join the gentlewoman from Ohio, a leader in this entire field of health care, for this special order. It has been a pleasure of mine to work with her in many different endeavors over the years. It is both a personal pleasure as well as a professional pleasure to work with her.

As the gentleman knows, the fact that she comes from Cleveland, OH, which is the birthplace of my own mother, makes her a particular favorite in our household.

But beyond the fact that I admire her skills as a legislator and her abilities as a person, this issue of health care is so very important that I really think the creation of this caucus is an absolute essential function toward blending together the legions of proposals which are pending in the House and in the other body, blending them together to try to grab the strength and take the high points of all the plans and work them into an overall program that can be adopted that can be costed out correctly and that accomplishes the task of delivering health care to American citizens, many of whom, and we have heard the figures, some 30 million may not even be covered by health plans, and some of those who are covered are not covered adequately for certain types of procedures.

I would share what my friend, the gentlewoman from Maryland said a few moments ago, that I cannot think of any type of call that our office gets more frequently than calls about health coverage and Medicaid programs. I think the gentlewoman would agree that when she has her town hall meetings, as I have mine, that people come and their virtual sole topic is the question of health coverage, and what will we do, what can we do.

So I just want to commend the gentlewoman from Ohio. I think she in her career in the House has done remarkable work in many categories, and I salute her for those efforts; but perhaps the crowning achievement that the gentlewoman has had is in focusing the attention of this House and this Congress and the world and countries' attention on the question of health, health for women. The gentlewoman has been indefatigable in her devotion to the idea of having mammography and other kinds of coverage for women; but here is an opportunity for all of us in the House working together in this form of the caucus that the gentlewoman has created to lend our hearts, our minds and our shoulders to the task of getting a major piece of legislation; so I want to commend the gentlewoman and all those who worked with her. I am proud to be a charter member of the caucus and look forward to working with her in the years ahead in helping the people of this country in their health care needs.

Ms. OAKAR. Mr. Speaker, I thank my friend for his wonderful statement. Of course, the gentleman from Kentucky is one of the finest Members of this body, and the gentleman has a mother born in Cleveland, OH. How can we miss?

Mr. MAZZOLI. What can I say?

Ms. OAKAR. Mr. Speaker, I yield to my distinguished colleague, the gentlewoman from New York [Mrs. LOWEY], who has done wonderful work in the area of health care as well.

Mrs. LOWEY of New York. Mr. Speaker, I want to thank my distinguished colleague, the gentlewoman from Ohio [Ms. OAKAR] for her outstanding work in health care.

Just last week the gentlewoman was on the floor of the House fighting for additional money for research for cancer. The gentlewoman has been in the forefront of the battle for mammography, and I am just very proud to work with the gentlewoman. I look forward to continuing to work with the gentlewoman, because as the gentlewoman and I know, the calls that we receive from people who are in distress push us forward in working together to solve these critical problems. There are many agendas in the House, but I believe almost every Member has agreed that health care is number one, and it is the basic health care needs that are so critical. We just have got to come to the aid of these people who are feeling squeezed. Their costs are going up. They are getting forms returned every day without their costs being reimbursed, so we have to work in that direction.

Mr. Speaker, health care reform must be at the top of our agenda. The problems that Americans are encountering in trying to take care of very basic health care needs are devastating them emotionally and financially. We must come to their aid without further delay.

Let me share with you a letter I just recently received from a constituent that I think points out the absurdity of the situation that exists today. The gentleman suffered a leg injury, but his first reaction was that it would take care of itself and there was no need for medical attention. Six days later, a bruise developed and pain persisted which led him to worry that the problem was indeed possibly severe. He sought medical threatment, and then submitted a claim to his insurer. His claim was rejected because he had not reported the injury immediately after it occurred!

Can you believe it? Here we had an individual who tried not to have to run up the cost of health care, and then he was penalized because he was cautious in adding to the pressures on our health care system.

Something must be done.

And our doctors are finding themselves in a bind as well. I am confident that every one of my colleagues has heard from physicians in their congressional districts who are upset about the workings of the Medicare program and, in particular, the recent proposals for revamping the Medicare payment schedules.

One doctor wrote to me:

> The current approach to regulating medical costs and care in the United States will devastate medical care to the elderly, cause premature American deaths, and will seriously degrade and impede progress of the future of medical advances * * * the System demands restructuring based on needs and fairness. If the current trend continues, our children will receive worse medical care than today's elderly population.

Something must be done.

The problems go on and on. There are 37 million Americans without health care coverage. Millions more have inadequate coverage.

Today in America, all too many people are forced to choose between providing the health care of a parent or meeting the educational needs of a child. They are forced to choose between new shoes and immunizations. They are forced to choose between nutritious meals on the table and prenatal care.

Those are choices that no one should have to make. They are unfair choices between needs, not luxuries.

We must come to their aid.

I realize, as do all Members of this House, that the solution will not be an easy one, nor will it be cost-free. There are dozens of ideas that have been put forward to constructively respond to the crisis that is literally bankrupting many American families and to ensure that our Nation is one of healthy individuals. Quite frankly, when our Declaration of Independence promised the American people the "right to life, liberty and the pursuit of happiness," I have to think that the brilliant individuals who conceived this Nation understood that life and the pursuit of happiness required one very basic precursor: health care.

This discussion this evening is an important step toward finding a consensus. It can be done, and the American people are demanding that we get it done.

□ 1810

So again I congratulate the gentlewoman from Ohio, Ms. OAKAR, for taking out this special order.

Ms. OAKAR. Mr. Speaker, that was a beautiful statement. I thank the gentlewoman for her kind words.

Mr. Speaker, I yield to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I am not at all surprised that Congresswoman MARY ROSE OAKAR is heading this bipartisan caucus on health. This brilliant woman is ahead of us many steps when it comes to issues affecting American families and she is certainly one of the experts on health.

In my district, I say to the gentlewoman from Ohio, there is a gentleman by the name of Cliff Holliday. I believe Cliff has been assigned to me because wherever I go Cliff Holliday shows up and reminds me of the national health insurance. In fact, if I want a crowd at my town hall meetings, all I need to do is call Cliff and say, "Cliff, let's talk about health." In fact, he has a breakfast meeting on Sundays in which he discusses health problems.

Mr. Speaker, it is the most important subject in the 31st District in California. I am very pleased to join with the gentlewoman from Ohio and supporting her efforts in this very, very critical area, and I commend her for giving us this leadership on health insurance.

Ms. OAKAR. I thank the gentleman for his excellent statement and kind words and look forward to his leadership on this issue.

Mr. Speaker, I yield to the gentleman from New York [Mr. SCHEUER], a pioneer in this area.

Mr. SCHEUER. I thank my colleague, the gentlewoman from Ohio [Ms. OAKAR].

I want to congratulate my colleague from Ohio for her magnificent leadership on the subject of health care, which is probably the thing that troubles more Americans in our country than any other national problem.

Mr. Speaker, to give you an example, Blue Cross and Blue Shield in New

York City have just announced in the last few days an increase of almost 50 percent in the cost of health insurance that would bring the cost of a policy for an individual up to, if you will believe this, $11,000 a year for an individual and for a member of a group health insurance policy, $9,000 a year.

Mr. Speaker, it boggles the mind. This is representative of everybody's feeling who has testified here today, that our country has the most chaotic, disorganized, irrational health service in the world. We pay more than any other country does for health service, 12 percent of our GNP, and we get less.

Health insurance in all of the developed countries combined are far better than ours. The cost to the average developed country is about 8 percent; in Canada and England it is about 6 percent, in Japan it is 5 percent. And they all have better health programs in terms of infant mortality, life expectancy and the like than we do.

Mr. Speaker, this is a national disgrace. We know how to do that. The problem is that we have a health care system that has grown up topsy, that is ill-thought-through, that is absolutely, totally devoid of rationality.

For those in the audience who are old enough to remember Rube Goldberg, this is truly a Rube Goldberg creation that we have on our hands. We have to organize it, we have to think it through and rationalize it. There has to be a fundamental restructuring of our health care system. There are lots of areas where we can save a considerable amount of money. For example, on malpractice, we probably could save $10 or $12 billion on rationalizing the problem of malpractice. But the one window of opportunity that is dramatic, that should excite us all, is the potential of going from this chaotic, absurd system of 1,500 different health insurance companies falling all over themselves competing for business, with enormous selling costs, which costs us about 9 percent of our health care system, which is $700 billion, approximately.

We can get that down to between 1 and 2 percent, and we can save, according to the experts, between $50 and $130 billion. The New England Journal of Medicine had an article a month or two ago—the most prestigious medical journal in the world—indicating that the savings of going to a rational single-payer system could approximate as much as $130 billion. The General Accounting Office says it is maybe only $60 or $70 billion. But whatever it is, my colleagues, whatever it is, it is more than the total cost of going to a national health care system that would serve everybody. The Rockefeller Commission or the Pepper Commission indicated the cost of going to a national health care system is about $60 billion. We can save far more than that, enough to provide health insurance for the 37 million people in our country who are excluded from our health care system.

If we went to a national payer system, that would finance something that every other developed country has, a benefit for our senior citizens; it would pay for long-term care, for catastrophic care for everybody, not only seniors; it would pay for first-rate children's care, the most neglected and abused group in our society, those innocent kids. It could give them first-class care from birth to 10 to 15, and it would take care of the mothers and give them adequate prenatal and postnatal care. It could take care of all of our health care needs, but we have to show the courage and the brains and the integrity and the concern for our constituents to make the structural changes and bring this country into a single-payer system.

□ 1820

Mr. Speaker, there was a movie called "Network" not long ago, and in the course of that movie a television anchor man stuck his head out of the window, and he said, "I'm * * * damn mad, and I'm not going to take it anymore." We all remember that movie.

Mr. Speaker, that is the way the American citizens feel about our health care system. They want us to act, they want us to do the intelligent and courageous thing, and it is up to us to do it, and no item is more important on our agenda. No item facing the American public is more important for us to solve, to address intelligently, than reform, structural reform, of our national health care system.

Again, Mr. Speaker, I want to congratulate the gentlewoman from Ohio [Ms. OAKAR] for her magnificent leadership.

Ms. OAKAR. Mr. Speaker, I thank the gentleman from New York [Mr. SCHEUER] for his wonderful statement and for his efforts in this area.

Mr. Speaker, at this time I think it is important for people to know that we would like to submit for the RECORD the bipartisan congressional caucus quasi-constitution, one might say, outlining a very simple dedication for the purpose of health care reform and the fact that we will not have dues. I mean we are just going to get our act together and try to follow the leadership of the American people. In addition, the release which indicates the Members who have joined the caucus.

Finally, Mr. Speaker, I would just like to say this: In my career in Congress one of my mentors was the late great Senator Claude Pepper. I served with him on the Select Committee on Aging for 13 years, and at the age of 89, 2 years ago this last May, Senator Pepper passed away very regrettably because he had so much energy and so much more he wanted to do. On his death bed in the last few days of his life he asked to see me, and so I was feeling very melancholy, of course, realizing how sick he was, and I went to the hospital, and at first he did not recognize me because he was perhaps highly medicated. Finally, when I came back 20 minutes later, he thanked me for coming and said, "MARY ROSE OAKAR, bless your heart," and I said, "Senator, I know you wanted to see me," and at that time the Senator was chairman of what we now call the Bipartisan Pepper Commission, of which I had the pleasure of being one of the 15 members, and he was our chairman.

Mr. Speaker, he indicated to me on his death bed, and I know all Americans will always be dedicated to Claude Pepper's memory because of the wonderful legacy of legislation that he gave us, but on his death bed, instead of being concerned about his own health, Claude Pepper said, "MARY ROSE, I feel that after 50 years of working for reform in health care, to make it accessible and affordable for every single American, including long-term care, I feel I have failed because I won't be able to fulfill that dream that I have."

I think we owe it to that man's memory to fulfill the dream of having health care for every American, and to that end let us rededicate ourselves in his memory to have this bipartisan, actually tripartisan since we have a Member who is an Independent, as well as Members who are Republicans and Democrats, working together to fulfill the dream of Claude Pepper so that every American can have comprehensive health insurance with a very high standard of coverage. Let us no longer be a national disgrace or an international disgrace. Let us do something about this, and I know together we can do it.

THE BIPARTISAN CONGRESSIONAL CAUCUS FOR NATIONAL HEALTH CARE REFORM

Purpose—The primary object of the Caucus shall be to serve as an unbiased educational resource for Members of Congress who are interested in any problem related to delivery, access, quality or cost of health care and long-term care in the United States.

The Caucus shall promote discussion, debate and analyses of existing proposals to address problems. The Caucus shall host a continuing series of discussions which include guest speakers from diverse backgrounds who may contribute their insight and perspective on the health care debate.

The Caucus shall seek consensus to endorse legislation for health care reforms. Endorsement of any proposal must be by unanimous consent of all members.

OPERATIONAL GUIDELINES

Caucus leadership—The Caucus shall appoint two Co-Chairs from its Membership, one Democrat and one Republican. Each Party shall choose its own Co-Chair. Co-Chairs shall assist in the organization of all Caucus activities and events and shall ensure that all such activities and events remain with the guidelines set by the Caucus.

The Caucus shall also appoint two Vice-Chairs, one Democrat and one Republican, who shall assist the Co-Chairs in the fulfillment of their responsibilities.

Responsibility of Members—Any Member of Congress may join the Caucus. The Caucus shall not require Members to pay dues for membership. However, members shall be required to alternately contribute staff time, materials (letterhead, envelopes, use of copier, etc.) or any other resources necessary to conduct scheduled meetings. Members may not use the name of the Caucus to conduct meetings which are not appoved in advance by both Caucus Co-Chairs. Members may not use the name of the Caucus to endorse legislation or embrace any particular point of view when such activity is not agreed upon by the full Caucus.

Meetings of the caucus—The Caucus shall meet at least once each month. Caucus Co-Chairs shall ensure that all members receive timely notice of all Caucus activities. Any member of the Caucus may suggest additional meetings on any subject which is within the parameters of the stated purpose of the Caucus. Such meetings shall be approved by agreement of the Co-Chairs.

FORMATION OF BIPARTISAN HOUSE HEALTH REFORM CAUCUS ANNOUNCED CAUCUS TO SPUR DEBATE ON BELEAGUERED HEALTH CARE SYSTEM

Congresswoman MARY ROSE OAKAR (D-OH) and Co-Chair Congressman MATTHEW RINALDO (R-NJ) today announced formation of the Bipartisan Caucus for National Health Care Reform which will serve as a clearinghouse of information for Members on the critical aspects of the health care debate. Vice-Chairs are Congressmen ESTEBAN E. TORRES (D-CA) and DAVID L. HOBSON (R-OH). More than 60 House members have joined the Caucus.

"More than a dozen national proposals for health care reform have been introduced in the 102nd Congress," said OAKAR, a senior member of the House Select Committee on Aging. "These proposals are illustrative of the formidable challenge facing policy makers as we wrestle with the task of making adequate health care accessible to all Americans."

"There is no problem on our nation's domestic agenda more vital to millions of older Americans and to the 37 million people who lack adequate health coverage than access to proper health care," RINALDO said. The Caucus will host a continuing series of discussions with speakers of diverse backgrounds to assist members in deliberating health care reform. The ultimate goal is to achieve consensus on specific legislative proposals to remedy the health care crisis in America.

"Access to adequate and affordable health care may well be the most crucial domestic issue facing legislators in this decade," declared OAKAR. "The Bipartisan Caucus for Health Care Reform tells the American people that Congress is ready and willing to address this critical challenge."

Mr. RINALDO. Mr. Speaker, as cochairman of the Bipartisan Health Caucus, I join my colleague, Ms. OAKAR, to express my grave concern about the health care crisis in this country. Comprised of over 70 Members of the House, the Bipartisan Health Caucus has taken the initiative to resolve the most vital issue on our Nation's domestic agenda: health care in the United States. We are committed to addressing the needs of the elderly, the young, the uninsured, labor, and management. But we recognize that this will not be easy.

In 1989, national health spending totaled over $604 billion. This accounted for nearly 12 percent of the gross national product [GNP]. It has been estimated that health spending will reach 17 percent of the GNP by the year 2000. The alarming reality is that if this rate of growth continues, national health spending will double in less than 7 years. In addition, in 1989, Federal spending on health care reached over $174 billion and accounted for nearly 29 percent of all national health spending.

Over 34 million people, or more than 16 percent of the Nation's population have no health insurance coverage, according to the 1990 current population survey. Most uninsured are working adults. As of May 1988, nearly half of the workers not covered by health insurance had no insurance either because they were not eligible, or they could not afford their employer's plans.

The people of this country want to do something about this frightening national problem. The Bipartisan Health Caucus is bringing together Members from both sides of the aisle to achieve a consensus on specific legislative proposals so that we can overcome this national crisis.

Mrs. COLLINS of Michigan. Mr. Speaker, I rise today with my distinguished colleagues of the Bipartisan Congressional Caucus for National Health Care Reform.

Mr. Speaker, over 30 million Americans lack health insurance. The uninsured are a diverse group, spanning all ages, income groups, and employment status. About two-thirds, of the uninsured live in families with a bread winner. In my home State of Michigan alone, slightly more than 1 million residents, or more than 1 in 20 citizens are uninsured. Twelve million children are without health insurance and in Michigan 300,000 children are at risk without health insurance.

At the same time U.S. spending on health is approaching if not exceeding 12 percent of the GNP, far exceeding any other nation in the world. High health care costs have made American businesses uncompetitive in the world marketplace; have forced families to absorb higher out-of-pocket costs; and have led many to question whether we are getting appropriate value for our investment. For these reasons, both access to health care and controlling rising health care costs are of critical importance.

One million Americans each year are denied health care because they cannot pay for it; an additional 14 million do not even seek care they feel they need because they know they cannot afford it. These citizens are at great risk. The huge number of uninsured Americans has a particularly dangerous effect on future generations. Uninsured pregnant women are less likely to seek medical care in the first trimester of pregnancy, reducing the chance for a healthy beginning.

Mr. Speaker, our health care system is facing a crisis. Clearly, the current coverage of health needs in this country is not adequate. As a member of the Bipartisan Congressional Caucus for National Health Care Reform, I will fight hard to improve health care coverage in our country. Any proposal must provide access to health care for the entire population of the uninsured. Comprehensive coverage is particularly important in Michigan where about two-thirds of the uninsured are employed. Since the uninsured are a diverse group I believe we must use a variety of approaches to solve this pressing problem.

I look forward to actively working with my colleagues to focus attention on the problems of health care and developing a solution.

Mr. BROWN. Mr. Speaker, I rise today to address the need for national health care reform. Clearly, the greatest health care challenge our Nation faces through the 1990's is how to provide medical coverage to the estimated 37 million uninsured Americans. As the cost of health care skyrockets, and the number of uninsured people flocking to emergency rooms and filling public hospitals grows, the repercussions can be felt at every level of our economy.

The American health care system contains both the best and worst elements of modern medicine. Our people have access to cutting-edge medical technology, doctors, and nurses who are among the best trained in the world and excellent public and private hospitals. However, we also have a widening health care gap between those who receive excellent care and those who receive no care. We have elderly in desperate need of long-term care who are not fully covered for all necessary services under Medicare. While we spend more money per capita on health care than any nation in the world, we spend it inefficiently, much of it going toward administrative costs rather than direct health services.

I was dismayed to read in a Harvard study that for every dollar the U.S. spends on health care, 24 cents goes toward administrative and billing costs. By comparison, Canada spends 11 cents out of every dollar on such costs. If we were to push our paperwork burden down to the Canadian level, we would save more than $100 billion a year. This would be enough to provide coverage for the 37 million uninsured Americans, with money left over.

Health care providers, particularly doctors, complain that they are drowning in paper snow—the overload of authorizations, receipts, and utilization reviews required by insurance companies before claims will be processed, or even before patients are treated. What we need is a system that keeps accurate and detailed patient health records without excess and unnecessary paperwork. I firmly believe we could do this for far less than we do now without a tremendous amount of difficulty. Electronic processing, standardizing and simplifying claims could save billions a year. The challenge will be in devising a politically feasible scheme for making such a transition without creating any winners or loosers.

The seriousness of our health care crisis is best reflected by the chorus of voices that have reached Washington of late. The Journal of the American Medical Association, in the strongest terms it has ever used, has called for an overhaul of the Nation's health care system. The editor, Dr. Lundberg states:

> An aura of inevitability is upon us. It is no longer acceptable morally, ethically, or economically for so many of our people to be medically uninsured or seriously underinsured.

I believe Dr. Lundberg speaks to the core of the issue when he says we have a moral responsibility to insure all people access to health care. We are long overdue in creating a system that will provide insurance for the millions who are uninsured. The changing attitude of the Nation's doctors in restructuring the health care system is unprecedented and leads me to believe that we are closer than ever to true reform.

Whether or not the American medical Association's radical shift to a more mainstream position on health care reform will help us reach a consensus is uncertain. We still have major obstables to overcome. Proposals are coming from all corners. The problem will not be a lack of agreement on the need for reform. The problem will be finding a consensus to reach a majority on a vote.

So where does this leave us? Despite the political difficulties, I am optimistic. The developing debate for comprehensive national health care reform is off to a good start in the 102d Congress. While the proposals cross the full spectrum of possible options for reform, it is increasingly apparent that consensus does exist on the scope of the problem. Last year's Pepper Commission report on Health Care has moved the debate this far. Now we must seek some common thread among the various existing and emerging proposals.

Mr. Speaker, I am encouraged by the formation of the Bipartisan Caucus for National Health Care Reform. It is just this type of forum that is needed if we are to ever devise a politically acceptable solution to our health care crisis. Bringing priority attention to health care will help foster action and debate between members and encourage our communities, businesses, and health care providers to do the same.

Our system is in need of major renovation—not revolution. We must take steps to improve and expand our existing health care delivery system, which places private insurance—financed largely by employers—at the forefront, with the Government acting in a backup capacity through programs such as Medicare and Medicaid. We must provide health insurance for the millions who have none, either by an expansion of Medicare and Medicaid or creation of an entirely new program. Finally, we must work to control costs without bankrupting our doctors and hospitals, and without denying needed care to the ill.

A singe piece of legislation will not accomplish these goals. Congress must adopt a blueprint for health care in America, and devise a comprehensive legislative strategy to encourage employers to provide health care, an expansion of existing programs to cover many of the uninsured, improvements in our health care delivery system to low-income families, and efforts to control costs.

Improving our Nation's health care system is a goal we all share. I urge my colleagues on both sides of the aisle to continue working together to achieve this end.

Mr. ROYBAL. Mr. Speaker, I greatly appreciate this opportunity to speak before you on what has arguably become the most important domestic issue our Nation faces today, access to health care.

We, in this Congress, and in this Nation, have become content with the idea that the United States provides superior health care. After all, 85 percent of working Americans, in connection with their employment, have private health insurance that covers primary and acute care. But, what of the remaining 15 percent, the 37 million Americans who do not have health insurance? Further, what of the even larger number of citizens who do not possess sufficient long-term care coverage?

How can we claim to have a successful health care system when so many Americans cannot gain access to even the most basic health care needs? Through my research, I am constantly confronted with stories of uninsured pregnant women who possess no resources to seek prenatal care; workers who are ill, with preexisting conditions that may cost them their health insurance if they change jobs; sick children, who are forced to go without needed medical attention because their parents lack the resources to supply much-needed medical attention; and elderly men and women who are refused assistance, and even admittance into facilities, because their insurance policies, unbeknownst to them, do not cover most common chronic, long-term illnesses such as Alzheimer's disease, cancer, and even strokes. These tragic stories occur every day in our society. And yet, we still proclaim successes in the health care industry.

When Social Security was first introduced by former President Franklin Roosevelt, it was intended to provide for both income and health care security. Social Security has achieved unparalleled success in providing income security. Unfortunately, Roosevelt's vision of a nationwide health care program has yet to be realized.

It is time that we conquer that last great frontier as Roosevelt called it, by enacting into law an affordable comprehensive health care program that is available to every man, woman and child in America, and financed in the same manner in which we pay for Social Security.

Mr. PETERSON of Florida. Mr. Speaker, health care reform will be the major issue of the 1990's. No matter what side of the aisle we come from, or what districts we represent, I'm certain that all of us agree that something needs to be done to improve the American Helath Care System.

There is no question that every American deserves access to quality, affordable health care. I commend Congresswoman OAKAR for her efforts in putting together the Bipartisan Caucus for Health Care Reform. This is an issue that affects everyone. With such a monumental initiative as reform of our Nation's health care system, all sides need to be actively involved in the debate.

Health care reform is an incredibly complex issue. We must find a way to provide insurance for the nearly 38 million Americans who lack even basic coverage. The complexity of this issue multiplies when one considers the varied interests of our health care professionals, small businesses, our hospitals, and health insurance providers.

I have organized a health care task force in my district to discuss this issue. Task force members from the medical community, business district, and insurance industry all acknowledge the need for change, but are concerned about the methods to be used. In my meetings with this task force I have come to realize the wide array of opinions and interests represented by all these assorted groups.

Some of the health care reform bills introduced here in the House would dramatically affect the way health care is provided in this country. We must be certain that we understand all the repercussions that even a small change will cause, as there is no going back once the laws are in the books.

As an example, many people are advocating transforming the current health care system into a Canadian-style national health care system. I fear that such a sweeping change could cause more problems than it would solve because we simply do not know what the results will be, and what problems we will encounter down the road. Let's be sure that we do not move too quickly and try to pass a hastily prepared solution. The remedy could turn out to be worse than the illness.

But make no mistake about it, change is coming and it's coming fast. Let's all get involved in the debate to ensure that the final product is one that will benefit all Americans.

Mr. FAZIO. Mr. Speaker, I rise today on behalf of the need for Presidential leadership as we attempt to tackle the challenge of reforming our health care delivery system.

My colleagues and I are all aware of what the problem is. We all know that our health care system is in crisis. We know that over 13 percent of our population—or one in seven people—lack any health insurance coverage whatsoever. We know that for these 33.4 million Americans, quality health care does not exist. Since 1980, the proportion of the American population under age 65 without health insurance has increased by 25 percent. In my State of California, over 22 percent of our residents under the age of 65 have no health insurance whatsoever.

What we are not always aware of but—slowly but surely—are having to accept is the fact that inadequate health care is no longer just a problem for the traditionally underserved populations—the elderly, the poor, minorities and rural residents. It is a problem that is also reaching crisis proportions among middle-class Americans. Eight out of 10 of the uninsured in California are working adults or their children. The American worker can no longer assume that adequate health care coverage is part of the benefits package.

With medical costs skyrocketing, employers are increasingly hiring more and more contract workers, part-timers and temporary workers—and not insuring them. And, employers are transferring more and more responsibility for the cost of insurance premiums to their employees who are covered. And costs and premiums continue to climb as providers extend services to the insured and uninsured alike; the costs of caring for the uninsured account for 30 percent of annual premium rate hikes. The bottom line is that those who are working and insured support the entire system, as they struggle to continue to afford premiums which are increasing faster than national income is growing. Between 1987 and 1989, premiums rose 30 percent.

In spite of the fact that, with costs out of control and coverage decreasing, insured workers are supporting the entire system, they are also at risk financially. In a 1990 study by the Service Employees International Union, family coverage premiums for the least expensive California indemnity plan were expected to be $4,000 for the year. If current trends continue, the same plan is projected to cost

$10,000 by 1995. A middle-income worker with a serious illness must spend up to $5,439 in premiums, deductibles and copayments, or about 33 percent of aftertax yearly income.

So, yes, we do know what our predicament is and, to a certain extent, we know what will bring us relief. Somehow, all Americans need to be covered, and we need coverage at reasonable costs.

But this is a big issue. It's a complex issue. And there are no easy solutions. And, as with any problem of this size and complexity, we need Presidential leadership in order to make progress. Unfortunately, for health care reform, as with other domestic issues, we have none. Mr. President, there can be no major reform without guidance and direction from your administration. We cannot move forward under an administration that continues to turn its back on the very formidable challenges that we face here at home.

Mr. LAFALCE. Mr. Speaker, 10 years ago, when Congress was debating the health care issue, businessmen—large and small—told Government to stay out of the health care field. Business, it was said, could do a better job of regulating health care costs than Government. However, as nationwide health costs have skyrocketed to $600 billion a year, eating up nearly 12 percent of our gross national product, top executives realize that they can no longer ignore the call for Government-sponsored national health care reform.

It is not that businesses have not tried to control health care costs. They have. They have increased insurance premiums and deductibles, put their workers in HMO's, PPO's, and other managed care systems, and even insisted that their employees get a second opinion before electing surgery. There have been some sporadic successes, but overall it just has not worked.

Today, some businesses spend as much as half of their profits on employee health care. Costs are rising at record rates. In 1990, companies paid 22 percent more to provide workers with health insurance than they did in 1989, and costs have increased by almost 50 percent in the past 2 years. As a result, more and more prominent business leaders are championing the cause for national health care.

In a survey recently conducted by the Robert Wood Johnson Foundation and the Gallup organization, 91 percent of CEO's, presidents, and chairmen of the board from the Fortune 1000 industrial and service companies across the country said they believe that dramatic changes in our Nation's health care system are necessary. Additionally, 87 percent of business leaders in the Johnson/Gallup poll indicated that their companies would not be able to bring health care costs under control within the next 2 years, and a 53-percent majority believe that costs cannot be controlled without Government involvement.

As chairman of the Small Business Committee, I am extremely concerned about how our health care system is adversely affecting the Nation's small business community. As the U.S. labor pool shrinks, small businesses are finding it increasingly more difficult to attract and retain good workers. To compete in the labor market, they must offer a competitive package of benefits, and that includes health insurance. But as costly as employee-sponsored health care is for large corporations it is even more costly for the small businessman. The smaller the employer, the greater the problem.

Large companies have a large risk pool over which to spread health insurance risks, and that qualifies them for low group insurance rates. Some companies are even large enough to self-insure. Small companies, of course, cannot. They must shop around for affordable insurance. Some find it, but if one of their employees undergoes a serious spell of illness, the premiums can skyrocket—as much as 60 percent in 1 year.

Given these twin pressures—the demands of their employees and the threat of mandated benefits—small businesses, too, have a vested interest in supporting national health care reform.

Many factors have contributed to the disastrous state of our health care system. However, in order to find an effective solution to the myriad of problems plaguing the system, we must closely examine the hidden costs of health care—costs built into the very structure of the system, making it the most expensive in the world.

The American health care scheme is built on, in the words of the American Medical Association, a mountain of paper snow. Fifteen hundred private health insurers sell many different kinds of policies, each with its own coverage and restrictions. Therefore, doctors and hospitals must bill separately for each patient and procedure. Complex new methods to control utilization, necessitating formal reviews, receipts, and authorizations before individual claims can be paid, have swelled the ranks of claims processors; employee benefits specialists; accountants; consultants; and administrative support personnel. In fact, the number of health administrators in the United States is growing three times as fast as the number of physicians.

Administrative overhead costs now comprise nearly one-quarter, or $150 billion, of the $600 billion our Nation spends on health care. If the present growth rate continues, administrative costs will consume a third of health care spending by the year 2002, and half by 2020. This outrageous trend must be stopped.

In all other industrialized nations, health insurance benefits are standardized. The same fees are paid for the same services, and therefore, bills for the same types of services can be submitted together. Health care providers do not have to keep track of dozens of insurers and differing sets of rules and restrictions. As a result, hospitals and doctors have much smaller billing staffs.

In Canada, for example, there is a single-payer system. The Government provides the same package of health insurance coverage for all citizens, regardless of income or health status, under a single, publicly administered plan. Health care coverage is comprehensive, and there are no deductibles, copayments, or extra billing. The Government has the authority to oversee the system and control costs.

As a result, businesses are not saddled with the administrative and financial burdens of providing health insurance, and per capita spending on health care is much lower in Canada than in the United States—$1,683 as compared to our $2,354. While we spend 24 cents of our health care dollar on administrative overhead, Canada devotes just 11 cents to administration. According to a recent GAO study, if we could bring our administrative costs down to Canada's level, we could save about $67 billion annually. Other studies have estimated the savings as high as $100 billion. These savings would allow us to provide health insurance coverage for the estimated 30 to 40 million uninsured Americans in this country, while leaving enough left over to reduce the cost of care for the entire population.

As evidenced by the numerous health care reform proposals that have been introduced during the 102d Congress, opinions vary on the best way to control costs and reform our current system. Nevertheless, the health care crisis demands our immediate attention. I am pleased to join ranks with so many of my fellow colleagues as a member of the Bipartisan Caucus for National Health Care Reform. Witnessing such broad based support is indeed encouraging, and I look forward to working with the caucus in an effort to cure the ills that currently plague America's health care system.

Mr. CONYERS. Mr. Speaker, curing America's sick health care system is both a moral imperative and a financial necessity. The great irony of our time is that the United States offers the best medical care and most sophisticated technology yet has the worst delivery system of the industrialized world.

We are all too familiar with the outrageous number of Americans who are uninsured—33 million—and the tens of millions of others who are underinsured and only an illness away from bankruptcy. We are equally aware of how poorly we contain health care costs. If costs keep on rising as they have been there will be little room in the Federal budget for other domestic initiatives.

Everyone now agrees health care is a basic right and that universal access must be achieved. But we disagree on how to make the right a reality.

We have two principal choices. We can take the incremental route and try to patch up the current system. Advocates of this strategy want employers to either provide private insurance or pay into an expanded public plan that would include the poor and the self-employed.

I believe employer mandates is the wrong way to go. Millions of part-time and self-employed workers may not get health insurance. Job mobility will be limited. It will cost society a lot more because it maintains the vast network of multiple insurers and payers, which adds tens of billions of dollars in unnecessary paperwork costs. It won't adequately constrain long-run costs. Perhaps most importantly, it will create a two-tiered system of care with older and sicker workers in the public program and younger and healthier workers receiving private insurance. Like Medicaid, costs in the public program will skyrocket leaving us no choice but to reduce benefits or raise taxes.

The other option is to overhaul the system by making the Government the insurer, as Canada has done. Under such a single-payer system we would keep the same providers—the nonprofit, private or public hospitals, doctors, and HMO's—but finance health care in the public sector to save on paperwork and to control overall costs.

Over the years the special interests, particularly the American Medical Association and the Health Insurance Association of America, have conducted a systematic disinformation campaign against the Canadian system. To provide an objective and nonpartisan model of the benefits of a single-payer system, I asked the General Accounting Office to report on the lessons for the United States of Canadian health care. The Committee on Government Operations, which I chair, released the GAO report on June 4 and held 4 days of hearings to receive testimony from a wide range of American and Canadian witnesses.

In Canada all citizens, regardless of their income, can go to the hospital or doctor of their choice, and receive comprehensive care for all medically required services. There are no charges to the patient, such as the copayments and deductibles we have in the United States. People can change jobs without fear of losing coverage. Perhaps most importantly, health care costs are significantly constrained, yet care is of a very high quality. For example, in 1989 they spent $1,570 per person on health care and the U.S. spent $2,196.

The most stunning finding in the GAO report is that if the United States were to adopt a Canadian-style, single-payer program, the savings from reduced administrative waste alone would be enough to cover the 32 million Americans who currently lack health insurance and eliminate all extra charges, such as copayments and deductibles, for everyone else. America would not have to spend a single dollar more than we're spending now to make these improvements.

The economic rationing of health care under our current system could come to an end. This greater efficiency could be achieved by making the Government the purchaser of health services. With such power the Government could better control skyrocketing costs and eliminate the tremendous administrative waste caused by an avalanche of bills, forms, and other paperwork required by 1,200 insurance companies and numerous other payers.

The GAO has not endorsed the Canadian model, but it has recommended that major features of the Canadian program be part of any overhaul of the United States health care system. These include: universal access for all citizens; a uniform payment system to reduce administrative waste; and measures that constrain overall costs such as lump-sum budgeting for hospitals and uniform fee schedules for physician services.

The GAO has also rightly recommended that any U.S. reform build on the strengths of our current system, so that we maintain our preeminent position in developing medical technology and researching the causes and cures of disease.

This study and the Government Operations Committee hearings show that a Canadian-style, single-payer system offers many features that we all should be able to agree are needed regardless of party affiliation, regardless of whether you are a liberal or conservative, or rich or poor.

We can all agree on the need for choice, and such a proposal would maintain maximum choice for the consumer to choose his or her doctor and hospital in the public, private, or nonprofit sector. We can all agree on the need to reduce paperwork, and as the GAO analysis shows such a proposal would save $67 billion in unnecessary paperwork—money desperately needed to care for our citizens. We can all agree on the desire to avoid additional costs. Every other national health care reform proposal—except this one—would result in substantial new costs to business and the public.

In closing, I'd like to note that 69 percent of the people recently questioned in an NBC News/Wall Street Journal poll said they support a Canadian-style single payer system. With that kind of overwhelming endorsement, I urge my colleagues to choose the public's interest over the special interests.

Mr. MATCHLEY. Mr. Speaker, health care in this country has become an exercise in contradictions. The United States has the capacity to provide the highest quality care in the world, yet many Americans still suffer from treatable illnesses. We spend 12.2 percent of our GNP on health care, yet hospitals cry out that for lack of funds they may have to shut their doors. And despite Medicare, Medicaid, and other health aid programs, despite the high premiums businesses and employees must pay every year, 37 million Americans are still totally uninsured. Health care in America calls out for reform on three levels—affordability, accessibility, and quality.

Other nations have set an example of how accessibility and affordability can be combined. However, these nations cannot provide the high quality of care that Americans are privileged to enjoy. These nations—Canada, England, the Western European countries—have all developed systems which provide care for all of their citizens, and which at the same time do not overly burden their economies. For instance, almost one-quarter of our health care expenditures go toward administrative costs. That's 24 cents on every dollar. In Canada, only 12 cents on every dollar goes to administrative costs. And that extra money could go far toward increased accessibility.

However, American health care still provides the best care in the world. Other nations do not have the technology or medical advancement to provide the quality of care that we do. But this quality costs money, and herein lies the problem. Our system has been able to provide the very highest level of care—to those who can afford to pay. Our current health care system must be changed if we are to provide quality care to all Americans while controlling costs.

I believe that there are ways we can address the problems of skyrocketing health care costs right now. One way is to institute much needed tort reform to bring down the cost surrounding our medical malpractice system. Because malpractice suits are so prevalent, and because these suits are so costly, doctors are forced to pay exorbitant malpractice insurance premiums. These costs are passed along to consumers and translate into higher health care costs. If we are ever to hope to control our health care expenditures, we must commit to a revised malpractice system which is fair for the plaintiff, and yet not prohibitively costly for the defendant. Further, this system must not encourage nonnecessary testing and defensive medicine which only add unnecessarily to our health care expenditures.

Another fault in our current system is the incredible burden placed on businesses to provide health care insurance. Insurance has become so expensive that businesses can no longer offer total family coverage—placing family members of the employed in that population of uninsured Americans. Health insurance now even enters into wage and price negotiations between employer and employee, between management and union. We need to provide incentives to businesses to offer health insurance.

I believe that we need to make investments in health care delivery systems which are proven to provide affordable, high-quality health care. An example of this is community health centers. These health centers provide preventative and primary health care to many uninsured, poor, and elderly. They allow people who may have previously gone to hospital emergency rooms unnecessarily, or not sought care at all, to be able to find a doctor when they need one. And they cut costs by reducing the number of expensive emergency room visits.

Another option for quality, cost-effective health care is home care for the indigent and seniors. Many studies have shown that elderly and indigent people are most confortable and recover best in their own homes. Further, by allowing our seniors and indigent to be treated in their own homes, we reduce our expenditures toward unnecessary hospital stays. In order for this to be feasible, however, it must be monetarily feasible. Heads of households should be given tax credits for caring for elderly family members in their homes. And Medicare must become more receptive to the option of home care. I firmly believe that by helping health delivery systems which have a proven record of high-quality, cost-effective care like home care and community health centers, taxpayers are getting the most for their health care dollars.

Finally, and perhaps most importantly, we must begin to focus on preventative care. Many preventative health measures such as cancer screenings, mental health examinations, annual physicals, and vaccinations can help alliviate the need for costly acute care. Such measures are not in themselves enough, however. We must expand our definition of preventative care to include training, counseling, and support. We must educate the American public about how to live healthier lives. From a very early age, children must be taught the importance of a healthy diet, proper exercise, the dangers of smoking and the risks of excessive drinking. Children and adults must understand that their actions have a direct effect on their health, and that taking responsibility for these actions today may reduce the need for costly medical procedures tomorrow. For example, if expectant mothers can be taught how to care for themselves during pregnancy so as not to jeopardize their babies, we may see cuts in the expenditures which currently go to these high risk babies at birth.

The serious ramifications of voluntary health risks are well documented. Studies show that low birth weight is the No. 1 cause of infant mortality. And studies also show that smoking during pregnancy is the No. 1 cause of low birth weight. Thus, the voluntary choice not to smoke can save infant lives and health care dollars, while not costing a penny. Preventative care and education will allow Americans to become partners with health care providers in the provision of their own health care.

Again, in America, one of the wealthiest nations in the world, we currently spend 12.2 percent of our GNP on health care. Money is obviously not the problem. I believe that it is time for a new model for health care in America—a model which doesn't exclude or preclude care based on cost, a model which doesn't lower the current level of quality care. In order to make this work, Congress and the American people must take a close look at the problems with health care in this Nation, and work together to ensure affordability, accessibility, and quality to our future generations.

Mr. GILCHREST. Mr. Speaker, I commend the chairs of the Bipartisan Congressional Caucus for Health Care Reform for calling this special order. There is a tremendous need for bipartisan agreement on how to repair the problems in our health system. We will then require bipartisan political will to make changes. I am pleased to be a member of the caucus, and I hope we will reach consensus on the variety of health care reform proposals before us.

First, let me say I fully appreciate the size of our task. We want a plan that will provide accessible, affordable, high quality health care for everyone. I am still sorting through the myriad of health care proposals before the Congress. Ideally, we would improve private insurance, Medicare, Medicaid, so that all people have access to basic preventive health care, and expand these to pay for affordable long-term care and prescription drug coverage. Building consensus for a plan that will alter our patterns of care and payment of care in a $600 billion industry is no light or easy task. Furthermore, as much as we may agree that changes are needed, each of us reflects constituents who differ on how to fix our health care system.

I have heard recently from my constituents about many problems in our system. Perhaps lack of a system is more accurate. I rise today not to dish out blame for individual health care professionals, or insurers, or even government bureaucrats, who too often take the heat for complying with this or that law enacted by this body. But, who will stand up for the average person who needs access to health care? When does the system work in their interests? I criticize a system that loses sight of the needs of the patient, and throws obstacles in the path of treatment.

I am also a member of the Rural Health Care Coalition, and I hope that a reform plan will include measures to address the special problems of rural areas. One area that must be strengthened is access to primary health care.

In my district, community health care centers play a critical role in filling in the gaps for primary care. Patients at these clinics are not limited to indigent or unemployed. Instead people from all walks of life seek treatment, including those who do not have health insurance at their jobs, or do not have private practitioners nearby.

When we fail to provide access to basic primary care services we pay the price in uncompensated care in the hospital emergency room. I recently heard from one family, who, being of low income, and having had some difficulty in paying for their previous medical bills, were unable to have their young daughter, about age 6, treated at two different hospitals in my district. After being turned away they then took their child to Norfolk, VA, where it was discovered that she had a burst appendix.

We also need to get a handle on rising health care costs. There are many factors that are driving these costs upward, some of which, such as research for new technologies and treatments, are important to improving the health of our Nation. Other factors, such as increased costs in paperwork and malpractice insurance, add very little, if anything at all, to the quality of health of our citizens, and in turn, discourage our health care providers.

We also need some sort of insurance reform. First, rising insurance premiums already prevent many people from having affordable access to health care. Small businesses, who saw their insurance costs rise by about 25 percent last year, are being crushed under this burden of rising premiums. Too often I am hearing that the people who are sick, who need insurance are more and more the ones least able to afford it.

I would like to share the case of a Mr. James Wood, a barber who, since 1966, has purchased health insurance for himself and his wife through a group health plan offered by the local farm bureau. Mr. Wood turned 60 years old in July and was greeted with a rude shock by his health plan. His insurance premium for the next year, for him and his wife will be $8,565.91. Mr. Wood is flabbergasted; he cannot afford this increase. He is one of millions of older Americans who falls into a gap of health care coverage: too young for Medicare; now, too old for affordable health insurance.

Furthermore, too many people are falling through the cracks either because treatments for their illnesses are not covered, or because they have chronic health conditions that prevent them from obtaining new coverage. Another example I would like to share is a constitutent wrote to explain how her son, a recent college graduate, was turned down for individual health coverage because of mild acne. The son had been covered as a dependent on his parents' plan. When this coverage was to expire in June upon his graduation—as he would no longer be considered a dependent—he applied for individual coverage with another plan that ultimately denied him coverage. The reason for denial was the fact that he admitted he was continuing to seek treatment for mild acne, and had admitted his intention to see a physician on his application for individual coverage. It seems that the insurer did not look closely at his medical records, and in an effort to cut costs, did not offer him coverage. The son later found coverage from another insurer.

I thank my colleagues for this opportunity and look forward to working with the bipartisan caucus.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and insert extraneous material on the subject of my special order today.

The SPEAKER pro tempore (Mr. CARPER). Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

* * *

THE OTHER SIDE OF THE STORY ON YUGOSLAVIA

The SPEAKER pro tempore (Mr. STAGGERS). Under the previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, I yield to the distinguished gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I want to thank the gentlewoman from Maryland [Mrs. BENTLEY], my good friend and a real star in the House of Representatives, for yielding to me.

Mr. Speaker, I think it is important in light of the new focus that the Democratic leadership has attempted to place on the actions of the Reagan campaign team in 1980 with respect to a so-called October surprise when theoretically a campaign organization got, according to some Democrat leadership—may have gotten the Iranians to hold off on releasing American hostages until the timing was right from a Republican point of view. This theory that I consider to be a fairly wild theory was promulgated by Gary Sick who relied largely on a book called "My Turn to Speak," by Bani-Sadr, former president of Iran. In view of recent revelations with respect to the Carter administration and its relationship with Saddam Hussein and its contacts with Saddam Hussein, this book by Bani-Sadr, if it is relevant with respect to slamming the Reagan campaign team of 1980, is certainly highly relevant to the possibility that the Carter administration, in fact, gave the green light to Saddam Hussein to invade Iran, an invasion which led to a war which cost over 1 million deaths.

Mr. Speaker, let me go to a very significant article that was written in the Wall Street Journal by Michael Palmer entitled "A Question for Gary Sick," and Mr. Speaker, I enter that article in the RECORD at this time:

[From the Wall Street Journal]

A QUESTION FOR GARY SICK

(By Michael A. Palmer)

The new book by former Iranian President Abol Hassan Bani-Sadr, "My Turn to Speak: Iran, the Revolution & Secret Deals with the U.S," has been one of the sources for the allegations by Gary Sick, a staffer on President Carter's National Security Council, that the Reagan campaign team, including George Bush, conspired with Iranian officials to delay the return of the American hostages in Tehran until after the 1980 election day. Mr. Bani-Sadr has appeared on "Donahue," "Nightline," at the National Press Club and on a national book tour to present these charges: he has also given closed-door testimony to Congress.

It's surprising that anybody would consider Mr. Bani-Sadr a reliable source of information on anything. If however, has allegations about the underhanded doings of Ronald Reagan are to be taken seriously, so must his allegations about the underhanded doings of Jimmy Carter.

Mr. Bani-Sadr's book contains the striking claim that Carter administration officials secretly support Saddam Hussein's 1980 invasion of Iran as part of a plan to restore a monarchy in Tehran. Mr. Bani-Sadr claims on page 13 to have examined a copy of this plan after his foreign minister, Sadegh Gholbzadeh, purchased it in Paris from an unnamed South American for $200,000:

"This plan to reestablish a royalist regime also mentioned a meeting in Jordan between Zbigniew Brzezinski, President Carter's national security adviser, and Saddam Hussein, two months before the Iraqi attack. There was nothing surprising in this since Iraq could never have attacked with a green light from the Americans and Soviets."

On page 70;

"Just as Khomeini was certain that no one would attack Iran, Saddam was sure that the war would be a simple exercise. Who put these ideas in their heads?

"We knew that Zbigniew Brzezinski, Carter's national security adviser, and Saddam Hussein had met in the first week of July 1998."

And on page 94;

"I also happened to know that Brzezinski had assured Saddam Hussein that the United States would not oppose the separation of Khuzesian from Iran, despite the fact that Carter had promised to prevent our defeat."

These charges are by far the most serious made by Mr. Bani-Sadr. If the Carter administration did indeed give Saddam Hussein a greenlight to invade Iran, that American decision precipitated one of the bloodest and most bitter conflicts in recent history. Iran suffered between 1 million and 2 million casualties, including 500,000 to 750,000 dead. Iraq probably lost roughly half as many men. Why isn't Mr. Bani-Sadr on television blasting the Carter administration for engineering a war that cost his country so dearly?

If Congress is willing to investigate whether the Republicans stole the 1980 election by dealing secretly with Iran, it ought to also find out for the American people whether Zbigniew Brzezinski met with Saddam in Jordan in July 1980, and if he did, what they discussed. After all, Mr. Bani-Sadr's two major accusations are intertwined: Without understanding that Khomeini believed that the Carter administration had masterminded the Iraqi attack, the "secret deal" with the Reagan election team makes little sense.

Was Saddam's 1980 invasion part of a Carter administration conspiracy to overthrow the Iranian government and restore the monarchy? Do the Democrats have the blood of a million Iranians and Iraqis on their hands? But if Mr. Bani-Sadr's accusations against Mr. Carter are too crazy to be listened to, why are his charges against Mr. Reagan worth hearing?

Mr. Speaker, this article points out, and I quote, that Mr. Bani-Sadr's book contains a striking claim that Carter administration officials secretly supported Saddam Hussein's 1980 invasion of Iran as part of a plan to restore a monarchy in Tehran. Mr. Bani-Sadr claims on page 13 to have examined a copy of his plan after his foreign minister, Sadegh Ghotbzadeh, purchased it in Paris from an unnamed South African for $200,000. This plan to reestablish a royalist regime, also mentioned a meeting in Jordan between Zbigniew Brzezinski, President Carter's National Security Adviser, and Saddam Hussein, 2 months before the Iraqi attack. There was nothing surprising in this since Iraq could never have attacked without a green light from the Americans and Soviets.

On page 70 it says, and I quote:

> Just as Khomeini was certain that no one would attack Iran, Saddam was sure that the war would be a simple exercise. Who put these ideas in their heads?
>
> We knew that Zbigniew Brzezinski, Carter's national security adviser, and Saddam Hussein had met in the first week of July 1980.

On page 94, again I quote:

> I also happened to know that Brzezinski had assured Saddam Hussein that the United States would not oppose the separation of Khuzestan from Iran, despite the fact that Carter had promised to prevent our defeat.
>
> Those charges are by far the most serious made by Mr. Bani-Sadr. If the Carter administration did indeed give Saddam Hussein a greenlight to invade Iran, that American decision precipitated one of the bloodiest and most bitter conflicts in recent history.
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> Iran suffered between 1 million and 2 million casualties, including 500,000 to 750,000 dead. Iraq probably lost half as many men. Why isn't Mr. Bani-Sadr on television blasting the Carter administration for engineering a war that cost his country so dearly?

☐ 1830

Mr. Speaker, I think there will be increasing focus on the activities of the Carter administration during this critical period when it appears that there is evidence, if we believe Bani-Sadr, who is relied on by the Democrats with respect to their bashing of President Reagan, there is increasing evidence that indeed the Carter administration did give the green light to Saddam Hussein to invade Iran, costing literally millions or roughly half a million KIA, people killed in action, and over 1 million people wounded in action.

I thank the gentlewoman from Maryland [Mrs. BENTLEY] for yielding her time, and I think we should continue to focus on Bani-Sadr's statements and perhaps there should be an investigation into this matter.

Certainly, any investigation that is going to proceed with respect to the Reagan campaign team's activities in the fall of 1980 should at the same time pull to the witness table those members of the Carter administration to explain to us what their secret meetings with Saddam Hussein were all about.

I thank the gentlewoman again for yielding this time to me.

☐ 1840

Mr. Speaker, for more than a year now, a bipartisan group of Members of this House has worked very hard to ensure that fair and balanced legislation has come out of this body with respect to the nation of Yugoslavia.

In addition to the very valuable efforts of Foreign Affairs chairman, DANTE FASCELL, and the Europe Subcommittee chairman, LEE HAMILTON, I have been able to work toward this goal with my colleagues from Wisconsin, Mr. MOODY, who lived for several years in Yugoslavia and has since returned as a Member of this body, and Mr. KLECZKA, who is very knowledgeable on this subject, as well as many other concerned members from both sides of the aisle.

I would also note that I have personally made several trips to Yugoslavia as well as other Eastern European nations over the past 2 years.

As a result of our joint efforts, every piece of legislation that this House has passed with respect to Yugoslavia has been very fair, very balanced, and acknowledged the legitimate concerns of all ethnic groups within Yugoslavia. Our efforts as a body have played a very positive overall role in what has been a tense and oftentimes tragic situation.

That is why, Mr. Speaker, I was disappointed that another lopsided resolution, H.R. 205, has been introduced in this Chamber.

This resolution is an unwarranted attack on some Yugoslav ethnic groups, and it makes no attempt at all at balance. The resolution also contains several inaccuracies which must be addressed.

Because this resolution is so one-sided, I would like to address the points it makes one-by-one to show just how inaccurate they are.

The resolution begins by stating that in 1990, the Republics of Slovenia, Croatia, Bosnia, and Macedonia held "free, open, multiparty elections." It goes on to call the elections in Serbia and Montenegro unfair.

I don't know how many of the Members who are pushing this resolution were in Yugoslavia for the republican elections. I was there. And I might add that I stood toe to toe with the Serbian Government leadership and argued for and won numerous concessions for the opposition parties. While the elections were not what we are accustomed to in the United States, the elections in Serbia and Montenegro were freer than any in those republics in decades, and marked a turning point in the history of those republics.

Although the biggest problem had to do with state control of the media, most other aspects of the election marked a significant departure from the Communist monopoly on power, and today there is a thriving opposition in Serbia and Montenegro as well as in the parliaments of those two republics.

Rather than criticizing Serbia and Montenegro's elections, we should be welcoming a significant first step and pushing in the right direction with positive steps, not unfounded criticisms that I am sure the sponsors of this resolution would have trouble defending should they care to walk over to the floor and defend their resolution.

As far as the election in Croatia and Slovenia, I was told by U.S. Ambassador Warren Zimmerman that those elections were no more fair and no more free than elections in any other part of the country. The only differnece was that a nationalist party on the right was elected instead of a nationlist party on the left. Ambassador Zimmerman also told me, and I deem this quote significant, that the elections in all of the Republics, including Serbia and Croatia, Montenegro and Slovenia, almost certainly represented the will of the people in those Republics.

Mr. Speaker, it seems to me that this resolution is another step in the ill-advised attempt by some parties to put the blame for everything wrong in Yugoslavia on the backs of the Serbs, while achieving their ultimate goal of destroying any hope the nation of Yugoslavia has for survival.

One aspect of this effort is to portray the new Croatia as a bastion of democracy and liberation, and its President, Franjo Tudjman, as a true democrat. I have serious questions about how true this is, and I question if Croatia especially, and also Slovenia, are any more free and enlightened than their neighbors in the Yugoslav system.

Because the sponsors of this resolution have made every effort to criticize Serbia and its allies, while portraying Croatia and Slovenia as bastions of freedom, I would like to take a few moments to share some real world concerns about the new Croatia, and attempt to dispel the inaccurate picture of the situation in Yugoslavia as alluded to and expressed in this resolution.

Since one of the main issues of contention in the various Yugoslav republican elections was freedom of the press, I would like to begin by quoting from a recent report entitled "Yugoslavia: Tough Sledding," prepared by the International Media Fund, which is dedicated to promoting development of freedom of the press around the world. The article states, and I quote.

> Communists are out of power in parts of Yugoslavia such as Croatia and Slovenia, and still in power in Serbia and Montenegro, but in neither the former nor the latter are the media free. In fact, there are more private press initiatives in Serbia than anywhere else in the country. In Croatia and Slovenia, the governments still try to control the media, but even when they do not, the journalists themselves have only feebly begun to think of what press freedom really means. The new government of Slovenia approached USIS several times to ask for assistance in drafting legislation "to control the media."

Mr. Speaker, these facts are left out of the resolution which these gentlemen are proposing, and quite frankly it disappoints me that some of those who have never set foot in Yugoslavia and who have not taken the time to see both sides of the picture would cosponsor this resolution which will cause as much damage as any weapon in light of Yugoslavia's fragile political climate. Some have been there.

The report from which I just quoted is not the only one which questions the "* * *great new democracy in Yugoslavia's self-proclaimed break-away Republics, and most especially Croatia."

I would like to read next from the May 1991 issue of the New Statesman, from an article entitled "Yugoslavia: House on Fire." Again, Mr. Speaker, I am now quoting,

> The outlines of European Christendom reemerge strikingly intact in today's Yugoslavia. Along the old frontier of the Hapsburg monarchy, the anti-communist nationalist regime in mostly Catholic Croatia seems absolved from the same scrutiny applied to the communist nationalist of historically Orthodox Serbia * * *. Indeed, [Croatia's] rapid metamorphosis into a military autocracy is integral to its task of wresting itself from the [Yugoslav] federation. A year after democratic elections, the ruling rightwing Croatian Democratic Community has sacrificed all but the trappings of democracy to establish an independent state.

Mr. Speaker, I continue quoting from this article:

> Nationalist euphoria in Croatia has subsumed vacant structures of democracy that Communist Party reformers initiated in the 1980's. Rigid centralization of power at every level has gone hand in hand with the national independence strategy. The CDC's tightened grip on the entire state apparatus—from unions to the police—has transformed [Croatia] into a new type of party state.

Mr. Speaker, this article also includes quotes from Prof. Milorad Popovac, a professor at the University of Zagreb. Professor Popovac states that, in Croatia, and I quote,

> We have no way to check the government or even know what's going on. What we have is democratically legitimated tyranny of the majority.

This is not a Serbian professor or propagandist who is making these observations. This is a Croatian professor at the University of Zagreb, the Capital of Croatia, who is expressing concerns about what is happening in his Republic. I would not continue quoting from this very insightful article from the New Statesman:

> The CDC has taken its election victory as a mandate for absolute power. New legislation has criminalised undefined acts of "subversion." The government announced new undercover security forces to monitor political opposition. Phones are tapped, mail opened. Laws directed against Serbs call for up to five years imprisonment for "exciting national or regional hatred." Under this law the whole Croatian government could be arrested, noted an observer.

Finally Mr. Speaker, I offer two more quotes from this article. The first is as follows, and I think it is very significant because it deals with freedom of the press, a subject I touched on earlier. The quote reads,

> All (Croatian) major media channels are under government control and the hegemony of opinion has squelched the lively civil society that had flourished in Zagreb only a year ago.

According to Professor Popovac, for whom I quoted earlier,

> Society has reverted to a state of nature, in which legality and political discourse are meaningless.

[From the Newstatesman, May 1991]

HOUSE ON FIRE—FLAMES OF CROATIAN NATIONALISM BURNS AS DANGEROUSLY AS SERBIA'S

(By Paul Hockenus)

Yugoslavia has lurched from crisis to crisis over the past year, always pulling back from the brink of civil war. The newest and most severe outbursts of violence between Serbs and Croats, however, may have pushed the strained federation past its limits. Frantic stop-gap efforts of federal politicians to stabilise the country appear no match for the nationalist frenzy that has engulfed its republics. The logic of carving national borders from an ethnic patchwork has gained destructive momentum.

Today, tensions in the federation of six republics and two "autonomous" provinces are concentrated in Croatia, the second biggest republic. Over the past two weeks, clashes between the Serbian minority and Croatian militia have caused at least 20 deaths. The federal army is on full combat alert, ready to intervene should ethnic feuding not subside. Behind the violence stand rival nationalist leaderships in Serbia and Belgrade, whose national ambitions are at the root of the country's gravest crisis since the second world war.

The outlines of European Christendom reemerge strikingly intact in today's Yugoslavia. Along the old frontier of the Habsburg monarchy, the anti-communist nationalist regime in mostly Catholic Croatia seems absolved from the same scrutiny applied to the communist nationalists in historically Orthodox Serbia. Serbian President Slobodan Milosevic's Serb-first politics have dramatically stoked nationalist tensions. Yet Croats have answered with a belligerant populism of their own. Emerging political structures in Croatia reveal a leadership with no illusions about the violent implications of this. Indeed, the republic's rapid metamorphosis into a military autocracy is integral to its task of wresting itself from the federation. A year after democratic elections, the ruling right-wing Croatian Democratic Community has sacrificed all but the trappings of democracy to establish an independent national state.

From Zagreb in the north to the southern Dalmatian coast, the intensity of the Croats' rediscovered identity is all too evident. In Zagreb's former Square for the Victims of Fascism, now the Square of Croatian Kings, Croatian flags hang. Street graffiti supports the ruling Croats and blasts Serbs with the same crude slogans the government disseminates.

"Things have taken a turn for the worse very quickly," notes one Zagreb journalist. "It's hard to believe who's jumped on the bandwagon."

The CDC has found Croatian nationalism easy to manipulate. "The time for playing democracy is over," says Croat President Franjo Tudjman. "Now it is time for establishing peace and order." The CDC, which received 42 per cent of the spring 1990 vote, is more a movement than a political party. As a "community of Croatians", the group's logic insists that the interests of all Croats are implicitly less important than differences between Croats and Serbs.

That their civil rights are also second class terrifies no one more than the persecuted Serb minority, 12 per cent of the republic's 4,600,000 people, which has turned to Serbia for protection. Serbs in Serbia and Croatia insist Croatian independence is unacceptable since it would leave the minority at the Croats' will. At the same time, fostering illusions of unification with a "Greater Serbia", Belgrade has stirred fierce national militancy among the minority. The Serb's declaration of political autonomy in Croatia, complete with armed militia, has further torpedoed a negotiated solution.

Calculated escalation of nationalist tensions is central to both republics' independence strategics. Well-aimed provocations from Belgrade and Zagreb have dashed efforts of all-Yugoslav proponents to find a reworked federal or confederal solution to Yugoslavia's dilemma. Through the mechanisms of exclusivity and identity, the governments establish not only a will to found a national state, but a fanaticism that lays the grounds of war with the states' fabricated enemies.

Nationalist euphoria in Croatia has subsumed nascent structures of democracy that Communist Party reformers initiated in the 1980s. Rigid centralisation of power at every level of society has gone hand-in-hand with the national independence strategy. The CDC's tightened grip on the entire state apparatus—from unions to the police—has transformed the republic into a new type of party state. "In the Yugoslav context, the goal of Croatian nationalism cannot be obtained under democratic conditions," says a sociologist at the Institute for Social Research in Split, referring to the republic's minorities. "Implicit in the logic of one nation, one state and one religion is one leader," says the sociologist, who asked to remain anonymous.

At the top of the Croatian monolith is 69-year-old President Tudjman.

* * * * *

In the 1960s, the General, as he is still known, embarked on the ambiguous task of re-evaluating the Croatian holocaust. He sought to demonstrate the massacres of the fierce Ustashe regime (his wartime foe) had been the work of a small number of Serbs killed during the war and was much lower than historians claimed. This precipitated his fall from official grace in 1967. In the aftermath of the 1971 Croatian nationalist protests, Tudjman was jailed.

Today, the "father of the fatherland" has near-sacred stature in Croatia. A media-propagated personality cult has entrenched his power over the past year. The newly elected parliament of CDC members, like-minded nationalists and nationalist reform communists, is marginal to the political process. "Power is concentrated in a very small clique around President Tudjman," says Milorad Popovac, a University of Zagreb professor and leader of the Croatian Social Democratic Party. "We have no way to check the government or even know what's going on. What we have is a democratically legitimated tyranny of the majority."

The CDC leadership has taken its election victory as a mandate for absolute power. New legislation has criminalised undefined acts of "subversion". The government announced new undercover security forces to monitor political opposition. Phones are tapped, mail opened. Laws directed against Serbs call for up to five years' imprisonment for "exciting national or regional hatred". "Under this law the whole Croatian government could be arrested," noted one observer.

Centralisation has fueled the economy's precipitous tail-spin. Selective taxes and trade barriers against other republics have spurred nationalisation at the costly expense of economic health. Even the limited economic autonomy that existed during the communist era has been restricted. Firms and unions are now exclusively in the hands of CDC members. Serb workers must sign statements professing loyalty to the republic.

The Croatian leadership enjoys either active or passive support from the vast majority of Croats.

"Society has reverted to a state of nature, in which legality and political discourse are meaningless," says Popovac. "Strong emotional feelings are attached to the new identification with nation and religion. When social phenomena are considered 'natural' or 'sacred', they are not negotiable."

Full-speed militarisation has inevitably accompanied the march towards autonomy. Tudjman and company know well that bloodshed in the Serb-dominated regions and military intimidation of striking workers is only a taste of showdowns to come. Posters in shop windows urge young men to join new volunteer military detachments even though the federal government has strongly condemned such units as a constitutional breach. Gun control has been relaxed, ensuring all are armed to the teeth. In response to the army's recent mobilization, the republic's president declared that Croats would not flinch to defend their nation. Should the army execute its threat to disarm the volunteer militia if Croats do not, civil war would follow. On the streets, the "ethnically pure" Croatian militia is out in full force, kalashnikovs ready. Over the past year, Serbs and other minorities have been purged from republican units. Standards for Croat recruits has been lowered to include former criminals—as long as they are CDC members. Training has been cut from years to months.

The future shape of Yugoslavia is still an open question, not restricted to power politics. Tudjman and Milosevic envision their own independent states with expanded "ethnic borders". While the two republics' concepts of "greater states" clash (Croats live in Serbia proper, Serbs throughout Croatia), the presidents have already met to discuss a deal. First on the chopping block is certain to be the republic of Bosnia-Herzegovina, whose population is divided between Serbs, Croats and Muslims. Croats in Croatia, as well as those in Bosnia, want the northern, Croat-dominated part to join Croatia. One scenario envisions Zagreb and Belgrade dividing Yugoslavia into eastern and western spheres. The concept is one the nationally minded republics of Macedonia and Slovenia, as well as the Bosnia Muslins, would contest.

Nationalist fires stoked in every republic make calls for a pan Yugoslav solution sound hopelessly futile. The dramatic economic slide could break the spell of nationalist demagoguery or provoke more radical extremes. The nationalists no longer control the emotions they fanned.

Mr. Speaker, I can't help but wonder if the authors of this resolution have made any attempt to take notice of some of the negative aspects of the new political order in Croatia before heaping such lavish praise on the great new democracy while at the same time castigating the Serbs.

Papers in the European Community have picked up on the tremendous propaganda campaign now being conducted by the Croatians with journalists from the international press. The European, published in Great Britain, reports earlier this month—July 19–21—that there is a "new, rather welcome sound" in the "towns and villages of Croatia" than the "thump of mortars, and the crackle of machine-guns," "This is the noise of a massive Croat propaganda offensive."

> Everywhere, in town halls, hotel foyers and crouching nervously behind roadblocks, Croat mayors, police chiefs and militia officers will hold press conferences or hand out neatly-typed new bulletins to tell the world of the latest atrocities by Serbian extremists and of unprovoked attacks by the federal, Serbian-dominated army.
>
> In Zagreb, the republic's capital, politicians will queue up to be interviewed. The Croatian news agency, Hina, will pump out extraordinarily detailed accounts of the fighting allegedly taking place in the countryside. No incidence is too trivial for Hina.

Simon Freeman, the reporter, states:

> The Croats' strategy is clear. They are bombarding the world with information, which is usually so petty that it seems that it must be true. But this is an illusion; it is impossible to check most of these reports precisely because the clashes were so minor that, even if they happened, they left no mark.

This report added to those in our own press, should convince reasonable people that the situation in that tragic section of the world is prone to misinterpretation. A fertile ground for misrepresentation on all sides and in a condition where we should not be interfering with "well meaning resolutions."

Mr. Speaker, I just had a visit today in my office from a young Yugoslav who had grown up in Zadar and just came back from a visit over there to see his parents. He said in order to buy a paper in Belgrade named Politik, you had to hide to go back into the kiosk. You would take and put the paper in your bag, hoping nobody was watching, and then you would pay. But you could never ask for it.

Mr. Speaker, he said that there was only one viewpoint always on their TV there. They got no news there, except that which was centered right in Croatia and in Slovenia. But they got no news from Belgrade or anywhere else.

Mr. Speaker, I would also like to point out that in all of the extensive coverage that there has been from Yugoslavia recently, the press has not touched on the following facts: In the village of Zadar and Shibenik, two villages in Croatia, 164 Serbian houses were burned down.

Mr. Speaker, we know this because relatives of Serbian Americans in this country have called to tell them about it.

Second, Serbian households in Croatia are marked with X's on the outside, just as they were in 1941.

Third, there are presently some 40,000 refugees from Croatia who have abandoned their homes out of fear and fled into Serbia, where housing is scarce, and the Yugoslavian Red Cross and Serbian Orthodox Church are endeavoring to find shelter and assistance for them.

Fourth, the press fails to mention that many of the dead in the current unfortunate fighting are ordinary Serbian citizens, whose families have lived there for decades.

Only yesterday a woman from Pittsburgh called to tell me that her brother-in-law had been killed there, that his four children are in hiding, they are fearful for their lives, and that she would like to help rescue them.

Because of the heavy public relations program described in the magazine article of the European, only one side is being heard over here.

I submit for the RECORD the article from the European:

[From the European, July 19–21, 1991]

LIES WIN BALKAN WAR OF WORDS

Today, as always, the towns and villages of Croatia will echo to the thump of mortars, the crackle of machine-guns and the groans of the wounded as Croat and Serbs cheerily go about their daily business of slaughtering each other.

But there is a new, rather more welcome sound. This is the noise of a massive Croat propaganda offensive. Everywhere, in town halls, hotel foyers and crouching nervously behind roadblocks, Croat mayors, police chiefs and militia officers will hold press conferences or hand out neatly-typed news bulletins to tell the world of the latest atrocities by Serbian extremists and of unprovoked attacks by the federal, Serbian-dominated army. In Zagreb, the republic's capital, politicians will queue up to be interviewed. The Croatian news agency, Hina, will pump out extraordinarily detailed accounts of the fighting allegedly taking place in the countryside. No incident is too trivial for Hina. Earlier this week, for example, Hina solemnly reported that two Croat farm workers were "brutally beaten and harassed by Serbian terrorists while other terrorists put the majority of bullocks into tracks [sic] and took them away."

The Croats' strategy today is clear. They are bombarding the world with information, which is usually so petty that it seems that it must be true. But this is an illusion; it is impossible to check most of these reports precisely because the clashes were so minor that, even if they happened, they left no mark. And, in between the recital of these so-called facts, the Croats toss quite incredible allegations; this week's favourite is to claim, straight-faced, that the Serbs have hired assassins from the Romanian Securitate.

Zagreb has launched this propaganda blitz after carefully analysing how the Slovenians managed to outmanoeuvre Belgrade in the fight for international sympathy. The Croats realised that the decisive engagements, which virtually guaranteed Slovenia's independence, took place in the pages of the foreign media and, even more important, in the news bulletins of the major television networks.

The Croat leadership moved quickly. It instructed Croat mayors to hold twice-daily press conferences which should be as colourful and dramatic as possible. Militia officers who had once refused to say anything, suddenly became accessible and offered to escort foreign reporters into previously closed areas.

Belatedly, the federal army, reeling from its portrayal in the foreign media as incompetent and thuggish, has begun to appreciate the importance of image-making. In Osijck, eastern Croatia, the scene of the worst clashes between Croats and Serbian nationalists, the local garrison commander has joined the press conference circus because, he says, he wants to counter "the outright lies" being peddled against the army.

The Serbs, meanwhile, are struggling badly in this propaganda relations battle. They have a leader, Slobodan Milosevic, whose brand of stubborn nationalism and hardline marxism is a public relations disaster.

In their enclaves in Croatia, militant Serbs glower suspiciously at foreign journalists, whom they regard as tools of the pro-Western, capitalist Slovenes and Croats. Sometimes they do more than scowl; they have already stolen cameras, radios and cars from the press and, it is feared, they may soon become violent.

Certainly, the Serbs' resentment is understandable. The Slovenes cleverly portrayed themselves as clean-limbed tanned churchgoers who only wanted to live peacefully and democratically in their Alpine idyll of mountains, lakes, and meadows.

The Serbs, on the other side, the Slovenes suggested, were ruthless communists. They were dirty, unshaven brutes who dropped cluster bombs on innocent civilians. They came from the east, which had always sought to inflict its intolerance, religious fanaticism and alphabet of squiggly lines on Europe.

These were grotesque caricatures, of course, but, thanks to the brilliant propaganda campaign in Ljubijana, they have taken hold of the public imagination in the West, turning a complex struggle into a straightforward battle between the forces of light (Slovenes and Croats) and darkness (Serbs). The nerve-centre of this propaganda operation was an underground conference complex deep below the streets of Ljubijana. Here, a few dozen officials from the Slovenian Ministry of Information, backed up by young, multilingual patriot volunteers, worked tirelessly to service more than 1,000 journalists.

Inside this bunker the information flowed fast and efficiently in an atmosphere oddly similar to that found in the press centre at an Olympic Games; the results—tanks hit, shots fired, prisoners taken—were given every hour. The Slovenes needed a bloody, dramatic conflict to ensure the work did not lose interest. So they showered the media with details of battles that had often never taken place.

Sometimes the Slovenes would enliven the day with revelations which were either fictitious or irrelevant. Once they announced that they had just found a copy of the federal army's secret plans, code named Rampart '91, to invade their republic (possibly true but unimportant) or they revealed that the enemy had landed squads of special troops in plain clothes to terrorise the population (certainly untrue). Then they closed a nuclear power plant because, they said, they feared a federal air force attack (untrue).

It was possible to report the war without ever venturing above ground. Indeed, since it required an honours degree in orienteering to negotiate the labyrinth of roadblocks many journalist opted to remain underground. But for those who did venture into the sunlight, the bunker war often seemed a fantasy. For example, the world heard of a major battle at Jezersko, a small border post on the frontier with Austria. This greatly surprised the Slovene militiamen at Jezersko, who told me a few days later that the army had fired a few shots, taken the post and then, faced with Slovene reinforcements, retreated happily down the mountain. No one had been hurt.

The Slovenian deputy minister of information, Dushan Rogeli, who temporarily closed his bunker when the world's attention switched to London and the G–7 meeting and Iraq's nuclear ambitions, said: "We have never lied. We decided not to get into that game. The Serbs lie all the time but we do not." But he did admit that, sometimes, because of over-excitement and fatigue, his team had exaggerated.

But there is one major problem, which no one in Yugoslavia seems to appreciate: a daily publicity blitz of exaggerations and lies may win international support but it will do nothing to heal the divisions which are ripping the country apart.

Mr. Speaker, there is nobody in this Chamber who would like to see quicker political reform in Serbia than myself. But to criticize the Serbs while ignoring or deliberately distorting the truth about the situation elsewhere is in my opinion inflammatory, and the negative results of such uneven and unfair treatment should fall squarely on the heads of those who have undertaken to produce this deliberate distortion of the truth.

The Washington Post, on June 17, 1991, addressed this issue in an article entitled "Croatia's Nationalism Takes Hard Turn to the Right," by Blaine Harden. The article notes that Serbia is taking a lion's share of the blame for Yugoslavia's present troubles while Croatia remains free from criticism despite the fact that, and I quote from this article,

> The government of Croatian President Franjo Tudjman * * * has encouraged discrimination, enacted press restrictions and moved more slowly than most governments in Eastern Europe to implement free-market change. In addition the government has imported arms in violation of Yugoslav law and promoted a Tudjman personality cult. "Here if you do not like Tudjman you are an enemy of Croatia,; said Ivan Zvonimir Cicak, former leader of a small opposition party and a frequent critic of the president. "This is the old Bolshevik mentality, you only change the suffix. Before, it was communism; now nationalism.

This article next quotes a Western diplomat who makes a very significant point, indeed one which is at the heart of what I am trying to get across this evening. This diplomat says, and again I quote,

> This simplistic view that sees a free democratic Croatia and a bad, barbaric Bolshevik Serbia is a lot of crap. It affects perceptions around the world and gets played back into the Yugoslav crisis. Communism is becoming an increasingly meaningless buzzword to understand what is happening in Yugoslavia.

This article also notes that Tudjman has been criticized for encouraging ethnic—primarily anti-Serb—discrimination in public employment while allowing some state companies to fire non-Croats for failure to sign loyalty oaths.

The article also notes that the Croatian Government has obtained control of the Republic's largest newspaper publishing house and has sought to ban an independent Yugoslav television news program that it considers anti-Croatian.

Further discussing the freedom of the press issue, Mr. Speaker, this article from the Washington Post makes some points which I feel are worth quoting, and so I continue to read from this article.

> At Croatian television, the government-appointed general manager presides over a news product that is consistently and sometimes hysterically nationalistic; Serbs are referred to on Croatian television as "Eastern barbarians" bent on aggression. Yugoslav journalists working for Western news agencies say they are often followed by government agents.

Perhaps the most insightful statement from this article, however, is the following quote.

> More useful in understanding the intensifying nationalist conflicts here are the precommunist memories that Serbs and Croats have of each other's behavior during World War II. Then Croatia became a quisling state for Nazi Germany and began sending Serbs to concentration camps.

An understanding of the history of interaction between and Serbs and Croats is crucial to a valid understanding of the problem between Serb and Croats today. It also explains a great deal about the resistance of Serbs in Croatia to living in an Independent State of Croatia, as well as Yugoslav resistance in general to that idea.

In particular, it is Franjo Tudjman's failure to disassociate his Government from Croatia's Nazi past, and indeed his new glorification of it, that has Serbs in particular nervous, fearful, and even ready to fight.

To give just one example, Tudjman, one of the authors of the "Jasenovac Myth," reduces the number of Jewish victims of the Holocaust from 6 million to 1 million. This information comes from the August 1990 edition of "Response," a publication of the Simon Wiesenthal Center.

The center also reports, by the way, that Dinko Sakic, the former commandant of the Jasenovac concentration camp, was recently interviewed on Zagreb Radio in Croatia. Jasenovac is where hundreds of thousands of Serbs, Jews, and Gypsies were slaughtered by the Croatian Ustashe.

As Croatian leaders talk about the resurrection of the glorious Independent State of Croatia, Serbs remember the genesis of this state, on whose history Franjo Tudjman looks back upon with such apparent fondness.

Britainner Sir Fitzroy Maclean gives this account of Croat acts against Serbs in Croatia and Bosnia, which was quoted in a commentary by Edward Pearce in the July 17, 1991 edition of the Guardian:

> The massacres began in earnest at the end of June (1941) and continued through the summer, growing in scope and intensity until in August the terror reached its height. The whole of Bosnia ran with blood. Bands of Ustashe (the Croatian pro-Nazi storm troopers) roamed the country-side with knives, bludgeons and machine guns, slaughtering Serbian men, women and children, desecrating Serbian churches, murdering Serbian priests, laying waste Serbian villages, torturing, raping, burning, drowning. Killing became a cult, an obsession. The Ustashe vied to outdo each other, boasting of the numbers of their victims and of their own particular methods of dispatching them.

The author of this article, Edward Pearce, notes in conclusion that the essence of Serbian and Croatian response to Nazism can be summed up as, respectively, resistance and embrace.

Mr. Speaker, why do the memories of this horror inspire terror in Serbs in Croatia even today. Listen to this Croatian student's account of the day of the Croatian referendum on independence. And I quote:

> On the day of the referendum I was woken up very early in the morning. There were people in the street shouting the name of Croatia's wartime fascist state. It made my flesh creep.

This quote was reported in the May 25, 1991 issue of the Economist. The point I want to make here was perhaps best expressed by Leslie Selb, in the article "The Dark Side of Disunity," which was published in the New York Times on July 10, and I quote:

> The fact that Croatia and Slovenia have freely chosen to separate themselves from Yugoslav and Serbian domination does not suggest, or guarantee, a free and domocratic future for their citizens. Croatia is known more for its Nazis than for its democrats. * * * Perhaps the large Serbian population in Croatia has more to fear from an independent Croatia than Croatia does from Serb-dominated Yugoslavia.

From the points that I have made here today, it is very clear that the situation in Yugoslavia is totally misrepresented by this resolution. All of the facts that I have presented have come from documented, respected, and widely distributed sources of information. I can't help but think that the total failure to include this point of view was deliberate.

Mr. Speaker, I also want to stress and reiterate that I do not wish to stand as an apologist for neither the President of Serbia, Slobodan Milosevic, nor the Serbian Government. I share legitimate concerns of people around the world regarding the human rights situation in Serbia. What angers me, however, and what is detrimental to the overall Yugoslav situation is to criticize one republic, while ignoring similar, legitimate concerns about one or more of the other Republics.

Finally, this resolution discusses the volatile situation in the province of Kosovo, and once again it is not surprising that this resolution addresses only the concerns of one community and is so unbalanced so as to make it counterproductive to the long-term stability of the region. I will not dwell on this issue because the House has already, by overwhelming margins, twice voted down language similar to this resolution. I would only remind my colleagues that there are two sides to this issue, and I would point my colleagues to the recent House debates on this subject to show just how slanted and unfair this resolution is. The very fact that the sponsors of this resolution spell the name of this province in the way that no official U.S. Government documents, major newspapers, or the State Department do, shows how biased these gentlemen are toward Serbia. According to sound principles of international law, it is only proper that this province is referred to as Kosovo, not Kosova.

Mr. Speaker, I thank my colleagues for taking the time to hear out my concerns about Yugoslavia, and to ask that they think long and hard before cosponsoring this resolution. I would hope they would join in the productive efforts of many of us who seek a lasting peace for Yugoslavia on the basis of respect for the human rights of all ethnic groups of all the Republics.

□ 1850

THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. INHOFE] is recognized for 60 minutes.

Mr. INHOFE. Mr. Speaker, I had originally reserved 60 minutes for the purpose of giving a report on some of the political ramifications of a trip that I just returned from. I had the occasion of flying a small plane around the world. That trip was commemorating the 60th anniversary of one of our favorite sons out in Oklahoma, Wiley Post, who in his famous Winnie Mae, Mr. Speaker, which with your aviation background you are familiar that he flew the Winnie Mae around the world, and we retraced his tracks. We were able to go through places in Siberia where they had never seen an American before.

□ 1900

We had some various number of things happen to us that I think had a profound political impact on some of the things that are going on today in the Soviet Union.

However, it also happens that several of my colleagues, in view of the report that came out just a few days ago, wanted to utilize this time in order to give a report and an update on some of the activity of a group in Congress that is referred to as the Congressional Leadership United for a Balanced Budget, or CLUBB.

GENERAL LEAVE

Mr. INHOFE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with my special order of today.

The SPEAKER pro tempore (Mr. CARPER). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. INHOFE. Mr. Speaker, it was a little distressing the other day to receive the midsession review of the budget that came out. This midsession review gave some very disturbing results from something that had happened last October when we spent some time on the floor of this House in coming up with a budget reconciliation.

There were many projections at that time that I felt, from my background, would not turn out to be accurate even though I know that they were not intentionally misrepresented. There are many Members of this body who felt that the projections were accurate and, consequently, supported that particular resolution even though they probably would not have if they had known what history has now shown to be true.

As a result of that, what was projected, last year's agreement claimed a 5-year savings of nearly $500 billion, and a cumulative deficit over the 5-year period would be somewhere in the neighborhood of $527 billion. The results right now that have come out in this report indicate that that deficit in a 5-year period would probably total closer to $1.082 trillion. That is over the next 5 years.

This year's deficit will be an unsightly $282.2 billion, but next year's deficit, according to the reports here, is estimated to be $348 billion.

Mr. Speaker, now, it is very important that the people of this country and that all of us here who work in these Chambers realize that there is a difference between debt and deficit. We are here only concerned with the deficit. That is, how much are we going to add to the debt in a period of 1 fiscal year.

In this case, we had a target of far less than this, but it is going to come out to be close to $350 billion. You know, the Federal tax burden in this country has doubled in the last 10 years.

I think it has come to the point where the people of this country have spoken loudly and clearly in favor of a budget-balancing amendment to the Constitution. I believe it was in the summer of 1988 that the USA Today ran a nationwide poll, and 87 percent of the people of America want a budget-balancing amendment to our Constitution. This is a recognition that the people in this country know that Congress, this body, is not capable of the fiscal restraint in order to balance the budget.

Mr. Speaker, the budget has only been balanced eight times in the last 60 years.

Quite often we find people saying, "Well, the answer to a balanced budget is to increase taxes." One statistic that is very interesting to reflect on is that every time in our history in the United States that we have raised taxes by $1, we have increased spending by $1.50.

There are several places around the country, and Tulsa, OK, is a city that lives under a budget-balancing amendment. The State of Oklahoma is a State that lives under a budget-balancing amendment, where it has worked very well.

But in Congress, it has not worked. Quite often Congress imposes obligations and guidelines and restrictions on the rest of the public, and they do not apply to Government. One is that we do not have an accounting system that really tells us where we are.

I would suggest that while we talk about the huge deficits, while we talk about the national debt, that we do not really know what these deficits are. Right now, we are talking about passing a 5-cent-a-gallon, or increasing the taxes on gasoline by 5 cents a gallon. Well, that is kind of interesting in that we did this less than a year ago, and they are talking about that this is necessary to carry out our highway program.

It is interesting to note that currently the unencumbered surplus in the highway trust fund, exceeds $17 billion. By exceeding $17 billion, you might wonder why is it necessary to pass a tax increase, and why do we not merely use some of the trust fund.

Well, it is the same answer, I guess, you would give when you talk about the unencumbered surplus that exists in the aviation trust fund. It is in the neighborhood of $8 billion.

A number of years ago a President of the United States at that time was coming out with some programs, some social programs, that were referred to as the Great Society, and recognizing that these programs were going to have to result in accumulating huge deficits and ultimately debts for future generations, he devised a way to make that deficit and that debt look smaller by using trust funds, where trust funds are accumulated, the source of which is from the use of the particular entity that the trust fund represents; for example, the highway trust fund uses gasoline taxes to build the trust fund. That money in the trust fund, in the highway trust fund, cannot be spent for anything except improving our highway system. The money in the aviation trust fund cannot be spent for anything except improving our airways, our airspace, and our airports in this country.

But by accumulating these massive amounts of money and not spending them for their designed purpose, the end result is that the trust fund has built up huge surpluses, and we do not spend it, and that, from an accounting perspective, is offset against the very large deficits that are there. In other words, if we were to go ahead and spend down the trust fund, the highway trust fund in this case, it would reflect the deficit as being much larger than it is and, of course, it is already large enough.

It would seem to me that it is time for truth in government. Let us go ahead and use these trust funds and let the people know exactly what kind of a debt, deficit that we have in this country.

But I would say that if there is one thing that is significant to talk about at this point when one is talking about a budget-balancing amendment, it would be to talk about the need for institutional reform in this body. There is not anyone who is serving today who is at fault, because these rules were put in this body before anyone who is serving today was elected. It actually happened back in the 1930's.

I have town hall meetings, and the reason I have town hall meetings is I find that the intelligence that comes out of town hall meetings is a lot more than you see sometimes in Washington. I get asked the question quite often:

> If we, as a family, are obliged to live within our means, why cannot Government do the same thing? If we in Tulsa, OK, have a charter that does not allow us to spend more money than we take in, why cannot the Federal Government do it? If we in the State of Oklahoma have a budget-balancing amendment, as most States do, where we cannot spend more money than we take in, why does not the Federal Government do the same thing?

These are very legitimate questions, and they are very difficult questions to answer when you are at a town hall meeting.

The fact is we, in Congress, can balance the budget when 51 percent of the people who are representing the United States in Congress want to balance a budget. We are not balancing the budget because there are not enough Members who want to do it.

The next question that comes from the town hall meeting is:

> If 87 percent of the people in this country want a budget-balancing amendment in the Constitution, why do we not have one?

I asked that question when I was first elected in 1986 and first served in 1987. There is a bill, a resolution, and it is H.R. 321.

I see the gentlewoman from South Carolina who was elected at the same time I was, and she was a coauthor and was a strong mover of this budget-balancing amendment to the Constitution.

When this was introduced, it had roughly 240 coauthors on it, and yet it did not receive a hearing and was put, by the Speaker, and the Speaker then was Speaker Jim Wright, into a committee where it was what we refer to as a burial ground.

The rules provide in the House of Representatives that the only way that you can get a bill out of the committee, if the committee chairman is not going to bring it up, is to have a discharge petition. A discharge petition is kept right up there in the desk of the Speaker, and for anyone to sign a discharge petition, that Member has to go up to the desk and sign it. It takes 50 percent of the membership signing a discharge petition to get it discharged. That means that 218 signatures have to appear on this.

□ 1910

When the 218 signatures appear, it comes out and we have a hearing. It was interesting, though, in 1987, my first year to serve here in the House of Representatives, that we could not get that 218th signature on there. In fact, the most signatures we could get were 135.

Wait a minute. That does not make sense. Why is it we can only get 135 signatures on the discharge petition, when we had 240 coauthors on H.R. 321, a budget-balancing amendment to the Constitution? The reason is very simple: There are many people who read USA Today and read the polls of CBS and the other major media when they know 87 percent of the people want a budget balancing amendment in the Constitution. They read this and know people at home want it, and they want to go back and have town hall meetings, and they come and put their name as coauthor on this particular bill, such as H.R. 321 and say, "There I am, a cosponsor of a budget balancing amendment to the Constitution. I am on your side. We have to do something about all the liberals in Congress." Then the same individuals, many of them will not go up and sign a discharge petition.

The next question is asked at a town hall meeting, "Well, why don't we find out who is an author on there, and yet who doesn't want to sign a discharge petition?" The answer to that is that there is a rule that we cannot release the names of people who sign a discharge petition.

The rest of the story is kind of interesting, although the prime mover, the person who discovered a way to get around this is no longer in Congress. Maybe there is a lesson there.

However, it did happen that an individual came up with the idea that he would not disclose the names of individuals who sign a discharge petition, but would disclose the names of people who signed as coauthors and refused to sign a discharge. As a result, we got the necessary signatures. I remember the day when the 218th signature came in and the Speaker put it out and we had a vote. I can tell Members and remind Members, as Members probably know, Mr. Speaker, that the budget amendment to the Constitution lacked only seven votes from passing. In other words, we were seven votes from passing a budget-balancing amendment to the Constitution.

A number of years ago, a group was formed that was the Congressional Leadership United for a Balanced Budget. The gentleman from Texas [Mr. STENHOLM] was the Democrat cochairman of it, and the Republican cochairman is no longer in the House. I replaced him as the cochairman. That is a viable operation that is going on in Congress today.

I think it is very exciting to know that at this time when the American people want a budget-balancing amendment more than ever before, that they have the opportunity to get involved in the next few weeks and have one.

Mrs. PATTERSON. Mr. Speaker, will the gentleman yield?

Mr. INHOFE. I yield to the gentlewoman from South Carolina.

Mrs. PATTERSON. Mr. Speaker, I thank the gentleman from Oklahoma for yielding.

I'd like to thank Mr. INHOFE for calling this special order on a balanced budget amendment. I extend my thanks to the gentleman from Oklahoma for his leadership as we have tried to get through this wonderful balanced budget amendment. Hopefully this year, under the leadership and the leadership of the gentleman from Texas [Mr. STENHOLM] and others, we will see the bill passed, with the necessary sponsors and the necessary votes.

Mr. Speaker, today, the Wall Street Journal reported on the good news-bad news or our country's slow, economic recovery. We are hopefully coming out of this recession. But the signals sent by the country's leading economic indicators are mixed.

As I stand here tonight, I think about the people back home in South Carolina, and their concerns. I recently received a letter from one of my constituents who is worried about this recession. Mr. Lewis Brabham of Greenville, SC, enclosed with his letter articles with headlines that also send a signal—a clear signal—reporting of layoffs and personnel reductions.

Mr. Brabham was very insightful in his letter. He believes that restrained overspending by Washington tends to be reflected in national prosperity. He went on to say that Federal deficits, nevertheless, are growing larger.

Mr. Speaker, I cannot tell you how many people in my district, and throughout South Carolina, are worried about the deficit. I receive mail on our debt, and very often, if I receive letters from people concerned about wetlands, education, or defense issues, they will include a paragraph asking what Congress is doing about the deficit; $348 billion. That is a staggering figure. The Federal deficit, including deposit insurance spending and the Social Security surplus, will rise this year to a record $348 billion.

I read a frightening headline the other day in USA Today: "Interest Payments Growing Faster Than Rest of Budget." That's more than benefits, like Social Security and Medicare, defense, and domestic spending. I see this as a threat to our Nation; a threat to our national security; and a threat to our children. We are saddling future generations with a debt they do not deserve.

I believe that the only sure way we can get a handle on the Federal deficit is to require a balance budget. Mr. Speaker, House Joint Resolution 290 just makes sense. We need to balance the budget and not spend more than we take in, unless a super majority of this body sees fit to do so. This bill holds Congress accountable to the taxpayers. A balanced budget amendment goes directly to what folks in South Carolina and across the country are worried about. It is smart money management.

In an attempt to bring some sanity back to the system, I have introduced H.R. 1889, the Budget Simplification and Reform Act. I think that the Federal Government's budget process is largely to blame for our deficit spending. H.R. 1889 is designed to make our budget process simpler, stronger, and more honest.

This bill contains provisions that would limit continuing resolutions, and mandate an expedited recission process. Essentially, if the President doesn't like something included in an appropriations bill, he could send that bill back to Congress where we would have a limited amount of time to consider it. This statutory line-item veto would require all of us to work together to find reasonable grounds for cutting the budget.

I agree with many people from my State that we have to eliminate what has been called pork in the budget. I think that if a Member believes in a project, he or she should be willing to stand up for that spending and be counted. My bill contains a truth in legislating rule that would require committees and conferences to include explanatory statements, the identity of the sponsor, and the cost of the projects that benefit 10 or fewer people.

Let us spread a little sunshine on Capitol Hill.

The people of the Fourth Congressional District of South Carolina believe in a balanced budget. I am here to see that House Joint Resolution 290, the balanced budget amendment is addressed during this Congress.

Mr. INHOFE. Reclaiming my time, the gentlewoman said something that sparked a memory. This gentlewoman smiled a little bit when she said how many zeros does that have in it when we talked about the deficit.

It is interesting because—and I do not want to give my age, although I am far older than the gentlewoman—we have talked about this before.

I remember at the beginning of my political career there was an advertisement that was on television. I do not know whether it was a National Taxpayers Union or who did the advertisement. However, they were trying to get people to understand the magnitude of what the debt was.

At that time, the debt was $100 billion. They stacked up dollar bills, and these dollar bills exceeded the height of the Empire State Building.

The theme at that time was that the national debt is still at $100 billion, and we cannot encumber our children and future generations any more.

☐ 1920

So when you say how many zeros, that is really a pretty good question to ask.

Mrs. PATTERSON. And it has almost tripled since that, I guess three times.

Mr. INHOFE. We are in the trillions now. We are talking about debt.

Mrs. PATTERSON. Oh, the gentleman is talking about debt. I am sorry. It is a trillion.

Mr. INHOFE. So many of the people in the town hall meetings in South Carolina, I am sure, there is a confusion between deficit and debt. It is so important for people to know when they say, "Let's balance the budget," all we are trying to do is balance the budget with a target date of maybe a few years from now, and we are patient enough to do that if we can get that commitment. But that does not do anything to the debt. That is the deficit.

I thank the gentlewoman very much for her participation. She has offered so much leadership in balancing the budget.

Mrs. PATTERSON. Well, I appreciate the gentleman's leadership and for making those points.

Mr. INHOFE. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. ZIMMER], one of the dynamic Members of this body.

Mr. ZIMMER. Mr. Speaker, I thank the gentleman for yielding to me, and I am delighted to join with the gentleman from Oklahoma, the gentleman from Texas [Mr. STENHOLM] and others who have been fighting for a Federal blanced budget constitutional amendment for so many years.

I have only been here for 7 months, but I have learned already that there is an institutional bias here in Congress toward spending money that we do not have. I have not met lobbyists in designer suits urging us to save money. Everybody is here for their specific spending project or their specific tax loophole, and as a result because of the focused efforts of those who want us to spend the money and the diffuse interests of the general public who wants us to be frugal, we have succumbed to the temptation and have spent more than we have taken in for many, many years now.

I am a freshman, but I think I share with the other Members of my freshman class perhaps a greater interest in this issue than previous classes. That is because we were elected in 1990, a year when the general public was fed up with politics as usual, and they saw as the example of the bankruptcy of American politics at the Federal level the inability of the Federal Government to get its own fiscal house in order.

Those of us who were elected on both sides of the aisle I believe overwhelmingly feel that we have got to get serious about balancing the budget. Those of us on the Republican side of the aisle tend to be willing to vote against spending programs that are popular in order to balance the budget. Some of the Democrats who are freshmen say we should raise taxes to do so; but all of us recognize that we cannot go on as we have done in the past. We just simply cannot afford to mortgage our children's future.

You have seen the bumper sticker I think now that says we are spending our children's inheritance. That is supposed to be amusing and it is based on an individual family situation, but we in Congress at the Federal Government level are in fact spending the inheritance of our children and our grandchildren and our great-grandchildren. They will have a lower standard of living because of what we are doing now. They will be in a Nation which is less competitive internationally because of what we are doing now, and they will ultimately in one way or another have to pay off the debt that we are incurring right now.

I think that is not just bad economics. That is bad morality. We are stealing money from other generations.

Thomas Jefferson was in France at the time the original Constitution was drafted. He was asked for his thoughts about that Constitution. He said it was a very good Constitution as far as it went. He would like to see a Bill of Rights and he would also like to see a constitutional ban on Congress being able to incur debt. Thomas Jefferson was not only a brilliant student of American government, he also understood human nature. He said that we should have very little confidence in the good intentions of elected officials. He said instead we should bind them down from mischief by the chains of the Constitution. Unfortunately, the original Constitution did not do that with respect to the spending power and the power of Congress to incur debt.

We and future generations will have to pay the price for that. We can rectify that situation now. This Congress can do so, but I do not underestimate the difficulty of it because by restraining ourselves, by binding ourselves down from mischief, we are interfering and restricting our own prerogatives. We are, of course, restricting our own ability to get ourselves reelected by voting for all those spending programs, by voting against those difficult cuts, by refusing to recognize that someday we will have to pay for the programs that we authorize and appropriate money for.

It is very difficult to accomplish this because it is in our own individual political interest to be fiscally irresponsible, although all of us understand that it is not in the national interest for us to be so fiscally irresponsible. That is why there are those, including myself, who have pushed for the prospect of a balanced budget constitutional convention called by the States to force Congress to do what is not in the personal interest of the Members of Congress. I hope that is not necessary. I hope that this Congress which is convened at a time when we have a recordsetting budget deficit, when we have deficits going into the future as far as the eye can see, that this Congress will recognize the essential necessity of balancing the budget by constitutional amendment.

I was in the State legislature in New Jersey for 9 years. I think most or at least half the Members of the House have a background in the State legislatures. In New Jersey, as in most other States, there is a balanced budget provision in our State constitution. It did not make us as individual legislators very happy to have that provision there because come the end of one fiscal year and the beginning of the next, we were at a very contentious point. We had to make choices, difficult choices. We argued with each other. We yelled. We screamed. We stayed up all night, but come down on July 1 of each year, the beginning of the new fiscal year, we had a balanced budget. That is because we were required to, and for pundits to say that somehow Federal legislators would be less observant of a Federal constitutional provision to balance the budget than State legislators are in the vast majority of States in this Union, I think is without foundation and it is insulting to us.

I think that we could and we would abide by a constitutional amendment requiring a balanced budget, and although we all know that some games are played at the State level with balanced budget requirements, nowhere, not one State has engaged in the profligate style of spending money that it does not have anywhere close to what this Congress of the United States has done. That is why we so badly need this institutional brake on the normal human nature of those of us who comprise this institution.

Mr. INHOFE. Mr. Speaker, if the gentleman will permit me for just a moment, the gentleman was on a train of thought, but he is on a point I would like to ask the gentleman a question and maybe have the gentleman elaborate a little bit.

It is no secret that the gentleman's State has had serious fiscal problems. Oklahoma also has. Like the gentleman, I spent 10 years in the Oklahoma State Legislature many years ago.

There was not a time, there was not a year that went by that we did not have all kinds of hue and cry and people trying to figure out ways to violate our Constitution that prohibited an unbalanced budget.

I can remember the devious ways that people would have trying to do it, but we never let them get by with it because the constitutional amendment was very clear.

Now, the constitutional amendment that we are talking about today on the Federal level allows for the problems that could exist. If there is a national emergency, if there is a war, it does allow for a two-thirds or a three-fourths vote, depending on which one we are looking at, in order to actually stay into a deficit; but at least we are on record in doing it.

In the State of New Jersey, was there each year people trying to figure out ways to try to get around a balanced budget?

Mr. ZIMMER. Sure, and this year and last year there were some gimmicks that were used that made some people's stomachs turn, and in fact deprived the State of New Jersey of our triple-A bond rating; but the fact is that New Jersey, even when it falls off the wagon to a certain extent, is far more virtuous than the Federal Government.

I believe that there is no question that we can and will be bound by the constitutional provisions.

You can see that we are already, some of the Members of this body and the other body, are already beginning to try to find loopholes in the spending caps that were negotiated last October in the Budget Summit. They may well do that because all it takes to break those caps it waivers or repeals enacted by law.

□ 1930

And that is why we need to put this constraint in the fundamental, unchangeable or difficult-to-change charter of our Republic, the Constitution, so that the Congress will not succumb so easily when the political heat is on.

Mr. INHOFE. That is right.

Mr. ZIMMER. I thank the gentleman for yielding to me.

Mr. INHOFE. I thank the gentleman from New Jersey. I was not asking the question in order to cut the gentleman off. I just wanted to get that point in.

Mr. ZIMMER. I could go on all afternoon.

Mr. INHOFE. Mr. Speaker, I have found the same thing to be true. We talked about the State legislature. When I was the mayor of the city of Tulsa, we had exactly the same situation. There were members of the Commission who tried to do everything they could in order to get more money into the operating budget. I would hope while we are talking about these problems, just like the gentlewoman from South Carolina said, we cannot ignore other things, not just the balanced-budget amendment, but the line item veto and so on.

Certainly, in the Federal Government, if there is one need that we could single out that is so closely related to this, it is to have accounting reform in the Federal Government. There was a Member who is a CPA from New York, Joe DioGuardi, who headed up a task force that I was on. He is no longer here, but he was here when I was first elected. It was to get truth in accounting so that we could at least know what the deficit is. Today I would defy the gentleman or the rest of the people in this Chamber to tell me what is really the deficit and what is the debt, because we do not have an accounting system that has any accrual basis for it where we actually know where we are at any given time.

In the city of Tulsa, with a computer on my desk as mayor, we segregated the operating budget from the capital budget so that we knew any day where we were in line with the rest of the year, whether we were ahead or behind. At the same time, we had members of the Commission, good people but people who thought they had greater need for expenditures in the operating budget, trying to figure out how to get money out of the capital budget into the operating budget, to increase the expenditures for that year. We were able to stop that from happening. That is very important.

I would suggest perhaps in New Jersey the gentleman had the same problem.

Mr. ZIMMER. Yes, we did. As I said, I think the fact that people will try to evade the strictures that we would establish is absolutely no excuse not to try to change the Constitution. There is no reason why we should evade this provision any more than the provision that the President serves for 4 years. If we can write clear language that means what it says, we will not only be legally bound but politically as well, and it would be very difficult politically to get out from under those.

Mr. INHOFE. Right. And the point I want to make is I have heard the argument that, well, they will figure out some way to get around it. That is not true, because in our State, in our city and, I suggest, in the State of the gentleman from New Jersey, even though there are those who want to do it, it is a very specific thing; you cannot spend more money than you take in, unless there is a national emergency or some other exceptions.

So it is something that is worth it. I have always found that the closer you get to home, the more responsible it is because you are closer to the people; there is not that insulation that there seems to be here in Washington.

Mr. ZIMMER. I thank the gentleman for giving me this opportunity. It is a very difficult challenge that we face, but I am glad to be and proud to be part of the effort to institute this long-overdue and very important reform.

Mr. INHOFE. I certainly would like to thank the gentleman from New Jersey for his contribution to the Congress as well as to this issue.

Mr. Speaker, at this time I yield to the gentleman from New Hampshire, another Member here that we are enjoying working with on the same committee, the Committee on Public Works and Transportation.

Mr. SWETT. Mr. Speaker, I thank the gentleman from Oklahoma for yielding his time to me.

I would like to say it is a pleasure to serve with my colleague and classmate from New Jersey. We have had the opportunity of discussing many approaches to balancing budgets, both in the large picture as we are speaking about tonight and also in more specific pictures as it relates to different programs.

I certainly appreciate the words he has given this evening, and I concur in the great majority with the thoughts he has put forth.

I too am impressed with the great American Thomas Jefferson. I appreciate my colleague from New Jersey bringing up a new aspect about one of my heroes. I did not realize that he had originally called for the inclusion of a balanced budget amendment in the Bill of Rights. I certainly will add that to the long list of accomplishments that Jefferson put forth in his service for his country, that I would like to add and use as an example for me.

Mr. Speaker, I certainly come before the House today to speak about the balanced budget amendment offered by my colleague, the Honorable CHARLES STENHOLM of Texas.

This is an amendment that I think brings forth before the body of the House the very important virtue of responsibility.

It also places in the hands of the leadership of the administration, the President of the United States, the responsibility for providing the balanced budget leadership at the beginning of the term. I think that this is a very important aspect of the balanced budget amendment, as offered by the gentleman from Texas [Mr. STENHOLM] that I find most important in a country that seems to be at this time like a ship without a rudder, awash in the malaise of a lack of leadership.

Mr. Speaker, I support this legislation because it is now long past time for the President and the Congress to begin confronting the tough choices before us and to put this country's fiscal house in order.

The passage of this constitutional amendment would require the President to submit and the Congress to annually adopt a balanced budget unless three-fifths of my fellow legislators agree by a rollcall vote to increase the Federal budget deficit.

It will provide the Congress with the opportunity to balance the Federal budget and curtail skyrocketing deficits which, left unchecked, could imperil the economic well-being of our country.

Mr. Speaker, this legislation answers the call of the American people who clearly want us to stand up and make the tough decisions that need to be made in order to eliminate the huge Federal budget deficit.

This country is still in the throes of a painful recession, which has been particularly devastating to the people of New England and New Hampshire. Thousands of working people have lost their jobs and just this week it was announced that New England has the dubious distinction of leading the Nation in business failures.

At a time like this, my constituents expect something more than business as usual in Washington. They want leadership that has the courage to take decisive steps to solve this nation's problems. The Stenholm balanced budget amendment fits this bill.

It proposes a fundamental change in the way we construct and pass budgets in Washington. And fundamental change is precisely what the times demand. If we do not act to quickly put our fiscal house in order our children and our children's children will be paying for our mistakes.

This legislation will help put an end to the spend now/pay later mentality which dominated Federal fiscal policy over the last decade. The Congress must remember that every dollar we borrow to finance deficit budgets now wil have to be paid back with interest by the American taxpayer later. For example, in 1990, 14.7 percent of the moneys spent by the Federal Government were spent on debt retirement. Those moneys will have to be paid largely by the same working and middle class taxpayers who have shouldered the brunt of the tax burden caused by the freewheeling spending in the 1980's.

No matter how hard they worked, middle and working class Americans—the heart and soul of this country—were unable to get ahead during the last decade. Unless we turn and face the deficit problem now, it will haunt us for generations to come. It is as necessary to the spirit as it is to the economy of our country that we resolve the deficit crisis and resolve it now. The Stenholm balanced budget amendment will do the job.

Mr. Speaker, I thank the sponsors of this special order for their efforts and you for this time.

Mr. Speaker, as a freshman class Member who, having had no prior service in public elected office, coming solely from the private industry sector, I see this as a most important amendment, one that brings responsibility and reasonableness to the operation of this Government.

Mr. Speaker, I urge those of my colleagues who are not yet supporting this amendment to do so.

Mr. INHOFE. I thank the gentleman from New Hampshire very much for his contribution to the Congress and leadership he has shown on this issue and for his service on the committee.

Mr. Speaker, I yield to the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT].

PERMISSION FOR COMMITTEE ON RULES TO FILE A REPORT ON A RESOLUTION MAKING IN ORDER A BILL TO BE INTRODUCED BY MR. ROSTENKOWSKI

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file a report on a resolution making in order a bill to be introduced by Representative ROSTENKOWSKI tomorrow relating to unemployment compensation benefits.

The SPEAKER pro tempore (Mr. CARPER). Is there objection to the request of the gentleman from Missouri?

Mr. INHOFE. Mr. Speaker, reserving the right to object, and I will not object, it is my understanding this is agreed to by the majority and by the minority, by the gentleman from Missouri and by the gentleman from New York [Mr. SOLOMON].

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

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Mr. INHOFE. Mr. Speaker, I yield now to the other gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I appreciate the gentleman from Oklahoma [Mr. INHOFE] yielding to me, and I also want to thank the gentleman for organizing this special order on the balanced budget amendment.

Mr. Speaker, I was particularly pleased to see that this effort tonight is a bipartisan effort, both Democrats and Republicans, and I think that is no surprise because the bottom line is that we are in a state of fiscal crisis, and, by advocating a balanced budget amendment, we are showing the Congress is committed to curing this country's fiscal woes. I firmly believe that the U.S. Government must change its fiscal spending habits if we are to seek growth in this country.

I particularly want to make mention of the statement of the gentleman from New Hampshire [Mr. SWETT] because he pointed out that this is a problem that faces us, not only because of what the Congress has done, but also because of what the President has done. The bottom line is that the President does not submit a balanced budget, nor does he sign one, and it is a collective effort of both Congress and the President when we do finally arrive at a budget, and I think that the blame can be shared equally, if my colleagues will, between both branches of government when we talk about the need to come through with a balanced budget.

What we are really talking about here is a procedural cure, and I think that that is important. We are talking about a constitutional amendment, a way of forcing both the President and Congress to achieve a balanced budget. It is the first step to helping the Government stop spending and reducing the deficit. It will also protect American citizens from callous Government spending.

Mr. Speaker, the gentleman from New Jersey [Mr. ZIMMER], my colleague, pointed out that many States, including my own State of New Jersey, do in fact have laws that require a balanced budget. We are not talking about something that is very strange to the Government process. In New Jersey local municipal governments have to balance their budgets, county governments have to balance their budgets, and the State government has to balance its budget. So, there is no reason in the world why we cannot see the same thing happen on the Federal level.

I also think that Congress in passing a balanced budget amendment would be following the will of the people. In a recent survey by the National Taxpayers Union over 75 percent of Americans supported a balanced budget amendment, as well as tax limitations.

Mr. Speaker, I wanted to also comment on the tax limitation component. As my colleagues know, there are many balanced budget amendments. Some have and some do not have tax limitation provisions. I believe it is important that a balanced budget amendment that passes this House have a tax limitation provision, and a measure such as this would assure the public that the Federal Government does not grow at a faster rate than the national economy.

The national deficit now has risen to $348 billion. Congress should abide by a tax limitation measure which would require a supermajority of its membership to implement any taxes that are not in tune with the national economy.

Mr. Speaker, we are at a crossroads in American history. Our decision today will impact our children in the future and help preserve this country's place in the world. I urge my colleagues to do the right thing and support this important effort.

Mr. INHOFE. Mr. Speaker, I thank the gentleman from New Jersey [Mr. PALLONE], and I think that, as I recall, some three-fourths of the States do have a balanced budget amendment to their constitutions, and they work very well.

I would ask the gentleman from New Jersey [Mr. PALLONE] if he also served in the State legislation.

Mr. PALLONE. I did indeed. In fact, I was on the appropriations committee, and I was in the legislature at the same time as the gentleman from New Jersey [Mr. ZIMMER], and everything he says is true. A lot of times we did have to work into the late hours the last week or so before the fiscal year deadline, but we managed to accomplish achieving a balanced budget, and that is just something that was taken for granted, not something that was in any way strange or anyone thought anything of.

Mr. INHOFE. I guess, Mr. Speaker, I have not found anyone from a State with a balanced-budget amendment that does not agree that there is a very serious problem in trying to keep it, and yet we always do. It is always right up to the 11th hour, or the 12th hour, and at the very last minute, right before the deadlines when they cover the clock, it is a done deal.

So, Mr. Speaker, it is not easy, but it does work, and there are still people out there that say it will not work, and they have all kinds of fabricated reasons that it might not work on the Federal level as it does on the State level. But, as my colleagues know, we have demonstrated that it will work.

Mr. Speaker, the comment the gentleman from New Jersey [Mr. PALLONE] made about the President not submitting a balanced budget: it is true that the President has submitted budgets that would make targets that would eventually bring the budget into balance, and I think those of us who are being realistic might be willing to be patient enough to wait for 1 year, or 2 years, or 3 years, if we just knew that there is a time in the near future when it would be balanced, the deficit, not the budget. It would be balanced, so then we could start the same group working on this tremendous debt.

When we are talking about over $3 trillion, that is beyond our conception; at least it is beyond mine, and, when one thinks about the amount of money that it takes to service such a debt, it compounds the problem and brings into the fold individuals who are liberal in their thinking, in their philosophy, because they do not want the amount of money that is available all to be spent on servicing the debt.

So, there is a very real reason that this should not be a conservative issue because many liberals should be involved, too, and certainly, as the gentleman has pointed out, this is not a Republican or a Democrat program. This is a bipartisan program, and the organization that was put together several years ago, the Congressional Leadership United for a Balanced Budget, has an equal number of Democrats and Republicans all with the same concern, and one of the things I find to be kind of interesting is most of us have large families. We know who is going to be paying the debt we are accumulating today. Those things we enjoy today are going to be paid for by someone.

Mr. PALLONE. Mr. Speaker, I appreciate the comments of the gentleman from Oklahoma [Mr. INHOFE] and also the fact that he set this up tonight because I think it is a very important point, perhaps the most crucial that we face as a government.

Mr. INHOFE. Mr. Speaker, I thank the gentleman from New Jersey [Mr. PALLONE].

I would like to in wrapping up make a couple of comments. We talked about the necessity for institutional reforms. I think this is very important because most of the individuals I have talked to now do not feel the same way that Members of Congress felt 20 years ago and 30 years ago. They feel that we ought to have everything out in the open. If a person signs a discharge petition, that person should be able to wave it very proudly and say, "Look, America, I am for getting this out where we can get a recorded vote."

I find that most of the things that mainstream America wants are things that, if we have a chance to bring them out in a public forum, and bring them out and vote on them, that people will get, and I think it is necessary, and, if we bring about a balanced budget amendment to the Constitution, automatically we are going to have some of these reforms. We will have institutional reforms that will change the whole idea of having secrecy in our discharge petitions. We will have budget reform so that we will have an idea and we will be able to look in the eyes of Americans that we represent and say,

> This is what the deficit really is. This is what the debt truly is. We won't have any more of these games where you postpone the military payroll for 1 day in order to make the deficit look smaller. I think we are going to have a type of accounting reform that will be meaningful.

Mr. Speaker, the gentlewoman from South Carolina [Mrs. PATTERSON] mentioned other things that she had in her legislation, like a line item veto. A line item veto is something that is not very well understood by many Americans. Most Americans do not know that when we vote on a bill, there can be a rule where it cannot be amended.

I can remember, Mr. Speaker, back in 1987. It was December 23 at 2. a.m., just 2 days before Christmas. We were still in session, and at that time we were in the middle of voting on a reconciliation bill, and the vote was 205 to 205. It was a tie vote, and finally one of the individuals turned around and voted the other way, and it was passed. We passed a $23 billion tax increase on the people of America by one vote at 2 a.m. in the morning, 2 days before Christmas.

Mr. Speaker, this is not way to run government. The line item veto is an essential part of our government process, and I have heard the argument that it would be fine to have a line item veto if we had a conservative President all the time. That is not true at all. The line item veto not only makes us in Congress accountable, it makes the President accountable so he can no longer say this is a bill that has 40 unrelated things in it, and I have to sign it because it also has veterans benefits, and Social Security, and some things that we have to have.

□ 1950

Instead of that we can have truth in government. We can veto those things that are not consistent with the philosophy that he ran on and the people of America want, and that brings it back to this House where we have to be held accountable.

I think the whole thing is involved, institutional reform, accounting reform, budget reform, and above all a budget-balancing amendment to our Constitution.

I yield to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I would just like to thank the gentleman for taking this special order. I would have been down here assisting him had we not been tied up in Rules. We have got some rather good news. I have got a letter here from President Bush which fits right in with what you are talking about.

If I might just read this letter, it is dated August 1, today. From the White House, "Dear BOB," that is BOB MICHEL, our Republican leader, it says:

> As the House prepares to consider the Intermodal Surface Transportation Infrastructure Act, I want to reiterate my strong opposition to an increase in the Federal gasoline tax included in the bill. This tax could harm our Nation's economy precisely at a time when it appears that a healthy recovery has just begun. If the Congress presents me with a surface transportation bill that includes this increase in the gasoline tax, I will veto it.

This is not some of his staff advising this. He is saying in writing he will veto it.

He goes on to say:

> With this in mind, I ask you to support the effort to recommit the bill to the appropriate committees to delete this unwise and unsound proposal.
>
> Let me emphasize that I want to sign a surface transportation bill this year. The administration's legislation includes a 39 percent increase in highway investment over the next 5 years without a tax increase. I urge you to work toward passage of this proposal and urge the House to defeat attempts to increase taxes at the expense of our economic recovery.
>
> Thank you for your consideration of this matter.
>
> GEORGE BUSH.

Mr. DYMALLY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Let me finish, and then I will yield to my good friend over here. It looks like tonight in a few minutes we will put out a rule which will adopt the Bentsen approach over in the Senate on the Unemployment Insurance Act. This House can act on it tomorrow morning. It is an agreed-to thing that we Republicans and Democrats alike are going to support.

We will probably be out of here at 3 o'clock and the American people are going to be safe for 5 weeks because we will not be in session.

I just want to commend the gentleman because everything he has said is so true.

We need some fiscal responsibility around here. The only way we will get it is through the approach of the gentleman.

Mr. DYMALLY. Mr. Speaker, will the gentleman yield?

Mr. INHOFE. I yield to the gentleman from California.

Mr. DYMALLY. Mr. Speaker, I was just wondering, I ask the gentleman from New York [Mr. SOLOMON], did the President sign that letter in Moscow?

Mr. SOLOMON. If the gentleman would continue to yield, this letter has a bona fide signature, which I will be glad to give the gentleman a copy of.

Mr. DYMALLY. Did he use the fax or did he fly it over here from Moscow?

Mr. SOLOMON. Mr. Speaker, I do not know how it got here, but it was delivered to me personally.

Mr. DYMALLY. So someone may have forged his signature. It is quite possible.

Mr. SOLOMON. Mr. Speaker, I have seen too many, I have received too many letters from the President. I know a real signature when I see one.

Mr. DYMALLY. Does the gentleman think it might have been the machine that they used?

Mr. INHOFE. Mr. Speaker, reclaiming my time, I would like to comment first of all to thank the gentleman from New York for that very good news. He was not here when I originally was opening up this an hour ago, and we started this special order. I was talking about the 5 cents gas tax.

I calculated what that would mean to the people in my district alone. It would be a tax increase of $60 million. When we are sitting there on an oncoming surplus in the highway trust fund of $17 billion and most of that is left untouched so that it will make the deficit look smaller, I certainly think it would be totally irresponsible to have additional taxes.

I thank the gentleman very much for that excellent news that we received tonight.

Mr. OWENS of Utah. Mr. Speaker, I would first like to thank Mr. STENHOLM and Mr. INHOFE for arranging this special order. Though my conversion to support of a balanced budget amendment is relatively recent, I now consider myself among its strongest supporters. When I campaigned for Congress in 1986, I opposed such an amendment. But within a few months into the 1987 budget process, my disillusionment with the current budget process began. It was at that time I discovered that the collective political will needed to balance the budget, absent such an amendment simply did not exist, no more than during my original term in 1973. With the exception of a brief spark of hope after passage of last year's budget agreement, nothing in the past 4 years has convinced me otherwise.

Ours is a legislative body of great diversity. It is structured to foster and bring together conflicting interests and disparate philosophies for the common good. I once believed that the solution lay simply in bearing down, setting priorities and making difficult decisions. We still must do those things. But as the size of the Federal pie declines, the benevolence of the Congress has waned, and the budget process resembles more a feeding frenzy of sharks than a deliberative process of reasonable individuals. Without constitutional guidelines and restraints on spending and taxation, this inability to balance the budget will continue. The debate surrounding the transportation bill is all the proof I need.

Balancing the budget is simply good macroeconomic policy. We have allowed the national debt to accumulate to intolerable levels. This year, we will spend over $200 billion on interest payments alone. As long as debt is allowed to build, important programs go unfunded and private investment in economic growth is stifled. The Federal Reserve can artificially lower interest rates only so many times. The longer we go without balanced budgets, the longer we live on borrowed time.

No one questions the importance of deficit reduction, only the means of attaining it. Reaganomics failed. Gramm-Rudman failed. And last year's budget agreement has, unfortunately, looks as if it probably failed as well. Only a balanced budget amendment can provide the swift kick forcing us to face up to the monumental task of real deficit reduction. This should not be a partisan debate. The deficits and accumulated debt of the 1980's have stifled any hope of policy innovation. We now spend more in interest payments on the Federal debt than we do on education, job training, children's health care, or research and development.

Will a balanced budget amendment propel us into a long, divisive debate? Of course it will. As I read the list of cosponsors, I see colleagues with whom I more often than not disagree. But we all agree that it is a measure of austerity that we must undertake soon. A balanced budget will have dramatic consequences. But by putting off these important decisions year after year, we leave our children an even greater burden.

Mr. HUTTO. Mr. Speaker, I firmly believe that a constitutional amendment is a principal way to make Congress and the administration end the runaway deficits that threaten the Nation's financial health. I agree that the constraint of a constitutional amendment would prevent future Congresses from bypassing spending restrictions and statutory duties to balance the budget. In addition, I believe that a constitutional amendment would be the best way to guarantee foresight in our Nation's long-range budget planning. Therefore, I am pleased to be an original cosponsor of House Joint Resolution 290, the balanced budget amendment.

Going one step farther than requiring a balanced Federal budget, House Joint Resolution 248, includes a tax limitation provision. The amendment is based on the premise that the Federal Government should not grow at a rate faster than the national economy. Therefore, the tax limitation provision would forbid the Federal Government from increasing its revenue at a rate higher than the increase in national income without the approval of three-fifths of both the House and Senate.

I urge my colleagues on both sides of the aisle to come together on this most important issue and support an amendment to our Constitution to force the Congress to act with more fiscal restraint. Our Constitution should only be amended for matters of the utmost importance and our Federal budget deficit is a sign of the need for a drastic change in our system. The American people want a balanced Federal budget, let's put it in our Nation's most precious document.

We came close to passing the balanced budget amendment in the last Congress. I ask all of our colleagues to come on board and help us pass this much needed legislation.

VACATING OF SPECIAL ORDER AND REINSTATEMENT OF SPECIAL ORDER

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to vacate my 60-minute special order tonight and, in lieu thereof, be permitted to address the House for 5 minutes.

The SPEAKER pro tempore (Mr. SWETT). Is there objection to the request of the gentleman from West Virginia?

There was no objection.

HAPPY BIRTHDAY TO HARLEY STAGGERS, SR.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, all of us from time to time will take a special order to recognize a famous person in our district. Sometimes we do get blinded if that individual happens to be somebody that would be close to us.

Saturday it will be the birthday of such an individual. On August 3, 1907, an individual was born who became a great American. There was never any taint of scandal as this person served in the House of Representatives for 32 years. He represented the district that I represent now. He represented the State admirably. He also always chose to do what he thought was best for America.

Ned Chilton, who was a publisher of one of the largest newspapers in West Virginia, said that he disagreed with this individual a lot of times but he said that one of the things he did admire about him was that he never used the office "to get rich," that he was there to help the people of West Virginia.

The person I am talking about is my father. My father served this Congress for 32 years before I got here. He was a former chairman, and to a lot of people that recognize his name, Harley Staggers, they recognize it from the legislative standpoint.

To me, when I recognized the name Harley Staggers, it was always just Dad to me. I always will remember him telling the story to me that when I was young, that I was sick with a fever and he chose to stay up all night with me. But every once in a while he would doze off and I would elbow him in the ribs and wake him up, remind him he was supposed to be rocking me.

He never complained much, always would just keep rocking. It was a very hard night for him because he was in session. But he never complained. He does tell that story with some joy about the closeness that he has with the family, and with this individual member of his family.

One of the things that I would like to tell also is that it meant a lot to me then and means more even now, as a Congressman, when I was a high school football player, he never missed one of my high school football games. He made that special effort even though Congress may have been in session, as we will be tomorrow on Friday.

West Virginia, I think, knows him in a different way. As I said, a lot of people know him for his legislative accomplishments, those here in this body probably do. West Virginia knows him as a man who cares. Never a week goes by that I will go home and I will see him, and he will say, by the way, somebody needs some help. Mr. Smith from out there in Morgantown has a problem.

Of course, when I come back with my staff and tell them about Mr. Smith from Morgantown, they say, well, what street, do you have anything else? But we usually try to find him and usually we do.

My father always had that concern. He said, "I will take care of it." And he would pass it on to me.

The amazing thing is that a lot of times they did not even contact my office. They would contact my dad because they know that he was concerned and it was something that they just got used to doing.

He is well known in my district. When I first campaigned for this office, I was in a store, shook a lady's hand, said, "I am Harley Staggers, I am running for Congress." She looked puzzled, looked at me for a minute, and she said, "Yes, and I'm Jackie Onassis."

It took me 5 minutes to explain to her that I was HARLEY STAGGERS, JR., and I was running for Congress.

He does have a love of family. He has challenged all of his children to do their best, and he always left us with these words, "Try to be a good person and to care about your fellow man." And we did try to do that.

I think that is reflected in what his children have become, that reflects the leadership and the love that our father gave us.

His sister, my aunt, recently told me when my father was in the hospital that there has never been a better brother in the world, and the love that she felt for him obviously came out with that.

For people that know my mother and my father, they know that my mother and my father made a great team. It is obvious the love between them now, as my father does lay in a hospital bed.

I do not need to reiterate to the people here in Washington that he was a great legislator, but I do need to remind people across America that he was a strong father. We do have a strong family, and I would like to leave the message that we do love Harley Staggers.

I love my father. My family loves him. The people of West Virginia love him, and we wish him a happy birthday on Saturday.

Mr. ROYBAL. Mr. Speaker, I rise to honor a friend and former colleague of mine, Harley Staggers, Sr., who is celebrating his 84th birthday today.

I served with Harley for nearly two decades. The House has not been the same without him. The gentleman from West Virginia is sorely missed, but his memories are fondly cherished. He was a proud, yet humble man who worked quietly and efficiently behind the scenes to accomplish his goals. He came to Congress with a varied and impressive background as an educator, sheriff, and Navy flier during World War II.

Mr. Speaker, in his long tenure in Congress, Harley Staggers, Sr., earned the respect and affection of his colleagues on both sides of the aisle. His fairness and pleasant demeanor are remembered warmly by all who served with him.

May I extend to him my heartfelt wishes for a happy birthday and my wish that he enjoy many more years of health and vigor.

Mr. FORD of Michigan. Mr. Speaker, it gives me great pleasure to join my colleagues today in extending birthday wishes to our former associate, Congressman Harley O. Staggers.

Harley served in this House for over three decades. His dedication to his country, and to the people of West Virginia's Second Congressional District, stand as a credit to him, and to this body.

Harley's chairmanship of the Committee on Interstate and Foreign Commerce was just one of the hallmarks in his long and distinguished career.

Through his many years of dedicated service, Harley never lost sight of the needs of his constituents, and never ceased his tireless fight for the causes he believed in.

I know that it is a fitting tribute, and a source of tremendous pride to Harley, that his service to the people of the Second District of West Virginia is being carried on by his son, Congressman HARLEY O. STAGGERS, Jr.

I am glad to have had the opportunity to serve with him, and to call him a friend. I am proud to join my colleagues in this special order, and to offer Harley my warmest wishes for a happy 84th birthday.

Mr. ANNUNZIO. Mr. Speaker, I would like to wish a speedy recovery to my former colleague, Congressman Harley O. Staggers, Sr., who will celebrate his 84th birthday this Saturday.

Mr. Speaker, I'm proud to say that it was an honor and a pleasure for me to have served for 15 years with Mr. Staggers in the House of Representatives.

Congressman Staggers was a Member of this House from 1948 to 1980. During the last 14 years of his career, Mr. Staggers served with distinction as the chairman of the Committee on Interstate and Foreign Commerce. In this role, Mr. Staggers applied his skills as a parliamentarian to advance jobs and economic growth for people across this great country. Mr. Staggers always worked constructively with his colleagues for the betterment of America. It is sad to note that many of today's Members never got a chance to work with this model legislator from West Virginia.

I hope that Mr. Staggers soon regains his health, so that he can continue enjoying the retirement that he earned during his many years of service to this House and the people of the United States of America.

GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore (Mr. SWETT). Is there objection to the request of the gentleman from West Virginia?

There was no objection.

□ 2000

The SPEAKER pro tempore (Mr. SWETT). Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 60 minutes.

A BILL TO DESIGNATE THE CENTRAL COAST NATIONAL MARINE SANCTUARY

Mr. PANETTA. Mr. Speaker, I rise today upon the introduction of legislation to designate the Central Coast National Marine Sanctuary.

Throughout my career in the Congress, I have sought to promote good stewardship of our Nation's resources. To be good stewards, I have found that the Congress must strike a balance between the need to develop our Nation's resources with our responsibility to preserve the Nation's truly significant and sensitive resources for the benefit of future generations. To this end Congress created the National Park System and the Wilderness System to preserve our historically and ecologically significant resources within the public domain.

Recognizing the importance of preserving our significant marine resources as well, Congress created the National Marine Sanctuary Program to preserve those areas of the marine environment which possess ecological, historical, recreational, or educational qualities that give them special national significance.

In the first decade of its operation, the National Marine Sanctuary Program has enjoyed enormous success in not only protecting our significant marine resources but educating the public on the global ecological importance of these marine resources as well. The program has been hindered, however, by the reluctance of the past administration to include more marine areas in the National Marine Sanctuary Program. Currently, only 5,320 square nautical miles of the ocean, less than 0.2 percent of the total marine areas in the domain of the United States—U.S. exclusive economic zone—are protected by a National Marine Sanctuary designation. This figure compares with some 147,000 square miles of U.S. lands currently protected by a Wilderness designation.

The marine area of the central coast of California protected under this legislation possesses the ecological, historical, recreational, and educational qualities noted above which make it an area of national significance and a beneficial addition to the National Marine Sanctuary Program.

This coastal area, which runs mostly along San Luis Obispo County, represents one of the most significant marine ecosystems along the Nation's west coast. It has a rich variety of sensitive coastal habitats including significant wetlands and estuaries as well as rocky intertidal zones and subtidal rocky reef communities.

The area is home to many threatened and endangered species including the California sea otter, seven endangered species of whale, and four species of sea turtles, and is also a major feeding and resting area for migratory birds protected under international treaties.

One of the more significant resources of the area is the Nipomo Dunes Complex which have been designated as a National Natural Landmark. The Nipomo Dunes Complex contains the largest coastal dunes in California and have immeasurable ecological and scenic value, high educational, scientific and recreational importance, and represents one of the few coastal areas in the State still in an undisturbed condition.

In addition to having numerous sensitive marine resources worthy of preservation and research, the central coast also has archaeological significance as it was the home of several Chumash Indian village sites for at least 9,000 years. This is the densest area of 9,000-year-old sites known along the western contiguous States to the Canadian border. Archeologists have discovered literally hundreds of Chumash sites in these coastal waters and they are the subject of ongoing study.

Despite the importance of this coastal area, its well-being is being threatened by a variety of pollutants including the drainage of pesticides and other toxics into the waters and the expanding industrial uses of the waters. Of particular concern is the continual threat of offshore oil and gas development in this sensitive marine area. While this legislation does not address the specific issue of oil and gas development pursuant to this legislation, I am confident that after the National Oceanic and Atmospheric Administration [NOAA] conducts a thorough investigation of this site pursuant to this legislation, it will rule to prohibit the conduct of new oil and gas activities in the sanctuary as it has done with every site currently in the National Marine Sanctuary Program.

It is my hope that the designation of the central coast as a National Marine Sanctuary will not only serve to preserve the unique and sensitive environment of this area but also provide a means for protecting this vital resource on which so many in the community depend for their livelihoods.

Mr. Speaker, it is clear that the central coast of California is an important, significant, and sensitive marine resource worthy of the stature and protection of national marine sanctuary designation. I urge my colleagues to join me in this effort by supporting the adoption of this legislation.

A copy of the legislation follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "California Central Coast National Marine Sanctuary Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the marine environment of the waters of the California Central Coast has special national cultural, educational, research, and economic significance, because of its—

(A) significant oceanographic characteristics, including a major permanent upwelling, several transitional upwellings, and current interaction located in the Californian transition zone between the Oregonian and Californian climatic provinces and its interrelationship with the Nipomo Dune-Point Sal National Natural Landmark,

(B) sensitive ecological and biological characteristics, including the presence of more than 27 endangered or threatened species of marine mammals, birds, and reptiles and a mixture of fish, mammal, shellfish, bird, and plant species not found elsewhere in the Pacific Basin,

(C) significant archeological values, including hundreds of Chumash Indian sites, many dating back 9,500 years; and

(D) significant estuarine and wetland ecosystems, including Morro Bay;

(2) the health and productivity of the waters of the California Central Coast are threatened by a variety of pollutants and expanding industrial uses of the waters;

(3) the existing State and Federal regulatory and management authorities applicable to the waters of the California Central Coast are inadequate to provide the kind of comprehensive and coordinated conservation and management of the sensitive marine environment of those waters that is available under the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1431 et seq.); and

(4) the designation and treatment of the waters of the California Central Coast as a national marine sanctuary is necessary for the preservation and protection of this important area of our Nation's marine environment.

SEC. 3. POLICY AND PURPOSE.

(a) POLICY.—It is the policy of the United States to protect and preserve living and other resources of the California Central Coast marine environment.

(b) PURPOSE.—The purpose of this Act is to protect the resources of the area described in section 4(b), to educate and interpret for the public regarding the California Central Coast marine environment, and to manage such human uses of the Sanctuary consistent with this Act. Nothing in this Act is intended to restrict activities that do not cause an adverse effect to the resources or property of the Sanctuary or that do not pose harm to users of the Sanctuary.

SEC. 4. DESIGNATION OF CALIFORNIA CENTRAL COAST NATIONAL MARINE SANCTUARY.

(a) DESIGNATION.—The area described in subsection (b) is designated as the California Central Coast National Marine Sanctuary (hereinafter in this Act referred to as the "Sanctuary"), and shall be a national marine sanctuary under title III of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1431 et seq.). The Sanctuary shall be managed and regulations enforced under all applicable provisions of that title III as if the Sanctuary had been designated under such title.

(b) AREA INCLUDED.—Subject to subsections (c) and (d), the area referred to in subsection (a) consists of all submerged lands and waters, including living marine and other resources within and on those lands and waters, off the coast of California seaward of the high tide line—

(1) from the southern boundary of the Monterey Bay National Marine Sanctuary (as that southern boundary is established in the final designation of that sanctuary), to the southern boundary of Point Sal Beach State Park in Santa Barbara County, California, and

(2) extending westward from Point Sal, California, to encompass the offshore Santa Lucia Bank;

as such waters may be described more particularly by the Secretary pursuant to subsection (d).

(c) AREAS WITHIN STATE OF CALIFORNIA.—The designation under subsection (a) shall not take effect for any area located within the waters of the State of California if, not later than 45 days after the date of the enactment of this Act, the Governor of the State of California objects in writing to the Secretary of Commerce.

(d) BOUNDARY MODIFICATIONS.—No later than the issuance of the draft environmental impact statement for the Sanctuary under section 304(a)(1)(C)(vii) of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1434(a)(1)(C)(vii)), in consultation with the Governor of the State of California, if appropriate, the Secretary of Commerce may make minor modifications to the boundaries of the Sanctuary as necessary to fulfill the purpose of this Act. The Secretary of Commerce shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives a written notification of such modifications.

SEC. 5. COMPREHENSIVE MANAGEMENT PLAN.

(a) PREPARATION OF PLAN.—The Secretary of Commerce, in consultation with appropriate Federal, State, and local government authorities, shall develop a comprehensive management plan and implementing regulations to achieve the policy and purpose of this Act by not later than 24 months after the date of the enactment of this Act. In developing the plan and regulations, the Secretary of Commerce shall follow the procedures specified in sections 303 and 304 of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1433 and 1434). Such comprehensive management plan shall—

(1) facilitate all public and private uses of the Sanctuary consistent with the primary objective of Sanctuary resource protection;

(2) consider temporal and geographical zoning, to ensure protection of Sanctuary resources;

(3) identify needs for research and establish a long-term ecological monitoring program;

(4) identify alternative sources of funding needed to fully implement the plan's provisions and supplement appropriations under section 6 of this Act and section 313 of the Marine Protection, Research, and Sanctuaries Act of 1972 (16 U.S.C. 1444);

(5) ensure coordination and cooperation between Sanctuary managers and other Federal, State, and local authorities with jurisdiction within or adjacent to the Sanctuary; and

(6) promote education, among users of the Sanctuary and the general public, about conservation of the California Central Coast marine environment.

(b) PUBLIC PARTICIPATION.—The Secretary of Commerce shall provide for participation by the general public in development of the comprehensive management plan.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

For carrying out this Act there are authorized to be appropriated to the Secretary $250,000 for each of the fiscal years 1992 and 1993.

INJUSTICE IN GRENADA—PART II

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DYMALLY] is recognized for 60 minutes.

Mr. DYMALLY. Mr. Speaker, Monday July 29 in a Special Order I brought to the attention of Members a critical event now taking place in Grenada, West Indies.

I refer to the death sentence imposed on fourteen members of the former Government and Armed Forces of Grenada.

Today I want to refer to a petition for provisional and permanent relief against death penalties and sentences of imprisonment to the Inter-American Commission on Human Rights.

Mr. Speaker, I enter into the RECORD the petition for provisional and permanent relief against death penalties and sentences of imprisonment.

[Inter-American Commission on Human Rights]

PETITION FOR PROVISIONAL AND PERMANENT RELIEF AGAINST DEATH PENALTIES AND SENTENCES OF IMPRISONMENT

Petitioners, Andy Mitchell, Vincent Joseph, Callistus Bernard, Cosmos Richardson, Lester Redhead, Christopher Stroude, Hudson Austin, Bernard Coard, Liam James, Leon Cornwall, John Anthony Ventour, Dave Bartholomew, Ewart Layne, Colville McBarnette, Selwyn Strachan, Phyllis Coard and Cecil Prime, by their attorneys, for their petition to the Inter-American Commission of Human Rights, respectfully allege as follows:

I. PRELIMINARY STATEMENT

1. This petition is brought by fourteen persons condemned to death: Callistus Bernard, Christopher Stroude, Bernard Coard, Leon Cornwall, Dave Bartholomew, Colville McBarnette, Phyllis Coard, Lester Redhead, Hudson Austin, Liam James, John Anthony Ventour, Ewart Layne, Selwyn Strachan, Cecil Prime; and three persons sentenced to imprisonment, Vincent Joseph, manslaughter, 45 years; Cosmos Richardson, manslaughter, 45 years and; Andy Mitchell manslaughter, 30 years.

All of the petitioners are citizens of Grenada. Phyllis Coard was born and raised in Jamaica and is also a citizen of Jamaica. All of the petitioners were either high officials of the Government of Grenada, or served in its military forces in October 1983 at the time of the United States invasion of Grenada, and during most of the years 1979–1983.

2. Sentences were imposed on December 4, 1986 during a purported suspension of the Judicial Provisions of the Grenada Constitution Order of 1973 by a temporary judge, Acting Chief Justice Denis Byron, of St. Kitts, appointed by the same authority that directed the prosecution in January 1986 for a period of eleven months to sit in judgment on this case. The sentences were affirmed more than 4½ years later, on July 12, 1991 during the same purported suspension of the Judicial Provisions of the Grenada Constitution Order of 1973 by three temporary judges, Sir Frederick Smith of Barbados, Rex McKay of Guyana and Tine Kendall of Antigua who were appointed by the same authority that directed the prosecution at various times after the 1986 trial to hear and decide the appeal.

3. The Government of Grenada has stated there are no further legal appeals. Domestic laws of Grenada do not afford protection of the human rights that have been violated. Such remedies as the government permits under the domestic laws of Grenada have been exhausted. Only the discretionary powers of pardon or commutation pursuant to the Prerogative of Mercy provisions of Articles 72 through 74 of the Constitution of Grenada remain open. The government of Grenada may act to execute the fourteen persons sentenced to death at any time. There is no enforceable order under any domestic law or institution of Grenada available to prevent the execution of petitioners' sentences. Provisional measures pursuant to Article 19(c) of the Commission's Statute or as otherwise authorized are appropriate and necessary to prevent irreparable injury to petitioners. Petitioners again respectfully request an immediate order from this Commission and the Inter-American Court of Human Rights directed to the Governor General of Grenada, Sir Paul Scoon, the Prime Minister of Grenada, Nicholas Braithwaite, and to the government of Grenada and all officials, officers and others acting under its direction, to stay the sentences of death and to protect the lives of petitioners pending a final determination by this Commission and by the Inter-American Court of Human Rights of the claims set forth in this petition.

4. For the reasons and upon the facts stated below, the confinement of petitioners, their trial and the sentences of death and imprisonment imposed on trial and affirmed on appeal have occurred in violation of petitioners' human rights including rights specifically protected by the American Convention on Human Rights ("the Convention") and the American Declaration of the Rights and Duties of Man ("the American Declaration"). The governments of Grenada and of the United States of America are responsible for the violations. The Government of Grenada confirmed and ratified the American Convention on Human Rights on July 14, 1978. The United States of America has signed but not ratified the American Convention on Human Rights. Both Grenada and the United States are members of the Organization of America States.

Petitioners have all been in the custody of the United States, or the Government of Grenada at all times since the United States invasion of Grenada in October 1983. During those years they have been held under conditions that constitute cruel, inhuman and degrading punishment, have been beaten and tortured frequently, have been held in solitary confinement, fed only bread and water for weeks at a time, have been frequently denied visitation by family, friends and counsel, and have been denied access to legal papers, materials and consultations to prepare and conduct their defense. At present, all seventeen petitioners are confined in the Richmond Hill Penitentiary, St. George's, Grenada.

II. ACCOUNT OF ACTS VIOLATING HUMAN RIGHTS COMMITTED BY THE UNITED STATES

6. On October 25, 1983 armed forces of the United States invaded Grenada killing scores of Grenadians, perhaps as many as 200, seizing the entire island, arresting several thousand people and removing the government. The invasion followed several years of United States planning to overthrow the Peoples Revolutionary Government of Grenada including threats and "phantom" invasions. It was the first time the United States invaded a former British colony in the Caribbean.

7. The invasion and military actions employed violated the United Nations Charter Article 2(4) & 33, the Inter-American Treaty of Reciprocal Assistance of 1947, the Rio Treaty, Article 1, and the Charter of the Organization of American States Article 18, 20 & 21 and other international laws proscribing the use of force in international relations. See, Committee on Grenada, "Special Report, International Law and U.S. Action in Grenada", 18 The International Lawyer 331, 380 (American Bar Association 1984). The United Nations Security Council condemned the invasion by a vote of 11 to 1, the United States voting against, and three countries abstaining, as a "flagrant violation of international law and of the independence, sovereignty and territorial integrity" of Grenada, id. at 375; the United Nations General

Assembly voted 108-9 deploring the "armed intervention" in Grenada, *id.* n. 107 at 375–76.

8. During the United States overthrow of the government of Grenada by force and its consolidation of control over Grenada in and after October 1986, U.S. forces arrested the seventeen petitioners in Grenada. They were held incommunicado for many days. Admiral Joseph Metcalf III, commanding officer of all U.S. forces during the invasion, denied knowledge of the whereabouts of petitioners Hudson Austin and Bernard Coard to a group of U.S. Congressmen more than a week after the invasion when they were confined in the brig of the ship on which he hosted the group. It was months before petitioners were taken before any magistrate, or were permitted to speak to a lawyer. During this period petitioners were threatened, interrogated, beaten, deprived of sleep and food and constantly harassed.

9. The United States seized public documents of the government of Grenada, and public and private documents of petitioners and other former officials. It conducted intensive investigations of the death of Maurice Bishop and other persons petitioners were later charged with murdering. It confined and interrogated hundreds of Grenadians over a period of months. Investigative reports, witnesses, physical evidence, documents and petitioners themselves were turned over in subsequent years to a government created, selected and financed by the United States. Documents seized by the United States that were essential to petitioners' defense and would have established petitioners' innocence were withheld from them by the United States.

10. The United States approved and paid for the prosecution staff, the lawyers appointed as temporary judges to the temporary High Court and Court of Appeal, and their supporting staffs, including security personnel. Other payments were made by the United States to individuals in the office of the Attorney General of Grenada for services to the United States that were in conflict with their official duties. During a visit to Grenada on February 20, 1986, President Ronald Reagan announced a five and one half million dollar U.S. grant to fund the confinement, prosecution, fees for lawyers appointed to act as judges and proceedings. At the same time he publicly urged that the trial begin without delay. Though important dispositive pretrial motions, including motions to ensure fair jury selection, were pending, the case was scheduled for trial on March 3, 1986. Continuous proceedings began in March that led to the jury selection and commencement of trial in April. Negotiations over payments to the temporary Court of Appeal judges for their services were ongoing throughout the appeal and continued until the morning of July 12, 1991, the final day of their decision. Cash payments were made to the judges on that day. The judges were reported by the Grenadian Voice, an island newspaper, on April 20, 1991 to be demanding "an additional U.S. $650,000 for delivering judgment". The extravagant fees, far in excess of normal judicial compensation paid to the temporary judges appointed to hear the appeal of this case, adversely influenced their decision in violation of petitioners' human rights.

11. The United States participated in the selection of the non-Grenadian lawyers who prosecuted the case and the non-Grenadian lawyers who sat in judgment. It arrested, detained, interrogated and then turned over to officials it selected the 17 petitioners with witnesses and evidence it selected to be used against them.

12. U.S. State Department officers monitored the trial and appellate proceedings throughout. They were often the only white people in the prison compound courtroom during proceedings. They never voiced a word of public protest over any action during the proceedings.

III. SPECIFICATION OF HUMAN RIGHTS VIOLATIONS BY THE UNITED STATES

13. The acts committed by the United States, its officials and others acting under its authority described in paragraphs 6 through 11, together with other acts which will be established at a hearing, violated

(a) the sovereignty of Grenada, corrupted its system of justice and deprived petitioners of their fundamental human rights to judgments rendered by competent courts, in accordance with laws enacted prior to the alleged acts for which they were charged occurred as guaranteed by Articles XVIII, XXV and XXVI of the American Declaration; see also Articles 4, 7, 8, 9, 24 and 25 of the American Convention of Human Rights;

(b) petitioners' human rights to a hearing by a competent, independent and impartial tribunal previously established by law guaranteed by Articles XVII, XXV and XXVI of the American Declaration, see also Article 8, Section 1 of the American Convention on Human Rights, and

(c) petitioners' human rights to liberty, freedom from arbitrary arrest, notification of charges, physical and mental integrity, freedom from cruel, inhuman and degrading punishment and punishment only after conviction in violation of Articles I, II, XVII, XVIII, XXV and XXVI of the American Declaration, see also articles 5 and 7 of the American Convention on Human Rights.

IV. ACCOUNT OF ACTS VIOLATING HUMAN RIGHTS COMMITTED BY THE GOVERNMENT OF GRENADA

14. From October 1983 through July 12, 1991 persons holding high office in the purported government of Grenada, including the Governor General, Sir Paul Scoon, the Prime Minister Nicholas Braithwaite, his predecessor Ministers, and others knowingly condoned, accepted benefits from and cooperated with the United States in its actions against petitioners as alleged in paragraphs 8 through 11 above.

15. On May 10, 1985, the then acting Court of Appeal through its President Justice J.O.F. Haynes held the High Court before which petitioners were charged to be unconstitutional, but that its acts were valid under the doctrine of necessity. Judge Haynes observed the Crown prosecutors "do not deny its unconstitutionality vis-a-vis the Constitution of 1973." He held, however, that "the Governor General's failure to take any action at all in relation to restoration of the constitutional court did not affect the temporary validity of the High Court on the basis of the law of necessity." Because the legality of the High Court was "temporary only", Judge Haynes pointed to the two ways a constitutional court could be created, (1) resumption of participation in the Eastern Caribbean States Court through the Supreme Court provided in the Constitution of 1973, or (2) by establishing another Supreme Court in its place under section 39 of that Constitution. He ended "Of course it is assumed the Government will act with reasonable despatch." Following the United States invasion in October 1983, Parliamentary elections were held in December 1984. Parliament convened in January 1985, voted to reinstate all parts of the Grenada Constitution of 1973, except the Judicial Provisions which it held in suspension. Four months later in May 1985, as stated above, the Courts were held to be unconstitutional, and temporarily valid only on the basis of necessity. However, not until July 5, 1991, more than six years later, did the Parliament act to reinstate the Judicial Provisions of the Constitution. The law enacted to restore the Judicial Provisions purported to do so incompletely by seeking to prohibit appeals to any decision by the temporary Court of Appeal which decided petitioners' case.

16. Instead of acting with despatch the government of Grenada continued the suspension of the Judicial Provisions of the Constitution of 1973 by legislation of its Parliament, made no effective effort to reinstate the Courts created by the Judicial Provisions of the Constitution, and their part in the West Indies Associated States Courts system, or to establish another Supreme Court in its place, until a final non appealable decision was made in petitioners' case. As a consequence, the entire proceedings against petitioners were before unconstitutional courts over a period exceeding seven years. Those courts were valid, if at all, by force of the doctrine of necessity. The effect was the presentation of the entire case before unconstitutional courts and temporary judges selected by the same authorities who prosecuted the case specifically to hear the case. The exercise was financed entirely by the United States which overthrew petitioners' government by force. The judges serving on the courts existing under the government of Grenada at the time of the United States invasion of Grenada did not preside at the trial, or participate in the decision of the Court of Appeal.

17. The specific intention of denying petitioners access to regularly constituted, competent, independent and impartial tribunals and to prevent any review by any judicial body not chosen by the prosecuting authority is manifested by the failure over a seven year period to create a constitutional court. The intention was confirmed by action of the Parliament on July 5, 1991, the Friday before the Monday set for the reading of the temporary Court of Appeals decision in petitioners case. Entitled, in part "Bill for an Act to restore the Judicature provided for by and under the Constitution", the act reinstates judicial sections of the Grenada Constitution of 1973, specifically sections 16, 37, 39 and 101–105 on a day to be appointed by the Governor General. To prevent any review by Her Majesty in Council, the Act provides:

"Notwithstanding anything contained in this Act or any other law, no appeal whatsoever shall at all lie to Her Majesty in Council from any decision whether final, interlocutory or otherwise or from any thing or matter arising out of any such decision of the Former Court of Appeals."

18. In January 1986 Denis Byron of St. Kitts was arbitrarily chosen by the same power that directed the prosecution to sit as the High Court judge in petitioners' case on a short term appointment of eleven months, with compensation negotiated for this engagement. Judge Byron scheduled important dispositive pre trial motions and the trial itself for March 3, 1986. These included motions pending more than six months addressing legal requirements for assuring the selection of fair and impartial jurors in the highly emotionalized and propagandized environment of Grenada.

19. On March 3 before Judge Byron addressed the motions, the prosecution orally objected to the jury array chosen by the Registrar Christian St. Lewis. On March 4, 1986, Registrar St. Lewis was wrongfully re-

moved from his duties which included preparing lists of jurors for jury service. The Public Service Commission of Grenada with the approval of the Governor General given March 3, 1986 also improperly discharged thirty-three prospective jurors who had been duly selected by Registrar St. Lewis in accordance with law.

20. On March 5, 1986, Denise Campbell of Trinidad, who had been an active member of the Prosecution Team headed by Karl Hudson-Phillips, also of Trinidad, since at least August 8, 1965, was appointed Registrar by the Public Service Commission. She remained a part of the Prosecution Team until March 6 when her name was dropped without comment. On March 10, 1986, 140 prospective jurors were brought into the courtroom within the Richmond Hill prison compound. They were chosen by Denise Campbell because of their known hostility to petitioners, their political opposition to petitioners, or their connection with the new government of Grenada, the prosecution team members or witnesses. At least 123 of the 140 prospective jurors were hand picked in violation of Grenada's Jury Ordinance Section 15(2) and ten of the twelve jurors selected for duty were chosen in violation of the Ordinance. All were chosen for their known, or presumed, prejudice against petitioners.

21. The prospective jurors while assembled in the prison courtroom, so crowded by their numbers that the public was excluded, shouted at, jeered and threatened petitioners and their attorneys who were then present, calling them "murderers" "criminals" and other hateful names. This occurred on several dates, reaching its climax on April 11 and April 14, the last two dates on which attorneys appeared for petitioners before their reappointment for the appeal after petitioners' convictions. The intensity of the hatred manifested by the prospective jurors and their shouting was threatening to and heard by everyone in the small courtroom and in the immediate area outside the courtroom itself. These events are set forth in affidavits filed in the temporary High Court.

22. The trial took place in a small building within the Richmond Hill prison which was remodeled for the purpose. To reach the prison it is necessary to travel from St. George's by road a distance of several miles, ascend a steep hill, and proceed to a guard station. The public, petitioners' relatives, lawyers and others were frequently denied entry. It was usual to encounter lengthy delays and harassment before being admitted. If admitted, to reach the place of trial one must walk several hundred yards down a heavily guarded roadway, then up a steep hill. The intimidation, difficulties and unpleasantness discouraged most people from attempting to attend trial. The public as such never attended. On many days no one attended, not even family members on. Attendance was always sparse. Even on important dates, such as the reading of the Court of Appeal's opinion few members of the public attended and there were empty seats on the few benches provided for the public behind the dock where it was difficult to see or hear. Petitioner's trial is the only one ever conducted in the prison. Petitioners were denied a public trial.

23. The trial was conducted before twelve jurors and six alternates, all prejudiced, who were sequestered throughout under the supervision of guards themselves highly prejudiced against defendants. There was no possibility of an objective or independent effort to find facts. Though one defendant, Rayburn Nelson, was acquitted by the jury, Court of Appeal Justice McKay stated in his opinion the evidence was more than sufficient to convict Nelson of murder. He surmised the jury rewarded Nelson for his good behavior during the trial, jury conduct that would be contrary to law and the instructions of the temporary High Court which Justice McKay inconsistently found to have been followed by the jury.

24. The jury was selected in the absence of petitioners, their counsel or other representatives of petitioners in a matter of minutes on the morning of April 15, 1986. Only the temporary judge, the prosecutors, court personnel and the jury were present. There was no effort to probe the prospective jurors by questions to determine whether they were free of prejudice and could decide the case fairly. Two who were chosen were removed the following day, one because he volunteered he was related to a person killed during the events for which petitioners were charged with murder, another because she reported she was secretary to a judge. All of the motions filed by petitioners in the summer and fall of 1985 designed to assure a careful selection process to assure a fair and impartial jury were summarily denied without hearing after petitioners were assured a hearing would be held.

25. The entire trial was conducted even though capital crimes were charged without any counsel representing the defendants. While the temporary High Court judge insisted the withdrawal of counsel was petitioners' responsibility, his rulings and conduct including contempt threats against counsel, under all of the surrounding circumstances, including the prejudice of the jurors, the unconstitutionality of the Court and the pressures for conviction being exerted by the United States, had so convinced petitioners that a fair trial before him was impossible that they saw appellate relief as their only hope. The temporary judge had a duty to assure protection of the legal rights of petitioners including their right to counsel and to adjourn the trial until the rights were protected. He made no effort to appoint counsel. He terminated appointed counsel and made no effort to have counsel return. He provided no legal protection for petitioners' human rights. They were tried without the assistance of counsel.

26. Petitioners were consistently removed from the courtroom during the presentation of evidence against them. Neither petitioners nor their counsel heard testimony against them. While the temporary trial judge stated they were removed for disciplinary reasons, or while serving contempt of court sentences which he imposed, or to maintain order, he made no effort to devise means by which petitioners could hear the evidence presented against them, confront witnesses against them, or have representatives who could object, cross examine, or even report what was said to them. He did not provide them with written summaries, or tape recordings of testimony. The effect was to conduct the trial in the absence of defendants. The temporary judge who removed petitioners during the trial offered to permit petitioners to cross-examine witnesses they had not heard testify. Petitioners understood this as compounding the cynical abuses of their human rights. When the impossibility of cross examination where the direct testimony was not known was suggested, Judge Byron offered on some occasions to read his notes of their testimony. Petitioners declined until their rights were respected under Article 8 of the Constitution of Grenada. There was a confrontation and no cross-examination of any Crown witness.

27. The temporary trial judge not only failed to make any effort to provide counsel, object to evidence, question or cross-examine Crown witnesses, summon witnesses known to have evidence of innocence, permit, or provide a means for petitioners to hear the testimony against them, electronically, or otherwise, he wrongfully and repeatedly commented prejudicially and instructed the jury to the prejudice of petitioners.

28. Petitioners were subjected to unrelating interrogation by United States officers, police assigned to Grenada from other Carribean States for this purpose and police working with the prosecutors. The interrogators employed physical and psychological torture to coerce confessions which were accepted by the Court as freely given despite detailed accounts by several petitioners of the beatings and other abuse they endured as long they could until they finally signed statements drafted by the police that were untrue. Statements of the following petitioners, obtained in violation of Article 8, Section 3 of the Convention, were thus placed in evidence and used against all petitioners to buttress the prosecutor's legally insufficient case: Vincent Joseph, Callistus Bernard, Lester Redhead, Andy Mitchell, Christopher Stroude, Ewart Layne, Colville McBarnette, Selwyn Strachan, Liam James, Leon Cornwall, John Anthony Ventour, Cosmos Richardson and Dave Bertholomew. None of the statements contained significant incriminating evidence against any petitioner, none contained any evidence of a common design, and most were exculpatory.

29. Petitioners were charged with participating in a political offense by common design to murder Prime Minister Maurice Bishop and others in October 19, 1983, in order to assume poliical control of Grenada. Ten petitioners were high political officials in the government. A number were members of the Central Committee of the government, or the New Jewel Movement, the governing political party. The entire episode was presented by the Crown as a political struggle which is the only rational construction to be placed on it. It was never suggested by the Crown that the ten political officials were present, or participated in the alleged murders. Seven petitioners were members of the military charged with the actual murders on the political orders of the Central Committee. One lieutenant, Rayburn Nelson was acquitted. Three of the seven soldiers and officers charged with common design to commit murder on the political order of the Central Committee were convicted of the lesser offense of manslaughter. It was the Crown's theory that the ten political officials ordered the murders in order to seize political power. There was no credible evidence of this and they are innocent. The Crown also failed to offer adequate, or consistent evidence sufficent to convict any of the seven soliders and officers.

30. Cletus St. Paul had been a member of Maurice Bishop's personal security force. He was arrested by petitioners' government in mid October 1983 for allegedly spreading a false rumor that two petitioners, Phyllis and Bernard Coard were planning to kill Maurice Bishop. St. Paul testified at the Preliminary Inquiry and at the trial. The convictions of the ten petitioners who were political officials not alleged to have been present at the scene of the crime depended on St. Paul's testimony. At trial, St. Paul testified he was taken to Fort Frederick on the morning of October 19, 1983, after Maurice Bishop was released from a week of House Arrest imposed

by petitioners' government by a crowd supportive of Bishop. At Fort Frederick St. Paul testified he saw Central Committee members, including some petitioners, arrive at Ft. Richmond and meet in the open yard. Though he could not hear what was said, St. Paul testified of a common design to murder Bishop and others on the basis of his claim that he saw some petitioners meeting, conversing, forming in a group, shaking their heads, making signs with their hands, and later he heard one of the political officials tell "the soldiers" "big business sized the opportunity to create trouble" and as a result these elements "must be liquidated". There was no identification of what, or who, the political official was referring to, or what was meant by liquidated. St. Paul made no mention of this alleged Central Committee meeting two years earlier in his testimony before the preliminary inquiry.

31. St. Paul's testimony conflicts with all other prosecution testimony concerning the timing of events, a fact the temporary trial judge ignored, and a fact that is crucial to the truthfulness of St. Paul's testimony. It is contradicted by his own earlier statements and by other witnesses in every major particular.

32. The temporary trial judge failed to advise the jury of prior inconsistent statements of St. Paul while acknowledging he was the Crown's key witness. He failed to examine Crown witness Joseph St. Bernard though he knew his testimony at the Preliminary Inquiry contradicted St. Paul. He refused to call Errol George whose testimony at the preliminary inquiry also contradicted St. Paul as he knew. He instructed the jury that St. Paul's testimony was the "factual basis" for a finding of "common design" which was the legal theory for the indictment of ten political official petitioners. He failed to instruct the jury that St. Paul had not mentioned that factual basis, the alleged meeting of Central Committee members including some petitioners in his testimony before the Preliminary Inquiry in 1984.

33. In addition to contradicting St. Paul's trial testimony, Errol George testified at the Preliminary Inquiry that St. Paul was one of the people who manufactured and spread a rumor that two petitioners, Phyllis and Bernard Coard planned to kill Maurice Bishop in early October 1983. St. Paul denied knowledge of the rumor. The testimony of George if believed would show animus by St. Paul against the Coards and perjury by St. Paul for denying he had heard of the rumor. Though the prosecution listed George as a witness and the temporary court knew of his testimony, Judge Byron did not summon George, or mention his earlier testimony to the jury.

34. The temporary Court failed to instruct the jury that St. Paul's testimony describing the arrival of the Central Committee members after he arrived at Ft. Frederick, where he testified he saw and heard evidence suggesting the possibility of a common design to commit murder was not sufficient evidence to convict anyone, even if believed.

35. Rayburn Nelson, a defendant at the trial who was acquitted, directly contradicted St. Paul. Nelson testified, as was necessarily true, that the Central Committee members arrived at Ft. Richmond long before St. Paul, that there was no meeting of the Central Committee as described by St. Paul, that he received no orders in the open yard near where St. Paul was located as St. Paul testified and that he received no orders at all to murder anyone. The St. Paul testimony was both perjured and described events that were impossible in light of all other evidence at trial. Judge Byron never suggested any question of credibility, or impossibility existed concerning St. Paul's testimony.

36. Judge Byron improperly required each juror to sign the verdicts as to each petitioner without notice to petitioners and without advising the jurors that they were not required to sign the verdicts. The requirement was coercive, violated jurors' rights and was intended to silence the jurors.

37. President Judge J.O.F. Haynes, shortly before his death, stated in open court on March 8, 1988 during appellate argument that he was calling on the Crown to produce the prior admittedly inconsistent statements made to investigators by Cletus St. Paul to determine whether they were a fatal impeachment of his trial testimony. He commented on the known animus of St. Paul toward petitioners, questioning whether the use of St. Paul's testimony on which at least ten convictions depended was improper. He also subpoenaed St. Paul to appear and answer questions about his testimony. On June 7, 1989, the temporary Court of Appeal presided over by Sir Frederick Smith of Barbados who replaced Justice Haynes denied petitioners' application for the Court to compel the Crown to present St. Paul's prior inconsistent statements to investigators, or to subpoena St. Paul to testify about these matters.

38. In announcing its opinion affirming all sentences in July 1991, the temporary Court of Appeals made no mention of anything in the record raising any doubt about St. Paul's credibility, the inconsistencies in his testimony, contradictions of it by Crown witnesses concealed from the jury, or the impossibility of his version of the facts.

39. Despite total control of all the evidence and witnesses following the U.S. invasion, the lengthy detentions and interrogations of all potential witnesses, the possession of all documents and physical evidence, the torture, beatings and forced confessions of most petitioners, the prosecution offered no credible evidence of a conspiracy, or common design, among petitioners to murder Maurice Bishop and other persons, and no consistent or convincing evidence of who actually killed Bishop and others. Thirty witnesses provided no coherent story of the actual murders, and no believable or sufficient evidence of a prior conspiracy or any thing other than spontaneous conduct at the scene of the crime. Volumes of the transcript of the trial prepared from the notes of Judge Byron are available for the Commission. They support the allegations of this petition and reveal many additional prejudicial statements, incidents, errors and human rights violations.

40. When the Crown completed presentation of its case, petitioners, without counsel and uninformed of the evidence and testimony presented by the Crown offered no evidence in their own behalf. Not a single witness was called. No documents, or physical evidence were offered. It was impossible to do so. The petitioners were not able under the circumstances to find, interview, subpoena or examine witnesses. They were not aware of the testimony and other evidence presented by the Crown except from fragmented and unreliable reports. They were denied the possibility of presenting defense evidence. While petitioners made unsworn statements from the dock, they were unable to respond to the Crown's evidence because they were never informed of it with any specificity.

41. The Crown's Counsel engaged in a lengthy highly rhetorical, wholly one sided and largely unsupported four week closing argument, or summation, following a trial in which the defendants had no counsel, were not present during Crown testimony, no Crown evidence was objected to, no Crown witness was cross-examined and no evidence was presented by or on behalf of the defendants. The temporary trial court gave a lengthy instruction to the jury that was entirely biased against petitioners and virtually directed convictions. Not a single word was uttered by or on behalf of petitioners. They made no closing arguments. They were not present in the Courtroom during the Court's instruction or the Crown's summation.

42. After many months of appellate hearings the three temporary judges, Sir Frederick Smith of Barbados, Rex McKay of Guyana and Tine Kendall of Antigua, took the case under submission at the close of argument on September 19, 1990. They suggested a decision could be expected before the end of November 1990. Petitioners' eleven appellate counsel, all but two of whom were appointed and compensated from United States funds by the government of Grenada, were assured they would be given two weeks notice of the decision date. Instead counsel, all of whom live in Jamaica, or Guyana, were given five days notice that the decision would be announced on July 8, 1991. They were advised only one counsel would be reimbursed for travel to attend the Court session.

43. In the absence of seven counsel who were unable to attend, the temporary Court of Appeals proceeded over a period of three and one half days for which they were being paid handsomely to deliver a political opinion in both substance and tone. They gave a long one sided background history unsupported by anything in the record. It was fiction, the facts being unknown to them. The historical background was an attack on petitioners' political party and its activity. The Court's version of the political history is contradicted in many significant particulars by documents, press reports, professional historians and facts admitted, or established, by the persons and organizations who participated. The temporary judges gratuitously stated they would have convicted for murder the one defendant acquitted of all charges and three petitioners acquitted of murder, but convicted of manslaughter. In analyzing issues presented by petitioners, they regularly ignored record facts favorable to petitioners. Reciting Cletus St. Paul's testimony at length the Judge failed to note that St. Paul did not mention any Central Committee meeting, the members conversing among themselves for a while, forming in a group, shaking their heads, making signs with their hands when he appeared at the Preliminary Inquiry in 1984 as he testified at trial. The Court of Appeal failed to note that St. Paul at the Preliminary Inquiry testified "big businessmen seize the opportunity to create trouble under the leadership of Brat Bullen and they must be liquidated", failing to note the critically important omission of any reference to a Brat Bullen at the trial. It ignored his prior inconsistent testimony, the known inconsistent statements he made to investigators which Justice Haynes had subpoenaed, the contradicting testimony St. Bernard gave at the Preliminary Inquiry, the failure to place the contradictory testimony of Errol George before the jury and the impossibility of St. Paul's testimony about times and what he witnessed in the light of all other Crown evidence.

44. On issues like threats by prospective jurors against petitioners while seeming to

concede there may have been disturbances, the temporary Court of Appeal blamed petitioners and their counsel for failing to bring the matter immediately to the trial judge's attention though the trial judge was present, or within hearing of the shouting and clamor, while ignoring the failure of courtroom officials, prosecutors and others to do so, or the highly intimidating nature of the event for petitioners and counsel, including the contempt threats leveled at counsel and their removal from the case the next court day. The threats were made in a near riotous scene and were amply described in affidavits. It was the failure of Judge James Patterson of Guyana to whom the Court of Appeal assigned the duty to hear the fair jury selection motions, since the trial was proceeding before temporary Judge Byron, to provide a hearing on the motions after being directed four times by the temporary Court of Appeal to do so that delayed presentation of the jury prejudice evidence and a hearing to resolve factual questions for a period of five years. Judge Patterson repeatedly showed his prejudice against petitioners. He was quoted in the Jamaica press while speaking of petitioners as saying "Satan transformed young men into unsavory people." When he denied he had jurisdiction to hear the fair jury motions the Court of Appeal instructed him to hear, he added without knowledge of the evidence that he "would not in my discretion exercise my powers in favor of the applications" if he had jurisdiction, a clear confession of pre-judgment, called prejudice.

45. The temporary Court of Appeal misstated the record repeatedly. As an example, it referred to petitioners' failure "strikingly" to identify any juror who actually sat in the case who also participated in the threats and shouting, though petitioners repeatedly referred to the person later chosen Foreman as one of the most threatening in the crowd.

46. The temporary Court of Appeal advised the press in the spring of 1991 that delay in announcing its decision was being caused by having the opinions printed off of the island. At the conclusion of their announcement of their decision in the early afternoon of July 12, 1991, when petitioners' counsel asked for a copy of the decision, they were told it was not yet available, but would be "promptly". The opinion is not yet available, but will be provided to this Commission as soon as it is.

V. SPECIFICATION OF HUMAN RIGHTS VIOLATIONS BY THE GOVERNMENT OF GRENADA

47. The acts committed by the government of Grenada, its officials and others acting under its authority described in paragraphs 14 through 38 above, together with other acts which will be established at a hearing, violated petitioners' human rights.

(a) to a judgment rendered by a competent court and in accordance with laws enacted prior to the alleged acts for which they were charged occurred as guaranteed by Article 4, Section 2 and Article 9 of the American Convention on Human Rights;

(b) prohibiting reestablishment of the death penalty in states that have abolished it in violation of Article 4, Section 3;

(c) prohibiting capital punishment for political offenses, or related common crimes in violation of Article 4, Section 4 of the American Convention on Human Rights;

(d) to a hearing by a competent, independent and impartial tribunal previously established by law guaranteed by Article 8, Section 1 of the American Convention on Human Rights;

(e) to defend themselves personally, or be assisted by counsel of their own choosing and to communicate freely and privately with counsel; to have counsel provided by the state; and to examine witnesses guaranteed by Article 8, Section 2 of the American Convention on Human Rights;

(f) to exclude coerced confessions from evidence guaranteed by Article 8, Section 3 of the American Convention on Human Rights;

(g) to a public trial guaranteed by Article 8, Section 5 of the American Convention on Human Rights;

(h) to liberty, freedom from arbitrary arrest, notification of charges, physical and mental integrity, freedom from cruel, inhuman and degrading punishment and punishment only after conviction in violation of Articles 5, 7 and 25 of the American Convention on Human Rights;

(i) to equal protection of the law guaranteed by Article 24 of the American Convention on Human Rights;

(j) guaranteed by Articles I, II, XVII, XVIII, XXV and XXVI of the American Declaration of the Rights and Duties of Man.

VI. REQUEST FOR PRECAUTIONARY MEASURES PURSUANT TO ARTICLE 19(C) OF THE STATUTE AND ARTICLE 29 OF THE REGULATIONS OF THE INTER-AMERICAN COMMISSION ON HUMAN RIGHTS

48. Fourteen petitioners are in danger of immediate execution. There is no existing legal restraint under the Constitution or domestic laws of Grenada that the government of Grenada will obey which prevents immediate executions. In order to protect the lives of fourteen petitioners and avoid irreparable injury it is imperative that the Commission and the Inter-American Court of Human Rights exercise all their powers including entering orders directed to the Governor General, the Prime Minister, the government of Grenada and all officials, officers and others acting under its direction to stay all executions and compel the government of Grenada not to execute petitioners before there is a final resolution of this petition. Petitioners refer the Commission to the provisions of Article 19(c) of its Statute and Article 29 of its regulations dealing with Precautionary Measures to avoid irreparable injury and request that they be fully exercised immediately to secure a commitment from the government of Grenada to fulfill its legal duties and stay executions pending final decisions herein.

49. The government of Grenada has stated that it recognizes no further legal appeals and that remedies under the domestic laws of Grenada have been exhausted. Only the discretionary powers of pardon, or commutation pursuant to the Prerogative of Mercy provisions of Articles 72 through 74 of the Grenada Constitution Order of 1973 remain open. The Advisory Committee on the Prerogative of Mercy has been advised that a petition for Clemency will be filed by all petitioners as soon as the opinion of the Court of Appeal is available and analyzed. The government of Grenada may act to execute the fourteen persons sentenced to death at any time.

50. Petitioners state they are innocent of the political crimes for which they have been wrongfully and illegally convicted.

51. Petitioners renew their request communicated on July 19, 1991 to the Inter-American Commission on Human Rights to immediately order a stay of execution of the death sentences imposed pending a final determination of their petition by the Inter-American Commission and the Inter-American Court on Human Rights and that a copy of the order be cabled to the Governor General of Grenada, Sir Paul Scoon, and to the Prime Minister of Grenada, Nicholas Braithwaite immediately.

52. Petitioners specifically refer to Article 4 of the American Convention on Human Rights and to Sections 3, 4 and 6 thereof which provide:

3. The death penalty shall not be reestablished in states that have abolished it.

4. In no case shall capital punishment be inflicted for political offenses or related common crimes.

6. Every person condemned to death shall have the right to apply for amnesty, pardon, or commutation of sentence, which may be granted in all cases. Capital punishment shall not be imposed while such a petition is pending decision by the competent authority.

53. There has been no execution in Grenada since 1978.

Petitioner's government during the period 1979 through 1983 carried out no executions and none have been committed since. There are a number of prisoners in Grenada who have been condemned to death, but are serving life sentences by virtue of the de facto abolition of capital punishment. Some of these prisoners were sentenced before 1979.

54. The conduct for which petitioners have been convicted constitutes purely political conduct. It is a classic example of political offenses as defined in law.

55. The Advisory Committee on the Prerogative of Mercy has an affirmative duty under Article 74 of the Constitution of Grenada to review all death sentences. Petitioners have notified the Committee that they will petition for clemency and that petition is pending.

VII. ADDITIONAL INFORMATION SUGGESTED BY THE REGULATIONS OF THE INTER-AMERICAN COMMISSION ON HUMAN RIGHTS

56. A file was opened by the Inter-American Commission on Human Rights in 1984 numbered 9239 by persons unknown to the undersigned on behalf of petitioners. Various submissions have been made since that time on the same subject matter. The issues raised herein are submitted for the first time.

57. No writ of habeas corpus has been applied for in Grenada in view of the nature of the existing courts and rules. As stated above, all domestic remedies permitted by the government of Grenada have been exhausted.

58. The Advisory Committee on the Prerogative of Mercy created under Sections 72–74 of the Constitution of Grenada of 1973 has been advised that petitioners will make a submission to it requesting the opportunity to first receive and review the written opinion of the temporary Court of Appeal. This procedure offers no protection from immediate execution under conditions existing in Grenada at this time.

59. No complaint on the facts stated herein has been heretofore presented to the Inter-American Commission on Human Rights by petitioners, except for matters contained in file No. 9239 and an application for a stay of execution sent to the Commission by fascimile transmission on July 19, 1991.

60. Petitioners' identities are well known to the government of Grenada. They ask that this petition with their identities be communicated immediately to the government of Grenada. Petitioners requested the undersigned counsel on July 10, 1991 in the Richmond Hill Prison Courtroom in Grenada to file a petition to this Commission in the event of an adverse decision by the temporary Court of Appeal, which in fact was rendered on July 12, 1991.

VIII. REQUEST FOR HEARINGS

61. Petitioners request a hearing at which they can present evidence of the violations of their human rights by the governments of Grenada and the United States as soon as possible.

WHEREFORE petitioners respectfully request the Commission to grant provisional and permanent relief against the death penalties and sentences of imprisonment and other violations of their human rights set forth herein, and to cause the Inter-American Court of Human Rights to similarly grant such relief, including without limitation, taking the following actions:

1. for the Commission to exercise all of its powers and authority, including but not limited to granting provisional and precautionary measures under Article 19(c) of its Statute and Article 29 of its Regulations and to cause the Inter-American Court of Human Rights to similarly exercise its powers, to protect the lives of the 14 petitioners condemned to death and prevent irreparable injury by directing orders or requests for stays of execution pending the determination of this petition to the Governor General of Grenada, the Prime Minister, the government of Grenada and all officials, officers and others,
2. for the Commission to proceed under the Convention and the Commission's Regulations, including without limitation Article 48 of the Convention and Articles 43 and 44 of the Commission's Regulations, to initiate immediately a comprehensive investigation and to conduct a hearing at the earliest practicable time into the matters set forth in this petition, and
3. for the Commission to direct and request the government of Grenada and the United States to provide forthwith and on a continuing basis as a matter of highest priority all information in their possession, custody and control relevant and material to the investigation, hearing and determination of the matters set forth in this petition, and
4. to render a decision in petitioners' favor holding, among other things, that the death penalties and sentences of imprisonment that have been imposed upon petitioners violate the Convention and the American Declaration, in the respects enumerated in paragraph 13 of the petition in the case of the United States and paragraph 47 in the case of Grenada, and most particularly, that the death penalties are impermissible and must be vacated under Article 4(4) of the Convention because petitioners have been convicted for political offenses and related common crimes, and holding further that the continued confinement of petitioners, under all of the circumstances of this case, is an impermissible violation of their human rights under the Convention and the American Declaration and ordering or directing the government of Grenada and the United States to cease their ongoing violations of the rights of petitioners and to grant petitioners appropriate redress to remedy these violations and ensure against their recurrence.

We hereby declare that this petition is true and correct to the best of our knowledge.

RAMSEY CLARK,
LAWRENCE W. SCHILLING,
Citizens of the United States of America.

□ 2020

Mr. Speaker, what I read into the RECORD was the petition from counsel for the defendants to the Inter-American Commission on Human Rights so that they may exercise a part of the treaty of which Grenada is a signatory so that clemency can be considered for the petitioners.

FINANCIAL INSTITUTIONS SAFETY AND CONSUMER CHOICE ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. STEARNS], is recognized for 60 minutes.

Mr. STEARNS. Mr. Speaker, in June 1991, the House Banking, Finance and Urban Affairs Committee began consideration of legislation to reform the banking industry in the United States. A dramatic increase in bank failures in recent years, coupled with a rapidly depleting bank insurance fund, forced Congress to undertake the first major reform of the banking industry in nearly 40 years. While they were still cleaning up the savings and loan mess, Congress and the President set out to head off a similar crisis in the Nation's banking industry.

The Bush administration submitted to the Congress a plan to reform, overhaul and modernize the Nation's banking system. The administration's plan came before the House Banking Committee as a bill titled the Financial Institutions Safety and Consumer Choice Act of 1991. I met with Treasury Secretary Nicholas Brady several times during the subcommittee markup of the banking reform legislation and began the markup with an open mind on the administration's plan.

The bill that the banking committee reported to the full House on June 28, 1991, however, was substantially different from the plan originally submitted by the administration.

This special order is an examination of the forces that guided the banking committee through the markup of the Financial Institutions Safety and Consumer Choice Act of 1991.

I will highlight the major changes in the administration's plan enacted by the banking committee—changes that caused me to vote against the final version of the bill.

THE NEED FOR REFORM

There is little disagreement in Washington that major reform is needed in the banking industry of this country. The current state of banking in the United States leaves taxpayers overexposed, consumers and businesses underserved and the industry increasingly uncompetitive. As a result, banks are unable to effectively perform their important role in stimulating and sustaining economic growth.

Today, the United States does not have a single bank among the world's 25 largest. Twenty years ago we led the standings with the top 3 and had 7 banks in the top 25. Of course the question of pure size is not the whole story. But against the backdrop of an economy that is twice the size of our nearest competitor's, how do we explain the complete absence of U.S. banks from the list of world leaders?

LARGEST 25 BANKS 1969
(Ranked by Deposits)

1. Bank of America NT & SA.
2. Chase Manhattan Bank NA.
3. First National City Bank.
4. Barclays Bank.
5. National Westminster Bank.
6. Manufacturers Hanover Trust Co.
7. Banca Nazionala del Lavoro.
8. Royal Bank of Canada.
9. Banque Nationale de Paris.
10. Westdeutsche Landesbank Girozentrale.
11. Deutsche Bank.
12. Canadian Imperial Bank of Commerce.
13. Morgan Guaranty Trust Co.
14. Chemical Bank.
15. Credit Lyonnais.
16. Bank of Montreal.
17. Societe Generale.
18. Banca Commerciale Italiana.
19. Sumitomo Bank.
20. Fugi Bank Ltd.
21. Bankers Trust Co.
22. Midland Bank Ltd.
23. Mitsubishi Bank.
24. Sanwa Bank Ltd.
25. Industrial Bank of Japan Ltd.

LARGEST 25 BANKS 1989
(Ranked by Deposits)

1. Dai-Ichi Kangyo Bank.
2. Sumitomo Bank.
3. Mitsubishi Bank.
4. Fuji Bank.
5. Sanwa Bank.
6. Industrial Bank of Japan.
7. Banque Nationale de Paris.
8. Mitsubishi Trust & Banking.
9. Deutsche Bank.
10. Tokai Bank.
11. Norinchukin Bank.
12. Credit Lyonnais.
13. Sumitomo Trust & Banking.
14. Credit Agricole.
15. Barclays.
16. National Westminster Bank.
17. Mitsui Trust & Banking.
18. Mitsui Bank.
19. Bank of Tokyo.
20. Long-Term Credit Bank of Japan.
21. Societe Generale.
22. Taiyo Kobe Bank.
23. Dresdner Bank.
24. Yasuda Trust & Banking Co.
25. Daiwa Bank.

(Source: American Banker)

This is not a size issue, but a competitiveness issue. Foreign banks are increasing lending in the United States as American banks lose market share here at home. Even U.S. investors are not rushing to invest in U.S. banks. Our country's largest bank, Citicorp, recently turned to foreign sources for a capital infusion.

Bank failures totaled 198 in the 38 years from 1942 to 1980, but bank failures totaled 206 in 1989 alone. Interest rates and transaction costs are higher than they need to be due to inefficiency and higher costs. The dramatically increased rate of bank failures, coupled with a bank insurance fund that is rapidly depleting, creates a potentially catastrophic situation that should alarm every taxpayer in the United States.

Because there has not been a major reform of the banking industry for nearly 40 years, there are many antiquated laws on the books today that have kept the U.S. banking industry from keeping up with its foreign competitors.

For example, the McFadden Act was enacted in 1927 to prevent banks from branching across State lines. The intent of the act was to put national banks and State chartered banks on equal footing in their ability to open new branches. This law has also proven to be a fairly ineffective barrier to preventing interstate banking competition.

THE NEED FOR MODERNIZATION

YESTERDAY'S LAWS

Bank Holding Act (1956)
Investment Advisers Act (1940).
Investment Company Act (1940).
Securities Act (1933 and 1940).
Glass-Steagall/Banking Act (1933).
Federal Credit Union Act (1934).
McFadden Act (1927).

TODAY'S REALITY

1990 Banks: Real Estate loans; Third World loans; LBO's.

1980 Business loans: Goldman Sachs and General Electric Credit Corp. Savings Accounts.

1970 Sears and Merrill Lynch, Auto Loans: GMAC and Ford Motor Credit Co.

1960 Checking accounts: Fidelity and Vanguard.

The banking committee decided to revisit these laws because it has become obvious that to strengthen our banking system, we need to strengthen the ability of banks to raise capital and compete internationally. The degree that we overhaul these and other laws is the question. Reform is guaranteed, but how far should we go?

TITLE I—SAFETY AND SOUNDNESS

This title contains the Federal Deposit Insurance Corporation Improvement Act of 1991. Title I seeks to tighten the regulatory reins of the FDIC over insured institutions. It requires the FDIC to examine every insured institution at least once a year in an effort to identify troubled banks before they fail.

After the examination, the FDIC will now classify each institution on the basis of its level of capital: Level 1 institutions are significantly above required capital ratios; level 2 institutions meet required capital ratios; level 3 institutions are below required capital ratios; level 4 institutions are significantly below required capital ratios; and level 5 institutions have capital equal to or less than tier 1 capital of 2 percent.

Banks that are classified as level 3 or level 4 would have 60 days to submit a plan for capital restoration. Level 5 institutions would have 30 days to raise their capital levels above a level equal to 2 percent tier 1 capital, or be placed into conservatorship or receivership.

Title I also requires the FDIC to assist insured depository institutions in the most cost-effective manner. It requires the FDIC to undertake a cost analysis of the alternative methods of resolving troubled institutions, and to select the method that will result in the least cost to the insurance fund.

Before the FDIC can assist a troubled institution, title I requires the FDIC to remove the board of directors and to treat shareholders as if an institution had been closed in situations where Government assistance is given to a troubled institution.

Finally, and probably most importantly, title I provides for the recapitalization of the Federal Deposit Insurance Corporation. Under title I, FDIC's current Treasury credit line is increased from $5 to $30 billion. Unlike the money that is now flowing into the savings and loan bailout, the money being given to the FDIC is a loan and must be paid back. Under the provisions of this bill, the FDIC and the Treasury Department must enter into an agreement providing a repayment schedule of any money borrowed for the insurance fund. This agreement must be submitted to the House and Senate Banking Committees for review. It also authorizes the FDIC to pass along the costs of repayment to insured depository institutions.

ANALYSIS OF TITLE I

There is no doubt that the bank insurance fund is in serious financial trouble. The balance in the fund is dangerously low, and bank failures are increasing at an alarming rate. The insurance fund clearly needs more money; however, we must be sure we are not throwing taxpayer money into a bottomless pit. The recapitalization scheme worked out in title I of this bill goes a long way toward avoiding this and limiting the liability of the taxpayer.

First of all, the committee is not giving the FDIC more money, but is instead loaning it the necessary funds to remain solvent. Many times the Government loans out money with no real prospect for repayment. "Loan" is a much more palatable word than bailout or handout. However, by authorizing the FDIC to impose special assessments on insured institutions, the committee is giving the FDIC the means to repay the loan. It is also ensuring that the Government assistance being provided to the insurance fund is paid for by the industry that benefits from it instead of being paid for by the taxpayers at large.

The reforms in title I are clearly written as a result of lessons learned from the savings and loan debacle and its disastrous effect on the industry's insurance fund. It is encouraging that the committee has taken steps to ensure that the bank insurance fund does not go the way of the thrift insurance fund.

The reforms are aimed at giving the FDIC an active, rather than reactive, role in ensuring the stability and solvency of its insured institutions. The provision requiring the FDIC to remove the board of directors of troubled institutions simply makes good business sense. We should not hand over taxpayer money to the same group of people that got the institution into trouble in the first place. The part of this provision that requires the FDIC to treat shareholders as if the institution was in bankruptcy makes sure that the insurance fund is used in a manner consistent with its intent: guaranteeing deposits. Taxpayer money should not be used to protect the investments of wealthy stockholders. Taxpayers were justifiably outraged at the cavalier behavior of some savings and loan executives, and this provision is an attempt to make sure bank executives are held accountable.

I believe title I is a good faith effort by the committee to ensure the solvency of the bank insurance fund while limiting taxpayer liability and increasing accountability within the FDIC and each and every insured institution.

TITLE III—NATIONWIDE BANKING AND BRANCHING

Current Federal law prohibits a bank holding company from owning a bank in a State other than the holding company's principal State of business. The only way a bank can now purchase a bank in another State is if that other State specifically allows out-of-State ownership of banks. The Federal law prohibiting cross-border ownership would be repealed 3 years after enactment of this bill, to allow nationwide banking.

Title III would also allow banks to engage in interstate branching. Three years after enactment of this bill, banks may open branches in States outside of their principal State of business. In some instances, States will still have regulatory control over branches within their borders even if the holding company is located in another State. Thus, a bank with branches in many States would be subject to the various laws of each State.

ANALYSIS OF TITLE III

Allowing nationwide banking and interstate branching is an important and necessary step to modernize the American banking industry.

The main argument against this concept was that large national banks would come into smaller communities and run smaller, local banks out of business. Critics contended that the larger banks would be able to offer lower fees and higher interest rates with which a small local bank would not be able to compete.

However, something that happened in the New York banking industry over a decade ago offers us evidence that this is unlikely. When New York passed a law allowing intercounty branching, the cry of small banks at the time was that the giant money-center banks of New York City would simply run them out of business. However, the exact opposite proved true. As it turned out, the large New York City banks were unable to compete with the small local banks and their ability to deliver the required community services. The large New York City banks withdrew to Long Island.

TITLE IV—FINANCIAL SERVICES MODERNIZATION

This title contained the Financial Services Holding Company Act of 1991, amending the Banking Holding Company Act to permit banks to affiliate through Financial Services Holding Companies [FSHC's] with companies that engage in activities determined to be of a financial nature. The title also covers nonbanking activities of foreign banks in the United States and amends the various securities laws included in the Securities Act of 1933 and the Securities Exchange Act of 1934.

The most significant element of title IV is the removal of the 58-year-old barrier between banking and commerce. The administration called for the establishment of a new system of holding companies through which nonbanking corporations—such as Kmart—could enter into the banking, insurance, and real estate businesses. The administration contended that allowing the marriage of banking and commerce would give banks a desperately needed capital infusion and would make them more competitive worldwide.

Critics of the administration's proposal worried that allowing profit-driven corporations to own federally insured banks would put the solvency of the FDIC and the liability of the taxpayer at the mercy of the corporations' boards of directors. In other words, critics feared that bad business decisions by corporation management or even a severe downturn in the economy would jeopardize the corporation and that would, in turn, jeopardize the viability of the affiliated financial institution. When the corporation goes belly-up, only the owners and/or stockholders suffer, but when its federally insured bank goes belly-up along with it, the taxpayers must pick up the tab.

Debate between the proponents and the opponents of the administration's proposal centered around the concept of "firewalls." Firewalls are the rules, regulations, and limitations on the relationship between the bank and its affiliated holding company.

The administration contended that the firewalls in its bill would guarantee the safety and soundness of financial institutions affiliated with commercial interests. Critics argued that no firewall could completely insulate federally insured financial institutions from the precarious nature of the marketplace in which profit-driven corporations must survive.

The leading critic of the administration's proposal was Representative JIM LEACH. Representative LEACH offered an amendment that retains present barriers between banking and commerce. I voted for the Leach amendment, but it failed by a vote of 20–32.

ANALYSIS OF TITLE IV

The central tenant of title IV was the marriage of banking and commerce. Unlike the deregulation of the savings and loan era, the expanded powers and freedoms proposed for banks were much more limited and controlled. The administration went to great pains to devise a system of diversified holding companies and financial services holding companies separated by various firewalls.

The administration argues that by allowing banking and commerce to merge again, access to capital will be greatly increased and banks will become more competitive both domestically and internationally. Removing of the current barrier will go a long way toward stemming the current tide of bank failures now plaguing the FDIC, according to the administration.

My distinguished colleague from Iowa, Mr. LEACH, saw the proposal in a different light. In another special order, he said:

> What is at stake in the internal combusting of commerce and banking is economic democracy, the question of whether the voice of small businesses and ordinary citizens will be heard in a world of financial conglomeration. Such a conglomeration of economic power would have the effect of concentrating monetary and credit allocation decisions in the very largest multinational corporations, including those headquartered in Tokyo and Frankfurt.

When the Hubbard amendment, an amendment to basically maintain the status quo, passed in the Financial Institutions Subcommittee, any hope for real deposit insurance reform was scuttled. Because the committee refused to address the issue of deposit insurance reform, allowing the merger of banking and commerce would extend taxpayer liability into much broader reaches of the economy. The gentleman from Iowa [Mr. LEACH], said:

> If banking concerns such as Bank of New England had been allowed to merge with First Executive Life and be controlled by commercial enterprises carrying prestigious names like Eastern Airlines, Chrysler or Time-Warner, bailouts could take on megaproportions and become the yearly norm rather than the generational aberration.

Knowing that the committee was not going to take any steps toward limiting taxpayer liability, and knowing the risks involved in removing the banking/commerce barrier, I supported the Leach amendment. As much as I understand the need for modernization of our banking system, I also understand the need to shelter the average taxpayer from another savings and loan debacle.

TITLE V—FEDERAL DEPOSIT INSURANCE REFORM

The administration recommended reining in the overexpansion of deposit insurance coverage. Today, coverage of multiple accounts is excessive by any definition. While popular perception is that accounts are already limited to $100,000 per person, in actuality depositors may have multiple accounts insured up to $100,000, each within a single institution, and an unlimited number of insured accounts across different institutions. For example, a family of three may be insured up to $1.2 million in a single depository institution. I would like to submit for the RECORD a chart detailing how this can be done.

THE EXPANDED SCOPE OF DEPOSIT INSURANCE COVERAGE

Here's how a family of three—husband, wife, and one child—can increase their coverage to $1.200,000 in a single depository institution (this example assumes that each individual holds no other account with the institution).

Individual Accounts:	
Husband	$100,000
Wife	100,000
Child	100,000
Joint Accounts:	
Husband and wife	100,000
Husband and child	100,000
Wife and child	100,000
IRA/Keogh Accounts:	
Husband	100,000
Wife	100,000
Revocable Accounts:	
Husband as trustee for wife	100,000
Husband as trustee for child	100,000
Wife as trustee for husband	100,000
Wife as trustee for child	100,000
Total insurance coverage	1,200,000

Source: Recent depository institution advertisement.

The administration's proposal would roll back coverage to $100,000 per institution. In addition, another $100,000 would be insured specifically related to retirement accounts. After 2 years, deposit insurance would be further limited to $100,000 per person systemwide.

In the Financial Institutions Subcommittee, Representative CARROLL HUBBARD offered an amendment to delete this proposal to reform deposit insurance. This amendment was pushed strongly by the entire banking industry. The Hubbard amendment passed by a vote of 18 to 17. I voted against this amendment.

There were four amendments offered in the full committee to restore the administration's deposit insurance reform. I voted for each of these amendments, but each failed.

The administration's plan also called for the limiting of pass-through coverage for certain pension plans. Pass-through deposit insurance enables even the riskiest of banks to raise large amounts of funds from pension fund investors on a fully insured basis. When a bank is allowed to offer a pension plan pass-through coverage it is essentially defining the pension fund by each individual pensioner rather than by the total worth of the fund. For example, a pension fund with 200 pensioners would be federally insured up to $20,000,000.

Pass-through insurance increases the ability of risky institutions to raise deposits, and this can have negative consequences for the insurance fund. Given the extremely large amounts of money now in pension plans, the viability of the Federal deposit insurance funds could be threatened if pension fund investors start funding high risk banks.

The administration called for limiting pass-through insurance coverage to self-directed pension plans—those plans where the individual was actually involved in the investment decisions.

An amendment offered in full committee restored pass-through insurance coverage for all pension plans, again deleting the administration's attempt to limit taxpayer liability and preserve the solvency of the insurance fund. I opposed this amendment, but it passed the full committee on a voice vote.

Another concept included in title V which is of great interest to me is reinsurance. The idea being that there would be a partnership between private and public insurers of deposits. Representative JIM MORAN offered an amendment requiring a feasibility study of this concept. His amendment called for the FDIC to form a new Government commission, funded by the taxpayer and staffed with banking consultants from the private sector. While I agreed with the concept of a study of reinsurance, I could not go along with the formation of yet another Government commission at taxpayer expense.

I offered an amendment to the Moran amendment that would delete the provision calling for the hiring of private consultants to an independent commission. My amendment simply directed the FDIC to conduct the study using the resources already available to them. My amendment was accepted.

ANALYSIS OF TITLE V

I saw title V, as originally proposed by the administration, as the heart and soul of banking reform. Regrettably, this part of the administration's proposal did not survive committee action. In short, the committee did little to reduce the exposure of the taxpayer with respect to Federal deposit insurance funds.

Federal deposit insurance came into being during the depression. The intent was to restore stability to our financial system by guaranteeing the deposits of small savers. The original insurance limitation adopted in 1934 was $2,500. Since then, the scope of coverage was raised several times to its current level of $100,000. This represents a four-fold increase when adjusted for inflation.

This figure alone does not represent the full expansion of deposit insurance coverage and the coinciding increased exposure of the taxpayer. Administrative actions vastly expanding coverage were also taken over the years. Insurance was provided on a pass-through basis to the participants in pension plans and to brokered deposits, and it became possible to receive insurance coverage up to $100,000 on multiple accounts at just one institution.

Banks and thrifts have taken advantage of the insurance system. Insured financial institutions have chosen to grow by using the Government's guarantee to attract deposits, instead of relying on their own strong capital base or sound management to raise funds.

Although I came to Congress during the clean-up phase of the savings and loan crisis, it was clear to me that previous action—and inaction—by Congress had left taxpayers overexposed. In the late 1970's, the savings and loan industry found itself short on capital and unable to compete. The industry found a sympathetic ear on Capitol Hill where legislators agreed to deregulate and give savings and loans much greater latitude in investing.

Most everyone agrees today, in hindsight, that Congress gave the industry much too much latitude and that it should have not allowed the type of high-flying, free-wheeling investing that occurred after deregulation. Additionally, all the time Congress was allowing the savings and loan industry to enter into riskier and riskier investments, it took no steps to limit taxpayer liability with regards to the now-defunct Federal Savings and Loan Insurance Corporation. By opening the door to high-risk investing while continuing to allow near-total federally guaranteed insurance on deposits, Congress set the stage for what has become this Nation's largest fiscal disaster.

Today, banks are failing at an alarming rate. The industry says it must have more latitude in order to stay competitive and maintain the levels of capital necessary to do business. The Bush administration agrees that after 40 years we need to modernize the industry, and so do I. However, if we are going to allow banks more latitude in how they invest deposits, then we must take steps to limit the liability of taxpayers at the same time.

The lessons learned from the savings and loan debacle and the collapse of FSLIC compel timely action by the Congress to reign in the seemingly neverending extension of the Federal deposit insurance safety net.

Let there be no misunderstanding—the taxpayers are on the firing line.

The full faith and credit of the U.S. Government—also known as the taxpayers—stands behind the insurance funds. The RTC is now asking the taxpayers for another $80 billion to continue cleaning up the savings and loan mess. We must act responsibly to ensure that a similar request will not be made of the taxpayers to bail out the bank insurance fund.

The expansion of multiple insured accounts at a single institution, insurance coverage on brokered deposits, and the growth of pass-through insurance coverage have added greatly to the ultimate liability of the taxpayers who stand behind the Federal insurance funds. These developments have resulted in a system of risk-free investment for the wealthy which is ultimately underwritten by all taxpayers. In this regard, it is important to note that less than 6 percent of U.S. households have more than $100,000 in total deposits in insured institutions. In fact, 87 percent of U.S. households have less than $50,000 in total deposits in insured institutions.

It would seem logical that when the deposit insurance system is losing billions of dollars, the Congress would want to reduce the scope of deposit insurance to shelter the taxpayer from a repeat of the FSLIC debacle. Unfortunately, that has not happened with this bill. Rather, the banking committee has voted for business as usual.

As George Santayana said, "Those who cannot remember the past are condemned to repeat it."[1]

CONCLUSION

Like many of my colleagues on the banking committee, I entered the markup of the banking reform bill with the great philosopher Santayana's words firmly in mind. I was committed to making sure the savings and loan debacle was not replayed in the banking industry. A lot of mistakes were made by Congress in the years leading up to the savings and loan bailout. While I was not a member of the body at that time, I did enter the Congress and the banking committee just as the Government began to clean up the mess. When you look at the billions of dollars being spent to bail out the savings and loan industry along with our growing national debt, you don't have to be a mathematician or an economist to know that a similar taxpayer bailout of the banking industry could mean financial ruin for this country. I applaud the Bush administration for taking steps now to make the banking industry healthier and to reform our system of deposit insurance instead of waiting for the situation to enter the crisis stage.

The administration's plan centered around two major principles: First, give the banks expanded investment powers to improve the health of the industry and to make it more competitive; and second, reign in the scope of Federal deposit insurance to return it to its original intent of insuring the small depositor and thereby limiting the exposure of the taxpayers. It was clear that the industry needed modernization and to achieve that the industry needed some deregulation. By making deposit insurance reform a key element of its proposal, the administration was acknowledging the increased risk in expanding bank investment opportunities, but it was making sure that risk was borne by the industry and not the Federal Government—that is, the taxpayer.

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[1] Santayana, George. "The Life of Reason," 1905, vol. 1, chapter 12, page 284.

The banking industry lobbied hard for the defeat of the Leach amendment, the amendment that would have retained the barrier between banking and commerce. The industry lobbied equally as hard for the passage of the Hubbard amendment, the amendment that ensured the status quo of the present Federal deposit insurance system. Victory for the banking industry on these two key amendments would assure the industry had the best of both worlds: banks would enjoy expanded powers and have more latitude in investing depositors' funds and the Federal Government would still be there to pick up the tab should things go wrong.

For the record, I personally do not favor all of the reforms recommended by the administration. However, I would be receptive to interstate banking and allowing the banks to participate in financial services such as the selling of stocks and bonds if, and I say if, the deposit insurance reforms were put in place by our committee. Nevertheless, I did not feel comfortable with the blending of insurance and real estate with banking even if firewalls could be assured—not just because of the lack of deposit insurance reform, but also because of the likelihood of the consolidation of great economic power. What would occur would be a sort of one stop financial shopping center with the various subsidiary corporations all working together to the detriment of the small independent real estate and insurance companies of America. This would eventually mean the disappearance of this important element of America's financial strength and diversity. I want to see small businesses flourish, and I do not want to see the consolidation of more and more economic power into new and giant corporations.

Within the 167 amendments offered in committee during the markup of H.R. 1505, there were undoubtedly many amendments that could be construed as special interest amendments—amendments drafted and offered specifically to benefit a particular industry, company, or individual. Amendments pushed by a specific group or lobbyist are not inherently bad. Sometimes these special interest amendments are also in the best interest of the taxpayer, but often times what is good for Citicorp is bad for the average taxpayer. It's my job as a Congressman and a member of the banking committee to sort out which is which.

In lobbying for passage of the Hubbard amendment, the banking industry said defeat of the amendment could spell disaster for many small community banks. It was their argument that by limiting Federal deposit insurance coverage to one account per institution, people would be forced to take their money out of their present bank and spread it around at different banks. The industry said in small communities with only one or two banks, this could effectively shut down the small bank and create a dilemma for the depositor who would have to drive to another community to put their excess funds into an insured account.

According the statistics on insured depositors mentioned earlier, however, the industry's main argument for passage of the Hubbard amendment affects less than 6 percent of U.S. households.

It became clear to me that the main beneficiary of maintaining the status quo of deposit insurance would be the industry itself which could venture into the uncharted waters of a banking and commerce merger knowing that they were fully backed by the faith and credit of the U.S. Government. That is why I opposed the Hubbard amendment in the subcommittee and again in the full committee.

However, a majority of the committee came down on the side of business as usual in regard to deposit insurance and the Hubbard amendment was agreed to.

The Financial Institutions Safety and Consumer Choice Act of 1991 has now been sent to the Energy and Commerce Committee for its review and action. Energy and Commerce Chairman JOHN DINGELL has expressed deep concern that the legislation came out of the banking committee loaded with special interest amendments.

While I am concerned about any amendment which is drafted to benefit a specific company or individual, I am more concerned about the influence of special interests on the larger issues of deposit insurance reform and expanded bank powers.

Following the markup of the banking reform bill, a story in Congressional Quarterly ran with the headline, "Big Banks Win First Round in Pursuit of New Powers." As a member of the banking committee who is intimately familiar with the final version of the bill, I would have to agree with Congressional Quarterly's headline summation of the legislation.

In the final analysis, I believe too much emphasis was put on helping the banking industry and too little emphasis was put on protecting the taxpayer.

The bill reported out of committee puts the taxpayers at risk. It sets them up for another costly bailout they can ill afford considering the mounting cost of the savings and loan bailout. For this reason, I could not vote for final passage of the Financial Institutions Safety and Consumer Choice Act of 1991. I urge my colleagues to take a very close look at the final version of this legislation before casting their votes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MATSUI (at the request of Mr. GEPHARDT) for today and the balance of the week on account of death in the family.

Mr. CLEMENT (at the request of Mr. GEPHARDT) from 6:30 p.m. July 31 until noon August 1, on account of official business.

Mr. MCDADE (at the request of Mr. MICHEL) for today on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. CAMPBELL of California) to revise and extend their remarks and include extraneous material:)

Mrs. BENTLEY, for 60 minutes, on Sept. 11, 12, 13, 16, 17, 18, 23, 24, 25, and 26.

Mr. DORNAN of California, for 60 minutes, today and August 2, and for September 11, 12, 13, 16, 17, 18, 23, 24, 25, and 26.

Mr. STEARNS, for 60 minutes, today.

Mr. GUNDERSON, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. WALSH, for 5 minutes, today.

Mr. BOEHNER, for 5 minutes, today.

Mr. CHANDLER, for 5 minutes, today.

Mr. WALKER, for 60 minutes, today.

Mr. COX of California, for 60 minutes, today.

Mr. KYL, for 5 minutes, today.

Mr. RIGGS, for 5 minutes, today.

Mr. CAMPBELL of California, for 5 minutes, today.

Mr. WELDON, for 5 minutes, today.

Mr. DANNEMEYER, for 5 minutes, today and August 2.

Mr. INHOFE, for 60 minutes on September 11.

(The following Members (at the request of Mr. ESPY) to revise and extend their remarks and include extraneous material:)

Mr. PEASE, for 5 minutes, today, August 2.

Mr. HUTTO, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WILLIAMS, for 60 minutes, today and August 2.

Mr. STAGGERS, for 60 minutes, today.

Mr. PEASE, for 5 minutes on August 2.

Mr. RUSSO, for 60 minutes, on September 11, 16, and 24.

Mr. MILLER of California, for 60 minutes, on September 11, 16, and 24.

Mr. CRAMER, for 60 minutes, on September 26.

Mr. JACOBS, for 60 minutes, on September 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. CAMPBELL of California) and to include extraneous matter:)

Mr. SHAYS.
Mr. MACHTLEY in two instances.
Mr. BILIRAKIS.
Mr. RHODES in two instances.
Mr. LAGOMARSINO in two instances.
Mr. BROOMFIELD.
Mr. ROTH.
Mr. GEKAS.
Mr. VANDER JAGT.
Mr. HYDE.
Mr. HORTON.
Mr. GRADISON.
Mr. BEREUTER.
Mr. GOSS.
Mr. SCHULZE.
Mr. HUNTER.
Mrs. BENTLEY.

(The following Members (at the request of Mr. ESPY) and to include extraneous matter:)

Mr. MOODY.
Mr. RAHALL.
Mr. NAGLE.
Mr. FASCELL in three instances.
Mr. HAMILTON.
Mr. JOHNSON of South Dakota.
Mrs. MINK.
Mr. HUBBARD.
Mr. WEISS.
Mr. TORRICELLI.
Mr. ROEMER.
Mr. CLAY.
Mr. ATKINS.
Mr. TOWNS.
Mr. TRAXLER.
Mr. BRYANT.
Mr. LEHMAN of Florida.
Mr. MILLER of California.
Mr. PENNY in two instances.
Mr. GUARINI.
Mr. SIKORSKI.
Mr. STARK.
Mr. HOYER.
Ms. PELOSI.
Mr. RICHARDSON in two instances.
Mrs. SCHROEDER.
Mr. PEASE.
Mr. ROSE.
Mr. DARDEN.
Mr. MATSUI in three instances.
Mr. SERRANO.
Mr. SKELTON.
Mr. SWETT in two instances.
Mr. SMITH of Florida.
Mr. TRAFICANT.
Mr. LIPINSKI.
Mr. FAZIO in two instances.
Mr. ROSTENKOWSKI in two instances.
Mr. LONG.
Mr. MORAN.
Mr. KILDEE.
Mr. DELLUMS.
Mr. DE LA GARZA.
Mr. CONYERS in three instances.
Mr. ROE.
Mr. TORRES.
Ms. NORTON.
Mr. TALLON.
Mr. KOSTMAYER.
Mr. ACKERMAN.
Mr. REED.
Mr. HERTEL.
Mr. FOGLIETTA.
Mr. DYMALLY.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 477. An act to afford congressional recognition of the National Atomic Museum at Kirtland Air Force Base, Albuquerque, New Mexico, as the official atomic museum of the United States Government under the aegis of the Department of Energy, and to provide a statutory basis for its betterment, operation, maintenance, and preservation; to the Committee on Armed Services and Energy and Commerce.

S. 550. An act to amend the Act of May 15, 1965, authorizing the Secretary of the Interior to designate the Nez Perce National Historic Park in the State of Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 628. An act to direct the Secretary of the Interior to conduct a study of certain historic military forts in the State of New Mexico; to the Committee on Interior and Insular Affairs.

S. 996. An act to direct the Secretary of the Interior to terminate a reservation of use and occupancy at the Buffalo National River; and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1247. An act to amend the Securities Exchange Act of 1934 to ensure the efficient and fair operation of the Government securities market, in order to protect investors and facilitate Government borrowing at the lowest possible cost to taxpayers; to the Committee on Energy and Commerce.

S. 1475. An act to amend the Protection and Advocacy for Mentally Ill Individuals Act of 1986 to reauthorize programs under such Act, and for other purposes; to the Committee on Energy and Commerce.

S.J. Res. 179. Joint resolution to designate the week beginning August 25, 1991, as "National Parks Week"; to the Committee on Post Office and Civil Service.

ENROLLED BILLS AND A JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker.

H.R. 1047. An act to amend title 38, United States Code, to make miscellaneous improvements in veterans' compensation, pension life insurance, healthcare, and facilities management programs, and for other purposes.

H.R. 1455. An act to authorize appropriations for fiscal year 1991 for intelligence activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

H.R. 1779. An act to designate the Federal building being constructed at 77 West Jackson Boulevard in Chicago, Illinois, as the "Ralph H. Metcalfe Federal Building."

H.R. 2901. An act to authorize the transfer by lease of four naval vessels to the Government of Greece.

H.J. Res. 264. Joint resolution designating August 1, 1991, as "Helsinki Human Rights Day."

ADJOURNMENT

Mr. DYMALLY. Mr. Speaker, I move that the House do not adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Friday, August 2, 1991, at 10 a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BONIOR: Committee on Rules. House Resolution 210, as resolution providing for the consideration of a bill relating to unemployment compensation (Rept. 102–183). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills, and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 534. A bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels, with an amendment; referred to the Committee on Ways and Means for a period ending not later than September 27, 1991, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(v) of Rule X (Rept. 102–182, Pt. 1). Ordered to be printed.

SUBSEQUENT ACTION ON BILLS INITIALLY REFERRED UNDER TIME LIMITATIONS

Under clause 5 of rule X, the following actions were taken by the Speaker:

[Omitted from the Record of July 31, 1991]

H.R. 2950. Referral to the Committee on Ways and Means extended for a period ending not later than August 2, 1991.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WYDEN (for himself and Mr. MARKEY):

H.R. 3159. A bill to amend the Securities Exchange Act of 1934 to strengthen the reporting obligations of registered companies and their auditors under that act; to the Committee on Energy and Commerce.

By Mr. FORD of Michigan (for himself, Mr. GAYDOS, Mr. CLAY, Mr. MILLER of California, Mr. MURPHY, Mr. KILDEE, Mr. MARTINEZ, Mr. OWENS of New York, Mr. HAYES of Illinois, Mr. PERKINS, Mr. SAWYER, Mr. PAYNE of New Jersey, Mrs. UNSOELD, Mr. WASHINGTON, Mr. SERRANO, Mrs. MINK, Mr. JEFFERSON, Mr. OLVER, and Mr. DE LUGO):

H.R. 3160. A bill to revise the Occupational Safety and Health Act of 1970; to the Committee on Education and Labor.

By Mr. CONYERS (for himself and Mr. HORTON):

H.R. 3161. A bill to authorize functions and activities under the Federal Property and Administrative Services Act of 1949, to amend laws relating to Federal procurement, and for other purposes; jointly, to the Committees on Government Operations and Post Office and Civil Service.

By Mr. CONYERS:

H.R. 3162. A bill to amend the Federal Property and Administrative Services Act of 1949 to enact existing regulatory provisions governing multiple award schedule ordering and to enhance competition in Federal agency procurements of supplies and services under multiple award schedules; to the Committee on Government Operations.

By Mr. CONYERS (for himself and Ms. NORTON):

H.R. 3163. A bill to provide uniform standards, rights, and measures of accountability for the contract of commercial activities by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. BILIRAKIS:

H.R. 3164. A bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with veterans' disability compensation; to the Committee on Armed Services.

By Mr. BROOMFIELD (for himself, Mr. SOLARZ, and Mr. HYDE):

H.R. 3165. A bill to establish a special commission on United States relations with the People's Republic of China, and for other purposes; to the Committee on Foreign Affairs.

By Mrs. BYRON:

H.R. 3166. A bill to amend the Internal Revenue Code of 1986 to increase the exclusion from gross income for combat pay received by a commissioned officer to $2,000 per month; to the Committee on Ways and Means.

By Mr. CAMPBELL of Colorado:

H.R. 3167. A bill to provide for patents for certain oil shale mining claims, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CAMPBELL of Colorado (for himself and Mr. HEFLEY):

H.R. 3168. A bill to amend the Mineral Leasing Act to provide for leases of certain lands for oil and gas purposes; to the Committee on Interior and Insular Affairs.

By Mr. CLAY:

H.R. 3169. A bill to lengthen from 5 to 7 years the expiration period applicable to legislative authority relating to construction of commemorative works on Federal land in the District of Columbia and its environs; to the Committee on Interior and Insular Affairs.

By Mr. SCHULZE (for himself, Mr. GUARINI, Mr. THOMAS of California, Mr. APPLEGATE, Mrs. BENTLEY, Mr. BUSTAMANTE, Mr. CUNNINGHAM, Mr. DEFAZIO, Mr. DUNCAN, Mr. FISH, Mr. GEKAS, Mr. HORTON, Mr. HUCKABY, Mr. HUNTER, Ms. KAPTUR, Mr. LENT, Mr. LIPINSKI, Mr. MORAN, Mr. RAVENEL, Mr. REGULA, Mr. ROWLAND, Mr. SKEEN, and Mr. WALSH):

H.R. 3170. A bill to amend the Internal Revenue Code of 1986 to make American-made goods more competitive, to provide more better-paying U.S. jobs, to enhance savings and investment, to reduce the deficit, to provide revenues for additional tax reform and tax reduction, all without increasing taxes on Americans, and for other purposes; to the Committee on Ways and Means.

By Mr. DINGELL (for himself, Mr. BROOKS, Mrs. COLLINS of Illinois, Mr. BLILEY, Mr. MCMILLAN of North Carolina, Mr. SHARP, Mr. MOAKLEY, Mr. SWIFT, Mr. SYNAR, Mr. WYDEN, Mr. ECKART, Mr. SLATTERY, Mr. SIKORSKI, Mr. BRYANT, Mr. BOUCHER, Mr. BRUCE, Mr. MANTON, and Mr. RINALDO):

H.R. 3171. A bill to amend title 18, United States Code, to provide that fraud against insurance companies will be subject to strong Federal criminal and civil penalties; to the Committee on the Judiciary.

By Mr. DORNAN of California (for himself, Mr. MCCURDY, Mr. GEPHARDT, Mr. MICHEL, Mr. ACKERMAN, Mr. ASPIN, Mr. BACCHUS, Mrs. BENTLEY, Mr. BROWDER, Mr. BROWN, Mr. CARDIN, Mr. CARR, Mr. COX of Illinois, Mr. DANNEMEYER, Mr. DE LUGO, Mr. GUARINI, Mr. HOYER, Mr. HYDE, Mr. INHOFE, Mr. KENNEDY, Mr. LANCASTER, Mr. LAUGHLIN, Mr. LEWIS of Georgia, Mr. LIVINGSTON, Mrs. LOWEY of New York, Mr. MCEWEN, Mr. MCNULTY, Mr. MILLER of Ohio, Mr. OWENS of Utah, Mrs. PATTERSON, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. PENNY, Mr. PRICE, Mr. RINALDO, Mr. SCHAEFER, Mr. SCHEUER, Mr. SKELTON, Mr. SMITH of New Jersey, Mr. STALLINGS, Mr. SOLARZ, Mr. SOLOMON, Mr. TRAFICANT, and Mr. WELDON):

H.R. 3172. A bill to provide educational assistance to law enforcement personnel and to increase the number of police officers; to the Committee on the Judiciary.

By Mr. FASCELL:

H.R. 3173. A bill to amend the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in connection with route transfers; to the Committee on Public Works and Transportation.

By Mr. FRANK of Massachusetts:

H.R. 3174. A bill to amend title XIX of the Social Security Act to exclude a facility with less than 30 beds from treatment as an institution for mental diseases under the Medicaid Program; to the Committee on Energy and Commerce.

By Mr. GEREN of Texas:

H.R. 3175. A bill to provide emergency unemployment compensation, and for other purposes; to the Committee on Ways and Means.

By Mr. HAMILTON (for himself, Mr. DORGAN of North Dakota, Mr. OBEY, and Mr. SHARP):

H.R. 3176. A bill to provide for a Federal Open Market Advisory Committee, and for other purposes; to the Committee on Banking, Financing and Urban Affairs.

By Mr. HOLLOWAY (for himself, Mr. ANDREWS of Maine, and Ms. SNOWE):

H.R. 3177. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for the establishment of businesses within Federal military installations which are closed or realigned and for the hiring of individuals laid off by reason of such closings or realignments, and for other purposes; to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 3178. A bill to require the Secretary of Defense to protect areas of exceptional natural or historic character during the process of closing or realigning a military installation; to the Committee on Armed Services.

By Mr. KILDEE:

H.R. 3179. A bill to amend title VIII of the Higher Education Act of 1965; to the Committee on Education and Labor.

By Mr. ROYBAL:

H.R. 3180. A bill to amend title XVIII of the Social Security Act to provide protection against expenses of long-term home care under the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. KILDEE (for himself, Mr. OWENS of New York, and Mr. REED):

H.R. 3181. A bill to amend the Higher Education Act of 1965 in order to assist and improve college and university libraries in the United States; to the Committee on Education and Labor.

By Mr. KLUG:

H.R. 3182. A bill to amend title VII of the Higher Education Act; to the Committee on Education and Labor.

By Mr. MCCURDY:

H.R. 3183. A bill to permit the Mountain Park Master Conservancy District in Oklahoma to make a payment to satisfy certain obligations to the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 3184. A bill to direct the release of all right, title, and interest of the United States in and to, and all restrictions, conditions, and limitations on the use or conveyance of, certain real property located in Oklahoma County, OK; to the Committee on Interior and Insular Affairs.

By Mr. MARKEY (for himself, Mr. DINGELL, Mr. WYDEN, and Mr. HARRIS):

H.R. 3185. A bill to establish a statute of limitations for private rights of action arising from a violation of the Securities Exchange Act of 1934; to the Committee on Energy and Commerce.

By Mr. MARLENEE:

H.R. 3186. A bill to authorize the Secretary of the Interior in cooperation with the Secretary of Energy to make available Pick-Sloan Missouri River Basin Program project pumping power to non-Federal irrigation projects in the State of Montana, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. MINK:

H.R. 3187. A bill to provide for an additional 5-year period for educational assistance for Vietnam Veterans under chapter 34 or 36 of title 38, United States Code; to the Committee on Veterans' Affairs.

By Mr. ORTIZ (for himself and Mr. DE LA GARZA):

H.R. 3188. A bill to provide for the establishment of a new Department of Veterans Affairs medical facility in south Texas; to the Committee on Veterans' Affairs.

By Mr. OWENS of New York (for himself, Mr. PAYNE of New Jersey, Mr. HAYES of Illinois, Mr. WASHINGTON, Mr. JEFFERSON, and Mr. SERRANO):

H.R. 3189. A bill to amend title IX of the Higher Education Act in order to encourage minority students to seek and obtain doctoral degrees, and for other purposes; to the Committee on Education and Labor.

By Mr. PETERSON of Minnesota:

H.R. 3190. A bill to establish a replacement fuels and alternative fuels program, and for other purposes; to the Committee on Energy and Commerce.

By Mr. REGULA (for himself, Mr. MURTHA, Mr. SCHULZE, Mr. MINETA, Mr. SPRATT, Mrs. BYRON, Mrs. JOHNSON of Connecticut, and Mr. KASICH):

H.R. 3191. A bill to amend chapter 15 of the National Security Act of 1947 to define critical technologies important to our national security, establish a Critical Technologies Commission, provide for national security impairment cases, and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs, Armed Services, Rules, and Ways and Means.

By Mr. RHODES:

H.R. 3192. A bill to alleviate burdens imposed upon educational agencies and institutions by the Family Educational Rights and Privacy Act of 1974 with respect to the maintenance of records by campus law enforcement units; to the Committee on Education and Labor.

By Mr. RICHARDSON (for himself, and Mr. KOLBE):

H.R. 3193. A bill regarding the establishment of a United States-Chile free trade area; to the Committee on Ways and Means.

By Ms. SLAUGHTER of New York:

H.R. 3194. A bill to establish a National Commission to Support Law Enforcement; to the Committee on the Judiciary.

By Mr. STUDDS (for himself and Mr. DAVIS):

H.R. 3195. A bill to establish a partnership among the U.S. Fish and Wildlife Service, the States, and private organizations and individuals to conserve the entire diverse array of fish and wildlife species in the United States and to provide opportunities for the public to enjoy these fish and wildlife species through nonconsumption activities; to the Committee on Merchant Marine and Fisheries.

By Mrs. UNSOELD (for herself and Mr. SWIFT):

H.R. 3196. A bill to provide for the development of standards and guidelines for the use of new forestry for the conservation of the northern spotted owl on non-Federal lands, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. VANDER JAGT:

H.R. 3197. A bill to amend title 14, United States Code, to provide for an increase in retired pay for officers of the regular Coast Guard who are cited for extraordinary heroism; to the Committee on Merchant Marine and Fisheries.

By Mr. WISE (for himself, Mr. RAHALL, Mr. MOLLOHAN, and Mr. STAGGERS):

H.R. 3198. A bill to enhance the dignity and personal freedom of patients in medical centers, nursing homes, and domiciliaries operated by the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. YOUNG of Alaska (for himself, Mr. STUDDS, Mr. JONES of North Carolina, Mr. DAVIS, Mr. COBLE, and Mr. PAYNE of Virginia):

H.R. 3199. A bill to provide for the protection of fish and wildlife resources on lands located on closed military bases; jointly, to the Committees on Armed Services and Merchant Marine and Fisheries.

By Mr. BOEHNER (for himself, Mr. ABERCROMBIE, Mr. ALLARD, Mr. ANDREWS of New Jersey, Mr. BACCHUS, Mr. BARRETT, Mr. BREWSTER, Mr. CAMP, Mr. CONDIT, Mr. COX of Illinois, Mr. CUNNINGHAM, Mr. DOOLEY, Mr. DOOLITTLE, Mr. FRANKS of Connecticut, Mr. GILCHREST, Mr. HOBSON, Mr. KOPETSKI, Mr. KLUG, Mr. LAROCCO, Mr. LUKEN, Mrs. MINK, Mr. MORAN, Mr. NICHOLS, Mr. NUSSLE, Mr. PETERSON of Florida, Mr. RAMSTAD, Mr. RIGGS, Mr. ROEMER, Mr. SANTORUM, Mr. SWETT, Mr. TAYLOR of North Carolina, Mr. ZELIFF, Mr. ZIMMER, Mr. JOHNSON of Texas, and Mr. EWING):

H. Con. Res. 194. Concurrent resolution expressing the sense of the Congress relating to the ratification of an amendment to the Constitution of the United States delaying the effect of any law which varies the compensation of Members of Congress until after the next election of Representatives; to the Committee on the Judiciary.

By Mr. TORRICELLI:

H. Con. Res. 195. Concurrent resolution expressing the sense of the Congress regarding the U.N. disaster relief system; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. GONZALEZ introduced a bill (H.R. 3200) to waive certain time limitations with respect to awarding the Medal of Honor to Rudolph Salais Vela; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 46: Mr. LEWIS of Georgia and Mr. ECKART.

H.R. 47: Mr. LEWIS of Georgia, Mr. ECKART, and Mr. BROWN.

H.R. 66: Mr. CHANDLER.

H.R. 259: Mr. JOHNSON of South Dakota, Mrs. LOWEY of New York, Mr. WALSH, and Mr. DEFAZIO.

H.R. 303: Mr. SHUSTER.

H.R. 342: Mr. SOLOMON and Mr. MACHTLEY.

H.R. 418: Mr. GALLEGLY, Mr. MAVROULES, Mr. GUARINI, and Mr. FUSTER.

H.R. 430: Mr. CRANE, Mr. STUMP, and Mr. ROWLAND.

H.R. 592: Mr. DE LUGO.

H.R. 608: Mr. PETERSON of Florida and Mr. MACHTLEY.

H.R. 609: Mr. PAXON, Mr. SCHUMER, and Mr. ENGEL.

H.R. 643: Mr. SKELTON.

H.R. 786: Mr. PALLONE.

H.R. 788: Mr. HOPKINS.

H.R. 791: Mr. HUGHES, Mr. STARK, and Mr. JOHNSTON of Florida.

H.R. 842: Mr. ANDREWS of New Jersey and Mr. VALENTINE.

H.R. 862: Mr. EDWARDS of Texas.

H.R. 863: Mr. TAYLOR of North Carolina.

H.R. 917: Mr. BREWSTER, Mr. COMBEST, and Mr. PETERSON of Florida.

H.R. 1063: Mr. RUSSO and Mr. YOUNG of Alaska.

H.R. 1074: Mr. FROST.

H.R. 1124: Mr. MARLENEE.

H.R. 1161: Mr. SPRATT.

H.R. 1238: Mr. CAMPBELL of Colorado.

H.R. 1245: Mr. GAYDOS, Mr. WHITTEN, Mr. COUGHLIN, T1Mr. SARPALIUS, Mr. MCCLOSKEY, Mr. COLEMAN of Texas, Mr. JONTZ, Mr. MAZZOLI, Mr. ANDREWS of New Jersey, Mr. CAMPBELL of Colorado, Mr. BEVILL, Mr. HARRIS, Mr. WILLIAMS, Mr. REED, Mr. TOWNS, Mr. OWENS of New York, Ms. WATERS, Mr. HAYES of Illinois, Mr. MRAZEK, Mr. ANDERSON, Mr. JONES of Georgia, Mr. WHEAT, Mr. NAGLE, Mr. SANGMEISTER, Mr. HERTEL, Mr. CONDIT, Ms. LONG, Mr. MARTINEZ, Mr. RICHARDSON, Mr. JENKINS, Mr. PALLONE, and Mr. MYERS of Indiana.

H.R. 1263: Mr. SANDERS.

H.R. 1264: Mr. SANDERS.

H.R. 1312: Mr. GILMAN, Mr. HOCHBRUECKNER, Mr. JONES of Georgia, Mr. LOWERY of California, and Mr. WALSH.

H.R. 1335: Mr. ROSE, Mr. CUNNINGHAM, and Mr. DWYER of New Jersey.

H.R. 1354: Mr. SMITH of New Jersey and Mr. SMITH of Florida.

H.R. 1414: Mr. ABERCROMBIE.

H.R. 1456: Mr. WEBER, Mr. POSHARD, Mr. SPENCE, and Mr. CRANE.

H.R. 1472: Mr. DURBIN.

H.R. 1506: Mr. OWENS of Utah, Mr. MCCLOSKEY, Mr. OLIN, and Mr. STUMP.

H.R. 1522: Mr. EVANS and Mr. DYMALLY.

H.R. 1551: Mr. BATEMAN, Mr. EWING, and Mr. BRUCE.

H.R. 1554: Mr. TOWNS.

H.R. 1557: Mr. SCHAEFER, Mr. ROBERTS, Mr. MCNULTY, Mr. SWIFT, Mr. MCDADE, Mr. CAMPBELL of Colorado, and Mr. HUGHES.

H.R. 1652: Mr. SMITH of Florida, Mr. POSHARD, Mrs. MORELLA, and Mr. OBERSTAR.

H.R. 1733: Mr. HAYES of Louisiana and Mr. VALENTINE.

H.R. 1771: Mr. CHANDLER, Mr. LIGHTFOOT, and Mr. MOLLOHAN.

H.R. 1782: Mr. MCNULTY, Mr. MRAZEK, Mr. SOLARZ, Mr. KOSTMAYER, Mr. MORAN, and Mr. CHANDLER.

H.R. 1790: Mr. TRAFICANT, Mr. RITTER, and Mr. MCNULTY.

H.R. 1809: Mr. JOHNSTON of Florida, Mrs. BOXER, Mr. DELAY, and Mr. GALLO.

H.R. 1870: Mr. LEWIS of Georgia.

H.R. 1916: Mr. SAXTON.

H.R. 2046: Mr. JONES of Georgia.

H.R. 2063: Mr. GUARINI, Mr. FROST, and Mr. SMITH of Florida.

H.R. 2089: Mr. FISH and Mr. DELLUMS.

H.R. 2179: Mr. RHODES.

H.R. 2208: Mr. BOEHLERT.

H.R. 2218: Mr. CHANDLER.

H.R. 2239: Mr. LEWIS of Florida, Mr. THOMAS of Wyoming, Mr. BARRETT, Mr. JOHNSON of South Dakota, Mr. ROSE, Mr. LANCASTER, Mr. AUCOIN, Mr. BREWSTER, Mr. HERGER, and Mr. CAMPBELL of Colorado.

H.R. 2242: Mr. SMITH of Florida, Mr. OLVER, Mr. VENTO, and Mr. MCHUGH.

H.R. 2248: Mr. ATKINS.

H.R. 2305: Mrs. MEYERS of Kansas and Mr. ZELIFF.

H.R. 2361: Mr. MORRISON.

H.R. 2510: Mr. BRUCE and Mr. SOLOMON.

H.R. 2527: Mr. VANDER JAGT.

H.R. 2540: Mr. TOWNS, Mr. TORRES, Mr. DEFAZIO, Mr. SMITH of Texas, Mr. MYERS of Indiana, Mr. LEVINE of California, Mr. MCGRATH, and Mr. MACHTLEY.

H.R. 2566: Mr. HALL of Texas, Mr. HOPKINS, and Mr. GALLEGLY.

H.R. 2571: Mr. MCHUGH, Mr. JONES of North Carolina, Mr. TOWNS, and Mr. LEWIS of Georgia.

H.R. 2600: Mr. LEACH.

H.R. 2646: Mr. FISH.

H.R. 2717: Mr. JEFFERSON, Mr. GEJDENSON, and Mr. FROST.

H.R. 2768: Mr. MARTIN.

H.R. 2804: Mr. DWYER of New Jersey.

H.R. 2812: Mrs. MORELLA, Mr. OWENS of Utah, Mr. BEILENSON, Mr. GEJDENSON, and Mr. FROST.

H.R. 2840: Mr. BOUCHER, Mr. TORRES, Mr. ESPY, Mr. FORD of Tennessee, and Mr. WHEAT.

H.R. 2863: Mr. FISH, Mr. STUMP, and Mrs. MEYERS of Kansas.

H.R. 2874: Mr. ACKERMAN, Mrs. BOXER, Mr. WAXMAN, Mr. ENGEL, and Mr. COUGHLIN.

H.R. 2876: Mr. GALLEGLY, Mr. EWING, and Mr. ZELIFF.

H.R. 2902: Mrs. MEYERS of Kansas, Mr. STUMP, and Mr. CONDIT.

H.R. 2903: Mrs. MEYERS of Kansas, Mr. STUMP, and Mr. CONDIT.

H.R. 2904: Mrs. MEYERS of Kansas, Mr. STUMP, Mr. CONDIT, and Mr. PACKARD.

H.R. 2915: Mr. PORTER, Mr. WALKER, Mr. HEFLEY, Mr. DREIER of California, Mr. JOHNSON of Texas, and Mr. CRANE.

H.R. 2946: Mr. CONDIT.

H.R. 2967: Mr. ROEMER.

H.R. 2996: Mrs. COLLINS of Illinois.

H.R. 3015: Mrs. BOXER, Mr. TOWNS, Mr. WHEAT, Mr. SMITH of Florida, Mr. RANGEL, and Ms. PELOSI.

H.R. 3130: Mr. BAKER, Mr. MORRISON, Mr. STUMP, Mr. VANDER JAGT, Mr. BALLENGER, Mr. SMITH of Oregon, Mr. BOEHNER, and Mr. MARTIN.

H.J. Res. 9: Mr. LEWIS of Georgia and Mr. ECKART.

H.J. Res. 11: Mr. LEWIS of Georgia.

H.J. Res. 95: Mr. FROST.

H.J. Res. 156: Mr. PRICE, Mr. COYNE, Mr. KENNEDY, Mr. MAVROULES, Mr. COBLE, Mr. DORGAN of North Dakota, Mr. SCHAEFER, Mr. HALL of Texas, Mr. HOBSON, Mr. LENT, Mr. BREWSTER, Mr. SHARP, Mr. VALENTINE, Mr. STOKES, Mr. PAYNE of New Jersey, Mr. RAVENEL, Mr. RITTER, Mr. ROBERTS, Mr. SAXTON, Mr. LANCASTER, Mr. ANDREWS of Maine, Mrs. KENNELLY, Mr. MCEWEN, Mrs. MEYERS of Kansas, Mr. CARDIN, Mr. FAWELL, Mr. SAWYER, Mr. MAZZOLI, Mr. KILDEE, Mr. NUSSLE, Mr. STUMP, Mr. OWENS of New York, and Mr. YATRON.

H.J. Res. 166: Mr. BOUCHER, Mr. COBLE, Mr. COOPER, Mr. DELAY, Mr. FALEOMAVAEGA, Mr. FROST, Mr. GEPHARDT, Mr. HERGER, Mr. JOHNSON of Texas, Mr. KOSTMAYER, Mr. MILLER of Washington, Mr. PORTER, Mr. RHODES, Mr. RIDGE, Mr. RITTER, Mr. SMITH of Texas, Mr. STARK, Mr. SWETT, Mrs. UNSOELD, Mrs. VUCANOVICH, Mr. WEBER, Mr. GRAY, Mr. HOCHBRUECKNER, Mr. STUDDS, Mr. WOLPE, Mr. COX of Illinois, Mr. ORTIZ, Mr. DURBIN, Mr. BREWSTER, Mr. CONDIT, Mr. PAYNE of New Jersey, and Mr. FAZIO.

H.J. Res. 177: Mr. MURTHA, Mr. MCHUGH, Mr. PAYNE of New Jersey, Mr. SERRANO, Mr. ROE, Mr. CHANDLER, Mr. DE LUGO, Mr. BLAZ, Mr. DORNAN of California, Mr. HAYES of Louisiana, Mr. ABERCROMBIE, Mr. GREEN of New York, Mr. THOMAS of California, Mr. TALLON, Mrs. MINK, Mr. SLATTERY, Mr. PRICE, and Mr. KANJORSKI.

H.J. Res. 215: Mr. SAWYER, Mr. JOHNSON of South Dakota, Mr. BERMAN, Mr. WISE, Mr. BRYANT, Mr. PANETTA, Mr. CONDIT, Mr. RHODES, Mr. MCCRERY, Mr. BALLENGER, Mr. COLEMAN of Texas, Mr. FLAKE, Mr. FROST, Mr. GRAY, Mr. LEWIS of Georgia, Mrs. MEYERS of Kansas, Ms. OAKAR, Mr. ROSE, Mr. SAVAGE, Mr. TRAFICANT, Mr. LEHMAN of Florida, Mr. SABO, Mr. PARKER, Ms. SLAUGHTER of New York, Mr. SANTORUM, Mr. HOUGHTON, Mr. CARR, Mr. DELLUMS, Mr. DIXON, and Mr. KILDEE.

H.J. Res. 233: Mr. GILLMOR, Mr. GOODLING, Mr. HOBSON, Ms. MOLINARI, Mr. NATCHER, Mr. BATEMAN, Mr. RAHALL, Mr. ANDERSON, Mr. BAKER, Mr. BARRETT, Mrs. BENTLEY, Mr. BEREUTER, Mr. BERMAN, Mr. BUNNING, Mrs. BYRON, Mr. COBLE, Mr. COUGHLIN, Mr. CRANE, Mr. DELAY, Mr. DOOLEY, Mr. EDWARDS of Oklahoma, Mr. ENGLISH, Mr. FAZIO, Mr. GALLO, Mr. GILCHREST, Mr. GRANDY, Mr. GUNDERSON, Mr. HAMMERSCHMIDT, Mr. HEFLEY, Mr. HOLLOWAY, Mr. HORTON, Mr. HOUGHTON, Mr. INHOFE, Mr. KASICH, Mr. KOLBE, Mr. KOSTMAYER, Mr. KYL, Mr. LEWIS of California, Mr. LIGHTFOOT, Mr. MCCOLLUM, Mr. MCDADE, Mr. MCEWEN, Mr. MARTIN, Mr. MATSUI, Mr. MAVROULES, Mr. MILLER of California, Mr. MONTGOMERY, Mr. MURTHA, Mr. NICHOLS, Mr. OXLEY, Mr. PANETTA, Mr. FRANKS of Connecticut, Ms. PELOSI, Mr. ROTH, Mr. SHAYS, Mr. SLAUGHTER of Virginia, Mr. SPENCE, Mr. STEARNS, Mr. TAYLOR of North Carolina, Mr. VANDER JAGT, Mr. VENTO, Mr. WEBER, Mr. WILSON, Mr. WELDON, Mr. YOUNG of Florida, Mr. SCHULZE, Mr. HALL of Ohio,Mr. HALL of Texas, Mr. HUCKABY, Mr. JAMES, Mr. LAFALCE, Mr. ROYBAL, Ms. SNOWE, Mr. SUNDQUIST, Mr. WAXMAN, Mr. EDWARDS of California, Mr. SAWYER, Mr. GONZALEZ, Mr. HUBBARD, Mr. RICHARDSON, Mr. RIDGE, Mr. TAUZIN, Mr. STENHOLM, Mrs. MORELLA, Mr. PURSELL, Mr. DUNCAN, Mr. DAVIS, Mr. HASTERT, and Mr. LEWIS of Georgia.

H.J. Res. 238: Mr. FROST.

H.J. Res. 253: Mr. LEWIS of Georgia, Mr. JACOBS, Mr. LAGOMARSINO, Mr. LEVINE of California, Ms. NORTON, Mr. WOLF, Mr. COBLE, Mr. RAHALL, Mr. SCHEUER, Mr. SWETT, and Mr. PICKLE.

H.J. Res. 269: Mr. WALSH, Mr. COOPER, Mrs. MINK, Ms. SLAUGHTER of New York, Mr. BACCHUS, Mr. MANTON, Ms. OAKAR, Mr. CLAY, Mr. SANDERS, Mr. SAWYER, Mr. PANETTA, Mr. DWYER of New Jersey, and Mr. GEKAS.

H.J. Res. 284: Mr. RANGEL, Mr. BOUCHER, Mr. HAYES OF ILLINOIS, Mr. TALLON, Mr. VANDER JAGT, and Mr. STENHOLM.

H.J. Res 293: Mr. MCNULTY, Mr. MCCLOSKEY, Mr. PURSELL, Mr. JEFFERSON, Mr. LEVIN of Michigan, Mr. POSHARD, Mr. WILSON, Mr. ROE, Mr. SAVAGE, Mrs. MEYERS of Kansas, Mr. FROST, Mr. RAHALL, Mr. STUDDS, Mr. SPENCE, Mr. ALEXANDER, Mr. SERRANO, Mr. TRAXLER, Mr. RAVENEL, Mr. SMITH of Florida, Mr. WOLPE, Mr. OWENS of Utah, and Mr. COSTELLO.

H.J. Res. 294: Mr. GOODLING, Mr. FAWELL, Mr. WHITTEN, and Mr. ANDERSON.

H.J. Res. 303: Mr. JEFFERSON, Mr. FRANKS of Connecticut, Mr. BILIRAKIS, Mr. BREWSTER, Mr. REED, Mr. HOAGLAND, Mr. MCMILLEN of Maryland, Mr. RAMSTAD, Mr. STAGGERS, Mr. WOLF, Mr. ACKERMAN, Mr. QUILLEN, Mr. CARPER, Mrs. COLLINS of Michigan, Mr. WEBER, Mr. KOLTER, Mr. ASPIN, Mr. BOUCHER, Mr. CLINGER, Mr. JACOBS, Mr. LIPINSKI, Mr. YOUNG of Florida, Mr. PAYNE of Virginia, Mr. FOLEY, Mr. COSTELLO, Mr. KLECZKA, Mrs. COLLINS of Illinois, Mr. BATEMAN, and Mr. LIVINGSTON.

H.J. Res. 305: Mr. ANDREWS of Maine, Mr. BURTON of Indiana, Mr. JONES of North Carolina, Mr. CARDIN, Ms. SNOWE, Mr. FIELDS, Mr. JENKINS, Mr. MCEWEN, Mr. HAMILTON, Mr. HALL of Texas, and Mr. LAROCCO.

H. Res. 173: Mr. HANCOCK.

H. Res. 180: Mr. WASHINGTON.

SENATE—*Thursday, August 1, 1991*

(Legislative day of Monday, July 8, 1991)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii.

The PRESIDING OFFICER. Today's prayer will be offered by guest Chaplain Dr. Carlton E. Allen, First Baptist Church, Greenwood, SC.

PRAYER

The Reverend Carlton E. Allen, First Baptist Church, Greenwood, SC, offered the following prayer:

Let us pray:

O Lord, our God, we have come this morning seeking Thy blessings upon this body and upon our Nation. Grant that those men and women gathered here will be guided by Thy Spirit and touched by Thy grace. Grant that Thy justice will be their standard and ours. May Thy wisdom, O God, so guide our Nation's leaders that all may come to know peace, a sense of unity and the dignity that is Thy will for all people. For these blessings we humbly petition Thee, O God. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE.

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, August 1, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. AKAKA thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The ACTING PRESIDENT pro tempore. The Senate will resume consideration of S. 1507, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1507) to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

Mr. WARNER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, my understanding is that the Senate will proceed this morning with the authorization bill of the Armed Forces. The amendment of the Senator from Michigan, it is my understanding, will be shortly proposed. Debate will commence.

Mr. President, I hope that Senators, during the course of this morning, reflect on the issue at hand, namely SDI, and that they would have the opportunity to read the lead editorial in today's Washington Post, which, in my judgment is a fair and objective analysis of the central issue before the Senate as it relates to SDI.

The editorial concludes with confirmation of what the chairman and I have been striving to achieve for some time on this issue; namely, that it is a step forward in the mutual interests of the Soviet Union and the United States to take the steps as outlined in our bill.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 1, 1991]

A NEW PLAN FOR MISSILE DEFENSE

As the threat of a large nuclear war with the Soviet Union has shrunk, so the threat of Third World attack or an accidental or unapproved Soviet firing has become more plausible. This is the logic on which the Senate Armed Services Committee has based its proposal for early deployment of a defense against limited missile attack.

Currently, the United States has no missile defense. Under the new plan, it would deploy 100 non-nuclear interceptor missiles at Grand Forks, N.D., by 1996. They would be futile against a full-scale Soviet attack but not against a light attack—against, that is, what the spread of weapons technology and missiles has made the likeliest threat. The danger was dramatized by Iraq's Scuds and the possibility of effective response by America's Patriots—technologically, a pale version of what would go at Grand Forks.

The committee anticipates extending across the country the degree of protection the Grand Forks missiles would offer the heartland. But since the Anti-Ballistic Missile Treaty of 1972 prohibits missile defense at more than one site, the United States would ask the Soviet Union to join in amending the treaty to permit multiple sites. Further amendment would be needed to deploy the requisite sensors in space.

The committee judges that the Soviets could approve a request for treaty amendment, Moscow has always been more serious about missile defense, having availed itself, as Washington has not, of the ABM Treaty's option of building one site, and feeling perhaps even more exposed to errant attack.

Reflection on the numbers could help convince the Soviets and others that the plan fits snugly the ABM Treaty core purpose of affording each side continued deep faith in the survivability of its retaliatory force. The number of new defensive missiles would be in the low hundreds, against the 8,000 offensive weapons that yesterday's START treaty leaves each side. Those missiles, moreover, would be groundbased—not the space-based sort of President Reagan's initial "Star Wars" vision and of President Bush's favored "Bright Pebbles," which would remain in research and under heavy budget pressure. Deployment cost is put within the $4 billion a year now spent on defense research.

A redesign and first deployment of defensive missiles just as the Cold War winds down? The idea will take some getting used to in the parts of the administration that cling to the more ambitious Bright Pebbles and in the House, a bastion of resistance to missile defense. There must be confidence that the new program meets the right threat efficiently and does not undermine old-fashioned deterrence or play into the hands of Soviet hard-liners. At this point, however, it seems to make sense.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, Senator WARNER and I believe we made a lot of progress on the first day. We had approximately 13½ hours of debate on this bill yesterday. I thought the debate was constructive, and we have had a total of four rollcall votes, and covered the very important issue of women in combat, as well as two major SDI amendments, and had what I hope has been a very thorough opportunity for people to debate SDI in rather great detail. We are not through with SDI.

It is my hope that we will be able to complete SDI by around noon today and then move on directly to the B-2, which is another, of course, very important subject. We will have three or four amendments on that.

Mr. President, in addition to handling the two issues I have mentioned yesterday—a portion of SDI, and the women in combat issue—we also han-

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

dled approximately 20 other amendments. We were able to work out a number of those amendments with the authors and reach agreement on both sides of the aisle. With Senator LEVIN taking the leadership last evening, we were able to get those amendments agreed to by unanimous consent.

Mr. President, I will ask the Chair to state the order of business today. I see the Senator from Michigan here on the floor. As usual, he is ready and punctual.

I hope that we can get started on his amendment and move through the agenda for the day. I think we have a good chance of coming close—if we stay here and have a good day and evening—to finishing this bill tonight. That remains to be seen. It depends on how many amendments we have. If people keep filing amendments, no matter how many we handle, you do not make progress. You are simply running on the rug. So I hope our colleagues will restrain themselves. We have other important business to take care of, as the majority leader has announced, before we leave. I think that it is going to be essential that we make as much progress as we can on this bill today.

I thank the Chair.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan [Mr. LEVIN] is recognized to offer an amendment.

Mr. WARNER. Mr. President, if the Senator from Michigan will yield for a moment, I ask unanimous consent that a letter to myself and the Chairman of the Senate Armed Services Committee from the President of the United States be printed in the RECORD in full. Later today, I will address the Senate with respect to portions of this letter, but it encourages the Senate in an unequivocal manner to adopt the positions taken by the committee.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

THE WHITE HOUSE,
Washington, July 31, 1991.

Hon. JOHN WARNER,
Ranking Member, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR SENATOR WARNER: Our nation has worked long and hard toward an improved relationship with the Soviet Union. While the Soviet Union still has a long way to go on the road to reform, we are witnessing positive changes which just a few years ago would have been dismissed as merely dreams.

Wednesday, in Moscow, I will sign an arms control agreement of unparalleled proportions. For the first time in history, the nuclear superpowers will act to reduce, not merely cap, strategic nuclear forces. The Strategic Arms Reduction Treaty (START) will require both superpowers to reduce their inventory of nuclear armed missiles and warheads to levels significantly below those existing today. The practical effect of the treaty is to promote stability by reshaping strategic nuclear forces to be less threatening.

Fulfillment of this goal requires that we also reshape our thinking about strategic defense, and that we deploy those types of strategic forces which will promote stability. The defense budget I have provided to Congress, and which you are now considering, seeks to do precisely this by including the Strategic Defense Initiative and the B-2 Stealth Bomber.

The Gulf War conclusively demonstrated that we need defense against ballistic missiles and that such defense is technically feasible. With over twenty countries projected to have ballistic missile technology by the year 2000, our nation will face a danger wider than that posed by the Soviet missile force. No responsible leader can afford to leave Americans undefended any longer against ballistic missile attacks. The Global Protection Against Limited Strikes, or "GPALS," program which I forwarded to you as the centerpiece of my revised Strategic Defense Initiative, is intended to address this growing danger.

I am encouraged by the Senate Armed Services Committee's support for the Strategic Defense Initiative. Although I would strongly prefer my original request for this program, I recognize that the Committee bill allows for deployment of a defensive system that would protect against limited missile attacks, and provides for development of space-based components. I would hope, however, that as the process moves ahead, we would be able to move even closer to my original request. I would be very concerned if the final bill were to provide less funding or contain more restrictions than the Committee's proposal. Indeed, any final bill must sustain my commitment to defend the United States from limited missile attack or I will veto it.

I am likewise committed to the B-2. The B-2 and START are a perfect match. This revolutionary aircraft is at the center of the modernization of our nuclear deterrent. Other modernization programs such as the Rail Garrison Peacekeeper, Advanced Cruise Missile, and Trident submarine programs have been cut back or terminated because of tight defense budgets. We should remember that even under START, the Soviet Union will have a fully modernized and very capable strategic force. If our nation is to continue to have a credible bomber force, and a credible deterrent, we need the B-2 bomber. There is no substitute for it.

Equally important, the B-2 also is essential to respond to the growing danger posed by regional conflicts—conflicts which can rapidly and unexpectedly assume dangerous international proportions. Our nation must be able to respond immediately and decisively to any such conflict which threatens our security. A long-range, heavy bomber which can survive and operate independent of other military forces and with a minimum dependence on overseas bases is essential. Only the B-2 Stealth offers the combination of survivability, autonomous operation, very long range, tremendous firepower, and employment flexibility. There is no affordable substitute for the conventional capabilities which the B-2 will provide.

Desert Storm proved the value of stealth technology. I urge you to fully support the B-2 bomber. In this case as well, I will veto any final bill that fails to sustain my commitment to the crucial element of our future force structure.

While the world is indeed changing, it is not necessarily safer. Deterrence remains the bedrock of our defense strategy, but we must also respond to evolving military challenges, such as those posed by the proliferation of ballistic missiles and associated nuclear, chemical, and biological warhead technology. Both the B-2 and the Strategic Defense Initiative complement our new defense strategy for a changing world. Both promote stability and security. Both programs need and deserve your strong support.

Sincerely,

GEORGE BUSH.

Mr. WARNER. Mr. President, I rise today to address an issue of great importance and some substantial controversy. The issue is whether Congress can reach a bipartisan consensus on a program to provide our Nation, our military forces overseas, and our friends and allies with a highly effective defense against limited ballistic missile attacks. Since President Reagan announced the strategic defense initiative, or SDI, some 8 years ago, the question of whether the United States can or should provide a defense for the American people against ballistic missiles has been surrounded by largely partisan controversy and debate.

As many of my colleagues know, the Senate Armed Services Committee recently endorsed a compromise program for SDI known as the Missile Defense Act of 1991. For me, this has been a long, but rewarding effort.

Mr. President, I wish to review for my colleagues the history of this effort to forge a bipartisan consensus, and why I think this issue must be addressed today. Nearly 5 months ago, I proposed an amendment to the Desert Storm supplemental authorization bill that would have expressed the sense of the Senate on the need for ballistic missile defenses and called for negotiations to reach an agreement with the Soviet Union to allow each country, without restriction, the right to develop and test all ABM technology. On the first day of debate, I suggested to Senator NUNN that he offer whatever amendment he deemed appropriate to my language so that we could thoroughly debate the issues. We reached this agreement with the understanding that on the following day, we would each withdraw our amendments in order to permit quick passage of that urgent supplemental bill.

In discussing my amendment, I stated that I would move this debate from the Senate Chamber to the village greens of this country. Since then, I have consulted extensively with my constituents and other Americans on their views of whether this country should be defended against ballistic missiles. These discussions were most enlightening. One interesting observation is that most Americans with whom I talked are under the impression that the United States already has in place a system to defend our citizens against ballistic missile attacks. This misconception concerned me, and I wondered whether other Americans shared this belief.

Mr. President, as a result of this concern, I asked my staff to research opinion polls to determine if a survey had been conducted on whether the American people believe that they are already defended from missile attack. Only one poll was identified. The poll, which was conducted in 1987 by the polling firm of Penn & Schoen, was very revealing. When presented with the statement, "The United States currently has a system to defend against nuclear missile attack," and asked if it was true or false, 64 percent of the Americans surveyed thought it was true, only 31 percent said it was false.

Mr. President, this commonsense belief of the American people should be instructive to my colleagues. How can we continue to deny the American people what they expected us to have provided already—a practical solution to the threat of ballistic missile attack? Indeed, we, as Members of this distinguished body, are entrusted by the American people to uphold the Constitution of the United States. This venerable document clearly states in its preamble that "We the People of the United States, in Order to form a more perfect Union * * * provide for the common defense. * * *" Common defense, Mr. President, is what we must ensure for the American people. Common defense does not mean offensive arms only, but also the inclusion of nonthreatening, purely defensive arms in our military forces. The means to defend against missile attacks on our Nation is one such capability. Why should the American public expect anything less?

In May of this year, I was joined by Senators BILL COHEN and DICK LUGAR in the drafting of a white paper, entitled "The Future of Ballistic Missile Defenses and the ABM Treaty: A Basis for Consensus," which describes our views of how a bipartisan consensus on missile defenses might be attained. The Missile Defense Act of 1991 remains faithful to the principles, if not the letter, of the white paper. Mr. President, I request unanimous consent that the white paper be printed in the RECORD following this statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WARNER. Mr. President, after the white paper was released on June 12 of this year, and leading up to the committee markup of the fiscal year 1992 defense authorization bill, I worked closely with Senators COHEN, NUNN, THURMOND, EXON, and SHELBY, to draft legislation to implement the goals set out in the white paper. In particular, we attempted to find a common ground which could be supported by a majority of our Republican and Democratic colleagues. I believe the Missile Defense Act of 1991 represents that bipartisan consensus which I sought in the white paper, as evidenced by the 16 to 4 vote of the committee to adopt the Missile Defense Act.

Mr. President, let me take a moment to thank the distinguished chairman of the committee for his cooperation, insight, and invaluable support for this provision. The historic debate that spanned nearly 4 days in committee on this provision was profound, reasoned, and comprehensive. For those who either voted for or voted against the amendment, this debate was a credit to the committee, its chairman, its members, and the Senate as a whole.

Let me now address what the committee has accomplished through its action on the SDI Program. In drafting the Missile Defense Act, I felt it was critical that a program incorporate an arms control strategy. Our legislation establishes a goal that puts the United States on a path that will ultimately provide for a multiple-site defense of the United States against limited missile strikes. This is achieved by first deploying a current treaty-compliant ABM system as the initial step of a multiple-site system and urging the President to begin negotiating amendments to the ABM Treaty for increased deployment sites and interceptors and greater utilization of space-based elements, such as sensors, than is currently permitted under the terms of the ABM Treaty. Our amendment provides $45 million in fiscal year 1992 to begin site preparations for initial deployment of the treaty compliant system.

To develop effective technologies achieving the goal outlined above and to provide future options for protecting the security of the United States and our allies and friends, robust funding for promising ABM missile technologies, such as Brilliant Pebbles, is required. As discussed in the white paper, deployment of Brilliant Pebbles is not included in the initial plan for the multiple-site defense system architecture described above. Nonetheless, it is considered an important technology option that must be developed aggressively.

Mr. President, I feel it is critical that, as deployment of the initial antiballistic missile site draws near to the deployment date of fiscal year 1996, the President and Congress must assess the progress in the negotiations to amend the ABM Treaty. Our amendment therefore requires periodic assessments of the negotiations, and clearly states that if U.S. negotiating objectives are not achieved, the President and Congress should consider our options under the ABM Treaty, which include possible withdrawal as described in article 15 of the treaty.

Mr. President, I know some of my colleagues are opposed to the Missile Defense Act. I respect their views, but disagree with the characterization by some critics of this provision.

Some assert, for example, that the Missile Defense Act will destabilize the current strategic nuclear balance, and even fuel a new arms race. I completely disagree with this assertion. This provision only directs what is currently allowed under the ABM Treaty. But it does urge negotiations with the Soviet Union to allow for, among other things, additional sites so that all 50 States could be defended. Moreover, recent statements by various Soviet officials indicate an interest in such negotiations, based on concerns over ballistic missile proliferation and even concern over the control of Soviet nuclear weapons due to unrest and civil strife in the Soviet Union.

In a discussion of nuclear weapons security, General Yuri Maksimov, Soviet Deputy Defense Minister and commander in chief of the strategic rocket forces, acknowledged that:

> * * * Another factor is the unsanctioned operation or use of nuclear weapons. Again, the only thing preventing this is the single centralized system.

Shortly after his resignation from the Soviet Central Government last December, former Soviet Foreign Minister Eduard Shevardnadze verbalized similar concerns when he said:

> It's impossible to preserve the Soviet Union peacefully at the moment. I'm afraid of violence if power should be applied in this respect. Our country just cannot collapse peacefully and disintegrate peacefully. This will be connected with a civil war and application of nuclear weapons. And only God knows where these missiles fly—To Kiev, Riga or Washington, DC."

These are very unsettling indications of the serious concerns of the Soviet leadership about the possibility of accidental or unauthorized launches of their own intercontinental ballistic missiles. And they have expressed concerns similar to the concerns of many Senators regarding the proliferation of ballistic missiles to other countries. Soviet Defense Minister Marshal Yazov devoted several paragraphs of a recent paper on Soviet military issues to what he termed "the appearance of a threat to our [Soviet] security" posed by regional conflicts and missile proliferation. Soviet Major General Belous, senior scientific associate, Committee of Soviet Scientists in Defense of Peace and Against the Nuclear Threat, commented recently in the Soviet military journal, Sovetskaya Rossiya, on this emerging threat:

> Nor must we disregard the fact that many countries are standing on the threshold of mastery of nuclear and missile technology. In these conditions is it possible to guarantee that some totalitarian or adventurist regimes will not attempt to make use of nuclear missile weapons to achieve their amibitious aspirations? * * * In these conditions the Soviet Union and the United States will possibly have to jointly seek ways to defend their territories from probable nuclear missile attack by third countries.

In a separate article in the Soviet press, General Belous and Lt. Gen. M.

Vinogradov, a member of the U.S.S.R. Academy of Sciences, went on to say in Sovetskaya Rossiya:

> Mindful of these realities, we should hardly deny the possibility of reasonable compromises in the future and the development of defenses for the U.S. and U.S.S.R. territory against accidental missile launches or blackmail attempts and threats made by third countries.

On the question of the destabilizing effect of the Missile Defense Act, I cite the comments of Sergei Blagovolin, of the Soviet Institute of World Economy and International Relations, who wrote last November:

> I do not think that an SDI system designed exclusively to guard against the threat of nuclear blackmail by other [non-Superpower] regimes would have even the slightest negative effect on the superpower strategic balance. In fact, if it is a joint effort it will actually strengthen confidence.

Mr. President, I request unanimous consent that the recent study by Dr. Keith Payne of the highly regarded National Institute for Public Policy, from which these recent Soviet statements regarding ballistic missile defense are taken, be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. WARNER. Mr. President, another misconception concerning the Missile Defense Act is that it approves the deployment of a multiple-site defense system. This is a stated goal of the act, but the act in no way "approves" a multiple-site deployment. This objective is to be achieved through negotiations, not by unilateral action. What is approved, or directed to be pursued by the Secretary of Defense, is an ABM Treaty-compliant missile defense system as an initial step, similar to that which the Soviet have already deployed around Moscow. Indeed, the Soviet Union is the only country in the world that has an ABM defense system. Why should the American people be denied similar protection? How can this be considered destabilizing if the Soviet Union already has one? And why should Congress not face up to this issue and state its views as to what the goal of the United States should be respect to missile defenses? Should not the American people know where we in the Congress stand on this vital national security issue? I believe we owe it to the American people, Mr. President.

Mr. President, this controversy and debate has many perspectives and directions. The Bush administration's SDI proposal this year reduced substantially the original missile defense architecture from the "phase I" program which was designed to counter a massive Soviet strategic ballistic missile attack, to the GPALS program designed to counter limited strikes against the United States, our military forces overseas, and other countries around the world. At the other end of the spectrum, the House fiscal year 1992 DOD authorization bill eliminates all funding for Brilliant Pebbles and space-based sensors and reduces substantially the funding for ground-based interceptors, an action which clearly prevents the development of any serious strategic ballistic missile defense program, even an ABM Treaty-complaint version.

Over the past few months, a few of my distinguished colleagues have stated their views on missile defenses, and I applaud their willingness to express their positions for the record. Some have suggested that they might support an ABM Treaty-complaint system only, deferring any debate over multiple-site deployment for the future. Such a system of only 100 fixed ground-based interceptors at one site would provide little, if any, protection against limited strikes for our coastlines and would leave unprotected Alaska and Hawaii. Others have suggested that we focus on the ABM Treaty and suggest in a vague way that we consider possible amendments to the ABM Treaty to allow for additional deployment sites and interceptors. But none have provided specific direction as to how such a program should be structured, as we have done in the Missile Defense Act. And finally, some have suggested that the United States abrogate the ABM Treaty and immediately proceed to develop and deploy a system designed to protect against all types of ballistic missile attack.

Mr. President, my purpose in outlining these wide-ranging views is to point out the glaring need for a consensus position on this vital issued before our country. What we have done in the committee is provide a comprehensive plan—not a vague suggestion of intent—for a program that is the basis for a bipartisan consensus. We have a responsibility to provide an alternative missile defense plan, not just vague, unconstructive rhetoric or criticism. As a long-time supporter of theater missile defenses and effective missile defenses for the United States, I am concerned that this internecine debate, if it continues without resolution, will deny the American people the right to be defended from missile attacks.

What has brought this issue to the fore, Mr. President, is the Iraqi use of ballistic missiles during the Persian Gulf war. This glaring demonstration of missile defense technology and the specter of ballistic missile attacks has dramatically changed the terms of this debate. The American people, indeed the entire world, witnessed the Patriot system intercept Iraqi Scud missiles—a terrorist weapon targeted primarily at the populations of Israel and Saudi Arabia. I believe this single example should be the necessary impetus to forge a bipartisan consensus on ballistic missile defenses.

Mr. President, some of my colleagues have asked: What is it that we must now defend our country from? Over the past 2 years, I have heard many of my colleagues assert that recent changes in Eastern Europe and the Soviet Union obviate the requirement for defenses against missile attacks. Operation Desert Storm has changed many of their views on this subject, at least with respect to providing our forces overseas with a sufficient capability to defend against missile attacks.

I have stated many times, on the Senate floor, in the press, and in public, that I welcome and applaud the historic changes in the Soviet Union. We must continue to do whatever we can to encourage the further democratization of the Soviet Union. I have also cautioned, however, that many of the important promises made to the world by Soviet leaders have not yet translated into concrete and irreversible change. Mr. President, in this context, we cannot forget the significant and formidable nuclear ballistic missile capability of the Soviet Union. As the Chairman of the Joint Chiefs of Staff, Gen. Colin Powell, stated in recent testimony before the Senate Armed Services Committee: "* * * the Soviet Union remains the one country in the world with the means to destroy the United States in a single devastating attack." The committee has also received recent testimony from the intelligence community. Their testimony is unequivocal:

> Although a START agreement would reduce the overall number of Soviet strategic weapons from about 11,000 to some 7,000, this smaller force will become more balanced, reliable and survivable and will possess more accurate weapons. For example, by the late 1990's about 80 percent of Soviet strategic forces will be mobile, presenting an extremely difficult targeting problem for the United States. These modernized forces will enable the Soviets to maintain a formidable strategic nuclear warfighting posture. START will have only a minor impact on Soviet capabilities to hold key North American and Eurasian targets at risk.
>
> Soviet strategic defenses continue to be upgraded, despite budget reductions. The Moscow ABM system is nearing full operational capability, and strategic SAM's and fighter interceptors are being upgraded. The Soviets are continuing work on deep underground facilities for leadership protection and command continuity.

The massive offensive missile capabilities of an unstable Soviet Union do not, however, represent the sole or perhaps even the worst likely threat. The rapid proliferation in the Third World of ballistic missiles and weapons of mass destruction makes it imperative that an effective missile defense system be created as soon as possible.

The Director of Central Intelligence estimates that, by the end of the century, between 15 and 20 developing countries will possess ballistic missile capabilities; at least 6 developing countries probably will have ballistic missiles with ranges up to 1,800 miles; and at least 3 of these countries may develop missiles with ranges up to 3,300 miles that could directly threaten the United States. Many of these countries are currently developing, or will soon have the ability to develop, nuclear, chemical, or biological weapons for possible delivery on ballistic missiles.

To this end, one of the most important lessons of Operation Desert Storm is that we cannot rely upon the ability to locate and destroy missiles before they are launched, and a threat of retaliation may not deter missile attacks. In short, defenses against such attacks are necessary to save both civilian and military lives, as well as to maintain a full range of military and diplomatic options. As trustees of the Constitution, we would be derelict if we do not reach a consensus on this issue and obtain for the American people the protection we are sworn to provide.

Mr. President, we are at an important crossroads in history. We have the opportunity to shape a new world order in which the world's great military powers turn to defensive, rather than offensive capabilities. As we begin to make the transition, I believe the Missile Defense Act of 1991 represents a bipartisan consensus on deployment of defenses to protect America against limited ballistic missile attacks. The safety and security of the American people, as well as the effectiveness of our deterrent, demand that we initiate this program. Our constitutional responsibility to provide for the common defense of our Nation requires it.

I urge my colleagues to support the Missile Defense Act.

EXHIBIT 1

THE FUTURE OF BALLISTIC MISSILE DEFENSES AND THE ABM TREATY: A BASIS FOR CONSENSUS

(By Senator JOHN WARNER and Senator WILLIAM S. COHEN)

INTRODUCTION

Operation Desert Storm provided the United States with a number of lessons that have profound implications for military affairs and national security planning for years to come. One of the most important lessons of Operation Desert Storm is that we cannot rely upon the ability to locate and destroy missiles before they are launched and that a threat of retaliation may not deter missile attack. Defenses against such attacks are necessary to save lives as well as to prevent disruption of military operations. Some type of ballistic missile defense is needed now. We, the authors of this paper, believe there is a potential for bipartisan consensus in Congress to forge a program that will provide the United States and its forces overseas, as well as our allies and friends, with a capability to defend against ballistic missile attacks.

This paper presents a comprehensive plan which is the absolute minimum capability acceptable to the authors but a plan which, we believe, can be supported on a bipartisan basis. The plan provides for a two-part strategy: (1) negotiations to achieve a new agreement or amend the Anti-Ballistic Missile (ABM) Treaty of 1972 to allow for the deployment of defenses capable of protecting the citizens of the United States against limited ballistic missile strikes, and to permit development and testing of ABM technologies, including those covered by the Treaty and those not foreseen or defined at the time of the Treaty, and (2) a programmatic guideline that includes numbers of launchers and deployment sites, and sensors needed to fulfill the minimum requirements for a limited but effective defense system, as well as endorsement of deployment of theater missile defense (TMD) capabilities to protect U.S. forward-deployed forces and allies.

For the purposes of forging a bipartisan consensus in favor of strategic defenses, a decision on inclusion of space-based interceptors in an initial limited missile defense architecture can be deferred for the time being. For many, deferring the inclusion of space-based interceptors as part of the initial deployment of limited defenses is a difficult decision. Many believe that space-based interceptors provide the highest degree of effectiveness and, in the long run, may represent the most cost-effective means of defending the United States. Others question the feasibility of space-based interceptors. But in the interest of providing the nation as soon as possible with at least some protection against ballistic missiles, and since our proposal would provide for an unfettered testing program for space-based interceptors to determine their effectiveness, we have decided to set aside this issue temporarily. What is achievable now is a limited defense system, a highly effective protection against accidental, unauthorized, or deliberate ballistic missile attacks of limited scope.

BACKGROUND

While the Iraqi use of conventionally armed SCUD missiles against Israel and Saudi Arabia posed no major military threat to coalition forces, or in the case of Israel, to its national survival, the missiles did threaten the lives of our troops and neighboring civilian populations and were enormously significant as a political terrorist weapon. Armed with lethal chemical or nuclear warheads, as may be the case in the future, these missiles could have caused devastating loss of civilian and military life, as well as severely disrupted military operations. There is little doubt, however, that the Patriot TMD system provided a degree of defense sufficient to permit Israel to forego retaliation against Iraq, which in turn contributed to sustaining the solidarity of the multinational coalition of forces in the Persian Gulf conflict.

In the future, ballistic missiles from a variety of sources, combined with weapons of mass destruction, will pose an increasing threat to U.S. and allied forces overseas, and to the United States itself. These systems will have not only substantial political impact, but, most assuredly, military significance as well. The Director of Central Intelligence estimates that, by the end of the century, between fifteen and twenty developing countries will possess ballistic missile capabilities; at least six developing countries probably will have ballistic missiles with ranges up to 1,800 miles; and at least three of these countries may develop missiles with ranges up to 3,300 miles that could directly threaten the United States. Many of these countries are currently developing, or will soon have the ability to develop, nuclear, chemical, or biological weapons for possible delivery on ballistic missiles.

At the same time, we must not ignore the fact that the Soviet Union has presented, and, in its present unstable condition, will continue to present, the greatest ballistic missile threat to the United States. As the Chairman of the Joint Chiefs of Staff, General Colin Powell, stated in recent testimony before Congress: ". . . the Soviet Union remains the one country in the world with the means to destroy the United States in a single devastating attack." The Soviet ballistic missile threat to our land-based and in-port deterrent forces is more formidable today than in the mid-1980s, and the U.S. has not completed efforts which were started during the 1980s to reduce the vulnerability of these forces. In this regard, we should consider how a limited defense deployment would also complement a START agreement, by hedging or safeguarding against both technological surprise and unexpected changes in the threat to which a reduced force would be more vulnerable than a larger one. Defense of our deterrent forces against attack is an option that should be rapidly developed.

Given the combination of emerging Third World ballistic missile threats and the continuing challenge of the fully modernized and highly lethal Soviet strategic nuclear force (the danger of which might even be heightened by internal Soviet instability and unrest), we believe the question for the United States is not whether we should deploy effective theater and strategic missile defenses, but rather, how many, of what type, and how soon? The safety and security of the American people, as well as the effectiveness of our deterrent, demand correct answers.

PHASE I TO GPALS

In 1983, President Reagan announced the Strategic Defense Initiative (SDI). SDI was structured as a comprehensive research effort to determine if ABM technology could be developed to protect the United States from a deliberate Soviet ballistic missile attack. A Phase I architecture was first outlined in 1987, consisting of ground- and space-based interceptors to defend both populations and deterrent forces against a large-scale Soviet ballistic missile attack.

When President Bush assumed office in 1989, he initiated a national security strategy review of ABM technologies and deloyment options. In his State of the Union address of January 29, 1991, the President directed that "the SDI program be refocused on providing protection from limited ballistic missile strikes, whatever their source." The President shifted the near-term priority for the SDI program away from a strategic deterrence and defense approach to the more modest objective of protection against limited strikes. The restructured program, called Global Protection Against Limited Strikes (GPALS), is essentially the same set of systems and architecture as Phase I, except the number of ground-based interceptors is reduced by 50 percent and the number of space-based interceptors (Brilliant Pebbles) is reduced by 75 percent.

In recent testimony before Congress, General Colin Powell reiterated, however, that given the robust and fully modernized Soviet strategic nuclear threat, the original Phase I mission requirement remains valid. He indicated his support for the GPALS program and characterized it as an important and discrete step toward fulfilling the greater Phase I requirement.

The scaled-down GPALS program has shifted the terms of the SDI debate from deterrence and defense to a question of what type of defenses are necessary to provide protection against limited ballistic missile attack. This has, in turn, brought to the fore the issue of space-based interceptors.

Under the threat scenario against which Phase I was designed, there is no question that space-based interceptors are necessary to counter a massive missile attack. It is widely acknowledged that space-based defensive systems offer the best prospects of a high rate of ballistic missile intercepts over the aggressor's territory rather than the defender's, as well as significantly lower operations and support cost than ground-based systems. In addition, for purposes of providing an assured and effective global defensive capability, space-based interceptors are potentially the most capable component of such a defense. All of the factors hold true even for the GPALS architecture. In short, while we may decide to forego the deployment of space-based interceptors for political reasons, opponents of space-based interceptors must acknowledge their significant contribution to meeting the challenge of effectively countering ballistic missiles.

Skeptics of space-based interceptors, such as Brilliant Pebbles, argue that the technical data are not sufficient to know whether such a system is feasible or could be countered by the Soviets. The SDI program has made substantial progress in proving the technical feasibility of ballistic missile defenses and in assessing cost-effective and realistic countermeasures. We would note that, while testing data are currently limited on space-based interceptor technologies, review of the Brilliant Pebbles program by the Defense Science Board and JASONs identified a couple of technical challenges but no technical show-stoppers. Moreover, in large part, the development, testing, and demonstration of such high-leverage, space-based technology are restricted by Congressionally mandated limitations, and possibly restricted by the ABM Treaty.

Until both Congressional and possible Treaty restrictions on developing and testing ABM technologies are removed, it will be more difficult, costly, and time-consuming to prove fully the effectiveness of Brilliant Pebbles or other space-based interceptor technology in defending against missile attacks. Because of these restrictions, testing of Brilliant Pebbles technology is often designed around legal interpretation rather than engineering principles. In some cases, two or three tests may be required to carry out experiments when one test could accomplish the same objective more effectively. More importantly, we would be forced to make decisions to build a certain system on analysis of the test data, not on end-to-end testing as we do with normal military programs, again, because of Congressional and possible Treaty restrictions.

While opponents often raise questions about the technical feasibility of a certain missile defense component, in the end the central issue is a political one, having to do with our relations with the Soviet Union, questions of deterrence and the role of military systems in space, and the prospects for arms control. This debate, however informed, seems to us to skirt the real issue: should we provide our citizens and our forces overseas with some defense against ballistic missile attack? We believe the answer to this question is clearly in the affirmative. For this reason, we have outlined below a program that, we believe, forms the basis for a consensus on ballistic missile defenses.

A BASIS FOR CONSENSUS

In light of all of the above considerations, we believe that our obligations under the ABM Treaty, as interpreted by Congress, should be modified. We believe the initial objectives set forth herein are reasonable and, given recent statements by certain Soviet officials, could form the basis for successful negotiations.

These negotiations must be aggressive and time-limited. Otherwise, missile defense research cannot be pursued with fiscal efficiency or in a manner that will provide the nation with a timely defense capability against limited strikes. For this reason, a period of not more than two years should be established to negotiate satisfactory changes to the Treaty. If we do not achieve these negotiating objectives within that period, then we feel the Administration, in consultation with the Senate, must consider the options available to the country, including possible withdrawal from the ABM Treaty.

A key aspect of our suggested negotiating objectives is the right to increase the number of deployment sites and interceptors currently allowed under the ABM Treaty. Some proponents of limited defense systems suggest that we should limit deployment to 100 interceptors at one site (currently declared by the United States to be Grand Forks, North Dakota). Technical data and physics strongly indicate that such a Treaty-compliant deployment would not provide an effective capability to defend our citizens against the majority of limited strike scenarios. Such a system would only protect a small sector of the United States, leaving Americans on our coastlines and in Alaska and Hawaii totally vulnerable. Therefore, we believe it is critical that any negotiations result in higher ceilings for interceptors and multiple-site deployments.

While some elements of our overall proposal have been mentioned in a general way by others, what we have sought to do is to describe as specifically as possible a program that contains the minimum essential elements that we believe are required to provide an effective, limited defense system. But what we propose is only feasible if the two interrelated components—arms control objectives and programmatic content—are pursued in tandem. Pursued together, we believe they provide the basis upon which a bipartisan consensus and successful negotiations with the Soviets are possible. The details of the two components of the plan are outlined below:

ARMS CONTROL COMPONENT

Negotiate a new agreement or amend the ABM Treaty within two years or less to allow for: increased number of interceptor launchers and deployment sites, development and testing of all ABM technology, deployment of space-based sensors for direct battle management, and relaxation of restrictions on exporting ABM technology to our allies and friends to counter advanced, long-range ballistic missiles currently under development by third countries.

Clarify and further define U.S. rights for: space-based weapons and development and deployment of TMD systems.

PROGRAMMATIC COMPONENT

Accelerated TMD program for our forward-deployed forces, as well as for our friends and allies, such as Israel.

Limited defense system consisting of: 5–7 deployment sites to protect the United States, including Alaska and Hawaii, 700–1200 fixed ground-based launchers, and space-based sensors for TMD and ABM battle management.

Development and testing of ABM technology to demonstrate space-based interceptor and other technologies for future deployment.

Defer debate for now over deployment of space-based interceptors.

CONCLUSION

Finally, if a consensus can be achieved, we also believe it is imperative that Congress fully fund the SDI program and rebuff attempts to restructure the program in ways that would deny the Administration the appropriate flexibility necessary to achieve the programmatic objectives outlined above. In this regard, it is important to ensure that follow-on technology efforts (including the development of Brilliant Pebbles technology) not be underfunded or eliminated. While we are willing to forego at this time the issue of space-based interceptor deployment as part of an initial limited defense architecture, we do not believe that it is in the national interest to preclude this technology option for the future. Again, we believe space-based systems provide the best hope for an effective means of countering ballistic missiles for the future. Our nation must not be denied the right to determine if this is true.

We support, therefore, the requirement set forth and restated recently by the Chairman of the JCS, General Colin Powell, for a Phase I-like defense as a long-term goal, adapted or restructured to fit future geopolitical conditions. Until then, we believe we have identified a basis for a consensus which, if pursued aggressively, will culminate in a system that provides a minimum capability to defend against limited ballistic missile strikes.

PROGRAMMATIC COMPARISON

Programs	GPALS	Consensus program
Theater missile defense	Yes	Yes.
Ground-based interceptors (multiple sites)	Yes	Yes.
Space-based sensors	Yes	Yes.
Brilliant Pebbles space-based interceptors (development and testing).	Yes	Yes.
Brilliant Pebbles space-based interceptors (deployment).	Yes	Defer decision.

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SOVIET STATEMENTS SYMPATHETIC TO MUTUAL BMD DEPLOYMENT

(By Keith B. Payne with the assistance of Willis Stanley)

The U.S. position at the DST has been to establish the basis for a "cooperative transition" toward a more defensive approach to deterrence—including the mutual deployment of BMD. The Soviet DST position has remained in opposition to such a defensive transition. Recent statements by some Soviet Foreign Ministry and military officials, however, indicate that some support is developing within the Soviet Union for the mutual deployment of BMD, possibly as a part of "defensive deterrence."

The persistence of the SDI and the proliferation of ballistic missile technology appear to be motives for the apparent Soviet interest in mutual BMD deployment. Concern about the threat posed by ballistic missile proliferation is surfacing in the Soviet Union. For example, in Sovetskaya Rossiya, Candidate of Technical Sciences Maj. Gen. Belous writes that despite misgivings about U.S. intentions and the potential for "a genuine system of international security" involving space-based defensive systems:

"Some of the arguments put forward by SDI's champions also require careful consideration. The world today is bipolar, they argue, but in the near future it will become multipolar. This will also affect the military sphere. Whereas today there are eight states on the 'nuclear threshold,' capable of crossing it and beginning production of mass-destruction weapons, by the end of the 20th century there will probably be 20 such states.

They will also possess missile technology. All this will considerably increase the risk of both deliberate and accidental nuclear conflict.[1]

Chief of the Main Staff of the Soviet Strategic Rocket Forces (SRF), Col. Gen. Kochemasov stated recently, "Say nuclear missile weapons fall into the hands of irresponsible, incompetent people. What then? Any use of such weapons could provoke World War III. That is a terrible danger."[2] And, in a paper entitled, "USSR Ministry of Defense Draft: Military Reform Concept," Minister of Defense Marshal Yazov devotes several paragraphs to, "the appearance of a threat to our security" posed by regional conflicts and proliferation.[3]

This concern about ballistic missile proliferation has led some in the Soviet Union to identify mutual BMD deployment as a possible response, As Belous stated:

"In order to deal with this threat, SDI's apologists argue that it is necessary at the least to develop a 'thin' ABM defense capable of successfully dealing with small numbers of incoming missiles. One of the plans for this kind of defense proposes siting 1,000 ground-based interceptor-missiles in six areas of the United States. Mindful of current realities, we should hardly deny the possibility of reasonable compromises in the future and the development of defenses for the U.S. and USSR territory against accidental missile launches or blackmail attempts and threats made by third countries.[4]

In an August 1990 article in Sovetskaya Rossiya, coauthored by Belous and Lt. Gen. Vinogradov, the point is repeated that joint U.S.-Soviet BMD efforts may be an appropriate response to the threat posed by ballistic missile proliferation, with a caveat against space-basing:

"Nor must we disregard the fact that many countries are standing on the threshold of mastery of nuclear and missile technology. In these conditions is it possible to guarantee that some totalitarian or adventurist regimes will not attempt to make use of nuclear missile weapons to achieve their ambitious aspirations?

"In these conditions the Soviet Union and the United States will possibly have to jointly seek ways to defend their territories from probable nuclear missile attack by third countries. However, one provision that remains fundamental is the nonsiting in space of strike weapons, which could seriously destabilize the international situations."[5]

In another recent article, Sergei Blagovolin, of the Institute of World Economy and International Relations, also writes positively about BMD limited to protecting against Third Party threats:

"I do not think that an SDI system designed exclusively to guard against the threat of nuclear blackmail by other [non-Superpower] regimes would have even the slightest negative effect on the superpower strategic balance. In fact, if it is a joint effort it will actually strengthen confidence.[6]"

Perhaps most dramatic of the recent Soviet statements supportive of BMD is that by Viktor Alksnis. Alksnis is the Chairman of Soyuz, an important conservative faction within the Congress of Peoples' Deputies. In an article, appearing in Literaturnaya Rossiya, Alksnis' speech during a session of the Supreme Soviet is quoted verbatim. The following is a quote from Alksnis' speech; it is particularly interesting given Alksnis' position:

"I would like to touch on the issue of the U.S. Strategic Defense Initiative. I am increasingly leaning toward the point of view of the Americans, who, according to the information available to me, are primarily designing this system as a defense against an accidental nuclear attack. I believe that a nuclear war between the USSR and the United States is indeed impossible. However, who can rule out such a possibility, given the proliferation of nuclear weapons and means of mass destruction throughout the world? Iraq already has a nuclear bomb. It looks like Israel has also created one, as well as the Republic of South Africa. Brazil has now suspended development; however, all of such work is under way. Will we not need to create our own SDI in order to rule out the possibility of a strike against Soviet territory by, for example (I would not like to predict this) Iraq if the situation aggravated?

"We are saying that we will create an asymmetrical version of our own SDI, that is, to defend against American missiles. However, we absolutely disregard the probability of a possible strike by some nuclear terrorist, a blackmailer who may capture some installation with nuclear weapons and threaten the Soviet Union. Who is thinking about this? Why does the ministry of Foreign Affairs not think about this?"[7]

In a recent interview Col. Gen. Volter Makarovich Kraskovskiy, whose responsibilities include the Moscow Galosh BMD site, identified protection against instability in countries armed with ballistic missiles and chemical warheads as a mission for the Galosh system, in addition to protection against accidental or unauthorized attack.[8]

There appears to be some support in the Soviet Union, including within the Soviet military, for an expanded BMD role. This is confirmed by Col. Gen. (Res.) Yu A. Gorkov, who notes in the May 1990 issue of Voyennaya Mysl (Military Thought) that in the Soviet press, "Some authors declaim for creating a strong air and missile-space defense so that Leningrad, Kiev, Tiblisi, Sverdlovsk, Novosibirsk, and other cities do not become hostages."[9]

The apparent "rethinking" of mutual BMD deployment also is apparent in some articles written by members of the Ministry of Foreign Affairs (MFA). Writing in an MFA journal, a Second Secretary of the International Organizations Department, Ednan Agayev, argues for a position very similar to the U.S. notion of cooperative transition.

"But its [nuclear deterrence] character which at present epitomizes offensive—that is, objectively an aggressive—philosophy, should change. It was finally formulated and legalized in 1972, when the ABM Treaty was signed. Under the Treaty the USSR and the USA gave up the development of defensive strategic systems in favour of offensive arms. The logic of their choice was quite understandable. * * * But, as it was once pointed out by René Descartes, who was a strict logician, in order to get to the truth it is necessary to call everything in question. And hasn't the present "offensive deterrence" been long ripe for that? The only modern deterrence is defensive. And its prerequisites, even if they are only intellecutual, already exist.[10]

Mikhail Aleksandrov, Identified as an MFA Senior Expert in the Assessment and Planning Department, has written that:

"It is time we became realistic and gave up the hope that SDI-related work will be discontinued. It appears that if the trend towards the development of defence technologies is correctly oriented, it may, far from leading to destablization, result in a better model of strategic stability than the one we have.

"The model of defence domination will make it possible to switch over, in deed, and not in word, to a defensive military doctrine at all levels of confrontation.

"There is no doubt the transition to the new model of strategic stability will inolve a certain political risk. * * * It seems, therefore, that the only way to the new strategic structure is that of gradual mutually agreed and coordinated steps, which might include phased deployment of ABM components. * * *[11]

Members of the technical/academic community also have expressed sympathy for mutual BMD. Professor V. Etkin, Chief of Applied Space Physics at the Institute of Space Research has advocated a cooperative path toward defenses, including space-based BMD:

"A similar [cooperative] decision is also possible in the sphere of space-based ABM defense positions, whose capabilities in a global conflict are being questioned in both the USSR and the United States. But what if the conflict is not global? What if we are talking about guarantees against accidental launches or, above all, missile launches by extremist groups? Such a limited system including ground- and space-based positions for combating non-massed missile launches is within the bounds of feasible technical solutions."[12]

Members of the Soviet Institutes have made specific statements about the relationship between START II and BMD deployment. For example, in February 1990, Andrei Kortunov, of the Institute of the United States in Canada, wrote in Moscow News, that "a compromise over anti-ballistic missile (ABM) systems" could be a part of

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[1] "The SDI Syndrome. Seven Years Since the United States Announced the "Strategic Defense Initiative." Sovetskaya Rossiya, 23 March 1990, p.5. Reproduced in FBIS-SOV-90-058, p. 2.

[2] Quoted in Pravda, February 21, 1990, p. 6. Soviet Foreign Minister Shevardnadze has called for a bilateral U.S.-Soviet agreement to control the export of ballistic missile technology to the Middle East. See "Spread of Missiles Seen as Soviet Worry in Mideast," New York Times, March 24, 1989, p. A2. In addition, the Soviet Union has reacted strongly to Israel's testing of the Jericho II intermediate-range ballistic missile. In a 1987 Hebrew language broadcast, for example, Radio Moscow warned Israel that by developing the missile it was becoming "part of the nuclear confrontation between the superpowers" and that the missile "is threatening our economic centers, command and control centers, and petroleum fields like Baku."

[3] Dr. Yazov, "USSR Ministry of Defense Draft: Military Reform Concept," Pravitelstvenny Vestnik, No. 48 (November 1990), pp. 5–10; translated in, FBIs-SOV-90-239, December 12, 1990, p. 63.

[4] "The SDI Syndrome. Seven Years Since the United States Announced the 'Strategic Defense Initiative,'" Sovetskaya Rossiya, 23 March 1990, p. 5. Reproduced in FBIS–SOV–90–058, p. 3.

[5] "What the Generals Think About Disarmament: The Strategic Offensive Arms Treaty and Our Security," Sovetskaya Rossiya, August 23, 1990, p. 3; in, FBIS–SOV–90–165, August 24, 1990, p. 1.

[6] Sergei Blagovolin, "The Gulf crisis and arms control A Soviet View," International Defense Review, No. 11, 1990, p. 1233.

[7] Quoted in Literaturnaya Rossiya, November 12, 1990, in FBIS–SOV–90–230, November 29, 1990. pp. 43.

[8] "Just What is ABM," TRUD, May 26, 1990, p. 1.

[9] Reprinted in, JPRS–UMT–90–005–L, June 20, 1990, p. 34.

[10] "K novoi modeli strategicheskoi stabil'nosti [Toward A New Model of Strategic Stability]," Mezhdunarodnaia zhizn', No. 2, 1989, pp. 107–111.

[11] "Defence Domination Versus Nuclear Containment," Soviet Military Review, (December 1989), pp. 50–51.

[12] "From Secrecy to Trust," Pravda, 20 July 1989, p. 5.

START II.[13] Writing in New Times, a Soviet publication for Western audiences, Andrei Kortunov and Sergei Fedorenko suggest that, given certain preconditions, START II could include "possible joint reconsideration or aboliting [sic] of the 1974 protocol annexed to the 1972 ABM Treaty."[14] This, of course, would permit two BMD sites with 100 interceptors at each site.

While the above statements concerning mutual BMD certainly cannot be said to constitute a shift in the Soviet position on mutual defenses and the ABM Treaty, they do constitute evidence that there exists some official and unofficial interest in the possibility of agreed BMD deployment beyond that permitted by the ABM Treaty. That interest may ultimately lead to a change in the Soviet position of DST and an agreement to change the status of the ABM Treaty.

AMENDMENT NO. 979

(Purpose: To set forth policy regarding the continued adherence of the United States to the ABM Treaty)

Mr. LEVIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN], for himself, Mr. BIDEN, and Mr. CHAFEE, proposes an amendment numbered 979.

On page 4, between lines 3 and 4, insert the following new subsection:

(i) INTERPRETATION.—Nothing in this Act may be construed to imply congressional authorization for development, testing, or deployment of anti-ballistic-missile systems in violation of the ABM Treaty, including any protocols or amendments thereto.

Mr. LEVIN. Mr. President, ordinarily, on some of these amendments we ask unanimous consent that further reading be dispensed with, but this amendment is so short and so much to the point, I thought it was important that it be read. There is not much that can be added to this language, other than the background for the language itself. It is clear, straightforward, and it makes a very important point for those of us who believe that the Anti-Ballistic-Missile Treaty has helped to secure this country, has helped to avoid an arms race in space, has allowed us, finally, to get some reductions in the number of nuclear weapons, has provided for stability in a nuclear world, and made a major contribution to the security of the American people.

Last night, we had an extensive debate on the committee's SDI plan. An effort to change that plan was defeated. There were about 40 Senators who are deeply troubled by the implications in the plan of the Armed Services Committee.

The core of the matter is this, and this is the core of the problem that has been created by the committee language: In this language—it still stands after last night's effort to amend it and it failed—the Senate is adopting a plan to deploy systems that are prohibited by the treaty.

That is a significant step in the eyes of many of us, a very dangerous step and an unnecessary step because it is possible to seek negotiation of a treaty to allow for systems without adopting the plan first. You can adopt a goal to modify a treaty to permit systems to be deployed but that is not the goal stated here. This goal, this plan is to deploy systems that are prohibited by your treaty, no ifs, no ands, no buts, adopt the plan to deploy now, threaten the treaty now, and negotiate later, the battle cry that is incorporated in this language of the Armed Service.

Mr. NUNN. Mr. President, will the Senator yield on my time?

Mr. LEVIN. I am happy to yield.

Mr. NUNN. The Senator said "adopt a plan to deploy now." Would the Senator change that to "adopt a plan now to deploy"?

Mr. LEVIN. I think it was very clear in context. I am happy on the Senator's time to say "adopt now a plan to deploy."

Mr. NUNN. "Later."

Mr. LEVIN. The deployment obviously has to say come later but the adoption of the plan is now and the negotiations come later. It is a threatened treaty now by adopting a plan-now-to-deploy-later approach which is so objectionable to so many.

Mr. NUNN. If the Senator will yield on my time again, I think it is very important for people to understand that we are setting forth an architecture or plan and we are giving the directive to "develop for deployment." The plan is a serious plan, no doubt about that. But what we are not doing is authorizing any deployment now with this bill nor are we authorizing anything that would violate the ABM Treaty in this bill.

It is not the intent to do anything in this bill that would violate the ABM Treaty. It is not a violation of the ABM Treaty to plan or have an architecture. There is nothing in the ABM Treaty that even mentions the word "plan" or "architecture." What we are talking about now, and also talking about as a part of the plan, is a negotiating track that would hopefully lead both superpowers to come up with the same type plan for a limited defense. That is a very important distinction.

I thank the Senator.

Mr. LEVIN. Mr. President, there was an opportunity in committee to make exactly that distinction which was rejected by the committee. There was an amendment which I offered in committee which provided, in effect—and this was the clear purpose of it—that we would seek to negotiate changes in the treaty to allow for the deployment of systems and that that would be the goal. And the goal could have been stated that way. But that was defeated.

The committee instead decided to adopt now a plan to deploy systems which would be in violation of the ABM Treaty, and then the hope was expresed in a later part of the language that negotiations could succeed to permit that deployment, that there was no linkage.

The plan was adopted without qualification, the goal was as adopted no ifs, no ands, no buts, the threat to the treaty is embodied now and the hope was later expressed that we would talk about it and negotiations could succeed.

We throw down the gauntlet now, although that implication could have been avoided by adoption of an amendment which would have made clear that the goal was to negotiate a change in the treaty to allow for the deployment of these systems. That was rejected and instead it was clearly stated and we are now adopting this plan. That is the part which is so objectionable to so many of us.

This ABM Treaty is a contract. Mr. President, when the U.S.S.R. broke this contract by building a radar at Krasnoyarsk we objected strenuously, rightfully, and righteously, as we should have. This ABM Treaty is not only a contract, it is a treaty which has allowed us to avoid an arms race in space.

Just to give you a few quotes from important people over the decades who have protected this treaty. Former CIA Director Colby said that the only way to defend our country against nuclear attack is to prevent it from happening, that the ABM Treaty has played a major role in providing the conditions necessary for progress on limiting offensive forces. It has done more to reduce the threat of nuclear war than any other single agreement.

West German Former Minister Genscher called the ABM Treaty the Magna Carta of arms control. Six former Secretaries of Defense: Harold Brown, Clark Clifford, Melvin Laird, Robert McNamara, Elliott Richardson, and James Schlesinger have reaffirmed their view that the ABM Treaty makes an important contribution to American security and to reducing the risk of nuclear war, and urged American and Soviet leaders to stop further erosion of this treaty.

The ABM Treaty has made it possible for us to enter into a START agreement just yesterday, and they are linked. The Soviets have made it clear that they are linked, as we have in the past. They have entered into the negotiating record of the START agreement a formal statement which reads: "That the treaty"—now they are referring to the START Treaty—"may be effective and viable only under conditions of compliance with the treaty between the U.S.S.R. and the U.S.A. on limitations of anti-ballistic-missile systems, signed on May 26, 1972."

So this treaty has protected our people by avoiding an arms race in space, by allowing us to finally reduce the number of weapons which we must face. It has made possible stability between two superpowers so that neither party has the fear of being hit and not having the capability to retaliate. If the retaliatory force is threatened by defensive systems, either party might be tempted to fire first, before their own forces have been knocked out, and either party again will be less willing to reduce the numbers of offensive weapons that they have.

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[13] Quoted in FBIS-SOV-90-037, February 23, 1990, p. 2.

[14] "After the Treaty: What's in Store?" New Times, 17 April 1990, p. 11.

Secretary Weinberger was asked the question: What would we do, what would we do if we were faced by defenses, what would our response be if we were facing in the Soviet Union a capability to hit our retaliatory strike?

His answer was that "even a probable Soviet territorial defense"—mind you not even an actual one, just a probable one "would require us to increase the number of offense forces and their ability to penetrate Soviet defenses to assure that our operational plan could be executed."

And that is exactly what the Soviets are saying they will do. We heard some soothing words last night from the chairman and they are important words. And again this morning the chairman has indicated that what is in this language is just a goal and that there is no authorization here to deploy these systems and that the ABM Treaty is intact.

Well, this amendment will clarify that intent. And for those of us who see in the committee language a threat to the ABM Treaty which will cause the Soviets to rethink their agreement to make cuts, as they said they would at the time they signed the START agreement, for those of us who see in this threat to the ABM Treaty a threat to unravel arms control and to undermine American security, this amendment will provide a little reassuring solace because what it simply does is to state the intent which I believe the chairman here has said is his intent.

It contains the assurance that the chairman, I believe, has indicated as to what is not intended in this language. And that is why this amendment is stated so simply. And I will close and reserve the remainder of my time after reading this language because it states and reaffirms that:

> Nothing in this act may be construed to imply Congressional authorization for development, testing or deployment of anti-ballistic missile systems in violation of the ABM Treaty, including any protocols or amendments thereto.

Mr. President, I yield the floor, and reserve the remainder of my time.

Mr. WARNER. Mr. President, I yield myself such time as I might require.

Mr. President, the good Senator from Michigan and I came to the Senate together and we have now served some 13 years on the Armed Services Committee. All of us on that committee know there is no one that excels this Senator from Michigan in terms of his careful study and homework. In the past week or so we had two meetings at 8 o'clock in the morning on the B-2 bomber, another issue which concerns the Senator. He has been right there in the front row and asking some of the most difficult and incisive questions. Therefore, I have the greatest respect for his views.

But I would like to on this particular one enter into a colloquy on several points. Let us not lose sight of the fact that the ABM Treaty in 1972 was in an entirely different world than faces us today. I have recounted, along with other Senators, the growing threat from the Third World to our Nation.

It is questionable how soon some may get the intercontinental version of the ballistic missiles, but I think the Senator from Michigan would certainly concede that in certain theaters of operations beyond our shores, our forward deployed troops are at risk from ballistic missiles. We certainly witnessed it in the Persian Gulf with the Scud missile. And some 20 nations are going to have these weapons in the future.

The architecture of the amendment adopted by the committee, an amendment that the chairman and I and others worked on, is designed to protect our interests against the limited or accidental attack. It is not intended to threaten the Soviet Union or the stability because of its limited nature. It is designed to protect the continental United States in the beginning such protection as may be afforded by a single site. It also carefully lays down a course of negotiation of the ABM Treaty.

Nothing in this amendment is intended to threaten the Soviet Union that we are going to withdraw from the treaty. To the contrary, we are going to sit down in a conscientious way and negotiate. And as you look at the geographic dispersal of the some 20 nations that are going to possess ballistic capabilities in the near future, indeed, the Soviet Union, its territory and its interests are in many respects nearer to those of those missions than are the United States and its likely areas of deployment of its forces.

So this Senator believes there is a certain mutuality of interest that at least should be explored by the United States and the Soviet Union in a round of talks that I hope will begin, assuming the Senate accepts this committee suggestion, that is the amendment.

Could the Senator then answer, how do we, at the same time preserving the integrity of the ABM and seeking amendments through negotiations, how do we protect ourselves from this growing threat to our forward deployed units worldwide? How do we prevent the loss of life, not only to our forces but indeed to the people of Israel, which we witnessed in the Persian Gulf, how do we prevent the type of contingent situation in the future?

Mr. LEVIN. I thank my friend. Indeed, we did come here together. I hope this colloquy is on his time because we are so limited in the amount of time we apportioned out.

Mr. WARNER. I think we will just allocate the time: I will accept the time of propounding the question, you accept the time in responding.

Mr. LEVIN. I cannot do that because I would be cutting into time of a colleague.

Mr. WARNER. Well, then, I will yield 1½ minutes of my time, because I think it is an important issue.

Mr. LEVIN. It is a very important question.

As my good friend knows, there was unanimity in the committee in supporting the tactical missile defense. Indeed, we added money to what the administration asked us for tactical missile defense and defense against short-range missiles so when you talk about how do we protect our forces abroad, the answer is by improved tactical missile defense. Defense against the short-range missiles are totally in compliance with the Anti-Ballistic Missile Treaty. Those systems are treaty compliance. All of us favored that. We all voted to add money to the administration request.

What this language addresses is something beyond that, and that is the ABM Treaty noncompliant systems for the long-range missiles. And you asked a vital question.

You say, should we sit down with the Soviet Union and explore a mutuality of interest in defending against those missiles? And my answer to your question is, we should. We should sit down with them and negotiate, but we should not threaten the treaty now which provides for the deployment of missiles which would violate a treaty now and then say we will talk about it later. That is not the way to deal with somebody with whom you have a contract. If you want to change that contract, you sit down and say, we would like to make these changes.

Mr. WARNER. Mr. President, in reply to that statement I would simply say the following: At some point today, I will address the various architectures of the forward deployed tactical missile defense. But, in essence, if we contain that type of architecture to the narrow interpretation of the ABM Treaty as of today, we are going to have to carry tremendous amounts of equipment that we would not have to carry or develop if we were just to utilize certain elements in space like sensors to reduce the necessity for many, many oversized radars.

So it is an entirely different type of architect that we could have employed with tactical missile defenses in forward deployed areas if we sit down and renegotiate conscientiously a common understanding of the ABM Treaty. And as we all know, weight and space are severe limitations in forward deployed forces.

So I think it is important that the Gore amendment yesterday clearly said nothing but ground base for your tactical forward deployed systems.

Well, if you take that theory, then you are talking about a great many components, oversized radars, and much equipment to be carried, and, indeed, I would argue that equipment, even though it could possibly be designed, would cover only a very limited area of protection for forward deployed forces. But I hope this morning the proponents of the Levin amendment and others would address the internal problems in the Soviet Union today as they relate to a possible accidental firing.

In my opening statement yesterday, I read a quotation from the former Foreign Minister Shevardnadze in which he said there is instability and you could have accidents. And should we not in this country begin to protect our people against the possibility of an accidental firing as this political and nationalistic upheaval takes place in the Soviet Union?

Those are the central questions which can be addressed by the proponents of the Levin amendment.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who seeks recognition? Who yields time?

Mr. CHAFEE. How much time does the proponent of the amendment have left?

The ACTING PRESIDENT pro tempore. The Senator from Delaware was promised 30 minutes last night and there are 30 minutes yet.

Mr. CHAFEE. May I have 4 minutes?

Mr. LEVIN. I yield 4 minutes.

Mr. CHAFEE. I have a question to the distinguished chairman of the Armed Services Committee, whom I notice is on the floor, and the question is as follows. I have listened carefully both to him and the distinguished ranking member. Everybody in this Chamber knows the affection and regard I have for both of those distinguished Senators.

My question is: Why does my colleague not accept the amendment? Both of my colleagues have said they may be on a course that could lead to a change in the ABM Treaty, but that is not the purpose of my colleague's efforts here.

I think it is also fair to recognize that among his legions of supporters on this floor there are those who cheerfully would break that treaty, and we recognize that. But I do not include the distinguished chairman of the committee in that group.

So I cannot understand why he, as manager, does not accept the amendment.

Mr. NUNN. The Senator poses, from my point of view, a good question. The Senator from Michigan and I have been struggling over the words of his amendment for about 3 weeks now. He is a very diligent member of our committee. I do not know of anyone more careful than he is. He proposed an amendment in committee, and when I first heard about the amendment he was proposing on the floor it was my impression that it was the same amendment. It is not the same amendment because the amendment he proposed in committee—which I opposed and would have to oppose here—was an amendment that basically would have forced the goal, the architecture, to be ABM Treaty-compliant.

It is my view that that amendment went far too far because it meant we could have no plans. It meant Congress could never have a plan that basically went 1 inch beyond the ABM Treaty, yet the administration has run around for 9 years and had plans that would grossly violate the ABM Treaty. But once the committee goes 1 inch over the line with the plan, we could not.

The Senator asked me the question, what about this amendment? I am studying this amendment very carefully right now and I am studying it in concert with my colleague from Virginia. This amendment is different from the committee amendment proposed by the Senator from Michigan because this amendment does not talk about plan. The amendment talks about the authority, the authorization.

It is my view, as the Senator said, there is nothing in this amendment and nothing in our comittee bill that does authorize any violation of the ABM Treaty. So I am studying the amendment carefully and I will have a better response for the Senator later.

Mr. CHAFEE. By later, does the Senator mean before we get into a vote on this amendment?

Mr. NUNN. Before we vote, yes. I have not made a statement yet. I have not made my statement yet. I have not said I oppose the amendment at this stage.

Mr. CHAFEE. Mr. President, I hope very much the managers would accept the amendment. As one Senator, I greatly admire the ABM Treaty. But let me say I find nothing sacrosanct about that treaty, that if it could be changed in the best interests of the United States, it ought to be changed. There is nothing written in concrete or stone about the ABM Treaty. But it should not be abrogated, willy-nilly, on the Senate floor by going full speed ahead in a contrary direction without realizing we are going in that direction.

What this amendment says to me, anyway, is: Look, if in the future we want to change the ABM Treaty, all right, but let us do it with forethought and planning and in concert with the administration and not by some vote by the Congress of the United States that sends us charging down this path.

Mr. NUNN. If I could interject on this point, if the Senator will yield, on my time, I agree with that sentiment completely. Everything we have done in this bill is trying to preserve the philosophy of the ABM Treaty. Everything we are authorizing in this bill is in compliance with the ABM Treaty. We have a plan and a goal in here that could be interpreted as going beyond the ABM Treaty, depending on the number of sites and what we do with sensors. But that is a plan. It is an architecture. It is not an authorization. It is not in any way a violation of the ABM Treaty.

The ABM Treaty does not preclude planning, and to have any kind of meaningful negotiation or meaningful concept that makes sense for protecting this country, this Nation—and I include the whole Nation—against limited attack, then we have to have a plan.

So I agree with the Senator completely on what he said thus far.

Mr. CHAFEE. I must say, I thought the distinguished chairman of the committee in his last statement just agreed with what this amendment says. So I certainly hope he would give it very careful and prayerful consideration because I would like to see it adopted and not go to a vote.

If I could say one other thing, these treaties that were ratified are very valuable treaties. The ranking member of the committee did a superb job when he was Under Secretary of the Navy, negotiating a treaty with the Soviet Union on incidents at sea. That treaty is still in effect today and has served this Nation well. If we want to change it in the future, we ought to be able to change it. But I hope we would not charge down some path here saying Congress is going to change it without working with the authorities, the Department of the Navy, and the administration. That is all we are saying here: "Nothing shall be construed as implying congressional authorization for violation of the ABM Treaty."

I hope this amendment will be adopted.

The ACTING PRESIDENT pro tempore. Who yields time? Who yields to the Senator from Delaware?

Mr. BIDEN. Mr. President, parliamentary inquiry. Does the unanimous-consent request give the Senator from Delaware 30 minutes on this amendment?

The ACTING PRESIDENT pro tempore. It does not.

Mr. LEVIN. I yield to the Senator from Delaware 30 minutes, or such portion thereof that he may need.

The ACTING PRESIDENT pro tempore. The Senator from Michigan yields 30 minutes.

Mr. LEVIN. It was the intention, of my 45 minutes, that 30 minutes be allocated to our friend from Delaware. He now controls it.

Mr. BIDEN. Before the Senator from Rhode Island leaves the floor, if I could have his attention, I will use 1 minute off of my 30 minutes right now.

Our distinguished managers of the bill keep saying this is only architecture, only architecture.

To paraphrase Gerard Smith, our original negotiator, he makes an analogy. He says that the architecture that is being proposed here would be like us coming to the floor of the U.S. Senate in the twenties, during prohibition, and setting out in a piece of legislation the following: "It is the intention of the United States Congress that we allow the people of America to purchase liquor."

We are not violating the amendment to the Constitution prohibiting people from drinking liquor, but the architecture we are proposing is that people be able to drink liquor.

This is not mild architecture, like that which would be required with regard to ATBM. The analogy in that case would be to come to the floor and say: "Under certain circumstances, in a situation where the medical profession concludes that liquor is particularly needed to ease the pain for someone with a particular disease, we propose that we be able to amend the amendment at a later date to allow that to happen."

That does not go to the heart of the amendment to the Constitution that says we cannot drink liquor.

What our good friends are proposing, what my friend from Rhode Island is asking here is, in fact, what is this about? Is there anything inconsistent? This is fundamentally inconsistent with the ABM Treaty, as inconsistent as coming to the floor in the twenties and saying the architecture we are proposing is to allow every bar in America to once again sell beer and liquor, notwithstanding the fact that that does not violate the amendment to the Constitution prohibiting that, because we are not telling them to do that yet. We are just saying in advance, that is that we hope to accomplish.

It seems to me that is quite an exercise in sophistry. We are standing on the floor of the U.S. Senate. We voted against the Gore amendment, which I supported and which would have dealt with this issue, and we are saying, "By the way, we love the ABM Treaty. We know it is not sacrosanct. We should be able to amend it." Amendment to the treaty implies that the essence and philosophy of the treaty will be kept intact, and it will mildly change how it is, in fact, implemented.

We come forward, with the Senate about to vote on a piece of legislation that contains within it a specific goal, that goal being a U.S. deployment of an antiballistic-missile system, including one or more adequate additional antiballistic-missile sites and space-based sensors capable of providing a highly effective defense for the United States.

That is inconsistent with the philosophy of the ABM Treaty, as inconsistent as if we said 50 years ago, when there was an amendment prohibiting the drinking of liquor in the United States: "It is the goal of the United States to allow every bar in America to sell in whatever quantities they wish liquor and beer to whomever is over the age of 21." It does not violate the amendment.

This does not violate the ABM Treaty, but it says: We are now proposing as a goal, laying a foundation, the record that we are in the U.S. Senate for the attainment of an objective which, if and when reached, would fundamentally be at odds with the philosophy of the ABM Treaty, which we say we want to keep.

My friend from Virginia keeps asking a very important question. He says, "What about protecting those troops out there?" And that is ATBM. We all have these elaborate phrases we use, but that is a fundamentally different issue. That is the type of thing we saw with the Scud missiles.

My colleague, Senator WARNER, says, and rightly so, we may need sensors up there, which are violations of the ABM Treaty. We may need sensors to allow an improved Patriot missile system in order to protect people. I acknowledge that. That is what the amendent procedure in the ABM Treaty is about.

If we are going to amend it on the margins, so that it does not go to the heart of the rationale for the ABM system, any amendment along those lines would not address the essence of the ABM regime in the first place. I will cease now for the moment, and just say that what the committee has proposed and what we are about to vote on goes to the very heart and essence and rationale for the existence of an ABM Treaty.

So I close at this moment by saying, to paraphrase Gerard Smith, that setting a goal like the one set—not like the one set in this legislation—is to the ABM Treaty what the Senate, when we had prohibition, would be doing if on the record it said, "Our goal is to allow Americans to, once again, drink liquor, as they did before there was a prohibition amendment."

It does not violate the constitutional amendment, but it says we are going on record as saying that we will renegotiate that constitutional amendment, when in reality you cannot renegotiate that constitutional amendment and have any of the rationale for the amendment remaining after you have met your goal. If you meet the goal here, you are essentially going against the fundamental rationale for the ABM system in the first place. That being to ensure that both sides remained in a position whereby their homeland was vulnerable; that is the whole rationale.

I think we should be more honest about this. I think the people who support this should say, "Hey, look, we do not think the rationale for ABM makes sense anymore, and what we want to do is get rid of ABM," instead of saying, "Hey, we like the rationale of ABM; we really think it is important, but we want to get rid of it."

For the moment, I yield the floor.

Mr. GORE. Will the Senator yield 2 minutes?

Mr. BIDEN. I will be delighted to yield 2 minutes to my friend off my 30 minutes.

Mr. GORE. Mr. President, I want to make a couple brief points about this amendment. This amendment expresses what the sponsors of the committee language say is their intent. Why can they not accept an amendment that says the Congress is not authorizing a system that violates the ABM Treaty? I will give you the answer, Mr. President. It is because half the supporters of the committee language want to violate the ABM Treaty and support the committee language precisely because it sets in motion a plan which will inevitably violate the ABM Treaty.

If I were to speculate on what the sponsors of the committee language are doing right now, I would speculate that they are huddled in consultations with the supporters of the committee language, for whom this language is an anathema, trying to get them to mute their opposition and let the managers of the bill accept the language.

But the Senator from Wyoming [Mr. WALLOP] for example, is strongly opposed to language like this. He fought it in committee. His allies fought it in committee, and the committee could not muster a majority so long as the language of the Senator from Michigan, saying we are not going to violate the ABM Treaty, was attached to the committee bill.

So now it comes to the floor and the half of the supporters of the committee bill who do not want to violate the ABM Treaty are forced to consult with the other half who do want to violate the ABM Treaty and ask them, please, do not jump off the reservation, if we have to accept this language that says we are not violating the ABM Treaty.

It will be very interesting to see how the consultations come out. Will the fragile coalition assembled around two radically different designs for defensive systems hold together in the face of this humble proposal from the Senator from Michigan to simply put the Senate on record as saying we want to do what the sponsors of the committee language say is their intent, and authorize something that does not violate the ABM Treaty?

Will the hard right, who are part of the coalition supporting the committee bill, give their permission to the sponsors of the committee bill to accept this amendment? That is the question of the hour, and we will wait here until we find out the answer. The answer is critical because last night the Senate said, "Let us move to deploy a system." The sponsors of the committee bill say, "We did not make a decision to deploy."

We did. We voted to direct the Secretary of Defense to develop for deployment this system. We said it is our goal to deploy this system. Can we undo it? Perhaps. I hope that we will. But the critical question now is whether or not what we are doing in authorizing that system is implying support for a system that will violate the ABM Treaty before we know what can be negotiated by way of changes to the ABM Treaty.

Mr. NUNN. Will the Senator yield?

Mr. GORE. Let me finish my statement briefly. If we reject the Levin amendment, then the Senate will be saying that the ABM Treaty is dispensable. So I hope that the sponsors of the committee bill will accept the amendment. I hope——

I started to say I hope the other half of their coalition will stay on the reservation.

Actually, I hope that their coalition is fractured so that this plan will not survive, but I do seriously hope that the sponsors of the bill will accept this amendment.

Mr. NUNN. Will the Senator yield for a brief question?

Mr. GORE. It is not my time.

Mr. NUNN. On my time.

Mr. GORE. But I would be happy to do so.

Mr. NUNN. I observe to my friend from Tennessee I hope the general counsel of the Department of Defense does not read statutes that we pass in the broad terms the Senator from Tennessee seems to read them, because over and over again he has said we are authorizing the deployment of an ABM system.

I repeat, I do not understand how the Senator can come to the conclusion that we are authorizing the deployment of a system when you have to come back every single year and when we say in the bill itself we are authorizing for development with a goal of deploying. That is what the amendment says. I do not understand how this is authority for the Secretary of Defense to deploy.

How is he going to get the money? Does the Senator believe he is going to be able to build a system that everybody would say would cost $10 billion with the $45 million we have in the bill? How is that authority? When we say we are authorizing the building of four B-2's, if we put $6 million in there when we know they cost $450 million apiece and do not even use that word, I do not understand how the Senator can get to that logic.

Again, I know he reaches that conclusion sincerely, but I hope that no one reading this in the Department of Defense—no one, certainly no lawyer advising the Secretary of Defense—would refer to the Senator's statements and assertions as the interpretation of congressional intent, because the statements made by the Senator from Tennessee are not our intent. They are not our words. They are not in any way the intent of the authors; anyone reading it will understand that.

So I note for the record I do not believe that general counsel of the Secretary of Defense, when advising the Secretary of Defense what is authorized, what is his authority, can in any way conclude what the Senator from Tennessee obviously concludes.

Mr. GORE. Will the Senator from Michigan yield me 1 minute on his time?

Mr. WARNER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, I will be glad to let the Senator continue for a minute, but at some point I want to enter this debate and correct a few things.

Mr. GORE. I appreciate my colleague's courtesy.

Before the Senator from Georgia leaves the floor, let me just say in response to his question about how I can read the language in the way I do concerning deployment, let me simply read the language, two parts of the committee bill, the beginning and then the second page.

First, we declare if we vote for this, "It is a goal of the United States to deploy an anti-ballistic-missile system." Reading further, "The Congress directs the Secretary of Defense to develop for deployment by fiscal year 1996."

Now, if this is not a direction to deploy or a commitment to deploy, then the sponsors of the bill should have no problem accepting the amendment of the Senator from Michigan to say we are not authorizing or implying congressional authorization for a system that is going to violate the ABM Treaty.

Mr. NUNN. Will the Senator yield?

Mr. LEVIN. Will the Senator yield?

Mr. GORE. I am on the time of the Senator from Virginia.

Mr. WARNER. Mr. President, that was not the understanding.

Mr. LEVIN. Will the Senator yield for a request for the yeas and nays? While the Senator from Rhode Island is on the floor, will the Senator from Virginia yield for a request for the yeas and nays.

Mr. WARNER. Mr. President, I yield the floor to allow the chairman to respond.

Mr. LEVIN. Will the chairman yield for a request for yeas and nays, while my friend from Rhode Island is on the floor?

Mr. NUNN. I yield.

Mr. LEVIN. I request the yeas and nays, Mr. President.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. NUNN. Mr. President, may I make a brief response to the Senator from Tennessee.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

Mr. NUNN. Mr. President, I would just like to advise my friend from Tennessee that I define the word "goal" in the legislation much different than the Senator from Tennessee.

There is a goal on the books of full employment in the United States. That does not give the President of the United States the right to go out and spend $400 million additional to provide jobs.

There is a goal on the books of law in the United States saying everyone in this country should have a house—a housing goal. I support that goal. But unless the President has the money, he cannot go out and give everybody a house or build a house or make loans.

There is a goal in the disarmament act that basically says, we want the world to disarm, including ourselves, and we do not want these weapons around. There is nothing that would give the chief executive officer the right to get rid of our weapons without coming back to the Congress under that goal.

So I guess where the Senator from Tennessee and I have a fundamental different interpretation is that he believes when Congress expresses a goal, we have then turned over to the chief executive officer total authority to implement that goal, and that is simply not the case.

That is not the history of this country. That is not the way laws are read. That is not the way laws are interpreted. If they were, then the President of the United States would already have such authority under the laws on the books, he could do anything he wanted to without coming back to Congress, including spending money, which is barred by the United States Constitution.

Mr. WARNER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Virginia.

Mr. WARNER. Mr. President, I yield myself such time as may be necessary.

Mr. WARNER. Mr. President, I think we should clarify a few things this morning. First, in defense of the Senator from Wyoming, whose name the Senator from Tennessee invoked earlier today in a manner which is totally inaccurate, the first communication I received this morning as the manager on this side was that the Senator from

Wyoming felt we should give very careful consideration to the amendment now before the Senate from the Senator from Michigan. He thinks it has merit, and I am now, together with the chairman, giving careful consideration to the possible adoption of this amendment. But we felt in fairness we should debate it.

I think the Senator from Michigan ought to clarify another point. The Senator from Tennessee inferred that this was the amendment, the one that is pending now. There are 3 amendments the Senator has offered. There was an amendment in committee, there was an amendment which was passed out last night, which was the basis for the unanimous-consent request, and there is a third one presented this morning. Each of them have distinct features. They are not one and the same amendment. Am I correct, Mr. President? I ask that question to the Senator from Michigan.

Mr. LEVIN. The Senator is partially correct.

Mr. WARNER. Not partially.

Mr. LEVIN. The Senator is partially correct. Let me respond to the Senator's question.

Mr. WARNER. Yes.

Mr. LEVIN. The amendment which was offered in committee would have stated the goal as negotiating changes in the ABM Treaty so as to permit the deployment of the systems which the sponsors sought. That was different, different language obviously from the amendment which I offered this morning. The Senator is correct on that one.

Mr. WARNER. Will the Senator from Michigan put that in the Record. Let us put them side by side, 1, 2, and 3.

Mr. LEVIN. Not 2, because I have never circulated a No. 2. I do not know what the Senator saw last night. I did not circulate an amendment last night.

Mr. WARNER. Mr. President, I ask the Senator from——

Mr. LEVIN. I do not know who circulated a version, but this amendment has gone through many, many drafts. If I could reassure my friend from Virginia, there have been at least—much more than 3. There have probably been 10 drafts of this amendment, as there are of all amendments. There are many amendments which come to the floor of the Senate. So I do not know to which version the Senator from Virginia is referring. But let me just tell the Senator—let me tell my friend from Virginia I did not circulate a draft of my amendment last night.

Mr. WARNER. Mr. President, I hand to the Senator from Michigan the document that was given to this Senator last night as a basis of the unanimous-consent request, and ask him if he can possibly identify it.

Mr. LEVIN. This is one of many drafts. In fact, it is No. 1–A. It is not even in amendment form. I do not know where this came from. I did not circulate this draft.

Mr. WARNER. Mr. President, the Senator from Virginia represents it was handed to him last night. I think we can certainly agree that there has been some confusion as to what is the draft, until this morning, when we arrived we were given the amendment. And that is the one that——

Mr. LEVIN. I cannot agree there has been any confusion at all.

Mr. WARNER. It is certainly different than the one that was considered by the committee. The Senator has acknowledged that fact.

Mr. LEVIN. Obviously, it is different from the one that is——

Mr. WARNER. Well, then, Mr. President, the chairman and I were handed an amendment this morning, which was different than the one considered in the committee, the one that was given to this Senator last night as the basis for the unanimous-consent request.

The chairman and I, I think in a very conscientious way, have been communicating with our colleagues in an effort to see whether or not this can be resolved. It is not a question, I say to the Senator from Tennessee, of the hard right bearing down the fragile coalition. I think very quiet, dispassionate, consideration is being given and it continues. And this debate is helpful. I wish to make one or two other points, and then I will yield the floor.

Mr. GORE. Will the Senator yield for a brief question?

Mr. WARNER. I say to my friend from Delaware if he will read the goals, the second goal is maintains strategic stability. That implies to this Senator to maintain the core of the ABM to which he referred. So the time is growing short on our side.

Mr. BIDEN. Will the Senator yield on my time? If that is what the Senator means, would he object to the Senator amending the provision to say precisely that?

Mr. WARNER. Mr. President, at this point in time we have the pending amendment. We will consider anything the Senator wishes to bring forward.

Mr. BIDEN. No, I am just suggesting.

Mr. WARNER. I will be happy to consider it in the context of many other amendments which are pending.

Mr. BIDEN. I am only trying to accommodate the Senator from Virginia who just told me what that meant. If that is what it means, then it differs from my understanding and I believe that of most Senators. I respectfully suggest to the Senator from Virginia to send that amendment to the desk, and I am sure it would be accepted unanimously right now if that is what he really means.

Mr. WARNER. In the few seconds I have remaining, Mr. President, I also ask unanimous consent that a paper prepared by Sidney Graybeal which addresses the question of what is permitted under the ABM Treaty be printed in the RECORD at the conclusion of this set of remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. WARNER. Mr. President, Graybeal clearly states that we can incorporate into ABM system censors. He states space-based sensors which communicate with command and control centers and not directly with the interceptors are permitted by the treaty and would greatly enhance the effectiveness of the ground-based GPALS system.

EXHIBIT 1

GPALS[1] AND THE ABM TREATY

(By Sidney N. Graybeal and Patricia A. McFate)

APRIL 3, 1991.

1. What are the real threats that the GPALS systems are being designed to counter? (Soviet, Chinese, and Third World ballistic missile capabilities and intentions)

2. "PALS" stands for "Protection Against Limited Strikes." "Limited Strikes" mean accidental or unauthorized ballistic missile launches. Presumably this could include the unauthorized launch of an SSBN load of SLBMs, that is 100 to 200 RVs. In our opinion, such "limited strikes" would not include a deliberate attack by the Soviet Union or any other developed country, for example, China. "Limited" is being interpreted by some to include deliberate strikes by the Soviet Union. There is no plausible rationale for a deliberate Soviet or Chinese attack on the U.S. involving ballistic missiles delivering 100–200 RVs.

3. Presidential Direction (in the State of the Union Address of 29 January 1991): ". . . Looking forward, I have directed that the SDI program be refocused on providing protection from limited ballistic missile strikes, whatever their source. Let us pursue an SDI program that can deal with any future threat to the United States, to our forces overseas and to our friends and allies."

4. "Protection Against Limited Strikes" (accidental or unauthorized) is in the U.S. interest. However, the key questions/issues are:

a. What are the real threats which GPALS defenses should be designed to protect against?

b. What types of BMD systems are required to meet the real threats?

c. What are the relationships to the ABM Treaty, and how should these relationships be managed?

5. In magazine articles, newspaper op-ed pieces, and other public sources, there has been confusion over the use of "T" in TPALS. (TPALS is now included in GPALS and is no longer a separate program concept.) Did it represent tactical or theater?

Since the war in the Gulf, some SDI supporters are causing confusion by linking ATBMs (such as the popularly acclaimed Patriot) which are not limited by the Treaty with SDIO systems now designated for support in the theater (TPALS concepts included space-based interceptors, as does the current GPALS defense against theater/tactical ballistic missiles). Space-based interceptors are prohibited by the ABM Treaty; space-based sensors which do not communicate directly with ABM interceptors are not limited by the Treaty. There appears to be an effort to create the impression that *any* theater ballistic missile defense, even though it includes space-based components, is permitted because it is not a territorial defense of either the U.S. or the U.S.S.R.

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[1] GPALS includes defenses for strategic and theater/tactical ballistic missiles.

6. What are the *real* threats which GPALS defenses are designed to protect against?

a. According to Director of Central Intelligence William Webster, by the end of the century, 15 to 20 developing countries will be capable of producing ballistic missiles, some with ranges of 3400 miles.

b. SDI Director Henry Cooper's recent briefing notes that approximately 18 nations currently possess ballistic missile capabilities, and by the year 2000 this number could be about 24.

7. What types of BMD systems are really required to meet the real threats?

a. *GPALS* Protection of U.S.—Continental, Alaska, Hawaii:

Advanced space-based sensors—These are not limited by the ABM Treaty.

Fixed Ground-Based Interceptors (E2Is) and fixed radars (GBRs)—These would require a modification of the ABM Treaty permitting additional deployment sites (perhaps 5 or 6) with a limited number of interceptors (perhaps 100 per site) with no rapid reload or MIRVed capabilities. Space-based sensors which communicate with command and control centers and not directly with the interceptors are permitted by the Treaty and would greatly enhance the effectiveness of the ground-based GPALS system. Such a fixed ground-based GPALS deployment would be capable of handling the *real* threat to the U.S. without violating the basic premise of the ABM Treaty contained in Article I: "not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense . . ."

In our opinion, no space-based interceptors are required or should be tested or deployed. Such testing and deployment in the constellations and resulting numbers required to meet the real or perceived deliberate Soviet threat would violate several ABM Treaty Articles (I, III, IV, V, and VI). (A deployment of space-based interceptors could also raise some Outer Space Treaty concerns.) Research and development would be continued as a hedge against future uncertainties.

b. GPALS Protection of our forces overseas and our allies:

Advanced ATBM systems (PAC II, ERINT, ARROW, ACES, and/or THAAD) which could be deployed on the ground, on naval vessels, and on aircraft. They would not be deployed in space, but would be assisted by advanced space-based sensors. Some are exploring the possibilities of a "space-based ATBM system." In our view, any such system would also be capable of intercepting strategic ballistic missiles, and as such would clearly be a space-based ABM system. Space-based sensors would be required; in our opinion, space-based interceptors would not be required.

ATBMs are not limited by the ABM Treaty, unless they are given "capabilities to counter strategic ballistic missiles or their elements in flight trajectory" or are "tested in an ABM mode" (Article VI).

Such Treaty-consistent unlimited deployments of ATBM systems would meet the real and emerging Third World ballistic missile threats without creating difficult and unnecessary ABM Treaty issues.

8. ABM Treaty Issues:

a. Testing and deployment of space-based interceptors are prohibited; relaxing the Treaty constraints to permit such testing or deployment would be inconsistent with Treaty Articles (I, III, IV, V, or VI).

b. U.S. ground-based BMD systems to protect against accidental or unauthorized ballistic missile strikes do not require such a large number of interceptors as to be inconsistent with Article I, and they need not involve mobile missiles, launchers, or radars, which are prohibited by Article V, for survivability against an accidental or unauthorized launch.

c. Advanced space-based sensors to support GPALS are not limited by the ABM Treaty provided that they are not substitutes for an ABM radar or are not tested in an ABM mode. They can and should be pursued to support both ground-based, sea-based, or air-based GPALS defensive systems.

d. ATBMs are not limited by the ABM Treaty unless they are given capabilities to counter strategic ballistic missiles or are tested in an ABM mode. (Soviet SAM upgrade concerns were the dominant considerations in drafting and implementing the Treaty.)

ATBMs have an inherent ABM capability; the issue is what constitutes a significant ABM capability.

What constitutes a "strategic ballistic missile" in the context of the ABM Treaty is a subject which is both controversial and abused. In our view, and in the views of others directly involved with the ABM Treaty, the SALT I, SALT II, and SCC negotiations make clear that the Soviet SS–N–6 SLBM (range of about 3000 kms) is a strategic ballistic missile; ballistic missiles with performance capabilities similar to or greater than the SSN–N–6 are strategic ballistic missiles in the context of the ABM Treaty. Tests of any defensive system against such strategic ballistic missiles, whether successful or not, would be a "test in an ABM mode," and thus make the system being tested an ABM system subject to the Treaty limitations.

The Soviet SA–12 is not considered to have significant ABM capabilities or to have been tested in an ABM mode; thus, U.S. ATBM defensive systems can and should be at least as capable.

e. In deciding what is permitted or prohibited, there must be no "double standard." We should not take any action or establish any criterion which, if taken or established by the Soviets, would be detrimental to U.S. security.

f. Since the ABM Treaty is verified by NTM, some apparently believe that if an activity cannot be observed by NTM, it is permitted regardless of its purpose and intent. This sentiment resembles the thought that it is all right to violate the law if no one is looking.

9. In our opinion, the following course of action would both meet U.S. security requirements and maintain the basic purpose of the ABM Treaty:

a. Recognize that the ballistic missile threat to the U.S. and to our overseas forces and allies has changed and will continue to change.

The likelihood of any deliberate Soviet ballistic missile attacks on the U.S. or its allies does not exist; however, the possibility of an accidental or unauthorized launch cannot be precluded.

Third World nations are acquiring ballistic missiles, but none other than China would be capable of striking the U.S. with more than a very few ballistic missiles (less than 10).

Deployment of ATBMs to meet the Third World ballistic missile threat would not undermine the basic premise of the ABM Treaty, provided such systems are not given significant ABM capabilities and deployed widely within the U.S.S.R. and the U.S.

b. Recognize that the ABM Treaty remains in the U.S., Soviet, and world interest in this changing environment.

It is not in the U.S. or Soviet interest to acquire a nationwide BMD system capable of countering a massive deliberate missile attack, or to deny the U.S.A. continued effective extended deterrence capability.

The British and French would not like to see a nationwide Soviet ABM system.

It remains in the U.S. interest to preclude effective ABM systems being transferred to other nations.

c. Negotiate clarifications and/or modifications in the ABM Treaty as required to perform the necessary testing of ATBM systems, and to permit the needed additional fixed, ground-based ABM deployments.

In view of the emerging Third World ballistic missile threats, and the reduced likelihood of a deliberate Soviet attack, it is desirable to reach agreement with the Soviets permitting flexibility in testing ATBM systems to give them the needed capabilities to protect our forces, allies, and friends.

The ABM Treaty originally permitted two deployment sites (reduced to one site in 1974). Providing adequate protection against accidental or unauthorized launches of strategic ballistic missiles involving up to 100–200 RVs would require about 5 or 6 sites, each containing no more than 100 fixed, ground-based interceptors and launchers with no rapid reload or MIRVing, and one or more fixed, ground-based radar at each site.

d. Recognize that clarifications and modifications of the ABM Treaty were accomplished by the SCC in the "1978 Agreed Statement." (This Statement, which is currently classified SECRET, should be declassified; there should be no classified Agreements which clarify or modify an unclassified Treaty.)

e. Recognize why there have not been additional ABM Treaty clarifications or modifications. The ABM Treaty is 19 years old. Emerging technologies, and changing threats have overtaken its original provisions, many of which need agreed clarifications, which could have been accomplished in the SCC if it had not been for positions taken by senior Reagan Administration officials. For example, Richard Perle openly testified that the ABM Treaty was a mistake and that the quicker the U.S. got rid of it, the better. Therefore, it was not possible to initiate or engage in any discussions with the Soviet Union on further clarifying the ABM Treaty. In addition, the unfounded "broad interpretation" of the ABM Treaty and the resulting U.S. position in the D&S talks based on this erroneous interpretation precluded such negotiations. However, we should now be focusing on what are the U.S. security needs which require clarifications or modifications to the ABM Treaty consistent with its basic purpose; we should not re-open the broad versus the narrow debate which will neither resolve or clarify the Treaty issues necessary to meet U.S. security requirements in this changing world.

f. Recognize that the ABM Treaty continues to be in the U.S., Soviet, allies, and world interest. Considerations of withdrawal and abrogation should be dropped.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. BIDEN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Delaware.

Mr. BIDEN. Mr. President, before I begin my statement, let me suggest to the Senator from Virginia regarding his last statement, we support those. We support that which we just cited as being acceptable under the ABM Treaty. It does not go to the heart and essence of the treaty which I would like to discuss for a moment.

From time to time distinghished colleagues of ours have come to the floor, in particular the chairman of the committee and the ranking member, and they have used a very interesting argument which I think requires some careful examination. It is an argument I will label here as the "insidious argument of supposedly innocent constant ratios."

This is how the argument follows if my colleagues will bear with me. First, the Senators say, and the Senator from Georgia in particular says, and quite rightly, that the ABM Treaty's essential purpose is to support the idea of deterrence. It does this by ensuring that each side remains confident that its retaliatory capability will not be jeopardized by a first strike. So far, so good.

Then they go on to say, in light of this purpose, that our focus should not be on the number of defensive or offensive systems that we have but on the relationship between them. If defensive systems are small enough in number, as compared to offensive systems, the argument then states that the defensive systems will not pose a threat of being able to mop up a retaliatory strike. So the logic continues. It does not matter how many defensive systems there are.

Thus far, this sounds fairly good. But, then the Senators who argue this point begin to approach thin ice.

Next, the Senator notes that when the ABM Treaty was signed, both the Soviets and the United States had approximately 2,000 warheads and agreed that each could deploy 200 interceptors, a number I might note later reduced to 100 by a protocol 2 years later. Again, that is all true.

From there, the Senator from Georgia and others go on to point out that the number of warheads on each side has increased substantially since then, up to the START level of 7,000 to 9,000 warheads on each side. Again that is true.

Then comes the coup de grace. The Senator asks us this: If absolute numbers do not count, and if the number of offensive weapons have gone up by a factor of four, why not should the number of defense systems be able to go up and still be completely consistent with the philosophy of the ABM Treaty? Offensives will still be able to overwhelm defenses in a full strike.

So we get the benefit of the ABM Treaty's philosophy of assured retaliation, and he and others argue that we also get the added benefit of a defense against the alleged danger of a limited strike. Indeed, last evening, the Senator from Georgia asked rhetorically, even if the United States built three sites rather than one "How can that possibly be a threat to retaliation?"

Let me try to answer what I have termed the "insidious argument of the supposedly innocent constant ratio."

The answer requires some elaboration. If my colleagues will bear with me a moment, what it boils down to is a fairly simple point; that is, that when you increase numbers of defensive systems, you do not just change quantitatively. You change qualitatively as well; changes that alter the perception, the planning, and the strategic deployments of your adversaries, changes that alter the possibility of strategic arms reductions. Let me explain.

The single site allowed under the ABM Treaty guidelines has a very specific purpose. It is meant to protect either retaliatory missile capability or command and control capability; both with the same purpose of ensuring retaliation. This function is intended to be accomplished without violation of article 1 of the treaty, under which the parties pledge themselves not to try to create a territorial defense or to build a base for such defense.

For the single site, and with 1972—repeat, 1972—technology, there is no conflict between the function performed by a single site, and the goal of preventing a full territorial defense. But when you begin to move toward multiple sites and combine those sites with 1990's technology, you very quickly move into the realm of building a base for a widened territorial defense.

When you do this, you begin to undermine very profoundly the entire rationale of the ABM Treaty. For when one party is on the verge of building a territorial defense—in other words when it has achieved what is known as a "breakout potential"—then the other side is no longer in a position to limit its strategic offensive forces if it wishes to ensure its retaliatory capability.

For why would they do that? Why would they beforehand agree to reduce the number of offensive weapons they need to overwhelm any defensive capability, when they see on the horizon the potential for the other country to break out very rapidly in a short amount of time from a system that does not violate the treaty at the momemt but puts them in the position to quickly leap forward to be able to provide for territorial defense? Why would they do that? The other country simply cannot drastically reduce its offenses, even through mutual arms reductions, if the other side is in the position to deploy, with relative speed, a full-blown territorial defense.

Thus, while it may be theoretically possible to maintain nuclear stability with some combination of expanded defenses and strategic offenses, to expand defenses almost certainly means that we are foreclosing the opportunity for substantial reductions in offensive systems. And we are foreclosing that opportunity, in one of the great ironies in the history of this body, on the very day that the signing of the START I agreement opens the possibility for the first truly substantial reductions in the history of arms control.

If one did not know better one could easily be led to conclude that the proposal represents a perverse collaboration—unintended, I am sure—between hardliners on our side and hardliners on the Soviet side—neither of whom wishes to see substantial reductions in offensive nuclear arms.

I might not, parenthetically, that START should only be that—a start—a start of the process toward further reducing, substantially, our offensive nuclear capabilities on both sides.

Are we really so in love with the cold war and all its accompanying ideological and military paraphernalia that we are going to act, perhaps inadvertently, but in effect, in league with Soviet hardliners to prevent what now appears possible: A real superpower partnership in the negotiation of deep cuts in nuclear arms?

The point is simple and powerful: The breakout potential represented by an expanded, full-territory defense erects a tremendous wall in the path of arms control.

And to erect that wall means to block the possibility of reducing the level of Soviet nuclear weapons targeted today—in overwhelming numbers—at the people of the United States of America.

But perhaps the matter can be put even more simply. The Senator from Georgia says that what counts is the ratio between offensive and defensive systems. And he asks us why, since offensive arms have increased in number, we should not deploy defensive systems that keep the ratio roughly constant?

I respond with another question:

Does the Senator's own question not belie a willingness to see offensive systems remain indefinitely at the higher level?

Does it not, in other words, belie a willingness to see reductions in strategic arms end right now, as some are proposing?

If the Senator is interested in maintaining the ratios we had in 1972, why does he not devote his attention to bringing offensive systems back down to where they were then? In 1991, after START, they are still three to four times as high as they were in 1972.

If we are to express our love for constant ratios between offensive systems and defensive systems, why not let us express that love by favoring the ratio between a small number of offensive systems and a small number of defensive systems, rather than locking ourselves into the same ratio at higher levels—by erecting expanding defensive systems so that the level of offensive systems can never come down? That is exactly what we will be doing.

Last evening, the Senator from Georgia was at some pains to portray the Soviet arsenal as constituting a threat to the United States because of the alleged dangers of accidental launch and political chaos.

We have had many expert witnesses before the Foreign Relations Committee—from the military, from the intelligence community, from academia—and we have heard no witness assert that these dangers are growing in any way that constitutes a threat to the United States warranting the radical ABM Program contained in this bill.

But let us assume for a moment that these experts are wrong—that there is such a danger.

Why are the Senators from Georgia and Virginia not all the more anxious to reduce that Soviet arsenal as quickly as possible, rather than seeking, on the inaugural day of the START era, to erect what will be a serious and perhaps fatal impediment to arms control?

I am very saddened to say that I do not see that the Senator from Georgia can reconcile the ABM provision in this bill with the position we in the U.S. Senate should now be taking if we wish to provide the optimum climate for fulfilling the full arms control opportunities now within our grasp. Unfortunately, I just do not think the Senator can square that circle.

So, Mr. President, at the heart of my objections to what is being undertaken in the DOD bill is that the net effect—I suspect and believe unintended—will come at the very moment in history when we have agreed upon, and have found a methodology and means by which we can, with certainty, verify that each side is capable of reducing and destroying nuclear arsenals, strategic arsenals. At that very time when we have acknowledged that principle and signed the first step toward doing that, we in the U.S. Senate are setting a goal—a goal, whether or not it is compliant with the ABM Treaty, that is at odds with the notion of further reducing those nuclear arsenals.

The PRESIDING OFFICER (Mr. KERREY). All time yielded to the Senator from Delaware has expired.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I yield myself half a minute.

As I view the situation, the amendment that is now before us, which is different than the others that I have seen, this amendment would restate the fact that the committee provision on missile defenses does not authorize acts in violation of the ABM Treaty. That is this Senator's interpretation and I accept it for that purpose.

Mr. NUNN. Mr. President, what is the time we have remaining?

The PRESIDING OFFICER. The Senator from Georgia has 4 minutes and the Senator from Michigan has 2 minutes.

Mr. NUNN. What is the pleasure of the Senator from Michigan?

Mr. LEVIN. I need 1 minute, but the Senator from Georgia may speak first.

Mr. NUNN. Mr. President, in markup, as I mentioned a few minutes ago but did not get into detail, the Senator from Michigan proposed to amend the SDI provision in the bill, and it is the same committee provision we have before us, to state that the goal for future ABM deployments be described as treaty compliant ABM systems. The Senator said this would not mean any future ABM system must conform to current text of the treaty as we interpreted the amendment in committee which did not pass. He interpreted it meaning it must conform to whatever future changes might be successfully negotiated in the treaty.

Since there are a lot different views what that would be, I think that would be very ambiguous. As I read this amendment I see it as being totally different. We have goals set forth in this committee provision. The committee provision has the goal that this system be treaty compliant. We set forth two tracks on that. One is an architecture and the other is a negotiating track. And I would say even a subpart of the architecture would be going forward with the treaty compliant system at the initial stage.

That is not the only goal we have. And I am sure for some people that is the only goal they have. The only goal they have is complying with the ABM Treaty, period. But the committee and I believe the majority of this body has another goal, and that is the goal and the hope that we can provide effective limited defense for the United States. And I emphasize "for the United States."

So those are two goals and they are parallel and we hope they will prove to be consistent goals. If they prove not to be consistent goals, then at some point in the future the President and Congress will have to help and make the decision to choose between those goals, if we get to that point, and we hope we will always have them consistent. That was the amendment we dealt with in committee.

The amendment offered to this bill this morning is a different amendment. It is greatly improved compared to the amendment offered in markup. I believe this amendment accurately states the intent and interpretation of the committee with regard to the plan we are proposing.

The committee agrees that nothing in this act can or should be construed as implying congressional authorization for SDI development, test, or deployment in violation of the ABM Treaty. That is what this amendment says, and therefore I agree with the amendment and I will vote for the amendment.

Mr. President, while I agree with and can support the amendment, I point out that there are a number of terms of art in the amendment which must be understood within their proper context.

First, the amendment says there is no implication in this act for congressional authorization of certain specified activities. The key word is "authorization."

As I said repeatedly in the debate yesterday and have said repeatedly in dialog with my friend from Tennessee, this act does not authorize the deployment of multiple ABM sites; it does not even authorize the deployment of the treaty-compliant site at Grand Forks. It authorizes only those funds contained in the bill and for the purposes specified in the bill and its accompanying report.

Second, the amendment uses the words "development," "testing," and "deployment." These are key words. They have specific meaning within the context of the ABM Treaty and are defined by the treaty as elaborated in the treaty negotiating history.

There is no authorization in this act for ABM development, testing, or deployment in violation of the ABM Treaty. The ABM Treaty does not, however, limit planning. It does not limit studies or analyses. It does not limit research, even though the Soviets tried to argue that, with what I considered to be a preposterous view a few years ago in the 1980's, and they finally dropped off of that argument. So it is important that we understand these words of art.

I would refer the Senator from Michigan—I know he is very familiar with this, but in each year in the report that goes along with the Levin-Nunn amendment we have made it clear as to what the Levin-Nunn amendment does and does not do.

On page 170 of this year's committee report, we describe the Levin-Nunn amendment as follows: "In recommending this provision the committee agrees that nothing in this limitation is intended or may be construed to preclude SDI or contractor planning activities, including studies, design activities or computer simulations related to any development or testing of ABM systems or components, including development and testing not described in the May 1991 SDI report." And what that means is in effect compliance with the traditional interpretation.

So I think the Senator's amendment, which he has led the way on, I think with a great deal of foresight for the last approximately 4 years—in the report describing that amendment it is clearly the distinction between these words and it has always been clear and I trust it will continue to be clear.

In summary, Mr. President, in this act we say the Defense Department can make plans for an SDI architecture for a limited defense system that would require modifications to the ABM Treaty. However, we authorize no development, testing, or deployment that would violate the ABM Treaty as now constituted.

Mr. President, I hope that we can have a very strong vote for this amendment because I think the Senator from Michigan and the Senator from Delaware have done a real service here in making absolutely clear what the bill means and what it does not mean, and I would say this is exactly what the bill means.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I yield myself the remainder of my time.

There has been debate here about goals. My friend from Georgia said this is just a goal and the language of the committee. That goal could have been stated as a goal to negotiate changes in the ABM Treaty to permit the deployment of limited defenses. But it was not. The goal was stated as the deployment of those limited defenses with no connection to negotiation. No ifs, no ands, no buts. It was a goal to deploy systems which violated the ABM Treaty.

Now, Mr. President, that is a lot different than a goal for full employment or a goal for a house for everybody which my friend from Georgia talked about. Those are legal goals. The goal in the committee language is a goal to deploy systems which violate a treaty, very different from a goal that there be a house for everybody that is decent and that everybody have a job. So this language of this amendment which I am offering on behalf of myself, Senator BIDEN, and Senator CHAFEE is intended to make it clear that the Senate is not approving in this bill any activity including development, testing, or deployment, of any system that is in violation of the ABM Treaty. That is the intent of this amendment. And I am stating it clearly so we all know what we are voting on.

Mr. NUNN. Mr. President, will the Senator from Michigan yield for one brief question?

Mr. LEVIN. I yield.

Mr. NUNN. Is the word "activity" in the Senator's amendment?

Mr. LEVIN. The words are "development," "testing," and "deployment."

Mr. NUNN. But not "activity"?

Mr. LEVIN. Those are activities; every one of those are activities, only relevant activities.

Mr. NUNN. There are other activities not included in those words, including thinking.

Mr. LEVIN. Those are the key activities which this ABM debate is about. Those are the activities that violate the ABM Treaty. Thinking does not violate the treaty.

The PRESIDING OFFICER. The time has expired.

Mr. NUNN. The Senator was clarifying his amendment and I think in clarifying it he used the word "activities" as a word in addition to development and testing. I believe what he intended was that the activities that were directed to are the words contained in his amendment.

Mr. LEVIN. In fact, those are the key activities that are always in debate relative to the ABM Treaty because those are the activities which violate the treaty.

Mr. NUNN. Correct. But there are other activities which do not violate.

Mr. LEVIN. Thinking does not violate the treaty. As a matter of fact, hopefully it is very consistent with the ABM Treaty.

Mr. NUNN. I would hope, if thinking would violate the ABM Treaty, we have all violated it during this debate. But I agree with the Senator it does not.

If I have any time remaining, I yield it back, and I believe the yeas and nays have been ordered.

Mr. LEVIN. Yes.

Mr. BIDEN. Mr. President, it is a cruel irony that we are debating the Missile Defense Act of 1991 today, when just yesterday President Bush signed a START treaty whose stabilizing reductions in offensive nuclear arms will so greatly benefit our Nation's security. Without the ABM Treaty's limits on missile defenses, the signing of START would never have been possible. And now even though it is signed, START's reductions may never be carried out because of the Warner-Nunn SDI deployment plan.

This legislation authorizes an ABM deployment at the single site permitted by the ABM Treaty. Even that seemingly innocuous step would shift SDI from an R&D program to a deployment program that will cost tens of billions of dollars, that neither the administration nor the Joint Chiefs of Staff have called for, and that has not been the subject of a single hearing before any committee of this body.

Equally alarming, this legislation calls for fundamental amendments to the ABM Treaty. There are those in this body who say the amendments it calls for are only "modest" changes, who argue that we can support these changes without abandoning the object and purpose of the ABM Treaty. Do not be fooled. The changes this bill calls for would rip the heart right out of that agreement. As Ambassador Gerard C. Smith, the chief negotiator of the treaty, put it:

> Amending the ABM Treaty to permit nationwide, multiple-site ABM defenses and unlimited orbiting ABM battle managers would be like amending Prohibition to permit the sale of liquor.

And if we urge such amendments on an administration bent on junking the ABM Treaty in pursuit of global defenses, we are starting down a slippery slope, opening the door to amendments even supporters of this bill may be sorry to see.

Mr. President, the Warner-Nunn star wars plan presents four dangers. It undermines United States security by eliminating protection against Soviet ABM systems. It would eviscerate the ABM Treaty. It would complicate the implementation of START and virtually eliminate hopes for further strategic arms reductions. And it would waste tens of billions of dollars.

DANGER ONE: UNDERMINE U.S. SECURITY

The purpose of arms control agreements, including the ABM Treaty, is not agreement for agreement's sake, but improving our security. As six Secretaries of Defense have said, the ABM Treaty has accomplished that goal. By jeopardizing the ABM Treaty, this bill could jeopardize our security. The critical point is the one my distinguished colleague from Georgia made in debating another Warner ABM proposal in March: "this is not a one-way street. When you remove restrictions on America, you also remove restrictions on the Soviet Union."

It was not so long ago that many of my colleagues on the other side of the aisle—including some of the sponsors of this legislation—expressed great concern that the possibility of a Soviet ABM breakout was a dire threat to United States security and the United States nuclear deterrent. They pointed to the Soviet Union's network of early warning radars like the illegal Krasnoyarsk radar now being dismantled, and to various other Soviet activities, as a likely base for a nationwide missile defense. Others disagreed: Former Chairman of the Joint Chiefs of Staff Adm. William Crowe for example, in his down-to-earth style, said that "there is evidence that the Soviets have not been doing as much—on ABM—as we thought. There's been a lot of hoopla about this stuff which I think has been misleading."

But this legislation would encourage the Soviet Union to replace those early warning radars with a nationwide network of genuine ABM battle-managers, each armed with a substantial number of ABM interceptors, with even more battle-managers in space, and a nationwide command infrastructure—all the necessary elements for rapidly building a larger, deterrent-threatening defense.

In essence, the bill proposes to permit what some in this body have long feared, giving the Soviet Union permission to build a nationwide missile defense and the base for breakout to something even bigger. What are the security implications of this step? Has anyone put that question to the Joint Chiefs? Has anyone asked the SAC commander whether he could carry out his operational plans with the reduced forces permitted under START when facing a nationwide Soviet ABM system with hundreds of interceptors—one that could be rapidly expanded? Has anyone asked the intelligence community how rapidly the Soviet Union might be able to expand its ABM deployments from the base that would be permitted under these amendments?

Frankly, I am surprised and disappointed that advocates of this amendment have avoided these troubling questions. Perhaps, in the new post-cold war era, we should no longer be so concerned about potential Soviet breakout from arms agreements. But given how much concern has been expressed over the details of the verification and breakout protection provisions of START, it appears that most of the Members of this body are not yet ready to sign up to arms control agreements that provide no adequate guarantees against violation. If we feel that way on the offensive side—where, realistically, a violation of even hundreds of warheads would do little to undermine U.S. retaliatory power—how can we so cavalierly suggest disposing of the breakout protection provisions on the defensive side?

It is for these reasons that former Secretary of Defense Harold Brown, in March of this year, explicitly opposed proposals to substantially modify the ABM Treaty.

THE SECOND DANGER: THE END OF THE ABM TREATY?

The second danger that springs from the amendments proposed in this bill is what it will do to the ABM Treaty, the foundation stone of nuclear arms control.

Today, even with the cold war over, the principles of the ABM Treaty remain valid. The ABM Treaty recognized the simple fact that if either superpower began deploying widespread missile defenses, the other would be forced to increase its offensive forces to overcome them, touching off an expensive and dangerous missile antimissile race.

Unfortunately, Mr. President, eroding the ABM Treaty—indeed, critically weakening it—is precisely what this legislation would do. This Senator would be the last to call the ABM Treaty Holy Writ, or to argue that we must jealously guard every comma and semicolon. I have no doubt that some changes would be useful. If the amendments proposed in this bill were truly modest, I would have much less to say today.

But let's look at these amendments, and see whether they are consistent with the object and purpose of the ABM Treaty. They would increase the number of ABM sites and ABM interceptors permitted; allow space-based ABM battle management sensors; and increase flexibility for advanced technology ABM testing.

This proposed approach would undermine the ABM Treaty in several ways. First, by permitting multiple ABM sites all around the country, the bill would gut the ABM Treaty's carefully constructed protections against rapid breakout—a critical point.

The ABM Treaty strictly limited the number of ABM sites and ABM radars, because these were the long lead-time items of a comprehensive nationwide missile defense. With a nationwide deployment such as this, either side would have the potential to rapidly deploy hundreds or thousands of additional interceptors, undermining the other's deterrent. It was the United States that insisted on these provisions, to ensure that the treaty would adequately protect U.S. security. Yet the amendments called for in this bill would lift these limits.

Second, the bill's proposed amendments would permit space-based battle management sensors as well. These could potentially carry out all the same jobs as ground-based radars could—which is exactly why the United States demanded that they be banned in the original ABM negotiation. One expert has testified that Soviet space-based battle managers "would be the functional equivalent of many Krasnoyarsk radars in the sky." The sensors to be permitted under this bill could guide Earth-based interceptors, which might then be rapidly deployed; they could provide cueing to Soviet air defense interceptors, increasing worries over their possible ABM potential; they could, in short, greatly complicate the job of ensuring the continuing effectiveness of the U.S. deterrent.

Third, the bill would give the Senate's imprimatur to seeking increased flexibility for advanced technology ABM testing. With an administration still dedicated to both the discredited broad interpretation and the misguided Brilliant Pebbles Program, we all know what that would mean: United States negotiators would go to the Soviets and say, "even the Senate demands that you let us test ABM weapons in space." And as we all learned from the extensive interpretation debates of past years, the ABM Treaty's limits on space-based testing are another fundamental part of its protection against rapid Soviet Breakout.

Finally, I would say that we would put the Senate on record as demanding fundamental amendments, but without restraining the administration from going even further. We would, in effect, be giving the administration a license to kill the ABM Treaty.

DANGER THREE: UNDERMINE OFFENSIVE ARMS REDUCTIONS

This week, we celebrate President Bush's signing of the START arms reductions treaty, after 9 years of arduous negotiations. The ABM Treaty's limits on the defenses that offensive forces must overcome was and is the fundamental foundation for START, and for deeper offensive arms reductions in the future. The legislation we are debating today, however, could greatly complicate the final implementation of START and dash hopes for deeper cuts. The questions that must be asked are: Is the Soviet Union likely to reject these proposed amendments? And if such amendments are accepted, what does that mean for future offensive arms reductions?

To date, the Soviet Union has rejected all such proposals to rewrite the ABM Treaty, and it seems virtually certain to reject this one. As Gorbachev once put it, "we will never agree to helping with our own hands to wreck the ABM Treaty. For us, this is a matter of principle, of our national security." Given the overwhelming economic difficulties the Soviet Union faces, it is hard to imagine the Soviet leadership being enthusiastic about amending the treaty to permit them to spend tens of billions on new ABM deployments.

What happens if the Soviets do reject these proposals? If we vote today to put the Senate on record as saying that fundamental treaty amendments are a basic goal of the United States, what will we do when the administration comes back in a few years and tells us that the Soviet negotiators say no, they still like the deal we struck in 1972? Having approved the goal of nationwide defenses, would the Senate then support U.S. abrogation of the ABM Treaty? Is that what the Senate wants to sign up to today?

Such a United States withdrawal from the ABM Treaty would be the death of START, and of the entire strategic arms control process. The Soviet Union has repeatedly made clear the United States violation of or withdrawal from the ABM Treaty could threaten Soviet supreme national interests, providing grounds for Soviet withdrawal from START—a statement the Soviets put forward today when they signed the treaty.

Thus, abandoning the ABM Treaty would deprive us of the substantial security benefits of START. Among other things, that would mean the number of Soviet missile warheads threatening the United States—even after subtracting those that might be intercepted by such a defense—would be significantly larger than it otherwise need be. Is that the purpose of building defenses?

Even if the Soviet Union accepted the proposed amendments, and START reductions continued—an unlikely outcome at best—this approach would likely dash hopes for deeper reductions. Both the United States and the Soviet Union have signed up to the goal of further stabilizing reductions in START II, and most of us in this Chamber support that goal. But START, for all its virtues, will still leave the superpowers with roughly as many weapons aimed at each as they had in 1982, when the START negotiations began.

But if the Soviet Union had a nationwide ABM system with hundreds of interceptors—with the base for rapid expansion to a much larger system—does anyone here believe the Joint Chiefs and the SAC commander would support deeper cuts in United States offensive forces under START II? The fact is, the more defenses you permit, the more offensive overkill you will have to retain.

DANGER FOUR: A BUDGET BUSTER

Finally, this legislation could be a budget buster. Even the single 100 interceptor ABM site this bill initially authorizes would cost $11 billion, according to a 1989 Congressional Budget Office study. When was the last time we were asked to approve a brand new $11 billion military program, in a time of painful cutbacks in both military and civilian programs, with no hearings, no official reports on its cost, schedule, capabilities, or implications, and no request for it from either the President or the Pentagon?

But this bill explicitly describes that single site as only an initial step. If we approve this bill today, we are explicitly signing on a goal of nationwide defense against limited attacks, which many experts believe would require at least six ABM sites, armed with hundreds of interceptors. That, in essence, is the ground-based leg of the global defense concept the star wars office is putting forward. According to the Congressional Budget Office, that defense would cost as much as $66 billion—$36 billion in acquisition costs, $8 billion in operating costs, and another $22 billion to reflect standard cost overruns in a system of this magnitude and complexity; $66 billion and not a single hearing?

A RUSH TO JUDGMENT

Mr. President, this bill represents a rush to judgment. I am concerned by the absence in this bill of any criteria for judging whether a particular ABM system is suitable for deployment. When the Senator from Georgia put forward his ALPS proposal several years ago, he set forth criteria that such a system would have to meet before it should be built. He indicated that such a system should fall within the limits of the ABM Treaty "or, at most, require a modest amendment." But there is nothing whatsoever in this bill that would enforce that criterion. The word "modest" never appears.

Senator NUNN also said the system should be small enough so as not to "combine with offensive forces, either with or without a START treaty, to pose a first-strike threat," so that it would "not be destabilizing or prompt the Soviet Union to avoid or abrogate START." I doubt the proposals before us today meet this criterion either. There has been no detailed examination of the point, and again, there is nothing in this bill that would require defenses to meet these criteria.

There is also the question of the so-called Nitze criteria, whereby defenses must be cost-effective and survivable. Senator NUNN suggested that his initial proposal ought to meet the Nitze criteria. Right now, the law requires that any defenses to be deployed meet these criteria. Would the defenses proposed in this bill be cost-effective at the margin? Would a single ABM radar at Grand Forks be survivable? The fact is, we don't know. Nothing in this bill mentions it. Yet we are being asked to approve this approach without knowing—effectively flying blind.

Mr. President, in March of this year, when this body considered an earlier ABM proposal by the distinguished Senator from Virginia and a substitute by Senator NUNN, Senator COHEN made what I thought was an excellent point. He said that both measures were "premature." "No. 1," he said, "we had no hearings; not a witness has been called on either side. I think an issue of this magnitude at least warrants and merits that kind of thoughtful consideration. * * * We ought to hold hearings, call witnesses, ask General Scowcroft and others to submit a lengthy examination of the complex issues involved, and then I think we would be prepared to go forward. But until that time arrives, I think it would be premature to consider either amendment, and both ought to be rejected if they are not withdrawn."

Senator NUNN agreed, saying: "The Senator from Maine is correct when he said we need more time to deliberate on this issue. That point, I think, is pretty clear to everyone." He described WARNER's proposal as a serious amendment that deserved serious consideration. He predicted it would take "a lot of hearings." "There are all sorts of questions," he said, "that we would have to get answers for from our military and intelligence, whether the Soviets may be prepared to move out more readily than we are."

Mr. President, all of those wise words could be said of this proposal today. We have still had no hearings. To my knowledge, we have still gotten no answers to any of those myriad questions. We have still not heard from General Scowcroft or from anyone else in the administration. The basic question I raise is whether we want, today, without benefit of hearings, administration reports or testimony, to put the Senate of the United States on record to deploy an ABM system and to support fundamental amendments to the ABM Treaty. I believe the answer is "no."

The PRESIDING OFFICER. The yeas and nays have been ordered. All time has expired.

The question is on agreeing to the amendment of the Senator from Michigan. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR], is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 170 Leg.]

YEAS—99

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—0

NOT VOTING—1

Pryor

So, the amendment (No. 979) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, it is my hope that we can now proceed to the Harkin—I believe Senator SIMON is coauthor of that amendment—to the Harkin-Simon amendment on which there is a time agreement. There is a second Harkin amendment.

I hope we could perhaps debate both of these amendments and then have two rollcall votes back to back on these two amendments. I think the best thing to do is to proceed, and we will see what we can do as we go a little further along.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I understand on this amendment we have 1 hour equally divided?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 980

(Purpose: To reduce the authorization of appropriations for fiscal year 1992 for the strategic defense initiative)

Mr. HARKIN. Mr. President, I send and amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. SIMON, and Mr. BUMPERS, proposes an amendment numbered 980.

Mr. HARKIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 31, line 25, strike out "10,653,478,000" and insert in lieu thereof "9,253,478,000".

On page 40, line 13, strike out "$4,600,000,000" and insert in lieu thereof "$3,200,000,000".

On page 40, line 17, strike out "$1,550,530,000" and insert in lieu thereof "$700,000,000".

On page 41, line 1, strike out "not more than $625,383,000" and insert in lieu thereof "no funds".

On page 41, line 5, strike out "$744,609,000" and insert in lieu thereof "$820,522,000".

Mr. HARKIN. Mr. President, on behalf of myself, Senator SIMON and Senator BUMPERS, the amendment I have offered would set star wars funding at $3.2 billion for 1992. This is not a decrease in SDI funding, as some opponents of the amendment might imply. This funding level represents an inflationary increase for fiscal year 1991 level for SDI including the Theater Missile Defense Program.

Once gain, there are those who keep reminding us of the dangerous world we live in and the threats to our national security and the need to develop star wars to protect us from missiles from afar. I understand as well as anybody the nuclear world and the dangerous world we live in and how that affects our national security. There are stockpiles of nuclear-armed missiles on both sides of the globe that can blow the world up many times over.

It seems odd to me as we have just signed the START Treaty that we increase funding for a program that is designed to bust the ABM Treaty. It seems like someone is keeping two sets of books here. In one book, we have a world in which the cold war is over, the Berlin Wall is down, the Soviet Union is worrying more about bread than bombs, and the Warsaw Pact has dissolved. As we stand here today, the START Treaty has just been signed, democracies are flourishing all over the world and the threats to our national security are more internal than they are external. That is one set of books.

The same people who preach this book look at another book and say, yes, the Soviet Union is crumbling, there is no more Warsaw Pact, democracy is taking the place of communism but we need to keep pumping more and more money into star wars because the threat is growing faster than ever. Forget about the fact that star wars is already the largest research and development program in the history of mankind, dwarfing even the Manhattan project. Forget about the fact, Mr. President, that we spent more on military research in the last 31 months than we have on all biomedical research since the turn of the century.

I want to repeat that for emphasis sake. In the last 31 months, we have spent more on military research than we have on all biomedical research since the turn of the century. That is cancer research, heart research, Alzheimer's research, polio research, AIDS research, arthritis research. Lump them all together and go back to 1900: we spent less than what we have in military research in the last 31 months.

We are told time and time again we need more for star wars.

This amendment is about choices. It is simply this choice: Do we continue to increase funding for star wars and refuel the cold war, or do we choose post cold war fiscal responsibility and vote for a substantial reduction in the Federal deficit? That is what this amendment is about.

This amendment would reduce the defense bill star wars budget for fiscal year 1992 by $1.4 billion. All of these savings would go for deficit reduction. Assuming 50 percent outlays during the first year, this amendment would reduce the Federal deficit by $700 million next year. These are not small potatoes we are talking about; a $700 million reduction in Federal deficit next year would start us on the right track.

Again, I prefer that some of these savings go to some of our domestic needs like education, cancer research. Because of that budget agreement, we cannot. We must use it for deficit reduction.

I think it is important to point out that we have the President wanting this huge increase in the star wars funding, and at the same time, let me read some of the cuts the President made in his request to Congress: Veterans employment service, cut $38.7 million; targeted jobs tax credit, cut $19.5 million, community services employment for older Americans, cut $47 million; that is in Labor.

How about Health and Human Services? LIHEAP, so elderly people can keep warm in the wintertime, cut $490 million. That is what the President wanted. Health professions training, to train our health professionals to keep our people healthy, a $173 million cut by the President.

Let us look at education. The President wants to cut the supplemental education opportunity grants by $173 million; cut college work-study by $198 million; cut impact aid by $160 million; cut chapter 1 handicapped programs by $23 million; cut funding for libraries by $107 million.

These are major program cuts that the President sent down to the Congress on the one hand. On the other hand, he sends down a bill requesting a huge increase for star wars funding.

Now what I have said in my amendment is basically give star wars an inflationary increase. Is that so outlandish?

Let us look what we have done in the Department of Labor. A 3.9-percent increase in the Department of Labor in the appropriations bill we are about to bring on the floor of the Senate. Department of Health and Human Services received a 3.3-percent increase; health service research cut by $20 million. These are the kinds of cuts that we are facing when we try to invest in our human infrastructure in this country to make our people the smartest, healthiest, most productive workers anywhere in the world, and we are saying no, we cannot do it. But, on the other hand, we can pour a lot of money into star wars.

I think it is time to say enough is enough. We do not need this huge increase in star wars. I might add that this amendment that I am offering leaves full funding in the theater missile defense system.

Mr. President, I ask unanimous consent to print in the RECORD a table showing SDI funding levels.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SDI FUNDING LEVELS

[In millions of dollars]

	Fiscal year		House	SASC	Harkin/Simon	
	1991	1992 request			Amount	Percent[1]
Limited defense system	392	674	840	1,551	700	+78
Space-based interceptors: (Phase I) (Brilliant Pebbles)	866	1,612	0	625	0	....
Follow-on research	696	925	820	745	821	+18
Research and support	727	1,081	996	822	822	+13

SDI FUNDING LEVELS—Continued

[In millions of dollars]

	Fiscal year		House	SASC	Harkin/Simon	
	1991	1992 request			Amount	Percent [1]
Theater defense: (Patriot, et cetera)	398	857	857	857	857	+115
Total SDI	3,079	5,150	3,513	4,600	3,200	+3.9

[1] Percentage increases relative to fiscal year 1991.

Mr. HARKIN. Mr. President, let me point out that theater defense is left with a 115-percent increase under our amendment. Research and support still gets a 13-percent increase. Follow-on research, 18-percent increase; limited defense system gets 78 percent. What we have done is take it basically out of the space-based interceptors; Phase I Brilliant Pebbles is down to zero.

SDI, under our amendment, would get a 3.9-percent increase, an inflationary increase just like we give to the Department of Health and Human Services, just like we give to the Department of Labor, and just like we give to the Department of Education. I think an inflationary increase for star wars is plenty, especially when we have kept the theater defense missile system for upgrading Patriots or other forms of missiles for limited warfare. This is where we ought to be putting our research, and we kept it in the amendment. What we have cut out is basically the space-based programs.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. ROBB). Who yields time?

Mr. NUNN. Mr. President, I yield 5 minutes to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 5 minutes.

Mr. BOND. Mr. President, I thank the committee chairman, and I thank my colleagues for the opportunity to make some brief comments on this amendment. I think it is very significant that this body has already voted 60 to 39 to approve the committee approach to SDI. I especially want to commend the Senator from Georgia for his leadership in being the first one to propound the idea of an accidental launch protection system.

Certainly our ranking member, the Senator from Virginia, has, with his great leadership, also brought us to the point where we now have a bipartisan consensus as to how we should move forward.

The Senator from Wyoming, Senator WALLOP, has long carried this battle, and I think the time has come for us to assure that we go forward on a sound program.

This amendment before us essentially would cut back on a program which a majority of the American people feel is vitally important. I do not know how anyone who watched the Persian Gulf war on television and saw the tremendous fear in the people of Israel as they watched and they waited each night for the possible incoming Scuds, hoping and praying that the Patriots would work, can say that the time is not here for us to develop a system to protect our civilian populations against the possible use of missiles that are either launched by a terrorist nation or even accidentally launched by a major country such as the Soviet Union.

It is with some satisfaction that I come to the floor today to speak on this important issue. For 4 years now I have been coming to the floor today to speak about the need for the deployment of a ground-based, limited-missile, protection system. Twice in past sessions I have offered amendments to the bill which would have allowed us to take the first steps toward those goals. Both times we failed, although I would note by a smaller margin each time.

This year the committee has developed a well thought out, bipartisan approach which would include the system for which we have been calling. Although I would have preferred that we could have done it sooner, I think the adage "better late than never" is appropriate, and I commend the committee for developing a sound rationale for moving forward.

I urge my colleagues to oppose this amendment and any amendments that would take away from our ability to defend against missiles from terrorists, from Third World countries or accidentally launched.

Under the committee's plan, work would begin immediately toward development of an ABM Treaty compatible antimissile system at Grand Forks, ND. Unlike the focus of amendments previously debated, this would have the potential of protecting the citizens of the United States against the threat of a Third World terrorist or accidental launch. At the same time, we would begin looking at the possibility of deploying a nationwide ground-based system and we would continue research into other promising systems such as the space-based or Brilliant Pebbles system to defend against missile launches.

Mr. President, the American people want to be protected against the possibility of a nuclear attack or accident. Survey after survey has shown that people throughout the Nation want to see the system deployed. I can tell my colleagues firsthand the people in my State not only want but they expect that we can be protected against missiles launched by other countries.

I have often asked people in coffee shops and in gatherings around my State what do you think we would do if there was an accidental launch of a missile against us or if a group of terrorists or a Saddam Hussein launched a missile against us? Everybody tells me, well, we would shoot it down, of course. When I tell them that we do not have the means to do that, they are shocked.

After watching the dozens of missile attacks on Israel and Saudi Arabia during the gulf war, Americans have a right to be and are even more concerned about our lack of any defense. They are anxious to see a system deployed. The truth of our vulnerability was displayed night after night in their living rooms and it drove home the urgent need to act.

The Soviets have had a system that is capable of defending their population, a system around Moscow, and over the years they have been upgrading it and making it more effective. If someone, such as a terrorist nation, managed to launch a ballistic missile against Moscow this afternoon, the Soviets would have the capability to shoot it down.

We have the capability to develop and deploy a system and the committee allows us to begin work to do so, but we do not have it now.

The components for the system either exist or are at an advanced stage of research and development. We have interceptors capable of intercepting missiles both in the atmosphere and outside it. A combination of these systems will give us a layered defense which will provide added protection against possible attack.

There are many reasons for deploying a missile protection system, but the gulf war brought home one of the most important—the industrial nations of the world no longer have a monopoly on advanced missile technology, and it is only a matter of time until we lose our control over nuclear weapons and missile technology.

The proliferation of ballistic missile technology is an issue that ought to concern all of us as well as the leaders of all peace-loving nations. The worldwide scrabble to develop, borrow, beg, or steal the technology needed to build ballistic missiles is truly frightening. The CIA has estimated that by the year 2000 at least 15 developing countries will either have produced or will be able to produce their own ballistic missiles. Ballistic missiles are already deployed in almost a dozen developing countries including several that are hostile to the United States. Our experience in the gulf war with Saddam Hussein's Scuds is only the tip of the iceberg and it gives us a glimpse of what we will have to face a few years from now.

Given what we have seen, it is certainly not unreasonable to hypothesize that a nation, or even a terrorist organization, could get its hands on both a ballistic missile and a nuclear warhead. A situation which, if it arose now, would leave the United States helpless—totally unable to defend ourselves. An even more likely possible threat is that one of these countries would threaten the United States with a chemical or biological weapon.

A modest missile protection system like the one envisioned in the legislation before us would free us from the possibility of being held hostage by those countries. From my point of view, this alone is reason enough to deploy a system.

But there are other reasons beyond the Third World threat. There is the very real danger with the violence that continues to plague Soviet republics that a weapon could fall into the hands of a dissident group. Also, there is the ongoing threat of an accidental or unauthorized launch of a Soviet or Chinese missile. Further, a ground-based system would provide us with operational experience with antimissile systems at a relatively low cost. Such experience would prove invaluable in future debates over whether to proceed with upgrades.

We all watched in amazement and horror as correspondents on the rooftops in Riyad and Tel Aviv reported incoming Scuds that could have been tipped with chemical weapons. We know that the Third World intercontinental missile threat is real and may be realized soon. Just imagine the horror we would feel if those correspondents were standing on rooftops in St. Louis, Kansas City, or some city in your State and we did not have even a limited system to take out a missile strike.

The amendment before us would gut the package that has been crafted by the committee and would derail this effort to begin deployment of this long-overdue system. It would be a mistake to delay any further. I hope that the majority of my colleagues will agree with a majority of the American people that it is time we had a missile defense system and vote against this amendment.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Iowa [Mr. HARKIN].

Mr. HARKIN. I am about to yield time to the Senator from Illinois. I listended to the Senator from Missouri, my friend and colleague from south of Iowa. He obviously did not read my amendment. I do not know what he is talking about, but he has not read my amendment. The very things he is talking about—protecting against Scud missiles—is left in my amendment, a 115-percent increase for research for the very thing that he talked about.

So, evidently, the Senator is talking about some other amendment and not talking about my amendment.

He talked about an accidental launch. Again I think the distinguished chairman of the committee has talked about this before. We need some international agreements to put explosive, self-destruct mechanisms on those missiles so if there is an accidental launch, someone could blow it up.

Third, on launching a missile, he talked about the Soviets having this ring of missiles around Moscow. I say to the Senator it did not stop that little Cessna aircraft, flown by that young kid, that landed right in Red Square. If you want to blow up the Kremlin with an atomic bomb, that is the way they are going to do it, not with a missile launch.

So, again, I respond to the Senator from Missouri, I hope he reads my amendment and understands it. And on the issue of continuing the research for theater missile defense such as the Patriot that we used in the gulf war, that is left in our amendment at the exact level that the President requested and the level that the committee recommended. It is the same level that is in our amendment.

With that, I yield 5 minutes to the distinguished Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois [Mr. SIMON] is recognized for up to 5 minutes.

Mr. SIMON. Mr. President, I am pleased to be a cosponsor of this amendment. I think we recognize we are going to have to show some restraint around here. We just cannot do everything we would like to do.

If I can digress—and I may be very lonely in this opinion—I am going to be voting for the extension of the unemployment compensation but, frankly, I had an amendment prepared, a sense-of-the-Senate amendment, prior to the House action that asked for doing it on a pay-as-you-go basis. We just cannot do everything we want to do around here unless we are willing to pay for it.

In one of the areas we have to show greater restraint is the area of defense spending.

I ask unanimous consent, Mr. President, to print in the RECORD a statement in the New York Times of Monday by the distinguished chairman of the Budget Committee. The heading on it is, "The Budget Follies Have to Stop." The subheading is, "Start Cutting the Military Budget Now."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, July 29, 1991]

THE BUDGET FOLLIES HAVE TO STOP

(By Jim Sasser)

WASHINGTON.—The conventional wisdom holds that the 1990 budget agreement will last until shortly after the 1992 election, when campaign promises can be safely forgotten and we must face deficits that have deepened beyond expectations. Until then, we are supposed to be on automatic pilot.

Yet the Congressional Budget Office confirmed last week that we can't achieve the planned $480 billion deficit reduction over five years without further paring. We must begin that paring far in advance of fiscal 1993.

This week, as the Senate debates the Defense Department's fiscal 1992 budget request—including about 100 major weapons-acquisition programs that could total more than $500 billion—we can't keep acting as if the tough choices have already been made.

The Budget Enforcement Act of 1990 produces much of its savings by imposing caps, through fiscal 1993, on domestic, international and defense spending—the three component parts of the so-called discretionary budget. Until then, we need only exercise restraint. Afterward, these limits yield to a single cap on discretionary spending as a whole for fiscal 1994 and 1995, and here aggressive austerity must replace passive restraint.

The Budget Office estimates that if the three parts grow with inflation beyond their projected 1993 level, they will, taken together, exceed the overall limits for 1994 and 1995 by substantial amounts. Even taking into account the planned decline in military spending for both years, we must further cut discretionary spending by $14 billion in 1994 and about $22 billion in 1995—no easy matter.

The Administration and Congress, which must start building budgetary ships in ever-tinier bottles, are doing just the reverse. The House and Senate have fully financed the space station rather than end that expense, which will be $2 billion in fiscal 1992. If we keep pouring money into the $30 billion station, we'll doom other necessary space-science projects to extinction.

Similarly, the Superconducting Supercollider will grow from $535 million in fiscal 1992 to its overall price tag of about $11 billion. Sustaining this program would relegate smaller-science programs, the heart of America's technological capability, to a budgetary no man's land.

If we can't cut domestic programs, it will be extraordinarily difficult to cut defense, unless we start today. The Budget Office says that if we wait to make decisions until 1994, when the spending caps descend, the Pentagon would face the prospect of cutting 425,000 people in the military beyond the 233,000 who are to go between 1993 and 1995. We would be limited to personnel reductions because cuts in big weapon systems don't have an immediate impact on the budget.

Despite the squeeze on other military spending, we persist with our plan to sink $20 billion into "Star Wars" over the next three years, $16 billion into the B-2, $10 billion into the Aegis class destroyer, $7.1 billion into the F-22 advanced tactical fighter and $12.2 billion into the C-17 transport.

Something's got to give, and these systems are a good place to start. The big-ticket procurement bill for the next three years totals more than $85 billion. We could slide under the 1994 and 1995 spending limits if we cut that tab by just one-third.

We should seek cuts in domestic programs, too. But the larger point is that we can't have every high-dollar high-tech toy we fancy. We have a timely opportunity to make military and domestic choices that threaten neither national security nor our well-being.

If we wait for a politically convenient post-election moment, we'll limit our opportunities and perhaps destroy our last chance to bring the deficit under control.

Mr. SIMON. Then I ask unanimous consent to print in the RECORD from today's New York Times, a column by Tom Wicker titled, "Big Ticket Blues."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG TICKET BLUES

(By Tom Wicker)

Many an American is happy that the cold war is over and the astronomical cost of the military must therefore be coming down. Many others are unhappy to discover that their states and municipalities no longer have the money to pay for libraries, schools, parks, public services and other accustomed amenities.

Both kinds of Americans may be shocked to discover that by the reckoning of the chairman of the Senate Budget Committee, the Pentagon still is seeking more than $500 billion of taxpayers' money for "about 100 major weapons acquisitions programs." Targets for these weapons seem mostly to be in the eyes of their supporters.

Nor is it only the military that wants a lot of high-priced hardware to play with. Both House and Senate have agreed to throw away $2 billion in fiscal 1992 on the space station; ultimately, it will cost a nation that can't provide decent health care for millions of citizens the grandiose total of $30 billion. That may not count the $4 billion already down the drain, and surely doesn't include the expectable cost overruns or the design changes necessary to make this turkey fly, if it ever does.

As for the Superconducting Supercollider—or is it the Supercolliding Superconducter?—this monstrosity will bleed taxpayers by only $535 million in FY 92 (cigarette money in the hardware league) but $11 billion before it either supercollides or superconducts, whichever comes first.

Is opposition to these boondoggles anti-science? Not at all. Jim Sasser of Tennessee, the aforementioned Budget Committee chairman, pointed out in an Op-Ed article for this newspaper that paying for the space station would "doom other necessary space-science projects to extinction." He was too charitable to report that many scientists consider the space station a man-made black hole, down which to pour taxpayers' money.

The supercollider, Mr. Sasser wrote, "would relegate smaller-science programs, the heart of America's technological capability, to a budgetary no man's land." But members of Congress apparently never met a big-ticket item they didn't love.

The military, of course, continues to be the biggest feeder at the technological trough. Here is Mr. Sasser's partial list of Pentagon phantasmagoria:

Star Wars: Despite a General Accounting Office report that the $24 billion already invested in this pipe dream has resulted in $3 billion wasted on poor planning and unproven technologies but very little usable weaponry, the outlook is for $20 billion more to be blown into the blue sky over the next three years.

Not content with this profligacy, the Senate Armed Services Committee now proposes to spend about $10 billion on the deployment of 100 ground-based antimissile missiles—a money-guzzling nightmare rejected as far back as the Nixon Administration and for the resurrection of which no one can offer a coherent rationale except to make Democrats look hardnosed. But who could believe that?

The B-2 bomber: Someone ought to be able to say why we need this bomb at this price, about $16 billion. That would rebuild—if Congress must have hardware—a lot of highways and bridges.

The Aegis: Here's a real budget destroyer, a high-tech naval ripoff flying a $10 billion price tag at its foretop.

The F-22 tactical fighter: For $7.1 billion, will we get an advanced version of "Top Gun," starring Tom Cruise, maybe called "Son of a Gun"? Or will Mr. Cruise's career be finished before the F-22?

The C-17 military transport: $17 billion for this oversized beauty, which will make it easier to carry U.S. troops here and there, to police up those little wars that may be part of the New World Order.

Mr. Sasser is primarily concerned to reduce the Federal deficit. But cutting some or all of a projected big-ticket outlay that he estimated at more than $85 billion over the next three years is necessary, also, for the reason advanced by Bob Traxler of Michigan, the chairman of a House subcommittee that boldly but vainly tried to jettison the space station.

"We simply can no longer afford," said Mr. Traxler, "huge new projects, with huge price tags, while trying to maintain services that the American people expect."

But don't hold your breath until he and Mr. Sasser get their way.

Mr. SIMON. I think the fundamental question we have to ask is, what is the great security threat to our country and where should we be spending money or not spending money?

I suggest, if we were to be in Japan or some other country, or someone on Mars who looked down here, the two great security threats to our country are, No. 1, our failure to get a hold of our economy. We are simply year after year after year—and both parties share the blame—spending much more than we are taking in. That is, in my opinion, the No. 1 threat to the future of this country.

This amendment, in a small way, deals with that. It says, let us cut this back $1.2 billion and save $700 million in this fiscal year. Any public opinion poll shows that the public recognizes what the economists recognize, which is that the No. 1 threat to the future of our country is failure to face up to our fiscal year problems. This is a small, infinitely small way to do it. But let us do it.

The second thing we ought to be doing is paying attention to education much more than we are. In fiscal year 1949, we spent 9 percent of the Federal budget on education. Today, we are spending 3 percent.

Just the other day in the committee in which Senator COCHRAN and I serve—I see him on the floor here—we had a witness who pointed out that, in 1969, the Federal Government funded 60,000 graduate fellowships. Do you know how many we are funding this year? We are funding 12,000. I cannot measure what that is going to do to our ability in the field of science and everything else, to do what we ought to do as a nation, but I view that as a fundamental security threat to this country.

The amendment that Senator HARKIN has proposed—and I am pleased to cosponsor it, along with Senator BUMPERS—basically says: Let us give SDI the 3.9-percent increase that we give the Department of Labor and other Departments of Government—no more, no less. That seems to me to be reasonable. It is an amendment that just says, in view of the dramatically changing international scene, let us not waste billions of dollars needlessly; let us slow down our spending a little so that we see what is going on.

I think that makes sense, Mr. President. I am pleased to be a cosponsor of this amendment, and I hope we will have the good judgment to agree.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, I would be glad to accommodate the authors of the amendment.

I ask the Senator from Iowa a question as to his preferences. Are we going to have two Harkin amendments? Are we going to have the other Harkin amendment, also?

Mr. HARKIN. It is my intent, yes, to offer my second amendment.

Mr. NUNN. Since so many of our colleagues are in committee meetings and other places, I would like to see if we can conclude debate on both of the amendments and vote on both in sequence. Is that possible?

Mr. HARKIN. I have no problem. As long as it is fine with the chairman, it is fine with me.

Mr. NUNN. How much more time will the Senators need on the first Harkin amendment? I can make my response brief, and I think the Senator from Wyoming will do likewise.

Mr. HARKIN. Senator WELLSTONE and Senator ADAMS wish to speak. I have to consult with them about how much time they want.

Mr. NUNN. I will withhold my remarks until the Senator completes.

Mr. WALLOP. Will the Senator yield for a unanimous-consent request?

Mr. HARKIN. Yes.

Mr. WALLOP. I ask unanimous consent that Mr. Gibson LeBoeuf of my staff be allowed floor privileges during the pendency of S. 1507, the Defense Department authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I yield 5 minutes to the Senator from Minnesota [Mr. WELLSTONE].

Mr. WELLSTONE. Mr. President, I rise in support of the amendment offered by Senators HARKIN, SIMON, and BUMPERS to trim the SDI budget.

Last night, we had the debate about the policy aspect of the star wars or antiballistic missile program. Let me speak about the financial aspect—this budget authorization of $4.6 billion. I was presiding in the Chair the other day, and I heard two Senators having a colloquy with one another. They were talking about an exchange program that we should have with Eastern Europe, so that young high school students can come to our country and learn about democracy and learn about pluralism, all of which I think is wonderful. As my memory tells me, one of the Senators explained, the program's purpose was "* * * so that they can learn about all the opportunities that exist in our country."

I was sitting up there in the Chair presiding, and I thought to myself that 10 blocks from this Capitol, there are many, many young people who do not have many opportunities. They are waiting to have the opportunities to which that Senator referred.

Can we invest in the education of young people? We are told we do not have enough money. Those young people do not have all the lobbyists and the people with the power to be here. We can feed the insatiable appetites of the military contractors. We will not cut this program just a little bit. But we cannot feed the hungry mouths of children, and we cannot deal with the appetite of young people to learn.

Do we have the money to house homeless people? There are many people in the galleries here today. Perhaps many of you have seen the people sleeping out on the ground. I know that when I run early in the morning, and run down by the Lincoln Memorial, I see it all the time. I saw it in the dead of winter. We do not have enough money for housing for those people.

Can we make sure that every woman expecting a child has a diet rich in vitamins, minerals, and protein, so that their children-to-be will have the same chance we have? No, we do not have the money. Can we fully fund a Head Start Program so that children will truly have a head start? No, we do not have the money. Can we make sure that we can provide affordable, available, dignified health care for our citizens? No, we do not have the money. Can we invest in rural communities and make sure small businesses can make a go of it, and make sure that family farmers have a decent price for their product? Can we provide for affordable child care? No, we do not have the money.

Mr. President, this raises a very interesting question. I believe that my colleagues who do not want to cut even a little bit in this antiballistic missile program, potential star wars program—to use a Yiddish proverb—want to "dance at two weddings at the same time."

We want to reduce the deficit. Are we doing so? No. The figure we look at now is $350 billion.

I say to the Senator from Iowa, who comes from a farm State, that the farmers in Minnesota say "You plant your seed corn, you do not eat it up." But the interest is eating it up.

We cannot invest in ourselves. We are not reducing the deficit. We are not investing in people. We are not investing in our future. But we have more and more money for more and more of these military programs. Almost $300 billion in the military budget. It is very interesting.

What I want to say on the floor today is that if we cannot effect even a slight cut in this program, where are we going to cut? Are we ever going to get serious and realize we cannot have space stations and super colliders, and this and that military program? We get all those programs; you bet we do. Because they have people to lobby for them, people who have power; they have the people who come to Washington and have representation, but not a whole bunch of other citizens.

I want to say by way of conclusion, Mr. President, to my colleagues—many of whom I respect—on the other side, that someday in the United States of America, we are going to realize that real national security is the security of our local communities, where people have jobs, and people are provided with decent health care, and we support rural communities and urban communities, and where there is decent transportation and decent housing, and generous care for the aged, and where there is an educational system second to none, so that every boy and girl can grow up dreaming of being President of the United States. Until we understand that is our future, and that real strength begins at home, we are going to be in a lot of trouble.

What are we getting for our billions of dollars going to SDI? What is the dire threat to our security that demands such a significant portion of our national resources?

According to the Armed Services Committee, the proposed military system is intended to protect against an accidental launch of Soviet ballistic missiles or a limited missile attack by some other country.

This is possibly the weakest rationale yet presented for accelerating the SDI Program in a long line of feeble and foolish rationales. First of all, these are remote contingencies. Second of all, these contingencies could be addressed more efficiently, more directly, and far more cheaply, by means other than an antimissile system.

No Third World country except China even has missiles that can reach the United States. Both India and Brazil have been trying to develop ballistic missiles for over a decade. Neither has been successful and both have constructed easily detectable infrastructures in the process.

If Third World and terrorist weapons of mass destruction do emerge as a threat to the United States, they will not be delivered by ballistic missiles. They will be carried by aircraft, on ships sailed into our harbors, or packing crates smuggled across our borders.

The proliferation of ballistic missiles and nuclear weapons technology is indeed a major problem. I have been among those who have long urged the United States to develop a vigorous and credible nuclear nonproliferation policy. This does not require billions of dollars. It requires political will.

Mr. President, if the United States were really serious about stopping nuclear proliferation, it would demand that states adhere to the nuclear nonproliferation treaty.

If the United States were really serious about stopping nuclear proliferation, it would demand that recipients of U.S. military aid accept full-scope safeguards as a condition on both the sale and purchase of nuclear technology.

If the United States were really serious about stopping nuclear proliferation, it would vigorously pursue a multilateral comprehensive nuclear test ban treaty and a global ban on the production of fissile materials for weapons.

Those are the sort of initiatives that the United States would pursue if it were serious about proliferation. Unfortunately, the Bush administration is not pursuing these initiatives.

As to limited threats from the Soviet Union, not one defense official has suggested that the risk of an accidental Soviet launch is high. America's top military adviser, Colin Powell, has testified that the Soviets have very good control over their systems.

Hypothetically, a mechanical failure could result in an accidental launch. There is no historical precedent for such an event and in fact, getting missiles to fire when they are supposed to is a greater problem. But however one evaluates the gravity of this potential problem, an appropriate response is to agree on safeguards and disabling mechanisms on missiles. Those are the steps we should be taking. Again, they do not require billions of dollars.

Mr. President, a decision to spend billions of dollars to deploy a thin defense system against so far-fetched a threat is an act of colossal folly. But that may not be the worst of it. If the Senate agrees today to send the United States down the path proposed by the Armed Services Committee, it may well torpedo the ABM Treaty, threaten the newly signed START Treaty, and pump new life into the arms race.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. HARKIN. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator controls 9 minutes and 38 seconds.

Mr. HARKIN. I was going to yield to the Senator from Washington. He happens to be away from his desk right now. As soon as he gets back, I will yield to him.

Mr. NUNN. I will be glad to take a minute or two at this time.

Mr. President, I rise in opposition to the Harkin amendment, which would reduce the SDI funding level down to $3.2 billion. This level would be $1.5 billion below the administration request, and $300 million below the House-passed level.

The question is, What is wrong with being below the House level? The answer is the Senate is trying to deploy actual defenses to protect America against limited attack in its bill, and the House does not have any such deployment plan.

If we are going to be able to pay for the treaty compliant ABM system we are pursuing in the bill, we also are going to be supporting—and most Senators do support—the anti-tactical-ballistic-missile systems to help protect our forward deployed forces and our allies. We need a funding level that is responsive to these requirements, and that means a level higher than the House level.

It does us little good to announce a goal of deploying an ABM defense against a limited ballistic missile attack if we do not provide sufficient funds in the bill to move in a serious fashion toward that goal.

If we are not serious about deploying a treaty compliant ABM system, we have to ask the question, what do we want to do with these research dollars? What would we do with the $3.2 billion that would be in the bill if we have no such goal? What is the purpose? What would SDI do with the money? Are we going to continue to simply pour money in with no concept?

What would happen assuming all the technology works out and assuming everything researched works out? What do we want to do? If we want to do something, I think we ought to stick to the funding level in this bill. If we want to simply throw the money out, then we can do that, but we are not going to be getting anywhere.

So I hope our colleagues will oppose the Harkin amendment, Mr. President. We have had a lot of debate in this last 14, 15 hours on the floor of the Senate on SDI. I am not going to take a lot of time.

I hope, after we complete the debate on this first Harkin amendment and move to the second Harkin amendment, we can perhaps begin the votes on both of them somewhere before the hour of noon, if possible.

Mr. WALLOP. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER (Mr. HEFLIN). The Senator from Wyoming [Mr. WALLOP] is recognized for 2 minutes from the time of the Senator from Georgia.

Mr. WALLOP. Just briefly, I say several things to my friend from Minnesota. The compassion about the homeless, the education, the transportation, farmers, small businesses, is well spent. But, in fact, the defense budget is nearly 3 percent lower than it was a year ago. This is a reordering of priorities within the budget that is there; within the budget that is declining.

It seems to me that the Senator from Georgia has made the best point of all. If this body and if this Congress is unwilling ever to get to the point where it makes the decision to defend the American people with the knowledge and technology that it has, then even the amount of money that the Senator from Iowa proposes is a waste of money, and all of it ought to be terminated.

You are either going to do something with this and not toy with the American people about it, or tell them: The honest truth of it is that I have no care about defending it. I know that the technology of America exists to provide the defense to the American people. Senators know that the technology exists. So we are toying right now with the future of America; very simple. Do we use the technology that we have to advance the safety, or do we take it out of the defense budget in its entirety? That is really the question. A decline in the safety as the Senator from Iowa suggested is really a waste of the money.

Mr. President, I ask unanimous consent to have printed in the RECORD an essay by Charles Krauthammer and a letter dated June 5, 1991, from the Chairman of the Joint Chiefs of Staff to Senator WARNER.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Time magazine, Aug. 5, 1991]

WHY ARMS CONTROL IS OBSOLETE

(By Charles Krauthammer)

Remember the Freeze? Ground Zero Week? The Day After? Remember when psychiatrists were blaming the Bomb for everything from violence to video games? It was barely a decade ago that America was in the grip of nuclear hysteria. Yet when, in London, Presidents Gorbachev and Bush dramatically announced the conclusion of START, the most substantial arms treaty in history, they were met with yawns.

Why? Because in the interim, it has become clear to even the woolliest that nuclear weapons are not the threat. The threat is the intent to use them.

That is why even the worst nuclear hysterics never got terribly worked up about the British and the French arsenals, both of which were quite capable of laying waste to a very large part of the U.S. No one worried about them because the French and the British are friends. The problem with the Soviets was not that they had thousands of nuclear weapons, but that they had thousands of nuclear weapons pointed at the U.S. And since no arms-control regime ever seriously proposed reducing nuclear weapons below the level needed to wipe out American society at least once, no arms-control regime could ever, even in principle, cure our nuclear nightmare.

Arms control was always something between a sham and a sideshow. The end of the cold war has proved it. The U.S.S.R. today has thousands more nuclear warheads than it did 10 years ago. Yet we feel far more secure today. Why? Because security never depended on numbers. It depended on intentions. Soviet intentions have changed and the change had nothing at all to do with arms control.

Which is what makes START so irrelevant. Arms control is what you talk about when you have nothing to talk about. In the midst of the deepest cold war, the only thing we could possibly talk to the Soviets about was nuclear weapons: abstractions, tokens, numbers, weapons whose use was inconceivable. Arms control offered a kind of shadow substance when there was no real substance to discuss.

Now we have real substance—the terms of Soviet entry into the community of the West. That substance was symbolized in one picture: Gorbachev in London, smiling, surrounded by the seven Western summiteers. That picture mocked the Bolshevik dream of overthrowing Western capitalism. It illustrated the Soviets' desperate desire to join the West. And it made START obsolete because, at the end of the day, a democratic Russia integrated into the West becomes no more a nuclear threat to us than Britain or France.

But the end of the Soviet threat does not mean the end of nuclear danger. The real danger is proliferation, and proliferation has just begun. Within a decade, according to Defense Secretary Dick Cheney, 15 countries will acquire ballistic missiles. About half will have nuclear weapons on top of them. Moreover, Soviet leaders have been rational and thus deterrable. We went to the brink during the Cuban missile crisis but did not go over. Both sides understood and would not bear the cost of nuclear war. We cannot be so sure that will be true of Iraq, North Korea, Iran, Libya, the nuclear powers of the future.

That is why the signing of START comes just in time. With luck, START marks the end of that most sterile of exercises, superpower arms control. It may finally free our attention for the real threat: the ballistic missile brandished by the smaller, newer, angrier powers of the very near future.

What to do about the threat? First, preempt. The model is Iraq. Says British Foreign Secretary Douglas Hurd: "One way or another we are going to prevent Iraq becoming a nuclear power." Hurd is refreshingly unconcerned about the legalities or political niceties of a great power with nuclear weapons dictating to a smaller power without them that it must remain without. The danger is too great. Iraq is a proven aggressor with a record of using every weapon it ever laid its hands on. The U.S., Britain and France, at least, aim to see that it does not lay its hands on nukes, even if that means military attack.

But pre-emption is not enough. There will always be countries with programs clandestine enough to escape detection. One day our children will wake up to some crazy state's nuclear arsenal. Let us hope that we will have provided for them.

How? With a defense. Hence the second requirement for the post-Soviet nuclear environment: the Strategic Defense Initiative. SDI, like arms control, was distorted and diverted by the Soviet threat. SDI never was and never will be an adequate response to a full Soviet attack. Ronald Reagan's pretense that it was did SDI great damage. Yet SDI remains vital. It is our only potential protection from nuclear attack by small countries or unauthorized launch from large ones (by a renegade Soviet general, for example).

These are undeterrable threats. And the primitive Scuds of the gulf war have given us a taste of how terrible they will be. Yet the Congress is locked in an archaic cold war debate over SDI's architecture. On the one side are those who insist on ground-based systems only. On the other are those who demand an additional layer of defense based in space.

It is hard to understand the theological objection to space-based defenses. The matter should be purely technical. If we can engineer an effective first line of defense in space, why not the extra protection? A few decades from now many nations will be in space, using it for defensive and perhaps even offensive purposes. Why forfeit the opportunity to be the first into an absolutely critical area of strategic power when the road is open and the need is great?

Nations are rarely given the opportunity to prepare in tranquillity for a looming threat. We must not sacrifice that opportunity to the theologies of arms control and cold war thinking. START is already obsolete. The cold war is quite dead. The danger is the proliferating ballistic missile. The answer is bold new thinking—and strategic defense.

THE CHAIRMAN,
JOINT CHIEFS OF STAFF,
Washington, DC, June 5, 1991.

Hon. JOHN WARNER,
Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR SENATOR WARNER: The refocused Strategic Defense Initiative (SDI) and the military requirement for ballistic missile defense have been subjects of considerable congressional interest. Consequently, I want to provide you the position of the Joint Chiefs of Staff on these important issues.

The Joint Chiefs of Staff fully support the President's decision refocusing SDI to provide global protection against limited strikes (GPALS). It is a clear and correct response to the threat posed by the proliferation of ballistic missiles. In Desert Storm, we vividly witnessed the impact ballistic missile defenses had in bolstering the coalition arrayed against Iraq. Today, 20 nations have ballistic missiles. In the not-too-distant future, there is the potential for very accurate missiles with mass destruction warheads to be available to numerous Third World nations. Ultimately, some of these missiles could have the capability of directly attacking the United States. Providing protection against limited ballistic missile attacks for our deployed forces, friends and allies, and the United States should be a top national priority.

The President's decision to refocus SDI is totally consistent with JCS requirements. First, for strategic defense, specific requirements set out in our 1987 requirements document include high defense effectiveness against limited ballistic missile attacks, man-in-the-loop control, survivable systems, and the ability to destroy specified percentages of warheads during a major Soviet attack. Meeting these requirements is important because Soviet offensive and defensive strategic forces continue to be modernized. In a post-START world, the Soviet Union will remain the only nation capable of destroying the United States within 30 minutes. Second, the related issue of theater missile defense was addressed by the Joint Chiefs of Staff in 1988 when we established the requirement to protect U.S. forces from an increasingly sophisticated threat. At the time, the threat was primarily based on Warsaw Pact and Soviet capabilities. Now, the situation has changed.

The end of the Cold War and the proliferation of theater missile capabilities outside Europe, graphically demonstrated in Desert Storm, are redefining the threat. We are reviewing requirements in light of the new situation, but it is clear that defense against theater ballistic missiles will be even more imperative in the future. GPALS is a very positive step in the right direction and one we support on its own merits. In addition, the SDI program should continue to develop the technologies and systems needed to make an informed choice for proceeding with a more robust missile defense should the geopolitical environment warrant.

In short, the Joint Chiefs of Staff fully support the President's decision refocusing SDI to provide global protection against limited strikes and urge the Congress to do so as well. This decision is in full consonance with military requirements, and it preserves our ability to expand the system to meet a much larger threat should a decision be made to do so in the future.

Sincerely,

COLIN L. POWELL,
Chairman, Joint Chiefs of Staff.

Mr. WALLOP. And with that, Mr. President, I yield the floor.

Mr. WELLSTONE. Will the Senator from Iowa yield 2 minutes to respond to my colleague?

Mr. HARKIN. Yes.

Mr. WELLSTONE. I appreciate the remarks of the Senator from Wyoming. If I can just respond for a moment, I would like to point out to him that, as a matter of fact, part of the problem with this whole proposal is that we do not know whether SDI is going to work. We do not know whether it is going to work at all.

As a matter of fact, if it generates a continuing arms spiral of offensive weaponry, seeking to overwhelm defensive weaponry, the arms race could go on and on. We are ready to spend this money, but we do not know if SDI works. But when I talk about health care, education, or job creation, or I talk about investment in children and young people, or I talk about investment in our own economy, and I say we have to do something about reducing the deficit, we have to start investing in the human capital in our future—all of which we do know works well—then all of a sudden we have a different standard.

So the Senator from Wyoming says let us go for broke; if we do not spend what we need, it will not work. There is a question as to whether we need it. I talk about things where everybody agrees we need it, but interestingly enough, we do not want to spend the money that will enable those things to happen. I find it to be a double code, and I think it is going to not do us well in terms of our future in this country.

I am sorry the Senator from Wyoming had to leave, but at least I did get to respond to some of his remarks while he was here.

Mr. HARKIN. Mr. President, how much time do I have left?

The PRESIDING OFFICER. Eight minutes seven seconds.

Mr. ADAMS. Five minutes.

The PRESIDING OFFICER. The Senator from Washington is recognized for up to 5 minutes.

Mr. ADAMS. I thank Senator HARKIN very much for that. I serve on the committee with Senator HARKIN that is faced with the problems mentioned by Senator WELLSTONE. We are cutting and capping every program that deals with the health of America, that deals with jobs in America, that deals with trying to take care of our domestic problems for our middle class, with unemployment compensation, the whole gamut. We do so because we have divided this budget into three parts, and the defense part is separate and sacrosanct. We can reduce the deficit, and we can stop this foolishness.

One of the things that bothers me most is when I see the people who believe strongly in defense in America shifting their ground and saying, "All right; now we do not have to protect against the Russian Empire. We knew we could not build SDI in space. We will go to land-based, and we will worry about individual missiles from fourth-party or Fourth World or Third World countries."

That system was tried and rejected years ago. I find it incredible that we will not vote to save $700 million and reduce the deficit. We may not be able to put this to health programs—I wish we could—but we should reduce the deficit that amount.

I want to remind my colleagues, in case they have forgotten—in particular the chairman of the committee and some of the others who were not here at that time—this has been debated on the floor many times. They forget Nike 1, Nike 2, and Nike 3. I remember when Scoop Jackson was the senior Senator from the State of Washington, and he was faced with a similar, ground based missile proposal. I can even remember the names of those missiles. One was Sprint. Those missiles would have gone up 25 miles in some cases, 50 miles in another, to meet the incoming missile, explode it in the air, and save us.

What happened to that proposal? They were going to do this in Magnolia Park, which is right at the edge of the city of Seattle. Some people started to look into it, local university professors, astronomers, and physicists. What they found out was that the enemy missiles would blow up at 25,000 feet, Senator WALLOP, which would create a dusting of atomic fallout that would kill everybody in the Seattle area. It would also, with the prevailing westerly wind, kill people and make them progressively sick all the way across the State into Spokane, and on into Idaho, and on into Wyoming, depending upon how big a bomb was exploded.

We have been through this before. We should cut this program. Maybe we should continue looking at the technology, maybe we will have a miracle appear and we will be able to use land-based missiles in some way to stop something.

But let me tell you this: I have opposed the proliferation of nuclear weapons, particularly in the Middle East. It was the basis of my campaign in 1986, and I feel it just as strongly now as I felt it then. We should not be allowing either missiles, and particularly nuclear-type weapons, into Third and Fourth World countries.

We should make them sign a nuclear nonproliferation treaty, and we should be inspecting in these countries. We should be certain that they are not fired, because there is no way you can go around this whole country, without spending billions and billions and billions of dollars, and put in Nike sites or other land-based sites that would stop every incoming missile.

These Fourth World countries and Third World countries, a lot of them are not going to do that way, anyway. They will penetrate with a suitcase, or they will penetrate with a small weapon that they will leave in some city and threaten everybody with. These terrorist-type attacks are a much more credible threat.

For us to spend the money of this country when we are so far in debt, or borrow it from the Japanese, and even consider a missile system that will cost enormous amounts of money over its lifetime—call it SDI or anything else—is something that is beyond my imagination and should not be undertaken by this Congress.

I sincerely hope the Harkin amendment will be adopted.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

The Senator from Iowa [Mr. HARKIN].

Mr. HARKIN. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator controls 2 minutes, 41 seconds.

Mr. HARKIN. Mr. President, I close my remarks by saying what this amendment does. It leaves in an inflationary increase for SDI. Our amendment fully funds the program that I think bothers most of the American people when they saw the Scud missiles and Patriot intercepting them. They want to be protected from Scud missiles and continue on. That course of action is left fully intact in our amendment. There is a 115-percent increase for theater missile defense. We have the same amount requested by the President. At the same time there is the amount put in by the Senate Armed Services Committee, 13-percent increase for research and support, 18 percent for follow-on, and 78-percent increase for limited defense systems. All of those are in there. But it does cut $700 million and provides for a real cut in the deficit next year.

I close on this one point. Next year, we are going to pass another milestone in this country. For the first time in the history of this country, the interest payments on the national debt will be larger than the entire Federal budget each year before 1975. Next year, for the first time in the history of America, the interest payments on our national debt will be the single largest Federal expenditure. It is time to start to bring that down, and this amendment does it.

I yield back the time I have.

The PRESIDING OFFICER. Who yields time?

The Chair recognizes the Senator from Georgia, Mr. NUNN.

Mr. NUNN. I yield to the Senator from Arizona [Mr. MCCAIN].

SDI IN AN ERA OF CHANGING DEFENSE NEEDS

Mr. McCAIN. Mr. President, we have been debating variants of the same issue for some hours. We have already heard most of the arguments on both sides, and I do not want to repeat them.

As the hours have proceeded, however, I have been struck by one particular aspect of our debate. Time and again, the opponents of SDI and the advocates of the various amendments we are debating, have implied that they can predict a future in which the threats to our Nation do not grow, and a world in which all our problems with the Soviet Union can be solved with arms treaties of a kind that already exist.

In contrast, the advocates of strategic defense, and the compromise reached by the committee, have all talked about the uncertainties of the future. No one who has spoken for the SDI Program has opposed arms control. All, however, have recognized a bitter reality of history: That the world is an uncertain place, and that deterrence and defense are the only ways in which the most peace living States can ensure their security.

I do not claim to be a prophet. There are, however, a series of developments taking place in the developing world and the Soviet Union which I feel are critical to our debate and our decisions regarding SDI, and which I feel do deserve further discussion.

The nations of the developing world now spend an average of 20 percent of all Government expenditures on military forces: A total of $175 to $200 billion a year. They take delivery on an average of over 40 billion dollars' worth of arms a year, including approximately 1,500 modern main battle tanks, 2,000 artillery weapons, 3,000 other armored fighting vehicles, over 100 combat ships, 350 supersonic jet combat aircraft, and 5,500 surface-to-air missiles.

As Iraq has shown, some such nations can become massive threats to the security of their region, and this threat is almost certain to grow with time:

At least six countries are deploying or actively developing nuclear weapons.

At least 14 countries now have offensive chemical weapons.

Seven developing countries have biological warfare capabilities.

Twenty-one countries now have tactical ballistic missiles. Eighteen developing nations are likely to possess long-range tactical ballistic missiles by the year 2000, and up to 15 countries may be able to manufacture them.

Nine developing countries seem likely to acquire imagery satellites by 2000.

At one level of threat, the countries we are talking about include North Korea, Iraq, Iran, Libya, and Syria. At another they include nations we once thought of as stable—such as Algeria and India—who now seem determined to create a major capability to use weapons of mass destruction.

I cannot identify which of these countries will use these capabilities against us or our allies, any more than any member of this body predicted Saddam Hussein would seize Kuwait during the debates over defense cuts in early 1991. I do, however, feel that the advances taking place in booster technology and the weapons of mass destruction in the developing world will almost certainly inspire the Saddam Husseins of the year 2000 to try to target the United States.

Further, we are not talking about the instant deployment of strategic defenses, or freezing our development and deployment efforts for decades to come. We are talking about a concept that will be implemented slowly over time, and which we can evolve to suit a changing world. We are talking about an initial deployment permitted by the ABM Treaty, and an effort which may—by itself—deter hostile developing nations from efforts to use the advances in booster technology to develop missiles that can reach the United States. We are talking about a limited defense effort—of no more than 100 interceptors—that may be enough to persuade the Soviet Union that is simply cannot benefit from further efforts to improve its offensive forces.

We are also talking about a mix of land and space based technologies that will do far more than secure the United States against the direct threat of proliferation and accidental launch. If the world does become more threatening in the 1990's and after the year 2000, there is no way we can provide ATBM coverage for our forces, our allies, and those who are threatened by dictators and aggressors all over the world—particularly when the cost of adding range to missiles will decline year after year after year. Only a mix of land and space based systems can provide cost-effective global coverage.

In the case of the U.S.S.R., let me note that I believe that the cold war is over. I do not, however, believe there is no Soviet nuclear threat. I do not believe that we can issue the Soviet Union a blank check of trust.

In fact, one of the ironies of the START Treaty is that it has taken so long to negotiate that, even after the START reductions take place, improvements in Soviet accuracy and MIRVing will leave the post-START Soviet threat against the United States just as lethal as it was when the START Treaty negotiations began.

Soviet heavy ICBM's, for example, will have improved enough in accuracy and lethality to have offset the coming cut in their number. Upgrades to Soviet medium ICBM's will give them much of the lethality of the heavy ICBM's of the past. And, there are massive ongoing upgrades to Soviet SSBN's and mobile ICBM's at a time when we have virtually scrapped our ICBM modernization effort and have made major cuts in our Trident Program.

We could, of course, deal with these uncertainties by buying more offensive nuclear weapons or making massive improvements in our strategic offensive weapons of the kind that the Soviet Union insists upon. This, however, seems the worst way to influence the developing world, and is the most dangerous way of competing with the Soviet Union. It is the most uncertain way to deal with uncertainty.

The alternative is a step-by-step approach to SDI. It is a phased and evolutionary program that will give us ample time to discuss the problems we face with the Soviet Union. It is a program that will slowly bring us to the edge of a deployment capability without threatening the peace.

If the developing world changes its course, and if the Soviet Union radically alters its present nuclear improvement programs, we will have wasted nothing. In fact, our lead in defensive technology will be a powerful incentive to both the developing world and Soviet Union to moderate their course.

If, however, we move forward into the mid and then the late 1990's, and the world has grown worse, we will be ready. We will be ready with defense and this is inherently more stable than a world in which the Soviet Union targets some 18,000 weapons on the United States.

Further, for all the talk of the ABM Treaty, the success of this treaty consists solely of the fact that superpower competition was channeled into building more and better strategic nuclear weapons. Success consists of a period in which the destructive power targeted on the United States more than doubled, and the Soviet Union gained an advantage in virtually every measure of first strike capability. In war fighting terms, the only thing this treaty could accomplish is the epitaph: "They died with the ABM Treaty unchanged."

I do not believe we should reject the ABM Treaty, but I do not believe that it is engraved in stone. The U.S.S.R. has said that it is willing to discuss the issue, and there may be no better way of forcing the Soviet leadership to come to grips with the true meaning of its ongoing efforts to upgrade its missile forces and the threat of proliferation.

In contrast, arms control for the sake of arms controllers is like law for the sake of lawyers: It loses all meaning and becomes dangerous. Let me remind this body that from 1922 to 1938, European efforts at arms control and the Washington Naval Arms Treaty also became sacred cows that lost their meaning. As a result, they became powerful forces that encouraged the rise of Nazi Germany and the attack on Pearl Harbor.

The issue at hand is not arms control for the sake of arms control, it is defense and strategic stability. Those who believe that they are at the end of history may believe that all that is necessary is arms control for the sake of arms control. Those who want to survive history, will advocate SDI and the defense of this Nation, its forces, its allies, and its friends.

Mr. NUNN. Mr. President, I am about to propound a unanimous-consent request, but I do not want to do so without the author's understanding of it. What I would propose to do, without asking for the unanimous consent at this point, is to temporarily set aside this Harkin amendment and move on to the other Harkin amendment and debate that amendment under the previous order which had time limitations and other limitations and then, after the completion of that debate, to have the rollcall vote on the first Harkin amendment followed by the rollcall vote on the second Harkin amendment.

Mr. HARKIN. I have no objection to that. Before we leave this, I want to ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. NUNN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time controlled by the Senator from Georgia is yielded back. All time has expired on the first Harkin amendment.

UNANIMOUS-CONSENT AGREEMENT

Mr. NUNN. Mr. President, I ask unanimous consent that the Harkin amendment be laid aside temporarily and Senator HARKIN be recognized to offer an amendment regarding deployment, I believe the date of the deployment, to be considered with the previously agreed-upon time limitations and other restrictions. I further ask that when all time is used or yielded back on the Harkin amendment on deployment, which is the second Harkin amendment, that the question occur on or in relation to the Harkin amendment No. 980, without intervening action or debate. I ask, upon disposition of amendment No. 980, the Senate, without intervening action or debate, vote on or in relation to the Harkin amendment regarding deployment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The first Harkin amendment No. 980 is temporarily laid aside.

The Senator from Iowa is recognized for the purpose of proposing a second amendment.

AMENDMENT NO. 981

(Purpose: To strike the deployment date in Section 211, the "Missile Defense Act of 1991")

Mr. HARKIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. JEFFORDS, and Mr. SIMON proposes an amendment numbered 981.

Mr. HARKIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 33, lines 16 and 17, strike out "for deployment by fiscal year 1996".

On page 38, lines 5 and 6, strike out "capable of deployment by fiscal year 1996".

On page 43, lines 13, 14 and 15, strike out "As deployment at the anti-ballistic-missile site described in subsection (b)(2)(B) draws near to the deployment date of fiscal year 1996".

Mr. HARKIN. Mr. President, what was the time agreement on this amendment?

The PRESIDING OFFICER. The time agreement is 30 minutes equally divided.

Mr. HARKIN. Mr. President, I yield myself such time as I may consume.

Mr. President, this amendment simply strikes the deployment year 1996 in the Missile Defense Act of 1991. It leaves everything else unchanged.

It leaves the goal of deploying a treaty compliant 100-interceptor system at Grand Forks. It leaves the instructions to the President to renegotiate the ABM Treaty. I do not favor these steps, but this amendment leaves those provisions as written.

All this amendment does is to remove the starting date of 1996 for the treaty compliant 100-interceptor system at Grand Forks. I offered this amendment because I do not believe there is any rational justification for choosing a deployment year at this time. Proponents of this deployment contend that it would deal with two threats: accidental or unauthorized launch of ballistic missiles, presumably from the Soviet Union or a Third World nation attack.

So far we have had no analysis of these threats. We have no intelligence estimate of when a Third World nation, hostile to the United States, might have both deliverable nuclear weapons and long-range ballistic missiles with the capability to deliver those weapons to the United States. Both capabilities would take many years if not decades for a Third World nation to go beyond, say, the status of Iraq, for example. Iraq is actively pursuing the acquisition of enriched uranium, but has not yet tried to build a crude bomb, let alone a deliverable nuclear weapon. Iraq has modified Soviet Scud missiles by extending their range, but has no program to develop intercontinental ballistic missiles, including the difficult task of designing and building reentry vehicles to survive the enormous heat and stress of reentering the atmosphere traveling at speeds of 15,000 miles per hour. The Iraqi modified Scuds broke up in flight at speeds 5 or 6 times slower.

If the intelligence community concludes that no potentially belligerent Third World nation would have both deliverable nuclear weapons and long-range ICBM's for 15 years, and if we could deploy a 100-interceptor system at Grand Forks in 5 years, then why rush to deployment now?

We have time to consider the threats, and to plan the most cost-effective strategy to minimize those threats. And if the United States and its intelligence community decides in 5 or 10 years that diplomacy and export controls will not prevent a potentially belligerent nation from acquiring nuclear weapons and ICBM's, then we would be better off waiting for SDI to develop higher performance ground-based interceptors before committing to deployment. Deployment now for an artificial 1996 deadline could lock in less capable interceptors facing no plausible threat.

At this time, we have not even completed the research and development to choose which missile we would deploy at Grand Forks. The SDI Program is developing both the exoatmospheric GBI system that would attack warheads in outer space, and the Endo-Exoatmospheric Interceptor [E^{2}I] that would attack warheads after they began reentering the atmosphere. Serious uncertainties exist in both of these interceptor programs and their associated sensors. Without further development and flight testing, it is premature to pick a deployment date. What ever happened to "fly before buy"?

With respect to accidental or unauthorized launches of nuclear armed ballistic missiles, why has this threat been brought to our attention at this time? With improved superpower relations, it seems rational to me that the risks of accidental launch are decreasing, not increasing.

And if the threat of accidental launch is rising, why are we not exploring other, more cost-effective measures, such as placing self-destruct explosive devices on all ballistic missiles?

Why are we not sharing PAL's [permissive action links] with the Soviets, to make sure that their nuclear weapons are under the best possible control?

We are not forcefully pushing ahead to START II, to make deep reductions in offensive nuclear weapons? The surest approach to reducing the probability of an accident is to reduce the numbers of nuclear weapons on both sides.

Mr. President, I would suggest that we take our time to fully analyze the threats and the possible remedies before we rush to select a deployment date.

We could be where we were many years ago, as the Senator from Washington pointed out, when we deployed some of these missile systems and found out they really were not needed to meet the threat that confronted the United States.

As I understand, Mr. President—the chairman may be able to correct me on this—but it is my understanding that there have been no hearings on this deployment. The Senate has not heard any outside experts. We have not considered the options that might be available to us like sharing permissive action links with the Soviet Union to make sure the nuclear weapons are in the best possible control, or other cost-effective measures, such, as I said earlier, by placing self-destruct explosive devices on all ballistic missiles.

Why are we not forcefully pushing ahead to START II to make deep reductions in offensive nuclear weapons? The surest way to reduce the probability of an accident is to reduce the numbers of nuclear weapons on both sides.

The amendment is very simple. It strikes the deployment date, leaving it open for our intelligence community, for Armed Services Committees to have hearings to find out what the threat is. How soon will a Third World country be able to develop, as I said, both a deliverable nuclear weapon and the intercontinental ballistic missile capable of delivering such weapons to the United States.

Second, with regard to the Soviet Union, here we are giving it most-favored-nation status. They are democratizing. They want to cut down on their nuclear arsenal. We signed START I.

It seems to me that is the path we ought to keep on with the Soviet Union to reduce the possibility of an accidental nuclear launch of an intercontinental ballistic missile. This is what this amendment really does. It takes a look. Let us take the time to assess the real threat, find out when that threat will become a real threat. If it only takes 5 years, and obviously what they are telling us with this bill is that it only takes 5 years to deploy these missiles, then at some point if we see the threat is 10 or 15 years away, then why do we have to rush into it right now? Let us wait and see what timeframe we really have to respond to a possible threat. That is all it does, Mr. President. It just strikes the deployment date of 1966.

I reserve the remainder of my time.

Mr. WALLOP. Mr. President, I will be very brief. I am referring to an article from the New York Times on Monday, July 15, which I think bears great relevance to this debate. It is about Iraq. The headline is "Iraqi Atom Effort Exposes Weakness in World Controls."

> Scientists and weapons experts, surprised that Iraq secretly used a method abandoned by the West half a century ago to enrich uranium, say Iraq's feat is a blow to international efforts to stem the spread of nuclear arms.
>
> In a single stroke, it has overturned decades of assumptions about which procedures and materials need to be safeguarded.

It goes on to say:

> The fact that the Iraqis quietly used the forsaken method at all to produce weapons fuel showed great cleverness, the experts say.

It goes on:

> Dr. Mark also criticized the nation's intelligence agencies for apparently failing to have discovered the clandestine effort at uranium enrichment.
>
> "Why spend all that money on intelligence when it apparently and evidently learns nothing?" he asked. * * *
>
> Leonard S. Spector, an expert on the spread of nuclear arms at the Carnegie Endowment for International Peace in Washington, said news of the Iraqi enrichment success had toppled the international program to stem weapons proliferation, which has focused on limiting advanced methods. "It's cataclysmic," he said. "All this was being done in Iraq without anybody knowing it. So who else is doing it? Everybody in the community knew this kind of thing was a possibility. But to be confronted by an example is devastating."

I would say to my friend that what the Senate committee has tried to do is put the experience of this war in some kind of perspective on behalf of the American people. And the route that I suggest the Senator is taking would reject that whole conclusion, that whole lesson and simply say there was nothing for us to learn. The bipartisan balance that is contained in the Senate Armed Services Committee proposal is a very responsible approach to a new world in which all of us live now and did not think we lived in even so much as 1 year ago tomorrow.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, I yield 2 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington [Mr. ADAMS] is recognized for up to 2 minutes.

Mr. ADAMS. Mr. President, I think this debate concerns me more than almost any other that we have had on the floor for the simple reason that it goes back to the argument of the 1970's and repeats them. I have not objected, and neither has Senator HARKIN or others, to trying technological developments, trying to move ahead. But we have deployed various types of groundbase missiles from about 1955 on. We have tried one after another and they have all failed. When star wars came up, we are appalled because the scientific community once again said, this will not work. It may destroy the peace efforts between the two major powers and it will not work.

Now we have spent an enormous amount of money on this SDI program. If that money could have been spent in reducing the national debt, $40 billion, and if you figure 7 percent a year interest on that debt, that is a pretty good sum of money. If all of that money could have been spent in developing our technology in the automobile or the airplane or a number of other areas, we would be more competitive in our products around the world.

It is time to start concentrating on our people, and this amendment will help. To set off the deployment date as Senator HARKIN has said is not going to harm anybody. It is not going to change our defense posture.

Our defense posture for the next 10 years in Third World countries, and Fourth World countries, is going to rely on intelligence, nonproliferation as bad as it may be stated by the Senator from Wyoming, it is going to rely on a number of factors other than building of a lot of missiles in South Dakota. So I hope the Harkin amendment will be adopted.

Mr. President, so far, we have considered several amendments to moderate SDI and to guarantee our compliance with the Antiballistic Missile Treaty. I have supported those amendments, because the SDI system in the bill threatens to bankrupt the country and shatter international treaties, and I will continue to support such amendments. I rise at this point in the debate to say, simply, that this country cannot afford this SDI system. This amendment offers an exceptional compromise that will ensure protection that is fiscally sound.

I look around me today and see many of my most thoughtful and well informed colleagues working to achieve some suitable protection for the American people. Let me say, unequivocally, that I share their desire. But where does this protection start? Do we begin by protecting against the remote threat of an intercontinental ballistic missile attack? Or do we protect a woman's right to feed her children? Or the right of all Americans to adequate housing and education?

We can't do both. We must set realistic priorities and work diligently and consistently to achieve them. If we are to address the domestic priorities that all of the Members of this body profess to want to address, we cannot afford a 50-percent increase in SDI spending from last year's level. Let's work realistically toward a limited, single-site defense system that will not throw the ABM Treaty to the wind, and allocate the resources that our current domestic crises are crying out for.

I urge my colleagues to vote for the Harkin-Simon amendment before us. By reducing the SDI authorization to $3.2 billion would provide a net deficit reduction of $700 million. Even with this much-needed savings, the amendment would increase funding for ground-based theater missile defense systems.

This amendment is fiscally responsible, and offers a reasonable compromise that should be adopted. We cannot have it both ways on SDI and domestic programs, and I thank Senators HARKIN and SIMON for offering this responsible solution.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. HARKIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes 50 seconds remaining.

Mr. HARKIN. I will just take a couple of minutes.

I want to respond to the distinguished Senator from Wyoming talking about Iraq. It is a long path from calutrons to deliverable nuclear weapons. Yes, it did come as a shock I think to most of the world to find out what the Iraqis had been doing with their electromagnetic devices for uranium isotope separation. But after they build enough calutrons, then they have to enrich enough uranium to make one or two bombs. After that, they have to build some kind of crude device, and then they have to design, build, and test a deliverable nuclear weapon. Finally, they have to design, build, and test an ICBM.

So they have to go through all these three steps before they could ever deliver a nuclear bomb from there to here. Not to say that they will not ever do it, or they cannot ever do it, but that is a long way down the road.

In regard to the defense that is needed against short-range tactical missiles, as I said in the previous amendment I offered, I left in full funding for theater missile defense research. So it is a long path for any Third World country to take before they would have not only deliverable nuclear weapons but the means to deliver them with an ICBM.

You know the Scuds were already starting to break up in flight and for an ICBM, which travels about 5 to 6 times faster than a Scud, the stress increases as the square of the velocity. The stress on an ICBM is therefore 25 times the stress on a Scud missile. And so they have a long way to go before they could ever deliver a nuclear weapon to the United States.

My amendment basically says that we should have an assessment of the real threat. What is the timeframe for that threat? Let us not rush into and put something out there now that may not really meet the real threat that may come 10 or 15 years from now if in fact we only need that 5-year window of time.

So I hope we would have some hearings on it, bring in the intelligence community, outside experts, consider what the options might be that we might want to pursue. This would, A, be more cost effective, and B, save us some money, and C, really provide for our real defense rather than leaping into something that may not happen.

I yield back the remainder of my time.

The PRESIDING OFFICER. The time controlled by the Senator from Iowa is yielded back.

Who yields time?

Mr. NUNN. Mr. President, just a few words in closing. And I say to all our colleagues who are listening, I think we will have a couple of rollcall votes here in the next few minutes.

Mr. President, the Senator from Iowa earlier mentioned that we had not had hearings on this subject or on this proposal. It is true that we did not have this amendment drafted and then have a set of hearings on it. But what we have had is a whole series of hearings over the last 8 years on the subject of SDI, extensive hearings. We probably have had 40 days of hearings total on the whole question of SDI.

And since 1988 I have been talking about the accidental launch protection system. I have been asking witness after witness after witness about their views on it. We have had critiques of it. We have had people who said it made sense, we have all the whole range of opinions on it. So we have had hearings.

There was a hearing dedicated to nothing but the accidental launch protection system. That is what it was called at that time. That was our description, because that had been the term I had been using in my remarks. We had a dedicated hearing on that specifically in 1988 and had people who were both for it and against it appear under the chairmanship of Senator EXON who is head of the Strategic Subcommittee.

It is true that we have not had hearings on this particular proposal, because this proposal evolved out of all of that and came in markup and is the nature of what the harvest is after an awful lot of planning and thoughts over the years.

Mr. President, I oppose the Harkin amendment that we are now debating which is relating to the time element. The amendment would delete from the committee SDI provisions a target date of 1996 for the initial operation capability for the Grand Forks or single-site limited ABM defense site.

Mr. President, it is important, when we are embarking on any new initiative, it is important I think to set a goal. It is important to declare a goal. Setting a goal matters. It makes a difference.

What matters also is setting a target date for achieving that goal. As I have said before in this debate, we in the Congress have set many goals. We do not always achieve those goals but we do set goals.

In 1961, it was important that President Kennedy declared the goal of landing a man on the Moon. But he did not just say people of America, "I hope one day we will land a man on the Moon." He set a date. He was not absolutely certain we were going to meet that date. He could not tell whether every rocket was going to be built on time or whether all the programs were going to work. He hoped it would. But having that date made an enormous amount of difference in the whole program, and of course it turned out the date was met.

Without having a date, without having a timeframe, it is very unlikely we would have ever gotten to the Moon by 1970. We have set a target date in this goal, in the architecture we have set forth here, of 1996, as the Senator has observed. That does not guarantee we can meet that timeframe.

We will be reviewing every year to determine it. We are having to slide programs all the time. I just got a telephone call a few minutes ago on a program that is going to have to be delayed because they ran into a problem. That phone call came from the Pentagon. We are going to have to delay at least the achievement of certain goals in respect to that particular program, unrelated to this subject here today.

But it is important we have an initial operating capability [IOC] goal. I think it is important for Senators to understand there is a difference between the IOC, which is the initial operating capability—that means having a missile or two missiles that are basically in position and can be operated—there is a big difference between that and reaching the full operational capability. The full operational capability may be 1 year later, it may be 2 years later. We do not have that information now. But we have set a goal. I think it is important to continue that goal.

I would oppose the Harkin amendment.

Mr. ADAMS. Will the chairman yield for a question?

Mr. NUNN. I will be happy to yield.

Mr. ADAMS. I just wanted to know which of these options the committee was pursuing with this deployment. We had a racetrack which went around the whole west at one time. Then we had trains going in and out of air bases carrying missiles. Then we had what was called dense pack, which would have put a hundred missiles in one site in North or South Dakota, but it was found that electrical discharges would send them all up in the air and explode them. Then we decided just to put them in the holes where we have them now.

I wonder if the committee—since it has a deployment date, a goal—whether or not it is too soon to have that in mind? Or if the Senator could tell me whether he has decided on one of these things, or which of the steps he has outlined he is going to take?

Mr. NUNN. The Senator is referring to the steps we all went through and were frustrated by with regard to the MX, which is an ICBM. We still are struggling with. We ended up putting those MX's in the silos.

I think the point of the Senator is correct in the extent we went through those various MX deployments. These missiles are interceptor missiles. They are not designed to fly to the Soviet Union. They are basically designed to be able to intercept missiles coming toward the United States.

So I do not think we will have that kind of deployment debate. There is no question these missiles will be deployed on the ground. There is no question they will be deployed in silos. They will not be mobile. We will not have racetracks. None of that will be applicable in this case because the purpose of these missiles is totally different. They have a different mission.

Mr. ADAMS. I understand these missiles, which are intended to protect the United States—we are not protecting just South Dakota, at least I assume that is not what we have in mind—have a minimum range of somewhere around 2,000, 3,000 miles. That makes them a very long-range ICBM, which faces the same kind of problem as the original missiles we were using for deterrence.

That is why I asked the question. We are faced with exactly the same problem. I see us putting a lot of money into missile defense. I have the utmost—and I mean this very sincerely—for the Senator from Georgia and the Senator from Virginia. I think they are both beautifully intelligent people and I think they also are very dedicated people.

But I see us jumping off on a program here that we have been through at least twice before. Does my colleague have something in mind for a 2,000- or 3,000-mile missile that is somehow going to travel around the United States and be deployed by a specific date?

That seems to be what the Senator is saying, if he sets a deployment date that puts into motion a whole series of things. As the Senator outlined, we would develop the missile decide where to put them and how to put them there. We cannot use the same holes we have now because those holes will not defend the entire United States, unless we have some kind of missile I have never heard of.

Mr. NUNN. The Army has done the major work in this respect, along with the numerous contractors involved, because there are several competitor interceptor missiles. They have not selected the missile yet and probably will not for a couple of years. All have agreed that a 1996 initial operating date is a realistic date.

But, again, I have seen realistic dates slip before and it could slip. There is nothing in the law that says it cannot slip. We are setting that as a goal, but if we do not have any goal we do not make much progress on any weapons system. We have virtually no weapons systems in this entire bill that does not have a goal for initial operating capability. That is just part of the procurement process.

I thank my friend from Washington. I will be happy to yield back all my time. I believe the yeas and nays have been ordered.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. All time has been yielded back on amendment 981.

The yeas and nays have been ordered on amendment 980. They have not on amendment 981.

Mr. HARKIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. NUNN. Mr. President, is a tabling motion in order?

The PRESIDING OFFICER. A tabling motion is in order.

Mr. NUNN. Mr. President, I ask unanimous consent the first vote be the normal vote, and the second vote be a 10-minute vote.

The PRESIDING OFFICER. Without objection, it is so ordered. The first vote will be the normal 15 minutes and the second vote will be a 10-minute vote.

AMENDMENT NO. 980

Mr. NUNN. Mr. President, I move to table the Harkin amendment now pending, and I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the motion to lay on the table the amendment (No. 980) of the Senator from Iowa.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from California [Mr. CRANSTON] is necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

The PRESIDING OFFICER (Mr. HEFLIN). Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 60, nays 38, as follows:

[Rollcall Vote No. 171 Leg.]

YEAS—60

Baucus
Bentsen
Bingaman
Bond
Boren
Brown
Bryan
Burdick
Burns
Coats
Cochran
Cohen
Conrad
Craig
D'Amato
Danforth
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Garn
Gorton
Graham
Gramm
Grassley
Hatch
Heflin
Helms
Hollings
Inouye
Kassebaum
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Robb
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wirth
Wofford

NAYS—38

Adams
Akaka
Biden
Bradley
Breaux
Bumpers
Byrd
Chafee
Daschle
DeConcini
Fowler
Glenn
Gore
Harkin
Hatfield
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone

NOT VOTING—2

Cranston
Pryor

So the motion to lay on the table the amendment (No. 980) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 981

Mr. NUNN. Mr. President, I believe we have a pending amendment, the second HARKIN amendment. I move to table that amendment and ask for the yeas and nays.

The PRESIDING OFFICER (Mr. BRADLEY). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Georgia to lay on the table the amendment of the Senator from Iowa. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from California [Mr. CRANSTON] is necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 64, nays 34, as follows:

[Rollcall Vote No. 172 Leg.]

YEAS—64

Baucus
Bentsen
Bingaman
Bond
Boren
Breaux
Brown
Bryan
Burdick
Burns
Byrd
Coats
Cochran
Cohen
Conrad
Craig
D'Amato
Danforth
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Gorton
Gramm
Grassley
Hatch
Heflin
Helms
Hollings
Inouye
Kasten
Kerrey
Kohl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Reid
Robb
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wirth

NAYS—34

Adams
Akaka
Biden
Bradley
Bumpers
Chafee
Daschle
DeConcini
Glenn
Gore
Graham
Harkin
Hatfield
Jeffords
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wofford

NOT VOTING—2

Cranston
Pryor

So, the motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

Mr. NUNN. Mr. President, I intend to propound a unanimous-consent agreement that has been agreed to by the authors of the B-2 amendment. This is a Leahy-Cohen B-2 amendment.

I ask unanimous consent that when Senators LEAHY and COHEN offer their amendment relating to the B-2, that there be 4 hours for debate, equally divided and controlled between myself and Senator LEAHY; that there be an additional 45 minutes for debate under the control of Senator SASSER; that no amendment to the amendment be in order, nor to any language which may be stricken; that no motion to recommit be in order; further that when all time is used or yielded back, the Senate, without intervening action or debate, proceed to vote on or in relation to the Leahy-Cohen amendment.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Mr. President, reserving the right to object, and I shall not, I understand that this, of course, does not preclude other amendments relating to B-2 or strategic bombers to come up. I have none of my own. I want to make that clear for others who have asked.

Mr. NUNN. It does not prevent them from coming up. It does not encourage them from coming up, either.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Mr. President, reserving the right to object, I want to make certain that the unanimous consent as drafted in no way precludes the yielding back of time by all Senators. I want to make that clear because we are in an effort to move this bill along. It may well be that the full time is not required.

Mr. LEAHY. Mr. President, further reserving the right to object, I would let the distinguished senior Senator from Virginia know that it is the intention of one of the sponsors of this, if it at all possible, to yield back time. But as I have told the distinguished managers of the bill, there has been an effort to accommodate numerous Senators both for and against the Leahy-Cohen, et al., B-2 amendment. That is why this amount time has come up.

Mr. WARNER. I thank the distinguished colleague.

May I ask, could we see a copy of the amendment?

Mr. LEAHY. Of course. This is basically the freeze at current production, but I would, certainly, yes. I thought the distinguished Senator had a copy. I will make sure he has it.

Mr. NUNN. It is my understanding, if the Senator would yield, this would eliminate all production in the committee bill which in fact would eliminate four aircraft.

Mr. LEAHY. We will have a copy.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 994

(Purpose: To reallocate for deficit reduction and the Strategic Defense Initiative the amount authorized to be appropriated for the Defense Agencies for fiscal year 1992 for research, development, test, and evaluation)

Mr. BUMPERS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arkansas [By Mr. BUMPERS] proposes an amendment numbered 994.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

Strike line 17, page 40, through line 12, page 41, and insert the following:

(A) not more than $840,000,000 shall be available for programs, projects, and activities within the Limited Defense System Program element;

(B) not more than $857,460,000 shall be available for programs, projects, and activities within the Theater Missile Defense Program element;

(C) not more than $305,373,000 shall be available for programs, projects, and activities within the Space-Based Interceptors Program element;

(D) not more than $775,149,000 shall be available for programs, projects, and activities within the Other Follow-On Systems Program element;

(E) not more than $822,018,000 shall be available for programs, projects, and activities within the Research and Support Activities Program element; and

(F) not less than $1,000,000,000 shall be available solely for reducing the Federal Government budgetary deficit for fiscal year 1992.

Mr. BUMPERS. Mr. President, I think this is the sixth and just about the last SDI amendment. This is an amendment which cuts the spending on SDI overall by $1 billion, from $4.6 billion to $3.6 billion. But that's still a 20-percent increase over this year's level.

Let me say at the outset, Mr. President, the amendment as described in the "Dear Colleague" letter on your desk is slightly in error. In the second item, phase 1 of Brilliant Pebbles, the figure should be $305 million instead of $155 million; and on so-called follow-on technologies, that should be $755 million rather than $925 million.

Mr. President, there are some points that need to be made to open this debate, and the first one is everybody here agrees that we are going to wind-up building some kind of a limited antiballistic missile system. I myself have said that is one thing that makes some sense against accidental launches and unauthorized launches of intercontinental ballistic missiles.

The language, incidentally, that is used in all these strategic weapons debates should be rather precise, and I just got through saying a limited defense system against accidental, unauthorized launches or even Third World launches of intercontinental ballistic missiles might make some sense. I did not say anything about cruise missiles or bombers or clandestinely introduced weapons. Because the limited system that is envisioned in the bill before us does nothing—repeat, nothing—to keep the Soviets, Mu'ammar Qadhafi, or Saddam Hussein from hiring a private jet airplane in Cuba to fly into the United States and drop a nuclear bomb. SDI, Brilliant Pebbles, or whatever technology we may settle on is to take care of weapons coming in from outer space.

Explore that for a moment. We could build a system in the central part of the United States, and I believe that Arkansas would be protected. The temptation to vote for this because my State is one of the few States that would be protected is almost irresistable. But my State will not be protected against a private jet flying from Cuba across Louisiana, into Little Rock, AR, and dropping a nuclear bomb. You could spend $12 billion to $100 billion on this limited system and you have not touched that.

So, Mr. President, my amendment ought to please everybody, including the chairman of the Armed Services Committee, because I leave in the bill $840 million—repeat, I leave in the bill $840 million—to begin research on the so-called limited ground-based antiballistic missile system.

Now, why would anybody be offended by that? What is the big rush, when the defense community, the intelligence community, tell you that there may be three more countries by the year 2000 added to the ICBM family.

Experts say that anybody that can put something in space has the potential capability. So that means that Brazil and Israel and India, by the turn of the century, could possibly join the Soviet Union, the United States, China, France, and Britain in the ICBM category.

But they will also tell you that the people you say you fear, Third World enemies, will not have the capability until well past the turn of the century. So why do we want to abrogate the ABM Treaty and start deploying our first part of a limited ground-based defense system in 1996?

Second, why do you want to to put $1.551 billion into a ground-based ABM system when not one person in this body has a clue as to what kind of technology we are going to use to do it? Why not proceed with a little sanity? I know that in a shock to a lot of people. But why not use a little common sense in how we approach this?

Mr. President, a lot of people have forgotten the big furor in this country to build an antiballistic missile system back in the 1960's. In the ABM Treaty, signed in May 1972, we provided that both the United States and the Soviet Union could each have two separate ABM systems. Later they decided to cut it to one system. We built the system.

People here have forgotten that we built an antiballistic missile system in North Dakota, in Grand Forks. Back in 1975, one of the first votes I cast in the U.S. Senate, after we spent $6 billion on it, was to start dismantling it. Any why? Because we went headlong into building it with no thought as to whether the technology was going to work or not. Se we spent $6 billion of the taxpayers' money and started dismantling almost the day it was finished. Any you could head right down the same path if we pass this bill in its present form.

So what I am saying is $840 million "ain't bean bag" for the first year. And you are not going to develop the technology any faster by putting $1.551 billion in it. And some of the money, quite frankly, if I had my way about it, some of the $1.551 billion ought to go into air defense systems.

Mr. President, we have an air defense system along the Canadian border because we assume that the Soviet Union will send their bombers over the North Pole to strike the United States. That is about the sum and substance of our air defense system. The east coast and the west coast and the southern coast off the Gulf of Mexico are not really defended.

My God, some poor, lonely Cuban pilot tried to defect a few months ago and bring a Soviet-made Mig to the United States because he wanted to defect and they made him circle Homestead Air Force for 30 minutes before they would let him land; we did not even know it was a Soviet Mig.

So here we are talking about spending $1.5 billion for the first year on a system that nobody has a clue as to how it is going to work. But put the best face on it and assume it is going to work magnificently, and you still have a vulnerability big enough to drive a wagon and team through.

You can spend $1 trillion on SDI; you can spend $40 billion in Grand Forks, ND, and you still will not keep Saddam Hussein, Mu'ammar Qadhafi, or any other lunatic in the world from introducing suitcase-size nuclear bombs in a bale of marijuana. And that is where I would put it. We cannot ever find most marijuana. If I were Saddam Hussein and wanted to attack the United States with a nuclear bomb, I wouldn't spend billions to develop an ICBM. I would take the nuclear bomb and I would conceal it in a marijuana bale and direct that it be placed under the Statue of Liberty or the Washington Monument. And all the trillions or hundreds of billions you spent will not stop it.

Or I would place a whole bunch of ships off the east and west coast loaded with cruise missiles that fly 200 feet off the ground.

All the trillion dollars you would have spent on SDI or the $40 billion on Grand Forks will not stop one single cruise missile from coming into this country. The trillion dollars you spend on SDI and the $40 billion you spend on Grand Forks will not stop one single airplane from coming into New York City, or Los Angeles, or San Francisco, or New Orleans, or Miami. What good will your trillion dollars do you then? Zip; zero.

So to come back to where I started, I am saying I am leaving $840 million in here. I think it is too much, but I am trying to buy some votes. It is sure a lot better than a billion and a half. And I am saying, if we had any sense it would not hurt to use a part of this $840 million that I am leaving in my amendment for this limited system to start building our east and west and southern coast air defenses.

The Soviet Union thinks they have the most magnificent air defense system in the world, and they have spent somewhere between $300 billion and one-half trillion dollars on an air defense system, and a 27-year-old kid from Berlin flies a Piper 150 and sets it down in the Kremlin yard. And a couple of Korean airliners flew over Soviet territory for hours before they were detected. And I must say, that points out how silly some of this stuff is.

The other point I want to emphasize strongly, because I do agree with this, is that I do not—repeat, do not—change the funding numbers on theater missile defense from the figures of the Armed Services Committee. The Patriot did not perform as well as it is reputed to have performed. But it performed in a way that was rather surprising and pleasing to a lot of people. I am pleased to say I had always been a supporter of the Patriot. And it shows that we need theater missiles; missile defenses against these short-range missiles.

But we are not going to build a Patriot that will stop a ballistic missile coming in from outer space if it is intercontinental.

For the edification of my colleagues, the Scud comes in from outer space at 3,000 miles an hour Do you know the speed the warheads come in off the SS-18, the Soviet Union's SS-18? 16,000 miles an hour. We are talking about apples and oranges when we are talking about these two systems.

I can tell my colleagues, stopping an intercontinental ballistic missile, it is not harder just because it is five or six times faster; it is a lot more than that. The technology required is so much greater.

Everybody says, well, the Soviet Union still has one deployed around Moscow, an antiballistic missile system around Moscow.

Talk to the CIA. That thing would not hit a bull you-know-where. It is absolutely, utterly worthless, just as ours at Grand Forks was, and we had the good sense to dismantle ours.

I am not trying to stop GPALS. I am not trying to stop a limited anti-ballistic-missile system. What I am saying is we do not have to deploy it in 1996. We are getting ready to spend a lot of money that is going to be wasted because of a concept, not because of a technology. We have spent, as of this moment, $24 billion on SDI, and the benefits are so marginal they are not worth discussing. We have discarded virtually every technology that anybody could conceive of since that program started. And nobody knows where it is going.

I leave $300-and-some million in this for Brilliant Pebbles. That is the hardest thing I ever did in my life. Because GAO, on whom we rely so much, thinks just about as much of Brilliant Pebbles as I do.

I do not know anything about space defenses. I am a lawyer. I do not know the first thing about physics. I did not even have high school chemistry. But I grew up in a small town where common sense was a pretty good commodity, and common sense tells me that when five of the original seven key elements of SDI in 1989 have been discarded just 2 years ago, it tells me that the $24 billion we spent so far has been largely wasted. And I do not want to make the same mistake again.

Mr. President, how much time do I have remaining on my side?

The PRESIDING OFFICER. The Senator has 29 minutes remaining.

Mr. BUMPERS. Mr. President, I have others who wish to speak, but I want to address a couple of items. The point has been made over and over again here but it just seems to be lost, or nobody really cares, and that is this so-called new world order and the new relationship we have with the Soviet Union. I do not understand, when you consider the risk, and the greatly reduced risk of the Soviet Union, which is an absolute economic basket case.

Incidentally, do you know what Gorbachev said to Bush at the economic summit in London? "Why do you not come over here and help us convert our military factories to civilian use? That is where we need help."

Would it not be nice, if we were not $4 trillion in debt and not looking at a $348 billion deficit in 1992, to say to Gorbachev, "Count us in, pal. We will help you convert every military capability you have to civilian purposes. We glory in this new world order and the reduced threat of nuclear annihilation." And we keep saying, "If you keep allowing elections, keep letting people vote, and you keep moving toward a market economy, we will consider helping."

As much as I would like to do that, tell me how we do that looking at a $348 billion deficit next year. The deficit has grown so large, we very seldom hear it mentioned around here anymore.

The other day, I tried to torpedo the space station—and I do not denigrate a single Member of this body on how they vote, because that is what people send them here to do is vote, and vote for what they think is right.

But I can almost see the wheels turning when I say we are going to save $1.2 billion. You can hear people's wheels turning in their heads. If the deficit is going to be $348 billion next year, they say, what is $1 billion? I will tell you what it is. It is real money in my State—$1 billion is a lot of money. The reason I have been attacking the space station and SDI and the super collider and all the other boondoggles that are sending this country to economic ruin is because I care about my children and my grandchildren. When you vote for my amendment, you are not just voting to cut $1 billion out of this SDI budget, you are voting to save about $80 million a year in interest costs each year, forever.

Next year, interest will be the biggest item in the U.S. budget. For the first time in history, both defense and Social Security will take a back seat to interest. If anybody around here cares, for God's sake, start voting the way you care.

I sat by a Senator at lunch the other day, one of the most conservative Senators in the U.S. Senate. He said, you know, I spent a lot of time over the weekend trying to figure out if there is any hope for the future of this country, and I have just about concluded that it is irreversible; that all we can do is suck it up and wait for the apocalypse to occur.

I said, I suppose at the belt buckle level I have a tendency to agree with that, but intellectually I do not let myself think that. I am going to continue to come to the Senate floor, and I may get my brains beat out day after day after day, but I am not going to jump in the tank and threaten the very survival of this Nation by voting for these kinds of expenditures on an emotional impulse and at a time when, for example, the British press says it is a colossal mistake for the times. What they were saying is, here is Gorbachev and George Bush clinking their champagne glasses together and saying, "Aren't we wonderful. We have just entered into the START Treaty and just signed the CFE Treaty; is it not wonderful?"

Gorbachev walks out of this magnificent dinner, and one of his military aides says, "Mr. President, do you know what they are doing in the U.S. Senate? They are going all out." Since we have agreed to cut 4,000 warheads out of our arsenal, what do you think they are doing? They are building a defense system to take care of the 8,000 we have left. Do you know the former Soviet commander of the military said to a U.S. military commander, "You go ahead and build SDI, you can probably do it. It will not be worth much to you but technologically I do not deny you can do it." He said, "We do not have the technology or the money to build SDI in the Soviet Union. I will tell you what we will do. We will do what we know how to do best. We will build more missiles with more warheads, and we will overwhelm your system." Which is another way of saying, "If you go forward with this with no consultation with us, the arms race is on again." It may not be on with Gorbachev, but I can tell you at the rate things are going in the Soviet Union, I would say the chances of a military coup are wonderful. Do you think the military of the Soviet Union cannot go to the Russian people and say, "Here is what we have given, and we gave and we gave and we gave, and how do the Americans respond to this new world order? They are trying to build a defense system so that we will be vulnerable and they will not. Instead of deterrence, knowing that we can each destroy each other, they are trying to fix it so they can bring us to our knees by building a defense system and say to us, you cannot attack us and you do not have a system so we can attack you." It is the most destabilizing thing we could do.

Mr. President, do we want to start down the path torpedoing about the only treaty we still have with the Soviet Union, namely, the Anti-Ballistic-Missile Treaty, at the very moment that START Treaty is being signed to cut nuclear warheads? When we start building this defense system without consulting them, they are going to start withdrawing from the START Treaty, which they have a right to do. To assume that the Soviet Union is going to cut and cut and cut while we build a defensive system to destroy the remaining weapons they have, to assume that they are going to sit still and tolerate that is to suggest that they need a saliva test.

Just reverse the roles—I made this point last night; I make it again—what do you think would happen to George Bush if he tried to sell this to the American people and our roles were reversed?

"Senator, you are up next year. How would you sell this to the people of your State that you agreed to cut 20,000 tanks and 20,000 personnel carriers and 4,000 nuclear warheads, and the Russians are going all out to build a system to make sure the remaining warheads we have cannot hit them? Reelect me." You would be laughed off the podium and certainly would be laughed out of the State when the election came around. It is not that much different in the Soviet Union.

Mr. President, I am going to reserve the remainder of my time. I have a number of people who have asked for permission to speak, and I want them to. At this time, I would like the other side to use some of their time, if they would. I yield the floor.

The PRESIDING OFFICER (Mr. LIEBERMAN). Who yields time? The Senator from Mississippi.

Mr. LOTT. Mr. President, I yield myself such time as I may consume.

Mr. President, before I address the pending amendment, I want to make some general remarks about the bill itself. I would like to begin by saying that I think the Armed Services Committee has done a good job with this bill. I want to commend the distinguished chairman, the Senator from Georgia, and the distinguished ranking member, the Senator from Virginia, for their hard work and for their patience in dealing with the members of the committee. I think they did a good job across the board on this bill, whether it is conventional forces or the base closure provisions of the bill. Across the board, I think they did good work, and the committee has produced a good piece of legislation. It is not perfect but it is good overall.

I am very concerned about the overall impact of the reduction in spending. I was opposed to the budget agreement last year, and I still think it was a flawed agreement for a variety of reasons. I opposed the agreement, it did not reduce spending overall, but it did cut defense severely and because it substantially raised taxes. But we made an agreement. Even though I voted against it, I am prepared to support what we did in that budget agreement—in the defense area every other area. The Senate Armed Services Committee did comply with the agreement and we made tough choices in terms of what we are doing with ships, aircraft, personnel—all across the board.

At some point, we are going to have serious problems in meeting the strictures of that budget agreement.

We learned some good lessons from the gulf war. We learned that some equipment worked quite well, and some equipment didn't work well. We proved that our tanks and aircraft are superior fighters. And we found we needed some modernization in our Marine Corps hardware.

Those areas are addressed in this legislation. We beef up some areas and we reduce spending in areas where it makes sense.

I am particularly pleased with what the committee did in the strategic defense area and specifically in the strategic defense initiative. This language in the bill was laboriously worked out in a bipartisan fashion. This is really a historic agreement from the committee on the strategic defense initiative because we did get an overwhelming vote in committee, 16 to 4, a bipartisan vote for the language we have in the bill.

I think the leadership from the chairman and our ranking member clearly made the difference. After years of wrangling and after billions of dollars, for the first time we have an agreement which will allow us to benefit from the money we have spent and finally move us toward strategic defenses. But I will come back to that in a moment. I will also talk just briefly about the amendment we have pending before us.

My concern over this bill is reflected by a quote from former Prime Minister Lester Pearson in Canada in which he said—it would be applicable to America—"The grim fact is we prepare for war like precocious giants and for peace like retarded pygmies."

We have a great opportunity to take a serious look at our military, and ask some serious questions. What do we need? How can we project forces? Where we can make savings, both in foreign investment and in foreign bases and also with our domestic bases?

We have a chance to take a fresh look at what we need with bombers. The B-2 bomber was vigorously debated in the committee. We discussed it. I have problems with it. I question the mission. I question the cost. But I think the committee came up with the right answer. We should go forward with what we have recommended in the bill on B-2. I must say that with me it is a close call, but I have listened to the debate and I feel we do need to go ahead with the committee position.

While this Defense authorization bill is good taken in total, there are fundamental flaws in the direction we are pursuing. If we are not careful, Lester Pearson's pronouncements may apply to us.

IMPACT OF A FLAWED BUDGET AGREEMENT

Last year, the Congress passed, after bitter debate, a buget resolution which mandated harsh reductions in our defense capability—while dramatically increasing taxes and increasing domestic spending.

The argument, used by almost everyone supporting this shift, focused on the fall of the Berlin Wall and the dissolution of the Warsaw Pact. Nobody seemed to think we would ever need the war fighting capability we had built to deter the Soviets.

What a difference a year makes. Never before has the Congress been so wrong. Saddam Hussein and the Iraqi invasion have proved the error of our own decisions. And the cuts forced by the budget resolution are represented in this bill.

With this bill we are committing ourselves to slide down a slippery slope which will lead us to a Navy fleet of less than 350 ships in the next 10 years. We will have 10 fewer Army divisions and a diminished ability to project real military power, represented by the retirement of our remaining battleships.

Secretary Cheney in testimony before the committee acknowledged that we will not have the capability to conduct another deterrent action in the gulf and ensure the defense of our other interests throughout the world.

GULF WAR LESSONS

We learned a lot in the gulf war—and many of those lessons are clearly reflected in our bill. The need for a Marine Corps modernization is a significant lesson. Our marines were the first on the ground to defend Saudi Arabia and deter further aggression. The addition of heavier armament, a beefed up night fighting capability of the Harrier jump jet and the overhaul of maritime pre-positioning will significantly improve the war fighting capability of our Marine Corps.

STRATEGIC DEFENSES

We also learned firsthand the real terror ballistic missiles can impose on a nation and its forward deployed military units; 28 dedicated service men and women lost their lives when one technically unsophisticated ballistic missile struck a barracks in what was formerly called a rear area.

REAGAN'S VISION

In 1981, President Reagan visualized the reduction in size of the superpowers' strategic nuclear arsenals. Reagan's critics cried "We can't do that!" Yesterday, President Bush signed the START agreement in Moscow. Ten years ago Congress said we couldn't do it, but we are doing it now.

In 1981, Reagan set about rebuilding our military capability, which had dwindled into obscurity. A decade later Reagan's vision again produced a success as American military might trounced Saddam Hussein's military in 100 short hours of ground combat. It took 10 years, but we did it.

In 1984, Reagan also had a vision of protecting the American people from nuclear ballistic missile attack. Again, the critics in Congress cried, "We can't do that. It won't work. It is too expensive." So they tried to turn the SDI Program into a research and development program designed not to produce effective defenses. But Saddam Hussein changed all that with nightly ballistic missile attacks on innocent people in Saudi Arabia and Israel.

Today, the committee supports a bill which will begin funding a program which specifically sets out to deploy missile defenses in this country. The critics are still out there singing the same old tired song with the same old bankrupt message. You have heard them already, and you will hear them some more.

But I remind you of the words of H.G. Wells, "Human history becomes more and more a race between education and catastrophe." Will we become educated by our own history, or will catastrophe be our fate. The choice is ours.

If we have learned anything from our experience with Saddam Hussein, it is two things: First, we cannot wholly rely on deterrence to preserve the peace; and second, we must finally get serious about strategic defenses.

The men and women in our armed services deserve it and the American people demand it. The time has come for us to defend our population at home and our troops abroad. Anything less is unacceptable. This bill—for the first time—begins moving this country in the right direction.

Mr. President, some of these same critics want to water down the committee's SDI provisions. I would caution those who may pursue this course. The American people are watching the Senate's action on strategic defense, just as they watched as the Patriot missiles intercepted Scuds over Saudi Arabia and Israel courtesy of CNN.

B-2 BOMBER

The B-2 bomber is one of the most controversial elements of the committee bill. It is essential that we consider the B-2 in the context of the larger strategic picture. Without a robust and effective strategic defensive system, the B-2 is ineffective as a strategic weapon.

Designed as a second strike asset, the B-2 must be capable of surviving an initial strike by the Soviets. Without effective strategic defenses the B-2 basing will be destroyed, rendering it useless as an effective second strike asset or a surviving deterrent force.

Because of this weakness, the B-2 is inextricably linked to a strategic system which comprehensively approaches the question of nuclear deterrence and stability. Taken in isolation, the B-2 is little more than an expensive conventional bomber. In that role it is most effectively employed in contingencies which require no forward basing and a stealthy penetration capability. Limited in this way, it is a very expensive program.

ARMS CONTROL AND SDI

Some critics of the committee's strategic defense package claim "this will destroy the ABM Treaty." Mr. President, it is time to end our dependence on a doctrine of mutually assured destruction and time to start defending the American people as the Constitution requires.

It seems some people are more interested in defending the ABM Treaty than the American people.

Mr. President, yesterday in Moscow President Bush signed a treaty with the Soviet Union which will reduce the current Soviet nuclear arsenal by 25 percent. The same agreement requires that we reduce our arsenal by 10 percent. But what does this really mean?

Since 1985, the Soviet Union has produced and moved into their military arsenal 715 intercontinental ballistic missiles; the United States has produced only 68. The Soviets have produced 450 bombers during this same period of time. The United States has manufactured only 104.

Simply put, we are being outproduced. This bill does very little to address this inequity. We should welcome the changes in the Soviet Union, particularly their reduction in military adventurism; however, we should be very cautious that we do not become the canary who was seduced by the cat. Real arms control is positive, but arms control without verification is destabilizing.

THE BASE CLOSURE PROCESS

Mr. President, last year's bill contained authority for the Base Closure Commission to recommend closure of bases all around the country. This bill continues this process.

Earlier this year, the Commission conducted exhaustive public hearings on the future of this country's basing infrastructure. The Commission held 28 hearings across the country, visited 47 military installations.

After the dust settled, the Commission recommended to the President a list of 36 bases for closure and 43 bases realigned. Under Chairman Courter's guidance, the Commission fulfilled their charge admirably. But it was not a painless process.

Thousands of jobs will be lost. Countless communities will endure economic depression and hardship. All as a result of the Congress' determination that we did not need to maintain our capability and size.

Mr. President, I believe we are acting precipitously and I fear that the day will come when the error of our flawed decision will become evident. We continue to cut too much and too fast.

BASE CLOSURE ACCOUNT FUNDING

Mr. President, this bill contains over $700 million dollars to fund the closure of bases in this country. During committee deliberations, Mr. President, I pressed for clear reporting and close scrutiny of how these funds were being spent. I was not fully successful.

I am convinced that this $700 million is a pair of baggy pants covering an overweight, out of shape, and poorly disciplined bureaucracy which has very little—if any—oversight. At my urging, the committee included in its report a distribution of the military construction funds included in the base closure account, as requested in the budget.

I was not able, however, to get a clearly defined reporting, by project or site, of all environmental cleanup funds paid from the base closure account listed in the report.

In order to clarify for the record the content of the funds requested and authorized, by site, I ask unanimous consent that the document I send to the desk be printed in the RECORD at the conclusion of my remarks. I urge my colleagues to review the uses of these funds carefully. I think you will find the information enlightening.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LOTT. In conclusion, Mr. President, I do believe we have the makings of a good defense bill. It is not perfect, but it is certainly better than the House's bill.

The question remains: When the Senate concludes floor debate on this bill, will we still have the makings of a good bill? Will we have a watered down weak attempt to preserve the status quo or will we use vision and show some rare leadership?

Are we going to defend the ABM Treaty or the American people? Are we going to meet our responsibility or duck it? Mr. President, I urge my colleagues to meet our challenge squarely and support this bill.

EXHIBIT 1

BRAC I—ENVIRONMENTAL RESTORATION

	Fiscal year—			
	PB 1992	SASC 1992	PB 1993	SASC 1993
Army:				
Pueblo Depot, CO	3,270	3,350	3,500	3,400
Lexington-Bluegrass Depot, KY	1,020	1,000	2,000	2,000
Army Matls Tech Lab, VL	26,400	26,200	22,700	22,500
Jefferson Proving Grounds, IN	3,861	3,861	0	0
Umatilla Depot, OR	10,220	10,200	10,400	10,300
AMC Other Properties, VL	14,389	17,998	2,026	5,150
Fort Dix, NJ	14,700	14,700	2,400	2,430
Presidio of San Francisco, CA	8,970	8,970	3,900	3,900
Hamilton Army Airfield, CA	645	645	4,225	4,225
Fort Sheridan, IL	2,390	2,350	3,500	3,500
Fort Douglas, UT	30	40	250	250
Forts Meade/Holabird, MD	32,390	32,300	16,100	16,100
Forts Devens/Huachuca, MA/AZ	10	0	0	0
Cameron Station, VA	230	200	5,375	5,375
Stand Alone Housing, VL	1,250	1,250	0	0
Asstd Properties, VL	1,920	1,905	2,249	2,239
Letterkenny Army Depot, PA	20	0	0	0
Total	121,715	124,969	78,625	81,369
Naval Station, Brooklyn, NY	1,455	1,755	8,500	7,275
Naval Station Ingleside, TX	140	140	0	0
Naval Station Puget Sound, WA	675	1,995	500	3,700
Naval Station, San Francisco, CA	250	0	0	0
Naval Hospital Philadelphia, PA	1,500	8	13,600	11,625
Naval Station Treasure Island, CA	0	102	0	0
Total	4,020	4,000	22,600	22,600
Air Force:				
Pease AFB, NH	11,740	12,750	7,430	7,150
Mather AFB, CA	8,280	4,820	1,790	7,635
Chanute AFB, IL	14,230	27,617	1,150	45,730
George AFB, CA	6,160	34,950	1,250	1,350
Norton AFB, CA	9,690	7,740	20,080	7,290
Total	50,100	87,877	31,700	69,155

Mr. LOTT. Mr. President, briefly on the Bumpers amendment, I urge the amendment be defeated. This is very carefully crafted legislation. It allows us to go forward with a land-based defense. It allows for space-based sensors. It is probably going to lead to some modification of the ABM Treaty, and I think it should. It does not abrogate it. It does not violate it. But it allows us to go forward and get something for our investment.

I wonder why the Senator would want to just reduce $1 billion. If he thinks we do not need these land-based or space-based sensors, then let us wipe it all out. Why have any of it? Why only cut it $1 billion?

My point is now that we have made a substantial investment in this, that we are ready to go forward with getting some benefits, both with the capability for the sensors and the research and development to explore the potential for space-based defenses, that are not included in this language. We are finally to the point where we can actually get something out of all the research and development that has been done and all of the money that has been spent.

Also, for the life of me, I cannot understand the great concern about a defensive system. When I go home and I try to explain to people that we have this MAD, this mutually assured destruction. MAD—the notion that we must hold the population of each superpower at risk so that we can avoid war. I try to explain that MAD will continue—even in spite of the START Treaty—an awful lot of very dangerous missiles aimed at each other, they do not understand why that makes sense. I don't believe it does.

They do understand when you say you would like for us to have a defensive shield, a land-based defense. That is what we are talking about here. And yet you would think we were going to cause a massive war because we are proposing to move forward with a land-based ABM defense system. That is what is in the language in this bill, and that is what we should support.

So I urge my colleagues to oppose this amendment, support this very carefully crafted bill and let us go forward with a reasonable defense plan for the future. I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. EXON. How much time does the opposition have to the amendment offered by the Senator from Arkansas?

The PRESIDING OFFICER. The Senator has 37 minutes, 52 seconds.

Mr. EXON. I yield myself such time that might be necessary, and then I will yield 10 minutes to the Senator from Alabama who is waiting to talk on this measure.

The Senator from Arkansas has indicated that he is somewhat short on time and wondering if we would be able to award him 12 to 13 minutes of our time, which I think we might be able to do, depending on how long some of these talks last. I am going to try to keep mine to somewhat of a minimum, as did Senator LOTT on remarks he just made.

Mr. President, the amendment offered by the Senator from Arkansas has a lot of popular appeal, but I suspect if we take a careful look at the proposition, notwithstanding what I know is a very sincere belief in this area by the Senator from Arkansas—because he has made similar excellent speeches and similar excellent reasoning on SDI amendments in the past—we will not accept this amendment for the very simple reason that while it has some attractiveness to it, it ignores completely the tremendous hours of hard work that were put in on the Armed Services Committee in coming up with the rather delicate balances and compromise that was necessary to get a bill reported out of the Armed Services Committee because—like on the Senate floor—there were sharp differences of opinion inside the Armed Services Committee, some of them shared and enunciated so well on the floor by the Senator from Arkansas. But just as eloquently there were those on the opposite side of the issue, who brought forth their opposition to the basic thrust of the amendment offered by the Senator from Arkansas.

The Senator from Mississippi just indicated that the SDI amendment passed out of the committee on the 16-to-4 vote. That is correct. But it is also correct to say that that was not easily done. In fact, when the SDI funding measure, as part of the overall defense authorization bill, was offered inside the committee the first time in essentially the same form as it was passed out on a 16-to-4 vote, it lost. It lost, Mr. President, and I believe, if I remember correctly, there were 9 votes for it and 11 votes against it.

It was only after a lot of very difficult compromises and discussion on a broad view and a wide range of areas that we finally got the 16-to-4 vote. I am not sure that the 16-to-4 vote adequately represents the agreement that was passed on this. I suspect that there are more than four votes inside of the Armed Services Committee probably more in keeping with the amendment offered by the Senator from Arkansas. At the same time, I can say that I am sure that a majority, if not a substantial majority, of the Armed Services Committee would be against the amendment offered by the Senator from Arkansas on its merits standing alone.

We have had a lot of washing on this ground. We are debating in essence what we have debated on previous SDI amendments. And I would just like to briefly express the feelings of this Senator on this whole matter.

I am not as sure, and I am not as pure, as some Members of the Senate seem to be on what the right level of funding is for SDI. But this, as I state the following, Mr. President, is my belief. I am not sure what the proper funding level should be, but I am sure that the funding level recommended by the Armed Services Committee is a reasonable one to look to the future.

I suspect that the Senator from Mississippi, and several Senators on both sides, Democrat and Republican alike, inside the committee, would like to see a somewhat higher number on SDI than this, and fought very hard for a higher number. Therefore, I think we will be sticking together basically on this issue as far as the committee is concerned.

I say though as a matter of information to my friend from Arkansas that this Senator will be offering two amendments not on SDI, but on the rail-garrison MX and also on the SRAM-T, striking funding in massive amounts for those two programs. I hope and expect that I will have the support and help from my friend from Arkansas on those amendments.

So this simply indicates that this Senator from Nebraska, a senior member of the committee, does not go along with all of the funding mechanism, but I happen to feel that the rail-garrison MX that I will be getting into in a separate amendment at a later time and SRAM-T, are savings that we can make along the lines of savings necessarily being made that have been adamantly and eloquently advanced by the Senator from Arkansas.

Back to SDI, I am not sure what the real level of funding is. I am certainly not prepared at this time to break out of the ABM Treaty, nor am I satisfied, nor will I support zeroing out, or crippling beyond a reasonable amount, the funds provided for SDI for the simple reason that I am not about ready to say to the people of the United States—or to the people of the Soviet Union—that the United States of America is going to ignore the continuing research and development, and that we know going on inside of the Soviet Union is some type of an SDI, whatever their version in the Soviet Union is called.

Another way to put that would be simply to say we have put Brilliant Pebbles, which is embodied in the GPALS recommendation to the committee by the administration, on the back burner. We have not broken out of the treaty as has been alleged on this floor time and time again in previous arguments on SDI. We have put Brilliant Pebbles, which is the heart and soul of GPALS, on the back burner.

I suspect that the Senator from Mississippi does not like that. But I think the Senator from Mississippi would agree that, whether he likes it or not, the fashion of the SDI proposal that came out of the committee does indeed put Brilliant Pebbles on the back burner without killing it.

To put it another way, what we are saying is that we are not breaking out of the treaty now. We are not deploying or proposing a deployment that would break out of the treaty. We are simply saying that we think it is important to continue research and development in the area of Brilliant Pebbles, or programs aligned closely with it, and make a decision on whether or not we should go ahead with that. Hopefully, with an accommodation from the Soviet Union by renegotiation of parts of the ABM Treaty, which we suspect the Soviets would be willing to do, given the fact that basic emphasis of the program that we are going forth with is to have one land-based system to direct itself against limited attacks—essentially from Third World countries or accidental launches from the Soviet Union.

Once again, we do not claim nor do we say that this is the answer to any threat from the Soviet Union. To the contrary, we simply are saying—that is why I think it is unfair to say that we are trying to break out of the ABM Treaty—all that we are basically doing in this bill, Mr. President, is to say once again that we build one facility, probably in North Dakota, at Grand Forks, which is in full compliance with the treaty. To give us now what the Soviet Union has under the treaty already around the Moscow area, the United States made an option some time ago that they would not go ahead with that. We are saying this is the time to move forward with some kind of a limited protection for the United States that we think is very reasonable.

If we continue down the road that some are preaching on the floor of the U.S. Senate—by that I am not directly implying that the provision of the Senator from Arkansas does this, but it starts us down that road—to say we are going to just continue to ignore the threat to the United States, or to the Commander in Chief of the United States, this President, or succeeding ones, to have them exposed to a Third World power that says they have a missile within range of the United States, and that if the President does not do this, does not do that, they very likely will launch it. This is insurance that we are buying. It is not cheap insurance. But I think it is necessary insurance.

Mr. President, I reserve the remainder of my time. I yield 10 minutes, and hope that he can shorten that if possible, to the Senator from Alabama.

Mr. HEFLIN. Mr. President, I rise in opposition to the amendment to reduce the funding for the strategic defense initiative. As I have said several times before, SDI represents a welcome shift in our strategic policy from one that relies on Mutually Assured Destruction [MAD]. It is my opinion, therefore, that this amendment is ill advised at a time when we finally seem to be approaching a consensus on the direction of the program.

The administration requested $5.2 billion in its 1992 defense budget for SDI in order to build upon the 1991 program. The Armed Services Committee has already cut the program to $4.6 billion to fund other programs. I believe the committee's recommendation is the lowest acceptable funding if we are to continue on with the program.

One of the most common arguments against SDI is that we have spent over $20 billion, and now have nothing to show for it. With the passage of this bill, this argument will be put to rest once and for all.

For the first time, funds are provided to begin preparation for the initial treaty-compliant deployment site the money we have spent thus far developing ground-based missile and radar systems will be put in use in the next 5 years at Grand Forks. The money we have spent on space-based sensors will create satellites that greatly increase the effectiveness of our defenses, and the money that we spent on Brilliant Pebbles has not been wasted either.

In this bill, the controversial Brilliant Pebbles program has moved back into the follow-on technologies. This does not mean that funds should not be spent on Brilliant Pebbles. It does not mean that Brilliant Pebbles will never be deployed. What it means is that the supporters of SDI have recognized that the deployment of a limited protection system is more important than any one proposed interceptor. Brilliant Pebbles and the other follow-on technologies have our continued support as a hedge against an uncertain future.

Mr. President, some have questioned whether we need to spend at this pace and if this is the time to begin deployment. As others have said, the CIA estimate is that by the year 2000, at least 20 nations will possess ballistic missiles. Keeping pace with this proliferation are ongoing efforts to increase their range and lethality, including development programs to arm them with chemical, biological, and nuclear warheads.

We have made great progress in just a short period of time. In the period of time from 1983 up until this date, a number of fabulous developments have occurred. The ERIS interceptor, which to me proved the effectiveness of the concept that a bullet can hit a bullet was most dramatic. By analogy instead of being able to hit a squirrel, which you might be firing at in the hunting situation, in the right eye it came so close that it hit it in the left eye. It was only a few inches off target. The target ICBM was fired and intercepted after it traveled 4,400 miles and was hit on a range in the neighborhood of 150 miles above the Earth at Kwajalein. That shows, of course, what has happened and what can be developed in a short period of time.

During this time, ballistic-missile proliferation has continued unabated. I fully support every effort to arrest this trend through diplomatic means, but common sense says that one of the best ways to prevent the proliferation of these weapons is to produce systems that will make them ineffective, so that they will be less attractive to potential buyers.

Some of my colleagues have stated that there is no real Third World ballistic missile threat because these countries could more easily deliver a nuclear weapon to U.S. soil by boat or civilian aircraft. They correctly state that the strategic defense initiative offers no protection from these threats. They are incorrect, however, if they believe that other parts of our strategic defenses are not now being used to protect us from just these nonmissile nuclear threats. Our national assets in the sky detected the U.S.S.R. shipping ballistic missiles to Cuba in 1962. Our military satellites are far more capable now. Furthermore, every year we spend more on our intelligence agencies than we have spent on SDI since its inception. A plan by a foreign nation to ship a nuclear weapon to the United States would have the telephones ringing off the hook at the CIA headquarters, as informants try to be first to sell us the news.

Representative ASPIN, the chairman of the House Armed Services Committee, has stated that for the next 5 yerars, there is no ballistic missile threat to the continental United States from the Third World. After this, he states that we will be in a gray period. He therefore recommended that SDI Program give us a deployment option so that we can meet this future threat. I basically agree with him.

After reading and hearing some other Members' counter arguments, you would think that until we are actually facing a threat, there is no need to deploy an ABM system. Perhaps these people are confusing the proposed 5-day waiting period on handguns with the 5-year deployment time of a single site ABM system. If we are to be prepared for the future, or even to have the option to deploy a system, we must begin now.

The SDI Program simply cannot proceed on schedule with vital elements of the program either missing or delayed, which will happen if this funding cut is approved. Therefore, I urge my colleagues to reject this disabling amendment and keep the SDI budget at the $4.6 billion mark established by the Senate Armed Services Committee.

As a final argument, I feel we must provide our conferees with the negotiating room necessary to prevent a serious budget catastrophe to the program. I am not pleased by this particular line of reasoning, but because of the low funding level approved by the House, we are forced to proceed into a conference in this manner. I would, however, say to the distinguished chairman of the Armed Services Committee that this bill he so ably prepared is far too important to risk veto because of a bad compromise with the other Chamber. While I realize that budget pressures are severe in the upcoming fiscal year, we simply cannot afford to cut into a defense program with such far-reaching promise.

On April 27, 1983, I also spoke about the Strategic Defense Initiative, just formed by President Reagan. In this speech I encouraged the President to proceed on the course the Senate has finally adopted this year. For its historical interest, I ask unanimous consent that the text of my April 27, 1983, floor statement be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, April 27, 1983]

EVOLUTIONARY DEVELOPMENT OF STRATEGIC DEFENSE SYSTEMS: A CONCEPT WHOSE TIME HAS COME

Mr. HEFLIN. Mr. President, I sincerely believe that an objective examination of President Reagan's recent call for the development of strategic defense systems will disclose that this is a concept whose time has come.

Once past the emotional reactions of those who are tied to the strategic doctrines of the past, this new approach may, indeed, lead to an ultimate reduction in offensive missiles on both sides.

For too long we have relied on strategic policy based on the threat of retaliation rather than a commitment to self-defense. I have wondered ever since the signing of the ABM treaty in 1972, as I asked anew in remarks to this body last December 18, what could be more stabilizing than the ability to defend one's homeland against nuclear attack?

Yet, many of those who are most vocal through the media continue to insist that defense would touch off a new arms race by raising fears that one side was preparing to attack and then defend itself against retaliatory attack. Defense, in fact, is not provocative—it is the opposite. If each side neutralizes the other's offensive capability, the threat of aggression must be reduced. The U.S. history discloses proudly that ours is not an aggressor nation. But several times we have been caught, with almost tragic results, with our guard down.

Still, there are numerous critics who suggest that ballistic missile defense (BMD) is destabilizing. Their arguments should be challenged not only on first principles, but on the grounds that major reductions in offensive weapons are made more feasible if such weapons are protected by BMD.

It is not simply how many strategic weapons are allowed on each side, but how survivable those weapons are. Therefore, we must see to it that a strategic defensive policy that is basically conducive to arms control is not made to appear as the reverse.

I am convinced that it was our technical superiority in strategic areas which induced the Soviets to agree to the ABM treaty, as well as SALT I. As I noted in my remarks in December, when the ABM treaty was negotiated it was assumed major reductions in offensive ballistic missile forces would be shortly forthcoming. Instead, the Soviets stepped up their strategic programs on all fronts and, today, our land-based ICBM force stands vulnerable to a first strike. Vulnerability, I submit, is the most provocative and destabilizing condition of all, encouraging, at the minimum, international adventures backed by the threat of a first strike.

The ABM Treaty permits limited deployment by both sides, and the Soviets have a system deployed around Moscow. However, Congress decided in 1976 to phase out our deployed site at Grand Forks, S. Dak. Meanwhile, the Soviets have continued with a system-level program, at expenditures three times greater than ours, which we assume could be rapidly deployed in the future. The United States has pursued a modest R&D ballistic missile defense (BMD) program since the early 1970's, progressively developing means to defend our ground-based ICBM force and developing technologies which have provided remarkable advances for future defensive options.

I agree with President Reagan that we need to step up the pace of R&D on advanced long-range BMD concepts which will fully challenge our Nation's creative scientific capabilities for success and breakthroughs as well as our political willingness to seek visionary solutions. In this connection I was one of the first Members of this body to speak out on the potential use of directed energy technologies, such as high-energy lasers, for future defensive weapons.

In the future, we should be able to use ground-based or space-based, high-energy lasers to destroy ballistic missile targets, as well as other offensive targets. I have felt for some time that we need to accelerate our efforts in the development of this technology. However, one of my primary concerns has been the fragmentation and lack of coordination among the various Government agencies of the current research and development in the area of directed energy.

This concern was amplified as a result of hearings that I chaired in late 1979. The purpose of these hearings was to provide a broader review of the highly diverse, important, and rapidly developing laser technology. From these hearings, I determined that we did not have the proper environment to focus this technology. Therefore, in the last Congress, I introduced legislation calling for a Laser/Particle Beam Institute to provide a long-range program in this area and serve as a coordinating and managing body for those Government agencies involved in laser/particle beam research and development.

I have recently been encouraged by what appears to be better coordination of these efforts. However, because of the importance of this technology, the Science, Technology, and Space Subcommittee plans to conduct further hearings on this issue later this year.

While the President's March 23 announcement properly emphasized the more advanced, long-term BMD concepts, I would encourage him to seriously consider an evolutionary approach that also would include more mature, nearer term BMD concepts.

I have followed with great interest the progress in Army BMD systems and technology development centered at Huntsville, Ala. This program has made dramatic strides in recent years over a broad spectrum of systems.

As early as the 1960's, BMD demonstrated essential strategic defensive systems technologies, including phased array radars and Sprint-class interceptors. By the 1970's the program technologies were developed to enable defense against sophisticated missiles in the terminal stages of attack through the use of complex data processing, and discriminating technologies, and quick-response interceptors. The program evolved in the 1970's with the development of onboard data processing and long wave infrared sensors for early identification of targets outside the atmosphere. Today, BMD is demonstrating advanced sensors and data processing and smart missiles capable of intercepting incoming missiles with nonnuclear warheads. Programs also are already underway in the nontraditional technology areas of directed energy weapons.

These technology successes provide vast encouragement to the hopes for a successful strategic defense in the future and can be demonstrated, with the option for deployment, on an evolutionary basis while futuristic space-based systems concepts are maturing. Skeptics have dismissed the long-range portion of this thinking as a "Star Wars" fantasy, but I believe history will prove them to be wrong.

Secretary Caspar W. Weinberger recently noted:

Perhaps one reason for the skepticism with which some have greeted this initiative is due to misunderstanding. Many would have you believe that we seek to develop a single system which can intercept and defend flawlessly against all missiles and all attacks. We know there is no such "magic bullet." What we are trying to develop first is a defense network—a series of systems, not necessarily based on the same technology or physical principles—which taken together will provide a reliable defense against nuclear ballistic missiles.

The concept we will need to perfect is not dissimilar to the one we now employ to defend our fleet against tactical missile attack. The layered fleet defense system consists of F-14 fighters and Phoenix Missiles at long ranges, the Aegis Cruiser at medium range, and close-in weapons systems. All are under control of computers which keep track of dozens of incoming missiles, and direct interceptors to destroy them. The ballistic missile defenses we seek to build must do these functions also, not against dozens of targets, but against thousands and at vastly greater ranges.

Secretary Weinberger was referring to a defense network, which I believe to be consistent with BMD's layered defense concept, where defense is possible in various regimes of an attacking missile's trajectory.

My interest in also considering more mature BMD concepts is based on several compelling factors that are consistent with the President's policy initiative. They can be fielded earlier and they can be securely based on our own soil. They would pose no threat for any use other than purely defensive objectives, and they would effectively complement any advanced systems that may be deployed later.

I am convinced that we should carefully and objectively evaluate the President's call for the development of strategic defensive systems as a means of making nuclear weapons impotent and obsolete. If we raise ourselves above partisanship, as indeed we must, and look with open minds at what could represent a more stabilizing strategic policy, I believe we will come to agree that this initiative can signal a change in America's strategic policy that is likely to live in history as a dramatic turning point toward world peace. It puts us on a course that is fundamentally more secure and humane.

I believe America's scientists and engineers, who have brought this Nation to preeminence in world technology and to the Moon and back, can succeed in developing the defensive systems to make this peaceful vision to reality.

U.S. SENATE,
Washington, DC, May 3, 1983.

Hon. CASPAR W. WEINBERGER,
Secretary of Defense, Department of Defense, The Pentagon, Washington, DC.

DEAR SECRETARY WEINBERGER: I am enclosing a copy of a letter I am sending today to President Reagan regarding our country's ballistic missile defense program. I am also enclosing a copy of a speech I recently delivered to the Senate on this same topic.

Within the next few days I will be calling you to discuss my proposals for an evolutionary approach to ballistic missile defense. As you will note from my letter to President Reagan, this approach includes a continuation of our emphasis on our current technology being developed by the ballistic missile defense program as well as a national commitment to such futuristic development technology as space based lasers and particle beam weapons.

I look forward to discussing this with you in more detail.

Sincerely yours,
HOWELL HEFLIN.

U.S. SENATE,
Washington, DC, May 3, 1983.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I commend you for your call for the development of strategic defensive systems to make nuclear weapons impotent and obsolete. This is a concept whose time has come. For too long we have relied on strategic policy based on the threat of retaliation rather than a commitment to self defense. I have wondered ever since the signing of the ABM Treaty in 1972, as I asked anew in Senate remarks this past December, what could be more stabilizing then the ability to defend one's homeland against nuclear attack? I believe that it was our technological superiority in the field that induced the Soviets to agree to the ABM Treaty, an agreement that should not now deter us from developing the means for an effective defense.

I agree with you that we need to step up the pace of research on advanced ballistic missile defense (BMD) concepts which could one day bring about vast reductions in offensive missiles. In this connection, I was one of the first members of this body to speak out on the potential importance of directed energy weapons and to advocate more centralized management of accelerated research for high-energy lasers. The results of hearings I chaired on this subject confirmed my conviction that there is great promise for this class of BMD systems.

I have followed with great interest the progress in BMD systems and technology development centered at Huntsville, Alabama. This program has made dramatic strides in recent years over a broad spectrum of systems. While your announcement on March 23 properly emphasized the more advanced, long-term BMD concepts. I would encourage you at this state to seriously consider an evolutionary approach that would also include more mature, near-term BMD concepts.

I envision the BMD of the future to evolve from a series of systems and technologies developed during the 1980's and 1990's, including advanced sensors and data processing and "smart" missiles capable of intercepting incoming missiles with non-nuclear warheads.

My interest in also considering more mature BMD concepts is based on several compelling factors that are consistent with your policy initiative. First, they can be fielded earlier and they can be securely based on our own soil. They would pose no threat for any use for other than purely defensive objectives, such as defense of our ICBM forces and key command and control centers. Second, they would effectively complement any advanced systems that may be deployed later.

With respect to the arms control implications of your policy initiative, I'm sure we will hear many critics who contend that BMD is destabilizing. They must be challenged not only on first principles, but on the grounds that major reductions in offensive weapons are made more feasible if such weapons are protected by BMD. It is not simply how many strategic weapons are allowed on each side, but how survivable these weapons are. Therefore, we must see to it that a strategic defense policy that is basically conducive to arms control is not made to appear just the opposite.

Mr. President, you have signaled a change in strategic military policy that is likely to live in history as a dramatic turning point in national security. It puts us on a course that is fundamentally more secure and humane. I share your confidence that our scientists and engineers will succeed in developing the defensive systems to support your initiative. I will lend every effort to assist you in seeing this worthy venture through to success. I have enclosed a copy of the speech I delivered to the Senate on this issue.

Sincerely yours,
HOWELL HEFLIN.

THE SECRETARY OF DEFENSE,
Washington, DC, June 5, 1983.

Hon. HOWELL HEFLIN,
U.S. Senate, Washington, DC.

DEAR SENATOR: I read with great interest your letter to the President expressing your support of his defense initiative and your recently delivered Senate speech on defense systems. The ideas you expressed are most compelling. I share your belief, as does the President, that an effective defense against ballistic missiles could reduce our dependence on offensive force retaliation and increase stability. I also would agree with you that we need to look at all technologies that could prove useful in our efforts to realize such a defense system, including those that are more mature, and not just those advanced technologies that clearly will require many years to develop.

In support of this view, the President has directed that an extensive study, utilizing the talents of experts both within and outside Government, be conducted to identify those technologies that hold out the most promise for satisfying our goal of eliminating the threat of nuclear-armed ballistic missiles.

Because this is an extremely important issue that could well have a revolutionary impact on our national security, I appreciate the fact that you took the time to share your ideas with me. In view of your leadership in the Congress on this crucial issue, I look forward to working closely with you now and in the future.

Sincerely,
CASPAR W. WEINBERGER.

The PRESIDING OFFICER. Who yields time?

Mr. LOTT. Mr. President, I yield 8 minutes to the distinguished Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. THURMOND. Mr. President, I rise in opposition to the Bumpers amendment. Senator BUMPERS' amendment would reduce funding for the SDI Program by $1 billion at a time when we are about to make critical decisions on the deployment of an anti-ballistic-missile system to protect the American people from missile attacks.

Mr. President, during the Persian Gulf conflict we saw live in our living rooms the dramatic psychological and political impact a missile attack can have on a nation. Despite the success of the Patriot missile system and the dedication of vast resources to locate the mobile Scud missile systems, we could not stop the Scud attacks on Israel and the forces in Saudi Arabia. Indeed, the greatest loss of life from a single event occurred during the Scud missile attack on a U.S. barracks, killing 28 Americans.

One of the most important lessons of the Persian Gulf war is that we must develop an effective defense against ballistic missile attacks, both for our forward deployed forces and for the protection of our citizens. Iraq was only one of many Third World countries that possesses or has the ability to develop ballistic missiles. The Director of Central Intelligence estimates that, by the end of the century, between 15 and 20 developing countries will possess ballistic missile capabilities; at least six developing countries will have ballistic missiles with ranges of up to 1,800 miles; and at least three of these countries may develop missiles with ranges up to 3,000 miles that could directly threaten the United States.

To illustrate the threat, I direct my colleagues to a quote from a speech by Colonel Qadhafi, the terrorist ruler of Libya: "If they, the United States, know that you have a deterrent force capable of hitting the United States, they would not be able to hit you. If we had possessed a deterrent—missiles that could reach New York—we would have hit it at the same moment. Consequently, we should build this force so that they and others will no longer think about an attack."

Colonel Qadhafi's threat was in response to the United States' reprisal raid on Libya in 1986. The threat is not yet credible, but Libya is known to be developing or trying to produce such a missile capability.

Mr. President, the Armed Services Committee has set a goal to deploy an anti-ballistic-missile system, including one or an adequate additional number of ABM sites and spaced-based sensors, capable of providing a highly effective defense of the United States against limited attacks of ballistic missiles. To support this goal plus robust funding for continued research and development of Brilliant Pebbles space-based interceptors and other follow-on technologies necessary to provide future options for protecting the security of the United States and our allies, the Committee authorized $4.6 billion for fiscal year 1992.

For the past 8 years, taxpayers have spent approximately $22 billion on SDI research without a clear concept of where the program was heading. The Armed Services Committee has now taken the bull by the horns and has recommended a blueprint and timetable for developing a cost-effective and operationally effective defense against accidental or unauthorized missile launches or ballistic missile attacks by a terrorist governments. Senator BUMPERS' amendment will gut the Armed Services Committee's bipartisan plan and preclude the Nation from deploying the missile defense it needs to protect its citizens.

Mr. President, I urge my colleagues to vote against this amendment. The Nation needs a ballistic missile defense now, more than ever before.

The PRESIDING OFFICER. Who yields time?

Mr. BUMPERS. Mr. President, I yield 10 minutes to the Senator from Tennessee.

Mr. GORE. Mr. President, I wish to thank my distinguished colleague and neighbor from Arkansas and compliment him on his amendment and the way in which he has presented it to the Senate. Knowing the time pressures that he has, I will attempt to conclude my remarks in less than the 10 minutes he has generously given me, especially because I have said my piece at some length on the underlying subject already.

But I would like to characterize the true nature of the Bumpers amendment. I think everyone here should be aware of the fact that the funding levels which will be left in the program if the Bumpers amendment is adopted will be 20 percent higher than the funding level in the program this fiscal year. The Bumpers amendment actually allows for a generous increase in funding for SDI, but they are nonetheless lower than the enormous sums allocated in the committee bill.

Mention has been made of the need for a bill to take to conference that will give the Senate negotiators—and I will be a member of that conference, and I appreciate the concern that some of my colleagues on the committee have expressed. It is a legitimate concern. That might have been an argument for voting against the Harkin amendment.

I have always voted against an amendment like the one proposed by my colleague from Iowa. I voted for it this year because I think the issue has been so crystalized that I could not do otherwise. But anyone who voted against the Harkin amendment out of concern that the committee needs ample flexibility in conference with the funding level that might be higher than they would otherwise want to see can vote for the Bumpers amendment. It authorizes sums higher than those authorized by the House committee and again 20 percent higher than those that are currently in law in this fiscal year.

So really what this comes down to is whether or not we want to go way over and above what I believe is a rational spending level, what the committee would authorize as a 50-percent increase in funding for SDI over this year's level.

Mr. President, as I think about the course of the debate we have had here in this Chamber these last 2 days, especially regarding the series of amendments that were offered by myself, Senator BINGAMAN, Senator LEVIN, and Senator BIDEN, I am struck by the way in which the nature of the underlying issue has changed somewhat, or at least I have been struck by the way in which advocates of the committee position characterized the real meaning of what the committee's language actually does.

Unless my ears are deceiving me, it seems that the Senate has been told that nothing in the bill constitutes more than license for the Department of Defense to think up and draw up plans relating to the possible deployment of an ABM system. Nothing commits us to deployment in this, we are told.

The leaders of the committee have emphatically told us with particular clarity during the debate over the Levin-Biden amendment that the Department of Defense may not conduct any testing or development, much less deployment, of anything that is contrary to the ABM Treaty. That much is clear. It was on that basis that they agreed to accept the Levin-Biden amendment.

But where are we now? I believe that as a result of all these clarifications and assertions it is fair to say that the policy language of this bill is essentially without legal force. It expresses an interest on the part of the Congress and it asks for plans, but it does not authorize anything beyond those plans other than a continuation of research and development along a variety of paths, all of them to be kept strictly clear of the ABM Treaty, although the President will presumably seek to change that treaty. But that, too, is just another piece of advice in the bill the way it has been characterized to us.

So the real meaning of this bill is in its funding totals. That is where we are. And now comes the Bumpers amendment.

The funding totals in the bill reflect what used to be appropriate for GPALS. There is, as we all know, a huge amount of money for Brilliant Pebbles. And yet one thing that this legislation tells the Department of Defense is that in their planning Brilliant Pebbles may no longer be included in the architecture and the plans of the system that they are to think about deploying. The planning is now limited to a system of one or more ground-based installations.

Under the circumstances, this bill, and indications that the administration embraces the language of the bill on SDI, renders that whole program a kind of headless chicken. GPALS was the head of the chicken, but Congress has chopped it off. But the SDI office is still able to flap its wings and run about and study and think and plan.

In short, given the fact that the GPALS Program no longer exists as the front-running element of SDI should the committee language be adapted, and given the fact that all other aspects of the program now stand in some question, the funding levels in the committee bill are obviously inappropriately high.

Senator BUMPERS proposes a reduction that would bring those totals more closely into line with reality, the reality that the SDI Program at this moment has no internal definition whatsoever, no mandate, no agreed blueprint. All that big, thick plan that was drawn up and released in the spring of this year is out the window. GPALS is no longer there. Brilliant Pebbles is no longer permitted to be included in the architecture that they are planning.

Well, given that situation, do we want to authorize a 50-percent increase in the funding levels? That, in my opinion, Mr. President, would be totally absurd.

Do we need a robust research and development program? Yes, we do. I have always supported that and I support it now and I support the Bumpers amendment which, let me repeat, authorizes a 20-percent increase over this year's funding level.

In the past, I have resisted voting for major cuts on grounds that some cuts were indeed disabling of research and others too great a handicap to take into conference. This time, however, I feel that funding levels are so substantially out in front of agreed policy that they need to be trimmed back. I therefore intend to support the Bumpers amendment vigorously. It will not disable the committee in conference. It will fully fund theater ballistic missile defenses. In particular, it will cut Brilliant Pebbles back to a level of effort more clearly in line with the new, sharply reduced stature accorded Brilliant Pebbles under the plan authorized in the committee bill.

One more point, Mr. President. Others have made this, and perhaps we are just beyond our capacity to hear it and understand it and absorb it. But we have a $348 billion budget deficit. Interest on the debt will next year surpass defense spending and Social Security as the largest item in the Federal budget. We are looking for places to save.

Given the complete and total redefinition of what this program is all about, given the limits to planning and thinking in the expenditures authorized, can we save a little money by authorizing only a 20-percent increase rather than a 50-percent increase to save a little money for the taxpayers and still provide a robust and adequate program for defenses for this country?

I think the answer is quite obviously yes. I hope my colleagues will agree the answer is yes. I urge my colleagues to vote in favor of the Bumpers amendment.

I yield back some time after all.

The PRESIDING OFFICER. Who yields time? The Senator from Wyoming [Mr. Wallop].

Mr. WALLOP. Mr. President, I yield myself 2 minutes. And I yield myself 2 minutes so that I can indulge myself in this Alice-in-Wonderland debate.

I would say to my friend from Tennessee, while he is fulminating against the funding levels and hoping we achieve those of the Senator from Arkansas, I suggest the Senator's own funding levels of yesterday were precisely those which he now seeks to cut, and says were done without a plan, and criticizes for their excesses. They were my colleague's funding levels of yesterday.

I would also say that, heaven forbid, that as the Senator from Tennessee suggests, SDIO would study, think, and plan. Heaven forbid that our strategic systems would be victims of studying, thinking, and planning.

This thesis of the Senator from Arkansas is real. It basically is, if I cannot take care of you all of the time, I will take care of you none of the time. If I cannot prevent the jet plane from Houston arriving in Arkansas, I will prevent no missile from the Soviet Union arriving in Arkansas. Since one thing is likely to happen.

The thesis of that is to say that there is no reason on God's green Earth for us to have a military capability of any kind because we cannot prevent every eventuality. The whole thesis that has been the underpinning of this argument is the most profoundly quirkish thing.

Let me explain to Americans for a moment what it is we seek to do. Under the ABM Treaty, we are saying to Americans that you are far safer, vulnerable to a Soviet Union, that you are protected from one. Even if we can do it, you are far safer. We do not even think about protecting you. That of and by itself is destabilizing.

So we come to this quirkish moment in time where you try to find just the precise level of incompetence that is satisfactory for stability.

If I do not save enough of you, that is a level of incompetence that is intolerable. If too many Americans die in this limited proposal, even fewer than in that of the Senator from Arkansas, that is not satisfactory. We have to do better. That is why we do not do anything right now, because sooner or later, we will do better.

But on the other hand, if I save too many of you, that is a level of incompetence that is also intolerable because that is destabilizing. Too many Americans live. Oh, my goodness sakes, what will the Soviets think, should they attack us and too many live?

We get to this crazy business of where you try to decide: Protecting against limited attack, that is fine; accidental launch, that is fine. Though who knows precisely whether this thing is coming at you by accident or on purpose?

The most bizzare of all that is insisted upon by those who are fighting this amendment, and has been insisted upon by them from the beginning, is unauthorized launches. Who, with the obligation to provide a defense to the American people, is going to call up and say: Hey, by the way, do you have an effective signed order for this missile? If you do, why, we will let it come.

The purpose of the Senate committee's amendment is to begin to find the time between ourselves and the Soviet Union, how to take care of American people—the Soviets can take care of their own people—against a variety of circumstances. Ultimately, we are following the direction of the President of the Soviet Union, as well as that of the President of the United States—Marshall Akhromeyev, as well as Secretary of Defense Carlucci—that it is now time to devote ourselves to negotiating better and safer circumstances surrounding ourselves, which includes defense.

And the response to those on that side is: There is no set of circumstances under which a satisfactory level of incompetence can be found.

Mr. President, this is not an argument the American people can take in comfort.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BUMPERS. Mr. President, I yield the Senator from Tennessee 30 seconds.

Mr. GORE. Mr. President, when I introduced the amendment yesterday, I said at the time I supported lower funding levels and would vote for the Bumpers amendment when it was introduced, but did not include the recommendation for lower funding levels with that amendment so that the Senate might focus just on the policy set. Now we have a chance, having discussed the policy, to talk about the funding levels.

For those who want to pretend that the funding levels do not matter, the deficit does not matter, I am reminded of the line from the song by the rock group Dire Straits, "Denial ain't just a river in Egypt."

We can try to deny the fact that we have a $348 billion budget deficit. We can try to deny interest is going to be the biggest expenditure in the budget. But sooner or later, reality is going to hit and we have a chance in the Bumpers amendment to make a big savings for the taxpayers and reduce the deficit, while still funding a generous increase in research and development funding for this program.

Mr. BUMPERS. Mr. President, I yield the Senator from Minnesota 5 minutes, and hope he can yield part of it back.

The PRESIDING OFFICER. The Senator from Arkansas has 8 minutes and 30 seconds remaining.

The Senator from Minnesota.

Mr. WELLSTONE. I will try to do that. I thank the Senator from Arkansas, and I thank the Senator from Tennessee for his eloquent remarks.

Mr. President, let me not speak to the case for or against the star wars system. We debated that full scale last night. Let me not add to arguments that have already been made about the deficit. Let me talk about this issue in more personal terms for a moment.

We are talking about a 50-percent increase in outlay for star wars. I was a college teacher for 20 years. I traveled around the country, and I meet students everywhere who sell plasma at the beginning of the semester so they can buy textbooks; who work two or more minimum-wage jobs. And I talk to college teachers who say they cannot teach classes late in the afternoon because their students are working.

We do not have the money for Pell grants. We do not have the money for low-interest loans. We do not have the money to support those students, or higher education.

But a 50-percent increase in outlay for star wars.

One-fifth of all the children in this country today: poor. One-half of all the children of color in our country today: poor. Children 10 blocks away from here, no opportunities: poor. Every 7 seconds, a child drops out of school; every 27 seconds a child runs away from home—100,000 children homeless. We do not have the money. But a 50-percent increase in outlay for star wars.

Thirty-seven million people without any health insurance; double that number who are underinsured. Older Americans who live in terror of catastrophic expenses, who will lose all their savings. We do not have the money for any of that.

I met a young man on the north side of Minneapolis 2 weeks ago. I did not know what to say to him. He was in a job training program. The program closed down. He had nowhere to go.

He said to me: "Senator, if I cannot have a job, there is nothing else I can do but go out on the streets."

Invest in people when they are young, or pay the price later. What is going to be the interest on it? High levels of crime and drug addition and illiteracy. But we do not have the money for any of that. But a 50-percent increase in outlay for star wars.

What is going on here in the U.S. Senate? A $350 billion deficit, interest eating up our capacity to invest in ourselves, and I hear so many of my colleagues speaking so self-righteously about reducing the deficit and cutting here and cutting there.

But they do not cut when people have powerful lobbyists to defend them. They do not cut when it comes to people who are well-heeled and have the privilege, and can have their voices heard; no, they never cut there.

Mr. President, I suggest to you that in this time of record deficit, in this time of closing libraries, in this time of State and local governments in fiscal crisis, in this time of high levels of unemployment, in this time when we need to invest in our children and in their future and health care, could we not at least in the name of some fiscal responsibility have yet a small cut in this star wars program?

I support the Bumpers amendment. It is the most modest of the modest proposals that could be made. I yield the remainder of my time.

Mr. BUMPERS. I thank the Senator very much for an eloquent statement. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. KOHL). You have 4 minutes, 40 seconds remaining.

Mr. BUMPERS. Mr. President, I talked with the Senator from Georgia earlier. I have two more people who are looking for 5 minutes each. I wonder if we can extend the time by 10 minutes on each side?

Mr. NUNN. May I inquire first of the Chair how much time there is remaining on each side?

The PRESIDING OFFICER. The Senator from Georgia has 7½ minutes remaining.

Mr. NUNN. How much time does Senator BUMPERS have?

The PRESIDING OFFICER. Four minutes, forty seconds.

Mr. NUNN. How much time does the Senator need?

Mr. BUMPERS. I need an additional 10 minutes to accommodate two Senators.

Mr. NUNN. Mr. President, I ask unanimous consent the Senator be given an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, reserving the right to object, and I shall not object, but I will if further request for time is asked.

I will just take this moment to express my regret that earlier in this day, the Senator from Tennessee chose to assert what the Senator from Wyoming thinks instead of letting the Senator from Wyoming assert his own thoughts. It is normally not the custom on this floor. I think it would probably best wait for another time when the Senator is on the floor and let me speak my own thoughts rather than have those asserted and attributed to me.

Mr. GORE. Mr. President, I ask unanimous consent to speak for 1 minute.

Mr. NUNN. Mr. President, is my unanimous-consent request agreed to?

The PRESIDING OFFICER. It is agreed to.

Mr. NUNN. Mr. President, we will have a problem with this bill if we keep agreeing to unanimous-consent requests to extend time. We are giving ample time to begin with. I am not going to object in this case, but this should not be deemed a precedent. We are not going to be able to stretch these. I hope we will not have additional requests.

May I inquire of the Senator from Arkansas, he has one more amendment; is that correct?

Mr. BUMPERS. Mr. President, there is a possibility that amendment will not be offered. I will discuss it during the next rollcall vote.

Mr. NUNN. I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. Mr. President, I rise not to speak to the merits of the pending amendment but rather to express my deep respect for my colleague, for the Senator from Wyoming, as I did in the committee deliberations. My words are genuine. The Senator has been a passionate advocate of the SDI Program.

Earlier when I referred to the Senator from Wyoming at a time when he was not on the floor, it was in connection with a pending effort by the leaders of the committee to determine whether or not they would agree to a proposed amendment, an amendment which, it was my belief, the Senator from Wyoming had opposed, in essence, during the committee deliberations. I have frequently heard the Senator from Wyoming talk about his belief that it is not wise for us to constrain our own development policies because of the ABM Treaty, and it was that principle that was at stake in the pending amendment.

I certainly did not wish to mischaracterize the views or beliefs of the Senator from Wyoming in any way. My respect for him is genuine, though we often find ourselves in vigorous disagreement. I enjoy his able advocacy of his positions. I do not believe I mischaracterized the position, and I will be happy to go over the record with my colleague and friend. If I did so, I certainly apologize on the floor. I do not believe I did so, but I will be happy to review the record.

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, it has been tradition and I believe it is the privilege of the Senator from Wyoming to express his own views and not have views attributed to him. That was the point I had raised.

The PRESIDING OFFICER. Who yields time?

Mr. BUMPERS. Mr. President, I yield the Senator from Washington 5 minutes.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, I have spoken before on the SDI amendments, and I speak on this particular amendment, and to the general principle of SDI. I am surprised we are having to debate an amendment to raise additional money for SDI when we have our President in Moscow signing a treaty to reduce nuclear weapons. I am surprised, when we are changing around the world the manner in which we face one another, that we would go back to a program that was conceived at the peak of the cold war.

Those of us who are opposing this increase and this spending for SDI have supported conventional forces. We have our Nation's changing force structure and role in the world. Our armed services will be smaller, we hope, throughout the entire world and, most of all, we hope to reduce these terrible weapons of mass destruction.

But SDI was created as part of a deterrent system. Many of us argued it would never work then, that it in fact would destroy deterrence. This amendment offered by the Senator from Arkansas does not do away with the technology, or with seeing if this world can find a way to control the genie that came out of the bottle with the antiballistic missile and the nuclear warhead and then the MIRV nuclear warhead and God only knows what else has been created in the meantime.

We are trying to control this genie, and these schemes to spend enormous amounts of money on systems that are completely unproven and will not work, undercut those efforts.

It was well stated by the Senator from Arkansas the reason for negotiating an ABM Treaty that said we would not build defenses was to allow us to scale back on building more missiles. It was based on the idea that the two powers could destroy one another and, having this destructive power, neither would act. It is part of the "mutual deterrent" type of confrontation that formed the basis of the cold war.

We face a future that could be very difficult. There will probably be many small and conflicting wars and cultural conflicts and ethnic conflicts. But we are trying to reduce and do away with this system of terror between the two powers. That is the reason that the ABM Treaty exists. That is the reason that we have tried to reduce the number of missiles, and that is why we do not want to launch into an other SDI Program.

One of the reasons that many of us have taken the floor in support of this amendment is that we are here day after day trying to get children immunized against measles, trying to prevent an AIDS epidemic that is spreading city to city trying to provide cancer research so that we can stop having so many people die of breast cancer, cervical cancer, colon cancer. But what we keep leaving, and what kills all of these critical programs, is that we do not have any money.

We are faced with a deficit where our interest payments are greater than the entire deficit under President Lyndon Johnson. The debt is growing. The deficit causes the debt to grow. And if we can just reduce this deficit $1 billion we could save millions, enough money to fund the many programs that I have advocated on this floor.

So that is why we are trying to plead with this committee and plead with our colleagues that this is a time to shape a new force in the world, a smaller force. That is being done, I think well, by Secretary Cheney. But in order to derive any benefit from that reshaping, we must shape and stop this enormous technological dream so that we can take care of our middle-class citizens.

Mr. President, we have gone around and around on ballistic-missile defense in this Chamber for years. I will not dredge up those old battles, but I will reiterate one simple fact: We cannot have it both ways. We cannot support a 50-percent increase over the fiscal year 1991 funding level for SDI, fund all of the domestic programs that are literally crying out for Federal assistance, and reduce the deficit. If we continue to lavishly fund these programs, we will continue to undermine the needs of the working people that form the backbone of our great Nation by increasing the national debt which increases the interest payments which in turn increases the debt. I was here the last time we balanced the Federal budget, and the total Federal spending at that time was less than we spend on interest alone today.

I urge my colleagues to vote for the amendment by my colleague Senator BUMPERS, which would cut SDI funding and contribute $1 billion to deficit reduction. Given the domestic goals that we all want to see achieved, this reduction is a realistic and necessary modification to the SDI plan.

A second Bumpers amendment that I would urge my colleagues to vote for would cut $300 million from brilliant pebbles. To vote for this amendment is to take a crucial step back from an already discredited space-based missile defense system.

The modern SDI concept was conceived by President Reagan to serve as an all-powerful shield from a full-scale Soviet nuclear attack. Even in that era of the evil empire, grave concerns were expressed about the practical impossibility of both developing such a system and protecting against such an attack. Today, the world of Gorbachev and Bush looks different.

Recognizing the changed nature of the threat, the committee's proposal takes a new course on SDI. The system envisioned by the committee does not include the space-based lasers that President Reagan saw shooting down hundreds of Soviet missiles. Instead, the new SDI would rely on ground-based missiles as a means of defense against an accidental launch of very few missiles that could result from a breakup of the U.S.S.R., or a launch by one of the nations currently trying to develop an intercontinental ballistic missile capability.

Even with the committee's new SDI, however, the continued development of space-based sensors to guide defense weapons takes us into a war in space again. The bill's commitment to deploy the proposed system would lock us on to an unconscionably expensive path of massive future funding requests—satellites, antisatellite killers and all the rest. We have already sunk a staggering $20 billion into SDI research and development. I am astounded by the additional moneys this bill would authorize for an SDI system which could, if expanded along the guidelines set forth by the committee, rival the original SDI proposal. It is incumbent on this body to cut this proposal.

The Soviets have said repeatedly that if the ABM Treaty is violated, there will be no START redutions because those reductions are based on mutual deterrence. Are we willing to forgo the historic opportunity the START Treaty offers? Such an approach should be rejected and should motivate all of us to support these amendments.

I urge my colleagues to support these very reasonable proposals to cut SDI spending. We need to send a clear message to the American people that we are for a defense that is strong and effective but that will not bankrupt our severely strained Federal budget.

I thank the Senator from Arkansas.

The PRESIDING OFFICER. Who yields time?

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arkansas.

Mr. BUMPERS. I assume I have about 10 minutes remaining.

The PRESIDING OFFICER. Nine and a half minutes.

Mr. BUMPERS. I yield 5 minutes to the Senator from Florida [Mr. GRAHAM].

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

Mr. GRAHAM. I thank the Chair.

Mr. President, I rise as one who has, prior to yesterday, supported every proposal for the United States to continue its efforts to develop an SDI system. I did so primarily for two reasons. First, I felt it was important for the United States to continue on the leading edge of technology in areas that might be important to our Nation's defense. And second, because I felt that the development of the SDI system would eventually be an important factor in negotiating a serious strategic arms reduction treaty with the Soviet Union.

The irony has been pointed out several times previously, that we are having this debate in exactly the same period of time that the strategic arms reduction treaty has now in fact been signed.

Some have said that we have wasted billions of dollars on SDI. If SDI was what helped bring us to what happened yesterday in Moscow, the signing of that treaty, in my opinion it was an investment well made.

But I think the question before us now is an analysis of where do we go from here? What is our Nation's future? That, to me, should revolve around the following questions: What is the threat, what is the most protective and cost-effective means of meeting that threat, and what are some of the implications of the selection of a particular option?

The proponents of this have agreed that we are not developing this deployment as a means of countering a strategic threat from the Soviet Union. In fact, they would say that this system will not accomplish the purpose of defending us against a mass assault from the Soviet Union.

Rather, the threat is being defined here as accidental launches or what I would refer to as the deranged despot, the Saddam Hussein of the future, who would gain access to long-range nuclear capabilities.

Is this the most effective means and the most cost-effective means of meeting those two threats? My answer is clearly no. We have had the potential of accidental launches ever since there have been nuclear weapons and the capacity to deliver them over long distances.

While there are few episodes of accident, they clearly have not been a major threat over the past three to four decades. I believe that the most appropriate means of dealing with the accidental issue is a high level of constraint against proliferation, of both nuclear material and launch capabilities. That certainly would provide us with much greater assurance than focusing our attention on the deployment of 100 missiles around Grand Forks, ND.

Second, as to the deranged despot again, strict standards against proliferation. But I would also say, Mr. President, that if a President of the United States were to allow a deranged leader who might represent a threat to the United States, to gain access to that type of equipment and capability, that President ought to subject to impeachment and removal by the Senate.

We have had an instance as recently as in the administration of President Kennedy, when there was an effort in fact made to put missiles at a location that would have been a threat to the United States. President Kennedy acted boldly and with resolve; it probably brought us closer to world war III than at any point since World War II, as a statement of his commitment that we would not tolerate that kind of activity. Any President who acted with a lesser standard should not be in that office.

What are the implications of approaching the threat through the deployment of a missile defense system? First, at the foreign policy level, it is destabilizing. It is going to have all the implications that our colleagues have talked of in terms of its implications to what appears to be, and what we hope will be, a new relationship with the Soviet Union.

Second, here at home it repesents a diversion of critically short resources. We are not doing an adequate job in all of the areas that have been cited by my colleague from Washington and my colleague from Minnesota, and in areas such as meeting our basic transportation needs.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. GRAHAM. Mr. President, I conclude by saying I think we are holding on to old ideas in a new time; old ideas of a missile defense system against a threat which no longer exists and a site that was selected for reasons are no longer appropriate.

I believe now is the time to rethink our future, not attempt to relive our past.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, what is the remaining time?

The PRESIDING OFFICER. Six minutes and fifty-seven seconds. The Senator from Arkansas has 3 minutes and 40 seconds.

Mr. NUNN. Mr. President, let me just make a very brief comment and then I hope we can go ahead to a rollcall vote on this amendment. Then it would be my hope we could move on to the B-2 amendment. I would ask that Senator LEAHY, Senator SASSER, and Senator COHEN be alerted that we would very much like if they can come over and be prepared right after this rollcall, hopefully, to go to the B-2 amendment, which has a rather long time limitation. We need to get started on it.

Mr. President, the Bumpers amendment raises essentially the same issue we faced on the Harkin amendment. The amount of money cut is different but not much different. The level of SDI funding would be $3.6 billion if we agreed to the Bumpers amendment. That would be $1.5 billion below the administration request and, most importantly, it would knock out half the money for the one site, the Grand Forks ABM site that we voted for yesterday on a 60-to-39 vote. It would take out half of that money and in effect make a concept that we just approved very dubious in terms of its ability to move forward.

I do not think I need to belabor the point beyond that. We have had virtually every type of debate on the concept. I say to the Senators who voted for the concept, I hope they also vote against the Bumpers amendment so that we could make the concept at least get off to the start that is absolutely essential with the funding.

Mr. President, I know the Senator wants an up-or-down vote. I have agreed for my part to accord him that privilege. I have been moving to table on previous amendments today, but if he desires an up-or-down vote I will agree. I hope that this is all the SDI amendments we have. I know no one can pledge for anyone else, but we have had about as good a debate on SDI as I think we have ever had on the floor.

I hope we can move on to B-2, because I can inform my colleagues we have the B-2 amendment. Then we have an amendment Senator WIRTH will be proposing on abortion that is going to take considerable time. We have an amendment that Senator DOLE will be proposing on the President's authority relating to the United Nations' resolution on Iraq. That is going to take a considerable amount of time. We have at least five or six other, what I consider major, amendments that will require extensive debate and rollcalls, and we are trying to finish this bill sometime late tonight or tomorrow. My guess is it will be tomorrow. So I just hope that people keep that in mind and we can move forward.

I would be prepared to yield back the remainder of my time, once the Senator has concluded.

Mr. BUMPERS. Mr. President, I want to reemphasize the salient points of this amendment.

No. 1, it is hard for me to even say it, but it is true. If you vote for my amendment, you are still voting for a 20-percent increase over the total funding for SDI last year.

No. 2, we do not touch theater missile defense research. As a matter of fact, I am a strong proponent of that. And Congress can be proud of the fact that we increased this category last year, beyond the President's request, and that was before Desert Storm.

No. 3, the President did not ask for this new SDI initiative. The House did not ask for it. The Pentagon did not ask for it. And here we are under the Senate bill putting a billion and a half dollars into a defense system which nobody has asked for and which will be the biggest single appropriation in 1 year for a research program in the history of the United States. And if you vote for my amendment, you are going to be voting for $840 million for research on this Grand Forks anti-ballistic-missile defense system.

And that will be just about the biggest amount of money that has ever been put into a research project's first year in the history of this Nation. So it is not as though my amendment unilaterally disarms this Nation against Soviet missiles. You are not talking about bean bag. You are talking about $840 million under my amendment.

Mr. President, there has been no threat assessment. There is no technology that anybody knows and there is no cost estimate of where we are going. Yet even I am putting $840 million into this.

I want to ask every Member of the Senate. When do you intend to start addressing the deficit? I tell you something. A $4 trillion debt of this Nation is 10 times more dangerous to our future than the Soviet Union. But nobody can seem to find the time or the place or the particular figures that they want to start addressing the $4 trillion debt and next year's $348 billion deficit.

Mr. President, you do not have to take a leave of your senses to be strong on defense. You do not have to see how much money you can vote for to prove that you believe in a strong national defense. And the time is rapidly approaching, my colleagues, when those 30-second weak-on-defense spots "ain't going to play in America." Every dime you put in this budget that we do not need for our national defense is a waste. Admittedly, every dime you do not put in that we do need is dangerous. And it is that fine line that we have to walk.

The Atlanta Constitution said in an editorial yesterday morning that if your house is falling down, the light is out, roof is falling in, and some guy shows up at your front door selling insurance against meteor showers, would you buy it?

That is what we are doing here. Do you know what the New York Times said? They said having denounced antimissile defenses for two decades, why do some Senators now find it so irresistible? There is no intelligence assessment that is new that warns of any immediate danger, either by disaffected Soviets or anywhere else.

The CIA will tell you that none of our enemies will have an intercontinental ballistic missile capability until well after the turn of the century. So why? What is the big, big rush? And we want to destroy the new world order in one fell swoop.

Mr. President, I ask my colleagues to think very carefully and vote sanely for defense, and sanity.

I yield the floor.

Mr. NUNN. Mr. President, just a couple of brief responses. The Senator from Arkansas said that the Department of Defense did not ask for this approximately $1.5 billion going into the overall limited defenses. That is erroneous. The Department of Defense asked for $1.46 billion in this area. And the committee added $90 million. So to say this just appeared out of the blue, the $1.5 million from the committee, is erroneous. It is not correct. We added $90 million, and the Department of Defense requested $1.46 billion.

When I heard all of these good speeches, they have been good speeches they have outlined a lot of problems America has, and I identify with those problems in terms of fiscal and in terms of social, we have a lot of problems facing us. This is not a budget resolution. This amendment has been debated as if it is a budget resolution. We decide the allocation for defense in social programs and interest on the debt during the budget resolution.

I am really always amazed then when people stand up one after another talking about defense, as if we are the ones depriving every need we have in this country. Mr. President, the defense budget has come down 7 years in a row; 7 years in a row we have brought the defense budget down. If any other department of government has brought down this amount since 1985 as much as defense I hope somebody will tell me what department it is.

By 1996, if we stay on the track we are on with this bill, the defense budget will have been reduced 35 percent in real terms from 1985. Yet all I have heard for the last 2 hours is one Senator after another, largely on this side of the aisle, I regret to say, acting as if the defense budget is depriving every need we have in this country and causing the problem with interest on the debt. I wish I would hear some of those speeches when there are other budgets up on the floor but I never do. It is only the defense budget.

Mr. President, we will have by 1995 a defense budget that is approximately 3.6 percent of the gross national product. That is the lowest level it has been. That is the lowest level it will have been since the late 1940's before the Korean war. Yet, the defense budget is attacked on the floor over and over again as if this is a budget resolution.

Mr. President, this is not a budget resolution. This is a debate on a defense program within the context of the budget that we were assigned by the budget resolution. We could not exceed the budget resolution. We are under the budget resolution.

I hope that our colleagues when they vote on this amendment and others will put this matter in context. These are wonderful speeches but they are speeches that should be made when we are making the decisions on the budget resolution and then we will debate how much the other parts of the budget have grown while the defense budget has been coming down, 7 years in a row.

Mr. President, I yield the remainder of my time. I know the Senator would prefer an up-or-down vote.

Mr. WARNER. Mr. President, I would like the RECORD to indicate that I associated myself with the remarks of the distinguished chairman of the Armed Services Committee. This is a clear example of the leadership that he provides every step in the defense process from the moment the President's budget arrives at Capitol Hill, throughout the hearings and the markup, and then the eventual presentation of the full bill to the Senate.

Mr. BUMPERS. Mr. President, I want to respond to one thing. You tell me what other areas of government, whether it is help to pregnant women, immunized children, whatever, who else do you know getting a 20-percent increase? That is what this amendment does. It cuts a 50-percent increase in one program, to a 20-percent increase. I invite you to tell me who else in the Federal Government is getting 20-percent increases? I yield the floor.

Mr. DURENBERGER. Mr. President, I rise to comment on the Armed Services Committee's provisions on the strategic defense initiative and the debate conducted yesterday and today in the Senate. I support the committee's SDI plan because I believe it represents a fair and responsible plan to deploy a treaty-compliant ABM system and to negotiate together with the Soviet Union on modifications to the treaty.

The plan lays out the goal and the objective of providing an effective, limited defense of the United States against accidental or limited missile strikes and to maintain strategic stability as we work together with the Soviet Union to enhance mutual security.

The plan adopted by the committee by a large bipartisan majority calls for deploying an ABM system in complete compliance with the ABM Treaty. One site. One hundred interceptors. Contrary to much of the debate and public discourse, there is nothing in this plan that authorizes the United States to violate the ABM Treaty.

I have studied it. I have considered the comments made by the proponents and opponents. And I am satisfied that this plan does not violate the treaty, nor does it require the United States to violate the treaty in the future. It does not urge the United States to violate the treaty. In fact, earlier today, the Senate unanimously adopted an amendment that clearly states that nothing in the committee bill authorizes the United States to violate the treaty. I don't believe the amendment was really necessary because the bill is fairly clear on this matter, but some Members sought to remove any doubt.

Mr. President, is it conceivable that the United States, taking direction and guidance from the committee's plan, will negotiate modifications to the treaty with the Soviet Union? Yes, of course. But that is no different than anything two administrations have already been saying for 9 years. In fact, since the treaty's inception 20 years ago, we have always retained the right to negotiate amendments.

Since 1983, Congress has approved some $24 billion for SDI, a substantial part of which has been devoted to systems that, if developed beyond a certain point or actually deployed, would massively violate the ABM Treaty, if it were not amended. Brilliant Pebbles. Brilliant Eyes. Space-based battle management. Certain sensors. X-ray lasers and a host of other things. Two administrations and Congress since 1983 have not violated the treaty, but they have planned for future options.

It is clear to this Senator that the committee plan is in fact a two-track design: one track to deploy a treaty-compliant system and another track to negotiate future modifications of the ABM Treaty.

There is no prohibition in the treaty against modifying or amending it, or even abrogating it. This Senator does not believe the United States should abrogate the treaty. The committee plan does not call for that action. And again, it does not call for violating it either. This Senator does believe that we should not be forever opposed even to considering modifications. The times have changed since 1972. Technologies are more capable. Risks of accidental launches are higher. Threats from third countries are greater.

Mr. President, I believe the time has come for the United States to think very seriously about defending our country against accidental or limited ballistic missile strikes on the United States. There is clearly less threat today than ever before from a massive, intentional missile attack against us from the Soviet Union. But that is not the threat that the committee plan envisions.

A number of my colleagues have suggested that there is no risk of accidental launch from the Soviet Union. I am not sure we should be so comfortable in those assurances. The Soviet Union today is not the most stable place, and we can never be sure what the future will hold. Yes, there are enormous positive changes taking place in the Soviet Union. But these same changes cause a certain degree of instability. It is my understanding that even some Soviet leaders have expressed these same concerns. It is not a trivial matter or just some hypothetical proposition.

Additionally, it is very important to keep in mind that we are now planning for the future. This treaty-compliant system will not be deployed tomorrow or next year. It is the future we are looking to. And the future holds many uncertainties, not only from the Soviet Union but also from third countries.

Mr. President, there is a very real future threat from third-country ballistic missiles. The gulf war demonstrates the political terror value of ballistic missiles. The capabilities of these weapons will not contract in the future. Their ranges and accuracy will increase. The ability to deploy warheads of mass destruction on these missiles will grow. The number of countries that possess these missiles will expand.

Yes, we must make every possible effort to control the proliferation of ballistic missiles and their technologies. Our experience with Iraq's nuclear program proves that inspection and control regimes may not be as capable as we had believed.

According to my colleagues from Virginia and Maine, the Central Intelligence Agency estimates that by the year 2000, anywhere from 15 to 20 developing countries will have ballistic missile capabilities. At least some of these are projected to possess missiles with ranges sufficient to strike the United States.

I cannot speak to the likelihood of each of these countries developing nuclear, chemical, and biological weapons for possible delivery by missile. But it is a real concern. I reemphasize the apprehension that the previously unknown extent of Iraq's nuclear program has caused in the international community. Hard as we try, this recent experience with Iraq forces us to recognize that we cannot put the genie back in the bottle. We cannot control every weapon from every possible source.

The plan advocated by the Armed Services Committee and a majority of my colleagues in the Senate takes these realities into account. Third-country threats. Soviet instability. Limited strikes. Accidental launches. The time has come for the United States to begin defending itself. We have established a goal to deploy a treaty-compliant system by 1996. We will negotiate with the Soviet Union on modifying the treaty.

I believe we are set upon a positive course. The committee gives some concrete direction and meaningful goals for the SDI program. I commend and congratulate the committee for bringing forth this proposal to establish these goals.

Contrary to assertions made by some critics of the plan, this country is not rushing headlong toward violating or abrogating the ABM Treaty. At each step of the way, the Congress will have a check on the process. We will continue to review and reevaluate the progress toward this goal, and make future decisions based on new information and developments.

We will also embark on a negotiations track in cooperation with the Soviet Union. This Senator does not believe that we should be governed exclusively by what we presume to be the likely Soviet response. Some have suggested that the Soviets will never agree to modify the treaty. I am not completely convinced of that that assertion is necessarily true.

It seems to me that, in addition to the United States, the Soviets also must contend with a strategic ballistic missile threat from China. They must also deal with third-country threats much closer to their borders than we currently confront. It is entirely possible that the Soviet Union is even more immediately concerned about third-country missile threats than we are. I do not know the answer to that question. It is certainly worth exploring with the Soviet Union. And that is what the committee proposal suggests.

Mr. President, I conclude by congratulating my colleagues on the Armed Services Committee for forging this consensus. I have been pleased to support this proposal during its consideration before the Senate over a 2-day period. Although the conference on these matters will no doubt be contentious, it remains my hope that the House will concur with the Senate position.

Thank you, Mr. President. I yield the floor.

Mr. COATS. Mr. President, I rise to strongly support section 211 of the Defense authorization bill, the Missile Defense Act of 1991. Despite the protestations of some Senators, this provision is truly a consensus statement on SDI. The Missile Defense Act is the product of many hours of debate, a lot of hard work and compromise. By both sides. Insofar as an overwhelming majority supported this measure during the Armed Services Committee's markup, I believe it truly represents a realistic and balanced consensus position.

The Senate should be aware that an earlier version of the Missile Defense Act was defeated in committee by a combination of Republican and Democratic Members who had concerns with various provisions. In the end, however, the majority of these concerns were adequately addressed and both sides agreed on acceptable middle ground. Any attempt to modify this important provision would simply shatter the carefully crafted compromise.

Since the Missile Defense Act, in my view, is the only realistic near-term option for actually deploying an operational ballistic missile defense system, those who seek to undermine it have an obligation to explain to the American people why they seek to deny them defenses against limited, accidental or unauthorized ballistic missile attacks. Stated simply, those who offer amendments to weaken the Missile Defense Act, either by reducing funding or by modifying the structure of the provision, are simply stating their view that the American people should not be defended against ballistic missile attack.

Mr. President, despite my support for the Missile Defense Act, with its limited goals for near-term deployment, I continue to believe that we should pursue a more comprehensive strategic defense system as a long-term goal. As we reduce strategic offensive forces, I am concerned that offense-only deterrence will at some point become precarious and unstable. If we are to maintain survivable deterrent forces into the next century, we will eventually need to rely more heavily on active defenses.

For the purposes of this debate, however, questions about strategic stability really do not apply, since the Missile Defense Act is designed to provide protection against very limited ballistic missile attacks. This form of protection would be very effective in defending against a terrorist attack or an accidental launch, yet it would not impact the central United States-Soviet deterrent relationship.

Given its very limited scope, I have difficulty understanding the opposition to the Missile Defense Act. The only explanation for this appears to be an uncompromising belief in the sanctity of the ABM Treaty. Ironically, the ABM Treaty was negotiated and ratified 20 years ago in order to codify the doctrine of mutual assured destruction, which has nothing at all to do with the Missile Defense Act, or with the President's GPALS Program for that matter.

In examining the Missile Defense Act, a more appropriate point of reference is Iraq's use of Scud ballistic missiles during the Persian Gulf War. While these missiles were relatively primitive and had no capability to target the United States, they are symbolic of things to come. In the future, we must be prepared for irrational leaders such as Saddam Hussein to possess relatively accurate ballistic missiles capable of holding U.S. cities at risk, possibly with chemical, biological, or nuclear warheads. These threats have nothing to do with mutual assured destruction and the ABM Treaty. Unfortunately, those who continue to worship at the altar of this treaty are currently attempting to prevent us from protecting American citizens from such third country attacks in the name of an agreement that is now badly in need of modification.

The Missile Defense Act in no way advocates the abrogation of the ABM Treaty. It merely sets a goal of deploying a near-term treaty compliant missile defense system while we engage the Soviets in discussions to modify the treaty. We must bear in mind that a treaty-compliant system will never be capable of defending all Americans and hence is not an acceptable end result. The treaty must be modified to allow the deployment of additional missile defense sites to cover the entire United States, including Alaska and Hawaii. I find it difficult to imagine that there is a Senator who would advocate defending only some Americans, although that is certainly what the result will be if we do not modify the ABM Treaty.

I would also point out that the arms control goals contained in this provision are very reasonable and modest. Nevertheless, they are essential if the Soviets are to take us seriously in negotiations to modify the ABM Treaty.

Mr. President, I have expressed my views on SDI and the ABM Treaty on the Senate floor several times this year. I will, therefore, refrain from getting into additional detail at this time. There are many important issues in this debate and I am confident that we will continue to revisit them in the months and years to come. For the time being, however, I firmly believe that the Missile Defense Act of 1991 is a modest and appropriate first step toward settling our remaining differences. I hope all Senators will support this provision and oppose any amendments to weaken it.

Mr. NUNN. Mr. President, one final word. I will say to the Senator that if the Armed Services Committee and the Appropriations Committee decides to increase one program 20 percent, we usually reduce some other program because we stay within the budget context. We stay within the budget. We do that in this bill. This is not over the budget. It is under the budget. I think we are really having a debate on the amendment as if it is a budget resolution. It is not.

Mr. President, I yield the remainder of my time. I believe the yeas and nays have been ordered on the amendment.

The PRESIDING OFFICER. All time as expired.

Mr. BUMPERS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BURDICK. Mr. President, on this vote I have a live pair with the Senator from Arkansas [Mr. PRYOR].

If Senator PRYOR were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

On this vote, the Senator from North Dakota [Mr. BURDICK] is paired with the Senator from Arkansas [Mr. PRYOR]. If present and voting, the Senator from North Dakota would vote "no" and the Senator from Arkansas would vote "yes."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 46, nays 52, as follows:

[Rollcall Vote No. 173 Leg.]

YEAS—46

Adams
Akaka
Baucus
Biden
Boren
Bradley
Bryan
Bumpers
Chafee
Cranston
Daschle
DeConcini
Ford
Fowler
Glenn
Gore
Graham
Grassley
Harkin
Hatfield
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NAYS—52

Bentsen
Bingaman
Bond
Breaux
Brown
Burns
Byrd
Coats
Cochran
Cohen
Conrad
Craig
D'Amato
Danforth
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Garn
Gorton
Gramm
Hatch
Heflin
Helms
Hollings
Inouye
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Robb
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Burdick, against

NOT VOTING—1

Pryor

So, the amendment (No. 994) was rejected.

Mr. NUNN. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY May we have order, Mr. President?

The PRESIDING OFFICER. The Senate is not in order.

Mr. LEAHY. Mr. President, we still do not have order.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia.

Mr. NUNN. Mr. President, if I could have the attention of our colleagues.

Mr. President, has that vote been reconsidered and tabled?

The PRESIDING OFFICER. Yes; it has.

Mr. NUNN. Mr. President, we have made a lot of progress today. We have had vigorous debate, good debate, constructive debate on the whole question of SDI.

Mr. LEAHY. Mr. President, the Senate is still not in order. I am standing 4 feet from the distinguished floor manager, and I cannot hear him.

The PRESIDING OFFICER. The conversation will cease in the rear of the Senate floor.

The Senate will be in order.

The Senator from Georgia.

Mr. NUNN. Mr. President, we have had good debate on the entire SDI Program. I think we probably had the most thorough debate, the most reasoned and constructive debate, we have had on this matter for a long time.

Mr. President, I hope we can move on to the B-2 amendment. We have a time agreement, when we have that amendment submitted. I believe Senator LEAHY and Senator COHEN are both on the floor. Our time agreement is 4 hours on the amendment equally divided, plus 45 minutes for the Senator from Tennessee [Mr. SASSER].

It is my hope that, as we proceed along here, we can cut that time down by an hour or so. But we have to wait and see on that.

We also will have several other important amendments this evening. If we do not go well into the evening tonight, there is no hope to finish this bill even by tomorrow night. We have a number of amendments that have been filed. We have others that keep coming. We are working with Senators trying to see if we can work out amendments, but there are at least five or six other major amendments that I know about that will require extensive debate and rollcalls.

So I have no choice but to continue tonight until what I would estimate to be 11 to 12 o'clock tonight. I wanted to let everyone know that. If we do not do that, there is just no hope of finishing this bill tomorrow. If we could cut down on the time agreements, if we could get amendments worked out, if we could get Senators not to pursue certain amendments that they have listed, then we can cut this down. It is even conceivable we could finish this bill very later tonight, but I am not terribly optimistic about that now, I wanted to let our colleagues know this will have to be a reasonably late evening.

Mr. DOLE. Will the Senator yield?

Mr. NUNN. I yield to the Senator from Kansas.

Mr. DOLE. Mr. President, let me just state, on this Senator's part, we are not going to stay here until 10 or 11 o'clock tonight to hear the same Senators get up and talk 2 or 3 hours on every amendment. We started on the SDI yesterday afternoon at 3:30. It has taken almost 24 hours to dispose of SDI. We heard the same Senators speak 4 and 5 hours, and now they are going to start over on the B-2. That is fine. That is their right.

But we do not have to sit here all night to accommodate two or three or four Senators who are not willing to reduce the time. We have had the B-2 debate 25 times. We do not need 5 hours on the B-2 amendment.

I just say to the Senator from Georgia, I know he has a difficult job. But we are not going to stay here until midnight or 2 o'clock so we can accommodate two or three Senators who will not accommodate the rest of us.

Mr. LEAHY. Mr. President, if I might respond to the distinguished Republican leader. I would note I have said nothing on this bill since it has been on the floor. It is my amendment he is speaking of but I have not spoken a total of 2 minutes on the defense authorization bill.

I want to let the distinguished leader know that I will do everything possible to yield back time. But I also advise the distinguished Republican leader that, as we have found on other bills, I know when I have had other amendments, he has noted under the rules that he had many Members on his side of the aisle that did want to talk at great length.

I am sure he feels, as I do, that the rules apply the same to all 100 U.S. Senators. But it will be the intention of this proponent of this amendment to do everything possible to cut down time.

Mr. METZENBAUM. Will the manager of the bill yield?

Mr. NUNN. I do not have the floor.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. LEAHY. I ask the Senator from Georgia, am I correct that we are now prepared to go forward with this amendment?

Mr. EXON. Will the Senator from Vermont yield for a question,

Mr. NUNN. If I could respond just briefly to the Senator, the answer is I would prefer to go forward with the B-2 amendment now. It is up to the sponsor of the amendment.

Mr. LEAHY. If I might help the Senator from Georgia. If everyone would withhold just for a moment. Let me just submit the amendment so we can start the time running. Would that be accommodating to the distinguished manager?

Mr. NUNN. Yes.

AMENDMENT NO. 1017

(Purpose: To terminate the new production of B-2 bomber aircraft)

Mr. LEAHY. Mr. President, I send an amendment to the desk on behalf of myself, Mr. COHEN, Mr. LEVIN, Mr. MCCAIN, and others, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY], for himself, Mr. COHEN, Mr. LEVIN, and Mr. MCCAIN, proposes an amendment numbered 1017.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 22, strike out line 1 and all that follows through page 23, line 14, and insert in lieu thereof the following:

SEC. 118. TERMINATION OF NEW PRODUCTION OF B-2 AIRCRAFT.

(a) REDUCED AUTHORIZATION OF APPROPRIATIONS.—Notwithstanding section 103(1)(A), the amount authorized to be appropriated for the Air Force for fiscal year 1992 for the procurement of aircraft is $7,463,539,000.

(b) PRODUCTION TERMINATION.—Funds appropriated for the Department of Defense for fiscal years after fiscal year 1991 may not be obligated or expended to commence production of any B-2 aircraft.

(c) AUTHORIZATION SCOPE OF B-2 PROGRAM.—Amounts appropriated for the Department of Defense may be expended for the B-2 aircraft program only—

(1) for the completion of production of those B-2 aircraft for which production was commenced with funds appropriated for a fiscal year before fiscal year 1992; and

(2) for research, development, test, and evaluation, including flight testing.

Mr. EXON. Will the Senator yield for a question?

Mr. LEAHY. Mr. President, I yield without losing my right to the floor and the ability to reclaim it at any time.

Mr. EXON. I thank my friend from Vermont. I just want to echo the words by the Senator from Georgia, and especially the emphasis placed on those words by the Senator from Kansas.

I certainly agree, the Senator from Vermont has been very restrained. I do not believe I have heard him take any time on this bill as yet. But I think he is about to.

To put this in another context, if everybody says, well, I have a right to talk for innumerable periods of time on this because I have not talked on other amendments, then, with 100 Members of the body all with equal chances, we just multiply the problems at hand.

Before I ask the question, the facts of the matter are there are two or three votes, in my opinion, that have been changed one way or the other, probably not at all, on all the measures that have been put forth.

I guess that is a reason to say, why can we not be a little bit more understanding of ourselves and the quality of life around here. I am just wondering, as a step in that direction to show our good faith in this effort, if we could not begin the debate on the amendment just offered by the Senator from Vermont by agreeing to cutting down the time agreement from what it is now to 1½ hours equally divided on each side, and maybe one-half hour instead of 45 minutes for the Senator from Tennessee, who unlike the Senator from Vermont, has been on the floor for numerous periods on this bill.

Could we not show our good faith? I am asking if we might consider that possibility at this moment.

MR. LEAHY. Mr. President, I answer my good friend from Nebraska that we should probably stop talking about how much time we are going to take once the debate started, and just allow the debate to start. The Senator from Vermont fully intends to yield back whatever time he possibly can.

There are a number of Senators who are cosponsors, who have asked to speak. We tried to protect them within the time agreement. Senators should know me well enough that I take less time than just about anybody else around here.

I want to go to Vermont with my family as soon as we can get through this session for the August recess. I have that further incentive.

Let us just stop talking about how much time it might take once the debate starts, and start the debate.

I thank my friend.

Mr. METZENBAUM. Mr. President, will the Senator from Vermont be willing to permit me to just inquire of the Senator from Georgia concerning the possible time agreement and nothing further?

Mr. LEAHY. I will. But first, Mr. President, on behalf of Senator KERRY, I ask unanimous consent that Brad Cohen, of his staff, be given the normal floor privileges during the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. The Senator from Georgia knows I have been indicating I wanted to bring up an amendment for the past couple of days and understood other matters had priority. Would the Senator from Georgia be willing to agree to a 1-hour time period sometime tomorrow? Seven in the morning? Nine in the morning? One o'clock?

Mr. NUNN. I say to my friend from Ohio the answer is probably yes, but I have to speak with Senator BOREN. I do not see him on the floor. There are too many other matters I have been negotiating with people to be able to get together with him. We can certainly accommodate some time agreement. One hour will be fine. Maybe we can agree on less than that.

Mr. METZENBAUM. The Senator from Ohio does not want to be crowded and asked to take 10 minutes on a side. I just want to be reasonable, but I want to make my point at this time and we can discuss the matter further.

Mr. NUNN. I understand. My colleague is talking about an amendment that would cut $350 million?

Mr. METZENBAUM. Cut the $350 million the Intelligence Committee asked the Senator to cut. It is a matter that, as the Senator will understand, we will have to get into.

Mr. NUNN. I understand. I will talk to Chairman BOREN and get back to my colleague.

Mr. LEAHY. Mr. President, may I ask unanimous consent that that amount of time not come from the time of the proponents or opponents?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, we begin the debate on the B-2 bomber the day after President Bush and President Gorbachev signed the historic START agreement to reduce thousands of strategic warheads. It is ironic that just as President Bush proclaims the dawn of a new world order, we are here debating whether to proceed with the most expensive and unneeded vestige of the old order.

Earlier this month, the Bush administration announced that the Federal deficit of the United States will reach $348.3 billion in fiscal year 1992. The announcement was accompanied with little fanfare. OMB quietly announced the new deficit numbers, and the department CPA's noted once again that economics is an imperfect science.

There has been no signal from the White House that a budget deficit of this magnitude is cause for concern.

I think most Vermonters are concerned. I am concerned. And I think everyone on both sides of the aisle would like to do something to restore the faith and credit in the U.S. Treasury.

This afternoon Senators are going to have a chance to restore some of that faith and credit.

Today, the Senate has another opportunity to halt the B-2 bomber program.

Two years ago, 27 Senators including 10 committee chairmen, supported the first amendment I offered to stop the B-2. I promised those who voted with me that they would look back at that vote with pride.

There are more of us today who wish we had ended the program back then—several billion dollars ago. There are millions of Americans who will never accuse my colleagues of hindsight if they finally join this cause—before we spend $35 billion more.

Opponents of the B-2 have swelled as the case for the bomber collapsed along with the Communist regimes in Eastern Europe.

The amendment we are offering today stops production of the B-2 at 15 planes and saves $30 billion. We could have saved more 2 years ago—but for many opponents back then the cold war was not yet officially over and they feared we would be shortchanging our defense capabilities by not moving ahead on the B-2.

The B-2 has been anything but shortchanged. It has been one of the most avaricious and wasteful weapons programs that the taxpayers of this Nation have ever been forced to underwrite. The program is a textbook case of Federal waste at its worst.

Over the past 10 years, Congress has given the Pentagon $30 billion to spend on the B-2 with very little oversight. What information we have for that huge expense is alarming. The problems that plague the B-2 are more than enough to cancel production. Incredibly, even this week, when the Air Force knew the B-2 debate would occur, the Government has withheld progress payments from Northrop for poor cost accounting standards.

The B-2 is a gross case of fraud against the American taxpayers.

We still do not know what the plane will cost. The few test results tell us little about its capability. Manufacturing problems continue to produce incomplete planes behind schedule, and over cost. And even worse—the plane has no mission.

For too long, the Pentagon has been excusing these problems as the cost of doing business as usual. The Department of Defense has sold this Senate, but not the American people, on the most expensive plane ever built. If we went to the American taxpayers and told them what has been spent on this plane and asked them if they want us to continue, I can assure you, Mr. President, you would hear an overwhelming "no." Certainly you would from my State of Vermont. After $30 billion—we have a total of three planes with 94 percent of the flight testing still to be completed. And while we wait for the Pentagon to test these planes—we are putting in orders for 55 more.

The B-2 funding schedule is a classic example of bilking the American taxpayer. Last year, Congress approved $2.3 billion—the sum requested by the Defense Department for two more B-2 bombers. I cannot help but think each weekend when I go back home that $2.3 billion is the total annual budget for my State of Vermont for the next 4 years. Vermont could do a lot with $2.3 billion. Let me tell you what the Pentagon did with $2.3 billion.

No planes were purchased from that $2.3 billion. Do you know where it went? It went entirely to cost overruns. If we had killed the bomber last year—we would have exactly the same number of planes we have today—but we would have either turned the $2.3 billion back into needed domestic programs, or used it to reduce the budget deficit. The truth is, we got nothing for it—except more money heaped on our national debt and deficit.

The Air Force wants to buy 75 B-2 aircraft at a cost of $65 billion. That is more than the Air Force originally planned to spend for almost twice that many aircraft. The total cost has risen $4 billion in the last year alone. And it will go higher—unless of course the problems that have plagued this program for years suddenly and miraculously disappear. But even those of you who believe in miracles must have lost your faith in the Defense Department's ability to produce them by this time. Unfortunately, we do not build airplanes by miracles, and we do not find the money by miracles.

The B-2 is a revolutionary aircraft: a flying wing made from composites. The Air Force proceeded on a compressed building schedule expecting to discover how to build the plane by experimentation. Cost estimates assume that manufacturing progress will improve. When? For every setback that we experience during this learning stage—billions are added to program cost overruns.

The General Accounting Office recently testified that manufacturing the six first aircraft has been troublesome. The planes are being delivered late and are incomplete. The first six aircraft have been behind schedule and will roll off the assembly with 650,000 defects. Manufacturing problems not only add cost but, ironically, delay the testing needed to check manufacturing. The B-2 program has completed only 6 percent of the planned flight test program. Late deliveries of the planes has caused the test schedule to slip 3 years. Flight testing will not be completed now until 1996. By then, American taxpayers will have purchased more than 70 percent of the B-2 fleet.

Mr. President, we learned from the B1-B program that making fixes on completed aircraft is expensive. We are not going to know enough about the B-2 until it is too late.

But, let us assume, after we spend nearly $1 billion an airplane, the program defies all experience we have had so far with it and the plane actually flies and does what it is supposed to do. Our Air Force strategic planners are still frozen in the nuclear ice age. Incredibly, the Secretary of Defense continues to insist that the B-2 is primarily a penetrating strategic bomber. I do not really believe that those who are lobbying for the B-2 actually believe what they are saying.

Dramatic changes in the world have made that mission anachronistic. We do not have any strategic targets in Red Square. Look at the picture yesterday of President Bush and President Gorbachev walking down Red Square, at the same time we are saying we have to develop an airplane to bomb Red Square. The time is gone. It is past.

B-2 supporters argue that the plane is necessary to maintain a robust nuclear force under the START Treaty signed by President Bush and President Gorbachev on Wednesday. The final treaty favorably counts penetrating bombers like the B-2. One plane will be counted as only one warhead, even though it may carry up to 20 nuclear weapons. But there are favorable counting rules for other weapons, including bombers that carry cruise missiles.

The advanced cruise missile—which itself is stealthy—can carry out the same mission as a penetrating bomber at a fraction of the cost.

Without the B-2, the United States has 9,000 nuclear warheads under START. With this massive number of warheads on B1-B bombers, B-52H's, Trident submarines, Minuteman II, Minuteman III, and the MX, the United States has more than enough nuclear force to deter any conceivable nuclear threat.

Recently, B-2 supporters have touted the conventional capabilities of a long-range stealth bomber. The B-2 was not designed for such a mission and modification for precision weapons used so effectively in the Persian Gulf will add to the total program cost.

The amendment I offer today will permit 15 planes to become operational and carry out conventional missions. I strongly believe, however, that tactical aviation constitutes a core of modern capability. And, these planes are being enhanced.

Mr. President, Americans are willing to stand up for the defense of our country. I come from a State where people are very proud of their willingness to defend our Nation and have served in every war.

But there is a lot more to the defense of the United States than simply saying spend more money. Americans are going to spend whatever is necessary for our national security. But that national security means much more than our military might.

The security of our great Nation also depends on how we spend our limited resources to promote a strong economic base that is going to properly feed and educate and care for our people. How well our people are fed, how well our people are educated, the health of our country, that is part of our national security, too. It is not just a question of how much money we can put into the defense budget.

It is not just defense spending that makes this Nation strong. Our people make this Nation strong. The greatest challenges to our country are budgetary red ink and growing international competition. America must look beyond military threats if it wants to remain a superpower.

Our massive debt has prevented the United States from paying attention to domestic problems that are going to be a far greater threat to our security than any foreign military force. Our national debt is now over $300 billion. We spend $545 million every single day just on interest payments. That amounts to spending 16 percent of our Federal budget on interest every year.

The roads and bridges that provide our national infrastructure are crumbling, and despite being the wealthiest nation on the Earth, we do not provide shelter and food to the poor. The United States ranks 13th among industrial nations in maternal mortality rate. We are 17th in infant mortality rate. We have to start making choices in this country.

Last year, the Senate put its faith and trust in the B-2. We considered the mission and the cost, we gauged the threat, and in the end, a majority of the Members of the Senate said the cost was worth it.

The world has changed since then. The B-2 mission no longer makes sense. The costs are always changing. We have enough hindsight to know the program costs we are being asked to approve today are going to cost more tomorrow.

And, the same defects that plagued this program through its history are still there today. Nobody can rest assured that if they vote to continue this program today the costs are going to be the same. They are going nowhere but up. The Senate now has the advantage of hindsight to judge the B-2 program. It does not take foresight, just common sense, to cancel the program now.

Mr. President, I emphasize again for those who feel that our national security is based only upon the weapons systems we build or on what we spend on our defense budget. They miss the overall point. Will America have a strong military? Of course. But I think every single American knows that military power is not the sum total of our national security.

We see the Japanese and the European Community able to outcompete us at so many things economically worldwide. Does that not also speak to our national security? Should we not also be spending some of our limited resources, to improve our ability to compete economically with the rest of the world? Or do we decide that economically we must be subjugated to other nations and all we can say is we have more nuclear weapons than you? Is it not also part of our national security to speak of the health of our people? You will find everywhere you go in this country, almost everybody will tell you they are concerned about health costs and providing for health care for them and their family. Should that not be part of our national security? Bring ourselves up to a level similar to other industrial nations in providing health care? Should we not be looking at our education system? If children in other industrialized nations are being better educated, should we not be asking what that does to our national security?

Mr. President, I consider myself very fortunate to be American, to be born in this wonderful country. I think of the great opportunities that are here. As a U.S. Senator, as a parent, as a Vermonter, I am also frustrated at seeing so many opportunities being wasted and lost. So many doors being closed in this country on the true needs of our people. Doors that may never be opened unless we get some of the avaricious spending habits of our Government under control. We need to set priorities that speak to the real security of the United States.

Mr. President, I see my friend and colleague, the distinguished Senator from Maine, on the floor, and I yield to him.

The PRESIDING OFFICER (Mr. FOWLER). The Senator from Maine [Mr. COHEN] is recognized.

Mr. COHEN. Mr. President, the last time that the Senate debated the defense authorization bill, I argued that the B-2 plane was a plane whose cost remained elusive, whose mission remained questionable, and whose capability remained unproven. Today, every single point remains true, but we can add one other observation: That the management abilities of the B-2 lead contractor, Northrop, are now in serious doubt.

Mr. President, let me quote from a book prior to discussing the B–2, a quote I came across recently in reading "The Commanders," a book by Bob Woodward. It is a major best seller now. I would like to focus upon one particular paragraph. On page 74 of that book, Woodward writes:

> Cheney already knew enough to be wary of the Air Force. The officers were a smooth lot, who made a great show of being helpful and responsive. Make a request and lots of colonels and generals would appear and talk to you until you had briefings and viewgraphs and neatly tabbed studies coming out your ears. Lots of motion, lots of paper flying around, lots of men in light blue uniforms and crisp shirts to answer any question. The Air Force seemed craftier than the other services, more familiar with Washington's ways, more adept at throwing up a smoke screen. Like almost everyone in the Pentagon, they were selling, but Air Force salesmanship was more consistent and better packaged, as if the service spoke with one persuasive voice. You had to look hard to see exactly what was up. The senior Air Force officer corps was so unified and impenetrable, it was often called the "Blue Curtain."

I think the blue curtain has, in fact, been dropped around the B–2. It has been dropped around the B–2 with respect to cost. We can invoke Yogi Berra's "deja vu all over again." Two years ago we were told "We have spent $23 billion, we cannot afford not to proceed." Last year we were told "We have spent nearly $27 billion, we cannot throw it away." And now we are told "We have spent over $30 billion, we cannot stop now."

Every single dollar we approve seems to justify the appropriation of yet more money. As the Senator from Vermont pointed out, OMB now estimates that the Federal deficit next year is going to be roughly $348 billion, $70 billion higher than we assumed it was going to be when we approved the budget agreement last fall. And the picture gets a lot worse when we look into the future years.

I have quoted from Norman Augustine's book, "Augustine Laws" before, but I think it bears repeating right now. Augustine pointed out that if the historical exponential growth in the cost of tactical aircraft continues, by the year 2054 "the entire defense budget will purchase just one tactical aircraft. That aircraft will have to be shared by the Air Force and the Navy 3½ days each per week, except for leap year, when it will be made available to the Marines for the extra day."

He found a similar growth pattern with respect to the cost of bombers; which, in fact, describes well the skyrocketing B–2 unit program costs.

Now, I came to the conclusion a couple of years ago that even if the B–2's flying wing design proved to be airworthy, the cost of the B–2 was going to cause it to crash and burn. But for those who have yet to come to that conclusion, I want to remind them that originally the Pentagon was proposing to buy a force of 132 B–2 bombers at a cost of $58 billion.

This price tag grew steadily until it reached $75 billion last year. At that point, Secretary Cheney said we have a problem here, let us cut the purchase down from the 132 we had planned. Instead, we are going to buy 75. Unfortunately, the price tag dropped only a small amount, to $61 billion and it has continued to rise until it now is $65 billion, or $860 million per plane. And this price tag threatens to climb even higher if management does not improve and manufacturing does not improve.

So I would suggest rather than approve another $30 billion on top of what we already appropriated, we instead face up to reality and cut our losses now.

Now, if we instead make a decision to reject our amendment and go forward with B–2 production, it is clear we are going to have to sacrifice something. Even the Senate Armed Services Committee has recommended this. They have recognized this, and they have recommended we start making choices because we are on a long downward slide as far as defense spending is concerned and we cannot afford everything we like, indeed, we cannot afford everything we need.

And so the Armed Services Committee in its report indicates we have some tradeoffs we need to make:

> The Defense budget will continue to decline so that these tradeoffs will be *necessary*—

Underlined in the original—

> tradeoffs will be *necessary*.

What kind of tradeoffs are we talking about? The committee asks the Pentagon to go back and tell us: If we have the B–2, what does that mean in terms of what else we need? Can we trade the B–2 for tactical attack aircraft? The B–2 for fighter and support aircraft? The B–2 for carrier-based aviation and carrier battle groups? The B–2 for the B–52 and B–1 bombers? The B–2 for naval attack aircraft such as the F–18 and the A–6? The B–2 for the C–17 and other aircraft? The B–2 for foreign bases?

It is like a vegomatic that is featured on late-night television: it slices, it dices, it can do just about everything imaginable. That is what the Air Force is now coming in to offer the Senate and the House as a rationale—it can do everything all of these other systems can do.

One of the great ironies is the Senate Armed Services Committee in its report is saying to us: Pentagon, what now can we cut out from among all of these systems, the attack aircraft, the fighter aircraft, the carrier-based aviation, the B–52's, naval attack aircraft, the C–17, foreign bases. Ironically, while we are told that the B–2 will be a substitute for all of these other systems—it can carry out all of these other missions—yet there is no recommendation that we terminate these other programs.

There is no recommendation that we get rid of an ATF [advanced tactical fighter] or the new multirole fighter. There is no recommendation that we eliminate some of our foreign bases as a tradeoff for the B–2. We are closing down domestic bases. I do not see any recommendations about closing down foreign bases as a tradeoff for the B–2. I do not see any recommendations to cut back on our carrier battle groups in order to accommodate the B–2. So what they are saying is we can do all of these other missions but we are not going to cut back on all of those other systems.

Something has to give. Apparently they are prepared at some point in time, not now, to say let us cut all of these other systems because the B–2 can fly all the way from Omaha to Moscow, or Kiev maybe, where the President was yesterday, fly all over and back. We do not need these carrier battle groups. We do not need the aircraft carriers. We do not need the foreign bases. We do not need the airlift or the C–17, none of that. We can just use the B–2 bomber.

Mr. President, the only thing that seems to be consistent in the Air Force's approach is that there is a constantly shifting rationale being offered. When the B–2 was originally proposed, one of its primary missions was going to do what? It was going to hunt down mobile missiles. Do you know why? The Soviets read the Scowcroft Commission report and decided the Commission was right. We all had to have mobility; mobility builds stability; let us go mobile with our ICBM's. There came the rationale we have to have the B–2 to hunt down these mobile missiles.

Well, we did not need the war with Iraq to disprove the ability of our aircraft to hunt down mobile missiles. The most optimum circumstances available: open desert, no trees, no varying terrain, very little ability to hide, and we still could not find where they were launching those mobile missiles, even with our Stealth aircraft. So suddenly we see that rationale disappear, disappear. It is no longer a primary mission for the B–2 to hunt mobile. Oh, no, they have given up on that. Now we see the major mission of the B–2 bomber has become to carry out conventional bombing.

I think it is revealing to go back and recall some of the Pentagon's past statements on this subject. The Senator from Kansas wants to know why are we taking so much time. I might point out that I consumed, I think, a total of 4 minutes yesterday on SDI. So I tried to make as surgical an argument as I could in defense of what the committee had done.

But on the other hand, we do have some explaining to do, not only to ourselves but the American people, so that there will be a record maintained and we can look back a couple of years from now and say "somebody ought to be held accountable." Someone should be held accountable for the decisions that are being made today in terms of what we are producing and what it is going to result in.

The Pentagon now argues conventional capability for the B-2 bomber. Back in November of 1981, the Pentagon was seeking to convince Congress to resurrect the B-1 bomber. I remember that very well. In fact they persuaded me: We have to bring the B-1 back.

The Secretary of Defense sought to sway wavering Senators by testifying that "the much more likely scenario and use of the B-1B will be as a conventional plane.—The B-1B with its ability to do all kinds of conventional missions is an enormously useful plane."

Those are the words of the Secretary of Defense at that time. And then he was pressed by some of the skeptical Senators on whether the B-2 could not conduct these missions. The Secretary of Defense testified that while the B-2 could conduct conventional missions, "it would not be the optimum or the best use."

And here we are now 10 years later, with the Pentagon trying to convince wavering Senators to buy yet another new bomber with the argument that it is going to be the ultimate conventional bomber. Never mind that back in 1981 we were told the B-2 would not be an optimal conventional bomber, that it would in fact not be as good as the B-1 in a conventional role. Never mind that 5 years after the B-1 was deployed, we are still waiting for it to acquire a conventional capability.

Mr. President, the Pentagon is not asking us to engage in the willful suspension of disbelief. We are being asked to ignore history. Indeed, for many of us who have been here for a while, we are being asked to ignore our own experience. For those who are willing to do so, I want to add a few more notes of caution.

I have been told, for example, that contractor lobbyists have been visiting staffs and perhaps even some Senators telling them that the B-2 will be able to carry out conventional missions on the day it is deployed. I want to remind my colleagues that in 1982 the Air Force testified as follows: "By its initial operating capability [IOC] the B-1B will be certified for the carriage and release/launch of at least two conventional weapons." The fact is, of course, that at IOC in September of 1986, the B-1B was not certified to carry any conventional weapons. And nearly 5 years after the IOC, while the B-1B has finally been certified to carry two conventional weapons, it is still not able to conduct any conventional missions.

If the history of the B-1 is not enough to reveal as faulty any claim that the B-2 is going to be able to conduct conventional missions as soon as it is deployed, then the Air Force's documents on the B-2 ought to persuade us. The systems maturity matrix for the B-2 shows it will be ready only for nuclear war missions when it is deployed. That is the Air Force's own document.

As has been the case with the B-1, it is going to be years, years after the B-2 is deployed before it is actually able to conduct conventional missions—that is, before the B-2 crews are trained for conventional missions, conventional weapons certified for the B-2 and all the other necessary steps are taken.

And when that B-2 finally acquires a conventional capability sometime in the next century, the decisionmakers are still going to face the very difficult choice of disrupting the nuclear war plan by shifting B-2 aircraft to conventional missions.

I want to remind my colleagues the fact is that never in the nuclear age has the United States employed its newest strategic bomber for conventional missions. Back during the Korean war, the B-26 was kept on nuclear alert. The older bombers, the B-29's, were sent into combat.

During the Vietnam war, the late model B-52G's and H's were kept on nuclear alert, and the older version B-52-D's and F's were instead used in combat.

During the gulf war, the B-1B was kept on U.S. nuclear alert, and B-52's were sent into combat.

So if this unbroken trend continues the B-2 would not be employed in a conventional mission until we deploy the B-3 or whatever it is that is going to succeed the B-2.

I am going to pass over for the moment some mismanagement at Northrop, other than calling my colleagues attention to it. It has been written about fairly extensively, not only in various news articles, but also by the General Accounting Office, which has provided some documents which show there are serious problems with some of the Northrop estimates and some of Northrop's management.

I will not take my colleagues' time to go into that right now. I would like instead to just turn briefly, if I could, to the status of the B-2 testing and recent GAO testimony on this subject.

Last month, Secretary Rice testified before the Armed Services Committee that "B-2 testing demonstrates that the B-2 works." In support of that statement, Secretary Rice quoted very briefly from the Defense Science Board report that reviewed the early block 2 testing.

This month, however, we have heard testimony from the GAO that calls that conclusion into question. The GAO testimony has a bit more substance, I would submit, than the Air Force testimony does. We recently received unclassified extracts from the Defense Science Board report that reveals a much different picture than what the Air Force has suggested. GAO has testified that "the flight test program has not progressed as planned." When the flight test program began in July 1989, it was planned to be completed by 1993. This has now slipped to 1996. To date, only one-half as many test hours have been flown as the July 1989 plan called for.

Air vehicle three, the first avionics equipped B-2, was supposed to have 6 months of flight tests by now. Instead, it has flown just a couple of times. The remaining three test planes may be delivered as much as 11 months later than the July 1989 plan called for. These delays are critical since the majority of the operationally realistic testing of the integrated system it planned to be conducted on the last two planes. The latest delays mean the testing is now not to be done until 1995 and 1996. The GAO concludes by noting that given the planned rate of production "The Air Force could make commitments to acquire well over two-thirds of the production bombers before there is a reasonable assurance through operational tests that the B-2 can accomplish its expected mission." This is Yogi Berra's deja vu all over again.

Mr. President, I will not at this time go into the Defense Science Board report. I will reserve that for comment later on during the course of the debate.

I finally want to raise one issue: What price to penetrate Soviet airspace? Really, at the heart of this entire debate is the issue of the triad.

Since the early 1960's, U.S. nuclear weapons policy has been based on the concept of a triad of land-based missiles, submarine-based missiles, and bombers—with the assumption being that these bombers must be penetrating bombers.

The redundancy and mutually reinforcing characteristics of the triad offers assurance that, even in the event of a bolt from the blue, a successful first strike could not be conducted against all elements of our strategic nuclear forces.

As the Scowcroft Commission summarized the matter:

> The existence of several strategic forces requires the Soviets to solve a number of different problems in seeking to attack our forces and, therefore, each component of our forces serves as a hedge against possible Soviet successes in threatening the other components.
>
> And each component has its own strengths, which helps to compensate for the weakness of the other components.

ICBM's are fast flying, accurate and destructive, and are supported by excellent communication links; but they are vulnerable to attack.

SLBM's are fast flying and highly survivable; but historically they have been less accurate, unable to attack hardened targets, and their communication links are less reliable than for ICBM's;

Bombers can deliver weapons accurately and are slow flying and recallable, which makes them stabilizing, though it also means they are less able to attack time urgent targets if that is necessary.

The assumption has long been that for a bomber to fulfill this role it would have to be able to penetrate deep into Soviet airspace.

And since the B-52 could not effectively penetrate Soviet air defenses into the 1990's, a new bomber—the B-1—was needed.

But while the B-1 was to be able to penetrate effectively well into the 1990's, it would not be able to do so much beyond that and so another new bomber, the B-2, would be needed.

I will pass over the technical arguments on whether the B-2 will be able to penetrate Soviet air defenses effectively over the length of its intended operational life and for now simply ask: Why do we have to have a penetrating bomber at all?

The assumption—and it has been merely an assumption—that bombers need to penetrate was chiseled into marble at the same time the triad concept was enshrined, a time when alternative air-breathing systems were not a realistic option. And so, if we were going to have a hedge against the failure of ballistic missiles, it would have to be a bomber that could penetrate all the way to Moscow, to Leningrad—St. Petersburg—and to military targets throughout the Soviet Union.

This assumption, however, began to erode in the mid-1980's with the deployment of significant numbers of a modern air-launched cruise missile, the ALCM-B. While often thought of as a 1970's, Ford-Carter-era weapon, the ALCM-B became operational only in December 1982, and its deployment was completed by the Bush administration less than 2 years ago. By allowing a bomber to stand off while attacking targets in the Soviet Union, the ALCM-B has given B-52's a potent nuclear warfighting capability for well into the future despite the B-52's diminished capability to penetrate many areas of the Soviet Union.

With the deployment of the stealthy advanced cruise missile, or ACM, in the coming years, the assumption about the need for a penetrating bomber will erode even further. The ACM will be truly stealthy. The Air Force description is that the ACM "is nearly undetectable except at the very closest of ranges" and that it is designed to meet the threat well into the next century. It will have greater range, allowing bombers to launch at a greater standoff distance from Soviet borders while being able to reach more targets at the same time. According to testimony given last year, a single B-52 will be able to stand off at a safe distance and attack Moscow and Vladivostok and return to the United States unrefueled. The ACM will also provide enhanced accuracy, hard target capability, and operational flexibility.

Some have even argued that the introduction of modern cruise missiles has transformed the triad into a quadrad or even a pentad, if SLCM's are taken into account. Regardless of the terminology or concept one accepts, there can be no question that modern cruise missiles have transformed the nature of air breathing nuclear forces.

Developments in other components of the triad also affect the type of bomber force we need, since reducing the weaknesses in SLBM and ICBM legs lessens the need for compensating strengths in the bomber leg. And developments in the two ballistic missile legs can and are eroding the asssumption that a penetrating bomber is needed.

With the deployment of the D-5, SLBM's for the first time are acquiring hard-target capabilities previously restricted to ICBM's and bombers. Communication weaknesses have also been reduced in recent years and further improvements could be made.

Similarly, we can proceed with plans to make our ICBM force less vulnerable.

While the decision a decade and a half ago to forego the penetrating bomber might have been premature, the tremendous investment we have made since then in strategic forces has changed the situation dramatically.

And the world has changed dramatically, as well. At a time when the Soviet Union has joined the G-7½, do we really need to proceed with every strategic nuclear program conceived at the height of the cold war?

Mr. President, I think the answer is obvious. The enhancements we have made and are making in our nuclear forces, combined with the recent and ongoing changes in the world, will allow us to maintain our security even if we forego a fleet of billion-dollar aircraft.

And I think we have to ask the question: If we are willing now to spend the money to procure 75 B-2's, what do we eliminate to pay for it? Do we trade off tactical aircraft, C-17's, naval aircraft, carrier battle groups, foreign bases? This is what we are told says this bomber can replace.

Are we prepared to say all of these other things have to be sacrified to build a B-2 to carry out a mission that can be carried out by other systems we have?

I submit to you this program is not a wise expenditure of the taxpayers' dollars. We can accomplish the same result with something for which we have already spent our dollars. And we can, I believe, put ourselves in a better position to argue to the American people that we are exercising the kind of prudence and oversight that is responsible to build the kind of systems that we need, and not those that are on the drawing boards from years past and that now are no longer necessary, in my judgment.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. BINGAMAN). Who yield time?

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. How much time does the Senator from Vermont have remaining?

The PRESIDING OFFICER. Seventy-six minutes and 29 seconds.

Mr. LEAHY. Mr. President, I yield 10 minutes of that time to the Senator from Tennessee [Mr. SASSER] and leave him in control of the remainder of my time.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. I thank the Senator from Vermont.

Mr. President, I rise today in support of the amendment to limit our Nation's fleet of B-2 bombers to 15 aircraft and, frankly, I have long questioned the need even for that number. It seems that we do this dance over the B-2 funding every year, and very little changes. The plane is still too expensive, as it has been from the outset. Its mission still remains ill-defined. And the only thing that changes is that we are less able to afford it now than we were in the past, because the deficits are getting larger. They are predicted to run, in fiscal year 1992, to $348 billion. The only thing that is changing in this argument is that the money is getting tighter, and the deficits are getting larger.

For the last 2 years, a substantial majority of the Congress has opposed this aircraft. Yet, due to the efforts of a well-positioned minority here we are, once again, debating whether to authorize an unprecented level of funding for the B-2 program.

As I stand here today, 15 B-2 bombers have been authorized at a total cost of $30.8 billion. The Pentagon wants to spend another $35 billion to bring the total to 75 aircraft. Proponents come to us and give us the same tired old argument about increasing efficiencies and decreasing the cost per plane the more we build. If we follow that logic, why do we not just build 500 of them. Think how much money we can save if we built 500 B-2's.

Of course, that would consume a very substantial portion of the gross national product. Of course, that would increase the deficit by a gargantuan sum. But maybe we can give the Japanese a security lien on the B–2's, as we borrowed the money from them to finance them.

By ending this program with 15 B–2 bombers, we would save $30 billion. That is true efficiency; that is true savings. As we face record deficits, as the red ink flows ever broader, that is the only responsible course for this Nation to take.

Make no mistake about it, by authorizing 15 B–2's, if they perform as the proponents say they are to perform—and there is some doubt about that—we will still be buying an enormous amount of stealthy firepower.

According to the Pentagon itself, which so desperately wants this aircraft, each B–2 has the same payload capacity as 8 to 10 F–117 Stealth fighters. If this is true, the 15 B–2's that we have authorized to date have the same capacity to carry bomb tonnage, weapons, and missiles, as 120 to 150 F–17's. That is what you get with the 15 B–2 bombers we have already authorized to the tune of $30 billion. You get the equivalent of 120 to 150 F–17's.

Recall that we decimated the world's fourth largest military power with 40 to 45 F–17's. We defeated an air defense network that the general who commanded the air campaign against Iraq, Gen. Charles A. Horner, called, "twice as dense" as that deployed by the Warsaw Pact during the cold war.

In other words, with the 15 B–2's that we have authorized, the United States Air Force has the capacity to engage three countries with the size of Iraq's forces simultaneously.

Now, the fact that we can search the globe and not find such an enemy is another issue altogether, and we are not debating that today. But the fundamental question remains unanswered: Just what is the B–2's mission now that the cold war is over? Do we plan to use the B–2 to bomb the bread lines in Moscow? Is that what we are going to do with them? To the tune of billions and billions of dollars?

Listen to the threat assessment of this country's senior military official, a distinguished chairman of the Joint Chiefs of Staff. In a recent interview, General Colin Powell said, "I'm running out of demons; I'm running out of villains. I'm down to Castro and Kim Ill Sung." I might add that Kim Ill Sung is a very old man now; he is in his eighties.

Yet, the same cold war arguments for the B–2 continues to be raised. I continue to find them most unconvincing, indeed, curious and deficient.

The expectation that the Soviets will further modernize their air defenses is belied by the fact that they are coming to us hat-in-hand, broke, wondering how they are going to feed their own people, as I stand here on the floor of the U.S. Senate speaking. This is a race that they can no longer afford, and they know it. The arms race has absolutely defeated them. They are on their knees.

Just last night, on network news, were videos of crime rampant in Moscow; this is a nation that is disintegrating and crumbling right before our very eyes. Part of the problem was that they went broke in the arms race, competing with the United States of America. I say that any assumptions we make today about increased Soviet defense spending are dubious at best.

Well, some of the supporters realize that argument is losing any logic at all. So now they are saying that B–2's could be used for conventional missions, since we will not be using them for strategic nuclear missions against the Soviets.

But I submit that a conventional mission alone is not sufficient to continue with this highly expensive airplane program. The U.S. Air Force, the premier air force in the world, by any standards, far excelling in quality and quantity any other Air Force, has an arsenal of world-class aircraft that could be employed in conventional bombing missions. If the Gulf war demonstrated nothing, it demonstrated that.

The U.S. Air Force in conjunction with carrier aircraft piloted by Marine Corps and Navy pilots, totally dominated the air over Iraq from day 1, and this flying against an air defense system which the Air Force commander said was denser than we would experience over Europe in a cold war situation.

So we are certainly not hurting for capability. Quite the contrary. And we are certainly not resting on our laurels as the leading military Nation now in the world. This bill before us commits us to develop and produce the F–22, the next and most sophisticated generation of Stealth aircraft. But despite all those factors, the bill before us now aims to spend $5 billion on the B–2 this year, and to accelerate the rate of production.

Now, we toss these billions around here as if they are nothing, and when I go home and talk to my constituents they really cannot conceptualize $1 billion. What is it? A billion dollars is $1,000 million. And we are going to spend $5 billion this year in this bill on production of an airplane that we do not need and I submit has no mission.

In fact, the proposal sets us on an entirely new production schedule, one that actually leap-frogs ahead of the testing schedule. What happened to the fly-before-you-buy standard? According to the latest B–2 program summary, the Air Force plans to have authorization to build 71 percent of the bombers at a cost of $33.8 billion before the planned completion of the test and evaluation program in 1996.

This approach, Mr. President, directly refutes the fly-before-you-buy standard that the Armed Services Committee, on this very floor, pledged its allegiance to last year on this particular procurement program.

Now, the General Accounting Office has serious questions about increasing the production schedule. It questions whether the manufacturing process can be stabilized, whether the flight test schedule can be met, whether the risks of accelerating investment at such an early stage of testing are worth taking.

Why the rush to production? If nothing else came out of the end of the cold war, it means that we could take time to test systems, to test systems thoroughly before we spend multiples of billions of dollars moving into full-scale production.

This is not World War II we are faced with. This is not the Korean war. This is not even the war in Vietnam. We have virtually no threats before us at the moment, and we certainly have no threats that would call for a speeded up introduction of B–2's.

Mr. President, the simple facts are that the U.S. Government cannot afford to buy 60 more B–2 bombers. The Treasury of the United States is operating at a deficit. We are going to have a deficit next year of $348 billion.

We are spending the money that we take from the citizens of this country through the Social Security System and telling them: When you get ready to retire, we are going to give it back to you. We are spending that money, and we are spending it on things like B–2 bombers.

The truth is, we cannot afford the B–2. That is the bad news for the proponents. The good news is this: We do not need 60 more B–2 bombers, and the arguments to the contrary do not make fiscal sense, and they just do not add up strategically, either.

Let us go back to yesterday, to that momentous occasion in Moscow, a moment I think that really all of the peoples of the world can look at and take some solace from. Listen to the voices at the signing of the Strategic Arms Reduction Treaty yesterday in the Soviet Union.

Mikhail Gorbachev, signing the treaty on behalf of the Union of Soviet Sovereign Republics, here is what the leader of that nation said:

> We are dismantling today the infrastructure of fear that has ruled the world.

George Herbert Walker Bush, the President of the United States, representing not only the people of this country, but the people of all the free world yesterday in Moscow, stated:

> This is a major step forward for our mutual security and the cause of peace.

And indeed it was.

And Mikhail Gorbachev could not restrain himself, and he added:

> Thank God that we have stopped this.

In the deepest, darkest days of the cold war, when Joseph Stalin ruled from the Kremlin, perhaps even when Brezhnev, a toddering old man was leading what Ronald Reagan called the evil empire, perhaps then there might have been some justification that would force this Nation to spend $65 billion on a nuclear bomber; perhaps then such expenditures could have been justified.

Today, Mr. President, there is simply no threat on this Earth that justifies us spending billions of dollars to procure an aircraft we do not need, an aircraft that really has no mission, an aircraft which, I predict, Mr. President, will be just as obsolescent as the B-1 bomber is today.

We all remember the arguments for the B-1: How necessary that was to the security of the United States, how we could not do without it, how it would be a real threat to our security if there were no B-1 in our arsenal. But we seemed to do pretty well in Iraq without the B-1 bomber. None were seen there. The truth is, the B-1 has been the great white elephant, an expenditure of money that we did not need to make, and for which we gained very little.

Let us not go down that road again, I urge my colleagues, by procuring additional B-2 bombers.

Mr. President, I see the distinguished Senator from Vermont has entered the Chamber.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I understand that the opponents of the Leahy-Cohen amendment wish time.

So I yield to them, and that of course will be on their time.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. COATS. Mr. President, I will shortly yield some time to the Senator from California [Mr. SEYMOUR]. Let me just, if I can, take a few moments, before doing that, to just comment on some of the remarks that have been made in the last few minutes by those who are proposing the amendment to terminate the B-2.

The Senator from Tennessee indicated that there is no threat present in the world today that justifies spending for the B-2; that the evidence of bread lines in Moscow, the Soviets coming to the United States with hat in hand indicate that the Soviets are broke and therefore we are simply spending money for a deterrence or a system which will not be necessary.

It may be true, and it is true, I believe, that there are breadlines in the Soviet Union, and that the Soviets are coming to the United States and the world hat in hand, and that they are having severe financial problems. But the reason that is true, and one of the significant reasons that is true, is because the Soviets continue to spend their capital on strategic systems whose production goes on unabated.

And while we wish that it were true that no longer is there a threat and while we urge the Soviets to redirect their expenditure of funds to eliminating breadlines, eliminating their debt, and removing the requirement that they come to us hat in hand, the fact of the matter is that Soviet production, the whole number of the strategic system, continues unabated.

In the Gorbachev era, the Soviet production of submarine-launched ballistic missiles—this is the Gorbachev era now; this is not the cold war era, this is the so-called postcold war era under Gorbachev—the Soviets have produced a total to date of 490 submarine-launched ballistic missiles while the United States has produced 250. In the area of short-range ballistic missiles, the Soviets have produced, since President Gorbachev assumed power, 3,900 short-range ballistic missiles. The United States has produced zero. Of those 3,900, 600 were produced in 1990. Breadlines, to be sure, but the reason those breadlines exist is that production goes on unabated.

In terms of Soviet submarine production in the Gorbachev era, a total of 54 new submarines, 12 of which were produced and put on line in 1990, compared to only 4 in the United States in 1990 or 24 total.

In the area of Soviet bomber production in the Gorbachev era, a total of 450 new Soviet bombers, while the United States has added 104. In 1990, the year of the breadline, the year of hat in hand, the Soviets produced 70 bombers while the United States produced one.

And in ICBM production, in 1990, the Soviets produced 125 and the United States 12, a total in the Gorbachev era of 715 for the Soviets and 68 for the United States.

Now, I think all of us wish that those numbers were zero and zero. But clearly the argument that the Soviets are broke and therefore the assumption—which I think is an erroneous assumption, not backed up by the facts—that no threat exists any longer that the United States needs to provide a deterrence for, is an erroneous assumption, erroneous and not supported by the facts because clearly Soviet production in these areas, while curious to many of us, while unexplainable to many of us, are nevertheless a reality.

The Senator from Maine indicated a couple of things that I would like to briefly respond to. One was the assertion or the statement that the B-2 is not qualified for conventional weapons when it begins service in the summer of 1993. And that is true. But the B-2 schedule for qualification for conventional weapons is on schedule, and they will be compatible and able to be fully qualified to carry conventional weapons by the fall of 1995.

Responding to the statement that the testing is inadequate and the test planes are late, let me just recite some of the testing that has been accomplished on the B-2, which is the most expensive testing program and tested aircraft in history.

The B-2 has undergone 24,000 hours of wind tunnel tests; 44,000 hours of avionics tests; 305 flights of avionics flight tests; radar inflight testing, 1,004 hours, all 19 modes; navigation inflight testing, 649 hours, fully alligned in air; air flight control tests, 6,000 hours; radar cross-section testing, 30,000 hours; structure tests, 168,000 specimens tested; flight tests as of July 19 of this year, 63 flights of three aircraft for 261 hours; all flight controls have been demonstrated; flutter qualities have been demonstrated in the excellent category; sideslip qualities demonstrated; autopilot has been demonstrated; unrefueled coast to coast has been accomplished on two occasions, environmental control system has been demonstrated to 40,000 feet; primary landing gear has been demonstrated; emergency landing gear has been demonstrated; 90 pecent of the flight envelope has been demonstrated; flying qualities which are excellent from 0 to 45,000 feet actually tested; flying qualities are excellent up to 400 knots; engines have been stopped and restarted in the air: The B-2 is fully qualified to refuel with the KC-135; fully qualified to refuel with the KC-10; bomb bay door opening has been demonstrated at 35,000 feet, at 0.6 mach; redundant flight safety systems demonstrated; and the radar cross section has been demonstrated, as predicted.

So, Mr. President, the testing of the B-2 bomber has been more extensive than any other aircraft tested in history, and it has performed, in almost every instance, above expectations.

Mr. President, I have other points I would like to make, but I think at this time I will yield 10 minutes to the Senator from California [Mr. SEYMOUR].

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mr. SEYMOUR. Thank you very much, Mr. President. And I thank Senator COATS for yielding me this time.

I have listened closely to the debate on the B-2, Mr. President, as I did on SDI. I found myself, as the junior Senator from California—of course, hopeful one day to be the senior Senator from California, but also the second most junior member and Senator of this august body—thinking about what is the single most important responsibility that we have. And, Lord knows, we have a myriad of tremendous challenges and responsibilities that we face, whether it is health and welfare, or education, or criminal justice.

But it occurs to me that the single most important responsibility we have is defending this Nation so that we can perpetuate her freedom. Therefore, it is altogether appropriate that this debate should take place and we should hear all sides of the arguments.

As I listen to the arguments, I hear that we cannot afford the B-2, and I hear that the war is over so why do we need it? I think back just a short time ago, when only 48 hours after I was sworn in as the junior Senator from California I had to cast my first vote on a war resolution that ultimatly propelled us into a war in the Persian Gulf. And I think about the arguments that probably took place on this floor relative to the cost, or perhaps the inefficiency, or perhaps the folly of a Patriot missile. In fact, I am told by my senior colleagues, that that was a very close vote on the Patriot missile.

As we look over our shoulders, let us not forget it was but months ago that all of us stood and cheered, along with America, because we were so proud of not only the performance of our brave men and women, but because of the performance of our technology.

So, if in fact, it is true that our greatest single responsibility is the defense of this Nation, I say we cannot afford not to make this investment in the B-2. I believe the B-2 represents the type of strategic investment that America should make, precisely when we have fewer defense dollars and more potential threats to our national security. Think of the dollars—yes, they are big dollars, billions of dollars. I have a tough time understanding and really appreciating $1 billion. But think of it in terms of how we spend our money.

I look in this report, and I shall read from it:

> Robert Reischauer, Director of the Congressional Budget Office, stated before the House Budget Committee on February 27, 1991, that Operations Desert Shield and Desert Storm cost $45 billion since October 1990. He also stated that if fighting had continued to the end of March 1991 the cost would have increased another $15 billion. For every day the war could be shortened, an additional B-2 could be purchased.

The war is over so why do we need this?

We all know the international environment of today is a powder keg, loaded with the bad intentions of existing and would-be tyrants. We did not even know the name—I did not know the name of Saddam Hussein, 18 months ago. He is a bloody, violent and brutal dictator who seemed to come out of nowhere and initiate the battle that we so bravely fought in the Persian Gulf.

Ten years ago, we had a clear picture of the identity and motives of the enemy. But now, he could roam anywhere on an international landscape plunged in turmoil—we could find him in North America, the Middle East, Southern Asia, or even in a post-Gorbachev Soviet leadership.

The point, Mr. President, is that none of us can pinpoint the source of the next major threat to the security interests of the United States or those of our allies. But in the B-2 advanced technology bomber, we have a system that can meet any of these unknown threats with swiftness, accuracy, and reliability.

The B-2 is a unique product of both the world that we hope to leave and the one we are now entering.

I heard the distinguished Senator from Maine [Mr. COHEN] say, do we need the B-2? He said science has changed and technology has changed. Indeed it has. And thank goodness. Thank goodness technology and science has changed, so we have the opportunity to defend our Nation with the highest piece of war technology we could possibly have in our arsenal, the B-2.

To those who understand the capabilities of the B-2 but wonder whether existing strategic bombers or cruise missiles can adequately provide for our defense, allow me to clarify the following points.

The B-2 has five or six times the range and 10 times the payload of the only other Stealth aircraft in the Pentagon's inventory, the F-117, which we saw perform so well in the Persian Gulf.

The B-2 is the only aircraft that can fly anywhere in the world from an American base and return home with the need for just one aerial refueling.

The B-2 is the one aircraft that would place the fewest pilot lives at risk on any strategic strike mission.

The B-2 will emerge as the most accurate, survivable, and lethal airbreathing system in the defense department's inventory.

Finally, Mr. President, we must dispel several myths about the cost of the B-2. The chart to my left lists the seven major strategic military systems that the United States has bought in the nuclear age. Each of these figures is based on the peak acquisition years for the respective programs.

Only yesterday, President Bush signed the first arms control treaty in the history of United States-Soviet relations that actually reduced the number of nuclear weapons on both sides rather than simply limited their growth. And this document counts a heavy penetrating bomber such as the B-2 as one delivery vehicle regardless of the payload that it can carry.

We wrote this arithmetic into the START Treaty because of the slow, recallable, and second-strike nature of strategic bombers. In this light, the B-2 fits perfectly into the new Soviet-American arms control regime that will ultimately break the chains of the cold war.

Indeed, it can protect territories and interests far away from our homeland, but it is not fast enough to initiate a first strike against the Soviet Union. So I have little patience with the arguments made by some in this body that the B-2 represents a menacing or needless weapon of mass destruction.

The B-2, Mr. President, is not a weapon of destruction, but a weapon of defense.

This aircraft, therefore, bridges a Soviet-American relationship struggling to be born with the distant threats that will continue to hold our international interests at risk.

At the rate of procurement requested by the President, the B-2 thus far has consumed the second lowest percentage of the country's gross national product while giving us the greatest range, the most stealthiness, and providing both a nuclear and conventional capability.

This chart also reveals that the percentage of the defense budget devoted to the B-2 is almost identical to the percentages allocated for the other systems—weapons, in many cases, that have the enthusiastic support of the most ardent B-2 opponents.

The chart to my right, Mr. President, shows on a comparative basis the cost growth history of the B-2 program during the 1980's. Note that the prices for a loaf of bread and private college tuition grew at almost four times the rate of the cost of the B-2.

My goal is not to compare the need for the B-2 with the need for tuition or bread, but to demonstrate that the expense of this program has not spiraled out of control.

The B-2, Mr. President, does not drain our national wealth or take resources away from Federal domestic programs.

It costs less than 1½ percent of our entire defense budget.

So the issue before us is not whether we can afford the B-2, but whether we want it, and the arguments from an arms control, mission need, and technological point of view are compelling.

In closing, Mr. President, I want to remind my colleagues of the labor force implications of this vote. Yes, I admit I am from California. Yes, this B-2 is important to the people of California, and particularly those who are so proudly dedicated to work on the B-2 program. For months, I have been meeting with union leaders from my State who rely on the B-2 program. They are dedicated, hard-working men and women who represent the core of the American aerospace sector. Their toils every day bring us closer to the goal of developing military technologies that have commercial applications and are the key to the Nation's export competitiveness in the overseas marketplace.

When we vote today, think about them and their quiet, yet powerful, contributions to the country's industrial base. They live in almost every State of the union, and their manufacturing, engineering, quality control, avionics, and other critical skills will make them the unsung heroes of America's economic future.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. I yield, how much time to the Senator from Nebraska?

Mr. EXON. Mr. President, I yield myself whatever time I need to make a presentation.

The PRESIDING OFFICER (Mr. LEVIN). The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I rise in opposition to the amendment that is presently pending before the Senate. In my judgment, the need for the B-2 is clear and the case for acquiring the full buy of 75 of the B-2's is very compelling.

Let us begin with a proven fact. Stealth works. The American public got to see how well the Stealth works nightly on the television news during Operation Desert Storm. The F-117 Stealth fighter bombers carried out constant attacks on or around Baghdad when the air defenses were still very robust. Although only 3 percent of the total aircraft available, the F-117 carried out over 30 percent of the attacks during the opening phase of the air war.

Now even the B-2 opponents seem to concede, however grudgingly, that Stealth works. The B-2 opponents do not like to admit that, Mr. President, because that leaves them having to defend their position that Stealth is great but only for little airplanes and not for big bombers.

Mr. President, the B-2 opponents do not like to get into this kind of an argument because they know their case is very poor. The F-117 is a limited range—I emphasize limited range—night, clear weather, medium-altitude attack aircraft that carries only two weapons. Even in the Iraqi desert many F-117 missions were canceled or aborted by bad weather, low clouds and rain.

Mr. President, the B-2, in contrast, is a large-payload, long-range, all-weather, all-altitude bomber, and can carry up to 80 weapons. That is right, Mr. President, up to 80 weapons and not just 2 as did the well-performing Stealth aircraft that we know of as the F-117.

Moreover, the F-117 has only first-generation Stealth treatment, while the B-2 has third generation, low observability treatment more comprehensively applied. Thus, the B-2 will be able to venture into harm's way under lots of circumstances where even the F-117's would not be used.

Finally, the B-2 has a decisive advantage over the F-117 in the early application of firepower. Before they can be used, the F-117, like all tactical aircraft, have to be ferried to the theater and they all have their logistic and support equipment and support personnel and spare parts airlifted over before they are ready and, therefore, sustain combat.

As the tragic Scud attacks on Dhahran showed, this puts plenty of American lives at risk in the theater of operation. The B-2, by contrast, can operate from outside the theater initially. It can be dropping bombs in hours rather than days or weeks and puts only two pilots—two pilots, Mr. President—at risk to theater range missiles and aircraft.

Given all of this, the argument that the B-2 opponents most likely will make is the simple and oft-repeated refrain: It cost too much. It costs too much. It cost too much. But you will notice, Mr. President, that the B-2 opponents never talk about effectiveness. They just talk about costs. I intend to focus on cost effectiveness for a few minutes. Behind me is a chart that I would like to reference and will be referencing for the next minute or so.

The Air Force produced this chart. It is based on fact and it shows in testimony that they have given to the Armed Services Committee that four almost equally effective forces, and I talk about those four effective forces by describing on the chart the so-called standard package to the left, another standard package but with precision weapons. That is basically what we used in the Persian Gulf War.

The first chart, standard package without precision weapons, entails 75 aircraft. All the pilots that were on all of those planes and all of the support personnel to back them up, and likewise the next chart is the same force but reduced because they use precision weapons.

The two left-hand charts then that I have just referenced, Mr. President, is the old way of fighting a war using a large number of nonstealth attack aircraft which then have to be defended to make the mission successful, hopefully, by F-15 fighters, F-4G Weasels, EF-111 Jammers, and supported by lots of tankers, as demonstrated in both of these charts.

Depending on whether or not the attack aircraft uses precision guided munitions, once again in the second chart, we need to have either 75 aircraft, as embodied here, or 55 aircraft in the second column. That is the old way of fighting a war, and two different options of doing that.

Earlier I said both of these are almost equally effective because when one of these non-stealth packages, no stealthiness in either one of these, when either one of those nonstealthy packages was sent to destroy a set of heavily defended targets in Iraq, the Iraq defenders, in some cases, were so fierce that this nonstealthy armada of 75 in the first chart and 55 in the second chart could not complete the mission and could not complete the attack.

Actually, what happened then was since the particular mission or missions were so important that the Air Force, rightfully, sent in eight F-117's of our stealthy aircraft, which is in the third column, backed up by only two tanker aircraft. Mr. President, they did the job. Let me emphasize this once again.

When the 75 airplanes with all of the risks and expense involved could not do the job, and when the 55 aircraft with all their pilots and expenses and backup could not do the job, the mission was accomplished with 8 F-117's backed up by 2 tankers.

Finally, Mr. President, in the right-hand column of the chart the Air Force shows that two, just 2 B-2's doing the same job with a total of 2 pilots and likewise their backup support systems that obviously would be far smaller then either the 75 armada or the 55 armada, the two B-2's on the extreme right hand of this chart did the job that 75 aircraft did here, that 55 aircraft did here, and that 10 aircraft did here, emphasizing more than anything else the value of Stealth, even with the F-117 which is not nearly as stealthy as the B-2.

The facts are, Mr. President, that one, one B-2 could have done what these two big armadas and this one smaller armada of 10 planes could do. Why do we show two? Because on any of the missions we are talking about where we are comparing apples with apples, the Air Force would have sent in two to make sure that the job was done in case something happened to the first aircraft.

Nonetheless, let us take these as equal capability cases and now ask which costs more? I think you will find the answer surprising, Mr. President. It might come as a surprise to the Senate. It might come as a surprise to the people of the United States of America. It might even come as a surprise to the Commander in Chief, who, in the opinion of this Senator, has not been as upfront talking to the American people, selling the advantages of the B-2 program.

Let us start with operations and support, or as we generally refer to them O&S costs to keep each of the four aggregations of aircraft in the inventory for 20 years: $4.2 billion for operations and support costs for this big 75 armada—$4.2 billion in operations and support costs—for a 20-year period; $3.4 billion, Mr. President, for the smaller second 55 armada; $740 million, Mr. President, for the third armada, the 8 F-117's and the 2 support aircraft in the form of fuelers, and, Mr. President, only $308 million for one of the B-2's.

Mr. President, I noted that some have said we own already the old aircraft. That is true. Likewise, Mr. President, I would like to point out, of the totals that I have just given, with the very limited cost of only one or two of the B-2 aircraft, the 20-year costs for maintaining and flying those is less than one-tenth—is less than one-tenth, Mr. President—of the cost of these other options if we continue to use the old way of fighting a war.

It is true that we do own this great armada and we have our money tied up in it. However, we own only 54, Mr. President, of the F–117's and only have authorized thus far purchase of 15 of the even more efficient and effective B–2's.

So let us see what we should possibly be doing in this area in the future. The committee bill provides that we buy more than the 54 F–117's and more than the 15 B–2's because we think those are important aircraft that we should build on.

So let us see what it costs to buy more of both. From the committee's bill, eight F–117's will cost about $350 million. What does the B–2 really cost? Surely not the $850 million that the B–2 opponents glibly toss around since that is a total program cost figure. And we already spent virtually all of the full-scale development money and part of the production money.

Proponents of this amendment propose to terminate, to end, to cease, the B–2 program at 15, just like the House of Representatives has already irresponsibly done. If they have their way, and if the House of Representatives has its way, then we would have only that very limited number of aircraft which would have a total net cost of $37.5 billion.

I might note with tongue in cheek, Mr. President, that the amendment's proponents thus manage to make even $850 million a copy, which is not honest when you recognize how the money has been expended, sound like a bargain since they are prepared to pay $2.5 billion—$2.5 billion, Mr. President—which is an awful lot of money, for each of the 15 B–2's that their amendment would produce.

Talk about expensive. The B–2 total program costs for all 75 B–2's is $64.8 billion. Subtracting the costs of stopping at only 15 B–2's, as this amendment would require, we will find that the remaining 60 B–2's could be acquired for another $27.3 billion.

Note, Mr. President, while the amendment before us would provide only 15 B–2's for $37 billion, we could have the next 60 B–2's at a cost of an additional $27 billion or $10 billion less to obtain four times—four times, Mr. President—as many aircraft.

The incremental cost to build therefore is a reality figure of $455 million for each additional B–2 as proposed if we go ahead with the full purchase of 75.

Now, Mr. President, let us add up the costs for the various options, including both O&S cost and the cost of buying the stealth aircraft. When we do this, we find that the F–117 option has a total cost of $1.1 billion; the B–2 option costs $1.2 billion—virtually the same cost. When we now consider the B–2's various advantages over the F–117—larger payload, longer range, early operations not dependent on theater bases, all weather attack, better stealth characteristics, it is clear that the B–2 is the better buy, given that we already have 54 F–117's but only 15 B–2's. Moreover, either stealth option is $2 to $3 billion cheaper than keeping all those "old way," nonstealthy aircraft in the inventory. Clearly, we could retire some nonstealthy aircraft and use the savings to defray some of the cost of stealthy aircraft.

So, Mr. President, the B–2 opponents are basically reduced to reciting over and over "$850 million a copy" as their slogan, since they have no real case for stopping the program. We need the B–2. It is expensive, to be sure. I do not believe when you look at the facts that even that can stand scrutiny.

But it's far greater effectiveness than other options means it is cost-effective with other stealthy aircraft options, and far superior to the old way of tactical air operations. Part of the expense of the program, Mr. President, is attributable to the development of the stealth technologies that give the B–2 its exceptional low-observability range and payload. Although all of these development costs have been charged to the B–2 program, they are broadly applicable to other stealth programs—and, Mr. President, to a wide variety of civilian programs as well. In this connection, Mr. President, I have received letters from representatives of the Air Line Pilots Association and the Seattle Professional Engineering Employees Association, both commenting on the civilian spinoffs from the B–2 program.

I ask unanimous consent that the letters addressed to me from these two organizations appear in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EXON. In closing, Mr. President, let me finally address and say a few words about the B–2 and the START Treaty signed yesterday by the two Presidents in Moscow.

For several years, I have pointed out to all who would listen that the START Treaty was crafted to incorporate substantial numbers of B–2's. In fact, if we do not acquire the B–2 in substantial numbers, we will soon be reduced to an all cruise-missile-carrying bomber force. This tragic outcome will force us to choose between keeping the ninety-five 40-year-old B–52H's and keeping the 96 trouble-plagued B–1's that I reference briefly, although I suspect no one paid much attention to my remarks of yesterday. We would be forced to keep all of those. Under the START counting rules we cannot have both.

Without the B–2 under START, we will retain in the bomber inventory 170 fewer strategic bombers and over 3,400 fewer nuclear weapons than we are allowed with the B–2. In my view, these numbers alone suggest that ratification of the START Treaty would be in jeopardy if the B–2 is stopped at only 15 aircraft. When our negotiators worked out the terms of the treaty, they were told to assume that the B–2 would be built and that those 170 additional bombers and 3,400 additional weapons would be part of the U.S. force structure under START. Without them, without the B–2, I think DOD, the JCS, the White House, and the Senate are all going to have to face some tough questions.

So, Mr. President, there may well be much more at stake with the amendment before us than just the fate of the B–2.

Mr. President, I believe the case for the B–2 is strong, it will if we stop, look, and listen and take a look at it. I believe we need many more B–52's than the 15 currently on order. Therefore, I urge the Senate to defeat this amendment.

EXHIBIT 1

AIR LINE PILOTS ASSOCIATION,
Herndon, VA, June 14, 1991.

Hon. J. JAMES EXON,
Chairman, Strategic Forces and Nuclear Deterrence, Russell Senate Office Building, Washington, DC.

DEAR SENATOR EXON: My name is Duane Woerth and I am a commercial airline pilot who flies for Northwest Airlines. I am also an Air National Guard Lt. Colonel who voluntarily served in Operation Desert Shield. In addition to having been the Chairman of the Northwest Pilots Master Executive Council (MEC), I am currently First Vice President of the Air Line Pilots Association, International.

On May 16, 1991 I presented testimony in favor of the B–2 to Senator Inouye and his Defense Appropriations subcommittee. I testified as part of a workforce coalition that has been actively supporting the defense budget over the last few years. My testimony was presented from the perspective of a pilot interested in the technological developments incorporated into the B–2. I would like to submit that testimony (see attachment) to be included in the record of the hearing before your committee scheduled for the 19th of June.

Since my appearance before Senator Inouye's subcommittee, our association published the June issue of the Air Line Pilot magazine which contains a feature article on the commercial implications of the B–2. I have enclosed a copy of the magazine.

We believe that the technological developments emerging from the stealth bomber will be of enormous value in the commercial viability of our nation's domestic airline companies. If there is any way that we can be of help in promoting the continued production on the B–2, we want to be involved. We would appreciate our testimony being included in the committee's deliberations.

Sincerely,

DUANE E. WOERTH,
First Vice President.

TESTIMONY BY CAPT. DUANE E. WOERTH TO THE SENATE SUBCOMMITTEE ON DEFENSE APPROPRIATIONS, MAY 16, 1991

My name is Duane Woerth. I am here today to present testimony from two perspectives: The first as a commercial airline pilot who flies for Northwest Airlines; The second as an Air National Guard Lieutenant Colonel who voluntarily served in Operation Desert Shield and who is about to retire after over 20 years of active and reserve duty primarily with the Strategic Air Command.

Also, in addition to having been the Chairman of the Northwest Pilots Master Executive Council (MEC), I am currently First Vice President of the Air Line Pilots Association, International.

A majority of the airline pilots, who man the cockpits of the commercial airplanes that make up the heart of America's civilian air carriers, have traditionally come from the military. Such being the case, as military pilots we have observed first-hand the impact that state-of-the-art high-technology has had on American air power. As commercial pilots we have come to rely on the technology and related developments in military aircraft, which ultimately appear in the commercial aircraft we fly.

Over the last few years, the Northwest pilots have taken an interest in the development and production of advanced military aircraft. When I served as Chairman of the Northwest Pilots Union, I became part of a workforce coalition dedicated to preserving that part of the defense budget dealing with the development of advanced aircraft. The Northwest pilots elected representatives worked cooperatively with union leaders from other unions to support aerospace programs that employed engineers, technical and professional workers. Through our participation in the workforce coalition we came to appreciate the value of those engaged in the production of fighters, bombers, and transports. We support them because they are American workers who build the aircraft that we fly—both military and commercial. More importantly, we support them because they have provided us the technology and the tools that have given our airline industry leadership status in the world of aviation.

I am here to testify in favor of the continued production of the B-2 program. The R&D benefits of the B-2 program extend across several different fields of technology, many of which are of direct benefit to pilots such as aerodynamics, propulsion, structural materials and manufacturing.

In preparing our testimony, Mr. Bofferding, the executive director of SPEEA, and I shared a common data base with respect to those elements that went into the engineering and production of the B-2. In the June issue of the Air Line Pilot, ALPA's monthly magazine, we will be publishing an article discussing the technology embodied in the B-2 and the many benefits that will flow to commercial aviation from it. This article was included as part of my written submission to the committee.

I will not repeat the details or the specific examples of the over 900 new materials and processes that were developed for the B-2—a truly astounding number—instead I will focus on how these developments are absolutely vital to the commercial aviation industry of this nation.

First, on a historical note it is important to remember that American aviation industry prominence after World War II did not happen by accident nor was it our manifest destiny. It was a direct and predictable result of the United States' commitment to military aviation supremacy through advanced technology that kept the United States on the leading edge. This development and production of advanced military aircraft resulted in our nation's ability to lead the world in the development and production of commercial airlines as well.

I am certain every member of the committee is very familar with the fact that commercial airliner sales represent one of the few remaining manufactured goods that contribute on the positive side of the United States' balance of trade ledger.

The key point is simply this—the success and future of commercial aviation in the United Sates has been, and will continue to be, totally wedded to our ability to stay ahead of our foreign competition through technology. Technology that has, to this point, come almost exclusively from defense appropriations.

What's at stake for commercial aviation? Everything—our entire future. Several members of this committee are also on other committees who have heard much testimony in recent months over the disastrous state of the airline industry today.

While I have the opportunity to address you, other hearings are in progress right now dealing with the problems of aging aircraft, noise, fuel costs, maintenance costs and airline safety in general.

The advances available to us from the B-2 program that Mr. Bofferding has mentioned, go a long way to providing solutions to these very serious problems.

The new super-light but incredibly strong composite materials will make a significant difference in both fuel economy and structural integrity. It must be noted that fuel economy is of gigantic importance to the airline industry. Savings of literally billions of dollars of fuel will accrue to our industry if our new airliners can take full advantage of advances offered by the B-2.

Noise pollution has also been solved by the B-2. And there is not one member of Congress who is unfamiliar with aircraft noise controversies nationwide and, of course, right here at National Airport.

By embedding the engines within the flying wing itself, the B-2's four powerful engines provide an extremely quiet propulsion system that is truly revolutionary. Commercial aviation needs to benefit from this breakthrough.

Mr. Chairman, as you well know, travel and tourism is a two trillion dollar a year industry—the world's largest business. Commercial aviation is the prime supplier for that industry. Frankly, the United States leadership in commercial aviation is at a crossroads. Either we move forward with the technology provided by programs like the B-2—or we risk surrendering this vital industry to the Europeans and Japanese who are eagerly waiting in the wings for us to fall.

To those who would argue that we can derive the full spin-off benefits of the B-2 without actually producing it, I have one comment: Rubbish! Every single military and commercial aircraft in use today has undergone numerous changes and improvements that came about only because those aircraft were actually produced and flown in the real world environment. For this experience there is no substitute.

Lastly, I cannot conclude my military career spent almost entirely in the Strategic Air Command without replying to those who say the United States no longer needs a futuristic strategic bomber because of our missile arsenal and its capabilities. I heard these same arguments in the 60s when I was in ROTC, throughout the 70s and 80s and now the early 90s. I can only say that time has not improved that argument at all and all of us who served on the Arabian peninsula during Desert Shield and Desert Storm are glad the B-52 program was not halted three decades ago.

In conclusion, Mr. Chairman, it is readily apparent that much more is at stake in the B-2 procurement than simply another weapon system. American technological superiority in commercial aviation is at risk as well. Since commercial aviation is an integral and vital art of the infrastructure of this nation, the stakes are very high indeed. Make no mistake, in this business technological superiority is the key to success.

Thank you, Mr. Chairman and members of the committee, I'll be happy to answer any questions you may have.

SEATTLE PROFESSIONAL
ENGINEERING EMPLOYEES ASSOCIATION,
Seattle, WA, June 13, 1991.

Hon. J. JAMES EXON,
Chairman, Strategic Forces and Nuclear Deterrence, Russell Senate Office Building, Washington, DC.

DEAR SENATOR EXON: My name is Charles Bofferding, and I am the Executive Director of the Seattle Professional Engineering Employees Association (SPEEA), a union representing more than 28,000 professional and technical workers across America. On May 16, 1991, I testified in favor of the B-2 bomber before the Senate subcommittee on Defense Appropriations. Also testifying was Duane Woerth, First Vice President, of the Air Line Pilots Association, International.

We are part of a coalition of labor unions who strongly support the defense budget. Unlike other unions who represent production workers and whose major focus is on jobs over the short term, our support is not based on the traditional arguments of jobs. Rather, our support for the B-2 is based on the technological implications of this advanced aircraft.

We entered the public policy process late in the last session of Congress and were unable to reach public policy makers early enough in the process to make them aware of the technology arguments we believe should be included in the dialogue. Senator Inouye invited us to present our technology case before his subcommittee during the day set aside for non-administration witnesses seeking input into the public policy making process.

We understand that the Senate Armed Services authorization process does not allow outside witnesses to testify, but will accept relevant testimony submitted to be include as part of the record. We would like very much for our testimony to be so considered. Enclosed you will find a copy of my testimony from SPEEA (ATTACHMENT #1), and Captain Woerth will be transmitting to you a copy of his testimony. We believe that if the technology implications of the B-2 are presented to members of the committee, the program would receive a great deal more support.

On behalf of the members of our union, we want to thank you for your continued support of the B-2 program.

Sincerely,

CHARLES H. BOFFERDING,
President, Seattle Professional Engineering Employees Association.

TESTIMONY BY CHARLES BOFFERDING, MAY 16, 1991

Mr. Chairman and Members of the Subcommittee on Defense Appropriations, I would like to thank the Subcommittee for providing me the opportunity to represent the views of our Union on the important subjects of America's commitment to technology, funding for technology and, in particular, the B-2 Stealth program.

My name is Charles Bofferding, and I am the Executive Director of the Seattle Professional Engineering Employees Association (SPEEA), a union representing over 27,000 professional and technical workers across America.

Last year in the closing days of the Congressional session we became aware of the controversy concerning the continued funding of the B-2 Bomber. We noticed that supporters of the B-2 based their arguments exclusively on the national security and treaty implications of the B-2. Opponents focused on the cost. All of this debate took place before the Middle East War. I suspect that today because of the demonstrated value of the tremendous technological superiority of American weapons and their ability to shorten a conflict and save lives, support for the B-2 should increase in this Congress.

However, the case for continued production of the B-2 program is strengthened considerably when one examines the larger technological issues. The implications of the B-2 were missing in previous Congressional debates. One of the most important justifications for the B-2 Bomber is its place in the historical development and implementation of technology in the American system and the enormous contribution that this program will make in terms of its commercial applications. The new techniques developed in the B-2 program, the miracle of the B-2's unique production process and contribution to the nation's technological base have never been given a public forum. (We appreciate the opportunity to shed some light on the real miracle of the B-2.)

For 10 years the B-2 was developed in secrecy as part of a complete defense package. The genius of American engineering was challenged as never before in responding to the requirements for stealth, range and payload on this Bomber, resulting in extraordinary design and manufacturing processes.

As an engineer who represents tens of thousands of employees with advanced degrees, as one familiar with the technology surrounding this aircraft, I would like to touch upon some of the elements of that technology and the implications of those developments of America's commercial aerospace industry. The development of the B-2 Bomber created over 900 new materials and processes. I will cite only a few.

First was the advance in composites. To meet the specifications required by the Air Force we had to develop materials that were lighter but stronger than traditional materials used in current military and commercial aircraft. Lighter weight provided fuel efficiencies needed for extended range. The composites not only provide strength, but avoid metal fatigue. Future planes made from composites will not fail as did the aluminum hull of the Hawaiian airline that disintegrated after years of use.

The Boeing Company is planning to employ composites in the tail assembly of its new 777 commercial aircraft currently under development. Many of the people who will build the 777 empennage acquired their skills on the B-2 program.

Second, new materials required new tools and manufacturing techniques, all of which had to be conceived and developed for the B-2.

High-speed machining of magnesium, aluminium and titanium parts, as well as the drilling of multi-material laminates, spawned the development of drilling equipment that automatically adjusts to changes in material hardness.

New techniques such as ion-gas "dusting" were developed for cleaning machined honeycombed parts, drastically reducing production time. Robotics were developed for drilling, inspection, fastening and coating of parts.

Third, like no other program in history, the integration of the thousands of components was accomplished through an elaborate network of computers that united in a common electronic database. This system allowed computer-aided design (CAD) and computer-aided manufacturing (CAM) to work together, by eliminating the language gap between them.

CAD/CAM permitted the B-2 assembly to be fabricated directly from an electronic database thereby eliminating master tooling altogether. The production time for tools was cut by more than 80%.

Engineers were able to unite wires, tubing and internal components in a "first fit" assembly. The normal "fit" problems due to engineering efforts were cut six times. Instead of the 40%-60% error rate for military aircraft, the new techniques produced a 97% "first fit."

Fourth, prior to the first flight of the B-2, there was widespread speculation that the aircraft would not fly. The tens of thousands of technical workers who performed the unprecedented, computer-simulated tests prevailed over the doubting Thomases and the academic detractors. They were confident because of the extensive preflight computer-aided testing that took place: 24,000 hours of wind tunnel testing; 40,000 hours of avionics evaluation; 12,000 hours of flight simulation; 6,000 hours of control test evaluation.

In all there were more than 800,000+ hours of tests on component sub-systems.

While all this record-breaking development was taking place, the political climate for the defense budget in general, and the B-2 in particular, was disintegrating. Mounting criticism endangered the program forcing the industry to expose the development process to the public eye. The B-2 aircraft made its maiden voyage on the evening news. The plane that was shown to the public was the first one ever built, and it flew the first time.

The manufacturing technology advances resulting from this program are monumental. Design and manufacturing of future aircraft, automobiles and ships will benefit from the technology developed from the B-2. The program is a showpiece of American competitiveness, know-how and inventiveness and a testimony to the historical process which have given us the jet engine and the commercial satellite industry.

I would like to introduce another important element that I believe has not been stated in a public forum. That is, development continues during the production process. The benefits of the design and development phase have been substantial, but there are still many lessons to learn, workforces to be trained and significant advances to be gained from the full-scale fabrication and deployment phases ahead of us.

America's commitment to technology cannot be limited to design and engineering program phases only. A highly skilled manufacturing base is essential to complete the full technological picture. What value is technology if we don't have a skilled workforce to produce real marketable hardware? The lessons to be learned in deployment are also significant. It is only through extended use that newly developed materials can be demonstrated and proven to be safe for commercial use. It will take a lot of education to convince America's policy makers that we need to maintain our commitment to technology. The people most affected by that commitment, the engineers, technical workers and skilled laborers, are going to have to help in this process.

Until now American aerospace workers have not been players in the public policy arena. The average American worker does not read the Congressional Record and, as a consequence, is unable to protect themselves from the effects of declining legislative support for technology in America. We fear that misguided attempts to reduce "defense" spending will in fact cut the seed money essential to the development and maturation of the technologies and skills critical to this country's long-term economic well being. As our technological horizons diminish so will the vast array of high-tech products, capabilities and markets which have been the bedrock of America's industrial might.

Understand, I am not here today to argue in favor of the B-2 Bomber because of the jobs that it provides for American workers. Our vision extends beyond jobs. My purpose is to present the technical as well as the manufacturing considerations and to state for the public record their relationship to the skilled production workers who are part of this nation's infrastructure and economy. If we do not produce the B-2 in sufficient quantity and continue the development phase throughout the production process, we will have abandoned a process which placed us at the forefront of global technology. Individuals will lose much more than their jobs (in a viable economy other jobs can be found); they stand to lose their engineering and technical careers. America will lose its ability to compete with other industrialized nations who resolutely commit themselves to long-term technological advancement; other nations who will accept the economic and social benefits for their workers and citizens that we will deny to ours.

Again, I would like to thank you for this opportunity to testify on these critical issues at this critical time.

Mr. EXON. Mr. President, I yield the floor.

Mr. DOLE. Mr. President, will the Senator from Indiana yield 5 minutes?

Mr. COATS. Mr. President, I am happy to yield to the minority leader as much time as he wishes to consume.

Mr. DOLE. I also want to thank the distinguished Senator from Alabama. I will just take a few moments.

The PRESIDING OFFICER. The distinguished Republican leader is recognized.

Mr. DOLE. Mr. President, first, I want to concur in the statement just made by the distinguished Senator from Nebraska. I share his view on this particular issue. This is a very important debate, probably more important today than it was a year ago when Saddam Hussein was marching his forces into Kuwait. Our swift victory was a tribute to President Reagan's vision and commitment to a strong defense brought about by bipartisan support. It was a tribute to those who had the courage to join with President Reagan in making that vision a reality. And, when we were challenged, just 1 short year ago, we had the strength to deal swiftly with the aggressor. This debate is about the outcome of the next challenge.

Some seem to be very anxious to forget the lessons of the last year. They are quick to point out that the world has changed—that things are so different now—that America no longer needs a nuclear tirade, that we will never need the B-2 bomber, that we will never require ballistic missile defenses.

Mr. President, I am amazed by those who can predict the future so accurately; not just for tomorrow, but now 10 years from now. It seems to me that we ask the American people to bet the security of the Nation on all these predictions. We would have to face up to the facts that the Soviet Union does continue to modernize its awesome strategic arsenal. That certainly is a matter of concern. Just as Saddam Hussein's invasion of Kuwait did not seem to matter to those who were predicting the future just 1 year ago today. We do not know what is going to happen tomorrow, or next week, or 6 months from now or a year from now. We must decide now how our military forces will be structured over the next several decades.

I think we have to make these obvious decisions based on tight budgets and a changing world situation, and these decisions will decide our security well into the next century. We will decide now how we will prepare for this uncertain future.

They seem to know exactly what will happen in the world. They seem to know just how things will evolve in the Soviet Union and elsewhere—not just tomorrow, but a year from now, and 10 years from now. They seem to know the course of world events and comfortably state that there will be no reversal—no change—no threat from the Soviets or anyone else. They would ask the American people to bet the security of the Nation on these predictions. The fact that the Soviet Union continues to modernize its awesome strategic arsenal doesn't seem to matter. Just as Saddam Hussein's invasion of Kuwait didn't seem to matter to those who were predicting the future just 1 year ago today.

But the fact is, we do not know what is going to happen tomorrow, or next week, 6 months from now, or a year from now. However, we must decide now how our military forces will be structured over the next several decades.

We must make these decisions in an environment of tight budgets and a changing world situation. These decisions will decide our security well into the next century. And we will decide now how we will prepare for this uncertain future.

We do not want to lose sight of the fact that we cannot instantly reverse these decisions. We cannot just say, "Oh, we made a mistake" and turn things around. It will be too late and we will live with the consequences.

In my view, terminating the B-2 program at this juncture is both premature and irresponsible. It is an irreversible decision. Continuing research may sound good and give people some cover. But, research alone is meaningless without producing something. Research alone does not deter. And you cannot push a button and have 20 or 30 more B-2's when you need them. If and when you need force, you go with what you have. And that is what this debate is all about.

So the issue in my mind boils down to how sure we are about the future, and to what extent we want to bet our security on what some people think will happen. Are we so sure about what the future will bring as to say with certainty that only 15 B-2's are all we will ever need? The President is not. The Secretary of Defense is not. And I am not. When the time comes—as history shows that it will—I want to make sure that we have all the firepower we need.

Four administrations have strongly supported the B-2 bomber. We have paid for the ability to ensure our strategic deterrent and security in a changing and unstable world. And we have paid for—and received—new technology of the highest order. Our current and future security needs demand that we do not waste this heavy investment, but that we continue to prove out and build the B-2 bomber.

Mr. President, I know there are people who have other opinions and feel strongly about other approaches and, certainly, I do not question their integrity or anything. But it seems to me, in this case, I will stick with President Bush and the others who believe we should proceed.

I commend my colleagues on the Armed Services Committee for taking a sound approach toward this program. The B-2 means a lot of money spent, but thanks to the efforts of the committee it will be money spent wisely. I urge the Senate to support their approach and not to make rash and premature decisions about the future.

Mr. President, I would like to end my remarks with an excerpt from an article written in 1953, in Aviation Week—at a time when the United States was considering the B-52:

> The feeling in some U.S. Air Force quarters is that the difference between the B-47 and the B-52 performance is not worth the cost of the latter program. Strategic Air Command also anticipates getting supersonic bombers soon enough to make the B-52 strictly a short interim measure.

After 30 years of the B-52, we know better.

I thank my colleagues and yield the floor.

The PRESIDING OFFICER. The distinguished Republican leader yields the floor.

Mr. SHELBY. Mr. President, I wonder if the Senator from Indiana would yield me 10 minutes.

Mr. COATS. Mr. President, I am happy to yield 10 minutes to the Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama [Mr. SHELBY] is recognized for 10 minutes.

Mr. SHELBY. Mr. President, I rise today to speak in opposition to the Leahy-Cohen amendment to cap the B-2 program at 15 bombers. The amended budget request for fiscal year 1992 contained $3.2 billion in procurement and $1.56 billion in research and development for the B-2 bomber. The Armed Services Committee fully funded the Department of Defense's request for fiscal year 1992.

This issue before us is not new to this body. When the Department of Defense authorization bill comes before the Senate it is a certainty that there will be debate on the B-2. It is a costly aircraft. However, the B-2 bomber's mission of both strategic and conventional deterrence is more necessary than ever.

As has been demonstrated by the F-117A aircraft during the Persian Gulf war, stealth is the key to future air operations. The F-117 was able to strike heavily defended targets with impunity. You cannot hit what you cannot see, and the Stealth figher time and again dropped its payload and was gone before the Iraqi's literally knew what had hit them. The B-2, with significantly greater payload and all-weather day/night capability could perform the F-117's mission with less aircraft and without the necessity of refueling. Let us face it, stealth works. Make no mistake about it.

Still, strategic nuclear deterrence remains the primary mission of the B-2 bomber. The maintenance of the manned bomber leg of the nuclear TRIAD is vital to this strategy. The B-2 will contibute to strategic nuclear deterrence by providing the operational capability to penetrate enemy airspace and deliver any of a variety of nuclear weapons to enemy targets with great accuracy. Unlike a land or submarine launched ballistic missile or a cruise missile, the B-2 can be called back once it has been deployed, and that is unique. It also has the flexibility to attack relocatable targets.

This stabilizing influence is best reflected by the START Treaty which reduces nuclear arsenals by one-third, and was just signed by President Bush and President Gorbachev in Moscow. This treaty favors bombers over all other delivery vehicles. All warheads on ICBM's and SLBM's will count toward the warhead limits under START. Each U.S. bomber carrying cruise missiles will be counted as 10 warheads. However, in the current START structure, manned penetrating bombers will only count as one warhead, regardless of how many gravity bombs or short-range nuclear missiles they carry. The termination of B-2 production at 15 aircraft would significantly weaken the

U.S. deterrent position. Neither the B-1 nor the B-52 can be depended on to serve in the role of the penetrating bomber now.

The Desert Storm experience also foreshadows the development of nuclear and chemical weapons by Third World nations. Nuclear deterrence is evolving from a bipolar phenomenon to a more complicated multipolar one. This problem will only get more complex over time. The more tools we have to provide deterrence, I believe the better off we will be in America. I believe that 75 B-2 bombers provide the flexibility necessary to meet these challenges that await us.

Mr. President, the future national security of out country is dependent upon the nuclear TRIAD. The B-2 bomber is vital to this policy.

I urge my colleagues to reject the amendment offered by the Senators from Maine and Vermont.

I yield back my time.

The PRESIDING OFFICER. Fifty-nine minutes and 23 seconds remain for the managers; 57 minutes and 36 seconds remain for the advocates of the amendment.

The Senator from Indiana.

Mr. COATS. Mr. President, I ask unanimous consent to speak in morning business for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Indiana is recognized.

Mr. COATS. I thank the Chair.

(The remarks of Mr. COATS pertaining to the submission of Senate Resolution 116, are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. COATS. Mr. President, I yield 7 minutes to the Senator from South Carolina [Mr. THURMOND].

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from South Carolina.

Mr. THURMOND. I rise to join those who speak in opposition to the amendment which would terminate the B-2 bomber program.

Mr. President, our Nation is currently reformulating its military strategy. We are doing this not because of our past failures, but because of our recent successes. Communism, along with its expansionist threat, has all but disappeared thanks to this Nation's nuclear deterrence and strong military capabilities. The emerging threat, sometimes unexpected as the conflict in the Persian Gulf, stems from the rise in power of Third World countries. To meet this threat we must adjust our thinking and our military force structure.

The B-2 bomber, whose genesis stemmed from the ever-increasing sophistication of the Soviet air defense systems, will play a major role in this new strategy. The Soviet Union is not the only nation that has modernized its air defense systems—virtually every nation has. Iraq's sophisticated air defense system initially precluded us from using our B-52's. We succeeded in rendering this system useless primarily because of our stealth technology. Only after the F-117 stealth fighters knocked out strategic air defense headquarters and communication sites were our conventional fighters and B-52's able to operate in the theater with relative immunity.

Mr. President, as everyone will acknowledge, Operation Desert Storm was a glorious success. A key factor in our success was the fact that our forces had bases available in Saudi Arabia and Turkey. In future conflicts, we may not have the luxury of such bases. We may have to build bases to receive our forces, or in a worst case scenario assault across the beaches. In either case, we will lose precious response time.

Our only option to quickly react to a crisis in these circumstances is the Nation's long-range bombers, which devastated the Iraqi forces after the destruction of the Iraqi air defense systems. Currently, our only long range conventional bomber is the B-52, which first flew in the early fifties and the last of which came off the assembly line in the mid-sixties. The B-52, despite its upgrades and sophisticated electronic jammers, cannot survive the future air defense threat—it is very doubtful that any conventional aircraft could.

Mr. President, the only aircraft that will provide this nation with the capability to deliver conventional bombs, on short notice, over a long distance, with relative immunity is the B-2 bomber. Its proven stealth capability will allow it to penetrate any known air defense systems and deliver a bomb load that exceeds that of any bomber in the free world.

The critics say that the B-2 was not designed for a conventional role and that the Air Force is changing its mission because it no longer has a nuclear role. I say that the critics are wrong on both counts.

Chairman ASPIN of the House Armed Services Committee, which advocated stopping the production of the B-2, stated in a speech to members of the Electronic Industries Association:

> Buying the B-2 for conventional missions makes sense. Ten B-2's could have delivered twice the payload of the 42 F-117's we used in the gulf war. That is a total of 160 precision guided 2,000 pound bombs as opposed to the 84 weapons carried by the 42 F-117's. And that is a pretty big silver bullet.

In terms of the nuclear mission I would like to quote from a RAND Corp. briefing on the B-2:

> Given that the lifetime of bombers is about 30 years, it would be foolhardy to assume that deterrence of Soviet nuclear attack need no longer be motivation in our bomber force planning. The Soviet Union remains capable of devastating us with a nuclear attack. The 30-year political outlook for the U.S.S.R. is, to say the least, uncertain.

Mr. President, terminating the B-2 program would deny this Nation the ability to modernize its aging nuclear and conventional bomber fleet. We would enter the next century with a major flaw in our defense posture—the inability to quickly influence a crisis in any part of the globe. In my judgement, neither this Congress nor the American people should condone such a weakness in our Nation's military posture. I urge my colleagues to vote against this amendment and provide continued funding for the B-2 bomber, to protect this great Nation we all love.

I yield the floor, Mr. President.

Mr. COHEN. Mr. President, may I inquire of the Chair how much time is remaining for the proponents of the amendment?

The PRESIDING OFFICER. The proponents have 57 minutes, 30 seconds remaining.

Mr. COHEN. Mr. President, I yield to myself such time as I might consume.

Mr. President, earlier I talked about the reference in "The Commanders" about the ability or the adeptness of the Air Force in throwing up smoke screens. I would like to turn to the charts that were originally referred to by my colleague from Nebraska. It is something I assume has been put together with the aid of the Air Force, and it is really quite a remarkable demonstration.

In order to sell the Senate and the House as to the value of the Stealth bomber, the B-2 bomber, they draw a chart showing if you had just two B-2's, you do not need any of the rest of these other forces. You can do away with all of these other aircraft: bombdroppers; air escort, suppression of enemy air defense, tankers. They are surplus. Two B-2's can carry out the same mission without all of this.

Well, that is interesting. Because now that that arrangement has been advanced, I hope the Air Force will be consistent and will bring that argument back to the committee year after year because I am going to be one member sitting there asking them exactly which of these systems are they now prepared to terminate?

In the committee's report, we asked a question: "If the full force of the B-2's is acquired, how many tactical attack aircraft are needed?"

It will be interesting to see what the Air Force is going to supply for an answer and whether they recommend the termination of those programs.

"If the full force of the B-2 is acquired, how many fighter and support aircraft are needed?"

It will be interesting to find out next year what the Department of Defense has to say about how many of these fighters and support aircraft are going to be necessary.

> If the full force of B-2s is acquired, how many tanker aircraft are needed?
>
> If the full force of B-2s with worldwide range and rapid arrival, is acquired, how many carrier air wings and carrier battle groups will be needed?
>
> If B-2s can assume part of the early attack mission, how many attack aircraft does the Navy need to replace? Would a different mix of non-stealthy A-6 and F/A-18 aircraft be acceptable?
>
> If B-2s can substitute for large packages of non-stealthy aircraft, how many re-engined tankers will we eventually need?
>
> If B-2s can provide prompt, massed firepower, should we be emphasizing highly mobile but less heavily armored ground forces for projection missions?

We are going to ask each one of these questions. We have asked them. We want an answer to them. Whatever the outcome of this particular amendment, and one can only speculate at this time that those in opposition to the amendment seem to have the numbers on their side for the time being at least, but whatever the outcome I want to come back and ask the Air Force and the Department of Defense next year when they come in, how many of all of these systems are they going to propose eliminating and whether or not we ought to have an amendment, if they do not propose eliminating them, whether we ought to cancel them?

Because they cannot come in one year and say we do not need these things, they are irrelevant now that we have the B-2, and still continue with all of the new ATF's, the ATA's, all the new Stealth aircraft, the F-18 replacement, more carrier battle groups with air components. All of that ought to be eliminated if the B-2 will do what the Air Force says it will do.

So let us hold the Defense Department to their word. But do not bring a chart out here, as they are accustomed to doing, a nice fancy chart, and say just look at that: give us two B-2 aircraft and all of these will be totally unnecessary. We will see next year how many of these are totally unnecessary. I think next year you will see we will have more requests for more B-2's and all of those systems will be there with their modernized replacements.

Mr. President, it is said that Stealth works. I want to go back just a moment because it has been said by Secretary Rice: "B-2 testing proves the B-2 works." That is a direct quote.

We ought to recall similar statements that were made a decade ago when the Air Force was promoting the B-1. On March 8, 1982, the Air Force Deputy Chief of Staff, Lt. Gen. Kelly Burke, testified on the B-1 bomber. He described enhancements being made to the B-1A to make it into the B-1B, including improvements to electronic countermeasures, and I am quoting from General Burke's statement at that time:

> We are going to improve the countermeasures. This involves modular upgrades to what we have now, which is a very successful defensive system in the B-1A. We have proved that, it has worked beautifully.

Mr. President, every Member of this body knows that the electronic countermeasures of the B-1B are a disaster. They are a disaster. They do not work. After this great categorical assertion that it works beautifully, we know a decade later it does not work at all.

So when the Air Force wanted to persuade the Congress to buy the B-1 it testified, "We proved that it worked beautifully." Now when the Air Force wants to persuade the Congress to buy the B-2 it testifies "testing proves it works." History has repeated itself. And in the first case it did not work and does not work, and we ought to take that into account when considering the second.

Mr. President, I want to alert my colleagues to the fact that, as of 10 minutes ago, we placed on each Member's desk a letter addressed to Senator NUNN from the Secretary of the Air Force. Everyone should be aware of this. I see the chairman of the Armed Services Committee is now on the floor and I will let him explain it in more detail. But we on this day, this fateful day of the debate of the B-2 bomber, in the final hour and whatever minutes remain on this debate, we are advised that there is a problem. We have a problem with the B-1B.

Guess what folks? Not only do the electronic countermeasures not work as we promised you back in 1981, we now have found that cracks have developed and we found these back in January. We tried to fix them. We didn't tell you about it then. We did not tell you about it at all. At that time we tried to fix it and then we found that the fixes do not work.

So, at 5:15, in the last hour and a half of debate on the B-2 bomber, the Air Force comes in advising the chairman of the Armed Services Committee: We have a big problem. We have a serious problem. We do not know how serious it is but we have a problem.

I would leave it up to each individual Member to decide whether this now favors going forward with the B-2 in the numbers requested by the Air Force, or whether it ought to serve as a reminder to all of us what is involved when it comes to the production of this kind of system and these kind of assertions we have been receiving in the past. Each Member will have to decide on his or her own as to whether or not it should work in favor of the B-2 or in opposition.

I would just say it is "curiouser and curiouser," to take a phrase out of Alice in Wonderland, that we would have this problem identified in January but not be alerted to it until 5:15 on the day, the very day in which we are going to be voting on the B-2 bomber.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Georgia, Mr. NUNN.

Mr. NUNN. Mr. President, the Senator from Maine is correct. There is a problem with the B-1B aircraft, and we have learned about it this week.

I was the first informed in a very hasty conversation by my staff on Monday afternoon. Senator EXON and I talked about it yesterday. I called Secretary Cheney today and Secretary Cheney called Secretary of the Air Force Rice. I called Secretary of the Air Force Rice, and he sent up the following letter.

I asked Senator LEAHY and Senator COHEN to join Senator WARNER, Senator EXON, and myself and staff a few minutes ago because I felt both sides of this amendment need to have this amendment. I do not know how it will cut in people's minds. In my view it makes the B-2 much more important, because the B-1 is clearly a troubled aircraft. However, I can certainly understand the argument made by the Senator from Maine that the Air Force has had problem after problem with the B-1 and that therefore people should be skeptical about the claims on the B-2.

I am not going to try to refute that one. I do believe that the B-2 program has had much more extensive testing. It has been done over a much greater period of time. The testing has been in great detail. Our committee has put fences around the production. We have made sure the production model did not go forward until certain tests were met. We are doing that again this year.

We have just had a very intensive analysis from the Rand Corp. that concluded, in effect, that the crucial test will be early next year. From that point on, the confidence level will go up in most of the key categories, and that if we continue to hold back on production, the cost of any foreseeable corrections, based on things that tests may reveal, will be less than the costs you will incur, the taxpayers will incur, by not going forward with production of the B-2.

In other words the longer you hold up on production the more each aircraft costs. And that the risks, the risks involved of having to correct problems is much smaller than the risk involved in terms of money of going forward with production.

So I think every Member has to judge for himself or herself. But I did believe every Member ought to have this on his or her desk and be able to put it in whatever calculation they would make.

I personally think it cuts both ways. I think you can make a strong case, and I will make that case, for the B-2. I believe if the B-1 is going to continue to have the problems it has, the straight case for B-2 is even more important than it was.

But I am not going to argue that people should vote for the B-2 because of this letter. I do think they ought to have the letter, and I think the letter ought to be part of the record so Senators will at least be informed and not wake up one day next week and read this in the paper.

As far as why the Air Force did not get it to us sooner, I am told by our staff who are experts in the way that aircraft work that cracks in airplanes are not in any way unusual; that almost every airplane at sometime or the other experiences cracks. The difficulty here, and the thing that makes this problem more serious, is that the fix for those cracks that was tried in the early part of this year has, apparently in some planes, not been successful. So that is a different dimension of the problem.

I cannot evaluate how serious it is. We will have to hear further at a later point. In my opinion the Air Force themselves do not know how serious it is at this juncture. But, in any event, I do not fault the Air Force based on the information I have now. I may change my mind on this one. But now I do not fault them for notifying us—I believe they notified the staff late last week and probably notified all the committees. Because until that time they did not know that their fix, on what is rather routine in terms of correcting cracks—they did not know their fix did not work. The time they knew this was a serious problem and they notified us of that, as I understand it now, is when the fix of the cracks itself did not appear to do the job.

That is all I know about it but each of our colleagues will have this on their desks.

I ask unanimous consent the August 1, 1991, letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECRETARY OF THE AIR FORCE,
Washington, DC, August 1, 1991.

Hon. SAM NUNN,
U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: In January 1991, the Air Logistics Center at Oklahoma City detected a small two inch crack on a B-1B aircraft undergoing a standard inspection. The crack was in the longeron—a structural member that runs alongside the spine of the aircraft. The Air Force issued instructions to inspect the entire B-1B fleet. Cracks were found in 37 aircraft, which were then repaired using a reinforcing aluminum doubler and a drilled hole to stop crack migration.

Three weeks ago, a reinspection of a previously repaired B-1B revealed that the crack had migrated past the stop drill hole. The Air Force issued immediate instructions to inspect aircraft that had been previously repaired or had flown more than 100 hours since the previous fleetwide inspection. Of the seventeen, four have returned to flight and thirteen are being worked.

A new reinforcement kit using boron epoxy has been developed and was delivered last Friday. It is currently being installed on the first aircraft for evaluation. Twenty additional kits are being prepared for shipment. These kits will be installed and evaluated on a regular basis to ascertain if they will serve as a permanent fix. I will keep you informed on this issue.

Sincerely,

DONALD B. RICE.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. We yield time from the manager's side of the bill.

Mr. President, I thank the manager of the Armed Services Committee for his remarks, with which I agree completely. The decision was made that this was a matter that all Members of the Senate should be advised of. I agree with the chairman of the committee that, from what we know now, the Air Force should not be faulted on this. It is true that they found some hairline cracks in parts of the B-1B, that they have experienced in other aircraft. As the Senator from Georgia has just said, when they made the fix, of what they thought was something minor, the cracks continued to develop beyond the plate that we used to try to correct the problem.

The first I knew of this, as chairman of the Strategic Nuclear Deterrence Subcommittee, was on Saturday last when the commander of the Strategic Air Command in Omaha called me at my home in Lincoln. He was quite discouraged but thought I should know so I would not be surprised at this new series of ongoing problems with the B-1B; that it should be brought to our attention because it was now a determination of the Air Force that this was something more than just a routine maintenance.

In fact, I inquired to the SAC commander whether or not this was limited to one particular production run during production or whether this problem probably was inherent in the whole fleet. He confirmed to me it was his opinion that, indeed, this was a matter of the whole fleet that was likely to be corrected. I asked how long this was going to take and what the costs would be and he advised me that the Department of Defense was working on that at the present time.

In any event, in lay terms, as I understand it, the cracks have to do with the structure, if you will, that holds the wing to the fuselage, or makes them one and the same. Of course, this particular stress crack is one that is of considerable concern to the Air Force. They are confident, at least, that it can be fixed. But as the Strategic Air command general told me, he was sorry to tell me of this latest problem with the B-1B.

I reserve the remainder of our time and yield the floor.

Mr. COHEN. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. COHEN. Mr. President, I sense something very curious about the release of this particular letter from the Air Force, as well as about the manner in which this notification has been made to the members of the Armed Services Committee and now to the Members of this body.

It is also curious to me that an article appeared on July 24, in the New York Times, talking about cracks found developing in the F-16's. I do not know when those cracks first appeared, but it did not take long to end up in the papers since only a few F-16's were inspected before the Air Force made an announcement so that everyone knows about cracks in the F-16.

With the B-1, in contrast, the Air Force apparently knew way back in January there were cracks developing. They decided they were not going to tell anyone about it. Instead, they wait until the last day, just before the vote on the B-2 and say, by the way folks, we do not have a plane that works. We know its countermeasures do not work. Now we do not think it is going to be able to fly safely. We just thought you ought to know about that before you vote against the B-2 bomber.

So I find it a matter of great curiosity in terms of the timing of this. As I indicated before, Senators will have to make up their own minds in terms of what this bodes for the propram.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time? If no one yields time, the time used will be distributed accordingly.

Mr. COHEN. Mr. President, parliamentary inquiry?

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. The Senator from Tennessee has just arrived in the Chamber and is about to speak. May I inquire whether the time allotted to the Senator from Tennessee will be allocated to the 45 minutes that was requested for him?

The PRESIDING OFFICER. Will the Senator restate the inquiry, please?

Mr. COHEN. Will the Senator from Tennessee be recognized to consume the time allocated to him under a unanimous-consent request, rather than from the sponsors of the amendment?

The PRESIDING OFFICER. That would be in accordance with the request.

Mr. COHEN. I thank the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, the National Defense Authorization Act that we are considering today is, in my view, a bittersweet mix—a mix of hopeful progress and missed opportunities, of new world vision haunted by ghosts from the cold war past.

I must confess that my expectations for this legislation have been very high. I suppose my disappointment stems in great measure not from what the bill does, but rather from what it could have done.

Last year when the world changed—literally overnight—the Senate Armed Services Committee moved with dispatch to review the military threat to our Nation and to set priorities for a new defensive strategy. The distinguished chairman of the Armed Services Committee, I think, deserves great credit for moving this committee into this shifting current; for sensing the future changes; and for charting a course that would adapt the policy of this country to these changes.

The result was very promising. The committee identified five broad themes to guide its future program, five broad themes for future program recommendations and, in my judgment, those are the stated goals by which we must evaluate our current effort to pursue an ordered military builddown in this most remarkable cold war period.

First, last year, the committee pledged to maintain a nuclear deterrent at lower levels and with greater stability.

Second, the committee stated it would emphasize a reinforcement strategy with increased mobility and improved rapid deployment capacity.

The third point was to increase the use of reserve forces.

Fourth, to apply a principle of flexible readiness.

And fifth, to think smarter, not richer, in making procurement and force-structured decisions.

Those are the bellwether themes laid out by the committee last year, themes that continue to be valid and continue to be, I submit, very valuable today.

Again, Mr. President, I commend the committee and especially its distinguished chairman, Senator NUNN, for all of those goals. I also applaud the chairman's commitment to a reinforcement strategy.

The proposal on the floor today would authorize reducing the troops of the United States in Europe by 60,000 and would vastly improve force mobility. It includes funds to modernize our maritime prepositioning ships and to design new sealift ships, both fundamental to a quick response capability, and that was clearly evidenced in the war in the Persian Gulf.

In short, Mr. President, the Armed Services Committee wrote a very good script last year, but it appears to this Senator that the legislation before us now simply has not followed that script in some very critical and crucial areas.

Of course, the most troubling area is the case of nuclear weapons. The stated priority of the committee is—in my judgment, the correct one—to maintain nuclear deterrence at lower levels and with greater stability. But seldom in this bill do I find that priority reflected. Quite the reverse. This legislation would fund a vast array of nuclear weapons systems, in several cases, beyond the levels requested by the administration.

When I consider the funding requests that are before us in the strategic field, funding for the B-2 bomber, the Trident 2 ballistic missile, the MX, so-called Peacekeeper missile, the new star wars initiative, one can only conclude, and the conclusion is irresistible, that this is a cold war shopping list.

It seems a substantial irony that we are here today parceling out tens of billions of dollars for weapons to defend ourselves against a superpower engagement when our only potential superpower adversary, is begging us at this very moment to help them stave off financial ruin.

I ask my colleagues the same question that I asked late last year: What threat are we arming ourselves for? Where is the threat of such enormous magnitude that we must continue down this road of pouring tens of billions of dollars into a strategic nuclear deterrent?

Why, this very day in Moscow, Soviet leaders are begging the Western World for economic aid, and there is little doubt that the Western democracies will ultimately condition that aid on a further retrenchment of the Soviet military.

The Soviets themselves are beginning to understand, that they simply cannot waste their economic resources, which are very scarce, on military hardware while their citizens starve and their soldiers go homeless.

I was in the Soviet Union last year and had discussions with Marshal Akhromeyev for some time, discussions with members of the Supreme Soviet and along with colleagues spent over 2 hours with Mr. Gorbachev himself.

I came away from that whole visit with the feeling that it is all over for them, from a military standpoint; I found great resentment on the part of the citizenry and the elected leadership toward the military—toward what they thought was a privileged lifestyle and what they viewed as a waste of the country's economic resources.

I have to ask once again: Why are we spending billions of our own scarce resources to defend against a threat that is not verifiable? It appears to me we are simply shoveling money into the furnace of a military machine that cannot slow itself down. I reflect back years and years ago to the departing message of General, then President, Dwight Eisenhower cautioned this country of the problem with a continuing military buildup.

This bill in my judgment, Mr. President, does not achieve the goal of thinking smarter, not richer. Make no mistake about it, the most prominent feature of the authorization bill before us today is that it seeks to increase across the board and on a massive scale procurement spending for big ticket weapons systems.

Of course, the B-2 is just one example. The administration wants nearly $5 billion for the B-2 in fiscal year 1992, and this committee fully complied with the administration's request. But let us understand that this level of funding represents a 100-percent increase in the B-2 production rate and sets us on an entirely new production schedule, one that actually leapfrogs ahead of the testing schedule.

According to the latest B-2 program summary, the Air Force plans to have authorization to build 71 percent of the bombers, at a cost of $33.8 billion, before the planned completion of the test and evaluation program in 1996.

This approach to procuring the B-2 bomber directly refutes the fly-before-you-buy standard that the Armed Services Committee pledged its allegiance to last year.

If nothing else, the end of the cold war means that we have time to test systems thoroughly before committing large resources to full-scale production.

The same irony governs the increased production schedule for the Trident 2D-5 ballistic missile. This MIRV'd, submarine-launched ballistic missile, with hard target kill capability, is a state-of-the-art strategic nuclear weapon. The administration asked for 28 D-5's. The committee has recommended buying 49 D-5's at a cost of $1.5 billion. Yet, the Department of Energy lacks the facilities and the resources to produce warheads for the missiles. The committee's own report language states that tritium gas has not been produced since 1988 and plutonium for new weapons since 1989.

So the obvious question is, if we cannot build the warheads, why buy the new missiles? Clearly, this is another case of production outpacing planning.

But still the ultimate buy before you fly program has to be the strategic defense initiative.

At a time, as I said earlier, when most committee chairmen are forced to tell their members that no new initiatives will be funded in education, in health, in crime prevention, the Armed Services Committee plans not only to fund a new initiative but to fund it at nearly $5 billion next year, and I am advised by experts on the Senate Budget Committee that this will add $10 to $20 billion to our expenses in the coming years, making the SDI deployment one of the costliest new initiatives in the Federal Government.

And perhaps more than any other recommendation, SDI directly contradicts the theme of deterrence at lower levels with greater stability. It raises the stakes, I think, precipitously. It will ultimately, I believe, if followed through to its logical conclusion, lead to violation of the ABM Treaty. It is certain to provoke a negative Soviet response and could well deter additional cuts in strategic nuclear weapons.

We made some progress with START, but let us realize that this START Treaty we just signed will put us back to having the number of nuclear weapons we had when the START negotiations started some 10 years ago.

These are just 3 of the more than 100 major acquisition programs in various stages of development in the authorization proposal before us today. Funding for those proposals total more than $85 billion next year, and the General Accounting Office places total acquisition costs at more than $1 trillion over the lifetime of the systems, with well over half that amount yet to be spent.

Now, just a year ago the Committee on Armed Services outlined a program of flexible readiness, touted with the potential to save $20 to $30 billion in 4 years. Yet in the authorization bill 1 year later, I cannot find a single word about this concept of flexible readiness, nor can I detect its active presence in any of the accounts that are funded in this bill.

Instead, the bill contains the seeds of a system that could prove to be the largest procurement program in the history of this Government—the F-22 fighter—with a total cost as high as $90 billion.

With little discussion about the need for a new aircraft, much less this aircraft, the committee would authorize the Air Force to pursue full-scale development and spend $1.6 billion in research and development funding next year. And in future years, well, the sky is the limit.

That is precisely what all these big ticket items have in common—the propensity to grow ever larger with each succeeding year.

As a result, they simply fly in the face of the fiscal reality we have tried to craft ourselves here at great political cost on the floor of this Senate.

Mr. President, we must accept the fact that any program growing at many times the rate of inflation is on a collision course with our budget agreement, on a collision course with the unyielding spending caps that are going to descend in 1994 and 1995.

As my colleagues know, the restraint that governs our actions this year will have to be replaced by increased austerity. The handcuffs are not going to come off fiscally in the coming years. No, they are going to get tighter. They are going to get tighter on all of us.

The Congressional Budget Office tells us that to meet the cap in the final years of this agreement, we will need to cut at least $14 billion in discretionary spending in fiscal year 1994 and $22 billion in 1995. Now, that takes into account the planned decline in military spending on which we are already counting for both years and allowing the rest of the discretionary budget to grow only at the rate of inflation after 1993.

Let us not make any mistake about it, so that in future years we can argue that we did not know, what the Congressional Budget Office is telling us is that if we adhere to the budget agreement we enacted into law last year, we are going to have to cut at least $14 billion in discretionary spending in 1994 and $22 billion in 1995. And that takes into account the decline in military spending that we planned on at the time the budget agreement went into effect for both years, and it only allows the rest of the discretionary budget to grow at the rate of inflation after 1993. Clearly something is going to have to give.

In my view, there is only one acceptable way to meet the cap, and to comply with our obligation under the 1990 summit agreement,—and that is to begin now to make choices between big ticket items. If we wait until the pressure builds in 1994, it is going to be too late them to trim the procurement bill, too late to get any savings from weapons systems. The Pentagon will have little choice but to cut military personnel in a drastic way—or else assist in blowing the caps, and ending restraint.

I do not think anyone wants to destroy our fiscal discipline. But the Congressional Budget Office estimates that if we delay these tough choices in the military areas, as I have told my colleagues before, as many as 425,000 military personnel are going to have to be cut in 1994 and 1995, and that is in addition to the reduction we are already planning of 233,000.

I do not think anyone wants that to happen. I do not know of any Senators who do. I do not know of any military professionals who do. Certainly the Pentagon planners do not want it to happen, and probably the American people do not, either.

It is a scenario, that is entirely preventable. The cost of doing so is simply to make the wise choices today between these big ticket weapons systems.

Our present course would have us sink, according to experts on the Budget Committee, $20 billion into star wars over the next 3 years; $16 billion into the B-2 bomber; $10 billion into the Aegis class destroyer; $7.1 billion into the F-22 fighter; $12.2 billion into the C-17 transport. We simply cannot afford it. The caps will not allow it.

The fact is, our ability to conceive and produce sophisticated weapons has simply outpaced our ability to pay for them. It is just as simple as that.

Now, I am not talking about cutting defense and using the money for domestic priorities. I wish we could. But the truth is we cannot even afford to do that. We are going to have to cut domestic programs also.

And far from singling out defense for harsh treatment, we simply must have defense pay its fair share of deficit reduction for the sake of restoring the fundamental strength to our economy.

We can talk all we want to about threats to our national security, and some, unreconstructed cold war thinkers will still see the Soviet Union as a threat. Some of them, I think, still dream about Lenin coming back at night as they sleep. They still dream of Joe Stalin's days in the Kremlin.

Others see a threat coming from Third World countries: North Korea, Pakistan, Cuba. One of my colleagues argued that a threat can come from Africa. I do not know. Maybe Angola is a threat to the United States. I cannot see that military threat, but I know that this corrosive budget deficit that you see eating away our strength and our substance every day, is a dagger aimed at the economic heart of this country.

You see it in roads that are inadequate, bridges that are crumbling, an educational system that is inadequate, our inability to deal with the problems of health care and to fund a health-care system, our economy becoming uncompetitive—a whole host of things. All of these can be traced fundamentally to the inability of our Government and our people to respond to our needs because of the deficit. That is the fundamental threat that faces our people here in the year 1991.

To my mind, our obligations under the terms under the budget agreement are very straightforward. We told the American people we would get our fiscal house in order. We also told the world—our statesmen went across the oceans talking about our budget summit agreement, and how we were going to exercise some fiscal control at long last. We told ourselves that here in this body. We went home and told our constituents that. I am not sure they believed us, but we told them.

Mr. President, I intend to fight for every penny of the $480 billion in deficit reduction that we promised the American people. It means hard choices in this military hardware; it means some hard choices in domestic programs. If it means some hard choices, then, Mr. President, I am prepared to make them. I urge my colleagues to make them while there is still time.

Mr. President, I yield the floor and reserve the remainder of my time.

Mr. NUNN. Mr. President, it is my hope that we can bring this amendment to a conclusion sometime in the next 30 to 45 minutes. I do not know whether the authors have many more people coming to speak, but I would certainly hope we can get whoever wants to speak on the amendment to come over and see if we cannot yield back some time. Otherwise, it will be a very late night, and a very late day and night tomorrow night.

So this is the timeframe where we can save some time if people will come on over and speak. And we can yield back some of the time, come to a conclusion on this amendment, and then go on to other matters.

Mr. President, if there are other Senators who come here and want to address this subject, I will be glad to yield. In the meantime I will make a few remarks.

We debated this issue over and over again. I rise in opposition to this amendment. In each of the past several years, the Senate has faced amendments that would have terminated the B-2 Program either totally, or leaving some token number of B-2's.

Despite these amendments, it is my judgment that the case for the B-2 has become stronger with each passing year. This year, I believe the case for the B-2 is very strong, and I would like to outline my reasons, briefly.

Mr. President, the arguments against the B-2 have three main threads. First, the B-2 allegedly will not work as advertised; second, even if it worked, the B-2 allegedly has no real mission; third, the critics charge that even if it worked and it had a mission, the B-2 is too expensive.

Let me explain briefly why I believe each of these arguments have already been proven wrong. Let us begin with the argument "it will not work as advertised." There have always been three critical make-or-break performance tests facing the B-2. Would it fly right; would it be stealthy; and would the avionics work as planned?

Mr. President, 90 percent of the envelope has been tested in terms of airworthiness. That was a point that the Senator from Ohio [Mr. GLENN] brought up, and he was greatly concerned about, legitimately concerned about, for several years. Ninety percent of that testing, 90 percent of the envelope, has been done, and the B-2 flies better than anyone anticipated.

The initial radar testing is sufficient to show that the B-2 is very stealthy. These test results were reviewed not just by the Air Force, but also by the Director of Operational Tests and Evaluation, who reports directly to the Congress on matters like this, and by the low observables panel of the Defense Science Board. I would say almost anyone would agree that the Defense Science Board is a pretty objective group—also, by the General Accounting Office.

And to those who say that Stealth is not important, all they have to do is read the transcipt from our hearings with the F-117 pilots who flew in Desert Storm, and time and time again were successful without coming out with so much as a scratch.

Mr. President, the third test relates to avionics. We all know how trouble-plagued the offensive and defensive avionics have been on the B-1 Program. Some people acted surprised about this. Frankly, I was not surprised. I opposed the B-1.

One of the main reasons I did so is because Bill Perry, who is one of the finest minds we have had in the DOD in terms of reserach, development, and new technology, came over and testified before our committee, before the B-1 was ever built, and said that the avionics were always going to be a problem. Even if technology was not a problem, we were always going to have a problem with the Soviets being able to counter the B-1 because it had so much avionics and relied so much on the avionics to be able to penetrate. They could counter it, and then the avionics would have to be changed.

So the predictions on avionics were pretty bleak to begin with by those in the know, and many of us put a great deal of credibility on that testimony in opposing the B-1, but of course unsuccessfully.

The test aircraft number 3: The first B-2 with the full production avionics has just begun its test flights. So the test flights have not been completed on those. They have just started. The B-2 Flight Test Program allocates 630 flight hours to testing the B-2 avionics systems. What most people do not know is that for the last 4 years the B-2 avionics have been flying in an avionics test bed aircraft, a specially modified KC-135 aircraft. In other words, the avionics have been tested separate from the aircraft.

This flying test bed has already flown more than 300 separate flights and has accumulated over 1,600 flight hours with the B-2 radar and the navigation avionics. This means that flying test bed has already put in nearly three times the flight hours testing B-2 avionics, and testing B-2 avionics during the actual flight test program on the B-2 itself.

Virtually every B-2 radar mode, including terrain following, has been demonstrated on the flying test bed.

Mr. President, I wanted to underscore that this is a far different case from the B-1.

All 100 B-1's were delivered or on order before the B-1B's offensive and defensive avionics systems were ever turned on. We have paid a big price for that. Because it lacks stealth, the B-1 depends, for its survivability, on the integration of its complex defensive and offensive avionics to penetrate Soviet air space. The B-2 relies on stealth for penetration. Its avionics are primarily used for navigation and flight controls.

I am not saying avonics are not important. They are important on any aircraft, but for the stealthy part of the aircraft, the B-1 relies on avionics, and the B-2 does not. That is a fundamental difference, and it puts much more pressure on the B-1 avionics than on the B-2, although both are important. The Air Force is confident that the avionics approach to the B-2 has avoided what I consider to be very, very serious errors of the B-1 Program, and very, very costly errors.

Mr. President, another question that is raised—and it is a good question—is: Is it time to increase the production rates of the B-2? This brings us to the issue of whether the B-2 is a mature enough program to begin to increase the production from the current very low rate of two per year to a moderate rate of four, as the committee bill proposes for fiscal 1992. A recent study by the Rand Corp. examined the issue of when the B-2 program should start to increase the production rate. This study was done to assess the risks that some costly-to-fix problem would be identified during the continuing test program against the certainty of increased program costs that results from holding production to very low rates.

Mr. President, the purpose, once you have a go or no-go on a plane, or any other weapon system, of doing more testing is to save money, so that you do not have as many problems to correct. But if you slow down the production rate on the systems so slow in order to complete every single test, then you end up spending more money, because you slowed the production rate down, than you would have spent to correct the problem. There is a cross line there somewhere, and the crucial judgment is: When did you cross that line? When do you have enough tests that give you confidence to go forward with a higher production rate, so you save money on production, rather than basically costing a lot more to produce aircraft?

The Rand study concludes that, even if the problems requiring retrofits are identified later in the test program, the likely correction or retrofit costs are outweighed by the certain cost increases of delaying because of the punitive economics in going with a very low rate of production.

In summary, Mr. President, Rand concluded that by mid-1992, next calendar year, all of the potential showstoppers will have been tested, and it will then be time to begin to increase the production rate. The B-2 provision in this committee report, and in our bill, is consistent with this Rand recommendation—no funds for the four new B-2's can be obligated, until the 1992 flight test requirements have been successfully met. We put a fence around the money and say that you cannot begin this production expenditure, until the tests that we specified have been met.

This brings us to the question of the B-2 missions. Mr. President, some have argued that even if the B-2 works as advertised, it has no real mission. I have heard that over and over again. I find it puzzling but, nevertheless, some people make that argument. The opponents of the B-2, I believe, are rather disingenuous in their argument on this issue. Their main line of argument appears to be something like: "Well, the year before last, the Air Force talked about going after mobile missiles. Last year, they talked about nuclear deterrence. This year they are talking about conventional bombing. Since they keep changing their story, there must not be any real mission for the B-2." That is the argument.

The first piece of evidence is a recently-declassified mission statement that was adopted for the B-2 in 1981. At that time, the B-2 was called the "advanced strategic penetrating aircraft." Just quoting from that 1981 mission statement, I think it is a complete and total rebuttal of those who argue that the B-2 mission has changed and, therefore, the Air Force is simply pulling missions off the wall.

That document shows clearly:

> Mission: The Advanced Strategic Penetrating Aircraft shall provide the capability to conduct missions across the spectrum of conflict, including general nuclear war, conventional conflict, and peacetime/crisis situations.

Mr. President, even back in 1981, much closer to the beginning of this program, the B-2 was clearly envisioned as a multi-purpose, multi-mission bomber. To claim that no mission exists because the Air Force has emphasized different missions at different times, I believe, is misleading, as a brief look at the B-52 suggests. When first produced over 40 years ago, the B-52's only mission at that time, at the beginning, was high-altitude strategic nuclear bombing. But over the last 40 years, the B-52 has learned a lot of new tricks, including, to list just a few of them: low level nuclear missions, with terrain following; infrared and electro-optical search sensors; conventional weapons bombardment; air-dropping naval mines; using the Harpoon missile to attack surface ships; launching nuclear cruise missiles; launching conventional cruise missiles; and even launching space boosters to put satellites into orbit.

I have not heard anybody suggest, in the last 20 years, that the B-52 has no real mission. Over the next 20 years, in addition to all the missions already identified, history suggests the B-2 will be given many more missions than originally envisioned. The history of the B-52 shows us the ability of a large payload, long-range aircraft, to learn many new tricks. With the addition of Stealth, the B-2 will surely prove to be even more versatile over its lifetime than the B-52 has been.

Mr. President, one other major criticism is—and, of course, the most difficult criticism to deal with—because it is expensive. The B-2 is expensive. The question is: Is it affordable? Let me address the cost issue briefly. Here the critics argue that, even if it worked as advertised, and even if it had a mission, the B-2 just is not affordable. Today, the B-2 program is at a crossroads. Virtually all the research and development expenses are behind us. Virtually all of the production base has already been bought and paid for. Counting the test aircraft to be refurbished and delivered to SAC at the end of the flight test program, Congress has authorized and funded 15 of the 75 planned B-2's.

One option is to quit now. That is what we are going to be voting on. Do we quit now, as this amendment recommends? If we do, we will end up with 15 B-2's, and for people who are concerned about per unit cost, we will have spent $37.1 billion to build only 15 B-2's. That amounts to a per unit cost of $2.5 billion for each B-2. But if this amendment is adopted, we will really spend $37 billion to buy very little, because 15 B-2's really is not a sufficient force size to be realistic in terms of operational requirements.

Mr. President, we have another alternative. We can go forward with the B-2 Program. For $27.3 billion more than the cost of this amendment, we can procure the last 60 B-2's, which amounts to an incremental cost of $455 million for each of these 60 B-2's.

Mr. President, note what the numbers say. We have spent $37 billion to get the first 15 B-2's. We have invested a huge amount in research and development and of course that will pour over and help in other programs, there is no doubt about that. So it is not confined simply to the B-2. We can get the next 60 B-2's for $27 billion. That is a lot of money but the B-2 will be a mainstay for our strategic and conventional programs for the next 30 years.

We get four times as many B-2's for $10 billion less than the first 15.

Now for $455 million for each of the last 60 B-2's, that also seems like a substantial sum, and of course it is, but you need to also consider, all of us need to consider, what new aircraft cost today with very little capability to even maybe have a reference point to the B-2.

Let us take a C-47 passenger airplane. These days the 747 costs $160 million, $160 million for a 747. An even better comparison is to the cost of two 747's that are used for the President, the Air Force One aircraft. It has been widely reported in the industry that each Air Force One will cost well over $300 million a copy. So everything is relative in terms of cost. Big aircraft cost a lot of money; the question is whether they are cost effective.

I might also note the committee bill includes 2 JSTARS aircraft, which we used successfully in Desert Storm. These Boeing 707 aircraft modified to carry a moving target or radar, at $455 million apiece, but well worth the price as we found out in Operation Desert Storm.

Mr. President, the B-2 opponents talk a lot about high cost and unaffordability of the B-2. Unless we discuss effectiveness and what the performance can be of the B-2 as well as the cost, no one can make an adequate judgment whether $455 million per plane is reasonable or totally unreasonable. The cost effective case is laid out in some detail in the report accompanying our bill.

This Air Force chart has been drawn from real world experiences during Operation Desert Storm. I understand that Senator EXON, the chairman of our Strategic Subcommittee, went into considerable detail on that so I will not repeat it.

Mr. President, let me close by saying that we in our committee have concluded that the B-2 is cost effective. The Senate will have to make that judgment in a few minutes. We have not only concluded that, we have concluded that with the effectiveness of the B-2 we are going to be able to make substantial additional reductions in the 5-year defense plan and even more in the 10-year defense plan than we anticipated. The B-2 can take the place of a lot of our existing force structure.

We have directed the Secretary of Defense to take a look at where we can save force structure in the Air Force itself and where we can save operation costs by substituting the B-2 for some existing aircraft. The B-2 has a tremendous multiplier effect. It requires very few tankers. It can fly from this country, without being stationed in a foreign country where it has to have tremendous operational base support. There are all sorts of things the B-2 can do. It not only applies to the Air Force.

This is a sensitive subject to some, I know, but the B-2 has just good long-range capabilities. I think the Secretary of Defense has to take a look at the Navy and take a look now at what Navy missions could be performed by the B-2. Do we need the same kind of aircraft flying off aircraft carriers? Do we need to have long-range bombers flying off aircraft carriers or can the B-2 basically take care of a portion of that mission?

I am not suggesting we do not need aircraft carriers, but I think we can take a close look at how we are spending on them, how many we need and what kind of aircraft go on those. We are going to have to take a look across all the services, because I think the B-2 is not just evolutionary, it is more aptly described as revolutionary technology. We have not had this kind of capability.

Mr. President, I believe it would be a very great mistake for the Senate of the United States to, in effect, cancel the B-2 Program. I urge our colleagues to vote against the pending amendment.

The PRESIDING OFFICER. Senator NUNN has 54 minutes and 30 seconds. Senator WARNER has 24 minutes and 30 seconds remaining.

Mr. WARNER. Mr. President, I yield myself such time as I may require.

Mr. President, I would like to refer to a letter from the President of the United States dated July 31, 1991, which was inserted by this Senator into the RECORD early this morning. Reading from page 2, the President directs the attention of the Senate to this program which he regards as his highest priority in the current Defense authorization bill.

> I am likewise committed to the B-2. The B-2 and START are a perfect match. This revolutionary aircraft is at the center of the modernization of our nuclear deterrents. Other modernization programs such as the rail garrison, peacekeeper, advance cruise missile and Trident submarine programs have been cut back or terminated because of the tight defense budgets. We should remember even under START the Soviet Union will have a fully modernized and containable strategic force. If our Nation is to continue to have a credible bomber force and deterrents, we need the B-2 bomber. There is no substitute for it.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. WARNER. Mr. President, I allocate to the Senator from New Mexico 5 minutes, and the Senator from Texas 2 minutes.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 5 minutes.

Mr. DOMENICI. Mr. President, I have been present and listening to the distinguished Senator from Georgia and the Senator from Virginia, and I will not repeat the relative costs of these magnificant planes under the amendment that is pending, as compared with the cost per airplane under the bill. I would merely indicate that we have already made the kind of expenditures that, in my opinion, require that we proceed to use this technology, this cutting edge technology that is now in the form of B-2 Stealth airplane. I would indicate that we go ahead and buy the number of airplanes in the bill.

It is obvious that some would say we cannot afford this. But let me suggest that when you look at the defense of our country, how much we are going to spend, that we have a pretty good test by way of the amount that we have agreed will be spent by the Defense Department under the budget agreement that we negotiated last year.

As a matter of fact, Mr. President, we have the defense of our Nation coming down so rapidly in terms of overall costs, that by the last year of that agreement we will be spending only 3.6 percent of our gross national product on defense. For comparison purposes, defense spending was high as 6.3 percent of GNP within the last 10 years. That means we are reducing dramatically in response to a changing world and to fiscal policies and problems at home with reference to available resources.

With the budget agreement, the military of the United States set about to reduce expenditures for various programs, for various arms, for various equipment, and for manpower. Even under those restrictive circumstances the conclusion was that we should buy B-2 bombers for the Air Force and for the United States. The budget for the military has been adjusted accordingly. We can pay for the B-2 by what is in this bill because it is provided for in the 5-year plan budget agreement and in the future years defense plan encapsulated in the President's budget for the United States.

I think it is fair to say that we can afford the B-2. Everyone remembers the scenes of the F-117, the Stealth fighter. It should be noted, without talking about details, that the F-117 is relatively old technologically, in comparison to the B-2 that we are now buying. The F-117 is the first of the Stealths. Imagine what a B-2 fleet could have done in the Persian Gulf if it had indeed been available to the President of the United States and our commanders who had to engage in that war. One only needs to speculate as to the risk that it would have eliminated and the kind of manpower and facilities that it would have substituted for.

It is obvious to me that a new Stealth will be as stealthy as the old one, if not more so. The B-2 could have accomplished all of those missions that the F-117 did and more. With the B-2 it's possible that fewer aircraft carriers would have been needed. It is possible that less manpower would have been needed. And that is just taking one situation in the world and not taking the whole world in all of the events and eventualities that might accrue and occur to the United States.

So I commend the committee and I commend the chairman and the distinguished Senator from Virginia, who is ranking member, because I think all things considered they have produced a bill and they have produced a buy on the B-2 that makes sense.

Obviously we are not going to buy the B-2 unless it works. That requirement is built into the bill and applies to the B-2.

This Senator has been privileged to see the B-2 in California; to view it up close and to see it fly. Frankly, it is a rather incredible machine. It is different than anything I would have imagined we could have put in the air.

Mr. President, the Senate Armed Services Committee action follows the President's request which would continue the 75 aircraft program. It is in sharp contrast to the House action, which would terminate the program at 15 aircraft.

THE PRESIDENT'S PLAN

Under the administration's plan the total cost of building a 75-plane fleet is $64.8 billion, current dollars, or $860 million per aircraft. The average "flyaway" cost of the B-2 under the administration's plan—that is, the cost per plane after completing the R&D program—is $560 million per aircraft.

The Senate Armed Services Committee report suggests that several billion dollars in total program costs might be saved if the program is accelerated.

THE HOUSE PLAN

House action, and the pending amendment, would terminate the program at the current authorization of 15 aircraft. Under the House version of the defense authorization bill the total program cost would be $36.4 billion, current dollars, or $2.4 billion per aircraft. The average flyaway cost per plane under the House plan is about $1 billion per aircraft.

Mr. President, these figures starkly illustrate the B-2 budget choice before the Congress this year. Under the House plan we buy only 15 aircraft at a very high unit cost. Under the administration's plan we buy 75 aircraft, with a much lower unit cost. However, the extra aircraft add $28.4 billion to the defense budget through fiscal year 1997.

In my opinion this $28 billion—a few billion dollars less if the Congress speeds up the procurement schedule as suggested by the Senate Armed Services Committee—decision rests on the answer to three questions. Can we afford it; do we need it; and will it work?

CAN WE AFFORD THE B-2

With respect to affordability, I will simply note that the B-2 fits into the President's plan for defense. Under the President's plan defense spending will fall, by 1996, to 3.6 percent of GNP and 18 percent of Federal outlays. By either measure, defense spending will be at its lowest level in over 50 years. Neither the defense budget in general nor the B-2 in particular is driving our budgetary problems today. Yes, we can afford the B-2.

SHOULD WE BUY 75 B-2 AIRCRAFT

With respect to whether or not we need 75 B-2 aircraft, I think we do. The B-2 has two roles: one for nuclear deterrence and one for conventional warfighting. The aircraft excels in both roles.

NUCLEAR ROLE OF THE B-2

For nuclear deterrence the B-2 is effective. It can penetrate sophisticated air defenses to deliver its ordnance. In the words of nuclear planners the B-2 is also stabilizing. Stability comes from its crew—it can be recalled—and its speed—it is too slow to be considered a first strike weapon. Because of its stabilizing characteristics, the B-2 is endorsed by counting rules in the START Treaty.

CONVENTIONAL ROLE OF THE B-2

Everyone knows that the B-2 was originally designed for nuclear deterrence. However, the B-2 was never envisioned solely for nuclear weapons delivery. The Air Force has long espoused its conventional role. The B-2 combines the attributes of the F-117—stealth and precision-guided munitions—with the range and and payload characteristics of the strategic bomber—five to six times greater than the F-117.

With these attributes, the B-2 is capable of striking anywhere in the world with near impunity. If the President had had a full complement of 75 B-2 aircraft a year ago, he would have had the option to respond to Iraqi aggression quickly and decisively, and he would have been able to mount the response from United States bases. He would not have required access to foreign bases, nor would he have required that aircraft carriers be moved into place.

We can never be completely sure that one particular weapon system is an absolute requirement for our national security. The B-2 provides a huge leap in capabilities, for admittedly a large cost. But most of those costs are already sunk. For both its nuclear and its conventional capabilities I believe we need the B-2.

WILL THE B-2 WORK

With respect to whether or not the B-2 will work as advertised, I note that both the Defense Department's Directorate of Operational Test and Evaluation as well as the Defense Science Board have certified that the B-2 flies as expected and has the low observability characteristics that were expected.

The B-2 still has some testing milestones to complete before we can conclude that it will work as advertised. The Senate Armed Services Committee bill provides that the Secretary of Defense must certify, to the congressional defense committees, that B-2 performance milestones have been met before the Air Force can obligate funds for new production aircraft. I am sure that the B-2 will perform as designed but reassured none-the-less by the bill's requirements.

CONCLUSION

Mr. President, for the reasons I've just described I urge my colleagues to support the B-2.

Mr. GRAMM. Mr. President, I am for the B-2. We need it. I think if there is anything we learned from the war in the Middle East it is that high technology is the key to protecting American lives and winning conflicts when we are forced to enter them.

We have spent $35 billion on R&D and, so far, to have three Stealth bombers delivered. For an additional $30 billion, we can have 72 more delivered, complete the program, and have 75 in the inventory, and in the process spend less than we have spent to do R&D and get 3 planes flying.

I think to terminate the program now would be a very foolish policy to undertake. I vigorously oppose it. We need this bomber. We have already paid for it. Why not bring it into the inventory? I think it is an effective deterrent.

I think with the START Treaty it becomes more important than ever before. And I think it is vitally important that the plane be built, that it be deployed, and that it be our primary bomber as we look into the 21st century.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. COHEN. Mr. President, how much time do the proponents of the amendment have?

The PRESIDING OFFICER. The proponents have 47 minutes remaining.

Mr. COHEN. How much time does the Senator from Ohio seek?

Mr. GLENN. Fifteen minutes.

Mr. COHEN. I yield 15 minutes to the Senator from Ohio.

Mr. LEAHY. Mr. President, how much time is left to the Senator from Maine and I after that?

The PRESIDING OFFICER. After the 15 minutes, you have 32 minutes remaining.

The Senator from New Hampshire.

Mr. SMITH. Mr. President, I rise in opposition to the Leahy-Cohen amendment.

The PRESIDING OFFICER. Will the Senator from New Hampshire suspend? How much time is yielded to the Senator from New Hampshire?

Mr. LEAHY. Fifteen minutes has been yielded to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from New Hampshire was recognized previously. The Senator from Ohio does have 15 minutes and will be recognized upon the completion of the Senator from New Hampshire. The Chair is just inquiring as to how much time is yielded to the Senator from New Hampshire.

The Senator is recognized for 7 minutes.

Mr. SMITH. Mr. President, during the Armed Services Committee's deliberations this year, I often expressed concern over the apparent lack of a comprehensive, integrated strategy for modernization of our strategic forces. Many times we look at the weapons systems individually rather than as part of a comprehensive package. We cannot do that in isolation. We must have a clear vision of how the individual components affect the aggregate total. In my opinion, this type of practice undermines the budget process and leads to shortsighted, counterproductive decisions that are often based on parochialism rather than national security requirements.

For that reason, Mr. President, throughout the Armed Services Committee's deliberations on strategic modernization, I withheld my support for the B-2. I wanted to be certain that, prior to expressing my support for the B-2, we would have a comprehensive, strategic package, including a good, strong SDI. And as we debate whether or not to authorize more B-2 bombers, it is imperative that we consider not just the operational capabilities and the cost of this aircraft but also how the B-2 bomber will complement the overall strategic and conventional force posture.

Mr. President, We cannot become so absorbed with the political and microeconomic issues surrounding the program that we lose sight of the big picture.

Even though I have been impressed with the test results to date, I was compelled to withhold my support for the B-2 in committee until we had a clear impression of what the Senate's action would be on SDI.

Earlier today, the Senate correctly rejected amendments which would have weakened the committee's position on SDI. For that reason, I now support the B-2.

I believe the B-2 must be considered as an integral element of the strategic package, including the triad of offensive forces and strategic defenses. While superpower relations are clearly improving, deterring Soviet strategic nuclear capabilities remains our central national security concern. We must ensure that tomorrow's force structure, while being limited in numbers due to fiscal and arms control constraints, is not limited in capability.

Now, Mr. President, just as the B-2 complements the land and sea-based legs of the nuclear triad, its survivability and credibility is inextricably linked to strategic defense. Because unless we can guarantee that the B-2 force would survive a Soviet or any other country's first strike, its operational value is essentially negated. In my opinion, there exists distinct linkage between strategic offensive and defensive forces. And I would say to my colleagues that the compromise of any single element unavoidably subverts the entire strategic package.

As my colleagues know, the Soviet's maintain the most extensive and sophisticated air defense network in the world. In light of current performance deficiencies in the B-1's electronic countermeasures system and projected Soviet advances in air defense technologies, the B-2 represents the only penetrating bomber capable of surviving future battlefield threats.

Furthermore, the B-2 provides enormous conventional warfighting capabilities. Indeed, by combining the survivablity of the F-117's with the range and payload of the B-52's, the B-2 represents a formidable conventional platform. Moreover, the B-2 can penetrate enemy air space with fewer support assets and preserve the element of surprise. This permits rapid suppression of ground-based air defenses, more accurate delivery of munitions, and most importantly, sends fewer American soldiers into harms way.

Mr. President, the bill before us strikes an effective balance between strategic offensive and defense forces. Within this context, I will support the B-2 program as an integral component of the strategic package.

I urge my colleagues to oppose the Leahy-Cohen amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 15 minutes.

Mr. GLENN. Mr. President, everybody always gets up on the floor and says I rise in strong support of whatever it is. That is customary. I do not do that. I rise regrettably in support of this amendment that I am a cosponsor of.

This plane has made a great aerodynamic advance for this country. It has a new character, not only aerodynamically—flying wing, lots of lift, big load, smaller aircraft, all the things we like to see. It also has low observability, it is going to be stealthy. We are not going to be able to see it with radar, at least not with the current frequencies and the things the Soviets have available unless they go in different directions which would be enormously expensive to them.

So I would like to have this kind of a capability, a new aerodynamic capability. As a pilot of longstanding I would love to see that. I would like to fly it myself if I could, and I would like to have that LO capability. But I have one very basic problem with this airplane, and I speak as one who supported it all through the early years up until last year. This thing just got out of hand, expense-wise. That is the nub of it.

When you are talking about $860 million per aircraft, it is very difficult for me to support that kind of cost, for one single airplane that we, really, are still sort of looking for a mission to assign it to. We have gone through that for the last couple of years. It is not that I do not want the airplane, I do want the airplane. But it is just too expensive when we are talking about $860 million a copy now, and probably talking about $1 billion per aircraft later, each and every aircraft, by the time we actually get the thing out there, if we do.

I know the argument on the other side. The argument is we have sunk costs yes, but those are behind us. Look forward. Do not look back, JOHN, look forward on this thing. What is it going to cost us to procure this aircraft from here on out? We can not unring that bell that was already rung back there behind us. We have already spent that money. What are we going to do?

Well, if you take the sunk costs out, the future costs of the airplane still are estimated to be somewhere around $450 million, $475 million per airplane, even taking the sunk costs out.

So, can we afford that? That is why I changed my mind, last year, as much as I would like to have this airplane. So I say I rise regrettably.

Let me add one other thing that, I think, is a factor in this.

I know the gospel according to Washington is that we need a triad, that we have to have a triad, and we have to have that method of delivery by ICBM, by SLBM, and by manned bomber to deliver nuclear weapons.

I must say I never have bought that concept in all the years it has been put forward. I think the triad concept is a faulty concept going in. Let me tell my colleagues why.

The United States of America is never going to go someplace and drop nuclear weapons first with a penetrating bomber. We are never going to do that. This means, if nuclear war starts, we will have already responded with ICBM's, with SLBM's, with all sorts of missiles going back and forth, before a manned bomber drops its weapons on a penetration mission—God forbid we ever get into that kind of exchange. But if it happens, that is how the nuclear war would start.

We would not be the first to send a nuclear missile over there. We would be responding with our missiles in a war situation. And then the B-2 proponents say with perhaps dozens or even hundreds of nuclear weapons going off in a major exchange, we are going to put a couple of people in a penetrating bomber and fly them in to Moscow to add a couple of more pops to all that stuff going off? That is supposed to threaten the Soviet Union if we have that kind of a capability? It really does not make much sense to me, and never has.

That is why I never supported the B-1 on the basis that it was a penetrating bomber. I supported it on this floor, at this very desk, years ago and led some of that fight for the B-1 because I felt we needed a conventional bomber, a conventional capability. Those who were here at that time who participated will well remember some of those debates. We had some very long, hard, and very good debates over that. I supported the B-1 on that basis.

I felt we got the nuclear capability at a reasonably cheap price. That was sort of a freebie. We got that on the side.

That was my view of the B-1, and I supported it all these years on that basis. The B-1 has had its own problems. The Air Force managed it. In fact, they were their own prime contractor on that. They developed the ECM for it. But it did not work out quite they way they had hoped. Even today it is having some problems as is evidenced by the letters just distributed, but I have no doubt the B-1 is still going to be a good conventional airplane after we get this current fix. Every new airplane has some development problems, just as the B-2 undoubtedly will have problems.

So, this idea that we are going to provide some way of flying into Moscow to drop nuclear weapons is not something I ever have believed was really something we were likely to do. I supported the B-1 for its conventional capability. As for the B-2, well we never used to talk about its conventional capability at all.

Let me add one more thing on the B-1. I am very disappointed in the Air Force. Through all these years, every year I would stand on the Senate floor or in committee and I would ask how is the conventional testing coming? They would tell me, yes, we have that, it is moving along. We are doing some things there.

I trusted the Air Force all these years. It turned out that when the Persian Gulf started and we said, are they going to send the B-1 over, the Air Force had not qualified the B-1 yet for one single conventional bomb drop. They had qualified it for nuclear weapons only.

I make no bones about it, and I am sure there are people watching the tube over in the Pentagon right now, and I make no bones about it, I am very unhappy. I have expressed that to Air Force leadership myself, personally. So they are very much aware how I feel I was misled all these years.

Now we have a follow-on B-2. This year, in light of the Persian Gulf, and in light of the effective standdown of the Soviets in some of these nuclear areas, at least temporarily—although they still have their ICBM's over there, of course—now for the first time this year, all of the charts we were presented on B-2 showed it as a conventional weapons delivery system. It may not be used against the Soviets. It may be used in one of the regional conflicts. We may have one somewhere around the world, and I agree we are going to need something perhaps that can avoid radar in those areas, whether we have a penetrating bomber, whether we talk about triad, or whatever else we do.

But my point is, at $860 million for each and every aircraft? I would like to have the aerodynamics of this thing, I would like to have the LO, low observability, the stealth characteristics, but I am just frozen out of this thing by not being willing to say that we have a blank check for every weapons system that comes along. It just is too expensive, as far as I see it. I hate to say that, but I do not know how you realistically can do anything else.

The mission for the B-2 has been talked about a lot. There was an earlier claim for the aircraft, that its capability was going to be to hunt down mobile missiles, the Soviet mobiles, 24's, 25's. Post nuclear exchange, we were going to go deep into the Soviet Union and not be detectable. That is a capability perhaps, but I think in the Persian Gulf we found out that, quite apart from Soviet forest areas, we found out even in the sands of the desert with nothing out there but an occasional palm tree or whatever for hundreds of miles, and with every bit of airpower we could put over in flying high, low, and in between, and using radar and everything else, we had tremendous difficulties even locating the Scud missiles. We do not know to this very day how many Scud missiles they have over there. And that was the most perfect search conditions you could possibly set up anywhere in the whole world. Yet somehow we are supposed to go in with the B-2 and fly around and we are going to somehow locate the Soviet mobile missiles and put the B-2 on them before they can launch their missiles.

OK, maybe we would be able to do that sometimes. But even under the ideal conditions in the desert we could not really locate mobile weapons.

So is that mission for the B-2 a real mission? I do not know. I would rather doubt it. But I come back to my basic premise, and that is that this thing has just priced itself out of a range that we can afford, even though I would still prefer to have it.

Remember when all this was a black program, and it was black, black, black so long we could not even get any of the cost information on it? I remember one day up in room 407 up here in the Capitol when they finally gave us some of the cost information on the airplane, and the committee members that were there that day were flabbergasted. At that time, the overall program costs were on the order of a little over $400 million per copy, this is several years ago obviously, and we were shocked at that time that it was going to cost so much. But I even went along with it after that, up until last year.

So I am not questioning that the B-2 might pass all of its tests. It is just into its aerodynamic tests, its LO tests. We put hurdles on it in the committee. We could not spend certain sums on the aircraft until we had certain performance testing both in aerodynamics and in the low observability categories. I fought for those in committee. We got them in committee. I think I was the first to propose them in committee, as a matter of fact.

It was not that I was anti B-2. It was just that it was such a new, aerodynamically different airplane, and with the new stealth characteristics that we were not at all certain would work, that I wanted to see some of these things demonstrated before we went ahead and procured the airplane.

Meanwhile, the costs have just skyrocketed. And with all the other needs we have, with the needs we have in conventional weaponry in particular, they are huge right now. Even though we are downscaling our military and pulling some 494,000 people out over the next 5 years, we still have enormous needs in equipment and people. To think we are going to pay overall program costs of somewhere around $860 million per copy for the B-2, or even taking sunk costs out. Some $450 million-plus a copy does not make sense to me.

So just in this area of cost alone, I have to support the amendment that is before us, and I do so, as I said when I got up, regrettably because I would like to have this airplane with its aerodynamic advances and its LO characteristics. But I think that when we have to make the choices between this and some of the other things that our limited defense dollars are going to be spent for, I just say the B-2 has to be put off.

I support the B-2 airplanes that are ordered right now, so we can do a complete research program, a complete testing program to show that these things work, to determine what modifications we need to make it more workable, make it better, so if we ever have to start building stealthy airplanes in the future beyond what we are procuring now or planned right now, that we have the very best technology available that we possibly can have. But I just feel we have priced ourselves out of the market with this one. With regret, I must support the amendment that is before us on the floor.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia [Mr. NUNN].

Mr. NUNN. Mr. President, before yielding to the Senator from Idaho—and I will yield 4 minutes to him—it is my hope and we have sent out word that we are going to vote about 7 o'clock. I see the authors on the floor. Does that timeframe still seem feasible, if I can pose that question?

Mr. COHEN. May I inquire of the Senator from Georgia how much time he is going to consume before 7 o'clock?

Mr. NUNN. I know of no other speaker except the Senator from Idaho, which is 4 minutes approximately.

Mr. COHEN. Senator CRAIG has indicated he may want to speak briefly.

Mr. NUNN. I think we are talking about 8 minutes on our side.

Mr. COHEN. Senator CRAIG would like, I am told, 5 minutes. So we have a total of 9.

Mr. LEAHY. Mr. President, I say to the distinguished Senator from Georgia that I doubt that the managers of the amendment would need more time than that. So if he has sent out word that we may be voting around 7, he is probably going to find it is going to come about that time.

Mr. NUNN. Mr. President, we do not have a consent agreement, but it is our intention now to try to move to a vote around 7 o'clock. At that time, we will, of course, have to yield back all time. We will let everybody know that. We are hoping to have a vote by 7 o'clock, or no later than 5 or 10 minutes after.

Mr. LEAHY. Mr. President, if the Senator will yield, I think the cloakrooms would probably be well advised to get the word out to Senators that this may well be voted on at 7 or 7:05. I think the Senator from Georgia is correct.

Mr. NUNN. I thank the Senator from Vermont, and the Senator from Maine.

I yield 4 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 4 minutes.

Mr. SYMMS. I thank the Chair.

(The remarks of Mr. SYMMS pertaining to the introduction of S. 1617 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SYMMS. Mr. President, there has been a great deal said on this floor over these last many years about the B-2 bomber. I have to say that I had the privilege to serve on the subcommittee of the distinguished Senator from Ohio when I was a member of the Armed Services Committee. I guess I, too, would say I am saddened that he is standing on the floor opposing this marvelous new quantum leap forward in aerodynamics, in aviation, in Stealth capabilities, in all of the things that the B-2 bomber offers.

We have just witnessed, I say to my colleagues, the value of the F-117, what it can mean, where it can fly in over Baghdad over a very hostile environment, no escorts; all they had to have was an air-to-air refueler to help them get in, flying over the target, back out, never touched, never scratched; deliver the bombs on target.

The B-2, Mr. President, offers us a tremendous capability.

I will just say to my colleagues, weapons systems decisions are not based on costs alone; neither are they based on capability alone. It is the value of the military contribution, the strategy, the tactics, the capability; what the other side has to spend.

I know this weapons system is expensive. But believe me, Mr. President, for all of the rest of our potential adversaries in the world, for whatever it costs us to build 75 B-2 bombers, it will cost the other people in the world many times more to try to figure out how they are going to defend against them.

Mr. President, as a member of the Budget Committee and a former member of the Armed Services Committee, it does not take a rocket scientist to figure out we are downsizing the U.S. military. We are going from 14 carrier task forces down to 12. If we continue this projection into the future, by 1995 or the year 2000, we may be down to—hopefully it will not happen, but we could be down—to 10. So that means that you have 25 percent less coverage with a carrier task force than you have today.

We are cutting our Marine Corps down to 150,000 people. Our Marine

Corps will not be able to support three Marine expeditionary forces in the oceans of the world. They will cut down to two. So that means we have less.

The distinguished Senator from Ohio, who is a personal hero of this Senator—he knows that—made a compelling argument for why we need to build the B-2. He made the argument for the virtues of the airplane. He also made the argument that he has stood on this floor before and defended the B-1; that he supported the B-1 because it gave us a strategic tactical conventional bomber and thrown in as a fringe benefit was the penetrating capability for the nuclear offset and deterrent.

The PRESIDING OFFICER. The Chair informs the Senator that his 4 minutes have expired.

Mr. SYMMS. Mr. President, I yield myself 1 more minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, I ask unanimous consent to print in the RECORD a letter to Chairman SAM NUNN from Donald Rice.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, August 1, 1991.

DEAR COLLEAGUE: The attached letter from Secretary of the Air Force Don Rice providing information on the B-1B may be relevant to the B-2 issue.

SAM NUNN.
PAT LEAHY.
JIM EXON.
JOHN WARNER.
BILL COHEN.
STROM THURMOND.

SECRETARY OF THE AIR FORCE,
Washington, DC, August 1, 1991.

Hon. SAM NUNN,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In January 1991, the Air Logistics Center at Oklahoma City detected a small two inch crack on a B-1 aircraft undergoing standard inspection. The crack was in the longeron—a structural member that runs alongside the spine of the aircraft. The Air Force issued instructions to inspect the entire B-1B fleet. Cracks were found in 37 aircraft, which were then repaired using a reinforcing aluminum doubler and a drilled hole to stop crack migration.

Three weeks ago, a reinspection of a previously repaired B-1B revealed that the crack had migrated past the stop drill hole. the Air Force issued immediate instruction to inspect aircraft that had been previously repaired or had flown more than 100 hours since the previous fleetwide inspection. A total of seventeen aircraft were found to have crack migration. Of the seventeen, four have returned to flight and thirteen are being worked.

A new reinforcement kit using boron epoxy has been developed and was delivered last Friday. It is currently being installed on the first aircraft for evaluation. Twenty additional kits are being prepared for shipment. These kits will be installed and evaluated on a regular basis to ascertain if they will serve as a permanent fix. I will keep you informed on this issue.

Sincerely,

DONALD B. RICE.

Mr. SYMMS. Mr. President, if the United States of America has to downsize its Navy, its Marine Corps and its Army, it may well be that the B-2 bomber is the one way we will have to project force, if you will, to reach out and touch someone from the continental United States, Mr. President, in the conventional form with this magnificent platform that can fly anywhere in the world, penetrate, and return safely with a two-man crew.

I urge my colleagues to vote down this amendment and point out that I know the costs seem high. We simply have to make do with the funds that we have. This weapons system is needed.

Mr. President, there has been a great deal said about the B-2 over the last few years. Most focus on the issue of cost and, as elected officials, it is a matter that we should discuss. However, we must also discuss the value of the B-2 as well.

Weapon system decisions are not based on cost alone. Neither are they based on capability alone. It is the value of the military contribution of the system that should ultimately determine a program's fate. That is where the term "cost-effective" comes from. Only by addressing both aspects of any system can Congress make a reasonable decision about the B-2 or any other program. As events in the Persian Gulf have demonstrated, high-technology weaponry works and they saves lives. They may be more expensive than their predecessors, but in this Senator's opinion, the military value far exceeds that cost.

The first, and most important, thing to say about the B-2 is that it is truly a revolutionary weapon system. The application of low observable or stealth technology will allow the B-2 to penetrate and survive against even the most sophisticated enemy air defenses. The F-117 Stealth fighter has proven the concept of Stealth and the B-2 will take that concept significantly further.

Also, the B-2 is a continuation of our national strategy to rely on our superior technology to offset an adversary's numerical superiority. This strategy worked with tremendous, positive results in Operation Desert Storm. For us to not aggressively pursue our technological edge seems to me to be wrong-headed at the very least, given what we observed in the gulf war.

The B-2 also imposes massive costs on any potential adversary. Estimates are that approximately $300 to $400 billion of Soviet investment in air defense alone will be invalidated—rendered virtually useless—by the B-2. The turmoil in the Soviet Union and the military crackdown in the Baltic States should point clearly that it is totally presumptuous for the United States to assume the Soviet threat to our security and national interests has diminished or disappeared. Quite to the contrary, Mr. President. The gravest hours which will determine the Soviet's position in world politics are yet to come.

Additionally, every potential adversary outside the Soviet Union must also recognize that their air space is now vulnerable to United States B-2 bombers. This capability will certainly cause any aggressor to consider the consequences before launching an armed attack. And that, Mr. President, is the true measure of military value.

Another important point that should be raised, Mr. President, pertains to the recent signing of the Strategic Arms Reduction Treaty between the United States and the Soviet Union. It is clear to this Senator that the B-2 will positively contribute to the arms control process.

As I understand the START Treaty, each penetrating heavy bomber will count as one strategic nuclear delivery vehicle of the 1,600 total permitted. Each penetrating bomber's non-air-launched cruise missile payload will count as one warhead against the 6,000 warhead total, regardless of the number of gravity bombs and short-range attack missiles carried by the bomber.

It is clear that, in part because of their stabilizing character, heavy bombers of the penetrating type are an extremely effective way to deploy warheads as a result of the current counting rules. The advantage derived by a penetrating bomber force is further enhanced by the unique operational capabilities of the B-2.

The B-2 provides flexibility and an ability to penetrate an adversary's most sophisticated defenses with increased survivability.

As total force levels decline under the START Treaty, the importance of each individual weapon system increases. It is important that our remaining systems be as versatile, capable and cost-effective as possible. The B-2, given its unique features and the advantages it presents under arms control treaties, is the only system that will contribute to both U.S. nuclear and conventional requirements well into the next century.

I urge my colleagues to support this vital program and resist any attempts to cut away at levels requested by the President and authorized by the Armed Services Committee.

I thank the indulgence of the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. I yield 5 minutes.

The PRESIDING OFFICER. The Senator from Georgia has 3 minutes and 45 seconds.

Mr. NUNN. Mr. President, I have 3 minutes and 45 seconds? I yield them to the Senator.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 3 minutes and 45 seconds.

Mr. CRAIG. I thank the chairman for yielding.

Mr. President, I, too, stand in strong support of the committee's position. I feel it is fundamentally important for this country to continue the building and the deployment of the B–2 necessary to provide us with that extra edge, that capability that was so effectively demonstrated in Desert Storm. No longer can we tolerate antiquity as it relates to our bomber force now that we have made the investment we have.

I think the citizens of this country well deserve to see the numbers spoken to from the committee and in this bill brought forward in deployment.

Mr. President, I wish to address two aspects relating to the B–2 bomber program: the B–2 in a changing world environment and the bomber's global reach/global power.

Given the recent events in the Soviet Union, the Warsaw Pact, Baltic States, and the Persian Gulf, it seems to me to be very critical to continue production of the B–2 program.

The mission of the B–2—a fundamental part of the air breathing leg of the strategic triad—is the same as that of every manned bomber since World War II: carry large conventional and nuclear payloads long distances, drop them on target and return. Obviously, the most important facet of this mission is strategic deterrence against the threat of nuclear attack from the Soviet Union. Despite the favorable trends in Eastern Europe, the Soviet Union's strategic nuclear capability still provides that Government with the means to destroy our country. The Soviet willingness to use military force in the Baltic States over the past months is a stark reminder of our need to pay attention to their military might.

The B–2 is needed to ensure that the flexible, recallable, manned bomber leg of the triad will have the necessary capability to hold a wide range of Soviet strategic targets at risk. Although the current trend within the Soviet Union might suggest that a nuclear attack is less likely than at any time in recent history, it is important to remember these changes have occurred only in the last 15 to 24 months. It is also important to remember that the next few years will continue to be characterized by instability in that country and will therefore constitute a most dangerous time period. It is wholly premature to deviate from a national security strategy that has thus far been very successful. After all even Mr. Gorbachev has admitted he fears the Soviet right and the military element with which it is closely aligned.

We know the B–2 offers the kind of flexibility necessary to address threats across the spectrum of conflict, including the ever more sophisticated capabilities being acquired by Third World countries. Large scale conflict in the Persian Gulf indicates how dramatic and dynamic events can change the world situation in a very short timeframe. Even with the potential for nuclear arms reductions, we need to maintain our long-term capability to respond with appropriate force until there is no longer a threat against our country, our allies or our vital national security interests, from any source; whether that threat is conventional or nuclear. The B–2 remains critical to ensuring this capability well into the next century and a military advantage that we must maintain.

Mr. President, I would also like to touch upon another aspect to this important program that should not be overlooked, and that is the unique capability of a stealthy bomber to deliver massive conventional firepower anywhere on the globe during the early hours and days of a crisis—before other forces have arrived.

Perhaps the earliest and clearest lesson of Operation Desert Shield, and the one most easily forgotten in the aftermath of Desert Storm, is that during the initial days of the United States deployment to Saudi Arabia, there was no shield. It took approximately 10 days to deploy enough American and allied military forces into the region to be able to block an Iraqi attempt to seize Saudi Arabia along with Kuwait.

Had Iraqi forces, immediately after seizing Kuwait, driven southward toward the oil fields of Saudi Arabia, Qatar, or the United Arab Emirates, Iraq could have gained control of over half the world's proven petroleum reserves.

What this initial period of strategic vulnerability highlights is a requirement that virtually no other weapon in the U.S. arsenal can address: the need to be able to bring heavy, conventional firepower to bear inside hostile airspace during the initial hours and days required for tactical air power, carrier battle groups and ground forces to arrive in numbers in a distant theater of combat. In a future contingency, the ability to bring such firepower to bear within hours could provide the narrow margin needed to prevent an aggressor from achieving a quick, cheap strategic success which, subsequently, could only be reversed at high cost in American lives and resources. Over time, such a capability could also assist in the establishment of a credible deterrent against the sort of military adventurism exhibited by Iraq in Kuwait.

Mr. President, only the B–2 offers the combination of global reach, heavy payload, and unparalleled survivability needed to meet this demanding mission. It also can do so with minimal risk to our pilots. Desert Storm has clearly demonstrated the advantages of advanced U.S. military technologies like Stealth when we are compelled by events to resort to use military force in defense of freedom. Systems like the B–2 offer advantages to our airmen commensurate with the risks they take in combat on our behalf.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, I am not in much of a bargaining position. I do not seem to have time to yield back. But if I will yield, will Senators agree to yield back some time at this stage?

Mr. COHEN. At about 7 o'clock we could probably yield it back.

Mr. LEAHY. I think, Mr. President, on my time, for the sake of those Senators who are relying on the 7 o'clock time, I think it is very close to that.

I see the Senator from Maine on the floor, and I yield to him.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. COHEN. I would like to comment on the speech made by the Senator from Ohio [Mr. GLENN]. He raised the fundamental issue involved, namely, do we really have to have in today's age a penetrating bomber, and he called our attention to exactly what is involved.

If we ever, God forbid, have a nuclear exchange with the Soviet Union, what would be involved? The B–2 bomber is not a first-strike weapons system; it is a second-strike weapons system. That is its salability; you can recall it because it is slow flying. You can always get it back. In the event of a nuclear war, we would have a nuclear exchange with ICBM's and SLBM's. We would have these planes arriving over Soviet terratory 5, 6, 7 hours later doing what? Swooping in like a bat and looking for what? Mobile missiles? That is what the Air Force said when they sold us the first time on the B–2: We have to find those mobile missiles. And now they admit, well, we do not think the B–2 can do that.

And in spite of what took place in Iraq, where we could not find the mobile Scuds, they decided—I should not say in spite of; because of—they decided that is no longer a realistic mission. So we are now back to another type of mission. We are back to a conventional mission for the B–2. That will not be its primary mission, but it can carry it out. From those charts up there in the back of the room, those two B–2 bombers will carry out everything it took 75 aircraft to do during the Iraq war.

The question I have is can we not achieve the same kind of strategic deterrent with the B–1B loaded with air-launch cruise missiles, the advance cruise missile, the stealthy cruise missile, which we have paid for already? The answer is apparently not. Notwithstanding the promises of the Air Force going back to 1981 that: Trust us, the B–1B works; trust us, the electric countermeasures work, we are now told, well, it did not measure up. We are sorry. The countermeasures do not work.

And, by the way, at 5:15 on the eve of the vote, we just found out we have some cracks in the B-1B. Lo and behold, they knew about this back in January. They thought it would be advisable to tell us they could not fix it. And so, at 5:15, we are notified they have some cracks. How serious, we do not know. We are only left to guess. It could be very serious: We cannot even fly the aircraft now, Therefore, what do we do? Are you going to stick us with these old B-52's, or are you going to do the right thing and come with the new B-2.

Let me say, we should be very skeptical about the timing of the Air Force. It said: Trust us on the B-1B. We will reduce that radar cross-section to one-hundredth of the B-52. We will get down to the insect level when it comes to the B-2 bomber. Trust us.

I will not take the time now because it is getting late, Mr. President, but I call my colleagues' attention to testimony by Secretary Rice, who indicated that the Defense Science Board is hopeful that the B-2 will be "the highly survivable aircraft that was intended" when the program started. That is what he cites.

But the Board also found reasons that perhaps they will not achieve their low observability standards. They indicated that perhaps we cannot quite measure up, meet up to those standards. Let me tell you what it says.

The Board indicates that the B-2 may not meet its original specification for low observability.

While the Board finds reasons why this might be acceptable, I would warn that it raises the possibility that, in the end, the B-2 could be declared to have adequate survivability no matter how far short it falls of its original signature specification. Indeed, the Board stated that "reasonable design trades involving signature" should be based not only on "what is needed for survivability" but also on "what is achievable."

Beware. Beware. That is the beginning of saying we put the specifications for low observability too low. We might not be able to measure up to them, so let's relax them a bit.

Mr. President, I believe we have exhausted the debate on this particular subject.

I ask my colleagues to call into question whether or not we need a penetrating bomber in this age. Whether or not we can achieve the same objective with air-launch cruise missiles carried by our B-52's or B-1B's, to the extent they do fly, and I believe they will be able to fly. Whether or not we can go to the taxpayers and say: "This is a wise expenditure of your tax dollars," at a time like this.

I submit that it is not; that we ought to support the Leahy-Cohen amendment, and I ask the support of my colleagues.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. NUNN. Mr. President, will the Senator yield me 30 seconds?

Mr. LEAHY. Of course.

Mr. NUNN. Just one point on the letter from the Secretary of the Air Force I think needs to be cleared up in the record. As the Senator from Maine knows, I requested that letter, and I requested that letter this afternoon to make sure every Member knew what the committees had been informed. The Air Force did inform the committees last week, late last week. I found out about it on Monday, and today I asked for the letter.

Mr. COHEN. If the Senator will yield, I did not find out about it until the Senator from Georgia called me into the room off the Senate floor.

Mr. NUNN. Correct.

Mr. COHEN. We discussed this about 5 o'clock this afternoon, and we agreed that all of our colleagues ought to be apprised of this. So I will say while the Senator from Georgia may have been informed last week, the full membership of the committee was not advised, and I did not receive notice, and the sponsor of the amendment did not receive notice, until about 5 o'clock this afternoon.

Mr. NUNN. The Senator is absolutely correct. I was notified on Monday, but I believe our staffs and committees were notified late last week; I understand on Friday.

Mr. LEAHY. Mr. President, I would also note that during the time the Air Force was trying to correct these problems, I was being informed by the Air Force at the highest level that there were no problems with the B-1B; I was told it was the finest long-range bomber in the world.

In fact, even though I had specifically asked if there were structural problems, I was told that there were none.

I mention this because the distinguished chairman of the authorizing committee was only informed this week. As a member of the Defense Appropriation Subcommittee, which has to vote on this, I was not informed until today. In fact, I had been advised the situation was quite to the contrary.

I mention this only because it raises very serious concerns in my mind about just how much faith we should put in assurances on the B-2. That is an issue, though, that every Senator has to decide. Senator COHEN, Senator NUNN, Senator WARNER, and I felt that we should make available the letter to everybody in the Senate. Every Member of the Senate will have to decide on their own how he or she reacts.

I will be very brief, Mr. President. I have heard during this debate that we spent so much money we do not want to waste it. Keep spending billions. This is like buying a car that is a complete lemon. The thing is falling apart but you say, I have so much money in it, I do not want to let it go.

The only time I have ever heard this faulty logic, other than on the Defense bill, is somebody playing a one-armed slot machine in Las Vegas: I have been putting quarters in this machine all day long. I have so much invested, I do not want to give up. Do not tell me the odds are against me. I have to keep putting it in, because I put so much in already.

Of course, they never hit the jackpot. We are not going to hit the jackpot here either.

The fact is, if people vote for the Leahy-Cohen amendment, if we are successful, you save the taxpayers $30 billion. If you vote against it, then we add another $30 billion to the money already spent on a problem-plagued airplane with no really definable mission.

Mr. President, just think. Yesterday, President Bush and President Gorbachev signed a historic agreement to reduce thousands of strategic nuclear warheads. The President of the United States and the President of the Soviet Union walked virtually arm in arm through Red Square, talking about the dawn of the new order. We are told, though, we must spend another $30 billion American taxpayers to build a plane that will bomb that same Red Square.

I think if we are truly in a new world order, the B-2 is the last vestige, probably the most expensive vestige, of the old world order.

Let us show the American people that we understand what everybody else in the world knows, that times are changing. We do have a new world, one where our competition will be more and more about how well we can compete in ideas, in educational systems, in the productivity of our industry, in the imagination of our inventors. But every one of these areas are shortchanged. We do not have the money for our schools. We do not have the money to aid the innovation of our inventors. We do not have the money to improve and modernize our infrastructure and our productivity. These areas may not be as glamorous as the B-2. But they are the ones that will allow us to compete. We will fall behind the Japanese, we will fall behind the European Community, we will fall behind most of the industrial world in areas ranging from health care to infant mortality, to education, and productivity.

Mr. President, if we want to remain the true superpower that we are today, we are not going to do it by frittering away our money on unnecessary and, frankly, even today, obsolete weapons systems and starve those areas that will make us competitive as we go into the next century.

Let us show that the United States, which has been the preeminent power throughout this century, will go into the next century in that same position. We must be able to compete in a new world order for exports, ideas, and our dedication to freedom and democracy. Let us show the American taxpayers there is a better way to spend $30 billion. We have a deficit which costs us over $500 million in interest every single day. That makes no sense, Mr. President.

The U.S. Senate is paid to make tough choices. We are not paid to do the bidding of the defense contractors, or anybody else. We are paid to make tough choices for the American people. It is time to step up to the plate and do just that.

Mr. President, I see no other Senator wishing to speak. With that, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. I yield the remainder of my time.

Mr. NUNN. Mr. President, I yield the remainder of my time, if any.

Mr. GORTON. Mr. President 22 years ago, in 1969, the Senate engaged in a heated debate over President Nixon's proposed Safeguard antiballistic missile [ABM] system. At that time, the proponents of missile defenses won the debate and Safeguard was deployed at Grand Forks, ND in 1975. On October 2, 1975, 1 day after Safeguard became operational, the House voted to deactivate the system. After a series of relatively close votes, the Senate also voted to deactivate Safeguard in November 1975.

The rationale used by those who supported deactivation was that the very limited capability of Safeguard's 100 ABM interceptors did not justify the huge operations and maintenance costs. Safeguard really fell victim to the ABM Treaty of 1972, which codified the notion that defenses in the nuclear age were somehow destabilizing.

Not since 1969 has the Senate had the opportunity to vote on the deployment of ballistic missile defense. It seems the Armed Services Committee has reached a consensus position on this important issue; as the SASC Report states "the time has come to move forward vigorously with defenses against ballistic missiles."

The committee's plan to deploy an ABM treaty-compliant ground-based interceptor site in 1996, as the initial step toward the multisite protection of the entire United States, is somewhat less than what the administration has proposed, but is a reasonable compromise, and although deployment of Brilliant Pebbles is deferred in the initial plan, robust funding for continued research and development of the space-based interceptors is recognized by the committee as an important requirement. When the time comes to make a deployment decision regarding Brilliant Pebbles, we will have a greater understanding of the ballistic missile threat, and will thus be able to better evaluate the contribution this important technology can make toward the protection of the United States and our friends and allies.

Critics of missile defenses, including the four Senators on the committee that voted against the consensus position, have taken to attacking the proposal with much the same arguments that were raised against Safeguard in 1969. Indeed, Senator KENNEDY, who is very much involved in the debate today, was in the vanguard of the opposition back then. AL GORE's father was also a vociferous opponent of ABM systems. The Senator's major concerns are that "if the committee's action becomes the policy of this country, it could undermine arms control and drain the treasury, truly endangering national security." For good measure he adds, "The committee position is likely to precipitate a Soviet response which is negative and could return us to the worst aspects of the cold war." (From Senators KENNEDY's and LEVIN's additional views to SASC Report.)

For comparison's sake. KENNEDY wrote in 1969: "As I view it, the truth about the ABM is that it is probably unworkable and potentially very costly. The consequence, as I view it, is another spiral in the arms race and a set back for arms control."

Today, there are few critics who would argue that highly effective defenses against limited ballistic missile attacks is unattainable with today's technology. Indeed, those like KENNEDY, GORE, and the Arms Control Association, are attacking the SASC compromise not on technical grounds but because they feel it will lead to a process that will dismantle the ABM Treaty. The implication being the end of arms control, the collapse of START, and a new round in the strategic arms race. As I view it, their arguments do not stand up to the test of history.

When the ABM Treaty was signed, the assumption was that limitations on defensive forces would lead to eventual reductions in offensive forces. This proved not to be the case. The recently concluded START agreement permits each side to have 6,000 accountable warheads—this is three times the number of warheads each side had back in 1972. So the theory limitations on defenses leads to limitations on offenses is spurious at best.

Support for the ABM Treaty is based on a more fundamental belief in the notion of strategic stability through mutual vulnerability. Under this paradigm, defenses are destabilizing because it undermines your adversary's retaliatory capability. Rather than take several pages to explain why I think this paradigm is based on faulty logic, let me just state that given the limited focus of GPALS—and what the SASC proposes—there is very little danger of upsetting this notion of deterrence through mutual vulnerability. In other words, the ability of GPALS to intercept up to 200 warheads—which is our goal—will have little consequence for a Soviet force consisting of over 6,000 warheads after START—deterrence through the threat of mutual destruction will still obtain.

But still, the critics believe that support for the SASC position will undermine arms control and lead the Soviets to renege on their START commitments. What they fail to understand is that arms control, rather than encouraging improved relations between the superpowers, has been the result of such improved relations. START and CFE would not have been possible without the dramatic changes in the Soviet Union, which precipitated better United States-Soviet relations. The Soviets will not abandon START—which they need more than the United States—because the United States has chosen to follow the path set out by the SASC on SDI. It is more likely that the Soviets will pursue their own missile defenses, for they are today in the range of many a short-range ballistic missile.

A 16-4 majority of the Armed Services Committee sees merit in moving toward theater and strategic ballistic missile defenses. We require the protection provided by these defenses because of the increased threat posed by the proliferation of ballistic missiles and a concern that political instabilities found worldwide could increase the potential for ballistic missile use, including accidental and unauthorized launches.

Those that continue to deny these realities are either pursuing a political agenda or stopped thinking about the subject back in 1969. As Tolstoy put it in this 1896 treatise, "What is Art", and I paraphrase: "Most men—even those who are really clever—can seldom discern even the simplest and most obvious truth if it obliges them to admit the falsity of conclusions they have formed—conclusions of which they are proud, which they have taught to others, and on which they have built their lives."

The truth they would deny is that ballistic missile defenses make sense in today's world; the conclusion they will not yield is the belief that the ABM Treaty, and the theory of deterrence through mutual vulnerability, is the cornerstone of United States-Soviet strategic relations.

The SASC made history by supporting a deployment objective for a limited ABM system. I defend this consensus against those that would place the protection of the ABM Treaty above the protection of the American people, its friends and allies.

Mr. METZENBAUM. Mr. President, what the Armed Services Committee has done with respect to star wars is incredible.

After 8 long years of public debate about whether the United States should spend hundreds of billions of dollars to deploy antimissile defenses, the committee, in closed session, approved a star wars plan that will both violate the terms of the 1972 Anti-Ballistic-Missile Treaty, and will wind up costing the taxpayers of this country $40, $50, or $100 billion before it is all over.

The committee gave President Bush authority to demand ABM Treaty amendments from the Soviets, and when the Soviets refuse to cooperate, which they surely will do, the committee set the stage for the United States to withdraw from the treaty entirely.

Now, Mr. President, I am not an expert on national security matters. But I know enough to pay attention to what the experts, both in and out of Government, have to say about such matters.

And what six of those experts, all former Secretaries of Defense, have said about the ABM Treaty is this:

> The ABM Treaty makes an important contribution to American security and to reducing the risk of nuclear war. By prohibiting nationwide deployment of strategic defenses, the treaty plays an important role in guaranteeing the effectiveness of our strategic deterrent and makes possible the negotiation of substantial reductions in strategic offensive forces. The prospect of such reductions makes it more important than ever that the United States and Soviet Governments both avoid actions that erode the ABM Treaty and bring to an end any prior departures from the terms of the treaty. * * *

Those six Americans are former Secretaries of Defense Harold Brown, Melvin Laird, Elliot Richardson, Clark Clifford, Robert McNamara, and James Schlesinger.

They are not alone in their thinking.

Mr. President, even I know that the Anti-Ballistic-Missile Treaty probably has been the most successful of all our arms control treaties with the Soviet Union.

By agreeing to forgo the construction of missile defense systems back in 1972, we prevented an explosion of arms race spending that would have cost the taxpayers of this country hundreds of billions of dollars.

Just as important—the treaty was signed because both the United States and the Soviets reached the hard-headed realization that neither side would ever prevail in a nuclear war.

And, neither side would ever be able to gain real protection against the thousands of nuclear warheads in each other's arsenals.

The ABM Treaty was signed because realists on both sides agreed that genuine security in the nuclear age could only be attained through the realization of mutual assured destruction—the ability of either the United States or the Soviet Union to destroy the other in response to an attack.

Finally, the ABM Treaty has been a foundation on which to build successive agreements controlling offensive nuclear weapons.

SALT 1 and SALT 2—and now—actual arms reduction embodied in the START Agreement—would never have been possible without the ABM Treaty.

That is why it is unbelievable to me that we are seriously considering the possibility of unilaterally abrogating the treaty.

Make no mistake about it. That is where the Armed Services Committee provision takes us.

The provision says, and I quote from section 211(g) of the bill:

> The President and the Congress shall assess the progress in the ABM Treaty amendments negotiation. If U.S. negotiating objectives * * * have not been achieved, the President and the Congress should at that time consider the options available to the United States as now exist under the ABM Treaty.

The only such option available to the United States is withdrawal from the treaty.

Why are we doing this?

The cold war is over. The Red Army is in retreat throughout Europe. The Soviet economy is in a shambles. Last week, President Gorbachev met—hat in hand—with the leaders of the free world asking for money to help rebuild his shattered economy.

He is trying to save his country from disintegrating. The last thing he needs or wants is another expensive round in the strategic arms race.

But I guarantee you, he will build an anti-ballistic missile system if he has to—if he feels threatened by the United States, he will do it—because politically, he will have to do it.

Now I understand that the Persian Gulf war changed the political calculus on antiballistic missile defenses.

When Patriot missiles started knocking down Iraqi scud missiles, I think everyone agreed that we needed better missile defenses to project ourselves and our allies against rogue, Third World dictators armed with ballistic missiles.

But the fact of the matter is, there isn't a single Third World country, except perhaps China, that has missiles capable of reaching the United States.

And if there were such a country, I doubt its leader would risk certain annihilation by lobbing a nuclear missile against one of our cities.

If mutual assured destruction deterred the most heavily armed nation on Earth from attacking us for 40 years, why will it not prevent Third World countries like Iraq or Libya from attacking us?

Certainly there are cheaper, easier and more surreptitious ways for a Third World fanatic to deliver a bomb against the United States—in a piece of luggage for instance.

So why are we doing this?

Why are we going to gut the ABM Treaty, and spend billions of dollars on some phony illusion that we can be forever safe against limited or accidental launches of nuclear weapons?

I will tell you why.

Because President Bush has caved in to the conservative Republican right who have made deployment of SDI part of their holy grail—regardless of whether or not it is needed.

And Democrats are caving in because they are shellshocked by the gulf war.

I do not fault the chairman of the Armed Services Committee, he had his hands full just getting a bill out of his committee.

And I honestly believe he is searching for a way out of building a full-fledged, space-based system that will drive the Soviets into a state of paranoia.

In addition to breaking the bank at home.

But I will say this.

It is time the Democrats in Congress stood up to the radical right. This project will cost $4.6 billion this year, and $41 billion over the next 6 years.

It is a policy driven by the remotest of possibilities.

It is an incredible waste of money.

And worst of all, we won't get a thing for it, except that trashing of the ABM Treaty.

Mr. President, I commend the Senators from Michigan and Delaware for offering this amendment.

I yield the floor.

DEFENSE WORK FORCE TRAINING PROGRAMS

Mr. LEVIN. Mr. President, I would like to take a moment to ask the chairman of the Subcommittee on Defense Industry and Technology for a clarification regarding language in the committee report dealing with defense work force training programs. The report language recommends an authorization of $20 million for the joint service education and training system for fiscal years 1992 and 1993. According to the report, this authorization is intended to permit the Defense Department to support work force training programs that demonstrate high potential to develop new work force training approaches and techniques. My question is this: Would work force training programs funded through the Defense Advanced Research Projects Agency [DARPA] be eligible to receive funds under this language?

Mr. BINGAMAN. Yes, programs funded through DARPA would be eligible under this language.

Mr. LEVIN. I thank the Senator from New Mexico for his clarification.

MILITARY DISABLED RETIREE PROTECTION ACT

Mr. MACK. Mr. President, the Senate Committee on Armed Services has completed its markup of the Department of Defense authorization bill. As a member of this committee, I had the opportunity to actively participate in this long and difficult debate. It is a highly complex bill containing thousands of components.

However, I want to take this opportunity to bring to the attention of all Members one aspect of the DOD authorization bill of vital concern to thousands of disabled retired members of the Armed Forces. It involves S. 1383, the Military Disabled Retiree Protection Act of 1991. I commend my friend and colleague, Senator McCAIN, for introducing this legislation. I am pleased to join Senator GRAHAM as an original cosponsor.

This bill will correct an obscure inequity in the current law which has left thousands of military retirees without many of the essential benefits covered by the CHAMPUS Program. As you know, Mr. President, when a military retiree who is 100-percent disabled requires continual medical care under CHAMPUS for more than 2 years, he or she is forced to enroll in Medicare. However, if the patient is under age 65, he or she is not eligible to purchase a supplemental policy to cover the gap in services Medicare will not provide. Tragically, the end result is nearly always financial ruin for the patient and his or her family. The bill will correct this inequity by mandating that CHAMPUS serve as a secondary payor to Medicare, thereby making up the difference in services not currently being provided by the Medicare program.

A tragic example of how this glitch in coverage affects families involves my constituents, Anthony and Terry Cox, of St. Petersburg, FL. For 22 years, Mr. Cox proudly served his country in the U.S. Army. In 1982, Mr. Cox sustained traumatic head injuries from a fall which left him a quadriplegic and unable to speak or even swallow. After 2 years of continuous care provided for under CHAMPUS, Mr. Cox was forced to go onto Medicare. Because of his age, he was unable to acquire a supplemental policy. For Mr. Cox, Medicare has been of little assistance as it offers very limited home health care. As is the case for virtually all families in this position, it has left the Coxes financially devastated. They have been forced to sell their home and declare bankruptcy. They still find themselves more than $200,000 in debt—a debt which grows daily.

Is this how the United States of America should treat the men and women who have served in our Armed Forces? Absolutely not, Mr. President.

As Mrs. Cox has said many times, "My husband spent his life serving his country. Now it's time for his country to start serving him." I would strongly urge my colleagues on the Senate Committee on Appropriations to include the same appropriation of $20 million as was included in the fiscal year 1992 House Department of Defense Appropriations bill to correct this inequity.

Mrs. Cox and other spouses of our retired military personnel in this same catch-22 situation are right. The U.S. Senate must correct this injustice and have CHAMPUS cover what Medicare doesn't. The simple fact is that the men and women who have served our country deserve better.

Mr. HEFLIN. Mr. President, I rise today to express my strong support for the continuation of the B-2 bomber program and its related stealth technologies. With the conclusion of Operation Desert Storm, we were able to evaluate the success of the F-117 and its invisibility in attacking critical or well-defended targets in Iraq and Kuwait. The shortcomings of this aircraft lay in its limited payload capacity and short range, which required repeated missions into hazardous airspace and forward logistical support. A bomber such as the B-2, with over 5 times the range and 10 times the payload capacity of the F-117, could provide such a conventional capability with less risk. The aircraft would also have the ability to deliver a greater variety and number of weapons, including precision guided munitions, to different targets. Furthermore, the B-2 would not require forward-staging areas due to its greater range, allowing valuable military assets to be utilized in another capacity.

The operations we undertook to liberate Kuwait utilized military hardware which had never been employed against an adversary before. Weapons such as cruise missiles performed admirably in their ability to strike specific targets with great accuracy. This accuracy began to deteriorate however, as the landscape began to change due to coalition air strikes. Cruise missiles are dependent on satellite technology for their terrain guidance systems, and as the terrain was being changed on an hourly basis, the ability of the weapons to be reprogrammed to strike their targets with accuracy deteriorated. The B-2 bomber would have the ability to hit a variety of targets accurately, as its advanced electronics and well-trained crew could adapt to a changing environment. Unlike ICBM's and cruise missiles the B-2 has the ability to react to unexpected defenses, engage a number of targets with a variety of payloads, and if need be, the bomber may be recalled at any time. The B-2's ability to carry both conventional and nuclear payloads allows it to be considerd as a multi-role system, providing the aircraft a flexible position in military tactics and strategy.

The performance goals which the B-2 program must meet during its development are extremely demanding, and the tests which this aircraft and its systems have undergone have proved to be some of the most comprehensive that any weapons system has ever endured. Congress has mandated that the procurement for the B-2 program is dependent upon the accomplishment of significant performance requirements. The B-2 is required to meet important goals in mission performance, low observables, air vehicle performance, integrated logistics support, and mission planning and training systems. As of June 1, 1991, the B-2 has successfully met the performance requirements for fiscal year 1991. I am satisfied by the achievements of this program to date, and I am confident that the program will reach the further goals which have been set. The investment we have made in the B-2 promises to offer not only a revolutionary aircraft, but further advances in stealth technology which will benefit our military for many years. The low observability features the B-2 has will preclude the need for airborne support, allowing resources to be maintained for other missions. In an increasingly hostile and sophisticated environment of air defenses, the survivability of our military hardware and the trained personnel to utilize the systems becomes a primary consideration. The B-2 bomber offers us the opportunity to expand upon this principle.

Mr. President, this program will provide evolution in a new generation of technology which will maintain our ability to counter aggression and preserve the freedom of nations throughout the world. The flexibility, control, and future prospects which the B-2 program has demonstrated will provide essential abilities in a continually changing international environment, where a threat to the peace within the international community may be met swiftly and with assured results. While I share my colleagues concern about the expense of this program, I consider an undertaking such as this, which will preserve the lives of American service men and women, of great merit. I ask my fellow Senators to join me in supporting continued research, operational testing, and development of the B-2 program.

Mr. SIMPSON. Mr. President, I rise in support of the distinguished Republican leader, Senator DOLE and in support of the B-2 bomber. As President Bush has stated, "There is no question that stealth works." It will contribute to nuclear deterrence and therefore, we cannot allow to stand the House actions that would terminate this vital program.

Stealth does work. It has been proven in combat. It broke the Iraqis' back and it saved American lives. It flew hundreds of sorties through the most heavily defended areas and came out without a scratch.

The B-2 takes the next generation of stealth technology and combines it with a strategic bomber. This technological advance will contribute uniquely to nuclear deterrence and will enhance the conventional capabilities of the F-117 Stealth fighter.

Manned penetrating bombers provide flexible, prompt, massive firepower in conventional conflicts. The most likely actual combat use of the B-2 will be in conventional conflict. It will provide an unmatched combination of range, payload, and efficiency in performing its operational missions.

The B-2 will restore the ability to penetrate heavily defended areas and targets, and ability that is being eroded because of the aging of current United States bombers and improved Soviet and regional defenses.

As the U.S. Air Force report to the 102d Congress stated, "The B-2's assured ability to penetrate modern defenses, coupled with its high survivability, long range, and heavy payload, allows the United States to bring precise, heavy conventional firepower to bear at virtually any time or place." The B-2's inherent freedom to operate without material support from other nations will offer the President effective, politically feasible, nonnuclear military options not otherwise available.

Mr. KERREY. Mr. President, I rise today to speak in support of the amendment offered by my colleagues, Senators COHEN, LEAHY, MCCAIN, and GLENN, which would continue funding for production of 15 B-2 bombers already authorized but would not, at this time, authorize 4 additional B-2's.

In doing so, I want to make clear that today I am taking a somewhat different position on the B-2 than I have in the past. Previously, I maintained the case for the B-2 had not been clearly made. Now, I believe a case for the B-2 has been made, particularly in the case of conventional warfare. The B-2 will extend the use of stealth technology whose merit was demonstrated in the gulf. It will also enhance the effectiveness of the longrange bombing capacity of our air forces.

However, while I have come to see the merits of the B-2, I am not persuaded that our arsenal needs to include more than 15 of these aircraft at this point in time. In the wake of the signing of the START Treaty and in the midst of monumental changes in the Soviet Union, there is no clear threat compelling us to spend the additional funds for four more B-2's.

Three questions frame this decision and all decisions on national security. Looking out toward our planning horizon—for at least the next decade—what risk confronts the United States of America? What strategy best meets that risk? And what force structure best executes that strategy?

The clearest answers to those questions, sadly, have not come from the White House or the Pentagon in recent years. They have come, instead, from the chairman of our Armed Services Committee, Senator NUNN. In several important speeches, Senator NUNN has set out a vision, driven not by immediate political calculations about what the right or left will think, but by long-term assessments of what our adversaries may do. He has taken accurate measure of the immense political changes in the Soviet Union, in Europe, in the Middle East, and in the technological changes in weaponry. And he has clearly defined the risk, the strategy, and the force structure.

Senator NUNN's advice establishes three principles. Look ahead and prepare for what you see. Plan to be ready. And be alert to the risk. I believe in those principles, although they lead me to somewhat different conclusions than Senator NUNN. They tell me that we need 15 B-2's, but not 75, and right now, not 19.

Mr. President, advocates of building a larger number of B-2 bombers tell us we must learn the lessons of the gulf war. That war did carry lessons. It confirmed there are times when we must use force. It revealed how effective our technology is.

But the gulf war held other lessons as well. One lesson came from General Schwarzkopf. His comments after the war significantly stressed combat's technological mules as much as its swans—the unglamorous as much as the sophisticated. He said what was ultimately important were our trucks; our mine-clearing ability; our sealift and airlift. That insight places upon any high technology weapon that would cost us $860 million per unit a very large burden of proof.

That burden has not been met. The rationale for the B-2 has changed from strategic to conventional. But in conventional missions, the B-2 is reusable—it can conduct repeated flights for a single mission—and the case has simply not been made that 15 of these highly efficient bombers is not enough.

Another lesson from the gulf was that simple comparisons of numbers are meaningless. Iraq had the world's fourth largest military, in numerical terms. But numbers don't fight. Iraq lacked the technology, the skills, the strategies, and—above all—the will to fight. These, not numbers, sealed our victory. So I am unmoved when I hear numerical comparisons with others, like the Soviets. Does anyone in this Chamber seriously believe the Soviets could fully project their numerical power when they cannot even stock their shelves? We cannot ignore the danger of a nation that has over 10,000 nuclear warheads pointed at us. But we must not overestimate the threat posed by that crippled and crumbling empire.

Finally, the gulf war taught the world that we have entered an era of one preeminent military power. We are preeminent, not just because of our arms, but because we have the technology, the skilled troops, the strategies, and the will to fight which make those arms preeminently effective. Unfortunately, we are not acting like a preeminent power. A preeminent power is not reactive. A preeminent power can afford to challenge other nations. Notwithstanding this week's welcome signing of the START Treaty, if we acted like the world's preeminent power, we would be doing much more than challenge the Soviets to deeper conventional and strategic arms reductions.

This week's debate over the B-2 provides a good example of how we continue to be reactive, as if we were still engaged in a battle of equals. One of the arguments that has been voiced for expanded production of the B-2 is that we can only afford to scale down our weapons capacity in ways that are readily reversible. We must keep production lines warm, so that if there is a sudden change in Soviet leadership, sudden increase in belligerence, we can readily resume the arms buildup.

Leave aside, for the moment, the fact that the B-2 production line is behind schedule. Leave aside that only 3 of the first 15 B-2's have been delivered. Leave aside that the $30 billion we have already appropriated for this plane ensures enough testing and production, even with 15 planes, to keep the production line, not warm, but hot, for some time.

What bothers me is the reactive assumption that mistakenly asserts we still face an equal adversary who can compete with our productive abilities. We do not. We face a disintegrating union whose GNP is plummeting by 15 percent or more this year; whose people are refusing to work; whose crops are rotting in the fields; whose technology is absolete; whose ability to do anything readily is almost nil. In that kind of competition, everything we do is readily reversible. We could turn Northrop's factories into a recreational theme park, and, given the Soviet Union's current condition, our action would still be readily reversible.

Mr. President, we face greater security challenges in this age than keeping our production lines warm. We need to make major investments, from aircraft to minesweepers, if we are to modernize our forces.

We need to invest substantial amounts of our energies, and even our resources, to control the proliferation of development and sales of weapons of mass destruction by nations like China—one of the greatest threats to global stability. In many ways, that may be a more challenging task that building a radar-evading plane out of space-age composites. For it will take coordination with other nations. It will take prolonged effort. It will even require monetary sacrifice—we might lose some grain sales to achieve that kind of goal—and it would be worth it.

We need to invest substantial amounts of thought into how we can better mobilize our strongest weapon—our democratic ideals—to make this a more stable, more humane, and less threatening world. Throughout the gulf war, I believe, we placed too little emphasis on the goal of creating more democratic regimes. For it is a nation's form of government, more than its stocks of weapons, that determines its belligerency. France has nuclear weapons, but because it is a democracy, we do not fear it. Iraq will hopefully soon lose its nuclear weapons technology, but we will still be wary of its actions because it remains a dictatorship.

Finally, Mr. President, I believe we need to invest more in the human element of our security. Not only the skills of those who fight on our behalf, but the skills of those who support the fight here at home. The case for investing in four additional B-2's is not clear, but the case for full funding of Head Start and the nutrition program for infants and pregnant women is clear. In an age of American military preeminence, our weapons-production decisions will almost always be readily reversible; but in an age of an intense global economic competition, our underinvestment in our children's minds and skills is not readily reversible. On both fronts, America's security risk is clear, and it compels my support today for the Leahy-Cohen amendment.

Mr. DODD. Mr. President, I intended to give a comprehensive statement later in the debate on various issues that are included in, or affected by, this bill. The issues, however, that we have been debating since yesterday afternoon and continue to debate today are so important that I feel compelled to address them briefly today. I am talking about the future of the SDI Program and also the B-2 bomber.

Listening to the SDI debate, occasionally I felt as if I entered a time warp. Some of the arguments I heard were very relevant only a few years ago, but are hopelessly out of date today.

Although I have consistently supported a vigorous SDI research effort, I have also had some problems with the program. First, I have never accepted the exaggerated, unrealistic claims of an imaginary umbrella that could save us from a massive Soviet strategic strike. I have seen no evidence that that has ever been a realistic goal worth pursuing.

Second, nothing ever has persuaded me to support the denunciation or the renegotiation of the ABM Treaty so far, and I emphasize so far. I agree with Senator CHAFEE who said this morning that there is nothing sacrosanct in the ABM Treaty that should bind us to it even after it would not be in our national interest to do so.

Third, I was always skeptical of the excessive level of funding requested by the administration and voted often to reduce it to a more moderate level.

These were my concerns with this program while still under the conditions of the cold war. When I voted in the spirit of these reservations, I did so in agreement with my colleagues who argued that instead of the exaggerated claims of that cosmic umbrella, we better concentrate on the more realistic and affordable goals on trying to protect our country from limited attacks by Second World and Third World madmen—that is, either an unauthorized attack by a renegade in the Soviet Union or an attack by a Saddam-type dictator.

It seems to me that the proposal in this bill does exactly that. It steps beyond cold war thinking. It puts the idea of defending against a massive strategic strike way back in the order of priorities. I suspect the only reason it did not completely abandon it was political, to retain sufficient support for the plan. In other words, Mr. President, this plan addresses the real threat of the future, the type of conflicts and dangers of which, I am afraid, the gulf war was only the first one.

I have been persuaded by the authors of this plan that nothing here is intended to threaten the Soviet Union, and the Soviets ought to have no reason to feel threatened by what is in the SDI portion of this bill. I believe that those who lead the Soviet Union today, Mr. Gorbachev and his supporters, know—I repeat—know, that we mean no harm to any of the peoples within today's Soviet Union. This plan must not be seen as a threat to their security, first of all because by the time anything included in this plan could be deployed we will have another Soviet Union—or its successors—totally different from that of today.

Given the rapid changes in the Soviet Union and the vastly increased trust between the two countries I find it totally conceivable that, should the need arise, we could renegotiate the ABM Treaty with the Soviets without acrimony, even in harmony. I certainly would not exclude this as a possibility.

In sum, I do not share the fears of some of my colleagues that we are starting down a dangerous road here, with respect to our strategic relationship with the Soviets. This is not a replay of the Soafer doctrine debate where I took a stand vigorously and repeatedly to maintain the integrity and the authentic interpretation of the ABM Treaty.

I emphasize that my views did not change. I see nothing that would allow, much less compel us to abandon that treaty. I supported the Bingaman and the Levin amendments precisely for this reason. At the same time I do not believe that we are starting on some slippery slope with the NUNN plan. I do not regard this plan as heresy. We cannot, however, contemplate the changing of the ABM Treaty unless we have at least some idea of what we may wish to accomplish.

In sum, Mr. President, I support the committee's work because it addresses the future, not the past. It aims at giving us the technology we will need at the start of the next millennium, in a post-cold-war world. This is the reason why I support the B-2 bomber as well. Stealth technology is the future in the kind of conflict we are likely to face after we minimize the chance for any major superpower conflagration.

While the B-2 was originally planned as a penetrating strategic bomber for a nuclear conflict, I strongly feel that its conventional utility is even more compelling. It is a painfully expensive bird, no doubt about that. Who can put a price, however, on the lives it would save in a conflict by its range, payload, effectiveness, and easy supportability—in terms of the dozens of more conventional aircraft that would be required to deliver the same punch at much higher cost and peril?

Mr. President, we have to face the dangers of the future, not the past. I commend my colleagues on the committee on both sides for having faced up to this task.

Mr. REID. Mr. President, a reunion of World War II Army Air Corps veterans will be held from September 11 to September 15, 1991, in Reno, NV, Bally's Hotel.

These men were members of the 95th Bombardment Group (Heavy). They were assigned to the 13th Combat Wing, 3d Air Division, 8th U.S. Air Force.

Between May 13, 1943, and May 14, 1945, these men were involved in major air battles that brought final victory to the Allied war effort.

The 95th Bomb Group was made up of gallant men who flew, maintained, or serviced the mission of the group. Heroes all.

The effectiveness of the air efforts are well documented. The loss of life, the prisoners of war, the wounded statistics show the costs of the victories. The magnificent ground performance.

The destruction of transportation systems, fuel refinery plants, and war production industries resulted in severely restricted enemy warfare and the lack of production. This resulted in saving a significant number of ground forces' lives.

The 95th Bomb Group participated in all major air battles fought by the 8th Air Force. Such targets as Schweinfurt, Regensburg, Munster, Brunswick, Hanover, Bremen, and Hamburg, brought terror to the crews at briefing, but none like Berlin.

Herman Goring had boasted to Hitler and the German people that no bombs would fall on Big B, in daylight. He had not reckoned on the Square B, 95th Tail Marking. On March 4, 1944, the mighty 95th made the first daylight raid on Berlin. This was the first of 17 missions in which the 95th bombed Berlin.

The first mission was equated as equal to the significance of the first raid in Tokyo by General Doolittle.

The 95th has a motto, "Justice With Victory." During the conflict the Army dropped supplies, food, and ammunition to free French resistance forces. Food and medicine was also dropped to the citizens of Warsaw, Poland, and in Holland.

During the time of conflict, the 95th participated in shuttle missions from England, bombing in Germany, in and to North Africa. There were also several shuttle missions from England to Russia to Italy and back to England.

At Normandy on D-day, June 6, 1944, crews of the 95th flew three missions in support of the landing forces and participated in low-level support of ground troops efforts in the breakout from the beaches into France and Germany.

The men of the 95th Bomb Group served with valor and bravery. They are still supporting their country. They deserve the recognition of their service now, as they did in 1943–45.

May God bless these aging warriors and their sponsors as they gather in reunion and God bless the United States of America.

I ask that these men be recognized and honored at this time.

Mr. President, I ask unanimous consent that some information regarding the 95th Bomb Group Association be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE 95TH BOMB GROUP (H), 13TH COMBAT WING, 3RD AIR DIVISION, 8TH AIR FORCE, HORHAM, ENGLAND, STATION 119, WORLD WAR II

Of the 41 heavy bombardment groups stationed in England during WW II, the achievements and recognition of the 95th Bomb Group are unequaled. This outstanding group was known for its dedication to mission, its pride, comradery and leadership in combat.

Intensive training began at Geiger Field, Washington in October 1942 and continued at Rapid City AFB, South Dakota. On March 18, 1943, the Group's 41 B–17's and 399 crew members were ordered to the ETO. Flying from Florida through Brazil and Africa, the Group began operations at Alconbury, England on May 13, 1943. From this date until beyond the end of the war in victory, the 95th participated in every major campaign and air battle, earning honors of the highest order because of the undaunted courage of the air crews and the dedicated, faithful, professional service of the group support units.

In brief summary, the 95th Bomb Group (H):

Flew 321 combat missions; dropped 19,769 tons of bombs.

Flew (seven) 7 "Chowhound" missions—low-level food supply to the starving Dutch Nation.

Flew (four) 4 "Revival" repatriation missions—to return downed POW's and forced laborers from France, Belgium and Holland.

Flew a total of 8,625 credited sorties (plane missions).

Utilized a total of 359 B–17 Flying Fortresses in combat action; of this number 156 were lost in combat, 36 in other operations; 61 were force landed on the Continent.

Forty-two (42) were salvaged at home base beyond repair.

In total, 1,362 planes were repaired from major battle damage.

Consumed more than 35,000,000 gallons of gasoline.

The 95th Bomb Group (H):

Lost 569 men killed in action; 3 are still missing in action (assumed KIA).

Lost 825 crew members as Prisoners of War.

Had 171 crew members returned to base as severely wounded.

Lost 61 crew members interned in Switzerland and Sweden.

Had 61 crew members evade capture after being shot down behind enemy lines.

There were 63 men killed in non-combat accidents (KIS—killed in service).

Total casualties 1,774.

The 95th Bomb Group claimed 425 enemy aircraft destroyed, 117 probables, 231 damaged.

The 95th Group led the first daylight bombing mission to Berlin, March 4, 1944.

Was the only combat Group in the 8th Air Force to receive three (3) Presidential Distinguished Unit Citations—These were for leadership and valor on missions to Regensburg, August 17, 1943, Munster, October 10, 1943 and Berlin, March 4, 1944.

Group Commanders: Colonel Alfred A. Kessler—23 October, 1942 to 22 June, 1943; Colonel John K. Gerhart—22 June, 1943 to 28 April, 1944; Colonel Chester P. Gilger—29 April, 1944 to 9 May, 1944; Colonel Karl Truesdell, Jr.—10 May, 1944 to 14 December, 1944; Colonel Jack E. Shuck—15 December, 1944 to 27 April, 1945; and Lt. Colonel Robert H. Stuart—28 April, 1945 to June 1945.

Revised June 1990.

In June 1945, the 95th Bomb Group was returned to the USA to retrain for duty in the Pacific Theatre of Operations, and was deactivated at the end of WW II on August 28, 1945.

SQUADRONS

334th, 335th, 336th, and 412th.

MOTTO

JUSTICE WITH VICTORY

RELATED ATTACHED UNITS AAF STATION 119, HORHAM, SUFFOLK, ENGLAND

8th Station Compliment.
18th Weather Detachment.
49th Service Group.
64th Service Squadron.
215th Finance Office.
271st Medical Dispensary (AVN).
433d Hqtrs. and Base Service Squadron.
433d Air Service Group.
457th Sub-Depot.
683d Air Material Squadron.
859th Air Engineering Squadron.
879th Air Chemical Co. (AVN).
1029th Ordnance Co.
1676th Ordnance S&M Co. (AVN).
2022d Aviation Engineers Fire Fighting Platoon.

Mr. SPECTER. Mr. President, the issue of the B–2 bomber continues to be the most difficult vote for me on the Department of Defense authorization bill. With the significant change in the relationship between the United States and the U.S.S.R., the strategic requirements of the United States have changed dramatically.

In the gulf war, air power was extremely important, and it may well be that the B–2 is necessary for conventional war for the future.

After studying the issue in depth, conferring with experts on both sides, and considering the arguments of my Senate colleagues, it is my conclusion, at least for the time being, to defer to the judgment of National Security Advisor Brent Scowcroft, Secretary of the Air Force Donald Rice and his Air Force commanders who argue strenuously that the B–2 is absolutely necessary for national defense.

I am also influenced to vote for the B–2 in the pending authorization bill, because I will still have an opportunity for further consideration of the issue between now and the time the appropriations bill comes before the Senate. If the B–2 is not authorized, then we cannot have an appropriation for it. On the other hand, even with authorization, we will have an opportunity for future study and reflection on this issue before approving an appropriation for the B–2.

Mr. COATS. Mr. President, I rise to express my strong support for the B–2 bomber and the position taken by the Armed Services Committee regarding the B–2 in the Defense authorization bill. I hope my colleagues will join me in opposing any amendments to reduce funding for the B–2 program.

Mr. President, Operation Desert Storm, in my view, demonstrated the utility and effectiveness of stealth technology. The F–117, while constituting only 2.5 percent of the aircraft deployed in the Persian Gulf, covered 31 percent of the targets struck within the first 24 hours of combat. By being able to operate autonomously in highly defended airspace and strike high value targets, the F–117 saved lives and aircraft, and accelerated the success of our air campaign.

The B–2 bomber, of course, would be even more capable than the F–117, since its range and payload would allow it to attack targets without warning virtually anywhere in the world. The B–2's ability to operate autonomously at very long ranges would be a key asset for any future power projection mission, especially if we do not have 6 months to mobilize and construct a combat support structure.

Mr. President, this point cannot be overemphasized. While we will always have the option of conducting a large-scale deployment similar to Operation Desert Storm, it is unlikely that we will do this except in the most threatening situations. This type of power projection, therefore, is inadequate for dealing with the many types of threats that may arise. On the other hand, the B–2 will provide an autonomous capability to promptly hold targets at risk around the world. The Saddam Husseins of the world will never be able to assume that their aggression will go unanswered. In a matter of hours, a B–2 fleet could bring virtually the same degree of firepower to bear that took 6 months to deploy in Operation Desert Shield/Desert Storm. Such force could be used in preparation for a larger operation including ground forces or as an autonomous operation. In either case, aggressors must assume that they will be confronted within hours of initiating conflict.

Mr. President, some have ridiculed the notion that the B–2 bomber would be used for conventional missions. In my view, one of the B–2's most important attributes is precisely its conventional power projection capability. For those who argue that we would never risk such an expensive plane for a conventional mission, I suggest they add up the cost of deploying alternative forces, such as a carrier battle group or existing land-based bomber forces. Each alternative requires tankers, air defense suppression and air escort in addition to the bombers themselves. When all this is added up, it turns out that a handful of B–2 bombers could perform the same mission that would normally require almost a hundred aircraft, with several hundred pilots at risk. In these terms, the B–2 seems to offer a highly cost-effective alternative. Thus, when we talk about the cost of the B–2, we really need to look at the mission effectiveness and the number of aircraft that will be put at risk. Judged by this standard, especially in relation to the number of lives placed at risk, the cost of the B–2 is placed in a far different perspective.

Mr. President, while I have focused on the conventional attributes of the B–2, we must not overlook the critical role the B–2 will play in enhancing strategic deterrence. As long as the Soviet Union or any other country possesses the capability to hold the United States at risk with nuclear weapons, we must seek to preserve deterrence in a stabilizing manner. The B–2 is the most effective means of fulfilling the bomber requirement that will continue within our strategic triad. Its ability to penetrate sophisticated air defenses makes the B–2 a highly capable and reliable retaliatory system.

It is also important to bear in mind that the START Treaty, which was signed just yesterday, is premised on the existence of the B–2. In fact, in resolving the very last items of disagreement with the Soviets, the United States traded important concessions in return for favorable treatment for the B–2. If we accept the Leahy-Cohen amendment to terminate the B–2 Program, we would effectively undermine a major rationale for the START Treaty. We would be forced to go back to the drawing board with START.

Mr. President, before I close let me comment briefly on the question of cost. There is no doubt that the B–2 is a costly system. However, canceling the program now would be a supreme waste of money. To date, over $33 billion has been sunk in the B–2 Program with $27 billion left to go. While this is admittedly a large sum, I submit that the price per aircraft if we cancel now will turn the B–2 into the most ridiculous and costly system in history. If we proceed in the near future with full-scale production, however, the B–2 Program will be a cost-effective program with a unit flyaway cost of approximately $437 million per copy. As a percentage of the Defense budget, this is comparable to the B–52 and less than the B–1.

Mr. President, if we learned anything from Operation Desert Storm it is that advanced technology makes all the difference. The war validated the importance and cost effectiveness of Stealth. It would be folly at this point for the Senate to reject this lesson and cancel the B–2. While the cost of this program is indeed high, I believe that the return on our investment will be tremendous. I urge my colleagues to support the B–2 and to vote against the Leahy-Cohen amendment to halt procurement.

B–2 BUNK

Mr. CRANSTON. Mr. President, I rise today as a cosponsor of the amendment to end further production of the B–2 bomber.

After 10 years of development in the shadows of the black budget, the Stealth bomber emerged into the harsh glare of public scrutiny. What many in Congress observed and continued to observe is not to our liking.

The B–2 is undertested, overpriced, and above all, overkill.

After investing more than $30 billion in the B–2 Program only three planes have been delivered—and they were behind schedule and incomplete. The cost of additional planes continues to soar.

CBO estimates that each B–2 plane will cost $865 million. By the time we finish building 75 B–2 bombers the cost per plane, including lifecycle costs, will be at least $1.4 billion. That works out to $850 a troy ounce of aircraft, or more than 2.3 times the price of gold! In this time of recession and unemployment and an already bloated budget deficit, we can hardly afford to build a bomber worth more than two times its weight in gold.

The cold war is over. The Warsaw Pact is a distant memory and the Soviet Union is clearly more focused on attracting foreign investment than in investing scarce resources in defense. Yet, reductions in our own defense spending have been selective to the point of wimpishness.

One area where we have moved forward to make cuts is in our basing structure. We have just been through the painful base closing process. Many of the bases to be closed have been a part of our Nation's history, serving admirably in our national defense. Communities which surround these bases, including many in California, could be impacted severely by base closings. Yet, most understand that as we cut defense spending, closing unnecessary bases makes sense.

What's more difficult to understand is our unwillingness to bite the bullet on pricey strategic programs.

In one fell swoop, by voting for this amendment and by ending production of the B–2 bomber, we can save more money than we would save over the next 20 years if we vote to proceed with this latest round of base closings!

The Base Realignment and Closure Commission estimates that annual savings from base closings will total $1.5 billion. I say to my colleagues who have bases closing in their States, many which will require millions of dollars to complete environmental cleanup: How can you vote to spend almost $5 billion in fiscal year 1992 alone and commit to spending at least $30 billion to finish a bunch of planes we do not need and cannot afford?

This year the Air Force spent more than $2 billion on B–2 procurement. Not a penny of that went toward procurement of additional aircraft. Instead, the funds went to pay for cost overruns on the program.

Yesterday's GAO report provides compelling evidence that there will be even more cost overruns over the very troubled life of the program.

The continued rush to production only exacerbates the situation. Last fall, there were reports in the Los Angeles Times about 850 Boeing employees temporarily brought from Seattle to work in Palmdale, CA, on the B–2 program. The cost of housing and transporting these workers was reported to be $10 million. When I contacted the Air Force about this strange way of doing business—surely there are qualified aerospace workers in the Los Angeles area—they said that Seattle workers were moving down with the unfinished aircraft to complete their portion of the work "because of schedule disruptions brought about by transitioning from development to production."

The B–2 program makes a mockery of the concept of "fly before buy." This axiom, which has become firmly ingrained in our defense procurement practices, dictates that we hold off on buying aircraft until we are certain they can actually fly. "Fly before you buy" seems to drive our procurement policy on everything, everything, that is, except the B–2.

It is no surprise that the B–2 has undergone only a preliminary set of flight tests. According to the GAO, less than 5 percent of the testing on the B–2 has been completed. None of that testing has taken place in a representative operational environment. Full operational testing is not slated to begin before 1992 and the B–2 initial operational test program will not be com-

> pleted until 1996. Nonetheless, should this amendment fail, more than 25 percent of the planes the Air Force claims it needs will be in various stages of production long before testing has been completed.

When B-2 supporters claim that the B-2 is the most tested aircraft in history, they neglect to mention a key point. Most of this testing took place before the plane ever got off the ground.

Supporters of the B-2 have attempted to convince and reassure us by noting that a single B-2 can do the job of dozens of planes, tankers, escorts, suppression and surveillance aircraft, and other bombers. I find this deeply troubling. I doubt we would consider sending one of these gold-plated aircraft into many combat situations and I shudder to think about the day the first B-2 crashes.

Mark my words, we won't be flying this plane—we'll have it under lock and key. And Gen. John Chain, the commander in chief of the Strategic Air Command, made that abundantly clear in testimony before the House Armed Services Committee last year, when he said:

> I cannot see putting very many [B-2s] at risk during a conventional conflict if they were going to be exposed to high threat, dense type of activity in a small geographic area.

Of course, there are some who believe that the B-2 is already fully operational. If you listen to some of the rhetoric on the B-2 program, you would think that the B-2 saved the day in the Persian Gulf. Well, let me say to B-2 proponents, the B-2 is no F-117 Stealth fighter.

The F-117A is a conventional fighter-bomber without the controversial new radar features of the B-2. The B-2 is not configured for a conventional role, nor does it have the same precision capabilities as the F-117. Other than the yet untested low observable capability, the B-2 can only conduct the same imprecise carpet bombing we expect from a B-52.

Touting the role of the F-117 in the Persian Gulf is not a rationale for the B-2. This tactic didn't work when the F-117 was used in Panama and it won't work now.

At $42.6 million a pop, the fully operational F-117 gives us more bang for the buck. Especially since the bucks have been spent. The F-117 is already paid for.

But, this is not a debate about the merits of proceeding with development of Stealth technology, because this amendment does not eliminate funds for continued research and development. We saw the marvels of Stealth technology—technology developed by the highly skilled workers in my State of California—in the F-117's performance in the Persian Gulf.

To those who question why the senior Senator from California would stand up to challenge a program which brings thousands of jobs to his State, let me say what I said 2 years ago when I began the fight to terminate this wasteful program: The Defense budget is not a jobs program.

I have always believed it wrong, indeed a disservice to our Nation to promote blindly a home-based project that did not enhance our security in a cost-effective manner. We are carelessly squandering our national treasure, at the expense of programs which meet our real security needs—housing, health, education, transportation, and the environment. Dollars spent on needless weapons systems are dollars that could be spent more wisely on a vast array of programs to bring jobs to our States.

Finally, Mr. President, let me comment on the momentous signing of the START Treaty, the first major strategic arms treaty in history. This tremendous step forward provides us with the perfect opportunity to hold off on further production of strategic systems like the B-2.

Instead, we are being told that the START treaty is a rationale for buying more B-2s. The notion that we must proceed with the B-2 to take advantage of the bomber counting rule in START flies in the face of what arms control is all about. We are not signing the START Treaty to escalate the strategic arms race.

Our B-52s will be with us well into the next century, according to the Air Force's own analysis, and the B-1 will be able to penetrate Soviet defenses for at least another decade. The B-2 has been in search of mission since its inception.

Mr. President, yesterday's signing of the START agreement underscores the folly of pursuing the B-2 Program. This billion-dollar boondoggle has become increasingly irrelevant in a time when sweeping arms control agreements are becoming the norm. Let's inject a dose of reality in our Defense budgeting. Let's stop buying more B-2s.

Mr. DIXON. Mr. President, I want to thank my distinguished colleague from Michigan, Senator LEVIN, for introducing an amendment for me last night commending the outstanding performance of American men and women in the defense industry of this country. I have been in the Banking Committee's markup for the last 2 days, and I very much appreciate Senator LEVIN's assistance in my absence.

As a member of the Senate Armed Services Committee since 1984, I have supported many of the systems used during Operation Desert Storm—a successful military operation without parallel in the history of warfare. Although Americans readily associate defense production with large corporations such as McDonnell Douglas and General Dynamics, our defense industry is also made up of thousands of small- and medium-sized companies throughout this great country, down to and even including Belleville Shoe Co. located in my hometown of Belleville, IL.

I believe that the men and women who work for these companies deserve the gratitude and appreciation of the Members of this Senate and the citizens of this country as a whole, for the design and production of our technologically advanced weapons and weapon systems, as well as for the food, clothing, and other supplies used by all of our troops.

Mr. President, during Operation Desert Storm, the American people saw on television how well our weapon systems performed. Prior to this event, many of these systems were under attack, including systems such as the Apache helicopter, The M1-A1 Abrams tank, the Bradley fighting vehicle, the F-16, the F-15, the Tomahawk missile, and yes, even a system still undergoing development, the joint surveillance and target attack radar system [JSTARS]. Critics said some of these systems would never be able to operate effectively. Well, those forecasters were dead wrong. Our systems worked in the most realistic, comprehensive operational test ever devised—actual combat.

This amendment which we passed last night emphasizes that the United States must maintain our defense industry to ensure that it is always capable of responding to the national security requirements of the United States in whatever circumstance. Many of my colleagues and I have been concerned over the fate of our defense industrial base. We have been amazed at the number of experts whose shortsightedness leads them to ignore totally the full and significant gravity of the "I.P." word—meaning a strong industrial policy—thus allowing our industrial base to deteriorate to an alarming level. Together with our late dear friend and distinguished colleague, Senator John Heinz, I urged these experts during the consideration of the Defense Production Act last year and again this year, to take action. But the decision makers, led by some misguided economists, resisted our efforts and continue to do so.

A few months ago, an article by Stuart Auerbach appeared in the Washington Post entitled "U.S. Relied on Foreign-Made Parts for Weapons." This greatly disconcerting article said, and I quote,

> * * * Foreign manufacturers often were reluctant to put the Pentagon's purchase orders ahead of their regular customers without prompting from their governments * * *

Mr. Auerbach goes on to quote a senior administration official as saying,

> If the foreign governments were neutral or were not disposed to help us out, we could have run into some real problems * * * We were sweating bullets over it and the military was sweating bullets.

As the crisis intensified, we Americans discovered we were dependent on one country for semiconductor chips, transistors, and other electronic parts. We had to go to that country's embassy for help, knowing that theirs is a country where support for military procurement runs contrary to the general philosophy of pacifism.

The "1991 Joint Military Net Assessment," prepared by the Chairman of the Joint Chiefs of Staff, contains further alarming information on the U.S. technological and industrial base. This report should be read by all Members because, Mr. President, this report says in black and white what the late Senator Heinz, other Members of this body, and I have been saying all along: We are facing—

> The loss of subtier suppliers—manufacturers of subsystem components of larger systems—[this] is a threat to our ability to field state-of-the-art weapon systems on a timely basis. * * *

The report further states,

> At the same time, production capability in such essential subtier industries as machine tools, gears, optics, bearings, castings, and forgings has declined, in some cases to the point where sufficient domestic capacity may no longer exist.

This analysis comfirms what many of us in Congress have said for years—our defense industry is becoming too dependent on foreign sources.

Mr. President, I wish to thank all my colleagues who supported this amendment on behalf of the men and women who work for our defense industry, but in particular, I am grateful to my 17 colleagues who cosponsored the amendment, Senators AKAKA, BOND, BOREN, D'AMATO, FORD, GLENN, GORE, GRAMM, HOLLINGS, INOUYE, JOHNSTON, LIEBERMAN, MCCAIN, MURKOWSKI, SHELBY, THURMOND, and WARNER. Their support helps to ensure that the U.S. defense industrial base remains second to none.

Mr. President, I ask unanimous consent that the amendment be printed in the CONGRESSIONAL RECORD, following my statement.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 297, between lines 18 and 19, insert the following new section:

SEC. 1125. SENSE OF CONGRESS RELATING TO THE CONTRIBUTIONS TO OPERATION DESERT STORM MADE BY THE DEFENSE-RELATED INDUSTRIES OF THE UNITED STATES.

(a) FINDINGS.—Congress finds the following:

(1) The success of the Armed Forces of the United States in the prosecution of Operation Desert Storm is without parallel in the history of warfare.

(2) This success was due in great measure to the ready availability of weapons and weapon systems exhibiting remarkable accuracy through advanced technological design.

(3) These weapons and weapon systems were designed and produced by the defense-related industries of the United States.

(4) The Commander in Chief, United States Central Command, formulated a battle plan for Operation Desert Storm that relied on the availability and performance of these weapons and weapon systems.

(5) The successful use of these weapons and weapon systems in accordance with this plan resulted in astonishingly small numbers of killed and wounded among the Armed Forces of the United States and of the allied coalition.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the defense-related industries of the United States, and the men and women who work for such industries, deserve the gratitude and appreciation of the Congress and of the United States for the design and production of the technologically-advanced weapons and weapon systems that ensured victory by the United States and its international coalition allies in Operation Desert Storm;

(2) future decisions relating to the national security of the United States must take into account the need to maintain strong defense-related industries in the United States; and

(3) it is vitally important to the United States that the defense-related industries of the United States be capable of responding to the national security requirements of the United States.

In section 2(b), the table of contents, insert after the item relating to section 1124 the following new item:

Sec. 1125. Sense of Congress relating to the contributions to Operation Desert Storm made by the defense-related industries of the United States.

Mr. ADAMS. Mr. President, I rise today in support of the Cohen-Leahy amendment. As I see it, today's discussion about the B-2 Stealth bomber revolves around two critical issues.

The first and most important issue is the aircraft's mission. In the context of the earlier discussion about SDI, we heard from both sides of the aisle about the reduced threat posed by the Soviet Union. As a result of that reduced threat, the committee that drafted this bill decided to fundamentally reconfigure SDI. The new system, according to its proponents, would protect against a limited strike from a breakaway Soviet republic or from one of the several Third World country's currently developing nuclear technology. Implicit in this change is the fact that the threat of an all—out intercontinental—ballistic missile attack by the Soviet Union is extremely remote or nonexistent.

The B-2 was conceived as a long-range penetrating aircraft that could counter a Soviet first strike, particularly a strike that could wipe out our second strike threat. Well, given the fact that the Soviet's no longer pose a credible first—strike threat, I would ask my colleagues, is the B-2 an aircraft without a mission? Should we not, at the very least, address this question before we go ahead with the Air Force's plan to buy 75 of these planes at a total cost of $65 billion dollars?

The Cohen-Leahy amendment offers an excellent opportunity to assess these issues before we go ahead with the B-2 program. By halting production at the 15 planes already authorized, we can allow the Air Force to continue research and development on this new, and still unproven, technology. Furthermore, we can do so without committing ourselves to the production of a cold-war weapon which may have no real role in what President Bush so frequently refers to as the "new world order."

As a result of this change in the world situation, the Air Force has begun to extol the conventional capabilities of the B-2 and its potential usefulness in a regional conflict. This may or may not be true. But what is true is that we do not have any idea how much more it would cost to reconfigure these planes to accommodate the conventional "smart" weapons that proved so effective in the war with Iraq. Even more importantly, we have spent billions of dollars over the last decade on the B-1B, a plane the Air Force insists is the "finest long-range bomber in the world." The payload capacities of the B-1B are equal to or better than the capacities of the B-2, and the B-1B was designed and built to accommodate conventional weapons.

The Air Force counters these arguments by saying that modern warfare demands stealth technology. I would ask my colleagues, however, did we not demonstrate the efficiency and complete suffiency of our stealth arsenal with the F-117 in the Persian Gulf? These bombers could lead a U.S. bomber strike anywhere in the world and, with precision bombing of enemy radar sites, could be followed by conventionally armed B-1B's that would not require stealth characteristics. Put simply, we have an excellent conventional bomber which fulfills the role currently being advocated for the B-2, and fills it without burdening American taxpayers with an additional $30 billion expenditure.

This discussion of the B-1B brings me to the second essential point in our consideration of the B-2. With similar grave warnings about cost overruns if we delayed funding the B-1B program, the Air Force urged Congress to build 100 B-1B's before they were thoroughly tested. Well, Congress acquiesced in that demand. As a result, we had some of the worst cost overruns in weapons procurement history, and some of the mechanical problems with the plane are still being worked out today.

More importantly, since that time the Air Force has, at the urgings of Congress, adopted a policy known as "fly before you buy." This self-explanatory policy should be the cornerstone of any program as costly as the B-2. We have already experienced cost overruns in the B-2 program that have driven the cost-per-plane up to nearly $900 million dollars. The current $64.7 billion estimate for total cost is only a floor, and even the Air Force projects further mechanical and technical complications. Only 5 percent of B-2 flight test results are in, and manufacturing problems have delayed further testing. The planes avionics, arguably its most important component, have yet to be tested in an operational plane.

Given these facts, I am not prepared to commit myself, nor more importantly the budget of the U.S. Government, to full production of the B-2 at this time; $30.8 billion dollars have already been spent on the bomber, and we have very little to show for that incredible investment. Regardless of the ultimate fate of the B-2, I would urge my colleagues to support the Cohen-Leahy amendment and halt production at the 15 planes already authorized. We must know that the plane has a mission, and we must know that the plane will work, before we embark on this costly endeavor. Let's not make the same mistake twice, for our own integrity and for the confidence of our country.

With our anticipated budget deficit next year of nearly $350 billion, we should not make a major commitment to additional procurement of an invisible bomber with no visible mission. Let's fly before we buy.

Mr. CHAFEE. Mr. President, I would like to comment on the Leahy/Cohen amendment to the Defense authorization bill for fiscal years 1992 and 1993 which would terminate production of the B-2 bomber at the present authorized level of 15 aircraft.

Clearly this amendment presents the Senate with a very difficult choice. On the one hand the B-2 offers the Air Force the ability to perform strategic and conventional missions that heretofore have been impossible, while at the same time it reduces the number of U.S. personnel who would be subject to the dangers of combat. Further, the United States has already invested an enormous amount of money in the development of this aircraft.

On the other hand we have tremendous needs at home in health care, education, housing, and other programs. It is therefore not surprising that this amendment has been the subject of so much concern among our constituents.

I am a strong supporter of the strategic triad concept on which the United States has relied for many years. Under this concept, we have strong strategic deterrent forces capable of delivering weapons by air, land, and sea. This formula has led to the confidence that if one or even two legs of the triad were destroyed, we would retain a final hedge against aggression. In the final analysis, America has been made a safer place because our enemies have known that they could not attack us without expecting massive retaliation.

While it is true that the cold war is over, the Soviet Union retains the capability to destroy the United States. None of us was able to predict the profound changes that have recently occurred in Eastern Europe and the Soviet Union and none of us can confidently predict what will occur in the future. In any event, the President has already taken into account the changing circumstances in the world by reducing the number of B-2 aircraft requested by almost half.

There is a distinct possibility that the Soviet Union could be overcome by civil war, anarchy, or military coup which could again raise tensions between our two countries. In fact, many senior Soviet officials have publicly acknowledged these dangers. President Gorbachev himself has stated: "If we—the Soviet Union—start to split up, then—I tell you bluntly—we will end up with such a civil war, such a bloody carnage, that we will not extricate ourselves from it all together. Everyone must understand this and be on the alert." Therefore, maintaining the strategic triad is a worthwhile endeavor.

Advances in Soviet air defenses have rendered the B-52 force—which has been in service for close to 30 years—and the B-1B force—which has never lived up to its potential—obsolete as penetrating bombers. I believe the stealth technology of the B-2 is needed to preserve the strategic triad.

It is my firm belief that the B-2, as a penetrating bomber, is a stabilizing weapon. Because it flies relatively slowly, it can be recalled after it has been sent. The intervening hours between launch and arrival at its target provide decisionmakers with the opportunity to resolve a dispute peacefully. As such, bombers are not considered to be first-strike weapons—weapons which are the most destabilizing and can be used for a preemptive attack. This characteristic is one reason why our strategic arms reductions talks [START] negotiators placed such a strong emphasis on bombers over the more destabilizing land-based and submarine-launched intercontinental ballistic missiles. In fact, it was the expectation that the B-2 would be built that led the Joint Chiefs of Staff to conclude that a START Treaty was in America's best interest.

My desire to maintain strategic deterrence by building the B-2 also leads me to oppose efforts to deploy any anti-ballistic-missile—or ABM-defense system that could jeopardize the ABM Treaty with the Soviet Union. I opposed the Senate Armed Services Committee provisions on the strategic defense initiative—or SDI. The committee's recommendations on SDI would lead, I believe inalterably, to the deployment of multiple land-based interceptor sites. It also clearly envisions the deployment of space-based systems. Both of these developments would require the abrogation of the ABM Treaty. This treaty has been one of the most stabilizing influences in United States-Soviet relations in the past 20 years. It has prevented a costly and wasteful arms race in space. More importantly, it has kept in place the incentive to work together and to increase the level of trust between our two countries. Building defenses implies that we need not be concerned about negotiations or discussions with the Soviets on reducing tensions. It also pushes the Soviet Union to build defenses of its own, thus totally undermining the deterrence of both sides.

Even if SDI could eventually be developed as an effective defense against ballistic missiles—which I believe is in doubt—it would still be destabilizing. SDI could potentially convince the Soviets to abandon U.S.-U.S.S.R. our strategic weapons limitation treaties and build additional weapons in order to overwhelm a defensive system.

Strategic deterrence against the Soviet Union is just one reason for building the B-2. The emerging, and perhaps even more important reason for such a decision, is the need to have the capacity to undertake conventional attacks on targets in future regional conflicts. Just about 1 year ago to the day, Saddam Hussein launched his brutal invasion of Kuwait. This action caught the entire world by surprise. That the United States and its coalition partners had to go to war with Iraq to expel its army from Kuwait was even more unexpected.

Why would the B-2 be preferable as a conventional weapon delivery system to the various forces we have available today? To embark on the same mission as two B-2's, a force of 75 bomb-droppers, fighter escorts, electronic countermeasure planes, and tankers would be needed, using conventional dumb bombs. For an attack with precision bombs, a fleet of 55 aircraft would be needed. The aircrew at risk under these various scenarios would be 4, 132, and 116, respectively. Perhaps even more important are the differences in the numbers of forward-based personnel that would be needed to support the mission.

Assuming that permission to use facilities in forward areas could be obtained, the dumb-bomb mission would need 1,331 forward-based crew, the precision bombing mission would need 1,124, while the B-2 would not need any forward-based crew because of its long range, the B-2 could be permanently based in the United States or existing American bases around the world. Besides the significant difference in fuel costs, the nonstealth options would also have a much higher lifetime maintenance cost: $4.2 billion for dumb bombs air package, $3.4 billion for precision bombs air package, and $308 million for the B-2's.

The performance of the F117A Stealth fighter in the war with Iraq proved the utility of a stealth conventional attack plane. The F117A made up only 2½ percent of the coalition's aircraft in the conflict but was assigned to 31 percent of the targets. Some have also argued that with this success, the F117A could fill the role of the B-2. The F117A however can be used only in clear weather, can only carry two 2,000 pound bombs, and has limited combat radius of about 600 miles. The B-2 will have an all weather capability, be able to carry up to 16 smart bombs, and has an unrefueled range of 6,000 miles. As in the case of the other bombing missions, the F117A would need forward bases near the battlefield.

Another reason for my decision to support continued production of the B-2 is the desire to protect the tremendous investment that we have already made in this new technology. Nearly $20 billion has been spent to date on research and development. The factories have been built and the tooling purchased. It would be unfortunate if we were to turn back at this point and lose our sizable investment. Opponents of the B-2 have argued that each B-2 would cost close to $1 billion. This is deceptive because it divides the research and development costs into the number of planes that are built. The actual cost to build the remaining 60 B-2's that are needed is $351 million each.

Although this is still an enormous amount of money, I believe that the importance of nuclear deterrence and improved conventional capabilities justifies the cost.

Mr. JEFFORDS. Mr. President, a year ago, I argued that this body should accept the amendment offered by my colleague from Maine, Mr. COHEN, and forego additional funding for the B-2 until such time as the program had fulfilled its performance targets and the international situation had become clearer. There were sufficient funds already appropriated to the B-2 so that production could continue at an acceptable rate without providing any new moneys.

Since that day, the Warsaw Pack has dissolved its military alliance, the newly freed nations of Eastern Europe are seeking observer status in NATO and the United States and U.S.S.R. have signed the Conventional Forces in Europe Treaty and the START Treaty. While there will be setbacks in the march toward democracy, I doubt that Eastern Europe will ever return to monolithic communism nor is the Warsaw Pact likely to be reconstituted. And a united Germany will probably encompass the former face-off line between East and West for some time to come.

Since last year's vote, bomber production has moved forward, with fits and starts. The General Accounting Office recently expressed its concern that the current procurement schedule for the B-2 indicates that the Air Force may acquire more than two-thirds of the bombers before there is a reasonable assurance through operational tests that the B-2 can accomplish its expected mission. We know from bitter experience with the B-1B bomber that rushing forward with production before most of the flight testing is done is just asking for trouble. Out of the B-1B fiasco came the fly-before-you-buy policy, which is now being brushed aside in the rush to build more B-2's. Even the Armed Services Committee felt compelled to require that increased production be withheld until a series of critical tests are completed next year.

As I stated last year, the time to make a final judgment on the B-2 would come when the international situation was more stabilized and the B-2 program's progress could be better assessed. That time has come. I am now convinced that international trends are proceeding away from superpower conflict and that our defense needs have changed. We should be brave enough to seize the opportunity this new world presents and reorient our defense planning. Senator LEAHY and Senator COHEN's amendment does just that.

The Leahy-Cohen amendment allows the production of B-2's already authorized to be completed. And there are valid agruments for building these 15 planes. While the likelihood of a superpower conflict has faded, the chance of a Third World hot-spot flaring up into a war requiring U.S. involvement obviously remains very real. The B-2 bomber, equipped with conventional weapons, has the advantage of being able to penetrate sophisticated air defenses undetected, delivering a large payload upon multiple targets. The long range of the B-2 allows it to be based far away from areas of conflict and to respond immediately, eliminating the long-lead time that we found was required to get our forces in place to defend Saudi Arabia. While I hope that such capabilities will not be needed, it is prudent that we be prepared for them. Fifteen B-2's should be sufficient to perform such missions should they arise.

We've invested a lot of money in the B-2 and its breakthrough stealth technology. The Leahy-Cohen amendment allows us to reap the benefits of that investment, and add the advantages of this technology to our arsenal. But it also allows the American people to cash in on the years of heavy investment in defense by finally scaling back our stockpiles of military hardware. Fifteen B-2 bombers are necessary and 15 B-2's are enough. I urge all my colleagues to support the Leahy-Cohen amendment.

The PRESIDING OFFICER. All time has been yielded. The question is on agreeing to the amendment (No. 1017) of the Senator from Vermont [Mr. LEAHY]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 42, nays 57, as follows:

[Rollcall Vote No. 174 Leg.]

YEAS—42

Adams
Baucus
Biden
Bradley
Bumpers
Burdick
Cohen
Conrad
Cranston
Daschle
DeConcini
Glenn
Graham
Grassley
Harkin
Hatfield
Hollings
Jeffords
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Lieberman
McCain
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Reid
Riegle
Rockefeller
Roth
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NAYS—57

Akaka
Bentsen
Bingaman
Bond
Boren
Breaux
Brown
Bryan
Burns
Byrd
Chafee
Coats
Cochran
Craig
D'Amato
Danforth
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Gore
Gorton
Gramm
Hatch
Heflin
Helms
Inouye
Johnston
Kassebaum
Kasten
Levin
Lott
Lugar
Mack
McConnell
Murkowski
Nickles
Nunn
Pressler
Robb
Rudman
Sanford
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—1

Pryor

So, the amendment (No. 1017) was rejected.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

A TRIBUTE TO MR. LELAND BANDY

Mr. THURMOND. Mr. President, I rise today to offer warm congratulations to the dean of the South Carolina press delegation, Mr. Leland "Lee" Bandy, on the occasion of his 30th anniversary as a correspondent here on Capitol Hill. As one of the few people who still have seniority over him, I can say with authority that he has had a long and distinguished career covering the Congress.

Lee has seen a great deal of history firsthand during his years in Washington. As the Washington correspondent for The State newspaper in Columbia—and that is the greatest paper in our State incidentally—he has contributed to that history by reporting the facts to the people of South Carolina. Mr. Bandy is an ethical journalist and a fine writer, and I wish him much success as he continues to bring the news to the people of our State.

I WILL ALWAYS REMEMBER THAT MONDAY NIGHT

Mr. BUMPERS. Mr. President, several weeks ago our beloved colleague and friend, Senator PRYOR, suffered a life-threatening heart attack. We are all pleased that he is recovering and will return to his duties in the Senate after the August recess.

Senator PRYOR has written an account of the traumatic night of his attack and his recovery while in George Washington Hospital and in Arkansas. It was originally published in Arkansas Times magazine and reprinted in today's Roll Call newspaper.

I strongly urge all of my colleagues to read this article. It is moving and fascinating, but more important, it should be a warning to all of us to not lose sight of the things that should really matter to us. DAVID has shared a very personal experience, and we can all benefit from reading it.

There is no one in this body more loved and esteemed than DAVID PRYOR, and I know all my colleagues join me in wishing him a full and speedy recovery.

Mr. President, I ask unanimous consent that the article from Arkansas Times magazine be reprinted in its entirety.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

I will always remember that Monday night—not as the night I almost died, but the night that, for some reason, my life was spared. Unlike many others, I was given another chance.

Heart attacks were for someone else to have, not me. I had a total disinterest in the subject; I didn't have time for a heart attack. Besides, after each physical, I skipped out of the doctor's office as the man who kept defying his age and lifestyle—great blood pressure, a swimmer's heart rate, and strong lungs.

Yes, all of this in spite of greasy cheeseburgers, French fries, 17 tons of salt, and many more than that "occasional smoke." Add in the 56 years multiplied by tension, stress, airplanes, and schedules, and even a dolt should have known that David Pryor was a prime candidate for the mother of all heart attacks.

I would sit in the Senate dining room in amused silence as my colleagues compared their cholesterol numbers. I didn't even know mine, nor was I curious. Heart attacks were for others, not me.

It was Monday, April 15—a light day at the office. The Senate was not in session, none of my committees was meeting. It was a good day to catch up, clean off my desk, make sure everthing was mailed to the IRS, meet with the staff, and be briefed for the Tuesday schedule. The Arkansas Homebuilders Association would be in town. The Harrison ninth-grade class was scheduled to be on the Capitol steps for a photograph. Dr. George Haas from Little Rock was coming up to discuss optometry issues. The Finance Committee would meet at 10. The weekly luncheon with members of the Senate Democratic Conference was on the schedule. Tomorrow would be busy and long.

I was home by 7 p.m., put on comfortable clothes, and watched the news. By 8 o'clock, I was walking up Connecticut Avenue headed to a favorite neighborhood eatery.

I wolfed down a big plate of spaghetti and meatballs, skimmed a folder on the Finance Committee hearings for Tuesday, read the current issue of Golf Digest, and was home in bed by 10:30. Barbara was in Thailand with a group of Senate wives and my house was a tomb of silence. I downed by cherry-flavored Rolaids, turned off the TV, and went to sleep wondering how Dick Darman, the president's budget director, would answer my questions about the exploding cost of prescription drugs.

Little did I know that within three hours, my life would change.

The next time I saw the sun, its rays seeped through the small window into my room in the cardiac unit of George Washington University Hospital.

I now found myself in a strange place, surrounded by people in white coats I had never seen before—my forearms were blue-black, bruised from needles and trauma. My veins were punctured and ravaged. Above my bed to the right was a stand holding a bag of glucose dripping into my vein. To my left, a heart monitor was being hooked up to electrodes struck to my chest.

A woman doctor sat on my bed, saying nothing, squinting across my body to the screen that showed the image of my heart via ultra-sound. In the corner were nameless people speaking in hushed tones about "prepping" me for tests downstairs. An orderly was clasping; a plastic ID band on my left wrist. Equipment, wires, cords, monitors, graphs, and electronic technology consumed the small room.

Had I been run over during the night? Had I jumped from the Washington Monument? It had been a hard, hard night of pain and fear.

I kept thinking that the phrase "rode hard and put up wet" described me at that moment. A barely audible knock on my door. The face of an ancient little lady, a hospital volunteer, appeared and asked, "Would you like your TV hooked up? It's only $3.75 a day."

It's a little eerie what goes through the human mind at these times. I kept remembering our family pew at the old Presbyterian Church in Camden. I was 14 and Jac Ruffin was our minister. He had been educated in Scotland and spoke with an elegant brogue, flawless diction and elocution:

"This is the age of the half-read page/The mad dash, the quick hash/The short hop and the brief stop/Until the spring snaps and the fun's done."

I didn't even have a comb, much less a toothbrush. Could someone get me some coffee? Well, OK, what about a glass of water? What happens when I need to go to the bathroom? Had they reached Barbara yet? How is she ever going to get from Thailand to Washington? What about my middle son, Mark—did someone call him? Oh, Lord, in a few minutes, those 60 Harrison ninth-graders will be on the Capitol steps. Did I lock the house last night? Where are my shoes? Did I bring a billfold? Oh, please, God, I pray I have insurance for all this.

It was morning and I had made it. What a night it had been.

"Good morning, Senator Pryor. I'm Dr. Varghese of the cardiac department. Let me introduce my colleagues, Drs. Herzog and Reimer. We will be your team during your stay at George Washington. You've had a heart attack. Could you sign this form? We need to take you downstairs to the Cath Lab. We will insert a catheter in your groin, push it up, and take a better look at your heart. You will be conscious during the whole procedure."

The room downstairs for the catheter procedure was vast. I remember its being very cold and during the procedure asking for extra blankets. Two nurses, two doctors, and me. All of us were flued to a huge TV-type screen watching the small wire-like apparatus move into the heart zone. It was hard to imagine this was my heart and my body being invaded by the catheter.

In almost an unknown tongue, the doctors interpreted to each other what they were seeing. It was like watching CNN back in January to see the previous day's battle damage assessments in the Persian Gulf.

Within an hour, I was being rolled back upstairs. The small waiting room was now filled to capacity. Staff. Old friends.

Waiting in my room were Dale Bumpers and Mary Hope Davis, his administrative assistant. Dale canceled his entire schedule for the day and never left the hospital. He stayed with me. He was a great source of strength for all of us, but especially for me. At one time, I had to demand that he leave my room, as he kept telling a litany of absurd stories and it hurt to laugh. The one that finally got me was about a poor fellow with no ears trying to get a job. I can't remember the punch line.

The flowers started coming. Telegrams. Did we want a phone hooked up in the room? President Bush called while I was in the Cath Lab. He'll call back in an hour when he finishes a speech. Where do we put all these baskets of fruit? "CNN just carried a big story about your attack," said a nurse passing by.

It was all unreal. It was a dream. This wasn't me. Beryl and Sheila Anthony. Ray and Betty Thornton. Bill Alexander—they all came and left, but I know they were there. John Paul Hammerschmidt called twice. I knew they cared. Dr. Halverson, the Senate chaplain, came to my bedside that day and every day I was hospitalized.

Somebody in my office told me one day about a Sense of the Senate resolution sponsored by Dale Bumpers the night before. It stated that the Senate hoped David Pryor would get well and make an early return to the floor. My staffer joked that it had only passed by a 51-to-49 vote.

One morning as I woke up a Senate colleague was sitting only inches from my face. When he saw that I was awake he lit up and said, "For years now, my daughter has begged me to take her fishing. I've always put her off. I don't know the first thing about fishing. But when I heard what had happened to you, I called her up and said, 'Let's go—today.'"

My mind tried to reconstruct the night before. I had jolted upward in bed and looked at the clock—1:45 a.m. I was lying in a pool of perspiration, soaked from head to toe. My upper chest did not feel sharp pain, but something better described as massive discomfort. Could it be indigestion? Did I really eat a live porcupine?

Within minutes of lying in that totally dark room trying to decide the next move, the intensity of pain increased. I've got to stand up. I'm getting light-headed. I grabbed a pair of red warm-ups from the chair. I fumbled for a golf shirt and started downstairs.

As I reached the bottom step, I knew. Rolaids and fresh air wouldn't help. I knew I was having a heart attack. Me, of all people. Alone. By myself.

Walking into the den, I reached for the phone and punched "9-1-1," remembering the recent horror stories in The Washington Post about ambulances arriving too late with crews not knowing what to do.

"My name is David Pryor. I live at 1615 19th Street. I'm having a heart attack and I need help. Please hurry."

I walked out the front door to wait. I sat down on the curb between two cars. What happens if the ambulance driver doesn't see me and drives right by the house? My chest tightened. My rib cage became a vise I was losing consciousness. I stood up and spotted a white '72 or '73 Ford—one of those that had a long, white hood. This one looked like a white aircraft carrier in the dead of night. I climbed up on that hood and laid down. I remember it was wet and the cool dew of the April night felt good to a body being wracked with pain.

I don't remember that an ambulance and a firetruck came, but I do remember being helped onto a stretcher. Inside, the ambulance had very bright lights; its siren sounded as if it were far off in the distance as we raced against time to the hospital.

My face was immediately covered with an oxygen mask and the woman attendant inside asked me, "From one to 10, how much pain are you having?"

I held up 10 fingers.

I have no recollection of arriving at the emergency room, but I have a most vivid memory of eventually looking up into a dozen unknown faces who had assumed total control of my body and being. They were all too young.

"Breathe-breathe-breathe," chanted the ER team.

"Give him more oxygen."

"Are you allergic to any drugs? What about morphine?"

"Are you really a senator? What state are you from?"

"How do we reach your wife—what about your staff?"

In the background, someone said, "We've got to find the next of kin."

"You've had a heart attack, Senator. We're trying to get you stabilized."

People everywhere. Chaos. For over two hours I was in and out of a subliminal state.

"Am I going to make it?"

"You're doing better. You're doing better."

"Senator, President Reagan was on this same bed 10 years ago. Mr. Brady was right next to him beyond that curtain," said a young doctor who probably was in high school when Ronald Reagan was shot.

At one point, I had a strange sensation I'll never forget. I felt like an automobile tire being blown up to the point of bursting. I knew I was going to explode. Am I dying? Or have I died? Is this what death is all about? Don't I have some say in all of this? Things were moving too fast for me to follow. I couldn't comprehend it.

The clock on the emergency room wall now said 4:30. For nearly three hours I had been flat on my back—jabbed, hit, shocked, monitored, and gouged. In the outer room, I could now see Don Harrell and Leslie Chalmers from the staff, Bob Bean from the staff of the Senate Sergeant at Arms, and my sons David Jr. and Scott had just come in.

Things were going better—I could sense it. I was going to be all right.

An hour later, the ER doctor said, "We're getting ready to move you upstairs to the cardiac unit. Do what they tell you."

Soon, as I was being rolled past my sons and staff, I looked at Don Harrell and said, "Don, I've had a heart attack. Let's don't tell anyone. Keep it off the record." Fortunately, he had the good sense to ignore that request.

Six nights after my attack, I had done well in recovery and progress was promising. Barbara had returned on Wednesday and now our three sons were together with us. Never had we all been closer. Nor could two parents ever be more proud of their children than we were of David, Mark, and Scott. We found ourselves in that crucial passage in life when, for the first time, the children begin to assume responsibility for their parents. Jim Lehrer, co-anchor of PBS' "MacNeil-Lehrer Report" and a longtime friend, had not missed a day visiting me in the hospital. Eight years ago, he had had his heart attack. An overflow of friends and flowers. Mail came in sacks from wonderful and caring people. I was a blessed man.

While doctors were pleased with my progress, they had been considering whether to perform a routine procedure to remove some remaining blockage. Even though such procedures are routine, doctors would rather not perform them unless they are necessary. Very late on Sunday night, my heart decided the matter for us. I awoke with a severe pain in my lower intestine. Its intensity alarmed me and had me ringing for the nurse. When she came into the room, she sensed I was in trouble. For an hour, a doctor and nurse studied blood and monitors. After medication and sleep, the early morning hours brought in my "A Team" of doctors who had studied the charts of the night before.

"Senator, again, we're going to take you down to the Cath Lab in two hours. Again, we're going into your groin with a catheter and go up to your heart. The process is an angioplasty, better known as 'the balloon.' You will be awake during the procedure, which takes a little over an hour."

Dr. Alan Ross headed up the team. Only a week later, he would be one of three cardiologists to see and consult President Bush after his cardiac episode at Camp David.

Again, I lay in the lab and watched a catheter move from my groin into my heart. After some 45 minutes, Dr. Ross said, "Watch the screen closely. Keep your eye on the end of the catheter. We're about to insert it in this closed artery, blow up the balloon and open it up."

Science fiction. Dr. Strangelove. It worked; Ross and team loved it and gave a big cheer. It was like sinking the 60-foot putt to win the Masters.

Within an hour, Alan Ross was in my room with before-and-after photos. It was the great unclogging. Yes, there was still some blockage, but that little magic pump was working just fine again.

The following Friday, I got to go home. Leaving George Washington Hospital was emotional, since the cementing of bonds had brought me close to a hundred people who had touched my life. Most were lined up there when my wheelchair was pushed into the elevator. I was told early on that heart attack victims can get emotional during their recovery period. I learned that I was no exception.

Our small house on 19th street was almost floor-to-ceiling in flowers, food, books, and mail. For the first time in almost two weeks, I was unhooked from heart monitors and seemed to be free-floating on my own. No longer could I look up and see the activity of my heart on the screen. I felt vulnerable to everything around me. It was an awesome and frightening experience.

For 10 days, I had a routine of reading mail and newspapers and talking on the telephone. Senators and friends would come by during the mornings. My longtime friend Nick Kotz brought me a beautiful pair of Nikes. Jim Lehrer continued to come each day. He would do his newscast and come later in the evenings. We knew, because he had been there before, that nights were hardest for those who had survived heart attacks. For weeks after leaving the hospital, I had a certain dread of the nights to come—and I always welcomed the sounds and feelings of early mornings. Jim became my rock. At any time or circumstance, he knew where I was coming from.

Hearts can play tricks on us. After 10 days of being at home, I chose Dr. Oscar Mann to become the "captain" of my Washington medical team. An internist and cardiologist, he practiced at Georgetown University Hospital. He has a superior reputation. He also is a warm and caring person.

Barbara and I were to meet Dr. Mann in his office at 11 a.m. Monday. It was to be my first trip out of the house and I was excited. Ten minutes into our initial visit with Dr. Mann, I started experiencing mild chest pain.

"How do you feel, as we now speak at this moment? What's going on?"

"I'm having pain, not nearly so severe, but very reminiscent of my heart attack."

With no hesitation, he picked up his phone and told his secretary to advise Georgetown University Hospital that they were about to have a new patient—a David Pryor from Arkansas. Barbara sped me to the hospital in minutes.

Again, monitors, blood, urine, questions, EKG—the whole works. That afternoon was my most despondent period during the weeks since my attack. I started believing there was something I was not being told. Was it going to be this way for the rest of my life? Was I ever going to be able to breathe freely? Was I to be a constant prisoner chained to a heart monitor?

I had not, according to a battery of tests, enzyme counts, and assurances, had another heart attack—only a spasm. My progress has been steady and sure ever since.

I can now be found at the grocery store reading labels and checking products for fat content. The hospital nutritionist assured me, during our first counseling sessions, that I would not have to give up steak entirely. I had just explained that I could do without smoking cigarettes; I could make it fine with no cream or other high-fat foods. But not steak. I would have to eat a steak now and then. "Sure," she said. "That's no problem."

"How often can I have it, then?" I asked.

"Oh, probably two times a year."

Well, so much for steak.

I'm religious (but not fanatical) about early-morning walks and pray I'll never smoke another cigarette. Before my attack, I knew they were bad for your lungs, but didn't know how deadly they were for the heart. Today, I know.

There's a wonderful community of heart patients out there. I'm now a member of their club. I can talk the language. It does us good to talk to one another and compare notes. Not only is it a catharsis, but an education. Each day, I learn something new about my heart from others in "the club."

Almost daily, some perfect stranger comes up and says, "Senator, I had a triple two years ago—never felt better."

Some 3,000 to 4,000 people sent me cards and letters. I read each one. A fifth-grader from Conway wrote, "Senator, we heard you had died and we're glad it wasn't true. Welcome back."

A wonderful 83-year-old woman from Arkadelphia not only wrote me, but had her niece take a picture of her holding a "Pryor" fan, one of the hand-held fans we gave out during campaigns. She thought it might cheer me up. In late May, I was saddened to see her obituary and that she had died of cancer.

There is a basic unvarnished goodness about the people of Arkansas. There is an unpretentious caring and generosity that comes out when one of us need courage or compassion. Once again, as they have during my 30 years of public life, our people gave me hope and strength.

Well, so much for having a heart attack. Now, it's restructuring time. I refuse to become a professional heart attack victim. I hope that I'll not be known as "David Pryor, who suffered a heart attack in 1991 . . ." Surely there must be something better for which to be remembered.

On June 11, I wrote my colleagues in the Senate. Let me share a few lines of my letter:

"I hope none of you will accuse me of 'preaching' when I close this update by simply saying this to those I care for deeply. Be very careful. Care for yourself. Each of you is a very special human being. Pause every now and then. Take a deep breath. No one but you can decide what is really important.

"Reach out and touch your family. Gather them around you, find strength in your real friends who care. Take some time for yourself, by yourself. Only when life is nearly taken away do we realize how fragile it is and come to know the value of our friends. Thank you for caring. Sincerely, David Pryor."

TRIBUTE TO THE LATE JO OBERSTAR

Mr. WELLSTONE. Mr. President, my wife Sheila and I and my entire staff are saddened by the death July 28 of Jo Oberstar, wife of Congressman JAMES OBSERSTAR of Minnesota.

Our hearts and sympathy go out to JIM and their children and to his staff. All the people of the Eighth District and of the entire State share their loss.

Jo was a terrific person. She was intelligent, poised, warm, and courageous. She pursued her own career and at the same time was very much involved in JIM's career in Congress. She was equally at home in Washington and on the campaign trail in Minnesota.

Jo was director of J.O. Associates, a private, nonprofit professional development organization in Washington. She also was active with the Canadian Centre for Legislative Exchange, which helped bring Members of the Canadian Parliament to Washington.

She received a bachelor's degree from Trinity College in Washington and a master's degree from Yale University. She had taught high school, been a legislative assistant for Congressman John Blatnik and been a director of the Isaak Walton League. She was also a board member of the National Rehabilitation Hospital in Washington and Peace Links, which promotes awarness of nuclear issues.

She was a wonderful mother and a loving wife. She had a zest for life that was unmatched. We will miss her greatly.

SPECIAL INTEREST GROUPS THREATEN TO DESTROY INDEPENDENCE OF THE JUDICIARY

Mr. HATCH. Mr. President, special interest groups seeking to impose litmus tests on judicial nominees as a precondition of their confirmation threaten to destroy the independence of the Federal judiciary. The single-minded, rule-or-ruin desire to assure preordained votes on particular issues is an assault on the role of the judiciary as a coequal branch of our tripartite central government. The drive by special interest advocacy groups to achieve short-term political gain by blocking a nominee they believe will disagree with them on a particular issue or set of issues will do long term—and perhaps permanent—damage to the judiciary as an institution.

The independence of the Federal judiciary is equally important to all Americans. This is not a liberal or conservative issue. Liberals and conservatives should be equally troubled by any threat to judicial independence. Regardless of one's views on affirmative action, church-state relations, the first amendment, or abortion, the Senate should not be party to efforts to diminish the independence of the judiciary for the sake of assuring that particular cases or issues are decided in a manner satisfactory to some or most Members of the Senate.

Americans expect that each Federal judge and each Supreme Court Justice will fairly assess the merits of every case as the judge or justice sees them. Americans do not want any category of cases or issues decided in advance. They want judges to be free to call them as they see them. Indeed, I am confident that Americans do not expect a judicial nominee to have a firmly fixed view in advance on every issue that may come before him or her. As the late Prof. Alexander Bickle of Yale Law School once said:

> You shoot an arrow into a far distant future when you appoint a Justice, and not the man himself can tell you what he will think about some of the problems that he will face.

I should add that even on those legal issues on which a nominee has a general inclination, the nominee is entitled to change his mind once he assumes the responsibility of membership on the highest court in the land, reviews the facts of particular cases, and assesses the legal arguments on both sides.

Americans do expect the President to select, and the Senate to confirm, able judges of powerful intellect. They expect, on the bench, men and women who perform the judicial function with integrity, fairness, and with their minds and hearts open and focused on the case before them. Americans do not want judges deciding cases based on express or implied commitments to the President, the Senate, or individual Senators. Americans do not want judges deciding cases based on what some special interest advocacy group will think about me decision.

Judicial nominees, including Judge Clarence Thomas, are not running for political office. Their fitness is not determined by whether they can win a popularity poll, and their task is to make the right decision, not the popular decision. That task is too important to be sacrificed on the altar of political correctness.

I was disturbed to see that a poll on Judge Thomas had been taken and publicized within hours of President Bush's announcement of his nomination. I do not question the right of a news organization to take and broadcast such a poll. In my view, however, it disserves the American people to reduce a Supreme Court nomination to the level of popular referendum. I make this point even though the poll I saw was highly favorable to Judge Thomas.

I would add another point about popular opinion and the judicial function. Judging is a function that is supposed to be insulated from outside pressure, both from the other two branches of government and the expression of the popular view of the moment. The role of the judge is to enforce the provisions of the Constitution and the laws enacted by the legislature as their meaning was originally intended by their framers. It is not to substitute the policy preferences of the judge, or the prevailing popular viewpoint, for the law. The guarantees of the Bill of Rights, for example, do not turn on what a majority of Americans believe they mean. Federal judges, indeed, often have to make decisions unpopular with the

President, Congress, or the people. That is why they have life tenure.

There are special interest groups trying to mislead the American people into believing that if a nominee does not commit to their position on an issue or set of issues, the nominee is unfit. Some of these same groups would also have the American people believe that if a nominee does not commit in advance to a position presumably held by a majority of Americans, the nominee is similarly unfit. Nothing could be further from the truth or more damaging to the independence of the judiciary than those two propositions. A judge must follow the law as he or she best sees it, not public opinion polls or the desires of special interest advocacy groups. This is something to be kept clearly in mind as the political-style campaign against Judge Thomas appears to be getting underway, complete with mass direct mailings, possible media advertising, and similar components of an electoral campaign.

The American people will lose much more in the long run from a loss of judicial independence than they would gain if Senate confirmation of a Supreme Court Justice is made to turn on the nominee's agreement in advance with a popular majority on one issue or another, let alone on agreement with special interest advocacy groups.

I do not know how Judge Thomas will rule on abortion issues when he is confirmed, and neither does anyone else. But there are two things I do know:

First, Judge Thomas, when confirmed, will cast one vote, not five. He cannot decide any case or resolve any issue by himself.

Second, the legal correctness of the Roe versus Wade decision, and the legal question as to whether it should be overturned, has as much to do with popular opinion as popular opinion had to do with the legal correctness of the separate-but-equal ruling in Plessy versus Ferguson and the legal question as to whether it should have been overturned. That is to say, popular opinion is not relevant in either case.

If popular sentiment runs against judicial decisions, the people may resort to their legislatures for relief or to the ballot box to replace the President who nominates the judicial nominees; that is the American way. But while the Senate appropriately takes popular opinion into account when voting on legislation, in my view, the Senate should evaluate a judicial nominee on his or her qualifications to serve, not on the basis of polls or the demands of pressure groups. Senate consideration of judicial nominations should be above politics.

In fact, Mr. President, with respect to the abortion issue, many legal scholars across the spectrum have criticized that controversial decision. Let us suppose the Supreme Court overturns Roe versus Wade. What would be the result? It would be up to elected State legislators to decide whether to regulate or restrict abortion, and if so, how. So if the American people feel that abortion should be available in certain circumstances, those views can be given effect through the political process even if Roe versus Wade is struck down as an unsound reading of the Constitution.

I note, Mr. President, that the threat to the independence of the judiciary can come from the political right or left, and from prolife or pro-abortion forces. Such threats should be opposed in all instances. Indeed, I remember the concern prolife groups expressed about the nomination of Sandra Day O'Connor. Liberals then were quick to assert that litmus tests have no place in the confirmation process. They correctly defended an independent judiciary as more important than short-term efforts to impose judicial outcomes on particular issues by the tactic of blocking Senate confirmation unless concessions are wrung from nominees as to how they will vote. And, those same liberals insisted that the President not impose litmus tests in selecting a nominee. They were right. But neither should the Senate impose any such litmus tests, for the same reasons.

Today, the threat to the independence of the judiciary comes from the political left and pro-abortion forces.

I was encouraged, Mr. President, by the remarks of Governor Mario Cuomo, cited in the July 5, 1991, New York Post on this general point. The article noted:

> Cuomo * * * told the Post he also believed Thomas, at confirmation hearings * * * should not be questioned directly on his abortion views or on how he would rule on specific cases such as the * * * Roe versus Wade decision. And, Cuomo said, if Thomas is asked where he stands on such issues, he should decline to answer. "His answer should be: I'll call it after the pitch is thrown, I'll tell you whether it is a ball or a strike after it crosses the plate," said Cuomo.

Mr. President, I ask my colleagues what would have happened if, in the early 20th century and beyond, special interest business groups convinced the Senate to refuse to confirm Supreme Court nominees who did not commit to preserve precedents which had struck down State social welfare legislation, such as minimum wage and maximum hour legislation?

Suppose, Mr. President, segregationist organizations had pressured the Senate to reject Supreme Court nominees not committed to preserving the odious separate-but-equal doctrine of Plessy versus Ferguson, and the Senate had acquiesced in that pressure? Would the Supreme Court ever have overthrown the Plessy versus Ferguson doctrine, as it finally did in 1954 in Brown versus Board of Education?

Ben Wattenberg, a Democrat who is a senior fellow at the American Enterprise Institute, says that quotas should be the litmus test. He criticized a 5-4 decision from June 1990 permitting racial set-asides in the FCC's award of television and radio licenses. Suppose 20 Senators apply that litmus test, and 15 other Senators apply a church-state litmus test seeking to reverse the school prayer decisions, and 15 other Senators impose a litmus test on reversing both the Miranda decision concerning police questioning of arrestees and Mapp versus Ohio imposing the exclusionary rule on the States—not only compelling answers to questions on these matters as a precondition to confirmation, but voting against the nominee if we do not like the answers?

How can any nominee be confirmed if we viewed our role this way?

A President may one day send us a nominee supported by pro-abortion groups. How would they feel if other Senators and I took up Ben Wattenberg's cue on imposing a litmus test on reverse discrimination, another group imposed a litmus test on overturning Miranda as well as the exclusionary rule, and a third group of prolife Senators, totaling 51 Senators, imposed a litmus test on reversing Roe versus Wade?

There is a better process for the Senate to follow in handling Judge Thomas' nomination. It is a process reflecting the long-standing traditions of the Senate, traditions that have sometimes been discarded in the last 35 years but that we should restore. It is that process that I wish to speak about for the next several minutes.

In my view, the Constitution clearly gives the President principal responsibility for judicial selection. The Framers rejected vesting the appointment power in both Houses of Congress or in the Senate alone. Article II, section 2, reads in relevant part: "* * * he shall nominate, and by and with the advice and consent of the Senate, shall appoint * * * judges of the Supreme Court. * * *" The President is entitled to nominate a person who reflects the President's view of the general role of the judiciary in our tripartite system of Government. He is not entitled to seek assurance on how a nominee will vote on particular issues.

The Senate is given a checking function through its advice and consent power. It does not have a license to exert political influence on the judicial branch or to impose litmus tests on nominees. Nor is the Senate entitled to seek the assurances on how a nominee will decide particular issues that the President may not seek. The very function of judging requires independence to weigh the facts of individual cases, to consider the arguments of counsel, and to make up one's mind when confronted by both.

Judge Thomas is not running for political office, nor has the President nominated him to a policymaking position in the executive branch. He has been nominated for the highest court in a coequal branch of the Federal Government.

As Alexander Hamilton wrote in Federalist 76 about the Senate's advice and consent function in general, the Senate's "concurrence would have a powerful, though, in general, silent operation. It would be an excellent check upon a spirit of favoritism in the President, and would tend greatly to prevent the appointment of unfit characters from state prejudice, from family connection, from personal attachment, or from a view to popularity."

I note that prior to 1925, no Supreme Court nominee had even testified before the Senate. The few nominees who appeared before the Judiciary Committee in the following 30 years were not questioned about judicial philosophy or their views on legal matters. When Felix Frankfurter accepted an invitation to testify before the Judiciary Committee in 1939, he made it clear that he did not want to do so. Indeed, he declined to appear on the initial day of the committee hearings, sending Dean Acheson in his place, because he did not wish to miss a day of teaching. So, he showed up before the committee on the second day.

[Thorpe, "The Appearance of Supreme Court Nominees Before the Senate Judiciary Committee," 18 Journal of Public Law, 371, 376, 377 n.29 (1969) [hereinafter, "Thorpe".]

In his opening statement, Frankfurter said,

> I, of course, do not wish to testify in support of my own nomination. * * * While I believe that a nominee's record should be thoroughly scrutinized by the committee, I hope you will not think it presumptuous on my part to suggest that neither such examination nor the best interests of the Supreme Court will be helped by the personal participation of the nominee himself.
>
> I should think it improper for a nominee * * * to express his or her views on any controversial issues affecting the Court.

He mentioned that his attitude and outlook had been expressed over a period of years and are readily accessible. Frankfurter said that it would be "inconsistent with the duties of the office * * * for me to attempt to supplant my past record by personal declarations."

One nominee, Sherman Minton, even refused an invitation to testify altogether, explaining that "personal participation by the nominee in the committee proceedings relating to his nomination presents a serious question of propriety, particularly when I might be required to express my views on highly controversial and litigious issues affecting the court."

Since the 1950's, I think it is fair to say without oversimplifying that when some conservative Senators had concerns that a Supreme Court nominee would rule in a manner displeasing to them, in some instances they asked the nominee questions about current legal issues of interest to them. Similarly, since the 1950's, when some liberal members of the Judiciary Committee had concerns about the way a particular nominee might rule in the future, they have asked questions addressing current legal issues.

One commentator has remarked that the appearances of the nominees before the Senate "have tended on occasion to subject nominees to hostile questioning, character assassination, and ridicule." [Thorpe] And that comment was made in 1969.

In my view, while Senators are free to ask a nominee any question they wish, a Supreme Court nominee should answer questions related only to his ethics; competence, including the ability to communicate well both orally and in writing; legal ability; general view of the role of the Supreme Court in our Federal system; willingness to separate personal policy views from one's judicial decisionmaking; and independence of mind, that is, did he make any commitments on issues that might come before him in order to be nominated—or confirmed?

If the Senate probes into the views of a nominee on particular legal issues or public policies, let alone imposes direct or indirect litmus tests on specific issues or cases, the Senate impinges on the independence of the judiciary. It politicizes the judging function. The confirmation process becomes a means to influence the outcome of future cases on issues of concern to particular Senators. And, a nominee may feel that in order to be confirmed, he must agree with this or that Senator on particular legal issues that are within the province of the judiciary. An appearance of a lack of impartiality will arise when those issues later come before the justice. This course is as inappropriate as it would be for the President to seek such influence. The judiciary is the one branch that should be above politics.

A few years ago, the Twentieth Century Fund assembled a distinguished task force to consider the way the Federal judiciary is selected. Former New York Gov. Hugh Carey chaired the task force. Its other members included Prof. Walter Berns of Georgetown University and the American Enterprise Institute; former Secretary of Health, Education, and Welfare, Joseph A. Califano, Jr.; Lloyd N. Cutler, former counsel to President Carter; University of Chicago Law Prof. Philip B. Kurland; Jack W. Peltason, Chancellor of the University of California, Irvine; Nicholas J. Spaeth, attorney general of North Dakota; Michael W. Uhlmann, former Reagan White House official; and Robert F. Wagner, the former mayor of New York City.

In 1988, the task force issued its report, Judicial Roulette. With Mr. Califano and Mr. Cutler dissenting, the task force recommended that—

> Supreme Court nominees should no longer be expected to appear as witnesses during the Senate Judiciary Committee's hearings on their confirmation. * * * The task force further recommends that the Judiciary Committee and the Senate base confirmation decisions on a nominee's written record and the testimony of legal experts as to his competence.

The task force added, with Mr. Califano dissenting,

> But if nominees continue to appear before the committee, then the task force recommends that senators should not put questions to nominees that call for answers that would indicate how they would deal with specific issues if they were confirmed.

My fear is that if the Senate continues the trend begun in the 1950s, which seems to have accelerated since then, with both liberal and conservative Senators pressing Supreme Court nominees beyond the bounds I have described, we could permanently undermine the independence of the Judicial Branch. We will move closer to the circumstance described by Alexander Hamilton in Federalist 78, wherein the courts exercise will rather than judgment and tend to become a mere extension of the Congress. That the will exercised by the Justices will be shaped by implicit or explicit commitments made to Members of the Congress rather than by the Justices' own policy preferences, as Hamilton warned against, makes no difference. The judiciary will lose its independence if the Senate seeks to substitute its will on particular issues for the reasoned judgment of the Court. And the American people will lose a safeguard against overreaching by Congress. The American people will also lose the assurance that every case will be fairly and impartially decided.

Mr. President, I call upon, in particular, the liberal members of the bar, as well as commentators who are concerned about our system of justice, to come to the defense of an independent Federal judiciary and oppose the imposition of litmus tests on this nominee.

THE JUSTICE DEPARTMENT: TAKING THE LEAD AGAINST BCCI

Mr. DOLE. Mr. President, America is justifiably outraged about the criminal activities of BCCI—now known as the "Bank of Crooks and Criminals Incorporated."

The press allegations against BCCI are a laundry list of criminal wrongdoing—a multibillion-dollar money-laundering operation, widespread evasion of our Nation's banking laws, and a bribery scheme supposedly implicating high government officials in this country and elsewhere.

But, Mr. President, if you just listened to the liberal media and some of the politicians here in Congress, you would think that Federal prosecutors were asleep at the switch, and even worse, were actively hindering efforts to bring the BCCI crooks to justice.

This may sound good to the skeptics, but it just does not add up.

Although BCCI was chartered in Luxembourg, headquartered in London, and operated in 72 countries, the only successful criminal prosecution against BCCI to date has been brought by the U.S. Department of Justice—not the Manhattan D.A.'s office, not some congressional subcommittee. But—yes—the Department of Justice.

The Justice Department investigation all started in 1986, when customs agents were hot on the trail of illegal BCCI activities in Tampa, FL.

In 1990, the investigation resulted in the conviction of the bank and five of its top executives on money-laundering charges.

British authorities have subsequently convicted two additional BCCI executives—also for money-laundering—largely because of information supplied by the Federal authorities in Tampa.

Mr. President, the Department of Justice is now conducting a thorough grand jury investigation of all allegations of criminal misconduct by BCCI, including the allegation that BCCI nominees actually controlled First American Bank, in violation of Federal Reserve regulations.

In addition to Washington, DC, grand jury investigations are now underway in three other Federal Districts—Tampa, Miami, and Atlanta.

Indictments in all four jurisdictions are expected sometime in the fall.

Mr. President, Congress has a pretty good track record of sabotaging grand jury proceedings.

Several years ago, Congress could not resist the temptation of the Iran-Contra hearings, and we know the results of that misadventure: No convictions, no new revelations, but plenty of press for the media hounds, and millions of dollars in waste taxpayer funds.

Let us face it, congressional hearings on BCCI may make for a few headlines, but they will not put a single criminal behind bars.

No doubt about it, BCCI is a scandal, but so is the Centrust Savings and Loan fiasco—a multibillion dollar ripoff of the taxpayers by a high flier named David Paul, who often bragged of his big-time connections with the Washington political establishment.

David Paul's Centrust has left the taxpayers with a multibillion-dollar price tag—right up there with the Lincoln Savings-Keating scandal—yet, I do not hear any of my Democratic colleagues calling for a formal congressional investigation.

BCCI should be a top priority, but so should Centrust.

Congress should get to the bottom of Centrust, and tell the American people about the web of political connections and regulatory negligence that may have allowed the Centrust ulcer to bleed unabated for years.

IGT/JAPAN

Mr. BRYAN. Mr. President, in the past few months relatively little attention has been given to our country's trade problems with Japan.

The controversy over a free-trade agreement with Mexico and Canada and the ongoing Uruguay round of GATT largely seem to have displaced Japan at the top of the trade agenda.

We must not forget, however, the magnitude of our trade problems with Japan.

These problems, in their most egregious form, are illustrated by the treatment now being experienced by a major Nevada manufacturing company that has been attempting to obtain Government clearance to sell its products in Japan since 1989.

International Game Technology [IGT] is a world leader in the design and manufacturer of gaming machines, including slot machines and other electronic gaming devices.

In addition to being a major influence in the American market, IGT has demonstrated its international competitiveness throughout the world.

In all major markets outside of Japan, IGT enjoys a market share of about 50 percent. In Japan, however, neither IGT nor any other manufacturer has been able to sell a single machine.

The Japanese gaming machine market is immense.

In particular, the market for a form of slot machine, known as pachisuro, has been growing rapidly and is expected to expand to a level twice the size of all the slot machine markets in the rest of the world combined.

If United States manufacturers were able to obtain a share of this market equivalent to their share of other markets, United States exports to Japan would increase by about $1.5 billion in this industry alone.

At a time when the Japanese pachisuro market is expanding rapidly, every delay in entering the market is critical.

For nearly 2 years, IGT has attempted to follow the instructions of Japanese regulatory authorities in order to obtain permission to sell products in Japan.

At every turn, new barriers have appeared to block IGT. It is difficult to escape the conclusion that the Japanese Government, in close cooperation with Japanese industry, is discriminating against United States gaming machine manufacturers in violation of international trade rules.

Since 1989, IGT has encountered a series of unfair barriers which have prevented it from entering the market.

First, the Japanese Government informed IGT that it would be necessary to join a Japanese industry association, since the Japanese Government has traditionally relied on the association to perform key functions in the regulatory process.

However, the association refused to allow IGT to become a member, on the grounds that it was a foreign manufacturer.

When IGT complained about this, the Japanese Government reversed its advice, and informed IGT that it could apply directly to the Government for regulatory approval, without working with the industry association.

IGT then tried to move forward again, but a new problem soon emerged: The Japanese Government refused to disclose in writing all of the technical standards that are applied in the approval process.

Instead, it insisted that it could only convey that information orally, in meetings.

As directed by the Japanese Government, IGT recently brought an entourage of engineers to Tokyo to meet with the regulatory officials.

In these meetings, the Japanese officials told IGT that it is still in the process of developing guidelines establishing technical specifications under new regulations that went into effect last year.

Accordingly, IGT was told that it would not be possible to know the applicable technical specifications for new pachisuro machines until the new guidelines are finalized, which is expected to be in October of this year.

In the meantime, however, Japanese manufacturers are continuing to receive regulatory clearance for new machines under applications submitted prior to October 1990, which are grandfathered under the previous regulations.

Japanese officials also described the process it is using to develop the technical guidelines.

This process clearly discriminates against foreign manufacturers, in violation of international trade rules.

The GATT Standards Code requires governments to publish proposed technical specifications in advance, and provide all interested parties a reasonable opportunity to comment.

Technical rulemaking in the United States routinely follows this notice-and-comment procedure, providing equal opportunity for both foreign and domestic manufacturers. The Japanese rulemaking for pachisuro machine specifications, however, flatly violates these rules.

As described by Japanese officials, the process has involved a series of closed meetings with the Japanese industry association.

As I have mentioned, IGT was denied membership in this association because it is a foreign manufacturer. The industry association then prepared detailed drafts of the technical specifications, reflecting the oral instructions received from the Government.

Japanese officials have told IGT that the draft specifications are now essentially complete.

However, they maintain that the draft specifications remain the property of the trade association, so that they cannot disclose them until they are formally published in October.

This treatment is outrageous. The rulemaking process is a patent violation of the international trade rules.

It also gives enormous commercial advantage to the Japanese manufacturers, who not only have exclusive input concerning the contents of the specifications, but also, more importantly, are given a critical head start in designing new products in accordance with the new regulations.

For over 1 year, IGT has repeatedly requested the Japanese Government to provide it with copies of all technical specifications applicable to pachisuros.

In June of this year, I joined the rest of the Nevada congressional delegation in sending a letter to the Japanese Embassy requesting copies of these regulations. Each request has been either denied or ignored.

In industry after industry, the Japanese have used a protected home market as a base for developing the experience and economies of scale to dominate the world market.

The same now appears to be happening in the gaming machine industry—an industry in which U.S. manufacturers have demonstrated competitive excellence throughout the world.

This pattern cannot be allowed to continue. Strong action is required immediately.

Today, we have sent a letter to the United States Trade Representative requesting that Ambassador Hills inform the Japanese Government that the United States will not tolerate these outrageous barriers and violations of international trade rules.

In particular, we have urged Ambassador Hills to demand, in the strongest possible terms, that the Japanese make the draft technical specifications for pachisuros available to United States manufacturers immediately, just as they are available to their Japanese competitors.

If these problems are not resolved promptly, we have encouraged IGT to seek relief under section 301 and other provisions of U.S. trade laws.

If this becomes necessary, we will urge the administration to exercise fully its authority under these laws to compel the Japanese Government to remove these unfair barriers promptly, or face retaliatory measures. I encourage my colleagues to support this effort.

ISRAEL: IMMIGRATION AND ECONOMY

Mr. LUGAR. Mr. President, I wish to call to the attention of Members a recent address by Ambassador Richard McCormack, a man known by many in the Senate, and who until recently was the Under Secretary of State for Economic and Agricultural Affairs.

His address, "The Challenge of the Immigration and the Obstacles to Growth in the Israeli Economy" describes the history of the largely statist Israeli economy and suggests that dramatic reforms are needed if the Israelis hope to absorb successfully the wave of Soviet immigrants into their economy.

To provide jobs for as many as half a million people will require tens of billions of investment in Israel. Much of this will have to come from private, not government, sources. This means that investors must be convinced that Israel is a cost-effective environment in which to invest. This will only happen if there are significant changes in Israel's economic and political situation.

In the near future, the Senate will be considering a very large guarantee loan program to help Israel finance housing for prospective immigrants to Israel. The conundrum is very simple. If there is no economic reform, many of the houses, whose mortgages would be underwritten by the United States Government, could be vacant in 5 years or so and their former occupants living in Canada, the United States, Australia or elsewhere.

The main issue he addresses is that Israel is faced with an historic opportunity to improve its demographic situation and move its economy toward greater prosperity and self-sufficiency. It would be a great tragedy if this opportunity were missed.

Some have been suggesting that U.S. assistance to Israel would be more effective if it were used to promote economic reform, perhaps along the lines of the World Bank's structural adjustment program, that is, loans in exchange for specific, measurable economic reform. It may be premature to form firm conclusions on this point, and many there will be waiting to see how the peace process evolves in the weeks ahead, but this is certainly something that we will utlimately need to ponder.

I commend Ambassador McCormack's address to all members interested in Israel's economic well-being.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. RICHARD T. MCCORMACK FORMER UNDER SECRETARY OF STATE FOR ECONOMIC AFFAIRS TO THE AMERICAN ISRAEL ECONOMIC CORPORATION JUNE 26, 1991

THE CHALLENGE OF THE IMMIGRATION AND OBSTACLES TO GROWTH IN THE ISRAELI ECONOMY

There are four elements of my presentation today relating to the absorption of immigrants in Israel, and structural problems in the Israeli economy.

1. A brief history of U.S.-Israeli efforts to secure structural improvement in the Israeli economy.
2. A description of the talent pool represented by Israel's recent and prospective Soviet immigrants.
3. Needed microeconomic reform within the Israeli economy, without which the Israeli economy will neither be able to attract nor hold new, highly skilled immigrants in the hoped for quantity.
4. The role of the peace process in Israeli economic and immigration prospects.

I. A BRIEF HISTORY

Israel has always faced difficult challenges. It was born into a hostile world, and has periodically faced military threats to its very existence as a nation. Less dramatically, it has faced a number of major economic challenges. One was the threat of hyperinflation in the mid 1980s. Israel successfully responded to that challenge, instituting major reforms which quickly reduced the rate of inflation to 20%.

Now Israel faces an equally difficult economic challenge—to integrate a million immigrants into its economy over the next few years. Unlike the earlier challenges, this one has a silver lining: For years, we have all pressed for a change in policies in the Soviet Union that would free Soviet Jews to emigrate. Now that is happening. A large group of talented and highly trained people is coming to Israel. With the hope that they bring, they also bring a formidable economic challenge: how will jobs be provided for these new emigres? More precisely, how will the Israeli economy create the jobs which take advantage of their skills?

One of my pleasant duties as Undersecretary of State for Economic Affairs was to meet with Israeli officials periodically under the auspices of the JEDG—the U.S.-Israeli Joint Economic Development Group. That group, instituted by Secretary of State George Shultz and strongly supported by Secretary James Baker, provides a forum where leaders from our two countries can put our heads together to address some of the fundamental problems in the Israeli economy. These problems are, of course, the fundamental responsibility of the Israeli Government. But, as interested and sympathetic outsiders, the United States Government has tried to provide constructive suggestions. In particular, we have tried to reinforce the hand of those within the Israeli Government who are striving to deal with fundamental economic problems. In our advisory role, we have been ably assisted by a number of outstanding American economists, most notably Herb Stein and Stan Fischer.

The first task of the JEDG was to help in the development of a program to combat inflation which had accelerated to an annual rate of more than 400% by late 1984. The Israeli Government had by that time identified some of the essential elements of a macroeconomic stabilization program, including selective tax increases, a one billion dollar budget cut, the devaluation of the shekel, and an effort to reach agreement with labor and management on holding down wages and prices, possibly including a ninety-day freeze. Secretary Shultz was skeptical of a freeze, and noted the absence of any reference to a key element of an anti-inflationary program, namely, control of the money supply. He suggested a joint working group to develop further suggestions for a program with each side calling on two to four nongovernmental economists. The idea was that these economists could make suggestions freely without committing their governments. By providing friendly, expert, and somewhat detached advice, they could help to marshall support for the critically needed reforms.

In March 1985, the State Department sent its two key consultants—Herb Stein and

Stan Fischer—to Israel to help to clarify issues further. They developed a ten point plan which was close to the earlier Israeli program, with the notable addition of an inflation target for the Bank of Israel, backed up with a control on total credit. This private communication to the Israeli Government quickly leaked, causing a short-term hostile reaction, but probably contributing to moving public opinion toward support of such a program. Events were, of course, even more powerful—the inflation rate was soaring towards one thousand percent.

The anti-inflationary program was an immediate success: Inflation—which had been 30 percent per month before the government's program was announced on July 1, 1985—fell to 3.9 percent in the month of August. Since that itme, inflation has been quite stable, near 20% per year—not a figure to promote complacency, but one which is clearly superior to the experience of the early 1980s. However, stabilization on the macroeconomic side has not been matched by success in raising the real growth of the Israeli economy. Between 1965 and 1980, Israeli GNP grew almost twice as fast as the average of the countries of the Organization for Economic Cooperation and Development (OECD). Since 1980 it has been less.

While it can be very difficult to marshall the political will to attack the roots of inflation, that problem is nevertheless quite well understood. To control inflation, monetary and fiscal restraint holds the key. The keys to economic growth—which must be used if Israel is to successfully absorb the flood of immigrants—are much more complex and multifaceted, although, like the inflation problem, they may require difficult policy decisions.

II. HIGH SKILLS OF IMMIGRANTS

Never in history has a country been blessed with such a highly skilled group of immigrants. No only is the proportion of scientists, physicians, and engineers high, it is much higher than already exists in Israel. Almost 25% of the 1990 immigrants were engineers or architects—compared to about 2% in the existing Israeli population. About 15% of the immigrants were technicians, compared to 4% in the existing population. About 6 ½% of the immigrants were physicians, compared to just over 1% in the existing population.

Even with the most flexible and adaptable of economies, not all these trained people could be put to use in their chosen professions. This is most clearly the case with doctors: there is only so much need for medical services in a population. Some expansions in the demand for doctors might be achieved through contacts with the outside world. For example, Israeli firms might hire some doctors to do medical or pharmaceutical research on contract for foreign firms. But it is rather clear that some of the physician immigrants will not be able to find jobs in medicine in Israel and will have to look to other occupations. The potential over supply of doctors is, however, perhaps not so dramatic as the raw figures suggest. To put not too fine a point on it, the standards for medical training are much higher in Israel than in the Soviet Union. I understand that only 20% of the first 1,000 immigrant physicians passed the Israeli medical exam. Nevertheless, there may be difficulty in usefully employing all the immigrant doctors who do meet Israeli standards.

The possibility for usefully employing other highly skilled people—engineers, scientists, and technicians—is in principle much greater than for physicians. An economy may be restructured toward the production of high-tech goods and other products using a high input of trained personnel. The question is not whether such an adjustment logically can be made; the issue is what must be done to ensure that it does happen.

Before turning to the difficult issues of adjustment, let me begin on an upbeat note. For a country attempting to grow and improve its living standards, educated and trained personnel can be the most strategic and important prerequisite. After the Second World War, there were many trained people in Western Europe, with long experience in sophisticated production. The existence of such "human capital" was one of the keys to the rapid recovery and growth in the decade following the war. And it is the lack of such human capital that makes the development process so difficult in some of the countries of the third world. Fortunately for Israel, it has many highly trained people and is getting more.

Let me, however, add one caution. The training and talents of the incoming group is quite uneven. In terms of scientific skills, they are quite remarkable. But in terms of entrepreneurial skills, they are much less impressive. After all, they come from a society which values science highly, but has had a byzantine approach to administration and a deeply rooted suspicion of entrepreneurship. Entrepreneurship, not scientific knowledge, is likely to be the most significant constraint on progress towards a more prosperous Israeli economy.

III. URGENTLY NEEDED MICROECONOMIC REFORMS

For the past several years, the discussions at meetings of the U.S.-Israeli Joint Development Group have centered around eight key microeconomic reforms, which were summarized in a recent article by Herb Stein published in The Americn Enterprise. They were:

1. Cut the government budget, including the number of government employees.
2. Reduce taxes, or at least reform the tax system to reduce the highest marginal rates.
3. Free capital and credit markets, so that savings would flow where investors could use them most profitably, not where the government directed them to go.
4. Eliminate, or at least drastically reduce, the remaining price subsidies and price controls.
5. Reduce the scope of government regulation greatly, especially on the establishment of new private enterprises by local residents or by foreigners.
6. Ease restrictions on international trade and capital movements.
7. Get away from the system of government-sponsored monopolies or cartels.
8. Privatize a large part of government-owned industry.

We made modest progress with some of the agenda items, virtually none in others, but without vast additional changes it will prove virtually impossible to attract the investment capital in required amounts to generate jobs for new and prospective immigrants.

Capital

Forecasting capital needs is far from an exact science, but large amounts of foreign capital will be required for a successful absorption of the new immigrants. Most of the standard macroeconomic scenarios for the next five years suggest a need for overall capital imports of something like $30 billion, even after a reasonably healthy growth of exports of 8 to 9% and a rescheduling of outstanding debts.

Some of the sources may be identified. Economic grants from the United States Government have been $1.2 billion per year. The Israeli Government has been raising about $750 million annually through bond and note sales abroad. It may be possible to raise that figure by several hundred million, but a really large increase would presuppose major changes in the Israeli economy and an improvement of Israel's credit rating (now set at BBB by Standard and Poor's). The Jewish Appeals have been raising about $400 million per year from Jewish communities abroad; special appeals to help with immigrants may raise that figure. But past international sources of capital will not be adequate to the tasks ahead.

Unfortunately, attracting additional capital from international markets may be quite difficult because of the tight conditions that are likely to exist. Specifically:

The international demand for capital is likely to be strong in the 1990s, quite possibly stronger than at any time in the late 1940s.

It is possible that real interest rates, which many thought were high in the 1980s, will remain just as high or even go higher in the 1990s.

There is likely to be an intense competition for scarce capital with countries that pursue poor economic policies losing out to more favorable locations.

I hasten to add, however, that the outlook for the international capital market is open to unusually great uncertainties. Most notably, the outlook in Eastern Europe is shrouded in mist. There is a very large need for capital in that area. But it is unclear how much of the need will be translated into an effective demand. If reform and marketization take hold, investors may be willing to commit significant resources to those countries.

At the same time as potentially large demands on international capital markets are developing, traditional sources of supply are showing signs of shrinking. Specifically, Japan and Germany are likely to be less prolific sources of capital than they were in the 1980s, for reasons that are widely understood.

On the other hand, the United States should be a smaller net claimant on international capital than it was in the 1980s. The current account deficit has been falling since 1987.

Overall, however, the competition for international capital may be intense, and additional U.S. loan guarantees cannot possibly fill the yawning capital gaps in Israel's needs absent massive reforms and policy changes.

The Need for Flexibility and Reform

Major changes are needed to improve the flexibility of the Israeli economy to increase domestic sources of capital, to use capital more efficiently, and to improve the ability of Israel to compete for international sources of capital. This would parallel the changes being made in a number of countries: a more limited role for the government, economic liberalization, and privatization. There is a need to address the problems of unresponsive labor markets, limited competition in major sectors of the economy due to cartelization and protectionism, and economic policy gridlock. The goal should be an Israel where the market mechanism is allowed to play a much more central role—in the market for capital, in the market for labor, and in the market for goods and services.

I earlier spoke of the importance of entrepreneurship if the Israeli economy is to expand vigorously. In my view, major steps toward privatization would be one of the most positive things that Israel could do to promote entrepreneurship. Of course, other steps could help too, particularly steps to reduce government interference in the economy and improve the incentive structure facing Israel businesses.

Capital Markets in Israel

The Government of Israel has moved forward with a number of significant steps, such as reducing pension fund required investment in government bonds from 65 to 50 percent, allowing exporters to hold foreign currency, and changes in minimum loan periods for foreign loans. However, more needs to be done. At a time when capital resources are scare it is particularly important to use existing capital resources efficiently.

Subsidies and Taxation

The government of Israel accounts for 40 percent of all employment and over 50 percent of GNP. Subsidy and tax policy impede competition and limit potential growth. Overregulation acts as a drag on efficiency. For example:

Supervision and licensing act as barriers to entry. Yet small new companies can be a major source of new jobs, and add dynamism and flexibility to an economy.

Over the years tax breaks and loopholes have lowered the effective tax rate for privileged sectors while keeping overall rates very high. The tax burden needs to be spread more evenly and equitably.

Subsidized water leads to overproduction and exports of water intensive products—most notably, cotton. Cotton should be exported from areas with high rainfall—such as Alabama or Georgia—not from Israel. In the face of severe water shortages, changes have recently been made to reduce the availability of cheap, subsidized water. But more needs to done. Coastal aquifers are in grave danger.

Trade Policy

Free trade agreements with the United States and the European community have reduced many trade barriers between Israel and its major trading partners. But Israel maintains substantial barriers to imports of both manufactured and agricultural goods from the rest of the world. The Government of Israel has been considering "tarrification," or replacing various nontarrif trade barriers with equivalent levels of tariffs, which would be gradually reduced or eliminated. It is not clear how quickly the government will move on its program. Only by giving a clear signal on trade reform will the government help promote efficient domestic industries and enhance trade opportunities.

Privatization Policy

The Israeli Government needs to adopt an effective privatization program to reduce the government's role in the economy and provide an environment that can attract and hold the new immigrants. The Israeli Finance Ministry has recognized the need for privatization, but an aggressive privatization policy is yet to emerge.

The Labor Market

The Israeli labor market lacks flexibility. The minimum wage law and relatively generous unemployment compensation reduce the mobility of labor. The linkage between public and private wages and the minimum and average wages builds raises wage costs.

The Moda'i Reforms

Finance Minister Moda'i introduced proposals some months ago for reforms in the labor and capital markets to increase the flexibility of the Israeli economy. Some of the capital market reforms, which could be adopted administratively, have moved forward. But the labor elements of the Moda'i program are stuck in the Knesset while the government works out an arrangement with the Histadrut.

Economic Reform: Adding a Sense of Urgency

Having spent some time in Washington, I, of course, understand some of the political constraints on policymakers, particularly when changes are being proposed in labor market institutions. I likewise understand the argument that the Israeli Government is currently focused on central security concerns, including the prospect of peace negotiations. But I would like to offer two reasons for more vigorous efforts to move the economic reform process forward.

The first reason is that the microeconomic reforms needed now are much more complex and subtle than the marcoeconomic reforms of the mid 1980s. What is needed is a broad, comprehensive program of liberalization whose major payoffs—while critically important—will be delayed while adjustments take place. This means that the government does not have the luxury—if I may put it that way—of delaying as they did in the mid 1980s until a full-fledged crisis has developed. When a macroeconomic crisis develops, as it did in 1985, the main outlines of a remedy are relatively clear, although they may be painful. Unlike a macroencomic crisis—which becomes obvious as inflation accelerates uncontrollably—a microeconomic crisis is much less sharply defined, and points much less clearly to the required solution. Indeed, in the fact of a deteriorating situation, we are likely to hear calls for more government intervention when the economy is already overregulated. Action is therefore needed before problems are allowed to build into a crisis. I believe that Israel does not have the luxury of waiting. We are already receiving reports that Soviet Jews are hesitating about coming to Israel after hearing negative reports about employment prospect from friends and relatives already in the country.

The second reason has to do with the unique political, military, and strategic position of Israel. It is sometimes argued that the time is inopportune for comprehensive economic reform. With the defeat of Iraq, a number of countries, including the United States, have turned attention towards the possibility of a peace settlement between Israel and its Arab neighbors. Some would argue that the issues raised by a possible peace negotiation are so complex and so demanding that secondary matters—such as economic reform—must be allowed to slide. With this I disagree. Nobody can dismiss the importance of the peace issue. But the time is likewise ripe for economic reform. If the next year or so it allowed to slip, Israel may have lost an historically unique opportunity to integrate hundreds of thousands of immigrants into its economy.

Moreover, the peace process and economic reform should not be seen as competing demands on the attention of political authorities, but rather as parts of an intertwined web. A peace settlement would be one of the most positive things that could be done to make Israel a more attractive place for international investment. At the same time, economic reform can strengthen the Israeli economy and thus add to the overall security of Israel.

IV. THE ROLE OF THE PEACE PROCESS

It is my hope that the first halting steps toward an Israeli Arab peace dialogue will produce later this year a full blown peace conference, and eventually a reconciliation between Israeli and Arab in the Middle East. If both sides show some degree of flexibility, and others involved in the process do not lose patience with the lengthy and sometimes frustrating preliminary posturing, I believe that peace is possible and that this would be massively helpful to the prospects for regional prosperity, including Israel, and the successful absorption of a million new immigrants in Israel.

Quite apart from eliminating the physical dangers that stem from the Intifada in Israel, peace would wipe out many longer-range concerns that are causing some prospective immigrants and investors to delay decisions on behalf of Israel.

There is concern that if the peace process should break down utterly, that the Intifada would spawn one final desperate phase of violence in the form of car bombs in urban centers, shootings, and other forms of directed lethal activity against Israelis.

There is concern that such large violence could strengthen those in Israel who have always argued for a massive explusion of Palestinians, and that this could undermine the tenuous Cold Peace with Egypt.

There are even longer-range concerns that, just as the friendly Government of Sudan of the 1980s was overthrown by an Islamic fundamentalist regime which turned hostile toward Israel, so too could a similar situation occur in Egypt, where millions of Muslems do not support their government's interaction with Israel. New confrontations could replace today's Cold Peace.

There is concern that the Soviet Union, driven by the need for arms sales, could, under future leadership, become reengaged more energetically in a supply and advisory relationship with Israel's enemies.

There is concern that Israel's first strike military doctrine, which is likely to continue in the era of the improved Scud, would limit the ability of potential friends to be actively helpful in a future conflict. Urban centers in Israel could be targeted in such future conflicts by weapons of great destruction.

There is concern that ten years from now when the West will be even more dependent upon oil from the Persian Gulf, that a new oil embargo or an even more effective boycott operation could undermine stability and prosperity.

By contrast, if the peace process begins to develop favorably, this will greatly encourage those in the Soviet Union now weighing decisions on whether or not to emigrate to Israel. It will also have a favorable impact on potential investors and creditors in Europe and elsewhere.

Obviously, it is not just Israel which is responsible for the success or failure of the peace process. All parties must reexamine long-standing positions if this process is to succeed. But there is no doubt but that a successful peace process would have immediate and profound impact upon Israel's ability to attract and employ large numbers of new immigrants.

There are those who view the prospects for major reform of the Israeli economy and a successful peace process with a great sense of pessimism and futility. You hear this old business about the frog and the scorpion, and that somehow the Middle East is impervious to logic. I don't buy that for a minute. In fact, I have never been more optimistic about the possibilities for constructive change than I am today, and I have been following events in the region for many years. Why this optimism?

First, on the economic front. There has been a massive and sustained campaign for twenty-five years to enable Soviet Jewry to move to Israel, partly to help contribute to a solution to Israel's demographic problem. But without major economic reform, this large-scale immigration will simply result in a massive unemployment problem, which in turn will trigger an equally massive emigration of Israelis to other more prosperous countries. Canada, Australia, the United States and other recipient countries will be the gainers in such a situation. Israel will be the loser. And there are already signs of a slow down in emigration from the USSR, as jobless immigrants write disappointing letters to relatives remaining in the USSR.

Do Prime Minister Shamir and his Cabinet want to be remembered as the government that blew the greatest opportunity for demographic security and economic prosperity that Israel had been given in forty years? I can't believe this. Thus, I assume that economic reforms will, in fact, be forthcoming. And I am deeply encouraged by the recent study put forth by the Bank of Israel on needed economic reforms. I am equally encouraged by the prospective appointment of the able Jacob Frenkel to the helm of the Bank of Israel.

By the same token, I feel hopeful about the peace process. I do not believe that any government with an eye to history wants to be remembered during the carnage of the next Middle East war as having missed the boat when a regional peace conference was possible under favorable circumstances in 1991.

So, put me down as an optimist, both on the economic reform front, and on the peace process. I think that events of an historic nature will provoke an equally historic response from the Government of Israel.

Will it be a little slower than one might ideally wish? Certainly. Will it go as far as one might ideally wish? Probably not. But it will, in my view, be sufficient to meet the challenge. And that's all you can ask of any government, including our own.

THE VAN RIPER TWINS, MARINE CORPS LEGENDS

Mr. NUNN. Mr. President, at the Marine Corps Base, Camp Lejeune, NC, a unique event took place several weeks ago. A change of command occurred in which Maj. Gen. William N. Keys turned over command of the 2d Marine Division to Brig. Gen. Paul Van Riper.

Major General Keys commanded the 2d Marine Division during Operations Desert Shield and Desert Storm. Under his leadership, the 2d Marine Division performed in outstanding fashion and achieved major military successes. General Keys, now a lieutenant general, assumed command of Fleet Marine Forces Atlantic from Lt. Gen. Carl Mundy, who subsequently took over as Commandant of the Marine Corps on the first of July.

Mr. President, today I want to focus on the unique aspect of these changes in that the 2d Marine Division now has in its two top positions twin brothers, Brig. Gen. Paul Van Riper and Col. Jim Van Riper, the current chief of staff of the Division. These brothers, who are identical twins, are among our Nation's top military professionals. Their careers and accomplishments and approach are such that they have become legends in the U.S. Marine Corps because of their outstanding service and the fact that both are the embodiment of all the characteristics that are the hallmarks of what it means to be a marine.

Both served two tours in Vietnam and both served in combat in Operations Desert Shield and Desert Storm. Both have attended all the key military schools and have served in key jobs throughout the Marine Corps. Both are strong family men.

Both of these highly decorated warrior marines have had other demanding jobs throughout their Marine Corps careers and, as the fabled Marine Corps hymn so eloquently says, have served in "every clime and place."

But the hallmark of these two marines who now serve in the top two positions in the 2d Marine Division is their unchanging, unrelenting dedication to excellence in every task they undertake. As consummate military professionals, there are no short cuts of second best when they are involved. They set the highest standards and lead by example.

I have had the good fortune to meet and visit with both of them at various points in their careers. As recently as several months ago, we met with Paul Van Riper when Senators WARNER, INOUYE, STEVENS, and I visited our forces in Saudi Arabia several days before the ground war commenced. I have visited with Jim Van Riper in years past during several of his tours at Headquarters Marine Corps. I have always been impressed with their knowledge, their commitment, and their keen military judgments.

I also know about their careers and keep up with their various assignments because the staff director of the Armed Services Committee, Arnold Punaro, has also served in the Marine Corps both on active duty and in the Reserve for over 20 years. He has served with both of these marines and knows their abilities firsthand. Jim Van Riper, during his second tour in Vietnam, was a company commander and had as one of his platoon commanders then 2d Lt. Arnold Punaro. Twenty years later, then-Colonel Punaro served in a Reserve unit under the direction of Paul Van Riper.

Mr. President, I bring the Van Ripers to the attention of the Senate because I am unaware of a similar situation during my service when identical twin brothers with such distinguished combat records have held the top two positions in a major combat unit.

I also believe it is important to recognize the superb talent in our military and, in particular, these two Marine Corps legends, Jim and Paul Van Riper.

HONORING MARINE COMMANDANT GEN. ALFRED M. GRAY, JR., USMC

Mr. NUNN. Mr. President, I want to pay tribute today to an outstanding American and a true hero. Gen. Al Gray ended a 35-year career of service to our Nation as Commandant of the Marine Corps on July 1, 1991. The Marine Corps had a very impressive change of command ceremony at the historic Marine Barracks at 8th and I Streets in southwest Washington. No ceremony, however, could do justice to the contributions General Gray made not only to the Marine Corps but also to the military profession as well.

My association with General Gray goes back into the 1970's when he was a colonel and had just completed Operation Eagle Pull, the evacuation of Saigon. Our paths have crossed many times since then.

It is both appropriate and ironic that the Marine Corps and the Nation honored General Gray at the oldest barracks in the corps. It is appropriate because the barracks is the ceremonial post where historic events have occurred since the 1800's. It is also ironic because General Gray is one of the most forward-looking and innovative military men that I have had the pleasure of knowing. He does not look back; he is always looking forward.

General Gray's long-range vision, particularly in the 1970's, was seen in the recent successes of our Marine Corps forces in the Persian Gulf. His far-sightedness in leading the strategic thinking and debate that resulted in reorienting Marine Corps doctrine from attrition warfare to maneuver warfare was just as essential to winning so overwhelmingly, as did having the right light armored vehicle, the right tank, the right aircraft, or the right marine on the ground, at sea, and in the air, with the right skills, leadership, and abilities.

His vision was a primary driver behind the professionalism that we see so evident in the Marine Corps today, both among officers and enlisted. It was only some 40 years ago that General Gray was an enlisted marine himself.

He has led by example, and he has led by articulating a clear roadmap of where he felt the Marine Corps should be headed. He is a highly decorated combat veteran who has been willing to give a full measure of service to his country. His integrity and dedication to duty are unsurpassed and unquestioned.

Mr. President, the Marine Corps, the Congress, and the American people will sorely miss General Gray's contribution as a marine's marine, but will anxiously await his continuing contribution in the national security field and in whatever task he undertakes.

I am sure all Members of the Senate join me in wishing General Gray and

Jan, his wife, every success and happiness in the years ahead.

MONTREAL PROTOCOLS RATIFICATION CONCERNS REGARDING SUPPLEMENTAL COMPENSATION PLAN

Mr. MITCHELL. Mr. President, on June 24, 1991, I wrote to the American Law Division of the Congressional Research Service concerning the proposed ratification of the Montreal protocols and the administration's proposal for a supplemental compensation plan [SCP]. At that time, I raised concerns relating to the institutional separation of powers. On June 28, I also submitted for the record copies of correspondence discussing the merits of the protocols themselves.

Today I wish to share with other Members of the Senate a copy of the response I have received by the American Law Division. I ask unanimous consent that a copy of the legal memmorandum dated July 8, 1991, be printed in the RECORD at that end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MITCHELL. I also ask that a copy of an August 1 letter which I have written to the Secretary of Transportation be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. MITCHELL. The administration previously has indicated that the proposed SCP is unprecedented in nature. The ALD opinion indicates that the proposed conditioning of consent to ratification on agency implementation rather than implementing legislation also seems to be unprecedented. Analogous precedents might still be found; however, under the circumstances, I do not believe that Senate should proceed to consideration of the protocols until concerns related to the SCP are fully addressed.

In my August 1 letter to the Secretary of Transportation, I have acknowledged that there are certain advantages to proceeding in the manner recommended by the administration and the Foreign Relations Committee. If necessary, Congress still would retain the power to enact a statutory authorization for the SCP at any time after consenting to ratification.

Nonetheless, there is a risk in proceeding as the administration has proposed. If the protocols are ratified and a subsequent legal challenge against the SCP is successful, it is my understanding the $130,000 limit under the protocols would still apply and effectively create an absolute limit on recoveries—unless Congress then enacts remedial legislation or the President denounces the protocols.

The risk may be minimized by legal opinions that have been offered in support of the Department of Transportation's existing authority to implement the SCP. But the unprecedented nature of the plan still makes it a legitimate concern. I therefore have asked the Secretary for suggestions as to how this risk and concern might be further mitigated—along with any clarification of the circumstances under which the administration, if necessary, might denounce the protocols.

Unless sufficient mitigation of this risk is present, if the matter reaches the full Senate, then the Senate may wish to consider requiring implementing legislation as a condition of ratification in order to protect its institutional concerns. That issue is distinct from the more basic question of whether or not the Senate should consent to ratification.

I continue to approach the protocols and related issues with an open mind. I encourage other Senators to do the same. I look forward to considering further comments and suggestions by the administration and all other interested parties.

EXHIBIT 1

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC., July 8, 1991.

To: Office of the Majority Leader, United States Senate, Attention: Hon. George J. Mitchell/Bob Carolla.

From: American Law Division.

Subject: The Montreal Aviation Protocol No. 3 and the Supplemental Compensation Plan.

This memorandum is in response to your correspondence of June 24, 1991, raising a number of questions regarding Montreal Aviation Protocol No. 3, an international agreement pending Senate consideration pursuant to Article II, §2, cl. 2 of the Constitution which requires that chamber's advise and consent on international agreements. Of particular interest to you is the Supplemental Compensation Plan (SCP) whereby the parties may adopt a national system to supplement the maximum compensation payable to claimants under the Aviation Convention as modified by Protocol No. 3 in the event of death or personal injury to passengers.

A little detail regarding the Convention and the pending modification seems in order not only to set the context but because its terms, particularly in respect to the SCP, indicate possible answers to one or more of the four specific questions contained in your correspondence.

The Convention for the Unification of Certain Rules Relating to International Transportation by Air (the Warsaw Convention) was concluded at Warsaw on October 12, 1929 and entered into force February 13, 1933. The United States became a party on October 29, 1934. 49 Stat. 3000; TS 876; 2 Bevans 983; 137 LNTS 11.

The Warsaw Convention establishes a uniform set of rules governing the international air transportation of passengers, baggage, and cargo. Among other things, it establishes the basis for determining jurisdiction in the case of an accident and sets the limits on the liability of the airlines. The limit may be exceeded only if the victims or their survivors can show willful misconduct on the part of the airline. Uniformity was deemed essential because of the differences in legal systems and customs among the nations of the world and a cap on liability was widely regarded as being necessary to protect the then infant aviation industry.

The Warsaw Convention limits liability for death or injury to passengers to what is now about $10,000. In 1955 a virtual doubling of the limit was agreed to at the Hague. This change was not ratified by the United States because the Congress believed the limit was insufficient to compensate for the loss of American lives. Despite United States nonadherence to the Hague Protocol, its limits on liability effectively limit recovery by Americans traveling between two foreign points. Senate Executive Report 102–1 (1991) at page 2.

Dissatisfaction with these limits led the United States in 1965 to announce its intention to denounce the Convention. At the last minute it agreed to remain a party when air carriers serving the United States signed the 1966 Montreal Agreement accepting liability up to $75,000 regardless of fault. The Montreal Agreement applies to air travel to, from, or through the United States on both foreign and domestic airlines. *Id.* at 3.

Subsequent negotiations resulted in the adoption of the Guatemala City Protocol, opened for signature March 8, 1971, which increased the passenger liability limit to $100,000. Among other features, the Guatemala City Protocol permits a nation to adopt a domestic system to supplement the passenger liability limit. *Id.* at 4.

It should be noted that while the United States had been a prime mover in these efforts to update the 1929 Warsaw Convention and conspicuously so in the matter of raising the amount of authorized recovery, it is not a party to any of the subsequent protocols. Ibid.

In 1975 Members of the International Civil Aviation Organization (ICAO) met in Montreal and adopted four protocols to update the Warsaw Convention Protocol No. 3, which deals with an airline's liability of passengers and baggage, is the one immediately implicated by your inquiry.

Protocol No. 3 increases an airline's liability to about $130,000 regardless of fault. In other words, claimants have to prove only that damages resulted from an accident, not that the airline involved was at fault. However, Protocol No. 3 does away with the provisions of the Warsaw Convention which allow claimants to recover additional amounts by slowing misconduct on the part of the airline.

Particularly noteworthy for present purposes is that fact Protocol No. 3 picks up on the Guatemala City Protocol's supplemental feature and allows the parties to set up supplemental compensation programs. "In effect, * * * [the Protocol's entry into force for the United States would establish] to two-tiered system under which the airlines would be liable for the first $130,000 per passenger and the supplemental plan would be expected to provide for recoveries beyond that amount and would cover fully the remainder of all economic and noneconomic losses with no cap on the amount." *Id. at 7.*

The SCP developed in cooperation with the Department of Transportation is to be funded through a ticket surcharge. All airlines, both American and foreign, selling tickets would be obligated to collect the surcharge. All citizens and permanent residents would be covered on international flights regardless of where they buy their tickets *Id.* at 55 *et seq.*

As envisioned by the proponents and supporters of the Protocol, no implementing legislation is needed to carry out the SCP. Instead, it is based on the Secretary of Transportation's existing authority with respect to rates and charges for foreign air travel, his conditioning authority for the grant of operating certificates to international carriers, and his power to approve intercarrier agreements and grant immunity from the antitrust laws. Statutory authorities relied on for this conclusion will be found in the Department of Justice correspondence of January 22, 1991, reprinted as Appendix III, Senate Executive Report 102-1 at 69, reprinted as Appendix III, Senate Executive Report 102-1 at 69. Two congressional support agencies have expressed views in harmony with the position of the Department of Justice. American Law Division, Congressional Research Service, id. at 72; General Accounting Office, Senate Executive Report 101-21 (1990) at 78-79.

The record, legislative and historical, on the subject of liability for airline passenger death and injury, clearly indicates that the Protocol's SCP provision is largely a concession to United States concerns for modernizing the Aviation Convention and a desire by the international community to keep the United States a part of its regime. At the same time, it is equally clear that the SCP envisioned by the Protocol No. 3 is a voluntary arrangement which the parties are free to implement or not as they see fit. The Protocol takes a neutral position, stating, in relevant part, that "No provision contained in this Convention shall prevent a State from establishing and operating within its territory a system to supplement the compensation payable to claimants under the Convention in respect of death or personal injury of passengers." Article 35A. The SCP developed in cooperation with the Department of Transportation and assumed by the resolution of the Senate Committee on Foreign Relations recommending Senate advice and consent to ratification (a Committee recommended proviso makes a satisfactory, operational SCP a condition precedent to deposit of the instrument of ratification) is essentially a mandatory insurance program funded by the mentioned surcharge paid by passengers whose travel originates in the United States. It would permit the previously described second tier of recovery, that is, the recovery of damages which exceed the maximum of $130,000 per passenger for which the airlines are liable up to $500 million per incident.

Placing your initial more general question aside for consideration later and with the foregoing as background, questions 1 through 4 set out in your correspondence are addressed in that order.

The first question generally asks for precedents along the lines of Protocol No. 3 in regards to the SCP. Stated differently, you request previous instances when the Senate has advised and consented to an international agreement on condition that it will be implemented administratively rather than by the adoption of follow-on legislation or its equivalent.

The practice of conditioning Senate advice and consent so as to prohibit deposit of the instrument of ratification until implementing legislation is adopted is a fairly common one. See, for example, the Treaty between the United States of America and the United Mexican States on the Execution of Penal Sentences which entered into force November 30, 1977. 28 UST 7399; TIAS 8718.

In contrast to this fairly routine practice, our research has failed to turn up any precedents in line with the approach taken in connection with Protocol No. 3 and, accordingly, the latter seems to be unprecedented. Unfortunately for all concerned, research into past practices of the Senate in qualifying its advice and consent on international agreements is not benefited by indices or data bases facilitating access to the subject. We have consulted old and modern classics on the subject of treaties and sought out institutional memories in search of an answer without success. E.g., Butler, The Treaty-Making Power of the United States (1902), Crandall, Treaties: Their Making and Enforcement (1916), Wright, The Control of American Foreign Relations (1922), Henkin, Foreign Affairs and the Constitution (1972), Whiteman, Digest of International Law (1973), Rest. 3rd, Restatement of the Foreign Relations Law of the United States (1986), Treaties and Other International Agreements: The Role of the United States Senate, S. Prt. 98-205 (1984). Although probative, the failure to identify a relevant precedent is not definitive proof that the sought for precedent does not exist. The latter could be firmly settled in the matter under consideration only by consulting every treaty that has entered into force, not simply treaties in force at the present time; this is a formidable undertaking. Accordingly, while the SCP appears to be unprecedented, supporting evidence derived from respected but secondary sources and persons familiar with developments in the area is not so conclusive as to be preclusive of a different result.

By way of a concluding comment in the matter of precedents, it is instructive, or so it seems, that the legislative record compiled in connection with several hearings on the Montreal Aviation Protocol No. 3, including the SCP, does not appear to supply any; the citation of precedent usually forms a point of departure in the legislative arena.

The second question elicits information regarding the effect of the Senate's advising and consenting to ratification of Protocol No. 3 on the power of Congress to legislatively revisit the SCP in the future either to reauthorize it or to revise it in some particular.

Several reasons support the conclusion that the entry into force of the SCP will not and, perhaps, arguably, could not, place the statutory underpinnings of the Plan beyond the reach of the lawmaking power of Congress whether to reauthorize it or to amend it in some regard. As previously indicated, Article 35A of Protocol No. 3 is neutral on the subject; in apparently studied language it neither establishes nor endorses any system of supplemental compensation but "recognizes that a party may establish within its territory a system to supplement compensation available under the Convention." Senate Executive Report 102-1 at 49. Except for several restrictions intended to insure that any system of supplemental compensation is truly supplemental and not a dodge to circumvent and augment the limits on carrier liability and also not a ruse to discriminate between carriers and among passengers, the SCP is strictly a matter of municipal discretion and concern and consequence. As such, the SCP does not fall within the compass of an international obligation which in certain circumstances Congress even in the exercise of its lawmaking power may not supervene without being in breach of international law and exposing the United States to remedies available to the injured party or parties for violations of international law. See, e.g., Rest. 3rd, Restatement of the Foreign Relations Law of the United States §901 et seq.

Less as a matter of right than as an exercise of power, Congress may pass laws which have an adverse, limiting effect on at least the domestic consequences of an international agreement. "Acts of Congress, treaties and other international agreements of the United States, and principles of customary international law, are all federal law * * *. An act of Congress and a self-executing treaty of the United States * * * are of equal status in United States law, and in case of inconsistency the later in time prevails. An act of Congress will also be given effect as domestic law in the face of an earlier international agreement of the United States other than a treaty, or a preexisting rule of customary international law * * * although a subsequent act of Congress may supersede a rule of international law or an international agreement as domestic law, the United States remains bound by the rule or agreement internationally * * *. A state cannot adduce its constitution or its laws as a defense for failure to carry out its obligation." Id. at §115.

In one of the earliest decisions involving the doctrine that laws and treaties are equal in authority and the later prevails, Justice Field observed that the "court is not a censor of the morals of the other departments of the government * * *." The Chinese Exclusion Case, 130 U.S. 581, 602 (1889).

Assuming for the sake of argument that the SCP falls within the scope of the international obligation pursuant to Protocol No. 3, it follows from the doctrine of equality of statutes and international agreements that Congress in all cases possesses the power, if not the right, to legislate with respect to the plan's statutory underpinnings. However, as previously indicated, the SCP seems for all but a few Protocol-related isolating and insulating purposes, confined to the jurisdiction of the party which establishes it. Indeed, these restrictions arguably provide additional evidence that the SCP is outside the scope of the Protocol.

Finally, lurking somewhere within the interstices of this question seems to be uncritical acceptance of the propriety of delegating away legislative power by international agreement, in the present circumstances, the power to enact laws that benefit the American traveling public by authorizing recovery of damages for death or personal injury. The state of the law concerning delegations permits raising the argument in the context under discussion, not its resolution.

Despite the absolute nature of the rule prohibiting delegations by Congress of its lawmaking power, the Supreme Court and the federal judiciary have effectively accepted them from an early date. See, e.g., The Brig Aurora, 7 Cr. 382 (1813) and Wayman versus Southard, 10 Wheat. 1 (1825). Also, despite some vacillation by the courts regarding the rationale, congressional delegations now are viewed as being permissible where governed by adequate "legislative standards" to guide administrative execution of the law, a term which includes effective fetters on discretion derived from all manner of sources, such as statutory specifications of acts to be declared, preambulatory statements of legislative purpose, and imputations of legislative purpose inferred from legislative and administrative history. See, Mistretta versus United States, 488 U.S. 361, 371-379 (1989).

The delegation jurisprudence has largely concerned legislative grants to executive and other federal officials and this is true of the most conspicuous case implicating foreign affairs. United States versus Curtiss-Wright Export Corporation, 299 U.S. 304 (1936). There the Supreme Court held that because the President has independent powers in the field of foreign affairs, the standards requirement for congressional delegations to the President are not as exacting as in domestic affairs.

Although delegations to non-federal public and private entities have been sustained by the courts, see, e.g., Currin versus Wallace, 306 U.S. 1 (1939), and delegations to mixed domestic and foreign entities have been assumed in legislation, see, e.g., Panama Canal Act of 1979, as amended, 22 U.S.C. §3601 et seq., abdication by Congress of its lawmaking authority along the lines implied by the question concerning the effect of consenting to Protocol No. 3 because of its tie in with the SCP scheme, raises unresolved issues. The propriety of a delegation along these lines is at this time problematical at best. Delegating rulemaking and administrative functions and the abdication of the power to legislate on a matter involving the public welfare are arguably different issues.

The third question essentially asks if entry into force of Protocol No. 3 and implementation of the SCP as contemplated by the most recent report of the Senate Committee on Foreign Relations on the agreement impairs the nation's right to denounce the Warsaw Convention and subsequent Protocols at some future date. Executive Report 102-1.

As a matter of international law, neither the Senate's consent nor steps taken to implement an international agreement bear on the right of termination. (Note the emphasis on international law and thus implied exclusion of the domestic consequences of imposition by the Senate of a condition on advice and consent to ratification that affects the manner in which termination will be accomplished.) That law has been succinctly summarized as follows:

(1) The termination or denunciation of an international agreement, or the withdrawal of a party from an agreement, may take place only (a) in conformity with the agreement or (b) by consent of all the parties.

(2) An agreement that does not provide for termination or denunciation or for the withdrawal of a party is not subject to such action unless the right to take such action is implied by the nature of the agreement or from other circumstances.

Rest. 3rd, Restatement of the Foreign Relations Law of the United States §332.

The agreements in question provide for termination by the parties. Attention is directed to the report of the Senate Foreign Relations Committee for an explanation of the consequences for the Warsaw Convention and subsequent Protocols of the exercise of the right to terminate Protocol No. 3. Executive Report 102-1 at 51.

The following passages are essentially excerpts from a commentary prepared by this writer that appears in Treaties And Other International Agreements: The Role Of The Senate Of The United States, S. Prt. 98-205 at 159, 160, 161. Footnote references are omitted.

Insofar as domestic law and practice are concerned two non-controversial observations may be made with respect to the termination of an international agreement: first, as the official spokesperson with other governments, the President is the person who communicates the notice of impending termination; second, the termination of an international agreement is a political act, and accordingly, the courts do not terminate international agreements. However, whether a treaty to be legally as distinguished from effectively terminated requires conjoint executive-senatorial or executive-congressional action remains a live issue which the Supreme Court in Goldwater versus Carter, 444 U.S. 996 (1979), refused to resolve.

"The procedure by which, from the viewpoint of national law and practice, treaties may be terminated involves questions to be resolved in accordance with constitutional and related procedures in each country. The United States Constitution is silent with respect to the power to terminate treaties. The matter was not discussed in the debates of the Constitutional Convention in Philadelphia." Briefly, "while the Constitution tells us who can make, it does not say who can unmake them." As a consequence of the Constitution's silence in this regard, "there has been some confusion of doctrine and a variety of practice."

The actual practice whereby treaties have been terminated demonstrates considerable variation. In some cases treaties have been terminated by the President, in accordance with their terms pursuant to action by the Congress. In other cases action was taken by the President pursuant to resolutions by the Senate alone. In still others the initiative was taken by the President, in some cases independently, and in others his action was later notified to one or both Houses of Congress and approved by both Houses or the Senate. "No settled rule or procedure has been followed."

The fourth and final specific question asks whether, in light of the second condition to advising and consenting to ratification of Protocol No. 3 recommended by the Senate Committee on Foreign Relations and nullification in some manner of the SCP, the courts would compel the President to terminate it?

The mentioned second condition which, as in the case of two other recommended conditions, takes the form of a proviso, states "that the President shall give notice of denunciation of these Protocols by the United States if, at any time after their entry into force for the United States, he determines that a satisfactory supplemental compensation plan, as periodically reviewed by the Secretary of Transportation in light of new economic or other relevant circumstances, is not in operation for the United States, or that the best interest of the U.S. airline passengers are not otherwise served by continued adherence to these Protocols by the United States."

As indicated above, the courts do not terminate treaties on the familiar ground that foreign affairs-related matters generally are committed by the Constitution to the political branches. Accordingly, the subject is generally regarded as being political and therefore non-justiciable. "* * * a court will not ordinarily inquire whether a treaty has been terminated, since on that question 'governmental action * * * must be regarded as of controlling importance * * *.'" Baker versus Carr, 369 U.S. 186, 212 (1962). If the question of the continued effectiveness of a treaty arises in some allied litigation context, for example, extradition, the courts interpret political acts or silences to determine the answer to the question. See, e.g., Charlton versus Kelly, 229 U.S. 447 (1913). In that case the foreign party to an extradition treaty had materially breached it earlier, thus giving the United States grounds for terminating the agreement. When that party later sought extradition of an accused from the United States, the treaty's status became an issue. Although the prior breach by the now requesting state justified termination of the treaty by the United States, the Court effectively found executive actions at odds with termination and concluded that the treaty remained in force. "The executive department having thus elected to waive any right to free itself from the obligation to deliver up its own citizens, it is the plain duty of this court to recognize the obligation to surrender the appellant as one imposed by the treaty as the supreme law of the land and as affording authority for the warrant of extradition." 229 U.S. at 476. "Put another way, breach by a foreign government may render a treaty voidable at the option of the United States to be exercised by the President; if he chooses not to void it, the courts will give it effect." Henkin, Foreign Affairs and the Constitution at 419, note 138.

This issue now under consideration is not whether the federal judiciary will terminate an international agreement but whether the federal judiciary will conclude that Protocol No. 3 has lost its reason for being because the SCP has become inoperative and order the President to denounce it. As noted above, the second proviso recommended by the Senate Committee on Foreign Relations seems to require the President to denounce the Protocol in these circumstances; it calls for termination when the President "determines that a satisfactory [SCP] as reviewed by the Secretary of Transportation in light of new economic or other relevant circumstances, is not in operation for the United States".

Would the federal courts order the President to terminate Protocol No. 3 in the circumstances described by your correspondence, specifically 'invalidation of the SCP by a court of law or an abandonment of the SCP by the Executive Branch at some future date?" Frankly, this question does not admit of an easy answer. As previously intimated, constitutional issues involving foreign affairs, particularly big issues of competition between President and Congress, rarely come to court because of the twin hurdles imposed by the political question doctrine (i.e., case or controversy) and the absence of a person or persons with standing to raise the issue. See, e.g., the division among the justices occasioned by the challenge by some Members of Congress to President Carter's unilateral termination of the Mutual Defense Treaty with Taiwan: Goldwater v. Carter, 444 U.S. 996 (1979). The proviso in question leaves the determination that paves the way to denunciation to the President; it is when "he determines that a satisfactory supplemental plan * * * is not in operation for the United States." Moreover, an additional ground for denunciation (and, arguably, non-denunciation) is provided, that is, "that the best interest of U.S. airline passengers are not otherwise served by continued adherence to these Protocols by the United States." Although the proviso roughly specifies the criteria for review of the SCP by the Secretary of Transportation, specifically economic and other relevant circumstances, the grounds for the President concluding that a satisfactory plan is not in operation for the United States are largely left to his discretion. The breadth of discretion is seemingly as broad with respect to the alternative ground, namely a determination by him of whether continued adherence to the Protocols by the United States is in the best interest of U.S. airline passengers.

Would compulsory process be appropriate in the context of what appears to be a nonministerial or discretionary act? "The province of the court is, solely, to decide on the rights of individuals, not to inquire how the executive, or executive officers, perform duties in which they have a discretion. Questions in their nature political, or which are, by the constitution and laws, submitted to the executive can never be made in this court." Marbury versus Madison, 1 Cr. 137, 170 (1803). See Decatur versus Pauling, 14 Pet. 497, 516 (1840); Georgia versus Stanton, 6 Wall. 50 (1867); Mississippi versus Johnson, 4 Wall. 475 (1867); Kendall versus United States ex rel Stokes, 12 Pet. 524 (1838).

Baker versus Carr, 369 U.S. at 211, generally supports the traditional view that questions touching foreign relations are political questions because "resolution of such issues frequently turn on standards that defy judicial application, or involve the exercise of a discretion demonstrably committed to the executive or legislature; * * * many such questions uniquely demand single-voiced statement of the Government's views." At the same time, the majority opinion opens the door to "judicial cognizance" with regards to the termination of a treaty, for example, depending upon the presence or absence of "conclusive * * * governmental action." As previously noted, "if there has been no conclusive 'governmental action' then a court can construe a treaty and may find it provides the answer." 369 U.S. at 212. Construction of a treaty by the courts apparently is not confined to questions relating to its continued force and effect. Recently, for example, the Court has interpreted a treaty to answer a question regarding the issuance of an Internal Revenue Service administrative summons in certain circumstances. United States versus Stuart, 489 U.S. 353 (1989). In this light it is conceivable that a court may view the question presented by Protocol No. 3 and the second proviso under consideration as involving treaty construction free and clear of "conclusive * * * governmental action" and proceed to decide whether judicial invalidation or executive abandonment of the SCP meets the alternative standards that require the former's termination. A judicial finding embraced in a declaration along these lines arguably need not be enforced by process directing the President to terminate the Protocol. As in the case of the unconstitutional exclusion of a Member of Congress by the House of Representatives and the demand for the White House tapes and other materials in aid of a criminal proceeding, the court may make its finding and leave it to its coequal branch's sense of duty to carry out the law. Powell versus McCormack, 395 U.S. 486 (1969); United States versus Nixon, 418 U.S. (1974).

On balance, for reasons previously expressed concerning the implications of the political question doctrine in these circumstances and to the latitude seemingly afforded the President by the proviso, judicial intervention appears unlikely. In litigation involving the matter it would not surprise this writer to find the court citing the instance in 1966 when United States compensation-related concerns were accommodated just before the latter's pending denunciation became effective as a possible, if not likely, potential casualty of judicial intervention. It is the possibility of consequences of judicial action along these lines that lies at the heart of the political question doctrine, both in its constitutional and prudential aspects.

The question of standing to raise the issue of presidential failure to denounce Protocol No. 3 because the SCP has become inoperative or has been abandoned by the Executive Branch is a thorny one in these circumstances. Standing or the requirements that must be satisfied by a litigant challenging executive action or inaction on constitutional grounds is a complex area of federal law and the question of the standing of Members of Congress even more so. Its emergence in a foreign affairs context only adds to the complexity.

The justices did to address the issue on appeal in Goldwater versus Carter, 444 U.S. at 996, which as previously indicated involved a claim by some Members of Congress that the President's action in terminating the treaty with Taiwan had deprived them of their constitutional role with respect to a change in the supreme law of the land. After some initial doubts the trial court and the appellate court in Goldwater seem to have agreed that Senators, at least, had standing because the Senate has a constitutional right to vote on the President's proposed treaty termination with a one-third plus one vote. 481 F. Supp. 949 (D.C. 1979); 617 F. 2d 697 (D.C. Cir. 1979). Although the nature of the Senator's and Senate injury is slightly altered in the matter being considered here—in Goldwater it concerned nullification of the right to vote as distinguished from the duty of the faithful execution of the laws because of alleged presidential disregard of the second proviso—the distinction between the two arguably is without substantial difference since here nullification has retrospective as well as prospective consequences on Senate and Congressional actions. Note, however, that in vacating the judgment of the court of appeals and directing the dismissal of the complaint in Goldwater, the Supreme Court vitiated any precedential value of the earlier rulings.

In addition to addressing the foregoing four specific concerns, you ask for a consideration of the merits of preceding with administrative implementation of Protocol No. 3 on the basis of existing statutory authority for the SCP, or adopting new SCP implementing legislation and the implications of both approaches for separation of powers.

Congress revisits and reauthorizes statutory grants of authority for a variety of reasons, including extending them for an additional time, e.g., export controls, 50 U.S.C. App. §2401 et seq., defense production allocation authority, 50 U.S.C. App. §2601 et seq., broadening the scope of federal regulation and enforcement, e.g., reducing from 25 to 15 the number of employees that subjects an employer to equal employment opportunity requirements, 42 U.S.C. §2000e(b) and note, and, occassionally, to cut back federal jurisdiction when it is deemed desirable, e.g., reversing the Supreme Court decision extending federal jurisdiction to the interstate insurance business and returning it to state regulation, United States versus South Eastern Underwriters Assn, 322 U.S. 533 (1944), and the McCarran Act, 59, Stat. 33, 15 U.S.C. §§1011–1015. Instances of Congress providing a statutory basis for some theretofore administrative practice are likewise not unknown. e.g., the bid protest activities of the General Accounting Office, Competition in Contracting Act, 31 U.S.C. §3553d)(1). However, effective reenactment of a law that is not compelled by these and similar circumstances is less frequent. Indeed, the only recent parallel that comes immediately to mind is the Reagan administration's efforts in 1982 to legislate the tax treatment to be accorded private schools which discriminate in student admissions on racial grounds, a policy which had been in effect for 12 years. The proposal occasioned considerable controversy for a variety of reasons not the least being that "[m]ost members of Congress saw no need for the bill, believing such exemptions already were prohibited by law." 1982 CONGRESSIONAL QUARTERLY ALMANAC 397, 398. The Supreme Court one year later vindicated their belief. Bob Jones Univ. versus United States, 461 U.S. 574 (1983).

Leaving aside for the moment the negative implications of such a move for legislative efficiency and economy, several advantages may be argued on its behalf in the circumstances under consideration.

1. It would give the Congress a renewed opportunity to reconsider Protocol No. 3 and the SCP as well as a whole range of matters concerning the Warsaw Convention on Aviation.

2. It would enable the Congress to tailor the statutory underpinnings of the SCP to the specific needs and requirements of passenger liability under Protocol No. 3 rather than leaving it to administrative discretion and reliance on authorities, perhaps never intended for imposition of a ticket surcharge in order to fund a mandatory insurance program which is largely uncontrolled by the Warsaw Convention regime.

3. It would allow Congress to consider the advisability of affording the Secretary of Transportation a largely unbridled opportunity to unilaterally revise the surcharge in light of new economic conditions and other relevant circumstances. In the view of some persons this authority borders on the power to tax since it gives the Secretary effective, if not technically accurate, indefinite revenue enhancing power.

4. It would permit Congress to consider the advisability of establishing a precedent supporting administrative implementation of a treaty that could come back to haunt the Senate and the Congress. As matters now stand, many persons are persuaded that after three instances of largely uncontested presidential exercises, treaty termination is largely, if not exclusively, a presidential activity notwithstanding its implications for Supremacy Clause and treatymaking doctrine. The former gives laws and treaties equal status, arguably implying that treaties like laws may only be repealed or terminated by law; the treatymaking provision of the Constitution calls for conjoint action by the President and the Senate, arguably implying the need for similar cooperation in unmaking treaties.

5. It would enable the Congress to consider the advisability of abandoning fault as the standard of liability, an arguably radical departure from the traditional basis of tort liability.

Clearly, if the Senate should decide that legislative rather than administrative implementation of the Protocol is desirable, one of the immediate results of that decision would be to convert it to a non-self executing or executory treaty. See and compare the Treaty of Friendship and Cooperation between the United States and Spain which entered into force on September 21, 1976, subject to a Senate declaration, stating: "the sums referred to in the Supplementary Agreement on Cooperation Regarding Material for the Armed Forces and notes of January 24, 1976, appended to the Treaty, shall be made available for obligation through the normal procedures of the Congress, including the process of prior authorization and annual appropriations, * * * TIAS 8360; 27 UST 3005 (Emphasis added). That conversion, in turn, would leave the fate of the Aviation Convention and its presumed beneficiaries dependent on the uncertainties of the legislative process.

The drafting of the presumed implementing legislation calls for some care in order to avoid future difficulties, namely, whether to specify the amount of the surcharge and thus, relatively speaking, freeze it, or to delegate similar authority to an administrative official and in regards to the latter making clear whether the authority is revenue raising or the exaction of a fee. See e.g., National Cable Television Assn. versus United States, 415 U.S. 336(1974) (among other things, distinguishing between a tax and a fee). Although both when properly done pass constitution a muster, Ibid; Skinner versus Mid-America Pipeline Co., 490 U.S. 212 (1989), revenue raising measures unlike laws imposing fees must originate in the House of Representatives, U.S. Constitution, Art., §7, cl. 1. See United States versus Munoz-Flores. 110 S. Ct. 1964 (1990). See, also, Swearingen versus United States, 565 F. Supp. 1019 (D.C. Colo. 1983) (A treaty which creates an exemption from the Internal Revene Code, would be in contravention of the exclusive constitutional authority of the House of Representatives to originate all bills for raising revenue.) Moreover, unlike a fee which presupposes some relationship to the cost of benefit conferred, the grant of authority to an administrator to raise revenue, as previously indicated, has to be accompanied by legislative standards in order to survive being challenged as an unlawful delegation of policy origination. Skinner versus Mid-America Pipeline C., 490 U.S at 218 *et seq.*

The implications for separation of powers of the alternative approaches to implementing Protocol No. 3 seem largely to involve matters of perspective and preference. As the authority for the SCP is arguably in place, Senate consent to the Protocol could be regarded as confirmation of a conclusion to that effect.

Separation of powers is concerned with preventing the enhancement of the power of one branch of government at the expense of another. INS versus Chadha, 462 U.S. 919, 951 (1983). As one court has observed in another but not totally unrelated context, "[t]he people of the United States, in adopting the Constitution, granted the power to "lay and collect duties" and to 'regulate commerce' to the Congress, not to the Executive. * * * Nonetheless as * * * courts and comentators have noted, Congress, beginning as early as 1794 and continuing * * * [to the present time], has delegated the exercise of much . . . power . . . to the Executive." United States versus Yoshida Intern., Inc., 526F 2d 560, 571 inconsequential shifts do not do violence to the doctrine. Morrison versus Olson, 487 U.S. 654 (1988). Moreover, what Congress gives by way of authority it can always recover so long as it observes constitutionally prescribed lawmaking procedures. INS versus Chadha, 462 U.S. at 958. Accordingly, the Congress may alter the statutory underpinnings of the SCP in light of future developments or head off the need for lawmaking by conducting effective oversight of administrative activities relating to airline passenger recovery.

At least as an abstract or principled proposition, the adoption of appropriate implementing legislation tailored to the circumstances of the particular case in most situations accords with the doctrine of separation of powers. "There is unmistakable expression [in 'the records of the Convention and debates in the States preceding ratification' of the Constitution] that legislation by the national Congress be a step-by-step, deliberate and deliberative process." INS versus Chadha, 462 U.S. at 959.

Assuming that the Department of Justice and others who have concluded that existing laws support the proposed SCP are correct, the Congress in the present circumstances seems free to choose between either approach without doing manifest violence to the separation of powers.

RAYMOND J. CELADA,
Senior Specialist in American Public Law.

EXHIBIT 2

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, August 1, 1991.
Hon. Samuel K. Skinner,
Secretary, Department of Transportation, Washington, DC

DEAR MR. SECRETARY: As you know, I wrote the American Law Division [ALD] of the Congressional Research Service on June 24, 1991, requesting options on issues relating to the proposed ratification of the Montreal Protocols and the adoption of a supplemental compensation plan [SCP].

For your information, I am enclosing a copy of the ALD response. As you have acknowledged in the past, the proposed SCP is unprecedented in nature. As the ALD opinion indicates, conditioning Senate consent to ratification on agency action instead of implementing legislation also seems unprecedented. Nonetheless, the ALD opinion suggests that the Senate is "free to choose between either approach."

I recognize certain advantages in the approach recommended by the Administration and the Senate Foreign Relations Committee, relying on the existing authority of the Department of Transportation. If necessary, Congress would still retain the power to enact statutory authorization for the SCP at any later time. However, I still am concerned about the unprecedented nature of the SCP and the implications of a choice not to rely on implementing legislation. Under the current proposal, there is a risk of an absolute limitation on recoveries being created if the Protocols are ratified and the SCP is subsequently overturned in a legal challenge. Under such circumstances, it is my understanding that the $130,000 limitation would apply absolutely until either Congress enacts remedial legislation for a SCP or the President denounces the Protocols.

I would be interested in the Administration's suggestions for mitigation of concerns or risks with regard to the SCP, as well as any clarification of potential circumstances which might warrant denunciation of the Protocols. I also recommend that our staffs consult with the Foreign Relations Committee and other interested parties to address such issues.

I appreciate your attention to my concerns with regard to the Protocols.

Best personal regards.

Sincerely,

GEORGE J. MITCHELL.

LEGISLATION TO REPEAL FEDERAL EXCISE TAX ON LUXURY BOATS

Mr. MITCHELL. Mr. President, I am today adding my name as a cosponsor to legislation introduced by Senators BREAUX and CHAFEE to repeal the luxury excise tax on boats. I do so because I do not believe the new luxury excise tax will fulfill its basic objectives. It will never raise more than a minuscule amount of revenues to fund the Federal Government and it is a negligible source of revenue from wealthy Americans. Meanwhile, it appears to be having a negative effect on the boat industry at a cost of American jobs.

The Federal excise tax on luxury boats was enacted last year as part of the deficit reduction agreement negotiated between the White House and Congress. The luxury tax was originally included in those discussions as a means of providing a fairer distribution of burdens from deficit reduction—to provide balance to a tax package full of consumption taxes that would fall heaviest on the middle class. Although that tax bill ultimately became fairer as income tax changes on the wealthy were included, the luxury excise tax provisions survived intact. We were, however, able to increase the threshold price of boats subject to the tax.

Since enactment of the boat excise tax, I have heard from scores of people in Maine and across the Nation who work in the boat industry and are opposed to the luxury tax. Many of them have either lost their jobs, had their hours cut back, or their salaries reduced. They are angry because they believe their industry has been undermined.

Boat manufacturers are now experiencing one of their worst periods ever. Sales of luxury boats are down almost two-thirds from the average over the last 4 years. Undoubtedly, these problems result from the national recession which has severely depressed sales. But sales are also being lost due to the new luxury excise tax.

At my request, the Senate Finance Committee held a hearing last month on the luxury boat excise tax. The committee heard from boat manufacturers and sellers about the condition of the industry and the impact the tax is having on their operations. The view from industry was unanimous that the luxury tax is turning away buyers and having a negative effect on boat sales.

Although economic analysis may suggest that purchasers of luxury boats are minimally influenced by price increases and therefore sales will not fall much due to the luxury tax, that is not the experience of the industry today. Every manufacturer reports buyers walking away as a result of the tax. The reason is not hard to understand. Boat buyers are willing to pay higher prices that reflect higher values in a boat but they are much less willing to pay higher prices resulting from Government excise taxes. Such taxes create no value in the boat but are simply a payment to the Government that can never be recaptured. The evidence indicates that purchasers of luxury boats are resistant to the 10-percent-luxury tax and are refusing to buy boats.

The welfare of luxury boat buyers is not our concern; rather, our concern is the well-being of the many thousands of Americans who work in the boat manufacturing and sales industry. It is their jobs we care about and wish to save with repeal of this tax.

There are thousands of Maine citizens employed in the boat industry, many of them highly skilled artisans building some of the finest boats in the world. Unfortunately, many of them have lost their jobs in recent months and others face the threat of layoff. They are particularly concerned about being unemployed in a Maine economy that is in severe recession.

Maine has a long and proud tradition building boats, from the small backyard boat builder to major companies with internationally known names in sailing. Many of them are in desperate straits today and they are pleading for repeal of the luxury boat tax. They are not looking for a handout, a tax subsidy, or Government loan. All they want is the removal of a tax on their industry.

I believe in a progressive system of taxation where the most fortunate, highest income earners pay a greater share of tax. But luxury excise taxes have almost nothing to do with that principle. Fair taxation requires fair income taxes, not consumption taxes on luxury goods like boats with a small market and few purchasers. The luxury excise tax on boats is projected to collect only about $3 million this year and about $40 million by 1993. That is a relatively small tax on wealthy Americans.

The luxury excise tax on boats should be repealed, not on behalf of those individuals fortunate enough to be able to purchase high priced boats, but on behalf of the thousands of Americans who work in the Nation's boatyards. I intend to work with Senators BREAUX, CHAFEE, and others to repeal the luxury excise tax on boats.

COSPONSORSHIP OF S. 649, A BILL TO REPEAL THE LUXURY TAX ON RECREATIONAL BOATS

Mr. COHEN. Mr. President, I am joining as a cosponsor today of S. 649, a bill to repeal the luxury tax on recreational boats.

I am deeply concerned about the condition of the boat building and related industries in my State of Maine. Since enactment of the new luxury tax, I have heard from many representatives of, and workers in, the boating industry, both in my State and across the country, on the serious toll that this new tax is taking on their industry. The pleasure boat industry has experienced declining sales over the past 2 years due to the economic recession, and this new tax is sharply exacerbating the industry's decline.

A recent report prepared by the staff of the Joint Economic Committee confirms that the luxury boat tax will result in massive job losses nationwide in boat manufacturing and related industries. This report estimates that, even using conservative estimates, over 7,600 jobs will be lost this year directly because of the 10-percent excise tax on boats. Boat builders and employers in boat related industries in my State of Maine are already feeling the devastating effects on lost boat sales, in large part due to the new excise tax. The Hinckley Company in Southwest Harbor, ME, for example, has been forced to lay off at least 10 percent of its work force. As the second largest employer in Hancock County, reductions at Hinckley have taken a great toll on this part of my State.

The case is certainly not unique: Every Maine boat builder has reported worker layoffs and significant slowdowns in production due to this tax. Customers are backing out of contracts once they realize that a tax is being applied to their boat purchases, thus affecting even those sales that were generated before the tax went into effect.

These job losses in my State are particularly difficult to bear since the workers who lose their jobs due to the slowdown often have no transferable skills, and are unable to find other jobs in the State. The demise of the boating industry will quickly have a wide, ripple effect on other parts of the Maine economy, from the State government which depends upon revenues from new and used boat sales, to the hotels, restaurants, marinas, and other Maine industries that rely on a thriving recreational boat industry for their survival.

The recent staff report of the Joint Economic Committee also provides important evidence to support a concern that boat builders, their workers, and I have shared for some time, namely, that the luxury tax will not yield the $3 million in revenues that were estimated to be gained by the tax when it was included in the Budget Reconciliation Act of 1990. In fact, this report estimates that the luxury tax on boats will actually cost the Government $18.2 million in lost income taxes, employer and employee FICA contributions, and unemployment outlays in fiscal year 1991. In other words, this tax will cost the Government over six times the amount of money that it was supposed to raise.

To me, this is convincing evidence that the luxury tax on boats is costing far more than it is worth, and should be repealed.

I would further point out that this tax is not meeting the other goal for which it was intended, that is, to impose a greater portion of the tax burden on high-income taxpayers. It is abundantly clear that this tax will not be borne solely by wealthy taxpayers. These people often have the financial means to pay the 10-percent tax, to choose to spend their money on some other item that is not taxed. Instead, the real burden of this tax falls on the hardworking men and women of the boating industry who are losing their jobs.

Mr. President, I recognize that some may misconstrue efforts to repeal this tax as simply an attempt to help rich taxpayers. Nothing could be further from the truth. I, for one, fully support proposals to make wealthy taxpayers pay more in Federal taxes. During the Senate debate on the budget reconciliation bill that contained this excise tax, for example, I supported amendments to increase the tax burden on upper-income taxpayers, and, ultimately, I did not support the final bill because I believed that the deficit reduction package, as a whole, disproportionately hurt low- and middle-income taxpayers, and did not place enough of the burden on the wealthy. A luxury tax on recreational boats, however, is not simply a tax on the wealthy, but rather threatens severe, harsh consequences on an already troubled industry.

The many comments of concern that I have received from my constituents in these industries, the recent staff report of the Joint Economic Committee, and the compelling testimony of industry representatives at hearings before the Senate Finance Committee have more than convinced me that the luxury tax on boats must be repealed. I hope that the Senate takes swift action to pass S. 649.

FALL CONSIDERATION OF APPROPRIATIONS FOR INTERNATIONAL FINANCIAL INSTITUTIONS

Mr. KASTEN. Mr. President, when Congress returns from the August recess, one of the matters that we will be considering is the foreign assistance appropriations bill. Among the specific requests that we will have to consider are appropriations for the World Bank, the Eastern European Bank, and the quota increase for the International Monetary Fund.

Specifically, we are being asked to provide $2,337,544,000 in paid in and callable capital for the World Bank, $233,400,000 in paid in and callable capital for the Eastern European Development Bank, and $12,000,000,000 for the quota increase of the IMF. The three requests total approximately $14,550,000,000 of taxpayers' funds. Last year, we provided approximately $3,240,000,000 as there was no IMF request.

Mr. President, my colleagues may be interested in reading an article which appeared in this morning's paper regarding the salaries at these institutions. According to the article, the $290,000 salary received by the President of the Eastern European Bank for Reconstruction and Development, is generating a snowballing increase of salaries, not only for the heads of these institutions, but, of course, for all of the people under them. It is interesting to note that the Eastern European Development Bank has yet to make a loan.

Mr. President, this will certainly be an issue as we consider the appropriations for these institutions, and so I ask unanimous consent that this article be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 1, 1991]

GALLIC RIVALRY SPARKS A PAY RAISE—AND A ROW—AT WORLD BANK

(By Hobart Rowen)

When Lewis T. Preston takes over as head of the World Bank in September, he will collect a salary of $290,000 a year, $65,000 more than current President Barber B. Conable.

At first impression, it might appear that Jacques Attali, who also earns $290,000 a year as president of the European Bank for Reconstruction and Development, is responsible for the 28.8 percent raise, for which Preston didn't ask and about which he actually is a bit embarrassed.

If the trail of how the raise came about is followed carefully, however, the footprints would go not to Attali's London office, but across the street to the 12th-floor office of Attali's fellow Frenchman, Michel Camdessus, head of the International Monetary Fund, who will get the same raise.

By custom and practice, the salaries of the heads of the World Bank and the IMF—currently $225,000 a year—are linked, and therein lies a tale of Gallic intrigue.

What's more, the higher salary for the top officials, if approved as expected at a World Bank board meeting today, will touch off a boost in the pay scales throughout the two organizations, and likely will bring renewed complaints from Congress that the IMF and World Bank staffs are overpaid.

The decision to increase the World Bank president's salary to $290,000 has caused a bitter row inside the bank. Almost half of the member nations, including the United States and most of the larger powers, are expected to vote against it.

The campaign for higher salaries according to sources familiar with the issue, began when Camdessus discovered that Attali's pay as head of the new European Bank for Reconstruction and Development had been set at the British pound equivalent of roughly $290,000.

Camdessus, according to sources, views Attali's job, which deals with economic development and change in Eastern Europe and the Soviet Union, as having less stature than the IMF position, and so argued that his salary should be at least as high as Attali's.

"The French executive director at the IMF appointed himself as Camdessus's agent, and it got less pleasant as things moved along," said a source.

In support of the idea of a big pay boost, according to sources, spokesmen for Camdessus also circulated a review of the compensation for the governor of the Bank of France, who receives an even bigger compensation package.

In a "normal" situation, one official said, the World Bank's board would have negotiated a new five-year contract with Preston, allowing for a cost-of-living boost over Conable's $225,000 salary.

Sources said that an increase of 16 percent would have covered inflation since the last raise three years ago and that 20 percent would have followed suit.

"But in this case, the follower played the leader," a source said. The vote in favor of "Camdessus's increase"—as one put it—is expected to carry at the World Bank primarily because its smaller developing country members always hesitate to vote against salary increases for the management, fearing that if they do, they won't fare well at the loan window.

At the World Bank and the IMF, a "cap" on salary levels throughout the organizations is maintained by designating two-thirds of the president's and managing director's pay as salary, with one-third as an allowance, for which accounting is not necessary. All of the compensation is tax-free for foreigners and tax-paid for Americans.

U.S. opposition to increasing Preston's salary to match Attali's is compromised somewhat because Attali's high salary is a product of its determination that the European Bank for Reconstruction and Development should focus on private-sector development.

The new organization believed, therefore, that it needed to establish a scale of salaries—the paycheck for the top man sets the ceiling and scale for the intermediate ranks—equivalent to those paid by private companies.

"So the EBRD, when setting Attali's pay, looked to what was being paid in Wall Street, not to the IMF, World Bank or U.N. agencies," an official said.

S. 1220—THE NATIONAL ENERGY SECURITY ACT

Mr. JOHNSTON. Mr. President, I rise today to address a subject on which controversy runs high and emotion runs deep. That subject is the Arctic National Wildlife Refuge. The issue is whether the Coastal Plain, a 1.5 million acre portion of this 19 million acre refuge, should be made available for oil and gas leasing.

Mr. President, the Coastal Plain of ANWR is seen by many as a place of great beauty. It is a place of vastness, a place where the land stretches farther than the eye can see. It provides important habitat for muskoxen, brown bears, polar bears, wolverines, and a multitude of migrating and other birds. It is a place where, in the summer months, the porcupine caribou herd roams, and rainbows arch over the Beaufort Sea.

But a national treasure is also believed to underlie the surface of the Coastal Plain. That national treasure is oil—huge quantities of oil—so much oil that if the mean estimate of recoverable oil is found, the Coastal Plain would represent the third largest oil field ever discovered in the United States, second only to Prudhoe Bay and the east Texas field. Simply put, the Coastal Plain of ANWR represents the most highly prospective onshore oil and gas region remaining in the United States.

Mr. President, the question posed, then, is should the Coastal Plain be made available for oil and gas leasing. If doing so would destroy the 19 million acre Arctic National Wildlife Refuge, as some suggest, then clearly the answer to that question would and should be "no." But that is not the issue. The Coastal Plain can and should be developed in an environmentally sound and sensitive way that does not despoil the wildlife and other environmental values of ANWR. Not only can this be done, but the provisions of S. 1220, the National Energy Security Act of 1991, ensure that it will be done.

Mr. President, the case for authorizing oil and gas leasing in ANWR is as compelling as it is straightforward.

First, oil and gas activity would be limited to only a small portion of the refuge—the 1.5 million acre Coastal Plain, an area some 30 miles wide by 100 miles long. Absolutely no oil and gas activity would take place on the rest of the 19 million acre refuge. In fact, almost half of the refuge, approximately 8 million acres, has already been included in the National Wilderness Preservation system. This includes 450,000 acres of the Coastal Plain region between the Aichilik River and the Canadian border.

In addition, the technology and the environmental sensitivity of oil field development in the Arctic have evolved steadily in the 20 years since the oil and gas facilities at Prudhoe Bay, directly west of ANWR, were designed and constructed. Given these advances, and with the environmental safeguards that have been built into S. 1220, development can take place on the Coastal Plain in an environmentally sound manner without lasting effects.

It is a serious misconception that oil leasing and development would destroy the habitat functions of the Coastal Plain. In reality, full leasing, development, and production from three oil fields, for example, would affect less than 1 percent of the area's land surface by both direct habitat alteration and by indirect effects such as road dust or local impoundments of water along a road. Ninety-nine percent of the area would remain untouched; and the area's habitat will not be altered sufficiently to affect the size, growth rate, or regional distribution of fish and wildlife populations. The area will continue to be used by caribou for calving and will continue to provide habitat for polar bears, brown bears, wolves, muskoxen, and millions of birds.

The only significant change on the Coastal Plain would be aesthetic. If oil is discovered, widely spaced roads, pipelines, drilling structures, and support facilities would be visible on the Coastal Plain. Facilities would be removed and graveled areas rehabilitated when production ceased. During the years of exploration and production, the Coastal Plain region will still support wildlife, provide recreational opportunities, and be home to the Inupiat Eskimo.

S. 1220 imposes the most strict environmental safeguards applicable to any Federal mineral leasing program. The legislation requires that any oil and gas activities be undertaken so as to result in "no significant adverse effect on fish and wildlife, their habitat, and the environment" and requires the application of the "best commercially available technology" for oil and gas exploration, development and production on all new operations, and whenever practicable, on existing operations.

The bill requires stringent regulations to protect the Coastal Plain's fish and wildlife resources, subsistence users, and the environment, including seasonal limitations on exploration, development, and related activities, use of ice roads and ice air strips, consolidation of facilities, specific regulations on disposal of wastes, reclamation requirements, air and water quality requirements, and many others. Moreover, all Federal and State environmental laws and standards will apply to oil and gas activities on the Coastal Plain.

In addition, S. 1220 requires that leasing on the Coastal Plain be undertaken in phases, with no more than 20 percent of the area—300,000 acres—leased in any one sale. Sales are spread out over several years. Three years must elapse between the first and second lease sales and a 2-year period is required between any subsequent lease sales. These timeframes were incorporated into the bill to help ensure that environmental and wildlife effects can be monitored and assessed.

S. 1220 establishes a reclamation fund of up to $50 million, financed by a fee on Coastal Plain production, to be used to reclaim the Coastal Plain, other North Slope Federal lands, and related lands, in the event that they are not otherwise properly reclaimed.

Under S. 1220, the Secretary of the Interior has discretion to exclude from leasing areas deemed to be of particular environmental sensitivity. In other areas where leasing occurs, exploration and development can take place only pursuant to exploration and development and production plans which would be subject to public notice and comment prior to any Secretarial determination of approval. Moreover, in instances where a lease has been issued and it is subsequently determined that oil and gas activity is likely to result in significant adverse effects to fish and wildlife, their habitat or the environment, the Secretary is authorized to cancel the leases.

Mr. President, the environmental safeguards incorporated into S. 1220 will accord the highest level of protection to the fish and wildlife and the environment of the Coastal Plain. The U.S. Fish and Wildlife Service has repeatedly stated that the wildlife values of ANWR can and will be protected under S. 1220.

The vegetation and wildlife inhabiting the Coastal Plain are well adapted to the extreme Arctic environment. Biological evidence does not support the popular notion that wildlife and plants in the region are fragile things, living on the edge of survival. After a decade of study, there is no evidence that oil development at Prudhoe Bay has adversely affected wildlife. The central Arctic caribou herd uses Prudhoe Bay and the surrounding area for calving. This herd has grown from 3,000 to 18,000 animals since oil development activities began at Prudhoe Bay in the early 1970's. The caribou live alongside the structures related to oil and gas activity, such as roads, pipelines, and drilling pads, with no ill effects.

While it is true that the Porcupine caribou herd uses a portion of the Coastal Plain for 6 to 8 weeks each year, it is not true that this area contains core calving areas critical to the survival of the 180,000 animals comprising the herd. In the first place, the herd calves throughout a huge expanse of territory in Canada and Alaska, including portions of the Arctic National Wildlife Refuge. In some years, probably as a result of snow conditions or the presence of predators, only a very few caribou calve in the Coastal Plain at all. In other years, there is a higher concentration of calving in certain areas of the Coastal Plain. But the best estimates available indicate that in 13 of the 19 years of record—1972–90—less than one-fifth of the herd's pregnant cows calved in these so-called core calving areas located in the upper Jago River drainage. In fact, a majority of the caribou cows are thought to have calved in these areas only once during this 19-year span. The widespread and annually variable distribution of calving suggests that no one small portion of this huge calving area is critical to maintaining the viability of the Porcupine caribou herd.

Finally, the human activity resulting from oil production would not be new to the Coastal Plain. Although human presence in the Coastal Plain region has been relatively light, there has been, and continues to be, evidence of man in the area. There has been three DEW line stations—one of which is still active—there is a Native village, Kaktovik, which has been relocated in the area three times in recent history, and there has been, and continues to be considerable subsistence activities in the area.

Mr. President, I turn now to the crucial importance to our Nation of the oil underlying the Coastal Plain. For the foreseeable future, oil will remain a critical fuel for the United States and other industrialized nations. Currently, the United States consumes 17 million barrels of oil per day. The Department of Energy projects that under current policies, this will increase to almost 23 million barrels per day in the year 2000, a rise of 33 percent. At the same time, domestic production will decline, resulting in a significant increase in foreign oil imports. DOE projects that domestic production will fall from today's level of 9.5 million barrels per day to 7.8 million barrels per day in 2010, a decrease of 18 percent.

Imports of foreign oil will more than double by the year 2010, making our Nation dependent on foreign oil for nearly two-thirds of our oil needs. This level of import dependence is dangerous for our country. Oil imports currently comprise half of our burgeoning trade deficit and are projected to quadruple by the year 2010. More significantly, as the Persian Gulf war tragically demonstrated, oil is an important strategic resource, and the struggle to control that region's vast oil reserves can disrupt the delicate balance of peace in the Middle East. We should all be mindful that prior to the Iraqi invasion of Kuwait, 25 percent of our imports came from the Persian Gulf, and 50 percent came from nations belonging to OPEC.

According to an analysis by the Department of Energy, S. 1220 would make major strides in addressing this situation. The efficiency and renewable energy provisions of the bill would help to stem the surge in our oil consumption. Rather than oil production plummeting by 18 percent between now and 2010, production would increase by 21 percent, an increase attributable in part to future production of oil on the Coastal Plain of ANWR.

Over the past 2 weeks, I have addressed the many subjects covered by S. 1220, which presents a comprehensive approach to energy policy. These range from initiatives in energy efficiency, renewable energy, and an extensive alternative fuel fleets program, to natural gas regulatory reform, corporate average fuel economy standards for motor vehicles, research and development, and many others. However, as S. 1220 reflects, I firmly believe that any credible energy policy will have to consider energy development as well as energy efficiency, renewable energy, and other initiatives.

United States oil imports are so massive, and the use of oil is so ingrained in our economy, that a substantial demand for oil will exist for the foreseeable future—certainly well into the early decades of the 21st century. This conclusion remains firm in the face of even the most optimistic assumptions about increases in energy efficiency and the substitution of alternative fuels. These policies alone will not suffice. Unless domestic oil production is encouraged and pursued throughout the necessarily long transition period during which the technologies to reduce oil use are being phased in, oil imports will continue to rise, and rise significantly.

By any measure, the Coastal Plain of ANWR represents the primary prospect for domestic onshore oil and gas exploration in the United States. The opponents of opening the Coastal Plain argue that the amount of oil at stake is not significant, that it is only a 200-day supply. However, a single field large enough to supply this country with all of the oil it consumes for 200 days represents a huge reservoir of oil. Eighty percent of all onshore oil fields discovered in the lower 48 States over the last 100 years have contained less than 1 day's supply.

The mean estimate of oil thought to be economically recoverable from the Coastal Plain of the ANWR is 3.6-billion barrels. The range of estimated economically recoverable reserves runs from 400-million barrels to over 9-billion barrels. The probability of discovering economically recoverable oil has been estimated by the Department of the Interior at 46 percent. The oil industry routinely considers probabilities of discovery in the range of 10 percent worth the payment of substantial bonuses for the right to explore for oil.

In addition to the benefits to the country provided by the oil itself, the Federal Treasury will benefit also. The Federal share of oil and gas leasing revenues would be significant and could provide a substantial new funding source for energy-related programs and projects designed to further enhance the Nation's energy security and reduce reliance on imported oil. The CBO has estimated that two lease sales in the Coastal Plain are likely to result in bonus bids to the United States approaching $1.5 billion. Should oil be discovered and produced from ANWR in significant amounts, a steady stream of royalty income will also accrue to the Federal Treasury for many years to come. S. 1220 earmarks all ANWR revenues for use in funding projects relating to energy efficiency and conservation, energy efficiency in transportation, research and development, fossil energy, including clean coal technologies, and oil and gas extraction, electricity, and renewable energy.

Mr. President, oil and gas development on the Coastal Plain is a step that must not be postponed any longer. Under the best case, it will take at least 10 years before commercial production could begin. By the year 2009, production from Prudhoe Bay, which currently accounts for nearly 25 percent of our domestic oil production, is projected to decline to approximately 300,000 barrels per day, the minimum level needed to operate the trans-Alaska pipeline system [TAPS]. If we continue to delay exploring for oil on the Coastal Plain and developing what we find there, the TAPS could be forced to shut down, and we will have lost our ability to transport Alaskan oil to waiting consumers.

When Congress enacted the Alaska National Interest Lands Conservation Act in 1980, we declined to designate this portion of ANWR as wilderness and specifically reserved for ourselves the decision on whether that area should be made available for oil and gas leasing. We directed the Secretary of the Interior to study the area and to make recommendations on whether to allow oil and gas development. In 1987, the Secretary recommended that oil and gas development be allowed to take place. Since that report was issued, the Energy and Natural Resources Committee has conducted 11 hearings, built a thorough written record on this issue, and voted on three separate occasions to proceed with oil and gas leasing. President Bush has also recommended that this area be made available for oil and gas leasing.

It is now time for us to exercise our responsibilities and make a decision with respect to oil and gas development on the Coastal Plain. The experts have undertaken extensive scientific study. They assure us that leasing and development can occur in an environmentally sound manner. Under S. 1220, the caribou, bears, muskoxen, wolverines, and birds can and will be protected. Our Nation can have the benefit of the oil from ANWR and still preserve the beauty and the vastness of the refuge.

"PASSING THE TORCH" AT THE WESTERLY SUN

Mr. PELL. Mr. President, I rise to share with my colleagues news of an excellent family newspaper tradition that—I am happy to say—will continue to yet another generation at the Westerly Sun in Westerly, RI.

Earlier this week, Charles W. Utter, 73, and his brother, George H. Utter, 69, announced their retirement as copublishers of the daily newspaper and the succession of their sons to top management positions.

Both brothers, who have been copublisher since 1976, passed along the newspaper to Nicholas and Robert Utter—the latest generation of leadership in a line that goes back to when the Utter family first began publishing the Sun almost a century ago.

George's son, Robert Utter, 37, announced the transition by telling the newspaper's employees: "Welcome to the beginning of a new era, a new generation in the life of the Utter Company and the Westerly Sun."

The newspaper quoted Robert as saying he and Nicholas will be "business partners," and that they decided between them to drop the copublishing approach and split the responsibilities "as fairly and cleanly as possible."

Besides serving as editor, Robert will be president of the Utter Co. Nicholas will be publisher of the Westerly Sun and vice president, secretary, and treasurer of the company.

I want to take this opportunity to wish the Utters, both Charles and George, well and I know that I am expressing the views of many Rhode Islanders when I add my thanks for a job well done.

I also want to congratulate their successors, Robert and Nicholas, and to wish them all the best. I am sure they will continue the long and excellent newspaper tradition of their family—to the benefit of their readers and the community.

Mr. President, I ask unanimous consent that two articles about the Westerly Sun be printed in the CONGRESSIONAL RECORD.

"The Sun Co-publishers announce retirement," the Westerly Sun, July 31, 1991.

"New generation of Utters takes over Westerly Sun," the Providence Journal, August 1, 1991.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE SUN CO-PUBLISHERS ANNOUNCE RETIREMENT

(By Deborah Fitts)

WESTERLY.—The nearly-century-old Westerly Sun changed hands this morning, but it was all in the family: co-publishers Charles and George Utter stepped down in favor of their sons Nicholas and Robert Utter, who will serve as publisher and editor respectively.

In an unusual company-wide meeting called at 8 a.m., Robert Utter, 37, told a crowd of employees gathered in The Sun's mailing room, "Welcome to the beginning of a new era, a new generation in the life of The Utter Company and The Westerly Sun."

He and his cousin Nicholas represent the fourth generation of leadership since the Utter family first began publishing The Sun 98 years ago in the same building on Main Street where it is printed today.

The 10-minute meeting was marked by a brief, tearful farewell from Charles Utter, 73.

Under his father, George B. Utter II, Charles came to the paper as summer help 58 years ago. He started full-time upon his return from World War II, and became editor and business manager upon his father's death in 1955.

He became co-publisher in 1967.

"Forty-five years is a long time," Charles Utter said, voice breaking. "I've enjoyed every minute of it."

He wished his son Nicholas and nephew Robert "the best of luck." Then in his trademark brusque fashion he concluded, "Don't read my lips; read my column in tonight's paper."

George, who began as a reporter with The Sun in 1948, set a lighter tone by recalling family members going back to his great-grandfather in 1892 who literally died in the traces.

"It's a pleasure to be able to be alive and be thrown out," he said.

He cited as the biggest change during his decades the switch to offset printing, in 1971, and added, "If my father came back here he wouldn't know his way around."

George, 69, became business manager in 1957. He joined his brother as co-publisher in 1976. He is also stepping down as president of The Utter Company, parent organization of The Westerly Sun and the Sun Graphics commercial printing division.

Both men received rounds of applause from the 40-plus employees present.

In an interview afterwards, Robert said the most significant change under himself and

Nicholas will be the formation of a five-member board of directors, to include the two of them and three from outside the company.

It will be the first time that a leadership role will be in other than family hands, Robert said.

While the board, which will meet quarterly, will be advisory in nature, it will "help make those major decisions" regarding the company's product, marketing, and investment, he said.

"It really has to do with the traditional understanding that outsiders bring new ideas—so we won't be so isolated," Robert said.

The three outsiders will be chosen by Robert and Nicholas, "but we're not choosing directors who will say yes to us; they will serve the community."

The Utter Company stock will remain family-held. Charles, George, Robert and Nicholas hold voting shares, while Robert's two sisters and Nicholas's two brothers hold nonvoting shares.

All voting shares will be placed in a "voting trust" controlled solely by Robert and Nicholas as trustees, Robert said.

Efforts to effect the transition have actually been under way for eight years, according to Robert. The trail was rough at times, as changes in tax laws upset their plans and family members clashed on occasion over control of the company.

But Robert said in the end the transition was "amicable," if a sad time for the two retirees.

"After 40-plus years of control they agreed it was time for the next generation to take over," he said. "But for the guys who have devoted their lives to The Utter Company it was a very difficult and emotional decision."

While Robert and Nicholas will be "business partners," Robert said, they decided between them to drop the copublishing approach and split the responsibilites "as fairly and cleanly as possible."

Besides serving as editor, Robert will be president of the company. Nicholas will be publisher of The Sun and vice president, secretary and treasurer of the company.

Robert began at The Sun as a general-assignment reporter in 1980. He moved into management in 1984.

The paper changed dramatically in 1989 when Robert created an editorial board made up of himself, Nicholas and City Editor Donald Lewis. The editorials on Page 4 have radically changed The Sun's longtime image as a conservative, Republican paper.

"I think the readers would describe it as a liberal point of view, but I would describe it as a humanist point of view," Robert said.

He added, "We're very conservative on some issues—fiscal and labor—but liberal on social and human issues. We defy the labels."

As for party leanings, he said, "We're no longer a partisan newspaper."

Nicholas, 43, started with the company in 1974, working with Sun Graphics. He became general manager of Sun Graphics in 1977 and has also assumed management responsibilities with the newspaper in recent years.

Robert said he will look for "a rededication" on the part of the staff to serving the community, which he said has always been the paper's strength. "We will be going to the readers and finding out more clearly what they want,'" he said. "The readers always want to feel the paper is theirs."

Nicholas said he plans to establish a readership committee to get more feedback from the community. And he wants to improve communications with advertisers, to "find out from them what we can do to help them sell their products."

Boosting advertising will be a key goal, Nicholas said. Typical of New England dailies in the recession economy. The Sun's advertising lineage—the main source of income—is down 20 percent from last year.

Measures to cut costs have resulted in a decline of staff from an all-ime high of 100 two years ago to 83, as a result of attrition and early retirement. Utter family members took a 10 percent salary cut last year, and employees have gone two-and-a-half years without a pay hike.

However bonuses will be awarded in August as the company moves to share a recent "small profit" with the staff, Robert said.

Circulation, at around 13,000, was virtually unaffectd by a hike in the newsstand price from 35 cents to 50 cents one year ago. The change succeeded in its goal of stimulating subscription sales, Robert said.

In retirement, Charles Utter said he is tentatively planning a trip to visit his son, an Army colonel stationed in El Salvador, this fall. His dream is to travel down the Amazon River.

George Utter said he will pursue his interest in history by organizing the company's files in a new office over the Blue Mitten, a building the company owns next door to its main office. He is also working on a reprint of a company publication on the '38 Hurricane.

The family entered the newspaper business in Westerly in 1857, with the purchase of the failing "Literary Echo." The Utters launched the "Narragansett Weekly" in 1858, and The Sun in August 1893.

Robert and Nicholas represent the sixth generation of Utters in the printing business, and the fifth involved in newspapers.

The mansard-roofed brick building at 56 Main St., built by John Herbert and George Benjamin Utter in 1876, is thought by the family to be the oldest building in continuous use for a newspaper in the country, and is on the National Register of Historic Places.

NEW GENERATION OF UTTERS TAKES OVER WESTERLY SUN

(By Gerald M. Carbone)

WESTERLY.—The Westerly Sun, a family-owned newspaper that has served the town for 97 years, saw rare changes in its upper-level management yesterday when co-publishers Charles W. Utter, 73, and his brother George H. Utter, 69, announced their retirements.

The Utter brothers, co-publishers since 1976, appointed their sons to key management positions before stepping aside. The two sons, Robert, 37, and Nicholas, 43, will become the fifth generation of Utters to run the newspaper since it was founded in 1893.

Robert Utter, George's son, was named president of the Utter Co. and editor of the newspaper. Nicholas, who is Charles Utter's son, was named publisher of the newspaper and vice president, secretary and treasurer of the company.

The Sun, which has a daily circulation of 13,000, is still published in the Main Street building where it was founded 97 years ago. The newspaper publishes every day but Saturday because George B. Utter, the family partriarch, was a devout Seventh Day Baptist, a Christian faith that observes the sabbath on Saturday.

The family's decision to publish its weekend edition on Sunday scored the Sun a nationwide scoop on Dec. 7, 1941, when the Japanese bombed Pearl Harbor. News of the bombing broke late Sunday morning, long after the presses had stopped rolling at the big metropolitan Sunday newspapers.

Robert said he considers a newspaper as a "trust" that is held by its readers. He said that he and Nicholas will form a five-member board of directors that will include the two of them and three people from outside the family.

The Sun has seen a 20 percent drop in its advertising lineage in the past year, a slump that Robert attributes to the region's deep recession. "We've learned we can survive anything that happens," he said. "If the economy continues to shrink, we'll continue to shrink, but not to the point where we vanish."

Robert, who joined the Sun as a reporter in 1980, made sweeping changes to the Sun's editorial page when the paper formed an editorial board in 1989. For years the Sun's editorials, written by Charles Utter, were consistently conservative.

Robert and his uncle are "politically diametrically opposed," Robert said, "so it was really quite a shock to the community" when Robert began writing liberal editorials two years ago.

Robert said that further changes in the newspaper will be gradual as he and his brother take over the helm. But like his father and uncle before him, he vowed to keep the newspaper in the family's hands, and to resist efforts to sell it to large newspaper chains.

"The family is very traditional that way, and (selling) was never in our minds," Robert said.

DAVID PRYOR'S WORDS FROM THE HEART

Mr. HOLLINGS. Mr. President, our esteemed colleague, Senator DAVID PRYOR, was recently asked by Arkansas Time magazine to recount his experiences during and since his heart attack last April. The resulting article is a remarkable piece of writing. It would be compelling reading even if the author had been a stranger. But the fact that the article was written by a beloved friend and colleague makes it even more striking and even startling to read.

If DAVID PRYOR'S heart attack was a wake-up call for him, his memoir serves as a wake-up call for each and every one of us. Most obviously, DAVID hits us right between the eyes with the message that our lives and health are fragile, precious things. He also writes with great eloquence about the importance of family and friends—the importance of "gathering them around you," savoring their qualities and companionship.

Mr. President, Senator PRYOR concludes his article by quoting from the letter he sent to each one of us in the Senate a short time back. He concluded his letter with the words: "Only when life is nearly taken away do we realize how fragile it is and come to know the value of our friends. Thank you for caring. Sincerely, DAVID PRYOR."

I would simply respond that, regrettably, it was only when our whirlwind lives were jolted by the news of DAVID

PRYOR'S sudden illness—it was then that each of us stopped to think how precious DAVID'S friendship is to us. It was then that we stopped to consider and marvel at the very special qualities and character that this man brings to the Senate.

Mr. President, I ask unanimous consent that Senator PRYOR'S article in the August 1991 Arkansas Times be printed in the RECORD.

There being no objection, the article was orderd to be printed in the RECORD, as follows:

HEART ATTACK!

A SURVIVOR'S STORY

(By U.S. Senator David Pryor)

I will always remember that Monday night—not as the night I almost died, but the night that, for some reason, my life was spared. Unlike many others, I was given another chance.

Heart attacks were for someone else to have, not me. I had a total disinterest in the subject; I didn't have time for a heart attack. Besides, after each physical, I skipped out of the doctor's office as the man who kept defying his age and lifestyle—great blood pressure, a swimmer's heart rate, and strong lungs.

Yes, all of this in spite of greasy cheesburgers, French fries, 17 tons of salt, and many more than that "occasional smoke." Add in the 56 years multiplied by tension, stress, airplanes, and schedules, and even a dolt should have known that David Pryor was a prime candidate for the mother of all heart attacks.

I would sit in the Senate dining room in amused silence as my colleagues compared their cholesterol numbers. I didn't even know mine, or was I curious. Heart attacks were for others, not me.

It was Monday, April 15—a light day at the office. The Senate was not in session, none of my committees was meeting. It was a good day to catch up, clean off my desk, make sure everything was mailed to the IRS, meet with the staff, and be briefed for the Tuesday schedule. The Arkansas Homebuilders Association would be in town. The Harrison ninth-grade class was scheduled to be on the Capitol steps for a photograph. Dr. George Haas from Little Rock was coming up to discuss optometry issues. The Finance Committee would meet at 10. The weekly luncheon with members of the Senate Democratic Conference was on the schedule. Tomorrow would be busy and long.

I was home by 7 p.m., put on comfortable clothes, and watched the news. By 8 o'clock, I was walking up Connecticut Avenue headed to a favorite neighborhood eatery.

I wolfed down a big plate of spaghetti and meatballs, skimmed a folder on the Finance Committee hearings for Tuesday, read the current issue of Golf Digest, and was home in bed by 10:30. Barbara was in Thailand with a group of Senate wives and my house was a tomb of silence. I downed my cherry-flavored Rolaids, turned off the TV, and went to sleep wondering how Dick Darman, the president's budget director, would answer my questions about the exploding cost of prescription drugs.

Little did I know that within three hours, my life would change.

The next time I saw the sun, its rays seeped through the small window into my room in the cardiac unit of George Washington University Hospital.

I found myself in a strange place, surrounded by people in white coats I had never seen before—my forearms were blueblack, bruised from needles and trauma. My veins were punctured and ravaged. Above my bed to the right was a stand holding a bag of glucose dripping into my vein. To my left, a heart monitor was being hooked up to electrodes stuck to my chest.

A woman doctor sat on my bed, saying nothing, squinting across my body to the screen that showed the image of my heart via ultra-sound. In the corner were nameless people speaking in hushed tones about "prepping" me for tests downstairs. An orderly was clasping a plastic ID band on my left wrist. Equipment, wires, cords, monitors, graphs, and electronic technology consumed the small room.

Had I been run over during the night? Had I jumped from the Washington Monument? It had been a hard, hard night of pain and fear.

I kept thinking that the phrase "rode hard and put up wet" described me at the moment. A barely audible knock on my door. The face of an ancient little lady, a hospital volunteer, appeared and asked, "World you like your TV hooked up? It's only $3.75 a day."

It's a little eerie what goes through the human mind at these times. I kept remembering our family pew at the old Presbyterian Church in Camden. I was 14 and Jac Ruffin was our minister. He had been educated in Scotland and spoke with an elegant brogue, flawless diction and elocution:

"This is the age of the half-read page/The mad dash, the quick hash/The short hop and the brief stop/Until the spring snaps and the fun's done."

I didn't even have a comb, much less a toothbrush. Could someone get me some coffee? Well, OK, what about a glass of water? What happens when I need to go to the bathroom? Had they reached Barbara yet? How is she ever going to get from Thailand to Washington? What about my middle son, Mark—did someone call him? Oh, Lord, in a few minutes, those 60 Harrison ninth-graders will be on the Capitol steps. Did I lock the house last night? Where are my shoes? Did I bring a billfold? Oh, please, God, I pray I have insurance for all this.

It was morning and I had made it. What a night it had been.

"Good morning, Senator Pryor. I'm Dr. Varghese of the cardiac department. Let me introduce my colleagues, Drs. Herzog and Reimer. We will be your team during your stay at George Washington. You've had a heart attack. Could you sign this form? We need to take you downstairs to the Cath Lab. We will insert a catheter in your groin, push it up, and take a better look at your heart. You will be conscious during the whole procedure."

The room downstairs for the catheter procedures was vast. I remember its being very cold and during the procedure asking for extra blankets. Two nurses, two doctors, and me. All of us were glued to a huge TV-type screen watching the small wire-like apparatus move into the heart zone. It was hard to imagine this was my heart and my body being invaded by the catheter.

In almost an unknown tongue, the doctors interpreted to each other what they were seeing. It was like watching CNN back in January to see the previous day's battle damage assessments in the Persian Gulf.

Within an hour, I was being rolled back upstairs. The small waiting room was now filled to capacity. Staff. Old friends.

Waiting in my room were Dale Bumpers and Mary Hope Davis, his administrative assistant. Dale canceled his entire schedule for the day and never left the hospital. He stayed with me. He was a great source of strength for all of us, but especially for me. At one time, I had to demand that he leave my room, as he kept telling a litany of absurd stories and it hurt to laugh. The one that finally got me was about a poor fellow with no ears trying to get a job. I can't remember the punch line.

The flowers started coming. Telegrams. Did we want a phone hooked up in the room? President Bush called while I was in the Cath Lab. He'll call back in an hour when he finishes a speech. Where do we put all these baskets of fruit? "CNN just carried a big story about your attack," said a nurse passing by.

It was all unreal. It was a dream. This wasn't me. Beryl and Sheila Anthony. Ray and Betty Thornton. Bill Alexander—they all came and left, but I know they were there. John Paul Hammerschmidt called twice. I knew they cared. Dr. Halverson, the Senate chaplain, came to my bedside that day and every day I was hospitalized.

Somebody in my office told me one day about a Sense of the Senate resolution sponsored by Dale Bumpers the night before. It stated that the Senate hoped David Pryor would get well and make an early return to the floor. My staffer joked that it had only passed by a 51-to-49 vote.

One morning as I woke up a Senate colleague was sitting only inches from my face. When he saw that I was awake he lit up and said, "For years now, my daughter has begged me to take her fishing. I've always put her off. I don't know the first thing about fishing. But when I heard what had happened to you, I called her up and said, 'Let's go—today.' "

My mind tried to reconstruct the night before. I had jolted upward in bed and looked at the clock—1:45 a.m. I was lying in a pool of perspiration, soaked from head to toe. My upper chest did not feel sharp pain, but something better described as massive discomfort. Could it be indigestion? Did I really eat a live porcupine?

Within minutes of lying in that totally dark room trying to decide the next move, the intensity of pain increased. I've got to stand up. I'm getting light-headed. I grabbed a pair of red warm-ups from the chair. I fumbled for a golf shirt and started downstairs.

As I reached the bottom step, I knew. Rolaids and fresh air wouldn't help. I knew I was having a heart attack. Me, of all people. Alone. By myself.

Walking into the den, I reached for the phone and punched "9-1-1," remembering the recent horror stories in The Washington Post about ambulances arriving too late with crews not knowing what to do.

"My name is David Pryor. I live at 1615 19th Street. I'm having a heart attack and I need help. Please hurry."

I walked out the front door to wait. I sat down on the curb between two cars. What happens if the ambulance driver doesn't see me and drives right by the house? My chest tightened. My rib cage became a vise. I was losing consciousness. I stood up and spotted a white '72 or '73 Ford—one of those that had a long, wide hood. This one looked like a white aircraft carrier in the dead of night. I climbed up on that hood and laid down. I remember it was wet and the cool dew of the April night felt good to a body being wracked with pain.

I don't remember that an ambulance and a firetruck came, but I do remember being helped onto a stretcher. Inside, the ambulance had very bright lights; its siren sounded as if it were far off in the distance as we raced against time to the hospital.

My face was immediately covered with an oxygen mask and the woman attendant inside asked me, "From one to 10, how much pain are you having?"

I held up 10 fingers.

I have no recollection of arriving at the emergency room, but I have a most vivid memory of eventually looking up into a dozen unknown faces who had assumed total control of my body and being. They were all too young.

"Breathe-breathe-breathe," chanted the ER team.

"Give him more oxygen."

"Are you allergic to any drugs? What about morphine?"

"Are you really a senator? What state are you from?"

"How do we reach your wife—what about your staff?"

In the background, someone said, "We've got to find the next of kin."

"You've had a heart attack, Senator. We're trying to get you stabilized."

People everywhere. Chaos. For over two hours I was in and out of a subliminal state.

"Am I going to make it?"

"You're doing better. You're doing better."

"Senator, President Reagan was on this same bed 10 years ago. Mr. Brady was right next to him beyond that curtain," said a young doctor who probably was in high school when Ronald Reagan was shot.

At one point, I had a strange sensation I'll never forget. I felt like an automobile tire being blown up to the point of bursting. I knew I was going to explode. Am I dying? Or have I died? Is this what death is all about? Don't I have some say in all of this? Things were moving too fast for me to follow. I couldn't comprehend it.

The clock on the emergency room wall now said 4:30. For nearly three hours I had been flat on my back—jabbed, hit, shocked, monitored, and gouged. In the outer room, I could now see Don Harrell and Leslie Chalmers from the staff, Bob Bean from the staff of the Senate Sergeant at Arms, and my sons David Jr. and Scott had just come in.

Things were going better—I could sense it. I was going to be all right.

An hour later, the ER doctor said, "We're getting ready to move you upstairs to the cardiac unit. Do what they tell you."

Soon, as I was being rolled past my sons and staff, I looked at Don Harrell and said, "Don, I've had a heart attack. Let's don't tell anyone. Keep it off the record." Fortunately, he had the good sense to ignore that request.

Six nights after my attack, I had done well in recovery and progress was promising. Barbara had returned on Wednesday and now our three sons were together with us. Never had we all been closer. Nor could two parents ever be more proud of their children than we were of David, Mark, and Scott. We found ourselves in that crucial passage in life when, for the first time, the children begin to assume responsibility for their parents. Jim Lehrer, co-anchor of PBS' "MacNeil-Lehrer Report" and a longtime friend, had not missed a day visiting me in the hospital. Eight years ago, he had had his heart attack. An overflow of friends and flowers. Mail came in sacks from wonderful and caring people. I was a blessed man.

While doctors were pleased with my progress, they had been considering whether to perform a routine procedure to remove some remaining blockage. Even though such procedures are routine, doctors would rather not perform them unless they are necessary. Very late on Sunday night, my heart decided the matter for us. I awoke with a severe pain in my lower intestine. Its intensity alarmed me and had me ringing for the nurse. When she came into the room, she sensed I was in trouble. For an hour, a doctor and nurse studied blood and monitors. After medication and sleep, the early morning hours brought in my "A Team" of doctors who had studied the charts of the night before.

"Senator, again, we're going to take you down to the Cath Lab in two hours. Again, we're going into your groin with a catheter and go up to your heart. The process is an angioplasty, better known as 'the balloon.' You will be awake during the procedure, which takes a little over an hour."

Dr. Alan Ross headed up the team. Only a week later, he would be one of three cardiologists to see and consult President Bush after his cardiac episode at Camp David.

Again, I lay in the lab and watched a catheter move from by groin into my heart. After some 45 minutes, Dr. Ross said, "Watch the screen closely. Keep your eye on the end of the catheter. We're about to insert it in this closed artery, blow up the balloon and open it up."

Science fiction. Dr. Strangelove. It worked; Ross and team loved it and gave a big cheer. It was like sinking the 60-foot putt to win the Masters.

Within an hour, Alan Ross was in my room with before-and-after photos. It was the great unclogging. Yes, there was still some blockage, but that little magic pump was working just fine again.

The following Friday, I got to go home. Leaving George Washington Hospital was emotional, since the cementing of bonds had brought me close to a hundred people who had touched my life. Most were lined up there when my wheelchair was pushed into the elevator. I was told early on that heart attack victims can get emotional during their recovery period. I learned that I was no exception.

Our small house on 19th Street was almost floor-to-ceiling in flowers, food, books, and mail. For the first time in almost two weeks, I was unhooked from heart monitors and seemed to be free-floating on my own. No longer could I look up and see the activity of my heart on the screen. I felt vulnerable to everything around me. It was an awesome and frightening experience.

For 10 days, I had a routine of reading mail and newspapers and talking on the telephone. Senators and friends would come by during the mornings. My longtime friend Nick Kotz brought me a beautiful pair of Nikes. Jim Lehrer continued to come each day. He would do his newscast and come later in the evenings. We knew, because he had been there before, that nights were hardest for those who had survived heart attacks. For weeks after leaving the hospital, I had a certain dread of the nights to come—and I always welcomed the sounds and feelings of early mornings. Jim became my rock. At any time or circumstance, he knew where I was coming from.

Hearts can play tricks on us. After 10 days of being at home, I chose Dr. Oscar Mann to become the "captain" of my Washington medical team. An internist and cardiologist, he practiced at Georgetown University Hospital. He has a superior reputation. He also is a warm and caring person.

Barbara and I were to meet Dr. Mann in his office at 11 a.m. Monday. It was to be my first trip out of the house and I was excited. Ten minutes into our initial visit with Dr. Mann, I started experiencing mild chest pain.

"How do you feel, as we now speak at this moment? What's going on?"

"I'm having pain, not nearly so severe, but very reminiscent of my heart attack."

With no hesitation, he picked up his phone and told his secretary to advise Georgetown University Hospital that they were about to have a new patient—a David Pryor from Arkansas. Barbara sped me to the hospital in minutes.

Again, monitors, blood, urine, questions, EKG—the whole works. That afternoon was my most despondent period during the weeks since my attack. I started believing there was something I was not being told. Was it going to be this way for the rest of my life? Was I ever going to be able to breathe freely? Was I to be a constant prisoner chained to a heart monitor?

I had not, according to a battery of tests, enzyme counts, and assurances, had another heart attack—only a spasm. My progress has been steady and sure ever since.

I can now be found at the grocery store reading labels and checking products for fat content. The hospital nutritionist assured me, during our first counseling sessions, that I would not have to give up steak entirely. I had just explained that I could do without smoking cigarettes; I could make it fine with no cream or other high-fat foods. But not steak. I would have to eat a steak now and then. "Sure," she said. "That's no problem."

"How often can I have it, then?" I asked.

"Oh, probably two times a year."

Well, so much for steak.

I'm religious (but not fanatical) about early-morning walks and pray I'll never smoke another cigarette. Before my attack, I knew they were bad for your lungs, but didn't know how deadly they were for the heart. Today, I know.

There's a wonderful community of heart patients out there. I'm now a member of their club. I can talk the language. It does us good to talk to one another and compare notes. Not only is it a catharsis, but an education. Each day, I learn something new about my heart from others in "the club."

Almost daily, some perfect stranger comes up and says, "Senator, I had a triple two years ago—never felt better."

Some 3,000 to 4,000 people sent me cards and letters. I read each one. A fifth grader from Conway wrote. "Senator, we heard you had died and we're glad it wasn't true. Welcome back."

A wonderful 83-year-old woman from Arkadephia not only wrote me, but had her niece take a picture of her holding a "Pryor" fan, one of the hand-held fans we gave out during campaigns. She thought it might cheer me up. In late May, I was saddened to see her obituary and that she had died of cancer.

There is a basic unvarnished goodness about the people of Arkansas. There is an unpretentious caring and generosity that comes out when one of us needs courage or compassion. Once again, as they have during my 30 years of public life, our people gave me hope and strength.

Well, so much for having a heart attack. Now, it's restructuring time. I refuse to become a professional heart attack victim. I hope that I'll not be known as "David Pryor, who suffered a heart attack in 1991 . . ." Surely there must be something better for which to be remembered.

On June 11, I wrote my colleagues in the Senate. Let me share a few lines of my letter:

"I hope none of you will accuse me of 'preaching' when I close this update by simply saying this to those I care for deeply. Be very careful. Care for yourself. Each of you is a very special human being. Pause every now and then. Take a deep breath. No one but you can decide what is really important.

"Reach out and touch your family. Gather them around you. Find strength in your real friends who care. Take some time for yourself, by yourself. Only when life is nearly taken away do we realize how fragile it is and come to know the value of our friends. Thank you for caring. Sincerely, David Pryor."

THE NOMINATION OF CAROL IANONNE

Mr. MOYNIHAN. Mr. President, on Friday of the week before last, I spoke here on the floor about the rejection by the Senate Labor and Human Resources Committee of the nomination of Carol Ianonne to the Advisory Council for the National Endowment for the Humanities. There were simple enough reasons for having done this. I recall the early days of the Council when Douglass Cater looked after it in the Johnson White House. I know what pleasure it gave them to have begun this fine enterprise. And I know of the great expectations of the early Council members, notably Paul Horgan, that most luminous, incandescent scholar and writer. I have since followed the Council's fortunes, not always the happiest, but cumulative and on balance honorable and hopeful.

Then came this recent affair, which was at very least discordant. Language was used that I do not recognize as the language of scholarly disputation; not surely of those gathered under the broad and welcoming tent of the humanities. I was, of course, hearing the language of contemporary politics. Of which, I suppose, I am on familiar if not always friendly terms. I also heard—and here I ask the understanding of the Senate, for there are few of us who are not at times oversensitive, even prideful, on behalf of our States—I also heard the language of disapproval of New York. Very possibly, very likely, I got it wrong. But it would be disingenuous not to admit to having sensed it. Here was a New York author, and adjunct professor at New York University, being denounced for views that may be uncommon is much of the country but are in easy circulation—along with so many others—in my city, which has ever been known for disputation of this order. Further, much was made of the author's association with that quintessential New York Journal, Commentary, a publication of the American Jewish Committee.

And so I went to the floor on July 19 and spoke my piece, thinking to merely set forth some of the cultural modes involved here. I surely meant to be good-natured.

I spoke to an empty Chamber, as is likely to be the case of a Friday morning, and did not expect any great notice to be taken. To say again, I was speaking in the RECORD for the record. The following Thursday, July 25, however, the Wall Street Journal had a short comment on my remarks in that portion of their editorial page which they call "Asides." They did not fail in their duty to sow discord among Democrats. They suggested that my remarks were a veiled criticism of my good friend, the senior Senator from Massachusetts, and noted, quite accurately in this case, that I had spoken of the intellectual difficulties that seem to plague our party just now. In all, the Journal quoted 68 words of my floor statement, which had been somewhere in the range of 2,000 words.

Even so, I was taken back by the tone of a letter which was "faxed" to me later the same day by Stanley N. Katz, president of the American Council of Learned Societies. I ask unanimous consent that it appear at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 25, 1991.

Hon. DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MOYNIHAN: I had heard indirectly that you were supporting the nomination of Dr. Carol Iannone to the NEH Council, but until I read this morning's Wall Street Journal, I had no idea that you were accusing Iannone's opponents of religious, class and ethnic prejudice.

I am outraged by your statement. Perhaps the nine Senators who voted against her hate Italians, Catholics and working class people (women, too?), but I doubt it.

The organization of which I am President opposed Iannone's nomination in a letter to Senator Kennedy's committee. We are concerned with the steady decline in the overall quality of the NEH Council, given the fact that NEH is increasingly the dominant funder in the humanities in this country.

Something like 300,000 post-doctoral scholars belong to the 51 organizations we represent, and you have attacked the integrity of each and every one of them. You have certainly insulted me personally, as a public opponent of the nomination. ACLS is the largest humanities organization in the world, and it resides in New York State—might it not have been a good idea for someone on your staff to inquire into our reasons for opposing Iannone? Or don't you care what we think? Or why we think it? I am simply appalled that a fellow Democrat, intellectual and academic should resort to such scandalous and irresponsible imputation of bad motives. What should I make of your own?

There are two problems of political correctness in this country, and you have now publicly endorsed the version of PC espoused by Dr. Cheney, President Bush, and the Olin and Heritage Foundations. How good for the Democratic Party is that, Senator? Much more important, how does that aid the free exchange of ideas in a democratic society?

I have never written an angry letter to a public official before, but I have never felt so betrayed by someone I admired.

Yours sadly,

STANLEY N. KATZ.

Mr. MOYNIHAN. Apart from the fact that I was not accusing anybody of anything, there are two problems with this letter which lead me to feel that it is not enough simply to ignore it, or to set it aside with a soft answer.

The first problem is that Dr. Katz chose to write a letter of such fierce conviction on the basis of three brief excerpts from a statement made on the Senate floor without having read the statement itself. There would have been no great problem obtaining the full text. The CONGRESSIONAL RECORD reaches New York. In the event the mails had proved deficient, I would happily have had a copy sent over from my New York office. I would even have faxed a copy!

Just what is going on here? Surely a first principle of scholarly work is to obtain all the available facts. In the humanities this is elementally a matter of getting "the text." By contrast, nothing so afflicts the politics of our time as the 30-second quote taken out of context, and such like. Has the disorder spread? Evidently.

But next, what is this business of my having attacked "Something like 300,000 postdoctoral scholars belong[ing] to 51 organizations." "[E]ach and every one of them?" This gets close to Newspeak. Evidently, I have offended The People, "each and every one" of whom will now rise—altogether, now—in righteous wrath. There is a whiff of the totalitarian mode in all this. I recall a passage of Hannah Arendt in which she writes of the tactic of the totalitarian elites in Europe in the 1920's and 1930's of turning every statement of fact into a question of motive. I don't care for it.

In any event, I certainly do not like hearing from Dr. Katz that he speaks for me. The current Annual Report of the American Council of Learned Societies has a page headed "Organizational Structure." It begins:

CONSTITUENT SOCIETIES (WITH YEAR OF FOUNDING)

American Philosophical Society, 1743.

American Academy of Arts and Sciences, 1780.

American Antiquarian Society, 1812.

It happens that I am a member of each of these distinguished bodies. Membership is by election, and brings no small advantages. Thus, there are no dues at the American Philosophical Society, Dr. Franklin having seen to the matter centuries ago. Mind, he limited membership to 500. It also carries responsibility. I do not one bit care for the idea that an executive of the ACLS would claim to speak individually for three hundred thousand American—and foreign—scholars whose irrepressible practice is to speak for themselves.

All of which leads me to ask, are things as bad at American universities as some would have us think? Years ago—it would be 18 now—I was asked to give the Stearns Lecture at Andover

Academy in Massachusetts. This was 1973. Starting in the mid-to-late 1960's, university and college campuses across the Nation had been the scene of great tumult and disorder. It seemed to many that this could only worsen and there were not a few inclined to think the worse the better I took a dissenting view. I said it was all over. I called my lecture, "Peace"—it was later published in the Public Interest—and argued that the extraordinary demographic change of the 1960's was now a thing of the past, and would no longer sustain the ideological tumult of the period. Campus disorders were over. Here is an excerpt.

> I'd like to state that most of the events that tore American society almost apart, or so it seemed in the 1960's arose from conditions unique to the decade in which they occurred. They had not ever existed before. They will never exist again. They involved the interaction of demographic and political-cultural changes. We have more complex terms of this than perhaps need be, all derived from the Greeks, and vaguely related to philosophic doctrines of the past. We use the term "synergistic,"—the interaction of muscles, of chemicals, of philosophical doctrine, such that two events quite separate in their origin affect one another in such a way as to produce outcomes vastly different and greater than either could produce on its own, more amplified and in ways fundamentally different from the effect either event would have, had it occurred in isolation.
>
> The proposition I'm going to put to you is simple. It is sufficient, I hope, at least to start a discussion of just what did happen. I'm going to say to you that the 1960's saw a profound demographic change occur in American society which was a one-time change, a growth in population vaster than any that had ever occurred before or any that will occur again, with respect to a particular subgroup in the population, namely those persons fourteen to twenty-four years of age. This sudden increase in population interacted in a synergistic sense with a whole series of other events which originate, if you will, in the world of ideas, as distinct from the physical world in which populations increase or decrease. In the best-known example of the 1960s, people changed their minds about the requirements of justice and decent public policy concerning minority groups in American society at just the moment when the size and location of those groups were dramatically changing. But this was not the only change. People changed their minds about this, they changed their minds about that, and they changed their minds at just the point when the physical conditions of life, the ecological facts of how many people are around and where they are, were also changing. These changes interacted in such a way as to produce extraordinary differences—discontinuities—with the period immediately preceding and which I think will now be seen to be discontinuous with the period that now follows.

I begin to wonder. Quiet fell upon the campuses. But did disorder cease? Was I too optimistic? Too shallow? I recall how Lionell Trilling—I mentioned him in my remarks of July 19, suggesting that if Dr. Ianonne only wrote the Commentary, she was even so in stately company—I recall his forebodings of the aftermath of that period. He felt, as best I understood him at the time, that an already deep division in American culture had grown even deeper, and that there would indeed be further degradation of democratic dogma. Here is a passage from Noel Annan's remarkable memoir, "Our Age," just now published in the United States:

> There was, however, another critic of Our Age [an] American. Lionell Trilling was par excellence a New York intellectual, but his works on Arnold and E.M. Forster and his sympathy for English culture gave him a special place in the affections of Our Age. His referents were Freud and Marx, but the conclusions he drew from them were very different from what the readers of the Partisan Review expected when he looked at the wheelbarrow of progressive conclusions that so many trundle across their garden in planting ideas. Trilling defended Whittaker Chambers and shocked his liberal friends by accepting that Alger Hiss had been a spy. The theme of his first volume of essays, *The Liberal Imagination*, was that liberals had no imagination. He used the word "liberal" in the American sense as the "educated class which has a mind suspiciousness of the profit motive, a belief in progress, science, social legislation, planning and international co-operation". Trilling pointed out that no major great writer had ever celebrated these beliefs and he wondered how liberals could admire those who rejected these beliefs so decisively. He questioned whether the heroes of American modern literature in those days—Dreiser, O'Neill, Dos Passos—were heroes or plodders bereft of subtlety or ideas. He said that sociologists such as David Riesman told us more about society than most modern novels. He was a liberal in the English sense—or rather of those Englishmen who were suspicious of the good intentions of the enlightened.

These are matters of proper concern to humanists everywhere and at all times. But having read Jonathan Yardley's withering comment about this most recent "battle between the spent, irrelevant old left and the oafish, elephantine new right" I wonder whether we might all look to our manners just a bit. Mind, many of the adversaries on both sides were impeccable in this regard. I would urge Dr. Katz that he need not indulge any disinclination to write angry letters to public officials. It is good for us. But could we keep in mind Melbourne's celebrated comment on Macaulay? And Orwell's dictum that there is always room for one more custard pie!

Mr. President, again for the record, I ask unanimous consent that my July 19 remarks be included in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, July 19, 1991]

Mr. MOYNIHAN. Mr. President, as Senators will know from the long and careful reports in yesterday's press, the Senate Labor and Human Resources Committee on Wednesday rejected by one vote the controversial nomination of Carol Iannone to the advisory council for the National Endowment for the Humanities. The view of the majority appears to have been that Dr. Iannone had insufficient citations in the Arts and Humanities Citation Index and the Social Science Citation Index. It was also alleged that her principal publications have appeared in Commentary magazine. It was never clear to me whether the objection to Dr. Iannone was that she had ever published in Commentary, or that she had done so insufficiently. No matter, I rise merely to express my disappointment on behalf of Dr. Iannone, and melancholy acknowledgement of the further intellectual decline of the Democratic Party. I almost said demise, but will leave bad enough alone.

A curious allegation: merely a Commentary writer. And in ways, a revealing one about our capital. Just to say it out loud is to realize that just possibly Washington is the only capital in the Western world in which such an allegation would be made with intent to harm. In London, Paris, Rome, Stockholm, to say of a professor of literature that his or her principal work has appeared in Commentary is—well—to say that this is a critic of the first rank. In the tradition, say, of Lionell Trilling.

Commentary is, as its cover states, "Published By The American Jewish Committee." It was founded, as I recall, in 1945—thereabouts—by the legendary Elliot E. Cohen who was editor until his death in 1959. He was thereupon succeeded by Norman Podhoretz, who remains editor to this day, assisted by Neal Kozodoy, Marion Magid, and Brenda Brown. They have equals, one should not doubt, in the world of literary criticism. But that said, the matter rests. None surpass them.

Ours is a political world down here, and these matters do not routinely enter our thoughts, much less our conversation. This despite the fact that from the first, Commentary writers have had pronounced political views. This again may be more a European than an American style, but then New York has always had a special association with European thought which the rest of the Nation has not failed to notice.

I distinctly recall, and knowing his great good nature, I am sure he will not object to my relating, a trip to New York City in May 1977 with then Vice President Mondale. The spring recess was about to begin and he was off to one of his beloved Minnesota lakes where his tackle box and bass gear awaited him. He had been asked to stop in New York on his way home to speak at the dedication of a new facility at Sloan-Kettering Hospital. Hubert Humphrey had been treated there the previous year and there was, of course, nothing he or any other Member of the Senate would not do for Hubert. I assume it is correct to refer to the Vice President as one of us. He is, after all, our Presiding Officer. The Vice President, as was his great courtesy—which I could wish had become a custom of that office—asked if I would like to ride up with him. I was heading home as well, and would naturally want to be on hand at Sloan-Kettering. Anyway, I got out to Andrews a few minutes before Fritz arrived, and settled down aboard Air Force Two with a cup of coffee and the new Commentary. The cover featured a major article on Soviet politics by a friend of mine who was then teaching at Harvard. I thought it first-rate, and mentioned it to the Vice President when he got aboard. He asked if he could take it with him on his vacation, to which, of course, I agreed. That afternoon I called Norman Podhoretz. I said:

Norman, I have some good news and some bad news. The good news is that the Vice

President of the United States is taking the new issue of Commentary with him to read over his vacation. The bad news is that until this morning the Vice President of the United States had never heard of Commentary.

I have to believe that things have not much changed in the intervening 15 years. In the Senate, that is. Mind, the Washington Post knows about such matters. It is not so long ago that the Post called Commentary "America's most consequential journal of ideas." Which is fairly restrained by the standards of the Toronto Daily Star, which once declared:

> It [Commentary] is the best monthly in the English-speaking world.

This is the journal Professor Iannone is accused of writing for. Well, there you are.

Well, no. there is more. My distinguished friend, the Senator from Utah, touched upon the matter in a remark that appeared in yesterday's Post. In an exchange in the Committee on Labor and Human Resources, he defended Professor Iannone's qualifications stating:

> She's from a first-generation, immigrant, working class family. * * * And she's only 43 years old.

Senator Hatch may know more than even he realizes. For it is the distinctive feature of Commentary that to a degree that I cannot imagine has any contemporary or historical equivalent, Commentary has published the work of young writers born into or raised among the working classes of New York City. Many of them were and are Jewish, as is only natural for a journal published by the American Jewish Committee. Many had grown up in the Marxist milieu that was so common in New York in the years 1920–50. Some had been Marxists, frequently Trotskyites. Others had been anti-Marxists but as young Robert Warshow, a Commentary writer in the 1940's—who died much too young—observed, either way your life was caught up with that subject. And so issues of the political left received inordinate attention in Commentary. But with this difference. Those writing about The Workers actually knew some. The Irving Kristols and Nathan Glazers—to name but two of a succession of major American intellectuals who were editors at Commentary—grew up in the working class neighborhoods of New York City. A setting as natural to them as the salons of their radical counterparts in Paris or Berlin. Or Greenwich Village. I recall once visiting W.H. Auden in the Village. He was living in the building from which Trotsky had published Novy Mir before the Russian revolution, a thought which gave the great British poet much satisfaction. As it would any Oxford graduate. Trotsky was, after all, a literateur. A bohemian. He would never, however, have made a Commentary writer. Too refined.

I ought to declare my interest here. I first appeared in Commentary—Lord save us—30 years ago this May. My article, which Norman Podhoretz features on the cover, was entitled "Bosses and Reformers: A Profile of the New York Democrats." I had been involved in New York Democratic politics for some years by then. I had watched the developing divisions within the Democratic Party as between its working class, mostly Catholic, traditional constituency, and a new group of middle or upper middle class, mostly Protestant and Jewish, professionals who were challenging the old-time leaders. Denigrated, of course, as "bosses." This was something new. With rare exceptions, such scions as Herbert Claiborne Pell, Jr., father of our revered senior Senator from Rhode Island, a Member of Congress from Manhattan, and from 1921–66 chairman of the State Democratic Committee. As New Yorkers moved into the middle classes, they left the Democratic Party in this century. The Irish were even then departing, as Glazer and I wrote in "Beyond The Melting Pot: The Negroes, Puerto Ricans, Jews, Italians, and Irish of New York City." But something in the Jewish tradition said otherwise. Middle-class professionals they may be, or may have become, but they remained Democrats. But, as Bernard Shaw might say, with different tastes.

This conflict was adumbrated in the doomed Presidential races of Adlai Stevenson in 1952 and 1956. But all hell broke out over the nomination of John F. Kennedy for President in 1960. Kennedy was a Catholic; Kennedy was a conservative. And his brother—well. The first statement was a fact, the second a perception. But among New York liberals perceptions are facts. And so the word went forth from Eleanor Roosevelt, Thomas K. Finletter, and yes, our beloved Governor Herbert Lehman, that Kennedy would not do. The reformers hated and feared him. Now these bosses were, generally speaking, perfectly democratic Democrats, such as Charlie Buckley of the Bronx, our grand old colleague Gene Keogh of Brooklyn, even the legendary Dan O'Connell of Albany. Well, in the latter case, I suppose, a real boss as well as an alleged one. Kennedy was the overwhelming favorite in our party. But not of the reformers. The scenes in the Los Angeles Convention were tumultuous, often painful. Even if, as I recall, the reformers had only 2½ votes, all pledged to Stevenson. I was a Kennedy delegate in Los Angeles—an alternate delegate, actually, but I have in my Senate office a small framed emerald green badge that says: "Delegate for Kennedy," with my name written below. But I had friends in the reform camp. When it was all over and the wounds, if anything, worse, it seemed to me a useful thing to try to explain this to the respective parties, neither of which really understood the other. There was no better place to publish such an article than Commentary, and I was thrilled when Norman Podhoretz accepted it. No, Mr. President, I haven't got that quite right. It was not just that Commentary was the best place to publish it, it was also the place that would. A journal such as the Atlantic or Harpers just wouldn't be interested in what working class Democrats thought.

That is the point I would hope to make. My good friend from Utah was absolutely right. I very much fear Professor Iannone's troubles arose not from the quality of her work, but from her genes, social and otherwise. She is an Italian, Catholic ethnic with a working class background.

Yesterday's Wall Street Journal carried an absorbing review by David Brock of Aaron Wildavsky's new book, "The Beleaguered Presidency." Professor Wildavsky, lost now amongst the lotus eaters of Berkeley, retains the street-wise toughness of a native New Yorker. And he can spot what is going on among Democrats. What is going on is the logical extension of the trends I tried to describe in Commentary 30 years ago. To wit, the Democrats are becoming a "party that delegitimized the Nation's second largest constituency—white, working, Christian males."

I suppose the largest such group would be the female of that species. In any event, Professor Iannone has had a setback on account of it. But I dare to hope that she will not take it personally. I do not know her, but I know some of her work. From Commentary, obviously. I sense that quality William James described as tough-mindedness. Actually, the future should be bright. She has been banned in Boston. No greater fortune ever attended the struggling novelist of the 1930's. Sales would soar outside of Boston. Professor Iannone has now been banned in the Democratic Party. What greater fortune could befall an American intellectual in this decadent fin de siecle. I wish her well.

Mr. President, I wish her well.

TRIBUTE TO JOSEPH ANTHONY WALSH

Mr. FORD. Mr. President, I am privileged to have the opportunity today to recognize Joseph Anthony Walsh of Louisville, KY, upon his selection as a fellow of the Academy of Electrical Contracting. As many of you may be aware, the academy was established in 1968 to honor outstanding leaders in the electrical contracting industry. There are only approximately 300 members of this organization across the United States.

Tony, who is president of United Electric Co., has been instrumental in a number of successful programs in the Louisville area as a long-term member of the labor/management committee of the Louisville chapter of the National Electrical Contractors Association. Because of his efforts, a special commercial agreement was developed with union backing that allows contractors more competitive opportunities. In addition, he was active in supporting a market recovery program in Louisville that has resulted in more than 800 separate jobs that have been given special attention and concessions that have enabled union contractors to compete with their open shop counterparts.

Tony has been very active in the leadership of the Louisville NECA chapter, having held the positions of director, vice president, president and governor, and he presently serves as a district representative on the NECA Government Affairs Committee, keeping tabs on what we do up here.

I congratulate Tony Walsh on this very prestigious distinction. My interest in his achievements goes beyond the norm because his wife, Doris, is one of my district office representatives. She is very proud of him, and so am I.

THE KILLING OF SEVEN LITHUANIANS

Mr. DECONCINI. Mr. President, though I have spoken on behalf of the Baltic States only recently on this floor, I feel I must do so again today in light of the killings of seven Lithuanians at a Lithuanian border post yesterday. As usual, President Gorbachev simply cannot seem to determine who was responsible, although reports indicate that, as in the past, Soviet special police forces were involved. President Gorbachev responded to questions about the incident yesterday by calling for an investigation; but that investigation will probably be carried out by the Soviet Internal Affairs Ministry, those most likely responsible for this atrocity.

Mr. President, when is this violence going to stop? All three of the Baltic States have been waiting patiently for Moscow to begin a genuine dialog. But instead of negotiations, we have witnessed a sustained, low-intensity conflict waged against the Baltic States which involves killings, beatings, and persecution. This aggression began violently last January when over 20 innocent people were killed in Lithuania and Latvia. And now seven more Lithuanians are dead.

Is this Gorbachev's idea of good-faith negotiation? Will he once again whitewash the special forces, as he did by sanctioning the outrageous report on the violence in January issued this June by the Soviet Procurator? The authors of that report expected the world to believe that the Lithuanians killed were run over by automobiles or died of heart attacks.

Furthermore, I was stunned by President Bush's reaction. The strongest words the President could say were that he "regrets the violence." Was he so concerned about not confronting his genial host that he could find no stronger words to condemn the deaths of seven innocent people? The President termed the killings "cross border violence." How can this be "cross border violence" when only one side, Moscow, is behind the bloodshed?

In spite of this relentless violence and harassment, President Bush wants to grant MFN status to Gorbachev's government. Let the record state that this is one Senator who is going to have a great deal of difficulty approving any agreement with a government that murders people whose only crime is to struggle for their own freedom.

TRIBUTE TO LORENA SHOWERS

Mr. STEVENS. Mr. President, I rise to commend Lorena Showers, the 87-year-old current head of the Hotel Employees and Restaurant Employees Local 878, as she receives a very special award.

Lorena took the lead on issues such as health care and pensions before most people knew how important they would be in the 1980's and 1990's; she spoke of them in the 1950's. It is because of this special commitment that the City of Hope National Medical Center and the AFL–CIO in Alaska have joined together to award a research fellowship in her name at the City of Hope National Medical Center and Beckman Institute.

This special award will be presented to Lorena on September 28, 1991, at the First Annual Alaska AFL–CIO "Spirit of Life" Celebration in Anchorage, and I want the Senate to recognize Lorena's efforts as one committed to the health and well-being of the working people of America as we celebrate Labor Day.

I ask unanimous consent that the text of the resolution be printed at this point in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution

To commend Lorena Showers for a lifetime of professional and civic leadership in the labor movement in Alaska, on the occasion of her receipt of the first annual "Spirit of Life" award from the City of Hope National Medical Center on September 28, 1991.

Whereas, the American Heritage Research Association has bestowed upon Lorena Showers its award "Human Resource of the United States";

Whereas, the City of Hope National Medical Center will establish the Lorena Showers Research Fellowship, representing organized labor's strong support of research and pioneering treatment programs for leukemia and other forms of cancer, as well as diseases of the heart, blood and lung;

Whereas, Lorena Showers has been a leading force in Alaska's labor movement for five decades;

Whereas, Lorena Showers, born in 1904 in Iowa, heads the Hotel Employees & Restaurant Employees Union Local 878 at the age of 87;

Whereas, Lorena Showers has an extraordinary commitment to issues affecting the elderly;

Whereas, Lorena Showers has been named Alaska's "Grand Lady of Labor" by the Alaska AFL–CIO;

Whereas, Lorena Showers has been a leading force in Alaska's labor movement; Now, therefore be it

Resolved, That the Senate of the United States commends Lorena Showers for a lifetime of contributions in the field of health, labor and community service which have set an example for the people of Alaska and for the Nation.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,329th day that Terry Anderson has been held captive in Lebanon.

UNANIMOUS-CONSENT AGREEMENT—S. 1554

Mr. MITCHELL. Mr. President, if I may have the attention of the Senate, following extensive consultation with the distinguished chairman of the Finance Committee, the Republican leader, interested Senators and the House leadership, we have reached an agreement on the disposition of the unemployment compensation bill.

I will momentarily propound a request for a unanimous-consent agreement which, if agreed to, I will then call for the regular order, return the Senate to consideration of S. 1554, the unemployment compensation bill and, under the term of the agreement, complete action thereon in approximately 40 minutes, following which, it is my intention to return the Senate to consideration of the pending Department of Defense authorization bill.

Accordingly, Mr. President, I now ask unanimous consent that when the Senate resumes consideration of S. 1554, Senator Bentsen be recognized to offer a modification of the pending committee substitute that makes the effective date for the act September 1, rather than October 1, and several technical changes; that only one amendment be in order to be offered to the bill and that only to be a substitute amendment offered by Senator Dole; that there then be 40 minutes of debate, equally divided and controlled in the usual form, on both the Dole amendment and the bill; that following disposition of the Dole amendment, the Senate vote, without any intervening action or debate, on adoption of the committee substitute, as amended, if amended, and final passage of the bill; that if the House sends to the Senate a House bill that is substantially identical to the Senate passed bill, S. 1554, upon receipt of the House bill, the bill, without any intervening action or debate, be deemed read a third time and passed, and the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, and I shall not object, just so the record will reflect that in the event there should be some major difference and they are not quite identical when it comes back, then, of course, the leaders would get together and work out any problem.

Mr. MITCHELL. That is correct. This, the latter clause of the request, assumes an agreement between the leaders, that the legislation returned from the House is substantially identical to the Senate-passed bill. If that is not the case then we will review the matter and if agreement cannot be reached then it would be my intention to vitiate this aspect of the agreement.

I do not expect that to occur since we have already discussed this at some length with the House leadership.

Mr. President, before final consent is granted, I also wish to make clear that when I used the figure "40 minutes of debate," that is the aggregate amount of debate and it will be on both the proposed alternative to be offered by Senator Dole, and the bill, at the same time; that is, there will be a total of 40 minutes' debate and then the vote will occur on the proposed alternative by Senator Dole, and then on the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. If the majority leader will yield just briefly, I think now that consent has been granted, I hope we have set a precedent here with the 40 minutes for debate that may carry over to the DOD authorization bill.

Mr. MITCHELL. Mr. President, pursuant to my earlier statement, and the consent sought having been granted, I now call for the regular order.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT

The PRESIDING OFFICER. The regular order is S. 1554. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1554) to provide emergency unemployment compensation, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Finance, with an amendment to strike all after the enacting clause, and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

(e) ELECTION.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 3(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
8-percent period	20
7-percent period	13
6-percent period	7
Other period	4.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are available—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for such following week,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after October 5, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are available.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 9. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than February 1, 1992, and every 4th year thereafter (but not before February 1 of such 4th year), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman of the Committee on Ways and Means.

"(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) CHAIRMAN.—The President shall appoint the Chairman.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at rates fixed by the Secretary of Labor (but not exceeding the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code) for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—

"(1) IN GENERAL.—not later than February 1 of the 2nd year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.".

"(2) REPORT OF FIRST COUNCIL.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 10. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to sections 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

COMMITTEE MODIFICATION

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, in accordance with the agreement, I send a modification to the substitute to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. This is the modification; not an amendment. That is in line with the agreement.

The modification to the committee amendment in the nature of a substitute is as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

(e) ELECTION.—Notwithstanding any other provision of law, the Governor of a State, which is in a 7-percent period or an 8-percent period (as defined in section 3(c)), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to an individual who has exhausted his rights to regular compensation under State law.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
8-percent period	20
7-percent period	13
6-percent period	7
Other period	4.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount

of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are available—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	**The applicable range is:**
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for such following week,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after August 31, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are available.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 9. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than February 1, 1992, and every 4th year thereafter (but not before February 1 of such 4th year), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) CHAIRMAN.—The President shall appoint the Chairman.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code) for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—

"(1) IN GENERAL.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) REPORT OF FIRST COUNCIL.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 10. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to sections 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, on behalf of myself, the distinguished Senator from Oregon, Mr. PACKWOOD, Senator RIEGLE, the majority leader, and other cosponsors, I am pleased to offer a modification of the pending committee substitute for S. 1554, a bill to provide emergency unemployment compensation benefits to American workers whose benefits have been exhausted under the current program.

The modification moves the effective date forward to September 1, instead of October 6, as in the reported substitute bill.

For many months now, every American has been hoping the recession will end soon, that recovery will be swift and robust. There are encouraging signs the recession may have bottomed out. But there are other signs the recovery will be muddled—benefiting some sectors of the economy but not others—and that it won't be nearly so robust as the 6.5-percent growth rate typical of postwar recoveries.

Under the best of situations, employment is not one of the encouraging signs. If history is any guide, workers will still be losing their jobs after the recession is technically over. The number of workers who ran out of unemployment benefits peaked 7 months after the recession ended in 1982.

This past June, the unemployment rate rose to 7 percent, and the number of unemployed workers reached 8.7 million. Joblessness today is at its highest point since the mid-1980's. And new claims for unemployment benefits rose by 30,000 last week.

Worse yet is what happens to workers who become unemployed under our current system of unemployment compensation. Over 1.6 million have exhausted their unemployment benefits since January. The Labor Department estimates that a total of 3.1 million will exhaust their benefits this fiscal year—and another 3.4 million will lose theirs next year. It's a tough time to be out of work in America, and unless we do something soon to make additional benefits available to those unemployed workers who are running out of benefits, times are going to get even tougher.

The data demonstrate clearly that the unemployment program is not working the way it should. We have a regular State program that pays unemployed workers 26 weeks of benefits. If an unemployed worker in a State with high unemployment exhausts these benefits without finding work, he or she is supposed to get 13 weeks of extended benefits.

Today, despite a recession and a 7-percent unemployment rate, only three States—Alaska, Maine, and Rhode Island—qualify for the extended benefits program. Only these three States are able to provide additional, federally supported benefits to unemployed workers who have used all their regular benefits and have nowhere else to turn. That's down from eight States only a few weeks ago, and the Labor

Department projects that by midfall, no States will qualify for extended benefits.

In my view, this situation qualifies as an emergency under the Budget Act definition. And on Thursday of last week, 16 of the 20 members of the Finance Committee agreed and voted to report the emergency unemployment compensation bill which you have before you today.

Mr. President, enactment of the Finance Committee bill is needed to provide badly needed support to unemployed Americans—those individuals and families who have run out of benefits under the current program. It does so by using the $7.7 billion in Federal funds that, according to the Department of Labor, will have accumulated in the extended unemployment benefits trust fund by the end of this fiscal year. That $7.7 billion is money paid by employers across the Nation for just this purpose: Helping people who have exhausted their regular unemployment benefits and still cannot find work.

The bill proposes a change in the trigger that determines whether a State can drawdown Federal funds and pay additional benefits. Under S. 1554, the total unemployment rate, as opposed to the insured unemployment rate, is used to measure the severity of unemployment. This total rate, or TUR, counts the people we are trying to help, the people who have exhausted their benefits. It makes it possible to closely target benefits based on the real level of unemployment and the labor market that exists in each State. The extended benefit program, using insured unemployment as a trigger, has been unable to do that. Perversely, the insured unemployment rate tends to drop when unemployed workers exhaust their regular benefits, because they are no longer counted.

Based on TUR data for the 6-month period December 1990 through May 1991—and Senators should be aware that we are using a rolling average that will change over time—here is what would be provided under S. 1554 to long-term unemployment workers who have exhausted their benefits.

Unemployed workers who lived in the 7 States with unemployment rates of 8 percent or more would receive 20 weeks of emergency benefits in addition to the weeks of regular benefits for which they qualified under prior law;

Unemployed workers in 10 States—those with unemployment rates of 7 to 8 percent—would be eligible for 13 weeks of additional emergency benefits;

Unemployed workers in 19 States—those with unemployment rates of 6 to 7 percent—would receive 7 weeks of emergency benefits; and

Unemployed workers in the remaining 14 States would be eligible for 4 weeks of emergency benefits.

I want to make clear that most of the $5.2 billion cost of this emergency proposal—close to 90 percent—goes to provide benefits to workers living in States with unemployment rates of 6 percent or higher.

But the committee felt it was also important to provide benefits for individuals in States with unemployment below 6 percent, because even in States with relatively low rates of unemployment there are very serious pockets of high unemployment. For example, in April, the month for which we have the most recent data, Minnesota had an unemployment rate of around 5 percent, but in Clearwater County the rate was more than 17 percent. Similarly, the unemployment rate in Arizona was 4.5 percent, but in Apache County it was over 11 percent and it exceeded 15 percent in Yuma County.

Often a recession hits particular industries in a way that can cause severe problems in particular localities. For example, if the automobile industry suffers, that obviously drives up unemployment in Michigan. But there are automobile plants in other States as well, and an auto worker in say, Missouri or Tennessee, may find that there is no work for which he is qualified in the area where he lives, particularly if the auto plant is the major employer there.

While it is essential to aid those unemployed workers who will exhaust their unemployment benefits in the future, it is perhaps even more important to aid those who have already run out of benefits. For this reason, S. 1554 provides that when the emergency unemployment program goes into effect, it will reach back to include workers who exhausted their benefits on or after April 1 of this year. Reach back benefits will go to workers in States with all but the lowest levels of unemployment.

Because the bill is designed to address today's high levels of unemployment, that we hope will decline as the overall economy improves, this emergency program is limited in duration. It will take effect in October and sunset on July 4, 1992.

A total of 30.2 million weeks of benefits will be provided under this bill. That's equal to about 25 percent of all of the unemployment benefits that have been paid since the beginning of fiscal 1991.

The emergency benefits to be paid under S. 1554 are fully financed with Federal funds, available in the existing extended benefits trust fund. More than enough money has accumulated, and the account is steadily growing. Even after enactment of S. 1554, the Department of Labor tells us the reserve level will be fully replenished by fiscal 1994. In fact, after funding emergency unemployment benefits the account is projected to grow to a level of $9 billion by the end of fiscal 1994—better than $1 billion more than it presently contains.

In addition to emergency unemployment compensation benefits, the Finance Committee bill includes a provision to treat more equitably those members of our armed services who are unemployed after leaving the service. Veterans of Desert Storm and others who leave the armed services must now wait 4 weeks before they are eligible for regular unemployment benefts, compared to 1 week for civilians, and are entitled to only half as many weeks of benefits as civilians; 13 weeks rather than the normal 26. The bill would equalize the waiting period and weeks of benefit eligibility for veterans who are otherwise eligible for regular unemployment benefits under present law. It would, in addition, reduce the time reserve members must spend on active duty to be considered eligible for regular benefits. This provision would help to ensure that those members of the reserves who were called to active duty in Desert Storm receive the same unemployment protection as members of the regular armed forces and civilians.

I, for one, would have a hard time looking an unemployed veteran of Operation Desert Storm in the eye and saying that the Congress supports continuing these inequities in the law. By the way, these program changes in the bill apply not just to veterans of Desert Storm, but to all members of our armed forces. As pointed out by the national executive director of AMVETS in his letter supporting the bill:

> * * * the combination of Department of Defense 'downsizing' and a less-than-favorable employment market (for the foreseeable future) makes the provision of unemployment compensation to veterans that much more necessary. To ask active-duty military members—individuals whose livelihoods are just as much at risk as any civilian—to forsake basic income protection is simply unfair. At a minimum, this program will close this blatantly unfair exemption.

The bill also provides for an unemployment compensation advisory council. Unfortunately, Government waits for a recession to focus on the unemployment program. Then we find, as we have today, that the program doesn't work as well as it should and that we don't have time for the studies and hearings and debate needed to develop the kinds of permanent, structural improvements that are needed.

To help us deal with basic concerns about the overall effectiveness of the unemployment compensation program, S. 1554 establishes a bipartisan unemployment compensation advisory council. It will be composed of five members appointed by the President, three by the Senate, and three by the House of Representatives, and will convene every 4 years, beginning in 1992.

The unemployment advisory council is in many ways analogous to the Social Security advisory council. Its charter will be similarly broad and inclusive: to deal with the unemployment program's basic goals, functions, and structural issues and make recommendations for permanent improvements.

Finally, Mr. President, let me address the question of why we are moving this bill under the emergency authority provided in the Budget Enforcement Act rather than following the procedure for pay as you go. I agree with the chairman of the Budget Committee that the emergency authority included in last year's budget agreement was created precisely to enable the Congress and the President to respond to the kind of situation we face today.

In order to make a difference for the millions of Americans who are out of work right now, immediate action is needed. The long-term unemployed must be able to rely on the unemployment insurance program to help them meet needs that are real and serious—and that were not foreseen last fall when Congress and the President negotiated the budget agreement. The taxes to meet such an emergency have already been collected from employers, and the reserves presently building up in the Federal unemployment trust funds are more than sufficient to meet the $5.8 billion 5-year costs of the benefits provided by this bill. Further, taxing employers twice to meet pay as you go requirements would not only be inequitable and unnecessary, but would also be counterproductive at a time when what we need is an economic stimulus to help reduce unemployment.

Earlier this year, the President asked Congress to pass emergency legislation providing assistance to the Kurds, the Israelis, the Turks and others whose circumstances he felt merited our concern and compassion. We agreed with the President and joined him in declaring an emergency. Now, we're asking the President to join us in recognizing that American workers also need our help in time of trouble.

I note that OMB Director Darman, while not supporting this legislation as an emergency measure, has written to me and other Senators indicating his chief concern is the issue of emergency designation, not the substance of this bill. Specifically, his letter states that the President's senior advisers would recommend that the President not accept an emergency designation for expansion of unemployment insurance. I am more than willing to discuss the issue further with the administration and to consider any proposal they may wish to offer regarding an offset. But time is short, and I hope that Director Darman and other advisers to the President offer their proposals quickly so we can complete action and send this bill to the President before the end of the week.

I hope that the President can be persuaded that it is important to extend a hand to the millions of Americans who can't find work, who have exhausted their jobless benefits and who are counting on us to ensure that the unemployment insurance program works when they need it most.

Mr. President, I believe the Senate should give swift approval to S. 1554 and proceed to conference with the House as soon as possible.

I ask unanimous consent that a description of the bill, as reported by the committee, be inserted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991 (S. 1554)—GENERAL DESCRIPTION

The Emergency Unemployment Compensation Act of 1991 (S. 1554), as reported by the Finance Committee, has three objectives. First, it establishes a time-limited program of emergency unemployment compensation benefits to assist long-term unemployed workers who have exhausted their benefits under the current unemployment program. Second, it provides equal treatment for former members of the armed forces who currently must wait longer to receive fewer weeks of benefits than civilians who become unemployed. Third, the bill establishes a bipartisan unemployment compensation advisory council which will meet every four years to review the status of the unemployment compensation program and recommend improvements.

All spending authorized under the bill is designated as emergency requirements, as provided under the Budget Enforcement Act of 1990. None of the provisions will go into effect unless the President concurs in this designation. The emergency unemployment compensation benefits authorized under the bill would be Federally financed from existing balances in the Extended Unemployment Compensation Account administered by the Department of Labor.

I. EMERGENCY UNEMPLOYMENT COMPENSATION

Present Law.—Under current law, the Extended Benefits program provides for the payment of a maximum of 13 additional weeks of benefits after an unemployed worker has received the 26 weeks (maximum) of regular benefits provided under State law. The extended benefits program is activated when: (1) a State's insured unemployment rate has averaged 5 percent for 13 consecutive weeks, and (2) that rate is 20 percent higher than the State's average insured unemployment rate for the corresponding 13-week period in the 2 preceding years. At State option, States may apply an alternative trigger mechanism. Extended benefits can also be paid if a State's insured unemployment rate is 6 percent, even though the rate is less than 20 percent higher than the rate in the preceding 2 years. Thirty seven States, the District of Columbia, Puerto Rico, and the Virgin Islands have adopted this alternative trigger mechanism.

Fifty percent of the benefits paid under the Extended Benefits program are paid with State funds. The remaining 50 percent is paid from Federal funds drawn from the Extended Unemployment Compensation Account in the Unemployment Trust Fund.

Committee Bill.—The bill establishes a temporary program of emergency unemployment compensation benefits, to be in effect from October 6, 1991 through July 4, 1992. The program would pay Federally-funded benefits to unemployed workers who had exhausted their benefit rights under the regular unemployment compensation program, and to certain workers who had exhausted the additional benefits available to them under the extended benefit program. It would also provide for a "reach back" to pay benefits to workers in States with high unemployment who had exhausted their unemployment benefits during the period between April 1, 1991 and the start of the new program.

Although there are signs that a slow recovery from the recession may have begun in some sectors of the economy, employment is not one of those sectors. In June, the unemployment rate climbed to 7 percent, and experience with past recessions suggests that it will remain high for some time to come. In the recession of 1981–1982, for example, the unemployment rate stayed above 10 percent for seven months after the end of the recession, and the number of Americans who ran out of unemployment benefits actually did not peak until half a year after the recession technically was over.

Over 3 million workers will have exhausted their unemployment benefits during fiscal year 1991. The Department of Labor estimates that another 3.4 million will exhaust their benefits during fiscal 1992. The extended benefits program, intended to provide additional weeks of benefits in times of high unemployment, is today paying benefits in only three States. The Department of Labor projects that by mid-fall, no States will be eligible to pay extended benefits, a situation that is expected to continue until some time in 1992.

A. Scope and duration of emergency benefits

Under the Committee bill, beginning in October all States would be eligible to provide emergency unemployment compensation benefits financed entirely by the Federal government. The bill would establish four levels of weeks of eligibility for these emergency benefits. The number of weeks of benefits payable to an unemployed worker who had exhausted regular unemployment benefits in a particular State would be determined by the average total unemployment rate, or TUR, in that State for the most recent six months for which data were available:

States with a TUR of 8 percent or higher would be eligible to provide 20 weeks of benefits;

States with a TUR of 7 percent would be eligible to provide 13 weeks of benefits;

States with a TUR of 6 percent would be eligible to provide 7 weeks of benefits; and

States with a TUR below 6 percent would be eligible to provide 4 weeks of benefits.

At any time that a State was not eligible for one of the three higher levels of benefits, unemployed workers in the State who exhausted their regular unemployment benefits would be eligible for 4 weeks of emergency benefits.

B. Eligibility for emergency benefits

Emergency unemployment compensation benefits would be paid to unemployed workers who exhaust their regular unemployment benefits during the effective period of the program, October 6, 1991 through July 4, 1992.

The bill also "reaches back" to aid workers in States with higher levels of unemployment who exhausted their regular unemployment benefits in the six month period prior to the start of the emergency program. Unemployed workers who exhausted benefits between April 1 and October 5, 1991 would be eligible to receive emergency benefits in States that had an average TUR of at least 6 percent and had "triggered on" to 7, 13, or 20 weeks of emergency benefits.

Some unemployed workers who had received extended benefits and exhausted their eligibility for them, either during the effective period of the program or during the "reach back" period, would also be eligible for emergency benefits. The bill provides that the number of weeks of extended benefits the worker received would be deducted from the number of weeks of emergency benefits available in the State. The number of weeks of emergency benefits that remained, if any, would be paid to the worker.

C. Other benefit provisions

The Committee bill is structured to ensure that an unemployed worker receives the maximum number of weeks of benefits to which the worker is entitled, and to prevent any sudden and unexpected removal of a worker from benefit status if a State "triggers off" while the worker is in the middle of a benefit period. Once a State's average TUR has caused it to "trigger on" for a 7, 13, or 20 week period of emergency benefits, the State would remain triggered on for at least 13 weeks, even if its TUR declined during this period. Alternatively, if a State's average unemployment rate were to increase during that period, so that the State qualified for a higher number of weeks of benefits, workers in that State would receive the additional benefits. Further, once an unemployed worker became eligible for 7, 13, or 20 weeks of emergency benefits, the worker would be paid benefits for all weeks to which he or she was entitled, even if the State "triggered off" or the program expired before the worker had received the full number of weeks of benefits.

D. Measure for triggering benefits

The Committee bill uses a six-month moving average of a State's total unemployment rate (TUR) to determine the number of weeks of benefits which may be paid in the State. The measure used to trigger benefits under the present extended benefits program is the insured unemployment rate (IUR). The IUR measures only those workers who are claiming unemployment benefits. Unlike the total unemployment rate, it excludes workers who have exhausted their benefits, as well as new entrants and re-entrants into the labor force. Thus, the TUR has the advantage of being a better measure of the labor market conditions that an unemployed worker confronts when looking for a job.

In the 1980's there has been a growing gap between the IUR and the TUR, raising questions about the continuing accuracy of the IUR as a fair measure of a State's unemployment. An analysis by the Congressional Research Service shows that between the late 1960's and the early 1980's, the IUR generally ranged from about 41 to 56 percent of the TUR, and was considerably higher than that during the period of recession in the mid-1970's. However, since 1983 this percentage has declined significantly, ranging from 32 to 37 percent. The current recession caused a rise to a high of 49 percent in April. But this figure is below those of the two previous recessions, and the percentage has again declined into the mid-30's.

Out of concern for this growing divergence, the Department of Labor contracted with Mathematica Policy Research, Inc. for a study to determine the cause. The Mathematica study found the decline to be attributable to a number of factors, including: (1) changes in the structure of the economy, with workers moving from manufacturing, where a high proportion of the unemployed have traditionally received unemployment benefits, to the services sector, where the number is lower; (2) geographical movement of workers from the Northeast, where the ratio tends to be high to the South and West, where it tends to be lower; and (3) changes in State rules that tightened eligibility requirements. In addition, the Mathematica reviewers concluded that improvements in the Census survey instrument used to measure unemployment may have accounted for part of the decline.

Because some States have more restrictive unemployment compensation laws and procedures than others, workers in different States receive dissimilar treatment under the IUR trigger, which is the same Nationwide. States vary greatly in their eligibility rules. For example, workers in New Hampshire must earn as much as $2800 in a base period before they can qualify for benefits, while workers in Connecticut must earn $600. As another example, in some States a worker has to be available for full time work before he or she can qualify for benefits, thus ruling out eligibility for a parent who, because of child care needs, cannot take a full time job.

The TUR trigger provision in the bill is in effect only for the period of the emergency benefit program. The Committee expects that the issue of which trigger should be used in a permanent extended benefits program will be the subject of future study.

E. Funding source for emergency benefits

The Extended Unemployment Compensation Account, or EUCA, holds the Federal unemployment tax revenues paid by employers to fund the Federal portion of the extended benefit program. According to the Department of Labor, by the end of fiscal year 1991 the EUCA will have accumulated $7.7 billion. The Department of Labor estimates that, after financing the full cost of emergency benefits, the EUCA fund will have a balance of about $3.5 billion at the end of fiscal year 1992, and will grow to $9 billion by the end of fiscal 1994.

II. PAYMENT OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES

Present Law.—Under current law, regular unemployment compensation benefits are payable to unemployed ex-service members who (1) are separated under honorable conditions (and in the case of officers, did not resign for the good of the service); and (2) have completed the first full term of active service they agreed to serve. Ex-service members who are separated prior to completing their first full term of active service can qualify for unemployment compensation benefits if they are separated under honorable conditions: (1) for the convenience of the Government under an early release program; (2) because of medical disqualifications, pregnancy, parenthood, or any service-incurred injury or disability; (3) because of hardship; or (4) if they have served for 365 continuous days, because of personality disorder or inaptitude.

Through most of the history of the Unemployment Compensation program, ex-service members received the same number of weeks of benefits as civilians, and benefits were payable to service members after waiting the same length of time as civilians had to wait. In 1982 the law was amended so that ex-service members must wait four weeks from the date of their separation from the service before they may receive benefits. Civilians serve a one-week waiting period. Ex-service members can receive regular unemployment compensation benefits based on employment in the military for a maximum of 13 weeks. Civilians receive regular unemployment benefits for up to 26 weeks.

To be used as the basis for paying unemployment compensation benefits, active duty service by a member of a reserve military component must have been for not less than 180 consecutive days.

Committee Bill.—The Committee bill would repeal the provision enacted in 1982 requiring ex-service members to wait four weeks before being eligible for unemployment compensation benefits, and limiting the duration of their benefits to 13 weeks. It would also reduce from 180 to 90 the number of consecutive days an individual in the reserve military component must serve on active duty before that service may be counted for purposes of eligibility for benefits.

III. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

Present Law.—Although current law authorizes the Secretary of Labor to establish a Federal Advisory Council for the purpose of reviewing the Federal-State program of unemployment compensation and making recommendations for improving the system, the authority is not being used. The last meeting of an Advisory Council appointed under the current authority occurred in 1981.

Committee Bill.—The Committee believes that the unemployment compensation program would benefit from the kind of continuous review that is provided for the Social Security system by its quadrennial Advisory Council. In the past, neither the Congress nor the Administration have focused on problems in the unemployment compensation program until times of recession, when typically there is insufficient time to conduct the hearings, studies, and evaluations necessary to consider long-term structural reforms. Therefore, the Committee proposes the establishment of an on-going bipartisan Advisory Council. The current law authority is repealed.

A. Appointment and composition of the advisory council

The Secretary of Labor would establish the first Advisory Council on Unemployment Compensation not later than February 1, 1992. Subsequent Advisory Councils would be appointed every fourth year after the appointment of the first Council. The Advisory Council is to be comprised of three members appointed by the President pro tempore of the Senate, in consultation with the Chairman and Ranking Member of the Committee on Finance; three members appointed by the Speaker of the House, in consultation with the Chairman and Ranking Member of the Committee on Ways and Means; and five members appointed by the President. The Chairman will be appointed by the President.

Selections made by the President shall include representatives of business, labor, State government, and the public. The President pro tempore of the Senate and the Speaker of the House shall each appoint one representative of business, one representative of labor, and one representative of the interests of State governments.

B. Function of Advisory Council

Under the Committee bill, it shall be the function of each Advisory Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program, and to make recommendations for improvement. The first Advisory Council established under this provision is specifically directed to include in its report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, and subdivisions of States.

C. Staff and other assistance

Each Council may engage any technical assistance required by the Council to carry out its functions, including actuarial services. The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, that are required by the Council to carry out its functions.

IV. EMERGENCY DESIGNATION

Present Law.—Sections 251(b)(2)(D) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings), as amended by the Budget Enforcement Act of 1990, provide that if the President designates a provision as an emergency requirement, and the Congress also so designates in statute, then the spending authorized by any such provision will not be counted for purposes of the Gramm-Rudman-Hollings enforcement procedures.

Committee Bill.—The bill provides for designating all direct spending amounts and all appropriations authorized by the bill as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985. However, the bill also stipulates that no provisions will take effect unless, not later than the date of enactment, the President submits to the Congress a written designation of all spending authorized by the bill as emergency requirements within the meaning of the Budget Act. This latter provision will assure that, if the President does not concur with the Congress in the emergency designation, no spending can occur and there can be no sequester of entitlement programs under the Gramm-Rudman-Hollings enforcement procedures.

REPORT OF THE CONGRESSIONAL BUDGET OFFICE

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 29, 1991.

Hon. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate of S. 1554, the Emergency Unemployment Compensation Act of 1991, as ordered reported by the Committee on Finance on July 25, 1991.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,
ROBERT D. REISCHAUER.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 1554.

2. Bill title: Emergency Unemployment Compensation Act of 1991.

3. Bill status: As ordered reported by the Committee on Finance on July 25, 1991.

4. Bill purpose: To authorize new federal emergency unemployment compensation program, to provide additional weeks of unemployment benefits for former members of the armed services, and to establish a new Unemployment Compensation Advisory Council

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1991	1992	1993	1994	1995	1966
Direct spending:						
Federal Emergency unemployment compensation:						
Estimated Budget Authority	0	5150	0	0	0	0
Estimated Outlays	0	5150	0	0	0	0
Former members of the armed services:						
Estimated Budget Authority	10	115	115	120	120	125
Estimated Outlays	10	115	115	120	120	125
Amounts subject to appropriations action:						
Advisory council:						
Estimated authorization	0	1	1	0	0	1
Estimated outlays	0	1	1	0	0	1
Administrative costs:						
Estimated authorization	0	175	0	0	0	0
Estimated outlays	0	175	0	0	0	0

Basis of estimates

Federal Emergency Unemployment Compensation. S. 1554 would authorize a temporary federal emergency unemployment compensation progam. This program would provide four tiers of benefits depending on a state's total unemployment rate (TUR). If a state's TUR equaled or exceeded 8 percent, then 20 weeks of additional benefits would be available in that state. If a state's TUR equaled or exceeded 7 percent and was less than 8 percent, then 13 weeks of additional benefits would be available in that state. If a state's TUR equaled or exceeded 6 percent and was less than 7 percent, then 7 additional weeks of benefits or exceeded 6 percent and was less than 7 percent, then 7 additional weeks of benefits would be available in that state. Finally, if a state's TUR was less than 6 percent, then 4 additional weeks of benefits would be available in that state. The Emergency Unemployment Compensation program would be in effect from October 1991 through June of 1992.

The estimated cost of this program is $5.10 billion in fiscal year 1992. This estimate assumes that the temporary program woud pay benefits for approximately 30 million weeks of unemployment that the average benefit amount would be $170 per person per week. The estimate was developed using a model that compares projected unemployment rates with the structure of rates that determines the four benefit tiers. The estimate is based on CBO's February 1991 economic assumptions that included a 6.6 percent unemployment rate for fiscal year 1992.

The estimated cost of this program is $5.150 billion in fiscal year 1992. This estimate assumes that the temporary program would pay benefits for approximately 30 million weeks of unemployment and that the average benefit amount would be $170 per person per week. The estimate was developed using a model that compares projected unemployment rates with the structure of rates that determine the four benefit tiers. The estimate is based on CBO's February 1991 economic assumptions that included a 6.6 percent unemployment rate for fiscal year 1992.

In addition, CBO estimates there would be additional administrative costs of $175 million in fiscal year 1992 to process the additional claims for the Federal Emergency Unemployment Compensation program.

Former Members of the Armed Services. S. 1554 would increase the number of weeks of unemployment benefits that ex-servicemembers could collect unemployment benefits. This bill would reduce the waiting period from four weeks to one week and would extend the eligibility period from 13 weeks to 26 weeks. This provision would be effective on the date of enactment. CBO estimates the cost of this provision would be $10 million in 1991 and would grow to $125 million in 1996. The costs for fiscal year 1991 reflect one month of increased benefits.

Advisory Council on Unemployment Compensation. Further, S. 1554 would establish an Advisory Council on Unemployment Compensation similar to the Social Security Advisory Council. The Council would be required to meet not later than February 1, 1992 and every fourth year thereafter. The Council's first report would be due January 1, 1993. The function of the Council would include reports to Congress regarding the counter-cyclical effectiveness of the unemployment compensation program, benefit adequacy, trust fund solvency and administrative efficiency of the program. The Council would consist of 11 members. Each member of the Council would be compensated including travel expenses and a per diem. S. 1554 would authorize appropriations for any staff support and technical assistance required by the Council. Based on estimates for the Social Security Council and other Councils, CBO estimates the cost would be $1 million in fiscal years 1992, 1993 and 1996. There would be no costs in fiscal years 1994 and 1995 because the Council would not be meeting.

Discretionary Appropriations. Any discretionary appropriation provided prsuant to this act will be counted against the discretionary spending limits in the Budget Enforcement Act. Section 10 requires that appropriation amounts will only become available if an emergency is declared. Funding for emergencies is not counted against the discretionary spending caps.

6. Pay-as-you-go considerations: Section 10 of the bill states that no provisions of this bill would take effect unless the President designates this bill as an emergency requirement under section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985. Section 10 also provides that if the President makes such a designation, the Congress shall be deemed to have so designated this bill in statute. In either case, direct spending from this bill would not be subject to the pay-as-you-go procedures.

7. Estimated cost to State and local government: None.

8. Estimate comparison: None.

9. Previous CBO estimate: None.

10. Estimate prepared by: Cory Oltman.

11. Estimate approved by: C.G. Nuckols for James L. Blum, Assistant Director for Budget Analysis.

Mr. BENTSEN. Mr. President, there is no question we have been in a recession. It is a difficult recession, with 7 percent unemployment. As of last June we had 8.7 million people out of work in this country.

Unemployed workers are seeing their regular benefits expire at the rate of 300,000 a month.

We have a specific trust fund set up for extended benefits, and that fund is one that has been paid into by employers who have been trying to take care of their employees to meet this kind of problem. There is almost $8 billion in that fund. After providing unemployment benefits across this Nation within the provisions of this bill, we will still have $3.5 billion left in that fund, and additional money will be going into it.

Mr. President, tell me when I have used 2 minutes of my time, please.

Mr. President, the problem is that unemployment indicators lag. We have information we may be coming out of a recession, and we certainly hope that is correct. But in the last recession you found that the unemployment figures continued to rise and they did not peak out until 7 months after the recession had technically ended. And that is what is happening today: People are having trouble putting food on the table; seeing that sick children can go to the doctor when they do not have the money to do it; trying to make the mortgage payments on the house; trying to keep their cars from being repossessed.

What we have presently, under current law, is a law that, with 7 percent unemployment, only allows three States to qualify. Under this bill, each State will qualify for some benefits. Seven states will have 20 weeks; those will be States that have 8 percent or more of unemployment.

You will have 10 States, with unemployment between 7 and 8 percent, that would be eligible for 13 weeks of additional emergency benefits.

Unemployed workers in 19 States, in States with unemployment of 6 to 7 percent, would receive 7 weeks of emergency benefits.

Unemployed workers in the remaining 14 States would be eligible for 4 weeks of emergency benefits. And they are all listed on that chart, for the information of the Members of the Senate.

What will it cost to bring this about? We are talking about $5.2 billion.

The PRESIDING OFFICER. Two minutes have expired.

Mr. BENTSEN. Mr. President, tell me when I have used another minute. We have quite a limitation on our time here.

By our estimate that would be about $5.2 billion with 90 percent of the money going to workers in States with unemployment rates of 6 percent or higher. We have some $600 million in additional funds that would be utilized to take care of veterans, including personnel who participated in Desert Storm, coming back.

There is quite a disparity in the way the benefits are paid out between people in the Armed Services who have to wait 4 weeks to begin to receive their benefits, and then receive only half the number of weeks of benefits that a civilian does. So this bill provides parity between the military personnel and, in turn, the civilian population.

Mr. President, this is a carefully crafted piece of legislation, and I particularly want to thank the ranking minority member, Senator PACKWOOD, for his assistance in developing this bill.

The PRESIDING OFFICER. The minute has expired.

Mr. BENTSEN. I also want to thank Senator RIEGLE who has worked diligently to bring about these changes in the UI program. In addition, I want to express my appreciation to Senator SARBANES and Senator SASSER.

Mr. President, I yield 5 minutes to the distinguished ranking minority member, Senator PACKWOOD.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, I thank the Chair and thank the distinguished leader of the committee. There are, I guess in this country, emergencies and emergencies. Perhaps we should say worldwide emergencies, and emergencies. And I know the argument that is made against the bill of the Senator from Texas, which I proudly cosponsored, and that is, one, it is not paid for.

Well, the taxes have been collected. They were collected in the past. It is not unlike the highway fund, the trust fund. They are in a trust fund to be spent for emergencies, and now an emergency has arrived.

The second argument that is used is that it really is not an emergency. This is a relatively small expenditure. We have a budget of roughly a $1.5 trillion, and this is perhaps a $5 billion expenditure. All things considered, it is so minuscule as to not be an emergency.

That is easy enough to say if you are an economist at Harvard and are talking in the macro sense. But if you are talking in the micro sense, if you are an unemployed worker in a lumber mill in Rosenburg, OR, 42 years of age, you have been earning, if you are lucky and working all year long, $23,000 a year. Your spouse may work at the Woolworth and make another $10,000 or $11,000, and you are out of work. You are out of work through no fault of your own. You are willing to work; as a matter of fact, your employer wants you to work. As a matter of fact, the economy for lumber is good. But for a variety of reasons involving no fault of yours—mainly environmental actions—you are laid off. And, for you, that is an emergency.

You only have one car between you and you owe payments on it. You own a house that is perhaps worth no more than $60,000, or $80,000 at the most, and you owe payments on it.

And in Roseburg, OR, there are no other jobs. It is easy enough to say fine, go to work in the electronics industry. There is no electronics industry in Rosenburg.

Go to work in construction? Construct what? This is a lumber town.

Go to work in—and then add dot, dot, dot. There is no job in Rosenburg. And if you could get one, instead of paying $10 or $12 an hour it is going to pay $5.75 or $6 an hour.

So if you are Jim or Sally, in this job at the mill, this is an emergency for which taxes have been collected to pay for it, and are being held in a trust fund to be released for this emergency.

So I very much support the bill of the Senator from Texas, and I hope that this Senate will adopt it overwhelmingly to take care of the people in this country who face a genuine emergency.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. I yield 2 minutes to the distinguished Senator from Michigan.

Mr. RIEGLE. Mr. President, I thank the Senator from Texas, and I thank him for his leadership on this issue.

As all of us have observed for the last several months, the Bush administration has an economic program throughout the world, instead of in this country. We have been helping nations across the world with emergency help. There is a long list, but I will not read it off tonight.

Tonight we are stepping up to help American people by providing emergency unemployment benefits for people who have been unemployed for so long that they have exhausted their benefits. In many cases, they are losing their homes, their cars, and even losing their families.

In the State of Michigan, because the program is not operating properly, we just had 48,000 workers who had just started to receive extended unemployment benefits, and the program triggered off. They have not received a cent since that time. As has been noted already, there is $8 billion sitting in the trust fund collected for precisely this purpose.

This legislation will allow that money to begin to help our people, and it is time we helped the people of this country. They deserve our help. The money is in the trust fund, and I hope that the President, when he gets this legislation, will see the emergency here at home the same way the administration has been so able to see all of the emergencies around the world for which we have been sending money, because we will need his help to actually have this legislation become effective so this money can start to go out to our unemployed workers.

But our people need this help, and it is time to help our own country. I ask the Senate to support this. It is critically needed.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN. I yield to the distinguished Senator from Maryland 2 minutes.

Mr. SARBANES. Mr. President, I thank the distinguished chairman of the committee, and I want to thank him and commend him for this extraordinary work he has done on this important issue.

Mr. President, there is a crisis, as Senator PACKWOOD said, for the individual worker and his family who have to worry about meeting the house payments and the car payments. These are working people who have lost their jobs. You do not get unemployment insurance unless you have been working for a certain period of time. These are people who have been working, good hard-working Americans.

There is a trust fund, Mr. President, that builds up that people have referred to. This is the extended benefit trust fund balance. In 1990, last October 1, it had a $7.2 billion surplus—surplus—in the trust fund. This year, the trust fund is building up an even larger surplus. The employers pay these taxes into the trust to pay unemployment benefits in a recession. We have this bizarre situation right now that a trust fund to pay unemployment benefits is building up a surplus in a recession when our workers cannot get unemployment benefits. Only three States are now paying extended benefits.

Darman and Boskin say the economy has turned the corner; it is on the way up. We do not know if that is the case or not. In any event, what this chart shows is that even after you reach the turning point of the recession, the number of long-term unemployed continues to go up, continues to rise.

What we have is workers who have drawn benefits for 26 weeks. They have exhausted their benefits. They cannot find a job in this job market with an unemployment rate now of 7 percent, much worse than when they lost their jobs 26 weeks ago. They are now trying to find jobs in a job market that is worse than at the time they lost their jobs.

We need to help these people. We have an emergency here at home.

I urge the passage of this legislation.

Mr. BENTSEN. Mr. President, in consultation with the majority leader, he wants to yield 2 minutes to the distinguished Senator from Pennsylvania off his time.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. WOFFORD. Mr. President, we should look at these graphs, these charts, and these statistics. But I come from having run the unemployment insurance system in Pennsylvania for the last 4½ years, and I have seen firsthand the growing number of families who have run out of their unemployment compensation and face an emergency in which there are no additional weeks of unemployment compensation. I have seen what it does to those families.

If we want to know what undermines confidence in government, it is for a government to have a trust fund with the funds available, paid for by the employers and by the workers, ready and not used. From my first days in this body I have been urging action to deal with this emergency.

Thousands of returned Peace Corps volunteers are here in Washington celebrating the 30th aniversary of the Peace Corps, beginning in the Capitol this very night. They took a spirit of urgency abroad to get action on the pressing humam problems facing people in other countries. We have such a problem right here at home. It's an emergency for millions of Americans. We need action and we need action now. I urge the support of this bill.

Mr. BENTSEN. Mr. President, I yield 2 minutes to the distinguished Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 2 minutes.

Mr. KENNEDY. Mr. President, the White House was wrong 1 year ago when it said the recession was not coming, and the White House was wrong 6 months ago when it said it was going to be short and shallow. And the White House is wrong tonight when it said that hard-working, decent Americans do not need help. They do need help. They need our help.

That attitude is unacceptable. This recession is not their fault, and they should not have to pay the price for it. The message we are sending tonight is help at last is on its way.

I yield the floor.

Mr. BENTSEN. Mr. President, I yield 2 minutes to the distinguished Senator from Tennessee [Mr. SASSER].

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, this is a major victory for the American people. This is a major victory for those who want to work but cannot find jobs. I want to congratulate the distinguished chairman of the Finance Committee for acting decisively at a crucial time to deal with what is, indeed, an economic emergency for some 3 million Americans and their families.

Further, Mr. President, I want to urge the President of the United States to agree that this is, indeed, an emergency, an emergency for over 3 million Americans and their families, and to give this legislation, when it reaches his desk, an emergency designation.

Far from being a violation of the budget summit agreement, as some have urged, as a participant in those negotiations, as one who shepherded that budget agreement through this body, I want to say that this is something that was contemplated under the budget agreement. And whether or not the President exercises the emergency power that the Congress is giving him I think will represent a critical test of whether or not this budget agreement is flexible enough to survive, is flexible enough to meet the needs of the American people.

Mr. President, I yield back the remainder of my time to the distinguished chairman.

Mr. BENTSEN. Mr. President, I retain the remainder of my time.

I yield 2 minutes to the distinguished Senator from Illinois.

The PRESIDING OFFICER. (Mr. SARBANES). The Senator from Illinois is recognized for 2 minutes.

Mr. SIMON. Mr. President, first of all, I want to commend Senator BENTSEN for his leadership; the Presiding Officer right now, Senator SARBANES, Senator RIEGLE, and others. There is a need, and it is embarrassing that only one-third of unemployed workers are receiving benefits.

One aspect of it I do differ with, and I expressed this about 10 days ago in the Democratic caucus. I think we would be better off doing it on a pay-as-you-go basis, facing up to the fact there is a need, but also facing up to the fact that if we do it without adding some increased revenue, we do add to the deficit, though this fund was established specifically for this purpose.

But the need is here. We cannot turn a cold shoulder to American workers. And while this particular mechanism is not the one I prefer, I think it is absolutely essential that we go ahead. I strongly support the measure that is before us.

Mr. MITCHELL. Mr. President, I yield 1 minute of my leader time to the distinguished Senator from Connecticut.

Mr. DODD. Mr. President, I thank the majority leader. I join in the commendation of the distinguished chairman of the Finance Committee.

Mr. President, to bring this home in very concrete terms, in a State like Connecticut, my home State, as of this month 54,000 individuals have now exhausted their unemployment compensation benefits. By the end of this fiscal year 3 million Americans out of the same 8 million unemployed will have exhausted their benefits, and by the beginning of 1992, 3.8 million people will have exhausted those benefits.

Mr. President, we have watched an administration that has expressed a great deal of concern and care about other parts of the world. Many of those actions I applaud—emergency relief for Bangladesh, emergency relief for the Kurds. The President was right in both of those cases, in my view. He tried to do something in technical assistance for the Soviet Union. I understand that.

But I think the President also needs to understand, Mr. President, that we need emergency relief for an awful lot of people in this country, who have never been out of work before, who find themselves tonight for the first time collecting pink slips with obligations on home mortgages, college education, automobiles, basic necessities to meet.

So, Mr. President, I applaud those who have orchestrated this particular movement. This is truly a victory for people who need some assistance. We are saying that we not only care about the rest of the world, but we care about people here at home. We are caught in the vise of unemployment.

Mr. President, I yield the floor.

Mr. MITCHELL. Mr. President, I yield 1 minute of my leader time to the Senator from Michigan.

Mr. LEVIN. I thank my friend.

Mr. President, the unemployment rate in Michigan is 9.1 percent, 400,000 people unemployed, 40,000 people rudely, arbitrarily cut-off from extended benefits in June.

We have a fund. The fund is there for a rainy day. There is more than enough money in that fund to pay for these benefits. It is pouring in Michigan; it is more than a rainy day. We need this money for unemployed people. I commend the Senator from Texas and the others who have put together this package. It is critically needed.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER (Mr. SIMON). The majority leader is recognized.

Mr. MITCHELL. Mr. President, I yield myself such leader time as I may use.

Mr. President, Members of the Senate, in May, Democrats announced an economic recovery and growth package. We promised legislation to implement that plan. This is such legislation.

If unemployment compensation is to work as intended, as an automatic stabilizer to the economy, then unemployment benefits must be provided to those in need and eligible. A week ago today the Senate Finance Committee, in a bipartisan vote of 16 to 4, approved an emergency unemployment compensation extension bill. The issue is simple. It is clear. Nearly 9 million Americans are out of work. These are people who have lost their jobs through no fault of their own. Nearly 3 million Americans exhausted State unemployment compensation benefits between July of last year, when the recession began, and this July. The national average unemployment rate is 7 percent, the highest in 5 years.

The recession began last July. Contrary to the President's prediction, it has not been short and it has not been shallow. For workers who have lost their livelihoods, it is already too deep. For businesses strapped for credit and customers, it has already been too long.

Eighteen States have unemployment levels at 7 percent or above. Another 18 States have unemployment levels at 6 percent or above. And these numbers do not include those Americans working part time because they cannot find full-time jobs or those who have become so frustrated they have dropped out of the labor force.

Most State unemployment programs offer 26 weeks of benefits as partial wage replacement. During tough economic times, when jobs are harder to find, States trigger onto what is known as the Extended Benefits Program. This program is designed to offer Americans an additional 13 weeks of benefits once their initial 26 weeks have expired.

One would think that with nearly 9 million Americans out of work and over two-thirds of the States with unemployment rates above 6 percent, many, if not all, of the States would trigger onto the Extended Benefits Program. But that is not the case. Despite the severity of unemployment throughout the country, only eight States have triggered onto the Extended Benefits Program, and five of those eight have already triggered off the program; they are no longer eligible for the extra 13 weeks of benefits. My own State of Maine, with an unemployment rate of 7.6 percent, is likely to trigger off the Extended Benefits Program this month unless action is taken. And that is the case even though some areas of Maine have unemployment levels above 11 percent. Despite that, Maine will not be eligible any longer for extended benefits. That is not right. It is not fair. This legislation will do something about it.

Americans go to work knowing that if they lose their jobs through no fault of their own and have worked long enough to qualify for unemployment benefits, they will receive those benefits. Employers know that they pay unemployment taxes so, in the event of a recession, those taxes will be used to pay unemployment benefits to their workers. But during this recession large numbers of unemployed families are not receiving benefits, and of those who have received benefits many have exhausted them. Meanwhile, the extended benefits trust fund is growing. The trust fund surplus is now about $8 billion. It is expected to grow to $9.5 billion during the next fiscal year.

Mr. President and Members of the Senate, how can we have a situation where millions of Americans are unemployed and yet a trust fund established to provide unemployment benefits to the unemployed is growing and benefits are not being paid? It is not right. It is not fair. The taxes are collected to pay the unemployment benefits to those who are out of work. They ought to receive unemployment compensation.

The President hopes the recession will end soon and unemployment will decline. We all do. Yet the President's own chairman of the Council of Economic Advisers has said that unemployment will remain high for the next 2 years. Working men and women and their families who depend on their paychecks cannot pay their mortgages with Presidential hopes. They cannot put food on the table with kind words. We can hope no longer. We can talk no longer. The time to act is now.

It is time that the unemployment compensation be corrected to work as intended. This bill deserves our unanimous support.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

The minority leader is recognized.

AMENDMENT NO. 1018

(Purpose: To provide a substitute amendment)

Mr. DOLE. Mr. President, under the agreement, I send an amendment in the nature of a substitute to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself, Mr. SIMPSON and Mr. DOMENICI, proposes an amendment numbered 1018.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language proposed to be inserted insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
6-percent period	10
Other period	5.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "6-percent period" and "other period" mean, with respect to any State, the period which—

(A) begins with the third week after the first week for which the applicable trigger is on, and

(B) ends with the third week after the first week for which the applicable trigger is off.

(2) APPLICABLE TRIGGER.—In the case of a 6-percent period or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the adjusted rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
6-percent period	A rate equal to or exceeding 6 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after August 31, 1991, a 6-percent period or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for a State, such other period shall be in effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that a 6-percent period or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) September 1, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after May 31, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes May 31, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following August 31, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a 6-percent period, as described in subsection (c), is in effect with respect to the State for the first week following August 31, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in a 6-percent period or other period under this Act and, if the individual's benefit year ends within any such period, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 26th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) ADJUSTED RATE OF INSURED UNEMPLOYMENT.—The adjusted rate of insured unemployment shall be determined in the same manner as the rate of insured unemployment is determined under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970, except that the total number of individuals exhausting rights to regular compensation for the most recent three months for which data are available shall be included in such determination in the same manner as the average weekly number of individuals filing claims for regular compensation.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY FOR DESERT STORM RESERVISTS.—Section 8521 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) In the case of a member of the armed forces who served on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, paragraph (1) of subsection (a) shall be applied by substituting '90 days' for '180 days'.

"(2) For purposes of paragraph (1), the term 'Operation Desert Storm' has the meaning given the term in section 3(1) of Public Law 102-25 (105 Stat. 77).".

(b) LIMITATIONS ON UNEMPLOYMENT COMPENSATION.—Subsection (a)(1) of section 8521 of title 5, United States Code, is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

"(A) The individual was—

"(i) involuntarily separated from the armed forces, or

"(ii) separated from the armed forces after being retained on active duty pursuant to section 673C or 676 of title 10, United States Code.

"(B) This paragraph does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary of the military department concerned).".

(c) CONFORMING AMENDMENT.—Subsection (c) of section 8521 of such title is hereby repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after August 31, 1991.

TITLE II—PERMANENT EXTENSION OF PROVISIONS RELATING TO COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES

Sec. 201 (a) General Rule—Subsection (c) of section 2653 of the Deficit Reduction Act of 1984 is amended by striking "on or before January 10, 1994".

(b) The amendments made by this subsection shall take effect on October 1, 1991.

TITLE III—GUARANTEED STUDENT LOANS

CREDIT CHECKS; COSIGNERS

SEC. 301. (a) Section 427(a)(2)(A) of the Higher Education Act (hereafter referred to as the "Act") is amended to read as follows:

"(A) is made without security and without endorsement, except that prior to making a loan insurable by the Secretary under this part a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history;".

(b) Section 428(b)(1) of the Act is further amended—

(1) in subparagraph (V) (as amended by section 433), by striking out "and" at the end thereof:

(2) in subparagraph (W) (as amended by section 433), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(X) provides that prior to making a loan made, insured, or guaranteed under this part (other than a loan made in accordance with section 428C), a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history.".

SEC. 302. (a) Section 427 of the Act is amended by adding at the end thereof the following new section:

"(d) BORROWER INFORMATION.—The lender shall obtain the borrower's driver's license number, if any, at the time of application for the loan.".

(b) Section 428 of the Act is further amended—

(1) in subsection (a)(2)(A)—

(A) in clause (i)(I), by striking out "and" at the end thereof;

(B) in clause (ii), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new clause:

"(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's driver's number, if any."

BORROWER INFORMATION

SEC. 303. Section 485(b) of the Act is amended—

"(1) by amending the subsection heading to read as follows: "EXIT COUNSELING FOR BORROWERS; BORROWER INFORMATION.—"; and

(2) by adding at the end thereof the following: "Each eligible institution shall require that the borrower of a loan made under part B, part D, or part E submit to the institution, during the exit interview required by this subsection, the borrower's expected permanent address after leaving the institution, regardless of the reason for leaving; the name and address of the borrower's expected employer after leaving the institution; and the address of the borrower's next of kin. In the case of a loan made under part B, the institution shall then submit this information to the holder of the loan.".

SEC. 304. Section 428 of the Act is further amended by adding at the end thereof the following new subparagraph:

"(W) provides that the lender shall obtain, as part of the note or written agreement evidencing the loan, the borrower's authorization for entry of judgment against the borrower in the event of default.".

WAGE GARNISHMENT

Sec. 305. (a) Part G of title IV of the Act is further amended by inserting immediately following section 488 the following new section:

"WAGE GARNISHMENT REQUIREMENT

"Sec. 488A. (a) Garnishment Requirements.—Notwithstanding any provision of State law, a guaranty agency, or the Secretary in the case of loans made, insured or guaranteed under this title that are held by the Secretary, may garnish the disposable pay of an individual to collect the amount owed by the individual, if he or she is not currently making required repayment under a repayment agreement with the Secretary, or, in the case of a loan guaranteed under part B on which the guaranty agency received reimbursement from the Secretary under section 428(c), with the guaranty agency holding the loan, as appropriate, provided that—

"(1) the amount deducted for any pay period may not exceed 10 percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved;

"(2) the individual shall be provided written notice, sent by mail to the individual's last known address, a minimum of 30 days prior to the initiation of proceedings, from the guaranty agency or the Secretary, as appropriate, informing such individual of the nature and amount of the loan obligation to be collected, the intention of the guaranty agency or the Secretary, as appropriate, to initiate proceedings to collect the debt through deductions from pay, and an explanation of the rights of the individual under this section;

"(3) the individual shall be provided an opportunity to inspect and copy records relating to the debt;

"(4) the individual shall be provided an opportunity to enter into a written agreement with the guaranty agency or the Secretary, under terms agreeable to the Secretary, or the head of the guaranty agency or his designee, as appropriate, to establish a schedule for the repayment of the debt;

"(5) the individual shall be provided an opportunity for a hearing in accordance with subsection (b) on the determination of the Secretary or the guaranty agency, as appropriate, concerning the existence or the amount of the debt, and, in the case of an individual whose repayment schedule is established other than by a written agreement pursuant to paragraph (4), concerning the terms of the repayment schedule;

"(6) the employer shall pay to the Secretary or the guaranty agency as directed in the withholding order issued in this action, and shall be liable for, and the Secretary or the guaranty agency, as appropriate, may sue the employer in a State or Federal court of competent jurisdiction to recover, any amount that such employer fails to withhold from wages due an employee following receipt of such employer of notice of the withholding order, plus attorneys' fees, costs, and, in the court's discretion, punitive damages, but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph; and

"(7) an employer may not discharge from employment, refuse to employ, or take disciplinary action against an individual subject to wage withholding in accordance with this section by reason of the fact that the individual's wages have been subject to garnishment under this section, and such individual may sue in a State or Federal court of competent jurisdiction any employer who takes such action. The court shall award attorneys' fees to a prevailing employee and, in its discretion, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonably necessary.

"(b) Hearing Requirements.—A hearing decribed in subsection (a)(5) shall be provided prior to issuance of a garnishment order if the individual, on or before the 15th day following the mailing of the notice described in subsection (a)(2), and in accordance with such procedures as the Secretary or the head of the guaranty agency, as appropriate, may prescribe, files a petition requesting such a hearing. If the individual does not file a petition requesting a hearing prior to such date, the Secretary or the guaranty agency, as appropriate, shall provide the individual a hearing under subsection (a)(5) upon request, but such hearing need not be provided prior to issuance of a garnishment order. A hearing under subsection (a)(5) may not be conducted by an individual under the supervision or control of the head of the guaranty agency, except that nothing in this sentence shall be construed to prohibit the appointment of an administrative law judge. The hearing official shall issue a final decision at the earliest practicable date, but not later than 60 days after the filing of the petition requesting the hearing.

"(c) Notice Requirements.—The notice to the employer of the withholding order shall contain only such information as may be necessary for the employer to comply with the withholding order.

"(d) Definition.—For the purpose of this section, the term 'disposable pay' means that part of the compensation of any individual remaining after the deduction of any amounts required by law to be withheld.".

(b) Section 428E of the Act is repealed.

(c) Section 428(c)(6) of the act is amended by striking out subparagraph (D).

DATA MATCHING

Sec. 306. Part G of title IV of the Act is further amended by inserting immediately following section 489 the following new section:

"DATA MATCHING

"Sec. 489A. (a)(1) The Secretary is authorized to obtain information from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States, or of any State, concerning the most recent address of an individual obligated on a loan held by the Secretary or a loan made in accordance with part B of this title held by a guaranty agency, or an individual owing a refund of an overpayment of a grant awarded under this title, and the name and address of such individual's employer, if the Secretary determines that such information is needed to enforce the loan or collect the overpayment.

"(2) The Secretary is authorized to provide the information described in paragraph (1) to a guaranty agency holding a loan made under part B of this title on which such individual is obligated.

"(b)(1) Notwithstanding any other provision of law, whenever the head of any department, agency, or instrumentality of the United States or of a State receives a request from the Secretary for information authorized under this section, such individual or his designee shall promptly cause a search to be made of the records of the agency to determine whether the information requested is contained in those records.

"(2)(A) If such information is found, the individual shall, is conformance with the provisions of the Privacy Act of 1974, as amended, immediately transmit such information to the Secretary, except that if disclosure of the information would contravene national policy or security interests of the United States, or the confidentiality of census data, the individual shall immediately so notify the Secretary and shall not transmit the information.

"(B) If no such information is found, the individual shall immediately so notify the Secretary.

"(3)(A) The reasonable costs incurred by any such agency of the United States or of a State in providing any such information to the Secretary shall be reimbursed by the Secretary, and retained by the agency.

"(B) Whenever such information is furnished to a guaranty agency, that agency shall be charged a fee to be used to reimburse the Secretary for the expense of providing such information.

"(c) The Secretary of Labor shall enter into an agreement with the Secretary to provide prompt access for the Secretary, in accordance with this section, to the wage and unemployment compensation claims information and data maintained by or for the Department of Labor or State employment security agencies.".

TITLE IV—ELECTROMAGNETIC SPECTRUM FUNCTION

SECTION 401. SHORT TITLE.

This Act may be cited as the "Emerging Telecommunications Technologies Act of 1991".

SEC. 402. FINDINGS.

The Congress finds that—

(1) spectrum is a valuable natural resource;

(2) it is in the national interest that this resource be used more efficiently;

(3) the spectrum below 6 gigahertz (GHz) is becoming increasingly congested, and, as a result entities that develop innovative new spectrum-based services are finding it difficult to bring these services to the marketplace;

(4) scarcity of assignable frequencies can and will—

(A) impede the development and commercialization of new spectrum-based products and services;

(B) reduce the capacity and efficiency of the United States telecommunications system; and

(C) adversely affect the productive capacity and international competitiveness of the United States economy;

(5) the United States Government presently lacks explicit authority to use excess radiocommunications capacity to satisfy non-United States Government requirements;

(6) more efficient use of the spectrum can provide the resources for increased economic returns;

(7) many commercial users derive significant economic benefits from their spectrum licenses, both through the income they earn from their use of the spectrum and the returns they realize upon transfer of their licenses to third parties; but under current procedures, the United States public does not sufficiently share in their benefits;

(8) many United States Government functions and responsibilities depend heavily on

the use of the radio spectrum, involve unique applications, and are performed in the broad national and public interest;

(9) competitive bidding for spectrum can yield significant benefits for the United States economy by increasing the efficiency of spectrum allocations, assignment, and use; and for United States taxpayers by producing substantial revenues for the United States Treasury; and

(10) the Secretary, the President, and the Commission should be directed to take appropriate steps to foster the more efficient use of this valuable national resource, including the reallocation of a target amount of 200 megahertz (MHz) of spectrum from United States Government use under section 305 of the Communications Act (47 U.S.C. 305) to non-United States Government use pursuant to other provisions of the Communications Act and the implementation of competitive bidding procedures by the Commission for some new assignments of the spectrum.

SEC. 403. NATIONAL SPECTRUM PLANNING.

(a) PLANNING ACTIVITIES.—The Secretary and the Chairman of the Commission shall, at least twice each year, conduct joint spectrum planning meetings with respect to the following issues—

(1) future spectrum needs;

(2) the spectrum allocation actions necessary to accommodate those needs, including consideration of innovation and marketplace developments that may affect the relative efficiencies of different portions of the spectrum; and

(3) actions necessary to promote the efficient use of the spectrum, including proven spectrum management techniques to promote increased shared use of the spectrum as a means of increasing non-United States Government access; and innovation in spectrum utilization including means of providing incentives for spectrum users to develop innovative services and technologies.

(b) REPORTS.—The Secretary and the Chairman of the Commission shall submit a joint annual report to the President on the joint spectrum planning meetings conducted under subsection (a) and any recommendations for action developed in such meetings.

(c) OPEN PROCESS.—The Secretary and the Commission will conduct an open process under this section to ensure the full consideration and exchange of views among any interested entities, including all private, public, commercial, and governmental interests.

SEC. 404. IDENTIFICATION OF REALLOCABLE FREQUENCIES.

(a) IDENTIFICATION REQUIRED.—The Secretary shall prepare and submit to the President the reports required by subsection (d) to identify bands of frequencies that—

(1) are allocated on a primary basis for United States Government use and eligible for licensing pursuant to section 305(a) of the Communications Act (47 U.S.C. 305(a));

(2) are not required for the present or identifiable future needs of the United States Government;

(3) can feasibly be made available during the next 15 years after enactment of this Act for use under the provisions of the Communications Act for non-United States Government users;

(4) will not result in costs to the Federal Government that are excessive in relation to the benefits that may be obtained from the potential non-United States Government uses; and

(5) are likely to have significant value for non-United States Government uses under the Communications Act.

(b) AMOUNT OF SPECTRUM RECOMMENDED.—

(1) IN GENERAL.—The Secretary shall recommend as a goal for reallocation, for use by non-United States Government stations, bands of frequencies constituting a target amount of 200 MHz, that are located below 6 GHz, and that meet the criteria specified in paragraphs (1) through (5) of subsection (a). If the Secretary identifies (as meeting such criteria) bands of frequencies totalling more than 200 MHz, the Secretary shall identify and recommend for reallocation those bands (totalling not less than 200 MHz) that are likely to have the greatest potential for non-United States Government uses under the Communications Act.

(2) MIXED USES PERMITTED TO BE COUNTED.—Bands of frequencies which the Secretary recommends be partially retained for use by United States Government stations, but which are also recommended to be reallocated and made available under the Communications Act for use by non-United States Government stations, may be counted toward the target 200 MHz of spectrum required by paragraph (1) of this subsection, except that—

(A) the bands of frequencies counted under this paragraph may not count toward more than one-half of the amount targeted by paragraph (1) of this subsection;

(B) a band of frequencies may not be counted under this paragraph unless the assignments of the band to United States Government stations under section 305 of the Communications Act (47 U.S.C. 305) are limited by geographic area, by time, or by other means so as to guarantee that the potential use to be made by which United States Government stations is substantially less (as measured by geographic area, time, or otherwise) than the potential United States Government use to be made; and

(C) the operational sharing permitted under this paragraph shall be subject to procedures which the Commission and the Department of Commerce shall establish and implement to ensure against harmful interference.

(c) CRITERIA FOR IDENTIFICATION.—

(1) NEEDS OF THE UNITED STATES GOVERNMENT.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(2), the Secretary shall—

(A) consider whether the band of frequencies is used to provide a communications service that is or could be available from a commercial provider;

(B) seek to promote—

(i) the maximum practicable reliance on commercially available substitutes;

(ii) the sharing of frequencies (as permitted under subsection (b)(2));

(iii) the development and use of new communications technologies; and

(iv) the use of nonradiating communications systems where practicable; and

(C) seek to avoid—

(i) serious degradation of United States Government services and operations;

(ii) excessive costs to the United States Government and civilian users of such Government services; and

(iii) identification of any bands for reallocation that are likely to be subject to substitution for the reasons specified in section 5(b)(2)(A) through (C).

(2) FEASIBILITY OF USE.—In determining whether a frequency band meets the criteria specified in subsection (a)(3), the Secretary shall—

(A) assume such frequencies will be assigned by the Commission under section 303 of the Communications Act (47 U.S.C. 303) over the course of fifteen years after the enactment of this Act;

(B) assume reasonable rates of scientific progress and growth of demand for telecommunications services;

(C) determine the extent to which the reallocation or reassignment will relieve actual or potential scarcity of frequencies available for non-United States Government use;

(D) seek to include frequencies which can be used to stimulate the development of new technologies; and

(E) consider the cost to reestablish United States Government services displaced by the reallocation of spectrum during the fifteen year period.

(3) COSTS TO THE UNITED STATES GOVERNMENT.—In determining whether a frequency band meets the criteria specified in subsection (a)(4), the Secretary shall consider—

(A) the costs to the United States Government of reaccommodating its services in order to make spectrum available for non-United States Government use, including the incremental costs directly attributable to the loss of the use of the frequency band; and

(B) the benefits that could be obtained from reallocating such spectrum to non-United States Government users, including the value of such spectrum in promoting—

(i) the delivery of improved service to the public;

(ii) the introduction of new services; and

(iii) the development of new communications technologies.

(4) NON-UNITED STATES GOVERNMENT USE.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(5), the Secretary shall consider—

(A) the extent to which equipment is commercially available that is capable of utilizing the band; and

(B) the proximity of frequencies that are already assigned for non-United States Government use.

(d) PROCEDURE FOR IDENTIFICATION OF REALLOCABLE BANDS OF FREQUENCIES.—

(1) SUBMISSION OF REPORTS TO THE PRESIDENT TO IDENTIFY AN INITIAL 30 MHZ TO BE MADE AVAILABLE IMMEDIATELY FOR REALLOCATION, AND TO PROVIDE PRELIMINARY AND FINAL REPORTS ON ADDITIONAL FREQUENCIES TO BE REALLOCATED.—

(A) Within six months after the date of the enactment of this Act, the Secretary shall prepare and submit to the President a report which specifically identifies an initial 30 MHz of spectrum, to be made available for reallocation upon issuance of this report, and to be distributed by the Commission pursuant to competitive bidding procedures;

(B) within twelve months after the date of the enactment of this Act, the Secretary shall prepare and submit to the President a preliminary report to identify reallocable bands of frequencies meeting the criteria established by this section;

(C) Within twenty-four months after the date of enactment of this Act, the Secretary shall prepare and submit to the President a final report which identifies the target 200 MHz for reallocation (which shall encompass the initial 30 MHz previously designated under subsection (d)(1)(A)); and

(D) The President shall publish the reports required by this Section in the Federal Register.

(2) CONVENING OF PRIVATE SECTOR ADVISORY COMMITTEE.—Not later than twelve months after the enactment of this Act, the Secretary shall convene a private sector advisory committee to—

(A) review the bands of frequencies identified in the preliminary report required by subsection (d)(1)(B);

(B) advise the Secretary with respect to—

(i) the bands of frequencies which should be included in the final report required by subsection (d)(1)(C); and

(ii) the effective dates which should be established under subsection (e) with respect to such frequencies;

(C) receives public comment on the Secretary's preliminary and final reports under subsection (d); and

(D) prepare and submit the report required by paragraph (d)(4) of section 4.

The private sector advisory committee shall meet at least quarterly until each of the actions required by section 5(a) have taken place.

(3) COMPOSITION OF COMMITTEE; CHAIRMAN.—The private sector advisor committee shall include—

(A) the Chairman of the Commission, and the Secretary, or their designated representatives, and two other representatives from two different United States Government agencies that are spectrum users, other than the Department of Commerce, as such agencies may be designated by the Secretary; and

(B) persons who are representative of—

(i) manufacturers of spectrum-dependent telecommunications equipment;

(ii) commercial users;

(iii) other users of the electromagnetic spectrum; and

(iv) other interested members of the public who are knowledgeable about the uses of the electromagnetic spectrum to be chosen by the Secretary.

A majority of the members of the committee shall be members described in subparagraph (B), and one of such members shall be designated as chairman by the Secretary.

(4) RECOMMENDATIONS ON SPECTRUM ALLOCATION PROCEDURES.—The private sector advisory committee shall, not later than twenty-four months after its formation, submit to the Secretary, the Commission, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science and Transportation of the Senate, such recommendations as the committee considers appropriate for the reform of the process of allocating the electromagnetic spectrum between United States Government users and non-United States Government users, and any dissenting views thereon.

(e) TIMETABLE FOR REALLOCATION AND LIMITATION.—The Secretary shall, as part of the final report required by subsection (d)(1)(C), include a timetable for the effective dates by which the President shall, within fifteen years after enactment of this Act, withdraw or limit assignments on frequencies specified in the report. The recommended effective dates shall—

(1) permit the earliest possible reallocation of the frequency bands, taking into account the requirements of section 6(a);

(2) be based on the useful remaining life of equipment that has been purchased or contracted for to operate on identified frequencies;

(3) be based on the need to coordinate frequency use with other nations; and

(4) avoid the imposition of incremental costs on the United States Government directly attributable to the loss of the use of frequencies or the changing to different frequencies that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequencies.

SEC. 405. WITHDRAWAL OF ASSIGNMENT TO UNITED STATES GOVERNMENT STATIONS.

(a) IN GENERAL.—The President shall—

(1) within three months after receipt of the Secretary's report under section 4(d)(1)(A), withdraw or limit the assignment to a United States Government station of any frequency on the initial 30 MHz which that report recommends for immediate reallocation;

(2) with respect to other frequencies recommended for reallocation by the Secretary's report in section 4(d)(1)(C), by the effective dates recommended pursuant to section 4(e) (except as provided in section (b)(4)), withdraw or limit the assignment to a United States Government station of any frequency which that report recommends be reallocated or available for mixed use on such effective dates;

(3) assign or reassign other frequencies to United States Government stations as necessary to adjust to such withdrawal or limitation of assignments; and

(4) publish in the Federal Register a notice and description of the actions taken under this subsection.

(b) EXCEPTIONS.—

(1) AUTHORITY TO SUBSTITUTE.—If the President determines that a circumstance described in section 5(b)(2) exists, the President—

(A) may, within one month after receipt of the Secretary's report under section 4(d)(1)(A), and within six months after receipt of the Secretary's report under section 4(d)(1)(C), substitute an alternative frequency or band of frequencies for the frequency or band that is subject to such determination and withdraw (or limit) the assignment of that alternative frequency or band in the manner required by subsection (a); and

(B) shall publish in the Federal Register a statement of the reasons for taking the action described in subparagraph (A).

(2) GROUNDS FOR SUBSTITUTION.—For purposes of paragraph (1), the following circumstances are described in this paragraph:

(A) the reassignment would seriously jeopardize the national security interests of the United States;

(B) the frequency proposed for reassignment is uniquely suited to meeting important United States Governmental needs;

(C) the reassignment would seriously jeopardize public health or safety; or

(D) the reassignment will result in incremental costs to the United States Government that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequency.

(3) CRITERIA FOR SUBSTITUTED FREQUENCIES.—For purposes of paragraph (1), a frequency may not be substituted for a frequency identified by the final report of the Secretary under Section 4(d)(1)(C) unless the substituted frequency also meets each of the criteria specified by section 4(a).

(4) DELAYS IN IMPLEMENTATION.—If the President determines that any action cannot be completed by the effective dates recommended by the Secretary pursuant to section 4(e), or that such an action by such date would result in a frequency being unused as a consequence of the Commission's plan under section 6, the President may—

(A) withdraw or limit the assignment to United States Government stations on a later date that is consistent with such plan, by providing notice to that effect in the Federal Register, including the reason that withdrawal at a later date is required; or

(B) substitute alternative frequencies pursuant to the provisions of this subsection.

(c) COSTS OF WITHDRAWING FREQUENCIES ASSIGNED TO THE UNITED STATES GOVERNMENT; APPROPRIATIONS AUTHORIZED.—Any United States Government licensee, or non-United States Government entity operating on behalf of a United States Government licensee, that is displaced from a frequency pursuant to this section may be reimbursed not more than the incremental costs it incurs, in such amounts as provided in advance in appropriation acts, that are directly attributable to the loss of the use of the frequency pursuant to this section. The estimates of these costs shall be prepared by the affected agency, in consultation with the Department of Commerce.

(d) There are authorized to be appropriated to the affected licensee agencies such sums as may be necessary to carry out the purposes of this section.

SEC. 406. DISTRIBUTION OF FREQUENCIES BY THE COMMISSION.

(a) PLANS SUBMITTED.—

(1) With respect to the initial 30 MHz to be reallocated from United States Government to non-United States Government use under section 4(d)(1)(A), not later than twenty-four months after enactment of this Act, the Commission shall complete a public notice and comment proceeding regarding the allocation of this spectrum and shall form a plan to assign such spectrum pursuant to competitive bidding procedures, pursuant to section 8 of this Act, during fiscal years 1994 through 1996.

(2) With respect to the remaining spectrum to be reallocated from United States Government to non-United States Government use under section 4(e), not later than two years after issuance of the report required by section 4(d)(1)(C), the Commission shall complete a public notice and comment proceeding; and the Commission shall, after consultation with the Secretary, prepare and submit to the President a plan for the distribution under the Communications Act of the frequency bands reallocated pursuant to the requirements of this Act. Such plan shall—

(A) not propose the immediate distribution of all such frequencies, but, taking into account the timetable recommended by the Secretary pursuant to section 4(e), shall propose—

(i) gradually to distribute the frequencies remaining, after making the reservation required by subparagraph (ii), over the course of a ten-year period beginning on the date of submission of such plan; and

(ii) to reserve a significant portion of such frequencies for distribution beginning after the end of such ten-year period;

(B) contain appropriate provisions to ensure—

(i) the availability of frequencies for new technologies and services in accordance with the policies of section 7 of the Communications Act (47 U.S.C. 157); and

(ii) the availability of frequencies to stimulate the development of such technologies; and

(C) not prevent the Commission from allocating bands of frequencies for specific uses in future rulemaking proceedings.

(b) AMENDMENT TO THE COMMUNICATIONS ACT.—Section 303 of the Communications Act is amended by adding at the end thereof the following new subsection (u) (indicating that the Commission shall):

"(u) Have authority to assign the frequencies reallocated from United States Government use to non-United States Government use pursuant to the 'Emerging Telecommunications Technologies Act of 1991': *Provided*, That any such assignment shall expressly be made subject to the right of the President to reclaim such frequencies under the provisions of section 7 of the 'Emerging Telecommunications Technologies Act of 1991'.".

SEC. 407. AUTHORITY TO RECLAIM REASSIGNED FREQUENCIES.

(a) AUTHORITY OF PRESIDENT.—The President may reclaim reallocated frequencies for reassignment to United States Government stations in accordance with this section.

(b) PROCEDURE FOR RECLAIMING FREQUENCIES.—

(1) UNASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have not been assigned by the Commission, the President may reclaim them based on the grounds described in section 5(b)(2) of this Act.

(2) ASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have been assigned by the Commission, the President may reclaim them based on the grounds described in section 5(b)(2) of this Act, except that the notification required by section 5(b)(1) shall include—

(A) a timetable to accommodate an orderly transition for licensees to obtain new frequencies and equipment necessary for their utilization; and

(B) an estimate of the cost of displacing the licensees.

(c) COSTS OF RECLAIMING FREQUENCIES.—Any non-United States Government licensee that is displaced from a frequency pursuant to this section shall be reimbursed the incremental costs it incurs that are directly attributable to the loss of the use of the frequency pursuant to this section.

(d) EFFECT ON OTHER LAW.—Nothing in this section shall be construed to limit or otherwise affect the authority of the President under section 706 of the Communications Act (47 U.S.C. 606).

SEC. 408. COMPETITIVE BIDDING.

(a) COMPETITIVE BIDDING AUTHORIZED.—Section 309 of the Communications Act is amended to add a new subsection (j) providing that:

"(j)(1) The Commission shall use competitive bidding for awarding all initial licenses or new construction permits, including licenses and permits for spectrum reallocated for non-United States Government use pursuant to the 'Emerging Telecommunications Technologies Act of 1991', subject to the exclusions listed in subsection (j)(2).

"(A) The Commission shall require potential bidders to file a first-stage application indicating an intent to participate in the competitive bidding process and containing such other information as the Commission finds necessary. After conducting the bidding, the Commission shall require the winning bidder to submit a second-stage application. Upon determining that such application is acceptable for filing and that the applicant is qualified pursuant to subsection (j)(1)(B), the Commission shall grant a permit or license.

"(B) No construction permit or license shall be granted to an applicant selected pursuant to subsection (j)(1)(A) unless the Commission determines that such applicant is qualified pursuant to section 308(b) and section 309(a) of the Communications Act, on the basis of the information contained in the first- and second-stage applications submitted under subsection (j)(1)(A).

"(C) Each participant in the competitive bidding process is subject to the schedule of changes contained in section 8 of the Communications Act (47 U.S.C. 158).

"(D) The Commission shall have the authority in awarding construction permits or licenses under competitive bidding procedures to (i) define the geographic and frequency limitations and technical requirements, if any, of such permits or licenses; (ii) establish minimum acceptable competitive bids; and (iii) establish other appropriate conditions on such permits and licenses that will serve the public interest.

"(E) The Commission shall, within eighteen months after enactment of the 'Emerging Telecommunications Technologies Act of 1991', following public notice and comment proceedings, adopt rules establishing competitive bidding procedures under this subsection, including the method of bidding and the basis for payment (such as flat fees, fixed or variable royalties, combinations of flat fees and royalties, or other reasonable forms of payment); and a plan for applying such competitive bidding procedures to the initial 30 MHz reallocated from United States Government to non-United States Government use under section 4(d)(1)(A) of the 'Emerging Telecommunications Technologies Act of 1991', to be distributed during the fiscal years 1994 through 1996.

"(2) Competitive bidding shall not apply to:

"(A) license renewals;

"(B) the United States Government and State or local government entities;

"(C) amateur operator services, public radio broadcast services, public television broadcast services, public safety services, and radio astronomy services;

"(D) private radio end-user licenses, such as Specialized Mobile Radio Service (SMRS), maritime, and aeronautical end-user licenses;

"(E) any license grant to a non-United States Government licensee being moved from its current frequency assignment to a different one by the Commission in order to implement the goals and objectives underlying the 'Emerging Telecommunications Technologies Act of 1991';

"(F) any other service, class of services, or assignments that the Commission determines, after conducting public comment and notice proceedings, should be exempt from competitive bidding because of public interest factors warranting an exemption.

"(3) Monies received from competitive bidding pursuant to this subsection shall be deposited in the general fund of the United States Treasury, pursuant to the provisions enacted in appropriations acts.".

(b) RANDOM SELECTION NOT TO APPLY WHEN COMPETITIVE BIDDING REQUIRED.—Section 309(i)(1) of the Communications Act (47 U.S.C. 309) is amended by deleting the period after the word "selection" and inserting in lieu thereof: ", except in instances where competitive bidding procedures are required under section 309(j) of the Communications Act.".

(c) SPECTRUM ALLOCATION DECISIONS.—Section 303 of the Communications Act is amended to add a new subsection (v):

"(v) In making spectrum allocation decisions among services that are subject to competitive bidding, the Commission is authorized to consider as one factor among others taken into account in making its determination, the relative economic values and other public interest benefits of the proposed uses as reflected in the potential revenues that would be collected under its competitive bidding procedures.".

SEC. 409. DEFINITIONS.

As used in the Emerging Telecommunications Technologies Act of 1991:

(1) The term "Act" means the Emerging Telecommunications Technologies Act of 1991.

(2) The term "allocation" means an entry in the National Table of Frequency Allocations of a given frequency band for the purpose of its use by one or more radiocommunications services.

(3) The term "assignment" means an authorization given by the Commission or the United States Government for a radio station to use a radio frequency or radio frequency channel.

(4) The term "Commission" means the Federal Communications Commission.

(5) The term "Communications Act" means the Communications Act of 1934, as amended (47 U.S.C. 151 et seq.).

(6) The term "Secretary" means the Secretary of Commerce.

Mr. DOLE. Mr. President, let me first state that I think we have an agreement that I believe will let all those who are involved in this debate make the point they wish to make. In addition, it is going to permit us to complete our business in the Senate, I hope, by early tomorrow afternoon rather than Saturday, Sunday, or sometime next week or even thereafter. So, I want to thank my colleagues in the leadership for agreeing to this procedure. I certainly think the Members on my side who had no objection to this procedure.

Mr. President, I think it is clear that we all understand that a lot of Americans are out of work and are suffering. That is why we had almost a unanimous vote on Monday in favor of involving cloture on the motion to proceed to S. 1554. I think that debate on an issue like this is certainly important and we have a responsibility to openly discuss it so the public understands not only this proposal but also any alternatives. No one disputes the pain and hardship of the unemployed. I said that on Monday before the vote, and I repeat it now.

I also think that it is fair to ask why Congress waited a week before August 1 to suddenly recognize that there was a recession?

I'm not sure there's a satisfactory answer to that question, but we are at least trying to do something here tonight.

As I indicated at the time of the markup of the Bentsen proposal last week—and I certainly do not in any way intend to criticize anyone on the committee, particularly the chairman who I have great respect for because he had a job to do, that is, to get the bill on the floor—there have not been any recent hearings on unemployment and none on the bill itself. In addition, no report has been filed; and in this Senator's opinion, very little review has occurred.

I believe that there are some significant flaws in the Bentsen proposal. First of all, it breaches the budget agreement. I want to thank the Presiding Officer, Senator SIMON, for indicating there ought to be a better way to take care of the benefits. If we are going to have benefits, we ought to pay for the benefits.

That is the very point this Senator made in the markup. It is not that we do not want to help the unemployed; it is that we do not want to hurt the unemployed and other Americans by running up the deficit by about $6 billion. This bill sidesteps the budget agreement which, as we all know, took a lot of work and a lot of commitment.

We voted for that agreement, and now we say, oh well, that was last year. The Bentsen bill tries to say that we can violate the budget agreement because we are only taking from trust funds. Well, Mr. President, these trust funds, including the trust fund the Bentsen proposal taps into, were counted in the budget agreement.

Second, recovery is underway. The index of leading indicators rose for the fifth consecutive month. New home sales for the month of June were the highest they have been since August 1990. GNP and inflation rate estimates are also encouraging, and the Labor Department reports that the most recent data shows there is a decrease of 21,000 Americans filing first-time claims for unemployment benefits.

So with all of this good news I fear that these efforts to undermine the discipline of the Budget Act will soon make true budget reduction illusory and send the wrong economic message.

I have a letter from Chairman Greenspan of the Federal Reserve that says just that. I will ask unanimous consent it be included in the RECORD at the conclusion of my remarks. I also have some editorials that I believe everybody should take a look at. I know editorials probably do not capture many votes on the Senate floor but they made some good points.

I would include two editorials from the Washington Post and one from USA Today. The USA Today article said: "Extend jobless benefits, but do it the right way." Their idea, at least their characterization of the Bentsen bill, is that the legislation has lots of heart but lacks the brains or guts to give it life.

So I would ask unanimous consent the editorials be made a part of the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

[From USA Today, Aug. 1, 1991]

EXTEND JOBLESS BENEFITS, BUT DO IT THE RIGHT WAY

Our view: Helping those who have lost their jobs is a good idea, but the Democrats' plan needs a lot of work.

Congressional Democrats have come up with a great idea to help the jobless.

The idea has lots of heart, but it utterly lacks the brains or guts to give it life.

Democrats in both houses propose to extend up to 20 weeks unemployment benefits to people who have exhausted the 26 weeks of benefits they now receive. Benefits would last longest in the hardest hit states.

The proposal makes great sense.

Because of the recession, unemployment nationally has pushed past 7% for the first time in almost five years. More than 1.6 million workers have exhausted benefits this year.

With the recovery still fragile, jobs are scarce. Those who have sought work for six months deserve further relief.

That is a key part of government's job—to enable us to act as a mutual aid society during tough times.

The problem, as usual, is money—$6.4 billion. And the Democrats offer not a dime to fund their idea.

Instead, they would borrow the money, adding to the nation's already massive budget deficit and giving the voters the illusion that they're getting something for nothing. The bill will come due after today's deadbeat legislators are no longer campaigning for office.

With the nation spending $1,500 more per person than it takes in this year, that is irresponsible.

The new benefits are worth providing, and they are worth paying for by cuts in other programs—as suggested by President Bush—or new taxes—as proposed unsuccessfully by some Democrats in the House.

How expensive would it be?

A five-cent gas tax would cover it.

So would a 5% surtax on business income, with consumers likely to pay.

It's the price of eight B-2 bombers, or cutting cost-of-living allowances for Social Security in half.

Any of those options would be financially responsible. So would other choices, though most could break last year's deficit agreement between Bush and Congress. Only cuts in social programs qualify under the agreement.

However it's done, the deficit must not be increased. Good programs require guts and brains, not just heart.

[From the Washington Post, Aug. 1, 1991]

TIME OUT ON THE DEFICIT

It's not ideas that congressional Democrats lack in this lull before an election year, but the means to finance them. Now Senate Finance Committee Chairman Lloyd Bentsen has proposed a loop around the budget rules that would permit at least one such idea to be carried out. To extend the unemployment benefits of more people who have exhausted the statutory 26 weeks in high-unemployment states, he would ask the president to join Congress in declaring an emergency. That would have the effect of waiving the rules; the extended benefits could be paid without a corresponding tax increase.

His fellow Democrats are said to have been enthusiastic, hardly a surprise. Who wouldn't want to put the president on the spot and vote for a benefit without the tax? But the arguments in favor of the proposal go beyond the obvious politics. The recession appears to be over and has indeed been of only medium size, as was generally forecast. That's small comfort to its victims. Unemployment has risen to 7 percent, or one willing worker out of every 14. The 8.7 million unemployed are 2 million more than a year ago, and the modest recovery expected is unlikely to drive that number down for a while. A decade of eligibility and benefit cuts has meanwhile clearly weakened an unemployment insurance system, once a major strand in the national safety net. The one-year Bensten proposal would only partly and temporarily restore what that decade has cost.

You could argue that if the need is so compelling the Democrats should vote the tax to match, but they won't—not enough of them, anyway. Several efforts to round up the votes in the House in recent years have failed. Mr. Bentsen says the real-world choice is thus to ignore the need or raise the deficit. That might not be so bad if extended benefits were the only bill in the queue. But assorted Democrats also want to do such things as give the middle class and poor a tax cut, make Head Start and college student aid to the poor entitlements, liberalize the food stamp program, strengthen child welfare services and—partly for the effect it would have on unemployment—increase highway spending.

The Democrats are right not to join in glossing over the painful effects of the recession. But borrow-and-spend is the wrong way to protect themselves against the charge of tax-and-spend. They say they'll reach for the bottle just this once—that insofar as they act on the rest of their wish list, they will abide by the rule of pay-as-you-go. We sure hope so.

THE DEMOCRATS ON UNEMPLOYMENT

The congressional Democrats waited out the whole recession to come to the aid of the unemployed. Now they are managling an issue that ought to be second nature to them. In the week before heading off for a month-long summer vacation, they are belatedly trying to rush through a bill to provide needed additional benefits—but not to pay for them. They propose instead to punch about a $6 billion hole in last year's budget agreement. In doing so, they hand a resisting president not just a pretext but the obligation to veto the bill; in its present form, it ought to be vetoed. By turning to borrow-and-spend as a refuge from tax-and-spend, the Democrats end up hurting the cause they purport to help.

The legislation would reverse a budget cut of the Reagan years and make it easier for workers who exhaust the basic 26 weeks of benefits to qualify for more. The administration doesn't want to do it; it says the recession was so short and mild the step isn't necessary. But the number of unemployed is now 8.7 million, 2 million more than a year ago, and the modest recovery in prospect is unlikely to drive that number down either soon or fast. The insurance system has meanwhile been greatly weakened. It covers a much smaller share of the work force than it used to, the benefits are lower (in part because they are now fully taxed), and many workers will exhaust the standard six months. A quarter-million did so just in June.

The Democrats are therefore right to seek an extension of benefits, but for lack of votes, Senate Finance Committee Chairman Lloyd Bentsen pushed his "temporary" extension without a tax to match. The committee proposed instead that the president waive the budget rules and add the cost to the deficit by declaring an emergency. That's the wrong way to do it. House Democratic leaders, also lacking the votes but trying to strip away the argument that they were breaching the budget agreement, proposed a tax-with-an-asterisk instead. They would have empowered the president either to raise the unemployment tax (in which case the increase could be called his) or to declare an emergency, as he chose. An optional tax is a bad idea. In seeking to shed responsibility it also sheds more authority than Congress should want to give up. But it might have been better than no tax at all, and the increase was structrued such that it would have made this payroll tax more progressive in the bargain. The Ways and Means Committee still wouldn't vote for it; it, too, has now produced only half a bill that depends on a declaration of emergency.

It's true that, having said he'd vote a bill that would raise the deficit, the president's aides said he'd also veto one accompanied by a tax increase (on the spongy grounds that the increase would retard the recovery even though the proceeds would promptly be recycled as benefit checks). But that would be a harder case for the president to make. Too bad, as a substantive matter, that the Democrats lack the audacity to put him to the test.

Mr. DOLE. Another concern with the Bentsen proposal is that it utilizes the total unemployment rate as the mechanism to trigger a program of 100-percent federally funded benefits.

This measure comes from monthly household survey data, and has never been used in the history of the unemployment insurance program. It includes new entrants to the labor force who have little work history. It includes college students who are between terms and are now going back to school.

It includes those who have voluntarily quit their jobs. Should we send them unemployment checks, extended benefit checks, when they are back in school; should we send checks to those who are between terms and those who have quit their jobs?

Another concern of mine with the Bentsen proposal is that it is a four-tier program. I think that creates problems for the States for it is going to be very burdensome to administer.

I might add that like the TUR, such an approach has never been used in the history of the unemployment insurance program.

Mr. President, this is just the tip of the iceberg. Indeed, I think that when you look at Chairman BENTSEN's proposal, notwithstanding its good intentions, that it creates more problems than it solves—not the least of which is its violation of the budget agreement.

Mr. President, what have we done? It is one thing to criticize someone else's merchandise, but what have we done? Well, we come to the floor with a substitute which is the result of careful study and review.

We have had a number of meetings which included the Secretary of Labor, Lynn Martin and the Director of the Office of Management and Budget, Dick Darman, who gave us technical assistance. We have had a number of Senators attend each meeting. We had meetings every day this week—the most recent of which ran from about 5 to 6:30 today.

The first point I want to make about our bill is that instead of the overly broad trigger approach that my colleagues have suggested, our bill would use the insured unemployment rate adjusted to include those who have exhausted their benefits. We reached out to pick up those who have exhausted their benefits.

In addition, the bill that I substitute, for myself, and Senators DOMENICI and SIMPSON, is a two-tier program of federally funded benefits that provides 5 weeks of benefits to all States, and an additional 5 weeks for a total of 10 in States whose adjusted IUR is 6 percent or more. Under our proposal, 10 States would qualify for those 10 weeks of extended benefits so we tried to be realistic and we tried to address the States that have the most serious problem.

Similar to the Bentsen proposal, our bill is a 9-month program that reaches back to cover those that have exhausted their benefits since March 1991.

In addition, our proposal seeks to right a wrong and provides parity between military and civilian claimants who are involuntarily separated from their jobs.

Finally, we think the distinguished chairman had a good idea in the earlier discussion today. We have moved the effectiveness date of ours to September 1 this year rather than October 1.

The cost of this proposal, Mr. President—an item we sometimes overlook but should not, given that we have a $3 trillion debt—is $3.2 billion, including administrative costs. This is about $1.6 billion less than the Bentsen proposal.

The foundation of our proposal is that it is financed and does not seek to avoid the bipartisan budget agreement. It is not easy to raise money for new programs but in our proposal, we incorporated provisions as I will describe which raise roughly $3.4 billion to pay for the extended benefits.

First, the financing provisions include auctioning frequencies of the electromagnetic spectrums for new communications use. I underscore the word new communications use. This provision has the impact on current frequency users and represents an auction of unusued frequencies and some currently used by the U.S. Government which are not needed.

Second, loan reforms and debt collection provisions, including permanent extension of the provision which allows the IRS to reduce the amount of any Federal refunds due to taxpayers who have defaulted on student loans.

That is widely approved by the American people. If we owe the Government money, and have a tax refund coming, why not take the tax refund and make the payment? We do it now. We want to make it permanent.

We also have other debt collection provisions including credit checks and other customary credit management standards.

In short, Mr. President, we believe that our proposal is a fiscally responsible package. It pays for itself, it does not increase the deficit. That ought to be music to the ears of everybody in this body, the American people, and the unemployed, who are out there looking for jobs, and the jobs are not going to get any better if we keep increasing the deficit.

It is a program that minimizes administrative costs and avoids creating disincentive effects that discourage workers from seeking employment in times of economic recovery such as we are not entering.

Finally, Mr. President, as I have said before, we want to pass something that the President may sign. I will include in the RECORD the analysis by the Executive Office of the President, OMB, wherein they indicate they would not oppose our substitute. In fact, I went on to ask: What does that mean? Will the President sign the legislation, if it gets to the White House? And the answer is yes.

So, the real question is—will the President sign the so-called Bentsen proposal, or will he sign our proposal? I think the answer is clear. He has indicated he cannot support the proposal which violates the budget agreement, and which increases the deficit. He indicated just this afternoon that they have no opposition to the so-called Dole-Domenici-Simpson proposal, and he would be prepared to sign it.

For the unemployed worker who is looking for help, the choice ought to be pretty clear. For those U.S. Senators who want to help the unemployed worker, the choice ought to be clear. If we are going to have benefits, let us pay for them not by raising taxes, but by cutting spending, as most Americans would agree. So I urge all of my colleagues to support the pending substitute.

I will also include in the RECORD the statement of the administration's policy, and the letter from the Federal Reserve, and the editorials I referred to previously.

I reserve the remainder of my time and yield as much time as he may consume to the Senator from New Mexico.

I ask unanimous consent that the material I have referred to be printed in the RECORD, including a summary of our proposal.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,
Washington, DC, July 31, 1991.

Hon. ROBERT DOLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR: The Congress and the administration face a difficult decision in their deliberations over proposed changes in the unemployment compensation system. We all have considerable sympathy for the hardships caused by unemployment, especially for those who have experienced a prolonged spell of joblessness and who may be exhausting their unemployment insurance benefits. At the same time, we have to recognize the crucial importance of the long-term discipline imposed by last fall's budget agreement and its beneficial effects on financial markets. Issuance of long-term securities by the Federal Government and by corporations in the process of restructuring their balance sheets has been substantial of late. Aided in part by the prospect that the budget agreement would impose restraint on government bond issuance over time, the market has absorbed this supply with minimal disruption. However, I am most concerned that breaching this discipline would alter perceptions of fiscal restraint and result in some edging up of long-term interest rates.

Sincerely,

ALAN GREENSPAN.

[From the Executive Office of the President, Office of Management and Budget, Washington, DC, Aug. 1, 1991.]

STATEMENT OF ADMINISTRATION POLICY ON S. 1554-EMERGENCY UNEMPLOYMENT COMPENSATION ACT

(Bentsen (D) Texas and 14 others)

S. 1554 would provide 100-percent Federal funding for temporary supplemental unemployment compensation benefits in all States. The bill does not include offsets for this increased direct spending, as required by the Budget Enforcement Act of 1990 (BEA). Instead, bill language specifies that the provisions of S. 1554 become effective only if the President designates all spending under the bill as an "emergency" for the purposes of the BEA.

S. 1554 would create an expensive, poorly designed Federal program that would slow the return to work of those it purports to serve. The program would provide from four to twenty weeks of additional benefits through a complex and cumbersome four-tier system. Previous experience demonstrates that such a system would result in benefit delays, payment inaccuracies, and escalating administrative costs. Federal spending would be further increased under an option that allows States to shift costs from the Extended Benefit program, under which the Federal Government pays 50 percent of costs, to the new wholly Federal program.

Benefits under S. 1554 would be distributed using States' total unemployment rates (TURs). For 39 States and the District of Columbia, the TUR is based upon econometric models and cannot be seasonally adjusted; for 11 States, the TUR is based on sample survey data. TURs are subject to revision after they are published. They clearly are a much less sound basis for distributing billions of benefit dollars than the insured unemployment rate (IUR), which can be seasonally adjusted and is based on tax and claims records that can be readily verified. Moreover, the TUR includes many people who do not—and would not—qualify for benefits under S. 1554 and do not compete for jobs with those who are eligible for unemployment insurance.

The administration is concerned about the human costs of the recession. However, the President's senior advisers would not recommend that he designate the spending in S. 1554 as an "emergency" for the following reasons:

The Administration and most private forecasters believe that the recession is ending and the recovery is underway. Preliminary GNP figures show an increase for the second quarter, lending weight to this view. The unemployment rate typically peaks a few months after the economy bottoms, and thus it should be near its peak. It should decline with the continued economic growth forecast for the rest of this year and the next by most private economists.

In this context, the Administration does not believe it is appropriate to declare an "emergency" under the BEA. Although it is possible for the "emergency" designation to be used when the President and Congress agree, it would be counterproductive to abandon pay-as-you-go discipline as the Nation comes out of recession.

By historical standards, the current unemployment rate would not be cause for congressional action. When Congress put the current extended benefit program State triggers in place in 1982, the unemployment rate was 9.8 percent—much higher than the current rate. When Congress subsequently created the temporary Federal supplemental benefits program, the unemployment rate exceeded 10 percent—and when Congress allowed that program to expire in 1985, unemployment was still higher than the current rate.

It is arguable whether the current unemployment insurance system again requires structural change, but any change should not exacerbate the problems of unemployment. Economic analysis has shown that additional weeks of unemployment benefits will increase the unemployment rate.

Without offsets, the Federal Government would have to borrow $4.6 billion to fund S. 1554, increasing the Federal debt and deficit by this amount.

In addition, S. 1554 would provide 26 weeks of benefits to members of the Armed Forces who decide to leave the service voluntarily, either for retirement or a return to civilian life. Civilians who voluntarily quit their jobs generally are disqualified from receiving benefits. Thus, S. 1554 would provide significantly more generous benefits to servicemembers than are available to civilians. In previous legislation, the Administration has supported additional coverage for servicemembers who involuntarily leave the service—such as those who may be affected by Defense force reductions—but not for those who voluntarily end their service.

For all the above reasons, the Administration opposes passage of S. 1554.

It is the Administration's understanding that Senator Dole may propose a comprehensive substitute that would provide five weeks of additional benefits to all states and ten weeks of additional benefits to states where the insured unemployment rates exceeds six percent. The cost of the substitute appears to be fully offset under the BEA pay-as-you-go rules, and the proposed offsets are consistent with Administration policy. Because the Dole substitute conforms to the Budget Enforcement Act, the Administration would not oppose passage of this amendment.

COSTS OF S. 1554

S. 1554 would increase direct spending and the budget deficit. Based on the economic assumptions in the mid-session review of the President's budget, OMB's preliminary scoring estimates for this bill are presented in the table below.

Preliminary cost estimates—Fiscal Years

[In millions of dollars]

1991	
1992	4,233
1993	115
1994	120
1995	120
1991–1995	4,588

DOLE ALTERNATIVE TO S. 1554

PROPOSAL

A two-tier program of federally funded benefits that provides 5 weeks of benefits to all States and an additional 5 weeks (for a total of 10 weeks) in States whose insured unemployment rate (IUR), adjusted to include exhaustees, is at 6 percent or greater.

Program would be in effect from 09/1/91 through 5/31/92.

Program would reach back to cover UI claimants who have exhausted benefits since March 1991.

Benefits available under this program will be offset against benefits otherwise available when a State triggers on EB so that a beneficiary will receive a maximum of 39 weeks of benefits (26 weeks UI and 13 additional) in States on EB or 31 weeks in States not on EB and with less than 6 percent adjusted IUR.

Unemployment compensation for ex-service personnel (UCX) will be liberalized to provide up to 26 weeks of benefits with only one waiting week (consistent with State law) for those who leave the service involuntarily. Personnel who leave voluntarily will not qualify for benefits, consistent with rules for civilian workers. These changes will be permanent.

A one-time, temporary change will be made to the UCX rules for the period of this law to provide benefits for reservists called up for 90 days or more. The 180-day minimum call-up period in permanent law will be retained unchanged.

Costs will be $3.2 billion, including administrative costs, all in FY 1992.

FINANCING

Auction frequencies of the elecromagnetic spectrum for new communications use:

Loan reform and other debt management and collection enhancement provisions:

Extension of expiring tax provision: would permanently extend the IRS tax refund offset program, which allows the IRS to reduce the amount of any Federal refund due to taxpayer by the amount of debt owed and pay that amount to the Federal agency owed:

Other reform proposals: would establish enhanced collection and default management activities, including requiring credit checks on borrowers over age 21; provide the Secretary the authority to obtain information from other government agencies concerning the most recent address of a student borrower; and requiring the borrower to provide identifying information at the time of loan application and exist from a school:

Total financing package of $3.4 billion.

Mr. DOMENICI. How much time does the Republican leader have?

The PRESIDING OFFICER (Mr. WELLSTONE). Seven minutes 18 seconds.

The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I am going to make four points as quickly as I can.

First, regarding this amendment that Senator DOLE has introduced on behalf of himself, Senator SIMPSON, and myself, the Congressional Budget Office has evaluated for us the two principal sources of revenue that are to be used to pay for this program, and I can report to the Senate that it is neutral. In fact, it is about $200 million on the long side.

The first point is that this amendment is paid for.

My second point is—and I know people are not really interested in budget language—but let me suggest that it was only 2 months ago on the floor of this Senate when the budget resolution came before the Senate. We were debating that resolution, and the distinguished chairman, the Senator from

Tennessee, was arguing before the U.S. Senate on behalf of five reserve funds that were in that budget resolution—five.

I called to the Senate's attention that, among the five, there was one that would cover unemployment compensation, under the heading of "taking care of the recession." There was one of the reserve funds that covered unemployment compensation. And it is interesting that then, when we were arguing, the chairman of the Budget Committee said, "We are now on a pay-as-you-go program." And he was referring to, and arguing about, the reserve funds. He said: "The days have ended of borrowing and spending." That is not a Republican talking. That was the chairman of the Budget Committee. "The days of borrow and spend and the beginning of pay-as-you-go," said the chairman. And he said at that time, "In layman's language, these reserve funds simply say you have to pay for it. No more of this borrow and spend that has raised the national debt by almost $2 trillion in a scant decade. No more of this business of passing it on to future generations and saying they have to pay for it." Continuing the quote: "That is what the budget summit agreement was all about. If you want a program, if you want to expand it, if you want to meet the needs of this country, then pay for it. That is why we entered into the agreement. That is why I supported it."

I repeat, that was said on behalf of the five reserve funds, one of which is unemployment compensation and, tonight, a bill is offered that does not even seek to pay for itself. Pay-as-you-go is gone; in lieu of it, we have another approach to budgeting——

Mr. SASSER. Will the Senator yield for a question?

Mr. DOMENICI. I will yield in a moment.

We have another approach to budgeting. At the summit, we said if the President and Congress agree that there is an emergency, then you do not have to pay as you go. You can break the budget and spend, and it does not count.

Well, I submit tonight, what is being attempted, is to say we are not interested in getting the President's concurrence. We are sending him a bill, and the bill is going to say in it, we are not paying for this. And if you declare it an emergency, Mr. President, then it goes into effect under the emergency clause.

I submit that there really is no budget agreement left, because Congress can decide every time they want something new; that they will send it to the President and say, we think it is an emergency, if you agree, there is no budget limitation.

Frankly, I hope the President does not declare it an emergency. I wish the Senate would adopt the Dole amendment, because the President will sign it, and he does not have to declare an emergency. It will go into effect, and we will pay for the benefits. And if you need more time, you can come back later and discuss the length of the payment extension that is included in the Dole amendment.

From this Senator's standpoint, I summarize: The Dole amendment is neutral; it pays for itself. The other one, the bill, is at least $6 billion added to the deficit. That is what the Congressional Budget Office says, not OMB.

Clearly, we intended this kind of program to be on a pay-as-you-go. That is not the Senator from New Mexico; that is what the U.S. Senate thought when we voted for the budget resolution only 2 months ago.

And last, if you want to start using the emergency clause this way, I believe you have every opportunity to ignore the budget resolution, the appropriation caps, and send him freestanding spending bills, and put the emergency in his lap and say, if you do declare it, we spend it; if you do not, it is not an emergency. And that becomes the end of the budget resolution and the 5-year agreement.

I yield the floor.

Mr. DOLE. I yield 2 additional minutes.

Mr. SASSER. Will the Senator yield for a question?

Mr. DOMENICI. I will be pleased to.

Mr. SASSER. Is the Senator from New Mexico aware that we were talking in the reserve fund language there about permanent programs? What we are talking about here is temporary relief for an emergency situation as a result of substantial unemployment, an emergency situation as a result of the long-term unemployment compensation benefits not being triggered by problems within the system?

The Senator is undoubtedly aware, I would suppose, that the President's own Office of Management and Budget has defined what an emergency is. And it says, No. 1, that "it is essential." Is it not essential to deal with the problems of 3 million unemployed people? It is sudden when people lose their jobs——

Mr. DOMENICI. Does the Senator have a question?

Mr. SASSER. I am asking the Senator if he agrees with that.

Mr. DOMENICI. Of course, I agree. But I have looked at the record, and I do not see a single use of the word "temporary" when the distinguished Senator was debating pay-as-you-go for new problems. My only recollection, when we resisted the reserve funds, was that the Senator rather frequently said, "What about unemployment compensation?" That is all I remember.

Mr. SASSER. Well, so the Senator is saying that he does not believe that unemployment of an unforeseen high level that comes as an emergency could not be paid for out of the emergency clause or on a temporary basis? If that is a question——

Mr. DOMENICI. Mr. President, I have stated my case. I believe that at this time in our economic history that the budget summit contemplates that we pay for an expansion or extension of unemployment compensation. That is our position. We have paid for the one that we offer, and we obviously do not believe that we should incur more debt for it.

The PRESIDING OFFICER. The Republican leader's time has expired.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 3 minutes, the time not to be charged.

The PRESIDING OFFICER. The Senator from West Virginia [Mr. BYRD] is recognized.

Mr. BYRD. Mr. President, Thomas Carlyle once wrote: "A man willing to work, and unable to find work is perhaps the saddest sight that fortune's inequality exhibits under the sun."

I agree with Carlyle's description. Every time I go back to my home State of West Virginia, I see the unemployed. I see men and women who want to work. I see frustration and sadness in their eyes. I listen to their tales—how they get up early in the morning and drive from county to county, searching for work. I hear how they come home in the evening, defeated, unable to find work. These are people who are trying desperately to keep their heads above water. They juggle bills and finances to try to make their mortgage or rent payments. They try to make the car payment and still have enough money to feed and clothe their children. These are people who are trying desperately to keep their homes. They rely heavily on the unemployment compensation benefits program, which they have paid into and have earned, to help get them through these tough times.

The recession has had a devastating impact on working Americans. Seven percent of the American work force is now out of work. That is 8.75 million Americans who are out of work. These individuals are not asking for a handout. They want to work, but they cannot find it; 8.75 million is the highest number of unemployed in nearly 5 years. The number of unemployed has increased more than 2 million in the past 2 years alone.

In West Virginia, the unemployment rate is 9.7 percent—the highest in the Nation. Many of these people are long-term unemployed. They have collected their 26 weeks of unemployment compensation, and now they are floundering. The recession that was supposed to be "short and shallow," is not "short and shallow" for them. It has been long and hard, and it is still long and hard, and there is little relief in sight.

The Federal Government currently has a program in place, the goal of which is to help the long-term unemployed. The program provides Federal extended unemployment benefits for up to 13 additional weeks if certain qualifications are met. This program is running a surplus of almost $8 billion. By the beginning of fiscal year 1992, the fund is expected to overflow its statutory limit of $7.54 million for that fiscal year, forcing a transfer of money to other accounts. The money is there to help those who need it. Why then are they not being helped?

The problem, Mr. President, is that the qualifications for States to be eligible for the extended benefits program are too difficult to meet. Only three States—Alaska, Maine, and Rhode Island—currently qualify for the program. The very program that is supposed to help the long-term unemployed, is not. West Virginia barely qualified for the extended benefits program during one week in April. The very next week, the State was no longer qualified. West Virginia, with the highest unemployment rate in the Nation today, is currently ineligible for these additional benefits. Five thousand three hundred jobless workers in West Virginia have exhausted their 26 weeks of regular benefits, and are now without any type of unemployment benefits. At the same time, the Federal extended benefits program has an unused $8 billion surplus.

More than 2.8 million workers across this country have exhausted their regular unemployment insurance benefits between July of last year when the recession began and July of this year. By the end of the fiscal year, more than 3 million Americans will have exhausted their unemployment benefits, and 3.4 million are projected to exhaust their benefits by 1992.

What is going to happen to these people and their families? Who is going to support them? Are we going to allow them to lose everything?

We need to help these Americans. For them the recession is not over. For them, the economy is not on an upswing. While the President has focused on emergencies overseas, the emergency at home has been ignored. I support an emergency overhaul of this system. S. 1554, the Emergency Unemployment Compensation Act, would help these victims of the recession.

S. 1554 would provide 20 weeks of extended unemployment benefits in those States with an 8 percent or above total unemployment rate. States with a 7 percent total unemployment rate would receive 13 additional weeks of benefits. States with a 6 percent total unemployment rate would receive an additional 7 weeks of benefits. All other States—regardless of their unemployment rate—would receive 4 additional weeks of extended Federal benefits.

The total unemployment rate would be calculated using a 6-month moving average. This emergency program would be in effect from October 1, 1991, to June 30, 1992, and would "reach back" to cover unemployed workers in States with unemployment rates of 6 percent or higher that had exhausted normal unemployment benefits on or after April 1, 1991.

An important part of this emergency proposal would also change the way in which ex-service members are treated so that they will be treated in the same way as other unemployed workers. Earlier this year, we heard a lot of talk about supporting our service men and women in Operation Desert Storm. Now that most of those soldiers have returned home, in triumph and glory, let us not turn our backs on them in their fight against the despair and indignity of unemployment.

S. 1554 would also establish an Unemployment Compensation Advisory Council to study the problems of the unemployment insurance system. The Council will be an ongoing advisory body with members appointed for 4-year terms.

Mr. President, earlier this year the President asked the Congress to pass emergency legislation to provide economic assistance to the Kurds in Iraq. He has asked Congress for money to help the people in Turkey, Sudan, Angola, Bangladesh, and Ethiopia. I do not criticize him for assisting those in need. In fact, I support the President in some of these efforts to assist other countries. But it is now time for us to help those in need in our own country. The money is there. The need is there. We can no longer ignore the plight of the long-term unemployed. I support Mr. BENTSEN's committee substitute, as modified.

Mr. HOLLINGS. Mr. President, I rise to speak in opposition to the proposal contained in the substitute offered by Senator DOLE to raise revenue from users of the radiofrequency spectrum. This proposal has been raised by Senator DOLE without giving me or the other members of the Commerce Committee any prior notice. These issues are squarely under the jurisdiction of the Commerce Committee, which I chair. For the Senate to act now on this proposal would be to ignore the substantial amount of work and effort in my committee to come up with a reasonable resolution of these issues. I cannot support any controversial proposal such as this, which could have an enormous impact on the entire communications industry, without giving my colleagues on the Commerce Committee an opportunity to fully explore these issues.

Four years ago, I proposed a transfer fee on those who sell their communications licenses. This proposal was soundly defeated on the floor by a wide margin. Just last month, my Commerce, State, Justice Appropriations Subcommittee voted against an administration proposal to raise an additional $65 million in FCC user fees. This proposal was widely opposed by members of the industry and received no support in my subcommittee. Meanwhile, the chairman of the Communications Subcommittee, my good friend and colleague, Senator INOUYE, has already announced that we will hold hearings on the issue of spectrum auctions in September. The Commerce Committee is currently working on these issues and should not be shown such disregard. I strongly oppose the substitute amendment offered by Senator DOLE.

Mr. BENTSEN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Texas has 3 minutes and 25 seconds.

Mr. BENTSEN. Mr. President, as I listened to the distinguished Republican leader, for whom I have the very highest regard, he said this was the first time that a four-tier system had been used, and that is not correct. Back in 1983, that was done. And we are doing it again, and we are doing it for a very specific and justified reason, because you see higher levels of unemployment in some States than in others, and it is more difficult in those States to find a new job. It is tough out there trying to find a job these days.

So we go to four levels, to try to adjust benefits carefully to varying conditions in the States. It has been done before and we are doing it again. And it works.

The other question was the question about insured unemployed as opposed to total unemployment numbers being used. The problem you run into there is the variance among States. Some have tightened qualifications, made it tougher and tighter to qualify for unemployment benefits.

Take my own State, with 6½ percent total unemployed, but less than 2 percent insured unemployment. You know what total unemployment would have to go to my State? It would have to go to 15 percent—15 percent—before the insured unemployment rate would get up to what the present law requires to provide additional benefits. And that same thing is true of Florida. Only three States qualify. You are also seeing total unemployment being used more and more for Federal programs.

He is quite right that the total unemployment rate used to be not too accurate. But now, the Bureau of Labor Statistics is able to provide better numbers. And we are talking about using a six-month rolling average in this bill.

Another point. My friend from New Mexico—a very able Member of this body—when he talks about emergencies, you have to remember that the President of the United States said that aid to the Kurds was an emergency, and he wanted money to take care of them and to help them. I voted with him. The Congress voted with him and agreed that it was an emergency.

When he said he wanted money for the turks, we agreed. We went along with him. It takes two under the budget agreement to make it an emergency.

Each time that the President, whether it was the Israelis or the Turks or the Kurds, asked the Congress to agree to an emergency designation, we agreed.

This time we are talking about folks here, folks at home, folks out of work.

I would like to see any Member of this Senate or the OMB or administration try to explain to the family of an unemployed worker, whose benefits have run out, who is having a tough time meeting the payments on the car so he can go out and look for work, tell him or her that it is not an emergency. These needs are real, they are serious, and they are urgent.

We did not provide for them a year ago, when we were working on the budget agreement.

When we were developing the budget agreement last year—we spent 4 months at it—we put into the agreement provisions for just such an emergency. Did we know we were going to have these kinds of conditions and that unemployment rates would be this high? Of course not. Because unemployment indicators lag. For the first 2 or 3 months of a recession, the economists all argue as to whether or not we are in a recession. During the last recession we did not peak on unemployment until 7 months after the recession was technically over.

The taxes needed to finance these benefits have been collected for this specific purpose. We are talking about spending approximately $5.2 billion and have almost $8 billion in the fund right now. It would be unequitable and it would be unnecessary to tax employers again for the purpose of paying extended benefits.

Members of the Senate know that the OMB Director, Mr. Darman, does not support this legislation as an emergency measure and has advised us that he is going to recommend to the President that he not accept this legislation with the emergency designation. We could go on debating this for weeks. If we did, hundreds of thousands of workers would be out of work and unable to receive the unemployment benefits to which they are entitled.

Mr. President, I believe it is the obligation of a government to serve the people. As elected officials we cannot work miracles, but we have a responsibility to look for ways to help. We have been quick to respond to emergencies abroad. I hope we can show the same kind of concern and determination, to help folks here at home who are out of work, who have fallen victim to this recession. There are 3 million reasons to extend benefits to those who need our help. These are benefits that they have earned, and that employers have paid for. The unemployed need these benefits now, and will need them months ahead.

Today, we have an opportunity to help families pay the rent, help them buy gas for the car, help them put food on the table. We have an opportunity to keep the dream alive for working Americans. I think it is time to stop the politics and the posturing and look for things that we can do together to get American workers back on their feet and get this economy of ours moving again.

Mr. DOLE. Mr. President, if I may respond to the chairman's comments, with regard to the 4-tier program used in 1983. The chairman was correct and I misspoke. In one phase of the Federal Supplemental Compensation Program in effect during 1982 to 1985, there were four tiers of benefits. Our recollection is that the four tiers were in place for a very brief period of time and the program was extremely complex for States to administer and led to many errors.

With regards to the chairman's comments about the emergency declaration for the Kurds—the $336 million for the Kurds did not come out of the U.S. Treasury. It was financed out of interest on Desert Storm funds. I also don't think I need to remind the chairman of those pictures of literally thousands of people huddled together dying from disease, exposure, and starvation.

In connection with the funds for Turkey and Israel, let's not forget the economic havoc wreaked on their economies as a result of the Persian Gulf war and the support they gave us during that extremely important effort.

Mr. BENTSEN. Mr. President, I yield back the remainder of my time.

Mr. DOLE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the substitute amendment offered by the Republican leader.

The amendment (No. 1018) was rejected.

Mr. BENTSEN. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as modified.

The committee amendment, as modified, was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KASTEN. Mr. President, it seems that the focus in Washington is on Band-aid approaches like extending unemployment benefits for people hurt by bad economic policies. For example, job-destroying policies like the 10-percent excise tax on boats are throwing 19,000 people in the boat manufacturing and 40,000 people in the boat retailing out of work, many of whom live in Wisconsin.

Wouldn't it be better to just have good economic policies to begin with?

Today, we are passing legislation that reaches out to people when they lose their jobs—without addressing an equally important question of how to keep their jobs and create jobs.

I know that we can do better than that. In fact, we must do better than that.

Expanding unemployment benefits does absolutely nothing to prevent or more importantly, reduce unemployment. It simply treats the symptoms instead of curing the underlying disease of slow economic growth and lingering joblessness.

The sole focus of this week's debate on unemployment benefits misses an equally important point: employment benefits. We ought to be talking about the real issue facing America's workers and families: job creation.

How do we keep creating new jobs, investing in new plants and new small businesses, and making sure that workers find the jobs we help create?

The only real cure for unemployment is rapid economic growth—which in turn creates well-paying, private sector jobs.

Full-time jobs in the private sector with a future. That's the best cure for unemployment.

The amendment I had intended to offer an amendment to S. 1554 outlines a jobs creation agenda. It builds on the successful approach of the 1980's—the approach that unleashed the job creation miracle that put 21 million Americans to work.

Low-tax, incentive-based policies to promote work, saving, and investment caused the economic expansion of the 1980's.

When we let workers, entrepreneurs and small businessmen do what they do best—innovating, producing, investing—we're unleashing a ballistic force of wealth creation and job growth.

My amendment expresses the sense of the Senate that Congress should immediately enact legislation to promote plant openings and job creation.

This amendment calls for a reduction in the capital gains tax rate for long-term investment, indexed for inflation. This would provide a dramatic new incentive for investment on job-creating small business ventures.

Second, the amendment calls for making the employee educational assistance tax exclusion permanent. This incentive would promote job advancement through new training.

One of the most important measures in my plant opening and job creation amendment is establishment of enterprise zones to promote small business investment and job creation in the Nation's distressed rural and urban areas.

Finally, the amendment proposes that we give America's senior citizens more freedom and incentives to work and produce by phasing-out the Social Security earnings test over 5 years.

If we declare an emergency for unemployment initiatives, we ought to declare an emergency for these employment initiatives, too.

We ought to also be debating how to promote economic recovery and job creation.

That's what American families and workers care about—how are we going to save their jobs, improve their jobs and create new ones?

Michael Boskin says the recession is over. But without new incentives for work, saving, and investing, the economic recovery may not be very strong.

Our challenge is to continue the proven approaches of the 1980's to get the economy moving into higher gear.

The issue is not how to manage joblessness and economic decline. The real issue is how to create jobs and spark economic growth.

The real emergency is how to create full-time private sector jobs for the future. I would hope that the Senate will soon consider initiatives to help the unemployed by creating jobs. I ask unanimous consent that my amendment be printed in the RECORD:

At the end of the bill add the following new section:

SEC. . SENSE OF THE SENATE WITH RESPECT TO PLANT OPENING AND JOB CREATION INCENTIVES.

(a) FINDINGS.—The Senate finds that—

(1) Expanding unemployment benefits does nothing to prevent and reduce unemployment—it simply treats the symptoms instead of curing the underlying disease of anemic economic growth and lingering joblessness;

(2) The only real curse for unemployment is rapid economic growth which creates well-paying, private-sector jobs;

(3) Low-tax, incentive-based economic policies to promote work, investment, saving, and entrepreneurship caused the economic expansion of the 1980s which created 20 million new jobs and raised real middle American family income by 12 percent;

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Congress should immediately adopt legislation that promotes plant openings, economic growth, and job creation, and that such legislation include the following incentives for work, saving, and investment:

(1) reduction in the tax rate on capital gains for both individuals and businesses, and indexation of the basis for inflation, to provide incentives for long-term investment in job-creating small business ventures, and to eliminate the unfair taxation of phantom gains due to inflation;

(2) permanent extension of the tax exclusion from gross income of the amounts paid for employee educational assistance to increase job opportunities for workers, and promote job advancement through training and education;

(3) estabishment of enterprise zones with Federal tax incentives to promote small business investment and job creation in the Natioin's economically distressed rural and urban areas; and

(4) phaseout of the Social Security earnings limitation over five years which would give America's senior citizens more freedom to work and produce.

Mr. DURENBERGER. Mr. President, while all the Nation welcomes the signs of improved economic health, many Americans are still hurting as they look for work and watch their unemployment benefits either rapidly running out or already expired. I am pleased to support this legislation to provide extended benefits because it will allow this important program to fulfill its role as a safety net for American workers and help to give unemployed Americans a leg up as the recovery continues.

Although this bill is not a perfect piece of legislation, the needs of unemployed Americans cannot wait for every aspect to be ironed out and every question to be answered. These needs must be addressed now.

While Washington may not be able to prevent recessions, we do have tools at our disposal to cushion the blow for many Americans. This legislation is one of those tools, and now is the time to use it.

The unemployment trust funds are designated for assisting workers who, through no fault of their own, find themselves out of work for long periods. And that is what this legislation will do.

While my State of Minnesota has not been hit as hard as some others, recessions in the Midwest have tended to lag behind the slowdowns on the coasts. Fortunately, this legislation provides the flexibility for Minnesotans to receive extended benefits, in the event that such a need should arise.

I am hopeful, Mr. President, that tapping these dedicated reserves will ensure that the recovery now underway will not lose speed and that any lingering effects of the economic slow down will be minimized for the many Americans who have born the brunt of this downturn.

Mr. SIMPSON. Mr. President, the proposal put forward by the Republican leader is a good one. It addresses the central issue before us—the financial security of millions of workers who, through no fault of their own, have lost their jobs to the current economic conditions, and it addresses this issue in a most direct and sensible fashion.

Mr. President, the past few months have been difficult, but it has been especially tough for the economies of certain States and regions in the country. Recognizing that fact, this measure provides a basic level of supplemental assistance across the board, and targets additional assistance to workers in those States were the unemployment situation is the most severe. All this is done without adding unnecessary paperwork and beauracracy to State and Federal programs.

Further, Mr. President, this measure will provide desperately needed assistance to millions of workers throughout the country without breaking the bank. The Republican leader has offered a proposal that is fiscally responsible. One that keeps the accord we reached last year in that bloody battle over the budget.

That is an important point. In fact, it is the central point of this debate. The proposal of the distinguished chairman of the Finance Committee carries a price tag of $5.8 billion. Under the budget agreement, we are supposed to find a way to pay for programs that increase the budget deficit—even the worthy ones. Well, the proponents point out, there is a provision in the Budget Act that permits the President to get around the pay-as-you-go-rules by declaring something an emergency. That is not quite honest in this situation.

Mr. President, the last time we enacted a special, supplemental unemployment benefit our unemployment rate was over 10 percent. We discontinued that program when the rate fell to just over 7 percent. Now, when the unemployment rate is below the cutoff, and when the economy is on its way back, the proponents of the original bill want to declare an emergency rather than find an honest way to pay for these new benefits.

I urge my colleagues to support the Dole substitute, which I am proud to cosponsor. It has heart and guts. It is sensitive to those truly in need, while demonstrating the fiscal responsibility that we promised Americans we would show to them after the agonizing budget agreement we entered last year.

Mr. BRADLEY. Mr. President, I rise as cosponsor of this legislation to provide additional unemployment benefits to those hardest hit by the current recession. This program will help relieve the financial burdens faced by tens of thousands of New Jersey families who are currently having trouble putting food on the table.

This new program will provide 20 weeks of extended unemployment benefits in those States with an unemployment rate that is 8 percent or higher, 13 weeks in those States with a 7 percent unemployment rate, 7 weeks in those States with a 6 percent unemployment rate, and 4 weeks for all other States. Under current law, the unemployed in most States are only eligible for 26 weeks of benefits. New Jersey now provides 6½ weeks of extra benefits for those unemployed; this program would provide the long-term unemployed in New Jersey with an additional 7 weeks of benefits, for a total of 38½ weeks.

The proposal also changes the way in which ex-servicemembers are treated, so that they are treated the same as other unemployed workers. Under present law, unemployed former members of the Armed Forces receive 13 weeks of unemployment benefits. Other unemployed workers receive 26 weeks of benefits. Under this proposal, unemployed ex-servicemembers would receive unemployment benefits on the same basis as unemployed civilians. In addition, Reserve members who have been called to active duty would be eligible for unemployment benefits after serving a continuous period of 90 days, instead of having to meet the current 180-day requirement.

For many families—especially the long-term unemployed—this recession has been disastrous. This year, over 3 million people will be out of work for so long—more than half a year—that their unemployment benefits will have run out. And many New Jersey workers are suffering more than workers in many other parts of the country. In just the past 3 months, roughly 40,000 of the unemployed in New Jersey have been out of work for so long that their unemployment benefits have run out. We need to fix the Federal Government unemployment compensation rules so we can provide more benefits to families in need.

Mr. President, nationally, the unemployment rate has now reached 7 percent. New Jersey's unemployment rate has been about 6.7 percent for several months, about 40 percent higher than a year ago. About 270,000 New Jerseyans are now out of work, and there are no signs that the recession is ending any time soon. The President's advisors may say that the recession is over, but that is not what I am hearing back home. These families cannot afford to wait any longer. The time to act is now.

Mr. BRADLEY. Mr. President, I would like to congratulate the distinguished chairman of the Finance Committee for responding to the crisis of long-term joblessness quickly and appropriately.

In New Jersey, the economic pain has been deeper and hit earlier than in some other regions. More than 90,000 people have exhausted their benefits in New Jersey since the beginning of the year. I am proud to say that my State, which like the Federal Government has an ample fund for unemployment benefits, responded early to the crisis with State-funded emergency unemployment benefits that provide up to 6½ weeks of desperately needed continued assistance.

I mention this fact only to ask the distinguished chairman to clarify my understanding of the implementation of Federal benefits in a State such as New Jersey that took the initiative to provide State-financed emergency benefits until we in Washington faced up to the need to help the continuing unemployed throughout the Nation. Because the State acted in the hope that the Federal Government would recognize the emergency and respond, it designed its program to trigger off as soon as we enacted Federal emergency benefits. It is my understanding that the provision in this bill limiting eligibility to those who have "no rights to compensation [under] any other State unemployment compensation law" will not affect the eligibility of New Jersey's continuing unemployed for Federal benefits, because the State program will trigger off.

Mr. BENTSEN. I thank my colleague for helping us clarify these issues. This legislation should honor and complement the laws of States such as New Jersey that took the initiative to aid the long-term unemployed. It is my understanding, and, as I understand, also the interpretation of the Department of Labor, that all eligible unemployed persons in New Jersey will receive benefits under this bill so long as they are not simultaneously receiving benefits under State law.

Mr. BRADLEY. I thank the chairman. Let me further clarify that this bill would also leave States with the right to reassert themselves once the Federal program runs its course. Unemployment, as we know, is a lagging economic indicator, and even when this recession ends, jobs may not become available for all those who have been out of work for many months. Assuming that New Jersey exhaustees will receive 7 weeks of emergency benefits under this bill, the State should have the right to use its funds to help those who remain out of work after those 7 weeks are exhausted. Is it the chairman's understanding that the State's reassertion of its own emergency benefits once these Federal benefits expire will also not jeopardize eligibility for Federal benefits?

Mr. BENTSEN. I share my colleague's commitment to leave States free to respond to their own unemployment crises with their own funds. It is my understanding that if New Jersey were to choose to reassert its emergency benefits for those who exhaust these Federal benefits, that change would not affect eligibility in New Jersey for these benefits.

Mr. LAUTENBERG. I thank my colleagues for raising and clarifying these questions about the interaction of this much-needed Federal law with New Jersey's own response to the emergency. I too was concerned about the eligibility of New Jersey's unemployed for benefits under this bill, given the State's existing extended benefit program.

I would raise one related question, and ask the distinguished chairman to clarify that our understanding is the same. I am concerned that the Department of Labor may not be able to get this program up and running by September 1, 1991. If there is such an administrative delay, it would mean a gap in benefits for those New Jersey jobless who are currently receiving emergency benefits from the State, because the State program triggers off when the enactment of this Federal law takes effect September 1. The State's law would prevent it from providing further assistance to its jobless from the State fund after September 5. In the unfortunate event that there is such a delay, and New Jersey chooses to continue to pay benefits to those who become eligible for Federal benefits, is it the chairman's understanding that the State fund would be reimbursed for any payments made during the administrative delay? I do not want to see families that have already lost benefits once face another gap in benefits before the Federal program gets going.

Mr. BENTSEN. I appreciate my colleague's concern. It would certainly be my hope that there is no administrative delay in responding to this emergency. We chose September 5 as a date that should give the Department of Labor enough time to get going. But in the event that the funds do not flow by that point, it is my understanding that the State of New Jersey will be reimbursed if it has entered into an agreement with the Secretary of Labor by September 1, 1991 to participate in the Emergency Unemployment Compensation Program. We have been advised by the Labor Department that if such an agreement is in effect by that time, New Jersey will be fully reimbursed for the State extended unemployment benefits it pays to unemployed workers after that date.

I thank my colleagues from New Jersey for helping us understand and clarify the implications of this law for the long-term unemployed of that State.

Mr. SASSER. Mr. President, I stand with the distinguished chairman of the Finance Committee today in support of a temporary emergency repair for our unemployment insurance system—a system that simply no longer provides American working families with the protections they deserve.

Despite what we have heard about the end of the recession—the light at the end of the tunnel—for the 5 million Americans who should normally be getting extended insurance, the tunnel is only getting longer and darker.

Go out into the country and talk to the people who run the small businesses, talk to the people who are trying to get jobs, talk to the skilled workers who have rarely been idle a day in their lives, and they will tell you that this recession continues to cause real hardship. It continues to inflict very real human misery.

In virtually every State, from Maine to Oregon, unemployment lines wrap around waiting rooms and overflow into hallways.

Some 11 million Americans have filed an initial unemployment insurance claim since the start of this recession. These are hard working, productive Americans who are humbled and frightened by their loss of jobs and income. Many have never been without work before.

These working Americans paid their taxes, paid into the unemployment system. They want to work. They need their unemployment benefits to help them bridge that frightening gap between job and job.

These men and women can't wait for the next election or the next recession to get the protection that's been part of this country's social contract since 1935.

But as they feel themselves falling and glance down at the safety net that's supposed to catch them, they see a gaping hole.

Since the recession began more than 2 million Americans have exhausted their unemployment benefits. The Labor Department estimates that another 3 million will get cut off from the unemployment system in the next year.

For the millions of neglected families, it's a demoralizing setback. It means the unraveling of all that they've worked for, postponing plans, deferring dreams. The choices they face are unforgiving—sell the home that contains their life savings in order to feed their family; pay a doctor's bill or pay the rent; send one child to college and skimp on the next.

In every other downturn since the Great Depression, this Government has expanded unemployment benefits beyond the initial 26 weeks. Presidents Eisenhower, Kennedy, Nixon, Ford, and even Reagan in 1982, each affirmed this basic principle.

But today, only 25,000 Americans receive extended benefits, a mere 2 percent of those who have been unemployed for more than 26 weeks.

Mr. President, American working families have been suffering through a recession for over a year now. It's not short or shallow. It hasn't been kinder and gentler than other recessions.

Back in February, Secretary of Labor Lynn Martin told the budget committee that the recession was bottoming out and that the unemployment system would not be required to handle long-term joblessness.

Yet, the Labor Department itself now estimates that 3.4 million Americans will exhaust their benefits in fiscal year 1992.

The President's chief economic adviser, Dr. Boskin, has stated the recession is really over, but acknowledges that unemployment may continue to rise.

That's hardly comforting when you remember that unemployment is at the highest level in 5 years—nearly 9 million Americans are out of work.

Federal Reserve Chairman, Dr. Alan Greenspan, recently stated that companies have cut payrolls quite aggressively.

The fact is, the dimensions of this recession are different from past recessions.

In the past, workers could reasonably expect to return to work as soon as economic activity picked up. But we may very well be dealing with a different breed of recession.

According to a Wall Street Journal poll this month, fully 34 percent of corporations said they permanently cut payrolls in the past year.

And the ax continues to fall at our top corporations. IBM announced it will reduce its work force by some 17,000. Unisys said it would drop 10,000 of its 70,000 employees. Du Pont expects to cut several thousand workers. Arco says it will let go 2,700. GM will close an assembly plant in California, eliminating 2,600 jobs. The merger between Chemical Bank and Manufacturers Hanover will hit at least 6,000 people. And the latest bank merger between C&S/Sovran and NCNB will mean terminating at least 9,000 employees.

For many workers, the callback to their old jobs is simply not going to come.

As a result, the job search for the average unemployed American will be more difficult, and will take longer.

The fact is, the structure of this recession and the structure of our unemployment system are completely at odds. This recession demands that benefits be available to jobless Americans over a longer term, but the current system is unable to deliver them.

For all of those reasons, this is a genuine economic emergency for 5 million Americans and their families, this is an emergency.

There can be little doubt that an expansion of unemployment insurance conforms exactly with the definition of a circumstance requiring an emergency designation under the terms of the 1990 summit agreement.

Far from violating the summit agreement, this proposal employs the flexibility we intentionally wrote into the new law. It is exactly the kind of exception to the system's rigid constraints that we made room for.

At the summit, we deliberately constructed a limited safety valve—a pressure release—that grants budget flexibility in time of crisis.

We went even further. We explicitly considered recession as one of the three circumstances—along with war and natural disasters—that would warrant invoking the emergency option.

In an effort to refine the definition of the emergency safety valve, the Office of Management and Budget has issued its criteria for determining emergencies, and the extended benefit proposal we're considering today satisfies each one. It is essential, sudden, urgent, unforseen, and temporary.

To those who question whether unemployed Americans face an emergency, I would direct you to the States that have been abruptly ejected from the unemployment system—States whose residents have been told that no more extended benefits checks will be coming.

Go to West Virginia, where the unemployment rate nears 10 percent, and tell the hard-pressed families of that rugged State that their unemployment checks are not essential.

Go to Oregon, where the checks have stopped. Tell them their problem is not urgent.

Tell the worker in Michigan that he should have foreseen being unemployed for more than 6 months.

And tell the working families of Maine that when the extended benefits system stops working for them, tell them the loss of that income will not be shocking and sudden.

Those who argue that this is not an emergency and that it violates the summit agreement are simply looking for an excuse to do nothing.

As Senators know, the emergency designation has been used. The fact is, we've used it this year to help people far from our shores. We've used it to aid the Kurds, to help Turkey, and to forgive Egyptian and Polish debt. The administration supported assistance to the Sudan, Ethiopia, Angola, and Bangladesh.

Yet, somehow, unemployed American workers who face desperation because they have run out of unemployment benefits are not considered to be worthy of emergency status.

If you're a foreign national and you've got a crisis on your hands, the U.S. Government snaps to. But if you're an unemployed American with no insurance benefits and nowhere to turn for income, you're told we can't afford to help you.

Mr. President, we must not succumb to the perverse logic that considers an emergency abroad a higher order of need than one right here in the United States.

Let us be clear about what is at stake here—300,000 Americans each month exhaust their regular unemployment benefits.

During the last 300 days, nearly 2 million Americans have lost their jobs, and we've had no legislation from the administration, no deadlines for action, barely an acknowledgement of the recession at all.

Since the Great Depression, a fundamental social contract between our people and our Government has been forged.

During good times, Americans pay part of their earnings into the unemployment insurance system. When the business cycle takes a downturn, the Government steps in and uses this money to help those who bear the brunt of these capricious cyclical swings.

During every recession since the Second World War, this Government, whether Democratic or Republican, has expanded unemployment benefits beyond 26 weeks.

It is time to renew that social contract, to pull together and help American families in desperate need.

Mr. WELLSTONE. Mr. President, I rise in strong support of S. 1554, the Emergency Unemployment Compensation Act of 1991. The bill is designed to help unemployed Americans who have exhausted their unemployment benefits by temporarily extending these benefits for up to 20 weeks. I am a cosponsor of this measure, because I believe it is an important, concrete first step toward enactment of a series of recession relief measures designed to counter the painful effects of the economic downturn which has battered American workers and the economy in recent months.

This measure extends Unemployment Compensation benefits from 4 to 20 weeks past the current 26 weeks allowed, depending on the unemployment level in each State. While we are beginning to see some signs that the current recession has bottomed out, there is still a serious need for congressional intervention to help those who have borne the brunt of this recession—the long-term unemployed.

According to the U.S. Department of Labor, over 3 million workers will exhaust their benefits this year, with an additional 3.4 million exhausting benefits next year. In June of this year alone, the number of unemployed workers climbed to 8.7 million; 2.2. million more than in June last year. The nationwide unemployment rate has risen to 7 percent, the highest in almost 5 years.

Also in June, as in each month of 1991, another 300,000 workers exhausted their 26 weeks of benefits, leaving them in a double bind, without a source of income in the midst of an ever-tightening labor market.

Even though, as some of my colleagues have argued, some economic indicators have shown modest gains, we know that unemployment is a lagging indicator. If past recessions are any indication, workers will continue to exhaust their unemployment benefits even after the recession is technically over. In the last recession, long-term unemployment did not peak until at least 6 months after the recession was over. Enactment of S. 1554 would be consistent with temporary Federal programs that have been enacted in previous recessions.

While this bill addresses temporarily the emergency needs of unemployed American workers, the underlying unemployment insurance system continues to stand in serious need of reform. In fact, during this recession only 40 percent of the unemployed have received unemployment insurance benefits. This system is not working. I urge my colleagues on the Senate Finance Committee to consider seriously proposals for genuine, thorough reform designed to reverse its deterioration.

With almost $8 billion sitting in the Federal extended benefits account, paid by American employers for precisely this purpose, the time to act is now. I would like to congratulate Chairman BENTSEN, Senator RIEGLE, and the other members of the Finance Committee in bringing this bill to the Senate floor so promptly. I hope we can pass the bill today, and enact it into law before more American workers have exhausted their unemployment benefits.

Mr. BAUCUS. Mr. President, I rise today in support of the unemployment compensation bill we are considering today.

This may be the most important bill we will consider this year.

Why? Because too many hardworking Americans aren't.

What's worse, the safety net of unemployment insurance is failing them. They are exhausting their payments. And they still don't have a job.

Mr. President, we may not be able to give every man and woman a job, but we sure need to help them keep their lives and their family together while they look for one.

The newspapers have been filled with stories about how the recession is over. Well, that might be true to the economists at the Federal Reserve or the stock brokers on Wall Street. But unfortunately, the recession is still all too real for thousands of Americans who can't find a job, or can't get their job back after a layoff.

That is why this bipartisan proposal is so badly needed now.

This needed legislation was introduced by the distinguished chairman of the Finance Committee, Senator BENTSEN. We approved it last week in the Committee by a bipartisan vote of 15 to 4.

Senator BENTSEN's bill will ease the burden on those thousands of Americans who have been out of work, and remain out of work, during this recession.

While the recession may have officially ended, it is not a stunning victory. Economic growth last quarter was an anemic four-tenths of 1 percent. Even so, the national unemployment rate rose to 7 percent last month.

In my own State of Montana, we are a little more fortunate. The unemployment rate in June was 6.4 percent. But there are still workers who have lost jobs and who have run out of unemployment benefits. This bill will help them.

This bill sets up an emergency unemployment compensation program to provide additional assistance to long-term unemployed workers whose regular benefits have run out.

This is not a handout, Mr. President. These are benefits that people earn. They're a short-term fix, to give people a chance to find a job, to give them and their families some security during this harrowing experience.

Losing a job is traumatic. Not finding another is worse. And when you're about to lose your unemployment benefits, it's a real emergency.

You fear losing your car. You fear losing your house. Most of all, you fear losing your self respect.

This bill will be a short-term help for the young unemployed father who has a family depending on him for food and housing and clothing, while he looks for work.

This bill will help, for a few weeks, the woman supporting a family on her own who has lost her job and has no other source of income.

Mr. President, those are emergencies as real as any this Nation might face. And behind each emergency there are real people who are suffering.

I have talked to many Montanans in recent months, and I know that many people still face hard times. They aren't only worried about how to pay for their child's college education or how to buy a new car; they are worried about how to pay for their family's next meal and how to make sure there is a bed for their children to sleep in.

That is why I hope that President Bush will recognize that the plight of the unemployed in this Nation is as important as the plight of the Kurdish refugees. The President should join us in helping those still feeling the impact of an economic recession.

Of course, there is a cost to this, just as there was a cost to our aid to the Kurds. But both are emergencies and the budget should treat them as such.

We shouldn't have one threshold for foreign emergencies—which says you don't have to offset the cost—and another standards for the unemployed in this country—which says you don't get benefits unless some other program is cut.

We have a trust fund to pay unemployment benefits. But it is a cruel irony that while unemployment is increasing, the trust fund is running a surplus. The money in that trust fund must be used to help people in need.

Americans deserve equitable treatment, especially those who are out of a job. This bill does that.

Mr. President, I ask unanimous consent that I be added as a cosponsor to S. 1554, and I urge my colleagues to support it.

Mr. LAUTENBERG. Mr. President, I rise in support of S. 1554, the Emergency Unemployment Compensation Act of 1991. I commend the chairman and ranking member of the Finance Committee for their leadership in addressing the pressing problem of unemployment in our Nation.

My State has already recognized the hardship that this recession has created for families and the need for an extended benefit program. People who now exhaust their unemployment benefits are eligible for an additional 6½ weeks of benefits. Those New Jerseyans who have exhausted the regular and extended State benefits will be eligible for another 7 weeks.

Mr. President, the current recession has forced millions of Americans out of work in what the administration promised would be brief economic downturn. People in this country are suffering. Nearly 9 million people are out of work in our country. This is an increase of more than 2 million in the past 2 years. In my State, 269,000 people are unemployed.

The Unemployment Insurance Program was created as part of the original Social Security Act of 1935. The unemployment insurance system was designed to help American workers who lose their jobs. The intent of the program was to provide minimal assistance only to people who were actively seeking work.

Later, the Federal Government established an extended benefit program to provide assistance during prolonged recessions. This program, however, has only triggered on in 3 States despite the fact that 38 States have unemployment rates in excess of 6 percent. This program is clearly not providing assistance to the long-term unemployed who need it and the Congress needs to take this emergency action to remedy this situation.

Currently, over 12,000 New Jersey residents are exhausting their unemployment benefits each month. While the need for relief for these people has grown, so has the surplus in the unemployment insurance trust fund. This makes no sense.

The trust fund moneys are there for these people. The administration wants to hoard this money that was collected for just the kind of emergency unemployed workers face today.

It is time the Federal Government took action to provide needy families with minimal assistance for food and shelter. Without this emergency unemployment compensation bill, millions more Americans will exhaust their unemployment benefits and force more and more families into poverty.

I urge my colleagues to support passage of this bill.

Mr. PELL. Mr. President, although recent economic reports raise some hope that our national economic recession may be ending, there is no end in sight to the misery and heartache suffered by millions of jobless Americans. And the administration's hopeful prediction of an economic recovery has no real meaning for nearly 3 million Americans who are not only jobless but have totally exhausted their unemployment benefits.

Even if the national economy now begins a modest recovery, it is projected that the number of jobless who have exhausted all unemployment payments will continue to increase through the next year, to more than 3 million.

Given these facts, I believe an extension of unemployment compensation payments is essential. It makes economic sense and it is required by our sense of fairness and compassion.

Indeed, it is difficult to understand how the Bush administration can continue to oppose giving a few more weeks of subsistence payments to those who have been jobless the longest and who have suffered the most.

In my view it simply will not do to tell these jobless Americans that the economy is turning around and if they wait for another 6 months, or another year, there may be jobs available.

The Congress should promptly enact an extension of jobless pay and for that reason I strongly support the proposal now pending in the Senate, to provide up to 20 weeks of additional jobless pay for areas like my own State of Rhode Island that have been hardest hit by the economic recession.

The latest economic report is that the economy grew in the last 3 months at a rate of four-tenths of 1 percent, and in testimony last week before the Joint Economic Committee, Michael Boskin, Chairman of the Council of Economic Advisers, said he expects the national economy to continue its modest recovery.

I hope that Chairman Boskin's prediction and the Commerce Department economic indicators prove to be correct and that we are on the road to recovery. But a hope, a promise, and a prediction of better times does not put bread on the table for the jobless and their families who must somehow survive until the economy revives.

It must be noted also that a modest national economic recovery may well bring little relief or much-delayed relief to areas like that Northeast that have suffered most from the recession.

Last month the jobless rate in Rhode Island increased to 8 percent, while the national rate inched up to 7 percent. And within Rhode Island, individual communities have been hit even harder, and have been designated as official labor surplus areas by the U.S. Department of Labor. These include the city of Woonsocket with a jobless rate of 10.3 percent, the town of Tiverton, 12 percent, the city of Pawtucket, 8.8 percent, the city of Central Falls, 8.6 percent, and the towns of Bristol, 9 percent, Little Compton, 9.6 percent, and West Warwick, 8.4 percent.

I have been closely tracking Rhode Island's unemployment figures since they started their steady climb at the end of the 1980's. I am not an economist, but I know that unemployment figures are a pretty fair way of gauging the human toll of an economic downturn.

When we hear about statistics surrounding the gross national product and new housing starts we understand that these figures give us some indication of what is happening to our economy.

But when you look at unemployment figures, you know right away that we are talking about jobs. A job is the simplest economic concept I know. If you don't have a job, you cannot buy food, pay rent, or purchase any other type of goods and services that keep our economy going. Most economists today are agreed that consumers must provide the impetus from a recovery from this recession. If you don't have a job you cannot make ends meet without some type of help, and you certainly are in no position to help lead the way out of the recession.

With continued high unemployment, the extension of unemployment benefits is absolutely necessary to meet the day-to-day needs of a growing number of unemployed workers in many States. I urge prompt Senate approval of the legislation to extend jobless benefits, and I urge the administration to reconsider its position, to stop waving threats of a Presidential veto, and to join the Congress in extending a helping hand to jobless Americans.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 1554), as amended, was passed, as follows:

S. 1554

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

(e) ELECTION.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 3(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	**The applicable limit is:**
8-percent period	20
7-percent period	13
6-percent period	7
Other period	4.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are available—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	**The applicable range is:**
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after August 31, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) September 1, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following August 31, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following August 31, 1991, such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after August 31, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are available.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 9. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than February 1, 1992, and every 4th year thereafter (but not before February 1 of such 4th year), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) CHAIRMAN.—The President shall appoint the Chairman.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—

"(1) IN GENERAL.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) REPORT OF FIRST COUNCIL.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 10. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to sections 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

Mr. DOLE. Mr. President, I move to reconsider the vote.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. COHEN. Mr. President, may I inquire as to what the pending business is?

The PRESIDING OFFICER. S. 1507 is the pending business.

Mr. COHEN. Mr. President, I would like to take this opportunity to explain some of the changes that the Armed Services Committee has made with reference to the Base Closure Act.

I see the Senator from Louisiana on his feet. Does he wish to be recognized?

Mr. JOHNSTON. Mr. President, will the Senator yield.

Mr. COHEN. I will yield without losing my right to the floor.

Mr. JOHNSTON. Mr. President, Senator BREAUX and I, and I believe Senator ROTH, have an amendment with respect to base closures which we were prepared to offer at this time if it is the pleasure of the committee.

Mr. COHEN. Could I inquire of the chairman whether the proposed amendment is one that is going to be accepted?

Mr. NUNN. If I could speak to that, I have not seen the final amendment and I am awaiting that because my staff has been working with the staff of the Senator from Louisiana. But this has not been cleared on both sides.

Mr. COHEN. In that case, Mr. President, I would like to proceed for a few moments to explain some of the changes the committee recommended and the rationale for those changes. In the meantime, the Senator from Louisiana might discuss the amendment with the chairman and ranking member.

Mr. NUNN. It is my view that I will support the Johnston amendment, but I believe that there will be opposition to the Johnston amendment. Whether it will require a rollcall, I do not know. How long does the Senator wish to speak?

Mr. COHEN. I expect to speak no longer than 5 or 6 minutes.

Mr. President, I would like to call to my colleagues' attention pages 340 and 341 of the Armed Services committee report.

Mr. President, on page 340, beginning with paragraphs 3, 4, 5, and 6, are the key changes that have been made to the legislation that currently is on the books. I would like to speak generally to this particular subject.

I think everybody recognizes that we are experiencing a drawdown in force structure and that we are going to have to have a number of bases closed. All of us expect to bear a fair share of that particular burden, but we also expect fairness in the process.

I do not believe the Members of this body should accept any recommendation from the Department of Defense unless there is an inherent sense of fairness at the core of this process. Some of us have been through this experience. I will speak only for the State of Maine, in which I believe fairness was not extended, and to one base in particular, Loring Air Force Base. I want to explain why we made some recommendations that are contained on pages 340 and 341.

I will not spend the time now, but you can see for yourselves that we tried to make the staff of the Commission much more independent than it currently is.

I pass instead to some of the key elements under 5 and 6. Let me turn to 6 first.

6. A key element to public support for the base closure process is the prompt disclosure to the Commission, GAO, and Congress of all information used by the Department in making its recommendations, including information about installations not on the list used for comparative purposes. The legislation would expressly set forth the Department's obligation to respond to any request from Congress, including a request from a committee or a Member of Congress, for any such information. Similarly, the legislation would encourage communications with the Defense Base Closure and Realignment Commission by expanding the applicability of prohibitions against interference with communications by members of the armed forces contained in section 1034 of title 10, United States.

Let me give you a brief explanation as to the reason for this change. I might say that, of course, the entire base closure and realignment recommendation is not before the body. It will not be brought before the Senate until sometime in September. We hope to have a much fuller debate about the equity of the process at that time.

But I would like to give you an example of what took place at Loring AFB and what can take place with other Members who will face a similar circumstance in years to come, and that is the issue of stonewalling.

On May 9 of this year, I wrote to the Secretary of the Air Force and requested information that had been communicated from Loring Air Force Base officials to SAC Headquarters. I wrote on May 9. I did not get a response and, frankly, no response was directed to me for this information until June 3.

At that time, members of the Base Closure Commission traveled to Loring Air Force Base, and a member of the Commission had to specifically request the information from Loring Air Force Base officials. The information could only be turned over to the Commission member.

I find it completely objectionable that we would ever find ourselves in a situation where the Department of Defense would refuse a request for information by a Member of Congress. I think that is intolerable.

As a result of that delay, we lost nearly 3 weeks in finding out what the facts were. And, as you know, under the base closure procedures, there is a very short timeframe in which you, as Members representing your States, have an opportunity to gather information to present the best, most effective case you possibly can.

We lost over 26 days through the sheer stonewalling on the part of the Air Force. They would not turn the information over. As a matter of fact, the Maine delegation, in conjunction with the Governor of Maine, ended up having to turn to a Freedom of Information Act procedure in the Federal courts. That is simply not a tolerable situation, and that is one of the reasons for the change that I just referred to as number 6.

In addition to the stonewalling that took place, the Air Force actually imposed a gag rule. We were trying to get information from local base officials that they had submitted to Strategic Air Command Headquarters, and they were instructed not to talk to us.

It is my understanding that that in itself, the imposition of a gag rule, is against the law as it currently stands. Notwithstanding that, the Air Force officials at Loring were prohibited from discussing this with me or any member of my staff. So I was not able to acquire information in order to represent my constituents in Maine.

In addition, if you will look on number 5, there has been a significant change here. I want to read it and call it to the attention of my colleagues.

To underscore the importance of base closure and realignment information submitted to the Secretary of Defense or to the Commission, the legislation would require persons in a position of responsibility with respect to such submissions to certify the accuracy and completeness of the information. In addition, the legislation would require that the Department, in the presentation of a military construction request, use the same estimates that were used by the Department during the base closure and realignment process for that project. In the event that there are any differences in project cost estimates (other than adjustments for inflation), the Department would be required to explain such differences in the budget justification material. In addition, the DOD Inspector General would investigate any project involving a significant difference between the estimates submitted to the Commission and the estimates in the budget request, to determine the reasons for the differences, including a determination as to whether any of the information submitted to the Commission was inaccurate, incomplete, or misleading in any material respect.

Let me explain quickly what I mean by that. Senator MITCHELL and I were attempting to determine exactly what was involved in terms of cost savings that the Air Force concluded would be achieved by the closure of Loring Air Force Base. We found, for example, that the local base officials, the engineers, the ones who are responsible for submitting that information to SAC Headquarters, had estimated it would cost approximately $1 million to upgrade the roads to code level one.

That $1 million figure went through the process at SAC Headquarters, and came back at nearly $34 million. No explanation was given.

Three base commissioners traveled to Loring and saw the roads firsthand, and they could not understand how it would cost $33 million additional to upgrade the roads. We never received a satisfactory explanation.

We found, for example, that while local base officials had requested $80,000 or $90,000 to tear down a dilapidated building, that by the time that $90,000 figure came back through SAC Headquarters, it was $18 million because SAC Headquarters decided that that building should be replaced, even though there were no plans to ever replace it.

Going through this entire process, we found that while the local base officials had submitted data that would indicate that only $26 million was required to bring all of the facilities up to code level one, the Air Force decided initially it would cost $118 million. And when we asked for verification of this number, the Air Force decided to reward our inquiry by increasing the figure to $144 million. All again without any explanation.

In fact, we could not get an explanation for the justification of those costs until a day after—the day after—the Commission made its final recommendation. We finally were able to achieve the rationale of the Air Force at that time.

Let me give you one final example of why I believe, if we are going to have any support for this kind of procedure, that we have to have truth in disclosure.

We have a brandnew hospital at Loring Air Force Base. I think the taxpayers paid something in the neighborhood of $24 million, including the equipment. It is a really, truly fine hospital. It is code green, level 1 facility. It does not require a cent to upgrade it.

A similar request went out to a number of different SAC bases, all of the bases, for estimates in terms of what it would cost to upgrade their medical facilities. I want to read something to my colleagues.

At Barksdale Air Force Base, the official said it would take $14.7 million to upgrade their hospital facilities to code level 1. It came back through SAC headquarters, $.15 million, not $14 million.

Beale Air Force Base said $15 million was required; SAC said $.27 million—$270,000 dollars.

Ellsworth Air Force Base, $3.1 million. It came back through SAC headquarters, $70,000. The list goes on in this fashion.

I would say it was a total distortion. Let me make it very clear. I think the figures have been distorted. I think they have been manipulated. I do not believe we have received an accurate assessment by any stretch of aryone's imagination in terms of what the actual costs are.

The committee is going to hold the Department of Defense to its figures. If they are going to submit numbers, as they did in this particular case, which I believe were manipulated and shaded in a way to achieve a preconceived decision, then we are going to hold the Department of Defense in future years to those numbers.

In the future, if a base needs to be upgraded, we are going to hold the Defense Department to the figure, let us say, for Beale Air Force Base. If Beale says it needed $15 million, but the Air Force said only $.27 million, $270,000; $270,000 is the figure we are going to hold the Defense Department to. The Air Force is going to have to justify exactly why it needs $15 million in future years.

I just want to take this moment to call to the attention of my colleagues the fact that we think we have strengthened the Base Closure Commission process. I hope none of my colleagues will have to go through what we went through in the State of Maine under this procedure. I hope, in the future, we will have a much clearer, fairer, and more careful explanation of what the Defense Department is recommending.

If we cannot rely upon the truth and accuracy and fairness of the processes, then we ought to reject outright any recommendation coming from the Department of Defense. I will have much more to say about this process later when we return from the August recess.

I thank my colleagues for their patience and yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

AMENDMENT NO. 1021

(Purpose: To require the heads of departments and agencies of the Federal Government to disclose information concerning United States personnel classified as prisoners of war or missing in action)

Mr. McCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself, Mr. BRYAN, Mr. DOLE, Mr. NUNN, Mr. BIDEN, Mr. BRADLEY, Mr. CONRAD, Mr. DODD, Mr. JEFFORDS, Mr. GARN, Mrs. KASSEBAUM, Mr. LEVIN, Mr. GORE, Mr. RIEGLE, Mr. ROBB, Mr. BOREN, Ms. MIKULSKI, Mr. COHEN, Mr. LIEBERMAN, Mr. MCCONNELL, Mr. REID, and Mr. SHELBY, proposes an amendment numbered 1021.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 297, between lines 18 and 19, insert the following:

SEC. 1125. DISCLOSURE OF INFORMATION CONCERNING UNITED STATES PERSONNEL CLASSIFIED AS PRISONER OF WAR OR MISSING IN ACTION.

(a) IN GENERAL—(1) Except as provided in subsection (c), the head of each department or agency of the Federal Government holding or receiving any information referred to in paragraph (2) relating to any United States personnel currently classified as prisoners of war or missing in action shall make such informtion available to the public.

(2) Paragraph (1) applies to any record, live-sighting report, or other information relating to the location, treatment, or condition of any person referred to in such paragraph on or after the date on which such person passed from control of the Armed Forces of the United States into a status ultimately classified as prisoner of war or missing in action, as the case may be.

(b) DEPARTMENT OF DEFENSE INFORMATION.—At the same time that the Secretary of Defense makes available to the public the records and other information that is subject to the deadline established by subsection (d)(1), the Secretary shall also make available to the public a complete list of United States personnel classified as prisoners of war, missing in action, or killed in action (body not returned) after 1940, including during a period of war. The list shall include—

(1) the current classification of each listed person for Department of Defense purposes; and

(2) each change that has occurred in the listed person's classification (for Department of Defense purposes) since the original classification.

(c) EXCEPTIONS TO DISCLOSURE REQUIREMENT.—(1) A record or other information, including any fatality report, may not be made available to the public pursuant to subsection (a) if—

(A) such record or other information is exempt from the disclosure requirements of section 552 of title 5, United States Code, by reason of subsection (b) of such section;

(B) the record or other information is in a system of records exempt from the requirements of subsection (d) of section 552a of such title pursuant to subsection (j) or (k) of such section; or

(C) the record or other information specifically mentions a person by name unless such person or, in the case of a dead or incapacitated person or a person whose whereabouts is unknown, the closest living relative of such person (as determined by the official custodian of such record or information) expressly consents in writing to the disclosure of such record or other information.

(2) The prohibition contained in paragraph (1)(C) does not apply to the access of a member of the family of a person to any record or information to the extent that the record or other information relates to such person.

(3) The authority of a person to consent to disclosure of a record or other information for the purposes of paragraph (1)(C) may be delegated to another person or an organization only by means of an express legal power of attorney granted by the person authorized by such paragraph to consent to the disclosure.

(d) DEADLINES.—(1) In the case of records or other information that are required by subsection (a) to be made available to the public and are held by a department or agency of the Federal Government on the date of the enactment of this Act, the head of such department or agency shall make such records and other information available to the public pursuant to this section not later than 1 year after such date.

(2) Whenever after the date of the enactment of this Act a department or agency of the Federal Government receives any record or other information referred to in subsection (a) that is required by this section to be made available to the public, the head of such department or agency shall make such record or other information available to the public pursuant to this section not later than 1 year after it is received by that department or agency.

(3) If the head of a department or agency determines that his disclosure of any record or other information referred to in subsection (a) by the date required by paragraph (1) or (2) will compromise the safety of United States personnel known or thought to be held as prisoners of war, then the head of such department or agency may withhold such record or other information from the disclosure otherwise required by this section and shall immediately notify the President and the congressional intelligence committees of that determination.

(e) DEFINITIONS.—In this section:

(1) The term "period of war" has the meaning given such term in section 101(11) of title 38, United States Code.

(2) The term "congressional intelligence committees" means the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCAIN. I ask unanimous consent Senators DOLE, NUNN, BIDEN, BRADLEY, CONRAD, DODD, JEFFORDS, GARN, KASSEBAUM, COHEN, LIEBERMAN, MCCONNELL, REID, and SHELBY be listed as cosponsors to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 1507

Mr. ROTH. Mr. President, I ask unanimous consent during the consideration of S. 1507, Marvin Doyal be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, this amendment requires Federal agencies to make public a list of all Americans still classified as POW or MIA, and to fully disclose all information pertaining to POW/MIA's within 1 year of enactment subject to certain national security and privacy waivers.

Mr. President, I wish to begin by recognizing the support and coauthorship of my friend from Nevada, Senator BRYAN who joins me in offering this amendment. His commitment to securing the fullest possible accounting of Americans missing-in-action and prisoners-of-war is second to none. His commitment was evident in his sponsorship of S. 1127, a bill which seeks to achieve the same goals as this amendment does. The amendment we are offering today is based on the provisions of his bill and on a similar bill, S. 1270, which I introduced last month. Earlier this month, we decided to combine our efforts, and this amendment represents the fruit of our cooperation. I commend Senator BRYAN for his devotion to American POW/MIA's and their families, and I thank him for his valued counsel and support.

Mr. President, this amendment directs government agencies to disclose to the public information concerning the fate of Americans still classified as prisoner-of-war or missing-in-action.

I have given much consideration to this subject in recent years. Indeed, I have been reluctant to support similar legislation requiring disclosure introduced in the last Congress. While I appreciated the goals of the sponsors of that earlier legislation, I was concerned that the bill would have unintended and unwanted consequences. I was concerned that adoption of the legislation could threaten the safety of POW/MIA's who are alive, jeopardize the security of U.S. intelligence operations, compromise our foreign intelligence sources, violate the privacy of the families of POW/MIA's, and place too great a burden on the limited resources of the POW/MIA office within the Defense Intelligence Agency.

However, it has become increasingly apparent to me, and I am certain to all Senators, that the public trust and confidence in the integrity of our Government's efforts to resolve the questions surrounding the fate of American POW/MIAs is waning—very severely waning. The process by which we seek information on our POW's and MIA's has become clouded by doubt and suspicion to the extent that the people involved in the process—many good and honorable people—have had not only their competency, but their integrity called into question.

This problem has become all the more acute since the recent release of photographs which purport to be pictures of American MIA's who have been identified by their families. Even before these photographs were released, however, it had become apparent to Senator BRYAN and me and a good number of our colleagues, that the American people were increasingly questioning the government's determination to resolve the fates of our POWs and MIAs. Accordingly, well before the existence of these photographs became known to us or to the public, Senator BRYAN and I introduced separate bills to provide to the public greater access to information concerning POW/MIA's.

Mr. President, my purpose in introducing this legislation was to encourage the restoration of public confidence in the personnel and policies involved in the investigation of the POW/MIA question, and, if there have been failures or mistakes made in this process, to draw public attention to them as the first step toward correcting them.

To accomplish these ends I was guided by the wise advice of the late, distinguished jurist Learned Hand who wrote.

> The mutual confidence on which all else depends can be maintained only by an open mind and a brave reliance upon free discussion.

However, both Senator BRYAN and I felt very strongly that the public's right to know should and be reconciled with our concerns for the security of our intelligence operations and assets, the safety of any living POW/MIAs, the families' right to privacy and the limited resources of the Defense Intelligence Agency. Indeed, I believe the provisions of this amendment do adequately reconcile these imperatives with the need to encourage greater public secrutiny of this information.

Mr. President, allow me to briefly describe the provisions of this amendment. This amendment directs the heads of departments and agencies of the Federal Government to make available to the public within one year of this legislation's enactment any information relating to Americans still considered a POW or MIA.

A year may strike some as an unnecessarily long period of time to release this information, but I believe it properly accommodates DIA officials who complain that the disclosure of this information will tax the resources of the office and keep them from the important tasks with which they are charged. Those complaints were made to me by no less an authority than Colonel Mike Peck, the former director of the POW/MIA office in the DIA, whose resignation has occasioned so much controversy.

The Defense Department recently announced that the POW/MIA office of DIA will be provided with additional resources and personnel. With these additional resources, the office will be able to locate, organize and release information within the one year deadline. Let me make clear, I do not believe that all information, including intelligence that is collected after this legislation is enacted, will necessarily require a year to release. I would hope, indeed, I trust, that the Government will not use this generous allocation on time to delay the prompt release of this information. If this were the case, I feel certain Congress would be obliged to revisit this subject.

This amendment also refers to national security waivers in the Freedom of Information Act that ensure that any information which would compromise the integrity of our intelligence or risk the lives of Americans would be exempt from disclosure. Neither, under the provisions of this amendment would any information that specifically mentions a POW or MIA by name be released to the public without the express consent of the closest living relative.

Mr. President, these are important exceptions to the disclosure requirement, but I do not believe that they will pose impediments that are impossible to overcome. If any agency declines to disclose information based on these exemptions, appeal processes are available to review these determinations. And speaking for myself, Mr. President, I do not expect the Government to abuse these waivers. It is difficult to make a credible argument that our intelligence operations would be threatened by the release of information on POW/MIA's from the Second World War, the Korean war or even from a war that ended nearly 20 years ago. However, should these waivers be abused, I and many other members of Congress would be obliged to introduce additional legislation limiting the government's ability to invoke this exception.

Regarding the family privacy exception, I feel that is the minimum respect that Congress and the Government owe to the families of our POW/MIA's. All Americans have a genuine interest in determining the fates of our POW/MIA's. But the public's interest does not supersede the families' interest or their right to privacy. The families will know better than the rest of us what is the best interest of their missing loved ones.

Mr. President, these are, in brief detail, the provisions of the amendment and the reasoning on which they are premised. As I have stated, the need for this legislation was apparent long before the latest increase in public concern generated by the release of several photographs. Certainly, the release of those pictures has driven the point home forcefully to every Member of Congress and to every home in America.

I believe it is fair to state that the agencies which are responsible for this information have not been terribly receptive to previous legislation on this subject. I think it is also fair to state that in light of the growing controversy those agencies now have a better appreciation for the demensions of the crisis in public confidence currently confronting the Government. Indeed, no agency of the Federal Government has raised an objection to my legislation, and I am encouraged by this lack of opposition to believe that the Government understands the importance of public disclosure.

Previously, veterans groups like the Veterans of Foreign Wars have opposed similar legislation. However, I am confident that they too are satisfied that this amendment has reconciled the security and privacy imperatives that I have mentioned with the urgent necessity to get the public more involved in this question. I thank the leadership of both organizations for their encouragement and support for the ends Senator BRYAN and I are seeking today.

What we are seeking today, Mr. President, is to make progress toward resolving the fate of our missing in action and prisoners of war. We will make little progress toward that end while the Government's efforts to find our POW's and MIA's suffer from a rapid decrease in public confidence. The men and women who are responsible for acting on this national priority will not do their job any more effectively while their commitment to their responsibilities is suspect.

Allow me to take a moment to praise again one particular individual whose involvement in resolving this question represents the best—the very best—traditions of public service. Gen. John Vessey, the President's emissary to Vietnam for POW/MIA affairs is one of the finest men to have ever worn the uniform of the U.S. Army. Should recent controversies cause anyone to doubt his integrity or his effectiveness it would constitute, in my opinion, an enormous injustice. If we failed to do all we can to bring home our POW/MIA's it is not for want of Jack Vessey's commitment. Indeed, the more he is involved in this question, the more confident I am that it will be resolved. I would encourage the Government to make even greater use of this honorable man even though he has long since earned a quiet retirement.

My purpose in offering this amendment, Mr. President, is to encourage the American people to understand the efforts undertaken by people like General Vessey. Our efforts to secure our missing servicemen may not have been perfect. They may not have always seemed to represent the Nation's highest priority. But, as I have said many times in the past, this should not be a question that divides us. This should be the one question that unites every single American. This amendment is an attempt to do just that: to involve all Americans in this process, to identify and remedy any deficiencies, and to unite all Americans in what must be our highest national priority.

I believe that the amendment's objectives will be achieved and this information will be desclosed to the public. I would encourage all Americans to use this information wisely. I fully realize that there may be some individuals who will use this information to perpetrate hoaxes on POW/MIA families. We have seen such despicable activity in the past, and I expect to see more in the future. But the public's need to know has overwhelmed this concern. And I hope that this kind of fraud will not dramatically increase in consequence of this information's release. I hope that no American who enjoys access to this information would have reason to complain like the poet, T.S. Eliot:

> Where is the wisdom we have lost in knowledge?
>
> Where is the knowledge we have lost in information?

Let us not use this information in pointless recriminations of people who have sought to serve their country, even if we are not in every instance satisfied with the fruits of their labor. Let us use this information to seek the truth. Let us use this information to unite the country, to heal the wounds of war, and to bring home those Americans who undertook to serve their country on distant shores and who never came back.

Mr. President, I ask unanimous consent to add Senator WARNER as a cosponsor.

The PRESIDING OFFICER. (Mr. BAUCUS). Without objection, it is so ordered.

Mr. MCCAIN. Mr. President, I am not sure which path we will take now that the POW-MIA issue has become mired in a very public controversy. I am not sure if we are going to have a select committee, which would represent the best and dedicated efforts of my friend from New Hampshire, Mr. SMITH. I am not sure if we are going to have a Presidential commission to which the President would appoint some very credible, experienced, talented and dedicated Americans. I am not sure if we are going to have both. I have told my friend from New Hampshire, that I do not view those two as mutually exclusive. In fact, I think they can complement each other.

I do know, Mr. President, that one of the areas that has caused enormous controversy is the belief on the part of many Americans that information is being concealed by the Government that concerns the whereabouts of our missing in action and POW's.

Our colleague from Iowa, Senator GRASSLEY, had an enormous amount of difficulty in gaining access to information that he feels, and I believe correctly, he is entitled to, also, our colleague from North Carolina, Senator HELMS. I am sure that my colleague from New Hampshire, Senator SMITH, could talk for a long time about the difficulties he has encountered in trying to uncover the most elemental aspects of some of the outstanding cases of those still listed as missing in action.

Mr. President, I think it is of the utmost importance that whatever we do, whether it be special commissions or select committees, in attempting to resolve this issue, this amendment should be adopted. We can at least begin clearing up this aspect of the lingering tragedy of American's missing sons.

Mr. President, before I yield the floor, I ask unanimous consent that Senator DIXON be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. I yield the floor.

Mr. BRYAN. Mr. President, I rise today to address the McCain/Bryan amendment designed to lift the cloud of secrecy and doubt surrounding the Federal Government's knowledge of the fate of Americans listed as prisoners of war [POW's] or missing in action [MIA's].

This amendment would require the heads of Federal agencies or departments with information regarding U.S. military personnel listed as prisoners of war, missing or killed in action from World War II to the present to disclose that information to the public.

This amendment has the potential to help answer some of the remaining questions regarding these missing patriots.

Moreover, this amendment is crucial to establishing once and for all the credibility of the Federal Government on this issue.

Whether or not they are justified, there are those who suspect that the Federal Government is holding back information.

There are those who suspect that the Federal Government isn't playing it straight with the American people.

This amendment can help eliminate that suspicion.

Mr. President, today there are 2,273 Americans still missing as a result of the conflict in Vietnam, and there are many more from the Korean war and World War II.

We have the opportunity to fulfill a commitment of trust to the families of those missing.

We have an opportunity to demonstrate the depth of our gratitude to those who served their country in the past.

Moreover, we have an opportunity to demonstrate to those who presently serve and those who are considering service, that the American Government will spare no effort to protect their well-being.

We are all deeply concerned whenever American men and women are held against their will in foreign lands.

Indeed, as the President said in his inaugural address:

> There are Americans who are held against their will in foreign lands and Americans who are unaccounted for.
>
> Assistance can be shown here and will be long remembered. Goodwill begets goodwill. Good faith can be a spiral that endlessly moves on. * * *

Members of Congress and the Bush administration have moved internationally to advance the accounting of American veterans whose fate is still unknown.

But domestically, the administration has yet to adopt the policy set forth in this amendment to satisfy the doubts and curiosity of the American people.

The administration has yet to do all it can domestically to give these loved ones peace of mind.

Mr. President, as I mentioned earlier, this amendment requires the release of all pertinent Federal Government information regarding POW/MIA's.

However, we include two important exceptions. The first protects the family of the missing soldier's right to privacy because no information mentioning a serviceman's name could be released against the wishes of the surviving family.

Moreover, the amendment would protect the interests of national security by preventing the disclosure of classified information if the Federal Government can show that national security could be compromised.

The families of those missing have been waiting too long for this simple act of clarity and trust.

It is time to put these doubts to rest.

Mr. NUNN. Mr. President, I believe this is a very good amendment. I am proud to be a cosponsor of the amendment. I think it responds to a growing crisis of confidence in our Government and their efforts to determine if there are any American prisoners of war of missing-in-action personnel in Southeast Asia. Recent revelations of photographs and other potential evidence about POW's and MIA's in that area have raised concerns throughout the country that our Government is not doing enough to attempt to verify such evidence and enough to do everything we can to see if it is accurate and, if it is, to act on it.

This amendment would require the release of information to the public concerning the location, the treatment or condition of any personnel classified as a prisoner of war or as missing in action, and will allow the American people to judge for themselves. The amendment, however, would also provide for nonrelease of such information if it is properly classified, if it provides names of individuals and their next of kin, does not authorize such release if such release might jeopardize the safety of a prisoner of war which, of course, no one would want to do.

Mr. President, I recommend the amendment's adoption. I hope I am listed as a cosponsor of the amendment.

Mr. SMITH. Mr. President, I rise in support of the amendment of my colleague and friend and request that my name also be added as a cosponsor.

As the Senator from Arizona notes, I had similar legislation in the House of Representatives last year. I felt that legislation went a lot further than this particular piece of legislation. But still the basics are there, the intent is there that this information should be declassified at whatever pace we might want to declassify it.

We might have some disagreement, but the information should be declassified. Certainly what does not have to be classified after 20 some years ought to be released to the families and in some cases to the public.

So I think whether we do wind up with a select committee or Presidential commission or whatever the vehicle for congressional oversight, Senator MCCAIN and I and others on both sides of the aisle on this issue will be working together in our congressional oversight responsibilities to try to get this issue behind us, to get these questions answered on behalf of the families and, if there are men alive, get them home, and also to account for as many of these men as we from this conflict and put this thing behind us.

I thank the Chair and I yield the floor.

Mr. McCAIN. Mr. President, I ask unanimous consent that Senators MACK and RIEGLE be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1021) was agreed to.

Mr. NUNN. I move to reconsider the vote.

Mr. McCAIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NUNN. Mr. President, we have two amendments that I hope we can complete tonight. One is the Wirth amendment. I am hoping that we are going to be able to get unanimous consent as to how we would handle that one in terms of the debate and procedure. And also I would like to be able to handle the Johnston amendment tonight.

I do not know whether either one of them have a time agreement at this stage. It would be my intent to propound a time agreement on the Wirth amendment. I do not have word that it has been cleared all the way around. I have asked the Senator from Louisiana to see if he can work on a time agreement. I do not control the floor, and everybody knows that, so it is an open floor. But it would certainly be my hope we could move to the one that has a time agreement.

Mr. JOHNSTON addressed the Chair.

Mr. NUNN. If we can have a time agreement, we can complete it. But if we have an amendment that is hopelessly bogged down, we are not going to make any progress tonight.

Mr. President, I still have the floor but I would be glad to yield to the Senator from Louisiana for a question.

Mr. JOHNSTON. Mr. President, if the Senator from Delaware is available to come on the floor, I think we can talk for just a moment about this. We have the Senator from Ohio here. He is the other player on this amendment. I think perhaps we could——

Mr. NUNN. Could we try to see about unanimous consent on the Wirth amendment, and then come back and see where we are? I believe that Senators are not far apart.

Mr. JOHNSTON. Yes.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, the distinguished Senator from Delaware [Mr. ROTH], the Senator from Louisiana, and I have been working on a product involving this subject matter, and it is a joint product. I do not know——

There is some question about who is the parent of this. The Senator from Delaware has been working on it for a long time. I am not anxious to stand on ceremony on parentage of this amendment, but I would like to pass it.

I think we could probably provide for an hour of debate, if that suits the Senator from Delaware and the Senator from Ohio and my colleague from Louisiana, Senator BREAUX. I wonder if we could provide for an hour on that? Is that agreeable to the Senator from Delaware?

Mr. ROTH. The Senator from Delaware would state that we are not in a position to agree to it at the present time. Other people on this side would have to have an opportunity to review it. But I think the matter could, in my judgment, be better reached if a quorum call was suggested.

Mr. NUNN. Mr. President, I see the Senator from Colorado and the Senator from Indiana on the floor. Are they prepared for me to propound a unanimous-consent request?

Mr. WIRTH. If the Senator will yield.

Mr. NUNN. I will be glad to yield to the Senator from Colorado.

Mr. WIRTH. I have suggested to the distinguished Senator from Indiana that I would be very happy to have a unanimous-consent agreement and a time limitation. If the Senator from Indiana desires to have a cloture vote and just do that straight up and down, as we did last year, of an hour, an hour and a half, equally divided, to do so. So it is entirely up to the Senator from Indiana and his colleagues as to what they would like to do. I am happy to do whatever works for the distinguished chairman of the committee.

I thank the Senator for yielding.

Mr. COATS. If the Senator will yield.

Mr. NUNN. I yield to the Senator from Indiana.

Mr. COATS. Mr. President, the propounding of a unanimous-consent request to have a limited amount of debate and then go to a cloture vote, which would essentially be the vote on the amendment—— The Senator from Colorado has indicated that if cloture was not achieved, he would withdraw the amendment.

What we are trying to secure is agreement on the other side for those who are opposed to the amendment, that if cloture were achieved, why the amendment would stand as is.

The Senator from Colorado has indicated to me a willingness to modify the amendment. I have talked to some of those Members who are interested in offering amendments, and that modification is not acceptable.

So I think where we are in terms of my getting agreement on the cloture procedure is to find out whether the Senator from Colorado would go back to his original amendment, which we had spent a number of hours discussing with Members. If the Senator is willing to do that, I might be able to get an answer very quickly.

Mr. WIRTH. I will be happy to. I will be happy to do whatever works for the Senator from Indiana, whatever eases the process in moving this along. We can go with the original amendment. I attempted to modify it in a way that might be helpful to the Senator from Indiana.

Mr. COATS. I appreciate the Senator's willingness to modify the amendment. He did so with the intent of making the process easier to conclude this evening, but we were not able to secure agreement across the board for that.

I informed the Senator from Georgia, if we could have just a few more minutes, I might be able to get back to the original amendment and get that question answered.

Mr. WIRTH. I thank my colleague.

Mr. NUNN. Mr. President, I thank my colleagues. I hope they will continue to work to get a time agreement. It appears to me we have constructive conversations going on about a time agreement on both the Wirth amendment and the Johnston-Roth amendment, Johnston-Breaux-Roth, Roth-Johnston, Breaux-Roth, Johnston-whatever it ends up being. It is certainly a partnership as far as I am concerned.

Mr. President, what I would suggest, I have about 15 cleared amendments here. I would like to proceed to do those while the parties continue to talk and then perhaps we can get a time agreement on one of those amendments and proceed with it while the other is being worked on.

AMENDMENT NO. 1022

(Purpose: to improve the inventory management policies and procedures of the Department of Defense)

Mr. NUNN. Mr. President, on behalf of Senators Glenn and Levin, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for Mr. Glenn (for himself) and Mr. Levin, proposes an amendment numbered 1022.

On page 249, between lines 3 and 4, insert the following new sections:

SEC. 835. IMPROVEMENT OF INVENTORY MANAGEMENT POLICY AND PROCEDURE.

(a) IMPROVEMENT IN INVENTORY MANAGEMENT POLICY.—Section 2458(a) of title 10, United States Code, is amended—

(1) striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(3) set forth a uniform system for the valuation of inventory items by the military departments and Defense Agencies.".

(b) ANNUAL REPORT ON INVENTORY.—Section 2721 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "Under"; and

(2) by adding at the end the following new subsection:

"(b) The regulations prescribed pursuant to subsection (a) shall include a requirement that the records maintained under such subsection—

"(1) to the extent practicable, provide up-to-date information on all items in the inventory of the Department of Defense;

"(2) indicate whether the inventory of each item is sufficient or excessive in relation to the needs of the Department for that item; and

"(3) permit the Secretary of Defense to include in the budget submitted to Congress under section 1105 of title 31 for each fiscal year, information relating to—

"(A) the amounts proposed for each appropriation account in such budget for inventory purchases of the Department of Defense; and

"(B) the amounts obligated for such inventory purchases out of the corresponding appropriations account for the preceding fiscal year.".

(c) IMPLEMENTATION.—The Secretary of Defense shall establish the uniform system of valuation described in section 2458(a)(3) of title 10, United States Code (as added by subsection (a)), and prescribe the regulations required by section 2721(b) of such title (as added by subsection (b)), not later than 180 days after the date of the enactment of this Act.

In section 2(b), amend the table of contents by inserting after the item relating to section 834 the following new item:

Sec. 835. Improvement of inventory management policy and procedure.

Mr. NUNN. I inform my colleague from Virginia that these are amendments that have been cleared on both sides. I will give a very brief description of the amendment so there will be no mistake about it.

Mr. President, this amendment will continue the effort to improve inventory management in the Defense Department by requiring the Department of Defense to establish a uniform system for the evaluation of inventory items in DOD, and by requiring that inventory reports in DOD, to the extent practicable, include up-to-date information on all inventory items in DOD.

This amendment has been cleared on both sides. I would like to have it adopted.

Mr. WARNER. We have no objection.

IMPROVEMENTS IN INVENTORY MANAGEMENT

Mr. GLENN. Mr. President, I rise to offer an amendment to S. 1507, cosponsored by Senator Levin, to improve DOD's inventory management. In my view, this amendment is necessary to correct deficiencies in the Department of Defense's practices to ensure that DOD's inventory of secondary items is valued correctly and that there is greater accountability for all on-hand items available to the military departments and defense agencies. The goal of this amendment is consistency and accountability in DOD inventory management.

My amendment would require three things:

First, that the Secretary of Defense set forth a uniform system for the valuation of inventory items by the military departments and defense agencies;

Second, that the Secretary of Defense revise the regulations to maintain inventory records in a manner that recognizes, to the maximum extent practicable, all levels of on-hand inventory maintained by the Department of Defense and reflects the extent to which such inventory in applicable or inapplicable to the Department's inventory requirements;

Third, that the Secretary of Defense maintain records of the Department's annual inventory budgets and expenditures, including the amount of money the Department includes in its budgetary requests for inventory purchases each year, and in which accounts, and the amount of money the Department spends for inventory items each year and out of which accounts such expenditures are made.

All indications from within DOD are that these proposed changes are feasible and along the lines DOD is already heading. Plainly and simply, my amendment would ensure that these improvements occur sooner rather than later, and do not fall by the wayside.

DOD's centrally managed, on-hand inventory remains the largest in the world at a reported $102 billion. As you can see, we are not talking about small amounts here. The management of these inventories has been of interest to the Governmental Affairs Committee, which I chair, for many years now. The Committee held several hearings on DOD inventory management problems:

In October 1987 and in March 1990, we examined the huge growth in unrequired spare parts and the problems DOD was having accounting for and storing this inventory, including Stinger missiles, aircraft spare parts, and nuts and bolts.

In March 1988, we reviewed DOD's loss of control over tens of billions of dollars of property furnished to Government contractors. There wasn't even an inventory kept of it.

In April 1989 and in March 1991, we examined very severe problems in the quality of parts purchased by DOD. In February 1990, we heard that the financial systems that are supposed to provide accountability and financial control over the Air Force's inventory of spare parts and supplies do not provide accurate, reliable data supporting either the quantities or the value of these inventories.

Recently, on June 17, 1991, the committee explored what progress the Department has made in better managing its inventories and reducing their size, and received recommendations from GAO to improve inventory management.

These problems have been publicly highlighted by many others as well, including the Armed Services Committees, the GAO, the Office of Management and Budget, the DOD Inspector General, and the DOD itself through the Federal Managers Financial Integrity Act process. Particularly worth noting is that two years ago both the GAO and OMB targeted these inventories as a "high risk" area, with the potential for waste, fraud, and abuse.

OMB's and GAO's descriptions of the problems bear repeating in 1991 because it is clear that the DOD's inventory management problems are not close to coming off their "high-risk" lists:

According to GAO:

> Department of Defense inventories exceed $100 billion of which unneeded or excess inventory exceeds $30 billion. The excess inventory along with numerous other indicators (e.g., the failure to cancel orders where excess stock is already on hand) reflect financial management problems. Management incentives focus on filling orders and obligating funds. There is no corresponding focus on reducing costs or controlling or securing stock, i.e., economy and efficiency. The current pressure to reduce the DOD budget in response to recent world events provides additional incentives to make major improvements in the supply system.

According to OMB:

> Each year the Department of Defense manages 4.9 million supply items and maintains a supply inventory valued at $103 billion. DOD has identified 18 material weaknesses in supply operations. These include: inadequate assurance that items are received before payments are made; ineffective management of spare part inventories; and inaccurate catalog identification numbers. These weaknesses lead to payments for goods not received and no assurance that materials listed as available in inventory are physically warehoused and available for use. DOD has classified supply operations as a DOD-wide internal control issue.

The bottom line remains that DOD buys more than it needs, what it buys is too often substandard, and the Department doesn't seem able to adequately account for what it has! I had hoped with $102 billion at stake, that DOD would have made considerably more progress in correcting its inventory management problems. Since that isn't the case, I believe that certain statutory fixes are required to keep DOD on the right course.

My amendment essentially derives from the GAO report released at the July 17th Governmental Affairs Committee hearing which recommended that the DOD Secretary:

First, direct the military services and DLA to use a uniform inventory valuation method that will provide comparable data between periods and across organizations, and fully disclose any deviations from uniform valuation;

Second, report inventory in a manner that recognizes all levels of on-hand inventory and reflects requirements that are consistent with the inventory that DOD defines as the maximum assets which may be onhand or on order at a given time.

With regard to GAO's recommendation No. 1, DOD and GAO both acknowledge that it was a change in valuation method alone that contributed 99 percent to DOD's reported reduction in on-hand inventory from $109 billion in fiscal year 1989 to $102 billion in fiscal year 1990. Moreover, GAO reports that the three services and DLA are currently using different methods of valuation, thus making it practically impossible to determine accurately the on-hand inventory across organizations and between periods. The GAO has commended DOD for its efforts to improve its valuation methods.

At the hearing Diane K. Morales, the Deputy Assistant Secretary of Defense for Logistics, testified that valuation methods are different across the services. She also stated that the comptroller is "looking at how we will in fact more accurately portray our inventory, and [has looked] at the Navy prototype and [has] considered other options as well. I believe the one they are about to lock in on is last acquisition cost."

Clearly my amendment—which calls on the Secretary of Defense to set forth a uniform system for the valuation of inventory items by the military departments and defense agencies within 180 days of enactment—merely reinforces efforts already underway, but ensures that this issue will be resolved in a reasonable period of time.

With regard to GAO's recommendation No. 2, GAO reported that DOD includes only centrally managed inventory—wholesale—in its Supply System Inventory Report, but excludes items aboard combat ships and with troop units—retail. These exclusions result in billions of dollars of inventory not being reported at the DOD level; for example, 7.6 billion dollars' worth of ship, submarine, and aviation supplies held by the Navy alone. Therefore, the DOD centrally managed level does not know what is available at the user level. According to GAO:

> One of the added difficulties at that [retail] level is that there is no central visibility over those inventories. . . . At least at the wholesale level, the so-called wholesale level, we have systems in place to bring these things together. You don't have those same kind of systems with respect to local stocks, and therefore item managers do not have visibility over them. And we have example after example where those things are in an excess position and the item manager is buying them.

At the hearing, Deputy Assistant Secretary Morales testified that at present, there is a record at the user level of supply items, for example, the combat ship "has a record of every single thing that it has." She also testified about its intention to improve the visibility of locally controlled items to the central supply system, and visibility of items among the services. DOD calls this "Total Asset Visibility," which success appears to depend upon available technology. GAO reported that this increased visibility effort is planned for completion in 1994.

Also at the hearing, GAO reported that DOD's "Supply System Inventory Report" overstates the amount of required inventory. GAO's analysis of Navy and Air Force stratification reports showed that $10 billion of $39.6 billion on-hand inventory DOD reported as required exceeded the amount of inventory that DOD defines as the maximum assets which may be on hand or on order as of a given date. In other words, GAO found that $10 billion that DOD identified as required was actually unrequired, to use GAO's terminology.

However, Deputy Assistant Secretary Morales took issue with GAO's use of the term unrequired inventory, and clarified that within DOD, such inventory is rather "not designated as required for the current budget year." In DOD's view according to the testimony, it is all "required," but the DOD's inventory reduction plan was created to lower the amount of inventory "in the pipeline" as much as possible.

My amendment would facilitate implementation of GAO's recommendation No. 2 by requiring the DOD Secretary to revise regulations promulgated pursuant to section 2721 of title 10, United States Code, regarding maintenance of records in a manner that more fully recognizes all levels of on-hand inventory maintained by the Department of Defense, and that reflects the extent to which such inventory is "applicable or inapplicable" to the Department's stated inventory requirements. I strongly recommend that the DOD consult with GAO prior to revising these regulations within 180 days of enactment, so that differences of opinion between these two entities over terminology and the value of expanding the universe of retail level inventory can be aired and resolved.

Finally, my amendment addresses a third issue which arose at the committee's July 17 hearing concerning DOD's budget submissions for inventory purchases and expenditure of moneys for inventory items. GAO testified that although it was able to agree with DOD that the overall budget request was for $25 billion, it has been difficult to sort out exactly how this year's request differs from last year's. Mr. James H. Reay, director, Supply Management Policy, testified in response that it could be "5 to 6" numbers per service to add up to the total DOD budget request.

In my view, this should not be an issue in controversy. Without question, the Department of Defense should maintain records on its budgetary requests for inventory by account, and on its expenditures by account. Therefore, my amendment would require that the Secretary revise his regulations within 180 days of enactment so that records are so maintained on the Department's annual inventory budgets and expenditures. Again, I encourage DOD to consult with GAO prior to finalizing these revisions.

I urge my colleagues to support this amendment.

DOD INVENTORY AMENDMENTS

Mr. LEVIN. Mr. President, for too long, the Department of Defense has been wasting taxpayer dollars on unused and unneeded inventory purchases. As a result of this spending spree, DOD now has more than $100 billion of inventory sitting in its warehouses. GAO has informed us that DOD may have as much as $100 billion more inventory at other levels and in other categories not included in the DOD totals. DOD itself acknowledges that $30 billion of this inventory is inapplicable—meaning that it doesn't meet the Pentagon's requirements.

GAO recently looked at $39 billion of inventory that DOD classifies as required, and found that $10 billion of that requried inventory "exceeded the maximum needed as defined by DOD instructions to item managers for purposes of ordering items". That's $10 billion more, on top of the $30 billion of inventory that even DOD acknowledges to be inapplicable.

Every year, we lose billions of dollars disposing of this unneeded inventory. In fiscal year 1988, for example, DOD sold off $6.9 billion worth of unneeded inventory for $72 million. In fiscal year 1989, DOD sold off 8.2 billion unneeded dollars worth of inventory for $80 million. These may be bargain basement prices for the purchaser, but they are a dead loss for the taxpayer.

Nonetheless, DOD continues to waste money on unneeded inventory purchases. For example:

In June 1991 the DOD inspector general looked at consumable line items maintained by the Pentagon. The IG reported that "14.5 percent of the ordered supplies, valued at $378.9 million, represented premature or unnecessary purchases."

When the IG looked at Apache helicopter parts, it found: "Eighty-four items—47 percent—had due-in or on hand stock that exceeded actual requirements by $30 million."

GAO recently found that the Navy has purchased a 6-year supply of navigation lights and the Air Force has purchased a 5.5-year supply of disks and hubs for F-15 and F-16, all of which DOD categorizes as required.

According to GAO, the Pentagon routinely overestimates its inventory needs; maintains duplicative stocks at different inventory levels; buys inventory before it is needed; and fails to cancel the purchases when it finds they are not needed. For these reasons, the head of GAO's National Security Division recently testified before the Senate Governmental Affairs Committee that DOD's ivnventory budget could absorb a cut of 10 percent or $1 to 2 billion without any adverse effect on national security.

Last year, I attempted to address some of the inventory management problems identified by the DOD inspector general and the comptroller general through amendments to the DOD Authorization Act. These amendments required DOD to institute new guidelines on inventory levels; consider cost-cutting success in personnel evaluations of inventory item managers; reduce the funds available for purchases out of inventory by 5 percent, or more than $700 million; and limit the amount of such funds that could be obligated for future inventory purchases.

Despite these amendments and some effort by DOD, big problems still remain and there is a lot more that DOD could do. For example, one inventory practice that particularly concerned us when we learned about it last year was DOD's routine purchase of redundant stocks of inventory in various required categories.

GAO provided the following alarming example of how this works. According to the GAO, the Navy projected an annual demand of 82 housing seals for the Mark 46 torpedo. It had 2,526 housing seals on hand—an estimated 30-year supply. How did this happen?

Faulty math was part of the problem. Here's how the Navy calculated it's requirements for 2 years; 84 items—a 1-year supply—for the first 6 months; 170 items—about a 2-year supply—for the next 12 months; and 167 items—about a 2-year supply—for the following year. That's a total of 421 housing seals—a 5-year supply, to cover the Navy's requirements for 2 years.

For good measure, the Navy said that it needed an additional 154 items for a "safety level"; 58 items to meet "additional needs estimated by users"; and 274 items to cover procurement lead times." That's another 5 year's supply. And on top of all of these so-called "required items", it turned out that the Navy had 1,619 unrequired housing seals—about 20 more years of supplies—that even they admitted they didn't need.

In response to these problems, my amendments to last year's DOD Authorization Act required the Department to institute new guidelines on inventory levels. The committee report specifically required that the new inventory guidelines address the problem of redundant inventory stocks in various required categories. The report states:

> GAO found that the Defense Department currently retains numerous categories of "required" stock, including current year requirements; two additional years' requirements; "safety level" stocks; additional needs estimated by users; and additional stocks to cover procurement lead times. when demand is overstated—as GAO frequently found to be the case—the result is procurement and storage of inventory far beyond what is actually needed.
>
> A uniform inventory policy should enable the Defense Department to eliminate the acquisition and retention of such redundant stock. The committee intends that the military Services and Defense Agencies include in all but exceptional cases no more than two years of operating stocks on hand and often substantially less.

This legislative approach—requiring DOD to draft new guidelines and listing specific problems to be addressed in the committee report—was taken to avoid micromanagement and allow the Department flexibility to design its own inventory policy.

Unfortunately, DOD appears to have used the flexibility in last year's amendment to avoid addressing the very problems that prompted the amendment and are outlined in the committee report. Despite the expiration of the statutory deadline in early May, the Department of Defense still has not issued the required uniform guidance and DOD Instruction 4140.24 still includes the following requirements: current year requirements, 2 years of additional requirements; "safety level" requirements; "repair cycle" requirements; "administrative lead time" requirements; "production lead time" requirements; and "procurement cycle" requirements. All of these redundant levels of inventory are purchased for peace-time operating needs—they do not include the Department's so-called war reserves.

Moreover, GAO reports that DOD actually plans to increase its inventory requirements by adding an additional year to existing inventory requirements. The Air Force has already added the additional year to its requirements and DOD has refused to cancel this action.

At a Governmental Affairs Committee hearing in July, Deputy Assistant Secretary of Defense Diane Morales insisted that all of these levels of inventory are required—

> Ms. MORALES. It is all required. * * * Requirement adds, on top of the demand, the other items that the GAO has in fact listed in its report, that is the war reserve levels, in-transit and back order levels, a safety level, the insurance level, the repair cycle level and the production lead time. That in fact is the pipeline.
>
> * * * * *
>
> Senator LEVIN. You start with a 2-year supply. On top of that you [have] got a safety level, an insurance level, a lead time level?
>
> Ms. MORALES. Yes.
>
> Senator LEVIN. How many other levels have you got?
>
> Ms. MORALES. A repair cycle if it is a repairable.
>
> Senator LEVIN. Repair cycle. And what else?
>
> Ms. MORALES. In-transit and back order, items on back order.
>
> Senator LEVIN. Why do you need a safety level and an insurance level if you start with a 2-year supply?
>
> Ms. MORALES. All right. The 2-year supply is what you need for a 2-year level. A safety level is there because you know when you have ordered, you know what the lead time is for your item. Things happen. There is a problem with the manufacturer, there is a problem with transportation, it may not get there. Can you afford to have the system down?
>
> Senator LEVIN. Isn't that why you need the 2-year supply, because things happen?
>
> Ms. MORALES. No, the 2-year supply is what you are actually using all of the time.
>
> Senator LEVIN. No, you are using that in 2-years.
>
> Ms. MORALES. Well, all of the time over 2-years, yes. But——
>
> Senator LEVIN. You want a 2-year supply because you want to build in a safety level. Otherwise you would put in a one-year supply.
>
> How many safety levels do we need here? I mean, you [have] got a safety level, an insurance level, a lead time level.

In short, DOD still insists on the old way of doing business—purchasing supplies in six or seven redundant categories, without regard to the burden that this places on the taxpayer.

The amendment that I am offering today would address this problem by writing into law the directions from last year's committee report—that DOD should consolidate its required inventory categories to include in all but exceptional cases no more than 2 years of operating stocks on hand and often substantially less.

Under this amendment, DOD would be permitted to make purchases that are necessary to maintain 2-years of operating stocks on hand. However, the Department would be prohibited from extending this requirement to cover 3-years of operating stocks, as it has considered doing and the Air Force has apparently already done. Furthermore, DOD would not be permitted to purchase inventory items in other categories, such as "safety levels," "insurance levels," or "repair cycle levels" without a specific, advance written determination by the head of the procuring activity that the purchase was necessary for the national security.

Mr. President, the Department of Defense has been wasting money on purchases of redundant and unneeded inventory items for too long. This amendment would reduce such waste by requiring the Department to eliminate redundant categories of inventory and limit its purchase to what is really needed. I hope my colleagues will join me in supporting this important measure.

Mr. President, there is a second inventory issue which should also be addressed in this bill. During the committee and floor consideration of last year's DOD authorization bill, we asked GAO and DOD how much DOD was spending on inventory. We learned that:

DOD's budget request to the Congress does not contain a separate line item or items for inventory expenditures;

Many different DOD agencies and commands spend money for inventory;

This money comes out of many different accounts—sometimes these agencies and commands spend O&M money, sometimes they spend money out of other accounts; and

There is no consolidated accounting or what these different agencies and commands spend on inventory.

Because inventory spending is spread through different agencies and commands and different accounts, it is almost impossible to add up all of the expenditures and find out how much DOD has spent, or plans to spend for inventory. When we asked DOD and GAO for their estimates last year, the two agencies used two different methods of calculation and came up with two very different estimates, which could not be reconciled. This year, we asked DOD and GAO the same question, and were again unable to come up with reconciled estimates. Moreover, DOD has changed its accounting systems during the last year, so that last year's estimates are not comparable to this year's estimates.

As a result, we do not know the answers to even the following simple questions:

How much money does the administration budget contain for inventory purchases for next year?

How does that request compare to last year's budget?

How much money was actually spent for inventory last year?

Did DOD actually make the 5-percent cut in inventory expenditures that was required by last year's Authorization Act?

This is unacceptable. When DOD asks us for money to purchase inventory, it should tell us how much money it wants and how that compares to previoius expenditures and requests. We need this information to make a judgment as to how well DOD is doing at fixing its inventory management systems.

Senator GLENN has offered an amendment that would require that DOD provide us with this basic information. Under the Glenn amendment, which I have cosponsored, DOD would be required to maintain records on its annual inventory budgets and expenditures, including: First, records of the amount of money the Department includes in its budgetary requests for inventory purchases, and in which budgetary accounts; and second, the amount of money the Department spends for inventory purchases each year, and out of which budgetary accounts such expenditures are made.

Mr. President, the Glenn amendment requires the most basic accountability for how the Department of Defense is spending the taxpayer's dollars. I strongly endorse the Glenn amendment and call upon my colleagues to do the same.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1022) was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NUNN. I move to lay that motion on the table.

Mr. DOLE. Mr. President, I wonder if the distinguished manager might yield for a question?

Mr. NUNN. I am glad to yield for a question.

Mr. DOLE. It is about 9:20. We are starting to get inquiries about whether or not there will be additional rollcalls this evening. I know there are probably a couple of amendments that may require rollcalls. I wonder if the distinguished managers might give me some insight that I can pass on to my colleagues on both sides of the aisle.

Mr. NUNN. I say to the distinguished minority leader that we have two amendments where I am trying to get a time agreement of no more than 1 hour on each. One would be the Wirth amendment, which if we do get a time agreement would go to a vote on cloture, and that would be the basic vote on the amendment. The other one would be a Johnston amendment that is being worked on together with Mr. ROTH and Mr. BREAUX, and we also are trying to get a time agreement of a hour or less on that one, hopefully about 40 minutes.

It would be my view if we could get a time agreement on either of those amendments in the next 10 minutes we would try to proceed to either or both of them this evening and we would require one or two rollcall votes.

It would be my view that we would not stay any later than around 11:30, 11:45 in that timeframe. If we can handle these two amendments tonight, we will have a chance of finishing this bill at a reasonable hour tomorrow. If we do not handle these two amendments tonight I know of at least five other amendments that we have rollcall votes on and debate tomorrow. So it moves us more toward tomorrow night.

It really depends on the body. If we want to go home in the next 15 minutes, not handle these amendments tonight, in my view we are talking about very late tomorrow afternoon or tomorrow evening.

Mr. DOLE. As I understand there may be an objection to the Wirth amendment. I am not familiar with the amendment, do not know what it does; that there have been discussions between——

Mr. NUNN. There are discussions going on.

Mr. DOLE. Between Senator COATS and JOHNSTON, with reference to the Johnston Amendment if we can determine the next few minutes that we can or cannot get agreements the managers could make a decision on what they might do.

Mr. NUNN. I suggest if we do not get agreement, we try to debate one or both of those amendments tonight. If we do not get an agreement, there is not any need keeping people around because we will probably not have a vote for a long time.

I would also inform my colleagues if we do not get agreement on these two amendments tonight I do not see how we can finish this bill before 8 or 9 o'clock tomorrow night. It we do get agreement on these two amendments tonight, can handle them tonight, I believe we can get through here sometime by midafternoon tomorrow. That is a guess as everyone knows, because you never know what is coming. That is my best estimate now.

Mr. DOLE. I would say to the managers, I will try personally to see if we can determine one way or the other, because it does not do anybody any good just not to know. So once we can make the judgment then the managers can decide whether to proceed without an agreement or try to get an agreement.

Mr. NUNN. I thank the minority leader. I agree with that completely.

Mr. President, I will be glad to be interrupted on these amendments at any time either one of these have a time agreement if we have one. But I am going to proceed with the amendments.

Mr. President, unless there is a change of mind, the only time agreement that appears available on the Johnston amendment would it seems to me 2½ hours. I myself would object to that because I do not think it is fair to other people. I believe if we do not cut the time down below that, it is going to set a precedent. We will be here Saturday, Sunday, from now on. I object to that kind of time agreement. I would encourage the parties to continue to talk behind the scenes and see if they can cut that down by getting a better fix on how many people want to speak.

AMENDMENT NO. 1023

(Purpose: To prohibit the acquisition of unneeded items of supply by the Department of Defense stock funds, and for other purposes)

Mr. NUNN. Mr. President, on behalf of Senator LEVIN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for Mr. LEVIN, proposes an amendment numbered 1023.

Mr. NUNN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . ACQUISITION OF INVENTORY.

(a) The Secretary of Defense may not incur any obligations against the stock funds of the Department of Defense for the acquisition of any items of supply if such acquisition is likely to result in an on-hand inventory (excluding war reserves) of such items of supply in excess of two years of operating stocks.

(b) Notwithstanding subsection (a), the head of a procuring activity may authorize the acquisition of an item of supply if such head of a procuring activity determines in writing that such acquisition is necessary for industrial base purposes or for other national security reasons.

Mr. NUNN. Mr. President, this amendment will continue the efforts to reduce inventory levels in the Defense Department by prohibiting DOD procuring activities from obligating funds to purchase inventory items that would result in an on-hand inventory or excess of 2 years of operating stocks. The head of a procuring activity can waive this restriction for industrial base purposes or for national security reasons. This amendment has been cleared on both sides. I urge its adoption.

Mr. WARNER. We have no objection.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Michigan? If not, the question is on agreeing to the amendment.

The amendment (No. 1023) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1024

Mr. WARNER. Mr. President, I will send to the desk an amendment sponsored by Senator Cohen. It would amend the Employment Pay Act to require vendors who sell fish and seafood products to the Government be paid within the same time period—the act specifies for vendors of poultry, eggs, and meat products. It is my understanding that the amendment has been cleared upon both sides.

(Purpose: To amend section 3903 of title 31, United States Code, to require prompt payment by the United States for purchases of fish.)

Mr. WARNER. Mr. President, on behalf of Senator Cohen, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. COHEN, proposes an amendment numbered 1024.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SECTION 1. PROMPT PAYMENT FOR PURCHASE OF FISH.

Section 3903(2) of title 31, United States Code, is amended by striking "provide" and inserting "or of fresh or frozen fish (as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), provide".

Mr. WARNER. Mr. President, I ask that the Senator from Virginia, Mr. Warner be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. I ask that my name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. Is there any further debate on the amendment of the Senator from Maine? If not, the question is on agreeing to the amendment.

The amendment (No. 1024) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1025

Mr. NUNN. Mr. President, on behalf Senator MITCHELL and Senator COHEN, I send an amendment to the desk to improve the base-closure process, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for Mr. MITCHELL (for himself and Mr. COHEN,) proposes an amendment numbered 1025.

Mr. NUNN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 368, strike out lines 14–16 and insert the following in lieu thereof:

"(B)(1) Not more than one-fifth of the professional analysts of the Commission staff may be persons detailed from the Department of Defense to the Commission.

"(2) No person detailed from the Department of Defense to the Commission may be assigned as the lead professional analyst with respect to a military department or defense agency.".

On page 371, between lines 6 and 7, insert the following:

"(6) The Secretary of Defense shall prescribe regulations to ensure that any information provided to the Commission by a person described in paragraph (5)(B) shall, within 24 hours of the submission of such information to the Commission, be submitted to the Senate and the House of Representatives, and shall be made available to the Members of each such House in accordance with the rules of each such House.".

BASE CLOSURE PROCESS IMPROVEMENTS

Mr. NUNN. Mr. President, the amendment would enhance the independence of the Commission's staff by limiting the role of Department of Defense detailees to the Commission, and would improve congressional oversight by requiring DOD to promptly forward to Congress all documents provided by the Department to the Commission.

I understand that this amendment has been cleared on both sides.

I urge the adoption of the amendment.

AMENDMENT NO. 1026

(Purpose: To revise the restrictions relating to interim staff of the Defense Base Closure and Realignment Commission.)

Mr. NUNN. Mr. President, I send an amendment to the desk on behalf of myself, Senator DIXON, and Senator WARNER, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for himself, Mr. DIXON, and Mr. WARNER, proposes an amendment numbered 1026.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 369, strike out line 8 and all that follows through "(D)" on line 16, and insert in lieu thereof the following:

"(A) there may not be more than 15 persons on the staff at any one time;

"(B) the staff may perform only such functions as are necessary to prepare for the transition to new membership on the Commission in the following year; and

"(C)

THE BASE CLOSURE COMMISSION STAFF

Mr. NUNN. Mr. President, this amendment alters a provision in the bill as reported by permitting the Defense Base Closure Commission to retain a core staff of no more than 15 employees, of whom no more than 5 would be analysts. This provision, recommended by the Commission Chairman will permit the Commission to file a follow-on report, respond to ongoing administrative matters, develop an experienced, independent analytical capability, and prepare for the appointment of a new commission.

This provision has been cleared on both sides, and I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1026) was agreed to.

Mr. NUNN. I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1027

Mr. WARNER. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. LOTT, proposes an amendment numbered 1027.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of Title XI, General Provisions, insert the following:

"SEC. 11 . REPORT ON SHIPBUILDING EXPORT LICENSE.

"Not later than four months after enactment of this bill, the Secretary of the Navy shall report to the Committees on Armed Services of the Senate and the House of Representatives on the criteria to be used in evaluating requests by corporations in the United States for a license to import components of submarines designed and manufactured abroad for further assembly and re-export."

REPORT ON DIESEL SUBMARINE EXPORTS

Mr. WARNER. Mr. President, this is an amendment requiring the Navy to report on the criteria it intends to use in evaluating requests by corporations to import submarine components and assemble these components for export. This provision requires only a report and does not prejudge the merits of any such request.

I understand that the amendment has been cleared on both sides, and I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amended (No. 1027) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1028

Mr. WARNER. Mr. President, on behalf of Senator THURMOND and myself, I send an amendment to the desk, which is also cosponsored by 17 other Senators, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislaive clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. THURMOND, (for himself, Mr. WARNER, Mr. NUNN, Mr. HOLLINGS, Mr. ROBB, Mr. BENTSEN, Mr. LIEBERMAN, Mr. REID, Mr. BRYAN, Mr. FOWLER, Mr. DOLE, Mr. COATS, Mr. SIMPSON, Mr. DANFORTH, Mr. GRAMM, Mr. JEFFORDS, Mr. LEAHY, and Mr. SHELBY) proposes an amendment numbered 1028.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. . COMMENDATION OF THE MILITARY COLLEGES FOR THEIR CONTRIBUTIONS TO TRAINING THE CITIZEN–SOLDIERS.

(a) FINDINGS.—Congress makes the following findings:

(1) The number of essential military colleges—institutions that the Department of Defense has recognized as constituting a special aspect of American higher education—has decreased from 11 institutions in 1914 to only 4 today: Norwich University, founded in 1819; Virginia Military Institute, established in 1839; The Citadel, The Military College of South Carolina, chartered in 1842; and North Georgia College, which opened in 1873;

(2) The hallmark of these institutions has been their dedication to the principle of the citizen-soldier, and in this regard are joined in spirit and devotion by the Cadet Corps at Texas A&M University, and Virginia Polytechnic Institute and State University;

(3) Citizen-solidiers are educated, trained, and inspired to become productive members of society in any calling, but are also prepared to serve their country in a military role during times of war or national peril; and

(4) These citizen-soldiers have accepted as their duty an obligation to serve their country in every instance of war since the Mexican War, and have without fail or hestation answered the call to arms—most recently with service in Southwest Asia as part of Operation Desert Storm: now, therefore, be it

(b) RECOGNITION AND COMMENDATION.—In light of the findings in subsection (a), the Congress recognizes and commends military colleges for the unique contributions they have made and continue to make, and urges citizens of the United States to support the concept of the citizen-soldier to which these colleges are dedicated.

COMMENDATION OF MILITARY COLLEGES

Mr. WARNER. Mr. President, this amendment recognizes and commends military colleges for the unique contributions they have made and continue to make. These colleges are Norwich, Virginia Military Institute, the Citadel, and North Georgia College. Although no longer military schools, Texas A&M and Virginia Polytechnic Institute and State University are also recognized. The amendment urges the citizens of the United States to embrace the principles on which these colleges are dedicated—the citizen soldier.

I understand the amendment has been cleared on both sides, and I urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1028) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1029

(Purpose: To amend the Office of Federal Procurement Policy Act to simplify ethics rules concerning Governmentwide procurement, and for other purposes)

Mr. NUNN. Mr. President, I send to the desk an amendment on behalf of Senators LEVIN, GLENN, COHEN, BINGAMAN and COATS, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for Mr. LEVIN (for himself, Mr. GLENN, Mr. COHEN, Mr. BINGAMAN, Mr. COATS, and Mr. WARNER) proposes an amendment numbered 1029.

Mr. NUNN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 239, line 5, strike out all through line 6 on page 240 and insert in lieu thereof the following:

SEC. 826. EQUAL APPLICATION OF POST-EMPLOYMENT RESTRICTIONS.

(a) PROCUREMENT ETHICS SIMPLIFICATION.—Section 27 of the Office of Procurement Policy Act (41 U.S.C. 423) is amended—

(1) in subsection (c)—

(A) in paragraph (1) by inserting "only" after "subsection (b)(1)";

(B) in paragraph (1)(A) by inserting "(including the modification or extension of a contract)" after "any procurement";

(C) by striking out paragraphs (2) and (3) and inserting in lieu thereof:

"(2) Whenever the head of a procuring activity approves a recusal under paragraph (1), a copy of the recusal request and the approval of the request shall be retained by such official for a period of time (not less than five years) specified in regulations prescribed in accordance with subsection (o).

"(3)(A) Except as provided in subparagraph (B), all recusal requests and approvals of recusal requests pursuant to this subsection shall be made available to the public on request.

"(B) Any part of a recusal request or an approval of a recusal request that is exempt from the disclosure requirements of section 552(b)(1)(A) of title 5, United States Code, under subsection (b)(1) of such section may be withheld from disclosure to the public under subparagraph (A)."; and

(D) in paragraph (4)—

by striking out "competing contractor" and inserting in lieu thereof "person";

(2) in subsection (e)(7) by adding at the end thereof the following new subparagraph:

"(C) A contractor in a contract of less than $500,000 is exempt from the requirement of paragraph (1)(B) with respect to such contract.";

(3) in subsection (f)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) No individual who, in the year prior to separation from service as an officer or employee of the Government or an officer of the uniformed services in a covered position, participated personally and substantially in acquisition functions related to a contract, subcontract, or claim of $500,000 or more and—

"(A) engaged in repeated direct contact with the contractor or subcontractor on matters relating to such contract, subcontract, or claim; or

"(B) exercised significant ongoing decisionmaking responsibility with respect to the contractor or subcontractor on matters relating to such contract, subcontract, or claim,

shall knowingly accept or continue employment with such contractor or subcontractor for a period of 1 year following the individual's separation from service, except that such individual may accept or continue employment with any division or affiliate of such contractor or subcontractor that does not produce the same or similar products as the entity involved in the negotiation or performance of the contract or subcontract or the adjustment of the claim.

"(2) No contractor or subcontractor, or any officer, employee, agent, or consultant of such contractor or subcontractor shall knowingly offer, provide, or continue any employment to another person, if such contractor, subcontractor, officer, employee, agent, or consultant knows or should know that the acceptance of such employment is or would be in violation of paragraph (1).

"(3) The head of each Federal agency shall designate in writing as a 'covered position' under this section each of the following positions in that agency:

"(A) Each source selection authority, each member of a source selection evaluation board, the chief of each financial or technical evaluation team, and any other position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the evaluation of proposals or the selection of a source for a contract in excess of $500,000.

"(B) Each procuring contracting officer and any other position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the negotiation of a contract in excess of $500,000 or the negotiation or settlement of a claim in excess of $500,000.

"(C) Each program executive officer, program manager, deputy program manager, and any other position in which the incumbent is likely personally to exercise similar substantial responsibility for ongoing discretionary functions in the management or administration of a contract in excess of $500,000.

"(D) Each administrative contracting officer, each official assigned on a permanent basis to a Government Plant Representative's Office, and any other position (including auditor and quality assurance positions) in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the on-site oversight of a contractor's operations with respect to a contract in excess of $500,000.

"(E) Each position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in operational or developmental testing activities involving repeated direct contact with a contractor regarding a contract in excess of $500,000.";

(4) in subsection (l)—

(A) by inserting "who are likely to be involved in contracts, modifications, or extensions in excess of the small purchase threshold" after "its procurement officials"; and

(B) by striking out "(e)" each place it appears and inserting in each such place "(f)";

(5) by amending subsection (n) to read as follows:

"(n) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to—

"(1) authorize the withholding of any information from the Congress, any committee or subcommittee thereof, a Federal agency, any board of contract appeals of a Federal agency, the Comptroller General, or an inspector general of a Federal agency;

"(2) restrict the disclosure of information to or its receipt by any person or class or persons authorized, in accordance with applicable agency regulations or procedures, to receive that information;

"(3) restrict a contractor from disclosing its own proprietary information or the recipient of information so disclosed by a contractor from receiving such information; or

"(4) restrict the disclosure or receipt of information relating to a Federal agency procurement that has been canceled by the agency, and that the contracting officer determines in writing is not likely to be resumed.";

(6) in subsection (o)(2)(A)—

(A) by inserting "money, gratuity, or other" before "thing of value"; and

(B) by inserting before the semicolon "and such other exceptions as may be adopted on a Governmentwide basis under section 7353 of title 5, United States Code"; and

(7) in subsection (p)—

(A) in paragraph (1) by striking out "clauses (i)-(viii)" and inserting in lieu thereof "clauses (i) through (vii)";

(B) in paragraph (3)—

(i) in subparagraph (A)—

(I) by striking out clause (i);

(II) by redesignating clauses (ii) through (viii) as clauses (i) through (vii), respectively; and

(III) in clause (i) (as redesignated by subclause (II) of this clause) by striking out "review and approval of a specification" and inserting in lieu thereof "approval or issuance of a specification, acquisition plan, procurement request, or requisition"; and

(ii) in subparagraph (B) by inserting "any individual, including an officer or employee of" after "includes";

(C) in paragraph (6)(A) by inserting "nonpublic" before "information"; and

(D) in paragraph (8)—

(i) by striking out "as the term 'designated agency official' in section 209(10)" and inserting in lieu thereof "provided under section 109(3)"; and

(ii) by striking out "(92 Stat. 1850; 5 U.S.C. App.)" and inserting in lieu thereof "(5 U.S.C. App. 6)".

(b) CRIMINAL LIABILITY.—Section 208(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Except as permitted"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Whoever knowingly aids, abets, counsels, commands, induces or procures conduct prohibited by this section shall be subject to the penalties set forth in section 216 of this title.".

(c) REPEALS.—The following provisions of law are repealed:

(1) Sections 2397, 2397a, 2397b, and 2397c of title 10, United States Code.

(2) Section 281 of title 18, United States Code.

(3) Section 801 of title 37, United States Code.

(4) Part A of title VI of the Department of Energy Organization Act (42 U.S.C. 7211 through 7218).

(d) TECHNICAL AND CONFORMING AMENDMENTS.—(1) The table of sections for chapter 141 of title 10, United States Code, is amended by striking out the items relating to sections 2397, 2397a, 2397b, and 2397c.

(2) The table of sections for chapter 15 of title 18, United States Code, is amended by striking out the item relating to section 281.

(3) The table of sections for chapter 15 of title 37, United States Code, is amended by striking out the item relating to section 801.

(4) The table of contents for the Department of Energy Organization Act is amended by striking out the matter relating to part A of title VI.

(e) IMPLEMENTATION.—(1) No later than 180 days after the date of enactment of this Act, regulations implementing the amendments made by this Act to section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423), including definitions of the terms used in subsection (f) of such section shall be issued in accordance with sections 6 and 25 of such Act (41 U.S.C. 405 and 521), after coordination with the Director of the Office of Government Ethics.

(2)(A) No officer, employee, agent, representative, or consultant of a contractor who has signed a certification under section 27(e)(1)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(e)(1)(B)) before the effective date of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(B) No procurement official of a Federal agency who has signed a certification under section 27(l) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(l)) before the date of enactment of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(3) Not later than May 31 of each of the years 1992 through 1996, the Inspector General of each Federal agency (or, in the case of a Federal agency that does not have an Inspector General, the head of such agency) shall submit to Congress a report on the compliance by the agency during the preceding year with the requirement for the head of the agency to identify certain procurement positions under section 27(f)(3) of the Office of Federal Procurement Policy Act (as added by subsection (a)).

(f) EFFECTIVE DATE.—(1) The amendments made by subsections (c) and (d) of this Act shall be effective on and after the date of enactment of this Act.

(2) The amendments made by subsections (a) and (b) of this Act shall be effective on and after 180 days after the date of enactment of this Act.

(3) Subsection (f) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423(f)) shall have no force or effect during the period beginning on May 31, 1991, and ending 180 days after the date of enactment of this Act.

PROCUREMENT ETHICS SIMPLIFICATION AMENDMENT

Mr. LEVIN. Mr. President, this amendment addresses a series of overlaps and inconsistencies in our procurement ethics statutes. This amendment would retain important procurement safeguards while making the law clearer and easier to understand. I would like to thank the cosponsors of the amendment, Senators GLENN, BINGAMAN, COATS, and COHEN, for their indispensible assistance in addressing these difficult issues.

There is no doubt that we need strong procurement safeguards. Over the last decade, the public's faith in the integrity of our procurement system has been shaken by numerous cases of improper conduct. We in Congress responded by reforming the procurement process and adding new ethics provisions to the procurement code.

Although each of these new provisions, standing alone, addresses a specific ethics issue, the cumulative effect of such provisions has resulted in a complex series of overlapping and sometimes redundant requirements. Some of the resulting problems are described in the joint statement of sponsors of this amendment, which I ask be inserted in the RECORD following my statement.

While it is important to weed out duplication and conflicting provisions, it is even more important to retain hard won and needed ethics provisions. Statutory simplification is a desirable goal, but when the statutes to be simplified safeguard the integrity of our procurement system, they must be addressed with the utmost care.

Mr. President, when the issue of procurement ethics simplification came up at this time last year, I stated that this issue was too important to be addressed without public hearings at which all parties concerned would have an opportunity to be heard. I also stated my intent to hold public hearings and mark up a procurement ethics simplification bill in the Governmental Affairs Committee.

On February 26, the Subcommittee on Oversight of Government Management, which I chair, held hearings on the procurement ethics statutes. The subcommittee heard testimony from witnesses representing the Office of Federal Procurement Policy, the Office of Government Ethics, the Justice Department, the Computer and Communications Industry Association, the Professional Services Council, and AT&T Federal Systems Division. Additional testimony for the record was received from several Members of Congress, top procurement officials at the Department of Defense, the Department of Energy, NASA, and the General Services Administration, several inspectors general, the Federal Bar Association, the National Security Industrial Association, the Electronic Industries Association, the Aerospace Industries Association, the Computer & Business Equipment Manufacturers Association, the U.S. Chamber of Commerce, the Software Publishers Association, the American Consulting Engineers Council and several major defense contractors.

The amendment that is before us today is the product of those hearings and of lengthy consideration by the members and staff of the Senate Governmental Affairs and Armed Services Committees. Following our hearings, draft legislation was prepared by the staff and circulated to key personnel in the executive branch and the private sector. Over the last several months, we have received extensive comments on this draft from administration officials and contractor groups, including those who participated in the subcommittee hearing. Unfortunately, this process took so long that we have not had time to go through the process of a formal markup in the Governmental Affairs Committee as I had hoped.

Mr. President, action on this issue should not be delayed any further. Our hearings showed that we have a hodgepodge of overlapping procurement ethics laws that confuse more than they clarify. Let me explain.

The procurement ethics laws include the governmentwide procurement integrity statute (41 U.S.C. 423), the DOD procurement ethics statutes (10 U.S.C. 2397, 2397a, 2397b, and 2397c), the so-called military selling statutes (18 U.S.C. 281 and 37 U.S.C. 801), and the DOE ethics statutes (42 U.S.C. 7211-7218). Each of these statutes imposes a complex set of requirements on Federal procurement officials and contractors.

Starting with the procurement integrity statute, this law covers any government official who participates personally and substantially in a procurement. Such procurement officials are prohibited from: First, discussing future employment with a competing contractor; second, soliciting or accepting gratuities from competing contractors; or third, disclosing inside information on the procurement.

These restrictions apply from the time the procurement begins until the time the contract is awarded. A recusal provision was added to the law in 1989, authorizing procurement officials who wish to discuss future employment with a contractor to do so after recusing themselves from future involvement in the procurement.

The statute contains similar prohibitions on contractor employees, who may not: First, discuss future employment with procurement officials; second, offer gratuities to procurement officials; or third, solicit or accept inside information on the procurement.

In addition, the statute prohibits any government official who participates personally and substantially in the award of a contract from working on that same contract for the contractor for a period of 2 years. Work for certain subcontractors is also prohibited, under a complex compromise worked out in 1989.

All procurement officials for both the government and the contractor are required to certify—on a once-in-a-lifetime basis—that they understand the statute and intend to comply. In addition, every time the government enters a contract for more than $100,000, one responsible government official and one responsible contractor official are required to disclose all violations or possible violations of the statute, or to certify that they are not aware of any such violations or possible violations.

The procurement integrity statute includes a wide range of possible penalties, including: First, civil penalties of up to $100,000 for individuals and $1,000,000 for companies; second, contractual penalties, including termination for default or the withholding of profits payable to the contractor; third, administrative actions including suspension and debarment; and fourth, criminal penalties for willful violations of the inside information requirements.

The DOD procurement ethics statutes place overlapping, and sometimes inconsistent, requirements on DOD procurement employees.

Title 10, United States Code, section 2397a requires DOD officials who participate in the performance of a procurement function on a DOD contract to report contacts with the contractor regarding future employment opportunities promptly to their supervisors. DOD officials are required to recuse themselves from all participation in procurement functions relating to the contractor for any period for which the future employment opportunities have not been rejected. Penalities for violating this provision include administrative fines of up to $10,000 and disqualification from employment with the contractor for a 10-year period.

Title 10, United States Code, section 2397b prohibits former DOD employees from accepting compensation from a contractor for a 2-year period after leaving DOD if:

A majority of the person's working days over the 2 years prior to leaving DOD were in a procurement function at the contractor's facilities;

A majority of the person's working days over the same 2-year period were spent in a procurement function relating to a major defense system and included personal and substantial participation in decisionmaking responsibilities; or

The person acted as one of the primary representatives of the United States in the negotiation of a contract or claim in excess of $10 million.

The provision includes civil fines of up to $500,000. In addition, Title 10 United States Code, section 2397c prohibits major defense contractors from hiring former DOD employees in violation of section 2397b.

The military selling statutes place yet another set of requirements on former military officials: Title 18, United States Code, section 281 prohibits retired military officers from representing any person in the sale of anything to the service for which he or she is retired for a period of 2 years. The provision provides for criminal penalties of up to 2 years in prison and fines of up to $250,000, and Title 37 United States Code, section 801 prohibits retired military officers from selling, contracting, or negotiating to sell any supplies to any DOD organization for a period of 2 years. This provision provides for the forfeiture of retirement pay for any period during which a retired officer engages in prohibited activities.

Finally, the DOE statutes place a different and unique set of ethics restrictions on DOE employees only: Title 42 United States Code, section 7215(a) establishes a 1-year ban on DOE supervisory employees contacting their former agency; Title 42 United States Code, section 7215(b) requires former supervisory DOE employees to report any employment by energy firms within 2 years after leaving DOE.

Title 42 United States Code, section 7216 requires new DOE supervisory employees who were formerly employed by energy concerns to recuse themselves for a period of 1 year from matters in which their former firms have an interest or in which they participated personally and substantially on behalf of the firm. Associated disclosure requirements are codified at Title 42 United States Code, sections 7214 and 7217.

The problems caused by this overlapping array of statutes are discussed in detail in the joint statement of sponsors, which also explains how we have chosen to address these issues.

However, the confusion created by these statutes has been compounded by the fact that they have been amended, modified, suspended, and reinstituted on numerous occasions over the last several years. The procurement integrity law, for example, was enacted in November 1988, went into effect for 4 months in the summer and fall of 1989, was substantially amended in November 1989, then suspended in December 1989, and came back into effect in two stages in November 1990 and May 1991.

Because there has never been a Senate committee report on the procurement integrity law, I would like to give a brief history of how that statute was enacted and has been amended over the past several years.

The procurement integrity provision was drafted by the House Government Operations Committee in 1987 to address issues identified by the committee in investigations of procurement problems at the General Services Administration and the Social Security Administration. The provision was added to the House version of the OFPP Reauthorization Act, which was then pending.

The Senate version of the OFPP bill did not include a procurement integrity provision. When the two bills were reconciled in 1988, the Senate accepted the House provision, with the following major changes:

First, a provision requiring the automatic suspension and debarment of any contractor violating the statute was dropped in lieu of civil, contractual and administrative penalties;

Second, certifications at the time of contract award were limited to one government official and one company official (instead of every government or contractor official who participated in the procurement);

Third, a threshold of $100,000 was added to the certification provision; and

Fourth, several definitions were modified and tightened.

The Office of Management and Budget and the Defense Department sent letters to the Congress stating that these changes addressed their concerns and that they had no objection to the legislation, as amended.

Almost as soon as the legislation was passed, however, contractors and Federal employees began to express concerns. Allegations were made that the revolving door and employment discussions provisions would make some Government officials unemployable outside the Government and that a mass exodus would take place before the statute went into effect. Rumors circulated—and later proved to be unfounded—that the biggest government contractors would stop hiring former agency employees.

Some contractors stated that the prohibition on the disclosure of inside information on procurements would chill communication between Federal agencies and contractors, making it impossible for agencies to receive technical information and refind their requirements. Others took the position that the requirements of the statute were unclear and that substantial confusion and uncertainty would result.

The statute provided 6 months for the executive branch to draft implementing regulations before the statute went into effect. After considerable confusion and delay, the first draft of proposed regulations was published for public comment on the eve of the implementation date. Because of this notice problem, Senator GLENN introduced a bill—which was passed by unanimous consent in both the Senate and the House—to delay implementation of the statute for 60 days to allow time for training. The 60-day period expired on July 16, 1989, at which time the statute went into effect.

At the same time, industry and government officials continued to raise concerns about the scope of the statutory prohibitions. Many of these concerns were based on misconceptions about the statute, which the implementing regulations failed to clear up. Accordingly, Senators GLENN, ROTH, NUNN, WARNER, LEVIN, COHEN, BINGAMAN, and WALLOP sent a letter to the administrator of the Office of Federal Procurement Policy in June 1989, raising 10 specific issues about the interpretation of the statute and requesting the issuance of additional regulatory guidance on these points.

By letter dated July 20, 1989, OFPP stated that it was contemplating regulatory changes to address six of the issues. On the other four issues, OFPP declined to take any further regulatory action, because it felt that such action was either unnecessary or precluded by the language of the statute.

Because the OFPP letter failed adequately to address the concerns raised by the Senators, legislative action was taken. First, the Armed Services Committee included a provision in the DOD authorization bill which would have addressed the problems identified by the Senators for DOD only. Subsequently, Senators GLENN, LEVIN, BINGAMAN, and WALLOP worked out a governmentwide substitute to this provision, which was adopted on the Senate floor. This amendment was accepted by the House in conference, with some changes.

The amendment was signed into law as part of the DOD authorization bill on November 29, 1989. As enacted, this amendment addressed concerns raised by administration and contractor officials as follows:

First, procurement officials were permitted to discuss future employment with contractors after recusal;

Second, the revolving door provision was amended to: incorporate a knowing standard for violations; limit the number of subcontractors covered by the provision; and authorize the President to grant waivers in certain narrowly defined circumstances.

Third, the scope of the statute was clarified by giving the terms "procurement official" and "during the conduct of a procurement" precise statutory definitions; and

Fourth, agency ethics officials were required to give written advice on the application of the statute.

At the same time that these problems were being addressed in the conference on the DOD authorization bill, the Ethics Reform Act was proceeding on a separate track. In March 1989, the President's Commission on Federal Ethics Law Reform issued a report which recommended, among other things, the repeal of the procurement ethics statutes. At about the same time, the Senate Majority and Minority leaders convened separate ethics task forces to take an independent look at the ethics laws.

On November 15, 1989 separate ethics reform bills were introduced in the Senate (S. 1882) and the House (H.R. 3660). Neither bill addressed the procurement ethics statutes, which had been considered and amended in the DOD conference which ended one week earlier.

In the course of negotiations with the House leadership, administration officials insisted on the complete repeal of the procurement ethics statutes, without regard to the amendments that had just been passed with administration approval. The House acceded in this demand, and the bill was sent to the Senate with a repealer include.

After further negotiations on the Senate side, the administration settled for a 1-year suspension of the statutes in lieu of the repealer. The Ethics Reform Act went into effect on December 1, 1989, and suspended the procurement ethics statutes until November 30, 1990.

The suspension of the statutes provided a 12-month window for critics of the statute, including the administration, to make their case and propose alternative approaches. However, disputes, within the executive branch delayed the submittal of an administration proposal until June 20, 1990. By the time the administration requested a hearing on this proposal, in late July, less than 3 months remained in the session.

The administration proposal, introduced as S. 2775 in the 101st Congress, would have:

First, repealed 10 U.S.C. 2397, 2397a, 2397b, and 2397c, 18 U.S.C. 281, and 37 U.S.C. 801 (the DOD procurement ethics statutes);

Second, repealed 42 U.S.C. 7214-7216 (the DOE procurement ethics statutes);

Third, repealed the Procurement Integrity law, except for the sections dealing with inside information; and

Fourth, modified the inside information provision to: Exclude sole source procurements from the provision; make it more difficult to prove an inside information offense; and reduce the penalties for such offense.

The Senate Armed Services Committee sought in address the elements of the administration proposal within its jurisdiction by repealing the DOD procurement ethics statutes as a part of the DOD administration Act. Members of the Governmental Affairs Committee felt, however, that the issues at stake were too important to be addressed on a piecemeal basis without a public hearing.

Accordingly, I offered an amendment on the Senate floor to extend the suspension of the procurement ethics statutes for an additional 6 months. In conference with the House, the 6-month suspension was limited to the DOD and DOE statutes and the revolving door provision of the procurement integrity law. Consequently, the procurement ethics statutes have gone back into effect in two stages, on December 1, 1990, and May 30, 1991.

Since that time, my subcommittee has held hearings, and we have received extensive comments from the executive branch and the private sector on these issues. I would like to thank the many dedicated Federal officials and contractor representatives who worked with us on this issue for their help in understanding and addressing the difficult questions raised by these laws.

I would also like to thank my own staff and the staffs of the Governmental Affairs Committee and the Armed Services Committee for their many hours of work on this issue. In particular, this amendment would not have been possible without the efforts of Linda Gustitus and Peter Levine of my subcommittee staff, Lorraine Lewis, Tom Sisti, and Marvin Doyal of the Governmental Affairs Committee staff, and Andy Effron, Jon Etherton, and Geary Burton of the Armed Services Committee staff.

Mr. President, it is time we addressed the redundancies and inconsistencies in these statutes once and for all. The confusion caused by the existing law and repeated efforts to change it is unfair to the Federal workers who must abide by these laws, and it is unfair to the public, which relies on these laws to ensure the integrity of the procurement system.

The record is clear that we need strong procurement ethics laws. The record is also clear that we need to streamline and simplify these laws. I believe that the joint statement of sponsors makes out a strong case for the specific changes proposed in my amendment. We should address these problems once and for all, so that Federal workers and contractors know what the law is and can abide by it.

Mr. President, my amendment would streamline the procurement ethics laws, while retaining vitally needed safeguards. It is the product of many months work and responds to many of the suggestions and concerns that were raised at the subcommittee hearings and in subsequent discussions with administration officials and contractor representatives. I hope that my colleagues will join me in supporting this important initiative.

I ask unanimous consent that the joint statement of sponsors be printed in the RECORD.

There being no objection, the joint statement was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT OF SPONSORS

The procurement ethics laws include the government-wide Procurement Integrity statute (41 U.S.C. 423), the DOD procurement ethics statutes (10 U.S.C. 2397, 2397a, 2397b, and 2397c), the so-called "military selling statutes" (18 U.S.C. 281 and 37 U.S.C. 801), and the DOE ethics statutes (42 U.S.C. 7211-7218). Together, these provisions address the disclosure of inside information, the revolving door, discussions of employment with contractors, and gratuities.

While there is no doubt that we need strong procurement safeguards, these laws have been criticized by contractors and by administration officials as complex, inconsistent, and sometimes redundant. That is because although each ethics provision, standing alone, addresses a specific ethics issue, the cumulative effect of such provisions has resulted in a complex series of overlapping and sometimes outdated requirements. For example—

10 U.S.C. 2397a, which was enacted in 1985, requires DOD officials to recuse themselves from procurement matters before discussing employment with affected contractors. The government-wide Procurement Integrity Act, which was passed three years later, also requires recusal, but with somewhat different conditions and procedures.

10 U.S.C. 2397b, which was enacted in 1986, prohibits certain former DOD procurement employees from going to work for certain contractors. The Procurement Integrity statute prohibits a somewhat different (but overlapping) group of former employees from going to work for a somewhat different (but overlapping) group of contractors.

Section 201 of the criminal code and section 7353 of Title 5 both restrict the acceptance of gratuities by government officials, with certain narrow exceptions. The Procurement Integrity law also restricts the acceptance of gratuities, with a different set of exceptions.

Section 207 of the criminal code restricts former federal officials from contacting their old offices. Section 281 of Title 18 and section 801 of Title 37 contain different restrictions for one category of officials—retired uniformed military officers.

The amendment we propose today strives to consolidate the procurement ethics provisions in a single section of the U.S. Code in a manner that is consistent with the goal of enhancing public confidence in the fairness of government procurement practices. The proposed amendment treats all federal employees as uniformly as possible while recognizing the unique history and problems with regard to procurement officials. It would eliminate all of the DOE and DOD unique statutes. It would retain the Procurement Integrity law, with amendments intended to clarify the provision and make it more consistent with other uniform statutory requirements.

This approach should make the ethics laws simpler and easier to comply with, without in any way undermining the important safeguards they provide.

A. Employment Discussions. There are three separate, overlapping provisions in existing law, each of which addresses the issue of employment discussions by procurement officials. These are:

18 U.S.C. 208 (the basic executive branch conflict of interest provision) which prohibits executive branch officials from participating personally and substantially in any matter while negotiating for prospective employment with a party who would be affected by the outcome.

41 U.S.C. 423 (the Procurement Integrity law), which prohibits government procurement officials from discussing employment with contractors during the conduct of a procurement, unless a recusal is approved in accordance with regulations.

10 U.S.C. 2397a, which requires DOD officials who participate in the performance of a procurement function on a DOD contract to report employment offers to their supervisors and recuse themselves from procurement functions relating to the contractor for any period for which the future employment opportunities have not been rejected.

Although the Justice Department has testified that it takes an expansive view of the term "negotiations" in section 208, the case law indicates that section 208 fails to cover job discussions by procurement officials. This deficiency cannot be corrected by amending section 208 to cover all job discussions, because this approach could have the effect of making it criminal even to mention a job possibility to a federal official. For this reason, the proposed amendment would retain both section 208 and the employment discussions component of the Procurement Integrity law. Section 2397a and the associated recordkeeping requirements in 10 U.S.C. 2397 would be repealed as redundant.

The proposed amendment would revise section 208, to add a provision covering persons who aid or abet violations. The addition of a specific aiding and abetting provision to section 208 is intended to put private parties on notice that they may be found culpable if they participate in improper discussions, negotiations, agreements, and other prohibited conduct by government employees. This is not a substantive change to existing law, as the general aiding and abetting provision (18 U.S.C. 2(b)) already covers such offenses.

The proposed amendment would also revise the Procurement Integrity provision on employment discussions as follows—

The amendment would streamline the recusal provision and ensure that the option of recusal will be available to procurement officials who have only a minor involvement in lengthy contract negotiations.

It would require that all recusal requests and approvals be made available to the public, subject to classification requirements. This provision is in no way intended to affect the availability of information to the Congress, the Comptroller General, the boards of contracted appeals and the inspector generals of Federal agencies, as set out in subsection (n) of the law.

The approach taken by this amendment should assure uniform treatment of all procurement officials and eliminate confusion caused by the overlap of existing provisions applying to procurement officials.

2. Restrictions on Contractor Employment. There are also three separate revolving door provisions in existing law, dealing with contractor employment for different, but overlapping categories of former government procurement officials. These are:

41 U.S.C. 423 (the Procurement Integrity law), which prohibits any government official who participates personally and substantially in the award of a contract from working on that same contract for the contractor

or certain subcontractors for a period of two years.

10 U.S.C. 2397b, which prohibits former DOD employees from accepting compensation from a contractor for a two-year period after leaving DOD if he or she acted as one of the primary representatives of the United States in the negotiation of a contract in excess of $10 million or spent a majority of his or her working days over a two year period in a procurement function relating to a major defense system of the contractor.

42 U.S.C. 7216, the reverse revolving door provision for DOE employees, which requires new DOE supervisory employees to recuse themselves for a period of one year from matters in which their former firms have an interest or in which they participated personally and substantially on behalf of the firm.

As the DOD Inspector General concluded in prepared testimony for the Senate Governmental Affairs Subcommittee on Oversight of Government Management, the complexity of these overlapping statutes creates real problems for federal employees:

> [T]he current patchwork of post-government employment restrictions are complex and confusing. The multiplicity of restrictions create unnecessary anxiety among employees and former employees that they might inadvertently violate them. . . . It is not uncommon to find employees confused about which provisions apply to them, even after training or counseling. A change in jobs or a change in status can result in a change in applicable restrictions.

The proposed amendment would address these problems by repealing all three overlapping provisions and replacing them with a single, comprehensive revolving door provision. The new provision would have a clearly defined scope, would apply equally across the board to officials in all agencies, and would carefully balance the risk of potential conflicts of interest against the interest of federal workers in future employment possibilities.

The proposed amendment would apply only in cases when a covered federal employee exercises significant ongoing decisionmaking authority, or engages in repeated direct contact with a contractor or subcontractor, on matters relating to a major contract, subcontract, or claim. The provision would be more certain as to its applicability than any previous revolving door provision, because it would apply only to officials serving in designated covered positions. All positions with substantial responsibility for ongoing discretionary procurement functions on major contract actions must be designated in writing by the agency head.

At the same time, the amendment would treat all federal workers alike, regardless of grade or pay level, and regardless of the department or agency in which such officials may work. The amendment avoids the approach taken by the existing procurement integrity provision—which is limited to agency officials who participate in pre-award decisions, because contract decisions that follow the award of a contract may be at least as significant as pre-award decisions.

Similarly, the amendment avoids the approach taken by the existing DOD revolving door statute—which is limited to officials at a GS–11 or 0–4 level or higher—both because such a limitation arbitrarily excludes lower level officials who exercise similar responsibility and because the use of such grade levels may create the impression that all officials above such levels are intended to be covered, regardless of their actual role in contract decisions. In addition, arbitrary cut-offs based on grade or pay level are unnecessary in light of the greater certainty resulting from the designation of covered officials in writing.

Finally, the amendment takes a middle ground between the contract-specific employment ban in the current Procurement Integrity statute and the total, two-year ban on employment in the existing DOD revolving door provision. Instead, the amendment contains a one-year, division-specific employment prohibition on covered officials who trigger the provision. In other words, such officials would be prohibited from accepting employment with the division or affiliate involved in the negotiation or performance of the contract at issue (or any other division or affiliate that produces the same or similar products), but could accept employment with other divisions or affiliates of the same contractor. The limitation on employment with divisions or affiliates that produce the same or similar products is intended to preclude contractors from creating new divisions or affiliates, or creating arbitrary distinctions between divisions or affiliates, to avoid the impact of the statute.

3. Post-Employment Statutes. In addition to the employment discussion laws and the revolving door laws, there are several statutes limiting contacts between former government officials and their old offices. These include:

18 U.S.C. 207, the government-wide post-employment lobbying provision, which includes one-year, two-year and life-time bans prohibiting various categories of officials from contacting their former offices.

42 U.S.C. 7215(a) (enacted before section 207), which establishes a similar one-year ban for DOE supervisory employees contacting their former agency, but has a slightly different scope of coverage.

18 U.S.C. 281, which prohibits retired military officers from representing any person in the sale of anything to the service from which he or she is retired for a period of two years.

37 U.S.C. 801, which requires retired military officers who sell, contract, or negotiate to sell any supplies to any DOD organization within two years of departure from the military to forfeit retirement pay for the period during which they engage in such activities.

The Congress recently redrafted section 207 as a part of the Ethics Reform Act of 1989. The redrafted section 207, which applies on a government-wide basis, received extensive consideration in two consecutive Congresses, and constitutes Congress' carefully considered judgment as to the appropriate limitation on contacts between former government officials and their old offices.

The DOE statutes, which preceded the enactment of section 207 and their more recent revision, and are now obsolete. The military selling statutes single out one group of former officials on the basis of who they are, not what they did. These statutes also overlap in a complex manner, unnecessarily complicating ethics advice. The proposed amendment would repeal the DOE statutes and the military selling statutes, and rely upon the single, government-wide standard of section 207 for all former government officials.

4. Gratuities. The Procurement Integrity statute prohibits procurement officials from soliciting or accepting gratuities from competing contractors (and vice versa) during the course of a procurement. Other applicable provisions include the criminal gratuities provision in 18 U.S.C. 201 and the civil gratuities provision (5 U.S.C. 7353) that was added in the Ethics Reform Act.

The Procurement Integrity statute appears to be inconsistent with the government-wide gratuities statutes, in that it makes no provision for exclusions (other than a single de minimis standard). For example, the Administration has argued that gifts from relatives, which are permitted under the government-wide statutes, could be prohibited under the Procurement Integrity statute.

On the other hand, the Procurement Integrity provision adds to the government-wide gratuities statutes in the area of penalties and enforcement. unlike the government-wide statutes, the Procurement Integrity law requires certifications of compliance (in connection with every contract in excess of $100,000) and provides a wide range of administrative and contractual remedies.

Accordingly, the amendment would retain the gratuities provision in the Procurement Integrity statute with its special remedies, but would amend the definition of gratuities in that statute to ensure that it is consistent with the definition in other government-wide provisions. Reasonable exceptions to the definition of gratuities—such as an exception covering gifts from relatives—would be acceptable, but only if they are adopted on a branch-wide basis pursuant to the provisions of 5 U.S.C. 7353.

Several contractor representatives have complained about the treatment of vendor promotional training as a gratuity under this provision. It is the view of the drafters of this amendment that vendor promotional training need not be viewed as an impermissible gift to the individual trainee. As the Director of the Office of Government Ethics stated in a letter dated March 21, 1991,

> ". . . vendor promotional training, when properly accepted, constitutes a gift to the agency rather than the employee. The Ethics Reform Act of 1989 added new Government-wide authority for agencies to accept from non-Government sources "travel, subsistence, and related expenses with respect to attendance of the employee (or the spouse of such employee) at any meeting or similar function relating to the official duties of the employee."

It is expected that the administration, in consultation with affected parties, will draft guidelines for the acceptance of vendor promotional training by an agency in appropriate circumstances. Such regulations should include only those circumstances in which the primary benefit is to the agency, rather than the individual.

5. Inside Information. The inside information fills a significant gap in the previously existing procurement ethics laws. Several contractor and administration officials have expressed concern with specific aspects of the implementation of the inside information provision, however.

For example, the National Security Industrial Association [NSIA] and Electronic Industries Association [EIA] stated in a letter to the Subcommittee on Oversight of Government Management:

> There is a growing tendency within the federal marketplace to stifle legitimate contractor-government communications, thereby prohibiting government access to current information on the latest product capabilities of high-technology companies. This tendency inhibits agencies from freely performing CICA-mandated procurement planning and market research. We do not believe that this was the intention of the Congress.

Similarly, NASA's Assistant Administrator for Procurement told the Subcommittee that "the dimunition of effective and complete communications of necessary and proper information between the Government and our counterparts in industry concerning acquisition planning and development of tehnical requirements appears to be responsible for increased procurement leadtimes."

As the NSIA/EIA letter indicates, nothing in the Procurement Integrity law requires any such impairment of communication of technical requirements in the pre-proposal stage of an acquisition. The statutory definition of source selection information includes only information "the disclosure of which would jeopardize the integrity or successful completion of the procurement concerned," as further defined in implementing regulations. The implementing regulations itemize specific categories of source selection information, and these categories do not include technical information on product requirements. Moreover, any problem with the regulatory definition of source selection information may be addressed through regulatory changes, without the need for statutory change.

A second problem identified in Senate testimony is the definition of source selection information in non-competitive procurements. For example, the Administrator of the Office of Federal Procurement Policy testified that—

> In competitive procurements there is a need to maintain a level playing field, so that competitors for a contract are evaluated fairly on the merits of their proposals. In legitimate non-competitive procurements, whether they be for contract award or execution of a contract modification, the focus should not be on possible unfair advantage between competitors since there are none. In those types of procurements, restrictions such as the procurement integrity provisions create inappropriate obstacles to effective communication between the negotiation parties, i.e., the government and the anticipated contractor.

However, the Administrator also noted that "some information is generated in non-competitive procurements that should be protected from disclosure. In this case, the focus should be on restricting access to information that reveals the government's bargaining position." As noted above, the procurement integrity law leaves the precise definition of source selection information to regulation, requiring only that the regulations cover any information, "the disclosure of which would jeopardize the integrity or successful completion of the procurement concerned." Again, if there is a problem with the regulatory definition of source selection information, this should be corrected through a regulatory change, not a statutory amendment.

For these reasons, the proposed amendment would not revise the inside information provision or the statutory definition of source selection information.

6. Certifications. The Procurement Integrity statute requires all government and private sector procurement officials to receive ethics training and to certify (on a "once-in-a-lifetime" basis) that they intend to comply with the law. In addition, one government official and one company official are required to certify to compliance every time they enter a contract of $100,000 or more.

The proposed amendment would retain the certification requirements with only two changes, designed to eliminate unnecessary administrative burdens.

First, contractor employee training certifications would not be required on contracts of less than $500,000. Certifications of compliance by a responsible contractor official would still be required on all contracts of $100,000 or more. However, small companies that have *no* contracts in excess of $500,000 would be able to do business with the government without the requirement to design and implement a training program to comply with this statute.

Second, procurement official training certifications would not be required for government employees who are not reasonably likely to participate in procurements in excess of the small purchase threshold (currently $25,000). This provision was included at the suggestion of Administration officials, who stated that the current law requires training programs for hundreds of federal employees who are technically procurement officials, but may do nothing more than use a government credit card to purchase gasoline.

7. The Beginning of a Procurement. The Procurement Integrity law prohibits gratuities, discussions of employment, and the release of inside information "during the conduct of a procurement." The issue of when a procurement begins has been a source of contention since the statute was first enacted; some contractor representatives have suggested that this issue be addressed by requiring the publication of a notice in the Commerce Business Daily [CBD] whenever a procurement begins.

Testimony before the Subcommittee on Oversight of Government Management indicated that the publication of a CBD notice would impose significant administrative burdens without commensurate benefits. As the Department of Defense stated in a statment for the record:

> DOD processes millions of procurements each year that are subject to the Act's requirements. Publishing a start date notice for each of those procurements would overly burden the system in terms of volume alone. More importantly, there would be no apparent benefit to the government, because most of our acquisition work force does not have access to the CBD and would not, consequently, receive the intended information.

All three contractor witnesses at the hearing—representing the Computer and Communications Industry Association [CCIA], the Professional Services Council [PSC] and AT&T—agreed that CBD notices of the beginning of a procurement would not serve any useful purpose. As one witness explained, "I think most of us know when a procurement is starting. I think most people in the agencies know it as well."

For these reasons, the proposed amendment would not include a CBD notice provision. The amendment would, however, clarify the point at which a procurement begins by dropping the drafting of a specification from the list of procurement actions that define the phrase "during the course of a procurement." Instead, a procurement would begin with the earliest of several specified actions—each of which takes place at a specific point in time—such as the approval and issuance of a specification, acquisition plan, procurement request, or requisition.

8. Implementation. The proposed amendment allows a 180 day period for the issuance of implementing regulations before the revised Procurement Integrity provisions come into effect. To avoid unnecessary and expensive retraining of government and private sector procurement officials, the proposed amendment specifies that no employees shall be required to sign a new individual certification as a result of the enactment should make appropriate efforts to instruct their employees as to the changes made by the amendment.

The initial designation of covered officials under the government-wide provision on contractor employment of former procurement officials should also be completed in this period, to provide covered officials with advance notice of the applicability of this provision. The amendment provides for annual Inspector General reports to the Congress on the designation process in each agency to ensure good faith compliance with these requirements.

Because existing post-employment provisions are complex and confusing, it would be unfair to subject federal officials to their requirements during the 6 month period before the new statute goes into effect. Accordingly, the proposed amendment would repeal these statutes on a retroactive basis, effective on May 31, 1991.

EQUAL APPLICATION OF POSTEMPLOYMENT RESTRICTIONS

Mr. BINGAMAN. Mr. President, I want to congratulate Senator LEVIN for his leadership in crafting a Government-wide statute to clarify postemployment restrictions for the acquisition work force. This is a very positive step in terms of reducing the complex and overlapping nature of the statutes in this area, and should enhance our ability to attract and retain high quality persons to Government service.

In the Ethics Reform Act of 1989, Congress attempted to clarify post-service employment restrictions on Government officials by establishing uniform rules applicable throughout the executive branch. The legislation, however, did not repeal the various laws applicable to specific departments or classes of employees. Instead, those laws were suspended for a year to permit time for consideration as to whether such laws should be repealed or applied on a Government-wide basis.

Last year, in the National Defense Authorization Act for 1991, Congress extended the suspension of these laws through May 31, 1991. As noted by the conferees, this action was taken with a view toward prompt action by the 102d Congress to review and clarify these laws. No legislative action has been taken to date, and the disparate collection of laws—which primarily affect the Departments of Defense and Energy—have come back into effect.

Postemployment restrictions have an appropriate place in the structure of conflict of interest laws that enhance public confidence in the fairness of governmental practices. Such laws, however, also can have a very negative impact on the ability of Government, to attract and retain high-quality personnel. Therefore, it is essential that such laws be carefully drawn, clearly written, and fairly applied. The laws that were temporarily suspended by the Ethics Reform Act of 1989 do not meet that test.

The serious nature of the current situation has been underscored by Stephen Potts, Director of the Office of Government Ethics:

> In certain areas, the ethics rules have become so complicated that, frankly, I don't

> believe anyone can really understand them. Little by little, rule by rule, we have addressed a problem here, another problem there, with a quick statutory fix, stacked one on top of another until we have reached the point that even an employee who sincerely wants to follow the rules doesn't have the remotest chance of understanding them so he can follow the rules.* * *
>
> [F]or a former DoD official, there are 10 possible restrictions. Then, if we * * * look at retired military officers who are also procurement officials, we are going to pick up a new batch of restrictions that apply to them. So, for a retired regular military officer, we end up with as many as 12 different post-employment restrictions.

In the bill reported by the Armed Services Committee, we addressed this problem in section 826 by repealing those laws applicable only to DOD and DOE. We also noted, in the committee report, that we would work with the Governmental Affairs Committee in an effort to craft a Government-wide approach to this issue. The amendment proposed by Senator LEVIN is the product of the joint effort of the Armed Services and Governmental Affairs Committees.

The amendment would leave in place the Government-wide restrictions on lobbying and related representational activities set forth in 18 U.S.C. 207, as revised by the Ethics Reform Act of 1989. It would replace the current maze of additional laws by a simplified set of standards applicable to acquisition officials.

These standards would have three key features. First, they would establish clear procedures to ensure prompt recusal of a Government official engaged in employment discussions with a private party. Second, they would provide for identification of acquisition positions involving the type of direct contract with contractors in which postemployment restrictions serve a useful purpose in terms of guarding against conflicts of interest. This would ensure that Government officials are placed on notice, when taking a position, that they are involved in the type of activities that are subject to postemployment restrictions. Finally, the amendment would establish a 1-year prohibition on working with a contractor with whom the Government official has had the types of substantial involvement specified in the statute.

These provisions would promote public confidence in the contracting process, while providing Government officials with the type of clear standards needed to obtain compliance without unnecessarily deterring high-quality individuals from Government service.

We considered adopting similar provisions for DOD officials as part of our markup of the bill in the Defense Industry and Technology Subcommittee, which I chair. At the suggestion of Mr. LEVIN, we deferred action in an effort to develop a Government-wide solution. I am pleased that our eforts have been successful. I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1029) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1030

(Purpose: To clarify the purposes for which the Secretary of Defense may provide funds to State and local Governments under the chemical demilitarization program)

Mr. WARNER. Mr. President, I send an amendment to the desk for Senator GARN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. GARN, proposes an amendment numbered 1030.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, line 6, insert before the period the following: ", reviewing applications for modifications of such permits and licenses, and carrying out oversight activities in relation to such permits and licenses".

Mr. WARNER. Mr. President, this amendment would clarify the discretionary authority provided to the Secretary of Defense to enter into cooperative agreements with State and local governments to assist the governments with implementation of environmental statutes. Section 107 of the committee bill would provide assistance to the States for the issuance of required permits. This amendment would provide assistance for any modifications to the permits and for oversight associated with construction and operation of chemical demilitarization facilities.

This amendment has been cleared on both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1030) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NUNN. Mr. President, I will yield in a moment to my colleague.

I ask unanimous consent that Suzanne McKenna, a fellow currently serving on Senator GLENN's staff, be granted the privilege of the floor during the pending DOD authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1031

(Purpose: To authorize the Secretary of the Navy to enter into long-term leases for family housing units at Naval Air Station Whidbey Island, WA and Dahlgren Naval Surface Warfare Center, Dahlgren, VA)

Mr. WARNER. Mr. President, I send to the desk an amendment on behalf of Senator GORTON, Senator ADAMS, Senator ROBB, and myself and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. GORTON (for himself, Mr. ADAMS, Mr. ROBB, and Mr. WARNER) proposes an amendment numbered 1031.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 322, between lines 10 and 11, insert the following:

(3) Naval Air Station Whidbey Island, Washington, three hundred units, $21,110,000, a project previously approved by the Navy.

(4) Dahlgren Naval Surface Warfare Center, Dahlgren, Virginia, one hundred fifty units, $11,000,000.

LONG-TERM LEASES FOR NAVY FAMILY HOUSING UNITS

Mr. WARNER. Mr. President, this amendment would authorize the Navy to enter into long-term leases for family housing units at two Navy installations in the United States—Whidbey Island, WA and Dahlgren, VA. These leases are a very cost-effective alternative to building new family housing.

This amendment has been cleared on both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1031) was agreed to.

Mr. WARNER. I move to reconsider the vote.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1032

Mr. NUNN. Mr. President, I send an amendment to the desk on behalf of Mr. BUMPERS and Mr. BENTSEN, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for Mr. BUMPERS (for himself and Mr. BENTSEN), proposes an amendment numbered 1032.

Mr. NUNN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 352, between lines 23 and 24, insert the following:

(d) RED RIVER ARMY DEPOT.—The authorization of appropriations for the Army for the Red River Army Depot, Texas, in section 2104(a)(3) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1619) is hereby transferred to the Secretary of Defense for modernization activities, construction activities, or modernization and construction activities in support of the supply distribution mission at the Red River Army Depot. The Secretary shall carry out such activities through the head of the Defense Logistics Agency.

RED RIVER ARMY DEPOT

Mr. NUNN. Mr. President, this is a technical amendment which would transfer the authority to construct logistics facilities at the Red River Army Depot in Texas which was contained in the National Defense Authorization Act for fiscal years 1990 and 1991 from the Department of the Army to the Defense Logistics Agency.

This amendment has been cleared on both sides.

Mr. BUMPERS. Mr. President, on behalf of Senator BENTSEN and myself, I am offering an amendment that transfers authority for upgrading the supply mission at Red River Army Depot in Texarkana, TX, from the Army to the Defense Logistics Agency. This amendment does not require any new authority; it merely transfers existing authority. The funds involved—$39 million—were authorized and appropriated in 1990. A similar provision is contained in the House authorization bill.

The Defense management reforms announced some months ago call for consolidation of depot supply missions. This amendment is consistent with the thrust of those reforms and makes sense. Red River Depot is an ideal location for this mission. It has good access to land, water, and air transportation.

Red River Depot has a distinguished record of service to the Army and the Defense Logistics Agency will benefit from this transfer. Red River workers performed yeoman's service during Desert Shield and Desert Storm.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1032) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1033

(Purpose: To require the Secretary of the Navy to review the Port Chicago court-martial cases and correct records appropriately)

Mr. NUNN. Mr. President, I send an amendment to the desk on behalf of Senator CRANSTON, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN], for Mr. CRANSTON, proposes an amendment numbered 1033.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 100, between lines 12 and 13, insert the following:

SEC. 514. REVIEW OF PORT CHICAGO COURT MARTIAL CASES.

The Secretary of the Navy shall initiate without delay a thorough review of the cases of all 258 individuals convicted in the courts-martial arising from the explosion at the Port Chicago (California) Naval Magazine on July 17, 1944. The purpose of the review shall be to determine the validity of the original findings and sentences and the extent, if any, to which racial prejudice or other improper factors now known may have tainted the original investigations and trials. If the Secretary determines that the conviction of an individual in any such case was in error or an injustice, then, notwithstanding any other provision of law, he may correct that individual's military records (including the record of the court-martial in such case) as necessary to rectify the error or injustice.

REVIEW THE PORT CHICAGO MUTINY

Mr. CRANSTON. Mr. President, the Port Chicago incident of 1944 stands as an example of the racial prejudice so prevalent in the Navy during World War II. The amendment I am offering, and which has been cleared on both sides, is an attempt to right the wrongs committed against the sailors who survived and who were caught up in this troubling episode in our recent history.

On July 17, 1944, a series of three blasts started aboard an ammunition ship at the Port Chicago naval magazine in California, injuring 390 people and killing 320 men, 202 of whom were black. The force of the explosion destroyed the depot—one of the main supply depots for the Pacific Fleet—and sank two ships. Port Chicago, which is 25 miles northeast of San Francisco, has since been acquired by the Navy, demolished, and turned into a buffer zone for the Concord Naval Weapons Station.

The cause of the Port Chicago explosion has never been determined.

Three weeks after the explosion the sailors were ordered to resume loading ammunition. Many refused to obey orders on the grounds that they had little training for such a dangerous job and because they believed their superiors were directing them to use unsafe procedures.

All the sailors loading ammunition at the port were black. All the officers directing the sailors were white.

The sailors involved were court-martialed immediately: Fifty were convicted of mutiny, sentenced to 15 years in prison and dishonorably discharged, and 208 were given summary courts-martial and sentenced to bad conduct discharges and forfeiture of pay.

Thurgood Marshall, then the chief counsel of the NAACP, came to the sailors' defense. He denounced the Navy, and according to press accounts, stated, "Negroes in the Navy don't mind loading ammunition. They just want to know why they are the only ones doing the loading. They want to know why they are segregated, why they don't get promoted."

At the end of the war, after pressure from Marshall and Eleanor Roosevelt, the 50 were released from prison and all the discharges were upgraded. However, the mutiny convictions are still a part of the record.

New information on the situation at Port Chicago and on the overall treatment of blacks in the Navy at that time, raises questions about the investigation, court martial trials, and convictions of the sailors.

A recent book entitled "The Port Chicago Mutiny," by Dr. Robert L. Allen, and two television documentaries have detailed the pervasive prejudice which surrounded this incident and the lack of concern for safety by officers who pushed the sailors to "speed up" as they competed to see which detail could load the fastest.

Legal opinions from the Congressional Research Service and private attorneys attest to Secretary Garrett's authority to conduct a review of the convictions of the sailors involved in the Port Chicago Incident. Despite these opinions and a specific request from Members of Congress last year, Secretary Garrett has denied that he is authorized to review the Port Chicago case.

My amendment not only provides for an immediate and thorough review of the court martial convictions, but it clearly states that the Secretary of the Navy has the authority to correct the inidividual military records of the 258 men convicted.

This amendment is similar to legislation I introduced earlier this year, and similar to language included in the House version of the Defense authorization bill.

Mr. President, it is only right that the men who were convicted—many of whom are now elderly—see justice served in their lifetimes.

Mr. President, I would like to thank Senator NUNN and his staff for their assistance on this matter.

The PRESIDING OFFICER. The question is on agreeing to the amendent.

The amendment (No. 1033) was agreed to.

Mr. NUNN. I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NUNN. Mr. President, I would like to let our colleagues go home, if we are not going to be able to get a vote on the Wirth amendment this evening. I hope I will not have to inform everyone of that about this time tomorrow night; I hope they will recall that we had an opportunity to get more done tonight, because I know the mood tomorrow night at about 9 o'clock. But if we cannot get any kind of time agreement on any amendment, and there is just no need holding people here and keeping them here until 12 o'clock every night, we do not get time agreements, that does not mean we cannot have an amendment.

I know the Senator from Louisiana is prepared to bring up his amendment and perhaps what we could do on that, since it appears it is going to take a couple hours, is that for that amendment to be debated thoroughly tonight and set the vote for beginning of business tomorrow morning.

Mr. JOHNSTON. Mr. President, if the Senator will yield, I wonder if we might have an agreement that we debate it tonight at such length as we desire, without limit, that we come in tomorrow and set aside, say, 30 minutes or 20 minutes, 10 minutes on each side, to finish it up, with the time for the vote in the morning.

Mr. NUNN. I ask the Senator from Louisiana if everyone promises to watch the debate on C-SPAN can he cut the time down to 10 minutes tomorrow so we have 5 minutes each?

Mr. JOHNSTON. I say we bring up the amendment tonight, debate it at such length as everyone wants to debate, and then tomorrow when we come in have the first 20 minutes set aside, 10 minutes on each side, followed by a vote.

Mr. NUNN. Mr. President, why do we not try to prepare a unanimous-consent request along that line? I want to discuss that with the majority leader. He wanted to get more business done tonight. In the meantime, there is no need wasting time. If I do get another time agreement, for instance, on the Wirth amendment, if the Senator from Louisiana would agree to set his amendment aside so we can go to the Wirth amendment, it is important we get that laid down tonight and debate it at least, and hopefully a vote. If we agree with that, I would be perfectly willing to begin the debate on this amendment.

Mr. JOHNSTON. Our amendment is a joint amentment between the distinguished Senator from Delaware, my colleague from Louisiana, and myself. If they are agreeable, then we could go ahead and begin debate on that one.

Mr. ROTH. Mr. President, will the Senator yield for a question?

Mr. NUNN. I yield to the Senator from Delaware for a question.

Mr. ROTH. The final work is being done on the amendment at the present time. So it cannot be called up at the moment.

Mr. NUNN. I wonder if we could lay down perhaps the Wirth amendment now, make that the pending business, and then set aside the Wirth amendment so that we could go then to the debate. I am just trying to make some efficient use of our time here.

Mr. WARNER. Will the distinguished chairman of the committee allow the ranking Republican member to check with his membership before the amendment is laid down?

Mr. NUNN. All right.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I ask unanimous consent that floor privileges be accorded to Dan Clin who is a member of Senator CONRAD's staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BREAUX. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BREAUX. Mr. President, there has been a great deal of discussion about the amendments that were ready to be presented. We have an amendment which has been referred to as the Johnston-Roth-Breaux or Roth-Breaux-Johnston amendment. I am prepared now. We have it in amendment form. I would say to the distinguished chairman of the Armed Services Committee that I am ready to offer the amendment. We do not have a time agreement.

I think it is appropriate under the chairman's suggestion that if a time agreement is possible under the Wirth amendment, we would be willing to set this aside to take care of that matter under the time agreement and debate this until such time agreement on the other matter is reached, if I could offer it at this time.

Mr. NUNN. Mr. President, will the Senators prefer to have a long time agreement so we at least have some bounds on it and we could go ahead and propound that and we vote tomorrow and know that. If so, what is the time agreement? Would 3 hours accommodate both sides, evenly divided?

Mr. BREAUX. I would say from this Member's perspective that is more than an adequate amount of time. I think we can do it in less time than that.

Mr. GLENN. Mr. President, I think we can probably do it in less time than that, too. I am trying to protect other people indicating an interest to speak on it. I need 25 or 30 minutes max for myself. I would like to protect others. So I would like an hour and a half on this side.

Mr. JOHNSTON. Mr. President, I think we would have no problem at all in having the same amount of time the distinguished Senator from Ohio has, and if he is willing to shorten his time I am sure we would be willing to shorten ourselves to whatever length he says.

Mr. LAUTENBERG. Mr. President, reserving the right to object, I wonder whether the discussion we were having has been completed. I probably will not object. But I would just like to know that.

Mr. NUNN. We have not propounded a unanimous-consent request. I am waiting for the majority leader. I was inquiring. There is not pending a unanimous-consent request. I suggest the Senator get started on the debate, with the understanding I will not propound this as a request, with the understanding if we can work out a time agreement on the Wirth amendment that he offers we would be willing to set those aside.

AMENDMENT NO. 1034

(Purpose: To provide for the conveyance of closed military installations to the neighboring communities in certain cases)

Mr. BREAUX. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. BREAUX], for himself, Mr. ROTH, Mr. JOHNSTON, Mr. DECONCINI, and Mr. CONRAD, proposes an amendment numbered 1034.

Mr. BREAUX. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 378, between lines 3 and 4, insert the following:

SEC. 2804. CONVEYANCE OF CLOSED BASES TO NEIGHBORING COMMUNITIES.

(a) Findings and Purposes.

(1) The Congress finds that—

(A) The Department of Defense has been directed to reduce the size and cost of the military and this can only be accomplished by closing military installations;

(B) A military installation is a part of the infrastructure of the community in which it is located and there is a long standing symbiotic relationship between a military installation and the community;

(C) The people in an impacted community have made substantial, long term investments of time, training, and wealth to support the military installations;

(D) The loss to an impacted community when a military installation is closed may be substantial and in such cases the Congress wishes to mitigate the damage to the impacted community;

(E) An impacted community knows best the needs of the community and the best way to use available resources to meet these needs consistent with existing national priorities; and

(F) Unfettered ownership of the real property associated with a closed military installation at the earliest possible time can partially offset the loss to a community which results when a military installation is closed.

(2) Therefore, it is the purpose of this section—

(A) To benefit communities impacted significantly when a military installation located in such communities is closed by authorizing the real and excess-related personal property on which the military installations are located to be conveyed to the impacted community as soon as possible after a decision to close the military installation is made but no later than 180 days after closure; and

(B) To provide significantly impacted communities a resource which will aid in mitigating the loss incurred by the community following a decision to close a military installation and which may be used by the impacted community, as the community deems appropriate, for industrial, commercial, residential, recreational, or public uses.

(b) IN GENERAL.—(1) Notwithstanding any other provision of law, the Secretary of Defense shall convey to an eligible political subdivision or subdivisions or State all right, title, and interest of the United States in the military installation closed pursuant to a base closure law in accordance with this section and the Comprehensive Environmental Response, Compensation, and Liability Act and the Solid Waste Disposal Act as determined by the Administrator of the Environmental Protection Agency.

(2) Even if the conditions set forth in paragraph (1) have been satisfied, the Secretary shall not convey such installation if the Secretary determines that the community or communities in the area of the real property to be conveyed are not experiencing or will not experience a significant adverse economic impact as a result of the closure of that military installation.

(c) DETERMINATIONS.—(1) The Secretary must make the determination referred to in subsection (b) in the case of a military installation as soon as practicable after the installation has been identified for closure, but in any event not later than the date on which the installation is closed.

(2) In determining whether a community is experiencing or will experience a significant adverse economic impact as a result of the closure of a military installation, the Secretary shall consider such objective evidence as the following:

(A) Declining real estate values.

(B) Increasing unemployment.

(C) Loss of revenue to the State and the community.

(D) Increasing rate of business failures.

(E) Significant decreases in total personal income.

(d) ADVANCE NOTICE TO ELIGIBLE STATES AND POLITICAL SUBDIVISIONS.—As soon as practicable after a military installation has been identified for closure, but in any event not later than the date on which the installation is closed, the Secretary shall transmit to the appropriate political subdivision, communities, counties and State to which property at such installation may be conveyed pursuant to this section advance notification of the Secretary's intention to make a conveyance of that property.

(e) ELIGIBLE STATES AND POLITICAL SUBDIVISIONS.—Property at a military installation that is to be conveyed pursuant to the requirement in subsection (b) shall be conveyed to a political subdivision or subdivisions or State in the following order of priority:

(1) To a political subdivision of a State that is designated in State law to receive the conveyance of such property and accepts the conveyance.

(2) If there is no political subdivision that satisfies the criteria in paragraph (1), then to the State in which the property is located if the law of that State designates the State to receive the conveyance of such property and the State accepts the conveyance.

(3) In the case of any real property for which neither a State nor a political subdivision of a State satisfies the criteria in paragraph (1) or (2), then to one or more political subdivisions of a state which the Secretary determines, after consultation with appropriate local officials, would best serve the interests of the residents of such subdivision or subdivisions and of the State in which the property is located, providing such subdivision or subdivisions accept such conveyance.

(4) In the case of any real property for which no subdivision or subdivisions or State accept such conveyance, then the Secretary shall offer the property to other departments and agencies of the Federal government.

(f) PROPERTY TO BE CONVEYED.—In addition to the conveyance of real property to a community or State pursuant to this section, the Secretary shall convey any related personal property that the Secretary determines is appropriate for use by the recipient in connection with the recipient's use of the real property.

(g) CONVEYANCE DEADLINE.—Except as provided in subsection (h), all property to be conveyed pursuant to this section in connection with the closure of a military installation shall be conveyed within 180 days after the date on which the installation is closed.

(h) PROPERTY NOT SUITABLE FOR CONVEYANCE.—The Secretary shall sever from the real property of a closed military installation to be conveyed pursuant to subsection (b) that real property which is not suitable for conveyance and make such transfers over a period longer than that which would otherwise be permitted under subsection (g). Property is not suitable for conveyance under the following conditions:

(1) When the political subdivision or state will not accept conveyance of a part of the real property of a closed military installation; or

(2) If the administrator of the Environmental Protection Agency determines that such conveyance does not comply with the requirements of either the Comprehensive Environmental Response Compensation and Liability Act of 1980 or the Solid Waste Disposal Act; or

(3) When necessary to ensure completion of environmental restoration and mitigation projects.

(i) CONSIDERATION NOT TO BE REQUIRED.—No consideration may be required for a conveyance of property pursuant to this section.

(j) WAIVER AUTHORITY.—(1) Subject to paragraph (2), the President may waive in whole or in part the requirement to convey property at a military installation under subsection (b) if the President—

(A) determines that the continuation of the United States interest in such property—

(i) is vital to national security interests; or

(ii) the value of the base is so high that a conveyance to the political subdivision or state would constitute an undue windfall to the community and would not be necessary for the economic recovery of the region, provided that the number of waivers exercised under this Act do not exceed a cumulative total of five military installations for each package of closures approved by a commission under the Base Closure law. Provided further, a waiver in part shall not count against this limit if the value of the property reserved does not exceed 25% of the total value of such installation or if the appropriate political subdivision or state agrees with the reservation; and

(B) transmits to the Committees on Armed Services of the Senate and the House of Representatives a certification of such determinations together with the reasons for such determinations.

(2) A determination and certification in the case of the closure of any military installation shall be effective only if made before the earlier of—

(A) the date on which the installation is closed; or

(B) December 31 of the year following the later of the year in which the closure of that installation is approved by the President.

(3) The President may extend the deadline for making a determination and certification under paragraph (2) for not more than two successive periods of 90 days by transmitting to the congressional defense committees a notification of the extension before the end of the deadline or extended deadline, as the case may be.

(4) The President may withdraw a waiver under paragraph (1) in the case of any military installation. Not later than 180 days after the withdrawal of the waiver, the Secretary of Defense shall make the conveyance required by subsection (a) in accordance with this section.

(k) Continuing Responsibility of the Department of Defense.—Prior to and after any conveyance of real property of a closed military installation pursuant to this section, the Secretary of Defense in consultation with the political subdivision or state shall be responsible for the following matters:

(i) To provide economic adjustment and community planning assistance including assistance in conducting public hearings to decide the appropriate use of a closed military installation to communities near the closed military installation until such time as the economic stability of such communities is achieved, as determined by the Secretary.

(ii) To comply with the Comprehensive Environmental Restoration Compensation Liability Act of 1980 and the Solid Waste Disposal Act in consultation with the Administrator of the Environmental Protection Agency.

(iii) To continue to carry out environmental restoration and mitigation activities relating to uses made of such installation before closure.

(l) SOURCES OF FUNDING.—The Secretary may expend any funds in the Base Closure Account to carry out the responsibilities referred to in subsection (k) and the Secretary shall notify the congressional defense committees in advance of the obligation of funds for such purpose.

(m) IMPROVEMENT OF PROPERTY PENDING CONVEYANCE.—(1) Notwithstanding any other provision of law, the Secretary of Defense and the head of any other department or agency of the Federal Government may continue, on and after the applicable date referred to in paragraph (2), to obligate funds (to the extent available) for making improvements to the property that has not been conveyed that will facilitate the conveyance of the property and are consistent with the use to be made of the property by the recipient of the conveyance.

(2) Paragraph (1) applies in the case of property at a military installation on and after the later of the date on which the closure of that installation is approved by the President.

(n) DEFINITIONS.—In this section:

(1) The term "military installation" has the meaning given such term in section 2687(e)(1) of title 10, United States Code.

(2) The term "base closure law" means the following:

(A) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102-510; 104 Stat. 1808; 10 U.S.C. 2687 note).

(B) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(C) Section 2687 of title 10, United States Code.

(3) The term "base closure account" means the following:

(A) The Department of Defense Base Closure Account established by section 207(a) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(B) The Department of Defense Base Closure Account 1990 established by section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102-510; 104 Stat. 1815; 10 U.S.C. 2687 note).

In section 2(b), amend the table of contents by inserting after the item relating to section 2803 the following new item:

Sec. 2804. Conveyance of closed bases to neighboring communities.

Mr. BREAUX. Mr. President, just briefly, because I have my colleagues who want to be heard on this, I would like to outline what we are attempting to do here.

Mr. President, we all know that the House, I think yesterday, agreed to the proposal of the President of the United States to close 35 military installations in the United States and also to realign something like 43 more. For those States—and there are about 23 or more States that are directly affected by these base closures—there is a great deal of pain and suffering that they are going to experience in the very near future. For these 23-plus States that are faced with these 35 military bases that are going to be closed, the future is very uncertain. It is like an economic atomic bomb has been dropped on these communities as they worry about the future, their jobs, their families, and what the future in fact is going to hold.

Mr. President, under the current law the way the military property is disposed of once it is declared surplus under this commission's procedures, that military installation is first of all transferred or offered to any other Federal department, any other Federal agency in the Government that thinks they may have a use for this property and could come in and get that property from the Department of Defense.

Mr. President, only after every single Federal agency says we do not want it or we do not need it, then under the current law is any public body, State and local governments, allowed to come in and make a request and show a need and a use for that property.

Mr. President, the bill that is now at the desk does something very simple. Senator ROTH offered a bill in the Senate a number of weeks ago. I cosponsored it. Senator JOHNSTON has been working on an approach. I think what we have here tonight is a combination of those efforts.

What we simply do is to say that those who suffer the most are going to be helped the most by their Federal Government. Those citizens who are going to be the most greatly adversely affected, those citizens who are going to lose their jobs are going to be put in the first tier, not the last tier, as to who is going to be helped.

This amendment, Mr. President, simply says that, in considering how that property is going to be handled, the local public bodies are going to be put at first priority, and let them have the first opportunity to use those facilities, to use that property, for the best benefit of that local community and that local government.

We have an obligation to help those who we hurt the most, and certainly it is not other departments in the Federal Government. Certainly, it is not the Department of Commerce or the Department of the Interior or the Department of the Treasury, or any other Federal installation. First priority is to help those who indeed are offended and hurt the most by this transfer.

So, Mr. President, this amendment simply reverses the order, allows the local communities, counties, and States to form a coalition to come in and make the request for use of those surplus Federal properties. And I think that is very clear. I know in our own State of Louisiana, we have an installation that is going to be closed. Ninety-five percent of the property the Federal Government owns right now was donated by the local government. It was donated for an Air Force base. And now, under the current law, without this amendment, the Federal Government is going to say: We do not need it for an Air Force base anymore, but we do not care if that is why you donated it to us; we are going to keep it, and we are going to find another use for it.

Instead of saying to those citizens that donated that property in the first place, who gave it free of charge to the Federal Government to be used as an Air Force base, instead of saying, "You are entitled to have it back now that we do not need it;" no, the current law would say: No, we are going to offer it to some other Department of the Federal Government.

Mr. President, that is wrong. Our amendment that is at the desk tonight corrects that inequity, and it does it in a way that I think is balanced, and one that makes a great deal of sense. I will have other things to say at a later date on the amendment, but I wanted to outline it at this time.

I yield the floor.

Mr. JOHNSTON. Mr. President, the substance of this amendment is to require, with respect to those bases that are closed, that there will be an obligation to the Department of Defense to convey the property of that base to the local community as soon as possible, but in no event later than the date of actual closure.

We require, Mr. President, as a trigger for the entitlement to receive that land, that there be an adverse economic impact on behalf of that community. The adverse economic impact in most instances is perfectly plain. And we determine what that significant adverse economic impact, which is the word of art that is used in this amendment, we define that as being such things as real estate values going down, unemployment going up, lost revenues to the local communities, increased bankruptcies, personal income going down. In most instances, it is perfectly obvious that the impact on the local communities will be dire, direct, substantial, and overwhelming.

For example, in central Louisiana, where England Air Force Base is located, which is due to be closed, there is a loss of 12,000 jobs; there is a loss of $228 million in sales; there is a loss of over $257 million in household income; there is a loss of State and local revenue, which is overwhelming to the local businesses; and there are bankruptcies wholesale.

In any event, Mr. President, we require as a trigger to receive this property that the local community be adversely impacted. We require that the President make findings as to that, if their really is no adverse impact, then his findings will so state and will state the facts of that.

We next deal with the question of to whom the property is to be conveyed. We provide that the first order of priority is that where State law designates a local subdivision—it may be a city; it may be a town; it may be a county; it may be a newly created local subdivision, as is the case in Louisiana—the designated party, under State law, would be the one to receive the property.

If there is no designated party under State law, then the second order of priority is the State, and if it is not appropriate for the State to determine, then the Department of Defense shall determine among the various local subdivisions which subdivision or which combination of subdivisions, including the State, is appropriate.

We provide, Mr. President, that the conveyance must be made within 180 days of closure. We had found that in many instances—for example, the distinguished Senator from Alabama, Mr. HEFLIN, was telling me that a base in his State has been closed for over a decade, and they are still trying to get the property and they cannot get it. It is tied up, I do not know, in redtape. It is tied up in, perhaps, appraisals. But in any event, they cannot get it. We require that that conveyance be made within 180 days of closure.

We also provide that, in certain instances, conveyance would not be suitable. For example, where the local community is not willing to accept the property, or where there are environmental problems, or where there must be environmental restoration.

We do provide for a waiver. And this is very important. It is a Presidential waiver. The President may waive the requirements of making the conveyance where, first, there is an instance of national security; and second, where the value of the property is such that a conveyance of that property to the local community would constitute a windfall on behalf of the community, and would also not be necessary in order to have economic recovery for that community.

So, in those instances that you have—and there are a few that we are acquainted with—where the property is extremely valuable, then the President can make a finding simply on the basis of the high value of the property.

We also provide, Mr. President, that there may be a waiver in part. That is, the President may say that, for example, well, we will give two-thirds of the base back to the local community, but one third must be reserved for, for example, a Federal purpose, such as the National Guard using the runway, or the National Guard using the armory, or any kind of Federal use that would require a partial Federal use, partial national security use.

We do provide, Mr. President—and this is a very important exception—we provide that the total number of waivers made by the President with respect to any group of closures—by a group of closures, of course, we mean those that were just announced recently, or the second wave would be another separate group—that with respect to a group of closures, the President may not use this waiver authority for more than five bases.

We provide, however, that partial waivers do not count against the five limit. So that, for example, if the President said in England Air Force Base that we need the runway because we want to put an air guard unit in England Air Force Base, that they could reserve either the runway or the use of the runway, or the hangar or the use of the hangar, and thereby not count against the five limit, provided the value of the reserved property does not exceed 25 percent of the value of the base.

So that the President has unfettered authority on economic grounds, as I pointed out, as well as on national security grounds, to waive the requirement of having to convey these bases, provided that he can use it with only five bases, for the total base; or he can use it in addition to that, for partial waivers, provided that the reservation by the President does not exceed 25 percent of the value of the base.

We also provide, Mr. President, that the President must make clear—we set dates in this amendment for the President to make his findings and to exercise his waiver, and that if he fails to make the waiver in the time specified, then it is final.

The reason for that, and the whole thrust of this amendment, is to make it clear that this property must be conveyed, must be conveyed promptly—except in those cases where the authority is reserved. But, where that authority is reserved, the President, in effect, must make up his mind, make up his mind promptly, state the reasons, so the local community can then get on with the business of either planning for the use of that base or attempting to, for example, attract industry in to use the base, which we hope to do at England Air Force Base.

I hope this amendment will be enthusiastically accepted. To say that our local communities are adversely impacted is an understatement. We think it was outrageous what was done in central Louisiana with England Air Force Base. This would be one way to help us begin to plan to provide against the terrible impact that that has created.

Mr. WARNER. Mr. President, will the Senator entertain some questions?

Mr. JOHNSTON. Of course.

Mr. WARNER. I must say this is a fairly voluminous piece of legislation to propose at this hour on this bill, and this manager has had but a few minutes to examine it. But I must say at first glance, I think it is not a wise piece of legislation, but I will await the response of the Senator to several specific questions.

First, the Secretary is to determine (A), (B), (C), (D), and (E). That listing does not restrict him to the various factors that he can take into consideration. I presume it merely recites suggestions; is that correct?

Mr. JOHNSTON. What page is the Senator on?

Mr. WARNER. That would be page 4. "The Secretary shall consider such objective evidence as the following." He is not limited to those factors?

Mr. JOHNSTON. That is correct.

Mr. WARNER. Down to "Eligible States and Political Subdivisions." "To a political subdivision of a State that is designated in State law to receive the conveyance of such property and accepts the conveyance." How many of the 50 States now have on the books a law that would meet this provision?

Mr. JOHNSTON. Well, I do not know. I know the State of Louisiana does. Where the State legislature has acted, and the State of Louisiana Legislature acted with respect to England Air Force Base, to form a special subdivision that is composed of representatives from the City of Alexandria and representatives from Rapides parish, and where the State has acted and thought about this problem, then they ought to be the one to do it.

Where they have not, then the conveyance should be to the State if the law of the State designates the State to receive the conveyance of such property and the State accepts conveyance.

Mr. WARNER. Yes, Mr. President, I have tracked that down. But what concerns me is if there are a great many States that do not have laws that would take care of No. 1, we could end up with a situation where States would be receiving property of significant value, rather than the general taxpayer.

Mr. JOHNSTON. It says, "then to the State in which the property is located if the law of that State designates the State to receive the conveyance of such property. . . ."

Mr. WARNER. Well, I am certain most States have an omnibus statute saying they can take property, I suppose.

Mr. JOHNSTON. It does not say they can, it says if they designate the State as the one to receive the property.

Mr. WARNER. My point being there may be some communities that are deserving of receiving these properties, and could meet (A), (B), (C), (D), and (E), but there is no State law by which those communities can receive the property and the property simply leapfrogs a deserving community and goes into the State treasury.

Mr. JOHNSTON. If the Senator will read on page 5, No. 3, where the State law does not provide for someone to receive it, "then to one or more political subdivisions of the State which the Secretary determines"——

Mr. WARNER. That is the Secretary of Defense?

Mr. JOHNSTON. Right. "After consultation with appropriate local officials, would best serve the interests of the residents of such subdivision or subdivisions of the State. * * *"

Mr. WARNER. Let us stop right there. I rather imagine there would be a number of localities within the State that would be very anxious to get a valued piece of Federal property and he would be thrust into some stiff competition, would he not?

Mr. JOHNSTON. Well, the idea here is to encourage the State to make its determination. And if it does not, then the Secretary of Defense should make that. Somebody has to decide.

Mr. WARNER. Mr. President, I do not doubt the Senators from Louisiana have a serious problem with respect to a small community somewhere in their State. But what we are doing is enacting—that is, looking at a law, hopefully it will not be enacted—that would apply to all 50 States, all base closures, deprive the Federal taxpayers of some, I think, estimated here 3.5 billion dollars' worth of Federal property.

I think out of a care for, perhaps, a needy situation, we are creating a miriad of problems all across the country.

For example, let us say there is a State law that allows a political subdivision of a State that is designated to receive it. Suppose that is a small town, consisting of two bars and a dance hall. Does that get a whole Air Force base that happens to be in the political subdivision?

Mr. JOHNSTON. First of all, Mr. President, the Senator from Virginia, I think, misstated what this is. It is not a community that is eligible. It is the community or subdivision which is designated by State law to receive it.

Mr. WARNER. Then I must confess not to be able to get a grasp of this. Does the Senator mean there is State law in my State now, I have no knowledge of it, that says each of the communities would get each of the military institutions should they be closed?

Mr. JOHNSTON. I am saying according to this amendment it would be up to the State legislature to determine what is the appropriate subdivision or combination of subdivisions, or if it is the State which would be designated to receive the property.

Mr. WARNER. Then what my colleague is suggesting, for each closing, a legislature has to pass a specific law and make a finding?

Mr. JOHNSTON. No. If the Senator will listen——

Mr. WARNER. I am trying to listen and trying to understand.

Mr. JOHNSTON. All right. With respect to each base that is closed, the State legislature would have the option to designate a political subdivision or group of subdivisions or, indeed, create a subdivision to receive the property or designate the State as the appropriate subdivision.

Mr. WARNER. May I stop my colleague there? Is there any nexus between the location of the base and the likelihood of the subdivisions receiving this? They would have to be ones that suffered a declining real estate value, increasing unemployment?

Mr. JOHNSTON. I would say to my dear friend, the legislature of the State is not going to designate, as the Senator says, some little Podunk town 50 miles away that has a bar and 16 residents. State legislatures—this is part of our State. I am sure in Virginia, the legislature of the State of my colleague, in the case of a closed base would not designate some foreign, disparate town that has no connection with the military base. Surely the Senator from Virginia, a strong State's righter, graduate of Washington and Lee, would not think the legislature of Virginia would do such a foolish thing?

Mr. WARNER. Mr. President, I do not wish to denigrate any State legislature, but I certainly have been witness to lots of crazy things done by State legislatures all over America.

Mr. JOHNSTON. It has never been done in Louisiana.

Mr. WARNER. Somehow it seems to me the political history of Louisiana has been getting a great deal of consideration nationwide, worldwide, in the last 2 years.

Mr. BREAUX. Will my colleague from Louisiana yield? If I could have the attention of the Senator from Virginia, maybe I can help him. Under current law, this is already done. Under current law when a military base is closed right now, the first option is the Federal Government, but if the Federal Government does not want it, then it goes to a public body as worked out by the State.

I would say to the Senator from Virginia, we have had a number of bases that have in fact been closed under the old laws that have gone ultimately to the local government, and it is a very simple thing the local country and State works out as to how it is going to be handled. Our State of Louisiana has already formed a county and State commission consisting of the local government and county and State, which would be a commission which would operate it if they were able to get it.

That is the current law right now. So we are not envisioning any change in how the local people who acquire title would be handling it. What we are trying to do is insist those who are hurt the most will have first priority of getting it. It is not a complicated process.

Mr. WARNER. Mr. President, I accept the Senator's explanation. I do have a feeling, however, that there is a close tailor between this legislation and what will soon exist by way of laws in the State of Louisiana. This is a hand-in-glove situation. I am concerned about other jurisdictions.

I see on the floor the distinguished Senator from Ohio. Maybe he has a far better grasp on this situation than the Senator from Virginia.

Mr. JOHNSTON. If the Senator will yield.

Mr. WARNER. I yield the floor.

Mr. JOHNSTON. I just tell my friend from Virginia, there may be some objections to this. I believe I can assure him that the designation in State law of a political subdivision to receive it is surely not a reason to opose this amendment.

The PRESIDING OFFICER (Mr. DASCHLE.) The Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair. Mr. President, I support the pending amendment and after listening to the colloquy between the distinguished Senator from Virginia and the distinguished Senator from Louisiana, I would like to raise my voice in support of what the Senator from Louisiana has had to say.

I believe that the base closures are going to cause tremendous impact in many communities across the country, especially in the State of Pennsylvania. I believe legislation of this type is very appropriate to try to give some relief to enable the localities to acquire this property and provide an economic base for job opportunities.

Earlier this evening, the distinguished Senator from Maine addressed the body on a related matter.

Mr. President, earlier this evening Senator COHEN of Maine spoke about changes in the pending legislation as a result of problems and inappropriate action on the Base Closing Commission. As he spoke, a number of the issues which had troubled the State of Maine were duplicated in the Commonwealth of Pennsylvania with respect to the Philadelphia Navy Yard and the Naval Air Development Center in Warminster, PA.

With respect to the navy yard, not only was there stonewalling, a characterization used by the Senator from Maine earlier this evening, but there was an actual concealment of relevant documents with memoranda from Admiral Clamon and Admiral Hekman urging the retention of the navy yard, concealed from the members. Then Under Secretary of the Navy Howard had urged Admiral Hekman not to testify before the Base Closing Commission.

Those matters are of such a serious nature that they are now part of litigation pending in the U.S. District Court for the Eastern District of Pennsylvania.

The Naval Air Development Center at Warminster, PA, was acted upon by the Base Closing Commission even before the Advisory Commission on Laboratories reacted. The statute provides for that action in September. The Base Closing Commission took action in July. Hardly sensible.

So, in the face of what had happened, there will be opportunity later for a fuller exposition on the failures of the Base Closing Commission on the resolution for disapproval, which I filed on July 10 shortly after the President approved the Base Closing Commission, that the kind of legislation offered this evening to give the localities an opportunity for industrial development for job opportunities is most appropriate.

I have an amendment which has been filed, Mr. President, which would call for extra job training for those localities as well. But I think this is a very important amendment. I urge my colleagues to support it. I thank my colleague from Ohio for yielding.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I rise to oppose the amendment before us. Let me put this in the proper perspective. This takes existing Federal law that has been working, and working well, for some 43 years. The law was passed in 1949, the Federal Property Administrative Services Act. For over 40 years, it has prescribed the way we dispose of Federal property, whether it is a military base or whether it is a building, or whatever it is.

Mr. President, it includes real estate, it includes whatever Federal property is to be disposed of. There is a regular procedure under the act and the procedure that has worked well for over 40 years says when the Federal Government owns a piece of property, it if is going to dispose of that property, that it first canvasses other Federal agencies to see whether there is any other Federal agency that has a use for that property.

Mr. President, that makes a lot of sense. That makes sense because there may be another use and if we are about to buy property, about to spend taxpayers' money for a certain purpose, it is foolish to be selling one piece of property so you can turn right around and buy another or, giving the property away, as this would propose, so we then would be required to spend who knows how much money to buy similar property to do something else the Federal Government is interested in doing. So that is the first call—other Federal use.

Only when no other Federal use is determined do we then go to the States and say does the State want this property, and we give the States priority with respect to homeless use, with a few exceptions. If they do not want it, we give the counties priority, then local communities and then, if it still is not used by a Government entity or wanted by a Government entity, the Federal Government can sell it off on an individual sale, if someone will buy it.

Mr. President, this absolutely turns that procedure upside down, this procedure that has worked for over 40 years. It says first we will just give property to the local community, and if there is not anybody there suitable to take it, the State will designate someone to take it. Does this make any sense? I think it would make a great deal more sense if my distinguished colleague from Louisiana was saying that we provide for expedited procedures to run through this so that we do not have the normal months and months of delay, because I think it would be absolutely ridiculous for the Federal Government to give up this property on such a scale to just give it up and upset the procedure that has worked well for 40 years through many base closures.

As an example, the DOD estimates it could realize, some $1.8 billion from 1988 Federal base closure sales.

Mr. President, I appreciate what goes on around these bases. I have a major base in Ohio, Rickenbacker, in Columbus which is closing. Would I like to see somebody get a gift of that? Of course. I do not see how we do that, the people of other States, the people who paid for that property, developed that property and developed that base and then turn around and say we will give it to them after this whole thing is over and upset the usual procedure.

I realize there is a great deal of unhappiness about the way the base closure action occurred and there are still people trying to take legislative action to prevent some of those things from occurring. Mr. President, there will always be concern when a base closes. We also have to realize that those States and communities reap years and years of benefit by that base being in that particular area, also.

Mr. President, the amendment would essentially turn over, at no cost, entire bases to local communities without first going through the procedure that I mentioned.

In fact, it just reverses the whole thing. It says you give it to the local communities first. The Feds would be out of it completely except—now except—and I know the distinguished majority leader has some concerns about this, too. As I see it, this would circumvent the CERCLA legislation, also. I do not see how it could help but do that. Because what it does, it says that on these bases where there are hot spots or toxic problems or whatever the difficulty is there, somehow we keep that under Federal control. We address that separately. And it is a rare base these days—perhaps England Air Force base in Louisiana does not have any toxic problems, but I can guarantee my friend from Louisiana at other places around the country, most of these bases do have some sort of environmental problem for which the Federal Government is still going to be responsible.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. GLENN. I will yield.

Mr. JOHNSTON. Does the Senator understand that under the amendment the Secretary has the obligation to convey the real property except as provided in subsection (h). Subsection (h) in turn defines property not suitable for conveyance, and such conditions are when it is necessary to comply with the requirements of CERCLA and the Solid Waste Disposal Act.

So that the idea here is that the Secretary of Defense now has the duty to clean the property up, and that it is not suitable for conveyance where you would have to comply with that law. So our intent here is to keep the responsibility on the Department of Defense to do the cleanup.

And I think the distinguished Senator from Maine would like for EPA to make that determination. I think we are working on an amendment to make that clear, that EPA makes the determination.

So it is not our desire at all to change either the responsibility for the cleanup or to convey property that is not certified by EPA as being clean. But that property which is not affected by the pollution or the cleanup would have to be conveyed. In other words, you have a dump out back on the edge of the air base. The rest of the property would have to be conveyed and that would not be conveyed but, rather, would remain the responsibility.

I thank the Senator for allowing me to interrupt.

Mr. GLENN. I understand.

Mr. President, I repeat what I started. The Federal Property and Administrative Services Act of 1949 set up a very specific procedure that has worked well for over 40 years. It has worked well through previous base closures and other property disposal, and I see no reason why we should upset this thing and turn it right smack on its head. We start now by giving whole bases to local communities, and then work up the ladder to States or to State designees to receive the property and in effect give up whatever money might be brought back into the Federal Treasury for other purposes if we go ahead and dispose of property as has been our custom in the past.

Mr. President, there are other possible uses and they include any and all other Federal uses. We have legislation already passed that allows homeless assistance programs to apply for property on these bases. We have Red Cross donation programs, drug rehabilitation programs, prisons, many other purposes that are written into Federal law that would be violated if we passed this amendment.

Mr. President, I do not believe that adequate rationale has been given for this drastic change, and it is a drastic change, in how we dispose of our current surplus property. I am especially concerned that this matter has not been fully studied or examined by the Congress.

The effect of the amendment will be, first, to waive the Federal Property and Administrative Services Act of 1949—that is the body of laws and regulations that has controlled property disposal for over 40 years—waive the Stewart McKinney Homeless Assistance Act. It denies DOD the chance for significant land sale proceeds in the billions of dollars. We are just going to give that away. The proceeds from which could have been used for environmental restoration, closing bases, or whatever. In fact, as I said a moment ago, DOD estimates that it could realize $1.8 billion from the sale of property associated with 1988 base closings.

If this amendment is agreed to, it requires the conveyance of even personal property. I suppose that would mean the equipment on the base, wheelbarrows, cots, blankets. I do not know exactly what would be included in that. It is not spelled out.

But I am, of course, very sensitive to and understand fully the concerns of many communities around the country about current economic difficulties, and there is an impact when a base closes. It does require a lot of readjustment. There is no denying that. Many cities and towns in my own State of Ohio are struggling under the burden of this recession. I also appreciate that base closings can prove greatly disruptive to a local community.

However, I do not think the solution to those problems is to gut the entire Federal property disposal procedure that we have operated under for so long, and more specifically to change the rules on base closure property disposal right in the middle of the game. In fact, I suspect that would only be counterproductive of the very goal we seek to achieve. What we are trying to do is save dollars. That is the overall purpose of this whole base closure episode we are going through, to save money, at the same time trying to recoup some of that back into the Federal Treasury.

As I read this particular amendment, too, there is no requirement that the community hold on to the property. The community could be designated to receive this property, and if they so desired they could sell it off. They could put it into subdivisions that could be used then by the local community to do anything they wanted.

Mr. President, these are valuable properties. These are not little fly-by-night pieces of real estate. These are major chunks of real estate. And we are just going to give them, apparently, with this amendment to the local communities to do as they see fit, or to sell off if they choose to do so.

Mr. JOHNSTON. Will the Senator yield at that point.

Mr. GLENN. Let me finish now. I yielded before. I thank the Senator. I will be done in just a moment.

So I am very sensitive to and I understand fully these concerns of the communities, but we are trying at the same time to get some money back into this Federal Treasury of ours, not give more of it away, which is in effect what we would be doing here.

Now, let me briefly outline the general reasons why I believe adopting this amendment would be a mistake in addition to what I have already mentioned. I believe my sentiment is shared by DOD in a letter to the chairman of the Senate Armed Services Committee concerning Senator ROTH's proposal, S. 1300, which I understand is virtually identical to this bill. I believe that is correct. It is a bill much like the one we are debating. I understand it is almost identical.

Here is what DOD's General Counsel says, and I quote:

> The Federal Property and Administrative Services Act of 1949, as amended, which stipulates the process and sequence of events to be followed when disposing of real property gives ample opportunity for local communities to acquire surplus property for redevelopment, subsequent to a base closure. The fact that Federal or State agencies have the opportunity to acquire the property or a portion thereof first, would not be a serious roadblock to the community since the redevelopment of a base is usually a cooperative effort undertaken in accordance with the reuse plan developed at the local level.

Mr. President, I agree entirely with this statement. Very sophisticated reuse plans and efforts are underway in communities across the country. These plans will require integration and coordination throughout the local community. To suddenly simply turn over these properties is unfair. It sends the completely wrong signal, and I think sets an extremely bad precedent.

Such a precedent flies directly in the face of what Congress intended in both the base closure laws and the McKinney Act.

Disposal of closed base property is governed by Section 204(b) of the Base Closure Act. The Secretary of Defense is delegated GSA's authority to utilize excess property and dispose of surplus property pursuant to the Federal Property Act, and grant approvals and make determinations under that surplus property act.

DOD is required to follow the Federal Property Act procedures and is expressly not permitted to "prescribe general policies and methods for using excess property or disposing of surplus property." In other words, DOD has to follow the normal GSA procedures. They are not permitted to go out on their own. Moreover, this authority is expressly limited by the McKinney Act, Title V, surplus property program over which the committee I chair has jurisdiction.

Mr. President, the law is unambiguous. Congress clearly and fully intended that the disposal of base closure property be handled in the same way it would be handled under longstanding and well-understood property act rules and procedures.

It cannot be disputed that the proposal before us would fundamentally alter this method of property disposal. It is a method that has operated well for over 40 years.

I mentioned earlier I am also concerned that other legitimate uses for such properties would be shunted completely aside in this manner. Let us say, let us suppose NIH or HHS or the Department of Agriculture needs some base closure property for some very important programs—research lab on AIDS, scientific laboratory, or one of an infinite number of other kinds of facilities.

Mr. President, could we have order in the Chamber? I am having trouble talking over the other conversations?

THE PRESIDING OFFICER. The Senate will be in order.

Mr. GLENN. As far as the process currently in place is concerned, the law explicitly defines specific steps that must be taken in order to screen excess and surplus property for such uses.

Under this amendment, no such opportunity would be provided. Right from the word go, these other very important Federal uses would not have a chance to even be considered, not to even be considered. We will end up with the debt-ridden Federal Government having to pay greatly to build or lease new facilities.

Mr. President, that is just not in the best interest of the American taxpayer, including those who reside in the affected local communities; I would submit even those who live within Louisiana.

As chairman of the Governmental Affairs Committee with jurisdiction over the McKinney homeless assistance surplus property program, I am especially concerned about the effect of this amendment on the priority which Congress has for years now attached to facilities to assist the homeless. The title V surplus property program under the McKinney Act requires the publication of surplus real property that is suitable and available for homeless use.

Already I would say some base closure property has been reported and published under this program. We had a hearing held before the Governmental Affairs Committee last year, and James Forsberg, of the Department of Housing and Urban Development, testified that:

> We have received property already under the Base Closure Act. Back in late March and early April 1990 we published, I think, around 1,500 to 2,000 properties that were coming on line as a result of the base closures—and we have found around 80 percent of that property suitable since many of the properties were in fact family housing.

In a conversation with my staff this week, one HUD official characterized HUD's relationship with DOD as "very good." Not long ago apartment buildings were turned over to nonprofit homeless providers. These buildings were part of the base closure listing of the associated housing for a base in Virginia.

In addition, at New Hampshire's Pease Air Force Base, HUD in cooperation with DOD has worked at least to see that property there is channeled fully and properly through the McKinney procedures. I do not want to see this progress stopped. That will be the effect of this amendment.

As I noted earlier, there are numerous other possible uses for base closure property which will effectively be barred by the approach of this amendment. Among these very important uses are such things that we have passed legislation on, on this floor, regarding prisons, drug rehab centers, public hospitals, homeless facilities, educational facilities, numerous others. Of course, if all of these possible public uses have been forestalled, DOD would otherwise have the opportunity to sell this property.

DOD estimates the revenues from the sale of 1988 base closure property alone already are $1.8 billion. That is money which would be returned to directly offsetting the costs of base closure, especially the expected huge environmental cleanup costs that we discussed very briefly a little while ago.

Mr. President, apart from any of the other reasons I have cited, I am opposed to this amendment on the simple grounds that we have not examined it closely, have not looked at it, it came up suddenly, and about a day ago we first heard about it. I fully recognize that the base closures have caused an enormous problem for many hard-pressed communities and the economic viability issues are very compelling. However, such a radical proposal to change base closures property disposal——

Mr. ROTH. Will the Senator yield for a moment?

Mr. GLENN. For a moment, without losing my right to the floor.

Mr. ROTH. I would like to say to my distinguished chairman that on the Roth proposal, I did testify before the subcommittee of the Senate Armed Services Committee. The legislation was referred to the Armed Services, and I also did appear before the Base Commission. So the matter has come up before. The chairman is correct. It did not go before our committee.

Mr. GLENN. Fine. I appreciate the comment. Thank you.

However, such a radical proposal to change base closure property disposal rules in the middle of the first round of closures should not be made without much further study and a real solid evidentiary record. If there have been hearings, they have been held on this subject only in a very brief way, and we have certainly not fully explored this issue after the Base Closure Commission final list came out.

As far as I know, there have been no extended hearings before my committee, and I would certainly be glad to accommodate those if that was referred to my committee. I would be glad to hold those hearings jointly with the Armed Services Committee if necessary, and as early as possible.

Mr. President, in conclusion, I must oppose this amendment not just because it seeks a change which is undoubtedly negative with respect to base closure property, but also because it is simply not fair. It is not fair to other potential users, both local and Federal. It is not fair because these other local or Federal entities would be shut out from even applying to use these facilities and to the communities where considerable efforts have been made already to plan for integrated reuse.

Once we begin down this path, Mr. President, where do we stop? Does this mean that all surplus property now, including foreclosed FHA property, RTC properties will forever now be free of any other possible legitimate uses? Will homeless uses simply be consigned to the lowest possible rung? I cannot support taking such precipitous action with such far-reaching implications in this manner.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from DOD on S. 1300, the Roth bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, DC, July 30, 1991.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Secretary of Defense on S. 1300, 102d Congress, a bill "To minimize the adverse effects on local communities caused by the closure of military installations."

S. 1300 is intended to benefit the local community impacted when an installation is closed by authorizing the installation's real property to be conveyed to that community as soon as possible after a decision is made to close the installation.

This legislation would significantly change the disposition process for real property associated with a closed military installation. It would require the Administrator of the General Services Administration (GSA) to offer to transfer title to the property to the local community concerned first, then to county, State, and finally Federal agencies. If the property is not requested by any of these agencies, it can than be sold to the highest bidder. The bill does not state specifically that such transfers would be without consideration but it is assumed that such is the case.

The Department of Defense opposes the legislation. The Federal Property and Administrative Services Act of 1949, as amended, which stipulates the process and sequence of events to be followed when disposing of real property, gives ample opportunity for local communities to acquire surplus property for redevelopment, subsequent to a base closure. The fact that Federal or State agencies have the opportunity to acquire the property or a portion thereof first, would not be a serious roadblock to the community since the redevelopment of the base is usually a cooperative effort undertaken in accordance with a reuse plan developed at the local level. It is highly unlikely that a Federal or State agency would acquire a portion of a base and use it for something that the local community strongly opposes. By not specifying that transfers of property will be at fair market value, it is assumed otherwise, that transfers will be without consideration. This subverts the intent of Congress in both base closure acts, P.L. 100-526 and P.L. 101-510. The proceeds from the sale of base closure property are to be placed in the Base Closure Account and used to finance ongoing base closure costs. Without this infusion of funds, additional appropriations would be required which could delay closure schedules and realization of savings. The Department of Defense has invested considerable sums of money in these installations and it would not be in the taxpayers' best interest to give away these valuable assets. The legislation is also silent on other statutes that affect the disposal of real property, such as the Stewart B. McKinney Homeless Assistance Act. This Act requires that suitable and availabe surplus property be made available to providers of assistance to the homeless when such a request is made. S. 1300 also does nothing to resolve environmental problems. These issues take the longest to clear up and therefore slow down the disposal process.

The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this report for the consideration of the Committee.

Sincerely,

TERRENCE O'DONNELL.

Mr. GLENN. I will quote from parts of that letter. It starts out:

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The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this report for the consideration of the Committee.

Mr. President, I summarize by saying, as I did when I started out, this literally takes our procedures for disposal of Federal property, as covered under the Federal Property and Administrative Services Act of 1949, and it exactly reverses the procedures. It stands the whole thing right on its head.

Instead of giving other Federal agencies first call on this property, then making States next in line, counties, local communities, and then individual sales, it starts by giving it to local communities with absolutely no restrictions, and it could not be sold off in other parcels. In other words, we give up all claim on this for any Federal use whatsoever.

Mr. President, I think this is wrong for the taxpayer, as spelled out in Terrence O'Donnell's letter that I just read into the RECORD. I think it is wrong from a taxpayer's standpoint and wrong for the use of this property, and I urge my colleagues to vote against this amendment.

I reserve the remainder of my time.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, exactly 1 year ago I came to this floor to introduce what I believed was a very important piece of legislation given the twilight of the cold war. The purpose of the legislation was to facilitate the closing of military bases deemed no longer necessary by the Department of Defense. My proposal was to make the closing of these bases easier by providing an opportunity to convert unneeded military installations into useful, even profitable community and State resources.

This would be done by reversing the order of priority for disposition of these bases, giving communities the first opportunity to take ownership of them, the State next and finally the Federal Government.

Mr. President, I was happy to hear the chairman of the Government Affairs Committee say that he would be willing to hold hearings on this important matter, along with the Armed Services Committee, because that is something I have been seeking for the last year or more.

As I mentioned, I did testify before the Armed Services Committee in 1990 on this matter, and before the Defense Base Closure and Realignment Commission in May of this year. I think it is worthwhile pointing out what the Defense Base Closure and Realignment Commission said in its 1991 report to the President.

On page 6-1 it noted that full economic recovery from base closure is dependent upon timely disposition of the facilities and land vacated by the services. The Secretary of Defense should do everything in his power to ensure a timely transfer of these valuable assets to the local community.

It goes on to say that "Reusing former military base property offers communities the best opportunity to rebuild their economies. The buildings and facilities can fill residential, commercial, and industrial needs and, thus, can replace jobs and income loss."

Air Force bases are especially marketable because of the national shortage of available hangar space.

Several communities that lost bases as a result of the 1988 Base Closing Commission have taken advantage of this opportunity for a quick economic turnaround. Attracting permanent tenants for the property once closure occurred is for economic recovery.

The Defense Base Closure and Realignment Commission continues to say "Successes can result from two things: early creation of an organization to plan and implement a suitable base reuse strategy; an aggressive marketing of base assets and available facilities."

It concludes this part, "that each community will have unique opportunities and constraints. The successful implication of any base reuse strategy hinges upon harnessing the energy and creativity present in the community."

For the first time in more than 50 years, we have the chance to safely but significantly cut military expenditures. The threat from abroad—especially from the Eastern bloc—has been diminished. Democracy is on the march throughout the world.

On the other hand, we are challenged by sincere and immediate needs here at home—needs that will require our best thinking and the most efficient use possible of our limited resources.

And frankly, I believe the Roth-Johnston-Breaux proposal to convert surplus military bases by providing them first to our communities—to use for their own economic well-being—is a prototype of the kinds of creative programs we need to meet our domestic agenda.

For example, Mr. President, many of the military installations that have been closed thus far have been successfully converted into economic boons for their respective communities. According to a recent Department of Defense study, 75 closed installations are now industrial parks. Another 42 have been converted into commercial airports. And 57 sites have been turned into colleges and vocational schools that enroll 160,000 people. Jobs have been created that more than compensate for those lost by the Federal Government packing its bags and leaving the area.

What our legislation proposes is to facilitate in this conversion process, to assist our communities in this time of transition. What it does is quite simple. It provides the communities—on a completely voluntary basis—the first opportunity to assume control of the closing installations—once they have been cleaned by the Department of Defense and found to be environmentally safe. If the community decides it does not want the base, the State government is given the next opportunity.

And finally, if both local and State governments determine the base does not meet their needs—that the installation cannot be changed into a viable economic entity, education or service facility—ownership will remain with the Federal Government.

By giving communities the first opportunity to receive the land we will also mitigate some of the negatives associated with closing bases. It is easy for any compassionate person to understand how hard it is for communities to let defense installations shut down—installations that are sometimes the sole revenue sources for those communities. It's easy to understand why our colleagues so ardently come to the defense of bases targeted for closing in their States and districts.

The key to minimizing this resistance is in maximizing the future economic potential of these areas—to literally turn the community's weakness—its reliance on an exclusive source for its economic well-being—into its strength.

This can be done. For example, of 100 defense installations that were closed between 1961 and 1990, more than 158,000 civilian jobs have been created by State and local redevelopment—158,000 jobs that more than compensates for the 93,000 positions that were lost. This bill will not only encourage but increase the potential for similar results by facilitating and accelerating the transition period and providing for the community's long-term needs—creating a real and lasting economic foundation.

The communities that receive the lands and buildings will be able to use them for whatever purpose they deem necessary. Even if their desire is to sell the real estate, they can do so with a fair and adequate compensation to the Federal Government. Such compensation is only right as money for such lands that are desired to be developed professionally should be returned to the taxpayers who held the land in the first place. Local government and municipal development would not require compensation at the Federal level because the land would continue to serve the taxpayers.

Mr. President, the Federal Government must see to it that these unnecessary bases—and the consequent unnecessary drain on the Federal purse—are shut down. However, we have a very real obligation to the families of these special communities who have so diligently supported our defense effort—some of these communities dating back to the days of the Pony Express. The welfare and future of these families are very real concerns to me and my colleagues. These families are hard working, skilled men and women. They are the children who will be this Nation's future. And this bill takes their concerns to heart.

This bill will help provide them the capital assets they need to keep and even improve their standards of living. It will help them remain anxiously engaged in productive and even profitable careers and service.

It's a simple bill in its conception, but profound in its impact. I'm encouraged that it has attracted the attention of distinguished colleagues who share my concern. Like I said, it is an idea whose time has come.

I yield back the floor.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. MITCHELL. Mr. President, will the Senator yield.

Mr. BUMPERS. I yield to the majority leader.

Mr. MITCHELL. Mr. President, I thank my colleague for his courtesy.

UNANIMOUS CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, following consultation with the distinguished Republican leader, the managers, and a large number of Senators interested in this amendment and several others, I am about to propound an agreement which will govern disposition of the pending amendment and several succeeding matters.

Accordingly, Mr. President, I ask unanimous consent that there be unlimited debate tonight on the Breaux amendment No. 1034, with no amendment to the amendment; that when the Senate resumes consideration of S. 1507 on Friday, August 2, at 9:30 a.m., there be 30 minutes remaining for debate on the Breaux amendment, with the time equally divided and controlled between Senators GLENN and BREAUX; that when the time is used or yielded back, the Senate, without intervening action or debate, proceed to vote on or in relation to the Breaux amendment; that upon disposition of the Breaux amendment, Senator EXON be recognized to offer an amendment regarding SRAM-T, on which there be 30 minutes of debate equally divided and controlled in the usual form, with no second-degree amendments in order; that when the time is used or yielded back, the Senate, without intervening action or debate, proceed to vote on or in relation to the Exon SRAM-T amendment; that upon disposition of the SRAM-T amendment, Senator DOLE be recognized to offer an amendment regarding Iraq, on which there be 30 minutes for debate, equally divided and controlled in the usual form, with no amendment to the amendment in order;

That when all time is used or yielded back, the Senate, without intervening action or debate, proceed to vote on or in relation to the Dole amendment; that upon disposition of the Dole amendment, Senator WIRTH be recognized to offer an amendment regarding military base abortions; that upon disposition of the Wirth amendment, Senator METZENBAUM be recognized to offer an amendment regarding Intelligence Committee budget savings on which there be 1 hour for debate, equally divided and controlled in the usual form, with no second-degree amendments in order, and that when all time is used or yielded back, the Senate, without intervening action or debate, proceed to vote on or in relation to the Metzenbaum amendment; further, that no motion to recommit be in order during the pendency of this agreement, nor there be any amendments in order to any language that may be stricken.

Mr. BREAUX. Mr. President, reserving the right to object, I do so only to ask the majority leader if he knows there have been discussions on an amendment that the staffs have been working on in the back. I think we have an agreement. That is being typed right now.

A lot of us will offer that amendment, which has an agreement on it.

Mr. MITCHELL. Mr. President, I ask that the amendment be modified to permit Senator BREAUX, as the author of amendment No. 1034, to modify his own amendment.

Mr. LAUTENBERG. Mr. President, reserving the right to object, and I shall not object, I just want to, while Senator BREAUX is still on the floor, be assured that the discussion that we have had has an agreement, and it is subject only to the writing of it, which seems to be a relatively uncomplicated task, to convey the meaning.

Is that the case, if I may ask?

Mr. BREAUX. The Senator is correct. It is being typed. We have an agreement.

Mr. GLENN. Mr. President, reserving the right to object, I think the rest of us would like to know what this private agreement is that is going to be written in this; what occurs on this bill concerns us.

Mr. BREAUX. If the majority leader will yield, we have to offer the amendment and it still has to be discussed, debated on, and voted.

Mr. GLENN. I thought the Senator said agreement was written into this.

Mr. LAUTENBERG. Agreement language that will be as part of the amendment.

Mr. GLENN. What I meant is, what is that agreement? We do not know if it is going to be part of the amendment.

Mr. BREAUX. I have the right to amend my own amendment. Certainly, that is subject to debate and questioning before it is voted on. It will not be voted on tonight.

Mr. GLENN. That means we cannot agree tomorrow morning, not knowing what would be in the final version of the amendment. I disagree with the unanimous-consent amendment. We debated an amendment now to a different amendment, tomorrow morning, and we are asking unanimous consent, 15 minutes on a side, if there is something I disagree with. I will not agree to the time agreement; I object.

Mr. JOHNSTON. Will the Senator yield?

Mr. MITCHELL. I have the floor. I am happy to yield to the distinguished Senator.

Mr. JOHNSTON. There has been drafting. I do not think we have agreement as to the words as yet. Perhaps the Senator from New Jersey and my colleague have, but there is clearly an agreement as to the substance, which is this: That we provide that where the property or parts of the property are not in compliance with RCRA and environmental laws, that that part of the property cannot be conveyed.

That is the clear intent of the language. It is just a question of drafting. But that is all it does. I do not think anybody disagrees with that.

Mr. LAUTENBERG. That is that. If the Senator from Louisiana will yield, if it was indicated there was a private agreement that affected just the particular interest, not at all. I approached this from the standpoint of the Environment Committee, and that is that any conveyance made by the Federal Government shall be subjected to——

Mr. GLENN. Again, if we can get a copy of this, look at it tonight, maybe we can debate it now. How does it affect State law under EPA? I do not know. Does it break down toxic waste? A lot of things are to be considered on this. Cost might be involved to the Federal Government. I find it difficult to agree to something we have not even seen.

Mr. MITCHELL. Mr. President, if I might have the attention of the junior Senator from Louisiana, it is my understanding that the discussions that have been occurring have had as their objective that stated by the senior Senator from Louisiana, which is to make clear that any property which is not in compliance with environmental laws, and specifically this Superfund law and the Resource Conversion Recovery Act, cannot be conveyed and that the modification to be proposed by the Senator from Louisiana will accomplish that objective. Based upon what I have heard of this debate, I assume, from the standpoint of the Senator from Ohio, he would welcome that amendment, which is a modification which makes the Breaux amendment less objectionable.

Mr. GLENN. If the majority leader will yield, I indeed would welcome that. But I think we all have been around here long enough to know what a difference one or two words can make in legislation. If it is that simple, I am willing to stay here and debate it tonight. I just do not want to have a vote here without knowing what is going on.

Mr. MITCHELL. May I suggest that the Senator from Louisiana give the Senator from Ohio a copy of the modification?

Mr. GLENN. We do not have it yet. That is the problem.

Mr. MITCHELL. It was too good to be true that we could get an agreement covering four or five amendments at one time.

Mr. President, may I inquire of the junior Senator from Lousiana whether he is satisfied with the language that has been worked up to the point where he can give it to the Senator from Ohio and he can look at it for a few minutes, in which case it would be worth staying and pursuing this agreement.

Mr. GLENN. If the majority leader would yield, would it be all right if, rather than trying to do all that tonight at this hour, would it be just as well if we had a slightly extended time in the morning, let us say one-half hour on each side, instead of 15 minutes. That would give us plenty of time if it is OK, and we can probably give most of that time back.

Mr. MITCHELL. I think since we initially intended to come in at 9 and vote at 9:30 and changed that to come in at 9:30 and vote at 10, why do we not get back to the original starting time of 9 and have an hour and have the vote at the same time. Is that agreeable to the Senator from Ohio?

Mr. CONRAD. Reserving the right to object.

Mr. GLENN. With the provision we have a copy of the changes.

Mr. JOHNSTON. If we can have about 15 minutes to all go off and talk about it, I think we could maybe resolve it quickly.

Mr. DOLE. Let us get the agreement.

Mr. MITCHELL. I would be pleased to yield to the Senator from North Dakota for a question.

Mr. CONRAD. Mr. President, I have an amendment that I am attempting to get worked out on both sides, and hopefully that can be done. But I do not want to be frozen out, so I would just like to be added to the agreement.

Mr. MITCHELL Might I respond to the Senator that this does not foreclose anyone. This is not an exclusive list or a limitation upon any other amendments. This is an effort to line up some amendments so that we can transact business efficiently in the morning.

Mr. CONRAD. I appreciate that. If you get to the point of having a list that becomes an exclusive list, I would just like to have this amendment, which I think has the potential to be noncontroversial.

Mr. MITCHELL. I will ask the managers to make note of this.

The PRESIDING OFFICER. Is there objection?

Mr. MITCHELL. Mr. President, I am sorry, but the Senator from Louisiana has left the floor, and I am reluctant to proceed with an agreement on an amendment which he has a great interest in his absence unless we are certain that he is agreeable to it.

Mr. President, the Senator from Arkansas has been so gracious in yielding.

Might I ask the Senator if he would be willing to proceed with the understanding that in just a few moments we could interrupt again if we could get the agreement?

Mr. BUMPERS. As much as I hate to be interrupted, how can I deny the majority leader the right to interrupt me?

Mr. President, I do not know how long the consultations are going to take. I will be happy to yield to the majority leader again in a few moments if an agreement can be reached along the lines of the unanimous-consent request which he has just propounded.

Mr. President, first I commend my very distinguished colleague and good friend, Senator JOHNSTON of Louisiana, for bringing this amendment before this body.

I have more than a passing interest in this amendment for a very simple reason; that is, that my State takes the biggest hit, takes the biggest hit on a per capita basis, of any State in the Nation by these base closings.

Mississippi County, the First Congressional District of Arkansas, is one of the 10 poorest districts in America. Mississippi County, which is the center of the First Congressional District, or at least one of the centers, has not had less than a 10-percent unemployment rate in the past 10 years.

Now, you think of this. Mississippi County is the home of Eaker Air Force Base. The economy of that county, Mr. President, the only way on Earth that Mississippi County can survive is for that base to be conveyed to the people of that county and for that base to be put to some kind of civilian use to employ all of the people who are going to lose their jobs as a result of that base closing.

Mr. President, some people see human misery in abstract terms. I see human misery in real terms, because I grew up with it. I have seen the hollow faces of unemployed fathers, who had to look across the breakfast table at their families, unemployed, unable to make a car payment, unable to make a house payment, unable to even feed their families, let alone clothe them and educate them.

One of the members of the Base Closing Commission was asked this question—and I am reluctant to say this because I am not interested in denigrating members of that Commission who had a very difficult chore. But he was asked: Are economic considerations a factor in your determination? He said, no, we are really not concerned with that. We are concerned with the military value of these bases.

That went over big in Mississippi County, which has an unemployment rate of 10 percent and an unemployment rate, after Eaker Air Force Base is closed, projected to be 30 percent. You think about a county which has not had less than a 10-percent unemployment rate in 10 years and whose unemployment rate will go to 30 percent when the base is finally closed, and the cynicism, the arrogance of a member of the Base Closing Commission to say, no, we are not considering economics in this decision, with all the human misery that is brought about.

So, Mr. President, I want to say I am going to vote for the Johnston amendment. If it is not adopted, I will propose my own, and I will keep proposing my own until we get that property and the opportunity to give those people who are going to be suffering unbelievable human misery, until we get somebody onto that base that will provide economic opportunity for some of the people there.

I spoke to the school superintendent in Blytheville, AR, this afternoon. He is concerned about how they are going to pay their bond issue. There is a little town of Gosnell, just outside the boundary of Eaker Air Force Base, there are 4,000 people in Gosnell. After the base closes, there will be 2,000 people in Gosnell.

In the city of Blytheville, the school system which depends on the assessed valuation of the property in that district cannot begin to pay the bonded indebtedness that they owe when that base closes, and will not be able to pay it, even after that, unless we get that base conveyed to those people and they in turn are able to get somebody in there to utilize that property and provide jobs and build the economic base of that community.

I disagree with one part of the bill of the Senator from Louisiana where he says the President ought to have a waiver right. I would not even give the President the waiver right. This property ought to be conveyed back to those people.

For people to sit around here in the evening, tonight and tomorrow, and talk about every little T being crossed and every I dotted, they do not know the magnitude of human misery that this base closing is causing all across America.

Every Senator here who comes out whole on this is going to vote for the base closings. They are going to be so relieved that they did not have a base closed. And to hell with those who did. Those of us who know the human misery this is causing have a quite different attitude about it. So I strongly support the amendment of the Senator from Louisiana. I do not want Eaker Air Force Base, if it has some toxic waste on it and some other problems. I do not want it to be conveyed. But otherwise we are entitled to it. I am going to support this amendment, and if it is not adopted I will support a dozen more until one is adopted.

I yield the floor.

THE C-17 PROGRAM

Mr. D'AMATO. Mr. President, today, the C-17 is 18 months behind schedule and as much as $2.6 billion over budget. The latest reports indicate that first flight is unlikely before the end of August and could slip to the end of the year.

Secretary Cheney made it clear with the termination of the A-12 that he does not suffer botched development programs gladly, though, in fairness to the manufacturers associated with that ill-fated aircraft, the design was revolutionary.

It is fortunate for the Air Force that the purely evolutionary C-17 has not been held to the same standards applied by Secretary Cheney to the A-12. The schedule slips and cost overruns experienced by the C-17 program are certainly as bad, if not worse, than those of the A-12 program when it was cancelled.

This was hardly the outcome anticipated when the fixed price development contract for the C-17 was signed in 1985. All of the major subsystems were flying or soon would be on other aircraft. As Brig. Gen. Elbert Harbour, then Deputy for airlift-trainer systems, said at the time, "I can't think of anything we're going to have to invent."

In fact, the Air Force was so confident about the C-17 that it proposed accelerating funding for the first 2 years of full-scale development in order to achieve significant R&D savings and permit early start on fabrication and risk reduction. By the end of 1987, however, the program had gone sour.

Fabrication and assembly of the first aircraft was delayed between December 1987 and August 1988. Major subcontractors were replaced or the work brought in house. By 1989, it became obvious that the original schedule was hopelessly unachievable and the entire program was rebaselined. The new schedule, however, could not prevent the latest first flight date, slipped from February 1989 to June 1991, from being missed yet again. Whether in reaction, or coincidentally, it was recently announced that C-17 work would be shifted from California to Missouri. How this will impact cost and schedule is unknown.

Incredibly, delays and overruns, while ominous, may not be the biggest problems associated with the C-17. It appears that at least three times since the fixed price development contract for the C-17 was signed in 1985 that the Air Force waived performance specifications guaranteed by warranty in return for concessions. No explanation has been offered as to why these waivers were required and granted, what performance versus mission requirement tradeoffs were considered, and what concessions were gained for the relief granted.

Most recently, the Air Force is reported to have dropped event-based contracting, a form of discipline that I am happy to say the Senate Armed Services Committee has sought to restore in its mark. More disturbing is the apparent handling, and possible linking, by the Pentagon of contractor requests for deferral of repayment of $1.35 billion associated with the A-12 and the creation of a $1 billion advanced payment pool and negotiations concerning C-17 contract options. This, combined with the aforementioned waivers which released the contractor from financial responsibility for meeting guaranteed performance specifications, hints at both a contractor and a program in dire straits.

Congress has supported the C-17 on the basis of its unique mixture of capabilities. If, in fact, those capabilities will not be achieved, or have been seriously compromised, it may behoove us to consider other options to C-17 production before we are in too deeply to pull out. For example, the exorbitant cost of the C-17 has been justified, and accepted, on the basis of its advantages over the C-5. Without those advantages, the vastly less expensive C-5 becomes a very appealing solution to addressing our long-standing airlift shortfall.

The Senate Armed Services Committee has taken an important step in the direction of bringing order to this program. I invite colleagues who share my commitment to modernizing the airlift capability of this country to question, to explore, and to exercise their oversight privileges over the C-17, a program that seems to have run amok.

DASCHLE-WOFFORD BURDEN-SHARING

Mr. WOFFORD. Mr. President, every year, the United States spends more than $130 billion to subsidize the defense of our most prosperous and economically competitive allies. To put it in perspective, that's six times more than the Federal Government spends on educating America's young people each year.

Our deployment of hundreds of thousands of American troops across the globe was a reaction to events of the post World War II and cold war world. It made sense for our Nation to position vast armies in Western Europe when vast armies of Soviet and Warsaw Pact troops were lined up against us in the East. But the Warsaw Pact has dissolved. The Berlin Wall has fallen. The Soviet Union is breaking apart. And just yesterday, Presidents Bush and Gorbachev signed the first United States-Soviet arms control treaty to reduce the number of intercontinental ballistic missiles.

As President Lincoln said, because our situation is new, we must think anew and act anew. We now need to adjust our strategy, and redefine America's role in a changing world, a world where the Soviet threat has receded, where Germany is reunited, and where the economic strength of Europe and Asia have increased.

Our allies already have recognized and responded to these new realities. Great Britain is cutting its armed services by 20 percent in 3 years. Germany is committed to a 30 percent cut over 2 years. While we talk about burden sharing, our allies are in the process of burden shedding.

And why shouldn't they? While we subsidize their defense, they are investing their tax dollars in educating their children, rebuilding their infrastructure, providing health care for their families, upgrading their industrial base, and improving their trade balances.

Congress has given the Department of Defense a mandate by Congress to close bases and cut troop levels overseas, and yet they are moving with remarkable lethargy. Since the Berlin Wall fell in 1989, American troop levels of Europe have been pared by only 10 percent.

It's not that they don't know how to close bases. In 1989, 86 domestic military bases were closed, 5 partially closed and another 54 realigned. Now we're facing a new round of cutbacks, and nowhere more so than in my State.

The list of recommendations for base closing and realignment here at home includes Philadelphia Naval Shipyard and Naval Station, the Naval Air Development Center at Warminster, the Letterkenny Army Depot, all in Pennsylvania. When you add it all up, a third of all direct civilian jobs lost from base closings nationally come from Pennsylvania, a State with only one-twentieth of the Nation's population.

In Philadelphia, at least 34,000 working men and women are facing unemployment and an uncertain future because of the proposed closing of the Philadelphia Naval Shipyard. Why are they bearing the brunt of defense cuts while we squander our defense dollars on bloated troop levels and bases overseas?

The Daschle-Wofford amendment would enable us to spend American defense dollars on America's defense. By encouraging the President to enter into defensive cost-sharing agreements, we will create a framework for long-term burden sharing with our allies. We are putting Congress on record as supporting a serious effort to have our allies pay a fair share of the cost of their own defense.

More and more, our Nation's strength and security will depend on our ability to compete economically. We need to use our precious resources to invest in our people and our communities here at home. Our wealthy allies need to use more of their resources for their own military defense. They need to share the burden, not shed it. This amendment will signal our intent to build a defense policy for the future, and I support its inclusion in the Defense authorization bill.

STRATEGIC STOCKPILE

Mr. CRAIG. Mr. President, my colleague, Senator SYMMS, and I wish to address an issue important to many of our constituents in Idaho that relates to the bill we are debating today. Title XXXIII of the Defense Authorization Act would authorize the disposal of certain materials in the national defense stockpile.

Of concern is the language used to authorize such sales. In part, section 3301, subsection (b) states:

> Any disposal under subsection (a) shall be made from quantities of materials in the national defense stockpile previously authorized for disposal by law * * *

As Senators know, included as a material in the national defense stockpile is silver, a very important element to our strategic interests and national defense programs. I would also add that it is an important product mined in the State of Idaho.

Mr. SYMMS. If the Senator would yield; in fact, based upon statistics, Idaho recently ranked second in the Nation in silver supply. In 1988, Idaho silver production was 9 million troy ounces. So the Senator is quite correct in silver's importance to the State. Idaho depends heavily on mining as one of its major industries, and silver is certainly a critical element.

Yet, over the years the mining industry has gone through a difficult period in Idaho and around the country. Because of silver's importance to the interests of our national security and the depressed commercial market, the Congress and the administration has maintained an agreement to treat the disposal of our silver stockpile in a manner other than outright sale.

Mr. CRAIG. My friend is right. Mr. President, rather than simply disposing of the silver remaining in the defense stockpile through sale on the open market, we have developed a reasonable and responsible approach by reducing the inventory through commemorative coinage legislation. It has worked well over the years and has not had a negative impact on commercial commodity prices.

Mr. SYMMS. But if I understand it correctly, this legislation will not alter that current procedure. Is that correct?

Mr. CRAIG. Prior to investigating this matter, as it relates to the language in the bill, I doubt I could have answered the Senator's question. It is for this reason that I contacted the Assistant Secretary of Defense for Production and Logistics. Secretary McMillan has the responsibility of overseeing the defense stockpile, including acquisition and disposal of its materials.

In my conversation with his office, they assured me that the language contained in this bill will in no way affect our current silver program.

In fact, I received a letter from Secretary McMillan which outlines the Department of Defense's activities to reduce the silver stockpile.

Mr. SYMMS. I have a copy of the letter with me. If I may read a particular portion from Secretary McMillan, he states:

> * * * The Department has no plans or activities to reduce our silver inventories other than those permitted by coinage legislation at this time. I believe the coinage program can be expanded in a way that is beneficial to both the silver industry and the Department of Defense.

Mr. CRAIG. Mr. President, to allay any fears people might have about this issue, I think it is quite clear from Secretary McMillan's letter, there will be no attempts to alter the current program. Mr. President, at the conclusion of Senator SYMMS and my remarks, I ask unanimous consent that Assistant Secretary McMillan's letter be printed in the RECORD.

Mr. SYMMS. Mr. President, I agree with Senator CRAIG as well. I thank him for his diligence in pursuing this matter and watching over the interests of our State and the Nation. Mr. President, I yield the floor.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, August 1, 1991.

Hon. LARRY E. CRAIG,
U.S. Senate Washington, DC.

DEAR SENATOR CRAIG: Recent public discussion and the trade media have raised questions about National Defense Stockpile (NDS) disposals that will occur as the result of potentially lower requirements. An article in the Wall Street Journal incorrectly reported sales of silver from the NDS.

Statements by the Department of Defense Inspector General regarding the use of silver as a government furnished material in contracts has also caused unwarranted concerns. My information is that silver is trading at below the cost of mining. Therefore, the Department has no plans or activities to reduce our silver inventories other than those permitted by coinage legislation at this time. I believe that the coinage program can be expanded in a way that is beneficial to both the silver industry and the Department of Defense.

Please call me for a convenient time to visit with you.

Sincerely,

COLIN MCMILLAN.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I renew my request, with the modification previously stated that the junior Senator from Louisiana be permitted to modify his amendment, and with the further modification that the Senate resume consideration of this measure at 9 a.m., on Friday, August 2, and further modification at that time there be 60 minutes remaining for debate on the amendment.

Mr. President, I withhold my request. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I renew my request.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I thank my colleagues for their patience and cooperation. There will be no further rollcall votes this evening. Senators should anticipate a rollcall vote on the pending measure at approximately 10 a.m. tomorrow.

Under the agreement there will be an unlimited period for debate this evening. Any Senators who wish to address this measure further this evening are free to do so, and there will be 1 hour for debate on this amendment tomorrow, between 9 a.m. and 10 a.m.

I thank, especially the managers for their diligence in this matter.

Mr. NUNN. Will the leader yield for a brief question just to make absolutely clear, no other amendments will be permitted tonight?

Mr. MITCHELL. That is correct. To make it clear, on that, I ask unanimous consent that for the remainder of the session tonight, or for however long it goes, if it goes into the early morning hours of tomorrow, that there be debate only on the pending amendment and that there be no other action on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Louisiana.

Mr. BREAUX. Mr. President, I ask the majority leader and also the President, am I correct it would be in order, under the unanimous consent to now modify the amendment as the leader just said?

Mr. MITCHELL. Yes.

AMENDMENT NO. 1034, AS MODIFIED

Mr. BREAUX. Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The Senator has that right. The amendment is so modified.

The amendment (No. 1034), as modified, is as follows:

On page 378, between lines 3 and 4, insert the following:

SEC. 2804. CONVEYANCE OF CLOSED BASES TO NEIGHBORING COMMUNITIES.

(a) FINDINGS AND PURPOSES.

(1) The Congress finds that—

A. The Department of Defense has been directed to reduce the size and cost of the military and this can only be accomplished by closing military installations;

B. A military installation is a part of the infrastructure of the community in which it is located and there is a long standing symbiotic relationship between a military installation and the community;

C. The people in an impacted community have made substantial, long term investments of time, training, and wealth to support the military installations;

D. The loss to an impacted community when a military installation is closed may be substantial and in such cases the Congress wishes to mitigate the damage to the impacted community;

E. An impacted community knows best the needs of the community and the best way to use available resources to meet these needs consistent with existing national priorities; and

F. Unfettered ownership of the real property associated with a closed military installation at the earliest possible time can partially offset the loss to a community which results when a military installation is closed.

(2) Therefore, it is the purpose of this Section—

A. To benefit communities impacted significantly when a military installation located in such communities is closed by authorizing the real and excess-related-personal-property, on which the military installations are located to be conveyed to the impacted community as soon as possible after a decision to close the military installation is made but no later than 180 days after closure; and

B. To provide significantly impacted communities a resource which will aid in mitigating the loss incurred by the community following a decision to close a military installation and which may be used by the impacted community, as the community deems appropriate, for industrial, commercial, residential, recreational, or public uses.

(b) IN GENERAL.—(1) Notwithstanding any other provision of law, the Secretary of Defense shall convey to an eligible political subdivision or subdivisions or State all right, title, and interest of the United States in the military installation closed pursuant to a base closure law in accordance with this section and the Comprehensive Environmental Response, Compensation, and Liability Act and the Solid Waste Disposal Act as determined by the Administrator of the Environmental Protection Agency.

(2) Even if the conditions set forth in paragraph (1) have been satisfied, the Secretary shall not convey such installation if the Secretary determines that the community or communities in the area of the real property to be conveyed are not experiencing or will not experience a significant adverse economic impact as a result of the closure of that military installation.

(c) DETERMINATIONS.—(1) The Secretary must make the determination referred to in subsection (b) in the case of a military installation as soon as practicable after the installation has been identified for closure, but in any event not later than the date on which the installation is closed.

(2) In determining whether a community is experiencing or will experience a significant adverse economic impact as a result of the closure of a military installation, the Secretary shall consider such objective evidence as the following:

(A) Declining real estate values.

(B) Increasing unemployment.

(C) Loss of revenue to the State and the community.

(D) Increasing rate of business failures.

(E) Significant decreases in total personal income.

(d) ADVANCE NOTICE TO ELIGIBLE STATES AND POLITICAL SUBDIVISIONS.—As soon as practicable after a military installation has been identified for closure, but in any event not later than the date on which the installation is closed, the Secretary shall transmit to the appropriate political subdivision, communities, counties and State to which property at such installation may be conveyed pursuant to this section advance notification of the Secretary's intention to make a conveyance of that property.

(e) ELIGIBLE STATES AND POLITICAL SUBDIVISIONS.—Property at a military installation that is to be conveyed pursuant to the requirement in subsection (b) shall be conveyed to a political subdivision or subdivisions or State in the following order of priority:

(1) To a political subdivision of a State that is designated in State law to receive the conveyance of such property and accepts the conveyance.

(2) If there is no political subdivision that satisfies the criteria in paragraph (1), then to the State in which the property is located if the law of that State designates the State to receive the conveyance of such property and the State accepts the conveyance.

(3) In the case of any real property for which neither a State nor a political subdivision of a State satisfies the criteria in paragraph (1) or (2), then to one or more political subdivisions of a State which the Secretary determines, after consultation with appropriate local officials, would best serve the interests of the residents of such subdivision or subdivisions and of the State in which the property is located, providing such subdivision or subdivisions accept such conveyance.

(4) In the case of any real property for which no subdivision or subdivisions or State accept such conveyance, then the Secretary shall offer the property to other departments and agencies of the Federal government.

(f) PROPERTY TO BE CONVEYED.—In addition to the conveyance of real property to a community or State pursuant to this section, the Secretary shall convey any related personal property that the Secretary determines is appropriate for use by the recipient in connection with the recipient's use of the real property.

(g) CONVEYANCE DEADLINE.—Except as provided in subsection (h), all property to be conveyed pursuant to this section in connection with the closure of a military installation shall be conveyed within 180 days after the date on which the installation is closed.

(h) PROPERTY NOT SUITABLE FOR CONVEYANCE.—The Secretary shall sever from the real property of a closed military installation to be conveyed pursuant to subsection (b) that real property which is not suitable for conveyance and make such transfers over a period longer than that which would otherwise be permitted under subsection (g). Property is not suitable for conveyance under the following conditions:

(1) When the political subdivision or state will not accept conveyance of a part of the real property of a closed military installation; or

(2) If the Administrator of the Environmental Protection Agency determines that such conveyance does not comply with the requirements of either the Comprehensive Environmental Response Compensation and Liability Act of 1980 or the Solid Waste Disposal Act; or

(3) When necessary to ensure completion of environmental restoration and mitigation projects.

(i) CONSIDERATION NOT TO BE REQUIRED.—No consideration may be required for a conveyance of property pursuant to this section.

(j) WAIVER AUTHORITY.—(1) Subject to paragraph (2), the President may waive in whole or in part the requirement to convey property at a military installation under subsection (b) if the President—

(A) determines that the continuation of the United States interest in such property—

(i) is vital to national security interests; or

(ii) the value of the base is so high that a conveyance to the political subdivision or state would constitute an undue windfall to the community and would not be necessary for the economic recovery of the region, provided that the number of waivers exercised under this Act do not exceed a cumulative total of five military installations for each package of closures approved by a commission under the Base Closure law. Provided further, a waiver in part shall not count against this limit if the value of the property reserved does not exceed 25% of the total value of such installation or if the appropriate political subdivision or state agrees with the reservation; and

(B) transmits to the Committees on Armed Services of the Senate and the House of Representatives a certification of such determinations together with the reasons for such determinations.

(2) A determination and certification in the case of the closure of any military installation shall be effective only if made before the earlier of—

(A) the date on which the installation is closed; or

(B) December 31 of the year following the later of the year in which the closure of that installation is approved by the President.

(3) The President may extend the deadline for making a determination and certification under paragraph (2) for not more than two successive periods of 90 days by transmitting to the congressional defense committees a notification of the extension before the end of the deadline or extended deadline, as the case may be.

(4) The President may withdraw a waiver under paragraph (1) in the case of any military installation. Not later than 180 days after the withdrawal of the waiver, the Secretary of Defense shall make the conveyance required by subsection (a) in accordance with this section.

(k) CONTINUING RESPONSIBILITY OF THE DEPARTMENT OF DEFENSE.—Prior to and after any conveyance of real property of a closed military installation pursuant to this section, the Secretary of Defense in consultation with the political subdivision or state shall be responsible for the following matters:

(i) To provide economic adjustment and community planning assistance including assistance in conducting public hearings to decide the appropriate use of a closed military installation to communities near the closed military installation until such time as the economic stability of such communities is achieved, as determined by the Secretary.

(ii) To comply with the Comprehensive Environmental Restoration Compensation Liability Act of 1980 and the Solid Waste Disposal Act in consultation with the Administrator of the Environmental Protection Agency.

(iii) To continue to carry out environmental restoration and mitigation activities relating to uses made of such installation before closure.

(l) SOURCES OF FUNDING.—The Secretary may expend any funds in the Base Closure Account to carry out the responsibilities referred to in subsection (k) and the Secretary shall notify the Congressional defense committees in advance of the obligation of funds for such purpose.

(m) IMPROVEMENT OF PROPERTY PENDING CONVEYANCE.—(1) Notwithstanding any other provision of law, the Secretary of Defense and the head of any other department or agency of the Federal Government may continue, on and after the applicable date referred to in paragraph (2), to obligate funds (to the extent available) for making improvements to the property that has not been conveyed that will facilitate the conveyance of the property and are consistent with the use to be made of the property by the recipient of the conveyance.

(2) Paragraph (1) applies in the case of property at a military installation on and after the later of the date on which the closure of that installation is approved by the President.

(n) DEFINITIONS.—In this section:

(1) The term "military installation" has the meaning given such term in section 2687(e)(1) of title 10, United States Code.

(2) The term "base closure law" means the following:

(A) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102–510; 104 Stat. 1808; 10 U.S.C. 2687 note).

(B) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

(C) Section 2687 of title 10, United States Code.

(3) The term "base closure account" means the following:

(A) The Department of Defense Base Closure Account established by section 207(a) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

(B) The Department of Defense Base Closure Account 1990 established by section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102–510; 104 Stat. 1815; 10 U.S.C. 2687 note).

In section 2(b), amend the table of contents by inserting after the item relating to section 2803 the following new item:

Sec. 2804. Conveyance of closed bases to neighboring communities.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BREAUX. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BREAUX. Mr. President, I ask unanimous consent the Senate be in a period of morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. BREAUX. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 287: Joyce E. Tucker, to be a member of the Equal Employment Opportunity Commission

Calendar 290: The following persons to be members of the Board of Directors of the Commission on National and Community Service:

For a term of 1 year:
Gayle E. Wilson;
George W. Romney;
Karen S. Young;
William J. Byron;
Glen W. White.
For a term of 2 years:
Richard F. Phelps;
Alan Khazei;
Paul N. McCloskey, Jr.;
Reatha C. King;
Shirley S. Sagawa;
Wayne W. Meisel.
For a term of 3 years:
Daniel J. Evans;
Maria H. Ferrier;
Frances Hesselbein;
Patricia T. Rouse;
Joyce M. Black.

I further ask unanimous consent that the nominees be confirmed, en bloc; that any statements appear in the RECORD as if read; that the motions to reconsider be laid upon the table, en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed, en bloc, are as follows:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Joyce Elaine Tucker, of Illinois, to be a member of the Equal Employment Opportunity Commission for a term expiring July 1, 1996. (Reappointment.)

COMMISSION ON NATIONAL AND COMMUNITY SERVICE

The following-named persons to be members of the Board of Directors of the Commission on National and Community Service for the terms indicated:

For terms of 1 year:
Gayle Edlund Wilson, of California.
George Wilcken Romney, of Michigan.
Karen Susan Young, of California.
William J. Byron, of the District of Columbia.
Glen W. White, of Kansas.
For terms of 2 years:
Richard Frederick Phelps, of Indiana.
Alan Khazei, of Massachusetts.
Paul N. McCloskey, Jr., of California.
Reatha Clark King, of Minnesota.
Shirley Sachi Sagawa, of Virginia.
Wayne W. Meisel, of Minnesota.
For terms of 3 years:
Daniel J. Evans, of Washington.
Maria Hernandez Ferrier, of Texas.

Frances Hesselbein, July 31, 1991, Patricia Traugott Rouse, of Maryland, Joyce M. Black, of New York, Mr. Kennedy, Committee on Labor and Human Resources, without printed report.

STATEMENT ON THE NOMINATION OF THE COMMISSION ON NATIONAL SERVICE

Mr. KENNEDY. Mr. President, today I am pleased to recommend the confirmation of 16 Board Members of the Commission on National Service. The President nominated the members last week, and the Labor and Human Resources Committee has now reported the nominations.

The challenges we face as a Nation today are immense. It is encouraging, however, to be able to speak, not about our problems but about one of the most hopeful solutions—the involvement of more citizens in addressing them. The answer to America's most pressing challenges requires not only a strong effort from the government at every level but also a strong effort from the people. This commitment to strengthening our Nation is what community service is all about. It is my hope that community service will become a lifelong habit for all Americans.

The National Service Commission is charged with implementing the bipartisan National and Community Service Act which was passed by the Congress and signed into law by the President last fall. In the next year, the Commission will award $125 million in grants to States, universities, and nonprofit organizations to encourage more Americans to become involved in service to their communities. The millions of hours of community service that the Act will create represent a reaffirmation of our national commitment to lend a helping hand to our communities and our fellow citizens.

The Commission faces the task of quickly establishing an administrative framework that will inspire Americans to serve the Nation and create specific service opportunities. The new appointees bring to their assignment many different perspectives to helping others, and I am confident that they will contribute greatly to promoting the cause of community service across America.

I look forward to working with the National Service Commission to achieve these all-important goals for our country and our future.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

AUTHORIZING STATEMENTS TO BE PRINTED IN THE PERMANENT RECORD

Mr. WALLOP. Mr. President, I ask unanimous consent that the following two statements, which I send to the desk on behalf of Senator SPECTER, be printed in the permanent RECORD of July 30, 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statements are as follows:

VOTE NO. 1

Mr. SPECTER. Mr. President, it is vital for the protection of law-abiding citizens that convicts be rehabilitated, if at all possible, before they are returned to society. Most convicts are released at some point in their lives. It is no surprise that functional illiterates, without a trade or skill, return to a life of crime after release from prison.

I have long advocated dividing the criminal population into two groups:

First, "career criminals" who should receive life sentences; and

Second, youthful offenders, first offenders, and many second offenders who can benefit from education/job training/rehabilitation programs.

Accordingly, I believe that eliminating access by convicts to Pell grants or any other education/rehabilitation program is not only unfair to them but is self-defeating because it ultimately subjects law-abiding citizens to repeat criminal offenses.

VOTE NO. 2

Mr. SPECTER. Mr. President, on July 18, 1991, during consideration of the Treasury/Postal Service appropriations bill, I voted in support of an amendment to impose criminal penalties on doctors, dentists, and other healthcare workers who know they have AIDS and perform invasive medical procedures without informing patients of their HIV status. In my view, healthcare workers have an obligation to disclose to their patients any risk of contracting HIV and other bloodborne diseases. Patients are virtually helpless to protect themselves when such a risk is posed by a healthcare worker.

Healthcare workers, however, do have guidelines to deal with the risk of contracting AIDS or other bloodborne diseases from their patients. The Centers for Disease Control have recommended universal precautions which include sterilization of equipment, wearing of gloves and gowns when appropriate, and careful handling and disposal of needles and other sharp equipment.

In addition, the Occupational Safety and Health Administration [OSHA] bloodborne disease standard would require all employers whose employees risk exposure to bloodborne diseases during the course of their work to implement an infection control program based on the universal precautions. Although the OSHA bloodborne disease standard was promulgated in May 1989, the Department of Labor has not yet implemented it. Once implemented, however, this standard will provide uniform protections throughout the country which will be enforced through inspections and the imposition of civil penalties.

In contrast to this uniform protection for healthcare workers, however, an amendment which I did not support was offered during consideration of the Commerce, State, Justice appropriations bill on Tuesday, July 30, 1991, which requires States to put into effect regulations protecting healthcare workers from contracting AIDS and hepatitis when performing invasive medical procedures. Under this amendment an array of implementation and enforcement standards could become effective across the country. Further, this amendment provided that, except in emergencies, licensed healthcare professionals could require that patients be tested for HIV prior to performing invasive procedures.

Since there is a window between exposure to HIV and the time at which a person tests positive, such tests may give a false sense of security. Rather than following precautions based on test results, the CDC guidelines and the proposed OSHA standard are based on universal precautions being followed. Following these guidelines also eliminates the problem of potential breach of confidentiality regarding patient tests.

In the context of being called to vote on these issues without advance notice and without hearings, many Senators felt some measure of uncertainty regarding medical practice and AIDS. This illustrates the desirability, if not indispensable need, to have hearings on these complex questions so that we can have the benefit of expert testimony and a period to reflect on the proper judgment. In sum, there are decisive differences between the vote to protect patients from risks from healthcare workers contrasted with the vote to protect healthcare workers from risks posed by patients for the reasons specified on the statement.

REMOVAL OF INJUNCTION OF SECRECY—INTERNATIONAL CONVENTION ON OIL POLLUTION PREPAREDNESS, RESPONSE AND COOPERATION TREATY

Mr. BREAUX. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the International Convention on Oil Pollution Preparedness, Response and Cooperation, Treaty Document No. 102–11, transmitted to the Senate today by the President; that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messsage of the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the International Convention on Oil Pollution Preparedness, Response and Cooperation, 1990, with Annex adopted at London, November 30, 1990. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Convention.

The Exxon Valdez experience demonstrated that catastrophic oil spills have the potential to overwhelm the resources of any single nation. The Convention is an important new international environmental agreement that establishes a global framework for cooperation among nations whose resources, knowledge, and expertise are available to share in preparing for and combatting such spills.

The Convention, which was signed by the United States on November 30, 1990, subject to ratification, was developed in response to a United States initiative at the Paris Economic Summit in July 1989. When in force, the global response coordination mechanism created by the Convention will make a significant contribution to minimizing damage from major oil pollution incidents and to the protection of the marine environment. I therefore recommend that the Senate give early and favorable consideration to the Convention and give its advice and consent to ratification.

GEORGE BUSH.

THE WHITE HOUSE, *August 1, 1991.*

VOLCANIC DISASTER IN THE PHILIPPINES

Mr. BREAUX. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 196, Senate Resolution 146, regarding the Mount Pinatubo volcanic disaster.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 146) expressing the sense of the Senate regarding the recent volcanic disaster in the Philippines.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 146) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, are as follows:

S. Res. 146

Whereas the volcanic eruptions of Mount Pinatubo which began on June 9, 1991, on the northern island of Luzon have buried thousands of acres of farmland and homes under molten rock and ash;

Whereas at least 150 people have been killed and more than 200,000 forced to flee their homes to be housed in makeshift refugee centers;

Whereas it is unclear when many of the refugees will be able to return farmlands to production due to the extremely heavy ash accumulation;

Whereas nearly all unharvested crops in the affected area have been destroyed and the completion of next season's planting is in jeopardy;

Whereas Filipinos in the affected areas now face a serious shortage of food and clean drinking water;

Whereas health conditions are deteriorating due to contaminated air and water and lack of sanitation;

Whereas mud-slides threaten to bring greater damage to the affected areas for months to come;

Whereas the emergency resources of the Government of the Philippines have been seriously depleted by last year's devastating earthquake and typhoon;

Whereas travel into affected areas remain impeded, including air travel, which is crucial to relief operations;

Whereas Philippine volcanologists were among the first to recognize the danger from Mount Pinatubo, urged the evacuation of the Filipino civilian population, and have monitored the volcano's activity throughout the crisis;

Whereas the Armed Forces of the Philippines have played a useful role by providing humanitarian relief, logistical support, and rehabilitation resources to the affected area;

Whereas the initial United States assistance has provided a valuable supplement to the extraordinary efforts of the Government of the Philippines to respond to this disaster, as well as to the activities of private voluntary organizations and bilateral and multilateral donors; and

Whereas the people of America and the people of the Philippines have a long and historic relationship and have consistently struggled together through times of adversity to reach common goals: Now, therefore, be it—

Resolved, That it is the sense of the Senate that the President should continue to move expeditiously to provide assistance to the Philippines from all available government resources in an effort to—

(1) alleviate the immediate dangers of starvation, dehydration, disease, and exposure of Filipinos in affected areas;

(2) evacuate Filipinos from zones of continued danger either from further volcanic activity or from mud-slides;

(3) clear ash and debris from particularly critical lines of communication;

(4) increase the safety of air links into the affected region in order to facilitate more effective relief operations; and

(5) help the Government of the Philippines with its long-term goals of reconstruction and rehabilitation in the affected areas.

Mr. BREAUX. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL MARITIME COMMISSION AUTHORIZATION ACT, FISCAL YEAR 1992

Mr. BREAUX. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 200, H.R. 1006, the Federal Maritime Commission reauthorization.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1006) to authorize appropriations for fiscal year 1992 for the Federal Maritime Commission, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Maritime Commission Authorization Act of 1991".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Federal Maritime Commission $17,974,000 for fiscal year 1992.

SEC. 3. COASTWISE TRADE AUTHORIZATION.

(a) In General.—Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), or any other provision of law restricting the operation of foreign-flag vessels in the coastwise trade of the United States, as applicable on the date of enactment of this Act, the foreign-flag vessel NORDIC LOUISIANA may, during the period described in subsection (b), engage in the transportation by water of molten sulphur in the coastwise trade of the United States, if—

(1) a binding contract for the construction or rebuilding, in the United States, of a coastwise-qualified replacement vessel is executed within 9 months after the date of enactment of this Act;

(2) all ship repair work on the NORDIC LOUISIANA necessary to its operation under this section is performed in the United States; and

(3) all officers and crew members employed on board the NORDIC LOUISIANA during its operation under this section are United States citizens.

(b) Period of Authorization.—The period of transportation authorized under subsection (a) begins on the date of enactment of this Act and ends on the earlier of—

(1) the date that is 4 years after such date of enactment; or

(2) the date of delivery of a coastwise-qualified replacement vessel constructed in or rebuilt in the United States.

SEC 4. WAIVERS FOR CERTAIN VESSELS.

(a) Authorization to Issue Certificates of Documentation.—Notwithstanding section 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the Secretary of Transportation may issue a certificate of documentation for the following vessels:

(1) ARGOSY (United States official number 528616).

(2) CUTTY SARK (United States official number 282523).

(3) JIGGS (United States official number 208787).

(4) LOIS T (United States official number 668034).

(5) MARICA (State of Maryland registration number MD 6417P).

(6) PHOENIX (United States official number 655712).

(7) PURE PLEASURE (United States official number 968163).

(8) STARLIGHT VIII (United States official number 910317).

(9) WINDWARD III (United States official number 552289).

(10) LOGAN T (United States official number 953795).

(11) ERIC WC (hull identification number 64103).

(12) COMMANDO (United States official number 955188).

(b) Waiver for Certain Inflatable Vessels.—Notwithstanding section 8 of the Act of June 19, 1886 (46 App. U.S.C. 289), and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the following inflatable vessels may engage in the coastwise trade:

(1) Serial number 3968B, model number J990.

(2) Serial number 4581B, model number J990.

(3) Serial number A501A, model number D989.

(4) Serial number A502A, model number D989.

(5) Serial number 6291C, model number G091.

(6) Serial number 6300C, model number G091.

(7) Serial number 7302C, model number G091.

(8) Serial number 7305C, model number G091.

(c) Documentation of M/V. NUSHAGAK.—Notwithstanding section 12106 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the fish processing vessel NUSHAGAK, United States offical number 618759.

SEC. 5. CONTROLLED CARRIERS.

(a) Controlled Carrier Rates.—Section 9(a) of the Shipping Act of 1984 (46 App. U.S.C. 1708(a)) is amended by inserting "or service contracts" immediately after "tariffs" each place it appears.

(b) Effective Date of Rates.—Section 9(c) of the Shipping Act of 1984 (46 App. U.S.C. 1708(c)) is amended by inserting "and except for service contracts" immediately after "Notwithstanding section 8(d) of this Act".

Mr. HOLLINGS. Mr. President, I rise today in support of H.R. 1006, a bill to authorize appropriations for the Federal Maritime Commission [FMC] for fiscal year 1992. The bill authorizes appropriations essential for the operations of all of the many important programs of the FMC. I urge the Senate act to quickly to pass this bill.

H.R. 1006 authorizes $17,974,000 for the FMC for fiscal year 1992—the same level as the FMC authorization bill passed by the House and as requested by the President. This is an increase of $2,080,000 over the fiscal year 1991 appropriated amount. The bill also amends the Shipping Act of 1984 to give the FMC more authority to oversee and regulate the possible predatory practices of foreign, government-owned carriers. The bill also grants waivers for certain vessels from the coastwise trading restrictions of the Jones Act.

Mr. President, this is an important bill for the operations of the FMC, and I urge its passage.

Mr. BREAUX. Mr. President, I rise in support of H.R. 1006, a bill that authorizes the appropriations for the Federal Maritime Commission [FMC] for fiscal year 1992. The bill authorizes $17,974,000 to be used for the operations of the FMC. This is the same amount requested by the President in his budget request and the same amount in the FMC authorization bill passed by the House.

The bill also amends the Shipping Act of 1984. That act includes provisions of the Shipping Act of 1978, more popularly known as the Controlled Carrier Act. There was an oversight in the Shipping Act of 1984 which allows the Act to be determined through the use of "service contracts" by controlled carriers who engage in the U.S. waterborne foreign commerce. The intention of this amendment is to resolve this problem by amending the Shipping Act of 1984 to require that rates filed by controlled carriers in service contracts meet the same standard as required for tariffs.

The bill also grants waivers from the Jones Act to allow several vessels to engage in the coastwise trade of the United States.

This legislation is necessary for the FMC to carry out all of its functions that are so important to regulation of the waterborne commerce of the United States. I, therefore, urge its quick passage.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall the bill pass?

So the bill (H.R. 1006), as amended, was passed.

Mr. BREAUX. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTERNATIONAL MORATORIUM ON USE OF LARGE-SCALE DRIFT NETS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 166, House Concurrent Resolution 113 regarding drift nets.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 113) to express the sense of the Congress that the President should seek an international moratorium on the use of large-scale drift nets called for in United Nations Resolution 44-225, while working to achieve the United States policy of a permanent ban on large-scale drift nets.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

AMENDMENT NO. 1035

Purpose: To make an amendment in the nature of a substitute

Mr. WALLOP. Mr. President, I send an amendment on behalf of Senator STEVENS to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as folows:

The Senator from Wyoming [Mr. WALLOP], for Mr. STEVENS, proposes an amendment numbered 1035.

Mr. WALLOP. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

Whereas the policy of the United States is that there should be a permanent ban on destructive fishing practices, in particular large-scale driftnet fishing, by persons or vessels fishing beyond the exclusive economic zone of any nation;

Whereas the best available scientific data indicates that large-scale driftnet fishing incidentally kills thousands of endangered sea turtles, hundreds of thousands of marine mammals and millions of nontarget fish;

Whereas the United Nations, through General Assembly Resolutions 44-225 and 45-197, have called upon all nations to impose a moratorium on large-scale driftnet fishing beyond the exclusive economic zone of any nation by June 30, 1992;

Whereas the moratorium called for by the United Nations will not be imposed only if concerned parties agree that effective conservation and management measures exist which will prevent unacceptable impacts and ensure the conservation of living marine resources;

Whereas the available data indicates that effective conservation and management measures sufficient to prevent unacceptable impacts do not exist;

Whereas some nations may continue to engage in large-scale driftnet fishing after June 30, 1992, on the pretext that effective conservation and management measures exist or that they are engaging in "scientific" fishing;

Whereas some nations are permitting their nationals or vessels to expand the practice of large-scale driftnet fishing to new areas of the World's oceans and seas, including the North and South Pacific Ocean, the Atlantic Ocean, the Indian Ocean, and the Caribbean Sea; and

Whereas the continuation of large-scale driftnet fishing beyond the exclusive economic zone of any nation is contrary to sound stewardship of the world's living marine resources, the intent of United Nations General Assembly Resolutions 44-225 and 45-197, and the established policy of the United States: Now, therefore, be it

RESOLVED BY THE HOUSE OF REPRESENTATIVES (THE SENATE CONCURRING), That it is the sense of the Congress—

(1) that the President should take strong measures, including use of appropriate sanctions, to encourage other nations to cease all large-scale driftnet fishing beyond the exclusive economic zone of any nation by June 30, 1992; and

(2) that the President should coordinate the efforts of all Federal agencies, the Congress, affected coastal States, the fishing industry, and the conservation community to work with the United Nations and individual concerned nations to bring about, with respect to waters beyond the exclusive economic zone of any nation—

(A) the conservation of fishery stocks, and

(B) a permanent ban on destructive fishing practices, in particular large-scale driftnet fishing.

Mr. STEVENS. Mr. President. I am offering this amendment today to strengthen and clarify the resolution sent to this body by the House of Representatives. My amendment makes it clear that it is the policy of the United States to end destructive fishing practices on the waters beyond the exclusive economic zone of any nation. A particular example of such a destructive practice is large-scale drift net fishing, which the United Nations voted unanimously to impose a moratorium on after June 30, 1992.

The United States introduced the U.N. resolution in 1989 at the urging of Members of this body. But we cannot stop here. The moratorium called for in the resolution will only be effective if individual nations make it clear that noncompliance will not be tolerated. This amendment makes it clear the Congress believes the United States must continue to be a leader on this issue. The amendment calls on the President to take strong measures, including the use of appropriate sanctions, to encourage other nations to cease all large-scale driftnet fishing by June 30, 1992. A clear expression of our resolve on this issue, underlined by passage of substantive legislation such as the Packwood sanction bill, S. 884, is what is needed to finally rid us of these "curtains of death."

Drift nets are a scourge that must be eradicated, but unfortunately they are not the only destructive fishing practice in use today. The nations of the world, led by the United States in 1976, have all passed laws to protect the fisheries within 200 miles of their coasts. But we must not forget the fisheries that lie outside these exclusive economic zones. These fish stocks are under attack, not only from large-scale drift nets, but from other types of wasteful fishing as well. My amendment asks the President to coordinate U.S. efforts to work with other nations and the United Nations to conserve fishery stocks beyond the exclusive economic zone.

A good example of another destructive fishing practice is the growing threat from factory trawlers. These vessels drag nets the size of a football field through the water, scooping up everything in their path. But the processing plant on board can only handle certain sizes and types of fish, so the rest goes back over the side dead, crushed by the 60 to 100 tons of other fish that were dragged up in the net. Two years ago off Alaska factory trawlers in a profit-chasing frenzy wasted millions of usable fish when they stripped the lucrative roe from the fish and chucked the less valuable, but edible, flesh over the side. This practice was so offensive that the Congress specifically banned roe-stripping, along with large-scale driftnet fishing, when we passed the Magnuson Act amendments last year.

Factory trawlers are the vacuum cleaners of the seas. After drift nets, they are probably the most destructive fishing practice in the North Pacific. They operate inside and outside our 200-mile zone. Inside the zone they are at least subject to some restrictions imposed by the Magnuson Act. Outside the exclusive economic zone, factory trawlers fish unrestrained by any law. In light of this, the Senate in 1988 unanimously passed a resolution (S. Res. 396) that called for a moratorium on all fishing in the Doughnut Hole, an area of the Bering Sea beyond the exclusive economic zones of the United States and the Soviet Union that is heavily fished by vessels from many nations.

Since 1988, negotiations have been underway between the United States and five other nations, and an agreement to restrict fishing may eventually be reached. But I fear that it may not be soon enough. According to the Alaska Department of Fish and Game and the Japanese Ministry of Fisheries, the pollock stocks in the Doughnut may be on the verge of collapse. Such a collapse could have disastrous results for fishing inside the U.S. 200-mile zone, and for the health of the Bering Sea ecosystem in general. And this is just one example from the waters of Alaska—unfortunately, there are many others.

The fight to save the fisheries from destructive fishing practices has been a long one. In 1976 it was the Magnuson Act; in 1978 and 1985 it was negotiations with Japan; in 1987 it was the Driftnet Act; in 1988 the Doughnut; in 1989 the U.N. Resolution; in 1990 the Magnuson Act and Driftnet Act amendments. This year it is this resolution and S. 884. And it is not over yet. This amendment strengthens House Concurrent Resolution 113, and moves us one step further along the path to sustainable fisheries that will provide a harvestable resource for generations to come.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1035) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution (H. Con. Res. 113) was agreed to.

The preamble was agreed to.

Mr. BREAUX. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DRIFT NET MORATORIUM ENFORCEMENT ACT OF 1991

Mr. BREAUX. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 167, S. 884, regarding drift nets.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 884) to require the President to impose economic sanctions against countries that fail to eliminate large-scale driftnet fishing.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1036

(Purpose: To make an amendment in the nature of a substitute)

Mr. WALLOP. Mr. President, I send an amendment to the desk on behalf of Senator PACKWOOD, Senator KERRY, Senator STEVENS, Senator ADAMS, and Senator GORTON, in the nature of a substitute, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. WALLOP], for Mr. PACKWOOD, for himself, Mr. KERRY, Mr. STEVENS, Mr. ADAMS, and Mr. GORTON, proposes an amendment numbered 1036:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Driftnet Moratorium Enforcement Act of 1991".

SEC. 2. POLICY AND FINDINGS.

(a) POLICY.—It is the stated policy of the United States to—

(1) implement United Nations General Assembly Resolution numbered 44-225, approved December 22, 1989, which calls for an immediate cessation to further expansion of large-scale driftnet fishing and for a June 30, 1992 moratorium on the use of large-scale drift nets beyond the exclusive economic zone of any nation;

(2) prevent the further expansion of large-scale driftnet fishing beyond the exclusive economic zone of any nation; and

(3) secure a permanent ban on the use of destructive fishing practices, and in particular large-scale drift nets, by persons or vessels fishing beyond the exclusive economic zone of any nation.

(b) FINDINGS.—The Congress finds that—

(1) despite worldwide pressure against their use, large-scale drift nets continue to be used by persons or vessels fishing beyond the exclusive economic zone of any nation;

(2) large-scale driftnet fishing in the North Pacific, the Atlantic, the Indian, and the South Pacific Oceans beyond the exclusive economic zone of any nation is expanding in direct contravention of United Nations General Assembly Resolutions numbered 44-225 and 45-197;

(3) nations engaged in large-scale driftnet fishing export fish and fish products to the United States; and

(4) in order to ensure that the permanent worldwide ban on large-scale driftnet fishing beyond the exclusive economic zone of any nation takes effect on June 30, 1992, the United States should take the actions described in this Act and encourage other nations to take similar action.

SEC. 3. SANCTIONS FOR FAILURE TO TERMINATE DRIFTNET FISHING.

(a) CERTIFICATION OF INTENT.—Not later than January 1, 1992, the President shall certify to the Congress each nation whose nationals or vessels are known to engage in large-scale driftnet fishing and which has not officially notified the United States that, not later than June 30, 1992, such nation will terminate large-scale driftnet fishing by its nationals and vessels beyond the exclusive economic zone of any nation.

(b) NOTIFICATION OF NONCOMPLIANCE.—Beginning July 1, 1992, the President shall immediately notify the Congress of any nation whose vessels or nationals are engaged in large-scale driftnet fishing beyond the exclusive economic zone of any nation on or after such date.

(c) ACTION BY THE PRESIDENT.—

(1) CERTIFICATION UNDER THE FISHERMEN'S PROTECTIVE ACTION OF 1967.—If a certification is made under subsection (a) with respect to any nation, such certification shall be deemed to be a certification for the purposes of section 8(a) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978(a)). Upon such certification all other applicable provisions of section 8 of the Fishermen's Protection Act of 1967 (22 U.S.C. 1978), including subsections (b) through (g) thereof, shall apply.

(2) PROHIBITION AGAINST IMPORTED FISH AND FISH PRODUCTS.—If a notification is made under subsection (b) with respect to any nation, the President shall direct the Secretary of the Treasury to immediately prohibit the bringing or importation into the United States of fish and fish products from such nation. Not later than 15 days after such notification, the President shall advise the Congress of any action taken by the President under this subsection. Subsections (c), (e), (f), and (g) of section 8 of the Fishermen's Protection Act of 1967 (22 U.S.C. 1978(c), (e), (f), and (g)) shall apply with respect to any prohibition imposed under this subsection.

(d) ADDITIONAL ECONOMIC SANCTIONS.—

(1) IN GENERAL.—If—

(A) a notification is made under subsection (b) and the President determines that prohibitions under subsection (c)(2) are insufficient to cause the involved nation to terminate large-scale driftnet fishing beyond the exclusive economic zone of any nation; or

(B) a nation against which an action has been taken under subsection (c) retaliates against the United States as a result of such action,

the President is authorized to impose additional economic sanctions against such nation.

(2) SCOPE OF ADDITIONAL ECONOMIC SANCTIONS.—The additional economic sanctions authorized under paragraph (1) include the imposition of—

(A) duties, import bans, or other import restrictions on the goods of a nation to which paragraph (1)(A) or (B) applies; and

(B) fees or restrictions on the services of such nation, notwithstanding any other provision of law.

(3) NOTIFICATION BY PRESIDENT.—The President shall notify the Congress within 15 days, if either—

(A) circumstance as described in subparagraph (1)(A) or (B) occur; or

(B) the President imposes additional economic sanctions under this subsection.

(e) DURATION OF RESTRICTIONS.—Any sanction imposed against a nation under subsection (c)(2) or (d) shall remain in effect until such time as the President certifies to the Congress that such nation has terminated large-scale driftnet fishing by its nationals and vessels beyond the exclusive economic zone of any nation.

(f) DEFINITIONS.—For purposes of this section, the following definitions apply:

(1) LARGE-SCALE DRIFTNET FISHING.—The term "large-scale driftnet fishing" means a method of fishing in which a gillnet composed of a panel or panels of webbing, or a series of such gillnets, with a total length of one and one-half miles or more is placed in the water and allowed to drift with the currents and winds for the purpose of entangling fish in the webbing.

(2) FISH AND FISH PRODUCTS.—The term "fish and fish products" has the meaning given the term "fish products" in section 8(h)(4) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978(h)(4)).

SEC. 4. REPORT TO CONGRESS.

Beginning on January 1, 1993, the President shall include in the report to Congress submitted under the Driftnet Act Amendments of 1990 (16 U.S.C. 1826) information with respect to—

(1) whether nationals or vessels of a nation have engaged in large-scale driftnet fishing beyond that nation's exclusive economic zone during the 12-month period preceding the date of such report; and

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1036) was agreed to.

Mr. KERRY. Mr. President, I wish to recommend to my colleagues passage of S. 884, the Driftnet Moratorium Enforcement Act of 1991. This bill is vital to our efforts to stop driftnet fishing, one of the most egregious fishery practices plaguing our seas.

The need for an international driftnet ban is clear. Entire marine ecosystems are being thrown out of balance because of the selfish, shortsighted fishing exploits of a handful of nations. The international community already took the first step to stop this practice by agreeing to a U.N. resolution to institute a moratorium on driftnet fishing on June 30, 1992. Unfortunately, there is great concern that those countries that currently fish on the high seas with driftnets will not adhere to the U.N. resolution.

The bill that we are passing today will put additional pressure on these nations to comply with the driftnet moratorium. These countries will have to notify the United States by January 1, 1992, whether they intend to comply with the June 30, 1992, deadline. The United States may move to embargo fish and fish products under the Pelly amendment from those nations that do not state their intentions to comply by the deadline. Furthermore, this bill calls for mandatory embargoes of fish and fish products for any nation that continues driftnet fishing past the June 30, 1992, deadline. Mr. President, these measures are essential for ensuring that compliance is obtained with the terms of the moratorium.

Driftnets are an overly efficient, nonselective means of fishing that pirate our valuable marine resources. During the fishing season today, more than 1,000 driftnet vessels from Japan, Korea and Taiwan are deploying over 30,000 miles of nets each night in the North Pacific, totalling more than ten million miles each year. Thirty to fifty percent of the catch is lost when the nets are hauled in, and one-third of the fish brought aboard the vessel have no commercial value. In addition, driftnets ensnare thousands of dolphins, whales, sea lions and other marine mammals and kill hundreds of thousands of sea birds and nontargetted fish.

In the past, principal practitioners of driftnetting were the South Koreans, Taiwanese and Japanese. Today other fishing nations such as France, Britain and Ireland are expanding driftnet fishing in the Atlantic, claiming that their 2.5 mile nets are not large-scale. In addition, for the first time Taiwanese driftnet vessels have been sighted illegally fishing in both the North Atlantic and the Caribbean Sea. Fishermen from all these nations are taking short-term advantage of the bounty of the sea and must be stopped.

The world's fishing nations have been irresponsible in permitting this wasteful and destructive fishing practice to continue. We must develop a new ethic to restore and manage valuable ocean resources and promote their sustainable harvest. Nations spanning the globe must regard our oceans as one single ocean resource for all to share. That means sharing in the responsibility to conserve it. Agreement to and enforcement of fishing treaties is one means of accomplishing this.

The need for overall international fisheries management could not be more important than it is today. Scientists estimate that the oceans can only supply 100 million tons of fish a year. The world's fishermen already take over 95 million tons and continue to increase their harvests.

An opportunity awaits us in 1992 in Brazil at the U.N. Conference on Environment and Development, known as UNCED. It is imperative for us to usher in a new global convention banning the use of driftnets worldwide. With the United States taking the lead on ocean and coastal environmental issues at UNCED, it would be fitting for us to work together toward a driftnet convention for UNCED consideration.

That is an agenda item for tomorrow. Today the Senate can take pride in its action to penalize those nations which refuse to behave in accord with the multilateral determination that driftnet fishing must cease. It is a practice that must be halted and, with this legislation available as a tool, I am hopeful it will be halted.

Mr. PACKWOOD. Mr. President, every so often, we here in Congress hear about an issue that just mobilizes people. People across your State write letters, find you at county fairs, and call your State offices. These issues, when they happen, are usually emotional. Quite often they involve the loss of something very important to your State—something people want to save.

The fish, particularly salmon and steelhead, and marine mammals that swim in the waters of the Pacific have an historic importance in the Northwest. People want to save them.

Let me tell you how I know this issue is of the utmost importance to my constituents. When I was home in Oregon several months ago, I received a petition from 8,000 Oregonians, all who wanted to ban high seas driftnet fishing. What's more, when I asked Oregonians what they wanted Congress to do about driftnet fishing, more than 3,500 of them wrote me in support of my bill.

Oregonians don't like to think about what these huge nets are doing to our fish and wildlife. And they don't like to think about why this destruction occurs. I can sum it up in two words: for money. What we have here are countries that seem to have no problem—no passing thought—about destroying miles worth of ocean, just so they can increase their bounty.

To give you an example of the kind of money we are talking about, recent Taiwan newspaper reports say a fleet of 50 Taiwanese drift net vessels are illegally catching salmon and steelhead at an estimated profit of $37.5 million each time they go out fishing—that's $750,000 for each vessel.

Let there be no doubt about the destructiveness of these nets. A report released by the National Marine Fisheries Service last month documents that thousands of animals are killed in large-scale drift nets each year. Observers monitored only 10 percent of the Japanese drift netting fleet last year and found those nets alone caught:

First, 81,000 blue sharks;

Second, 30,000 seabirds;

3. Third, 1,700 whales and dolphins; and

Fourth, almost 10,000 salmon and steelhead.

That's just 10 percent of the Japanese fleet. And Japan is only one of many countries now drift netting.

It is no wonder so many fish and other marine animals are swept up by these nets. Drift nets are up to 60 feet in depth and stretch for more than 30 miles—about the distance between here and Dulles Airport. They are literally walls of death. And the amount of net that is laid is extraordinary. The drift net fleet fishing in the North Pacific—about 1,200 vessels—casts more than 25,000 miles of net each summer night—enough net if laid end-to-end to wrap around the earth's equator.

Our ocean environment isn't the only victim of drift nets. Northwest fisherman have also paid the price. Drift nets are trapping immature fish migrating to the Northwest. It is estimated that from 10,000 to 30,000 metric tons of North American salmon and steelhead, or about 21 million fish, are taken each year by Asian drift net fleets in the North Pacific.

We have solid proof of how drift netting is hitting our legitimate fishermen. The National Marine Fisheries Service has documented nearly 10 million pounds of illegally taken salmon that was smuggled through the United States and sold in Japan, and millions more pounds of this illegal salmon that has been sold around the world.

Some people might say drift netting is under control because we are monitoring the high seas under agreements we have made with Japan, Taiwan and Korea. In fact, what we have discovered through this monitoring is that these countries are blatantly violating the agreements they have signed with the United States.

Just last week, the U.S. Coast Guard spotted about 40 Taiwanese and Korean vessels fishing illegally in the North Pacific. These vessels were fishing in waters where we know U.S.-origin salmon swim; in waters supposedly closed to these countries under the drift net agreements. And to add insult to injury, two Taiwan patrol vessels were sighted in the area and were doing nothing to stop this illegal activity.

These salmon-stealers are out there right now casting their 30-mile nets that leave destruction behind. If these countries won't take our outrage over drift net fishing seriously, we have to show them that we're serious.

For years the Congress has battled this huge drift net fleet. The United Nations joined the battle with a resolution calling for a moratorium on high seas drift net fishing by June 30, 1992. However, too often I have seen deadlines become the starting point of negotiations. We simply cannot allow that to happen this time.

The bill we are discussing today says that instead of waiting for June 30, 1992, to start pushing for a worldwide drift net moratorium, we should start working for the moratorium now. Here is how my bill would work:

First, countries must notify the United States by January 1, 1992 whether they will stop large-scale drift net fishing by June 30, 1992. If a country does not commit to ban the use of drift nets, the President is authorized to place sanctions on fish and fish products that country exports to the United States.

Second, on June 30, 1992, the President is required to impose sanctions on the fish and fish products of countries that have not completely banned drift net fishing.

Third, the President is also authorized to invoke a whole array of additional economic sanctions if: the violating country retaliates with its own sanctions; fish sanctions alone don't convince the violating country to stop drift netting; or the country violates the drift net ban.

I urge my colleagues to support this bill to stop drift net fishing. This began as an issue important only to the Pacific Northwest. But it is no longer an issue that makes just Oregonians angry—it's making the world angry now. People are outraged about drift net fishing. They don't like what's happening to the waters of the world and they want to do something to stop it. They want us to do something to stop it. And today we can do that something.

Mr. ADAMS. Mr. President, I would like to thank my colleagues for approving House Concurrent Resolution 113 and S. 884 today.

The resolution calls on the President to seek an international moratorium on the use of large-scale drift nets as called for in U.N. Resolutions 44-225 and 45-197. At the same time, the Resolution works to achieve a U.S. policy for a permanent ban on large-scale drift nets.

Time is running out for endangered fish and marine mammals. The National Marine Fisheries Service recently released the most detailed report to date on the devastating effects of the drift net fishery.

This report should serve as a call to arms for an international ban on drift nets. The report warns that the United Nation's June 30, 1992, moratorium date will be too late for many endangered species of fish and marine mammals that will fall victim to drift nets. Drift nets are efficient, indiscriminate killing machines.

Look at the toll—the latest NMFS report, which covered only 10 percent of the Japanese squid fleet, documented a 1-year incidental catch of at least 1,758 dolphins, 22 whales, 545 northern fur seals, 303,464 sea birds, 3,300 salmon, 3 million pomfret, and 27 leatherback turtles and a loggerhead turtle.

Japan, Korea, and Taiwan together allow more than 1,000 drift net fishing vessels to sail freely in the North Pacific Ocean and the rest of the world's seas. They are driven by commercial greed. They share a collective disregard for the protection of endangered species. In the face of such arrogance, the United States must adopt an aggressive position.

I am tired of hearing the same old excuses. These countries have used these excuses for stubbornly refusing to ban trade in endangered species. They have used the same excuses for continuing the commercial slaughter of whales. And I expect they will let their drift net fleets keep fishing up to and perhaps beyond the U.N. moratorium deadline. We simply will not tolerate such behavior any longer.

I fully support and am a cosponsor of Senator PACKWOOD'S bill, S. 884, which takes a tough stand. It would force the President to ban the importation of fish and fish products from countries that do not cause drift net fishing by June 30, 1992. The bill also fgives the President the discretion to impose additional sanctions. Although I hope this additional authority need not be used, I believe that a ban on other products may be the only message these mercantile nations will understand.

I believe that House Concurrent Resolution 113 is important because it sends a forceful message to the drift net nations to stop this practice immediately. I hope those countries heed the message.

Finally, I would also like to extend a special note of appreciation to my distinguished colleague and friend, Representative JOLENE UNSOELD, who has worked diligently on the drift net ban and is the original sponsor of House Concurrent Resolution 113.

Mr. STEVENS. Mr. President. I am pleased to be a cosponsor of both the original bill and the amendment added today to S. 884. This legislation will place teeth in U.N. General Assembly Resolution 44-225, which calls for a moratorium on large-scale drift net fishing by June 30, 1992. The nations that permit their nationals to continue this destructive fishing practice beyond that date must realize the consequences.

There are some nations that have already made clear that they intend to keep using large-scale drift nets after June 30, 1992. They will try to claim that effective conservation and management measures exist which will prevent unacceptable impacts. This is not the case nor will it be for the foreseeable future. The data we have collected to date on this wasteful practice shows clearly that such measures do not exist.

For years Alaskans have fought to rid the seas of these curtains of death. We have negotiated for years, but large-scale drift net fishing continues. The U.N. has spoken, yet some nations are already looking for ways to avoid the moratorium. We need the certainty of automatic sanctions to ensure that large-scale drift net fishing does in fact cease. S. 884 provides that certainty.

Mr. GORTON. Mr. President, today foreign fishing fleets are strip mining our oceans with 30-mile long drift nets that catch millions of sea creatures in their curtain of death. Attached to floats on the surface and reaching down 60 feet these nets catch nearly everything in their path. The only marine life spared are those creatures tiny enough to fit through the small webbing of these nets.

Every night in the summer, 25,000 miles of these drift nets are floating in the Pacific Ocean, enough of the deadly webbing to circle the globe.

These foreign fleets, from Japan, South Korea, Taiwan, and most recently China, are ostensibly fishing for squid. They claim that most of their catch is squid, that the incidental death of other marine life is small and inconsequential.

A recently released report from a joint team of observers from Japan and the United States tells an entirely different story. The report consisted of data from observers who monitored catches on just 10 percent of Japan's drift net fishing fleet. The results were appalling.

The numbers are hardly inconsequential. 253,288 tuna, 30,464 sea birds, and 3.2 million of the mackerel-like promfret fish were needlessly killed by this small group of drift netters. Twenty-two whales, 9,700 salmon, 81,956 sharks, 560 seals, and 1,700 porpoises and dolphins were part of the incidental kill of this small portion of the Japanese fleet. It is not difficult to project the devastation that is being wrought by the entire Japanese fleet, devastation that affects not only our fishermen, but the entire marine world. And Japan is just one of the countries involved in drift netting.

Over the past 3 years the National Marine Fisheries Service has repeatedly caught foreign dealers trying to sneak salmon, illegally caught by drift netters, into the United States so they can then be sold back to other countries. This process of washing the fish is not unlike what drug dealers do to launder money.

In 1988, one fish broker was caught trying to wash 24 million pounds of illegally caught salmon. In 1989 three drift netters were arrested in Seattle for trying to sell 500 metric tons of illegally caught salmon.

Earlier this year several people were caught in a complicated scheme to route millions of pounds of illegally caught fish through South America, an ingenious but unsuccessful attempt to circumvent our laws. Just this month, approximately 40 vessels from Taiwan and Korea were found illegally drift net fishing in closed waters known to contain salmon.

In 1989 the United Nations called on all countries to end the reckless practice of drift netting by June 30, 1992. In order to ensure that drift netting countries heed the United Nations and cease their wanton slaughter, I cosponsored S. 884, the Drift Net Moratorium Act of 1991 introduced by Senator PACKWOOD. I strongly support its passage and urge the House to immediately adopt this measure.

This bill requires the President to impose sanctions on seafood and seafood products exported to the United State by countries not abiding by the drift net ban. Furthermore, it allows the President to impose further sanctions on items such as automobilies, stereos, and VCRs is seafood sanctions alone do not work.

These countries have known for some time that this horrible practice must end but they have done nothing to stop it. In 1985 I introduced, along with Senators PACKWOOD and STEVENS, the first drift net bill in the Senate. Enacted in 1987 it directed the Secretary of State to negotiate agreements to monitor the catch of Japan, Taiwan, and Korea's drift net fleets.

While it didn't stop these fleets, it did put them on notice that the United States had serious concerns with the practice. Last year, Senators STEVENS, PACKWOOD and I further strengthened this law. These countries have had ample time to cease their destructive methods.

Now, there will be no phaseouts, no 5-year plans, no concessions. If these countries do not stop drift netting by June 30, 1992, S. 884 will require the President to impose sanctions on them period.

The time for talk is over. Millions of sea creatures are dying every year for no reason. There can be no compromise on this issue. Drift netting is destroying the ocean ecosystem and it must be stopped.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 884

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Driftnet Moratorium Enforcement Act of 1991".

SEC. 2. POLICY AND FINDINGS.

(a) Policy.—It is the stated policy of the United States to—

(1) implement United Nations General Assembly Resolution numbered 44–225, approved December 22, 1989, which calls for an immediate cessation to further expansion of large-scale driftnet fishing and for a June 30, 1992 moratorium on the use of large-scale driftnets beyond the exclusive economic zone of any nation.

(2) prevent the further expansion of large-scale driftnet fishing beyond the exclusive economic zone of any nation; and

(3) secure a permanent ban on the use of destructive fishing practices, and in particular large-scale driftnets, by persons or vessels fishing beyond the exclusive economic zone of any nation.

(b) Findings.—The Congress finds that—

(1) despite worldwide pressure against their use, large-scale driftnets continue to be used by persons or vessels fishing beyond the exclusive economic zone of any nation;

(2) large-scale driftnet fishing in the North Pacific, the Atlantic, the Indian, and the South Pacific Oceans beyond the exclusive economic zone of any nation is expanding in direct contravention of United Nations General Assembly Resolutions numbered 44–225 and 45–197;

(3) nations engaged in large-scale driftnet fishing export fish and fish products to the United States; and

(4) in order to ensure that the permanent worldwide ban on large-scale driftnet fishing beyond the exclusive economic zone of any nation takes effect on June 30, 1992, the United States should take the actions described in this Act and encourage other nations to take similar action.

SEC. 3. SANCTIONS FOR FAILURE TO TERMINATE DRIFTNET FISHING.

(a) Certification of Intent.—Not later than January 1, 1992, the President shall certify to the Congress each nation whose nationals or vessels are known to engage in large-scale driftnet fishing and which has not officially notified the United States that, not later than June 30, 1992, such nation will terminate large-scale driftnet fishing by its nationals and vessels beyond the exclusive economic zone of any nation.

(b) Notification of Noncompliance.—Beginning July 1, 1992, the President shall immediately notify the Congress of any nation whose vessels or nationals are engaged in large-scale driftnet fishing beyond the exclusive economic zone of any nation on or after such date.

(c) Action by the President.—

(1) Certification under the Fisherman's Protective Action of 1967.—If a certification is made under subsection (a) with respect to any nation, such certification shall be deemed to be a certification for the purposes of section 8(a) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978(a)). Upon such certification all other applicable provisions of section 8 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978), including subsections (b) through (g) thereof, shall apply.

(2) Prohibition against importing fish and fish products.—If a notification is made under subsection (b) with respect to any nation, the President shall direct the Secretary of the Treasury to immediately prohibit the bringing or importation into the United States of fish and fish products from such nation. Not later than 15 days after such notification, the President shall advise the Congress of any action taken by the President under this subsection. Subsections (c), (e), (f), and (g) of section 8 of the Fisher-

men's Protective Act of 1967 (22 U.S.C. 1978(c), (e), (f), and (g)) shall apply with respect to any prohibition imposed under this subsection.

(d) ADDITIONAL ECONOMIC SANCTIONS.—

(1) IN GENERAL.—If—

(A) a notification is made under subsection (b) and the President determines that prohibitions under subsection (c)(2) are insufficient to cause the involved nation to terminate large-scale driftnet fishing beyond the exclusive economic zone of any nation; or

(B) a nation against which an action has been taken under subsection (c) retaliates against the United States as a result of such action,

the President is authorized to impose additional economic sanctions against such nation.

(2) SCOPE OF ADDITIONAL ECONOMIC SANCTIONS.—The additional economic sanctions authorized under paragraph (1) include the imposition of—

(A) duties, import bans, or other import restrictions on the goods of a nation to which paragraph (1)(A) or (B) applies; and

(B) fees or restrictions on the services of such nation, notwithstanding any other provision of law.

(3) NOTIFICATION BY PRESIDENT.—The President shall notify the Congress within 15 days, if either—

(A) circumstances as described in subparagraph (1)(A) or (B) occur; or

(B) the President imposes additional economic sanctions under this subsection.

(e) DURATION OF RESTRICTIONS.—Any sanction imposed against a nation under subsection (c)(2) or (d) shall remain in effect until such time as the President certifies to the Congress that such nation has terminated large-scale driftnet fishing by its nationals and vessels beyond the exclusive economic zone of any nation.

(f) DEFINITIONS.—For purposes of this section, the following definitions apply:

(1) LARGE-SCALE DRIFTNET FISHING.—The term "large-scale driftnet fishing" means a method of fishing in which a gillnet composed of a panel or panels of webbing, or a series of such gillnets, with a total length of one and one-half miles or more is placed in the water and allowed to drift with the currents and winds for the purpose of entangling fish in the webbing.

(2) FISH AND FISH PRODUCTS.—The term "fish and fish products" has the meaning given the term "fish products" in section 8(h)(4) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978(h)(4)).

SEC. 4. REPORT TO CONGRESS.

Beginning on January 1, 1983, the President shall include in the report to Congress submitted under the Driftnet Act Amendments of 1990 (16 U.S.C. 1826) information with respect to—

(1) whether nationals or vessels of a nation have engaged in large-scale driftnet fishing beyond that nation's exclusive economic zone during the 12-month period preceding the date of such report; and

Mr. BREAUX. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CLEAN AIR ACT AMENDMENTS

Mr. BREAUX. Mr. President, on behalf of Senator MITCHELL, I send a joint resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the joint resolution.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 187) to make a technical correction in Public Law 101-549.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. MITCHELL. Mr. President, the purpose of this joint resolution is to make a technical correction in section 112 of the Clean Air Act, as amended by section 301 of the Clean Air Act Amendments of 1990, Public Law 101-549.

During consideration of the 1990 legislation the conferees agreed to remove the term "7783064 Hydrogen sulfide" from the list of hazardous air pollutants in section 112(b)(1) of the Clean Air Act.

This term was inadvertently left in the enrollment of the 1990 legislation due to a clerical error. The joint resolution simply removes the term from the list in the Clean Air Act, as amended.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S.J. RES. 187

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in section 112(b)(1) of the Clean Air Act, as amended by section 301 of Public Law 101-549, strike out the term "7783064 Hydrogen sulfide" in the list of pollutants.

Mr. BREAUX. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

IMMIGRATION ACT OF 1990 AMENDMENTS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1620, a bill to make technical corrections with respect to the Immigration Act of 1990 and other immigration laws introduced earlier today by Senators KENNEDY and SIMPSON.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1620) to make technical corrections with respect to the Immigration Act of 1990 and other immigration laws.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. KENNEDY. Mr. President, I am pleased to join today with my colleague on the Immigration and Refugee Affairs Subcommittee, and cosponsor with me of The Immigration Act of 1990, Senator SIMPSON, in offering this technical corrections bill to the sweeping immigration legislation we passed in the last hours of the last Congress.

As our colleagues may remember, the opportunity to achieve final action upon a decade-long effort to secure immigration reform came only in the last days before Congress was scheduled to adjourn sine die. It came when the House completed action October 3 on a bill previously passed by the Senate the year before.

That gave conferees only a matter of days to resolve major differences between bills that were several hundred pages long. Inevitably, drafting errors and technical oversights occurred.

This bill, Mr. President, corrects those errors. We urge its adoption at this time so that these statutory clarifications can be made before final regulations are promulgated in the coming weeks and before most provisions of the act take effect on October 1, 1991. It is important that we do so for the effective implementation of the new law.

This technical corrections package has been carefully reviewed and drafted in consultation with the House subcommittee, and with all the relevant departments of the executive branch. I am assured it will be accepted by the House as is, and signed into law by the President.

This is noncontroversial, Mr. President, but it is extremely important that we make these corrections in a timely fashion. I urge its adoption.

Mr. SIMPSON. Mr. President, I am pleased to join my colleague, Senator KENNEDY, in introducing this bill to make technical corrections to the Immigration Act of 1990. The Act was signed by President Bush on November 29, 1990.

This bill is truly technical. It corrects errors committed because much of the law was drafted in the wee hours of the 101st Congress.

This bill's other major objective is to create certain transition rules which are necessary to help us move toward the new system of legal immigration that the 1990 Act puts into effect on October 1, 1991.

Let me emphasize that this package has been developed in conjunction with both Democrats and Republicans on the House Immigration Subcommittee, as well. This bill was developed under the following rule: If any of the four Immigration Subcommittee staff's found a provision controversial or nontechnical, then it was removed.

Let me state my intention on only two small portions of this bill:

This bill will deem certain old applications under section 203(a)(3) and

203(a)(6), as applications under new sections 203(b)(2) and 203(b)(3), respectively. Let me make it clear that any old application under section 203(a)(6) must be killed, as defined by the new law, else it will be subject to the new numerical limitation of 10,000 in new section 203(b)(3)(B).

This bill also deletes a reference to relief under section 212(c) in new section 242B(e)(5). This is done not to create new rights to relief under section 212(c), but to return to current law's exclusion of use of 212(c), under the conditions that apply, for any period of time (not just five years).

Mr. President, I thank the subcommittee Chairman for his cooperative spirit on this bill, and I urge my colleagues to pass it.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1620

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE TO THE IMMIGRATION AND NATIONALITY ACT.

(a) This Act may be cited as the "Immigration Technical Corrections Act of 1991".

(b) In this Act, the term "INA" means the Immigration and Nationality Act.

SEC. 2. CORRECTIONS RELATING TO TITLE I OF THE IMMIGRATION ACT OF 1990.

(a)(1) Section 201 of the INA, as amended by section 101(a) of the Immigration Act of 1990, is amended—

(A) in subsection (c)(3), by striking "(3) The number computed under this paragraph for a fiscal year" and inserting the following:

"(3)(A) The number computed under this paragraph for fiscal year 1992 is zero.

"(B) The number computed under this paragraph for fiscal years 1993 and 1994 is the difference (if any) between the worldwide level established under paragraph (1) for the previous fiscal year and the number of visas issued under section 203(a) during that fiscal year.

"(C) The number computed under this paragraph for a subsequent fiscal year"; and

(B) in subsection (d)(2), by striking "(2) The number computed under this paragraph for a fiscal year" and inserting the following:

"(2)(A) The number computed under this paragraph for fiscal year 1992 is zero.

"(B) The number computed under this paragraph for fiscal years 1993 and 1994 is the difference (if any) between the worldwide level established under paragraph (1) for the previous fiscal year and the number of visas issued under section 203(b) during that fiscal year.

"(C) The number computed under this paragraph for a subsequent fiscal year".

(2) Section 101 of the Immigration Act of 1990 is amended by adding at the end the following new subsection:

"(c) Transition.—In applying the second sentence of section 201(b)(2)(A)(i) of the Immigration and Nationality Act (as amended by subsection (a)) in the case of an alien whose citizen spouse died before the date of the enactment of this Act, notwithstanding the deadline specified in such sentence the alien spouse may file the classification petition referred to in such sentence within 2 years after the date of the enactment of this Act.".

(3) Section 202(a)(4)(A) of the INA, as amended by section 102(1) of the Immigration Act of 1990, is amended by striking "MINIMUM".

(b)(1) Section 112 of the Immigration Act of 1990 is amended—

(A) in subsection (c), by striking "temporary or" before paragraph (1), and

(B) by adding at the end the following:

"(d) Waiver.—The provisions of section 212(a)(6)(E) of the Immigration and Nationality Act shall not apply to the issuance of an immigrant visa to an alien under this section (or to the admission of such alien under such visa to the United States) if the alien has encouraged, induced, assisted, abetted, or aided only the alien's spouse, parent, son, or daughter (and no other individual) to enter the United States in violation of law.

"(e) Definitions.—The definitions in the Immigration and Nationality Act shall apply in the administration of this section.".

(2) Section 203(b) of the INA, as inserted by section 121(a) of the Immigration Act of 1990, is amended—

(A) in paragraphs (1), (2), and (3), by striking "40,000" and inserting "28.6 percent of such worldwide level" each place it appears,

(B) in paragraph (1)(C), by striking "who seeks" and inserting "the alien seeks",

(C) in paragraphs (4) and (5), by striking "10,000" and inserting "7.1 percent of such worldwide level" each place it appears, and

(D) in paragraph (2)(B), by inserting "professions," after "arts,".

(3) Section 216A of the INA, as inserted by section 121(b)(1) of the Immigration Act of 1990, is amended—

(A) in subsection (c)(2)(A), by inserting "(and the alien's spouse and children if it was obtained on a conditional basis under this section or section 216)" after "status of the alien", and

(B) in subsections (c)(3)(B) and (d)(2)(A), by striking "obtaining the status of".

(4) Section 121(b)(2) of the Immigration Act of 1990 is amended by striking "exclusion" and inserting "deportation".

(5) Section 124(a) of the Immigration Act of 1990 is amended—

(A) in paragraph (1)—

(i) by inserting "(or paragraph (2) as the spouse or child of such an alien)" after "paragraph (3)", and

(ii) by adding at the end the following new sentence: "If the full number of such visas are not made available in fiscal year 1991 or 1992, the shortfall shall be added to the number of such visas to be made available under this section in the succeeding fiscal year."; and

(B) in paragraph (3)(A), by striking "(and has been so employed during the 12 previous consecutive months)" and inserting "except for temporary absences at the request of the employer and has been employed in Hong Kong for at least 12 consecutive months".

(6) Section 132 of the Immigration Act of 1990 is amended—

(A) in subsection (a), by inserting "(or in subsection (d) as the spouse or child of such an alien)" after "subsection (b)";

(B) in subsection (a), by adding at the end the following new sentence: "If the full number of such visas are not made available in fiscal year 1992 or 1993, the shortfall shall be added to the number of such visas to be made available under this section in the succeeding fiscal year.";

(C) in subsection (c), by adding at the end the following: "If the minimum number of such visas are not made available in fiscal year 1992 or 1993 to such natives, the shortfall shall be added to the number of such visas to be made available under this section to such natives in the succeeding fiscal year. In applying this section, natives of Northern Ireland shall be deemed to be natives of Ireland."; and

(D) in subsection (e)—

(i) by striking "the grounds" and all that follows through "shall not apply, and",

(ii) by striking "of such section" and inserting "of section 212(a) of the Immigration and Nationality Act", and

(iii) by adding at the end the following: "In addition, the provisions of section 212(e) of such Act shall not apply so as to prevent an individual's application for a visa or admission under this section.".

(7) Section 133 of the Immigration Act of 1990 is amended—

(A) by inserting "and notwithstanding section 212(e) of such Act" after "Immigration and Nationality Act" the first place it appears, and

(B) in the last sentence, by inserting before the period at the end the following: "or who are provided a visa number under this section as the spouse or child of such a qualified immigrant".

(8) Section 134(a) of the Immigration Act of 1990 is amended by inserting "(or in subsection (d) as the spouse or child of such an alien)" after "subsection (b)".

(c) Section 141 of the Immigration Act of 1990 is amended—

(1) in the heading, by striking "**reform**",

(2) in subsection (a), by striking "Reform", and

(3) by adding at the end the following new subsection:

"(i) Presidential Report.—The President shall conduct a review and evaluation and provide for the transmittal of reports to the Congress in the same manner as the Commission is required to conduct a review and evaluation and to transmit reports under subsection (b).".

(d)(1) Section 152(b)(1)(A) of the Immigration Act of 1990 is amended by striking "who has performed faithful service" and inserting "and has performed faithful service as such an employee".

(2) Section 245 of the INA is amended—

(A) in subsection (c)(2), by striking "or (I)" and inserting ", (I), or (J)", and

(B) by adding at the end the following new subsection:

"(g) In applying this section to a special immigrant described in section 101(a)(27)(J)—

"(1) such an immigrant shall be deemed, for purposes of subsection (a), to have been paroled into the United States; and

"(2) in determining the alien's admissibility as an immigrant—

"(A) paragraphs (4), (5)(A), and (7)(A) of section 212(a) shall not apply, and

"(B) the Attorney General may waive other paragraphs of section 212(a) (other than paragraphs (2)(A), (2)(B), (2)(C) (except for so much of such paragraph as related to a single offense of simple possession of 30 grams or less of marijuana), (3)(A), (3)(B), (3)(C), or (3)(E)) in the case of individual aliens for humanitarian purposes, family unity, or when it is otherwise in the public interest.

The relationship between an alien and the alien's natural parents or prior adoptive parents shall not be considered a factor in making a waiver under paragraph (2)(B). Nothing in this subsection or section 101(a)(17)(J) shall be construed as authorizing an alien to apply for admission or be admitted to the United States in order to obtain special immigrant status described in such section.".

(3) Section 154(c) of the Immigration Act of 1990 is amended by striking paragraph (3).

(4) Section 155 of the Immigration Act of 1990 is amended—

(A) in subsection (a), by inserting "(or section 203(e), in the case of fiscal year 1992)" after "203(c)", and

(B) in subsection (b), by striking "or the child" and inserting "or who are the spouse or child".

(e)(1) Section 161(a) of the Immigration Act of 1990 is amended by striking "in this section," and inserting "in this title, this title and".

(2) Section 161(c) of the Immigration Act of 1990 is amended—

(A) in paragraph (1)—

(i) by inserting "or an application for labor certification before such date under section 214(a)(14)" after "before such date)",

(ii) in subparagraph (A), by inserting "or application" after "such a petition", and

(iii) in subparagraph (A), by inserting ", or 60 days after the date of certification in the case of labor certifications filed in support of the petition under section 212(a)(14) of such Act before October 1, 1991, but not certified until after October 1, 1993" after "(by not later than October 1, 1993"; and

(B) by adding at the end the following new paragraphs:

"(3) In the case of an alien who is described in section 203(a)(8) of the Immigration and Nationality Act (as in effect before October 1, 1991) as the spouse or child of an alien described in section 203(a)(3) or 203(a)(6) of such Act and who would be entitled to enter the United States under such section 203(a)(8) but for the amendments made by this section, such an alien shall be deemed to be described in section 203(d) of such Act as the spouse or child of an alien described in section 203(b)(2) or 203(b)(3)(A)(i), respectively, of such Act with the same priority date as that of the principal alien.

"(4)(A) Subject to subparagraph (B), any petition approved before October 1, 1991, to accord status under section 203(a)(3) or 203(a)(6) of the Immigration and Nationality Act (as in effect before such date) shall be deemed, on and after such date, to be a petition approved to accord status under section 203(b)(2) or under the appropriate classification under section 203(b)(3), respectively, of such Act (as in effect on and after such date). Nothing in this subparagraph shall be construed as exempting the beneficiaries of such petitions from the numerical limitations under section 203(b)(2) or 203(b)(3) of such Act.

"(B) Subparagraph (A) shall not apply more than one year after the date the priority date for issuance of a visa on the basis of such a petition has been reached.".

(3) Section 203(f) of the INA, as inserted by section 162(a) of the Immigration Act of 1990, is amended—

(A) by striking "PRESUMPTION.—" and all that follows through "so described." and inserting "AUTHORIZATION FOR ISSUANCE.—", and

(B) by striking "201(b)(1) or in subsection (a) or (b)" and inserting "201(b)(2) or in subsection (a), (b), or (c)".

(4) Section 204(a)(1) of the INA, as amended by section 162(b) of the Immigration Act of 1990, is amended—

(A) in subparagraph (A), by adding at the end the following: "An alien described in the second sentence of section 201(b)(2)(A)(i) also may file a petition with the Attorney General under this subparagraph for classification under such section.",

(B) in subparagraph (F), by striking "Secretary of State" and inserting "Attorney General", and

(C) in subparagraph (G)(iii), by striking "or registration".

(5) Section 204(e) of the INA, as amended by section 162(b)(3) of the Immigration Act of 1990, is amended by striking "a immigrant" and inserting "an immigrant".

(6) Section 212(a)(5) of the INA, as amended by section 162(e)(1) of the Immigration Act of 1990, is amended—

(A) in subparagraph (A), by inserting "(or who seeks to enter the United States as a nonimmigrant under section 101(a)(15)(H)(ii)(b))" after "203(b)", and

(B) in subparagraph (B), by inserting "(or who seeks to enter the United States as a nonimmigrant under section 101(a)(15)(H)(ii)(b))" after "203(b)".

(7) Section 245(b) of the INA, as amended by section 162(e)(3) of the Immigration Act of 1990, is amended—

(A) by striking "201(a)" and inserting "202 and 203", and

(B) by striking "for the succeeding fiscal year" and inserting "for the fiscal year then current".

(8) Effective as if included in section 162(e) of the Immigration Act of 1990—

(A) section 216(g)(1) of the INA is amended by striking "203(a)(8)" and inserting "203(d)";

(B) section 221(a) of the INA is amended by striking "nonpreference,"; and

(C) section 9 of Public Law 94–571 is amended by striking subsection (b).

(9) Effective as if included in the Immigration Nursing Relief Act of 1989, section 212(m)(2)(A) of the INA is amended, in the sentence following clause (vi), by inserting "whose principal responsibility is the provision of direct nursing care" after "registered nurses".

SEC. 3. CORRECTIONS RELATING TO TITLE II OF THE IMMIGRATION ACT OF 1990.

(a)(1) Section 217 of the INA, as amended by section 201(a) of the Immigration Act of 1990, is amended—

(A) in subsection (a)(4), by striking "BY SEA OR AIR" and inserting "INTO THE UNITED STATES", and

(B) in the heading of subsection (b), by striking "RIGHTS" and inserting "RIGHTS".

(2) Section 217(e)(1) of the INA, as redesignated by section 201(a)(7) of the Immigration Act of 1990, is amended by striking "(a)(4)(C)" and inserting "(a)(4)".

(3) The second sentence of section 251(d) of the INA, as inserted by section 203(b)(2) of the Immigration Act of 1990, is amended by striking "charterer" and inserting "consignee".

(4) Section 258(c)(2)(B) of the INA, as inserted by section 203(a)(1) of the Immigration Act of 1990, is amended by striking "each such list" and inserting "each list".

(5)(A) Section 101(a)(15)(H)(i)(b) of the INA, as amended by section 205(c)(1) of the Immigration Act of 1990, is amended by inserting "subject to section 212(j)(2)," after "(b)".

(B) Section 212(j) of the INA is amended by striking paragraph (2) and inserting the following:

"(2) An alien who is a graduate of a medical school and who is coming to the United States to perform services as a member of the medical profession may not be admitted as a nonimmigrant under section 101(a)(15)(H)(i)(b) unless the alien is coming pursuant to an invitation from a public or nonprofit private educational or research institution or agency in the United States to teach or conduct research, or both, at or for such institution or agency.".

(6) Section 212(n)(1)(A)(ii) of the INA, as added by section 205(c)(3) of the Immigration Act of 1990, is amended by striking "for such aliens" and inserting "for such a nonimmigrant".

(7)(A) Section 101(a)(15)(H)(i) of the INA, as amended by section 205(c)(1) of the Immigration Act of 1990, is amended by striking ", and had approved by,".

(B) Section 212(n)(1) of the INA, as added by section 205(c)(3) of the Immigration Act of 1990, is amended by adding at the end the following:

"The Secretary of Labor shall review such an application only for completeness, internal consistency, and obvious inaccuracies.".

(8) Section 206(a) of the Immigration Act of 1990 is amended by inserting "and section 124(a)(3)(A) of this Act" after "Immigration and Nationality Act".

(9) Section 214(c)(2) of the INA, as added by section 206(b)(2) of the Immigration Act of 1990, is amended—

(A) in subparagraph (A), by striking "individuals petitions" and inserting "individual petitions", and

(B) in subparagraph (D)(ii), by striking "involved" and inserting "involves".

(10) Section 214(a)(2)(A) of the INA, as added by section 207(b)(1) of the Immigration Act of 1990, is amended by striking "under section 101(a)(15)(O)" and inserting "described in section 101(a)(15)(O)".

(11) Section 214(c)(5) of the INA, as added by section 207(b)(2)(B) of the Immigration Act of 1990, is amended by striking "101(H)(ii)(b)" and inserting "101(a)(15)(H)(ii)(b)".

(12) Section 207(c) of the Immigration Act of 1990 is amended by inserting "of the Immigration and Nationality Act" after "101(a)(15)(H)(ii)(a)" each place it appears.

(13) Section 101(a)(15)(Q) of the INA, as added by section 208(3) of the Immigration Act of 1990, is amended by striking "designated" and inserting "approved".

(14) Notwithstanding section 231 of the Immigration Act of 1990, until April 1, 1992, aliens seeking admission as nonimmigrant artists, athletes, entertainers, and fashion models (or for the purpose of accompanying or assisting in an artistic or athletic performance or as the spouse or child of such a nonimmigrant)—

(A) shall be admitted by the Attorney General under the provisions of section 101(a)(15)(H)(i)(b) of the Immigration and Nationality Act (as in effect on September 30, 1991), and

(B) shall not be subject to the provisions of sections 101(a)(15)(O), 101(a)(15)(P), 214(a)(2), 214(c)(3), 214(c)(4), or 214(g)(1)(C) of the Immigration and Nationality Act (as added by sections 205(a) and 207 of the Immigration Act of 1990).

(b)(1) Section 221(a) of the Immigration Act of 1990 is amended, in the matter before paragraph (1), by striking "in a position unrelated to the alien's field of study and".

(2) Section 221(b) of the Immigration Act of 1990 is amended—

(A) by inserting "and the Secretary of Labor" after "the Commissioner of the Immigration and Naturalization Service", and

(B) by inserting "a report" after "to the Congress".

(3) Section 222(a) of the Immigration Act of 1990 is amended by striking "Subject to the

succeeding provisions of this section" and inserting "Subject to subsection (b)".

(4) Section 223(a) of the Immigration Act of 1990 is amended—

(A) by striking the period at the end of paragraph (2) and inserting a comma, and

(B) by adding at the end the following: "or who is the spouse or minor child of such an alien if accompanying or following to join the alien.".

SEC. 4. CORRECTIONS RELATING TO TITLE III OF THE IMMIGRATION ACT OF 1990.

(a) Section 302(c) of the Immigration Act of 1990 is amended by striking "AFFECT" and inserting "EFFECT".

(b) Section 244A of the INA, as inserted by section 302(a) of the Immigration Act of 1990, is amended—

(1) in subsection (a)(1), by inserting after "designated under subsection (b)" the following: "(or in the case of an alien having no nationality, is a person who last habitually resided in such designated state)", and

(2) in subsection (c)(1)(A), by inserting after "designated under subsection (b)(1)" the following: "(or in the case of an alien having no nationality, is a person who last habitually resided in such designated state)".

SEC. 5. CORRECTIONS RELATING TO TITLE IV OF THE IMMIGRATION ACT OF 1990.

(a) Section 407(c)(11) of the Immigration Act of 1990 is amended by striking ", other than subsection (d)".

(b) Section 407(d)(8) of the Immigration Act of 1990 is amended by striking "Section 328(c) (8 U.S.C. 1439(c)) is amended" and inserting "Subsections (b)(3) and (c) of section 328 (8 U.S.C. 1439) are amended".

(c) Subsection (g) of section 334 of the INA, as redesignated by section 407(d)(12)(E) of the Immigration Act of 1990, is redesignated as subsection (f).

(d) Section 407(d)(12)(B) of the Immigration Act of 1990 is amended by adding "and" at the end of clause (i).

(e) Section 407(d)(16)(C) of the Immigration Act of 1990 is amended by striking the comma after "venue".

(f) Section 407(d)(19)(A)(i) of the Immigration Act of 1990 is amended by striking "clerk of the court" and inserting "clerk of court".

(g) Effective as if included in section 407(d) of the Immigration Act of 1990:

(1) Paragraph (24) of section 101(a) of the INA is repealed.

(2) Sections 312(a), 316(a)(1), and 316(f) of the INA are each amended by striking "petition" and inserting "application".

(3) Section 322 of the INA is amended by striking "PETITION" and "petitioning" and inserting "APPLICATION" and "applying", respectively.

(4) The item in the table of contents of the INA relating to section 322 is amended by striking "petition" and inserting "application".

(5) Section 330 of the INA is amended by striking "of this subsection" and inserting "of this section".

(6) Section 332 of the INA is amended by striking "petitioners" and inserting "applicants".

(h) Section 408(a)(2)(B) of the Immigration Act of 1990 is amended by striking "on the date of the enactment of this Act" and inserting "on January 1, 1992".

SEC. 6. CORRECTIONS RELATING TO TITLE V OF THE IMMIGRATION ACT OF 1990.

(a)(1)(A) Section 101(a)(43) of the INA, as amended by section 501(a)(4) of the Immigration Act of 1990, is amended by striking ".," and inserting a period.

(B) Section 501(b) of the Immigration Act of 1990 is amended by inserting before the period at the end the following: ", which section applies (except as otherwise provided) to convictions entered on or after the date of enactment of such Act".

(2) Section 502 of the Immigration Act of 1990 is amended by striking "(8 U.S.C. 1152a(a)(1))" and inserting "(8 U.S.C. 1105a(a)(1))".

(3) Section 287(a)(4) of the INA, as amended by section 503(a)(2) of the Immigration Act of 1990, is amended by striking ", and" at the end and inserting "; and".

(4) Subparagraph (B) of section 242(a)(2) of the INA, as added by section 504(a)(5) of the Immigration Act of 1990, is amended to read as follows:

"(B) The Attorney General may not release from custody any alien convicted of an aggravated felony, either before or after a determination of deportability, unless any of the following apply:

"(i) The alien is determined not to be deportable in a final determination under subsection (b).

"(ii) The Attorney General determines under subsection (c) that the alien's deportation is not practicable or proper within the period specified in such subsection, and the alien establishes, in the opinion of the Attorney General, that the alien is not a threat to the community.

"(iii) The alien establishes to the satisfaction of the Attorney General, that—

"(I) the alien may be eligible for relief under section 212(c),

"(II) in the opinion of the Attorney General, the alien is not a threat to the community, and

"(III) the alien's release is warranted during deportation proceedings.

"(iv) The Attorney General determines that other urgent and pressing, or exceptional, circumstances warrant release on parole.

In the case of such an alien convicted of an aggravated felony who is in the custody of the Attorney General and who is lawfully admitted for permanent residence, the Attorney General shall release such alien from custody if the alien demonstrates to the satisfaction of the Attorney General that clause (ii), (iii), or (iv) of the previous sentence applies to the alien.".

(5) Section 236(e) of the INA, as amended by section 504(b) of the Immigration Act of 1990, is amended—

(A) in paragraph (1), by striking "upon completion of the alien's sentence for such conviction" and inserting "upon release of the alien (regardless of whether or not such release is on parole, supervised release, or probation, and regardless of the possibility of rearrest or further confinement in respect of the same offense)", and

(B) by striking paragraphs (2) and (3) and inserting the following:

"(2) Notwithstanding section 212(d)(5), the Attorney General may not release from custody any alien convicted of an aggravated felony, either before or after a determination of excludability, unless any of the following apply:

"(A) The alien is ordered admitted in a final decision under subsection (b).

"(B) The Attorney General determines under section 237 that the alien's immediate deportation is not practicable or proper, and the alien establishes, in the opinion of the Attorney General, that the alien is not a threat to the community.

"(C) The alien establishes to the satisfaction of the Attorney General, that—

"(i) the alien may be eligible for relief under section 212(c),

"(ii) in the opinion of the Attorney General, the alien is not a threat to the community, and

"(iii) the alien's release is warranted during exclusion proceedings.

"(D) The Attorney General determines that other urgent and pressing, or exceptional, circumstances warrant release on parole.".

(6) Section 509(b) of the Immigration Act of 1990 is amended by inserting before the period at the end the following: ", except with respect to conviction for murder which shall be considered a bar to good moral character regardless of the date of the conviction".

(7) The last sentence of section 510(b) of the Immigration Act of 1990 is amended by striking "for".

(8) The last sentence of section 212(c) of the INA, as added by section 511(a) of the Immigration Act of 1990, is amended by striking "an aggravated felony and has served" and inserting "one or more aggravated felonies and has served for such felony or felonies".

(9) Section 513(b) of the Immigration Act of 1990 is amended by striking "petitions to review" and inserting "petitions for review".

(10) Section 514(a) of the Immigration Act of 1990 is amended by striking "10 years" and inserting "ten years".

(11)(A) Section 208(d) of the INA, as added by section 515(a)(1) of the Immigration Act of 1990, is amended by inserting "is ineligible for asylum under section 236 and" after "subsection (a),".

(B) Section 515(b)(2) of the Immigration Act of 1990 is amended by striking "(a)(1)" and inserting "(a)(2)".

(12) Paragraphs (1) and (2) of section 515(b) of the Immigration Act of 1990 are amended to read as follows:

"(1) The amendment made by subsection (a)(1) shall apply to convictions entered before, on, or after the date of the enactment of this Act and to applications for asylum made on or after such date.

"(2) The amendment made by subsection (a)(2) shall apply to convictions entered before, on, or after the date of the enactment of this Act and to applications for withholding of deportation made on or after such date.".

(b)(1) Section 274B(g)(2)(B)(iv)(II) of the INA, as amended by section 536(a) of the Immigration Act of 1990, is amended by striking "subclause (IV)" and inserting "subclauses (III) and (IV)".

(2) Section 274B(g)(2)(B) of the INA, as amended by section 539(a) of the Immigration Act of 1990, is amended—

(A) in clause (iv)(IV), by striking the period at the end and inserting a comma,

(B) in clause (vii), by striking "to order (in an appropriate case) the removal of" and inserting "to remove (in an appropriate case)", and

(C) in clause (viii), by striking "to order (in an appropriate case) the lifting of" and inserting "to lift (in an appropriate case)".

(c)(1) Section 274B(g)(2)(D) of the INA is amended by striking "physicially" and inserting "physically".

(2) Sections 252(c) and 275 of the INA, as amended by section 543(b) of the Immigration Act of 1990, is amended by striking "fined not more than" and all that follows through "United States Code)" and inserting "fined under title 18, United States Code,".

(3)(A) The second sentence of section 231(d) of the INA is amended by striking "collector of customs" and inserting "Commissioner".

(B) The third sentence of section 237(b) of the INA is amended by striking "district director of customs" and inserting "Commissioner".

(C) The second sentence of section 254(a) of the INA is amended by striking "collector of customs" and inserting "Commissioner".

(D) The second sentence of section 273(b) of the INA is amended by striking "collector of customs" and inserting "Commissioner".

(4) Section 274C(a) of the INA, as added by section 544(a) of the Immigration Act of 1990, is amended—

(A) in paragraph (2), by inserting "provide, facilitate," after "obtain,",

(B) in paragraph (3), by inserting "provide," after "use," each place it appears, and

(C) in paragraph (4), by inserting "provide," after "to" the first place it appears.

(5) Section 544 of the Immigration Act of 1990 is amended by striking "(c) EFFECTIVE" and inserting "(d) EFFECTIVE".

(6) Section 242B of the INA, as inserted by section 545(a) of the Immigration Act of 1990, is amended—

(A) in subsection (a)(2)(A)(ii), by inserting ", except under exceptional circumstances," after "failure";

(B) in subsection (a)(2), by adding at the end the following:

"In the case of an alien not in detention, a written notice shall not be required under this paragraph if the alien has failed to provide the address required under subsection (a)(1)(F).";

(C) in subsection (b)(1), by inserting before the period at the end the following: ", unless the alien requests in writing an earlier hearing date";

(D) in subsection (b)(2)—

(i) by inserting "pro bono" after "to represent", and

(ii) by adding at the end the following: "Such lists shall be provided upon request under subsection (a)(1)(E) and otherwise made generally available.";

(E) in subsection (c)—

(i) in paragraph (1), by striking "except as provided in paragraph (2)," each place it appears,

(ii) in paragraph (1), by adding at the end the following: "The written notice by the Attorney General shall be considered sufficient for purposes of this paragraph if provided at the most recent address provided under subsection (a)(1)(F).", and

(iii) by amending paragraph (2) to read as follows:

"(2) CASE OF FAILURE TO PROVIDE ADDRESS INFORMATION.—If an alien has failed to provide the address required under subsection (a)(1)(F), is not under detention, and does not attend a proceeding under section 242, the alien shall be ordered deported under section 242(b)(1) in abstentia if the Attorney General establishes by clear, unequivocal, and convincing evidence that the alien is deportable.";

(F) in subsection (c)(4), by inserting "(or 30 days in the case of an alien convicted of an aggravated felony)" after "60 days";

(G) in subsection (d), by striking "the Board" and inserting "the Attorney General";

(H) in subsection (e)(4)(B), by inserting "a" after "with respect to"; and

(I) in subsection (e)(5), by striking subparagraph (A) and redesignating subparagraphs (B) through (D) as subparagraphs (A) through (C), respectively.

(7) The 8th sentence of section 242(b) of the INA, as amended by section 545(e) of the Immigration Act of 1990, is amended to read as follows: "Such regulations shall include requirements that are consistent with section 242B and that provide that—

"(1) the alien shall be given notice, reasonable under all the circumstances, of the nature of the charges against him and of the time and place at which the proceedings will be held,

"(2) the alien shall have the privilege of being represented (at no expense to the Government) by such counsel, authorized to practice in such proceedings, as he shall choose,

"(3) the alien shall have a reasonable opportunity to examine the evidence against him, to present evidence on his own behalf, and to cross-examine witnesses presented by the Government, and

"(4) no decision of deportability shall be valid unless it is based upon reasonable, substantial, and probative evidence.".

SEC. 7. CORRECTIONS RELATING TO TITLE VI OF THE IMMIGRATION ACT OF 1990.

(a) Section 212(a) of the INA, as amended by section 601(a) of the Immigration Act of 1990, is amended—

(1) in paragraph (1)(A), by adding "or" at the end of clause (ii);

(2) in paragraph (3)(A)(i), by inserting "(I)" after "any activity" and by inserting "(II)" after "sabotage or";

(3) in paragraph (3)(B)(iii)(III), by striking "an act of terrorist activity" and inserting "a terrorist activity";

(4) in paragraph (3)(D)(iv), by striking "if the alien" and inserting "if the immigrant";

(5) in paragraph (3)(C)(iv), by striking "identities" and inserting "identity";

(6) in paragraph (6)(B)—

(A) by striking "who seeks" and inserting "(a) who seeks",

(B) by striking "(or" and inserting ", or (b) who seeks admission", and

(C) by striking "felony)" and inserting "felony,"; and

(7) in paragraph (8)(B), by striking "alien" the first place it appears and inserting "person"; and

(8) in paragraph (9)(C)—

(A) in clause (i), by striking everything that follows "entry of" and inserting "an order by a court in the United States granting custody to a person of a United States citizen child who detains or retains the child, or withholds custody of the child outside the United States from the person granted custody by that order, is excludable until the child is surrendered to the person granted custody by that order.", and

(B) in clause (ii), by striking "to an alien who" and all that follows through "signatory" and inserting "so long as the child is located in a foreign state that is a party".

(b) Section 212(c) of the INA, as amended by section 601(d)(1) of the Immigration Act of 1990, is amended by striking "subparagraphs (A), (B), (C), or (E) of paragraph (3)" and inserting "paragraphs (3) and (9)(C)".

(c) Section 212(d)(3) of the INA, as amended by section 601(d)(2)(B)(i) of the Immigration Act of 1990, is amended—

(1) by striking "(3)(A)," and inserting "(3)(A)(i)(I), (3)(A)(ii), (3)(A)(iii)," each place it appears, and

(2) by striking "(3)(D)" and inserting "(3)(E)" each place it appears.

(d) Section 212(d)(11) of the INA, as added by section 601(d)(2)(F) of the Immigration Act of 1990, is amended by striking "voluntary" and inserting "voluntarily".

(e) Section 212(h) of the INA, as amended by section 601(d)(4) of the Immigration Act of 1990, is amended—

(1) in the matter before paragraph (1), by striking "in the case of" and all that follows through "permanent residence"; and

(2) in paragraph (1)—

(A) in the matter before subparagraph (A), by inserting "(A) in the case of any immigrant" after "(1)",

(B) by striking "and" at the end of subparagraph (A),

(C) by striking "and" at the end of subparagraph (C) and inserting "or",

(D) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively, and

(E) by adding at the end the following:

"(B) in the case of an immigrant who is the spouse, parent, son, or daughter of a citizen of the United States or an alien lawfully admitted for permanent residence if it is established to the satisfaction of the Attorney General that the alien's exclusion would result in extreme hardship to the United States citizen or lawfully resident spouse, parent, son, or daughter of such alien; and".

(f) Section 212(i) of the INA, as amended by section 601(d)(5) of the Immigration Act of 1990, is amended by striking "alien" and "alien's" each place it appears and inserting "immigrant" and "immigrant's", respectively.

(g) Section 241(a) of the INA, as amended by section 602(a) of the Immigration Act of 1990, is amended—

(1) by striking "deportable as being", and by inserting "deportable" after "the following classes of",

(2) in paragraph (1)(D)(i), by inserting "respective" after "terminated under such",

(3) in paragraph (1)(E)(i), by inserting "any" before "entry" the second and third places it appears,

(4) in paragraph (1)(G), by striking "212(a)(5)(C)(i)" and inserting "212(a)(6)(C)(i)",

(5) in paragraph (1)(H), by striking "paragraph (6) or (7)" and inserting "paragraph (4)(D)",

(6) in paragraph (2)(D), by inserting "or attempt" after "conspiracy",

(7) in paragraph (3), by adding at the end the following:

"(C) DOCUMENT FRAUD.—Any alien who is the subject of a final order for violation of section 274C is deportable."; and

(8) in subparagraphs (A) and (B) of paragraph (4), by striking "after entry has engaged" and inserting "after entry engages".

(h) Section 102 of the INA, as amended by section 603(a)(2) of the Immigration Act of 1990, is amended by striking "paragraph (3) (other than subparagraph (E)) of section 212(a)" each place it appears and inserting "subparagraphs (A) through (C) of section 212(a)(3)".

(i) Section 210A(e)(2)(B) of the INA, as amended by section 603(a)(6) of the Immigration Act of 1990, is amended—

(1) in clause (iii), by striking "Paragraphs and" and inserting "Paragraph", and

(2) in clause (iv), by striking "(3)(D)" and inserting "(3)(E)".

(j) Effective as if included in section 603(a)(5) of the Immigration Act of 1990, section 210(b)(7)(B) of the INA is amended by striking "212(a)(19)" and inserting "212(a)(6)(C)(i)".

(k) Effective as if included in section 602(b) of the Immigration Act of 1990, section 241 of the INA is amended—

(1) by striking subsection (d), and

(2) in the subsection (h) (added by section 153(b) of the Immigration Act of 1990) by striking "exist" and inserting "existed" and by redesignating the subsection as subsection (c).

(l) Effective as if included in section 603(a) of the Immigration Act of 1990:

(1) Section 210A(e)(2)(B) of the INA is amended by striking clauses (iii) and (iv) and inserting the following:

"(iii) Paragraph (3) (relating to security and related grounds).".

(2) Section 217(a) of the INA is amended by striking "(26)(B)" and inserting "(7)(B)(i)(II)".

(3) Section 218(g)(3) of the INA is amended by striking "212(a)(14)" and inserting "212(a)(5)(A)(i)".

(4) Section 244A(c) of the INA, as inserted by section 302(a) of the Immigration Act of 1990, is amended—

(A) in paragraph (1)(B), by adding at the end the following: "In the case of aliens registered pursuant to a designation under this section made after July 17, 1991, the Attorney General may impose a separate, additional fee for providing an alien with documentation of work authorization. Notwithstanding section 3302 of title 31, United States Code, all fees collected under this subparagraph shall be credited to the appropriation to be used in carrying out this section.";

(B) in paragraph (2)(A)(i), by striking "(14), (15), (20), (21), (25), and (32)" and inserting "(4), (5), and (7)(A)"; and

(C) by amending subclause (III) of paragraph (2)(A)(iii) to read as follows:

"(III) paragraphs (3)(A), (3)(B), (3)(C), or (3)(E) of such section (relating to national security and participation in the Nazi persecutions or those who have engaged in genocide).".

(5) Section 245A(d)(2)(B)(ii) of the INA is amended—

(A) by striking subclause (IV),

(B) by redesignating subclause (II) as subclause (IV) and by transferring and inserting it after clause (III),

(C) by redesignating subclause (III) as subclause (II),

(D) by inserting after subclause (II) (as so redesignated) the following new subclause:

"(III) Paragraph (3) (relating to security and related grounds).", and

(E) by striking "Subclause (II)" and inserting "Subclause (IV)".

(6) Section 584(a)(2) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, as amended by section 603(a)(20)(B) of the Immigration Act of 1990, is amended by striking "(D)" and inserting "(E)".

(7) Section 599E of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101-167) is amended by striking "(23)(B), (27), (29), or (33)" and inserting "(2)(C) and subparagraphs (A), (B), (C), or (E) of paragraph (3)".

(8) Section 2(a)(3) of the Immigration Nursing Relief Act of 1989 is amended by striking "212(a)(14)" and inserting "212(a)(5)(A)".

SEC. 8. CORRECTIONS RELATING TO TITLE VII OF THE IMMIGRATION ACT OF 1990.

Section 304(f) of the Immigration Reform and Control Act of 1986, as amended by section 704(b) of the Immigration Act of 1990, is amended—

(1) by striking "appointment in the and" and inserting "appointment and", and

(2) by striking "civil" and inserting "competitive".

(b) Section 404(b)(2)(A) of the INA, as added by section 705(a)(5) of the Immigration Act of 1990, is amended by adding at the end the following new sentence:

"In applying clause (i), the providing of parole at a point of entry in a district shall be deemed to constitute an application for asylum in the district."

SEC. 9. ADDITIONAL MISCELLANEOUS CORRECTIONS.

(a) Section 204 of the Immigration Reform and Control Act of 1986 is amended—

(1) in subsection (a)(1), by adding at the end the following new subparagraph:

"(D) Any amount made available for Federal administration and remaining unobligated at the end of a fiscal year shall remain available for the purposes for which it was made in subsequent fiscal years, but shall not remain available after September 30, 1994.";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (D), by striking "temporary resident aliens" and inserting "eligible legalized aliens",

(ii) by adding "and" at the end of subparagraph (D), and

(iii) by adding at the end the following new sentence: "In subparagraph (D), the term 'eligible legalized alien' includes an alien who applies on a timely basis to become an eligible legalized alien, until the date there has been a final determination with respect to such application.";

(B) by amending subparagraph (D) of paragraph (2) to read as follows:

"(D) A State is permitted to expend of funds allotted with respect to each an amount not to exceed $100,000 (or, if greater, 1 percent) for the purposes described in each of subparagraphs (D) and (E) of paragraph (1). If a State expends with respect to a fiscal year under either such subparagraph for such purposes less than the maximum permitted under the previous sentence, the maximum amount that may be expended for such purposes with respect to the succeeding year shall be increased by the amount of such shortfall."; and

(C) in paragraph (3)(B), by striking "4105(b)(1)(A)" and inserting "3126(b)(1)(A)".

(b)(1)(A) Section 209 of the Department of Justice Appropriations Act, 1989 (title II of Public Law 100-459, 102 Stat. 2203) is amended—

(i) in subsection (a)—

(I) by striking "Title 8, United States Code, section 1356 is amended by adding" and inserting "Section 286 of the Immigration and Nationality Act (8 U.S.C. 1356) is amended by adding at the end", and

(II) in the subsection (o) added by such subsection, by striking "will" and inserting "shall"; and

(ii) by amending subsection (b) to read as follows:

"(b) Section 344(g) of the Immigration and Nationality Act (8 U.S.C. 1455(g)) is amended by inserting after 'Treasury of the United States' the following: 'except that all such fees collected or paid over on or after October 1, 1988, shall be deposited in the Immigration Examinations Fee Account established under section 286(m)'.".

(B) The fourth proviso under Immigration and Naturalization Service in the Department of Justice Appropriations Act, 1990 (title II of Public Law 101-162, 103 Stat. 1000) is amended to read as follows: ": *Provided further*, That section 286(n) of the Immigration and Nationality Act (8 U.S.C. 1356(n)) is amended by striking 'in excess of $50,000,000' and by striking the second sentence".

(2)(A) Section 286 of the INA, as amended by section 210 of the Department of Justice Appropriations Act, 1991, is amended—

(i) in subsection (h)(1)(A), by insert a period after "available until expended",

(ii) in subsection (m), by striking "additonal" and inserting "additional", and

(iii) in subsection (q)(5)(B), by striking "subsection (q)(1)" and inserting "paragraph (1)".

(B) Section 210(a)(2) of the Department of Justice Appropriations Act, 1990, is amended by striking "in which fees" and inserting "in which the fees".

(3) The amendments made by paragraph (1) and (2) shall be effective as if they were included in the enactment of the Department of Justice Appropriations Act, 1989 and the Department of Justice Appropriations Act, 1990, respectively.

(c)(1) Section 101(a)(15)(D)(i) of the INA is amended by inserting a comma after "States)".

(2) The item in the table of contents of the INA relating to section 242A is amended by striking "Procedures" and inserting "procedures".

(3) The item in the table of contents of the INA relating to section 345 is repealed.

(4) Section 101(c)(1) of the INA is amended by striking "322, and 323" and inserting "and 322".

(5) Section 204(f)(4)(A)(ii)(II) of the INA, as redesignated by section 162(d)(6) of the Immigration Act of 1990, is amended by striking "section 652 of such Act" and inserting "the second and third sentences of such section".

(6) Paragraph (3) of section 210(d)(3) of the INA is amended—

(A) by indenting the paragraph (and its subparagraphs) 2 ems to the right;

(B) by striking "the Immigration and Naturalization Service (INS) pursuant to section 210(d) of the Immigration and Nationality Act (INA)" and inserting "Service pursuant to this subsection";

(C) in the matter before subparagraph (A), by striking "INS" each place it appears and inserting "Service";

(D) in subparagraph (A), by striking "as defined in section 210(a)(1)(A) of the INA the INS" and inserting "described in subsection (a)(1)(A) the Service";

(E) in subparagraph (A) by striking "in the INA" and inserting "in this Act";

(F) in subparagraph (B), by striking "as defined in section 210(a)(1)(B)(1)(B) of the INA" and inserting "described in subsection (a)(1)(A)"; and

(G) in subparagraph (B), by striking "section 210(b)(1)(A)" and inserting "subsection (b)(1)(A)".

(7) Section 212(j) of the INA is amended—

(A) by striking "International Communication Agency" in paragraphs (1)(D) and (3) and inserting "United States Information Agency",

(B) by striking paragraph (2), and

(C) by redesignating paragraph (3) as paragraph (2).

(8) Section 218(i)(1) of the INA is amended by striking "274A(g)" and inserting "274A(h)(3)".

(9) Section 274A(b)(1)(D)(ii) of the INA is amended by striking "clause (ii)" and inserting "clause (i)".

(10) Section 313(a)(2) of the INA is amended by inserting "and" before "(F)" and by striking "; (G)" and all that follows through "of 1950" the second place it appears.

(11) Section 286(e)(1)(D) of the INA is amended by striking "of this title".

(12) Section 330 of the INA is amended by striking "of this subsection" and inserting "of this section".

(13) Section 344(c) of the INA, as redesignated by section 407(d)(19)(F) of the Immigration Act of 1990, is amended by striking "of this subchapter" and inserting "of this title".

SEC. 10. EFFECTIVE DATES.

Except as otherwise specifically provided, the amendments made by (and provisions of)—

(1) sections 2 through 8 shall take effect as if included in the enactment of the Immigration Act of 1990,

(2) section 9(a) shall be effective with respect to allotments for fiscal years beginning with fiscal year 1989, and

(3) section 9(c) shall take effect on the date of the enactment of this Act.

Mr. BREAUX. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LAND REMOTE—SENSING DATA ARCHIVING AUTHORIZATION ACT OF 1991

Mr. BREAUX. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 112, S. 230, a bill relating to the NOAA program transfers.

The PRESIDING OFFICER. The clerk bill report.

The legislative clerk read as follows:

A bill (S. 230) to authorize the transfer of certain programs and functions of the National Oceanic and Atmospheric Administration to the Department of the Interior, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment.

On page 3, line 11, strike "4244(b)(4)", and insert in lieu thereof "4242(b)(4)"

The Committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 230

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Land Remote-Sensing Data Archiving Authorization Act of 1991".

TRANSFER OF DATA ARCHIVING RESPONSIBILITY

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) section 602 of the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4272) directs the Secretary of Commerce to provide for the archiving of land remote-sensing data for historical, scientific, and technical purposes, including long-term global environmental monitoring;

(2) the Secretary of Commerce currently provides for the archiving of Landsat data at the Department of the Interior's EROS Data Center, which is consistent with the requirement of section 602(g) of such Act (15 U.S.C. 4272(g)) to use existing Federal Government facilities to the extent practicable in carrying out this archiving responsibility;

(3) the Landsat data collected since 1972 are an important global data set for monitoring and assessing land resources and global change;

(4) the Secretary of the Interior maintains archives of aerial photography, digital cartographic data, and other Earth science data at the EROS Data Center that also are important data sets for monitoring and assessing land resources and global change;

(5) it is appropriate to transfer authority to the Secretary of the Interior for the archiving of land remote-sensing data; and

(6) the Secretary of the Interior should explore ways to facilitate the use of archived data for research purposes consistent with other provisions of the Land Remote-Sensing Commercialization Act of 1984.

(b) PROVISION OF UNENHANCED DATA.—Section 402(b)(4) of the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4242(b)(4)) is amended by inserting "of the Interior" immediately after "Secretary".

(c) ARCHIVING OF DATA.—Section 602 of the Land Remote-Sensing Commercialization Act of 1984 (15 U.S.C. 4272) is amended—

(1) in subsections (b), (c), (d), (f), and (g), by inserting "of the Interior" immediately after "Secretary" each place it appears; and

(2) by adding at the end the following new subsection:

"(h) In carrying out the functions of this section, the Secretary of the Interior shall consult with the Secretary to ensure that archiving activities are consistent with the terms and conditions of any contract or agreement entered into under title II, III, or V of this Act and with any license issued under title IV of this Act.".

Mr. BREAUX. Mr. President, I move to reconsider the vote.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by , one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty which were referred to the appropriate committees.

(The nominations and treaty received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 2:08 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 1047. An act to amend title 38, United States Code, to make miscellaneous improvements in veterans' compensation, pension life insurance, health-care, and facilities management programs, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore [Mr. BYRD].

At 2:51 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2427) making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 4, 10, 15, 28, 49, and 53 to the bill, and agrees thereto; and it recedes from its disagreement to the amendments of the Senate numbered 2, 7, 8, 9, 12, 13, 14, 21, 22, 23, 24, 30, 31, 32, 34, 36, 39, 45, 47, and 48 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2801. An act to authorize the minting of legal tender coins to commemorate the 1994 World Cup and to provide a financial legacy to youth and amateur soccer in the United States.

At 5:58 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the bill (S. 1593) to improve the operation and effectiveness of the United States Commission on Libraries and Information Science, and for other purposes; without amendment.

The message also announced that the House has agreed to the concurrent resolution (S. Con. Res. 39) to authorize the printing of "The Dome of the United States Capitol: An Architectural History", prepared by the Office of the Architect of the Capitol; without amendment.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2699) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992; it recedes from its disagreement to the amendments of the Senate numbered 7 and 25 to the bill, and agrees thereto; that the House recedes from its disagreement to the amendments of the Senate numbered 2, 15, 17, 18, 23, 24, and 26 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate; and that it insists upon its disagreement to the amendment of the Senate numbered 10 to the bill.

The message also announced that the House agrees to the amendment of the

Senate to the bill (H.R. 2313) to amend the School Dropout Demonstration Assistance Act of 1988 to extend the authorization of appropriations through fiscal year 1993, and for other purposes.

The message further announced that the House agrees to the amendments of the Senate to the bill (H.R. 904) to direct the Secretary of the Interior to prepare a national historic landmark theme study on African American history.

The message also announced that the House agrees to the amendments of the Senate to the bill (H.R. 1143) to authorize a study of nationally significant places in American labor history.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1107. An act to establish a silver congressional commemorative medal for members of the United States Armed Forces who serve in a combat zone in connection with the Persian Gulf conflict.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 6:28 p.m., a message from the House of Representatives announced that the Speaker has signed the following enrolled bills and joint resolution:

H.R. 1455. An act to authorize appropriations for fiscal year 1991 for intelligence activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes;

H.R. 1779. An act to designate the Federal building being constructed at 77 West Jackson Boulevard in Chicago, Illinois, as the "Ralph H. Metcalfe Federal Building";

H.R. 2901. An act to authorize the transfer by lease of 4 naval vessels to the Government of Greece; and

H.J. Res. 264. Joint resolution designating August 1, 1991, as "Helsinki Human Rights Day."

The enrolled bills and joint resolution were subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1107. An act to establish a silver congressional commemorative medal for members of the United States Armed Forces who served in a combat zone in connection with the Persian Gulf conflict; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 2801. An act to authorize the minting of legal tender coins to commemorate the 1944 World Cup and to provide a financial legacy to youth and amateur soccer in the United States; to the Committee on Banking, Housing, and Urban Affairs.

MEASURES PLACED ON THE CALENDAR

Pursuant to the order of the Senate of July 30, 1991, the Committee on Environment and Public Works was discharged from the further consideration of the following bill, which was placed on the calendar:

S. 668. A bill to authorize consolidated grants to Indian tribes to regulate environmental quality on Indian reservations.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, August 1, 1991, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 40. Joint resolution designating the week beginning September 8, 1991, and the week beginning September 6, 1992, each as "National Historically Black Colleges Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1711. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend section 806 of the Military Family Act of 1985 relating to employment opportunities for spouses of Department of Defense employees who are dislocated as a condition of employment to include spouses of certain civilian employees of the Department of Defense; to the Committee on Armed Services.

EC-1712. A communication from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 10, United States Code, to modify and extend the authority of the Secretary of Defense to waive reimbursement for certain costs incurred in the NATO Airborne Warning and Control System (AWACS) program; to the Committee on Armed Services.

EC-1713. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1714. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1715. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1716. A communication from the Administrator of General Services, transmitting, pursuant to law, informational copies of certain reports; to the Committee on Environment and Public Works.

EC-1717. A communication from the Chairman of the Physician Payment Review Commission, transmitting, pursuant to law, the Commission's report on the Notice of Proposed Rulemaking released by the Health Care Financing Administration on June 5, 1991; to the Committee on Finance.

EC-1718. A communication from the Assistant Secretary of the Treasury (Legislative Affairs) and the Assistant Secretary of State (Legislative Affairs), transmitting jointly, pursuant to law, the second report on foreign contributions on response to the Persian Gulf Crisis; to the Committee on Foreign Relations.

EC-1719. A communication from the Secretary of State, transmitting, pursuant to law, a determination to waive the transfer of foreign assistance funds under the Fishermen's Protective Act; to the Committee on Foreign Relations.

EC-1720. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-74 adopted by the Council on July 2, 1991; to the Committee on Governmental Affairs.

EC-1721. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-75 adopted by the Council on July 2, 1991; to the Committee on Governmental Affairs.

EC-1722. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-76 adopted by the Council on July 2, 1991; to the Committee on Governmental Affairs.

EC-1723. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-77 adopted by the Council on July 2, 1991; to the Committee on Governmental Affairs.

EC-1724. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-78 adopted by the Council on July 2, 1991; to the Committee on Governmental Affairs.

EC-1725. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-79 adopted by the Council on July 2, 1991; to the Committee on Governmental Affairs.

EC-1726. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-80 adopted by the Council on July 2, 1991; to the Committee on Governmental Affairs.

EC-1727. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-81 adopted by the Council on July 2, 1991; to the Committee on Governmental Affairs.

EC-1728. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-82 adopted by the Council on July 2, 1991; to the Committee on Governmental Affairs.

EC-1729. A communication from the Archivist of the United States, transmitting, pursuant to law, the annual report of the Archivist of the United States for fiscal year 1990; to the Committee on Governmental Affairs.

EC-1730. A communication from the Assistant Attorney General (Legislative Affairs), transmitting, pursuant to law, the annual report of the Office of Juvenile Justice and Delinquency Prevention for fiscal year 1990; to the Committee on the Judiciary.

EC-1731. A communication from the Secretary of Labor, transmitting a draft of proposed legislation to extend the authorization for the Older American Community Service Employment Program, and for other purposes; to the Committee on Labor and Human Resources.

EC-1732. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, proposed regulations governing matching fund submission and certification procedures for Presidential primary candidates; to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

H.R. 1006. A bill to authorize appropriations for fiscal year 1992 for the Federal Maritime Commission, and for other purposes (Rept. No. 102-134).

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S. 525. A bill granting an extension of patent to the United Daughters of the Confederacy.

By Mr. BIDEN, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 646. A bill to amend title 28, United States Code, to authorize the appointment of additional bankruptcy judges.

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S. 967. A bill providing for 14-year extension of the patent for the badge of American Legion Auxiliary.

S. 968. A bill providing for a 14-year extension of the patent for the badge of the Sons of the American Legion.

S. 969. A bill providing for a 14-year extension of the patent for the badge of the American Legion.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BAUCUS:

S. 1610. A bill to amend the Internal Revenue Code of 1986 to simplify the application of the provisions relating to deposit requirements for employment taxes; to the Committee on Finance.

By Mr. SARBANES (for himself and Mr. SASSER):

S. 1611. A bill to provide for a Federal Open Market Advisory Committee, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SYMMS:

S. 1612. A bill to amend the Internal Revenue Code of 1986 to modify the substantiation requirements for reimbursement arrangements; to the Committee on Finance.

By Mr. MACK:

S. 1613. A bill for the relief of Major Ralph Edwards; to the Committee on Armed Services.

By Mr. GRAHAM (for himself and Mr. HOLLINGS):

S. 1614. A bill to amend the Rehabilitation Act of 1973 to revise and extend the program regarding independent living services for older blind individuals, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KASTEN:

S. 1615. A bill to repeal the provision of the Internal Revenue Code of 1986 which provides that the accumulated earnings tax shall be applied without regard to the number of shareholders in the corporation; to the Committee on Finance.

By Mr. CRANSTON (by request):

S. 1616. A bill to amend title 38, United States Code, to permit the Secretary of Veterans Affairs to declare an open season during which veterans with participating National Service Life Insurance policies can purchase paid-up, additional insurance with their dividend credits and deposits whenever the Secretary determines that it is administratively and actuarially sound for each program of insurance; to the Committee on Veterans Affairs.

By Mr. SYMMS (for himself and Mr. D'AMATO):

S. 1617. A bill to amend the Internal Revenue Code of 1986 to provide protection for taxpayers, and for other purposes; to the Committee on Finance.

By Mr. NICKLES (for himself and Mr. BOREN):

S. 1618. A bill to permit the Mountain Park Master Conservancy District in Oklahoma to make a payment to satisfy certain obligations to the United States, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MCCAIN:

S. 1619. A bill to amend the National Energy Conservation Policy Act to establish a water conservation requirement for Federal buildings, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KENNEDY (for himself and Mr. SIMPSON):

S. 1620. A bill to make technical corrections with respect to the Immigration Act of 1990 and other immigration laws; considered and passed.

By Mr. KOHL (for himself, Mr. GLENN and Mr. LEVIN):

S. 1621. A bill to improve supervision and regulation of Government Sponsored Enterprises; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KENNEDY (for himself and Mr. METZENBAUM):

S. 1622. A bill to amend the Occupational Safety and Health Act of 1970 to improve the provisions of such Act with respect to the health and safety of employees, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DECONCINI (for himself, Mr. INOUYE, Mr. HATCH, Mr. KENNEDY, Mr. LEAHY, Mr. BURNS, Mr. GORTON, Mr. GORE, Mr. GRASSLEY, Mr. D'AMATO, Mr. CRANSTON, and Mr. BREAUX):

S. 1623. A bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes; to the Committee on the Judiciary.

By Mr. BREAUX (for Mr. MITCHELL):

S.J. Res. 187. A joint resolution to make a technical correction in Public Law 101-549; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE:

S. Res. 165. A resolution to amend the Standing Rules of the Senate; to the Committee on Rules and Administration.

By Mr. COATS (for himself and Mr. SIMPSON):

S. Res. 166. A resolution expressing the sense of the Senate that, in light of current economic conditions, the Federal excise taxes on gasoline and diesel fuel should not be increased; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BAUCUS:

S. 1610. A bill to amend the Internal Revenue Code of 1986 to simplify the application of the provisions relating to deposit requirements for employment taxes; to the Committee on Finance.

DEPOSIT REQUIREMENTS FOR EMPLOYMENT TAXES

• Mr. BAUCUS. Mr. President, small business is the backbone of our country. They account for most of the jobs and for many areas they are a lynch pin in the social fabric.

Yet, small business faces many difficulties, not the least of which is the complexity of our Tax Code. That is why I am today introducing a bill to amend the Internal Revenue Code of 1986 which will simplify one aspect of the code relating to payroll tax deposits.

All employers are all required to withhold Federal income and Social Security taxes from the paychecks of their employees. These withheld taxes must be deposited in a Federal depository bank according to a schedule established by Internal Revenue Service [IRS] regulations.

Unfortunately, the current deposit rules are too complex. Every year one out of every three employers is penalized for not depositing these withheld taxes according to the regulations. A good number of these penalties fall on small employers, who because of small changes in their payroll, are subject to changes in their deposit schedules from one month to the next.

Employers are not the only ones unable to figure out this system. In 1988, the IRS had to return almost half of the money they collected from these penalties because the IRS had calculated the penalty incorrectly.

We need a simpler system. The bill I am introducing today will eliminate the great amount of uncertainty that surrounds the current system and allow employers to more easily determine when they must deposit the taxes they have withheld from their employees.

Under current law, the frequency with which an employer must deposit varies. The deposit schedule an employer must follow changes according to the amount of employment taxes withheld by the employer and how often employers pay their employees.

If an employer collects less than $500 a quarter in employment taxes, the employer deposits the amount collected at the end of the quarter.

Employers collecting more than $500 a quarter, but less than $3,000 a month, deposit the employment taxes they have withheld by the 15th day of the following month.

Employers collecting more than $3,000 a month, but less than $100,000, deposit 3 days after 8 monthly trigger dates. The confusion surrounding these trigger dates is one of the primary source of penalties.

Employers collecting more than $100,000 must deposit their withheld taxes the next banking day.

The confusing part for employers is that they must continually monitor the amount of money withheld from their employees because their deposit schedule could change, from quarterly, to monthly, to every other day, in some cases.

It is little wonder that one of every three employers ends up receiving a penalty for not doing this right. Most employers who are penalized under current law trip up because they cannot figure out when they are supposed to deposit their taxes. Businesses' payrolls, and therefore withheld taxes, vary with the business cycle—sometimes their payroll is increasing, sometimes decreasing.

Consequently they may cross the thresholds from less frequent to more frequent payments, and back again, several times a year. With each change in the payment schedule the likelihood of missing a deposit date and incurring a penalty increase. In fact this section of the Tax Code generates the most penalties for small businesses.

My bill would greatly simplify current law by reducing the number of deposit schedules, and therefore, cut the nunber of employers who may be subject to different schedules in any one year. It also allows employers to look back to the amount of past withholdings to determine how often they should deposit their taxes, rather than having to change deposit schedules immediately upon crossing a dollar threshold.

This bill requires employers who withhold less than $6,000 a month to make their deposit once a month. Employers who withhold more than $6,000 a month would have to deposit on a Tuesday or Friday following the date of payroll. Those withholding in excess of $100,000 would be required to deposit on the next banking day.

This legislation would also change current law to allow employers to look back to previous quarters to determine what deposit schedule they had to follow. For example, if an employer in any quarter in the previous year withheld more than $18,000, he would have to deposit his current withheld taxes after every payroll. If he withheld less than $18,000, he would only have to deposit once a month. Unlike current law, he would be certain that the schedule would not change in midmonth.

To stay within the budgetary constraints, the bill also reduces the margin of error allowance from 5 percent to 2 percent. With a simpler, easier to calculate, system there is less need for such a large margin for error. But in an economic environment where business is crying out for tax simplification, we should not allow the current overly complex system to continue. This Nation's tax system is built on voluntary compliance, and nothing undermines this more than having taxpayers penalized because of needlessly confusing regulations.

Mr. President, I look forward to working with my colleagues on this legislation, and I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SIMPLIFICATION OF DEPOSIT REQUIREMENTS FOR SOCIAL SECURITY, RAILROAD RETIREMENT, AND WITHHELD INCOME TAXES.

(a) IN GENERAL.—Subsection (g) of section 6302 of the Internal Revenue Code of 1986 (relating to deposits of social security taxes and withheld income taxes) is amended to read as follows:

"(g) DEPOSITS OF SOCIAL SECURITY, RAILROAD RETIREMENT, AND WITHHELD INCOME TAXES.—

"(1) GENERAL RULE.—Except as otherwise provided in this subsection—

"(A) employment taxes attributable to payments on Wednesday, Thursday, or Friday of any week shall be deposited on or before the following Tuesday, and

"(B) employment taxes attributable to payments on Saturday, Sunday, Monday, or Tuesday of any week shall be deposited on or before the following Friday.

"(2) SMALL DEPOSITORS.—

"(A) IN GENERAL.—If any person is a small depositor for any calendar quarter, such person shall make deposits of employment taxes attributable to payments during any month in such quarter on or before the 15th day of the following month.

"(B) SMALL DEPOSITOR.—For purposes of this subsection, a person is a small depositor for any calendar quarter if, for each calendar quarter in the base period, the average monthly amount of employment taxes attributable to payments made by such person during such calendar quarter did not exceed $6,000. For purposes of the preceding sentence, the base period for any calendar quarter is the 4 calendar quarters ending with the second preceding calendar quarter.

"(C) CESSATION AS SMALL DEPOSITOR.—A person shall cease to be treated as a small depositor for a calendar quarter after any day on which such person is required to make a deposit under paragraph (3).

"(3) LARGE DEPOSITORS.—Notwithstanding paragraphs (1) and (2), if, on any day, any person has $100,000 or more of employment taxes for deposit, such taxes shall be deposited on the next day.

"(4) SAFE HARBOR.—

"(A) IN GENERAL.—A person shall be treated as depositing the required amount of employment taxes in any deposit if the shortfall does not exceed the greater of—

"(i) $250, or

"(ii) 2 percent of the amount of employment taxes required to be deposited in such deposit (determined without regard to this paragraph). Such shortfall shall be deposited as required by the Secretary by regulations.

"(B) SHORTFALL.—For purposes of this paragraph, the term "shortfall' means, with respect to any deposit, the excess of the amount of employment taxes required to be deposited in such deposit (determined without regard to this paragraph) over the amount (if any) thereof deposited on or before the last date prescribed therefor.

"(5) DEPOSIT REQUIRED ONLY ON BANKING DAYS.—If taxes are required to be deposited under this subsection on any day which is not a banking day, such taxes shall be treated as timely deposited if deposited on the first banking day thereafter.

"(6) EMPLOYMENT TAXES.—For purposes of this subsection, the term 'employment taxes' means the taxes imposed by chapters 21, 22, and 24.

"(7) SUBSECTION TO APPLY ONLY TO REQUIRED DEPOSITS.—This subsection shall not apply to employment taxes which are not required to be deposited under the regulations prescribed by the Secretary under this section.

"(8) REGULATIONS.—The Secretary may prescribe regulations—

"(A) specifying employment tax deposit requirements for persons who fail to comply with the requirements of this subsection,

"(B) specifying circumstances under which a person shall be treated as a small depositor for purposes of this subsection notwithstanding that such person is not described in paragraph (2)(B),

"(C) specifying modifications to the provisions of this subsection for end-of-quarter periods, and

"(D) establishing deposit requirements for taxes imposed by section 3406 which apply in lieu of the requirements of this subsection."

(b) CONFORMING AMENDMENT.—Section 226 of the Railroad Retirement Solvency Act of 1983 is hereby repealed.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts attributable to payments made after December 31, 1992.●

By Mr. SARBANES (for himself and Mr. SASSER):

S. 1611. A bill to provide for a Federal Open Market Advisory Committee, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

MONETARY POLICY REFORM ACT

Mr. SARBANES. Mr. President, today I am introducing the Monetary Policy Reform Act of 1991, along with my colleague, Senator JIM SASSER, chairman of the Senate Budget Committee. A companion bill is being introduced in the House of Representatives by Representative LEE. H. HAMILTON, vice chairman of the Joint Economic Committee, and Representative BYRON DORGAN.

The purpose of the Monetary Policy Reform Act is to dissolve the Federal Open Market Committee and make the Board of Governors of the Federal Reserve System solely responsible for the conduct of monetary policy, including the open market operations that determine interests rates.

The need for this bill is rooted both in the recent conduct of monetary policy and the 70-year history of the Federal Reserve System.

Earlier this year, while the Nation's economy was deep in its 9th postwar recession, reports surfaced about a disturbing split among policymakers at the Federal Reserve. Important changes in monetary policy proposed by Federal Reserve Board Chairman Alan Greenspan were being resisted by the presidents of some of the regional Federal Reserve Banks. In a democratic government, it is not unusual for policymakers to disagree. But this was not a split among Government policymakers; a small handful of individuals representing private interests was impeding efforts by responsible public officials to conduct monetary policy in the best interest of the Nation's economy.

Partly as a result of this conflict, monetary policy during the recession has come under more than the usual criticism. Slow money growth since 1988 has been frequently cited as one reason why the economy was to weak to shrug of the shock of the gulf war. When oil prices rose last fall and consumer confidence plunged, the Fed's restrictive path, it is argued, served to deepen and lengthen the recession that had begun only a short time earlier. Since the recession started, the Federal Reserve's critics point out that interest rates have fallen only half as much as in the three previous recessions, despite the need for greater monetary stimulus created by the credit crunch.

Today, the apparent revival of economic activity may diminish concerns over past policy. But it should not diminish concern about a system in which private individuals have an important role in making Government economic policy.

With fiscal policy immobilized in the struggle to reduce the Federal budget deficit, much of the responsibility for the conduct of economic policy has devolved to the Federal Reserve. But despite its power, the Fed does not conform to normal standards of government accountability and is unique among government institutions here and abroad in the pivotal role played by private individuals in making government decisions.

BACKGROUND ON DECISION MAKING AT THE FEDERAL RESERVE

The Federal Reserve System consists of the Board of Governors in Washington and the 12 regional Federal Reserve banks. The Board of Governors has seven members, who are appointed by the President and confirmed by the Senate to 14-year terms. The Governors of the Federal Reserve are thus duly appointed public officials who are responsible to the President and Congress, and through them to the American people, for their conduct in office.

The Federal Reserve bank presidents, in contrast, owe their jobs to the Boards of Directors of the regional banks—boards dominated by local commercial banks. Neither the President nor Congress has any role in selecting the presidents of the Federal Reserve banks. Some of the bank presidents are career employees, others have backgrounds in banking, business and academics; none are duly-appointed public officials. Nonetheless, they participate in monetary policy decisions through their membership on the Federal Reserve's Open Market Committee [FOMC], where they cast 5 of the 12 votes that determine monetary policy and interest rates.

Although most Government agencies—including the Fed—make extensive use of private citizens as advisers, in no other agency are major policy decisions made by individuals who are not publicly accountable.

LEGISLATIVE HISTORY

1913 FEDERAL RESERVE ACT

The legislative history of the Federal Reserve Act and later amendments suggest that the bank presidents are members of the FOMC not because they serve any useful economic function there but because of political compromises.

The role of the bank presidents in the conduct of monetary policy has always been a controversial issue. Neither Woodrow Wilson, who was President at the time the Fed was created, nor Franklin Delano Roosevelt, who was President when the banking laws were rewritten during the 1930's found any justification for having private interests represented on government bodies.

In 1913, as Congress was drafting the Federal Reserve Act, Representative Carter Glass, who was then chairman of the House Banking Committee, proposed in his draft of the Federal Reserve Act to give the Nation's banks significant representation on the Federal Reserve Board. Senator Owen, chairman of the Senate Banking Committee, strongly opposed this and held that the Government should appoint all the members of the proposed Board. Glass' compromise position was to have four members chosen by the Government and three by the banks. Owen and Glass met with President Wilson on this issue. According to Owen (see CONGRESSIONAL RECORD, Vol. 50):

> After a discussion of two hours, approximately, the President coincided with my contention that the Government should control every member of the Board on the ground that it was the function of the government to supervise this system, and no individual, however respectable should be on the Board representing private interests.

According to Glass' 1927 book, "Adventures in Constructive Finance", when a group of bankers went to the White House to protest Wilson's decision, the President turned to the bankers and said:

> Will one of you gentlemen tell me in what civilized country of the Earth there are important government boards of control on which private interests are represented?

After what Glass tells us was a "painful silence," President Wilson inquired:

> Which of you gentlemen thinks that railroads should select members of the Interstate Commerce Commission?

As a compromise, Wilson suggested that as compensation to the banks for not being on the Board, the bill should include a Federal Advisory Council, which would let representatives of the banks meet with the Federal Reserve Board periodically on a purely advisory capacity. Since Glass decided there could have been no convincing reply to either of Wilson's questions, he thereafter gave Wilson's approach his very cordial support.

Wilson's views were reflected in the report of the Senate Banking Committee on the 1913 act, which argued:

> The function of the Federal Reserve Board in supervising the banking system is a governmental function in which private persons or private interests have no right to representation, except through the Government itself.

DEVELOPMENT OF THE FEDERAL OPEN MARKET COMMITTEE

One of the most serious omissions from the Federal Reserve Act of 1913 was any Federal Reserve organ to guide open market operations. Instead, such decisions were left up to the individual Federal Reserve banks.

During the early years, the banks, which received no appropriations from Congress for operating expenses, frequently made open market purchases of Treasury bills and other financial instruments in order to gain earning assets to fund salaries and other bank expenses. Since each bank did this separately and at its own convenience, open market operations occasionally had a disruptive influence on Treasury markets.

In 1922, under pressure from the Treasury, the Governors—as the bank presidents were called before 1935—of the banks of New York, Boston, Chicago, Cleveland, and Philadelphia formed what came to be called the Open Market Investment Committee, to work out an orderly method of buying and selling Government securities. The individual Federal Reserve banks, however, were not compelled to obey this Committee; each bank decided on its own whether to follow the approved policy. The Federal Reserve Board these early days had no statutory role in open market operations.

BANKING ACT OF 1933

The Banking Act of 1933 gave the Open Market Committee statutory recognition and expanded it to include one representative of each Federal Reserve

District. But it did little to correct the impotence of the Federal Reserve Board. The Board could not initiate open market operations; it could only approve or disapprove decisions of the Open Market Committee.

When President Roosevelt appointed Marriner Eccles to head the Federal Reserve Board in 1934, Eccles proposed to give the Board increased control over monetary policy by making it, rather than the FOMC, responsible for open market operations.

The House version of the Banking Act of 1935 followed this plan by limiting membership in the Open Market Committee to Federal Reserve Board members. To mollify the Federal Reserve banks, the bill included a provision under which the Board would consult periodically with five representatives of the banks. After consultation, however, the Board would be free to follow its own judgment on monetary policy. Some, particularly Banking Committee Chairman Carter Glass, who joined the Senate in 1919 after a brief term as Treasury Secretary, resisted this plan and insisted that the power be shared with the Federal Reserve banks. The final version of the act compromised on this issue by creating an FOMC which included as voting members the seven members of the Board of Governors and a rotating group of five Federal Reserve bank presidents. As part of the compromise, the FOMC's policy on open market operations was made binding on the Federal Reserve banks. Authority and responsibility for monetary policy was thus centralized in the FOMC, though not in the Federal Reserve Board.

MONETARY POLICY IN OTHER COUNTRIES

This arrangement of giving private individuals a substantial voice in the conduct of monetary policy finds little support in the practice of central banking abroad. A study recently prepared for the Joint Economic Committee on central bank-government relations in the major industrialized countries found that central bank officials who make monetary policy decisions elsewhere are all duly appointed public officials who are accountable only to the people and not to special interests. In most instances, the policymakers are appointed by the Prime Minister, with input from other Ministers, usually Treasury, or Parliament. Where central bank officials that are not directly appointed by the Government have a role, as in Italy, it is usually advisory; ultimate responsibility still rests with Government appointees. Even in Germany, which reputedly has the most independent of all central banks, the 11 Land Bank presidents who participate in monetary policy decisions are all appointed by the upper house of the German Parliament. In no instance abroad do private individuals have a binding vote as they do here.

THE MONETARY POLICY REFORM ACT OF 1991

The Monetary Policy Reform Act of 1991, which I am introducing today, would fulfill the original intentions of Presidents Wilson and Roosevelt by making the Board of Governors solely responsible for the conduct of monetary policy. The bill would do two things. First, the FOMC as presently constituted would be dissolved and its responsibilities would be taken over by the Board of Governors. Second, a Federal Open Market Advisory Council would be created, composed of the presidents of the 12 Federal Reserve banks. Through this Federal Open Market Advisory Council, the bank presidents would have an important consultative role on monetary policy, but would not have a vote. The Fed would still have the benefit of the bank presidents' advice, but monetary policy decisions would be the responsibility of properly appointed public officials.

Power without accountability does not fit the American system of democracy. In no other government agency do private individuals make government policy. The Monetary Policy Reform Act of 1991 will now apply this same principle of democracy to the Federal Reserve.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1611

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Monetary Policy Reform Act of 1991".

SEC. 2. MEMBERSHIP OF THE FEDERAL OPEN MARKET ADVISORY COMMITTEE.

Section 12A(a) of the Federal Reserve Act (12 U.S.C. 263(a)) is amended to read as follows:

"(a)(1) There is established a Federal Open Market Advisory Committee (hereinafter referred to as the 'Advisory Committee'), which shall consist of the presidents of the Federal Reserve banks. The president of the Federal Reserve Bank of New York shall be the chairperson of the Advisory Committee. The meetings of the Advisory Committee shall be held in Washington, District of Columbia, not less than 4 times a year upon the call of the Board of Governors of the Federal Reserve System.

"(2) The Advisory Committee shall advise the Board on the conduct of open-market operations.".

SEC. 3. CONFORMING AMENDMENTS.

(a) IN GENERAL.—Section 12A(b) of the Federal Reserve Act (12 U.S.C. 263(b)) is amended by striking "Committee" each place it appears and inserting "Board".

(b) UNITED STATES OBLIGATIONS.—Section 14(b)(2) of the Federal Reserve Act (12 U.S.C. 355(2)) is amended by striking "Federal Open Market Committee" and inserting "Board".

By Mr. SYMMS:

S. 1612. A bill to amend the Internal Revenue Code of 1986 to modify the sustantiation requirements for reimbursement arrangements; to the Committee on Finance.

MODIFICATION OF SUBSTANTIATION REQUIREMENTS FOR REIMBURSEMENT ARRANGEMENTS

• Mr. SYMMS. Mr. President, I rise today to introduce legislation correcting a provision of the tax code that is slam-dunking the working men and women in the timber industry and which threatens to do the same in industries throughout the country.

The provision I am referring to was an apparently innocuous change made in the 1988 Family Support Act in the tax treatment of reimbursement or allowance agreements between employers and employees. These are common arrangements whereby an employee provides his own tools and the employer compensates the employee for the use of those tools under a reimbursement agreement. In other words, the employer pays a wage and a reimbursement or allowance, both of which are included in the employee's gross income for tax purposes. Until recently, however, the reimbursement could be excluded again as an adjustment to gross income, that is, it was excludable above-the-line.

In the timber industry, for example, the men and women who go out and cut the timber are called sawyers. Sawyers are required as a condition of their employment to supply their own equipment including chainsaws, extra chain, trucks, track skidders, et cetera. To compensate the sawyers for the wear and tear on their equipment, an employer will pay a set amount each month under a reimbursement agreement in addition to the employee's stated wage. This additional amount is called saw hire. For example, under a typical arrangement, an employer might pay $2,000 each month in salary and $1,000 each month in saw hire.

There is general agreement that saw hire should not be subject to tax. The only question is whether the exclusion of saw hire should come as an adjustment to income, that is, above the line, or as a deduction in the calculation of taxable income—below the line.

Saw hire should not be subject to tax because the sawyer is really acting as an agent for his employer by buying and maintaining the equipment he needs to perform the job. This equipment is purchased on behalf of the employer and the sawyer is merely reimbursed for his out-of-pocket expenses. This rationale is particularly appropriate in the case of sawyers because they usually work in rugged, isolated regions many miles from the employer's place of business. It would be impractical for an employer to try to provide such equipment directly as needed. If a chain broke in the middle of the day, it could be many hours before an employer could get a new one to the sawyer.

As I pointed out above, until recently saw hire was clearly deductible above the line. In the 1986 Tax Reform Act, for example, Congress retained the above-the-line deduction for payments made to an employee under a reimbursement agreement arguing that an employer's agreement to reimburse these expenses meant they were a necessary expense of the employer's business. In effect, the Congress concluded that the employee was acting as an agent of the employer and paying for the item, and the net tax treatment should be as though the employer had incurred the expense directly. In my opinion, this was exactly correct.

Two years later, in the 1988 Family Support Act, the Congress drew a distinction between reimbursement agreements that required substantiation by the employee of the expenses incurred and those that did not. Agreements which do not require the employee to document reimbursable expenses are nonaccountable plans. Nonaccountable plans were less like employer costs paid by the employer, or so the Congress argued, and more like costs incurred by the employee to perform his job.

In the 1988 act, therefore, reimbursements under nonaccountable plans were moved below the line. They were still deductible, not in determining adjusted gross income but rather in going from AGI to taxable income. While this may seem like a minor change, the tax impact on sawyers, and other employees in similar situations, is enormous.

For example, in moving the deduction below the line the Congress denied the deduction to taxpayers who file as nonitemizers because only itemizers were able to take the deduction. And even those taxpayers who itemize may lose some portion of the deduction because the saw hire deduction falls under the category of a miscellaneous deduction. Miscellaneous deductions are allowed only to the extent that total miscellaneous deductions exceed 2 percent of AGI.

Finally, and perhaps most importantly, by moving the deduction below the line, the saw hire reimbursement became subject to the payroll tax at both the employer and employee levels. So not only did this dramatically reduce the taxpayer's after-tax income, it also increased taxes on timber companies.

Let me give an example of how this works. Suppose an employee earns $2,000 in wages and receives $1,000 under a reimbursement arrangement each month, his Federal income tax rate is 15 percent, and his State income tax rate is 7 percent. As the table below shows, this small change in the tax law results in a monthly increase in a sawyer's tax liability of $76.50 if he is able to itemize and $296.50 if he cannot itemize. Assuming the sawyer is able to work for 6 months a year in this profession, that is an increase in his total tax burden for the year of $459.00 if he can itemize his deductions or $1,779.00 if he cannot itemize. And, for the itemizer, this is a best case scenario because it assumes that all of the amount paid under a reimbursement arrangement exceeds the 2 percent AGI floor.

	Old law	Current law itemizer	Current law nonitemizer
Employee:			
Wages	$2,000	$2,000.00	$2,000.00
Sawhire	1,000	1,000.00	1,000.00
Gross income	3,000	3,000.00	3,000.00
Reimbursement exclusion	−1,000		
Adjusted gross income	2,000	3,000.00	3,000.00
Itemized deduction		−1,000.00	
Taxable income	2,000	2,000.00	3,000.00
Employee taxes:			
Federal income	300	300.00	450.00
State income	140	140.00	210.00
FICA	153	229.50	229.50
Total	593	669.50	889.50
Change in tax from prior law		76.50	296.50
Employer taxes:			
FICA	153	229.50	229.50
Change in tax from prior law		76.50	76.50

And, of course, the employer gets stuck, too. Using the 6-month assumption, a timber employer has to pay an additional $459 each year per employee. For the companies in the Northwest struggling to survive, I can tell you, that really hurts.

Mr. President, there is a way for the employee and employer to avoid these fairly drastic results. If the employee can document the expenses for which he files for a reimbursement under a reimbursement agreement, then the employee can move the deduction back above the line as an adjustment to gross income.

The trouble is that a sawyer incurs a wide range of reimbursable costs far from the employer's place of business. Job sites are typically far removed from any semblance of a town or city. I just don't think it's reasonable to ask these people to struggle under the same kinds of paperwork burdens we habitually impose on big businesses.

In fact, this requirement reminds me of the rule we had a few years back requiring taxpayers to keep careful logs for the use of automobiles in business. This rule was unwieldy and unworkable, and the Congress finally succumbed to the outcry from the public and repealed the rule. We should do the same for saw hire.

The new rule also raises a number of difficult questions for employers. For example, how is the employer supposed to determine whether an expense is legitimate or not. Sure, in some cases that is easy enough, but in many cases it will not be, like claimed transportation expenses. And if the employer declares an expense to be appropriate under the agreement, what happens if the Service later audits the employer and disagrees?

A more difficult question is, what happens if the employer rents equipment from employees. How is the employer to treat wages versus equipment rental?

Mr. President, the curent law rule is unworkable. It is unfair. It is inconsistent with the arrangements made between employer and employee. And, worst of all, the current rule just does not make much sense. What does the question of whether the expenses are precisely accounted for have to do with whether the amount is excluded above the line or below the line? If a sawyer has a receipt for some chain then he gets to deduct the cost above the line and if he loses the receipt then he can only deduct it below the line? What kind of tax policy is that? This looks a lot like something a budding green eyeshades tax technician with no real world experience might come up with.

While I believe an outright repeal of the provision moving this deduction below the line may be the best possible policy, the bill I am introducing takes a more moderate approach. My bill does one thing. It allows any taxpayer, not just those employed in the logging industry, to move the deduction above the line to the extent the amounts received by an employee under a reimbursement arrangement are:

First, less than $15,000 for the taxable year; and

Second, less than 50 percent of the total amount of wages received during the taxable year from the employer maintaining the arrangement.

We jerk people around enough through the Tax Code. I think this is one instance where we might let a little commonsense beat back the green eyeshades types and let people go about their business. I hope my colleagues will take a look at this and help me truly win one for working men and women.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1612

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MODIFICATION OF SUBSTANTIATION REQUIREMENTS FOR REIMBURSEMENT ARRANGEMENTS.

(a) IN GENERAL.—Subsection (c) of section 62 of the Internal Revenue Code of 1986 (relating to certain arrangements not treated as reimbursement arrangements) is amended by adding at the end thereof the following new sentence: "Such substantiation requirements shall also not apply to an employee under an arrangement if and to the extend the aggregate amounts received by the employee under the arrangement are less than $15,000 for the taxable year and are less than 50 percent of the total amount of wages received during the taxable year from the employer maintaining the arrangement (and any other employer treated as a single employer with such employer under subsection (a) or (b) of section 52).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to reimbursements under any arrangement in taxable years beginning on or after the date of the enactment of this Act.●

By Mr. GRAHAM (for himself and Mr. HOLLINGS):

S. 1614. A bill to amend the Rehabilitation Act of 1973 to revise and extend the program regarding independent living services for older blind individuals, and for other purposes; to the Committee on Labor and Human Resources.

INDEPENDENT OLDER BLIND INDIVIDUALS AMENDMENTS OF 1991

Mr. GRAHAM. Mr. President, today I am introducing an important bill which would help a special group of seniors.

There are approximately 2.5 million visually impaired elderly persons in the United States. Yet due to a competitive grant process under Title VII Part C of the Rehabilitation Act, several States have never received a grant under title VII–C. Last year, 16 States did not receive funds.

Several States which have high visually impaired elderly populations in the Nation, including Florida, have never received Federal funds under Title VII Part C of the Rehabilitation Act.

The Rehabilitation Act of 1973 provides comprehensive vocational rehabilitation services for individuals with physical and mental disabilities, and is scheduled for reauthorization this Congress. Public Law 102–52 recently authorized the Rehabilitation Act through 1992.

Title VII, part C or the Independent Living Services Program for the elderly blind provides outreach, glasses, and visual aids, rehabilitation, and other services to help the elderly become more self-sufficient. Title VII, part C, however, operates under a competitive grant structure which does not provide funds to many eligible persons. Last year, about 28 States had grants.

Title VII–C began as a demonstration program in 1978, but was not funded until 1986. The current program has recorded many successes, but all visually impaired seniors need access to it so they can learn to live independently, defraying the high costs of institutionalization. Additionally, States need a predictable and adequate funding source to properly run their Independent Living Services Program.

Mr. President, elderly persons are disproportionately affected by blindness because four of the five major causes of blindness are age related. The four leading causes of vision loss among the elderly are macular degeneration, cataracts, glaucoma, and diabetic retinopathy. As the over-65 year population is the fastest growing nationally, it is important that we allow all States to have access to title VII–C grants.

That is why I am introducing legislation to amend the Rehabilitation Act. The bill would require a formula grant for all states for title VII part C for fiscal years 1992–1995. It would increase the reauthorization for part C to $26 million for fiscal year 1992–1995 from the previous level of $6 million. The proposed bill would accomplish several goals: First, increase funding for the program, second, improve the process of distributing funds, third, assure a consistent funding source for programs, and fourth, provide a nationwide service delivery system to serve older blind persons.

Congressman ROYBAL, Chairman of the House Select Committee on Aging, introduced a companion bill in the House of Representatives.

It is my hope that my colleagues in the Senate join me in supporting this legislation which will significantly help this group of seniors live independently. I ask for unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Older Blind Individuals Amendments of 1991".

SEC. 2. REVISION AND EXTENSION OF PROGRAM REGARDING INDEPENDENT LIVING SERVICES FOR OLDER BLIND INDIVIDUALS.

Section 721 of the Rehabilitation Act of 1973 (29 U.S.C. 796f) is amended to read as follows:

"SEC. 721. ALLOTMENTS TO STATES REGARDING SERVICES FOR OLDER BLIND INDIVIDUALS.

"(a) DEFINITIONS.—As used in this section:

"(1) DESIGNATED STATE UNIT.—The term 'designated State unit' has the meaning given such term in section 7(3), except that—

"(A) in the case of American Samoa, the appropriate State agency designated under section 101(a)(1), which need not be the Governor of American Samoa, shall be the designated State unit; and

"(B) in the case of the Trust Territory of the Pacific Islands, the appropriate State agency designated under section 101(a)(1), which need not be the High Commissioner of the Trust Territory of the Pacific Islands, shall be the designated State unit.

"(2) OLDER BLIND INDIVIDUAL.—The term 'older blind individual' means an individual—

"(A) who is not less than 55 years of age; and

"(B) who has a severe visual impairment that makes gainful employment extremely difficult, but for whom independent living goals are feasible.

"(3) STATE.—The term 'State' means each of the several States, the District of Columbia, and each territory of the United States.

"(4) TERRITORY OF THE UNITED STATES.—The term 'territory of the United States' means the Commonwealth of Puerto Rico, American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

"(b) ALLOTMENTS AND GRANTS.—

"(1) IN GENERAL.—The Commissioner shall, for each of the fiscal years 1992 through 1995, make an allotment for each State in an amount determined in accordance with subsection (e)(1), to pay for the Federal share of carrying out the purposes specified in subsection (c).

"(2) GRANTS TO STATES WITH SUBSTANTIAL NEED.—The Commissioner may make grants, from the amounts specified in subsection (e)(4), to pay for the Federal share of carrying out the purposes specified in subsection (c), to States whose population of older blind individuals has a substantial need for the services specified in subsection (c) relative to the populations of older blind individuals of other States.

"(3) STATE GRANTS.—A State may expend an allotment under paragraph (1) or a grant under paragraph (2) to carry out the purposes specified in subsection (c) through grants to public and nonprivate private agencies or organizations.

"(c) USE OF GRANTS.—The Commissioner may not make an allotment under paragraph (1), or a grant under paragraph (2), of subsection (b), unless the State involved agrees that the allotment or grant will be expended only for purposes of—

"(1) providing independent living services to older blind individuals;

"(2) conducting activities that will improve or expand services for such individuals; and

"(3) conducting activities to help improve public understanding of the problems of such individuals.

"(d) INDEPENDENT LIVING SERVICES.—Independent living services for purposes of subsection (c)(1) include—

"(1) services to help correct blindness, such as—

"(A) outreach services; and

"(B) visual screening;

"(2) the provision of eyeglasses and other visual aids;

"(3) the provision of services and equipment to assist an older blind individual to become more mobile and more self-sufficient;

"(4) mobility training, Braille instruction, and other services and equipment to help an older blind individual adjust to blindness;

"(5) guide services, reader services, and transportation; and

"(6) any other appropriate service designed to assist a blind individual in coping with daily living activities, including supportive services and rehabilitation teaching services.

"(e) AWARD OF ALLOTMENTS AND GRANTS.—

"(1) IN GENERAL.—Subject to the extent of amounts made available in appropriations Acts, the amount of an allotment under subsection (b)(1) for a State for a fiscal year shall be the greater of—

"(A) the amount determined under paragraph (2); and

"(B) the amount determined under paragraph (3).

"(2) GENERAL CALCULATION.—

"(A) STATE; DISTRICT OF COLUMBIA; COMMONWEALTH OF PUERTO RICO.—In the case of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, the amount referred to in subparagraph (A) of paragraph (1) for a fiscal year is the greater of—

"(i) $225,000; and

"(ii) an amount equal to 1/3 of 1 percent of the amount appropriated under section 741(c) for the fiscal year and available for allotments under subsection (b).

"(B) OTHER TERRITORIES.—In the case of the territories of the United States other than the Commonwealth of Puerto Rico, the amount referred to in subparagraph (A) of paragraph (1) for a fiscal year is $40,000.

"(3) AGE-BASED CALCULATION.—The amount referred to in subparagraph (B) of paragraph (1) for a State for a fiscal year is the product of—

"(A) the amount appropriated under section 741(c) and available for allotments under subsection (b); and

"(B) a percentage equal to the quotient of—

"(i) an amount equal to the number of individuals residing in the State who are not less than 55 years of age; divided by

"(ii) an amount equal to the number of individuals residing in the United States who are not less than 55 years of age.

"(4) AMOUNTS FOR GRANTS TO STATES WITH SUBSTANTIAL NEED.—The amounts referred to in subsection (b)(2) are any amounts that are not paid to States under subsection (b)(1) as a result of—

"(A) the failure of any State to submit an application under subsection (f);

"(B) the failure of any State to prepare within a reasonable period of time such application in compliance with such subsection; or

"(C) any State informing the Commissioner that the State does not intend to expend the full amount of the allotment made for the State under subsection (b)(1).

"(f) APPLICATIONS.—The Commissioner may not make an allotment under paragraph (1), or a grant under paragraph (2), of subsection (b), to a State unless the State submits an application for the allotment or grant to the Commissioner at such time, in such manner, and containing such agreements, assurances, and information as the Commissioner determines to be necessary to carry out this section. At a minimum, the application shall contain—

"(1) an assurance that the State agrees that the allotment or grant will be administered solely by the designated State unit that is authorized to provide vocational rehabilitation services to the adult blind in the State;

"(2) an assurance that the State agrees to pay (directly or through donations from public or private entities) for the non-Federal share of the costs of carrying out the purposes specified in subsection (c) in accordance with subsection (g); and

"(3) an assurance that the State agrees that, in carrying out subsection (c)(1), the State will seek to incorporate into the State plan under section 705 any new methods and approaches relating to independent living services for older blind individuals.

"(g) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of the cost of carrying out the purposes specified in subsection (c) shall be 90 percent.

"(2) DETERMINATION.—The non-Federal share of the cost of carrying out the purposes specified in subsection (c) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal share.".

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 741(c) of the Rehabilitation Act of 1973 (29 U.S.C. 796i(c)) is amended—

(1) by striking "and" after "1990,"; and

(2) by inserting before the period the following: ", and $26,000,000 for each of the fiscal years 1992 through 1995".

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1991, or on the date of the enactment of this Act, whichever occurs later.

By Mr. KASTEN:

S. 1615. A bill to repeal the provision of the Internal Revenue Code of 1986 which provides that the accumulated earnings tax shall be applied without regard to the number of shareholders in the corporation; to the Committee on Finance.

REPEAL OF PROVISION APPLYING THE ACCUMULATED EARNINGS TEST TO CORPORATIONS

Mr. President, I am most pleased to introduce legislation which would repeal section 532(c) of the Internal Revenue Code which applies the accumulated earnings tax [AET] to widely held corporations.

In 1984, Congress enacted legislation creating section 532(c) as a response to the tax avoidance practiced by the so-called tax managed corporations. Simply stated, tax-managed corporations were created for the sole purpose of purchasing the dividend-paying stock of other corporations and, then, rather than paying dividends to their own shareholders, they would simply accumulate that income.

In this way, when a shareholder would sell his or her stock, he or she would pay taxes on its enhanced value at capital gains rates rather than at the ordinary income rates he or she would have paid on any dividends that stock should have declared and paid to that shareholder. In 1984, this meant a 60-percent tax savings to a taxpayer in the highest marginal ordinary income rate.

So, in 1984, the AET was an understandable response to a classic tax avoidance scheme. However, since 1986, the differential between capital gains rates and ordinary income rates has either been marginal or nonexistent. There no longer is any financial incentive to accumulating income rather than distributing the same as dividends. Section 532(c) is, therefore, superfluous and should be removed from the code.

Unfortunately, Mr. President, the only purpose the AET serves today is a tool for IRS interference in the decisionmaking of corporate America. Whether a corporation chooses to accumulate a portion of its income for research, investment, or expansion is a decision for its duly elected board of directors to make, not the Internal Revenue Service. This is particularly true during our current economic downturn when we ought to be encouraging economic development through incentives for business expansion rather than discouraging the same through outdated and unnecessary provisions in our Tax Code.

Accordingly, as we consider simplification or technical corrections in the Code during the 102d Congress, I urge my colleagues to include the repeal of section 532(c) among the contents of that legislation. The accumulated earnings tax is a provision of the code whose time, indeed, has long since passed.•

By Mr. CRANSTON (by request):

S. 1616. A bill to amend title 38, United States Code, to permit the Secretary of Veterans Affairs to declare an open season during which veterans with participating National Service Life Insurance policies can purchase paid-up, additional insurance with their dividend credits and deposits whenever the Secretary determines that it is administratively and actuarially sound for each program of insurance; to the Committee on Veterans' Affairs.

NATIONAL SERVICE LIFE INSURANCE DIVIDEND IMPROVEMENT ACT

• Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee, I am today introducing, by request, S. 1616, a bill to permit the Secretary of Veterans Affairs to declare an open season during which veterans with participating National Service Life Insurance policies can purchase additional insurance. The Secretary of Veterans Affairs submitted this legislation by letter dated July 22, 1991, to the President of the Senate.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point, together with the July 22, 1991, transmittal letter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "National Service Life Insurance Dividend Improvement Act of 1991."

SECTION 2. The second sentence of section 707(c) of title 38, United States Code, is amended to read as follows:

"Upon application in writing made by the insured before February 1, 1973 or during any subsequent period for which the Secretary determines that it is administratively and actuarially sound for each program of insurance, and without proof of good health, the Secretary is authorized to apply any national service life insurance dividend credits and deposits of such insured existing at the date of the insureds' application to purchase paid up insurance."

THE SECRETARY OF
VETERANS AFFAIRS,
Washington, DC, July 22, 1991.

Hon. DAN QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill "To amend title 38, United States Code, to permit the Secretary of Veterans Affairs to declare an open season during which veterans with participating National Service life Insurance policies can purchase paid-up, additional insurance with their dividend credits and deposits whenever the Secretary determines that it is administratively and actuarially sound for each program of insurance." It is requested that the bill be referred to the appropriate committee for prompt consideration and enactment.

This draft bill would amend 38 U.S.C. §707(c) to allow National Service Life Insurance (NSLI) policyholders with participating policies (policies which earn dividends) to purchase paid-up, additional insurance from time to time with accumulated dividend credits and deposits during "open seasons" declared by the Secretary. The "open seasons" would be specifically defined and declared in accordance with a determination that they are administratively and actuarially sound for each program of insurance involved.

Under the current provisions of 38 U.S.C. §707(c), a policyholder may purchase paid-up, additional insurance, but only with dividends that are "due and payable on national service life insurance after the date of such application of purchase paid up insurance." This prospective restriction also applies to policyholders who do not take their dividends in cash but choose one of the other dividend options that allows them to leave the money with the VA in a "dividend credit" or "dividend deposit" account which earns interest.

When the legislation creating the paid-up addition dividend option was enacted in 1972, it included a limited period (six months from the effective date of its passage) for NSLI policyholders to purchase paid-up, additional insurance with dividend credits and dividend deposits which has accumulated before the legislation was passed. Although the legislative history does not explain why this "open season" was restricted to six months, it was probably to prevent policyholders from purchasing paid-up additions in anticipation of death. An unrestricted open season without good health requirements could lead to antiselection, that is, a disproportionately high number of terminally ill individuals acquiring the extra coverage in anticipation of death. This, in turn, would have adverse effects on the reserves needed to fund the program.

Throughout the intervening years, we have received numerous inquiries from NSLI policyholders asking how they can increase the amount of their insurance coverage. Those policyholders who have policies that earn dividends are reminded of the paid-up addition dividend option as one way that they can increase their coverage. They are also informed that the amount of paid-up additional insurance they can obtain is limited to only that amount which can be purchased with dividends due and payable after the date of application for the paid-up additions.

Our insurance actuarial staff has reviewed the financial status of the NSLI programs and evaluated the impact on the programs if policyholders who have dividend accumulations were offered the opportunity from time to time to use them to purchase paid-up additions. The actuarial staff concluded that there would be no adverse impact on the NSLI programs as long as the "open seasons" to purchase additional insurance did not extend longer than one year.

There are approximately 350,000 policyholders who have accumulated dividend credits or deposits totaling over $800 million. Enactment of this proposal would offer our policyholders another option for use of these funds. They could choose to continue to have VA hold them and earn interest, or they could choose to use all or part to buy paid-up additions at attractive prices. Under the current purchase rates, these accumulated funds could purchase over $1.5 billion in paid-up insurance. In view of the strong financial position of the NSLI trust funds, the relatively good health of our NSLI policyholders, and the express desire of many of them to increase their NSLI coverage, we believe they should be given this option.

The only costs associated with this bill, if enacted, would be the administrative costs incurred in conducting the open seasons. The administrative cost of such an open season would currently be approximately $225,000. The increase in the amount of paid-up insurance coverage would not result in the need for any new budget authority or outlays.

We have been advised by the Office of Management and Budget that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,
EDWARD J. DERWINSKI.●

By Mr. SYMMS (for himself and Mr. D'AMATO):

S. 1617. A bill to amend the Internal Revenue Code of 1986 to provide protection for taxpayers, and for other purposes; to the Committee on Finance.

FAIRPLAY FOR TAXPAYERS ACT OF 1991

Mr. SYMMS. Mr. President, the American taxpayer is under attack from the U.S. tax system. There's just no other way to put it. As the Congress struggles each year to find better ways to raise taxes to pay for its spending increases, one of the places it's looked is improving the efficiency of the Internal Revenue System collection machine.

When the IRS gets better at chasing your dollars, look out.

It's a simple matter of politics; it's a lot easier politically to increase tax collections by forcing the IRS to be more aggressive than it is actually to increase a tax. It's easier to say you're going after deadbeats and tax cheaters than it is to say you're going after the last few dollars in a workingman's wallet. This is particularly true when underpayments—generally known as the tax gap—are estimated to be about $100 billion annually.

In recent history, in almost every year we've provided additional funding to the IRS just so we can wring an extra dollar out of the Internal Revenue Code. In the last 11 years, in the area of tax collections alone, we have increased funding by 175 percent, that's an 81 percent increase in inflation-adjusted dollars. And that additional funding has made possible an almost 60 percent increase in investigators, auditors, and collection agents.

I don't object so much to the additional moneys going to the Service because it is unfair when taxes are so high on everyone else for a few dishonest individuals to escape the tax man's reach. The real problem is that taxes are just too high. If they weren't so high we wouldn't be in a pinch to tighten the screws through the IRS, but that's another problem for another day.

As the pressure on the IRS grows year after year to collect every last dollar due to the Treasury, the incidents of taxpayers abuse by the Service grow as well. No matter how hard the people at the IRS work at it, it can't be helped. Taxpayers make mistakes. IRS agents make mistakes. Supervisors make mistakes. The folks typing the data into the computers make mistakes. And as the pressure grows, the number of mistakes grows and the damage that can be inflicted on taxpayers' businesses, on their lives, their liberties, their happiness grows as well.

Every Senator and Congressman is confronted on an almost daily basis with taxpayers claiming they have been treated unfairly or improperly by the IRS. Sometimes the taxpayer is just angry he had to pay the tax. With taxes so high, that's easy enough to understand.

Many times, the Service's position was correct, but the taxpayer had so much difficulty resolving the case that he's left with a strong and nagging feeling he was mistreated by a Federal Government agency paid for by his own taxes.

Win, lose, or draw, taxpayers really get frustrated with the tremendous advantages the Service has, and the basic unfairness that exists in much of the basic structure of the dispute resolution process. And I should point out that all this frustration at the IRS tends to make taxpayers angry at election time and, if we as their elected representatives don't try to do something about it, we deserve to get thrown out of office.

Mr. President, I think it's important to state, and to remember when talking about taxpayer's rights and so forth, that the people at the IRS are hard-working, honest, and fair-minded. By pointing out flaws in the system, I don't mean to denigrate or criticize the vast majority of the employees at the Service.

I was encouraged, for example, when I read recently according to one report that over 90 percent of Service employees consider it unethical to deceive Congressional committees, Government auditing agencies, or the press just to protect the Service. And 90 percent of employees think it's unethical to fail to report instances where they see others flagrantly violating rules or doing improper acts. While we would all like to see that percentage go to 99 percent plus, as a practical matter 90 percent is pretty good. These numbers don't tell us there are no problems. They only tell us the situation hasn't gotten desperate, yet.

Part of the problem is that the IRS is not like a business. Other than a sense of fairplay, of respect for a citizens rights and circumstances, there's very little incentive for an IRS employee to treat taxpayers like customers and employers. There is no incentive to go the extra mile to make sure the taxpayer on the other end of the telephone understands what needs to be done or how the tax law works. The IRS won't go out of business if taxpayers don't like the service they get.

And when something goes wrong, the power of the IRS is so enormous that a handful of uncaring or overzealous individuals can make a taxpayer's life miserable and even destroy the taxpayer financially through no fault of his own.

Taxpayers rely on the Congress to protect them. We do this, in part, through case work. But the most important defenses are the rules and statutes we enact to balance the scales. The rights and defenses provided, however, are nowhere near sufficient either to discourage Service employees from acting improperly or to allow the taxpayer to recover his losses when the Service has acted improperly.

I wonder if my colleagues realize how dangerous this situation really is. Every year we're putting more pressure on Service personnel by increasing taxes, making the tax code more complicated or passing entirely new taxes. At the same time, we're pressuring the IRS to close the so-called tax gap, to wring more revenues out of the existing code.

As the pressure on the tax system grows, the likelihood of mistakes and abuse increase. An abusive tax collection service destroys the taxpayer's sense that he's being treated fairly. When taxpayers lose their faith that the system is fair, then our system of voluntary compliance will fall apart.

The problem extends beyond whether the IRS can function efficiently. If it were just a matter of failing to provide the Federal Treasury with revenues to spend, some of us might not find that such a bad thing. But as the machinery of the IRS begins to sputter, the Service becomes more and more abusive of taxpayers in its attempt to track down the money.

There is another aspect that we can not ignore. For many of our citizens, the process of collecting and paying taxes is the most immediate and personal contact they have with the Federal Government. When that process begins to fail, when it invites cheating and disrespect for the law, when it becomes something to be feared and hated, then it creates a strong sense of animosity toward government and it threatens society itself. That is, after all, how the United States began, through a tax revolt.

As all of these pressures mount, I believe it is vital for the Congress to find ways to ensure that taxpayers are treated fairly and honestly. Three years ago we passed the Taxpayer Bill of Rights. No one argued at the time that these important, yet modest, reforms would be the last word. Much more needs to be done to reestablish a balance between the Service and taxpayers. Americans need to know there is a sense of fairplay in the system.

To take the next step down this road, I am introducing legislation today with my colleague, Senator D'AMATO, that I call the "Fairplay for Taxpayers Act of 1991." This legislation builds on the foundation laid 3 years ago and adds a number of important elements putting the taxpayer on a more level playing field with Service agents, increasing the taxpayer's ability to protect himself when he feels he may have been wronged, and increasing congressional and public understanding of the forces at work within the Service.

I have provided a more complete description of the bill at the end of my remarks. But I would like to highlight a few of its provisions. For example, the bill establishes a tax preparer privilege. Prior to working on this bill I thought that a client's communications with his tax preparer are confidential and protected. As it turns out, there is no protection under current law for these communications when they involve either accountants or enrolled agents. There isn't even a privilege if the communication is between a lawyer and client if the communication deals solely with tax-related matters.

This is one time when we really need to level the playing field. When a citizen is in a dispute with the IRS, often the resolution of the dispute will hang on an interpretation of the law. Despite its 17 volumes, the Internal Revenue Code is not black and white. Questions of interpretation, meaning, and intent arise every day. To understand how best to proceed, a client and a tax preparer need to be able to discuss the case fully and openly, including drafting notes, letters, and working papers.

As it now stands, the IRS can demand those notes and working papers to try to outguess the taxpayer. This is grossly unfair. Every taxpayer who is in a dispute between himself and the IRS should have the right to counsel without the Service looking over this shoulder, spying on every written word.

Not surprisingly, the lack of protection from spying eyes has a chilling effect on the tax preparer's work product. This often slows the resolution of the dispute and likely leads to a less accurate result. Most important of all, it means taxpayers don't always get the full benefit of counsel.

It wouldn't be so bad if the taxpayer could demand the same types of documents from the IRS agent handling the case, but, of course, that isn't the case. These requests only go one way. Taxpayers never get to see the various notes, strategies, and such perpared by the IRS agent.

This bill puts taxpayers on a more equal footing with the IRS by making the communications between tax preparers—tax lawyers, accountants, and enrolled agents—privileged, meaning the Service cannot demand the notes and other communications that arise during the course of the dispute. This privilege operates exactly like the privilege currently available between client and legal counsel in non-tax disputes, with the same limitations. For example, there is no privilege if the taxpayer communicates an intent to commit an illegal act and a taxpayer cannot protect a document from discovery just by handing that document over to his counsel.

Another important change made through the bill deals with the awarding of costs and fees. Under current law, a taxpayer can sue the IRS to recover the costs incurred in a defense. To do so, however, the taxpayer must first win the case and then he must make a claim to recover his costs. In order to recover his costs, however, the position taken by the IRS must have been way off the mark, or, as the Code puts it: not "substantially justified."

And if the IRS disagrees with the amount claimed, or, more likely, disagrees that it was badly in error, then the taxpayer must go to court again and prove the extent of the Service's error.

The IRS already has a wide range of advantages in a tax dispute. First, the rules are written so that the taxpayer is responding to the Service. Second, the burden of proof generally lies with the taxpayer. And third, the Service has in-house lawyers and accountants to work on the case. There is no personal costs to an agent to pursue a taxpayer. He faces no financial burdens. The taxpayer, on the other hand, must endure a potentially expensive and personally stressful process.

We need to understand what these defense costs really mean to the taxpayer. Consider that the taxpayer must first show that the IRS was incorrect with regard to the amount of tax, interest, or penalty claimed. If the taxpayer prevails, then the defense costs incurred represent an additional tax or, more accurately, a tax penalty incurred because the IRS made a mistake. There is no reason a taxpayer should have to pay an additional penalty when the IRS makes a mistake. That is why I believe the taxpayer should be able to recover his costs to the extent the taxpayer prevails in a tax dispute.

Under the bill, we replace the substantially justified test with something much simpler—the taxpayer can recover the same percentage of his costs as the percentage by which he prevailed. For example, if the Service claimed an additional $1,000 in back taxes, and if the taxpayer is finally determined to owe $600, then the taxpayer has prevailed with respect to $400, or 40 percent of the claimed amount. If the taxpayer incurred $200 in cost, then he would now be able to recover 40 percent of $200, or $80 in costs.

Another section of the bill addresses the question of IRS employee conduct. The bill expands the definition in the IRS Rules of Conduct manual with respect to the conduct which must be reported to the IRS Inspection Service. Employees would be required to report behavior such as harassment of taxpayers, harassment of fellow employees, and preferential treatment.

The study of employee attitudes at the IRS makes clear that Service personnel believe improper or unethical behavior ought to be reported to the proper authorities, in this case the Inspection Service. What they lack is a clear and comprehensive description of what constitutes such improper behavior. This bill seeks to remedy that shortcoming by instructing the Service to amend its Rules of Conduct manual.

Every Federal agency has problems and weaknesses. It is Congress' responsibility, working with the administration, to isolate and correct these weaknesses. The Congress has been badly handicapped in carrying out oversight of the IRS by the intense secrecy that surrounds the Service's activities. In some respects, this secrecy is essential to the proper functioning of a tax collection agency. But, in my opinion, the Service has been allowed to exercise a degree of secrecy far beyond what is necessary.

It's a fact that you can't fix it if you don't know what's broke. So in an attempt to give the Commissioner of the IRS and the administration a better understanding of employee behavior within the IRS, the bill requires the Commissioner to report to the Inspector General of the Treasury on a quarterly basis on the types and number of cases of employee misconduct reported to the Inspection Service. These reports will include such information as the region of the country of the employee alleged to have acted improperly, the nature of the alleged misconduct, the extent of the investigation by the Inspection Service, and, where misconduct is found to have occurred, measures taken by the Service to prevent such misconduct from recurring.

Finally, to give the Congress and the public better information on where there may be problems, the bill requires the Inspector General of the Treasury to submit to the Congress an annual summary of the quarterly reports that were submitted to it during the prior year. These annual reports shall include information similar to that provided to the Inspection Service by the Commissioner. These annual reports, like the quarterly reports submitted to the Inspection Service, will be drafted in such a way as to ensure the privacy of taxpayers and employees of the IRS.

The purpose of requiring these reports is not to impugn the character or dedication of IRS employees. But, as I said, no agency is perfect. And, because of the excessive secrecy of the IRS and its extraordinary power over our citizens' lives, I believe the Internal Revenue Service needs to be more open to citizens' concerns and respectful of citizens' rights than just about any other Federal agency. To ensure that this is the case, the Congress needs more and better information on what problems exist in order to perform its job as overseer.

Mr. President, even if this bill were to pass into law as introduced, there would still be problems left to address in the operation of the IRS. It would still be far too secretive. It would still need additional resources to better manage information internally. It would still need what I believe to be very serious management reforms. But this bill is a good and necessary next step to follow on the accomplishments of 3 years ago. I hope my colleagues will take a moment to consider it in the light of the constituent cases that cross their desk. And, having done so, I hope my colleagues will join me in providing more fairplay for taxpayers in 1991.

I ask unanimous consent that the accompanying section-by-section analysis of the bill be printed in the Record together with the text of the bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1617

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF THE 1986 CODE.

(a) Short Title.—This Act may be cited as the "Fairplay for Taxpayers Act of 1991."

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. COMMUNICATIONS BETWEEN TAXPAYER AND TAX RETURN PREPARER.

(a) In General.—Rule 501 of the Federal Rules of Evidence is amended by—

(1) inserting "(a)" before "Except";

(2) inserting after "Except as" the following: "provided in subsection (b) and as"; and

(3) adding at the end thereof the following:

"(b) The communications between a lawyer, an accountant, or an enrolled agent with respect to the preparation of a tax return for a client and the client shall be privileged in the courts of the United States."

(b) Effective Date.—The amendments made by subsection (a) shall apply to communications after the date of the enactment of this Act.

SECTION 3. RATE OF INTEREST TO BE SAME FOR UNDERPAYMENTS AND OVERPAYMENTS OF TAX.

(a) In General.—Subparagraph (B) of section 6621(a)(1)(B)(defining overpayment rate) is amended by striking "2 percentage points" and inserting "3 percentage points".

(b) Effective Date.—The amendment made by subsection (a) applies for purposes of determining interest allocable to periods after December 31, 1991.

SECTION 4. FAIR ACCURAL OF INTEREST.

(a) In General.—Paragraphs (2)(A) and (3) of section 6601(e) (relating to rules for computing interest) are each amended by striking "10 days" and inserting "45 days".

(b) Effective Date.—The amendments made by this section shall apply to any notice and demand given after December 31, 1991.

SECTION 5. RELIEF FROM RETROACTIVE APPLICATION OF TREASURY DEPARTMENT REGULATIONS AND RULINGS.

(a) In General.—Subsection (b) of section 7805 (relating to rules and regulations) is amended to read as follows:

"(b) Retroactivity of Rules and Regulations.—

"(1) In General.—Any final, temporary, or proposed regulation or ruling issued by the Secretary shall apply prospectively from the date of publication of such regulation or ruling in the Federal Register.

"(2) Congressional Authorization.—The prospective-only treatment of paragraph (1) may be superseded by a specific legislative grant from Congress authorizing the Secretary to prescribe the effective date with respect to a statutory provision."

(b) Effective Date.—The amendment made by this section shall apply with respect to any regulation published after the date of the enactment of this Act.

SECTION 6. AWARDING OF COSTS AND CERTAIN FEES IN TAX CASES.

(a) Repeal of Substantial Justification Test.—

(1) In General.—Section 7430(c)(4)(A) (defining prevailing party) is amended by—

(A) replacing "substantially prevailed" with "prevailed to some extent" in clauses (ii) and (iii);

(B) striking clause (i) and by redesignating clauses (ii) and (iii) as causes (i) and (ii), respectively.

(2) Conforming Amendment.—Section 7430(c) is amended by striking paragraph (7).

(b) Pro Rata Allocation of Costs.—Section 7430(c)(4) is amended by adding at the end thereof the following new subparagraph:

"(C) Pro rata allocation.—

"(i) in general.—Notwithstanding subparagraph (A)(i), a party shall be treated as the prevailing party at least with respect to the applicable percentage of reasonable litigation and administrative costs.

"(ii) applicable percentage.—For purposes of clause (i), the applicable percentage is the percentage determined by dividing—

"(I) the amount of any tax, interest, penalties, or additions to tax the Service initially claimed the taxpayer was required to pay with respect to the issues in the proceeding less the amount the taxpayer is required to pay, by

"(II) the amount the Internal Revenue Service initially claimed the taxpayer was so required to pay."

(c) Revising Test for Recovery of Reasonable Administrative Costs.—Section 7430(c)(2) (relating to reasonable administrative costs) is amended by striking the last paragraph of the subsection and replacing it with:

"Such term shall only include costs incurred during, or in preparation for, (i) the initial audit, or (ii) an appeals conference, or at any time thereafter."

(d) Effective Date.—The amendments made by this section shall apply to any proceeding commenced after December 31, 1991.

SEC. 7. CIVIL DAMAGES FOR CERTAIN ACTIONS OF INTERNAL REVENUE SERVICE.

(a) Section to Apply to Careless Actions.—Section 7433(a) is amended by inserting "carelessly," after "recklessly".

(b) Damages Available With Respect to Determination of Tax.—

(1) In general.—Section 7433(a) is amended by inserting "determination or" before "collection".

(2) Conforming amendments.—

(A) The heading for section 7433 is amended by inserting "DETERMINATION OR" before "COLLECTION".

(B) The item relating to section 7433 in the table of sections for subchapter B of chapter 76 is amended by inserting "determination or" before "collection".

(c) Effective Date.—The amendments made by this section shall apply to actions taken by employees of the Internal Revenue Service after December 31, 1991.

SEC. 8. INTERNAL REVENUE SERVICE EMPLOYEE CONDUCT REPORTING.

(a) Findings.—The Congress hereby finds that—

(1) The Internal Revenue Service has many fine and upstanding employees who carry out their duties appropriately and admirably;

(2) ethics and integrity in government are of vital concern to the Congress and to the public;

(3) ethics and integrity are especially important with respect to the Service because its broad powers to enforce the tax laws gives its employees exceptional authority over the liberty of taxpayers;

(4) the IRS Code of Conduct manual is unclear with respect to the types of unethical behavior that must be reported;

(5) Service employees need a clear statement of the types of behavior needed to maintain a high level of integrity and ethical behavior within the Service;

(6) the system of voluntary compliance with the tax laws will only function so long as taxpayers believe they receive fair and evenhanded treatment by these laws and by the Service charged with its administration;

(7) there is a great need for public awareness of and protection against even isolated cases of misconduct;

(8) despite the high quality of Service employees, some cases of employee misconduct have occurred and the problem of misconduct within the Service, especially with regard to abuses in investigations of taxpayers, has been the subject of a report by the Commissioner's Review Panel on IRS Integrity Controls;

(9) the Commissioner's Review Panel found that "little demonstrable progress is evident" with regard to ethics initiatives within the Service;

(10) there is, therefore, a great need to improve the oversight of the conduct of Service employees;

(11) the Congress has insufficient information to perform its oversight role of the Internal Revenue Service on behalf of the public; and

(12) the Inspector General of the Department of the Treasury is directly involved in investigations of certain employee actions, placing him in an oversight capacity with responsibility to Congress.

(b) Purpose.—It is the purpose of this subsection to improve the ability of the Service to monitor and to discourage misconduct by Service employees, to improve oversight by the Congress of employee misconduct in the Service, and to provide education and training for employees regarding their conduct.

(c) IRS Employee Reporting of Misconduct.—The Service shall require employees to report to the Inspection Service all instances of misconduct as defined under subsection (h)(1).

(d) Submission of Quarterly Reports.—The Commissioner shall report quarterly to the Inspector General concerning cases reported to the Inspection Service of misconduct by Service employees. Such quarterly reports shall include detailed and specific information such as, but not limited to,

(1) the region and branch of an employee alleged to have acted inappropriately;

(2) the precise nature of alleged misconduct reported;

(3) the extent to which alleged misconduct was investigated;

(4) any determinations or dispositions of such investigated cases; and

(5) measures taken by the Service to prevent such abuses from occurring in the future.

(e) Preparation and Submission of Annual Summaries.—

(1) The Inspector General shall submit to the Congress an annual summary of the quarterly reports submitted during the prior year by the Commissioner as required under subsection (d), or reported directly to the Office of Inspector General. This summary report shall be submitted by March 1 of each year to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

(2) Each summary report shall contain the type of information required to be submitted by the Commissioner to the Inspector General pursuant to subsection (d). In addition to such information, the Inspector General shall include in the summary other information available to him which is relevant and appropriate to such a summary report.

(3) Summary reports required to be submitted pursuant to this subsection shall also include, but not be limited to—

(A) summaries of reports and complaints alleging acts of misconduct as defined in this Act;

(B) statistical summaries of the number of complaints and reports alleging acts of misconduct, of investigations of such complaints and reports, and of the dispositions of such investigations;

(C) analyses and descriptions of the types of acts of misconduct reported and the region and branch of the individual who is alleged to have acted inappropriately;

(D) analyses and explanations of decisions not to investigate alleged misconduct as well as descriptions of corrective actions taken by the Service with regard to employees who are found to have acted inappropriately; and

(E) analyses by the Inspector General regarding trends concerning integrity and ethics among IRS employees.

(4) The summaries prepared by the Inspector General shall be public documents and shall be made available in the IRS public reading room to all members of the public.

(f) Privacy.—Nothing in this section shall be construed to permit the publication of the names or similar identifying information of any taxpayer or of any employee of the Service. The annual summary described in subsection (e) will be drafted in such a way as to protect the privacy of taxpayers and employees of the Service while satisfying the full intent of this section. Publication of the annual summary pursuant to this section is deemed not to be contrary to the legitimate privacy interests of taxpayers and Service employees.

(g) Education and Training.—The Commissioner shall carry out an education and training program for all Service employees regarding appropriate and ethical conduct of governmental duties and responsibilities, including explanation of applicable standards of conduct.

(h) Definitions.—For purposes of this subsection—

(1) the term "misconduct" shall include, in addition to matters which may be criminal in nature, misfeasance such as harassment of taxpayers, harassment of fellow employees, conflict of interest, preferential treatment, improper associations, computer misuse, or other instances of serious misfeasance.

(2) the terms "Service" or "IRS" refer to the Internal Revenue Service of the Department of the Treasury.

(3) the term "Commissioner" means the Commissioner of the Internal Revenue Service.

(4) the term "Inspector General" means the Inspector General of the Department of the Treasury and the term "Office of the Inspector General" means the Office of the Inspector General of the Department of the Treasury.

(5) the term "employee" includes any officer or employee of the Service.

(6) the term "Inspection Service" means the Inspection Service of the Internal Reve-

nue Service of the Department of the Treasury.

(i) AMENDMENTS TO THE INTERNAL REVENUE CODE.—Section 6103(f) of the Code (relating to disclosure to Committees of Congress) is amended by adding the following new subsection at the end thereof:

"(5) SUMMARY REPORTS.—Pursuant to Section 8 of the *Fairplay for Taxpayers Act of 1991*, annual summary reports submitted to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives shall include return information but shall not include the name or similar identifying information of any taxpayer or of any officer or employee of the Service. Such reports may be used and referred to by such Committees publicly or in open Committee session."

(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for the Inspector General to carry out his duties under this Act.

SECTION-BY-SECTION ANALYSIS OF BILL

SECTION 1. SHORT TITLE: FAIRPLAY FOR TAXPAYERS ACT OF 1991

SECTION 2. ESTABLISHING A TAX PREPARER PRIVILEGE

Proposed Change: The bill extends an evidentiary privilege to attorneys, accountants, and enrolled agents engaged in tax matters. These tax preparers would benefit from the same client privilege as is currently enjoyed by attorneys doing non-tax work.

Current law:

The attorney-client privilege protects certain communications from disclosure, including letters, notes, and working papers. The privilege gives the client the opportunity for the full benefit of counsel, which can only be gained if the client believes he may freely and openly discuss his case with his attorney.

The privilege does not protect communications which are part of a conspiracy to commit illegal acts. Nor can a person protect documents from disclosure by giving them to his attorney.

The attorney-client privilege does not extend to purely tax matters. If a communication is exclusively tax related, then it is not protected under the privilege.

There is no privilege for other tax preparers such as accountants and enrolled agents.

Reasons for Change:

The purpose of the attorney-client privilege is to encourage a free and open dialogue between the parties. Such open communication is essential for the client to receive the most accurate and useful information possible. This rationale extends with equal force to communications between taxpayer and tax preparer.

Whereas the IRS can demand these communications from the taxpayer or his attorney, the taxpayer has no right to demand the working papers of the IRS agent. This is one-sided and blatantly unfair to the taxpayer.

More open and complete communication will also improve the quality of tax preparation, resulting in more accurate tax filings and easier administration of the tax laws by the IRS.

SECTION 3. EQUALIZATION OF INTEREST RATES

Proposed Change: The bill equalizes the interest rate charged by the government and that demanded by the government at 3 percentage points over the base rate.

Current Law:

When the taxpayer owes the government back taxes or penalties, he incurs interest at the rate of 3 percentage points over a base interest rate which is related to the rate charged on Treasury bills. When the government owes the taxpayer money, it incurs interest at 2 percentage points over the base rate.

Reasons for Change:

It is unfair for the government to charge a higher interest rate than it is willing to pay. Unfairness such as this erodes public support for and compliance with the tax system.

SECTION 4. FAIR ACCRUAL OF INTEREST

Proposed Change: The bill would establish that if the taxpayer pays the full amount of taxes, interest, and penalties owed within 45 days from the date of notice and demand, then no interest liability accrues to the taxpayer.

Current Law:

Interest accrues on back taxes if the amount is not paid within 10 days from the date of notice and demand. However, if the government owes the taxpayer a refund, interest accrues if not paid within 30 days from the date of overpayment. Moreover, no interest is due if the government actually cuts a check within 45 days of the date of overpayment.

Reasons for Change:

The current system is unfair because it requires the taxpayer to make a payment much more rapidly than the government. Moreover, many taxpayers need time to organize their financial affairs in order to make payment. If the government needs a 45 day window, the taxpayer should be afforded at least as much time as the government.

SECTION 5. RELIEF FROM RETROACTIVE TAXATION

Proposed Change: All final, temporary, or proposed regulations and rulings would apply prospectively from the date of publication. This prospective-only treatment would apply in all cases unless the Congress specifically waives this requirement.

Current Law:

When the Congress changes the tax laws and the Treasury Department responds with new or revised regulations, those regulations apply retroactively to the date of enactment of the new law, even though the taxpayer may have been unaware of the change until the publication of the regulations, or may have been unable to comply with the new law pending the publication of the regulations.

Reasons for Change:

Retroactive taxation is unfair and damaging to a system of voluntary compliance because taxpayers believe the system to be capricious.

SECTION 6. AWARDING OF COSTS AND FEES IN TAX CASES

Proposed Changes

(1) The bill replaces the "substantially justified" test for determining whether the taxpayer may recover costs and fees incurred as part of an administrative or court proceeding. Under the bill, if the taxpayer prevails to some extent in the controversy, then he may recover the same percentage of costs incurred as the percentage by which he prevails in the controversy.

Thus, for example, if the IRS initially claims $1,000 in back taxes, and if the taxpayer is finally determined to owe $600, then then taxpayer has prevailed with respect to $400, or 40% of the claimed amount. Under the bill, if the taxpayer incurred $200 in costs, then the taxpayer could recover 40% of $200, or $80 in costs.

(2) The bill also changes the point in the process at which administrative costs incurred may be recoverable to the earlier of the initial audit or the date of the appeals conference.

Current Law:

(1) To recover costs incurred in an administrative or court proceeding with the IRS, the taxpayer must first show the IRS position was incorrect and then the taxpayer must show the position taken by the IRS was not "substantially justified", which may involve taking the IRS to court a second time.

(2) The costs which may be recovered are well-defined in the Code, and are divided between those which are incurred as part of litigation and those which are incurred as part of administrative action.

The Code specifies that only those administrative costs which are incurred after the earlier of (i) the date of receipt by the taxpayer of the Appeals Office decision, or (ii) the date of notice of deficiency.

Reasons for Change:

(1) The "not substantially justified" test is, in practice, a very high standard to meet. In a great many cases, therefore, the taxpayer is unable to recover even when the position taken by the Service was proven to be incorrect. The taxpayer is subject to additional tax whether he is right or wrong because even if the taxpayer prevails in the underlying case, the cost of establishing a defense is, in effect, another tax.

(2) Much of the costs incurred by the taxpayer in an administrative action are incurred long before a notice of deficiency or Appeals Office decision is received. Therefore, most of the costs incurred by the taxpayer may be ineligible for recovery. The purpose of the recovery statute is to hold the taxpayer harmless to the extent he prevails with respect to a contested amount. The current tests for when a taxpayer may recover administrative costs prevents this result.

SECTION 7. CIVIL DAMAGES FOR CERTAIN ACTIONS OF INTERNAL REVENUE SERVICE

Proposed Change: The bill expands the rights of taxpayers to sue the United States for civil damages when the IRS causes the taxpayer to suffer financial harm. First, the bill would allow the taxpayer to sue if an IRS agent was careless. Second, the bill would allow the taxpayer to sue if the mistake by the IRS occurred in the determination of tax liability as well as the collection of the tax.

Current Law:

Under current law, taxpayers are allowed to sue the United States in District Court for civil damages but only if an IRS employee recklessly disregards procedures or law in connection with the collection of tax.

Reasons for Change:

In order to recover damages, the taxpayer must show the behavior of the Service was in reckless disregard of law or procedure. This is a very high standard to meet. The standard proposed in the bill is that of carelessness, which is a much lower standard than recklessness. This lower threshold is appropriate because a taxpayer who suffers financial harm because the IRS has erred does not care whether the agent was reckless or merely careless. In either case, the taxpayer should be made whole.

All cases can be thought of as proceeding from the determination stage, where the amount of tax, penalties, and interest is determined, to the collection stage, where the IRS attempts to collect the amount of tax established in the determination stage.

The tools available to the Service for collecting tax lend themselves to great financial harm if misused. But a taxpayer can suffer, as well, if IRS personnel are careless about determining tax liability because the result may be the taxpayer must spend years and thousands of dollars trying to straighten the matter out. This is time and money taken from the taxpayer's other economic activities.

SECTION 8. INTERNAL REVENUE SERVICE EMPLOYEE CONDUCT REPORTING

Proposed Changes:

1) The bill expands the definition in the IRS Rules of Conduct manual with respect to the conduct which must be reported by employees to the IRS Inspection Service. Employees would hereafter be required to report misfeasance such as harassment of taxpayers, harassment of fellow employees, conflict of interest, preferential treatment, improper associations, and computer misuse.

2) The bill requires the Commissioner of the IRS to submit detailed quarterly reports to the Inspector General of the Treasury Department concerning cases reported to the Inspection Service. These quarterly reports will include the region and branch of the employee alleged to have acted inappropriately, the precise nature of the alleged misconduct, the extent to which the misconduct was investigated, any determinations or dispositions of such investigated cases, and measures taken by the Service to prevent such abuses from occuring in the future.

3) The bill requires the Inspector General of the Department of the Treasury to submit to the Congress an annual summary of the quarterly reports submitted during the prior year by the Commissioner of the IRS. This report shall be submitted to the Finance Committee and the Committee on Ways and Means no later than March 1 of each year.

These annual reports shall include summaries of the reports received by the Commissioner as well as statistical summaries of the number of complaints and reports alleging acts of misconduct, of the investigations of such complaints and reports, and of the dispositions of such investigations, as well as analyses by the Inspector General regarding trends in integrity and ethics among IRS employees.

These reports will be written in such a way as to ensure the privacy of taxpayers and employees and officers of the IRS. No identifying information will be included in either the quarterly nor the annual reports.

4) The Commissioner is instructed to carry out an education and training program for all Service officers and employees regarding appropriate and ethical conduct of governmental duties and responsibilities, including explanation of applicable standards of conduct.

Current Law:

The current IRS Rules of Conduct manual states that employees are only required to report to the IRS Inspection Service misconduct by other employees that is criminal in nature or otherwise unethical. However, the distinction between what types of unethical behavior must and what need not be reported is unstated. For example, this listing does not include harassment of taxpayers or other employees.

A Review Panel on IRS Integrity Controls, appointed by the Commissioner of the Internal Revenue Service, found that "little demonstrable progress is evident" with regard to ethics initiatives within the Service.

Reasons for Change:

For their own protection employees at the IRS need a clear statement of correct ethical behavior. The current manual fails to provide that statement by ignoring many aspects of employee behavior which must be considered to be unethical.

The Commissioner of the IRS has limited abilities from his national office to monitor the progress of the various regions and branches in the Service in their attempt to improve the standards of integrity and ethics of Service employees. To assist the Commissioner in this important task, the bill requires him or her to report on a regular basis the progress being made at the local levels.

As has been shown in other agencies, public and congressional oversight are effective guarantors of the rights of individuals against government bureaucracies. The only way to make such oversight possible is to make sufficient information available. Therefore, the bill requires the Inspector General to submit an annual report summarizing the quarterly reports received from the Commissioner to assure the public of steady progress, or to alert the public if problems are developing with regard to IRS integrity controls, and to apprise the Congress of developments within the IRS regarding ethical behavour.

Mr. D'AMATO. Mr. President, I rise as an original cosponsor of the Fairplay For Taxpayers Act of 1991, introduced today by my distinguished colleague from Idaho, Senator SYMMS. We believe this legislation is a step forward in continuing to protect the taxpayer from unfair treatment by the IRS.

Three years ago, I cosponsored the omnibus taxpayers' bill of rights which was passed into law in November 1988 as part of the Technical and Miscellaneous Revenue Act of 1988. This legislation was intended to bring about improvements in the relationship between the Internal Revenue Service and the American taxpayer. Despite some new protection provided by passage of the 1988 legislation, it is apparent that further action is now necessary. The Fairplay For Taxpayers Act of 1991 will continue to level the playing field between the IRS and the taxpayer.

Mr. President, headaches caused by our dealings with the IRS will never be totally eliminated. Let's face it, the process of preparing and paying taxes is no fun. The process is filled with tension and aggravation for hundreds of thousands of taxpayers. Every year my office gets hundreds of IRS-related letters from constituents. They are not easy cases. Each one has its own horror story but one thing that comes across overwhelmingly in these letters is the feeling of wanton disregard of the taxpayer by individual IRS employees.

Let me share with you some of the words of my constituents who have experienced extreme frustration and close encounters of the third kind while dealing with the IRS:

* * *"these (IRS) individuals seem to be under the impression that they are above the law, can make up any rule whenever it pleases them, that our sole purpose in life, is to do as they command or suffer whatever consequences they (in their judge-jury-executioner disguise) decide on and pray. * * *"

* * *"why does it always have to take a tragedy to get some justice. * * *I thought this was the United States not some Communist country where a government agency has the right to abuse a citizen in this manner * * * you can't imagine the feelings of anguish, torment and helplessness I have * * *"

Mr. President, I believe that most IRS employees are good and dedicated folks. But one thing our bill does is attempt to address the handful that do abuse the American public.

The Fairplay For Taxpayers Act of 1991 expands the internal management control system at the IRS to increase the protection for the taxpayer from abuse by the IRS employee. This bill expands the definition of unethical behavior that must be reported by employees to include: Harassment of taxpayers, harassment of fellow employees, conflict of interest, preferential treatment, improper associations, and computer misuse. The Commissioner of the IRS is required to provide education and training for all officers and employees regarding appropriate and ethical conduct.

This is a step in the right direction that will serve not only the American taxpayer but will serve to protect those IRS employees who are hard working and committed to serving the public.

This legislation also makes a number of other improvements that remove barriers and correct inequities that burden the taxpayer. The Fairplay For Taxpayers Act of 1991:

Allows the taxpayer to recover costs and fees to the same extent that the taxpayer prevails in an administrative or court proceeding initiated by the IRS. If a taxpayer is found to only owe $500 in back taxes and the IRS said he owed $1,000, then the taxpayer has prevailed with respect to 50 percent of the IRS claim. Therefore, the taxpayer can recover 50 percent of whatever costs and fees he entailed as part of the proceeding. Currently, to recover costs, a taxpayer carries the burden of proving the IRS was substantially justified in its actions. This often entails extensive time and costs itself. It may even involve taking the IRS to court.

Eliminates a double standard set by the IRS on the interest paid on back taxes. Currently, the IRS charges the taxpayer 3 percent interest over base rate on back taxes but only pays 2 percent over base on overpayment owed to the taxpayer. This bill increases the interest rate paid to the taxpayer from 2 to 3 percent when the IRS owes the taxpayer a refund.

Eliminates a double standard set by the IRS on the timeframe allowed for payment of back taxes before interest begins to accrue. Currently, the IRS charges interest to the taxpayer on back taxes if not paid within 10 days but gives itself 45 days before paying interest if it owes money to the taxpayer. This legislation increases from 10 to 45 days the timeframe for a taxpayer to make a payment of back taxes before interest begins to accrue.

Extends the attorney-client privilege to attorneys, accountants, and enrolled agents.

Restricts the IRS from retroactively imposing regulations except where Congress waives the requirement.

Expands taxpayer rights to sue the United States for civil damages when the IRS causes the taxpayer to suffer financial harm.

Mr. President, once again, I commend my colleague, Senator SYMMS, for his attention to fairness. The Fairplay For Taxpayer Act of 1991 gives the average working- and middle-class taxpayer an even break. Americans already feel nickel and dimed by taxes at all levels of Government. They deserve better than to be bled by the process. This legislation makes great strides in providing fairness to all Americans. I look forward to many of our colleagues joining us in this effort.

By Mr. NICKLES:

S. 1618. A bill to permit the Mountain Park Master Conservancy District in Oklahoma to make a payment to satisfy certain obligations to the United States, and for other purposes; to the Committee on Energy and Natural Resources.

PAYMENT BY MOUNTAIN PARK CONSERVANCY DISTRICT

• Mr. NICKLES. Mr. President, today I am introducing legislation which would authorize the Bureau of Reclamation to accept early repayment on the Tom Steed Reservoir from the Mountain Park Master Conservancy District in Oklahoma. I am pleased to say that my Oklahoma colleague, Senator BOREN, is joining me in introducing this legislation on behalf of the city of Frederick, OK, to allow them to repay their obligation to the Federal Government at a level equal to the present value of the debt. This action is necessary to prevent a possible default by the city on their obligation.

Mr. President, the Mountain Park Master Conservancy District was formed by the cities of Altus, Frederick, and Snyder in the early 1970's. The district contracted with the Bureau of Reclamation for construction of the Tom Steed Reservoir in response to projections that the city of Frederick would have a population of 20,000 by 1990 and that additional water supply would be needed. The city's population was 6,132 in 1970, 6,153 in 1980, and was estimated to be 5,500 in 1990. Thus, in the early 1980's it became clear that unless Oklahoma's economy changed drastically, the city of Frederick was going to have difficulty making annual payments exceeding $900,000 by the year 2000, an amount which is more than the entire general fund budget for the city. In early 1989, Frederick appointed an advisory committee to study recommendations for servicing the Tom Steed debt. This advisory committee recommended early repayment.

Mr. President, the original contract between the Bureau and the Mountain Park Master Conservancy District called for a 50-year payment plan, the first 10 years deferred, with total cost to the city of Frederick of $33,410,619. The legislation I seek would authorize the Bureau to accept a payment of $7,409,239 from the District. This payment represents the present value of the debt service due to the United States and was computed by discounting the debt service at the U.S. Treasury bond rate.

Mr. President, the city of Frederick is not seeking a sweetheart deal. They are simply acting in a responsible manner to try and solve this financial problem while protecting the interest of the Federal Government and their citizens. It is unlikley that the city will be able to service the Tom Steed debt under the current contract. However, if we allow this early repayment to occur, the city of Frederick can save a substantial amount of money by financing the project themselves. The Federal Government can benefit by receiving immediate payment on a long-term receivable, Mr. President, and the city of Frederick is preserved from significant financial hardship.•

By Mr. MCCAIN:

S. 1619. A bill to amend the National Energy Conservation Policy Act to establish a water conservation requirement for Federal buildings, and for other purposes; to the Committee on Environment and Public Works.

WATER CONSERVATION ACT

Mr. MCCAIN. Mr. President, I rise today to offer legislation which will ensure that the Federal Government does its part to conserve our Nation's precious water supplies.

Specifically, the bill calls on Federal agencies to take water conservation measures with payback periods of less than 10 years. As a practical matter, that mandate means the replacement of inefficient plumbing equipment and fixtures within Federal buildings and agencies, when such replacements will pay for themselves within 10 years through lower water, power, and other costs.

In addition, the legislation would require Federal agencies to install the most water efficient fixtures available when new Federal facilities are built or old equipment is replaced for any reason.

Life depends on water, Mr. President. In Arizona, where water is a scarce commodity, the quality of life depends on how wisely we manage this precious and limited resource.

Across the Nation, and particularly in the arid regions of America, swelling demand for dwindling supply is pitting water interests against each other in a competition of growing intensity and acrimony: municipal and industrial water users versus agriculture; rural areas against urban centers; Indians versus non-Indians; and consumptive use versus recreation, fish, and wildlife.

The result is a vigorous and divisive competition among interests that are each vital to the well-being of our Nation. Public policy makers on the State and local levels will continue to grapple with many difficult issues concerning how water resources should be allocated.

While we focus on controversial and costly public works to extend the limits of our water supply, we are overlooking a vast and untapped source of water—a wellspring that will save us money, spare the environment, and contribute significantly to meeting the demands of our growing population.

Where might we find this untapped wellspring? In my State of Arizona, and other areas throughout the country, it can't be found in overdrawn aquifers or overappropriated streams or the modification of weather. We can find it in our workplaces and in our own homes, a wellspring known as plumbing efficiency.

Studies show that by using more water efficient plumbing fixtures, including dishwashers, clothes washers, shower heads and toilets, we can use 20 percent less water to do the same work without impairing performance. Less water to do the same job.

By taking cost-effective and reasonable steps to use water more efficiently, not only do we save a vital resource and the associated costs, but by creating less wastewater, there will be less sewage to treat, thereby conserving energy, landfill capacity and tax dollars, and reducing environmental risks.

Before we look for new ways to wring more water from the environment, we have an obligation to ensure that the water we have already developed is used as efficiently and effectively as possible.

The Federal Government has a responsibility to lead that effort and to set an example for all sectors of society. I ask that a letter in support of the legislation from Governor Symington of Arizona be printed in the RECORD.

I hope this bill will receive a timely hearing and expeditious action by the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE GOVERNOR,
Phoenix, AZ, July 30, 1991.

Hon. JOHN MCCAIN,
U.S. Senator, Washington, DC.

DEAR SENATOR MCCAIN: I commend and endorse your efforts in amending the Water Conservation Act of 1991 to establh water conservation requirements for federal buildings. It is important for the federal government to set an example by adopting measures that show a commitment to prudent and efficient water use. Research by the Arizona Department of Water Resources has shown a wide array of highly effective water conservation measures with payback periods of less than ten years. The water we save today is the cheapest "new" suppy for future growth.

In Arizona, cities, private water companies, industry, and agriculture in the Active Management Areas—Phoenix, Tucson, Prescott and Pinal—are required to implement water conservation measures through regulations issued by the Arizona Department of Water Resources. Additionally, the state requires all construction contracts awarded and state facilities constructed after January 1, 1991, to provide for the installation of ultra-low flow plumbing fixtures and the most water efficient appliances and processes commercially available at reasonable prices. Now, upon passage of your amendment the last major water user, the federal government, will also be adopting conservation measures for its facilities.

I fully support your efforts to promote conservation in federal buildings. I am pleased to support the amendment.

Sincerely,

FIFE SYMINGTON.

By Mr. KOHL (for himself, Mr. GLENN, and Mr. LEVIN):

S. 1621. A bill to improve supervision and regulation of Government Sponsored Enterprises; to the Committee on Governmental Affairs.

FEDERAL ENTERPRISE REGULATORY ACT

• Mr. KOHL. Mr. President, I rise to introduce a bill entitled the Federal Enterprise Regulatory Act of 1991. This legislation aims to improve supervision and regulation of Government sponsored enterprises. I am pleased to be joined in this effort by my distinguished colleagues, the chairman of the Government Affairs Committee, Mr. GLENN and the chairman of the Subcommittee on Oversight of Government Management, Mr. LEVIN.

Most people have never heard of Government sponsored enterprises [GSE's] and few who have fully understand what they do.

In simple terms, Government sponsored enterprises are financial institutions created and chartered by the Federal Government. They are charged with the task of accomplishing a public policy goal—like providing capital for low- and moderate-income housing, student loans, and money for farmers. GSE's operate in these areas because all too often the private sector does not: the risks are too great and the potential profits are too small.

There are five Government sponsored enterprises: the Federal National Mortgage Association—Fannie Mae—the Federal Home Loan Mortgage Corporation—Freddie Mac—the Federal Home Loan Bank Board [FHLB], the Student Loan Marketing Association—Sallie Mae—and the Farm Credit System [FCS].

GSE's are essentially private, profit making enterprises, but they also possess an implicit Federal guarantee. While it is not explicitly stated, the market believes and it is true that were a GSE to go bankrupt, it would have the full faith and credit of the Government behind it.

The proof of this guarantee is the fact that in 1987, the Government provided $4 billion to bail out the Farm Credit System, although it too had only an implicit guarantee.

The danger is that the Federal guarantee removes the market discipline over risks these entities might take. In short, the private shareholders of GSE's like Fannie Mae and Freddie Mac enjoy handsome returns on their investments while the Government guarantees the potential loss.

In other words, Government sponsored enterprises privatize the profits and socialize the losses.

It is important to understand that this is the same system that produced the S&L fiasco and the current banking crisis.

And the potential scope of the taxpayer loss is immense if the GSE's were to fail: $1 trillion. There is more potential risk in five Government sponsored enterprises then there is in the entire S&L industry.

At this point, none of the GSE's are in imminent danger. In fact, most are successfully carrying out their public policy missions and returning healthy profits to their shareholders. Last year, the largest GSE, Fannie Mae, earned over $1.7 billion in profits. Yet, this same GSE was losing over $1 million a day in the early 1980's.

Just because the GSE's are healthy today does not mean they will be tomorrow.

By and large, the Federal Government does nothing to oversee GSE's for safety and soundness. No audits are taken, no capital standards are set, and nobody regulates their risks. In other words, there is nothing in place to protect taxpayer dollars.

We have already learned through the S&L crisis that this type of loose regulation coupled with a Federal guarantee is a recipe for disaster.

This Nation simply cannot afford another massive taxpayer bailout. For once, the Federal Government ought to apply the lessons it has learned and act before disaster strikes.

Some have said: "If it ain't broke, don't fix it." I would side with the others who say: "Let's fix the roof while the sun is still shining and before it begins to leak."

In order to protect taxpayer dollars and to guarantee that we prevent a future fiasco, I am today introducing with Senators Glenn and Levin the Federal Enterprise Regulatory Act of 1991.

The primary purpose of the proposal is very straightforward, it seeks to establish independent, consistent, and efficient regulation for all Government sponsored enterprises in order to reduce the likelihood of a taxpayer bailout.

The act gives a single Federal regulator—the Federal Enterprise Regulatory Board—the authority to examine and audit the enterprises, require reports from them, impose capital standards, and enforce compliance with the requirements and standards it sets.

Our proposal will bring consistent and coherent safety and soundness regulation to an area where piecemeal regulation exists at best and where no regulation exists at worst.

There are currently a number of different proposals afloat to regulate individual GSE's, but none of the proposals address the overall problem from the taxpayer's point of view.

Rather, the other proposals treat each Government sponsored enterprise as if it were unrelated to any other. To best guarantee that another financial crisis is averted, we must institute a powerful Federal regulator—a so-called super regulator—whose only mission is the safety and soundness of these Government sponsored enterprises and whose main concern is the Federal Government's exposure.

The Federal Enterprise Regulatory Act will return the cop to the beat and will help prevent future financial crises. At a hearing I chaired on July 18 in the Subcommittee on Government Information and Regulation, widespread support for our proposal was voiced by the Comptroller General of the General Accounting Office, the Director of the Congressional Budget Office, an Assistant Secretary at Treasury, and by outside experts in the field.

I am convinced that if we are serious about protecting taxpayer dollars and if we have truly learned the lessons of the S&L bailout, then we must introduce some fiscal morality and responsibility where Federal guarantees and future budget liabilities are at stake. A giant step in this direction would be passage of the Federal Enterprise Regulatory Act.

I urge my colleagues to support this legislation, in order to help ensure that the taxpayers of this nation will not be asked to foot another bill incurred by the deregulation and irresponsibility of the 1980's.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1621

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS

(a) SHORT TITLE.—This Act may be cited as the "Federal Enterprise Regulatory Act of 1991."

(b) TABLE OF CONTENTS.—

TITLE I—ESTABLISHMENT OF THE FEDERAL ENTERPRISE REGULATORY BOARD

Sec. 101. Findings.

Sec. 102. Definitions.
Sec. 103. Federal Enterprise Regulatory Board established.
Sec. 104. Management of the Board.
Sec. 105. Compensation and expenses.
Sec. 106. Amendment to section 5313 of title 5, United States Code.
Sec. 107. Duties of the Chairperson.
Sec. 108. Powers of the Board.
Sec. 109. Duties and authority of the Board.
Sec. 110. Operating divisions.
Sec. 111. Administrative expenses.

TITLE II—SUPERVISION AND REGULATION

Sec. 201. Standards for safety and soundness and capital adequacy; system of remedial actions.
Sec. 202. Reports to Board.
Sec. 203. Examinations.
Sec. 204. Board authority over audits; access to records.

TITLE III—GENERAL ENFORCEMENT POWERS

Sec. 301. Definitions.
Sec. 302. Cease-and-desist proceedings.
Sec. 303. Temporary cease-and-desist orders.
Sec. 304. Removal and prohibition authority.
Sec. 305. Suspension or removal of enterprise-affiliated party charged with felony.
Sec. 306. Hearings and judicial review.
Sec. 307. Jurisdiction and enforcement.
Sec. 308. Civil money penalty.
Sec. 309. Notice after separation from service.
Sec. 310. Criminal penalty.
Sec. 311. Notice of service.
Sec. 312. Subpoena power, etc.
Sec. 313. Public disclosure of final orders and agreements.

TITLE IV—CONSERVATORSHIP

Sec. 401. Appointment of conservator.
Sec. 402. Examinations.
Sec. 403. Termination of conservatorship.
Sec. 404. Conservator; powers and duties.
Sec. 405. Liability protection.
Sec. 406. Powers of officers not affected.
Sec. 407. Rules and regulations.

TITLE V—REGULATORY RESTRUCTURING AND CONFORMING AMENDMENTS

Subtitle A. Farm Credit Administration abolished

Sec. 501. Farm Credit Administration and Farm Credit Administration Board abolished.

Subtitle B. Reorganization of Federal Home Loan Banks

Sec. 511. Reorganization of Federal Home Loan Banks.

Subtitle C. Amendments to Related Acts

Sec. 521. Amendments to Federal National Mortgage Association Act.
Sec. 522. Amendments to Federal Home Loan Mortgage Corporation Act.
Sec. 523. Amendments to Higher Education Act of 1965.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Comptroller General audit and access to records.
Sec. 602. Inconsistent provisions.
Sec. 603. Effective date.

TITLE I—ESTABLISHMENT OF THE FEDERAL ENTERPRISE REGULATORY BOARD

SEC. 101. FINDINGS.

The Congress finds that—

(1) the Federal Government needs enhanced authority to oversee the safety and soundness of Government-sponsored enterprises, in order to reduce the risk that they will incur losses at taxpayer expense;

(2) creation of a single Federal regulator with responsibility for overseeing the safety and soundness and public policy functions of Government-sponsored enterprises should assure strong and independent oversight, promote consistent treatment of enterprises facing similar risks, and result in operational efficiencies; and

(3) in order to fully protect against losses, the Federal regulator needs authority to establish capital rules and other standards for the safe and sound operation of Government-sponsored enterprises, and to monitor and enforce compliance with those standards.

SEC. 102. DEFINITIONS.

As used in this Act—

(a) BOARD.—The term "Board" means the Federal Enterprise Regulatory Board.

(b) CHAIRPERSON.—Unless otherwise provided, the term "Chairperson" means the Chairperson of the Board.

(c) ENTERPRISE.—The term "enterprise" means—

(1) the Federal National Mortgage Association;

(2) the Federal Home Loan Mortgage Corporation;

(3) the Student Loan Marketing Association;

(4) each Federal Home Loan Bank, beginning January 1, 1993; and

(5) the Federal Agricultural Mortgage Corporation.

(d) FARM CREDIT BANKS.—The term "Farm Credit Bank" means those banks chartered in accordance with section 1.3(b) of the Farm Credit Act of 1971 (12 U.S.C. 2011(b)) and those related associations chartered in accordance with section 2.0 of the Farm Credit Act of 1971 (12 U.S.C. 2071).

(e) BANKS FOR COOPERATIVES.—The term "Banks for Cooperatives" means those banks established in accordance with title III of the Farm Credit Act of 1971 (12 U.S.C. 2121 et seq.).

(f) FARM CREDIT SYSTEM INSURANCE CORPORATION.—The term "Farm Credit System Insurance Corporation" means that entity established under section 5.52 of the Farm Credit Act of 1971 (12 U.S.C. 2271a–1).

SEC. 103. FEDERAL ENTERPRISE REGULATORY BOARD ESTABLISHED.

(a) PURPOSE.—The purpose of the Federal Enterprise Regulatory Board is to oversee the enterprises in order to ensure their safety and soundness and compliance with their public purposes.

(b) ESTABLISHMENT OF THE FEDERAL ENTERPRISE REGULATORY BOARD.—Effective January 1, 1992, there shall be established a mixed-ownership government corporation to be known as the Federal Enterprise Regulatory Board.

(c) STATUS AS AN AGENCY FOR CERTAIN PURPOSES.—The Federal Enterprise Regulatory Board shall be an "agency" of the United States for purposes of subchapter II of chapter 5 and chapter 7 of title 5, United States Code, and title 18 of the United States Code.

(d) MIXED-OWNERSHIP GOVERNMENT CORPORATION.—Section 9101(2) of title 31, United States Code, is amended by adding at the end thereof:

"(N) the Federal Enterprise Regulatory Board."

SEC. 104. MANAGEMENT OF THE BOARD.

(a) VOTING MEMBERS.—The management of the Board shall be vested in a Board of Directors consisting of three voting members—

(1) one of whom shall be the Secretary of the Treasury;

(2) one of whom shall be the Chairman of the Federal Reserve Board; and

(3) one of whom shall be appointed by the President and confirmed by the Senate who shall serve full time as Chairperson of the Board. The Chairperson may not be affiliated with any enterprise at the time of his or her appointment, while serving on the Board, or for a period of one year after serving on the Board; and

(b) QUALIFICATIONS OF CHAIRPERSON.—The Chairperson shall be appointed without regard to political affiliation and solely on the basis of—

(1) professional standing, suitability for the position and integrity;

(2) extensive practical experience and distinguished record of achievement in finance, banking, and financial systems regulation in large governmental or business entities;

(3) substantial knowledge and understanding of government-sponsored enterprises, secondary-lending markets and primary credit markets;

(4) and clearly demonstrated ability to regulate multi-billion financial institutions, represent the interests of the board before the Congress, the public and the industries being regulated and within the Executive Branch, act in the public interest and carry out the functions and duties of the board and office, effectively, vigorously and impartially.

(c) NON-VOTING MEMBERS.—The Board of Directors shall also include the following three non-voting members—

(1) the Secretary of Agriculture;

(2) the Secretary of Education; and

(3) the Secretary of Housing and Urban Development.

(d) TERMS.—

(1) INDEPENDENT MEMBER.—The independent member serving as Chairperson of the Board shall be appointed for a term of 6 years.

(2) INTERIM APPOINTMENTS.—A vacancy in the position of the Chairperson occurring before the expiration of the term for which the Chairperson was appointed shall be filled through appointment by the President, and the member appointed to fill such vacancy shall be appointed only for the remainder of said term.

(3) CONTINUATION OF SERVICE.—A member appointed to serve as Chairperson may continue to serve after the expiration of the term of office to which the member was appointed until a successor Chairperson has been appointed.

(e) QUORUM.—A quorum shall consist of two of the voting members of the board of directors or their proxies designated under subsection (e). None of the non-voting members of the board of directors shall count toward a quorum.

(f) PROXIES.—The Secretary of the Treasury may designate a member of the Department of the Treasury, and the Chairman of the Federal Reserve Board may designate a representative of the Federal Reserve System, as proxies to carry out their responsibilities on the Board in the event of their absence.

SEC. 105. COMPENSATION AND EXPENSES.

(a) EXPENSES.—Members of the Board shall receive allowances in accordance with subchapter I of chapter 57 of title 5, United States Code, for necessary expenses of travel, lodging, and subsistence incurred in attending meetings and other activities of the Board, as set forth in the bylaws issued by the Board.

(b) NO ADDITIONAL COMPENSATION FOR UNITED STATES OFFICERS OR EMPLOYEES.—Members of the Board (other than the Chairperson) shall receive no additional pay by reason of their service on such Board.

SEC. 106. AMENDMENT TO SECTION 5313 OF TITLE 5, UNITED STATES CODE.

Section 5313 of title 5, United States Code, is amended by inserting at the end "Chairperson of the Federal Enterprise Regulatory Board.".

SEC. 107. DUTIES OF THE CHAIRPERSON.

The Chairperson shall be the chief executive officer of the Board, and shall oversee the day-to-day operations of the staff of the Board.

SEC. 108. POWERS OF THE BOARD.

The Board shall be a body corporate that, acting through its board of directors, shall have the power to—

(1) adopt, alter, and use a corporate seal;

(2) fix the number and duties of, and appoint, employees of the board, who shall be subject to all laws applicable to employees of the United States;

(3) set and adjust rates of basic pay for employees of the Board subject to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code;

(4) with the consent of any executive agency, department, or independent agency utilize the information, services, staff, and facilities of such department or agency, or a reimbursable basis, in carrying out this section;

(5) prescribe bylaws that are consistent with law to provide for the manner in which—

(A) its officers and employees are selected, and

(B) its general operations are to be conducted;

(6) enter into contracts and modify or consent to the modification of any contract or agreement;

(7) sue and be sued in courts of competent jurisdiction;

(8) acquire, hold, lease, mortgage, maintain, or dispose of, at public or private sale, real and personal property, and otherwise exercise all the usual incidents of ownership of property necessary and convenient to the operations of the Board; and

(9) exercise any and all powers established under this Act, and such incidental powers as are necessary to carry out its powers, duties, and functions under this Act.

SEC. 109. DUTIES AND AUTHORITY OF THE BOARD.

(a) EXCLUSIVE AUTHORITY OF THE BOARD.—The Board shall have the exclusive authority to make such determinations and to take such actions as are deemed necessary with respect to a specific enterprise regarding—

(1) an enterprise's compliance with its statutory purposes and standards of safety and soundness set by the Board;

(2) an examination of an enterprise;

(3) a decision to appoint a conservator for an enterprise; and

(4) any enforcement action under title III, including the final decision in a contested administrative enforcement proceeding.

(b) RULEMAKING AUTHORITY.—The Board may prescribe such regulations and issue such orders as the Board may determine to be necessary or appropriate for carrying out any law within the Board's jurisdiction.

(c) DELEGATION OF AUTHORITY.—The Board may delegate to any employee, representative or agent, any authority of the Board, except with regard to promulgation of rules and regulations in accordance with section 553 of title 5, adjudications under section 554 of title 5, and determinations to appoint a conservator under title IV of this Act.

SEC. 110. OPERATING DIVISIONS.

The Board shall consist of two or more operating divisions including—

(1) the Farm Credit System Division, which shall have general supervisory and regulatory authority for the Farm Credit Banks and the Banks for Cooperatives;

(2) one or more other divisions which shall have general supervisory and regulatory authority for the other enterprises; and

(3) such other operating and administrative components as the Board may determine appropriate.

SEC. 111. ADMINISTRATIVE EXPENSES.

(a) IN GENERAL.—The Board may impose a semiannual assessment on each enterprise which shall be related to the expenses of the Board in supervising and regulating the enterprise. Subject to subsection (d) of this section, the aggregate amount of the Board's assessment on the enterprises shall be sufficient to provide for the payment of the Board's estimated expenses for the period for which such assessments are made.

(b) DEFICIENCIES.—If, at any time, amounts available from any assessment for any semiannual period are insufficient to cover the expenses of the Board incurred in carrying out the provisions of this Act during such period, the Board may make an immediate assessment against the enterprises to cover the amount of the deficiency for such semiannual period.

(c) SURPLUSES.—If, at the end of any semiannual period for which an assessment is made, any amount remains from such assessment, such amount shall be deducted from the assessment on the enterprises by the Board for the following semiannual period.

(d) TRANSITION PROVISION.—

(1) START-UP EXPENSES.—The Secretary of the Treasury shall make available for use by the Board a sum not to exceed $10,000,000 no later than January 1, 1992.

(2) REPAYMENT FROM ASSESSMENTS.—The Board shall repay the amounts made available under this subsection, including any interest thereon, no later than January 1, 1995, from assessments imposed under this section.

TITLE II—SUPERVISION AND REGULATION

SEC. 201. STANDARDS FOR SAFETY AND SOUNDNESS AND CAPITAL ADEQUACY; SYSTEM OF REMEDIAL ACTIONS.

(a) DEFINITIONS.—(1) As used in this section, the term "capital" means, as determined in accordance with generally accepted accounting principles, the sum of—

(A) the par value of outstanding common stock;

(B) the par value of outstanding preferred stock;

(C) paid-in capital; and

(D) retained earnings.

(2) For purposes of subsection (c)(3)(A)(ii) only, the term "capital" shall also include subordinated debt in such amounts and with such features as may be prescribed by the Board.

(b) IN GENERAL.—The Federal Enterprise Regulatory Board shall by regulation establish—

(1) standards for the safe and sound operation of each enterprise; and

(2) criteria and timeframes for remedial actions the Board shall take to address noncompliance with the standards.

(c) STANDARDS AND REMEDIAL ACTIONS.—The standards and actions referred to in subsection (b) shall include the following:

(1) Soundness of management and internal controls.—

(A) Standards.—Standards for management and internal controls shall include requirements concerning an enterprise's management; lending and risk-control policies; loan documentation; underwriting standards; information systems; and internal audit systems.

(B) Remedial actions.—Actions for failure to comply with these standards shall include requiring a corrective plan acceptable to the Board; restricting asset or liability growth; restricting activities; and requiring higher capital levels.

(2) Quality of Assets and Earnings.—

(A) Standards.—Asset and earnings standards may include requirements concerning the quality of assets held or securities guaranteed by an enterprise and acceptable earnings levels.

(B) Remedial actions.—Actions for failure to comply with these standards may include requiring a corrective plan acceptable to the Board; restricting asset or liability growth; restricting activities; restricting dividend payments; and requiring higher capital levels.

(3) Minimum Capital.—

(A) Standards.—The minimum capital standard for each enterprise shall equal the sum of—

(i) an amount of capital the Board determines sufficient to enable the enterprise to maintain positive capital to cover for interest rate and credit risk, independently, under economic circumstances that are determined stressful for the enterprise by the Board; and

(ii) an amount the Board determined sufficient to protect against management risk, operations risk, and business risk, which shall be a fixed percentage of the enterprise's on-balance sheet assets and off-balance sheet obligations as determined according to generally accepted accounting principles. The percentage fixed by the Board may consist of separate percentages of the enterprise's on-balance sheet assets and off-balance sheet obligations.

(B) Remedial actions.—Actions for failure to comply with this standard may include requiring a capital restoration plan acceptable to the Board; requiring recapitalization through the sale of stock or other assets; restricting asset or liability growth; restricting activities; restricting dividend payments; and prohibiting principal or interest payments on subordinated debt.

(4) Substantially insufficient capital.—

(A) Standards.—The standard for substantially insufficient capital shall be a minimum solvency standard for each enterprise.

(B) Actions.—For any enterprise failing to comply with this standard, the Board shall appoint a conservator.

(5) Inappropriate compensation and benefits.—

(A) Standards.—Standards for compensation and benefits provided by an enterprise to its directors, officers and employees shall include but need not be limited to requirements prohibiting: compensation in excess of that which is reasonable and commensurate with an individual's duties and responsibilities; employment agreements which would constitute an unsafe or unsound practice; and pension or other benefit plans or arrangements which, due to unreasonable costs, risks or any other reason, could lead to material financial loss to the enterprise.

(B) Remedial actions.—Actions for failure to comply with these standards may include but need not be limited to: requiring a corrective plan acceptable to the Board; restricting activities; requiring the enterprise to recoup excessive compensation or benefits; requiring the enterprise to restructure employment or benefit agreements; and requiring alterations in compensation, benefit or personnel policies.

(d) Exceptions.—The Board may modify, defer, or cancel any action required by the regulations under this section only if the Board determines in writing that such modification, deferral, or cancellation is in the public interest or for the protection of the Federal Government.

(e) Availability and Enforcement of Actions.—

(1) Actions for violation of minimum capital standards.—No remedial action shall be taken for the failure of an enterprise to meet the minimum capital standard established under subsection (c)(3) of this section until January 1, 1995.

(2) Enforcement.—Remedial actions under this section shall be enforced under title III of this Act.

(3) Availability of other actions.—The system prescribed in this section shall not in any way limit or supersede the authority of the Board to take more stringent action.

(f) Deadline for Regulations.—Final regulations required under this section shall be promulgated not later than January 1, 1994.

SEC. 202. REPORTS TO BOARD.

(a) Reports of Condition and Operations; Form; Content; Date of Making.—

(1) Regular reports.—Each enterprise shall make to the Federal Enterprise Regulatory Board annual and quarterly reports of financial condition and operations which shall be in such form, shall contain such information, and shall be made on such dates as the Board shall require.

(2) Standards for annual report.—Each annual report shall contain financial statements prepared in accordance with generally accepted accounting principles and a statement of internal accounting and administrative control systems by the head of each enterprise, consistent with the requirements for agency statements on internal accounting and administrative control systems under the amendments made by the Federal Managers' Financial Integrity Act of 1982 (Public Law 97-255).

(3) Certification of reports.—Reports of financial condition and operations shall be certified as follows:

(A) Annual reports of financial condition and operations shall be certified by an independent public accountant; and

(B) Quarterly reports shall contain a declaration by the president, a vice president, the treasurer, the chief executive officer, or by any other officer designated by the board of directors of the enterprise to make such declaration, that the report is true and correct to the best of his or her knowledge and belief. The correctness of the report of condition shall be attested by the signatures of at least three of the directors of the enterprise other than the officer making such declaration, with the declaration that the report has been examined by them and to the best of their knowledge and belief is true and correct.

(b) Audit of Annual Reports.—

(1) Independent audit required.—The financial statements contained in the annual reports of the enterprises required under this section shall be audited by an independent external auditor.

(2) *Auditing standards*.—Audits under this subsection shall be conducted in accordance with generally accepted government auditing standards.

(3) Reports on audits.—Upon completion of the audit required by this subsection, the person who audits the statement shall submit a report on the audit to the head of the enterprise, to the Chairperson of the Board, and to any Congressional committee having jurisdiction over the Board and the particular enterprise.

(4) Review by comptroller general.—The Comptroller General of the United States may review any audit of a financial statement conducted under this subsection. Upon request of the Comptroller General, an enterprise shall provide to the Comptroller General or any representative all books, accounts, financial records, reports, files, workpapers, and property belonging to or in use by the enterprise and its auditor that the Comptroller General considers necessary to the performance of any review under this section.

(c) Additional and Special Reports.—The Board may require additional reports from the enterprises, in such form and containing such information as the Board may prescribe, on dates to be fixed by the Board, and may require special reports from any particular enterprise whenever, in the Board's judgment, such reports are necessary for the Board to carry out the purposes of this Act.

(d) Penalties.—

(1) (A) First tier.—If an enterprise—

(i) maintains procedures reasonably adopted to avoid any inadvertent error and, unintentionally and as a result of such an error, fails to make any report required under this paragraph, within the period of time specified by the Board, or submits any false or misleading report or informtion, or

(ii) inadvertently transmit any report which is minimally late.

the enterprise shall be subject to a penalty of not more than $2,000 for each day during which such failure continues or such false or misleading information is not corrected.

(B) The enterprise shall have the burden of proving that an error was inadvertent and that a report was inadvertently transmitted late.

(2) Second tier.—If an enterprise fails to make any report required under this section within the period of time specified by the Board, or submits any false or misleading report or information, in a manner not described in paragraph (1) of this subsection, the enterprise shall be subject to a penalty of not more than $20,000 for each day during which such failure continues or such false or misleading information is not corrected.

(3) Third tier.—Notwithstanding paragraph (2), if an enterprise knowingly or with reckless disregard for the accuracy of any information or report described in such paragraph submits any false or misleading report or information, the Board may assess a penalty of not more than $1,000,000 or 1 percent of total assets of the enterprise, whichever is less, per day for each day during which such failure continues or such false or misleading information is not corrected.

(4) Assessment and collection.—Any penalty imposed under this subsection shall be assessed and collected by the Board in the manner provided in section 308 (e), (f), (g), (i), and (j) (for penalties imposed under such section) and any such assessment (including the determination of the amount of the penalty) shall be subject to the provisions of such section.

(5) Hearing.—An enterprise shall be afforded a hearing with respect to any penalty assessed under this subsection, if the enterprise submits a written request for such hearing within 20 days after the issuance of the notice of assessment. Section 306 shall apply to any proceeding under this subsection.

(e) Dividends.—Each enterprise shall make the Board advance reports of any dividends to be declared or paid in such cases and under such conditions as the Board determines necessary, in such form and at such times as it may require.

SEC. 203. EXAMINATIONS.

(a) Appointment of Examiners.—The Board shall appoint examiners to examine the enterprises.

(b) Examinations.—Examiners appointed under subsection (a) shall examine each enterprise whenever the Board determines that an examination is necessary, but not less than once every twelve-month period.

(c) Technical Experts.—The Board is authorized to contract for the services of such technical experts as the Board determines necessary and appropriate to provide temporary technical assistance to any examiner appointed under subsection (a).

(d) Power and Duty of Examiners.—Each examiner appointed under subsection (a) shall—

(1) have the power, on behalf of the Board, to make a thorough examinaion of any enterprise under subsection (b); and

(2) make a full and detailed report of condition of the enterprise examined to the Board.

(e) Administration of Oaths and Affirmations; Evidence; Subpoena Powers.—In connection with examinations of the enterprises, the Board is authorized to administer oaths and affirmations, examine and to take and preserve testimony under oath as to any matter in respect to the affairs or ownership of any enterprise or affiliate thereof, and to exercise such other powers as are set forth in section 312.

(f) Preservation of Records by Photography.—

(1) In general.—The Board may cause any and all records, papers, or documents kept by the Board or in the Board's possession or custody to be photographed or microphotographed or otherwise reproduced upon film, in a manner that shall comply with the minimum standards of quality approved for permanent photographic records by the National Institute of Standards of Technology.

(2) Deemed as originals.—Such photographs, microphotographs, or photographic film or copies thereof shall be deemed to be an original record for all purposes, including introduction in evidence in all State and Federal courts or administrative agencies and shall be admissible to prove any act, transaction, occurrence, or event therein recorded.

(3) Preservation.—Such photographs, microphotographs, or reproductions shall be preserved in such manner as the Board shall prescribe, and the original records, papers, or documents may be destroyed or otherwise disposed of as the Board shall direct.

SEC. 204. BOARD AUTHORITY OVER AUDITS: ACCESS TO RECORDS.

(a) Audits.—Each audit of an enterprise by the enterprise or by an outside auditor shall be subject to review and verification by the Board. The Board shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians.

(b) Access to Records.—All books, records, accounts, reports, files, and all other papers, things, or property belonging to or used by an enterprise or by an auditor of an enterprise in connection with an audit of an enterprise shall be made available to the Board.

TITLE III—GENERAL ENFORCEMENT POWERS

SEC. 301. DEFINITIONS.

(a) ENTERPRISE—AFFILIATED PARTY.—For purposes of this title, the term "enterprise-affiliated party" means—

(1) any director, officer, employee, or controlling stockholder of, or agent for, and enterprise;

(2) any shareholder, consultant, joint venture partner, and any other person as determined by the Federal Enterprise Regulatory Board (by regulation or on a case-by-case basis) who participates in the conduct of the affairs of an enterprise; and

(3) any independent contractor (including any attorney, appraiser, or accountant) who knowingly or recklessly participates in—

(A) any violation of any law or regulation;

(B) any breach of fiduciary duty; or

(C) any unsafe or unsound practice, which caused or is likely to cause more than a minimal financial loss to, or a significant adverse effect on, the enterprise.

(b) VIOLATION.—The term "violation" includes any action (alone or with another or others) which causes, counsels, brings about or aids and/or abetts a violation.

SEC. 302. CEASE-AND-DESIST PROCEEDINGS.

(a) GROUNDS FOR ISSUANCE.—The Federal Enterprise Regulatory Board may issue and serve upon an enterprise or enterprise-affiliated party a notice of charges if, in the opinion of the Board, such party—

(1) is engaging or has engaged, or the Board has reasonable cause to believe that the enterprise or enterprise-affiliated party is about to engage, in an unsafe or unsound practice in conducting the business of the enterprise; or

(2) is violating or has violated, or the Board has reasonable cause to believe that the enterprise or enterprise-affiliated party is about to violate—

(A) a law, rule, or regulation, including any standard established pursuant to section 201;

(B) any condition imposed in writing by the Board in connection with the granting of any application or other request by the enterprise; or

(C) any written agreement entered into with the Board.

(b) PROCEDURE.—

(1) NOTICE OF CHARGES.—Any notice of charges shall contain a statement of the facts constituting the alleged violation or violations or the unsafe or unsound practice or practices, and shall fix a time and place at which a hearing shall be held to determine whether an order to cease and desist therefrom should issue against enterprise or enterprise-affiliated party.

(2) DATE OF HEARING.—Such hearing shall be fixed for a date not earlier than 30 days nor later than 60 days after service of such notice unless an earlier or a later date is set by the Board at the request of any party served.

(3) FAILURE TO APPEAR CONSTITUTES CONSENT.—Unless the party so served appears at the hearing personally or by a duly authorized representative, such party shall be deemed to have consented to the issuance of the cease-and-desist order.

(4) ISSUANCE OF ORDER.—In the event of such consent, or if, upon the record made at any such hearing, the Board shall find that any violation or unsafe or unsound practice specified in the notice of charges has been established, the Board may issue and serve upon the enterprise or enterprise-affiliated party and order requiring such party to cease and desist from any such violation or practice and to take affirmative action to correct the conditions resulting from any such violation or practice.

(c) AFFIRMATIVE ACTION TO CORRECT CONDITIONS RESULTING FROM VIOLATIONS OR PRACTICES.—The authority under this section to issue any order which requires an enterprise or enterprise-affiliated party to take affirmative action to correct or remedy any conditions resulting from any violation or practice with respect to which such order is issued includes the authority to require such party to—

(1) make restitution or provide reimbursement, indemnification, or guarantee against loss if—

(A) the enterprise or enterprise-affiliated party was unjustly enriched in connection with such violation or practice; or

(B) the violation or practice involved a reckless disregard for the law or any applicable regulations or prior order of the Board;

(2) restrict the growth of the enterprise;

(3) dispose of any asset involved;

(4) rescind agreements or contracts;

(5) employ qualified officers or employees (who may be subject to approval by the Board at the direction of the Board);

(6) take any action specified in section 201; and

(7) take such other action as the Board determines appropriate.

(d) AUTHORITY TO LIMIT ACTIVITIES.—The authority to issue an order under this section includes the authority to place limitations on the activities or functions of the enterprise or any enterprise-affiliated party.

(e) EFFECTIVE DATE.—A cease-and-desist order shall become effective at the expiration of 30 days after the service of such order upon the enterprise or enterprise-affiliated party (except in the case of a cease-and-desist order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable as provided therein, except to such extent as it is stayed, modified, terminated, or set aside by action of the Board or a court of competent jurisdiction.

SEC. 303. TEMPORARY CEASE-AND-DESIST ORDERS.

(a) GROUNDS FOR ISSUANCE; SCOPE.—(1) Whenever the Board determines that any violation, threatened violation, or unsafe or unsound practice, specified in the notice of charges served upon the enterprise or enterprise-affiliated party pursuant to section 302(a), or the continuation thereof, is likely to—

(A) cause insolvency or significant dissipation of assets or earnings of the enterprise; or

(B) weaken the condition of the enterprise prior to the completion of the proceedings conducted pursuant to section 302(b), the Board may issue a temporary order requiring the enterprise, or any enterprise-affiliated party, to cease and desist from any such violation or practice and to take affirmative action to prevent or remedy such insolvency, dissipation, or condition pending completion of such proceedings.

(2) An order under this subsection may include any requirement authorized under section 302(c).

(b) EFFECTIVE DATE.—An order issued pursuant to subsection (a) shall become effective upon service upon the enterprise or enterprise-affiliated party and, unless set aside, limited, or suspended by a court in proceedings authorized by subsection (d), shall remain effective and enforceable pending the completion of the proceedings pursuant to such notice and shall remain effective until such time as the Board dismisses the charges specified in such notice or until superseded by a cease-and-desist order issued pursuant to section 302.

(c) INCOMPLETE OR INACCURATE RECORDS.—

(1) TEMPORARY ORDER.—If a notice of charges served under subsection (a) of section 302 specifies that the enterprise's books and records are so incomplete or inaccurate that the Board is unable, through the normal supervisory process, to determine the financial condition of that enterprise or the details or the purpose of any transaction that may have a material effect on the financial condition of that enterprise, the Board may issue a temporary order requiring—

(A) the cessation of any activity or practice which gave rise, whether in whole or in part, to the incomplete or inaccurate state of the books or records; or

(B) affirmative action to restore such books or records to a complete and accurate state, until the completion of the proceedings under section 302.

(2) EFFECTIVE PERIOD.—Any temporary order issued under paragraph (1)—

(A) shall become effective upon service; and

(B) unless set aside, limited, or suspended by a court in proceedings under subsection (d), shall remain in effect and enforceable until the earlier of—

(i) the completion of the proceeding initiated under section 302 in connection with the notice of charges; or

(ii) the date the Board determines, by examination or otherwise, that the enterprise's books and records are accurate and reflect the financial condition of the enterprise.

(d) JUDICIAL REVIEW.—Within 10 days after the enterprise or enterprise-affiliated party has been served with a temporary cease-and-desist order pursuant to this section, such party may apply to the United States district court for the judicial district in which the home office of the enterprise is located, or the United States District Court for the District of Columbia, for an injunction setting aside, limiting, or suspending the enforcement, operation, or effectiveness of such order pending the completion of the administrative proceedings pursuant to the notice of charges served upon the enterprise or enterprise-affiliated party under section 302(a), and such court shall have jurisdiction to issue such injunction.

(e) ENFORCEMENT.—In the case of violation or threatened violation of, or failure to obey, a temporary order issued pursuant to this section, the Board may, with the prior consent of the Attorney General and subject to the Attorney General's direction and control, apply to the United States district court for the judicial district in which the home office of the enterprise is located, or the United States District Court for the District of Columbia for an injunction to enforce such order, and, if the court finds any such violation, threatened violation, or failure to obey, it shall issue such injunction.

SEC. 304. REMOVAL AND PROHIBITION AUTHORITY.

(a) AUTHORITY TO ISSUE ORDER.—The Board may serve upon any director (other than a director appointed and subject to removal by the President) or other enterprise-affiliated party a written notice of the Board's intention to remove such party from office or to prohibit any further participation, in any manner, in the conduct of the affairs of the enterprise whenever the Board determines that—

(1) such party has directly or indirectly—

(A) violated—

(i) any law or regulation;

(ii) any cease-and-desist order which has become final;

(iii) any condition imposed in writing by the Board in connection with the grant of any application or other request by the enterprise; or

(iv) any written agreement between the enterprise and the Board;

(B) engaged or participated in any unsafe or unsound practice in connection with the enterprise; or

(C) committed or engaged in any act, omission, or practice which constitutes a breach of such party's fiduciary duty;

(2) by reason of the violation, practice, or breach described in any clause or paragraph (1)—

(A) the enterprise has suffered or will probably suffer financial loss or other damage; or

(B) such party has received financial gain or other benefit by reason of such violation, practice, or breach; and

(3) such violation, practice, or breach—

(A) involves personal dishonesty on the party of such party; or

(B) demonstrates willful or continuing disregard by such party for the safety or soundness of the enterprise.

(b) SUSPENSION ORDER.—

(1) SUSPENSION OR PROHIBITION AUTHORIZED.—If the Board serves written notice under subsection (a) to a director or other enterprise—affiliated party, the Board may suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of the enterprise, if the Board—

(A) determines that such action is necessary for the protection of the enterprise; and

(B) serves upon such party written notice of the suspension order.

(2) EFFECTIVE PERIOD.—Any suspension order issued under paragraph (1)—

(A) shall become effective upon service; and

(B) unless a court issues a stay of such order under subsection (f), shall remain in effect and enforceable until—

(i) the date the Board dismisses the charges with respect to such party; or

(ii) the effective date of an order issued by the Board to such party under subsection (a).

(3) COPY OF ORDER.—If the Board issues a suspension order under subsection (b) to any director or other enterprise-affiliated party, the Board shall serve a copy of such order on the enterprise at the time such order is issued.

(c) PROCEDURE.—

(1) NOTICE.—A notice of intention to remove a director or other enterprise-affiliated party from office or to prohibit such party from participating in the conduct of the affairs of the enterprise under subsection (a) shall contain a statement of the facts constituting grounds therefor and shall fix a time and place at which a hearing shall be held thereon.

(2) DATE OF HEARING.—Such hearing shall be fixed for a date not earlier than 30 days nor later than 60 days after the date of service of such notice, unless an earlier or a later date is set by the Board at the request of such party and for good cause shown, or the Attorney General of the United States.

(3) FAILURE TO APPEAR DEEMED CONSENT.—Unless such party appears at the hearing in person or by a duly authorized representative, such party shall be deemed to have consented to the issuance of an order of such removal or prohibition.

(4) ISSUANCE OF ORDER.—In the event of such consent, or if upon the record made at any such hearing, the Board finds that any of the grounds specified in such notice have been established, the Board may issue such orders of suspension or removal from office, or prohibition from participation in the conduct of the affairs of the enterprise, as it determines appropriate.

(d) EFFECTIVE DATE.—Any such order shall become effective at the expiration of 30 days after service upon the enterprise, director or other enterprise-affiliated party (except in the case of an order issued upon consent, which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the Board or a court of competent jurisdiction.

(e) PROHIBITION OF CERTAIN SPECIFIC ACTIVITIES.—Any person subject to an order issued under this section shall not—

(1) participate in any manner in the conduct of the affairs of any enterprise, institution, or agency specified in subsection (f)(1);

(2) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote, any proxy, consent, or authorization with respect to any voting rights in any entity described in paragraph (1);

(3) violate any voting agreement previously approved by the Board; or

(4) vote for a director, or serve or act as a director or other enterprise-affiliated party.

(f) INDUSTRYWIDE PROHIBITION.—

(1) IN GENERAL.—Except as provided in paragraph (2), any director or other enterprise-affiliated party who, pursuant to an order issued under this section, has been removed or suspended from office in an enterprise or prohibited from participating in the conduct of the affairs of an enterprise may not, while such order is in effect, continue or commence to hold any office, in, or participate in any manner in the conduct of the affairs of—

(A) any insured depository institution as defined in section 3(c)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)(2));

(B) any depository institution or institution treated as an insured bank under section 8(b)(3) or 8(b)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1818(b)(3), (b)(4)), or as a savings association under section 8(b)(8) of the Federal Deposit Insurance Act (12 U.S.C. 1818(b)(8));

(C) any insured credit union as defined in section 101(7) of the Federal Credit Union Act (12 U.S.C. 1752(7));

(D) any institution chartered under the Farm Credit Act of 1971;

(E) any enterprise as defined in section 102 of this Act;

(F) the Government National Mortgage Association;

(G) any appropriate Federal financial institutions regulatory agency; and

(H) the Resolution Trust Corporation.

(2) EXCEPTION IF AGENCY PROVIDES WRITTEN CONSENT.—If, on or after the date an order is issued under this section which removes or suspends from office any director or other enterprise-affiliated party or prohibits such party from participating in the conduct of the affairs of an enterprise, such party receives the written consent of—

(A) the Board; and

(B) the appropriate Federal financial institutions regulatory agency of the institution described in paragraph (1) in which such party proposes to hold office or in the conduct of whose affairs such party proposes to participate,

paragraph (1) shall, to the extent of such consent, cease to apply to such party with respect to the institution described in such written consent. Any agency that grants such a written consent shall report such action to the Board and publicly disclose such consent.

(3) VIOLATION OF PARAGRAPH TREATED AS VIOLATION OF ORDER.—Any violation of paragraph (1) by any person who is subject to an order described in such paragraph shall be treated as a violation of the order.

(4) APPROPRIATE FEDERAL FINANCIAL INSTITUTIONS REGULATORY AGENCY DEFINED.—For purposes of this subsection and section 310 the term "appropriate Federal financial institutions regulatory agency" means—

(A) the Board, in the case of an enterprise;

(B) the Secretary of the Department of Housing and Urban Development, in the case of the Government National Mortgage Association;

(C) the appropriate Federal banking agency as defined in section 3(q) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)), in the case of an insured depository institution;

(D) until January 1, 1993, the Farm Credit Administration, in the case of an institution chartered under the Farm Credit Act of 1971, and, after that date, by the Board;

(E) until January 1, 1993, the Federal Housing Finance Board in the case of a Federal Home Loan Bank, and, after that date, by the Board;

(F) the National Credit Union Administration Board, in the case of an insured credit union (as defined in section 101(7) of the Federal Credit Union Act (12 U.S.C. 1752(7)); and

(G) the Oversight Board, in the case of the Resolution Trust Corporation.

(5) CONSULTATION BETWEEN AGENCIES.—The agencies described in paragraph (2) shall consult with each other before providing any written consent authorized by paragraph (2).

(g) STAY OF SUSPENSION OR PROHIBITION.—Within ten days after any director or other enterprise-affiliated party has been suspended from office or prohibited from participation in the conduct of the affairs of an enterprise under subsection (b), such party may apply to the United States district court for the judicial district in which the home office of the enterprise is located, or the United States District Court for the District of Columbia, for a stay of such suspension or prohibition pending the completion of the administative proceedings pursuant to the notice served upon such party under subsection (a), and such court shall have jurisdiction to stay such suspension or prohibition.

(h) DIRECTORS APPOINTED BY THE PRESIDENT.—The Board may notify the President of any director of an enterprise on whom the Board would have served a notice of intention to remove the director or to prohibit the director from participating in the conduct of the affairs of the enterprise under subsection (a) but for the fact that that director was appointed and subject to removal by the President. The Board shall include in such notice the grounds for issuance of the notice of intention.

SEC. 305. SUSPENSION OR REMOVAL OF ENTERPRISE-AFFILIATED PARTY CHARGED WITH FELONY.

(a) SUSPENSION.—Whenever an enterprise-affiliated party (other than a director appointed and subject to removal by the President) is charged in any information, indictment, or complaint with the commission of, or participation in, a crime involving dishonesty or breach of trust which is punishable by imprisonment for a term exceeding one year under State or Federal law, the Board may, if continued service or participation by such party may threaten to impair public confidence in the enterprise, by written notice served upon such party suspend them from office or prohibit them from further participation in any manner in the conduct of the affairs of the enterprise. A copy of such notice shall also be served upon the enterprise.

(b) EFFECTIVE PERIOD.—Such suspension or prohibition shall remain in effect until such information, indictment, or complaint is finally disposed of or until terminated by the Board.

(c) REMOVAL.—In the event a conviction or an agreement to enter a pre-trial diversion or other similar program is entered against an enterprise director or any other enterprise-affiliated party (other than a director appointed and subject to removal by the President), and at such time as such judgment is not subject to further appellate review, the Board may, if continued service or participation by such party may threaten to impair public confidence in the enterprise, issue and serve upon such party an order removing him or her from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the enterprise except with the consent of the Board. A copy of such order shall also be served upon the enterprise, whereupon such party shall cease his or her association with the enterprise.

(d) DISCRETIONARY REMOVAL NOT PRECLUDED.—A finding of not guilty or other disposition of the charge shall not preclude the Board from instituting proceedings to remove such party from office or to prohibit further participation in the affairs of the enterprise pursuant to subsection (a) or (b) of section 304.

(e) EFFECTIVE DATE.—Any notice or suspension or order of removal issued under this section shall remain effective until the completion of any hearing or appeal authorized under subsection (g), unless earlier terminated by the Board.

(f) VACANCIES ON THE BOARD OF DIRECTORS.—

(1) QUORUM.—If, at any time, because of the suspension of one or more directors pursuant to this section, there shall be on the board of directors of an enterprise less than a quorum, all powers and functions vested in, or exercisable by, such board shall vest in and be exercisable by the remaining director or directors, until such time as there shall be a quorum of the board of directors.

(2) ALL DIRECTORS SUSPENDED.—In the event all of the directors of the enterprise are suspended pursuant to this section, the Board shall appoint temporary directors pending the termination of such suspensions or until such time as the terms of the suspended directors expire and their successors take office.

(g) HEARING.—

(1) REQUEST FOR HEARING.—Within 30 days from service of any notice of suspension or order of removal issued pursuant to subsection (a), the party concerned may request in writing an opportunity to appear before the Board to show that the continued service to or participation in the conduct of the affairs of the enterprise by such party does not, or is not likely to, threaten to impair public confidence in the enterprise.

(2) TIME AND PLACE OF HEARING; HEARING.—Upon receipt of any such request, the Board shall fix a time (not more than 30 days after receipt of such request, unless extended at the request of such party), and a place at which such party may appear, personally or through a representative, before the Board to submit written materials (or, at the discretion of the Board, oral testimony) and oral argument.

(3) DECISION OF THE BOARD.—Within 60 days of such hearing, the Board shall notify such party whether the suspension or prohibition from participation in any manner in the conduct of the affairs of the enterprise shall be continued, terminated, or otherwise modified, or whether the order removing such party from office or prohibiting further participation in any manner in the conduct of the affairs of the enterprise shall be rescinded or otherwise modified. Such notification shall contain a statement of the basis for the Board's decision, if adverse to such party.

(h) RULEMAKING.—The Board is authorized to prescribe such rules and regulations as may be necessary to carry out the purposes of this section.

(i) DIRECTORS APPOINTED BY THE PRESIDENT.—The Board may notify the President of any director of an enterprise on whom the Board would have served a notice of suspension or removal under this section but for the fact that the director was appointed and subject to removal by the President. The Board shall include in such notice the grounds upon which a suspension or removal would have been effected.

SEC. 306. HEARINGS AND JUDICIAL REVIEW.

(a) Any hearing provided for in this title (other than the hearing provided for in section 305)—

(1) shall be held in the Federal judicial district or in the territory in which the home office of the enterprise is located, unless the party afforded the hearing consents to another place; and

(2) shall be conducted in accordance with the provisions of chapter 5 of title 5 of the United States Code.

(b)(1) After such hearing, and within 90 days after the Board has notified the parties that the case has been submitted to the Board for final decision, the Board shall render the decision (which shall include findings of fact upon which the decision is predicated) and shall issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this title.

(2) Judicial review of any such order shall be exclusively as provided in subsection (c). Unless a petition for review is timely filed in a court of appeals of the United States, as hereinafter provided in subsection (c), and thereafter until the record in the proceeding has been filed as so provided, the Board may at any time, upon such notice and in such manner as it shall determine proper, modify, terminate, or set aside any such order. Upon such filing of the record, the Board may modify, terminate, or set aside any such order with permission of the court.

(c)(1) Any party to any proceeding under subsection (a) may obtain a review of any order served pursuant thereto (other than an order issued with the consent of the enterprise or enterprise-affiliated party concerned, or an order issued under section 305) by the filing in the court of appeals of the United States for the circuit in which the home office of the enterprise is located, or in the United States Court of Appeals for the District of Columbia Circuit, within 30 days after the date of service of such order, a written petition praying that the order of the Board be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Board.

(2) Upon receiving a copy of a petition, the Board shall file in the court the record in the proceeding, as provided in section 2112 of title 28, United States Code.

(3) Upon the filing of a petition, such court shall have jurisdiction, which upon the filing of the record by the Board shall (except as provided in the last sentence of subsection (b)(2)) be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the Board.

(4) Review of such proceedings shall be governed by chapter 7 of title 5, United States Code.

(d) NO AUTOMATIC STAY.—The commencement of proceedings for judicial review under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of any order issued by the Board.

SEC. 307. JURISDICTION AND ENFORCEMENT.

(a) APPLICATION FOR ENFORCEMENT.—The Board may, with the prior consent of the Attorney General and subject to the Attorney General's direction and control, apply to the United States district court, or the United States court of any territory, within the jurisdiction of which the home office of the enterprise is located, for the enforcement of any effective notice or order issued under this title, and such court shall have jurisdiction and power to order and require compliance herewith.

(b) LIMITATION ON MODIFICATION.—Except as otherwise provided in this title, no court shall have jurisdiction to affect by injunction or otherwise the issuance or enforcement of any notice or order under this section, or to review, modify, suspend, terminate, or set aside any such notice or order.

SEC. 308. CIVIL MONEY PENALTY.

(a) FIRST TIER.—An enterprise which, and any enterprise-affiliated party thereof who,—

(1) violates any law or regulation,

(2) violates any final order or temporary order issued pursuant to sections 302, 303, 304, or 305,

(3) violates any condition imposed in writing by the Board in connection with the grant of any application or other request by an enterprise, or

(4) violates any written agreement between an enterprise and the Board, shall be subject to a civil penalty of not more than $5,000 for each day during which such violation continues.

(b) SECOND TIER.—Notwithstanding subsection (a), an enterprise which, and any enterprise-affiliated party thereof who,—

(1) (A) commits any violation described in any clause of subsection (a),

(B) recklessly engages in an unsafe or unsound practice in conducting the affairs of an enterprise, or

(C) breaches any fiduciary duty, and

(2) which violation, practice, or breach—

(A) is part of a pattern of misconduct,

(B) causes or is likely to cause more than a minimal loss to the enterprise, or

(C) results in pecuniary gain or other benefit to such party,

shall be subject to a civil penalty of not more than $25,000 for each day during which such violation, practice, or breach continues.

(c) THIRD TIER.—Notwithstanding subsections (a) and (b), an enterprise which, and any enterprise-affiliated party thereof who,—

(1) knowingly—

(A) commits any violation described in subsection (a),

(B) engages in any unsafe or unsound practice in conducting the affairs of an enterprise, or

(C) breaches any fiduciary duty, and

(2) knowingly or recklessly causes a substantial loss to the enterprise or a substan-

tial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach, shall be subject to a civil penalty in an amount not to exceed the applicable maximum amount determined under subsection (d) for each day during which such violation, practice, or breach continues.

(d) MAXIMUM AMOUNTS OF PENALTIES.—The maximum daily amount of any civil penalty which may be assessed pursuant to subsection (c) for any violation, practice, or breach described in such subsection is—

(1) in the case of any enterprise-affiliated party an amount not to exceed $1,000,000; and

(2) in the case of an enterprise, an amount not to exceed the lesser of—

(A) $1,000,000, or

(B) one percent of the total assets of such enterprise.

(e) ASSESSMENT.—

(1) WRITTEN NOTICE.—Any penalty imposed under this section may be assessed and collected by the Boad by written notice.

(2) FINALITY OF ASSESSMENT.—If a hearing is not timely requested pursuant to subsection (h), the penalty assessment contained in a written notice shall constitute a final and unappealable order.

(f) AUTHORITY TO MODIFY OR REMIT PENALTY.—

(1) PRIOR TO COLLECTION ACTION.—Prior to initiation of an action pursuant to subsection (i)(1), the Board may compromise, modify, or remit any penalty which is or may be assessed under this section.

(2) AFTER INITIATION OF COLLECTION ACTION.—Following the initiation of an action pursuant to subsection (i)(1), the Board may compromise, modify, or remit any penalty which is or may be assessed under this section with the prior consent of the Attorney General.

(g) MITIGATING FACTORS.—In determining the amount of any penalty under this section, the Board shall take into account the appropriateness of the penalty with respect to—

(1) the size of financial resources and good faith of the enterprise, or enterprise-affiliated party charged;

(2) the gravity of the violation;

(3) the history of previous violations; and

(4) such other matters as justice may require.

(h) HEARING.—The enterprise or enterprise-affiliated party against whom any penalty is assessed under this section shall be afforded an agency hearing if such party submits a request for hearing within 20 days after the issuance of the notice of assessment. A transcript that includes all testimony and other documentary evidence shall be prepared for all hearings commenced pursuant to this subsection.

(i) COLLECTION.—

(1) REFERRAL.—If the enterprise or enterprise-affiliated party fails to pay a penalty that has become final, the Board shall, with the prior consent of the Attorney General and subject to the Attorney General's direction and control, recover the amount assessed by action in the appropriate United States district court.

(2) APPROPRIATENESS OF PENALTY NOT REVIEWABLE.—In any action brought under paragraph (1), the validity and appropriateness of the penalty shall not be subject to review.

(j) DISBURSEMENT.—All penalties collected under authority of this section shall be deposited into the General Fund of the Treasury.

(k) REGULATIONS.—The Board shall prescribe regulations establishing such procedures as may be necessary to carry out this section.

SEC. 309. NOTICE AFTER SEPARATION FROM SERVICE.

The regulation, termination of employment or participation, or separation of an enterprise-affiliated party (including a separation caused by the closing of the enterprise) shall not affect the jurisdiction and authority of the Board to issue any notice and proceed under this title against any such party if such notice is served before the end of the six-year period beginning on the date such party ceased to associate with the enterprise.

SEC. 310. CRIMINAL PENALTY.

Whoever, being subject to an order in effect under section 304 or 305, knowingly participates, directly or indirectly, in any manner (including by engaging in an activity specifically prohibited in such an order or in section 304(e)) in the conduct of the affairs of any institution or agency specified in section 304(f) shall be fined not more than $1,000,000, imprisoned for not more than 5 years, or both. Such fine shall be deposited in the General Fund of the Treasury.

SEC. 311. NOTICE OF SERVICE.

Any service required or authorized to be made by the Board under this title may be made by registered mail, or in such other manner reasonably calculated to give actual notice as the Board may by regulation or otherwise provide.

SEC. 312. SUBPOENA POWER.

(a) POWERS.—

(1) In the course of or in connection with any administrative proceeding under this title, the Board shall have the power to—

(A) administer oaths and affirmations,

(B) take or cause to be taken depositions,

(C) issue subpoenas and subpoenas duces tecum, and

(D) revoke, quash, or modify subpoenas and subpoenas duces tecum issued by the Board.

(b) The attendance of witnesses and the production of documents provided for in this section may be required from any place in any State or in any territory or other place subject to the jurisdiction of the United States at any designated place where such proceeding is being conducted.

(c) RULEMAKING AUTHORITY.—The Board is authorized to make such rules and regulations as the Board determines necessary or appropriate with respect to proceedings, claims, examinations, or investigations.

(d) ENFORCEMENT.—The Board, with the prior consent of the Attorney General and subject to the Attorney General's direction and control, or any party to proceedings under this section may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district or the United States court in any territory in which such proceeding is being conducted, or where the witness resides or carries on business, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this subsection, and such courts shall have jurisdiction and power to order and require compliance therewith.

(e) FEES AND EXPENSES.—Witnesses subpoenaed under this subsection shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States. Any court having jurisdiction of any proceeding instituted under this section by the enterprise or enterprise-affiliated party thereof may allow to any such party such reasonable expenses and attorneys' fees as it determines just and proper; and such expenses and fees shall be paid by the enterprises or from its assets.

SEC. 313. PUBLIC DISCLOSURE OF FINAL ORDERS AND AGREEMENTS.

(a) IN GENERAL.—The Board shall publish and make available to the public—

(1) any written agreement or other written statement for which a violation may be enforced by the Board, unless the Board, in the Board's discretion, determines that a publication would be contrary to the public interest;

(2) any final order issued with respect to any administrative enforcement proceeding initiated by the Board under this subtitle or any other provision of law; and

(3) any modification to or termination of any final order or agreement made public pursuant to this paragraph.

(b) TRANSCRIPTS OF HEARINGS.—A transcript of public hearings shall be made available to the public pursuant to section 552 of title 5, United States Code.

(c) DELAY OF PUBLICATION UNDER EXCEPTIONAL CIRCUMSTANCES.—If the Board makes a determination in writing that the publication of any final order pursuant to subsection (a) would seriously threaten the safety or soundness of the enterprise, the Board may delay the publication of such order for a reasonable time.

(d) DOCUMENTS FILED UNDER SEAL IN PUBLIC ENFORCEMENT HEARINGS.—The Board may file any document or part thereof under seal in any administrative enforcement hearing commenced by the Board if, as determined by the Board in writing, disclosure thereof would be contrary to the public interest.

(e) RETENTION OF DOCUMENTS.—The Board shall keep and maintain a record, for not less than six years, of all documents described in subsection (a) and all informal enforcement agreements and other supervisory actions and supporting documents issued with respect to or in connection with any administrative enforcement proceedings initiated by the Board under this title or any other laws.

(f) DISCLOSURES TO CONGRESS.—No provisions of this section shall be construed to authorize the withholding, or to prohibit the disclosure, of any information to the Congress or any committee or subcommittee thereof.

TITLE IV—CONSERVATORSHIP

SEC. 401. APPOINTMENT OF CONSERVATOR.

(a) APPOINTMENT.—The Board may, without notice or prior hearing, appoint a conservator, which may be the Board, to take possession and control of an enterprise whenever the Board determines—

(1) that the enterprise is not likely to pay its obligations in the normal course of business;

(2) that the enterprise is in an unsafe or unsound condition to transact business, including having substantially insufficient capital or otherwise;

(3) (A) that the enterprise has incurred or is likely to incur losses that will deplete all or substantially all of its capital, and

(B) there is no reasonable prospect for the enterprise's capital to be replenished without Federal assistance;

(4) that there is any violation of laws, rules, or regulations, or any unsafe or unsound practice or condition which is likely to cause insolvency or substantial dissipation of assets or earnings, or is likely to weaken the enterprise's condition;

(5) that there is concealment of books, papers, records, or assets of the enterprise, or refusal to submit books, papers, records, or affairs of the enterprise for inspection to any examiner or to any lawful agent of the Board; or

(6) that there is a willful or continuing violation of an order enforceable against the enterprise under section 306.

(b) Judicial Review.—

(1) In general.—

(A) Not later than 20 days after the initial appointment of a conservator pursuant to this section, the enterprise may bring an action in the United States district court for the judicial district in which the home office of such enterprise is located, or in the United States District Court for the District of Columbia, for an order requiring the Board to terminate the appointment of the conservator.

(B) The Board's decision to appoint a conservator pursuant to this section shall be set aside only if the court finds that such decision was arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

(2) STAY.—

(A) In general.—The conservator may request that any judicial action or proceeding to which the conservator or the enterprise is or may become a party be stayed for a period of up to 45 days after the appointment of the conservator. Upon petition, the court shall grant such stay as to all parties.

(B) Board or federal agency as conservator.—In any case in which the conservator is the Board, a Federal agency, or an employee of the Federal Government, the conservator may make a request described in paragraph (a) only with the prior consent of the Attorney General and subject to the Attorney General's direction and control.

(3) ACTIONS AND ORDERS.—

(A) Limitation on remedies.—Except as otherwise provided in this subsection, no court may take any action regarding the removal of a conservator, or restrain, or affect the exercise of powers or functions of, a conservator.

(B) Enforcement of orders.—The Board, with the prior consent of the Attorney General and subject to the Attorney General's direction and control, may apply to a court, which shall have the jurisdiction, to enforce an order of the Board relating to—

(i) the conservatorship and the enterprise in conservatorship; or

(ii) restraining or affecting the exercise of powers or functions of a conservator.

(c) Appointment By Consent.—The Board may appoint a conservator for an enterprise if the enterprise, by an affirmative vote of a majority of its board of directors or by an affirmative vote of a majority of its shareholders, consents to such appointment.

(d) Exclusive Authority.—(1) The Board shall have exclusive power and jurisdiction to appoint a conservator for the enterprise.

(2) As a conservator, the Board shall have all the powers granted under the applicable law, and (when not inconsistent therewith) any other rights, powers, and privileges possessed by conservators under this title and any other provision of law.

(3) Any other person appointed as a conservator shall be subject to the provisions of this title.

(e) Replacement of Conservator.—The Board may, without notice or hearing, replace a conservator with another conservator. Such replacement shall not affect the enterprise's right under subsection (b) to obtain judicial review of the Board's original decision to appoint a conservator.

SEC. 402. EXAMINATIONS.

The Board is authorized to examine and supervise any enterprise in conservatorship as long as the enterprise continues to operate as a going concern.

SEC. 403. TERMINATION OF CONSERVATORSHIP.

(a) General Rule.—At any time the Board becomes satisfied that it may safely be done and that it would be in the public interest, the Board may terminate the conservatorship and permit the enterprises to resume the transaction of its business subject to such terms, conditions, and limitations as the Board may prescribe.

(b) Enforcement as Final Cease-And-Desist Order.—

(1) Such terms, conditions, and limitations as may be prescribed under subsection (a) shall be enforceable under the provisions of section 307, to the same extent as an order issued pursuant to section 302 which has become final.

(2) An enterprise may bring an action in the United States district court for the judicial district in which the home office of such enterprises is located or in the United States District Court for the District of Columbia for an order requiring the Board to terminate the order.

(3) An action for judicial review of the terms, conditions, and limitations contained in any order may not be commenced later than 20 days from the date of the termination of the conservatorship or the imposition of the order, whichever is later.

SEC. 404. CONSERVATOR; POWERS AND DUTIES.

(a) General Powers.—A conservator shall have all the powers of the shareholders, directors, and officers of the enterprises and may not operate the enterprises in its own name unless the Board, in the order of appointment, limits the conservator's authority.

(b) Subject to Rules of Board.—Any conservator shall be subject to such rules, regulations, and orders as the Board from time to time deems appropriate and, except as otherwise specifically provided in such rules, regulations, or orders or in section 405, shall have the same rights and privileges and be subject to the same duties, restrictions, penalties, conditions, and limitations as apply to directors, officers, or employees of the enterprise.

(c) Payment of Creditors.—The Board may require the conservator to set aside and make available for payment to creditors such amounts as in the opinion of the Board may safely be used for that purpose. All creditors who are similarly situated shall be treated in the same manner.

(d) Compensation of Conservator and Employees.—Any conservator (other than the Board) and professional employees (other than Federal employees) appointed to represent or assist the conservator shall not be paid amounts greater than are payable to employees of the Federal Government for similar services, except that the Board may authorize payment at higher rates (but not in excess of rates prevailing in the private sector), if the Board determines that paying such higher rates is necessary in order to recruit and retain competent personnel.

(e) Expenses.—All expenses of any such conservatorship shall be paid by the enterprise and shall be a lien upon the enterprise which shall have priority over any other lien.

SEC. 405. LIABILITY PROTECTION.

(a) Federal Agency and Employees.—In any case in which the conservator is the Board, a Federal agency, or an employee of the Federal Government, the provisions of chapters 161 and 171 of title 28, United States Code, shall apply with respect to such conservator's liability for acts or omissions performed pursuant to and in the course of the duties and responsibilities of the conservatorship.

(b) Other Conservators.—In any case where the conservator is not a conservator described in subsection (a), the conservator shall not be liable for damages in tort or otherwise for acts or omissions performed pursuant to and in the course of the duties and responsibilities of the conservatorship, unless such acts or omissions constitute gross negligence, including any similar conduct or any form of intentional tortious conduct, as determined by a court.

(c) Indemnification.—The Board, with the approval of the Attorney General, shall have authority to idemnify the conservator on such terms as the Board deems proper.

SEC. 406. POWERS OF OFFICERS NOT AFFECTED.

Nothing in this title shall be construed to impair in any manner any power of the President, the Secretary of the Treasury, the Board, or the Attorney General.

SEC. 407. RULES AND REGULATIONS.

The Board may prescribe such rules and regulations as the Board may determine necessary to carry out the provisions of this title.

TITLE V. REGULATORY RESTRUCTURING AND CONFORMING AMENDMENTS

SUBTITLE A. FARM CREDIT ADMINISTRATION ABOLISHED

SEC. 501. FARM CREDIT ADMINISTRATION AND FARM CREDIT ADMINISTRATION BOARD TERMINATED.

(a) Farm Credit Administration and Farm Credit Administration Board Terminated.—Effective January 1, 1993, the Farm Credit Administration and the Farm Credit Administration Board are terminated.

(b) Transfer of Powers to Federal Enterprise Regulatory Board.—Effective January 1, 1993, all powers and duties which were vested in the Farm Credit Administration Board or the Farm Credit Administration on December 31, 1992, are transferred to the Board, except as otherwise provided in this Act.

(c) Disposition of Affairs.

(1) In general.—In winding up the affairs of the Farm Credit Administration and the Farm Credit Administration Board, the Chairman of the Farm Credit Administration Board shall consult and cooperate with the Chairperson of the Board to facilitate the orderly transfer of functions to the Board. Any matter not resolved pursuant to such consultation and cooperation shall be resolved by the Chairperson of the Board.

(2) Continuing authority of the farm credit administration board.—Except as provided in paragraph (1), nothing in this Act shall affect the authority vested in the Farm Credit Administration Board before Janurary 1, 1993.

(3) Continuation of agency services.—Any agency, department, or other instrumentality of the United States, or any successor thereto, which was providing support services to the Farm Credit Administration or the Farm Credit Administration Board on the day before the date the Farm Credit Administration or Farm Credit Administration Board were abolished shall—

(A) continue to provide such services, on a reimbursable basis, in accordance with the terms of the arrangement pursuant to which such services were provided until modified or terminated in accordance with such terms, except that effective January 1, 1993, the Board shall substitute for the Farm Credit Administration or Farm Credit Administration Board as a party to the arrangement; and

(B) consult with the Chairperson to coordinate and facilitate a prompt and reasonable transition.

(d) Savings Provisions.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—No provision of this title shall affect the validity of any right, duty, or obligation of the United States, the Farm Credit Administration Board or any person, which existed on the day before the date upon which the Farm Credit Administration and the Farm Credit Administration Board are abolished by this title.

(2) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against the Farm Credit Administration Board or the Farm Credit Administration shall abate by reason of enactment of this Act, except that effective January 1, 1993, the Board shall be substituted as a party to any such action or proceeding.

(3) CONTINUATION OF RULES.—All orders, resolutions, determinations, regulations, interpretative rules, other interpretations, guidelines, procedures and other advisory materials which—

(A) have been issued, made, prescribed, or permitted to become effective by the Farm Credit Administration Board; and

(B) are in effect on December 31, 1992, or become effective thereafter,

shall continue in effect according to the terms of such orders, resolutions, determinations, regulations, interpretative rules, guidelines, procedures or other advisory material; and shall be administered by the Board and shall be enforceable by or against the Board until modified, terminated, set aside, or superseded in accordance with applicable law by the Board, by any court of competent jurisdiction, or by operation of law.

(4) STATUS OF RULES.—

(A) Any proposed regulation or rule of the Farm Credit Administration Board or Farm Credit Administration which has not been published as a final regulation by the date that the Farm Credit Administration Board and Farm Credit Administration are terminated shall be deemed to be a proposed regulation or rule of the Board.

(B) Any final or interim rule published by the Farm Credit Administration Board or the Farm Credit Administration prior to January 1, 1993, but which shall not become efective prior to such date, shall become effective according to its terms.

(5) APPLICATION.—The provisions of this subsection shall apply except as otherwise expressly provided in this Act.

(e) TRANSFER OF EMPLOYEES.—

(1) IN GENERAL.—All employees of the Farm Credit Administation on the day before that agency is terminated under this Act shall be transferred to the Board.

(2) RIGHTS OF TRANSFERRED EMPLOYEES.—All employees transferred pursuant to paragraph (1) shall be entitled to the following rights:

(A) TRANSFER OF FUNCTION.—Notwithstanding any other provision of law, section 3503 of title 5, United States Code, shall be applicable to each such transfer.

(B) TRANSFERRED POSITION.—Each transferred employee shall be guaranteed a position with the same status and tenure as that held on the day immediately preceding the transfer. Each such employee holding a permanent position shall not be involuntarily separated or reduced in grade for one year after the date of transfer, except for cause. Nothing in this section shall be construed to limit the right of the Chairperson of the Board to terminate an appointment to a position excepted from the competitive service because of its confidential policy-making, policy-determining, or policy-advocating character.

(C) COMPENSATION.—Each employee transferred under this section shall be entitled to receive, during the one-year period immediately following the transfer, the same compensation that employee received immediately preceding the transfer. This paragraph shall only apply to a transferred employee while such employee remains with the Board.

(D) BENEFITS.—

(i) Each employee transferred under this section may retain for one year after the date such transfer occurs, membership in any employee benefit program of the Farm Credit Administration, other than a retirement program but including insurance, to which such employee belongs to the day immediately preceding the transfer if—

(I) the employee does not elect to give up the benefit or membership in the program; and

(II) the benefit or program is continued by the Chairperson.

(ii) The excess of the costs of the benefits provided by this section over the costs of benefits which would have been provided by the Board shall be paid by the Board.

(iii) If an employee elects not to participate in a health or life insurance program or the health or life insurance program is not continued by the Chairperson, such employee may elect to participate in the Board's health or life insurance programs notwithstanding health conditions pre-existing at the time of election or enrollment and without regard to any other regularly scheduled open season. Such election shall be made within 120 days of the transfer or discontinuation of the program.

(3) REORGANIZATION OF THE FARM CREDIT ADMINISTRATION.—If the Chairperson determines, not less than one year nor more than three years after the date the functions of the Farm Credit Administration are transferred to the Board, that a reorganization of the combined work force is required, that reorganization shall be deemed a "major reorganization" for purposes of affording affected employees retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code. The provisions of chapter 35 of title 5, United States Code, shall govern any reduction in force resulting from such a reorganization.

(f) TRANSFER OF PROPERTY.—Effective January 1, 1993, all property of the Farm Credit Administration and Farm Credit Administration Board shall be transferred to the Board.

(g) AMENDMENTS TO THE FARM CREDIT ACT OF 1971.—The Farm Credit Act of 1971 (12 U.S.C. 2160 et seq.) is amended—

(1) by striking "Farm Credit Administration" and "Administration" in each place such terms appear and inserting in each such place "Farm Credit System Division of the Federal Enterprise Regulatory Board";

(2) by striking "Farm Credit Administration Board" each place it appears and inserting in each such place "Federal Enterprise Regulatory Board";

(3) by striking out section 5.7 (12 U.S.C. 2241);

(4) by amending section 5.8 (12 U.S.C. 2242) to read as follows—

SEC. 5.8. THE FARM CREDIT SYSTEM DIVISION OF THE FEDERAL ENTERPRISE REGULATORY BOARD.—The management fo the Farm Credit System Division of the Federal Enterprise Regulatory Board shall be vested in the Federal Enterprise Regulatory Board (referred to in this Act as the "Board"). Any function vested in the Farm Credit System Division by this Act or any other law may be performed by the Board or by any representative of the Board.";

(5) by striking "Chairman" each place it appears and inserting in each such place "Chairperson"; and

(6) by amending section 5.11(d) (12 U.S.C. 2245(d) to read as follows—

"(d) FUNDING.—

The operations of the Farm Credit System Division of the Board shall be funded and paid for from the fund created by Section 5.15 of this title.";

(7) by inserting after the word "Corporation" and before the semicolon in section 8.3(b)(1)(A)(12 U.S.C. 2279aa-3 (b)(1)(A)) the following:

", unless inconsistent with any rule, regulation or policy of the Federal Enterprise Regulatory Board";

(8) by inserting after the word "adopt" and before the word "appropriate" in the first sentence of section 8.6(e) (12 U.S.C. 2279aa-6(c)) the following:

"to the extent not inconsistent with any rule, regulation or policy of the Federal Enterprise Regulatory Board";

(9) by inserting after the word "establish" and before the word "such" in the first sentence of section 8.7(d) (12 U.S.C. 2279aa-7(d)) the following: ", to the extent not inconsistent with any rule, regulation or policy of the Federal Enterprise Regulatory Board";

(10) by striking section 8.11(a) (12 U.S.C. 2279aa-11(a));

(11) by striking "Farm Credit Administration" both places that it appears in section 8.11(c) (12 U.S.C. 2279aa-11(c)) and inserting instead "Federal Enterprise Regulatory Board";

(12) by redesignating sections 8.11 (b) and (c) (12 U.S.C. 2279aa-11 (a) and (c)) as sections 8.11 (a) and (b), respectively; and

(13) by striking section 8.11(d) (12 U.S.C. 2279aa-11(d)).

(h) EFFECTIVE DATE.—The amendments described in subsection (g) shall become effective on January 1, 1993.

Subtitle B. Reorganization of Federal Home Loan Banks

SEC. 511. REORGANIZATION OF FEDERAL HOME LOAN BANKS.

(a) FEDERAL HOUSING FINANCE BOARD TERMINATED. Effective January 1, 1993, the Federal Housing Finance Board is abolished.

(b) TRANSFER OF POWERS TO FEDERAL ENTERPRISE REGULATORY BOARD; EFFECTIVE DATES.—

(1) TRANSFER OF POWERS.—Effective January 1, 1993, all powers and duties which were vested in the Federal Housing Finance Board on December 31, 1992, are transferred to the Board, except as otherwise provided in this Act.

EFFECTIVE DATE OF ACT'S PROVISIONS.—Effective January 1, 1993, each Federal Home Loan Bank shall be subject to the provisions of this Act that apply to an enterprise and to implementing regulations issued by the Board.

(c) DISPOSITION OF AFFAIRS.—

(1) IN GENERAL.—In administering the termination of the Federal Housing Finance Board, the Chairperson of the Federal Housing Finance Board shall consult and cooperate with the Chairperson of the Board to facilitate the orderly transfer of functions to the Board. Any matter not resolved pursuant to such consultation and cooperation shall be resolved by the Chairperson of the Board.

(2) CONTINUING AUTHORITY OF THE FEDERAL HOUSING FINANCE BOARD.—Except as provided in paragraph (1), nothing in this Act shall affect the authority vested in the Federal Housing Finance Board before January 1, 1993.

(3) CONTINUATION OF AGENCY SERVICES.—Any agency, department, or other instrumentality of the United States, or any successor thereto, which was providing support services to the Federal Housing Finance Board on the day before the date the Federal Housing Finance Board was terminated shall—

(A) continue to provide such services, on a reimbursable basis, in accordance with the terms of the arrangement pursuant to which such services were provided until modified or terminated in accordance with such terms, except that effective January 1, 1993, the Board shall substitute for the Federal Housing Finance Board as a party to the arrangement; and

(B) consult with the Chairperson to coordinate and facilitate a prompt and reasonable transition.

(d) SAVINGS PROVISIONS.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—No provision of this title shall affect the validity of any right, duty, or obligation of the United States, the Federal Housing Finance Board or any person, which existed on the day before the date upon which the Federal Housing Finance Board is terminated under this title.

(2) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against the Federal Housing Finance Board shall abate by reason of enactment of this Act, except that effective January 1, 1993, the Board shall be substituted as a party to any such action or proceeding.

(3) CONTINUATION OF RULES.—All orders, resolutions, determinations, regulations, interpretative rules, other interpretations, guidelines, procedures and other advisory material which—

(A) have been issued, made, prescribed, or permitted to become effective by the Federal Housing Finance Board; and

(B) are in effect on December 31, 1992, or become effective thereafter,

shall continue in effect according to the terms of such orders, resolutions, determinations, regulations, interpretative rules, guidelines, procedures or other advisory material; shall be administered by the Board; and shall be enforceable by or against the Board until modified, terminated, set aside, or superseded in accordance with applicable law by the Board, by any court of competent jurisdiction, or by operation of law.

(4) STATUS OF RULES.—

(A) Any proposed regulation or rule of the Federal Housing Finance Board which has not been published as a final regulation by the date that the Federal Housing Finance Board is abolished shall be deemed to be a proposed regulation or rule of the Board.

(B) Any final or interim rule published by the Federal Housing Finance Board prior to January 1, 1993, but which shall not become effective prior to such date, shall become effective according to its terms.

(5) APPLICATION.—The provisions of this subsection shall apply except as otherwise expressly provided in this Act.

(e) TRANSFER OF EMPLOYEES.—

(1) IN GENERAL.—All employees of the Federal Housing Finance Board on the day before that agency is abolished by this Act shall be transferred to the Board.

(2) RIGHTS OF TRANSFERRED EMPLOYEES.—All employees transferred pursuant to paragraph (1) shall be entitled to the following rights:

(A) TRANSFER OF FUNCTION.—Notwithstanding any other provision of law, section 3503 of title 5, United States Code, shall be applicable to each such transfer.

(B) TRANSFERRED POSITION.—Each transferred employee shall be guaranteed a position with the same status and tenure as that held on the day immediately preceding the transfer. Each such employee holding a permanent position shall not be involuntarily separated or reduced in grade for one year after the date of transfer, except for cause. Nothing in this section shall be construed to limit the right of the Chairperson of the Board to terminate an appointment to a position excepted from the competitive service because of its confidential policy-making, policy-determining, or policy-advocating character.

(C) COMPENSATION.—Each employee transferred under this section shall be entitled to receive, during the one-year period immediately following the transfer, the same compensation that employee received immediately preceding the transfer. This paragraph shall only apply to a transferred employee while such employee remains with the Board.

(D) BENEFITS.—

(i) Each employee transferred under this section may retain for one year after the date such transfer occurs, membership in any employee benefit program of the Federal Housing Finance Board, other than a retirement program but including insurance, to which such employee belongs on the day immediately preceding the transfer if—

(I) the employee does not elect to give up the benefit or membership in the program; and

(II) the benefit or program is continued by the Chairperson.

(ii) The difference in the costs between the benefits which would have been provided by the Federal Housing Finance Board and those provided by this section shall be paid by the Board.

(iii) If any employee elects not to participate in a health or life insurance program, or the health or life insurance program is not continued by the Chairperson, such employee may elect to participate in the Board's health or life insurance programs notwithstanding health conditions pre-existing at the time of election or enrollment and without regard to any other regularly scheduled open season. Such election shall be made within 120 days of the transfer or discontinuation of the program.

(3) REORGANIZATION OF THE FEDERAL HOUSING FINANCE BOARD.—If the Chairperson determines, not less than one year nor more than three years after the date the functions of the Federal Housing Finance Board are transferred to the Board, that a reorganization of the combined work force is required, that reorganization shall be deemed a "major reorganization" for purposes of affording affected employees retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code. The provisions of chapter 35 of title 5, United States Code, shall govern any reduction in force resulting from such a reorganization.

(f) TRANSFER OF PROPERTY.—Effective January 1, 1993, all property of the Federal Housing Finance Board shall be transferred to the Board.

(g) AMENDMENTS TO THE FEDERAL HOME LOAN BANK ACT.—The Federal Home Loan Bank Act (12 U.S.C. 1421 *et seq.*) is amended—

(1) by striking the section (2)(1) (12 U.S.C. 1422(1)) and inserting in lieu thereof the following—

"(2)(1) BOARD.—The term 'Board' means the Federal Enterprise Regulatory Board";

(2) by striking section 2A (12 U.S.C. 1422a);

(3) by striking section 2B(c) (12 U.S.C. 1422b(c)) and redesignating section 2B(d) (12 U.S.C. 1422b(d)) as section 2B(c);

(4) by striking the second sentence of section 10(c) (12 U.S.C. 1430(c)); and

(5) by striking section 18(b) (12 U.S.C. 1438(b)) and redesignating section 18(c) (12 U.S.C. 1438(c)) as 18(b).

(h) EFFECTIVE DATE.—All provisions of subsection (g) except for paragraph (4) shall become effective January 1, 1993. The provisions of paragraph (4) shall become effective January 1, 1995.

Subtitle C. Amendments to Related Acts

SEC. 521. AMENDMENTS TO FEDERAL NATIONAL MORTGAGE ASSOCIATION ACT.

(a) Section 302(b) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)) is amended by striking "Secretary of Housing and Urban Development" each place it appears and inserting in such place "the Federal Enterprise Regulatory Board".

(b) Section 303 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1718) is amended by striking "Secretary of Housing and Urban Development" each place it appears and inserting in each such place "Federal Enterprise Regulatory Board".

(c) Section 304(b) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(b)) is amended—

(1) in the first sentence, by striking the semicolon and all that follows through "Secretary of Housing and Urban Development";

(2) by striking the second sentence;

(3) in the first sentence, by inserting "and notification of the Federal Enterprise Regulatory Board" after "the Secretary of the Treasury" both times it appears; and

(4) by inserting after the first sentence the following new sentence: "Any obligation that the corporation has issued or is issuing as of the date of enactment of the Federal Enterprise Regulatory Act of 1991, or any obligation of a substantially identical type, shall be deemed to have been approved by the Federal Enterprise Regulatory Board."

(d) Section 304(d) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(d)) is amended by inserting after the first time the word "upon" appears and before the word "approval" in the first sentence the following: "notification to the Federal Enterprise Regulatory Board and".

(e) Section 304(e) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719(e)) is amended by inserting after the word "upon" and before the word "the" in the first sentence the following: "notification to the Federal Enterprise Regulatory Board and".

(f) Section 309(h) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(h)) is amended by striking "Secretary of Housing and Urban Development" and "Secretary" and inserting instead "Federal Enterprise Regulatory Board".

(g) Section 311 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723c) is amended by striking "Secretary of Housing and Urban Development" and inserting instead "Federal Enterprise Regulatory Board".

(h) Section 317 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723i) is amended by striking "Secretary of Housing and Urban Development" or "Secretary" each place it appears and inserting in each suchplace "Federal Enterprise Regulatory Board."

(i) EFFECTIVE DATE.—

(1) The provisions of subsections (a) through (i) shall become effective on January 1, 1992, unless otherwise provided in this subsection.

(2) The provisions of paragraphs (1) and (2) of subsection (c) shall become effective January 1, 1995.

(j) TRANSITIONAL PROVISION.—Any rules or regulations issued by the Secretary of Housing and Urban Development or the Secretary of the Treasury pursuant to the provisions of the Federal National Mortgage Association Charter Act shall be effective and enforceable by the Secretary of Housing and Urban Development or the Secretary of the Treasury, respectively, to the extent that such rules and regulations are not inconsistent with the authorities and duties of the Federal Enterprise Regulatory Board.

SEC. 522. AMENDMENTS TO THE FEDERAL HOME LOAN MORTGAGE CORPORATION ACT.

(a) Section 303(b) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(b)) is amended—

(1) by striking "Secretary of Housing and Urban Development" each place it appears and inserting in each such place "Federal Enterprise Regulatory Board";

(2) by striking paragraph (5) and redesignating paragraphs (6), (7) and (8) as (5), (6) and (7), respectively.

(b) Section 306(j) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1455(j)) is amended—

(1) in paragraph (1), by inserting after the word "upon" and before the word "the" the following: "notification to the Federal Enterprise Regulatory Board and".

(2) by inserting after paragraph (3) the following new paragraph:

"(4) Any notes, debentures, or other unsecured obligations of the Corporation that the Corporation has issued or is issuing as of the date of enactment of the Federal Enterprise Regulatory Act of 1991, or any obligation of a substantially identical type, shall be deemed to have been approved by the Federal Enterprise Regulatory Board".

(c) EFFECTIVE DATE.—The amendments described in subsection (a)(1), and the provisions of subsection (b), shall become effective on January 1, 1992. The amendment in subsection (a)(2), that strikes paragraph (5) shall become effective January 1, 1995.

(d) TRANSITIONAL PROVISION.—Any rules or regulations issued by the Secretary of Housing and Urban Development pursuant to the provisions of the Federal Home Loan Mortgage Corporation Act shall be effective and enforceable by the Secretary of Housing and Urban Development to the extent that such rules and regulations are not inconsistent with the authorities and duties of the Federal Enterprise Regulatory Board.

SEC. 523. AMENDMENT TO HIGHER EDUCATION ACT OF 1965.

(a) Section 439(c)(6) of the Higher Education Act of 1965 (20 U.S.C. 1087-2(c)(6)) is amended by inserting the following after the word "Association" and before the period in the second sentence: ", unless inconsistent with any rule, regulation or policy of the Federal Enterprise Regulatory Board."

(b) Section 439(h) of the Higher Education Act of 1965 (20 U.S.C. 1087-2(h)) is amended by striking "with the approval of the Secretary of Education and" and inserting instead "upon notification of the Federal Enterprise Regulatory Board and approval by".

(c) Sections 439 (j) and (k) of the Higher Education Act of 1965 (20 U.S.C. 1087-2 (j) and (k)) are amended by striking "Secretary of the Treasury" each place it appears and inserting in each such place "Federal Enterprise Regulatory Board".

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. COMPTROLLER GENERAL AUDIT AND ACCESS TO RECORDS.

(a) AUDITS AND EVALUATIONS BY THE COMPTROLLER GENERAL.—

(1) AUDITS AND EVALUATIONS OF ENTERPRISES AND THE REGULATORY BOARD.—The Federal Enterprise Regulatory Board, all enterprises as defined in section 102 of this Act, all institutions chartered under the Farm Credit Act of 1971, and all other entities subject to the provisions of or amendments made by this Act, shall be subject to audit and evaluation by the Comptroller General of the United States.

(2) AUDIT AND EVALUATION OF PERSONS PROVIDING CERTAIN GOODS OR SERVICES.—All persons and organizations which, by contract, grant, or otherwise, provide goods or services to the Federal Enterprise Regulatory Board, any enterprise as defined in section 102 of this Act, any institution chartered under the Farm Credit Act of 1971, or any other entity referred to in paragraph (1), shall be subject to audit and evaluation by the Comptroller General with respect to such provision of goods or services.

(b) PROVISIONS APPLICABLE TO AUDITS AND EVALUATIONS UNDER THIS SECTION.—

(1) The Comptroller General shall determine the nature, scope, and terms and conditions of audits and evaluations conducted under this section.

(2) COORDINATION WITH OTHER PROVISIONS OF LAW.—The authority of the Comptroller General under this section shall be in addition to any audit or evaluation authority available to the Comptroller General under other provisions of this Act or any other law.

(3) RIGHTS OF ACCESS, EXAMINATION, AND COPYING.—The Comptroller General, and any duly authorized representative of the Comptroller General, shall have access to, and the right to examine and copy, all records and other recorded information in any form, and to examine any property, within the possession or control of any entity or person which is subject to audit under this section which the Comptroller General determines relevant to an audit or evaluation conducted under this section.

(4) ENFORCEMENT OF ACCESS RIGHTS.—The Comptroller General's right of access to information under this section shall be enforceable pursuant to section 716 of title 31, United States Code.

(5) MAINTENANCE OF CONFIDENTIAL RECORDS.—The provisions of section 716(e) of title 31, United States Code, shall apply to information obtained by the Comptroller General under this section.

SEC. 602. INCONSISTENT PROVISIONS.

All provisions of law inconsistent with any provision of this Act are hereby superseded to the extent of the inconsistency.

SEC. 603. EFFECTIVE DATE.

Unless otherwise provided by this Act, the provisions of this Act shall be effective on and after January 1, 1992.●

● Mr. GLENN. Mr. President, I rise today in support of Senator KOHL's legislation to create an independent regulatory board to supervise Government-sponsored enterprises. I am pleased to be an original cosponsor of this important reform.

One trillion of the $6 trillion in outstanding, contingent Federal liabilities is held by GSE's. They are and should be a cause of great concern.

Recently, the Government Information and Regulation Subcommittee of the Governmental Affairs Committee held a hearing on the condition of GSE's. The creation and operation of these entities raise the kind of organizational issues that the committee has historically been concerned with. These entities are federally chartered, but privately run; they have a line of credit with the Treasury, but the shares of some are traded on the New York Stock Exchange; their boards include private citizens and public officials; some do not pay State corporate income tax, yet, word has it, GSE employees often travel on Government rates.

They are a real hybrid—a weird permutation on the everyday, run-of-the-mill Government agency. The committee should be interested in GSE's—if for no other reason than the generic government organizational issues that they raise.

But there are other important reasons to be concerned. Because of their vague association with the U.S. Government, the financial markets assume that the full faith and credit of the Treasury stands behind their obligations.

There are no such explicit guarantees. It doesn't matter. It is generally accepted by GAO, the Treasury Department, and the CBO that should any of the GSE's face financial ruin, the pressure on the U.S. Government for a taxpayer bailout would be enormous.

GSE securities are held by a large number of banks, insurance companies, and international financial institutions; this means that a GSE failure would have a cascading effect on their financial viability, something Congress might try to avoid. The same rationale for the "too big to fail" bailout of Chrysler, which, mind you, had absolutely no Government connection, would come into play.

Therefore, all three—the administration, GAO, and the CBO—agree that GSE's must be better regulated.

I believe the best proposal on the table is GAO's recommendation for an independent regulatory board consisting of a chairperson, the Federal Reserve Chairman, and the Treasury Secretary. The chairperson would be appointed by the President and confirmed by the Senate; he or she would run the agency on a day-to-day basis. There would be three nonvoting members—the Secretaries of Education, HUD, and Agriculture. The board would have the full panoply of regulatory and enforcement powers.

With its august membership, this board would be able to stand up to industry pressure and stand up for the American taxpayers, whose dollars are ultimately at risk should a GSE fail. And with its nonvoting membership, the board would be sensitive to the public policy mission of the GSE's.

In conclusion, I applaud Senator KOHL for his leadership on this issue. I also want to tell my colleagues on the Banking Committee that Senator KOHL, Senator LEVIN, and I want to work with you, and not against you, on strengthening the regulation of GSE's.

Let's work together to create an effective regulatory structure. I urge my colleagues to cosponsor this bill.•

• Mr. LEVIN. Mr. President, the bill Senator KOHL is introducing today addresses a significant area of financial risk for Federal taxpayers, an area which has gone too long without strong oversight and regulation.

Government-sponsored enterprises or GSE's, like Fannie Mae, Freddie Mac, and Sallie Mae, now have over $1 trillion in financial obligations. They also enjoy an implicit Federal guarantee of their solvency, because they help us address real public concerns such as the availability of low-cost loans for middle Americans to purchase a home, maintain a farm, and send a child to college.

This implicit guarantee also poses real financial risks to Federal taxpayers. The proof is the 1987 legislation which provided a $4 billion line of Federal credit to return an ailing Farm Credit System to economic health. That bailout was necessary to ensure the availability of credit for the Nation's farmers. It also taught us a lesson—that to protect the Federal taxpayer, we need to act now to ensure the safety and soundness of our GSE's.

That is the purpose of the Federal Enterprise Regulatory Act—to strengthen Federal controls over GSE's to ensure they are operated in a safe and sound manner.

I am not saying that the GSE's are now in fiscal trouble. They are not. In fact, they are operating about as profitably as they have in some time. But profits aren't the only measure of the need for oversight.

Let me describe just one example. In January of this year, the head of Fannie Mae, Mr. David Maxwell, decided to leave his post and return to the private sector. During his 10-year tenure, he apparently did a wonderful job at Fannie Mae, turning a $1 million per day loss into a $4 million per day profit. Fannie Mae quite properly wanted to show its appreciation.

But Fannie Mae did more than that. It paid Mr. Maxwell a whopping $7.5 million in 1990—the most any GSE has ever paid—and it gave him a lump-sum payment of pension benefits worth $19.5 million.

That means Mr. Maxwell walked away from Fannie Mae with $27 million; $27 million. That payout shot him to the top tier of corporate payouts in the whole United States.

And while that compensation was astronomical by any GSE standards, it was not the only multi-million-dollar payout. On July 15, 1991, the Washington Post business section included a report on the highest paid corporate executives in the area. It included a chart entitled, "The Millionaires' Club: Local Executives Who Had More Than $1 Million in Total Compensation in 1990."

Out of the 30 individuals listed on that chart, 6 were from GSE's. That means 6 out of 30, or 20 percent, of Washington's best-paid executives work at a GSE whose solvency is backed by the Federal Government.

Only one other financial institution made the Washington Post's millionaires' chart. Why? Because Federal regulators overseeing federally insured banks and S&L's don't permit those sky-high salaries. The relevant S&L regulation states that "compensation to officers, directors and employees shall not be in excess of that which is reasonable and commensurate with their duties and responsibilities." Federal regulators actively monitor compensation levels and put a stop to abuses by bank and S&L insiders, because as the S&L bailout has shown all too painfully, taxpayer dollars are at risk.

The same type of oversight ought to apply to GSE's, but right now it doesn't. No Federal agency can force Fannie Mae to stop insider compensation abuses, because no one now has the statutory authority to do so.

The Federal Enterprise Regulatory Act would change that. Using the same standards that apply to S&Ls, the bill would prohibit unreasonable salaries, employment contracts that threaten the safety and soundness of an institution, and pension plans with unreasonable costs. This type of authority is critical to stopping $27 million payouts and knocking some sense into GSE's whose success lies so heavily on the taxpayer's shoulders.

The bill would also authorize Federal regulations to limit risky transactions, require minimum capital standards, and address a host of other issues essential to the safe and sound operation of a GSE. To enforce these regulations, the bill would establish an independent regulatory board modeled on a General Accounting Office recommendation to create a single Federal regulator for all GSE's. This approach is in contrast to the administration's proposal to divide up responsibilities for existing GSE's among the agencies who operate in the same public policy areas, such as HUD, the Department of Agriculture, and the Department of Education.

The bill takes the GAO approach instead, with one purpose in mind: to provide tough fiscal oversight. There is at least an appearance of a conflict of interest when an agency such as HUD regulates a GSE like Fannie Mae and, at the same time, may want that GSE to take certain actions. An independent agency does not have that ongoing relationship and can better concentrate on minimizing the risk to Federal taxpayers. At the same time, using a board format allows the regulator to draw on the expertise of the Federal Reserve System, the Treasury Department, and the agencies with policy expertise.

This bill is not perfect. There may be ways to toughen it even further, and I hope the Banking Committee will examine the bill with that purpose in mind so that the Senate can vote on legislation with the toughest measures possible.

GSE's perform critical public policy roles, but they also impose very real and very serious financial risks on Federal taxpayers. I agree with Senator KOHL that, for once, Congress needs to fix a roof while the sun is shining—build a tough oversight program, while our GSE's are enjoying good health.

I commend Senator KOHL for his leadership in this area and for accommodating my concern for strong compensation oversight at the GSE's. I urge my colleagues to join Senator KOHL, Senator GLENN, and myself in working for the passage of legislation this year to strengthen Federal control of our GSE's.•

By Mr. KENNEDY (for himself and Mr. METZENBAUM):

S. 1622. A bill to amend the Occupational Safety and Health Act of 1970 to improve the provisions of such act with respect to the health and safety of employees, and for other purposes; to the Committee on Labor and Human Resources.

COMPREHENSIVE OCCUPATIONAL SAFETY AND HEALTH REFORM ACT

Mr. KENNEDY. Mr. President, 20 years ago, Congress enacted the Occupational Safety and Health Act because an unconscionable number of workers were being killed, injured, or made ill as a result of workplace conditions. The act represented a promise by the Government to millions of working men and women that we as a country were prepared to take the steps necessary to "assure so far as possible" a safe and healthful workplace for every working American.

Since then, significant strides have been made in reducing the rate of fatalities from workplace injuries. But more than 10,000 workers still die every year from injuries sustained on the job, and as many as 100,000 die of occupational disease. The percentage of annual workdays lost because of workplace injuries has actually increased since the early 1970's. The stark fact is that as a nation, we continue to pay for the goods we consume and the services we use with the health and the lives of the workers who produce them.

As one of the sponsors of the 1970 legislation which created the Occupational Safety and Health Administration, I believed then and I continue to believe that a decent society should not tolerate that kind of human suffering and tragedy. That is why I am introducing today, with my distinguished colleague from Ohio [Mr. METZENBAUM], the Comprehensive Occupational Safety and Health Reform Act to update and strengthen the 1970 law.

When that law originally was enacted, it was a landmark measure—the first comprehensive, nationwide program to prevent workplace injuries and illnesses. But since that time, America has changed, and so have the jobs that Americans do. We have also learned a great deal that we didn't know in 1970, about the nature and causes of occupational injury and disease, and about what needs to be done to more effectively identify and address workplace safety and health hazards.

The legislation we are introducing today is intended to address many of the weaknesses in the current law which have been identified in studies by the General Accounting Office, the Office of Technology Assessment, and the Administrative Conference, and in oversight hearings conducted by the Committee on Labor and Human Resources in 1988.

As described more fully in the section-by-section analysis, the bill includes provisions to streamline and expedite the standard-setting process, to require better targeting of limited resources to high-risk workplaces, to speed up and improve the hazard abatement process, to strengthen criminal penalties for the most egregious violations of the act, and to expand coverage of the act to Federal, State, and local government employees.

Of particular significance are new provisions to shift the focus of the act from one which relies on inspections and the threat of civil fines to bring about compliance with workplace safety and health standards, to one which recognizes that the objectives of the act can never be fully achieved unless employers and employees take an active role in working cooperatively to identify workplace hazards and take corrective action before injuries or illnesses occur.

To encourage that kind of active involvement, our bill includes provisions that would significantly increase employer and employee involvement in two ways.

First, it would require employers to develop written safety and health programs identifying and addressing safety and health hazards in the workplace, and providing for employee education and training regarding those hazards. Second, it would require joint employer-employee safety and health committees to be established at worksites with 11 or more employees. The committees would have the authority to review the employer's injury and illness records, investigate employee complaints of safety and health hazards, conduct regular inspections of the workplace, and make advisory recommendations to correct hazards or alleviate unhealthy working conditions.

Two States—Oregon and Washington—already have statutes requiring workplace health and safety committees. They are required in several Canadian provinces, and in many European countries including Germany and Sweden. They also exist in various forms in many nonunion and union firms in this country. California has recently enacted legislation requiring employers to have safety and health programs.

The proposals are based on two important concepts: employee empowerment and a workplace approach to occupational safety and health. They reflect a reasonable and realistic approach to the problems we face in trying to improve workplace safety and health in an era of limited government resources.

Work-related injuries and illnesses are not just a public health issue; they are also an economic issue. A recent study by the Rand Institute for Civil Justice found that in 1989, work-related injuries cost the Nation $83 billion, or nearly 2 percent of GNP—$31 billion in medical and other direct costs, and a whopping $52 billion in lost work time. At a time when the Nation's health care system is in crisis, and when American business is under intense competitive pressure from abroad, those figures are cause for serious concern.

Above all, it is the human costs that should give us pause, costs that are measured not in numbers, but in shattered families and broken lives—in blood that is shed, bodies that are mangled, and lungs that are destroyed.

With the introduction of this legislation, we take a major new step toward fulfillment of the promise we made 20 years ago—of a safe and healthful workplace for every working American.

I urge my colleagues to cosponsor this legislation and I ask unanimous consent that a section-by-section analysis and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1622

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Comprehensive Occupational Safety and Health Reform Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) during the past two decades progress has been made in reducing workplace fatalities, injuries and exposures to toxic substances through efforts of the Federal agencies, States, employers, employees and employee representatives;

(2) despite the progress described in paragraph (1), work-related injuries, illnesses and fatalities continue to occur at rates that are unacceptable and that impose a substantial burden upon employers, employees and the nation in terms of lost production, wage loss, medical expenses, compensation payments and disability;

(3) employers and employees are not sufficiently involved in joint efforts to identify and correct occupational safety and health hazards;

(4) employers and employees require better training to identify safety and health problems;

(5) Federal agency standard-setting has not kept pace with knowledge about safety and health hazards;

(6) enforcement of occupational safety and health standards has not been adequate to bring about timely abatement of hazardous conditions or to deter future violation of occupational health and safety standards;

(7) millions of American workers exposed to serious occupational safety and health hazards are excluded from full coverage under the Occupational Safety and Health Act of 1970; and

(8) the lack of accurate data and information on work related fatalities, injuries and illnesses has impeded efforts to prevent such fatalities, injuries and illnesses.

(b) PURPOSE.—It is the purpose of this Act to—

(1) increase the joint participation of employers and employees in identifying and correcting occupational safety and health hazards, by requiring the establishment of employer safety and health programs, joint employer-employee safety and health committees, and training and education programs;

(2) improve and expedite the setting of occupational safety and health standards;

(3) strengthen Federal and State agency enforcement of violations of safety and health standards;

(4) assure that all employees are afforded full coverage and protection from safety and health hazards under the Occupational Safety and Health Act of 1970 or other Federal laws; and

(5) improve information and data on work related injuries, illnesses and fatalities for purposes of enhancing occupational safety and health.

SEC. 3. REFERENCES.

Except as otherwise provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

TITLE I—SAFETY AND HEALTH PROGRAMS

SEC. 101. SAFETY AND HEALTH PROGRAMS.

Section 27 (29 U.S.C. 676) is amended to read as follows:

"SEC. 27. SAFETY AND HEALTH PROGRAMS.

"(a) ESTABLISHMENT OF PROGRAM.—

"(1) IN GENERAL.—Each employer shall, in accordance with this section, establish and carry out a safety and health program to reduce or eliminate hazards and to prevent injuries and illnesses to employees.

"(2) MODIFICATIONS TO SAFETY AND HEALTH PROGRAMS.—The Secretary may, pursuant to regulations promulgated under subsection (c)(1), modify the application of the requirements of this section to classes of employers where the Secretary determines that, in light of the nature of the risks faced by the employees of such employers, such a modification would not reduce the employees' safety and health protection.

"(3) WORKSITES.—As used in this section and section 28, the term 'worksite' means a single physical location where business is conducted or where operations are performed by employees of an employer.

"(b) REQUIREMENTS.—A safety and health program established and carried out under subsection (a) shall be a written program that shall include—

"(1) methods and procedures for identifying, evaluating, and documenting safety and health hazards;

"(2) methods and procedures for correcting the safety and health hazards identified under paragraph (1);

"(3) methods and procedures for investigating work-related fatalities, injuries and illnesses;

"(4) methods and procedures for providing occupational safety and health services, including emergency response and first aid procedures;

"(5) methods and procedures for employee participation in the implementation of the safety and health program, including participation through any safety and health committee established under section 28;

"(6) methods and procedures for responding to the recommendations of the safety and health committee, where applicable;

"(7) methods and procedures for providing safety and health training and education to employees and to members of any safety and health committee established under section 28;

"(8) the designation of a representative of the employer who has the qualifications and responsibility to identify safety and health hazards and the authority to initiate corrective action where appropriate;

"(9) in the case of a worksite where employees of two or more employers work, procedures for each employer to protect employees at the worksite from hazards under the employer's control, including procedures to provide information on safety and health hazards to other employers and employees at the worksite; and

"(10) such other provisions as the Secretary requires to effectuate the purposes of the Act.

"(c) REGULATIONS ON EMPLOYER SAFETY AND HEALTH PROGRAMS.—

"(1) GENERAL REGULATIONS.—

"(A) ESTABLISHMENT.—Not later than 1 year after the effective date of this section, the Secretary shall promulgate final regulations concerning the establishment and implementation of employer safety and health programs under this section.

"(B) TRAINING AND EDUCATION.—Regulations promulgated under subparagraph (A) shall include provisions for the training and education of employees, and of safety and health committee members, as required under subsection (b)(6). Such regulations shall—

"(i) provide for the training and education of employees, including safety and health committee members, in a manner that is readily understandable by such employees, concerning safety and health hazards, control measures, the employer's safety and health program, employee rights and applicable laws and regulations;

"(ii) provide for the training and education of safety and health committee, concerning methods and procedures for hazard recognition and control, the conduct of worksite safety and health inspections, the rights of the safety and health committee, and concerning other information necessary to enable such members to carry out the activities of the committee under section 28;

"(iii) require that training and education be provided to employees at the time of employment and to safety and health committee members at the time of selection; and

"(iv) require that refresher training be provided on at least an annual basis and that additional training be provided to employees and to safety and health committee members when there are changes in conditions or operations that may expose employees to new or different safety or health hazards or when there are changes in safety and health regulations or standards under this Act that apply to the employer.

"(2) NO LOSS OF PAY.—The time during which employees are participating in training and education activities under this subsection shall be considered as hours worked for purposes of wages, benefits, and other terms and conditions of employment. Such training and education shall be provided by an employer at no cost to the employees of the employer.".

TITLE II—SAFETY AND HEALTH COMMITTEES AND EMPLOYEE SAFETY AND HEALTH REPRESENTATIVES

SEC. 201. SAFETY AND HEALTH COMMITTEES AND EMPLOYEE SAFETY AND HEALTH REPRESENTATIVES.

(a) IN GENERAL.—Section 28 is amended to read as follows:

"SEC. 28. SAFETY AND HEALTH COMMITTEES AND EMPLOYEE SAFETY AND HEALTH REPRESENTATIVES.

"(a) REQUIREMENT.—Each employer of not less than 11 employees shall provide for the establishment of safety and health committees and the selection of employee safety and health representatives in accordance with this section.

"(b) SAFETY AND HEALTH COMMITTEES.—

"(1) IN GENERAL.—Each employer covered by this section shall establish a safety and health committee at each worksite of the employer, except that the Secretary may, by regulation, modify the application of this paragraph to—

"(A) an employer whose employees do not primarily report to or work at a fixed location;

"(B) worksites at which less than eleven employees of a covered employer are employed; or

"(C) worksites where employees of more than one employer are employed.

Each employer required to establish a safety and health committee under this section shall, pursuant to regulations promulgated by the Secretary, enable such committee to exercise the rights described in this section.

"(2) MEMBERSHIP.—A committee established under paragraph (1) shall consist of—

"(A) the employee safety and health representatives elected or appointed under subsection (c)(2); and

"(B) as determined appropriate by the employer, employer representatives, the number of which may not exceed the number of employee representatives described in subparagraph (A).

"(3) CHAIRPERSONS.—A committee established under paragraph (1) shall be cochaired by—

"(A) a representative selected by the employer; and

"(B) a representative selected by the employee members of such committee.

"(4) RIGHTS.—A committee established under paragraph (1) shall have the right, within reasonable limits and in a reasonable manner, to—

"(A) review any safety and health program established under section 27 by the employer;

"(B) review incidents involving work-related fatalities, injuries and illnesses and complaints regarding safety or health hazards by employees;

"(C) review, upon the request of the committee or upon the request of the employer representatives or employee representatives of the committee, the employer's work injury and illness records, other than personally identifiable medical information, and other reports or documents relating to occupational safety and health;

"(D) conduct inspections of the worksite at least once every 3 months and in response to complaints regarding safety or health hazards by employees or committee members;

"(E) conduct interviews with employees in conjunction with inspections of the worksite;

"(F) conduct meetings, at least once every 3 months, and maintain written minutes of such meetings;

"(G) observe the measurement of employee exposure to toxic materials and harmful physical agents;

"(H) establish procedures for exercising the rights of the committee;

"(I) make recommendations on behalf of the committee, and in making such recommendations, permit any member of such committee to submit the separate views of such member, or on behalf of the employer or employee representatives on such committee, to the employer for improvements in the employer's safety and health program and for the correction of hazards to employee safety or health, except that such recommendations shall be advisory only and the employer shall retain full authority to manage the worksite; and

"(J) accompany the Secretary or the Secretary's representative during any physical inspection of the worksite under section 8(a).

"(5) TIME FOR COMMITTEE ACTIVITIES.—The employer shall permit members of the committee established under paragraph (1) to take such time from work as is reasonably necessary to exercise the rights of the committee, without suffering any loss of pay or benefits for time spent on duties of the committee.

"(6) REGULATIONS.—Not later than 1 year after the effective date of this section, the Secretary shall promulgate final regulations for the establishment and functioning of safety and health committees under this section. Such regulations shall include provisions concerning—

"(A) the establishment of such committees by an employer whose employees do not primarily report to or work at a fixed location;

"(B) the establishment of such committees with regard to worksites at which less than 11 employees of a covered employer are employed;

"(C) the establishment of committees at worksites where employees of more than one employer are employed; and

"(D) the employer's obligation to enable the committee to function properly and effectively, including the provision of facilities and materials necessary for the committee to conduct its activities, and the maintenance of records and minutes developed by the committee.

"(c) EMPLOYEE SAFETY AND HEALTH REPRESENTATIVES.—

"(1) IN GENERAL.—Safety and health committees established under this section shall include—

"(A) one employee safety and health representative where the average number of nonmanagerial employees of the employer at the worksite during the year ending January 1 was more than 10, but less than 50;

"(B) two employee safety and health representatives where the average number of nonmanagerial employees of the employer at the worksite during the year ending January 1 was more than 50, but less than 100;

"(C) an additional employee safety and health representative for each additional 100 such employees at the worksite, up to a maximum of six employee safety and health representatives, except as provided in paragraph (2)(C); and

"(D) where an employer's employees do not primarily report to or work at a fixed location, at worksites at which less than 11 employees of a covered employer are employed, or at worksites where employees of more than one employer are employed, a number of employee safety and health representatives as determined by the Secretary by regulation.

"(2) SELECTION.—Employee safety and health representatives shall be selected by and from among the employer's nonmanagerial employees, as follows:

"(A) Where none of the employer's employees at a worksite are represented by an exclusive bargaining representative, the employees shall elect employee safety and health representatives in an election held in conformity with procedures pursuant to regulations promulgated by the Secretary.

"(B) Where the employer's employees are represented by a single exclusive bargaining representative, the bargaining representative shall designate the employee safety and health representatives.

"(C) Where the employer's employees are represented by more than one exclusive representative or where some but not all of the employees are represented by an exclusive representative, each bargaining unit of represented employees (and any residual group of unrepresented employees) shall have a proportionate number of employee safety and health representatives based on the number of employees in each bargaining unit or group, except that each such unit or group of 11 or more employees shall have at least one representative. The selection process shall be conducted in accordance with the provisions of subparagraph (A) or (B) as applicable.

"(3) REGULATIONS.—Not later than 1 year after the effective date of this section, the Secretary shall promulgate regulations concerning safety and health representatives. Such regulations shall include provisions concerning—

"(A) the number of employee safety and health representatives where an employer's employees do not primarily report to work at a fixed location;

"(B) the number of employee safety and health representatives with respect to worksites at which less than 11 employees of a covered employer are employed;

"(C) the number of employee safety and health representatives at worksites where employees of more than one employer are employed; and

"(D) the selection and election procedures for employee safety and health representatives, such election procedures to provide for a fair election by secret ballot and protect employee's equal rights to participate in the election without being subject to penalty, discipline, improper interference or reprisal.

"(d) ADDITIONAL RIGHTS.—The rights and remedies provided to employees and employee safety and health representatives by this section are in addition to, and not in lieu of, any other rights and remedies provided by contract, by other provisions of this Act or by other applicable law, and are not intended to alter or affect such rights and remedies.".

(b) EFFECT OF AMENDMENT.—The amendment made by subsection (a) shall not be construed to affect the amendments made by section 28 of the Occupational Safety and Health Act of 1970 as such section existed on the date of enactment of such Act.

TITLE III—COVERAGE

SEC. 301. EXTENSION OF COVERAGE TO PUBLIC EMPLOYEES.

(a) DEFINITION OF EMPLOYER.—Section 3(5) (29 U.S.C. 652(5)) is amended by striking "but does not include" and inserting "including".

(b) CONFORMING AMENDMENTS.—

(1) Section 19 (29 U.S.C. 668) is repealed.

(2) Section 410(b) of title 39, United States Code, is amended by striking paragraph (7) and inserting the following new paragraph:

"(7) the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.);".

SEC. 302. APPLICATION OF ACT.

Section 4(b) (29 U.S.C. 653(b)(1)) is amended—

(1) in paragraph (1) to read as follows:

"(1) Where a Federal agency has promulgated and is enforcing standards or regulations affecting the occupational safety or health of some or all of the employees within that agency's regulatory jurisdiction, and the Secretary of Labor determines that a standard or regulation as promulgated and the manner in which such standard or regulation is being enforced provides protection to those employees that is at least as effective as the protection provided to those employees by the Secretary's enforcement of this Act, the Secretary may publish a notice in the Federal Register setting forth such determination and the reasons therefore and certifying that the Secretary has ceded jurisdiction to that Federal agency with respect to the specified hazards to which the designated employees are exposed. Such certification shall remain in effect unless and until rescinded by the Secretary.";

(2) by redesignating paragraphs (2) through (4) as paragraph (5) through (7), respectively; and

(3) by inserting after paragraph (1), the following new paragraphs:

"(2) The Secretary shall, by regulation, establish procedures by which any affected person may petition the Secretary to rescind a certification under paragraph (1). Upon receipt of such a petition the Secretary shall investigate the matter and shall, within 90 days after receipt of the petition, publish a decision with respect to the petition in the Federal Register.

"(3) Any person who may be adversely affected by a decision of the Secretary certifying that the Secretary has ceded jurisdiction to another Federal agency pursuant to paragraph (1), or by a decision of the Secretary denying a petition to rescind such a certification under paragraph (2), may at any time prior to the 60th day after such decision is published in the Federal Register file a petition challenging such decision with the United States court of appeals for the circuit wherein such person resides or has his or her principal place of business, for judicial review of such decision. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary's decision shall be set aside if found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"(4) Nothing in this Act shall apply to working conditions covered by the Mine Safety and Health Act of 1977 (30 U.S.C. 801 et seq.).".

SEC. 303. APPLICATION OF OSHA TO DOE NUCLEAR FACILITIES.

Paragraph (6) of section 4(b) (29 U.S.C. 653(b)(2)) (as redesignated by section 302(2)) is amended to read as follows:

"(6) Notwithstanding paragraph (1) or any other provision of this law, this Act shall apply with respect to employment performed in the Federal nuclear facilities under the control or jurisdiction of the Department of Energy.".

SEC. 304. EXTENSION OF EMPLOYER DUTIES TO ALL EMPLOYEES WORKING AT A PLACE OF EMPLOYMENT.

Paragraph (1) of section 5(a) (29 U.S.C. 654(a)(1)) is amended to read as follows:

"(1) shall furnish employment and a place of employment which are free from recognized hazards that are causing or are likely to cause death or serious physical harm to the employees of the employer or to other employees at the place of employment.".

TITLE IV—OCCUPATIONAL SAFETY AND HEALTH STANDARDS

SEC. 401. TIMEFRAMES FOR SETTING STANDARDS.

(a) RECOMMENDATIONS AND PETITIONS FOR STANDARDS.—Paragraph (2) of section 6(b) (29 U.S.C. 655(b)(2)) is amended to read as follows:

"(2)(A) If the Secretary receives a recommendation of an advisory committee, the Secretary of Health and Human Services or the Administrator of the Environmental Protection Agency or a petition from an interested person that sets forth with reasonable particularity the facts that the person claims establish that an occupational safety or health standard should be promulgated, modified or revoked, the Secretary shall, not later than 90 days after receipt of such recommendation or petition, publish in the Federal Register a response stating whether the Secretary intends to publish a proposed rule promulgating, modifying or revoking such standard.

"(B) If the response of the Secretary under subparagraph (A) states that the Secretary does not intend to publish a proposed rule, the Secretary shall set forth the reasons for that decision. In all other cases, the Secretary shall, not later than 12 months after the receipt of a recommendation or petition under subparagraph (A), publish in the Federal Register a proposed rule promulgating, modifying or revoking the standard discussed in the petition or recommendation.".

(b) PROCEDURE FOR COMMENT AND HEARING.—Paragraph (3) of section 6(b) (29 U.S.C. 655(b)(3)) is amended—

(1) by redesignating such paragraph as subparagraph (B) of paragraph (3); and

(2) by inserting before such subparagraph, as so redesignated, the following new subparagraph:

"(A) Where information developed by or submitted to the Secretary indicates that a rule should be proposed promulgating, modifying, or revoking an occupational safety or health standard, the Secretary shall publish such a proposed rule in the Federal Register and shall afford interested persons a period of at least 30 days after publication to submit written data or comments.".

(c) TIME FRAME FOR ISSUING RULES.—Section 6(b)(4) (29 U.S.C. 655(b)(4)) is amended by striking "sixty days" both places such appears and inserting "180 days".

(d) REVIEW OF SECRETARY'S FAILURE OR REFUSAL TO ISSUE RULES.—Section 6 (29 U.S.C. 655) is amended—

(1) by adding at the end of subsection (f) the following new sentence: "Judicial review of the validity of an occupational safety and health standard may be obtained exclusively through a petition for review in the appropriate United States court of appeals, acting under this subsection or under subsection (h)."; and

(2) by adding at the end thereof the following new subsection:

"(h)(1) Any person who may be adversely affected by a determination by the Secretary under subsection (b)(2) not to propose a rule promulgating, modifying, or revoking a standard may at any time prior to the expiration of 60 days after such determination is published in the Federal Register file a petition seeking review of such determination with the United States court of appeals for the circuit wherein such person resides or has his or her principal place of business. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary's determination shall be set aside if found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

"(2) Any person who may be adversely affected by a failure of the Secretary to take any action required by this section within the time period prescribed by this section may at any time after such period of time has elapsed file a petition for review stating that such action has been unlawfully withheld or unreasonably delayed. Such petition may be filed with the United States court of appeals for the circuit wherein such person resides or has his or her principal place of business. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The reviewing court shall compel the Secretary to take any action that is found to have been unlawfully withheld or unreasonably delayed. In deciding whether to compel such action the court shall consider whether the Secretary's failure to act is consistent with the time limits set forth in this section. The Secretary's desire to confer with, or to receive approval from any other Federal agency or Federal executive official, shall not justify the withholding or delaying of action by the Secretary, except where such consultation or solicitation of approval is required by Federal law.".

SEC. 402. BASIS FOR STANDARDS.

Paragraph (8) of section 3 (29 U.S.C. 652(8)) is amended to read as follows:

"(8) The term 'occupational safety and health standard' means a standard that addresses a significant risk to the safety or health of employees by requiring conditions, or the adoption or use of one or more practices, means, methods, operations, or processes that most adequately assure, to the extent feasible, safe and healthful employment and places of employment.".

SEC. 403. RECORDING OF WORK RELATED ILLNESSES.

Section 6(b)(7) (29 U.S.C. 655(b)(7)) is amended by inserting after the third sentence the following new sentence: "The standard shall also prescribe requirements for recording or reporting a work-related illness determined as a result of a medical examination or test conducted under the standard.".

SEC. 404. PUBLIC DISCLOSURE OF ALL COMMUNICATIONS ON STANDARDS.

Section 6(b) (29 U.S.C. 655(b)) is amended by adding at the end thereof the following new paragraph:

"(9) The Secretary shall place all written comments and communications, and a summary of all verbal communications, with parties outside the Department of Labor (including communications with other government agencies), regarding the promulgation, modification or revocation of a standard under this section, in the public record.".

SEC. 405. REVISION OF PERMISSIBLE EXPOSURE LIMITS.

Section 6 (29 U.S.C. 655) (as amended by section 401(d)) is further amended by adding at the end thereof the following new subsection:

"(i) In addition to other health and safety standards promulgated under subsection (b), the Secretary shall, in cooperation with the Secretary of Health and Human Services, modify and establish exposure limits for toxic materials and harmful physical agents on a regular basis, in accordance with the requirements of subsection (b)(5), in the following manner:

"(1) The Secretary of Health and Human Services, acting through the National Institute for Occupational Safety and Health, shall regularly evaluate available scientific evidence, data and information to determine if exposure limits for toxic materials and harmful physical agents promulgated under subsections (a) and (b) should be modified or established to protect exposed employees against material impairment of health or functional capacity. Such evaluations shall include a review of the scientific literature, standards of private and professional organizations, national consensus standards, standards adopted by other countries, and recommendations of State and Federal agencies.

"(2) Not less than once every 3 years the Secretary of Health and Human Services, acting through the National Institute for Occupational Safety and Health, shall develop and transmit to the Secretary recommendations identifying toxic materials and harmful physical agents, if any, for which exposure limits should be modified or established to protect employees from material impairment of health or functional capacity. For each such material or agent, the recommendation shall include a suggested permissible exposure limit, the basis for the suggested exposure limit and, where available, information on feasible control measures.

"(3) Not later than 30 days after the receipt of such recommendations, the Secretary shall publish such recommendations on exposure limits in the Federal Register and provide a period of 30 days for public comment. The Secretary shall evaluate the recommendations and public comments and, not later than 6 months after the receipt of such recommendations, shall publish a proposed rule to maintain, modify or establish exposure limits for each toxic material and harmful physical agent as to which the Secretary of Health and Human Services has recommended that exposure limits be modified or established. If a proposed exposure limit is not the same as the exposure limit suggested by the Secretary of Health and Human Services, the Secretary shall explain why the suggested limit is not being proposed.

"(4) Not later than 1 year after the publication of the proposed exposure limits, the Secretary shall issue a final standard and such standard shall be subject to the requirements of subsection (b)(5). If a final exposure limit is not the same as the exposure limit suggested by the Secretary of Health and Human Services, the Secretary shall explain the reasons that the suggested exposure limit is not being adopted.

"(5) In addition to the periodic review of permissible exposure limits required by this subsection, the Secretary shall also establish or modify exposure limits for toxic materials and harmful physical agents whenever such action is warranted, pursuant to subsections (b)(5) and (g).".

SEC. 406. EXPOSURE MONITORING AND MEDICAL SURVEILLANCE.

Section 6 (42 U.S.C. 655) (as amended by sections 401(d) and 405) is further amended by adding at the end thereof the following new subsection:

"(j)(1) Not later than 2 years after the effective date of this subsection, the Secretary shall promulgate final standards on exposure monitoring and medical surveillance programs in accordance with subsection (b)—

"(2) The standards on exposure monitoring promulgated under paragraph (1) shall include the following:

"(A) Requirements for a formal exposure assessment in a case where workers may be exposed to toxic materials or harmful physical agents that are subject to standards issued under this section, including toxic materials or harmful physical agents covered under section 1910.1200 of title 29, Code of Federal Regulations.

"(B) Requirements for regular monitoring and measurement of toxic materials or harmful physical agents for which an exposure limit has been established by the Secretary or adopted by the employer, where such monitoring and measurements will assist in protecting the health and safety of workers exposed to such toxic materials or harmful physical agents.

"(C) Requirements for a written compliance plan for reducing exposures where exposures are determined to exceed limits established by the Secretary or adopted by the employer.

"(D) Requirements for employees to be notified in writing of exposures above exposure limits established by the Secretary or adopted by the employer and the steps the employer is taking to reduce exposures.

"(E) Requirements for the maintenance of and access to exposure records according to the provisions of section 1910.20 of title 29, Code of Federal Regulations.

"(F) Requirements for any safety and health committee established under section 28 to review the exposure assessment and exposure monitoring program, to observe exposure monitoring, to receive and have access to copies of assessment and monitoring results, to review written compliance plans, and to make recommendations with respect to such programs and plans.

"(3) The standards on medical surveillance programs promulgated under paragraph (1) shall include the following:

"(A) Requirements for an evaluation of employee exposure assessments and exposure monitoring to identify which employees may be at risk of material impairment of health or functional capacity due to exposure to toxic materials or harmful physical agents.

"(B) Requirements for periodic medical examinations for employees identified to be at risk of material impairment of health or functional capacity due to exposure to toxic materials or harmful physical agents where such examinations are appropriate to identify or to prevent material impairment to health or functional capacity.

"(C) Requirements for the evaluation of the results of medical examinations to determine if an employee or a group of employees are exhibiting indications of present or potential material impairment of health or functional capacity due to exposure to toxic substances or harmful physical agents.

"(D) Requirements for the notification of employees of the results of medical examinations in a manner that is understood by the employees.

"(E) Provisions setting forth the qualifications for health care providers who may conduct medical examinations mandated by this section. Where feasible, the Secretary in cooperation with the Secretary of Health and Human Services shall establish criteria and procedures for the certification of health care providers who conduct medical examinations under this section.

"(F) Provisions to assure the confidentiality of personally identifiable medical information developed under this section.

"(G) Provisions to prohibit discrimination against employees based on the results of medical examinations and, as appropriate, provisions to provide for the protection of the wages, benefits, seniority and other relevant conditions of employment of employees who are transferred or removed from their jobs due to the result of medical examinations conducted under this section.

"(H) Records developed under this subsection shall be maintained and made available according to the provisions of section 1910.20 of title 29, Code of Federal Regulations.

"(I) Requirements for the safety and health committee established under section 28 to review the employer's medical surveillance program and to make recommendations with respect thereto. ".

SEC. 407. STANDARD ON ERGONOMIC HAZARDS.

Section 6 (42 U.S.C. 655) (as amended by sections 401(d), 405 and 406) is further amended by adding at the end thereof the following new subsection:

"(k)(1) Not later than 1 year after the effective date of this subsection, the Secretary shall issue a final standard on ergonomic hazards to protect employees from work-related musculoskeletal disorders in accordance with subsection (b)(5).

"(2) The final standard issued under paragraph (1) shall include the following:

"(A) A requirement for an ergonomics program for employees who are exposed to ergonomic hazards, that shall include provisions for hazard identification, control measures, medical management, training and education, and employee participation.

"(B) Requirements for an evaluation of job processes, work station design, rate of work, and work methods to identify ergonomic risk factors that cause or are likely to cause musculoskeletal disorders.

"(C) Requirements for control measures to reduce stressors and musculoskeletal disorders including engineering controls, new equipment or work organization controls.

"(D) Requirements for an effective medical management program for musculoskeletal disorders including requirements for qualified health care providers, health surveillance, appropriate diagnosis, treatment, and followup.

"(E) Requirements for recording musculoskeletal disorders as an illness as defined under section 8(c)(2) and reporting such illnesses to the Secretary.

"(F) Requirements for the training and education of employees exposed to ergonomic hazards on ergonomic risk factors, control measures and the employer's medical management program.

"(G) Requirements for employee participation in the establishment and implementation of the employer's ergonomic program through any safety and health committee established under section 28.".

SEC. 408. TIMETABLE FOR SPECIFIC STANDARDS.

Section 6 (42 U.S.C. 655) (as amended by sections 401(d), 405, 406 and 407) is further amended by adding at the end thereof the following new subsection:

"(l) The Secretary shall issue the following safety and health standards under subsection (b):

"(1) Not later than November 30, 1991, the Secretary shall issue a final standard concerning bloodborne pathogens.

"(2) Not later than December 31, 1991, the Secretary shall issue final standards concerning:

"(A) permissible exposure limits, update for construction, maritime and agriculture;

"(B) electric power generator, transmission and distribution;

"(C) logging operations;

"(D) face, head, eye and foot protection;

"(E) walking and working surfaces;

"(F) hazardous materials; and

"(G) motor vehicle inspection, maintenance and safety.

"(2) Not later than June 30, 1992, the Secretary shall issue final standards on:

"(A) cadmium;

"(B) confined space entry;

"(C) asbestos (remand);

"(D) accreditation of training for programs for hazardous waste operations; and

"(E) methylene chloride.

"(3) Not later than December 31, 1992, the Secretary shall issue final standards on:

"(A) respiratory protection;

"(B) 1,3-butadiene;

"(C) scaffolds;

"(D) fall protection; and

"(E) glycol ethers.

"(4) Not later than December 31, 1993, the Secretary shall issue final standards on:

"(A) indoor air quality; and

"(B) safety and health regulations for longshoring.

"(5) Nothing in this subsection shall be construed as limiting the Secretary from issuing additional safety and health standards under subsection (b).".

TITLE V—ENFORCEMENT

SEC. 501. NO LOSS OF EMPLOYEE PAY FOR INSPECTIONS.

Section 8(e) (29 U.S.C. 657(e)) is amended by inserting after the first sentence the following new sentence: "Time spent by an employee on any such inspection shall be deemed to be hours worked for purposes of wages, benefits, and other terms and conditions of employment.".

SEC. 502. COMPLAINTS.

Section (8)(f)(1) (29 U.S.C. 657(f)(1)) is amended—

(1) in the first sentence, by inserting "the Act or" after "violation of"; and

(2) by inserting after the third sentence the following new sentence: "If the Secretary, upon notification from any other source determines that there are reasonable grounds to believe that an imminent danger (as described in section 13(a)) or serious violation (as described in section 17(k)) exists in a place of employment, the Secretary shall also make a special inspection in accordance with this section.".

SEC. 503. TIMEFRAME FOR RESPONSE.

The last sentence of section 8(f)(1) (29 U.S.C. 657(f)(1)) is amended by inserting before the period the following: "not later than 30 days after the receipt of the request for inspection".

SEC. 504. MANDATORY SPECIAL EMPHASIS.

Section 8 (29 U.S.C. 657) is amended by adding at the end thereof the following new subsection:

"(h)(1) The Secretary shall establish and carry out a special emphasis inspection program for conducting inspections of industries or operations where existing hazards, newly recognized or new hazards introduced into worksites warrant a more intensive than normal inspection program.

"(2) The Secretary shall annually designate the industries and operations for the special emphasis inspection program and identify the number of special emphasis inspections that the Secretary plans to conduct in each designated industry and operation and the number of enforcement personnel required for such inspections.

"(3) Inspections conducted under this subsection shall be in addition to other inspections conducted under this Act.

"(4) The Secretary shall annually submit a report to the Congress on the special emphasis inspection program as part of the Secretary's annual report required under section 26 which shall include the information on inspections described in paragraph (2) that were carried out in the preceding and current year.".

SEC. 505. INVESTIGATIONS OF FATALITIES AND SERIOUS INCIDENTS.

Section 8 (29 U.S.C. 657) (as amended by section 504) is further amended by adding at the end thereof the following new subsection:

"(i)(1) The Secretary shall investigate any work-related fatality or serious incident.

"(2) If a fatality or serious incident occurs in a place of employment covered by this Act, the employer shall notify the Secretary of the fatality or serious incident and shall take appropriate measures to prevent the destruction or alteration of any evidence that would assist in investigating the fatality or serious incident.

"(3) As used in this subsection, the term 'serious incident' means an incident that results in the hospitalization of two or more employees.".

SEC. 506. ABATEMENT OF SERIOUS HAZARDS DURING EMPLOYER CONTESTS.

(a) CITATIONS.—Section 9(a) (29 U.S.C. 658(a)) is amended by inserting after the third sentence the following new sentence: "If the Secretary or an authorized representative of the Secretary believes that an alleged violation is serious and presents such a substantial risk to the safety or health of employees that the initiation of review proceedings should not suspend the running of the period for the correction of the violation, the citation shall so state.".

(b) CITATIONS AND ENFORCEMENT.—Section 10 (29 U.S.C. 659) is amended—

(1) in subsection (b), by striking out "(which period shall not begin to run until the entry of a final order by the Commission in the case of any review proceedings under this section initiated by the employer in good faith and not solely for delay or avoidance of penalties)"; and

(2) by adding at the end thereof the following new subsection:

"(d)(1) Except as provided in paragraphs (2) and (3), the period permitted for the correction of a violation shall begin to run from the date of the receipt of the citation.

"(2) If the employer initiates timely review proceedings under this section in which the employer contests matters other than the proposed assessment of penalty or characterization of the violation and the proceedings are initiated by the employer in good faith and not solely for delay, the period permitted for the correction of a violation shall, except as provided in paragraph (3), not begin to run until the entry of a final order by the Commission.

"(3) If the citation states that the violation is serious and presents such a substantial risk to the safety or health of employees that the initiation of review proceedings shall not suspend the running of the period for correction of the violation and if, simultaneous with initiating timely review proceedings under the citation, the employer files a statement asserting that the period for correction of the violation should be suspended during such proceedings, the Commission shall expedite the consideration and decision of the employer's review proceeding. In its decision resolving that proceeding, the Commission may modify the citation's provision that the period for the correction of the violation shall run from the date of the receipt of the citation, if the Commission determines, based on a consideration of the nature of the violation, that the nature and degree of risk posed to employees by the employer's refusal to undertake prompt correction of the violation, and the extent of any irreparable injury the employer would incur by undertaking correction of the violation during the pendency of review proceedings, that such provision is unreasonable in the circumstances.".

(c) PENALTIES.—Section 17(d) (29 U.S.C. 666(d)) is amended by striking out "(which period shall not begin to run until the date of the final order of the Commission in the case of any review proceeding under section 10 initiated by the employer in good faith and not solely for delay or avoidance of penalties)".

(d) VERIFICATION OF ABATEMENT.—Section 10 (as amended by subsection (b)) is further amended by adding at the end thereof the following new subsection:

"(e)(1) Each employer to whom a citation for a serious, willful or repeated violation has been issued under section 9 shall verify the abatement of such violation in writing to the Secretary not later than 30 days after the period for the correction of the violation has expired, with appropriate documentary evidence. Each such employer shall prominently post, at or near each place that a violation referred to in the citation occurred, a notice that the violation has been abated, and shall make available to employees and employee representatives for inspection a copy of the verification of abatement provided to the Secretary pursuant to this subsection.

"(2) Not later than 1 year after the effective date of this subsection, the Secretary shall promulgate final regulations regarding the requirements of this subsection, including provisions concerning—

"(A) the documentary evidence required to verify abatement of a violation; and

"(B) the posting of notice of abatement of a violation.".

SEC. 507. RIGHT TO CONTEST CITATIONS AND PENALTIES.

The first sentence of section 10(c) (29 U.S.C. 659(c)) is amended by inserting after "files a notice with the Secretary" the following: "alleging that the citation fails properly to designate the provisions of the Act, standard, rule, regulation or order that have been violated, or that the citation fails properly to designate the violation as serious, willful or repeated, or that the proposed penalty is not adequate, or".

SEC. 508. RIGHT OF EMPLOYEE REPRESENTATIVES TO PARTICIPATE IN OTHER PROCEEDINGS.

The last sentence of section 10(c) (29 U.S.C. 659(c)) is amended by inserting after "participate as parties to hearings" the following: "or other proceedings conducted".

SEC. 509. OBJECTIONS TO MODIFICATION OF CITATIONS.

Section 10 (29 U.S.C. 659) (as amended by section 506) is further amended by adding at the end thereof the following new subsection:

"(f)(1) If the Secretary intends to withdraw or to modify a citation as a result of any agreement with the cited employer, the rules of procedure prescribed by the Commission shall provide for prompt notice to affected employees or representatives of affected employees, and that such notice include the terms of the proposed agreement.

"(2) Not later than 15 working days after the receipt of the notice provided in accordance with paragraph (1), any employee or representative of employees, regardless of whether such employee or representative has previously elected to participate in the proceedings, shall have the right to file a notice with the Secretary alleging that the proposed agreement fails to effectuate the purposes of this Act, and stating the respects in which it fails to do so.

"(3) Upon receipt of a notice filed under paragraph (2), the Secretary shall consider the matter, and if the Secretary determines to proceed with the proposed agreement, shall respond with particularity to the statements presented in that notice.

"(4) Not later than 15 working days following the Secretary's response provided pursuant to paragraph (3), the employee or representative of employees shall upon filing a petition for service with the Commission have the right to a hearing as to whether adoption of the proposed agreement would effectuate the purposes of the Act, including a determination as to whether the proposed agreement would adequately abate the alleged violations.

"(5) If the Commission determines that a proposed agreement fails to effectuate the purposes of the Act, the proposed agreement shall not be entered as an order of the Commission, nor shall the citation be withdrawn or modified in accordance with the proposed agreement.".

SEC. 510. IMMINENT DANGER INSPECTIONS.

(a) CORRECTION OF CONDITIONS.—Section 13 (29 U.S.C. 662) is amended—

(1) by striking out subsection (c);

(2) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and

(3) by inserting before subsection (b), as so redesignated, the following new subsection:

"(a)(1) If any representative of the Secretary determines, on the basis of an inspection or investigation under this section, that a condition or practice in a place of employment is such that an imminent danger to safety or health exists that could reasonably be expected to cause death or serious physical harm or permanent impairment of the health or functional capacity of employees if not corrected immediately, the representative of the Secretary shall so inform the employer and affected employees and shall request that the condition or practice be corrected immediately or that employees be immediately removed from exposure to such danger.

"(2) If the employer refuses to comply with a request under paragraph (1), the representative of the Secretary shall consult by telephone or similarly direct medium of communication with the Secretary or the Secretary's designee to determine whether notice should be posted in the workplace pursuant to paragraph (3).

"(3) If the Secretary or the Secretary's designee so authorizes, the representative of the Secretary shall immediately cause notice to be posted in the workplace identifying the equipment, process or practice that is the source of the imminent danger. Such notice shall take the form of a tag or other device that will be seen by employees who might otherwise be exposed to the dangerous equipment, process or practice. The notice shall be removed only by the Secretary or a representative of the Secretary.

"(4) The fact that such notice has been posted shall be noted in any citation issued pursuant to section 9 with respect to the hazard involved.

"(5) No person shall discharge or in any manner discriminate against any employee because such employee has refused to perform a duty that would expose the employee to the condition or a practice that has been identified as the source of imminent danger by a notice posted pursuant to paragraph (3). The right to refuse to perform such a duty shall be in addition to any other right to refuse to perform hazardous work that is afforded to employees by this Act, by standards or regulations issued pursuant to this Act, by contract, or by other applicable law.".

(4) in subsection (b), as so redesignated, by striking out the first sentence and inserting in lieu thereof the following new sentence: "The United States district courts shall have jurisdiction, upon petition of the Secretary, to restrain any conditions or practices in any place of employment which pose an imminent danger as described in subsection (a).".

(b) PENALTIES.—Subsection (e) of section 17 (29 U.S.C. 666) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) In the event that an employer does not immediately correct the hazard referenced in a notice posted under section 13(a) or remove all employees from exposure thereto, the employer shall be assessed a civil penalty of not less than $10,000 and not more than $50,000 for each day during which an employee continues to be exposed to the hazard. This paragraph shall not apply if the Commission determines that the condition or practice was not of such a nature as to be covered by section 13(a).".

SEC. 511. CITATIONS AND PENALTIES FOR VIOLATIONS OF SECTION 27 AND SECTION 28.

(a) CITATIONS.—Section 9(a) (29 U.S.C. 658(a)) is amended by inserting ", 27 or 28" after "section 5".

(b) PENALTIES.—Section 17 (29 U.S.C. 666) is amended—

(1) in subsection (a), by inserting ", 27 or 28" after "section 5";

(2) in subsection (b), by inserting ", 27 or 28" after "section 5"; and

(3) in subsection (c), by inserting ", 27 or 28" after "section 5".

SEC. 512. OSHA CRIMINAL PENALTIES.

(a) IN GENERAL.—Section 17 (29 U.S.C. 666) is amended—

(1) in subsection (e)—

(A) by striking "fine of not more than $10,000" and inserting "fine in accordance with section 3571 of title 18, United States Code,";

(B) by striking "six months" and inserting "10 years";

(C) by striking "fine of not more than $20,000" and inserting "fine in accordance with section 3571 of title 18, United States Code,"; and

(D) by striking "one year" and inserting "20 years";

(2) in subsection (f), by striking "fine of not more than $1,000 or by imprisonment for not more than six months," and inserting "fine in accordance with section 3571 of title 18, United States Code, or by imprisonment for not more than 2 years,";

(3) in subsection (g), by striking "fine of not more than $10,000, or by imprisonment for not more than six months," and inserting "fine in accordance with section 3571 of title 18, United States Code, or by imprisonment for not more than 1 year,";

(4) by redesignating subsections (h) through (l) as subsections (i) through (m), respectively;

(5) by inserting after subsection (g) the following new subsection:

"(h) Any employer who willfully violates any standard, rule, or order promulgated pursuant to section 6, or any regulation prescribed pursuant to this Act, and that violation causes serious bodily injury to any employee but does not cause death to any employee, shall, upon conviction, be punished by a fine in accordance with section 3571 of title 18, United States Code, or by imprisonment for not more than 5 years, or by both, except that if the conviction is for a violation committed after a first conviction of such person, punishment shall be by a fine in accordance with section 3571 of title 18, United States Code, or by imprisonment for not more than 10 years, or by both,"; and

(6) by adding at the end the following new subsection:

"(n) If a penalty or fine is imposed on a director, officer, or agent of an employer under subsection (e), (f), (g), or (h), such penalty or fine shall not be paid out of the assets of the employer on behalf of that individual.".

(b) DEFINITION.—Section 3 (29 U.S.C. 652) is amended by adding at the end thereof the following new paragraph:

"(15) The term 'serious bodily injury' means bodily injury that involves—

"(A) a substantial risk of death;

"(B) protracted unconsciousness;

"(C) protracted and obvious physical disfigurement; or

"(D) protracted loss or impairment of the function of a bodily member, organ, or mental faculty.".

(c) JURISDICTION FOR PROSECUTION UNDER STATE AND LOCAL CRIMINAL LAWS.—Section 17 (29 U.S.C. 666) (as amended by subsection (a)) is further amended by adding at the end thereof the following new subsection:

"(o) Nothing in this Act shall preclude State and local law enforcement agencies from conducting criminal prosecutions in accordance with the laws of such State or locality.".

TITLE VI—PROTECTION OF EMPLOYEES FROM DISCRIMINATION

SEC. 601. ANTIDISCRIMINATION PROVISIONS.

Section 11(c) (29 U.S.C. 660(c)) is amended—

(1) in paragraph (1), by adding before the period the following: ", including reporting any injury, illness or unsafe condition to the employer, agent of the employer, the safety and health committee or employee safety and health representative";

(2) by striking out paragraphs (2) and (3), and inserting the following new paragraphs:

"(2) No person shall discharge or in any manner discriminate against an employee for refusing to perform the employee's duties because of the employee's reasonable apprehension that performing such duties would result in serious injury to the employee or other employees. The circumstances causing the employee's apprehension of serious injury must be of such a nature that a reasonable person, under the circumstances then confronting the employee would conclude that there is a bona fide danger of an injury or serious impairment of health resulting from the circumstances. In order to qualify for protection, the employee must have sought from his employer, and have been unable to obtain, corrections of the circumstances causing the refusal to perform the employee's duties.

"(3) Any employee who believes that such employee has been discharged, disciplined, or otherwise discriminated against by any person in violation of this subsection may, within 180 days after such alleged violation occurs, file (or have filed by any person on the employee's behalf) a complaint with the Secretary alleging such discharge, discipline, or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

"(4)(A) Not later than 60 days after the receipt of a complaint filed under paragraph (3), the Secretary shall conduct an investigation and determine whether there is reasonable cause to believe that the complaint has merit and shall notify the complainant and the person alleged to have committed a violation of this section of such findings. Where the Secretary has concluded that there is reasonable cause to believe that a violation has occurred, the Secretary shall accompany such findings with a preliminary order providing the relief prescribed by this subsection. Thereafter, either the person alleged to have committed the violation or the complainant may, within 30 days, file objections to the findings or preliminary order, or both, and request a hearing on the record, except that the filing of such objections shall not operate to stay any reinstatement remedy contained in the preliminary order. Such hearings shall be expeditiously conducted. Where a hearing is not timely requested, the preliminary order shall be deemed a final order which is not subject to judicial review. Upon the conclusion of such hearing, the Secretary shall issue a final order within 120 days. In the interim, such proceedings may be terminated at any time on the basis of an agreenent entered into by the Secretary, the complainant, and the person alleged to have committed the violation.

"(B) If, in response to a complaint filed under paragraph (1) or (2), the Secretary determines that a violation of this subsection has occurred, the Secretary shall order—

"(i) the person who committed such violation to take action to correct the violation;

"(ii) such person to reinstate the complainant to the complainant's former position together with the compensation (including backpay), terms, conditions, and privileges of the complainant's employment; and

"(iii) compensatory damages.

If such an order is issued, the Secretary, at the request of the complainant, may assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorney's fees) reasonably incurred as determined by the Secretary of Labor, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

"(5)(A) Any person adversely affected or aggrieved by an order issued after a hearing under paragraph (4)(B) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred, or the circuit in which such person resided on the date of such violation. The petition for review must be filed within 60 days from the issuance of the order of the Secretary. Such review shall be in accordance with the provisions of chapter 7, of title 5, United States Code, and shall be heard and decided expeditiously.

"(B) Whenever a person has failed to comply with an order issued under paragraph (4)(B), the Secretary shall file a civil action in the United States district court for the district in which the violation was found to occur in order to enforce such order. In actions brought under this subsection, the district court shall have jurisdiction to grant all appropriate relief, including injunctive relief, reinstatement, back pay and compensatory damages.

"(6) The legal burdens of proof that prevail under section 1221(e) of title 5, United States Code, shall govern adjudication of protected activities under this subsection.".

TITLE VII—OSHA AND NIOSH TRAINING AND EDUCATION

SEC. 701. OSHA AND NIOSH TRAINING ACTIVITIES.

(a) EXPANSION.—Section 21 (29 U.S.C. 670) is amended—

(1) in subsection (a) by inserting after "qualified personnel to carry out the purpose of this Act," the following: ", including education programs for employees and members of safety and health committees, as appropriate,"; and

(2) by adding at the end thereof the following new subsection:

"(d) The Secretary shall develop, directly or by grants or contracts, training materials, model curricula and programs to assist employers in providing the training and education required by section 27 and in complying with the standards issued under section 6.".

TITLE VIII—RECORDKEEPING AND REPORTING

SEC. 801. DATA COLLECTED BY SECRETARY.

Section 24(a) (29 U.S.C. 673) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraphs:

"(2) For the purpose of setting safety and health standards, targeting inspections to individual establishments, evaluating standard setting and enforcement programs, and for other purposes, the Secretary shall collect information and conduct analyses that identify—

"(A) industries, employers, processes, operations, and occupations that have a high rate of injury or illness;

"(B) factors that cause or contribute to injuries and illnesses; and

"(C) workers' compensation costs associated with the injuries and illnesses.

"(3) The Secretary shall issue regulations that require each employer covered by this Act to report to the Secretary each work-related death of an employee of the employer immediately upon knowledge of the employer, and to report each serious incident that results in the hospitalization of two or more employees of the employer within 24 hours of the incident.

"(4) Data collected under this subsection shall be publicly available in a form suitable for further statistical analysis.".

SEC. 802. EMPLOYEE REPORTED ILLNESSES.

Section 8(c)(2) (29 U.S.C. 657(c)(2)) is amended—

(1) by striking "deaths, injuries and illnesses" and inserting "deaths and injuries"; and

(2) by inserting before the period at the end the following: ", and work related illnesses and suspected work related illnesses (including a work related illness reported by an employee or an employee's physician), unless the employer makes a reasonable determination that the illness is not work related".

SEC. 803. EMPLOYEE ACCESS.

Section 8(c)(2) (29 U.S.C. 657(c)(2)) is amended by adding at the end the following new sentence: "The records and reports required under this section shall be made available to the Secretary, the Secretary of Health and Human Services, to employees and to employee representatives.".

TITLE IX—NIOSH

SEC. 901. HAZARD EVALUATION REPORTS.

Section 20(a)(6) (29 U.S.C. 669(a)(6)) is amended—

(1) in the second sentence, by inserting "and whether any hazardous condition or harmful physical agent found in the place of employment poses a risk to exposed employees" after "as used or found"; and

(2) by inserting after the second sentence, the following new sentence: "If a determination is not made within 6 months of the receipt of a request, the Secretary shall provide the employer and affected employees with an interim report on the known or suspected hazards and recommendations for control and an estimate of the time that a final determination will be made.".

SEC. 902. SAFETY RESEARCH AND EVALUATIONS.

Section 20(a) (29 U.S.C. 669(a)) is amended by adding at the end thereof the following new paragraph:

"(8) The Secretary of Health and Human Services shall identify major factors contributing to occupational injuries and fatalities through accident investigations, and epidemiological research.".

SEC. 903. INFORMATION AND EDUCATION ABOUT OCCUPATIONAL ILLNESSES.

Section 20(a) (29 U.S.C. 669(a)) (as amended by section 902) is further amended by adding at the end the following new paragraph:

"(9) The Secretary of Health and Human Services shall carry out a program to identify and notify employees at increased risk of occupational illnesses, injuries, and fatalities, including public information and education programs for groups of workers at increased risk. In carrying out the program, the Secretary shall notify subjects of studies conducted or funded by the Secretary who are found to be at increased risk and shall make recommendations on appropriate medical surveillance for groups of employees at increased risk.".

SEC. 904. CONTRACTOR RIGHTS.

Section 20(b) (29 U.S.C. 669(b)) is amended by inserting after "Secretary of Health and Human Services" the following: "or the designees or contractors of such Secretary.".

SEC. 905. NATIONAL SURVEILLANCE PROGRAM.

Section 20 (29 U.S.C. 669) is amended by adding at the end thereof the following new subsection:

"(f)(1) The Secretary of Health and Human Services, acting through the National Institute for Occupational Safety and Health, shall (in cooperation with other agencies of the Department of Health and Human Services and the Secretary of Labor) establish a national surveillance program to identify cases of occupational illnesses, fatalities, and serious injuries. In conducting the national surveillance program, the Secretary of Health and Human Services shall coordinate the activities of the Secretary with State health agencies and Federal and State workers' compensation agencies.

"(2)(A) The Secretary of Health and Human Services shall collect data each year on the number and characteristics of all occupational fatalities, selected occupational illnesses, and selected occupational injuries.

"(B) In selecting occupational diseases and injuries for the collection of data under subparagraph (A), the Secretary of Health and Human Services shall consider the known frequency of the disorder, the severity of the disorder, and the size of the population at risk.

"(3) The Secretary of Health and Human Services shall prepare reports and analysis of fatalities, occupational diseases, and injuries collected under the national surveillance program and transmit the information to the Secretary of Labor, State health agencies, employers, employees, and other interested parties.

"(4) The Secretary of Health and Human Services may issue regulations to require an employer, through a physician or other health professional employed by or under contract to the employer, to report information on occupational fatalities, illnesses and injuries in order to carry out the provisions of this subsection.".

SEC. 906. ESTABLISHMENT OF NIOSH AS A SEPARATE AGENCY WITHIN PUBLIC HEALTH SERVICE.

The second sentence of section 22(b) (29 U.S.C. 671(b)) is amended by inserting after "The Institute shall be" the following: "established as a separate agency within the Public Health Service and be".

TITLE X—STATE PLANS

SEC. 1001. STATE PLAN COMMITTEES AND PROGRAMS.

Section 18(c) (29 U.S.C. 667(c)) is amended—

(1) by striking "and" at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting a comma; and

(3) by adding at the end the following new paragraph:

"(9) provides for the development of safety and health programs, training programs, and safety and health committees that are at least as effective as those required under section 27 and 28, and".

SEC. 1002. ACCESS TO INFORMATION; EMPLOYEE RIGHTS.

Section 18(c) (29 U.S.C. 667(c)) (as amended by section 1001) is further amended by adding at the end thereof the following new paragraph:

"(10) provides for reporting requirements, protection of employee rights, and access to information that are at least as effective as those required under this Act or other Federal laws which govern access to information related to this Act.".

SEC. 1003. COMPLAINTS AGAINST A STATE PLAN.

Section 18 (29 U.S.C. 667) is amended—

(1) in the third sentence of subsection (e)—

(A) by inserting after "preceding sentence" the following: "and except as provided in subsections (f), (i) and (j)"; and

(B) by striking out "(except for the purpose of" and all that follows through "of this section)"; and

(2) by adding at the end thereof the following new subsection:

"(i)(1) If the Secretary receives a written complaint from an employer, employee, or employee representative that a State is deficient in its compliance with a provision of its State plan and the Secretary determines that there are reasonable grounds to believe that such a deficiency exists, the Secretary shall promptly investigate any such complaint. Complaints that allege a deficiency in an enforcement action by a State shall be investigated not later than 30 days after the receipt of such complaint.

"(2) The Secretary shall, not later than 30 days after the completion of an investigation under paragraph (1), transmit in writing to the State and to the complainant the findings of such investigations and recommendations for the correction of any deficiency that is identified. If the Secretary determines there are no reasonable grounds to believe that a deficiency exists the Secretary shall notify the complainant in writing of such determination.

"(3) Not later than 30 days after the receipt of a finding transmitted under paragraph (2), the State shall respond to the Secretary in writing concerning what action the State has taken in response to the Secretary's findings and recommendations.

"(4) If after receipt of the response of the State under paragraph (3), the Secretary believes a serious violation of the Act exists for which the State has failed to issue a citation, the Secretary shall with reasonable promptness issue a citation.".

SEC. 1004. ACTION AGAINST STATE PLAN.

Section 18(f) (29 U.S.C 667(f)) is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by redesignating the second sentence as paragraph (3) and indenting such appropriately;

(3) by inserting after paragraph (1), the following new paragraph:

"(2)(A) If the Secretary at any time finds reasonable grounds to believe that a State has failed to comply substantially with any provision of the State plan or any assurance contained therein, the Secretary shall give notice to the State of the deficiencies and shall allow 6 months for the correction of the deficiencies.

"(B) If after 6 months the Secretary determines that the State has not corrected the deficiencies and that grounds for withdrawing approval of the State plan exist, the Secretary shall institute proceedings pursuant to paragraph (3) for the withdrawal of approval of the plan, unless the Secretary determines in writing that exceptional circumstances exist that justify a decision not to institute such proceedings."; and

(4) by adding at the end thereof the following new paragraph:

"(4) During the pendency of proceedings pursuant to paragraph (3), the Secretary shall exercise jurisdiction, concurrent with the State, over the safety and health issues that are subject to the State plan.".

SEC. 1005. APPLICATION OF FEDERAL STANDARDS.

Section 18 (29 U.S.C. 667) (as amended by section 1003) is further amended by adding at the end thereof the following new subsection:

"(j) In the event a State, within 6 months after the promulgation of a safety and health standard by the Secretary under section 6, fails to adopt or promulgate a standard that is at least as effective as the Federal standard, the State shall enforce the Federal standard until a State standard is in effect that is at least as effective as the Federal standard.".

SEC. 1006. STATE PLAN CONFORMING AMENDMENTS.

Section 18 (29 U.S.C. 667) (as amended by section 1003 and 1005) is further amended by adding at the end thereof the following new subsection:

"(k) Each State which is exercising authority to operate a State safety and health plan under section 18 shall within 1 year of the effective date of this subsection modify the plan to conform with the requirements of this Act.".

TITLE XI—VICTIM'S RIGHTS

SEC. 1101. OCCUPATIONAL SAFETY AND HEALTH HAZARDS VICTIM'S RIGHTS

(a) IN GENERAL.—Section 29 is amended to read as follows:

"SEC. 29. OCCUPATIONAL SAFETY AND HEALTH HAZARDS VICTIM'S RIGHTS

"(a) DEFINITION.—As used in this section, the term "victim" means—

"(1) an employee who has sustained a work-related injury or illness which is the subject of an inspection or investigation conducted under section 8(i); or

"(2) a family member of an employee, if—

"(A) the employee is killed as a result of a work-related injury or illness which is the subject of an inspection or investigation conducted under section 8(i); or

"(B) the employee sustains a work-related injury which is the subject of an inspection or investigation conducted under section 8(i), and the employee cannot reasonably exercise the rights of the employee under this section.

"(b) VICTIM'S RIGHTS.—Notwithstanding any other provision of law, on request, a victim shall be afforded the right to—

"(1) meet with the Secretary or an authorized representative regarding the inspection or investigation conducted under section 8(i) concerning the employee's injury, illness or death, prior to the Secretary's decision to issue a citation or take no action; and

"(2) receive at no cost, a copy of any citations or reports, issued as a result of the inspection or investigation, at the time of issuance, and be informed of any notice of contest filed under section 10 that shall be accompanied by an explanation of the rights of employee and employee representatives to participate in proceedings conducted under section 10.

For the purposes of section 10, a victim shall have the same rights as an employee.

"(c) DISCUSSION ON MODIFICATION OF CITATION.—Prior to entering into an agreement to withdraw or modify a citation issued as a result of an inspection of a fatality or serious incident conducted under section 8(i), on request, the Secretary shall provide an opportunity to the victim to appear and make a statement before the parties conducting the settlement negotiations.

"(d) REMEDIES.—For a violation of this section, in addition to any other remedies that might be available to a victim under Federal or State law, a victim shall be entitled to—

"(1) declaratory relief;

"(2) injunctive relief;

"(3) any costs incurred by the victim in securing the documents referred to in subsections (b)(2) and (c); and

"(4) reasonable attorneys fees and costs.

"(e) NOTIFICATION.—The Secretary shall take reasonable actions to inform victims of their rights under this section.".

(b) EFFECT OF AMENDMENT.—The amendment made by subsection (a) shall not be construed to affect the amendments made by section 29 of the Occupational Safety and Health Act of 1970 as such section existed on the date of enactment of such Act.

TITLE XII—EFFECTIVE DATE

SEC. 1201. EFFECTIVE DATE.

This Act and the amendments made by this Act shall become effective on the date that is 90 days after the date of enactment of this Act.

SECTION-BY-SECTION ANALYSIS OF THE COMPREHENSIVE OCCUPATIONAL SAFETY AND HEALTH REFORM ACT

SECTION 1. SHORT TITLE

The legislation may be cited as the "Comprehensive Occupational Safety and Health Reform Act".

SECTION 2. FINDINGS AND PURPOSE

Congress finds that despite progress made in reducing the rates of work-related deaths, injuries and exposures to toxic substances since 1970, such rates remain unacceptably high. In addition, employers and employees are insufficiently involved in joint efforts to identify and correct occupational safety and health hazards, and lack sufficient OSH training; standard-setting, enforcement, and data collection are inadequate; and millions of American workers lack adequate federal occupational safety and health protection.

The purposes of the legislation are to increase the joint participation of employers and employees in identifying and correcting workplace hazards, to improve standard-setting, enforcement and data collection, and to ensure adequate federal occupational safety and health protection for all workers.

SECTION 3. OSHA AMENDMENTS

The legislation amends the Occupational Safety and Health Act of 1970 ("the Act") (29 U.S.C. section 651 et seq.).

Title I—Safety and Health Programs

SECTION 101. SAFETY AND HEALTH PROGRAMS

Section 101 requires employers to establish and maintain occupational safety and health ("OSH") programs to reduce or eliminate hazards and to prevent injuries and illnesses to employees. Each program must be in writing, and must provide for (a) identification and correction of hazards, (b) employee training, education, and participation in the OSH program (to be considered as hours worked), (c) procedures for responding to and investigating OSH incidents, (d) designation of an employer OSH representative, and (e) OSH procedures for multi-employer worksites.

Within one year of enactment, DOL is required to issue regulations concerning employer OSH programs. DOL is authorized to modify the application of this section's requirements to classes of employers if DOL determines that employees' OSH protection would not be reduced.

The legislation requires employers to provide employee OSH training, including training for new employees and employees who face changed working conditions or modifications in applicable OSH regulations and standards, as well as annual refresher training. OSH committee members (as described in Section 201) must receive special training.

Title II—Joint Safety and Health Committees

SECTION 201. JOINT SAFETY AND HEALTH COMMITTEES

Section 201 requries employers with more than 10 employees to establish joint employer-employee OSH committees. Each committee shall have the right to (a) review the employer's OSH program and OSH records, (b) conduct inspections and employee interviews periodically and in response to specific incidents, (c) observe OSHA inspections and exposure monitoring by the employer, and (d) make advisory recommendations to the employer. Time spent on committee activities shall be considered as time worked.

Although this section requires employers to establish a committee at each of its worksites, DOL is authorized to modify this requirement for worksites with fewer than 11 employees, multi-employer worksites, and employees who do not work at fixed locations.

For worksites of between 11 and 50 employees, the committee must include at least one employee representative. For worksites of between 51 and 99 employees, the committee must include at least two employee representatives. Committees at larger workstites must include an additional representative for each additional 100 employees at such worksites (up to a maximum of six).

Employer-designated representatives on the Committee are not to exceed employee representatives in number. In non-union settings, employee representatives are to be selected from among non-managerial employees by secret ballot election. In union settings, the exclusive bargaining agent shall designate such representatives. In mixed settings, each represented group (plus one residual group of unrepresented employees) shall have proportional representation on the committee, except that each group of 11 or more employees shall have at least one representative.

DOL is required to issue final regulations regarding OSH committees within one year of the effective date of the legislation. DOL's regulations must provide procedures (where applicable) for election of employee representatives, and require employers to make necessary facilities and materials available to committees.

Title III OSHA—coverage

SECTION 301. PUBLIC EMPLOYEES

Section 301 provides comprehensive OSHA coverage to all federal, state and local employees for the first time.

SECTION 302. CEDING JURISDICTION TO OTHER FEDERAL AGENCIES

OSHA currently does not apply to private sector employees covered by another federal agency's OSH regulations. Section 302 replaces this rule, requiring DOL to certify, for each specified hazard as to which it wishes to cede jurisdiction, that another federal agency has an equally effective standard or regulation regulating that hazard. (Employees covered by MSHA, however, are expressly exempted.) This section also sets forth procedures which permit affected individuals to seek a rescission of a certification before DOL, as well as judicial review of DOL certifications and refusals to rescind a certification.

SECTION 303. COVERAGE OF DOE NUCLEAR FACILITIES

Section 303 specifically extends OSHA coverage to federal nuclear facilities under the jurisdiction of the Department of Energy.

SECTION 304. CLARIFICATION OF GENERAL DUTY CLAUSE

Section 304 makes clear that OSHA's general duty clause extends to multi-employer worksites, where hazardous conditions of practices may affect not only the employer's own employees but also other employees working at the site.

Title IV: OSHA standards

SECTION 401. STANDARD-SETTING PROCEDURES

Section 401 sets forth procedures regarding OSHA's standard-setting process. First, if an advisory committee, NIOSH, or EPA recommends (or any interested person petitions for) the promulgation, modification or revocation of a standard, DOL must publish a response within 90 days, and must issue a proposed rule within 12 months unless it concludes that no action is warranted.

Following the issuance of a proposed rule, DOL must permit a public comment period of at least 30 days, and must issue a final rule within 180 days after the comment period or hearing.

Section 401 also permits affected persons to seek judicial review of a decision by DOL not to propose a rule to promulgate, modify or revoke a standard as requested in a recommendation or petition. Such a decision may be set aside if it is found to be arbitrary, capricious, or an abuse of discretion. Affected persons may also seek judicial review if DOL fails to act within the time periods specified in this section, to compel DOL to take any action unlawfully withheld or unreasonably delayed.

Finally, Section 401 makes clear that challenges to the validity of a standard must be brought either within 60 days of the issuance of a final rule (as provided under section 6(f) of the Act), or by petitioning for the modification or revocation of a standard through the process set forth above.

SECTION 402. CONSIDERATIONS IN STANDARD-SETTING

Section 402 amends the definition of "occupational safety and health standard" to mean a standard which addresses a significant health or safety risk by requiring employers to adopt practices or processes that most adequately assure, to the extent feasible, a safe and healthful workplace.

SECTION 403. RECORDING WORK-RELATED ILLNESSES

Section 403 requires DOL standards to provide for recording or reporting of work-related illnesses determined as a result of medical examinations conducted under such standards.

SECTION 404. PUBLIC DISCLOSURE OF STANDARD-SETTING COMMUNICATIONS

Section 404 requires DOL to place all communications regarding the standard-setting process in the public record.

SECTION 405. REVISION OF PERMISSIBLE EXPOSURE LIMITS

Section 405 requires NIOSH to evaluate, on a regular basis, whether exposure limits for toxic materials and harmful physical agents should be modified or established. NIOSH must also transmit to DOL, at least every 3 years, recommendations as to exposure limits which should be modified or established.

DOL is required to publish such recommendations, allow 30 days for public comment, issue a proposed rule responding to such recommendations within 6 months of receiving them, and issue a final rule within 1 year of issuance of the proposed rule. DOL must explain its reasons for adopting any proposed or final exposure limit which differs from NIOSH's recommendations.

SECTION 406. EXPOSURE MONITORING AND MEDICAL SURVEILLANCE STANDARDS

Section 406 requires DOL to issue final standards on exposure monitoring and medical surveillance programs within 2 years of the legislation's effective date. The exposure monitoring standards must provide for formal exposure assessments, regular monitoring, a written compliance plan to reduce excessive exposures, employee notification of excessive exposures, recordkeeping, and participation of the joint OSH committee. The medical surveillance standards must provide for identification of at-risk employees, periodic medical examinations of such employees, notification to employees of examination results, certification of health care providers to perform medical examinations, confidentiality of personal employee medical records, prohibition of discrimination against any employee based on examination results, recordkeeping, and participation of the joint OSH committee.

SECTION 407. ERGONOMIC HAZARDS STANDARD

Section 407 requires DOL to issue a final standard on ergonomic hazards within 1 year of the legislation's effective date. The standard must provide for identificaiton of ergonomic hazards, a program for employees exposed to such hazards (including training and education of such employees), control measures to reduce such hazards (including an effective medical management program), recordkeeping, and participation of the joint OSH committee.

SECTION 408. ADDITIONAL STANDARDS

Section 408 requires DOL to issue certain additional standards by the dates listed below:

November 30, 1991, blood borne pathogens.

December 31, 1991, permissible exposure limits (update for construction, maritime, and agriculture); electric power; logging; head and foot protection; walking and working surfaces; hazardous materials; and motor vehicles.

June 30, 1992, cadmium; confined space entry, asbestos (remand); hazardous waste training program accreditation; and methylene chloride.

December 31, 1992, respiratory protectiopn; 1.3-butadiene; scaffaolds; fall protection; and glycol ethers.

December 31, 1993, indoor air quality; and longshoring.

Title V: Enforcement

SECTION 501. EMPLOYEE PARTICIPATION IN INSPECTIONS

Section 501 provides that time spent by an employee accompanying an OSHA representative on an inspection, as permitted by the Act, shall be treated as hours worked.

SECTION 502. IMMINENT DANGER AND SERIOUS VIOLATION COMPLAINTS

The Act requires DOL to make a special inspection upon receipt of a complaint from an employee or employee representative alleging an imminent danger or a serious violation which threatens physical harm, if DOL finds reasonable grounds to believe that such danger or violation exists. Section 502 extends this requirement to imminent dangers and violations DOL learns about from other sources, and makes clear that the complaint may allege a serious violation of either a standard or a provision of the Act.

SECTION 503. NOTIFICATION OF DOL FINDING OF NO REASONABLE GROUNDS

Section 503 requires DOL to notify the complainant within 30 days of the complaint if it concludes that there are no reasonable grounds to believe that such danger or violation exists.

SECTION 504. SPECIAL EMPHASIS INSPECTION PROGRAM

Section 504 requires DOL to establish and carry out a special emphasis inspection program targeting high-risk industries or operations, and to report annually to Congress thereon.

SECTION 505. DOL INVESTIGATION OF SERIOUS INCIDENTS

Section 505 requires employers to report any work-related death or serious incident (requiring hospitalization of at least two employees) to DOL, and requires DOL to investigate such incidents.

SECTION 506. ABATEMENT PROCEDURES

Section 506 revises the Act's abatement procedures by providing a general rule that the period permitted for correction of a violation shall begin to run from the date of receipt of the citation. An exception allows an employer to delay abatement until the entry of a final order by the OSH Review Commission if an employer contests a citation in good faith, unless (a) the employer contests only the proposed penalty or the characterization of the violation, or (b) the violation is serious and presents a substantial safety or health risk of harm.

Section 506 further provides that an employer charged with a serious violation which presents a substantial safety or health risk, and thus subject to an abatement period which begins to run upon issuance of a citation, may seek a delay or suspension of such period from the OSH Review Commission. In the event of such a request, the Commission shall expedite the proceeding and may modify the requirement of immediate commencement of the abatement period if it determines that such requirement was unreasonable under the circumstances.

This section also requires employers cited for serious, willful or repeat violations to verify to DOL the abatement of such violations within 30 days of the expiration of the abatement period, to provide appropriate documentary evidence to establish such verification, and to post a notice of abatement at the place of the violation. DOL is required to issue regulations regarding abatement verification and posting within one year of enactment.

SECTION 507. EMPLOYEE CONTEST OF CITATIONS

To conform the bases upon which employers and employees may contest citations, Section 507 makes clear that employees may do so based on the characterization of the violation (non-serious, serious, willful or repeated), the sections of the Act or regulations listed as the basis for the citation, or the proposed penalty.

SECTION 508. EMPLOYEE PARTICIPATION

The Act currently allows employees to participate in OSH Review Commission hearings. Section 508 allows employees to participate in other OSHRC proceedings as well.

SECTION 509. EMPLOYEE CONTEST OF DOL-EMPLOYER AGREEMENTS

Section 509 requires DOL to notify affected employees if it intends to modify or withdraw a citation as a result of an agreement with the cited employer. Such employees may challenge the agreement within 15 days if it fails to effectuate the purposes of the Act.

If DOL rejects the challenge, such employees may (within 15 days) seek an OSHRC hearing. DOL is precluded from carrying out the agreement if the OSHRC determines that it would not effectuate the purposes of the Act.

SECTION 510. IMMINENT DANGERS

Section 510 requires OSHA inspectors, upon discovery of a workplace hazard which poses an imminent danger, to notify the employer and request immediate abatement of the hazard. If the employer refuses to abate the hazard, the inspector (upon approval by DOL) may immediately post a notice or tag identifying the hazard as posing an imminent danger. Employers who fail to abate such a tagged hazard, or remove all employees from exposure thereto, shall be fined between $10,000 and $50,000 per day for non-abatement. In addition, employers are prohibited from discriminating in any manner against an employee who refuses to perform a duty that would expose him or her to the tagged hazard.

SECTION 511. VIOLATIONS OF OSH PROGRAM AND COMMITTEE REQUIREMENTS

Section 511 makes clear that DOL may issue citations and assess penalties for violations of new sections 27 (OSH programs) and 28 (OSH committees).

SECTION 512. OSHA CRIMINAL PENALTIES

Section 512 expands the maximum criminal penalties for violations of the Act. The maximum imprisonment penalties are increased as follows:

Willful violation that causes death: increased from 6 months to 10 years (first conviction) and 1 year to 20 years (additional convictions).

Advance notice of an inspection: increased from 6 months to 2 years.

False statement: increased from 6 months to 1 year.

Willful violation that causes serious injury: a new criminal offense is created with maximum imprisonment of 5 years (first conviction) and 10 years (additional convictions). "Serious bodily injury" is defined to mean bodily injury that involves a substantial risk of death, protracted unconsciousness, protracted and obvious physical disfigurement, or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

In 1984, the maximum criminal fine limits (ranging from $1,000 to $20,000) for OSHA violations were superceded by the higher maximum criminal fine limits ($250,000 per individual, $500,000 per organization) contained in the Sentencing Reform Act of 1984 (18 U.S.C. section 3571). Section 512 clarifies the applicability of these higher limits to OSHA violations. In addition, this section provides that individuals convicted of OSHA offenses will be personally liable for any criminal fines assessed against them.

Title VI: Anti-Discrimination Protection

SECTION 601. ANTI-DISCRIMINATION PROVISIONS

Section 601 extends the coverage of the Act's anti-discrimination provisions to (a) an employee's reporting of injuries or unsafe conditions, and (b) an employee's refusal, after first unsuccessfully asking the employer to eliminate an unsafe condition, to perform duties which the employee reasonably believes would expose him or her to a bona fide danger of injury or serious impairment of health.

Section 601 also revises the procedures for the handling of discrimination complaints. The period for filing such complaints is increased from 30 to 180 days following the alleged discrimination. DOL is required to investigate the complaint and report findings within 60 days.

If DOL issues a preliminary order finding a violation, such order becomes final unless within 30 days a party files objections thereto and request a hearing, in which case DOL is required to issue a final order within 120 days of such hearing. DOL is authorized to (a) require employers to correct violations and reinstate discrimination victims, (b) award back pay, compensatory damages, costs and expenses, and (c) seek judicial enforcement of final orders if necessary. Affected persons may seek judicial review in an appropriate U.S. Court of Appeals within 60 days following the issuance of a final order.

Finally, Section 601 provides that the legal burdens of proof set forth in the Whistleblower Protection Act of 1989, 5 U.S.C. section 1221(e), shall apply to adjudication of OSHA anti-discrimination complaints.

Title VII: Training

SECTION 701. TRAINING AND EDUCATION

Section 701 requires DOL to develop model curricula, training materials and educational programs for employees and OSH committee members.

Title VIII: Reporting and Data Collection

SECTION 801. DATA COLLECTION

Section 801 requires DOL to gather, and make publicly available, data in order to identify (a) high-risk industries, employers, operations, and occupations, (b) causes of injuries and illnesses, and (c) workers' compensation costs. DOL must also issue regulations requiring employers to report work-related deaths immediately to DOL, and to report serious incidents (requiring hospitalization of 2 or more employees) to DOL within 24 hours.

SECTION 802. ILLNESS RECORDS

The Act requires employers to keep records and file periodic reports on work-related deaths, injuries and illnesses. Section 802 adds to this list illnesses suspected to be work-related, unless the employer makes a reasonable determination that the illness is not work-related.

SECTION 803. ACCESS TO RECORDS

Section 803 provides that DOL, HHS, and employees shall have access to employer OSH records.

Title IX: NIOSH

SECTION 901. HAZARD EVALUATION REPORTS

Section 901 requires NIOSH, after receiving a request for a determination as to the toxicity of a workplace substance, or the safety or health risk posed by a condition or physical agent, to provide a determination as soon as possible, and to provide an interim report if it cannot make a determination within 6 months.

SECTION 902. RESEARCH

Section 902 requires NIOSH to identify major factors contributing to work-related deaths and injuries through accident investigations and epidemiological research.

SECTION 903. EMPLOYEE NOTIFICATION PROGRAM

Section 903 requires NIOSH to establish a program to idetnify and notify employees at increased risk of suffering work-related deaths, injuries and illnesses, and to make recommendations as to medical surveillance of such employees.

SECTION 904. DOL RIGHT OF INSPECTION

Section 904 makes clear that NIOSH's authority to inspect records extends to its designees and contractors.

SECTION 905. NATIONAL SURVEILLANCE PROGRAM

Section 905 requires NIOSH to establish a national surveillance program to identify work-related deaths, injuries and illnesses, and to provide reports on the data collected pursuant to such program to DOL. This section also authorizes HHS to require employers to provide such data to NIOSH.

SECTION 906. REDESIGNATION OF NIOSH

NIOSH currently operates under the auspices of the Center for Disease Control. Section 906 provides for the redesignation of NIOSH as a separate agency within the Public Health Service.

Title X: State Plans

SECTION 1001. STATE PLAN COMMITTEES AND PROGRAMS

Under Section 1001, state plans must require employers to establish OSH programs and committees at least as effective as those required under this legislation.

SECTION 1002. STATE PLAN REQUIREMENTS

Under Section 1002, state plans must include reporting, anit-discrimination, and access to information provisions which are at least as effective as those provided under this legislation or other applicable federal laws.

SECTION 1003. COMPLAINTS AGAINST STATE PLANS

Section 1003 requires DOL to investigate complaints against state plans promptly if it finds reasonable grounds to believe that a state has not complied with its plan. (Complaints regarding enforcement must be investigated within 30 days.) DOL is further required to transmit findings to the complainant within 30 days of the completion of its investigation. If DOL finds that a state is not in compliance with its plan, it must so notify such state, and within 30 days the state must inform DOL of its response. DOL is also required to issue citations for serious violations if the state has failed to do so.

SECTION 1004. WITHDRAWAL OF STATE PLAN APPROVAL

Section 1004 provides that if DOL finds reasonable grounds to believe that a state has failed to comply substantially with its plan, it shall give the state 6 months to correct any deficiencies. If the state fails to correct such deficiencies within 6 months, DOL shall commence proceedings to withdraw approval of such state's plan, unless exceptional circumstances exist. During the pendency of any proceedings to withdraw approval of a state plan, DOL shall exercise concurrent jurisdiction with the state plan.

SECTION 1005. ADOPTION OF FEDERAL STANDARDS

Section 1005 provides that when a federal standard is adopted, state plans must either adopt an equally effective standard within 6 months or adopt the federal standard until such time as a comparable standard is adopted.

SECTION 1006. CONFORMING STATE PLANS

Section 1006 permits states 1 year from the effective date of the legislation to bring their plans into compliance with the legislation.

Title XI: Victims' Rights

SECTION 1101. VICTIMS' RIGHTS

Section 1101 extends certain rights to employees who suffer injuries or illnesses on the job, and to the families of employees killed on the job. If DOL investigates the incident, such individuals are entitled to (a) meet with DOL prior to DOL's decision as to whether or not to issue a citation, (b) receive copies of citations, reports, and notices of contest, (c) participate in OSHRC proceedings, and (d) meet with DOL and the employer before any settlement is agreed to.

Title XII: Effective Date

SECTION 1201. EFFECTIVE DATE

Section 1201 provides an effective date for this legislation 90 days after enactment.

Mr. METZENBAUM. Mr. President, I am proud to join with Senator KENNEDY today as an original cosponsor of the Comprehensive Occupational Safety and Health Reform Act.

Twenty-one years ago, Congress enacted the Occupational Safety and Health Act with the following purpose: "To assure so far as possible every working man and woman in the Nation safe and healthful working conditions."

Since then, we have made some progress toward achieving that goal. Employers have become more aware of safety and health problems, and many employers have tried to address those problems.

But our promise of a safe and healthy workplace for all American workers remains unfulfilled. Two decades after passage of the act, injury and death rates remain shockingly high, and have been rising since 1983. The American workplace is becoming a "little shop of horrors."

In 1989, the most recent year for which statistics are available, 10,400 workers were killed on the job, an average of 40 workers each work day. At this rate, an American worker is killed on the job every 36 minutes.

Another 1,700,000 working men and women suffered disabling injuries on the job in 1989, an average of 6,538 workers each work day. At this rate, a working man or woman in this country suffers a disabling injury on the job every 13 seconds.

Hundreds of thousands more working men and women died or became disabled as a result of job-related illnesses and diseases such as cancer, lead poisoning, and respiratory disease. At present, we lack even the data to know how bad this problem really is.

This level of carnage is completely unacceptable. These are not just statistics—these are our mothers and fathers, our sons and daughters, our wives and husbands. The fates they are suffering are unspeakably horrible: they are being crushed by falling walls, killed in fireball explosions, dismembered by machines, asphyxiated by gas, buried alive in collapsing trenches, electrocuted, burned, and crippled or killed by disease.

The simple fact is that many of these tragedies are preventable. We must do more to fulfill OSHA's original promise of providing safe and healthy working conditions for every working American.

Prior to last year, when the maximum civil penalties were increased, OSHA had never been amended. The comprehensive legislation we are introducting today is long overdue. It addresses a number of major problems with the act and OSHA's enforcement scheme.

Prehaps the most fundamental problem OSHA faces is a lack of resources. OSHA has only 1,200 inspectors to enforce compliance by roughly 3.5 million employers, providing protection for some 55 million employees. Collectively, State occupational safety and health agencies have only 1,100 inspectors to enforce compliance by 2.3 million employers, providing protection for 34 million workers.

These numbers mean that even the most high-risk employers are not likely to see an OSHA inspector show up to inspect their facilities. Indeed, as the number of employers and workers subject to OSHA's jurisdiction has grown, the agency's funding has shrunk in real dollars, with the agency receiving $248. million in fiscal year 1989.

We must recognize that large increases in OSHA's funding are unlikely given our current fiscal problems. OSHA's enforcement strategy will continue to be based largely on voluntary compliance by employers and workers. But employers and workers often lack adequate information about workplace health and safety hazards and how best to abate them.

The bill we are introducing today will dramatically improve the cooperative efforts of employers and employees to address workplace safety and health issues. First, the bill requires employers to establish occupational safety and health programs to reduce or eliminate hazards, and to prevent injuries and illnesses to employees. Employee training and education will be provided as part of these programs. OSHA is authorized to modify the applicability of these requirements to classes of employers provided that employees' safety and health protection is not reduced.

The bill also requires employers of 11 or more emplolyees to have safety and health committees made up of an equal number of employee and employer representatives. In unionized settings, employee representatives are to be designated by the employees' bargaining representative; otherwise they are to be elected by employees. Committees are authorized to review the employer's safety and health program, conduct inspections, and make advisory recommendations to the employer.

Many employees refrain from blowing the whistle on unsafe conditions for fear of losing their jobs or suffering other reprisals. The bill strengthens the act's anti-discrimination provision, by adopting protections and remedies modeled on the Surface Transportation Act. Employee reporting of unsafe conditions is protected, as well as refusals to work where the employee reasonably believes that there is a bona fide danger of injury or serious impairment of health.

The bill also revises the procedures for the handling of discrimination complaints, and authorizes OSHA to order reinstatement and assess back pay, compensatory damages and attorneys' fees against violators.

In addition to increasing the involvement and cooperation of employers and employees, we must also make sure that OSHA gets the most impact in terms of reducing work-related deaths, injuries and illnesses out of every dollar of funding it gets. Two decades of experience have exposed many problems with OSHA's standard-setting process and enforcement scheme. This legislation strengthens OSHA's authority in a number of respects.

OSHA's existing standard-setting process is woefully inadequate to keep up with the thousands of potentially hazardous new chemicals and other physical agents introduced into the American workplace annually. As of 1989, OSHA standards regulated only about 630 substances, fewer than 30 of which were regulated by comprehensive standards providing for such things as exposure monitoring and medical surveillance.

Even when OSHA has undertaken to provide a standard for a given safety or health hazard, its response is often inadequate. In 1976, for example, a Presidential task force determined that OSHA's 1971 machine guards standards covered only 15 percent of the machine types then in use. Fifteen years later, that standard has yet to be updated.

Moreover, many OSHA standards under development are delayed for years. For example, OSHA spent 9 years developing a lockout/tagout standard governing protections against the sudden activation of machinery, beginning consideration in 1980 and issuing a final standard in 1989. During that decade of delay, over 1,000 Americans lost their lives from accidents that could have been prevented, by OSHA's own calculations, had a standard been in place.

The bill streamlines OSHA's standard-setting process, shortening it to roughly 18 months. OSHA is also required to address certain specific hazards already on the agency's regulatory agenda—including exposure monitoring, medical surveillance, and ergonomic hazards—within certain time frames.

There are several significant problems with the act's hazard abatement procedures. First, employers can delay abatement of a health or safety hazard simply by contesting a citation issued by OSHA. That process can take months or years to complete. The bill would require employers to abate serious violations of the act when a citation is first issued if there is a substantial risk of harm. Employers seeking review of the citation in such cases would be entitled to expedited consideration of the review proceeding.

Similarly, if an OSHA inspector finds an imminent danger which could reasonably be expected to cause death or serious injury, the employer need not abate the hazard until the agency obtains a court order. The bill authorizes OSHA to "tag" imminent dangers immediately if the employer refuses to abate them, and to fine employers between $10,000 and $50,000 a day for nonabatement.

In addition, OSHA does few follow-up inspections to verify abatement, relying instead on inverified employer statements. The bill requires employers to provide documentary evidence to verify abatement, and to post notices of abatement.

This bill also addresses the agency's enforcement through the act's criminal provisions. Although OSHA has handed out large penalties in a number of cases—by citing employers on an instance-by-instance approach—the agency's general practices in assessing civil penalties and in seeking criminal prosecutions leave much to be desired. For example, in fiscal year 1988, the average assessed civil penalty for a serious violation was only $261. I hope that Congress' action last year in raising the limits of permissible civil penalties will produce meaningful fines which fulfill their deterrent purpose.

OSHA's use of the act's criminal penalties provisions has been even worse than the agency's use of civil penalties. In the past 2 decades, according to GAO, the agency has referred only 57 cases to the Department of Justice for criminal prosecution. The Department of Justice prosecuted less than half of these cases and obtained convictions in only 14 cases. By comparison, the State of California's OSH agency referred 92 cases for criminal prosecution in 1985–86 alone, and the State filed charges in 41 cases.

Even when OSHA does pursue criminal prosecutions, the agency typically seeks minimal monetary penalties. The Department of Justice has concluded that the Crime Control Act of 1984, which increased criminal fines for willful violations of Federal statutes to $250,000 for individuals and $500,000 for companies, applies to OSHA violations. Yet it appears that OSHA has yet to seek criminal sanctions under that law. This bill amends the act to send a strong message from Congress that OSHA must make meaningful use of these criminal sanctions.

Nor have OSHA and the Department of Justice sought imprisonment of egregious violators. Not a single employer had ever served time under OSHA's criminal provisions until 1989, when a convicted employer served 45 days in prison. The Department of Labor's own acting inspector general has acknowledged "an apalling lack of criminal enforcement" by OSHA.

This bill amends the act to lengthen the maximum allowable sentences, in order to encourage OSHA and the Department of Justice to make more meaningful use of the act's criminal provisions as a deterrent to violations. Current maximums are very short, allowing a 6-month maximum for a willful violation that causes a worker's death. By way of contrast, the maximum penalty under Federal law for maliciously harassing a wild burro is 1 year.

In addition, this bill for the first time permits criminal prosecution for a willful violation that causes serious bodily injury. Under present law, OSHA cannot seek a criminal prosecution against an employer for a willful violation of the act unless a fatality occurs. Thus, no matter how egregious the employer's violation is, no matter how many citations the employer has received in the past, and no matter how many workers are seriously and permanently injured as a result of the employer's actions, the Government cannot prosecute unless a worker dies.

OSHA also needs better data to enable the agency to target its limited inspection resources more effectively. Currently, OSHA attempts to target high-risk industries for inspections to make the best use of its resources. For example, manufacturing industries are targeted by their average lost workday injury rates. The construction industry is also heavily targeted by OSHA's inspection effort. But because of the small inspection force, and the size of OSHA's jurisdiction, even employers in these targeted industries are rarely inspected. Moreover, roughly a quarter of the agency's citations are for nonserious violations. This legislation requires employers to report all work-related deaths and all safety and health incidents in which two or more employees are hospitalized, and provides for improved data collection by OSHA and NIOSH, in order to improve inspection targeting.

Finally, this legislation extends the act's coverage in a number of respects. First, a long-standing gap in Federal occupational safety and health law is filled by extending coverage to Federal, State and local government employees. In addition, OSHA is permitted to cede private sector jurisdiction to other Federal agencies—(such as FAA—only with regard to particular hazards, and only if the alternative standard is as effective as OSHA's standard. The bill also clarifies that an employer operating at a multiemployer worksite has a duty to provide a safe workplace not just to its own employees, but to the employees of other employers operating at the site as well.

I am proud to stand here with Senator KENNEDY as we begin this effort. In the coming months, we intend to hold a number of hearings in order to explore these problems, and our proposed solutions, in greater depth. We hope the administration and the employer community will be active participants in this dialog.

But let us move swiftly to address these problems, so that we can fulfill Congress's promise made 21 years ago to assure every working American safe and healthful working conditions. With every day we wait, 40 more American workers die, and thousands more are disabled by injury and illness.

By Mr. DECONCINI (for himself, Mr. INOUYE, Mr. HATCH, Mr. KENNEDY, Mr. LEAHY, Mr. BURNS, Mr. GORTON, Mr. GORE, Mr. GRASSLEY, Mr. D'AMATO, and Mr. CRANSTON):

S. 1623. A bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes; to the Committee on the Judiciary.

AUDIO HOME RECORDING ACT

• Mr. DECONCINI. Mr. President, I am pleased today to introduce, along with my colleagues Senators INOUYE, HATCH, KENNEDY, LEAHY, BURNS, GORTON, GORE, GRASSLEY, D'AMATO, CRANSTON, and BREAUX, the Audio Home Recording Act of 1991. This legislation finally will resolve one of the most difficult and emotional arguments in copyright law, whether individuals have the right to tape for noncommerical purposes, copyrighted material. The copyright issues raised by home taping of sound recordings and the impact on copyright owners, songwriters, preformers, music publishers, and musicians have long frustrated those of us in Congress with responsibility over these matters. The bill that my colleagues and I are introducing today represents an historic compromise among the parties of this long standing dispute. As one who has struggled with the equities of this troubling issue, I am pleased that an agreement has been reached.

I first became involved in the issue of home taping of copyrighted material in 1981. At that time, the Ninth Circuit Court of Appeals issued a decision finding that the non-commercial private video taping of broadcast television shows constituted copyright infringement. I disagreed with the decision of the Ninth Circuit and immediately introduced legislation to overturn it. It is difficult to believe that the so-called Betamax decision was announced almost 10 years ago. Over the intervening years, the issue of noncommercial home taping has remained a hotly debated one.

My purpose in introducing this legislation today is the same as it was when I introduced the Betamax bill in 1981, to protect the rights of consumers to tape copyrighted material for their own non-commercial, private use. For many years I believed that this objective could best be met through a marketplace solution. But over the last two years, I have concluded that to insure fairness to all parties, including consumers, Congress needs to make some adjustments to copyright law.

In the past, I was not persuaded that analog home taping of sound recordings posed a problem significant enough to warrant Congressional intervention. But as technology has advanced dramatically, so too has the threat. And as a result, the concerns over home taping have impeded access to these new technologies. Last Congress, I introduced legislation intended to make digital audio tape (DAT) recorders more readily available to consumers. This legislation would have required a "Serial Copy Management Systems" (SCMS) for all DAT recorders. The SCMS allows taping of original prerecorded material, but prevents subsequent copies of the copied prerecorded material. The legislation was supported by the Electronics Industry Association (EIA) and the Recording Industry Association of America (RIAA) as a first step to resolving the copyright issues raised by new technologies. However, others thought that either the agreement was not comprehensive enough, that songwriters did not have enough input into the negotiations, or both.

During the hearings on the DAT bill it became apparent that a technological limitation on successive copying could not by itself solve the problem. Moreover, Congress recognized that any solution must encompass all audio recording technologies, not just DAT. With my encouragement, and that of a number of my colleagues in the Senate and House, all the interested parties, including those who supported last year's legislation and those who opposed it, agreed to work together to finally resolve this vexing problem. I applaud the spirit of cooperation and commitment shown by those who are part of the agreement which is reflected in the legislation being introduced today.

This legislation, the Audio Home Recording Act of 1991, benefits everyone. It benefits consumers by clearing the way for the introduction and distribution of a number of exciting new digital recording technologies. It benefits the music industry because it receives compensation. The agreement also removes the legal cloud that has hovered over home taping of sound recordings. Although the practice has become widespread, there are those who have argued that it was illegal under the copyright law. This legislation makes clear the private, non-commercial taping, of both analog and digital material, is permissible under the copyright law. As new and improved recording technologies become available, such clarification in the law becomes more important.

In addition, the SCMS insures that successive taping of copies of digitally taped audio material does not occur. The new digital recording technologies enable consumers to record a "digital clone" that is every bit as good as a record producer's own digital master. Therefore, repeated copying of the copies becomes more appealing. Compensation to the copyright owners and creators of the material is only paid on the original material. The further you get away from the original recording of the copyrighted material, the further away you get from our present longstanding system of compensation. SCMS prevents second and successive generations of copies of recorded works and thereby serves to protect the existing compensation scheme.

As I have stated in urging the different industries to come to agreement on this contentious issue, the electronics industry and the various organizations involved in the music industry need each other to succeed. This agreement clears the way for the electronics industry to begin distribution of new audio technologies, such as digital audio tape, digital compact cassettes, and recordable compact discs. Some of these new digital recording technologies have been available in other countries for years, but because of the question of whether their use constituted or facilitated copyright infringement, they have not been successfully distributed in the U.S.

I am very pleased that this historic agreement has been reached. It is fair, comprehensive and forward-looking. I am hopeful that this legislation will be enacted expeditiously, thereby clearing the way for consumer access to several exciting new technologies and putting this very contentious issue behind us.

I ask unanimous consent that a summary of the legislation and the legislation itself be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1623

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Audio Home Recording Act of 1991".

SEC. 2. IMPORTATION, MANUFACTURE, AND DISTRIBUTION OF DIGITAL AUDIO RECORDING DEVICES AND MEDIA.

Title 17, United States Code, is amended by adding at the end the following:

"CHAPTER 10—DIGITAL AUDIO RECORDING DEVICES AND MEDIA

"SUBCHAPTER A—DEFINITIONS, PROHIBITION OF CERTAIN INFRINGEMENT ACTIONS, AND RULES OF CONSTRUCTION

"Sec.

"1001. Definitions.

"1002. Prohibition on certain infringement actions.

"1003. Effect on other rights and remedies with respect to private home copying or otherwise.

"SUBCHAPTER B—ROYALTY PAYMENTS

"1011. Obligation to make royalty payments.

"1012. Royalty payments.

"1013. Deposit of royalty payments and deduction of expenses.

"1014. Entitlement to royalty payments.

"1015. Procedures for distributing royalty payments.

"1016. Negotiated collection and distribution arrangements.

"SUBCHAPTER C—THE SERIAL COPY MANAGEMENT SYSTEM

"1021. Incorporation of the serial copy management system.

"1022. Implementing the serial copy management system.

"SUBCHAPTER D—REMEDIES

"1031. Civil remedies.

"1032. Binding arbitration.

"SUBCHAPTER A—DEFINITIONS, PROHIBITION OF CERTAIN INFRINGEMENT ACTIONS, AND RULES OF CONSTRUCTION

"§ 1001. DEFINITIONS.

"As used in this chapter, the following terms and their variant forms mean the following:

"(1) A 'digital audio copied recording' is a reproduction in a digital recording format of a phonorecord, whether that reproduction is made directly from another phonorecord or indirectly from a transmission.

"(2) A 'digital audio interface device' is any machine or device, now known or later developed, whether or not included with or as part of some other machine or device, that supplies a digital audio signal through a nonprofessional interface, as the term 'nonprofessional interface' is used in the Digital Audio Interface Standard in part I of the technical reference document or as otherwise defined by the Secretary of Commerce under section 1022(b).

"(3) A 'digital audio recording device' is any machine or device, now known or later developed, whether or not included with or as part of some other machine or device, the recording function of which is designed or marketed for the primary purpose of, and that is capable of, making a digital audio copied recording for private use, except for—

"(A) professional model products, and

"(B) dictation machines, answering machines, and other audio recording equipment that is designed and marketed primarily for the creation of sound recordings resulting from the fixation of nonmusical sounds.

"(4)(A) A 'digital audio recording medium' is any material object, now known or later developed, in a form commonly distributed for use by individuals (such as magnetic digital audio tape cassettes, optical discs, and magneto-optical discs), that is primarily marketed or most commonly used by consumers for the purpose of making digital audio copied recordings by use of a digital audio recording device.

"(B) Such term does not include any material object—

"(i) that embodies a sound recording at the time it is first distributed by the importer or manufacturer, unless the sound recording has been so embodied in order to evade the obligations of section 1011 of this title; or

"(ii) that is primarily marketed and most commonly used by consumers either for the purpose of making copies of motion pictures or other audiovisual works or for the purpose of making copies of nonmusical literary works, including, without limitation, computer programs or data bases.

"(5) 'Distribute' means to sell, resell, lease, or assign a product to consumers in the United States, or to sell, resell, lease, or assign a product in the United States for ultimate transfer to consumers in the United States.

"(6) An 'interested copyright party' is—

"(A) the owner of the exclusive right under section 106(1) of this title to reproduce a sound recording of a musical work that has been embodied in a phonorecord lawfully made under this title that has been distributed to the public;

"(B) the legal or beneficial owner of, or the person that controls, the right to reproduce in a phonorecord a musical work that has been embodied in a phonorecord lawfully made under this title that has been distributed to the public; or

"(C) any association or other organization—

"(i) representing persons specified in subparagraph (A) or (B), or

"(ii) engaged in licensing rights in musical works to music users on behalf of writers and publishers.

"(7) An 'interested manufacturing party' is any person that imports or manufactures any digital audio recording device or digital audio recording medium in the United States, or any association of such persons.

"(8) 'Manufacture' includes the production or assembly of a product in the United States.

"(9) A 'music publisher' is a person that is authorized to license the reproduction of a particular musical work in a sound recording.

"(10)(A) A 'professional model product' is an audio recording device—

"(i) that is capable of sending a digital audio interface signal in which the channel status block flag is set as a 'professional' interface, in accordance with the standards and specifications set forth in the technical reference document or established under an order issued by the Secretary of Commerce under section 1022(b);

"(ii) that is clearly, prominently, and permanently marked with the letter 'P' or the word 'professional' on the outside of its packaging, and in all advertising, promotional, and descriptive literature, with respect to the device, that is available or provided to persons other than the manufacturer or importer, its employees, or its agents; and

"(iii) that is designed, manufactured, marketed, and intended for use by recording professionals in the ordinary course of a lawful business.

"(B) In determining whether an audio recording device meets the requirements of subparagraph (A)(iii), factors to be considered shall include—

"(i) whether it has features used by recording professionals in the course of a lawful business, including features such as—

"(I) a data collection and reporting system of error codes during recording and playback;

"(II) a record and reproduce format providing 'read after write' and 'read after read';

"(III) a time code reader and generator conforming to the standards set by the Society of Motion Picture and Television Engineers for such readers and generators; and

"(IV) a professional input/output interface, both digital and analog, conforming to standards set by audio engineering organizations for connectors, signaling formats, levels, and impedances;

"(ii) the nature of the promotional materials used to market the audio recording device;

"(iii) the media used for the dissemination of the promotional materials, including the intended audience;

"(iv) the distribution channels and retail outlets through which the device is disseminated;

"(v) the manufacturer's or importer's price for the device as compared to the manufacturer's or importer's price for digital audio recording devices implementing the Serial Copy Management System;

"(vi) the relative quantity of the device manufactured or imported as compared to the size of the manufacturer's or importer's market for professional model products;

"(vii) the occupations of the purchasers of the device; and

"(viii) the uses to which the device is put.

"(11) The 'Register' is the Register of Copyrights.

"(12) The 'Serial Copy Management System' means the system for regulating serial copying by digital audio recording devices that is set forth in the technical reference document or in an order of the Secretary of Commerce under section 1022(b), or that conforms to the requirements of section 1021(a)(1)(C).

"(13) The 'technical reference document' is the document entitled 'Technical Reference Document for Audio Home Recording Act of 1991,' as such document appears in the report of the Committee on the Judiciary to the Senate reporting favorably the bill which upon enactment made the amendment adding this chapter.

"(14)(A) The 'transfer price' of a digital audio recording device or a digital audio recording medium is—

"(i) in the case of an imported product, the actual entered value at United States Customs (exclusive of any freight, insurance, and applicable duty), and

"(ii) in the case of a domestic product, the manufacturer's transfer price (FOB the manufacturer, and exclusive of any direct sales taxes or excise taxes incurred in connection with the sale).

"(B) Where the transferor and transferee are related entities or within a single entity, the transfer price shall not be less than a reasonable arms-length price under the principles of the regulations adopted pursuant to section 482 of the Internal Revenue Code of 1986, or any successor provision to such section 482.

"(15) A 'transmission' is any audio or audiovisual transmission, now known or later developed, whether by a broadcast station, cable system, multipoint distribution service, subscription service, direct broadcast satellite, or other form of analog or digital communication.

"(16) The 'Tribunal' is the Copyright Royalty Tribunal.

"(17) A 'writer' is the composer or lyricist of a particular musical work.

"(18) The terms 'analog format', 'copyright status', 'category code', 'generation status', and 'source material', mean those terms as they are used in the technical reference document.

"§ 1002. Prohibition on certain infringement actions

"(a) CERTAIN ACTIONS PROHIBITED.—

"(1) GENERALLY.—No action may be brought under this title, or under section 337 of the Tariff Act of 1930, alleging infringement of copyright based on the manufacture, importation, or distribution of a digital audio recording device or a digital audio recording medium, or an analog audio recording device or analog audio recording medium, or the use of such a device or medium for making phonorecords. However, this subsection does not apply with respect to any claim against a person for infringement by virtue of the making of one or more copies or phonorecords for direct or indirect commercial advantage.

"(2) EXAMPLE.—For purposes of this section, the copying of a phonorecord by a consumer for private, noncommercial use is not for direct or indirect commercial advantage, and is therefore not actionable.

"(b) EFFECT OF THIS SECTION.—Nothing in this section shall be construed to create or expand a cause of action for copyright infringement except to the extent such a cause of action otherwise exists under other chapters of this title or under section 337 of the Tariff Act of 1930, or to limit any defenses that may be available to such causes of action.

"§ 1003. Effect on other rights and remedies with respect to private home copying or otherwise

"Except as expressly provided in this chapter with respect to audio recording devices and media, neither the enactment of this chapter nor anything contained in this chapter shall be construed to expand, limit, or otherwise affect the rights of any person with respect to private home copying of copyrighted works, or to expand, limit, create, or otherwise affect any other right or remedy that may be held by or available to any person under chapters 1 through 9 of this title.

SUBCHAPTER B—ROYALTY PAYMENTS

"§ 1011. Obligation to make royalty payments

"(a) PROHIBITION ON IMPORTATION AND MANUFACTURE.—No person shall import into and distribute in the United States, or manufacture and distribute in the United States, any digital audio recording device or digital audio recording medium unless such person—

"(1) records the notice specified by this section and subsequently deposits the statements of account and applicable royalty payments for such device or medium specified by this section and section 1012 of this title, or

"(2) complies with the applicable notice, statement of account, and payment obligations under a negotiated arrangement authorized pursuant to section 1016 of this title.

"(b) FILING OF NOTICE.—

"(1) GENERALLY.—The importer or manufacturer of any digital audio recording device or digital audio recording medium, within a product category or utilizing a technology with respect to which such manufacturer or importer has not previously filed a notice under this subsection, shall file a notice with the Register, no later than 45 days after the commencement of the first distribution in the United States of such device or medium, in such form as the Register shall prescribe by regulation.

"(2) CONTENTS.—Such notice shall—

"(A) set forth the manufacturer's or importer's identity and address,

"(B) identify such product category and technology, and

"(C) identify any trade or business names, trademarks, or like indicia of origin that the importer or manufacturer uses or intends to use in connection with the importation, manufacture, or distribution of such device or medium in the United States.

"(c) FILING OF QUARTERLY STATEMENTS OF ACCOUNT.—

"(1) GENERALLY.—Any importer or manufacturer that distributed during a given quarter any digital audio recording device or digital audio recording medium that it manufactured or imported shall file with the Register, in such form as the Register shall prescribe by regulation, a quarterly statement of account specifying, by product category, technology, and model, the number and transfer price of all digital audio recording devices and digital audio recording media that it distributed during such quarter.

"(2) TIMING, CERTIFICATION, AND ROYALTY PAYMENTS.—Such statement shall—

"(A) be filed no later than 45 days after the close of the period covered by the statement;

"(B) be certified as accurate by an authorized officer or principal of the importer or manufacturer;

"(C) be accompanied by the total royalty payment due for such period pursuant to section 1012 of this title.

"(3) PERIOD COVERED.—The quarterly statements of account may be filed on either a calendar or fiscal year basis, at the election of the manufacturer or importer.

"(d) FILING OF ANNUAL STATEMENTS OF ACCOUNT.—

"(1) GENERALLY.—Any importer or manufacturer that distributed during a given calendar or fiscal year (as applicable) any digital audio recording device or digital audio recording medium that it manufactured or imported shall also file with the Register a cumulative annual statement of account, in such form as the Register shall prescribe by regulation.

"(2) TIMING AND CERTIFICATION.—Such statement shall be filed no later than 60 days after the close of such calendar or fiscal year, and shall be certified as accurate by an authorized officer or principal of the importer or manufacturer.

"(3) INDEPENDENT REVIEW AND CERTIFICATION.—The annual statement of account shall be reviewed and, pursuant to generally accepted auditing standards, certified by an independent certified public accountant selected by the manufacturer or importer as fairly presenting the information contained therein, on a consistent basis and in accordance with the requirements of this chapter.

"(4) Reconciliation of royalty payment.—The cumulative annual statement of account shall be accompanied by any royalty payment due under section 1012 of this title that was not previously paid under subsection (c) of this section.

"(e) Verification.—

"(1) Generally.—

"(A) The Register shall, after consulting with interested copyright parties and interested manufacturing parties, prescribe regulations specifying procedures for the verification of statements of account filed pursuant to this section.

"(B) Such regulations shall permit interested copyright parties to select independent certified public accountants to conduct audits in order to verify the accuracy of the information contained in the statements of account filed by manufacturers and importers.

"(C) Such regulations shall also—

"(i) specify the scope of such independent audits; and

"(ii) establish a procedure by which interested copyright parties will coordinate the engagement of such independent certified public accountants, in order to ensure that no manufacturer or importer is audited more than once per year.

"(D) All such independent audits shall be conducted at reasonable times, with reasonable advance notice, and shall be no broader in scope than is reasonably necessary to carry out the purposes of this subsection in accordance with generally accepted auditing standards.

"(2) Independent certification.—The results of all such independent audits shall be certified as fairly presenting the information contained therein, on a consistent basis and in accordance with the requirements of this chapter and generally accepted auditing standards, by the certified public accountant responsible for the audit. The certification and results shall be filed with the Register.

"(3) Access to documents in event of dispute.—In the event of a dispute concerning the amount of the royalty payment due from a manufacturer or importer resulting from a verification audit conducted under this section—

"(A) any interested manufacturing party audited pursuant to this subsection, and its authorized representatives, shall be entitled to have access to all documents upon which the audit results under this subsection were based; and

"(B) any representative of an interested copyright party that has been approved by the Register under subsection (h)(2) of this section shall be entitled to have access to all documents upon which the audit results under subsection (d) of this section were based, subject to the limitations of subsection (h)(2) of this section.

"(f) Costs of Verification.—

"(1) The costs of all verification audits that are conducted pursuant to subsection (e) of this section shall be borne by interested copyright parties, except that, in the case of a verification audit of a manufacturer or importer that leads ultimately to recovery of an annual royalty underpayment of 5 percent or more of the annual payment made, the importer or manufacturer shall provide reimbursement for the reasonable costs of such audit.

"(2) Except as may otherwise be agreed by interested copyright parties, the costs of a verification audit conducted pursuant to subsection (e) of this section shall be borne by the party engaging the certified public accountant. Any recovery of royalty underpayments as a result of the audit shall be used first to provide reimbursement for the reasonable costs of such audit to the extent such costs have not otherwise been reimbursed by the manufacturer or importer pursuant to this subsection. Any remaining recovery shall be deposited with the Register pursuant to section 1013 of this title, or as may otherwise be provided by a negotiated arrangement authorized under section 1016 of this title, for distribution to interested copyright parties as though such funds were royalty payments made pursuant to this section.

"(g) Independence of Accountants.—Each certified public accountant used by interested copyright parties or interested manufacturing parties pursuant to this section shall be in good standing and shall not be financially dependent upon interested copyright parties or interested manufacturing parties, respectively. The Register may, upon petition by any interested copyright party or interested manufacturing party, prevent the use of a particular certified public accountant on the ground that such accountant does not meet the requirements of this subsection.

"(h) Confidentiality.—

"(1) Generally.—The quarterly and annual statements of account filed pursuant to subsections (c) and (d) of this section, and information disclosed or generated during verification audits conducted pursuant to subsection (e) of this section, shall be presumed to contain confidential trade secret information within the meaning of section 1905 of title 18 of the United States Code. Except as provided in paragraphs (2), (3), and (4) of this subsection, neither the Register nor any member, officer, or employee of the Copyright Office or the Tribunal, may—

"(A) publicly disclose audit information furnished under this section or information contained in quarterly or annual statements of account, except that aggregate information that does not disclose, directly or indirectly, company-specific information may be made available to the public;

"(B) use such information for any purpose other than to carry out responsibilities under this chapter; or

"(C) permit anyone (other than members, officers, and employees of the Copyright Office and the Tribunal who require such information in the performance of duties under this chapter) to examine such information.

"(2) Procedures for access to be prescribed by register.—(A) The Register, after consulting with interested manufacturing parties and interested copyright parties, shall prescribe procedures for disclosing, in confidence, to representatives of interested copyright parties and representatives of interested manufacturing parties information contained in quarterly and annual statements of account and information generated as a result of verification audits.

"(B) Such procedures shall provide that only those representatives of interested copyright parties and interested manufacturing parties who have been approved by the Register shall have access to such information, and that all such representatives shall be required to sign a certification limiting the use of the information to—

"(i) verification functions under this section, and

"(ii) any enforcement actions that may result from such verification procedures.

"(3) Access by audited manufacturer.—Any interested manufacturing party that is audited pursuant to subsection (e) of this section, and its authorized representatives, shall be entitled to have access to all documents filed with the Register as a result of such audit.

"(4) Access by congress.—Nothing in this section shall authorize the withholding of information from the Congress.

"§ 1012. Royalty payments

"(a) Digital Audio Recording Devices.—

"(1) The royalty payment due under section 1011 of this title for each digital audio recording device imported into and distributed in the United States, or manufactured and distributed in the United States, shall be 2 percent of the transfer price. However, only the first person to manufacture and distribute or import and distribute such device shall be required to pay the royalty with respect to such device.

"(2) With respect to a digital audio recording device first distributed in combination with one or more devices, either as a physically integrated unit or as separate components, the royalty payment shall be calculated as follows:

"(A) If the digital audio recording device and such other devices are part of a physically integrated unit, the royalty payment shall be based on the transfer price of the unit, but shall be reduced by any royalty payment made on any digital audio recording device included within the unit that was not first distributed in combination with the unit.

"(B) If the digital audio recording device is not part of a physically integrated unit and substantially similar devices have been distributed separately at any time during the preceding 4 quarters, the royalty payment shall be based on the average transfer price of such devices during those 4 quarters.

"(C) If the digital audio recording device is not part of a physically integrated unit and substantially similar devices have not been distributed separately at any time during the preceding 4 quarters, the royalty payment shall be based on a constructed price reflecting the proportional value of such device to the combination as a whole.

"(3) Notwithstanding paragraph (1) or (2) of this subsection, the amount of the royalty payment for each digital audio recording device or physically integrated unit containing a digital audio recording device shall not be less than $1 nor more than the royalty maximum. The royalty maximum shall be $8 per device, except that for a physically integrated unit containing more than one digital audio recording device, the royalty maximum for such unit shall be $12. During the 6th year after the effective date of this chapter, and no more than once each year thereafter, any interested copyright party may petition the Tribunal to increase the royalty maximum and, if more than 20 percent of the royalty payments are at the relevant royalty maximum, the Tribunal shall prospectively increase such royalty maximum with the goal of having no more than 10 percent of such payments at the new royalty maximum.

"(b) Digital Audio Recording Media.—The royalty payment due under section 1011 of this title for each digital audio recording medium imported into and distributed in the United States, or manufactured and distributed in the United States, shall be 3 percent of the transfer price. However, only the first person to manufacture and distribute or import and distribute such medium shall be required to pay the royalty with respect to such medium.

"(c) Returned or Exported Merchandise.—

"(1) In calculating the amount of royalty payments due under subsections (a) and (b) of this section, manufacturers and importers may deduct the amount of any royalty payments already made on digital audio recording devices or media that are—

"(A) returned to the manufacturer or importer as unsold or defective merchandise; or

"(B) exported by the manufacturer or importer or a related person.

"(2) Any such credit shall be taken during the period when such devices or media are returned or exported, and the basis for any such credit shall be set forth in the statement of account for such period filed under section 1011(c) of this title.

"(3) Any such credit that is not fully used during such period may be carried forward to subsequent periods. If any returned or exported merchandise for which a credit has been taken is subsequently distributed, a royalty payment shall be made as specified under subsection (a) or (b) of this section, based on the transfer price applicable to such distribution.

"§ 1013. Deposit of royalty payments and deduction of expenses

"The Register shall receive all royalty payments deposited under this chapter and, after deducting the reasonable costs incurred by the Copyright Office under this chapter, shall deposit the balance in the Treasury of the United States, in such manner as the Secretary of the Treasury directs. All funds held by the Secretary of the Treasury shall be invested in interest-bearing United States securities for later distribution with interest under section 1014, 1015, or 1016 of this title. The Register shall submit to the Copyright Royalty Tribunal, on a quarterly basis, such information as the Tribunal shall require to perform its functions under this chapter.

"§ 1014. Entitlement to royalty payments

"(a) INTERESTED COPYRIGHT PARTIES.—The royalty payments deposited pursuant to section 1013 of this title shall, in accordance with the procedures specified in section 1015 or 1016 of this title, be distributed to any interested copyright party—

"(1) whose musical work or sound recording has been—

"(A) embodied in phonorecords lawfully made under this title that have been distributed to the public, and

"(B) distributed to the public in the form of phonorecords or disseminated to the public in transmissions, during the period to which such payments pertain; and

"(2) who has filed a claim under section 1015 or 1016 of this title.

"(b) ALLOCATION OF ROYALTY PAYMENTS TO GROUPS.—The royalty payments shall be divided into two funds as follows:

"(1) THE SOUND RECORDINGS FUND.—66⅔ percent of the royalty payments shall be allocated to the Sound Recordings Fund. The American Federation of Musicians (or any successor entity) shall receive 2⅝ percent of the royalty payments allocated to the Sound Recordings Fund for the benefit of nonfeatured musicians who have performed on sound recordings distributed in the United States. The American Federation of Television and Radio Artists (or any successor entity) shall receive 1⅜ percent of the royalty payments allocated to the Sound Recordings Fund for the benefit of nonfeatured vocalists who have performed on sound recordings distributed in the United States. The remaining royalty payments in the Sound Recordings Fund shall be distributed to claimants under subsection (a) of this section who are interested copyright parties under section 1001(a)(6)(i) of this title. Such claimants shall allocate such royalty payments, on a per sound recording basis, in the following manner: 40 percent to the recording artist or artists featured on such sound recordings (or the persons conveying rights in the artists' performances in the sound recordings), and 60 percent to the interested copyright parties.

"(2) THE MUSICAL WORKS FUND.—

"(A) 33⅓ percent of the royalty payments shall be allocated to the Musical Works Fund for distribution to interested copyright parties whose entitlement is based on legal or beneficial ownership or control of a copyright in a musical work.

"(B) Notwithstanding any contractual obligation to the contrary—

"(i) music publishers shall be entitled to 50 percent of the royalty payments allocated to the Musical Works Fund, and

"(ii) writers shall be entitled to the other 50 percent of the royalty payments allocated to the Musical Works Fund.

"(c) ALLOCATION OF ROYALTY PAYMENTS WITHIN GROUPS.—If all interested copyright parties within a group specified in subsection (b) of this section do not agree on a voluntary proposal for the distribution of the royalty payments within such group, the Tribunal shall, pursuant to the procedures specified in section 1015(c) of this title, allocate such royalty payments based on the extent to which, during the relevant period—

"(1) for the Sound Recordings Fund, each sound recording was distributed to the public in the form of phonorecords; and

"(2) for the Musical Works Fund, each musical work was distributed to the public in the form of phonorecords or disseminated to the public in transmissions.

"§ 1015. Procedures for distributing royalty payments

"(a) FILING OF CLAIMS AND NEGOTIATIONS.—

"(1) During the first 2 months of each calendar year after the calendar year in which this chapter takes effect, every interested copyright party that is entitled to royalty payments under section 1014 of this title shall file with the Tribunal a claim for payments collected during the preceding year in such form and manner as the Tribunal shall prescribe by regulation.

"(2) All interested copyright parties within each group specified in section 1014(b) of this title shall negotiate in good faith among themselves in an effort to agree to a voluntary proposal for the distribution of royalty payments. Notwithstanding any provision of the antitrust laws, for purposes of this section such interested copyright parties may agree among themselves to the proportionate division of royalty payments, may lump their claims together and file them jointly or as a single claim, or may designate a common agent to receive payment on their behalf; except that no agreement under this subsection may vary the division of royalties specified in section 1014(b) of this title.

"(b) DISTRIBUTION OF PAYMENTS IN THE ABSENCE OF A DISPUTE.—Within 30 days after the period established for the filing of claims under subsection (a) of this section, in each year after the year in which this section takes effect, the Tribunal shall determine whether there exists a controversy concerning the distribution of royalty payments under section 1014(c) of this title. If the Tribunal determines that no such controversy exists, it shall authorize the distribution of the royalty payments as set forth in the agreements regarding the distribution of royalty payments entered into pursuant to subsection (a) of this section, after deducting its reasonable administrative costs under this section.

"(c) RESOLUTION OF DISPUTES.—If the Tribunal finds the existence of a controversy, it shall, pursuant to chapter 8 of this title, conduct a proceeding to determine the distribution of royalty payments. During the pendency of such a proceeding, the Tribunal shall withhold from distribution an amount sufficient to satisfy all claims with respect to which a controversy exists, but shall, to the extent feasible, authorize the distribution of any amounts that are not in controversy.

"§ 1016. Negotiated collection and distribution arrangements

"(a) SCOPE OF PERMISSIBLE NEGOTIATED ARRANGEMENTS.—

"(1) Notwithstanding sections 1011 through 1015 of this title, interested copyright parties and interested manufacturing parties may at any time negotiate among or between themselves an alternative system for the collection, distribution, or verification of royalty payments provided for in this chapter.

"(2) Such a negotiated arrangement may vary the collection, distribution, and verification procedures and requirements that would otherwise apply, including the time periods for payment and distribution of royalties, but shall not alter the royalty rates specified in section 1012(a)(1) or (b) of this title, the division of royalty payments specified in section 1014(b) of this title, or the notice requirement of section 1011(b) of this title.

"(3) Such a negotiated arrangement may also provide that specified types of disputes that cannot be resolved among the parties shall be resolved by binding arbitration or other agreed upon means of dispute resolution. Notwithstanding any provision of the antitrust laws, for purposes of this section interested manufacturing parties and interested copyright parties may agree among themselves as to the collection, allocation, distribution, and verification of royalty payments, and may designate common agents to negotiate and carry out such activities on their behalf.

"(b) IMPLEMENTATION OF A NEGOTIATED ARRANGEMENT.—(1)(A) No negotiated arrangement shall go into effect under this section until the Tribunal has determined, after full opportunity for comment, that the participants in the negotiated arrangement include—

"(i) at least two-thirds of all individual interested copyright parties that are entitled to receive royalty payments from the Sound Recordings Fund,

"(ii) at least two-thirds of all individual interested copyright parties that are entitled to receive royalty payments from the Musical Works Fund as music publishers, and

"(iii) at least two-thirds of all individual interested copyright parties that are entitled to receive royalty payments from the Musical Works Fund as writers.

"(B) For purposes of subparagraph (A) of this paragraph, the determination as to two-thirds participation shall be based on annual retail sales of phonorecords in which musical works or sound recordings of musical works are embodied. One or more organizations representing any of the types of individual interested copyright parties specified in the first sentence of this subsection shall be presumed to represent two-thirds of that type of interested copyright party if the membership of, or other participation in, such organization or organizations includes two-thirds of that type of interested copyright party based on annual retail sales of phonorecords in which musical works or sound recordings of musical works are embodied.

"(2) Notwithstanding the existence of a negotiated arrangement that has gone into effect under this subsection—

"(A) any interested manufacturing party that is not a party to such negotiated arrangement may fully satisfy its obligations under this subchapter by complying with the procedures set forth in section 1011 of this title; and

"(B) the Tribunal shall ensure that alternative distribution procedures are available for any interested copyright party that is not a party to such negotiated arrangement.

"(c) MAINTENANCE OF JURISDICTION BY TRIBUNAL.—Where a negotiated arrangement has gone into effect under this section, the Tribunal shall maintain jurisdiction to hear and address any objections to the arrangement that may arise while it is in effect, and to ensure the availability of alternative procedures for any interested manufacturing party or interested copyright party that is not a participant in the negotiated arrangement.

"SUBCHAPTER C—THE SERIAL COPY MANAGEMENT SYSTEM

"§1021. Incorporation of the serial copy management system

"(a) PROHIBITION ON IMPORTATION, MANUFACTURE, AND DISTRIBUTION.—

"(1) No person shall import, manufacture, or distribute any digital audio recording device or any digital audio interface device that does not conform to the standards and specifications to implement the Serial Copy Management System that are—

"(A) set forth in the technical reference document;

"(B) set forth in an order by the Secretary of Commerce under section 1022(b) (1), (2), or (3) of this title; or

"(C) in the case of a digital audio recording device other than a device defined in part II of the technical reference document or in an order issued by the Secretary pursuant to section 1022(b) of this title, established by the manufacturer (or, in the case of a proprietary technology, the proprietor of such technology) so as to achieve the same functional characteristics with respect to regulation of serial copying as, and to be compatible with the prevailing method for implementation of, the Serial Copy Management System set forth in the technical reference document or in any order of the Secretary issued under section 1022 of this title.

"(2) If the Secretary of Commerce approves standards and specifications under section 1022(b)(4) of this title, then no person shall import, manufacture, or distribute any digital audio recording device or any digital audio interface device that does not conform to such standards and specifications.

"(b) PROHIBITION ON CIRCUMVENTION OF THE SERIAL COPY MANAGEMENT SYSTEM.—No person shall import, manufacture, or distribute any device, or offer or perform any service, the primary purpose or effect of which is to avoid, bypass, remove, deactivate, or otherwise circumvent any program or circuit which implements, in whole or in part, the Serial Copy Management System in a digital audio recording device or a digital audio interface device.

"(c) ENCODING OF INFORMATION ON PHONORECORDS.—(1) No person shall encode a phonorecord of a sound recording with inaccurate information relating to the category code, copyright status, or generation status of the source material so as improperly to affect the operation of the Serial Copy Management System.

"(2) Nothing in this subchapter requires any person engaged in the importation, manufacture, or assembly of phonorecords to encode any such phonorecord with respect to its copyright status.

"(d) INFORMATION ACCOMPANYING TRANSMISSIONS IN DIGITAL FORMAT.—Any person who transmits or otherwise communicates to the public any sound recording in digital format is not required under this subchapter to transmit or otherwise communicate the information relating to the copyright status of the sound recording. However, any such person who does transmit or otherwise communicate such copyright status information shall transmit or communicate such information accurately.

"§1022. Implementing the serial copy management system

"(a) PUBLICATION OF TECHNICAL REFERENCE DOCUMENT.—Within 10 days after the date of the enactment of this chapter, the Secretary of Commerce shall cause the technical reference document to be published in the Federal Register.

"(b) ORDERS OF SECRETARY OF COMMERCE.—The Secretary of Commerce, upon petition by an interested manufacturing party or an interested copyright party, and after consultation with the Register, may, if the Secretary determines that to do so is in accordance with the purposes of this chapter, issue an order to implement the Serial Copy Management System set forth in the technical reference document as follows:

"(1) FUNCTIONALLY EQUIVALENT ALTERNATIVES.—The Secretary may issue an order for the purpose of permitting in commerce devices that do not conform to all of the standards and specifications set forth in the technical reference document, if the Secretary determines that such devices possess the same functional characteristics with respect to regulation of serial copying as, and are compatible with the prevailing method for implementation of, the Serial Copy Management System set forth in the technical reference document.

"(2) REVISED GENERAL STANDARDS.—The Secretary may issue an order for the purpose of permitting in commerce devices that do not conform to all of the standards and specifications set forth in the technical reference document, if the Secretary determines that—

"(A) the standards and specifications relating generally to digital audio recording devices and digital audio interface devices have been or are being revised or otherwise amended or modified such that the standards and specifications set forth in the technical reference document are not or would no longer be applicable or appropriate; and

"(B) such devices conform to such new standards and specifications and possess the same functional characteristics with respect to regulation of serial copying as the Serial Copy Management System set forth in the technical reference document.

"(3) STANDARDS FOR NEW DEVICES.—The Secretary may issue an order for the purpose of—

"(A) establishing whether the standards and specifications established by a manufacturer or proprietor for digital audio recording devices other than devices defined in part II of the technical reference document or a prior order of the Secretary under paragraph (1) or (2) of this subsection comply with the requirements of subparagraph (C) of section 1021(a)(1) of this title; or

"(B) establishing alternative standards or specifications in order to ensure compliance with such requirements.

"(4) MATERIAL INPUT TO DIGITAL DEVICE THROUGH ANALOG CONVERTER.—

"(A) GENERALLY.—Except as provided in subparagraphs (B) through (D), the Secretary, after publication of notice in the Federal Register and reasonable opportunity for public comment, may issue an order for the purpose of approving standards and specifications for a technical method implementing in a digital audio recording device the same functional characteristics as the Serial Copy Management System so as to regulate the serial copying of source material input through an analog converter in a manner equivalent to source material input in the digital format.

"(B) COST LIMITATION.—The order may not impose a total cost burden on manufacturers of digital audio recording devices, for implementing the Serial Copy Management System and the technical method prescribed in such order, in excess of 125 percent of the cost of implementing the Serial Copy Management System before the issuance of such order.

"(C) CONSIDERATION OF OTHER OBJECTIONS.—The Secretary shall consider other reasoned objections from any interested manufacturing party or interested copyright party.

"(D) LIMITATION TO DIGITAL AUDIO DEVICES.—The order shall not affect the recording of any source material on analog recording equipment and the order shall not impose any restrictions or requirements that must be implemented in any device other than a digital audio recording device or digital audio interface device.

"SUBCHAPTER D—REMEDIES

"§1031. Civil remedies

"(a) CIVIL ACTIONS.—Any interested copyright party or interested manufacturing party that is or would be injured by a violation of section 1011 or 1021 of this title, or the Attorney General of the United States, may bring a civil action in an appropriate United States district court against any person for such violation.

"(b) POWERS OF THE COURT.—In an action brought under subsection (a) of this section, the court—

"(1) except as provided in subsection (h) of this section, may grant temporary and permanent injunctions on such terms as it deems reasonable to prevent or restrain such violation;

"(2) in the case of a violation of section 1011 (a) through (d) or 1021 of this title, shall award damages under subsection (d) of this section;

"(3) in its discretion may allow the recovery of full costs by or against any party other than the United States or an officer thereof;

"(4) in its discretion may award a reasonable attorney's fee to the prevailing party as part of the costs awarded under paragraph (3) if the court finds that the nonprevailing party has not proceeded in good faith; and

"(5) may grant such other equitable relief as it deems reasonable.

"(c) RECOVERY OF OVERDUE ROYALTY PAYMENTS.—In any case in which the court finds that a violation of section 1011 of this title involving nonpayment or underpayment of royalty payments has occurred, the violator shall be directed to pay, in addition to damages awarded under subsection (d) of this section, any such royalties due, plus interest calculated as provided under section 1961 of title 28, United States Code.

"(d) AWARD OF DAMAGES.—

"(1) SECTION 1011.—

"(A) DEVICE.—In the case of a violation of section 1011(a) through (d) of this title involving a digital audio recording device, the court shall award statutory damages in an amount between a nominal level and $100 per device, as the court considers just.

"(B) MEDIUM.—In the case of a violation of section 1011(a) through (d) of this title involving a digital audio recording medium, the court shall award statutory damages in an amount between a nominal level and $4 per medium, as the court considers just.

"(2) SECTION 1021.—In any case in which the court finds that a violation of section 1021 of this title has occurred, the court shall award damages calculated, at the election of the complaining party at any time before final judgment is rendered, pursuant to subparagraph (A) or (B) of this paragraph, but in no event shall the judgment (excluding any award of actual damages to an interested manufacturing party) exceed a total of $1,000,000:

"(A) ACTUAL DAMAGES.—A complaining party may recover its actual damages suffered as a result of the violation and any profits of the violator that are attributable to the violation that are not taken into account in computing the actual damages. In determining the violator's profits, the complaining party is required to prove only the violator's gross revenue, and the violator is required to prove its deductible expenses and the elements of profit attributable to factors other than the violation.

"(B) STATUTORY DAMAGES.—

"(i) DEVICE.—A complaining party may recover an award of statutory damages for each violation of section 1021(a) or (b) of this title in the sum of not less than $1,000 nor more than $10,000 per device involved in such violation or per device on which a service prohibited by section 1021(b) of this title has been performed, as the court considers just.

"(ii) PHONORECORD.—A complaining party may recover an award of statutory damages for each violation of section 1021(c) of this title in the sum of not less than $10 nor more than $100 per phonorecord involved in such violation, as the court considers just.

"(iii) TRANSMISSION.—A complaining party may recover an award of damages for each transmission or communication that violates section 1021(d) of this title in the sum of not less than $10,000 nor more than $100,000, as the court considers just.

"(3) WILLFUL VIOLATIONS.—

"(A) In any case in which the court finds that a violation of section 1011(a) through (d) of this title was committed willfully and for purposes of direct or indirect commercial advantage, the court shall increase statutory damages—

"(i) for a violation involving a digital audio recording device, to a sum of not less than $100 nor more than $500 per device; and

"(ii) for a violation involving a digital audio recording medium, to a sum of not less than $4 nor more than $15 per medium, as the court considers just.

"(B) In any case in which the court finds that a violation of section 1021 of this title was committed willfully and for purposes of direct or indirect commercial advantage, the court in its discretion may increase the award of damages by an additional amount of not more than $5,000,000, as the court considers just.

"(4) INNOCENT VIOLATIONS OF SECTION 1021.—The court in its discretion may reduce the total award of damages against a person violating section 1021 of this title to a sum of not less than $250 in any case in which the court finds that—

"(A) the violator was not aware and had no reason to believe that its acts constituted a violation of section 1021 of this title, or

"(B) in the case of a violation of section 1021(a) of this title involving a digital audio recording device, the violator believed in good faith that the device complied with section 1021(a)(1)(C) of this title, except that this subparagraph shall not apply to any damages awarded under subsection (d)(2)(A) of this section.

"(e) MULTIPLE ACTIONS.—

"(1) GENERALLY.—No more than one action shall be brought against any party and no more than one award of statutory damages under subsection (d) of this section shall be permitted—

"(A) for any violations of section 1011 of this title involving the same digital audio recording device or digital audio recording medium; or

"(B) for any violations of section 1021 of this title involving digital audio recording devices or digital audio recording media of the same model, except that this subparagraph shall not bar an action or an award of damages with respect to digital audio recording devices or digital audio recording media that are imported, manufactured, or distributed subsequent to a final judgment in a prior action.

"(2) NOTICE AND INTERVENTION.—Any complaining party who brings an action under this section shall serve a copy of the complaint upon the Register within 10 days after the complaining party's service of a summons upon a defendant. The Register shall cause a notice of such action to be published in the Federal Register within 10 days after receipt of such complaint. The court shall permit any other interested copyright party or interested manufacturing party entitled to bring the action under section 1031(a) of this title who moves to intervene within 30 days after the publication of such notice to intervene in the action.

"(3) AWARD.—

"(A) GENERALLY.—Except as provided in subparagraph (B), the court may award recovery of actual damages for a violation of section 1021 of this title pursuant to subsection (d)(2)(A) of this section to each complaining party in an action who elects to recover actual damages.

"(B) LIMITATIONS.—

"(i) If more than one complaining party elects to recover actual damages pursuant to subsection (d)(2)(A) of this section, only a single award of the violator's profits shall be made, which shall be allocated as the court considers just.

"(ii) If any complaining interested copyright party or parties elect to recover statutory damages pursuant to subsection (d)(2) of this section in an action in which one or more other complaining interested copyright parties have elected to recover actual damages, the single award of statutory damages permitted pursuant to paragraph (1) of this subsection shall be reduced by the total amount of actual damages awarded to interested copyright parties pursuant to subsection (d)(2)(A) of this section.

"(f) PAYMENT OF OVERDUE ROYALTIES AND DAMAGES.—The court may allocate any award of damages under subsection (d) of this section between or among complaining parties as it considers just. Any award of damages that is allocated to an interested copyright party and any award of overdue royalties and interest under subsection (c) of this section shall be deposited with the Register pursuant to section 1013 of this title, or as may otherwise be provided pursuant to a negotiated arrangement authorized under section 1016 of this title, for distribution to interested copyright parties as though such funds were royalty payments made pursuant to section 1011 of this title.

"(g) IMPOUNDING OF ARTICLES.—At any time while an action under this section is pending, the court may order the impounding, on such terms as it deems reasonable, of any digital audio recording device, digital audio interface device, phonorecord, or device specified in section 1021(b) of this title that is in the custody or control of the alleged violator and that the court has reasonable cause to believe does not comply with, or was involved in a violation of, section 1021 of this title.

"(h) LIMITATIONS REGARDING PROFESSIONAL MODELS AND OTHER EXEMPT DEVICES.—Unless a court finds that the determination by a manufacturer or importer that a device fits within the exemption of subparagraph (A) or (B) of section 1001(3) of this title was without a reasonable basis or not in good faith, the court shall not grant a temporary or preliminary injunction against the distribution of such device by the manufacturer or importer.

"(i) REMEDIAL MODIFICATION AND DESTRUCTION OF ARTICLES.—As part of a final judgment or decree finding a violation of section 1021 of this title, the court shall order the remedial modification, if possible, or the destruction of any digital audio recording device, digital audio interface device, phonorecord, or device specified in section 1021(b) of this title that—

"(1) does not comply with, or was involved in a violation of, section 1021 of this title, and

"(2) is in the custody or control of the violator or has been impounded under subsection (g) of this section.

"(j) DEFINITIONS.—For purposes of this section—

"(1) the term 'complaining party' means an interested copyright party, interested manufacturing party, or the Attorney General of the United States when one of these parties has initiated or intervened as a plaintiff in an action brought under this section; and

"(2) the term 'device' does not include a phonorecord.

"§ 1032. Binding arbitration

"(a) DISPUTES TO BE ARBITRATED.—Any dispute between an interested manufacturing party and an interested copyright party shall be resolved through binding arbitration, in accordance with the provisions of this section, if—

"(1) the parties mutually agree; or

"(2) before the date of first distribution in the United States of the product which is the subject of the dispute, an interested manufacturing party or an interested copyright party requests arbitration concerning whether such product is or is not a digital audio recording device, a digital audio recording medium, or a digital audio interface device, or concerning the basis on which royalty payments are to be made with respect to such product.

"(b) ARBITRAL PROCEDURES.—

"(1) REGULATIONS FOR COORDINATION OF ARBITRATION.—The Register shall, after consulting with interested copyright parties, prescribe regulations establishing a procedure by which interested copyright parties will coordinate decisions and representation concerning the arbitration of disputes. No interested copyright party shall have the authority to request, agree to, or (except as an intervenor pursuant to subsection (c) of this section) enter into, binding arbitration unless that party shall have been authorized to do so pursuant to the regulations prescribed by the Register.

"(2) PANEL.—Except as otherwise agreed by the parties to a dispute that is to be submitted to binding arbitration under subsection (a) of this section, the dispute shall be heard by a panel of three arbitrators, with one arbitrator selected by each of the two sides to the dispute and the third arbitrator selected by mutual agreement of the first two arbitrators chosen.

"(3) DECISION.—The arbitral panel shall render its final decision concerning the dispute, in a written opinion explaining its reasoning, within 120 days after the date on which the selection of arbitrators has been concluded. The Register shall cause to be published in the Federal Register the written opinion of the arbitral panel within 10 days after receipt thereof.

"(4) TITLE 9 PROVISIONS TO GOVERN.—Except to the extent inconsistent with this section, any arbitration proceeding under this section shall be conducted in the same manner, subject to the same limitations, carried out with the same powers (including the power to summon witnesses), and enforced in the courts of the United States as an arbitration proceeding under title 9, United States Code.

"(5) PRECEDENTS.—In rendering a final decision, the arbitral panel shall take into account any final decisions rendered in prior proceedings under this section that address identical or similar issues; and failure of the arbitral panel to take account of such prior decisions may be considered imperfect execution of arbitral powers under section 10(a)(4) of title 9, United States Code.

"(c) NOTICE AND RIGHT TO INTERVENE.—Any interested copyright party or interested manufacturing party that requests an arbitral proceeding under this section shall provide the Register with notice concerning the parties to the dispute and the nature of the dispute within 10 days after formally requesting arbitration under subsection (a) of this section. The Register shall cause a summary of such notice to be published in the Federal Register within 10 days after receipt of such notice. The arbitral panel shall permit any other interested copyright party or interested manufacturing party who moves to intervene within 20 days after such publication to intervene in the action.

"(d) AUTHORITY OF ARBITRAL PANEL TO ORDER RELIEF.—

"(1) TO PROTECT PROPRIETARY INFORMATION.—The arbitral panel shall issue such orders as are appropriate to protect the proprietary technology and information of parties to the proceeding, including provision for injunctive relief in the event of a violation of such order.

"(2) TO TERMINATE PROCEEDING.—The arbitral panel shall terminate any proceeding that it has good cause to believe has been commenced in bad faith by a competitor in order to gain access to proprietary information. The panel shall also terminate any proceeding that it believes has been commenced before the technology or product at issue has been sufficiently developed or defined to permit an informed decision concerning the applicability of this chapter to such technology or product.

"(3) TO ORDER RELIEF.—In any case in which the arbitral panel finds, with respect to devices or media that were the subject of the dispute, that royalty payments have been or will be due under section 1011 of this title through the date of the arbitral decision, the panel shall order the deposit of such royalty payments pursuant to section 1013 of this title, plus interest calculated as provided under section 1961 of title 28, United States Code. The arbitral panel shall not award monetary or injunctive relief, as provided in section 1031 of this title or otherwise, except as is expressly provided in this subsection.

"(e) EFFECT OF ARBITRATION PROCEEDING ON CIVIL ACTIONS AND REMEDIES.—Notwithstanding any provision of section 1031 of this title, no civil action may be brought or relief granted under section 1031 of this title against any party to an ongoing or completed arbitration proceeding under this section, with respect to devices or media that are the subject of such an arbitration proceeding. However, this subsection does not bar—

"(1) an action for injunctive relief at any time based on a violation of section 1021 of this title; or

"(2) an action or any relief with respect to those devices or media distributed by their importer or manufacturer following the conclusion of such arbitration proceeding, or, if so stipulated by the parties, prior to the commencement of such proceeding.

"(f) ARBITRAL COSTS.—Except as otherwise agreed by the parties to a dispute, the costs of an arbitral proceeding under this section shall be divided among the parties in such fashion as is considered just by the arbitral panel at the conclusion of the proceeding. Each party to the dispute shall bear its own attorney fees unless the arbitral panel determines that a nonprevailing party has not proceeded in good faith and that, as a matter of discretion, it is appropriate to award reasonable attorney's fees to the prevailing party.".

SEC. 3. TECHNICAL AMENDMENTS.

(a) Functions of Register.—Chapter 8 of title 17, United States Code is amended—

(1) in section 801(b)—

(A) by striking "and" at the end of paragraph (2);

(B) by striking the period at the end of paragraph (3) and inserting "; and"; and

(C) by adding the following new paragraph at the end:

"(4) to distribute royalty payments deposited with the Register of Copyrights under section 1014, to determine, in cases where controversy exists, the distribution of such payments, and to carry out its other responsibilities under chapter 10"; and

(2) in section 804(d)—

(A) by inserting "or (4)" after "801(b)(3)"; and

(B) by striking "or 119" and inserting "119, 1015, or 1016".

(b) DEFINITIONS.—Section 101 of title 17, United States Code, is amended by striking "As used" and inserting "Except as otherwise provided in this title, as used".

(c) MASK WORKS.—Section 912 of title 17, United States Code, is amended—

(1) in subsection (a) by inserting "or 10" after "8"; and

(2) in subsection (b) by inserting "or 10" after "8".

SEC. 4. EFFECTIVE DATE.

This Act, and the amendments made by this Act, shall take effect on the date of the enactment of this Act or January 1, 1992, whichever date is later.

KEY ELEMENTS OF DIGITAL HOME TAPING LEGISLATION

(1) The legislation provides for an exemption from copyright infringement liability for a consumer for digital and analog audio taping for private, noncommercial use.

(2) The legislative provisions discussed below apply to all digital audio recording technologies (DAT, DCC, Mini Disc, CD–R, etc.).

(3) All digital audio recorders imported for sale or manufactured in the U.S., except professional models, must contain the Serial Copy Management System (SCMS) to prevent the making of digital copies of copies.

(4) Importers and domestic manufacturers will make royalty payments as follows:

For digital audio recorders, 2% of the manufacturer's wholesale price or customs value with an $8 cap per unit and a $1 minimum payment per machine; for machines that have two recorders the cap is $12; Both the $12 and $8 cap is adjustable upwards after five years—the floor is fixed.

Digital audio blank media, 3% of the manufacturer's wholesale price or customs value.

(5) The royalties would be collected by the Copyright Office and distributed by the Copyright Royalty Tribunal as follows: one-third to the owners of the copyright in the musical work and two-thirds to the owners of the copyright in the sound recording.

Those funds would be further allocated.

Musical works funds: 50%—songwriter; 50%—music publishers.

Sound Recording fund: 38%—featured artist; 2⅝%—American Federation of Television and Radio Artists; 58%—record companies.•

• Mr. HATCH. Mr. President, I am pleased to join with my colleagues today to introduce the Audio Home Recording Act of 1991. This legislation represents an agreement among all segments of the music industry of a highly contentious issue that has divided them for years. For many of us in Congress, it also identifies a solution that we have urged for many years to resolve this issue. I am particularly pleased that the parties themselves have been able to agree to a solution without the Federal Government having to impose a remedy. It is preferable that business and industry negotiate solutions to their problems rather than look to Congress to solve them. Government is better able then to fulfill its important function of protecting the public interest while encouraging marketplace solutions to business problems.

We must preserve the U.S. status as the world's leader in ideas and innovations. We lead the world in technological innovations and creativity, and we are foremost in the area of creating entertainment—books, art, movies, and music. Our intellectual property laws have fostered an environment in which people are encouraged to engage in, and are rewarded for, their creative efforts.

I have devoted a great deal of my time in the last few years to ensuring that our system of intellectual property protection is adequate to both protect creative works and to provide adequate incentives for our creators to continue their efforts. As ranking member of the Senate Subcommittee on Patents, Copyrights and Trademarks, I have introduced or been actively involved in legislation to protect process patents, to conform our copyright laws to international copyright treaties in order to allow the United States to join the Berne Convention, to enact a major reform of our trademark laws, to protect against unauthorized use of computer software, and to raise the level of intellectual property protection overseas.

One issue, however, that we have been unable to resolve is the issue of how the copyright law should deal with private noncommercial taping of sound recordings. I have favored creating a system of royalties that would compensate copyright owners and artists for royalties they lose because of lost sales. Others have argued that such a system should only be created if there is proof that home taping does indeed result in lost sales for sound recordings. Until the agreement that is the basis for this legislation was reached, the issue had proven to be unresolvable.

The primary beneficiary of the agreement that this legislation embodies is the American music consumer. The dispute between the hardware manufacturers and the music industry has prevented listeners from accessing the latest technologies. Unlike most of the rest of the world, most U.S. music fans have been unable to buy digital audiotape equipment and prerecorded digital audiotape. Newer technologies such as mini-compact disks, digital audiocassettes and recordable compact disks are on the horizon, but their availability has been threatened and the availability of compatible software to play on them has been stalled by this dispute. The legislation we are introducing today clears the way for these exciting new technologies to become widely available to American consumers.

The legislation benefits all segments of the music software and hardware industry. Electronics manufacturers will be able to introduce new recording technologies without worrying about the possibility of copyright infringements suits and with the knowledge that copyrighted material will be made available in the new digital formats. Copyright owners, songwriters, musicians, and performers will be compensated through a royalty system for the use of the copyrighted material. In addition, the bill also requires the use of a serial code management system [SCMS] to prevent serial copying of copyrighted material. The SCMS allows unlimited copying of original source material, but prevents the copying of copies.

The legislation we introduce today is comprehensive and flexible insofar as it will apply to all digital recording technologies. I am pleased that the parties were able to agree to a prospective solution that will encompass all digital recording technologies.

Mr. President, I believe that this legislation is a fair solution to a complicated problem. It has benefits for all involved, including, first and foremost, the consumer. I look forward to expeditious hearings in the Subcommittee on Patents, Copyrights and Trademarks and to working with my colleagues to perfect the legislation and enact it into law.●

● Mr. KENNEDY. Mr. President, I am pleased to join as an original sponsor of the Digital Audio Recording Act of 1991 and I commend Senator DECONCINI for his leadership in developing this worthwhile compromise. The legislation has broad support from the creative artist and manufacturing sides of the recording industry, and will ensure American consumers continued access to digital audio recording technologies, while leaving analog recording unaffected.

This legislation improves upon the flawed digital audio tape bill introduced in the 101st Congress and referred to the Commerce Committee. The negotiations leading to the current bill reflect the work of creative artists and composers as full partners throughout its development. It is clear that creative rights should not be sacrificed for industry profits from high technology, and I am satisfied that this legislation takes account of the protections due the Nation's artists.

In recent years, songwriters, music publishers and other copyright holders have been legitimately concerned that the availability of digital audio recorder technology in the United States would lead to an intolerable situation where they would receive little or no royalties for their work. The objections of creative artists focused on the fact that the recorders, which play original digital recordings with virtually flawless sound quality, can also be used to produce digital copies of equal quality.

Without this legislation, any record pirate could make multiple flawless copies of originals or even copies of copies, leaving the creative artists without compensation. These artists have already lost hundreds of millions of dollars through illegal copying of music in the analog format, and they recognize that the availability of digital copies with superior sound quality would leave buyers with little incentive to purchase original recordings.

This legislation is designed to remedy these injustices. It addresses the concerns of artists about the negative impact of sales of blank digital tapes and digital recorders. It requires that a serial copy management system be included in all nonprofessional digital audio recorders sold in the United States. That system permits unlimited digital copies of original recordings, but prevents the recorder from making any copies of copies. As a result, the likelihood of illegal digital taping will be dramatically reduced.

In addition, unlike the proposal in the last Congress, a royalty system will be implemented to protect the interests of creative artists, by assessing fees on foreign and U.S. manufacturers of records and tapes. The fee will go into a royalty fund administered by the U.S. Copyright Office and the Copyright Royalty Tribunal. The fee will be assessed on importers and manufacturers, rather than retailers and consumers.

The provisions of this bill will apply prospectively to all future digital audio recording devices, so that creative artists and manufacturers will be protected as technologies are brought on line.

The supporters of this agreement represent all facets of the industry, including the Recording Industry Association of America, the Electronic Industries Association, and the National Music Publishers Association, which represents the copyright coalition of songwriters and publishers, and includes ASCAP.

Consumers will derive the greatest benefits from this compromise, because they will now receive unlimited access to digital audio technology, with the assurance of a stable market of recorders, and the ability to purchase and record music of the best sound clarity.

This bill reaffirms the fundamental principle of our copyright laws that artists deserve royalties for their work. I commend Senator DECONCINI for his outstanding efforts to achieve this fair result, and I look forward to the enactment of this important legislation.●

ADDITIONAL COSPONSORS

S. 98

At the request of Mr. PRESSLER, the names of the Senator from Idaho [Mr. CRAIG], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 98, a bill to amend the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989.

S. 140

At the request of Mr. WIRTH, the names of the Senator from Arkansas [Mr. PRYOR], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 140, a bill to increase Federal payments in lieu of taxes to units of general local government, and for other purposes.

S. 141

At the request of Mr. DASCHLE, the names of the Senator from Massachusetts [Mr. KERRY], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 141, a bill to amend the Internal Revenue Code of 1986 to extend the solar and geothermal energy tax credits through 1996.

S. 196

At the request of Mr. COATS, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 196, a bill to grant the power to the President to reduce budget authority.

S. 250

At the request of Mr. FORD, the name of the Senator from Louisiana [Mr.

JOHNSTON] was added as a cosponsor of S. 250, a bill to establish national voter registration procedures for Federal elections, and for other purposes.

S. 327

At the request of Mr. BOREN, the names of the Senator from Oregon [Mr. HATFIELD], and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of S. 327, a bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to furnish outpatient medical services for any disability of a former prisoner of war.

S. 588

At the request of Mr. MITCHELL, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 588, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of certain cooperative service organizations of private and community foundations.

S. 649

At the request of Mr. BREAUX, the names of the Senator from Virginia [Mr. WARNER], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of S. 649, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury tax on boats.

S. 811

At the request of Mr. HOLLINGS, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 811, a bill to require the Secretary of Transportation to lead and coordinate Federal efforts in the development of magnetic levitation transportation technology and foster implementation of magnetic levitation and other high-speed rail transportation systems, and for other purposes.

S. 843

At the request of Mr. BREAUX, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 843, a bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 866

At the request of Mr. BREAUX, the names of the Senator from Illinois [Mr. DIXON], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of S. 866, a bill to amend the Internal Revenue Code of 1986 to clarify that certain activities of a charitable organization in operating an amateur athletic event do not constitute unrelated trade or business activities.

S. 878

At the request of Mr. DODD, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Virginia [Mr. WARNER], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 878, a bill to assist in implementing the Plan of Action adopted by the World Summit for Children, and for other purposes.

S. 918

At the request of Mr. PACKWOOD, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 918, a bill to amend the Internal Revenue Code of 1986 to exempt small manufacturers, producers, and importers from the firearms excise tax.

S. 972

At the request of Mr. BRADLEY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 972, a bill to amend the Social Security Act to add a new title under such Act to provide assistance to States in providing services to support informal caregivers of individuals with functional limitations.

S. 1179

At the request of Mr. JOHNSTON, the names of the Senator from Oklahoma [Mr. BOREN], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 1179, a bill to stimulate the production of geologic-map information in the United States through the cooperation of Federal, State, and academic participants.

S. 1219

At the request of Mr. BAUCUS, the names of the Senator from Georgia [Mr. FOWLER], the Senator from Arkansas [Mr. BUMPERS], the Senator from Nevada [Mr. REID], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of S. 1219, a bill to enhance the conservation of exotic wild birds.

S. 1261

At the request of Mr. DOLE, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1261, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury excise tax.

S. 1270

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 1270, a bill to require the heads of departments and agencies of the Federal Government to disclose information concerning United States personnel classified as prisoners of war or missing in action.

S. 1354

At the request of Mr. HARKIN, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 1354, a bill to amend title II of the Social Security Act to increase the amount of remuneration an election official or worker may receive and be excluded from an agreement between a State and the Secretary providing for the extension of benefits under such title to State employees.

S. 1424

At the request of Mr. CONRAD, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 1424, a bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a mobile health care clinic program for furnishing health care to veterans located in rural areas of the United States.

S. 1466

At the request of Mr. ROTH, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1466, a bill to amend the Congressional Budget Act of 1974 to ensure the neutrality of the Congressional Budget Office.

S. 1479

At the request of Mr. WOFFORD, his name was added as a cosponsor of S. 1479, a bill to amend the Public Health Service Act to reauthorize certain programs with respect to health care areas, to provide for the establishment of model programs in behavioral health, and for other purposes.

At the request of Mr. INOUYE, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 1479, supra.

S. 1521

At the request of Mr. MCCONNELL, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1521, a bill to provide a cause of action for victims of sexual abuse, rape, and murder, against producers and distributors of hard-core pornographic material.

S. 1565

At the request of Mr. GRAHAM, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 1565, a bill to amend the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in connection with routine transfers.

SENATE JOINT RESOLUTION 100

At the request of Mr. KOHL, the names of the Senator from Delaware [Mr. ROTH], the Senator from Connecticut [Mr. DODD], the Senator from Missouri [Mr. BOND], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of Senate Joint Resolution 100, a joint resolution designating January 5, 1992 through January 11, 1992 as "National Law Enforcement Training Week."

SENATE JOINT RESOLUTION 124

At the request of Mr. WOFFORD, his name was added as a cosponsor of Senate Joint Resolution 124, a joint resolution to designate "National Visiting Nurse Associations Week" for 1992.

SENATE JOINT RESOLUTION 131

At the request of Mr. LUGAR, the names of the Senator from Florida [Mr. MACK], and the Senator from Delaware [Mr. BIDEN] were added as cosponsors of Senate Joint Resolution 131, a joint resolution designating October 1991 as "National Down Syndrome Awareness Month."

SENATE JOINT RESOLUTION 176

At the request of Mr. DIXON, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of Senate Joint Resolution 176, a joint resolution to designate March 19, 1992, as "National Women in Agriculture Day."

SENATE JOINT RESOLUTION 183

At the request of Mr. BIDEN, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 183, a joint resolution to designate the week beginning September 1, 1991, as "National Campus Crime and Security Awareness Week."

SENATE RESOLUTION 82

At the request of Mr. SMITH, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Resolution 82, a resolution to establish a Select Committee on POW/MIA Affairs.

SENATE RESOLUTION 165—TO AMEND THE STANDING RULES OF THE SENATE

Mr. DOLE submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 165

Resolved, Rule XXXVII of the Standing Rules of the Senate is hereby amended to add a new paragraph as follows:

"Notwithstanding section 501(c) of Title V of the Ethics in Government Act of 1978 as amended, honoraria may be paid on behalf of a Member, officer or employee of the United States Senate to a charitable organization, without any restriction on the amount of such honoraria.

No honoraria paid on behalf of a Member, officer or employee of the United States Senate shall be made to a charitable organization from which such individual or a parent, sibling, spouse, child or dependent relative of such individual derives any financial benefit."

The amendment made by this resolution to Rule XXXVII of the Standing Rules of the Senate shall be effective immediately upon enactment of the Fiscal Year 1992 Legislative Branch Appropriations Bill.

SENATE RESOLUTION 166—RELATIVE TO THE FEDERAL EXCISE TAX ON GASOLINE AND DIESEL FUEL

Mr. COATS (for himself and Mr. SIMPSON) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 166

Whereas many sectors of the Nation's economy have yet to recover from the recent economic downturn;

Whereas a tax increase would reduce personal consumption, considered to be the engine of the American Economy, and an increase in gasoline and diesel fuel taxes would seriously hinder economic recovery;

Whereas an increase in the Federal excise tax on motor fuels by five cents per gallon would further damage the economy in that such an increase would—

(1) increase the Consumer Price Index by 0.2 percent,

(2) imperil the current trend towards economic recover,

(3) reduce America's potential for growth in the Gross National Product in the near term by $11 billion, and

(4) reduce urgently needed job creation by 234,000 job opportunities in the first year;

Whereas Federal, State, and local taxes account for nearly 30 percent of the retail price of gasoline;

Whereas all States already tax gasoline, and twenty States in the last two years have increased, or considered increasing, their taxes on gasoline; and

Whereas gasoline and diesel fuel excise taxes are the most regressive forms of taxation, in that less affluent Americans must spend a greater proportion of their income to pay those taxes than do more affluent Americans: Now, therefore, be it

Resolved, That it is the sense of the Senate that, in light of the current economic conditions, the Federal excise taxes on gasoline and diesel fuel should not be increased.

Mr. COATS. Mr. President, I send to the desk a sense-of-the-Senate resolution which would express the Senate's strong disagreement with the proposal in the House of Respresentatives to add an additional 5-cents-per-gallon gasoline tax.

This body just passed a significant new 5-year funding bill for rebuilding and repairing our roads and building new projects without adding a tax. It seems unconscionable to me to now go to the American people to say that was not enough, that we need an additional tax on the very people who can least afford it in order to add a number of demonstration and so-called pork barrel projects in certain Members' districts.

My State is impacted severely by that. For every $2 they pay in they are only going to get $1 back on the new tax. I do not think we need it. I think it is a regressive tax that impacts on elderly people in rural areas and middle-income families, and we should strongly express displeasure.

I hope the House of Representatives will not only listen to us but also the people of America. It is going to add to GNP and have a negative impact on the economy and signficantly increase unemployment. It is the wrong thing to do at the wrong time.

So I strongly urge my colleagues to resist the temptation to fund pork barrel projects, most of which will not benefit their own States, in order to add a nickel-a-gallon gasoline tax.

AMENDMENTS SUBMITTED

NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEARS 1992 AND 1993

LEVIN (AND OTHERS) AMENDMENT NO. 979

Mr. LEVIN (for himself, Mr. BIDEN, and Mr. CHAFEE) proposed an amendment to the bill (S. 1507) to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes, as follows:

On page 44, between lines 3 and 4, insert the following new subsection:

(i) INTERPRETATION.—Nothing in this Act may be construed to imply congressional authorization for development, testing, or deployment of anti-ballistic-missile systems in violation of the ABM Treaty, including any protocols or amendments thereto.

HARKIN (AND OTHERS) AMENDMENT NO. 980

Mr. HARKIN (for himself, Mr. SIMON, and Mr. BUMPERS) proposed an amendment to the bill S. 1507, supra, as follows:

On page 31, line 25, strike out "$10,653,478,000" and insert in lieu thereof "$9,253,478,000".

On page 40, line 13, strike out "$4,600,000,000" and insert in lieu thereof "$3,200,000,000".

On page 40, line 17, strike out "$1,550,530,000" and insert in lieu thereof "$700,000,000".

On page 41, line 1, strike out "not more than $625,383,000" and insert in lieu thereof "no funds".

On page 41, line 5, strike out "$744,609,000" and insert in lieu thereof "$820,522,000".

HARKIN (AND OTHERS) AMENDMENT NO. 981

Mr. HARKIN (for himself, Mr. JEFFORDS, and Mr. SIMON) proposed an amendment to the bill S. 1507, supra, as follows:

On page 33, lines 16 and 17, strike out "for deployment by fiscal year 1996".

On page 38, lines 5 and 6, strike out "capable of deployment by fiscal year 1996".

On page 43, lines 13, 14 and 15, strike out "As deployment at the anti-ballistic-missile site described in subsection (b)(2)(B) draws near to the deployment date of fiscal year 1996".

EMERGENCY UNEMPLOYMENT COMPENSATION

DOLE AMENDMENT NOS. 982 THROUGH 990

(Ordered to lie on the table.)

Mr. DOLE submitted nine amendments intended to be proposed by him to the bill (S. 1554) to provide emergency unemployment compensation, and for other purposes, as follows:

AMENDMENT NO. 982

At the end of the bill, insert the following new section:

SEC. . REPEAL OF LUXURY EXCISE TAX.

(a) IN GENERAL.—Chapter 31 of the Internal Revenue Code of 1986 (relating to retail excise taxes) is amended by striking subchapter A and by redesignating subchapters B and C as subchapters A and B, respectively.

(b) CONFORMING AMENDMENTS.—

(1) The material preceding paragraph (1) of section 4221(a) of the Internal Revenue Code of 1986 is amended by striking "subchapter A or C of chapter 31" and inserting "section 4051".

(2) Subsection (a) of section 4221 of such Code is amended by striking the last sentence.

(3) Subsection (c) of section 4221 of such Code is amended by striking "section 4001(c), 4002(b), 4003(c), 4004(a), or 4053(a)(6)" and inserting "section 4053(a)(6)".

(4) Paragraph (1) of section 4221(d) of such Code is amended by striking "taxes imposed by subchapter A or C of chapter 31" and inserting "the tax imposed by section 4051".

(5) Subsection (d) of section 4222 of such Code is amended by striking "sections 4001(c), 4002(b), 4003(c), 4004(a), or 4053(a)(6)" and inserting "section 4053(a)(6)".

(6) Section 4293 of such Code is amended by striking "subchapter A of chapter 31,".

(7) The table of subchapters for chapter 31 of such Code is amended to read as follows:

"SUBCHAPTER A. Special fuels.

"SUBCHAPTER B. Heavy trucks and trailers.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on June 11, 1991.

AMENDMENT NO. 983

On page 40, line 15, strike "the date of the enactment of this Act" and insert "September 9, 1991".

AMENDMENT NO. 984

On page 40, beginning with line 3, strike all through line 21.

AMENDMENT NO. 985

On page 36, beginning with line 17, strike all through page 40, line 21.

AMENDMENT NO. 986

On page 36, beginning with line 17, strike all through page 40, line 2.

AMENDMENT NO. 987

On page 24, beginning with line 9, strike all through line 16.

AMENDMENT NO. 988

On page 24, beginning with line 9, strike all through page 36, line 4, and insert the following:

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	**The applicable limit is:**
6-percent period	20
5-percent period	13
4-percent period	7
Other period	4.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "6-percent period", "5-percent period", "4-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the third week after the first week for which the applicable trigger is on, and

(B) ends with the third week after the first week for which the applicable trigger is off.

(2) APPLICABLE TRIGGER.—In the case of a 6-percent period, 5-percent period, 4-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the adjusted rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	**The applicable range is:**
6-percent period	A rate equal to or exceeding 6 percent.
5-percent period	A rate equal to or exceeding 5 percent but less than 6 percent.
4-percent period	A rate equal to or exceeding 4 percent but less than 5 percent.
Other period	A rate less than 4 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, a 6-percent period, 5-percent period, 4-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that a 6-percent period, 5-percent period, 4-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a 5-percent period, as described in subsection (c), is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in a 6-percent period, 5-percent period, 4-percent period, or other period under this Act and, if the individual's benefit year ends within any such period, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) ADJUSTED RATE OF INSURED UNEMPLOYMENT.—The adjusted rate of insured unemployment shall be determined in the same manner as the rate of insured unemployment is determined under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970, except that the total number of individuals exhausting rights to regular compensation for the 3 most recent months for which data are available shall be included in such determination in the same manner as the average weekly number of individuals filing claims for regular compensation.

AMENDMENT NO. 989

On page 24, beginning with line 9, strike out all through page 36, line 4, and insert the following:

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	**The applicable limit is:**
5-percent period	13
Other period	6.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "5-percent period" and "other period" mean, with respect to any State, the period which—

(A) begins with the third week after the first week for which the applicable trigger is on, and

(B) ends with the third week after the first week for which the applicable trigger is off.

(2) APPLICABLE TRIGGER.—In the case of a 5-percent period or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the adjusted rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
5-percent period	A rate equal to or exceeding 5 percent.
Other period	A rate less than 5 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after October 5, 1991, a 5-percent period or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that a 5-percent period or other period is beginning or ending with respect to a State, the Secretary

shall cause notice of such determination to be published in the Federal Register.

(d) Effective Date.—

(1) In general.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) Transition.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) Reachback provisions.—(A) In general.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following October 5, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a 5-percent period, as described in subsection (c), is in effect with respect to the State for the first week following October 5, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) Limitation of benefits.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) General Rule.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) Treatment of Reimbursable Compensation.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) Determination of Amount.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) In General.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) Certification.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) Assistance to States.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) In General.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) Repayment.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) Recovery by State Agency.—

(1) In general.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) Opportunity for hearing.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) Review.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) In general.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) Eligibility period.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in a 5-percent period or other period under this Act and, if the individual's benefit year ends within any such period, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 26th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) Adjusted rate of insured unemployment.—The adjusted rate of insured unemployment shall be determined in the same manner as the rate of insured unemployment is determined under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970, except that the total number of individuals exhausting rights to regular compensation for the three most recent months for which data are available shall be included in such determination in the same manner as the average weekly number of individuals filing claims for regular compensation.

Amendment No. 990

On page 36, beginning with line 7, strike all through line 13, and insert the following:

(a) Reduction in Length of Required Active Duty for Desert Storm Reservists.—Section 8521 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) In the case of a member of the armed forces who served on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, paragraph (1) of subsection (a) shall be applied by substituting '90 days' for '180 days'.

"(2) For purposes of paragraph (1), the term 'Operation Desert Storm" has the meaning given the term in section 3(1) of Public Law 102-25 (105 Stat. 77).".

(b) Limitations on Unemployment Compensation Not To Apply in Certain Cases.—Subsection (c) of section 8521 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3)(A) Paragraphs (1) and (2) shall not apply to a member of the armed forces on active duty who is—

"(i) involuntarily separated from the armed forces, or

"(ii) separated from the armed forces after being retained on active duty pursuant to section 673c or 676 of title 10, United States Code.

"(B) This paragraph does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary of the military department concerned).".

DOMENICI AMENDMENT NOS. 991 AND 992

(Ordered to lie on the table.)

Mr. DOMENICI submitted two amendments intended to be proposed by him to the bill S. 1554, supra, as follows:

AMENDMENT No. 991

To be inserted at the appropriate place in the bill:

SEC. . DETERMINATION OF ELIGIBILITY.

(a) In General.—Notwithstanding any other provision of law or any other provision of this Act, no individual shall be entitled to receive emergency unemployment compensation provided under this Act if that individual's income or the household income in which the individual resides is in excess of 200 percent of the individual's or household's official poverty income line. The Secretary of Labor shall develop regulations to define income, household, and the period for income determination. For purposes of enforcing this section, the Secretary of the Treasury and the Secretary of Health and Human Services shall work cooperatively with the Secretary of Labor to provide data and information regarding the income of individuals applying for benefits under this Act.

(b) Definition of Poverty.—The income level established under section (a) shall not be more than 200 percent of the official poverty income line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

AMENDMENT No. 992

On page 24, beginning with line 17, strike all through page 30, line 16, and insert the following:

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) In General.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) Amount in Account.—

(1) In general.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) Applicable limit.—For purposes of this section—

(A) In general.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
8-percent	23
7-percent	16
6-percent	10
Other period	7

(B) Applicable limit not reduced.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) Increase in applicable limit.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) Reduction for extended benefits.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) Weekly benefit amount.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependent's allowances) under the State law payable to such individual for such week for total unemployment.

(c) Determination of Periods.—

(1) In general.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger is off.

(2) Applicable trigger.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are available—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)). Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent.

(3) Applicable range.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
8-percent period	A rate equal to or exceeding 8 percent
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) Special rules for determining periods.—

(A) Minimum period.—Except as provided in subparagraph (B), of any week beginning after October 5, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall be for not less than 13 weeks.

(B) Exception if applicable range increases.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) Notification by secretary.—When a determination has been made than an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) Determination of Eligibility.—

(1) In general.—Notwithstanding any other provision of law or any other provision of this Act, no individual shall be entitled to receive emergency unemployment compensation provided under this Act if that individual's income or the household income in which the individual resides is in excess of 200 percent of the individual's or household's official poverty income line. The Secretary of Labor shall develop regulations to define income, household, and the period for income determination. For purposes of enforcing this section, the Secretary of the Treasury and the Secretary of Health and Human Services shall work cooperatively with the Secretary of Labor to provide data and information regarding the income of individuals applying for benefits under this Act.

(2) Definition of poverty.—The income level established under section 3(d)(1) shall not be more than 200 percent of the official poverty income line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

(e) Effective Date.—

(1) In General.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) October 6, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or,

(B) beginning after July 4, 1992.

(2) Transition.—In the case of an individual who is receiving emergency unemployment compensation shall continue to be payable to such an individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) Reachback provisions.—(A) In general.—If—

(i) any individual exhausted such individual's right to regular compensation (or extended compensation) under the State law after March 31, 1991, and after before the first week following October, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following October 5, 1991, such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such individual's benefit year ended no earlier than the last day of such following week.

(B) Limitation of benefits.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, and emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

KASTEN AMENDMENT NO. 993

(Ordered to lie on the table.)

Mr. KASTEN proposed an amendment to the bill S. 1554, supra; as follows:

At the end of the bill add the following new section:

SEC. . SENSE OF THE SENATE WITH RESPECT TO PLANT OPENING AND JOB CREATION INCENTIVES.

(a) FINDINGS.—The Senate finds that—

(1) Expanding unemployment benefits does nothing to prevent and reduce unemployment—it simply treats the symptoms instead of curing the underlying disease of anemic economic growth and lingering joblessness;

(2) The only real cure for unemployment is rapid economic growth which creates well-paying, private-sector jobs;

(3) Low-tax, incentive-based economic policies to promote work, investment, saving, and entrepreneurship caused the economic expansion of the 1980s which created 20 million new jobs and raised real middle American family income by 12 percent;

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Congress should immediately adopt legislation that promotes plant openings, economic growth, and job creation, and that such legislation include the following, incentives for work, saving, and investment:

(1) reduction in the tax rate on capital gains for both individuals and businesses, and indexation of the basis for inflation, to provide incentives for long-term investment in job-creating small business ventures, and to eliminate the unfair taxation of phantom gains due to inflation;

(2) permanent extension of the tax exclusion from gross income of the amounts paid for employee educational assistance to increase job opportunities for workers, and promote job advancement through training and education;

(3) establishment of enterprise zones with Federal tax incentives to promote small business investment and job creation in the Nation's economically distressed rural and urban areas; and

(4) phaseout of the Social Security earnings limitation over five years which would give America's senior citizens more freedom to work and produce.

NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEARS 1992 AND 1993

BUMPERS AMENDMENT NO. 994

Mr. BUMPERS proposed an amendment to the bill S. 1507, supra, as follows:

Strike line 17, page 40, through line 12, page 41, and insert the following:

(A) not more than $840,000,000 shall be available for programs, projects, and activities within the Limited Defense System Program element;

(B) not more than $857,460,000 shall be available for programs, projects, and activities within the Theater Missile Defenses Program element;

(C) not more than $305,373,000 shall be available for programs, projects, and activities within the Space-Based interceptors program element;

(D) not more than $775,149,000 shall be available for programs, projects, and activities within the Other Follow-On Systems Program element;

(E) not more than $822,018,000 shall be available for programs, projects, and activities within the Research and Support Activities Program element; and

(F) not less than $1,000,000,000 shall be available solely for reducing the Federal Government budgetary deficit for fiscal year 1992.

HATCH AMENDMENT NO. 995

(Ordered to lie on the table.)

Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 1554, supra, as follows:

At the appropriate place, insert the following:

TITLE I—ADULT AND YOUTH EMPLOYMENT AND TRAINING PROGRAMS AMENDMENTS

SEC. 101. STATEMENT OF PURPOSE.

Section 2 of the Job Training Partnership Act (hereinafter referred to as the "Act") is amended to read as follows:

"SEC. 2. It is the purpose of this Act to establish programs to prepare youth and adults facing serious barriers to employment for participation in the labor force by providing job training that will result in increased employment and earnings, increased educational and occupational skills, and decreased welfare dependency, thereby improving the quality of the workforce and enhancing the productivity and competitiveness of the Nation.".

SEC. 102. DEFINITIONS.

(a) IN GENERAL.—Section 4 of the Act is amended—

(1) by amending paragraph (3) to read as follows:

"(3) The term 'basic skills deficient' means reading or computing skills at or below the 8th grade level on a generally accepted standardized test or a comparable score on a criterion referenced test.".

(2) in paragraph (5) by inserting "Association of Farmworkers Opportunity Programs, literacy organizations, agencies or organizations serving older individuals," after "United Way of America,";

(3) in paragraph (8)(B)(i) by striking "level determined in accordance with criteria established by the Director of the Office of Management and Budget" and inserting in lieu thereof "income guidelines promulgated each year by the Secretary of Health and Human Services";

(4) in paragraph (8)(D) by inserting "subsections (a) and (c) of" after "under"; and

(5) in paragraph (8)(F) by striking "adult handicapped individual" and inserting "individual with a disability (adult or youth) or displaced homemaker";

(6) in paragraph (10) by striking "handicapped individual" and inserting "individual with a disability";

(7) in paragraph (22) by striking "Trust Territory of the Pacific Islands" and inserting in lieu thereof "Freely Associated States and the Republic of Palau";

(8) in paragraph (24) by—

(A) inserting "drug and alcohol abuse counseling and referral, individual and family counseling," after "health care,"; and

(B) striking "materials for the handicapped," and inserting "materials for individuals with disabilities, job coaches,";

(9) by striking paragraph (29) and inserting in lieu thereof the following:

"(29) The term 'dispaced homemaker' means an individual who has been providing unpaid services to family members in the home and who—

"(A) has been dependent either—

"(i) on public assitance and whose youngest child is within 2 years of losing eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601–618), or

"(ii) on the income of another family member but is no longer supported by that income, and

"(B) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment."; and

(10) by adding the following new paragraphs after paragraph (29):

"(30) the term 'family' means two or more persons living in a single residence who are included in one of the following categories:

"(A) a husband, wife, and their dependent children;

"(B) a parent and dependent children; or

"(C) a husband and wife.

"(31) The term 'long term recipient' means an individual who has—

"(A) received cash payments made pursuant to part A of title IV of the Social Security Act (relating to the aid to families with dependent children program);

"(B) received general welfare assistance to Indians, as provided pursuant to the Act of November 2, 1921 (25 U.S.C. 13), commonly referred to as the Snyder Act;

"(C) received cash assistance and medical assistance for refugees made available pursuant to section 412(e) of the Immigration and Nationality Act; or

"(D) applied for and received benefits offered pursuant to title XVI of the Social Security Act (relating to supplemental security income programs) and title II of such Act (relating to Social Security Disability Insurance);

for 36 months during the 60-month period immediately preceding application for programs offered under this title.

"(32) The term 'educational agency' means—

"(A) a public local school authority having administrative control of elementary, middle or secondary schools or providing adult education;

"(B) a public or private institution which provides alternative middle or high school education;

"(C) any public education institution or agency having administrative control of secondary or post-secondary vocational education programs;

"(D) any institution legally authorized to provide post-secondary education; or

"(E) any post-secondary educational institution operated by or on behalf of any Indian tribe which is eligible to contract with the Secretary of the Interior for the administration of programs under the Indian Self-Determination Act or under the Act of April 16, 1934.

"(33) The term 'school dropout' means an individual who is no longer attending any school nor subject to a compulsory attendance law and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

"(34) The term 'JOBS' means the Job Opportunities and Basic Skills Training Program authorized under part F of title IV of the Social Security Act.

"(35) The term 'hard-to-serve individuals' means individuals who meet at least 2 of the following criteria:

"(A) long-term recipient,

"(B) school dropout,

"(C) unemployed for 6 months or longer,

"(D) individual with a disability,

"(E) offender,

"(F) displaced homemaker,

"(G) homeless, or

"(H) older individual.".

(b) CONFORMING AMENDMENT.—Section 423(1) of the Act is amended by striking "handicapped individual" and inserting "individual with a disability";

SEC. 103. PRIVATE INDUSTRY COUNCILS.

(a) COMPOSITION AMENDMENTS.—(1) Section 102(a) of the Act is amended—

(A) by striking "and" at the end of paragraph (1); and

(B) by striking paragraph (2) and inserting in lieu thereof the following:

"(2) representatives of organized labor, and representatives of community-based organizations, who shall constitute not less than 15 percent of the membership of the council; and

"(3) representatives of each of the following:

"(A) educational agencies (representative of all educational agencies in the service delivery area);

"(B) vocational rehabilitation agencies;

"(C) public assistance agencies;

"(D) economic development agencies; and

"(E) the public employment service.".

(2) Section 102(c)(2) of the Act is amended to read as follows:

"(2) Education representatives on the council shall be selected from among individuals nominated by regional or local educational agencies, vocational education institutions, institutions of higher education (including entities offering adult education) or general organizations of such schools and institutions within the service delivery area.".

(3) Section 102(c)(3) of the Act is amended to read as follows:

"(3) The labor representatives on the council shall be selected from individuals recommended by recognized State and local labor organizations. If the State or local labor organization cannot adequately meet the labor representation on the private industry council then individual workers may be included on the council to complete the labor representation.

"(4) The remaining members of the council shall include additional representatives from all sectors represented on the council and from individuals recommended by interested organizations.".

(b) EFFECTIVE DATE.—No private industry council shall be considered to be in violation of the amendments made by subsection (a) of this section until 3 years after the date of enactment of this Act.

SEC. 104. JOB TRAINING PLAN.

(a) IN GENERAL.—Section 104(a) of the Act is amended by inserting "under title II" after "appropriated".

(b) CONTENTS.—Section 104(b) of the Act is amended to read as follows:

"(b) Each job training plan for the programs conducted for adults under part A of title II and for youth under part B of title II shall contain—

"(1) identification of the entity or entities which will administer the program and be the grant recipient of funds from the State;

"(2) if there is more than one service delivery area in a single labor market area, provisions for coordinating particular aspects of the service delivery program with other programs and service providers in the labor market area, including—

"(A) assessments of needs and problems in the labor market that form the basis for program planning;

"(B) provisions for ensuring access by program participants in the service delivery area to skills training and employment opportunities throughout the entire labor market; and

"(C) coordination or joint implementation of job development, placement, and other employer outreach activities;

"(3) a description of methods of complying with the coordination criteria contained in the Governor's coordination and special services plan;

"(4) a description of cooperative arrangements designed to enhance the provision of services, including—

"(A) agreements with educational agencies;

"(B) arrangements with other education, training and employment programs serving the disadvantaged which are authorized by Federal law; and

"(C) efforts to ensure the effective delivery of services to participants in coordination with local welfare agencies, other local agencies, community-based organizations, volunteer groups, business and labor organizations, and other training, education, employment, and social service programs;

"(5) goals and objectives for the programs, including—

"(A) a description of how the program will contribute to the economic self-sufficiency of participants, and the productivity of the local area and the Nation; and

"(B) performance goals established in accordance with standards prescribed under section 106;

"(6) goals for the training and placement of older individuals, displaced homemakers and other targeted populations, and a description of efforts to be undertaken to accomplish such goals, including—

"(A) efforts to expand outreach to older individuals, displaced homemakers, and other targeted populations who may be eligible for services under this Act,

"(B) efforts to expand awareness of training and placement opportunities for older individuals, displaced homemakers, and other targeted populations, and

"(C) types of services to be provided to address the special needs of older individuals, and other targeted populations;

"(7) adult and youth budgets for two program years and any proposed expenditures for the succeeding two program years, in such detail as is determined necessary by the entity selected to prepare this portion of the plan pursuant to section 103(b)(1)(B) and to meet the requirements of section 108;

"(8) procedures for identifying and selecting participants, and procedures for determining eligibility and methods used to verify eligibility;

"(9) a description of—

"(A) the assessment process that will identify each participant's skill levels and service needs;

"(B) the competency levels to be achieved by participants as a result of program participation;

"(C) a description of the services to be provided, including the estimated duration of service and the estimated training cost per participant; and

"(D) the procedures for evaluating the progress of participants in achieving competencies;

"(10) procedures, consistent with section 107, for selecting service providers which take into account past performance in job training, basic skills training, or related activities, fiscal accountability, and ability to meet performance standards, and the ability to provide services that can lead to achievement of competency standards for participants with identified deficiencies;

"(11) fiscal control (including procurement, monitoring and management information systems requirements), and accounting, audit and debt collection procedures, consistent with the provisions of section 164, to assure the proper disbursal of, and accounting for, funds received under title II; and

"(12) procedures for the preparation and submission of an annual report to the Governor which shall include—

"(A) a description of activities conducted during the program year;

"(B) characteristics of participants;

"(C) the extent to which applicable performance standards are met;

"(D) the extent to which the service delivery area has met its goals for the training and placement of older individuals, displaced homemakers and other targeted populations; and

"(E) a description of the number of older individuals, displaced homemakers and other targeted individuals trained and placed in unsubsidized employment, the socioeconomic characteristics of such older individuals, displaced homemakers and other targeted populations participating in the program, and wage and placement outcomes, including the extent to which such older individuals were placed in part-time employment, and the type of training received.".

SEC. 105. REVIEW AND APPROVAL OF PLAN.

Section 105(a)(1)(B)(ii) of the Act is amended by inserting "community based organizations," after "appropriate".

SEC. 106. PERFORMANCE STANDARDS.

(a) PERFORMANCE STANDARDS.—Section 106(a)(2) of the Act is amended to read as follows:

"(2) the criteria for measuring the basic return on the investment shall include indicators of long-term economic self-sufficiency as measured by increased educational attainment and occupational skills, increased employment and earnings, and reduction in welfare dependency.".

(b) MEASUREMENT OF PERFORMANCE STANDARDS.—Section 106(b) of the Act is amended to read as follows:

"(b)(1) In order to determine whether the basic measures specified in subsection (a) are achieved for programs under parts A and B of title II, the Secretary, in consultation with the Secretary of Education and the Secretary of Health and Human Services, shall prescribe performance standards.

"(2) The standards for adult programs under part A of title II shall be based on appropriate factors which may include—

"(A) placement in unsubsidized employment,

"(B) retention for more than 6 months in unsubsidized employment,

"(C) the increase in earnings, including hourly wages,

"(D) the attainment of basic skills and workplace competencies required to ensure continued employability in the local labor market, the acquisition of a high school diploma or a general equivalency diploma, and

"(E) the reduction in welfare payments.

"(3) In addition to the appropriate utilization of the factors described in paragraph (2), the standards for youth programs under part B of title II shall include—

"(A) attainment of employment competencies,

"(B) elementary, secondary, and postsecondary school completion or the equivalent thereof, and

“(C) enrollment in other training programs, apprenticeships or postsecondary education, or enlistment in the Armed Forces.

The Secretary may prescribe variations in the standards set forth in this paragraph to reflect the differences between in-school and out-of-school programs.

“(4) The private industry council, in consultation with the educational agencies, community-based organizations and the private sector, shall determine the levels for youth and adult competency standards based on such factors as entry skill levels and other hiring requirements.

“(5) The standards shall include provisions governing—

“(A) the base period prior to program participation that will be used;

“(B) a representative period after termination from the program that is a reasonable indicator of postprogram earnings and cash welfare payment reductions; and

“(C) cost effective methods for obtaining such data as is necessary to carry out this subsection, which, notwithstanding any other provision of law, may include access to earnings records, State employment security records, Federal Insurance Contributions Act records, State aid to families with dependent children records, statistical sampling techniques, and similar records or measures.

“(6) The Secretary shall prescribe performance standards relating gross program expenditures to various performance measures.

“(7) From funds available pursuant to the provisions of sections 202(d)(2)(C) and 252(d)(2)(C), each Governor shall award incentive funds to service delivery areas conducting programs under title II for achieving performance standards (except for standards relating to costs) based on factors designated by the Secretary, which shall include—

“(A) the extent to which hard-to-serve individuals and target groups are successfully served, and

“(B) the quality of service, such as the type or intensity of service provided.

“(c)(1) The Secretary shall prescribe performance standards for programs under title III based on participant placement and retention in unsubsidized employment.

“(2) Any performance standard that may be prescribed under paragraph (1) of this subsection for programs under title III shall make appropriate allowance for the difference in cost resulting from serving workers receiving needs-related payments under section 314(e).

“(d) Each Governor shall prescribe, within parameters established by the Secretary, variations in the standards issued under subsections (b) and (c) based upon specific economic, geographic, and demographic factors in the State and in service delivery areas and substate areas within the State, the characteristics of the population to be served, the demonstrated difficulties in serving the population, and the type of services to be provided.

“(e) The Governor may prescribe performance standards for programs under titles II and III in addition to those standards established by the Secretary under subsections (b) and (c).

“(f) The Secretary shall prescribe performance standards for programs under parts A, B and J of title IV.

“(g) The Secretary shall prescribe a system for adjustments in performance standards for target populations to be served, including Native Americans, migrant and seasonal farmworkers, disabled and Vietnam era veterans, including veterans who served in the Indochina Theater between August 5, 1964, and May 7, 1975, offenders, and displaced homemakers, taking into account their special circumstances.

“(h)(1) The Secretary may modify the performance standards under this section not more often than once every two program years and such modifications shall not be retroactive.

“(2) Notwithstanding paragraph (1), the Secretary may modify standards relating to programs under part B of title IV each program year.

“(3) The Secretary shall prepare and submit a report to the Congress containing any modifications established under paragraphs (1) and (2), and the reasons for such modifications.

“(i) The National Commission on Employment Policy shall—

“(1) advise the Secretary in the development of performance standards under this section for measuring results of participation in job training and in the development of parameters for variations of such standards referred to in subsection (d),

“(2) evaluate the usefulness of such standards as measures of desired performance, and

“(3) evaluate the impacts of such standards (intended or otherwise) on the choice of who is served in service delivery areas, what services are provided, and the costs of such services in service delivery areas.

“(j)(1) The Governor shall provide technical assistance to service delivery areas and substate areas within the State which do not meet performance standards. If the failure to meet performance standards persists for a second year, the Governor shall impose a reorganization plan. Such plan may restructure the private industry council, prohibit the use of designated service providers or make such other changes as the Governor deems necessary to improve performance. The Governor may also select an alternate entity to administer the program for the service delivery area or substate area.

“(2) The alternate administrative entity may be a newly formed private industry council or any agency jointly selected by the Governor and the chief elected official of the largest unit of general local government in the service delivery area or substate area.

“(3) No change may be made under this subsection without an opportunity for a hearing before a hearing officer.

“(4) The decision of the Governor may be appealed to the Secretary, who shall make a final decision within 60 days of the receipt of the appeal.”.

SEC. 107. SELECTION OF SERVICE PROVIDERS.

Section 107 of the Act is amended by adding at the end thereof the following new subsections:

“(e) The selection of service providers shall be made on a competitive basis to the maximum extent possible, and shall include at a minimum—

“(1) a determination of the ability of the service provider to meet program design specifications established by the administrative entity that take into account the purpose of the Act and the goals established by the Governor in the Coordination and Special Services Plan; and

“(2) documentation of compliance with procurement standards established by the Governor pursuant to section 164, including the reasons for selection.

“(f) In the selection of service providers to serve older individuals, displaced homemakers, and other targeted populations, the service delivery area shall give priority to those national, State and local agencies and organizations that have a record of demonstrated effectiveness in providing training and employment services to such older individuals, displaced homemakers and other targeted populations.”.

SEC. 108. LIMITATION ON CERTAIN COSTS.

(a) LIMITATION ON CERTAIN COSTS.—Section 108(a) of the Act is amended to read as follows:

“(a) IN GENERAL.—(1) Except as provided in section 141(d)(3), funds expended for allowable activities under this Act shall be charged to appropriate cost categories.

“(2) For programs under this Act, administration does not include the cost of activities directly related to the provision of services to eligible individuals.”.

(b) SPECIAL RULE.—Section 108(b) of the Act is amended to read as follows:

“(b)(1) Of the funds available to a service delivery area for any fiscal year under parts A and B of title II—

“(A) not more than 20 percent shall be expended for administration; and

“(B) not more than 40 percent shall be expended for administration and costs specified in paragraph (2).

“(2) For purposes of paragraph (1)(B), the costs specified in this paragraph are—

“(A) 50 percent of work experience expenditures under part A of title II;

“(B) 50 percent of work experience expenditures under part B of title II that are used to provide work experience in excess of 250 hours for a participant during nonsummer months;

“(C) supportive services; and

“(D) needs-based payments and performance-based incentives to participants.

“(3) For purposes of paragraph (1), each service delivery area shall ensure that for all services provided to participants through contracts, grants, or other agreements with a service provider, such contract, grant, or agreement shall include, where appropriate, proportionate amounts necessary for administrative costs and supportive services.”.

(c) EXPENDITURES.—Section 108(c) of the Act is amended—

(1) in paragraph (1) by inserting “(1)(B)” after “(b)”;

(2) in paragraph (2) by inserting “(1)(B)” after “(b)” the first time it appears; and

(3) in paragraph (3) by—

(A) inserting “(1)(B)” after “(b)” the first time it appears; and

(B) striking “(a)” and inserting “(b)(1)(A)”.

SEC. 109. SERVICE DELIVERY AREA TRANSFER AND AGREEMENT.

(a) IN GENERAL.—Part A of title I of the Act is amended by adding the following new sections at the end thereof;

“SERVICE DELIVERY AREA TRANSFER AND AGREEMENT

“SEC. 109. (a) Any service delivery area may enter into an agreement with another service delivery area to share the cost of educating, training, and placing individuals participating in programs assisted under this Act, including the provision of supportive services. Such agreement shall be approved by an individual representing each private industry council providing guidance to the service delivery area.

“(b) Each service delivery area entering into a service delivery area agreement pursuant to this section shall be credited under the appropriate performance standards.

“REALLOTMENT

“SEC. 110. (a) The Secretary is authorized to reallot among States any amounts allotted parts A and B of title II to the extent that the Secretary determines that the State or one of the State's service delivery areas will not be able to spend such amounts within a reasonable period of time.

"(b)(1) The Secretary shall provide 30 days advance notice to the Governor and to the general public of any reallotment. During such period comments may be submitted to the Secretary.

"(2) After considering any comments submitted during such period, the Secretary shall notify the Governor of any decision to reallot funds, and shall publish such decision in the Federal Register.

"(3) In realloting any funds the Secretary shall give priority to States and service delivery areas which have satisfactorily spent the previous fiscal year's allotment and which have experienced high rates of unemployment for an extended period of time.

"REALLOTMENT OF FUNDS TO INCREASE THE AMOUNT AVAILABLE FOR STATE ADMINISTRATION

"SEC. 111. (a) The Governors of the seventeen States receiving the smallest total allotments pursuant to sections 202(d)(2)(A) and 252(d)(2)(A), as determined by the Secretary, may request authority from the Secretary to expend funds allotted under sections 202(c)(1), 202(d)(2)(B), 202(d)(2)(C), 252(c)(1), 252(d)(2)(B), and 252(d)(2)(C), for the purposes described in sections 202(d)(2)(A) and 252(d)(2)(A). The Secretary may grant authority for the Governor to expend, for such purposes, any amount not in excess of six-ninths of the total amount allotted to the State pursuant to sections 202(d) and 252(d), if such amount does not exceed the amount allotted to the State receiving the eighteenth smallest total allotment pursuant to sections 202(d)(2)(A) and 252(d)(2)(A).

"(b) A request made by a Governor pursuant to subsection (a) shall be submitted with the Governor's coordination and special services plan, or modification thereof, containing such information as the Secretary may reasonably require, and shall include at a minimum—

"(1) the additional amount requested for expenditure for the purposes described in sections 202(d)(2)(A) and 252(d)(2)(A),

"(2) the justification for the additional amount requested, and

"(3) an identification of the source of the funds to be reallotted.

"(c) In the event the additional funds requested by the Governor are to be reallotted from the funds allotted to service delivery areas pursuant to sections 202(c)(1) and 252(c)(1), the allotment available to each service delivery area within the State shall be ratably reduced. In making such reduction, the requirements of sections 202(c)(3)(A) and 252(c)(3)(A) shall remain applicable.".

(b) TECHNICAL AMENDMENT.—The table of contents of the Act is amended by adding after "Sec. 108. Limitation on certain costs." the following:

"Sec. 109. Service delivery area transfer and agreement.

"Sec. 110. Reallotment.

"Sec. 111. Reallotment of funds to increase the amount available for State administration.".

SEC. 110. GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN.

(a) IN GENERAL.—Section 121(b) of the Act is amended by—

(1) amending paragraph (1) by inserting the following new sentence after the first sentence: "The plan shall also include criteria for coordinating activities under this Act with programs and services provided by State and local agencies on aging, and programs operated under title V of the Older Americans Act.";

(2) amending paragraph (2) to read as follows:

"(2) The plan shall describe the measures taken by the State to ensure coordination and avoid duplication of programs between the State agencies administering the JOBS program and programs under title II in the planning and delivery of services. The plan shall describe the procedures developed by the State to ensure that the State JOBS plan is consistent with the coordination criteria specified in the plan and shall identify the procedures developed to provide for the review of the JOBS plan by the State Job Training Coordinating Council.";

(3) redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively;

(4) inserting the following new paragraph after paragraph (2):

"(3) The plan shall describe the projected use of resources, including oversight of program performance, program administration, program financial management, capacity building, priorities and criteria for State incentive grants, and performance goals for State supported programs. The description of capacity building shall include the Governor's plans for research and demonstration projects, technical assistance for service delivery areas and service providers, interstate technical assistance and training arrangements, and other coordinated technical assistance arrangements for service delivery areas and service providers pursuant to the direction of the Secretary."; and

(5) amending paragraph (4) (as redesignated in paragraph (2)) by—

(A) striking "and" at the end of subparagraph (A);

(B) striking the period at the end of subparagraph (B) and inserting in lieu thereof a semicolon and "and"; and

(C) inserting at the end thereof the following new subparagraph (C):

"(C) services to older workers, including plans for facilitating the provision of services across service delivery areas within the State, as provided in section 104(b)(2).".

(b) COORDINATION AND SPECIAL SERVICES ACTIVITIES.—Section 121(c) is amended—

(1) in paragraph (7) by inserting after the paragraph designation the following: "coordination of activities relating to part A of title II with";

(2) by striking "and" at the end of paragraph (9);

(3) by striking the period at the end of paragraph (10) and inserting in lieu thereof a semicolon and "and"; and

(4) by inserting the following new paragraph at the end thereof:

"(11) initiatives undertaken pursuant to the State innovation and coordination program set forth in part C of title II.".

SEC. 111. REPEALERS.

(a) IN GENERAL.—Sections 123 and 124 of the Act are repealed.

(b) REDESIGNATION.—Sections 125, 126, and 127 of the Act are redesignated as sections 123, 124, and 125, respectively.

(c) TECHNICAL AMENDMENT.—The table of contents relating to part B of title I is amended by—

(1) striking the items relating to sections 123 and 124; and

(2) redesignating the items relating to sections 125, 126, and 127 as the items relating to sections 123, 124, and 125, respectively.

SEC. 112. GENERAL REQUIREMENTS.

(a) IN GENERAL.—Section 141(d)(3) of the Act is amended by—

(1) inserting "(A)" after the paragraph designation; and

(2) inserting the following new subparagraph:

"(B) Tuition charges for training or education provided by an institution of higher education or postsecondary institution which are not more than the charges for such training or education made available to the general public do not require a breakdown of cost components.".

(b) LIMITATION.—Section 141(g) of the Act is amended by—

(1) inserting "(1)" after the subsection designation; and

(2) inserting the following new paragraph (2):

"(2) On-the-job training authorized under the Act shall be limited in duration to a period not in excess of that generally required for acquisition of skills needed for the position within a particular occupation, but in no event shall exceed 6 months unless the total number of hours of such training is less than 500 hours. In making this determination, consideration shall be given to recognized reference material (such as the Dictionary of Occupational Titles), the content of the participant's training, and the participant's service strategy.".

(c) PROGRAM INCOME.—Section 141 of the Act is further amended by—

(1) striking subsection (m); and

(2) redesignating subsections (n), (o), and (p) as subsections (m), (n), and (o), respectively.

(d) PUBLIC SERVICE EMPLOYMENT.—Section 141(o) of the Act (as amended by subsection (c)(2)) is further amended by striking "part B of this title or part A of".

SEC. 113. FISCAL CONTROLS; SANCTIONS.

(a) PROCUREMENT.—Section 164(a) of the Act is amended to read as follows:

"(a)(1) Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of, and accounting for, Federal funds paid to the recipient under titles II and III. Such procedures shall ensure that all financial transactions are conducted and records maintained in accordance with generally accepted accounting principles.

"(2) The Governor shall prescribe and implement procurement standards to ensure fiscal accountability and prevent fraud and abuse in programs administered under this Act. Such standards shall, at a minimum, include provisions to ensure that, for States, substate areas, and service delivery areas—

"(A) procurements shall be conducted in a manner providing full and open competition;

"(B) the use of sole source procurements shall be minimized to the extent practicable, but in every case shall be justified;

"(C) procurements shall include an analysis of the reasonableness of costs and prices;

"(D) procurements shall not provide excess program income (for nonprofit and governmental entities) or excess profit (for private for profit entities), and that appropriate factors shall be utilized in determining whether such income or profit is excessive, such as—

"(i) the complexity of the work to be performed;

"(ii) the risk borne by the contractor; and

"(iii) market conditions in the surrounding geographical area;

"(E) procurements shall clearly specify deliverables and the basis for payment;

"(F) written procedures shall be established for procurement transactions;

"(G) no grantee, contractor, subgrantee or subcontractor shall engage in any conflict of interest, actual or apparent, in the selection, award and administration of a contract or grant under this Act; and

"(H) all grantees and subgrantees shall conduct oversight to ensure compliance with procurement standards.

"(3) The Governor shall annually conduct on-site monitoring of each service delivery area and substate area within the State to ensure compliance with the procurement standards established pursuant to paragraph (2).

"(4) If the Governor determines that a service delivery area or substate area is not in compliance with the procurement standards established pursuant to paragraph (2), the Governor shall—

"(A) require corrective action to secure prompt compliance; and

"(B) impose the sanctions provided under subsections (c) and (e) in the event of failure to take the required corrective action.

"(5) The Governor shall submit to the Secretary the procurement standards established pursuant to paragraph (2), and shall annually certify to the Secretary that—

"(A) the State's procurement standards fully satisfy the requirements contained in paragraph (2);

"(B) the State has monitored substate areas and service delivery areas to ensure compliance with the procurement standards established pursuant to paragraph (2); and

"(C) the State has taken appropriate action to secure compliance pursuant to paragraph (4).

"(6) The Secretary shall annually review the procurement standards established pursuant to paragraph (2) and shall annually notify the appropriate Committees of the Congress whether the requirements contained in paragraph (5) have been satisfied.

"(7) If the Secretary determines that the Governor has not fulfilled the requirements of this subsection, the Secretary shall—

"(A) require corrective action to secure prompt compliance; and

"(B) impose the sanctions provided under subsection (g) in the event of failure of the Governor to take the required corrective action.

"(8)(A) The Secretary, in consultation with the Inspector General, shall review the implementation of the provisions of this subsection and submit a report to the Congress, not later than October 1, 1993 evaluating the effectiveness of such provisions in ensuring fiscal accountability and containing such recommendations as the Secretary deems appropriate.

"(B) The Secretary shall provide for an independent study examining the amount of program income received by service providers pursuant to this Act and the use of such income, and shall submit the study, accompanied by such recommendations as the Secretary deems appropriate, to the Congress not later than November 1, 1993.".

(b) PROGRAM INCOME.—Section 164 of the Act is further amended by—

(1) redesignating subsections (b), (c), (d), (e), (f), (g), and (h), as subsections (c), (d), (e), (f), (g), (h) and (i), respectively; and

(2) inserting the following new subsection after subsection (a):

"(b)(1) Income under any program administered by a public or private nonprofit entity under this Act may be retained by such entity only if such income is used to continue to carry out such program, and may be used for such purposes notwithstanding the expiration of financial assistance for such program.

"(2) Income subject to the requirements of paragraph (1) shall include—

"(A) receipts from goods or services provided as a result of activity funded under the Act; and

"(B) funds provided to a service provider under the Act which are in excess of the costs associated with the services provided.

"(3) For the purposes of this subsection, each public or private nonprofit entity receiving financial assistance under this Act shall maintain records sufficient to determine the amount of income received and the purposes for which such income is expended.".

SEC. 114. REPORTS, RECORDKEEPING, AND INVESTIGATIONS.

(a) IN GENERAL.—Section 165(c) of the Act is amended by—

(1) striking ", and" at the end of paragraph (1), and inserting in lieu thereof a semicolon;

(2) striking the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and "and"; and

(3) inserting the following new paragraph:

"(3) monitor the performance of service providers in complying with the terms of grants, contracts, or other agreements made pursuant to this Act.".

(b) RETENTION OF RECORDS.—Section 165 of the Act is further amended by inserting at the end thereof the following new subsection:

"(d) The Governor shall ensure that procedures are developed for retention of all records pertinent to all grants and agreements under this Act, including financial, statistical, property and participant records and supporting documentation. For funds allotted to a State for any program year, records must be retained for 2 years following the date on which the annual expenditure report containing the final expenditures charged to such program year's allotment is submitted to the Secretary. Records for nonexpendable property shall be retained for a period of 3 years after final disposition of the property.".

SEC. 115 ESTABLISHMENT OF ADULT OPPORTUNITY PROGRAM.

(a) IN GENERAL.—Part A of title II of the Act is amended to read as follows:

"PART A—ADULT OPPORTUNITY PROGRAM

"STATEMENT OF PURPOSE

"SEC. 201. It is the purpose of this part to establish programs to prepare adults for participation in the labor force by increasing occupational and educational skills resulting in improved long-term employability, increased employment and earnings, and reduced welfare dependency.

"ALLOTMENT

"SEC. 202. (a) Not more than one quarter of one percent of the amount appropriated pursuant to section 3(a)(1) for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Freely Associated States, the Republic of Palau and the Commonwealth of the Northern Mariana Islands.

"(b) Of the amount available to carry out the provisions of this part that remains after the allotment is made under subsection (a), the Secretary shall reserve not more than 5 percent to carry out part C of this title.

"(c)(1) After determining the amounts to be allotted under subsections (a) and (b), 91 percent of the remainder shall be allotted by the Secretary to the States for allocation to service delivery areas within each State. Each State shall allocate such funds to the service delivery areas in such amounts as determined by the Secretary pursuant to paragraph (2). The remaining 9 percent shall be allotted in accordance with subsection (d).

"(2) Subject to the provisions of paragraph (3), of the amounts allotted to services delivery areas under this subsection for each fiscal year—

"(A) 50 percent shall be allotted on the basis of the relative number of economically disadvantaged adults within each service delivery area as compared to the total number of economically disadvantaged adults in all service delivery areas in all States;

"(B) 25 percent shall be allotted on the basis of the relative concentration of economically disadvantaged adults within each service delivery area as compared to the total concentration of economically disadvantaged adults in all service delivery areas in all States; and

"(C) 25 percent shall be allotted on the basis of the relative number of unemployed individuals who reside in each service delivery area as compared to the total number of unemployed individuals in all service delivery areas in all States.

"(3)(A) No service delivery area shall be allocated less than 90 percent, or more than 115 percent, of its allocation percentage under this part for the fiscal year preceding the fiscal year for which the determination is made. If the amounts appropriated pursuant to section 3(a) are not sufficient to provide an amount equal to at least 90 percent of such allocation percentages to each such area, the amounts allocated to each area shall be ratably reduced.

"(B)(i) Except as otherwise provided in this subparagraph, the allocation percentage for a service delivery area is the percentage which the service delivery area received of the total amount allocated under this part for such fiscal year to all service delivery areas in all States.

"(ii) The allocation percentage for fiscal year 1992 shall be the percentage of funds allocated for adult programs under title II to the service delivery area during the preceding fiscal year.

"(C) Notwithstanding subparagraph (A), the total allocation under this subsection for all service delivery areas within any one State for each fiscal year shall not be less than one-quarter of 1 percent of the total amounts available for allotment under this subsection for such fiscal year.

"(D) The private industry council in each service delivery area may reserve not more than 10 percent of the funds received under this part for experimental programming for hard-to-serve individuals. The Comptroller General shall conduct a study to review and assess such experimental programs and post program results and shall submit the findings to the appropriate committees of Congress before September 30, 1995.

"(4)(A) For the purposes of this section—

"(i) the term 'economically disadvantaged adult' means an adult who is aged 22 through 72, and who has, or is a member of a family which has, received a total family income which, in relation to family size, was not in excess of the higher of (I) the poverty income guidelines promulgated each year by the Secretary of Health and Human Services, or (II) 70 percent of the lower living standard income level; and

"(ii) the term 'concentration' means the number of economically disadvantaged adults in excess of 10 percent of the adult population in the service delivery area.

"(B) For the purposes of subparagraph (A), and to the extent practical, the Secretary shall exclude college students and members of the Armed Forces from the number of economically disadvantaged individuals.

"(d)(1) Subject to the provisions of section 453(e)(5), the remainder available for allotment under this part shall be allotted to the States for the activities described in paragraph (2). The allotment to each State shall be based upon the relative amount of funds avaialble to all service delivery areas within such State under subsection (c) as compared to the total amount of funds available to all service delivery areas in all States under subsection (c).

"(2) Of the allotment available to each State for each fiscal year under paragraph (1)—

"(A) four-ninths shall be available for overall administration, management, and auditing activities relating to programs under this title and for activities under sections 121 and 122 of the Act;

"(B) two-ninths shall be available for technical assistance in developing the overall capability of the job training system within the State, including the development and training of State and local service delivery area staff, service provider staff, the development of information and exemplary program activities, and the conduct of research and other activities designed to improve the level, degree, and goals of programs conducted under this Act; and

"(C) three-ninths shall be available to provide incentive grants authorized under section 106(b)(7).

"(e)(1) For fiscal year 1992, the total of the amount allotted to any State under subsections (c) and (d) and available to such State under subsection (b) shall not be less than 100 percent of the amount allotted to such State to carry out adult programs under title II in fiscal year 1989.

"(2) The Secretary shall ratably adjust the amounts allotted under subsections (c) and (d) and available under subsection (b) to carry out the requirements of paragraph (1). In making such adjustments, the requirements of subsection (c)(3)(A) shall remain applicable.

"ELIGIBILITY FOR SERVICES

"SEC. 203. (a)(1) An individual shall be eligible to participate in the program under this part only if such individual is—

"(A) 22 years of age or older; and

"(B) economically disadvantaged.

"(2) Not less than 65 percent of the participants in a program under this part in each service delivery area shall be individuals who, in addition to meeting the requirements of paragraph (1), are included in one or more of the following categories:

"(A) basic skills deficient;

"(B) school dropout;

"(C) recipients of aid to families with dependent children who either meet the requirements of section 403(l)(2)(B) of the Social Security Act or have been provided an employability plan in accordance section 482(b) of the Social Security Act;

"(D) individual with a disability;

"(E) homeless, as defined by subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act;

"(F) unemployed for the previous 6 months or longer;

"(G) offender;

"(H) limited English proficient; and

"(I) a category established pursuant to subsection (b).

"(3) Not more than 10 percent of all participants in programs assisted under this part in each service delivery area may be individuals who are not economically disadvantaged if such individuals are age 22 or older and experience 1 or more barriers to employment. Such barriers may include, but are not limited to, the categories described in paragraph (2), or categories such as, displaced homemakers, older workers, veterans, alcoholics or addicts.

"(4) Not less than 5 percent of the funds available under this part to each service delivery area shall be expended to provide services to eligible individuals ages 55 or older. In addition, each service delivery area shall make special efforts to meet the goals identified in the job training plan pursuant to section 104(b)(6) relating to the number of older individuals to be served.

"(b) A service delivery area conducting a program under this part may add one category of individuals who face serious barriers to employment to the categories of eligible individuals specified in subsection (a)(2) if—

"(1) the service delivery area submits a request to the Governor identifying the additional category of individuals and justifying the inclusion of such category;

"(2) the Governor approves the request submitted pursuant to paragraph (1) and transmits the request to the Secretary; and

"(3) the Secretary approves the request submitted pursuant to paragraph (2).

"(c) A service delivery area may transfer not more than 10 percent of the funds provided under this part to part B of this title for youth programs if a description of such transfer is included in the job training plan pursuant to section 104 and the Governor approves the transfer pursuant to section 105.

"PROGRAM DESIGN

"SEC. 204. (a) PROGRAM DESIGN.—The program assisted under this part shall include—

"(1) an assessment of each participant's skill levels and service needs, including such factors as basic skills, occupational skills, prior work experience, and supportive service needs, provided that a new assessment of a participant is not required if the program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program, such as the JOBS program;

"(2) development of service strategies which shall identify the employment goal, the appropriate achievement objectives, and the appropriate sequence of services for participants taking into account the assessments conducted pursuant to paragraph (1);

"(3) a review of each participant's progress in meeting the objectives of the service strategy; and

"(4) the following services, to be made available to a participant where the assessment and the service strategy indicate such services are appropriate:

"(A) basic skills training; and

"(B) occupational skills training.

"(b) ADDITIONAL SERVICES.—Subject to the limitations contained in subsection (c), services which may be made available to each participant under this part may include, but are not limited to—

"(1) outreach to make individuals aware of, and encourage the use of, employment and training services;

"(2) literacy and bilingual training;

"(3) on-the-job training;

"(4) education-to-work transition activities;

"(5) work experience;

"(6) vocational exploration;

"(7) pre-apprenticeship programs;

"(8) attainment of certificates of high school equivalence;

"(9) skill upgrading and retraining;

"(10) on-site industry specific training programs supportive of industrial and economic development;

"(11) programs which combine workplace training with related instruction;

"(12) entrepreneurial training;

"(13) programs of advanced career training which provide a formal combination of on-the-job and institutional training and internship assignments which prepare individuals for career employment;

"(14) training programs operated by the private sector, including those operated by labor organizations or by consortia of private sector employers utilizing private sector facilities, equipment and personnel to train workers in occupations for which demand exceeds supply;

"(15) supportive services;

"(16) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of that training;

"(17) coordinated programs with other Federal employment-related activities;

"(18) counseling;

"(19) job search skills training and assistance;

"(20) job clubs;

"(21) provision of occupational and labor market information;

"(22) specialized surveys not available through other labor market information sources;

"(23) programs to develop work habits and other services to individuals to help them obtain and retain employment;

"(24) development of job openings;

"(25) disseminating information on program activities to employers;

"(26) need-based payments;

"(27) case management services;

"(28) job placement; and

"(29) post-program follow-up services.

"(c)(1) Basic skills training authorized under this part shall, where appropriate, have a workplace context and be integrated with occupational skills training.

"(2)(A) Except as provided in subparagraph (B), job search, job search skills training, job clubs, and work experience authorized under this part shall be accompanied by other services designed to increase a participant's basic education or occupational skills.

"(B) The program under this part may provide job search, job search skills training and job clubs activities to a participant without the additional services described in subparagraph (A) only if—

"(i) the participant's assessment and service strategy indicate that the additional services are not appropriate; and

"(ii) the activities are not available to the participant through the employment service or other public agencies.

"(3) Needs-based payments authorized under this part shall be limited to payments necessary for participation in the program under this part in accordance with a locally developed formula or procedure.

"(4) Counseling and supportive services authorized under this part may be provided to a participant for a period up to one year after the participant's completion of the program.

"(5) The service strategy developed pursuant to section 204(a)(2) shall not be considered a contract.

"COOPERATIVE ARRANGEMENTS

"SEC. 205. (a) In conducting the program under this part, the service delivery area shall establish appropriate cooperative arrangements with other programs authorized under Federal law. Such programs shall include, where feasible, programs authorized by—

"(1) the Adult Education Act;

"(2) the Carl D. Perkins Vocational Education Act;

"(3) the Wagner-Peyser Act;

"(4) part F of title IV of the Social Security Act;

"(5) the employment program established pursuant to section 6(d) of the Food Stamp Act of 1977;

"(6) the National Apprenticeship Act;

"(7) the Rehabilitation Act of 1973;

"(8) title V of the Older Americans Act of 1965;

"(9) chapter 2 of title II of the Trade Act of 1974; and

"(10) the Stewart B. McKinney Homeless Assistance Act.

"(b) In addition to the cooperative arrangements required under subsection (a), each service delivery area receiving financial assistance under this part shall establish other appropriate cooperative arrangements to enhance the provision of services under this part. Such cooperative arrangements may be established with local educational agencies, local service agencies, public housing agencies, community-based organizations, literacy organizations, business and labor organizations, volunteer groups working with disadvantaged adults, and other training, education, employment, economic development, and social service programs.

"STUDIES RELATING TO PLACEMENT AND TARGET POPULATIONS

"SEC. 206. (a) The Comptroller General of the United States shall conduct a study to determine how many and what percentage of adults assisted under this part remain employed for at least 9 months after receiving assistance under this part. The Comptroller General shall submit the findings to the appropriate committees of Congress within 3 years of the date of enactment of this Act.

"(b) Not later than December 30, 1993, the Secretary of Labor shall report to Congress regarding the extent to which older individuals and displaced homemakers are served under this Act, the socioeconomic characteristics of older individuals and displaced homemakers who are program participants, the effectiveness of the services received, and wage and placement outcomes, including the extent to which older individuals are placed in part-time employment.".

(b) TECHNICAL AMENDMENT.—(1) The part heading relating to part A of title II is amended to read as follows:

"PART A—ADULT OPPORTUNITY PROGRAM"

(2) The table of contents relating to part A of title II of the Act is amended to read as follows:

"Sec. 201. Statement of purpose.
"Sec. 202. Allotment.
"Sec. 203. Eligibility for services.
"Sec. 204. Program design.
"Sec. 205. Cooperative arrangements.
"Sec. 206. Studies relating to placement and target populations.".

SEC. 116. ESTABLISHMENT OF YOUTH OPPORTUNITY PROGRAM.

(a) IN GENERAL.—Part B of title II of the Act is amended to read as follows:

"PART B—YOUTH OPPORTUNITY PROGRAM

"STATEMENT OF PURPOSE

"SEC. 251. The purpose of the programs assisted under this part is to—

"(1) improve the long-term employability of youth;

"(2) enhance the educational and occupational skills of youth;

"(3) encourage school completion or enrollment in alternative school programs;

"(4) increase the employment and earnings of youth;

"(5) reduce welfare dependency; and

"(6) assist youth in addressing problems which impair their ability to make successful transitions from school to work, apprenticeship, the military or postsecondary education and training.

"ALLOTMENT

"SEC. 252. (a) Not more than one-quarter of one percent of the amount appropriated pursuant to section 3(b) for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Freely Associated States, the Republic of Palau, and the Commonwealth of the Northern Mariana Islands.

"(b) Of the amount available to carry out the provisions of this part that remains after the allotment is made under subsection (a), the Secretary shall reserve not more than 5 percent to carry out part C of this title.

"(c)(1) After determining the amounts to be allotted under subsections (a) and (b), 91 percent of the remainder shall be allotted by the Secretary to the States for allocation to service delivery areas within each State. Each State shall allocate such funds to the service delivery areas in such amounts as determined by the Secretary pursuant to paragraph (2). The remaining 9 percent shall be allotted in accordance with subsection (d).

"(2) Subject to the provisions of paragraph (3), of the amounts allotted to service delivery areas under this subsection for each fiscal year—

"(A) 50 percent shall be allotted on the basis of the relative number of economically disadvantaged youth within each service delivery area as compared to the total number of economically disadvantaged youth in all service delivery areas in all States;

"(B) 25 percent shall be allotted on the basis of the relative concentration of the economically disadvantaged youth within each service delivery area as compared to the total concentration of economically disadvantaged youth in all service delivery areas in all States; and

"(C) 25 percent shall be allotted on the basis of the relative number of unemployed individuals who reside in each service delivery area compared to the total number of unemployed individuals in all service delivery areas in all States.

"(3)(A) No service delivery area shall be allocated an amount equal to less than 90 percent, or more than 115 percent, of its allocation percentage for the preceding fiscal year for which the determination is made. If the amounts appropriated pursuant to section 3(b) of the Act are not sufficient to provide an amount equal to at least 90 percent of such allocation percentages to each such area, the amounts allocated to each area shall be ratably reduced.

"(B)(i) Except as otherwise provided in this subparagraph, the allocation percentage for a service delivery area for a fiscal year is the percentage which the service delivery area received of the total amount allocated under this part for such fiscal year to all service delivery areas in all States.

"(ii) The allocation percentage for fiscal year 1991 is the percent of the funds allocated for youth programs (as determined by the Secretary) under title II to the service delivery area during the preceding fiscal year.

"(C) Notwithstanding subparagraph (A), the total allocation for all service delivery areas within any one State for any fiscal year shall not be less than one-quarter of one percent of the total amounts available for allotment under subsection (c) for such fiscal year.

"(D) The private industry council in each service delivery area may reserve not more than 10 percent of the funds received under this part for experimental programming for groups with special needs and other hard-to-serve individuals. The Comptroller General shall conduct a study to review and assess such experimental programs and post program results and shall submit the findings to the appropriate committees of Congress before September 30, 1994.

"(4)(A) For the purposes of this section—

"(i) the term 'economically disadvantaged youth' means an individual who is age 16 through 21 and who has, or is a member of a family which has, received a total family income which, in relation to family size, was not in excess of the higher of (I) the poverty income guidelines promulgated each year by the Secretary of Health and Human Services of (II) 70 percent of the lower living standard income level;

"(ii) the term 'concentration' means the number which represents the number of economically disadvantaged youth in excess of 10 percent of the youth population in the service delivery area.

"(B) For the purposes of subparagraph (A), and to the extent practical, the Secretary shall exclude college students and members of the Armed Forces from the number of economically disadvantaged youth.

"(d)(1) Subject to the provisions of section 453(e)(5), the remainder available for allotment under this part shall be allotted to the States for the activities described in paragraph (2). The allotment of each State shall be based upon the relative amount of funds available to service delivery areas within such State under subsection (c) as compared to the total amount of funds available to all service delivery areas in all States under subsection (c).

"(2) Of the allotment available to each State for each fiscal year under paragraph (1)—

"(A) four-ninths shall be available for overall administration, management, and auditing activities relating to programs under this title and for activities under sections 121 and 122 of the Act;

"(B) two-ninths shall be available for technical assistance in developing the overall capability of the job training system within the State, including the development and training of State and local service delivery area staff, service provider staff, the development of information and exemplary program activities, and the conduct of research and other activities designed to improve the level degree, and goals of programs conducted under this Act: and

"(C) three-ninths shall be available to provide incentive grants authorized under section 106(b)(7).

"(e)(1) For fiscal years 1991 and 1992, the total of the amounts allotted to any State under subsections (c) and (d) and available to such State under subsection (b) shall not be less than 100 percent of the amount allotted to such State carry out youth programs under title II in fiscal year 1989.

"(2) The Secretary shall ratably adjust the amounts allotted under subsections (c) and (d) and available under subsection (b) to carry out the requirements of paragraph (1). In making such adjustments, the requirements of subsection (c)(3)(A) shall remain applicable.

"ELIGIBILITY FOR SERVICES

"SEC. 253. (a)(1) An individual who is in school shall be eligible to participate in the program under this part only if such individual is—

"(A) aged 16 through 21; and

"(B) economically disadvantaged or receiving a free lunch under the National School Lunch Act.

"(2) Not less than 70 percent of the in-school individuals who participate in a program under this part shall be individuals who, in addition to meeting the requirements of paragraph (1), are included in one or more of the following categories:

"(A) basic skills deficient;

"(B) educational attainment that is one or more grade levels below the grade level appropriate for the individual's age;

"(C) pregnant or parenting;

"(D) exhibiting pattern of disruptive behavior or disciplinary problems;

"(E) homeless, as defined by subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act;

"(F) individual with a disability;

"(G) limited English proficient;

"(H) offender; and

"(I) a category established pursuant to subsection (d).

"(3) An individual who is out of school shall be eligible to participate in the program under this part only if such individual is—

"(A) aged 16 through 21; and

"(B) economically disadvantaged.

"(4) Not less than 70 percent of the out-of-school individuals who participate in a program under this part shall be individuals who, in addition to meeting the requirements of paragraph (3), are included in one or more of the following categories:

"(A) basic skills deficient;

"(B) school dropout, subject to the conditions described in section 253(c);

"(C) pregnant or parenting;

"(D) homeless, as defined by subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act;

"(E) individual with a disability;

"(F) limited-English proficient;

"(G) offender; and

"(H) a category established pursuant to subsection (d).

"(5)(A) Not more than 10 percent of all participants in the programs assisted under this part in each service delivery area may be individuals who do not meet the requirements of paragraph (1)(B) or (3)(B) if such individuals are aged 16 through 21 and experience 1 or more barriers to employment. Such barriers may include, but are not limited to, the categories described in paragraph (2) or (4), or categories such as individuals who are alcoholics or addicts.

"(B) In addition to the individuals described in subparagraph (A), an individual who does not meet the requirements of paragraph (1)(B) may participate in the program assisted under this part if such individual is included in one of the categories described in paragraph (2) and is enrolled in a public school—

"(i) which is located in a poverty area;

"(ii) served by a local educational agency which is eligible for assistance under chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(iii) in which not less than 70 percent of the students enrolled are included in the categories described in paragraph (2); and

"(iv) which conducts a program pursuant to a cooperative arrangement which meets the requirements of section 255(d).

"(C) For the purposes of clause (i) of subparagraph (B) the term 'poverty area' means an urban census tract or a nonmetropolitan county with a poverty rate of 30 percent or more as determined by the Bureau of the Census.

"(6) Not less than 50 percent of the participants in the program assisted under this part in each service delivery area shall be out-of-school individuals who meet the requirements of paragraph (3), (4) or (5).

"(b) A service delivery area conducting a program under this part may add one category of youth who face serious barriers to employment to the categories of eligible individuals specified in subsection (a)(2) and one category to the categories of eligible individuals specified in subsection (a)(4) if—

"(1) the service delivery area submits a request to the Governor identifying the additional categories of individuals and justifying the inclusion of such category;

"(2) the Governor approves the request submitted pursuant to paragraph (1) and transmits the request to the Secretary; and

"(3) the Secretary approves the request submitted pursuant to paragraph (2).

"(c) Eligible individuals aged 14 or 15, or aged 22 through 24, shall, if appropriate, and set forth in the job training plan, be eligible for youth programs under this part.

"(d) In order to participate in a program assisted under this part, an individual who is under the age of 18 and a school dropout shall—

"(1) re-enroll in and attend school;

"(2) enroll in and attend an alternative high school;

"(3) enroll in and attend an alternative course of study approved by the local educational agency and the service delivery area or private industry council;

"(4) enroll in and attend a high school equivalency program; or

"(5) enroll in and attend a community-based learning center with programs designed to result in the attainment of a GED or a high school diploma.

"(e) A service delivery area may transfer not more than 10 percent of the funds provided under this part to part A of this title for adult programs if a description of such transfer is included in the job training plan pursuant to section 104 and the Governor approves the transfer pursuant to section 105.

"PROGRAM DESIGN

"SEC. 254. (a) The program under this part shall be conducted on a year-round basis.

"(b) The program under this part shall include—

"(1) an assessment of each participant's skill levels and service needs, including such factors as basic skills, occupational skills, prior work experience, and supportive service needs, provided that a new assessment of a participant is not required where the program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program, such as the JOBS program;

"(2) development of service strategies which shall identify achievement objectives, appropriate employment goals, and the appropriate sequence of services for participants taking into account the assessments conducted pursuant to paragraph (1);

"(3) a review of each participant's progress in meeting the objectives of the service strategy; and

"(4) the following services, to be available to a participant where the assessment and service strategy indicate such services are appropiate:

"(A) basic skills training;

"(B) occupational skills training;

"(C) pre-employment and work maturity skills training;

"(D) work experience combined with skills training; and

"(E) supportive services.

"(c) Subject to the provisions of subsection (d), services which may be made available to participants under this part may include, but need not be limited to—

"(1) outreach;

"(2) tutoring;

"(3) study skills training;

"(4) instruction for high school completion or certificate of high school equivalency;

"(5) services provided by alternative high schools;

"(6) mentoring;

"(7) individual and group counseling;

"(8) drug and alcohol abuse counseling and referral;

"(9) cash incentives and bonuses based on a participant's attendance and performance in the program;

"(10) compensation in the form of work experience wages;

"(11) services encouraging parental, spousal and other significant adult involvement in the participant's program;

"(12) on-the-job training;

"(13) limited internships in the private sector;

"(14) school-to-work transition services;

"(15) school-to-post secondary education transition services;

"(16) school-to-apprenticeship transition services;

"(17) training or education that is combined with meaningful and constructive community and youth service opportunities in public agencies, non-profit agencies or other appropriate agencies, institutions and organizations;

"(18) job search, job search skills training and job clubs;

"(19) needs-based payments;

"(20) career exploration; and

"(21) state of the art vocational education.

"(d)(1) In developing service strategies and designing services for the program under this part, the service delivery area and private industry council shall take into consideration exemplary program strategies and practices.

"(2) Pre-employment and work maturity skills training authorized by this part shall be accompanied by either work experience or other additional services designed to increase a participant's basic or occupational skills. The additional services may be provided, sequentially or concurrently, under other education and training programs, including the Job Corps and the JOBS program.

"(3) Work experience, job search, job search skills training, and job clubs activities authorized by this part shall be accompanied by additional services designed to increase a participant's basic education or occupational skills. The additional services may be provided, sequentially or concurrently, under other education and training programs, including the Job Corps and the JOBS program.

"(4) Needs-based payments authorized under this part shall be limited to payments necessary to participate in the program in accordance with a locally developed formula or procedure.

"(5) Counseling and supportive services authorized under this part may be provided to a participant for a period of up to one year after the participant's completion of the program.

"(6) The service strategy developed pursuant to section 254(b)(2) shall not be considered a contract.

"(e)(1) In addition to the services described under subsections (b), (c), and (d), service delivery areas may elect to use funds available under this part to conduct a summer jobs program component consistent with the following limitations:

"(A) the participating youth's service strategy indicates such summer work experience is appropriate; and

"(B) the summer work experience is accompanied by additional education or training in a year-round program.

"(2) The additional education or training provided for in subparagraph (B) be provided by—

"(A) the year-round program under this part;

"(B) the Jobs Corps;

"(C) the JOBS program;

"(D) alternative or secondary schools; or

"(E) other education and training programs.

"COOPERATIVE ARRANGEMENTS

"SEC. 255. (a) FORMAL AGREEMENTS.—In conducting a program under this part, service delivery areas shall establish cooperative agreements with the appropriate educational agencies responsible for service to participants. Such cooperative arrangements shall include—

"(1) formal agreements with education agencies that will identify—

"(A) the procedures for referring and serving in-school youth;

"(B) the methods of assessment of in-school youth to be used by the educational agency; and

"(C) procedures for notifying the program when a youth drops out of the school system;

"(2) arrangements to ensure that the program under this part supplements existing programs provided by local educational agencies to in-school youth;

"(3) arrangements to ensure that the program under this part utilizes, to the extent possible, existing services provided by educational agencies to out-of-school youth; and

"(4) arrangements to ensure that for in-school participants there is a regular exchange of information between the program and the educational agency relating to participant progress, problems and needs, including, where appropriate, interim assessment results.

"(b) COOPERATIVE ARRANGEMENTS.—In conducting the program under this part, the service delivery area shall establish appropriate cooperative arrangements with other education and training programs authorized under Federal law. Such programs shall include, where feasible, programs authorized by—

"(1) part B of title IV of this Act (the Job Corps);

"(2) parts A through D of chapter 1 of the Elementary and Secondary Education Act of 1965;

"(3) the Carl D. Perkins Vocational Educational Act;

"(4) the Education of the Handicapped Act;

"(5) the Wagner-Peyser Act;

"(6) part F of title IV of the Social Security Act (JOBS):

"(7) The Rehabilitation Act of 1973;

"(8) the Food Stamp Act;

"(9) the National Apprenticeship Act; and

"(10) the Stewart B. McKinney Homeless Assistance Act.

"(c) OTHER APPROPRIATE ARRANGEMENTS.—In addition to the cooperative arrangements required under subsections (a) and (b), service delivery areas shall establish other appropriate arrangements to enhance the provision of services under this part. Such arrangements may be established with State and local service agencies, public housing agencies, community-based organizations, business and labor organizations, volunteer groups working with at-risk youth, parents and family members, juvenile justice systems, and other training, education, employment and social service programs, including programs conducted under part A of title II.

"(d) SCHOOLWIDE PROJECTS FOR LOW-INCOME SCHOOLS.—In conducting a program serving individuals specified in section 253(a)(5)(B), the service delivery area shall establish a cooperative arrangement with the appropriate educational agency which shall, in additon to the other requirements of this section, include—

"(1) a description of how the program will supplement the educational program of the school;

"(2) identification of measurable goals to be achieved by the program and provision for assessing the extent to which such goals are met;

"(3) a description of how the program will use resources provided under this part and resources provided under other educational programs to achieve the goals identified in paragraph (2);

"(4) a description of the number of individuals to be served; and

"(5) assurances that the resources provided under this part shall be used to supplement and not supplant existing programs.".

"(b) TECHNICAL AMENDMENT.—(1) The part heading relating to part B of title II is amended to read as follows:

"PART B—YOUTH OPPORTUNITY PROGRAM"

(2) The table of contents relating to part B of title II of the Act is amended to read as follows:

"Sec. 251. Statement of purpose.
"Sec. 252. Allotment.
"Sec. 253. Eligibility for services.
"Sec. 254. Program design.
"Sec. 255. Cooperative arrangements.".

SEC. 117. INNOVATION AND COORDINATION GRANTS.

(a) IN GENERAL.—Title II of the act is amended by adding the following new part C at the end thereof:

"PART C—STATE INNOVATION AND COORDINATION GRANTS

"STATEMENT OF PURPOSE

"SEC. 261. It is the purpose of this part to increase the State capacity to develop comprehensive and coordinated education, training, and employment goals and strategies for at risk youth and adults, including but not limited to youth and adults at risk of not graduating from high school, chronic unemployment or welfare dependency.

"PROGRAM AUTHORIZED

"SEC. 262. (a) In General.—(1) The Secretary is authorized to make grants to States to pay the Federal share of the cost of activities described in the State innovation and coordination plan submitted pursuant to section 264.

"(2) The Secretary may award grants for a period of 1 year. Such grant may be renewed for the 2 succeeding fiscal years if the Secretary determines that the conditions of the grant have been met during the previous fiscal year.

"(b) AWARD BASIS.—Upon approval of the State innovation and coordination plan, the Secretary shall award grants on the basis of the relative amount of funds available to service delivery areas within the State under parts A and B of title II as compared to the amount of funds available to all service delivery areas in all States under parts A and B of title II.

"(c) REALLOTMENT.—In any fiscal year in which an amount of funds available under this part remains available due to a State or States not receiving approval of a State innovation and coordination plan, the amount available shall be reallotted as determined by the Secretary to States on the basis of the quality of the State innovation and coordination plan submitted pursuant to section 264.

"USE OF FUNDS

"SEC. 263. (a) IN GENERAL.—The States may use funds provided under this part to—

"(1) establish statewide policies and action strategies to address critical human resource development goals for at-risk populations;

"(2) encourage the use of cooperative and innovative arrangements between various State education, employment, welfare, and social service agencies to address the multifaceted problems of at-risk youth and adults, including but not limited to youth and adults at risk of not graduating from high school, chronic unemployment or welfare dependency.

"(3) encourage innovations in program implementation that promote the comprehensive and coordinated delivery of education, training, and employment services for at risk youth and adults, including but not limited to older individuals, and youth and adults at risk of not graduating from high school, chronic unemployment or welfare dependency; and

"(4) facilitate the development of public-private collaboration to assure private sector employment and continued learning opportunities for economically disadvantaged youth and adults, including older individuals.

"(b) AUTHORIZATION.—The Secretary is authorized to use the sums available pursuant to sections 202(b) and 252(b) to make grants to States under this part.

"(c) LIMITATION ON FEDERAL SHARE.—Of the Federal share of funds available to a State under this part in each fiscal year—

"(1) not more than 15 percent shall be expended on administrative activities.

"(2) not more than 35 percent shall be expended on—

"(A) strategic planning, coordination and other activities designed to facilitate the coordination of services provided under this Act with education and other human resource programs,

"(B) improving management information systems,

"(C) strengthening the overall infrastructure of the State employment and training programs; and

"(D) State policy development regarding long-term education and training services for youth and adults most in need of such services under this Act, and".

"(3) not less than 50 percent shall be expended on training, education, and employment services.

"STATE INNOVATION AND COORDINATION PLAN

"SEC. 264. (a) All States shall be eligible to apply for grants under this part. Each State desiring a grant under this part shall submit a State innovation and coordination plan to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary reasonably requires. Each State innovation and coordination plan shall—

"(1) describe the human resource goals to be achieved by the State and explain how such goals complement or are distinct from the goals of existing programs. Such goals may include—

"(A) reducing the school dropout rate;

"(B) raising the achievement levels of youth;

"(C) reducing illiteracy;

"(D) reducing welfare rates; and

"(E) guaranteeing a job with decent wages, through agreements with private employers, to every individual completing an education and job training program;

"(2) describe specific activities designed to achieve the goals set forth in paragraph (1), including activities such as statewide school-based comprehensive dropout prevention activities, school-to-work services, apprenticeship services, postsecondary education transition services, or statewide integrated services to offenders;

"(3) identify measurable interim benchmarks toward achieving the goals described in paragraph (1);

"(4) describe how the activities and services for eligible participants will be provided through cooperative arrangements with State and local education and employment agencies, welfare agencies or administrative entities in service delivery areas;

"(5) describe how the activities and services to achieve the goals set forth in paragraph (1) will be coordinated with other Federal programs, such as—

"(A) the Carl D. Perkins Vocational Education Act;

"(B) the Adult Education Act;

"(C) the Wagner-Peyser Act;

"(D) the Family Support Act; and

"(E) title V of the Older American Act of 1965; and

"(6) describe the State and the local public and private resources to be committed to achieving the goals identified in paragraph (1).

"(b) JOINT SUBMISSION OF PLAN.—(1) The plan submitted pursuant to subsection (a) shall be jointly prepared and submitted to the Governor by the administrator of—

"(A) the State agency responsible for administering this Act;

"(B) the State agency responsible for administering the JOBS program; and

"(C) the State agency responsible for public education and instruction.

"(2) The plan submitted pursuant to subsection (a) shall include assurances by the administrators of each of the agencies described in paragraph (1) that such plan will result in a coordinated system of job training services.

"(3) The Governor may require additional State agencies to participate in the preparation and submission of the plan submitted pursuant to subsection (a).

"(c) PLAN SUBMITTED IN DISAGREEMENT.—If 90 days after the date designated by the Secretary for submission of the plan submitted pursuant to subsection (a), the Governor and the Administrators of the agencies described in subsection (b)(1) are not in agreement on the submission of the plan, the Governor may submit a plan pursuant to subsection (a). A plan submitted pursuant to paragraph (1) shall be accompanied by any dissenting or additional comments supplied by each of the agencies described in section 264(b)(1).

"REVIEW AND APPROVAL OF STATE INNOVATION AND COORDINATION PLAN

"SEC. 265. The Secretary shall review and approve State innovation and coordination plans for the purposes of awarding grants under this part, taking into consideration—

"(1) the extent to which goals, service strategies and accountability mechanisms will address the problems identified;

"(2) the extent of the resources to be committed from other State and local public and private sources;

"(3) evidence of a commitment to the project by the Governor, the chief executives of State education agencies, State welfare agencies, agencies administering this Act, other State agencies, and representatives of local communities, including local elected officials, private industry councils, schools, welfare agencies and community-based groups as appropriate;

"(4) specific plans for coordinating programs funded under this Act, with other education, employment and training programs, JOBS, the local employment service, and other human resource development programs; and

"(5) the amount of funds which will be used for administrative costs and the extent to which such expenditures will contribute to administrative efficiencies and service improvement.

"PAYMENTS; FEDERAL SHARE

"SEC. 266. (a) PAYMENTS.—The Secretary shall pay to each State the Federal share of the cost of the activities described in the application.

"(b) FEDERAL SHARE.—(1) The Federal share shall be 80 percent.

"(2) The portion of the costs of the program conducted pursuant to this part which is not paid by a grant received under this part shall not be paid from any Federal funds.

"PROGRAM REVIEW AND OVERSIGHT

"SEC. 267. (a) IN GENERAL.—The Secretary is authorized to monitor the progress of all recipients of State Innovation and Coordination Grants.

"(b) OVERSIGHT.—The State Job Training Coordinating Council shall be responsible for overseeing the activities of the State in the performance of activities conducted pursuant to the provisions of this part.

"REPORTS

"SEC. 268. (a) IN GENERAL.—The Secretary shall establish requirements for State reporting on the progress made in accomplishing the goals specified in each State's innovation and coordination plan.

"(b) RECORDS.—Each State receiving a grant under this part shall keep records that are sufficient to permit the preparation of reports on the progress made in achieving the goals of the State as set forth in section 264(a)(1). The State Job Training Coordinating Council shall semiannually report to the Secretary on the progress made in achieving such goals.".

"(b) TECHNICAL AMENDMENT.—The table of contents in title II of the Act is amended by adding the following after section 255:

"PART C—STATE INNOVATION AND COORDINATION GRANTS

"Sec. 261. Statement of purpose.
"Sec. 262. Program authorized.
"Sec. 263. Use of funds.
"Sec. 264. State innovation and coordination plan.
"Sec. 265. Review and approval of State innovation and coordination plan.
"Sec. 266. Payments; Federal share.
"Sec. 267. Program review and oversight.
"Sec. 268. Reports.".

SEC. 118. EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS.

Section 314(f) of the Act is amended by—

(1) inserting "(1)" after the subsection designation; and

(2) inserting the following new paragraph after paragraph (1):

"(2) An eligible dislocated worker participating in training (except for on-the-job training) pursuant to this title shall be deemed to be in training with the approval of the State agency for purposes of section 3304(a)(8) of the Internal Revenue Code of 1986.".

SEC. 120. NATIVE AMERICAN PROGRAMS.

(a) IN GENERAL.—Section 401 of the Act is amended—

(1) in subsection (a), by inserting "American Samoan," after "Alaskan Native,";

(2) in subsection (b)(2), by inserting "and to American Samoans residing in the United States" after "descent";

(3) in subsection (c)(1)(B)—

(A) by inserting "and American Samoans residing in the United States" after "natives"; and

(B) by inserting "and State agencies" after "organizations";

(4) in subsection (e)—

(A) by inserting "and American Samoan" after "Native American"; and

(B) by adding at the end thereof the following new sentence: "Such procedures and machinery shall include—

"(1) the designation by the Secretary of a single organizational unit which shall have the principal responsibility for the development, coordination, and oversight of all policies (except audit, procurement and debt collection policies) under which the Secretary regulates or influences the operation of Native American programs under this section; and

"(2) a special effort to recruit Indians, Native Alaskans, American Samoans and Native Hawaiians for employment in the organizational unit identified in paragraph (1)"; and

(5) in subsection (h) by—

(A) inserting "and American Samoans" after "Native Americans"; and

(B) inserting "and American Samoan" after "Native American".

(b) ADVISORY COUNCIL.—Section 401(h) (as amended in subsection (a)) of the Act is further amended by—

(1) striking "representatives of Indians and other Native Americans" and inserting in lieu thereof the following: "the Advisory Council on Native American Job Training Programs"; and

(2) inserting at the end thereof the following new paragraph:

"(3)(A) The Secretary shall establish an Advisory Council on Native American Job Training Programs (hereafter in this section referred to as the 'Council') which shall consist of not less than 15 Indians, Native Alaskans, American Samoans, or Native Hawaiians appointed by the Secretary from among individuals nominated by Indian tribes or Indian, Native Alaskan, American Samoan, or Native Hawaiian organizations. The Council's membership shall represent diverse geographic areas and include representatives of tribal governments and of nonreservation Native American organizations.

"(B) The Council shall be chaired by an Indian, Native Alaskan, or Native Hawaiian Council member elected by a majority of the Council's membership and shall meet not less than twice each Program Year. Each Council member may serve for a term of 2 years, and may be reappointed.

"(C) The Council shall—

"(i) solicit the views of a wide variety of tribes and Native American and American Samoan groups, including those operating employment and training programs funded under this section, on issues affecting the operation and administration of such programs;

"(ii) advise the Secretary with respect to all matters concerning the implementation of programs under this section and other programs providing services to Native American youth and adults under this Act;

"(iii) advise the Secretary in the design of all aspects of the system of performance standards developed under this section;

"(iv) advise the Secretary with respect to services obtained by the Department through contracts or arrangements with non-Federal agencies or entities which involve the provision of technical assistance to, or evaluation of, the program authorized by this section;

"(v) assess the effectiveness of Native American job training programs and make recommendations with respect to the improvement of such programs;

"(vi) advise the Secretary with regard to the recruitment of, identification of, and selection criteria for, candidates for the position of chief of the organizational unit described in subsection (e)(1) whenever a vacancy in such position occurs; and

"(vii) submit a report to the Congress no later than January 1 of each year on the progress of Native American job training programs and recommendations for improving their effectiveness.

"(D) From amounts appropriated to carry out the provisions of this section, the Secretary shall make available to the Council such sums as may be necessary to carry out the functions of the Council.".

(c) RESERVATION.—Section 401(j) is amended to read as follows:

"(j)(1) For the purposes of carrying out this section, the Secretary shall reserve, from funds available for this title (other than part B) for any fiscal year, an amount not less than 3.1 percent of the total amount of funds appropriated to carry out the provisions of parts A and B of title II of this Act for such fiscal year.

"(2) Of the amounts reserved under paragraph (1), 18 percent shall be provided to section 401 entities which were eligible for direct funding under part B of title II (the Summer Youth Employment and Training Programs) immediately prior to the enactment of this Act. Such entities shall use such funds to operate special programs for economically disadvantaged Native American youth between the ages of 14 and 21.".

SEC. 120. MIGRANT AND SEASONAL FARMWORKER PROGRAMS.

Section 402(f) of the Act is amended to read as follows:

"(f) For the purposes of carrying out the provisions of this section, the Secretary shall reserve, from funds available for this title (other than part B) for any fiscal year, an amount not less than 2.76 percent of the total amount of funds appropriated to carry out the provisions of parts A and B of title II of this Act for such fiscal year.".

SEC. 121. JOB CORPS.

Section 427(a)(2) of the Act is amended—

(1) by striking "10 percent" and inserting in lieu thereof "20 percent"; and

(2) by striking the period at the end thereof and inserting in lieu thereof the following: ", provided that the Secretary shall not reduce the number of residential participants in Job Corps programs under this part during any program year below the number of residential participants during program year 1991, in order to increase the number of individuals who are nonresidential participants in the Job Corps.".

SEC. 122. NATIONAL ACTIVITIES.

(a) IN GENERAL.—Part D of title IV of the Act is amended to read as follows:

"PART D—NATIONAL ACTIVITIES

"NATIONAL PARTNERSHIP AND SPECIAL TRAINING PROGRAMS

"SEC. 451.(a) STATEMENT OF PURPOSE.—It is the purpose of this section to—

"(1) improve access to employment and training opportunities for those with special needs,

"(2) help alleviate skill shortages and enhance the competitiveness of the labor force,

"(3) meet special training needs that are best addressed on a multistate or industry-wide basis, and

"(4) encourage the participation and support of all segments of society to further the goals of this Act.

"(b) PROGRAM AUTHORIZED.—The Secretary is authorized to establish a system of special grant programs that are most appropriately administered at the national level.

"(c) PROGRAMS.—Programs that are most appropriately administered at the national level include—

"(1) partnership programs with national organizations with special expertise in developing, organizing, and administering employment and training programs at the national, State, and local level, such as industry and labor associations, public interest groups, and community-based organizations representative of groups that encounter special difficulties in the labor market, and other organizations with special knowledge or capabilities in education and training;

"(2) programs that—

"(A) address industry-wide skill shortages,

"(B) meet training needs that are best addressed on a multistate basis, and

"(C) further the goals of increasing the competitiveness of the United States labor force; and

"(3) programs which require technical expertise available at the national level to serve specialized needs of particular client groups, including at-risk youth, offenders, individuals of limited English language proficiency, individuals with disabilities, women, immigrants, single parents, substance abusers, displaced homemakers, youth, older workers, veterans, individuals who lack education credentials, public assistance recipients, and other individuals whom the Secretary determines require special assistance.

"RESEARCH, DEMONSTRATION, AND EVALUATION

"SEC. 452. (a) IN GENERAL.—To assist the Nation in expanding work opportunities and ensuring access to those opportunities for all who desire it, the Secretary shall establish a comprehensive program of training and employment research, utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the Nation's employment and training problems. The program under this section may include studies concerning—

"(1) the development or improvement of Federal, State, local, and privately supported employment and training programs;

"(2) labor market processes and outcomes, including improving workplace literacy;

"(3) policies and programs to reduce unemployment and the relationships thereof with price stability and other national goals;

"(4) productivity of labor;

"(5) improved means of using projections of labor supply and demand, including occupational and skill requirements and areas of labor shortages at the national and subnational levels;

"(6) methods of improving the wages and employment opportunities of low-skilled disadvantaged and dislocated workers, and workers with obsolete skills;

"(7) addressing the needs of at-risk populations, such as youth, homeless individuals, and other dependent populations, older workers, and other groups with multiple barriers to employment;

"(8) developing information on immigration, international trade and competition, technological change and labor shortages; and

"(9) easing the transition from school to work, from transfer payment receipt to self-sufficiency, from one job to another, and from work to retirement.

"(b) PILOTS AND DEMONSTRATIONS.—(1) The Secretary shall establish a program of pilot and demonstration programs, through grants or contracts, for the purpose of developing and improving techniques and demonstrating the effectiveness of specialized methods in addressing employment and training problems. These programs may include projects in such areas as—

"(A) school-to-work transition,

"(B) new methods of imparting literacy skills and basic education,

"(C) new training techniques (including projects undertaken with the private sector),

"(D) methods to eliminate artificial barriers to employment,

"(E) approaches that foster participation of groups which encounter special problems in the labor market (such as displaced homemakers, teen parents, welfare recipients, and older individuals),

"(F) processes that demonstrate effective methods for alleviating the adverse effects of dislocation and plant closings on workers and their communities, and

"(G) cooperative ventures among business, industry, labor, trade associations or national organizations to develop new and cost-effective approaches to improving workforce literacy.

"(2) Demonstration projects shall include a formal, rigorous evaluation component.

"(3) No pilot project under this subsection shall be financially assisted under this Act for a period of more than 3 years.

"(c) EVALUATION.—(1) The Secretary shall provide for the continuing evaluation of programs conducted under this Act, including the cost effectiveness of the program in achieving the purposes of this Act. The Secretary may also conduct evaluations of other federally funded employment-related activities including programs administered under—

"(A) the Wagner-Peyser Act,

"(B) the National Apprenticeship Act,

"(C) the Older Americans Act,

"(D) chapter 2 of title II of the Trade Act of 1974, and

"(E) the Unemployment Insurance program under the Social Security Act.

Evaluations conducted pursuant to this paragraph shall utilize sound statistical methods and techniques of the behavioral and social sciences, including random assignment methodologies when feasible. Such studies may include cost-benefit analysis of programs, their impact on communities and participants, the extent to which programs meet the needs of various demographic groups, and the effectiveness of the delivery systems used by various programs. The Secretary shall evaluate the effectiveness of programs authorized under this Act with respect to the statutory goals, the performance standards established by the Secretary, and the extent to which such programs enhance the employment and earnings of participants, reduce income support costs, and improve the employment competencies of participants in comparison to comparable persons who did not participate in such programs, and to the extent feasible, increase total employment over what total employment would have been in the absence of such programs.

"(2) The Secretary shall evaluate the impact of title II programs as amended by the Job Training and Basic Skills Act of 1991 on participant employment, earnings, and welfare dependency in multiple sites using the random assignment of individuals to groups receiving services under programs authorized under the Job Training and Basic Skills Act of 1989 or to groups not receiving such services.

"(d) ALLOCATION STUDY.—(1) The Secretary shall, directly or by contract, provide for a study of the effectiveness of the allocation formulas set forth in sections 202 and 252 in equitably allocating funds under title II among service delivery areas.

"(2) The study conducted pursuant to paragraph (1) shall include—

"(A) an examination of alternative factors, such as public assistance data, which could be used as a basis for allocating funds under title II; and

"(B) a review of methods that could be used to update more frequently the data used in determining whether an individual is economically disadvantaged.

"(3) The Secretary shall transmit the findings and recommendations of the study conducted pursuant to paragraph (1) to the Congress by October 1, 1994.

"TRAINING AND TECHNICAL ASSISTANCE

"SEC. 453. (a) IN GENERAL.—The Secretary shall develop and publish a strategic, multiyear national plan for the development and expansion of the capacity of the employment and training system to achieve the goals and objectives provided for under this Act. Such plan shall take into consideration projected investments by the Federal Government, States, and service delivery areas of funds provided under this Act for research, demonstration, pilot projects, evaluation, technical assistance, and training.

"(b) TRAINING.—The Secretary shall provide, directly or through grants, contracts, or other arrangements, appropriate preservice and inservice training for specialized, supportive, supervisory, or other personnel including job skills teachers. The Secretary shall provide appropriate technical assistance, including activities related to the development and attainment of performance goals, to programs assisted under this Act, and to other employment related programs administered by the Department of Labor, as the Secretary deems appropriate. Such training and technical assistance may utilize the training and technical assistance capabilities existing at the State and service delivery area level.

"(c) TECHNICAL ASSISTANCE.—The Secretary is authorized to provide staff training and technical assistance services to States or service delivery areas in order to improve their staff training and technical assistance capabilities.

"(d) DISSEMINATION.—The Secretary shall disseminate materials and information gained from exemplary program experience and from research and demonstration activities which may be of use in the innovation or improvement of other programs conducted pursuant to this Act or to related programs conducted under other employment related legislation administered by the Department of Labor.

"(e) TRAINING INSTITUTES.—(1) The Secretary shall, before July 1, 1992, establish a network of regional training institutes, in order to strengthen the caliber of services provided through the various Federal, State, and local employment and training systems. To initiate and maintain the network, the Secretary shall, on a competitive basis, award grants or contracts to colleges and universities, private nonprofit organizations, community-based organizations or other organizations with specialized employment and training knowledge and expertise to establish not more than 5 regional training institutes. Each such regional training institute shall—

"(A) provide appropriate training, technical assistance, professional development, and other activities which will—

"(i) enhance the skills, knowledge, and expertise, of the personnel who staff employment and training delivery systems, including service providers, and

"(ii) improve the quality of services provided through this Act and other Federal employment training programs;

"(B) prepare and disseminate training curricula and materials for employment and training professionals and support staff which focus on enhancing staff competencies and professionalism;

"(C) disseminate innovative and successful models, materials, methods, and program information to foster professional growth among managers, service delivery providers, and administrators involved in the delivery of employment and training services;

"(D) act as a clearinghouse to regularly identify, develop, and disseminate innovative materials which enhance the knowledge and quality of performance of employment and training personnel;

"(E) facilitate effective communications and coordination among employment and training personnel;

"(F) establish an institute advisory committee which shall be broadly representative of the employment and training systems and which shall assist in—

"(i) establishing institute priorities,

"(ii) evaluating institute performance, and

"(iii) enhancing the effectiveness and efficiency of institute operations.

"(2) The regional training institutes established pursuant to paragraph (1) may charge appropriate tuition or fees to offset the costs of various institute training, materials acquisition, or other training-related costs.

"(3) The Secretary shall provide guidance, technical assistance, and direction to the regional training institute network to ensure that regional training institutes respond to employment and training staff needs, furnish high quality training and materials, meet program objectives without duplication, and encourage the use of the latest technologies for training and program management.

"(4) The Secretary shall consult with the Secretary of Education, as needed, to coordinate the activities of the regional network of training institutes with other relevant institutes, centers, laboratories, or clearinghouses.

"(5) The Secretary shall reserve 5 percent of the amounts allotted to the States under sections 202(d)(2)(B) and 252(d)(2)(B) of this Act to carry out the provisions of this subsection.".

(B) TECHNICAL AMENDMENT.—The table of contents relating to part D of title IV of the Act is amended to read as follows:

"PART D—NATIONAL ACTIVITIES

"Sec. 451. National partnership and special training programs.

"Sec. 452. Research, demonstration, and evaluation.

"Sec. 453. Training and technical assistance.".

SEC. 123. COOPERATIVE LABOR MARKET INFORMATION PROGRAM.

Section 462 of the Act is amended by inserting at the end thereof the following new subsection:

"(g)(1) The Secretary is authorized to engage in research, demonstration, or other activities, including those which might be carried out by States, designed to determine the feasibility of various methods of organizing and making accessible nationwide, information on the quarterly earnings for all individuals for whom such information is collected by the States.

"(2) The Secretary shall report to Congress concerning the costs and benefits of establishing and maintaining a national longitudinal data base utilizing unemployment insurance wage records. Such report shall also address the feasibility of establishing appropriate safeguards for maintaining the confidentiality of information and privacy of individuals.".

SEC. 124. NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE.

Section 464(a)(1) of the Act is amended by striking "not more than $5,000,000" and inserting "such sums as necessary.".

SEC. 125. REPLICATION OF SUCCESSFUL PROGRAMS.

(a) IN GENERAL.—Title IV of the Act is amended by adding at the end thereof the following new part:

"PART H—REPLICATION OF SUCCESSFUL PROGRAMS

"REPLICATION OF SUCCESSFUL PROGRAMS

"SEC. 485. (a) REPLICATION PROGRAM AUTHORIZED.—The Secretary shall, in consultation with the expert review panel appointed pursuant to subsection (b), make grants to national or regional public or private nonprofit organizations which meet the requirements of this section for the provision of technical assistance, and to States and service delivery areas for costs associated with the development and operation of model programs approved by the Secretary in accordance with the provisions of this section.

"(b) REVIEW PANEL.—(1) The Secretary shall appoint a review panel of recognized experts in the operation and evaluation of employment and training programs for economically disadvantaged youth and adults, and dislocated workers. Such panel shall select and designate model programs pursuant to the provisions of this section. The review panel shall meet at least once each year to carry out the responsibilities described in this section. No member of such panel shall have a direct financial interest in or affiliation with a potential recipient of funds under the program authorized by this section.

"(2) The review panel shall select and designate model programs and make recommendations to the Secretary regarding those programs the review panel deems likely to be successful in improving the employment prospects of economically disadvantaged youth and adults, and dislocated workers, and which are replicable on a large scale. In selecting such programs the review panel shall consider—

"(A) the size and scope of the program;

"(B) the length of time the program has been operating;

"(C) the nature and reliability of measurable outcomes for the program;

"(D) the capacity of the sponsoring national or regional organization to provide the technical assistance necessary for States and local communities to replicate the program; and

"(E) the likelihood the program will be successful in diverse economic, geographic, and cultural environments.

"(c) SPECIAL CONSIDERATION.—The review panel shall give special consideration to programs that have the demonstrated ability to integrate or coordinate services through collaborative efforts with other service providers in the areas of basic skills instruction, occupational, and pre-employment and work maturity training programs.

"(d) CRITERIA FOR MODEL PROGRAMS.—The review panel shall consider any program for designation as a model program if such program—

"(1) is designed to improve the employment prospects of economically disadvantaged youth and adults, and dislocated workers;

"(2) is sponsored or operated by a national or regional public or private nonprofit organization with the capacity to provide the technical assistance necessary to enable States and local communities to implement the program;

"(3) has demonstrated reasonable evidence of success, as reflected in measurable outcomes related to stated program goals and objectives; and

"(4) has operated on a scale sufficient to demonstrate that the program has the potential to be replicated across a wide range of sites and successfully serve large numbers of economically disadvantaged youth and adults, and dislocated workers.

"(e) APPLICATIONS.—Each public or private nonprofit organization, State, or service delivery area desiring to receive a grant under this part shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

"(1) describe the activities and services for which assistance is sought; and

"(2) contain such information and assurances as the Secretary may require to ensure compliance with the provisions of this part.

"(f) GRANT LIMITATIONS.—(1) In any 3-year period the Secretary shall not approve grants for the same replication activities in more than 10 States or communities. During such 3-year period, the results of such limited replication efforts shall be carefully evaluated and examined by the review panel, which shall submit recommendations to the Secretary regarding the advisability of replicating the model program in more than 10 States or communities or for longer than 3 years. On the basis of such recommendations, the Secretary shall have authority to replicate such programs in more than 10 communities or for longer than 3 years.

"(2) The Secretary may, upon recommendation of the review panel, waive the limitation set forth in paragraph (1) if immediate replication efforts on a larger scale is warranted by extensive evaluation of the program prior to its designation as a model program pursuant to the provisions of this paragraph.

"(g) REPORTS.—The review panel shall prepare a report on the model programs the review panel has selected for replication, including a justification of such selections. Such report shall be submitted to the appropriate committees of Congress within one year of the date of enactment of this Act and each year thereafter.".

(b) TECHNICAL AMENDMENT.—The table of contents in title IV of the Act is amended by adding the following after section 481:

"PART H—REPLICATION OF SUCCESSFUL PROGRAMS

"Sec. 485. Replication of successful programs.".

SEC. 126. FAIR CHANCE YOUTH OPPORTUNITIES UNLIMITED PROGRAM.

(a) IN GENERAL.—Title IV of the Act is amended by adding at the end thereof the following new part:

"PART I—FAIR CHANCE YOUTH OPPORTUNITIES UNLIMITED PROGRAM

"STATEMENT OF PURPOSE

"SEC. 491. The purposes of the Fair Chance Youth Opportunities Unlimited program include—

"(1) enabling communities with high concentrations of poverty to establish and meet goals for improving the opportunities available to youth within the community; and

"(2) facilitating the coordination of comprehensive services to serve youth in such communities.

"PROGRAM AUTHORIZED

"SEC. 492. (a) PROGRAM ESTABLISHED.—The Secretary is authorized to establish a national program of Youth Opportunities Unlimited grants to pay the Federal share of providing comprehensive services to youth living in high poverty areas in the Nation's cities and rural areas.

"(b) AWARDS.—(1) The Secretary may only award grants under this part to the service delivery area (on behalf of the participating community) in which the target area is located, or to the grantee designated under section 401 if the target area is located on an Indian reservation or Alaskan native village.

"(2) The Secretary may award not more than 25 grants in the first fiscal year that the program assisted under this part is authorized, and may award not more than a total of 40 grants over the first 5 fiscal years that the program assisted under this part is authorized.

"(3) The Secretary shall award at least 1, but not more than 3, grants over the first 5 fiscal years that the program assisted under this part is authorized among grantees designated under section 401 representing Indian reservations and Alaskan native villages.

"(c) GRANT TERM.—(1) Grants awarded under this part shall be for a 1-year period and are renewable for each of the 2 succeeding fiscal years if the Secretary determines the grant recipient complied with conditions of the grant during the previous fiscal year.

"(2) The Secretary may extend the renewal period set forth in paragraph (1) for an additional 2 fiscal years upon reapplication.

"(d) AWARD CRITERIA.—In awarding grants under this part, the Secretary shall consider the quality of the proposed project, the goals to be achieved, the likelihood of the project's successful implementation, and the extent of community support. The Secretary shall give priority to participating communities with the highest rates of poverty.

"DEFINITIONS

"SEC. 493. For the purposes of this part—

"(1) The term 'participating community' means the city in a Metropolitan Statistical Area, the contiguous nonmetropolitan counties in a rural area, or an Indian reservation or Alaskan native village, that includes the target area for the Fair chance Youth Opportunities Unlimited Program.

"(2) The term 'poverty area' means an urban census tract, a nonmetropolitan county, an Indian reservation, or an Alaskan native village, with a poverty rate of 30 percent or more as determined by the Bureau of the Census.

"(3) The term 'target area' means a poverty area or set of contiguous poverty areas that will be the focus of the program in each participating community.

"APPLICATION

"SEC. 494. (a) ELIGIBILITY.—Participating communities which have the highest concentrations of povery, as determined by the Secretary based on the latest Census estimates, shall be eligible to apply for a Youth Opportunities Unlimited grant.

"(b) APPLICATION.—Each participating community desiring a grant under this part shall, through the individuals set for in subsection (c), submit an application to the Secretary at such time in such manner and accompanied by such information as the Secretary may reasonably require. Each such application shall—

"(1) include a comprehensive plan for the Fair Chance Youth Opportunities Unlimited initiative designed to achieve identifiable goals for youth in the target area;

"(2) set forth measurable program goals which may include increasing—

"(A) the proportion of youths completing high school,

"(B) the proportion of youths entering into community colleges or other advanced training programs, or

"(C) the proportion of youths placed in jobs;

"(3) include supporting goals for the target area such as increasing security and safety, or reducing the number of drug-related arrests;

"(4) provide assurances that the conditions set forth in section 495 will be met;

"(5) ensure that all youth in the target areas have access to a coordinated and comprehensive range of education and training opportunities which serve the broadest range of youth interests and needs and simultaneously mobilizes the diverse range of education and training providers in the participating community;

"(6) demonstrate how the participating community will make use of the resources, expertise, and commitment of institutions of higher education, educational agencies, and vocational and technical schools and institutes;

"(7) demonstrate how the participating community will make use of the resources, expertise, and commitment of such programs and service providers as—

"(A) community-based organizations providing vocational skills, literacy skills, remedial education, and general equivalency preparation, including those serving youth with limited English proficiency;

"(B) youth conservation and human service corps;

"(C) Job Corps centers;

"(D) apprenticeship programs; and

"(E) other projects and programs funded under this Act;

"(8) include an estimate of the expected number of youth in the target area to be served;

"(9) include a description of the resources available in the participating community from private, local government, State and Federal sources which will be used to achieve the goals of the program;

"(10) include an estimate of funds required to ensure access to appropriate education, training, and support services for all youth in the target area who seek such opportunities; and

"(11) provide evidence of support for accomplishing the stated goals of the participating community from—

"(A) local elected officials,

"(B) the local school board,

"(C) applicable private industry council,

"(D) local community leaders,

"(E) business,

"(F) labor organizations, and

"(G) other appropriate organizations.

"(c) APPLICATION LIMITATION.—The application for funds for a participating community may only be submitted to the Secretary by—

"(1) the mayor of a city in a Metropolitan Statistical Area, after the Governor of the State in which such city is located has had an opportunity to comment on the application;

"(2) the Governor of the State in which the contiguous nonmetropolitan counties in a rural area are located; or

"(3) the grantee designated under section 401 for an Indian reservation or Alaskan native village.

"GRANT AGREEMENT

"SEC. 495. Each service delivery area (on behalf of the participating community) receiving a grant under this part shall enter into an agreement with the Secretary. Each such agreement shall—

"(1) designate a target area that will be the focus of the demonstration project which shall have a population of not more than 25,000;

"(2) contain assurances that funds provided under this part will be used to support education, training, and supportive activities selected from a set of youth program models designated by the Secretary or from alternative models described in the application and approved by the Secretary, such as—

"(A) nonresidential learning centers,

"(B) alternative schools,

"(C) combined summer remediation, work experience and work readiness training, and school-to-work/apprenticeship/post-secondary education programs,

"(D) teen parent programs,

"(E) special programs run by community colleges,

"(F) youth centers,

"(G) initiatives aimed at increasing rural student enrollment in post-secondary institutions,

"(H) public-private collaborations to assure private sector employment and continued learning opportunities for youth; and

"(I) initiatives that combine community and youth service opportunities with education and training activities.

"(3) provide that only youth who are aged 14 through 21 and reside in the target area shall be eligible to participate in the program;

"(4) contain assurances that the local educational agency and any other educational agency which operates secondary schools in the target area shall provide such activities and resources as are necessary to achieve the educational goals specified in the application;

"(5) contain assurances that the participating community will provide such activities and local resources as are necessary to achieve the goals specified in the application;

"(6) provide that the participating community will carry out special efforts to establish coordination with Federal, State, or local programs that serve the target population; and

"(7) provide assurances that funds provided under this part will be used only to pay the Federal share of the costs of programs and services not otherwise available in the target area and will supplement, and not supplant, funding from other local, State, and Federal sources available to youth in the target area.

"PAYMENTS; FEDERAL SHARE

"SEC. 496. (a) PAYMENTS.—The Secretary shall pay to each participating community the Federal share of the costs of the activities described in the application.

"(b) FEDERAL SHARE.—The Federal share for each fiscal year a participating community receives assistance under this Act shall be 50 percent.

"(c) LIMITATION.—Each participating community may provide not more than 25 percent of its share from Federal sources other than funds received pursuant to this part.

"REPORTING

"SEC. 497. The Secretary is authorized to establish such reporting procedures as necessary to carry out the purposes of this part.

"FEDERAL RESPONSIBILITIES

"SEC. 498. (a) IN GENERAL.—The Secretary shall provide assistance to participating communities in the implementation of this project in participating communities. The Secretary may reserve not more than 5 percent of the operations and coordination of programs funded under this part. Such report should summarize findings concerning—

"(1) the extent to which current programs are sufficient in number, variety, and quality to meet demand; and

"(2) the feasibility of extending access to comprehensive education, training and support services and programs required under this part to all areas of the nation, including possible approaches to the incremental extension of such access over time.".

(b) TECHNICAL AMENDMENT.—The table of contents of the Act is amended by adding the following after section 485:

"PART I—FAIR CHANCE YOUTH OPPORTUNITIES UNLIMITED PROGRAM

"Sec. 491. Statement of purpose.
"Sec. 492. Program authorized.
"Sec. 493. Definitions.
"Sec. 494. Application.
"Sec. 495. Grant agreement.
"Sec. 496. Payments; Federal share.
"Sec. 497. Reporting.
"Sec. 498. Federal responsibilities.".

TITLE II—STATE HUMAN RESOURCE COUNCIL

SEC. 201. ESTABLISHMENT OF STATE HUMAN RESOURCE INVESTMENT COUNCILS.

(a) COUNCIL ESTABLISHED.—Each State receiving assistance under an applicable program shall establish a State human resource investment council (hereafter in this title referred to as the "State council") to—

(1) review the provisions of services and the use of funds and resources under applicable programs and advise the Governor on methods of coordinating such provision of services and use of funds and resources consistent with the provisions of the applicable programs;

(2) advise the Governor on the development and implementation of State and local standards and measures relating to applicable programs and coordination of such standards and measures; and

(3) work cooperatively with the directors of the designated State units administering the State vocational rehabilitation programs and the directors of the special education units of the State education agencies to enhance employment and vocational education and training opportunities under applicable programs for persons with disabilities.

(b) COMPOSITION.—Each State council established as required by subsection (a) shall consist of the following members appointed by the Governor—

(1) not less than 30 percent shall be appointed from representatives of business and industry (including agriculture, where appropriate), including individuals who are representatives of business and industry on private industry councils within the State established under section 102 of the Job Training Partnership Act;

(2) not less than 30 percent shall be appointed from representatives of organized labor and representatives of community-based organizations in the State;

(3) not less than 20 percent shall consist of—

(A) the chief administrative officer from each of the State agencies primarily responsible for administration of an applicable program;

(B) other members appointed from representatives of the State legislature and State agencies and organizations, such as the State educational agency, the State vocational education board, the State board of education (if not otherwise represented), the State public assistance agency, the State employment security agency, the special education unit of the State education agency, the State occupational information coordinating committee, State postsecondary institutions, the State economic development agency, the State agency on aging, the State veteran's affairs agency (or its equivalent), State career guidance and counseling organizations, and any other agencies the Governor determines to have a direct interest in the utilization of human resources within the State; and

(C) the chief administrative officer(s) of the designated State unit(s) which administer(s) the State vocational rehabilitation program as authorized under title I of the Rehabilitation Act; and

(4) not more than 20 percent shall be appointed from—

(A) representatives of units of general local government or consortia of such units, appointed from nominations made by the chief elected officials of such units or consortia;

(B) representatives of local educational agencies and postsecondary institutions, which appointments shall be equitably distributed between such agencies and such institutions and shall be made from nominations made by local educational agencies and postsecondary institutions, respectively;

(C) representatives of local welfare agencies; and

(D) individuals who have special knowledge and qualifications with respect to the special education and career development needs of individuals who are members of special populations, women, and minorities, including one individual who is a representative of special education.

(c) BUDGET.—Each State council shall prepare a budget for itself and submit the budget to the Governor for approval.

(d) SERVICES.—Each State council may obtain the services of such professional, technical, and clerical personnel as may be necessary to carry out the State Council's functions under this Act and under any applicable program.

(e) CERTIFICATION.—Each State receiving financial assistance under an applicable program shall certify to the Secretary of Labor the establishment and membership of a State council at least 90 days before the beginning of each period of 2 program years for which a job training plan is submitted under the Job Training Act.

SEC. 202. DEFINITION.

For purposes of this title the term "applicable program" means any program under any of the following provisions of law:

(1) The Adult Education Act.

(2) The Carl D. Perkins Vocational Education Act.

(3) The Job Training Partnership Act.

(4) The Wagner-Peyser Act.

(5) Subtitle F of title IV of the Social Security Act (JOBS), to the extent provided under section 483 of such Act.

SEC. 203. DUTIES OF STATE COUNCIL WITH RESPECT TO APPLICABLE PROGRAMS.

(a) DUTIES UNDER THE JOB TRAINING PARTNERSHIP ACT.—Section 122 of the Act is amended—

(1) in the section heading by striking "STATE JOB TRAINING COORDINATING COUNCIL" and inserting in lieu thereof "STATE HUMAN RESOURCE INVESTMENT COUNCIL";

(2) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

"(1) Any State which desires to receive financial assistance under this Act shall establish a State human resource investment council as required by section 201(a) of the Job Training and Basic Skills Act of 1989 and shall require such council to act as a State job training coordinating council. Funding for the duties of the council under this Act shall be provided pursuant to sections 202(d)(2)(A) and 252(d)(2)(A).";

(B) by striking paragraphs (2), (3), and (4) and redesignating paragraphs (5), (6), and (7) as paragraphs (2), (3), and (4), respectively;

(C) in paragraph (2) (as redesignated by paragraph (2) of this subsection), by striking "State council" and inserting "State human resource investment council";

(D) in paragraph (3) (as redesignated by paragraph (2) of this subsection), by striking "State council" and inserting "State human resource investment council, in carrying out its duties under this Act,"; and

(E) in paragraph (4) (as redesignated by paragraph (2) of this subsection), by striking "State council" and inserting "State human resource investment council relative to carrying out its duties under this Act".

(b) DUTIES UNDER THE WAGNER-PEYSER ACT.—The Wagner-Peyser Act (29 U.S.C. 49) is amended—

(1) by redesignating section 15 as section 16; and

(2) by inserting after section 14 the following new section:

"SEC. 15. The State human resource investment council established under section 201(a) of the Job Training and Basic Skills Act of 1989 shall review the provision of services and the use of funds and resources under this Act and advise the Governor on methods of coordinating such provision of services and use of funds and resources with the provision of services and the use of funds and resources under—

"(1) the Adult Education Act;

"(2) the Carl D. Perkins Vocational Education Act;

"(3) the Job Training Partnership Act; and

"(4) part F of title IV of the Social Security Act (JOBS), to the extent provided under section 483 of such Act.".

(3) in subsection (b) of section 8 by striking "State job training coordinating council" and inserting "State human resource investment council"; and

(4) in subsection (a) of section 11 by striking "State job training coordinating council" and inserting "State human resource investment council".

SEC 204. EFFECTIVE DATE.

The amendments made by this title shall take effect on July 1, 1992.

SEC. 205. CONFORMING TECHNICAL AMENDMENTS.

(a) CONFORMING AMENDMENTS.—The Job Training Partnership Act is amended—

(1) in section 122(b)(2) by striking "section 202(a)" and inserting "sections 202(c) and 252(c)";

(2) in section 123(a) (as redesignated in section 112(b)) by striking "section 204(b)(4)" and inserting "sections 202(d)(2)(A) and 252(d)(2)(A)";

(3) in section 141(k) by striking "section 205(d)(3)(B)" and insert "part B of title II";

(4) in section 161(b)(2) by striking "through 455" and inserting "and 453";

(5) in section 433(c)(1) by striking "455" and inserting "453";

(6) in section 463(a)(3) by striking "125" and inserting "123";

(7) in section 464(a)(3) by striking "125" and inserting "123";

(8) in section 481(a) by striking "203(a)(1)" and inserting "203";

(9) by striking "State job training coordinating council" each place such term appears and inserting "State human resource investment council"; and

(10) in the table of contents by striking the item relating to section 122 and inserting "State human resource investment council."

(b) REPEALERS.—Sections 161(c) and 181 of the Job Training Partnership Act are repealed.

MACK AMENDMENT NO. 996

(Ordered to lie on the table.)

Mr. MACK submitted an amendment intended to be proposed by him to the bill S. 1554, supra, as follows:

At the end of the bill, add the following new section:

SEC. . SENSE OF THE SENATE REGARDING CAPITAL GAINS.

It is the sense of the Senate that—

(1) the individual and corporate maximum rates of tax on long-term capital gains should be reduced to 15 percent;

(2) the basis of stock in a corporation and tangible property which is a capital asset used in a trade or business held for more than 1 year should be indexed for inflation;

(3) the limitation on capital losses of individuals should be indexed for inflation;

(4) the House of Representatives should immediately adopt and send to the Senate for consideration legislation regarding capital gains as described in this section.

HATCH AMENDMENTS NOS. 997 THROUGH 999

(Ordered to lie on the table.)

Mr. HATCH submitted three amendments intended to be proposed by him to the bill S. 1554, supra, as follows: Intended to be proposed by Mr. Hatch

AMENDMENT NO. 997

At the appropriate place, insert the following new section:

SEC. . CONTRIBUTIONS OF DEPRECIABLE BUSINESS PROPERTY.

(a) IN GENERAL.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to contributions of ordinary income and capital gain property) is amended by adding at the end thereof the following new paragraph:

"(6) SPECIAL RULE FOR CERTAIN CONTRIBUTIONS OF DEPRECIABLE BUSINESS PROPERTY.—

"(A) QUALIFIED CONTRIBUTIONS.—For purposes of this paragraph, a qualified contribution shall mean a charitable contribution of property described in section 1245(a)(3) by the taxpayer to an organization which is described in section 501(c)(3) and is exempt under section 501(a) (other than a private foundation, as defined in section 509(a), which is not an operating foundation, as defined in section 4942(j)(3)), but only if—

"(i) the use of the property by the donee is related to the purpose or function constituting the basis for the donee's exemption under section 501,

"(ii) the property is to be used within the 90-day period beginning on the date on which such contribution is made solely for the training of individuals who are disabled or needy,

"(iii) the property is not transferred by the donee in exchange for money, other property, or services, and

"(iv) the taxpayer receives from the donee a written statement representing that the use and disposition of the property will be in accordance with the provisions of clauses (i), (ii), and (iii).

"(B) AMOUNT OF DEDUCTION.—Notwithstanding any other provision of this subsection, the amount allowable as a deduction under subsection (a) for any qualified contribution (as defined in subparagraph (A)) shall be an amount equal to the greater of—

"(i) the taxpayer's basis in the property contributed, or

"(ii) the lesser of—

"(I) the fair market value (determined at the time of such contribution) of such property, or

"(II) the taxpayer's acquisition cost for such property.

"(C)

"(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to contributions made after December 31, 1991, in taxable years ending after such date.

AMENDMENT NO. 998

At the appropriate place, insert the following new section:

SEC. . APPLICATION ON FAIR LABOR STANDARDS ACT OF 1938.

(a) MINIMUM WAGE.—

(1) SPECIAL INDUSTRY COMMITTEES.—Section 5(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 205(a)) is amended—

(A) by striking the phrase "engaged in commerce or in the production of goods for commerce, or employed in any enterprise engaged in commerce or in the production of goods for commerce" each time that it appears and inserting in lieu thereof each time the following: "who are: (i) engaged in industrial homework subject to 11(d) and are either (A) engaged in commerce or (B) engaged in the production of goods for commerce; or (ii) employed in an enterprise engaged in commerce or in the production of goods for commerce".

(2) MINIMUM WAGE.—Section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)) is amended by striking the phrase "who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce" and inserting in lieu thereof the following: "who in any workweek is: (i) engaged in industrial homework subject to 11(d) and is either (A) engaged in commerce or (B) engaged in the production of goods for commerce; or (ii) employed in an enterprise engaged in commerce or in the production of goods for commerce".

(3) WAGE ORDERS.—Section 8(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 208(a)) is amended by striking out "employers in American Samoa engaged in commerce or in the production of goods for commerce or" and inserting in lieu thereof "employers in American Samoa".

(b) MAXIMUM HOURS.—Paragraphs (1) and (2) of section 7(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(a)) are each amended by striking the phrase "who in any workweek is engaged in commerce or in the production of goods for commerce, or is employed in an enterprise engaged in commerce or in the production of goods for commerce" and inserting in lieu thereof the following: "who in any work-week is: (i) engaged in industrial homework subject to 11(d) and is either (A) engaged in commerce or (B) engaged in the production of goods for commerce; or (ii) employed in an enterprise engaged in commerce or in the production of goods for commerce".

(c) SEX DISCRIMINATION.—Paragraphs (1) and (2) of section 6(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)) are each amended by inserting after "employees subject to any provisions of this section" the following: "or employees engaged in commerce or in the production of goods for commerce".

(d) HANDICAPPED WORKERS.—Section 14(c)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 214(c)(1)) is amended by inserting after "injury" the following: "and who are engaged in commerce or in the production of goods for commerce, or who are employed in an enterprise engaged in commerce or in the production of goods for commerce".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 3 of the Fair Labor Standards Amendments of 1989.

AMENDMENT NO. 999

At the appropriate place, add the following new section:

SEC. . DEPARTMENT OF LABOR REGULATIONS.

(a) IN GENERAL.—Section 11(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(d)) is amended—

(1) by striking out "Administrator" each place that such appears and inserting in lieu thereof "Secretary"; and

(2) by striking out "regulating, restricting, or prohibiting" and inserting in lieu thereof "regulating or restricting".

(b) EFFECT ON EXISTING REGULATIONS AND ORDERS.—Any regulation or order of the Secretary of Labor made under section 11(d) of the Fair Labor Standards Act of 1938, as such section existed immediately prior to the date of enactment of this Act, that is not authorized under such section as amended by subsection (a), shall as of the date of enactment, be of no force or effect.

KOHL (AND WELLSTONE) AMENDMENTS NOS. 1000 THROUGH 1002

(Ordered to lie on the table.)

Mr. KOHL (for himself and Mr. WELLSTONE) submitted three amendments intended to be proposed by them to the bill S. 1554, supra, as follows:

AMENDMENT NO. 1000

At the appropriate place add the following:

SECTION . EMERGENCY DAIRY ADJUSTMENTS.

(a) ADJUSTMENT IN PRICE SUPPORT.—Subsection (d) of section 204 of the Agricultural Act of 1949 (7 U.S.C. 1446e(d)(4)) is amended by adding at the end thereof the following new paragraph:

"(6) INCREASE IN PRICE SUPPORT.—Notwithstanding any other provision of this section, the Secretary may at any time increase the rate of price support for milk and the products of milk to a rate that is greater than $10.10 per hundredweight."

(b) EFFECTIVE DATE.—Notwithstanding the provisions of section 10 of this Act, the amendment provided for by this section shall be effective upon the date of enactment of this Act.

AMENDMENT NO. 1001

At the end of the bill, insert the following new section:

SECTION . EMERGENCY DAIRY ADJUSTMENTS.

It is the Sense of the Congress that—

(1) the provisions of section 204 of the Agricultural Act of 1949 provide the Secretary of Agriculture with sufficient authority to increase the rate of price suport for milk and the products of milk in effect for the calendar years 1991 through 1995 to a rate that is greater than $10.10 per hundredweight; and

(2) the Secretary of Agriculture should use such authority to immediately increase the rate of price support for milk and the products of milk to a rate that is not less than $12.60 per hundredweight.

AMENDMENT NO. 1002

At the end of the bill, insert the following new section:

SECTION . EMERGENCY DAIRY ADJUSTMENTS.

(a) ADJUSTMENT IN PRICE SUPPORT.—Subsection (d) of section 204 of the Agricultural Act of 1949 (7 U.S.C. 1446e(d)(4)) is amended by adding at the end thereof the following new paragraph:

"(6) INCREASE IN PRICE SUPPORT.—Notwithstanding any other provision of this section, the Secretary may at any time increase the rate of price support for milk and the products of milk to a rate that is greater than $10.10 per hundredweight."

(b) EFFECTIVE DATE.—Notwithstanding the provisions of section 10 of this Act, the amendment provided for by this section shall be effective upon the date of enactment of this Act.

GRAMM AMENDMENTS NOS. 1003 THROUGH 1012

(Ordered to lie on the table.)

Mr. GRAMM submitted 10 amendments intended to be proposed by him to the bill S. 1554, supra, as follows:

AMENDMENT NO. 1003

Strike all after the enacting clause and insert the following:

That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE—

"SECTION 1. Prior to each fiscal year, Congress shall adopt a statement of receipts and outlays for such fiscal year in which total outlays are not greater than total receipts. Congress may amend such statement provided revised outlays are not greater than revised receipts. Congress may provide in such statement for a specific excess of outlays over receipts by a vote directed solely to that subject in which three-fifths of the whole number of each House agree to such excess. The Congress and the President shall ensure that actual outlays do not exceed the outlays set forth in such statement.

"SEC. 2. Total receipts for any fiscal year set forth in the statement adopted pursuant to the first section of this article shall not increase by a rate greater than the rate of increase in national income in the year or years ending not less than six months before such fiscal year, unless a majority of the whole number of each House of Congress shall have passed a bill directed solely to approving specific additional receipts and such bill as become law.

"SEC. 3. Prior to each fiscal year, the President shall transmit to Congress a proposed statement of receipts and outlays for such fiscal year consistent with the provisions of this article.

"SEC. 4. The Congress may waive the provisions of this article for any fiscal year in which a declaration of war is in effect.

"SEC. 5. Total receipts shall include all receipts of the United States except those derived from borrowing and total outlays shall include all outlays of the United States except those for the repayment of debt principal.

"SEC. 6. The amount of Federal public debt as of the first day of the second fiscal year beginning after the ratification of this article shall become a permanent limit on such debt and there shall be no increase in such amount unless three-fifths of the whole number of each House of Congress shall have passed a bill approving such increase and such bill has become law.

"SEC. 7. The Congress shall enforce and implement this article by appropriate legislation.

"SEC. 8. This article shall take effect for the fiscal year 1993 or for the second fiscal year beginning after its ratification.".

AMENDMENT NO. 1004

At the appropriate place, insert the following new title:

TITLE —REDUCTION IN SOCIAL SECURITY PENALTY ON WORKING ELDERLY

Sec. 01. PHASED-IN INCREASES IN THE EARNINGS TEST OVER THE PERIOD 1992–1997 FOR INDIVIDUALS WHO HAVE ATTAINED NORMAL RETIREMENT AGE.

(a) IN GENERAL.—Subparagraph (D) of section 203(f)(8) of the Social Security Act (42 U.S.C. 403(f)(8)) is amended to read as follows:

"(D)(i) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(l)) before the close of the taxable year involved shall be—

"(I) for each month of the taxable year ending after 1991 and before 1993, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(II) for each month of the taxable year ending after 1992 and before 1994, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(III) for each month of the taxable year ending after 1993 and before 1995, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(IV) for each month of the taxable year ending after 1994 and before 1996, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(V) for each month of the taxable year ending after 1995 and before 1997, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(VI) for each month of the taxable year ending after 1996 and before 1998, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000.

"(ii) For purposes of subparagraph (B)(ii)(II), the increase in the exempt amount provided under clause (i)(VI) shall be deemed to have resulted from a determination which shall be deemed to have been made under subparagraph (A) in 1996.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after 1991.

SEC. 02. TRANSFERS TO TRUST FUNDS.

(a) IN GENERAL.—There are hereby appropriated to each payor fund amounts equivalent to the aggregate increase in social security benefits payable from such fund which is attributable to the amendment made by section 01.

(b) TRANSFERS.—The amounts appropriated by subsection (a) to a payor fund shall be transferred from time to time (but not less frequently than quarterly) from the general fund of the Treasury on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in such subsection. Any such quarterly payment shall be made on the first day of such quarter and shall take into account social security benefits estimated to be received during such quarter. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) DEFINITIONS.—For purposes of this section—

(1) Payor fund.—The term "payor fund" means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(2) Social security benefits.—The term "social security benefits" means any amount received by a person by reason of entitlement to monthly benefits under title II of the Social Security Act.

(d) REPORTS.—The Secretary of the Treasury shall submit annual reports to the Congress and to the Secretary of Health and Human Services on—

(1) the transfers made under this section during the year, and the methodology used in determining the amount of such transfers and the payor funds to which made, and

(2) the anticipated operation of this section during the next 5 years.

SEC. 03. STUDY TO DETERMINE IMPACT OF TOTAL REPEAL.

(a) STUDY.—The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall undertake in 1997 a study for the purpose of determining whether further amendments relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act are necessary or appropriate. Such study shall be conducted in full consultation with the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce. The Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce shall provide the Secretary with such appropriate assistance and information requested by the Secretary as the Secretary considers necessary and appropriate to carry out the study under this section.

(b) SPECIFIC MATTERS TO BE STUDIED.—

(1) IN GENERAL.—The Secretary, in carrying out the study provided for in this section, shall address, analyze, and report specifically on various effects—

(A) which have resulted from the amendment made by section 01, and

(B) which would reasonably be expected to result from repeal, effective with respect to taxable years ending after calendar year 1997, of the provisions relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act.

The Secretary shall include in the report any other information which the Secretary considers would be relevant and useful to the Congress in considering legislation relating to deductions on account of work and the exempt amount.

(2) Effects to be included in study.—The effects referred to in paragraph (1) shall include—

(A) the effect on numbers in the workforce, by category of income;

(B) the effect on the purchasing power of members of the workforce, expressed in constant dollars;

(C) the effect on the working elderly with wage or salary income at or below the national average wage level;

(D) the short-term and long-term effect on the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund;

(E) the effect on the Federal budget; and

(F) the effect on the national economy.

(c) REPORTS.—The Secretary shall submit to each House of the Congress, not later than November 1, 1997, a final report of the findings of such study.

SEC. . EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and receipts legislation provided by this title (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act (including section 10), none of the preceding sections of this Act shall take effect unless the President submits to the Congress a written designation of all direct spending amounts and receipts legislation provided by this Act (for all fiscal years) and all appropriations authorized by this act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

AMENDMENT NO. 1005

At the appropriate place, insert the following new title:

TITLE —ECONOMIC GROWTH DIVIDEND

SEC. 01. USE OF ECONOMIC GROWTH DIVIDEND.

(a) GENERAL RULE.—If the Secretary of the Treasury (hereinafter in this title referred to as the "Secretary") determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, such dividend shall be used to increase the amount of the personal exemptions as provided in section 02.

(b) ECONOMIC GROWTH DIVIDEND.—For purposes of this Act—

(1) there is an economic growth dividend for any fiscal year if the Secretary determines that the real growth in the gross national product during such fiscal year was at a rate in excess of 3 percent, and

(2) the amount of the economic growth dividend for such fiscal year is the amount which the Secretary estimates will be the annual increase in Federal tax receipts resulting from the real growth in the gross national product during such fiscal year at a rate in excess of 3 percent.

Determinations under the preceding sentence shall be made before the close of the calendar year in which the fiscal year ends.

(c) SPECIAL RULE FOR FISCAL YEARS BEFORE 1996.—In the case of any fiscal year beginning before October 12, 1995, subsection (b) shall be applied by substituting for "3 percent" each place it appears the estimated rate of real growth in the gross national product for such fiscal year as set forth in the President's budget submission for such fiscal year under section 1105 of title 31, United States Code.

SEC. 02. INCREASE IN AMOUNT OF PERSONAL EXEMPTIONS.

(a) GENERAL RULE.—If the Secretary determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, the amount of the exemption amount for taxable years beginning after the close of the calendar year in which such fiscal year ends shall be increased by an amount which the Secretary estimates will reduce Federal tax receipts for taxable years beginning in the following calendar year by an amount equal to 100 percent of the amount of such economic growth dividend.

(b) SPECIAL RULE FOR FISCAL YEARS BEFORE 1996.—In the case of any fiscal year beginning before October 1, 1995, 50 percent of the economic growth dividend shall be used in accordance with subsection (3), and 50 percent of the growth dividend shall be used to make a downward adjustment in the maximum deficit amount of section 250(c)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) EXEMPTION AMOUNT.—For purposes of this section, the term "exemption amount" means the amount which would otherwise be the exemption amount under section 151(d) of the Internal Revenue Code of 1986 before the application of paragraphs (2) and (3) thereof.

(d) INFLATION ADJUSTMENTS.—Any increase determined under this section shall be adjusted for increases in the cost of living under procedures similar to those provided in section 151(d)(4) of such Code.

SEC. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and receipts legislation provided by this title (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act (including section 10), none of the preceding sections of this Act shall take effect unless the President submits to the Congress a written designation of all direct spending amounts and receipts legislation provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

AMENDMENT NO. 1006

At the appropriate place, insert the following new title:

TITLE —FIRST-TIME HOMEBUYERS TAX CREDIT

SEC. 01. CREDIT FOR PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

(a) GENERAL RULE.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

"(a) ALLOWANCE OF CREDIT.—If an individual who is a first-time homebuyer purchases a principal residence during the taxable year, there shall be allowed to such individual as a credit against the tax imposed by this subtitle for such taxable year an amount equal to $1,000.

"(b) INCOME LIMITATIONS.—

"(1) IN GENERAL.—No credit shall be allowed under subsection (a) to any individual whose adjusted gross income for the taxable year exceeds $41,000.

"(2) PHASE-DOWN OF CREDIT.—The $1,000 amount set forth in subsection (a) shall be reduced by $10 for each $100 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $31,000.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' has the meaning given to such term by section 408(e)(3)(E)(ii).

"(2) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(3) PURCHASE.—The term 'purchase' means any acquisition of property, but only if the basis of such property in the hands of the person acquiring it is not determined—

"(A) in whole or in part by the reference to the adjusted basis of such property in the hands of the person from whom acquired, or

"(B) under section 1014(a) (relating to property acquired from a decedent).

"(4) TREATMENT OF MARRIED INDIVIDUALS.—The adjusted gross income of any individual for any taxable year shall include the adjusted gross income of such individual's spouse for such spouse's taxable year corresponding to the taxable year of the individual. For purposes of the preceding sentence, marital status shall be determined under section 7703; except that an individual shall not be treated as being married if such individual would not be treated as being married under section 21(e)(4).

"(5) JOINT PURCHASES.—If a residence is purchased together by 2 or more individuals for use as their principal residence—

"(A) such individuals shall be limited to 1 credit under this section for such purchase and the amount of such credit shall be allocated among such individuals in the manner prescribed by the Secretary,

"(B) no credit shall be allowed under this section for such purchase unless all of such individuals are first-time homebuyers, and

"(C) the aggregate adjusted gross income of all of such individuals shall be taken into account in determining the amount of the credit allowable under this section for such purchases."

(b) CLERICAL AMENDMENTS.—The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Purchase of principal residence by first-time homebuyer.

"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to principal residences purchased after July 31, 1991.

SEC. . EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and receipts legislation provided by this title (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act (including section 10), none of the preceding sections of this Act shall take effect unless the President submits to the Congress a written designation of all direct spending amounts and receipts legislation provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

AMENDMENT NO. 1007

At the appropriate place, insert the following new title:

TITLE—PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS

SEC. 01. PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS.

(a) GENERAL RULE.—Subparagraph (A) of section 408A(d)(3) (as added by title II) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end thereof the following new clause:

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

(b) QUALIFIED SPECIAL PURPOSE DISTRIBUTION DEFINED.—Section 408A (as so added) is amended by redesignating subsections (e) and (f) as (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) QUALIFIED SPECIAL PURPOSE DISTRIBUTION FROM IRA PLUS ACCOUNTS.—For purposes of this section—

" IN GENERAL.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 percent account limit.—

"(A) IN GENERAL.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(i) 25 percent of the sum of—

"(I) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(II) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(ii) the amount determined under clause (i)(II).

"(B) LIMITATION NOT TO APPLY FOR PURPOSES OF SECTION 72(T).—Section 72(t) shall not apply to any distribution which would be a qualified distribution but for the limitations of subparagraph (A).

"(3) DISTRIBUTIONS FROM IRA PLUS ACCOUNTS USED TO PURCHASE A HOME BY FIRST-TIME HOMEBUYER.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer (or by a parent or grandparent of a first-time homebuyer) from an individual retirement plan to the extent such payment or distribution is used by the individual receiving the payment or distribution before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such first-time homebuyer.

"(B) BASIS REDUCTION.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer (or parent or grandparent thereof) by reason of this section.

"(C) RECOGNITION OF GAIN AS ORDINARY INCOME.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) EXCEPTION.—Clause (i) shall not apply to any taxable year to the extent of any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) COORDINATION WITH OTHER PROVISIONS.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so used,

the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS FROM IRA PLUS ACCOUNTS.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year). For purposes of determining the amount so allowable, any child or grandchild of the taxpayer shall be treated as a dependent of the taxpayer.

"(5) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLUS ACCOUNTS FOR EDUCATIONAL EXPENSES.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable educational distributions' means distributions to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild, at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. . EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and receipts legislation provided by this title (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act (including section 10), none of the preceeding sections of this Act shall take effect unless the President submits to the Congress a written designation of all direct spending amounts and receipts legislation provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

AMENDMENT NO. 1008

At the appropriate place, insert the following new title:

TITLE —SAVINGS INCENTIVES

SEC. 01. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) INDIVIDUAL RETIREMENT PLUS ACCOUNT.—For purposes of this title, the term 'individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.—

"(A) IN GENERAL.—Except in the case of rollover contributions, the aggregate amount which may be accepted as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 INCREASE AFTER 1996.—In the case of any taxable year beginning after December 31, 1996, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) LIMITATIONS ON ROLLOVER CONTRIBUTIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) IN GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) TREATMENT OF QUALIFIED DISTRIBUTION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual, or

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)).

"(B) DISTRIBUTIONS WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) June 30, 1993,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED AMOUNTS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) TIME FOR INCLUSION.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) ROLLOVER CONTRIBUTIONS.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(f) DETERMINATIONS.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins.".

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. . EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and receipts legislation provided by this title (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act (including section 10), none of the preceding sections of this Act shall take effect unless the President submits to the Congress a written designation of all direct spending amounts and receipts legislation provided by this Act (for all fiscal years) and all appropriation authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced

Budget and Emergency Deficit Control Act of 1985.

AMENDMENT NO. 1009

At theappropriate place, insert the following new title:

TITLE —RESEARCH AND EXPERIMENTATION CREDIT MADE PERMANENT

SEC. 01. RESEARCH AND EXPERIMENTATION CREDIT MADE PERMANENT.

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating tc credit for increasing research activities) is amended by striking subsection (h).

(b) CONFORMING AMENDMENT.—Section 28(b)(1) of the Internal Revenue Code of 1986 (relating to clinical testing expenses for certain drugs for rare diseases or conditions) is amended by striking subparagraph (D).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. . EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and receipts legislation provided by this title (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act (including section 10), none of the preceeding sections of this Act shall take effect unless the President submits to the Congress a written designation of all direct spending amounts and receipts legislation provided by this Act (for all fiscal years) and all appropriations authorized by DHS Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

AMENDMENT NO. 1010

At the appropriate place, insert the following new title:

TITLE _____—INVESTMENT AND JOB CREATION INCENTIVES

Subtitle A—Reduction in Capital Gains Tax for Individuals

SEC. _____01. REDUCTION IN CAPITAL GAINS TAX FOR INDIVIDUALS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new section:

"SEC. 1202. DEDUCTION FOR CAPITAL GAINS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the sum of the applicable percentages of the applicable capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGES.—For purposes of this subsection, the applicable percentages shall be the percentages determined in accordance with the following table:

"In the case of:	The applicable percentage is:
1-year gain	10
2-year gain	20
3-year gain	30.

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

"(1) APPLICABLE CAPITAL GAIN.—The term 'applicable capital gain' means 1-year gain, 2-year gain, or 3-year gain determined by taking into account only gain which is properly taken into account for periods on or after April 15, 1991.

"(2) 3-YEAR GAIN.—The term '3-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 3 years.

"(3) 2-YEAR GAIN.—The term '2-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 3-year gain, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 2 years but not more than 3 years.

"(4) 1-YEAR GAIN.—The term '1-year gain' means the net capital gain for the taxable year determined by taking into account only—

"(A) gain from the sale or exchange of assets held more than 1 year but not more than 2 years, and

"(B) losses from the sale or exchange of assets held more than 1 year.

"(5) SPECIAL RULES FOR GAIN ALLOCABLE TO PERIODS BEFORE 1993.—For purposes of this section—

"(A) GAIN ALLOCABLE TO PERIODS AFTER APRIL 15, 1991, AND BEFORE 1992.—In the case of any gain from any sale or exchange which is properly taken into account for the period beginning on April 15, 1991, and ending on December 31, 1991, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 3-year gain.

"(B) GAIN ALLOCABLE TO 1992.—In the case of any gain from any sale or exchange which is properly taken into account for periods during 1992, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 2-year gain and 3-year gain, respectively.

"(6) SPECIAL RULES FOR PASS-THRU ENTITIES.—

"(A) IN GENERAL.—In applying this subsection with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(7) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year—

"(A) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

"(B) the amount so allocated to any such gain shall reduce the amount of such gain."

(b) TREATMENT OF COLLECTIBLES.—

(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

"(12) SPECIAL RULE FOR COLLECTIBLES.—

"(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) COLLECTIBLE.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)."

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(c) MINIMUM TAX.—Section 56(b) is amended by adding at the end thereof the following new paragraph:

"(4) CAPITAL GAINS DEDUCTION DISALLOWANCE.—The deduction under section 1202 shall not be allowed."

(d) CONFORMING AMENDMENTS.—

(1) Subsection (h) of section 1 is hereby repealed.

(2) Section 12 is amended by striking paragraph (4) and redesignating the following paragraphs accordingly.

(3) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202."

(4) Clause (ii) of section 163(d)(4)(B) is amended by inserting ", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment".

(5)(A) Section 170(e)(1)(B) is amended by inserting "(or, in the case of a taxpayer other than a corporation, the nondeductible percentage of the amount of gain)" after "the amount of gain".

(B) Section 170(e)(1) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b)."

(6)(A) Section 172(d)(2) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section 1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(7)(A) Section 221 (relating to cross reference) is amended to read as follows:

"SEC. 221. CROSS REFERENCES.

"(1) For deduction for net capital gain, see section 1201.

"(2) For deductions in respect of a decedent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking "reference" in the item relating to section 221 and inserting "references".

(8) Paragraph (4) of section 642(c) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income)."

(9) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account."

(10) Paragraph (6)(C) of section 643(a) is amended—

(A) by inserting "(i)" before "there", and

(B) by inserting ", and (ii) the deduction under section 1202 (relating to deduction for excess of capital gains over capital losses)" before the period at the end thereof.

(11) Paragraph (4) of section 691(c) is amended by striking "1(h),".

(12) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(13)(A) Subparagraph (B) of section 904(b)(2) is amended by striking out so much of such subparagraph as precedes clause (i) and inserting the following:

"(B) SPECIAL RULES WHERE CORPORATE CAPITAL RATE GAIN DIFFERENTIAL.—In the case of a corporation, for any taxable year for which there is a capital gain rate differential—".

(B) Subparagraphs (D) and (E) of section 904(b)(3) are amended to read as follows:

"(D) CAPITAL GAIN RATE DIFFERENTIAL.—There is a capital gain rate differential for any taxable year if any rate of tax imposed by section 11, 511, or 831(a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)(1)).

"(E) RATE DIFFERENTIAL PORTION.—The rate differential portion of foreign source net capital gain, net capital, or the excess of net capital gain from sources within the United States over net capital gain, as the case may be, is the same proportion of such amount as—

"(i) the excess of the highest rate of tax specified in section 11(b)(1) over the alternative rate of tax under section 1201(a), bears to

"(ii) the highest rate of tax specified in section 11(b)(1)."

(14) Section 1402(i)(1) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Deduction for capital gains."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending on or after April 15, 1991.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning after April 15, 1991.

(B) SPECIAL RULE FOR 1991 TAXABLE YEAR.—In case of any taxable year which includes April 15, 1991, for purposes of section 1202 of the Internal Revenue Code of 1986 and section 1(h) of such Code, any gain or loss from the sale or exchange of a collectible (within the meaning of section 1222(12) of such Code) shall be treated as gain or loss from a sale or exchange occurring before such date.

SEC. _____02. PREVENTION OF EXCESSIVE DEDUCTION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property, shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188 (as in effect before its repeal by the Revenue Reconciliation Act of 1990), 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Economic Growth and Jobs Creation Incentives Act of 1991", and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (e) and (f), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Economic Growth Act of 1991)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Economic Growth and Dividend Act of 1991)."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions made on or after April 15, 1991, in taxable years ending on or after such date.

Subtitle B—Inflation Adjustment for Investments

SEC. ____11. INDEXING OF CERTAIN INVESTMENTS AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF INVESTMENTS ACQUIRED AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Solely for purposes of determining gain on the sale or other disposition by an individual of an indexed asset which has been held for more than 1 year, the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) SPECIAL RULE FOR RECAPTURE GAIN.—

"(A) IN GENERAL.—Paragraph (1) shall not apply for purposes of determining the amount of recapture gain on the sale or other disposition of an indexed asset, but the amount of any such recapture gain shall increase the adjusted basis of the asset for purposes of applying paragraph (1) to determine the amount of other gain on such sale or other disposition.

"(B) RECAPTURE GAIN.—For purposes of subparagraph (A), the term 'recapture gain' means any gain treated as ordinary income under section 1245, 1250, or 1254.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) any stock in a corporation, and

"(B) any tangible property (or any interest therein),

which is a capital asset or property used in the trade or business (as defined in section 1231(B)) and the holding period of which begins after April 15, 1991.

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) COLLECTIBLES.—Any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

"(C) OPTIONS.—Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (i)(3)).

"(E) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(F) STOCK IN FOREIGN CORPORATIONS.—Stock in a foreign corporation.

"(G) STOCK IN S CORPORATIONS.—Stock in an S corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Paragraph (2)(F) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis or is authorized for trading on the national market system operated by the National Association of Securities Dealers other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)),

"(B) stock in a passive foreign investment company (as defined in section 1296), and

"(C) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset shall be determined by dividing—

"(A) the CPI for the calendar year preceding the calendar year in which the disposition takes place, by

"(B) the CPI for the calendar year preceding the calendar year in which the taxpayer's holding period for such asset began.

The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-hundredth.

"(3) CONVENTIONS.—For purposes of paragraph (2), if any asset is disposed of during any calendar year—

"(A) such disposition shall be treated as occurring on the last day of such calendar year, and

"(B) the taxpayer's holding period for such asset shall be treated as beginning in the same calendar year as would be determined for an asset actually disposed of on such last day with a holding period of the same length as the actual holding period of the asset involved.

"(4) CPI.—For purposes of this subsection, the CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SHORT SALES.—

"(1) IN GENERAL.—In the case of a short sale of an indexed asset with a short sale period in excess of 1 year, for purposes of this title, the amount realized shall be an amount equal to the amount realized (determined without regard to this paragraph) multiplied by the applicable inflation ratio. In applying subsection (c)(2) for purposes of the preceding sentence, the date on which the property is sold short shall be treated as the date on which the holding period for the asset begins and the closing date for the sale shall be treated as the date of disposition.

"(2) SHORT SALE OF SUBSTANTIALLY IDENTICAL PROPERTY.—If the taxpayer or the taxpayer's spouse sells short property substantially identical to an asset held by the taxpayer, the asset held by the taxpayer and the substantially identical property shall not be treated as indexed assets for the short sale period.

"(3) SHORT SALE PERIOD.—For purposes of this subsection, the short sale period begins on the day after property is sold and ends on the closing date for the sale.

"(e) TREATMENT OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

"(1) ADJUSTMENTS AT ENTITY LEVEL.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the adjustment under subsection (a) shall be allowed to any qualified investment entity (including for purposes of determining the earnings and profits of such entity).

"(B) EXCEPTION FOR CORPORATE SHAREHOLDERS.—Under regulations in the case of a distribution by a qualified investment entity (directly or indirectly) to a corporation—

"(i) the determination of whether such distribution is a dividend shall be made without regard to this section, and

"(ii) the amount treated as gain by reason of the receipt of any capital gain dividend shall be increased by the percentage by which the entity's net capital gain for the taxable year determined without regard to this section exceeds the entity's net capital gain for such year determined with regard to this section.

For purposes of the preceding sentence, any amount includible in gross income under section 852(b)(3)(D) shall be treated as a capital gain dividend and an S corporation shall not be treated as a corporation.

"(C) EXCEPTION FOR QUALIFICATION PURPOSES.—This section shall not apply for purposes of sections 851(b) and 856(c).

"(D) EXCEPTION FOR CERTAIN TAXES IMPOSED AT ENTITY LEVEL.—

"(i) TAX ON FAILURE TO DISTRIBUTE ENTIRE GAIN.—If any amount is subject to tax under section 852(b)(3)(A) for any taxable year, the amount on which tax is imposed under such section shall be increased by the percentage determined under subparagraph (B)(ii). A similar rule shall apply in the case of any amount subject to tax under paragraph (2) or (3) of section 857(b) to the extent attributable to the excess of the net capital gain over the deduction for dividends paid determined with reference to capital gain dividends only. The first sentence of this clause shall not apply to so much of the amount subject to tax under section 852(b)(3)(A) as is designated by the company under section 852(b)(3)(D).

"(ii) OTHER TAXES.—This section shall not apply for purposes of determining the amount of any tax imposed by paragraph (4), (5), or (6) of section 857(b).

"(2) ADJUSTMENTS TO INTERESTS HELD IN ENTITY.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(3) QUALIFIED INVESTMENT ENTITY.—For purposes of this subsection, the term 'qualified investment entity' means—

"(A) a regulated investment company (within the meaning of section 851), and

"(B) a real estate investment trust (within the meaning of section 856).

"(f) OTHER PASS-THRU ENTITIES.—

"(1) PARTNERSHIPS.—

"(A) IN GENERAL.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners (but only for purposes of determining the income of partners who are individuals).

"(B) SPECIAL RULE IN THE CASE OF SECTION 754 ELECTIONS.—In the case of a transfer of an interest in a partnership with respect to which the election provided in section 754 is in effect—

"(i) the adjustment under section 743(b)(1) shall, with respect to the transferor partner, be treated as a sale of the partnership assets for purposes of applying this section, and

"(ii) with respect to the transferee partner, the partnership's holding period for purposes of this section in such assets shall be treated as beginning on the date of such adjustment.

"(2) S CORPORATIONS.—In the case of an S corporation, the adjustment made under subsection (a) at the corporate level shall be passed through to the shareholders. This section shall not apply for purposes of determining the amount of any tax imposed by section 1374 or 1375.

"(3) COMMON TRUST FUNDS.—In the case of a common trust fund, the adjustment made under subsection (a) at the trust level shall be passed through to the participants (but only for purposes of determining the income of participants who are individuals).

"(g) DISPOSITIONS BETWEEN RELATED PERSONS.—This section shall not apply to any sale or other disposition of property between related persons (within the meaning of section 465(b)(3)(C)) if such property, in the hands of the transferee, is of a character subject to the allowance for depreciation provided in section 167.

"(h) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—The applicable inflation ratio shall be appropriately reduced for periods during which the asset was not an indexed asset.

"(3) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property."

(b) GAINS AND LOSSES FROM INDEXED ASSETS NOT TAKEN INTO ACCOUNT UNDER LIMITATION ON INVESTMENT INTEREST.—Subparagraph (B) of section 163(d)(4) (defining investment income) is amended by adding at the end thereof the following new sentences: "Gain from the sale or other disposition of an indexed asset (as defined in section 1022) held for more than 1 year shall not be taken into account for purposes of the preceding sentence. The preceding sentence shall not apply to gain from the sale or other disposition of any such asset if the taxpayer elects to waive the benefits of section 1022 in determining the amount of such gain."

(c) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of investments acquired after April 15, 1990 for purposes of determining gain."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to dispositions of any property the holding period of which begins after April 15, 1991.

(2) EXCEPTION FOR CERTAIN TRANSACTIONS BETWEEN RELATED PERSONS.—The amendments made by subsections (a) and (b) shall not apply to any property acquired after April 15, 1991, from a related person (as defined in section 465(b)(3)(C) of the Internal Revenue Code of 1986) if—

(A) such property was so acquired for a price less than the property's fair market value, and

(B) the amendments made by this section did not apply to such property in the hands of such related person.

SEC. ____. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and receipts legislation provided by this title (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act (including section 10), none of the preceeding sections of this Act shall take effect unless the President submits to the Congress a written designation of all direct spending amounts and receipts legislation provided by this Act (for all fiscal years) and all appropriations authorized by this act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

AMENDMENT NO. 1011

At the appropriate place, insert the following new title:

TITLE ____—ENTERPRISE ZONES

Subtitle A—Designation

SEC. ____01. DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Designation of Enterprise Zones

"Sec. 7880. Designation.

"SEC. 7880. DESIGNATION.

"(a) DESIGNATION OF ZONES.—

"(1) DEFINITION.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior, designates as an enterprise zone.

"(2) AUTHORITY TO DESIGNATE.—The Secretary of Housing and Urban Development is authorized to designate enterprise zones in accordance with the provisions of this section.

"(3) LIMITATIONS ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone and not later than 4 months following the date of the enactment of this section, the Secretary of Housing and Urban Development shall prescribe by regulation, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area, and

"(ii) the procedures for designation as an enterprise zone, including a method for comparing courses of action under subsection (d) proposed for nominated areas, and the other factors specified in subsection (e).

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 48-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) June 30, 1991.

"(C) NUMBER OF DESIGNATIONS.—

"(i) IN GENERAL.—The Secretary of Housing and Urban development may designate—

"(I) not more than 50 nominated areas as enterprise zones under this section and

"(II) not more than 15 nominated areas as enterprise zones during the first 12-month period beginning on the date determined under subparagraph (B), not more than 30 by the end of the second 12-month period, not more than 45 by the end of the third 12-month period, and not more than 50 by the end of the fourth 12-month period.

"(ii) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated as enterprise zones, at least one-third must be areas that are—

"(I) within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined using the most recent census data available);

"(II) outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)); or

"(III) determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(D) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designations under this section unless—

"(i) the local government and the State in which the nominated area is located have the authority to—

"(I) nominate such area for designation as an enterprise zone,

"(II) make the State and local commitments under subsection (d), and

"(III) provide assurances satisfactory to the Secretary of Housing and Urban development that such commitments will be fulfilled, and

"(ii) a nomination therefor is submitted by such State and local governments in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall prescribe by regulation.

"(4) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) TIME PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

"(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date specified by the State and local governments as provided in the nomination submitted in accordance with subsection (a)(3)(D)(ii),

"(C) such other date as the Secretary of Housing and Urban Development shall specify as a condition of designation, or

"(D) the date upon which the Secretary of Housing and Urban Development revokes such designation.

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that the State or a local government in which the area is located is not complying substantially with the agreed course of action for the area.

"(c) AREA AND ELIGIBILITY REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate a nominated area as an enterprise zone only if it meets the requirements of paragraphs (2) and (3).

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government;

"(B) the boundary of the area is continuous; and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of not less than—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(3)(C)(ii)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

"(II) 1,000 in any other case; or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State or local governments in which the nominated area is located certifies, and the Secretary of Housing and Urban Development accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment and general distress;

"(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

"(C) the unemployment rate for the area, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for the period;

"(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate; and

"(E) the area meets at least one of the following criteria:

"(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

"(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

"(4) ELIGIBILITY REQUIREMENTS FOR RURAL AREAS.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(3)(C)(ii) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

"(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

"(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

"(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

"(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the State and the local government or governments of the jurisdictions in which the nominated area is located agree in writing that, during any period during which the nominated area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) COURSE OF ACTION.—The course of action under paragraph (1) may include, but is not limited to—

"(A) the reduction or elimination of tax rates or fees applying within the enterprise zone,

"(B) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(C) an increase in the level or efficiency of local services within the enterprise zone, for example, crime prevention, and drug enforcement prevention and treatment,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial or other assistance to, employers, employees, and residents of the nominated area,

"(E) mechanisms to increase equity ownership by residents and employees within the enterprise zone,

"(F) donation (or sale below market value) of land and buildings to benefit low and moderate income people,

"(G) linkages to—

"(i) job training,

"(ii) transportation,

"(iii) education,

"(iv) day care,

"(v) health care, and

"(vi) other social service support,

"(H) provision of supporting public facilities, and infrastructure improvements,

"(I) encouragement of local entrepreneurship; and

"(J) other factors determined essential to support enterprise zone activities and encourage livability or quality of life.

"(3) LATER MODIFICATION OF A COURSE OF ACTION.—The Secretary of Housing and Urban Development may by regulation prescribe procedures to permit or require a course of action to be updated or modified during the time that a designation is in effect.

"(e) PRIORITY OF DESIGNATION.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give preference to the nominated areas—

"(1) with respect to which the strongest and highest quality contributions have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief,

"(2) with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action will actually be carried out during the period of the enterprise zone designation,

"(3) with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(4) which best exhibit such other factors determined by the Secretary of Housing and Urban Development, including relative distress, as are consistent with the intent of the enterprise zone program and have the greatest likelihood of success.

"(f) GEOGRAPHIC DISTRIBUTION.—In making designations, the Secretary of Housing and Urban Development will take into consideration a reasonable geographic distribution of enterprise zones.

"(g) DEFINITIONS.—For the purposes of this title—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) STATE.—The term 'State' shall also include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

"(3) LOCAL GOVERNMENT.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia.".

"(h) CROSS REFERENCES FOR—

"(1) definitions, see section 1391,

"(2) treatment of employees in enterprise zones, see section 1392, and

"(3) treatment of investments in enterprise zones, see sections 1393 and 1394.".

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"SUBCHAPTER D. Designation of enterprise zones.".

SEC. ____02. REPORTING REQUIREMENTS.

Not later than the close of the second calendar year after the calendar year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each second calendar year thereafter, the Secretary of Housing and Urban Development shall submit to the Congress a report on the effects of such designation in accomplishing the purposes of this Act.

SEC. ____03. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 7880 of the Internal Revenue Code of 1986 (as added by this Act) shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) COORDINATION WITH ENVIRONMENTAL POLICY.—Designation of an enterprise zone under section 7880 of such Code shall not constitute a Federal action for purposes of applying the procedural requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

Subtitle B—Federal Income Tax Incentives

SEC. ____11. DEFINITIONS AND REGULATIONS; EMPLOYEE CREDIT; CAPITAL GAIN EXCLUSION; STOCK EXPENSING.

(a) GENERAL RULE.—Chapter 1 (relating to normal tax and surtax rules) is amended by inserting after subchapter T the following new subchapter:

"Subchapter U—Enterprise Zones

"Sec. 1391. Definitions and regulatory authority.

"Sec. 1392. Credit for enterprise zone employees.

"Sec. 1393. Enterprise zone capital gain.

"Sec. 1394. Enterprise zone stock.

"SEC. 1391. DEFINITIONS AND REGULATORY AUTHORITY.

"(a) ENTERPRISE ZONE.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone' means any area which the Secretary of Housing and Urban Development designates pursuant to section 7880(a) as a Federal enterprise zone for purposes of this title.

"(2) TERMINATION OF ENTERPRISE ZONE.—An area will cease to constitute an enterprise zone once its designation as such terminates or is revoked under section 7880(b).

"(b) ENTERPRISE ZONE BUSINESS.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone business' means an activity constituting the active conduct of a trade or business within an enterprise zone, and with respect to which—

"(A) at least 80 percent of the gross income in each calendar year is attributable to the active conduct of a trade or business within an enterprise zone,

"(B) less than 10 percent of the property (as measured by unadjusted basis) constitutes stocks, securities, or property held for use by customers,

"(C) no more than an insubstantial portion of the property constitutes collectibles (as defined in section 408(m)(2)), unless such collectibles constitute property held primarily for sale to customers in the ordinary course of the active trade or business,

"(D) substantially all of the property (whether owned or leased) is located within an enterprise zone, and

"(E) substantially all of the employees work within an enterprise zone.

"(2) RELATED ACTIVITIES TAKEN INTO ACCOUNT.—Except as otherwise provided in regulations, all activities conducted by a taxpayer and persons related to the taxpayer shall be treated as one activity for purposes of paragraph (1).

"(3) SPECIAL RULES.—

"(A) RENTAL REAL PROPERTY.—For purposes of paragraph (1), real property located within an enterprise zone and held for use by customers other than related persons shall be treated as the active conduct of a trade or business for purposes of paragraph (1)(A) and as not subject to paragraph (1)(B).

"(B) TERMINATION OF ENTERPRISE ZONE BUSINESS.—An activity shall cease to be an enterprise zone business if—

"(i) the designation of the enterprise zone in which the activity is conducted terminates or is revoked pursuant to section 7880(b);

"(ii) more than 50 percent (by value) of the activity's property or services are obtained from related persons other than enterprise zone businesses; or

"(iii) more than 50 percent of the activity's gross income is attributable to property or services provided to related persons other than enterprise zone businesses.

"(c) ENTERPRISE ZONE PROPERTY.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone property' means—

"(A) any tangible personal property located in an enterprise zone and used by the taxpayer in an enterprise zone business, and

"(B) any real property located in an enterprise zone and used by the taxpayer in an enterprise zone business.

In no event shall any financial property or intangible interest in property be treated as constituting enterprise zone property, whether or not such property is used in the active conduct of an enterprise zone business.

"(2) TERMINATION OF ENTERPRISE ZONE.—The treatment of property as enterprise zone property under subparagraph (A) shall not terminate upon the termination or revocation of the designation of the enterprise zone in which the property is located, but instead shall terminate immediately after the first sale or exchange of such property occurring after the expiration or revocation.

"(d) RELATED PERSONS.—For purposes of this subchapter, a person shall be treated as related to another person if—

"(1) the relationship of such persons is described in section 267(b) or 707(b)(1), or

"(2) such persons are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of paragraph (1), in applying section 267(b) or 707(b)(1), '33 percent' shall be substituted for '50 percent'.

"(e) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of subtitle C of title II of the Economic Growth Act of 1991, including—

"(1) providing that Federal tax relief is unavailable to an activity that does not stimulate employment in, or revitalization of, enterprise zones,

"(2) providing for appropriate coordination with other Federal programs that, in combination, might enable activity within enterprise zones to be more than 100 percent subsidized by the Federal Government, and

"(3) preventing the avoidance of the rules in this subchapter.

"SEC. 1392. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) GENERAL RULE.—In the case of a taxpayer who is an enterprise zone employee, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 5 percent of so much of the qualified wages of the taxpayer for the taxable year as does not exceed $10,500.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE EMPLOYEE.—The term 'enterprise zone employee' means an individual—

"(A) performing services during the taxable year that are directly related to the conduct of an enterprise zone business,

"(B) substantially all of the services described in paragraph (1)(A) are performed within an enterprise zone, and

"(C) the employer for whom the services described in paragraph (1)(A) are performed is not the Federal government, any State government or subdivision thereof, or any local government.

"(2) WAGES.—The term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such subsection).

"(3) QUALIFIED WAGES.—The term 'qualified wages' means all wages of the taxpayer, to the extent attributable to services described in paragraph (1).

"(c) LIMITATIONS.—

"(1) PHASE-OUT OF CREDIT.—The amount of the credit allowable to a taxpayer under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) $525, over

"(B) 10.5 percent of so much of the taxpayer's total wages (whether or not constituting qualified wages) as exceeds $20,000.

"(2) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (c)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(d) REDUCTION OF CREDIT TO TAXPAYERS SUBJECT TO ALTERNATIVE MINIMUM TAX.—The credit allowed under this section for the taxable year shall be reduced by the amount (if any) of tax imposed by section 55 (relating to the alternative minimum tax) with respect to such taxpayer for such year.

"(e) CREDIT TREATED AS SUBPART C CREDIT.—For purposes of this title, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C of part IV of subchapter A of this chapter.

"SEC. 1393. ENTERPRISE ZONE CAPITAL GAIN.

"(a) GENERAL RULE.—Gross income does not include the amount of any gain constituting enterprise zone capital gain.

"(b) DEFINITION.—For purposes of this section—

"(1) IN GENERAL.—The term 'enterprise zone capital gain' means gain—

"(A) treated as long-term capital gain,

"(B) allocable in accordance with the rules under subsection (b)(5) of section 338 to the sale or exchange of enterprise zone property, and

"(C) properly attributable to periods of use in an enterprise zone business.

"(2) LIMITATIONS.—Enterprise zone capital gain does not include any gain attributable to—

"(A) the sale or exchange of property not constituting enterprise zone property with respect to the taxpayer throughout the period of twenty-four full calendar months immediately preceding the sale or exchange,

"(B) any collectibles (as defined in section 408(m)), or

"(C) sales or exchanges to persons controlled by the same interests.

"(c) BASIS.—Amounts excluded from gross income pursuant to subsection (a) shall not be applied in reduction to the basis of any property held by the taxpayer.

"SEC. 1394. ENTERPRISE ZONE STOCK.

"(a) GENERAL RULE.—At the election of any individual, the aggregate amount paid by such taxpayer during the taxable year for the purchase of enterprise zone stock on the original issue of such stock by a qualified issuer shall be allowed as a deduction.

"(b) LIMITATIONS.—

"(1) CEILING.—The maximum amount allowed as a deduction under subsection (a) to a taxpayer shall not exceed $50,000 for any taxable year, nor $250,000 during the taxpayer's lifetime.

"(A) EXCESS AMOUNTS.—If the amount otherwise deductible by any person under subsection (a) exceeds the limitation under this paragraph (1)—

"(i) the amount of such excess shall be treated as an amount paid in the next taxable year, and

"(ii) the deduction allowed for any taxable year shall be allocated among the enterprise zone stock purchased by such person in accordance with the purchase price per share.

"(2) RELATED PERSON.—

"(A) IN GENERAL.—The taxpayer and all individuals related to the taxpayer shall be treated as one person for purposes of the limitations described in subsection (b)(1).

"(B) EXCESS AMOUNTS.—The limitations described in subsection (b)(1) shall be allocated among the taxpayer and related persons in accordance with their respective purchases of enterprise zone stock.

"(3) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (b)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(c) DISPOSITIONS OF STOCK.—

"(1) GAIN TREATED AS ORDINARY INCOME.—Except as otherwise provided in regulations, if a taxpayer disposes of any enterprise zone stock with respect to which a deduction was allowed under subsection (a), the amount realized upon such disposition shall be treated as ordinary income and recognized notwithstanding any other provision of this subtitle.

"(2) INTEREST CHARGED IF DISPOSITION WITHIN 5 YEARS OF PURCHASE.—

"(A) IN GENERAL.—If a taxpayer disposes of any enterprise zone stock before the end of the 5-year period beginning on the date such stock was purchased by the taxpayer, the tax imposed by this chapter for the taxable year in which such disposition occurs shall be increased by the amount determined under subparagraph (B).

"(B) ADDITIONAL AMOUNT.—For purposes of subparagraph (A), the additional amount shall be equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(i) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date such stock was disposed of by the taxpayer,

"(ii) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disposed of.

"(d) DISQUALIFICATION.—

"(1) ISSUER OR STOCK CEASES TO QUALIFY.—If a taxpayer elects the deduction under subsection (a) with respect to enterprise zone stock, and either—

"(A) the issuer with respect to which the election was made ceases to be a qualified issuer, or

"(B) the proceeds from the issuance of the taxpayer's enterprise zone stock fail or otherwise cease to be invested by the issuer in enterprise zone property, then, notwithstanding any provision of this subtitle other than paragraph (2) to the contrary, the taxpayer shall recognize as ordinary income the amount of the deduction allowed under subsection (a) with respect to the issuer's enterprise zone stock.

"(2) SPECIAL RULES.—

"(A) LIQUIDATION.—Where enterprise zone property acquired with proceeds from the issuance of enterprise zone stock is sold or exchanged pursuant to a plan of complete liquidation, the treatment described in paragraph (1) shall be inapplicable.

"(B) TERMINATION OF ENTERPRISE ZONE.—The treatment of an activity as an enterprise zone business shall not cease for purposes of paragraph (1) solely by reason of the termination or revocation of the designation of the enterprise zone with respect to the activity.

"(C) PARTIAL DISQUALIFICATION.—Where some, but not all, of the property acquired by the issuer with the proceeds of enterprise zone stock ceases to constitute enterprise zone property, the treatment described in paragraph (1) shall be modified as follows—

"(i) the total amount recognized as ordinary income by all shareholders of the issuer shall be limited to an amount of deduction allowed up to the unadjusted basis of property ceasing to constitute enterprise zone property,

"(ii) the amount recognized shall be allocated among enterprise zone stock with respect to which the election in subsection (a) was made in the reverse order in which such stock was issued, and

"(iii) the amount recognized shall be apportioned among taxpayers having made the election in subsection (a) in the ratios in which the stock described in paragraph (2)(C)(ii) was purchased.

"(3) ADDITIONAL AMOUNT.—If income is recognized pursuant to paragraph (1) at any time before the close of the 5th calendar year ending after the date the enterprise zone stock was purchased, the tax imposed by this chapter with respect to such income shall be increased by an amount equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(A) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date of the disqualification event described in paragraph (1),

"(B) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disqualified.

"(e) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE STOCK.—The term 'enterprise zone stock' means common stock issued by a qualified issuer, but only to the extent that the amount of proceeds of such issuance are used by such issuer no later than twelve months followed issuance to acquire and maintain an equal amount of newly acquired enterprise zone property.

"(2) QUALIFIED ISSUER.—

"(A) IN GENERAL.—The term 'qualified issuer' means any subchapter C corporation which—

"(i) does not have more than one class of stock,

"(ii) is engaged solely in the conduct of one or more enterprise zone businesses,

"(iii) does not own or lease more than $5 million of total property (including money), as measured by the unadjusted basis of the property, and

"(iv) more than 20 percent of the total voting power and 20 percent of the total value of the stock of such corporation is owned by individuals, partnerships, estates or trusts.

"(B) LIMITATION ON TOTAL ISSUANCES.—A qualified issuer may issue no more than an aggregate of $5 million of enterprise zone stock.

"(C) AGGREGATION.—For purposes of applying the limitations under paragraph (2), the issuer and all related persons shall be treated as one person.

"(3) AMOUNT PAID.—For purposes of subsection (a), the amount 'paid' by a taxpayer for any taxable year shall not include the issuance of evidences of indebtedness of the taxpayer (whether or not such indebtedness is guaranteed by another person), nor amounts paid by the taxpayer after the close of the taxable year.

"(f) ISSUANCES IN EXCHANGE FOR PROPERTY.—If enterprise zone stock is issued in exchange for property, then notwithstanding any provision of subchapter C of this chapter to the contrary—

"(1) the issuance shall be treated for purposes of this subtitle as the sale of the property at its then fair market value to the corporation, and a contribution to the corporation of the proceeds immediately thereafter in exchange for the enterprise zone stock, and

"(2) the issuer's basis for the property shall be equal to the fair market value of such property at the time of issuance.

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a taxpayer elects the deduction under subsection (a), the taxpayer's basis (without regard to this subsection) for the enterprise zone stock with respect to such election shall be reduced by the deduction allowed or allowable.

"(h) LIMITATIONS ON ASSESSMENT AND COLLECTION.—If a taxpayer elects the deduction under subsection (a) for any taxable year, then—

"(1) the period for assessment and collection of any deficiency attributable to any part of the deduction shall not expire before one year following expiration of such period of the qualified issuer that includes the circumstances giving rise to the deficiency, and

"(2) such deficiency may be assessed before expiration of the period described in paragraph (1) notwithstanding any provisions of this subtitle to the contrary.

"(i) CROSS REFERENCE.—

For treatment of the deduction under subsection (a) for purposes of the alternative minimum tax, see section 56.".

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (23); by striking out the period at the end of paragraph (24) and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraph:

"(25) to the extent provided in section 1394(g), in the case of stock with respect to which a deduction was allowed or allowable under section 1394(a).".

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by inserting after the item relating to subchapter T the following new item:

"Subchapter U. Enterprise zones."

SEC. ____12. ALTERNATIVE MINIMUM TAX.

(a) CORPORATIONS.—Section 56(g)(4)(B) (relating to adjustments based on adjusted current earnings of corporations) is amended by adding the following new clause at the end thereof:

"(iii) EXCLUSION OF ENTERPRISE ZONE CAPITAL GAIN.—Clause (i) shall not apply in the case of any enterprise zone capital gain (as defined in section 1393(b)), and such gain shall not be included in income for purposes of computing alternative minimum taxable income.".

(b) INDIVIDUALS.—Section 56(b) (relating to adjustments to the alternative minimum taxable income of individuals) is amended by adding the following new paragraph at the end thereof:

"(4) ENTERPRISE ZONE STOCK.—No deduction shall be allowed for the purchase of enterprise zone stock (as defined in section 1394(e)).".

SEC. ____13. ADJUSTED GROSS INCOME DEFINED.

Section 62(a) (relating to the definition of adjusted gross income) is amended by inserting after paragraph (14) the following new paragraph:

"(15) ENTERPRISE ZONE STOCK.—The deduction allowed by section 1394.".

SEC. ____14. EFFECTIVE DATE.

The amendments made by this subtitle shall apply to taxable years ending after December 31, 1990.

Subtitle C—Regulatory Flexibility

SEC. ____21. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONE FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (5); and

(2) striking out paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction defined in paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified enterprise zone business; any unit of government that nominated an area which the Secretary of Housing and Urban Development designates as an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986) that has a rule pertaining to the carrying out of any project, activity, or undertaking within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified enterprise zone business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 1392(b)(1) of such Code).".

SEC. ____22. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States Code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of any government which nominated an area that the Secretary of Housing and Urban Development has designated as an enterprise zone under section 7880 of the Internal Revenue Code of 1986, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives with respect to such zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within such zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, familial status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If such a request is made to any agency other than the Department of Housing and Urban Development, the requesting government shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development, or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

"(1) violate a statutory requirement (including any requirements of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental or occupational health or safety, or of environmental pollution.

"(e) If a request is disapproved, the agency shall inform all the requesting governments, and the Department of Housing and Urban Development, in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section, the time such waiver or modification takes effect and its duration, and the scope of applicability of such waiver or modification.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary. Such determinations shall be published with the proposal to amend such rule.

"(i) No waiver or modification of a rule under this section shall remain in effect with respect to an enterprise zone after the enterprise zone designation has expired or has been revoked.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title.".

(b) The analysis for chapter 6 of title 5, United States Code, is amended by redesignating the items relating to sections 611 and 612 as items relating to sections 612 and 613, respectively, and by inserting after the item relating to section 610 the following new item:

"611. Waiver or modification of agency rules in enterprise zones.".

(c) Section 601(2) of such title 5 is amended by inserting "(except for purposes of section 611" immediately before "means".

(d) Section 613 of such title 5, as redesignated by subsection (a), is amended—

(1) in subsection (a) by inserting "(except section 611)" immediately after "chapter"; and

(2) in subsection (b) by inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence.

SEC. ____23. FEDERAL AGENCY SUPPORT OF ENTERPRISE ZONES.

In order to maximize all agencies' support of enterprise zones, the Secretary of Housing and Urban Development is authorized to convene regional and local coordinating councils of any appropriate agencies to assist State and local governments to achieve the objectives agreed to in the course of action under section 7880 of the Internal Revenue Code of 1986.

Subsection D—Establishment of Foreign Trade Zones in Enterprise Zones

SEC. ____31. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 7880 of the Internal Revenue Code of 1986.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone so designated.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones so designated, the Foreign-Trade Zone Board and the Secretary of the Treasury shall approve the applications, to the maximum extent practicable, consistent with their respective statutory responsibilities.

Subtitle D—Repeal of Title VII of the Housing and Community Development Act of 1987

SEC. _____41. REPEAL.

Title VII of the Housing and Community Development Act of 1987 is hereby repealed.

SEC. _____. EMERGENCY DESIGNATION.

EMERGENCY DESIGNATION.—Pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and receipts legislation provided by this title (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act (including section 10), none of the preceeding sections of this Act shall take effect unless the President submits to the Congress a written designation of all direct spending amounts and receipts legislation provided by this Act (for all fiscal years) and all appropriations authorized by this act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

AMENDMENT NO. 1012

Strike all after the enacting clause and insert:

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Economic Growth Act of 1991".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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TITLE I—INVESTMENT AND JOB CREATION INCENTIVES

Subtitle A—Reduction in Capital Gains Tax for Individuals

SEC. 101. REDUCTION IN CAPITAL GAINS TAX FOR INDIVIDUALS.

(a) GENERAL RULE.—Part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new section:

"SEC. 1202. DEDUCTION FOR CAPITAL GAINS.

"(a) DEDUCTION ALLOWED FOR CAPITAL GAIN.—

"(1) IN GENERAL.—If, for any taxable year, a taxpayer other than a corporation has a net capital gain, an amount equal to the sum of the applicable percentages of the applicable capital gain shall be allowed as a deduction.

"(2) ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction under paragraph (1) shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.

"(b) APPLICABLE PERCENTAGES.—For purposes of this subsection, the applicable percentages shall be the percentages determined in accordance with the following table:

"In the case of:	The applicable percentage is:
1-year gain	10
2-year gain	20
3-year gain	30.

"(c) GAIN TO WHICH DEDUCTION APPLIES.—For purposes of this section—

"(1) APPLICABLE CAPITAL GAIN.—The term 'applicable capital gain' means 1-year gain, 2-year gain, or 3-year gain determined by taking into account only gain which is properly taken into account for periods on or after April 15, 1991.

"(2) 3-YEAR GAIN.—The term '3-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 3 years.

"(3) 2-YEAR GAIN.—The term '2-year gain' means the lesser of—

"(A) the net capital gain for the taxable year, reduced by 3-year gain, or

"(B) the long-term capital gain determined by taking into account only gain from the sale or exchange of assets held more than 2 years but not more than 3 years.

"(4) 1-YEAR GAIN.—The term '1-year gain' means the net capital gain for the taxable year determined by taking into account only—

"(A) gain from the sale or exchange of assets held more than 1 year but not more than 2 years, and

"(B) losses from the sale or exchange of assets held more than 1 year.

"(5) SPECIAL RULES FOR GAIN ALLOCABLE TO PERIODS BEFORE 1993.—For purposes of this section—

"(A) GAIN ALLOCABLE TO PERIODS AFTER APRIL 15, 1991, AND BEFORE 1992.—In the case of any gain from any sale or exchange which is properly taken into account for the period beginning on April 15, 1991, and ending on December 31, 1991, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 3-year gain.

"(B) GAIN ALLOCABLE TO 1992.—In the case of any gain from any sale or exchange which is properly taken into account for periods during 1992, gain which is 1-year gain or 2-year gain (without regard to this subparagraph) shall be treated as 2-year gain and 3-year gain, respectively.

"(6) SPECIAL RULES FOR PASS-THRU ENTITIES.—

"(A) IN GENERAL.—In applying this subsection with respect to any pass-thru entity, the determination of when a sale or exchange has occurred shall be made at the entity level.

"(B) PASS-THRU ENTITY DEFINED.—For purposes of subparagraph (A), the term 'pass-thru entity' means—

"(i) a regulated investment company,

"(ii) a real estate investment trust,

"(iii) an S corporation,

"(iv) a partnership,

"(v) an estate or trust, and

"(vi) a common trust fund.

"(7) RECAPTURE OF NET ORDINARY LOSS UNDER SECTION 1231.—For purposes of this subsection, if any amount is treated as ordinary income under section 1231(c) for any taxable year—

"(A) the amount so treated shall be allocated proportionately among the section 1231 gains (as defined in section 1231(a)) for such taxable year, and

"(B) the amount so allocated to any such gain shall reduce the amount of such gain."

(b) TREATMENT OF COLLECTIBLES.—

(1) IN GENERAL.—Section 1222 is amended by inserting after paragraph (11) the following new paragraph:

"(12) SPECIAL RULE FOR COLLECTIBLES.—

"(A) IN GENERAL.—Any gain or loss from the sale or exchange of a collectible shall be treated as a short-term capital gain or loss (as the case may be), without regard to the period such asset was held. The preceding sentence shall apply only to the extent the gain or loss is taken into account in computing taxable income.

"(B) TREATMENT OF CERTAIN SALES OF INTEREST IN PARTNERSHIP, ETC.—For purposes of subparagraph (A), any gain from the sale or exchange of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles held by such entity shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751(f) shall apply for purposes of the preceding sentence.

"(C) COLLECTIBLE.—For purposes of this paragraph, the term 'collectible' means any capital asset which is a collectible (as defined in section 408(m) without regard to paragraph (3) thereof)."

(2) CHARITABLE DEDUCTION NOT AFFECTED.—

(A) Paragraph (1) of section 170(e) is amended by adding at the end thereof the following new sentence: "For purposes of this paragraph, section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)."

(B) Clause (iv) of section 170(b)(1)(C) is amended by inserting before the period at the end thereof the following: "and section 1222 shall be applied without regard to paragraph (12) thereof (relating to special rule for collectibles)".

(c) MINIMUM TAX.—Section 56(b) is amended by adding at the end thereof the following new paragraph:

"(4) CAPITAL GAINS DEDUCTION DISALLOWANCE.—The deduction under section 1202 shall not be allowed."

(d) CONFORMING AMENDMENTS.—

(1) Subsection (h) of section 1 is hereby repealed.

(2) Section 12 is amended by striking paragraph (4) and redesignating the following paragraphs accordingly.

(3) Section 62(a) is amended by inserting after paragraph (13) the following new paragraph:

"(14) CAPITAL GAINS DEDUCTION.—The deduction allowed by section 1202."

(4) Clause (ii) of section 163(d)(4)(B) is amended by inserting ", reduced by the amount of any deduction allowable under section 1202 attributable to gain from such property" after "investment".

(5)(A) Section 170(e)(1)(B) is amended by inserting "(or, in the case of a taxpayer other than a corporation, the nondeductible percentage of the amount of gain)" after "the amount of gain".

(B) Section 170(e)(1) is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (B), the term 'nondeductible percentage' means 100 percent minus the applicable percentage with respect to such property under section 1202(b)."

(6)(A) Section 172(d)(2) (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction provided by section 1202 shall not be allowed."

(B) Subparagraph (B) of section 172(d)(4) is amended by inserting ", (2)(B)," after "paragraph (1)".

(7)(A) Section 221 (relating to cross reference) is amended to read as follows:

"SEC. 221. CROSS REFERENCES.

"(1) For deduction for net capital gain, see section 1201.

"(2) For deductions in respect of a decedent, see section 691."

(B) The table of sections for part VII of subchapter B of chapter 1 is amended by striking "reference" in the item relating to section 221 and inserting "references".

(8) Paragraph (4) of section 642(c) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for net capital gain). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income)."

(9) Paragraph (3) of section 643(a) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for net capital gain) shall not be taken into account."

(10) Paragraph (6)(C) of section 643(a) is amended—

(A) by inserting "(i)" before "there", and

(B) by inserting ", and (ii) the deduction under section 1202 (relating to deduction for excess of capital gains over capital losses)" before the period at the end thereof.

(11) Paragraph (4) of section 691(c) is amended by striking "1(h),".

(12) The second sentence of paragraph (2) of section 871(a) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for net capital gain) and" after "except that".

(13)(A) Subparagraph (B) of section 904(b)(2) is amended by striking out so much of such subparagraph as precedes clause (i) and inserting the following:

"(B) SPECIAL RULES WHERE CORPORATE CAPITAL RATE GAIN DIFFERENTIAL.—In the case of a corporation, for any taxable year for which there is a capital gain rate differential—".

(B) Subparagraphs (D) and (E) of section 904(b)(3) are amended to read as follows:

"(D) CAPITAL GAIN RATE DIFFERENTIAL.—There is a capital gain rate differential for any taxable year if any rate of tax imposed by section 11, 511, or 831 (a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)(1)).

"(E) RATE DIFFERENTIAL PORTION.—The rate differential portion of foreign source net capital gain, net capital, or the excess of net capital gain from sources within the United States over net capital gain, as the case maybe, is the same proportion of such amount as—

"(i) the excess of the highest rate of tax specified in section 11(b)(1) over the alternative rate of tax under section 1201(a), bears to

"(ii) the highest rate of tax specified in section 11(b)(1)."

(14) Section 1402(i)(1) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply."

(e) CLERICAL AMENDMENT.—The table of sections for part I of subchapter P of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1202. Deduction for capital gains."

(f) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years ending on or after April 15, 1991.

(2) TREATMENT OF COLLECTIBLES.—

(A) IN GENERAL.—The amendment made by subsection (b) shall apply to taxable years beginning after April 15, 1991.

(B) SPECIAL RULE FOR 1991 TAXABLE YEAR.—In case of any taxable year which includes April 15, 1991, for purposes of section 1202 of the Internal Revenue Code of 1986 and section 1(h) of such Code, any gain or loss from the sale or exchange of a collectible (within the meaning of section 1222(12) of such Code) shall be treated as gain or loss from a sale or exchange occurring before such date.

SEC. 102. PREVENTION OF EXCESSIVE DEDUCTION.

(a) GENERAL RULE.—Subsections (a) and (b) of section 1250 (relating to gain from disposition of certain depreciable realty) are amended to read as follows:

"(a) GENERAL RULE.—Except as otherwise provided in this section, if section 1250 property is disposed of, the lesser of—

"(1) the depreciation adjustments in respect of such property, or

"(2) the excess of—

"(A) the amount realized (or, in the case of a disposition other than a sale, exchange, or involuntary conversion, the fair market value of such property), over

"(B) the adjusted basis of such property,

shall be treated as gain which is ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(b) DEPRECIATION ADJUSTMENTS.—For purposes of this section, the term 'depreciation adjustments' means, in respect of any property, all adjustments attributable to periods after December 31, 1963, reflected in the adjusted basis of such property on account of deductions (whether in respect of the same or other property) allowed or allowable to the taxpayer or to any other person for exhaustion, wear and tear, obsolescence, or amortization (other than amortization under section 168 (as in effect before its repeal by the Tax Reform Act of 1976), 169, 185 (as in effect before its repeal by the Tax Reform Act of 1986), 188 (as in effect before its repeal by the Revenue Reconciliation Act of 1990, 190, or 193). For purposes of the preceding sentence, if the taxpayer can establish by adequate records or other sufficient evidence that the amount allowed as a deduction for any period was less than the amount allowable, the amount taken into account for such period shall be the amount allowed."

(b) LIMITATION IN CASE OF INSTALLMENT SALES.—Subsection (i) of section 453 is amended—

(1) by striking "1250" the first place it appears and inserting "1250 (as in effect on the day before the date of the enactment of the Economic Growth and Jobs Creation Incentives Act of 1991",) and

(2) by striking "1250" the second place it appears and inserting "1250 (as so in effect)".

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (E) of section 1250(d)(4) is amended—

(A) by striking "additional depreciation" and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(2) Subparagraph (B) of section 1250(d)(6) is amended to read as follows:

"(B) DEPRECIATION ADJUSTMENTS.—In respect of any property described in subparagraph (A), the amount of the depreciation adjustments attributable to periods before the distribution by the partnership shall be—

"(i) the amount of gain to which subsection (a) would have applied if such property had been sold by the partnership immediately before the distribution at its fair market value at such time, reduced by

"(ii) the amount of such gain to which section 751(b) applied."

(3) Subparagraph (D) of section 1250(d)(8) is amended—

(A) by striking "additional depreciation" each place it appears and inserting "amount of the depreciation adjustments", and

(B) by striking "ADDITIONAL DEPRECIATION" in the subparagraph heading and inserting "DEPRECIATION ADJUSTMENTS".

(4) Paragraph (8) of section 1250(d) is amended by striking subparagraphs (E) and (F) and inserting the following:

"(E) ALLOCATION RULES.—For purposes of this paragraph, the amount of gain attributable to the section 1250 property disposed of shall be the net amount realized with respect to such property reduced by the greater of the adjusted basis of the section 1250 property disposed of, or the cost of the section 1250 property acquired, but shall not exceed the gain recognized in the transaction."

(5) Subsection (d) of section 1250 is amended by striking paragraph (10).

(6) Section 1250 is amended by striking subsections (e), (f), and (g) and by redesignating subsections (h) and (i) as subsections (e) and (f), respectively.

(7) Paragraph (5) of section 48(q) is amended to read as follows:

"(5) RECAPTURE OF REDUCTION.—For purposes of sections 1245 and 1250, any reduction under this subsection shall be treated as a deduction allowed for depreciation."

(8) Clause (i) of section 267(e)(5)(D) is amended by striking "section 1250(a)(1)(B)" and inserting "section 1250(a)(1)(B) (as in effect on the day before the date of the enactment of the Economic Growth Act of 1991)".

(9)(A) Subsection (a) of section 291 is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (1), (2), (3), and (4), respectively.

(B) Subsection (c) of section 291 is amended to read as follows:

"(c) SPECIAL RULE FOR POLLUTION CONTROL FACILITIES.—Section 168 shall apply with respect to that portion of the basis of any property not taken into account under section 169 by reason of subsection (a)(4)."

(C) Section 291 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(D) Paragraph (2) of section 291(d) (as redesignated by subparagraph (C)) is hereby repealed.

(E) Subparagraph (A) of section 265(b)(3) is amended by striking "291(e)(1)(B)" and inserting "291(d)(1)(B)".

(F) Subsection (c) of section 1277 is amended by striking "291(e)(1)(B)(ii)" and inserting "291(d)(1)(B)(ii)".

(10) Subsection (d) of section 1017 is amended to read as follows:

"(d) RECAPTURE OF DEDUCTIONS.—For purposes of sections 1245 and 1250—

"(1) any property the basis of which is reduced under this section and which is neither section 1245 property nor section 1250 property shall be treated as section 1245 property, and

"(2) any reduction under this section shall be treated as a deduction allowed for depreciation."

(11) Paragraph (5) of section 7701(e) is amended by striking "(relating to low-income housing)" and inserting "(as in effect on the day before the date of the enactment of the Economic Growth and Dividend Act of 1991)."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to dispositions made on or after April 15, 1991, in taxable years ending on or after such date.

Subtitle B—Inflation Adjustment for Investments

SEC. 111. INDEXING OF CERTAIN INVESTMENTS AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

(a) IN GENERAL.—Part II of subchapter O of chapter 1 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF INVESTMENTS ACQUIRED AFTER APRIL 15, 1991 FOR PURPOSES OF DETERMINING GAIN.

"(a) GENERAL RULE.—

"(1) INDEXED BASIS SUBSTITUTED FOR ADJUSTED BASIS.—Solely for purposes of determining gain on the sale or other disposition by an individual of an indexed asset which has been held for more than 1 year, the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) SPECIAL RULE FOR RECAPTURE GAIN.—

"(A) IN GENERAL.—Paragraph (1) shall not apply for purposes of determining the amount of recapture gain on the sale or other disposition of an indexed asset, but the amount of any such recapture gain shall increase the adjusted basis of the asset for purposes of applying paragraph (1) to determine the amount of other gain on such sale or other disposition.

"(B) RECAPTURE GAIN.—For purposes of subparagraph (A), the term 'recapture gain' means any gain treated as ordinary income under section 1245, 1250, or 1254.

"(b) INDEXED ASSET.—

"(1) IN GENERAL.—For purposes of this section, the term 'indexed asset' means—

"(A) any stock in a corporation, and

"(B) any tangible property (or any interest therein), which is a capital asset or property used in the trade or business (as defined in section 1231(B)) and the holding period of which begins after April 15, 1991.

"(2) CERTAIN PROPERTY EXCLUDED.—For purposes of this section, the term 'indexed asset' does not include—

"(A) CREDITOR'S INTEREST.—Any interest in property which is in the nature of a creditor's interest.

"(B) COLLECTIBLES.—Any collectible (as defined in section 408(m)(2) without regard to section 408(m)(3)).

"(C) OPTIONS.—Any option or other right to acquire an interest in property.

"(D) NET LEASE PROPERTY.—In the case of a lessor, net lease property (within the meaning of subsection (i)(3)).

"(E) CERTAIN PREFERRED STOCK.—Stock which is fixed and preferred as to dividends and does not participate in corporate growth to any significant extent.

"(F) STOCK IN FOREIGN CORPORATIONS.—Stock in a foreign corporation.

"(G) STOCK IN S CORPORATIONS.—Stock in an S corporation.

"(3) EXCEPTION FOR STOCK IN FOREIGN CORPORATION WHICH IS REGULARLY TRADED ON NATIONAL OR REGIONAL EXCHANGE.—Paragraph (2)(F) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis or is authorized for trading on the national market system operated by the National Association of Securities Dealers other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)),

"(B) stock in a passive foreign investment company (as defined in section 1296), and

"(C) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) INDEXED BASIS.—For purposes of this section—

"(1) INDEXED BASIS.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, multiplied by

"(B) the applicable inflation ratio.

"(2) APPLICABLE INFLATION RATIO.—The applicable inflation ratio for any asset shall be determined by dividing—

"(A) the CPI for the calendar year preceding the calendar year in which the disposition takes place, by

"(B) the CPI for the calendar year preceding the calendar year in which the taxpayer's holding period for such asset began. The applicable inflation ratio shall not be taken into account unless it is greater than 1. The applicable inflation ratio for any asset shall be rounded to the nearest one-hundredth.

"(3) CONVENTIONS.—For purposes of paragraph (2), if any asset is disposed of during any calendar year—

"(A) such disposition shall be treated as occurring on the last day of such calendar year, and

"(B) the taxpayer's holding period for such asset shall be treated as beginning in the same calendar year as would be determined for an asset actually disposed of on such last day with a holding period of the same length as the actual holding period of the asset involved.

"(4) CPI.—For purposes of this subsection, the CPI for any calendar year shall be determined under section 1(f)(4).

"(d) SHORT SALES.—

"(1) IN GENERAL.—In the case of a short sale of an indexed asset with a short sale period in excess of 1 year, for purposes of this title, the amount realized shall be an amount equal to the amount realized (determined without regard to this paragraph) multiplied by the applicable inflation ratio. In applying subsection (c)(2) for purposes of the preceding sentence, the date on which the property is sold short shall be treated as the date on which the holding period for the asset begins and the closing date for the sale shall be treated as the date of disposition.

"(2) SHORT SALE OF SUBSTANTIALLY IDENTICAL PROPERTY.—If the taxpayer or the taxpayer's spouse sells short property substantially identical to an asset held by the taxpayer, the asset held by the taxpayer and the substantially identical property shall not be treated as indexed assets for the short sale period.

"(3) SHORT SALE PERIOD.—For purposes of this subsection, the short sale period begins on the day after property is sold and ends on the closing date for the sale.

"(e) TREATMENT OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

"(1) ADJUSTMENTS AT ENTITY LEVEL.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, the adjustment under subsection (a) shall be allowed to any qualified investment entity (including for purposes of determining the earnings and profits of such entity).

"(B) EXCEPTION FOR CORPORATE SHAREHOLDERS.—Under regulations in the case of a distribution by a qualified investment entity (directly or indirectly) to a corporation—

"(i) the determination of whether such distribution is a dividend shall be made without regard to this section, and

"(ii) the amount treated as gain by reason of the receipt of any capital gain dividend shall be increased by the percentage by which the entity's net capital gain for the taxable year determined without regard to this section exceeds the entity's net capital gain for such year determined with regard to this section.

For purposes of the preceding sentence, any amount includible in gross income under section 852(b)(3)(D) shall be treated as a capital gain dividend and an S corporation shall not be treated as a corporation.

"(C) EXCEPTION FOR QUALIFICATION PURPOSES.—This section shall not apply for purposes of sections 851(b) and 856(c).

"(D) EXCEPTION FOR CERTAIN TAXES IMPOSED AT ENTITY LEVEL.—

"(i) TAX ON FAILURE TO DISTRIBUTE ENTIRE GAIN.—If any amount is subject to tax under section 852(b)(3)(A) for any taxable year, the amount on which tax is imposed under such section shall be increased by the percentage determined under subparagraph (B)(ii). A similar rule shall apply in the case of any amount subject to tax under paragraph (2) or (3) of section 857(b) to the extent attributable to the excess of the net capital gain over the deduction for dividends paid determined with reference to capital gain dividends only. The first sentence of this clause shall not apply to so much of the amount subject to tax under section 852(b)(3)(A) as is designated by the company under section 852(b)(3)(D).

"(ii) OTHER TAXES.—This section shall not apply for purposes of determining the amount of any tax imposed by paragraph (4), (5), or (6) of section 857(b).

"(2) ADJUSTMENTS TO INTERESTS HELD IN ENTITY.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(3) QUALIFIED INVESTMENT ENTITY.—For purposes of this subsection, the term 'qualified investment entity' means—

"(A) a regulated investment company (within the meaning of section 851), and

"(B) a real estate investment trust (within the meaning of section 856).

"(f) OTHER PASS-THRU ENTITIES.—

"(1) PARTNERSHIPS.—

"(A) IN GENERAL.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners (but only for purposes of determining the income of partners who are individuals).

"(B) SPECIAL RULE IN THE CASE OF SECTION 754 ELECTIONS.—In the case of a transfer of an interest in a partnership with respect to which the election provided in section 754 is in effect—

"(i) the adjustment under section 743(b)(1) shall, with respect to the transferor partner, be treated as a sale of the partnership assets for purposes of applying this section, and

"(ii) with respect to the transferee partner, the partnership's holding period for purposes of this section in such assets shall be treated as beginning on the date of such adjustment.

"(2) S CORPORATIONS.—In the case of an S corporation, the adjustment made under subsection (a) at the corporate level shall be passed through to the shareholders. This section shall not apply for purposes of determining the amount of any tax imposed by section 1374 or 1375.

"(3) COMMON TRUST FUNDS.—In the case of a common trust fund, the adjustment made under subsection (a) at the trust level shall be passed through to the participants (but only for purposes of determining the income of participants who are individuals).

"(g) DISPOSITIONS BETWEEN RELATED PERSONS.—This section shall not apply to any sale or other disposition of property between related persons (within the meaning of section 465(b)(3)(C)) if such property, in the hands of the transferee, is of a character subject to the allowance for depreciation provided in section 167.

"(h) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) A substantial improvement to property.

"(B) In the case of stock of a corporation, a substantial contribution to capital.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—The applicable inflation ratio shall be appropriately reduced for periods during which the asset was not an indexed asset.

"(3) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property."

(b) GAINS AND LOSSES FROM INDEXED ASSETS NOT TAKEN INTO ACCOUNT UNDER LIMITATION ON INVESTMENT INTEREST.—Subparagraph (B) of section 163(d)(4) (defining investment income) is amended by adding at the end thereof the following new sentences:

"Gain from the sale or other disposition of an indexed asset (as defined in section 1022) held for more than 1 year shall not be taken into account for purposes of the preceding sentence. The preceding sentence shall not apply to gain from the sale or other disposition of any such asset if the taxpayer elects to waive the benefits of section 1022 in determining the amount of such gain."

(c) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of chapter 1 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of investments acquired after April 15, 1990 for purposes of determining gain."

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to dispositions of any property the holding period of which begins after April 15, 1991.

(2) EXCEPTION FOR CERTAIN TRANSACTIONS BETWEEN RELATED PERSONS.—The amendments made by subsections (a) and (b) shall not apply to any property acquired after April 15, 1991, from a related person (as defined in section 465(b)(3)(C) of the Internal Revenue Code of 1986) if—

(A) such property was so acquired for a price less than the property's fair market value, and

(B) the amendments made by this section did not apply to such property in the hands of such related person.

Subtitle C—Enterprise Zones

Part I—Designation

SEC. 121. DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Designation of Enterprise Zones

"Sec. 7880. Designation.

"SEC. 7880. DESIGNATION.

"(a) DESIGNATION OF ZONES.—

"(1) DEFINITION.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior, designates as an enterprise zone.

"(2) AUTHORITY TO DESIGNATE.—The Secretary of Housing and Urban Development is authorized to designate enterprise zones in accordance with the provisions of this section.

"(3) LIMITATIONS ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone and not later than 4 months following the date of the enactment of this section, the Secretary of Housing and Urban Development shall prescribe by regulation, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area, and

"(ii) the procedures for designation as an enterprise zone, including a method for comparing courses of action under subsection (d) proposed for nominated areas, and the other factors specified in subsection (e).

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 48-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) June 30, 1991.

"(C) NUMBER OF DESIGNATIONS.—

"(i) IN GENERAL.—The Secretary of Housing and Urban Development may designate—

"(I) not more than 50 nominated areas as enterprise zones under this section and

"(II) not more than 15 nominated areas as enterprise zones during the first 12-month period beginning on the date determined under subparagraph (B), not more than 30 by the end of the second 12-month period, not more than 45 by the end of the third 12-month period, and not more than 50 by the end of the fourth 12-month period.

"(ii) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated as enterprise zones, at least one-third must be areas that are—

"(I) within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined using the most recent census data available);

"(II) outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)); or

"(III) determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(D) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designations under this section unless—

"(i) the local government and the State in which the nominated area is located have the authority to—

"(I) nominate such area for designation as an enterprise zone,

"(II) make the State and local commitments under subsection (d), and

"(III) provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled, and

"(ii) a nomination therefor is submitted by such State and local governments in such a manner and in such form, and contains such information, as the Secretary of Housing and Urban Development shall prescribe by regulation.

"(4) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) TIME PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

"(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date specified by the State and local governments as provided in the nomination submitted in accordance with subsection (a)(3)(D)(ii),

"(C) such other date as the Secretary of Housing and Urban Development shall specify as a condition of designation, or

"(D) the date upon which the Secretary of Housing and Urban Development revokes such designation.

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development, after consultation with the officials described in subsection (a)(1)(B), may revoke the designation of an area if the Secretary of Housing and Urban Development determines that the State or a local government in which the area is located is not complying substantially with the agreed course of action for the area.

"(c) AREA AND ELIGIBILITY REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may designate a nominated area as an enterprise zone only if it meets the requirements of paragraphs (2) and (3).

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government;

"(B) the boundary of the area is continuous; and

"(C) the area—

"(i) has a population, as determined by the most recent census data available, of not less than—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(3)(C)(ii)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

"(II) 1,000 in any other case; or

"(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State or local governments in which the nominated area is located certifies, and the Secretary of Housing and Urban Development accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment and general distress;

"(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

"(C) the unemployment rate for the area, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for the period;

"(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate; and

"(E) the area meets at least one of the following criteria:

"(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

"(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

"(4) ELIGIBILITY REQUIREMENTS FOR RURAL AREAS.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(3)(C)(ii) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

"(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

"(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

"(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

"(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the State and the local government or governments of the jurisdictions in which the nominated area is located agree in writing that, during any period during which the nominated area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area.

"(2) COURSE OF ACTION.—The course of action under paragraph (1) may include, but is not limited to—

"(A) the reduction or elimination of tax rates or fees applying within the enterprise zone,

"(B) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(C) an increase in the level or efficiency of local services within the enterprise zone, for example, crime prevention, and drug enforcement prevention and treatment,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial or other assistance to, employers, employees, and residents of the nominated area,

"(E) mechanisms to increase equity ownership by residents and employees within the enterprise zone,

"(F) donation (or sale below market value) of land and buildings to benefit low and moderate income people,

"(G) linkages to—

"(i) job training,

"(ii) transportation,

"(iii) education,

"(iv) day care,

"(v) health care, and

"(vi) other social service support,

"(H) provision of supporting public facilities, and infrastructure improvements,

"(I) encouragement of local entrepreneurship; and

"(J) other factors determined essential to support enterprise zone activities and encourage livability or quality of life.

"(3) LATER MODIFICATION OF A COURSE OF ACTION.—The Secretary of Housing and Urban Development may by regulation prescribe procedures to permit or require a course of action to be updated or modified during the time that a designation is in effect.

"(e) PRIORITY OF DESIGNATION.—In choosing nominated areas for designation, the Secretary of Housing and Urban Development shall give preference to the nominated areas—

"(1) with respect to which the strongest and highest quality contributions have been promised as part of the course of action, taking into consideration the fiscal ability of the nominating State and local governments to provide tax relief,

"(2) with respect to which the nominating State and local governments have provided the most effective and enforceable guarantees that the proposed course of action will actually be carried out during the period of the enterprise zone designation,

"(3) with respect to which private entities have made the most substantial commitments in additional resources and contributions, including the creation of new or expanded business activities, and

"(4) which best exhibit such other factors determined by the Secretary of Housing and Urban Development, including relative distress, as are consistent with the intent of the enterprise zone program and have the greatest likelihood of success.

"(f) GEOGRAPHIC DISTRIBUTION.—In making designations, the Secretary of Housing and Urban Development will take into consideration a reasonable geographic distribution of enterprise zones.

"(g) DEFINITIONS.—For the purposes of this title—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) STATE.—The term 'State' shall also include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

"(3) LOCAL GOVERNMENT.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia.".

"(h) CROSS REFERENCES FOR—

"(1) definitions, see section 1391,

"(2) treatment of employees in enterprise zones, see section 1392, and

"(3) treatment of investments in enterprise zones, see sections 1393 and 1394.".

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"SUBCHAPTER D. Designation of enterprise zones.".

SEC. 122. REPORTING REQUIREMENTS.

Not later than the close of the second calendar year after the calendar year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each second calendar year thereafter, the Secretary of Housing and Urban Development shall submit to the Congress a report on the effects of such designation in accomplishing the purposes of this Act.

SEC. 123. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) COORDINATION WITH RELOCATION ASSISTANCE.—The designation of an enterprise zone under section 7880 of the Internal Revenue Code of 1986 (as added by this Act) shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) COORDINATION WITH ENVIRONMENTAL POLICY.—Designation of an enterprise zone under section 7880 of such Code shall not constitute a Federal action for purposes of applying the procedural requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4341) or other provisions of Federal law relating to the protection of the environment.

Part II—Federal Income Tax Incentives

SEC. 131. DEFINITIONS AND REGULATIONS; EMPLOYEE CREDIT; CAPITAL GAIN EXCLUSION; STOCK EXPENSING.

(a) GENERAL RULE.—Chapter 1 (relating to normal tax and surtax rules) is amended by inserting after subchapter T the following new subchapter:

"Subchapter U—Enterprise Zones

"Sec. 1391. Definitions and regulatory authority.
"Sec. 1392. Credit for enterprise zone employees.
"Sec. 1393. Enterprise zone capital gain.
"Sec. 1394. Enterprise zone stock.

"SEC. 1391. DEFINITIONS AND REGULATORY AUTHORITY.

"(a) ENTERPRISE ZONE.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone' means any area which the Secretary of Housing and Urban Development designates pursuant to section 7880(a) as a Federal enterprise zone for purposes of this title.

"(2) TERMINATION OF ENTERPRISE ZONE.—An area will cease to constitute an enterprise zone once its designation as such terminates or is revoked under section 7880(b).

"(b) ENTERPRISE ZONE BUSINESS.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone business' means an activity constituting the active conduct of a trade or business within an enterprise zone, and with respect to which—

"(A) at least 80 percent of the gross income in each calendar year is attributable to the active conduct of a trade or business within an enterprise zone,

"(B) less than 10 percent of the property (as measured by unadjusted basis) constitutes stocks, securities, or property held for use by customers,

"(C) no more than an insubstantial portion of the property constitutes collectibles (as defined in section 408(m)(2)), unless such collectibles constitute property held primarily for sale to customers in the ordinary course of the active trade or business,

"(D) substantially all of the property (whether owned or leased) is located within an enterprise zone, and

"(E) substantially all of the employees work within an enterprise zone.

"(2) RELATED ACTIVITIES TAKEN INTO ACCOUNT.—Except as otherwise provided in regulations, all activities conducted by a taxpayer and persons related to the taxpayer shall be treated as one activity for purposes of paragraph (1).

"(3) SPECIAL RULES.—

"(A) RENTAL REAL PROPERTY.—For purposes of paragraph (1), real property located within an enterprise zone and held for use by customers other than related persons shall be treated as the active conduct of a trade or business for purposes of paragraph (1)(A) and as not subject to paragraph (1)(B).

"(B) TERMINATION OF ENTERPRISE ZONE BUSINESS.—An activity shall cease to be an enterprise zone business if—

"(i) the designation of the enterprise zone in which the activity is conducted terminates or is revoked pursuant to section 7880(b);

"(ii) more than 50 percent (by value) of the activity's property or services are obtained from related persons other than enterprise zone businesses; or

"(iii) more than 50 percent of the activity's gross income is attributable to property or services provided to related persons other than enterprise zone businesses.

"(c) ENTERPRISE ZONE PROPERTY.—

"(1) IN GENERAL.—For purposes of this subchapter, the term 'enterprise zone property' means—

"(A) any tangible personal property located in an enterprise zone and used by the taxpayer in an enterprise zone business, and

"(B) any real property located in an enterprise zone and used by the taxpayer in an enterprise zone business.

In no event shall any financial property or intangible interest in property be treated as constituting enterprise zone property, whether or not such property is used in the active conduct of an enterprise zone business.

"(2) TERMINATION OF ENTERPRISE ZONE.—The treatment of property as enterprise zone property under subparagraph (A) shall not terminate upon the termination or revocation of the designation of the enterprise zone in which the property is located, but instead shall terminate immediately after the first sale or exchange of such property occurring after the expiration or revocation.

"(d) RELATED PERSONS.—For purposes of this subchapter, a person shall be treated as related to another person if—

"(1) the relationship of such persons is described in section 267(b) or 707(b)(1), or

"(2) such persons are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of paragraph (1), in applying section 267(b) or 707(b)(1), '33 percent' shall be substituted for '50 percent'.

"(e) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of subtitle C of title II of the Economic Growth Act of 1991, including—

"(1) providing that Federal tax relief is unavailable to an activity that does not stimulate employment in, or revitalization of, enterprise zones,

"(2) providing for appropriate coordination with other Federal programs that, in combination, might enable activity within enterprise zones to be more than 100 percent subsidized by the Federal Government, and

"(3) preventing the avoidance of the rules in this subchapter.

"SEC. 1392. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) GENERAL RULE.—In the case of a taxpayer who is an enterprise zone employee, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to 5 percent of so much of the qualified wages of the taxpayer for the taxable year as does not exceed $10,500.

"(b) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE EMPLOYEE.—The term 'enterprise zone employee' means an individual—

"(A) performing services during the taxable year that are directly related to the conduct of an enterprise zone business,

"(B) substantially all of the services described in paragraph (1)(A) are performed within an enterprise zone, and

"(C) the employer for whom the services described in paragraph (1)(A) are performed is not the Federal government, any State government or subdivision thereof, or any local government.

"(2) WAGES.—The term 'wages' has the meaning given to such term by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such subsection).

"(3) QUALIFIED WAGES.—The term 'qualified wages' means all wages of the taxpayer, to the extent attributable to services described in paragraph (1).

"(c) LIMITATIONS.—

"(1) PHASE-OUT OF CREDIT.—The amount of the credit allowable to a taxpayer under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(A) $525, over

"(B) 10.5 percent of so much of the taxpayer's total wages (whether or not constituting qualified wages) as exceeds $20,000.

"(2) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (c)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(d) REDUCTION OF CREDIT TO TAXPAYERS SUBJECT TO ALTERNATIVE MINIMUM TAX.—The credit allowed under this section for the taxable year shall be reduced by the amount (if any) of tax imposed by section 55 (relating to the alternative minimum tax) with respect to such taxpayer for such year.

"(e) CREDIT TREATED AS SUBPART C CREDIT.—For purposes of this title, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C of part IV of subchapter A of this chapter.

"SEC. 1393. ENTERPRISE ZONE CAPITAL GAIN.

"(a) GENERAL RULE.—Gross income does not include the amount of any gain constituting enterprise zone capital gain.

"(b) DEFINITION.—For purposes of this section—

"(1) IN GENERAL.—The term 'enterprise zone capital gain' means gain—

"(A) treated as long-term capital gain,

"(B) allocable in accordance with the rules under subsection (b)(5) of section 338 to the sale or exchange of enterprise zone property, and

"(C) properly attributable to periods of use in an enterprise zone business.

"(2) LIMITATIONS.—Enterprise zone capital gain does not include any gain attributable to—

"(A) the sale or exchange of property not constituting enterprise zone property with respect to the taxpayer throughout the period of twenty-four full calendar months immediately preceding the sale or exchange,

"(B) any collectibles (as defined in section 408(m)), or

"(C) sales or exchanges to persons controlled by the same interests.

"(c) BASIS.—Amounts excluded from gross income pursuant to subsection (a) shall not be applied in reduction to the basis of any property held by the taxpayer.

"SEC. 1394. ENTERPRISE ZONE STOCK.

"(a) GENERAL RULE.—At the election of any individual, the aggregate amount paid by such taxpayer during the taxable year for the purchase of enterprise zone stock on the original issue of such stock by a qualified issuer shall be allowed as a deduction.

"(b) LIMITATIONS.—

"(1) CEILING.—The maximum amount allowed as a deduction under subsection (a) to a taxpayer shall not exceed $50,000 for any taxable year, nor $250,000 during the taxpayer's lifetime.

"(A) EXCESS AMOUNTS.—If the amount otherwise deductible by any person under subsection (a) exceeds the limitation under this paragraph (1)—

"(i) the amount of such excess shall be treated as an amount paid in the next taxable year, and

"(ii) the deduction allowed for any taxable year shall be allocated among the enterprise zone stock purchased by such person in accordance with the purchase price per share.

"(2) RELATED PERSON.—

"(A) IN GENERAL.—The taxpayer and all individuals related to the taxpayer shall be treated as one person for purposes of the limitations described in subsection (b)(1).

"(B) EXCESS AMOUNTS.—The limitations described in subsection (b)(1) shall be allocated among the taxpayer and related persons in accordance with their respective purchases of enterprise zone stock.

"(3) PARTIAL TAXABLE YEAR.—If designation of an area as an enterprise zone occurs, expires, or is revoked pursuant to section 7880 on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year, the limitations specified in subsection (b)(1) shall be adjusted on a pro rata basis (based upon the number of days).

"(c) DISPOSITIONS OF STOCK.—

"(1) GAIN TREATED AS ORDINARY INCOME.—Except as otherwise provided in regulations, if a taxpayer disposes of any enterprise zone stock with respect to which a deduction was allowed under subsection (a), the amount realized upon such disposition shall be treated as ordinary income and recognized notwithstanding any other provision of this subtitle.

"(2) INTEREST CHARGED IF DISPOSITION WITHIN 5 YEARS OF PURCHASE.—

"(A) IN GENERAL.—If a taxpayer disposes of any enterprise zone stock before the end of the 5-year period beginning on the date such stock was purchased by the taxpayer, the tax imposed by this chapter for the taxable year in which such disposition occurs shall be increased by the amount determined under subparagraph (B).

"(B) ADDITIONAL AMOUNT.—For purposes of subparagraph (A), the additional amount shall be equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(i) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date such stock was disposed of by the taxpayer,

"(ii) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disposed of.

"(d) DISQUALIFICATION.—

"(1) ISSUER OR STOCK CEASES TO QUALIFY.—If a taxpayer elects the deduction under subsection (a) with respect to enterprise zone stock, and either—

"(A) the issuer with respect to which the election was made ceases to be a qualified issuer, or

"(B) the proceeds from the issuance of the taxpayer's enterprise zone stock fail or otherwise cease to be invested by the issuer in enterprise zone property, then, notwithstanding any provision of this subtitle other than paragraph (2) to the contrary, the taxpayer shall recognize as ordinary income the amount of the deduction allowed under subsection (a) with respect to the issuer's enterprise zone stock.

"(2) SPECIAL RULES.—

"(A) LIQUIDATION.—Where enterprise zone property acquired with proceeds from the issuance of enterprise zone stock is sold or exchanged pursuant to a plan of complete liquidation, the treatment described in paragraph (1) shall be inapplicable.

"(B) TERMINATION OF ENTERPRISE ZONE.—The treatment of an activity as an enterprise zone business shall not cease for purposes of paragraph (1) solely by reason of the termination or revocation of the designation of the enterprise zone with respect to the activity.

"(C) PARTIAL DISQUALIFICATION.—Where some, but not all, of the property acquired by the issuer with the proceeds of enterprise zone stock ceases to constitute enterprise zone property, the treatment described in paragraph (1) shall be modified as follows—

"(i) the total amount recognized as ordinary income by all shareholders of the issuer shall be limited to an amount of deduction allowed up to the unadjusted basis of property ceasing to constitute enterprise zone property,

"(ii) the amount recognized shall be allocated among enterprise zone stock with respect to which the election in subsection (a) was made in the reverse order in which such stock was issued, and

"(iii) the amount recognized shall be apportioned among taxpayers having made the election in subsection (a) in the ratios in which the stock described in paragraph (2)(C)(ii) was purchased.

"(3) ADDITIONAL AMOUNT.—If income is recognized pursuant to paragraph (1) at any time before the close of the 5th calendar year ending after the date the enterprise zone stock was purchased, the tax imposed by this chapter with respect to such income shall be increased by an amount equal to the amount of interest (determined at the rate applicable under section 6621(a)(2)) that would accrue—

"(A) during the period beginning on the date the stock was purchased by the taxpayer and ending on the date of the disqualification event described in paragraph (1),

"(B) on an amount equal to the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this subsection (a) with respect to the stock so disqualified.

"(e) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE ZONE STOCK.—The term 'enterprise zone stock' means common stock issued by a qualified issuer, but only to the extent that the amount of proceeds of such issuance are used by such issuer no later than twelve months followed issuance to acquire and maintain an equal amount of newly acquired enterprise zone property.

"(2) QUALIFIED ISSUER.—

"(A) IN GENERAL.—The term 'qualified issuer' means any subchapter C corporation which—

"(i) does not have more than one class of stock,

"(ii) is engaged solely in the conduct of one or more enterprise zone businesses,

"(iii) does not own or lease more than $5 million of total property (including money), as measured by the unadjusted basis of the property, and

"(iv) more than 20 percent of the total voting power and 20 percent of the total value of the stock of such corporation is owned by individuals, partnerships, estates or trusts.

"(B) LIMITATION ON TOTAL ISSUANCES.—A qualified issuer may issue no more than an aggregate of $5 million of enterprise zone stock.

"(C) AGGREGATION.—For purposes of applying the limitations under paragraph (2), the issuer and all related persons shall be treated as one person.

"(3) AMOUNT PAID.—For purposes of subsection (a), the amount 'paid' by a taxpayer for any taxable year shall not include the issuance of evidences of indebtedness of the taxpayer (whether or not such indebtedness is guaranteed by another person), nor amounts paid by the taxpayer after the close of the taxable year.

"(f) ISSUANCES IN EXCHANGE FOR PROPERTY.—If enterprise zone stock is issued in exchange for property, then notwithstanding any provision of subchapter C of this chapter to the contrary—

"(1) the issuance shall be treated for purposes of this subtitle as the sale of the property at its then fair market value to the corporation, and a contribution to the corporation of the proceeds immediately thereafter in exchange for the enterprise zone stock, and

"(2) the issuer's basis for the property shall be equal to the fair market value of such property at the time of issuance.

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a taxpayer elects the deduction under subsection (a), the taxpayer's basis (without regard to this subsection) for the enterprise zone stock with respect to such election shall be reduced by the deduction allowed or allowable.

"(h) LIMITATIONS ON ASSESSMENT AND COLLECTION.—If a taxpayer elects the deduction under subsection (a) for any taxable year, then—

"(1) the period for assessment and collection of any deficiency attributable to any part of the deduction shall not expire before one year following expiration of such period of the qualified issuer that includes the circumstances giving rise to the deficiency, and

"(2) such deficiency may be assessed before expiration of the period described in paragraph (1) notwithstanding any provisions of this subtitle to the contrary.

"(i) CROSS REFERENCE.—

For treatment of the deduction under subsection (a) for purposes of the alternative minimum tax, see section 56.".

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (23); by striking out the period at the end of paragraph (24) and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraph:

"(25) to the extent provided in section 1394(g), in the case of stock with respect to which a deduction was allowed or allowable under section 1394(a).".

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by inserting after the item relating to subchapter T the following new item:

"SUBCHAPTER U. Enterprise zones."

SEC. 132. ALTERNATIVE MINIMUM TAX.

(a) CORPORATIONS.—Section 56(g)(4)(B) (relating to adjustments based on adjusted current earnings of corporations) is amended by adding the following new clause at the end thereof:

"(iii) EXCLUSION OF ENTERPRISE ZONE CAPITAL GAIN.—Clause (i) shall not apply in the case of any enterprise zone capital gain (as defined in section 1393(b)), and such gain shall not be included in income for purposes of computing alternative minimum taxable income.".

(b) INDIVIDUALS.—Section 56(b) (relating to adjustments to the alternative minimum taxable income of individuals) is amended by adding the following new paragraph at the end thereof:

"(4) ENTERPRISE ZONE STOCK.—No deduction shall be allowed for the purchase of enterprise zone stock (as defined in section 1394(e)).".

SEC. 133. ADJUSTED GROSS INCOME DEFINED.

Section 62(a) (relating to the definition of adjusted gross income) is amended by inserting after paragraph (14) the following new paragraph:

"(15) ENTERPRISE ZONE STOCK.—The deduction allowed by section 1394.".

SEC. 134. EFFECTIVE DATE.

The amendments made by this part shall apply to taxable years ending after December 31, 1990.

Part III—Regulatory Flexibility

SEC. 141. DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONE FOR PURPOSES OF ANALYSIS OF REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended by—

(1) striking out "and" at the end of paragraph (5); and

(2) striking out paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction defined in paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified enterprise zone business; any unit of government that nominated an area which the Secretary of Housing and Urban Development designates as an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986) that has a rule pertaining to the carrying out of any project, activity, or undertaking within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified enterprise zone business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7880 of the Internal Revenue Code of 1986); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 1392(b)(1) of such Code).".

SEC. 142. WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States Code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of any government which nominated an area that the Secretary of Housing and Urban Development has designated as an enterprise zone under section 7880 of the Internal Revenue Code of 1986, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives with respect to such zone, to waive or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within such zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, familial status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If such a request is made to any agency other than the Department of Housing and Urban Development, the requesting government shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development, or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

"(1) violate a statutory requirement (including any requirements of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental or occupational health or safety, or of environmental pollution.

"(e) If a request is disapproved, the agency shall inform all the requesting governments, and the Department of Housing and Urban Development, in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section, the time such waiver or modification takes effect and its duration, and the scope of applicability of such waiver or modification.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary. Such determinations shall be published with the proposal to amend such rule.

"(i) No waiver or modification of a rule under this section shall remain in effect with respect to an enterprise zone after the enterprise zone designation has expired or has been revoked.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title.".

(b) The analysis for chapter 6 of title 5, United States Code, is amended by redesignating the items relating to sections 611 and 612 as items relating to sections 612 and 613, respectively, and by inserting after the item relating to section 610 the following new item:

"611. Waiver or modification of agency rules in enterprise zones.".

(c) Section 601(2) of such title 5 is amended by inserting "except for purposes of section 611" immediately before "means".

(d) Section 613 of such title 5, as redesignated by subsection (a), is amended—

(1) in subsection (a) by inserting "(except section 611)" immediately after "chapter"; and

(2) in subsection (b) by inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence.

SEC. 143. FEDERAL AGENCY SUPPORT OF ENTERPRISE ZONES.

In order to maximize all agencies' support of enterprise zones, the Secretary of Housing and Urban Development is authorized to convene regional and local coordinating councils of any appropriate agencies to assist State and local governments to achieve the objectives agreed to in the course of action under section 7880 of the Internal Revenue Code of 1986.

Part IV—Establishment of Foreign Trade Zones in Enterprise Zones

SEC. 151. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN REVITALIZATION AREAS.—In processing applications for the establishment of foreign-trade zones pursuant to an Act "To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes", approved June 18, 1934 (48 Stat. 998), the Foreign-Trade Zone Board shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a foreign-trade zone within an enterprise zone designated pursuant to section 7880 of the Internal Revenue Code of 1986.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to "An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes", approved August 1, 1914 (38 Stat. 609), the Secretary of the Treasury shall consider on a priority basis and expedite, to the maximum extent possible, the processing of any application involving the establishment of a port of entry which is necessary to permit the establishment of a foreign-trade zone within an enterprise zone so designated.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with enterprise zones so designated, the Foreign-Trade Zone Board and the Secretary of the Treasury shall approve the applications, to the maximum extent practicable, consistent with their respective statutory responsibilities.

Part V—Repeal of Title VII of The Housing and Community Development Act of 1987

SEC. 161. REPEAL.

Title VII of the Housing and Community Development Act of 1987 is hereby repealed.

Subtitle D—Research and Experimentation Credit Made Permanent

SEC. 171. RESEARCH AND EXPERIMENTATION CREDIT MADE PERMANENT.

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking subsection (h).

(b) CONFORMING AMENDMENT.—Section 28(b)(1) of the Internal Revenue Code of 1986 (relating to clinical testing expenses for certain drugs for rare diseases or conditions) is amended by striking subparagraph (D).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

TITLE II—SAVINGS INCENTIVES

SEC. 201. ESTABLISHMENT OF INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to pension, profit-sharing, stock bonus plans, etc.) is amended by inserting after section 408 the following new section:

"408A. INDIVIDUAL RETIREMENT PLUS ACCOUNTS.

"(a) GENERAL RULE.—Except as provided in this section, an individual retirement plus account shall be treated for purposes of this title in the same manner as an individual retirement plan.

"(b) INDIVIDUAL RETIREMENT PLUS ACCOUNT.—For purposes of this title, the term 'individual retirement plus account' means an individual retirement plan which is designated at the time of the establishment of the plan as an individual retirement plus account. Such designation shall be made in such manner as the Secretary may prescribe.

"(c) CONTRIBUTION RULES.—

"(1) NO DEDUCTION ALLOWED.—No deduction shall be allowed under section 219 for a contribution to an individual retirement plus account.

"(2) CONTRIBUTION LIMIT.—

"(A) IN GENERAL.—Except in the case of rollover contributions, the aggregate amount which may be accepted as contributions to an individual retirement plus account shall not be greater than the excess (if any) of—

"(i) the nondeductible limit with respect to the individual for the taxable year under section 408(o) (after application of subparagraph (B)(ii) thereof), over

"(ii) the designated nondeductible contributions made by the individual for such taxable year to 1 or more individual retirement plans.

"(B) $1,000 INCREASE AFTER 1996.—In the case of any taxable year beginning after December 31, 1996, the amount determined under subparagraph (A)(i) (without regard to this subparagraph) shall be increased by $1,000.

"(C) SPECIAL RULE FOR MARRIED INDIVIDUALS.—The nondeductible limits under subparagraph (A) for an individual and for such individual's spouse shall be an amount equal to the excess (if any) of—

"(i) $2,000, over

"(ii) the sum of the amount allowed as a deduction under section 219 for contributions on behalf of such individual or such spouse, plus the amount determined under subparagraph (A)(ii) with respect to each.

In no event shall the sum of such limits exceed an amount equal to the sum of the compensation includible in the individual's and spouse's gross income for the taxable year, reduced by the sum of the amounts determined under clause (ii).

"(3) CONTRIBUTIONS AFTER AGE 70½.—Contributions may be made by an individual to an individual retirement plus account after such individual has attained the age of 70½.

"(4) LIMITATIONS ON ROLLOVER CONTRIBUTIONS.—No rollover contributions may be made to an individual retirement plus account unless such rollover contribution is a contribution of a distribution or payment out of—

"(A) another individual retirement plus account, or

"(B) an individual retirement plan which is not allocable to any amount transferred to such plan which represented any portion of the balance to the credit of an employee in a qualified trust (or any income allocable to such portion).

"(d) DISTRIBUTION RULES.—For purposes of this title—

"(1) IN GENERAL.—Except in the case of a qualified distribution, the rules of paragraphs (1) and (2) of section 408(d) shall apply to any distribution from an individual retirement plus account.

"(2) TREATMENT OF QUALIFIED DISTRIBUTION.—In the case of a qualified distribution from an individual retirement plus account—

"(A) the amount of such distribution shall not be includible in gross income; and

"(B) section 72(t) shall not apply.

"(3) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified distribution' means any distribution—

"(i) made on or after the date on which the individual attains age 59½,

"(ii) made to a beneficiary (or to the estate of an individual) on or after the death of the individual, or

"(iii) attributable to the employee's being disabled (within the meaning of section 72(m)(7)).

"(B) DISTRIBUTIONS WITHIN 5 YEARS.—No distribution shall be treated as a qualified distribution if—

"(i) it is made within the 5-taxable year period beginning with the 1st taxable year in which the individual made a contribution to an individual retirement plus account, or

"(ii) in the case of a distribution properly allocable to a rollover contribution (or income allocable thereto), it is made within 5 years of the date on which such rollover contribution was made.

"(4) SPECIAL RULES RELATING TO ROLLOVERS FROM REGULAR INDIVIDUAL RETIREMENT ACCOUNTS.—

"(A) IN GENERAL.—Except as provided in this paragraph, any amount paid or distributed out of an individual retirement plan on or before the earlier of—

"(i) the date on which the individual attains age 55, or

"(ii) June 30, 1993,

shall not be included in gross income (and section 72(t) shall not apply to such amount) if the individual receiving such amount transfers, within 60 days of receipt, the entire amount received to an individual retirement plus account.

"(B) TREATMENT OF TAX-FAVORED AMOUNTS.—

"(i) IN GENERAL.—Notwithstanding subparagraph (A), there shall be included in gross income (but section 72(t) shall not apply to) the portion of any amount transferred which bears the same ratio to such amount as—

"(I) the aggregate amount of contributions to individual retirement plans with respect to which a deduction was allowable under section 219, bears to

"(II) the aggregate balance of such plans.

"(ii) TIME FOR INCLUSION.—Any amount described in clause (i) shall be included in gross income ratably over the 4-taxable year period beginning with the taxable year in which the amount was paid or distributed out of the individual retirement plan.

"(e) ROLLOVER CONTRIBUTIONS.—For purposes of this section, the term 'rollover contributions' means contributions described in sections 402(a)(5), 402(a)(7), 403(a)(4), 403(b)(8), and 408(d)(3).

"(f) DETERMINATIONS.—For purposes of this section, any determinations with respect to aggregate contributions to, or the balance of, individual retirement plus accounts shall be made as of the close of the calendar year preceding the calendar year in which the taxable year begins.".

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 408 the following new item:

"Sec. 408A. Individual retirement plus accounts.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE III—HOMEOWNERSHIP INCENTIVES

Subtitle A—First-Time Homebuyers Tax Credit

SEC. 301. CREDIT FOR PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

(a) GENERAL RULE.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. PURCHASE OF PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

"(a) ALLOWANCE OF CREDIT.—If an individual who is a first-time homebuyer purchases a principal residence during the taxable year, there shall be allowed to such individual as a credit against the tax imposed by this subtitle for such taxable year an amount equal to $1,000.

"(b) INCOME LIMITATIONS.—

"(1) IN GENERAL.—No credit shall be allowed under subsection (a) to any individual whose adjusted gross income for the taxable year exceeds $41,000.

"(2) PHASE-DOWN OF CREDIT.—The $1,000 amount set forth in subsection (a) shall be reduced by $10 for each $100 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $31,000.

"(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' has the meaning given to such term by section 408A(e)(3)(E)(ii).

"(2) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(3) PURCHASE.—The term 'purchase' means any acquisition of property, but only if the basis of such property in the hands of the person acquiring it is not determined—

"(A) in whole or in part by the reference to the adjusted basis of such property in the hands of the person from whom acquired, or

"(B) under section 1014(a) (relating to property acquired from a decedent).

"(4) TREATMENT OF MARRIED INDIVIDUALS.—The adjusted gross income of any individual for any taxable year shall include the adjusted gross income of such individual's spouse for such spouse's taxable year corresponding to the taxable year of the individual. For purposes of the preceding sentence, marital status shall be determined under section 7703; except that an individual shall not be treated as being married if such individual would not be treated as being married under section 21(e)(4).

"(5) JOINT PURCHASES.—If a residence is purchased together by 2 or more individuals for use as their principal residence—

"(A) such individuals shall be limited to 1 credit under this section for such purchase and the amount of such credit shall be allocated among such individuals in the manner prescribed by the Secretary,

"(B) no credit shall be allowed under this section for such purchase unless all of such individuals are first-time homebuyers, and

"(C) the aggregate adjusted gross income of all of such individuals shall be taken into account in determining the amount of the credit allowable under this section for such purchase."

(b) CLERICAL AMENDMENTS.—The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Purchase of principal residence by first-time homebuyer.

"Sec. 36. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to principal residences purchased after July 31, 1991.

Subtitle B—Penalty-Free IRA Plus Withdrawal for Home Purchase, Higher Education, and Health Costs

SEC. 311. PENALTY-FREE IRA PLUS WITHDRAWAL FOR HOME PURCHASE, HIGHER EDUCATION, AND HEALTH COSTS.

(a) GENERAL RULE.—Subparagraph (A) of section 408A(d)(3) (as added by title II) is amended by striking "or" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", or", and by adding at the end thereof the following new clause:

"(iv) which is a qualified special purpose distribution (within the meaning of subsection (e)).

(b) QUALIFIED SPECIAL PURPOSE DISTRIBUTION DEFINED.—Section 408A (as so added) is amended by redesignating subsections (e) and (f) as (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e) QUALIFIED SPECIAL PURPOSE DISTRIBUTION FROM IRA PLUS ACCOUNTS.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified special purpose distribution' means—

"(A) a qualified first-time homebuyer distribution, or

"(B) an applicable medical or educational distribution.

"(2) 25 PERCENT ACCOUNT LIMIT.—

"(A) IN GENERAL.—A distribution shall not be treated as a qualified special purpose distribution to the extent it exceeds the amount (if any) by which—

"(i) 25 percent of the sum of—

"(I) the aggregate balance of individual retirement plus accounts established on behalf of an individual, plus

"(II) the aggregate amounts previously treated as qualified special purpose distributions, exceeds

"(ii) the amount determined under clause (i)(II).

"(B) LIMITATION NOT TO APPLY FOR PURPOSES OF SECTION 72(t).—Section 72(t) shall not apply to any distribution which would be a qualified distribution but for the limitations of subparagraph (A).

"(3) DISTRIBUTIONS FROM IRA PLUS ACCOUNTS USED TO PURCHASE A HOME BY FIRST-TIME HOMEBUYER.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'qualified first-time homebuyer distribution' means any payment or distribution received by a first-time homebuyer (or by a parent or grandparent of a first-time homebuyer) from an individual retirement plan to the extent such payment or distribution is used by the individual receiving the payment or distribution before the close of the 60th day after the day on which such payment or distribution is received to pay qualified acquisition costs with respect to a principal residence for such first-time homebuyer.

"(B) BASIS REDUCTION.—The basis of any principal residence described in subparagraph (A) shall be reduced by any amount excluded from the gross income of such first-time homebuyer (or parent or grandparent thereof) by reason of this section.

"(C) RECOGNITION OF GAIN AS ORDINARY INCOME.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subtitle, except as provided in clause (ii)—

"(I) gain (if any) on the sale or exchange of a principal residence to which subparagraph (A) applies shall, to the extent of the amount excluded from gross income under this section, be treated as ordinary income by such individual, and

"(II) section 72(t) shall apply to such amount.

"(ii) EXCEPTION.—Clause (i) shall not apply to any taxable year to the extent of any amount which, before the due date (without extensions) for filing the return for such year, the taxpayer contributes to an individual retirement plus account. Such amount shall not be taken into account for purposes of any provision of this title relating to excess contributions.

"(iii) COORDINATION WITH OTHER PROVISIONS.—In the event all or part of the gain referred to in clause (i) is treated as ordinary income under any other provision of this subtitle, such provision shall be applied before clause (i).

"(D) SPECIAL RULE WHERE DELAY IN ACQUISITION.—If—

"(i) any amount is paid or distributed from an individual retirement plus account to an individual for purposes of being used as provided in subparagraph (A), and

"(ii) by reason of a delay in the acquisition of the residence, such amount cannot be so used, the amount so paid or distributed may be paid into an individual retirement plus account as provided in section 408(d)(3)(A)(i) without regard to section 408(d)(3)(B), and, if so paid into such other plan, such amount shall not be taken into account in determining whether section 408(d)(3)(A)(i) applies to any other amount.

"(E) DEFINITIONS.—For purposes of this paragraph—

"(i) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. Such term includes any usual or reasonable settlement, financing, or other closing costs.

"(ii) FIRST-TIME HOMEBUYER.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this paragraph applies.

"(iii) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iv) DATE OF ACQUISITION.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (A) applies is entered into, or

"(II) on which construction or reconstruction of such a principal residence is commenced.

"(4) APPLICABLE MEDICAL DISTRIBUTIONS FROM IRA PLUS ACCOUNTS.—For purposes of paragraph (1), the term 'applicable medical distributions' means any distributions made to an individual (not otherwise taken into account under this subsection) to the extent such distributions do not exceed the amount allowable as a deduction under section 213 for amounts paid during the taxable year for medical care (without regard to whether the individual itemized deductions for the taxable year). For purposes of determining the amount so allowable, any child or grandchild of the taxpayer shall be treated as a dependent of the taxpayer.

"(5) DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT PLUS ACCOUNTS FOR EDUCATIONAL EXPENSES.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable educational distributions' means distributions to an individual to the extent that the amount of such distributions (not otherwise treated as qualified special purpose distributions, determined after application of paragraph (4)) does not exceed the qualified higher education expenses of the individual for the taxable year.

"(B) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, and equipment required for the enrollment or attendance of—

"(I) the taxpayer,

"(II) the taxpayer's spouse, or

"(III) the taxpayer's child (as defined in section 151(c)(3)) or grandchild,

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

TITLE IV—WORK INCENTIVES

Subtitle A—Reduction in Social Security Penalty on Working Elderly

SEC. 401. PHASED-IN INCREASES IN THE EARNINGS TEST OVER THE PERIOD 1992–1997 FOR INDIVIDUALS WHO HAVE ATTAINED NORMAL RETIREMENT AGE.

(a) IN GENERAL.—Subparagraph (D) of section 203(f)(8) of the Social Security Act (42 U.S.C. 403(f)(8)) is amended to read as follows:

"(D)(i) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(l)) before the close of the taxable year involved shall be—

"(I) for each month of the taxable year ending after 1991 and before 1993, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(II) for each month of the taxable year ending after 1992 and before 1994, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(III) for each month of the taxable year ending after 1993 and before 1995, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(IV) for each month of the taxable year ending after 1994 and before 1996, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(V) for each month of the taxable year ending after 1995 and before 1997, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000,

"(VI) for each month of the taxable year ending after 1996 and before 1998, the exempt amount so applicable for each month of the preceding taxable year, plus 1/12 of $1,000.

"(ii) For purposes of subparagraph (B)(ii)(II), the increase in the exempt amount provided under clause (i)(VI) shall be deemed to have resulted from a determination which shall be deemed to have been made under subparagraph (A) in 1996.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after 1991.

SEC. 402. TRANSFERS TO TRUST FUNDS.

(a) IN GENERAL.—There are hereby appropriated to each payor fund amounts equivalent to the aggregate increase in social security benefits payable from such fund which is attributable to the amendment made by section 401.

(b) TRANSFERS.—The amounts appropriated by subsection (a) to a payor fund shall be transferred from time to time (but not less frequently than quarterly) from the general fund of the Treasury on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in such subsection. Any such quarterly payment shall be made on the first day of such quarter and shall take into account social security benefits estimated to be received during such quarter. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) DEFINITIONS.—For purposes of this section—

(1) PAYOR FUND.—The term "payor fund" means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(2) SOCIAL SECURITY BENEFITS.—The term "social security benefits" means any amount received by a person by reason of entitlement to monthly benefits under title II of the Social Security Act.

(d) REPORTS.—The Secretary of the Treasury shall submit annual reports to the Congress and to the Secretary of Health and Human Services on—

(1) the transfers made under this section during the year, and the methodology used in determining the amount of such transfers and the payor funds to which made, and

(2) the anticipated operation of this section during the next 5 years.

SEC. 403. STUDY TO DETERMINE IMPACT OF TOTAL REPEAL.

(a) STUDY.—The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") shall undertake in 1997 a study for the purpose of determining whether further amendments relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act are necessary or appropriate. Such study shall be conducted in full consultation with the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce. The Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce shall provide the Secretary with such appropriate assistance and information requested by the Secretary as the Secretary considers necessary and appropriate to carry out the study under this section.

(b) SPECIFIC MATTERS TO BE STUDIED.—

(1) IN GENERAL.—The Secretary, in carrying out the study provided for in this section, shall address, analyze, and report specifically on various effects—

(A) which have resulted from the amendment made by section 401, and

(B) which would reasonably be expected to result from repeal, effective with respect to taxable years ending after calendar year 1997, of the provisions relating to deductions on account of work and the exempt amount provided for under section 203 of the Social Security Act.

The Secretary shall include in the report any other information which the Secretary considers would be relevant and useful to the Congress in considering legislation relating to deductions on account of work and the exempt amount.

(2) EFFECTS TO BE INCLUDED IN STUDY.—The effects referred to in paragraph (1) shall include—

(A) the effect on numbers in the workforce, by category of income;

(B) the effect on the purchasing power of members of the workforce, expressed in constant dollars;

(C) the effect on the working elderly with wage or salary income at or below the national average wage level;

(D) the short-term and long-term effect on the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund;

(E) the effect on the Federal budget; and

(F) the effect on the national economy.

(c) REPORTS.—The Secretary shall submit to each House of the Congress, not later than November 1, 1997, a final report of the findings of such study.

Subtitle B—Economic Growth Dividend

SEC. 411. USE OF ECONOMIC GROWTH DIVIDEND.

(a) GENERAL RULE.—If the Secretary of the Treasury (hereinafter in this title referred to as the "Secretary") determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, such dividend shall be used to increase the amount of the personal exemptions as provided in section 412.

(b) Economic Growth Dividend.—For purposes of this Act—

(1) there is an economic growth dividend for any fiscal year if the Secretary determines that the real growth in the gross national product during such fiscal year was at a rate in excess of 3 percent, and

(2) the amount of the economic growth dividend for such fiscal year is the amount which the Secretary estimates will be the annual increase in Federal tax receipts resulting from the real growth in the gross national product during such fiscal year at a rate in excess of 3 percent.

Determinations under the preceding sentence shall be made before the close of the calendar year in which the fiscal year ends.

(c) Special Rule For Fiscal Years Before 1996.—In the case of any fiscal year beginning before October 1, 1995, subsection (b) shall be applied by substituting for "3 percent" each place it appears the estimated rate of real growth in the gross national product for such fiscal year as set forth in the President's budget submission for such fiscal year under section 1105 of title 31, United States Code.

SEC. 412. INCREASE IN AMOUNT OF PERSONAL EXEMPTIONS.

(a) General Rule.—If the Secretary determines that there is an economic growth dividend for any fiscal year beginning on or after October 1, 1992, the amount of the exemption amount for taxable years beginning after the close of the calendar year in which such fiscal year ends shall be increased by an amount which the Secretary estimates will reduce Federal tax receipts for taxable years beginning in the following calendar year by an amount equal to 100 percent of the amount of such economic growth dividend.

(b) Special Rule for Fiscal Years Before 1996.—In the case of any fiscal year beginning before October 1, 1995, 50 percent of the economic growth dividend shall be used in accordance with subsection (a), and 50 percent of the growth dividend shall be used to make a downward adjustment in the maximum deficit amount of section 250(c)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) Exemption Amount.—For purposes of this section, the term 'exemption amount' means the amount which would otherwise be the exemption amount under section 151(d) of the Internal Revenue Code of 1986 before the application of paragraphs (2) and (3) thereof.

(d) Inflation Adjustments.—Any increase determined under this section shall be adjusted for increases in the cost of living under procedures similar to those provided in section 151(d)(4) of such Code.

SEC. ____. EMERGENCY DESIGNATION.

(a) Emergency Designation.—Pursuant to sections 252(e) and 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts and receipts legislation provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Effectiveness.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless the President submits to the Congress a written designation of all direct spending amounts and receipts legislation provided by this Act for all fiscal years and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

KASTEN AMENDMENT NO. 1013

(Ordered to lie on the table.)

Mr. KASTEN submitted an amendment intended to be proposed by him to the bill S. 1554, supra, as follows:

At the end of the bill insert the following new title:

TITLE —PLANT OPENING AND JOB CREATION INCENTIVES

SEC. . SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) Short Title.—This title may be cited as the "Plant Opening Act of 1991."

(b) Amendment of 1986 Code.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—General Incentives

SEC. .REDUCTION IN CAPITAL GAINS TAX RATE.

(a) In General.—Section 1201 (relating to alternative tax for corporations) is amended to read as follows:

"SEC. 1201. ALTERNATIVE TAX.

"If for any taxable year a taxpayer has a net capital gain, then, in lieu of the tax imposed by sections 1, 11, 511, 821(a) or (c), and 831(a), there is hereby imposed a tax (if such tax is less than the tax imposed by such sections) which shall consist of the sum of—

"(1) a tax computed on the taxable income reduced by the amount of the net capital gain, at the rates and in the manner as if this subsection had not been enacted, plus

"(2) a tax of 15 percent of the net capital gain."

(c) Reduction in Minimum Tax Rate on Capital Gains.—Paragraph (1) of section 55(b) is amended by adding at the end thereof the following new sentence:

"To the extent the excess referred to in subparagraph (A) does not exceed the net capital gain for the taxable year (determined with the adjustments of this part), subparagraph (A) shall be applied by substituting '15 percent' for the percentages set forth in subparagraph (A)."

(d) Conforming Amendments.—

(1) Subsection (j) of section 1 is hereby repealed.

(2) The table of sections for part I of subchapter P of chapter 1 is amended by striking the item relating to section 1201 and inserting the following:

"Sec. 1201. Alternative tax."

(e) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. . REINSTATEMENT OF EDUCATIONAL ASSISTANCE EXCLUSION.

(a) General Rule.—Section 127 (relating to educational assistance programs) is amended by striking subsection (d) and by redesignating subsection (e) as subsection (d).

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1991.

SECTION. . LIBERALIZATION OF EARNINGS TEST OVER THE PERIOD 1992–1996 FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

(a) In General.—Effecrive with respect to taxable years ending after 1991, subparagraph (D) of section 203(f)(8) of the Social Security Act is amended to read as follows:

"(D) Nothwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 216(l)) before the close of the taxable year involved shall be increased by $3,000 in each taxable year over the exempt amount for the previous taxable year, beginning with any taxable year ending after 1991 and before 1993.".

(b) Conforming Amendment.—The second sentence of section 223(d)(4) of such Act is amended by striking out "which is applicable to individual described in subparagraph (D) thereof" and inserting in lieu thereof "which would be applicable to individuals who have attained retirement age (as defined in section 216(l)) without regard to any increase in such amount resulting from a law enacted in 1991".

SEC. . REPEAL OF EARNINGS TEST IN 1997 FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

Effective with respect to taxable years ending after 1996—

(1) clause (B) in the third sentence of section 203(f)(1) of the Social Security Act is amended by striking out "age seventy" and inserting in lieu thereof "retirement age (as defined in section 216(l))"; and (2) section 203(f)(3) of such Act is amended—

(A) by striking out "33½ percent" and all that follows through "other individual" and inserting in lieu thereof "50 percent of his earnings for such year in excess of the product of the applicable exempt amount as determined under paragraph (8)", and

(B) by striking out "age 70" and inserting in lieu thereof "retirement age (as defined in section 216(1))".

SEC. . CONFORMING AND RELATED AMENDMENTS.

Effective with respect to taxable years ending after 1996—

(1) section 203(c)(1) of the Social Security Act is amended by striking out "is under the age of seventy" and inserting in lieu thereof "is under retirement age (as defined in section 216(l))";

(2) the last sentence of subsection (c) of section 203 of such Act is amended by striking out "nor shall any deduction" and all that follows and inserting in lieu thereof "nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60.";

(3) paragraphs (1)(A) and (2) of section 203(d) of such Act are each amended by striking out "under the age of seventy" and inserting in lieu thereof "under retirement age (as defined in section 216(l))";

(4) section 203(f)(1) of such Act is amended by striking out clause (D) and inserting in lieu thereof the following: "(D) for which such indivudal is entitled to widow's or widower's insurance benefits if such individual became so entitled prior to attaining age 60, or";

(5) subparagraph (D) of section 203(f)(5) of such Act is amended—

(A) by striking out "(D) In the case of" and all that follows down through "(ii) an individual" and inserting in lieu thereof the following: "(D) An individual";

(B) by striking out "because entitled to such benefits" and all that follows and inserting in lieu thereof "became entitled to such benefits, there shall be excluded from gross income any such other income."; and

(C) by shifting such subparagraph as so amended to the left to the extent necessary to align its left margin with that of subparagraphs (A) through (C) of such section;

(11) section 203(j) of such Act is amended to read as follows:

"Atttainment of Retirement Age

"(j) For purposes of this section—

"(1) an individual shall be considered as having attained retirement age (as defined in section 216(l)) during the entire month in which he attains such age; and

"(2) the term 'retirement age (as defined in section 216(l))', with respect to any individual entitled to monthly insurance benefits under section 202, means the retirement age (as so defined) which is applicable in the case of old-age insurance benefits, regardless of whether or not the particular benefits to which the individual is entitled (or the only such benefits) are old-age insurance benefits.";

(12) section 202(w)(2)(B)(ii) of such Act is amended—

(A) by striking out "either"; and

(B) by striking out "or suffered deductions under section 203(b) or 203(c) in amounts equal to the amount of such benefit"; and

(13) the second sentence of section 223(d)(4) of such Act (as amended by section 1(b) of this Act) is further amended by striking out "without regard to any increase in such amount resulting from a law enacted in 1991" and inserting in lieu thereof "but for the liberalization and repeal of the earnings test for such individuals in 1992".

SEC. . ACCELERATION OF 8 PERCENT DELAYED RETIREMENT CREDIT.

Effective with respect to taxable years ending after 1991, paragraph (6) of section 202(w) of the Social Security Act is amended—

(1) by striking out "2005" in subparagraph (C) and inserting in lieu thereof "1993"; and

(2) by striking out "2004" in subparagraph (D) and inserting in lieu thereof "1992".

Subtitle B—Enterprise Zones

SEC. . SHORT TITLE.

This subtitle may be cited as the "Enterprise Zone Development and Employment Act of 1991".

SEC. . PURPOSES.

It is the purpose of this subtitle to provide for the establishment of entreprise zones in order to stimulate the creation of new jobs, particularly for disadvantaged workers and long-term unemployed individuals, and to promote revitalization of economically distressed areas primarily by providing or encouraging—

(1) tax relief at the Federal, State, and local levels;

(2) regulatory relief at the Federal, State, and local levels; and

(3) improved local services and an increase in the economic stake of enterprise zone residents in their own community and its development, particularly through the increased involvement of private, local, and neighborhood organizations.

PART I—DESIGNATION OF ENTERPRISE ZONES

SEC. . DESIGNATION OF ZONES.

(a) GENERAL RULE.—Chapter 80 (relating to general rules) is amended by adding at the end thereof the following new suchapter:

"Subchapter D—Designation of Enterprise Zones

"Sec. 7881. Designation.

"SEC. 7881. DESIGNATION.

(a) DESIGNATION OF ZONES.—

"(1) DEFINITIONS.—For purposes of this title, the term 'enterprise zone' means any area—

"(A) which is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (hereinafter in this section referred to as a 'nominated area'), and

"(B) which the Secretary of Housing and Urban Development, after consultation with—

"(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury; the Director of the Office of Management and Budget; and the Administrator of the Small Business Administration, and

"(ii) in the case of an area on an Indian reservation, the Secretary of the Interior,

designates as an enterprise zone.

"(2) NUMBER OF DESIGNATIONS.—

"(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 100 nominated areas as enterprise zones.

"(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under clause (i), at least one-fourth must be areas—

"(i) which are within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined under the most recent census data available),

"(ii) which are outside of a metropolitan statistical area (within the meaning of section 143(k)(2)(B)), or

"(iii) which are determined by the Secretary of Housing and Urban Development, after consultation with the Secretary of Commerce, to be rural areas.

"(3) AREAS DESIGNATED BASED SOLELY ON DEGREE OF POVERTY, ETC.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary of Housing and Urban Development shall designate those nominated areas with the highest average ranking with respect to the criteria described in subparagraphs (C), (D), (E), and (F) of subsection (c)(3). For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area which exceeds such criterion by the greatest amount given the highest ranking.

"(B) EXCEPTION WHERE INADEQUATE COURSE OF ACTION, ETC.—An area shall not be designated under subparagraph (A) if the Secretary of Housing and Urban Development determines that the course of action with respect to such area is inadequate.

"(C) SEPARATE APPLICATION TO RURAL AND OTHER AREAS.—Subparagraph (A) shall be applied separately with respect to areas described in paragraph (2)(B) and to other areas.

"(4) LIMITATION ON DESIGNATIONS.—

"(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone, the Secretary of Housing and Urban Development shall prescribe by regulation no later than 4 months following the enactment of this section, after consultation with the officials described in paragraph (1)(B)—

"(i) the procedures for nominating an area under paragraph (1)(A),

"(ii) the parameters relating to the size and population characteristics of an enterprise zone, and

"(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

"(B) TIME LIMITATIONS.—The Secretary of Housing and Urban Development shall designate nominated areas as enterprise zones only during the 24-month period beginning on the later of—

"(i) the first day of the first month following the month in which the effective date of the regulations described in subparagraph (A) occurs, or

"(ii) July 1, 1989.

"(C) PROCEDURAL RULES.—The Secretary of Housing and Urban Development shall not make any designation under paragraph (1) unless—

"(i) the local governments and the State in which the nominated area is located have the authority—

"(I) to nominate such area for designation as an enterprise zone.

"(II) to make the State and local commitments under subsection (d), and

"(III) to provide assurances satisfactory to the Secretary of Housing and Urban Development that such commitments will be fulfilled,

"(ii) a nomination therefor is submitted in such a manner and in such form and contains information, as the Secretary of Housing and Urban Development shall by regulation prescribe,

"(iii) the Secretary of Housing and Urban Development determines that any information furnished is reasonably accurate, and

"(iv) the State and local governments certify that no portion of the area nominated is already included in an enterprise zone or in an area othewise nominated to be an enterprise zone.

"(5) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

"(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

"(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) December 31 of the 24th calendar year following the calendar year in which such date occurs,

"(B) the termination date designated by the State and local governments as provided for in their nomination pursuant to subsection (a)(4)(C)(ii), or

"(C) the date the Secretary of Housing and Urban Development revokes such designation under paragraph (2).

"(2) REVOCATION OF DESIGNATION.—The Secretary of Housing and Urban Development may after—

"(A) consultation with the officials described in subsection (a)(1)(B), and

"(B) a hearing on the record involving officials of the State or local government involved,

revoke the designation of an area if the Secretary of Housing and Urban Development determines that the local government or the State in which it is located is not complying substantially with the State and local commitments pursuant to subsection (d).

"(c) AREA AND ELIGIBILITY REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary of Housing and Urban Development may make a designation of any nominated area under subsection (a)(1) only if it meets the requirements of paragraphs (2) and (3).

"(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

"(A) the area is within the jurisdiction of the local government,

"(B) the boundary of the area is continuous, and

"(C) the area—

"(i) has a population as determined by the most recent census data available, of at least—

"(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(2)(B)(i)) is located within a metropolitan statistical area (within the meaning of section 103A(1)(4)(B)) with a population of 50,000 or greater, or

"(II) 1,000 in any other case, or

"(II) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

"(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State and local governments in which it is located certify and the Secretary of Housing and Urban Development, after such review of supporting data as he deems appropriate, accepts such certification, that—

"(A) the area is one of pervasive poverty, unemployment, and general distress,

"(B) the area is located wholly within the jurisdiction of a local government which is eligible for Federal assistance under section 119 of the Housing and Community Development act of 1974, as in effect on the date of the enactment of this section,

"(C) the unemployment rate, as determined by the appropriate available data, was at least 1½ times the national unemployment rate for that period,

"(D) the povery rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was at least 20 percent for the period to which such data relate,

"(E) at least 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974), and

"(F) the population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

"(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

"(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the local government and the State in which it is located agree in writing that, during any period during which the area is an enterprise zone, such governments will follow a specified course of action designated to reduce the various burdens borne by employers or employees in such area. A course of action shall not be treated as meeting the requirements of this paragraph unless the course of action include provisions described in at least 4 of the subparagraphs of paragraph (2).

"(2) COURSE OF ACTION.—The course of action under paragraph (1) may be implemented by both such governments and private nongovernmental entities, may be funded from proceeds of any Federal program, and may include, but is not limited to—

"(A) a reduction of tax rates or fees applying within the enterprise zone,

"(B) an increase in the level of efficiency of local services within the enterprise zone; for example, crime prevention (particularly through experimentation with providing such services by nongovernmental entities),

"(C) actions to reduce, remove, simplify, or streamline governmental requirements applying within the enterprise zone,

"(D) involvement in the program by private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a commitment from such private entities to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents of the nominated area,

"(E) the allowance of a deduction from State or local income taxes for fees paid or accrued for services performed by a nongovernmental entity but which were formerly performed by a governmental entity,

"(F) the giving of special preference to contractors owned and operated by members of any minority, and

"(G) the gift (or sale at below fair market value) of surplus land in the enterprise zone to neighborhood organizations agreeing to operate a business on the land.

"(3) RECOGNITION OF PAST EFFORTS.—In evaluating courses of action agreed to by any State or local government, the Secretary of Housing and Urban Development shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

"(e) DEFINITIONS.—For the purposes of this title—

"(1) GOVERNMENTS.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

"(2) STATE.—The term 'State' shall also include Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

"(3) LOCAL GOVERNMENT.—The term 'local government' means—

"(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State,

"(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary of Housing and Urban Development, and

"(C) the District of Columbia."

(b) CONFORMING AMENDMENT.—The table of subchapters for chapter 80 is amended by adding at the end thereof the following new item:

"Subchapter D. Designation of Enterprise Zones."

SEC. . EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the fourth calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each fourth calendar year thereafter, the Secretary of Housing and Urban Development shall prepare and submit to the Congress a report on the effects of such enterprise zones' designation in accomplishing the purposes of this Act.

SEC. . INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) TAX REDUCTIONS.—Any reduction of taxes under any required program of State and local commitment under section 7881(d) of the Internal Revenue Code of 1986 shall be disregarded in determining the eligibility of a State or local government for, or the amount or extent of, any assistance or benefits under any law of the United States.

(b) COORDINATION WITH RELOCATION ASSISTANCE.— The designation of an enterprise zone under section 7881 of the Internal Revenue Code of 1986 shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601)), or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(c) ENTERPRISE ZONES TREATED AS LABOR SURPLUS AREAS.—Any area which is designated as an enterprise zone under section 7881 of the Internal Revenue Code of 1986 shall be treated for all purposes under Federal law as a labor surplus area.

PART II—FEDERAL INCOME TAX INCENTIVES

Subpart A—Credits for Employers and Employees

SEC. . CREDIT FOR ENTERPRISE ZONE EMPLOYERS.

(a) CREDIT FOR INCREASED ENTERPRISE ZONE EMPLOYMENT AND EMPLOYMENT OF DISADVANTAGED WORKERS.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by inserting after section 29 the following new section:

"SEC. 30. CREDIT FOR ENTERPRISE ZONE EMPLOYMENT.

"(a) IN GENERAL.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

"(1) 10 percent of the qualified increased employment expenditures of the taxpayer for the taxable year, and

"(2) the economically disadvantaged credit amount of the taxpayer for such taxable year.

"(b) LIMITATIONS BASED ON AMOUNT OF TAX.—

"(1) IN GENERAL.—The credit allowed by subsection (a) for a taxable year shall not exceed the excess (if any) of—

"(A) the regular tax for the taxable year reduced by the sum of the credits allowable under subpart A and sections 27, 28, and 29, over

"(B) the tentative minimum tax for the taxable year.

"(2) CARRYBACK AND CARRYOVER OF UNUSED CREDIT.—

"(A) ALLOWANCE OF CREDIT.—If the amount of the credit determined under this section for any taxable year exceeds the limitation provided by paragraph (1) for such taxable year (hereinafter in this paragraph referred to as the 'unused credit year'), such excess shall be—

"(i) an enterprise zone employment credit carryback to each of the 3 taxable years preceding the unused credit year, and

"(ii) an enterprise zone employment credit carryover to each of the 15 taxable years following the unused credit year,

and shall be added to the amount allowable as a credit by this section for such years. If any portion of such excess is a carryback to a taxable year beginning before January 1, 1989, this section shall be deemed to have been in effect for such taxable year for purposes of allowing such carryback as a credit under this section. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the 18 taxable years to which (by reason of clauses (i) and (ii)) such credit may be carried, and then to each of the other 17 taxable years to the extent that, because of the limitation contained in subparagraph (B), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(B) LIMITATION.—The amount of the unused credit which may be added under subparagraph (A) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by paragraph (1) for such taxable year exceeds the sum of—

"(i) the credit allowable under this section for such taxable year, and

"(ii) the amounts which, by reason of this paragraph, are added to the amount allowable for such taxable year and which are attributable to taxable years preceding the unused credit year.

"(c) QUALIFIED INCREASED EMPLOYMENT EXPENDITURES DEFINED.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified increased employment expenditures' means the excess of—

"(A) the qualified wages paid or incurred by the employer during the taxable year to qualified employees with respect to all enterprise zones, over

"(B) the base period wages of the employer with respect to all such zones.

"(2) LIMITATIONS AS TO QUALIFIED WAGES TAKEN INTO ACCOUNT.—

"(A) DOLLAR AMOUNT.—The amount of any qualified wages taken into account under paragraph (1) for any taxable year with respect to any qualified employee may not exceed 2.5 times the dollar limitation in effect under section 3306(b)(1) for the calendar year with or within which such taxable year ends.

"(B) APPLICATION WITH ECONOMICALLY DISADVANTAGED CREDIT AMOUNT.—Qualified wages shall not be taken into account under paragraph (1) if such wages are taken into account in determining the economically disadvantaged credit amount under subsection (d).

"(3) BASE PERIOD WAGES.—

"(A) IN GENERAL.—The term 'base period wages' means, with respect to any enterprise zone, the amount of wages paid to employees during the 12-month period preceding the date on which the enterprise zone was designated as such under section 7881, or the date on which the enterprise zone is designated under State law, enacted after January 1, 1981, if earlier, which would have been qualified wages paid to qualified employees if such designation had been in effect for such period.

"(B) RULES OF SPECIAL APPLICATION.—For purposes of subparagraph (A)—

"(i) subsection (f)(1) shall be applied by substituting '12-month period' for 'taxable year' each place it appears, and

"(ii) the dollar limitation taken into account under paragraph (2) in computing qualified wages shall be the amount in effect for taxable year for which the amount of the credit under subsection (a) is being computed.

"(d) ECONOMICALLY DISADVANTAGED CREDIT AMOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'economically disadvantaged credit amount' means the sum of the applicable percentage of qualified wages paid to each qualified economically disadvantaged individual.

"(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term 'applicable percentage' means, with respect to any qualified economically disadvantaged individual, the percentage determined in accordance with the following table:

"If the qualified wages are paid for services performed during:	The applicable percentage is:
The first 3 years after starting date ..	50
The 4th year after the starting date ..	40
The 5th year after the starting date ..	30
The 6th year after the starting date ..	20
The 7th through 20th year after the starting date	10
The 21st year after the starting date or later	0

"(3) STARTING DATE; BREAKS IN SERVICE.—For purposes of this subsection—

"(A) STARTING DATE.—The term 'starting date' means the day which the qualified economically disadvantaged individual begins work for the employer within an enterprise zone.

"(B) BREAKS IN SERVICE.—The periods described in the table under paragraph (2) (other than the first such period) shall be extended by any period of time during which the individual is unemployed, and by any period of time during which the individual is employed by a taxpayer in an enterprise zone designated under State law enacted after January 1, 1981, if such designation occurs prior to the designation of the enterprise zone under section 7881.

"(e) QUALIFIED WAGES DEFINED.—For purposes of this section—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the term 'qualified wages' has the meaning given to the term 'wages' by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such section).

"(2) REDUCTION FOR CERTAIN FEDERALLY FUNDED PAYMENTS.—For purposes of this section the wages paid or incurred by an employer for any period shall not include the amount of any Federally funded payments the employer receives or is entitled to receive for on-the-job training of such individual for such period.

"(3) SPECIAL RULES FOR AGRICULTURAL AND RAILWAY LABOR.—Under regulations prescribed by the Secretary, rules similar to the rules of section 51(h) shall apply with respect to services described in subparagraphs (A) and (B) of section 51(h)(1).

"(f) QUALIFIED EMPLOYEE DEFINED.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified employee' means an individual—

"(A) at least 90 percent of whose services for the employer during the taxable year are directly related to the conduct of the employer's trade or business located in an enterprise zone, and

"(B) who performs at least 50 percent of his services for the employer during the taxable year in an enterprise zone.

"(2) EXCEPTION FOR INDIVIDUALS WITH RESPECT TO WHOM CREDIT IS DETERMINED UNDER SECTION 51(A).—The term 'qualified employee' shall not include an individual with respect to whom any credit for the employer is determined under section 51(a) for the taxable year (relating to targeted jobs credit).

"(g) QUALIFIED ECONOMICALLY DISADVANTAGED INDIVIDUAL.—

"(1) For purposes of this section, the term 'qualified economically disadvantaged individual' means an individual—

"(A) who is a qualified employee,

"(B) who is hired by the employer during the period a designation under section 7881 is in effect for the area in which the services which qualify such individual as a qualified employee are performed, and

"(C) who is certified as—

"(i) an economically disadvantaged individual,

"(ii) an eligible work incentive employee (within the meaning of section 51(d)(9)), or

"(iii) a general assistance recipient (within the meaning of section 51(d)(6)).

"(2) ECONOMICALLY DISADVANTAGED INDIVIDUAL.—For purposes of paragraph (1)—

"(A) IN GENERAL.—The term 'economically disadvantaged individual' means any individual who is certified by the designated local agency as being a member of a family that had a combined family income (including the cash value of food stamps) during the 6 months preceding the month in which such determination occurs that on an annual basis, was equal to or less than the sum of—

"(i) the highest amount which would ordinarily be paid to a family of the same size without any income or resources in the form of payments for aid to families with dependent children under the State plan approved under part A of title IV of the Social Security Act for the State in which such individual resides, plus,

"(ii) the highest cash value of the food stamps to which a family of the same size without any income or resources would be paid aid to families with dependent children under such State plan in the amount determined under clause (i). Any such determination shall be valid for the 45-day period beginning on the date such determination is made.

"(B) SPECIAL RULE FOR FAMILIES WITH ONLY 1 INDIVIDUAL.—For purposes of clause (i) of subparagraph (A), in the case of a family consisting of only one individual, the 'highest amount which would ordinarily be paid' to such family under the State's plan approved under part A of title IV of the Social Security Act shall be an amount determined by the designated local agency on the basis of a reasonable relationship to the amounts payable under such plan to families consisting of two or more persons.

"(3) CERTIFICATION.—Certification of an individual as an individual described in paragraph (1)(C) shall be made in the same manner as certification under section 51.

"(h) SPECIAL RULES.—For purposes of this section—

"(1) APPLICATION TO CERTAIN ENTITIES, ETC.—Under reguations prescribed by the Secretary, rules similar to the rules of section 52 (other than subsection (b) thereof) and section 41(f)(3) shall apply.

"(2) PERIODS OF LESS THAN A YEAR.—If designation of an area as an enterprise zone under section 7871 occurs, expires, or is revoked on a date other than the first or last day of the taxable year of the taxpayer, or in the case of a short taxable year—

"(A) the limitation specified in subsection (c)(2)(A), and the base period wages determined under subsection (c)(3), shall be adjusted on a pro rata basis (based upon the number of days), and

"(B) the reduction specified in subsection (e)(2) and the 90 percent and 50 percent tests set forth in subsection (f)(1) shall be determined by reference to the portion of the taxable year during which the designation of the area as an enterprise zone is in effect.

"(i) PHASEOUT OF CREDIT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), in determining the amount of the credit for a taxable year under subsection (a) with respect to qualified wages paid or incurred for services performed in an enterprise zone—

"(A) the following percentages shall be substituted for '10 percent' in subsection (a)(1):

"(i) 7.5 percent in the earlier of—

"(I) the taxable year which includes the date which is 21 years after the date on which such enterprise zone was designated under section 7881, or

"(II) the taxable year which includes the date which is 4 years before the date (if any) on which such enterprise zone ceases to be a zone under section 7881(b)(1)(B),

"(ii) 5 percent in the next succeeding taxable year,

"(iii) 2.5 percent in the second next succeeding taxable year, and "(iv) zero thereafter, and

"(B) the amount determined under subsection (a)(2) shall be reduced by—

"(i) 25 percent in the case of the taxable year described in paragraph (1)(A),

"(ii) 50 percent in the next succeeding taxable year,

"(iii) 75 percent in the second next succeeding taxable year, and

"(iv) 100 percent thereafter.

"(2) REVOCATION OF DESIGNATION.—If the designation of an area as an enterprise zone is revoked under section 7881(b)(2), such area shall continue to be treated as an enterprise zone for the period of 3 taxable years beginning after the date of such revocation except that only the allowable percentage of the amount of the credit which would (but for this paragraph) be allowable under this section for such a year shall be allowed. For purposes of the preceding sentence, the term 'allowable percentage' means the amount determined in accordance with the following table:

"If the taxable year beginning after the revocation is:	The allowable percentage is:
The first such year	75
The second such year	50
The third such year	25.

"(j) EARLY TERMINATION OF EMPLOYMENT BY EMPLOYER IN CASE OF QUALIFIED ECONOMICALLY DISADVANTAGED INDIVIDUALS, ETC.—

"(1) GENERAL RULE.—Under the regulations prescribed by the Secretary, if the employment of any qualified economically disadvantaged individual with respect to whom qualified wages are taken into account under subsection (a) is terminated by the taxpayer at any time during 270-day period beginning on the date such individual begins work for the employer, the tax under this chapter for the taxable year in which such employment is terminated shall be increased by an amount (determined under such regulations) equal to the credit allowed under subsection (a) for such taxable year and all prior taxable years attributable to qualified wages paid or incurred with respect to such employee.

"(2) SUBSECTION NOT TO APPLY IN CERTAIN CASES.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to—

"(i) a termination of employment of an employee who voluntarily leaves the employment of the employer.

"(ii) a termination of employment of an individual who, before the close of the period referred to in paragraph (1), becomes disabled to perform the service of such employment, unless such disability is removed before the close of such period and the employer fails to offer reemployment to such individual,

"(iii) a termination of employment of an individual, if it is determined under the applicable State unemployment compensation law that the termination was due to the misconduct of such individual, or

"(iv) a termination of employment of an individual due to a substantial reduction in the trade or business operations of the employer.

"(B) CHANGE IN FORM OF BUSINESS, ETC.—For purposes of paragraph (1), the employment relationship between the employer and an employee shall not be treated as terminated—

"(i) by a transaction to which section 381(a) applies, if the employee continues to be employed by the acquiring corporation, or

"(ii) by reason of a mere change in the form of conducting the trade or business of the taxpayer, if the employee continues to be employed in such trade or business and the employer retains a substantial interest in such trade or business.

"(3) SPECIAL RULE.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit allowable under subpart A.

"(k) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section, including regulations to prevent the abuse of such purposes by denying the credit allowable under this section to employers which relocate their businesses in an enterprise zone while displacing former employees or which otherwise conduct their businesses so as to take advantage of the credit allowable by this section without furthering such purposes."

(b) NO DEDUCTION ALLOWED.—Section 280C (relating to disallowance of deductions of certain expenses for which credits are allowable) is amended by adding at the end thereof the following new subsection:

"(c) RULE FOR SECTION 30 CREDITS.—No deduction shall be allowed for that portion of the wages or salaries paid or incurred for the taxable year which is equal to the amount of the credit allowable under section 30 (relating to the employment credit for enterprise zone businesses.) This subsection shall be applied under a rule similar to the rule under the last sentence of subsection (a)."

(c) TECHNICAL AMENDMENTS RELATED TO CARRYOVER AND CARRYBACK OF CREDITS.—

"(A) Subsection (c) of section 381 (relating to items of the distributor or transferor corporation) is amended by inserting after paragraph (25) the following new paragraph:

"(26) CREDIT UNDER SECTION 30.—The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 30, and under such regulations as may be prescribed by the Secretary) the items required to be taken into account for purposes of section 30 in respect to the distributor or transferor corporation."

(B) Paragraph (2) of section 383(a) is amended by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively, and by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) unused enterprise zone employment credit under section 30,".

(2) CARRYBACK OF CREDIT.—

(A) Subparagraph (C) of section 6511(d)(4) (defining credit carryback) is amended by inserting "and any enterprise zone employment credit under section 30(b)" before the period at the end thereof.

(B) Subsection (a) of section 6411 (relating to tentative carryback and refund adjustments) is amended—

(i) by inserting "enterprise zone employment credit carryback," after "section 172(b)," in the first sentence, and

(ii) by striking so much of the second sentence as follows "the return for the taxable year" and inserting the following: "of the net operating loss, net capital loss, unused enterprise zone employment credit, or unused business credit from which the carryback results and within a period of 12 months after such taxable year (or, with respect to any portion of an enterprise zone employment credit carryback, or business credit carryback attributable to a net operating loss carryback or a net capital loss carryback from a subsequent taxable year, within a period of 12 months from the end of such subsequent taxable year or, with respect to any portion of a business credit carryback attributable to a research credit carryback or an enterprise zone employment credit carryback from a subsequent taxable year within a period of 12 months from the end of such subsequent taxable year) in the manner and form required by regulations prescribed by the Secretary".

(C) Subsections (a)(1) and (b) of section 6411 are each amended by inserting "unused enterprise zone employment credit," after "net capital loss,".

(d) CLERICAL AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding after the item relating to section 29 the following new item:

"Sec. 30. Credit for enterprise zone employment."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

SEC. . CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to credits allowable), as amended by section , is amended by adding after section 30 the following new section:

"SEC. 30A. CREDIT FOR ENTERPRISE ZONE EMPLOYEES.

"(a) IN GENERAL.—In the case of a qualified employee, there is allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 5 percent of the qualified wages for the taxable year.

"(b) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED EMPLOYEE.—The term 'qualified employee' means an individual—

"(A) who is described in section 30(f)(1), and

"(B) who is not the employee of the Federal Government or any State or subdivision of a State.

"(2) QUALIFIED WAGES.—

"(A) IN GENERAL.—The term 'qualified wages' has the meaning given to 'wages' under subsection (b) of section 3306, attributable to services performed for an employer with respect to whom the employee is a qualified employee, in an amount which does not exceed 1½ times the dollar limitation specified in such subsection.

"(B) EXCEPTION.—The term 'qualified wages' does not include any compensation received from the Federal Government or any State or subdivision of a State.

"(3) ENTERPRISE ZONE.—The term 'enterprise zone' means any area with respect to which a designation as an enterprise zone is in effect under section 7881.

"(c) PHASEOUT OF CREDIT.—In determining the amount of the credit for the taxable year under subsection (a) with respect to qualified wages paid to qualified employees for services performed in an enterprise zone, the following percentages shall be substituted for '5 percent' in subsection (a):

"(1) 3¾ percent in the taxable year in which the date which is—

"(A) 21 years after the date on which such enterprise zone was designated under section 7881 occurs, or

"(B) if earlier, the date 4 years before the date the zone designation is to expire;

"(2) 2½ percent in the next succeeding taxable year;

"(3) 1¼ percent in the second next succeeding taxable year; and

"(4) zero thereafter.

"(d) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) for a taxable year shall not exceed the excess (if any) of—

"(1) the regular tax for the taxable year reduced by the sum of the credits allowable under subpart A and sections 27, 28, 29, and 30, over

"(2) the tentative minimum tax for the taxable year."

(b) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding after the item relating to section 30 the following new item:

"Sec. 30A. Credit for enterprise zone employees."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years after December 31, 1989.

Subpart B—Credits for Investment in Tangible Property in Enterprise Zones

SEC. . INVESTMENT TAX CREDIT FOR NEW ENTERPRISE ZONE CONSTRUCTION PROPERTY.

(a) SECTION 38 PROPERTY.—Paragraph (1) of section 48(a) (defining section 38 property) is amended by striking out "or" at the end of subparagraph (F), by striking out the period at the end of subparagraph (G) and inserting in lieu thereof ", or", and by adding after subparagraph (G) the following new subparagraph:

"(H) new enterprise zone construction property (within the meaning of subsection (t)) which is not otherwise section 38 property."

(b) AMOUNT OF CREDIT.—

(1) IN GENERAL.—Subsection (a) of section 46 (relating to amount of investment tax credit) is amended by striking out "and" at the end of paragraph (2), by striking out the period at the end of paragraph (3) and inserting in lieu thereof ", and", and by adding at the end thereof the following new paragraph:

"(4) in the case of new enterprise zone construction property, the enterprise zone percentage."

(2) ENTERPRISE ZONE PERCENTAGE DEFINED.—Subsection (b) of section 46 is amended by adding at the end thereof the following new paragraph:

"(5) ENTERPRISE ZONE PERCENTAGE.—

"(A) IN GENERAL.—The enterprise zone percentage is 10 percent.

"(B) PHASEOUT OF CREDIT AS ENTERPISE ZONE ENDS.—Subparagraph (A) shall be applied by substituting the following percentages for 10 percent:

"(i) For the taxable year described in section 30(i)(1)(A)(i), 7.5.

"(ii) For the next succeeding taxable year, 5.

"(iii) For the second next succeeding taxable year, 2.5.

"(iv) For any subsequent taxable year, zero."

(3) CONFORMING AMENDMENT.—Section 48(o) (defining certain credits) is amended by adding at the end thereof the following new paragraph:

"(4) ENTERPRISE ZONE CREDIT.—The term 'enterprise zone credit' means that portion of the credit allowed by section 38 which is attributable to the enterprise zone percentage."

(c) DEFINITIONS.—Section 48 (relating to definitions and special rules) is amended by redesignating the subsection relating to cross reference as subsection (u) and by inserting after subsection (s) the following new subsection:

"(t) NEW ENTERPRISE ZONE CONSTRUCTION PROPERTY.—

"(1) IN GENERAL.—The term 'new enterprise zone construction property' means any section 1250 property which is—

"(A) located in an enterprise zone,

"(B) used by the taxpayer predominantly in the active conduct of a trade or business within an enterprise zone, and

"(C) either—

"(i) the construction, reconstruction, rehabilitation, renovation, expansion, or erection of which is completed by the taxpayer during the period the designation as a zone is in effect under section 7881, or

"(ii) acquired during such period if the original use of such property commences with the taxpayer and commences during such period.

"(2) SPECIAL RULES.—

"(A)(i) The term 'new enterprize zone construction property' shall not include property acquired (directly or indirectly) by the taxpayer from a person who is related to the taxpayer (determined as of the time the property is acquired by the taxpayer).

"(ii) For purposes of clause (i), a person (hereinafter in this clause referred to as the 'related person') is related to any other person if—

"(I) the related person bears a relationship to such other person specified in section 267(b) or 707(b)(1), or

"(II) the related person and such other person are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52).

For purposes of subclause (I), '10 percent' shall be substituted for '50 percent' in applying sections 267(b)(1) and 767(b)(1). In the case of the acquisition of any property by any partnership which results from the termination of another partnership under section 708(b)(1)(B), the determination of whether the acquiring partnership is related to the other partnership shall be made immediately before the event resulting in such termination.

"(B) In applying section 46(c)(1)(A) in the case of property described in paragraph (1)(C)(i), there shall be taken into account only that portion of the basis which is properly attributable to construction or erection during such period.

"(3) REAL ESTATE RENTAL.—For purposes of this section, ownership of residential, commercial, or industrial real property within an enterprise zone for rental shall be treated as the active conduct of a trade or business in an enterprise zone."

(d) LODGING TO QUALIFY.—Paragraph (3) of section 48(a) (relating to property used for lodging) is amended—

(1) by striking out "and" at the end of subparagraph (C),

(2) by striking out the period at the end of subparagraph (D) and inserting in lieu thereof ", and," and

(3) by adding at the end thereof the following new subparagraph:

"(E) new enterprise zone construction property."

(e) RECAPTURE.—Subsection (a) of section 47 (relating to certain dispositions, etc., of section 38 property) is amended by adding at the end thereof the following new paragraph:

"(10) SPECIAL RULES FOR NEW ENTERPRISE ZONE CONSTRUCTION PROPERTY.—

"(A) IN GENERAL.—If, during any taxable year, property with respect to which the taxpayer claimed an enterprise zone credit is disposed of the tax under this chapter for such taxable year shall be increased by the amount described in subparagraph (B).

"(B) AMOUNT OF INCREASE.—The increase in tax under subparagraph (A) shall equal the aggregate decrease in the credits allowed under section 38 by reason of section 46(a)(4) for all prior taxable years which would have resulted solely from reducing the expenditures taken into account with respect to the property by an amount which bears the same ratio to such expenditures as the number of taxable years that the property was held by the taxpayer bears to the applicable recovery period for earnings and profits under section 312(k)."

(f) BASIS ADJUSTMENT TO REFLECT INVESTMENT CREDIT.—Paragraph (3) of section 48(q) (relating to basis adjustment to section 38 property) is amended to read as follows:

"(3) SPECIAL RULE FOR QUALIFIED REHABILITATION AND ENTERPRISE ZONE EXPENDITURES.—In the case of any credit determined under section 46(a) for—

"(A) any qualified rehabilitation expenditure in connection with a qualified rehabilitated building other than a certified historic structure, or

"(B) any expenditure in connection with new enterprise zone construction property (within the meaning of section 48(t)(1)),

paragraphs (1) and (2) of this subsection and paragraph (5) of subsection (d) shall be applied without regard to the phrase '50 percent of'."

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 1988, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986.

Subpart C—Nonrecognition of Qualified Enterprise Zone Capital Gain Where Acquisition of Enterprise Zone Business Property

SEC. . NONRECOGNITION OF QUALIFIED ENTERPRISE ZONE CAPITAL GAIN WHERE ACQUISITION OF ENTERPRISE ZONE BUSINESS PROPERTY.

(a) IN GENERAL.—Part III of subchapter O of chapter 1 (relating to nontaxable exchanges) is amended by adding at the end thereof the following new section:

"SEC. 1043. NONRECOGNITION OF CAPITAL GAIN WHERE ACQUISITION OF ENTERPRISE ZONE BUSINESS PROPERTY.

"(a) NONRECOGNITION OF GAIN.—If—

"(1) any property is sold and there would (but for this section) be recognized gain with respect to such sale.

"(2) within the 1-year period beginning on the date of such sale qualified replacement property is acquired by the taxpayer, and

"(3) the taxpayer elects the application of this section with respect to such sale,

such gain from such sale shall be recognized only to the extent that the amount realized from such sale exceeds the cost to the taxpayer of such replacement property.

"(b) QUALIFIED REPLACEMENT PROPERTY.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualifed replacement property' means—

"(A) any tangible personal property used predominantly in an enterprise zone in the active conduct of a trade or business within such enterprise zone,

"(B) any real property located in an enterprise zone used predominantly in the active conduct of a trade or business within such enterprise zone, and

"(C) any interest in a corporation, partnership, or other entity if, for the 3 most recent taxable years of such entity ending before the date of the purchase of such interest, such entity was a qualified business.

"(2) QUALIFIED BUSINESS.— The term 'qualified business' means any person—

"(A) which is actively engaged in the conduct of a trade or business within an enterprise zone during each of the 3 most recent taxable years of such entity ending before the date of sale of the interest,

"(B) with respect to which at least 80 percent of such person's gross receipts for the taxable year are attributable to the active conduct of a trade or business within an enterprise zone, and

"(C) with substantially all of its tangible assets located within an enterprise zone.

"(3) REAL ESTATE RENTAL.—Ownership of residential, commercial, or industrial real property within an enterprise zone for rental shall be treated as the active conduct of a trade or business in an enterprise zone.

"(c) SPECIAL RULES.—For purposes of this section—

"(1) EXCHANGE TREATED AS SALE.—An exchange by the taxpayer of property for other property shall be treated as a sale of the first property, and the acquisition of any qualified replacement property on the exchange of property shall be treated as a purchase of such replacement property.

"(2) SECTION NOT TO APPLY TO ORDINARY INCOME.—Subsection (a) shall not apply to any gain to the extent such gain is treated as ordinary income under any provision of this chapter.

"(d) REDUCTION IN BASIS.—Where the purchase of any qualified replacement property results under subsection (a) in the nonrecognition of gain on the sale of any other property, the basis of such replacement property shall be reduced by an amount equal to the amount of gain not so recognized on the sale of such other property. Where the purchase of more than 1 qualified replacement property is taken into account in the nonrecognition under subsection (a) of gain on the sale of a property, the preceding sentence shall be applied to each such replacement property in the order in which such properties are purchased.

"(e) STATUTE OF LIMITATIONS.—If the taxpayer during any taxable year sells any property at a gain, then—

"(1) the statutory period for the assessment of any deficiency attributable to any part of such gain shall not expire before the expiration of the 3-year period beginning on the date the Secretary is notified by the taxpayer (in such manner as the Secretary may by regulations prescribe) of—

"(A) the taxpayer's cost of purchasing any qualified replacement property which the taxpayer claims results in nonrecognition of any part of such gain,

"(B) the taxpayer's intention not to purchase any such investment within the 1-year period described in subsection (a), or

"(C) the failure by the taxpayer to purchase any such replacement property within such period; and

"(2) such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment."

(b) HOLDING PERIOD.—Section 1223 (relating to holding period of property) is amended by redesignating paragraph (14) as paragraph (15) and by inserting after paragraph (13) the following new paragraph:

"(14) In determining the period for which the taxpayer has held any qualified replacement property the acquisition of which resulted under section 1043 in the nonrecognition of any part of the gain realized on the sale or exchange of any other property, there shall be included the period for which the property sold or exchanged had been held as of the date of such sale or exchange."

(c) BASIS ADJUSTMENT.—Subsection (a) of section 1016 (relating to adjustments to basis) is amended by striking out "and" at the end of paragraph (24), by striking out the period at the end of paragraph (25) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraph:

"(26) in the case of any qualified replacement property the acquisition of which resulted under section 1043 in the nonrecognition of gain on the sale or exchange of other property, to the extent provided by section 1043(d)."

(d) CLERICAL AMENDMENT.—The table of sections of part III of subchapter O of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 1043. Nonrecognition of qualified enterprise zone capital gain where acquisition of enterprise zone business property."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to sales and exchanges after December 31, 1991, in taxable years ending after such date.

Subpart D—Deduction for Purchase of Enterprise Stock

SEC. . DEDUCTION FOR PURCHASE OF ENTERPRISE STOCK.

(a) IN GENERAL.—Part VI of subchapter B of chapter 1 (relating to itemized deductions for individuals and corporations) is amended by adding at the end thereof the following new section:

"SEC. 197. DEDUCTION FOR PURCHASE OF ENTERPRISE STOCK.

"(a) IN GENERAL.—At the election of the taxpayer, there shall be allowed as a deduction the aggregate amount paid during the taxable year for the purchase of enterprise stock on the original issue of such stock by a qualified issuer.

"(b) MAXIMUM DEDUCTION.—

"(1) IN GENERAL.—The maximum amount allowed as a deduction under subsection (a) to a taxpayer for the taxable year shall not exceed $100,000.

"(2) CONTROLLED GROUPS.—For purposes of paragraph (1), the taxpayer and all persons who are related persons with respect to the taxpayer shall be treated as 1 person, and the $100,000 amount in paragraph (1) shall be allocated among the taxpayer and such persons in proportion to their respective purchases of stock during the taxable year for which credit is allowable by this section.

"(3) ALLOCATION OF DEDUCTION WHERE MORE THAN $100,000 OF STOCK PURCHASED.—If the amount of stock purchased by any person exceeds the limitation under this subsection with respect to such person, the deduction allowed under this section shall be allocated pro rata among the stock so purchased in accordance with the purchase price per share.

"(c) DISPOSITIONS OF STOCK.

"(1) GAIN TREATED AS ORDINARY INCOME.—If any enterprise stock with respect to which a deduction was allowed under this section is disposed of by the taxpayer, then the lesser of—

"(A) the excess of—

"(i)(I) in the case of a sale or exchange, the amount realized, or

"(II) in the case of any other disposition, the fair market value of the stock, over

"(ii) the adjusted basis of such stock, or

"(B) the amount of the deduction allowed under this section with respect to such stock,

shall be treated as ordinary income. Such gain shall be recognized notwithstanding any other provision of this subtitle.

"(2) INTEREST CHARGED IF DISPOSITION WITHIN 3 YEARS OF PURCHASE.—

"(A) IN GENERAL.—If any enterprise stock is disposed of before the end of the 3-year period beginning on the date such stock was purchased by the taxpayer, the tax imposed by this chapter for the taxable year in which such disposition occurs shall be increased by the enterprise stock recapture amount.

"(B) ENTERPRISE STOCK RECAPTURE AMOUNT.—For purposes of subparagraph (A), the term 'enterprise stock recapture amount' means an amount equal to the amount of interest (determined at the rate applicable under section 6621) which would accrue—

"(i) during the period beginning on the date such stock was purchased by the taxpayer and ending on the date such stock was disposed of by the taxpayer,

"(ii) on the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this section with respect to the stock so disposed of.

"(d) TREATMENT WHERE ISSUER CEASES TO BE QUALIFIED.—

"(1) IN GENERAL.—IF—

"(A) any qualified issuer with respect to the stock of which any taxpayer has made an election under this section ceases to meet the requirements of subsection (e)(2)(A)(i), (iii), or (iv), and

"(B) such cessation occurs at any time before the close of the 5th taxable year ending after the date such stock was issued,

the tax treatment described in paragraph (2) shall apply to the taxable year of the taxpayer in which such cessation occurs.

"(2) TAX TREATMENT OF TAXPAYER.—The tax treatment described in this paragraph for any taxable year is—

"(A) the taxpayer shall include in income as ordinary income the amount of the deduction allowed under this section with respect to such stock,

"(B) the tax imposed by this chapter for such taxable year shall be increased by an amount equal to the amount of interest (determined at the rate applicable under section 6621) which would accrue—

"(i) during the period beginning on the date such stock was purchased by the taxpayer and ending on the disqualification date,

"(ii) on the aggregate decrease in tax of the taxpayer resulting from the deduction allowed under this section with respect to the stock.

"(3) DISQUALIFICATION DATE.—For purposes of paragraph (2), the term 'disqualification date' means the earlier of—

"(A) the date of the issuance by the qualified issuer (or any related person with respect to such issuer) of any regulated security, or

"(B) the last day of the taxable year of the qualified issuer in which the requirements of subsection (e)(2)(A)(i) or (iv) ceased to be met.

"(e) DEFINITIONS.—For purposes of this section—

"(1) ENTERPRISE STOCK.—The term 'enterprise stock' means common stock issued by a qualified issuer but only if the proceeds of such issue are used by such issuer in the conduct of a qualified business (as defined in section 1043(b)(3)(B)).

"(2) QUALIFIED ISSUER.—

"(A) IN GENERAL.—The term 'qualified issuer' means any C corporation which, at the time of issuance of the stock involved—

"(i) is conducting a qualified business described in section 1043(b)(3)(B),

"(ii) does not have a net worth (either before or immediately after the issuance of the stock involved) exceeding $2,000,000,

"(iii) has not had at any time during the 5-year testing period any outstanding regulated securities issued by such corporation, and "(iv) has derived during the testing period more than 50 percent of its gross receipts during such period from sources other than royalties, rents (other than rents from real estate described in section 1043(b)(3)(C)), dividends, interest, annuities, and sales and exchanges of stock or securities.

"(B) RELATED PERSONS TAKEN INTO ACCOUNT IN CERTAIN CASES.—For purposes of clauses (ii) and (iii) of subparagraph (A), the issuer and all persons who are related persons with respect to such issuer shall be treated as 1 person.

"(C) TESTING PERIOD.—For purposes of subparagraph (A), the term 'testing period' means the period beginning on the first day of the 5th taxable year beginning before the issuance of the stock involved and ending on the date of such issuance.

"(3) REGULATED SECURITIES.—The term 'regulated securities' means any security—

"(A) registered on a national exchange under section 12(b) of the Securities Exchange Act of 1934, or

"(B) registered (or required to be registered) under section 12(g) of such Act (determined without regard to section 12(g)(2) of such Act).

"(4) RELATED PERSON.—A person is a related person to another person if—

"(A) such persons are treated as a single employer under subsections (a) and (b) of section 52, or

"(B) in the case of individuals, such persons are husband and wife.

"(f) SPECIAL RULES.—

"(1) AMOUNT PAID AFTER CLOSE OF TAXABLE YEAR.—An amount paid after the close of the taxable year for the purchase of enterprise stock shall be treated for purposes of subsection (a) as paid during such year if—

"(A) such amount is so paid not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof), and

"(B) the taxpayer was under a binding contract as of the close of such taxable year to purchase such stock.

"(2) LIMITATION ON AMOUNT OF DEDUCTION.—If—

"(A) any enterprise stock is issued in exchange for property,

"(B) the basis of such stock in the hands of the taxpayer is determined by reference to the basis of such property, and

"(C) the adjusted basis (for determining gain) of such property immediately before the exchange exceeded its fair market value at such time, then the deduction under this section, and such adjusted basis, shall both be reduced by the excess described in subparagraph (C).

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a deduction is allowed under this section with respect to the purchase of any stock, the basis of such stock (without regard to this subsection) shall be reduced by the amount of the deduction allowed with respect to the purchase of such stock."

(b) TECHNICAL AMENDMENT.—Subsection (a) of section 1016 (relating to adjustments to basis), as amended by this title is amended by striking out "and" at the end of paragraph (25), by striking out the period at the end of paragraph (26) and inserting in lieu thereof ", and ", and by adding at the end thereof the following new paragraph:

"(27) to the extent provided in section 197(g), in the case of stock with respect to which a deduction was allowed under section 197."

(c) CLERICAL AMENDMENT.—The table of sections for part VI of subchapter B of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 197. Deduction of purchase of enterprise stock."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to stock purchased after December 31, 1991.

Subpart E—Rules Relating to Private Activity Bonds

SEC. . PRIVATE ACTIVITY BONDS.

(a) LIMITATION ON ACCELERATED COST RECOVERY DEDUCTION NOT TO APPLY TO ENTERPRISE ZONE PROPERTY.—Subparagraph (C) of section 168(g)(5) (relating to limitations on property financed with tax-exempt bonds) is amended to read as follows:

"(C) EXCEPTIONS.—Subparagraph (A) shall not apply to any which is placed in service—

"(i) in connection with any qualified residential rental project (within the meaning of section 142(a)(7)), or

"(ii) as new enterprise zone construction property (within the meaning of section 48(t))."

(b) TERMINATION OF SMALL ISSUE EXEMPTION NOT TO APPLY.—Paragraph 12 of section 142(a) (relating to termination of small issue exemption) is amended by adding at the end thereof the following new subparagraph:

"(D) ENTERPRISE ZONE FACILITIES.—This paragraph shall not apply to any obligation which is part of an issue substantially all of the proceeds of which are used to finance facilities within an enterprise zone if such facilities are placed in service while the designation as such a zone is in effect under section 7881."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 1991, in taxable years ending after such date.

Subpart F—Ordinary Loss Deduction for Securities of Enterprise Zone Business Which Become Worthless

SEC. . ORDINARY LOSS DEDUCTION ALLOWED FOR SECURITIES OF ENTERPRISE ZONE BUSINESS WHICH BECOME WORTHLESS.

(a) GENERAL RULE.—Subsection (g) of section 165 (relating to losses) is amended by adding at the end thereof the following new paragarph:

"(4) SECURITIES OF ENTERPRISE ZONE BUSINESS.—If any security of a qualified business (as defined in section 1043(b)) which is a capital asset becomes worthless during the taxable year—

"(A) paragraph (1) shall not apply, and

"(B) the loss resulting therefrom shall, for purposes of this subtitle, be treated as a loss from the sale or exchange, on the last day of the taxable year, of property which is not a capital asset."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to losses sustained after December 31, 1991, in taxable years ending after such date.

Subpart G—Increase in Research Credit for Research Conducted in Enterprise Zones

SEC. . INCREASE IN RESEARCH CREDIT FOR RESEARCH CONDUCTED IN ENTERPRISE ZONES.

(a) IN GENERAL.—Section 41 (relating to credit for increasing research activities) is amended by adding at the end thereof the following new subsection:

"(i) INCREASE IN CREDIT FOR RESEARCH CONDUCTED IN ENTERPRISE ZONE.—Subsection (a)(1) shall be applied by substituting '37½ percent' for '20 percent' with respect to the lesser of—

"(1) the excess described in subsection (a)(1), or

"(2) the excess which would be described in subsection (a) if only research conducted in enterprise zones were taken into account.

For purposes of paragraph (2), an area shall be treated as an enterprise zone for a base period with respect to a taxable year if such area is designated as an enterprise zone for such taxable year."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1991 and to base periods with respect to such taxable years.

Subpart H—Sense of the Congress With Respect to Tax Simplification

SEC. . TAX SIMPLIFICATION.

It is the sense of the Congress that the Secretary of the Treasury should in every way possible simplify the administration and enforcement of any provision of the Internal Revenue Code of 1986 added to, or amended by, this Act.

Subpart I—Regulations

SEC. . REGULATIONS.

The Secretary of the Treasury or his delegate shall issue such regulations as may be necessary to carry out the amendments made by this title not later than 6 months after the date of the enactment of this Act.

PART III—REGULATORY FLEXIBILITY

SEC. . DEFINITION OF SMALL ENTITIES IN ENTERPRISE ZONES FOR PURPOSES OF ANALYSIS OR REGULATORY FUNCTIONS.

Section 601 of title 5, United States Code, is amended—

(1) by striking "and" at the end of paragraph (5); and

(2) by striking paragraph (6) and inserting in lieu thereof the following:

"(6) the term 'small entity' means—

"(A) a small business, small organization, or small governmental jurisdiction within the meaning of paragraphs (3), (4), and (5) of this section, respectively; and

"(B) any qualified business; any governments which designated and approved an area which has been designated as an enterprise zone (within the meaning of section 7881 of the Internal Revenue Code of 1986) to the extent any rule pertains to the carrying out of projects, activities, or undertakings within such zone; and any not-for-profit enterprise carrying out a significant portion of its activities within such a zone; and

"(7) the term 'qualified business' means any person, corporation, or other entity—

"(A) which is engaged in the active conduct of a trade or business within an enterprise zone (within the meaning of section 7881 of the Internal Revenue Code of 1986); and

"(B) for whom at least 50 percent of its employees are qualified employees (within the meaning of section 30(f) of such Code)."

SEC. . WAIVER OR MODIFICATION OF AGENCY RULES IN ENTERPRISE ZONES.

(a) Chapter 6 of title 5, United States Code, is amended by redesignating sections 611 and 612 as sections 612 and 613, respectively, and inserting the following new section immediately after section 610:

"§ 611. Waiver or modification of agency rules in enterprise zones

"(a) Upon the written request of the governments which designated and approved an area which has been designated as an enterprise zone under section 7881 of the Internal Revenue Code of 1986, an agency is authorized, in order to further the job creation, community development, or economic revitalization objectives of the zone, to wavie or modify all or part of any rule which it has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within the zone.

"(b) Nothing in this section shall authorize an agency to waive or modify any rule adopted to carry out a statute or Executive order which prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

"(c) A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to an agency other than the Department of Housing and Urban Development, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

"(d) In considering a request, the agency shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area which would be affected by the change. The agency shall approve the request whenever it finds, in its discretion, that the public interest which the proposed change would serve in furthering such job creation, community development or economic revitalization outweighs the public interest which continuation of the rule unchanged would serve in furthering such underlying purposes. The agency shall not approve any request to waive or modify a rule if that waiver or modification would—

"(1) directly violate a statutory requirement (including any requirement of the Fair Labor Standards Act of 1938 (52 Stat. 1060; 29 U.S.C. 201 et seq.)); or

"(2) be likely to present a significant risk to the public health, including environmental health or safety, such as a rule with respect to occupational safety or health, or environmental pollution.

"(e) If a request is disapproved, the agency shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

"(f) Agencies shall discharge their responsibilities under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

"(g) A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of this title. To facilitate reaching its decision on any requested waiver or modification, the agency may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The agency shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

"(h) In the event that an agency proposes to amend a rule for which a waiver or modification under this section is in effect, the agency shall not change the waiver or modification to impose additional requirements unless it determines, consistent with standards contained in subsection (d), that such action is necessary.

"(i) No waiver or modification of a rule under this section shall remain in effect for a longer period than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

"(j) For purposes of this section, the term 'rule' means (1) any rule as defined in section 551(4) of this title or (2) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of this title."

(b) The table of sections for such chapter is amended by redesignating "611." and "612." as "612." and "613.", respectively, and inserting the following new item immediately after "610.":

"611. Waiver or modification of agency rules in enterprise zones."

(c) Section 601(2) of such title is amended by inserting "(except for purposes of section 611)" immediately before "means."

(d) Section 613 of such title, redesignated by subsection (a) of this section, is amended by—

(1) inserting "except section 611)" immediately after "chapter" in subsection (a); and

(2) inserting "as defined in section 601(2)" immediately before the period at the end of the first sentence of subsection (b).

SEC. . COORDINATION OF HOUSING AND URBAN DEVELOPMENT PROGRAMS IN ENTERPRISE ZONES.

Section 3 of the Department of Housing and Urban Development Act is amended by adding at the end thereof the following new subsection:

"(d) The Secretary of Housing and Urban Development shall—

"(1) promote the coordination of all programs under his jurisdiction which are carried on within an enterprise zone designated pursuant to 7881 of the Internal Revenue Code of 1986;

"(2) expedite, to the greatest extent possible, the consideration of applications for programs referred to in paragraph (1) through the consolidation or forms or otherwise; and

"(3) provide, whenever possible, for the consolidation of periodic reports required under programs referred to in paragraph (1) into one summary report submitted at such intervals as may be designated by the Secretary."

METZENBAUM AMENDMENT NO. 1014

(Ordered to lie on the table.)

Mr. Metzenbaum submitted an amendment intended to be proposed by him to the bill S. 1554, supra, as follows:

At the end of the bill, add the following section:

SEC. . AMENDMENTS TO THE RAILROAD UNEMPLOYMENT INSURANCE ACT.

(a) IN GENERAL.—Section 2(h) of the Railroad Unemployment Insurance Act (45 U.S.C. 352(h)) is amended by striking paragraphs (2) and (3) and inserting the following:

"(2) For purposes of subdivision (1) of this subsection, a 'period of high unemployment' shall begin on the 20th calendar day after a period of 3 consecutive calendar months, in which for each such month the rate of railroad unemployment (seasonally adjusted) equals or exceeds 4.5 percent and shall end on the 20th calendar day after a period of 3 consecutive calendar months, in which for each such month the rate of railroad unemployment (seasonally adjusted) is less than 4.5 percent.

"(3)(A) For purposes of subdivision (2) of this Subsection, the term 'rate or railroad unemployment' for a month means the percentage determined by dividing—

"(i)(I) the average weekly number of individuals who filed bona fide claims for benefits for days of unemployment in such month, plus

"(II) the number of individuals (other than those included in subclause (I) who have exhausted benefits for days of unemployment in the current or immediately preceding benefit year, by

"(ii) the average mid-youth count of employees of class I railroads and class I switching and terminal companies, as reported to the Interstate Commerce Commission, adjusted, as determined by the Board, to include all employees covered by this Act for the 12 months ending with the second calendar quarter preceding such month.

"(B) For purposes of subparagraph (A)(i)(I), the average weekly number of individuals filing bona fide claims for benefits shall not include individuals whose unemployment is due to a stoppage of work because of a strike, lockout, or other labor dispute in the establishment, premises, or enterprise at which such individual was last employed.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to weeks of unemployment beginning on or after July 1, 1991.

KENNEDY AMENDMENT NO. 1015

(Ordered to lie on the table.)

Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill S. 1554, supra, as follows:

Chapter 23, Federal Unemployment Tax Act, Section 3302(c)(2)(A)(i) is amended to read as follows:

Strike the words "second consecutive January 1" and insert therein "fifth consecutive January 1".

FOWLER AMENDMENT NO. 1016

(Ordered to lie on the table.)

Mr. FOWLER submitted an amendment intended to be proposed by him to the bill S. 1554, supra; as follows:

On page 30, line 5, strike "(A)".

NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEARS 1992 AND 1993

LEAHY (AND OTHERS) AMENDMENT NO. 1017

Mr. LEAHY (for himself, Mr. COHEN, Mr. GLENN, and Mr. MCCAIN) proposed an amendment to the bill S. 1507, supra, as follows:

On page 22, strike out line 1 and all that follows through page 23, line 14, and insert in lieu thereof the following:

SEC. 118. TERMINATION OF NEW PRODUCTION OF B-2 AIRCRAFT.

(a) REDUCED AUTHORIZATION OF APPROPRIATIONS.—Notwithstanding section 103(1)(A), the amount authorized to be appropriated for the Air Force for fiscal year 1992 for the procurement of aircraft is $7,463,539,000.

(b) PRODUCTION TERMINATION.—Funds appropriated for the Department of Defense for fiscal years after fiscal year 1991 may not be obligated or expended to commence production of any B-2 aircraft.

(c) AUTHORIZED SCOPE OF B-2 PROGRAM.—Amounts appropriated for the Department of Defense may be expended for the B-2 aircraft program only—

(1) for the completion of production of those B-2 aircraft for which production was commenced with funds appropriated for a fiscal year before fiscal year 1992; and

(2) for research, development, test, and evaluation, including flight testing.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT

DOLE (AND OTHERS) AMENDMENT NO. 1018

Mr. DOLE (for himself, Mr. SIMPSON, and Mr. DOMENICI) proposed an amendment to the bill S. 1554, supra, as follows:

In lieu of the language proposed to be inserted insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
6-percent period	10
Other period	5.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "6-percent period" and "other period" mean, with respect to any State, the period which—

(A) begins with the third week after the first week for which the applicable trigger is on, and

(B) ends with the third week after the first week for which the applicable trigger is off.

(2) APPLICABLE TRIGGER.—In the case of a 6-percent period or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the adjusted rate of insured unemployment in the State for the period consisting of such week and the immediately preceding 12 weeks falls within the applicable range.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
6-percent period	A rate equal to or exceeding 6 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after August 31, 1991, a 6-percent period or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for a State, such other period shall be in effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that a 6-percent period or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) September 1, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after May 31, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes May 31, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following August 31, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a 6-percent period, as described in subsection (c), is in effect with respect to the State for the first week following August 31, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in a 6-percent period or other period under this Act and, if the individual's benefit year ends within any such period, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 26th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) ADJUSTED RATE OF INSURED UNEMPLOYMENT.—The adjusted rate of insured unemployment shall be determined in the same manner as the rate of insured unemployment is determined under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970, except that the total number of individuals exhausting rights to regular compensation for the most recent three months for which data are available shall be included in such determination in the same manner as the average weekly number of individuals filing claims for regular compensation.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY FOR DESERT STORM RESERVISTS.—Section 8521 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) In the case of a member of the armed forces who served on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, paragraph (1) of subsection (a) shall be applied by substituting '90 days' for '180 days'.

"(2) For purposes of paragraph (1), the term 'Operation Desert Storm' has the meaning given the term in section 3(1) of Public Law 102-25 (105 Stat. 77).".

(b) LIMITATIONS ON UNEMPLOYMENT COMPENSATION.—Subsection (a)(1) of section 8521 of title 5, United States Code, is amended by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

"(A) The individual was—

"(i) involuntarily separated from the armed forces, or

"(ii) separated from the armed forces after being retained on active duty pursuant to section 673C or 676 of title 10, United States Code.

"(B) This paragraph does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary of the military department concerned).".

(c) CONFORMING AMENDMENT.—Subsection (c) of section 8521 of such title is hereby repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after August 31, 1991.

TITLE II—PERMANENT EXTENSION OF PROVISIONS RELATING TO COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES

Sec. 201 (a) General Rule—Subsection (c) of section 2653 of the Deficit Reduction Act of 1984 is amended by striking "on or before January 10, 1994".

(b) The amendments made by this subsection shall take effect on October 1, 1991.

TITLE III—GUARANTEED STUDENT LOANS

CREDIT CHECKS; COSIGNERS

Sec. 301. (a) Section 427(a)(2)(A) of the Higher Education Act (hereafter referred to as the "Act") is amended to read as follows:

"(A) is made without security and without endorsement, except that prior to making a loan insurable by the Secretary under this part a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history;".

(b) Section 428(b)(1) of the Act is further amended—

(1) in subparagraph (V) (as amended by section 433), by striking out "and" at the end thereof:

(2) in subparagraph (W) (as amended by section 433), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(X) provides that prior to making a loan made, insured, or guaranteed under this part (other than a loan made in accordance with section 428C), a lender shall—

"(i) obtain a credit report, from at least one national credit bureau organization, with respect to a loan applicant who will be at least 21 years of age as of July 1 of the award year for which assistance is being sought, for which the lender may charge the applicant an amount not to exceed the lesser of $25 or the actual cost of obtaining the credit report; and

"(ii) require an applicant of the age specified in clause (i) who, in the judgment of the lender in accordance with the regulations of the Secretary, has an adverse credit history, to obtain a credit worthy cosigner in order to obtain the loan, provided that, for purposes of this clause, an insufficient or nonexistent credit history may not be considered to be an adverse credit history.".

SEC. 302. (a) Section 427 of the Act is amended by adding at the end thereof the following new section:

"(d) BORROWER INFORMATION.—The lender shall obtain the borrower's driver's license number, if any, at the time of application for the loan.".

(b) Section 428 of the Act is further amended—

(1) in subsection (a)(2)(A)—

(A) in clause (i)(I), by striking out "and" at the end thereof;

(B) in clause (ii), by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new clause:

"(iii) have provided to the lender at the time of application for a loan made, insured, or guaranteed under this part, the student's driver's number, if any."

BORROWER INFORMATION

SEC. 303. Section 485(b) of the Act is amended—

"(1) by amending the subsection heading to read as follows: "EXIT COUNSELING FOR BORROWERS; BORROWER INFORMATION.—"; and

(2) by adding at the end thereof the following: "Each eligible institution shall require that the borrower of a loan made under part B, part D, or part E submit to the institution, during the exit interview required by this subsection, the borrower's expected permanent address after leaving the institution, regardless of the reason for leaving; the name and address of the borrower's expected employer after leaving the institution; and the address of the borrower's next of kin. In the case of a loan made under part B, the institution shall then submit this information to the holder of the loan.".

SEC. 304. Section 428 of the Act is further amended by adding at the end thereof the following new subparagraph:

"(W) provides that the lender shall obtain, as part of the note or written agreement evidencing the loan, the borrower's authorization for entry of judgment against the borrower in the event of default.".

WAGE GARNISHMENT

SEC. 305. (a) Part G of title IV of the Act is further amended by inserting immediately following section 488 the following new section:

"WAGE GARNISHMENT REQUIREMENT

"SEC. 488A. (a) GARNISHMENT REQUIREMENTS.—Notwithstanding any provision of State law, a guaranty agency, or the Secretary in the case of loans made, insured or guaranteed under this title that are held by the Secretary, may garnish the disposable pay of an individual to collect the amount owed by the individual, if he or she is not currently making required repayment under a repayment agreement with the Secretary, or, in the case of a loan guaranteed under part B on which the guaranty agency received reimbursement from the Secretary under section 428(c), with the guaranty agency holding the loan, as appropriate, provided that—

"(1) the amount deducted for any pay period may not exceed 10 percent of disposable pay, except that a greater percentage may be deducted with the written consent of the individual involved;

"(2) the individual shall be provided written notice, sent by mail to the individual's last known address, a minimum of 30 days prior to the initiation of proceedings, from the guaranty agency or the Secretary, as appropriate, informing such individual of the nature and amount of the loan obligation to be collected, the intention of the guaranty agency or the Secretary, as appropriate, to initiate proceedings to collect the debt through deductions from pay, and an explanation of the rights of the individual under this section;

"(3) the individual shall be provided an opportunity to inspect and copy records relating to the debt;

"(4) the individual shall be provided an opportunity to enter into a written agreement with the guaranty agency or the Secretary, under terms agreeable to the Secretary, or the head of the guaranty agency or his designee, as appropriate, to establish a schedule for the repayment of the debt;

"(5) the individual shall be provided an opportunity for a hearing in accordance with subsection (b) on the determination of the Secretary or the guaranty agency, as appropriate, concerning the existence or the amount of the debt, and, in the case of an individual whose repayment schedule is established other than by a written agreement pursuant to paragraph (4), concerning the terms of the repayment schedule;

"(6) the employer shall pay to the Secretary or the guaranty agency as directed in the withholding order issued in this action, and shall be liable for, and the Secretary or the guaranty agency, as appropriate, may sue the employer in a State or Federal court of competent jurisdiction to recover, any amount that such employer fails to withhold from wages due an employee following receipt of such employer of notice of the withholding order, plus attorneys' fees, costs, and, in the court's discretion, punitive damages, but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph; and

"(7) an employer may not discharge from employment, refuse to employ, or take disiplinary action against an individual subject to wage withholding in accordance with this section by reason of the fact that the individual's wages have been subject to garnishment under this section, and such individual may sue in a State or Federal court of competent jurisdiction any employer who takes such action. The court shall award attorneys' fees to a prevailing employee and, in its discretion, may order reinstatement of the individual, award punitive damages and back pay to the employee, or order such other remedy as may be reasonably necessary.

"(b) HEARING REQUIREMENTS.—A hearing decribed in subsection (a)(5) shall be provided prior to issuance of a garnishment order if the individual, on or before the 15th day following the mailing of the notice described in subsection (a)(2), and in accordance with such procedures as the Secretary or the head of the guaranty agency, as appropriate, may prescribe, files a petition requesting such a hearing. If the individual does not file a petition requesting a hearing prior to such date, the Secretary or the guaranty agency, as appropriate, shall provide the individual a hearing under subsection (a)(5) upon request, but such hearing need not be provided prior to issuance of a garnishment order. A hearing under subsection (a)(5) may not be conducted by an individual under the supervision or control of the head of the guaranty agency, except that nothing in this sentence shall be construed to prohibit the appointment of an administrative law judge. The hearing official shall issue a final decision at the earliest practicable date, but not later than 60 days after the filing of the petition requesting the hearing.

"(c) NOTICE REQUIREMENTS.—The notice to the employer of the withholding order shall contain only such information as may be necessary for the employer to comply with the withholding order.

"(d) DEFINITION.—For the purpose of this section, the term 'disposable pay' means that part of the compensation of any individual remaining after the deduction of any amounts required by law to be withheld.".

(b) Section 428E of the Act is repealed.

(c) Section 428(c)(6) of the act is amended by striking out subparagraph (D).

DATA MATCHING

SEC. 306. Part G of title IV of the Act is further amended by inserting immediately following section 489 the following new section:

"DATA MATCHING

"SEC. 489A. (a)(1) The Secretary is authorized to obtain information from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States, or of any State, concerning the most recent address of an individual obligated on a loan held by the Secretary or a loan made in accordance with part B of this title held by a guaranty agency, or an individual owing a refund of an overpayment of a grant awarded under this title, and the name and address of such individual's employer, if the Secretary determines that such information is needed to enforce the loan or collect the overpayment.

"(2) The Secretary is authorized to provide the information described in paragraph (1) to a guaranty agency holding a loan made under part B of this title on which such individual is obligated.

"(b)(1) Notwithstanding any other provision of law, whenever the head of any department, agency, or instrumentality of the United States or of a State receives a request from the Secretary for information authorized under this section, such individual or his designee shall promptly cause a search to be made of the records of the agency to determine whether the information requested is contained in those records.

"(2)(A) If such information is found, the individual shall, in conformance with the provisions of the Privacy Act of 1974, as amended, immediately transmit such information to the Secretary, except that if disclosure of the information would contravene national policy or security interests of the United States, or the confidentiality of census data, the individual shall immediately so notify the Secretary and shall not transmit the information.

"(B) If no such information is found, the individual shall immediately so notify the Secretary.

"(3)(A) The reasonable costs incurred by any such agency of the United States or of a State in providing any such information to the Secretary shall be reimbursed by the Secretary, and retained by the agency.

"(B) Whenever such information is furnished to a guaranty agency, that agency shall be charged a fee to be used to reimburse the Secretary for the expense of providing such information.

"(c) The Secretary of Labor shall enter into an agreement with the Secretary to provide prompt access for the Secretary, in accordance with this section, to the wage and unemployment compensation claims information and data maintained by or for the Department of Labor or State employment security agencies.".

TITLE IV—ELECTROMAGNETIC SPECTRUM FUNCTION

SECTION 401. SHORT TITLE.

This Act may be cited as the "Emerging Telecommunications Technologies Act of 1991".

SEC. 402. FINDINGS.

The Congress finds that—

(1) spectrum is a valuable natural resource;

(2) it is in the national interest that this resource be used more efficiently;

(3) the spectrum below 6 gigahertz (GHz) is becoming increasingly congested, and, as a result entities that develop innovative new spectrum-based services are finding it difficult to bring these services to the marketplace;

(4) scarcity of assignable frequencies can and will—

(A) impede the development and commercialization of new spectrum-based products and services;

(B) reduce the capacity and efficiency of the United States telecommunications system; and

(C) adversely affect the productive capacity and international competitiveness of the United States economy;

(5) the United States Government presently lacks explicit authority to use excess radiocommunications capacity to satisfy non-United States Government requirements;

(6) more efficient use of the spectrum can provide the resources for increased economic returns;

(7) many commercial users derive significant economic benefits from their spectrum licenses, both through the income they earn from their use of the spectrum and the returns they realize upon transfer of their licenses to third parties; but under current procedures, the United States public does not sufficiently share in their benefits;

(8) many United States Government functions and responsibilities depend heavily on the use of the radio spectrum, involve unique applications, and are performed in the broad national and public interest;

(9) competitive bidding for spectrum can yield significant benefits for the United States economy by increasing the efficiency of spectrum allocations, assignment, and use; and for United States taxpayers by producing substantial revenues for the United States Treasury; and

(10) the Secretary, the President, and the Commission should be directed to take appropriate steps to foster the more efficient use of this valuable national resource, including the reallocation of a target amount of 200 megahertz (MHz) of spectrum from United States Government use under section 305 of the Communications Act (47 U.S.C. 305) to non-United States Government use pursuant to other provisions of the Communications Act and the implementation of competitive bidding procedures by the Commission for some new assignments of the spectrum.

SEC. 403. NATIONAL SPECTRUM PLANNING.

(a) PLANNING ACTIVITIES.—The Secretary and the Chairman of the Commission shall, at least twice each year, conduct joint spectrum planning meetings with respect to the following issues—

(1) future spectrum needs;

(2) the spectrum allocation actions necessary to accommodate those needs, including consideration of innovation and marketplace developments that may affect the relative efficiencies of different portions of the spectrum; and

(3) actions necessary to promote the efficient use of the spectrum, including proven spectrum management techniques to promote increased shared use of the spectrum as a means of increasing non-United States Government access; and innovation in spectrum utilization including means of providing incentives for spectrum users to develop innovative services and technologies.

(b) REPORTS.—The Secretary and the Chairman of the Commission shall submit a joint annual report to the President on the joint spectrum planning meetings conducted under subsection (a) and any recommendations for action developed in such meetings.

(c) OPEN PROCESS.—The Secretary and the Commission will conduct an open process under this section to ensure the full consideration and exchange of views among any interested entities, including all private, public, commercial, and governmental interests.

SEC. 404. IDENTIFICATION OF REALLOCABLE FREQUENCIES.

(a) IDENTIFICATION REQUIRED.—The Secretary shall prepare and submit to the President the reports required by subsection (d) to identify bands of frequencies that—

(1) are allocated on a primary basis for United States Government use and eligible for licensing pursuant to section 305(a) of the Communications Act (47 U.S.C. 305(a));

(2) are not required for the present or identifiable future needs of the United States Government;

(3) can feasibly be made available during the next 15 years after enactment of this Act for use under the provisions of the Communications Act for non-United States Government users;

(4) will not result in costs to the Federal Government that are excessive in relation to the benefits that may be obtained from the potential non-United States Government uses; and

(5) are likely to have significant value for non-United States Government uses under the Communications Act.

(b) AMOUNT OF SPECTRUM RECOMMENDED.—

(1) IN GENERAL.—The Secretary shall recommend as a goal for reallocation, for use by non-United States Government stations, bands of frequencies constituting a target amount of 200 MHz, that are located below 6 GHz, and that meet the criteria specified in paragraphs (1) through (5) of subsection (a). If the Secretary identifies (as meeting such criteria) bands of frequencies totalling more than 200 MHz, the Secretary shall identify and recommend for reallocation those bands (totalling not less than 200 MHz) that are likely to have the greatest potential for non-United States Government uses under the Communications Act.

(2) MIXED USES PERMITTED TO BE COUNTED.—Bands of frequencies which the Secretary recommends be partially retained for use by United States Government stations, but which are also recommended to be reallocated and made available under the Communications Act for use by non-United States Government stations, may be counted toward the target 200 MHz of spectrum required by paragraph (1) of this subsection, except that—

(A) the bands of frequencies counted under this paragraph may not count toward more than one-half of the amount targeted by paragraph (1) of this subsection;

(B) a band of frequencies may not be counted under this paragraph unless the assignments of the band to United States Government stations under section 305 of the Communications Act (47 U.S.C. 305) are limited by geographic area, by time, or by other means so as to guarantee that the potential use to be made by which United States Government stations is substantially less (as measured by geographic area, time, or otherwise) than the potential United States Government use to be made; and

(C) the operational sharing permitted under this paragraph shall be subject to procedures which the Commission and the Department of Commerce shall establish and implement to ensure against harmful interference.

(c) CRITERIA FOR IDENTIFICATION.—

(1) NEEDS OF THE UNITED STATES GOVERNMENT.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(2), the Secretary shall—

(A) consider whether the band of frequencies is used to provide a communications service that is or could be available from a commercial provider;

(B) seek to promote—

(i) the maximum practicable reliance on commercially available substitutes;

(ii) the sharing of frequencies (as permitted under subsection (b)(2));

(iii) the development and use of new communications technologies; and

(iv) the use of nonradiating communications systems where practicable; and

(C) seek to avoid—

(i) serious degradation of United States Government services and operations;

(ii) excessive costs to the United States Government and civilian users of such Government services; and

(iii) identification of any bands for reallocation that are likely to be subject to substitution for the reasons specified in section 5(b)(2)(A) through (C).

(2) FEASIBILITY OF USE.—In determining whether a frequency band meets the criteria specified in subsection (a)(3), the Secretary shall—

(A) assume such frequencies will be assigned by the Commission under section 303 of the Communications Act (47 U.S.C. 303) over the course of fifteen years after the enactment of this Act;

(B) assume reasonable rates of scientific progress and growth of demand for telecommunications services;

(C) determine the extent to which the reallocation or reassignment will relieve actual or potential scarcity of frequencies available for non-United States Government use;

(D) seek to include frequencies which can be used to stimulate the development of new technologies; and

(E) consider the cost to reestablish United States Government services displaced by the reallocation of spectrum during the fifteen year period.

(3) COSTS TO THE UNITED STATES GOVERNMENT.—In determining whether a frequency band meets the criteria specified in subsection (a)(4), the Secretary shall consider—

(A) the costs to the United States Government of reaccommodating its services in order to make spectrum available for non-United States Government use, including the incremental costs directly attributable to the loss of the use of the frequency band; and

(B) the benefits that could be obtained from reallocating such spectrum to non-United States Government users, including the value of such spectrum in promoting—

(i) the delivery of improved service to the public;

(ii) the introduction of new services; and

(iii) the development of new communications technologies.

(4) NON-UNITED STATES GOVERNMENT USE.—In determining whether a band of frequencies meets the criteria specified in subsection (a)(5), the Secretary shall consider—

(A) the extent to which equipment is commercially available that is capable of utilizing the band; and

(B) the proximity of frequencies that are already assigned for non-United States Government use.

(d) PROCEDURE FOR IDENTIFICATION OF REALLOCABLE BANDS OF FREQUENCIES.—

(1) SUBMISSION OF REPORTS TO THE PRESIDENT TO IDENTIFY AN INITIAL 30 MHZ TO BE MADE AVAILABLE IMMEDIATELY FOR REALLOCATION, AND TO PROVIDE PRELIMINARY AND FINAL REPORTS ON ADDITIONAL FREQUENCIES TO BE REALLOCATED.—

(A) Within six months after the date of the enactment of this Act, the Secretary shall prepare and submit to the President a report which specifically identifies an initial 30 MHz of spectrum, to be made available for reallocation upon issuance of this report, and to be distributed by the Commission pursuant to competitive bidding procedures;

(B) within twelve months after the date of the enactment of this Act, the Secretary shall prepare and submit to the President a preliminary report to identify reallocable bands of frequencies meeting the criteria established by this section;

(C) Within twenty-four months after the date of enactment of this Act, the Secretary shall prepare and submit to the President a final report which identifies the target 200 MHz for reallocation (which shall encompass the initial 30 MHz previously designated under subsection (d)(1)(A)); and

(D) The President shall publish the reports required by this Section in the Federal Register.

(2) CONVENING OF PRIVATE SECTOR ADVISORY COMMITTEE.—Not later than twelve months after the enactment of this Act, the Secretary shall convene a private sector advisory committee to—

(A) review the bands of frequencies identified in the preliminary report required by subsection (d)(1)(B);

(B) advise the Secretary with respect to—

(i) the bands of frequencies which should be included in the final report required by subsection (d)(1)(C); and

(ii) the effective dates which should be established under subsection (e) with respect to such frequencies;

(C) receives public comment on the Secretary's preliminary and final reports under subsection (d); and

(D) prepare and submit the report required by paragraph (d)(4) of section 4.

The private sector advisory committee shall meet at least quarterly until each of the actions required by section 5(a) have taken place.

(3) COMPOSITION OF COMMITTEE; CHAIRMAN.—The private sector advisor committee shall include—

(A) the Chairman of the Commission, and the Secretary, or their designated representatives, and two other representatives from two different United States Government agencies that are spectrum users, other than the Department of Commerce, as such agencies may be designated by the Secretary; and

(B) Persons who are representative of—

(i) manufacturers of spectrum-dependent telecommunications equipment;

(ii) commercial users;

(iii) other users of the electromagnetic spectrum; and

(iv) other interested members of the public who are knowledgeable about the uses of the electromagnetic spectrum to be chosen by the Secretary.

A majority of the members of the committee shall be members described in subparagraph (B), and one of such members shall be designated as chairman by the Secretary.

(4) RECOMMENDATIONS ON SPECTRUM ALLOCATION PROCEDURES.—The private sector advisory committee shall, not later than twenty-four months after its formation, submit to the Secretary, the Commission, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science and Transportation of the Senate, such recommendations as the committee considers appropriate for the reform of the process of allocating the electromagnetic spectrum between United States Government users and non-United States Government users, and any dissenting views thereon.

(e) TIMETABLE FOR REALLOCATION AND LIMITATION.—The Secretary shall, as part of the final report required by subsection (d)(1)(C), include a timetable for the effective dates by which the President shall, within fifteen years after enactment of this Act, withdraw or limit assignments on frequencies specified in the report. The recommended effective dates shall—

(1) permit the earliest possible reallocation of the frequency bands, taking into account the requirements of section 6(a);

(2) be based on the useful remaining life of equipment that has been purchased or contracted for to operate on identified frequencies;

(3) be based on the need to coordinate frequency use with other nations; and

(4) avoid the imposition of incremental costs on the United States Government directly attributable to the loss of the use of frequencies or the changing to different frequencies that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequencies.

SEC. 405. WITHDRAWAL OF ASSIGNMENT TO UNITED STATES GOVERNMENT STATIONS.

(a) IN GENERAL.—The President shall—

(1) within three months after receipt of the Secretary's report under section 4(d)(1)(A), withdraw or limit the assignment to a United States Government station of any frequency on the initial 30 MHz which that report recommends for immediate reallocation;

(2) with respect to other frequencies recommended for reallocation by the Secretary's report in section 4(d)(1)(C), by the effective dates recommended pursuant to section 4(e) (except as provided in section (b)(4)), withdraw or limit the assignment to a United States Government station of any frequency which that report recommends be reallocated or available for mixed use on such effective dates;

(3) assign or reassign other frequencies to United States Government stations as necessary to adjust to such withdrawal or limitation of assignments; and

(4) publish in the Federal Register a notice and description of the actions taken under this subsection.

(b) EXCEPTIONS.—

(1) AUTHORITY TO SUBSTITUTE.—If the President determines that a circumstance described in section 5(b)(2) exists, the President—

(A) may, within one month after receipt of the Secretary's report under section 4(d)(1)(A), and within six months after receipt of the Secretary's report under section 4(d)(1)(C), substitute an alternative frequency or band of frequencies for the frequency or band that is subject to such determination and withdraw (or limit) the assignment of that alternative frequency or band in the manner required by subsection (a); and

(B) shall publish in the Federal Register a statement of the reasons for taking the action described in subparagraph (A).

(2) GROUNDS FOR SUBSTITUTION.—For purposes of paragraph (1), the following circumstances are described in this paragraph:

(A) the reassignment would seriously jeopardize the national security interests of the United States;

(B) the frequency proposed for reassignment is uniquely suited to meeting important United States Governmental needs;

(C) the reassignment would seriously jeopardize public health or safety; or

(D) the reassignment will result in incremental costs to the United States Government that are excessive in relation to the benefits that may be obtained from non-United States Government uses of the reassigned frequency.

(3) CRITERIA FOR SUBSTITUTED FREQUENCIES.—For purposes of paragraph (1), a frequency may not be substituted for a frequency identified by the final report of the Secretary under Section 4(d)(1)(C) unless the substituted frequency also meets each of the criteria specified by section 4(a).

(4) DELAYS IN IMPLEMENTATION.—If the President determines that any action cannot be completed by the effective dates recommended by the Secretary pursuant to section 4(e), or that such an action by such date would result in a frequency being unused as a consequence of the Commission's plan under section 6, the President may—

(A) withdraw or limit the assignment to United States Government stations on a later date that is consistent with such plan, by providing notice to that effect in the Federal Register, including the reason that withdrawal at a later date is required; or

(B) substitute alternative frequencies pursuant to the provisions of this subsection.

(c) COSTS OF WITHDRAWING FREQUENCIES ASSIGNED TO THE UNITED STATES GOVERNMENT; APPROPRIATIONS AUTHORIZED.—Any United States Government licensee, or non-United States Government entity operating on behalf of a United States Government licensee, that is displaced from a frequency pursuant to this section may be reimbursed not more than the incremental costs it incurs, in such amounts as provided in advance in appropriation acts, that are directly attributable to the loss of the use of the frequency pursuant to this section. The estimates of these costs shall be prepared by the affected agency, in consultation with the Department of Commerce.

(d) There are authorized to be appropriated to the affected licensee agencies such sums as may be necessary to carry out the purposes of this section.

SEC. 406. DISTRIBUTION OF FREQUENCIES BY THE COMMISSION.

(a) PLANS SUBMITTED.—

(1) With respect to the initial 30 MHz to be reallocated from United States Government to non-United States Government use under section 4(d)(1)(A), not later than twenty-four months after enactment of this Act, the Commission shall complete a public notice and comment proceeding regarding the allocation of this spectrum and shall form a plan to assign such spectrum pursuant to competitive bidding procedures, pursuant to section 8 of this Act, during fiscal years 1994 through 1996.

(2) With respect to the remaining spectrum to be reallocated from United States Government to non-United States Government use under section 4(e), not later than two years after issuance of the report required by section 4(d)(1)(C), the Commission shall complete a public notice and comment proceeding; and the Commission shall, after consultation with the Secretary, prepare and submit to the President a plan for the distribution under the Communications Act of the frequency bands reallocated pursuant to the requirements of this Act. Such plan shall—

(A) not propose the immediate distribution of all such frequencies, but, taking into account the timetable recommended by the Secretary pursuant to section 4(e), shall propose—

(i) gradually to distribute the frequencies remaining, after making the reservation required by subparagraph (ii), over the course of a ten-year period beginning on the date of submission of such plan; and

(ii) to reserve a significant portion of such frequencies for distribution beginning after the end of such ten-year period;

(B) contain appropriate provisions to ensure—

(i) the availability of frequencies for new technologies and services in accordance with the policies of section 7 of the Communications Act (47 U.S.C. 157); and

(ii) the availability of frequencies to stimulate the development of such technologies; and

(C) not prevent the Commission from allocating bands of frequencies for specific uses in future rulemaking proceedings.

(b) AMENDMENT TO THE COMMUNICATIONS ACT.—Section 303 of the Communications Act is amended by adding at the end thereof the following new subsection (u) (indicating that the Commission shall):

"(u) Have authority to assign the frequencies reallocated from United States Government use to non-United States Government use pursuant to the 'Emerging Telecommunications Technologies Act of 1991': *Provided*, That any such assignment shall expressly be made subject to the right of the President to reclaim such frequencies under the provisions of section 7 of the 'Emerging Telecommunications Technologies Act of 1991'.".

SEC. 407. AUTHORITY TO RECLAIM REASSIGNED FREQUENCIES.

(a) AUTHORITY OF PRESIDENT.—The President may reclaim reallocated frequencies for reassignment to United States Government stations in accordance with this section.

(b) PROCEDURE FOR RECLAIMING FREQUENCIES.—

(1) UNASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have not been assigned by the Commission, the President may reclaim them based on the grounds described in section 5(b)(2) of this Act.

(2) ASSIGNED FREQUENCIES.—If the frequencies to be reclaimed have been assigned by the Commission, the President may reclaim them based on the grounds described in section 5(b)(2) of this Act, except that the notification required by section 5(b)(1) shall include—

(A) a timetable to accommodate an orderly transition for licensees to obtain new frequencies and equipment necessary for their utilization; and

(B) an estimate of the cost of displacing the licensees.

(c) COSTS OF RECLAIMING FREQUENCIES.—Any non-United States Government licensee that is displaced from a frequency pursuant to this section shall be reimbursed the incremental costs it incurs that are directly attributable to the loss of the use of the frequency pursuant to this section.

(d) EFFECT ON OTHER LAW.—Nothing in this section shall be construed to limit or otherwise affect the authority of the President under section 706 of the Communications Act (47 U.S.C. 606).

SEC. 408. COMPETITIVE BIDDING.

(a) COMPETITIVE BIDDING AUTHORIZED.—Section 309 of the Communications Act is amended to add a new subsection (j) providing that:

"(j)(1) The Commission shall use competitive bidding for awarding all initial licenses or new construction permits, including licenses and permits for spectrum reallocated for non-United States Government use pursuant to the 'Emerging Telecommunications Technologies Act of 1991', subject to the exclusions listed in subsection (j)(2).

"(A) The Commission shall require potential bidders to file a first-stage application indicating an intent to participate in the competitive bidding process and containing such other information as the Commission finds necessary. After conducting the bidding, the Commission shall require the winning bidder to submit a second-stage application. Upon determining that such application is acceptable for filing and that the applicant is qualified pursuant to subsection (j)(1)(B), the Commission shall grant a permit or license.

"(B) No construction permit or license shall be granted to an applicant selected pursuant to subsection (j)(1)(A) unless the Commission determines that such applicant is qualified pursuant to section 308(b) and section 309(a) of the Communications Act, on the basis of the information contained in the first- and second-stage applications submitted under subsection (j)(1)(A).

"(C) Each participant in the competitive bidding process is subject to the schedule of changes contained in section 8 of the Communications Act (47 U.S.C. 158).

"(D) The Commission shall have the authority in awarding construction permits or licenses under competitive bidding procedures to (i) define the geographic and frequency limitations and technical requirements, if any, of such permits or licenses; (ii) establish minimum acceptable competitive bids; and (iii) establish other appropriate conditions on such permits and licenses that will serve the public interest.

"(E) The Commission shall, within eighteen months after enactment of the 'Emerging Telecommunications Technologies Act of 1991', following public notice and comment proceedings, adopt rules establishing competitive bidding procedures under this subsection, including the method of bidding and the basis for payment (such as flat fees, fixed or variable royalties, combinations of flat fees and royalties, or other reasonable forms of payment); and a plan for applying such competitive bidding procedures to the initial 30 MHz reallocated from United States Government to non-United States Government use under section 4(d)(1)(A) of the 'Emerging Telecommunications Technologies Act of 1991', to be distributed during the fiscal years 1994 through 1996.

"(2) Competitive bidding shall not apply to:

"(A) license renewals;

"(B) the United States Government and State or local government entities;

"(C) amateur operator services, public radio broadcast services, public television broadcast services, public safety services, and radio astronomy services;

"(D) private radio end-user licenses, such as Specialized Mobile Radio Service (SMRS), maritime, and aeronautical end-user licenses;

"(E) any license grant to a non-United States Government licensee being moved from its current frequency assignment to a different one by the Commission in order to implement the goals and objectives underlying the 'Emerging Telecommunications Technologies Act of 1991';

"(F) any other service, class of services, or assignments that the Commission determines, after conducting public comment and notice proceedings, should be exempt from competitive bidding because of public interest factors warranting an exemption.

"(3) Moneys received from competitive bidding pursuant to this subsection shall be deposited in the general fund of the United States Treasury, pursuant to the provisions enacted in appropriations acts.".

(b) RANDOM SELECTION NOT TO APPLY WHEN COMPETITIVE BIDDING REQUIRED.—Section 309(i)(1) of the Communications Act (47 U.S.C. 309) is amended by deleting the period after the word "selection" and inserting in lieu thereof: ", except in instances where competitive bidding procedures are required under section 309(j) of the Communications Act.".

(c) SPECTRUM ALLOCATION DECISIONS.—Section 303 of the Communications Act is amended to add a new subsection (v):

"(v) In making spectrum allocation decisions among services that are subject to competitive bidding, the Commission is authorized to consider as one factor among others taken into account in making its determination, the relative economic values and other public interest benefits of the proposed uses as reflected in the potential revenues that would be collected under its competitive bidding procedures.".

SEC. 409. DEFINITIONS.

As used in the Emerging Telecommunications Technologies Act of 1991:

(1) The term "Act" means the Emerging Telecommunications Technologies Act of 1991.

(2) The term "allocation" means an entry in the National Table of Frequency Allocations of a given frequency band for the purpose of its use by one or more radiocommunications services.

(3) The term "assignment" means an authorization given by the Commission or the United States Government for a radio station to use a radio frequency or radio frequency channel.

(4) The term "Commission" means the Federal Communications Commission.

(5) The term "Communications Act" means the Communications Act of 1934, as amended (47 U.S.C. 151 et seq.).

(6) The term "Secretary" means the Secretary of Commerce.

NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEARS 1992 AND 1993

SPECTER AMENDMENTS NOS. 1019 AND 1020

(Ordered to lie on the table.)

Mr. SPECTER submitted two amendments intended to be proposed by him to the bill S. 1507, supra, as follows:

AMENDMENT NO. 1019

On page 297, between lines 18 and 19, insert the following:

SEC. 1125. PARENTAL ACCESS TO MILITARY RECORDS OF DECEASED MEMBER OF THE ARMED FORCES.

(a) ARMY.—(1) Chapter 445 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4714. Parental access to military records of deceased member

"(A) The Secretary of the Army shall make available to a parent of a member of the Army who died while serving on active duty or on inactive-duty training a copy of any military service record of the member, including any autopsy report or report of investigation concerning the cause of the member's death, that is requested in writing by the parent.

"(b) Subsection (a) applies only to records within the Department of the Army.

"(c) The Secretary may impose a nominal charge for the administrative and reproduction expenses of responding to a request of a parent under subsection (a).

"(d) In this section, the term 'parent' includes an adoptive parent and a stepparent.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"4714. Parental access to military records of deceased member.".

(c) NAVY AND MARINE CORPS.—(1) Chapter 577 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6523. Parental access to military records of deceased member

"(a) The Secretary of the Navy shall make available to a parent of a member of the Navy or Marine Corps who died while serving on active duty or on inactive-duty training a copy of any military service record of the member, including any autopsy report or report of investigation concerning the cause of the member's death, that is requested in writing by the parent.

"(b) Subsection (a) applies only to records within the Department of the Navy.

"(c) The Secretary may impose a nominal charge for the administrative and reproduction expenses of responding to a request of a parent under subsection (a).

"(d) In this section, the term 'parent' includes an adoptive parent and a stepparent.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"6523. Parental access to military records of deceased member.".

(c) AIR FORCE.—(1) Chapter 945 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9714. Parental access to military records of deceased member

"(a) The Secretary of the Air Force shall make available to a parent of a member of the Air Force who died while serving on active duty or on inactive-duty training a copy of any military service record of the member, including any autopsy report or report of investigation concerning the cause of the member's death, that is requested in writing by the parent.

"(b) Subsection (a) applies only to records within the Department of the Air Force.

"(c) The Secretary may impose a nominal charge for the administrative and reproduction expenses of responding to a request of a parent under subsection (a).

"(d) In this section, the term 'parent' includes an adoptive parent and a stepparent.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"9714. Parental access to military records of deceased member.".

AMENDMENT NO. 1020

On page 378, between lines 3 and 4, insert the following:

SEC. 2804. JOB TRAINING FOR EMPLOYEES DISPLACED BY BASE CLOSURE AND REALIGNMENTS.

(a) PROGRAM REQUIRED.—The Department of Defense shall provide the necessary funds to the Secretary of Labor to conduct a program to provide job training and other reemployment assistance for civilian employees of the Department of Defense whose positions at a military installation are terminated by reason of the closure or realignment of that installation.

(b) DEFINITIONS.—In this section, the terms "military installation" and "realignment" have the meanings given such terms in section 2687(e) of title 10, United States Code.

MCCAIN (AND OTHERS) AMENDMENT NO. 1021

Mr. MCCAIN (for himself, Mr. BRYAN, Mr. DOLE, Mr. NUNN, Mr. BIDEN, Mr. BRADLEY, Mr. CONRAD, Mr. Dodd, Mr. JEFFORDS, Mr. GARN, Mrs. KASSEBAUM, Mr. COHEN, Mr. LIEBERMAN, Mr. MCCONNELL, Mr. REID, Mr. DIXON, Mr. SHELBY, Mr. RIEGLE, Mr. MACK, Mr. SANFORD, and Mr. SMITH) proposed an amendment to the bill S. 1507, supra, as follows:

On page 297, between lines 18 and 19, insert the following:

SEC. 1125. DISCLOSURE OF INFORMATION CONCERNING UNITED STATES PERSONNEL CLASSIFIED AS PRISONER OF WAR OR MISSING IN ACTION.

(a) IN GENERAL.—(1) Except as provided in subsection (c), the head of each department or agency of the Federal Government holding or receiving any information referred to in paragraph (2) relating to any United States personnel currently classified as prisoners of war or missing in action shall make such information available to the public.

(2) Paragraph (1) applies to any record, live-sighting report, or other information relating to the location, treatment, or condition of any person referred to in such paragraph on or after the date on which such person passed from control of the Armed Forces of the United States into a status ultimately classified as prisoner of war or missing in action, as the case may be.

(b) DEPARTMENT OF DEFENSE INFORMATION.—At the same time that the Secretary of Defense makes available to the public the records and other information that is subject to the deadline established by subsection (d)(1), the Secretary shall also make available to the public a complete list of United States personnel classified as prisoners of war, missing in action, or killed in action (body not returned) after 1940, including during a period of war. The list shall include—

(1) the current classification of each listed person for Department of Defense purposes; and

(2) each change that has occurred in the listed person's classification (for Department of Defense purposes) since the original classification.

(c) EXCEPTIONS TO DISCLOSURE REQUIREMENT.—(1) A record or other information, including any fatality report, may not be made available to the public pursuant to subsection (a) if—

(A) such record or other information is exempt from the disclosure requirements of section 552 of title 5, United States Code, by reason of subsection (b) of such section;

(B) the record or other information is in a system of records exempt from the requirements of subsection (d) of section 552a of such title pursuant to subsection (j) or (k) of such section; or

(C) the record or other information specifically mentions a person by name unless such person or, in the case of a dead or incapacitated person or a person whose whereabouts is unknown, the closest living relative of such person (as determined by the official custodian of such record or information) expressly consents in writing to the disclosure of such record or other information.

(2) The prohibition contained in paragraph (1)(C) does not apply to the access of a member of the family of a person to any record or information to the extent that the record or other information relates to such person.

(3) The authority of a person to consent to disclosure of a record or other information for the purposes of paragraph (1)(C) may be delegated to another person or an organization only by means of an express legal power of attorney granted by the person authorized by such paragraph to consent to the disclosure.

(d) DEADLINES.—In the case of records or other information that are required by subsection (a) to be made available to the public and are held by a department or agency of the Federal Government on the date of the enactment of this Act, the head of such department or agency shall make such records and other information available to the public pursuant to this section not later than 1 year after such date.

(2) Whenever after the date of the enactment of this Act a department or agency of the Federal Government receives any record or other information referred to in subsection (a) that is required by this section to be made available to the public, the head of such department or agency shall make such record or other information available to the public pursuant to this section not later than 1 year after it is received by that department or agency.

(3) If the head of a department or agency determines that his disclosures of any record or other information referred to in subsection (a) by the date required by paragraph (1) or (2) will compromise the safety of United States personnel known or thought to be held as prisoners of war, then the head of such department or agency may withhold such record or other information from the disclosure otherwise required by this section and shall immediately notify the President and the congressional intelligence committees of that determination.

(e) DEFINITIONS.—In this section:

(1) The term "period of war" has the meaning given such term in section 101(11) of title 38, United States Code.

(2) The term "congressional intelligence committees" means the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

GLENN (AND LEVIN) AMENDMENT NO. 1022

Mr. NUNN. (for Mr. GLENN, for himself and Mr. LEVIN) proposed an amendment to the bill S. 1507, supra; as follows:

On page 249, between lines 3 and 4, insert the following new sections:

SEC. 835. IMPROVEMENT OF INVENTORY MANAGEMENT POLICY AND PROCEDURE.

(a) IMPROVEMENT IN INVENTORY MANAGEMENT POLICY.—Section 2458(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(3) set forth a uniform system for the valuation of inventory items by the military departments and Defense Agencies."

(b) ANNUAL REPORT ON INVENTORY.—Section 2721 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "Under"; and

(2) by adding at the end the following new subsection:

"(b) The regulations prescribed pursuant to subsection (a) shall include a requirement that the records maintained under such subsection—

"(1) to the extent practicable, provide up-to-date information on all items in the iventory of the Department of Defense;

"(2) indicate whether the inventory of each item is sufficient or excessive in relation to the needs of the Department for that item; and

"(3) permit the Secretary of defense to include in the budget submitted to Congress under section 1105 of title 31 for each fiscal year, information relating to—

"(A) the amounts proposed for each appropriation account in such budget for inventory purchases of the Department of Defense; and

"(B) the amounts obligated for such inventory purchases out of the corresponding appropriations account for the preceding fiscal year.".

"(c) IMPLEMENTATION.—The Secretary of Defense shall establish the uniform system of valuation described in section 2458(a)(3) of title 10, United States Code (as added) by subsection (a)), and prescribe the regulations required by section 2721(b) of such title (as added by subsection (b)), not later than 180 days after the date of the enactment of this Act.

In section 2(b), amend the table of contents by inserting after the item relating to section 834 the following new item:

Sec. 835. Improvement of inventory management policy and procedure.

LEVIN AMENDMENT NO. 1023

Mr. NUNN (for Mr. LEVIN proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . ACQUISITION OF INVENTORY.

(a) The Secretary of Defense may not incur any obligations against the stock funds of the Department of Defense for the acquisition of any items of supply if such acquisition is likely to result in an on-hand inventory (excluding war reserves) of such items of supply in excess of two years of operating stocks.

(b) Notwithstanding subsection (a), the head of a procuring activity may authorize the acquisition of an item of supply if such head of a procuring activity determines in writing that such acquisition is necessary for industrial base purposes or for other national security reasons.

COHEN (AND WARNER) AMENDMENT NO. 1024

Mr. WARNER (for Mr. COHEN, for himself and Mr. WARNER) proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place in the bill, insert the following new sections:

SECTION 1. PROMPT PAYMENT FOR PURCHASE OF FISH.

Section 3903(2) of title 31, United States Code is amended by striking "provide" and inserting "or of fresh or frozen fish (as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), provide".

MITCHELL (AND COHEN) AMENDMENT NO. 1025

Mr. NUNN (for Mr. MITCHELL, for himself and Mr. COHEN) proposed an amendment to the bill S. 1507, supra, as follows:

On page 368, strike out lines 14–16 and insert the following in lieu thereof:

"(B)(1) Not more than one-fifth of the professional analysts of the Commission staff may be persons detailed from the Department of Defense to the Commission.

"(2) No person detailed from the Department of Defense to the Commission may be assigned as the lead professional analyst with respect to a military department or defense agency.".

On page 371, between lines 6 and 7, insert the following:

"(6) The Secretary of Defense shall prescribe regulations to ensure that any information provided to the Commission by a person described in paragraph (5)(B) shall, within 24 hours of the submission of such information to the Commission, be submitted to the Senate and the House of Representatives, and shall be made available to the Members of each such House in accordance with the rules of each such House.".

NUNN (AND OTHERS) AMENDMENT NO. 1026

Mr. NUNN (for himself Mr. DIXON, and Mr. WARNER proposed an amendment to the bill S. 1507, supra, as follows:

On page 369, strike out line 8 and all that follows through "(D)" on line 16, and insert in lieu thereof the following:

"(A) there may not be more than 15 persons on the staff at any one time;

"(B) the staff may perform only such functions as are necessary to prepare for the transition to new membership on the Commission in the following year; and

"(C)

LOTT AMENDMENT NO. 1027

Mr. WARNER (for Mr. LOTT) proposed an amendment as the bill S. 1507, supra, as follows:

At the end of Title XI, General Provisions, insert the following:

"SEC. 11xx. REPORT ON SHIPBUILDING EXPORT LICENSE.

"Not later than four months after enactment of this bill, the Secretary of the Navy shall report to the Committees on Armed Services of the Senate and the House of Representatives on the criteria to be used in evaluating requests by corporations in the United States for a license to import components of submarines designed and manufactured abroad for further assembly and re-export."

THURMOND (AND OTHERS) AMENDMENT NO. 1028

Mr. WARNER (for Mr. THURMOND, for himself, Mr. WARNER, Mr. NUNN, Mr. HOLLINGS, Mr. ROBB, Mr. BENTSEN, Mr. LIEBERMAN, Mr. REID, Mr. BRYAN, Mr. FOWLER, Mr. DOLE, Mr. COATS, Mr. SIMPSON, Mr. DANFORTH, Mr. GRAMM, Mr. JEFFORDS, Mr. LEAHY, AND Mr. SHELBY) proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . COMMENDATION OF THE MILITARY COLLEGES FOR THEIR CONTRIBUTIONS TO TRAINING THE CITIZEN-SOLDIERS.

(a) FINDINGS.—Congress makes the following findings:

(1) The number of essential military colleges—institutions that the Department of Defense has recognized as constituting a special aspect of American higher education—has decreased from 11 institutions in 1914 to only 4 today: Norwich University, founded in 1819; Virginia Military Institute, established in 1839; The Citadel, The Military College of South Carolina, chartered in 1842; and North Georgia College, which opened in 1873;

(2) The hallmark of these institutions has been their dedication to the principle of the

citizen-soldier, and in this regard are joined in spirit and devotion by the Cadet Corps at Texas A & M University, and Virginia Polytechnic Institute and State University;

(3) Citizen-soldiers are educated, trained, and inspired to become productive members of society in any calling, but are also prepared to serve their country in a military role during times of war or national peril; and

(4) These citizen-soldiers have accepted as their duty an obligation to serve their country in every instance of war since the Mexican War, and have without fail or hesitation answered the call to arms—most recently with service in Southwest Asia as part of Operation Desert Storm: Now, therefore, be it

(b) RECOGNITION AND COMMENDATION.—In light of the findings in subsection (a), the Congress recognizes and commends military colleges for the unique contributions they have made and continue to make, and urges citizens of the United States to support the concept of the citizen-soldier to which these colleges are dedicated.

LEVIN (AND OTHERS) AMENDMENT NO. 1029

Mr. NUNN (for Mr. LEVIN, for himself, Mr. GLENN, Mr. BINGAMAN, Mr. COATS, Mr. COHEN and Mr. WARNER) proposed an amendment to the bill S. 1507, supra, as follows:

On page 239, line 5, strike out all through line 6 on page 240 and insert in lieu thereof the following:

SEC. 826. EQUAL APPLICATION OF POST-EMPLOYMENT RESTRICTIONS.

(a) PROCUREMENT ETHICS SIMPLIFICATION.—Section 27 of the Office of Procurement Policy Act (41 U.S.C. 423) is amended—

(1) in subsection (c)—

(A) in paragraph (1) by inserting "only" after "subsection (b)(1)";

(B) in paragraph (1)(A) by inserting "(including the modification or extension of a contract)" after "any procurement";

(C) by striking out paragraphs (2) and (3) and inserting in lieu thereof;

"(2) Whenever the head of a procuring activity approves a recusal under paragraph (1), a copy of the recusal request and the approval of the request shall be retained by such official for a period of time (not less than five years) specified in regulations prescribed in accordance with subsection (o).

"(3)(A) Except as provided in subparagraph (B), all recusal requests and approvals of recusal requests pursuant to this subsection shall be made available to the public on request.

"(B) Any part of a recusal request or an approval of a recusal request that is exempt from the disclosure requirements of section 552(B)(1)(A) of title 5, United States Code, under subsection (b)(1) of such section may be withheld from disclosure to the public under subparagraph (A)."; and

(D) in paragraph (4)—by striking out "competing contractor" and inserting in lieu thereof "person";

(2) in subsection (e)(7) by adding at the end thereof the following new subparagraph:

"(C) A contractor in a contract of less than $500,000 is exempt from the requirement of paragraph (1)(B) with respect to such contract.";

(3) in subsection (f)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) No individual who, in the year prior to separation from service as an officer or employee of the Government or an officer of the uniformed services in a covered position, participated personally and substantially in acquisition functions related to a contract, subcontract, or claim of $500,000 or more and—

"(A) engaged in repeated direct contact with the contractor or subcontractor on matters relating to such contract, subcontract, or claim; or

"(B) exercised significant ongoing decisionmaking responsibility with respect to the contractor or subcontractor on matters relating to such contract, subcontract, or claim,

shall knowingly accept or continue employment with such contractor or subcontractor for a period of 1 year following the individual's separation from service, except that such individual may accept or continue employment with any division or affiliate of such contractor or subcontractor that does not produce the same or similar products as the entity involved in the negotiation or performance of the contract or subcontract or the adjustment of the claim.

"(2) No contractor or subcontractor, or any officer, employee, agent, or consultant of such contractor or subcontractor shall knowingly offer, provide, or continue any employment to another person, if such contractor, subcontractor, officer, employee, agent, or consultant knows or should know that the acceptance of such employment is or would be in violation of paragraph (1).

"(3) The head of each Federal agency shall designate in writing as a 'covered position' under this section each of the following positions in that agency:

"(A) Each source selection authority, each member of a source selection evaluation board, the chief of each financial or technical evaluation team, and any other position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the evaluation of proposals or the selection of a source for a contract in excess of $500,000.

"(B) Each procuring contracting officer and any other position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the negotiation of a contract in excess of $500,000 or the negotiation or settlement of a claim in excess of $500,000.

"(C) Each program executive officer, program manager, deputy program manager, and any other position in which the incumbent is likely personally to exercise similar substantial responsibility for ongoing discretionary functions in the management or administration of a contract in excess of $500,000.

"(D) Each administrative contracting officer, each official assigned on a permanent basis to a Government Plant Representative's Office, and any other position (including auditor and quality assurance positions) in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the on-site oversight of a contractor's operations with respect to a contract in excess of $500,000.

"(E) Each position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in operational or developmental testing activities involving repeated direct contact with a contractor regarding a contract in excess of $500,000.";

(4) in subsection (l)—

(A) by inserting "who are likely to be involved in contracts, modifications, or extensions in excess of the small purchase threshold" after "its procurement officials"; and

(B) by striking out "(e)" each place it appears and inserting in each such place "(f)";

(5) by amending subsection (n) to read as follows:

"(n) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to—

"(1) authorize the withholding of any information from the Congress, any committee or subcommittee thereof, a Federal agency, and board of contract appeals of a Federal agency, the Comptroller General, or an inspector general of a Federal agency;

"(2) restrict the disclosure of information to or its receipt by any person or class or persons authorized, in accordance with applicable agency regulations or procedures, to receive that information;

"(3) restrict a contractor from disclosing its own proprietary information or the recipient of information so disclosed by a contractor from receiving such information; or

"(4) restrict the disclosure or receipt of information relating to a Federal agency procurement that has been canceled by the agency, and that the contracting officer determines in writing is not likely to be resumed.";

(6) in subsection (o)(2)(A)—

(A) by inserting "money, gratuity, or other" before "thing of value"; and

(B) by inserting before the semicolon "and such other exceptions as may be adopted on a Governmentwide basis under section 7353 of title 5, United States Code"; and

(7) in subsection (p)—

(A) in paragraph (1) by striking out "clauses (i)—(viii)" and inserting in lieu thereof "clauses (i) through (vii)";

(B) in paragraph (3)—

(i) in subparagraph (A)—

(I) by striking out clause (i);

(ii) by redesignating clauses (ii) through (viii) as clauses (i) through (vii), respectively; and

(III) in clause (i) (as redesignated by subclause (II) of this clause) by striking out "review and approval of a specification" and inserting in lieu thereof "approval or issuance of a specification, acquisition plan, procurement request, or requisition"; and (ii) in subparagraph (B) by inserting "any individual, including an officer or employee of" after "includes";

(C) in paragraph (6)(A) by inserting "nonpublic" before "information"; and

(D) in paragraph (8)—

(i) by striking out "as the term 'designated agency official' in section 209(10)" and inserting in lieu thereof "provided under section 109(3)"; and

(ii) by striking out "(92 Stat. 1850; 5 U.S.C. App.)" and inserting in lieu thereof "(5 U.S.C. App. 6)".

(b) CRIMINAL LIABILITY.—Section 208(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Except as permitted"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Whoever knowingly aids, abets, counsels, commands, induces or procures conduct prohibited by this section shall be subject to the penalties set forth in section 216 of this title.".

(c) REPEALS.—The following provisions of law are repealed:

(1) Sections 2397, 2397a, 2397b, and 2397c of title 10, United States Code.

(2) Section 281 of title 18, United States Code.

(3) Section 801 of title 37, United States Code.

(4) Part A of title VI of the Department of Energy Organization Act (42 U.S.C. 7211 through 7218).

(d) TECHNICAL AND CONFORMING AMENDMENTS.—(1) The table of sections for chapter 141 of title 10, United States Code, is amended by striking out the items relating to sections 2397, 2397a, 2397b, and 2397c.

(2) The table of sections for chapter 15 of title 18, United States Code, is amended by striking out the item relating to section 281.

(3) The table of sections for chapter 15 of title 37, United States Code, is amended by striking out the item relating to section 801.

(4) The table of contents of the Department of Energy Organiztion Act is amended by striking out the matter relating to part A of title VI.

(e) IMPLEMENTATION.—(1) No later than 180 days after the date of enactment of this Act, regulations implementing the amendments made by this Act to section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423), including definitions of the terms used in subsection (f) of such section shall be issued in accordance with sections 6 and 25 of such Act (41 U.S.C. 405 and 521), after coordination with the Director of the Office of Government Ethics.

(2)(A) No officer, employee, agent, representative, or consultant of a contractor who has signed a certification under section 27(e)(1)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(e)(1)(B)) before the effective date of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(B) No procurement official of a Federal agency who has signed a certification under section 27(l) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(l)) before the date of enactment of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(3) Not later than May 31 of each of the years 1992 through 1996, the Inspector General of each Federal agency (or, in the case of a Federal agency that does not have an Inspector General, the head of such agency) shall submit to Congress a report on the compliance by the agency during the preceding year with the requirement for the head of the agency to identify certain procurement positions under section 27(f)(3) of the Office of Federal Procurement Policy Act (as added by subsection (a)).

(f) EFFECTIVE DATE.—(1) The amendments made by subsections (c) and (d) of this Act shall be effective on and after the date of enactment of this Act.

(2) The amendments made by subsections (a) and (b) of this Act shall be effective on and after 180 days after the date of enactment of this Act.

(3) Subsection (f) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423(f)) shall have no force or effect during the period beginning on May 31, 1991, and ending 180 days after the date of enactment of this Act.

GARN AMENDMENT NO. 1030

Mr. WARNER (for Mr. GARN) proposed an amendment to the bill S. 1507, supra; as follows:

On page 17, line 6, insert before the period the following: ", reviewing applications for modifications of such permits and licenses, and carrying out oversight activities in relation to such permits and licenses".

GORTON (AND OTHERS) AMENDMENT NO. 1031

Mr. WARNER (for Mr. GORTON, for himself, Mr. ADAMS, Mr. ROBB, and Mr. WARNER) proposed an amendment to the bill S. 1507, supra; as follows:

On page 322, between lines 10 and 11, insert the following:

(3) Naval Air Station Whidbey Island, Washington, three hundred units, $21,110,000, a project previously approved by the Navy.

(4) Dahlgren Naval Surface Warfare Center, Dahlgren, Virginia, one hundred fifty units, $11,000,000.

BUMPERS (AND BENTSEN) AMENDMENT NO. 1032

Mr. NUNN (for Mr. BUMPERS, for himself and Mr. BENTSEN) proposed an amendment to the bill S. 1507, supra, as follows:

On page 352, between lines 23 and 24, insert the following:

(d) RED RIVER ARMY DEPOT.—The authorization of appropriations for the Army for the Red River Army Depot, Texas, in section 2104(a)(3) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1619) is hereby transferred to the Secretary of Defense for modernization activities, construction activities, or modernization and construction activities in support of the supply distribution mission at the Red River Army Depot. The Secretary shall carry out such activities through the head of the Defense Logistics Agency.

CRANSTON AMENDMENT NO. 1033

Mr. NUNN (for Mr. CRANSTON) proposed an amendment to the bill S. 1507, supra, as follows:

On page 100, between lines 12 and 13, insert the following:

SEC. 514. REVIEW OF PORT CHICAGO COURT MARTIAL CASES.

The Secretary of the Navy shall initiate without delay a thorough review of the cases of all 258 individuals convicted in the courts-martial arising from the explosion at the Port Chicago (California) Naval Magazine on July 17, 1944. The purpose of the review shall be to determine the validity of the original findings and sentences and the extent, if any, to which racial prejudice or other improper factors now known may have tainted the original investigations and trials. If the Secretary determines that the conviction of an individual in any such case was in error or an injustice, then, notwithstanding any other provision of law, he may correct that individual's military records (including the record of the court-martial in such case) as necessary to rectify the error or injustice.

BREAUX (AND OTHERS) AMENDMENT NO. 1034

Mr. BREAUX (for himself, Mr. JOHNSTON, Mr. DECONCINI, and Mr. CONRAD) proposed an amendment to the bill S. 1507, supra, as follows:

On page 378, between lines 3 and 4, insert the following:

SEC. 2804. CONVEYANCE OF CLOSED BASES TO NEIGHBORING COMMUNITIES.

(a) Findings and Purposes.

(1) The Congress finds that—

(A) The Department of Defense has been directed to reduce the size and cost of the military and this can only be accomplished by closing military installations;

(B) A military installation is a part of the infrastructure of the community in which it is located and there is a long standing symbiotic relationship between a military installation and the community;

(C) The people in an impacted community have made substantial, long term investments of time, training, and wealth to support the military installations;

(D) The loss to an impacted community when a military installation is closed may be substantial and in such cases the Congress wishes to mitigate the damage to the impacted community;

(E) An impacted community knows best the needs of the community and the best way to use available resources to meet these needs consistent with existing national priorities; and

(F) Unfettered ownership of the real property associated with a closed military installation at the earliest possible time can partially offset the loss to a community which results when a military installation is closed.

(2) Therefore, it is the purpose of this section—

(A) To benefit communities impacted significantly when a military installation located in such communities is closed by authorizing the real and excess-related personal property on which the military installations are located to be conveyed to the impacted community as soon as possible after a decision to close the military installation is made but no later than 180 days after closure; and

(B) To provide significantly impacted communities a resource which will aid in mitigating the loss incurred by the community following a decision to close a military installation and which may be used by the impacted community, as the community deems appropriate, for industrial, commercial, residential, recreational, or public uses.

(b) IN GENERAL.—(1) Notwithstanding any other provision of law, the Secretary of Defense shall convey to an eligible political subdivision or subdivisions or State all right, title, and interest of the United States in the military installation closed pursuant to a base closure law in accordance with this section and the Comprehensive Environmental Response, Compensation, and Liability Act and the Solid Waste Disposal Act as determined by the Administrator of the Environmental Protection Agency.

(2) Even if the conditions set forth in paragraph (1) have been satisfied, the Secretary shall not convey such installation if the Secretary determines that the community or communities in the area of the real property to be conveyed are not experiencing or will not experience a significant adverse economic impact as a result of the closure of that military installation.

(c) DETERMINATIONS.—(1) The Secretary must make the determination referred to in subsection (b) in the case of a military installation as soon as practicable after the installation has been identified for closure, but in any event not later than the date on which the installation is closed.

(2) In determining whether a community is experiencing or will experience a significant adverse economic impact as a result of the closure of a military installation, the Secretary shall consider such objective evidence as the following:

(A) Declining real estate values.

(B) Increasing unemployment.

(C) Loss of revenue to the State and the community.

(D) Increasing rate of business failures.

(E) Significant decreases in total personal income.

(d) ADVANCE NOTICE TO ELIGIBLE STATES AND POLITICAL SUBDIVISIONS.—As soon as practicable after a military installation has been identified for closure, but in any event not later than the date on which the installation is closed, the Secretary shall transmit to the appropriate political subdivision, communities, counties and State to which property at such installation may be conveyed pursuant to this section advance notification of the Secretary's intention to make a conveyance of that property.

(e) ELIGIBLE STATES AND POLITICAL SUBDIVISIONS.—Property at a military installation that is to be conveyed pursuant to the requirement in subsection (b) shall be conveyed to a political subdivision or subdivisions or State in the following order of priority:

(1) To a political subdivision of a State that is designated in State law to receive the conveyance of such property and accepts the conveyance.

(2) If there is no political subdivision that satisfies the criteria in paragraph (1), then to the State in which the property is located if the law of that State designates the State to receive the conveyance of such property and the State accepts the conveyance.

(3) In the case of any real property for which neither a State nor a political subdivision of a State satisfies the criteria in paragraph (1) or (2), then to one or more political subdivisions of a state which the Secretary determines, after consultation with appropriate local officials, would best serve the interests of the residents of such subdivision or subdivisions and of the State in which the property is located, providing such subdivision or subdivisions accept such conveyance.

(4) In the case of any real property for which no subdivision or subdivisions or State accept such conveyance, then the Secretary shall offer the property to other departments and agencies of the Federal government.

(f) PROPERTY TO BE CONVEYED.—In addition to the conveyance of real property to a community or State pursuant to this section, the Secretary shall convey any related personal property that the Secretary determines is appropriate for use by the recipient in connection with the recipient's use of the real property.

(g) CONVEYANCE DEADLINE.—Except as provided in subsection (h), all property to be conveyed pursuant to this section in connection with the closure of a military installation shall be conveyed within 180 days after the date on which the installation is closed.

(h) PROPERTY NOT SUITABLE FOR CONVEYANCE.—The Secretary shall sever from the real property of a closed military installation to be conveyed pursuant to subsection (b) that real property which is not suitable for conveyance and make such transfers over a period longer than that which would otherwise be permitted under subsection (g). Property is not suitable for conveyance under the following conditions:

(1) When the political subdivision or state will not accept conveyance of a part of the real property of a closed military installation; or

(2) If the Administrator of the Environmental Protection Agency determines that such conveyance does not comply with the requirements of either the Comprehensive Environmental Response Compensation and Liability Act of 1980 or the Solid Waste Disposal Act; or

(3) When necessary to ensure completion of environmental restoration and mitigation projects.

(i) CONSIDERATION NOT TO BE REQUIRED.—No consideration may be required for a conveyance of property pursuant to this section.

(j) WAIVER AUTHORITY.—(1) Subject to paragraph (2), the President may waive in whole or in part the requirement to convey property at a military installation under subsection (b) if the President—

(A) determines that the continuation of the United States interest in such property—

(i) is vital to national security interests; or

(ii) the value of the base is so high that a conveyance to the political subdivision or state would constitute an undue windfall to the community and would not be necessary for the economic recovery of the region, provided that the number of waivers exercised under this Act do not exceed a cumulative total of five military installations for each package of closures approved by a commission under the Base Closure law. Provided further, a waiver in part shall not count against this limit if the value of the property reserved does not exceed 25 percent of the total value of such installation or if the appropriate political subdivision or state agrees with the reservation; and

(B) transmits to the Committees on Armed Services of the Senate and the House of Representatives a certification of such determinations together with the reasons for such determinations.

(2) A determination and certification in the case of the closure of any military installation shall be effective only if made before the earlier of—

(A) the date on which the installation is closed; or

(B) December 31 of the year following the later of the year in which the closure of that installation is approved by the President.

(3) The President may extend the deadline for making a determination and certification under paragraph (2) for not more than two successive periods of 90 days by transmitting to the congressional defense committees a notification of the extension before the end of the deadline or extended deadline, as the case may be.

(4) The President may withdraw a waiver under paragraph (1) in the case of any military installation. Not later than 180 days after the withdrawal of the waiver, the Secretary of Defense shall make the conveyance required by subsection (a) in accordance with this section.

(k) CONTINUING RESPONSIBILITY OF THE DEPARTMENT OF DEFENSE.—Prior to and after any conveyance of real property of a closed military installation pursuant to this section, the Secretary of Defense in consultation with the political subdivision or state shall be responsible for the following matters:

(i) To provide economic adjustment and community planning assistance including assistance in conducting public hearings to decide the appropriate use of a closed military installation to communities near the closed military installation until such time as the economic stability of such communities is achieved, as determined by the Secretary.

(ii) To comply with the Comprehensive Environmental Restoration Compensation Liability Act of 1980 and the Solid Waste Disposal Act in consultation with the Administrator of the Environmental Protection Agency.

(iii) To continue to carry out environmental restoration and mitigation activities relating to uses made of such installation before closure.

(l) SOURCES OF FUNDING.—The Secretary may expend any funds in the Base Closure Account to carry out the responsibilities referred to in subsection (k) and the Secretary shall notify the congressional defense committees in advance of the obligation of funds for such purpose.

(m) IMPROVEMENT OF PROPERTY PENDING CONVEYANCE.—(1) Notwithstanding any other provision of law, the Secretary of Defense and the head of any other department or agency of the Federal Government may continue, on and after the applicable date referred to in paragraph (2), to obligate funds (to the extent available) for making improvements to the property that has not been conveyed that will facilitate the conveyance of the property and are consistent with the use to be made of the property by the recipient of the conveyance.

(2) Paragraph (1) applies in the case of property at a military installation on and after the later of the date on which the closure of that installation is approved by the President.

(n) DEFINITIONS.—In this section:

(1) The term "military installation" has the meaning given such term in section 2687(e)(1) of title 10, United States Code.

(2) The term "base closure law" means the following:

(A) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102-510; 104 Stat. 1808; 10 U.S.C. 2687 note).

(B) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(C) Section 2687 of title 10, United States Code.

(3) The term "base closure account" means the following:

(A) The Department of Defense Base Closure Account established by section 207(a) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(B) The Department of Defense Base Closure Account 1990 established by section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102-510; 104 Stat. 1815; 10 U.S.C. 2687 note).

In section 2(b), amend the table of contents by inserting after the item relating to section 2803 the following new item:

Sec. 2804. Conveyance of closed bases to neighboring communities.

INTERNATIONAL MORITORIUM ON THE USE OF LARGE-SCALE DRIFT NETS

STEVENS AMENDMENT NO. 1035

Mr. WALLOP (for Mr. STEVENS) proposed an amendment to the concurrent resolution (H. Con. Res. 113) to express the sense of the Congress that the President should seek an international moritorium on the use of large-scale drift nets called for in U.N. Resolution 44-225 while working to achieve the U.S. policy of a permanent ban on large scale drift nets, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

Whereas the policy of the United States is that there should be a permanent ban on destructive fishing practices, in particular large-scale driftnet fishing, by persons or vessels fishing beyond the exclusive economic zone of any nation;

Whereas the best available scientific data indicates that large-scale driftnet fishing incidentally kills thousands of endangered sea turtles, hundreds-of-thousands of marine mammals and millions of non-target fish;

Whereas the United Nations, through General Assembly Resolutions 44-225 and 45-197, have called upon all nations to impose a moratorium on large-scale driftnet fishing beyond the exclusive economic zone of any nation by June 30, 1992;

Whereas the moratorium called for by the United Nations will not be imposed only if concerned parties agree that effective conservation and management measures exist which will prevent unacceptable impacts and ensure the conservation of living marine resources;

Whereas the available data indicates that effective conservation and management measures sufficient to prevent unacceptable impacts do not exist;

Whereas some nations may continue to engage in large-scale driftnet fishing after June 30, 1992, on the pretext that effective conservation and management measures exist or that they are engaging in "scientific" fishing;

Whereas some nations are permitting their nationals or vessels to expand the practice of large-scale driftnet fishing to new areas of the World's oceans and seas, including the North and South Pacific Ocean, the Atlantic Ocean, the Indian Ocean, and the Caribbean Sea; and

Whereas the continuation of large-scale driftnet fishing beyond the exclusive economic zone of any nation is contrary to sound stewardship of the world's living marine resources, the intent of United Nations General Assembly Resolutions 44-225 and 45-197, and the established policy of the United States: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress—

(1) that the President should take strong measures, including use of appropriate sanctions, to encourage other nations to cease all large-scale driftnet fishing beyond the exclusive economic zone of any nation by June 30, 1992; and

(2) that the President should coordinate the efforts of all Federal agencies, the Congress, affected coastal States, the fishing industry, and the conservation community to work with the United Nations and individual concerned nations to bring about, with respect to waters beyond the exclusive economic zone of any nation—

(A) the conservation of fishery stocks, and

(B) a permanent ban on destructive fishing practices, in particular large-scale driftnet fishing.

DRIFTNET MORATORIUM ENFORCEMENT ACT

PACKWOOD (AND OTHERS) AMENDMENT NO. 1036

Mr. WALLOP (for Mr. PACKWOOD, for himself, Mr. KERRY, Mr. STEVENS, Mr. ADAMS, and Mr. GORTON) proposed an amendment to the bill (S. 884) to impose economic sanctions against countries that fail to eliminate large-scale driftnet fishing, as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

The Act may be cited as the "Driftnet Moratorium Enforcement Act of 1991".

SEC. 2. POLICY AND FINDINGS.

(a) POLICY.—It is the stated policy of the United States to—

(1) implement United Nations General Assembly Resolution numbered 44-225, approved December 22, 1989, which calls for an immediate cessation to further expansion of large-scale driftnet fishing and for a June 30, 1992 moratorium on the use of large-scale driftnets beyond the exclusive economic zone of any nation.

(2) prevent the further expansion of large-scale driftnet fishing beyond the exclusive economic zone of any nation; and

(3) secure a permanent ban on the use of destructive fishing practices, and in particular large-scale driftnets, by persons or vessels fishing beyond the exclusive economic zone of any nation.

(b) FINDINGS.—The Congress finds that—

(1) despite worldwide pressure against their use, large-scale driftnets continue to be used by persons or vessels fishing beyond the exclusive economic zone of any nation;

(2) large-scale driftnet fishing in the North Pacific, the Atlantic, the Indian, and the South Pacific Oceans beyond the exclusive economic zone of any nation is expanding in direct contravention of United Nations General Assembly Resolutions numbered 44-225 and 45-197;

(3) nations engaged in large-scale driftnet fishing export fish and fish products to the United States; and

(4) in order to ensure that the permanent worldwide ban on large-scale driftnet fishing beyond the exclusive economic zone of any nation takes effect on June 30, 1992, the United States should take the actions described in this Act and encourage other nations to take similar action.

SEC. 3. SANCTIONS FOR FAILURE TO TERMINATE DRIFTNET FISHING.

(a) CERTIFICATION OF INTENT.—Not later than January 1, 1992, the President shall certify to the Congress each nation whose nationals or vessels are known to engage in large-scale driftnet fishing and which has not officially notified the United States that, not later than June 30, 1992, such nation will terminate large-scale driftnet fishing by its nationals and vessels beyond the exclusive economic zone of any nation.

(b) NOTIFICATION OF NONCOMPLIANCE.—Beginning July 1, 1992, the President shall immediately notify the Congress of any nation whose vessels or nationals are engaged in large-scale driftnet fishing beyond the exclusive economic zone of any nation on or after such date.

(c) ACTION BY THE PRESIDENT.—

(1) CERTIFICATION UNDER THE FISHERMEN'S PROTECTIVE ACTION OF 1967.—If a certification is made under subsection (a) with respect to any nation, such certification shall be deemed to be a certification for the purposes of section 8(a) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978(a)). Upon such certification all other applicable provisions of section 8 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978), including subsections (b) through (g) thereof, shall apply.

(2) PROHIBITION AGAINST IMPORTING FISH AND FISH PRODUCTS.—If a notification is made under subsection (b) with respect to any nation, the President shall direct the Secretary of the Treasury to immediately prohibit the bringing or importation into the United States of fish and fish products from such nation. Not later than 15 days after such notification, the President shall advise the Congress of any action taken by the President under this subsection. Subsections (c), (e), (f), and (g) of section 8 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978 (c), (e), (f), and (g)) shall apply with respect to any prohibition imposed under this subsection.

(d) ADDITIONAL ECONOMIC SANCTIONS.—

(1) IN GENERAL.—If—

(A) a notification is made under subsection (b) and the President determines that prohibitions under subsection (c)(2) are insufficient to cause the involved nation to terminate large-scale driftnet fishing beyond the exclusive economic zone of any nation; or

(B) a nation against which an action has been taken under subsection (c) retaliates against the United States as a result of such action,

the President is authorized to impose additional economic sanctions against such nation.

(2) SCOPE OF ADDITIONAL ECONOMIC SANCTIONS.—The additional economic sanctions authorized under paragraph (1) include the imposition of—

(A) duties, import bans, or other import restrictions on the goods of a nation to which paragraph (1) (A) or (B) applies; and

(B) fees or restrictions on the services of such nation, notwithstanding any other provision of law.

(3) NOTIFICATION BY PRESIDENT.—The President shall notify the Congress within 15 days, if either—

(A) circumstances as described in subparagraph (1) (A) or (B) occur; or

(B) the President imposes additional economic sanctions under this subsection.

(e) DURATION OF RESTRICTIONS.—Any sanction imposed against a nation under subsection (c)(2) or (d) shall remain in effect until such time as the President certifies to the Congress that such nation has terminated large-scale driftnet fishing by its nationals and vessels beyond the exclusive economic zone of any nation.

(f) DEFINITIONS.—For purposes of this section, the following definitions apply:

(1) LARGE-SCALE DRIFTNET FISHING.—The term "large-scale driftnet fishing" means a method of fishing in which a gillnet composed of a panel or panels of webbing, or a series of such gillnets, with a total length of one and one-half miles or more is place in the water and allowed to drift with the currents and winds for the purpose of entangling fish in the webbing.

(2) FISH AND FISH PRODUCTS.—The term "fish and fish products" has the meaning given the term "fish products" in section 8(h)(4) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978(h)(4)).

SEC. 4. REPORT TO CONGRESS.

Beginning on January 1, 1993, the President shall include in the report to Congress submitted under the Driftnet Act Amendments of 1990 (16 U.S.C. 1826) information with respect to—

(1) whether nationals or vessels of a nation have engaged in large-scale driftnet fishing beyond that nation's exclusive economic zone during the 12-month period preceding the date of such report; and

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a markup on Friday, August 2, 1991, beginning at 10:30 a.m., in 485 Russell

Senate Office Building on S. 1530, a bill to authorize the integration of employment, training and related services by Indian tribal governments.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, August 1, 1991, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE

Mr. BREAUX. Mr. President, I ask unanimous consent that the Subcommittee on Water Resources, Transportation, and Infrastructure, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Thursday, August 1, beginning at 10 a.m., to conduct a hearing on a proposed Department of Transportation headquarters; the relationship between the Judiciary and GSA for the provisions of space for the courts; and oversight of GSA's planning and management procedures and the condition of the Federal building fund.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate 9:30 a.m., August 1, 1991, to receive testimony on S. 1156, the Federal Lands and Protection Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Thursday, August 1, 1991 at 3 p.m., to hold a hearing on patent extensions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Thursday, August 1, at 9:30 a.m., for a hearing on the subject: DOE procurement and subcontracting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BREAUX. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, August 1, 1991, at 4:30 p.m., to hold a closed hearing on Intelligence Matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on August 1, 1991, beginning at 9:30 a.m., in 1310 Longworth House Office Building, on H.R. 1426 and S. 1036, Lumbee Recognition Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on August 1, 1991, at 10 a.m. on S. 22—Interstate Greyhound Racing Act of 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Thursday, August 1, 1991, at 9 a.m. to conduct a markup of S. 534, The Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS, AND INTERNATIONAL OPERATIONS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, August 1, 1991, at 2 p.m. to conduct a hearing on narcotics and foreign policy implications of the BCCI affair.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS, AND INTERNATIONAL OPERATIONS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, August 1, 1991, at 10 a.m. to conduct a hearing on narcotics and foreign policy implications of the BCCI affair.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. BREAUX. Mr. President, I ask unanimous consent that the Special Committee on Aging, be authorized to meet during the session of the Senate on Thursday, August 1, 1991, at 10 a.m. to hold a hearing entitled "Forever Young: Music and Aging."

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF INTENTION TO AMEND THE STANDING RULES OF THE SENATE

Mr. DOLE. In accordance with Rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to amend the Standing Rules of the Senate, with the following amendment:

Resolved, Rule XXXVII of the Standing Rules of the Senate is hereby amended to add a new paragraph as follows:

"Notwithstanding section 501(c) of Title V of the Ethics in Government Act of 1978 as amended, honoraria may be paid on behalf of a Member, officer or remployee of the United States Senate to a charitable organization, without any restriction on the amount of such honoraria.

"No honoraria paid on behalf of a Member, officer, or employee of the United States Senate shall be made to a charitable organization from which such individual or a parent, sibling, spouse, child or dependent relative of such individual derives any financial benefit."

The amendment made by this resolution to Rule XXXVII of the Standing Rules of the Senate shall be effective immediately upon enactment of the fiscal year 1992 legislative branch appropriations bill.

ADDITIONAL STATEMENTS

WOMEN PROFESSIONALS IN THE U.S.S.R.

• Mr. WELLSTONE. Mr. President, I would like to bring my colleagues' attention to an article which appeared in the Christian Science Monitor on January 23, 1991 by Drs. Anne H. Cahn and Catherine M. Kelleher. They are, respectively, Senior MacArthur Scholar and director, Center for International Studies of the School of Public Affairs, the University of Maryland.

This enlightening article reminds us that despite the accomplishments of perestroika and glasnost, Soviet women professionals still face tremendous obstacles to career advancement and fulfillment.

The article follows:

[From the Christian Science Monitor, Jan. 23, 1991]

WOMEN PROFESSIONALS FACE OBSTACLES IN USSR

(By Anne H. Cahn and Catherine M. Kelleher)

Amid well-deserved enthusiasm for the freedoms wrought by perestroika and glasnost, little notice has been given to the very few benefits trickling down to Soviet women professionals.

Soviet women find themselves caught in a double bind of the harsh realities of daily family life—worsened by massive shortages and hours of standing in line—and special obstacles they, as women, face to career advancement.

This is the dominant conclusion reached by our group of eight women, all experts in the field of international security, during a week's visit to Moscow. Sponsored by the Women In International Security Project of the Center for International Security Studies at Maryland and by the Committee of Soviet Scientists for Global Security; our delegation met with researchers at the Academy of Sciences-affiliated Institute of World Economy and International Affairs, Institute of the USA and Canada, and Institue of State and Law, as well as the Committee of Soviet Women. We discussed the constraints and opportunities for women's careers in international relations, and explored avenues of interdisciplinary collaborations.

Life in the Soviet Union has never been easy for women, personally or professionally. the "equality" granted by the Soviet Constitution was and is nominal. While 92 percent of employable Soviet women work or study out-side the home, they also perform a full 90 percent of all domestic chores.

The new Union Supreme Soviet has a Committee for the Protection of Women and another Committee on Families, but no women deputies serve on them. On the republic level, membership for women on committees overseeing foreign or defense policies is, for most, a far-off dream. There are only two women with ambassadorial rank and no women visible in either the military or civilian elites in the Defense Ministry.

While academic institutions are increasing opportunities for women researchers, the pace of change is still grindingly slow. As of yet, there are no women directors. Women researchers are rarely included in official delegations or professional exchanges abroad. Little of their research has been seen outside the Soviet Union. Few of these women are even known to their Western colleagues—a situation we hope to remedy in the field of international peace and security studies.

Soviet women "instituteniks" are now forming professional self-help networks, breaking down the barriers of hierarchy and the often competitive isolation of most institutes.

Barred at the front door, others have found "side" doors—in the media, in grass-roots institutions, in environmental organizations—to express their concerns about the economy and ecology and the potential use of Soviet force in the Gulf, as well as the need to conceptualize new core values for the hard times ahead.

These "side" specialties turn out to be those most crucial for a changed Soviet future. Soviet women—conservative and liberal—have become the nation's experts on ethnicity and nationality differences, methods of peaceful conflict resolution, human rights, mental health laws, and the requirements for national and international economic integration in the free market system.

Nevertheless, as the Soviet economy tumbles, these women face straitened circumstances. We in the West can respond in one of two ways. We can offer such enticing opportunities at our universities and research institutes for Soviet researchers that the best and brightest will be irresistibly pulled westward. Or, preferably, we can establish new means of individual and institutional collaboration that will enrich both Soviet and Western intellectual life.

What is needed now is a commitment to the fullest possible development of Soviet human capital, women as well as men. One example would be to create exchange programs of six to 12 months each to enable Soviet and Western researchers to work at each other's institutions for extended periods of time. Such reciprocal visits not only will help develop a much needed dialogue, but will underpin the development of joint projects to attack the many immediate policy problems facing both nations.

What we found most impressive about the women we met was not their substantive accomplishments, though those were indeed significant, but their struggle as individuals to deal with the problems of perestroika and glasnost. "We are looking at the nature of values from a new perspective. We are used to being given things from above: orders, jobs, instructions," said a professor at the State and Law Institute.

"Now it's not enough to be obedient," said one long-time party member." Our future lies in defending freedom of choice and assuming individual responsibility with all of its consequences."

IN RECOGNITION OF NED FOX

• Mr. SEYMOUR. Mr. President, I rise today in recognition of Ned Fox, the executive director of the Cypress Chamber of Commerce, on the occasion of his retirement after 6 years of service to the Cypress chamber.

During his long and distinguished career, Ned's dedication to furthering the needs of the local business community has helped make Orange County a more prosperous, as well as a more pleasant place to live.

It is individuals like Ned who have made California the economic envy of the rest of the Nation. We make more, grow more, and serve more than any other State, and we are proud that we do so with a culturally diverse citizenry that pulls together for the common good.

I ask the Senate to join with me in congratulating Ned Fox on his years of service and wishing him our best as he begins yet another chapter of his life.•

IN TRIBUTE TO TONY TRAVATO

• Mr. CHAFEE. Mr. President, I rise today to pay tribute to Tony Travato of Westerly, Rhode Island. Tony Travato was honored for his outstanding civil service on Saturday, May 4, 1991, at the Calabrese Club in Westerly, RI.

Tony Travato was born in Westerly on February 1, 1925. As a youth, he attended the Westerly public school and is a graduate of the Cheshire Academy. Thereafter, Tony Travato attended Rhode Island State College, now the University of Rhode Island, and studied clothing design in New York City. He graduated from the American Gentleman Designing School.

As a citizen of Westerly, Tony Travato has been a invaluable asset to the community. He has been an active political leader; serving as State senator, beach commissioner, district moderator, as well as being a member of the town council. In addition to his participation in a variety of political organizations, Tony Travato is recognized for 20 years of volunteer work at Westerly Hospital. He was also instrumental in fostering local renovation, including tree planting.

Tony Travato's dedication to Westerly exemplifies his sincerity, commitment, and love for his neighbors and the community. His participation in a broad spectrum of local arenas attests to the fact that he is a model citizen.

I hope all my colleagues will join me in applauding Tony Travato in honor of his local efforts on behalf of the Westerly community. All Rhode Island is proud of it's native son.•

IN RECOGNITION OF SHANE SALERNO

• Mr. SEYMOUR. Mr. President, I rise today in recognition of a constituent of mine from Encinitas, CA, whose work has contributed greatly to making San Diego County a safer place for kids.

He has initiated programs to promote traffic safety, find missing children, and keep kids off drugs.

He has been lauded by local newspapers and praised by public officials.

He has won awards and earned the appreciation of his community.

He is, in fact, a kid himself.

Shane Salerno is an 18-year-old who just graduated from high school and just completed his first public affairs documentary, "Sundown: the Future of Children and Drugs." He is now at work on his second, "Broken Hearts—Forgotten Dreams," a video on missing children.

Shane's video projects are just part of his campaigns to promote the health and safety of children. He is asking local newspapers to publish more information on missing children and working with the local Rotary Club to gain national distribution of his antidrug film.

This Nation has thousands of points of light like Shane Salerno: volunteers who make a difference in the lives of so many of their fellow Americans.

I ask the Senate to join me in extending our commendation to Shane for his efforts and our best wishes for his future success.•

RETIRED SENIOR VOLUNTEER PROGRAM PRAISED FOR 20 YEARS OF SERVICE

• Mr. COATS. Mr. President, this summer the Retired Senior Volunteer Program [RSVP] observes its 20th anniversity of service to millions of Americans across the Nation. The Administration on Aging developed RSVP in 1971 as a way for senior citizens to get involved in community service. Initially only 11 RSVP projects were formed around the Nation, each with a handful of volunteers.

From those modest beginnings, few could have foreseen the profound benefits that RSVP would bring to America. Few could have predicted the great leadership that RSVP would provide by engaging hundreds of thousands of retired citizens in community service. These older volunteers form a tremendous community of talents serving individuals and organizations across the United States.

Today more than 418,000 senior volunteers work in one of nearly 750 projects around the country. The types of service that RSVP volunteers provide are almost as varied as the volunteers themselves: adult based education, tax aid and consultation services, hospice care, home repair, utilities relief, substance abuse counseling, home visitation and long-term care, teaching first aid, conducting employment workshops, telephone reassurance, refugee assistance, neighborhood watch, service to veterans through the Veterans' Administration and youth through literacy and substance abuse education projects. This is by no means an exhaustive list of activities that RSVP volunteers are engaged in.

The benefits of RSVP are abundant and mutual. Not only do needy beneficiaries receive important services but the senior volunteers obtain the rewards of remaining active; moreover, they help bring meaning and purpose to their own lives as well as to others. Over the past 20 years, Retired senior volunteers have contributed a cumulative 875 million hours of volunteer services. All of this has been accomplished in spite of the fact that RSVP volunteers are not compensated.

Today RSVP addresses community needs in all 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands. In my own State of Indiana, 9,544 senior citizens serve as RSVP volunteers in 23 communities across the State. Last year, these Hoosier volunteers contributed more than 1.5 million volunteer hours. The National Center for Volunteerism estimated that the real dollar contribution of this service amounts to $15.7 million.

The services described above go well beyond statistics. The human dimension is equally impressive. In Elkhart, IN, the RSVP project has recently been recognized as one of three exemplary drug prevention projects in the nation. There senior volunteers work with the Elkhart County Court Services to provide counseling to adults and adolescents, many of whom are on probation for drug and alcohol related offenses. "It shows them—the probationers—that someone cares that's not involved with the court system," said Ann Beans, director of the Elkhart RSVP.

In total, the Elkhart RSVP has 650 volunteers working with 66 agencies. Two other Elkhart RSVP projects that have received special recognition include volunteers who worked with the city of Elkhart on various environmental projects—including conducting a survey and educating residents on how to detect pollution sites—and RSVP volunteers working with the Service Corp of Retired Executives [SCORE] to counsel small businesses.

In New Albany, IN, approximately 700 volunteers serve four countries in south central Indiana. This summer RSVP volunteers have cut 40,000 ribbons to distribute to local businesses and volunteers for the Red Ribbon Campaign in October, an annual national event to make citizens aware of the harmful effects of substance abuse and addiction. Volunteers also deliver thousands of meals weekly to homebound elderly. "Sometimes the volunteer is the only person they see all week and the homebound person often becomes very close to the volunteer, said Matie Watts, director of the New Albany RSVP Program.

The success of these two Indiana RSVP projects well documents that we must continue to use our fastest growing, national resource—our senior citizens. Seniors are healthier and more active than ever before. They bring more and more needed skills and experience to help solve community problems. Furthermore, RSVP volunteers provide a renewed spirit to the term "service": a spirit of neighborhood and a deep belief in the power of the individual to make a difference. We must continue to enrich our Nation with their talents and willingness to serve.

RSVP is to be commended for its outstanding achievements over the past 20 years. It is a tribute to its volunteers that so much has been accomplished in two decades of compassionate and selfless service to others.●

COMMENDING GEN. CALVIN A.H. WALLER

Mr. GORTON. Mr. President, I want to take a moment to recognize Lt. Gen. Calvin A.H. Waller, commanding general I Corps and Fort Lewis, and commend him for his outstanding service to both the U.S. Army and his country.

General Waller's leadership as deputy commander under Gen. H. Norman Schwarzkopf during Operation Desert Storm not only yielded a great victory in the field, but also back home led to a renewed American sense of self-confidence, which we have not seen and celebrated since the end of World War II.

General Waller has demonstrated to our nation in his distinguished 32-year career in the U.S. Army, the importance of perserverance, the meaning of heriosm, and the pride of our soldiers. During his prominent career, General Waller served tours in Korea as training officer for the Eighth U.S. Support Command, and in Vietnam as joint operations officer for the Military Assistance Command. Most notably, General Waller has been assigned to Fort Lewis, WA, three times, beginning with this first assignment on active duty in 1960, and ending most significantly with his latest assignment as commanding general of I Corps and Fort Lewis.

General Waller has been both an excellent role model for young minorities in the Army, and as a soldiers' general who looked after the troop's needs.

Mr. President, it is with great pride that I salute General Waller, and wish him the same success in his retirement as he has experienced in the U.S. Army.

HARRY HAMM TRIBUTE

● Mr. ROCKEFELLER. Mr. President, I rise today in tribute to an individual whose tireless efforts and endless dedication have been of profound benefit to West Virginia's Ohio River Valley.

Harry Hamm never held public office, though many of us who do are indebted to him; he is not a certified urban planner, though he helped save the city of Wheeling; he never played the role of great philanthropist, but hospitals and health care throughout the Ohio Valley are saving lives because he cared.

Harry ran a newspaper, the Wheeling News-Register, and he ran it like the old newshound he was. I do not think Harry trusted anybody else to know what Wheeling and West Virginia needed done—so every day he helped us out. Harry was multipartisan. He would give both sides hell until they came around to seeing things the right way. His way.

Wheeling is a grand old city, where a great history and Victorian elegance clash daily with modern economics and tough realities. Harry's spirit and pride in his hometown have helped Wheeling win that struggle again and again. But more, he epitomizes that blend of elegance and hard edge that keeps Wheeling moving vibrantly ahead.

I am still paying hospital bills from the broken bones he gave me while lining up my support, as Governor, for endless Oglebay Park improvements.

I was lucky. He liked me.

And like everybody he likes, he gives me a lot of advice—whether I ask for it or not. I used to drop by his house in the evening, after he had put the paper to bed. We would sit in the living room and Harry would tell me what I was doing right or what I was doing wrong, and what the folks around Wheeling were saying.

I know I can count on Harry for one thing—straight talk. He isn't just a newspaperman, he's a crusader. And his crusade is the beautiful city of Wheeling, WV. Harry really believes that running a newspaper is more than ad revenues and circulation. It's an unbounded opportunity to serve the community you love.

While mayors and council members and planning boards and even U.S. Senators come and go, while agendas change and votes are counted, people like Harry Hamm remain. Their dedication makes communities work. I do not know a city in America that came through tough times better than Wheeling. Harry's struggle for better health care, his fight for Oglebay Park, and his involvement in Wheeling 2000 have made Wheeling a better city in ways you feel just walking down Main Street.

If you spend more than a minute or two with Harry, you feel a sophistication and notice an eccentricity, that would have made him feel at home in any city in the world. But he could no more have left Wheeling for New York or London, than he could have given up news writing.

He is a devout Catholic and a loving husband and father with deep roots in his community. Many evenings he and his wife Mary fed me dinner. I felt almost like part of their family, part of their lives. I felt like I was their friend.

It is great to see Harry back in print.•

NATIONAL GROCERS ASSOCIATION GROCERS CARE AWARDS

• Mr. BOREN. Mr. President, I wish to bring to the attention of the Senate the community contribution of the independent retail grocers and their wholesalers.

In past years, through passage of the National Grocers Week, the House and Senate recognized the important role these businesses play in our economy. The week of June 23–29 commemorated the sixth year that National Grocers Week was observed by the industry to encourage grocers involvement in private sector initiatives and to recognize their community contributions. The theme of National Grocers Week was "Grocers Care * * *".

During that week, the National Grocers Association and heads of philanthropic and consumer groups honored outstanding independent retail and wholesale grocers, their State association executives and food industry manufacturers for their community service with the NGA "Grocers Care" Awards.

According to Thomas K. Azucha, president and CEO of the National Grocers Association, "Active leadership with community service projects reflect the commitment retail and wholesale grocers and manufacturers have to the communities they serve." This year's theme emphasizes that "Grocers Care * * *" about "A Healthy America," for involvement in health related charities and nutritional programs; "A Clean America," for commitment to recycling and the environment; and "A Proud America," for the industry's civic and patriotic endeavors.

The honorees follow:

GROCERS CARE AWARD HONOREES

The "Grocers Care" theme will prevail during the N.G.A. Washington Conference activities beginning Sunday, June 23, in Washington, D.C. Representatives from companies, organizations, and associations around the United States will be honored. These honorees include:

Alabama: Peter Gregerson, Sr., Gregerson's Foods, Gadsden;

Alaska: Roger Hames, Hames Corporation, Sitka;

Arizona: Noah Billings, Food City, Phoenix; Thomas R. Shope, Shope's IGA, Coolidge;

Arkansas: Roy Foster, Jr., Foster's Foods, Hot Springs village; Jerry Davis, Affiliated Food Stores, Little Rock;

California: Tony You, Bargain Food Basket, Costa Mesa; Mike Shalabee, R. Ranch Market, Santa Anna; Jamal Hamideh, Oxnard Ranch Market, Oxnard; Anthony Spano, Red & White Superette, Oceanside; John Denney, Denney's Market, Bakersfield; Mark Kidd, Mar-Val Food Stores, Lodi; Everett Dingwell, Certified Grocers of California, Los Angeles;

Colorado: Eugene Andersen, Andersen's Star Market, Hudson; Harold Kelloff, Kelloff's Food Market, Alamosa;

Delaware: Horace Cook, Cook's of Dover, Dover;

District of Columbia: James Beakey, NCB Capital Markets;

Florida: Jim Kondor, Kondor's Thriftway of Winter Haven, Winter Haven; Ted Franklin, Franklin's Great Valu, Naranja; Morris Schwartz, Morris Shurfine, Ft. Lauderdale; W.T. Huntley, Huntley's Jiffy Stores, Palataka; Lorena Jaeb, Pick Kwik Food Stores, Mango; Jack Hollrah, Certified Grocers of Florida;

Georgia: Alan Haddock, Haddock's Food Store, Macon;

Hawaii: Wayne Teruya, Times Supermarkets, Honolulu; Glenn Kaneshiro, Food Fair Supermarket #2, Hilo;

Idaho: Bill Long, Waremart Inc., Boise;

Illinois: Richard Bellettini, Bellettini Foods, Coal City; Robert Walker, Walker's Supermarkets, Mattoon; Harold Greenberg, Ceritifed Grocers Midwest, Hodgkins; Robert Bridwell, Bridwell's Supermarket, Paris;

Indiana: Larry Contos, Pay Less Super Markets, Anderson; Jim Holdren, Hank's Supermarket of Marion, Marion; William G. Reitz, Scott's Food store, Fort Wayne;

Iowa: Robert Hand, Dahl's Foods, Des Moines; Duane Godfrey, Roy & Scotty's Super Valu, Council Bluffs; James Scheer, Jim & Dean's Town & Country, Council Bluffs; Doug Fallgatter, Fallgatter's Market, Northwood; Mick Gabrielson, We 3 Market, Britt; James Borders, Jim's Food Mart, Tabor; Robert Cramer, Fareway Stores, Inc., Boone; Jerry Fleagle, Fleagle Foods, Waterloo; Mary Rooney, Payless Foods, Dyersville; Scott Havens, Plaza Food Center, Norwalk; Dick Maxwell, Joyce's Foodland, Sac City; Ron Pearson, HyVee Food Stores, Chariton; Dave Wilson, Scrivner of Iowa, Laurens; Chuck Ramsbacher, Nash Finch Company, Cedar Rapids; Gene Foltz, Super Valu Stores, Inc., Des Moines; Matt Andersen, Liddle's Super Valu Foods, New Hampton; Phyllis Pals, P & G Market, Belmond; John Daugherty, Daugherty's Market, Adel;

Kansas: Fred Ball, Ball's Super Market, Kansas City, KS: Arnie Graham, Reebles Food Market, Emporia; James Baska, Associated Wholesale Grocers, Kansas City;

Kentucky: William Gore, Gore's Foodland, Paducah; Thomas Litzler, Remke's Market, Fort Mitchell; Bruce Chesnut, Laurel Grocery Company, East Bernstadt; Roy Potts, Bluegrass Coca-Cola, Louisville; Douglas Saylor, Saylor Brothers, Manchester; Kenneth Techau, Techau's Inc., Cynthiana; Lee Markwell, Jr. Markwell Supermarkets, Louisville; Bill Cundiff, Bestway of Whitley City, Whitley City; Vivian Gentry, Houchens Industries, Bowling Green; Charles Lynxwiler, Piggly Wiggly Super Market, Mayfield;

Louisiana: Donald Rouse, Jr., Rouse Supermarkets, Thibodeaux; M. Paul LeBlanc, Pay-Less Supermarket, Gonzales; Hillar Moore, Associated Grocers, Baton Rouge; Barry Breaux, Breaux Mart, Metairie; Dale Matherne, Longview Supermarket, Paulina;

Maryland: Stephen Denrich, Valu Food Inc., Baltimore; Roy Selby, Selby's Market, Poolesville; Thomas Smith, Tom's Super Thrift, Cardiff;

Michigan: Robert DeYoung, Sr., Fulton Heights Foods, Grand Rapids; Patrick Quinn, Spartan Stores, Grand Rapids; Frank Arcori, VEGAS Food Center, Harper Woods; Terry Lutke, Ebels Family Center, Falmouth;

Minnesota: Tom Harberts, Byerly's Inc., Edina; Stephen Barlow, Sr., Barlow Foods, Rochester; Don Wetter, Coborn's, St. Cloud; James Maus, Maus Foods, Monticello;

Missouri: Paul Blesi, Central Markets Inc., Sullivan; Danny Kays, Raytown United Super, Raytown; Donald Woods, Jr., Woods Super Market, Bolivar; Perry Underwood, 24 Hiway Thriftway, Independence; Shelley Lynch, Bole's IGA Grocery Company, Kansas City;

Montana: Charlean Keller, Kon's IGA, Billings; Mike Novak, Mike's IGA, Chester;

Nebraska: Richard Juro, No Frills Supermarkets, Omaha; James Clarke, Jim's Foodmart, Aurora; William Wiedemeyer, United A.G. Cooperative, Omaha;

New Hampshire: Ralph Stoddard, Ralph's Supermarket, Charlestown; Robert Fuller, Fuller's Market, West Thornton; Charles Butson, Butson's Supermarkets, Woodsville;

New Jersey: Jerome Yaguda, Wakefern Food Corporations, Elizabeth; Lawrence Inserra, Inserra Supermarkets, Mahwah; Lonny Laurenti, ShopRite of Pennington, Trenton;

New Mexico: Joseph DiGregorio, California Super Market, Gallup;

New York: Nicholas D'Agostino, Jr., D'Agostino Supermarkets, New Rochelle; Bruce Hegedorn, Hegedorn's, Webster; Jerome Pawlak, Bell's Food Center, Albion; Jim Robinson, Olean Wholesale Grocery, Olean;

North Carolina: Chip Lanier, Grandview Food Market, Pfafftown; Landy Laney, Ingles Markets Inc., Ashville; Dolan Hedrick, South Lexington Super Market, Lexington; Chuck Richards, Reid's Better Foods, Charlotte; Winfield Sherin, Sherin Super Market, Littleton; Duff Harris, Harris Super Markets, Greenville; Wayne McKinney, Piggly Wiggly, Goldsboro; Larry Wilson, Wilson's Supermarkets, Wilmington; John King, King's Red & White, Durham; Dewey Hill, Hill's Food Stores, Whiteville;

Ohio: Walter Churchill, Sr., Churchill's Super Markets, Sylvania; Ronald Graff, Columbiana Foods, Boardman; Thomas Conroy, Jr., Conroy's IGA, Youngstown; James Stoll, Bag-n-Save Foods, Dover; Harold Massie, Jr., Massie's Super Market, Portsmouth; Ben McCormick, Leetonia Golden Dawn Supermarket, Leetonia; Lee Schear, Metro Markets, Dayton; Tony Bailey, Sacks Food Avenue, Amelia; Arlie Rodhe, Rodhe's IGA Super Center, Millersburg; Henry Nemenz, H.P. Nemenz Food Stores, Poland;

Oklahoma: R. Scott Petty, Petty's Fine Foods, Tulsa; Bill Johnson, Johnson Foods, Muskogee; Maurice Box, Box Food Stores, Tahlequah; R.C. Pruett, Pruett's Food, Antlers; John Redwine II, John's IGA, Spiro; Harold Hale, Hale's Foods, El Reno; Steve Brown, Save-A-Stop, Oklahoma City; Marty Monjay, Monjay's IGA, Sulphur; Scott Dixon, Bud's Food Stores, Tulsa; Darold Anderson, Affiliated Food Stores, Tulsa; Joan Salisbury, Bud's Grocery & Meats, Vici;

Oregon: Alan Jones, United Grocers, Portland;

Pennsylvania: J. Christopher Michael, Associated Wholesalers, Inc., Robesonia; Marilyn Krim, Genuardi's Supermarkets Inc., Norristown; Ralph Berardi, Bradford Shur Fine, Brady; Paul Hoover, Jr., Kennie's Markets, Gettysburg; Christy Spoa, Sr., Christy's Markets, Ellwood City; Sharon Young, McGinnis Sisters Special Food, Pittsburgh; Carole Bitter, Friedman's, Butler;

South Dakota: Douglas Van Zee, Canton Food Center, Canton;

Tennessee: Kenneth Stepherson, Stepherson's Big Star, Memphis; H. Dean Dickey, Giant Foods, Columbia; Edward McMillan, Food City Supermarkets, Knoxville;

Texas: Newel Level, Level's Food Center, Ft. Worth; Hobert Joe, Continental Finer Foods, Houston; Norman Pentecost, Pen Foods, San Antonio; Benny Cooper, Affiliated Foods, Amarillo, Richard Wong, Food 4 Less, Pasadena; Don Allison, Town & Country Food Stores, San Angelo;

Utah: G. Steven Allen, Allen's Super Save Markets, Orem; Kenneth Macey, Macey's, Salt Lake City;

Vermont: Bill Prunier, Prunier's Market, Bomoseen; Dean Comstock C&C Supermarket, Barton;

Virginia: Gene Bayne, Gene's Super Market, Richmond; Daniel Maenza, Wade's Super Markets, Christianburg;

Washington: Chris Brown, Wray's Thriftway, Yakima; Craig Cole, Brown & Cole, Ferndale; John Herbison, URM Stores, Spokane; Walter Schmidt, Walt's Fine Foods, Lakebay;

West Virginia: David Milne, Morgan's Clover Farm Market, Kingwood; William Witschey, Witschey's Market, New Martinsville;

Wisconsin: Thomas Verhagen, Larry's Markets, Kaukauna; Fred Lange, Lange's Sentry Foods, Madison; Layton Olsen, Olsen's Piggly Wiggly, Cedarburg; William Confer, Roundy's Inc., Milwaukee; Donald Williams, Don's Super Value of Menomonie, Menomonie; Gail Omernick, The Copps Corporation, Stevens Point; Doug Finkelmeyer, Sentry Markets, Waukesha; Roswell Nelson, Nelson's Super Market, Tomahawk;

Wyoming: Richard Roy Williams, Williams Inc., Glenrock; Gary Decker, Decker's Food Center, Gilete;

Virgin Islands: La Verne Esquilin, Tri-Mart, St. Thomas.

The following state associations are instrumental in coordinating information relative to the community service activities of their members:

California Grocers Association; Retail Grocers Association of Florida; Food Industry Executives Association; Illinois Food Retailers; Grocers Association of Iowa; Kentucky Grocers Association; Louisiana Grocers Association; Maine Grocers Association; Massachusetts Food Association; Associated Food Dealers of Michigan; Michigan Grocers Association; Minnesota Grocers Association; Rocky Mountain Food Dealers Association; Montana Food Distributors Association; New Hampshire Retail Grocers Association; New Mexico Grocers Association; Youngstown Area Grocers Association; Ohio Grocers Association; Oklahoma Grocers Association; Pennsylvania Food Merchants Association; Tennessee Grocers Association; Retail Grocers Association of Houston; Utah Retail Grocers Association; Washington State Food Dealers Association; Wisconsin Grocers Association; West Virginia Association of Retail Grocers.

Manufacturers: McCormick & Company, Inc.; Kraft General Foods; E.J. Brach Corporation; Brown & Williamson Tobacco; Gerber Products Company; Van Den Bergh Foods; General Mills; The Pillsbury Company; Thomas J. Lipton, Inc.; Lever Brothers Company; Pepsi-Cola U.S.A.; Procter & Gamble Company; Borden, Inc.; Dow Brands; Southland Corp.; Bluegrass Coca-Cola.

"Grocers Care" awards recognize the involvement of individual food retailers and wholesalers in community programs. A sampling of exemplary contributions includes:

A Healthy America—

Participation in a single day sales support of "Grocers Fight Cancer," American Heart Association, American Diabetes Alert, Red Cross and other national charitable organizations where a percentage of sales are donated;

Programs to shelter and feed the homeless and hungry;

Fitness programs and support in planning activities as well as supply healthy food;

Senior citizen assistance.

A Proud America—

Support of our Armed Forces in the recent Gulf War;

Voter registration campaigns;

Sports tournaments in support of charitable organizations as well as local hospitals, fire, and police departments;

Boy and Girl Scouts, Little and Lassie Leagues, and other sports program sponsorships.

A Clean America—

Environmental commitments from the manufacturing and packaging process to recycling at the store level to instituting local recycling centers;

Reading programs to fight illiteracy, local educational commitments through scholarships, percentage of sales contributions, and computers for student programs; and

Contributions of time, funds, and buildings in support of the arts.

Mr. President, these examples demonstrate the significant contributions that retail and wholesale grocers make to their communities. I congratulate the members of the National Grocers Association and commend them for their efforts.•

ISSUES FOR THE MOSCOW HUMAN RIGHTS MEETING: ROMANIA

Mr. DECONCINI. Mr. President, the Conference on Security and Cooperation in Europe [CSCE] meeting of the Conference on the Human Dimension is scheduled to take place in Moscow from September 10 to October 4, 1991. This meeting, the third in the human dimension series, will be a milestone in the CSCE process. Its very location symbolizes how far we have come in bridging the gap between East and West—yet it also serves to remind us that progress remains to be made in order to fulfill the human rights commitments enshrined in CSCE documents.

One crucial component of this meeting will therefore be the review of implementation. A careful and balanced appraisal of the human rights situation in member states, made in the spirit of cooperation and constructive concern, will help highlight the successes, and dramatize the shortcomings, of the CSCE process thus far.

Romania, for example, has made significant improvement in many areas, such as freedom of movement, freedom of expression, and freedom of religion. There has been an explosion of independent newspapers and journals, and authors may freely write on a wide range of issues. Measures have been taken to improve the status of national minorities in the areas of education, culture, and religious freedoms, and the various national minorities are guaranteed representation in Parliament. These and other changes are most welcome.

Nonetheless, a number of matters continue to give us concern. The Helsinki Commission, which I co-chair, still receives reports of intimidation and harassment—anonymous letters, phone calls, threats—against personalities and groups that criticize the Government. It is unclear who is responsible for this harassment, but the Romanian authorities seem unable or unwilling to identify and prosecute the perpetrators. In addition, journalists have been assaulted on several occasions this year—not only by anonymous thugs, but also by the Romanian police. The Ministry of the Interior claims it has taken punitive actions against the policemen who assaulted a number of journalists in April, yet its refusal to identify the perpetrators—even to the victims—has bred skepticism and mistrust.

Press freedom has been one of the most important developments since the fall of Ceausescu. Yet there has been a dark side to the liberation of the press as well. Despite the fact that only some 18,000 Jews remain in Romania, a country of 23 million, a virulent strain of anti-Semitism has emerged since the revolution of December 1989. Ultranationalist newspapers such as Romania Mare, edited by two of Ceausescu's former propagandists, regularly print anti-Semitic and inflammatory articles. Romania Mare has the largest circulation of any weekly paper in Romania. On June 4, the Government of Romania issued an official declaration condemning and distancing itself from anti-Semitic and racist press articles. This is a welcome step forward.

In addition to resurgent anti-Semitism, the situation of Romania's 2 million strong Hungarian minority remains a source of tension. Controversies surrounding the right to mother-tongue education have led to angry confrontations, most notably the brutal interethnic clashes in Tirgu Mures last March. Several draft pieces of important legislation, including the law on national security, the audio-visual law, and the Constitution, have included provisions perceived to endanger minority rights—provisions the Hungarian Democratic Alliance and others have struggled to block or amend. Hungarians are markedly under-represented in local administrations, but local elections, now scheduled for October, may redress this situation.

We should urge Romanian officials at all levels to speak out boldly and consistently against anti-Semitism and other forms of ethnic intolerance, and to do all they can to promote mutual respect and understanding among Romania's citizens. This appeal is especially urgent in a period of transition and economic hardship, when popular fears and uncertainties may find an outlet in prejudice or even violence. This seems to be the case with regard to the recent spate of attacks against Roma (Gypsy) individuals and their property—attacks which have sometimes enjoyed tacit sympathy from local authorities. Popular notions of justice must not be allowed to undermine basic standards of law enforcement and human rights.

Mr. President, I raise these concerns today in anticipation of the CSCE Moscow meeting, both to emphasize the need for a serious review of implementation and to urge the United States to participate fully in that endeavor. Having come so far in the area of human rights, we owe it to the people of Europe to persevere in our efforts. We should be prepared to discuss the situation in Romania, and in other members states, with candor and concern.•

ISRAEL HAS EARNED AMERICA'S ASSISTANCE

• Mr. D'AMATO. Mr. President, I rise today to address the question of absorption loan guarantees for the State of Israel, an issue which the Senate will consider this September.

I believe that our Government should immediately declare its support for the $10 billion in guarantees which are to be considered, this despite the commitment by the Israeli Government not to make this request until September. I also call upon my Senate colleagues to likewise declare their support for several reasons:

I was in Israel when she made unprecedented sacrifices for a friend—America. Israel subjected herself to bombardments by Iraqi Scud missiles which caused massive destruction, loss of life, and permanent psychological damage. What nation has ever deferred its natural instinct and ability for superior defense? I was in the gas shelters with men, women, and children and have no doubt of the lingering damage that will always remain with them.

Israel is shortly expected to take a monumental risk by participating in peace talks with governments who cannot guarantee that their successors will abide by agreements because they are dictatorships. These are governments which have maintained a pathological boycott against the Jewish state. Other participants include the United Nations, which still holds that zionism is racism, and the Soviet Union, which has yet to extend diplomatic recognition to Israel.

Mr. President, Israel is our only true friend in the Middle East because it is an enduring democracy. Israel should not have the overriding concern for absorption loan guarantees as she enters into peace negotiations which may determine her very survival.

The provision of these guarantees would be a humanitarian gesture. Israel's population will increase 20 percent in the next 5 years as a result of refugee absorption. These guarantees will help Israel to absorb the most educated wave of immigrants in her history—40 percent have college degrees, and will expand the economy and generate revenues.

Additionally, Israel has never defaulted on a loan. I wish to point out that these are loan guarantees, not loans or grants, and involve no transfer of funds from the Treasury of the United States.

Mr. President, our great Nation was critical in securing the freedom of Soviet Jewry. Our support for absorption loan guarantees is the next logical and humanitarian step.•

NATIONAL ENERGY POLICY

Mr. WELLSTONE. Mr. President, I rise to call the attention of the Senate to an important article in the July 12 issue of the respected journal, Science. Entitled "Resource Constraints in Petroleum Production Potential" and written by three researchers on the staff of the U.S. Geological Survey's World Energy Resource Program, it offers an alarming vision of the future of the world's oil supplies. It describes a serious problem any real national energy strategy must address.

In this paper, the authors provide a detailed analysis of the present and potential sources of oil in the world. Their principal conclusion is that within two decades the Middle East will come to be the world's dominant source of petroleum. The United States and the Soviet Union are already declining in annual production. And this careful, comprehensive study of oil-producing geological formations worldwide concludes that it is extremely unlikely that there will be major new oil field finds anywhere of sufficient magnitude to offset the dominance of Middle East oil and the consequent vulnerability of the United States and many other industrialized nations.

What is more, while global oil production will continue to increase through the first two decades of the 21st century, the authors conclude: "beyond that time we must expect that the world fuel supply will change fundamentally, because oil will account for a declining fraction of energy consumption."

This study is a clear signal that danger lies ahead unless we get serious now about dealing with our national addiction to petroleum.

Mr. President, I ask that this important analysis be included in the RECORD, so my colleagues and the American people will have an opportunity to study it. When we come to debate soon what should be the ingredients of a national energy strategy, we must take into account the insights of this study into the dangerous energy future we face unless we make a serious national commitment now.

We must get serious about reducing petroleum consumption where we use it the most—in transportation, primarily on our highways in our cars and trucks.

We must demand increased energy efficiency in our vehicles. Our national security depends on it.

We must demand a serious commitment to alternative transportation fuels, like ethanol and natural gas and hydrogen and electricity from renewable sources. The economic vitality of our nation depends on it.

We have only 20 years. We must begin now to cure our national petroleum addiction by mapping out how we as a Nation will move seriously to highly efficient cars and trucks and alternative transportation fuels in those 20 years.

That is a central element of what a national energy strategy should be about—a serious commitment to planning a twenty-year transition to a transportation future built around cars and trucks that are at least twice as efficient as those on the road today and renewable, domestically produced alternative fuels.

I do not see such a serious, long-term, transition perspective in either the Bush administration's proposal or in the Senate Energy Committee's bill. The Department of Energy's own analysis of these proposals concludes that following the path proposed in S. 1220 our Nation's dependence upon unstable foreign sources of oil will continue to grow. Under the administration's plans, in the coming decades OPEC nations will supply not just half of our oil needs, as they do today, but two-thirds or more.

This precarious situation will not come about due to our inability to be more efficient or produce renewable fuels. If it comes about, it will be due to our failure to pursue an effective energy policy. S. 1220 is not an effective energy policy response to this crisis. An analysis prepared by the American Council for an Energy Efficient Economy concludes that the programs proposed in all of the 16 titles of S. 1220 will produce only 3 percent of the oil savings that could result if the energy bill included specific, strong vehicle efficiency standards.

Mr. President, I also request that this analysis be included in the RECORD, so my colleagues will have an opportunity to study it. When we come to debate our national energy strategy, it will help separate rhetoric from reality.

I would also call to the attention of my colleagues a letter which I have received from Dr. Jay D. Hair, president of the National Wildlife Federation, regarding S. 1220. On behalf of the 5.5 million members of NWF, Dr. Hair states "S. 1220 does not provide our county with the energy policy Americans expect, need, or deserve." Enclosed with his letter was a synopsis of this legislation which explains in some detail why some 19 national organizations have now joined in opposing it.

Mr. President, I ask that this letter and the synopsis of S. 1220 be included in the RECORD following these remarks.

In conclusion, I wish to state emphatically that S. 1220, the National Energy Security Act of 1991, is not a national energy strategy that responds to the energy problems we face. As my colleague from New Jersey, Senator BRADLEY, so aptly put it in his minority views on this bill, "Some of my colleagues will hail this bill as a solution. In my view it's far from that. Rather, it reads like an industry wish list that in numerous cases is contrary to the public interest."

The material follows:

RESOURCE CONSTRAINTS IN PETROLEUM PRODUCTION POTENTIAL

(By C.D. Masters, D.H. Root, and E.D. Attanasi)

NOTE.—Geologic reasons indicate that the dominant position of the Middle East as a source of conventional petroleum will not be changed by new discoveries elsewhere. The share of world crude oil production coming from the Middle East could increase, within 10 to 20 years, to exceed 50 percent, under even modest increases in world consumption. Nonconventional resources of oil exist in large quantities, but because of their low production rates they can at best only mitigate extant trends. Increased production of natural gas outside the United States, however, offers an opportunity for geographically diversified energy supplies in the near future.)

The discovery and production of mineral and energy resources have always been shrouded in the mystery of the physically unknown and the economically uncertain. The scientist struggles to understand the physical nature of the commodity to better predict its occurrence and volume; at the same time, the economist tries to understand the economic parameters of the commodity in order to predict its role in the market. Commonly, resources originally in large supply have been on the verge of running out just as some new large source has been miraculously discovered or some new process has permitted us to economically extract the resource from a heretofore low-quality source.

In spite of an imperfect knowledge of nature and the limits of technology, we have to make judgments on the basis of current understanding to plan adequately for the future. In this regard, oil and gas are particularly critical commodities because they provide the greatest share of the energy on which our world economy depends. Not all hydrocarbon occurrences are effective sources of fuel for modern industrial socienties, in which large volumes of products are essential. Only when oil and gas resources can be produced at a high flow rate are they important to the fuel market.

The world is not, at present, short of oil and gas (as evidenced by quick adjustments in the period from August 1990 to January 1991 associated with the loss of Iraq's and Kuwait's crude oil contributions). Large quantities of oil, amounting to some 50 years at the present rate of consumption, and an even greater volume of gas have already been discovered (Tables 1 and 2). Indeed, we can expect that conventional oil and gas production will continue to increase through the first couple of decades of the 21st century.[1] But beyond that time, we must expect that the world fuel supply will change fundamentally, because oil will account for a declining fraction of energy consumption. Furthermore, the next several decades will not likely experience just a gradual exhaustion of oil as the primary energy resource. Rather, the supply of oil likely will be periodically disrupted owing to its increasingly narrow geographic distribution into the single dominant area of occurrence—the Middle East[2]. Stability in the Middle East, as defined by a consistent flow of oil at stable prices, is critical to the modern economic activities in the world. As other parts of the world progressively decline in their capability to produce oil, the Middle East will become increasingly important until substitute sources of fuel energy, with their attendant infrastructures, are developed.

Belief in the above prediction of petroleum availability requires confidence in the professional assessment and analysis of petroleum resources. Petroleum data are incomplete and uncertain, and analogy must take the place of on-the-ground inspection in many remote and deeply buried goelogic regions. Conclusions from such professional inquiries have varied substantially over the years. These variations have, in part, stemmed from differences in definitions of the resource, which, for some, also included the unconventional resources of extra-heavy oil, tar sands, tight gas sands, clathrates, and other marginal to noneconomic resource occurrences. Although these unconventional materials may someday supplement conventional fuel resources, the rates of production of unconditional resources alone will likely be too low to satisfy the demands of fuel markets, however valuable they may remain to the petrochemical industry.

Because of the increasing acceptance of hypotheses of the origin of petroleum and our exploration of the entire globe, differences among estimates of petroleum availability are narrowing; the core understanding of resource occurrence has not changed in several decades.[2] We cannot know where each new discovery will be made, but now we can be substantially confident that new, large occurrences of oil, such as would be necessary to alter the proportional contribution of the Middle East to world petroleum, are not likely to be found; certainly, no such occurrences have been found in the several recent decades of intense worldwide petroleum exploration.[3]

Although we can see that the remaining crude oil supply is becoming concentrated in a few areas, there are, nonetheless, alternatives on the horizon. As in all energy use, however, change requires infrastructure development, which takes time, costs money, and bears substantial risk because of competing low-cost fuels. The immediate alternative, and it still involves petroleum, appears to be to make full use of the natural gas component of petroleum. The present world geographic distribution of major gas reserves is not conducive to local use in large quantities, but, if gas reserves were converted to liquefied natural gas or to middle distillates, they could be transported readily to market. Extra-heavy oils of Venezuela and tar sands of Canada, so-called unconventional resources, in combination with conventional petroleum, could also make a short-term difference as a Western Hemisphere counterbalance to Middle Eastern supply dominance.

WORLD PETROLEUM RESOURCES

Ultimate resources. Hypotheses of broad characterizations of world paleoclimate, geography, and geology permit us, inductively, to infer the regional petroleum properties useful in making quantitative petroleum resource assessments. These inferences from the hypotheses can then be tested areally and stratigraphically for local concurrence by exploration activities.

The presence of economically recoverable petroleum is essentially a function of five independent variables combining in a satisfactory manner: source rock, reservoir rock, trap, seal, and timing. The occurrence of large resources requires nearly optimum conditions for each of the five variables and is, therefore, a statistically rare event. Owing to the studies over the past 10 years in the World Energy Resources Program of the U.S. Geological Survey and, in particular, to the work of Ulmishek and Klemme (4), we can now recognize four areas of the world, or realms, wherein certain germane physical and biological conditions during geologic times have occurred that were either favorable or unfavorable to the occurrence of petroleum throughout the realm. These areas are the Tethyan realm, the Boreal realm, the South Gondwana realm, and the Pacific realm.

About two-thirds of the world's petroleum is associated with the Tethyan realm, which is named for Tethys, an approximately equatorial seaway that, from time to time, separated Laurasia (the northern paleocontinent) from Gondwanaland (the southern paleocontinent) (*5*). This warm water marine seaway, lying approximately between the 30° latitudes, north and south, was ideal for source rock deposition and permitted the development of carbonate bank petroleum reservoirs that do not form extensively in colder waters at higher latitudes. Salt is also deposited in warm, shallow water, and it provided excellent seals to prevent leakage from the trap and in some areas produced structures to entrap oil by flowing and mounding. Trap formation was further enhanced by the continental collisions associated with the frequent plate tectonic openings and closing of the Tethyan seaway over geologic time. The maintenance over much of geologic time

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Footnotes at end of article.

of the ideal conditions for the origin and entrapment of petroleum ensured that trap formation and reservoir development would generally be coincident with oil formation and migration.

The Boreal realm, to the north of Tethys, contains about one-quarter of the world's petroleum, whereas its counterpart south of Tethys, the South Gondwana realm, contains only about one-twentieth of the world's petroleum. The relatively good petroleum potential of the Boreal realm developed because, during Paleozoic time, the continents now composing the Boreal realm were for the most part located south of 30° N (in the vicinity of Tethys). This location permitted the development of good source rock, carbonate bank reservoirs, and evaporite salt seals. Only in Mesozoic and Cenozoic times was the continental block dominantly in the northern high latitudes; at those times, conditions favored natural gas accumulation. Gondwanaland, on the other hand, the mirror image of continents in the Northern Hemisphere, was clustered around the South Pole during early and middle Phanerozoic time (about 500 million to 200 million years ago); only the northern boundaries of the South American and African blocks of Gondwanaland extended into the Tethys region. Thus, the extraordinary petroleum provinces of Venezuela, Algeria, Libya, and the Arabian-Iranian Gulf lie in the Tethyan realm.

The remainder of Gondwanaland constitutes the South Gondwana realm and is general characterized by the absence of good source rocks, carbonate bank deposits, and evaporitic salt seals. After the breakup of Gondwanaland, which occurred in Late Jurassic and Early Cretaceous time (some 150 million year ago), the various continental blocks migrated sufficiently north to permit favorable petroleum geology conditions, as evidenced today by petroleum reservoirs, mostly in coastal areas, found in esatern South America, West Africa, India, and southeasternmost Australia. Even in these later times, however, continental blocks in the South Gondwana realm were mostly above sea level, and had only limited access to the marine depositional conditions that might have provided high petroleum potential.

The Pacific realm contains only about one-twentieth of the world's petroleum. Subduction and the dragging down of the continental margin have served to metamorphose all but the most recent sedimentary rocks and have left only Neogene rocks with petroleum potential. But even the Neogene rocks are affected secondarily by the results of subduction, because they commonly are inundated with volcanic debris that destroys reservoir properties and hence the potential for large petroleum accumulation.

Within the Pacific realm, as in all other realms, the few windows of anomalous petroleum abundance have been successfully exploited. Nonetheless, there now is sufficient understanding of regional geologic history and processes to be able to postulate with confidence the expected geologic conditions with each realm and to infer their particular petroleum geology properties. From that understanding, and using analogs developed for the most part within each realm, we have assessed undiscovered petroleum potential by basin and country (Table 1 and 2)[6]. Even though oil and gas are distinctly different commodities that can be generated in widely differing ways, their origins have many similarities and in large measure they occur together. This is so because the giant occurrences of natural gas dominate the total resource volumes, and these tend to be located where the giant resources of oil also have been discovered. An exception to this generalization appears to be the Barents and Kara seas, where large dry gas resources recently have been discovered without significant companion oil deposits. Generally, good sealing rocks, such as salt, are required to secure the trapping of gas, but these rocks are geologically excluded in high latitudes; the large gas resources of the West Siberian basin are sealed by permafrost. The large gas occurrences in the Kara and Barents sea areas, however, deprived of both salt and permafrost, are sealed with a fine-grained shale having low permeability.

Field growth and the identified reserve. The petroleum resources, from which one can estimate future daily production, include undiscovered and discovered resources (Table 1 and 2). The quantity of undiscovered oil and gas resources is uncertain and is expressed in Table 1 by the reporting of a probability range of values. The quantity of reserves in known fields is uncertain as well. In the United States and Canada the amount of producible oil and gas from discovered fields has been consistently underestimated (7). As the fields are developed and produced, their estimated size usually increases. This increase in the estimates of ultimate field recovery is called field growth.

Two reasons that field estimates are conservative are (i) the economic penalties for underestimation are much less severe than those for overestimation and (ii) reservoirs can be discovered or extended in known fields or both. In the United States, the estimate of the remaining growth of oil recovery in discovered fields beyond proved reserves is comparable in magnitude to proved reserves.

The growth in a field's estimated size continues for decades after the field's discovery. For example, estimated recover for per-1920 U.S. fields grew about 400 mmbbl (million barrels, 1 mmbbl=1.59×10^5 m^3) per year from 1977 to 1988 and accounted for about 15% of the total additions to U.S. reserves (8). In the United States during the period from 1978 through 1988, approximately 83% on average of the additions to proved reserves came from growth of fields that were more than 6 years old (8). Estimates of reserves in fields outside the United States and Canada are not as well documented but appear to show similar trends with regard to growth of discovered fields. Specifically, annual additions to world reserves appear to be much larger than can be accounted for by new field discoveries (3).

Our estimates (Table 1 and 2) of reserves for the United States include 22 bbo (billion barrels of oil, 1 bbo=1.59×10^8 m^3) of expected field growth. The corresponding figure for gas is 100 tcf (trillion cubic feet, 1 tcf=2.8×10^{10} m^3). We believe that the oil reserves in the Soviet Union (Table 1) also include a significant component beyond the strict definition of proved reserves. For most of the other non-OPEC (Organization of Petroleum Exporting Countries) members, our estimates do not include the expected growth of discovered fields; most of the reserve estimates for oil and gas came from *World Oil* (9). The understatement of gas reserves (Table 2) is likely even greater than that for oil because gas is far less developed than oil as an energy source in most areas of the world.

TABLE 1. CRUDE OIL PRODUCTION, RESERVES, AND UNDISCOVERED RESOURCES

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
North America	182.8	4.4	83.0	19	67	121	197	204	387
Canada	14.3	0.5	7.0	14	9	33	57	40	55
Mexico	15.7	0.9	27.4	29	15	37	75	64	80
United States	152.7	3.0	48.5	16	33	49	70	98	251
Other	0.1	0.0	0.1	20	1	1	3	2	2
South America	57.9	1.4	43.8	30	18	44	86	88	146
Argentina	4.9	0.2	2.3	14	1	2	5	5	10
Brazil	2.5	0.2	2.8	13	3	9	18	11	14
Venezuela-Trinidad[1]	43.9	0.8	34.4	46	8	20	36	54	98
Other	6.7	0.3	4.3	13	5	14	30	18	25
Western Europe	15.7	1.4	26.9	19	11	28	56	55	70
Netherlands	0.5	0.0	0.2	6	....	....	....	....	....
Norway	3.1	0.4	11.0	26	5	13	25	24	27
United Kingdom	8.6	0.8	13.5	16	4	11	23	25	33
Other	3.5	0.2	2.2	14	1	4	10	6	10
Eastern Europe	6.8	0.1	2.0	15	1	2	4	4	11
Soviet Union	103.6	4.5	80.0	18	46	101	187	181	285
Africa	46.4	2.0	58.7	29	20	48	92	106	153
Algeria[1]	9.1	0.4	8.4	22	1	2	5	11	20
Angola	1.3	0.2	2.0	12	1	2	4	4	5
Egypt	4.4	0.3	4.6	15	1	5	12	9	14
Libya[1]	15.9	0.4	22.4	59	4	8	15	30	46
Nigeria[1]	12.4	0.6	16.0	29	4	9	18	25	38
Other	3.2	0.2	5.3	24	9	21	41	27	30
Middle East	160.2	5.1	584.8	114	66	122	199	706	867
Iran[1]	36.1	0.6	63.0	105	11	22	35	85	121
Iraq[1]	19.9	1.0	99.0	99	15	45	80	144	164
Kuwait[1]	23.3	0.5	96.0	204	1	3	7	99	123
Saudi Arabia[1]	55.8	1.8	255.0	142	20	41	65	296	351
United Arab Emirates[1]	11.0	0.6	56.2	98	3	7	13	63	74
Other	14.2	0.7	15.6	23	2	4	8	20	34
Asia-Oceania	36.8	2.2	42.8	19	37	81	148	124	160
Australia-New Zealand	3.0	0.2	2.4	12	2	5	11	8	11
China	13.0	1.0	22.0	22	20	48	93	70	83

TABLE 1. CRUDE OIL PRODUCTION, RESERVES, AND UNDISCOVERED RESOURCES—Continued

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
India	2.6	0.2	4.5	19	1	3	7	8	11
Indonesia [1]	13.3	0.5	8.4	17	5	10	18	18	32
Malaysia-Brunei	3.9	0.2	4.6	19	3	6	10	10	14
Other	0.9	0.0	1.0	22	4	8	15	9	10
World	610.1	21.3	922.1	43	275	547	945	1,469	2,079

[1] OPEC member (note Trinadad is not in OPEC).

Explanation of numbered columns in Table 1. Crude oil production, reserves, and undiscovered resources (3, 9, 18–20). Data are reported in bbo (bbo=0.159×10^9 m^3). Data smaller than 0.05 bbo are reported as 0.0. The column numbers identify the following : (1) cumulative production through 1988; (2) 1988 production; (3) identified reserves; (4) reserves/production (5) lower bound of a 90% confidence interval for undiscovered resources; (6) mean undiscovered resources; (7) upper bound of 90% confidence interval for undiscovered resources; (8) futures [(3)+(6)]; (9) ultimate resources [(1)+(3)+(6)].

TABLE 2. NATURAL GAS AND NATURAL GAS LIQUIDS (NGL) PRODUCTION RESERVES

	Natural gas									NGL	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(3)	(6)
North America	826.5	21.2	440.2	21	581	926	1,378	1,366	2,193	11.5	19.4
Canada	73.1	3.2	94.8	30	153	367	646	462	535	2.4	8.4
Mexico	21.9	1.1	73.4	66	70	157	291	231	252	1.1	2.4
United States	731.5	16.9	272.0	16	307	399	507	671	1,403	8.2	8.6
Other	......	......	0.0	......	1	3	6	3	3	0.0	0.0
South America	36.4	2.3	168.9	73	95	210	387	379	415	2.5	3.1
Argentina	9.3	0.8	27.3	36	10	37	75	64	74	0.4	0.6
Brazil	1.8	0.2	3.8	19	10	53	100	57	59	0.1	0.8
Venezuela-Trinidad [1]	17.2	0.9	118.8	134	20	65	140	184	201	1.8	1.0
Other	8.1	0.4	18.9	43	26	55	99	74	82	0.3	0.8
Western Europe	120.3	6.0	219.4	37	121	206	320	425	545	3.3	3.1
Netherlands	52.0	1.9	61.1	32	5	10	20	71	123	0.9	0.1
Norway	9.3	1.1	93.1	88	55	157	240	251	260	1.4	2.4
United Kingdom	23.3	1.6	42.2	27	8	20	46	62	86	0.6	0.3
Other	35.7	1.4	23.0	16	11	18	27	41	77	0.3	0.3
Eastern Europe	46.8	0.0	22.1	......	......	......	......	22	69	0.3	......
Soviet Union	332.2	27.5	1,450.0	53	739	1,582	2,861	3,032	3,364	21.8	23.7
Africa	29.9	2.1	206.2	98	216	444	784	650	680	3.1	6.7
Algeria [1]	15.0	1.6	104.2	67	6	26	53	131	145	1.6	0.4
Angola	......	......	1.7	......	2	6	11	7	7	0.0	0.1
Egypt	1.4	......	9.4	......	8	30	60	40	41	0.1	0.5
Libya [1]	5.4	0.2	25.6	127	7	27	55	52	58	0.4	0.4
Nigeria [1]	5.9	0.1	47.3	479	80	182	340	229	235	0.7	2.7
Other	2.3	0.3	18.0	72	84	173	306	191	193	0.3	2.6
Middle East	54.6	2.6	1,247.2	481	623	1,125	1,826	2,372	2,427	18.7	16.9
Iran [1]	17.1	0.6	595.0	947	300	567	1,000	1,162	1,179	8.9	8.5
Iraq [1]	3.2	......	34.8	......	60	120	200	155	158	0.5	1.8
Kuwait [1]	5.3	0.2	37.8	210	3	6	10	44	49	0.6	0.1
Saudi Arabia [1]	13.1	0.9	181.3	200	200	360	600	541	554	2.7	5.4
United Arab Emirates [1]	7.1	0.3	187.1	609	30	60	100	247	254	2.8	0.9
Other	8.8	0.6	211.2	369	6	13	22	224	233	3.2	0.2
Asia-Oceania	76.8	4.8	288.3	60	365	723	1,248	1,011	1,088	4.3	10.8
Australia-New Zealand	7.0	0.7	40.8	57	35	102	219	143	150	0.6	1.5
China	17.1	0.5	30.0	60	122	260	467	290	307	0.5	3.9
India	1.6	......	21.0	......	9	28	62	49	50	0.3	0.4
Indonesia [1]	13.0	1.2	85.6	69	47	95	167	181	194	1.3	1.4
Malaysia-Brunei	4.7	......	65.0	......	30	74	150	139	143	1.0	1.1
Other	33.5	2.3	45.9	20	86	164	276	210	243	0.7	2.5
World	1,523.6	66.5	4,042.2	61	2,897	5,216	8,448	9,258	10,782	65.6	83.8

[1] OPEC member (note Trinidad is not in OPEC).

Explanation of numbered columns in Table. 2. Natural gas and natural gas liquids (NGL) production, reserves, and undiscovered resources (3, 18, 21, 22). Liquid data reported as billion barrel (0.159×10^9 m^3), gas reported as tcf (28.9×10^9 m^3). The column numbers are the same as those in Table 1.

ANALYSIS OF RESOURCE QUANTITY AND GEOGRAPHIC LOCATION

Maturity of nonrenewable resources. Economists are wont to argue that nonrenewable resources are inexhaustible because decreases in supply will cause price increases that adjust demand and promote marginal production and substitutions. We do not contest the theoretical tenets of that position; all those reactions will surely occur. They might not, however, prevent declining production of crude oil and a loss of significant parts of the fuel market.

By concluding that the petroleum industry is mature we mean that it is unable to maintain production of conventional oil within the limits of historical prices. A number of factors affect production, principally the drilling rate and the size and geologic quality of the geographic area where petroleum can be produced economically. When prices, over the range of historical experience, limit entry of the industry into frontier or high-cost areas or prevent sufficient drilling to maintain production, the industry is mature.

By this definition, the U.S. petroleum industry in the lower 48 states is mature. Production is declining under current economic conditions, and during the recent times of much higher prices the United States was not able to increase production, even including Alaskan production, to the peak level of 1970. In areas having roughly uniform drilling costs (per well), a maturation pattern similar to that of the onshore lower 48 states can be expected: initial discoveries result in a buildup of reserves and increasing production and are followed by declining discovery rates (1945 to 1955), stable reserves (1960s), and declining production (1970 to date). The time periods delineating any of these stages can be shortened or lengthened by fluctuating prices or other economic instabilities. This maturation pattern of the U.S. oil industry has also been followed by the gas industry, but it has lagged by several years.

Recent world production history. By 1988 OPEC, the United States and the Soviet Union jointly, and the other non-OPEC producers each accounted for about one-third of world oil production (Fig. 2). In 1973 OPEC had accounted for 55% of world production, representing their historical maximum, which they were able approximately to maintain until 1979. After 1979, however, there was a sharp decline in OPEC production because of reductions in world demand for oil associated with the 1979 major price increases. The price increases permitted continued development of high-cost areas such as the North Sea and the U.S. North Slope and encouraged marginal developments, all of which eventually limited the OPEC market share. This price response produced an expectation that price increases would bring on major new oil discoveries as needed. Studies by workers in the World Energy Resources Program of the U.S. Geological Survey, however, suggest that no new major basins (that is, with 20 billion barrels of recoverable crude oil) are likely to be discovered.[3]

During the period of 1960 to 1988, the combined production of the United States and Soviet Union grew at a rate of 2.6% per year irrespective of major price fluctuations. We know from the component parts that the flattening of the joint U.S. and U.S.S.R. production curve would have been a production decline if the price escalation during this period had not supported the North Slope development. U.S.S.R. production increased steadily to 1979, but since 1980 it has been relatively flat. The growth in production of other non-OPEC producers from 1960 to 1988 increased at an annual rate of 7.6%, which reflected the development of new provinces in the North Sea and Mexico and increases in production in China, Egypt, Oman, Brazil, Malaysia, and dozens of smaller producers. The rate of production increase was established before the price increases, but the price increases permitted development in the North Sea and other high-cost areas to contribute to the maintenance of that rate of increase of production in the other non-OPEC countries.

Because of U.S. and U.S.S.R. production declines resulting from industry maturity, it seems clear that non-OPEC production will become inadequate and that OPEC's dominance in world production will return. The geographic concentration of OPEC futures (identified reserves plus mean undiscovered resources) (Table 1) suggests that future

OPEC production will increasingly be concentrated in the Middle East. In order to predict the time period when OPEC can be expected to regain dominance in world crude oil production, one must develop scenarios of the production capabilities of non-OPEC countries.

Scenarios of non-OPEC crude oil production capabilities. Currently, two-thirds of world oil production is from non-OPEC countries, but these countries account for only 25% of the world's identified reserves. The geographic distribution of world oil production has been changing and will continue to shift toward the Middle East. The conventional resources shown in Table 1 permit inferences about future production capabilities. This analysis leads to the conclusion that under generally stable economic and political conditions, the market share of non-OPEC producers could decline to below 50% of world oil production during the next 20 years.

The elements of the analysis of future production potential are (i) the annual additions to reserves from new discoveries and from growth of discovered fields and (ii) the fraction of proved reserves produced annually. Calculations were done for individual countries and summed. In calculating the production capabilities we assumed that political and economic factors will permit the non-OPEC countries to develop their conventional resources at rates similar to those of the early 1980s.

Projected additions to reserves from new discoveries were based on extrapolations of each country's past discovery rate. The projections were constrained so that by 2010 at least half of the mean undiscovered oil shown in Table 1 would be in discovered fields, although not necessarily yet credited through growth to proved reserves. Projected additions to proved reserves from growth in the estimated recovery of discovered fields were based on field growth factors calculated from U.S. data (10).

Three scenarios were calculated: the low scenario, having growth of proved reserves plus cumulative production (for both new and older fields) at one-third of the U.S. rate and one-twentieth of the proved reserves produced annually; the middle scenario, having growth at one-half of the U.S. rate and one-sixteenth of the proved reserves produced annually; and the high scenario, having growth at two-thirds of the U.S. rate and one-twelfth of the proved reserves produced annually. However, if a country was already producing its reserve at a greater fraction than assumed in a scenario, then that country's fraction remained constant.

The Soviet Union and the United States account for about half of non-OPEC production, and in all scenarios the production of both countries is projected to decline U.S.S.R. production is projected to decline from 11.7 mmbbl of oil per day in 1988 to between 7.3 mmbbl per day and 7.8 mmbbl per day in 2010. By 2010, U.S.S.R. proved reserves are projected to decline by 22 bbo to 24 bbo even though 49 bbo to 53 bbo are added to proved reserves. U.S. production is projected to decline from 8.1 mmbbl per day in 1988 to 4.4 mmbbl per day in 2010. By 2010, U.S. proved reserves are projected to decline by 12.5 bbo even though 33.5 bbo are added to proved reserves.

Production from other non-OPEC producers is projected in 2010 to range from 0.4 mmbbl per day less than in 1988 to 4.1 mmbbl per day more. By that time, the non-OPEC producers outside the United States and Soviet Union are projected to have added 135 bbo to 154 bbo to reserves through discovery and development, although their proved reserves will decline from 122 bbo to about 100 bbo.

The net result is that by 2010 non-OPEC production, in all scenarios, will be below the 1988 level. By 2010, non-OPEC production is projected to decline from 38 mmbbl per day in 1988 to 29 mmbbl to 34 mmbbl per day. Total additions to non-OPEC proved reserves during this period are 241 bbo under the high scenario and 218 bbo under the low.

An annual world oil consumption growth of 1% implies, under the low non-OPEC production scenario, that by 2010 OPEC would be required to supply 43 mmbbl per day; under the high scenario, 38 mmbbl per day would be required of OPEC. For a 2% annual consumption growth, the corresponding OPEC production requirements would be 61 mmbbl per day and 57 mmbbl per day. Under the assumption of 1% consumption growth and the high scenario, OPEC would achieve 50% of world production in 2009. Under the assumption of 2% consumption growth and the low scenario, OPEC would achieve 50% of world production in 1998. OPEC's highest crude oil production was 32 mmbbl per day in 1973 and 1979.

About 10% of the liquid petroleum produced outside of OPEC is in the form of liquids extracted from natural gas and amounts to about 4 mmbbl per day. We projected future gas production by a method similar to that used for oil production. The result was that the production capability for natural gas liquids increased from 4 mmbbl per day to 7.6 mmbbl per day by 2010, with all but 0 to 0.5 mmbbl per day of the increase coming from increased gas production in the Soviet Union[11]. Even given the optimistic assumptions for gas demand growth, any net increase from liquids produced from gas is unlikely to postpone by more than a year or two the time when OPEC achieves 50% of the world's production of petroleum liquids.

Crude oil alternatives. During the next 20 years, additional crude oil will come from improved recovery of the oil remaining in discovered fields, extra-heavy oil, and bitumen. Recovery from such sources, however, has higher investment requirements than conventional oil production, and the rate of recovery has historically been low. Demand for crude oil could also be dampened by direct substitution of natural gas and the conversion of gas to liquid transportation fuels.

The National Petroleum Council's assessment of possible additions to U.S. crude oil reserves from enhanced oil recovery (EOR)[12] amounted to 14.5 bbo (27.4 bbo in the advanced technology case) on the basis of a $30 per barrel oil price in 1984 dollars. The dramatic 1986 price decline resulted in the suspension of many EOR projects such that significant contributions from EOR may not be realized before 2010. Applications of EOR are specific to location and field. Percentage increases in recovery from individual fields with atypical reservoirs cannot be extrapolated nationwide.

Venezuela's Orinoco extra-heavy oil belt contains the world's largest accumulation of extra-heavy oil (denser than water and fluid in the borehole). Of the estimated 1200 bbo remaining in the belt, some 267 bbo are judged to be recoverable. This oil requires upgrading to be used as a refinery feedstock. By the year 2000, 0.5 mmbbl per day of extra-heavy oil are planned to be produced from the Orinoco[13]; although this planned amount of production is obviously not limited by resources, its modest level suggests some restriction.

For at least 20 years, Canada has aggressively pursued development of bitumen (denser than water and not fluid in the borehole) as an alternative source of crude oil. Canada's 308 bbo of recoverable bitumen accounts for 75% of the world's recoverable bitumen. Production capacity is expected to grow from 0.18 mmbbl per day to 0.35 mmbbl per day by the year 2000[14]. Once again, the rate of production, although modest, is not limited by the resources.

Natural gas can displace oil as an energy source in stationary end uses and also can be converted to liquid transportation fuels. It is probably the most important alternative to conventional crude oil because less than 40% of the identified gas reserves are in OPEC countries, and on an energy equivalent basis ultimate gas resources are about equal to those of oil, whereas gas production has been only about half that of oil.

The list of countries (Table 2) with large reserve-to-production ratios, and hence a great capability to expand production, indicates the lack of local gas markets and the difficulty of transporting gas. Only about 10% of the gas produced enters international markets in pipelines, and only 3.3% (some 2 tcf) is converted to liquefied natural gas (LNG). Annual LNG trade is expected to grow, but under present incentives only to about 4 tcf to 6 tcf by 2010[15]. Its growth is limited because high capital costs require that it serve a stable market so that the plants can operate near capacity.

Conversion of gas to liquid transportation fuels, such as methanol, middle distillates, or gasoline, offers another means to enhance gas use and to diversify geographically the sources of liquid fuels. The technologies are sufficiently expensive, however, that they are applicable only to low-cost gas that cannot otherwise be marketed. Although it is unlikely without mandated environmental regulations or other incentives that menthanol (a natural gas derivative) would gain wide use as a transportation fuel,[16] the markets for middle distillates and gasoline are already available and follow crude oil prices.

Technologies for producing these other liquid fuels have been developed and some have been commercially used, but none of the fuels has been produced on the scale required to affect significantly crude oil consumption. For example, Shell Oil in 1989 announced construction of a $660-million plant, the first of its kind, to convert 100 million cubic feet (2.83×10^6 m^3) per day of gas to 500,000 metric tons per year of middle distillate fuels by the use of the middle distillate synthesis process.[17] Depending on the suite of fuels produced, the plant output could be 10,000 to 12,000 barrels per day. The apparent thermal efficiency of the process is between 62 and 64%. Assuming 5.8 million Btus (British thermal units) per barrel of crude oil (38 GJ/m^3) and 1000 Btus per cubic foot of gas (0.037 GJ/m^3) with a thermal efficiency of 62%, we calculate that 3.4 tcf of gas per year is required to replace 1 mmbbl per day of crude production.

The United States does not have sufficient low-cost gas to replace its declining crude production.[18] The required increases in gas production for the Soviet Union to so compensate, however, are well within its capability. The non-OPEC producers outside of the United States, Soviet Union, and Middle East account for 661 tcf of gas reserves and 2155 tcf of gas futures but only 15.6 tcf per year of production. It is possible, with massive investments in conversion plants, that a significant part of the projected decline between now and 2010 of between 4.2 mmbbl and

9.2 mmbbl per day of non-OPEC production could be compensated for by expansion of natural gas use in the Soviet Union and other non-OPEC countries.

However, gas conversion, as with all alternative fuels, requires substantial capital investments. Even if the increasing OPEC market share leads to significantly higher prices, capital markets may not judge the price increases to be sufficiently robust or stable for development of substitutes on a large scale.

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AMERICAN COUNCIL FOR AN ENERGY-EFFICIENT ECONOMY,
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ENERGY SAVINGS ESTIMATES FROM ENERGY EFFICIENCY PROVISIONS IN THE JOHNSTON BILL (S. 1220) (BY HOWARD GELLER, ACE-3, STEVE NADEL, ACE-3, BILL PRINDLE, ALLIANCE TO SAVE ENERGY, AND BION HOWARD, ALLIANCE TO SAVE ENERGY)

INTRODUCTION

These energy savings estimates refer to the energy efficiency provisions in the comprehensive energy bill reported by the Senate Energy and Natural Resources Committee (S. 1220). Both the energy efficiency portion (Title VI) and the vehicle fuel economy portion (Title III) of the bill are covered. The energy savings calculations are relative to the baseline (the so-called current policy case), in the National Energy Strategy. It should be realized that some of the savings estimates are educated guesses due to the difficulty in projecting savings from regulatory reform, research and development, training programs, and the like. Also, in some cases, interactions between policy proposals are not taken into account. Thus, the savings estimates are necessarily approximations.

1. Building energy efficiency standards (sec. 6101)

This provision calls for establishing federal building energy codes based on ASHRAE or other consensus standards. New federally owned buildings would have to meet these standards, as well as homes financed through FHA, VA, and FmHA loans. Also, DOE is instructed to promote the adoption of the federal building energy code at the state and local level. The estimated energy savings in residential buildings are 0.01 Quads in the year 2000, 0.06 Quads/yr by 2010, 0.04 Quads cumulative during 1993–2000, and 0.40 Quads cumulative during 1993–2010.

Regarding commerical buildings, we assume that this provision results in 20% energy savings in about 25% of new commercial buildings constructed during 1993–2010. The estimated energy savings in commercial buildings are 0.08 Quads/yr in 2000, 0.26 Quads/yr by 2010 0.27 Quads cumulative during 1993–2000, and 2.04 Quads cumulative during 1993–2010.

2. Residential home energy efficiency ratings (sec. 6120)

This provision directs DOE to promulgate guidelines for home energy rating systems and provide assistance to states in support of adoption of a voluntary national home energy rating program. This type of provision should have a modest influence on housing energy efficiency. Assuming that this propsoal leads to efficiency upgrades in approximately 7% of homes at the time of sale, we estimate savings of 0.04 Quads/yr by 2000, 0.10 Quads/yr by 2010, 0.13 Quads cumulative during 1993–2000, and 0.78 Quads cumulative during 1993–2010.

3. Manufactured housing standards (sec. 6103)

This provision directs DOE and HUD to assess and make recommendations concerning energy efficiency standards for manufactured housing (i.e., mobile homes). It is assumed that stricter standards are adopted that affect 200,000 housing units each year starting in 1993, with average savings of 20 MBtu per year per unit. The estimated total energy savings are 0.03 Quads in the year 2000, 0.07 Quads/yr by 2010, 0.14 Quads cumulative during 1993–2000, and 0.68 Quads cumulative during 1995–2010.

4. Creation of research centers for energy-intensive industries (sec. 6104)

This provision calls for expanded R&D and joint ventures to improve the efficiency of energy-intensive industrial processes. This initiative is not likely to result in energy savings by 2000, but some technological changes and energy savings should result over the long run. We assume that this initiative leads to a modest reduction in energy intensity of 0.5% in the five most energy-intensive industries by 2010. Estimated energy savings are 0.1 Quads/yr by 2010 and 0.6 Quads cumulative through 2010.

5. Report to Congress on how to achieve different levels of national energy intensity reduction (sec. 6105)

While this type of study and report could be extremely useful, it is not clear if it will lead to actions that would otherwise not occur. Also, any implementation effort would likely contain the policies and responses called for in other sections of the bill. In order to avoid taking credit for energy savings that are highly uncertain and to avoid double counting of savings, no direct savings are assumed from this provision.

6. Voluntary guidelines for industrial auditing and industrial insulation levels (sec. 6106)

This section instructs DOE to develop voluntary guidelines for industrial audits, which when used should lead to better identification of cost-effective energy savings measures in factories. However, it could make the audits more complex and costly. Without further incentives, we assume that there is no net increase in adoption of conservation measures and no net energy savings.

This section also instructs DOE to develop voluntary guidelines for insulation levels in industrial facilities and to conduct come education and technical assistance. Authorization levels for the latter are relatively limited, however. We expect that this provision will have a small impact. We estimate negligible energy savings in by 2000, 0.1 Quads/yr of savings by 2010, 0.2 Quads cumulative during 1993–2000, and 1.0 Quads cumulative during 1993–2010.

7. Energy efficiency labeling for windows and window systems (sec. 6107)

This provision establishes a national program for rating and labeling the efficiency of windows and window systems. Since window efficiency testing and labeling is not yet systematically occurring, this initiative should result in energy savings. We assume that this initiative leads to a moderate efficiency improvement (i.e., use of one low-emissivity coating) in 25% of the window glass produced during 1993–2000 and a somewhat greater efficiency improvement again in 25% of window glass produced during 2001–2010. The estimated energy savings are 0.1 Quads/yr by 2000, 0.2 Quads/yr by 2010, 0.2 Quads cumulative during 1993–2000, and 1.7 Quads cumulative during 1993–2010.

8. Energy efficiency information (sec. 6108)

This provision directs the Energy Information Administration to collect more data and issue annual reports on energy use and conservation efforts. While these activities are useful, they do not lead to energy savings. This section also calls for a report to Congress on the costs and benefits of establishing reporting requirements and voluntary energy efficiency targets for energy-intensive industries. Since only a report is required, no energy savings are assumed.

9. Energy efficiency labeling for lamps and luminaires (sec. 6109)

Since the nominal power level and light output of lamps are already widely available and used, there will be no energy savings from mandatory lamp labeling. On the other hand, the efficiency of luminaires (i.e., fluorescent light fixtures) is not readily available at present. Thus, testing and labeling the efficiency of luminaires should help purchasers who are interested in energy performance. Assuming that efficiency labeling affects 90% of new fixtures starting in 1994 and results in a 1% efficiency improvement on average, the resulting energy savings are 0.01 Quads/yr by 2000 and 0.02 Quads/yr by

2010. Cumulative savings are estimated to be 0.02 Quads during 1994–2000 and 0.16 Quads during 1994–2010.

10. Equipment efficiency standards (sec. 6110)

This provision requires DOE to develop testing and labeling procedures and set minimum efficiency standards on certain types of lamps, commercial air conditioning equipment, and utility distribution transformers. We assume that DOE sets reasonable standards in all areas and that the standards take effect in 1996. Based on a separate analysis for each product involving assumptions about the expected efficiency standards, estimated energy savings per product, and projected sales of each type of product, combined energy savings are estimated to equal 0.4 Quads/yr by 2000, 0.5 Quads/yr by 2010, 1.5 Quads cumulative during 1995–2000, and 6.3 Quads cumulative during 1995–2010.

11. Energy efficiency labeling for commercial office equipment (sec. 6110)

Section 6110 also calls for an efficiency rating and labeling program for commercial office equipment (i.e. personal computers, printers, copiers, and the like). This measure should have some impact because such information is not provided to consumers at the present time. Assuming that efficiency labeling results in a 10% reduction in electricity use on average starting in 1995, the resulting energy savings are 0.07 Quads/yr by 2000 and 0.07 Quads/yr by 2010. Cumulative savings are estimated to be 0.22 Quads during 1994–2000 and 0.95 Quads during 1994–2010.

12. Showerhead efficiency standards (sec. 6111)

This provision establishes maximum flow rate requirements on showerheads, which will reduce hot water use. The standards are included in the bill and are supposed to take effect beginning in 1992. Projected energy savings are equal to 0.1 Quads/yr by 2000, 0.2 Quads/yr by 2010, 0.3 Quads cumulative during 1992–2000, and 1.8 Quads cumulative during 1992–2010.

13. Federal energy efficiency (sec. 6201–6203)

The subtitle on federal energy management includes requirements for implementing cost-effective conservation measures in federal buildings, creation of a modest fund for financing energy efficiency improvements, a fund incentives for facility energy managers who do an outstanding job, and provisions to accelerate the use of shared savings arrangements. These provisions should have some impact on federal energy use. The estimated energy savings are 0.02 Quads/yr by 2000, 0.1 Quads/yr by 2010, 0.1 Quads cumulative during 1993–2000, and 0.4 Quads cumulative during 1993–2010.

14. Utility regulatory reform so that utilities have financial incentives for pursuing energy efficiency measures (sec. 6301–6302)

This section amends the PURPA legislation and requires states to consider regulatory changes that would make energy efficiency investments in power generation, supply, as well as end-use profitable for utilities. This initiative should result in some states reforming their regulations sooner than they otherwise would, which will result in both more aggressive end-use conservation programs and efficiency improvements in power supply. However, this bill does not contain the "conservation as qualifying facility" provision offered in the Wirth bill (S. 741), so it is assumed that the impact is somewhat reduced.

Regarding potential improvements in end-use efficiency, it is assumed that the initiative leads to an expansion in utility-sponsored end-use electricity conservation programs by $100 million/yr starting in 1994, $900 million/yr by 2000, and $2.0 billion/yr by 2006 and thereafter. This implies maximum additional expenditures on conservation programs that are equivalent to about 1% of current nationwide utility revenues. The estimated energy savings from this portion of the initiative are 0.1 Quads/yr by 2000, 0.6 Quads/yr by 2010, 0.3 Quads cumulative during 1994–2000, and 4.1 Quads cumulative during 1994–2010.

Regarding potential improvements in power supply efficiency, it is assumed that the initiative leads to 1% and 2% average energy savings in all coal, oil, and gas-fired power plants by 2000 and 2010, respectively. The estimated energy savings from this portion of the initiative are 0.3 Quads/yr by 2000. 0.7 Quads/yr by 2010, 1.1 Quads cumulative during 1994–2000.

15. Energy efficiency at TVA and certain Federal Power Marketing Authorities (sec. 6303–6304)

This proposal requires least-cost planning and implementation of programs to require cost-effective energy efficiency resources at TVA and two of the smaller federal power marketing authorities (the Southeastern and Southwestern Power Administrations). For the relevant utilities, it is assumed that this initiative leads to 5% electricity savings by 2000 and 12% savings by 2010. The resulting energy savings estimates are 0.1 Quads/yr by 2000, 0.2 Quads/yr by 2010, 0.25 Quads cumulative during 1994–2000, and 1.9 Quads cumulative during 1994–2010.

16. Vehicle fuel economy standards (sec. 3101–3116)

Title III of S. 1220 requires the Secretary of Transportation to conduct a rulemaking to prescribe new CAFE standards for cars and light trucks for the periods 1996–2001 and 2002 and thereafter. The legislation states that standards should be considered by size class and should be stated in terms of percentage improvement by manufacturer. It also indicates the criteria that should be used in considering the feasibility new CAFE standards.

The Secretary of Transportation is required under existing law to set tougher CAFE standards if this is found to be technically and economically feasible—new legislation providing this authority is unnecessary. Since the current Secretary and the Bush Administration in general have indicated strong opposition to tougher CAFE standards and since nothing in the Johnson bill increases the likelihood that stronger standards will be found feasible and will be promulgated, we assume that this initiative provides no net energy savings.

In fact, the legislation contains some details that could erode energy savings if by chance tougher standards are adopted. In particular, the bill states that the percentage improvements for individual manufacturers should be determined in part by weighting sales by vehicle size class. This removes the incentive that manufacturers now have to sell small cars and the disincentive they now have to sell large cars. Also, the bill eliminates the three-year limit on carrying forward CAFE credits for cars sold starting in 1996 and it allows CAFE credits to be transferred among manufacturers.

17. Scrappage of older vehicles (sec. 3117)

Title III also contains a provision that directs the Secretary of Energy to co-fund state programs that encourage early retirement of pre-1980 cars. But expenditures under this section are to be made from a fund established using fees collected from manufacturers that fail to meet the CAFE standards. Assuming this bill will not lead to stronger CAFE standards, there will be minimal or no fees on manufacturers for noncompliance and consequently minimal or no federal funds for promoting scrappage of older vehicles. Therefore, we assume that this provision produces zero energy savings.

CONCLUSION

The energy efficiency initiatives in S. 1220 are expected to result in modest energy savings. Specifically, we estimate savings of about 1.4 Quads/yr by 2000 and 3.4 Quads/yr by 2010. Compared to DOE's most recent reference case forecast, savings of this magnitude represent 1.5% and 3.2% of projected energy use in 2000 and 2010, respectively. The cumulative energy savings are 4.6 Quads through 2000 and 29.0 Quads through 2010. The latter is equal to about 2% of projected national energy use during 1993–2010 according to DOE.

Although this amount of savings is much greater than the energy savings estimated from the original Johnston bill (1), it is still far less than the savings that are possible from a comprehensive and strong package of energy efficiency provisions. Adopting meaningful vehicle fuel economy standards such as those contained in the Bryan bill (S. 279) and other proposals included in the Wirth bill (S. 741) could result in 14.6 Quads/yr of energy savings by 2010 and nearly 133 Quads of savings cumulatively during 1993–2010 (2). This is over four times more energy savings thatn what is estimated from the energy efficiency initiatives in S. 1220.

Regarding primary energy savings by fuel type from the provisions in S. 1220, the estimated cumulative energy savings during 1993–2010 consist of approximately 2 Quads of oil, 15 Quads of coal, 7 Quads of natural gas, and 5 Quads of nuclear, hydro, or other renewables. The cumulative oil savings through 2010 equal nearly 400 million barrels, which is only about 3% of the oil savings that could result if the energy bill included specific, strong vehicle efficiency standards. The estimated electricity savings are 75 billion kWh/yr by 2000 and 159 billion kWh/yr by 2010. The latter is equivalent to the electricity typically supplied from approximately 55 large (500 MW) coal-fired power plants.

TABLE 1.—ESTIMATED ENERGY SAVINGS FROM ENERGY EFFICIENCY PROVISIONS IN S. 1220

Proposal	Savings in 2000[1]	Savings in 2010[2]	Cumulative savings—	
			1993–2000	1993–2010
Building standards:				
Residential	0.01	0.06	0.04	0.40
Commercial	.08	.26	.27	2.04
Home energy ratings	.04	.11	.13	.78
Manufactured housing standards	.03	.14	.07	.68
Industrial research centers	—	.1	—	.6
Report on different levels of energy intensity reduction	—	—	—	—
Industrial auditing and insulation guidelines	.0	.1	.2	1.0
Energy efficiency information	—	—	—	—
Product testing and labeling				
Windows	.1	.2	.2	1.7
Commercial office equipment	.1	.1	.2	1.0
Lamps and Luminaires	.0	.0	.0	.2
Equipment efficiency standards	.4	.5	.5	6.3
Federal energy efficiency	.0	.1	.1	.4
Showerhead standards	.1	.2	.3	1.8
Regulatory reform:				
Demand-side	.1	.6	.3	4.1
Supply-side	.3	.7	1.1	6.1
Efficiency at TVA and PMA's	.1	.2	.2	1.9
Vehicle fuel economy standards	—	—	—	—
Scrappage of older vehicles	—	—	—	—
Total	1.4	3.4	4.6	29.0

[1] Quads per year.

[2] Quads per year.

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NATIONAL WILDLIFE FEDERATION,
Washington, DC, July 12, 1991.

Hon. PAUL WELLSTONE,
702 Hart Senate Office Building, Washington, DC.

DEAR SENATOR WELLSTONE: On June 13, 1991, we sent you a letter outlining our reasons for opposing passage of S. 1220. On behalf of these organizations, I am forwarding the attached synopsis, which is a more detailed analysis of the most offensive provisions of the bill. On reviewing the synopsis, we hope you will agree with us that S. 1220 does not provide our country with the energy policy Americans expect, need, or deserve.

Sincerely,

JAY D. HAIR.

From American Rivers, Energy Conservation Coalition, Environmental Action, Friends Committee on National Legislation, Friends of the Earth, Greenpeace, Izaak Walton League, League of Women Voters, National Audubon Society, National Wildlife Federation, Natural Resources Defense Council, Nuclear Information and Resource Center, Public Citizen, Safe Energy Communication Council, Sierra Club, 20/20 Vision National Project, U.S. PIRG, Union of Concerned Scientists, The Wilderness Society

ANALYSIS OF SELECTED PROVISIONS OF S. 1220, THE JOHNSTON-WALLOP "NATIONAL ENERGY SECURITY ACT"

The Senate Energy Committee bill, S. 1220, would significantly alter current national energy policy and regulatory oversight of energy industry actions. In our view, the bill would damage our environment, increase taxpayer and consumer subsidies of the oil, gas, coal, and nuclear industries, and restrict public participation in energy decision-making processes. Some of the most egregious provisions of the bill in each of these areas are outlined below.

It should also be noted that the bill was rushed through the legislative process at a pace that frustrated thorough examination and debate of its provisions by most of the Senators on the Energy and Natural Resources Committee, much less the press and the public. This is not the way to develop an energy policy that can win the support of the American public.

ASSAULTS ON THE ENVIRONMENT

Global Warming

While the National Academy of Sciences has called for a concerted program to buy insurance against global warming, the Energy Committee is busy promoting increased use of coal, the fuel with the greatest greenhouse impact. The committee went so far as to adopt an amendment, offered by Senator Wallop and heavily lobbied by the Administration, that deletes a requirement that the Department of Energy be required to identify the policies needed to stabilize and reduce emissions of carbon dioxide, the principal greenhouse gas.

Hydropower

The bill proposes the most radical and dangerous changes in hydropower regulation in the Federal government's history of involvement in this area. It is essentially an attempt to deregulate the majority of hydropower projects in the United States. Section 5302 of the bill would allow states to take over regulation of hydroelectric projects of 5 megawatts or less in capacity (about two-thirds of currently licensed projects are under this threshold), and would provide virtually no standards or directions to the states for such regulation. Existing licensees in this category would have the choice between federal and state regulation. The bill would effectively remove many projects from the applicability of National Environmental Policy Act (NEPA), the Endangered Species Act, and other key federal environmental statutes. This could lead to dewatering of thousands of miles of rivers and streams, and major damage to fisheries and wildlife.

S. 1220 eliminates the 70-year-old authority of the U.S. Forest Service and most other Federal land management agencies to set mandatory conditions for hydropower projects to protect Federal lands. Instead, the bill allows the Federal Energy Regulatory Commission (FERC) to override protection conditions set by land managers. The provision will fundamentally undermine established planning procedures for public lands and open the door to increased speculative hydro developments on national forests, wildlife refuges, military lands, and other public lands.

Natural Gas

Title XI of S. 1220 includes major changes to natural gas regulatory law to streamline approvals by FERC of new natural gas pipelines and facilities. The title creates new procedures that exempt both new gas pipeline and other facility construction and major facility repair and rehabilitation projects from NEPA reviews. The environmental implications of such projects include wide ranging impacts such as land impacts, impacts on wetlands, air pollution from compressor operation, disposal of PCB-laced oil from compressors and radioactive tracers injected into storage field wells.

Sabotage of the Clean Air Act

Section 14201 of Title XIV effectively destroys the Clean Air Program to protect air quality from pollution added by new construction projects at existing power plants. Under a misleadingly-titled "pollution-control" exemption, greatly broadened in Committee, the bill would allow unlimited air pollution increases at existing power plants for all such projects, and would not require the project to reduce any air pollutants at the plant where the construction occurs. As a result, the amendment would allow large pollution increases that damage public health and local air quality goals. All of these adverse affects would occur without notice to the public or opportunity to comment under the Clean Air Act.

A separate provision in this title would "grandfather" all expansion projects, no matter how large, at existing power plants from Clean Air Act requirements to use best emission control technology to limit nitrogen oxide emissions—a pollutant causing acid rain and urban smog.

Drilling in the Arctic National Wildlife Refuge

Title VII of S. 1220 would open the coastal plain of the Arctic National Wildlife Refuge to oil and gas leasing and development. Oil development on the coastal plain means building an industrial complex similar to Prudhoe Bay in what the Fish and Wildlife Service calls the "biological heart" of the only conservation system unit in North America that protects the full spectrum of arctic and sub-arctic ecosystems. In order to allow development to proceed, the bill would waive the requirement refuge uses be "compatible" with the purposes for which the refuge was established.

In destroying the Refuge's wilderness values, development also threatens the integrity of an undisturbed, thriving ecosystem blessed with spectacular wildlife—polar bear, musk oxen, and the 180,000 member Porcupine Caribou herd represent just a few of the species. All this would be sacrificed just to gamble on the chance that there might be enough oil to supply only 2 percent of our country's current consumption.

Offshore Drilling

Title XII of S. 1220 threatens fragile and productive coastal areas by directing the Minerals Management Service to conduct a reassessment of all Outer Continental Shelf (OCS) areas currently under either legislative or administrative moratoria. MMS is then asked to recommend which of these currently protected areas should be placed in the production base. The industry's record with marine oil development, from the Santa Barbara spill of 1969 to the Exxon Valdez tragedy, clearly shows the danger and potential damage from oil activity in sensitive coastal environments.

Vehicle Fuel Economy Standards

Title III of S. 1220 would leave increases in the Corporate Average Fuel Economy (CAFE) standards up to the discretion of same Department of Transportation that vigorously opposes any increase in the CAFE standards, and that reduced the standards for automobiles from 1986 to 1989. The result of this provision would be ever-increasing oil consumption and emissions of both conventional pollutants and of carbon dioxide (the principal greenhouse gas) by the nation's light vehicle motor fleet.

Electric Utility "Deregulation"

Title XV of S. 1220 purports to increase competition in the electric utility industry by "reforming" the Public Utility Holding Company Act (PUHCA). In fact, it would not enhance real competition, but instead would allow utilities to shift a major portion of new power plant construction and electricity sales to the wholesale market, which is regulated by FERC rather than the states. This would undercut the growing move to "least-cost" or "integrated resource planning," which requires consideration of energy efficiency investments as alternatives to new power plant construction and in many cases, consideration of environmental pollution costs in planning decisions. This has been a state-level phenomena, sparked by progressive utility regulators, consumer advocates and environmentalists; it has been largely ignored, if not actively resisted, by utility regulators at the federal level.

TAXPAYER RIP-OFFS AND INDUSTRY GIVEAWAYS

Uranium Enrichment

Title X of S. 1220 would require the government to write off 95 percent of more than $10 billion of unrecovered costs of DOE's enrichment program and would repeal Section 161v of the Atomic Energy Act, the statutory provision requiring full recovery of all costs by the DOE. The bill also authorizes $300 million to subsidize cleanup efforts of the uranium mining industry's mill and processing sites.

Synthetic Fuels Program

Section 14103 of S. 1220 establishes a "coal refining program"—in reality, a new synthetic fuels program. The provision provides an open-ended funding authorization ("such sums as may be necessary") for the government to conduct a coal-based synthetic fuels demonstration and commercialization program for a host of applications, including transportation fuels. The section also requires the Secretary of Energy to solicit proposals for joint venture "commercial scale" synthetic fuels demonstration projects, and to enter into agreements for construction of at least two such projects by the year 2000. This provision ignores the disastrous history of the late, unlamented Synthetic Fuels Corporation, and would lead to waste of untold hundreds of millions of taxpayer dollars.

Pork-Barrel Coal Promotion

Subtitle A of Title XIV contains a variety of additional proposals to spend taxpayers' dollars promoting the expanded use of coal here and abroad. Amendments adopted in Committee expand the scope and expense of these coal subsidy programs. Particularly disturbing is a proposal for a Cabinet-level Council to promote coal-technology exports. Under this provision, the United States would urge countries around the world to acquire the coal habit. U.S. tax dollars would be spent to lobby the World Bank and other international lenders on behalf of the coal industry and to subsidize foreign coal use.

Impact Assistance

Title XII of S. 1220 would divert OCS leasing revenues from the Land and Water Conservation Fund—used to purchase critical pieces of wildlife habitat and prime recreation land all over the country—into a coastal state and local community impact aid program. In essence, this fund is created to bribe coastal states and communities into tolerating oil development off their shores. Money intended to benefit the environment is instead snatched away to facilitate OCS development with potentially disastrous environmental consequences.

Arctic Refuge Revenues

The projected Federal revenue from leasing the coastal plain of the Arctic National Wildlife Refuge would be used to fund many of the boondoggles in S. 1220. Thus, as much as 50 percent of the money gained from sacrificing the Arctic Refuge would be used to help pay for a bad energy "policy" that emphasizes production above all else and subsidizes the coal and oil industries. Furthermore, the bill's projected amount of Arctic leasing revenue is blatantly inflated. The nearly 2 billion dollars predicted to come in from the first lease sales averages out to over 6,000 dollars per acre. By contrast, two recent, comparable lease sales on the Alaskan North Slope averaged just $33 and $153 per acre.

In addition, the bill rewards oil and gas companies that violate environmental requirements by promising full compensation in the event their leases are cancelled.

Hydropower

S. 1220 authorizes the Energy Secretary to study development and expansion of hydropower at all government dams and water resource facilities without requiring cost sharing by likely project beneficiaries. This violates legislatively and administratively established cost-sharing principles. It is an open invitation to development of many projects that damage the environment and are not cost-effective.

The bill also includes authorization for both feasibility studies *and* construction, without cost-sharing requirements, of "water conservation features" at Federal reclamation water projects (aimed at making more water available for Federal hydropower generation and reducing pumping power demands at Federal irrigation projects). The costs of this provision would be borne by the taxpayers, but any net increase in power generation will not result in a proportionate increase in power sale revenues to the Treasury. While improving water use efficiency is a laudable goal, it does not have to be, nor should it be, funded by extending and expanding the already huge Federal irrigation and power subsidies.

Utility Abuses

The PUHCA "reform" provisions of S. 1220 would allow utilities to create affiliated power generating subsidiaries, which could sell power in the wholesale markets, including to their own state-level retail companies. Logic and experience both show that such "self-dealing" cannot be truly competitive, or effectively regulated. These utilities can draw on the assets provided by their captive retail customers to subsidize the price at which they offer power to other utilities or large industries in the wholesale market. Such "cross-subsidization" abuses both the utility's ratepayers and its competitors in the wholesale power market.

"Advanced" Nuclear Reactor Commercialization

Title VIII of S. 1220 would authorize DOE to conduct a commercialization program for so-called "advanced" nuclear reactor technology, including the construction of one or more prototype reactors. The federal government would bear as much as one-half of the overall cost of these demonstration reactors, which are likely to cost several billion dollars each. This provision of the bill commits the American taxpayer to financing yet another series of "Clinch River"-style nuclear boondoggles.

RESTRICTIONS ON PUBLIC PARTICIPATION

Eminent Domain

Title XI of S. 1220 would allow gas pipeline companies and other private corporations to invoke powers of eminent domain to seize and condemn public and private lands with no requirement that any government agency approve the location or size of the project, or determine whether the facility serves a public need. The bill creates an "Optional Certificate Procedure" which prohibits FERC from holding a public hearing on whether the certificate should be granted.

Nuclear Licensing

Title IX of S. 1220 would severely restrict citizen and state participation in the siting, licensing and oversight of new nuclear power plants. "One-step" licensing would essentially eliminate any opportunity for intervenors to raise *significant, new* safety issues after the Nuclear Regulatory Commission granted a combined construction and operating license for a new nuclear plant, and would prevent any real opportunity for judicial review of NRC refusals to consider such issues.

Utility "reform"

The Public Utility Holding Company Act currently prohibits anyone but utilities from owning and operating generating facilities, with limited exceptions. The changes proposed in Title XV of S. 1220 would remove this restriction, but would not assure that such non-utility projects receive adequate regulatory review. State authority over nonutility power producers is, at best, unclear. And S. 1220 would give FERC and the Securities and Exchange Commission no authority over construction decisions by these entities at all. Without a state or federal regulatory forum, citizens will be unable to raise concerns about the need for, wisdom of, or alternatives to, major new power plant construction programs.

Hydropower

Subtitle C of Title V of S. 1220 establishes the Federal Energy Regulatory Commission (FERC) as an unprecedented "NEPA czar" by making it a statutory "lead agency" for purposes of applying the National Environmental Policy Act in licensing of all hydropower projects and requires all other federal agencies to rely on the substance of FERC's environmental document for their reviews. This contradicts current environmental law.

The bill also allows FERC to set mandatory deadlines for all other state and federal agency submissions and to take hydro licensing actions without the required submissions if agencies fail to meet Commission deadlines. The effect of these changes will be to reduce opportunities for involvement of state agencies and the public in hydropower licensing.•

ORDERS FOR TOMORROW

Mr. BREAUX. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9 a.m. Friday, August 2; that following the prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; and that the Senate then resume consideration of S. 1507, the Department of Defense authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BREAUX. Mr. President, if there is no further business to come before the Senate today, I ask unanimous consent that the Senate stand in recess under the previous order until 9 a.m. tomorrow.

There being no objection, the Senate, at 11:26 p.m., recessed until tomorrow, Friday, August 2, 1991, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate August 1, 1991:

DEPARTMENT OF JUSTICE

MAURICE T. TURNER, JR., OF THE DISTRICT OF COLUMBIA, TO BE DIRECTOR OF THE BUREAU OF JUSTICE ASSISTANCE. (NEW POSITION)

DEPARTMENT OF VETERANS AFFAIRS

ALLEN B. CLARK, JR., OF TEXAS, TO BE DIRECTOR OF THE NATIONAL CEMETERY SYSTEM, DEPARTMENT OF VETERANS AFFAIRS, VICE JOANN KRUKAR WEBB, RESIGNED.

CORPORATION FOR PUBLIC BROADCASTING

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR THE TERMS INDICATED:

FOR THE REMAINDER OF THE TERM EXPIRING MARCH 26, 1992:

KAY COLES JAMES, OF VIRGINIA, VICE WILLIAM LEE HANLEY, JR., RESIGNED.

FOR A TERM EXPIRING MARCH 26, 1996:

VICTOR GOLD, OF VIRGINIA, VICE R. KENNETH TOWERY, TERM EXPIRED.

NATIONAL SCIENCE FOUNDATION

IAN M. ROSS, OF NEW JERSEY, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR THE REMAINDER OF THE TERM EXPIRING MAY 10, 1992, VICE HOWARD A. SCHNEIDERMAN, DECEASED.

THE JUDICIARY

PHILIP G. REINHARD, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

JON P. MCCALLA, OF TENNESSEE, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TENNESSEE VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

DEPARTMENT OF JUSTICE

C. WESLEY PHINNEY, JR., OF MAINE, TO BE U.S. MARSHAL FOR THE DISTRICT OF MAINE FOR THE TERM OF 4 YEARS VICE EMERY R. JORDAN, RETIRED.

DEPARTMENT OF EDUCATION

B. ROBERT OKUN, OF THE DISTRICT OF COLUMBIA, TO BE ASSISTANT SECRETARY OF LEGISLATION AND CONGRESSIONAL AFFAIRS, DEPARTMENT OF EDUCATION, VICE NANCY MOHR KENNEDY, RESIGNED.

EXECUTIVE OFFICE OF THE PRESIDENT

FRANCIS S. M. HODSOLL, OF VIRGINIA, TO BE DEPUTY DIRECTOR FOR MANAGEMENT, OFFICE OF MANAGEMENT AND BUDGET. (NEW POSITION)

EDWARD JOSEPH MAZUR, OF VIRGINIA, TO BE CONTROLLER, OFFICE OF FEDERAL FINANCIAL MANAGEMENT, OFFICE OF MANAGEMENT AND BUDGET. (NEW POSITION)

FARM CREDIT ADMINISTRATION

GARY C. BYRNE, OF CALIFORNIA, TO BE A MEMBER OF THE FARM CREDIT ADMINISTRATION BOARD FOR THE TERM EXPIRING MAY 21, 1996, VICE MARVIN DUNCAN, RESIGNED.

INTERSTATE COMMERCE COMMISSION

KAREN BORLAUG PHILLIPS, OF VIRGINIA, TO BE A MEMBER OF THE INTERSTATE COMMERCE COMMISSION FOR A TERM EXPIRING DECEMBER 31, 1996. (REAPPOINTMENT)

THE JUDICIARY

GARLAND E. BURRELL, JR., OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF CALIFORNIA, VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

JULIE E. CARNES, OF GEORGIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF GEORGIA VICE ROBERT H. HALL, RETIRED.

DAVID A. FABER, OF WEST VIRGINIA, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate August 1, 1991:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

JOYCE ELAINE TUCKER, OF ILLINOIS, TO BE A MEMBER OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR A TERM EXPIRING JULY 1, 1996.

COMMISSION ON NATIONAL AND COMMUNITY SERVICE

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE BOARD OF DIRECTORS OF THE COMMISSION ON NATIONAL AND COMMUNITY SERVICE FOR THE TERMS INDICATED:

FOR TERMS OF 1 YEAR:

GAYLE EDLUND WILSON, OF CALIFORNIA.
GEORGE WILCKEN ROMNEY, OF MICHIGAN.
KAREN SUSAN YOUNG, OF CALIFORNIA.
WILLIAM J. BYRON, OF THE DISTRICT OF COLUMBIA.
GLEN W. WHITE, OF KANSAS.

FOR TERMS OF 2 YEARS:

RICHARD FREDERICK PHELPS, OF INDIANA.
ALAN KHAZEI, OF MASSACHUSETTS.
PAUL N. MCCLOSKEY, JR., OF CALIFORNIA.
REATHA CLARK KING, OF MINNESOTA.
SHIRLEY SACHI SAGAWA, OF VIRGINIA.
WAYNE W. MEISEL, OF MINNESOTA.

FOR TERMS OF 3 YEARS:

DANIEL J. EVANS, OF WASHINGTON.
MARIA HERNANDEZ FERRIER, OF TEXAS.
FRANCES HESSSELBEIN, OF PENNSYLVANIA.
PATRICIA TRAUGOTT ROUSE, OF MARYLAND.
JOYCE M. BLACK, OF NEW YORK.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

A NATIONAL POLICY TOWARD CHINA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. BROOMFIELD. Mr. Speaker, in recent weeks there has been an intense debate in Congress on United States policy toward China. Despite the President's strong opposition, both Houses have passed bills that would impose conditions on renewal of most-favored-nation [MFN] trade privileges.

Beginning with the severe abuses of human rights associated with the Tiananmen Square massacre, the United States has a number of unresolved issues with China. These include missile exports, increasing trade imbalances, and Chinese Government policies toward Hong Kong, Tibet and Taiwan.

Mr. Speaker, I have full confidence in the President and agree with his position that United States relations with China must be preserved in order to maintain our influence and support the forces of democracy and economic reform. At the same time, many in Congress and the public at large wonder whether our Government has done enough to confront the Chinese Government on the whole range of outstanding issues.

I believe that an atmosphere of mistrust has been created that has obscured our interests in China and the objectives of our policy. In my view, this atmosphere can only be dispelled only by an independent, high-level review of U.S. policy.

It is for this reason that I am introducing today—on behalf of myself and Congressmen SOLARZ and HYDE—a bill to form a Special Commission on United States policy toward China. The Commission would report next spring, just prior to the next annual debate on continued MFN for China.

The findings of the Commission could provide the basis for a national policy toward China that would merit broad support, both in Government and among the American people. Its recommendations could supplement the other important steps that have been taken by the administration and Congress in response to the Tiananmen incident and other developments in China.

The outline of the bill to establish the Commission is as follows:

Section 1: The short title is the "Special Commission on United States Relations with the People's Republic of China Act of 1991."

Section 2—Findings: This section sets forth comprehensive Congressional findings that restate a number of Congressional concerns and also identify the chief issues in U.S.-China relations, which the Commission established through the bill would be expected to pursue.

Section 3—Purposes: This section gives the basic purposes of the Act, which are to assist the formation of a national policy toward China shared by the Executive and Legislative branches and enjoying broad public support, to be facilitated through an independent review of U.S. policy toward China and the formulation of recommendations for actions that would preserve U.S. interests and promote U.S. influence over Chinese policies which are legitimate subjects of international concern.

Section 4—The Commission and its Mandate: This section would establish the Commission and set forth its mandate, which is to carry out the activities specified in section 6 in order to achieve the purposes described in section 3.

Section 5—Membership and Organization: This section lays out the membership and organization of the Commission, viz.

(a) The members of the Commission would be appointed by the President within 30 days after the date of enactment;

(b) The members of the Commission would number 17 and would include (1) the Secretary of State or his representative, (2) four other senior officials of other federal agencies, (3) four members of Congress chosen after consultation with the Congressional leadership and including a member of the majority and the minority from the House of Congress, and (4) eight distinguished private citizens chosen to represent a broad range of knowledge, experience and political belief, including at least two individuals who are acknowledged authorities on China.

(c) The President would appoint the chairperson from among the private sector members of the Commission.

(d) Terms of appointees would be for the duration of the Commission, except that vacancies would be filled according to the original method of appointment.

Subsections (e)-(g) give further details on the organization of the Commission.

Section 6—Powers of the Commission: The Commission would be empowered to hold hearings and establish task forces. It could obtain data from federal agencies and would have access as necessary to classified information pursuant to arrangements made by the President. Members of the Commission could travel to the People's Republic of China or other overseas locations in coordination with the Secretary of State.

Section 7—Administrative Provisions: The Commission could employ staff and consultants and request assistance from federal agencies on a reimbursable or non-reimbursable basis.

Section 8—Activities of the Commission: The Commission would be directed to pursue a number of specific activities in order to review current U.S. policy toward China and make recommendations for future action.

Section 9—Report; Termination: The Commission would publish its report by March 31, 1992 and terminate 30 days after publishing its report. Upon termination of the Commission, its records would be transferred to the National Archives.

Section 10—Funding: The Secretary of State would be authorized to reprogram $500,000 of the funds made available to the Department of State to fund the operation of the Commission.

RULE ON H.R. 2950, THE INTERMODAL SURFACE TRANSPORTATION INFRASTRUCTURE ACT OF 1991

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the rules of the Democratic caucus, I wish to serve notice to my colleagues that I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of H.R. 2950, the Intermodal Surface Transportation Infrastructure Act of 1991.

THE COMMERCIAL ACTIVITIES CONTRACTING PROCEDURES ACT OF 1991

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. CONYERS. Mr. Speaker, it is with great pleasure that I am introducing today that Commerical Activities Contracting Procedures Act of 1991. This bill is a comprehensive effort to place into law the Government's program for designating those commerical activities that will be contracted-out to the private sector and those that will be performed by Government employees. This contracting-out decisionmaking process affects approximately 1 million Federal jobs and at least $20 billion in annual expenditures by the Federal Government.

Contracting-out is now governed by the Office of Management and Budget [OMB] Circular A-76. But I am strongly convinced that a bill is needed to place this program into statute. With 1 million jobs and $20 billion a year at stake, it is time that Congress has its say in the contracting-out program. We must legislate some stability in the program to protect the business community from the uncertainties of program application. We must also protect Federal managers and employees from the vagaries of shifting policy directions and the degradation of managerial prerogatives and employee rights that have all too often been the most serious victims of OMB's disjointed efforts to implement its A-76 circular.

This bill is similar in most respects to H.R. 4015, which I introduced in the 101st Congress. Based on hearings held on H.R. 4015 by the Government Operations Committee, and discussions with industry and union groups, we have made certain improvements to this bill which I think will make it more acceptable to all parties.

Since 1955, it has been the policy of the Federal Government to rely on the private

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

sector for all commerical services. That policy was restated in 1966 in OMB Circular A–76, but was modified in 1979 and 1983. These modifications did not contain the strict prohibitions included in the original policy statements, but, rather, made contracting out dependent upon competitions between Federal employees and private sector firms.

However, A–76 has been the subject of shifting administrative priorities and uneven and unfair implementation throughout Government. The imposition by OMB of arbitrary agency goals and mandatory budget cuts predicated on anticipatory savings have worked havoc on the ability of Federal managers to manage and on the ability of Federal employers to do their jobs.

A–76 should not be a tool to force reductions in employment levels, or to effect budget cuts that otherwise cannot sustain the scrutiny of analysis when compared to the mission critical needs of Federal agencies. In my opinion, the A–76 process is essentially a procurement process that should be designed solely to determine whether Federal employees or private contractors can perform certain commercial activities more economically. The business community understands this, as well as Federal employees and our Federal agencies. Now, it is time for this administration to understand this precept and to guide itself by this philosophy so that it does not repeat the mistakes of past administrations of both political parties.

My bill would not change the underlying philosophy that most commercial activities should be performed by commercial sources when they can be performed by those sources more economically. When enacted, however, the bill would specify clearly an equitable set of standards upon which competitions between Government employees and private sector firms would be based. There would be no more hidden costs that the Government would be hit with at a later date.

Government employees would also be provided certain due process rights to challenge illegal or inappropriate agency decisions, but in a manner that would not cause undue administrative delay.

In addition, the bill would set in place a system to ensure that competitions between Government employees and private sector firms continue over time. This will prevent contractors from buying into contracts and then raising the price through subsequent unjustified change orders and modifications. In order to impose a much-needed system of checks and balances, the bill provides that these contractors would have to recompete against Government employees on a periodic basis.

Finally, the bill would mandate reporting requirements so that the true savings realized from contracting out could be measured throughout the term of the contract. At present, there is no Government-wide system in place to track whether estimated cost savings actually occur when commercial activities are initially converted to contracts.

The major provisions of my bill follow:

First, the act would present a comprehensive and efficient method for determining which commercial activities should be performed by Government employees and which activities should be contracted out with commercial business concerns. Detailed provisions are also included concerning reporting of commercial activities and the measurement of savings.

Second, the act would cover all executive branch agencies and departments, but not the U.S. Postal Service.

Third, the act would require that all governmental functions be performed by Government employees and that commercial activities be performed by private sector firms unless:

No commercial source is capable of performing the work;

Use of a contractor would cause unacceptable delay;

The commercial activity involves patient care at a Government-operated hospital and it is in the best interest of the patients to keep performance by Government employees;

Based on a cost comparison study, Government employees can, with respect to commercial activities presently being performed by contract, perform the work at a lower cost; and, with respect to activities presently being performed by Government employees, perform the work at no more than 10-percent higher than the anticipated cost of contracting out.

Fourth, as a general rule, work that could be more economically performed by Government employees would be converted to in-house performance.

Fifth, the act contains detailed provisions on how to formulate performance work statements and conduct cost analyses.

Sixth, appeal rights are given to interested parties to protest, before independent boards and administrative law judges, performance work statements and cost comparison analyses.

Seventh, all agencies must prepare and make publicly available inventories of commercial activities containing detailed information on the nature and performance of those activities.

Eighth, displaced Government employees are provided rights dealing with reemployment by the Government and employment with the successful contractor when a commercial activity is converted to contract.

Ninth, detailed reporting requirements are imposed so that the true cost benefits of converting to contract and converting to in-house performance can be accurately measured.

Tenth, commercial activities contracting resource centers are established within the Department of Defense and the General Services Administration to supply expertise and guidance for Federal agencies in the contracting out process.

I would like to take this opportunity to thank the American Federation of Government Employees and its national president, John N. Sturdivant, for their invaluable assistance in formulating this important piece of legislation.

I look forward to working with the administration, organized labor, and the business community in a bipartisan fashion to bring this legislation before the President for his signature. I urge my colleagues to cosponsor and actively support this most important measure.

A section-by-section analysis of the Commercial Activities Contracting Procedures Act of 1991 follows:

SECTION-BY-SECTION ANALYSIS OF THE COMMERCIAL ACTIVITIES CONTRACTING PROCEDURES ACT OF 1991

SECTION 1. SHORT TITLE

Provides that this Act may be cited as the "Commercial Activities Contracting Procedures Act of 1991."

SECTION 2. PURPOSES

This section specifies four purposes for the Act:

(1) To establish uniform standards for determining the most economical and efficient method to acquire commercial services;

(2) To provide for accountability and equity in such standards;

(3) To ensure fair competition and an opportunity for interested parties to participate fairly in the process; and

(4) To provide for annual reports regarding commercial activities and to substantiate estimated and actual savings.

SECTION 3. DEFINITIONS

This section contains a series of definitions as follows:

(1) "Administrator" means the administrator of Federal Procurement Policy;

(2) "Adversely affected employee" means any civilian employee of an agency who, as a result of a decision to convert to contract, is likely to be released from service or reduced in competitive grade or employment;

(3) "Agency" means a Federal agency or department as defined under 41 U.S.C. §403;

(4) "Commercial activity" means the production of a product or the performance of a service that may be procured from a commercial source in a form which is identical or substantially similar to the form in which that product or service is sold to the general public;

(5) "Commercial source" is a business or other non-government entity located within the United States and which is capable of performing a commercial activity;

(6) "Conversion to contract" or "convert to contract" mean changeover of performance by government employees to performance by a commercial source;

(7) "Conversion to in-house performance" or "convert to in-house performance" means changeover from performance by a commercial source to performance by government employees;

(8) "Full time equivalent work year" means 2,080 paid labor hours in a fiscal year or such other period of time as may be established by law;

(9) "Government" means the Federal Government;

(10) "Government employee" means an employee of an agency; and

(11) "Governmental function" means any activity intimately related to the public interest and that requires either the exercise of discretion or the making of policy decisions for the Government.

SECTION 4. APPLICATION

Subsection 4(a): This Act shall not apply:

(1) In any case when its application would be contrary to an international agreement;

(2) To DOD in times of declared war, military mobilization, or other emergency declared by the President;

(3) To research and development activities; and

(4) To the procurement of architectural and engineering services governed by the Brooks A&E Act.

Subsection 4(b): This Act is also subject to a series of limitations. It does not:

(1) Provide authority to enter into contracts;

(2) Establish any rights for employees of commercial sources;

(3) Authorize conversion to contract of any commercial activity in order to avoid personnel or salary ceilings; or

(4) Authorize the conversion to contract of any governmental function.

SECTION 5. INVENTORIES OF COMMERCIAL ACTIVITIES

Subsection 5(a):

Paragraph 5(a)(1). Subject to the provision of section 4 (dealing with the application and limitations of the program) and paragraph 3 of this subsection (dealing with commercial activities utilizing less than 10 full-time equivalent work years and governmental functions), not later than March 31 of each year, every agency must prepare and make public an inventory of all commercial activities it anticipates will be performed by government employees during the following year.

Paragraph 5(a)(2). Each activity included on the inventory must reference:

(1) The number of work years involved;

(2) The commercial activity and the place of performance;

(3) The date the commercial activity was last reviewed for conversion to contract;

(4) The date of the next planned review (including the anticipated completion date); and

(5) The reason for performance of the commercial activity by government employees.

Paragraph 5(a)(3). Commercial activities requiring less than ten full-time equivalent work years and governmental functions may be excluded from the inventory.

Subsection 5(b):

Paragraph 5(b)(1). Not later than March 31 of each year, every agency must prepare and make publicly available an inventory of commercial activities that are or will be performed by a commercial source during that year under a contract with the agency.

Paragraph 5(b)(2). For each item included on the inventory there must be a description of:

(1) The activity and the place of performance;

(2) The name of the person who most recently performed the activity;

(3) The date the activity was last subject to a cost comparison analysis;

(4) The date of the next planned review of the activity for possible conversion to in-house performance;

(5) The contract number for that commercial activity;

(6) The contract price;

(7) For each activity converted to contract during the preceding 5-year period, the last annual payment for that activity;

(8) The total cost incurred by the government for conducting that procurement; and

(9) The reason for performance of the commercial activity by a commercial source.

Paragraph 5(b)(3). An agency shall not include a commercial activity in its inventory of contracted-out activities if:

(1) That activity was converted to contract within the last two year period;

(2) Performance of the commercial activity by commercial sources requires less than 10 full-time equivalent work years annually; or

(3) The commercial activity will be performed pursuant to section 8(a) of the Small Business Act, section 1207 of P.L. 99-661 (both dealing with small disadvantaged businesses); or by a sheltered workshop for the blind or severely handicapped.

Subsection 5(c): Not later than 60 days after an inventory is made publicly available by an agency, a labor organization representing employees of that agency may petition the head of the agency to include or exclude a commercial activity from that inventory.

Subsection 5(d): A determination as to whether any activity of an agency is a governmental function shall be made wholly by employees of the Government, without contractor assistance.

SECTION 6. PERFORMANCE OF ACTIVITIES UNDER CONTRACT

Subsection 6(a): Performance of commercial activities contained in an inventory shall be performed by one or more commercial sources unless the head of the agency determines that:

(1) No commercial source is capable of performing the contract;

(2) Use of a commercial source would cause unacceptable delay or disruption to a program or activity of the agency;

(3) The commercial activity involves patient care at a hospital operated by the government and performance of the activity by government employees would be in the best interest of patient care;

(4) The commercial activity is a governmental function; or

(5) Based upon a cost comparison study conducted under section 7, government employees are performing, or can reasonably be expected to perform the commercial activity at an estimated cost that is—(A) in the case of a commercial activity being performed by a commercial source, less than the total costs incurred by the government under contract; or (B) in the case of a commercial activity that is presently being performed by government employees, not more than 10 percent higher than the estimated total costs of contracting for the provision of that commercial activity.

Subsection 6(b): Commercial activities shall be procured from the private sector on the basis of firm fixed price contracts, unless the head of the agency determines that a cost reimbursement contract is appropriate and reasonable, and so certifies in writing with an explanation and citation of authorities.

Subsection 6(c): The term of a contract for commercial activity shall not exceed 3 years, unless the contracting officer determines in writing that the contract is for complex, multifunction commercial activities, in which case the term of the contract may be up to 5 years.

SECTION 7. COST COMPARISON ANALYSIS

Subsection 7(a):

Paragraph 7(a)(1). Before converting to contract or converting to in-house performance, an agency must conduct a cost comparison analysis. For the purposes of such analyses, all costs will be computed on the basis of a final performance work statement prepared pursuant to section 8.

Paragraph 7(a)(2). A commercial activity may be converted to contract without conducting a cost comparison analysis if the contract is to be awarded pursuant to:

(1) Section 8(a) of the Small Business Act;

(2) Section 1207 of P.L. 99-661; or

(3) The Javits-Wagner-O'Day Act.

Subsection 7(b):

Paragraph 7(b)(1). Within 180 days after the date of enactment of this Act, the Federal Acquisition Regulatory Council shall amend the Federal Acquisition Regulation to establish requirements for conducting cost comparison analyses.

Paragraph 7(b)(2). The regulation must provide that:

(A) The cost of performance by government employees shall be determined based on the most efficient and cost effective organization practicable;

(B) The cost of performance by a commercial source shall be based on full and open competition, except that competition may be limited to small business concerns; and

(C) The cost comparison analysis, in determining the cost of contracting out a commercial activity, shall base the analysis only on contracts that meet the requirements of the Act, i.e., that are firm fixed price contracts for a period of 3 years or less or that otherwise meet the requirements of subsections 6(b) and 6(c) and section 7.

Paragraph 7(b)(3). Regulations promulgated under this section must also include provisions dealing with the calculation of all relevant costs of performance of a commercial activity. These costs are to include: personnel costs (including pay, retirement, and fringe benefits); material, equipment, and supply costs; utility costs (including those utilities provided by the government); maintenance cost of government owned machinery, tools, equipment, and other items; depreciation; rent; maintenance, repair and upkeep; insurance; travel; overhead; and such other additional costs as may be appropriate.

Paragraph 7(b)(4). Costs that would be the same for performance by a commercial activity and for performance by Government employees may be excluded from the analysis, if documented and made part of the record.

Paragraph 7(b)(5). In addition to the costs determined above, the fair market value of all government property to be used by either a commercial source or government employees must be taken into account when performing a cost of analysis.

Paragraph 7(b)(6). A cost comparison analysis, including preparation of the performance work statement, must be completed within two years, except that a cost comparison analysis that the agency determines involves "complex, multi-function commercial activities" must be completed within 4 years.

If a cost comparison analysis is not completed within 6 months of the deadline, the agency must request assistance from one of the Commercial Activities Resource Centers (CARCs) established under section 12 of the Act. The CARC, in its discretion, may assume responsibility, in whole or in part, for conducting the analysis.

Paragraph 7(b)(7). Once a cost comparison is completed by an agency, it is to be submitted to that agency's review board established under section 9.

Subsection 7(c):

Paragraph 7(c)(1). The review board shall review, within 30 days, the adequacy of each cost comparison analysis submitted to it (including the performance work statement on which the analysis is based) with respect to currency, reasonableness, accuracy, and completeness.

Paragraph 7(c)(2). An interested party may appeal a decision of a review board to the head of the agency not later than 15 days after the review board announces its final decision. That party is entitled to a hearing on the record in accordance with chapter 5 of title 5, United States Code, within 10 days of filing the appeal. The head of the agency, within 15 days of filing of the appeal, shall sustain the decision of the board unless it is found not to be substantially justified by the facts, or contrary to law or regulation.

For purposes of this provision the term "interested party" means any:

(1) Adversely affected employee;

(2) Labor organization accorded exclusive recognition to represent adversely affected employees;

(3) Former Federal employee who has a reasonable prospect for re-employment by the government if a commercial activity were to be converted to in-house performance; and

(4) Prospective offeror whose direct economic interest would be adversely affected by a decision not to convert to contract or to convert a contract to in-house performance.

Paragraph 7(c)(3). An agency cannot take any action to convert to contract or to convert to in-house performance a commercial activity during the 15-day period following a decision of the review board or during any period in which an appeal to a review board decision is pending.

Subsection 7(d): The head of an agency must provide to all agency employees performing a commercial activity timely notification of each cost comparison analysis that is initiated with respect to that activity and shall keep those employees duly informed of the progress of each such analysis.

Subsection 7(e): No person may disclose a cost comparison analysis before the review board reviewing the analysis announces its final determination under paragraph (c)(2). Nothing contained in this provision authorizes the disclosure of proprietary information that would adversely affect the financial or competitive position of a commercial source if released to the public. In addition, this provision does not limit the authority of Congress or any law enforcement authority to obtain information otherwise available under law.

SECTION 8. PERFORMANCE WORK STATEMENTS

Subsection 8(a): The head of an agency must prepare a performance work statement for each commercial activity for which a cost comparison analysis is conducted under section 7. Each performance work statement must define the scope of work of a commercial activity by:

(1) Delineating standards of performance, critical elements and time restraints; and

(2) Using a description of work that does not exceed the minimum requirements of the agency;

Subsection 8(b):

Paragraph 8(b)(1). Commercial activities may be combined for the purpose of preparing performance work statements only if such commercial activities are logically related to each other so that the successful performance of one activity is dependent on the successful performance of the other and are combined in a manner that promotes full and open competition at the prime contract level among the greatest practicable number of commercial sources.

Paragraph 8(b)(2). In no case shall any commercial activity be divided or otherwise modified to escape the "10 full-time equivalent work years" threshold of the Act.

Subsection 8(c):

Paragraph 8(c)(1). Before a performance work statement is submitted to a review board, the head of an agency shall provide to all potential adversely affected employees (and their collective bargaining representatives) a period of at least 60 days in which to submit comments and recommendations.

Paragraph 8(c)(2). Such comments or recommendations must be in writing and shall be responded to individually and in writing indicating whether the recommendation will be incorporated within the performance work statement.

Paragraph 8(c)(3). An employee whose recommendation is rejected has 30 days to appeal the negative determination to the appropriate review board. If the decision of the agency is not substantially justified or is contrary to law or regulation, the board must sustain the appeal and require the agency to make appropriate changes in the performance work statement. The review board shall decide the appeal within 30 days after it is filed.

Paragraph 8(c)(4). A performance work statement shall not be final until all employee appeals with respect to that performance work statement are resolved.

Subsection 8(d):

Paragraph 8(d)(1). Not later than 15 days after completing a performance work statement, the agency must:

(A) Publish in the Commerce Business Daily the fact that the Performance Work Statement is available;

(B) Provide a copy of the performance work statement to each labor organization representing government employees who perform any commercial activity that is the subject of the performance work statement; and

(C) Provide written notice to all government employees providing a commercial activity that is the subject of a performance work statement advising them of the availability of a copy of the performance work statement upon request.

Paragraph 8(d)(2). Performance work statements provided to collective bargaining representatives shall be provided not later than 30 days after final approval of the statement. All other parties are to receive the performance work statement within 30 days after the agency receives a request for the statement.

Paragraph 8(d)(3). With the exception of performance work statements provided to labor organizations, an agency may charge a nominal fee for reproducing and mailing performance work statements to requesting parties.

SECTION 9. REVIEW BOARDS

Subsection 9(a): Each agency is to establish a review board for the acquisition of commercial activities. Each board is to be chaired by the official of the agency assigned by statute with the responsibility for acquisition strategy, or if no such individual in that agency is assigned by statute, by the official designated pursuant to section 16(3) of the Office of Federal Procurement Policy Act.

Subsection 9(b): An agency review board is to consist of the Chairperson and such other government employees as the Chairperson believes appropriate. However, a person may not serve on a review board during its consideration of a matter pertaining to an organizational unit of the agency that employs that person.

Subsection 9(c): Review boards shall review cost comparison analyses prepared by agencies under section 7 and consider employee appeals under section 8(c) dealing with performance work statements.

SECTION 10. RE-EMPLOYMENT OF DISPLACED EMPLOYEES

Subsection 10(a): Agencies must, with respect to adversely affected employees:

(1) Exert maximum effort to fill available positions with such employees;

(2) Establish a re-employment priority list and a positive placement program; and

(3) Pay reasonable costs for training and relocating the employee if that leads to placement of the employee within the agency.

Subsection 10(b): The Office of Personnel Management must, with respect to adversely affected employees:

(1) Ensure that such employees have access to government-wide placement programs on a priority basis; and

(2) Consult with the Secretary of Labor regarding job opportunities in the private sector.

Subsection 10(c): A commercial source that wins a contract pursuant to a cost comparison analysis must, prior to entering into the contract:

(1) Advise adversely affected employees that they have a right of first refusal for available positions for which they are qualified; and

(2) Actively assist and facilitate the hiring of such employees.

These duties of the commercial source and to be incorporated into the contract by the government.

SECTION 11. REPORTING

Subsection 11(a): The OFPP Administrator is to issue regulations which require the head of each agency to report annually to OFPP on the number and dollar value of commercial activities that are converted to contract or converted to in-house performance. In addition, each agency is to report the dollar savings anticipated from such actions.

Subsection 11(b). By January 31 of each year the OFPP Administrator is to prepare and submit a report to the Congress describing:

(1) The savings from conversions to contract and conversions to in-house performance;

(2) The number of Federal employees performing commercial activities;

(3) The estimated number of private sector employees performing commercial activities for the government; and

(4) The contract number and value for each commercial activity procured by an agency under contract in the preceding year, specifying the name of the contractor and its location.

Subsection 11(c): The Comptroller General may provide the OFPP Administrator such assistance as the Administrator considers necessary to establish criteria or measures pertaining to cost savings.

Subsection 11(d): The head of each agency must provide the OFPP Administrator upon request with such resources and assistance as the Administrator considers necessary for preparing reports required by this section.

SECTION 12. COMMERCIAL ACTIVITIES CONTRACTING RESOURCE CENTERS

Subsection 12(a): Provides for the establishment of separate Commercial Activity Contracting Resource Centers (CARCs) within the Department of Defense and the General Services Administration to assist with the implementation of this Act.

Subsection 12(b): The Administrator of General Services and the Secretary of Defense, acting through the CARCs, shall:

(1) Assist agencies in developing performance work statements, conducting cost comparison analyses, and otherwise implementing the Act;

(2) Develop and implement training programs for Federal employees on commercial activities contracting;

(3) Establish a repository for information on commercial activities contracting;

(4) Provide technical assistance; and

(5) Otherwise advise and assist in implementation of the Act.

Subsection 12(c): The authority of the Administrator of GSA and the Secretary of Defense under this section shall not be construed to limit the authorities and responsibilities under other laws of the Administrator of Federal Procurement Policy or any other agency head.

SECTION 13. PROCUREMENT PROTESTS

This section would amend 31 U.S.C. §3551(2) to clarify the applicability of GAO bid protest procedures to conversions to contract or conversions to in-house performance.

SECTION 14. EFFECTIVE DATE

This Act would take effect 180 days after the date of enactment.

H.R. 2507 WILL SAVE LIVES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. ANDERSON. Mr. Speaker, the debate on H.R. 2507, the National Institutes of Health Revitalization Amendments of 1991, centers on whether or not fetal tissue can be used for medical research without promoting abortion. Both sides agree that this research holds revolutionary promise for curing many diseases, including leukemia, multiple sclerosis, Alzheimer's, Parkinson's, and diabetes. Opponents of this proposal argue that fetal tissue research will increase abortions. Mr. Speaker, this debate is not about promoting abortion, it is about allowing NIH to conduct vital medical research. I rise today in support of H.R. 2507 because I firmly believe that the current ban on fetal tissue research is groundless and is depriving our Nation from medical discoveries that will dramatically improve the lives of millions of Americans.

In 1988, President Reagan imposed a moratorium that prohibited the National Institutes of Health [NIH] from conducting fetal tissue transplantation research while the Human Fetal Tissue Transplantation Research Panel, which Reagan appointed, determined whether or not performing fetal tissue research was acceptable public policy. The panel, which was composed of experts with both pro-choice and antiabortion positions, concluded that there were no ethical or scientific grounds for barring such research. They recommended lifting the moratorium as long as procedural safeguards were taken to ensure that fetal tissue research was not abused. President Bush has ignored the panel's recommendation, and the moratorium has remained intact.

Provisions in H.R. 2507 would lift the ban on fetal tissue research. The bill also includes the procedural safeguards suggested by the Human Fetal Tissue Transplantation Research Panel. The provisions stipulate that to use fetal tissue for research, it must be documented that the decision to have an abortion was separate from the decision to donate fetal tissue. A woman cannot place restrictions regarding the identify of individuals who may be recipients of the fetal tissue, thereby prohibiting donor specific abortions to cure an ill family member or friend. Fetal tissue cannot be bought or sold, eliminating the profit motive for having an abortion. Last, to avoid a conflict of interest, medical personnel who perform an abortion are barred from involvement in the subsequent use of the tissue for transplants.

The potential medical advances from fetal tissue research have been undisputed throughout this debate. Fetal tissue transplantation research could possibly cure birth defects, Alzheimer's disease, Parkinson's disease, juvenile diabetes, leukemia, and epilepsy. I firmly believe that medical professionals should be able to use all the resources at their disposal to fight these diseases. Preventing fetal research effectively prevents the advancement of cures and treatments without changing the realities of the abortion debate. Abortions will occur whether or not we pass this legislation today, but only one vote today will improve our ability to help people inflicted with these life-threatening diseases. For this research, I urge my colleagues to support H.R. 2507.

WHEN WERNER SPEAKS, PEOPLE LISTEN

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. KOSTMAYER. Mr. Speaker, the 1991 Humanist of the Year Award has been presented to Werner Fornos, the president of the Population Institute. The award is presented annually to those who have made outstanding contributions toward the improvement of the human condition, and whose careers have worldwide impact.

Past recipients include Dr. Linus Pauling, Jonas Salk, Andrei Sakarhov, Carl Sagan, John Kenneth Galbraith, B.F. Skinner, and Margaret Sanger.

Werner Fornos was cited for his work toward curbing world population growth, which the board of directors of the Humanist Association said it considers to be the root cause of virtually all environmental political and social ills confronting humanity today.

Worldwide recognition of this award is best reflected by the following article from Dawn, published in Karachi, Pakistan, on July 12, 1991:

WHEN WERNER SPEAKS, PEOPLE LISTEN

(By Anjum Niaz)

He upstages all, slipping effortlessly into the driver's seat. Soon the spotlight comes on and he starts to speak. His voice has a riveting quality about it . . . as words of passion flow, the listeners sit up and take note! In front of kings and commoners, demographic experts and lay people, congressmen and students . . . I have heard Werner Fornos address population and environment concerns . . . each time the man has excelled himself!!

But, Werner is more than just an excellent orator . . . he is a humanist, a man fighting for the rights of billions of people doomed to a wretched existence in the Third World. His is not a magnificient obsession, but a sincere crusade for stabilising the world population . . . Over population produces a terrible irony: having babies produces more suffering, frequently more death. As an American, he feels angry about the complacent attitude of fellow Americans, who are not too pushed about the subhuman life people suffer in the Third World.

As President of the Population Institute in Washington which is the only grassroots organisation in the US focusing solely on solving the international population problem, Werner Fornos is a tireless and effective advocate of family planning. The Institute according to Senator Paul Simon "has tangibly increased awareness about and helped lead to action in response to, one of the most critical matters affecting our global future".

Werner's ire is directed towards the White House and the Congress. Critical of President Bush's veto of US aid to UNFPA, Werner refuses to give up. "I am lobbying for the aid Bill to be passed by the Congress and attain a majority, to override Bush's veto". He is confident of carrying the day with the strong support of senators and representatives in both the houses of Congress, because these people believe in Fornos' cause. UNFPA is fortunate in having Fornos as its chief advocate at the Capitol Hill. Werner's waking hours are taken up by an all-consuming challenge to get America to recognise the UNFPA!

Speaking on May 22, 1991, from the podium of the formidably impressive National Press Club of Washington where international luminaries have held forth, Werner once again stole the limelight from the leaders of 60 organisations gathered to launch one of the most ambitious cooperative efforts ever undertaken to bring public attention to the devastating impact of overpopulation by releasing a Priority Statement on Population. As the American Press began its battering, most of the speakers failed to provide convincing replies. Werner then moved to the centre of the stage, and took on the googlies. Point by point, he fielded questions and ended up not only convincing the hardboiled media, but bagging interviews by the radio and press present there!!

The confidence, the smoothness of his delivery and his charisma comes from years of cumulative hard work and a sincere commitment to his cause. Where Werner strikes an extra point is in his firsthand information and knowledge of Third World countries and its leaders. He's equally at home meeting with Pathan elders in Landi Kotal . . . breaking bread with them as he is with the wife of the Pakistani President in Pindi sipping coffee. The subject of discussion always is population! I have witnessed Werner in different situations . . . with King of Nepal and the royal treatment meted out to him, with former Bangladesh President Ershad and how the latter conducted him around his "Control Room" where he daily monitored the population figures; with President Soeharto in his palace in Jakarta where both in a personal audience discussed the successes of the Indonesian family planning programme; in a university in Westchester in America, where Werner spoke to the students and explained the population control imperatives. The man is inexhaustible . . . versatile and above all sincere.

Population is not all that Werner talks about. He has a remarkable sense of humour. He has no problem breaking the ice with strangers . . . he starts by telling a joke. Warming up people, Werner then works his way to their hearts and souls, speaking in a forthright and sincere manner about his cause. The recurrent theme being: "The challenge for Congress, for the President, for the American people and for the citizens and governments worldwide—is clear. The challenge is too look beyond the next election to the next decade. We must come up with a course correction to slow and even stop the greatest threat our planet has ever faced".

Werner was awarded the "Humanist of the Year Award" by the American Humanist Association in Chicago. At the glittering gathering of notables, Werner received a standing ovation at the end of his address. He had not prepared, he had not rehearsed, he was just his natural self . . . warm, forceful and spontaneous . . . and that exactly explains the man and his mission.

HONORING JIM BARROCA

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. LAGOMARSINO. Mr. Speaker, I rise today to pay tribute to Jim Barroca, executive vice president of the Greater Ventura Chamber of Commerce, as he celebrates his 20th anniversary with that organization.

Jim grew up in Oakland, and he learned all about the small businessman's school of hard knocks by working in his father's neighborhood grocery store.

Following four years in the U.S. Navy, Jim returned to the bay area to finish college at the University of California, Berkeley where he received his B.A. in Journalism in 1960.

Most of Jim's life has been spent in volunteer organizational management. Following graduation he worked for several years in the San Francisco office of the Wall Street Journal before joining the San Leandro Chamber as assistant manager in 1962. Jim migrated to the San Fernando Valley in 1964 when he was aked to manage the Canoga Park Chamber.

In 1966 Jim was asked to manage the Oxnard Chamber. Two years later, the Conejo Valley Chamber in Thousand Oaks was looking for someone to be their first chamber manager and asked Jim to take the job.

Mr. Speaker, that is where Jim was before receiving a call in 1968 from Ira Laufer, the owner of radio station KVEN and immediate past president of the Ventura Chamber, asking him to take over as manager.

Jim is a member of many organizations, including the Ventura Country Ad Club, the Ventura County Public Information Communicators Association, and both the American and California Association of Chamber of Commerce Executives. Jim has also been a member of the East Ventura Rotary Club for the past 19 years.

Jim currently serves on the board of directors of the Downtown Ventura Association and the Ventura Youth Employment Service.

Jim was named "Outstanding Young Man of the Year" by the Canoga Park Jaycees in 1965 and Oxnard Jaycees in 1967 and was named Ventura's "Citizen of the Year" by the Ventura Jaycees in 1981.

Since coming to Ventura, Jim has managed the chamber's growth and has watched the membership increase from 450 businesses to over 1,500.

Mr. Speaker, although Jim is indeed a rare individual, I cannot say that he has been working alone all these years. His wife Marie has been with him at every turn, and together they have raised three children.

On behalf of the U.S. House of Representatives, I would like to thank Jim for his many years of dedicated service to not only the business community, but to the community as a whole, and to wish him the very best in all of his future endeavors.

RAISIN WARS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. KILDEE. Mr. Speaker, last month the House agriculture appropriations bill included language directing the Department of Agriculture to conduct an evaluation of breakfast cereals currently excluded from use in the WIC Program because of naturally occurring sugar in fruit. USDA would conduct this evaluation in conjunction with an ongoing review of the entire WIC food package. I was encouraged by the committee's action because it addresses a regulatory condition that prevents WIC participants from redeeming their coupons for cereals that contain fruit, such as raisins, because the natural sugar in the fruit exceeds maximum levels established by USDA.

It is common knowledge, and a practice encouraged by USDA in their literature, that eating fruit is an essential part of good nutrition. It therefore appears contradictory to prevent nutritionally at-risk WIC participants from accessing a readily available source of fruit in a cereal that, except for the additional fructose in fruit, meets all nutritional standards.

A July 30 Washington Post editorial referred to the current policy as "Government at its most famously elephantine." It also referred to a legislative effort to correct this inconsistency by attaching an amendment to the agriculture appropriations bill on the floor of the Senate, but it concludes by saying "this is the wrong place to write the rules."

Mr. Speaker, I must agree with the Washington Post on both accounts—the policy seems contradictory, but the floor of Congress is not the place where such rules should be revised. At the same time, I believe this matter should be resolved as soon as possible. Senator LEAHY assured Senator LEVIN during consideration of the Senate agriculture appropriations bill that his committee will be in contact with USDA to request that the issue be handled quickly and that a report outlining the Department's plan for dealing with this issue will be provided to the committee by the end of this year. As chairman of the Subcommittee on Elementary, Secondary, and Vocational Education, which has jurisdiction over the WIC Program, I fully support the Senate's action.

I would also like to enter into the RECORD a copy of the Washington Post editorial for my colleagues' review:

RAISIN WARS

> The Federal government thinks that children should eat less sugar and more fruit, which is fine—except when it's contradictory. The fruit that the government likes can be a major source of the sugar that it doesn't. The contradition arises with particular force inside a box of Kellogg's Raisin Bran. Can you believe that it may now arise within the U.S. Senate as well?
>
> It seems that, were it not for the sugar from the raisins, this product of the Kellogg Co. would be eligible to be bought by needy families under the sugar standard of the government's WIC program, a stern 6 grams per serving and no more. Counting the raisins and the rest of the sugar in the box, however, it's not eligible. That's true even though the same Agriculture Department that maintains the WIC regulations can be found in other contexts urging Americans not merely to eat more fruit, but to put it on their cereal.
>
> Kellogg cares, and not just for love of consistency in the Code of Federal Regulations. The WIC feeding program for needy pregnant women, infants and children is itself a pretty big bowl of breakfast. It helps to feed nearly 5 million people including a third of the nation's newborns at a cost of about $2.4 billion a year. Of that, an estimated $150 million goes for cereal, and about two-thirds of the cereal money, Kellogg says, is spent on Cheerios, which meet the WIC sugar and other nutrition standards and are made by Kellogg competitor General Mills. WIC really stands for women, infants, and Cheerios, the Kellogg people like to joke, not sweetly.
>
> Kellogg, based in Michigan, is urging that state's Sen. Carl Levin to offer an amendment to the agriculture appropriations bill somehow relaxing the sugar rule so that the raisins won't count. Other senators including minority leader Bob Dole have warned they will resist a step they call a threat to the program's "integrity." They cite a letter from the American Academy of Pediatrics and other protective groups urging that the question of what can and cannot be bought with the money not be politicized and noting that the department is already in the midst of a regular reexamination of the rules.
>
> If the government is going to cross the threshold of setting nutritional standards at all—as perhaps it had to, at least in the particular kind of program WIC is—we suppose it was bound to come to this. You make the rules, and the next thing you know poor kids can't have Raisin Bran, which other kids are eating without ill effect, because to allow Raisin Bran is to open the floodgates to government subsidized Snickers bars for poor and nutritionally deprived families. It is government at its most famously elephantine. Of this much only we are certain: The Senate floor is the wrong place to write the rules. But the Agriculture Department, if it is to have a free hand, should at a mimimum keep the free hand light. Surely it's possible to have rules that square with the WIC program's raisin d'etre and still let in a scoop of raisins.

A TRIBUTE TO JOSEPH F. BROWN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize Joseph F. Brown, "Speaker of the House for Rhode Island's Silver-haired Legislature." Mr. Brown is receiving the John E. Fogarty Older Americans Act Award for his commitment to improving the quality of life for older persons.

For 10 years, Joseph Brown has been a member of the Rhodes Island silver-haired legislature. In addition, he has been a member of the Governor's Commission on Alzheimer's and Dementia, and a tax counselor for the elderly in an IRS/AARP program.

Joseph F. Brown will be recognized on August 6, 1991 at 10 a.m. at the seventh annual commemorative program at Providence City Hall, given by the National Council of Senior Citizens. There will be entertainment, door prizes, and awards.

In addition to being active in the "Silver-Haired Legislature," Joseph Brown is a member of Retired Seniors Volunteer Program in East Bay, was treasurer and past president of the East Providence Negro Men's Civic Association, and on the self-help board of directors and acted as treasurer for 3 years.

I would like to once again recognize Joseph F. Brown for his contributions to the State of Rhode Island. He is a truly remarkable individual who has devoted his talents and energies to the "Silver-Haired Legislature." I would like to wish him luck with his future endeavors and again thank him for his contributions to the community.

U.S. SPACE CAMP

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Ms. NORTON. Mr. Speaker, I rise today to commend and acknowledge 25 fourth, fifth, and sixth grade students, 11 boys and 14 girls, from the William B. Powell elementary School, 14th and Upshur Street, Northwest Washington, DC, who were selected to attend the U.S. Space Camp, near Orlando, FL, June 2–7, 1991, based on their high academic achievement, outstanding behavior, and consistent attendance and participation in a Saturday "Say Yes" Math and Science Program.

Mr. Speaker, the 25 Powell students who graduated from U.S. Space Camp and received their wings are:

Marco Binion, Giselle Carela, Josandys Carela, Larita Carney, Jaakia Carrington-Brown, Ronald Edwards, Melissa Faison, Taria Forster, Nkita Hammond, Veronica Jackson, Tysean Lawson-Bey, Camilo Martinez.

Ernesto Martinez, Roberto Martinez, Amber Meadows, Fatima Nixon, Bryan Ray, Donnie Ray, Ruth Reid, Kalani Redman, Gregorio Rodriquez, Akisha Shaw, James Shelton, Daniel Stevens, Denise Tyree.

Mr. Speaker, some of these students, individually and collectively, were recipients of special awards.

The "Right Stuff Award" is bestowed upon one outstanding boy and one outstanding girl in each graduating class. Giselle Carela, grade 5, received this award. Donnie Ray received an individual award for the successful completion of his rocket launch.

Team awards, which consisted of space shuttle pins for each team member, were bestowed upon teams that excelled in various areas. Powell School's Andromeda Team: Giselle Carela, Jaakia Carrington-Brown, Melissa Faison, Veronica Jackson, Fatima Nixon, Akisha Shaw, and Denise Tyree received an award for having the best team spirit.

Finally, Mr. Speaker this trip was made possible through the generous donations of city officials, Government agencies, corporations, foundations, community organizations, and private citizens. The generosity of these contributors afforded an opportunity, not only for the students, but for their parents and sponsoring teacher also to participate in this activity. The following parents/teacher served as chaperones:

Jeanni Carrington-Brown, DeVore Carney, Donna Love, Rosa Martinez, Doris McCray, Jennifer Reid, Loretta Smith (teacher), Darlene Stevens, Michelle Tyree, and Charline Wilson.

MULTIPLE AWARD SCHEDULE PROCUREMENT IMPROVEMENT ACT OF 1991

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. CONYERS. Mr. Speaker, I am pleased today to introduce the Multiple Award Schedule Procurement Improvement Act of 1991. This bill puts into statute current procedures in regulation for making purchases from the General Services Administration's multiple award schedule contracts. It also adds a much needed element of price competition to schedule ordering procedures.

Federal agencies each year order approximately $5 billion in goods and services from "multiple award schedule" contracts awarded by GSA. This program is extremely popular with Government contracting officers, because they are able to place orders from vendor schedule contracts, sort of like ordering from a department store catalog, bypassing many of the requirements of the Federal contracting system. It has also become extremely popular with schedule contractors as a result of the profits to be made from this fast-track method of Federal contracting.

GSA awards schedule contracts to individual vendors on a sole source basis, without price competition. Schedule prices are determined based on price negotiations between GSA and the vendor, not price competition between vendors.

Ideally, under current regulations, contracting officers should review several schedules and buy from the schedule vendor offering the lowest overall cost item meeting the agency's needs. This usually, but not always, will be the lowest price item. Work by the Government Operations Committee in recent years, however, indicates that these procedures are not being followed in many cases and that the Government may not always be getting the best possible deal. I have asked for a GAO study of the Multiple Awards Schedule Program, and expect a report shortly.

Under existing regulations, a contracting officer is under no obligation to solicit a price from a schedule vendor lower than that listed in the schedule. In fact, such price negotiation rarely happens, because the schedule contractors have built-in disincentives to offer lower prices. If they offer lower prices to one agency, all other agencies must receive the same price.

This bill, in most respects, does little more than codify existing regulations that govern schedule purchases. It adopts the current procedure under both the FAR and the FIRMA for agencies to purchase the "lowest overall cost alternative" to meet their needs. It adds, however, a new requirement that contracting officers, for purchases over $1,000, enter into price negotiations with schedule vendors, that is, solicit lower prices. This negotiation could range from simple telephone conversations with as few as two vendors to the more complex price negotiation comparable to that described in the FAR. This is no more than would be expected of any prudent buyer, and especially of a buyer with the market power of a Federal agency. The current practice of buying at the published schedule price is, in my view, comparable to walking onto a new car lot and offering to pay full sticker price. The taxpayers deserve better.

Under the bill, the schedule price as negotiated by GSA will, in effect, become a ceiling price, and the contracting officer will have the responsibility to try to solicit a lower price.

The bill also provides incentives to schedule contractors to offer lower prices to agencies buying from schedules. Under existing regulations, if a vendor offers a price to an agency lower than its schedule price, it must reduce its schedule price for all agencies accordingly. This clearly creates a tremendous disincentive for schedule vendors to offer lower prices to agencies buying from schedule contracts. Further, a vendor faces an additional disincentive of having to disclose the price reduction to GSA under the existing schedule or in negotiation of future schedule contracts. Accordingly, the bill provides that schedule price adjustments shall not be required as a result of any price reduction offered to an agency on a particular schedule order and that a price reduction need not be disclosed by the vendor under the current schedule or in the negotiation or administration of any future schedule. Although this provision will diminish, to some extent, the scope of data that can be obtained by the Government in the negotiation of schedule contracts, this disadvantage should be countered by lower prices offered to agencies placing orders against schedule contracts.

The bill also clarifies that agencies, before making schedule purchases over the small purchase threshold, must publicize the procurement to solicit competition from other vendors. This procedure is substantially similar to the procedure now in place for ADP schedule orders under the Federal Information Resources Management Regulation. The bill simply codifies decisions of the Comptroller General on this issue.

Mr. Speaker, multiple award schedule contracting has become a huge program through which billions of dollars of taxpayers' money is funnelled every year. It is time for Congress to look closely at this program, and to bring it under control. This bill is a good first step at doing just that.

Set forth below is a section-by-section analysis of the bill:

SECTION-BY-SECTION ANALYSIS OF THE MULTIPLE AWARD SCHEDULE PROCUREMENT IMPROVEMENT ACT OF 1991

Section 1: Section 1 provides that the title of the bill is the "Multiple Award Schedule Procurement Improvement Act of 1991".

Section 2: Section 2 adds a new section 113 to Title I of the Federal Property and Administrative Services Act of 1949 to codify current regulatory requirements for ordering from multiple award schedules and to require competition in multiple award schedule ordering.

New subsection 113(a) requires contracting officers to conduct price negotiations with schedule contractors prior to placing an order under a schedule over $1000, to the maximum extent practicable. An order could be placed with the schedule contractor offering the lowest overall cost alternative meeting the needs of the agency.

Paragraph (a)(4) of the new section provides that schedule price adjustments shall not be required as a result of any price reduction offered to an agency on a particular schedule order. Paragraph (a)(4) also provides that the price reduction need not be disclosed by the vendor under the current schedule in the negotiation or administration of any future schedule.

New subsection 113(b) requires synopsizing in the Commerce Business Daily of schedule orders above the small purchase threshold, in order to solicit competition from other (schedule or non-schedule) vendors. If the response to the synopsis indicates that placing the order is not the lowest overall cost alternative to meet the Government's needs, then the order cannot be placed, but a solicitation can be issued for bids or offers to meet the needs of the agency. Any such solicitation can be issued to a limited group and can make use of other simplified acquisition procedures. Any such solicitation, however, should not be for bids or offers for products or services different than, or of a greater dollar value than, the products or services synopsized in the CBD.

New subsection 113(c) includes definitions of "Multiple Award Schedule" and "lowest overall cost".

Section 3: Section 3 of the bill provides that the amendments made by the bill will be effective 270 days after enactment.

A CONGRESSIONAL SALUTE TO MR. C. ROBERT LANGSLET

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to Bob Langslet, a long time friend of the greater Long Beach community. Mr. Langslet will retire after 12 years of distinguished service on the Board of Harbor Commissioners for the Port of Long Beach and three terms as commission president. This occasion gives me the opportunity to express my deepest appreciation for his many years of service to the community.

Mr. Langslet, born and raised in Klamath Falls, OR, moved to Long Beach in 1948 after serving in the Army with the occupation forces in Japan. Since that time, he has remained in the Long Beach area, contributing greatly to the community.

Mr. Langslet began his business life as a general contractor. During an impressive 35-year career in the building industry, he has won acclaim for his innovative land use, environmental beautification, reconstruction and special design projects. His firm, C. Robert Langslet & Son, Inc., has received over 30 national and local awards, including three coveted Gold Nugget Grand Awards.

Bob Langslet has also enriched the economic well-being of the community by furthering trade with other nations. In 1974, he was appointed to the California State World Trade Commission, and still holds his position on the board of directors of the Economic Development Corp. of Los Angeles County. He also served on the 35-member Intergovernmental Policy Advisory Committee for U.S. Trade Representative Carla Hills. In the private sector, Mr. Langslet has been instrumental in the creation of the greater Los Angeles World Trade Center, the Foreign Trade Zone No. 50 and the Intermodal Container Transfer Facility.

Today we recognize Mr. Langslet for his 12 years on the Long Beach Board of Harbor Commissioners and his three terms as commission president. During his tenure, we have seen an amazing growth in the Long Beach Port. He has been instrumental in the expansion of Pier J to accommodate additional containerized cargo capability and the conversion of Seventh Street peninsula into a major container terminal.

His dedication to the harbor should not overshadow Mr. Langslet's contribution to the civic community. He is a past chairman of the board of directors of St. Mary Medical Center as well as past president of the Boys' Club of Long Beach. Both the National Conference of Christians and Jews and the Long Beach Lung Association have honored him with their humanitarian awards. We look at Mr. Langslet as a business leader who has given much back to his community.

My wife, Lee, joins me in extending our thanks to Bob Langslet for his contributions to our community. The Port of Long Beach is losing an extremely valuable personality. We wish Bob, his wife Audrey, his children, Craig and Julie, and his seven grandchildren all the best in the years to come.

IN HONOR OF THE BIRTHDAY OF MS. CLARA TROM

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. LAGOMARSINO. Mr. Speaker, today I have the distinct honor of wishing an incredible lady a very happy birthday. Clara Trom, a former elections supervisor, will be 80 years young on September 25, yet she is still a fixture in Ventura County politics.

Clara started working part-time for Ventura County in October 1964 and became a full-time employee 13 months later. During that time, she assisted many candidates, myself included, with the dozens of elections laws with which they must comply.

Though she retired in 1978, Clara missed being a critical part of our democratic process and returned as a part-time employee about 6 months later.

Now, like clockwork, Clara returns about 1 or 2 months before each election to provide the special touch that I and many others appreciate more than she will ever know.

So, Mr. Speaker, on behalf of the U.S. House of Representatives, I again wish Clara a very happy 80th birthday and good health and much happiness in the future.

A TRIBUTE TO ROBERTA M. HAWKINS

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize Roberta M. Hawkins who is receiving the Aime J. Forand Award for her commitment toward improving the quality of life for older persons. The award is given to recognize and focus public attention on individuals who perform notable work toward the purpose of Medicare.

Roberta M. Hawkins, executive director of the Alliance for Better Nursing Home Care, has dedicated the past 20 years of her life to the young and the elderly.

Roberta M. Hawkins began a program, Building Bridges, which brings young children into nursing homes, and allows them to develop relationships with the elderly. During these monthly visits, the nursing home residents feel connected to the community and can begin to overcome their sense of isolation. This program has grown to become a statewide network that involves almost 1,000 children and 800 nursing home residents yearly.

Roberta M. Hawkins' goal is to do her best, to give her all, and to remove all fears of growing old. Mr. Speaker, I hope you and all of my distinguished colleagues will join me in honoring Roberta Hawkins for her contributions to nursing home resident's needs and possible ways of helping them find solutions to meet their needs. I extend my best wishes for success in her future endeavors.

DICK WOOD STEPS DOWN AS WTEN ANCHORMAN AFTER 18 YEARS OF DISTINCTION

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. SOLOMON. Mr. Speaker, it's increasingly easy these days to complain about the news media. That's why today I'm going to talk about one of the things I like about the news. I'm talking about Dick Woods, who is stepping down after 18 years as an anchorman for WTEN–TV in Albany.

I and others who live in the Capital District are reassured that Dick Wood will still be active in broadcasting, even as he spends more time with his lovely and talented wife, Kristin, relaxes, and pursues other interests. That's great news because Mr. Wood has added a touch of class to his profession.

In a congratulatory letter I sent to him, I remarked that he reminded me of several people, including athletes like Joe DiMaggio and entertainers like Cary Grant and Fred Astaire, all of whom had the same class and professionalism. I said that he also reminded me of my hero, Ronald Reagan, in the way he was at ease with himself and communicated that feeling to others.

But the best thing about Dick Wood is the fact that he reported the news without embellishing it with his own opinions. That's not an easy thing to do, but Mr. Wood did it every day of his professional life.

And, Mr. Speaker, I feel compelled to note that Dick Wood is also a veteran, which makes him all the more special to me. It was in the U.S. Army that Dick Wood earned his first distinction as a broadcaster. It was the start of a brilliant career.

A dinner will be held in his honor August 9. Mr. Speaker, I ask you and other Members to join me today in paying our own tribute to Dick Wood, who has been a credit to his profession.

MONMOUTH COUNTY, NJ, TO CELEBRATE ITS 29TH ANNUAL HISPANIC FESTIVAL

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. PALLONE. Mr. Speaker, The Spanish Fraternity of Monmouth County, Inc., NJ, will be celebrating its 29th Annual Hispanic Festival—Fiesta Hispanic—at the Long Beach oceanfront on August 16, 17, and 18. I am looking forward to attending this exciting event during the upcoming district work period. I urge all of my constituents, as well as residents of other parts of the Garden State, to pay a visit to the festival—regardless of their ethnic origin.

The purpose of the festival is to bring the Hispanic community together and share its culture and heritage with the neighboring counties. There will be a wide variety of sporting events, games, and rides, with a colorful sampling of Hispanic dishes and dances. For Hispanic residents of Monmouth County, the event offers the opportunity to take a special pride in the many wonderful accomplishments of their community. For non-Hispanic residents, the festival offers a chance to learn something about a culture of tremendous influence and importance throughout the Western Hemisphere.

Mr. Speaker, as a lifelong resident of the city of Long Branch, I am proud that my home town is the host community for this festival. The Hispanic community of Momouth County in general, and of Long Branch in particular, has a distinguished history of positive efforts and hard work aimed at improving the quality of life for all our people.

THE MIDDLE CLASS DESERVES TO GO TO COLLEGE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. LIPINSKI. Mr. Speaker, I believe every student deserves the chance to go to college no matter what their income level. However, there are many obstacles that must be overcome in order for a student to go to college, and I am not only speaking of financial concerns. I am also referring to the need for academic guidance and support services.

Applying to colleges is not a simple or isolated undertaking. High school students must begin as early as ninth grade to look toward postsecondary education as an option. They must take the necessary classes and aptitude tests, explore financial aid options—a cumbersome task in itself—acquire and complete the application forms, and decide which institution they want to attend. This can be an overwhelming task, and without encouragement, guidance, and support, this task could seem unconquerable for any student.

For first-generation students, students whose parents never received a postsecondary education, this process is even more intimidating. It is more intimidating because their parents, who never pursued a higher education, lack the background needed to provide adequate postsecondary guidance and often do not portray college as an advantageous venture. Nonetheless, these students deserve the chance to recognize college as an option and choose if they want to pursue it.

As a low-income student, there are many available sources from which to seek guidance and help. Programs such as TRIO provide a wide range of student support services. Although the TRIO statute requires programs to target two-thirds low-income and first-generation students and one-third low-income or first-generation or physically handicapped students, in practice, almost all of the TRIO programs serve predominantly low-income students. I believe that all students deserve these services including first-generation students from working and middle-class families. These students deserve this chance as any other disadvantaged student, and if we are funding a program that does not target and serve all disadvantaged students, then we are discriminating.

The middle-income family should not be excluded from higher education. The grant process proposed for the reauthorization of the Higher Education Act will in effect do just that by providing Federal financial aid to only those at the lowest income level. If money will not be available to working and middle-class students, the least we can do is provide services and help find the funds to send them to college and attain their dream.

A CONGRESSIONAL SALUTE TO CAROLYN CARR

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an outstanding individual and long time friend of the Long Beach community. Carolyn Carr, along with her employer Long Beach Airport Marriott, contributed immense support for the recent veteran outreach program, Stand Down '91. I wish to take this opportunity to express my sincere appreciation for her years of dedicated service to a very special and deserving community, veterans of the U.S. Armed Forces.

Stand Down '91, Ms. Carr's most recent project, was held June 21–23 as a comprehensive program designed to provide homeless veterans with the services needed to reenter mainstream society. It served 263 homeless veterans ranging in age from their mid-twenties to mid-seventies. The project provided 261 multiple-service medical appointments, 100 followup medical appointments, adjudicated 73 legal cases, located short-term jobs for 19 vets, and shelters for 40 more. Each homeless veteran was given the opportunity to obtain numerous other services throughout the 3-day event, such as a shower, haircut, counseling for substance abuse, AIDS, stress, foot problems, and exposure to agent orange. They also received donated shoes and clothing, shelter, and all the food they could eat, in addition to being treated to two, 2-hour USO shows.

Ms. Carr, and Marriott hosted the pre- and post-event receptions and briefings, providing food and beverages for over 200 people. They also provided strong vocal support to rally the community to action for Stand Down '91. Without Ms. Carr's strong support and the backing of her employer, Long Beach Marriott, Stand Down '91 could not have been the immeasurable success it turned out to be.

I believe the ultimate thanks to Ms. Carr came from one of the many Vietnam veterans present who was heard saying, "This was the most at home and welcome they had felt in the United States since returning from Vietnam."

Stand Down '91 is but one of the many worthwhile causes to which Ms. Carr devotes her time. As vice president of the USO-Greater Los Angeles, she is a dedicated volunteer to the cause of assisting military personnel and their families throughout the southern California area. As chair of USO's Program Committee, Ms. Carr has been responsible for developing a unique support-orientation project for military spouses informing them of the many opportunities available within the Greater Long Beach community.

Ms. Carr has also sought to improve the overall community as an active member of such worthwhile organizations as the Long Beach Chamber of Commerce Board of Directors, the Executive Committee of the Long Beach Convention and Visitors Council, and the Long Beach Public Corporation for the Arts.

On this occasion, my wife Lee joins me in extending our heartfelt thanks and congratulations to Carolyn Carr and her husband Claude Bennadict. Ms. Carr has been a dedicated citizen of Long Beach, and has made invaluable contributions to the veteran and wider comunity. We wish Carolynn all the best in the years to come.

TRIBUTE TO BISHOP SMALLWOOD E. WILLIAMS

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Ms. NORTON. Mr. Speaker, On June 28, 1991, Bishop Smallwood Williams, a remarkable spiritual and civic leader of modern Washington died. In remarks at his funeral, I tried to capture something of the extraordinary significance of his life to the church that he built worldwide and to the city that he loved and served with great skill and devotion. I ask that these remarks be inserted into the RECORD:

As we commemorate the bicentennial of our city this year, there is a list of great planners and mathematicians—Pierre L'Enfant, Benjamin Bannaker, and the rest—but no list of founders because the District was planned and not founded 200 years ago. This city was founded about 20 years ago as home rule, self government, and democracy finally began to come to the District of Columbia. Today we celebrate the life of the bishop, the founder of Bibleway here in the District and worldwide, but the people of the District want to add as well to his distinguished epitaph, that Bishop Smallwood Edmond Williams was also one of the founders of modern Washington and most assuredly its spiritual father.

Bishop Williams left the impact of his religious values on our city through years of extraordinary and devoted civic service. The power of his values was apparent when he stood up to segregation before the rest of us sat in at lunch counters; when he built housing in this community rather than critize others for not doing so; and when he became a political force in the city, recognizing that the political future of the District was too important to be left to politicians.

I stood before this congregation about this time last summer as I struggled to become one of those politicians in my first bid for public office. How typical of the bishop not simply to endorse or to cochair but to bring me here to his temple to educate his congregation about me, and about the Congress. Not only did I speak but he had another great father of this city, our friend Joe Rauh to speak, and my friend from childhood, Yvonne to speak so that the congregation could learn something not only about me but something more about the office I was seeking and what difference it might mean to our city. This was his way. If you are going to do it, do it all. Do it right.

The bishop has indeed done it right. We are grateful to Bibleway for sharing your bishop with your city, for if Bishop Williams was your patriarch, he also was the spiritual patriarch of the District. Yvonne, Wallace, Bishop Williams was your devoted father. At homegoing, allow us to claim him as the spiritual father of the District of Columbia.

BACKGROUND ON UE LOCAL 1015 STRIKE AGAINST CAROL CABLE CO. WEST/PENN CENTRAL

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. DYMALLY. Mr. Speaker, 200 Latino, African-American, Asian and Anglo members of United Electrical, Radio and Machine Workers of America UE Local 1015 have been on strike against Carol Cable Co. West since June 17, 1991 in an effort to win a just contract. The main issues of the strike are retention of quality health care insurance and a decent wage increase. Seniority averages 13 years, wages range from $7.40 to $10.16 per hour and 20 percent of the workers are women, many single parents. Carol Cable Co. West manufactures copper wire, electrical and power cable for residential, commercial and industrial use. Carol Cable Co. West is a subsidiary of Penn Central Corp., a multibillion dollar conglomerate. The strike has been sanctioned both by the L.A. County Federation of Labor AFL–CIO and IBTeamsters Joint Council 42.

Members of UE Local 1015 are facing serious attacks on their right to strike in this struggle for decent health care insurance and wages. This struggle is especially crucial when one considers that 6.2 million California residents are without health insurance and that many millions more lack adequate health insurance. And the statistics show that a majority of workers of color lack decent health care insurance. Corporate attacks to-date on these striking workers include:

First, hiring of permanent replacement workers who have provoked and committed violence on the 24-hour picketline and providing inferior wages and benefits;

Second, deliberately focusing on the hiring of African-American workers in an attempt to foster racial conflict (and cynically attempting to use recruitment practices aimed at welfare recipients);

Third, obtaining a temporary restraining order which severely restricts picketing and other free speech activities while holding both the union and individual strong leaders liable;

Fourth, announced plans to close and consolidate parts of the Carol Cable operations in southern California resulting in a loss of close to 100 jobs for the union and surrounding community—which is already suffering from an economic crisis; and

Fifth, retaining an inflexible response to union offers to resume contract negotiations by continuing to insist that an inferior health insurance plan is the final company offer.

The human cost in this struggle makes it clear why these 200 workers are so commited to fighting for their right to strike and to fighting for a just contract.

Anthony Acosta has worked for Carol Cable for 19½ years as a shipping clerk and forklift driver. His hourly wage is $8.50. Like many of his coworkers, Anthony has been willing with each 3-year union contract to forego reasonable wage increases in favor of retaining quality health care insurance. Such a benefit is especially important to the Acosta family because both Anthony and his 9-year-old daughter Suise suffer from serious heart problems which require comprehensive and regular medical care. It will be financially impossible for Anthony to afford the inferior medical plan being offered by Carol Cable with his wages. He is on strike because he feels the company's offer means literally physical and financial death for his family.

Ester Bonilla has worked as a machine operator for Carol Cable for 15 years and earns $7.55 an hour. As a single parent of 15-year-old Peggy and 7-year-old Oswaldo, Ester is especially angry and worried that the company's health insurance offer will mean that her children will not have access to decent health care because her wages will not cover medical expenses as well as food, clothing, education and housing costs.

Deborah McFarland is an African-American mother of two daughters, Kenisha 11 years old and Michele 18 years old, and is the sole household income for her family which includes her unemployed trucker husband and 15-year-old niece. After having worked 15½ years for Carol Cable as a CV machine operator, Deborah earns between $8 and $8.50 an hour, depending on incentive rates. The McFarlands face economic ruin if forced to shoulder increased health insurance costs and face a future of inferior health care as well.

These individual stories are repeated over and over again as their coworkers face the same grim choices and futures. These workers are standing firm as a part of the community with the demands that such a rich corporation as Penn Central/Carol Cable Co. West stop its attack on the right to strike and return to the bargaining table to negotiate decent health care benefits and decent wages for these 200 workers and their families.

ELIMINATE SOVIET SECURITY FORCES

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. HERTEL. Mr. Speaker, today President Bush quietly accepted President Gorbachev's little promise that the assassination of six Lithuanian law enforcement officers was under investigation.

Today too many quietly accept the notion that the January murder of 13 Lithuanian citizens in Vilnius by Soviet troops was out of President Mikhail Gorbachev's control.

Is this the same Soviet President with whom we just signed a nuclear arms treaty? Is this the same President of the United States who did not disagree while his predecessor named the Soviet Union an "Evil Empire?" Are we going to accept another lame excuse for the wanton murder of innocent Lithuanian people?

If President Gorbachev really wants to end the violence in the Baltic Republics he would call his troops home. Without the provocation of facing unarmed civilians while assaulting civilian and Government targets in Lithuania's capitol, just maybe the bloodshed would stop.

Our President could help by letting the Baltic peoples know that we are still committed to their freedom from foreign domination, rather than encouraging the Communists to hold on to power as part of a new Soviet Union. He could reaffirm our Nation's long-standing policy of refusing to recognize the 1939 forced incorporation of the Baltic States into the Soviet Union, rather than warning the freedom loving peoples in the U.S.S.R. against independence.

He could also grant most-favored-nation trading status to the Soviet Union republic by republic, nation by nation, and people by people—rather than only to the all union government that we have refused to recognize as legitimate in Latvia, Lithuania, and Estonia.

Since our earliest history, Americans have fought and died for a notion that can be expressed in a single word—liberty. In 1776, we withdrew our political alliance from a government that did not represent our aspirations. With help from foreign nations, our independence movement was successful. Today our President took a Tory's stand. In Kiev, in front of the leaders of Rukh, President Bush told the world that he supports the Soviet Union over the freedoms our Nation has prided itself on for over 200 years. This century alone, we fought two world wars and numerous police actions in support of independence for oppressed peoples and freedom from foreign domination. I am deeply disappointed by the President's comments.

As the shifting winds of political fortune change the face of the international community, Latvia, Lithuania and Estonia one day will be free. Just maybe we should try a little harder to help these struggling people share in the benefits of the liberty that we all too often take for granted. Perhaps, we might even encourage them a little in their quest for freedom.

As President Gorbachev's investigation continues into the murder of the law enforcement officers in Lithuania, perhaps we should stand up and be counted among those who call for a real solution to the senseless violence that the Baltic peoples endure.

It is time for the permanent removal of Soviet security forces from the Baltic nations of Latvia, Lithuania and Estonia.

TRIBUTE TO THE BENAVIDES FAMILY

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. ORTIZ. Mr. Speaker, I rise today to pay tribute to a constituent of mine who resides in Corpus Christi, Mr. Hilario "Benny" Benavides, a father, a soldier, and a patriot. Following his family's long and distinguished tradition of serving the nation through the armed services, Mr. Benavides joined and served in distinguished fashion with the U.S. Air Force for some 20 years as a staff sergeant, most recently with the 314th Combat Support Group located at Little Rock Air Force Base. And where he has left off—his family has carried on.

Mr. Benavides is a father of one daughter, Sylvia Benavides, and five sons. All of his sons have chosen to continue the family tradition by joining and serving their Nation through the armed services. Sgt. Hilario Benavides, Jr., of the Army's 7th Support Group, Sgt. Tomas Benavides of the Army's C–Battery 2/18 Field Artillery 212 Brigade, S. Sgt. Joe Benavides of the Marine Corp stationed aboard the U.S.S. *Anchorage*, Sgt. Rudy Troy Benavides of the Army's Mechanical Infantry Reserves, and Cpl. Carlos Benavides formerly of the Army's 82d Airborne have all served this Nation in the highest caliber.

The Benavides family has shown uncommon dedication in their service to their Nation and has made a mark of distinction. The Benavides family has contributed approximately 100 years of service in the U.S. armed services. Such dedication to military service is highly admirable and laudable. When the Nation is in need, it is a great relief to know that there are men and women, like Mr. Benavides and his family, who will respond to the call of duty.

Let me also commend the valor of the wives of these patriotic men. It is well known that one of the hardest jobs is to be the spouse of a member of the U.S. armed services. I assure you, there are more hours spent in this occupation than can be counted. So to Benny's wife, Toney, and the wives of his sons, AnneLiese, DeLia, Sylvia, Nora, and Maria, I salute you as well.

Mr. Speaker, Members of the House, it is with great pride that I extend my warmest regards and a heartfelt thank you to Mr. Benavides and his family. In every way, he and his family illustrate the American ideal of a true patriot. On behalf of a grateful Nation, let us all pay tribute to a man and a family that have served their Nation admirably and will hopefully continue to do so for many years to come.

FORT MILLER REFORMED CHURCH TRACES HISTORY BACK TO 1817

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. SOLOMON. Mr. Speaker, the newspaper article says it all. "The Fort Miller Reformed Church is a piece of living history."

And so it is. Like so many of the distinctive churches in the 24th District of New York, the Fort Miller Reformed Church is as much a museum as it is a place of worship. It can trace its history as far back as 1817. That history includes such episodes as disputes over sending church funds to Indian missions. To read these church records is to gain an insight into the formative historical period of our national life.

With that in mind, Mr. Speaker, I have taken the liberty of inserting the entire newspaper article in today's RECORD:

[From the Glen Falls (NY) Post-Star, July 14, 1991]

FORT MILLER CHURCH PRESERVES SENSE OF HISTORY

(By Tom Calarco)

FORT MILLER.—The Fort Miller Reformed Church is a piece of living history.

Built by carpenter Shepherd Norcross sometime around 1816, it is the oldest existing public building in Washington County.

Today it stands on a shady lane along with handful of colonial homes, remnants of the formerly thriving village. It continues to serve its faithful when other buildings like it have been torn down or turned into museums.

The Rev. Isaiah Younglove Johnson, then pastor of the Argyle Reformed Church, was the first to offer services at Fort Miller in 1817. A congregation, however, was not organized until 1822.

In that year, a petition was made to start a church in the village, and the Rev. Philip Duryee, pastor of the Schuylerville and Northumberland Reformed churches, was put in charge.

Of the Fort Miller Reformed's founding father, history records him as "possesed of a kind spirit and gentleness of manner." But his affiliation with the new church was, brief.

Duryee was replaced by another minister whose stay did not last much longer, and the church was without a regular minister until 1827.

In all, 37 ministers have served the congregation through the years. Several lasted less than a year, others left no other record in history, and a couple went on to impressive achievements.

But it was not the church's ministers who brought it to life. Rather, it was the original Champlian Canal, now abandoned, the dam that fed its channel that led to the church's rise.

It provided the water needed to power the grist mill the saw mills that sprang up. A mile-long boat channel built in 1826 further increased business opportunities.

But at times water backed up from the dam, ruining the fields and crops of neighboring farmers. This sowed the seed of the conflict which nearly destroyed the church.

By 1837, records show, 52 families, numbering 280 individuals, were church members. Fort Miller was thriving.

In 1839, however, when the church's ninth minister, the Rev. Joel Wood, was installed, the conflict dating back to the building of the dam was ready to explode.

The state was in the middle. During the previous 10 years, it had awarded damages to farmers who had made legal suits. It had also ruled on several occasions to remove the dam. But pressure from business interests caused the state to reverse its position.

The quarrel also had escalated into a conflict of generations. The farmers wanted to maintain their way of life; their sons want to work along the canal or open businesses on it.

The Rev. Wood was not well-received. He had been an Indian missionary, and his attempts to send a portion of church funds to the missions met with opposition and increased disunity within the church. Violence erupted and damage was done to the church building. It proved too much for Wood, who was in poor health. He died in 1845 at the age of 49.

His replacements, the Rev. James Stebbins and the Rev. Hiram Slauson, had no success in controlling the conflict. In 1849, the dam was dynamited, and the state ruled that the dam be removed.

As a result, the mills closed and many workers, who were also members of the church, moved. In 1854, the Fort Miller Reformed Church dissolved.

In the next year, the Rev. A. Gibson Cochran attempted to establish a Presbyterian church without success. And no records exist that show the church in use again until 1867.

But church member James Pettit, whose family goes back to the 19th century in Fort Miller, said, "It wasn't totally inactive. It just kind of staggered along."

On April 17, 1867, 33 entirely new members presented themselves for church membership, and the Rev. Abram G. Lansing of the Schuylerville Reformed Church became pastor, adding Fort Miller to his duties.

His tenure was typically brief, but he was replaced by one of the church's most popular pastors.

The Rev. Charles Kellogg increased church membership by two-thirds during his four years there. According to the church's history, "The Phoenix of the North," by former pastor Millard Gifford, he was the only minister whose leaving was regretted by both the congregation and the church's governing body.

Kellogg's short tenure put Fort Miller back on its feet, and the years following him tell a story of renewed growth and loyalty.

Among its pastors during this period, one rose to prominence—the Rev. J. Wilbur Chapman become an internationally known evangelist. Another stirred controversy by immersing individuals during the rite of Baptism in a nearby cove.

And another—the Rev. George Luckenbill—met an untimely death, being struck by a train.

Luckenbill was engaged to parishioner Carrie Shepherd. A legacy of their love remains today—a bookcase Luckenbill had given Shepherd rests in the parsonage's study.

From 1913 to 1955, only two pastors served the church.

The Rev. Charles Kinney was also pastor of the Schuylerville Reformed while at Fort Miller. Among the milestones of his pastorate were the initiation of Sunday school classes and the advertisement of church services in The Post-Star.

But perhaps the most notable event during his ministry occurred on March 5, 1928, when electric lights were first turned on in the church.

Kinney's successor that same year was the Rev. Jacob LaRue, who added Fort Miller to his duties as pastor of the Hudson Falls Presbyterian Church. He administered to Fort Miller longer than any pastor—27 years.

The Vereengheit Circle, a ladies aid society which still exists and whose special concerns are the maintenance of the church and involvement in charitable activities, was formed in 1929.

In 1960, the church committed to hiring a full-time minister—the Rev. Raymond Vedder.

A popular pastor, Vedder organized the church's first youth group, started its first Vacation Bible School, taught its first confirmation classes, held the first candlelight services, introduced the monthly covered dish suppers, and initiated the Prayer Chain, in which church members pray for those who are seriously ill.

Another young minister, the Rev. Charles Anker, replaced Vedder. Interested in the issues of the day, he tried to attract young people with a sex education class and a drama club. Despite his efforts, church attendance and financial support fell.

Millard Gifford, pastor of a church in the Bronx and an experienced fund-raiser, became pastor in 1969. At once he began measures to salvage the church's finances: a chicken barbecue, a benefit concert and the publication of a monthly paper. These were somewhat successful.

The Rev. Charles Bailey, the present minister, replaced Gifford. His nearly 20 years have seen a new resurgence. A teacher at Adirondack Community College, education has been his focus.

In 1983, four Sunday school rooms were added. Today, more than 50 individuals of all ages attend eight different classes in religious studies at the church.

Many of the church members are young people, Bailey said. They come from South Glens Falls, Argyle and Greenwich.

So the future looks good for the church that goes on in a village that is almost gone.

In fact, the church is getting a new paint job. Probably to hide the wrinkles.

NEW JERSEY SETS HIGH STANDARD WITH POLLUTION PREVENTION ACT

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. PALLONE. Mr. Speaker, the State of New Jersey already enforces the Nation's most stringent "end-of-the-pipe" pollution controls to prevent industries from indiscriminately discharging the toxic chemicals many of them now use in manufacturing processes. This is just one of many instances in which New Jerseyeans have pushed the State to adopt the type fo ambitious and innovative laws that Congress and the rest of the States should use as an example of how to most effectively protect the environment and natural resources.

New Jersey set a new standard today when Governor Florio signed legislation to take the next logical step in environmental protection by attacking pollution at its source. The New Jersey Pollution Prevention Act will result in significant reductions in the volume and toxicity of chemicals that manufacturers use in initial production processes—and therefore dramatically reduce toxic waste and the risk of spills and accidents.

The Pollution Prevention Act is a measure which we in Congress would do well to use as model when we take up reauthoization of the Clean Water Act and the Recource Convservation and Recovery Act. Congressman GERRY SIKORSKI has already introduced a bill to include similar provisions in RCRA. I urge all my colleagues to cosponsor his legislation, H.R. 2880, so that the rest of the Nation may benefit from the type of protections now available in New Jersey.

The New Jersey Pollution Prevention Act and Congressman SIKORSKI'S Community Right to Know More Act are based on a very simple premise: Preventing environmental catastrophes in the first place makes a great deal more sense than even the most creative and effective waste cleanup or management program.

The New Jersey law and H.R. 2880 make the very reasonable assumption that if industry would just create and use fewer toxic substances, we would have fewer accidents requiring cleanup, we would have less toxic waste to manage and dispose, and we could save billions of tax dollars.

Each measure would require companies that use or produce large amounts of toxic chemicals to conduct a toxics inventory, to make the results available to the public and to devise a plan to minimize use of the toxic substances identified in the inventories.

This approach makes sense in terms of environmental protection, because companies will need to find ways to make their manufacturing processes more efficient and less polluting. It makes sense in terms of worker safety, because employees will be exposed to fewer hazardous substances. And it makes fiscal sense because the costs of hazardous waste management and pollution control will go down.

The New Jersey Public Interest Research Group deserves a great deal of credit for leading the diverse coalition that waged a 2-year campaign for passage of the Pollution Prevention Act. Now it is up to Congress to follow New Jersey's example and make these significant workplace and environmental protections available throughout the country.

CONGRATULATIONS TO COMMISSIONER W.E. DOUGLAS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. HOYER. Mr. Speaker, I rise today to congratulate and honor the distinguished career of the Commissioner of the Financial Management Service, W.E. Douglas. On August 10, he will retire after 32 years of service to our country and the American people, and I know that my colleagues join with me in extending congratulations and hearty "job well done" to Commissioner Douglas.

Commissioner Douglas graduated cum laude from the Citadel in 1956 after serving in the Army from 1948 to 1952. In 1959, William E. Douglas began his career with the Internal Revenue Service, completing their executive development program in 1972. For the past 11 years, he has served as Commissioner of the Financial Management Service—where he has done a remarkable job improving the agency and the financial management of this Nation's assets.

Mr. Speaker, I have the honor of serving on the Treasury, Postal Service and General Government Subcommittee on Appropriations which oversees the budget for the Financial Management Service. I have watched as Commissioner Douglas has instituted reform after reform achieving results that would have made him a millionaire many times over had he accomplished the same feats in the private sector.

Under his guidance, FMS was modernized, moving from a paper transaction agency to more high speed and efficient electronic methods. This conversion from paper checks to electronic funds transfer has resulted in over $520 million in savings—reducing the cost of each transaction from $0.036 to $0.06.

Commissioner Douglas developed and implemented the Tax Refund Offset Program which has collected over $2 billion in delinquent debt owed to the Federal Government. Most recently, he established a cash collection program to link the Federal Government's seven collection operations into one $400 billion worldwide cash-link network. This initiative will save taxpayers millions annually as well as provide improved financial data to Government decisionmakers. All told, Mr. Speaker, the program innovations undertaken by Commissioner Douglas resulted in earnings and savings of over $23 billion for the U.S. taxpayer and countless improvements in financial services to both the public and the private sector.

Commissioner Douglas has been recognized for these many accomplishments ranging from the "Distinguished National Leadership Award" from the Association of Government Accountants to the "Presidential Meritorious Service Award." I know that I extend on behalf of all my colleagues on the Treasury Subcommittee and friends in this House our gratitude for his service, our heartfelt congratulations on his retirement from Government service and our best wishes for every continued success.

INTRODUCTION OF THE FINANCIAL FRAUD DETECTION AND DISCLOSURE ACT OF 1991

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. MARKEY. Mr. Speaker, I am pleased to join with my colleague from Oregon [Mr. WYDEN] in introducing today the Financial Fraud Detection and Disclosure Act of 1991. This legislation seeks to make public accountants live up to their title: to truly make them guardians of the public trust by expanding their responsibilities to search out and report financial fraud wherever they find it.

This legislation fits seamlessly into the web of the broad goals of securities markets reform the Subcommittee on Telecommunications and Finance has pursued in the last 4 years: penalties, powers, and public accountability. Consistent with our successful passage of the Insider Trading and Securities Fraud Enforcement Act of 1988, the Market Reform Act, the Securities Remedies and Penny Stock Reform Act, and the International Securities Enforcement Cooperation Act of 1990, this legislation focuses on the need for greater preventive and detective measures against financial crimes.

The legislation we are introducing today is the culmination of more than 20 hearings on the accounting profession conducted in the mid-to-late 1980's in the Energy and Commerce Oversight and Investigations Committee, chaired by Mr. DINGELL. Clearly, we can no longer ignore the troubling testimony of numerous Government and private witnesses about lapses in the accounting profession that may well have contributed substantially to the scale of Government exposure in the savings and loan crisis. Furthermore, recent reports flowing out of the unraveling BCCI travesty raise questions about how early auditors of BCCI affiliates may have known about any of the illegal activities there.

This bill incorporates the key provisions of a House-passed amendment to last year's crime bill, in which auditors are required to expand their search for fraudulent activities of clients and directly report any such findings, under appropriate circumstances, to Government regulators. This bill does not contain last year's section dealing with mandatory reporting on corporate internal controls, but that remains an important issue I hope we can address separately in a comprehensive fashion.

This legislation cannot be viewed in a vacuum. Clearly, there is an overworking need to dramatically improve our system of financial reporting, including better foresight of risks and uncertainties in publicly reporting companies. This bill represents a key component in directly forcing the public disclosure of any discovered fraudulent financial activity. I look forward to moving it expeditiously through the Subcommittee on Telecommunications and Finance.

PRIVY COUNCIL

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. DYMALLY. Mr. Speaker, during my discussion of the death sentence in Grenada I made mention of the "Privy Council." The word "previous" was inadvertently inserted in the RECORD.

VETERANS' HEALTH CARE: CONSTRUCTION OF A MEDICAL FACILITY IN SOUTH TEXAS

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. ORTIZ. Mr. Speaker, today I am introducing a bill that should help to significantly improve the standard and level of health care provided for a number of our Nation's veterans.

This bill will authorize the establishment of a new veterans' hospital in South Texas. It will provide the Administrator of the Veterans' Administration the authority to acquire and construct a medical facility on a suitable site in the Rio Grande Valley in order to more effectively deliver needed medical services to the growing number of veterans residing in this region who are currently being underserved. I am honored that Mr. DE LA GARZA, the distinguished chairman of the Committee on Agriculture, is an original cosponsor of this bill.

My colleagues, while significant strides are being made in improving both the quality of health care and medical facilities available to our Nation's veterans, significant shortfalls still exist in these areas. The valiant efforts of our service personnel in the Persian Gulf should only serve as a reminder of our need to redouble our efforts to properly meet the health needs of this ever-growing group who has dedicated and risked their lives to defend our Nation and the principles for which it stands. This legislation will help to preserve and honor our commitment to these men and women who have so valiantly served our Nation as members of its Armed Forces.

During the years from 1986 to 1990, patient usage of the VA medical facilities in South Texas has risen dramatically. The VA outpatient clinic in Beaumont has had a 30-percent increase in the number of visits, the Corpus Christi clinic has had a 70-percent increase, and the McAllen Clinic had had an 82-percent increase. Clearly, the number of veterans in need of medical care in South Texas has risen dramatically. In addition, the number of elderly veterans in the State of Texas continues to grow. By the year 2000, the number of veterans in Texas over the age of 65 is expected to nearly double to over one-half million. The importance of these demographic numbers should not be under-estimated, for as the Veterans' Administration knows, the need for medical care increases with age.

The combination of this growing number of patients served by South Texas VA facilities, the demographic aging of the veteran population, and the foreseen dramatic influx of veterans from the gulf war will create a situation where existing medical facilities will be stressed beyond capacity.

The overburdened state of the veterans' health care system in South Texas becomes clearly apparent when veterans from the Rio Grande Valley, and in particular, from my district, must travel some 160 to 185 miles to San Antonio to reach the closest Veterans' Administration hospital. A number of these veterans are incapable of driving these distances and do not have family members able to transport them to these facilities.

This spring, Secretary of Veterans Affairs Edward Derwinski visited the Rio Grande Valley to address the needs of these veterans and has vowed to accelerate efforts to meet the health care needs of the growing numbers of veterans in this region. It is my sincerest hope that this legislation will pave the way for the construciton of a VA hospital as the means for addressing this vital concern. In coordination with the planned VA outpatient clinic being constructed in McAllen, TX, this hospital will finally fully address the critical health care needs of veterans in the Rio Grande Valley.

The actions of those courageous men and women who served in the Persian Gulf should serve to remind us of the equally valiant efforts of those who have fought before them, and of our highest obligation to properly serve each and every one of these current and future veterans. We owe our Nation's finest the best health care services available, and the creation of a hospital in the Rio Grande Valley will be a significant and much needed step toward meeting this obligation. It is for these reasons that I offer this bill and request your favorable support. Thank you. Mr. Speaker.

LOGIC, HYPOCRISY, AND EQUAL PROTECTION

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. HYDE. Mr. Speaker, Mr. Michael J. Grimes of Plano, TX, has thought long and hard about the prochoice controversy, and has prepared a response to a CBS Spectrum broadcast that supported a woman's right to choose.

Mr. Grimes makes a point that all thoughtful persons ought to consider both in his direct response to Spectrum and his following courtroom scenario. I commend them to my colleagues.

RESPONSE TO CBS SPECTRUM COMMENTARY

(By Michael J. Grimes)

Radio commentator Ann Taylor Fleming (Spectrum, a production of CBS Radio) broadcast a piece on January 18, 1990 detailing the story of a young woman in Southern

California who was despairing over the potential loss of some of her abortion rights. Fleming covered familiar ground in citing reasons why women can only be truly free in the United States if their right to an abortion remains unrestricted, for example: the burdensome emotional demands of parenthood; the effect of an unwanted child on career, family, and freedom generally; the sometimes prohibitive financial strain (the young woman in California estimated that she would need a half million dollar house—nice digs even in expensive Southern Cal—if a child was added to her other housing requirements). Fleming frequently champions the right of women to freely choose an abortion. In a prior broadcast she summed it up: "a woman must always be free to decide when, where and with whom she will have a child".

There must be some families with children in Southern California who have squeezed into homes costing less than a half million, but there is no disputing Fleming's underlying premise—that parenthood brings with it a great many financial, emotional and other obligations not all of which are fun, especially in the case of unplanned parenthood. Set aside for the moment the central issue in the abortion debate, namely: Are the acknowledged rigors and strains of unwanted childbirth and child rearing sufficient to justify the ending of the unborn life? Here let's just accept the existing law, which permits women to have abortions, to free themselves from the oppressive burdens cited by Fleming, and ask: Why shouldn't men have the same rights? Why shouldn't men be free to decide, in the emotional words of Fleming, "when, where and with whom" they will have children? What about men's emotional, financial, career, family and other considerations? Would Fleming or other feminists like to argue that these concerns, pillars of their pro-abortion thesis, are critical to the fundamental freedom of women only? Surely they would not. Surely they would not have the law force men into decades of unwanted parental responsibilities from which women can remove themselves at will.

Just as the legalizing of abortion had a profound effect on women's rights, it had a profound effect on the rights of men. Prior to legalization a man's duty to his children began at conception, but so did his rights. Existing law continues to trace a man's duty to his children to the act of conception, but strips him clean of any rights over the unborn or its fate, conferring upon women exclusive rights to the decision as to abortion or childbirth. Court decisions in this area have been adamant and consistent. It is carved in stone: fathers have no legal right to interfere with an abortion, to be notified that an abortion is to take place, or (conversely) to compel a woman to have an abortion. They are out of the loop, persona-non-grata, nonentities, zeros. They can't get into parenthood—or out of it—of their own accord.

Fleming laments what she sees as creeping, insidious threats to women's freedom at the hands of those who would abridge existing abortion rights and seek to force women, choiceless, like nonentities, zeros, into enforced parental servitude. "Unfree in a free country" is the specter she raises. It is crystal clear from her entire argument that if she has not already included men in the category of "unfree", she has failed to do so only by oversight, for all of her contentions support "male choice" as well, unequivocally.

Accepting supremacy in the business of procreation must require women, as a matter of fairness and in recognition of female reproductive sovereignty, to concede certain outdated customs. Here is an opportunity for feminist forces to demonstrate the sincerity of their platform and their commitment to freedom of choice and to equality of the sexes. Women have been legally free from the consequences of the act of conception for almost twenty years; now it is time for them to unite and help men to be free from its enslavement—to be able to make their own post-conception decision to take on parental rights and responsibilities, or to choose freely not to do so.

It will take great courage to advance the novel but inevitable cause of male choice. Not all Americans will immediately embrace the idea. I am personally repulsed by it. But if you buy Fleming's rhetoric, upon which pro-"choice" is founded, and you also subscribe to the equal protection clause of the U.S. Constitution, then you must agree that if parachutes come in pink, they must also come in blue. Some day, God help us, they will.

HYPOTHETICAL COURTROOM SCENE

(By Michael J. Grimes)

Mr. Jones is before the court to seek an order freeing himself from any parental responsibilities to the unborn child his wife is carrying or to any child or children born of this pregnancy.

Petitioner's Attorney (P/A): "Judge, on behalf of my client I wish to make a motion before the court. I move that, for the reasons outlined in the accompanying brief, the court find that Mr. Jones has from this time forward relinquished all parental rights to any child or children born of his wife's pregnancy, now believed to be in its third month, and that the court order that he is forever relieved of all parental responsibility and duty to the fetus or any child or children born of this pregnancy.

"Prior to the Supreme Court's decision in Roe vs Wade, the law in this state imparted equal parental rights and duties to both man and woman from the moment of conception. Now the law frees the woman, but holds the man. Worse, it subjects the man, voiceless and choiceless, to the will of the woman as to his future parental status and obligations. This is wrong—it creates a drastic and unacceptable disequilibrium in the fundamental balance of rights and responsibilities. It flatly ignores the concept of equal protection, equal rights.

"Mr. Jones stands here confused by a system of law which loads him with duties while divesting him of his rights. He does not understand how he can be required to bear responsibility for events over which he has no control. As we stand here this state recognizes no life within Mrs. Jones' womb, and only by her unilateral act of carrying the fetus into the future will life exist. The historical view that man and woman combine equally to share in God's creation has been legally erased. The partnership of conception has been dissolved and Mr. Jones wants out.

"Mrs. Jones is on notice, as she stands before this court, that Mr. Jones does not want to father a child and does not want to enter into a parental relationship of any kind. There is no legally recognized life to support at this time, nor will there be in the future unless Mrs. Jones decides to create one. Mr. Jones contends that if she decides to have a child under these circumstances, she does so bearing full and complete legal, moral and financial responsibility for her actions, over which he has no control.

"Mr. Jones is only asking for the right to choose."

Respondent's Attorney (R/A): "My client will answer the petitioner's motion after I have had the opportunity to assist her in that regard. I can only say at this time that I cannot imagine any court granting fathers of unborn children license to abandon mother and child economically. The disastrous effects of such a ruling would be unimaginable."

(P/A): "Counsel for Mrs. Jones misunderstands Mr. Jones' argument. Mr. Jones does not seek to abandon any mother or any child. As we speak, and the law is very clear on this, Mrs. Jones is not a mother from this pregnancy and no child exists, nor will a child come to exist unless Mrs. Jones decides, all by herself, to procreate. If she does so knowing that Mr. Jones does not wish to participate, she does so on her own. Simple."

(R/A): "Your honor, Mrs. Jones is in no way free to have an abortion. She has a deeply held belief that she is carrying a human being which she has no right to kill."

(P/A): "Mrs. Jones' right to her own personal belief is fully protected by the constitution but the fetus she carries is not. It is not a person. It cannot become a person unless Mrs. Jones decides to make it a person. Mr. Jones does not wish to interfere with Mrs. Jones or her beliefs, he only declines to participate in events in which he has no equal say."

FAITH OF CONGREGATION BRINGS UNION EVANGELICAL CHURCH THROUGH HARDER TIMES

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. SOLOMON. Mr. Speaker, The Union Evangelical Church in Diamond Point, New York first opened its doors in 1879.

The church has had its ups and downs since then. But the fact that it has survived is a tribute to the faith and fortitude of the congregation, and only adds to the charm of this beautiful building.

And, like so many of the churches of the area, it is steeped in the history of the period.

Mr. Speaker, with great pleasure I submit for today's RECORD a newspaper article from the Glens Falls Post-Star which tells the story of this church so eloquently.

[Glens Falls (N.Y.) *Post-Star*, July 28, 1991]

FORTUNES OF CHURCH RISE AND FALL OVER YEARS

(By Janet Marvel)

DIAMOND POINT—It is thanks to John C. Cramer that the Union Evangelical Church opened its doors in 1879. Cramer donated the entire $3,500 necessary to complete the church building without incurring debt.

But it was also Cramer who stopped the interior construction of the church, known since 1960 as the Diamond Point Community Church, so that the Aug. 12, 1879, dedication ceremony found an interior with an uncarpeted barnlike floor, unpainted and soiled walls and a generally uncomfortable atmosphere.

In the fall of 1891, the interior of the church was finally completed, but not before church records chronicled in vivid detail a "state of interior dilapidation."

Construction began on the building in 1876. After two years of working on the church, using stone from nearby fields, Cramer became "dissatisfied with the manner in which the work was conducted by those in whose charge he had placed it. So he closed down the job, leaving the building in a rather unfinished condition," church records said.

Descriptions of the dedication ceremony said that the building was "solemnly and reverently dedicated," with the people of the congregation appreciative of the music, floral decorations and new house of worship.

George H. Cramer, one of the three original church trustees, donated the colorful stained glass chancel window as a memorial to his brother, John C. The night before the dedication, John Cramer presented an organ to the church and promised a set of pulpit chairs.

As time passed and the building's interior was still not completed, the church took on a decrepit and run-down condition that influenced the members of the congregation.

"Men entered without removing their hats or any other signs of reverence. Children were allowed to sit where they pleased, with no supervision or attention from their parents and they even played around the aisles as though at home. The youth of both sexes munched apples and tossed chestnuts from one to another. Young men, when they tired, coolly arose and stomped out of the church, loafed around the door and smoked; and when they got ready, they entered again in the same careless manner in which they had gone out—to the great disturbance of the congregation," said church records.

The interior work was completed in 1916 at a cost of $382.77, all of which was donated. In addition, the women of the church donated $104.44 to carpet the sanctuary, and $10 was contributed as a special gift for an altar rail that was made in Glens Falls.

Church records were then full of pride describing the church interior as the "handsomest edifice in the county" and detailing information that worshipers were now respectful and reverent.

From its origins, the church was affiliated with the Union Evangelical Church. In 1881, it became the Hillview (the name then for Diamond Point) Independent Church, under the leadership of Dr. Henry Reed Stiles, the Cramers and others.

In 1914, it became St. John's Church under the Episcopal Church, Diocese of Albany. In 1960, the church became known as the Diamond Point Community Church.

A parsonage was built in 1894 by Mrs. John K. Porter in memory of her brother, John Cramer. Resident ministers and rectors lived there for many years. Later, pastoral work became part-time. Now the church is open for worship only during the summer months.

A popular fund-raiser for the church in the early 1900s were the Lawn Fetes sponsored by the Ladies Aid Society. Records show the fund-raising events were held in 1916 through the 1930s, said Helen Truesdale, whose husband, Peter, is a church trustee.

"They were quite elaborate with a fortune teller, regular rummage, baked goods, fancy articles, aprons, fruit, vegetables and candy. Tea was served at 4 p.m. One fete lasted until 10 p.m. and had a barbecue on the lake, dancing and a side show," she said.

Receipts for the 1929 event totaled $1,692. Many of the annual events raised $1,000 for the church, Helen Truesdale said.

Walter E. Penfield, a longtime church trustee, fashioned an advertisement for the July 24, 1918, fete that stated in part: "Contributions will be gratefully received and if you will attend the Festival and heroically eat the ice cream, we shall greatly appreciate these evidences of your goodwill and of your good willingness to lend a helping hand."

The church now is served by Episcopal, Lutheran, Presbyterian, Methodist and Unitarian ministers, said Helen Truesdale, who schedules the clergy and organist.

Now, the church has no members and its congregation is made up of families who have summered here, many for numerous generations, she said. Local people also attend, and as do tourists who are visiting in the area.

"The door is open and people drop in," she said.

Since 1879, three trustees at a time have been legally responsible for the operations of the church.

"The duties of the trustees range from mowing the lawn to fixing cracked toilet tanks to organizing the summer minister groups and maintaining financial records," Helen Truesdale said.

The trustees, according to the 1879 deed of the church, are court-appointed and must be residents of the towns of Lake George or Bolton, said Peter A. Trusdale, a church trustee since 1976.

Herman E. Muller Jr. began his trustee term in 1969. Reginald Ellis, who began serving as a trustee in 1969, resigned July 15. He will be replaced by Clifford Gates, a resident of Diamond Point.

The ancestors of Gates and Peter Truesdale were involved in the church. Both were baptized there and had family members married there.

Peter's godfather, Walter E. Penfield, served as a trustee from 1939–1967. Church records show that in 1916, Penfield wrote minutes as a vestryman of St. John's Church. He joined the church on June 7, 1896. His wife, Lulu Lanfair Penfield, served as church organist.

Gates' great-grandfather, Dr. Henry Reed Stiles, was a church member in the late 1800s. His grandparents, John and Edith Stiles Rogers Gates, were married in the church in 1901. Continuing the tradition, Gates married his wife, Barbara, at the church 25 years ago.

At the 50th anniversary service on Aug. 11, 1929, the church pews were dedicated. A pew was purchased and the buyer or honoree was noted on a plaque facing the center aisle, Truesdale said.

A complete set of chimes, still in use, were consecrated on Aug. 17, 1930. Eight stained glass windows, located on the sides of the church, were given in memory of loved ones. Each cost $70, Truesdale said, and the family names are painted on each window, Truesdale said.

Four organs have been played in the church, with the latest electronic organ purchased in 1987 as a memorial gift.

The church and its parsonage are both part of a restoration and repair program, now in its initial stages, Helen Truesdale said.

Interior and exterior painting of both buildings, modernizing of the parsonage kitchen are some of the plans.

INTRODUCTION OF THE SECURITIES INVESTORS LEGAL RIGHTS ACT OF 1991

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. MARKEY. Mr. Speaker, I rise to introduce the Securities Investors Legal Rights Act of 1991 which will restore important protections for investors unjustly victimized by white collar criminals and other securities law violators.

For over 50 years, victims of securities fraud could file civil law suits pursuant to section 10 of the Securities Exchange Act of 1934 under time limitations generally determined by appropriate State statutes. Some of these time limits allow suits to be filed up to 6 years after the date of the crime.

On June 20, 1991, however, with one quick pound of the gavel, the U.S. Supreme Court, in a 5 to 4 decision, reversed this longstanding practice. In the Lampf versus Gilbertson decision, the Court ruled that any litigation instituted pursuant to section 10(b) of the Securities Exchange Act of 1934 and rule 10b–5 must be initiated within 3 years after the violation has occurred and within 1 year after discovery of the facts constituting that violation. Even more importantly, the Court's decision will apply retroactively, denying thousands of victims whose cases are currently pending their rightful day in court.

In handing down its decision, the Court rejected the argument made by the Securities and Exchange Commission, among others, that it should have applied the explicit 5-year statute of limitations contained in the Insider Trader and Securities Fraud Enforcement Act, a piece of legislation I coauthored with Energy and Commerce Committee Chairman DINGELL and subcommittee ranking Republican Member RINALDO in 1988. This 5-year limitation establishes a more appropriate timeframe for investors to uncover any wrongdoing while at the same time does not punish investors who may not discover the crime until a few years later. Such protections must be afforded to all investors to maintain their trust and confidence in the securities marketplace.

The Lampf decision also violates the rights of investors to due process of the law by applying, for the first time, a new statute of limitations rule to the parties in the case in which the rule is announced. Justice O'Connor, in her dissenting opinion, claimed that this application arbitrarily deprives a party of its right to be heard.

Because this decision applies retroactively, many of the cases which are consequently jeopardized involve allegations surrounding failed savings and loans—a bailout that will cost the American taxpayer an estimated $500 billion. This bailout has no statute of limitations—after 5 years it does not cease to exist. Why should the American taxpayer be forced to continue to bail out mismanaged S&L's when the responsible parties are given a safe-haven after 5 years?

Accordingly, this legislation would return to investors their right to pursue legal recourse within a reasonable timeframe. The bill would extend the statute of limitations for private rights of action to 3 years after the plaintiff knew, or should have known of the securities law violation, but no later than 5 years from the date of the securities violation. This bill places a balance between the rights of the investor and the concerns of the securities industry to unreasonable exposure to unlimited liabilities. It also contains a provision which protects pending cases as of June 19, 1991, from dismissal due to the Supreme Court's decision.

The securities marketplace cannot continue to flourish without investors and investor protections. We must restore the trust of the investors by providing them with adequate rights in the event of securities violations. Due to the time sensitivity of this decision, I urge my colleagues to support this piece of legislation and help us move expeditiously.

THE MILITARIZATION OF THE BOLIVIAN DRUG WAR

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. TORRES. Mr. Speaker, Bolivia, like many other Latin American countries is actively attempting to improve its economic performance and put an end to its long history of military domination and graft. The Bush administration insists that its Andean initiative is helping to reduce corruption and financial problems by assisting with debt repayments and working to end drug trafficking by providing aid and training to the military. While there is no question that economic assistance is desirable, the controversial policy of stressing the militarization of the drug war seems to be leading to an increase in violence, as well as the relocation of drug traffickers to other countries, hardly providing a lasting solution.

In addition, Washington's decision to stress the use of the military appears to be endangering Bolivia's recent hard-won stability. Such changes are illustrated by the acrimonious debate in that country's legislature, the opposition of influential groups and the creation of an anti-American guerrilla insurgency that previously had not been seen since the era of military coups over a decade before. Bolivia's ability to implement a harsh austerity program while at the same time maintain democracy, has been a model for other reform-minded Latin American countries. The critical issue now is whether the strengthening of the Bolivian military will threaten the country's fragile balance.

The following article, which first appeared in a recent issue of the Council on Hemispheric Affairs' [COHA] biweekly publication, The Washington Report on the Hemisphere, is authored by Jane Berman, a research associate with the organization. It analyzes the effects that the costly militarization of the Bolivian drug war has on that nation, as well as the dangers that strengthening the role of the military may pose, not only in Bolivia, but throughout Latin America. I urge my colleagues to direct some attention to this very important issue.

THE MILITARIZATION OF THE BOLIVIAN DRUG WAR

(By Jane Berman)

After launching a new anti-drug campaign in Colombia emphasizing the role of that country's armed forces, the Bush administration has turned its attention to the world's second largest producer and refiner of coca Bolivia. Following a round of perfunctory negotiations. Bolivian president Jaime Paz Zamora became a reluctant signatory to President Bush's latest anti-narcotics plan in May of last year while on a visit to Washington. But, it was not until the Bolivian head of state agreed to increase the military's involvement and change its role as helpers to the police, to the main enforcers, that Washington became forthcoming with aid, to the tune of $135 million, with an additional $47 million tacked on in military assistance. However, soon after the accord was signed, Paz Zamora ran into stiff resistance from his own legislature, the local church, labor unions as well as his own party, the Revolutionary Left Movement (MIR), forcing him to postpone the launching of the controversial strategy. The White House responded to this action by withholding $14.7 million in humanitarian aid. After a year of cat-and-mouse dealings between La Paz and Washington, the Bolivian security forces began interdiction operations in April. By the end of that month, 155 U.S. military adivsors, along with many pallets of weaponry, had landed in the country. As further incentive to the La Paz government, President Bush granted $66 million to ease Bolivia's balance of payment deficit.

Elias Gutierrez, commander of Bolivia's Special Anti-Narcotics Force, claims that "the only purpose of the arrival of U.S. troops is to train and teach the army. He also insisted that his forces would not attack coca farmers, "only the mafia that produces base paste and cocaine hydrochloride." Of the U.S. Drug Enforcement Agency (DEA), Gutierrez said that their role is "to guarantee the Bolivians' safety," and not participate in anti-drug operations.

Contrary to such assurances, the DEA has not necessarily assured the Bolivians safety, but instead may have helped produce more violence. As also charged in Colombia and Mexico, allegedly the DEA may not have followed its own guidelines and its personnel have been involved in direct coercive acts. Bolivian authorities are now investigating allegations that DEA agents have been involved in acts of harrassment against women and issuing death threats to Bolivians associated with illicit activities. It is generally believed that it was the DEA which personally bombed a number of roads in Chapare, making it extremely difficult for coca farmers to transport their crops to market.

Before the arrival of the DEA, Bolivia authorities had been able to avoid the rampant violence that plagues their drug-producing neighbors, Colombia and Peru. Now the country has its first active guerrilla insurgency in years, the Nestro Paz Zamora Command, aimed at curbing U.S. influence. Thus far, they have attacked the U.S. Marine headquarters, placed bombs near the home of the U.S. ambassador, and also have set up road blocks.

Washington now is trying to centralize its control over all aspects of the Andean antinarcotics campaign by pressuring La Paz to sign an extradition treaty, like the one that use to exit with Colombia. The recent escape of Bolivia's leading cocaine producer, Carmelo Dominguez, has been a useful tool for the Bush administration to demonstrate that the Bolivian authorities, like their Colombian counterparts, are not capable of properly dealing with such matters.

While Paz Zamora may be reluctant to militarize the drug war, he realizes that the success of his socio-economic reforms depends on U.S. aid and investment. By means of an internationally-lauded austerity program, the Bolivian president has been able to stabilize the economy and shed his country's image as a violent, unstable, and military-dominated nation. In fact his efforts have become something of an example to other Latin American countries. However, his disciplined economic policies do not come without shortcomings, as one Bolivian describes it: "there's no inflation but there is no investment, no jobs and no growth either." The economy is stable but no development is taking place, and if conditions remain stagnant, it may be difficult for the government to maintain a grip on an increasing number of resentful citizens, outraged over Washington's interference in Bolivia's internal affairs, the continuing lack of economic development and the growing strength of the feared military.

THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES AUTHORIZATION ACT OF 1991

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. CONYERS. Mr. Speaker, it is with great pleasure that I am introducing today the Federal Property and Administrative Services Authorization Act of 1991. This bill will authorize functions under the Federal Property Act, including the operations of the General Services Administration, through the end of fiscal year 1992. This bill also includes important Federal procurement reforms, including a commercial item acquisition bill and Brooks Act reforms. This bill reflects long months of work by the Government Operations Committee together with industry, the executive branch, and others in the procurement community to address in statute many of the problems which are now facing the Federal procurement system. I would like to point out some of the most important parts of the bill.

Section 2 of the bill authorizes functions and activities under the Federal Property and Administrative Services Act, including operations of the General Services Administration, through fiscal year 1992. This amendment replaces the current permanent authorization and will put GSA on a normal, cyclical authorization cycle. A recurring authorization will afford the cognizant congressional oversight committees better opportunity to fulfill their oversight responsibilites. As chairman of the Government Operations Committee, I have become only too familiar over the past several years with the many problems that plague GSA, including ineffectiveness of GSA's delegation of procurement authority under the Brooks Act, continuing problems in management of the FTS 2000 Telecommunications Program, and a host of other problems. It is past time to bring GSA under a regular authorization process, to better enable the Congress to get to the bottom of the problems in that troubled agency.

I am especially pleased with title I of the bill, which is the Commercial Items Acquisition Act of 1991. This title amends Federal procurement laws to encourage acquisition by the Federal Government of commercial items, that is, items that may be purchased off-the-shelf with little or no development. This legislation is intended to put an end to the all-too-common practice in Federal contracting of buying expensive, specially-designed products when off-the-shelf, commercial products would do the job just as well. In this era of fiscal restraint, we just can't afford any more $300 hammers and $1,000 toilet seats. This bill takes an approach to commercial item acquisition different than that taken by S. 260, Senator LEVIN'S fine commercial products bill, now being considered in the Senate. The two bills, however, have few, if any, irreconcilable provisions, and I look forward to working with Senator LEVIN on these important issues.

The bill amends Federal procurement law to remove or at least lower existing impediments to the acquisition of commercial items, to establish in law a preference for commercial items, and to establish simplified contracting procedures when the Government is buying commercial items. Some provisions bear special mention:

Section 111 puts into law a preference for agency use of specifications other than "design" specifications, which tend to restrict competition and make the acquisition of commercially available products impossible. Design specifications typically tell a vendor how a product is to be made or how a service is to be performed. Use of this type of specification has a deleterious effect on competition, and especially on the acquisition of commercial items, since a commercial item vendor, whose item has already been developed, seldom can conform it to meet the Government's design requirements.

Section 112 amends the Office of Federal Procurement Policy [OFPP] Act to clarify the circumstances in which a contracting officer should obtain cost or pricing data from a Federal contractor. Agency requests for cost and pricing data are often cited by commercial vendors as a prime disincentive for competition in the Federal marketplace. One intent of this amendment is to ensure that when an exception to a requirement for cost or pricing data is claimed on the basis of "adequate price competition," any grant of the exception is based on realistic, actual competition between at least two vendors, in which price is a significant factor. Additionally, with respect to the catalog or market price exception to the submission of cost and pricing data, this amendment is intended to discourage the use of rigid, artificial percentage requirements, and instead require that consideration of each request for that exception take into account the volume and circumstances of prior commercial sales.

Section 113 adds a new section to the Office of Federal Procurement Policy Act that restricts the circumstances in which an agency may procure goods or services by modifying an existing contract, thereby avoiding competition requirements. Modification of an existing contract to add goods or services to a contract, in many respects, is the most common form of sole source procurement by the Federal Government. Recent hearings by the Government Operations Committee revealed that in the Government mainframe computer market, for example, as much as 49 percent of the goods and services procured are procured through modifications of existing contracts. When a contracting officer decides to modify an existing contract to obtain goods or services, all the statutory requirements for competition are circumvented, preferences for small business and small disadvantaged businesses are evaded, and most of the other protections and preferences that Congress has built into the Federal procurement system can be ignored. This amendment would not prohibit contract modifications, but would place some limits on the ability of Federal agencies to use the device of a contract modification to avoid the procurement laws.

Section 123 amends section 28 of the OFPP Act to require that contracting officers, prior to beginning a procurement, conduct market research to determine if commercial items can meet the needs of the Government. If, in fact, commercial items can meet the needs of the Government, the procurement is designated as a "commercial item acquisition" and special rules and procedures apply. These special rules and procedures are intended to make participation in the Federal marketplace easier for commercial vendors and to ensure that the Federal Government gets all the advantages of competition among commercial vendors, including high quality and low prices.

Title II of the bill includes procurement-related amendments to the Federal Property Act. Some of these changes are to conform the Property Act to changes made in title 10 during the last Congress.

One key section is section 203, which raises the cost and pricing data threshold in the Truth in Negotiations Act ot $200,000. The Government Operations Committee has heard again and again from commercial vendors that the necessity to supply the Government with cost and pricing data is a major deterrent to commercial vendor competition in the Federal marketplace. This amendment increases the threshold by a factor roughly necessary to compensate for inflation since the original establishment of the $100,000 threshold. The Government Operations Committee may be willing to consider further adjustments to this threshold in the future as the facts warrant.

Title III of the bill includes a series of amendments to the Brooks Act, most of which clarify or enhance the powers of the GSA Board of Contract Appeals over ADP bid protests. Matters dealt with include jurisdiction of the Board, powers of the Board to order certain remedies, and definition of "protest" and "interested party." Many of the Brooks Act amendments are designed to counter recent decisions of the Federal circuit that have been unreasonably hostile to the Board's powers.

Section 307 is intended to address the so-called Fedmail phenomenon, in which agencies or awardees pay substantial sums to protestors in exchange for dismissal of a protest, without correcting any defects in the procurement. Under the amendment, the Board would be able to disapprove agreements that are inconsistent with law or regulation, provide for excessive payments, or are inconsistent with any order or decision of the Board.

Title IV of the bill includes general provisions. Section 401 is a provision that requires "mandatory use" of the Federal Government's FTS 2000 telecommunications contracts by Federal agencies procuring to meet needs that can be met under those contracts. A comparable provision has been included in recent Treasury, Postal Service appropriation acts. Congress originally enacted this statute to reduce the risks inherent in the FTS 2000 Program to ensure the economy and efficiency of the new network, and to eliminate unnecessary duplication of capabilities and possible incompatibility among government telecommunications systems. It consistently has been the position of the Congress that full participation in the FTS 2000 procurement by all Federal agencies is essential to the success of that procurement.

It may be appropriate now, however, to take the burden off the appropriations committees and put this permanent legislation in place. The Government Operations Committee firmly believes that failure to vigorously implement mandatory use would cost the taxpayers money in the long run.

Section 403 of the bill deserves special mention. It amends and clarifies provisions of the Competition in Contracting Act that authorize the Comptroller General to award bid and proposal preparation and protest costs to companies that file meritorious bid protests. These provisions, which have operated successfully for 7 years, have been under attack recently by the Justice Department, which has filed an extraordinary lawsuit, wholly without precedent, claiming that the authority of the Comptroller General to award costs is unconstitutional. CICA has previously been upheld by the courts against similar constitutional arguments. I think the Attorney General is wrong and I think the existing statute again will be upheld by the courts. Both the Government Operations Committee and the Judiciary Committee are investigating the substance of this lawsuit and how it came to be filed.

These investigations, however, provide an excellent opportunity to review the GAO bid protest statute, to see how it might be clarified and strengthened. Section 403 of the bill does this.

Under the amendments made by section 403, payment of costs, as well as implementation of other recommendations of the Comptroller General in the GAO bid protest process, clearly will be discretionary with the contracting agency.

The amendments provide specific procedures for determining the amount of costs to be paid upon a GAO recommendation. These procedures essentially track existing GAO regulations. Costs recommended by GAO will be paid out of the judgment fund authorized by 31 U.S.C. 1304, subject to reimbursement of that fund by the procuring agency.

The GAO bid protest process operated for many years without specific statutory authority, as simply an extension of the constitutional authority of Congress to appropriate Federal funds and oversee their expenditure. This amendment reemphasizes that constitutional function in the GAO bid protest process by getting the Congress directly involved when GAO finds wrongdoing or inequity but the agency chooses not to take corrective action. Under amended section 3554(e), the Comptroller General shall investigate any failure of an agency to implement GAO's recommendations, including both substantive recommendations and recommendations regarding bid and proposal preparation costs and protest costs. Because the Congress considers the misuse of appropriated funds, especially in the procurement process, to be a matter of utmost importance, the amended statute requires that any such investigation by the Comptroller General include the receipt of sworn testimony from the head of the procuring agency and the chief procurement officer of the procuring agency.

The investigation by the Comptroller General will result in a comprehensive report to appropriate committees of Congress and will make specific recommendations regarding legislative action to correct inequity or to preserve the integrity of the procurement process. That congressional action could include private relief legislation, rescission or cancellation of funds, further investigation, or other action appropriate in the circumstances.

The following is a section-by-section analysis of the bill:

Section-by-Section Analysis of the Federal Property and Administrative Services Authorization Act of 1991

Section 1. Section 1 sets forth the title of the act, the "Federal Property and Administrative Services Authorization Act of 1991".

Section 2. Section 2 amends the existing permanent authorization of functions and activities under the Federal Property and Administrative Services Act, including the operations of the General Services Administration. This will put GSA on a normal, cyclical authorization cycle. This bill includes a 1-year authorization, expiring in fiscal year 1992.

Section 3. Section 3 amends the Federal Property and Administrative Services Act to place restrictions on the number of senior officials of the General Services Administration who do not have significant Federal service experience. Further, the amendment adds a new provision to the Act requiring that new appointments to senior GSA positions not take effect until 30 days after notice of the appointment is provided to Congress.

Section 4. Section 4 requires a report to Congress by the Administrator of the General Services Administration regarding the position description and requirements for each senior position within the General Services Administration.

TITLE I—COMMERCIAL ITEMS ACQUISITION ACT OF 1991

Title I of the bill is the Commercial Items Acquisition Act of 1991. This act amends Federal procurement laws to encourage acquisition by the Federal government of "commercial items," i.e., items that may be purchased "off-the-shelf" without development.

Section 101. Section 101 of the act sets forth the title of the act, the "Commercial Items Acquisition Act of 1991".

Section 102. Section 102 sets forth the findings of Congress regarding the desirability of promoting the acquisition of commercial items and the means by which acquisition of commercial items can be promoted.

Part A—Enhancements to competition in contracting

Part A of the act includes several amendments to law that, although their effect is not limited solely to "commercial item" acquisitions, are designed to enhance competition in Federal contracting and thereby make acquisition of commercial items more likely.

Section 111. Section 111 amends the Office of Federal Procurement Policy Act to permit the use of design specifications only when a "procurement authorizing official," (defined in section 4 of the OFPP Act as amended by section 132 of the bill), upon written justification by the contracting officer, certifies in writing that functional or performance specifications are inadequate to describe the requirements of the agency.

Any written justification by the contracting officer should set forth clearly and in detail the unusual circumstances that make it necessary for the agency to state specifications in terms of design requirements. Failure to comply with the statutory preference or the justification requirements would be cause for vendor protest.

The act provides two exceptions to the justification and certification requirements. These exceptions are applicable only when the contracting officer determines that specifications stated in terms of function or performance are inadequate to describe the requirements of the agency. The first exception is for specifications in solicitations calling for sealed bids. The second exception is for specifications in solicitations for construction contracts.

Section 112. Section 112 adds a new section to the Office Of Federal Procurement Policy Act to clarify implementation of the Truth in Negotiations Act and associated regulations.

Subsection (a) of the new OFPP Act section requires that the applicability of the "adequate price competition" exception be demonstrated by (1) the use of competitive procedures in the procurement, in which price is a significant evaluation factor and (2) the receipt of 2 or more offers having a reasonable chance of selection for award (more than mere responsiveness) in response to the solicitation.

Subsection (b) of the new OFPP Act section prohibits an agency from considering the percentage of a vendor's total sales that are sales to the Government in determining whether a commercial item is sold "in substantial quantities to the general public" for purposes of the "catalog or market price" exception to the submission of cost and pricing data under the Truth in Negotiations Act. Under current procedure, the percentage of a vendor's sales of a commercial item that are Government sales has a significant, and often overriding, effect on a determination by an agency as to whether that commercial item is sold in substantial quantities to the general public.

Section 113. Section 113 adds a new section to the Office of Federal Procurement Policy Act that restricts the circumstances in which an agency may procure goods or services by modifying an existing contract, thereby avoiding competition requirements. Under this section a "substantial modification" of a contract can be made only in either of two circumstances. The first circumstance is when the contracting officer determines, by comparison to bids, offers, or quotations received in response to a solicitation, that modification of the contract is most advantageous to the government. The second circumstance is when the contracting officer determines that the proposed modification, were it conducted as an independent procurement, would meet pertinent requirements for award of a contract using other than competitive procedures, i.e., a sole source procurement.

A modification is subject to this section only if it is a "substantial modification." A modification is a "substantial modification" if it is a modification, change, or order under the contract that requires the contractor to provide supplies or services to the Government different than that provided for under the original contract or in quantities greater than that provided for under the original contract and if it meets certain thresholds based on the value of the modification. A service also may be "different" than that provided for under the original contract if the period of performance is changed. The test for applicability of this section should be whether the pertinent requirements of the Government were subject to competition (or sole source justification) by being set forth, identifiably and specifically, in the contract solicitation upon which award of the contract was made.

Subsection (b) of the new OFPP Act section clarifies that it is not the intent of this section to alter existing rules regarding contract modifications "within the scope" of a contract, for resolicitation, fiscal, or other purposes.

Subsection (c) of the new OFPP Act section permits the head of an agency to exempt a particular contract from the requirements of this section when compliance is not in the interests of the Government. This authority should be exercised only with the utmost circumspection, typically in situations involving complex contracts awarded in unique circumstances.

The term "value" as used in subsection (d) to describe the dollar value thresholds for a "substantial modification" means the total amount paid by the Government for the items delivered under a modification, not merely the increase in cost to the Government under the modification.

Part B—Acquisition of commercial items

Part B of the act includes amendments, chiefly to the Office of Federal Procurement Policy Act, establishing in law a preference and system for the acquisition of commercial items.

Section 121. Section 121 amends section 16 of the Office of Federal Procurement Policy Act to include the implementation of a preference for the acquisition of commercial items among the procurement responsibilities of the head of each executive agency. The amendment requires agencies to implement a preference for the acquisition of commercial items by, whenever practicable, stating specifications in terms such that bidders and offerors are enabled and encouraged to offer to supply commercial items in response to agency solicitations; by reducing impediments to the acquisition of commercial items in agency procurement policies, practices, and procedures not required by law; and by requiring training of appropriate personnel in the acquisition of commercial items.

Section 122. Section 122 amends section 20 of the Office of Federal Procurement Policy Act to make promotion of the acquisition of commercial items a part of the responsibilities of the advocate for competition for each executive agency and for each procuring activity of an executive agency. Promotion of the acquisition of commercial items shall be deemed to be an integral part of the promotion of competition.

Section 123. Section 123 amends section 28 of the Office of Federal Procurement Policy Act to put in place a procedure for the acquisition of commercial items. New subsection (a) of section 28 requires that contracting officers, prior to beginning a procurement, conduct market research to determine if commercial items can meet the needs of the Government. Such market research shall be "appropriate to the circumstances."

New subsection (b) of section 28 requires that, if, in fact, commercial items can meet the needs the Government, the procurement be designated as a "commercial item acquisition."

Subsection (c) makes it clear that a determination by a contracting officer that particular agency requirements cannot be met by the acquisition of commercial items may be protested to, for example, the agency, GAO, or the GSA Board of Contract Appeals.

Subsection (d) sets forth special rules, preferences, and exemptions that would apply in any "commercial item acquistion":

(1) Functional and performance specifications shall be used.

(2) Source selection factors must be disclosed clearly, identifying both the relative and absolute value of each factor. Accordingly, in commercial item acquisitions, it would not be sufficient merely to list source selection factors in their relative order of importance. The absolute weight given each factor (normally a percentage) would also have to be disclosed. This would not effect the ability of agencies to include non-price factors, such as management, as source selection factors in solicitations.

(3) Price or cost to the Government must be an evaluation factor in any commercial item acquisition, with a relative importance of not less than 30 percent.

(4) An agency may, at its discretion, limit competition to only those vendors offering commercial items, whether or not such a requirement is necessary to satisfy the minimum needs of the agency.

Two limitations on this authority apply only when requiring a commercial item is not necessary to satisfy the minimum requirements of the agency. The first limitation is when, in the absence of a commercial item requirement, award likely would be made to small business concern or a small disadvantaged business concern offering a product or service to the Government under the acquisition-related sections of the Small Business Act (15 U.S.C. 631 et seq.), and related sections of other laws. For example, except when necessary to satisfy the minimum requirements of the agency, a commercial item should not be required if such a requirement would result in the number of small businesses capable of competing for award being insufficient for a small business set aside.

The second limitation is when such a requirement would result in inadequate competition, i.e., a sole source procurement.

(5) There is a preference against requests for cost or pricing data. An agency shall not request cost or pricing data if any exception is applicable, unless a "procurement authorizing official" (as defined in section 4 of the OFPP Act as amended by section 132 of the bill) determines that the price offered to the Government appears, based on other information available to the Government, manifestly unreasonable.

(6) A vendor may avoid submission of cost or pricing data or sales data by certifying that the price offered to the Government does not exceed the lowest price at which the vendor sells the item to any "end user in equal or lesser quantities, unless a "procurement authorizing official" (as defined in section 4 of the OFPP Act as amended by section 132 of the bill) determines that the price offered to the Government appears, based on other information available to the Government, manifestly unreasonable. Any such certification could be subject to rigorous post-award audits, and strict penalties for intentional misstatements.

(7) Requests for sales data, such as that submitted to verify an exception to the submission of cost or pricing data or in multiple award schedule price negotiations, shall be limited to data about directly comparable sales.

(8) Agencies shall not require the submission of sales data when an exception to the submission of cost and pricing data has been granted on the basis of adequate price competition.

(9) A simplified contract shall be used. Simplified contracts should make maximum use of terms and conditions normally used in the purchase and sale of commercial items in the non-government market.

The simplified contracts used for the acquisition of commercial items may include only those contract clauses that fall within one of two categories. The first category includes clauses that are required by law or by the Federal Acquisition Regulation to be included in a solicitation and contract either generally or in a particular procurement.

The second category includes clauses that are essential for the protection of important Government interests. Clauses in this category should be included when the special circumstances and requirements of Federal procurement generally, or the individual type of procurement specifically, make the inclusion of a clause "essential for the protection of important Government interests."

New subsection (e) is adapted substantially from existing section 28 of the OFPP Act, which provides for the establishment of an "Advocate for the Acquisition of Commercial Products" in the Office of Federal Procurement Policy. Under the amendment, that position becomes the "Advocate for the Acquisition of Commercial Items." The Advocate's reponsibilities are revised to reflect the statutory preference for the acquisition of commercial items and to include the monitoring of compliance by executive agencies with the preference for the acquisition of commercial items. Such monitoring could include the compilation and analysis of data, study of particular cases, and distribution of information (such as, for example the establishment of a "hotline") to assist contracting officers, competition advocates, and vendors. The Advocate will continue to report to and make recommendtions to the Administrator for Federal Procurement Policy, but in addition will make an annual report to the Committee on Government Affairs and the Committee on Government Operations on any action taken by the Advocate to promote the acquisition of commercial items and the substance of any recommendations, proposals, and reports made to the Administrator during the previous year and any implementing action taken by the Administrator.

Section 124. Section 124 requires the Administrator for Federal Procurement Policy to issue guidelines for the training of contracting officers, program managers, and other acquisition personnel in the acquisition of commercial items. The guidelines shall provide for training in the fundamental principles of price analysis and other means of determining price reasonableness that do not require access to commercial cost or pricing data, market research techniques, and the drafting of functional and performance specifications.

Part C—Miscellaneous provisions

Section 131. Section 131 provides for the issuance of regulations under section 25(c) of the OFPP Act to implement this act. Subsection (a) provides that a revision to the Federal Acquisition Regulation to implement the act shall be promulgated in final form 270 days after enactment of the act. Subsection (b) provides that the revision to the FAR shall include a simplified uniform contract (or contracts) for the acquisition of commercial items, called for by the new "commercial item acquisition" procedures set forth in the amendment of section 28 of the OFPP Act. Subsection (b) permits the promulgation of more than one uniform contract, at the discretion of the Federal Acquistion Regulatory Council, to take into account varying requirements for different types of commercial item acquisitions, e.g., commodity acquisitions, ADP equipment acquisitions, etc.

Section 132. Section 132 adds several new definitions of terms used in the act to the "Definitions" section of the Office of Federal Procurement Policy Act.

The term "commercial item" is defined. This definition is also made applicable to the act itself and to Title III of the Federal Property and Administrative Services Act. This definition is purposefully broad in order to encourage wide application of the reforms set forth in the act. The definition does not encompass products or services that are not currently being sold to the public, either because they have not been introduced or because they have been withdrawn from the market. The phrase "significant quantities" as used in this definition means quantities sufficient to constitute a real commercial market, whether or not sales to the government are a given percentage of total sales. In some cases, typically involving large, complex products, the total number of commercial sales of an item may be very small, yet the total nonetheless may be considered to be "significant," given the particular market and circumstances.

The terms "design specification", "performance specification", and "functional specification," are also defined. In recognition of the difficulty of defining these terms with precision, it is intended that these definitions be interpreted broadly, in order to effectuate the intent of the provisions in which they appear.

Section 133. Section 133 provides that certain amendments that require issuance of regulations for effective implementation shall be effective 270 days after enactment of the act. All other amendments in the act will be effective upon enactment.

Section 134. Section 134 lists statutes that are not intended to be affected by the act.

TITLE II—AMENDMENTS TO FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT

Title II of the bill includes three amendments to the Federal Property and Administrative Services Act.

Section 201. Section 201 amends the Federal Property and Administrative Services Act of 1949 specifically to permit executive agencies to establish multiple contracts for the same requirements. This section adds a new subsection (g) to section 303B of that act. Multiple contracts are appropriate when the agency head determines that the Government has a need to maintain a continuous supply source for a particular item. An executive agency will use competitive procedures to procure multiple sources. The agency, however, may in its discretion, divide a requirement so that more than one offeror will be entitled to an award. Nothing in this section should be construed as affecting in any way laws requiring preferential procurement by Government agencies, such as purchases made from Federal Prison Industries, Inc.

Section 202. Section 202 amends section 303A of the Federal Property and Administrative Services Act to clarify an agency's responsibilities regarding statements of evaluation factors in a solicitation. The general intent of this section is substantially to conform section 303A to changes made to section 2305 of Title 10 by section 802 of Public Law 101-510.

Section 203. Section 203 would raise the cost or pricing data threshold under the Truth in Negotiations Act in Title 41 to $200,000.

TITLE III—BROOKS ACT AMENDMENTS

Title III of the bill includes a series of amendments to the Brooks Automatic Data Processing Act, most of which clarify or enhance the powers of the GSA Board over ADP bid protests. Matters dealt with include jurisdiction of the Board, powers of the Board to order certain remedies, and definition of "protest" and "interested party."

Section 301. Section 301 provides that section 111 of the Federal Property and Administrative Service Act of 1949 (40 U.S.C. 759) may be cited as the "Brooks Automatic Data Processing Act" and that Title IX of the Federal Property and Administrative Services Act of 1949 may be cited as the "Brooks Architect-Engineers Act". These amendments reflect common usage and honor one of the giants of Federal procurement legislation.

Section 302. Section 302 amends subsection (a) of the Brooks Act to clarify the coverage of the Act. That act applies to all procurements of automatic data processing equipment, by or for a Federal agency. The coverage of the Brooks Act is coextensive with the definition of ADPE in the Act. In addition, the amendment, by providing that the Administrator's authority extends to procurements of ADPE conducted "by or on behalf of" a Federal agency, clarifies the GSA's authority over procurements conducted for the Government's benefit by private contractors, such as "management and operating" contracts.

Section 303. Section 303 amends subsection (b)(3) of the Brooks Act to clarify that the Administrator may revoke a delegation of procurement authority, either before or after contract award.

Section 304. Section 304 amends subsection (f)(1) of the Brooks Act to provide that the Board may also accept protests against procurements conducted "on behalf of" the Government, such as a facilities management contract. These changes are intended to clarify the scope of the GSBCA's review and clarify its relationship to the Administrator of General Services. The GSBCA is expected to conduct a de novo proceedings rather than to be bound by agencies' judgements. In addition, the amendment, by providing that the GSBCA's authority extends to procurements of ADPE conducted "by or on behalf of" a Federal agency, clarifies the GSBCA's authority over procurements conducted for the Government's benefit by private contractors, such as "management and operating" contracts. The GSBCA accordingly, could review a decision made by an operator or manager of a Government facility, whether or not that operator or manager is a procurement agent of the Government.

Section 305. Section 305 amends paragraph (f)(4)(C) of the Brooks Act to clarify the intent of Congress that the Board be able to dismiss protests brought "in bad faith." This amendment adds a new subparagraph (D) that authorizes the board to impose costs for violation or failure to comply in good faith with its orders and decisions. These amendments clarify the GSBCA's ability to manage its docket and prevent the abuse of its procedures.

Section 306. Section 306 amends paragraph (f)(5)(B) of the Brooks Act to provide specifically that the Board may order resolicitation, cancellation or termination of an award and also may direct that an award be made in accordance with its decision. This amendment is intended to resolve various issues that have arisen with respect to the Board's authority to grant effective relief. It consistently has been the intent of the Congress that the GSBCA's authority be construed broadly. The question of what remedy is appropriate remains within the discretion of the Board, to be tailored to the individual case to effectuate the purposes of the Board's protest jurisdiction.

Section 307. Section 307 adds new paragraphs (D) and (E) to subsection (f)(5) in the Brooks Act. New paragraph (D) provides for Board approval of settlement agreements. This provision is intended to address the so-called "Fedmail" phenomenon, in which agencies or awardees pay substantial sums to protestors in exchange for dismissal of a protest, without correcting any defects in the procurement. New paragraph (f)(5)(D) requires that all settlement agreements providing for or contemplating the dismissal of a protest be submitted to the Board for approval. The Board would be able to decline to approve agreements that are inconsistent with law or regulation, or a DPA, provide for excessive payments, or are inconsistent with any order or decision of the Board. It is expected that the GSBCA will review a settlement primarily for provisions that would allow a procurement to proceed in a manner inconsistent with the governing legal standards, or that would call for money payments that could not reasonably be justified by legitimate, actual costs. The Board will not review settlements simply to determine whether they are advisable.

Section 307 also adds a new paragraph (E) to subsection 11(f)(5), clarifying current law regarding payment of GSBCA orders and settlements. New paragraph (E) has been added to clarify that agencies must reimburse the judgment fund when either awards or settlements are paid out of that fund.

Section 308. Section 308 amends paragraph (f)(6)(A) of the Brooks Act to change the appellate jurisdiction over GSBCA bid protests from the Federal Circuit to the D.C. Circuit Court of Appeals. The amendment would also change the time limit for appeals to 30 days from the current 120 days.

Section 309. Subsection 309(a) amends paragraph (f)(9)(A) of the Brooks Act to clarify the definition of the term "protest" and to make clear that protests may include protests of procurements conducted "on behalf of" a Federal agency. The clarified definition of "protest" also makes clear that the Board has jurisdiction over protests alleging that an agency has improperly cancelled a solicitation or an award. For example, where an agency cancels an award as part of a settlement agreement with the protester, the GSBCA would have jurisdiction if the original awardee then protested.

Subsection 309(b) amends paragraph (f)(9)(B) in the Brooks Act to amend the definition of "interested party". The amendment deletes the requirement that a party have a "direct economic interest" in the procurement and substitutes a less restrictive requirement that a party have an "economic interest" that, "as determined by the Board," would be affected by (1) any action that could be the subject of a protest or (2) any relief that the Board could order, including, for example, resolicitation, in connection with a protest. This could include, in the Board's discretion, any bidder or offeror that is other than next-in-line for award. A vendor that has an economic interest, but that is not an "actual or prospective bidder or offeror," e.g., a subcontractor, would be an "interested party" only if protesting restrictive specifications.

Section 310. Section 310 adds a new subsection to the Brooks Act that requires GSA to keep track of agency procurements under the Brooks Act.

Section 311. Section 311 provides that the amendments made by the title shall be effective 90 days after enactment, to permit revision of pertinent regulations and rules.

TITLE IV—GENERAL PROVISIONS

Section 401. Section 401 provides for mandatory use of the General Services Administration's FTS 2000 contracts by Federal Agencies. This statute prohibits agencies from procuring (and GSA from authorizing the procurement of) services or products to satisfy needs that could be satisfied by procurement under an FTS 2000 contract, in any way other than procurement under an FTS 2000 contract, unless the Administrator of General Services determines that the agency has established that unusual circumstances make procurement under an FTS 2000 contract unfeasible.

This section also exempts the FTS 2000 contracts from new section 31 of the OFPP Act (as added by section 113 of the bill) regarding contract modifications.

This section is intended to be permanent legislation.

Section 402. Section 402 makes a technical correction in existing law, without substantive change.

Section 403. Subsection 403(a) amends and clarifies provisions of the Competition in Contracting Act that authorize the Comptroller General to award bid and proposal preparation and protest costs to companies that file meritorious bid protests. 31 U.S.C. §3554. Under this amendment, payment of those costs, as well as implementation of other recommendations of the Comptroller General in the GAO bid protest process, will be discretionary with the contracting agency.

The amendments provides specific procedures for determining the amount of costs to be paid upon a GAO recommendation. These procedures essentially track existing GAO regulations. Costs recommended by GAO will be paid out of the judgment fund authorized by 31 U.S.C. §1304, subject to reimbursement of that fund by the procuring agency.

Under amended section 3554(e), the Comptroller General shall investigate any failure of an agency to implement recommendations of the Comptroller General, including both substantive recommendations and recommendations regarding bid and proposal preparation costs and protest costs. Any such investigation by the Comptroller General must include the receipt of sworn testimony from the head of the procuring agency and the chief procurement officer of the procuring agency. The investigation by the Comptroller General will result in a comprehensive report to appropriate committees of Congress and will make specific recommendations regarding legislative action to correct inequity or to preserve the integrity of the procurement process.

In any investigation conducted under section 3554(e) regarding the failure of an agency to implement a recommendation of the Comptroller General regarding payment of costs, the GAO may obtain the services of the interested party to which payment of costs was recommended by the Comptroller General.

Subsection 403(b) of the bill clarifies GAO's authority to hear protests against procurements conducted "by or on behalf of" a Federal agency. This would include procurements conducted for the Government's benefit by private contractors, such as "management and operating" contracts.

Subsection 403(c) of the bill provides for the ratification of cost awards made by GAO under existing 31 U.S.C. §3554, prior to enactment of the bill.

The amendments to title 31 will be effective 45 days after enactment of the Act.

Section 404. Section 404 adds a new section to the Office of Federal Procurement Policy Act to provide for detailed post-award briefings in procurements over a certain dollar threshold. Under the new section, in my procurement with a dollar value over $25,000,000, an agency, at the request of any offeror, would be required to provide a comprehensive, detailed debriefing at which certain minimum information would be provided. The failure of an agency to provide a debriefing meeting minimum requirements would be subject to protest. This new section will be effective 270 days after enactment of the Act.

TECHNICAL EXPLANATION OF THE UNIFORM BUSINESS TAX ACT OF 1991

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. SCHULZE. Mr. Speaker, today, along with 22 original cosponsors, I am introducing the Uniform Business Tax Act of 1991, also called the UBT. Our bill is aimed at modernizing, simplifying and improving America's corporate tax structure.

The corporate income tax as we know it is obsolete and inefficient. It impedes our ability to produce goods at home and to export them abroad. By most accounts, it costs U.S. corporations about $100 billion per year to pay it. While it raises only $100 billion for the Treasury. We can, and must, do better.

The uniform business tax, or UBT, is a flat 9-percent corporate tax to replace current corporate taxes. It is imposed on the domestic receipts of U.S. businesses and on all imports crossing the U.S. border. For the first time, Mr. Speaker, foreign goods will now subsidize the cost of our Government. We are the only industrialized nation that does not tax imports.

The UBT solves most problems with the corporate tax. It is simple, it favors equity over debt, it allows for the expensing of investment, it is territorial and exempts exports from tax. Mr. Speaker, it is time for a UBT in the United States.

TECHNICAL EXPLANATION OF THE UNIFORM BUSINESS TAX ACT OF 1991

OVERVIEW OF THE BASIC FRAMEWORK OF THE TAX

A 9-percent Uniform Business Tax (UBT) will be paid by each incorporated and unincorporated taxable business. The tax base for any taxable business is the excess of its receipts for goods and services sold in the U.S. over the sum of the cost of its materials and supplies and the cost of services provided to it by any other taxable business.

The UBT will replace the corporate income tax imposed by section 11, the individual income tax impose by section 1 to the extent attributable to the net business receipts of an unincorporated business subject to the UBT, and the FICA and railroad retirement payroll taxes imposed by sections 3111 and 3221(a) to the extent payable by a business subject to the UBT.[1]

The replacement of the above-stated existing taxes will be achieved by repeal of the corporate income tax imposed by section 11, by crediting the UBT paid by an unincorporated business against the tax imposed by section 1, and by making the taxes imposed by sections 3111 and 3221(a) inapplicable to wages included in the tax base of the UBT. The amount of UBT that corresponds to the amount of taxes otherwise payable under sections 3111 and 3221(a) is appropriated to the trust funds in the same manner as those payroll taxes.

Although much simpler and imposed at a lower rate, in many other ways the UBT resembles a combination of the presently separate payroll and income taxes paid by corporations and other businesses. Because, however, the UBT is imposed on net business receipts which correspond to the taxable value of goods and services produced and sold in the United States, it is an indirect tax under the General Agreement on Tariffs and Trade (GATT).

Therefore, unlike the present business income taxes imposed by sections 1 and 11, the UBT is a border-adjustable tax. The UBT does not apply to export sales. Similarly, unlike the present income tax, the UBT is territorial and does not apply to the foreign-source business receipts of U.S.-owned corporations and other businesses.[2] On the other hand, unlike the present income tax, the UBT does not apply to the full amount received by foreign-owned businesses from the sale into the United States of goods manufactured outside the United States. The border-adjustable feature of the UBT includes a complementary 9-percent import tax.

CODIFICATION OF THE UBT

Many of the basic rules for calculation, return and payment of the UBT are, by cross reference or otherwise, closely related to provisions of the income tax presently imposed by chapter 1 of subtitle A of the Internal Revenue Code of 1986. Therefore, most of the provisions would be included in a new chapter 7 of subtitle A.

THE UBT TAX BASE

The tax is imposed on the "taxable value" of goods and services produced and sold in the United States by a taxable business. Section 1601. The taxable value produced and sold by a taxable business is equal to the value of goods and services sold (as measured by business receipts) reduced by the value of goods and services purchased (as measured by business expenses). Thus, the taxable value added by the business is, under sections 1601(a) and 1602, expressed as its net business receipts. Business receipts and business expenses are, respectively, defined in sections 1603 and 1604.

DEFINITION OF TAXABLE BUSINESS

All C corporations are taxable. All S corporations, partnerships, and proprietorships with net business receipts in excess of $50,000 for the taxable year are also taxable. Section 1612. Under rules prescribed by the Secretary, any other business may elect to be a taxable business. Section 1612(b)(3).

Any organization exempt from income tax under chapter 1 of subtitle A is excluded from the payment of the UBT. Section 1611. Such an organization will remain subject to any tax imposed by section 511. Section 11(e).

RETURN AND PAYMENT OF THE TAX

In general, return and payment of the tax is made by the corporation or other business which produced the net business receipts subject to tax. Sections 1612 and 1621. An affiliated group of corporations may make a consolidated return. Section 1622. In the case of an S corporation and a partnership, the amount of net business receipts subject to tax is determined at the entity level and the entity is treated as the taxpayer. Section 1612(b)(1). In the case of a proprietorship, return and payment of the tax is made by the proprietor.

Except as provided in section 1601(c)(2)(D) (related to the minimum tax), return and payment of the tax (including payments of estimated tax) will be made on the same schedule as if the tax were an income tax imposed on the taxpayer by chapter 1 of subtitle A. Section 1621(a). For this purpose, S corporations and partnerships are treated as C corporations.

MINIMUM TAX FOR ALL TAXABLE BUSINESS

Under section 1601(c), the minimum amount of tax payable by any taxable business is equal to the amount of FICA tax under section 3111 (or railroad retirement tax under section 3221(a)) that it would otherwise owe. Sections 3111(d) and 3221(f) make those payroll taxes inapplicable to wages paid by a taxable business, except for purposes of reference in making the minimum tax calculation under section 1601(c).

The rules for the time of payment and deposit of the minimum tax, and for appropriation to trust funds, are the same as those which apply to the taxes imposed by sections 3111 and 3221(a). Section 1601(c)(2)(D).

CREDIT FOR MINIMUM TAX

Normally the tax imposed by section 1601(a) would substantially exceed the amount of minimum tax determined under section 1601(c). In those circumstances, the minimum tax serves solely to provide for rapid payment, deposit, and appropriation to trust funds.

In other circumstances, the minimum tax may exceed 9-percent of the taxpayer's net business receipts for the taxable year. Most typically, that might occur when business expenses are unusually large (or business receipts are unusually small) for nonrecurring or cyclical reasons. Thus, when the minimum tax determined under section 1601(c) exceeds the tax imposed by section 1601(a), the taxpayer is allowed a credit for that excess in succeeding years. Section 1601(c)(2). The credit allowed by section 1601(c)(2) can, however, never reduce the taxpayer's UBT liability below the minimum tax for the taxable year.

Application of the credit is illustrated by the following example:

"In 1991, the taxpayer's minimum tax is $10X and its section 1601(a) tax is $5X. In 1992, the taxpayer's minimum tax is also $10X, but its section 1601(a) tax (before application of the minimum chapter 7 tax credit) is $20X. In 1992, the taxpayer is allowed a $5X credit (the amount by which the minimum tax paid in 1991 exceeded the section 1601(a) tax in 1991) and pays only $15X."

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[1] Unless otherwise specified, all references are to sections of the Internal Revenue Code of 1986 as it would be amended by the Act.

[2] This territorial limitation would not create a tax incentive for U.S.-owned businesses to locate plants abroad to service either the U.S. market or foreign markets. Imports back into the U.S. are subject to a 9-percent import tax. Exports from a U.S.-sited plant into foreign markets are free from the tax imposed by section 1601(a), the same as if the plant were located abroad. Overall, the UBT provides a substantial advantage to U.S.-sited plants as compared to present law.

DEFINITION OF BUSINESS RECEIPTS

In general, business receipts include all amounts received by the taxpayer for the sale or rental of property or for the performance of service. Section 1603. The UBT is, however, territorial in its application. Therefore, business receipts do not include (i) receipts for the sale or rental of property located outside the United States; (ii) receipts for services performed outside the United States; (iii) fees for use of patents, trademarks, copyrights, know-how or licenses outside the United States; and (iv) royalties or other similar fees received with respect to sales of goods or services outside the United States. Export receipts are also excluded. Section 1603(b).

The definition of business receipts also excludes interest, dividends, and receipts from the sale of a financial instrument, land or any other capital asset (as defined in section 1221) not used in the active conduct of the business. Section 1603(d). Amounts received for separately stated sales or use taxes are also excluded. Section 1603(c)(1).

DEFINITION OF BUSINESS EXPENSES

In general, business expenses include all amounts paid for the purchase of goods and services from other taxable businesses. Section 1604.

Because the UBT is territorial in its application, the definition of business expenses does not include (i) the cost of services performed outside the United States; (ii) the cost of property for use or consumption by the taxpayer outside the United States; (iii) the cost of property located outside the United States; or (iv) the cost of use of patents, trademarks, copyrights, or know-how to the extent such rights are used outside the United States. Business expenses include the cost of property imported into the United States for resale in the United States.

The definition of business expenses does not include direct or indirect compensation paid to employees (section 1604(b)(1)(A)), amounts paid to exempt organizations (1604(b)(2)), interest or dividends (Section 1604(b)(1)), or the amount paid for property, the receipts from the sale of which are excluded from the definition of business receipts under section 1603.

In general, business expenses do not include amounts paid to any governmental unit as taxes or otherwise, other than amounts paid for product taxes (sales and use taxes and other taxes on the sales, use, production, consumption, or severance of property or the provision of services). Section 1604(b)(2). Most federal excise taxes are treated as product taxes and, therefore, are business expenses. Section 1604(b)(2)(B) (iii) and (iv). For these purposes, the bill's complementary tax on imports is not treated as a product tax, and therefore, is not a business expense.

Whether or not a seller separately states on a purchaser's invoice a tax imposed on the seller, the portion of the purchase price attributable to the tax will be considered part of the amount paid for the goods or services. Thus, such amount will be a business expense of the purchaser (if the purchaser is a taxable business) (section 1604(b)(2)) and a business receipt to the seller (section 1603(c)(2)). If the tax is a product tax, it will be a business expense of the seller.

For convenience in administration, the bill treats separately stated sales taxes as imposed on and paid by the purchaser even if they are technically imposed on the seller (section 1604(b)(2)(B)(vi)); they are not included in business receipts or business expenses of the seller. They would be included in the business expenses of the purchaser if the purchaser is a taxable business.

The bill treats as business expenses amounts paid to governmental entities for goods, services, and rights of the kind that are normally sold by taxable entities. Section 1604(b)(2)(c). Thus, amounts paid to acquire electricity from the TVA, to purchase crude oil from government stocks, or to remove crude oil from government-owned land would be business expenses.

COMPUTATION OF NET BUSINESS RECEIPTS

The 9-percent UBT tax rate is applied to the net business receipts of the taxable business for the year. Section 1601(b). The amount of net business receipts is equal to the sum of business receipts for the year minus the sum of business expenses for the year. Section 1602.

The following example illustrates the calculation of net business receipts:

	Amounts received	Business receipts
1. Sale of goods	$150	$150
2. Rents	5	5
3. Export sales	25	0
4. Interest	5	0
5. Dividends	5	0
6. Sale of property located outside of United States	20	0
7. Sale of stock	5	0
8. Total	215	155
	Amounts paid	Business expenses
9. Inventory, parts and supplies	40	40
10. Employee compensation	90	0
11. Capital equipment	10	10
12. Interest	5	0
13. Rents	5	5
14. Dividends	5	0
15. Purchase of property located outside of United States	10	0
16. Sale of stock	5	0
17. Total	200	55

In the foregoing example, the amount of net business receipts for the year is $100 (line 9 minus line 18).

TRANSITION RULES UNDER THE TAX

The UBT provides special transitional rules for the computation of net business receipts. These rules permit the taxable business to take into account deductions for depletion, depreciation, and amortization commenced under prior law. Section 1604(c)(1).

The UBT also allows a C corporation a transitional credit against the tax imposed by section 1601(a) for unused income tax credits and net operating losses that would, under prior law, be carried to the business's first taxable year beginning after December 31, 1990. Section 1604(c)(2). This credit is not allowed against the minimum tax determined under section 1601(c).

TAXABLE VALUE OF INTERMEDIATION SERVICES

Insurance companies, banks, and other financial institutions are subject to the tax imposed by section 1601(a) and the minimum tax determined under section 1601(c). In the case of such businesses, however, the taxable value produced and sold in the United States consists in large part of the intermediation services they perform. Business receipts from insurance, lending, and similar activities cannot be determined merely by monetary inflows. Therefore, under section 1605(a)(4)(A), the business receipts from such activities are, in general, equal to the amount received for the intermediation services provided.

A depository institution such as a bank serves primarily as an intermediary between depositors in the bank and borrowers from the bank. Subject to certain adjustments for risk, the bank's business receipts from this particular intermediation service are generally equal to the interest rate spread, i.e., the excess of interest paid by the bank to depositors over the interest received by the bank from borrowers. Insurance companies serve as intermediaries both in pooling risks (i.e., intermediating between policyholders) and in investing funds. In general, an insurance company's business receipts from intermediating among policyholders include the excess of premiums received over claims or the equivalent. When the insurance coverage involves the accumulation of reserves to provide for future claims, premiums set aside for that purpose are excluded from business receipts. When this "savings component" is invested and earns a rate of return, business receipts include the amount by which those earnings exceed the portion thereof set aside under the contract.

Detailed statutory rules consistent with these general principles for determination of the amount received for intermediation services in the United States are being drafted for inclusion in the Uniform Business Tax Act of 1991 before enactment.

APPLICATION OF THE TAX TO UNINCORPORATED BUSINESSES

Although substitution of the UBT for the present corporate income tax can be accomplished by repeal of the tax imposed by section 11 simultaneously with enactment of the UBT, special provision must be made in the case of S corporations, partnerships and proprietorships.

Under section 30, shareholders of S corporations, partners and proprietors will be allowed an income tax credit equal to the taxpayers' share, determined under regulations prescribed by the Secretary, of the net chapter 7 tax paid by the taxable business for the year. The net chapter 7 tax is the amount by which the tax imposed by section 1601(a) exceeds the minimum tax determined under section 1601(c).

POSSESSIONS CORPORATIONS

Section 1606 establishes special rules for electing possessions corporation. A "possessions corporation" is defined as a corporation that elected in its last taxable year before the UBT to claim a possessions tax credit under section 936 and that for the taxable year would have been eligible to make such election if section 936 continued to apply. A possessions corporation could elect to substitute for its net business receipts half of its receipts from "possessions sales" or "covered sales" plus 100 percent of any other receipts that would otherwise be included in business receipts. Thus, the corporation's business expenses would be disregarded. The minimum tax under section 1601(c) would apply to possessions corporations.

This provision is intended to substitute for the longstanding tax benefit which has been accorded manufacturing activities in possessions of the United States.

SPECIAL RULES AND DEFINITIONS

Various special rules and definitions are briefly described below.

The purchase or sale of property occurs, in the case of real property, where located, and in all other cases where delivery takes place. Section 1605(a)(1). Services are treated as performed at the location at which they are performed. If a payment covers services performed outside and inside the United States, the payment will be treated as paid for services performed outside the United States but as received for services performed inside the United States unless the contract or invoice for the service reasonably allocates the payments between services performed inside and services performed outside the United States. Section 1605(a)(2). The performance of services includes the incidental transfer of property in connection therewith. Section 1631.

Except in the case of an exchange which is described in section 368, exchanges of property and services are treated as sales and the amount received is the fair market value of the property or services exchanged. Section 1605(a)(3).

When payments for property or services are to be made in more than one taxable year, such payments are taken into account by the buyer and seller, respectively, in the year paid or received. Section 1605(b)(1). Receipts include all lease payments received during the taxable year. Section 1605(b)(2). Section 1605(b)(3) provides transitional rules to prevent double counting of amounts taken into account in taxable years beginning before 1991.

The term "business" includes a trade or any activity regularly carried on for profit. Except as provided in section 1604(b)(6) related to certain independent contractors, the term "employee" has the same meaning as for purposes of chapter 24. References to "United States" include a Commonwealth and any possession.

CONFORMING AMENDMENTS

Sections 275 and 164 of the Code are amended to make clear that only the portion of the tax imposed by section 1601(a) which exceeds the minimum tax determined under section 1601(c) is nondeductible in computing income tax liability. Taxpayers other than C corporations (where the income tax is repealed) may continue to deduct that portion of the amount determined under section 1601(c) which corresponds to presently deductible payroll taxes.

Section 6655 is amended to provide for estimated payments of the tax imposed by 1601(a) in excess of the minimum tax determined under section 1601(c).

REPEALS AND TERMINATIONS

The Act terminates the corporate income tax imposed by section 11, except in the case of the tax imposed by section 511. The Act terminates the minimum tax imposed by section 55 and the employer-paid FICA and Tier 1 Railroad Retirement taxes on wages to which the UBT applies.

APPLICATION OF TAX PROCEEDS

The Act provides for appropriation to trust funds of the proceeds from the minimum tax determined under section 1601(c).

COMPLEMENTARY IMPORT TAX

In general, section 4476 (in subchapter C of chapter 36) imposes a 9-percent import tax on property entered into the United States. Exceptions are provided for small dollar amounts of property imported for personal use and for re-importation of property previously sent outside the United States for further manufacture, repair, or the like.

The tax is paid by the importer of record who enters the property into the United States. Thus, when goods are manufactured abroad for sale in the United States, the tax typically would be paid by the U.S.-based sales subsidiary on behalf of its foreign-owned parent corporation. In other cases, the tax would be paid by U.S. businesses that purchase and import foreign-made goods, or by an import agent on their behalf. The tax would also apply to goods manufactured abroad by U.S.-owned companies if sold into the United States.

EFFECTIVE DATE

The amendments made by the Act apply to taxable years beginning after December 31, 1990.

INTRODUCTION OF THE UNITED STATES–CHILE FREE TRADE BILL

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. RICHARDSON. Mr. Speaker, just over 2 months ago, on May 23 and 24, the House and Senate made a historic decision in its support for a 2-year extension of fast-track authority. Unlike previous extensions of fast-track procedures, this vote involved more than the usual constitutional debate over fast-track and the traditional multilateral approach to trade negotiations. President Bush indicated that he would use fast track to negotiate a free trade agreement with Mexico—a bilateral trade agreement with an economically developing country. In granting President Bush the use of fast track for an FTA with Mexico, Congress broke new ground and buoyed the ambitious free market policies and democratic reforms now underway in Mexico and in other Latin American countries.

What is happening now in Latin America is no less dramatic than the collapse of communism in Eastern-Bloc countries. After decades of sealing off overseas investment and protecting industries, Latin American countries now want to compete in the international marketplace. They are moving away from a pattern of economic isolationism and authoritarian rule that has crippled productivity, allowed inflation to go unabated, and consequently denied its citizens job opportunities, a decent standard of living, and basic democratic rights. The United States can play an important role in this nascent movement toward democracy and economic integration in the Western Hemisphere.

Free trade must be the cornerstone of our foreign policy with Latin America. Congress let Mexico know that free trade will be a critical part of our new economic and political ties. We need to send the same message to the rest of Latin America and should begin to seek bilateral trade negotiations with those countries that are prepared to establish closer trade and investment ties with the United States. For this very reason, Congressman Jim Kilbe and I are introducing legislation directing the President to pursue trade negotiations with the Government of Chile.

The Bush Administration has placed a primacy on concluding the Uruguay Round of GATT and on beginning United States–Mexico trade talks, Mr. Speaker, I happen to agree with the Administration's emphasis on GATT and the North American Free Trade Area [NAFTA]. However, at the same time, it is important not to overlook other trade agreements that will benefit America's economic interests and advance important foreign policy goals. The Bush Administration has already identified Chile as the only Latin American country whose economic reforms allow for negotiations on a bilateral free trade agreement. This view is also shared by many trade analysts. It is appropriate for the United States and Chile to begin trade talks now and lay down the necessary groundwork for achieving our long-term goal of a free trade area throughout the Western Hemisphere, as envisioned in the Enterprise for the Americas initiative.

By any objective standard, Chile is far ahead of other countries in restructuring its economy and its trade and tariff regime. Since the election of President Patricio Aylwin in March 1990, Chile has been eager to restore its traditionally close ties to the United States that were strained under the rule of General Pinochet. President Aylwin has made significant strides in reestablishing civilian authority and in vigorously implementing free market policies. The United States has responded favorably to the Aylwin government by lifting the Pinochet-era economic sanctions and by signing an agreement to monitor trade and investment between the 2 countries in October 1990.

Some observers might suggest that, notwithstanding the laudable direction of the Aylwin government, United States trade representatives are going to have their hands full over the next 2 years. In other words, let's not chew off more than we can swallow. In many ways, an agreement with Chile will be considerably easier to consummate than an FTA with Mexico or a successful conclusion to GATT. First, Chile's economy is further integrated into the international market system than Mexico's and other Latin American countries. Much of the hard bargaining involved in lowering tariff and nontariff barriers has already been done by the Chileans themselves. Second, their economy and country size is considerably smaller than Mexico's and just a fraction of United States GNP. A United States-Chilean FTA is unlikely to generate or result in any serious disruptions here at home.

As for Chile, it stands at an important juncture in its history. Chile has demonstrated a long-term commitment to economic liberalization and now seeks closer ties to the international market system. Its economic reforms have translated into democratic gains at home and a renewed movement toward civilian rule exemplified by the election of President Aylwain in March 1990. By opening up United States markets to Chilean goods and services, an FTA will invigorate its economy and bolster its emerging democratic institutions.

In addition to these important foreign policy objectives, the United States also has important economic interests at stake in an FTA with Chile as it does with the rest of Latin America. If you look around the world, what you will see is the emergence or regional trading blocs in Europe and in Asia. The European Community intends to lower barriers with countries like Turkey and Portugal and seeks to integrate more closely with Eastern Europe. Japan and Korea are turning to Thailand and Malaysia. It makes sense for the United States to seek the same competitive advantages in its trade relationship with Latin America. A United States-Chile FTA can help forge this new relationship, which over a period of time, I hope will result in a free-trade area throughout the Western Hemisphere.

On July 8, the World Bank released its annual world economic development report, and it contains significant data on U.S. exports to industrialized and developing countries. U.S. exports to economically developing nations have grown three times the rate of U.S. sales to rich, industrialized nations. As these numbers suggest, the United States has an enormous economic interest in securing preferential access to these markets. Lifting trade barriers to U.S. products in Latin America will create more jobs for American workers, as export-driven industries gain new markets in which to sell their goods and services. In addition, like other Latin American countries, Chile has debt payments to make, and a good portion of that money will be paid off to the United States and our commercial banks. Repayment of this debt will boost U.S. banking centers and benefit our economy overall.

Like Mexico and other Latin American countries, Chile has a propensity to buy United States goods. Figures show that in 1990 United States products account for 16 percent of all Chilean imports. Mr. Speaker, I know that many of my colleagues wish that figure was true for some of our other trading partners. My point is that a sizeable portion of the money that Chile generates from an FTA will be sent right back to the United States. If Chile and the United States were to have a free-trade agreement, you can be certain that Chile's percentage of United States imports would increase, as tariff-free American products become more attractive to Chilean consumers.

Mr. Speaker, the time is right to move ahead on a United States-Chile Free-Trade Agreement. If we move now on negotiations with Chile, it will generate momentum for the Enterprise for the Americas initiative. Most importantly, it will let the rest of Latin America know that while the United States views an FTA with Mexico and the conclusion of GATT as top priorities, they will not come at the expense of closer trade and investment ties with other Latin American countries. That's an important message that needs to be sent by this Congress and by this administration. Chile and the rest of Latin America should understand in the clearest of terms that the United States supports their transition to market-oriented systems and its democratic reforms.

American foreign policy should embrace those countries that are moving away from economic isolationism and authoritarian rule and toward economic integration and democracy. Runaway inflation, poverty, and stagnant productivity are the greatest threats to democracy in Latin America. They always have been and continue to be. Free trade has been our most effective foreign policy tool of the 20th century, and its successful implementation has planted the seeds of democracy and social stability throughout the world. Free trade, as embodied in the Marshall plan, lifted Western Europe out of the ashes of World War II. Free trade helped rebuild Japan and Korea. Free trade can and will do the same for Latin America. Securing long-term economic growth in Latin America must be a top foreign policy priority, and Latin America should know that the United States is prepared to forge a free-trade policy with those Latin American countries that embark on this road of reform.

Mr. Speaker, let us move ahead on trade negotiations with Chile and let Latin America know we applaud their economic reforms and welcome their partnership in the world market place. I ask my colleagues to join me and Congressman KOLBE of Arizona by supporting this legislation.

EXPLORING WASTE MANAGEMENT POLICIES IN AMERICA

HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. SHAYS. Mr. Speaker, today I am pleased to submit for the RECORD a statement delivered by Robert A. Powers, president and chief executive officer for Keep America Beautiful, Inc. Mr. Powers' remarks were delivered before a meeting sponsored by Citizens for the Environment.

In his speech, entitled "The Politics and Science of Garbage: Exploring Waste Management Policies in America," Mr. Powers discusses the need for a better-educated public. He argues that people are not getting all the facts they need to know to make the best decisions about solid waste management.

Mr. Powers highlights some myths about recycling and waste disposal. He emphatically states there is no sequential hierarchy of solutions to solve America's waste disposal problems, and argues what is needed is a flexible strategy. According to Mr. Powers, the best solution is the one that best meets local needs.

With four out of five landfills expected to be closed by year 2008, there is a serious need to focus on the problems of waste disposal. I submit Mr. Powers' thoughtful comments for consideration as Congress continues its efforts to address this important environmental issue.

THE POLITICS AND SCIENCE OF GARBAGE: EXPLORING WASTE MANAGEMENT POLICIES IN AMERICA

(Remarks by Roger W. Powers, President, Keep America Beautiful, Inc.)

The theme of this session—Toward A More Informed Public—brings to mind one of our country's core virtues. Namely, when Americans have all the facts needed to make the best possible decision for our nation, that's what they do.

Unfortunately, on the solid waste management issue, in my judgment they are not getting all the facts. Instead, all too often, the public receives inaccurate or incomplete information.

There are a few myths prevalent today that are preventing public understanding of the real issues and solutions. One is there is a five-point, sequential "hierarchy" that will solve America's solid waste problem.

Unfortunately, this rigid doctrine sends the message that anything but a hierarchy is wrong. What is needed is a flexible strategy. Management and disposal options should be viewed as a menu from which to choose the best plan to meet local needs.

Not long ago, in the course of our work, a southern city came to our attention. Because of all the hoopla over recycling they were persuaded to launch a curbside program. Now they are planning to build a new incinerator with front-end processing, and subsequently drop the recycling program.

They created a costly curbside program, they positioned it as a viable option, educated the public about it, raised expectations, and now by proposing to drop the program have confused the public. This could have been prevented with a comprehensive study of all the options and costs from the beginning.

The hierarchical approach implies that landfills and waste-to-energy are our last resort and source reduction is the first step. No one will argue that source reduction shouldn't be our first step. Everyone can take part—business, industry and individuals. But landfills and waste-to-energy are not the last resort. In many communities, indeed, they may be the first action. Sanitary landfills and modern waste-to-energy facilities utilizing state-of-the-art technology must be sited.

We are not short of space across this country to site landfills. We are short of political will to help build local leadership for addressing "Not In My Backyard" (NIMBY) mentality, and for planning and siting the landfills we so desperately need.

We will be between a rock and a hard place, because by the end of the decade we will have around 2,000 landfills, down from 6,000 today. Equally important, is the decline of capacity. By 1995, we will have lost 56 million tons of landfill disposal capacity.

People ask why—how can that be when there is so much fervor for recycling in this country? The popular answer to that question is another myth: Because of recycling, there is no need for new landfills.

It's simple arithmetic. The 180 million tons we are generating today is expected to grow to 200 million by 1995. Even with the most optimistic projections for recycling, composting and incineration to handle nearly 50 percent of our municipal waste, we will be left with 100 million tons of waste to dispose of. It is essential that the American public understands and supports the development of sanitary landfilling today because it generally takes 5 years for siting studies, permits and construction of these state-of-the-art disposal facilities.

A recent survey of Keep America Beautiful coordinators, which number 460 programs from 40 states, showed over half believe that the American public is being misled about solid waste disposal, with 62 percent singling out the perception that recycling is our only option for addressing solid waste. These coordinators agree that recycling is helping towns to manage their waste; however, what they are saying is that it is being promoted to the exclusion of positioning the need for a comprehensive approach.

It is important to pursue recycling but people must understand "little blue curbside boxes" and municipal drop-off centers alone will not solve our solid waste problem.

In another southern county with a population of half a million, officials boast about an 85 percent participation rate in curbside recycling, but hear this, that 85 percent participation rate diverts only 12 percent of the county's municipal solid waste from the landfill. These sorry statistics are more the rule than the exception and it's politically unpopular for public works and sanitation directors to tell it like it is. But if we are really going to deal with the complexities of this issue, the public needs to have these facts to make decisions.

We also need to dispel the myth that recycling makes money and determine the true costs of waste management. As you probably heard this morning, it's difficult to come by these costs—no one wants to share them and there has been limited effort to conduct true cost accounting. Until we know what we are paying now, how can we expect to make fiscally responsible and environmentally sound decisions?

Another myth—Packaging is the reason our landfills are closing. No, our landfills are closing because they are exhausted or are not meeting regulations. Packaging comprises only about one-third of our waste stream which would still leave about 66 percent of municipal solid waste to dispose of.

Which brings me to still another myth, the need for degradable packaging. Right now, most packaging is being recycled, incinerated, or landfilled, making the question of degradability moot. The real potential for degradability may center around leaves and yard waste, and the need to rapidly accelerate development of efficient and economical municipal composting systems for materials which are naturally degradable, and comprise 18 percent of municipal solid waste.

Already, in the 90's, the garbage decade, time is getting short! Unless environmentalists, business and industry, government, civic leaders and universities—all of whom have a stake in solid waste education—give this issue top priority, the capacity crisis we face will go unabated and the consuming public will continue to believe that we will recycle our way out of this mess.

You will remember that the first solid waste legislation was created as a means to protect public health. Unless we can effectively manage our solid waste, and meet this capacity crisis, we will see a dramatic increase in illegal dumping and associated health problems. Indeed KAB's local and state leaders are already reporting an increase in illegal dumping and as people see their quality of life decline, frustration builds, creating an overwhelming and hopeless feeling that the problem is too large to solve. What we have is a profound lack of public confidence.

There is certainly a credibility gap. KAB's survey also indicated that our local leaders believed that the public is being misled—by the media, by business and industry, and by environmental groups.

In the absence of facts, "myths rush in" which is another reason we are increasingly alarmed that the print and broadcast media are unable to report on this issue in any in-depth fashion. That by itself has caused great public confusion, and helped create and perpetuate the myths.

In addition, green marketing is creating public confusion. If we are to develop a forthright educational program for the American consumer, we need federal standards for labeling.

In my view we can't afford further delay in mounting an attack on the twin villians of ignorance and indifference about America's escalating solid waste problems. The objective must be to educate individual Americans clearly laying out all alternative approaches—and all potential costs—of effectively and safely managing municipal solid waste in their community. Only in this way can we hope to involve the individual and change attitudes.

We must also galvanize the leadership potential of American business and industry, our universities and high schools, and civic organizations to join hands in a unified effort to get the facts to the people about solid waste management.

But to do that, we must work in partnership and not in competition. Business must educate its employees and other stakeholders about the integrated approach to solid waste management addressing the issue much the same as it addresses the issue of employee drug and alcohol abuse.

Universities need to offer more instruction, inquiry, even courses for students on this and other environmental issues. The scientific community, civic groups and clubs like the AARP, the League of Women Voters, General Federation of Women's Clubs, the Jaycees, even the Girl and Boy Scouts are a tremendous educational resource waiting to be organized around a national education partnership on the facts about solid waste management.

Even though the problem may seem overwhelming to many citizens, it remains the informed individual who can make a difference. This is the essence of Keep America Beautiful's programming. For 17 years we have been successfully making the point if we are to address the littering and solid waste issues, individuals must be involved in the planning and doing.

We have accelerated this in the past three years through a concentrated effort to train teachers in the use of our K–12 curriculums, and through telephone hotlines, newspaper, radio and TV contact. We have organized our information and its delivery system throughout the nation in a highly systematic way to focus sharply on changing attitudes and behaviors. Each of the 460 affiliates and 19 state programs work closely with city and county governments and solid waste planning units.

Keep America Beautiful affiliates are bringing about significant changes at the grassroots level. Through personal involvement the citizenry is gaining an understanding of the real issues in their communities and building confidence and trust in partnerships.

This is not a noble effort, it is the obligation of us all, and we at Keep America Beautiful want to join hands with everyone. Obviously this crisis in public confidence is one of our biggest challenges. Ignorance of the facts, hidden agendas, shallow media reporting and inadequate political leadership has, and will continue to, increase a sense of futility on the part of our citizens.

Those of us deeply involved in this issue must agree that building public confidence should be given our highest priority. Only when the majority of Americans have accurate information can we raise the level of public debate and replace emotional action with knowledgeable decision-making to meet long term solid waste management of America's communities.

GREEN POINT SAVINGS BANK AN INDUSTRY LEADER

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. ACKERMAN. Mr. Speaker I would like to call my colleagues' attention to the fine work of the Green Point Savings Bank, headquartered in Flushing, Queens County, NY.

A recent article in American Banker, entitled, "Green Point a Winner in Home Loan Niche" points out that the bank, with assets of $5.3 billion, emerged last year as the most profitable of the Nation's 100 largest thrifts. Green Point is noted for its superiority in residential lending. It concentrations heavily in single-family mortgages in the New York City area, and has become one of the city's very largest mortgage originators. Green Point has recently claimed that its average new home loan has been for just 58 percent of the property value, against 74 percent industrywide. As the article points out, it is this kind of protection that has enabled Green Point to weather the worst market downturn since the Great Depression. The article follows:

GREEN POINT A WINNER IN HOME LOAN NICHE

(By Phil Roosevelt)

Amid the gloom of the Northeast banking scene, Green Point Savings Bank stands as a beacon of prosperity.

The Flushing, N.Y., institution, with assets of $5.3 billion, emerged last year as the most profitable of the nation's 100 largest thrifts.

HIGH RETURN ON ASSETS

Owned by its depositors, Green Point posted a return on assets of 1.84%, which also topped that of most major commercial banks. And the thrift appears headed for another strong performance this year, despite a runup in loan delinquencies.

"Green Point has a long record of knowing what it's doing," said Raymond V. O'Brien Jr., chairman of the rival Emigrant Bank for Savings.

Green Point's forte is residential lending. While it has some exposure to commercial real estate, it concentrates heavily in single-family mortgages—and only in the New York City area.

It has proved especially strong in "no doc" mortgages—loans originated without documentation of the borrower's income. While most lenders have pulled back from such loans in the past two years to curb credit risk, Green Point remains an ardent fan.

The loans can appeal to a broad range of borrowers, including self-employed people and New York's sizable population of new immigrants. A newcomer from Hong Kong, for example, might have all the cash needed for a down payment but no U.S. employment history.

"A lot of banks either can't or won't touch that kind of deal," says one rival.

But Green Point will, which has helped it become one of the city's very largest mortgage originators. It expects to write $1 billion of loans this year, roughly the same as in 1990.

To protect itself, Green Point relies almost entirely on property values. It takes pains to obtain accurate appraisals, using an in-house staff, and it demands heavy equity from its borrowers. Recently, Green Point says, its average new home loan has been for just 58% of the property value, against 74% industrywide.

HIGH RECOVERY RATE

In other words, if Green Point were to foreclose immediately on a home originally appraised at $100,000, it could sell it for $58,000 without losing a nickel of principal.

That kind of protection has helped Green Point weather the worst market downturn since the Great Depression. By contrast, the venerable Dime Savings Bank of New York has racked up huge losses in home mortgages. Dime, with $11 billion in assets, lost $135 million last year and $92 million the year before.

To be sure, Green Point's delinquency rate is not exactly the envy of the industry. As of March 31, Green Point's noncurrent loans and repossessed real estate amounted to 8.1% of assets, against 5.7% for all savings banks, according to data filed with the Federal Deposit Insurance Corp.

So far, however, the delinquencies have yet to inflict any real damage on the bottom line. Green Point says it sold 112 foreclosed properties in 1989 and 1990 for $14.7 million—enough to cover the principal, interest owned, and incidental expenses except $44,000.

SMALL RESERVE PLANNED

This year, "just to be safe," it plans to add $15 million to its modest $5 million reserve for loan losses, says Michael J. Gagliardi, chief executive. As a result, he says, annual profits will probably fall 12% from the 1990 record, to $80 million. But that would still mean a return on assets of about 1.5%—higher than all savings banks as a group have posted in at least 10 years.

Ultimately, Green Point is protected by an enormous cushion of capital. Thanks to years of stellar profits, the thrift has amassed equity equal to 12% of assets, nearly double the norm for savings banks.

For stockholder-owned institutions, this would present a problem because it reduces return on equity. But for Green Point—one of the last big thrifts owned by its depositors—the capital simply helps profits. That's because most of the capital has been plowed back into interest-earning assets, creating a wide gap over interest-bearing liabilities.

Mr. Gagliardi, who took charge of Green Point last year, say the high capital is an essential factor in Green Point's success. In making this point, he steals a fine from his predecessor, I.J. Lasurdo: "The easiest way to make a small fortune is to start with a big one."

In the New York mortgage market, Mr. Lasurdo is pure legend. A Green Pointer since 1935, he rose through the mortgage division to become chief executive in 1982. As CEO, he spent his mornings presiding over the final review of each mortgage application; he spent his afternoons on the phone with local realtors, seeking customer referrals.

Mr. Lasurdo, who retired at the end of 1989, has since been immortalized as "The Mortgage Man" in a bronze plaque at the thrift's executive offices in Flushing.

"No one's as good as Lasurdo—there is only one Lasurdo," says Theodore Metalios, president of Century 21 Metalios Real Estate, Jackson Heights, N.Y. "But the place goes on. They still make loans that other banks won't even consider."

Mr. Gagliardi, who joined Green Point in 1987 from Dollar Dry Dock Savings Bank, has brought a more conventional style to the corner office. He has delegated most of Mr. Lasurdo's mortgage duties to an executive vice president, Martin Dash. And he has involved all senior management in extensive strategic planning.

"We've gone from having not too much planning to having one of the best planning departments of any savings bank I know," Mr. Gagliardi boasts.

Certainly, Mr. Gagliardi and his team face some pressing issues. Though many experts believe the local economy and housing market are bottoming out, high delinquencies could persist for at least another year. That will add to collection costs and raise the potential for loan losses.

While Green Point has the capital to hold all its originations for at least a few years, Mr. Gagliardi is eager to avoid the rate risk that would entail. After all, it was a mismatch of long-term mortagages funded with short-term liabilities that proved the undoing of hundreds of thrifts in the early 1980s.

In an interview, Mr. Gagliardi disclosed that he is preparing some bold initiatives for his board's consideration. One plan is to lengthen the thrift's liabilities, possibly by joining the Federal Home Loan Bank System and securing long-term loans. Such borrowings would be a big step for a thrift that takes pride in funding itself almost entirely with neighborhood deposits.

SECURITIES ISSUE POSSIBLE

Alternatively, Green Point may issue its own securities. While Green Point's capital would certainly help the securities win desirable credit ratings, the whole process is outside Green Point's realm of experience. "We'd have to learn how to do it," he said.

Meanwhile, the thrift is feeling some heat for allegedly callous treatment of tenants of foreclosed properties. A local newspaper, Newsday, cited instances of tenants "going for months without heat, hot water, and other basic services."

Mr. Gagliardi says that complaints have been minimal and that Green Point acts no differently than other lenders with foreclosed properties. "Foreclosure is never a happy experience," he says.

Longer-term, the big issue for Green Point is what to do with all the no-doc loans. Until recently, Green Point kept its adjustable-rate mortgages and sold its fixed-rate models to the Federal National Mortgage Association—a strategy intended to minimize the thrift's exposure to shifts in interest rates.

CHANGE BY FANNIE MAE

But earlier this year, Fannie Mae stopped buying no-doc loans and their cousins, low-docs, to curb its own credit risk. The rival Federal Home Loan Mortgage Corp. has also pulled back from reduced-documentation loans.

Either way, Green Point will not back away from no-docs. "We're going to stick with our niche," Mr. Gagliardi said. And unlike most of its peers, it has no plans to stop growing.

Even if it finds a way to sell its fixed-rate no-docs, assets should grow by about 60% over the next five years, to $8.25 billion, Mr. Gagliardi says. And if Green Point keeps all its new loans, assets should nearly double, to $10 billion.

Not bad for an old savings bank in the Northeast.

THE IMPACT OF SOCIOECONOMIC FORCES

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. DE LA GARZA. Mr. Speaker, recently I received a copy of a presentation made by Dr. Michael E. DeBakey, Department of Surgery, Baylor College of Medicine in Houston, and I would like to submit for the perusal of my colleagues excerpts of this presentation. His remarks follow:

THE IMPACT OF SOCIOECONOMIC FORCES

The unprecedented and unforeseen changes in medicine since the turn of the century, while greatly extending our longevity and the quality of life, have also seriously complicated the delivery of health services, have altered the traditional physician-patient relationship, and have created thorny problems for patients, physicians, and the public. Prominent themes during the past several decades have included cost-benefit analysis, cost containment, HMOs, PRSOs, healthcare accessibility, national health programs, alternate delivery systems. Medicare payments, malpractice insurance, voluntary accreditation, quality assurance, medical ethics (including the controversial active euthanasia and fetal tissue research), scientific misconduct, and an accelerating, indeed alarming increase in governmental regulations. In the words of Eli Ginzberg, "* * * the earlier untrammeled freedom of the profession to determine how, where, and for how long patients would be treated is being circumscribed by new rules, regulations, and protocols."

The vigorous campaign waged by animalists against medical research, involving sensationalism, false information, terrorism, and intimidation, has adversely influenced some segments of society and has swayed some members of Congress. These actions have cost research institutions millions of dollars, have curtailed or completely halted some valuable research programs, and have discouraged some promising young candidates from entering research. The total effect on medical research, which is the source of new medical knowledge, has been devastating.

Physicians are becoming increasingly disenchanted, many are leaving the profession, and fewer of the best and brightest are applying to medical school. The source of their displeasure? Medical practice no longer brings a sense of satisfaction; it is simply not worth the personal frustration and financial investment. Physicians are no longer permitted to decide how to take care of their patients on the basis of their medical knowledge and training. Now third-party payers, the government, and various and sundry committees of self-designated "experts" dictate hospital admission policies, diagnostic studies, type of treatment, and length of hospital stay. Many of these so-called "experts" have never even studied medicine or practiced a day in their lives, and some who have are unfamiliar with the nuances of a particular case.

In this connection, Sir Raymond Hoffenberg, while President of the Royal College of Physicians, published in 1986 the Rock Carlin Lectureship entitled Clinical Freedom, in which he analyzed the "winds of change" in medicine both in Great Britain, where a state medical service was established more than four decades ago, and in the United States, and stated that "on balance, despite our recruitment to a State-run service, we have retained a substantial degree of clinical autonomy, perhaps—one might venture—somewhat more than our colleagues in America who are less overtly subject to government control." He stated further that "a 'decline in clinical freedom' has taken place, and is still taking place, to a greater extent in their commercialized and competitive system than in our nationalized, bureaucratic, and more tightly controlled NHS." To support this belief, he quoted Dr. George Silver as follows: "* * * the British doctor, discontented as he or she may be with the inadequacy of the financial rewards of practice in the UK, or dissatisfied with the shabby and inadequate facilities in many places in which medical work is performed, is still largely free and untrammeled in the practice of medicine, * * * (whereas) American physicians * * * are pinioned by regulations and controls far beyond * * * colleagues in most other countries."

The cost of a medical education in time and money is considerable, and the expense of starting a medical practice and of malpractice insurance is exorbitant. The increasing litigiousness of our society has exerted additional pressure on physicians, many of whom believe that they must practice defensive medicine. Yet they also feel they are in a no-win situation: If they order certain tests as a defense against a malpractice suit, they will be accused of increasing the patient's costs unnecessarily; if they do not order the tests, they will be accused of being negligent or incompetent. The general decline is esteem of the profession also contributes to the exodus from medicine. If this trend continues, the efforts of those who profess to "reform" the profession will be self-defeating, because the quality of health care and its accessibility, which the so-called reformists are clamoring to solve, assuredly will decline notably.

The extraordinary progress made in medicine during the past century is in serious jeopardy today. The intrusion of extramedical elements also has disturbed the physician-patient relationship, which is so crucial to effective health care. Despite the remarkable wonders of modern medicine, the patient remains the center of medical practice, and the physician-patient relationship is still the most critical element in effective health delivery. Anything that interferes with that is a self-defeating obstacle. One of the most important challenges of the future, therefore, is to restore the confidence of the public in the integrity and dedication of the medical profession and to revive the trust of individual patients in their physicians.

A troubling trend is the decline in support for medical research during the past decade or so. A negative impact of the cost-containment hysteria associated with reduction of the budget deficit is the creation of an unstable environment within the research community. The loss of promising young medical science investigators is particularly critical because the continued integrity of the nation's medical research enterprise depends largely on the availability of a pool of talented researchers, and that pool is now being depleted.

All of the wondrous medical advances that have been so briefly touched on in this presentation rest on research. It would seem unnecessary to emphasize its seminal need and its adequate support, as well as its strong protection against a minority of zealous, aggressive, and often irrational groups dedicated to its elimination. Research remains our most important and, indeed, our only means of solving the remaining problems in medicine and thus of further improving the health of the people. Indeed, the valuable advances presented here clearly establish the validity of that concept.

COST CONTAINMENT

As surgical research yielded greater and more dramatic advances, such as open-heart surgery, transplantation, and mechanical cardiac assistors, it became costlier. These "medical miracles" excited the public, who began demanding their benefits, but balked at paying for them. Other fruits of technologic development, such as imaging, met with similar public reaction. The rising cost led the government to underwrite part of the health-care program, and as critics and the press focused increasingly on accelerated costs, medical practice became the subject of inquiry. The government intruded, presumably to control costs, but its methods proved not only ineffective, but cumbersome and obstructive. The resulting constraints limited the extension and quality of surgery, for the surgeon's quest is no longer determined by the intellectual capabilities of surgeons, but by external factors—government and quality-assurance criteria. Despite these constraints, however, the quality of surgery has remained high.

COGNITIVE AND NONCOGNITIVE MEDICINE

It became popular in recent years to divide medicine into cognitive and noncognitive disciplines—a throwback to the schism between medicine and surgery in the Dark Ages, when use of the hands was demeaned and the status of surgery, and indeed of all medicine, declined significantly. But the labeling of surgery as a noncognitive discipline is fallacious and totally unsupported by its history and achievements. To suggest that surgeons are merely noncerebrating technicians is to ignore their native intelligence, education, rigorous training, and performance. The history of surgery is replete with scholarship, and with innovative and highly creative activities, all highly cognitive endeavors, as well as with invention of instruments and new operative techniques and procedures. Any surgeon worth his salt arrives at a judgment regarding operative treatment on the basis of his own knowledge of the basic sciences and clinical medicine. Indeed, the training of a surgeon is equally as intense and is usually longer than that in other disciplines. Such an investment, with its personal and financial sacrifices, was apparently ignored by the advocates of the RBRVS formula.

Moreover, every development in surgery is based on cognitive phenomena and is preceded by careful reasoning and carefully designed investigations. Consider the surgical treatment of congenital cardiac malformations, aneurysms, stroke, coronary artery disease, and organ transplantation. Were these and other life-saving operations developed by those in so-called cognitive disciplines—or by practicing surgeons?

One of the most highly publicized reports regarding the new terminology and criteria for payment originated at Harvard, where, owing to its widely held perceptions as a scholarly institution, one would not expect vogue words to be used loosely and imprecisely. The play that the sensational results of this study received in the public press led to calls for "restructuring" of medical fees according to a "resource-based relative-value (RBVR) scale," that is, measurement of "relative levels of resource input expended when physicians produce services and procedures," which is "a function of the physician's work input, the opportunity cost of specialty training, and the relative practice costs for each specialty." The language is hopelessly vague and jargonish. Hsaio and coauthors concluded that "Invasive procedures are typically compensated at more than double the rate of evaluation-and-management services, when both consume the same resource inputs" and that "the average family practitioner could receive 60 percent more revenue from Medicare," whereas "the average ophthalmologist and thoracic and cardiovascular surgeon could receive 40 to 50 percent less in revenues from Medicare."

The formula used to obtain their results "assumed work input to consist of time, mental effort; knowledge, and judgment, and diagnostic acumen; technical skill; physical effort; and psychological stress. The idea of quantitating many of these qualitative factors is mind boggling, but it was apparently attempted with impunity. The authors concede that mental effort, technical skill, and stress are virtually impossible to measure objectively, so they blithely relied on "subjective judgments of the physicians who perform particular procedures." Interestingly, of the six authors of the Special Report, only one was a medical doctor (not a practicing surgeon) and was therefore familiar with what is involved in the daily work of a physician. The final statement in the article by Hsaio and coworkers was almost a self-fulfilling prophecy: "This study indicates that resource-based relative values could serve as a rational foundation for compensating physicians according to the work and effort they exert in performing services."

Had the Harvard group that divided medical practice into "cognitive" and "noncognitive" been too lazy to consult a dictionary or had they been unable to understand the lexical entries, they could have consulted the University's English Department for an explanation of the correct definitions of these terms. "Cognitive" is from the Latin cognitivus, meaning "of or pertaining to knowledge." By that definition, if surgery is a noncognitive discipline, surgeons have no knowledge—presumably only technical skills. In earlier times, when barber-surgeons were unlettered, perhaps the term may have been applicable, but certainly not today. Because of the patent absurdity of this artificial division on the basis of intellectual involvement, because of the weakness of the arguments, and because of the failure to substantiate the arguments with valid evidence, the dichotomy of "cognitive" and "noncognitive" has now been dropped, only to be supplanted by the equally unacceptable and imprecise "procedural" and "nonprocedural." But some damage was unfairly done to the image of surgery and surgeons.

The folly and fallacy of the new terminology and criteria proposed largely by nonpractitioners and adopted by bureaucrats to gauge the monetary value of various kinds of health services deserves exposure. So do the inanity of the new lexicon and the infirmity of the thinking that underlies it. This is the same kind of mentality that introduced such dehumanizing terms as "consumer" for "patient" and "provider" for "physician." "No factor has tarnished the public perception of the profession more than its flagrant commercialisation." wrote Sir Raymond Hoffenberg. "In a society in which doctors are seen as 'providers' of marketable health-care products to 'consumers' or 'clients,' their standing in the community is assumed to warrant no more recognition or respect than that of other purveyors of essential goods." This public perception has been enhanced by this importunate hawking of medicine and solicitation of patients on television and in other news media as though they were, indeed, advertising a "product."

The volume of "reforms" proposed by self-named health-care experts is exceeded only by their almost universal inexperience in the actual practice of medicine. If surgery were a purely technical skill, requiring no knowledge of the basic and clinical sciences, it would hardly take 10 or more years for licensure and certification. How many surgeons do you know who, when the patient is on the operating table and an unexpected finding occurs, call in a "cognitive" practitioner to advise him how to proceed? The new nomenclature is only the most recent manifestation of the attempt to devalue and demean surgery, ostensibly in the interest of cost containment.

The foregoing surgical perspective attests to the impressive, durable contributions of surgeons throughout medical recorded history. But it also documents their periodic censure and denigration as noncerebral, insensitive, avaricious, and even venal technicians. In the Babylonian, Indian, Egyptian, and Classical Greek eras, surgeons were esteemed as educated professionals, but during the Roman and later Medieval periods, physicians were discouraged from using their hands in caring for patients by sacerdotal and other factors previously described. The consequence was a separation of medicine from surgery. This arbitrary division has recurred in various forms ever since, to the detriment of both branches of medicine. As T. Clifford Allbutt has so aptly stated: "From Greece and medieval Italy we have to bring home the lesson that our division of Medicine into medicine and surgery had its root not in nature, nor even in natural artifice, but in clerical feudal and humanistic conceits." Interestingly, when these efforts at estrangement have succeeded, the status of medicine in general has declined, whereas when the two branches worked together harmoniously, the entire profession flourished, made remarkable progress, and thus served humanity better.

It deserves emphasizing that in every period of history, surgeons of keen intellect and high purpose, by observing and recording their astute clinical and experimental observations, have helped build the estimated body of medical as well as surgical knowledge available today. Reaching beyond the manual procedure of operating, they have probed the anatomy, physiology, and biochemistry of the human body and the changes that occur as a consequence of disease or injury, to develop better methods of diagnosis, treatment, and prevention. Despite the impediments imposed on early surgeons, giants like Paracelsus, Paré, and Hunter, all barber-surgeons, refused to succumb and instead engaged their inquiring minds in investigations that uncovered important concepts. The results of their inquiries not only improved surgery but also enriched all of medicine. Thus, tradition testifies to the fact that regardless of the barriers or the resistance, surgery will prevail in time. The reason is clear; surgeons have always made practical contributions, and in time society not only appreciates those services but also demands them.

To the criticism, and sometimes even the humiliation, directed to them, surgeons have responded in a constructive way by trying to improve the education, performance, and ethics of their colleagues. Thus, they have erected exacting training requirements, licensing and certification regulations, and high ethical precepts for their profession. These measures have lifted surgery from its status as the craft that some, in earlier times, and a few with dangerously powerful influence are now trying to assign it, to its current position as a respected healing science.

Today we are faced with new impositions inimical to the optimal delivery of our services—factors that threaten to erode the future of surgery. The ever-mounting government restrictions and intrusion into every decision regarding patient care; the anti-intellectual and antiscience attitude, characterized by the antagonism of groups like the animal rights zealots; the menace of malpractice litigation; and the consistent diminution in funding for research—all have a deleterious effect on our profession by diverting our attention from our primary concern—our patients. Some hospitals today spend as much as $2 million each year on quality assurance activities imposed on them without observing any improvement occurring in patient health care.

In the face of these and other hostile forces, however, I continue to be optimistic about the future of surgery, and the optimism is reinforced by my recollection of the dauntless spirit of our predecessors—their unquenchable curiosity, their dogged determination, their indomitable courage in opening audacious new frontiers, their basic meliorism, and their innate desire to alleviate human suffering. I see all these qualities in my colleagues gathered here today, and I feel a surge of great pride in being a member of such an honorable, dedicated, and productive group. You have added luster to the mantle of surgery and will, I know, pass on to the next generation of surgeons the intrepid spirit that has always distinguished our profession. Thank you, and may the future bring you only the best that life has to offer.

PREYING ON MIA FAMILIES

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. BEREUTER. Mr. Speaker, the recent spate of photographs purporting to show long-missing MIAs has reinvigorated the debate over the fate of the servicemen who remain unaccounted for almost two decades after the end of U.S. military involvement in Vietnam. We all hope and pray that this matter can be fully and accurately resolved. Then we would know at long last if any Americans remain in captivity in Southeast Asia.

A thorough investigation of the missing servicemen is absolutely essential, and this Member believes Defense Secretary Richard Cheney is sincerely committed to learning of their fate. This issue is far too important to treat as a media event. Unfortunately, certain organizations have sought to play upon the emotions of the American people and exploit the MIA issue for their own ends. As an August 1, 1991, editorial in the Omaha World Herald notes "the people who run these gruesome little pseudo-businesses should be ashamed." Mr. Speaker, this Member would ask that this important editorial be inserted into the RECORD.

PREYING ON MIA FAMILIES

As if the families of MIAs and POWs from the Vietnam War haven't suffered enough, an industry seems to have sprung up to help keep their pain fresh. How coldly sadistic the exploitation is.

About 2,273 U.S. servicemen remain unaccounted for in the Vietnam War. President Jimmy Carter, in an effort to put the Vietnam era behind him, closed all the missing-in-action cases and officially declared the men had been killed in action, except for one symbolic name. President Reagan took a more active role; since his first term, about 100 officials had been assigned to look for answers. President Bush is nearly doubling that number.

The issue is back in the public eye because of a photograph purporting to show three U.S. Military men still in Southeast Asia. The picture shows middle-aged men who appear to be holding a sign with a date and cryptic lettering that some say might refer to a location. The authenticity of the photo has been called into question.

Most of the families of the missing have gone on with lives in the 18 years since U.S. prisoners were released in 1973. Parents have grown old, children have grown up, wives have remarried. But the uncertainties of the past still eat away at their hearts.

Several groups have tried to play on the emotions of MIA-POW families to raise money. The Sunday New York Times quoted a 1986 appeal by one fund-raiser as saying, "If I cannot raise $13,671.71 by October 31, vital intelligence gathering cannot continue. And an American serviceman will die in the jungles of Vietnam."

As a federal report indicated, none of the groups or individuals using the emotional appeals has ever furnished any evidence or secured the release of any captive.

Because of the uncertainties of their loved one's disappearance, the relatives of the missing sometimes are vulnerable to the emotion-tugging appeals. Some have been led on wild goose chases in futile—and expensive—efforts to gain information.

These groups make it harder for legitimate organizations such as the National League of Families of American Prisoners and Missing in Southeast Asia, a lobbying organization that works with the U.S. government on the issue of missing men.

The cynical groups constitute a cottage industry in both the United States and Southeast Asia. They deal with photographs, sometimes faked; packets of remains, not all of them human; and reported sightings, often clearly mistaken or fraudulent. They manipulate the feelings and hopes of the families of the unaccounted-for servicemen for their financial and political benefits.

The people who run these gruesome little pseudo-businesses should be ashamed. They are exploiting others reprehensibly, playing on a family's love and uncertainly without mercy or conscience. If only the parents, children and former spouses of the missing could ignore the begging appeals and trust the government to do its best to find out the ultimate fate of their loved ones.

THE "BEST COUNTER" EVER—BARBARA BRYANT OF MICHIGAN

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. VANDER JAGT. Mr. Speaker, there is no greater current subject of interest impacting on the future composition of Congress than the 1990 census. Nor is there a subject which has produced more nationwide reaction. But, through all the differences, through all the disputes and arguments, one thing has been most constant—Barbara Bryant, director, Bureau of the Census, Department of Commerce. She performed magnificently in an impossible job assignment. Rightfully, Barbara now is being hailed as one of the finest census directors of all time. And well she should be.

Today, the Detroit News, Detroit, MI, featured a most deserving editorial praising Barbara Bryant and citing the 1990 census under her direction as perhaps being the "The Fairest Census of All?" I agree. And I believe most Members of Congress concur.

I am very proud to congratulate Barbara for a job well done. But the very closing line said it best for my fellow Michiganites. Let me repeat it now: "Ironically, Census Director Barbara Bryant simply did her job too well to tamper with it."

The editorial follows:

[From the Detroit News, Aug. 1, 1991]

THE FAIREST CENSUS OF ALL?

Recently Commerce Secretary Robert Mosbacher elected not to adjust the 1990 Census, even though there is universal agreement that about 4,684,000 Americans, or 1.8 percent, were not counted, and about 39 percent of those were black.

This means that the "undercount" for blacks (5.7 percent) was more than four times as great as it was for non-blacks (1.3 percent) and thus reduces their relative representation in the political process.

Superficially this looks like a very political decision, designed to help Republican political prospects at the expense of minorities who tend overwhelmingly to vote for Democrats.

After all, minorities argue, the government is always adjusting all other forms of data based on statistical formulas—everything from the Consumer Price Index to the unemployment rate to the poverty number. Why shouldn't the Census count also be "adjusted," particularly when Census Director Barbara Bryant argued passionately for doing so?

It remains to be seen how the courts will resolve this thorny issue. But prominent social scientists and statisticians around the country have come out against an adjustment. Why? Precisely because of Mrs. Bryant's outstanding performance in reaching 98 percent of all persons.

With only 2 percent not counted, any adjustment that has margins of error larger than that, will automatically make the Census less accurate. Sadly, while all of the adjustment methods enjoy even greater accuracy in the total numbers, they break down quickly whenever you begin to separate those numbers by states, counties, cities and congressional districts.

After all, the purpose of the Census isn't just to count total population, but also to divide it up into political entities, or districts, of about 580,000 voters each. This means that any method of adjustment that is used might be highly accurate down to at least as low as two-tenths of 1 percent of the population. This is extremely difficult.

To understand why, consider the simple national polls frequently shown on television, where the national sample is of 1,500 and the "margin of error" is "plus or minus 5 percent."

A national sample of 1,500 for the nation means less than 50 households in, say, Michigan. To derive data from Michigan using a sample of less than 60 would generate margins of error in the range of 20 percent to 30 percent. This is why Michigan pollsters generally talk to 600 people, or about 10 times the number the nation's pollsters do. Even that technique implies a 3 percent to 5 percent margin for error.

On a larger basis, the Census Bureau's adjustment method is premised on a "Post Enumeration Survey" (PES) of 167,000 households, or some 420,000 people—less than 17/100 of 1 percent of the total. While such a survey can produce a highly accurate picture of the national undercount, the moment you start massaging these data to deal with smaller and smaller divisions, you are increasing the potential for error.

In a single congressional district, the PES sample will only give you about 715 persons. Such a sample would have a margin of error of at least 3 percent to 5 percent. While this would be acceptable for many states and districts where the Census undercounts exceeded those numbers, for the majority, the effect of such an adjustment could be to increase the accuracy.

It is one thing to massage employment, income and demographic data. It is quite another to start playing potentially dangerous games with the political census on which the value of our vote depends.

Ironically, Census Director Barbara Bryant simply did her job too well to tamper with it.

PROPOSED AMERICAN BAR ASSOCIATION RESOLUTION

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. CLEMENT. Mr. Speaker, the American Bar Association will meet in August in annual convention to consider many issues and resolutions. One of the resolutions will be offered by a distinguished member of the Nashville legal community, Owen Meredith Smaw.

As a courtesy to Dr. Smaw, I would like to share the text of the resolution and some additional background information with members of the legal community at large. While I do not necessarily endorse the resolution, I do believe that discourse and debate of all views is essential to making an informed decision. Consequently, I am pleased to share this information with those interested in the debate on the death penalty.

RESOLUTION TO STUDY THE HARDING STRESS-FAIR COMPATIBILITY TEST

Whereas, Christopher Philip Harding, a psychometrician of Queensland, Australia, founded the Internatinal Society for Philosophical Enquiry, the highest of the recognized high-I.Q. societies;

Whereas, Dr. Harding has been listed in seven editions of the Guinness Book of World Records under "Highest I.Q.";

Whereas, the career suitability profile version of the Harding Stress-Fair Compatibility Test has proven effective in determining an Individual's negative propensity toward violence;

Whereas, this test can be used to help decide a prisoner's eligibility for sentencing, parole, and/or clemency;

Now, therefore, be it resolved, that the American Bar Association investigate thoroughly and report fully to the Assembly in 1992 its findings concerning the merits of the Career Suitability Profile and the Harding Stress-Fair Compatibility Test to American lawyers and to ABA members.

HARDING STRESS-FAIR COMPATIBILITY TEST

A psychological test which has proven effective in determining an individual's negative propensity toward violence is available for all death row inmates in the U.S. at no cost to the prisoner. Since this test was only recently made available, few know of its existence, particularly among the U.S. death row population. We would therefor recommend a report on this most timely development in the continuing controversy over capital punishment.

A number of possible guests and/or sources of information are available. These include:

Australian psychometrician Christopher P. Harding, who developed the test. Founder of the International Society for Philosophical Enquiry, Harding says that in addition to determining an individual's propensity—or lack thereof—toward violence, it can also determine "whether there is a strong association between certain profile elements and dangerous behaviors." Harding can be contacted at P.O. Box 5271, Rockhampton Mailing Center, Queensland 4702 Australia, telephone 617-927-1370.

The administerer of the test, Kent L. Aldershol. President of Management Strategies Inc. of Ridgewood, N.J., he has offered to see that the test is administered to any death row inmate upon request. Like Harding he is a member of the International Society for Philosophical Enquiry, and both men seek to have enough inmates undergo the test to create a significant data base for their future work. He can be contacted at (201) 652-1021.

Attorney Owen Meredith Smaw of Nashville, Tennessee, who is using the test in his ongoing fight to aid convicted killer Ronald Keith Spivey, who is currently awaiting execution in Georgia. Smaw, a lifelong opponent of capital punishment and author of several resolutions challenging its legality, believes strongly in the test and says he hopes it will eventually be used "to help decide a prisoner's eligibility for sentencing, parole and/or executive clemency." Smaw, who authored a resolution before the American Bar Association in 1988 declaring that the death penalty should receive "further study," is also the author of other resolutions asking that capital punishment be banned on the grounds that it violates international law. He can be contacted at 1612 16th Avenue South, Nashville, TN 37212-2908, (615) 269-9598.

Each of these three men, in addition to providing valuable information regarding the test and its possibilities, can also recommend additional sources of information.

As the nation's death row population continues to increase, and as states begin executing prisoners at growing rates, we feel this matter is not only timely and newsworthy, but also of extreme importance to the entire judicial system and to all other Americans as well.

COMPREHENSIVE OCCUPATIONAL SAFETY AND HEALTH REFORM ACT

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. FORD of Michigan. Mr. Speaker, 20 years ago, the Congress enacted the Occupational Safety and Health Act, a milestone in the protection of American workers. Lives, limbs and the health of workers across the country have been protected by this law. But the job is far from over.

The Occupational Safety and Health Administration [OSHA] has lacked the resources and, too often, the will to enforce this law as Congress intended; 10,400 workers still die each year from on-the-job injuries and the National Institute of Occupational Safety and Health [NIOSH] estimates that another 100,000 workers lose their lives to chronic, painful diseases contracted because exposures to insidious poisons in the workplace have not been eliminated. Disabling on-the-job injuries total 1.7 million each year, or over 6,700 each workday, and NIOSH estimates 390,000 new cases of occupational diseases are diagnosed annually.

These injuries and deaths are tragedies to the workers and their families who are the victims of occupational hazards. But they are also a national tragedy. In 1988, employers paid $43 billion in worker compensation premiums. The Rand Institute estimates that on-the-job accidents cost this country $83 billion in 1989. Occupational illnesses cost billions more. Over 1 million workdays are lost to occupational illness and 57 million to workplace injuries each year. No one can measure in dollars the pain and suffering and other indirect costs to workers, their families and American society. These senseless costs go right to the bottomline.

An award winning series on workplace dangers by the Detroit Free Press highlights the toll workplace injuries have on the victims. Virginia Durand, formerly employed at an auto parts plant outside Detroit, lost both hands when an unguarded stamping press malfunctioned. The lack of machine guarding for the press violated OSHA standards, but nothing had been done to remove the hazard before Virginia began work on the day of her injury. Virginia Durand's life has been changed forever by her employer's callous disregard for her safety. As the Detroit Free Press reported, she can no longer feel the warm squeeze of her daughter's hand in hers and she cannot go to the bathroom by herself. Virginia's injury could have been prevented if her employer had installed a machine guard. Unfortunately, there are millions of workers just like Virginia Durand whose lives have been forever changed by an on-the-job injury.

Today, I join my colleagues in introducing the Comprehensive Occupational Safety and Health Reform Act. The bill provides for joint employer and employee participation in worksite health and safety programs; streamlines and expedites the process by which OSHA health and safety standards are set; extends OSHA coverage to employees of Federal, State and local governments and to workers in nuclear facilities, the rail, transportation and airline industries; and increases employee participation in OSHA enforcement proceedings.

During the past 20 years, we have learned that cooperation in the workplace is the key to increasing productivity. Joint labor-management cooperation effectively reduces job hazards as well. Just this week, the John Gray Institute, in a report to OSHA, recommended increasing reliance on joint health and safety committees to improve workplace safety and health in the petrochemical industry.

I invite the employers and workers of our great Nation to unite behind this bill to provide increased protection to workers who face on-the-job health and safety risks. During the past Congress, the President supported and the Congress overwhelmingly adopted new and more stringent protections against air pollution in our communities. Several years before that we strengthened the laws protecting citizens from hazardous waste sites and to prevent pollution of our waterways.

But, environmental pollution begins at the workplace and we have yet to stop pollution where it begins—in the workplace. Factory workers receive much higher exposures to toxins than are emitted into the outside air or into our rivers and lakes.

It is time for us to take the next step to protect the health of the workers inside our factories and offices. These employees work long and hard to make America the richest Nation in the world. They should not have to sacrifice their lives in the process. Passage of this legislation can lead the way to a safer, healthier and more productive future for us all.

COMPREHENSIVE OCCUPATIONAL SAFETY AND HEALTH REFORM ACT

A. EMPLOYER AND EMPLOYEE PARTICIPATION

1. Safety and Health Programs

The bill requires employers to establish and maintain safety and health programs to reduce or eliminate hazards and to prevent injuries and illnesses to employees. Such programs must provide for, among other things, employee training and education. OSHA is authorized to modify the application of these requirements to classes of employers provided that protection of employees is not diminished.

The requirements for health and safety programs will force employers to participate more actively in preventing illnesses and injuries. Too often employers limit their health and safety activities to compliance with specific OSHA standards when a systematic approach could identify and correct hazards before accidents and illnesses occur. Already, employers in California and Washington must develop written health and safety programs. OSHA encourages employers to develop written programs and the General Accounting Office (GAO) recommends that Congress consider making such programs mandatory.

2. Joint Safety and Health Committees

The bill requires employers of 11 or more employees to establish safety and health committees made up of an equal number of employee and employer representatives. In unionized settings, employee representatives are to be designated by the employee's bargaining representative; otherwise they are to be elected directly by the affected employees. The joint committees are authorized to review the employer's safety and health program, conduct inspections, and make advisory recommendations to the employer.

The John Gray Institutute recently concluded that joint health and safety committees have a positive effect on workplace safety. In plants with joint committees, employees are more likely to report hazards, alerting management to problems before accidents occur; have less fear of reprisal; and are more likely to participate in health and safety activities, believing management is receptive to their suggestions. Health and safety concerns can be addressed by the Committee, thereby reducing reliance on OSHA's inspectors to abate worksite hazards. And cooperation between employers and employees on safety issues limits the adversarial relationship between OSHA and employers.

Joint health and safety committees are not a new idea: the United Auto Workers and Chrysler established the first joint health and safety committee in the auto industry; all three U.S. automakers have had joint health and safety committees since 1973. Just this week, in a report about the petrochemical industry, the John Gray Institute found that 85 percent of plants in the industry have joint health and safety committees. GAO has found almost half of all collective bargaining agreements require joint health and safety committees and many nonunion employers have established such committees. Washington State requires joint health and safety committees for employers with 11 or more workers, and GAO recommends that OSHA consider mandating health and safety committees as well.

3. Employee Participation in Enforcement Proceedings

The bill mandates OSHA investigation of fatalities and serious incidents and increases employee participation during inspections. The bill also allows affected employees to more actively participate in Commission proceedings by authorizing employee challenges and Commission review of citations, penalties, and settlement agreements between employers and OSHA and by expanding employee participation in the enforcement process in other respects.

The bill would expand employee rights to participate in Review Commission proceedings. Current law limits employee participation, allowing workers only to initiate challenges to the abatement period. By increasing employee participation in settlements—unions have long protested their exclusion from settlement discussions—OSHA would obtain a more balanced view of plant health and safety.

4. Antidiscrimination Protections

The bill incorporates expanded antidiscrimination protections modeled on the Surface Transportation Act. These provisions prohibit employers from discharging or otherwise retaliating against an employee because the employee has reported an unsafe condition or because the employee has refused to perform hazardous work that would expose the employee to a bona fide danger of injury or serious impairment of health.

The bill also revises existing procedures for the handling of discrimination complaints, and authorizes the Secretary of Labor to order reinstatement and assess back pay, compensatory damages and attorneys' fees if the Secretary finds that an employee has been discharged or discriminated against in violation of the Act.

Although OSHA now includes a provision protecting employees from discrimination, according to GAO, OSHA inspectors believe workers will be subject to retaliation if they freely participate in health and safety activities. No wonder workers are reluctant, particularly in nonunion settings, to participate in health and safety activities. Strengthening OSHA's antidiscrimination provisions in intended to change that perception.

OSHA's retaliation ban has been ineffective, in part, because only the Secretary can enforce the provision in District Court and the Secretary pursues few cases. The bill borrows the retaliation enforcement procedures of the Surface Transportation Act, which the Department of Labor (DOL) already administers, so employees have a more effective remedy against illegal retaliation and can pursue that remedy in an administrative proceeding.

B. THE STANDARD SETTING PROCESS

The process by which OSHA adopts health and safety standards has been criticized by virtually every participant. OSHA relies on informal rule-making to set standards, but the process nevertheless polarizes labor and management so the proceedings seem adversarial. Controversy over standards has resulted in excessive delays. A handful of standards—lead, lockout/tagout—have taken OSHA more than a decade to complete and implement; it is now common for standards to take more than five years from OSHA's announced intent to regulate to final rule. Since OSHA was passed in 1970, the agency has adopted fewer than 30 comprehensive health standards, and most safety standards have not been revised since the 1960's.

Delays have grown much worse since 1981. Administration officials now see their job as protecting business from regulation than protecting workers from occupational hazards. Further, the Office of Management and Budget (OMB) now micro-manages all aspects of OSHA standard setting—from OSHA's evaluation of technical scientific data to cost estimates—further dragging out an already time-consuming process.

1. Prompt Response To New Information

The bill requires OSHA to respond to petitions for health and safety standards within 90 days of receipt, and if the agency finds that a standard is warranted, to issue a proposed rule within 12 months of the petition and a final rule within six months after the comment period or hearing. Judicial review is available to challenge OSHA's failure to regulate or to adhere to the mandatory time frames.

The bill requires an OSHA response to requests that the agency adopt a new standard promptly and further requires, when a standard is warranted, that OSHA issue one expeditiously. While current law imposes deadlines on OSHA standard-setting, the courts have rules those deadlines are advisory. The bill aims to impose mandatory, but realistic, time limits on standards activity.

The provisions authorizing judicial review when OSHA fails to regulate are a codification of existing practice, except that OSHA's desire to consult with other agencies, such as OMB, about a standard is not a valid reason for delay.

2. Updating Exposure Limits

While 2,000–3,000 new chemicals are developed each year, OSHA regulates workplace exposure to only 600 toxins. Under the bill, OSHA must revise and update these exposure limits every three years. The bill requires the National Institute of Occupational Safety and Health (NIOSH) to submit recommendations for revisions of permissible exposure limits for toxic substances every three years, and requires OSHA to respond to NIOSH recommendations by issuing a proposed rule within six months and a final rule 12 months later.

OSHA often permits higher exposures than consensus groups recommend because the process of modifying health standards is so slow. The bill provides a streamlined procedure for updating permissible exposure limits which may not be controversial; OSHA retains its existing authority to issue comprehensive health standards, where appropriate.

3. Reliance on Feasibility Analysis

The bill amends the definition of an occupational safety and health standard and requires that all standards address a "significant risk" to workplace health or safety and reduce the "significant risk" to the extent feasible.

The Supreme Court has ruled that OSHA may regulate only "significant risks" to worker health. The bill codifies the Supreme Court's decision. It is worth noting, however, that OSHA's "significant risk" test—OSHA regulates risks greater than one in 1,000—permits 1,000x greater risk to workers than Congress permitted under the Clean Air Act for exposures to air toxics.

The Supreme Court has ruled, that when OSHA regulates health hazards, it must set the standard that best protects worker health and that industry is capable of achieving. In contrast, when regulating safety hazards, OSHA balances worker safety against compliance costs, sacrificing worker health where OSHA concludes safety precautions are too expensive. The bill would require that safety standards, like OSHA health standards, must fully protect workers, eliminating the artificial distinction between these two types of standards.

4. Specific Standards

The bill requires OSHA to issue standards on a number of specific health and safety issues, including exposure monitoring, medical surveillance, and ergonomic hazards, within specific time frames.

OSHA promised in 1989 to issue standards that generally require employers to monitor employee exposure to toxins and to provide medical surveillance to exposed workers. OSHA regulates the exposure levels for 600 chemicals, but for all but 30 chemicals, employers have no ancillary duty to measure employee exposures and to monitor employee health. The bill would close this gap.

The bill also requires OSHA to publish an ergonomics standard within two years. Between 1981 and 1989 reported cases of cumulative trauma disorders have increased fivefold; about one in 500 American workers now suffer from this disorder, which is often irreversible.

The bill also imposes mandatory deadlines for OSHA to issue specific standards. OSHA has committeed itself to developing each standard named in the bill and, in all but a few instances, the deadline imposed by the bill is the time OSHA's regulatory agenda projects the standard will be completed.

C. ENFORCEMENT

1. Targeted Inspection Program

The bill requires OSHA to establish a special emphasis inspection program to target high-risk industries and operations.

2. Reports and Investigations

The bill requires employers to report within 24 hours, and requires OSHA to investigate, all work-related facilities and serious incidents resulting in the hospitalization of two or more employees.

The bill makes two changes to existing law. First, it lowers the reporting threshold. Now employers must notify OSHA of a death or an incident where five employees are hospitalized; under the bill, OSHA must be notified of a death or incident involving two hospitalizations. Second, notice must be provided within 24 hours, and not the 48 hours permiited under current law, so when OSHA arrives, it can investigate what happened.

3. Imminent Danger

Where OSHA determines that a condition or practice poses an imminent danger of death or serious harm to employees unless immediately corrected, the bill authorizes OSHA to tag the hazard and to require the employer to take immediate corrective action. Employees who refuse to work on dangerous equipment would be protected against discrimination, and OSHA is authorized to fine an employer who fails to take corrective action up to $50,000 per day.

Now, when OSHA identifies an imminent danger, it must seek a temporary restraining order from Federal District Court before it can require that the danger be corrected or employees removed from the hazard. Employees remain exposed to the danger while judicial proceedings go forward. The bill would provide an alternative procedure. When OSHA tags an imminent danger, an employer who fails to correct the danger will face substantial penalties if OSHA's action is upheld. OSHA retains its present authority to proceed in the courts.

The Mine Safety and Health Administration has the authority to shut down dangerous operations, and this authority has been used sparingly—in fewer than 1 percent of inspections. Inspectors in California also have shut-down authority and, according to GAO, use it in about one percent of inspections.

4. Abatement

Under the bill, OSHA may require that the period for abating substantial health and safety hazards begins to run when the employer receives a citation. In this limited circumstance, the decision to contest an OSHA violation does not suspend the running of the abatement period. The bill also requires the employer to verify that the hazard is abated.

The law now provides that employers are not required to abate violations while they are contesting an OSHA citation. This provision may permit employers to defer abatement of serious hazards for several years or more. If a hazard exists, employee exposure is needlessly prolonged.

The bill would leave this general rule unchanged, except in cases posing a substantial risk, where OSHA may decide abatement should begin immediately. In such cases, employers may obtain expedited review before the Commission. GAO has recommended that Congress consider protecting workers while a citation is being contested.

5. Criminal Penalties

The bill increases to ten years in prison the maximum criminal penalty available under the Act for knowing, willful violations that cause death, and authorizes criminal penalties for knowing, willful violations that cause serious bodily injury, with a maximum prison sentence of five years.

GAO has noted the potential benefits of expanded reliance on criminal sanctions to deter willful violations of OSHA. The law now has limited criminal sanctions that are rarely used—only one employer has been sent to jail since 1970. Federal OSHA criminal penalties are substantially less stringent than criminal penalties under environmental law or state criminal law.

D. EXPANSION OF COVERAGE

1. Government Employees

The bill extends the coverage of the Act to federal, state and local government employees, and to employees working in federal nuclear facilities under the jurisdiction of the Department of Energy.

Hundreds of thousands of government employees have no protection from on-the-job health and safety hazards. The bill would extend coverage to these employees.

2. Overlapping Federal Jurisdiction

When two federal agencies regulate employee working conditions, the bill permits OSHA to cede jurisdiction over regulation of particular safety and health hazards to the other agency only if OSHA certifies that agency has and is enforcing a standard at least as effective as the applicable OSHA standard. OSHA may not exercise jurisdiction over mining.

Currently, OSHA cannot regulate any working condition which may be regulated by another federal agency. Thus, when the

Federal Aviation Administration (FAA) specifies maintenance procedures mechanics must follow to ensure airline safety, the FAA rules preempt OSHA regulation of on-the-job hazards. Mechanics facing job hazards have no protection.

3. General Duty Clause

The general duty clause is also modified to clarify its application at multiemployer worksites, where hazardous conditions or practices may affect not only the employer's own employees, but also other employees working at the site.

The provision implements a recent recommendation of the John Gray Institute that OSHA require plant management to assume responsibility for all workers on site. Thus, a refinery owner would become responsible for the safety of all workers at the site—even temporary contract workers. Likewise, a general contractor at a construction site would be ultimately responsible for the safety of employees working for a subcontractor.

E. STATE PLANS

The bill requires state plans to include provisions regarding employer safety and health programs, joint safety and health committees, reporting, nondiscrimination and access to information which are at least as effective as those provided by federal law. In addition, the bill requires OSHA to investigate complaints against State plans and modifies the procedures for withdrawal of approval of a State plan.

The Act now requires OSHA to withdraw approval of State plans which fail effectively to protect against job hazards. Although some States protect workers very well, others do not. OSHA's only leverage over errant State plans is to withdraw approval and assume the full cost of protecting employees in that State. Not surprisingly, OSHA has never withdrawn approval for a State plan.

The bill would provide an intermediate step which would allow OSHA to notify a State of deficiencies in its plan and provide the State with an opportunity to correct those deficiencies before OSHA considers withdrawal of the State plan.

F. RESEARCH, TRAINING AND RECORDKEEPING

1. Training and Data Collection

The bill requires OSHA to develop model training curricula on programs for dissemination to employers, and improves the collection of employer data regarding work-related deaths, injuries and illnesses.

2. National Institute of Occupational Safety and Health (NIOSH)

The bill requires NIOSH to establish a program to identify and notify employees who are at increased risk or suffering work-related injuries or illnesses, and a national surveillance program to identify and collect data on on work-related injuries and illnesses.

G. VICTIMS RIGHTS

The bill guarantees the victims of workplace accidents or illness, or their families, access to information on OSHA's investigation and citations, if any, about their accident. The bill also requires OSHA to meet with victims or their families before setting a citation involving their accident.

H. WORKER'S COMPENSATION

The bill establishes a Federal Worker's Compensation Commission with 15 appointed members. The Commission is charged, among other things, with examining compensation laws to evaluate their effectiveness and determining whether they adequately compensate workers who have suffered work-related injuries or illnesses.

BAKER'S MIDEAST PLAN

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. HUNTER. Mr. Speaker, I would like to bring to the attention of my fellow House Members, the following article by Ambassador Jeane Kirkpatrick on the possible dangers resulting from the new Mideast peace initiative. I encourage my colleagues to listen to the comments of one of America's most experienced diplomats.

BAKER'S MIDEAST PLAN: IT COULD WEAKEN ISRAEL

(By Jeane Kirkpatrick)

Watching James Baker's fifth hurried shuttle around the Middle East, I remembered the first joke I ever heard. It was about a factory worker who was explaining to an insurance investigator how he cut off his finger the previous day.

"Well," the worker said, "I bent over the machine like this, I reached for the switch like this, and—oops, there goes another one."

It isn't very funny. But our standards at age 5 weren't very high. And it does make a point about the human tendency to repeat the same mistakes. This tendency is especially strong in international affairs, where policies are often based on the same erroneous assumptions.

Israel's Arab neighbors have operated for so long under the assumption that "the Zionist entity" could be and would be destroyed that it will surely be very difficult for them to sincerely accept the possibility of peaceful coexistence with a state whose very name some cannot bring themselves to speak.

Before and after the Persian Gulf War, Syria's Hafez Assad has vied with Iraq's Saddam Hussein and the Palestine Liberation Organization for leadership of the rejectionist bloc. In that spirit, Assad rejected U.S. Secretary of State Baker's previous proposal for negotiations, as the PLO had rejected negotiations in which there would be no PLO representative per se. Even Jordan's King Hussein had declined to endorse the U.S. effort.

What happened to turn around these habitual naysayers?

It was not just the reduced Soviet role in the region, although that must be as important to Assad and the PLO's Yasir Arafat as to Saddam Hussein. All have relied heavily on the Soviets as a source of military, financial and diplomatic aid. But Assad and Arafat continued their naysaying to Baker long after the Soviet role had changed.

Nor was it just the expanded U.S. role. That, too, has been obvious for some time.

Undoubtedly, these basic changes in the regional balance of power must have had an influence. So has the changed posture of Saudi Arabia and Kuwait toward negotiations with Israel. Assad and the PLO both have relied on the financial largess of the gulf states to finance their political adventures.

The defection of the gulf states (as well as Egypt) from the rejectionist camp must have been a psychological and political blow, as well as a financial problem. Once they agreed to speak with Israel, it no longer meant that one had to be sworn to the destruction of Israel to be an Arab.

But the most important factor in influencing the changed policies of the major rejectionist groups was probably Baker's persuasiveness and the associated belief that, in President George Bush and Baker, Israel's Arab neighbors have their best chance ever to retrieve lands lost after the 1967 war.

I think they would be right in this belief. It has been clear almost since his election that Bush has a sense of mission about the resolution of the so-called Arab-Israeli conflict—even though that conflict has not erupted into actual violence since 1981—ironically is not included in the agenda for the planned peace negotiations.

Bush is committed to means as well as an end. He seeks to settle the Arab-Israeli conflict on the basis of the "land for peace" principle, a principle that could become an exchange of very real Israeli land for Arab promises of peace.

Syria, Jordan and the PLO were apparently persuaded by Baker's latest shuttle that the Bush-Baker team sees the "land for peace" issue as the Arabs do—that Israel should return all the land seized after the second Arab war.

Offical sources report that Baker got Assad's attention when he emphasized that the Bush administration rejects Israel's claim to the Golan Heights on grounds that United Nations Resolutions 242 and 338 apply to Golan and to East Jerusalem as well as to the West Bank and Gaza.

Unlike most previous administrations, Bush and Baker do not seem to be moved by the notion that Israel deserves compensation for the three wars launched against her.

Nor, to some Arab interlocuters, does the administration seem concerned with parallel requirements of 242 and 338 that all states in the region enjoy "secure borders." The emphasis Baker gave to the question of territory seems to have been crucial in persuading Arab officials.

An opportunist knows an opportunity when he sees one.

It would be a colossal irony if, at precisely the time when Israel's most dedicated adversaries are weakened, the U.S. government squeezes from the Hebrew state concessions that three Arab wars, decades of terrorism, and three years of the intifada could not wring from them.

Still, to take advantage of these new opportunities, rejectionist states and groups must stop denying the existence of the Jewish state and must speak to its representatives. This they have now agreed to do.

Israeli Prime Minister Yitzak Shamir has called Syria's response a breakthrough. He apparently thinks Assad's concessions are truly important to Israel—important enough to consider accepting negotiations within a framework of an international conference.

Or, and this is also possible, Shamir is playing a diplomatic version of the child's game of "hot potato" and is determined not to be the one to say no to face-to-face talks with Arab neighbors.

If Shamir will not say no, and Assad will not say no, and King Hussein will not say no, and the PLO will not say no, then there will be talks of some kind. One more Iron Curtain will be pierced.

With it will come new risks and new dangers. The greatest of these is that, if Assad and company are correct, a settlement emerging under these circumstances will likely strengthen the region's most dynamic dictator and weaken its only democracy, while also leaving Israel's borders less secure.

That couldn't be our policy, could it? An administration committed to strengthening democracy, extending peace and building a new world order would never weaken a democratic ally to strengthen a dictatorship—except by a terrible mistake.

MFN AND THE BALTIC REPUBLICS

HON. C. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. COX of California. Mr. Speaker, at a time when the airwaves are abuzz with talk of most-favored-nation status for the Soviet Union's Communist central government, we would do well to bear in mind that America's history of trade relations with the Baltic Republics dates back to the 1920's.

During the period of Baltic independence between the two world wars, Estonia, Latvia, and Lithuania all entered into trade agreements with the United States. Baltic exports to the United States enjoyed MFN treatment until all three countries were swallowed up by Stalin's armies and forcibly incorporated into the U.S.S.R. Since that time the MFN status of the Baltic Republics has been placed on hold by our Government.

The proposal to extend MFN status to the Soviet Union—which continues to occupy all three Baltic republics—has now been placed on the table, and I expect the debate that will follow to be lively and informative. I commend to you the following remarks delivered by the President of Estonia, Dr. Arnold S. Ruutel, before the National Press Club on July 26, 1991:

STATEMENT OF ARNOLD RUUTEL

Ladies and Gentlemen of the Press, I am privileged to come before you today to report on three days of open and constructive meetings with Administration officials and Congressional leaders. The friendly atmosphere and wide openness of these talks underline both the continued U.S. support for Baltic independence and the depth of the long-standing U.S.-Estonian relationship. I come away from these talks with renewed assurances of steadfast U.S. help in Estonia's quest for self-determination. In turn, I was pleased to convey my sincere appreciation for America's sustained efforts to further the cause of freedom, democratization and independence of the Baltic states.

In meeting with Congressional leaders I conveyed my government's appreciation for passage of the FY 1992 Foreign Aid Appropriations Bill by the U.S. House of Representatives on 19 June 1991, allowing for the first time direct aid to the Baltic states. U.S. assistance for Baltic democratization and independence is of particular importance at this critical juncture.

Meeting with Administration officials and addressing the U.S.-Soviet Trade Agreement of 1 June 1990 which is expected to be sent to the Senate for ratification soon, I stressed the paramount importance that the three Baltic states—Estonia, Latvia and Lithuania—be completely separated from said treaty. The Council of the Baltic States and the Presidium of the Supreme Council of Estonia have stated that the MFN provisions of the treaty should be applied only to the territory which is within the boundaries of the USSR as recognized by the U.S. in 1933. Since U.S. Administrators have traditionally retained the old 1933 notion about the borders of the USSR and considering the 9+1 Union Treaty including a mandate to President Gorbachev to represent only the 9 Republics at the London G-7 meetings, the U.S.-Soviet Trade Agreement can now be applied only to the territory of the 9 future members of this new Union, thus shutting out the Baltic States' territories with the seal of finality.

The Estonian Government considers it of vital importance to protect the existing 1925 Estonia-U.S. Trade Agreement granting mutual unconditional most-favored-nation status in customs matters. Language should be included in the ratification document of the treaty stating clearly that the 1925 U.S.-Estonian agreement remains in force. My government views the continuing validity of the Estonian MFN status, separate from and independent of the USSR, as an important element of the long-standing U.S. policy of not recognizing the illegal annexation of the Baltic states by the USSR.

There are three statutes that have thus far prohibited the reactivation of our MFN status. All three statutes have now been repealed. Therefore, there is—in our opinion—no valid legislative authority for the current listing of Estonia on the 1991 Tariff Harmonization Schedule denying us MFN privileges. In addition, the Jackson-Vanik Amendment does not apply to the Baltic states because all three Baltic states possessed valid (albeit suspended) MFN status long before the enactment of the Jackson-Vanik legislation in 1974.

One must also remember that our 1925 Trade Agreement was suspended only to prevent the USSR from exploiting the preferential trade status of Estonia, Latvia, and Lithuania, three independent states under Soviet military occupation. When the USSR is granted MFN status, there will no longer be any possibility of exploiting our MFN privileges. Therefore, on the day that the Agreement on Trade Relations with the USSR is ratified and the USSR is granted MFN benefits. Estonia, Latvia and Lithuania must be awarded MFN status on the basis of their existing treaties with the U.S.

Ladies and gentlemen, Estonia recognizes American thinking in concluding the U.S.-Soviet Trade Agreement and we can learn to live with it. It must, not, however, be permitted to infringe on our legal rights as sovereign independent states. It is therefore important to ensure that the Trade Agreement does not contradict long-standing U.S. nonrecognition policy by clarifying that the Agreement does not apply to the Baltic States. It is equally important to grant the Baltics MFN status separate from and independent of the USSR. This should be done on the basis of our enduring treaty relationships at the same time that the USSR receives MFN status.

This is my government's position and I was pleased to find a receptive audience in the sacred halls of the U.S. government.

HUMAN RIGHTS IN YUGOSLAVIA

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. HOYER. Mr. Speaker, we are all aware of the ethnic tensions, political confrontations and armed conflicts which have recently brought Yugoslavia to the brink of civil war. Efforts are underway to try to bring the fighting to an end, as well as to break the stalmate in negotiating a new political framework among the federal authorities and the representatives of the six republics. We hope that these efforts will bear fruit soon, so that additional destruction and more senseless deaths can be avoided.

While historical and cultural differences among the many, diverse peoples of Yugoslavia provide the impetus for the current confrontation, it must be kept in mind that human rights problems in Yugoslavia have been a cause of today's problems, and a resolution of the current crisis in that country cannot succeed unless it includes full respect for the human rights and fundamental freedoms of everyone in all of the republics and provinces as a centerpiece of any final agreement.

While its reformist path provided for a traditionally more open society than existed in other Communist countries in Eastern and Central Europe, Yugoslavia nevertheless remained a one-party state until the wave of liberty and freedom swept through the region in 1989 and 1990. As a result, political pluralism, respect for the rule of law, a free press and other aspects of democratic government are only now developing in Yugoslavia, in some republics more so than others.

Moreover, the denial of basic human rights in Yugoslavia continues, and, unfortunately, in some instances it has worsened in recent years. This is especially true in Kosovo, a province of the Serbian republic which is inhabited mostly by ethnic Albanians. Beginning in the late 1980's and continuing to this day, the Serbian Government has brutally repressed the Albanians of Kosovo. Beyond denying the province its autonomy, peaceful demonstrations have been broken up, and Albanians have been detained or imprisoned simply for expressing political views. Thousands of Albanians have been fired from their jobs. There have been many reports of physical harassment, including beatings, as well. In the schools, teachers must teach a new, pro-Serbian curriculum. These actions not only violate the rights of Albanians but are also counterproductive. By refusing instead to engage in a dialog with ethnic Albanian representatives in Kosovo, Serbian authorities have made the problems plaguing the province all the more difficult to solve.

There are indications of increasing discrimination against the Albanian population of Macedonia, particularly the closing of Albanian-language schools. While a multiparty system has been introduced in Macedonia, there appear to be limits to meaningful involvement in the public affairs of that republic by Albanians, despite the fact that they represent a sizable percentage of the population. And while the violence encouraged by local militants must be condemned, there are legitimate concerns regarding the rights of Serbs living in Croatia that need to be addressed.

Mr. Speaker, on September 10, a 4-week meeting of the CSCE, or Helsinki process, will convene in Moscow to discuss human rights and other humanitarian issues. The Moscow meeting is the third of three meetings mandated in 1989 by the Vienna Concluding Document as part of the Conference on the Human Dimension of the CSCE. The Moscow meeting, as part of its mandate, will to review implementation of past CSCE commitments in the human dimension. These commitments encompass basic human rights, including those of persons belonging to national minorities, as well as free elections, political pluralism and respect for the rule of law, which were adopted at the Copenhagen Human Dimension meeting 1 year ago.

The Moscow meeting, Mr. Speaker, presents a timely opportunity for Yugoslavia to meet its CSCE human dimension commitments. The implementation review which traditionally takes place at CSCE meetings encourages greater compliance by holding the participating states to account for their performance. I am confident that the United States delegation to the Moscow meeting—to be led by Ambassador Max Kampelman, who has had long experience with the CSCE and East-West negotiations—will seek a thorough, detailed and comprehensive review of implementation by all CSCE States, Yugoslavia included. This is one of the more important ways in which the United States and other concerned countries can encourage a positive and lasting solution to problems which Yugoslavia currently faces.

TRIBUTE TO THE LATE JUDGE VINCENT J. BRENNAN

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. HERTEL. Mr. Speaker, it is with great admiration and respect that I rise today to pay tribute to the late Judge Vincent J. Brennan. Judge Brennan was a distinguished member of the Michigan judiciary. The judge will forever be remembered for the integrity and compassion which he conveyed from the bench, and in his daily life.

Born in Detroit, Judge Brennan graduated from the Univeristy of Detroit in 1951. He served in the U.S. Navy from 1952 to 1954. After his military service Judge Brennan began his professional career as a court aide for Federal Judge Thomas P. Thornton. In 1956 Judge Brennan entered the Detroit College of Law, and received his juris doctorate in 1959.

Upon admission to the Michigan Bar, Judge Brennan launched a legal career which involved him in many different capacities. From 1962 to 1964, Judge Brennan was appointed a special assistant attorney general for the State of Michigan. In 1964, the judge was elected to Detroit's Recorders Court. He held that office until 1969, when he was elected to the Michigan Court of Appeals. Judge Brennan would go on to hold the position of chief judge pro tem of that court. In 1986, Judge Brennan ran for a municipal court seat in the city of Grosse Pointe Shores, MI. He held that office until his death in May 1991. Additionally, in 1986 Judge Brennan was made a partner in the firm of Barbier & Tolleson in Detroit, MI. Throughout his distinguished career the judge maintained a bar rating of "outstanding and well qualified."

Judge Brennan's sincerity and concern for others was evident through his active participation in several community and State associations. He was a former director of the Michigan Cancer Foundation, the St. Francis Home for Boys, the Sacred Heart Rehabilitation Center, and the Michigan League for Handicapped Children. In addition, he was a member of two State committees, the Michigan Judicial Committee on Youthful Offenders and the Michigan Bar Association Court Reorganization Committee. Within the city of Detroit, he served as a member of the Detroit City Election Commission, the Detroit Bar Association Committee on Criminal Law, the Mayor's Committee on Civil Disorders, the Detroit Olympic Games Committee, and the Juvenile Crime Commission.

Through his hard work Judge Brennan brought credit to the legal profession and the bench. Personally, Vincent Brennan was a good father, husband, son, brother and loyal friend. He was an easygoing fellow known to have a contagious smile, and never at a loss with a good joke. My dear colleagues, again I ask you to join me in honoring the memory of this fine man, the Honorable Vincent J. Brennan.

THE LAW MISFIRES

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. CUNNINGHAM. Mr. Speaker, I would like to call my colleagues' attention to an editorial which appeared in the Orange County Register on July 30.

I was intrigued by the editorial, which vividly illustrates that the recent California assault weapons ban law is so flawed that the California attorney general has issued a bulletin to all California law enforcement officials that "enforcement is not practical."

The California situation highlights the problems that arise by attempting to define the term "assault weapon" as an emotional, and not a technical, description. I fear that the Congress may be falling into the same flawed logic as we review assault weapon ban legislation pending in the House.

Last week, witnesses testifying before the House Crime Subcommittee who want to ban so-called assault weapons could not even define the term when Members asked what it was that they wanted to ban. As one Member concluded, "You don't know what you want to ban. You just want to ban something."

In addition, the FBI and law enforcement agencies across the country have proven that military-style automatic rifles are involved in less than .008 percent of the Nation's homicides.

Mr. Speaker, I concur with the Register's editorial that whatever the term "assault weapon" means, they are not a serious law enforcement or criminal problem when judged by the facts.

I urge my colleagues to review the Register's editorial:

THE LAW MISFIRES

California Attorney General Dan Lungren has issued a bulletin to all California law enforcement officials that admits that the assault Weapon and Control Act of 1989—the infamous Roberti-Roos bill, passed in a duty of flurry shameless demagoguery and almost astounding ignorance—is so technically flawed that "enforcement is not practical" Senate Leader David Robert; D-Los Angeles, who co-authored the bill, plans "remedial" legislation. But when a law is so flawed as to be unenforceable—and wouldn't do any good if it were enforced—the best thing to do is repeal it.

The biggest problem with the bill is not only that "assault weapon" is more of an emotional term than an accepted description, but that the bill was put together with little or no knowledge of weapons—assault or otherwise. Thus, as Mr. Lungren points out, "some of the designations contain technical inaccuracies or are otherwise insufficient to identify any specific semi-automatic firearm. Those designations are not found on any semi-automatic firearms and, accordingly, without some new legislation to correct or clarify them, enforcement is not practical."

It almost seems the Roberti-Roos legislation was put together by people who didn't know anything about weapons except that in general they didn't like them, but weren't about to pass up a moment of emotional response to a vicious schoolyard slaying in Stockton. Even during debate over the bill, opponents pointed out that it was so sloppily drafted that it failed to include the Chinese made AK-47 look-alike that Partrick Purdy used in that Stockton schoolyard.

As San Francisco civil-rights attorney Don B. Kates Jr. put it, the legislators, in compiling the list of prohibited firearms, appeared to have selected from "some picture book—of mislabeled firearms they thought looked evil."

Some state legislators have sent a letter to the attorney general suggesting a further necessary step: removing any and all inappropriately registered firearms from the Department of Justice records, and advising all police agencies to correlate and expunge their own records. Where appropriate, the $20 fee some owners paid to register weapons they weren't required to register should be returned.

That's a minimal requirement. The best thing would still be to repeal the Roberti-Roos legislation altogether.

Now that the period of emotion has passed, it has become apparent that "assault weapons," (whatever that vague term may mean) are not and never were a serious law-enforcement or criminal problem. The Roberti-Roos bill has not reduced violence or criminal activity. It is too bad a law to be fixed.

LABOR LAW REFORM—BENEFIT AND PENSION LAWS

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. GUNDERSON. Mr. Speaker, continuing my discussions of the need to reform the Nation's labor laws, I want to focus attention today on the major Federal laws guiding employee benefit and pension laws.

Though these laws are relatively new, they need to be reviewed in the context of providing better protection for employees in a changing workplace and in an increasingly competitive marketplace.

Enactment of the Employee Retirement Income Security Act of 1974 [ERISA] resulted from "rising pension expectations," which in turn resulted from the growth of post-World War II private pensions and war-time wage controls which boosted them. Despite initial opposition by organized labor and employers to Federal regulations on union and company pensions, large scale layoffs in auto and steel firms led to a groundswell for pension reform.

In 1980, ERISA was amended by the Multiemployer Pension Plan Amendments Act [MEPPA], the amendment addressed issues of plan terminations and insolvencies in response to the imminent termination of several multiemployer plans.

Reacting to concerns that women were underprotected in pension plans, the Retirement and Equity Act of 1984 amended ERISA laws to increase benefits for spouses of employees covered by pensions.

ERISA was further amended in 1985 by the Single Employer Pension Plan Amendments Act, which tightened rules against terminating plans, and by a provision in the Budget Reconciliation Act of 1985 which allowed laid-off and unemployed workers to purchase continued company health coverage for up to 18 months.

In 1986, ERISA was amended again; first, as part of the Budget Reconciliation Act, to eliminate perceived bias against older workers; second, by the Tax Reform Act of 1986 to bring tax equity to the use of tax deferred savings plans, primarily by speeding up vesting periods.

The latest changes were made to ERISA laws in the Budget Reconciliation Acts of 1987, 1989, and 1990. The first, incorporating the Pension Protection Act of 1987, to force underfunded pension plans to pay risk related premiums to the Federal insurance program; the second, in 1989, to assess civil penalties for fiduciary violations under ERISA; the third, in 1990, to again increase premiums for underfunded plans, and to restrict the ability of employers to tap into overfunded pensions for other uses.

IMPEDIMENTS TO COMPETITIVENESS

Improved competitiveness is reliant in large part on the degree to which our labor force is motivated, and mobile. As industries change, often requiring workers to learn new skills, relocate, and change jobs, all employees should have greater confidence that their needs will be met through benefit and pension plans.

PENSION FUNDING STANDARDS

Greater assurances should be given to employees that their retirement pensions will be secure when they are needed. The Plan Termination Insurance Program begun in 1974 under title IV of ERISA was intended to help competitiveness by spreading risk of pension insolvencies among all industries. Since that time, insufficient standards have increased the risk of pension underfunding.

Despite changes made to tighten the standards in 1987, 1989, and 1990, no rules prevent underfunding plans in the short term. Additionally, pension increases are often the first item put forward by employers in collective bargaining agreements, requiring funding increases in the future. Any shortfall in later years is picked up by the Pension Board Guaranty Corporation [PBGC]. Under the current system, it may be cheaper for employers to pay risk premiums to the PBGC for underfunded pensions than to commit funds to the pension plan in the short term.

LACK OF ADEQUATE PROTECTION FOR WORKER HEALTH AND BENEFIT PLANS

Many leveraged buyouts and company mergers come at the expense of employee benefit plans—especially retiree health plans—which are eliminated or scaled back to reduce costs. This problem might be resolved by further strengthening the shorter term pension funding standards to prevent large pension liability, by limiting the reliance on the PBGC for pension security, or by other means. Without addressing the matter in a comprehensive way, benefit guarantees made to workers in collective bargaining are less meaningful, and undermine the confidence employees will put in labor-management negotiations.

CONSTRAINTS ON EMPLOYEE MOBILITY

Current law restricts employees' ability to move among jobs because their benefits are often not portable. The trend will certainly be for defined benefit plans, tailored by individual companies, to be replaced with defined contribution plans which allow employees to transport their retirement and benefit packages with them. Current law should be reviewed to encourage this trend.

Additionally, to allow smaller employers to compete for employees among a shrinking work force, rules should be simplified for creation of 401(k) and similar plans among small businesses. Allowing such plans and other benefits to be portable would bring America's small businesses into better position to compete both nationally and internationally.

To improve competitiveness, a national commission should review the Nation's major labor laws. Such a commission should give particular attention to strengthening pension funding standards and updating other regulations on employee benefits in order to address the needs of the modern-day employee.

HELSINKI HUMAN RIGHTS DAY

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. SWETT. Mr. Speaker, today I rise in support of Helsinki Human Rights Day. The Helsinki accords, signed in 1975, represented an attempt at ensuring peace and stability in Europe and encompassed all of the sovereign states of Europe as well as the United States. The accords affirmed a mutual commitment to forswear weapons of war as a means of resolving disputes among nations, and a recognition that every person has inalienable rights which no Government can justly curtail.

Yet today we must once again look toward Europe. In reaffirming our support for the accords, we must send a clear signal that the United States is interested in all those values they embody. Today Yugoslavia is facing a serious and bloody conflict that could have ramifications well beyond its borders. Ethnic and secessionist impulses are threatening stability across Europe, as are other unresolved issues of the cold war.

There are human rights issues in the Soviet Union that remain outstanding, such as the political prisoners still behind bars and the religious prisoners still trapped in a country that they can no longer call home. These issues must be addressed and we must demand that all of the signatories to the Helsinki accords live up to the promises that they vowed to uphold.

Mr. Speaker, I urge my colleagues to remain ever vigilant as we declare today Helsinki Human Rights Day. Let us be unwavering in our commitment to peace, stability, and human rights as we look to the future, a future that we must ensure is shaped by the values of the Helsinki accords, guaranteeing fundamental freedoms for all.

MONETARY POLICY REFORM ACT OF 1991

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. HAMILTON. Mr. Speaker, today Congressman BYRON DORGAN and I are introducing the Monetary Policy Reform Act of 1991. A similar measure is being introduced in the Senate by Senators PAUL S. SARBANES, chairman of the Joint Economic Committee, and JIM SASSER, chairman of the Senate Budget Committee.

Earlier this year, while the Nation's economy was deep in its ninth post-war recession, there were a number of reports of a disturbing split among policymakers at the Federal Reserve. Proposals by Federal Reserve Board Chairman Alan Greenspan to lower interest rates were being resisted by the presidents of some of the regional Federal Reserve Banks. Partly as a result of this conflict, monetary policy during the recession has come under more than the usual criticism.

In a democratic government, it is not unusual for policymakers to disagree. But this was not a split among Government policymakers; a small handful of individuals representing private interests was frustrating efforts by responsible public officials to conduct monetary policy in the best interests of the Nation's economy.

Today, the apparent revival of economic activity may diminish concerns over past policy. But it should not lead to acceptance of the practice of private individuals making Government economic policy.

The Monetary Policy Reform Act would address this concern by vesting sole responsibility for the conduct of monetary policy and open market operations in the seven-member Board of Governors of the Federal Reserve System and would create a special new Federal Open Market Advisory Council through which the presidents of the regional Federal Reserve Banks could advise the Board on monetary policy. This bill is a companion measure to H.R. 1130, the Federal Reserve Reform Act of 1991, which we introduced earlier this year.

Together, the Federal Reserve Reform Act and the Monetary Policy Reform Act form a legislative package that would address some long-standing problems with certain practices and procedures of the Federal Reserve.

The Federal Reserve occupies an anomalous position within the Government of the United States. It is an enormously powerful institution, but it does not conform to the normal standards of Government accountability. No other Government agency enjoys the Fed's prerogatives:

Monetary policy is decided in secret, behind closed doors.

The Federal Reserve is not required to consult with Congress or the administration before setting money or interest rate targets, even though its power affects the financial well-being of every American.

It waits 6 weeks before releasing policy decisions.

The President, who is responsible for the performance of the economy and is blamed if things go wrong, often must wait until late in this term to appoint a new chairman of the Federal Reserve Board.

The Fed's budget is not published in the U.S. Government budget, even though it spends over $1.5 billion per year.

The presidents of the 12 Federal Reserve Banks, who participate in monetary policy decisions on the Federal Open Market Committee [FOMC], are neither appointed by the President nor confirmed by the Senate.

And, even though the Federal Reserve engages in more than $1 trillion in transactions in the money markets each year, most of these activities are exempt from audit by the GAO or any other outside agency.

The Federal Reserve Reform Act, which Congressman DORGAN and I introduced earlier this year, would make five modest changes in the practices and procedures of the Federal Reserve:

First, it would require the Secretary of the Treasury, the chairman of the Council of Economic Advisers, and the Director of the Office of Management and Budget to meet three times a year on a nonvoting basis with the Federal Open Market Committee, to consult on monetary and fiscal policy. This would open a formal challenge of communication between the policymakers in the White House and the policymakers at the Federal Reserve.

Second, it would allow the President to appoint a chairman of the Federal Reserve Board—with the advice and consent of the Senate—1 year after taking office, at the time when the first regular opening would occur on the Federal Reserve Board. This would make the Fed chairman's term basically coterminous with the term of office of the President of the United States.

Third, it would require the FOMC to disclose immediately any changes in the targets of monetary policy, including its targets for monetary aggregates, credit aggregates, prices, interest rates, or bank reserves.

Fourth, it would permit the Comptroller General to conduct more thorough reviews and studies of Federal Reserve operations, by removing selected current restrictions on GAO audits.

Fifth, it would require that the Federal Reserve's annual $1.5 billion budget be published in the budget of the U.S. Government. The Fed would submit its budget for the current year and the 2 following years to the President by October 16 of each year, and the President would be required to print the Fed's budget in the Government budget without change.

The bill that Congressman DORGAN and I are introducing today, the Monetary Policy Reform Act of 1991, would add a sixth change to this list, by making the duly-appointed Government officials on the Board of Governors of the Federal Reserve solely responsible for the conduct of monetary policy.

The Federal Reserve System consists of the Board of Governors in Washington and the 12 regional Federal Reserve Banks. The Board of Governors has seven members, who are appointed by the President and confirmed by the Senate to 14-year terms. The Governors of the Federal Reserve are thus duly-appointed Government officials who are responsible to the President and Congress, and through them to the American people, for their conduct in office.

The Federal Reserve Bank presidents, in contrast, owe their jobs to the Boards of Directors of the regional Banks—boards dominated by local commercial banks. Neither the President nor Congress has any role in selecting the presidents of the Federal Reserve Banks. Some of the bank presidents are career employees, others have backgrounds in banking, business and academics; none are duly-appointed Government officials. Nonetheless, they participate in monetary policy decisions through their membership on the FOMC, where they cast 5 of the 12 votes that determine monetary policy and interest rates.

The role of the Federal Reserve Bank presidents—and the broader issue of the influence of the Nation's banks and of private interests on the Federal Reserve—has been a source of concern ever since Congress decided to establish the Federal Reserve in 1913:

In the initial draft of the Federal Reserve Act, some Members of Congress proposed that the Nation's banks be allowed to appoint up to half of the members of the Federal Reserve Board. President Wilson's position, which was adopted by Congress, was that "the Government should control every member of the Board on the ground that it was the function of the Government to supervise this system, and no individual, however respectable should be on this Board representing private interests."

During the 1920's, when uncoordinated open market operations by the Federal Reserve Banks were disrupting the markets for Treasury securities, Treasury Secretary Andrew Mellon argued that the properly-appointed public officials on the Federal Reserve Board, and not the Federal Reserve Banks, should be responsible for regulating open market operations and that "the Federal Reserve Banks shall not make any further purchases of Government securities, or bills, for the purpose of increasing their earning assets without first getting the express approval of the Federal Reserve Board."

When Congress rewrote the banking laws during the 1930's, the Federal Reserve Board's Chairman, Marriner Eccles, with the full support of President Roosevelt, proposed to vest sole responsibility for open market operations in the Board, along with its other responsibilities for monetary policy. This provision was watered down in the final draft of the Banking Act of 1935, and a rotating group of five Federal Reserve Bank presidents was allowed to share voting responsibility for open market operations with the seven members of the Board of Governors of the Federal Reserve, the new formal name for the Federal Reserve Board.

This situation, in which private individuals who are neither appointed by the President of the United States nor confirmed by the Senate nonetheless directly participate in monetary policy decisions, is an anomaly in our system of democratic government. Nowhere else in the Government are private individuals similarly permitted to participate in decisions which have an enormous influence over the prosperity and well-being of millions of Americans.

Almost all Government agencies make extensive use of private citizens in an advisory status. The Federal Reserve, for instance, has three major advisory panels which meet with the Board of Governors three to four times a year—the Federal Advisory Council, a panel of 12 bankers which advises the Board of Governors "on all matters within the jurisdiction of the Board," according to the Federal Reserve's 1990 annual report; the Consumer Advisory Council, composed of academics, State government officials, representatives of the financial industry, and representatives of consumer and community interests, which advises the Board on consumer financial services; and the Thrift Institutions Advisory Council, composed for representatives from credit unions, savings and loan associations and savings banks, which advises the Board on issues pertaining to the thrift industry. Other Government agencies have similar advisory panels.

But nowhere other than the Federal Reserve are representatives of private interests permitted to have a vote on Government policy. This is the proper function of Government offcials who have either been elected by the people or duly appointed and confirmed in the appropriate manner, and that is the way it should be at the Federal Reserve as well.

The bill that Congressman DORGAN and I are introducing today would address this controversy by going back to the first principles laid out by Presidents Wilson and Roosevelt, that properly-appointed Government officials should be responsible for the conduct of monetary policy at the Federal Reserve.

The Monetary Policy Reform Act of 1991 has two major provisions. First, the bill would dissolve the Federal Open Market Committee and make the Board of Governors of the Federal Reserve responsible for monetary policy and open market operations. Second, it would create a Federal Open Market Advisory Council, through which the presidents of the 12 Federal Reserve Banks could advise the Board of Governors on regional economic conditions and other factors affecting the conduct of monetary policy and open market operations. The Bank presidents would no longer have a vote on monetary policy, but the Board of Governors would still have the benefit of their advice.

Power without accountability does not fit the American system of democracy. In no other Government agency do private individuals make Government policy. The Monetary Policy Reform Act of 1991 will now apply this same principle of democracy to the Federal Reserve.

THE INSURANCE FRAUD PREVENTION ACT OF 1991

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. DINGELL. Mr. Speaker, today I am introducing legislation which would make it a Federal crime to defraud, loot, or plunder an insurance company. This bill will allow Federal prosecution if a person: First, knowingly files a false statement or property valuation with an insurance regulator; second, embezzles or misappropriates funds or property from an insurance company; and third, makes false entries or statements regarding the financial condition of an insurance company with the intent to deceive any individual or regulator regarding the financial condition or solvency of that company.

The Insurance Fraud Prevention Act of 1991 is a result of 3 years of hearings conducted by the Energy and Commerce Subcommittee on Oversight and Investigations. These hearings demonstrated that enforcement of insurance laws and regulations is one of the weakest links in the present insurance regulatory system. States apparently are not collecting adequate information, investigating wrongdoing, or taking legal action against the perpetrators of insurance insolvency. Statutory penalties and remedies also seem out of step with the realities of today's insurance market and the interstate and international nature of the business of insurance in today's marketplace. With little fear of meaningful administrative sanctions or criminal prosecution, there is no Federal deterrent for wrongdoing and no real deterrent for most complex insurance fraud schemes.

Prosecution, conviction, and incarceration have proven to be very effective in deterring white collar crime, yet most people involved with recent cases of obvious wrongdoing at insolvent insurance companies simply walk away with no real investigation of their activities. Many of them continue to be active in the insurance business. It is clear that the current criminal statutes and penalties are inadequate to deal with this fraudulent activity, and that there is insufficient resources being devoted to criminal enforcement of insurance fraud at the State level.

At present, Federal criminal enforcement is restricted because plundering an insurance company is not a Federal crime. Mail and wire fraud statutes are the primary way to attack insurance fraud, but these Federal antifraud laws have a 5-year statute of limitations, which often expires before a criminal investigation can be completed. There should be a specific Federal criminal statute to deal with fraudulent behavior at insurance companies.

Insurance is truly an interstate business, and abuse of insurance companies has also become interstate in scope. Moving money and assets from one State or country to another offshore, basing companies in foreign countries, and evading enforcement jurisdiction by leaving one State and starting up in another are standard elements in cases observed by this Committee's Oversight and Investigations Subcommittee. This new Federal Insurance Fraud Prevention bill will be a strong enforcement tool to bring a stop to criminal fraud in the business of insurance.

THE FRIEND OF THE COURT BRIEF IN JACOBSON VERSUS UNITED STATES

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. BLILEY. Mr. Speaker, on Monday 30 of my colleagues here in the Congress joined me in filing a "friend of the court" brief with the U.S. Supreme Court in a case that may have tremendous impact on the enforcement of Federal statutes prohibiting the sexual exploitation of children through the production and distribution of child pornography. The case, Jacobson versus United States, involves the ability of the Government to target suspects for postal undercover investigation and sting operations involving the distribution of child pornography and other criminal conduct. James P. Mueller, legal counsel for the Children's Legal Foundation and a coauthor of the brief noted in a prepared statement that:

> The Jacobson cases poses issues vital to the future enforcement of Federal child pornography statutes. Those who produce and distribute child pornography ply their trade in secret and make extensive use of the mails. For that reason, undercover sting operations conducted by U.S. postal authorities are one of the most important law enforcement tools in discovering and punishing those who commit this vile crime against our children.

When Congress first enacted Federal child pornography statutes in 1977, it recognized, in the words of the report of the Senate Judiciary Committee, that "many pedophiles—those whose sexual preference is for children—prefer to purchase child pornography—through mail order catalogs * * * because often these catalogues permit the pedophile to order materials depicting specific sexual deviations, to establish contact with other pedophiles, and even to establish liaisons with some of the child models."

To a great extent, clandestine trafficking in child pornography is conducted by those actively engaging in the sexual abuse of children. According to the final report of the Attorney General's Commission on Pornography:

> A great deal of this trade—in child pornography—involves photographs taken by child abusers themselves, and then either kept or informally distributed to other child abusers.

In 1986, the Subcommittee on Investigations of the Senate Committee on Governmental Affairs issued a report that found, among other things, that:

> No single characteristic of pedophilia is more pervasive than the obsession with child pornography.

The report continued by noting that it—

> is not unusual for pedophiles to possess collections containing several thousand photographs, slides, films, videotapes and magazines depicting nude children and children engaged in a variety of sexual activities.

Just last year, in upholding a State statute prohibiting the possession of child pornography, the Supreme Court, in Osborne versus Ohio, Noted that "evidence suggests that pedophiles use child pornography to seduce other children into sexual activity."

The Jacobson case is important in the child pornography context because by necessity virtually all enforcement is done through undercover sting operations conducted through the mails. Indeed, given the clandestine nature of child pornography production and distribution, a decision by the Supreme Court inhibiting the use of postal sting operations could have a crippling effect on law enforcement. For that reason, the brief that was filed accomplishes three purposes. First, it brings to the Court's attention the strong legislative interest in the area of child pornography. Second, it emphasizes the importance of enforcement techniques such as those employed in Jacobson to effect legislative policy. And, third, it urges the Court to adopt a rule on entrapment that provides the Government with the latitude it needs to apprehend those who sexually exploit children through the production and distribution of child pornography.

Mr. Speaker, I would like to take this opportunity to thank each of my colleagues who joined me in this effort. I would also like to thank Mr. James P. Mueller, legal counsel for the Children's Legal Foundation, and Mr. Michael J. Lockerby of the Richmond-based firm of Hunton and Williams, both of whom volunteered their time to work on this project.

THE MILITARY FISH AND WILDLIFE REFUGE ACT OF 1991

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. YOUNG of Alaska. Mr. Speaker, today I have introduced the Military Fish and Wildlife Refuge Act of 1991, legislation that conserves fish and wildlife habitat.

The Department of Defense uses and manages about 25 million acres of natural resources at approximately 900 military installations in the United States. These properties are in every conceivable environment—mountains, prairies, deserts, forests, and swamps. Some of these installations are oases in the midst of suburban sprawl. Their forests and other green areas provide excellent habitat for wildlife and outdoor recreational opportunities for the public. In consultation with the U.S. Fish and Wildlife Service and other Federal and State agencies, 163 military installations manage and protect habitat for endangered and threatened species.

Mr. Speaker, the House of Representatives recently adopted the Defense Base Closure and Realignment Commission's proposal to close or consolidate 82 U.S. military bases. The Military Fish and Wildlife Refuge Act of 1991 simply requires that prior to closing a military installation, the Secretary of the Interior shall have an opportunity to review the installation and evaluate the benefits that it may provide to the fish and wildlife resources of the area. If the Secretary of the Interior determines that the property does have fish and wildlife resource benefits, then these areas would be transferred to the Secretary of the Interior for inclusion in our National Wildlife Refuge System. This system has over 91 million acres of lands and waters that are managed by the U.S. Fish and Wildlife Service, primarily for the benefit of our Nation's wildlife. The addition of fish and wildlife resources from military installations would indeed complement our National Wildlife Refuge System.

Mr. Speaker, I hope that many of my colleagues will join me in this effort. This bill is important wildlife conservation legislation and will conserve our fish and wildlife resources for future generations.

U.S. COAST GUARD BALTIMORE GROUP HONORS RESERVISTS OF OPERATION DESERT STORM

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mrs. BENTLEY. Mr. Speaker, my fellow colleagues, on August 24, I will have the honor and pleasure of attending a dinner honoring 58 Coast Guard Reservists who participated in Operation Desert Shield and Desert Storm.

The reservists from U.S. Coast Guard Reserve Group Baltimore were selected for voluntary active duty and served in the Persian Gulf or in stateside support activities directly related to this conflict. I am proud that these brave and valiant men and women of Coast Guard Reserve Group Baltimore were able to contribute their skills and abilities to Operation Desert Shield and Desert Storm. Many of the reservists from Baltimore were responsible for port and harbor security and the supervision of explosive material loading and unloading both here at home and in the Persian Gulf.

Our Nation's reservists have been a credit to their training. Their hard work and dedication to the task before them was truly commendable. We are indeed greatly indebted to the professionalism and commitment of reservists such as Coast Guard Reserve Group Baltimore and countless other reserve units who gave their best in support of Operation Desert Storm. Without a doubt, the Coast Guard is a very important part of our Nation's military with a unique expertise and ability unlike any other service.

The U.S. Coast Guard is uniquely qualified in search and rescue, interdiction, port security and safety, law enforcement, and other duties and responsibilities that are of vital necessity during peace time and war. I have long been an advocate and supporter of the Coast Guard, and I am proud to commend the fine men and women of this service who so valiantly serve our Nation. They are deserving of their reputation as a top notch addition to the Department of Defense and Department of Transportation.

The diverse and demanding responsibilities of today's Coast Guard requires an uncommon dedication and commitment from those who serve in its ranks. It will indeed be an honor and a pleasure to accompany the Commander of Coast Guard Reserve Group Baltimore, Capt. S.E. Hart, as he presents the National Defense Service Ribbon to the 58 reservists who served their country in Operation Desert Shield and Desert Storm.

Mr. Speaker, my fellow colleagues, I commend these fine men and women and congratulate them upon their safe return home. May they have continued health and happiness in the years ahead.

EDUCATIONAL INGENUITY

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. SMITH of Florida. Mr. Speaker, I speak today about the educational initiatives in south Florida colleges. Across the country, as students get ready for a new school year, there are fears about the quality of a college education. Students wonder if a college education is worth the high tuition costs; if they will have job opportunities when they graduate; if the benefits of a college education are worth the hours of work that students put into activities and studies.

These days, thanks to massive budget cuts, a shrinking pool of professors and students, and increased competition among schools for those shrinking resources, colleges are finding ways to do more with less. South Florida colleges are developing new methods to prepare students for their futures, combining innovative scholarship, dedicated professors and committed students.

In June, a team of oceanographic engineering students from Florida Atlantic University [FAU] won the second Human Powered Submarine Races, beating worthy competitors from MIT and the U.S. Naval Academy. They combined athletic ability, innovation, research, and dedication. This fall, the oceanographic engineering department will work with the Harbor Branch Oceanographic Institution, which will let students increase the scope of their research and educational opportunities. Students will have a chance to learn about state of the art equipment and receive training for careers in ocean engineering.

FAU's new Lois Pope National Institute for Teaching Commitment will put high school dropouts back in the classroom—as teachers. It enrolls 21 people who dropped out of high school and later earned general equivalency diplomas. They hope to reduce the numbers of dropouts by teaching and serving as role models to high schoolers. One million students drop out of high school each year, and educators who can use their own experiences to persuade students to stay in school are a valuable asset.

At Nova University, students have the opportunity to tap into the fastest telecommunications link in the world. Internet lets students access a plethora of research on thousands of subjects from their computers through the South Florida Library and Information Network [SEFLIN]. Nova computer users can transfer and access files, send messages and papers through electronic mail, and utilize computers around the world. By putting a global library at the fingertips of the students and educators, Nova is giving students the opportunity to investigate a world of knowledge.

Through a grant from the State of Florida, Broward Community College [BCC] is developing a technology education program with the Broward County School System. It offers highly motivated 11th and 12th grade students the opportunity to train in a select program focusing on specialized technical study. Students can study electronics, energy systems, health care, and a multitude of other fields. The students will start this accelerated training as high schoolers, then study at BCC. They will be eligible for an associate of arts degree after just 1 year in college, graduating with a strong background in technological study and the opportunity to continue higher education at a 4-year college. Since 35 percent of all high school students are more interested in these technological fields then in college preparation, the focus on career-related education will attract these students, and make them more competitive in the global marketplace.

I also extend my congratulations to Florida International University [FIU] as its School of Journalism and Mass Communications [SJMC] received accreditation from the Council on Education in Journalism. The school received high marks on all of its programs and facilities, and the excellent quality of the teaching was praised in the report from the Accrediting Council on Education in Journalism and Mass Communications. The SJMC is the only accredited journalism program in south Florida. The recognition of this progress in FIU's department showcases the ability of the professors, and augments the school's ability to attract students to pursue a quality journalism and communications education.

These developments are enlivening higher education. They are addressing the needs of students without straining the shrinking resources that the colleges possess. The college administrations are afraid that cuts in the education budget will force them to raise tuition and reduce student services. Professors worry that when their students graduate, they won't be able to write a complete sentence, balance a checkbook, or read a newspaper. In fact, the Labor Department reports that fewer than half of all 21 to 25 year olds have adequate skills in reading, writing and arithmetic. This is a shocking number, considering the 59 percent of 1988 high school graduates who enrolled in college.

Creativity is an educational necessity. Budgetary cutbacks are forcing educational institutions to rethink their programs and the advantages that they provide to students. The programs which I have discussed here utilize the faculty's intellectual resources to inspire the student body. These advances are propelling south Florida to the forefront of education initiatives in the new millennium. I commend these schools, these educators, and these students for their talent and their enthusiasm.

A TRIBUTE TO BASCOM PALMER EYE INSTITUTE UNIVERSITY OF MIAMI SCHOOL OF MEDICINE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues the extraordinary accomplishment of the Bascom Palmer Eye Institute-University of Miami School of Medicine located in my congressional district in south Florida.

The Bascom Palmer Eye Institute was rated as one of the best ophthalmology hospitals in the country by the second annual U.S. News & World Report "America's Best Hospitals." The hospitals were chosen as best by a nationwide survey of 1,501 doctors, 64 percent of whom responded. The survey was designed and carried out by the National Opinion Research Center [NORC], a social-science research center at the University of Chicago. The NORC has a 50-year record of high-quality work in social surveys.

The Bascom Palmer Eye Institute was ranked second in the survey which was divided into 15 specialties, ophthalmology being one. Though same-day eye surgery is now a common occurrence, detaching a disconnected retina or removing a tumor requires a patient to stay in the hospital. This is one of the criteria the U.S. News report used to identify the best ophthalmology hospitals in the Nation. When eye specialists were asked to list important elements for quality eye care, they considered the availability of state-of-the-art technology, for example, surgical lasers, and specialized ultrasound equipment as important as the quality of the medical staff.

According to the article "America's Best Hospitals," quality care also means patients seldom need a repeat operation for the same eye problem or because of complications. The risk of serious eye infection following cataract surgery should be only about 0.02 percent to 0.5 percent. The risk of retinal detachment is higher, but still only 1 to 2 percent. At the best centers, at least 90 percent should have 20/40 vision or better after surgery, and 85 percent should see that well a year after the procedure.

It is an honor to be able to recognize the Bascom Palmer Eye Institute in south Florida for its extraordinary work in the field of ophthalmology. The south Florida community respects and admires the doctors and the staff for the merit and recognition this fine institution deserves. They are John G. Clarkson, M.D., medical director of Bascom Palmer Eye Institute and chairman, Department of Opthalmology, University of Miami School of Medicine; Stanley Glaser, chairman, board of governors; Stanley Arkin, vice chairman, and Dr. Edward W.D. Norton, M.D., chairman Emeritus of Bascom Palmer Eye Institute-University of Miami School of Medicine.

CHANGING OF THE GUARD AT THE WESTERLY SUN

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. REED. Mr. Speaker, I rise today to bring the attention of my colleagues to the changing of the guard at the Westerly Sun. The Westerly Sun is an afternoon daily that covers the news of Westerly, RI, and the surrounding area.

The Westerly Sun is a family business led by Charles W. Utter, age 73, and George H. Utter, age 69. Yesterday this generation of Utters announced their retirement as copublishers, and the paper will now be led by George's son, Robert Utter, and Charles' son, Nicholas Utter. Robert Utter will serve as president of the Utter Co. and editor of the Sun. Nicholas Utter will serve as publisher of the newspaper and vice president, secretary and treasurer of the company.

Robert and Nicholas will be the fifth generation of Utters to run the newspaper since it was founded in 1893. The Sun is still published out of the same building where it began 97 years ago.

It is no exaggeration to say that the Utters are an institution in Westerly and throughout Rhode Island. I salute the leadership of Charles and George Utter today as they step aside from day-to-day management of the Westerly Sun and I welcome Robert and Nicholas to their new positions.

I always enjoyed visiting the Sun and talking to Charlie Utter about his military experiences in Panama. And of course, one of his sons had the good sense to attend my alma mater, West Point.

I will remember these visits fondly and I look forward to staying in touch with all the generations of Utters in the years to come.

I know that I speak for many Rhode Islanders and even those across the border in Connecticut who also enjoy this paper when I say I will miss the Utters.

BEST OF LUCK TO RALPH R. PETERSON

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. SCHAEFER. Mr. Speaker, I rise today to congratulate one of my constituents, Ralph R. Peterson, for reaching the top of his profession. Mr. Peterson was recently appointed president and chief executive officer of CH2M Hill, Cos., Ltd. In succeeding Harlan E. Moyer, who served as the organization's chief executive officer since 1977, Ralph continues a 3-year senior management succession process begun by CH2M Hill in 1990.

Many of my colleagues are familiar with the work of CH2M Hill, Inc., and its sister companies. Some of you will recall CH2M Hill being congratulated on this floor earlier this year when it received the highest engineering excellence award in the Nation from the American Consulting Engineers Council. Ralph Peterson will now lead this outstanding group of people as they continue to provide services in engineering, environmental sciences, industrial design, and operations and maintenance of water and waste treatment facilities.

As Ralph put it in a statement issued by the firm: "Our organization exists for one reason, to provide services that add value to our clients. The challenge ahead for me, and everyone in the companies of CH2M Hill, will be to see that we continue to meet that goal as our companies grow and our services expand across the globe. As for myself, I take great comfort in knowing that whatever challenges lie ahead for our companies, we can draw upon the distinctive resources which have served our clients so well for half a century; the diverse cultural backgrounds, unique professional skills and outstanding individual character of our people."

Ralph is uniquely qualified for this responsibility. He started his career with CH2M Hill in 1965, working as a surveyor in the firm's Corvallis, Oregon, office while a student at Oregon State University. From 1977 to 1988, Peterson directed the firm's Waste Management and Industrial Processes Division. In 1988, he was named director of technology at CH2M Hill, Inc. In that role, Ralph was responsible for overseeing the technical quality of the firm's projects in North America.

In addition to the long hours he puts in at CH2M Hill, Ralph also serves on the board of directors of the Rocky Mountain World Trade Center Association and the Oregon State Alumni Association. He is also an active member of the American Society of Civil Engineers and the Professional Services Management Association.

Mr. Speaker, I ask my colleagues to join me in wishing Ralph Peterson the best of luck in his new job.

A SALUTE TO WALTER G. AMPREY

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. MFUME. Mr. Speaker, I rise today to salute a leading educator in my congressional district. Dr. Walter G. Amprey was recently named as the new superintendent of the Baltimore City public school system. I am proud of the fact that Dr. Amprey himself is a product of the public school, and was chosen among other things for his leadership skills, charisma, and vision.

Dr. Amprey received his primary and secondary education in the city of Baltimore and received his bachelor of arts degree from Morgan State University and a masters degree from Johns Hopkins University. He then went on to acquire his doctorate in education from Temple University.

Walter Amprey is a first-class educator with a list of distinguished academic credentials. He began his career as a teacher in Baltimore City in 1966. In 1973 Dr. Amprey was elevated to the office of vice principal of Woodlawn Senior High School in Baltimore County. By 1984 he had been appointed principal of the same school.

From 1984 to 1985 he was the director of staff relations for Baltimore County schools. His position then changed to assistant superintendent in 1985. Currently he holds the position of associate superintendent of Baltimore County schools.

Dr. Amprey is an outstanding role model for the children whose education he governs. Walter has been noted as being a man who makes everyone feel included and is able to motivate others to go the extra mile. This drive and enthusiasm is exactly what Baltimore City needs to improve its school system. Dr. Amprey will be entering a system where many of the children have developmental and domestic problems, but possess an overwhelming desire to learn.

He believes strongly that the community must play an integral role in the improvement of the Baltimore City school system. Our Nation needs students who are prepared to enter the workforce or college. Currently, city school students who do not study college preparatory coursework have little access to skilled employment and many are underemployed. Walter Amprey's vision is to restore the educational wealth of Baltimore City public schools.

These schools have produced great people of character and achievement, such as former Supreme Court Justice Thurgood Marshall, the legendary lobbyist Clarence Mitchell, Jr., Congressman Parren Mitchell, and Mayor Kurt L. Schmoke.

Mr. Speaker, Dr. Walter Amprey deserves to be commended for all of his contributions to the Baltimore school system. His experience with people will give him a strong head start on the road to education reform in Baltimore. Dr. Amprey's charisma will encourage other educational professionals and student population to adopt a "we care about the city's future" attitude. I have confidence in Dr. Amprey and I applaud his position of being flexible with his ideas for the school system and the community.

Thus, Mr. Speaker, I ask that you and other Members of this body join me in wishing continued success and a prosperous future to Dr. Walter Amprey and the Baltimore City public school system.

COMMEND THE VOLUNTEERS OF THE BOYS AND GIRLS CLUB OF SARASOTA COUNTY

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. GOSS. Mr. Speaker, it is with great pride that I commend the volunteers of the Boys and Girls Club of Sarasota County, the President's 510th daily point of light. I admire this organization and its commitment to the Sarasota community, especially since as recently as 2 years ago, it faced severe difficulties, both financial and organizational. This well-deserved recognition from the President is icing on the cake. Already, the activity and laughter that make the physical structures of the Boys and Girls Club come alive are testament to the success of this program.

The phrase "there's nothing to do" will never be true at 3100 Fruitville Road. The library, artroom, gymnasium, woodworking shop, tennis courts, soccer and baseball fields, and indoor pool, offer every child who passes through the entrance, a chance to learn a new skill or develop a talent. But the facilities are only as good as the volunteers who bring them to the boys and girls of Sarasota. The enthusiasm and patience of these dedicated volunteers help bring meaning to the idle time on weekends, after school, and summer that normally would be wasted. These children not only learn to swim or play basketball, but they are provided with excellent role models who teach them to respect themselves and their accomplishments.

The Volunteers of the Boys and Girls Club are not babysitters, they are motivators. An average of 400 young people are challenged every day the club is open. They are challenged to stay in a straight line, to thread a needle, or to follow directions. These are not always easy tasks, and provide daily challenges. Sure, sometimes voices are raised, but the philosophy of tough love can be seen at work—and working.

I am proud to represent the men and women who are helping to answer the needs of more than 2,000 children who otherwise would be latchkey kids. Most volunteers claim they receive as much benefit from their work as the individuals they serve, but today I would like to say thanks to these volunteers on behalf of the Sarasota community and the country. Thank you for responding to the needs of these children and for giving them a little bit of yourself. There is no better gift.

TRIBUTE TO RICHARD CRAY

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to Richard Cray, of Progress, PA, who is retiring as chief of the Progress Volunteer Fire Co. on the occasion of his 50th birthday. Chief Cray has devoted more than 37 of those 50 years to firefighting.

At the age of 12, Dick Cray served as a "junior firefighter" in the Harrisburg Fire Department. He later served as a volunteer firefighter with that same department and then joined the Progress Volunteer Fire Department in suburban Harrisburg. He moved up through the ranks of the Progress Fire Department until he eventualy attained the rank of chief.

Throughout those years, Chief Cray has earned the respect and admiration of family, friends, his fellow firefighters, and the public that he has so bravely served. He has devoted countless hours and put his life on the line to help protect lives and property. Chief Cray was also responsible for helping to get a law passed in his local township requiring homes to have smoke detectors.

Chief Cray still intends to stay involved in firefighting, and I know many people are appreciative of that fact. I ask all of my colleagues to join me today in congratulating Richard Cray for his many accomplishments and in thanking him for his efforts that have truly defined the words "professional firefighter."

TRIBUTE TO 1991 MICHIGAN FARMER'S HALL OF FAME INDUCTEES

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. TRAXLER. Mr. Speaker, I rise today to recognize nine Michigan couples that will be inducted into the Michigan Farmer's Hall of Fame on August 30, 1991. These individuals, who have devoted their lives to agriculture, family and community, will; be recognized for their outstanding contributions to the quality of life in our Great Lake State. They are: W. Earl and Betty Bailey of Freeland, Rusell and Anna Brenner of Hopkins, Norman and Dolores Creveling of Comstock Park, Richard and Arlene Erskine of Hemlock, Edgar and Rosa Fleetham of Sunfield, James and Alice Fish of Hickory Corners, Dale and Bernice Graham of Mt. Pleasant, Rolland and Margaret Norton of Bronson, and James and Angnes Steed of Grant.

I would like to take this opportunity to pay special tribute to W. Earl and Betty Bailey who reside in Michigan's Eighth Congressional District. Mr. and Mrs. Bailey have farmed 360 acres of land in central Michigan's Midland County for over 58 years. In fact, they still live on the farm where Mr. Bailey was born 78 years ago. This industrious couple began farming with horse drawn equipment which they later replaced with tractors. They raised dairy cows until 1940 and then raised beef cattle until 1960.

In addition to agricultural endeavors, Mr. and Mrs. Bailey have dedicated their efforts to numerous community service activities. Mr. Bailey served on the tax allocation board representing rural Midland County and held a seat on the local school board. He also served as Ingersoll Township's Justice of the Peace. Mrs. Bailey belonged to the Parent Teacher Organization [PTA] and to a local extension group. She served as a room mother at the local school and helped with Girl Scouting and 4–H activities. It is particularly important to note that the Baileys also raised three lovely children.

The Michigan Farmer's Hall of Fame was founded in 1982 to honor those in the farming profession who have demonstrated exceptional dedication and commitment to their work. It is important to recognize these couples for their many contributions to their communities and to Michigan's agricultural industry. For this reason, I encourage each of you to join me in saluting the 1991 inductees to the Michigan Farmer's Hall of Fame. It is my hope that the years ahead will be filled with the health and happiness these citizens so richly deserve.

TRIBUTE TO BRIG. GEN. RICHARD PROCTOR, M.D.

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. COLEMAN of Texas. Mr. Speaker, I rise today to pay tribute to Brig. Gen. Richard Proctor, M.D., Commanding General of William Beaumont Army Medical Center in El Paso, who retired from a distinguished military career effective August 1, 1991. His tenure as head of the medical facility in El Paso began in September 1988, and he served as the 26th commander of this important medical center.

Brigadier General Proctor's career as a soldier and doctor culminated recently in his leadership during the recent Persian Gulf conflict when he effectively trained military personnel for duty overseas and prepared the medical center and its staff to treat large numbers of war casualties. William Beaumont Army Medical Center received international recognition for this mobilization. He was also instrumental in the creation of the Magnetic Resonance Imaging Center and expansion of the hospital's Trauma Center, making it one of the outstanding facilities in the west Texas-southern New Mexico region. On July 30, 1991, he was presented a Distinguished Service Medal and a certificate of appreciation for his work signed by President Bush.

Brigadier General Proctor was born in Austin, TX on November 18, 1935. At age 10, he moved to Tulsa, OK where he remained until graduation from Will Rogers High School in 1953.

He received his B.A. in biology from Oklahoma City University before serving 2 years in Ethiopia on the faculty of the Imperial Ethiopian A & M College. He was awarded an M.D. degree and an M.S. in virology and epidemiology from Baylor University in 1964. In 1970, he received his Masters of Public Health and Tropical Medicine from Tulane University along with the school's highest academic award.

Brigadier General Proctor was commissioned in the U.S. Army in June 1964. He is a graduate of the Armed Forces Staff College and the Army War College, serving as class presidents in both schools. He interned at William Beaumont and after residencies at Fitzsimons and Walter Reed Medical Centers, was board certified in Pediatrics (1970) and Preventive Medicine (1972). He is licensed to practice medicine in the State of Texas.

Brigadier General Proctor's military assignments included Deputy Commander of the USAH, Asmara, Ethiopia; Deputy Commander of the 4th and 5th Army Medical Laboratory; Instructor at the Academy of Health Sciences; Seventh Corps Surgeon; Commandant of Students at the Uniformed University of the Health Sciences Medical School; Commander, Bliss Army Community Hospital, Fort Huachuca, AZ; and TRADOC Surgeon.

In addition to his recent award, Brigadier General Proctor's military awards include the Legion of Merit with one Oak Leaf Cluster and the Meritorious Service Medal with three Oak Leaf Clusters. He holds the expert Field Medical Badge and Flight Surgeon's wings.

Brigadier General Proctor was married on November 19, 1955, to Martha June Whitlock of McAlester, OK. The couple have two daughters, Tanya Marie Plott of Paris, TX, and Sheila Renee Proctor of Marrietta, GA.

In closing, I will always remember Brigadier General Proctor in a very personal way. He and his excellent staff worked diligently to save the life of my daugher who had experienced a terrible automobile accident and was airlifted over 100 miles to the medical center's trauma care unit. The sensitivity, professionalism, and level of care she received reflected the outstanding leadership General Proctor provided the Army and our Nation.

I hope my colleagues will join me in honoring this outstanding American and wish him well in his new career as Medical Director of Southeast Texas for the Texas Department of Health.

CONGRATULATIONS TO ST. ALOYSIUS SCHOOL IN PHILADELPHIA

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. FOGLIETTA. Mr. Speaker, I rise today to congratulate and pay special tribute to the students of St. Aloysius School in Philadelphia, PA, who placed first in the "Set a Good Example" contest, a national drug abuse awareness contest.

The contest, sponsored by the Concerned Businessmen's Association of America, was sponsored locally by Dr. Richard Squillaro. A variety of students from public, private, and parochial schools across the Nation entered the contest with one goal in mind: to get drugs off America's streets and to increase awareness of American social values. St. Aloysius School students won the contest based on an antidrug art project that successfully depicted and promoted such important alternatives to drugs as honesty, trust, and competence.

Mr. Speaker, I believe it is critical that we recognize and encourage our youth who have become involved in the battle against drugs. The students of St. Aloysius School exemplify the kind of commitment necessary to eliminate drugs and the terrible damage they do from our schools.

TO ALLEVIATE BURDENS IMPOSED UPON EDUCATIONAL AGENCIES AND INSTITUTIONS BY THE FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT OF 1974 WITH RESPECT TO THE MAINTENANCE OF RECORDS BY CAMPUS LAW ENFORCEMENT UNITS

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. RHODES. Mr. Speaker, Arizona State University [ASU] was recently informed it may jeopardize its continued eligibility to receive funding from the Department of Education. The reason for such circumstances is because of an Arizona open records law. ASU routinely discloses to other school officials and the local police department its campus law enforcement records. Last year, Congress passed the Campus Security Awareness Act to fully inform students of the amount of crime on college and university campuses. However, due to a contradiction in the law, some colleges and universities have been put in a position of appearing to use the Buckley amendment to cover up campus crime.

In 1974, Congress passed the Family Educational Rights and Privacy Act to protect a student's interest in the privacy and accuracy of educational records. From the beginning, Congress included language which would allow colleges and universities to distinguish campus law enforcement records from education records. However, many States, including Arizona, have an open records law that requires the universities in that State to disclose records of the campus law enforcement unit to other school officials, apart from the university's law enforcement unit. The Buckley amendment protects a student's right to privacy, the student's right to inspect, review and correct the records before the school can disclose the crime reports—even to the police. This contradiction has forced many States to choose between violating the State's freedom of information policy and violating FERPA, thus jeopardizing continued receipt of Federal education funds.

Mr. Speaker, I rise today to offer a bill to amend the Family Educational Rights and Privacy Act of 1974 [FERPA], commonly referred to as the Buckley amendment, with respect to the maintenance of records by campus law enforcement units.

According to the Department of Education, many of the affected schools do not erect barriers between law enforcement units and other components of the institution, and do, in fact, share records of the law enforcement unit with other school officials and local police with crime incident reports without obtaining prior written consent from the student. The legislation which I am introducing today would exempt from the Buckley amendment any record maintained by a law enforcement unit that was created by that unit for a law enforcement purpose. This legislation would neither require nor prohibit the release of such records, but would allow the choice to be made in light of local law and policy.

TRIBUTE TO NORTHERN FAMILY

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. TANNER. Mr. Speaker, I rise today to pay tribute to a family in my congressional district who will soon be celebrating the 101st anniversary commemoration of the beginning of their family.

The Northern family of west Tennessee settled in that area before construction. One of the oldest descendants of the first clan was Mrs. Sennie Sessom who was born into slavery and lived to the age of 114 years before her death in 1957. She often told stories of her early years as a child on a plantation in Gibson County. Her mother and father were bought in South Carolina and brought to Tennessee just before the Civil War.

Each year the Northern family gathers to renew acquaintances and share fellowship together as they recall the long and interesting history of their ancestors. This year, they will gather on August 30 through September 2 in Jackson, TN, to celebrate 101 years of family unity.

THE 125TH ANNIVERSARY OF SISTERS OF NOTRE DAME DE NAMUR

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Ms. PELOSI. Mr. Speaker, I rise today in honor of the significant contributions of the teaching order, Sisters of Notre Dame De Namur. I take special pride in recognizing the Sisters of Notre Dame De Namur because I am an alumna of Trinity College of Washington, a Notre Dame College.

The 125th anniversary of the arrival in San Francisco of the teaching order, the Sisters of Notre Dame, will be celebrated at Mission Dolores Basilica on October 19, 1991. A solemn Mass of Thanksgiving, Archbishop John R. Quinn presiding, will be offered in the Basilica.

It was in 1866, at the invitation of Bishop Sadoc Alemany, that the sisters first opened the doors of both elementary and secondary day and boarding schools for girls, on property across the street from the city's famed Mission Dolores de San Francisco de Assisi. In 1893 the sisters also began to teach at Mission Dolores Boys' School. During the 125 years of the sisters' presence in the city, thousands of young San Franciscans have been educated in the three schools. Although the two girls' schools closed in the 1980's due to financial reasons the sisters remain at Mission Dolores School, now a coeducational elementary school serving children from many areas of the city.

The congregation of the Sisters of Notre Dame was founded in France in 1804 by Julie Billiart and Francoise Blin de Bourdon as a response to the turbulence and misery of the French Revolution. The two envisioned and established a community of women living simple, prayerful lives and engaged in a ministry of education and service to the poor. In 1840, 151 years ago, Sisters of Notre Dame came to the United States, settling in Ohio. In 1851 California welcomed a small group who opened a girls' academy in San Jose and since that time sisters have worked throughout the west coast and Hawaii. As a consequence of the foundresses' global vision, almost 3,000 sisters are today engaged in ministry on five continents—in Kenya, Nigeria, South Africa, Sudan, Zaire and Zimbabwe; in Belgium, Britain, Italy; in Japan and the United States; in Brazil, Nicaragua, and Peru.

In celebration of their uninterrupted 125-year educational history in the city, the Sisters of Notre Dame plan to continue as they began—serving the people of San Francisco through education and pastoral ministries.

A TRIBUTE TO DAVE QUINBY

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. FEIGHAN. Mr. Speaker, I want to take this opportunity to recognize one of northeast Ohio's finest citizens, Dave Quinby. Twenty-five years ago, Dave began his service as an officer in the Piledrivers Local 1929. Today he retires, leaving behind a legacy of dedication, expertise, and compassion.

In 1941, Dave began his apprenticeship with the Piledrivers. He was quickly recognized not only for the quality of his work but for the quality of his leadership. Dave proved himself to be one who could inspire in others the same shining levels of talent that he possessed.

Dave later moved into an officer's role with the Piledrivers Local 1929, which eventually merged with the Millright's Local 1871. Throughout his long career with the union, Dave has been willing to serve in whatever capacity he could contribute the most. He was elected treasurer, financial secretary, delegate to the district council and business agent for nearly 20 years. In addition, Dave lent his talents to the State organization, serving as an executive board member and as president of the Ohio State Council of Carpenters.

Dave's leadership is surpassed only by his sense of loyalty to his fellow carpenters. As a trustee of the district council pension plan and many other health and welfare plans, Dave was able to preserve the soundness of the pension process, guaranteeing long-term security for other members. Dave's goal has always been to make life a little easier for each generation. Future generations owe him a great debt.

Dave's most impressive accomplishment, however, was his oversight of the restructuring of northeast Ohio's carpenters training programs. As the first chief officer of the Northeast Ohio District Council, Dave merged six different apprenticeship programs from 27 counties under one umbrella based in Richfield. The program now holds classes for more than 1,000 apprentices.

Dave is a terrific example of one who is dedicated to giving back to his community and his colleagues. But now Dave deserves time for himself and his family. I take great pride in calling Dave a colleague and a friend. While all of us will miss Dave Quinby, I commend him on his great contributions to northeast Ohio and wish him the best of luck during his retirement—he has earned it.

THE MONETARY POLICY REFORM ACT OF 1991

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. DORGAN of North Dakota. Mr. Speaker, today I'm joining Congressman LEE HAMILTON of Indiana in introducing the Monetary Policy Reform Act of 1991 that would place the responsibility for this country's most important monetary policy decisions solely in the hands of the Federal Reserve's duly-appointed Board of Governors. An identical bill is being introduced in the Senate by Senator PAUL SARBANES (D-MD) and Senator JIM SASSER (D-TN).

One half of this country's economic policy—monetary policy—is made primarily by the Fed Reserve's Federal Open Market Committee [FOMC]. The FOMC consists of the 7 members of the Board of Governors and the 12 regional bank presidents who vote on critical monetary policy decisions that affect the Nation's economy. As a result, the FOMC has enormous power over the direction that our economy is heading.

The Board of Governors are appointed by the President and confirmed by the Senate. Inexplicably, the regional bank presidents—who serve the private interests of their banks—are not appointed by the President or confirmed by Congress. Yet, they are entitled to 5 votes on a rotating basis that vitally impact our national economy. Consequently, these private individuals wield enormous power over the lives of every American, but they can't be held accountable like other Government officials.

This legislation is intended to increase the Fed's accountability to the American people by ensuring that its voting members are limited only to those officials who have been duly appointed and confirmed by the President and the Senate, respectively.

Specifically, the Monetary Policy Reform Act of 1991 would dissolve the FOMC and replace it with a Federal Open Market Advisory Committee [FOMAC]. As members of the newly-created FOMAC, the bank presidents would continue to advise and consult with the Board of Governors about the course of monetary policy. But voting rights would be left only to the duly-appointed Board of Governors who can ultimately be held accountable by the President and Congress.

It shouldn't be a surprise to hear that limiting the power to make monetary policy to only duly-appointed Government officials is the accepted practice around the world. One recent survey of central bank systems in other foreign countries indicates that private individuals may hold advisory positions, but they can't vote on specific items of monetary policy.

The lawmakers who wrote the original Federal Reserve Act of 1913 labored to ensure that the Fed would be an accountable Government institution. While the act was being considered, President Wilson emphasized the necessity of keeping the conduct of monetary policy in the public domain. And we've attempted to resurrect this worthy democratic goal by eliminating the votes of the bank presidents who are neither appointed by the President nor confirmed by the Senate, but exercise enormous power over the course of this Nation's economic future.

I urge my colleagues to support this important initiative to help make the Fed a more meaningful player in our democratic system by cosponsoring the Monetary Policy Reform Act of 1991.

CELEBRATING THE 125TH ANNIVERSARY OF ST. JOSEPH'S HOSPITAL AND MEDICAL CENTER IN PATERSON, NJ

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. ROE. Mr. Speaker, it is with distinct pride that I rise today to pay tribute to a facility which has served the medical needs of my Eighth Congressional District in New Jersey, exhibiting an enduring kindness and vitality unique to this institution. St. Joseph's Hospital and Medical Center was founded on September 8, 1867, and on September 8, 1991, they will not only celebrate 125 years of outstanding service, they will dedicate a new facility and thus begin a new era of profound dedication to the health and welfare of the residents of the northern New Jersey area.

Located in Paterson, NJ, St. Joseph's has through the years remained a haven for the sick and injured in the area. It provides more than basic medical care, it is a sanctuary of comfort to those in need. From its start as a little wooden house with 12 beds to the multidimensional medical center that is St. Joseph's today, quality health care has been the priority.

Mr. Speaker, now well into its second century of service, St. Joseph's is still operated by the Sisters of Charity of St. Elizabeth. Under their benign administration this institution has become one of the leading medical centers in the State as well as one of the largest. It offers 702 acute and long-term care beds and an exceptional range of diagnostic and therapeutic services. A major expansion and renovation is also currently underway which will provide 67 additional beds to the medical center and will be completed this September. The facilities include: the acute care hospital in Paterson, the nursing home in Montclair, the Clifton Family Practice Associates, the Frank X. Graves Family Health Center in downtown Paterson, and the Medical Center at Willowbrook.

Each year, the staff treats approximately 23,000 inpatients. More than 37,000 visits are recorded annually in the emergency department and the numerous specialized ambulatory care programs and services, operated by the medical center, record some 176,000 outpatient visits every year.

Patients of every race and creed come to St. Joseph's each year from throughout New Jersey and the metropolitan area. The hospital serves as a Level III Perinatal Center and a regional referral center for neonatal and pediatric intensive care, child development, peritoneal, and hemodialysis. One of St. Joseph's most widely recognized and highly regarded units and part of the Level III Center is the intensive care nursery which serves approximately 500 infants a year. These babies are often transported to St. Joseph's from some 20 surrounding community hospitals.

The Cardiac Surgery Program is an outstanding success performing thousands of catheterizations a year and boasting a mortality rate of less than 1 percent on coronary bypass operations.

Cancer diagnosis and treatment are among St. Joseph's most specialized and sophisticated services. It was the first hospital in the State to perform autologous—using a patient's own bone marrow—and allogenic—using bone marrow from an unrelated donor—transplants. St. Joseph's is the only designated bone marrow donor center for New Jersey and has the largest transplant program in the State.

The hospital's orthopedic surgeons are at the forefront of the newest techniques to improve the function of hip and knee joint replacement and spinal surgery for scoliosis. The Sports Medicine/Human Performance Center, designated as a U.S. Olympic research site in 1983, serves as a diagnostic and treatment center for amateur and professional athletes.

St. Joseph's is also affiliated with over 25 colleges and universities including: the University of Medicine and Dentistry of New Jersey, Mt. Sinai School of Medicine, Seton Hall University's School of Graduate Medical Education, and Columbia University. In addition, St. Joseph's has its own School of Medical Technology, School of Cardiac Technology, and is the clinical training site for hemodialysis technicians.

Mr. Speaker, facilities such as this have established the highest standards for health care in the country and serve as shining examples of what can be accomplished. St. Joseph's is not just a cold, sterile commitment to medical technology and its applications. It embodies a commitment to good medicine and providing care for the sick and injured who seek comfort and healing at their doors.

This truly unique institution has been a faithful servant of the people for 125 years. It has grown and flourished and continues as a vital part of the community. Mr. Speaker, I am sure you and all my colleagues join me in saluting the superior dedication and performance of Sister Jane Frances, president of St. Joseph's, as well as all the staff and benefactors of the hospital throughout its long and distinguished history.

HONORING THE 100TH ANNIVERSARY OF SAN ANTONIO, FLORIDA

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. BILIRAKIS. Mr. Speaker, I rise today to honor the spirit, pride, and sense of community shared by the fine people of San Antonio, FL, which will be celebrating its 100th anniversary as a municipality on August 7, 1991.

San Antonio, which is located in eastern Pasco County, was founded by Judge Edmund F. Dunne in 1881 as a Catholic colony. In its earliest days, San Antonio was a haven of religious freedom for a group which was still feeling the pain of bigotry and discrimination in many areas. The settlement continued to grow and it soon became obvious that to properly govern themselves, the people of San Antonio should become a legal entity. On August 7, 1891, San Antonio was incorporated under the laws of Florida.

Even in the 1880's, much of the land surrounding San Antonio was planted citrus groves. The groves were the main industry of the area and provided many people of the town with their livelihood. When in 1895 a devastating freeze hit the area, much of the citrus was destroyed, along with the hopes and dreams of many community residents.

Without jobs, many people were forced to move away. It took almost 75 years for San Antonio to reach the population level it enjoyed in 1891. Today, San Antonio remains a proud, small community made up of civic minded, independent people. It is a place where citizens believe it is their duty to vote on election day and take pride in solving their own problems, rather than always turning to government for help.

For example, this year, San Antonio's Rattlesnake Festival will celebrate its silver jubilee. This festival annually raises necessary revenue for important town services and special projects.

Mr. Speaker, San Antonio is the kind of place all of us would be proud to call home. Its people epitomize the spirit of our Founding Fathers: Independence, brotherhood, and pride in accomplishment. I am honored to represent the fine people of San Antonio, FL, and congratulate them as they embark on a second century of citizenship.

TRIBUTE TO LELAND BANDY

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. TALLON. Mr. Speaker, I could not let today go by without recognizing a milestone in journalism in South Carolina. Thirty years ago today, Leland Bandy started covering the South Carolina congressional delegation for a regional wire service. Later, in 1966, he joined the staff of the Columbia SC State as their Washington correspondent and has remained there ever since.

So for 30 years now, Bandy, as we all know him, has praised, badgered, questioned, laughed at and with all of us who have served the State of South Carolina in Congress. His infamous Sunday column is required reading for all who consider themselves in the "political know" in South Carolina. Few reporters in Washington have watched three decades of history unfold and been right on the front lines to report it.

Bandy's 30-year anniversary covering South Carolina in Washington is also a turning point in his career. He has recently been promoted to the position of Chief Political Correspondent at the State paper. While this position will present him with new challenges and opportunities, it will also necessitate a move back to South Carolina.

With his departure from the Capital scene, I'm sure each of us in the delegation will remember a story Bandy wrote that we would have rather not seen printed. On the other hand, I know we have all kept clippings of the good coverage he has given us, too. And while I cannot honestly say that I have always welcomed a call from Bandy following a controversial vote or during contentious debate, I can say that he has always covered congressional politics in South Carolina with an even hand and a journalistic flare that will be impossible to replace.

I know Bandy will be missed by all who work with him in Washington—his colleagues at Knight-Ridder, his fellow journalists in the Senate Press Gallery, and the staff and Members of the South Carolina delegation.

Politics in South Carolina is always exciting, to say the least, and I know that Bandy will cover the political scene back home with the same style and tenacity that he covered Washington. I wish him and his family every success in South Carolina.

RURAL HEALTH

HON. CHARLES W. STENHOLM

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1991

Mr. STENHOLM. Mr. Speaker, I am pleased to come to the well of the House of Representatives today, joining my colleagues of the House Rural Health Care Coalition, which I am privileged to cochair, to speak about the state of health care in rural America.

Over the past 4½ years, some of my most rewarding professional experiences have come from working with this bipartisan coalition. What started as 40 somewhat disorganized but like-minded Representatives back in 1987 has now turned into a highy active group of 171 Members, functioning in seven distinct task forces. The spirit of compromise and bipartisanship of this group is born of a dedication we all share, the dedication to preserve quality health care in rural areas.

Our coalition has brought about some significant successes over the years. I have no doubt that without this coalition's efforts, health care in rural areas would be in a far more precarious state than it is today.

Unfortunately, saying that things aren't as bad as they could be isn't the same as saying that we have solved all of our problems. In my own district, I have had 10 hospitals close over the past 10 years, and I have another half dozen barely hanging on for life. Like my colleagues gathered here this evening, I have constituents who have difficulty finding a doctor to deliver their babies, communities with severe shortages of allied health professionals, and low-income people struggling to find regular health services.

The good news is that out across rural American, hundreds of creative, caring citizens are working on solving our problems. They share with us in the coalition some of their insights, and after many, many hours of study, discussion, and internal debate, the House Rural Health Care Coalition developed a comprehensive legislative package for 1991. This package addresses some of the most pressing health care concerns facing rural communities today. The coalition is proud of the work that was accomplished by its task forces in bringing reasonable, affordable, and effective bills forward.

At this point, I would like to take a moment to commend all of the Members of the coalition—Members like Pat Roberts who cochairs this organization with me and Ike Skelton who organized this special order—and specifically to praise the hard work of the seven task force chairmen. Those task forces and their chairs are:

Physicians—J. Roy Rowland.
Hospitals and clinics—Jim Slattery.
Health professionals/medical education—Jim Cooper.
Mental health—Glenn Poshard.
Rural veterans health—Tim Penny.
Rural development/access—Glenn English.
Older Americans—Steve Gunderson.

In addition, four "at-large" steering committee members are Byron Dorgan, Doug Bereuter, Craig Thomas, and Vin Weber.

The legislative package we introduced in May of this year covers the full gamut of rural health concerns and, while ambitious, is also very realistic, both politically and fiscally. We did not introduce bills simply to make a political statement or to catch a newspaper headline; we introduced bills which should have a good chance of being implemented and, more importantly, of improving rural health care.

With the supply, recruitment, and retention of physicians in rural areas a top priority, the coalition's package includes several bills to address this concern. Dr. Rowland's Rural Physicians' Incentives Act, H.R. 2230, would provide financial incentives particuarly to young physicians practicing in rural areas, while his Rural Access to Obstetrical Care Act, H.R. 2229, would establish Medicaid demonstration projects to increase Medicaid participation of obstetrical providers in rural areas.

In a related measure, H.R. 2231, Jim Cooper has introduced the Primary Care Training Amendments which would require, as a condition for receiving certain Public Health Service funds, that medical schools have Departments of Family Practice and require clinical experience in family practice.

The fourth bill relating to physicians is Ron Wyden's H.R. 2239, providing protection from legal liability to employees of community and migrant health centers.

Relief to rural hospitals would be provided through Jim Slattery's Hospital Antitrust Fairness Act, which would assist rural hospitals attempting to merge, consolidate or contract to provide a more rational supply of health services; his Rural Clinical Laboratory Personnel Shortage Act, intended to address potential clincial laboratory personnel shortages in hospitals and physicians' offices; and my Medicare certification due process bill, which tries to ensure a safe and reasonable process that will prevent hospitals from being needlessly closed.

Perhaps the single most important health concern in rural America is the question of access to services. Hospitals closing and doctors leaving pose a life-endangering threat to a community, because with no health care, there soon is no business and no communtiy at all. While virtually all of our bills address access to care in one way or another, the questions of access to care are specifically considered through Glenn English's telecommunications bill, H.R. 2232, and his Leadership Education Act, H.R. 2236, as well as Pat Roberts' Emergencies Air Transport Act.

One area sometimes ignored in rural areas is that of mental health and substance abuse. Glenn Poshard has introduced H.R. 2237 to direct the Office of Rural Mental Health to fund effective research demonstration projects for delivering basic mental health outreach services to rural Americans. In addition, Craig Thomas' H.R. 2235 would give States more flexibility in using alcohol and drug abuse funds.

Other coalition initiatives address issues such as sharing agreements between rural hospitals and the veterans health care system—Tim Penny's resolution—requiring the compilation and publication of better data on rural health care, and improving medical education demonstrations which tie rural hospitals to teaching hospitals.

Since introduction of these bills, the coalition has been busy in promoting them in the appropriate committees, working toward funding of rural health programs within the appropriations bill, sponsoring face-off briefings on critical issues for rural health care, and representing rural views to the administration on issues such as capital reimbursement and physician payment reform.

The problems of rural health remain large. Speaking personally, my motivation to tackle those issues comes from the creative and caring spirit of Americans out across the country trying to make a difference in their own communities, the cooperation and congeniality of the Members of this coalition, and the belief that, indeed, together we can do those things which will improve the country we love.

HOUSE OF REPRESENTATIVES—*Friday, August 2, 1991*

The House met at 10 a.m.

Rev. Dr. Ronald F. Christian, Office of the Bishop, Evangelical Lutheran Church in America, Washington, DC, offered the following prayer:

Gracious God, Your mercies are new to us each day, Your goodness is always present for each person, Your peace is available to all who seek it.

We pray, O God, that our personal whims will not replace in our lives, Your wishes, for what is good and just, or that our individual desires will not supplant in our actions Your demand for righteousness and mercy.

And, may we always remember to call upon You for wisdom in moments of uncertainty, to seek Your consolation in times of great need and sorrow, to return thanks to You when joy and happiness abound. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair recognizes the gentleman from Kansas [Mr. NICHOLS] to lead the House in the Pledge of Allegiance.

Mr. NICHOLS led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 230. An act to authorize the transfer of certain programs and functions of the National Oceanic and Atmospheric Administration to the Department of the Interior, and for other purposes;

S. 855. An act to amend the act entitled "An Act to authorize the erection of a memorial on Federal land in the District of Columbia and its environs to honor members of the Armed Forces of the United States who served in the Korean War;"

S. 1554. An act to provide emergency unemployment compensation, and for other purposes; and

S.J. Res. 187. Joint resolution to make a technical correction in Public Law 101-549.

WE MUST REMEMBER AMERICAN WORKERS

(Mr. DOWNEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY. Mr. Speaker, I would ask you to deliver a message to the President of the United States. We also share the great pride in the accomplishments of the President in the Soviet Union. Mr. Speaker, I must say that there is a growing unease in the land that this President seems more concerned with the plight of workers in Moscow, Kiev, and Leningrad than those in Milwaukee, Columbus, and Los Angeles.

Mr. Speaker, I have spoken to the people who are the victims of this recession. They are waiting in unemployment lines, but they want to work. It is the responsibility of this Government to make sure that they do not lose their families, their homes, their apartments because they have lost their jobs.

Today the House will be able to pass the same bill that the other body passed, to extend unemployment benefits. It is up to the President to sign this bill and to trigger the emergency so that the benefits will go and we will not see 300,000 people exhausting their benefits each month.

Mr. Speaker, please tell the President that if he does not sign this bill and trigger this emergency, he will have fired the first shot of the 1992 campaign at the heart of American working men and women.

RECOGNITION OF TOM REYNOLDS

(Mr. HOUGHTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOUGHTON. Mr. Speaker, I rise today to recognize a distinguished friend of New York's 34th Congressional District, Mr. Tom Reynolds. Tom's hard work and dedication has been brought to my attention by some of the great veterans of Jamestown. He is currently a member of the Royal Canadian Legion, branch 75, in Toronto.

This brief statement is to express my gratitude to Tom for his extraordinary work for American and Canadian veterans. The veterans of western New York salute him for his efforts.

This Legionnaire has proved his enduring commitment to the country many times, but particularly serving as an overseas member of the 15th General Medical Corps and devoting 20 years to the Canadian Medical Militia. As the president of branch 75 of the Royal Canadian Legion, Tom has involved himself in military and veteran events, including youth development, for years.

For everyone today, I would like to recognize Tom for all the work he has done for veterans by fostering a greater understanding and more neighborly relationship between the United States and Canada. By serving as parade marshal and liaison officer, Tom coordinates and organizes all American units and Canadian veterans for the Warriors Day Parade held annually at the Canadian National Exhibition in Toronto on August 15.

Always willing to lend a hand, Tom, at 75 is very young, loved, and admired by veterans of both the United States and Canada.

REMEMBER THE KURDS

(Mr. BILBRAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILBRAY. Mr. Speaker, tomorrow, August 3, the Kurdish National Congress of North America will convene in Washington, DC, in order to discuss and map out future strategy to resolve the continuing Kurdish crisis in northern Iraq. I am greatly honored to have been invited to address this gathering.

Although we do not continue to see nightly pictures of dying refugees, tent cities, and food drops, there are still a number of issues that need to be settled. Although we now have a rapid action force in Turkey, we can still not guarantee the safety of these people. The Iraqi Government's past actions have shown an incredible disdain for the existence of the Kurds.

Of utmost importance is the fact that people are still dying. Our economic embargo upon Iraq is necessary and justified. However, we must devise ways in which to deliver the assistance and subsistence that every human deserves.

And finally Saddam Hussein is still in power. No one, especially Kurds, will be safe until this dictator is removed. I hope my colleagues will join me in commending the continuing actions of the Kurdish front and I hope that we will not forget their struggle.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

NOTICE TO FOREIGN TERRORISTS

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, the indictment of a Salvadoran guerrilla for the cold blooded murder of two United States servicemen represents a significant advance in the worldwide fight against terrorism.

This action by a Federal grand jury puts all foreign terrorists on notice that they are subject to U.S. justice no matter where they may threaten or harm U.S. citizens.

It also sends a clear signal to the FMLN guerrillas that military attacks against United States citizens or the Salvadoran Government will not advance their cause. The only course for peace in El Salvador is for the FMLN to continue negotiations with the Salvadoran Government and for the FMLN finally to agree to a cease-fire.

WHAT ABOUT AMERICAN WORKERS?

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the President said, even though there are 3 million American workers who have run out of unemployment benefits, we cannot continue to declare budget emergencies, and we cannot continue to bust the budget.

Wow! "Continue" is the key word, because in March of this year, he busted the budget for Turks; in the same month, he again busted the budget for the Israelis; the following month he busted the budget for the Kurds. However, when it comes to American workers, sorry, Charlie.

The truth of the matter is, this President is more involved in the Mideast than he is in the Midwest.

There is one other thing I would like to say. It is the American workers who pay the taxes to give Americans a budget. Not the Soviets, not the Eastern Europeans, the Kurds or the Turks. It is time to extend those unemployment benefits and start taking care of the American workers who pay the bills around here.

BUREAUCRATIC DISTORTIONS OF CLEAN WATER ACT THREATEN PRIVATE PROPERTY RIGHTS

(Mr. DOOLITTLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOOLITTLE. Mr. Speaker, the people's fundamental right to use and enjoy their private property is being infringed by overzealous bureaucrats. They have transformed the Clean Water Act into the Wetlands Protection Act. This steady expansion of regulatory jurisdiction is happening without the approval of Congress.

The original intent of the Clean Water Act was to limit discharges of pollutants into the Nation's waterways.

□ 1010

EPA and the Corps of Engineers have moved from merely stopping water pollution to wetlands protection, and the wetlands in question need not be ecologically valuable or indeed even wet.

Regulators began to expand the wetlands definition in the 1980's. Today, wetlands include a muddy patch between two railroad ties in Idaho, a North Dakota cornfield where water pools during spring runoff, and 75-year-old irrigation ditches within the State of Nevada.

Owners of such land who fail to secure permits before altering their wetlands face stiff fines and even prison sentences.

Regulatory claiming of supposed wetlands is inappropriate, ridiculous, and indeed embarrassing to the Federal Government.

H.R. 1330, the Comprehensive Wetlands Conservation and Management Act, which I support, has been introduced to correct this error.

Let us leave the Clean Water Act to police our waterways, and enact separate legislation to regulate wetlands responsibly.

A WAR CRIMES TRIAL FOR SADDAM HUSSEIN

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, President Bush performed an unprecedented act of courage and diplomatic skill in rolling back the Iraqi aggression that began 1 year ago today.

The President secured the approval of the United Nations and Congress to commit troops to remove the Iraqi Army from the sovereign nation of Kuwait. Then, when the U.N. mandate was fulfilled, the President ceased offensive operations. From start to finish, Operation Desert Storm was conducted under the rule of law.

It's time the United States and the nations of this coalition, take the rule of law to the next logical step: Trying Saddam.

A war crimes trial for Saddam would send an unmistakable message to tyrants throughout the world. Initiating this trial now, against Saddam, will show that, even in times of war, basic human rights must be respected.

Let Saddam confront, on the world stage, the human beings he stuck with cattle prods, charged with bolts of electricity, and beat unmercifully.

Bring charges against Saddam now. We cannot wait for Mr. Hussein to step down. This House should take the lead in demanding war crimes trials for all Iraqis involved in the torture of American military personnel. And, we should begin at the top with Saddam Hussein.

FORCING A RELUCTANT PRESIDENT TO RECOGNIZE THE UNEMPLOYMENT CRISIS

(Mr. FROST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, every so often the Congress must drag the President kicking and screaming into doing something that is needed for the country. Today is just such an occasion.

President Bush and his advisers have been refusing to extend additional weeks of unemployment benefits for the millions of Amercians who are out of work as a result of the Bush recession. As far as the President and his men are concerned, there is no unemployment problem in the country.

Mr. Speaker, I would like to see the President explain that to the 50-year-old unemployed aerospace worker who stood up at one of my town hall meetings in Grand Prairie, TX, 3 weeks ago. He told me his unemployment compensation had run out and that he still could not find a job and needed help.

I promised him that day that I would go back to Washington and do everything I could to see that unemployment benefits were extended for him and his family. I will honor my commitment today by voting for the bill before the House.

And I hope an overwhelming number of my colleagues will join in dragging the President kicking and screaming to a solution to this problem.

PLANNED PARENTHOOD'S DECEPTIONS

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, I would like to paint a picture that is not all too uncommon today. We are in New Haven, CT, in the lobby of a planned parenthood clinic. A girl, about 18 years of age, has come in for abortion counseling. She tells the counselor that she has no job and no income, and promptly sees her fee waived—picked up by the American taxpayers; you and me, Mr. Speaker.

In this case, Mr. Speaker, that young girl is a college student—at Yale University. You see, clients desiring title X subsidies report only personal, rather than family income. That wealthy, educated, young girl has had Joe Six

Pack pay for someone to tell her that abortion is an option if she becomes pregnant—and she does not need parental consent.

Is this what the creators of title X envisioned? Mr. Speaker, it is time for us to end the deception and tell the truth. Title X was envisioned as a humane program to help couples plan a family. Today, one-third of title X clients are teenagers—only 31 percent are married. Rather than planning for families, over 50 percent of title X clients reported zero live births.

Perhaps planned parenthood's biggest deceptions are true stories like the one I related about the young Yale coed. Planned parenthood says that 85 percent of its clients are poor women. HHS, however, reports that only 46 percent of planned parenthood clients are under 150 percent of the poverty line. When you take into account that one-third of their clients are under 21 years of age, and that many of those young women can report no income because they live at home, you see that the actual percentage of title X clients who are underprivileged is remarkably small. In fact, only 9 percent of female planned parenthood clients who received contraceptives were on Medicaid.

Planned parenthood has fought the title X regulations with deceptions and falsehoods. The arrogance they have displayed in their fight is appalling. Can we afford to continue their governmental subsidies of 37 million taxpayer dollars for yet another year?

BRING SADDAM HUSSEIN TO TRIAL

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, yesterday the congressional human rights caucus held a hearing on Iraqi violations of the human rights of American prisoners of war. The testimony from our Department of Defense was shocking. Physical abuses of American POW's ranged from electrical shocks and the breaking of bones to being slapped. Psychological threats ranged from the threatened severing of fingers to the placing of weapons to the head and the pulling of the trigger of an unloaded handgun.

Other types of torture inflicted on U.S. prisoners of war included beating to the legs with an ax handle and a pipe, kicks to the body, whipping with a leather strap, strikes to the back of the neck and the head with a metal ball pendulum device.

Mr. Speaker, after Saddam Hussein has gassed his Kurdish citizens, violated the human rights of the Kuwaiti people, and perpetrated unspeakable horrors against his own citizens, we now find that American prisoners of war were subjected to physical torture by Saddam Hussein's troops.

Mr. Speaker, the time to try Saddam Hussein for war crimes before an international tribunal is now. He should be tried in absentia. In that way he will be out of office soon and he will pay the penalty for his horrendous crimes.

THE CRISIS IN YUGOSLAVIA

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, the Congress of the United States has not paid enough attention to the events that are unfolding in Yugoslavia. After all, history will recall that the fire of war was centered in that region for two world wars and could very well engender a third world war out of the same conflict; so today I am introducing a sense-of-the-House resolution that would prompt us, and I hope will prompt us, to hold hearings and to do everything we can to raise the level of appreciation for what is happening in Yugoslavia.

Although the European community and the Security Council of that region is doing its utmost to wring out as much negotiating power among the republics as possible, we must learn more about it, and the American people must have a greater realization of how our future, the future of our own country, depends on a resolution of those very serious conflicts in Yugoslavia.

INTRODUCTION OF LEGISLATION FOR HOSPICE CARE TO TERMINALLY ILL VETERANS

(Ms. LONG asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LONG. Mr. Speaker, today I am introducing legislation to provide hospice care to terminally ill veterans. People facing terminal illness deserve the opportunity to arrive at their own conclusions regarding the care that they receive at the end of their lives. Some might choose to fight their illness by receiving treatment in a hospital, but for some, this option is not appealing. For those persons, hospice care, which is provided in the home by trained professionals with the support of family members, might be a better choice.

Unfortunately, this choice is not available to America's veterans. Despite the cost savings associated with hospice care as opposed to inpatient treatment, no nationwide program exists within the Department of Veterans Affairs [DVA] to provide hospice care to terminally ill veterans.

For this reason, I am introducing legislation today to institute a demonstration project, within the DVA, studying the feasibility of providing hospice care. My legislation is very similar to a Senate bill, S. 1358, which has been reported out of the full Senate Veterans' Affairs Committee by a unanimous vote and has the support of many veteran advocacy organizations, including the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans.

The legislation would establish a demonstration project, within DVA, at between 15 and 30 facilities, to determine how hospice care should be incorporated into the DVA health care delivery system. Urban and rural areas will be represented in the project. This bill does not require the DVA to contract out to private hospice providers. In fact, the study will include facilities that provide hospice care on an in-house basis. In addition, only those veterans who are currently eligible for hospitalization benefits will participate in the project.

An important provision of this legislation—which is not included in the Senate version—codifies budget neutrality that we know already exists because hospice care is more cost effective than inpatient hospital care. This bill merely makes that fact the letter of the law.

Mr. Speaker, at this time, when DVA budgets and benefits are suffering cutbacks, any proposal which might result in better care for veterans, as well as a cost savings to the Department, must be explored. I urge my colleagues to support this legislation.

□ 1020

PRESIDENT BUSH HAS AN EXTENSIVE DOMESTIC POLICY

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHNER. Mr. Speaker, for months now my colleagues on the other side of the aisle have come down to the well of the House every day and slammed President Bush, saying that he does not have a domestic policy. Every day we hear it about the President "doesn't do this" and "the President doesn't do that."

Well, come on, folks; George Bush is a decent human being who is trying to do a decent job. As a matter of fact, he is doing a great job as our President. He has a domestic agenda: America 2000, an education plan that will help America's schools; a highway bill that will help America's infrastructure without raising taxes; an energy program to move us toward energy sufficiency; a crime bill that will take criminals off the street; and a growth package that will provide jobs to Americans.

What he does not have, he does not have a majority in Congress who will work with him.

Mr. Speaker, let us be honest with ourselves and our constituents, let us get off our rear ends and begin to move the President's domestic agenda.

LEGISLATION TO INCREASE PELL GRANT MAXIMUMS

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, it has often been said that as education goes so goes America.

After 44 hearings in our Committee on Education and Labor, we have heard countless times that the Pell grant is the foundation, the catalyst for access for our families to improved education, higher education in this country. It gives me great pleasure today to introduce legislation which will increase the maximum Pell grant from $3,100 to $4,500 and increase the child care expense allowance for Pell grant recipients from $1,000 to $3,600.

Mr. Speaker, as we face the challenging problems going into a new century, I hope that through the Committee on Education and Labor, working with my colleagues on both sides of the aisle, that we can work to improve the educational structure not only for our middle-class working families, our long-income working families, but for our working people who want to go into vocational education as well too.

THE UNITED STATES SHOULD GATHER AND COORDINATE DOCUMENTATION FOR WAR CRIMES TRIAL OF SADDAM HUSSEIN

(Mr. WELDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON. Mr. Speaker, yesterday, I chaired a 2½-hour hearing that was designed to provide an overview of the process and evidence necessary to try Saddam Hussein for war crimes. Two very troubling and shocking revelations came out of the hearings with the seven witnesses whom we had before us.

The first was that all of our POW's and all allied POW's, for the first time acknowledged by the Defense Department, were abused and mistreated, one of whom was shocked on a continual basis to such an extent that at one point in time one of his teeth exploded from its socket, one of our POW's.

But perhaps the most extensive shocking revelation to come out of our hearing was the fact that no one agency, no one entity is in fact coordinating the documentation of the evidence necessary to try Saddam Hussein for war crimes.

We can talk about war crimes all we want and pass all the resolutions we want, but if we do not have the evidence to present in a court of law, we will not be able to make the case.

Mr. Speaker, I will be introducing legislation that will require the State Department to talk to our POW's, talk to our hostages, talk to citizen groups, talk to the Kuwaitis and to the environmental experts in order to document the evidence so that we can pursue a trial of Saddam Hussein at the appropriate international tribunal.

UPDATE ON MIDDLE EAST PEACE NEGOTIATIONS

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, as President Bush has just returned from an extraordinary successful mission on his first postcold war summit, we mark the first anniversary of Saddam Hussein's horrendous invasion of Kuwait. While Saddam Hussein continues to pose a threat to many in the region, I would like to express my appreciation to Israeli Prime Minister Yitzhak Shamir, who has just indicated that he is going to go before his colleagues on Sunday and make the formal request that they proceed with negotiations with Syria, Jordan, and Lebanon, for the first time since December 1973, that the Arabs will have embarked on this kind of wideranging negotiation.

It remains to be seen whether or not the Palestinians will agree to be part of this process, but it is very clear that to see Israel make this very bold and dynamic step deserves our great appreciation and hearty congratulations.

HUMAN SUFFERING CONTINUES AS AFTERMATH OF GULF WAR

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PENNY. Mr. Speaker, 1 year ago today, Saddam Hussein shocked the world when he invaded Kuwait. This act of naked aggression against a helpless neighbor could not go unanswered. The response was Operation Desert Shield followed by Operation Desert Storm: An international military coalition—led by the United States—which expelled the Iraqis and defeated Saddam Hussein's army.

Desert Storm was a great victory, but now it is time to deal with the aftermath of the war. The economic embargo remains against Iraq. Yet in spite of war and continued sanctions Saddam Hussein remains in power—seemingly insulated from outside pressure. He also seems impervious to the cries of the vulnerable children in his own country, who are dying by the thousands due to shortages of food, medicine, and the lack of adequate sanitation.

Medical teams visiting Iraq first reported the tragic living conditions in early June. At that time, I proposed House Concurrent Resolution 168 to release a portion of Iraq's frozen assets for humanitarian aid. Now—nearly 2 months later—the Bush administration seems to agree that it is time to help ease the suffering.

The U.N. Security Council—with America's blessing—is considering a plan to allow Iraq to export oil for the purchase of food and medicine. Frankly, I felt that allowing the sale of oil—money we do not directly control—would be more problematic than using Iraq's frozen assets—which we can control. Nevertheless, if the Security Council approves the sale of oil, I will support the decision. It is time the world community takes steps to stop this needless human suffering in Iraq, and to call on Saddam Hussein to—for once—do the right thing and allow this food and medicine to reach the children in peril.

Mr. Speaker, the war is long over. The dying must stop.

TAX INCREASES LEAD TO HIGHER UNEMPLOYMENT

(Mr. JAMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. JAMES. Mr. Speaker, today the House of Representatives will vote on the unemployment crisis, while that side of the aisle struggles once more to raise taxes on the American people.

Millions of Americans are unemployed today as a direct result of the last tax increase imposed on the American people.

When will we learn? Taxes are too high. As Government keeps squeezing, we get no blood from the turnip; but we destroy jobs, block progress, crush the hopes of American families.

I am asking my friends on that side of the aisle, as you talk today about the misery of mothers and fathers who cannot support their children, think about what you have done.

□ 1030

THE ISSUE THAT STIRS THE REPUBLICANS TO THEIR DEPTHS

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, now here is a news item: The Republicans are leading the fight to repeal the luxury tax. The Republicans argue that it is unreasonable to ask a person to pay an extra tax on his million dollar yacht, a higher tax on his Jaguar luxury sedan, a new tax on his personal jet plane.

Leave it to be the Republicans to zero in on human suffering. They are blind to working families unable to afford a college education for their kids, middle income families struggling to pay medical bills and the homeless. No, the issue that stirs the Republicans to their depths is whether Donald Trump has to pay a luxury tax on the diamond bracelet he is giving to the next Mrs. Trump.

Now, before falling for the line that the Republicans are really fighting for the yacht builders, and airplane assembly line workers, remember when the Republicans and President Bush rejected a tax on millionaires last year. They accepted a tax on the toys of the rich, so, if they really want to protect the toymakers, will they now accept a tax on the superrich to make up the difference?

Do not wait for that ship to come in.

NORTHWEST OLD GROWTH PROTECTION AND ECONOMIC STABILITY ACT OF 1991

(Mr. MORRISON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON. Mr. Speaker, I rise today to tell my colleagues that the Northwest is moving ahead together to save the families and communities of our struggling timber economy, and the old growth forests we are so proud of.

Today a bipartisan majority of Members from the Northwest, who have been working together for many months, have something to present to the rest of you, and urge you to support.

The Northwest Old Growth Protection and Economic Stability Act of 1991, represents our region's best effort to reach a balance that the Nation has been asking for—it balances the needs of timber dependent families and communities with the need to protect our Nation's natural heritage.

We introduce this legislation to focus the debate in Congress, so that we can move our families and jobs, our towns and cities, our forests, fish and streams, out of the courts and into a more certain future.

The special interests have already begun attacking us on every flank. Just remember that they will never accept the balance we need for Congress to succeed. And our forests, and the folks who depend on them, need us to succeed now more than ever.

A MOST REGRESSIVE AND UNFAIR TAX

(Mr. SANDERS asked and was given permission to address the House for 1 minute.)

Mr. SANDERS. Mr. Speaker, this Congressman is strongly in favor of Federal action which will pump billions of dollars into rebuilding this Nation's deteriorating infrastructure—our roads, our bridges, our mass transit systems, and our other transportation needs. I am not, however, in favor of raising the gasoline tax 5 cents per gallon in order to finance these projects—as current legislation proposes.

The gasoline tax is one of the most regressive and unfair taxes imaginable. Clearly, this tax will come down heavily on working people, like the workers in a rural State like Vermont, who often have to travel long distances in order to get to work. Raising the gas tax last year by a nickel per gallon was wrong, and raising it another 5 cents per gallon this year is even more wrong.

Mr. Speaker, the wealthiest people in our country have grown much wealthier during the last decade, yet at the same time they have seen a significant decline in their tax burden. The working people and the middle class have grown poorer, but they have seen an increase in their tax burden.

Let us say no to the 5-cent gas tax and return, after the recess, with a new revenue raising proposal which will be fair and progressive—not another tax on working people.

WHITE HOUSE ANTI-CRIME BILL NEEDED

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Mr. Speaker, it seems that every morning when I pick up the morning paper I read another story about a paroled killer or rapist or child molester who has been released to repeat his unspeakable crimes.

Last year, this body overwhelmingly passed strong law enforcement legislation that included habeas corpus reform, expansion of the Federal death penalty, liberalization of the exculsionary rule, and mandatory victims' restitution. Yet these provisions were scuttled in conference committee.

Recently, the Senate passed a crime bill which the Attorney General has termed "acceptable," although it lacks exclusionary rule reform.

Now comes word that the House Democrat leadership has come up with its own crime bill which purports to emphasize crime prevention. It includes $260 million less than the Senate bill for more FBI and DEA agents and $700 million less for Federal prison expansion. It also includes so-called fairness in death sentencing provisions which would invite a quota approach to the application of the death penalty and which could have the effect of abolishing capital punishment in most States.

Mr. Speaker, that is not crime prevention and it is not crime control. The time has come to pass the President's anticrime package.

INTRODUCTION OF THE CHATTAHOOCHEE FOREST PROTECTION ACT OF 1991

(Mr. JENKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JENKINS. Mr. Speaker, today I rise to introduce the Chattahoochee Forest Protection Act of 1991. This legislation will provide protection for vital natural resources in the Chattahoochee National Forest in north Georgia.

Rapid expansion of urban areas around the Chattahoochee National Forest has threatened the delicate balance of nature which we have grown accustomed to through the years, and, perhaps begun to take for granted. I fear that the major emphasis for management in the Chattahoochee National Forest has been focused on timber harvesting. That is why I have designated five areas within the forest, totaling approximately 56,240 acres, for management practices which emphasize the recreational and scenic qualities of these areas. This proposal contains only Forest Service lands, omitting any privately held lands.

I realize that there are many who depend on the timber industry for their livelihood. With that in mind, the boundaries for the five areas were carefully drawn to include land which was the least suitable for timber harvesting to lessen any adverse economic impact. My proposal contains less than 10 percent of the total acreage of the Chattahoochee National Forest in Georgia.

However, within this land lies some of the most scenic and pristine areas of the Chattahoochee National Forest. The areas which I have included in this legislation contain such resources as the headwaters of the Chattahoochee River and the beginning of the historic Apalachian Trail.

Prior to introducing this legislation, I questioned my constituents as to their feelings regarding these designatioins. I was pleasantly surprised at the high number of responses I received from the ninth district, as well as others from the State of Georgia. Their support was overwhelming, and many advocated greater protection than what I was proposing. It appears that our Nation is becoming more sensitive to the destruction of our environment that many of our activities cause, and want to ensure that the resources which we enjoy will be there for future generations.

Specifically, my legislation would designate three areas as wilderness areas, one area as a scenic area, and one area as a national recreation area. The first area I am proposing for inclusion in the Wilderness Preservation

System is an addition to the existing Brasstown Wilderness Area. Approximately 1,160 acres will be designated for protection. The area contains the scenic slopes of Brasstown Bald and has three wild trout streams.

The second and third areas will be newly designated wilderness areas comprised of 24,680 acres. The Blood Mountain Wilderness Area is approximately 7,800 acres and is named for Blood Mountain which is one of the highest peaks in Georgia which cannot be reached by road at an elevation of 4,467 feet. Eleven miles of the Appalachian Trail are also within the boundaries of this area.

The Mark Trail Wilderness Area contains approximately 16,880 acres and is being named after the cartoon character created by the late Ed Dodd who was a resident of my district. Ed Dodd was an outdoorsman, sportsman, gentleman, farmer, and artist. These unique qualities were combined by the artist, and the character of Mark Trail emerged into the comic strips. Mark Trail is known as a champion outdoorsman and wildlife educator. His life in the comic strips began on April 15, 1946, and he still enjoys a loyal following. Prior to his death, Ed Dodd turned over the strip to his collaborator, Jack Elrod. Through the talents of Jack Elrod, the philosophy of Ed Dodd that "every organism is dependent on all others" lives on the Mark Trail comic strip. I think that it is only fitting that Ed Dodd be remembered for the contributions which he made to conservation through the Mark Trail comic strip.

The Mark Trail Wilderness Area also contains 15 miles of the Appalachian Trail and the crest of the Blue Ridge Mountains. The area is home to the headwaters of the Chattahoochee River, as well as several species of wildlife, wild trout streams, and several rare plant species.

The fourth area I am proposing is to be designated as the Coosa Bald Scenic Area. It is comprised of approximately 7,100 acres and is named for the 4,287 foot high point of Coosa Bald. The area is noted for its scenic views, as well as the challenging Duncan Ridge and Coosa trails. Famous wildflower displays and a rare stand of distinctive yellow birch are also within the boundaries.

The final area I am proposing is the Springer Mountain National Recreation Area. Approximately 23,330 acres have been included in the area which contains Rock Creek Lake and sections of the Toccoa River. The area provides a variety of recreational opportunities which include water activities, hiking, camping, and for the truly adventurous a swinging bridge over the Toccoa River. The Appalachian Trail also begins at Springer Mountain.

Mr. Speaker, the basic purpose of my proposal is to change the management practices on this small portion of our national forest to give greater emphasis to recreation and scenic values rather than timber harvesting and to preserve the resources for the impact they have in sustaining for future generations.

AUTHORIZING THE SPEAKER TO DECLARE RECESSES TODAY

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare recesses today, subject to the call of the Chair.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. SOLOMON. Mr. Speaker, reserving the right to object, if I might, I take this time just to engage in a colloquy with the majority leader, the gentleman from Missiouri [Mr. GEPHARDT].

Mr. Speaker, I ask the gentleman if the recess authority that he is asking for now is solely for the purpose of allowing the Committee on Ways and Means to get over here to consider the unemployment insurance bill and not for the purpose of taking up other legislation later today.

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Missouri.

Mr. GEPHARDT. Mr. Speaker, the gentleman from New York [Mr. SOLOMON] is correct. If there is a need for this later in the day, we will consult with the minority to make sure it is acceptable.

Mr. SOLOMON. Further, Mr. Speaker, would we be taking up the rule, and then having the recess, or will we be recessing before we take up the rule?

Mr. GEPHARDT. We hope to go straight from the rule through the bill and its completion.

Mr. SOLOMON. So that after the 1 minute, we will go on the rule and then recess to wait for the Committee on Ways and Means to come over?

□ 1040

Mr. GEPHARDT. Mr. Speaker, if the gentleman will yield, we will go to the rule and the bill. As soon as the rule is prepared and ready, we will go to the rule and then to the bill, and we will try to finish.

The reason for the recess authority is because after that, we do not know when the Senate will be finishing and we have got to be in coordination in terms of finishing today.

Mr. SOLOMON. Then after the 1 minutes, we will not take up the rule, which we reported last night at 9 o'clock? The rule is ready on the floor here now, but we will not take it up. We will recess and then take up the rule and the bill as soon as possible?

Mr. GEPHARDT. Mr. Speaker, the gentleman is correct.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman.

Mr. MCEWEN. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Ohio.

Mr. MCEWEN. Mr. Speaker, if I may just encourage the majority leader, I think we are prepared to go to the rule presently.

Mr. GEPHARDT. Mr. Speaker, if the gentleman will continue to yield, that is correct.

Mr. MCEWEN. We will proceed with the rule here, if there is no objection, right after the 1 minute.

Mr. GEPHARDT. Mr. Speaker, the only reason for this request was to have recess authority today if later, coordinating our final adjustment with the Senate, we needed more time.

Mr. MCEWEN. Mr. Speaker, I thank the gentleman. As I understand it, then, after 1 minute we will proceed directly to the rule.

Mr. GEPHARDT. Mr. Speaker, that is correct.

Mr. SOLOMON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING THE SPEAKER AND THE MINORITY LEADER TO ACCEPT RESIGNATIONS AND MAKE APPOINTMENTS, NOTWITHSTANDING ADJOURNMENT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, September 11, 1991, the Speaker and the minority leader be authorized to accept resignations and to make appointments authorized by law or by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, SEPTEMBER 11, 1991

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that business in order under the Calendar Wednesday rule be dispensed with on Wednesday, September 11, 1991.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CONDITIONAL AUTHORITY FOR MEMBERS TO REVISE AND EXTEND REMARKS IN THE CONGRESSIONAL RECORD, NOTWITHSTANDING ADJOURNMENT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Wednesday, September 11, 1991, all Members of the House shall have the privilege to extend and revise their own remarks in the Congressional Record on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extensions of remarks; but this order shall not apply to any subject matter which may have occurred or to any speech delivered subsequent to the said adjournment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING REMOVAL OF THE MACE OF THE HOUSE AFTER ADJOURNMENT TO THE SMITHSONIAN INSTITUTION FOR REPAIRS

Mr. GEPHARDT. Mr. Speaker, I offer a resolution, and I ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. Res. 211

Resolved, That the Sergeant at Arms of the House of Representatives is authorized and directed, on behalf of the House of Representatives, to deliver the mace of the House of Representatives, following the adjournment of the House, to the Smithsonian Institution only for the purpose of having necessary repairs made to the mace and under such circumstances as will assure that the mace is properly safeguarded; *Provided, however*, That the mace shall be returned to the House of Representatives before noon on the day before the House reconvenes or at any sooner time when so directed by the Speaker of the House of Representatives.

Mr. GEPHARDT (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. Is there objection to the immediate consideration of the resolution?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADVICE FOR THE DEMOCRATS

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, yesterday morning and, indeed, throughout the week, the House has witnessed a shameless display of self-interest and partisanship by Members of this body.

This week, President George Bush culminated a 10-year effort and signed a historic Strategic Arms Reduction Treaty with the Soviet Union. If successful, this treaty will cut superpower nuclear arms by 30 percent and outlaw heavy new intercontinental missiles.

In response to this achievement, some Democrats marched to the House floor and announced that the President wasn't spending enough time here at home, breaking the budget deal and raising taxes.

Mr. Speaker, evidently the Democratic Party has decided the President should neglect his duties outlined in the Constitution. Maybe they do not think nuclear treaties are important. Maybe they think we should abandon arms control and concentrate instead on their priorities of increasing the size of Government.

Or perhaps there is a different reason why the Democrats have acted so shamelessly. Perhaps they acted out of envy. Maybe the want to control the White House and enjoy a Constitutional mandate to set foreign policy and negotiate treaties. I guess they think tearing of the President is the way to do that.

Well, Mr. Speaker, if these Democrats want to gain access to the White House and play a larger role in setting foreign policy—I have a simple solution.

Get in tune with the American people.

Join the Republican Party.

IN FAVOR OF EXTENSION OF EMERGENCY UNEMPLOYMENT BENEFITS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, this appears to be the last day that we will have in session before the August district work period starts, and so I would like to take this moment to wish my colleagues a happy, healthy, and productive recess, with a little vacation thrown in for good measure.

I would also like to commend leaders on both sides of the aisle in the House and in the other body for having achieved a compromise agreement on extending emergency unemployment benefits to unemployed workers. Many of them happen to be in my community of Louisville, and I am pleased to see from looking at the conference committee report that Kentucky will qualify for 13 additional weeks of unemployment benefits under the formulae which are incorporated into that bill.

I am also pleased to see in there extended unemployment benefits for returning Desert Storm veterans and for reservists who have come off of active duty.

Currently, under the law it is extremely difficult for these people to achieve their unemployment benefits and to get back into the mainstream. This bill, in line with other bills we have passed to assist veterans and reservists, is a step in the right direction. I salute my colleagues for having achieved this agreement and look forward to voting for it and then to see my colleagues back here, healthy, safe, and sound in September.

BUSH TITLE X REGULATIONS WILL BE PRESERVED BY HOUSE

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, I am very pleased to announce that there is no doubt that we have the votes to sustain the President's veto so as to preserve the new title X regulations designed to ensure that abortion not be promoted, counseled, or referred for as a method of family planning in federally subsidized family planning projects. A Member-to-Member whip check over the last 2 weeks has confirmed that we are well over the top and building additional support by the day. This will be the most important right-to-life vote of the year and I'm looking forward to the debate.

Of interest to Members is the fact that we are finding that the pro-abortion lobby's distortion campaign is backfiring. For the first time ever, planned parenthood is being exposed for performing counseling and referring over 200,000 abortions a year, many of them on minors without their parents' knowledge or consent.

Sadly, planned parenthood, which receives millions under the title X program, has become in many towns across the United States the local neighborhood abortionist.

Mr. Speaker, our Member-to-Member poll has found, notwithstanding some exceptions, that most pro-life Members understand that counseling and referring for abortion grossly undermines the respect for the life of the unborn child. If we were talking about counseling for a cancer or for a disease, that would be one thing, but pregnancy is not a disease and an unborn child cannot be likened to a diseased pancreas.

This fight is about abortion advocacy and taxpayers ought not be forced to subsidize advocacy that destroys children. The consequence of abortion referral and counseling is very simply that unborn babies die.

Mr. Speaker, referrals for prenatal care on the other hand, which are provided for in the Bush regulations, recognize that every pregnancy includes two patients, the mother and the baby. Both patients are absolutely worthy of respect and the best maternal and prenatal care possible.

Finally, Mr. Speaker, let me remind Members that yesterday's vote on the DC conference report—which contains fundings for abortion on demand—was 41 votes short of the number needed to overturn the President's anticipated veto. The Member-to-Member whip check coupled with yesterday's vote suggests we will indeed preserve every current pro-life policy.

OTHER THOUGHTS ON ABORTION

(Mr. WYDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, in spite of the remarks you just heard from my friend, the gentleman from New Jersey, there is some very good news this morning for the milions of low-income women who depend on federally funded family planning programs. Late yesterday the Commerce Committee voted to send to the floor the bill of the gentleman from California [Mr. WAXMAN], to reauthorize the federally funded family planned program.

Without this legislation, our country would have two tiers of health care: The well to do could get access to all the information they needed about family planning from their private doctors, but because of the U.S. Supreme Court's decision in Rust versus Sullivan, the low-income women would not be able to get the facts. Their doctors could not be straight with them.

The gentleman from Illinois [Mr. PORTER] and I have introduced legislation with more than 170 of our colleagues to reverse the Supreme Court ruling. Yesterday the Commerce Committee voted to reauthorize the family planning program, throw out the Rust versus Sullivan decision, provide for an increase in funding, and stipulate that State law would provide under the issues of parental notification.

The gentleman from California [Mr. WAXMAN] and the gentleman from Michigan [Mr. DINGELL] deserve great credit for moving forward this legislation. It will be a good bill that we can take up early this fall.

□ 1050

REMEMBER THE MIA'S, POW'S, AND HOSTAGES

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, as I try to do whenever we are about to take a long break here, I try to get up for at least a moment and mention that there are six Americans still rotting in Beirut, and our POW's. I am wearing my POW tie today. I have been to five hearings this week, spent 1 hour 15 minutes with Mr. Cheney last night in the conference room of the gentleman from Illinois [Mr. MICHEL], and there will be another conference this afternoon. We are not getting anywhere.

But before I do that, I want to comment on the last two speakers. I want to associate myself, in total, with the remarks of the gentleman from New Jersey [Mr. SMITH], and point out also that on the parental notification—and I say this as a parent with my wife five times over, with eight grandchildren, and more to come—on parental notification on abortion, major surgery, it also lost in that same Commerce vote that my friend from Oregon mentioned, 23 to 20.

Now, let me make note of something. Everybody listen well on this gag rule, so-called gag rule description.

Yet another Congressman is divorcing his wife, and he wants the gag rule enforced on his wife, who has just endorsed his opponent.

Isn't it interesting that gag rules are great, when you lock up and tape the mouth of your former spouse. A lot of people get Potomac fever around here and reject that partner that just spent 10, 15, 20, or 30 years getting them here. That gag rule is OK, but the other gag rule is not.

Mr. Speaker, back to the POW's and our hostages in Beirut. We still do not know the story of what happened to Americans after World War II that were in Siberian camps. We left 389 people behind in Korea. That was 38 years ago last Saturday that we had the cessation of hostilities there.

We have the six hostages, including Terry Anderson, captured March 16, 1985.

This is 1991, folks. Six years and four votes by the time we get back from this break. Tom Sutherland was captured June 9. We still do not know how to find people missing in action in Laos, from where not a single American came home.

We have got our work cut out for us, and let us pray hard during this break that we get at least the people back from Beirut.

PRESIDENT SHOULD DECLARE EMERGENCY FOR UNEMPLOYED AMERICANS AT HOME

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, a previous speaker talked about challenging the Democrats on foreign policy, and I understand that, because he did not want to challenge us on domestic policy, because then we would have to talk about the Republican failings.

Today we are going to have a chance to address that. We are going to have a chance to deal with Amercians who have got real problems at home.

I know it is not the same as being a foreign country. It is not the Kurds, it is not the Ukrainians, it is not the Soviets, it is not all those people that we love to help, except it is our own people. It is time to help them.

Today we have a chance to vote on an unemployment bill that will extend benefits for working families that are out of work temporarily. This is a bill, for instance, that will help people keep their mortgages going; it will help people make the tuition payments in the fall for their children in college. It will help working Americans keep body and soul together. I hope the President will sign it, and then declare the financial emergency that is necessary to trigger this bill.

Mr. Speaker, just so everyone understands, the emergency was declared for the Kurds, the emergency was declared for Bangladesh. The question is whether the President will declare an emergency for Americans here at home.

Welcome home, Mr. President. We have got problems, and we are looking forward to having you work on them.

CONGRESS WOULD FAIL ECONOMICS 101

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, it is soon time for our summer students and our summer classes in universities to suffer their summer final exams. When those students in that first year economics course answer on their exam that we should raise taxes in a recession, their professor will say, "You failed."

When the students say that if you levy a special excise tax on any commodity in this country there will be no reduction in sales of that commodity, there will be no drop in production of that commodity, there will be no unemployment pursuant to that reduction in production, nor will there be any loss in revenues to the Government from the taxes not paid by those people who are unemployed, the professor will say, "You fail."

For you unfortunate students out there that get failed for saying these things, tell your professor, "What are you failing me for? Congress is getting away with doing it, and they are continuing to do it—keeping those oppressive luxury taxes in place and keeping those poor folks out of jobs and losing $20 million a year for the Government in lost taxes otherwise not paid."

WORK ON DAIRY LEGISLATION CONTINUING

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I would like to advise Members where we are on the dairy legislation. We begin the process out there with the dairymen, with the producers, with the users, with the consumers, and work through the different associations, work through the umbrella federation, work through the subcommittee, work through the committee, and pass legislation out of the committee.

It now has been referred to two other committees that have jurisdiction over parts of the legislation. So for this part of the session, we have no time now to act on it.

Mr. Speaker, this is to assure Members and producers, users, and consumers, that we will continue working through the recess. Late yesterday we met with the Secretary of Agriculture, Members of the Senate, and members of the House Committee on Agriculture. So we are working, trying to bring a viable, workable piece of legislation when we come back in the fall.

MAINTAINING THE INTEGRITY OF THE FEDERAL FAMILY PLANNING PROGRAM

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, it is time to tell the truth about the title X regulations. Our Federal Family Planning Program now makes a distinction between abortion and family planning—as the overwhelming majority of Americans do. In past years, Planned Parenthood recognized the distinction between abortion and preventive family planning.

Their own brochure, printed in 1963, reads: "What is birth control? Is it an abortion?" The brochure goes on to answer:

> Definitely not, an abortion kills the life of a baby after it has begun * * * Birth Control merely postpones the beginning of life.

Mr. Speaker, for the first time in years, I find myself agreeing with Planned Parenthood and longing for the 1960's. Planned Parenthood acknowledged in 1963 that abortion is not family planning, that once a baby has been conceived, it is too late to plan pregnancy. This view is shared by 77 percent of Americans who oppose "offering abortions as a method of birth control in taxpayer-funded family planning programs" according to a June 1991 Wirthlin Group poll. Let us maintain the integrity of the Federal Family Planning Program and support the current regulations.

CRITICAL DECISIONS LOOM IN THE MIDDLE EAST

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, yesterday the President toured the Ukraine and shed tears as he recalled the 33,000 Ukrainian Jews who were killed over 36 hours in 1941, and the thousands more who followed as the Nazi genocide continued at Babi Yar. I was moved by the President's emotions, as no doubt were people around the world, Jews and non-Jews.

But, Mr. Speaker, some shed tears about the Holocaust every day: Those who lost their loved ones, those who are awakened at night with memories of the concentration camps, and those who saw their people and culture obliterated by a madman.

It is those of us with such strong feelings about the Holocaust who strive daily to ensure the safety of Israel. We know that only the existence of an independently secure Jewish state can truly guarantee that the Holocaust is never repeated. I ask the President to remember the emotions he felt at Babi Yar when he convenes the Middle East Peace Conference. Mr. Shamir has agreed, cautiously, to attend the conference, contingent upon certain reasonable conditions. If Israel seems overly cautious, or overly conservative to some of my colleagues, it is because the Jews of Israel remember the Holocaust, they remember a history of persecution, and they remember that they were always given assurances that they would be safe. It is in the Middle East that the United States has the opportunity to safeguard the future of the Jewish people, or to jeopardize it. I pray that the President steers the right course.

RESCUE THE AMERICAN WORKER

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, it has been one year since the most recent recession has begun. The administration says the recession is over, but most Americans will tell you something quite different.

□ 1110

Two million more Americans have become unemployed since June of last year—a 33-percent increase.

With nearly 9 million Americans out of work and at least 3.5 million facing life without unemployment benefits, we have a real economic emergency at home.

Mr. Speaker, this Nation has acted with compassion in addressing the emergency needs of the people of countless countries around the world, including the Kurds, the Bangladeshis, Kuwaitis and others, but where is the President when it comes to the American worker.

The people in this country without unemployment benefits are the very workers whose taxes have financed the President's global generosity.

Today, the Congress will act to help Americans who have lost their jobs. The ball will then be in the President's court. He can either declare an emergency to help Americans survive this recession, or he can continue to ignore the needs of America's families. We came to the rescue of the Kuwaitis, now it is time to come to the rescue of Americans.

CIVIL RIGHTS

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, the President has just rejected the latest proposal for a compromise on civil rights legislation. A proposal from a member of his own party. A proposal that is completely consistent with a quarter century of civil rights laws. A proposal that simply says employers cannot set standards that are unrelated to job performance. A proposal to guarantee that everyone gets a fair shot at a job.

What the President wants is a civil rights bill that would allow a menswear company not to hire a woman just because she doesn't fit in with the corporate image. He wants a society where it is OK not to hire blacks or Latinos just because a biased employer thinks they might affect the morale of other employees. He would, in short, turn the clock back, not ahead. Above all, it is becoming clearer by the day that this President craves a campaign issue that will exploit the fears of working men and women who live constantly on the brink of joblessness and poverty. An issue that will put a smokescreen in front of a Reagan-Bush recession that has put 9 million men and women out of work, and crippled living standards for millions more.

Mr. Speaker, the party of Lincoln deserves better. If this President can stand up for the Kurds and Shiites, then surely he can take a stand for those in this country who continue to suffer in the dark corners of bigotry.

RESCUE AMERICA'S UNEMPLOYED

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the President of the United States says the following things are dire emergencies: aid to Turkey, the gulf war, the savings and loan bailout, and the IMF funding for the International Monetary Fund.

Well, that is what has happened, and those are off budget, and that costs another $60 billion to the American taxpayer this year. The thing that he says is not, not an emergency, are Americans unemployed. I cannot believe we can be turning our backs on people who have lost their jobs because of the incredible international competition we have come under.

It is interesting that it is more important to give most-favored-nation status to the Chinese, the only country who runs over their own children with their tanks, and therefore we import more and more products from them, lose more and more jobs to them, and we do not care about our jobless rate at home.

I certainly hope the administration changes its mind. I think if we were in the moccasins of those people who are unemployed, this would be a very difficult distinction to understand.

PRESIDENT DID NOT BUST THE BUDGET

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, we have just heard the gentlewoman from Colorado criticize the President of the United States for following through on all the programs she personally voted for, according to the National Taxpayers' Union.

I happened to vote against most of those programs myself, but that point is irrelevant here. The point is that no President of the United States can bust the budget. Only the Congress of the United States can bust the budget, and we are one of the most irresponsible bodies that has ever served. During the Reagan economic growth policy that was so miraculous during the 1980's, the money coming into the Federal coffers, without raising taxes, nearly doubled. It went from something like $700 billion up to $1.2 or $1.3 trillion, and we did not raise taxes at all.

Do Members know this Congress spent every nickel of it and more? That is why we have the deficit we have today. We have a deficit not because tax receipts are too low, but because spending is too high. In fact, studies show that, over the past 45 years, every dollar of revenue raised by new taxes has been matched by $1.60 in new spending.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I am happy to yield to the gentlewoman.

Mrs. SCHROEDER. Mr. Speaker, I want to thank the gentleman for studying my record so closely, but if he would look again, the gentleman would find that I did not vote for the foreign aid budget, the gulf war, or the savings and loan bailout. So I have to bring it over and show it to the gentleman.

Mr. SOLOMON. Does the gentlewoman mean that she voted with JERRY SOLOMON?

Mrs. SCHROEDER. Absolutely. I followed the gentleman's lead. The gentleman should look and see who is following.

Mr. SOLOMON. The gentlewoman is improving. I commend her for it.

CALL OF THE HOUSE

Ms. PELOSI. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their name:

[Roll No. 252]

Abercrombie
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeLauro
DeLay
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Franks (CT)
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (IL)
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Natcher
Neal (MA)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Oxley
Packard
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Staggers
Stallings
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

□ 1128

The SPEAKER pro tempore (Mr. McNULTY). On this rollcall, 399 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill and a concurrent resolution of the House of the following titles:

H.R. 1006. An act to authorize appropriations for fiscal year 1992 for the Federal Maritime Commission, and for other purposes; and

H. Con. Res. 113. Concurrent resolution to express the sense of the Congress that the President should seek an international moratorium on the use of large-scale driftnets called for in United Nations Resolution 44-225, while working to achieve the United States policy of a permanent ban on large-scale driftnets.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 884. An act to require the President to impose economic sanctions against countries that fail to eliminate large-scale driftnet fishing; and

S. 1620. An act to make technical corrections with respect to the Immigration Act of 1990 and other immigration laws.

□ 1140

EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1991

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 210 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 210

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of a bill, to be introduced by Representative Rostenkowski of Illinois on August 2, 1991, relating to unemployment compensation, and the first reading of the bill shall be dispensed with. All points of order against the bill and against its consideration are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment under the five-minute rule. No amendment to the bill shall be in order. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House. The previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. MCEWEN], and pending that, I yield myself such time as I may consume.

Mr. Speaker, during the consideration of this resolution all time yielded is for purposes of debate only.

Mr. Speaker, the President has asked for emergency funding for the Kurds, for the Persian Gulf conflict, for aid to Bangladesh, debt relief for Egypt. What about the emergency that we have right here in America? Right here at home?

Mr. Speaker, there are about 9 million Americans out of work in this country. That is an emergency. Unemployment is still near 7 percent nationwide, has been over 9 percent in my home State of Michigan, and, if we look at the latest figures that came out this morning, Mr. Speaker, we will find that 415,000 workers were dropped out of the labor force, dropped out of the labor force. Add them to the numbers, and the figures actually go up to 7.1 percent of people that are unemployed, and the effects will last far beyond any economic upturn.

We have been in a slow, long, prolonged recession, Mr. Speaker. Slow and sluggish to recover. Since January of this year, the 1.6 million unemployed Americans have exhausted their benefits. They have nothing.

The rhetoric we hear from this administration is as follows: the Secretary of the Treasury, Mr. Brady, said at one point about the recession, "It's no big deal."

Mr. Speaker, I say, "It is a big deal if you don't have a job, you have kids to feed, you have mortgage payments to make, you have educational opportunities that bypass your children."

Mr. Darman says, "Extended unemployment benefits only encourage people to stay unemployed." What cynicism. What insensitivity! And while these people have nothing, we are asked to send more and more millions overseas.

Mr. Speaker, that does not make any sense. Being out of work is painful, it is cruel, and it is for literally tens of millions of Americans. It robs them of hope.

I say, "If you have no income for your family, you cannot pay bills, you can't pay rent, you can't pay mortgages, you can't put food on the table for hungry kids." That, Mr. Speaker, is an emergency.

The President must sign this bill, and he must declare it an emergency. It is desperately needed. It cannot be said that this recession is over and then expect it to end. Well, there are signs that the recession may be easing, but its effect will be felt for a very long time unfortunately.

There are urgent needs that we must address here at home: tax relief for our middle class that is being squeezed, health care benefits, transportation benefits, better schools. We have got to start focussing our attention in this country and in this Chamber on America's own.

While this measure will not solve the problems of middle income America, it will ease their pain because it is hardworking American middle income families who have been put out of work, who go to work in the morning and find the plant gate closed, or who go to the store they have been working at for years to find that they are pink slipped. These people need our help.

Mr. Speaker, I urge may colleagues, I urge my colleagues, to support this legislation and, beyond that, urge the President to sign the bill and to declare the emergency that is needed to get the assistance we have provided for in this bill to the people who desperately need it.

Mr. Speaker, I reserve the balance of my time.

Mr. MCEWEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Michigan [Mr. BONIOR] has described fully the technical details of the propopsed rule under which the House would debate H.R. 3201, the Emergency Unemployment Compensation Act of 1991.

As my colleagues heard the gentleman explain, the rule would allow no amendments whatsoever. Again the House would be denied the opportunity to make amendments on this critical issue. Yet this rule and the bill to which it pertains represents a dramatic improvement over that which was contemplated just 48 hours ago, and so, with reservations, I rise to support the rule for two reasons.

No. 1, Mr. Speaker, if this legislation is to be enacted, it must be exactly the same as that which passed the Senate last evening. Subsequent amendments would prevent that from being sent to the President tomorrow.

Second, I would point out that we have had no requests for amendments, and so, with those reservations, I rise to support the rule.

I hope also to support the bill when it is considered later today.

Members should be aware also that 48 hours ago we were faced with the prospect of Republicans on the Committee on Ways and Means being denied the very right to file their dissenting views on this bill.

□ 1140

There was a legislative slam dunk being considered and that would have completely trampled the rights of the minority in this House.

Fortunately, Mr. Speaker, cooler heads have prevailed in the last 2 days, and I give a great deal of credit not only to the Speaker but to the minority leader, to the chairman of the Committee on Rules, and to the ranking minority member of the Committee on Rules, the gentleman from New York [Mr. SOLOMON].

Fortunately, now we have before us a new rule followed by a much improved piece of legislation. I would urge my colleagues to accept this rule so that we can move quickly to consider an extension of unemployment benefits that is expected to be identical to the one passed last evening. It will provide a temporary extended benefit to workers who have exhausted the 26-week benefit schedule which the law allows. This temporary extension of benefits would begin next month, run through June of next year, if enacted into law.

Second, it would provide unemployment benefits to our military members on the same basis as civilians, a significant step forward in my opinion.

Finally, these benefits would only be extended if and when the President designates this additional Federal spending as an emergency and, as such, it would not be subject to the restraints of the budget agreement of last year.

It is worth noting at this point that most economists now agree that our economy is pulling out of its mild recession and into a slight recovery. Second, as that recession began and as Republicans argued for progrowth changes in the law, we heard nothing from the other side, even for the need to declare an unemployment benefit emergency. Now, only on the eve of recess and on the nearing approaching election do we begin to hear the call to the attention of the press corps of an unemployment benefit emergency.

Further, it is worth noting that the President may not consider the current 6.8-percent unemployment rate to be an emergency, recognizing it is significantly three points lower than the Carter Presidency, when the former President did not consider it an emergency.

Unfortunately, some Members wanted to play politics with the lives of Americans who are currently out of work. More interested in trying to corner the President, rather than trying to create new job opportunities and a growing economy. Instead, those Members wanted to dictate to the President what his finding would be in regard to the emergency in this matter. By so doing, they were willing to welch on the budget agreement of last year between the Congress and the administration. They sought short-lived political points.

Mr. Speaker, the majority of the Congress clearly was not going to accept that earlier bill. That did not matter to some but, fortunately, it did not work.

The New York Times and the Washington Post editorialized against the assumptions in the earlier bill. The Times noted that the deficit is large enough and the Democrats should just enact a tax increase over the President's objection. Although it appears today that many are leery of enacting a tax increase before they head home, the Post was right when it said that the earlier bill deserved to be vetoed.

Finally, when the present bill is before us, the fact is, Mr. Speaker, Republicans have spelled out a far more constructive and more compassionate course. It is included in the Gramm-Gingrich economic growth package and in the Wallop-DeLay growth opportunity package. It would cut capital gains and foster investment, productivity and increased jobs. It would cut Federal spending wherever possible and reduce interest rates.

Thankfully, as a result of the meetings over the past 2 days, we will now be considering a far better bill than that which was considered earlier in the week.

It is important that the President have the discretion that we agreed to as part of last year's lengthy budget negotiations with the White House. Then with this behind us, hopefully we can return from the recess united in the desire to pursue ways to expand our economy, to get people back to work and not seek political points at their expense.

Mr. Speaker, that is the truly compassionate approach, the way to truly help unemployed Americans, the way to maintain the dignity of hard-working men and women who have the desire to work.

I hope that today's action will result in some of them getting at least a few weeks of additional benefits. However, my representation of the people of Ohio is focused on creating jobs. Ohioans want to work, just as others do, and I submit that all unemployed Americans wish that they could.

Now that we appear to be coming out of this recession, this body ought to exert its energies to undoing the damage that it has done in the last recent years.

Members will remember, Mr. Speaker, the individual retirement accounts that encouraged people to save, passed this House in 1981 by only one vote. The other side sought to undo it time after time, and they have successfully eliminated it for 85 percent of all Americans to have individual retirement accounts.

From 1981 to 1985, the cost of capital, the tax on capital in America was the lowest of the industrialized world. It is now 17th. As a result, we are not creating the jobs that we should be making.

It is estimated that $170,000 is necessary for the creation of one job, and unless we encourage that, we will continue to have unemployment.

The answer is not to deal with the result. The answer is to cure the cause. And the cause is because we have pursued in the last 36 months tax policies that destroy job creation in America.

Mr. Speaker, I reserve the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. MFUME].

Mr. Speaker, I rise in support of the extension on unemployment compensation benefits and in support of this rule.

Mr. BONIOR. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I do not mind if the gentleman from Ohio, who just spoke, says what he says. I just hope that he does not believe it. Because frankly, nobody else will who takes a serious look at the situation.

I hope that nobody will use today's temporary dip in the unemployment numbers as an excuse for not doing something on unemployment. The fact is that while the unemployment rate went down this morning, it went down because 400,000 people gave up looking for work and are no longer officially counted as being among the unemployed.

The fact is, 175,000 fewer Americans are working today than were working last month. Fewer people are working now than were working in June, and the people who are working are earning less and they are working shorter hours than they were just a month ago.

What is more, the Federal Reserve has indicated that they expect unemployment by the end of 1992 to still be at 6.5 percent. That means that there will be no significant recovery. That means that we are in a long-term economic trough. That means stagnation. That means that up to 10 million American families will experience unemployment by someone in their family over the next year and a half.

That may not be an emergency to the White House, but it is certainly an emergency to every working American who experiences that loss of unemployment. I deeply regret the fact that the President is given an option under this legislation. I do not think he ought to be given an option, but the fact is that if he is given an option, he has an obligation to sign the bill because it most certainly is going to be an emergency to those people.

Last. I would simply like to say that I do not find it surprising but I do find it guaint that we still have minority party Members of this House who suggest that the way to deal with the problem of unemployment is by giving the very wealthiest people in this society yet another tax break through capital gains. The fact is that the very wealthiest people in this society, the richest 2.5 million people in this society, have seen their income increased by 122 percent since the day Ronald Reagan walked into the White House in 1981.

The fact is that the average worker in the 90 percent of Americans not in that elite has experienced a reduction in income of about $800 over that same period of time. It seems to me that the proper remedies not to provide another trickle-down tax cut for the very wealthy in this society, but to provide direct employment opportunity and direct unemployment assistance to workers who need that assistance. That is what this bill does, not in as good a way as the original bill but it is certainly better than nothing.

□ 1150

I hope that the President can take his eyes off the golf course at Kennebunkport long enough to recognize the problems being faced by working Americans, and to provide the relief they have a right to expect.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Michigan.

Mr. BONIOR. Mr. Speaker, the gentleman from Wisconsin [Mr. OBEY] makes a very good point on the issue of capital gains that may friend, the gentleman from Ohio [Mr. McEWEN], raised as an answer to resolve this problem.

Here we have a situation in this country where the top 1 percent, 2.5 million Americans, have had their income increased 122 percent since Ronald Reagan took office. If they were paying the same tax rate today that they were paying in 1977, it would be an additional $42 billion—billion with a "b"—$42 billion extra in the Treasury. We would not have to be dealing with this insanity of calling this an emergency to take care of 10 million Americans who are out of work, who cannot deal with the needs of their families, cannot put food on the table, cannot take care of their education, and all the other things they are struggling with.

Mr. Speaker, this idea of a capital gains rescue for the unemployed is absurd, and that is the difference between what you stand for, and what we stand for.

Mr. McEWEN. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would observe that in 1981 this country was losing 50,000 jobs a week, America was in a decline, and the suggestion was that rather than taxing productivity, growth, and opportunity, we ought to encourage it. So we did.

From 1982 until 1990, America created two out of every three jobs created on this planet, an average of 310,000 jobs per month, for 84 consecutive months.

Now, as a result of the tax policies of 1986 and 1987, those incentives, many of them were removed. Those who loved the unemployed, those who loved the poor, those who loved the disenfranchised, can rejoice, because as a result of those changes, there was an increase in those numbers.

What they look to is the fact that more people are at work, creating more money, and being more successful, which is a great source of disappointment to many. I think that is the answer for America, and we should encourage it, rather than discourage it. We should encourage taxpayers, and not abuse them.

As a result of the taxes that the successful have paid in this country, revenues to the U.S. Government have increased at an average of 7 percent a year for the last 8 years. The only problem is the Democratic Congress of the United States, has increased spending at 9 percent a year.

Mr. Speaker, one need not be a rocket scientist to figure out when revenues are going up at 7 percent per year, and taxes are going up at 9 percent per year, you have the deficit of which they cry so loudly.

Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, the media can stop wondering when the Presidential campaign will begin and mark their calendars. Today's vote marks the beginning of Presidential politics in this Congress.

Even without a candidate I've never seen a more blatant display of politics masquerading as policy in my tenure here. The Democrats' position on unemployment benefits has little to do with the latest employment data and everything to do with the latest polling data.

As the recession ends and economic expansion begins, the Democrats suddenly discover an emergency. Let's face it folks, their real emergency with long-term unemployment is the long-term unemployment of their party's Presidential candidates.

Which brings us to some historical perspective on this debate, since the long-term unemployment of their Presidential candidates is partly due to the short-term employment of their one recent President.

When Jimmy Carter left office in 1981, the average duration of unemployment was 14.3 weeks, more than the average now, and it had risen by 3.9 weeks. And this was during a weak economic expansion.

During the recently ended recession, the average duration of unemployment climbed to 14.2 weeks, rising by 2.2 weeks. In other words, the best of times under Jimmy Carter were worse than what the Democrats say is now the worst of times under George Bush.

And in the face of all that unemployment, Jimmy Carter never signed an extension of benefits, let alone an emergency extension. In fact, the last three Presidents to extend unemployment benefits were Republicans.

I don't recall the Democrat Congress clamoring for Jimmy Carter to extend benefits when the duration of unemployment rose by nearly twice what it has in this recent recession, but this is an emergency now.

Surely this emergency has been building for months, hasn't it? Surely the Democrats who've accused the President of not acting have been working hard to remedy this emergency. Surely they've introduced bills and held hearings.

Surely not.

The air smells of grease from this bill's tracks. Top Democrats met 2 weeks ago and decided that the President's popularity was too high to field a credible challenger and they had to go on the attack. Last Wednesday night, this bill gets introduced in the Senate, marked up on Thursday, voted on Monday, comes over here for markup, goes to rules yesterday and makes it to the floor today.

Mario Andretti could not drive a bill faster.

And my amendment to repeal a so-called luxury tax that's been destroying thousands of jobs all year is barred from the floor by the very same Democrats pushing this bill. I now understand their economic policy for middle America:

Democrats throw you out of work now and expect you to thank them later—when they extend your unemployment benefits.

This issue illustrates the underlying conflict of visions beween Democrats and Republicans. We want a progrowth economic policy that allows jobs to flourish in an economy free from burdensome regulations and withering taxes. They want to be the arbiters of fairness, taxing jobs out of existence then preying on the unemployed they've created for votes.

It's brilliant. The Democrats are creating in politics what's known in economics as a vertical monopoly. Like the furniture dealer who owns the trees and the finishing factory and the furniture store, the Democrats are producing the policies that produce the unemployment that produces the fairness issue they hope will produce them votes on election day.

Let's look at how we're going to pay for this $6 billion emergency bill. Calling it an emergency lets them bust the budget today, but eventually we'll have to pay for this massive increase in spending. The answer is likely to be in the form of increased Federal unemployment taxes.

Again, we're told this would be fair to working Americans. But the fact is we're talking about a tax on jobs, and just like when they tax boats there's less demand for boats, when they tax jobs there will be less demand for jobs.

And so, Mr. Speaker, we come full circle. Next year these same political monopolists will be back on this floor before the election, hoping to sell their supply of fairness rhetoric to a market of unemployed workers they've created.

Mr. BONIOR. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I have been privileged to serve as the acting chairperson of the Committee on Ways and Means' Subcommittee on Human Resources for the last 4 years. I have tried for the last 3 years to change the unemployment compensation system that our country currently lives with.

Mr. Speaker, let me digress and make a personal note, if I might. Given the responsibility of dealing with the unemployed, part of the job description is that you spend a lot of time talking to people who are unemployed and a lot of people who deal with the unemployed.

Mr. Speaker, the enduring feeling that I have when I meet with people who are unemployed is one of real anxiety. When you spend time with somebody who is unemployed, you can see their stomach knot up. You can sense the desperation in their voice about the future.

□ 1200

And the other thing you know about the unemployed is that they hate the idea of being unemployed. When you ask somebody what their name is, that is the first question you ask them. Normally the next thing you say is, "What do you do?" Well, robbed of a portion of your identity is a devastating thing to happen to a person, and I think the most important thing for us to understand, whether we are Democrats or Republicans, is that the people who are unemployed are ready to work, are willing to work, and are desperately anxious to get to work.

We should do whatever we can to try to put them there, but if they cannot find jobs, and millions of them cannot find jobs, it is our responsibility, the responsibility of Government, to tide them over in an emergency. That is what unemployment benefits are about.

They were designed in 1935 in the middle of a depression as a countercyclical tool to prevent future depressions. It worked fine for 28 years. It has not worked so fine the last couple of years.

Extended benefits programs simply do not work anymore. Fewer than half the people who are unemployed are eligible for the first 26 weeks of unemployment benefits. That is because a lot of the States have been a lot tougher on who becomes eligible. The triggering mechanism that says if you have gotten the 26 weeks and you are in a tough condition and you want the additional weeks, requires that there be 5 percent of the workforce being insured and unemployed.

Right now, there are only three States in the Union that meet this category. The mechanism for paying unemployment benefits has to change.

In the mid-1970's, for example, we paid 65 weeks of unemployment insurance, and let me say to my Republican friends that I would much rather see people work. So would they. That is not what we are talking about.

We are talking about a safety net that is deeply frayed and needs repair. That is what part of this bill does.

So rather than have an exercise of blaming Jimmy Carter, of saying that we have to somehow lower the tax rates on the rich or blame the unemployed for the consequences of their plight, let us talk policy about what we can do for them.

What we can do for them is extend benefits the way this bill before you will do.

Everyone in the country who is currently eligible for benefits will get 4 weeks, even if unemployment is under 6 percent; 7 weeks if it is 6; 13 weeks if it is 7; and 20 weeks of extended benefit if it is 8 percent or more.

I do not like the mechanism. I do not like the fact that we are not paying for it, but I think it is fair for those of us who are Democrats to say a couple of partisan things, with all due respect.

One, when you have the Office of Management and Budget Director saying publicly that extended benefits will only encourage unemployment, I think we have to speak out. When you have a mechanism that will allow the President to sign the bill but conceivably not extend the benefits, it is fair for us to say, "Mr. President, we are deeply proud of your foreign achievements." I have waited for a long time to see a START agreement signed. I am tremendously satisfied that he accomplished that. But I am just as concerned that this President does not see the problem in front of his eyes of unemployed workers. They are in desperate trouble, and they need our help, and that is what this bill does.

Mr. McEWEN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, you know, before I joined this body 6 months ago, I took a look at why I thought that this country was going to hell.

I have heard the liberal left wing of the Democratic party cry about people that are unemployed, but yet they continue to attack businesses and attack policies which would create jobs. They have voted to cut defense by 25 percent, and in the recent base closures, we have seen thousands of jobs lost, luckily not in my district. We have seen defense plants cut. We have seen across-the-board cuts at Rohr, General Dynamics, McDonnell Douglas and many more.

What does that mean? That means that in the cities that support those employees, whether you sell real estate or sell insurance, people there are also being laid off. They, who once paid into the income tax system, are drawing unemployment and account for the current 7-percent unemployment rate. That sickens me.

Rather than pay unemployment, encourage business to create jobs, some pay people to work.

Democrats insisted in June last year, that any budget deal include a tax increase, which just killed business. The 5-cent-a-gallon tax that they are trying to push through right now on a transportation bill—that you did not allow us to have a rule on orginally—would have been disastrous for the trucking and transportation industries not to mention lower- and middle-income families. It would have cost thousands of jobs. You know, this really sickens me.

This legislation is like having your cake and eating it too.

It is like the 186 that voted and turned their backs on our troops in Desert Storm, and then wanted to give them a silver medal. Now they support policies which cause unemployment, and cap it off by saying, "We want to pay you."

Another example is the so-called luxury tax. It has cost thousands of jobs. If we repeal the tax, maybe we'll get those jobs back.

My distinguished colleague from Michigan was crying about all the money that goes overseas for foreign aid. Well, he voted for the foreign aid bill along with the other Members on the other side of the aisle here. Let us be consistent.

Paul Tsongas, a Democrat that is trying to run for President, called this bill Twinkie economics. It sounds good but does little.

How do we cut unemployment and put people back to work?

Let us quit attacking the defense industry and try and convert it to civilian work. Let us repeal luxury taxes. Let us quit raising taxes and taking money from the American people.

Let us give the President a line-item veto.

I agree with my friend, the gentleman from New York [Mr. DOWNEY], no one wants to be unemployed. This bill does not create jobs for the unemployed. This is a signature, and a loud political cry, and I am sound against it.

Mr. BONIOR. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia [Mr. WISE].

(Mr. WISE asked and was given permission to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, I rise in support of this rule today to provide temporary extended benefits to thousands, indeed, millions of Americans—working families—who are temporarily out of work and searching for work again.

I rise in support of this because of the 5,000 West Virginians who were cut off July 13 because of when the formula triggered them off, and they ought to be back on.

I rise because this is an important bill for working Americans—working middle-income Americans—to help them be working middle-income Americans, and not do what we have seen during the last decade, sliding from middle- to low-income status.

Now, let us talk about what the real issue is. The issue is whether the President signs this bill, No. 1, and in signing it, then, whether 10 days later he declares it a financial emergency, so as to trigger the benefits.

And the question is: Is it an emergency? Is it the same kind of emergency, for instance, that was declared in order for Bangladesh families who lost their homes to get assistance? And I supported that. But if it is an emergency for Bangladesh families who lost their homes, then it is an emergency for working American families who are going to lose their homes, because they cannot make mortgage payments. If it is an emergency for Kurds who are stuck on the hillsides and had to leave their towns and villages, then it is an emergency for working families who have to make a tuition check out this fall to keep their kids in college. If it is an emergency and taken off the budget for the savings and loan depositors to be reimbursed, then it is an emergency for working American families who have been making tax deposits for many years. They are entitled to the same treatment.

Mr. Speaker, that is the kind of emergency it is.

I hope many of the families in America during this August break will take time to write to President Bush in Kennebunkport, ME. I think you can just write to him: President George Bush, Kennebunkport, ME. I think it is going to get there all right if you just put that on it.

I urge you to invest in a postage stamp and to write and say, "We think that working Americans should be treated the same under the budget as Kurds, as foreign flood victims, as savings and loan depositors."

Mr. DOWNEY. Mr. Speaker, will the gentleman yield?

Mr. WISE. I am happy to yield to the gentleman from New York.

Mr. DOWNEY. Mr. Speaker, I just want to correct the RECORD. The President has his 10 constitutional days to wait to sign it, but he must declare the emergency the day he signs the bill. He only has 24 hours, not an additional 10 days, so if they want to get their cards and letters out, it is in that first 10-day period.

Mr. WISE. I appreciate the clarification. So I hope Americans during the next 2 weeks will write the President at Kennebunkport, ME. My understanding is that he will be there—and say that you think working Americans should be treated the same as foreign flood victims who are homeless, our working Americans may be homeless, which is the same as the Kurds who needed assistance, and I have supported that, but so do Americans need assistance.

As those who are receiving saving and loan deposit assistance, so should working American people who made tax deposits.

□ 1210

I urge all Members to make sure the President understands there is an emergency at home as well as abroad. We ought to be treated the same. Show we are interested in working Americans in this country who need assistance, and who have been paying taxes for a long time.

Citizens can write to President Bush in Kennebunkport, I think he will get any mail sent there.

Mr. MCEWEN. Mr. Speaker, I yield 4½ minutes to the gentleman from Texas [Mr. DELAY.]

Mr. DELAY. Mr. Speaker, I think those persons that reject these kinds of failed economic policies ought to write the President and tell him that they reject such notions as creating new programs to put people out of jobs.

I rise in opposition to this rule for H.R. 3201 to extend unemployment benefits. This closed rule does not allow Congress to address the problems facing our economy. This is simply another example of the inability of the Democrats to seriously confront the recession they have caused with their ever-increasing tax-and-spend policies.

The Democrats passed a budget agreement last year that is costing millions of jobs in this country, and then come back and want to create an extended program, raising spending, to pay for the unemployment that they created. It is absolute craziness.

The Federal Government is going to be spending over 25 percent of our gross national product, and we have a tax policy now that—for the first time in the history of this country—we will be taxing the American people over 20 percent of GNP every consecutive year from now on, over 20 percent of GNP. The last two times in the last 20 years that we have reached 19 percent of GNP in taxes, we went into deep recessions. This recession is caused by these kinds of Democratic policies.

I am glad the gentleman from California brought up the Democrats only Presidential candidate, Paul Tsongas, who stated the problem very clearly when he said the Democratic Party has no economic policy worthy of them, and it is going into 1992 in a populist, class warfare, protectionist kind of mode which does not add one job to the American economy.

I call that Twinkie economics. Twinkies taste great, but have no nutritional value. At least the Democratic Presidential nominee is understanding what is happening in the real world, and does not pay attention to what is happening in the unreal world on the floor of this House.

Mr. Speaker, this rule allows Members to only vote on extending these benefits, but it does not allow the Congress the opportunity to fix a broken economy. This is merely an extension of those Twinkie economics that the Democrats practice. Extending benefits simply attempts to put a little frosting on the problem. I believe that if we put frosting on a Twinkie, we get a Ding-Dong. It tastes a little sweeter, but it still has no nutritional value.

The Democrats passed the luxury tax which has caused thousands of Americans to become unemployed. These unemployed workers do not want another handout from the Democrats. They want a helping hand. They want jobs. We have the ability in Congress to put Americans back to work. We can start repealing that luxury tax today.

I say to the gentleman, the distinguished whip, history has shown when we raise taxes on middle income and up, we cost jobs, because revenues go down; Government policies and spending policies are initiated by Government to take care of it. History shows it. History shows it. Read your history. I think Congress should take additional steps when it returns in September to provide the incentives in the economy which would lead to strong economic growth.

This would be done with passage of bipartisan legislation I introduced with the gentleman from South Carolina [Mr. TALLON], H.R. 960, the Economic Growth and Job Creation Act. Cutting taxes leads to economic growth and creates jobs. Growth will increase total revenues to the Government because more workers are employed and paying taxes, and fewer are unemployed, drawing these extended benefits.

Oppose the rule and reject the Twinkie economics. Demand a rule which allows a vote on policies with real nutritional value.

Mr. BONIOR. Mr. Speaker, I yield such time as he may consume to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I rise in support of this legislation to extend unemployment insurance benefits to the millions of America's workers who have exhausted their benefits.

Let me tell you why this bill is so vital to workers in Montana:

From 1985 to 1990, the average annual unemployment rate in Montana consistently exceeded the national annual average by at least one-half of 1 percent.

In the last 10 years—1981–90—the number of Montanans covered by unemployment insurance grew only by 12 percent while nationally the number of people covered grew by 47 percent, a whopping differential.

The number of weeks that Montanans on UI received benefits dropped by one-third during the last 10 years—this is due to the sporadic nature of employment available with Montanans moving in and out of the labor force, thus not accruing a sufficient number of weeks to be eligible for benefits and change in laws relating to coverage.

Montanans were only eligible for an average potential of 18 weeks of unemployment benefits versus a national average of 24 weeks; a full 25 percent less than the national average; in fact, Montana workers had the lowest potential average number of weeks that they could receive unemployment benefits of any State.

The number of Montanans who exhausted unemployment benefits exceeded the national average by 10 percent in December 1990; in June 1990, it was 14 percent; in December 1989, it was 18.6 percent; in December 1985, it was 29 percent; and in December 1981, it was 22 percent.

In 1989, the average wage increase for Montanans was only 1.6 percent; the average wage increase during the last 5 years—1985–89—for Montanans was 2 percent.

In December 1990, the 7,400 Montanans who had exhausted UI benefits was up by 300 from June 1990.

In March 1991, 35,700 Montanans were unemployed, which was 5,500 more than in February 1991, and 12,700 more than in March 1990.

Mr. BONIOR. Mr. Speaker, I yield 3½ minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I rise in support of H.R. 3040, legislation that would extend unemployment insurance benefits.

Nearly 9 million Americans are unemployed and 1.6 million have exhausted their unemployment compensation benefits. The protracted recession has showered our Nation with unemployment rates in excess of 7 percent, families are struggling to put food on the table and pay the rent, and an increase in criminal activities is occurring daily in our towns and cities.

If anyone has doubts as to whether or not the unemployed men and women of this country need extended benefits, I ask you to take note of the humility and suffering workers and their families are enduring as they exhaust their 26 weeks of unemployment compensation, which is modest in contrast to world standard. Yugoslavia and Hungary's unemployment standards far exceed those for American workers.

Talk to any family that has exhausted their 26 weeks of benefits and they will ask: How will I pay the rent? How will I make the car payment? How will I clothe the children?

Imagine the frustration and despair that the working fathers and mothers endure when they cannot provide food or shelter for their children, or must choose between medicine or other bare necessities. Mr. Speaker, it seems that many of us think that human suffering cannot exist on American soil.

To add insult to injury, Police Superintendent LeRoy Martin of the Chicago Police Department has indicated that unemployment can be cited as one of the major causes impacting on the increase of crime, particularly with robberies and street violence. People need help. How can we as a nation turn our backs on people that become so desperate that they turn to crime. This is an emergency and we cannot afford to continue to ignore this crisis.

The human suffering that this recession has yielded can be clearly compared with the suffering of the Kurds, Israelis, and the Turks for whom the President sought emergency legislation to provide financial assistance. On the other hand, the cry of the unemployed working men and women of this country has fallen on deaf ears. The administration says that, "it would be counterproductive to breach the budget agreement to provide additional unemployment benefits." Does President Bush really mean that the Kurds, Israelis, and the Turks are more important than hard working Americans and their families? His focus on the needs abroad certainly suggests that circumstance.

It seems to me that the further away you reside from the White House the better your chances of receiving basic survival assistance. I find it very difficult to explain this disregard for domestic concerns to my constituents.

Some Members of this body would rather push the issue of extended benefits aside. They seemingly fail to realize that there is an emergency going on in my own city of Chicago, as well as nationwide. I would suggest that there is a clear alternative to extending these benefits—provide jobs for this Nation. There is a great need for this Government to provide a serious jobs program, jobs that will build the infrastructure of this country, jobs that would return dignity to our constituents. Common sense should tell us that the best and most long-lasting way to decrease the deficit is to put people back to work—to, in fact, increase our revenue by increasing the pool of taxpayers.

Today, I urge my colleagues to support H.R. 3040 so that we can send a message, although somewhat belated, that an emergency in American cities and localities is just as important as an emergency thousands of miles around the globe.

□ 1220

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, the people who have exhausted their benefits may be nameless to us, 1½ million this last period in that category. Members can get up on the floor and say this is frosting on the cake. If I might say so, that is callous. These are human beings. They have been working. They are out of work.

We have a law. It is supposed to trigger unemployment benefit insurance, but it is a farce. It is our farce. Those who are unemployed should become our employed.

We have tried year after year to change the trigger. When times are good, they say, "Don't bother." When times are bad, they say, "We don't have the money."

So we have done nothing, and that is on your hands over there on that side of the aisle.

If you have any doubt about who those people are, go to an unemployment office like I have. You do it next week and let the President do it next week, and he is not going to find loafers. He is going to find workers who only ask for a job or a safety net.

I read an article in the Detroit News a few days ago. A welder who worked all his life with his hands, a week away from going off unemployment compensation. He has been everywhere. He has looked in the yellow pages. He has called 70 places and always the answer is the same, "We already have people laid off."

This is not frosting on the cake, my colleagues. This is our basic duty to answer the needs of people who want to work for a living and give them some minimum benefit so they can live with dignity, and if you do not act, that is your indignity.

Mr. Speaker, let us get busy on this at long last.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Speaker, I want to thank my friend from Michigan for yielding me this time. I do rise in support of the rule and of the bill.

Every now and then playwrights break the tension, and this is a tense day and a tense issue, but let me try to break the tension by saying this is the last day we will be in session until September, so, I want to take this moment to wish all my colleagues a very healthy, happy and productive district work period, and look forward to seeing everybody back here in September safe and sound.

Having said that, Mr. Speaker, I rise in support of the bill because I think it is needed. I think we have problems in America, emergency problems, and I hope that the President not only signs the bill, but then declares the emergency that will implement the money part of it.

I gather from studying the report of the bill that unemployed workers in Kentucky and the city of Louisville, the area of Jefferson County which I represent, will be entitled to 13 additional weeks of unemployment benefits under the various guidelines written into the bill. I think this is appropriate, because we have had a tough economic hit.

I would like, however, to devote a few moments to something in the bill which is not much discussed and is yet very important. That has to do with the permanent changes in the law that this bill would make, dealing with the ability of reservists who become unemployed and of military people, ex-service people, who become unemployed to become eligible for unemployment assistance.

If I understand correctly, under current law an ex-service person has to wait 4 weeks before he or she is entitled to 13 weeks of unemployment. Under this bill, a permanent change is made to match the civilian unemployed population: 1 week of waiting for 26 weeks of benefits. Reservists would only have to be on duty for 90 consecutive days instead of 180 days in order to warrant their unemployment benefits.

We have said from the start since last August that we would not as a nation "do another Vietnam" with regard to the men and women of Desert Storm. We pledged not to forget them. Adopting this bill is one way, Mr. Speaker, that we would honor the word that we pledged to America's reservists and America's service people.

Mr. BONIOR. Mr. Speaker, I yield 2 minutes and 15 seconds to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, I rise in support of H.R. 3021.

There has been some interesting debate here today; however, much of the opposition in this debate has nothing to do with the legislation before us.

These are bad times in America. We are still in a recession and our citizens are out of work. They are hurting. These are good, decent human beings, who would love to have a job, who are unable to work. This bill would allow all States to be eligible to provide emergency unemployment compensation benefits to the unemployed workers who have exhausted their unemployment benefits under existing programs. These benefits would be available between September 1, 1991, and July 4, 1992.

Also in this provision, we would make a permanent change to provide unemployment benefits for ex-service members on the same basis as benefits are provided to unemployed civilians. Unemployed veterans of Operation Desert Storm and other ex-service members would have a waiting period of no more than 1 week and would be eligible for a full 6 weeks of regular benefits, versus a 4-week wait and only 13 weeks of regular benefits under current law.

In addition, Reserve members who have been called to active duty would receive benefits after serving a continuous period of 90 days, instead of having to meet the current 180-day requirement. That is all it does.

This is unemployment benefits for civilians and ex-service members. You are either for them or you are against them. The President is either going to provide a little help for citizens who are hurting or he is not. That is all it is about.

We can debate the other things a little bit later, but today this is about unemployment benefits for those who need it desperately in our country.

Mr. BONIOR. Mr. Speaker, I yield 2½ minutes to the gentleman from Ohio [Mr. APPLEGATE].

Mr. MCEWEN. Mr. Speaker, I yield an additional 30 seconds to the gentleman from Ohio.

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from Ohio [Mr. APPLEGATE] is recognized for 3 minutes.

Mr. APPLEGATE. Mr. Speaker, I thank both gentleman very much for yielding this time to me.

Mr. Speaker, I am not going to support this rule, but I am going to vote for the bill because it is the only game that we have in town now. As inequitable as I think it is, at least it is something, and that is only if the President of the United States decides to declare it an emergency.

Now, let me tell you why I will ask you not to vote for the rule, because it is a simple thing. I would like to have put in at least an amendment that would have exempted supplemental payments from income tax. I am not talking about all benefits. I am just talking about the supplemental. They are not getting them now. There is no tax on them now, like they are taxing regular benefits, so there is no loss of revenue. The moneys in the first place would not go into the trust fund. They would go into the Federal coffers.

Now it seems to me there will be no effect on the budget and it seems to me that this is very equitable. As minimal as the number of weeks are and the amount of money they will get, this will be just a little extra money in their pockets. I just hate to see the Government putting a few bucks in one pocket and then the IRS coming around the other side and taking it out of the other one.

Now, the inequitable part of this is that it takes the previous 6 months of an entire State to be able to determine what each and every individual county or region in the State gets. They do not take into consideration the high unemployment in any one county.

If you go into the district of the gentleman from Ohio [Mr. MCEWEN] and my district and the district of the gentleman from Ohio [Mr. TRAFICANT] and the district of the gentleman from Ohio [Mr. MILLER], you find very high unemployment, but because of the fact that Ohio has a lower unemployment rate in other areas, we are going to lose out, so that counties or States across the Ohio River in Kentucky and West Virginia are going to be getting 20 weeks and 13 weeks. Our little river counties in Ohio are only going to get 7 weeks. I think that is very inequitable. My people are hurting.

☐ 1230

Let me just say this, that my people are hurting, my people are out of work. CHARLIE HAYES was talking about being on unemployment compensation at one time. Nobody knows what the traumatic effect is that it has on you or the effect that it has on your family to be out of work. Nobody wants to be out of work. They want to be able to have enough income so they can house, clothe and feed their families. That is all they are asking for.

This is a little bit of extra money. Now it is not of their making. It is because of Government bad trade policy, Government economic policy that has gone awry, through a host of business bankruptcies, and now we have the Clean Air Act, which in Ohio is going to cost us thousands of more jobs. We are going to have people out of work. They are going to be coming back eventually and looking for some supplemental benefits.

They want to have a quality of life just like anybody else. We have supported the rest of the Nation for a good many years; now I think the rest of the Nation at least ought to look back and take care of those of us who helped the rest of the country.

The SPEAKER pro tempore (Mr. MCNULTY). The Chair would announce that the gentleman from Ohio [Mr. MCEWEN] has 9½ minutes remaining, and the gentleman from Michigan [Mr. BONIOR] has 1¼ minutes remaining. The gentleman from Michigan [Mr. BONIOR] has the right to close.

Mr. MCEWEN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. I thank the gentleman for yielding me this time.

Let me just rise in support of this rule. I do not normally stand here and support closed rules. But I do want to pay tribute to my counterpart, the chairman of the Committee on Rules, the gentleman from Massachusetts [Mr. MOAKLEY], as well as to the Speaker of the House. In a bipartisan effort we did try to craft a rule that was acceptable to both sides of the aisle so that we could get this bill out on the floor and get it to the President.

I want to commend an earlier speaking on the floor here today, the gentleman from Illinois [Mr. HAYES], because he got up and he said we should not be political about this, that we should be humane, that we should talk about the issues, and he did.

Mr. Speaker, I commend the gentleman from Illinois for his statement. I know he was sincere and that it came from his heart.

But then we had a speaker stand up, I think it was the gentleman from Michigan [Mr. LEVIN], who talked about Members on his side of the aisle having tried and tried and tried and tried again to make improvements in the unemployment insurance law as it stands, but they were blocked by this side of the aisle, the minority side.

Well, Mr. Speaker, let's look at the makeup of the Committee on Ways and Means and every committee of this House. They are all controlled by the Democratic Party, by a nearly 2 to 1 majority. I think, in the Committee on Ways and Means, it is 23 to 13, Democrats over Republicans. In the Committee on Rules, on which I serve, we Republicans are outnumbered 9 to 4. In the House of Representatives as a whole, the Democratic Party, with one Socialist included, has 268 votes to our 166.

So, let us not talk about being partisan here and that majority members have tried and tried and tried to get something done. Let us try together to do what is right for the American people. That is why I am standing up here right now supporting this rule and asking every Republican to vote for it. I am also asking you to vote for the bill when it comes to the floor in about an hour.

Mr. MCEWEN. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. SMITH].

Mr. SMITH of Oregon. Mr. Speaker and colleagues, I recognize that I am an unlikely supporter of this legislation now standing in the well. I am a conservative, and I am a harsh critic of Federal spending. I am absolutely convinced that we cannot subsidize this country into prosperity. And I recognize as well that much of the debate today about the rule and about the bill is politically motivated. But the fact remains, Mr. Speaker, 100,000 people are out of work in Oregon, and that number is growing. Estimates are that between 60,000 and 100,000 additional people in Oregon and Washington could be thrown out of work to protect the northern spotted owl, the marbled murrelet, the goss hawk, the stubnosed sucker, the sockeye salmon, and you name it, anything wiggly and crawly known to mankind, and we will protect it.

Seventy-two communities in Oregon are wholly dependent upon the timber industry, dependent upon it for their survival. Not only will vast amounts of people be unemployed but communities are going to become extinct in my State. Congress has enacted all these environmental laws which place wildlife ahead of people.

Well, it is time to pay. We have provided this protection for everything except the Homo sapiens, people.

Well, that is not without great cost, and it is due today. If this legislation has a problem with pay as you go, then I propose that Congress enact the opposite principle. I suggest this body ought to say we ought to call it "as you go you must pay." If you injure people, you must pay for it as you go on.

Congress has ignored its responsibility to pay for the actions it has taken over the years, passing the Endangered Species Act, the Migratory Bird Treaty Act, the National Forest Management Act, and all the other laws that are hastening a crippling depression in the Pacific Northwest. It is unfair, and it ought to stop.

We are staring down the barrel of the worst economic crisis we have ever faced in our history in the Northwest. Talk about compassion and understanding all you want, Congress has ignored our pleas. This is a Band-Aid, this is a crumb; it only does very little. We need a tourniquet to stop the bleeding in the Northwest. It is small solace, but at least we ought to do something. We ought to get on with the progress in the business of correcting unemployment in the Northwest, and that is simply because of laws passed by this body.

I urge my colleagues to throw my fellow men and women in Oregon a crumb; vote for this bill.

Mr. BONIOR. Mr. Speaker, I yield the balance of our time to the gentleman from Michigan [Mr. WOLPE].

Mr. MCEWEN. Mr. Speaker, I yield one additional minute to the gentleman from Michigan [Mr. WOLPE].

The SPEAKER pro tempore. The gentleman from Michigan [Mr. WOLPE] is recognized for 2¼ minutes.

Mr. WOLPE. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in the strongest possible support of this rule, and this critically needed legislation to assist American workers. H.R. 3201 would provide up to 20 weeks of additional benefits to workers whose regular State benefits have run out, depending on the State's total unemployment rate, from September 1 of this year until July 4, 1992. The bill would also provide 4 weeks of benefits to workers in all States who have exhausted all of their benefits during the same time period.

Mr. Speaker, let us be clear. We have a crisis here at home. My home State of Michigan has been plagued with high unemployment for many, many months. But persistent unemployment is not restricted to Michigan. This is a national crisis, and we need a national response.

It is amazing that this administration should resist the declaration of an emergency. What an extraordinary comment on the administration's insensitivity to the hardships of millions of working people throughout our Nation.

Why is it that we can find the means to assist those in need all over the world, most recently in Kuwait and the Persian Gulf, and yet we cannot recognize the urgent needs of our own people, in our own communities, in our own States, in our own country?

Mr. Speaker, it's about time we start paying attention to America. It is about time we are honest with ourselves and our constituents in acknowledging the gravity of our economic crisis, whose symptoms are all around us. Many parts of our Nation are still in the grip of a deep recession. Millions of Americans are unemployed, and even those who still have jobs have seen their standard of living erode dramatically over the past decade. The gap between the rich and poor is wider today than it has been since the years of the Great Depression, and the middle class is being squeezed as never before.

Mr. Speaker, it is time for some straight talk, and some straight answers. It is time for us to deal with the American emergency. I urge passage of this critically needed legislation.

Mr. MCEWEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BONIOR. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. (Mr. MCNULTY). Pursuant to House Resolution 210 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3201.

□ 1240

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3201) to provide emergency unemployment compensation, and for other purposes, with Mr. BONIOR in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

The CHAIRMAN. Under the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes, and the gentleman from Texas [Mr. ARCHER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

□ 1240

Mr. ROSTENKOWSKI. Mr. Chairman, I rise today in support of H.R. 3201, the Emergency Unemployment Compensation Act of 1991.

The committee bill establishes a temporary program which provides extended benefits to long-term unemployed workers; establishes the same benefits for ex-military personnel as civilian personnel; and establishes an unemployment compensation advisory council.

The primary feature of the bill is a restoration of extended benefits to long-term unemployed workers by providing emergency unemployment compensation benefits. In addition to the normal 26 weeks of benefits provided by the regular State programs, the bill would make available at least 4, and up to 20, additional weeks of benefits, depending on the unemployment rate in each State. In addition, the bill would reach back to provide benefits to unemployed workers who have exhausted their basic benefits since April of the year.

Current statistics support the need for extended benefits. Although there has been speculation that the recession is nearing or has reached an end, the need for an extension of unemployment benefits will increase in the months ahead. Like past recessions, the rate at which workers are running out of benefits has risen from about 28 to 33 percent, while the number of workers exhausting benefits each month has climbed from about 200,000 last July to about 300,000 today. Put more simply, already over 1 million more workers have run out of benefits this year compared to last year, and the total could reach 3.5 million next year.

Some critics have argued that the recent unemployment rates suggest little need for an extension. However, the Joint Economic Committee has found that the rate of job loss in this recession has been more severe than the average rate of job loss in the last five recessions. It is time for Congress to provide relief for the casualties of this recession.

The committee bill also restores unemployment benefits for ex-military personnel to the same benefits received by civilians. As a result, ex-servicemembers' benefits will increase from 13 to 26 weeks. In addition, the number of continuous days a reservist must serve on active duty to qualify for unemployment benefits is reduced from 180 to 90 days.

Mr. Chairman, the additional benefits provided in this bill are essential in securing the financial well-being of millions of American workers who have lost their jobs. The recession has been tough on these families. They deserve our help. Over 3 million workers would receive benefits with the emergency declaration. About 20 percent of those workers qualify because of the reach back period; the remainder are workers who are expected to exhaust their benefits after the date of enactment.

My colleagues know I am a strong supporter of the pay-as-you-go requirements enacted in last year's budget agreement. I am very disappointed that the bill is not adequately financed. I would have preferred to give the President the choice to allow the taxes necessary to finance the benefits to go into effect, as Tom Downey and I proposed in the introduced bill, or to designate the benefits as an emergency and to forego the taxes. I am very disappointed that the committee did not agree with this approach.

By my count, we have on four occasions this year declared an emergency and bypassed the pay-go requirements of the Budget Enforcement Act. In each of these instances, we did it at the President's request. Given this pattern of Presidentially initiated emergencies, I can understand why a majority of my colleagues believe this bill should also qualify for an emergency designation. Many Members are frustrated with the apparent willingness to declare emergencies to help citizens of foreign countries, while ignoring equally compelling emergencies at home.

However, I want to emphasize to my colleagues that I view this bill as an exception. I will continue to insist on pay-as-you-go financing for future legislation which increases spending or which reduces revenue.

I also want to express my irritation that the Senate Rules constantly are used to frustrate the work of my committee and the House. The inflexibility of the other body's rules destroys our negotiating ability and ultimately the quality of our legislative product.

Mr. Chairman, we can no longer delay providing relief to the millions of unemployed workers in this country. They have waited long enough for this Congress to take action and we cannot let them down. I urge my colleagues to join me in support of this important bill.

Mr. ARCHER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there is simply no good justification for establishing these new, and unfinanced, benefits at this time, and several good reasons why we should not.

Extending the potential duration of UI benefits would help some unemployed workers and their families, but could also be costly. The budgetary costs would be significant if large numbers of workers were assisted. Moreover, the extension of benefits itself would encourage some UI recipients to remain unemployed longer, resulting in lost output and further increases in program costs. The wide variation found in this study in the economic well-being of persons who would probably be affected by an extension of UI benefits reinforces the difficulty of making the policy choices.

This bill would commit over $5 billion to temporarily expand unemployment compensation benefits and declare such benefits to be emergency spending that would not be subject to pay-as-you-go restrictions.

The majority's justification for this legislation is that the Nation is afflicted by an unemployment level that compels us to take emergency action to give special benefits to workers who have exhausted their 26 weeks of regular benefits.

The last time Congress enacted an emergency expansion like this was in September 1982. In that month, unemployment stood at 10.1 percent, and had exceeded 7 percent for the previous 31 months.

By contrast, the unemployment rate dropped today to 6.8 percent. The average level of unemployment in the preceding 31 months has been 5.8 percent. If we have an emergency now, what did we have in 1982?

The majority also believes we need this legislation because they claim the current system of unemployment insurance is ineffective. This year unemployment compensation will pay $24.3 billion worth of benefits to 10.7 million workers, up from $16.8 billion that was paid to 8.1 million workers last year. The system works: unemployment increased by 20 percent this year, and as a result, the number of beneficiaries increased by 30 percent, and total payments increased by over 40 percent.

Not only are the majority's two major reasons for enacting this legislation weak, there are good reasons for actively opposing this bill. Although it does not raise taxes, it will nonetheless require increased taxes in the future. The emergency procedures allow us to pretend money is not being spent, but every dollar still shows up in the deficit.

The bill will come due one day.

Equally important is the majority's plan to spend down the Federal unemployment trust fund. For the past 3 years this same majority has asked the Ways and Means Committee to report legislation requiring States to increase the balances in their trust accounts.

Does it make sense to argue that State trust funds should be increased while simultaneously urging Congress to deplete Federal trust funds?

Our economy is improving, and appears to be pulling out of the recession. But, what if things suddenly turn bad? What if someday we must again face double-digit national unemployment rates. Will the trust funds be there to protect workers? Not if we enact this legislation. We will then have to raise taxes, and by so doing produce exactly the effect we are trying to fight.

Mr. Chairman, this legislation is not good for America. Its justifications for emergency spending are weak, and it could seriously damage the unemployment trust funds and our attempts to reduce the Federal deficit.

Mr. Chairman, there is widespread agreement in the Nation that the most important issues before Congress has been and continues to be the Federal budget deficit. The most recent in a long line of attempts to reduce the deficit is last year's Budget Enforcement Act, enacted after one of the most bitter and divisive legislative struggles in recent history.

The fundamental problem addressed by the Budget Act, as well as by the earlier Gramm-Rudman-Hollings law, is how to control Federal spending. After four decades of unrelenting growth in Federal spending and taxes, most Members of Congress came to realize that the desire to spend would always exceed the political ability to tax. From this realization, it was a short step to concluding that Congress, lacking discipline and will, had to figure out some device by which it could automatically control its urge to spend.

Under Gramm-Rudman-Hollings that device was sequestration. Though the Budget Act retained sequestration as one of its control devices, the major new devices for controlling the deficit were spending caps for military, domestic discretionary, and foreign discretionary programs and the so-called pay-go requirement that any expansion of entitlement programs must be completely paid for by tax increases or cuts in other entitlement programs.

As it now turns out, the Budget Act's attempt to put Congress on automatic pilot contained a potential seed of self-destruction. Reasoning that war, pestilence, depression, and similar calamities might require spending above the forecasted amounts, Congress inserted a provision that if the President and Congress agreed that an emergency was at hand, new money could be spent without counting it against the caps or the pay-go requirement.

But what is an emergency? The majority is arguing that the President and Congress have declared a host of emergencies already. Reference is then made to all manner of disasters all over the world. In fact, however, Congress and the administration have used the emergency clause of the Budget Act to exempt a total of only $1 billion from Budget Act provisions. This money has been used for three purposes:

First, $236 million for disaster assistance to Kurds and others affected by Desert Storm;

Second, $59 million to protect and evacuate Americans from the Persian Gulf region; and

Third, $850 million for Israel and Turkey to help them defray costs incurred in supporting the United States in Iraq.

None of the other emergencies cited by Democrats were paid for by exemptions from the Budget Act; they were paid for by emergency funds set aside for such purposes by various domestic and foreign aid programs and they still counted against the budget spending totals.

In my view, Congress and the administration must be extremely responsible and use the emergency escape valve to violate spending caps only in the most dire emergencies. Our current unemployment situation, though serious, has not risen to a level which justifies the complete restructuring of the extended benefits program contained in this bill.

This bill violates last year's Budget Enforcement Act in one important respect. It proposes mandatory entitlement expansions totaling approximately $5.5 billion over the next 6 years, none of which is offset by increased revenues or reductions in other outlays. This is a straightforward and substantial breach of last year's budget agreement—unless there is an emergency. As I have argued at length above, I do not think an emergency exists—and it is instructive to note that a majority of committee members apparently did not see the problem to be sufficiently severe to justify raising taxes to pay for the new spending called for in this legislation.

Perhaps the most important principle agreed upon in last year's budget deal was that future program expansions should only be made if Congress is willing to pay for them. The will to raise the necessary taxes for these benefits does not exist in Congress at this time—hence the attempt to force the President to declare an emergency. If we are true to the letter and spirit of the Budget Act, we will not enact this legislation.

□ 1250

Mr. Chairman, I reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Chairman, I think it is fair to say that this recession is not over. Even if it is, and I certainly hope that is, this bill is still needed more than ever before. In all the history of post-World War II recessions, we have found that unemployment remains high at least a year after the end of the recession, the trough of the recession. So if, for instance, we are out of a recession now and do not know it, and I would add that if we talk about unemployed workers, the recession is a depression for them and, if we take a look in my State of New York, we will find that municipal, county workers, workers at banks, are all currently facing the prospect of layoff. But let us assume for the moment that it is over. Then I anticipate that the unemployment rate will be well above 6 percent for the remainder of the year.

We will have those people who were first hired exhausting their unemployment benefits. Clearly, we need to have a better mechanism than the current insured rate of unemployment to provide benefits to these workers.

It is, I guess, an ill-spent adulthood if you really understand the difference between total unemployment rates and insured unemployment rates, but I think it probably merits just a moment of discussion.

The insured unemployment rate is those percentage of people who are unemployed who are eligible for benefits. Routinely across our country that is less than half.

The State of Texas, it is under 30 percent of the people who are actually eligible receiving benefits. So in order for extended benefits under the current law to be triggered into a place like Texas, the unemployment rate would have to be a catastrophic 15 percent.

We have heard mention on this floor, and the gentleman from Texas [Mr. ARCHER] just did it, and it is part of a Republican mantra, that the unemployed enjoy unemployment and that the more we pay unemployment benefits, the happier they are receiving them.

The gentleman from Texas mentioned the CBO report, and he said the CBO report said that some people, some people, not mentioning how many, may actually stay on unemployment if unemployment benefits are higher. I concede the point. Some people might.

Mr. ARCHER. Mr. Speaker, if the gentleman will yield, that was the only point that was being made.

Mr. DOWNEY. But the gentleman does not make the other point, which is that the vast majority of them want to work and cannot find jobs. And because they cannot find jobs, because a couple of them may not go to work, we should deny everyone. That is part of your legacy as a party, isn't it? And you have the temerity to stand up here and tell us that the bill is weak because we do not pay for it, and you oppose the tax. And then when we decide not to have the tax, you say there is no emergency.

Face it. Many of you in your party do not want to provide benefits to people because if in fact you do not provide benefits to people, you force them into the work force sooner and at lower wages.

That is not what my party is about. My party in this bill is about making sure that people do not lose homes, do not lose apartments, and do not lose families because they are temporarily unemployed.

This bill, as the chairman has mentioned, does not go as far as it should. It does not make the permanent changes in law that we need to make. We need to permanently change the insured rate of unemployment trigger to a total unemployment rate.

I am satisfied that the senior Senator from Texas and others in the Senate want to see that happen. And it is my hope that in the following month we will be able to do that.

We will also have an opportunity to test one other Republican, and that is our Chief Magistrate of the land. When we send him this bill, he will have the opportunity not only to sign it but also to extend the benefits. And then the issue will be joined. We will know once and for all whether or not a middle class entitlement program that goes to people who want to work, who are willing to work, who are eligible to work but who just cannot find jobs, is going to be helped by this President.

□ 1300

I hope and pray that this President does not turn his back on these hard-pressed middle income workers, because, if he does, I will make this promise: We will be back doing this again in September, with a more permanent bill, with better benefits that are designed to help people.

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I was on my way off the floor when I heard what has to be the silliest, most asinine speech I have heard on this floor in the 7 years I have been here. Not only was it grotesquely silly, but it was indictful in a manner that is totally without justification.

How anybody can suggest that anybody in this body purposefully wants to put people out of work and keep them out of work, or pretend that people like being out of work, is just amazing to me.

Mr. Chairman, I thought we had in essence a protocol in this body where we rose above questioning the motives of each other. But to hear that kind of diatribe, totally without foundation, requires a response.

The fact of the matter is, we do care about the unemployed on this side of the aisle. We care passionately about the unemployment problems that real people have in their real lives. We want to see them have jobs. We do not think it is enough to simply make a gesture in the direction of extending unemployment benefits to sustain the recessionary unemployment for a period of time, which otherwise could have been a recovery, in order to keep silly, silly taxes, designed to soak the rich, taxes which have not laid a glove on the rich, in place. In the last 6 months alone these soak the rich taxes have destroyed 9,400 jobs. There is hardcore documented evidence of that job destruction.

No, we do not want to extend unemployment benefits and keep people on unemployment indefinitely. We want to restore them to their jobs. Because, yes, we understand people want to work. We understand people do not want to be wards of the State. We understand that is precisely why the majority of people vote for Republicans for President, and not Democrats.

Mr. ROSTENKOWSKI. Mr. Chairman, I would inquire how much time each side has remaining.

The CHAIRMAN. The gentleman from Illinois [Mr. ROSTENKOWSKI] has 18 minutes remaining, and the gentleman from Texas [Mr. ARCHER] has 21 minutes remaining.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Chairman, I would say before my friend, the gentleman from Texas [Mr. ARMEY], leaves, if he wants to hear silly speeches, I will record some of his, and he can have an anthology of the silliest ones I have ever heard.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, this is a very important matter. I strongly support the bill of the gentleman from Illinois [Mr. ROSTENKOWSKI] that is before us.

Mr. Chairman, for 50 years this country has provided a safety net to working men and women. In the event that the economy sours and they lose their jobs, unemployment insurance allows the unemployed to shelter and clothe themselves and their families. That is what this bill is about.

However, in the last two decades, as the gentleman from New York [Mr. DOWNEY] has so correctly pointed out, this safety net has frayed from neglect. The careful weave of Federal and State law designed to protect them now supports less than 40 percent of unemployed Americans.

The last administration said there were no hungry Americans. The last administration said there were no homeless Americans. Perhaps this administration believes there are no unemployed Americans. But the facts belie that belief.

Moreover, it is estimated that of this 40 percent, nearly 3 million Americans will run out of benefits by the end of the year. Added to the millions of Americans who never had this coverage, it is easy to see why we must stitch the Unemployment Insurance Program back together.

Unfortunately and incredibly, the President refuses to acknowledge the problems with the Unemployment Insurance Program, and discounts the 7-percent unemployment rate. For a man with such purported vision, it is clear he is farsighted. Emergencies in Bangladesh and Kurdistan are clear as day to him, but emergencies close at home are blurred and indiscernible.

If we can find money for people hurting overseas, we can find money to help those hurting at home. Let's pass this bill and bring the President face to face with the problems millions of Americans already see too clearly.

Mr. Chairman, let us act. Let us act today. Let us do what this country has always done, or at least in the last 50 years, and said that those who want to participate, but who, through no fault of their own, are let down by fate, will not be let down by our continuing neglect.

Mr. ARCHER. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, as ranking member of the Subcommittee on Human Resources of the Committee on Ways and Means, I have worked long and hard with the gentleman from New York [Mr. DOWNEY] in trying to find an area on which we might agree. Unfortunately, we still have disagreement.

Mr. Chairman, we must recognize in this country that there are pockets of unemployment that must be addressed. In my home district of Broward County, FL, and all of south Florida, many lives and many careers have been devastated by the collapse of Eastern Airlines. This is true in other areas of the country, because of particular industries.

Mr. Chairman, we need to start addressing those problems. I am not sure that this bill does, except on a blanket basis. There has been a lot of talk this afternoon about what the Democrats stand for and what the Republicans stand for, and I think it is fair to say that both parties, and all Members, every Member of this body, are compassionate about the unemployed. There is no way that any of us want to go home and tell somebody that we did not extend their benefits. There are many wonderful people, hardworking people, out there, that are unemployed through no fault of their own, who have desperately been looking for jobs. There is no question about that.

Mr. Chairman, there does come a time when the Treasury of the United States becomes exhausted. There does come a time under existing law when the Government says these benefits terminate after 6 months, half a year. We are a compassionate people. That is why we support the law that we have today.

Mr. Chairman, the question is, Are we in an emergency situation in this country to the extent that we need to extend benefits beyond that and risk exhaustion of the trust fund that has been set up to help us in times of real trouble and real deep unemployment?

Mr. Chairman, 6.8 percent is a big number, particularly if you are part of that 6.8 percent. But it is not the double digit unemployment that we had back in the early 1980's.

I think if there is one way to differentiate between the two parties on this particular issue, I think the Republicans put the cure of the problem more in creation of jobs, and not creation of benefits. I will let the Democrats speak as to what their priority would be. But we on this side desperately want to be fiscally responsible, to have a strong fiscal system in place in this Government, and produce jobs in the private sector, and just simply produce additional benefits.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Chairman, there have been some fairly partisan comments made this morning. I would like to lay a little bipartisan blame, if I can.

Mr. Chairman, I have been involved in unemployment compensation legislation for 10 years. In 1981 I was active in extending extended benefits and Federal supplemental compensation. In 1983, as the recession was ending, I introduced for the first time a reform bill to reform unemployment compensation on a long-term basis.

Mr. Chairman, I argued that year, and every session since, that we ought to be reforming unemployment compensation at a time when we were in a good economic period, and not wait until we were in a recession. I argued that to no avail.

So here we are once again, as we historically have been, at a last-minute effort to temporarily extend unemployment benefits, to do so in an inadequate fashion, and with no basic reform at all of the system. That is not the right way for us to be legislating.

Mr. Chairman, to make matters worse, this time we are acting within 10 months of passage last fall of the budget summit agreement, which requires that the extra expenditures be paid for. We are violating the spirit, if not the letter, of that agreement today.

Mr. Chairman, this bill does not pay for itself. We in this body have lacked the fiscal responsibility and the political courage to pay for this bill now as we ought to be doing. We should have followed the Rostenkowski-Downey bill introduced earlier this week, which provided the benefits, but also provided the means of paying for them by raising the taxable wage base for FUTA.

Mr. Chairman, we have a terrible choice to make between doing what is right fiscally for America, and doing what is right for unemployed Americans. Today I will vote with the unemployed workers of my district and my State, but it saddens me that we are faced with that choice, that we are not able to vote today on a measure which is good for workers and also good for America.

□ 1310

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. ROHRABACHER.]

Mr. ROHRABACHER. Mr. Chairman, I think we should put this debate a little bit in perspective.

It was last year that we were talking about a deficit reduction package. Some of us warned that if this deficit reduction package was passed that it would knock the legs out from under the economy, that we would have higher unemployment, we would have higher taxes, and in the end would have a higher deficit. And that is exactly what we have gotten. And now that we have instituted the Democrats' plan to bring down the deficit and we have a higher deficit, and higher taxes, and higher unemployment, now we are talking about extending unemployment compensation.

The American people are going to continue to suffer as long as these wrong-headed solutions are being put into place by this body. The fact is we should be focusing on trying to get our economy moving again. But since 1986, when the Democrats took control of the U.S. Senate, they have had control from 1987 on of both Houses of Congress, and slowly but surely we have gone right back to the politics of overregulation, of high taxation that makes America less competitive and puts more Americans unemployed and on the streets.

I hope the American people during this debate will keep in mind just who is to blame, just who is to blame for the fact that we have more unemployed today than we had last year when we raised taxes.

I think that all of us have compassion, all of us have compassion here for the unemployed. I do not come from a wealthy background. I come from a very, very hard working background, and I have gone through periods of unemployment myself.

We are trying to create jobs for people because we care about them, and I am sure that on this side of the aisle there is just as much compassion with the policies that are being advocated. The question today that the American people should be asking is not just should we extend unemployment benefits but should we have policies that are aimed at a growing, expanding economy versus other policies that have failed.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Chairman, I stand in strong support of the chairman's bill, the Emergency Unemployment Compensation Act.

The Emergency Unemployment Compensation Program we are considering today is just that—an emergency. All across this Nation, millions of Americans have lost their jobs and many more will despite proclamations that the recession has ended. Certainly in my district there are no signs that the recession has ended.

Hard-working men and women have exhausted their benefits. No jobs are to be found, and many of these people have watched their life savings dwindle to nothing. Life-long retirement savings are gone; their children will now have to postpone college; and necessary medical care is being forfeited. These people need our help—and they need it now.

It's bad enough that only 40 percent of those who should be receiving benefits are actually receiving them. The unemployment compensation system that has kept Americans from falling through the cracks for over a half-century is full of holes. In my district, the relief rolls have risen dramatically in the past 6 months because people have run out of unemployment benefits and out of time. Let us stop the clock and give Americans at least a fair chance to get back on their feet.

President Bush says that we don't need this bill—that the unemployment rate is not high enough and the economy is on an upturn. In addition to Moscow, Paris, and London, I would like to invite the President to visit Ohio's Ninth District and talk to those who have been without work for weeks and, in many cases, months.

These people have worked all their lives making this country what it is today, and we owe them our help in their hour of need. I urge my colleagues to ignore the threat of yet another veto. A "yes" vote today is a vote for America and those who build it. If George Bush can help Turkey, Albania, the Soviet Union, China, Kuwait, Egypt, Saudi Arabia, and every country in the world, he can sure help America.

Mr. ROSTENKOWSKI. Mr. Chairman I yield such time as he may consume to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I rise in support of H.R. 3201, the Emergency Unemployment Compensation Act of 1991.

CONTINUED HIGH UNEMPLOYMENT

Currently there are 8.5 million unemployed persons in this country, an increase of 1.6 million persons since the start of the recession last July.

Though the unemployment rate in July declined to 6.8 percent, from 7 percent in June, the data behind that number show few signs of strength.

The establishment—that is, business—survey, which is the more reliable indicator of employment, showed a decline of 51,000 nonfarm jobs.

The household survey also showed a decline of employment: 172,000 jobs.

However, the unemployment rate declined because the labor force shrank by 415,000—presumably because 244,000 unemployed became discouraged and stopped looking for work.

The establishment data showed declines of employment in both goods- and service-producing industries; only manufacturing and retail trade showed small gains.

The establishment survey also found that average weekly hours or work actually declined in July, which wiped out the gains of the preceding 2 months. As a result of this decline plus the decline in employment, total hours worked fell by 1.4 percent. Hours worked is considered an important indicator of the staying power of a recovery.

As Dr. Janet L. Norwood, Commissioner of the Bureau of Labor Statistics stated in announcing the new figures, "changes in the labor market continued to show little clear direction in July. The unemployment rate slipped back to 6.8 percent, but for the second month in a row there was no growth in the number of payroll jobs."

Commissioner Norwood further urged "caution in interpreting the data from our household survey * * *. It seems wiser to take a longer-term perspective * * * the July unemployment rate is the same as the rate for March and has shown no clear trend since then * * * labor force growth continues to be minimal and uneven."

As a result of the recession more people are staying unemployed for a longer period of time, exhausting their savings and credit and often their will to keep looking for work.

THE NEED FOR EXTENDED BENEFITS

One of the major concerns with the current unemployment situation is the continued high level of those who are unemployed for 27 weeks and more. Of the 8.5 million unemployed Americans, 1.1 million have been unemployed for 27 weeks or more—a 61-percent increase since July 1990. Yet only three States are currently eligible for extended benefits which can trigger on after the basic 26 weeks of coverage have run out.

When the House Budget Committee held a hearing on the unemployment issue on June 6 of this year, the Department of Labor claimed that the extended benefit program was working as intended as evidenced by the eight States and Puerto Rico which had triggered onto the program. Since that hearing the unemployment rate has continued at unacceptably high levels, but the number of extended benefit States has declined by five States to only three States. Three of those States which fell out of the program have unemployment rates of 8.5 percent or higher.

The Department of Labor projects that 3.1 million Americans will exhaust their unemployment benefits in 1991, and because of the traditional lag between the end of a recession and improvement in employment, the Department projects 3.4 million will exhaust their benefits in fiscal year 1992.

As Members are aware, there are real concerns that we may fall back into recession later this year or next, which could increase the number of workers needing extended benefits above the Labor Department projections.

People without jobs and without unemployment benefits are facing difficult times. The stress and pain they and their families face is enormous. We have a chance here today to provide some minimal assistance to keep the long-term unemployed going until the economy strengthens. We are in an emergency situation, and this is a measured and appropriate reaction to the needs of struggling American families who want to work and through no fault of their own cannot find employment.

I would also like to take this opportunity to commend the leadership for the approach they are taking today on this measure. By providing for the consideration of the same approach that the Senate agreed to last night, we ensure that the final action on the bill can be completed before adjournment so that the bill can be sent on to the President.

EMERGENCY DESIGNATION

I am also pleased that the bill reflects the Senate approach on the emergency designation and makes the benefits available only if the President agrees to designate the bill as an emergency requirement. This language protects against a sequester if the President does not agree to the designation, while allowing us to remain within the framework of last year's budget agreement and to provide these critically needed extended unemployment benefits.

I urge support for the bill.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. DONNELLY].

Mr. DONNELLY. Mr. Chairman, I rise in strong support of this very necessary, and in my personal opinion long overdue legislation. I will take my minute to rebuke statements that have been made on this floor quoting unnamed bureaucrats that I find insulting to working men and women of America, that extension of unemployment benefits will encourage people to stay unemployed. It is an insult. It is an absolute, unmitigated insult to the working people of America.

To suggest that workers, and we are not talking about people that have been on the dole, people that have been on welfare, but these are people that rose every morning at 6 a.m. and worked a good 8- to 10-hour day and lost their job through no fault of their own, and to suggest that they would continue to receive unemployment benefits to deprive families of hard-earned income is utter balderdash. And I have heard that from the highest members of the administration, and I think it has to be rebuked and denounced every time that it is said.

This legislation is paid for. The fund has over $8 billion in it. The money has been set aside for times like this, when the economy turns down and people lose their job.

We should have addressed this issue months ago. I congratulate the committee for addressing it now. I would hope the President would show some compassion and some understanding of what it is like out in the real world, what it is like to face mortgage foreclosure, what it is like to see your son not be able to go back to school because you cannot earn a living.

Show some compassion, Mr. President, and sign this bill, because this is an emergency to millions of Americans.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, I rise in strong support of the extension of unemployment compensation benefits and congratulate and compliment Chairman ROSTENKOWSKI and his committee for bringing this up before the August recess.

Mr. Chairman, today I rise in support of extension of unemployment insurance benefits for the victims of our current recession. Like many pressing issues, this crisis situation has been papered over by a President who governs by the old maxim out of sight out of mind. Mr. Bush's domestic agenda has been repeatedly run over by the constantly moving wheels of Air Force One, as it taxis the President once more to destinations far from the realities of day-to-day American life.

Although many experts suggest that our economic downturn is over, the rising unemployment rate is proof that a turnaround has not yet quite arrived. It is a disgrace that 8.7 million American workers now find themselves without jobs.

In June, the unemployment rate rose to 7 percent. It has increased by 1.7 percentage points since the recession began last July. Most troubling, however, is that almost 1.2 million American workers have been without work for more than 26 weeks and are no longer eligible for unemployment benefits. Another 1.4 million workers have been unemployed for more than 15 weeks but less than 26 weeks. Many of these additional workers will soon join the ranks of those losing unemployment insurance benefits, even if the economy starts to recover. While many of these workers would like to jet off to other parts of the world like the President until the bad times subside, the cold, hard fact is that for the unemployed their greatest concern now is feeding families and paying bills.

In every economic downturn over the past 50 years, Washington has stepped in and extended unemployment benefits beyond the initial 26 weeks for the majority of the long-term unemployed. At a time when almost 1.2 million workers have been unemployed for more than 26 weeks, the Unemployment Benefits Program currently provides assistance to fewer than 100,000 workers. This situation itself, is a case study in misapplied priorities. While we should exercise fiscal restraint with regard to many big Federal spending programs, hesitation in providing benefits to many desperately unemployed people has created a surplus in the program of nearly $7 billion.

This mockery should not be allowed to continue. I urge the President to act now. To work with the Congress to enact legislation expanding eligibility for extended unemployment benefits assistance. Both the money and the need exist now, and I ask that you act promptly for the good of those hardest hit by the recession.

Mr. Chairman, I do not seek to denigrate the President's efforts in the foreign arena, but I do question his judgment on those issues that he has chosen to ignore. It is inherent in the duties of the Presidency to represent our Nation throughout the world, but it is more intrinsic to the job to act responsibly upon the needs and concerns of American citizens. The fact that the President may be listening to this debate from 30,000 feet, does not lessen his ability to respond. You may remember that he faxed his veto message on the first minimum wage bill from somewhere over the Midwest. Maybe the thinner air of flight makes one more callous, or maybe the clear skies and white clouds at that altitude makes one truly believe in that delightful, uncluttered image of the world that Presidents Reagan and Bush have been peddling for far too long.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Chairman, I appreciate the gentleman yielding time to me.

Mr. Chairman, if any Member thinks it is not essential to pass this bill, I would urge them to look to—or perhaps visit—Oregon's timber-dependent counties. These areas are hard hit by court injunctions preventing logging because of the spotted owl controversy in the Northwest.

The number of people there who have exhausted their unemployment benefits before finding a job has doubled since last August. Lane County alone saw a 134-percent increase during the first 6 months of this year alone. The same trend exists in Douglas County, another timber-dependent area, and all throughout the Northwest is timber country.

In Lane County, for example, 100 Oregonians a week are receiving their final unemployment insurance benefits. In Douglas county, which is smaller than Lane, 50 Oregonians a week are receiving their final unemployment benefits.

Of course, much of this distress could have been averted a decade ago. In 1981, Congress approved changes in the Federal unemployment program that dealt a body blow to the extended benefits program. Many of you in this Chamber and in the other body voted to change the system. Now you are seeing the painful result of those Reagan-Bush reforms. And now innocent Oregonians are facing a catastrophe, Mr. Chairman. Twenty-six weeks of unemployment insurance does not cut it for them.

My colleagues, Oregon timber workers have for years provided this Nation with the raw materials of home ownership, that essential part of the American dream. Therefore, it is not too much to expect that we keep them from facing unemployment without unemployment benefits, the ultimate American nightmare.

I urge my colleagues to pass this bill, and I urge the President to sign it.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. STOKES].

Mr. STOKES. Mr. Chairman, I rise in strong support of H.R. 3201, the Emergency Unemployment Compensation Act of 1991, which will finally provide some relief to the millions of unemployed Americans suffering through the deep economic recession our country is currently experiencing.

I also want to take this opportunity to commend the gentleman from New York [Mr. DOWNEY] for his persistence in advancing the cause of the long-term unemployed. It is largely because of his determination to see legislation brought to the floor to provide extended unemployment benefits to workers who have exhausted their regular 26 weeks of benefits that we have the opportunity to approve these extended benefits today and let the working men and women of America know that Congress has not forgotten or abandoned them.

Mr. Chairman, I firmly believe that this legislation is absolutely necessary in light of the current recession. Permit me to cite unemployment statistics from my home town of Cleveland, OH. According to a recent report of the Bureau of Labor Statistics, in 1990, Cleveland had the highest unemployment rate for blacks among large U.S. cities for the second year in a row. The overall unemployment rate in Cleveland in 1990 was second in the Nation, trailing only Detroit among large cities. These rankings do not tell the whole story, the actual numbers are startling.

In 1990, the black unemployment rate in Cleveland was 20.7 percent. In other words, more than 1 in 5 of Cleveland's blacks was unemployed. The overall unemployment rate was 13.8 percent, meaning that more than 1 in 8 of all Clevelanders was unemployed last year.

More importantly, these numbers do not tell the real story, because unemployment figures are not valid estimates of the true unemployment rate. Official Government unemployment estimates do not count workers who have exhausted their benefits, or given up searching for jobs that simply are not available. These statistics also count part-time workers as part of the labor force, which completely ignores the fact that these individuals are underemployed.

Mr. Chairman, extending unemployment benefits beyond 26 weeks is absolutely necessary. I can hardly imagine a situation which could be more damaging to the self-esteem and mental health of an individual than to become unemployed. Consider how much more painful it must be to still not be able to find work after searching for work for more than 6 months.

The administration tells us that the recovery has begun. Where is the recovery in Cleveland, Mr. Chairman? Our unemployed workers cannot use promises of a recovery to pay their rent, or to purchase food and clothing. Our unemployed workers cannot use statistical decimal points from Labor Department reports to buy supplies for children preparing to start school this fall.

Opposition to extending unemployment benefits on the basis of an illusory promised recovery is a slap in the face of millions of citizens. If the President can find an emergency in Kuwait, or in Kurdistan, what about Cleveland? Let's not hear talk about the budget or the deficit from the administration whose budgets and economic policies over the last 11 years produced the deficit and the recession that produced the unemployment that this bill addresses.

I urge my colleagues to show compassion to the millions of Americans who face the tragedy of being unemployed every day. Show the working men and women that you care about them and their plight by voting to provide extended benefits to help them when they are in their time of most desperate need. Vote in favor of H.R. 3201 because it is compassionate, and humane legislation. But also, vote in favor of H.R. 3201 because it is reasonable and absolutely necessary legislation for American workers.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I thank the committee chairman for yielding time to me and want to commend him and the chairman of the subcommittee, the gentleman from New York [Mr. DOWNEY] for bringing this bill to the floor. It is extremely important.

Mr. Chairman, in my home State of Florida 480,000 workers are out of a job. These are people who want to work, who were working, and who are unable to work now thanks to the Republican recession.

Unfortunately, the situation doesn't look like it is going to get better anytime soon.

This past year, thousands of Eastern Airlines workers were laid off. By now, most of their benefits have run out. With the possible demise of Pan Am, soon thousands more workers may be out of a job and their benefits, too, will eventually expire.

Just last month Citibank laid off 17,000 workers, Unisys laid off 10,000 and GM laid off 6,200. That's 33,200 American workers laid off last month by 3 companies alone.

If we can find tens of billions of dollars to protect the Kuwaitis, rescue the Kurds, and help the people of Bangladesh—we can help working Americans stay in their homes and keep food on their tables.

By passing this legislation we will not be breaking the budget agreement from last year.

We will not be taxing the American people.

By passing this legislation we will be recognizing that our country is in a crippling recession and our workers need help.

Mr. President, when you return, look out the window of Air Force One. You will see that this country needs leadership, jobs, and help for the unemployed. It is an emergency. Sign this bill.

□ 1320

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 3040 and I would like to thank the gentleman from Illinois [Mr. ROSTENKOWSKI], the distinguished chairman of the Ways and Means Committee, the gentleman from New York [Mr. DOWNEY], and the gentleman from Texas [Mr. ARCHER], the ranking minority member of the Ways and Means Committee, for their efforts in bringing this very important issue to the floor.

Mr. Chairman, our Nation has finally begun its recovery from the recession. However, there are still too many people unemployed. The unemployment rate rose in the month of June by one-tenth of 1 percent to a total of 7 percent. As we speak, 8.75 million Americans are looking for jobs.

We cannot ignore these figures. The Government cannot turn its back on our Nation's workers who have found themselves out of work due to the recent recession.

The upturn of our economy is encouraging. The economic indicators were up for the fifth straight month. But our workers have not yet found jobs and their unemployment insurance is about to run out or has already run out.

In my congressional district in New York there is an even greater rate of unemployment than the national average. Many of my constituents inform me that they cannot find work and as their unemployment insurance runs out, they are having difficulty feeding their families.

It is time that we address their desperate situation. Let us throw our hard-working citizens a lifeline to keep them afloat a little while longer by extending their unemployment benefits a little longer until these hard-working Americans, who have been put out of work through no fault of their own, can find employment in our reviving economy.

Mr. Chairman, I support this measure and I urge all my colleagues to support this measure.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Rhode Island [Mr. REED].

Mr. REED. Mr. Chairman, I rise in support of this legislation. It is critically needed in my State. We are one of the three States that have already extended benefits, and we need more.

Mr. Chairman, I rise in strong support of H.R. 3201, the Emergency Unemployment Compensation Act of 1991. This legislation does what the President has failed to do—recognizes that the recession is not over, especially not in Rhode Island. My State's economy is in a deep recession, not because of the absence of a capital gains cut, but because of the combined effects of our credit union crisis, continuing high unemployment—even in the summer months—possible layoffs at the State's biggest employer, and the administration's policy of abandoning our city and State governments. I invite any administration official to visit Rhode Island and tell one unemployed factoryworker or one small businessman who cannot use his account at a closed credit union that the recession is over.

Many of my colleagues have mentioned the fact that only three States presently qualify for extended benefits under the current system—Rhode Island is one of those States. In Rhode Island we have an 8-percent unemployment rate—more than 1 full percent above the national level of 6.8 percent. This translates into 40,000 Rhode Islanders without jobs. These are not people looking for a handout, these are my neighbors—people who want dearly to go back to work. It would be a tragedy if the President were to say to the hard-working men and women of America that in their time of need there will be no aid, no emergency spending for you.

I rise in strong support of this legislation and I hope my colleagues will join me.

Mr. ARCHER. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. MILLER].

Mr. MILLER of Ohio. Mr. Chairman, I am pleased that this legislation extending unemployment benefits has incorporated a measure that I have proposed in the last two Congresses. The legislation I am referring to eliminates the disparate restrictions on unemployment benefits for former members of the Armed Forces. This measure will make such individuals eligible for the same unemployment compensation benefits as civilian workers.

Despite our involvement in the Persian Gulf, it is evident that defense reductions will continue and that in the future we will be relying on a military that is substantially smaller than at present. The Department of Defense budget for fiscal year 1992 projects that, between 1991 and 1995, active duty manpower will be reduced by 332,000. It is likely that a significant portion of these cuts will be made through involuntary separations.

Many of those who may be forced out will have looked to the military as a career and will have to begin their lives anew. I am pleased that this legislation will correct an inequity that has existed for some time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I rise today to voice my strong support for H.R. 3201. This will provide extended unemployment benefits for Americans who are out of work, who want work, but can't find work.

In my own Philadelphia, 62,000 Philadelphians have run out of benefits in the first 5 months of this year.

And these numbers are only going to increase.

Mr. Chairman, 2 days ago, this House voted on a proposal which will lead to the closure of the Philadelphia navy yard. And that decision is going to cost up to 47,000 jobs in the region.

Dramatic changes in our economy—like defense cutbacks—and the recession have prompted an emergency here at home, just like there were emergencies with the Kurds and in Bangladesh.

Unemployed Americans have families to feed and mortgages to pay.

H.R. 3201 recognizes the dire straits so many of our people face. Let us pass this critical legislation to extend benefits and bring them the help they need.

Mr. SPRATT. Mr. Chariman, I rise in strong support of the Unemployment Insurance Reform Act. This overdue bill will provide badly needed assistance to millions of unemployed Americans suffering from the effects of our Nation's recession. Eight million Americans including 120,000 South Carolinians are unemployed today. The national unemployment rate has now risen to 7 percent from 5.3 percent just a year ago. Two million more Americans are unemployed today than 1 year ago. Just last month, new claims across the Nation for benefits jumped by 30,000 to 425,000. The unemployment rate in my own State jumped between May and June by an entire percentage point from 5.8 percent to 6.8 percent. In many counties in my congressional district, the rate is even higher: Chester County's rate is 15 percent, Sumter's is over 11 percent and Lancaster's is over 9 percent. In fact, the real unemployment rate is even higher than these figures suggest since they only cover those unemployed individuals who are actively seeking new jobs. Millions of others who have become discouraged and given up their job searches are excluded from these figures.

The administration claims that this is a mild recession which has already ended reflect an insensitivity to the hardships of those Americans who are unemployed and can't find jobs. In truth, we don't know whether this recession is ending. Economists are divided. But we do know that the national unemployment rate in June is almost two points higher than 1 year ago. And we do know that benefits either already have or are about to run out for millions of eligible people.

This measure would extend unemployment benefits for those individuals who have exhausted their 26 weeks of assistance. Under the bill, and additional 7, 13, or 20 weeks of benefits will be available to unemployed workers once the regular benefits expire. The bill provides that for those States with an unemployment rate above 6 percent, benefits will be extended for 7 weeks, for States with rates above 7 percent, rates will be extended for 13 weeks and for those States with rates above 8 percent, benefits will continue for an extra 20 weeks. The bill also provides that unemployed workers in all States, regardless of the unemployment level, would be eligible for at least 4 weeks of additional benefits. Aside from the aid it would bring to unemployed civilians, this measure would increase ex-service members' unemployment benefits from 13 weeks to 26 weeks and would reduce the time they must wait to receive these benefits after leaving the military from 4 to 1 week. Many of these ex-servicemen are Desert Storm veterans who need and certainly deserve this additional aid. Today's bill reverses a program cut adopted under President Reagan which shortened the eligibility period and reduced benefits. Ironically, this bill would not even be necessary if Reagan cuts had never gone into effect.

This legislation would provide direct and immediate benefits to thousands of eligible South Carolinians who are without jobs. As I mentioned, South Carolina's average unemployment in June was 6.8 percent while our 6-month average was 6.2 percent. As a result, the bill will extend unemployment compensation coverage in our State for an extra 7 weeks from 26 weeks to 33 weeks. That additional 7 weeks will bring badly needed relief to many families trying to make ends meet during a difficult period when they have lost their single source of funds. It will help them pay overdue bills and keep them afloat until they can find new jobs.

The bill declares that the cost of the benefits are an emergency expenditure, as provided under last year's budget agreement, and requires the President to make a separate emergency finding before the benefits are triggered. The costs of the bill will be totally covered by the Federal Government with funds in the extended unemployment compensation account [EUCA]. This fund, now a surplus of $8 billion and it continues to grow, even though we are in a recession. One level, it makes sense to tap the money from this fund since it was created to respond to the "counter-cyclical" forces of a recession. If we do not use the money in this fund during a recessionary period, why was this fund created and when are we supposed to use it?

At tlhe same time, I would feel better about this bill if it provided a mechanism to pay for itself. The cost, according to CBO, is approximately $6 billion. Next year our Nation's deficit is projected to reach $350 billion and I don't want to take any steps which will make the deficit bigger. The original measure passed by Ways and Means gave the President a choice of either raising the unemployment tax or declaring an "emergency" and avoiding the tax. I think that approach made much more sense and was more consistent with the spirit of last year's budget agreement.

Despite this concern, this measure will bring important benefits to millions of deserving Americans and I urge its prompt approval.

Mr. ROEMER. Mr. Chairman, unemployment benefits are not a welfare program. They are designed to keep the working men and women of our country, and their families, on stable ground when they lose their jobs. This is not a handout, it is a sensible approach to keeping American families economically viable.

Mr. Chairman, the unemployment benefits program is an investment in preserving our economy. By preventing our workers from becoming clients of the welfare system during temporary setbacks, we not only maintain the integrity of our labor pool, but we avoid spending thousands more dollars due to joblessness in the future.

We also allow these working people to maintain their pride and dignity, because these men and women want to work. They ask only the ability to continue to support their families, as they always have, by working their chosen trade.

Mr. Chairman, this is why we must, at this time, extend the period of unemployment benefits to workers who have lost their job. All of us have been feeling the steady pinch of the ongoing recession, and it has taken its toll on all sectors of our society. Because of the lingering effects of the recession, so much of our industry has been effected, and it is taking much longer than has been usual or anticipated for our workers to find new jobs. They need this shot in the arm to continue managing their lives while they look for work.

Mr. Speaker, this is good public policy. Investing in our working men and women saves us countless dollars in future public assistance. Investing in our work force maintains the integrity of our labor pool. Investing in the pride and dignity of our working families, the backbone of our Nation, is what democracy is all about.

Ms. NORTON. Mr. Chairman, unemployment has been almost no part of the discourse of this session. On this last day before the August recess, let action be added to words. Chairman ROSTENKOWSKI's bill is one that no Member should go home without.

This bill is a modest response to a serious situation in the Nation. The unemployment rate in the Nation's Capitol is 7.6 percent and is bound to get worse as layoffs and attrition in the District government continue.

Millions of Americans are cynical about talk of recovery. This bill will not bring recovery for them. It is a finger in the dike that is necesssary to save the whole arm, the arm that wants to work but can find no jobs. Please pass H.R. 3201.

Mr. MATSUI. Mr. Chairman, today we are considering legislation to provide assistance to millions of unemployed Americans. The unemployment rate has been rising steadily over the past 6 months, and there is no relief in sight. The legislation before us today is sorely needed and I urge my colleagues to acknowledge the emergency that presently exists in the unemployment insurance program and to support this legislation.

In California the unemployment rate reached 8.2 percent in June. This is up from 7.4 percent in May and represents a stunning increase since last year at the same time when the unemployment rate was only 5.1 percent. In my district of Sacramento, the unemployment rate during June was 7.1 percent.

Because of the inadequacies of the unemployment insurance program, some 37,000 Californians exhaust their State unemployment insurance benefits each month. During the first 5 months of 1991, 183,000 unemployed Californians reached the end of the their benefits.

This legislation would provide real relief to the millions of Californians and others around the country who are without jobs or regular income. California, like many other States that have passed the 7 percent unemployment rate, is unable to secure extended benefits for its citizens.

The current unemployment insurance system is ill-equipped to serve the number of people needing continued benefits. Cuts in the unemployment insurance extended benefits program during the 1980's have left this program unable to meet the needs of the unemployed. This is the first recession since the 1950's during which extended benefits have not been triggered for the long-term unemployed. It is unacceptable that Michigan, Maine, and West Virginia, all of which are experiencing unemployment rates of over 9 percent, fail to qualify for the extended benefits program. Congress must act to extend these benefits to the millions of unemployed Americans who have exhausted their regular unemployment benefits.

The United States is a country made up of people who are proud to work. It is offensive that there are those who argue these people are lazy or do not try hard enough to find employment. The jobs are not there and it is our responsibility as Members of Congress to do all that is within our power to provide an adequate safety net to protect them when they are need. I urge my colleagues to support this critical legislation.

Mr. ATKINS. Mr. Chairman, my remarks are directed to the President of the United States and to ask him to please sign this bill when it comes across his desk.

Lowell, MA, the largest city in my district, is in many ways a microcosm of America. It is a proud city that has built its heritage on one simple concept: hard work. Lowell was the first planned industrial city in America and with its broad, brick mills along the Merrimack River it was once the undisputed capital of the textile industry. In the 19th century, Irish immigrants came to Lowell to work in the mills. Then came the French Canadians, Greeks, Armenians, Poles, and now Southeast Asians. The mills were replaced by high-tech firms like Wang laboratories and other manufacturing industries. But people kept coming to Lowell for the same reason: To build a family and to realize the American dream through hard work.

Today more and more people are not working in Lowell. Mr. President, it isn't because they are lazy or that they are bad people. They aren't working simply because there are no jobs available. The unemployment rate, which is 9.5 percent in Massachusetts, is over 13 percent in Lowell and is just as high in Lawrence, and Gardner, and Ayer, and Fitchburg, and Framingham, and Worcester, and on and on.

They are the same people who held a job 1 year ago when no one would have considered them lazy or deserving of joblessness. Ironically, Mr. President, many of these people voted for you when times were good. Now they desperately need help.

I've heard some people in the administration, including Governor Sununu, say that the recession is over and that it was only mild. I suggest that the next time Governor Sununu goes to a stamp auction, that he attend one in his home State of New Hampshire where the economy is in an absolute free fall. And Mr. President, the next time you go to Kennebunkport, take a drive through the small industrial communities in Maine and see how soft this recession really is.

Here is an example from Massachusetts. This is the want ad section from the Sunday Lowell Sun. The Sun has a circulation of 57,000 serving Lowell, the surrounding towns and southern New Hampshire. Here it is—three pages with 67 job listings. Let me read a couple of them: Asbestos workers for Massachusetts and New Hampshire; bill collectors for Wilmingham, MA collection agency; show girls where experience is a plus but not necessary—lodging available upon request. These are jobs of last resort, where a paycheck means the difference between paying the rent or losing a home, meeting a payment or defaulting on a loan, putting enough food on the table or going hungry.

There are other job listings that provide better opportunities but many require very specialized skills. For example, there are 10 listings for registered nurses. There are a few other decent jobs, but you can be sure that hundreds of people will apply. They apply on the thin hope that they will finally land a job—any job.

Mr. Chairman, these people are not lazy. Many you; they counted on you; and now they need your help. I implore you to sign this legislation to extend unemployment benefits.

Mrs. LOWEY of New York. Mr. Chairman, I am proud to join in strong support of this urgently needed legislation to provide extended unemployment benefits to unemployed workers around our Nation.

Tragically, there are many in the administration and in Congress who have downplayed the importance of the current recession and who are not convinced of the need to provide extended unemployment benefits.

These individuals are either blind or they are purposefully ignoring the facts. The recession is real, it is deep, and it is devastating to families all over this Nation. Throughout the Northeast, many workers find themselves either underemployed or completely unemployed. In New York State, the unemployment rate stands at 7.1 percent and the number of claims for unemployment benefits continues to skyrocket. In my own district, unemployment in the construction industry has reached crisis proportions of almost half the existing work force.

But statistics alone do not accurately reflect the level of misery and suffering that is being experienced by many American families. Unemployment means a loss of income, loss of medical benefits, and the possible loss of homes and possessions. These are wrenching events that tear at the fabric that holds our families and communities together. It is absolutely essential that we act now to protect working families from the devastating effects of the recession and to get our economy moving again so that unemployment will be reduced.

I have recognized for some time that the current benefit system for unemployed individuals is totally inadequate. Due to budget cuts enacted during the last 10 years, the Extended Benefit Program of the Federal Government has lost its effectiveness in recent years, and the long-term unemployed are not being adequately protected.

That is why, earlier this year, I cosponsored comprehensive legislation introduced by Representative TOM DOWNEY to provide additional unemployment benefits to workers in metropolitan areas with high unemployment rates. And that is why I pressed hard for the early consideration of this legislation.

I am pleased that we are now bringing forward legislation that seeks to address this very serious problem. The bill before us today authorizes a much needed expansion of the Unemployment Compensation Program. Under this proposal, the number of weeks of extended unemployment benefits would vary depending on the total unemployment rate in the State. Further, the President would be required to declare expenditures for this purpose as emergency expenditures in order for the extended benefits to be enacted.

I am pleased that Congress is finally responding to the crisis of unemployment that is being faced in our communities. However, I am also somewhat disappointed that our response is not more emphatic. For instance, earlier versions of the bill would have correctly designated spending for this purpose as emergency spending, without the need for a Presidential declaration. Given this new requirement in the bill, we must all bring strong pressure to bear on the President to ensure that he makes the appropriate declaration and releases these urgently needed funds without delay. Certainly, we would not want the President to declare an emergency if we were not experiencing one, but the present circumstances clearly warrant an immediate declaration on the part of the President.

Moreover, the new bill authorizes only a temporary program and omits some of the important reforms that were contained in earlier versions of the bill. Our experience during the current recession demonstrates that it is extremely difficult to achieve an expansion of benefits during a time of need. Therefore, it would be more prudent to enact long-term changes in the program that will ensure adequate coverage for the future.

It is also important to note that this bill does not respond to one of the most urgent crises facing unemployed workers, which is the loss of medical coverage that often accompanies loss of employment. I feel strongly that Congress must act to respond to this crisis as well. I have endorsed the concept of universal health care, and I am working hard in Congress to ensure that all Americans have access to quality, affordable health care, regardless of their income or their employment status. While Congress is currently considering several proposals for universal health care, I do not believe we are moving quickly enough toward consideration and adoption of a universal health care plan. I believe we should redouble these efforts in light of the current recession and move quickly toward achieving a consensus in this area.

However, despite these drawbacks, it is incumbent on all of us to strongly support the present bill, which offers the best hope yet that we will provide support to unemployed workers around our Nation. I urge all of my colleagues to join me in approving the bill, and also in convincing the President of the need to declare an emergency and release the funds for extended benefits.

In addition, we must take strong and aggressive steps aimed at getting our economy moving again. I have endorsed a package of proposals designed to spur economic growth and create more jobs. This package includes proposals to spur growth by rebuilding our infrastructure, including roads, bridges, and sewer systems. It also contains savings incentives for individuals and businesses, strategies for the expansion of exports and the development of advanced technologies, and other proposals designed to create more jobs for American workers.

At this time of economic difficulty, we cannot forget the very real individuals who are being victimized by the current recession. The impact on workers and their families of prolonged unemployment takes many forms and causes often unbearable strains. In the short term, we must provide all affected families with the support they need to weather this storm. In the long run, we must enact policies for the future that will revitalize our economy and create more jobs. My constituents can count on me to be an outspoken advocate of policies that directly benefit American workers and American families.

Mr. FEIGHAN. Mr. Chairman, we should not have to be here today. It saddens me that we must pass an emergency measure to extend unemployment compensation benefits.

We would not have to do this if the Bush administration's economic policies were working. Unemployment wouldn't be an issue if the administration wasn't recklessly allowing American jobs to move to other parts of the world.

Mr. Chairman, since June of 1990, 2 million working Americans lost their jobs. And there were 51,000 more victims of the recession in the last 30 days alone.

President Bush keeps telling us that we are coming out of the recession. But you wouldn't know that from these statistics. Republican economists keep telling us that the recession is a mild one. But you wouldn't know that when you hear that since this past January, 1.6 million Americans have exhausted their unemployment benefits. Thirty-two percent of the unemployed will do so before this year is over.

I am going to support this bill because we owe it to millions of working men and women. We must ensure—when their jobs are pulled out from under them—that they can provide for their families in their hard times of unemployment.

But let me say this. Our actions here to extend unemployment benefits highlight the Democrats' commitment to America's working families. Our commitment extends beyond this. We are determined to pursue policies that are going to keep Americans working.

Mr. WEISS. I rise in support of H.R. 3040, the Unemployment Insurance Reform Act. Congress must act now to help the millions of hard-working Americans who have lost their jobs due to the recession.

The Labor Department announced that during the second week of July, the number of new claims filed for State unemployment insurance benefits rose by 30,000, to reach 425,000. This astronomical increase is 75,000 more than the average number of new claims being filed each week just a year ago. The unemployment rate for June rose to 7 percent, compared to 5.3 percent in June of last year. Since last June, an additional 2 million workers have become unemployed, a 33-percent increase over last year. It is clear that we must extend unemployment benefits to help this wave of unemployed workers feed and clothe their families. They can't wait any longer.

In all but one prior recession, Congress has extended unemployment insurance past the 26 weeks offered under normal economic conditions. These additional benefits have been provided through either the permanent Extended Benefits Program or temporary Federal supplemental benefits that have been enacted on an ad hoc basis.

Changes in the unemployment insurance Extended Benefits Program in the 1980's have made it less responsive to the needs of the unemployed. The "Gramm-Latta II" law of 1981 and changes in State laws, for example, have dramatically weakened the Extended Benefits Program. Currently, extended benefits are available in just three States—Alaska, Rhode Island, and Maine.

Certain provisions of the Budget Enforcement Act of 1990 have made the problem worse. Prior to fiscal year 1990, when claims for unemployment benefits exceeded the level on which the initial appropriation was based, the U.S. Department of Labor would request supplemental funds to pay for services to the additional unemployed workers. However, in fiscal year 1990, the administration stated that it would not request a supplemental appropriation, and only after the urging of Congress was this supplemental appropriation granted.

The Budget Enforcement Act of 1990, however, limits any benefit gained by such a supplemental. Under the Budget Act, the additional funds would cause domestic discretionary spending to exceed its specified cap, thereby triggering a sequester on other domestic discretionary programs. Clearly, this budget provision must be reformed, and I have introduced the Congressional Budget Responsibility Act to do so.

To help stranded unemployed workers, the legislation before us today provides additional unemployment benefits to long-term unemployed workers and restricts the ability of States to disqualify workers otherwise eligible for unemployment insurance. Pending the President's approval, the moneys appropriated to provide this unemployment relief would be designated as emergency funds, pursuant to the budget agreement of last year.

Clearly, we are in an emergency situation. Enactment of H.R. 3040 is needed to provide relief for the unemployed who are suffering in the midst of this severe recession. This legislation will help the hundreds of thousands of struggling families who have fallen prey to this recession in my district in the city of New York and across the United States.

While Congress must begin looking into a comprehensive economic growth package to help all Americans permanently, it is imperative that during this recession we extend unemployment insurance. I urge my colleagues to support H.R. 3040.

Ms. DELAURO. Mr. Chairman, I rise in strong support of the unemployment compensation provisions we are considering today.

Over 8 million people are out of work across the country. If this is not a crisis, if this is not an emergency, then what is?

How can the President turn his back on the millions of Americans whose lives are in complete disarray as the result of unemployment?

How can the President fly around the world offering economic assistance to foreign lands while refusing to acknowledge the desperate need for such assistance in his own back yard?

There is no doubt that these are tough times for America, and particularly so in New England. Even though this region represents only 5 percent of the population, New England accounted for 20 percent of all jobs lost in the United States in the past 2 years.

In my State of Connecticut, we are losing more than 10,000 manufacturing jobs a year. Since the recession began in Connecticut nearly 2 years ago, we have lost 75,000 jobs overall.

These are not just statistics. Each one of these numbers represents a human being whose life has been turned inside out. They represent families who are losing the struggle to afford the basic essentials.

I wonder how the President of the United States can say to these families, you are on your own?

Congress certainly should not.

Mr. MOODY. Mr. Chairman, I applaud Chairman ROSTENKOWSKI and Chairman DOWNEY for their work with the Senate to extend unemployment benefits to the millions of Americans facing a cutoff of unemployment benefits. We have a good bill, a bill that fulfills a chief aim of the unemployment system—maintaining the purchasing power of the unfortunate workers who cannot find work. By priming the pump in this way, we keep the recession from deepening.

This bill puts the House and Senate on the record as declaring that we are in an emergency. However, the language of the bill gives the President the option of signing the bill without declaring an emergency, thereby preventing any of the funds from getting to the unemployed. The President might very well come back to us and tell us that he agrees that additional benefits are necessary, but they must be paid for.

I urge the President not to make this serious economic or humanitarian mistake. This bill calls for nearly $1 billion of spending in fiscal year 1991. To pay for this, as the Budget Act demands for nonemergencies, would require us to raise taxes or cut $1 billion of spending by October 1, 1991.

Can you imagine this? Medicare, child care, Social Security—where would we get $1 billion in 1 or 2 months? Whom would we tax? Such an enormous tax increase or spending cut would wreak havoc on the economy at its most vulnerable moment. It would completely defeat the purpose of propping up a sagging economy, which is, after all, central to the whole unemployment system.

The President and his economic advisors well know that signing the bill without declaring an emergency is tantamount to vetoing it. Everybody in this body knows it. The American people should stand ready to reject such a weak-reasoned rationalization should the President mouth it.

And make no mistake about it—we are facing an emergency.

While the unemployment rate fell to 6.8 percent in July, unemployment—as measured by the household survey—slipped by 172,000. Payrolls declined by 51,000.

The unemployment rate fell because 415,000 workers dropped out of the labor force altogether. So while the rate dropped, the prospects for finding a new job within 26 weeks are no better. Indeed, they are worse. The Labor Department estimates that 3.4 million workers will exhaust their UI benefits in the coming fiscal year.

It is clear that, whatever the Nation's economic prospects as a whole, there are real pockets of stubborn unemployment such as New England, West Virginia, Michigan. Unemployed workers in these States have no decent job prospects. They need additional benefits. They need them now. We must heed their call. I urge my colleagues to support this bill.

Mr. KILDEE. Mr. Chairman, I rise today in strong support of H.R. 3201, the Unemployment Insurance Reform Act of 1991. It is our duty and responsibility as Members of Congress to provide relief for the millions of unemployed Americans who are in desperate need of extended unemployment benefits. In my home State of Michigan, unemployment has risen to 9 percent. In my hometown of Flint, MI, it hovers at 11 percent. The Michigan State Building Trades Council estimates that 40,000 of its 100,000 union members are currently out of work. Thousands of laid off workers across the State have searched literally for months for employment. During this recession, Michigan has suffered the second worst decline in the Nation, with a 0.7-percent drop in personal income just during the first 3 months of the year. Our State has been hit hard by auto plant layoffs, resulting in a 7.9 percent decline in durable goods manufacturing—the worst in the Nation.

Mr. Chairman, recently our Nation has generously provided assistance to the Kuwaiti people, the Kurdish people, the Bangladeshi people, Filipino people—now it is time to help the American people. America's working families face unprecedented pressures and dangers. Most households need two wage earners to afford the standard of living their parents enjoyed. And yet many families are no more than one paycheck from homelessness. The Federal Government must provide a secure safety net of financial aid and other assistance to help out working families through the current recession.

Many experts say that we have already seen the worst of the recession and that the national economy is strongly rebounding. They would have a very difficult time proving that to many of the people in my congressional district who have lost their jobs and see little hope of finding employment in the near future. Domestic auto sales continue to slump and auto production remains stagnant. H.R. 3201 offers hope to the unemployed people of Michigan. It would repeal the ineffective extended benefits program and replace it with a federal supplemental compensation program funded through drawing down the $8 billion surplus in the extended benefits fund. The program would provide an additional 5, 10, 15, or 20 weeks of benefits at unemployment rates of under 6 percent, 7 percent, or 8 percent respectively. This supplement would be in addition to the normal 26 weeks of unemployment benefits available in the States.

Moreover, this bill would correct inequities in our current unemployment program. Today, former military service personnel, including those who just fought in the Persian Gulf, are only eligible for 13 weeks of benefits, and must wait up to 4 weeks before receiving benefits. H.R. 3201 would restore them to the same 26 weeks of benefit civilians receive, and require only a 1-week waiting period.

America's workers and employers paid taxes into the extended benefits fund in order to secure their families' economic future. But the Federal Government has been slow to tap the surplus in this fund because it helps mask the true extent of the overall Federal budget deficit. H.R. 3201 designates the spending under this bill to be an emergency for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985. Thus, the funds spent out of the trust fund would not trigger a sequester.

Mr. Chairman, I urge all Members of the House to support passage of H.R. 3040. We must send a strong message to the President that this bill is important to America's economic future. And we must send an equally strong message to the millions of American families facing the trauma of unemployment that Congress cares about their plight and is willing to do something about it.

Ms. LONG. Mr. Chairman, I rise in support of the bill.

Mr. Chairman, I commend the chairman of the Ways and Means Committee, Mr. ROSTENKOWSKI, and the chairman of the subcommittee, Mr. DOWNEY, for bringing this legislation to the floor. It is a needed measure which I hope will be approved by the House, and ultimately, sent to and signed by the President.

As many of my colleagues know, for several years, I have been urging the Congress to take a longer view of how the unemployment program operates. I have said that we in the Congress need to see what we can do to facilitate a more efficient unemployment program which ensures that those workers who find themselves unemployed will receive the benefits to which they are entitled. For too long, the budget process by which the unemployment program operates has denied benefits to these individuals—not because there was not enough money in the unemployment trust fund [UTF]—not because these workers did not pay unemployment taxes, and not because the businesses did not pay unemployment taxes, but because the Congress must appropriate funds to the States to administer unemployment programs. Unless these funds are released—in a timely manner—benefits to unemployed workers go unpaid. And the ripple effect on the lives of these unemployed individuals and their families—and often the economies in the smaller cities and towns of our Nation—all suffer. They suffer because of inaction on the Federal level. They suffer—needlessly may I add—because the budgeting process is flawed.

The legislation I have been urging, the Unemployment Insurance Program Budgeting Reform Act, both during the last Congress, and this Congress—H.R. 5434, and H.R. 888 respectively—would address this situation by reforming the way we budget the unemployment program.

The administration of the unemployment insurance program is paid for by a Federal tax on employers. The revenue raised by this tax is held in the UTF and is dedicated solely to the unemployment insurance program. However, the unemployment trust fund is included in the deficit reduction calculations and the funds that pay for the administration of the unemployment insurance program are counted against the discretionary spending caps and are subject to sequester.

Recent funding shortfalls have been due to rising unemployment as well as an appropriations process which restricted the ability of legislators to free funds from the UTF. Discretionary spending caps have limited the total appropriations—including the appropriation of administrative funds from the UTF.

However, these budget actions saved money on paper only. Any unspent moneys from the trust fund are required to remain in the fund where they build up, unspent. A recent estimate for the year-end balance in administrative funds account is $2.52 billion.

My legislation, H.R. 888, would address the shortfall by removing the UTF from the deficit calculation and the Budget Enforcement Act [BEA] budget process including the discretionary caps and sequesters, in essence moving the unemployment program off budget. By removing the UTF from the BEA budget process, any pressure that may exist to hold down expenditures from the UTF and to build up the surplus in the trust fund would be eliminated. The stockpiling of funds that derive from a dedicated tax defeats the purpose of a dedicated tax and is merely an accounting device to meet budget targets.

Mr. Chairman, this legislation would help bring integrity to the budget process and to protect the unemployment insurance program from unwarranted funding shortfalls at a time of rising unemployment. I urge my colleagues to consider this measure as we move toward a comprehensive reform of the unemployment insurance program.

But, Mr. Chairman, today we are not considering a long-term approach to addressing the flaws in the unemployment program, but a needed measure which will provide additional unemployment benefits—through next July—for millions of American workers and their families.

This legislation is needed because of the unfortunate situation in which our Nation finds itself—a situation which now presents our Nation with the highest unemployment rate in 5 years. And in my congressional district, the Fourth District of Indiana, the rates are also still high.

As many of my colleagues know, last week, the Labor Department announced that new claims for State unemployment insurance benefits rose by 30,000 to 425,000 during the second week of July. That level is a full 75,000 more than the average number of new claims that were filed per week a year ago. In fact, since 1 year ago June, over 2 million additional workers have become unemployed. That is a 33-percent increase over last year.

Mr. Chairman, I want to raise a point which I think needs to be brought to the attention of the Members. Officials in the administration have indicated that there is not a need to extend unemployment benefits because the recession has ended.

While this argument to do nothing for American workers and families may make sense to some in the administration, many of us do not agree—nor would I guess that those currently being squeezed as a result of being unemployed for so long would be moved by this argument.

In fact, if you look at the last three recessions—in 1975, 1981, and 1983—unemployment has continued to rise during the months immediately following these recessions. In 1975, the recession ended in March, but it was not until a full 8 months later that the unemployment rate began to decrease. In 1981, the recession ended in July, but it took 4 months—until December—for the unemployment rate to begin to decline. And in 1983, the recession ended in November, but it was not until July of the next year—a full 9 months later that the unemployment rate dropped.

Mr. Chairman, the administration argument that we don't need to extend unemployment benefits because the recession is or has ended is a red herring. You don't need to be a rocket scientist to figure out that unemployment claims will continue to rise—even if the recession ends today.

The fact of the matter is that the loss of unemployment benefits is a significant problem that is economically squeezing an already pinched middle-class America. It is a problem that is affecting workers and families. It is a problem that is affecting workers and families. And, despite claims to the contrary, it is a problem that will continue to affect workers and families.

I urge support of the bill to help remedy this unfortunate situation.

Mr. MFUME. Mr. Chairman, I rise in strong support of the unemployment compensation amendments and urge our colleagues to support this measure that will provide emergency assistance to the many Americans who are in need of economic relief because their unemployment benefits have been exhausted.

Mr. Chairman, this bill would make benefits available only from September 1, 1991, through July 4, 1992. Workers who exhausted their regular benefits prior to the enactment of this bill, but after April 1, 1991, would be eligible for 7, 13, or 20 weeks of extended benefits if they live in States in which these additional benefits have been triggered.

Currently there are only three States that are providing such emergency assistance to unemployed workers. Unfortunately, many States are facing financial crises of their own and may be able to provide little to no emergency assistance for their citizens.

President George Bush stated, 3 years ago, that his administration was dedicated to a more kinder and gentler Nation. If this is true, then President Bush will support this legislation and demonstrate his sincerity and commitment, to his words, for the American people.

Mr. Chairman, it is my hope that this is an issue that everyone on both sides of the aisle can rally in support of. The recession has hit Americans from all walks of life and individuals on different rungs of America's socioeconomic ladder. America's unemployed need compassion, understanding, and assistance. Their national leaders must provide relief and reassurances that their years of hard work and service were not delivered in vain.

Mr. LEVINE of California. I rise today in strong support of H.R. 3040 which will provide extended benefits for up to 3.5 million Americans who have exhausted their unemployment benefits.

Despite the fact that the administration has declared the recession over, millions of Americans remain out of work. The recession may be over for the President and his friends in Kennebunkport, but it is most certainly not over for working people in this country.

In my home State of California, unemployment has reached 8.2 percent. One in seven unemployed Americans now lives in California.

Every month more than 37,000 unemployed Californians exhaust their unemployment benefits.

This crisis affects the entire State and workers from every sector of our economy. Aerospace and defense manufacturers have lost more than 60,000 jobs during the current recession.

The State's agricultural industry remains hard hit. The workers whom the severe drought and freeze left jobless have now run out of unemployment benefits and are not eligible to receive any other aid.

Even Silicon Valley, the heart of our high technology sector, has seen unemployment skyrocket as computer manufacturers lay off workers. This is a national crisis, not limited to California. The number of long-term unemployed in our country has increased to more than 1.2 million people. Yet, fewer than 50,000 of these unemployed workers are eligible for extended benefits.

Mr. Chairman, I simply do not understand the lack of compassion and understanding exhibited by the administration toward American workers facing joblessness.

The people of California want to work.

They are not standing in soup lines and sending their children to school hungry because they are lazy.

The Democratic proposal on the floor today goes a long way to providing some relief to Americans who were forced from their jobs because of the recession.

It would provide additional unemployment benefits to long-term unemployed workers, limit the ability of States to disquality workers from receiving unemployment benefits, and provide additional benefits for ex-military personnel.

For the millions of Americans who are unemployed, who cannot find a job, and have exhausted their unemployment benefits, this is an emergency. Congress must act now to provide them with a modicum of relief.

I urge my colleagues on both sides of the aisle to join me in supporting the working person.

Vote for the Unemployment Insurance Reform Act of 1991.

Mrs. COLLINS of Illinois. Mr. Chairman, today I rise to add my support for enactment of a bill whose time has come: the Unemployment Insurance Reform Act. While I would much prefer to see the House version, H.R. 3040, become law, I am so concerned that something be done now for America's workers that I am willing to accept the compromise, H.R. 3201.

We need to pass some form of additional assistance for our work force, not just to help American workers, but because we owe it to American workers. We have all heard the figures: 7 percent of American workers now are unemployed. Since June of last year, 2 million workers have been added to the list of unemployed. This means that right now 8.75 million Americans cannot find work. Of these unemployed workers, 1.6 million have exhausted their unemployment insurance benefits just since January of this year. Without an extension of benefits, it is estimated that more than 3 million workers will have exhausted their benefits by the end of this fiscal year.

Now I ask my colleagues to put aside the figures and statistics and think instead about the individual lives that are being damaged and destroyed because there is no work, no paycheck, and no unemployment insurance benefits. In my district in Illinois, Mr. Speaker, there are fathers and mothers who cannot find jobs to support themselves or their families. For them, 26 weeks is simply not long enough to find a job during this recession. For them, an extension of unemployment insurance benefits could allow them to maintain their homes, their lifestyles, and their dignity. The legislation before us, Mr. Speaker, is a bill that we can and must pass in order to support and save millions of American workers.

H.R. 3201 speaks to the President declaring an emergency to exist before the additional benefits can be released. There is no question that we are in a serious, emergency situation. The unemployment rate is higher than it has been in almost 5 years. Our workers need concrete assistance from us and they need it quickly. I hope that partisan politics and wishful thinking about the economy will both be put aside; let's work together so that we can do what is right and what is necessary. Let's pass H.R. 3201.

Mr. FAZIO. Mr. Chairman, I rise today in support of the Unemployment Insurance Reform Act, legislation to address the unemployment emergency which grips the American economy. this bill will extend unemployment compensation benefits to more than a million unemployed Americans who have exhausted their benefits since the beginning of this year.

The administration will argue that the recession is over, or at least that things are getting better. They tell us that this legislation is unnecessary. But the 8.5 million American workers who are out of work know otherwise.

In June, our unemployment rate hit a 5-year high, at 7 percent. And Federal Reserve Board Chairman, Alan Greenspan, has estimated that, in the fourth quarter, inflation will also rise 3.25 percent. But the administration would have us believe that the recession is ending.

The number of long-term unemployed Americans has jumped 76 percent in the past year—to 1.2 million people. These aren't just numbers. These are people with names and faces. These figures represent American families with mortgages, with car payments, with kids to feed, and bills to pay.

But fewer than 50,000 of these unemployed workers live in States eligible for extended benefits. The unemployment problem in my home State of California is among the worst in the country. Although our unemployment rate was 8.2 percent in June, we have been denied extended benefits. One in every seven of the Nation's jobless workers lives in California. This year alone, an average of 37,000 jobless Californians have exhausted their regular State unemployment benefits each month without receiving additional unemployment aid. Our total from January through May of this year was 183,000 workers.

President Bush has requested aid to help people in Turkey, the Sudan, and Iraq—to name a few—but has threatened to veto our unemployment compensation bill. Why not support aid to American workers, Mr. President? In the past 40 years, every President has extended unemployment benefits during a recession, as we are attempting to do now.

This Republican recession has put close to 9 million Americans out of work. This country remains in a recession despite the wishful forecasting of this administration. Yet, George Bush continues to pack his bags and bury himself in foreign policy and House Republicans have spent the week stewing and stalling to keep this bill from coming to a vote.

Mr. Chairman, I urge my colleagues to support H.R. 3040. The Unemployment Insurance Reform Act offers hope and much needed relief for the 1.6 million working Americans who have lost their jobs due to this recession. Since the President prefers to spend his time helping Soviet citizens and refuses to take care of his own people, Congress must stand today for the millions of American families who need our help.

We are past the halfway mark of George Bush's term and his accomplishments read more like a Secretary of State's than a President's. It's time to come home, Mr. President. It's time to help our own.

Mr. OLVER. Mr. Chairman, I rise today in support of H.R. 3201, the Emergency Unemployment Compensation Act of 1991. As an original sponsor of legislation to extend unemployment benefits, I am deeply committed to its passage.

In many areas of western Massachusetts we are plagued with double-digit unemployment. Just 2 days ago we learned that total unemployment in the area has risen to 9.7 percent, an increase nearly double the rate of a year ago. But we don't need new statistics to know that families are struggling, and the hardships continue. In western Massachusetts, the recession has been long and deep, and sadly, the end is not yet in sight.

Despite this, here in Washington, President Bush declares we're out of the recession—well families in Holyoke, Pittsfield, and North Adams will tell you a different story. And every weekend when I go home, my friends and neighbors tell me their stories of hardships. They talk of steady layoffs at General Electric, months of getting by on only a portion of their former wages, and now, a sudden end to the unemployment benefits that they had been surviving on.

H.R. 3201 is of critical importance to the people of my district. As the recession drags on in western Massachusetts, unemployed men and women and their families need a bridge to help get past the recession and get back to work. For these people, losing their benefits is an emergency. They've already gone too long with the heavy burden of being without work.

It is an emergency that this Congress must immediately recognize. Now is not the time to point fingers to past inactions; it is time to help our struggling families. We must put a bill on the President's desk that makes no concessions, and gives the unemployed men and women of America what they need—a new lease to hold together their lives and their families, and the opportunity to continue their search for work.

If the President does not accept our demands, then he must answer to all those who now find themselves unemployed and without any source of income. He must explain to the 8.7 million unemployed people in America, and the over 40,000 in western Massachusetts, how he comes to the conclusion that the recession is over. If President Bush can declare an emergency to provide aid to Kurdish refugees, why can't we declare an emergency to help the unemployed men and women in my district and in our country?

The President says the recession is over. Well, Mr. President, come to my district and look into the eyes of a parent struggling to find work and provide for her family, and then tell us we are out of the recession. How can we turn our backs on these families?

I am excited about H.R. 3201, and I look forward to its quick and unaltered passage. I hope that we can finally recognize the depth of our current recession—and realize that while we may not be able to end it, we have all the power in the world to help those who are being most hurt by it.

Mr. FRANKS of Connecticut. Mr. Chairman, although there are many signs that our national economy is turning the corner toward prosperous time, many people are still feeling the pain and suffering of unemployment, especially workers in the State of Connecticut.

That is why I rise in support of H.R. 3201—the Unemployment Compensation Act of 1991.

Mr. Chairman, the people of my district and my State continue to struggle through rough times. There are many factors for this—a weak real estate market, an uncertain budget stalemate in Hartford, and tight credit, a result of several bank failures.

Connecticut's unemployment rate for the month of July was 6.2 percent, 5.9 percent seasonally adjusted. More disturbing, officials from the Connecticut Department of Labor have disclosed that since January, between 1,200 and 1,500 people unemployment recipients have exhausted their benefits. Last month, during one reporting period, the State reported 2,000 unemployed have befallen a similar fate.

While I do not support increasing unemployment taxes, I do believe the release of surplus funds to extend benefits to areas hard hit by unemployment is both fair and essential to our economic recovery.

These funds will extend these benefits to Connecticut workers for another 4 weeks.

This extension is not a hand out, but a hand up. Unemployment rates in several towns in my district are very disturbing and these funds will help them stay whole as they continue to seek new opportunities.

Also, this legislation would help ex-military personnel and reservists, many of whom served with valor in Operation Desert Storm.

It would be a dishonor to the brave men and women of our military if we did not try to assist them in joining the civilian work force.

This legislation merely release surplus funds for those who qualify. That is what these funds are intended for and we should authorize their disbursement once the President has declared the situation an emergency.

Mr. Chairman, the voters elected all of us to manage the resources of our Nation and to be both prudent but compassionate. This legislation is both prudent and compassionate.

I believe this is a special situation which requires flexibility on the part of the Congress. So let us be encouraged by the improvements in our economy but show that we, the Congress, must help working Americans get back on their feet so they may prosper and contribute to this recovery.

Ms. SNOWE. Mr. Chairman, I rise to express my support for the legislation before us today which will provide up to 20 weeks of additional unemployment benefits to people in my State of Maine.

Over 50,000 people were unemployed in Maine in June, an unemployment rate of 7.6 percent. Between June 1990, and June 1991, the number of nonagricultural jobs fell by 30,000.

Maine is one of only nine States in which extended benefits were triggered and one of only three still using them. These additional 13 weeks of benefits have gone to over 19,000 individuals since February. Even this extension, however, has not proven to be enough.

I have heard, as have many of my colleagues, from my constituents that they want to work, they are looking for work but they cannot find a job. I have heard this from people laid off from their first job out of school and from those in midlevel management, from electricians, store clerks, and myriad occupations.

Some of them have chosen to leave Maine and try their luck elsewhere, leaving behind family and friends. But the rest are looking for work, and they are ready to work, but they must wait for jobs to open up.

The legislation before us, by allowing Maine to provide up to 20 additional weeks of benefits to those who have exhausted their regular benefits, will help families stay together, keep roofs over their heads, and pay the bills.

These people need our help, and I am pleased that we are taking action to provide it. I urge my colleagues to support passage of this bill.

My constituents are hard working people and all they are looking for is a chance to prove it. By adopting this legislation we will be providing them with additional financial assistance to make it through this rough period.

Mr. FORD of Michigan. Mr. Chairman, I rise in strong support of the bill to extend benefits to the unemployed workers across this country.

The employment picture in Michigan is grim, although it has improved somewhat in the last 2 months. The statewide unemployemnt rate is 8.3 percent, meaning that 371,000 people are looking for work but cannot find it. Even in counties such as Washtenaw, where the unemployment rate is less severe, there are thousands of people who have been laid off in the last 6 months, in plant closings and other mass layoffs, who cannot find a job, and who are about to exhaust their unemployment insurance benefits. In Wayne County, where 1 person in every 10 is unemployed, the crisis is even more apparent. They need help, and this bill will give them the help they need.

Some people object to declaring a national economic emergency. Those people have jobs, full bellies, and paid vacations. For the 9 million jobless Americans whose only income is unemployment compensation, we have been in a national emergency for a year, and the emergency is showing no sign of disappearing. The national unemployment rate is at the highest level in 5 years.

My own State is suffering mightily. The recession in Michigan is not a matter of temporary, seasonal layoffs. We are witnessing the destruction of major elements of our basic industries and the permanent loss of tens of thousands of good-paying jobs.

The number of WARN notices in Michigan—notices to the State of permanent mass layoffs and plant closings involving 50 or more workers—was greater in the first 6 months of 1991 than in the entire year of 1990. By mid-June, 106 companies had sent in WARN notices, 71 of them involving plant closings.

The bill before us will provide $5.2 billion in extended unemployment benefits and will provide between 4 and 20 weeks of extended unemployment benefits, depending on the jobless rate of each State. It will also provide $600 million in additional benefits for veterans of Operation Desert Storm and other former armed service members. If signed by the President, the bill takes effect on September 1.

I must admit, I am more than a little disappointed with the final version of the bill. I would rather we had an opportunity to consider a bill comparable to H.R. 2839, which I have cosponsored.

Unlike the proposal we are considering today, H.R. 2839 would make permanent changes in the unemployment benefits program. H.R. 2839 would repeal the Federal-State Extended Benefits Program and replace it with a permanent Federal Supplemental Compensation Program providing three tiers of up to 20 additional weeks of benefits, funded 100 percent out of Federal unemployment taxes. It would increase the Federal unemployment taxable wage base, beginning in 1993, from its current $7,000 to the Social Security taxable wage base estimated to be $58,300 in that year. Had we followed such a funding scheme, we would not have to rely on the President to declare an emergency in order to provide these important benefits to unemployed workers.

Unlike the bill before us today, H.R. 2839 would have made the benefits retroactive to April 1991. Thousands of people who were denied extended benefits when the program triggered off in Michigan will be left without any help from this bill. Instead, many workers will go months without benefits before the bill goes into effect.

Fortunately, both bills increase ex-servicemembers' unemployment benefits from 13 weeks to 26 weeks and reduce the time they must wait to receive those benefits after leaving the military from 4 to 1 week. It also reduces the number of continuous days a reservist must serve on active duty from 180 to 90 in order to be eligible for unemployment insurance.

But, the reality of the situation has resulted in this more limited proposal.

Mr. Chairman, my constituents need this bill. In July, my home State of Michigan had 371,000 people out of work. More than 90,000 jobless workers in Michigan have seen their benefits run out in the first 6 months of 1991. We have to do something and we have to do it now.

The President has said that he will veto this bill because it violates last year's budget agreement. The President says we have to either make cuts in other programs or raise new taxes to pay for the extended unemployment benefits. I find this incredible when just months ago, the President asked for and received emergency spending to help the people of other nations. The President has been more than willing to provide emergency, off-budget aid to the Kurds, to Bangladesh, Israel, Turkey, and other countries.

It is time to meet the needs of Americans. I urge my colleagues to support this important proposal.

Mr. SERRANO. Mr. Chairman, I rise in strong support of the compromise measure, H.R. 3201, to help the thousands of men and women in the unemployment lines around this Nation.

I know in my State of New York alone there are thousands of people who were once employed, working for a living and paying taxes, but who have lost their jobs because of a recession that for them has not relented.

Despite what economists in pin-stripe suits are telling the White House, and thence the President telling us, times are not getting better. Large populations without jobs are in desperate need of assistance through unemployment compensations and their payment extensions.

So that those people who want to carry their own weight can do so, we need to create an economic atmosphere wherein the creation of new jobs is seen as vital. We need to help these people get back in the workforce. My district, the poorest in the Nation, definitely needs added assistance. Through demonstration job search assistance programs and extended benefits when times are hardest, we can help them. Times are hardest now.

People do want to work, but until there are jobs for them, they will need help. H.R. 3201 is bold and addresses this crisis.

Mrs. KENNELLY. Mr. Chairman, Americans are generous people. Where famine, war or natural disaster have struck, Americans have often been the first ones there to provide assistance to ease human suffering. Today, we must take a step to ease suffering at home. Today we must restore a little bit of hope to the lives of millions of unemployed men and women.

Mr. Chairman, for a year a recession has gripped our Nation. Some say the recession is over. Well even if the economy is on the mend, it is clear that the recession has not yet loosened its grip on the Northeast. The unemployment rate jumped by one-half of 1 percent just last month in my State so we have not bottomed out. This bill addresses the needs of those people who will suffer from being out of work—the people who are often the first fired and last hired. This bill will help families to survive and communities to remain stable during the difficult days which will linger on for them. It will help meet the mortgage payments while they try to hold on. It will put gas in the tank so they can go look for work and food to sustain them and their families.

I in no way imply that this bill is sufficient, only that it is all we can do right now. So let's do it—we owe working people that. Let's pass this bill and send it to the President. Let's hope he implements it.

Mr. COYNE. Mr. Chairman, I believe the House should act now to provide a safety net for out-of-work Americans who have exhausted their unemployment benefits. These men and women are facing a true emergency and hard choices on how to feed their children and pay their rent or mortgages.

On three separate occasions, the Congress and the administration have recognized emergencies overseas that justified new spending. If we can respond to the plight of the Kurds and disasters in Bangladesh, how can we possibly ignore the suffering of our own citizens who have exhausted their unemployment benefits? How can the Congress or the administration claim that the needs of the unemployed represent less of an emergency than the needs of those in distant lands?

We must remember that millions of Americans are still without jobs before we celebrate the end of the current recession proclaimed by the Administration. We all want to see an economic recovery but the fact remains that joblessness continues to be a major problem.

Even yesterday's news of a slight drop in the unemployment rate—from 7 percent in June to 6.8 percent in July—indicated that many companies will not be calling many workers back soon. In fact, a separate Labor Department survey of business establishments showed that companies continued to cut jobs last month, as payrolls fell by 51,000.

Furthermore, in many areas, the unemployment rate increased in July. In the Commonwealth of Pennsylvania, the rate rose from 6.8 percent to 7 percent. Nearly half a million Pennsylvanians are out of work, with many at risk of falling through the safety net which unemployment compensation is supposed to offer.

The reality for many unemployed Americans is that finding a new job will be increasingly difficult. This represents a dark horizon even for those still receiving unemployment benefits. Men and women who have exhausted all benefits are living in the heart of this darkness.

I believe the compromise bill represents a minimum response to the economic reality faced by the unemployed in America. The original House bill was a stronger measure since it attempted to correct long-standing systemic problems in the Federal unemployment compensation system.

Still, if we cannot do all that we should, let us not be found guilty of doing nothing at all for the millions of unemployed men and women in America. I urge my colleagues to pass this bill and I sincerely hope President Bush will remember the families of the unemployed when he is asked to sign this measure into law.

Mr. ALEXANDER. Mr. Chairman, I rise in support of H.R. 3201, The Unemployment Insurance Reform Act of 1991. At this moment, 18 of the 24 counties in my congressional district—75 percent of my counties—have unemployment rates which exceed the national average. In my home State of Arkansas 23,600 persons will exhaust their unemployment benefits in 1991. Of that number, more than 7,000 will be unable to find work.

Mr. Chairman, we are in the midst of a prolonged recession. The recovery promises to be slow and difficult. In the lower Mississippi River Delta, which encompasses much of my congressional district, unemployment rates are commonly in double digits and often exceed 20 percent. People want to work and are looking for work—but for many, there is simply no work to be found. An intractable poverty grips much of the region. The persistent downward spiral of the economy has now caused unemployment to reach beyond the chronically poor and overtake many in the working middle class.

We cannot forsake those who have fallen victim to failed national economic policies. Many of these people have no one to turn to but their Government—and if we fail to act they will await the tender mercies of the constant companions of the poor—hunger, sickness and misery.

While we struggle in the search for an economic and political solution to the problem of unemployment, we have a moral obligation to hear peoples' cries for help. If we fail to act, we will find the answer to our neglect in the suffering which will surely follow our indifference.

I urge passage of the bill.

Mr. LEHMAN of California. Mr. Chairman, I rise today to voice my support for H.R. 3201, the unemployment compensation amendments. Over the past 5 years, we have consistently witnessed an increasing unemployment rate. Recently the Labor Department announced that new claims for State unemployment insurance benefits rose by 30,000 to a total of 425,000 during the second week of July. This is 75,000 more than the average number of new claims being filed each week a year ago.

In my State of California the most recent figures report an 8.2 percent unemployment rate. If the President signs into law H.R. 3201 over 500,000 people in California will receive much needed assistance. In my district the average unemployment rate is in the double digits. The largest city in my district, Fresno, has an unemployment rate of 11.7 percent. The combination of the December 1990 freeze, the California drought and the recession has left many people out of work and depleted of regular 26 weeks of unemployment benefits.

In all but one prior recession since the 1950's, Congress has enacted legislation to make available extra weeks of benefits in addition to the regular 26 weeks of unemployment insurance. However, in the early 1980's changes to the unemployment insurance program have made it much less responsive to the needs of the unemployed. Obviously, it is much more difficult to find a job in a recession and the law must reflect this difficulty.

I support H.R. 3201 as a fair—although temporary—approach to providing much needed unemployment benefits. It is ridiculous at best to ignore the economic realities all around us and deny the unemployed an additional 7 to 20 weeks of compensation. This is a temporary bill which will last only 1 year but it will provide immeasurable relief to the millions of workers who have become unemployed. I urge my colleagues to support this measure and I call on President Bush to listen to the millions of unemployed in this Nation and sign this bill into law.

Mr. ARCHER. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of the bill is as follows:

H.R. 3201

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Emergency Unemployment Compensation Act of 1991".

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (hereafter in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of emergency unemployment compensation—

(1) to individuals who—

(A) have exhausted all rights to regular compensation under the State law;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law (and are not paid or entitled to be paid any additional compensation under any State or Federal law); and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(2) for any week of unemployment which begins in the individual's period of eligibility (as defined in section 7(2)).

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT.—For purposes of any agreement under this Act—

(1) the amount of emergency unemployment compensation which shall be payable

to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependent's allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for extended compensation and to the payment thereof shall apply to claims for emergency unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act, or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of emergency unemployment compensation payable to any individual for whom an account is established under section 3 shall not exceed the amount established in such account for such individual.

(e) ELECTION.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State in a 7-percent period or an 8-percent period, as defined in section 3(c), is authorized to and may elect to trigger off an extended compensation period in order to provide payment of emergency unemployment compensation to individuals who have exhausted their rights to regular compensation under State law.

SEC. 3. EMERGENCY UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for emergency unemployment compensation, an emergency unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual with respect to the benefit year (as determined under the State law) on the basis of which the individual most recently received regular compensation, or

(B) the applicable limit times the individual's average weekly benefit amount for the benefit year.

(2) APPLICABLE LIMIT.—For purposes of this section—

(A) IN GENERAL.—Except as provided in this paragraph, the applicable limit shall be determined under the following table:

In the case of weeks beginning during a:	The applicable limit is:
8-percent period	20
7-percent period	13
6-percent period	7
Other period	4.

(B) APPLICABLE LIMIT NOT REDUCED.—An individual's applicable limit for any week shall in no event be less than the highest applicable limit in effect for any prior week for which emergency unemployment compensation was payable to the individual from the account involved.

(C) INCREASE IN APPLICABLE LIMIT.—If the applicable limit in effect for any week is higher than the applicable limit for any prior week, the applicable limit shall be the higher applicable limit, reduced (but not below zero) by the number of prior weeks for which emergency unemployment compensation was paid to the individual from the account involved.

(3) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970.

(4) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

(c) DETERMINATION OF PERIODS.—

(1) IN GENERAL.—For purposes of this section, the terms "8-percent period", "7-percent period", "6-percent period", and "other period" mean, with respect to any State, the period which—

(A) begins with the second Sunday of the month after the first month during which the applicable trigger for such period is on, and

(B) ends with the Saturday immediately preceding the second Sunday of the month after the first month during which the applicable trigger for such period is off.

(2) APPLICABLE TRIGGER.—In the case of an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, the applicable trigger is on for any week with respect to any such period if the average rate of total unemployment in the State for the period consisting of the most recent 6-calendar month period for which data are available—

(A) equals or exceeds 6 percent, and

(B) falls within the applicable range (as defined in paragraph (3)).

Subparagraph (A) shall only apply in the case of an 8-percent period, 7-percent period, or 6-percent period.

(3) APPLICABLE RANGE.—For purposes of this subsection, the applicable range is as follows:

In the case of a:	The applicable range is:
8-percent period	A rate equal to or exceeding 8 percent.
7-percent period	A rate equal to or exceeding 7 percent but less than 8 percent.
6-percent period	A rate equal to or exceeding 6 percent but less than 7 percent.
Other period	A rate less than 6 percent.

(4) SPECIAL RULES FOR DETERMINING PERIODS.—

(A) MINIMUM PERIOD.—Except as provided in subparagraph (B), if for any week beginning after August 31, 1991, an 8-percent period, 7-percent period, 6-percent period, or other period, as the case may be, is triggered on with respect to such State, such period shall last for not less than 13 weeks.

(B) EXCEPTION IF APPLICABLE RANGE INCREASES.—If, but for subparagraph (A), another period with a higher applicable range would be in effect for such State, such other period shall take effect without regard to subparagraph (A).

(5) NOTIFICATION BY SECRETARY.—When a determination has been made that an 8-percent period, 7-percent period, 6-percent period, or other period is beginning or ending with respect to a State, the Secretary shall cause notice of such determination to be published in the Federal Register.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no emergency unemployment compensation shall be payable to any individual under this Act for any week—

(A) beginning before the later of—

(i) September 1, 1991, or

(ii) the first week following the week in which an agreement under this Act is entered into, or

(B) beginning after July 4, 1992.

(2) TRANSITION.—In the case of an individual who is receiving emergency unemployment compensation for a week which includes July 4, 1992, such compensation shall continue to be payable to such individual in accordance with subsection (b) for any week beginning in a period of consecutive weeks for each of which the individual meets the eligibility requirements of this Act.

(3) REACHBACK PROVISIONS.—(A) IN GENERAL.—If—

(i) any individual exhausted such individual's rights to regular compensation (or extended compensation) under the State law after March 31, 1991, and before the first week following August 31, 1991 (or, if later, the week following the week in which the agreement under this Act is entered into), and

(ii) a period described in subsection (c)(2)(A) is in effect with respect to the State for the first week following August 31, 1991,

such individual shall be entitled to emergency unemployment compensation under this Act in the same manner as if such individual's benefit year ended no earlier than the last day of such following week.

(B) LIMITATION OF BENEFITS.—In the case of an individual who has exhausted such individual's rights to both regular and extended compensation, any emergency unemployment compensation payable under subparagraph (A) shall be reduced in accordance with subsection (b)(3).

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this Act an amount equal to 100 percent of the emergency unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this Act or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this Act in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund.

(c) ASSISTANCE TO STATES.—There are hereby authorized to be appropriated without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act) in meeting the costs of administration of agreements under this Act.

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of emergency unemployment compensation under this Act to which he was not entitled, such individual—

(1) shall be ineligible for further emergency unemployment compensation under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of emergency unemployment compensation under this Act to which they were not entitled, the State shall require such individuals to repay the amounts of such emergency unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such emergency unemployment compensation was without fault on the part of any such individual, and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any emergency unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the emergency unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

For purposes of this Act:

(1) IN GENERAL.—The terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(2) ELIGIBILITY PERIOD.—An individual's eligibility period shall consist of the weeks in the individual's benefit year which begin in an 8-percent period, 7-percent period, 6-percent period, or other period under this Act and, if the individual's benefit year ends on or after August 31, 1991, any weeks thereafter which begin in any such period. In no event shall an individual's period of eligibility include any weeks after the 39th week after the end of the benefit year for which the individual exhausted his rights to regular compensation or extended compensation.

(3) RATE OF TOTAL UNEMPLOYMENT.—The term "rate of total unemployment" means the average unadjusted total rate of unemployment (as determined by the Secretary) for a State for the period consisting of the most recent 6-calendar month period for which data are available.

SEC. 8. PAYMENTS OF UNEMPLOYMENT COMPENSATION TO FORMER MEMBERS OF THE ARMED FORCES.

(a) REPEAL OF CERTAIN LIMITATIONS.—Subsection (c) of section 8521 of title 5, United States Code, is hereby repealed.

(b) REDUCTION IN LENGTH OF REQUIRED ACTIVE DUTY BY RESERVES.—Paragraph (1) of section 8521(a) of such title 5 is amended by striking "180 days" and inserting "90 days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to weeks of unemployment beginning on or after the date of the enactment of this Act.

SEC. 9. ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION.

Section 908 of the Social Security Act is amended to read as follows:

"ADVISORY COUNCIL ON UNEMPLOYMENT COMPENSATION

"SEC. 908. (a) ESTABLISHMENT.—Not later than February 1, 1992, and every 4th year thereafter (but not before February 1 of such 4th year), the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the 'Council').

"(b) FUNCTION.—It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

"(c) MEMBERS.—

"(1) IN GENERAL.—Each Council shall consist of 11 members as follows:

"(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

"(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance.

"(C) 3 members appointed by the Speaker of the House, in consultation with the Chairman and ranking member of the Committee on Ways and Means.

"(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C), the President pro tempore of the Senate and the Speaker of the House shall each appoint—

"(A) 1 representative of the interests of business,

"(B) 1 representative of the interests of labor, and

"(C) 1 representative of the interests of State governments.

"(3) VACANCIES.—A vacancy in any Council shall be filled in the manner in which the original appointment was made.

"(4) CHAIRMAN.—The President shall appoint the Chairman.

"(d) STAFF AND OTHER ASSISTANCE.—

"(1) IN GENERAL.—Each council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

"(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

"(e) COMPENSATION.—Each member of any Council—

"(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

"(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

"(f) REPORT.—

"(1) IN GENERAL.—Not later than February 1 of the second year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

"(2) REPORT OF FIRST COUNCIL.—The Council shall include in its February 1, 1994, report findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.".

SEC. 10. EMERGENCY DESIGNATION.

(a) EMERGENCY DESIGNATION.—Pursuant to sections 251(b)(2)(D)(i) and 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the Congress hereby designates all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) EFFECTIVENESS.—Notwithstanding any other provision of law or any other provision of this Act, none of the preceding sections of this Act shall take effect unless, not later than the date of the enactment of this Act, the President submits to the Congress a written designation of all direct spending amounts provided by this Act (for all fiscal years) and all appropriations authorized by this Act (for all fiscal years) as emergency requirements within the meaning of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

The CHAIRMAN. No amendment to the bill is in order.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. AUCOIN) having assumed the chair, Mr. BONIOR, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3201) to provide emergency unemployment compensation, and for other purposes, pursuant to House Resolution 210, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

(By unanimous consent, Mr. GEPHARDT was allowed to speak out of order for 5 minutes.)

JOBLESS RAP

Mr. GEPHARDT. Mr. Speaker, in a recession, this country makes a promise not simply to the jobless but to all of us.

By providing unemployment benefits to workers, we replace their wages and enable them to eat and take care of their children, and we fight recession by maintaining, even for a limited time, their purchasing power.

That is a promise we kept during the last Republican recession, and that is a promise we mean to keep during this Republican recession.

We have been in recession for over a year; there are nearly 9 million Americans without jobs; millions of them have exhausted their benefits, and only three States are sustaining their long-term unemployed.

Today, we acknowledge and affirm that this legislation should have been on the President's desk weeks and months ago. But getting here required scaling a wall of resistance from an administration that was late recognizing the recession, and far behind in fulfilling its responsibilities to the unemployed.

It was Secretary Brady calling the recession no big deal. It was Secretary Martin calling our bill a deterrent to economic growth.

It was Budget Director Darman who said jobless benefits encourage people to become unemployed. It was the junior Senator from Texas who tried to spook us into giving up by threatening to delay the recess until next Thursday.

It was the President telling his Republican allies—vote for the bill, because I can rig it so the checks never get mailed. What cynicism. What heartlessness. What irresponsibility.

This morning, we heard stirring speeches from our Republican colleagues about how effective the President is overseas. This President is farsighted, no question about it. Not in the philosophical sense, but farsighted the way optometrists mean it.

The President can see suffering overseas but not when it is happening right before his eyes.

Mr. Speaker, $55 billion in help for disasters from Bangladesh to Kurdistan—aid to Egypt, Poland, Israel, Turkey, and the U.S. Information Agency—that sounds like an emergency. But what about the jobless here at home?

People like Margaret Jenkins—one of a number of jobless Americans I saw the other day. She's a 53-year-old woman. Worked for 35 years, and she spent the last 7 cleaning rooms in a hotel.

Raised seven children by working two jobs at the same time. Last September she was thrown out of work.

Her benefits ran out 4 months ago. And she needs our help, and so does her family.

What about Margaret Jenkins, and the people like her who live in New York, with unemployment at 7.1 percent? In Pennsylvania, with a jobless rate of 7 percent. In Texas at 6.7 percent and rising.

In Michigan with 8.3 percent. In Ohio, 6.9 percent and rising. In California at 7.6 percent. In Florida at 7.8 percent and rising.

In St. Louis, with 7.3 percent out of work. What do these people have to do to get the President's attention, move to the Balkans? For them, for the 8.5 million Americans out of work last month, the hope of finding jobs is dim.

Every economist concedes that unemployment lags beyond the recovery period after a recession.

The Labor Department's own findings show us that the unemployment rate only looks slightly better because some people are so fed up with chronic, long-term unemployment, that they have stopped looking any more—400,000 of them in today's report have simply given up.

And the Labor Department doesn't count these people any more; they are merely statistics to be discarded.

So now is the time to act, and to take actions that will make a real difference in the lives of the American people.

Not the deceit of a capital gains tax reduction; that will only widen the gap between the richest in this society and the rapidly shrinking and deeply despairing middle-class.

Not the absurdity of cutting more people from the Guaranteed Student Loan Program so that fewer middle class kids go to college.

Because the fact is, we need to cut middle class taxes and expand the number of their children who go on to higher education.

And Democrats expect to bring legislation that does those things to the floor next fall and next year.

But we can take concrete action today by throwing his modest lifeline to the people who expect this Government to keep the promise; the people who paid their unemployment taxes and who now rightly expect to receive their unemployment benefits.

And then, quite frankly, the spotlight will be on the President. A President who bowed his head in prayer on the West Front of this Capitol, and said, "Heavenly Father, write on our hearts these words: 'Use Power to help people'."

And we will look to that President and say to him: sign the bill, declare the emergency, use your enormous power to help the people who elected you.

Not just the Turkish people. Not just the Russian people. Not just the Kurdish people. Use your power to help the American people.

Declare the emergency, Mr. President. Keep your promise and fulfill your prayer. Use your power to help the American people.

□ 1330

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. AUCOIN). The gentleman will state his parliamentary inquiry.

Mr. WALKER. Mr. Speaker, the majority leader has just spoken out of order for 5 minutes by unanimous consent.

The SPEAKER pro tempore. By unanimous consent, that is correct.

Mr. WALKER. Mr. Speaker, is it going to set a precedent that we are going to extend debate in this manner in some other time? I thought debate had been concluded on the bill.

The SPEAKER pro tempore. The Chair does not expect that any precedent has been set. A unanimous-consent request was made. No objection was heard. The Chair so ruled that the majority leader's unanimous consent to speak out of order for 5 minutes was granted.

Mr. WALKER. Mr. Speaker, a further parliamentary inquiry. Is it not normal, however, in such situations to limit such speeches to 1 minute, rather than 5 minutes?

The SPEAKER pro tempore. The unanimous consent, the Chair will state to the gentleman, was for the majority leader to be recognized for 5 minutes.

Mr. WALKER. So in the future the Chair will entertain further unanimous-consent requests for 5-minute speeches in the middle of the day?

The SPEAKER pro tempore. The Chair will further state that there are no normal requests for unanimous consent when the previous question has been ordered. There is no normal time period for recognition, although the Speaker has in the past recognized the majority or minority leaders to request unanimous consent to speak out of order.

Mr. WALKER. Mr. Speaker, I thank the Chair.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROSTENKOWSKI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 375, nays 45, not voting 13, as follows:

[Roll No. 253]

YEAS—375

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Ballenger
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bunning
Bustamante
Byron
Callahan
Camp
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Cramer
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Jacobs
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schumer
Serrano
Sharp
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Towns
Traficant
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Young (AK)
Young (FL)
Zimmer

NAYS—45

Allard
Archer
Armey
Baker
Barrett
Barton
Boehner
Broomfield
Burton
Campbell (CA)
Combest
Cox (CA)
Crane
Dannemeyer
DeLay
Dornan (CA)
Dreier
Duncan
Fawell
Fields
Goss
Gradison
Hancock
Hansen
Hunter
Ireland
Johnson (TX)
Lewis (CA)
Livingston
McCandless
Moorhead
Nussle
Packard
Penny
Petri
Porter
Ramstad
Rohrabacher
Schulze
Sensenbrenner
Shaw
Stump
Vucanovich
Walker
Zeliff

NOT VOTING—13

Barnard
Edwards (TX)
Gray
Hefner
Holloway
Hopkins
Lehman (CA)
Martinez
Matsui
McCrery
Sundquist
Traxler
Yatron

□ 1354

Mr. ZELIFF and Mr. MOORHEAD changed their vote from "yea" to "nay."

Mrs. SCHROEDER and Mr. GONZALEZ changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed.

The SPEAKER pro tempore (Mr. AuCoin). Is there objection to the request of the gentleman from Illinois?

There was no objection.

DESIGNATION OF HON. DAVID E. BONIOR TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS THROUGH SEPTEMBER 11, 1991

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

HOUSE OF REPRESENTATIVES,
Washington, DC, August 2, 1991.

I hereby designate the Honorable David E. Bonior to act as Speaker pro tempore to sign enrolled bills and joint resolutions through September 11, 1991.

Thomas S. Foley,
Speaker of the House of Representatives.

FEDERAL MARITIME COMMISSION AUTHORIZATION ACT OF 1991

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1006) to authorize appropriations for fiscal year 1992 for the Federal Maritime Commission, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment: Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Maritime Commission Authorization Act of 1991".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Federal Maritime Commission $17,974,000 for fiscal year 1992.

SEC. 3. COASTWIDE TRADE AUTHORIZATION.

(a) In General.—Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), or any other provision of law restricting the operation of foreign-flag vessels in the coastwide trade of the United States, as applicable on the date of enactment of this Act, the foreign-flag vessel NORDIC LOUISIANA may, during the period described in subsection (b), engage in the transportation by water of molten sulphur in the coastwise trade of the United States, if—

(1) a binding contract for the construction or rebuilding, in the United States, of a coastwise-qualified replacement vessel is executed within 9 months after the date of enactment of this Act;

(2) all ship repair work on the NORDIC LOUISIANA necessary to its operation under

this section is performed in the United States; and

(3) all officers and crew members employed on board the NORDIC LOUISIANA during its operation under this section are United States citizens.

(b) PERIOD OF AUTHORIZATION.—The period of transportation authorized under subsection (a) begins on the date of enactment of this Act and ends on the earlier of—

(1) the date that is 4 years after such date of enactment; or

(2) the date of delivery of a coastwise-qualified replacement vessel constructed in or rebuilt in the United States.

SEC. 4. WAIVERS FOR CERTAIN VESSELS.

(a) AUTHORIZATION TO ISSUE CERTIFICATES OF DOCUMENTATION.—Notwithstanding section 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the Secretary of Transportation may issue a certificate of documentation for the following vessels:

(1) ARGOSY (United States official number 528616).

(2) CUTTY SARK (United States official number 282523).

(3) JIGGS (United States official number 208787).

(4) LOIS T (United States official number 668034).

(5) MARCIA (State of Maryland registration number 6417P).

(6) PHOENIX (United States official number 655712).

(7) PURE PLEASURE (United States official number 968163).

(8) STARLIGHT VIII (United States official number 910317).

(9) WINDWARD III (United States official number 552289).

(10) LOGAN T (United States official number 953795).

(11) ERIC WC (hull identification number 64103).

(12) COMMANDO (United States official number 955188).

(b) WAIVER FOR CERTAIN INFLATABLE VESSELS.—Notwithstanding section 8 of the Act of June 19, 1886 (46 App. U.S.C. 289), and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the following inflatable vessels may engage in the coastwise trade:

(1) Serial number 3968B, model number J990.

(2) Serial number 4581B, model number J990.

(3) Serial number A501A, model number D989.

(4) Serial number A502A, model number D989.

(5) Serial number 629IC, model number G091.

(6) Serial number 6300C, model number G091.

(7) Serial number 7302C, model number G091.

(8) Serial number 7305C, model number G091.

(c) DOCUMENTATION OF M/V NUSHAGAK.—Notwithstanding section 12106 of title 46, United States Code, and section 27 of the Merchant Marine Act, (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the fish processing vessel NUSHAGAK, United States official number 618759.

SEC. 5. CONTROLLED CARRIERS.

(a) CONTROLLED CARRIER RATES.—Section 9(a) of the Shipping Act of 1984 (46 App. U.S.C. 1708(a)) is amended by inserting "or service contracts" immediately after "tariffs" each place it appears.

(b) EFFECTIVE DATE OF RATES.—Section 9(c) of the Shipping Act of 1984 (46 App. U.S.C. 1708(c)) is amended by inserting "and except for service contracts" immediately after "Notwithstanding section 8(d) of this Act".

Mr. JONES of North Carolina (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. LENT. Mr. Speaker, reserving the right to object, and I will not object, I make this reservation for the purpose of allowing the gentleman from North Carolina [Mr. JONES] to explain what is in the bill.

Mr. JONES of North Carolina. Mr. Speaker, I thank the gentleman from New York [Mr. LENT].

Mr. Speaker, the bill authorizes the appropriation of $17,974,000 for the Federal Maritime Commission for fiscal year 1992. This amount, which was approved by both the House and Senate, is identical to the administration's budget request.

H.R. 1006 authorizes the Secretary of Transportation to issue certificates of documentation in the coastwise and fisheries trades of the United States for a number of privately owned vessels.

It also waives coastwise trading restrictions for the sulphur tanker, *Nordic Louisiana*. This will permit this British-built ship to temporarily operate in the United States coastwise trade until a vessel to replace the United States-built vessel, the *Louisiana Brimstone*, is built.

This waiver is conditioned upon the construction of, or rebuilding of, this replacement vessel in the United States within 4 years. All repair work on the *Nordic Louisiana* must be performed in the United States, and its officers and crew must be United States citizens.

Finally, the bill amends the Shipping Act of 1984 to require that service contracts entered into by State-controlled carriers be subject to the same standards applicable to all other rates filed in the tariffs of such carriers.

Section 16 of the 1984 Shipping Act authorizes the FMC to exempt specified activities from requirements of the statute, if it makes certain findings. We all recognize that Congress did not intend for this provision to be used to make fundamental or substantial changes in the regulation of our ocean commerce.

The Advisory Commission on Conferences in Ocean Shipping is currently undertaking a review of the Shipping Act of 1984. This Commission is composed of a broad range of private citizen members from every segment of the ocean shipping world, as well as Members of Congress and the executive branch.

In April 1992, this advisory body, created by Congress, will report to the President and the Congress its "recommendations for such administrative, judicial, and legislative action as it deems advisable." As a member of the Advisory Commission, I support its important work and urge that neither Congress nor the regulatory agency preempt any aspect of its mandate.

Mr. Speaker, I commend the Chairman and members of the Federal Maritime Commission for their timely and vigorous application of the Foreign Shipping Practices Act. On July 22, 1991, The Commission began a formal investigation into allegations that China imposes severe burdens on United States ocean carriers doing business in that country. This proceeding must be completed in 120 days.

China wants to keep most-favored-nation status. President Bush wants China to have it. In return, the United States must insist that China not impose unfair burdens on United States companies doing business in China. The FMC is playing an important role in this area.

Mr. Speaker, I strongly support the bill, H.R. 1006, as amended by the Senate, and urge its immediate passage.

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Mr. LENT. Mr. Speaker, I strongly endorse the gentleman's request and I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. AUCOIN). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the legislation just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

CONFERENCE REPORT ON H.R. 991, DEFENSE PRODUCTION ACT EXTENSION AND AMENDMENTS OF 1991

Mr. CARPER submitted the following conference report and statement on the bill (H.R. 991) to extend the expiration date of the Defense Production Act of 1950, and for other purposes:

CONFERENCE REPORT (H. REPT. 102–186)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 991) to extend the expiration date of the Defense Production Act of 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses that the Senate recede from its amendment.

From the Committee on Banking, Finance and Urban Affairs for consideration of the House bill, and title I of the Senate amendment, and modifications committed to conference:

Henry Gonzalez,
John J. LaFalce,
M.R. Oakar,
Bruce F. Vento,
Tom Carper,
Chalmers P. Wylie,
Tom Ridge,
Bill Paxon,

From the Committee on Banking, Finance and Urban Affairs for consideration of title II of the Senate amendment, and modifications committed to conference

Henry Gonzalez,
Frank Annunzio,
Steve Neal,
M.R. Oakar,
Charles Schumer,
Tom Carper,
Chalmers P. Wylie,
Jim Leach,
Marge Roukema,

From the Committee on Energy and Commerce for consideration of sec. 8 of the House bill, and secs. 203–206 of the Senate amendment, and modifications committed to conference:

John D. Dingell,
Edward J. Markey,
Cardiss Collins,
Norman F. Lent,
Matthew J. Rinaldo,

From the Committee on the Judiciary for consideration of sec. 5 of the House bill, sec. 104 of the Senate amendment, and modifications committed to conference:

Jack Brooks,
Don Edwards,
Hamilton Fish, Jr.,

From the Committee on Ways and Means for consideration of secs. 202–204 of the Senate amendment, and modifications committed to conference:

Dan Rostenkowski,
Sam Gibbons,
Ed Jenkins,
Bill Archer,
Phil Crane,
Managers on the Part of the House.

Don Riegle,
Paul Sarbanes,
Alan J. Dixon,
Jake Garn,
Alfonse D'Amato,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 991) to extend the expiration date of the Defense Production Act of 1950, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The Senate recedes from its amendment.

SECTION 2 OF THE HOUSE BILL

This section extends the non-permanent provisions of Titles I, III, and VII of the Act to September 30, 1991.

SECTION 3 OF THE HOUSE BILL

This section authorizes appropriations for programs under section 301, 302 and 303 of the Act.

SECTION 4 OF THE HOUSE BILL

This section repeals section 708A of the Defense Production Act. The only remaining effective provision in section 708A is subsection (o), which prohibits the use of voluntary agreements under section 708 to implement any international agreement relating to petroleum products to which the United States is a party. Repeal of section 708A would rectify this situation.

SECTION 5 OF THE HOUSE BILL

This section would make several technical amendments to section 708 of the Defense Production Act, which governs antitrust treatment of emergency actions initiated by the President. There would be an affirmative defense to federal antitrust enforcement for any participant in the formulation or implementation of a voluntary agreement or a "plan of action" to implement such an agreement. The defense would apply only to conduct within the scope of an agreement or plan initiated by the President, and only if the conduct is actively supervised by the President or his designee. These requirements embody the concept of "Federal Action" under which a private actor is insulated from antitrust exposure provided that a government entity expressly authorizes the conduct involved and actively supervises it. The party asserting the defense has the burden of proving that the requisite elements are met. The defense is not available under this section if the party against whom the defense is asserted shows that any part of the conduct was undertaken for the purpose of violating the antitrust laws.

There would also be an affirmative defense to a breach of contract suit in State or Federal court, if the alleged breach was predominantly caused by action undertaken during an emergency to carry out a voluntary agreement or plan of action authorized and approved in accordance with the provisions of the Defense Production Act. The party asserting the defense would still be obligated to mitigate damages "to the fullest extent possible."

Other amendments made to section 708 of the Defense Production Act by this section exempt activities conducted under a properly approved voluntary agreement or plan of action from the Federal Advisory Committee Act, enhance various "sunshine" requirements in the voluntary agreement and plan of action process, and modify public access requirements regarding transcripts of advisory committee meetings in order to protect confidential or proprietary information.

SECTION 6 OF THE HOUSE BILL

This section makes it clear that the DPA's contract priority and allocation provisions in both section 101(a) and 101(c) apply to "service" contracts. This section also eliminates some reporting requirements that must accompany the use of section 101(c) authority.

SECTION 7 OF THE HOUSE BILL

Section 7 of the bill provides for retroactive effect of the extension to October 20, 1990.

SECTION 8 OF THE HOUSE BILL

Section 8 removes section 721 from the sunset provisions of the Act, thus making permanent the so-called Exon-Florio authority.

From the Committee on Banking, Finance and Urban Affairs for consideration of the House bill, and title I of the Senate amendment, and modifications committed to conference:

Henry Gonzalez,
John J. LaFalce,
M.R. Oakar,
Bruce F. Vento,
Tom Carper,
Chalmers P. Wylie,
Tom Ridge,
Bill Paxon,

From the Committee on Banking, Finance and Urban Affairs for consideration of title II of the Senate amendment, and modifications committed to conference:

Henry Gonzalez,
Frank Annunzio,
Steve Neal,
M.R. Oakar,
Charles Schumer,
Tom Carper,
Chalmers P. Wylie,
Jim Leach,
Marge Roukema,

From the Committee on Energy and Commerce for consideration of sec. 8 of the House bill, and secs. 203–206 of the Senate amendment, and modifications committed to conference:

John D. Dingell,
Edward J. Markey,
Cardiss Collins,
Norman F. Lent,
Matthew J. Rinaldo,

From the Committee on the Judiciary for consideration of sec. 5 of the House bill, sec. 104 of the Senate amendment, and modifications committed to conference:

Jack Brooks,
Don Edwards,
Hamilton Fish, Jr.,

From the Committee on Ways and Means for consideration of secs. 202–204 of the Senate amendment, and modifications committed to conference:

Dan Rostenkowski,
Sam Gibbons,
Ed Jenkins,
Bill Archer,
Phil Crane,
Managers on the Part of the House.

Don Riegle,
Paul Sarbanes,
Alan J. Dixon,
Jake Garn,
Alfonse D'Amato,
Managers on the Part of the Senate.

Mr. CARPER. Mr. Speaker, I call up the conference report on the bill (H.R. 991) to extend the expiration date of the Defense Production Act of 1950, and for other purposes, and ask unanimous consent that the conference report be considered as read, and ask unanimous consent for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

Mr. RIDGE. Mr. Speaker, reserving the right to object, DPA stands for the

Defense Production Act, a law providing the Federal Government with priority claims on industrial production in case of war or national emergency. But lately DPA has meant "Don't Pass Anything," and that's exactly what happened last year. The law has been expired since October 20, 1990, and even this short-term extension was until recently held up in conference.

While it is true that our Government successfully conducted a war in the interim, that conflict was mercifully short and occurred during a time of relatively slack demand for goods—thanks to our recession. The authority is still needed in case the next conflict presents a more adverse situation. Today we bring to the floor a short-term extension that will plug the gap until the House and the Senate pass a long-term DPA bill. Just this week the full committee passed such a long-term extension and we look forward to receiving it on the floor in the near future.

This short-term extension is a modest bill. It will provide the Secretary of Defense the needed authority to contract for defense-related goods. It makes changes to existing authority for the Federal Government to call on the expertise of private-sector energy experts to help with energy policy in times of conflict. Finally, it permanently extends the Exon-Florio law, which allows the President to review and potentially block foreign acquisitions of domestic producers where such an acquisition negatively affects national security. The recent on-again, off-again status of Exon-Florio has needlessly complicated the review process, and the uncertainty has prevented at least one domestic firm from obtaining the necessary foreign investment it needed to grow. It is only fair that we have in place a precise system of review to protect our national security interests while not jeopardizing benign—sometimes crucial—foreign investment.

I also want to take this time to commend my colleague and friend, the gentleman from Delaware [Mr. CARPER] for the tremendous work he has done in breaking this procedural and substantive logjam in order to bring this matter before the floor today.

Mr. CARPER. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. I yield to the gentleman from Delaware.

Mr. CARPER. Mr. Speaker, I thank the gentleman for yielding to me. It might be useful at this time to bring Members up to speed on the current status of the Defense Production Act and the nature of the measure before us.

The Defense Production Act expired on October 20, of last year, when the Senate was unable to agree to a conference report on a bill to reauthorize the act for 3 years. The Defense Production Act is law that gives the President the authority to prioritize defense contracts in times of emergency so that we can assure an adequate supply of necessary equipment, supplies and services. This act also provides assistance necessary to ensure a reliable domestic defense production base, capable of meeting demand for critical military items. And this act is home for the so-called Exon-Florio provision, which requires the President to review foreign acquisitions of U.S. companies which could compromise our national defense.

Since the Defense Production Act lapsed last October, this country has engaged in a blessedly short and successful war in the Persian Gulf. Had the conflict lasted any longer, we could well have found ourselves in grave military supply difficulties without this act in place. We were lucky, but we can't rely on luck; we must get the Defense Production Act up and running. That is what this conference report will enable us to do.

Among other things, this bill will carry the act forward to September 30 of this year, will make the provisions of the act retroactive to last October 20, and will provide for the permanent authorization of the essential Exon-Florio provisions.

This conference report reflects the House bill—exactly. The other body has agreed to accept our bill with no conditions. H.R. 991 passed the House early this year with only 18 dissenting votes. This is a good deal for the House, and I urge adoption of the conference report to accompany H.R. 991.

Mr. HOAGLAND. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. I yield to the gentleman from Nebraska.

Mr. HOAGLAND. Mr. Speaker, let me just point out one particular feature of this bill, which I think is an excellent feature. The gentleman from Pennsylvania has already discussed this, and that is a permanent extension of the Exon-Florio provisions of our senior U.S. Senator from Nebraska, JIM EXON, along with Governor Florio of New Jersey, who were the original coauthors of this provision which requires a review when a foreign corporation attempts to purchase an American company or producer of materials that have defense significance, defense security significance.

This gives the Treasury Department, operating through a committee, the opportunity to deny that kind of a purchase if it threatens national security grounds.

As the gentleman from Pennsylvania pointed out, this provision expired in October before the gulf war and created considerable confusion.

I think it is a salutary provision in this bill to make the Exon-Florio amendment a permanent part of our law, and I think it is a particularly worthy provision in this legislation.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

The SPEAKER pro tempore. The gentleman from Delaware [Mr. CARPER] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. RIDGE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. RIDGE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

NUTRITION INFORMATION AND LABELING ACT TECHNICAL AMENDMENTS

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1608) to make technical amendments to the Nutrition Information and Labeling Act, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. LENT. Mr. Speaker, reserving the right to object, while I will not object, I make this reservation for the purpose of allowing the gentleman from California to explain briefly what is in the bill.

Mr. WAXMAN. Mr. Speaker, the bill would extend certain effective dates that were included in the Nutrition Labeling and Education Act of 1991, enacted last fall. Under the bill, labels printed before July 1, 1991, would be exempt from the new requirements for ingredient labeling and disclosure of color additives. In addition, the requirement for percent of juice labeling would be extended until May 8, 1993, the effective date for the nutrition labeling provisions of the bill.

In addition, technical amendments are made to the Federal Food, Drug and Cosmetic Act and the Public Health Service Act.

Mr. LENT. Mr. Speaker, I strongly support the gentleman's motion and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1608

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INGREDIENT LABELING.

Section 10(c) of the Nutrition Labeling and Education Act of 1990 (21 U.S.C. 343 note) is amended to read as follows:

"(c) SECTION 7.—

"(1) Except as provided in paragraphs (2) and (3), the amendments made by section 7 shall take effect one year after the date of the enactment of this Act.

"(2)(A) If a food subject to section 403(g) of the Federal Food, Drug, and Cosmetic Act or a food with one or more colors required to be certified under section 706(c) bears a label which was printed before July 1, 1991, and which is attached to the food before May 8, 1993, such food shall not be subject to the amendments made by section 7(1) and section 7(3).

"(B) If a food described in subparagraph (A)—

"(i) bears a label which was printed after July 1, 1991, but before the date the proposed regulation described in clause (ii) takes effect as a final regulation and which was attached to the food before May 8, 1993, and

"(ii) meets the requirements of the proposed regulation of the Secretary of Health and Human Services published in 56 Fed. Reg. 28592–28636 (June 21, 1991) as it pertains to the amendments made by this Act,

such food shall not be subject to the amendments made by section 7(1) and section 7(3).

"(3) A food purported to be a beverage containing a vegetable or fruit juice which bears a label attached to the food before May 8, 1993, shall not be subject to the amendments made by section 7(2).".

SEC. 2. TECHNICAL AMENDMENTS.

(a) NUTRITION LABELING.—Section 403(q)(4)(A) of the Federal Food, Drug, and Cosmetic Act (as added by section 2(a) of the Nutrition Labeling and Education Act of 1990) is amended by striking out "(C)" and inserting in lieu thereof "(D)".

(b) UNIFORM LABELING.—Section 403A(a)(5) of the Federal Food, Drug, and Cosmetic Act (as added by section 6 of the Nutrition Labeling and Education Act of 1990) is amended by striking out "clause (B) of such section" and inserting in lieu thereof "section 403(r)(5)(B)".

(c) REFERENCES.—Section 7 of the Nutrition Labeling and Education Act of 1990 is amended—

(1) In paragraph (1), by inserting "the provisions of" after "subject to", and

(2) In paragraph (3), by inserting "the first time it appears" before "and inserting".

(d) SECTION 503.—Section 503 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353) is amended

(1) by striking out "section 503(b)" in subsections (c)(2) and (c)(3)(B)(v) and inserting in lieu thereof "subsection (b)",

(2) by striking out "section 503(c)(1)" in subsection (d)(3)(E) and inserting in lieu thereof "subsection (c)(1)",

(3) by redesignating the subsection (c) added by section 105 of the Generic Animal Drug and Patent Restoration Act (Public Law 100–670) as subsection (f), and

(4) by redesignating the subsection (f) added by section 16 of the Safe Medical Devices Act of 1990 (Public Law 101–629) as subsection (g).

(e) ANIMAL DRUGS.—Section 512(e)(1)(B) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b(e)(1)(B)) is amended by striking out "(H)" and inserting in lieu thereof "(I)".

(f) PUBLIC HEALTH SERVICE ACT TECHNICAL AMENDMENTS—Section 395. [280c](a)(1) after the word "if" insert the words "skilled medical services,".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERRY BEIRN COMMUNITY BASED AIDS RESEARCH INITIATIVE ACT OF 1991

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1594), to honor and commend the efforts of Terry Beirn, to amend the Public Health Service Act to rename and make technical amendments to the community-based AIDS research initiative, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

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The SPEAKER pro tempore (Mr. COX of Illinois). Is there objection to the request of the gentleman from California?

Mr. LENT. Mr. Speaker, reserving the right to object, I do so for the purpose of allowing the gentleman from California [Mr. WAXMAN] to explain the legislation.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the bill will reauthorize the NIH Program for Community Trials for AIDS Drugs, and rename it in honor of Terry Beirn.

Mr. LENT. Mr. Speaker, I thank the gentleman from California for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Terry Beirn Community Based AIDS Research Initiative Act of 1991".

SEC. 2. FINDINGS AND SENSE OF CONGRESS.

(a) FINDINGS.—Congress finds that—

(1) community-based clinical trials complement the National Institute of Allergy and Infectious Diseases' university-based research in order to provide increased access to experimental therapies;

(2) community-based clinical trials provide an efficient and cost-effective means to develop new HIV-related treatments, benefiting all people living with HIV disease and other illnesses; and

(3) because the community-based clinical trials model has a proven ability to conduct rapid trials that meet the very highest standards of scientific inquiry, this program should be reauthorized and significantly expanded.

(b) SENSE OF CONGRESS.—It is the sense of Congress that, because of Terry Beirn's tireless efforts to foster a partnership among all parties invested in AIDS research (including the National Institutes of Health university-based research system, primary care physicians practicing in the community, and patients), the community-based clinical trials program should be renamed as the "Terry Beirn Community-Based AIDS Research Initiative" in his honor.

SEC. 3. COMMUNITY-BASED EVALUATIONS OF EXPERIMENTAL THERAPIES.

Section 2313 of the Public Health Service Act (42 U.S.C. 300cc–13) is amended—

(1) in the section heading to read as follows:

"SEC. 2313. TERRY BEIRN COMMUNITY-BASED AIDS RESEARCH INITIATIVE.";

(2) in subsection (c)—

(A) by amending the subsection heading to read as follows: "PARTICIPATION OF PRIVATE INDUSTRY, SCHOOLS OF MEDICINE AND PRIMARY PROVIDERS"; and

(B) by striking out "schools of medicine and osteopathic medicine" and inserting in lieu thereof "schools of medicine, osteopathic medicine, and existing consortia of primary care providers organized to conduct clincial research concerning acquired immune deficiency syndrome"; and

(3) in subsection (e)—

(A) by striking out "1991" in paragraph (1) and inserting in lieu thereof "1996"; and

(B) by striking out "1991" in paragraph (2) and inserting in lieu thereof "1996".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPRESSING GRATITUDE TO FEDERAL CIVILIAN EMPLOYEES FOR CONTRIBUTIONS TO OPERATIONS DESERT SHIELD AND DESERT STORM

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 36) expressing gratitude of Congress to the Nation's Federal civilian employees for their contributions to Operation Desert Shield and Operation Desert Storm and commending and congratulating the Nation's Federal civilian employees on a job superbly done, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so simply to acknowledge the author and chief sponsor of the resolution, the gentleman from Maryland [Mr. HOYER], who obviously has put a full court press on to secure the requisite number of cosponsors. I appreciate the good efforts of the gentleman.

I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. President, I thank the gentleman from Pennsylvania for his generosity, and the leadership of my good friend, the gentleman from Ohio [Mr. SAWYER], the chairman of the committee. Both gentlemen have been very cooperative on this effort.

Mr. Speaker, this simply states that we are all very proud of our uniformed personnel and the way in which they performed in the Desert Storm and Desert Shield effort. There is no doubt that all of us who went there were incredibly proud of their dedication, of their ability, of their understanding of their mission, and their commitment.

At the same time, all of us are very aware of the fact that without support personnel, without all of the real hundreds of thousands of civilian employees in the Federal service, with an equal amount of commitment and talent, dedicating their services to this effort, we could not have been successful.

Mr. Speaker, this resolution simply observes that fact, and congratulates them on their dedication and their effort.

I again want to thank the leadership of the subcommittee for allowing us, before we go home in August, to pass this resolution, and congratulate them on their efforts and the role they played in our successful prosecution of Desert Storm.

Mr. RIDGE. Mr. Speaker, continuing my reservation of objection, I yield to my friend, the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I thank my friend, the gentleman from Pennsylvania, and pause at this moment only to reiterate the congratulations to the gentleman from Maryland [Mr. HOYER], whose dedication and commitment and understanding of his mission today made possible this important recognition.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 36

Whereas American and Allied forces were resoundingly successful in carrying out their mandate to liberate Kuwait pursuant to United Nations Security Council resolutions;

Whereas a key factor in bringing that outcome about was the transporting of over 500,000 United States troops, almost half a million tons of ammunition, and approximately 100,000 motorized vehicles to the Persian Gulf region, representing the most massive movement of troops, supplies, and materiel that the world has ever seen, and which could not have been achieved without the tireless efforts of this Nation's Federal civilian employees;

Whereas more than 4,000 Federal civilian employees were relocated to work in the Persian Gulf theater of operations, over 20,000 Federal civilian employees were called to active duty as reservists, and thousands of other Federal civilian employees in the United States and around the world contributed to the war effort in ways too many to enumerate;

Whereas Federal civilian employees, despite seemingly insurmountable logistical problems, unrelenting pressure, and severe time contraints, successfully accomplished what this Nation asked of them in a manner consistent with the highest standards of excellence and professionalism; and

Whereas Federal civilian employees are truly among the unsung heroes in Operation Desert Shield and Operation Desert Storm: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby—

(1) expresses its deepest gratitude to this Nation's Federal civilian employees for their contributions to Operation Desert Shield and Operation Desert Storm; and

(2) commends and congratulates this Nation's Federal civilian employees on a job superbly done.

The Senate concurrent resolution was concurred in; a motion to reconsider was laid on the table.

H.R. 3084, THE AFFORDABLE HEALTH INSURANCE ACT OF 1991: A FREE MARKET APPROACH TO A GROWING NATIONAL PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 5 minutes.

Mr. DANNEMEYER. Mr. Speaker, on July 29, 1991, I introduced the Affordable Health Insurance Act of 1991. It would provide sorely needed relief to those who have been priced out of the market for health insurance by reforming the Tax Code to create a level playing field across different types of employment settings and by encouraging health care consumers to self-insure for small out-of-pocket health expenses. My proposal would also eliminate distortions in the marketplace caused by the proliferation of State insurance mandates.

INTRODUCTION

In 1950, national expenditures on health care totaled $12 billion, or only 4.4 percent of the gross national product [GNP]. The vast majority of this spending came from private sources, predominately from private insurers and direct payments by individuals. Since then, the governmental role in providing health care has expanded enormously through the Medicare and Medicaid programs; consequently, total health care expenditures have absorbed an ever-increasing share of GNP. In 1990, total spending is expected to reach $653 billion, and consume approximately 12 percent of total GNP.

What accounts for the explosion in the cost of health care and the public's growing frustration with the quality and cost of the care they receive? Some observers attribute these steady increases to the proliferation of third party payments by Government and private insurers. With an ever greater share of health care transactions occurring between third parties, consumers have lost the incentive to question the need for the care they receive, or the prices charged for it.

One unfortunate and unintended result of the rise of the third-party payer is the increasing number of Americans who cannot afford or gain access to basic health insurance.

THE UNINSURED

According to data collected by the Department of Health and Human Services, 37 million Americans cannot afford even the most basic health insurance. The vast majority of these individuals—78 percent—either work or live in families with a breadwinner and almost 60 percent work in businesses with fewer than 100 employees. In fact, workers in small businesses with 25 or fewer employees are much more likely to be uninsured than employees in large firms.

The Employee Benefit Research Institute [EBRI] conducted a similar survey and found that an even greater percentage of individuals without health insurance were attached to the work force—85 percent. Almost one-half of the uninsured, moreover, worked either on a self-employed basis or in firms with fewer than 25 employees.

That so many of the uninsured have a direct link to someone in the labor force suggests that the source of the problem lies in the health care marketplace itself. Full-time workers and their families should be able to afford basic, no-frills health insurance policies with coverage for catastrophic and major medical expenses. Unfortunately, it appears that these workers have been priced out of the market for health insurance by Federal and State policies which provide tax incentives for some, but not all, workers and which require workers to pay for coverage that they may not want or need. Both of these problems must be addressed in order to remedy the current situation.

THE EFFECT OF STATE MANDATES ON THE COST OF HEALTH INSURANCE

Many experts attribute the difficulty that small business employees encounter in obtaining health insurance to the proliferation of State mandates on consumers. Mandates are nothing more than concessions to special interests looking to coerce millions of consumers into purchasing coverage for specific diseases or health services, whether they want that coverage or not. John Goodman of the National Center for Policy Analysis in Dallas found that the total number of mandates exploded from 30 in 1970 to about 700 in 1988, and to more than 800 today.

Mandated services include those provided by chiropractors, psychologists, optometrists, podiatrists, nurse midwives, social workers, acupuncturists, naturopaths, and dieticians. Other mandates require consumers to purchase coverage for alcoholism, drug addiction, AIDS, mental illness, and even the accidental ingestion of cocaine, marijuana, morphine, hallucinatory drugs, and other controlled substances.

What has been the result of all these mandates? Unfortunately, millions of hard working Americans have discovered that the cost of even the most basic health insurance policy is beyond their reach. The National Center for Policy Analysis estimates that 32 percent of the 5 million Californians who were without health insurance in 1986 were priced out of the marketplace by State mandates. In some States, as many as 60 percent of the uninsured are the victims of mandates. Nationwide, up to one-quarter of the uninsured—9.3 million in all—would be able to afford basic, no-frills health insurance if some or all of these mandates were repealed.

The States have begun to realize the enormous cost of this approach. Since the beginning of 1990, 15 State legislatures have enacted measures to enable insurers to market basic, no-frills insurance plans. Ten others are considering such plans. The sponsor of the Rhode Island plan estimates that it would reduce the cost of health insurance by 30 percent. In Virginia, a proposal would allow insurers to market mandate-exempt policies to businesses with fewer than 50 employees. This has prompted Blue Cross and Blue Shield of Virginia to offer a no-frills policy for an adult with one child that would cover 30 days of hospitalization and preventive care at an annual cost of $1,644, about half the $3,168 it now costs to purchase a standard major medical policy in Virginia.

By driving up the minimum cost of health insurance policies, these mandates have forced millions of insurable Americans out of the marketplace entirely. It is the obligation of Government to offer consumers a choice in the purchase of health insurance; no person should be forced to pay for coverage that he does not want.

My legislation would address this part of the problem by preempting the hundreds of State mandates now in existence and allowing insurers to develop a wide range of policies, such as the no-frills policies described above.

THE NEED FOR A LEVEL PLAYING FIELD

The Federal Tax Code also contributes to the problem of the uninsured. Under current law, a large employer can bypass all State mandates simply by self-insuring under the Employee Retirement Income Security Act [ERISA], which entitles employees to receive an unlimited package of health benefits on a tax-free basis. Estimates of the average annual value of this benefit vary, but appear to be close to $2,750 per employee. As one might expect, the cost of these plans has skyrocketed; Foster Higgins estimates that the average cost of employer medical plans increased 20.4 percent in 1989. In some industries, the average cost per employee now exceeds $3,300 per year.

Many companies provide their employees with complete, first dollar coverage for a wide array of benefits; in fact, in 1989 the single greatest obstacle to a settlement in the strikes against the regional Bell operating companies was the nature and extent of the employees' health benefits package. In one instance, union negotiators accepted a cut of $125 million in wages and other benefits in exchange for continued first dollar health insurance coverage.

Sophisticated union negotiators would not sacrifice substantial salary gains if there were some sort of ceiling on the tax exclusion for employer provided benefits. The unlimited nature of the benefit, in fact, has seduced employees in self-insured firms to shift compensation away from salary and accept enhanced health benefits packages in its stead. Employer contributions for group health insurance accounted for only 0.8 percent of the employee's compensation in 1955. By 1987, that share had increased to 5.1 percent. According to the House Ways and Means Committee, the tax exemption for employer-provided coverage will cost the Federal Treasury $32.6 billion in 1990, $37.7 billion in 1992, and $45.1 billion by 1994.

Thus, employees in large, self-insured firms receive generous tax subsidies for unlimited, gold-plated coverage, while their counterparts in small firms enjoy no comparable incentives and must purchase coverage with after-tax dollars. Stuart M. Butler of the Heritage Foundation believes that this inequity "encourages the healthy and wealthy to demand excessive insurance, while leaving millions of others with no protection at all."

A comprehensive solution to the problem of the uninsured will correct this inequity by placing a ceiling on the exemption of employer provided benefits from the employee's income. The ceilings in my bill are high enough to protect coverage for major medical and catastrophic expenses. Of course, consumers would still be permitted to purchase more extensive coverage, but they would do so with after-tax dollars. Many employees would undoubtedly opt to scale back their coverage in exchange for more income. The Tax Code should not provide an incentive for individuals to overinsure, and thereby place additional inflationary pressure on the health care system.

The Joint Tax Committee estimates that the generous ceiling in H.R. 3084 of approximately $3,700 per employee per year for family coverage and $1,500 per employee per year for individual coverage would increase federal revenues by $86.1 billion over 5 years, and by $24.1 billion in 1996 alone. The Congressional Budget Office [CBO] speculates that such a reform would discourage workers from demanding additional coverage beyond the ceiling. "Without such coverage," CBO concludes, "there would be stronger incentives to economize in the medical marketplace, thereby reducing upward pressure on medical care prices."

CHOICES IN HEALTH INSURANCE

It is the obligation of the Federal Government to guarantee that all full-time workers, even those with earnings at or slightly above the minimum wage, can afford basic insurance coverage for themselves and their families. If governmental intrusions into the marketplace raise the cost of health care and insurance to an unacceptable and unaffordable level, as I believe they have, it is the obligation of the Congress to eliminate these distortions and restore the integrity of the free market.

A comprehensive solution should guarantee that the Tax Code provide adequate incentives to working persons who want to purchase health insurance and do not receive this benefit from their employers. It should also encourage relatives to help less fortunate family members purchase insurance.

These tax incentives should not be unlimited. Thus, the Tax Code should provide generous incentives for the purchase of no-frills, major medical coverage, but the incentive should stop there. The unlimited nature of the tax exemption for employer provided health benefits encourages employees to use health services that they may not need and regardless of their cost. This, in turn, fuels the inflationary spiral of health care, which has increased at twice the rate of inflation for most of the last three decades. Our Tax Code should not further encourage this trend.

To make such a ceiling attractive to taxpayers, employers would be strongly encouraged to offer employees the option of receiving the taxable portion of their package as additional salary in exchange for reduced coverage.

Employees who work for small firms and the self-employed comprise a disproportionately large share of the uninsured population. The Tax Code should provide them with an incentive to purchase health coverage that approximates the incentive available to those who work for self-insured employers. The ability to obtain affordable health insurance should not be a function of an individual's employment setting. Thus, a comprehensive, market-based initiative to expand the availability of health insurance must give employees in these categories a generous tax credit for the purchase of health insurance policies.

In addition, it is essential that our Tax Code provide strong incentives for taxpayers to self-insure for small out-of-pocket expenses through a device similar to an individual retirement account. Such an account would permit taxpayers to receive a second tax credit for contributions to a savings account with interest accruing on a tax-free basis, provided that withdrawals are used for health expenses. This credit would be available to all taxpayers, even those who receive their health coverage through their employers.

The Affordable Health Insurance Act of 1991 contains the following provisions:

Preempt State insurance mandates with respect to: first, diseases and disabilities; second, medical services; third, types of health care providers and provider organizations; and fourth, maximum or minimum levels of deductibles, coinsurance payments or payment rates. State insurance mandates have priced too many workers out of the health insurance marketplace. Consumers should not have to pay for coverage they do not want.

Establish a generous tax credit for the purchase of no-frills health insurance policies. The size of the credit, which would be refundable to low-income taxpayers, has been set according to the age of the taxpayer and would approximate the cost of a no-frills health insurance policy with a high deductible in a medium cost state.

Create health care savings accounts. To encourage taxpayers to self insure for small, out-of-pocket medical expenses, my bill will offer taxpayers a second tax credit for contributions of up to $825 for an individual and $1,650 for a married couple to an account similar in concept to an individual retirement account. Interest would accumulate on a tax-free basis so long as the taxpayer uses the proceeds for eligible medical expenses. Only taxpayers who have purchased health insurance can take advantage of this device.

Enable employees who receive health benefits from their employers to trade any unwanted benefits for additional salary. By placing a ceiling on the tax subsidy for employer-provided health benefits, my bill will enable employees who receive unwanted coverage to accept a scaled back package of benefits in exchange for additional salary. The Federal Government should not underwrite the cost of unnecessary or frivolous insurance coverage.

To provide low income families with the same tax benefits as more affluent families, both tax credits mentioned above would be refundable. This means that a family with tax liability that is less than the value of the credit would receive money back from the IRS.

In an era of $400 billion deficits, it is imperative that any comprehensive health insurance proposal be revenue neutral, that is, it should neither increase nor decrease Federal tax revenues. According to the Joint Tax Committee, my proposal is revenue neutral over the next 5 fiscal years.

We must recognize that, from a Federal budgetary perspective, we are living in lean times. The problem with our health care system, we must remember, is not a function of scarce resources—devoting 12 percent of our GNP to health care is more than enough.

□ 1420

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION ANNUAL REPORT, 1990—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. COX of Illinois). Laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Public Works and Transportation.

(For message, see proceedings of the Senate of today, Friday, August 2, 1991.)

INTRODUCTION OF MIDDLE INCOME EDUCATION OPPORTUNITY ACT OF 1991

(Mr. ANDREWS of New Jersey asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous material.)

Mr. ANDREWS of New Jersey. Mr. Speaker, our higher education policy has reached this point in the United States: If you own a home and if you have a decent income, your children are not eligible for Federal financial aid. We have to stop that.

Today, I am pleased to be introducing a bill that I believe will take a significant step in that direction. The Middle Income Education Opportunity Act of 1991 takes existing Federal loan programs and folds them into one new program that uses direct lending and borrowing by the Federal Government to cut out the middlemen, to cut out the bureaucrats and shift dollars from bureaucrats and deadbeats and bankers' profits to American families. It involves no tax increase. It involves no increase in Federal appropriations. It involves an increase in creative thinking to help educate the young people of this country.

Later today we will be voting on increased unemployment benefits, and I support that; but the long-range answer is to educate our people, make our economy grow, and the way to do that is to reopen the door of educational opportunity for middle class Americans.

Mr. Speaker, a summary of the bill is as follows:

ANDREWS DIRECT STUDENT LENDING BILL

This legislation replaces the Stafford, Supplemental Student Loan (SLS), Parent Loans for Undergraduate Students (PLUS) and Income Contingent Demonstration Loans with a program of direct Federal educational lending for all families.

The credit reform provisions of the Budget Reconciliation Act of 1990 now track just the taxpayer subsidies in all Federal loan programs. Thus, it is now possible for the government to obtain capital for its largest student loan program at wholesale prices rather than the retail rates now paid for guaranteed student loan (GSL) capital.

The U.S. Department of Education (ED) estimates that substituting direct loans for the GSL Stafford, SLS, and PLUS programs will cost the taxpayers $1.4 billion less in the first year than the same programs which have operated as loan guarantee programs. The estimated savings for four years amount to $6.6 billion.

The bill has a number of important provisions which, in addition to being less costly to taxpayers, will improve benefits for students with financial need. Additionally, it will expand loan eligibility for middle income parents and simplify the application process for students and institutions.

Like the GSL program, direct loans will be an entitlement under the mandatory part of the budget and there will be no limit on the amount of capital that will be available. Capital availability will be determined by student and parent eligibility.

Student eligibility for subsidized direct loans will be based on financial need and loan limits will be increased (See ACE proposal and Administration FY 92 budget request).

Student eligibility for direct SLS loans will be similar to the current SLS program.

Parent eligibility for direct PLUS loans will continue to have no financial need test and the amount borrowed will be increased from $4,000 to the cost of education less any financial aid received by the student.

Interest rates will be similar to the current GSL program, except that student interest rates will not exceed 8% in the subsidized program. (Under GSL, the rate increases from 8% to 10% in the fifth year of repayment.) There will be no student origination fee (currently 5%), and students will not be charged insurance premiums (currently up to 3%).

The Secretary will be required to offer students income contingent, graduated and conventional repayment plans.

Parent loan interest rates will be continued at the existing PLUS program level. Interest income over cost of funds will be used, in part, to both help offset administrative costs and cover any defaults in the program.

The direct loan program will be financed through the sale of government securities by the Secretary of the Treasury and counted in the budget under the provisions of credit reform.

The Secretary of Education will receive the proceeds from Treasury sales and authorize the funds of eligible institutions of postsecondary education.

On behalf of the government, institutions will determine student and parent eligibility, prepare necessary promissory notes and allocate funds to students following procedures similar to the Perkins Loan Program.

Institutions will transmit the signed promissory notes to ED which will have responsibility for servicing and collection, including the use of IRS offsets on defaulters.

The Secretary of Education will operate the servicing aspects of the program through competitive, private sector contracts, including a contract for management of the national direct loan data system, servicing contracts, collection contracts, and a loan consolidation contract.

Institutions may, if they wish, form consortia to handle the disbursement and promissory note management function for them.

Institutions will be provided a $20 per loan administrative fee each year for each loan made.

To assure adequate administrative support for ED, student aid administrative costs will become a line item in appropriation bills.

Students who have Stafford or Perkins Loans and receive direct loans may choose to have their loans consolidated under direct lending authority.

Guarantee agencies will have their Administrative Cost Allowance (entitlement) changed from one percent of new loans made to .25% of loans outstanding. (Presently there are about $50 billion GSLs outstanding and approximately $10.8 billion new loans are made annually.)

Institutions will be authorized to invest Perkins loan collections in a designated institutional endowment or investment account. The income may then be used for student grant or work programs. Institutions will still be able to make need based loans from Perkins collections to students who demonstrate need after all grant and need based direct loan eligibility has been exhausted.

July 1, 1994, would be the earliest date for implementation of the direct loan program. Except for loan consolidation, no new GSLs would be authorized after the start up date for direct lending.

PAKISTANI OFFICIAL GUILTY OF SCURRILOUS, OUTRAGEOUS BIGOTRY

(Mr. FRANK of Massachusetts asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FRANK of Massachusetts. Mr. Speaker, one always faces a dilemma when confronted with scurrilous bigotry. The dilemma is that you fear if you talk about it, talk about how scurrilous it is, you may be giving it further circulation. But sometimes it is necessary to do that.

I think this is one of those times. The Sindh Provincial Chief Minister in Pakistan, Minister Ali, has just added insult to injury, to the injury that was caused by the corrupt activities of the Bank of Commerce and Credit: He has added blatant anti-Semitism by blaming the closing of BCCI on the Jews. The chief minister of a major state in Pakistan, one of our major allies, scurrilously, outrageously, in the most bigoted fashion claims that efforts to end this corrupt enterprise, the BCCI, were somehow part of a Jewish conspiracy.

I am hesitant to give any further currency to this, but when the responsible official of a major nation engages in this kind of vicious comment, I think it is important that it be refuted, particularly when it has been given circulation in newspapers and elsewhere.

So I would ask, Mr. Speaker, that the very thoughtful comments of the Anti-Defamation League refuting this vile lie be printed here, and I would hope that our Government would make very clear to the Pakistani Government our extreme unhappiness at this sort of bigotry indulged in by an elected official in what is supposed to be one of our allied nations.

NEW YORK, NY, August 1.—Anti-Semitic and anti-Israel comments made by a Pakinstani official while defending the founder of the Bank of Credit and Commerce International were termed "outrageous and despicable" today by the Anti-Defamation League.

Jam Dadoq Ali, the Sindh Provinical Chief Minister, blamed the closing of B.C.C.I. on the "West and Israel" in a statement claiming that Aga Hassan Abedi, the bank's founder, will not be extradited to New York where he was indicted by a grand jury on Monday.

"B.C.C.I. was a third world bank, and it took to the challenge of breaking a hegemonistic control of the Jewish lobby on the world's financial institutions," Ali said.

In a statement issued here, Abraham H. Foxman, ADL's national director, said: "These remarks, while outrageous and despicable, are not surprising in light of the Pakistani government's long history of publicly expressed anti-Semitism. What is incredible is that Pakistan has no Jews, yet anti-Semitic and anti-Israel propaganda abound."

The ADL leader urged "all international regulatory agencies responsible for investigating B.C.C.I. to protest the rebirth of this age-old brand of bigotry."

AREA HEALTH EDUCATION CENTERS

(Mr. STENHOLM asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. STENHOLM. Mr. Speaker, on behalf of the House Rural Health Care Coalition, which I have the privilege of co-chairing, it is my pleasure to introduce today a bill suggesting reauthorization language for the Area Health Education Center [AHEC] program, which is part of the larger title VII of the Public Health Service Act which will be coming before us for consideration later this year.

Twenty years ago, the AHEC concept was proposed as a new type of regional education and training center which would link university health science centers with medically underserved communities in order to improve access to health care services. The recruitment, training, and retention of health care professionals has been the focus of AHEC's ever since. Programs encompass allied health, for example, physical therapy, occupational therapy, laboratory technology, dentistry, medicine, mental health, nursing, pharmacy, public health, social work, et cetera.

While Federal grants are made to university health science centers, those universities work with several regional AHEC's, and each AHEC Program then works with a number of individual communities in rural counties or inner city neighborhoods. AHEC's are prime examples of the positive possibilities of "States as laboratories," with each program having a unique approach to the health care personnel shortage problem. A very partial list of AHEC programs includes student rotations of medical or nursing students, enabling off-campus degrees for all types of health care personnel, continuing education, technical assistance or professional support services to practitioners in underserved communities, increasing the number of minority citizens in health careers through high school recruiting efforts, and library and information services.

Senators MCCAIN, GRAHAM, and BENTSEN are simultaneously introducing the companion to this bill in the other body today. I particularly want to commend the good work and support of Senator MCCAIN for this program.

I am submitting for the RECORD a brief outline of the bill I am introducing today, and I urge my colleagues to support this worthwhile program.

AREA HEALTH EDUCATION CENTERS

(Total 1992 authorization level: $41 million)

I. BASIC AHEC PROGRAM

The Basic AHEC Program would be reauthorized to allow for continuation of three types of projects: new starts, completion of existing obligations, and special initiatives. While the reauthorization should continue to allow for new starts, long term funding of AHEC should recognize that most states have now gotten into AHEC activities and less new-project money will be necessary. The reauthorization should allow for completion of existing obligations, but should require a more stringent state match, so that states will be matching 1-for-1 by the seventh year of the project. In the past, the modest grants for Special Initiatives have stimulated many new and creative ideas for AHECs. With the decrease in the need for new-start money, we encourage an increase for Special Initiative projects. (Authorization levels: FY92—$23 mil; '93—$23 mil; '94—$21 mil; '95—$19 mil; '96—$17 mil)

II. HEALTH EDUCATION AND TRAINING CENTER (HETC)

The HETC program's primary goal is to improve the supply, distribution, quality and efficiency of personnel providing health services to hispanic and other underserved population, especially along the United States-Mexico border. The reauthorization language would continue the HETC program in its established format, and would encourage the participation of a School of Public Health if one exists in the HETC service region. (Authorization levels: FY92—$6 mil; '93—$12 mil; '94—$16 mil; '95—$17 mil; '96—$18 mil)

III. STATE-SUPPORTED AHEC'S

For the 21 projects currently receiving federal AHEC funding from the current appropriation of about $18 million, there is a state/local match that ranges from 25–84 percent for the various projects. For the 15 projects which no longer received federal funding, there is a wide range of state/local support.

The new program concept suggested for this reauthorization would further encourage the participation of states in the funding of AHECs. The new responsibility on the states would be 30% financial support in the first year, 40% in the second, and 50% in the third. The benefit to the states, however, is the guarantee of continuing 50% support from the federal government from year three on, as opposed to federal funding being eliminated in later years of a project. (Authorization levels: FY92—$12 mil; '93—$24 mil; '94—$30 mil; '95—$36 mil; '96—$42 mil).

COSPONSORS

Messrs. Roberts, Cooper, Barton, Boucher, Hall of Texas, Harris, Lehman of Florida, Rowland, Synar, Towns, Bereuter, Mrs. Byron, and Messrs. Chapman, Clinger, Combest, English, Evans, Gillmor, Gunderson, Johnston of Florida.

Messrs. Jones of North Carolina, Klug, Lancaster, Lewis of Florida, Mollohan, Payne of Virginia, Poshard, Price, Rahall, Ray, Rose, Sarpalius, Smith of Oregon, Stallings, Taylor of North Carolina, Thomas of Wyoming, Valentine, Weber, Wilson, Wise of West Virginia.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Area Health Education Centers Reauthorization Act of 1991".

SEC. 2. REAUTHORIZATION AND EXPANSION OF AREA HEALTH EDUCATION CENTERS PROGRAM.

(a) TERMS OF AGREEMENTS.—Section 781(a) of the Public Health Service Act (42 U.S.C. 295g–1(a)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) Except as provided in subparagraph (B), an agreement entered into under this subsection for establishment of a center shall remain in effect for a period of 6 years from the date on which such agreement was executed. Such agreement shall be extended to the extent necessary to provide Federal funds under such agreement, for a 6-year period, to all centers operated or developed with funds provided under such agreement.

"(B) The agreements referred to in subparagraph (A) may be terminated by the Secretary on a determination by the Secretary that a center, developed and operated with funds received under such agreement, has not performed in a satisfactory manner.

(b) HEALTH EDUCATION TRAINING CENTERS.—Section 781(f) of such Act (42 U.S.C. 295g–1(f)) is amended—

(1) in paragraph (1)—

(A) by inserting "and in other high-impact areas, both urban or rural, (as determined by the Secretary)" before the semicolon in subparagraph (A); and

(B) by inserting "and other high risk" after "Hispanic" in subparagraph (B);

(2) in paragraph (3)—

(A) by inserting "or high impact" after "Each border"; and

(B) by inserting "or a high impact State, both urban or rural (as determined by the Secretary)" before the period at the end thereof; and

(3) in paragraph (5)—

(A) by striking out "and" at the end of subparagraph (G);

(B) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new subparagraph:

"(I) to ensure that a health education training center receiving assistance under such agreement will require the participation of a school of public health, if such a school exists within the area being served by such center and desires to participate.".

(c) STATE SUPPORTED HEALTH CENTERS.—Section 781 of such Act (42 U.S.C. 295g–1) is further amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f), the following new subsection:

"(g)(1)(A) The Secretary may enter into agreements with eligible entities for the planning, development and operation of State-supported area health education centers that meet the requirements of subparagraph (B).

"(B) To be eligible to receive an agreement award under this section, the applicant shall ensure that the program supported with amounts received under the agreement will—

"(i) meet the other requirements of subsections (c) and (d);

"(ii) create and maintain preceptorship educational experiences for health science students;

"(iii) develop or affiliate with community-based primary care residency programs;

"(iv) institute or coordinate with continuing education programs for health professionals;

"(v) establish and maintain learning resource and dissemination systems for information identification and retrieval;

"(vi) enter into agreements with community-based organizations for the delivery of services supported under this authority;

"(vii) become involved in the training of nurses, allied and other health professionals and, where consistent with State laws, nurse practitioners and physicians assistants;

"(viii) carry out recruitment programs for health science professions among minority and other elementary or secondary students from areas the program determines to be medically underserved; and

"(ix) carry out not less than three of the activities described in subparagraph (C).

"(C) The activities referred to in subparagraph (B)(ix) shall include—

"(i) coordinating with an Office of Rural Health in the State that is operating in the area served by the center, wherein one exists;

"(ii) administering the National Health Service Corps program activities in the area serviced by the center, except that such center shall provide only support services if the responsibility for such administration has been assigned to any other State agency;

"(iii) working directly with local health departments in the area served by the center;

"(iv) participating in community and migrant health center and similar provider activities in the area to be served by the center; or

"(v) cooperating with other federally and State funded health service provider recruitment and retention programs operating in the area to be served by the center.

"(2) Amounts received under an agreement entered into under this subsection shall be sufficient to enable a State-supported area health education program to carry out demonstration projects concerning subjects determined appropriate by the Secretary, including, but not limited to—

"(A) the establishment of computer-based information programs or telecommunication networks that will link health science centers and service delivery sites;

"(B) the provision of disease specific educational programs for health providers and students in areas of concern to the United States;

"(C) the development of information dissemination models to make available new information and technologies emerging from biological research centers to the practicing medical community;

"(D) the institution of new minority recruitment and retention programs, targeted to improved service delivery in areas the program determines to be medically underserved;

"(E) the established of State health service corps programs to place physicians for health manpower shortage areas into similar areas to encourage retention of physicians and to provide flexibility to States in filling positions in health professional shortage areas; and

"(F) the establishment or improvement of State emergency medical systems.

"(3) The Secretary shall not provide in excess of $2,000,000 per annum per State, or per program where that program serves more than one State, or an aggregate amount based on an average award of $250,000 per center to be supported in the States in which the program is operating, whichever is less, to programs, under this subsection.

"(4) An agreement entered into under this subsection shall require that the program—

"(A) make available (directly or through donations from public or private entities), $1 for every $1 of Federal funds provided under the contract in such year;

"(B) ensure that at least 75 percent of the amounts received under the agreement be distributed to area health education centers within the area served by the program, through a formal agreement; and

"(C) use amounts provided under such agreement to supplement, not supplant, State funds provided for similar programs prior to the execution of the agreement.".

(d) AUTHORIZATION OF APPPROPRIATIONS.—Section 781 of such Act (42 U.S.C. 295g–1) is further amended—

(1) in subsection (f)(8)—

(A) by striking out "(h)(2)" in subparagraph (A) and inserting in lieu thereof "(i)(2)"; and

(B) by inserting "and Native American" after "Hispanic" in subparagraph (B)(i); and

(2) by striking out subsection (i) (as so redesignated by subsection (b)(1)), and inserting in lieu thereof the following new subsection:

"(i)(1)(A) For purposes of carrying out this section other than subsections (f) and (g), there are authorized to be appropriated—

"(i) $23,000,000 for fiscal year 1992;

"(ii) $23,000,000 for fiscal year 1993;

"(iii) $21,000,000 for fiscal year 1994;

"(iv) $19,000,000 for fiscal year 1995;

"(v) $17,000,000 for fiscal year 1996; and

"(vi) such sums as may be necessary for each of the fiscal years 1997 through 2002.

"(B) A new agreement entered into under this section after the date of enactment of this subsection shall require that the entity awarded such agreement make available (as part of any other matching requirements, directly or through cash donations from public or private entities) during the fifth and sixth years of Federal support for each center funded under the agreements, non-Federal contributions—

"(i) for the fifth year for which such agreement is in effect, $2 for every $8 of Federal funds provided under the agreement in such year; and

"(ii) for the sixth year for which such agreement is in effect, $2 for every $8 of Federal funds provided under the agreement in such year.

"(C) The Secretary shall obligate not more than 20 percent of the amount appropriated under this paragraph in each fiscal year for special initiatives.

"(2) For purposes of carrying out subsection (f), there are authorized to be appropriated—

"(A) $6,000,000 for fiscal year 1992;

"(B) $12,000,000 for fiscal year 1993;

"(C) $16,000,000 for fiscal year 1994;

"(D) $17,000,000 for fiscal year 1995;

"(E) $18,000,000 for fiscal year 1996; and

"(F) such sums as may be necessary for each of the fiscal years 1997 through 2002.

"(3) For purposes of carrying out subsection (g), there are authorized to be appropriated—

"(A) $12,000,000 for fiscal year 1992;

"(B) $24,000,000 for fiscal year 1993;

"(C) $30,000,000 for fiscal year 1994;

"(D) $36,000,000 for fiscal year 1995;

"(E) $42,000,000 for fiscal year 1996; and

"(F) such sums as may be necessary for each of the fiscal years 1997 through 2002.

The Secretary shall obligate not more than 10 percent of the amount appropriated under this paragraph for any fiscal year for demonstration projects included under subsection (g)(2).".

(e) MATCHING REQUIREMENT.—Section 781 such Act (42 U.S.C. 295g-1) is further amended by adding at the end thereof the following new subsection:

"(j) An agreement entered into under this section after the date of enactment of this subsection shall require that the entity awarded such agreement make available (directly or through donations from public or private entities), during the fourth and remaining years of the agreement, non-Federal contributions equal to—

"(1) for the first year for which such contract is in effect, $3 for every $7 of Federal funds provided under the agreement in such year;

"(2) for the second year for which such contract is in effect, $4 for every $6 of Federal funds provided under the agreement in such year; and

"(3) for the third and subsequent years for which such contract is in effect, $1 for every $1 of Federal funds provided under the agreement in such year.".

(f) TECHNICAL AMENDMENTS.—Section 781 such Act (42 U.S.C. 295g-1) is further amended—

(1) by striking out "contract" each place that such appears and inserting in lieu thereof "agreement"; and

(2) by striking out "contracts" each place that such appears and inserting in lieu thereof "agreements".

MFN TRADE STATUS FOR CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 5 minutes.

Mr. RAY. Mr. Speaker, I have taken out this special order to give a full account of an unfair trade practice which is resulting in the destruction of a critical industry in America.

Tuesday morning, while reading through the Washington Post I came across a disturbing article on China's campaign to evade United States textile quotas.

At that time I spoke on the floor and condemned the actions of the Chinese Government. In my statement, I mentioned a study recently released by the Department of Defense on the ability of the American textile industry to support mobilization efforts. I would like to submit for the RECORD one of the tables of this study which clearly highlights some of the deficiencies in our textile and apparel industry.

In this regard, I would like to commend the work that has been done in both the House and the Senate regarding trade with the Chinese. The actions taken in the Congress reflect a deep concern over the fate of American industry, and the unfair trade practices of the Chinese Government.

China has enjoyed normalized trade—MFN status—with the United States since 1980. Such trade status entitles foreign countries to tariff rates approximately one-tenth of what they would pay without it. Under current U.S. trade law, Communist countries which do not allow free emigration are prohibited from receiving MFN status. However, the President has annually waived this requirement, concluding that denial of MFN status is working toward more liberal emigration policies.

Rather than indicate that the People's Republic of China would end oppression, brutality, and human rights violations which culminated in the Tiananmen Square massacre, or investigate and end its illegal trade practices, Premier Li Peng recently indicated that without a renewal of MFN trade status China would retaliate against American Companies, specifically the Boeing Co.

I believe that the actions of the Chinese Government warrant investigation and are not indicative of the kind of cooperative relationship envisioned when MFN was renewed last year. I am both shocked and appalled at the blatant disregard the Chinese Government has shown for human rights and normal trade relationships. America cannot turn a blind eye to this behavior. We must protect both the American workers from unfair trade practices, and the Chinese citizen's inherent right to a life free from coercion and exploitation.

APPENDIX A.—ITEMS WITH SIGNIFICANT PLANNING SHORTFALLS—INDUSTRIAL PREPAREDNESS PLANNING STATISTICS

	MOB requirement	Subscribed	Percent of MOB requirement
GLOVE SET, CHEMICAL PROTECTIVE RUBBER (25,000,000)			
Fiscal year:			
1987	55,128,000 (PR)	4,153,000 (PR)	8
1988	62,716,000 (PR)	3,941,000 (PR)	6
1989	64,540,000 (PR)	3,941,000 (PR)	6
1990	58,941,000 (PR)	4,126,000 (PR)	7
1991	56,600,870 (PR)	4,327,000 (PR)	7
UNDERCOVERALLS, AIRMAN'S CHEMICAL PROTECTIVE			
Fiscal year:			
1987	276,000	None	0
1988	296,000	None	0
1989	277,000	None	0
1990	284,000	None	0
1991	299,098	None	0
OVERBOOT GREEN VINYL (GVO)			
Fiscal year:			
1987	49,912,000 (PR)	18,645,000 (PR)	49
1988	56,310,000 (PR)	8,716,000 (PR)	15
1989	57,698,000 (PR)	9,456,000 (PR)	16
1990	46,969,000 (PR)	8,924,000 (PR)	19
1991	61,638,736 (PR)	10,964,000 (PR)	17
BOOTS, COMBAT, LEATHER, BLACK, DIRECT MOLDED SOLE			
Fiscal year:			
1987	5,556,000 (PR)	4,926,000 (PR)	89
1988	6,907,000 (PR)	2,943,000 (PR)	43
1989	6,157,000 (PR)	2,943,000 (PR)	48
1990	5,629,000 (PR)	3,434,000 (PR)	61
1991	5,519,259 (PR)	3,432,000 (PR)	62
BOOTS, INSULATED, COLD WEATHER, RUBBER, BLK, TY I, Cl 1			
Fiscal year:			
1987	2,195,000 (PR)	274,000 (PR)	12
1988	1,974,000 (PR)	172,000 (PR)	9
1989	3,026,506 (PR)	172,000 (PR)	6
1990	2,964,000 (PR)	39,000 (PR)	3
1991	2,230,964 (PR)	134,000 (PR)	6
TENT, GENERAL PURPOSE, MEDIUM			
Fiscal year:			
1987	117,000	75,000	63
1988	114,000	71,000	62
1989	115,000	71,000	62
1990	118,000	80,000	68
1991	146,112	73,901	50
TENT, GENERAL PURPOSE, LARGE			
Fiscal year:			
1987	21,000	18,000	83
1988	19,000	10,000	51
1989	21,000	10,000	49
1990	90,000	13,000	64
1991	19,364	12,753	65

INTRODUCTION OF THE HEALTH INSURANCE COVERAGE AND COST CONTAINMENT ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today I am introducing H.R. 3205, the Health Insurance Coverage and Cost Containment Act of 1991, on behalf of millions of hard-working men and women and millions more with no health insurance at all.

The Committee on Ways and Means has devoted the better part of the past year to learning about the problems of our Nation's health system. We've held a committee retreat on the subject, convened a series of hearings on long-term health strategies, and caucused among ourselves. A number of my colleagues—both on and off the committee—have introduced health care reform proposals. One bill memorializes the recommendations of the Pepper Commission; others follow the Canadian model, propose to nationalize Medicare or turn to an employer-based universal plan.

Today, to further the debate and focus discussions on a specific option, I am proposing an employer-based universal health plan that by 1996 will assure health insurance coverage for every American. And, consistent with my long-standing commitment to sound budget discipline, the costs of this bill are fully financed to assure the Federal deficit is not increased and the paygo requirements of the Budget Enforcement Act are met.

In introducing this bill, I want to make clear that I do not view this legislation as my last word on health care reform. Changes will certainly be made as the legislative process moves forward. As chairman, I intend to remain flexible regarding modifications that undoubtedly will be necessary as we seek to develop a political consensus and broaden public acceptance.

I also will continue my valued discussions with Senator LLOYD BENTSEN, to see if we can jointly agree on a more incremental health care package. From my perspective, that would be very desirable and would serve the public interest. What is needed now more than anything is to start a serious discussion about specific legislative approaches to health care reform. To encourage that discussion, I plan to hold hearings in October on this bill, and several other specific proposals for universal health coverage.

Approximately 150 million American workers and their dependents have health insurance today through their employer. An additional 20 million are self-insured. Government is the health insurance provider for nearly 34 million Medicare beneficiaries and another 23 million Americans who rely on Medicaid for their health care. The remainder, almost 34 million of our fellow citizens, have no health care coverage at all.

Even with approximately 227 million Americans having some form of health insurance, Americans of every income level are worried. The ranks of the uninsured or inadequately insured are growing steadily while the costs of health care skyrocket. In the process, health care has become a middle class issue.

It's no longer a question of what we can do for those unfortunate fellow citizens among us who have no health coverage. Today, sadly, it strikes much closer to home. For many, health care has now become a question of self-protection—what can I do to guarantee that my health insurance won't disappear precisely when I need it the most? Polls tell us that when it comes to health care, Americans are most frightened of losing coverage or facing a catastrophic illness that could wipe them out financially. They are asking for our help.

Coverage and access issues are not the only problems. The American people also want us to come to grips with the astronomical costs of health care. As long as health care costs continue to rise at 8 to 10 percent a year faster than the rate of inflation, as long as health spending consumes 12 percent or more of our gross national product, doomsday is just around the corner. How can America hope to compete in the world economy if more and more of our national resources are being consumed on health care? Clearly, real cost control must figure prominently in any reform effort—and real cost control is a major part of the bill I am introducing today.

The debate on how to provide universal health coverage will be a tough one. There are no cheap or easy answers and, at the moment, there is no broad consensus. Today, I am pleased to add this important proposal to the growing list of alternative solutions.

The bill is both comprehensive and responsible. It proposes to phase-in a pay-or-play health insurance system which would require each employer to choose from one of two options. Specifically, an employer would either have to provide private health insurance meeting certain minimum standards to all employees and dependents, or pay a payroll tax that would help finance a public health insurance plan which would in turn cover those employees.

At the outset, the payroll tax would be set at 9 percent of the Medicare wage base and indexed to the rate of growth in health benefits covered by the program. It is estimated that initially this will result in roughly 15 percent of employees participating in the public plan.

The plan would be phased in, starting first with larger employers, gradually adding smaller employers and ultimately covering all citizens by the fourth year. Employers and employees would share the premium or tax, with at least 80 percent paid by the employer, the remaining 20 percent by the worker. This is one of many ways to approach the transition to universal coverage. While I firmly believe that some appropriate transition is needed, for both policy and cost reasons, I welcome suggestions for alternative approaches.

Benefits under the plan would generally be the same as those available through Medicare. However, deductibles would be limited to $250 per individual and $500 per family and a limit would be set on out-of-pocket medical expenses to protect families from huge medical bills they cannot afford. Children's benefits and a pregnancy package would be added to the usual Medicare benefits, as would certain preventive services—colorectal screening, various immunizations, and additional mammography exams.

Another important feature of the bill is a gradual reduction in the age at which Americans qualify for Medicare. Under the bill, the age would be decreased annually from 65 to 60 over 5 years, providing significant new benefits to many early retirees and relieving many employers of a growing portion of their retiree health care liability. This retiree health feature is particularly important in light of the recent Federal Accounting Standards Board accounting change.

The bill also includes tough new cost containment provisions that, varied by type of provider, set annual targets for the rate of increase in the costs of overall health benefits. With health spending now consuming 12 percent of our Nation's GNP, strong cost containment is absolutely essential, and a critical part of this bill. One service that is not covered or subject to cost control in this bill is prescription drugs, even though I am very concerned about the recent rapid increase in drug costs. I invite comment in our hearings this fall on whether prescription drugs should be covered and subject to cost containment.

The bill also proposes to reform the group health insurance market by establishing standards for all group plans, prohibiting discrimination based on health status or medical history, and limiting exclusions for preexisting conditions to 6 months. In addition, no employer with less than 100 employees would be allowed to self-insure and insurers offering plans to small employers would have to offer year-round, open enrollment and community-rated premiums.

Another feature of the bill is a permanent extension of the present law 25-percent deduction that small businesses can take for certain health insurance costs. In addition, the bill would expand that deduction to 100 percent if the small business provides a Medicare-type benefit package that mirrors the benefits offered under this bill.

Mr. Speaker, the bill proposes to fund these benefits with a three-part revenue package. First, the Medicare wage base would be capped at $200,000 and the Medicare tax rate raised to 1.55 percent, effective January 1, 1993, and then to 1.65 percent on January 1, 1996. The revenue generated by this change would fund the cost of hospital services associated with lowering the age at which Medicare eligibility begins. It is appropriate that these additional Medicare benefits be partially funded by payroll taxes. Second, a gradually increasing surtax would apply to individuals and corporations. Third, when all Americans, including those who now rely on Medicaid for their health coverage, are brought into the new health system in 1996, the States would be asked to continue to maintain their previous share of the costs of the Medicaid Program to help fund the costs of providing health care by contributing to the general fund. This, in effect, holds States to their current level of health care financing, adjusted in the outyears for inflation.

Although I am convinced that this revenue package fully finances the proposed benefits for the next 5 years, the Congressional Budget Office and the Joint Committee on Taxation cannot provide reliable estimates of the costs of and revenues generated by the package after fiscal year 1996. That's understandable but I want to assure my colleagues of my concern for the costs that fall outside the budget window. I don't want unfinanced costs that balloon in the outyears. I also expect to review the distributional impact of this financing plan and welcome suggestions for alternative financing mechanisms.

History tells me that we cannot underestimate the difficulty of reforming the health care system. I have been in Congress for more than 30 years, and am one of the few Members left who voted to create Medicare in 1965. That victory didn't come easily.

The fight to create what later became Medicare and Medicaid had some very heavy hitters on the side of reform. Momentum built after the tragic assassination of President Kennedy and the subsequent landslide election of President Johnson, who viewed his election as a mandate for health care reform. Even with all that political commitment, it still took more than 5 years to accomplish. And even then, we only solved part of the problem.

I believe there is no more important problem confronting our country today than health care. Nothing cries louder for a solution. Nor is there anything I would like to do more than to assure my constituents in Chicago and Americans across this great country that they will receive care when they are sick. People who are ill should worry solely about getting well. They shouldn't be worried about the bills that are piling up.

It is time to abandon the catchy slogans and gear up for the legislative long march. The debate begins in earnest when we return in September. But we must keep two things in mind.

First, absent Presidential leadership, we will not be able to achieve a major reform of the health care system by ourselves. If that means using next year to challenge the President to debate, so be it. If all we accomplish is making health care the cornerstone issue of the next Presidential election, all the better. George Bush is wrong to duck this issue. The American people are asking for our help.

Second, if we are going to be taken seriously, we have to confront the matter in a fiscally responsible manner. And we should not overpromise. Government has fallen in public esteem in recent years because we overpromise and don't deliver. That's a big mistake. This can be a defining issue for our Government. It can either prove the cynics right when they say that Government is more problem than solution, and confirm the public's worst fears about tax-and-spend big government politicians, or it can restore civic responsibility and respect.

It is really our choice—a choice which millions of Americans are waiting for this Congress and this President to make. They deserve no less than our full commitment to the critical issues of health care costs and access. I sincerely hope that the legislation I am introducing today improves the chances for political consensus and ultimate enactment of significant reform of the health care system.

H.R. 3205—THE HEALTH INSURANCE COVERAGE AND COST CONTAINMENT ACT OF 1991

1. HEALTH INSURANCE COVERAGE FOR EVERY AMERICAN

In general, universal health insurance coverage would be assured by requiring each employer to provide basic health insurance meeting certain minimum standards to all employees and dependents or to pay an excise tax assessed as a percentage of wages.

Employees of firms that chose to pay the tax would be covered under a public plan similar to the existing Medicare program. Individuals not connected to the work force would be covered under the public plan.

2. PAY-OR-PLAY PLAN

Employers could provide the basic benefit package through private health insurance or a self-insured employer plan. Employers could charge employees up to 20 percent of the premiums for the coverage. Firms choosing to pay the tax would pay 80 percent of the tax, with employees paying the remaining 20 percent.

3. PAY-OR-PLAY TRIGGER

The pay-or-play trigger would be imposed as an excise tax assessed as a percentage of wages. It would be initially set at 9.0 percent of the Medicare wage base and would be indexed to the rate of growth in the health benefits covered by the program. At the initial rate, it is estimated that employers employing fifteen percent of the covered employment-related population would select the public plan.

4. ESTABLISHMENT OF THE PUBLIC PLAN

A public plan similar to Medicare would be established. Benefit payments and direct provider relations would be operated, as is Medicare, through fiscal intermediaries at the state level. The plan would operate under the same rules for provider certification and quality assurance as Medicare. The program would be administered by the Department of Health and Human Services.

A Health Insurance Trust Fund would be established to receive funds from the excise tax and the other revenues dedicated to support of the program.

5. PHASED IMPLEMENTATION OF PAY OR PLAY REQUIREMENTS

The requirements of the legislation would be phased in beginning January 1, 1993. In 1993, employers with more than 100 employees would be required to provide health insurance coverage or pay the tax. Other employers could voluntarily join the public plan as of that date.

As of January 1, 1994, employers with 50 or more employees would be required to provide coverage or pay the tax.

As of January 1, 1995, employers with 25 or more employees would be required to provide coverage or pay the tax.

As of January 1, 1996, all employers would be required to provide coverage or pay the tax. In addition, all persons not connected to the work force would be enrolled in the public plan.

6. MULTIPLE EMPLOYER RULES

In the case of families with more than one worker and where both employers offer a private plan, families would choose under which employer plan they would be enrolled. The nonenrolling employer(s) would pay a special premium to the public plan equal to 40 percent of the applicable premium for the public plan. The enrolling employer would receive a subsidy from the public plan equal to that amount for each enrolled employee of another firm.

Families with employees covered by both a private and the public plan would be required to choose coverage under the private plan, and the private plan would receive a subsidy equal to forty percent of the applicable public plan premium for each enrolled employee of another firm. The employer participating in the public plan and the firm's employees would pay the tax.

Families with all employees covered by the public plan would receive coverage from that plan and each employee and their employer would pay the tax.

Families with more than one employed person would not be liable for paying the extra employee share(s) of taxes.

7. TREATMENT OF PART-TIME AND TEMPORARY EMPLOYEES

An employer could opt for private or public coverage of part-time employees, and such employees could be treated differently from full-time employees. Full-time work is defined as more than 17.5 hours per week. Temporary employees would be covered under the public plan.

For these employees participating in the public plan, the employer would pay the tax on the wages paid to the part-time or temporary employee. This amount would be credited against the public plan premium which the employee would otherwise owe as an individual, described below.

8. HEALTH BENEFITS

Basic benefits: Benefits would generally be the same as under the Medicare program except there would be a single deductible of $250 per individual/$500 per family and an out-of-pocket limit of $2,500 per individual/$3,000 per family. Certain new prevention benefits, also added to Medicare and described below, would be included in the basic benefit package.

Children's benefits: Benefits for children would include well-child care and preventive care as recommended by the American Academy of Pediatrics without co-payments or deductibles, and hospital care without co-payments or limits on days of care per spell of illness.

Pregnancy benefits: Benefits for pregnancy-related services would include prenatal care, inpatient labor and delivery, postnatal care, and postnatal family planning services based upon the recommendations of the American College of Obstetrics and Gynecology, without co-payments or deductibles.

The Secretary of Health and Human Services would be required to establish a system for certifying that insurance plans and employer self-insured plans met the benefit requirements.

9. HEALTH CARE COST CONTAINMENT

A national limit would be set on the health expenditures of the public plan and of employer plans for services covered under the program. The limit would equal the rate of nominal growth in the gross national product (GNP) plus: Four percent in 1993 and 1994; three percent in 1995 and 1996; two percent in 1997 and 1998; and one percent in 1999 and 2000.

In 2001 and thereafter the increase would be equal to the nominal growth in the GNP.

A Health Care Cost Containment Commission would be established consisting of eleven experts in health financing, health insurance, provider reimbursement, and related fields. Commissioners would be appointed by the President with the advice and consent of the Senate.

The Commission would negotiate with health care providers to allocate national expenditures under the limit among the various sectors of the health care delivery system.

The Commission would also develop a national capital budget for needed health care facilities and equipment.

The Secretary of Health and Human Services would establish payment rates for health care services on an annual basis which would result in aggregate expenditures equal to the amount available under the national expenditure limit.

The rates would be based on the methodologies established under the Medicare system, including the Prospective Payment System for hospitals and the Resource-Based Relative Scale (RB RVS). The rates would be used by the public plan to pay providers and would be ceilings for rates of payment by private insurers and by self-insured employer plans. The extra billing limits of Medicare would apply to the public plan and to all private plans.

10. INDIVIDUAL ENROLLMENT IN PUBLIC PLAN

Individuals not connected to the workforce would be enrolled in the public plan. Premiums for individual would be based upon the actuarial cost of the benefits of the public plan. Individuals who did not enroll on a timely basis would be subject to a penalty of twice any premiums otherwise due.

11. LOW-INCOME ASSISTANCE

Low-income persons and families would be eligible for assistance relating to premiums, deductibles, and coinsurance for which they would otherwise be responsible.

For individuals or families with incomes below 100 percent of the Federal poverty level, the assistance would equal the total amount of all premiums, deductibles, and coinsurance. For individuals and families with incomes between 100 and 200 percent of the poverty level, the assistance would diminish on a sliding scale.

Both employed persons and persons not connected to the work force could receive assistance, but employers would still pay their share of the costs of coverage for employed persons and their dependents.

Persons eligible for aid to families with dependent children, supplemental security income, or the earned income tax credit would be deemed to be eligible for assistance. Other persons would have to apply for assistance. If family income changed during the year, any assistance received would be reconciled to those changes at the end of the year.

Medicare beneficiaries would be eligible for low-income assistance under the same terms, except that the assistance available would relate to the Part A and B premiums, deductibles, and coinsurance otherwise due.

12. EXPANSION OF MEDICARE TO AGE 60

The age of eligibility for Medicare would be reduced one year of age in each year beginning January 1, 1993; eligibility would reach age 60 on January 1, 1997.

13. PREVENTION BENEFITS

Annual mammography screening, colorectal screening, various vaccinations, and well-child care would be required benefits for employer plans and the public plan and would be added to the Medicare program.

14. GROUP HEALTH INSURANCE STANDARDS

General Standards: All group health insurance plans would be required to meet certain standards. Plans not meeting these standards would be subject to a tax equal to fifty percent of the premiums collected and would lose their status as qualified employer plans for purposes of the pay-or-play requirements.

Under the standards, no group insurance plans could discriminate on the basis of health status, claims experience, receipt of health care, medical history, or evidence of insurability of an individual. Pre-existing condition exclusions could only apply for a six-month period and could not apply to newborns. No pre-existing condition exclusion could apply if an individual had been covered under another qualified plan or the public plan for more than six months prior to enrollment.

Small Group Standards: No employer with fewer than 100 employees would be allowed to self-insure.

Insurers offering insurance plans to small employers would be required to offer the plan to all small employers on a continuous, year-round basis. Insurers would be required to offer coverage for a full year. Premiums would be required to be community-rated for a given geographic area, but could be adjusted for age, gender, and type of family enrollment. Insurers would be required to offer a minimum benefit package which contained only the basic benefits required for all employers.

15. COBRA CONTINUATION REQUIREMENTS

The health insurance continuation requirements enacted as part of the Consolidated Omnibus Reconciliation Act of 1985 would be repealed.

16. MEDICAID

Medicaid would continue for the currently eligible population for the benefits not covered under this program.

During the transition period, payments under State Medicaid programs to hospitals and physicians would be required to be increased. Payments would be required to equal the following specified percentages of Medicare payments, adjusted for differences in the covered populations: 70 percent in 1993; 80 percent in 1994; and, 90 percent in 1995. These payment levels could not be waived by the Secretary.

States would be subject to maintenance of effort rules that would require them to pay the amount they otherwise would have spent for Medicaid benefits into the Health Insurance Trust Fund.

17. DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS

The bill extends the present-law 25 percent deduction for health insurance costs of self-employed individuals for 1992 and modifies this deduction for subsequent years to conform to the universal health coverage policies of the bill.

Until the universal coverage provisions of the bill are effective (i.e., for 1993 through 1996), self-employed individuals and owners of personal service corporations are entitled to deduct 100 percent of their health insurance costs if they provide to all their employees who work more than 20 hours per week health coverage that meets the requirements of a qualified employer health plan under the bill. If such coverage is not provided, then the deduction for health inurance expenses of such person is limited to 25 percent.

For years after 1996, the deduction is 100 percent of the costs of health insurance coverage.

18. FINANCING

To the extent that it is not paid for by the payroll taxes under the pay-or-play provisions, the program would be financed through a combination of a health surtax imposed on corporations and individuals and increases in the Hospital Insurance payroll tax imposed on both employers and employees.

Universal health coverage surtax: The bill imposes a health surtax under which the tax liability (before any tax credits) of individuals (computed without regard to the surtax) would be increased. The surtax would be applied for purposes of the regular income tax as well as the alternative minimum tax. For taxable years beginning in 1993, the surtax would be six percent, for 1995 seven percent, and for 1996 nine percent. For example, if a taxpayer's tax liability was $1,000 in 1996, the taxpayer would owe an additional $90.

This surtax would be applied both to the regular income tax as well as the alternative minimum tax. The surtax also would apply to estates and trusts.

The bill would impose a similar health surtax on the tax liability (before tax credits) of corporations increased on the same schedule as the individual income tax. The surtax would apply for purposes of the regular income tax as well as the alternative minimum tax. For taxable years beginning in 1993 the surtax would be six percent, for 1995 seven percent, and for 1996 nine percent.

Hospital insurance tax: The Hospital Insurance payroll tax imposed on both employers and employees would be raised to pay for the improvements in Medicare benefits, including reduction in age of eligibility.

Under the bill, the HI taxable wage base would be increased from $125,000 to $200,000 (indexed), effective January 1, 1993.

In addition, the HI tax rate on both employers and employees would be increased from 1.45 percent to 1.55 percent in 1993 and to 1.65 percent in 1996. Corresponding changes would be made to self-employment taxes.

THE NATIONAL AIR AND SPACE MUSEUM EXPANSION SITE SELECTION ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado [Mr. SKAGGS] is recognized for 5 minutes.

Mr. SKAGGS. Mr. Speaker, I am today introducing, with my colleague, BENJAMIN L. CARDIN, and 22 other cosponsors, legislation to set up a national competition to select the location of the Smithsonian Institution's National Air and Space Museum

[NASM] extension—a facility that will house aviation treasures like the space shuttle *Enterprise*, a Concorde, and the *Enola Gay*. This legislation has the potential to save the Federal Government hundreds of millions of dollars.

As some of my colleagues may know, the Smithsonian wants to locate the extension at Dulles Airport. However, many of us feel that the process for picking that site has not been fiscally prudent, fair, or comprehensive.

For example, the Smithsonian's own consultants projected that an NASM extension at Baltimore-Washington International Airport—just off I-95, the Baltimore-Washington Parkway, and with its own AMTRAK station—would draw significantly more visitors than Dulles. Maryland's proposal would have cost less and could have been built quicker, thus protecting the many historic aircraft that cannot fit on The Mall. Yet, it was rejected.

Another example is Denver's proposal to locate the extension at Stapleton International Airport, which is slated for closure in 1993. Stapleton is an especially attractive option for the NASM extension. It offers already-existing facilities, hangars, runways, buildings, and aviation facilities, all ideal for the Air and Space Museum. Recognizing Stapleton's potential, the city of Denver, along with community and business leaders, put together a plan to complete phase one of the NASM extension at no capital cost to the Federal Government.

A private study concluded that this option could save the Federal Government as much as $200 million in capital and operating costs during the 30-year projected life cycle of the extension. Given the budget climate around here, any proposal that has the potential for saving that kind of money is worthy of serious consideration. But that didn't happen.

And there may be even better proposals out there that haven't even yet entered the fray. The problem is, the current site-selection process would shut them out, too. That's just not the way we should do business around here. And that's why I'm convinced we need to do something about the process.

Those of us who don't believe the Smithsonian's site selection process has been fair are in good company. The GAO last February concluded that the Smithsonian's selection process:

> * * * cannot be relied upon to objectively defend the selection of Dulles. A fair and reasonable way to assure it has selected the best site and maximized the incentives received from localities would be for the Smithsonian to use a more formal, systematic, and cost-conscious process. Such a process would:
>
> Define minimal, real requirements, and distinguish such requirements from optional niceties;
>
> Clearly announce and communicate these requirements to all possible offerors, perhaps on a nationwide bases; and
>
> Systematically evaluate all responses that meet the Smithsonian's needs in terms of present value life cycle costs to the government.

The bill BEN, I, and others are proposing would set up just such a process.

Our approach would not only end up saving the Federal Government money, but would also give more states the chance to compete for the museum. And that's important. Beyond questions of cost and good process, there are philosophical issues concerning the national equity and the national interest in having the Smithsonian's facilities located almost exclusively in the Washington, DC, area.

The Smithsonian admits it will have to address the issue of geographic diversification in the future, but refuses to do so on the NASM extension facility. I believe it's time to begin the future now.

It's hard to quantify fairness. Still, statistics show that though most of the Nation's population lives west of the Mississippi, proportionately few of them ever are able to visit the Smithsonian's museums. Western citizens pay their fair share of taxes to support the Smithsonian, yet too often are unable to share in its national treasures. Western States should have the opportunity, at the very least, to compete for the NASM facility.

The bill we're introducing today could well be titled, the fair-shot bill. That's all we're asking for, a fair shot, with an objective process to determine what's in the national interest. Our bill would, first, set up a panel to develop fair criteria to judge proposals, second, invite States and cities to compete for the facility, and third, provide for an objective review of the proposals and for a final site selection.

Specifically, the panel would be composed of experienced museum professionals, Members of Congress, and a representative of the Smithsonian Institution, who would be responsible for developing the objective criteria by which all potential site proposals could be judged fairly. After the criteria were agreed upon, the panel would solicit site proposals from all interested parties. The panel would then evaluate each proposal and determine which one best met the stated requirements. It would then present its evaluations and its recommendation to the Smithsonian, which would ultimately make the decision about where to locate the new museum.

Obviously, it's our hope and expectation that the Smithsonian would accept the recommendation of the panel. However, the Smithsonian would have the chance to explain to Congress why the panel's recommendation was unacceptable, in the event the Smithsonian decided to proceed with a different location. I believe this is a balanced effort to retain the Smithsonian's autonomy while ensuring that it is more objective in its decisionmaking process.

Mr. Speaker, the Smithsonian Institution receives approximately 85 percent of its funds from U.S. taxpayers. I believe we in Congress therefore have the responsibility to insist on an open site-selection process that permits fair consideration of all competitive options.

Based both on the potential for significant savings in scarce Federal dollars, and a need to strike a better regional balance in the distribution of national resources, I urge my colleagues to join me in supporting the National Air and Space Museum Expansion Site Selection Act of 1991.

Mr. CARDIN. Mr. Speaker, today I am pleased to join with Representative SKAGGS and numerous other colleagues in introducing the National Air and Space Museum Expansion Site Selection Act of 1991. Representative SKAGGS and I, as Congressmen who have been closely involved with this issue, firmly believe that an open, systematic, and competitive selection process must be a fundamental condition for Federal involvement in the Smithsonian's National Air and Space Museum [NASM] expansion. The legislation we are introducing today sets out a fair selection process and authorizes design and planning for a facility. Our bill is based on the February 5, 1991, recommendations of the General Accounting Office [GAO] in their report on the selection process that stated: "* * * the Smithsonian's process to date cannot be relied upon to objectively defend the selection of Dulles."

The NASM expansion is a project with which I have had some experience, and I want to make clear as this bill in introduced, that I strongly support construction of an expansion. An airport-based facility is necessary to fully protect this Nation's rich aerospace heritage for future generations. The current museum on The Mall embodies much of the spirit that makes this Nation great and there is no collection I, or most Americans, enjoy more. The NASM well deserves to be one of the most visited museums in the world. However, the process chosen by the Smithsonian for selecting a NASM expansion site has been controversial, at best.

Congressional oversight of the Smithsonian's selection process provides the necessary opportunity to ensure that the public interest is protected before Federal dollars are invested. The Committees on Appropriations, House Administration, and Public Works and Transportation have closely followed the Smithsonian's efforts to develop the NASM expansion. Chairmen YATES and CLAY deserve special recognition for their commitment and diligence in oversight of this important project. I look forward to the hearings Chairman CLAY has called for the House Subcommittee on Libraries and Memorials to consider the legislation we are introducing today, as well as other issues related to the expansion site selection process.

Maryland initiated the competition for the NASM expansion in 1987 based on two fundamental, Baltimore-Washington International [BWI] Airport, advantages: location and the ability to get the project moving. BWI met all the Smithsonian's site criteria and the Institution, in response to questions posed this year by the Interior Appropriations Subcommittee, stated that BWI could be expected to attract 25 percent more visitors than Dulles. Further, the Smithsonian's consultants found the visitors to BWI would be more ethnically diverse and generally have lower incomes—goals that one might argue should be important for a federally funded museum.

The Smithsonian holds forth, as important in their decision, the fact that Dulles is the gateway to the Nation's Capital. Dulles may best serve international travelers and businessmen, but for the vast portion of families visiting Washington—mom, dad, and the kids in their Chevy wagon—I–95 is the gateway. This is not a fact likely to change. In addition to an exit off I–95, BWI has its own railroad station with regular, low-cost MARC commuter rail and Amtrak service, in 1992, will be connected to downtown Baltimore by light rail, and has direct access to Washington by way of a newly rebuilt Federal parkway.

Facing a number of large, pending-development projects—museums honoring American Indians and African-Americans—as well as new budget constraints, the Smithsonian is pursuing authorization to begin work on a NASM expansion, based on the need to house and protect historic aviation artifacts quickly. Maryland's Governor, William Donald Schaefer, has the proven capability to energize challenging public projects—from Baltimore's inner harbor, the Convention Center, the National Aquarium, the Maryland Science Center, and much of the rest of Baltimore's downtown redevelopment, to the new baseball stadium and subway and light-rail lines.

Prior to Maryland's 1987 proposal, the NASM expansion project had little momentum; Schaefer put the full resources of the State behind the project, and everyone, including the Virginians, woke up. As the selection process moved forward, the Governor organized for private fundraising, set out a program for issuing bonds, turned the State Aviation Administration and its consultants to preparing plans for State funding of all necessary site improvements, offered the Smithsonian more land than they requested, and most importantly—to my mind as a key difference—put $10 million on the table up front.

Apart from my own direct knowledge of Maryland's role in the selection process, the GAO's February 5, 1991, report to the Interior Appropriations Subcommittee on the competition between BWI, Dulles, and later, Denver, concluded that "* * * the Smithsonian has not followed a purposeful, systematic process to assure that the Dulles selection is the most cost-effective site." Further, the GAO suggested:

> A fair and reasonable way to assure it has selected the best site and maximized the incentives received from localities would be for the Smithsonian to use a more formal, systematic, and cost conscious process. Such a process would:
>
> Define minimal, real requirements, and distinguish such requirements from optional "niceties";
>
> Clearly announce and communicate these requirements to all possible offerors, perhaps on a nationwide basis; and
>
> Systematically evaluate all responses that meet the Smithsonian's needs in terms of present value life-cycle costs to the government. The solicitation for offers also could ask offerors to respond to optional features and explain how they will be evaluated in relation to costs of meeting basic requirements.

Following the February 5, 1991, Interior Appropriations hearing, Smithsonian officials redefined the expansion project. Based on the new proposal, described as simple support operation for the Mall museum, the GAO stated that many of their original concerns were addressed. In testimony before Appropriations, however, Smithsonian officials clarified that this new plan was just phase I of the earlier proposal. As the expansion was always to be a phased project, there was in fact no change and the GAO's original concerns remain valid. A hearing held before the House Subcommittee on Libraries and Memorials on July 30, 1991, further confirmed the validity of the GAO's original findings and concerns. It might be added that the Smithsonian already has a substantial support operation for The Mall museum in the Suitland, MD, Paul E. Garber facility.

I have numerous problems with the Board of Regents January 1990 selection of Dulles over BWI, based upon the explanations offered following the regents' closed-door decisionmaking meeting. I could explain these concerns at length, but would prefer to stand by the GAO's independent findings and simply ask that a fair, open competition be conducted before Federal funds are invested. The legislation introduced today will set this process in motion and allow the Smithsonian to move ahead expeditiously with development of the necessary expansion at the best site for the Nation.

The NASM is among the most popular museums in the world. It is a proud monument to America's inventive spirit and continuing challenge of new frontiers. As the expansion cannot be built on The Mall, the siting process must necessarily be opened up. All Americans will be paying for this treasure and every community would like to house the facility, so the regents must be able to objectively defend their final site selection. Based on the GAO findings, and my own experiences, the Smithsonian has not met this test. While there are questions about the process, there will be problems. In order to protect the interests of all Americans, the Institution should initiate an open, systematic, and competitive selection process. It is only fair.

I would ask my colleagues to join me in support of this legislation.

THE NATIONAL DRUG TREATMENT GOALS ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York, Mrs. LOWEY, is recognized for 5 minutes.

Mrs. LOWEY of New York. Mr. Speaker, the Judiciary Committee is in the midst of marking up a crime bill that puts the focus of our efforts exactly where it should be—on prevention. I congratulate them for moving in that direction. Arresting and punishing criminals is important; there's no question about that. But it is infinitely better if we can stop people from ever turning to a life of crime. Today, I am introducing legislation to move the annual national drug control strategy prepared by the President's Office of National Drug Control Policy in that same direction. My bill, the National Drug Treatment Goals Act of 1991, would require that the strategy include a specific goal for expanding the availability of drug treatment.

Every person who is out there on the street hooked on drugs, like crack or heroin, is a potential threat to public safety. If we're serious about making our country a safer place to live, then one of the things that we ought to be doing is helping people to get off of the substances that all too often lead to criminal activities. My bill says that it's time to make this vital crime-prevention step a prominent part of our national antidrug battle plan.

It's estimated that there are more than 10 million people who need treatment for alcohol or drug abuse in this country right now. Unfortunately, we have fewer than 1½ million drug treatment slots in this Nation today. As a result, waiting lists are long. Of those seeking help today, more than half have been waiting for over a month. In some States, including New York, almost all have been waiting for even longer periods of time. We are simply going to have to do a better job than that if we're going to be successful in ending the drug scourge.

The development of clearly defined goals for reducing drug use through expanded treatment is an excellent method for keeping everyone's nose to the grindstone. Laying down markers saying that we're going to add specific numbers of slots by specific dates will push people very hard to stay on course. The Federal Government must set goals for treatment if we are serious about getting people off drugs and keeping crimes from being committed. This is a preventive step designed to stop criminals before they commit crimes.

This bill also expresses the sense of Congress that, among the long-term goals of the national drug control strategy, should be the availability of drug treatment to all who are in need of such treatment. I firmly believe that we ought to have treatment on demand within the next decade. That's an ambitious goal, but if we don't set challenging goals then the massive drug problem will never be solved. When President Kennedy stood in this Chamber and said that we should put a man on the Moon in less than a decade, people thought that was an impossible dream as well. We must set a bold course so we can win this war, just as we put a man on the Moon. I hope that my colleagues will join me in supporting this bill.

H.R. 3202—THE TAX REDUCTION AND SIMPLIFICATION ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA], is recognized for 60 minutes.

Mr. PANETTA. Mr. Speaker, I rise to introduce legislation that will provide the working families of America much needed relief from their growing tax liabilities and at the same time significantly reduce complexity in the tax code. I do not believe that any of my colleagues in this chamber would dispute the fact that lower-middle and middle-income taxpayers have seen a rise in their tax liabilities and warrant some kind of relief. This increase would not be so troubling if it were the result of economic gains for typical workers. However, this is not the case.

Typical middle- and lower-middle income families have not been sharing the fruits of economic growth. Many families have gained ground only by running faster and faster by putting a second spouse to work. Between 1977 and 1988, the share of after-tax income going to the lower 60 percent of the population fell from 34 percent to 29 percent. The share of after-tax income going to the wealthiest 5 percent of the population rose from 18.5 percent to 25.2 percent. In addition, although the Tax Reform Act of 1986 significantly reduced the complexity of the Tax Code for many of these taxpayers, many continue to have trouble complying with their annual tax responsibilities.

Taxpayers in the lowest 20 percent of the income range saw their real income fall by 5 percent during the 1980's while their total Federal tax burden increased by 15 percent over the same period. Middle-income taxpayers saw their real income rise by only 4 percent over 11 years and their burden increased. By contrast, those in the top 10 percent realized a 34-percent increase in average family income and an 8-percent decrease in Federal taxes. For the top 5 percent the income increase was 51 percent, the drop in taxes 13 percent. Studies also show that as unemployment rises as it now has, real income of typical families suffers. In the recessions of 1974 to 1975 and 1981 to 1982, the median income for the American family dropped. As the Congress considers legislation to respond to the new recession, we need to keep in mind the additional burdens that will fall on families—another reason to respond to the needs of lower- and middle-income workers for tax relief.

The Tax Reduction and Simplification Act of 1991 would reverse this inequitable trend in tax policy. It provides tax relief and simplification by increasing the basic standard deduction and supplementing the standard deduction according to family size. This pro-family, pro-middle class legislation would be financed by increasing the tax base rather than increasing tax rates. This should be at the core of tax reform: to improve equity and to reduce the size and influence of tax write-offs. This plan is fiscally and economically sound in that it does not reduce revenues overall, but rather distributes the tax burden more fairly.

In 1992, this legislation would institute a new supplemental deduction for dependents. The increase in the standard deduction for each dependent would be $1,400. Therefore, a family with two dependents would receive a new standard deduction of $8,500 from the present standard deduction of $5,700. Married couples filing jointly and heads of household would have their standard deductions increased by $390, giving joint returns a new standard deduction of $6,090 and heads of household a total of $5,390. And lastly, the legislation would increase the standard deduction for unmarried individuals by $235 for a standard deduction of $3,635, with married individuals filing separately receiving a $3,045 deduction.

As a result, overall income tax burden on families who make between $20,000 and $30,000 a year would be decreased by 9.5 percent on average. These increases in the standard deduction would also simplify our tax system by allowing thousands of families to use the simple standard deduction rather than itemizing their deductions. On average, every income group with incomes of less than $75,000 would see a tax reduction, with the greatest dollar reductions for median income level taxpayers, and the greatest percentage reductions for struggling families in the $10,000 to $20,000 income range.

The financing mechanism for this legislation pays for the tax relief and is progressive. The bill would reduce allowable itemized deductions by 10 percent. Many of my colleagues would argue that an increase in tax rates would hurt economic recovery; my legislation does not increase tax rates. More importantly, I believe that it is fairer and better for the economy to reduce the advantage enjoyed by upper-income taxpayers, who use tax write-offs disproportionately.

The attractiveness of this proposal is that it not only simplifies the Tax Code by reducing the numbers who itemize, but also, by increasing the standard deduction, gives lower-income taxpayers the greatest benefits as a percentage of income. In addition, unlike many other tax cut plans, my bill is revenue neutral and does not change current tax rates. It is time to face up to the impact of our tax policies over the past decade on lower-middle and middle-income families. If we seriously want to cut taxes for lower-middle and middle-income taxpayers we must pay for it in a fair and equitable way.

The text of the legislation follows:

H.R. 3202

Be it enacted by the Senate and House of representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tax Reduction and Simplification Act of 1991".

SEC. 2. INCREASE IN AMOUNT OF STANDARD DEDUCTION.

(a) INCREASE IN BASIC STANDARD DEDUCTION.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to basic standard deduction) is amended to read as follows:

"(2) BASIC STANDARD DEDUCTION.—For purposes of paragraph (1), the basic standard deduction is—

"(A) $6,090 in the case of—

"(i) a joint return, or

"(ii) a surviving spouse (as defined in section 2(a)),

"(B) $5,390 in the case of a head of household (as defined in section 2(b)),

"(C) $3,635 in the case of an individual who is not married and who is not a surviving spouse or head of household, or

"(D) $3,045 in the case of a married individual filing a separate return."

(b) ADDITIONAL STANDARD DEDUCTION FOR DEPENDENTS.—

(1) IN GENERAL.—Subsection (f) of section 63 of such Code (relating to additional standard deduction amounts) is amended by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively, and by inserting after paragraph (2) the following new paragraph:

"(3) ADDITIONAL AMOUNT FOR DEPENDENTS.—The taxpayer shall be entitled to an additional amount of $1,400 for each dependent with respect to whom the taxpayer is allowed a deduction under section 151(c) for the taxable year."

(2) CONFORMING AMENDMENTS.—

(A) The caption for paragraph (3) of section 63(c) of such Code is amended to read as follows: "ADDITIONAL STANDARD DEDUCTION FOR AGED, BLIND, AND DEPENDENTS.—".

(B) The caption for subsection (f) of section 63 of such Code is amended to read as follows: "ADDITIONAL AMOUNTS FOR AGED, BLIND, AND DEPENDENTS.—".

(c) INFLATION ADJUSTMENTS.—

(1) IN GENERAL.—Paragraph (4) of section 63(c) of such Code (relating to adjustments for inflation) is amended by striking "1988" and "1987" and inserting "1991" and "1990", respectively.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (5) of section 63(c) of such Code is amended by striking "$500" and inserting "$550".

(B) Subsection (f) of section 63 of such Code is amended by striking "$600" and "$750" each place they appear and inserting "$650" and "$850", respectively.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 3. ADDITIONAL LIMITATION ON ITEMIZED DEDUCTIONS.

(a) POLICY OF REVENUE NEUTRALITY.—It is the purpose of the amendments made by this section to increase Federal revenues during each of the fiscal years 1992 through 1996 by an amount sufficient to offset the reduction in Federal revenues which will occur during such fiscal year as a result of the amendments made by section 2.

(b) LIMITATION ON ITEMIZED DEDUCTIONS.—Section 68 of the Internal Revenue Code of 1986 (relating to overall limitation on itemized deductions) is amended by redesignating subsections (a) through (f) as subsections (b) through (g), respectively, and by inserting after the section heading the following new subsection:

"(a) GENERAL REDUCTION.—In the case of an individual, the amount of the itemized deductions otherwise allowable for the taxable year shall be reduced by 10 percent."

(c) CONFORMING AMENDMENTS.—

(1) Subsection (b) of section 68 of such Code (as so redesignated by subsection (b) of this section) is amended—

(A) by striking the subsection caption and inserting the following: "ADDITIONAL REDUCTION FOR HIGHER INCOME INDIVIDUALS.—",

(B) by inserting "(in additional to any reduction under subsection (a))" after "shall be reduced", and

(C) by inserting "(determined without regard to subsection (a))" before the period at the end of paragraph (2).

(2) Subsection (g) of section 68 of such Code (as so redesignated by subsection (b) of this section) is amended by striking "This section" and inserting "Subsection (b)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

□ 1420

EL SALVADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LAGOMARSINO] is recognized for 60 minutes.

Mr. LAGOMARSINO. Mr. Speaker, during the recent visit of Salvadoran President

Freddy Cristiani to Washington, I had the pleasure of speaking to him about his government's efforts to find a peaceful solution to the ongoing guerrilla war in his country.

President Cristiani's comments were both interesting and startling for he outlined a continuing series of initiatives his Government has undertaken to seek peace in El Salvador. Much of what the Government has done has not received media attention in the United States, so there is little understanding or appreciation of the Government's efforts to counter the propaganda campaign of the FMLN guerrillas and the responsibility of the Salvadoran Government to protect its people from the continued, unprovoked attacks from the armed FMLN guerrillas.

I have requested this special order specifically to call to the attention of my colleagues the efforts carried out by the Government of El Salvador for a negotiated peace with the FMLN and also the Salvadoran Government's present position regarding the status of talks with the FMLN.

The following two papers prepared by the the Salvadoran Government offer a thorough review of recent events and efforts of the Government of President Cristiani to seek peace in El Salvador.

SUMMARY OF THE EFFORTS CARRIED OUT BY THE GOVERNMENT OF EL SALVADOR FOR A NEGOTIATED PEACE WITH THE FMLN; AGREEMENTS SIGNED; PRESENT STATUS OF DIALOGUE

1. Since President Alfredo Cristiani took office, the present Government of El Salvador has taken the lead in putting an end to the country's armed conflict. In his inaugural speech, the new President promised to set up a Dialogue Commission to hold peace negotiations with the FMLN on the basis of a program previously agreed on by both parties. This dialogue would have to be serious, uninterrupted and, once begun, neither of the parties could unilaterally withdraw from it.

2. Once the Dialogue Commission was set up, the Government entered into contact with the FMLN so as to hold a first round of discussions. These discussions, with the involvement of the Church, were carried out in Mexico City in September 1989. The final document, called the "Mexico Agreement", defined the conceptual framework for negotiations and set forth their procedural regulations. The negotiations' purpose, accepted by both parties, was to "put an end to the armed conflict as soon as possible by political means, promote the country's democratization and reunite Salvadoran society". The agreement was signed by both parties, and witnessed by Bishop Romeo Tovar Astorga and Bishop Gregorio Rosa Chavez.

3. The second meeting of the Government and FMLN delegations was held in San Jose, Costa Rica, on October 16, 17 and 18, 1989, before representatives of the Catholic church, the United Nations and the OAS. The final document, signed by both parties and by the above mentioned witnesses, was called the "San Jose Agreement". It set forth "the need to agree on the conditions which will make it possible, during a first stage, to put an end to the military confrontation and to any act which violates the rights of the civilian population, and to coordinate an end to hostilities within an agreed timetable".

4. At the San Jose meeting, the Government submitted a document called "Proposal by the Government of the Republic to reach peace, consolidate democracy and reunite Salvadoran society". The proposal was based on Esquipulas II and Tela, the agreements leading up to the peace conversations. It proposed an immediate end to hostilities, the Government's commitment to protect the life and physical integrity of FMLN members, and the necessary steps to be taken to insert the FMLN members into the country's life of peace and democracy. It also offered to help the FMLN become a political party, on a par with the existing political parties of El Salvador. All of the above served as a rather broad basis for negotiations, and disproves the assertion made later by the guerrillas alleging that the Government's position at the San Jose meeting was totally inflexible. With this assertion they intended to justify the guerrilla offensive which began on November 11, that is, less than a month after the Costa Rica meeting.

5. In the above mentioned San Jose agreement, a new meeting was scheduled to be held in Caracas, Venezuela, on November 20 and 21. In spite of the offensive launched on the 11th of that month, the largest and bloodiest of the conflict, the Government delegation attended the Caracas meeting so as not to interrupt the continuity of the efforts aimed at putting an end to the conflict by negotiated means. The FMLN did not attend, violating the commitment signed in Mexico to not withdraw unilaterally from meetings.

It is apparent that the November terrorist offensive had been planned for many months, and that the FMLN had considered that the dialogue meetings with the Government were merely a tactical resource to be used in its goal to seize power through violence.

6. In spite of the FMLN's behavior, the Government of El Salvador did not desist from its efforts to attain peace through negotiations, based on the spirit of the Regional Pacification Agreements signed by the Central American Presidents, especially the Declaration of San Isidro de Coronado, Costa Rica. With that objective in mind, the President of the Republic asked the United Nations Secretary General to use his good offices to promote negotiations with the FMLN, while offering the Government's good will and full cooperation to that end. The FMLN later accepted the UN's involvement.

On April 4, 1990, the UN Secretary General, Javier Perez de Cuellar, issued a declaration known as the "Geneva Declaration or Agreement", in which he stated that he had agreed to use his good offices within the terms of reference of the July 27, 1989 Security Council Resolution 637, and had received assurances from both parties that they were seriously and in good faith seeking a negotiated solution to the conflict.

The purpose of the Geneva Declaration agreement is to "put an end to armed conflict through political means as soon as possible, promote the country's democratization, guarantee the unrestricted respect of human rights and reunite Salvadoran society.

7. The UN Secretary General appointed Dr. Alvaro de Soto as his personal representative in the conflict. Both parties agreed to hold a first meeting with him in Caracas, Venezuela, from May 16 to 21, 1990. At that meeting, a document called the "Caracas Agreement" was signed on May 21. It includes the General Agenda and the Timetable for the Full Negotiation Process.

The objectives of the Geneva declaration are reiterated in that document, and the process is divided into three phases: the first phase sets forth the initial objective to reach political agreements aimed at coordinating an end to the armed confrontation and to any act that violates the rights of the civilian populations; the second phase would provide for the necessary guarantees and conditions to reinsert the FMLN members, within a framework of full legality, into the country's civilian, institutional and political life; and the third phase would provide for the consolidation of the above mentioned objectives and for UN verification of the agreements.

The questions to be negotiated were listed as follows:

(1st) Political agreements:

1. Armed Forces.
2. Human Rights.
3. Judicial System.
4. Electoral System.
5. Constitutional Reform.
6. Social and economic problems.
7. Verification by the UN.

(2d) Coordination of an end to the armed conflict and to any act that violates the civilian population's human rights.

The second stage includes the same questions, plus the reinsertion of FMLN members.

The text explains that the same questions are included in two stages of the process because some of their aspects may have to be dealt with in more than one stage. As far as the timetable is concerned, the tentative date to reach the objective set forth by the Geneva document, i.e., the achievement of political agreements and the end of armed confrontation, is by mid-September 1990.

8. At the beginning of June, the President of the Republic invited all the existing legal political parties of the country to form an Inter-party Commission, and committed himself to promote and endorse any and all agreements adopted by consensus by the Commission. As a result of the work carried out by the Inter-party Commission, a number of reforms were made to the Electoral Code. They were not supported by the FMLN at the negotiating table because, it alleged, they were not sufficiently and simply made a unilateral statement in favor of electoral Agreements.

The Agreement that increased the number of deputies (representatives) at the Legislative Assembly from 60 to 84 is of vital importance, since it expanded the political spectrum by including minority political parties.

9. After the Caracas meeting, another one was held in Oaxtepec, Mexico, from June 18 to 26, 1990. The question of restructuring the armed forces was widely discussed, although no agreements were signed.

10. The following July, a meeting was held in San Jose, Costa Rica, where a comprehensive Agreement to respect and guarantee human rights was signed. It includes an international verification mechanism, a UN mission with headquarters in El Salvador, under the responsibility of a Director appointed by the UN Secretary General.

With regard to this agreement, the United Nations and the Government of El Salvador have already signed the necessary arrangements, and provided for the proper mechanisms allowing the UN verification mission to set up and develop its activities in El Salvador, as part of an Agency called ONUSAL, established by the UN Security Council to supervise different aspects of the settlement of the Salvadoran conflict.

11. Later, two more meetings were held in San Jose, Costa Rica, one from August 16 to 23 and the second from September 12 to 19. No new agreements were reached, in spite of the fact that the questions in the Agenda, es-

pecially that of the Armed Forces, continued being the subject of in-depth discussions. Contrary to the seriousness and responsibility shown by the government Commission, the FMLN was inflexible, and submitted an eighteen-point proposal on the Armed Forces, in which it went back on the statements it had made in Oaxtepec, and took up once again many of the arguments and positions it had put forward in 1989 at Moravia in San Jose, Costa Rica.

After September, no new dialogue meetings were able to be arranged. On October 1, 1990, the President of the Republic visited UN headquarters during the Organization's XIV General assembly, were he made another peace offer to complement this and other peace proposals and offers. However, at the end of November, the FMLN launched a new terrorist offensive which, though not as strong as the offensive carried out the year before, caused many deaths, especially among the civilian population, as well as damages to the national economy and infrastructure.

As a result of the apparent stagnation of the process, the parties attended a meeting with the UN Secretary General in mid-October 1990 to review the process, as a result of which the parties committed themselves to enhance the intermediation role through periodic consultations, and a mechanism was established for meetings to be held with smaller commissions so as to try to make progress in the negotiations. These meetings were held in December 1990, and in January and February 1991.

12. On March 16, 1991, the FMLN proposed an initiative to the Ministers of Foreign Affairs of the European Economic Community and Central American countries who were meeting in Managua, Nicaragua, aimed at speeding up peace negotiations. At that time, the document was officially submitted to the UN intermediary, Dr. Alvaro de Soto. According to its text, the main objective was to simultaneously cover the three basic questions of the Caracas Agenda, i.e., the Armed Forces, the Constitutional Reform and the Cease-Fire. Maximum efforts would be carried out to reach an agreement on constitutional reforms before the end of the Legislative Assembly session which concluded on April 30, agree on the three fundamental questions so as to end the first phase of negotiations and on having a cease-fire by May 30, 1990, at the latest.

The deadline of April 30 to reach agreements on Constitutional Reforms was set because, according to the procedure to amend the Constitution of El Salvador, the reforms can only enter into force if they have been approved by one session of the Legislative Assembly and ratified by the next one, by a majority of two thirds of the votes.

13. The Government of El Salvador accepted to negotiate the three-point Agenda proposed by the FMLN in a meeting with no time limit, to conclude when an agreement had been reached with regard to the above mentioned questions, i.e., to submit constitutional reforms before April 30, and reach an agreement on the Armed Forces and on the end of armed confrontations by May 30, 1991. To that effect, the meeting's discussions began in Mexico on April 4, 1991, and concluded on April 27 with the Mexico Agreements, which contain a number of fundamental reforms to the Political Constitution in questions regarding the Armed Forces, the Judicial System, Human Rights and the Electoral System. In addition, the Commission of Truth was established, to be made up by three members appointed by the United Nations Secretary General, with the advice of the parties, which would be responsible for the investigation of major acts of violence carried out since 1980.

14. The Constitutional reforms agreed upon in Mexico were submitted by the Government to the Legislative Assembly before April 30, 1990, as had been agreed with the FMLN. The Government thus fulfilled its solemn commitment to promote reforms before the appropriate Body; the Legislative Assembly approved them with slight changes, adding complementary provisions to make them consistent with the rest of the Constitution. For these reforms to become constitutional rules, they must be ratified by the present Legislative Assembly, by a majority of two-thirds of the votes. The Mexico agreements provide that said ratification must be carried out in accordance with a timetable agreed upon by the parties to the negotiation.

15. The document signed in Mexico contains a number of agreements regarding constitutional reforms which represent a true change in El Salvador's institutional structure.

THE ARMED FORCES

It is clearly set forth that the Armed Forces are under civilian power, redefining this institution's functions by placing it in its rightful context within a democratic society.

A civilian National Police and a State Intelligence Agency are established, placing them under the leadership of civilian authorities chosen in accordance with the Constitution.

Military Justice is redefined, so that only crimes that strictly affect military juridical interests can be brought before it.

Mention should be made of the range of political agreements on the subject which will lead to a number of reforms to secondary laws, aimed at eliminating armed paramilitary groups and forced recruitment, and underlining professional training of members of Public Security and Defense Forces by giving prominence to aspects that emphasize human dignity, the respect of human rights, democratic values and the placement of these bodies under constitutional authority.

THE JUDICIAL SYSTEM

A reorganization will be made of the Supreme Court of Justice and the way in which its Justices are elected. Their election will be by a two-thirds majority of the Legislative Assembly deputies, from a list proposed by the National Council of Judges.

Under the Constitution, Government expenditures will include the Judicial Body, at a level of no less than 6 percent of the Government's general budget.

The National Council of Judges will be strengthened, giving it the necessary independence to nominate judicial authorities, and giving it authority over courses and management of the School for Judicial Training.

HUMAN RIGHTS

We now have the Agreement on Human Rights signed in San Jose, Costa Rica.

A position of National Attorney for Human Rights has been established, to be elected by a two-thirds majority of the Legislative Assembly deputies. The same majority will be needed to elect the Public Attorney of the Republic and the Attorney General of the Republic. With this new proportion, no political party will be able, by itself, to make appointments in the judicial branch, since it is practically impossible for one party alone to hold the above mentioned proportion of votes.

THE ELECTORAL SYSTEM

This organization is being expanded, giving it greater independence; in addition, all political parties will be monitored during the electoral process.

The Government party, under the agreement on constitutional reform which will give rise to a Supreme Electoral Tribunal, has demonstrated its support to the President of the Republic's initiative by giving up the authority it legally has to appoint the Chairman of the above mentioned supreme electoral body. This, added to the electoral body's reorganization, reflects the degree of maturity already reached by the political sectors of El Salvador.

In those same agreements (the Mexico agreements), a set of rules have been established to regulate through secondary legislation other questions related to the Armed Forces, the Judicial Body and the Electoral System. Mention should be made of the fact that an agency for the Investigation of Crimes, under the responsibility of the Judicial Office, has been established. Thus, the agreements respond to practically all of FMLN's concerns on these subjects. This, together with the Human Rights Agreement signed in Costa Rica and the establishment of ONUSAL by the United Nations to supervise compliance of agreements, with only a specific agreement on the Armed Forces missing, make up all the necessary elements to put an end to armed confrontation, in accordance with the concentrated Agenda proposed in Managua by the FMLN.

In effect, Part V (Final Declaration) of the Mexico agreements includes a clause that literally reads as follows: "The parties commit themselves to continue negotiations, within concentrated guidelines. Discussions on the questions agreed upon in the Caracas Agenda will continue in order to reach, as soon as possible, a political agreement cn the Armed Forces and the necessary agreements to put an end to armed confrontations, under the supervision of the United Nations."

16. On the basis of the above, at the last meeting held in Caraballeda, Venezuela, from May 25 to June 3, 1991, the question of the Armed Forces and the End of Armed Confrontation should have been discussed exclusively and exhaustively until an agreement had been reached. In Mexico these subjects were not considered because of the lack of time, priority having been given to reforms to the Constitution. The Mexico agreements, in the last part of the final declaration, set forth that the process cannot be deemed interrupted when netotiations resume; which means that as long as the concentrated Agenda is being discussed, the Caraballeda discussions and subsequent meetings will be considered to be a continuation of the Mexico meeting.

The FMLN cannot continue sidestepping the commitment signed in Mexico to begin a serious discussion and reach conclusions on the Armed Forces question, which had been the subject of discussions for almost a year, and on the End to Armed Confrontation, which is the main objective of the first phase of these negotiations. It is absurd that at this point of the process, the hostilities which have caused so much damage, mourning and pain to the Salvadoran people continue. The time to put an end to armed confrontation cannot be postponed any longer under the false pretext of Government inflexibility. It is the FMLN which has prevented a settlement of the situation by maintaining absurd positions such as the one which seeks the dissolution of the Armed

Forces or the one that would like the FMLN to become a political party without abandoning its armed structure. (San Salvador, June 10, 1991.)

THE SALVADORAN GOVERNMENT'S PRESENT POSITION REGARDING THE STATUS OF TALKS WITH THE FMLN

1. When looking at the development of the negotiations started by the present Salvadoran administration at the beginning of its term on June 1, 1989, it is obvious that this government has always been ready to forge ahead despite all the obstacles inherent in this type of undertaking, and despite the FMLN's continued use of delaying tactics and propaganda campaigns. The government has shown its commitment to these talks by signing important agreements on the issues being discussed. These agreements have involved issues that fundamentally required political decision-making by the government, and which have carried no risks for the FMLN. To whit: the Agreements on Human Rights, signed in July 1990 in Costa Rica; and the Agreements on Constitutional Reform and the Committee on Truth signed in Mexico in April of this year. Of the two pending issues on the Concentrated Agenda presently under consideration, Armed Forces and Ending the Hostilities, decisions on the first topic involve the government directly, because the Armed Forces are a legitimate and permanent institution, essential for the country's security and stability; while it is with regard to the second topic that the FMLN must make significant decisions. The FMLN has repeatedly shown its lack of commitment and determination by continually seeking to delay, postpone, and complicate any work leading to an agreement on ending the hostilities, which should certainly have been concluded by now. This demonstrates the FMLN's unwillingness or inability to fully commit to the negotiation process. The time has come to pressure the FMLN to make the necessary historic decisions.

2. The government's position on the armed forces has been clear and consistent from the beginning of the talks: the government is ready to implement reforms that will better define the Armed Forces' role in a democratic society in theory and in practice. Proof of this can be found in the constitutional reforms implemented in April and approved by the Legislative Assembly before it adjourned on April 30. However, the government has always made it very clear that the existence itself of the armed forces would not be discussed in these negotiations under any circumstances. The government bases its position on constitutional and historical grounds and feels that these reasons compel it to remain steadfast in its convictions. Furthermore, for reasons of, security and stability, at a time when the country is going through a difficult and volatile transition it is absurd and senseless to even think of creating an institutional vacuum with its risky and unpredictable consequences. The government believes that the reforms already effected through constitutional amendment ensure that the military will remain under the power of civilian authority, as is necessary in any democratic society. The government also considers that the reasonable political agreements that will soon be concluded with regard to the armed forces are a sufficiently solid basis for the peace process while preventing the collapse of its institutions. The government's openness in the areas of the armed forces is apparent by the fact that there already are concrete possibilities for agreement in almost all the subtopics: changes in the Security Bodies, Evaluation of the Officer Corps of the Armed Forces, Changes in the National Intelligence Agency, Civilian Defense and Conscription. These areas of agreement made an accord possible as early as August 1990, but the FMLN has been using dilatory tactics, so as to postpone a decision on ending the hostilities.

The FMLN has sought to promote a false perception of the progress made on the Armed Forces issue, characterizing the problem as still being far from being resolved. This is being accomplished through a propaganda campaign regarding the government's amendments to the final draft submitted to the parties through the UN. Since this topic is already at the final stage of decision, in which the specific drafting of the agreements is being carried out, it is logical for the parties to propose improvements and adjustments of style in addition to some substantial issues that are still pending. The government is not trying to back out because of a change in its position or simply for tactical purposes; on the contrary, the government is trying to proceed rapidly toward a final version.

3. From the beginning, the government has shown the necessary flexibility for progress to occur. This flexibility, however, does not extend so far as to ignore legal institutions and the rule of law. The government has a mandate emanating from the body of laws and it operates within a given institutional framework. If the government were inflexibly legalistic it would not even agree to negotiate with an irregular group which, by its own admission, does not accept or abide by the law. But the government is fully aware of the fact that it must face reality and address these issues, that it is impossible to deny that there is an armed confrontation in El Salvador, and that this confrontation must be resovled politically. The government and the FMLN are very different in this respect. The government weighs and scrutinizes its decisions very carefully because it has institutional responsibilities that cannot and should not be ignored. The government must abide by the law. This does not mean that the government believes that the laws should never change, but rather that they should change only when change is reasonable, justified, and then only through the procedures established by the law itself. The Government's flexibility on this issue was apparent in the Agreement on Constitutional Reform which dealt with nothing less than the supreme law of the land.

4. The government has maintained consistent positions throughout the negotiations on all the topics on the Agenda, never changing its mind for tactical reasons, or engaging in obstructionary or delaying maneuvers as is and has been the procedure and habit of the FMLN. Anyone who is familiar with the detailed history of these negotiations will easily see that the government has invariably worked towards agreement, proposing positions that are as reasonable as possible, always seeking agreements. The FMLN, on the other hand, has on several occassions made sudden, drastic and unjustified changes in its proposals. For instance, the FMLN decided to return to its radical proposal to "dissolve both armies" after the Oaxtepec meeting, during which large areas of agreement on the armed forces issue had already been identified. The FMLN continues to use this proposal as a roadblock at the negotiating table. Also, at the preliminary meeting in Mexico on May 15 and 16, 1991, the FMLN expressed its intention to stray from the three topics included in the Concentrated Agenda, Constitutional Reform, Armed Forces, and End to Hostilities. The FMLN wanted to include a discussion of economic and social issues in the agenda, with the obvious intent of prolonging the preliminary political agreements phase of the end of hostilities, thus postponing agreement on this issue.

The government, moved by fundamental negotiation ethics, has opposed and contineus to oppose this capricious move to abandon the concentrated format, which was proposed by the FMLN to begin with, for the now evident goal of ensuring that only constitutional accords are concluded. A commitment was made with regard to the Concentrated Agenda, and it must be honored. The government will not allow it to change because both the process and the country demand a speedy and effective end to armed confrontation.

5. Although the FMLN's tactics have artificially delayed agreement on an end to hostilities, there is no reason for this delay to continue. The government is very willing to speed up even more the work, within the Concentrated Agenda, on the two topics that are still pending: Armed Forces and End to Hostilities. The process still has enough momentum of its own to proceed without delays. An agreement on an end to hostilities can easily be reached in the next meeting if the FMLN is ready to take the negotiations seriously.

The above is proof of the government's continuing commitment towards advancing the negotiation process. The Government of El Salvador does not expect to receive any credit for these efforts which are aimed solely at ensuring the Salvadoran people's well-being after peace is restored. However, if the goal is to objectively evaluate the government's will to negotiate, taking into account the circumstances under which the negotiations are being held, it is important to note two essential factors of the climate in which the government has not only sustained its efforts, but actually increased them. First, when examining the negotiation process carried out by El Salvador we cannot ignore the fact that one of the parties is an essentially pluralistic, democratic and representative regime which includes various ideologies. The government's efforts are thus subject to criticism and opposition from groups who do not share the conviction that a negotiated settlement is the way to accomplish our goals, and who continuously criticize the peace efforts. The government must also contend with pressure from those who are unaware or who pretend to be unaware of legal problems resulting from constitutional restrictions, which must be respected and fulfilled by a law-abiding state. Sadam Hussein would surely not be faced with these problems.

One of the most important rights protected by the Salvadoran government in its democratic pluralistic system is, as is recognized internationally, the freedom of speech. This freedom of speech allows the free expression of ideas and criticisms essential in any democracy. In El Salvador, freedom of expression includes even the dissemination of the content of communiqués, statements and interviews from and with FMLN members. The content of these documents make the negotiations more difficult for the government, of course, because its positions are subject to systematic attacks and negative propaganda from special interests, who introduce confusion into the positions the government must adopt to abide by the Constitution.

Finally, we must keep in mind that the FMLN has treated progress in negotiations as if it were a war trophy. For example, in the case of the recent consitutional reforms, the people are curious about the FMLN's systematic delays in agreeing on an end to hostilities. Even more serious is the increasing amount of damage it continues to inflict on the electrical infrastructure, as well as the attempted attacks against military installations that have brought about the death of innocent civilians, with the alleged intention of pressuring the government to negotiate. This, as we have seen, is unnecessary, since the government has consistently shown its commitment to the process. Facts can be easily distorted and the government's good faith misconstrued as a sign of weakness when, after significant progress is made, the FMLN increases its belligerent attacks as was the case after the constitutional reforms. It is under these conditions that the Salvadoran government must demonstrate its will to negotiate.

THOUGHTS ON THE PEB

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana [Mr. WILLIAMS] is recognized for 60 minutes.

Mr. WILLIAMS. Mr. Speaker, in April of this year, there was, after many, many months of negotiations between railroad workers and railroad companies, a threatened work stoppage. At that time, working with the railroad workers and their representatives, I introduced into the House a joint resolution on behalf of the workers.

My legislation would have created a 5-member special board, PEB Board. Very importantly, that Board and the members of that Board were to have, under my bill, to have been appointed by the Congress. Their purpose, of course, was to resolve the remaining disputes.

My bill also provided a 5-percent wage increase for railroad employees, because they had not had an increase since 1987.

The President would not accept that bill and informed Members that he would sign only certain legislation, and thus this House had no choice but to write a compromise that the President would agree to support. When that compromise was passed, thus ending the April 17 rail strike, agreement thus had been reached between the administration and the Congress.

Many Members, at that time, were doubtful that a fair and equitable result could be reached that benefited America's railroad workers as well as the economy served by the railroads. I personally doubted that the new Board would find a solution that was fair, because the members of this Board were not appointed by the Congress of the United States as they would have been under my legislation, but rather the members of that Board, under the bill that the House and Senate finally accepted, and that was signed into law by the President, the members of the Board were appointed by the President.

Had the Congress simply intended to rubber stamp the recommendations of the Presidential Emergency Board No. 219, we could have done so right then and there, and not put America's railroad workers and the interested public, including the worker's families, through the last several months of charade and misplaced expectations.

Out my way in Montana there are 11,000 Montanans, including 8,000 annuitants, and 3,000 rail workers who were at least a little hopeful with the President's Board, and that the Board would provide recommendations that would benefit the rail workers and their families. Those Montanans are now disappointed and angered by the results.

The President's Board decked the merits of the issue placed before it, and relied, instead, on redefining congressional intent, and thus thumbed its nose at the Congress, and thumbed its nose at railroad workers across this country.

The Special Board's report exacerbates what is left of labor-management relations in the railroad industry, rather than leaving all parties with the feeling that the process gave everyone a fair shake. By leaving the results of the PEB in place, rail workers are left with work rules that are unfair, force them to be away from their family for weeks on end, and with only a token pay increase.

Mr. ECKART. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Ohio.

Mr. ECKART. Mr. Speaker, I thank the gentleman for yielding. I spoke with the gentleman about joining him in participation of this special order, and wanted to speak on that one point on the remark of the gentleman from Montana, because the precision of the point he made needed to be underscored.

As a member of the subcommittee, chaired by our colleague, the gentleman from Washington [Mr. SWIFT], that oversaw the preparations in the days up to the strike, and held hearings on the day of the strike, our subcommittee was fully of the clear impression that we did not intend to simply rubber stamp the activities of the Presidential Emergency Board and its recommendations earlier this year in February.

Had our subcommittee intended to do that, and had the Congress wanted to join in that, we could have simply done so by simple resolution of our committee and the Congress combined. The fact of the matter is that we specifically placed one piece of legislation in the bill which refers to, long known as demonstrably inequitable, in which we hoped that the Special Board was tasked to meet an evaluation of the specifics of the earlier recommendations of PEB 219.

Mr. WILLIAMS. Mr. Speaker, I yield to the chairman of the relevant committee on this matter, the gentleman from Washington [Mr. Swift].

Mr. SWIFT. Mr. Speaker, I thank my friend very much for yielding.

If we had intended the original PEB's to go into effect, we would have done that. It is not that no one proposed that. It is not that that option was not considered. It is that that option was considered and expressly rejected.

Therefore, what could have possibly been in the minds of the people to whom we referred this a second time? It seems to me that we have to have the brains approximately of a granite post if we assume that we sent it down there so they could do what the PEB did, when we could have soldered it at that point in time ourselves, if we had seen that as the appropriate public policy to date.

Instead, what we said was, that a long rail strike would be disastrous to the Nation's economy, that we were not equipped to deal quickly with an evaluation of all the complex matters that were still at issue between the various parties, and therefore we created another review board to examine those.

The presumption has to be to respond to those. That was the congressional intent. That is not what the Board did.

Now, what concerns me is that I think in stifling organized rail labor on this issue, this Board has done something else. That is, I think, to foul the nest of the Federal Railway Labor Act. It is an elaborate act designed specifically to deal uniquely with labor-management disputes in the rail industry, because it recognizes the rail industry uniquely central to the core of our economy.

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It establishes an elaborate process by which it is hoped strikes will be averted. In this particular instance, 3 years of work went into this proposal. Three years of work went into trying to work out the various things that were at issue and trying to find a resolution and they could not.

No one can seriously suggest you want to then take 3 years of complex issues that cannot be resolved by people who have been focusing exclusively on those issues and send it up to Congress and we are going to settle all that in 24 hours.

The alternative is to take time to understand all those details, take it on issue by issue, decide those in some rational process, and that would take months to do properly while the Nation's rail industry is on strike, a wholly impossible thing to contemplate.

What the second board has done is to reduce any faith anybody has in that process. They may well have totally fouled the whole mechanism of the Federal Railway Labor Act.

We cannot have a system that dumps complicated labor-management negotiations in the lap of Congress where we are supposed to act instantly.

Therefore, I think we are going to have to take a very, very close look not only at what has been done to the men and women who work on our railroads and run our railroads, but they have forced the issue where we are going to have to take a look as to whether the whole underlying legislation of the Federal Railway Labor Act is any longer going to be able to function and serve this country well.

Mr. WILLIAMS. Recovering my time, Mr. Speaker, let me ask the chairman if he anticipates that in taking that closer look that he mentioned, that would include the possibility of beginning hearings on the current usefulness of the Railway Labor Act. Those hearings, as I understand it, would be under the jurisdiction of the gentleman's committee.

Mr. SWIFT. I have announced that we will have a hearing on this issue on October 3, very shortly after we return. We will see where that leads us, but I think there will be some Members who will be interested in examining the specifics of this issue, this specific labor dispute.

I am going to be interested in trying to determine what is left of the Federal Railway Labor Act after this Board completely refused to do the job that Congress expressly and clearly intended it to do.

As chairman of the Subcommittee on Transportation and Hazardous Materials, I would like to express my concerns that the special board appointed by Congress to review the work of Presidential Emergency Board No. 219 did not adequately review or attempt to resolve those issues still in disagreement between rail labor and rail management. While Congress placed certain standards of review upon the special board, it is clear that House Joint Resolution 222 intended to allow any party to request "* * * a modification of a particular Presidential Emergency Board recommendation * * *" [sec. 1(d)]. Instead of addressing the merits of specific requests for modification of certain PEB recommendations, and the special board has thrown up a number of procedural technicalities, the result of which has been to defeat the clear intent of Congress of due process for all parties in the dispute.

I believe that the Congress can be justly proud for having crafted legislation in a 24-hour period that was intended to create such a dispute resolution procedure and did avert a nationwide rail strike. Having said that, I am concerned with the lock-step decisionmaking process that inevitably confronts Congress in the ultimate resolution of labor-management disputes in the rail industry. In the case of the recent dispute, for example, Railway Labor Act section 6 notices were first served in the spring of 1988; yet 3 years later Congress was forced to create emergency legislation over a 24-hour period to bring this dispute to a resolution. I do not believe that railroads should have to be run this way.

While there is an obligation by Congress to the public at large to ensure that essential transportation services be maintained and a commensurate obligation to ensure due process for all parties in such disputes, I am troubled that all labor-management disputes in the rail industry seem to end up in the lap of Congress. We are not equipped to resolve the multitude of complex technical issues in dispute, and—as the recent interpretation of congressional intent by the special board indicates—it is difficult to ensure a due process for dispute resolution when parties are constrained from utilizing the ultimate arbiter of self-help actions.

Consequently, I believe it important that the Subcommittee on Transportation and Hazardous Materials should hold a hearing on options available to Congress for ensuring due process in labor-management disputes in the rail industry. I have scheduled this hearing for October 3, 1991. I look forward to the opportunity to explore congressional options in the upcoming hearing.

Mr. WILLIAMS. Mr. Speaker, I thank the chairman for taking the time to join me in this special order.

Mr. Speaker, I yield to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I appreciate the gentleman taking this special order. I want to associate myself with the statements of the gentleman from Montana, as well as the gentleman who preceded my comments in the well, the gentleman from Washington [Mr. SWIFT], the chairman of the Energy and Commerce Subcommittee.

All of us obviously cooperated in mid-April. We thought the solution that was arrived at in terms of creating a new Presidential Emergency Board would provide some good-faith consideration of the issues that divided rail labor and management, and issues that persisted after the initial Presidential Emergency Board finding of January 15, 1991. The decision and outcome, even at that point, provided rail labor with less than "half a loaf of bread" as a settlement and back-to-work order.

Quite candidly, the Presidential Emergency Board that was initially appointed failed, failed in its attempt to try to reconcile the issues between rail labor and management. We know there was a serious impasse and the decision of the 11 rail labor unions that were affected by such contracts and their membership was to commence a strike, a legal strike as provided under the law. After a 3-year disagreement in which there had not been an accord reached in terms of the collective-bargaining process under the Railway Labor Act, and that strike commenced after all other avenues had been explored in mid-April 1991.

When the Congress faced this, we received the message from the President and from his Secretary of Transportation, Mr. Skinner, that indeed the strike would cause grave economic problems and they pleaded for cooperation on the part of the Congress in terms of taking some action and sounded dire warnings as to the adverse economic crisis that would occur should this strike action continue.

Clearly, the action that they sought was the imposition of the Presidential Emergency Board—PEB 219—order of January 15.

The Congress, to the contrary, did not provide for that. They did not provide for the implementation of that order because most in Congress knew, and I think in good conscience Members knew that the rail labor did not agree with such findings, and almost all of management did agree with that particular course, which I think indicates the tenor and the tilt of that January Presidential Emergency Board bias. The PEB 219 had failed in its task. So when presented with the option to immediately implement that, the Congress rejected that idea as being unacceptable and unfair, and in fact opted for a back-to-work order only with the Presidential appointment of a new Presidential Emergency Board.

Inherent in that agreement was the understanding that there would be an opportunity to revisit the issues that had separated rail labor and management and disagreements with the findings of the Presidential Emergency Board, the January Board.

Of course, the upshot of it is that after bringing a large number of issues before that newly constituted Presidental Emergency Board, 60 days after that, the Board rejected every single issue brought before it by rail labor. They rejected every single issue, and what they did was implement the January 15, recommendations of the Presidential Emergency Board that, of course, had triggered and were responsible for the legal strike, the work stoppage, that was in place in mid-April. So, clearly, this Board disregarded the intent of Congress, acted in bad faith, and the clear opportunity to in fact bring about some redress in terms of the type of compensation, health care, important work rules for railroad workers, and other provisions of labor contract.

This really points out in my mind's eye and in that of many others the failure of the Railway Labor Act to function fairly. It is not functioning in terms of bringing about a fair shake for working men and women across this country who are trying to participate in the collective-bargaining process.

I think it is not functioning because we do not have a good-faith effort on the part of the Bush administration in terms of people appointed to the Presidential Emergency Boards. It is not functioning today because the administration is favoring management in the collective-bargaining process and management doesn't need to bargain when the law is administrated in their favor.

When the new special Presidential Emergency Board was appointed, many of my constituents, my friends in rail labor, that were affected by it were very displeased with the fact that I and many other Members of this House, almost on a unanimous basis, had acted in partial accord with the administration demand. They dismissed the new Presidential Emergency Board as an opportunity for some accommodation with their concerns.

So I must say to those constituents, they were right. You were right. You cannot trust the Bush administration. You cannot trust the Presidential Emergency Board. There was a bad-faith effort that existed in January. That bad-faith effort persisted in the appointment and findings of this new Board and the result has done a great disservice to the working men and women in my district and across this country who are looking for a fair shake in terms of the collective-bargaining process.

This result has set back this Congress, I think we have set back this Nation in terms of our ability to step in and try to do something by virtue of the administration's action in this instance.

It is a tough lesson. We do not have to pay for it, but I will tell you, I get thousands of constituents who are affected by this adversely, and I very much regret and will do whatever I can to rectify this action. This FEB decision is impossible, an improper decision that occurred here and the incredible lack of good faith on the part of the administration on this issue. I think you can throw trust out the window in terms of what is going on with regard to future Presidential Emergency Boards. There is no hope in the future to see actions which will redress and act in a fair manner, rather there is a constant realization, an acknowledgement that something is wrong with the National Government. After 10 years of the Government taking apart the collective-bargaining process and labor rights, we are going to end up with more acrimony in this country and an unwillingness on the part of people we represent to cooperate. When there is no cooperation or fair play for them in terms of the system the reaction and result will be more labor strife, not less, and a lack of confidence in the highest office in the land and, yes, this Congress.

In other words, what this speaks to, is a growing polarization in terms of our work force and the people across this country, the perception that you are not going to get a fair hearing in terms of issues that affect the individual in terms of your jobs and your working life, that the Government is operating to take advantage of the person, and against the working people in this country.

I for one will not be a part of such effort to compromise, I will tell you that. My goal is to see that this law is changed by whatever means possible to gain the type of redress for these rail workers is a very high priority in terms of my efforts in this House, and I will try to get as many Members as I can to join me, along with the gentleman from Montana, and others that have voiced concerns about this.

Mr. WILLIAMS. Mr. Speaker, I appreciate the gentleman's expression of concern and we appreciate his leadership on this important and vital issue as well.

Well, it is clear now that we have seen the work result of the Emergency Board, that America's rail workers have been suckered.

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The members of this board provided America's rail workers with nothing, virtually nothing, zero, zilch, zip, nothing.

If President Bush had shown a willingness to sign the bill that I introduced in this Congress, the result would have been that the majority leader of the Senate and the Speaker of the House, not President Bush, would have appointed the members of this Emergency Board. I think if that had happened, and I will just bet dollars to doughnuts that America's rail workers would agree, the results of this board would have been very, very different.

Another thing that would have been different if the President had taken the bill that I offered, that is that our workers would have begun to immediately receive a small but, for them, significant 5 percent pay increase. That would have made up in part for the fact that they have not received a pay increase since 1987.

Mr. Speaker, I am more than delighted that the chairman of the committee, the gentleman from Washington State has agreed and announced that he will hold a hearing, a rather historic hearing, on the basic law that affects these matters for America's system of rail transportation, a system that is designed to protect the bargaining rights of the workers in that transportation system.

I believe the chairman said that that hearing will be held in early October.

Mr. Speaker, I join the gentleman from Ohio who spoke earlier, as well as the gentleman from Minnesota [Mr. VENTO] in eagerly awaiting those hearings and trying to determine at that time if we cannot find a way to rectify the damage that has been done by the Emergency Board appointed by President George Bush.

Mr. DURBIN. Mr. Speaker, I rise today to bring to light a broken promise, a betrayal by the administration of America's railroad workers.

Just 3½ months ago this body adopted legislation to end the national rail strike. However, the Congress of the United States would be fooling itself if we took full credit for sending the railroad workers back to their jobs. It was, after all, the railroad workers and rail management, in cooperation with this body, which brought a speedy end to the national strike.

But what is hanging over America's railroads now, is not the threat of another rail strike, but the work of the Presidential Emergency Board.

Mr. Speaker, the U.S. Government made a promise when the one-day national rail strike ended. It was a simple promise—go back to work and we'll arrange for a new special board to hear your concerns and make a fair decision.

The results of the first Presidential Emergency Board were disturbing to both management and labor. The railroad workers had rejected that plan, especially the wage and work provisions. Most railroad workers, I should note, had not received a wage increase since 1987.

A new special board was formed to examine the findings of its predecessor, take testimony from management and labor, and render a fair decision. The starting point for this new special board was to be the previous board's recommendations. However, little did we know that the starting point would wind up as the conclusion.

So, 56 days after the board began work to provide for a settlement of the outstanding railroad labor-management disputes, and after thousands of pages of testimony, we have the same decision that we had before this whole process began.

Now, why did the Congress put everything else aside and overwhelmingly pass legislation to end the rail strike, why did almost half a million men and women go back to work on America's railroads confident of a fair solution to a 3-year problem? The reason was simple. Trust. We had faith that the special board would render a decision which was fair to labor and management alike. Instead, what did we get? The railroad workers, Congress, and America got railroaded.

The special board spent their time trying to decide how to repackage the original board's decision. The board didn't even bother to change the language of the decision, they simply agreed with it. But what I find to be the greatest outrage, to this body and the men and women of the rail industry, is the fact that the board devoted most of its 17-page decision to a description of what it thought was the intent of Congress in creating the special board. Then the board argued that it could do nothing to overturn the earlier results of the original board or resolve any of the outstanding disputes.

Mr. Speaker, we hoped that the President would appoint an Emergency Board that would render a fair decision. Instead, what we got were findings irrelevant to the solution of the problem. I hope that our economy, America's railroads, and its workers don't end up paying a painfully high price for the failures of this board.

Mr. MURPHY. Mr. Speaker, today I rise to ask for fairness for America's rail workers.

When the Congress worked through the night in early April after rail workers objected to the recommendations of the Presidential Emergency Board, we did so in good faith. Many rail workers had not had a wage increase since 1987, and it seemed that their objections were well-founded. At that time, we did not push the President into a corner, demanding that he deal. What we asked then was for a simple review of the board's decision, and a sincere attempt at compromise.

It was a relief for the country when the President accepted our compromise legislation, and requested a more palatable solution within the next 90 days from a newly appointed emergency board. This appeared to be an exercise in responsible government, a decision in the interest of the national economy. Over the course of reconsideration by the new Board, we here in Congress, along with America's rail workers, viewed developments hopefully. Our joint efforts had averted a crippling nationwide strike, and we had replaced enmity with a search for common agreement.

Apparently, this was simply an illusion. While we were awaiting sound recommendation for a reasonable compromise, members of the Board were wasting taxpayers' money, concocting convincing ways to do little while appearing to do a lot. When the new Board simply reissued the old recommendations with a new cover sheet and title page, we here in Congress realized that constructive compromise was too much to hope for. Once again the White House had shown blatant disregard for American workers.

I stand here today astounded by the lack of concern displayed by the White House with regard to this issue. Clearly, the President had no intention of peaceably settling this strike. The charade perpetrated at the expense of America's rail workers says loud and clear that domestic issues are far from the top of the White House priorities' list. Now, that you are home in Washington Mr. President, I urge you to clean out your overstuffed in-box, and carefully consider those domestic issues you have so neatly tucked away. While it is true that workers flung across the four corners of the world deserve our attention, your time would be best served by taking care of our own.

Mr. SIKORSKI. Mr. Speaker, 3½ years ago, rail workers in the country entered national contract negotiations with a semblance of hope for fair treatment. Today they have none.

We in Congress did not become directly involved in the rail dispute until last April. That was after rail workers had endured endless rounds of negotations, had gone through numerous mediation sessions, and had their case pleaded before the PEB. We became involved because the rail workers exercised their right to strike. They told us that they had to strike—that there was no other way to make the process work. They told us that they were being shafted and that the PEB report was unfair and skewed against them.

I agreed with them and I know many of my colleagues did as well. When we reviewed the PEB report we saw glaring inequities. Nevertheless, Congress—balancing all the factors, including the good of the country, the right of these workers to strike, and the rigid process of the Railway Labor Act—devised what was believed to be a solution. Congress ended the strike and created a special board to review and modify that original report with the notion of fairness in mind.

Rail workers and I were skeptical a special board would work. But as a body and a Nation we are built on the idea of due process. Now Members of Congress should understand the feelings of frustration and betrayal that were expressed by rail workers around the country before the strike. For out of a contentious 118-page report, the special board tells us that there is not a single item, error or inequity that needs to be changed. Baloney.

Stated simply, the special board did not meet its mandate. It deliberately flaunted the will of Congress. As someone who was part of the round the clock efforts to create a mechanism to resolve the dispute, I can say unequivocally that we have been handed a decision which is misguided and patently unjust. This special board deliberately scoffed at the process. As one small example, the union leaders who went to the special board to plead their case were greeted at the opening hearing with the chairman saying, "Good morning suckers." The special board then made all of Congress "suckers."

Something is terribly wrong here and we must address it. I wrote Chairman SWIFT and I am pleased that he agreed to hold hearings on the options available to Congress for ensuring due process in these disputes. It is critical that we use this opportunity to review the findings of the special board and investigate legislative options for correcting its blatant misreading of the law.

This situation is not over. We will face it again, on the next round of rail negotiations. Working men and women of this country must not suffer because the process is unfair. Congress should not be forced into contract negotiations because the process doesn't work. We are the only ones who can correct this problem, and we must do it soon.

GENERAL LEAVE

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

TIMBER WORKERS OF WASHINGTON NEED HELP OF THE CONGRESS: JOBS NOT WELFARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. CHANDLER] is recognized for 5 minutes.

Mr. CHANDLER. Mr. Speaker, I will insert in the RECORD at the appropriate time an article from the Washington Post of July 27, 1991, entitled Saw-Toothed Despair Leaves Mark on Northwestern Loggers.

Mr. Speaker, I want my colleagues, before they go home for this August recess, to think about a situation that is outlined in an article by Lou Cannon in this week's Washington Post. I want my colleagues to know that timber workers, people who rely on the forests in the State of Washington want jobs, not welfare.

Mr. Speaker, we need the help of Congress. We need your help.

In the article Mr. Cannon points out that because the northern spotted owl has been listed under the Endangered Species Act we literally have found ourselves in a state of chaos in the States of Oregon, Washington, and even parts of California.

A court decision based on all of this turmoil has set aside 11.6 million acres in the States of Oregon and Washington. To put that in perspective let me point out that 11.6 million acres would comprise the combined States of New Jersey, Massachusetts, Delaware, and Rhode Island.

Mr. Speaker, we cannot touch a tree on it, bringing about an absolutely catastrophic reduction of harvest levels in the Pacific Northwest. The potential loss of jobs from this action could be 40,000 to 60,000 people; 25,000 people in the State of Washington alone.

Now let us recall that those are not just numbers. That is a father or a mother coming home some night and telling the family, "We do not have a job." That is somebody trying to pick up the pieces from the community that may well be isolated from anywhere else, trying to sell a home that suddenly becomes worthless, finding themselves in a community where businesses are going broke, where schools cannot be supported because there is no more tax revenue, where there is despair to the point that some have even resorted to taking their own lives.

Mr. Speaker, these are human beings and we must keep that in mind. They are also skilled and highly trained professionals.

If you do not believe it, just visit our State and watch the operator of a modern head rig, which is the first saw to touch a log in a sawmill. They are also truck drivers, they are loggers, they are scalers, they are mill workers, and they are concerned conservationists.

They work and they work hard. They work under difficult conditions, in snow, on terrain that would be challenging to the best of us. They face layoffs and they often work for annual incomes that are substandard to the rest of society. But they do so willingly because they love their jobs and their communities.

They are business owners. Many of them are struggling and have invested their life savings and stand to be wiped out. They stand to lose their family business; or they may lose millions in equipment that cannot be used for any other purpose, such as an $80,000 logging truck, Caterpillars, spars, mills, and so forth. For them this represents more than a loss of independence, it is the end of their American dream.

Mr. Speaker, in July I visited the community of Usk, which is in the Speaker's district, a $388 million paper plant.

Mr. Speaker, that is a huge investment. It is a risk investment and they need a supply of timber in order to survive. And we need those products. The paper which I hold in my hand is probably from a Northwest log; we need the lumber, we need the plywood, the medicines, and all the other products that come from timber.

More than anything right now we need an increased harvest and we need your help and cooperation.

Mr. Speaker, I ask you to take a look at the situation in the Northwest and give it your attention. Please keep an open mind. If you can, colleagues, visit the Northwest and see how we harvest and replant.

Look at places where, yes, there is a clear cut and right next to it is an old-growth stand and somewhere nearby a 10-, 20-, 30-, 40-, or 50-year-old stand of trees and others that are ready to be harvested a second time.

Mr. Speaker, we can have a balanced solution. But we also must include in our equation the human needs of people who desperately, desperately need the help of the U.S. Congress.

The article referred to is as follows:

[From the Washington Post, July 27, 1991]

SAW-TOOTHED DESPAIR LEAVES MARK ON NORTHWESTERN LOGGERS

(By Lou Cannon)

FORKS, WASH.—Early last month a despondent 31-year-old logger named Jeff King, facing the prospects of child support payments and unemployment, shot himself to death with a handgun in the living room of his mobile home here.

Dave Westerlund, a friend of King since boyhood who had talked to him a few minutes before his suicide, said later that he was a troubled man who was particularly depressed because his livelihood was coming to an end.

Such despair is a sign of the times in this logging town of 3,200 on Washington state's Olympic Peninsula, where the forced decline of the timber industry to save the northern spotted owl has coincided with increases in domestic violence, alcoholism, mental health breakdowns and juvenile crime and even attempted juvenile suicide.

"People are used to down times in the timber industry, but now there is no hope," said Ginger Haberman, wife of the Forks mayor.

Westerlund, 34, the owner of a small logging company is feeling the impact. He has not logged for a month, is $200,000 in debt and is faced with the loss of his equipment and his house. His wife, a dental technician, is working more than 100 miles away to support their two children.

"I've looked at jobs from Oregon to the Canadian border, but there's too many others in the same boat," Westerlund said. "Some of the workers don't understand what's happening, but they're not willing to lose homes and families and everything they have. When the reality sinks in, it's going to get worse. I'm afraid it's going to get violent out here."

The reality is difficult to define statistically because much of the dislocation in Forks is based on what is expected to happen when previously purchased timber sales expire in the next few months. But the Forks Re-Employment Support Center handled 159 jobless cases in June of 1991 compared with 59 in June of last year.

The growing social disorder in Folks is symptomatic of similar situations in timber-dependent communities throughout Washington, Oregon and Northern California, where 11.6 million acres of forests have been set aside as spotted owl habitat under an order issued June 24 in Seattle by U.S. District Judge William L. Dwyer.

The order gave the U.S. Forest Service until March 5 to determine a protection plan for the owl, a shy and nocturnal bird that biologists have found in second-growth and replanted forests as well as in the old-growth stands of Douglas fir and hemlock originally thought to be the owl's breeding habitat. The acreage set aside for the owl constitutes a land mass almost as large as New Jersey, Massachusetts, Delaware and Rhode Island combined. Less than 3 million acres of the set-aside land is old-growth forest.

Putting this much second-growth land off limits to logging has been the culminating blow in a series of pro-environmental actions that has reduced the timber yield from Forest Service lands in the Northwest from 5 billion board feet a year in the late 1980s to 1 billion board feet in 1990. University of Washington foresters say the 5 billion figure is the rate at which the region's forests are "sustainable," or capable of replacing themselves. A recent scientific study commissioned by Congress estimated that for there to be a "medium to high" probability of sustaining the forests and protecting the wildlife, the federal government could sell no more than 1.7 billion board feet of timber from the national forests each year.

While the debate rages in the courts, Congress and federal agencies, communities such as Forks are teetering on the edge of ruin. Rich Nalziger, a special assistant to Gov. Booth Gardner (D), puts the job loss at 25,000 in Washington state over the next three years and says that some rural communities will be destroyed. Senator Slade Gorton (R) estimates a loss of 40,000 jobs in the Northwest, plus thousands of other service jobs. The study commissioned by Congress estimated a loss of as many as 38,000 jobs.

On a recent evening in Forks, residents gathered in a downtown hall to pour out their frustrations to a visiting reporter. They talked of declining opportunities for their children and expressed resentment that loggers, have been stereotyped as rapacious predators who do not care about the stewardship of the forests on which they depend for a living.

These residents, some angry and others fighting back tears, seemed bewildered at the prevalent outside view that forests in the Northwest are in decline, when timber growth on Forest Service lands is actually increasing. They wondered why so many people overlook the 3.5 million acres of old-growth forests already protected in parks and wilderness areas. They railed against "preservationists" for ignoring human costs and for using the owl as an excuse to lock up forests that were not old growth at all. And they complained that the news media failed to tell the loggers' side of the story and that politicians made empty promises without offering any real help.

"I see people being put against the wall, and they don't see how they can be put in such a bad light," said Bob Tuttle, a young logger.

What worries Mayor Dick Haberman is that the increase in domestic violence and other social disorder has hit so hard even before the massive unemployment considered a certainty here. As Haberman sees it, loggers are being ground down by competing forces without any say in their own future.

"The typical logger is simply following a landowner's instruction, but he bears the brunt of the pain," Haberman said.

Though the issue in Washington, D.C., often is presented as a struggle between environmentalists and the timber industry, many big timber companies until recently have taken a low profile in the debate, leaving the small loggers who work by contract on federal and state land to fend for themselves. A private analyst of the industry said anonymously that some major companies had pursued this "shortsighted view" to eliminate competition even though their own land will be the next targets.

Gorton has observed that the big private timber owners will be compensated from the public treasury if prevented from harvesting trees. In contrast, there will be no such relief for communities such as Forks, where most logging occurs on Forest Service or state land.

"We laugh about the South and Appalachia and feel so cozy here," says Mike McGavick of Seattle, Gorton's former legislative aide. "But we're about to create a rural underclass right here in the Northwest."

The residents of such forgotten towns as Forks do not call themselves an underclass. But they feel frightened and isolated from the power centers in Washington, D.C., or the state capital of Olympia, which to them seem deaf to their cry that there is enough forest for loggers and owls.

"We're not getting anywhere, politically or any other way," says Westerlund. "Whenever there was a rally, I'd shut down the company and attend. I've gone to all the rallies and the protests, but we've lost every battle."

Gorton acknowledges that Forks is having a hard time being heard.

"The people of Forks are truly the most underrepresented category of Americans," he said in an interview. "They are ordinary working-class people. None of the defenders of the Endangered Species Act has even spoken to the human consequences. There's nothing for these people. They stand to lose their homes and stores and communities."

James Waldo, a Seattle attorney with conservationist credentials, worries that there will be a backlash against the environmental movement and the Endangered Species Act unless the plight of the loggers is taken seriously.

"People in this area have two tracks, two sets of values," Waldo said. "They want to save the environment, the owl, the salmon. At the same time they are vaguely concerned about the impact on private property and want to know when the government will leave them alone. These are conflicting values, and there is little room for reconciling them."

Back in Forks, the rising cost of lumber, which nationally has added $3,000 to the cost of a typical $150,000 house, is seen as the distant light in the tunnel. "Things won't turn around until toilet paper costs $5 a roll," says Dean Hurn, one of the biggest Forks loggers. The light in the tunnel for Gorton is the possibility, which he admits is less than 50-50, that Congress will pass legislation setting aside certain public forest lands for logging.

The talk of such long distance solutions seems like pie in the sky to the angry residents of Forks. Even here, however, there are those who are beginning to take a long view.

One of these is Dean Hurn's son, Rick, 32, who runs a small timber salvaging operation called Last Camp Timber. Wearing a button that said, "Give a hoot for people, too," he recently toured one of the last lumbering operations in Forest Service mountains above Forks, showing off stands of trees that had blown down in a freak windstorm and are rotting on the ground but cannot be harvested under Judge Dwyer's ruling.

"We need to survive somehow and keep our spirits up," he said philosophically. "This [controversy] could go on for 20 years. When it is all settled, there are still going to be trees here."

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 904. An act to direct the Secretary of the Interior to prepare a national historic landmark theme study on African American history;

H.R. 991. An act to extend the expiration date of the Defense Production Act of 1950, and for other purposes;

H.R. 1006. An act to authorize appropriations for fiscal year 1992 for the Federal Maritime Commission, and for other purposes;

H.R. 1143. An act to authorize a study of nationally significant places in American labor history;

H.R. 2123. An act to amend the District of Columbia Self-Government and Governmental Reorganization Act to establish a predictable and equitable method for determining the amount of the annual Federal payment to the District of Columbia;

H.R. 2313. An act to amend the School Dropout Demonstration Assistance Act of 1988 to extend authorization of appropriations through fiscal year 1993, and for other purposes;

H.R. 2427. An act making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes;

H.R. 2506. An act making appropriations for the legislative branch for the fiscal year ending September 30, 1992, and for other purposes;

H.R. 2968. An act to waive the period of congressional review for certain District of Columbia acts;

H.R. 2699. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992, and for other purposes;

H.R. 2969. An act to permit the Mayor of the District of Columbia to reduce the budgets of the board of education and other independent agencies of the District, to permit the District of Columbia to carry out a program to reduce the number of employees of the District government, and for other purposes;

H.R. 3201. An act to provide emergency unemployment compensation, and for other purposes; and

H.J. Res. 309. Joint resolution designating August 29, 1991, as "National Sarcoidosis Awareness Day."

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 1593. An act to improve the operation and effectiveness of the U.S. National Commission on Libraries and Information Science, and for other purposes;

S. 1594. An act to honor and commend the efforts of Terry Beirn, to amend the Public Health Service Act, to rename and make technical amendments to the community-based AIDS research initiative, and for other purposes;

S. 1608. An act to make technical amendments to the Nutrition Information and Labeling Act, and for other purposes; and

S.J. Res. 72. Joint resolution to designate the week of September 15, 1991, through September 21, 1991, as "National Rehabilitation Week."

APPOINTMENT OF MEMBER TO SELECT COMMITTEE ON HUNGER

Pursuant to the provisions of section 103 of House Resolution 51, 102d Congress, and the order of the House of August 2, 1991, authorizing the Speaker and the minority leader to accept resignations and to make appointments authorized by law or by the House, the Speaker on August 8, 1991, did appoint the gentleman from Illinois [Mr. HASTERT] to the Select Committee on Hunger to fill the existing vacancy thereon.

REAPPOINTMENT OF MEMBER TO ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE

Pursuant to the provisions of section 491 of the Higher Education Act, as amended by section 407 of Public Law 99-498, and the order of the House of August 2, 1991, authorizing the Speaker and the minority leader to accept resignations to make appointments authorized by law or by the House, the Speaker on August 15, 1991, reappointed on the part of the House the following member to the Advisory Committee on Student Financial Assistance: Mr. James R. Craig, Bozeman, MT.

APPOINTMENT OF MEMBERS TO NATIONAL EDUCATION COMMISSION ON TIME AND LEARNING

Pursuant to the provisions of section 102(b) of Public Law 102-62, and the order of the House of August 2, 1991, authorizing the Speaker and the minority leader to accept resignations and to make appointments authorized by law or by the House, the Speaker on August 15, 1991, did appoint to the National Education Commission on time and learning the following members on the part of the House: Mr. William Shelton, Ypsilanti, MI, and Mr. Michael J. Barrett, Cambridge, MA.

RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of earlier today, the Chair declares a recess subject to the call of the Chair.

Accordingly at 2 o'clock and 59 minutes p.m. the House stood in recess subject to the call of the Chair.

☐ 1645

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 4 o'clock and 45 minutes p.m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, A joint resolution of the House of the following title:

H.J. Res. 142. Joint resolution to designate, the week beginning September 1, 1991, as "National Campus Crime and Security Awareness Week."

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 59. Concurrent resolution providing for a conditional adjournment of the Congress for the August non-legislative period.

CONDITIONAL ADJOURNMENT OF THE CONGRESS FOR THE AUGUST NONLEGISLATIVE PERIOD

The SPEAKER laid before the House the privileged Senate concurrent resolution (S. Con. Res. 59) providing for a conditional adjournment of the Congress for the August nonlegislative period.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 59

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns on Friday, August 2, 1991, Saturday, August 3, 1991, or Sunday, August 4, 1991, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand recessed or adjourned until 9:30 o'clock a.m. on Tuesday, September 10, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first, and that when the House of Representatives adjourns on Friday, August 2, 1991, or Saturday, August 3, 1991, Sunday, August 4, 1991, or Monday, August 5, 1991, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until noon on Wednesday, September 11, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the members to the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The SPEAKER. Without objection, the Senate concurrent resolution is concurred in.

There was no objection.

A motion to reconsider was laid on the table.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RIDGE) to revise and extend their remarks and include extraneous material:)

Mr. WELDON, for 60 minutes, today.

Mr. CHANDLER, for 5 minutes, today.

Mr. BURTON of Indiana, for 60 minutes each day, on September 16, 17, 18, 23, 24, 25, and 26.

Mr. MILLER of Ohio, for 60 minutes each day, on September 11, 12, and 13.

Mr. LAGOMARSINO, for 60 minutes, today.

(The following Members (at the request of Mr. TAYLOR of Mississippi) to revise and extend their remarks and include extraneous material:)

Mr. SKAGGS, for 5 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mrs. LOWEY of New York, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. KLECZKA, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,615.

(The following Members (at the request of Mr. RIDGE) and to include extraneous matter:)

Mr. DICKINSON.
Mr. SOLOMON.
Mr. GILMAN.
Mr. GINGRICH.
Mr. FIELDS.
Mr. KASICH.
Mr. STUMP.
Mr. JOHNSON of Texas.
Mr. COLEMAN.
Mr. SHAW in two instances.
Mr. LOWERY of California.
Mr. MACHTLEY in two instances.
Mrs. ROUKEMA.
Mr. PORTER.
Ms. ROS-LEHTINEN.
Mr. GUNDERSON.
Mr. MCDADE.
Mr. HORTON.
Mr. GEKAS in two instances.
Mr. RINALDO.
Mr. MCEWEN.
Mr. CAMPBELL of California.
Mr. COUGHLIN.
Mr. MILLER of Ohio in two instances.
Mr. EMERSON in five instances.
Mr. HEFLEY.
Mr. HUNTER.
Ms. MOLINARI in two instances.
Mr. MILLER of Washington.
Mr. KOLBE.
Mr. SCHULZE.

(The following Members (at the request of Mr. TAYLOR of Mississippi) and to include extraneous matter:)

Mr. REED.
Mr. BONIOR.
Mr. DYMALLY.
Mr. SOLARZ.
Mr. DINGELL.
Mr. MURTHA in two instances.
Mr. BRUCE.
Mr. JOHNSON of South Dakota.
Mr. MOODY.
Mr. RICHARDSON.
Mr. MANTON.
Mr. HALL of Ohio.
Mr. ANDREWS of Texas.
Mr. BENNETT in five instances.
Mr. GAYDOS.
Mr. JACOBS.
Ms. WATERS.
Mr. ROYBAL.
Ms. NORTON in two instances.
Mr. BROWN.
Mr. ORTIZ.
Mr. SLATTERY.
Mr. STUDDS.
Mrs. BOXER.
Mr. SKELTON.
Mr. SMITH of Florida in five instances.
Mr. KANJORSKI.
Mr. SAWYER.
Mr. RAHALL.
Mr. STARK.
Ms. LONG in two instances.
Mr. CLAY.
Mr. WILLIAMS.
Mr. CLEMENT.
Mr. DIXON.
Mr. KILDEE.
Mrs. LLOYD.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 230. An act to authorize the transfer of certain programs and functions of the National Oceanic and Atmospheric Administration to the Department of the Interior, and for other purposes; to the Committee on Science, Space, and Technology.

S. 855. An act to amend the Act entitled "An Act to authorize the erection of a memorial on Federal land in the District of Columbia and its environs to honor members of the Armed Forces of the United States who served in the Korean War"; to the Committee on Interior and Insular Affairs.

S. 1620. An act to make technical corrections with respect to the Immigration Act of 1990 and other immigration laws; to the Committee on the Judiciary.

ENROLLED BILL SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1448. An act to amend the Act of May 12, 1920, (41 Stat. 596), to allow the city of Pocatello, Idaho, to use certain lands for a correctional facility for women, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 179. Joint resolution to designate the week beginning August 25, 1991, as "National Parks Week."

ADJOURNMENT TO WEDNESDAY, SEPTEMBER 11, 1991

Mr. VENTO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. Pursuant to the provisions of Senate concurrent resolution 59 of the 102d Congress, the House stands adjourned until 12 noon on Wednesday, September 11, 1991.

Thereupon (at 4 o'clock and 49 minutes p.m.), pursuant to Senate concurrent resolution 59, the House adjourned until Wednesday, September 11, 1991, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

1892. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 91-40, reporting that it is in the national interest for the Export-Import Bank to extend credit to Bulgaria, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

1893. A letter from the Secretary of Education, transmitting a copy of Final Regulations—Institutional Eligibility under the Higher Education Act of 1965, as Amended; Student Assistance General Provisions pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1894. A letter from the Secretary of Education, transmitting a copy of Final Regulations—Student Assistance General Provisions and Guaranteed Student Loan Programs, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1895. A letter from the Secretary of Health and Human Services, transmitting a compilation and analysis of State activities in implementing the third year of the Child Abuse and Neglect Prevention Challenge Grant Program, pursuant to 42 U.S.C. 5116a(1), 5116g; to the Committee on Education and Labor.

1896. A letter from the Chairman, Securities and Exchange Commission, transmitting the annual report of the Securities Investor Protection Corporation for the year 1990, pursuant to 15 U.S.C. 78ggg(c)(2); to the Committee on Education and Labor.

1897. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of William Caldwell Harrop, of New Jersey, Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1898. A letter from the Benefits Manager, Farm Credit Bank of Baltimore, transmitting the Farm Credit Bank of Baltimore Retirement Plan for the year ended December 31, 1990, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1899. A letter from the Acting Assistant Secretary for Policy, Management and Budget Department of the Interior, transmitting the semiannual report as called for by title III of the Tribal Self-Governance Demonstration Project; to the Committee on Interior and Insular Affairs.

1900. A letter from the Assistant Secretary—Indian Affairs, Department of the Interior, transmitting the annual report on the implementation of the Indian Self-Determination and Education Assistance Act, as amended; to the Committee on Interior and Insular Affairs.

1901. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to enhance and improve the operations of the Federal Bureau of Prisons; to the Committee on the Judiciary.

1902. A letter from the Secretary of Transportation, transmitting the 1989 annual report, "Highway Safety Performance—1989 Fatal and Injury Accident Rates on Public Roads in the United States", pursuant to 23 U.S.C. 401 nt.; to the Committee on Public Works and Transportation.

1903. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to designate Federal Building No. 9 located at 1900 E Street, Northwest, in the District of Columbia, as the "Theodore Roosevelt Federal Building"; to the Committee on Public Works and Transportation.

1904. A communication from the President of the United States, transmitting a copy of a proclamation that extends nondiscriminatory treatment to the products of the Union of Soviet Socialist Republics; also enclosed is the text of the "Agreement on Trade Relations Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics", pursuant to 19 U.S.C. 2437(a) (H. Doc. No. 102-127); to the Committee on Ways and Means and ordered to be printed.

1905. A letter from the General Counsel of the Department of Defense, transmitting a draft of proposed legislation to restore the authority to transfer technical data packages for large caliber cannon to friendly foreign countries; jointly, to the Committees on Armed Services and Foreign Affairs.

1906. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Semiannual Report on El Salvador, pursuant to Public Law 101-153, section 531(i) (104 Stat. 2012); jointly, to the Committees on Foreign Affairs and Appropriations.

1907. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to provide for equity in the Medicare Supplementary Medical Insurance Premium; jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEE ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 290. A bill to develop a national intermodal surface transportation system, to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes; with an amendment (Rept. 102-171, Pt 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3201. A bill to provide emergency unemployment compensation, and for other purposes (Rept. 102-184). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3040. A bill to provide a program of Federal supplemental compensation, and for other purposes; with an amendment (Rept. 102-185). Referred to the Committee of the Whole House on the State of the Union.

Mr. GONZALEZ: Committee of Conference. Conference report on H.R. 991 (Rept. 102-186). Ordered to be printed.

Mr. BROWN of California: Committee on Science, Space, and Technology. H.R. 2011. A bill to authorize appropriations for fiscal year 1992 for programs of the National Oceanic and Atmospheric Administration, and for other purposes; with an amendment (Rept. 102-187, Pt. 1). Ordered to be printed.

Mr. BROOKS: Committee on the Judiciary. H.R. 2324. A bill to amend title 28, United States Code, with respect to witness fees (Rept. 102-194). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. S. 296. An act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years; with an amendment (Rept. 102-195). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. H.R. 1612. A bill to amend section 108 of title 17, United States Code, to eliminate the library reproduction reporting requirement (Rept. 102-196). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. H.R. 525. A bill to amend the Federal charter for the Boys' Clubs of America to reflect the change of the name of the organization to the Boys and Girls Clubs of America; with an amendment (Rept. 102-197). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on the Judiciary. H.R. 238. A bill for the relief of Craig A. Klein; with an amendment (Rept. 102-188). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 454. A bill for the relief of Bruce C. Veit (Rept. 102-189). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 478. A bill for the relief of Norman R. Ricks (Rept. 102-190). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 590. A bill for the relief of Edgardo Ismail, Juan Carlos, and Edilliam Cotto Román (Rept. 102-191). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 655. A bill for the relief of Juan Luis, Braulio Nestor, and Miosotis Ramirez (Rept. 102-192). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 1279. A bill for the relief of Charlotte S. Neal (Rept. 102-193). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSTENKOWSKI:

H.R. 3201. A bill to provide emergency unemployment compensation, and for other purposes; to the Committee on Ways and Means.

By Mr. PANETTA:

H.R. 3202. A bill to amend the Internal Revenue Code of 1986 to increase the amount of the standard deduction and to offset the resulting reduction in Federal revenues by establishing an additional limitation on itemized deductions; to the Committee on Ways and Means.

By Mr. SWIFT:

H.R. 3203. A bill to strengthen the authority of the Federal Trade Commission to protect consumers in connection with sales made with a telephone and for other purposes; to the Committee on Energy and Commerce.

By Mr. BROOKS (for himself and Mr. HUGHES):

H.R. 3204. A bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes; jointly, to the Committees on the Judiciary, Energy and Commerce, and Ways and Means.

By Mr. ROSTENKOWSKI:

H.R. 3205. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to provide for health insurance coverage for workers and the public in a manner that contains the costs of health care in the United States; jointly, to the Committees on Ways and Means, Energy and Commerce, and Education and Labor.

By Mr. HUGHES:

H.R. 3206. A bill to prohibit the award of costs (including attorney's fees) against a judicial officer for acts or omissions occurring in a judicial capacity; to the Committee on the Judiciary.

By Mr. TORRES (for himself, Mr. MARTINEZ, Mr. ANDERSON, Mr. BEILENSON, Mr. BERMAN, Mr. DOOLEY, Mr. DYMALLY, Mr. EDWARDS of California, Mr. FAZIO, Mr. LANTOS, Mr. LEHMAN of California, Mr. MILLER of California, Mr. MINETA, Ms. PELOSI, Mr. PANETTA, Mr. ROYBAL, Ms. WATERS, and Mr. WAXMAN):

H.R. 3207. A bill to amend the Federal Water Pollution Control Act to establish a demonstration project for the cleanup of water pollution in the San Gabriel Basin; to the Committee on Public Works and Transportation.

By Mr. ACKERMAN:

H.R. 3208. A bill to amend the Federal Aviation Act of 1958 to establish minimum requirements for standards for the education and training of air carrier and airport security personnel, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. ACKERMAN (for himself, Mr. DURBIN, Mr. HAYES of Illinois, Mr. MCCLOSKEY, Mrs. MORELLA, Ms. OAKAR, Mr. SAWYER, Mrs. SCHROEDER, and Mr. SIKORSKI):

H.R. 3209. A bill to amend title 5, United States Code, to ensure that the level of compensation for a Federal employee ordered to military duty during the Persian Gulf conflict is not less than the level of civilian pay last received; to allow Federal employees to make up any Thrift Savings contributions forgone during military service; to preserve the recertification rights of senior executives ordered to military duty; and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HUGHES (for himself, Mr. BOEHLERT, Mr. ROYBAL, Mr. RINALDO, Mr. FORD of Tennessee, Ms. OAKAR, Mr. WISE, Mr. KOLTER, Mr. MAZZOLI, Mr. LANCASTER, Mr. MCCANDLESS, and Mr. SMITH of Florida):

H.R. 3210. A bill to amend title IV of the Employee Retirement Income Security Act of 1974 to ensure protection of pension plan benefit liabilities subject to distribution in the form of irrevocable commitments purchased from insurers upon the standard termination of such plans; to the Committee on Education and Labor.

By Mr. ANDREWS of New Jersey:

H.R. 3211. A bill to establish a Federal direct student loan program to consolidate existing student loan programs and for other purposes; to the Committee on Education and Labor.

By Mr. ARMEY (for himself and Mr. GINGRICH):

H.R. 3212. A bill to increase the accuracy of congressional revenue estimates by requiring disclosure of the methods, assumptions, and procedures used in making such estimates, and for other purposes; jointly, to the Committees on Rules and Ways and Means.

By Mr. BENNETT:

H.R. 3213. A bill to establish a Commission on New World Order Economics and Governmental Affairs; to the Committee on Foreign Affairs.

By Mr. BEREUTER:

H.R. 3214. A bill to amend the Farm Credit Act of 1971 to improve supervision and regulation with respect to the financial safety and soundness of the Federal Agricultural Mortgage Corporation, and for other purposes; to the Committee on Agriculture.

By Mr. BROWN (for himself, Mr. TORRICELLI, Mr. DE LA GARZA, Mr. BOUCHER, Mr. NAGLE, Mr. SENSENBRENNER, Mr. MORRISON, Mr. SCHIFF, Mr. KOLBE, Mr. PORTER, Mr. SCHEUER, Mr. CRAMER, Mr. TRAFICANT, Mr. OLVER, Mr. BARTON of Texas, Ms. HORN, Mr. GILCHREST, and Mr. ROE):

H.R. 3215. A bill to reinvigorate cooperation between the United States and Latin America in science and technology; jointly, to the Committees on Science, Space, and Technology and Foreign Affairs.

By Mr. BRUCE (for himself, Mr. BLILEY, Mr. STENHOLM, Mr. ROBERTS, Mr. LENT, Mr. COLEMAN of Missouri, Mr. LEHMAN of California, Mr. ROWLAND, Mr. MCMILLAN of North Carolina, Mr. TOWNS, Mr. EMERSON, Mr. MORRISON, Mr. OLIN, Mr. HOLLOWAY, Mr. BARRETT, Mr. KOLTER, Mr. HASTERT, Mr. HERGER, Mr. JOHNSON of South Dakota, and Mr. POSHARD):

H.R. 3216. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act, and for other purposes; jointly, to the Committees on Agriculture and Energy and Commerce.

By Mr. CAMPBELL of California:

H.R. 3217. A bill to rescind certain unnecessary appropriations for fiscal year 1991; to the Committee on Appropriations.

H.R. 3218. A bill to amend title 31, United States Code, to authorize executive and legislative agencies to sell certain debts owed to the United States; to the Committee on the Judiciary.

By Mr. CLAY:

H.R. 3219. A bill to amend the Office of Federal Procurement Policy Act to provide for the participation of historically Black colleges and universities in federally funded research and development activities; to the Committee on Government Operations.

By Mr. STARK (for himself, Mr. COYNE, and Mr. LEVIN of Michigan):

H.R. 3220. A bill to amend title XVIII of the Social Security Act to permit individuals needing occupational therapy services to be certified as eligible to receive home health services under the medicare program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. CLEMENT (for himself and Mr. UPTON):

H.R. 3221. A bill to preempt State laws relating to the regulation of rates for surface transportation of property services provided by certain motor and air carriers; to the Committee on Public Works and Transportation.

By Ms. LONG (for herself, Mr. BILIRAKIS, Mr. APPLEGATE, Mr. EVANS, Mr. PENNY, Mr. STAGGERS, Mr. SLATTERY, Mr. HARRIS, Mr. KENNEDY, Mr. JONES of Georgia, Mr. PICKETT, Mr. SANTORUM, Mr. PANETTA, Mr. GRADISON, Mr. HALL of Ohio, Mr. MCCLOSKEY, Mr. JACOBS, Mr. JONTZ, Mr. ROEMER, Mr. TOWNS, Mrs. PATTERSON, Mr. HORTON, and Mr. SANGMEISTER):

H.R. 3222. A bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a hospice care pilot program and to provide certain hospice care services to terminally ill veterans; to the Committee on Veterans' Affairs.

By Mr. CLINGER:

H.R. 3223. A bill to amend the Federal Election Campaign Act of 1971 to increase the limitation amount applicable to contributions to candidates in Federal elections by individuals, to decrease the limitation amount applicable to contributions to such candidates by nonparty multicandidate political committees, and to provide for a voluntary limitation on contributions from other than individual district residents in House of Representatives elections; to the Committee on House Administration.

H.R. 3224. A bill to amend the Federal Election Campaign Act of 1971 to prohibit congressional leadership committees and to restrict contributions between principal campaign committees of congressional candidates; to the Committee on House Administration.

H.R. 3225. A bill to amend the Internal Revenue Code of 1986 to provide for an income tax credit for in-State contributions to congressional candidates; to the Committee on Ways and Means.

By Mr. COLEMAN of Missouri:

H.R. 3226. A bill to require reports relating to certain contributions received for the purpose of supporting or defeating the confirmation of a Supreme Court nominee by the Senate; to the Committee on the Judiciary.

By Mr. DAVIS:

H.R. 3227. A bill to establish the Keweenaw National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Ms. DELAURO (for herself, Mr. BONIOR, Mr. GEJDENSON, Mr. FRANK of Massachusetts, Ms. PELOSI, Mr. SWETT, Mr. JEFFERSON, Mr. JOHNSON of South Dakota, and Mr. ABERCROMBIE):

H.R. 3228. A bill to amend the Internal Revenue Code of 1986 to provide tax relief for middle-income taxpayers by increasing the personal exemption amount and to provide additional revenues by increasing the taxes paid by high-income individuals and corporations; to the Committee on Ways and Means.

By Mr. DELLUMS:

H.R. 3229. A bill to establish a United States Health Service to provide high quality comprehensive health care for all Americans and to overcome the deficiencies in the present system of health care delivery; jointly, to the Committee on Energy and Commerce; Armed Services; Banking, Finance and Urban Affairs; the District of Columbia; Education and Labor; the Judiciary; Post Office and Civil Service; Veterans' Affairs; and Ways and Means.

By Mr. DONNELLY:

H.R. 3230. A bill to amend the Internal Revenue Code of 1986 to provide for continuation of health plan coverage in cases where failed financial institutions are taken over by the Federal Government or other financial institutions; to the Committee on Ways and Means.

By Mr. DORGAN of North Dakota (for himself and Mr. DURBIN):

H.R. 3231. A bill to amend the Energy Security Act to require the use of alcohol-enhanced gasoline in federally owned or leased vehicles; to the Committee on Energy and Commerce.

By Mr. DURBIN:

H.R. 3232. A bill to amend title 18, United States Code, to prohibit the possession of an illegal firearm or discharge of any firearm in a public housing zone; to the Committee on the Judiciary.

By Mr. DYMALLY:

H.R. 3233. A bill to establish a commission to study the impact of intercollegiate athletics on interstate commerce, and for other purposes; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. DYMALLY (for himself and Mr. ALEXANDER):

H.R. 3234. A bill to amend title 10, United States Code, to restore benefits under the Civilian Health and Medical Program of the Uniformed Services for health care provided outside the United States to certain members and former members of the uniformed services, and their dependents, who are currently excluded from all benefits under CHAMPUS because of their entitlement to medicare; to the Committee on Armed Services.

By Mr. ENGLISH:

H.R. 3235. A bill to prohibit the transportation, treatment, storage, or disposal of hazardous waste outside the State in which the waste was generated; to the Committee on Energy and Commerce.

By Mr. EVANS (for himself, Mr. LANCASTER, Mr. BROWN, Mr. DELLUMS, Mr. ABERCROMBIE, Mr. HAYES of Illinois, Mr. DURBIN, Mrs. UNSOELD, Mr. JOHNSON of South Dakota, Mrs. BOXER, and Mr. STARK):

H.R. 3236. A bill to improve treatment for veterans exposed to radiation while in military service; to the Committee on Veterans' Affairs.

By Mr. FRANK of Massachusetts:

H.R. 3237. A bill to extend the terms of office of members of the Foreign Claims Settlement Commission from 3 to 6 years; to the Committee on Foreign Affairs.

By Mr. GOODLING (for himself and Mr. FAWELL):

H.R. 3238. A bill to extend authorizations of appropriations for certain youth programs under the Anti-Drug Abuse Act of 1988; to the Committee on Education and Labor.

By Mr. GORDON (for himself, Mrs. ROUKEMA, and Ms. WATERS):

H.R. 3239. A bill to amend the Higher Education Act of 1965 to provide more stringent requirements for the Robert T. Stafford Student Loan Program, and for other purposes; to the Committee on Education and Labor.

By Mr. GUNDERSON:

H.R. 3240. A bill to amend the Higher Education Act of 1965 to establish a Commission on Graduate Education; to the Committee on Education and Labor.

H.R. 3241. A bill to amend the Higher Education Act of 1965 to improve the access of nontraditional students to financial assistance, and for other purposes; to the Committee on Education and Labor.

By Mr. HEFLEY:

H.R. 3242. A bill to amend the Internal Revenue Code of 1986 to provide certain additional taxpayers' rights; to the Committee on Ways and Means.

By Mr. INHOFE (for himself, Mr. PAXON, Mr. HANCOCK, Mr. SLAUGHTER of Virginia, Mr. COBLE, Mr. ENGLISH, Mr. GILMAN, Mr. MCCOLLUM, Mr. STEARNS, Mr. MOORHEAD, Mrs. LLOYD, Mr. SCHIFF, Mr. SKEEN, Mr. SMITH of Florida, Mr. OXLEY, Mr. RAMSTAD, Mr. MILLER of Ohio, Mr. QUILLEN, Mr. TAYLOR of Mississippi, Mr. ROWLAND, Mr. LUKEN, Mr. STENHOLM, Mr. GEREN of Texas, Mr. HAYES of Louisiana, Mr. CONDIT, Mr. BILBRAY, Mr. BARNARD, Mr. UPTON, Mr. EMERSON, Mr. DORNAN of California, Mr. SPENCE, Mr. MARTIN, Mr. LIVINGSTON, Ms. SNOWE, Mr. YOUNG of Florida, Mr. HOLLOWAY, Mr. KOLBE, Mr. CAMPBELL of Colorado, Mr. BORSKI, Mr. DUNCAN, Mr. TALLON, Mr. HERGER, Mr. GALLEGLY, Mr. ROBERTS, Mr. MCCRERY, Mr. SAXTON, Mr. ROGERS, Mr. CUNNINGHAM, Mr. DOOLITTLE, Mr. HOBSON, Mr. LOWERY of California, Mr. BOEHNER, Mr. ZELIFF, Mr. NICHOLS, Mr. LIGHTFOOT, Mr. BROOMFIELD, Mr. HEFLEY, Mr. CLINGER, Mr. BARRETT, Mr. BEREUTER, Mr. RHODES, Mr. MYERS of Indiana, Mr. GOSS, Mr. ROHRABACHER, Mr. BALLENGER, Mr. THOMAS of Wyoming, Ms. ROS-LEHTINEN, Ms. MOLINARI, Mr. ALLARD, Mr. STUMP, Mr. RAVENEL, Mr. CHANDLER, Mr. RIGGS, Mr. ARMEY, Mr. MORAN, Mr. DORGAN of North Dakota, Mr. BRUCE, Mr. GILCHREST, Mr. BUNNING, Mr. CALLAHAN, Mrs. JOHNSON of Connecticut, Mrs. VUCANOVICH, Mr. SMITH of Oregon, Mr. LAGOMARSINO, Mr. HALL of Texas, Mr. BROWDER, Mr. JONES of Georgia, Mr. BEILENSON, Mr. HOUGHTON, Mr. REGULA, Mr. HASTERT, Mr. PICKETT, Mr. LEWIS of Florida, Mr. WELDON, Mr. PETRI, Mr. WALSH, Mr. GRANDY, Mr. KASICH, Mr. SENSENBRENNER, Mr. SANTORUM, Mr. BATEMAN, Mr. HYDE, Mr. GLICKMAN, Mr. APPLEGATE, Mr. ORTIZ, Mr. PAYNE of Virginia, Mr. BREWSTER, Mr. HUBBARD, Mr. TRAFICANT, Mr. CHAPMAN, Mr. PARKER, Mr. VALENTINE, Mr. MCEWEN, Mr. SYNAR, Mr. COSTELLO, Mr. SAVAGE, Mr. LAUGHLIN, Mr. PICKLE, Mr. BAKER, Mr. KYL, Mr. SMITH of New Jersey, Mr. POSHARD, Mr. ZIMMER, Mr. HAMMERSCHMIDT, Mr. LEWIS of Georgia, Mr. PETERSON of Florida, Mr. LIPINSKI, Mr. MAZZOLI, Mr. FAWELL, Mr. COX of California, Mr. EWING, Mr. SHUSTER, Mr. TAYLOR of North Carolina, Mr. BOEHLERT, Mr. PACKARD, Mrs. BENTLEY, and Mr. SCHULZE):

H.R. 3243. A bill to direct the Administrator of the Federal Aviation Administration to publish routes on flight charts to safely guide pilots operating under visual flight rules through and in close proximity to terminal control areas and airport radar service areas; to the Committee on Public Works and Transportation.

By Mr. JEFFERSON (for himself, Mr. OWENS of New York, Mr. WASHINGTON, Mr. HAYES of Illinois, Mr. PAYNE of New Jersey, Mr. KILDEE, Mr. CLAY, and Mrs. MINK):

H.R. 3244. A bill to reauthorize and revise certain provisions of the Higher Education Act of 1965 in order to strengthen access to higher education opportunities for low-income students and minority students, especially African Americans, and for other purposes: to the Committee on Education and Labor.

By Mr. JENKINS (for himself, Mr. BARNARD, Mr. GINGRICH, Mr. HATCHER, Mr. RAY, Mr. ROWLAND, Mr. THOMAS of Georgia, Mr. DARDEN, Mr. LEWIS of Georgia, and Mr. JONES of Georgia):

H.R. 3245. A bill to designate certain National Forest System lands in the State of Georgia as wilderness, and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

By Mr. JOHNSON of South Dakota:

H.R. 3246. A bill to direct the Administrator of the Environmental Protection Agency to establish a small community environmental compliance planning program; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. JONES of North Carolina (for himself, Mr. HERTEL, Mr. HUGHES, Mr. ROSE, and Mr. GEJDENSON):

H.R. 3247. A bill to establish a National Undersea Research Program within the National Oceanic and Atmospheric Administration; to the Committee on Merchant Marine and Fisheries.

By Mrs. KENNELLY:

H.R. 3248. A bill to give the consent of the Congress to certain agreements relating to spousal or child support maintenance obligations, and to express the sense of the Congress that the United States should become a party to appropriate international conventions providing for the recognition and enforcement across national boundaries of decisions concerning such maintenance obligations; to the Committee on Foreign Affairs.

H.R. 3249. A bill to establish a Presidential Commission on Insurance; jointly, to the Committees on Energy and Commerce; Banking, Finance and Urban Affairs; the Judiciary; and Ways and Means.

By Mr. KILDEE:

H.R. 3250. A bill regarding the tariff classification of motor vehicles for the transport of goods; to the Committee on Ways and Means.

By Mr. KOSTMAYER:

H.R. 3251. A bill to amend title XVIII of the Social Security Act to require the Secretary of Health and Human Services to include a description of the medical assistance for medicare cost-sharing available under the medicaid program in the annual notice of benefits provided to medicare beneficiaries, and for other purposes; jointly, to the Committee on Ways and Means and Energy and Commerce.

By Mr. KOSTMAYER (for himself, Mr. WILSON, Mr. TOWNS, Mr. ANDREWS of Maine, and Ms. PELOSI):

H.R. 3252. A bill to amend the Animal Welfare Act to provide for the humane treatment of animals used for exhibition purposes; to the Committee on Agriculture.

By Mr. KOSTMAYER (for himself, Mr. RICHARDSON, Mr. MAVROULES, Mr. LEVINE of California, Mr. ATKINS, Mr. OLVER, Mr. BRYANT, Mr. SIKORSKI, Mr. REED, Mrs. SCHROEDER, Mr. MACHTLEY, Mr. ANDREWS of Maine, Mrs. BOXER, Mr. DELLUMS, Mr. LIPINSKI, and Mr. TORRES):

H.R. 3253. A bill to establish certain requirements with respect to solid waste and hazardous waste incinerators, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LEVINE of California (for himself, Mr. MCCURDY, Mr. MILLER of Washington, Mr. FEIGHAN, and Mr. BRYANT):

H.R. 3254. A bill to amend the National Security Act of 1947 to add the Secretary of the Treasury, the Secretary of Commerce, and the United States Trade Representative to the statutory membership of the National Security Council; jointly, to the Committee on Armed Services and Intelligence (Permanent Select).

By Mr. LEVINE of California (for himself, Mr. GILMAN, Mr. SCHEUER, Mrs. LOWEY of New York, Mr. FROST, Mr. COSTELLO, Mr. KYL, Mr. SMITH of Florida, Mr. INHOFE, Mr. APPLEGATE, Mr. LIPINSKI, Ms. KAPTUR, Mr. RANGEL, Mr. ROGERS, Mr. KOPETSKI, Mrs. LLOYD, and Mr. JONTZ):

H.R. 3255. A bill to authorize the President to seize and liquidate assets of the Iraqi Government that have been blocked by the United States, and to authorize the appropriation of those liquidated assets to benefit United States veterans and small business concerns injured by deployments like Operation Desert Storm, and for humanitarian assistance to Iraqi refugees and other persons displaced in the Persian Gulf region as a result of the Persian Gulf conflict; jointly, to the Committees on Foreign Affairs, Small Business, Veterans' Affairs, Education and Labor, Energy and Commerce, Rules, and Government Operations.

By Mrs. LOWEY of New York:

H.R. 3256. A bill to amend the National Narcotics Leadership Act of 1988 to establish as a part of the National Drug Control Strategy a national goal for expanding the availability of drug treatment, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MACHTLEY (for himself and Mr. MARKEY):

H.R. 3257. A bill to amend the Federal Water Pollution Control Act to authorize grants for construction of publicly owned treatment works which discharge pollutants into coastal waters, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. MARKEY (for himself and Mr. RINALDO):

H.R. 3258. A bill to improve the accuracy of radon testing products and services, to increase testing for radon in schools, to create a commission to provide increased public awareness of radon, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MARTINEZ:

H.R. 3259. A bill to authorize appropriations for drug abuse education and prevention programs relating to youth gangs and to runaway and homeless youth; and for other purposes; to the Committee on Education and Labor.

By Mrs. MEYERS of Kansas:

H.R. 3260. A bill to amend the Small Business Act to provide women-owned small business concerns eligibility for participation in certain programs which provide opportunities to perform Federal procurement contracts, and for other purposes; to the Committee on Small Business.

By Ms. MOLINARI (for herself, Mr. SERRANO, and Mrs. LOWEY of New York):

H.R. 3261. A bill to establish prefreshman summer programs for disadvantaged students at institutions of higher education; to the Committee on Education and Labor.

By Mr. MOODY (for himself and Mr. MCGRATH):

H.R. 3262. A bill to amend the Internal Revenue Code of 1986 to restore the prior law treatment of corporate reorganizations through the exchange of debt instruments; to the Committee on Ways and Means.

By Mr. MORRISON (for himself, Mr. AUCOIN, Mr. SWIFT, Mr. WYDEN, Mr. MILLER, of Washington, Mr. DEFAZIO, Mrs. UNSOELD, Mr. KOPETSKI, and Mr. LAROCCO):

H.R. 3263. A bill to provide a balanced solution to the current timber-based crisis in Oregon, Washington and northern California by establishing an ecologically significant old growth forest reserve system, ensuring the conservation of the northern spotted owl and the protection of other species associated with old growth forests, securing a predictable supply of timber to afford stability to timber dependent communities in the region, and providing economic adjustment assistance to communities and employees dependent on the forest industry; jointly, to the Committees on Agriculture, Interior and Insular Affairs, and Merchant Marine and Fisheries.

By Mr. MURTHA:

H.R. 3264. A bill to amend the Internal Revenue Code of 1986 to impose an excise tax on windfall profits derived from crude oil, and for other purposes; to the Committee on Ways and Means.

H.R. 3265. A bill to provide for improved energy efficiency; jointly, to the Committees on Energy and Commerce; Ways and Means; and Science, Space, and Technology.

By Ms. NORTON:

H.R. 3266. A bill to remove the exemption from property taxes of property of an international organization used for commercial activities in the United States; to the Committee on Foreign Affairs.

By Ms. OAKAR (for herself and Mr. LEACH) (both by request):

H.R. 3267. A bill to amend the Bretton Woods Agreements Act to authorize consent to and authorize appropriations for an increase in the United States quota in the International Monetary Fund, to authorize acceptance of the proposed amendments to the Fund's Articles of Agreement, to provide for participation of the United States in a capital stock increase of the International Finance Corporation, to amend the Asian Development Bank Act to authorize consent to and authorize appropriations for the United States subscription to the Special Capital Increase of the Asian Development Bank, to amend the African Development Fund Act to authorize consent to and authorize appropriations for the United States contribution to the sixth replenishment of the resources of the African Development Fund, to provide for the implementation of the Enterprise for the Americas Initiative; and for other purposes; jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

By Mr. OBEY (for himself and Mr. RHODES):

H.R. 3268. A bill to establish the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation, and for other purposes; to the Committee on Education and Labor.

By Mr. OWENS of Utah:

H.R. 3269. A bill to amend the Federal Aviation Act of 1958 to expand the prohibition against smoking aboard aircraft; to the Committee on Public Works and Transportation.

H.R. 3270. A bill to establish a Middle East Private Investment Corporation; jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

By Mr. PAXON (for himself, Mr. SYNAR, Mr. RAVENEL, Ms. MOLINARI, Mr. MACHTLEY, Mr. WOLPE, Mr. ROHRABACHER, Mr. OWENS of New York, Mr. LEWIS of California, Mr. BILBRAY, Mr. TOWNS, Mr. NOWAK, Mr. LAFALCE, Mr. LUKEN, Mr. DWYER of New Jersey Mr. ECKART, and Mr. ENGLISH):

H.R. 3271. A bill to disqualify any individual or business concern who violates a Federal environmental law, or who holds a beneficial business interest in a person who has violated such law, from being eligible to receive certain benefits from the Environmental Protection Agency for a period of 10 years; to the Committee on Energy and Commerce.

By Mr. PEASE:

H.R. 3272. A bill to improve the administration of the antidumping duty and countervailing duty laws; to the Committee on Ways and Means.

By Mr. PICKLE (for himself, Mr. MCGRATH, Mr. GEPHARDT, Mr. GUARINI, Mr. MATSUI, Mr. CRANE, Mr. SCHULZE, Mr. SHAW, Mrs. JOHNSON of Connecticut, Mr. MOORHEAD, Mr. REGULA, Mr. LAGOMARSINO, Mr. AUCOIN, Mr. MINETA, Mr. MARKEY, Mr. RITTER, Mr. SKEEN, Mr. LEVINE of California, Mr. RICHARDSON, Mr. BUSTAMANTE, Mr. SMITH of Texas, Mr. CAMPBELL of California, Mr. JOHNSON of Texas, Mr. BARTON of Texas, Mr. HALL of Texas, Mr. EDWARDS of California, Mr. GINGRICH, Mr. WILSON, and Mr. RHODES):

H.R. 3273. A bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment; to the Committee on Ways and Means.

By Mr. REED (for himself and Mr. MACHTLEY):

H.R. 3274. A bill to amend the Higher Education Act of 1965 to student aid calculations from being based on assets in accounts that have been frozen by State action, and for other purposes; to the Committee on Education and Labor.

H.R. 3275. A bill to amend the Higher Act of 1965 to require special consideration in student aid decisions for students from families whose assets have been restricted because of bank and credit union failures; to the Committee on Education and Labor.

By Mr. RICHARDSON:

H.R. 3276. A bill to require providers of long-distance telephone services to offer to all classes of customers served by such provider the same lowest increment time billing for long-distance service; to the Committee on Energy and Commerce.

By Mr. RICHARDSON (for himself and Mr. TOWNS):

H.R. 3277. A bill to amend title XVIII of the Social Security Act to eliminate the annual cap on the amount of payment for outpatient physical therapy and occupational therapy services under part B of the medicare program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. RINALDO (for himself, Mr. LENT, Mr. SHAYS, Mr. SAXTON, Mr. SMITH of New Jersey, Mr. DEFAZIO, and Mr. FROST):

H.R. 3278. A bill to amend the Internal Revenue Code of 1986 to provide for inflation adjustments to the income levels at which social security benefits are subject to income tax; to the Committee on Ways and Means.

By Mr. ROEMER (for himself, Mr. ANDREWS of New Jersey, Mr. REED, and Mr. BACCHUS):

H.R. 3279. A bill to amend the Higher Education Act of 1965 to increase the amount of Pell Grants for needy students, and for other purposes; to the Committee on Education and Labor.

By Mr. SAWYER (for himself, Mr. RIDGE, Mr. DYMALLY, Mr. MCNULTY, Mr. CHANDLER, Ms. NORTON, and Mr. ECKART):

H.R. 3280 A bill to provide for a study, to be conducted by the National Academy of Sciences, on how the Government can improve the decennial census of population, and on related matters; to the Committee on Post Office and Civil Service.

By Mr. SKAGGS (for himself, Mr. CARDIN, Mr. ATKINS, Mr. AUCOIN, Mr. MURTHA, Mr. BENNETT, Mr. ORTON, Mr. CAMPBELL of California, Mr. RICHARDSON, Mr. HOAGLAND, Mr. GLICKMAN, Mr. WILLIAMS, Mrs. KENNELLY, Mr. SCHAEFER, Mr. ALLARD, Mr. HEFLEY, Mrs. SCHROEDER, Mr. CAMPBELL of Colorado, Mrs. BENTLEY, Mrs. BYRON, Mr. GILCHREST, Mr. MCMILLEN of Maryland, Mrs. MORELLA, and Mr. MFUME):

H.R. 3281. A bill to establish the National Air and Space Museum Expansion Site Advisory Panel for the purpose of developing a national competition for the evaluation of possible expansion sites for the National Air and Space Museum, and to authorize the Board of Regents of the Smithsonian Institution to select, plan, and design such site; to the Committee on House Administration.

By Mr. TAYLOR of Mississippi:

H.R. 3282. A bill to provide for the equity of revenue availability on American and foreign cruise vessels, the regulation of gaming on vessels, penalties for gambling violations, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TORRICELLI (for himself, Mr. SYNAR, Mr. MCMILLEN of Maryland, and Mr. INHOFE):

H.R. 3283. A bill to require the Department of the Treasury to perform a study of the structure, operation, practices and regulation of Japan's capital and securities markets, and their implications for the United States; jointly, to the Committees on Banking, Finance and Urban Affairs and Energy and Commerce.

By Mr. UPTON:

H.R. 3284. A bill to provide that existing facilities located on a certain segment of the St. Joseph River in Branch County, Michigan, are not required to be licensed by the Federal Energy Regulatory Commission under part 1 of the Federal Power Act; to the Committee on Energy and Commerce.

By Mr. VALENTINE (for himself, Mr. PRICE, Mr. BOEHLERT, Mr. COOPER, Mr. FAZIO, Mr. LEVIN of Michigan, Mrs. LLOYD, Mr. MCMILLEN of Maryland, Mr. SCHEUER, Mr. SLATTERY, Mr. SYNAR, Mr. TOWNS, and Mr. MARKEY):

H.R. 3285. A bill to provide for regional energy efficient lighting education centers, and for other purposes; jointly, to the Committees on Science, Space, and Technology; Education and Labor; and Energy and Commerce.

By Mr. WILLIAMS:

H.R. 3286. A bill to amend the Internal Revenue Code of 1986 to provide that certain additional categories of employees are eligible for the targeted jobs credit, and to make such credit permanent; to the Committee on Ways and Means.

By Mr. YOUNG of Florida:

H.R. 3287. A bill to authorize the Administrator of General Services to carry out a project for construction of a Federal courthouse in St. Petersburg, Florida; to the Committee on Public Works and Transportation.

By Mr. GEPHARDT (for himself, Mr. MICHEL (both by request), Mr. GIBBONS, Mr. ANDERSON, Mr. BATEMAN, Mr. BEREUTER, Mr. DOWNEY, Mr. HASTERT, Mr. HORTON, Mr. PANETTA, Mr. VANDER JAGT, Mr. JOHNSON of South Dakota, Mr. PENNY, Mr. NAGLE, Mr. GUARINI, Mr. LIPINSKI, Mr. MCMILLAN of North Carolina, Mr. JOHNSTON of Florida, Mr. HAMILTON, Mr. KOPETSKI, Mr. MYERS of Indiana, and Mr. SANTORUM):

H.J. Res. 319. Joint resolution approving the extension of nondiscriminatory treatment with respect to the products of the Union of Soviet Socialist Republics, Estonia, Latvia, and Lithuania; to the Committee on Ways and Means.

By Ms. NORTON:

H.J. Res. 320. Joint resolution authorizing the government of the District of Columbia to establish, in the District of Columbia or its environs, a memorial to African Americans who died as Union soldiers during the Civil War; to the Committee on House Administration.

By Mr. SMITH of Florida (for himself, Mr. CLEMENT, Mr. DORGAN of North Dakota, Mr. ESPY, Mr. FUSTER, Mr. GUARINI, Mr. HALL of Ohio, Mr. HORTON, Mr. KOLTER, Mr. LEHMAN of Florida, Mr. MCMILLEN of Maryland, Mr. MCNULTY, Mr. OWENS of New York, Mr. OWENS of Utah, Mrs. PATTERSON, Mr. STALLINGS, and Mr. WALSH):

H.J. Res. 321. Joint resolution designating October 1991 as "Ending Hunger Month"; to the Committee on Post Office and Civil Service

By Mr. DELLUMS:

H. Con. Res. 196. Concurrent resolution supporting the initiative of the National Capital Planning Commission in the preparation of a new visionary plan to guide the future development of the central Federal Monumental Core area of the Nation's Capital; to the Committee on the District of Columbia.

By Mr. BEREUTER (for himself, Mr. BERMAN, Mr. YATRON, Ms. SNOWE, Mr. HALL of Ohio, Mr. EMERSON, Mr. GILMAN, Mr. LEACH, Mr. BROOMFIELD, Mr. DORGAN of North Dakota, Mrs. ROUKEMA, Mrs. PATTERSON, Mr. PENNY, Ms. LONG, Mr. ACKERMAN, Mr. WISE, Mr. ESPY, and Mr. WHEAT):

H. Con. Res. 197. Concurrent resolution providing that the President should urge the Secretary-General of the United Nations to develop plans for coordinating and expanding resources of the United Nations to respond effectively to disaster and humanitarian emergencies; to the Committee on Foreign Affairs.

By Mr. ROTH (for himself, Mr. BOEHLERT, Mr. CAMP, Mr. REGULA, Mr. TRAXLER, Mr. WALSH, Mr. SENSENBRENNER, and Mr. HOUGHTON):

H. Con. Res. 198. Concurrent resolution concerning the United States Trade Representative's proposal to relax import quotas for Eastern European cheese; to the Committee on Ways and Means.

By Mr. GEPHARDT:

H. Res. 211. Resolution authorizing the cleaning and repair of the mace of the House of Representatives by the Smithsonian Institution; considered and agreed to.

By Mr. UPTON (for himself, Mr. PURSELL, Mr. CARR, Mr. CAMP, Mr. COBLE, Mr. VANDER JAGT, Mr. PACKARD, Mr. HASTERT, and Mr. WALKER):

H. Res. 212. Resolution expressing the sense of the House of Representatives; jointly, to the Committees on Public Works and Transportation and Ways and Means.

By Mr. GEKAS:

H. Res. 213. A resolution expressing the sense of the House of Representatives relating to the support of international efforts to bring about democratic reform in Yugoslavia through peaceful and equitable means; to the Committee on Foreign Affairs.

By Mr. PAYNE of New Jersey:

H. Res. 214. A resolution expressing the sense of the House of Representatives that the results of the 1990 census should be statistically adjusted to include individuals who were overlooked in the census; to the Committee on Post Office and Civil Service.

By Mr. SHAW (for himself, Mr. HYDE, Mr. FRANK of Massachusetts, and Mr. ARMEY):

H. Res. 215. Resolution amending the Rules of the House of Representatives to limit the number of years a Member may serve on a particular committee; to the Committee on Rules.

By Mr. STARK:

H. Res. 216. Resolution authorizing the printing of the transcript of the Committee on the District of Columbia incident to presentation of a portrait of the Honorable Ronald V. Dellums; to the Committee on House Administration.

By Mr. WELDON (for himself, Ms. MOLINARI, Mr. OXLEY, Mr. GUARINI, Mr. GILMAN, Mr. MCNULTY, Mr. STEARNS, Mr. JONTZ, Mr. WALSH, Mr. RITTER, Mr. FROST, Mr. HOCHBRUECKNER, Mr. PAYNE of Virginia, Mr. LANCASTER, Mr. ANDREWS of Maine, and Mr. EWING):

H. Res. 217. Resolution concerning the maintenance of sanctions against Iraq; to the Committee on Foreign Affairs.

By Mr. WILLIAMS (for himself, Mr. DINGELL, Mr. CAMPBELL of Colorado, Mr. HANSEN, Mr. STALLINGS, Mr. JOHNSON of South Dakota, and Mr. LAROCCO):

H. Res. 218. Resolution to affirm this Nation's tradition of hunting on wildlife refuges; to the Committee on Merchant Marine and Fisheries.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

256. By the Speaker: Memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to exposure to extremely low frequency electric and magnetic fields results in harmful health effects; to the Committee on Energy and Commerce.

257. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to the live sightings of POW's and MIA's; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FRANK of Massachusetts:

H.R. 3288. A bill for the relief of Olufunmilayo O. Omokaye; to the Committee on the Judiciary.

By Mr. KOPETSKI:

H.R. 3289. A bill for the relief of Carmen Victoria Parini, Felix Juan Parini, and Sergio Manuel Parini; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 23: Mr. GILLMOR.

H.R. 53: Mr. SOLOMON, Mr. WYLIE, Mr. SMITH of New Jersey, and Mr. HAYES of Louisiana.

H.R. 73: Mr. LUKEN, Mr. STENHOLM, Mr. MINETA, Mr. MCCOLLUM, Ms. SLAUGHTER of New York, Mr. NEAL of Massachusetts, Mr. FEIGHAN, and Mr. BARNARD.

H.R. 74: Mr. STAGGERS, Mr. ROSE, Mr. BATEMAN, Mr. MANTON, and Mr. LAFALCE.

H.R. 75: Mr. QUILLEN.

H.R. 104: Mr. DOOLEY.

H.R. 118: Mr. ANDREWS of New Jersey, Mrs. VUCANOVICH, and Mr. CLINGER.

H.R. 127: Mr. STEARNS, Mr. FRANK of Massachusetts, Mr. LIVINGSTON, Mr. LUKEN, Mr. ENGEL, Mr. PORTER, Mr. JEFFERSON, Mr. FROST, Mr. SWETT, Mr. SABO, Mr. SERRANO, Mr. WASHINGTON, Mr. GINGRICH, Mr. BARRETT, and Mr. STAGGERS.

H.R. 148: Mr. SANDERS.

H.R. 187: Mr. BERMAN, Mr. HAYES of Illinois, Mr. DURBIN, and Mr. MARTINEZ.

H.R. 200: Mr. SHAYS.

H.R. 261: Mr. BROWN, Mr. SWETT, Mr. CARPER, Mr. SPRATT, Mr. WILLIAMS, Mr. HENRY, Ms. HORN, Mr. FORD of Michigan, Mr. RICHARDSON, and Mr. CHAPMAN.

H.R. 381: Mr. OWENS of New York and Mr. OBERSTAR.

H.R. 384: Mr. DICKINSON.

H.R. 392: Mr. WILLIAMS and Mr. VALENTINE.

H.R. 394: Mr. OWENS of New York.

H.R. 404: Mr. SWIFT.

H.R. 413: Mr. ANDREWS of Maine, Mr. VALENTINE, Mr. FRANKS of Connecticut, Mr. BLILEY, Mrs. BYRON, Mr. PETRI, Mr. STEARNS, Mr. PURSELL, Mrs. MEYERS of Kansas, Mr. RAHALL, Mr. PORTER, Mr. BILIRAKIS, Mr. FAWELL, Mrs. VUCANOVICH, Mr. STOKES, Mr. DELLUMS, Mr. OLVER, Mr. ROSE, Mr. SISISKY, Mr. PENNY, and Mr. STAGGERS.

H.R. 418: Mr. MARLENEE, Mr. ANTHONY, Mr. CAMP, and Mr. OWENS of New York.

H.R. 423: Mr. ROBERTS.

H.R. 430: Mr. JENKINS, Mr. CONDIT, Mr. SHUSTER, Mr. JONES of North Carolina, Mr. ERDREICH, Mr. GEKAS, Mr. MONTGOMERY, Mr. DARDEN, Mr. HUBBARD, Mr. CALLAHAN, Mr. HEFNER, and Mr. HUCKABY.

H.R. 444: Mr. DANNEMEYER, Mr. SLAUGHTER of Virginia, Mr. BLILEY, Mr. BUNNING, Mr. ROGERS, Mr. SCHAEFER, and Mr. THOMAS of California.

H.R. 445: Mr. ARMEY, Mr. COUGHLIN, and Mr. BLILEY.

H.R. 516: Mr. FORD of Michigan.

H.R. 534: Mr. HUNTER, Mr. WOLPE, Mr. AUCOIN, Mr. NAGLE, Mr. MANTON, Mr. TAYLOR of North Carolina, Mr. PAYNE of Virginia, Mr. DIXON, Mr. RIGGS, Mr. KOSTMAYER, Mr. SISISKY, Mrs. PATTERSON, Mr. RHODES, and Mr. ZIMMER.

H.R. 565: Mr. RUSSO and Ms. HORN.

H.R. 573: Mr. WHEAT and Mr. SANDERS.

H.R. 576: Mr. SANDERS, Mr. ENGLISH, Mr. OLIN, Mr. SOLOMON, Mr. OWENS of New York, Mr. WELDON, Mr. SMITH of New Jersey, and Mr. DARDEN.

H.R. 608: Mr. JOHNSON of South Dakota.

H.R. 609: Mr. SERRANO.

H.R. 661: Mr. CLINGER.

H.R. 677: Mr. LIPINSKI and Ms. NORTON.

H.R. 709: Mr. PARKER, Mr. ATKINS, and Mr. FAZIO.

H.R. 722: Mr. SERRANO.

H.R. 723: Mr. SERRANO.

H.R. 735: Mr. SCHIFF and Mr. SKEEN.

H.R. 791: Mr. FRANK of Massachusetts.

H.R. 812: Mr. MCNULTY, Mr. PERKINS, Mr. BRUCE, Mr. LEVINE of California, Mrs. MEYERS of Kansas, Mr. JOHNSTON of Florida, Mr. JONTZ, Mr. PAYNE of New Jersey, Mrs. MINK, Mr. SKAGGS, Mr. BROWDER, Mr. BILBRAY, and Mr. UPTON.

H.R. 819: Mr. OWENS of Utah, Mr. PAYNE of New Jersey, Ms. WATERS, Mr. HYDE, Mr. PETERSON of Florida, Mr. SCHEUER, Mr. SISISKY, and Mr. KOLTER.

H.R. 827: Mr. MCCOLLUM and Mr. JOHNSTON of Florida.

H.R. 840: Mr. ROWLAND.

H.R. 843: Mr. OLVER, Mr. BERMAN, Mr. MFUME, and Mr. TORRICELLI.

H.R. 870: Mr. FROST.

H.R. 871: Mr. FROST, Mr. GILMAN, and Ms. NORTON.

H.R. 872: Mr. FROST and Ms. NORTON.

H.R. 873: Mr. FROST and Ms. NORTON.

H.R. 917: Mr. OWENS of Utah.

H.R. 947: Mr. MACHTLEY.

H.R. 951: Mr. ZELIFF, Mr. RAHALL, Mr. MCEWEN, Mr. UPTON, Mr. ERDREICH, Mr. ZIMMER, Mr. HASTERT, Mr. KOLTER, Mr. WYLIE, Mr. FALEOMAVAEGA, and Mr. HOLLOWAY.

H.R. 989: Mr. MINETA.

H.R. 993: Mr. JENKINS.

H.R. 1007: Mr. JONES of North Carolina, Mr. CONDIT, Mr. HORTON, Mr. WALSH, and Mr. VALENTINE.

H.R. 1025: Mr. ROGERS, Mr. KYL, and Mr. ENGLISH.

H.R. 1064: Mr. QUILLEN and Mr. GILLMOR.

H.R. 1067: Mr. OLVER, Mr. BURTON of Indiana, and Mr. LEVINE of California.

H.R. 1069: Mr. SWETT, Mr. LAGOMARSINO, Mr. LEWIS of Georgia, and Mr. ARMEY.

H.R. 1072: Mr. FAZIO.

H.R. 1073: Mr. FAZIO.

H.R. 1115: Mr. DORGAN of North Dakota and Mr. MINETA.

H.R. 1135: Mr. KOPETSKI.

H.R. 1147: Mr. MAZZOLI, Mr. PORTER, Mr. MCCOLLUM, and Mr. FAWELL.

H.R. 1154: Mr. ANDREWS of Maine, Mr. HOBSON, Mr. RAHALL, Mr. TRAFICANT, Mr. ROE, Mr. MINETA, Mr. MCNULTY, Mr. ROEMER, Mr. POSHARD, Mr. PORTER, Mr. SMITH of New Jersey, and Mr. HOCHBRUECKNER.

H.R. 1156: Mr. ZELIFF.

H.R. 1184: Mr. DUNCAN and Mr. MCMILLAN of North Carolina.

H.R. 1188: Mr. ROWLAND.

H.R. 1189: Mr. ATKINS.

H.R. 1197: Mr. FAZIO, Mr. HARRIS, and Mrs. ROUKEMA.

H.R. 1200: Mr. SAVAGE, Mr. SCHEUER, Mr. LAFALCE, Mr. COX of Illinois, Mr. ASPIN, Mr. LEVINE of California, Mr. KILDEE, Mr. ROSE, Mr. HATCHER, and Mr. DEFAZIO.

H.R. 1202: Mr. SOLARZ, Mr. COYNE, Mr. GLICKMAN, Mr. MOODY, Mr. GILCHREST, and Mr. SABO.

H.R. 1205: Mr. HATCHER, Mr. THOMAS of Georgia, Mr. LEWIS of Georgia, and Mr. JONES of Georgia.

H.R. 1218: Mr. GEJDENSON, Mr. DAVIS, Mr. HORTON, Mr. KOSTMAYER, Mr. DELLUMS, and Mr. MILLER of Washington.

H.R. 1238: Mr. BACCHUS.

H.R. 1241: Mr. BLILEY, Mr. HOCHBRUECKNER, Mr. GUNDERSON, Mrs. KENNELLY, and Mr. WOLF.

H.R. 1245: Mr. TANNER.

H.R. 1288: Mr. CAMPBELL of Colorado, Mr. GUARINI, and Mr. MRAZEK.

H.R. 1293: Ms. SLAUGHTER of New York.

H.R. 1306: Mrs. BOXER.

H.R. 1330: Mr. GEKAS, Mr. HALL of Texas, Mr. LAGOMARSINO, Mr. EDWARDS of Texas, Mr. MAZZOLI, Mr. ALEXANDER, Mr. SWIFT, and Mr. SMITH of Texas.

H.R. 1348: Mrs. UNSOELD, Mr. MCCANDLESS, Mr. MORAN, Mr. MINETA, and Mr. DARDEN.

H.R. 1356: Mr. DE LUGO and Mr. MCEWEN.

H.R. 1358: Mr. FASCELL, Mr. WALKER, Mr. GIBBONS, Mr. PETERSON of Florida, Mr. SOLOMON, Mr. MCMILLEN of Maryland, and Mr. LEWIS of Florida.

H.R. 1364: Mr. ATKINS.

H.R. 1385: Mr. ALEXANDER and Mr. DONNELLY.

H.R. 1389: Mr. GOODLING.

H.R. 1411: Mr. ANDERSON, Mr. COMBEST, Mr. BATEMAN, Mr. SHAW, Mr. OBERSTAR, Ms. DELAURO, Mr. LIVINGSTON, Mr. STUMP, Mr. DUNCAN, Mr. MORAN.

Mr. DERRICK, Mr. MCCRERY, Ms. NORTON, Mr. IRELAND, and Mr. SHAYS.

H.R. 1417: Mr. JAMES.

H.R. 1426: Mr. TORRICELLI.

H.R. 1427: Mr. DICKINSON.

H.R. 1450: Mr. FISH.

H.R. 1453: Ms. PELOSI.

H.R. 1460: Mr. ATKINS.

H.R. 1470: Mr. HYDE, Mr. EDWARDS of California, Mr. CONYERS, Mr. MAZZOLI, Mr. HUGHES, Mr. SYNAR, Mrs. SCHROEDER, Mr. GLICKMAN, Mr. FRANK of Massachusetts, Mr. SCHUMER, Mr. FEIGHAN, Mr. BERMAN, Mr. BOUCHER, Mr. STAGGERS, Mr. BRYANT, Mr. LEVINE of California, Mr. SANGMEISTER, Mr. WASHINGTON, Mr. HOAGLAND, Mr. KOPETSKI, Mr. REED, Mr. MCCLOSKEY, Mr. KLECZKA, Mr. PALLONE, Mr. FORD of Tennessee, Mr. BACCHUS, Mr. PICKETT, Mr. RAHALL, Mr. OWENS of Utah, Mr. BILBRAY, Mr. CARDIN, Mr. BONIOR, Ms. SLAUGHTER of New York, Mr. SWETT, Mr. LANCASTER, Mr. LEHMAN of Florida, Mr. SMITH of New Jersey, Mr. STOKES, Mr. ROSE, Mr. MURTHA, Ms. KAPTUR, Mr. SMITH of Florida, Mr. KOLTER, Mr. VISCLOSKY, Mr. DINGELL, Mr. MILLER of California, Mr. JONES of North Carolina, Mr. YOUNG of Alaska, Mr. SLATTERY, Mr. MRAZEK, Mr. MCNULTY, Mr. IRELAND, Mr. TORRICELLI, Mr. ROE, Mr. TRAFICANT, Mr. HERTEL, Mr. FROST, Mr. TRAXLER, Mr. MCDADE, Mr. RINALDO, Mr. PORTER, Mr. DELLUMS, Mr. WISE, Mr. COLEMAN of Texas, Mr. EVANS, Mr. RANGEL, Ms. PELOSI, Mr. EWING, Mr. JEFFERSON, Mrs. COLLINS of Illinois, Mr. GOODLING, Mr. TAUZIN, Ms. NORTON, Mr. DYMALLY, Mr. DORGAN of North Dakota, Mr. RAVENEL, Mr. GILMAN, and Mr. GEJDENSON.

H.R. 1472: Mr. CLINGER.

H.R. 1482: Mr. ROYBAL, Mr. SLATTERY, Mr. BRYANT, Mr. BOEHNER, Mr. HAYES of Illinois, Mr. JONES of North Carolina, Mr. SERRANO, Mr. RAHALL, Mr. JOHNSON of South Dakota, Mr. MARKEY, Mr. FAZIO, Mr. ANTHONY, Mr. COMBEST, and Mr. MCEWEN.

H.R. 1495: Mr. MOLLOHAN and Mr. FISH.

H.R. 1502: Mr. FAWELL, Mr. TOWNS, Mr. HORTON, and Mr. SABO.

H.R. 1503: Mr. HALL of Texas, Mr. CLEMENT, Mr. PRICE, Mr. JONES of Georgia, Mr. JAMES, Mr. WASHINGTON, Mr. TRAFICANT, Mr. DERRICK, Mrs. BOXER, Mr. ERDREICH, Mr. NEAL of Massachusetts, Mr. TALLON, and Mr. HALL of Ohio.

H.R. 1527: Mr. LEVIN of Michigan, Mr. ZELIFF, Mr. PURSELL, Mr. LAUGHLIN, Mr. DWYER of New Jersey, and Mr. MORAN.

H.R. 1551: Mr. PORTER and Mr. FROST.

H.R. 1566: Mr. FRANK of Massachusetts, Mr. HALL of Ohio, Mr. BROWN, Ms. COLLINS of Michigan, Mr. JOHNSON of South Dakota, Mrs. VUCANOVICH, and Mr. GORDON.

H.R. 1570: Mr. HATCHER, Mr. HENRY, Ms. LONG, Mrs. LOWEY of New York, Mr. HASTERT, Mr. YATES, Mr. LEWIS of Georgia, Mr. JONES of Georgia, Mr. ANNUNZIO, Mr. WEBER, Mr. MRAZEK, Mr. PENNY, Mr. CHAPMAN, Mr. HOBSON, Mr. WEISS, and Mr. MCEWEN.

H.R. 1572: Mr. SKELTON, Mr. FIELDS, Mr. OXLEY, Mr. UPTON, Mr. LAGOMARSINO, Mr. SLAUGHTER of Virginia, Mr. GILLMOR, and Mr. CAMP.

H.R. 1590: Mr. TRAFICANT and Mr. WILLIAMS.

H.R. 1598: Mr. DEFAZIO, Mr. GORDON, Mr. JOHNSON of South Dakota, Mr. STAGGERS, Ms. OAKAR, Mr. ZIMMER, Mr. KOLTER, Mr. TOWNS, and Mr. HORTON.

H.R. 1603: Mr. MACHTLEY, Mr. MOORHEAD, and Ms. PELOSI.

H.R. 1608: Mr. PETERSON of Minnesota, Mr. RUSSO, Mr. HUGHES, Mr. BRYANT, Mr. BERMAN, Mr. BROWN, Mr. SHAYS, Mr. OBERSTAR, Mrs. COLLINS of Illinois, Mr. MCNULTY, Mr. FISH, Mr. DREIER of California, and Mrs. VUCANOVICH.

H.R. 1617: Mr. QUILLEN.

H.R. 1618: Mr. EDWARDS of California, Mr. COLEMAN of Missouri, Mr. GEJDENSON, Mr. SAXTON, Mr. STAGGERS, Mr. HUCKABY, Mr. KLUG, Mr. MOLLOHAN, Mr. DOOLEY, Mr. RICHARDSON, Mr. IRELAND, Mr. MAZZOLI, Mr. ZIMMER, Mr. ROE, Mr. DREIER of California, Ms. SNOWE, Ms. PELOSI, Mr. PORTER, Mr. DYMALLY, Mr. FAWELL, Mr. CONDIT, Mr. MARTIN, Mr. HOLLOWAY, Mr. LEWIS of Georgia, Mrs. VUCANOVICH, Mr. DANNEMEYER, Mr. LENT, Mr. GUNDERSON, Mr. MARKEY, Mr. HUGHES, Mr. CUNNINGHAM, Mr. GALLEGLY, Mr. FISH, Mr. CLINGER, and Mr. HUNTER.

H.R. 1628: Mrs. VUCANOVICH, Mr. ROHRABACHER, Mr. WOLF, Mr. CAMP, Mr. FOGLIETTA, Mr. HOUGHTON, Mrs. BOXER, Mr. BROOMFIELD, Mr. DORNAN of California, Mr. RICHARDSON, and Mr. FIELDS.

H.R. 1633: Mr. EDWARDS of California, Mr. WOLF, Mr. SWIFT, Mr. KOSTMAYER, Mr. LEWIS of Georgia, Mr. OLIN, Mr. WILLIAMS, Mr. MOLLOHAN, Mr. MACHTLEY, Mr. ATKINS, and Mr. GEPHARDT.

H.R. 1637: Mr. JONTZ, Mr. RANGEL, Mr. FORD of Tennessee, Mr. SERRANO, Mr. JEFFERSON, Mr. OWENS of Utah, Mr. ESPY, and Mr. LIPINSKI.

H.R. 1652: Mr. HUGHES.

H.R. 1653: Mr. GLICKMAN, Mr. ALEXANDER, Mr. GRAY, Mr. DURBIN, Mr. IRELAND, Mr. MORRISON, Mr. RHODES, Mr. SKELTON, Mr. TRAXLER, Mr. HEFNER, Ms. NORTON, Mr. BURTON of Indiana, Mrs. MINK, and Mr. WEBER.

H.R. 1662: Mr. DERRICK.

H.R. 1681: Mr. MARTIN, Mr. MRAZEK, Mr. KOSTMAYER, and Mr. SMITH of Florida.

H.R. 1694: Mr. HAYES of Illinois and Mr. ENGEL.

H.R. 1751: Mr. FROST.

H.R. 1790: Mr. NOWAK.

H.R. 1791: Mr. STUDDS.

H.R. 1820: Mr. TORRICELLI, Mr. SCHIFF, Mr. JACOBS, Mr. HOCHBRUECKNER, and Mr. HAYES of Louisiana.

H.R. 1864: Mr. ZELIFF and Mr. STEARNS.

H.R. 1900: Mr. BROWN, Mr. KOLTER, Mr. STENHOLM, Mr. FRANKS of Connecticut, Mr. GALLEGLY, Mr. REGULA, Mr. SUNDQUIST, Mr. QUILLEN, and Mr. BUSTAMANTE.

H.R. 1960: Mr. LEWIS of Georgia, Mr. FEIGHAN, Mr. BARNARD, Mr. ROE, Mr. SAWYER, Mr. TRAFICANT, Mr. BLAZ, Mr. FROST, Mr. PEASE, Mr. HORTON, Mr. FORD of Tennessee, Ms. COLLINS of Michigan, Mr. FLAKE, Mr. ESPY, Mr. HAYES of Illinois, Mr. SAVAGE, Mr. WASHINGTON, Mr. CLAY, Mr. DIXON, Mr. MCEWEN, Mr. HALL of Ohio, and Mr. OWENS of New York.

H.R. 1987: Mr. HUGHES, Mr. ACKERMAN, and Mr. DELLUMS.

H.R. 2012: Mr. PRICE.

H.R. 2081: Mr. TAYLOR of North Carolina.

H.R. 2101: Mr. MILLER of California, Mr. MCEWEN, Mr. MCNULTY, Mr. RAY, Mr. RANGEL, Ms. NORTON, Mr. MACHTLEY, and Mr. TRAFICANT.

H.R. 2106: Mr. MACHTLEY, Mr. BILBRAY, Mr. EVANS, Mr. FOGLIETTA, Mr. STAGGERS, and Mr. GOODLING.

H.R. 2126: Mr. LIPINSKI.

H.R. 2149: Mr. RAVENEL and Mr. CUNNINGHAM.

H.R. 2157: Mr. MANTON, Mr. SIKORSKI, Mr. YATRON, Mr. TRAFICANT, Mr. TALLON, Mr. WASHINGTON, Mr. POSHARD, Mr. PARKER, Mr. STALLINGS, Mr. OBEY, and Mr. FRANKS of Connecticut.

H.R. 2197: Mr. GEREN of Texas and Mr. WELDON.

H.R. 2199: Mr. LEWIS of Florida.

H.R. 2210: Mr. GILLMOR.

H.R. 2224: Mr. PAYNE of Virginia and Mr. KOLTER.

H.R. 2229: Mr. CAMPBELL of Colorado and Mr. COX of Illinois.

H.R. 2230: Mr. CAMPBELL of Colorado, Mr. COX of Illinois, and Mr. STALLINGS.

H.R. 2232: Mr. NEAL of North Carolina, Mr. CAMPBELL of Colorado, Mr. COX of Illinois, and Mr. STALLINGS.

H.R. 2236: Mr. NEAL of North Carolina, Mr. CAMPBELL of Colorado, Mr. ROGERS, and Mr. COX of Illinois.

H.R. 2237: Mr. CAMPBELL of Colorado and Mr. COX of Illinois.

H.R. 2238: Mr. NEAL of North Carolina, Mr. CAMPBELL of Colorado, Mr. COX of Illinois, and Mr. STALLINGS.

H.R. 2242: Mr. AUCOIN.

H.R. 2245: Mr. CUNNINGHAM, Mr. COBLE, Mr. LANCASTER, Mr. EVANS, Mr. GUNDERSON, Mr. LAGOMARSINO, Mr. KOLTER, Mr. LEWIS of Georgia, Mr. BEREUTER, Mr. CAMPBELL of California, Mr. MACHTLEY, Mr. TRAFICANT, and Mr. FISH.

H.R. 2253: Mr. VANDER JAGT.

H.R. 2274: Mrs. BOXER.

H.R. 2279: Mr. ANDREWS of Maine and Mr. HOAGLAND.

H.R. 2298: Mr. MARTINEZ.

H.R. 2336: Mr. DURBIN, Mr. BEREUTER, and Mr. HOBSON.

H.R. 2348: Mr. ZIMMER.

H.R. 2361: Mr. SUNDQUIST.

H.R. 2363: Mr. CONDIT, Mr. ATKINS, Mr. MAVROULES, Mr. QUILLEN, Mr. CUNNINGHAM, Mr. PACKARD, Mrs. BOXER, Mr. LAFALCE, Mr. BARRETT, Mr. EVANS, Mr. JACOBS, and Mr. LIPINSKI.

H.R. 2377: Mr. ATKINS.

H.R. 2383: Mr. WALSH.

H.R. 2385: Mr. KOLTER.

H.R. 2401: Mr. WALSH, Mr. SANDERS, and Mr. LEWIS of Georgia.

H.R. 2419: Mr. SMITH of Florida, Mr. FRANK of Massachusetts, Mr. KOLTER, and Mrs. COLLINS of Illinois.

H.R. 2451: Mr. DWYER of New Jersey and Mr. HOCHBRUECKNER.

H.R. 2452: Ms. SLAUGHTER of New York.

H.R. 2463: Mrs. LLOYD and Mr. STALLINGS.

H.R. 2464: Mr. LEWIS of Georgia, Mr. ORTIZ, Mr. CRAMER, Mrs. MEYERS of Kansas, Mr. DARDEN, Mr. LEACH, Mr. RAY, Mr. STEARNS, Mr. PERKINS, Mr. SMITH of Florida, Mr. ARMEY, Mr. EDWARDS of Texas, Mr. HASTERT, and Mr. CHAPMAN.

H.R. 2493: Mr. SUNDQUIST.

H.R. 2495: Mr. LAGOMARSINO, Mr. FROST, Mr. CARPER, Mr. FRANKS of Connecticut, Mr. LAFALCE, Mr. MACHTLEY, Mr. CLAY, and Mrs. LOWEY of New York.

H.R. 2499: Mr. PICKETT, Mr. BATEMAN, Mr. SWIFT, Mr. MORAN, and Mr. CRANE.

H.R. 2515: Mr. MACHTLEY.

H.R. 2540: Mr. MATSUI, Mr. FEIGHAN, Mrs. BOXER, and Mr. PALLONE.

H.R. 2541: Mrs. BOXER.

H.R. 2561: Mr. ATKINS, Mr. BONIOR, Mr. JOHNSTON of Florida, Mr. DOOLEY, and Mr. KOPETSKI.

H.R. 2580: Mr. FORD of Tennessee, Mr. PETERSON of Minnesota, Mr. BEILENSON, Mr. STARK, Mr. SANDERS, and Ms. PELOSI.

H.R. 2598: Mr. GILCHREST, Mr. PALLONE, and Mr. BAKER.

H.R. 2625: Mr. DUNCAN, Mr. GUNDERSON, Mr. MILLER of Ohio, Mr. BEREUTER, Mr. SMITH of Texas, Mrs. VUCANOVICH, Mr. CLEMENT, Mr. HERGER, Mr. OXLEY, Mr. LANCASTER, Mr. GILLMOR, Mr. MCCURDY, Mr. MORRISON, Mr. WILSON, Mr. JOHNSTON of Florida, Mr. WEBER, and Mr. ROSE.

H.R. 2640: Mr. FASCELL.

H.R. 2643: Mr. BALLENGER, Mr. HYDE, and Mr. CONDIT.

H.R. 2651: Mrs. LOWEY of New York, Mr. MOODY, Mr. EVANS, Mr. MARTINEZ, Mr. JOHNSTON of Florida, Mr. MATSUI, Mr. FAZIO, Mr. JEFFERSON, Mr. SANDERS, Mr. ATKINS, Mr. FAWELL, and Mr. FISH.

H.R. 2666: Mr. DORGAN of North Dakota and Mr. ANTHONY.

H.R. 2672: Mr. FEIGHAN.

H.R. 2678: Mr. ACKERMAN, Mrs. BOXER, Mrs. COLLINS of Illinois, Ms. DELAURO, Mr. DE LUGO, Mr. ERDREICH, Mr. EVANS, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FRANK of Massachusetts, Mr. FROST, Mr. GONZALEZ, Mr. HENRY, Mr. HORTON, Mr. HYDE, Mr. JOHNSTON of Florida, Mr. JONES of Georgia, Ms. KAPTUR, Mr. KILDEE, Mr. LIPINSKI, Mrs. LOWEY of New York, Mr. MATSUI, Mr. MCDERMOTT, Mr. MFUME, Mrs. MINK, Mr. MOODY, Mr. MRAZEK, Ms. NORTON, Mr. PAYNE of New Jersey, Ms. PELOSI, Mr. RANGEL, Mr. SANDERS, Mr. SERRANO, Ms. SLAUGHTER of New York, Mr. STARK, Mr. TORRES, Mrs. UNSOELD, Mr. WOLPE, and Mr. YATES.

H.R. 2693: Mr. BOEHLERT, Mr. KOLTER, Mr. GALLEGLY, and Mr. INHOFE.

H.R. 2695: Mr. COLEMAN of Texas, Mr. SANGMEISTER, Mr. DEFAZIO, Mr. JOHNSTON of Florida, Mr. PARKER, Mr. STEARNS, Mr. WILLIAMS, Mr. FIELDS, Mr. KILDEE, Mr. LIGHTFOOT, Mr. SMITH of Oregon, Mr. GOSS, Ms. NORTON, Mr. GOODLING, Mr. PORTER, Mr. TORRICELLI, and Ms. HORN.

H.R. 2700: Mr. LEWIS of Florida, Mr. BARTON of Texas, Mr. RIGGS, Mr. WALKER, Mr. RAVENEL, Mr. LAGOMARSINO, and Mr. HASTERT.

H.R. 2701: Mr. LEWIS of Florida, Mr. KLUG, Mr. ZIMMER, Mr. BARTON of Texas, Mr. LAGOMARSINO, and Mr. HASTERT.

H.R. 2708: Mr. BURTON of Indiana, Mr. JOHNSON of South Dakota, Mr. ZIMMER, Mr. STALLINGS, Mr. SANDERS, Mrs. MINK, Mr. DANNEMEYER, Mr. NEAL of Massachusetts, and Mrs. JOHNSON of Connecticut.

H.R. 2715: Mr. WHEAT.

H.R. 2722: Mr. OWENS of New York, Mr. SERRANO, Mr. WILLIAMS, Mr. KLUG, Mr. GOODLING, Mr. JEFFERSON, and Mr. FORD of Michigan.

H.R. 2724: Mr. LIPINSKI.

H.R. 2740: Mr. SABO and Mr. FISH.

H.R. 2748: Mr. OWENS of New York and Mr. KOLTER.

H.R. 2749: Mr. FISH.

H.R. 2755: Mr. DWYER of New Jersey, Mr. KOPETSKI, Mr. FISH, and Mr. PANETTA.

H.R. 2756: Mr. MORAN, Mr. SLAUGHTER of Virginia, and Mr. PAYNE of Virginia.

H.R. 2763: Mr. BENNETT, Mr. MCCLOSKEY, and Mr. DEFAZIO.

H.R. 2773: Mr. IRELAND.

H.R. 2784: Mr. FROST and Mr. CONDIT.

H.R. 2797: Mr. GRAY, Mr. ENGEL, Mr. BEILENSON, Mr. DELLUMS, Mr. DORNAN of California, Mr. DYMALLY, Mr. FORD of Tennessee, Mr. HOYER, Mr. JOHNSON of South Dakota, Mr. JOHNSTON of Florida, Mr. LEWIS of Georgia, Mr. MARTINEZ, Ms. PELOSI, Mr. STOKES, and Mr. SWETT.

H.R. 2806: Mr. BRUCE, Mr. COSTELLO, Mrs. MINK, Mr. NEAL of Massachusetts, Mr. POSHARD, Mr. ROTH, Mr. FORD of Tennessee, Mr. MOAKLEY, Mr. MCCLOSKEY, Mr. YOUNG of Alaska, Mr. FROST, Mr. LEWIS of California, and Mr. TANNER.

H.R. 2819: Mr. PARKER, Mr. ROSE, Mr. DIXON, Mr. SARPALIUS, Mr. ROGERS, Mr. JEFFERSON, Mr. ESPY, Mr. DERRICK, Mr. SKELTON, and Mr. STAGGERS.

H.R. 2820: Mr. MACHTLEY.

H.R. 2824: Mrs. VUCANOVICH, Mrs. JOHNSON of Connecticut, Mr. STENHOLM, Mr. PETERSON of Florida, Mr. SCHIFF, Mr. EVANS, and Mr. JOHNSON of South Dakota.

H.R. 2826: Mr. FASCELL, Mr. RAMSTAD, and Mrs. BOXER.

H.R. 2835: Mr. MORAN and Mr. FROST.

H.R. 2838: Mr. GIBBONS, Mr. PICKLE, Mr. RANGEL, Mr. STARK, Mr. JENKINS, Mr. GUARINI, Mr. MATSUI, Mr. ANTHONY, Mrs. KENNELLY, Mr. COYNE, Mr. ANDREWS of Texas, Mr. MOODY, Mr. CARDIN, Mr. MCDERMOTT, Mr. BOUCHER, Mr. BRYANT, Mr. CHAPMAN, Mr. EVANS, Mr. FROST, Mr. JOHNSTON of Florida, Mr. JONTZ, Mr. KANJORSKI, Mr. KILDEE, Mr. LAFALCE, Mr. MINETA, Mrs. MINK, Mr. MURTHA, Mr. NEAL of Massachusetts, Mr. NOWAK, Mr. PENNY, Mr. RAHALL, Ms. SLAUGHTER of New York, Mr. TOWNS, Mrs. UNSOELD, and Mr. YATES.

H.R. 2840: Mr. DWYER of New Jersey, Mr. FASCELL, and Mr. GUARINI,

H.R. 2848: Mr. LAGOMARSINO and Mr. ACKERMAN.

H.R. 2855: Mr. PERKINS.

H.R. 2862: Mr. ARMEY, Mr. CONDIT, and Mr. KLUG.

H.R. 2870: Mr. Schulze, Mr. Goss, Mr. Hunter, Mr. Boehner, Mr. Ballenger, Mr. Burton of Indiana, and Mr. Weber.

H.R. 2872: Mr. Kolter, Mr. Bereuter and Mr. Bateman.

H.R. 2878: Mr. Berman, Mr. Horton, Mrs. Vucanovich, Mr. Beilenson, Mr. Kolter, and Mr. Gaydos.

H.R. 2880: Mr. Mavroules, Mr. Shays, Mr. Levine of California, Mr. Smith of Florida, Mr. Lantos, Mr. Pease, Mr. Penny, Mr. Hughes, Mr. Synar, Mr. Solarz, Mr. Smith of New Jersey, Mr. Reed, Mr. Bacchus, Ms. Pelosi, Mr. Annunzio, and Mr. Torricelli.

H.R. 2881: Mr. Durbin, Mr. Mfume, Mr. Andrews of Maine, and Ms. Pelosi.

H.R. 2882: Mr. Costello.

H.R. 2924: Mr. Frost.

H.R. 2929: Mr. Stokes, Mr. Kildee, Mr. Stark, Mr. Torricelli, Mr. Jontz, Mr. de Lugo, Mr. Evans, Mr. Brown, Mr. Edwards of California, Mr. Owens of Utah, Mr. Torres, Mr. DeFazio, Mr. Beilenson, Mr. Berman, Mr. Frank of Massachusetts, Mrs. Boxer, Mr. Lantos, Mr. Ravenel, Mr. Yates, Mr. Fazio, Mr. Dellums, Mr. Martinez, Mr. McDermott, Mr. Lehman of Florida, Mr. Scheuer, Mr. Roybal, Mr. Dixon, Mr. Kostmayer, Mr. Machtley, Mr. Faleomavaega, Mr. Panetta, Mr. Fuster, Ms. Pelosi, Mr. Schumer, and Mr. Johnston of Florida.

H.R. 2936: Mr. Bilbray.

H.R. 2943: Mr. Bunning, Mr. Coble, Mr. Gingrich, Mr. Goodling, Mr. Hancock, Mr. Horton, Mr. Ireland, Mr. Kyl, Mr. Rhodes, Mr. Roth, Mr. Thomas of Wyoming, Mr. Towns, Mr. Walker, Mr. Zeliff, and Mr. Zimmer.

H.R. 2944: Mr. Kostmayer and Mr. Waxman.

H.R. 2959: Mr. Montgomery, Mr. Johnson of South Dakota, Mr. Horton, Mr. Towns, Mr. Condit, Mr. Jontz, Mr. Staggers, Mr. Frost, and Mr. Derrick.

H.R. 2966: Mr. Payne of Virginia, Mr. Parker, and Mr. Stark.

H.R. 3026: Mr. Anderson, Mr. Condit, Mr. Franks of Connecticut, Mr. Jontz, Mr. Kildee, Mr. Smith of New Jersey, Mr. Dwyer of New Jersey, and Mr. Mfume.

H.R. 3034: Mr. Owens of New York.

H.R. 3046: Mr. Murtha, Mr. Kolter, and Mr. Smith of Florida.

H.R. 3049: Mr. Cunningham.

H.R. 3052: Mr. Murtha.

H.R. 3056: Mr. Obey, Mr. Frank of Massachusetts, and Mr. Moran.

H.R. 3070: Mr. Young of Alaska, Mrs. Roukema, Mr. Mrazek, Mr. Lancaster, Mr. Brewster, Mr. Anthony, Mr. Olin, Mr. Spratt, Mr. Hubbard, Mr. Volkmer, Mr. Murtha, Mr. Packard, Mr. Wolpe, Mr. Ford of Tennessee, Mr. English, Mr. Taylor of Mississippi, Mr. Sanders, Mr. Sabo, Mr. Dellums, Mr. Perkins, Mr. Quillen, and Mr. Nowak.

H.R. 3078: Mr. Frank of Massachusetts, Mrs. Morella, Mr. Penny, Mr. Towns, and Mr. Matsui.

H.R. 3092: Mr. Packard and Mr. Taylor of North Carolina.

H.R. 3104: Mr. Markey and Mr. Moody.

H.R. 3109: Mr. Schulze and Mr. Sisisky.

H.R. 3112: Mr. Carper, Mr. Holloway, and Mr. Foglietta.

H.R. 3122: Mr. Berman and Mr. Hyde.

H.R. 3130: Mr. Dornan of California, Mr. Lowery of California, Mr. Dickinson, Mr. Barton of Texas, Mr. Rhodes, Mr. Walsh, Mr. Gallegly, Mr. Ritter, Mr. Rogers, Mr. Burton of Indiana, and Mr. Johnson of Texas.

H.R. 3146: Mr. Moorhead and Mr. Tallon.

H.R. 3173: Mr. Smith of Florida.

H.J. Res. 61: Mr. Mineta.

H.J. Res. 125: Mr. Skeen, Mr. Frost, Mr. Feighan, Mr. Blaz, Mr. Fawell, Mr. Gingrich, Mr. Fuster, Mr. McDade, Mr. Shays, Mr. Savage, Mr. Traficant, Mr. Solarz, Mr. Grandy, Mr. Berman, Mr. Hall of Texas, Mr. Gunderson, Mr. Regula, Mr. Gephardt, Mr. Sabo, Mr. Stark, Mr. Moody, Mr. McEwen, Mr. McMillen of Maryland, and Mrs. Johnson of Connecticut.

H.J. Res. 156: Mr. McHugh, Ms. Horn, Ms. DeLauro, Mr. Burton of Indiana, Mr. Callahan, Mr. Early, Mr. Bryant, Mr. Hastert, Mr. Hefner, Mr. Skeen, Mr. Smith of Iowa, Mr. Hansen, Mr. Jacobs, Mr. Moorhead, Mr. Hall of Ohio, Mr. Kleczka, and Mr. Foglietta.

H.J. Res. 201: Mr. Emerson, Mr. Weiss, Mrs. Meyers of Kansas, Mr. Carr, Mr. Hertel, Mr. Callahan, Mr. Coughlin, Mr. Bevill, Mr. Towns, Mr. McNulty, Mr. Donnelly, Mr. Perkins, Mr. Fascell, Mr. Quillen, Mr. Frost, Mr. Skeen, Mr. Sangmeister, Mr. Kopetski, Mr. Erdreich, Mr. Spence, Mr. Martin, Mr. Hamilton, Mr. Vander Jagt, Mrs. Mink, Mr. Livingston, Mr. Stallings, Mr. McMillen of Maryland, Mr. Franks of Connecticut, Mr. Darden, Mr. Lehman of California, Mr. Hatcher, Mr. Durbin, Mr. Gallegly, Mr. Goodling, and Mr. Mrazek.

H.J. Res. 241: Mr. Hefner, Mr. Kildee, Mr. Atkins, Mrs. Bentley, and Mr. Spence.

H.J. Res. 257: Mr. Aspin, Mr. Andrews of Maine, Mr. Bacchus, Mrs. Bentley, Mr. Berman, Mr. Bevill, Mr. Bilirakis, Mr. Bliley, Mr. Burton of Indiana, Mr. Camp, Mr. Carr, Mr. Clinger, Mrs. Collins of Michigan, Mr. Cox of California, Mr. Davis, Mr. de la Garza, Mr. Dicks, Mr. Dixon, Mr. Early, Mr. Feighan, Mr. Gingrich, Mr. Gonzalez, Mr. Grandy, Mr. Hamilton, Mr. Hayes of Illinois, Mr. Hertel, Mr. Hunter, Mr. Hyde, Mr. Ireland, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Kasich, Mr. Kildee, Mr. Klug, Mr. Lagomarsino, Mr. Lantos, Mr. Lewis of Florida, Mr. Lightfoot, Ms. Long, Mr. Mavroules, Mr. McDermott, Mr. McEwen, Mrs. Meyers of Kansas, Mr. Mineta, Mr. Moody, Mr. Moorhead, Mr. Moran, Mr. Murphy, Mr. Murtha, Mr. Neal of Massachusetts, Mr. Nowak, Mr. Oberstar, Mr. Owens of New York, Mr. Perkins, Mr. Poshard, Mr. Price, Mr. Ramstad, Mr. Ravenel, Mr. Rhodes, Mr. Riggs, Mr. Roybal, Mr. Sanders, Mr. Scheuer, Mr. Sisisky, Mr. Skelton, Mr. Slaughter of Virginia, Mr. Smith of Florida, Mr. Smith of New Jersey, Mr. Spratt, Mr. Stearns, Mr. Tauzin, Mr. Thomas of Georgia, Mr. Towns, Mr. Traficant, Mr. Valentine, Mr. Visclosky, Mr. Walsh, Mr. Weber, Mr. Wilson, Mr. Wolpe, Mr. Yates, and Mr. Yatron.

H.J. Res. 260: Mr. Aspin, Mr. Oberstar, Mr. Murphy, Mr. Murtha, Mr. Walsh, Mr. Serrano, Mr. Bustamante, Mr. Gilchrest, Mr. Applegate, Mr. Frost, Mrs. Lowey of New York, Mr. Carper, Mr. Quillen, Mr. Shays, Mr. Espy, Mr. Gekas, Mr. Manton, Mr. Erdreich, Mr. de Lugo, Mr. Tallon, Mr. Ackerman, Mr. McMillen of Maryland, Mr. Ford of Tennessee, Mrs. Bentley, Mr. Bilirakis, Mr. Brewster, Mr. Gonzalez, Mr. Condit, and Mr. Coyne.

H.J. Res. 261: Mr. Donnelly, Mr. Gunderson, Mr. Moran, Mr. Sabo, and Mr. Solarz.

H.J. Res. 217: Mr. Panetta, Mr. Roybal, and Mr. Lewis of Georgia.

H.J. Res. 274: Mr. Bilbray, Mr. Emerson, Mr. Feighan, Mr. Kennedy, and Mr. Roe.

H.J. Res. 283: Mr. Ewing, Mr. Gunderson, Mr. Hochbrueckner, and Mr. Quillen.

H.J. Res. 284: Mr. Tauzin, Ms. Slaughter of New York, Mr. Swett, Mr. Faleomavaega, Mr. Thomas of Georgia, Mr. Swift, Mr. Andrews of Maine, Mr. Hertel, Mr. Stokes, and Mr. Johnson of South Dakota.

H.J. Res. 287. Mr. Stump, Mr. Hunter, Mr. Wolf, Mr. Carper, Mr. Hammerschmidt, Mr. Smith of New Jersey, and Mr. Upton.

H.J. Res. 288: Mr. Faleomavaega, Mr. Fazio, Mr. Kopetski, Mr. McGrath, Mr. Owens of New York, Mr. Walsh, Mr. McHugh, and Mr. Towns.

H.J. Res. 299: Mr. Erdreich, Ms. Slaughter, of New York, Mr. Payne of Virginia, Mr. Natcher, Mr. Frost, Mr. Bateman, and Mr. Darden.

H.J. Res. 300: Mr. Smith of Florida, Mr. Hughes, Mrs. Lloyd, Mr. Livingston, Mr. Dicks, Mr. Towns, Mr. Wolf, Mr. Lagomarsino, Mr. Johnson of South Dakota, Mr. Early, Mr. Montgomery, Mr. Frost, Mr. LaFalce.

H.J. Res. 301: Mr. Panetta.

H.J. Res. 303: Mr. Cooper, Mr. Mollohan, Mr. Edwards of Texas, Mr. Blaz, Mr. Vander Jagt, Mr. Russo, Mr. Sangmeister, Mr. McCloskey, Mr. Weldon, Mr. Schaefer, Mr. Shaw, Mr. AuCoin, Mr. Panetta, Mr. Hall of Ohio, Mr. Whitten, Mrs. Boxer, Mr. Kasich, and Mr. Solarz.

H.J. Res. 304: Mr. Lagomarsino, Mr. Horton, Mr. Dorgan of North Dakota, Mr. Serrano, Mr. Penny, Mr. Peterson of Minnesota, Mr. Rahall, Mr. Ewing, Mr. Hoyer, Mr. Rangel, and Mr. Frost.

H. Con. Res. 43: Mr. de Lugo.

H. Con. Res. 81: Mr. Hayes of Louisiana and Mr. Johnson of Texas.

H. Con. Res. 92: Ms. Long, Mr. Kasich, Mr. Markey, Mr. Ridge, and Mr. Russo.

H. Con. Res. 93: Mr. Hayes of Illinois and Mr. Swift.

H. Con. Res. 104: Mr. Dannemeyer, Mr. Sundquist, Mr. Zeliff, Mr. Kostmayer, Mr. Gekas, Mr. Weldon, Mr. Skeen, and Mr. Lagomarsino.

H. Con. Res. 147: Mr. Lewis of California, Mr. Nichols, Mr. Michel, Mr. Brewster, Mr. Geren of Texas, Mr. Obey, Mr. Roybal, Mr. McGrath, Mr. Bunning, Mr. Skaggs, Mr. Dooley, Mr. Henry, Ms. Pelosi, Mr. Sisisky, Mr. Staggers, Mr. Perkins, Mr. Panetta, Mr. Murtha, Mr. Reed, Mr. Edwards of Oklahoma, Mr. Feighan, Mr. Thomas of Wyoming, Mrs. Bentley, Mr. Cramer, Mr. Pursell, Mr. Olin, Mr. Washington, Ms. Norton, Mr. Pallone, Mr. Gordon, Mr. Solarz, Ms. Long, Mr. Payne of Virginia, Mr. Olver, Mr. Mollohan, Mr. Bonior, Mr. Penny, Mr. LaRocco, Mr. Owens of Utah, Mr. Beilenson, Mr. Mineta, Mr. Dorgan of North Dakota, Mr. Moody, Mr. Carr, Mr. Hubbard, Mr. Pickle, Ms. DeLauro, Mr. Tauzin, Mrs. Lowey of New York, Mr. Glickman, Mr. Gibbons, Mr. Hughes, Mr. de la Garza, Mr. Packard, Mr. Andrews of Texas, Mr. Gephardt, Mr. Fish, Mr. Chapman, Mr. Slattery, Mr. McCurdy, Mr. Hayes of Louisiana, Mr. Bennett, Mr. Williams, Mr. Durbin, Mr. Eckart, Ms. Waters, Mr. Lewis of Georgia, Mr. Cox of Illinois, Mr. Valentine, Mr. Gaydos, Mr. Torricelli, Mr. AuCoin, Mr. Mazzoli, Mr. Hertel, Mr. Kopetski, Mr. Sikorski, Mr. Torres, Mr. Harris, Mr. Solomon, Mr. Parker, Mr. Dornan of California, Mr. Miller of Washington, Mr. Gunderson, Mr. Slaughter of Virginia, Mr. Broomfield, Mr. McEwen, Mr. Donnelly, Mr. Wolpe, Mr. de Lugo, Mr. Levin of Michigan, Mr. LaFalce, Mr. Nowak, Mr. Costello, Mr. Sangmeister, and Mr. Lowery of California.

H. Con. Res. 150: Mr. Atkins.

H. Con. Res. 156: Mr. Machtley, Mr. Abercrombie, Mr. Peterson of Minnesota, Mr. Dellums, Mr. Ritter, Mrs. Morella, Mr.

TOWNS, Mr. SERRANO, Mr. HOCHBRUECKNER, Mrs. BOXER, Mr. MCNULTY, Mr. SMITH of Florida, Ms. NORTON, Mr. PENNY, Mr. WOLF, Mr. FROST, and Mr. GREEN of New York.

H. Con. Res. 160: Mr. FAZIO.

H. Con. Res. 162: Ms. ROS-LEHTINEN, Mrs. LOWEY of New York, Mr. SKAGGS, Mr. SCHEUER, Mrs. BOXER, Mr. SCHUMER, Mr. LEHMAN of Florida, Mr. GORDON, Mr. OWENS of New York, Mr. KYL, Mr. MRAZEK, Mr. FRANK of Massachusetts, Mr. ACKERMAN, Mr. CARR, Ms. NORTON, Mr. RITTER, Mr. TOWNS, Mr. ZIMMER, Mr. SMITH of Florida, Mr. HORTON, and Mr. LEVINE of California.

H. Con. Res. 163: Mr. LENT.

H. Con. Res. 166: Mr. MARKEY, Mr. WEISS, Mr. MOODY, Mr. EVANS, Mr. MARTINEZ, Mr. JOHNSTON of Florida, Mr. MATSUI, Mr. TOWNS, Mr. FAZIO, Mr. JEFFERSON, Mr. SANDERS, Mr. ATKINS, Mr. FAWELL, and Mr. FISH.

H. Con. Res. 168: Mr. FRANKS of Connecticut, Mr. ANDREWS of Maine, Mr. SKAGGS, and Mr. FEIGHAN.

H. Con. Res. 182: Mr. MONTGOMERY, Mr. CHAPMAN, and Mr. TOWNS.

H. Con. Res. 184: Mr. FROST, Mr. ANDREWS of Texas, and Mr. STAGGERS.

H. Con. Res. 188: Mr. JOHNSTON of Florida, Ms. ROS-LEHTINEN, Mr. WAXMAN, Mr. JONTZ, Mr. ARCHER, Mr. HORTON, Mr. BEILENSON, Mr. BILIRAKIS, Mr. BORSKI, Mr. SMITH of Florida, Mr. SCHEUER, Mr. SISISKY, Mr. KOSTMAYER, Mr. HUGHES, Mr. DELAY, Mr. STENHOLM, Mr. CAMP, Mr. INHOFE, Mr. SWETT, Mr. LAGOMARSINO, Mr. FAWELL, Mr. BUSTAMANTE, Mr. LENT, and Mr. PORTER.

H. Res. 115: Mr. ECKART.

H. Res. 129: Mr. WEISS.

H. Res. 140: Mr. LAGOMARSINO and Mr. MCHUGH.

H. Res. 164: Mr. FAZIO.

H. Res. 167: Mr. MATSUI.

PETITIONS, ETC.

Under clause 1 of rule XXII:

108. The Speaker presented a petition of the Legislature of Rockland County, New York, relative to establishing an Armed Forces Memorial Day; which was referred to the Committee on Post Office and Civil Service.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS

The following registrations were submitted for the second calendar quarter 1991:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER______________________________

Is this an Amendment?
☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER —State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."◆

STATEMENT OF VERIFICATION

[Omitted in printing]

PAGE 1◆

Organization or Individual Filing	Employer/Client
Abbitt & Bennett, 12121 Wilshire Blvd., #1100 Los Angeles, CA 90025	Fujisawa U.S.A.
Nels Ackerson, 9915 S. Glen Road Potomac, MD 20854	Ackerson & Feldman (For:Government of Quebec, Ministry of International Affairs)
Ackerson & Feldman, 901 Fifteenth Street, NW, #1250 Washington, DC 20005-2301	Government of Quebec, Ministry of International Affairs
Catherine W. Ahmad, 516 First Street, SE Washington, DC 20003	Gryphon International
Bruce Aitken, 1330 Connecticut Ave, NW, #200 Washington, DC 20036	Dorsey & Whitney (For:Tonka Corp)
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	Basis Point
Do	Consumers Power Company
James J. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Materials Research Corp of Sony USA, Inc)
John M. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Materials Research Corp of Sony USA, Inc)
Albertine Enterprises, Inc, 1250 24th Street, NW, #600 Washington, DC 20037	Materials Research Corp of Sony USA, Inc
Alcalde Rousselot & Fay, 1901 North Ft. Myer Drive, 12th Floor Rosslyn, VA 22209	Barbee Curran Elevator Co
Do	Council on Audio Communications (COAC)
Do	Elcon Enterprises
Donna K. Alexander, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:ABB)
Do	LeBoeuf Lamb Leiby & MacRae (For:National Assn of Chem Recyclers (NACR))
Alliance for Affordable Health Care, 1725 K Street, NW Washington, DC 20006	
Quinn 'R' Amaro, 8901 South Wilmot Road Tucson, AZ 85706	
American Assn of Bank Directors, 1225 19th Street, NW, #710 Washington, DC 20036	
Byron Anderson, 1001 Pennsylvania Ave, NW, #460(N) Washington, DC 20004-2505	New York Life Insurance Company
John A. Anderson, 1333 H St., NW, #300 Washington, DC 20005	Electricity Consumers Resource Council (ELCON)
Andrews & Kurth, 1701 Pennsylvania Avenue, NW, #200 Washington, DC 20006	Bedford Properties
Do	Building Industry Assn of Southern California
Do	Construction Industry Air Quality Coalition
Ernest Antczak, 27777 Inkster Road Farmington Hills, MI 48334	Michigan National Corp
James J. Apperson, P.O. Box 52075 Phoenix, AZ 85072	Southwest Gas Corporation
Carl F. Arnold, P.O. Drawer 7170 McLean, VA 22106	Associated Industries of Florida
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	National Assn of Telecommunications Officers & Advisors
Karen McGill Arrington, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights
Frank W. Ault, 2009 North 14th Street, #101 Arlington, VA 22201	American Retirees Assn
Charlotte M. Bahin, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Savings Institutions
William W. Bailey, 3333 K Street, NW, #210 Washington, DC 20006	Bailey Morris & Robinson (For:Kingdon Gould II)
Do	Bailey Morris & Robinson (For:Investment Company Institute)
Do	Bailey Morris & Robinson (For:Upjohn Corp)
Bailey Morris & Robinson, 3333 K Street, NW, #210 Washington, DC 20007	Investment Company Institute
Baker & Botts, 555 13th Street, NW, #500 East Washington, DC 20004	United Technologies Pratt & Whitney
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Huntleigh Technologies, Inc
Do	Mitsui Plastics, Inc
Baker Worthington Crossley Stansberry & Woolf, 801 Pennsylvania Ave., NW, #800 Washington, DC 20004	Delaware Valley Science & Technology Assn
Do	Lehman Brothers
Do	Prudential Securities, Inc
Do	State of California
Helen M. Ball, 1150 Connecticut Ave., NW, #205 Washington, DC 20036	Hallburton Co
R. Brian Ball, P.O.Box 1320 Richmond, VA 23210-1320	Williams Mullen Christian & Dobbins (For:Investors Savings Bank)
Peter S. Barash Associates, inc, 1156 15th Street, NW, #800 Washington, DC 20005	American Society of Appraisers
David H. Baris, 1225 19th Street, NW, #710 Washington, DC 20036	American Assn of Bank Directors
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	Abbott Laboratories
Do	J.G. Durand International
Do	Polaroid Corp
Kristin Bass, 1250 24th Street, NW, #300 Washington, DC 20037	Robert V. Scnneider & Associates (For:S I M International Ltd)
Edward H. Baxter, 2000 M Street, NW, #700 Washington, DC 20036	Graham & James (For:American Hawaii Cruises)
Do	Graham & James (For:National Assn of Immigration Judges)
Do	United Video, Inc.
Bayless Boland Bates & Madigan, 1072 Thomas Jefferson Street, NW Washington, DC 20007	Stewart & Stevenson Services, Inc
Dorothy A. Beam, 1510 Laburnum Street McLean, VA 22101	Richard J. Sullivan Associates, Inc (For:Northeast Ohio Regional Sewer District)
Lisa Bellucci, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States
Jennifer L. Bendall, 1020 19th Street, NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc
Bergner Boyette & Bockorny, Inc, 1101 16th Street, NW, #500 Washington, DC 20036	Animal Health Institute
Do	Fort Wayne Chamber of Commerce
Do	Metpath
Jessica Berk, 1600 M Street, NW Washington, DC 20036	Investment Company Institute
Richard B. Berman, 1025 Connecticut Ave. NW, #1010 Washington, DC 20036	FICA Fairness Coalition
Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005	AmeriNet
Debbie Billet-Roumell, 901 E Street, NW, #600 Washington, DC 20004	National Treasury Employees Union
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Globest Express
Do	MicroSat Launch Systems
Cathleen Black, Box 17407 Dullas Airport Washington, DC 20041	American Newspaper Publishers Assn
Black Crotty Sims Hubka Burnett Bartlett & Samuels, 501 North Grandview Ave. P.O. Box 5488 Daytona Beach, FL 32018	Health Images, Inc
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	American Mobile Satellite Corp
Do	Government of Nigeria
Do	Software Productivity Consortium
Thomas R. Blank, 1090 Vermont Ave., NW, 3rd Floor Washinton, DC 20005	Milliken & Company
Ernest Blazar, 122 C Street NW Washington, DC 20001	American League for Exports & Security Assistance (ALESA)
Shawn M. Bloom, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging
M. Joel Bolstein, 4000 Bell Atlantic Tower 1717 Arch Street Philadelphia, PA 19103-2793	Dechert Price & Rhoads (For:Monell Chemical Senses Center)
Bond Donatelli, Inc, 1414 Prince Street, #300 Alexandria, VA 22314	Enron Power Corp
Do	League of American Theatres & Producerrs, Inc
Marina K. Bornemann, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors
Bostrom Corp, 808 17th Street, NW, #200 Washington, DC 20006	Association for Commuter Transportation, Inc (ACT)
Do	Fire Equipment Manufacturers & Services Assn, Inc
Lavinia Boxill, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy
Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006	Rohm & Hass Co
Do	Texas Ophthalmological Assn
Cynthia P. Bradley, 1625 L Street, NW Washington, DC 20036	American Federation of State County & Municipal Employees
Lawrence C. Brady, 2001 M Street, NW Washington, DC 20036	Capitoline International Group Ltd (For:City of America)
Raymond F. Bragg Jr., 1025 Thomas Jefferson Street, NW, #700-E Washington, DC 20007	Legislative Strategies (For:Donohue & Associates, inc)
Do	Legisaltive Strategies (For:State of New Mexico (Natural Gas Programs))
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	Bamsi
David A. Brody, 1100 Connecticut Avenue, NW Washington, DC 20036	BASF Corp
Hansjorg Broser, 2200 W. Salzburg Road Auburn, MI 48611	Dow Corning Corp
Edward J. Brothers, 5601 South High School Rd. Indianapolis, IN 46241	
Michael J. Brown, 1112 16th Street, #240 Washington, DC 20036	Gold Institute
Robert Craig Brown, P.O.Box 12285 Memphis, TN 38182	National Cotton Council of America
Steven J. Brown, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn
Thomas H. Brownell, GE Aerospace 1331 Pennslyvania Ave., NW, #890 Washington, DC 20004	General Electric Company
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	Titanium Metals Corporation
Broydrick Broydrick & Dacey, 600 East Mason Street Milwaukee, WI 53202	Milwaukee Area Technical College
Do	Specialty Vehicle Institute of America
Michael Buckley, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn
Robert R. Budway, 1625 Massachusetts Ave., NW Washington, DC 20036	Can Manufacturers Institute
David T. Buente Jr., 1722 Eye Street, NW Washington, DC 20006	Sidley & Austin (For:Commercial Finance Assn (CFA))
Do	Sidley & Austin (For:General Electric Capital Corporation)
April L. Burke, 901 31st Street, NW Washington, DC 20007-3838	Hill & Knowlton (For:California Institute of Technology)
Burson-Marsteller, 1850 M Street, NW, #900 Washington, DC 20036	American Moblie Satellite Corp
Butera & Andrews, 1275 Pennsylvania Ave., NW Washington, DC 20004	Advest Bank
Do	Crossland Savings
Do	Drayton Company
Do	Federation for American Immigration Reform
Do	Superior Federal Bank
Do	Texas Savings & Loan League
Kenneth W. Butler, 2010 Corporate Ridge, #700 McLean, VA 22102	Capital Partnerships, Inc (For:Hennepin County Regional Railroad Authority)
Do	Capital Partnerships, Inc (For:North Metro Crosstown Coalition)
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	McDermott Will & Emery for Group Health Insurance Assn of AM
Campbell Falk & Selby, 1101 30th Street, NW, #500 Washington, DC 20007	Computer Learning Works, Inc
Capitoline International Group Ltd, 2001 M Street, NW Washington, DC 20036	City of America

Organization or Individual Filing	Employer/Client
Do	Professional Lawn Care Assn of America
Volanda H. Caraway, 65 Hawthorne Court, NE Washington, DC 20004	FTPM Partnership
George U. Carneal III, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc
William Carney, 217 3rd St., SE Washington, DC 20003	Enserch Corp
Phyllis D. Carnilla, 1700 17th Street, NW, #301 Washington, DC 20009	American Fisheries Coalition
S. Read Carson, 901 15th Street, NW, #500 Washington, DC 20005	Northwest Airlines, Inc
Michael K. Casey, 7105 Fort Hunt Road Alexandria, VA 22307	Nationwide Insurance Companies
William E. Casselman II, 1300 I Street, NW, #500-East Washington, DC 20005	Popham Haik Schnobrich & Kaufman, (For:Peter S. Baldonado)
Cassidy & Mottl Co, 6285 Pearl Road, #8 Parma Heights, OH 44130	Patrick Media
Cassidy and Associates, Inc, 700 13th St., NW, #400 Washington, DC 20005	African American Panoramic Experience (APEX)
Do	American Petroleum Institute
Do	AmeriBrom, Inc
Do	Bay County Chamber of Commerce
Do	Center for Health Technologies, Inc
Do	Chevron Chemical Company, Inc
Do	Cities In Schools, Inc
Do	Enichem Elastomers Americas, Inc
Do	Florida Institute of Technology
Do	Foundation for James Madison's Montpelier
Do	Garden Isle Cablevision, L.P.
Do	Illinois Eastern Community Colleges
Do	Kauai CableVision, L.P.
Do	Kendall Square Research Corp
Do	LaSalle University
Do	National Assn of Proton Therapy
Do	National Cable Television Assn
Do	Polaroid Corp
Do	Rhode Island Hospital
Do	Ryland Group
Do	Tri-State University
Do	United Hospital Medical Center
Do	Uniter Brotherhood of Carpenters National Health & Sfty Fund
Do	Waterman Health Care System (Lake Care)
Gordon Cavanaugh, 122 C Street, NW, #875 Washington, DC 20001-2109	Reno Cavanaugh & Hornig (For:National American Indian Housing Council)
Robert S. Cave, 11094-D Lee Highway, #102 Fairfax, VA 22030	American Public Gas Assn
Center for Responsive Politics, 1320 19th Street, NW Washington, DC 20036	
Centerpoint Power Corp of Virginia, 106 North Carolina Ave., SE Washington, DC 20003	
Megan Chambers, 1828 L Street, NW, #802 Washington, DC 20036	American Foundation for AIDS Research
Chernikoff & Company, 1320 18th Street, NW, #100 Washington, DC 20036	Carnegie Museum of Natural History
Do	International Photographers Guild
Do	John F. Kennedy Center for the Performing Arts
Do	Mystic Seaport Museum
Do	Peabody Museum of Archeology & Ethnology
Sharon Cissell, 709 D Street, SE Washington, DC 20003	Kessler & Associates (For:Upjohn Company)
Jayne Clancy, 901 E Street, NW, #600 Washington, DC 20004	National Treasury Employees Union
Richard Clarke, 1050 17th Street, NW, #510 Washington, DC 20036	Healthcare Financial Management Assn
Cleary Gottlieb Steen & Hamilton, One Liberty Plaza New York, NY 10006	Government Representatives Committee Securities Indstry Assn
Climaco Climaco Seminatore Lefkowitz & Garofoli Co., 1228 Euclid Ave., #900 Cleveland, OH 44115	Carbon Fuels Corporation
Coastal Advocate, 148 Topside Road Manahawkin, NJ 08050	
Kenneth S. Cohen, 1295 State Street Springfield, MA 01111-0001	Massachusetts Mutual Life Insurance Company
Philip Q. Cohen, 8525 Edinkbrook Parkway Brooklyn Park, MN 55443	Goff/Wilkie & Associates (For:North Metro th 610/10 Crosstown Council)
Carol Thompson Cole, 1455 Pennsylvania Ave, NW, #525 Washington, DC 20004	RJR Nabisco, Inc
Colex & Associates, 2775 South Quincy Street, #520 Arlington, VA 22206	Cambridge International, Inc
Do	Coalition for Employment Opportunities
Do	RGDC Inc
Do	Triangle Group, Inc
Collier Shannon & Scott, 3050 K Street, NW, #400 Washington, DC 20007	Oneida Ltd.
William P. Collins, 1001 G Street, NW 7th Floor East Washington, DC 20001	(For:R. Marc Nuttle)
Jeffrey Colman, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Committee
Concord Associates, Inc, 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	Kinetic Concepts
Brian L. Connor, Connor & Associates 8700 Bluedale Street Alexandria, VA 22308	American Road & Transportation Builders Assn
Charles T. Conway, P.O.Box Montgomery, AL 36103	MacMillan Bloedel, Inc
Josephine S. Cooper, 2001 M Street, NW Washington, DC 20036	Capitoline International Group Ltd (For:Professional Lawn Care Assn Of America)
William K. Coulter, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp (COMSAT)
Christopher D. Coursen, 1133 Connecticut Ave., NW, #900 Washington, DC 20036	Chase Communications, Inc
Do	Handgun Control, Inc
Jim Courter, 1001 Route 517 Hackettstown, NJ 07840	Grumman Corp
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	State of California, Dept of Health Services
Do	State of Indiana
Do	State of Maryland
Do	State of New York Bureau of Deferrals & Disallowances
Do	State of Washington Office of Analysis & Medical Review
Do	State of West Virginia Office of Medical Services
Saone B. Crocker, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Arvida Company)
Maura Cullen, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20849-1725	American Occupational Therapy Assn, Inc
Robert P. Daly II, 1000 Wilson Blvd, #2800 Arlington, VA 22209	Grumman Corp
Davidoff & Malito, 444 N. Capitol Street Washington, DC 20001	Medallion Funding Corp
Do	Town of Orangetown
Seth Davidson, 1742 Massachusetts Ave., NW Washington, DC 20036	National Cable TV Assn
Davidson Colling Group, 1211 Connecticut Ave., NW, #610 Washington, DC 20036	Homedco
Lynda C. Davis, 1825 Eye Street, NW, #400 Washington, DC 20006	Florida Business Associates (For:Gulf Coast Community College)
Do	Florida Business Associates (For:Rio Hondo Community College)
Do	Florida Business Associates (For:Truckee Meadows Community College)
Do	Florida Business Associates (For:Valencia Community College)
Davis Polk & Wardwell, 1300 Eye St., NW Washington, DC 20005	Brown Brothers Harriman & Co
Debevoise & Plimpton, 555 13th Street, NW, #1100 East Washington, DC 20004	International Assn of Broadcast Monitors
William T. Deitz, 1000 Connecticut Ave., NW, #706 Washington, DC 20036	Handgun Control
Do	New Jersey Turnpike Authority
Jonathan W. Delano, 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:INDSPEC Chemical Corp)
Dan C. Delurey, One Bowdoin Square Boston, MA 02114	J. Makowski Associates, Inc
George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	General Atomics
Do	(For:Government of Sierra Leone)
Patricia Diaz Dennis, 1850 M Street, NW, 11th Floor Washington, DC 20036	United Telecom/US Sprint
Brenda E. Dews, 30 Joyceton Way Upper Marlboro, MD 20772	Automated Sciences Group, Inc
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	PG&E-Bechtel Generating Co
Do	Tobacco Institute
Jeffrey A. Dodson, 1700 North Moore Street Rosslyn, VA 22209	Boeing Company
J. Jon Doggett, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation
Jeffrey D. Doranz, 1000 Connecticut Ave., NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:Handgun Control)
Kimberly Olson Dorgan, 2550 M Street, NW, #275 Washington, DC 20037	Association of America's Public Television Stations
Dorsey & Whitney, 1330 Connecticut Ave., NW, #200 Washington, DC 20036	Porsche Cars North America
Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	Qual-Med, Inc
Duberstein Group, Inc, 2100 Pennsylvania Ave., NW, #350 Washington, DC 20037	Communications Satellite Corp
Do	Federal National Mortgage Assn
Do	Shell Oil Company
Ducheneaux Gerard & Associates, 1155 Connecticut Avenue, NW, #400 Washington, DC 20036	Campo Band of Mission Indians
John Dudinsky Jr., 15 3rd St., NE Washington, DC 20002	Associated Industries of Florida
Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036	State of Hawaii, Dept of Business & Economic Development
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	Haldor-Topsoe, Inc
Do	Telesphere, Inc
Stuart S. Dye, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	American Lithotripsy Society
Matthew C. Eames, P.O.Box 70 Boise, ID 83707	Idaho Power Company
George Eckert, 12100 Sunrise Valley Drive Reston, VA 22091	Tandem Computers, Inc

Organization or Individual Filing	Employer/Client
Ed Graves & Associates, 2001 M Street, NW, 4th Floor Wasington, DC 20036	Emerald Resources Inc
Do	Jorden Schulte & Burchette
Do	OPEDA
Joseph R. Egan, 1333 New Hampshire Ave., NW Washington, DC 20036	LeBoeuf Lamb Leiby & Macrae (For:ABB)
JoAnn Emerson, 1200 17th Street, NW Washington, DC 20036	National Restaurant Assn
Loretta E. Enloe, 8 Oak Hill Drive Edwardsville, IL 62025	Federation of American Consumers & Travelers (FACT)
Stephen E. Eure, 1840 Wilson Boulevard Arlington, VA 22201	National Milk Producers Federation
Billy Lee Evans, 1301 Connecticut Ave., NW, #700 Washington, DC 20036	B.L. Evans & Associates (For:Paul Revere Life Insurance Company)
Walter H. Evans III, Davis Wright Tremaine 1752 N Street, NW, #800 Washington, DC 20036	Oregon Housing Agency
B.L. Evans and Associates, Inc, 1301 Connecticut Ave., NW, #700 Washington, DC 20036	Paul Revere Life Insurance Company
Dave Evans Associates, 406 3rd Street, SE Washington, DC 20003	FIFE
Patricia C. Eveland, 7805 Daybreak Court Alexandria, VA 22306	Kimberly Clark
F/P Research Associates, 1700 K St., NW, #404 Washington, DC 20006	Wiley Rein & Fielding (For:BMW of North America, Inc)
Darryl H. Fagin, 1511 K Street, NW, #941 Washington, DC 20005	Americans for Democratic Action
Renelda Moorehead Fallon, 1825 Connecticut Ave., NW, #200 Washington, DC 20009	Clean America!
Marcus G. Faust, 332 Constitution Ave., NE Washington, DC 20002	State of Montana Dept of Natural Resources & Conservation
William D. Fay, 1001 19th St. North, #800 Arlington, VA 22209	Product Liability Coordinating Committee
Elliot J. Feldman, 901 15th Street, NW, #1250 Washington, DC 20005-2301	Ackerson & Feldman (For:Government of Quebec, Ministry of International Affairs)
Richard Vay Feldman, 400 Devonshire Way, #225 Palm Beach Gardens, FL 33418	American Shoolting Sports Coalition, Inc
Amy M. Finan, 818 Connecticut Ave., NW, #303 Washington, DC 20006	National Assn for Biomedical Research
Joseph T. Findaro Jr., 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:Coachella Valley Water District)
Do	Eckert Seamans Cherin & Mellott (For:South Delta Water Agency)
Do	Eckert Seamans Cherin & Mellott (For:Western Water Development Co, Inc)
Donald Fix, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Hyjek & Fix, Inc (For:NEI Thompson Ltd)
Steven H. Flajser, 1111 Jefferson Davis Highway, #811 Arlington, VA 22202	Space Systems/Loral
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	National Collegiate Athletic Assn (NCAA)
Ronnie G. Flippo, 701 Pennsylvania Ave., NW, #800 Washington, DC 20004	R.G. Flippo & Associates, Inc (For:AmSouth Bank)
Do	R.G. Flippo & Associates, Inc (For:Edison Electric Institute)
Florida Business Associates, 1825 EYE Street, NW, #400 Washington, DC 20006	Cray Research, Inc
David L. Flory, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory (For:Meba II)
Fort and Schlefer, 1401 New York Ave., NW, #1200 Washington, DC 20005-2187	Association Francaise des Banques
Do	Bremer Vulkan Aktiengesellschaft
Do	Commerzbank Aktiengesellschaft
Myron L. Frans, 3400 City Center 33 South Sixth Street Minneapolis, MN 55402	Gray Plant Mooty Mooty & Bennett, P. A. (For:Network Systems Corp)
Blaine P. Friedlander, 2341 Dale Drive Falls Church, VA 22043	Korean War Veterns
Fulbright & Jaworski, 801 Pennsylvania Avenue, NW Washington, DC 20004	Rugby-Darby Group Companies, Inc
Pattison Fulton, 601 Pennsylvania Ave., #900-W Washington, DC 20004	Sacramento Regional Transit District
Harold W. Furman, 3050 K Street, NW Washington, DC 20007	Collier Shannon & Scott (For:Basic Management, Inc)
Do	Collier Shannon & Scott (For:Central Basin Municipal Water District)
Do	Collier Shannon & Scott (For:Central Utah Water Conservancy District)
Do	Collier Shannon & Scott (For:Comdisco Medical Leasing Group, Inc)
Do	Collier Shannon & Scott (For:Florida Lime & Avocado Trustees)
Do	Collier Shannon & Scott (For:Granite Rock Company)
Do	Collier Shannon & Scott (For:Odyssey International)
Do	Collier Shannon & Scott (For:Riverside Resort & Casino)
Do	Collier Shannon & Scott (For:South Dade Land Corp)
Do	Collier Shannon & Scott (For:Spelman & Co)
Do	Collier Shannon & Scott (For:Summit Engineering Corp)
Do	Collier Shannon & Scott (For:West Basin Municipal Water District)
Peter S. Gambel, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc
Richard E. Gardiner, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America
James N. Gardner, 222 S.W. Columbia, #1600 Portland, OR 97201-6616	Lindsay Hart Neil & Weigler (For:Rentrak Corp)
Lynda Nelson Gardner, 222 S.W. Columbia, #1600 Portland, OR 97201-6616	Lindsay Hart Neil & Weigler (For:Rentrak Corp)
Gardner Carton & Douglas, 1301 K Street, NW Washington, DC 20005	Adventist Health System/Sunbelt Hospital System
Richard C. Gergle, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp
Andrew Joseph Gildea, 1730 Pennsylvania Ave., NW Washington, DC 20006	Howrey & Simon (For:Tile Council of America, Inc)
David Gillette, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Committee
Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314	Firearms Training Systems, Inc
Ginsburg Feldman & Bress, Chartered, 1250 Connecticut Ave., NW, #800 Washington, DC 20036	The Enterprise Foundation
Caesar A. Giolito, P.O. Box 5793 Carefree, AZ 85377	U.S. Chanber of Commerce for National Information & Ed. Ut.
Caralyn H. Giolito, P.O.Box 5793 Carefree, AZ 85377	Capital International Communications (For:U.S. Chamber of Commerce for National Information & Ed. Ut.)
Brenda M. Girton, 901 East Capitol Street, SE Washington, DC 20003	American Assn for Counseling & Development
Lawrence L. Gladchun, 27777 Inkster Road Farmington Hills, MI 48334	Michigan National Corp
Jere W. Glover, 1725 K Street, NW, #308 Washington, DC 20006	Alliance for Affordable Health Care
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	Air & Space West, Inc
Marvin N. Gordon, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp
Faye A. Gorman, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp
Gover Stetson & Williams, 2501 Rio Grande Blvd, NW Albuquerque, NM 87104-3223	Campo Band of Mission Indians
Do	Crow Tribal Housing Authority
Do	Mescalero Apache Housing Authority
Do	Minnesota Chippewa Tribe
Do	Navajo Area School Board Assn
Do	Pueblo of Laguna Housing Authority
Do	Pueblo of Pojoaque
Do	Pueblo of Tesuque
Do	Pueblo of Zuni
Do	Santa Clara Indian Pueblo
Do	Santa Fe Indian School, Inc
Do	Shoshone Tribe
Do	Tonono O'odham Nation
Do	Wind River Tax Commission
Do	Zuni Housing Authority
Augusto F. Grace, 13 Skilton Lane Burlington, MA 01803	Gadsby & Hannah (For:National Bankers Assn)
Nancy Granese, 4500-E 28th Road, South Arlington, VA 22206	FICA Fairness Coalition
Do	Partnership on Health Care & Employment
Clifford S. Graul, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp
Edwin C. Graves, 2001 M Street, NW Washington, DC 20036	Capitoline International Group Ltd (For:City of America)
Do	Capitoline International Group, Ltd (For:Professional Lawn Care Assn. of America)
Scott H. Green, 1275 Pennsylvania Ave, NW, #220 Washington, DC 20004	Boys & Girls Clubs of America
John Wesley Griffin, #00311-158 P.O. Box 4200 Three Rivers, TX 78071-4200	
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	American Assn of Equipment Leasors
Do	Covia Partnership
Thomas P. Gross, 1627 Eye Street, NW, #1000 Washington, DC 20006	McGuire Woods Battle & Boothe (For:Appomattox River Water Authority)
Guillermo Guemez, Monte Caucaso 915 Lomas de Chapultepec Mexico DF 11000	Coordinadora de Organizaciones Empresariales de Comercio
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	National Rifle Assn of America
Lonnie E. Haefner, 10 Finlay Road Kirkwood, MO 63122	L.E. Haefner Enterprises, Inc (For:Cape Girardeau Regional Commerce & Growth Assn)
Tom Hagedorn Associates, 4000 Oxford Street Annandale, VA 22003	Asphalt Rubber Producers Group, Inc
Eliot J. Halperin, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)
Douglas Mathew Hamilton, #15 6th Street, NE Washington, DC 20002	National Council of Savings Institutions
William S. Haraf, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc
Dorcas R. Hardy & Associates, 2909A So. Woodstock Street, #100 Arlington, VA 22206	MCI Telecommunications Corp
Joseph M. Harrison, 1611 Duke Street Alexandria, VA 22314	American Movers Conference
Anne Harrison-Clark, 1828 L Street, NW, #802 Washington, DC 20036	American Foundation for AIDS Research
Jayne A. Hart, 1101 Vermont Avenue, NW Washington, DC 20005	College of American Pathologists
Jennifer Hawk, 1722 Eye Street, NW, 4th Floor Washington, DC 20006	Barclays Bank, PLC
Robert T. Hayden, 1201 New York Ave., NW, #850 Washington, DC 20005	Conway & Company (For:Academy of Rail Labor Attorneys)
Janis D. Hazel, 1250 Eye Street, NW, #200 Washington, DC 20005	Assn of Americas Public Television Stations
Health Care for America, Inc, 1120 Connecticut Ave., NW, #414 Washington, DC 20036	
Healthcare Financial Management Assn, 1050 17th Street, NW, #510 Washington, DC 20036	
Heideman Cardin, P.C., 1120 Connecticut Ave., NW, #414 Washington, DC 20036	Health Care for America, Inc
Dennis A. Henigan, 1225 Eye Street, NW Washington, DC 20005	Handgun Control, Inc
Cynthia A. Henneberger, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America

Organization or Individual Filing	Employer/Client
Rick Henry, 4980 N. Marine Drive Chicago, IL 60640	
William C. Henry, 3851 West Roosevelt Road Chicago, IL 60624	
Wendy Herr, 1050 17th Street, NW, #510 Washington, DC 20036	Healthcare Financial Management Assn
Frederick Wells Hill, 1801 K Street, NW, #800 Washington, DC 20006-1378	Westinghouse Electric Corp
Charles E. Hilliard, 4807 West Adams Ct. New Orleans, LA 70128	
Steven A. Hillyard, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron Companies
David Himmelstein, 2000 P Street, NW Washington, DC 20036	Public Citizen Health Research Group
Sheila E. Hixson, 1200 17th Street, NW, #106 Washington, DC 20036	American Psychological Assn (APA)
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Navajo Nation
A.R. 'Trey' Hodgkins, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America
Jeanne E. Hoenicke, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	Alabama Construction Contractors
Do	American Coke & Chemicals Institute
Do	American Hellenic Institute
Do	American Insurance Assn
Do	Auburn University
Do	Blount, Inc
Do	BE&K Construction
Do	Drummond Company, Inc
Do	Ductile Iron Pipe Research Assn
Do	First National Bank of Opelika
Do	General Electric Company
Do	Glaxo, Inc
Do	Harbert Corp
Do	Hardie-Tynes Mfg. Company
Do	Intergraph Corp
Do	Michelin Tire Company
Do	Mid Atlantic Company
Do	Mortgage Insurance Companies of America
Do	National Apparel
Do	National Consumers Bankruptcy Coalition
Do	National Industries, Inc
Do	PaineWebber Group, Inc
Do	Ploy Insulation Manufacturers Assn (PIMA)
Do	Private Child Care Providers
Do	Product Liability Coordination Committee
Do	Rust Engineering
Do	Security Savings & Loan Assn
Do	Shaw Pittman Potts ...for Robinson Terminal Warehouse Corp.
Do	Southern Company Services
Do	Vulcan Materials Company
Do	Jim Walter Corp
Richard F. Hohlt, 209 Princess Street Alexandria, VA 22314	Dime Savings Bank of New York
Do	Stuzin & Camner
Gerard L. Holder, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging
Holland & Hart, 1001 Pennsylvania Ave., NW, #310 Washington, DC 20004	Styrene Information & Research Center
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	Florida High Speed Rail Transportation Commission
Do	General Mills Corp
Do	Town of Palm Beach
Virginia E. Hopkins, 625 Indiana Avenue, NW, #500 Washington, DC 20005	Campbell & Hopkins (For:Wald Manufacturing Company, Inc)
Hopkins & Sutter (Washington), 888 16th Street, NW, 6th floor Washington, DC 20006	Food Marketing Institute
Do	Pizza Hut, Inc
Do	Washington Consulting Group
Deborah L. Horan, 777 N. Capitol Street, NE, #803 Washington, DC 20002	American Assn of Nurse Anesthetists
Charles H. Hossack, Box 308H, R.D., #2 Glenmoore, PA 19343	Lukens, Inc
M'liss Solove Houston, MSH Consulting 919 9th Street, NE Washington, DC 20002	American Collectors Assn, Inc
Do	Armour Pharmaceutical Company
Do	MCI Communications Corp
Howrey & Simon, 1730 Pennsylvania Avenue, NW, #900 Washington, DC 20006	Tile Council of America, Inc
John P. Hughes, The West Tower, 8th Floor 1333 H Street, NW Washington, DC 20005	Electricity Consumers Resource Council (ELCON)
Beverly A. Hunter, 100 Maryland Ave., NE Washington, DC 20002	Religious Coalition for Abortion Rights
Steven M. Hyjek, 2100 Pennsylvania Ave., NW, #560 Washington, DC 20037	Hyjek & Fix, Inc (For:NEI Thompson LTD.)
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Liberal Democratic Federation of Hong Kong)
I.S.I. Enterprises, Inc, 7312 Western Ave. Chevy Chase, MD 20815	Comoil
Do	President of the Republic of the Congo
Richard H. Ichord, 800 K Street, NW, #830 Washington, DC 20001	Panda Motors Corp
Illinois Research Center, 120 W. Madison Street, #1118 Chicago, IL 60602	
Sally D. Iskenderian, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	French & Company (For:International Electronics Manufacturers & Consumers of Amer.)
Dennis J. Jackman, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	Du Pont Merck Pharmaceutical Company
Glenn Jackson, 555 13th Street, NW, #300 West Washington, DC 20004	Williams Companies, Inc
Russell A. Janis, 233 No. Pleasant St., #38 Amherst, MA 01002	Trust for Public Land
Mona M. Janopaul, 1101 14th Street, #1400 Washington, DC 20005	Miller Balis & O'Neil (For:American Public Gas Assn (APGA))
Valerie Jewett, 727 North Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn
Elaine G. Johns, 1200 North Capitol Street, NW, #636 Washington, DC 20001	Tyler House Tenants Council, Inc
Bruce Johnson, 655 15th Street, NW, #300 Washington, DC 20005	CIC Group
Do	First Empire Securities, Inc
Do	FSI Financial Services, Inc
Do	W.R. Huff Asset Management Co
Do	Miller Johnson & Kuehn, Inc
Sarah Madeline Johnson, 1010 Wisconsin Ave., #800 Washington, DC 20007	Grocery Manufacturers of America, Inc
Barbara J. Jones, 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc
Jones Day Reavis & Pogue, 1450 G Street, NW, #700 Washington, DC 20005-2088	Affiliated Computer Systems, Inc
Do	GNA Corp
Do	Norwest Corp
Jones Walker Waechter Poitevent Carrere & Denegre, 1776 Eye Street, NW, #245 Washington, DC 20006	Turner Broadcasting System, Inc
Sylvester Harold Julien, 8630 Irvin Ave. Glenarden, MD 20756	
Karen Kalla, 408 C Street, NE Washington, DC 20002	Sierra Club
Katten Muchin Zavis & Dombroff, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Regional Transportation Authority
Ghana R. Kaulius, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:ASSE International)
Do	Hill & Knowlton (For:Colorado State University)
Do	Hill & Knowlton (For:Tera Computer Company)
Kaye Scholer Fierman Hays & Handler, 901 15th St., NW, #1100 Washington, DC 20005	Pepsico
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	Isotec, Inc
Jane Kelso, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc
Michael C. Kerby, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Atlanta Committee for the Olympic Games (ACOG)
Richard J. Kinney, 1850 K Street, NW, #1195 Washington, DC 20006	Schering-Plough Corp
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	Equifax, Inc
Do	Institute of International Bankers
Walter B. Kirkwood, 111 Monument Circle Indianapolis, IN 46277	Banc One Corp
Gary J. Kohn, One Thomas Circle, NW, #950 Washington, DC 20005	Independent Bankers Assn of America
Wayne Konitshek, 14549 S. Perry Park Rd. Larkspur, CO 80118	National Franchise Law Center
Kostmayer Communications, Inc, 1667 K Street, NW, #605 Washington, DC 20006	Coalition for Auto Repair Equality
Do	Coalition Against Price-Fixing
R.R. Kovener, 1050 17th Street, NW, #510 Washington, DC 20036	Healthcare Financial Management Assn
Paul C. Kruger, 5500 Pangola Rd. Fort Myers, FL 33905	Crimminal Justice Oversight Committee
Joseph A. Kuchler, 1050 17th Street, NW, #510 Washington, DC 20036	Healthcare Financial Management Assn
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	Louisiana Public Facilities
Do	Smith Barney Harris Upham & Co
Robert Lamb, 1627 Eye St., NW, #1000 Washington, DC 20006	McGuire Woods Battle & Boothe (For:Specialty Coatings Group, Inc)
David M. F. Lambert, 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:INDSPEC Chemical Corp)
M. S. Lawrence, 40 Franklin Rd, SW P.O. 2021 Roanoke, VA 24022	Appalachian Power Company
Bob Lawrence & Associates, 803 Prince St. Alexandria, VA 22314	Arctic Slope Consulting Group

Organization or Individual Filing	Employer/Client
Do	Energy Partners
Do	Exergy, Inc
Do	Fishermen's Committee
Paul Laxalt Group, 801 Pennsylvania Ave, NW, #750 Washington, DC 20004	Harvey's Resort Hotel/Casino
William N. LaForge, 1150 Connecticut Ave., NW, #900 Washington, DC 20036	Paul Werth Associates, Inc
Bruce Lear, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation
Legislative Strategies, 1025 Thomas Jefferson Street, NW, #700-E Washington, DC 20007	Donohue & Associates, Inc
Do	State of New Mexico (Natural Gas Programs)
Lucie Lehmann, 1212 New York Ave., NW, #1210 Washington, DC 20005	Outdoor Advertising Assn of America
Lesher & Russell, Inc, 1919 S. Eads Street, #103 Arlington, VA 22202-3028	Pizza Hut Inc
Leonard B. Levine, 601 13th Street, NW, #350-S Washington, DC 20005	TransCanada PipeLines
Peter Levine, 2030 M Street, NW Washington, DC 20036	Common Cause
LeBoeuf Lamb Leiby & MacRae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	ABB Combustion Engineering Nuclear Power, Inc
Do	National Assn of Chemical Recyclers (NACR)
Roger Lindberg, 901 31st St., NW Washington, DC 20007	Hill & Knowlton (For:American Public Transit Assn)
Cheryl E. Lipscomb, 421 Maple Leaf Dr. Edgewater, MD 21037	Argyle & Associates (For:Ford Motor Co.)
Wingate Lloyd, 1600 M Street, NW Washington, DC 20036	ITT Corp
Paul Locigno, 2001 M Street NW Washington, DC 20036	Capitoline International Group Ltd (For:City of America)
Frank P. Lombardo II, 317 Baronne Street New Orleans, LA 70112	Entergy Services, Inc
London & Satagaj, 1156 15th Street, NW, #510 Washington, DC 20005	Jewelers of America
Do	National Home Furnishings Assn
Do	Small Business Legislative Council
Elizabeth Long, 1828 L Street, NW, #802 Washington, DC 20036	American Foundation for AIDS Research
Linda A. Long, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:National Assn of Maritime Organizations)
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	MicroGeneSys, Inc
Lord Day & Lord, Barrett Smith, 1201 Pennsylvania Avenue, NW, #821 Washington, DC 20004	Daniel F. Young, Inc
Mark A. Lowman, 1201 K Street, #800 Scaramento, CA 95814	California Assn of Hospitals and Health Systems
Michael S. Lucy, One Bowdoin Square Boston, MA 02114	J. Makowski Associates, Inc
Sylvester Lukis, 24 Quincy Street Chevy Chase, MD 20815	Brevard County
Do	City of Palm Springs
Timothy MacCarthy, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc
Robert MacKay, 901 East Capitol Street, SE, 2nd Floor Washington, DC 20003	American Assn for Counseling & Development
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Diane S. Mand, 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc
Mary Jo Manning, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Television Operators Caucus)
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Nico Marcolongo, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform
Marlowe & Company, 1667 K Street, NW, #480 Washington, DC 20006	Coalition to Repeal the Wright Amendment
Do	Independent Pilots Assn
Do	Law Enforcement Steering Committee
Catherine A. Marshall, 2001 M Street, NW Washington, DC 20036	Capitoline International Group, Ltd. (For:Professional Lawn Care Assn of America)
Glen David Mason, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists
Donald F. Massey, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:ARA Services)
Do	Hill & Knowlton (For:Liberal Democratic Federation of Hong Kong)
Sandy Masur, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	The Modification of Final Judgement Task Force
Charles W. McBride, 1211 Connecticut Ave., NW, #620 Washington, DC 20036	HNSX Supercomputers, Inc
McClure Gerard & Neuenschwander, Inc, 801 Pennsylvania Ave., NW, #820 Washington, DC 20004-2604	Brush Willman, Inc
Do	Cray Research, Inc
Do	National Rifle Assn
Do	Potlatch Corp
Carol A. McDaid, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006-2296	Association of American Vintners
Jack McDonald, 1001 Pennsylvania Ave. NW, #700 South Washington, DC 20004	National Committee to Preserve Social Security & Medicare
James E. McDonald, 410 First Street, SE, 3rd Floor Washington, DC 20003	American Nuclear Energy Council (ANEC)
Pat L. McFerron, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Company
Joseph M. McGrail, 52 Washington Ave. Williamstown, NJ 08094	Gamma-Metrics
F.J. McKeown, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Company
John P. McKinney, 1825 I Street, NW, #400 Washington, DC 20006	UST Public Affairs, Inc
Bernard A. McKinnon, 1757 N Street, NW Washington, DC 20036	United Automobile Aerospace & Agricultural Implement Workers
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt, Inc (For:Bristol-Myers Squibb Company)
Do	Rowan & Blewitt, Inc (For:Federation for Intercollegiate Fairness & Equity)
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Coalition for Auto Repair Equality
John K. Meagher, 1333 New Hampshire Avenue, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:ABB)
Do	National Assn of Chem Recyclers (NACR)
James Gregory Means, 6252 15th Place Arlington, VA 22205	BP American, Inc
Do	Environmental Hazards Management Institute
Do	Parry & Romani Associates, Inc
John Melcher, 230-B Maryland Avenue, N.E. Washington, DC 20002	National Rural Cooperative Bus. Center
Do	Seaweed Industry Assn of the Philippines
David Mengebier, 1225 Eye St., NW Washington, DC 20036	Consumers Power Company
Meyers & Associates, 412 First St., SE, #100 Washington, DC 20003	Wellman, Inc
John L. Mica, 15 Third Street N. E. Washington, DC 20002	Associated Industries of Florida
Michael Best & Friedrich, 135 South LaSalle Street, #1610 Chicago, IL 60603	Sweetheart Cup Company, Inc
Ellen S. Miller, 1320 19th Street, NW Washington, DC 20036	Center for Responsive Politics
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	PHM Corporation
Amy J. Millman, 2200 Mill Road Alexandria, VA 22314	American Trucking Assn, Inc
Anna Minaya, 2632 Wagon Drive, #2D Alexandria, VA 22303	Helicopter Assn International
Douglas P. Miskew, 500 E. Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn
Andrew D. Moore, 727 North Washington Street Alexandria, VA 22314	United Fresh Fruit & Vegetable Assn
Morgan Lewis & Bockius, 1800 M St., NW, #800 N. Washington, DC 20036	United Distribution Companies
J. Wilson Morris, 3333 K Street, NW Washington, DC 20007	Bailey Morris & Robinson (For:Kingdon Gould II)
Do	Investment Company Institute
William Morris, 1737 H Street, NW Washington, DC 20006	Rogers & Wells (For:Oxnard Refinery)
Mark E. Morrison, 1825 Eye Street, NW, #1100 Washington, DC 20006	Lockheed Corp
Kenneth B. Moss, 1455 Pennsylvania Ave., #300 Washington, DC 20004	Siemens Corp
Mullenholz & Brimsek, 1150 Connecticut Ave., NW, #700 Washington, DC 20036	Delaware & Hudson Railroad
Murray, Scheer & Montgomery, 2715 M Street, NW, #300 Washington, DC 20007	Delaware River Port Authority
Do	Underground Injection Practices Council
Lawrence D. Muzzy, 2200 W. Salzburg Road, Mail #W281 Midland, MI 48686-0994	Dow Corning Corp
Marci H. Nadler, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors
Stephen J. Narkin, 9601 Chesapeake Street, NW Washington, DC 20008	Ackerson & Feldman Chartered (For:Government of Quebec, Ministry of International Affairs)
National Council on Alcoholism & Drug Dependence, 1511 K Street, NW, #926 Washington, DC 20005	
National Franchise Law Center, 4801 Massachusettes Ave, NW, #400 Washington, DC 20016	
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	Consumer News & Business Channel
Do	Mothers & Others for a Livable World
Do	Reuters North America, Inc
Neill & Shaw, 815 Connecticut Ave., NW, #800 Washington, DC 20006	National Council Social Security Management Assns, Inc
Do	PHH Group
Do	Senior Executives Assn
Peter E. Newbould, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn (APA)
Sherri L. Nicholson, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn
Nickerson & Stiner, 1919 Pennsylvania Ave., NW, #850 Washington, DC 20006-3404	Esstar Corp
David F. Norcross, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:National Assn of Maritime Organizations)
Christopher A. Novak, 501 School Street, SW, #400 Washington, DC 20024	National Pork Producers Council
Ralph D. Nurnberger, 1275 K Street, NW, #1100 Washington, DC 20005	Conkling Fiskum & McCormick (For:Western Coating, Inc)
R. Marc Nuttle, c/o Marion Harrison 840 The Watergate 2600 Virginia Ave., NW Washington, DC 20037	Regent C&C Ltd., et al.
David S. O'Bryon, 1555 Connecticut Ave., NW, #308 Washington, DC 20036	American Assn of Limited Partners
Brenda O'Connor, 818 Connecticut Ave, NW, #303 Washington, DC 20006	National Assn for Biomedical Research
David O'Connor, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	Marine Mammal Interest Group

Organization or Individual Filing	Employer/Client
Do	Solid Waste Agency of Northern Cook County
Do	UST
O'Keefe Ashenden Lyons & Ward, 30 North La Salle, #4100 Chicago, IL 60602	Mutual of America
Sally G. Oldham, 216 7th Street, SE Washington, DC 20003	Scenic America
Richard Oleck, 1181 South Rogers Circle, #6 Boca Raton, FL 33487-2724	Building Trades Assn, Inc
Austin P. Olney, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:National Assn of Chem Recyclers (NACR))
Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22034	General Atomic
Michael F. Ouellette, 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn
Daryl Owen, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:BP America, Inc)
Thomas E. Owens, 815 16th Street, NW, #309 Washington, DC 20006	AFL-CIO Dept of Legislation
Pagonis & Donnelly Group, Inc, 1620 Eye Street, NW, #202 Washington, DC 20006	Coalition for Quality Legal Services
Michael C. Palmer, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists
Benjamin L. Palumbo, 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:Handgun Control)
Do	New Jersey Turnpike Authority
Palumbo & Cerrell, Inc, 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Handgun Control
Do	New Jersey Turnpike Authority
Lawrence Parks, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America
Sally Patterson, 810 Seventh Ave. New York, NY 10019	Planned Parenthood Federation of America
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Amenco
Do	CUC International
Do	International Swaps Dealers Assn., Inc.
Do	KAO
Do	Republic of Guatemala
Gwen Gampel Paulson, 711 Second Street, NE, #200 Washington, DC 20002	Kinetic Concepts, Inc
J. Leon Peace, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States
Pepper Hamilton & Scheetz, 1300 19th Street, NW Washington, DC 20036	Association for Governmental Leasing & Finance
J. Scott Peterson, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council
Dayna Petete, 1666 Connecticut Ave, NW, #400 Washington, DC 20009	Federation for American Immigration Reform
Elizabeth P. Pigott, 155 Marblehead Court Jackson, MS 39211	Mississippi Power & Light Company
Podesta Associates, Inc, 424 C Street, NE Washington, DC 20002	Eidak
Do	National Assn of Broadcasters
Kathryn Pontzer, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor, S Washington, DC 20004	Destec Energy Incorporated
Do	Spieker Companies
Preston Gates Ellis Rouvelas & Meeds, 1735 New York Avenue, NW, #500 Washington, DC 20006	American Fisheries Coalition
Do	(For:Chambers Development Company)
Do	Mormac Marine Group, Inc/Mormac Marine Transport, Inc
Do	National Hydropower Assn
Do	Westinghouse Electric Company
Ann L. Pride, P.O. Box 551 Little Rock, AR 72203	Arkansas Power & Light Company
Public Strategies Washington, Inc, 1455 Pennsylvania Ave., NW, #1100 Washington, DC 20004	American Trucking Associations
Do	Mexican Department of Commerce & Finance
Do	National Assn of Chain Drug Stores
Do	Southwest Airlines
Brenda Pulley, 1333 New Hampshire Ave., NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:National Assn of Chem Recyclers (NACR))
Quality Peanut Industry Coalition, Inc, 47 East Oakland Ave. Camilla, GA 31730	
Patricia A. Quealy, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn
Lisa A. Quinn, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Savings Institutions
Patrick J. Raffaniello, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Graham & James (For:National Association of Immigration Judges)
Bill Redding, 214 N. Henry Street, #203 Madison, WI 53703	Sierra Club
Reed Smith Shaw & McClay, 1200 18th Street, NW Washington, DC 20036	Certified Color Manufacturers Assn
Do	Cincinnati Gas & Electric
Do	CAFRI
Do	Portland Cement
Do	University of Cincinnati
Reid & Priest, 701 Pennsylvania Avenue, NW Washington, DC 20004	Henschel, Inc
Michael T. Richard, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council
William A. Roberts, 444 North Capitol St., #711 Washington, DC 20001	Keefe Company (For:Greater Orlando Aviation Authority)
Davis R. Robinson, 1333 New Hampshire Ave., NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:ABB)
Peter D. Robinson, 3333 K Street, NW, #210 Washington, DC 20007	Bailey Morris & Robinson (For:Kingdon Gould II)
Do	Bailey Morris & Robinson (For:Investment Company Institute)
Do	Bailey Morris & Robinson (For:Upjohn Co)
Thomas S. Robinson, 5955 49th SW Seattle, WA 98136	Greenpeace
Bob John Robison, 1 Massachusetts Avenue, NW, #800 Washington, DC 20001	Robison International, Inc (For:FMC Corp)
Do	Robison International, Inc (For:General Atomics Technologies)
Do	Robison International, Inc (For:McDonnell Douglas Corp)
Do	Robison International, Inc (For:Royal Ordnance, Inc/British Aerospace Co)
Daniel Rode, 1050 17th Street, NW, #510 Washington, DC 20036	Healthcare Financial Management Assn
Lawrence Rogers, 1600 M Street, NW Washington, DC 20036	Investment Company Institute
Robert G. Rogers, 1455 Pennsylvania Ave., NW, #300 Washington, DC 20004	Siemens Corp
Rogers & Wells, 200 PARK AVE. New York, NY 10166	Oxnard Refinery
Barbara J. Rohde, 2440 Virginia Ave., NW, #D1203 Washington, DC 20037	
William A. Romjue, 1530 North Key Boulevard, #422 Arlington, VA 22209	Seafarers International Union
Robert F. Rood IV, 1825 Connecticut Ave., NW, #200 Washington, DC 20009	Clean America!
Louis C. Rotundo, 4948 Courtland Loop Winter Springs, FL 32708	City of Altamonte Springs
Do	Technological Research & Development Authority
Paul D. Ryan, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc
Wendy B. Samuel, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Savings Institutions
Samuels International Associates, Inc, 1912 Sunderland Place, NW Washington, DC 20036-1608	Trend International
Robert J. Saner II, 1156 15th Street, NW, #1100 Washington, DC 20005	Medical Group Management Assn
Save Our Children National Alliance, Inc, 1757-D-West Carson Street, #280 Torrance, CA 90501	
Robert Wayne Sayer, 1742 N Street, NW Washington, DC 20036	Hampshire Instruments
Jeanne Schaaf, 1850 M Street, NW, 11th Floor Washington, DC 20036	United Telecom/US Sprint
Amy Schaffer, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc
Arnold M. Schneider, 2045 Lundy Ave. San Jose, CA 95106	American Assn of Classified School Employees
Robert V. Schneider, 1250 24th Street,NW, #300 Washington, DC 20007	S I M International Ltd
Paul Schoellhamer, 4720 Hunt Ave. Chevy Chase, MD 20815	World Span
Jan Schoonmaker, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)
Do	Van Scoyoc Associates, Inc (For:Tulane University)
Rhoda Schulzinger, 1625 K Street, NW, #800 Washington, DC 20006	National Legal Aid & Defender Assn.
Norman Scott, 12428 N.W. 48 Ave. Gainesville, FL 32606	Global Exploration Co., Inc (For:Peter Baldonado)
John F. Seher, 1825 I Street, NW, #400 Washington, DC 20006	UST Public Affairs, Inc
J.P. Seman Jr., 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:Aseptic Packaging Council)
Do	Hill & Knowlton (For:Colorado State University)
Mark R. Shapiro, 5 Darby Court Bethesda, MD 20817	Guam Office (For:Joseph George Bamba)
Do	Guam Office (For:Anthony C. Blaz)
Do	Guam Office (For:Gordon Mailloux)
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW, #5121 Washington, DC 20037	Poly Insulation Manufacturers Assn (PIMA)
L. Philip Sheldon Jr., 100 S. Anaheim Blvd, #350 Anaheim, CA 92805	Traditional Values Coalition
Sher & Blackwell, 1255 Twenty-Third Street, NW, #500 Washington, DC 20037	A.P. Moller-Maersk
Do	International Brotherhood of Teamsters Chauffers ...
Do	Joint Shipping Conference
John C. Shirvinsky, 10700 Frankstown Road Pittsburgh, PA 15235	Chambers Development Co., Inc
Martin Sieg-Ross, 2021 Massachusetts Ave., NW Washington, DC 20036	American Academy of Family Physicians
Silverstein & Mullens, 1776 K Street, NW, #800 Washington, DC 20006	Pacific Cargoes, Inc
Simon & Company, Inc, 1001 Connecticut Ave., NW, #435 Washington, DC 20036	National Easter Seal Society
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	American International Group, Inc
Do	Enron Corporation
Do	Transco Energy Corp
Paul A. Skrabut Jr., 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Handgun Control
Stephan K. Small, 122 C Street, NW, #240 Washington, DC 20001	Peabody Holding Company, Inc
W. Glenn Smith, One Merchants Plaza Indianapolis, IN 46255	Merchants National Bank & Trust Co
Smith Dawson & Andrews, Inc, 1000 Connecticut Ave., NW, #302 Washington, DC 20036	AES/Barbers Point, Inc

Organization or Individual Filing	Employer/Client
Smith McNulty & Kearney, One State Street Boston, MA 02107	New England Telephone Company
Thomas M. Sneeringer, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Katten Muchin Zavis & Dombroff (For:Regional Trasnsportation Authority)
Gene Snyder, 205 North Third Street LaGrange, KY 40031	Radio Assn Defending Airwave Rights, Inc
Do	Scan
Sonosky Chambers Sachse & Endreson, 1250 Eye Street, NW Washington, DC 20005	Class of Native Alaskan Plaintiffs
Do	Great Lakes Indian Fish & Wildlife Commission
Do	Hatteras Tuscarora Tribal Foundation
Thomas J. Spangler, 1111 14th Street, NW, #1100 Washington, DC 20005	American Dental Assn
Martha Louise Spencer, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform (FAIR)
David E. Springer, 1301 K Street, NW, #900 East Tower Washington, DC 20005	Gardner Carton & Douglas (For:Telecommunications Industry Assn)
Arlan Stangeland, 305 C Street, NE Washington, DC 20002	American International Group
Do	Crop Insurance Proffessionals of America
Do	Edison Chouest Offshore
Do	Pelican Rapids Economic Development Association
Stanton & Associates, 1310 19th Street, NW Washington, DC 20036	University Hospitals of Cleveland
Victoria E. Stein, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Coordinadora de Organizaciones Empresariales de Comercio Ext
Do	Pacific Coast Cement Corp, et al.
Joseph D. Sternlieb, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights
William Stone, 1101 30th Street, NW, #500 Washington, DC 20007	Campbell Falk & Selby (For:Commonwealth of Puerto Rico)
Sam E. Story Jr., 1700 N. Moore Street Arlington, VA 22209	American Meat Institute
Strategic Directions, Inc, P.O.Box 6011 Springfield, VA 22150-6011	Atlas Powder Company
Heather P. Stroup, 1200 17th Street, NW Washington, DC 20036	American Psychological Assn (APA)
Richard J. Sullivan, 1507 Laburnum Street McLean, VA 22101	Richard Sullivan Associates, Inc (For:Northeast Ohio Regional Sewer District)
Richard J. Sullivan Associates, Inc, 1507 Laburnum Street McLean, VA 22101	Northeast Ohio Regional Sewer District
Scott M. Summers, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Company
Donald B. Susswein, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Citicorp Washington (Banking))
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW Washington, DC 20004	Federation for American Immigration Reform
William R. Sweeney Jr., 1331 Pennsylvania Ave., NW, #1300-N Washington, DC 20004	Electronic Data Systems Corp
SJS Advanced Strategies, 1330 Connecticut Ave., NW Washington, DC 20036	Coordinadora de Organizaciones Empresariales de Comercio Ext
Tauke Walgren & Associates, 510 C Street, NE Washington, DC 20002	Association of Chiropractic College
Do	Chambers Development Company, Inc
Do	Merck & Company
Do	National Association of Convenience Stores
Do	Petroleum Marketers Assn of America
Do	Society of Independent Gasoline Marketers of America
Robert C. Taylor, 3000 Lincoln Plaza, Lb-5 Dallas, TX 75201	Taylor & Mizell (For:Dresser Industries, Inc)
Taylor Thiemann & Aitken, 908 King Street, #300 Alexandria, VA 22314	Jones Motor Co., Inc
Do	MPPAA Solvency Coalition
Do	Schneider National, Inc
Do	Walsh Trucking Service, Inc
Theresa m. Termine, 1625 Massachusetts Ave., NW Washington, DC 20036	Can Manufacturers Institute
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	Citicorp Washington (Banking)
Melissa Thomas, 3636 16th Street, NW, #B1010 Washington, DC 20010	Ackerson & Feldman (For:Government of Quebec, Ministry of International Affairs)
Randell Thompson, 1704 Old Town Rd. Edgewater, MD 21037	Parsons Brinkerhoff Quade & Douglas, Inc
Thompson & Company, 1001 G Street, NW, 7th Floor Washington, DC 20004	MicroGeneSys
Do	R. Marc Nuttle
Thompson Mann & Hutson, 3000 K Street, NW, #600 Washington, DC 20007	Ravenswood Aluminum
Anna Thronson, 1025 Thomas Jefferson Street, #700E Washington, DC 20007	Legislative Strategies (For:Donohue & Associates, Inc)
Do	Legislative Strategies (For:State of New Mexico (Natural Gas Programs))
Timmons & Co, Inc, 1850 K St., NW, #850 Washington, DC 20006	General American Life Insurance Co
Do	Phoenix Mutual Life Insurance Company
Marion Torchia, 1050 17th Street, NW, #510 Washington, DC 20036	Healthcare Financial Management Assn
Mary C. Toups, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Peoples Republic of China)
Jeffery S. Trinca, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates, Inc (For:Golden Rule Insurance Company)
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)
Do	Van Scoyoc Associates, Inc (For:The National Assn of Life Underwriters)
Terry Turner, 1641 Besley Rd., NE Vienna, VA 22182	Seafarers International Union
Tyler House Tenants Council, Inc, 1200 North Capitol Street, NW, #636 Washington, DC 20001	
Lauren Urich, 421 Maple Leaf Dr. Edgewater, MD 21037	Ford Motor Co
Francis J. Vacca, 100 North Carolina Ave., SE Washington, DC 20003	Western United Dairymen
Anthony Valanzano, 1825 I Street, NW, #400 Washington, DC 20006	Nationwide Life Insurance Company
Van Ness Feldman & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	Natural Gas Supply Assn
Do	Toyota Motor Sales, USA, Inc
H. Stewart Van Scoyoc, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates, Inc (For:Dresser Industries, Inc)
Do	Van Scoyoc Associates, Inc (For:Golden Rule Insurance Company)
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)
Do	Van Scoyoc Associates, Inc (For:The National Assn of Life Underwriters)
Do	Van Scoyoc Associates, Inc (For:Tulane University)
Patricia C. Vaughan, 205 E. 42nd Street, #1504 New York, NY 10017	Risk & Insurance Management Society, Inc
Venable Baetje Howard & Civiletti, 1201 New York Ave., NW, #1100 Washington, DC 20005	American Insurance Association
Do	Compaq Computer Corporation
Do	Computer & Business Association
Do	International Mass Retail Association
Do	Wal-Mart
Pamela Verick, 1666 Connecticut Ave., NW Washington, DC 20009	The Federation for American Immigration Reform
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW #700 Washington, DC 20005-2301	Ameritech
Do	Burlington Morthern, Inc
Do	Independent Bankers Association of America
Do	K Mart Corp
Do	Kellogg
Do	Manville Corp
Do	Rubber Manufacturers Assn
Do	Upjohn Co
David Vienna & Associates, 401 Wythe Street, #2-A Alexandria, VA 22314	American Assn of Classified School Employees
Do	Executive Life Insurance Company of California
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	Panhandle Eastern Corp
Edith Rosales Vittel, 7352 Lee Highway, #103 Falls Church, VA 22046	
William Von Raab, 215 Prince Street Alexandria, VA 22738	Societe Generale de Surveillance SA
Carmen Delgado Votaw, 1025 Connecticut Ave., NW, #309 Washington, DC 20036	Girl Scouts of the U.S.A.
William M. Walker, 509 W. 3rd Anchorage, AK 99501	Hughes Thorness Ceandz Powell & Brurdin (For:City of Valdez, Alaska)
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	American Road & Transportation Builders Assn
Do	Bankers Trust Company
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Chambers Development Co, Inc
Do	Grocery Manufacturers Assn
Do	IMC Fertilizer, Inc
Do	Jackson National Life Insurance Co
Do	Sandoz Corporation Protection Corp.
Barbara F. Warden, 1757 N Street ,NW, Washington, DC 20036	International Union United Auto Aerospace & Ag. W of A(UAW)
David E. Warr, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Company
Washington Perito & Dubuc, 1120 Connecticut Ave., NW Washington, DC 20036	Coca Cola Company
Robert A. Weinberger, 816 Connecticut Ave., NW Washington, DC 20006	Unilever U.S., Inc
Mark Weller, 2200 Clarendon Blvd, #1006 Arlington, VA 22201	Ball Corp
Erik H. Werth, P.O. Box 4557 Georgetown University Washington, DC 20057	Students for a Free Kuwait
Sherece West, 105 East 22nd Street New York, NY 10010	Community Service Society
Wexler Group, 1317 F Street, NW, #600 Washington, DC 20004	American Public Transit Assn
Do	Defense Rations Manufacturers Assn
Do	Des Moines Chamber of Commerce
Do	Go USA/ The Travel Coalition
Do	Intermountain Rural Electric Assn
Do	New England Aquarium
Suzanne K. Whitehurst, 332 Constitution Ave., NE Washington, DC 20002	Marcus G. Faust (For:Geneva Steel)
Do	Marcus G. Faust (For:State of Montana Dept of Natural Resources & Conservation)

Organization or Individual Filing	Employer/Client
Wayne A. Whitham, 1021 East Cary Street, 17th Floor P.O. Box 1320 Richmond, VA 23210-1320	Williams Mullen Christian & Dobbins (For:Investors Savings Bank)
Larry H. Whitt, 9111 E. Douglas Wichita, KS 67207	Pizza Hut, Inc
Robert Whittaker, c/o Fleishman Hillard, Inc 1301 Connecticut Ave., NW Washington, DC 20036	J. I. Gray & Associates
Do	Arnold J. Lande MD.
Gary L. Widman, 505 Montgomery Street San Francisco, CA 94111	Bronson Bronson & McKinnon (For:Sjoberg Industries, Inc)
Wiley Rein & Fielding, 1776 K Street, NW, 12th Fl. Washington, DC 20006	National Assn for Information Services
Do	Olan Mills, Inc
Jack L. Williams, 451 New Jersey Avenue, SE Washington, DC 20003	Coalition for American Energy Security
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	Bank of America, NT&SA
Do	British Petroleum
Do	Colonial Pipeline Company
Willkie Farr & Gallagher, 1155 21st Street, NW, # 600 Washington, DC 20036	Morgan Guaranty Trust Co
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	G-IV Family Coalition, Inc
Ann Wilson, 1611 Duke Street Alexandria, VA 22314	American Movers Conference
Randolph Wilson, One Merchants Plaza Indianapolis, IN 46255	Merchants National Corp
Quentin Wilson & Associates, Inc, 25 North Brentwood Blvd. St. Louis, MO 63105	University of Missouri-Rolla
Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	Winkelmann & Associates, Inc (For:Four Seasons Group, Inc)
Do	Winkelmann & Associates, Inc (For:National Assn of Mortgage Brokers)
Winston & Strawn, 1400 L Street, NW Washington, DC 20005-3502	Cooper Tire & Rubber Company
Linda A. Winter, 1400 Sixteenth Street, NW Washington, DC 20036-2266	National Wildlife Federation
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	Business Roundtable
Elizabeth Wirick, 805 15th Street, NW, #300 Washington, DC 20005	Credit Union National Assn, Inc
Melanie Wisniewski, P.O. Box 520783, GMF Miami, FL 33152	Burger King Corp
S.R. Wojdak and Associates, Inc, The Bellevue - Suite 850 200 S. Broad Street Philadelphia, PA 19102	Drexel University
William H. Wolfe, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc
Harris S. Wood, 1333 New Hampshire Ave., NW, #1001 Washington, DC 20036	Arco Oil & Gas Co
Wunder Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	Ad Hoc Committee for a Competitive Electric Supply System
Do	American Bus Assn
Do	American International Automobile Dealers Assn
Do	American Orthotic & Prosthetic Assn
Do	American Society of Assn Executives
Do	Committee Against Revising Staggers
Do	Connaught Laboratories, Inc
Do	Council of Industrial Boiler Owners
Do	Crescent Cities Jaycees Foundation, Inc
Do	Grand Metopolitan/Pillsbury
Do	Industrial Oil Consumers Group
Do	Marina Paficia Oil Company
Do	Maxxan
Do	National Funeral Directors Assn
Do	National Retail Hardware Assn
Do	Process Gas Consumers Group
Do	SmithKline Beecham
Deborah D. Zandarski, 468 Hall NW P.O. Box 4021 Warren, OH 44482-4021	Ohio Prison Education Network
Zuckert Scoutt & Rasenberger, 888 17th St., NW, #600 Washington, DC 20006-3959	Coalition for Air Service to O'Hare

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the second calendar quarter 1991:

(NOTE.—The form used for reporting is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . .

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

IDENTIFICATION NUMBER____

Is this an Amendment?
☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee".*—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer".*—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report."

STATEMENT OF VERIFICATION

[Omitted in printing]

PAGE 1

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§ 302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............TOTAL for this Quarter (Add "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§ 302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............."Expense Money" and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* *("Period"* from Jan. 1 through.............................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§ 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than Item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§ 302 (b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*_______________

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates*	*—Name and Address of Recipient—Purpose*
$1,750.00	7–11:	Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15:	Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00		TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Ann Hadley vom Eigen, 1828 L Street, NW, #705 Washington, DC 20036	American Land Title Assn	3,375.00	
Robert J. Aagre, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	120.00	20.00
Paul C. Abenante, 1111 14th St., NW, #300 Washington, DC 20005	American Bakers Assn		
Jessica R. Aberly, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	2,122.86	
Jean R. AbiNader, 1825 K Street, NW, #1107 Washington, DC 20006	National U.S.-Arab Chamber of Commerce		
Jeffery A. Abrahamson, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp/Citibank	176.63	
Matthew J. Abrams, 1220 19th Street, NW, #202 Washington, DC 20036	CANAMCO (For:Aerospace Industries Assn of Canada)	3,500.00	
Do	CANAMCO (For:Canadian Shipowners Assn)		
Christopher Barclay Abukari, 1627 Lamont St., NW, #51 Washington, DC 20010	Rainbow Lobby, Inc	4,836.00	
Adrian Acevedo, P.O. Box 2880 Dallas, TX 75221-2880	Oryx Energy Company		
Rodney J. Ackerman, 1450 Poydras Street New Orleans, LA 70112-6000	CNG Producing Company	400.00	52.82
Nels Ackerson, 9915 S. Glen Road Potomac, MD 20854	Ackerson & Feldman (For:Government of Quebec, Ministry of International Affairs).		
Ackerson & Feldman, 901 Fifteenth Street, NW, #1250 Washington, DC 20005-2301	Government of Quebec, Ministry of International Affairs		365.00
Charles A. Acquard, 2301 M Street, NW, Washington, DC 20037	American Public Power Assn	2,000.00	
John M. Adams, 909 N. Washington Street, #300 Alexandria, VA 22314	Retired Enlisted Assn	1,560.00	1,400.00
Robert O. Aders, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Elmer E. Adkins, 89 East Avenue Rochester, NY 14649-0001	Rochester Gas & Electric Corp	918.00	
Allan Robert Adler, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Cohn & Marks (For:Association of American Publishers, Inc)	1,000.00	
Do	Cohn and Marks (For:Maclean Hunter Cable TV)		
Do	Cohn & Marks (For:USA Network)		
Terrance M. Adlhock, 1001 Pennsylvania Ave, NW, #450-N Washington, DC 20004	Southern California Edison Co	4,950.00	4,500.00
Advocates for Highway & Auto Safety, 777 N. Capitol Street, NE, #410 Washington, DC 20002			15,681.00
Aerospace Industries Assn of America, Inc, 1250 Eye Street, NW, #1100 Washington, DC 20005		9,121.00	9,121.00
Agricultural Policy Working Group, 517 C Street, NE Washington, DC 20002-5809			
David J. Aho, 1667 K Street, NW, #710 Washington, DC 20006	Baxter	2,000.00	280.00
Robert S. Aiken, 1735 I Street, NW, #916 Washington, DC 20006	Pinnacle West Capital Corp	10,000.00	2,432.51
Air Conditioning & Refrigeration Institute, 1501 Wilson Boulevard, #600 Arlington, VA 22209		225.00	225.00
Air Conditioning Contractors of America, 1513 16th Street, NW Washington, DC 20036		1,250.00	1,250.00
Air Products & Chemicals, Inc, 805 15th Street, NW, #330 Washington, DC 20005			10,334.64
Air Transport Assn of America, 1709 New York Ave., NW Washington, DC 20006		203,277.19	203,277.19
Aircraft Owners & Pilots Assn, 421 Aviation Way Frederick, MD 21701		136,075.00	115,410.00
Randolf H. Aires, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Sears Roebuck & Co	3,600.00	68.77
Akin Gump Strauss Hauer & Feld, 1333 New Hampshire Ave., NW, #400 Washington, DC 20036	A.E. Staley Manufacturing	975.00	19.00
Do	American Airlines	2,650.00	38.00
Do	American General Investment Corp		
Do	American Telephone & Telegraph Co	2,180.00	38.00
Do	Bank of Nova Scotia		
Do	Basis Point	7,620.00	133.00
Do	Boone Co	200.00	
Do	Burger King Corp		
Do	Business Round Table	1,225.00	
Do	California Institute of Technology		
Do	Cambridge Information Group	5,745.00	95.00
Do	Clark/Bardes Organization, Inc		
Do	Colombian Government Trade Bureau (PROEXPO)	5,970.00	114.00
Do	Consumers Power Company	5,800.00	95.00
Do	Cotton Bowl Athletic Assn	13,490.00	247.00
Do	First City Bankcorporation of Texas, Inc		
Do	Fujitsu America, Inc		
Do	General Instrument Corp		
Do	W. R. Grace & Co		
Do	Guardian Industries		
Do	Houston Oilers		
Do	Peter Kiewit Son's, Inc	1,735.00	19.00
Do	Levi Strauss & Co		
Do	Long Island Lighting Co		
Do	MacAndrews & Forbes Holdings, Inc	6,665.00	114.00
Do	Mesa Petroleum Co	2,115.00	38.00
Do	Metropolitan Transit Authority of Harris County	14,085.00	266.00
Do	Miller Brewing Company	9,080.00	171.00
Do	Morgan Stanley & Co, Inc	2,350.00	38.00
Do	Motion Picture Assn of America, Inc	1,180.00	
Do	National Football League	2,635.00	38.00
Do	National Health Laboratories		
Do	New York Public Library	830.00	19.00
Do	Pharmaceutical Manufacturers Assn	250.00	
Do	Pillsbury Company		
Do	RJR Nabisco, Inc	650.00	
Do	Shell Oil Co		
Do	Southern California Edison Co	1,585.00	19.00
Do	Texas National Research Laboratory Commission	590.00	
Do	Time-Warner	3,670.00	57.00
Do	Upjohn Company	2,370.00	38.00
Do	Warner-Lambert Co	175.00	
William E. Albers, 11 Dupont Circle, NW, #300 . Washington, DC 20036-1207	Albers & Company (For:May Department Stores Co)		
David Alberswerth, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	3,862.68	
James J. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Ambrosetti America)		
Do	Albertine Enterprises, Inc (For:American Business Conference, Inc)	1,800.00	44.50
Do	Albertine Enterprises (For:Castle-Harlan Delaware Management, Inc)		
Do	Albertine Enterprises, Inc (For:Exide Electronics)	3,000.00	490.00
Do	Albertine Enterprises (For:Fruit of the Loom)	10,000.00	340.00
Do	Albertine Enterprises, Inc (For:Materials Research Corp of Sony USA, Inc)	4,500.00	230.00
Do	Albertine Enterprises, Inc (For:Millipore Corp)	3,300.00	73.26
Do	Albertine Enterprises, Inc (For:Rogerson Aircraft Corp)	1,500.00	4.50
Do	Albertine Enterprises, Inc (For:SMS Corp)	1,500.00	4.50
Do	Albertine Enterprises, Inc (For:West Point Pepperell, Inc)	10,000.00	340.00
Do	Albertine Enterprises (For:Western Digital, Inc)		
John M. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:Ambrosetti America)		
Do	Albertine Enterprises, Inc (For:American Business Conference, Inc)	4,200.00	103.83
Do	Albertine Enterprises (For:American Precision Industries)	1,050.00	5.33
Do	Albertine Enterprises, Inc (For:Castle Harlan & Delaware Management Corp)		
Do	Albertine Enterprises, Inc (For:Exide Electronics)	14,500.00	470.00
Do	Albertine Enterprises, Inc (For:Fruit of the Loom, Inc)	21,000.00	770.00
Do	Albertine Enterprises, Inc (For:Materials Research Corp of Sony USA, Inc)	7,000.00	470.00
Do	Albertine Enterprises, Inc (For:Millipore Corp)	7,700.00	148.64
Do	Albertine Enterprises, Inc (For:Rogerson Aircraft Corp)	2,200.00	75.00
Do	Albertine Enterprises, Inc (For:SMS Corp)	7,000.00	57.00
Do	West Point Pepperell, Inc	21,000.00	770.00
Do	Albertine Enterprises, Inc (For:Western Digital Corp)		
Albertine Enterprises, Inc, 1250 24th Street, NW, #600 Washington, DC 20037	Ambrosetti America		
Do	American Business Conference, Inc	6,000.00	148.33
Do	American Precision Industries	1,500.00	7.62
Do	Castle Harlan, Inc		
Do	Exide Electronics	24,000.00	1,500.00
Do	Fruit of the Loom, Inc	30,000.00	1,100.00
Do	Materials Research Corp of Sony USA, Inc	15,000.00	1,500.00
Do	Millipore Corp	11,000.00	236.00
Do	Rogerson Aircraft Corp	3,666.25	40.00
Do	SMS Corp	10,000.00	136.00
Do	West Point Pepperell, Inc	30,000.00	1,100.00
Do	Western Digital Corp		
Virginia S. Albrecht, 1350 I Street, NW Washington, DC 20005	Beveridge & Diamond, P.C. (For:Arvida Company)	3,445.32	
Arthur J. Alexander, 1000 Connecticut Ave., NW Washington, DC 20036	Japan Economic Institute of America	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Donald C. Alexander, 1333 New Hampshire Ave., NW, #700 Washington, DC 20036	Cadwalader Wickersham & Taft (For:Air Products & Chemicals, Inc)		
Do	Cadwalader Wickersham & Taft (For:Air Transport Assn of America)		
Do	Cadwalader Wickersham & Taft (For:American Financial Corp)		
Do	Cadwalader Wickersham & Taft (For:Bechtel Group, Inc)	55.25	
Do	Cadwalader Wickersham & Taft (For:Bechtel Investments, Inc)		
Do	Cadwalader Wickersham & Taft (For:Chiquita Brands International, Inc)		
Do	Cadwalader Wickersham & Taft (For:Disabled American Veterans)	55.25	
Do	Cadwalader Wickersham & Taft (For:Management Compensation Group)		
Do	Cadwalader Wickersham & Taft (For:Mortgage Guaranty Insurance Corp)		
Do	Cadwalader Wickersham & Taft (For:Nationwide Mutual Insurance Co)	1,066.00	
Donna K. Alexander, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:Federal Employee Tax Group)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Feibel-Garek)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Golden Nugget)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Groom & Nordberg (for: Chevron))		
Do	LeBoeuf Lamb Leiby & MacRae (For:Physicians Insurers Assn of America)		
Mary K. Alexander, 1819 L Street, NW, #200 Washington, DC 20036-3822	Matsushita Electric Corp of America	100.00	67.79
Nancy C. Alexander, 245 Second Street, NE Washington, DC 20002	Friends Committee on National Legislation	5,515.62	
Alexander & Associates, Inc, 400 C Street, NE Washington, DC 20002	Investment Company Institute	15,000.00	
Do	Merrill Lynch & Co., Inc		1,000.00
Do	Washington Hospital Center		
Barbara Allen, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	13,023.00	299.61
William E. Allen, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
Alliance for Capital Access, 888 17th Street, NW, 12th Floor Washington, DC 20006		25,000.00	10,262.79
Alliance of American Insurers, 1629 K Street, NW, #1010 Washington, DC 20006			61,227.34
Alliance of Nonprofit Mailers, 2001 S Street, NW, #301 Washington, DC 20009		5,247.50	6,953.63
Alliance Against Handguns, P.O. Box 75700 Washington, DC 20013			
Robert F. Allnut, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
Alpha Lyracom d/b/a Pan American Satellite, One Pickwick Plaza Greenwich, CT 06830			2,654.00
Loren J. Alter, 800 North Plaza Drive Schaumburg, IL 60196	Zurich-American Insurance Companies		
Michael J. Altier, 701 Pennsylvania Avenue, NW Washington, DC 20004	National Retail Federation	2,000.00	50.50
Quinn 'R' Amaro, 8901 South Wilmot Road Tucson, AZ 85706			
John O. Ambler, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	221.37	
American Academy of Family Physicians, 8880 Ward Parkway Kansas City, MO 64114		23,600.57	23,600.57
American Agriculture Movement, Inc, 100 Maryland Ave, NE, #500 Box 69 Washington, DC 20002		6,000.00	6,000.00
American Amusement Machine Assn, 12731 Directors Loop Woodbridge, VA 22192		62,143.00	62,143.00
American Arts Alliance, 1319 F Street, NW, #307 Washington, DC 20004-1182			12,427.21
American Assn for Respiratory Care, 11030 Ables Lane Dallas, TX 75229		21,708.63	21,721.37
American Assn of Airport Executives, 4212 King Street Alexandria, VA 22302		278,850.00	51,389.00
American Assn of Blood Banks, 1117 North 19th St., #600 Arlington, VA 22209		5,000.00	5,000.00
American Assn of Early Childhood Educators, 3612 Bent Branch Court Falls Church, VA 22041		100.00	100.00
American Assn of Equipment Lessors, 1300 North 17th St., #1010 Arlington, VA 22209			
American Assn of Meat Processors, P.O. Box 269 Elizabethtown, PA 17022		1,101.99	50.00
American Bankers Assn, 1120 Connecticut Avenue, NW Washington, DC 20036		122,850.65	122,850.65
American Cement Alliance, Inc, 1212 New York Avenue, NW, #520 Washington, DC 20005		150,576.55	34,007.18
American Cemetery Assn, 5201 Leesburg Pike, #1111 Falls Church, VA 22041			
American Council for Capital Formation, 1850 K Street, NW, #400 Washington, DC 20006		6,759.00	6,469.00
American Council of Life Insurance, Inc, 1001 Pennsylvania Avenue, NW Washington, DC 20004		56,389.00	55,004.00
American Dental Assn, 211 E. Chicago Ave. Chicago, IL 60611			7,051.85
American Farm Bureau Federation, 225 Touhy Ave Park Ridge, IL 60068		165,055.00	165,055.00
American Fed of Labor & Congress of Industrial Organizations, 815 16th St., NW Washington, DC 20006			189,668.18
American Fiber Manufacturers Assn, Inc, 1150 17th St., NW, #310 Washington, DC 20036			590.00
American Frozen Food Institute, 1764 Old Meadow Rd., #350 Mclean, VA 22102		11,500.00	11,500.00
American Gas Assn, 1515 Wilson Boulevard Arlington, VA 22209		45,198.00	45,198.00
American Health Care Assn, 1201 L Street, NW Washington, DC 20005		334,604.34	93,408.88
American Hotel & Motel Assn, 1201 New York Ave., NW Washington, DC 20005		23,879.81	15,771.61
American Institute of Merchant Shipping, 1000 16th Street, NW, #511 Washington, DC 20036			4,988.80
American Insurance Assn, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036		5,542.00	5,542.00
American International Group, Inc, 70 Pine Street New York, NY 10270			53,372.72
American Israel Public Affairs Comm, 440 First Street, NW, #600 Washington, DC 20001		121,908.00	175,519.59
American Land Title Assn, 1828 L St., NW, #705 Washington, DC 20036			3,625.00
American League for Exports & Security Assistance, Inc, 122 C St., NW, #740 Washington, DC 20001		65,000.00	13,309.59
American Life Lobby, Inc, P.O. Box 490 Stafford, VA 22554		27,500.00	23,000.00
American Malting Barley Assn, Inc, 735 North Water Street, #908 Milwaukee, WI 53202		18,996.93	2,629.83
American Meat Institute, 1700 N. Moore Street Arlington, VA 22209		68,491.00	31,719.38
American Medical Assn, 535 North Dearborn St. Chicago, IL 60610			80,206.98
American Methanol Institute, 815 Connecticut Ave., NW, #800 Washington, DC 20006		13,950.00	35,591.00
American Movers Conference, 1611 Duke Street Alexandria, VA 22314			1,225.00
American Newspaper Publishers Assn, Box 17407 Dulles International Airport Washington, DC 20041		63,919.13	63,919.13
American Nuclear Energy Council, 410 1st St., SE Washington, DC 20003		147,393.69	106,770.53
American Nurses' Assn, 1101 14th Street, NW, #200 Washington, DC 20005		34,952.39	34,952.39
American Occupational Therapy Assn, Inc, 1383 Piccard Drive P.O. Box 1725 Rockville, MD 20850-0822		9,217.51	9,217.51
American Orthotic and Prosthetic Assn, 1650 King Street, #500 Alexandria, VA 22314-1885		51,183.00	32,588.00
American Paper Institute, Inc, 260 Madison Ave. New York, NY 10016			11,726.20
American Petroleum Institute, 1220 L St., NW Washington, DC 20005		302,531.75	370,978.25
American Physical Therapy Assn, 1111 N. Fairfax St. Alexandria, VA 22314		8,120.72	8,120.72
American Podiatric Medical Assn, 9312 Old Georgetown Road Bethesda, MD 20814-1621			22,974.17
American Postal Workers Union, AFL-CIO, 1300 L Street, NW Washington, DC 20005		79,011.56	81,733.03
American Public Transit Assn, 1201 New York Avenue, NW Washington, DC 20005		42,778.00	42,778.00
American Pulpwood Assn, 1025 Vermont Avenue, NW Washington, DC 20005			
American Radio Relay League, Inc, 225 Main St. Newington, CT 06111			12,416.00
American Retreaders' Assn, P.O. Box 17203 Louisville, KY 40217		500.00	500.00
American Short Line Railroad Assn, 2000 Massachusetts Ave., NW Washington, DC 20036			
American Soc of Anesthesiologists, 1101 Vermont Ave, NW, #606 Washington, DC 20005			54,120.79
American Soybean Assn, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107		9,431.00	1,917.84
American Textile Manufacturers Institute, Inc, 1801 K Street, NW, #900 Washington, DC 20006		47,868.81	62,332.21
American Veterinary Medical Assn, 1023 15th Street, NW, #300 Washington, DC 20005		2,000.00	1,312.00
American Waterways Operators, Inc, 1600 Wilson Boulevard, #1000 Arlington, VA 22209		500,388.00	80.00
American Wood Preservers Institute, 1945 Gallows Road, #550 Vienna, VA 22182			26,375.00
Americans for the High Frontier, 2800 Shirlington Road, #405A Arlington, VA 22206		60,068.82	43,464.85
Americans for the National Voter Initiative Amendment, 3115 N St., NW Washington, DC 20007			
Americans for Nonsmokers' Rights, 2054 University Ave., #500 Berkeley, CA 94704		3,590.00	3,590.00
Joanne Ames, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Laurel W. Ames, 989 Tahoe Keys Blvd., #6 South Lake Tahoe, CA 96150	League to Save Lake Tahoe	1,080.17	86.17
Morris J. Amitay, P.C., 444 N. Capitol Street, NW, #712 Washington, DC 20001	American Free Trade Assn	5,000.00	
Do	Coalition for American Energy Security	6,500.00	
Do	Free Angola Information Service	15,000.00	
Do	Northrop Corp	9,000.00	
Do	Thompson Medical Co	4,000.00	
Eiji Amito, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	American Honda Motor Co, Inc	600.00	
Jan S. Amundson, North Lobby, #1500 1331 Pennsylvania Ave., NW Washington, DC 20004-1703	National Assn of Manufacturers		
Anadarko Petroleum Corp, 16855 Northchase Drive Houston, TX 77251-1330			
Jeffrey M. Anders, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	57.00
Byron Anderson, 1001 Pennsylvania Ave, NW, #460(N) Washington, DC 20004-2505	New York Life Insurance Company		
Carl A. Anderson, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004	Knights of Columbus	1,000.00	
Cynthia C. Anderson, 750 17th Street, NW 4th Floor Washington, DC 20006-4607	Enron Corp	3,000.00	
H. Kim Anderson, Virginia Petroleum Council 1001 E. Broad Street Richmond, VA 23219	American Petroleum Institute	50.00	
John A. Anderson, 1333 H St., NW, #300 Washington, DC 20005	Electricity Consumers Resource Council (ELCON)	660.00	88.00
Jon A. Anderson, 1100 Connecticut Ave., NW, #410 Washington, DC 20036	Eaton Corp		4,009.75
Scott G. Anderson, 801 Pennsylvania Ave., NW, #220 Washington, DC 20004-2604	Burlington Northern Railroad Co	1,900.00	238.24
Steven Anderson, 1764 Old Meadow Rd, #350 Mclean, VA 22102	American Frozen Food Institute	6,600.00	
Susan S. Anderson, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp		
Tobyn J. Anderson, 601 Thirteenth Street, NW, #320 South Washington, DC 20005	National Independent Energy Producers		330.73
Elaine Andrews, 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20004-0401	National Assn of Life Companies	300.00	8.00
Lewis D. Andrews Jr., 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Michael Andrews, 1455 Pennsylvania Ave., NW, #325 Washington, DC 20004	Salomon Brothers, Inc	4.00	
William Robert Andrews, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	1,272.77
Andrews & Kurth, 1701 Pennsylvania Avenue, NW, #200 Washington, DC 20006	Association of Battery Recyclers	1,115.70	1,115.70
Andrews' Associates, Inc, 2550 M St., NW, #450 Washington, DC 20037	California Dairy Institute		
Do	Interstate Natural Gas Assn (INGA)	17,500.00	
Do	Mars, Inc		
Do	Safeguard America's Family Enterprises		
Animal Health Institute, 119 Oronoco Street P. O. Box 1417-D50 Alexandria, VA 22313			478.00
Decker Anstrom, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	8,984.00	
Ernest Antczak, 27777 Inkster Road Farmington Hills, MI 48334	Michigan National Corp	569.00	1,544.00
Virginia Antos, 1718 Connecticut Avenue, NW, 7th Floor Washington, DC 20009	Association of American Publishers		
Apple Computer, Inc, 1550 M Street, NW, #1000 Washington, DC 20005			1,133.03
Paul W. Arcari, 201 N. Washington Street Alexandria, VA 22314	Retired Officers Assn	6,441.00	
R. M. Julie Archuleta, 1747 Pennsylvania Avenue, NW, 3rd Fl. Washington, DC 20006	Occidental Chemical Corp	60.00	24.00
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	American Assn of Bioanalysts	20,517.78	1,940.16
Do	American Assn of Occupational Health Nurses	9,449.19	477.38
Do	American Medical Imaging Corp		
Do	Association of Professional Flight Attendants	30,000.00	900.00
Do	Central States SE & SW Areas Health Welfare & Pension Funds	13,643.10	698.35
Do	Children With Attention Deficit Disorder (CHADD)		55.00
Do	City of San Diego		
Do	Guardian Life Insurance Co of America	6,461.69	75.73
Do	Independent Federation of Flight Attendants	5,000.00	300.00
Do	International Society for Clinical Laboratory Technology	3,007.31	25.68
Do	Mercy Hospital of Des Moines, Iowa	5,170.08	1,032.29
Do	Motor and Equipment Manufacturers Association	6,500.00	1,441.24
Do	National Assn of College Stores	540.00	
Do	National Field Selling Assn		
Do	National Parking Association	10,733.94	
Do	Popular Democratic Party		204.74
Do	Puerto Rico Federal Affairs Administration		960.88
Do	Second Street Limited Partnership	16,165.00	232.14
Do	SO-PAK-CO, Inc	0.47	138.32
Do	Transport Insurance Company		
Do	Video Software Dealers Assn	15,131.71	3,013.47
Fred Armstrong Jr, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Tertia R. Armstrong, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	182.00	
Carl F. Arnold, P.O. Drawer 7170 McLean, VA 22106	American Iron & Steel Institute	750.00	
Do	Ashland Oil Co	750.00	
Do	Corporate Property Investors	1,000.00	
Arnold & Porter, 1200 New Hampshire Ave., NW Washington, DC 20036	American Institute of Certified Public Accountants		
Do	American Red Cross	1,056.00	
Do	Avatar Utilities, Inc		
Do	Avis, Inc		
Do	ACPC		
Do	AFL-CIO		
Do	Building & Construction Trades Dept, AFL-CIO		
Do	Business Roundtable		99.00
Do	Commissioner, Dept of Telecommunications City of New York	550.00	
Do	Continental Corporation	237.50	
Do	Fujisawa USA, Inc	855.00	
Do	General Conference of Seventh-day Adventists	26,707.50	331.86
Do	Hoffmann-La Roche, Inc	1,202.50	
Do	Hopi Indian Tribe		
Do	International Commodities Clearing House		
Do	London Commodity Exchange		
Do	London International Financial Futures Exchange, Ltd		
Do	Michigan National Corp (for: Beverly Hills Fed Savings Bank)	4,881.25	
Do	MCorp		
Do	National Assn of Telecommunications Officers & Advisors		
Do	National Coordinating Comm for Multiemployer Plans	10,937.50	307.19
Do	Penn Central Industries Group		
Do	Philip Morris, Inc	1,920.67	8.00
Do	Recording Industry Assn of America, Inc		
Do	Sacramento Municipal Utility District		
Do	Stanford University	4,636.50	
Do	State Farm Mutual Automobile Insurance Co	13,113.75	2,313.45
Do	Survival Technology, Inc		
Do	Thomsom Corp of America	455.00	
Do	Unilever United States, Inc		
Arnold Grobmyer & Haley, P.O. Box 70 Little Rock, AR 72203	Arkansas Assn of Securities Dealers		
Do	Mid-South International Trade Assn		
Thomas M. Arrasmith, 1801 K Street, NW, #1200 Washington, DC 20006	IBM Corp	1,234.80	201.66
Deborah Arrindell, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses Assn	2,975.00	213.30
Thomas Ludlow Ashley, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	1,616.00	
Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippines			
Associated Credit Bureaus, Inc, 1090 Vermont Avenue, NW, #200 Washington, DC 20005		1,500.00	
Associated General Contractors of America, 1957 E St., NW Washington, DC 20006			
Association for Commuter Transportation, Inc, 808 17th Street, NW, #200 Washington, DC 20006-3953			
Association of American Law Schools, 1201 Connecticut Avenue, NW, #800 Washington, DC 20036			
Association of American Publishers, 1718 Connecticut Avenue, NW Washington, DC 20009-1148		16,447.00	16,447.00
Association of American Railroads, American Railroads Building 50 F Street, NW Washington, DC 20001		198,782.93	198,782.93
Association of American Veterinary Medical Colleges, 1023 15th Street, NW, 3rd Floor Washington, DC 20005			108.00
Association of Certified Trucking Schools, 3050 K Street, NW, 4th Floor Washington, DC 20007			
Association of Maximum Service Television, Inc, 1400 16th Street, NW, #610 Washington, DC 20036			573.17
Association of Trial Lawyers of America, 1050 31st St., NW Washington, DC 20007		8,897.50	8,897.50
Association of Urban Universities, P.O. Box 33276 Washington, DC 20033		7,000.00	5,017.61
George J. Aste, 1707 L St., NW, #300 Washington, DC 20036-4202	United Airlines, Inc	500.00	
Atlantic Richfield Co, 515 South Flower Street Los Angeles, CA 90071			970.25
Fritz E. Attaway, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	500.00	18.00
Leslie Aubin, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.00	
John J. Auciello, P.O. Box 269 Elizabethtown, PA 17022	American Assn of Meat Processors		
Kenneth E. Auer, 50 F Street, NW, #900 Washington, DC 20001	Farm Credit Council		
Judith Auerbach, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn		
Frank W. Ault, 2009 North 14th Street, #101 Arlington, VA 22201	American Retirees Assn		24.00
Ronald R. Austin, 1201 16th Street, NW, #210 Washington, DC 20036	Overseas Education Assn, Inc	873.71	
Avon Products, Inc, 9 West 57th St. New York, NY 10019			
Merribel Symington Ayres, 601 Thirteenth Street, NW, #320 South Washington, DC 20005	National Independent Energy Producers		2,904.49
AIDS Action Council, Inc, 2033 M Street, NW, #8010 Washington, DC 20035			28,181.92
ARCO Chemical Co, 3801 West Chester Pike Newtown Square, PA 19073			657.89
ATOCHEM North America, Three Parkway Philadelphia, PA 19102			6,401.48
Gregory R. Babyak, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Contact Lens Institute		
Do	Genentech		
Do	MacAndrews & Forbes Holding, Inc		
Do	Municipal Finance Industry Assn		
Do	National Health Labs, Inc		
Do	John Nuveen & Co, Inc		
Charlotte M. Bahin, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Savings Institutions	2,000.00	
Cynthia E. Bailey, 1000 Potomac Street, NW, #401 Washington, DC 20007	California State Department of Education	6,000.00	371.25
William W. Bailey, 3333 K Street, NW, #210 Washington, DC 20006	Bailey Morris & Robinson (For:Kingdon Gould II)		
Do	Bailey Morris & Robinson (For:Investment Company Institute)		
Do	Mutual of Omaha Insurance Co		
Do	Bailey Morris & Robinson (For:Upjohn Corp)		
Bailey Morris & Robinson, 3333 K Street, NW, #210 Washington, DC 20007	American Assn of Discount Travel Brokers	5,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Kingdon Gould II	4,000.00	
Do	Hospice Care, Inc		
Do	Investment Company Institute	40,000.00	
Do	Upjohn Company	12,000.00	
David Baime, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	5,588.00	239.00
Judith L. Baird, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	200.00	
James A. Baker IV, 555 13th Street, NW, #500 East Washington, DC 20004	Baker & Botts (For:Sonat, Inc)		
James Jay Baker, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	2,393.47	332.80
John D. Baker, 815 Sixteenth Street, NW Washington, DC 20006	International Longshoremens Assn, AFL-CIO	7,458.00	
Baker & Botts, 555 13th Street, NW, #500 East Washington, DC 20004	Cabot Oil & Gas Corp		
Do	German Federation of Industry		
Do	Greater Houston Partnership		
Do	National Machine Tool Builders' Assn		
Do	Rhone-Poulec		
Do	Torchmark Corporation	5,445.00	
Do	U.S. West		
Do	United Technologies Pratt & Whitney		
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Abbey/Foster		
Do	Allen Memorial Hospital	3,333.61	
Do	American Protestant Health Assn	15,000.00	418.73
Do	American Resort & Residential Development Assn	3,000.00	3,000.00
Do	Amherst Hospital	1,080.85	
Do	Bayer AG	3,661.88	
Do	California Independent Casualty Companies Assn	5,000.00	5,000.00
Do	Chubb Corporation	7,500.00	7,500.00
Do	Cleveland Clinic Foundation	500.00	500.00
Do	Cominco Ltd	1,327.85	
Do	Committee on Problems of Drug Dependence, Inc	2,000.00	170.00
Do	Edison Electric Institute	7,325.00	7,325.00
Do	Elyria Memorial Hospital & Medical Center	1,792.78	
Do	Financial Holding Corp	7,000.00	7,000.00
Do	Fireman's Fund		
Do	Greater New York Hospital Assn		
Do	Hermann Hospital	14,400.00	151.00
Do	Homedco	8,962.64	226.25
Do	Hospital San Pablo		
Do	Hyatt Corp		
Do	INVACARE Corporation	12,439.91	279.25
Do	Life Gift Organ Donor Center	6,000.00	
Do	Lorain Community Hospital	1,792.78	
Do	Medasonics	2,497.62	
Do	Mitsui & Co (U.S.A.), Inc		
Do	Mitsui Plastics, Inc	3,656.25	
Do	Mutual of Omaha Insurance Co		
Do	MMI Companies, Inc	4,017.71	
Do	National Assn of Insurance Brokers, Inc	10,000.00	10,000.00
Do	National Assn of Professional Insurance Agents	4,000.00	4,000.00
Do	Renal Physicians of Texas	4,000.00	
Do	Society of Cardiovascular & Interventional Radiology	23,515.15	202.42
Do	St. Joseph Hospital & Health Center	3,285.15	
Do	Substance Abuse Management, Inc	7,056.17	
Do	Travelers Insurance Co	10,000.00	10,000.00
Do	United Fidelity Life Insurance	5,000.00	4,000.00
Do	University of Texas Health Science Center at Houston		
Baker Worthington Crossley Stansberry & Woolf, 801 Pennsylvania Ave., NW, #800 Washington, DC 20004	Aviall, Inc		
Do	Bremmer Industries	121.50	
Do	Contel Corp		
Do	Core Capital (BNAir)		
Do	Dallas/Fort Worth International Airport Board	729.00	
Do	Day & Zimmerman, Inc		
Do	Dinamo	3,100.50	10.00
Do	Dunigan Enterprises		
Do	Electric Data Systems, Inc	67.50	
Do	Federal Express Corp	112.50	
Do	International Business Machines Corp (IBM)	135.00	
Do	Lawler/Wood, Inc		
Do	Lockheed Air Terminal		
Do	Lordum International (Aviation Ventures, International)		
Do	Los Angeles County Transportation Commission	10,390.70	
Do	MCA, Inc		
Do	National Label Co., Inc		
Do	Occidental Petroleum Corp	787.50	
Do	Pennzoil Co		
Do	Pillsbury Company	3,231.00	
Do	Pratt & Whitney	180.00	
Do	Prudential Securities, Inc	1,787.50	
Do	Schering-Plough Corp	562.50	
Do	Southern California Edison Co	1,645.00	15.00
Do	Tech/Ops-Landauer, Inc	477.00	
Do	U.S. Tobacco, Inc	1,057.50	15.00
H. R. Balikov, 333 Thornall St. Edison, NJ 08818	J. M. Huber Corp		
Stanley W. Balis, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	60.00	0.10
Thomas L. Balkema, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron Companies	100.00	28.00
Helen M. Ball, 1150 Connecticut Ave., NW, #205 Washington, DC 20036	Hallburton Co	2,812.50	6.70
R. Brian Ball, P.O.Box 1320 Richmond, VA 23210-1320	Williams Mullen Christian & Dobbins (For:Investors Savings Bank)	1,504.25	
William L. Ball III, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	97.35	
William Lewis Ball, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	3,326.29
Ball Janik & Novack, 1101 Pennsylvania Avenue, NW, #1035 Washington, DC 20004	City of Bellevue (Washington)	4,832.31	927.24
Do	City of Portland, OR	18,218.79	2,884.54
Do	Clackamas County	25,120.00	2,852.51
Do	Greenbrier Leasing, Inc	75,708.00	7,690.18
Do	Gunderson, Inc		
Do	Mt. Hood Meadows Oregon, Ltd	4,162.00	362.92
Do	Northwest Industrial Gas Users	3,922.50	440.71
Do	Northwest Marine Iron Works	7,106.00	927.78
Do	Northwest Woodland Owners Council	38,000.00	4,989.72
Do	Oregon Department of Transportation	21,000.00	3,499.51
Do	Oregon Economic Development Department	8,000.00	1,406.95
Do	Oregon Graduate Institute of Science & Technology	4,292.50	513.92
Do	Quebec Hotel Corporation	680.00	50.67
Do	Salzer Bingham		
Do	Section 8 Housing Group		
Jack L. Ballard, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004	Central & South West Services, Inc	1,820.50	115.31
Thomas M. Balmer, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Michael Baly III, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	8,000.00	588.58
Charles E. Bangert, P.C., 662 Mallard Court Arnold, MD 21012	Business Roundtable		
Bank of Boston Corporation, 100 Federal St. Boston, MA 02110			
Barbara A. Bankoff, 3733 Yuma Street, NW Washington, DC 20016	Eli Lilly & Company		
James T. Banks, 3003 Butterfield Road Oak Brook, IL 60521	Chemical Management, Inc	3,550.00	
Kathryn Bannan, 1300 I Street, NW, #520-W Washington, DC 20005-3314	Hoffmann-La Roche, Inc		
Martha G. Bannerman, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836-2568	NAC Re Corp		
Samuel J. Baptista, 1225 19th St., NW, #410 Washington, DC 20036	Financial Services Council	4,750.00	
Emory W. Baragar, 1700 N. Moore St., #2120 Rosslyn, VA 22209	Boeing Company	3,217.26	27.00
John Paul Barber, 1117 North 19th Street, #600 Arlington, VA 22209	American Assn of Blood Banks	2,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Betsy F. Barclay, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	792.67
M. Camille Bares, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp, Inc		1,627.48
Leslie A. Barhyte, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	5,000.00	14.84
Elizabeth A. Barkan, 444 North Capitol Street, NW, #711 Washington, DC 20001	Keefe Company (For:Sanders Associates, Inc)	500.00	
Amy L. Barker, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn		
Robert H. Barker, 1150 17th Street, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc	500.00	90.00
William J. Barloon, 1850 M Street, NW, #1110 Washington, DC 20036	United Telecom/US Sprint	7,000.00	848.63
Thomas W. Barlow, P.O. Box 14000 Juno Beach, FL 33408	Florida Power & Light Company	4,034.00	717.02
Iraline G. Barnes, 1900 Pennsylvania Ave, NW Washington, DC 20068	Potomac Electric Power Company	51.74	
Larry P. Barnett, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	17,133.42	
Michael E. Baroody, 1331 Pennsylvania Avenue, NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	210.00	
James C. Barr, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	3,150.00	
David C. Barrett Jr., 1201 New York Ave., NW, #830 Washington, DC 20005	National Grain & Feed Assn		2,100.00
David M. Barrett, 2550 M Street, NW, #375 Washington, DC 20037	Fleetwood Enterprises, Inc		
Do	Southeastern Pennsylvania Transportation Authority		
Robert W. Barrie, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	1,500.00	
Robert E. Barrow, 1616 H Street, NW Washington, DC 20006	National Grange	5,000.00	
James E. Bartley, 1700 North Moore Street, #1900 Arlington, VA 22209-1904	National Industrial Transportation League	10,000.00	30.65
Jo-Anne R. Basile, 1133 21st Street 3rd Floor Washington, DC 20036	Cellular Telecommunications Industry Assn	7,500.00	24,521.10
Stephen R. Bassett, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn		
Robert W. Batchelder, 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	1,250.00	
Diane Bateman, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	9,000.00	2,524.01
Christopher M. Bates, 1325 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Motor and Equipment Manufacturers Association	1,750.00	11.35
Douglas P. Bates, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance, Inc	2,000.00	
Richard M. Bates, 1101 17th St. NW, #501 Washington, DC 20036	Disney Worldwide Services, Inc	45,000.00	545.61
Catharine R. Batky, 801 Pennsylvania Ave., NW, #220 Washington, DC 20004-2604	Burlington Northern Railroad Co	1,750.00	412.04
Erica M. Battaglia, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	7,952.29	762.05
Robin Battaglini, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
Gary Lee Bauer, 700 13th Street, NW, #500 Washington, DC 20005	Focus on the Family	875.00	
Barbara Bauman, 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light Company, et al.	16,800.00	5,707.00
Gregory J. Baumann, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Edward H. Baxter, 2000 M Street, NW, #700 Washington, DC 20036	Graham & James (For:American Academy of Cosmetic Surgery, Inc)	300.00	
Do	Graham & James (For:American Federation of Musicians)	429.21	
Do	Graham & James (For:American Hawaii Cruises)		
Do	Graham & James (For:R.R. Donnelley & Sons Company)	38.04	
Do	Graham & James (For:English Bay Corp)		
Do	Graham & James (For:Federal Administrative Law Judges Conference)		
Do	Graham & James (For:Federal Judges Association)	205.64	
Do	Graham & James (For:Federal Magistrate Judges' Association)	33.25	
Do	Graham & James (For:National Assn of Immigration Judges)	626.42	
Do	Graham & James (For:Recording Industry Assn of America)	429.21	
Do	United Video, Inc.	120.00	
Richard 'Sandy' Beach, 805 15th Street NW, #300 Washington, DC 20005-2207	Credit Union National Assn, Inc	300.00	42.70
Tina Marts Beach, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	390.00	
Bruce A. Beam, 801 Pennsylvania Ave, #214 Washington, DC 20004	American Electric Power Service Corp	411.01	920.68
Dorothy A. Beam, 1510 Laburnum Street McLean, VA 22101	Richard J. Sullivan Associates, Inc (For:Alameda County Transportation Authority).		
Do	Richard J. Sullivan Associates (For:Association of American Railroads)	9,000.00	
Do	Richard J. Sullivan Associates, Inc (For:National Utility Products Co)		
Hubert Beatty, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Virginia K. Beauchamp, 575 Ritchie Road Capitol Heights, MD 20743	Bennie L. Thayer	4,171.26	
Richard F. Bechtel, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	7,771.92	
Edward A. Beck III, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	7,680.00	64.00
Brenda Larsen Becker, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	692.00	604.09
Lee Becker, 1111 14th St., NW Washington, DC 20005	American Bakers Assn		
Steven M. Beckman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	8,484.30	50.00
William W. Beddow, 1730 Pennsylvania Ave., NW, #750 Washington, DC 20006	Caterpillar, Inc	3,000.00	200.70
Howard Bedlin, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	593.07	
Beer Institute, 1225 Eye Street, NW, #825 Washington, DC 20005			
Robert M. Beers, 2101 E Street, NW Washington, DC 20037	American Foreign Service Assn	6,601.00	
William A. Behan, 1700 N. Moore St., #820 Arlington, VA 22209	Magnavox Government & Industrial Electronics Co	3,800.00	1,862.63
Kenneth J. Beirne, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	2,500.00	
Mark Belanger, 805 Third Avenue New York, NY 10022	Major League Baseball Players Assn		
Joe Belew, 1000 Wilson Boulevard, 30th floor Arlington, VA 22209-3908	Consumer Bankers Assn		
Denise Bell, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	965.35
R. Steve Bell, 444 North Capitol Street, NW #845 Washington, DC 20001	National Air Traffic Controllers Assn	231.30	
Stephen E. Bell, 1455 Pennsylvania Ave., NW, #350 Washington, DC 20004	Salomon Brothers, Inc		
Winston Everett Bell, P.O. Box 26543 Las Vegas, NV 89126			
Trina Bellak-Bronfman, 1627 K Street, NW, #700 Washington, DC 20006	Institute of Scrap Recycling Industries, Inc	1,500.00	260.03
James P. Bellis, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Lisa Bellucci, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Jennifer L. Bendall, 1020 19th Street, NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc		
Mike Benner, 1300 L St., NW Washington, DC 20005	American Postal Workers Union	3,197.32	849.71
William M. Bennett, 1420 King Street Alexandria, VA 22314-2715	National Society of Porfessional Engineers	1,250.00	
John C. Bennison, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	8,500.00	
James M. Bensberg, 1225 Eye Street, NW, #500 Washington, DC 20005	American Motorcyclist Assn	11,285.22	1,033.88
James E. Benton, N. J. Petroleum Council 150 W. State Street Trenton, NJ 08608	American Petroleum Institute	142.00	
Todd P. Bentsen, 1444 Rhode Island Ave., NW, #917 Washington, DC 20005	Rainbow Lobby, Inc	4,015.00	
Steven P. Berchem, 119 Oronoco Street P.O. Box 1417-D50 Alexandria, VA 22313-1480	Animal Health Institute	50.00	
George L. Berg Jr., 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	7,380.75	99.84
William Berger, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
Bob Bergland, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	205.39	
Bergner Boyette & Bockorny, Inc, 1101 16th Street, NW, #500 Washington, DC 20036	Avianca, Inc	2,000.00	150.00
Do	Bell Atlantic Corp	5,000.00	882.00
Do	China External Trade Development Council	2,000.00	1,600.00
Do	First Boston Corp	2,000.00	2,850.00
Do	Flo-Sun Land Corp	5,000.00	3,009.00
Do	Fox Broadcasting Company	3,000.00	753.86
Do	Friendship in Freedom Assn	3,000.00	750.00
Do	Mallinckrodt, Inc	2,000.00	429.00
Do	McDonnell Douglas Corp	1,200.00	388.00
Do	Murry's, Inc	400.00	90.00
Do	National American Wholesale Grocers Assn (NAWGA)	500.00	180.00
Do	National Assn of Business & Educational Radio, Inc	3,000.00	996.00
Do	National Soft Drink Assn	4,000.00	998.06
Do	Natural Gas Supply Assn		
Do	Newscorp	500.00	422.00
Do	Okeelanta Corp	8,000.00	2,315.00
Do	Orange & Rockland Utilities	6,000.00	1,480.43
Gene S. Bergoffen, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Edwin M. Bergsmark, 136 North Summit Street, #213 Toledo, OH 43604	Bergsmark & Associates (For:Rudolph/Libbe Companies, Inc & subsidiaries)		
Paul C. Bergson, 1325 Pennsylvania Ave., NW, #500 Washington, DC 20004	Bergson & Company (For:Halon Research Institute)	5,000.00	
Do	Smokeless Tobacco Council	5,000.00	
Jessica Berk, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	209.25	124.45
Dayle Berke, 519 C Street, NE Washington, DC 20002	National Assn for Home Care	8,156.74	857.19
Antoinette C. Berkely, P.O. Box 2972 Washington, DC 20013			
Peter M. Berkery Jr., 1010 N. Fairfax Street Alexandria, VA 22314	National Society of Public Accountants		
Nathan R. Berkley, 2200 Mill Road Alexandria, VA 22314	American Movers Conference	100.00	
Linda K. Berkshire, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges and Universities	8,514.00	193.00
Pamela M. Berkwitz, Norwest Center-Sixth & Marquette Minneapolis, MN 55479-1032	Norwest Corporation	15,000.00	6,572.40
Ellen Berman, 2000 L St., NW, #802 Washington, DC 20036	Consumer Energy Council of America		
Jason S. Berman, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc		
Richard B. Berman, 1025 Connecticut Ave. NW, #1010 Washington, DC 20036	Burger King Corp		
Do	S&A Restaurants Corp		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Mary E. Bernhard, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	298.00	
Elizabeth Bernstein, 2030 M Street, NW Washington, DC 20036	Common Cause	4,680.00	61.25
George K. Bernstein, 1730 K St., NW Washington, DC 20006	Nationwide Insurance Companies		
Zalman C. Bernstein, Sanford C. Bernstein & Co, Inc 767 Fifth Avenue New York, NY 10153			
Bernstein & Lipsett, 1920 L Street, NW, #602 Washington, DC 20036	National Assn of Police Organizations	24,000.00	15,236.84
Craig A. Berrington, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Max N. Berry, 3213 O St., NW Washington, DC 20007	American Importers Meat Products Group		
Do	Centre National Interprofessionnel de L'Economic Laitiere		
Do	Federation des Exportateurs de Vins & Spiritueux de France		
Do	Florida Department of Citrus		
Robert E. Berry, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	1,950.00	173.79
Michael J. Bertelsen, Beneficial Management Corp. 200 Beneficial Center Peapack, NJ 07977	Beneficial Management Corp		
Margot Bester, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:Cable & Wireless North America, Inc)		
Do	Murphy & Demory, Ltd (For:Prodigy Services Corporation)		
Do	Murphy & Demory, Ltd (For:U.S. Telephone Assn)		
John F. Betar, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	1,768.00	
Ed Bethune, 210 East Vine Street Searcy, AR 72143	FBI Agents Assn (FBIAA)	10,500.00	830.08
Robert Betz, 1010 Vermont Avenue, NW, #1116 Washington, DC 20005	Robert Betz Associates, Inc (For:Alabama Hospital Association)	3,100.00	174.02
Do	American Assn of Eye & Ear Hospitals	2,250.00	100.02
Do	AmeriNet	950.00	33.58
Albert J. Beveridge, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Arvida Company)	1,093.76	
Beveridge & Diamond, P.C., 1350 Eye Street, NW, #700 Washington, DC 20005	Arvida Company	8,030.31	11,695.77
Do	Pacific Dunlop-GNB		
Do	RSR Corp		
Sheldon D. Beychok, 2237 South Acadian Thruway, #801 Baton Rouge, LA 70808	Community Health Network of Louisiana, Inc		
Do	Lamar Corporation		
Do	Ramsay Hospital Corporation of Louisiana, Inc		
Janice Bezanson, 601 Westlake Drive Austin, TX 78746	Texas Committee on Natural Resources	325.60	259.64
Rah Bickley, 2001 Pennsylvania Ave., NW Washington, DC 20006	Electonic Industries Assn	750.00	55.69
Joan T. Bier, 1726 M Street, NW, #701 Washington, DC 20036	IMCERA Group, Inc		
Moe Biller, 1300 L St., NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	13,492.31	
Leon G. Billings, Inc, 901 15th St., NW, #570 Washington, DC 20005	South Coast Air Quality Management District	15,145.53	
Ray B. Billups Jr., 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	6,706.50	4,516.15
Stuart Binstock, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Peggy K. Binzel, 820 First Street, NE, #620 Washington, DC 20002	Turner Broadcasting System, Inc	1,925.00	
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Alaska Wetlands Coalition		
Do	Calista Corp		
Do	Central Bering Sea Fishermens Assn		
Do	Chugach Alaska Corp		
Do	City of Cordova		
Do	City of St. George		
Do	Duquesne Light		
Do	Entergy Services Corp		
Do	Grand Targhee Ski Resort		
Do	North Slope Borough		
Do	Old Harbor Corp		
Do	Orange & Rockland		
Do	Pacific Gas & Electric Company		
Do	Sealaska Corp		
Do	St. George Tanaq Corp		
Do	Tanadgusix Corporation		
Do	Turlock Irrigation District		
Do	Westinghouse Electric Corp		
Do	Wildlife Legislative Fund of America		
Do	Yukon Pacific Corp		
Susan Birmingham, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	8,076.90	
McNair Bishop, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Cathleen Black, Box 17407 Dullas Airport Washington, DC 20041	American Newspaper Publishers Assn	2,000.00	16.30
Judy Black, 1199 N. Fairfax Street, #204 Alexandria, VA 22314	International Council of Shopping Centers	1,400.00	
Wayne V. Black, Keller and Heckman 1150 17th Street, NW, #1000 Washington, DC 20036	INDA, Assn of the Nonwoven Fabrics Industry		
Black Manafort Stone & Kelly, P.C., 211 North Union Street, #300 Alexandria, VA 22314	Aetna Life & Casualty	7,000.00	206.10
Do	Allied-Signal Corp	22,500.00	61.45
Do	Bethlehem Steel Corp	22,500.00	
Do	Clark Construction Group	9,000.00	
Do	Gas Safety Action Council	1,000.00	500.11
Do	Gemico	31,250.00	
Do	GTech Corp	10,000.00	1,080.65
Do	D. George Harris & Associates	4,500.00	53.90
Do	Johnson & Johnson, Inc	30,000.00	333.85
Do	Kashmiri American Foundation	35,000.00	73.26
Do	Katun Corp	11,250.00	166.01
Do	League of Leaders for Philippine Development	7,500.00	
Do	MacAndrews & Forbes Holdings, Inc/Revlon Group, Inc	6,000.00	313.90
Do	NOVA University	30,000.00	141.13
Do	Puerto Rico Federal Affairs Administration	9,000.00	132.32
Do	Republic of Kenya	31,250.00	
Do	South Carolina Economic Development Board	2,000.00	33.47
Do	Tobacco Institute	22,500.00	21.80
Do	Trump Organization	18,000.00	284.37
Do	Union Pacific Corp	22,500.00	
Do	UNITA	75,000.00	234.55
Joseph W. Blackburn, P.O. Box 55727 2222 Arlington Ave., So. Birmingham, AL 35255	Sirote & Permutt, PC (For:McAbee Construction)		5,060.39
Lisa E. Blackwell, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	1,250.00	37.78
Robert J. Blackwell Jr., 1025 Connecticut Avenue, NW, #1014 Washington, DC 20036	Ebasco Services, Inc	3,645.00	758.01
Bev D. Blackwood, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Stephen Blair, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	750.00	
Roy Blake, 900 University Dr. Nacogdoches, TX 75961	Philip Morris, Inc	3,000.00	723.04
Helen Blank, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	1,096.32	
Thomas R. Blank, 1090 Vermont Ave., NW, 3rd Floor Washinton, DC 20005	Milliken & Company	14,981.99	
Julia M. Blankenship, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	1,471.15	797.94
Norma Blankenship, 1201 L Street, NW Washington, DC 20005	American Health Care Assn	5,000.00	510.14
Michael E. Bleier, Mellon Bank N.A. One Mellon Bank Center, #1915 Pittsburgh, PA 15258-0001	Mellon Bank N.A.	2,500.00	
David Bley, 1501 4th Ave., 19th Floor Seattle, WA 98101	Federal Home Loan Bank of Seattle	8,750.00	2,571.44
John R. Block, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Peter L. Blocklin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,100.00	
Patricia Blood, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	4,500.00	849.52
Mark Bloomfield, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	1,000.00	
Shirley A. Bloomfield, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	12,000.00	1,514.45
John B. Blount Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,415.08
Robert S. Bludworth, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesaler's Assn	3,500.00	256.43
Charles H. Blum, 1400 L Street, NW, #600 Washington, DC 20005	International Advisory Services Group, Ltd (For:Steel Service Center Institute)		
Robert A. Blum, 400 Sansome Street San Francisco, CA 94111	Orrick Herrington & Sutcliffe (For:Permanente Medical Group, Inc)		75.00
Patti Blumer, 1225 Eye Street, NW, #1250 Washington, DC 20005	American Dietetic Assn	1,000.00	389.81
Boat Owners Assn of the U.S., 880 S. Pickett St. Alexandria, VA 22304		100,000.00	100,000.00
Judith Ann Boddie, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	2,377.75	423.74
Denise A. Bode, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		64.00
Larry A. Boggs, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co		
Bogle and Gates, One Thomas Circle, NW, #900 Washington, DC 20005	American Dehydrated Onion & Garlic Assn	3,000.00	
Do	Cruiseship Alliance	600.00	
Do	National Apparel & Textile Assn	5,000.00	
Do	United Sport Fishermen	1,500.00	
Robert Z. Bohan, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		
Stacy A. Bohlen, 1830 Columbia Pike, #503 Arlington, VA 22204	Humane Society of the United States	6,750.00	359.04
John Bohm, 1800 Diagonal Road, #140 Alexandria, VA 22314	National Assisted Housing Management Assn	500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Patricia Boinski, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	50.00	
Carol Bok, 1133 15th St., NW, #640 Washington, DC 20005	American Logistics Assn		
Mark P. Bolduc, 1125 15th Street, NW, #700 Washington, DC 20005	Mortgage Bankers Assn of America	5,300.00	
Eugene R. Bolo, 4000 Boury Center Wheeling, WV 26003	Oralco Management Services, Inc (For:Ormet Corp)		
Do	Oralco Management Services, Inc (For:Ravenswood Aluminum Corp)		
M. Joel Bolstein, 4000 Bell Atlantic Tower 1717 Arch Street Philadelphia, PA 19103-2793	Dechert Price & Rhoads (For:Monell Chemical Senses Center)	879.00	118.87
Benjamin C. Bolusky, 1250 Eye Street, NW, #500 Washington, DC 20005	American Assn of Nurserymen		
John E. Bonitt, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc	675.00	220.00
Edward Book, Two Layfayette Centre 1133 21st Street, NW Washington, DC 20036	Travel Industry Assn of America	5,000.00	
Gaylon B. Booker, 1918 N. Parkway Memphis, TN 38112	National Cotton Council of America		
Steven A. Bookshester, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	786.00	7.00
John K. Booth, 1001 Pennsylvania Ave., NW Washington, DC 20006	American Council of Life Insurance, Inc	100.00	
Mary Booth, 312 Massachusetts Ave., NE Washington, DC 20002	Trust for Public Land	7,452.00	15.00
Henry Borelli, 14589-053 P.O. Box 1000 Leavenworth, KS 66048-1000			
Lydia A. Borland, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	2,708.34	231.78
Ken Bossong, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	1,000.00	
Bostrom Corp, 808 17th Street, NW, #200 Washington, DC 20006	Association for Commuter Transportation, Inc (ACT)		
Do	Fire Equipment Manufacturers & Services Assn, Inc		
Charles G. Botsford, 1730 M St., NW, #911 Washington, DC 20036	McDonnell Douglas Helicopters, et al.	1,000.00	
John C. Bottenberg, 800 S.W. Jackson, #1120 Topeka, KS 66612	Philip Morris, Inc	2,500.00	445.96
Francis D. Bouchard, 1819 L Street, NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Claude P. Boudrias, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	400.00	327.50
Albert D. Bourland, 1350 I Street, NW, #800 Washington, DC 20005	Daimler-Benz Washington, Inc	7,500.00	
Laura L. Bourne, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
John Bowers Jr., 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	16,380.00	875.56
M. Kenneth Bowler, 1455 Pennsylvania Ave., NW Washington, DC 20004	Pfizer, Inc	3,000.00	743.86
Christopher Bowlin, 1331 Penn. Ave., NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers		
Richard P. Bowling, 1020 Princess Street Alexandria, VA 22314	Truck Trailer Manufacturers Assn	1,000.00	
John G. Boyd, 1301 K St., NW, #1200 Washington, DC 20005	International Business Machines Corp	262.50	58.80
Philip B. Boyer, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn	2,250.00	
J. Patrick Boyle, 1700 N. Moore Street, #1600 Arlington, VA 22209	American Meat Institute	2,187.50	
Paul Boyle, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	7,000.00	70.02
Cynthia R. Boynton, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Gordley Associates (For:National Sunflower Assn)	65.00	
Do	Gordley Associates (For:U.S. Canola Assn)	65.00	
Bracewell & Patterson, 2000 K St., NW, #500 Washington, DC 20006	Caribbean Marine, Inc		
Do	Chemical Manufacturers Assn, Inc	2,250.00	1,350.00
Do	Edison Electric Institute		
Do	Enron Corp	625.00	375.00
Do	Enterprise Products, Co		
Do	Genentech, Inc		
Do	Graham Resources, Inc		
Do	Higman Barge Lines, Inc		
Do	Louisiana Land & Exploration Co	537.60	322.50
Do	Lyondell Petrochemical, Co		
Do	Massachusetts Mutual Life Insurance Co		
Do	MEPC American Properties		
Do	National Cable Television Assn, Inc	2,250.00	1,350.00
Do	Pennsylvania Natural Gas Assn		
Do	Joseph E. Seagram & Sons, Inc	250.00	150.00
Do	Southdown/Pelto Oil Company	2,625.00	1,575.00
Do	Sterling Chemicals, Inc		
Do	Torch Energy Advisors, Inc		
Do	Valero Energy Corporation	2,750.00	1,650.00
Bradbury Bliss & Riordan, 431 West 7th Ave., #201 Anchorage, AK 99501	Akhiok-Kaguyak, Inc	19,541.19	
Wayne W. Bradley, 515 North State Street Chicago, IL 60610	American Medical Assn		
Dennis M. Bradshaw, 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Mary I. Bradshaw, 2000 M Steet, NW, #550 Washington, DC 20036	North American Telecommunications Assn	4,700.00	
Lawrence C. Brady, 2001 M Street, NW Washington, DC 20036	Capitoline International Group Ltd (For:City of America)	686.00	
Sarah Brady, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	13,108.61	
Stuart J. Brahs, 1350 I Street, NW, #1030 Washington, DC 20005	Principal Financial Group	1,257.76	
Barbara Bramble, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	957.50	
Brand & Lowell, 923 15th Street, NW, Fifth Fl. Washington, DC 20005	LTB Associates	22.50	
Do	National Assn for Home Care		
Do	NCube	3,487.50	9.00
Do	Oracle Corp		
Do	S.A.F.E.		
Do	Seafarers International Union		
Do	Unisys	770.00	50.58
Jean A. Brashears, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	275.00	
Christian N. Braunlich, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Roy Braunstein, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	14,884.48	170.08
Donald H. Brazier, P.O. Box 12266 Seattle, WA 98102	Dollar Savings Bank, et al.		
Edward T. Breathitt, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Carolyn J. Breedlove, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,567.60	29.00
Carolyn L. Brehm, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	3,763.12
Michael J. Brennan, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	10,800.00	431.05
Thomas M. Bresnahan III, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron USA, Inc	4,000.00	75.00
William O. Bresnick, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	250.00	
F.H. Brewer III, 1913 Eye Street, NW Washington, DC 20006	Chemical Specialties Manufacturers Assn, Inc	1,600.00	134.38
Larry K. Brewer, 1235 Jefferson Davis Highway Arlington, VA 22202	ESCO Electronics Corp		761.41
Sue M. Briggum, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	
Karen B. Brigham, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	12.90
Craig S. Brightup, 206 E Street, NE Washington, DC 20002	National Roofing Contractors Assn	4,625.00	910.45
David M. Brockman, 1201 New York Avenue, NW, #850 Washington, DC 20005	National Grain & Feed Assn		3,093.75
Mary Broderick, 1625 K St., NW, 8th Fl. Washington, DC 20006	National Legal Aid & Defender Assn	1,500.00	15.40
William M. Brodhead, 900 Marquette Building Detroit, MI 48226	Plunkett & Cooney (For:NBD Bancorp, Inc)	5,250.00	1,316.81
Do	Plunkett & Cooney (for City of Detroit, Michigan)	9,609.90	223.68
Do	Plunkett & Cooney (for Michigan Consolidated Gas Co)	10,980.00	6,548.48
David A. Brody, 1100 Connecticut Avenue, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc		
Do	Anti-Defamation League of B'nai B'rith		
Do	BASF Corp	2,000.00	
Do	Corn Coalition	1,000.00	
Do	Telecommunications Industry Assn	2,600.00	
Marcia D. Brody, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	300.00	
Michael J. Brokovich, 2001 L Street, NW, Suite 1000 Washington, DC 20036	Unisys Corp	1,000.00	
Dale E. Brooks, 1401 I St., NW #1200 Washington, DC 20005	Chevron USA, Inc	1,200.00	
E. R. Brooks, P.O. Box 660164 Dallas, TX 75266	Central & South West Corp	5,025.00	389.54
Mary E. Brooks, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	6,452.04	186.75
Maria Brousse, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group		
Cynthia A. Brown, 1640 Wisconsin Ave., NW, First Floor Washington, DC 20007	American College of Surgeons		
Dale E. Brown, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	4,000.00	2,363.32
David S. J. Brown, 700 14th Street, NW Washington, DC 20005	Monsanto Co	700.00	233.19
James P. Brown, 232 N. Kingshighway, #202 St. Louis, MO 63108	Bi-State Development Agency	4,600.00	1,585.00
Do	City of St. Louis - City Hall	7,800.00	3,800.00
Do	Lambert-St. Louis International Airport	21,000.00	7,620.00
John J. Brown, 50 E Street, SE Washington, DC 20003	John J. Brown & Associates (For:Labor Management Committee of the Tobacco Institute).	1,000.00	900.00
Omer F. Brown II, 701 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Davis Wright Tremaine (For:Hazardous Waste Action Coalition)	5,773.00	20.72
Paul S. Brown, 205 East 42nd Street New York, NY 10017	Risk & Insurance Management Society, Inc		
Ralph Brown, Suite 107 701 S. 22nd Street Omaha, NB 68102	M.O.A.A.I.O.A. & Subs, Inc		
Robert Craig Brown, P.O.Box 12285 Memphis, TN 38182	National Cotton Council of America		
S. M. Henry Brown Jr., 1776 Eye Street, NW, #275 Washington, DC 20006	Entergy Services, Inc	6,900.00	309.53
Vincent D. Brown, Nebraska Petroleum Council P.O. Box 95063 Lincoln, NB 68509	American Petroleum Institute	4,500.00	1,618.75
Will Rolland Brown, 11 Dupont Circle, NW, #300 Washington, DC 20036-1207	Albers & Company (For:May Department Stores Co)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
William E. Brown, 1667 K Street, NW #420 Washington, DC 20006	Mead Corporation	62.00	
William R. Brown, 122 C Street, NW, Suite 330 Washington, DC 20001	Council of State Chambers of Commerce	399.60	
William Y. Brown, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	
T. G. Brown & Associates, Inc, #995 National Press Building 529 14th Street, NW Washington, DC 20045	Lifebank, Inc	1,725.00	188.00
Clarence J. Brown and Co, Inc, 1101 Connecticut Avenue, NW, #1000 Washington, DC 20036	BHC, Inc	1,800.00	
Do	Chris-Craft Industries, Inc		
Do	Honda North America, Inc		
Do	Ohio Edison Co	2,600.00	
Do	United Television, Inc		
Tamara L. Browne, 1112 16th Street, NW Washington, DC 20036	Schagrin Associates (For:Committee on Pipe & Tube Imports (CPTI))		20.00
Do	Schagrin Associates (For:Sprinkler Pipe Producers Group)		
Do	Schagrin Associates (For:Tyco-Grinnell Corp)		10.00
Do	Schagrin Associates (For:Weirton Steel Corp)		5.00
Brownstein Hyatt Farber & Madden, 410 17th Street, 22nd Floor Denver, CO 80202	Colorado Ski Country USA		1,775.53
Do	Titanium Metals Corporation		1,815.59
Do	Western Union Corp	18,951.61	5,594.02
Brownstein Zeidman & Schomer, 1401 New York Ave., NW, #900 Washington, DC 20005	New York City Housing Development Corp	2,678.00	25.00
Do	New York State Mortgage Loan Enforcement & Admin Corp	5,642.00	34.00
Do	Related Companies of Florida		
Do	Related Companies, Inc	3,000.00	2,452.48
Do	Schochet Associates		
Do	Technical Assistance Corp - of the City of St. Louis	3,530.00	302.06
Broydrick Broydrick & Dacey, 600 East Mason Street Milwaukee, WI 53202	Aurora Health Care	1,225.00	399.19
Do	Blood Center of Southeastern Wisconin	225.00	
Do	Children's Hospital of Wisconsin	4,637.50	596.45
Do	EDS Corp	8,093.76	1,326.73
Do	Meehan Seaway	302.50	20.42
Do	Milwaukee Metropolitan Sewerage District	5,332.50	254.38
Do	Oneida Nation	27,330.00	776.68
Do	Plumbers Local #75		
Do	PrimeCare Health Plan		
Do	Waste Management, Inc	26,087.50	2,142.55
Do	Watertown Memorial Hospital	287.50	2.07
Jeanne Broyhill, 1776 G Street, NW, 3rd Floor Washington, DC 20006	Federal Home Loan Mortgage Corp	8,542.80	3,401.55
William K. Brunette, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	598.03	415.25
Michael E. Brunner, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	2,000.00	96.35
J. Charles Bruse, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Allstate Insurance Cos	1,875.00	732.18
Victor A. Bryant, 1801 K Street, NW #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	200.00	1,100.00
Dawn M. Brydon, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Judith A. Buckalew, 1300 Eye Street, NW, #520-W Washington, DC 20005	Hoffmann-La Roche	5,500.00	318.74
Robert Buckler, 405 Sibley St., #120 St. Paul, MN 55101	National Board of Fur Farm Organizations	9,000.00	960.01
Jeremiah S. Buckley, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Citicorp Mortgage Finance, Inc.)		
Do	Thacher Proffitt & Wood (For:Massachusetts Bankers Assn)		
Michael Buckley, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assn		
Roy C. Buckner, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
David T. Buente Jr., 1722 Eye Street, NW Washington, DC 20006	Sidley & Austin (For:Commercial Finance Assn (CFA))	720.00	
Building Owners & Managers Assn Int'l, 1201 New York Avenue, NW, #300 Washington, DC 20005			11,550.00
Douglas W. Bulcao, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	6,600.00	47.00
Darrel D. Bunge, Minnesota Petroleum Council 350 St. Peter Street, #1025 St. Paul, MN 55102	American Petroleum Institute	3,975.00	1,381.96
David A. Bunn, 1211 Connecticut Avenue, NW, #406 Washington, DC 20036	Hearst Corporation	1,000.00	
Do	Parcel Shippers Assn	2,000.00	
William D. Bunnell, 4660 Kenmore Ave., #1018 Alexandria, VA 22304	Cummins Engine Company, Inc	631.41	71.25
T. Scott Bunton, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	4,000.00	1,760.83
Bruce W. Burgess, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	10,387.20	
Tonio Burgos, 909 Third Avenue, 17th Floor New York, NY 10028	Tonio Burgos & Asso (For:Department of Puerto Rican Community Affairs in the U.S.).		
Do	New York Puerto Organizing Company of America (For:Telefonica Large Distancia).		
William J. Burhop, 1101 17th Street, NW Washington, DC 20036	American Airlines, Inc	1,416.67	1,087.57
April L. Burke, 901 31st Street, NW Washington, DC 20007-3838	Hill & Knowlton (For:Association of Independent Research Institutes (AIRI))		
Do	Hill & Knowlton (For:California Institute of Technology)		
Do	Hill & Knowlton, Inc (For:Comdisco Medical Leasing Group, Inc)		
Do	Hill & Knowlton (For:University of Cincinnati)		
Gerard P. Burke, 1117 Spotswood Drive Silver Spring, MD 20904	International Air Leases, Inc		
Kevin M. Burke, 1111 14th St., NW Washington, DC 20005	American Bakers Assn	2,546.25	250.00
Francis X. Burkhardt, 1750 New York Ave., NW Washington, DC 20006	International Brotherhood of Painters & Allied Trades		
Burley & Dark Leaf Tobacco Export Assn, 1100 17th St., NW Washington, DC 20036		49,637.00	1,196.00
Phillip C. Burnett, P.O. Box 12285 Memphis, TN 38182	National Cotton Council of America	4,125.00	69.39
David G. Burney, 1101 17th St. N.W., #609 Washington, DC 20036	U.S. Tuna Foundation	12,000.00	3,000.00
Kevin R. Burns, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Maura E. Burns, 1511 K Stret, NW, #335 Washington, DC 20005	National Committee For A Human Life Amendment, Inc	75.57	5.25
Timothy F. Burns, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	4,000.00	139.17
Joseph E. Burnside, 1819 L Street, NW, #200 Washington, DC 20036	Matsushita Electric Corp of America	100.00	67.79
James N. Burroughs, 4301 Fairfax Drive, #340 way, #702 Arlington, VA 22203-1627	National Propane Gas Assn		
William Burton, 180 Maiden Lane New York, NY 10038	Continental Insurance Company		66.94
Mark R. Burtschi, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	2,650.00	536.47
Barbara L. Bush, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	200.00	
Donald G. Butcher, c/o N.Y.S. Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute	1,200.00	703.51
James J. Butera, 1275 Pennsylvania Avenue, NW Washington, DC 20004	Federal Home Loan Bank of Boston	1,000.00	
Do	Federal Home Loan Bank of New York	1,000.00	
Butera & Andrews, 1275 Pennsylvania Ave., NW Washington, DC 20004	Acacia Group	3,000.00	
Do	Bank of Baltimore	1,500.00	
Do	Citizens Financial Group, Inc	1,500.00	
Do	Crossland Savings	1,000.00	
Do	Dime Savings Bank of New York	1,500.00	
Do	Federation for American Immigration Reform	10,710.00	
Do	Financial Services Council	2,000.00	
Do	HomeFed Bank	1,500.00	
Do	Household International	3,000.00	
Do	Nevada Mining Assn, Inc	10,000.00	
Do	NVR Savings Bank	1,500.00	
Do	Peoples Bank	1,000.00	
Do	River Bank America	1,500.00	
Do	Rochester Community Savings Bank	1,000.00	
Do	Savings Banks Assn of New York State	1,500.00	
Do	Savings Banks Life Insurance Fund	2,000.00	
Do	Superior Federal Bank	2,000.00	
Do	Wisconsin League of Financial Institutions, Ltd	1,500.00	
Mrs. H. E. Butt, 3700 Ocean Drive Corpus Christi, TX 78411			
John J. Byrne, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	3,000.00	
C & C Consulting Group, Inc, 210 Cameron Street Alexandria, VA 22314	Kansas Gas & Electric Co, Inc	15,000.00	141.38
Do	Leo Eisenberg & Company	3,000.00	14.03
Do	MacAndrews & Forbes Holdings, Inc	15,000.00	62.07
Patrick J. Cacchione, 11775 Borman Dr. St Louis, MO 63146-6905	Daughters of Charity National Health Systems		
Elizabeth B. Cady, 1400 L Street, NW, #600 Washington, DC 20005-3509	Steel Service Center Institute		
Christopher G. Caine, 1301 K St., NW, 11th Floor Washington, DC 20005	IBM Corp	1,946.43	1,153.22
David B. Calabrese, 2001 Pennsylvania Ave, NW Washington, DC 20006	Electronic Industries Assn	750.00	
Tony Calandro, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
Alan Caldwell, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,350.00	
Bonnie Caldwell, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	148.86
Thomas Caldwell, 4-30-1-202 Nishi-Shinjuku Tokyo 160 Japan			
Antonio J. Califa, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	2,800.00	
John C. Callihan, 299 Park Avenue 13th Floor New York, NY 10171	Westvaco Corporation		
Calorie Control Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			270.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Cambridge International, Inc, 2775 South Quincy Street, #520 Arlington, VA 22206	Allison Transmission	600.00	
Do	Eastern Technologies, Inc	750.00	
Do	FMC Corporation	500.00	
Do	General Dynamics Land Systems	1,000.00	
Do	McDonnell Douglas Helicopter Company	600.00	
Do	Optic-Electronics Corp	600.00	
Do	Oshkosh Truck Corp	300.00	
Do	Stewart & Stevenson Services, Inc	600.00	
Do	Textron Lycoming	800.00	
Arthur E. Cameron, 1111 14th Street, NW, #1001 Washington, DC 20005	Lukens General Industries, Inc	1,500.00	
Do	National Greyhound Assn	4,500.00	
Do	Potters Industries, Inc	2,250.00	
Do	Radar Assn Defending Airwave Rights, Inc (RADAR)	5,250.00	
Do	Safetran Systems Corporation	7,500.00	
Do	Stimsonite Corporation	1,500.00	
Do	Syro Steel Co, et al.	1,875.00	
Do	3M Company	10,945.00	
Nancy Camm, 1101 17th St., NW, #1002 Washington, DC 20036	Bank of America	980.90	539.27
Camp Barsh Bates & Tate, 2550 M St., NW, #275 Washington, DC 20037	Advance Petroleum Inc		
Do	American Industries Trust Co	104.00	
Do	Associated Financial Corp		
Do	ARA Services, Inc		
Do	BellSouth Corp		
Do	Blue Cross & Blue Shield Assn	166.40	
Do	Campbell Soup Co		
Do	Chemical Manufacturers Assn, Inc	250.00	
Do	Cigar Assn of America, Inc		
Do	Coalition for Employment Opportunities		
Do	Columbia Gas Systems, Inc		
Do	Committee for Equitable Compensation	200.00	
Do	Dean Witter Financial Services Group	1,000.00	
Do	Fashion Accessories Shippers Assn (FASA)		
Do	Harcourt Brace Jovanovich, Inc		
Do	Home Intensive Care, Inc	478.40	
Do	K-Mart Corp		
Do	Mobil Oil Corp		
Do	Natural Gas Supply Assn	1,200.00	
Do	Olin Corporation		
Do	Pennzoil Co		
Do	PGA Tour		
Do	PPG Industries, Inc		
Do	Russ Berrie & Co, Inc		
Do	Shell Oil Co	83.20	
Do	Southland Corporation	228.80	
Do	Texaco, Inc		
Do	Union Pacific Resources, Inc		
Do	World Airways		
Do	World Fuel Services		
Campaign for U.N. Reform-Political Education Committee, 418 7th Street, SE Washington, DC 20002		5,278.59	11,862.00
C. R. Campbell Jr., 1850 M St., NW, #1200 Washington, DC 20036	GTE Corporation	2,500.00	
C. Thomas Campbell, 1776 Eye Street, NW, #575 Washington, DC 20006	DowElanco		6,414.00
Carl C. Campbell, 1110 Vermont Avenue, NW, #430 Washington, DC 20005	National Cotton Council of America	600.00	
Charles O. Campbell, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	2,000.00	
David Campbell, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	182.32	
Jerry L. Campbell, 1201 Chestnut St. Chattanooga, TN 37402	Tennessee Valley Public Power Assn		
John G. Campbell, 9300-D Old Keene Mill Road Burke, VA 22015	John G. Campbell, Inc (For:ARCO Power Technologies, Inc)		
Do	John G. Campbell, Inc (For:BDM International, Inc)		
Do	John G. Campbell, Inc (For:Ebasco)		
Do	John G. Campbell, Inc (For:General Electric Co)		
Do	John G. Campbell, Inc (For:Hughes Aircraft Company)		
Do	John G. Campbell, Inc (For:Loral Corp)		
Do	ManTech International Corp		
Do	John G. Campbell, Inc (For:Syracuse University)		
Do	John G. Campbell, Inc (For:3M Company)		
Marilyn E. Campbell, 517 2nd Street, NE Washington, DC 20002	David Turch & Asso	1,800.00	
Sarah L. Campbell, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	2,000.00	
Thomas D. Campbell & Associates, Inc, 113 South Alfred Street Alexandria, VA 22314	Cyprus Minerals Co	5,000.00	1,703.02
Sharon M. Canavan, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	15,150.00	145.57
Anne C. Canfield, 1331 Pennsylvania Ave., NW, #800-South Washington, DC 20004	General Electric Co	550.00	
Sharon F. Canner, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	186.80	
James R. Cannon Jr., 808 Seventeenth Street, NW, #300 Washington, DC 20006-3910	Stewart & Stewart (For:Timken Co)		
Do	Stewart & Stewart (For:Torrington Company)		
W. Dean Cannon Jr., 9800 S. Sepulveda Blvd., #500 Los Angeles, CA 90045	California League of Savings Institutions	3,000.00	1,215.77
Brent A. Cantley, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Francis J. Cantrel Jr, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	4,000.00	1,347.43
Charles Hollister Cantus, 555 13th Street, NW, #450 west Washington, DC 20004	Union Pacific Corp	8,000.00	412.10
Capital Consultants, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunication Corp		
Do	Madison Group (for: Northern State Power)		
Capital Marketing Analytics, Inc, 2001 Jeferson Davis Highway, #1012 Arlington, VA 22202	Honeywell, Inc		
Do	Loral Corp		
Do	Rockwell International Corp		
Do	Sofec, Inc		
Capitoline International Group Ltd, 2001 M Street, NW Washington, DC 20036	City of America	5,050.00	1,904.00
Do	Professional Lawn Care Assn of America	7,513.00	3,178.00
Caplin & Drysdale, Chtd, One Thomas Circle, NW, #1100 Washington, DC 20005	American Methanol Institute (AMI)		
Do	Children's Television Workshop		
Do	Council on Foundations, Inc	2,790.00	
Do	National Council of YMCA of the USA		
Do	National Wildlife Federation		
Do	Wisconsin Alumni Research Foundation (WARF)		
Marie C. Carbone, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	7,654.00	
Norval E. Carey, 1100 17th St., NW, #1200 Washington, DC 20036	General Atomics	32,460.00	1,958.12
Robert R. Carey, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Company	1,692.40	5,817.19
Maurice E. Carino Jr., 1667 K St. N.W., #600 Washington, DC 20006	Bethleham Steel Corp	125.00	
Linda E. Carlisle, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)		
Do	Cadwalader Wickersham & Taft (For:Government of Puerto Rico)		
Do	Cadwalader Wickersham & Taft (For:GAF Corporation)		
Do	Cadwalader Wickersham & Taft (For:Institute of International Container Lessors).		
Do	Cadwalader Wickersham & Taft (For:Kern River Gas Transmission Company)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Do	Cadwalader Wickersham & Taft (For:Philadelphia Stock Exchange, Inc)		
Do	Cadwalader Wickersham & Taft (For:Princeton University Investment Company)		
Anne E. Carlson, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	7,650.00	
Catherine A. Carlson, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	3,516.37	
Paul D. Carlson, 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	925.00	
Carmen & Muss, 1901 Pennsylvania Ave., NW, #800 Washington, DC 20006	Carmen Group (for CareerCom)		36.80
Carmen Group, 2100 Pennsylvania Ave., NW, #365 Washington, DC 20037	CareerCom Corp		93.10
Do	Carter Footware	10,000.00	216.02
William Carney, 217 3rd St., SE Washington, DC 20003	American Nuclear Energy Council	17,500.00	
Do	Edison Electric Institute	15,000.00	
Do	Enserch Corp	15,650.00	
Julia Carol, 2530 San Pablo Avenue, #J Berkeley, CA 94702	Americans for Nonsmokers' Rights		
Bertram W. Carp, 820 First Street, NE, #620 Washington, DC 20002	Turner Broadcasting System, Inc	7,290.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Fred A. Carr Jr., 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		
James M. Carroll, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	225.96	269.97
John R. Carson, 9312 Old Georgetown Rd. Bethesda, MD 20814-1621	American Podiatric Medical Assn	18,000.00	
R. D. Carson Jr., P.O. Box 2021 40 Franklin Rd., SW Roanoke, VA 24022	Appalachian Power Company		281.22
Joseph L. Carter Jr., 50 F Street, NW, #1200 Washington, DC 20001-1564	Association of American Railroads	1,579.90	2,114.27
Melanie Carter-Maguire, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc		1,445.00
James P. Carty, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
Susan B. Carver, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	2,500.00	1,060.13
Michael K. Casey, 7105 Fort Hunt Road Alexandria, VA 22307	Nationwide Insurance Companies	4,443.75	
Winthrop Cashdollar, 1201 L Street, NW Washington, DC 20005	American Health Care Assn	10,000.00	781.59
Cashdollar-Jones & Company, 1000 16th Street, NW, #702 Washington, DC 20036	Council on Education Development and Research	300.00	196.32
Do	First South Production Credit Assn	18,000.00	506.22
Do	United Foods, Inc	3,400.00	76.89
Paul S. Caskey, 1700 K Street NW, #1200 Washington, DC 20006	Chevron USA, Inc		
Allen R. Caskie, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	5,500.00	
Cassidy & Motti Co, 6285 Pearl Road, #8 Parma Heights, OH 44130	Patrick Media	8,156.00	9,511.00
Cassidy and Associates, Inc, 700 13th St., NW, #400 Washington, DC 20005	African American Panoramic Experience (APEX)	600.00	30.85
Do	Alexander Graham Bell Assn for the Deaf	300.00	
Do	American Assn of Colleges of Podiatric Medicine	7,500.00	25.05
Do	American Dredging Co	5,250.00	25.42
Do	American Hospital in Shanghai Foundation	1,200.00	
Do	American Petroleum Institute		
Do	American Science and Engineering, Inc	600.00	
Do	AmeriBrom, Inc	9,000.00	82.80
Do	AmeriFlora '92	300.00	
Do	Anatolia College Board of Trustees		
Do	Ron Ansin	600.00	
Do	AT&T	6,287.40	38.15
Do	Barry University		
Do	Bay County Chamber of Commerce		
Do	Bean Dredging Company	525.00	25.42
Do	Biopure Corp	375.00	
Do	Boston Carmen's Union		
Do	Boston College	750.00	135.95
Do	Boston University	750.00	
Do	Cardinal Hill Hospital		
Do	Catholic University of America	1,200.00	15.20
Do	Center for Health Technologies, Inc	4,200.00	
Do	Centex Communications, Inc		
Do	Challenger Center		
Do	Chevron Chemical Company, Inc	300.00	
Do	Children's Hospital and Health Center of San Diego	600.00	2.10
Do	Children's Hospital in Michigan	1,200.00	32.00
Do	Children's Hospital of Pittsburgh	450.00	27.00
Do	Children's National Medical Center	3,600.00	36.10
Do	Cities In Schools, Inc	225.00	
Do	Clark-Atlanta University	150.00	
Do	Columbia University	300.00	
Do	Community College Assn for Technology Transfer	2,020.00	12.00
Do	Comprehensive Care Corp	3,900.00	7.50
Do	Critical Languages & Area Studies Consortium, Inc	6,000.00	31.60
Do	Cso Partnerships	3,900.00	60.35
Do	Delaware State Dept of Transportation	1,650.00	13.20
Do	Enichem Elastomers Americas, Inc	525.00	19.45
Do	Epcint		
Do	Experiment in International Living	150.00	
Do	Florida Institute of Technology		
Do	Foundation for James Madison's Montpelier	300.00	21.05
Do	Fudan Foundation	1,500.00	
Do	Garden Isle Cablevision, L.P.		
Do	Gatx-Airlog	4,200.00	12.00
Do	Gonzaga University	1,275.00	
Do	Great Lakes Dredge & Dock Company	5,250.00	25.42
Do	Hahnemann University Hospital	2,250.00	50.40
Do	Hawaii Dept of Business & Economic Development	675.00	
Do	Illinois Eastern Community Colleges	6,975.00	12.00
Do	Illinois Institute of Technology	225.00	
Do	Infirmary Health Systems, Inc		7.50
Do	Intercontinental Energy Group	1,350.00	185.05
Do	International Data Group		
Do	T.L. James & Company	5,250.00	25.42
Do	Jones Intercable, Inc	1,050.00	39.25
Do	JBS & Associates, Inc		
Do	Kauai CableVision, L.P.		
Do	Kendall Square Research Corp		
Do	Kimberly Quality Care		
Do	LaSalle University		
Do	Lehigh University	75.00	6.00
Do	Lodge Corp		
Do	Loma Linda University Medical Center, Inc	3,300.00	15.30
Do	Loyola Marymount University	600.00	
Do	Maersk, Inc	1,050.00	51.50
Do	Marquette University	300.00	
Do	Massachusetts League of Banks		
Do	Medical College of Wisconsin	5,550.00	53.30
Do	Michigan Biotechnology Institute	1,200.00	
Do	Michigan Technological University	375.00	48.10
Do	Monterey Institute of International Studies	1,200.00	
Do	Mt. Sinai Medical Center of Greater Miami	7,000.00	29.00
Do	Multinational Business Development	1,200.00	236.60
Do	National Assn of Proton Therapy		
Do	National Cable Television Assn		
Do	National Jewish Center for Immunology & Respiratory Medicine	1,125.00	14.10
Do	NeoRx		
Do	New England Deaconess Hospital Corporation	2,625.00	64.30
Do	New Jersey Instutute of Technology	2,325.00	67.35
Do	Northwestern University	1,500.00	7.50
Do	Ocean Spray Cranberries, Inc	8,250.00	110.45
Do	Pacific Presbyterian Hospital	2,250.00	62.10
Do	Pennsylvania Turnpike Commission	900.00	90.10
Do	Pine Bluff Sand & Gravel	5,250.00	25.42
Do	Pirelli Cable Co		
Do	Pirelli Industrial Products Corp	300.00	
Do	Polaroid Corp		
Do	Polytechnic University	225.00	
Do	PHH Corp	900.00	
Do	Rhode Island Hospital		
Do	Rochester Institute of Technology		69.30
Do	Ryland Group	600.00	24.60
Do	Saint Joseph's University	1,125.00	
Do	Saint Regis Mohawk Tribe		
Do	Salzburg Seminar	600.00	
Do	Scott County Highway Department	1,200.00	
Do	Societa Cavi Pirelli S.p.A.		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	St. Norberts College	900.00	7.50
Do	State of Indiana, Office of the Governor	4,350.00	147.90
Do	Tougaloo College		
Do	Tri-State University	1,350.00	
Do	Tufts University	1,637.40	12.00
Do	U.S. Surgical Corp	2,100.00	
Do	United Hospital Medical Center	3,900.00	
Do	Uniter Brotherhood of Carpenters National Health & Sfty Fund	2,550.00	19.10
Do	Universal Med Center/U of TX Health Science Center at Dallas	300.00	
Do	University of the Arts	437.40	36.15
Do	University of Detroit Mercy	1,350.00	7.50
Do	University of Hawaii	525.00	13.10
Do	University of Nebraska		
Do	University of Pennsylvania	1,800.00	
Do	University of Southern Mississippi	600.00	
Do	University of St. Thomas	300.00	
Do	University of Utah		
Do	University of Vermont	2,100.00	86.00
Do	Waterman Health Care System (Lake Care)	450.00	
Do	Western Townships Utilities Authority	3,450.00	
John J. Castellani, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc	2,153.00	170.00
Al Catalano, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:American Mobile Satellite Co)	2,000.00	
Gordon Cavanaugh, 122 C Street, NW, #875 Washington, DC 20001-2109	Reno Cavanaugh & Hornig (For:Council of Large Public Housing Authorities)	31,149.00	3,358.11
Do	Housing Authority Insurance, Inc	774.00	
Red Cavaney, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc	2,200.00	
Robert S. Cave, 11094-D Lee Highway, #102 Fairfax, VA 22030	American Public Gas Assn	341.95	34.57
Andrew F. Caverly, 180 South Clinton Ave. Rochester, NY 14646-0700	Rochester Telephone Corp	2,775.00	
Cendrowski, Selecky & Reinhart, 2050 N. Woodward, #310 Bloomfield Hills, MI 48013	Taubman Company, Inc	11,793.50	
Center for Responsive Politics, 1320 19th Street, NW Washington, DC 20036			337.50
Centerior Energy Corp, P.O. Box 94661 Cleveland, OH 44101-4661		1,672.00	3,315.56
David Certner, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	635.01	263.97
Michael J. Chakarun, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Terry M. Chamberlain, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Chambers Associates, Inc, 1625 K Street, NW, #200 Washington, DC 20006	American Postal Workers Union, AFL-CIO		
Do	Coalition of Publicly Traded Limited Partnerships	3,172.00	
Do	Columbia Falls Aluminum Company		
Do	Council of Infrastructure Financing Authorities	600.00	
Do	Fund to Assure Public Infrastructure Financing		
Do	Lead Industries Assn	2,050.00	
Do	Manville Corporation	500.00	
Do	National Committee to Preserve Social Security & Medicare	1,063.00	
Do	Newhall Land and Farming Company		
Maxine Champion, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20007	LTV Corporation	3,000.00	100.00
John Chandler Associates, Inc, 9816 Hillridge Drive Kensington, MD 20895	York International	500.00	25.10
Pete Chaney, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Linda Z. Chapman, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Manufacturers Assn		
Michael D. Chapman, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,164.74
Nancy Chapman, 1629 K Street, NW, #1100 Washington, DC 20006	N. Chapman Associates, Inc (For:Society for Nutrition Education)		
Thomas B. Chapman, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	14,191.00	2,136.53
Byron Charlton, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	15,568.51	158.00
Chemical Manufacturers Assn, Inc, 2501 M Street, NW Washington, DC 20037			54,696.00
Chemical Specialties Manufacturers Assn, Inc, 1913 Eye Street, NW Washington, DC 20006			2,035.15
William B. Cherkasky, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Chernikoff & Company, 1320 18th Street, NW, #100 Washington, DC 20036	American Museum of Natural History		
Do	Arena Stage	2,127.50	1,268.75
Do	Art Museum Princeton University		259.00
Do	Bishop Museum		
Do	Capital Childrens Museum	1,955.00	1,182.75
Do	Carnegie Museum of Natural History	3,000.00	1,500.00
Do	Cincinnati Museum of Natural History		
Do	Cleveland Museum of Natural History		709.00
Do	Corcoran Gallery of Art	2,127.50	1,312.00
Do	Denver Museum of Natural History		
Do	Directors Guild of America	8,997.00	958.52
Do	Field Museum of Natural History		
Do	Fine Arts Museums of San Francisco	500.00	309.00
Do	Ford's Theater	1,955.00	1,182.75
Do	Hebrew Union College, Skirball Museum	200.00	9.00
Do	Illinois State Museum Society	500.00	259.00
Do	International Photographers Guild	4,000.00	2,168.25
Do	John F. Kennedy Center for the Performing Arts	2,300.00	2,106.75
Do	Meridian House International	1,955.00	1,139.50
Do	Metropolitan Museum of Art	3,000.00	1,500.00
Do	Museum of American Textile History		
Do	Museum of Fine Arts Boston		
Do	Museum of Natural History University of Kansas		
Do	Museum of Northern Arizona		759.00
Do	Mystic Seaport Museum	500.00	259.00
Do	National Museum of Women in the Arts	1,955.00	1,182.75
Do	National Symphony	2,300.00	1,355.25
Do	Natural History Museum of Los Angeles County		
Do	Oakland Museum		
Do	Peabody Museum of Archeology & Ethnology	500.00	250.00
Do	Peabody Museum of Salem		759.00
Do	Phillips Collection	2,041.25	1,225.75
Do	Rochester Museum & Science Center		
Do	Santa Barbara Museum of Art		
Do	Science Museum of Minnesota		759.00
Do	Shakespeare Theater at the Folger	1,955.00	1,182.75
Do	Shelburn Museum		
Do	Textile Museum	1,955.00	1,139.25
Do	University of Nebraska State Museum		
Do	University of Pennslvania Museum		759.00
Do	Washington Ballet	1,955.00	1,139.50
Do	Washington Opera	2,127.50	1,225.75
Do	Washington Performing Arts Society	2,041.25	1,225.75
Christopher Chiames, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	12,913.88	
Samuel D. Chilcote Jr., 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute, Inc	1,525.00	
Nam-Hong Cho, 1800 K Street, NW, #700 Washington, DC 20006	Korea Foreign Trade Assn	800.00	700.00
Joseph L. Choquette III, Vermont Petroleum Assn P.O. Box 566 Montpelier, VT 05602	American Petroleum Institute	2,227.00	
Richard Chriss, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	3,000.00	500.00
James T. Christy, 805 15th Street, NW, #330 Washington, DC 20005	Air Products & Chemicals, Inc	10,000.00	334.64
Chubb Corporation, 15 Mountain View Road Warren, NJ 07061			13,127.02
Chugach Electric Assn, Inc, P.O. Box 196300 Anchorage, AK 99519-6300			
Alan L. Chvotkin, 14829 Dufief Drive Gaithersburg, MD 20878	Sundstrand Corporation	1,615.00	542.77
Chwat/Weigend Associates, 400 First Street, NW, #855 Washington, DC 20001	American Home Sewing Assn, Inc	750.00	750.00
Do	American Radio Relay League, Inc	4,500.00	4,500.00
Do	Associated Locksmiths of America	1,332.00	1,332.00
Do	National Licensed Beverage Assn		
Do	National Weather Service Employees Organization	400.00	400.00
Linda Church Ciocci, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	900.00	
Jane Dunn Cirrincione, 555 13th Street, NW, #900-E Washington, DC 20004	National Hydropower Assn	8,874.99	
Citizens for Reliable and Safe Highways (CRASH), 81 Lansing Street, #106 San Francisco, CA 94105-1611		6,872.00	4,709.61
Julie Clark, 1625 K St., NW, #800 Washington, DC 20006	National Legal Aid & Defenders Assn	13,252.98	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Lynn C. Clark, 1411 K Street, NW, #603 Washington, DC 20005	District of Columbia Chamber of Commerce	1,075.00	
Marshall C. Clark, 7332 SW 21st Street P.O. Box 4267 Topeka, KS 66604	Kansas Electric Cooperatives, Inc (KEC)	3,246.00	875.44
Rudy I. Clark, 5342 Woodbury Woods Lane Fairfax, VA 22032	Air Force Sergeants Assn, Inc		
Thomas R. Clark, 1667 K Street, NW, #200 Washington, DC 20006	Federal Agricultural Mortgage Corp		
Vernon A. Clark, 2100 Pennsylvania Ave, NW #600 Washington, DC 20037	Coalition for Property Rights	51,600.00	1,663.03
Do	Vern Clark & Associates (For:Fox Television Stations, Inc)	14,400.00	950.30
Do	Vern Clark & Associates (For:Metromedia Company)	12,000.00	712.73
Do	Vern Clark & Associates (For:RJR-Nabisco Washington, Inc)	42,000.00	1,425.46
Vern Clark & Associates, 2100 Pennsylvania Ave, NW, #600 Washington, DC 20037-3202	Coalition for Property Rights	124,999.98	
Do	Fox Television Stations, Inc	18,000.00	
Do	Metromedia Company	15,000.00	
Do	RJR, Nabisco Washington, Inc	60,000.00	
Sara F. Clary, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	1,000.00	
Joan Claybrook, 2000 P Street, NW, #605 Washington, DC 20036	Public Citizen, Inc	7,350.00	
Kenneth J. Clayton, 1120 Connecticut Ave, NW Washington, DC 20036	American Bankers Assn	493.14	
Cleary Gottlieb Steen & Hamilton, 1752 N Street, NW Washington, DC 20036	Crompton & Knowles Corp		
Do	Day-Glo Color Corp		
Do	Government Representatives Committee Securities Indstry Assn		
Do	Harry Frank Guggenheim Foundation		
Do	Ministry of Finance & Public Credit of the United Mexican St		
Do	Salomon Brothers, Inc		
Do	Security Pacific National Bank	793.90	
Do	U.S. Bancorp		
Do	Union Oil Co of California, et al.		
Ronald D. Clements, 701 Pennsylvania Avenue, NW Washington, DC 20004	Edison Electric Institute	5,429.67	1,099.96
Cleveland Electric Illuminating Co, 55 Public Square P.O. Box 5000 Cleveland, OH 44113		322.03	423.48
Cleveland-Cliffs, Inc, 1100 Superior Avenue Cleveland, OH 44114-2589			795.00
Clifford & Warnke, 815 Connecticut Ave., NW Washington, DC 20006	Australian Meat & Live-Stock Corp	126,007.50	9,134.49
Do	Nonprescription Drug Manufacturers Assn	600.00	200.00
George Stephen Clifton, 1050 17th Street, NW, #550 Washington, DC 20036	Houston Industries, inc	5,000.00	
Climaco Climaco Seminatore Lefkowitz & Garofoli Co., 1228 Euclid Ave., #900 Cleveland, OH 44115	Carbon Fuels Corporation		
Clohan & Dean, 1101 Vermont Ave., NW, #400 Washington, DC 20005	Coalition for Higher Education Assistance Organizations	375.00	
Do	Consumer Bankers Assn	8,300.00	
Do	Student Loan Funding Corp of Ohio	2,500.00	
Do	Very Special Arts	500.00	
Stephen J. Cloud, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	400.00	
Guy Clough, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	15,793.90	
Coalition for an Undercharge Relief Bill, 2020 Pennsylvania Ave., NW, #626 Washington, DC 20006		20,250.00	1,885.00
Coalition for American Energy Security, 1050 Thomas Jefferson St., NW, 6th Floor Washington, DC 20007			
Coalition of Supporters of the Shipping Act, 1800 M Street, NW, 8th Floor North c/o Morgan Lewis & Bockius Washington, DC 20036.			
Coalition to Preserve the Low Income Housing Tax Credit, 2300 M St., NW Washington, DC 20037		2,000.00	2,000.00
Coalition to Promote America's Trade, c/o Steptoe & Johnson 1330 Connecticut Avenue, NW Washington, DC 20036			
Coalition to Stop Gun Violence, 100 Maryland Ave., NE Washington, DC 20002		67,099.00	86,037.00
Coalition Against Double Taxation, Inc, c/o Perkins Coie 607 14th Street, NW, 8th Floor Washington, DC 20005		5,000.00	
Richard B. Cobb, Petroleum Council of Ga 50 Hurt Plz., SE, #720 Atlanta, GA 30303-2923	American Petroleum Institute	300.00	
Amy A. Coggin, 1201 New York Ave., NW, #400 Washington, DC 20005	American Public Transit Assn	2,200.00	
Dan Cohen, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	14,266.64	1,914.46
Daniel L. Cohen, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
David Cohen, 1616 P St., NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	7,213.86	
John Cohen, 1331 Penn Ave., NW, #1500-North Washington, DC 20004-1703	National Association of Manufacturers	195.00	
Kenneth S. Cohen, 1295 State Street Springfield, MA 01111-0001	Massachusetts Mutual Life Insurance Company	382.50	296.50
Philip Q. Cohen, 8525 Edinkbrook Parkway Brooklyn Park, MN 55443	Goff/Wilkie & Associates (For:North Metro th 610/10 Crosstown Council)	1,010.00	1,124.00
Cohn and Marks, 1333 New Hampshire Ave., NW Washington, DC 20036	Maclean Hunter Cable TV	100.00	53.37
Do	USA Network	3,937.50	38.07
Joseph L. Colaneri, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		822.61
Ken W. Cole, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
Robert E. Cole, 900 17th St., NW Washington, DC 20006	Kaiser Aluminum & Chemical Corp	600.00	484.00
Cole Corette & Abrutyn, P.C., 1110 Vermont Avenue, NW, #900 Washington, DC 20005	Louisiana Land & Exploration Co		
Do	Matsushita Elec Corp (for Int'l Electron Mfgrs & Consum...)		
Colex & Associates, 2775 South Quincy Street, #520 Arlington, VA 22206	Cambridge International, Inc	1,000.00	
Do	Homedco	1,000.00	
Do	National Assn of TJTC Consultants	1,000.00	
Do	Triangle Group, Inc	1,000.00	
Jessie M. Colgate, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company		
Emilio G. Collado III, Collado Associates 1405 Montague Drive Vienna, VA 22180	American Watch Assn		
William J. Colley, 3050 K St., NW, #330 Washington, DC 20007	National Club Assn	5,000.00	
Calvin Evans Collier, 1010 Wisconsin Ave., NW Washington, DC 20007	Grocery Manufacturers of America, Inc		
Collier Shannon & Scott, 3050 K Street, NW, #400 Washington, DC 20007	Alliance for British & Australian Tax Equity (ABATE)		
Do	Alliance for Capital Access	33.00	33.00
Do	American Car Rental Assn	4,420.00	4,420.00
Do	American Couplings Coalition		
Do	American Iron & Steel Institute		
Do	American Meat Institute		
Do	American Textile Machinery Assn	600.00	600.00
Do	Association of Certified Trucking Schools		
Do	Australian Wheat Board		
Do	Bicycle Manufacturers Assn of America	1,450.00	1,450.00
Do	Coalition for Safe Ceramicware	300.00	300.00
Do	Committee of American Ammunition Manufacturers	2,741.25	2,741.25
Do	Crop Insurance Research Bureau	350.00	350.00
Do	Ferrous Scrap Consumers Coalition		
Do	Food Marketing Institute		
Do	Footwear Industries of America	1,125.00	1,125.00
Do	Footwear Procurement Coalition		
Do	Gerry Baby Products Co		
Do	Golden Gate Petroleum International	4,650.00	4,650.00
Do	Independent Lubricant Manufacturers Assn	2,755.00	2,755.00
Do	Inland Steel Corp	1,000.00	1,000.00
Do	Leather Industries of America		
Do	Lykes Brothers, Inc		
Do	Municipal Castings Fair Trade Council	3,360.00	3,360.00
Do	National Assn of Convenience Stores	8,460.00	8,460.00
Do	National Assn of Mutual Insurance Cos	225.00	225.00
Do	National Cosmetology Assn, Inc		
Do	National Juice Products Assn		
Do	National Pasta Assn		
Do	Nutriclean		
Do	Oneida Ltd.	127.50	127.50
Do	Outdoor Power Equipment Institute	326.25	326.25
Do	Petroleos de Venezuela, S.A.	8,415.00	8,415.00
Do	PetroJam, Ltd		
Do	Pittsburgh Corning Corporation		
Do	Shipbuilders Council of America	2,305.00	2,305.00
Do	Society of Independent Gasoline Marketers of America	10,825.00	10,825.00
Do	Specialty Steel Industry of the United States	1,177.50	1,177.50
Do	Zurich-American Insurance Companies	600.00	600.00
Michael A. Collins, 13106 Ivy Drive Beltsville, MD 20705	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	6,000.00	654.06
R. J. Collins, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
William P. Collins, 1001 G Street, NW 7th Floor East Washington, DC 20001	(For:R. Marc Nuttle)		
Camilla L. Collova, 1025 Connecticut Ave., NW, #1007 Washington, DC 20036	Armstrong World Industries, Inc		5.80
Kent W. Colton, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Mary Colville, 1155 15th St., NW Washington, DC 20005	National Broiler Council	1,375.00	
Jeffrey W. Combos, c/o Tennessee Petroleum Council 211 7th Ave. North Nashville, TN 37219	American Petroleum Institute	1,500.00	1,686.21

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Lori A. Comeau, 805 15th Street, NW #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	403.49
Comfort Lipe & Green, P.C., 2100 Mid-Continent Tower 401 South Boston Avenue Tulsa, OK 74103	Thrifty Rent-A-Car System, Inc	540.00	18.20
Comiskey & Hunt, One Courthouse Metro, #850 2200 Wilson Boulevard Arlington, VA 22201	Gold Fields Operating Co-Mesquite		
Commercial Finance Association, 225 W. 34th St. New York, NY 10122	National Commercial Finance Assn		13,894.00
Committee for America's Copyright Community, 2000 K Street, NW, #600 Washington, DC 20006-1809		30,000.00	30,000.00
Committee for Humane Legislation, Inc, 1623 Connecticut Avenue, NW, 4th Floor Washington, DC 20036		5,612.79	17,994.09
Committee on U.S. Business Canadian Life & Health Insur Assn, C/O Dykema Gossett 800 Michigan National Tower Lansing, MI 48933.	Committee on U.S. Business Canadian Life & Health Ins. Assn		3,295.42
Committee to Protect the Family, 8001 Forbes Place, #102 Springfield, VA 22151			115.73
Common Cause, 2030 M St., NW Washington, DC 20036		2,791,981.00	740,511.35
Community Service Council of Central IN, Inc, 1828 North Meridian Indianapolis, IN 46202			56.60
Competitive Enterprise Institute, 233 Pennsylvania Avenue, SE, #200 Washington, DC 20003		160,500.00	
Compressed Gas Assn/Helium Advisory Council, Crystal Gateway #1, Suie 501 1235 Jefferson Davis Highway Arlington, VA 22202.		15,709.00	15,709.00
Concerned Women for America, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024		14,048.35	14,048.35
Bert M. Concklin, 1500 Planning Research Drive Mclean, VA 22102	Planning Research Corporation		917.35
Concord Associates, Inc, 1455 Pennsylvania Ave., NW, #560 Washington, DC 20004	American Newland Associates		
Do	Mutual Life Insurance Tax Company	15,000.00	
Do	Southern Company Services, Inc	3,000.00	
Jeanne K. Connelly, 1875 Eye St., NW, #540 Washington, DC 20006	Champion International Corp		
Robert J. Conner, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation		
Connerton Ray & Simon, 1920 L Street, NW, 4th Floor Washington, DC 20036-5004	Association fo University Programs in Hazardous Waste Resch.	3,500.00	2,125.00
Do	Association of Univ Environmental Health Science Centers	6,000.00	2,125.00
Do	Association of University Programs in Occupational Safety...	7,500.00	2,125.00
Do	International Assn of Fire Fighters	12,000.00	2,125.00
Do	International Chemical Workers Union	2,500.00	2,125.00
Do	Laborers Employers Cooperative & Education Trust	2,763.75	2,125.00
Do	Laborers National Health & Safety Fund	9,941.50	2,125.00
Do	Laborers/AGC Education & Training Fund	12,170.40	2,125.00
Do	Metal Trades Department, AFL-CIO	4,000.00	2,125.00
Do	National Coordination Committee for Multiemployer Plans		2,125.00
Brian L. Connor, Connor & Associates 8700 Bluedale Street Alexandria, VA 22308	American Road & Transportation Builders Assn	3,450.00	121.70
Do	National Utility Contractors Assn		
Catherine Connor, 555 13th Street, NW #460 West Tower Washington, DC 20004-1109	Parsons Brinckerhoff, Inc	212.00	
Jerry C. Connors, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	8,500.00	125.00
David Conover, 655 15th Street, NW, #444 Washington, DC 20005	CH2M Hill	1,000.00	
David R. Conrad, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	12,668.20	
Conservative Action Lobby, P.O. Box 931602 Los Angeles, CA 90093			
Consortium for Int'l Earth Science Information Network, P.O. Box 8689 Ann Arbor, MI 48107		10,094.65	10,094.65
Consortium of Social Science Assns, 1522 K Street, NW, #836 Washington, DC 20005		70,700.00	3,793.15
Consumer Energy Council of America Research Foundation, 2000 L St., NW, #802 Washington, DC 20036			
Consumers Union of U.S., Inc, 101 Truman Avenue Yonkers, NY 10703			13,370.00
Charles T. Conway, P.O.Box Montgomery, AL 36103	MacMillan Bloedel, Inc	11,000.00	950.00
Daniel J. Conway, One Massachusetts Ave., NW, #350 Washington, DC 20001	Chubb Corporation	10,000.00	290.10
John J. Coogan, 1776 Eye Steet, NW, #1050 Washington, DC 20006	Eastman Kodak Co	250.00	128.00
Alexandra W. Cook, 1331 Pennsylvania Avenue, NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	336.00	275.02
Cheryl L. Cook, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-operative Union of America	8,613.90	28.21
K. Richard Cook, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	400.00	
Thomas M. Cook, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Cook Group, Inc, 300 Fountain Square P.O. Box 1608 Bloomington, IN 47402-1608			23,886.40
Charles E. Cooke, 1001 Pennsylvania Avenue, NW, #450-N Washington, DC 20004	Southern California Edison Co	5,625.00	4,500.00
Eileen D. Cooke, 110 Maryland Ave., NE, Suite 101 Washington, DC 20002	American Library Assn	2,146.00	
Robert M. Coon Jr., 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare		
Bente E. Cooney, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	3,017.00	
Brian D. Cooney, 1455 Pennsylvania Ave., NW Washington, DC 20004-1007	American Institute of Certified Public Accountants	10,000.00	774.64
Edward R. Cooper, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Josephine S. Cooper, 2001 M Street, NW Washington, DC 20036	Capitoline International Group Ltd (For:Professional Lawn Care Assn Of America).	577.00	
Mitchell J. Cooper, 1001 Connecticut Ave., NW Washington, DC 20036	Rubber & Plastic Footwear Manufacturers Assn	30,000.00	4.10
Darrell Coover, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	2,000.00	698.00
James M. Copeland, 1341 G Street, NW, #200 Washington, DC 20005	McAuliffe Kelly Raffaelli & Siemens (For:County of Alameda)	17,275.00	
Jim Copeland & Associates, 1341 G Street, NW, #200 Washington, DC 20005	Pacific Mutual Life Insurance Co	6,000.00	
Michael J. Copps, 1700 North Moore Street Arlington, VA 22209	American Meat Institute	6,312.00	434.70
John J. Corbett, 1350 New York Ave., NW Washington, DC 20005	Spiegle & McDiarmid (For:Michigan Municipal/Cooperative Group)		
John F. Corcoran, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Patrick H. Corcoran, 1725 K St., NW, #1205 Washington, DC 20006	Association of Oil Pipelines		
Corn Refiners Assn, Inc, 1100 Connecticut Ave., NW, #1120 Washington, DC 20036		7,912.00	4,358.00
Ernest J. Corrado, 1000 16th St., NW, #511 Washington, DC 20036	American Institute of Merchant Shipping	4,907.50	81.30
Mary Marcotte Corrigan, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Richard L. Corrigan, 655 15th Street, NW, Suite #444 Washington, DC 20005	CH2M Hill	2,500.00	
Marty Corry, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	796.15	247.71
Allan D. Cors, 1455 Pennsylvania Avenue, NW, #500 Washington, DC 20004	Corning, Inc	600.00	
Anthony R. Corso, 3225 Gallows Road Fairfax, VA 22037	Mobil Corp	1,500.00	
Philip S. Corwin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	1,500.00	
Barbara J. W. Cosgriff, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance		
Paul S. Cosgrove, 222 SW Columbia, #1600 Portland, OR 97201	Lindsay Hart Neil & Weigler (For:Anadarko Petroleum Corp)	4,485.00	2,536.10
Cosmetic Toiletry & Fragrance Assn, Inc, 1101 17th Street, NW, #300 Washington, DC 20036		2,522.50	2,522.50
Gregory Costa, 1000 Vermont Avenue, NW, #800 Washington, DC 20005	Public Securities Assn	7,500.00	
Donna J. Costlow, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004	National Assn of Manufactuers	250.00	
Coudert Brothers, 1627 I Street, NW Washington, DC 20006	British Columbia Stena Line Ltd.	1,400.00	
William K. Coulter, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp (COMSAT)		
Council for a Livable World, 110 Maryland Avenue, NE Washington, DC 20002			22,634.25
Council for Responsible Nutrition, 1300 19th Street, NW #310 Washington, DC 20036-1609		1,511.00	5,533.00
Council for Rural Housing and Development, 2300 M St., NW Washington, DC 20036	Council for Rural Housing & Development	2,000.00	2,000.00
Council of Industrial Boiler Owners, 6035 Burke Centre Parkway, #360 Burke, VA 22015			
Council of Institutional Investors, 1420 16th Street, NW, #450 Washington, DC 20036			
Council of State Chambers of Commerce, 122 C St., NW, #330 Washington, DC 20001		3,158.33	783.56
Council on Superconductivity for American Competitiveness, 1050 Thomas Jefferson Street, NW 6th Floor Washington, DC 20007.			
Jim Courter, 1001 Route 517 Hackettstown, NJ 07840	Grumman Corp	6,000.00	
James Cousins, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	6,563.00	
Mark J. Covall, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Michael W. Cover, 1020 19th Street, NW, #200 Washington, DC 20036	Recording Industry Assn of America, Inc		
Covington & Burling, 1201 Pennsylvania Ave., NW P.O. Box 7566 Washington, DC 20044	American PCS, L.P.	2,290.00	
Do	American Watch Assn		
Do	Association of Maximum Service Telecasters, Inc	75.00	
Do	Bank of Boston Corp		
Do	Brown Brothers Harriman & Co	62.50	230.30
Do	Coalition to Preserve the Integrity of American Trademarks		
Do	Commonwealth of Puerto Rico		
Do	CBS Television Network Affiliates Assn	1,080.00	
Do	ERISA Industry Committee	270.00	
Do	Harry Winston, Inc		
Do	Investment Company Institute		
Do	Maui Land & Pineapple Co, Inc		
Do	Midwest Television, Inc		
Do	National Football League	875.00	
Do	NCNB Corp	1,575.00	17.00
Do	Post-Newsweek Stations, Inc		
Do	State of Hawaii, Dept of Human Services	600.00	
Do	State of Louisiana, Dept of Health & Hospitals	600.00	
Do	State of Michigan, Dept of Mental Health	600.00	
Do	State of Wisconsin, Dept of Health & Social Services	600.00	
Do	Sun Life Assurance Co of Canada (U.S.)	2,400.00	559.58

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Washington Post Company (for: Media Group)	720.00	
Eugene S. Cowen, 2759 Unicorn Lane, NW Washington, DC 20015	Capital Cities/ABC, Inc		
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Bering Sea Fishermen's Assn	7,117.54	264.34
Do	Fairbanks/North Star Borough	1,145.37	65.37
Do	Pacific Marine Fisheries Commission	7,741.61	310.54
Do	United Fishermen of Alaska	3,796.63	600.71
Archibald Cox, 2030 M St., NW Washington, DC 20036	Common Cause	6,540.00	225.55
C. Richard Cox, 2801 West Tyvola Road Charlotte, NC 28217-4500	Belk Stores Services, Inc		
Eric Cox, 418 7th St., SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	3,787.50	40.00
Jerry W. Cox, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:Anglo American Auto Auctions, Inc)		
Do	Murphy & Demory, Ltd. (For:Cable & Wireless North America, Inc)		
Bruce Craig, P.O. Box 677 Harpers Ferry, WV 25425	National Parks & Conservation Association	1,300.00	160.00
Daniel Craig, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	3,281.00	800.12
James P. Cramer, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Dale A. Crane, 618 South 223rd Street Des Moines, WA 98198	National Parks & Conservation Association		
Donald A. Crane, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters	2,250.00	
Credit Union National Assn, Inc, 805 15th Street, NW, #300 Washington, DC 20005-2207		1,500.00	594.94
Richard C. Creighton, 1212 New York Avenue, NW, #520 Washington, DC 20005	American Cement Alliance, Inc	13,125.02	48.02
Douglas P. Crew, 1730 Pennsylvania Avenue, NW, #750 Washington, DC 20006	Caterpillar, Inc	3,000.00	36.35
Anne Crichton Crews, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		
Richard E. Cristol, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Saone B. Crocker, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Arvida Company)	977.50	
Judy Crockett, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	1,856.00	
Robert W. Crolius, 1620 Eye Street, NW, #520 Washington, DC 20006	Portland Cement Assn		
Robert W. Cromartie, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Charles H. Cromwell, Inc, 6709 Georgia Street Chevy Chase, MD 20815	EDO Corp	2,000.00	
Do	MTS Systems Corp	1,000.00	
Rae E. Cronmiller, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	95.00	
Crop Insurance Research Bureau, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
Mark E Crosby, 1110 N Glebe Rd #500 Arlington, VA 22201-4714	Special Industrial Radio Service Assn, Inc		
Curtis R. Cross, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,388.45	
James W. Cross, 1303 New Hampshire Ave., NW Washington, DC 20036	Fleet Reserve Assn		
Crowell & Moring, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	American Forest Resource Alliance	2,250.00	
Do	Asarco, Inc		
Do	Associated Gas Distributors		
Do	Avon Products, Inc		
Do	Brooklyn Union Gas Co		
Do	City of North Miami	500.00	
Do	Communications Satellite Corp		
Do	Cook Inlet Region, Inc		
Do	Eagle-Picher Industries, Inc		
Do	Eli Lilly & Company	5,281.25	10.00
Do	Helicopter Assn International		
Do	Lehn & Fink Products Group		
Do	Meridian Minerals Co		
Do	Minnesota Mining & Manufacturing Co		
Do	National Assn of Wholesaler-Distributors	9,587.50	10.00
Do	National Risk Retention Assn		
Do	Pan American World Airways, Inc, et al.		
Do	Regional Airline Association		
Do	Tiffany & Co		
Do	Trust for Public Lands		
Do	United Cities Gas Co		
Do	Western Governors' Assn		
Do	Wyatt Company		
Crowell & Moring International L.P., 1001 Pennsylvania Ave., NW, #1275 Washington, DC 20004-2505	Avon Products, Inc		
Do	Board of Foreign Trade, Gov't of the Republic of China		
Do	Singapore Trade Development Board		
James P. Crumley Jr., 1100 Wilson Blvd. Arlington, VA 22209	Hughes Aircraft Company	94.00	
John D. Cuaderes, 1235 Jefferson Davis Highway Arlington, VA 22202	ESCO Electronics Corp		310.28
Maura Cullen, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20849-1725	American Occupational Therapy Assn, Inc	2,500.00	124.00
Culley-Foster & Co, P.O. Box 17370 Washington, DC 20041			
Philip Cummings, 1101 Pennsylvania Avenue, NW Washington, DC 20004	McCutchen Doyle Brown & Enersen (For:American Iron & Steel Institute)	20,712.00	
Do	McCutchen Doyle Brown & Enersen (For:Arco)	78.00	
Do	McCutchen Doyle Brown & Enersen (For:Browning-Ferris Industries, Inc)	5,844.00	
Do	McCutchen Doyle Brown & Enersen (For:Freeport-McMoRan, Inc)	5,008.00	
Do	McCutchen Doyle Brown & Enersen (For:General Electric Co)	24,572.00	
Do	McCutchen Doyle Brown & Enersen (For:National Assn of Regional Councils)		
Do	McCutchen Doyle Brown & Enersen (For:New York Dept of Environmental Conservation).		
Do	McCuthchen Doyle Brown & Enersen (For:Rohr Industries, Inc)		
Do	McCutchen Doyle Brown & Enersen (For:Southern California Assn of Governments).	16,004.00	
Law Ofs of Jonathan W. Cuneo, 1300 I Street, NW, #408-E Washington, DC 20005	National Assn of Securities and Commercial Attorneys	24,000.00	141.78
Do	Songwriters Guild of America	1,000.00	
William J. Cunningham, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	1,657.10	1,207.04
Anne M. Curry, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	500.00	
Wayne T. Curtin, P.O. Box 1808 Washington, DC 20013-1808	Motorcycle Riders Foundation, Inc	9,000.00	3,294.70
Cutler & Stanfield, 700 14th Street, NW, 10th floor Washington, DC 20005	General Atomics		
Do	University of Colorado	337.50	
Ralf W.K. Czepluch, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Gulf Power Company	3,950.00	7,287.11
CF Industries, Inc, Salem Lake Dr. Long Grove, IL 60047			1,500.00
William K. Dabaghi, Arter & Hadden 1801 K Street, NW, #400K Washington, DC 20006	Central Union of Agricultural Cooperatives (ZENCHU)		
Do	Houston Clearing House Assn		
Susan Dahlquist, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	16,423.00	1,317.86
Frank J. Daily, 411 East Wisconsin Ave. Milwaukee, WI 53202	Quarles & Brady (For:General Motors Corp)		
Dairy Farmers for Responsible Dairy Policy, 514 E Street, NE Washington, DC 20002		45,000.00	44,592.40
James G. Dalton, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	2,500.00	
Robert P. Daly II, 1000 Wilson Blvd, #2800 Arlington, VA 22209	Grumman Corp	625.00	134.60
Patrick E. Dandino, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Tracy Danese, P.O. Box 14000 Juno Beach, FL 33408	Florida Power & Light Co		5,042.60
Jim Daniels, 4759 S. Conway Rd. Orlando, FL 32812	National Assn of State Farm Agents		
Nancy Danielson, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers Educational and Co-Operative Union of America	5,297.40	
Jo-Ellen Darcy, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	794.58	255.34
Diane Davenny Darneille, 1850 K Street, NW, Suite 1195 Washington, DC 20006	Schering-Plough Corp	14,700.00	3,513.05
Mark C. Darrell, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
John C. Datt, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	13,471.89	
Earl F. David, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
John C. David, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	140.00	78.40
Davidoff & Malito, 444 N. Capitol Street Washington, DC 20001	Long Island University	9,000.00	78.50
Seth Davidson, 1742 Massachusetts Ave., NW Washington, DC 20036	National Cable TV Assn	4,368.75	234.17
Davidson Colling Group, 1211 Connecticut Ave., NW, #610 Washington, DC 20036	American Advertising Federation	5,869.02	
Do	American Assn of Advertising Agencies	5,869.02	
Do	American Newspaper Publishers Assn	5,869.02	
Do	Association of National Advertisers	5,869.02	
Do	Direct Marketing Assn	5,869.02	
Do	Field Container Corp	2,730.61	
Do	Garden State Paper Company	6,708.23	
Do	Grocery Manufacturers of America	5,869.02	
Do	Halltown Paperboard Co	1,294.04	
Do	Magazine Publishers of America	18,538.80	
Do	Media General, Inc	7,500.00	106.69
Do	Miller & Chevalier, Chtd	15,137.71	
Do	National Assn of Broadcasters	19,644.29	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Newark Group	19,762.23	
Do	Newman & Company	1,378.51	
Do	Rock-Tenn Company	15,859.07	
Do	Rouse Company		
Do	Sonoco Products Co	21,071.45	
Do	Southeast Paper Manufacturing Co	12,453.08	
Do	Waldorf Corp	9,835.62	
Do	White Pigeon Paper Company	1,481.23	
Do	Yellow Pages Publishers Assn	4,969.02	
Dionne M. Davies, 1120 Connecticut Ave., NW, #727 Washington, DC 20036	American Bankers Assn	1,200.00	
Drew M. Davis, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn	483.97	33.00
Edward M. Davis, 410 First St., SE Washington, DC 20003	American Nuclear Energy Council	3,764.00	200.11
Edwin H. Davis, 2030 M St., NW Washington, DC 20036	Common Cause	11,046.00	
Fred G. Davis, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	2,931.32	663.86
Kenneth E. Davis, 1667 K Street, NW, #210 Washington, DC 20006	Rohm & Haas Co	3,500.00	500.00
Lynda C. Davis, 1825 Eye Street, NW, #400 Washington, DC 20006	Florida Business Associates (For:Daytona Beach Community College)	1,500.00	
Do	Florida Business Associates (For:Gulf Coast Community College)	1,500.00	
Do	Florida Business Associates (For:Rio Hondo Community College)	1,500.00	
Do	Florida Business Associates (For:Truckee Meadows Community College)	1,500.00	
Do	Florida Business Associates (For:Valencia Community College)	1,500.00	
Michael Davis, 735 North Water St., #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	1,425.00	
Robert Davis, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	1,200.00	646.00
Davis & Harman, 1455 Pennsylvania Avenue, NW, #1200 Washington, DC 20004	Ad Hoc Comm of Life Insurance Companies		
Do	Alcoma Packing Company, Inc		
Do	American General Life Insurance Co	200.00	72.00
Do	American Horse Council	500.00	55.60
Do	Armco Steel Co	1,500.00	120.00
Do	Bethlehem Steel Corp	1,500.00	120.00
Do	Chicago Board of Trade	5,000.00	136.00
Do	Committee of Annuity Insurers		
Do	Dresser Industries, Inc		
Do	First Penn-Pacific Life Insurance Co	700.00	20.00
Do	Florida Power & Light	200.00	55.60
Do	Florida Sugar Cane League, Inc		
Do	Hughes & Luce		
Do	James Graham Brown Foundation		
Do	Lincoln National Life Insurance Co	7,300.00	45.00
Do	National Assn of Life Companies		
Do	National Cattlemen's Assn	250.00	55.60
Do	National Foreign Trade Council	1,200.00	12.00
Do	Retired Lives Reserve Group	800.00	25.00
Do	Stock Information Group		
Do	U.S. Sugar Corp		
Do	Underwriters of Lloyd's London	4,600.00	35.00
Davis Polk & Wardwell, 1300 Eye St., NW Washington, DC 20005	American Inst of Certified Public Accountants	1,387.50	65.50
Do	Brown Brothers Harriman & Co	1,875.00	29.50
Do	CoreStates Financial Corp	3,125.00	32.00
Do	Kohlberg Kravis Roberts & Co		
Do	LTV Corp		
Do	Manville Corporation	187.50	16.00
Do	Morgan Guaranty Trust Co	12,250.00	133.50
Do	Morgan Stanley & Co, Inc		
Do	Norwest Corporation	8,375.00	80.00
Do	Occidental International Corp	412.50	19.50
Davis Wright & Tremaine, 701 Pennsylvania Avenue, NW, #600 Washington, DC 20004	American Honda Motor Co, Inc	292.50	
Do	American Tunaboat Assn	4,061.12	
Do	Brix Maritime, Inc	3,629.90	1,020.48
Do	McCaw Cellular Communications, Inc		
Do	Turner Broadcasting System		
Do	Western Pioneer, Inc		
Do	WGK Development Corp	7,254.00	
Rhett B. Dawson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co	84.65	
Robert M. Dawson, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Gaston De Bearn, 1300 Eye Street, NW, #520-W Washington, DC 20005-3314	Hoffmann-La Roche, Inc		
Maryann M. Dean, 1875 Eye Street, NW, #775 Washington, DC 20006	Georgia-Pacific Corp	1,000.00	
John Russell Deane III, 888 17th Street, NW, #500 Washington, DC 20006	Auto Internacional Assn	61.00	30.06
Do	Coalition of Automotive Assns	281.25	131.36
Do	Specialty Equipment Market Assn	1,125.00	525.41
Debevoise & Plimpton, 555 13th Street, NW, #1100 East Washington, DC 20004	International Assn of Broadcast Monitors	1,340.00	11.00
Do	Sony Corp of America		
Richard A. Deem, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
William R. Deere, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn		
Brian Deery, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
William T. Deitz, 1000 Connecticut Ave., NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)		
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	787.50	53.50
Do	Handgun Control		
Do	New Jersey Turnpike Authority	4,215.00	307.69
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)	3,847.50	181.48
Jonathan W. Delano, 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:INDSPEC Chemical Corp)	2,100.00	
Dan C. Delurey, One Bowdoin Square Boston, MA 02114	J. Makowski Associates, Inc	4,906.00	4,165.36
Tania Demchuk, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers		
Willard L. Demory, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd. (For:American Mobile Satellite Consortium)		
Do	Murphy & Demory, Ltd (For:Cable & Wireless North America, Inc)		
Do	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Do	Murphy & Demory, Ltd. (For:Prodigy Services Company)		
Do	Murphy & Demory Ltd (For:U.S. Telephone Assn)		
William H. Dempsey, 50 F Street, NW Washington, DC 20001	Association of American Railroads	5,393.32	406.15
Perry Como Denby, 1301 Franklin Street Tank 6-B-1 Houston, TX 77002			
George H. Denison, 4801 Massachusetts Ave., NW, #400 Washington, DC 20016	Amex International, Inc		
Do	Edison Electric Institute		
Do	General Atomics	600.00	
Do	(For:Government of Sierra Leone)		
Do	Westinghouse Electric Corp		
John H. Denman, Missouri Oil Council 428 E. Capital St., #203 Jefferson City, MO 65101	American Petroleum Institute	890.00	1,355.09
Robert A. Denman, 600 Maryland Avenue, SW, #202w Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	8,350.19	
Paul W. Dennett, 655 15th St., NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	3,718.00	333.63
Daniel B. Denning, 1331 Pennsylvania Ave., NW, #930 Washington, DC 20004	General Electric Co	224.00	56.50
Patricia Diaz Dennis, 1850 M Street, NW, 11th Floor Washington, DC 20036	United Telecom/US Sprint	15,000.00	485.97
Thomas J. Dennis Sr., 1001 Pennsylvania Ave, NW, #450-N Washington, DC 20004	Southern California Edison Co	7,013.00	4,500.00
James L. Denson, 1250 Connecticut Ave., NW, #319 Washington, DC 20036	Allpoints International, Inc (For:Republic of Bophuthatawana)	5,000.00	18.00
Robert Neal Denton, 2001 S Street, NW, #301 Washington, DC 20009	Alliance of Nonprofit Mailers	789.60	12.35
Wells Denyes, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	1,240.00	751.14
Brian R. Detter, 1199 N. Fairfax Street, #204 Alexandria, VA 22314	International Council of Shopping Centers	2,000.00	
Caroline M. Devine, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	1,000.00	169.84
Donald J. Devine, 919 Prince Street Alexandria, VA 22314	Republican Party of Puerto Rico	9,000.00	9,000.00
R. Daniel Devlin, 808 17th Street, NW, #520 Washington, DC 20006	Trans World Airlines, Inc	600.00	
Robert L. Dewey, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	806.57	
David P. Dexter, 1000 Connecticut Ave., NW, #1202 Washington, DC 20036	Wildlife Legislative Fund of America	5,200.00	
Nicholas DeBenedictis, 2301 Market Street, #13-1 Philadelphia, PA 19101	Philadelphia Electric Company		
Alex J. DeBoissiere, 490 L'Enfant Plaza, SW, #2202 Washington, DC 20024	Tenneco Gas		
Matthew D. DeConcini, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	3,000.00	215.88
Michael DeEmilio, 400 North Capitol Street, NW, #852 Washington, DC 20001	Brotherhood of Maintenance of Way Employes	12,500.00	
James U. DeFrancis, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Ebasco Services, Inc	4,012.50	549.18
Law Offices of Paul H. DeLaney, Jr., 1826 Jefferson Place, NW, #201 Washington, DC 20036	Embassy of Japan	5,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Debra DeLee, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Fred R. DeLuca, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects		
Martin L. DePoy, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,369.55
William R. DeReuter, 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	2,000.00	
Christine DeVries, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,516.00	702.61
Bonnie S. DeWitt, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	500.00	50.40
Thomas R. DeYulia, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Co		
Angel Diaz, 510 High Street Delano, CA 93215	Delano High School	26,173.40	
Chester T. Dickerson Jr., 700 14th Street, NW, #1100 Washington, DC 20005	Monsanto Co		1,175.79
Elaine Dickinson, 880 S. Pickett Street Alexandria, VA 22304	Boat Owners Assn of the U.S.	7,000.00	
Rick Diegel, 1125 15th Street, NW Washington, DC 20005	International Brotherhood of Electrical Workers, AFL-CIO-CLC	2,281.25	150.00
Dorothea M. Diemer, P.O. Box 20850 Fountain Valley, CA 92728-0850	Hyundai Motor America	171.88	3,278.06
Walter E. Diercks, 1730 M St., NW, #412 Washington, DC 20036	Outdoor Advertising Assn of America, Inc		
Lisa M. Dinackus, 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	American Institute of Certified Public Accountants	5,000.00	450.31
Thomas A. Dine, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	26,800.00	3,814.06
Michael F. Dineen, 600 Pennsylvania Ave., SE, #206 Washington, DC 20003	Lumbermens Mutual Casualty Co (For:Federal Kemper Life Assurance Co)	84.24	10.61
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Companies, Inc)		
Do	Lumbermens Mutual Casualty Co (For:Kemper Financial Services, Inc)	701.75	109.80
Do	Lumbermens Mutual Casualty Co (For:Kemper Investors Life Insurance Co)	84.24	10.61
Do	Lumbermens Mutual Casualty Company (For:Kemper Reinsurance Company)	154.39	32.61
Do	Lumbermens Mutual Casualty Company	2,100.00	198.01
James C. Dinegar, 1201 New York Ave., NW, #300 Washington, DC 20005	Building Owners & Managers Assn Int'l	1,250.00	400.00
Dale P. Dirks, 711 Second Street, NE, #200 Washington, DC 20002	Health & Medicine Counsel of Washington		
Mary Ann Dirzis, 9 West 57th Street New York, NY 10019	Avon Products, Inc		
Disabled American Veterans, 3725 Alexandria Pike Cold Spring, KY 41076		166,761.30	166,761.30
Patsy B. Dix, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,567.60	104.00
Barbara A. Dixon, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,290.00	205.50
Dixon Arnett Associates, 905 16th Street, NW, #310 Washington, DC 20006	Foundation Health Corp	6,000.00	6,781.30
Do	Institute for Clinical PET	2,750.00	6,858.10
Do	Southern California Rapid Transit District (SCRTD)	16,248.00	7,399.37
Charles J. DiBona, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	5,000.00	
Gerard D. DiMarco, Two State Street, Crossroads Bldg, #400 Rochester, NY 14614	Mackey & DiMarco (For:Tom Gosnell)		
Do	Mackey & DiMarco (For:Greater Rochester Council)		
Nicholas J. DiMichael, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League	3,143.00	7.00
Anthony F. DiPasquale, 565 E. Renfroe Rd. Talladega, AL 35160			
J. Chris Dobbs, 2711 North Haskell Avenue Dallas, TX 75204	Southland Corporation		
J. Graham Dodson, P.O. Box 21106 Shreveport, LA 71156	Southwestern Electric Power Co	636.00	
Julie Domenick Doerr, 1600 M St., NW Washington, DC 20036	Investment Company Institute	529.30	28.50
Daniel P. Doherty, 2001 S St., NW, #301 Washington, DC 20009	Alliance of Nonprofit Mailers	3,122.40	24.85
James F. Doherty, 1129 20th St., NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
Brian M. Dolan, 195 Montague Street Brooklyn, NY 11201	Brooklyn Union Gas Co	562.00	55.00
Stephan G. Dollinger, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Douglas Domenech, 1025 Vermont Avenue, NW Washington, DC 20005	American Pulpwood Assn		
Andrew J. Donelson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	85.25
Kevin J. Donnellan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	300.00	
Mary Elizabeth Donnelly, 1233 20th St., NW, #200 Washington, DC 20036	Newmont Mining Corp		
Thomas F. Donnelly, 3800 N. Fairfaxl Drive, #4 Arlington, VA 22203	National Water Resources Assn	11,000.00	
Thomas J. Donohue, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	11,000.00	
William Donovan, 3138 N. 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	2,500.00	247.23
Donovan Leisure Newton & Irvine, 1250 24th Street, NW, #700 Washington, DC 20037	Republic of Estonia		1.00
Jeffrey D. Doranz, 1000 Connecticut Ave., NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Insurance Assn)		
Do	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	382.50	97.50
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)		
Do	Palumbo & Cerrell, Inc (For:Government Employees Hospital Assn)	3,705.00	36.00
Do	Palumbo & Cerrell, Inc (For:Handgun Control)		
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)		
James R. Dorcy, 1666 Connecticut Avenue, NW Washington, DC 20009	Federation for American Immigration Reform	510.00	32.50
Michael C. Dorf, 130 East Randolph Street, #3800 Chicago, IL 60601	Schuyler Roche & Zwirner (For:Gabriella Rosenbaum Trust)	1,404.00	102.00
Keith G. Dorman, 625 Liberty Ave., 7th Pittsburgh, PA 15222	Peoples Natural Gas Company	1,000.00	1,135.37
Dorsey & Whitney, 1330 Connecticut Ave., NW, #200 Washington, DC 20036	City of St. Paul	3,847.50	
Do	Guam Commission on Self Determination		
Do	Regional Transit Board	3,960.00	
Dean R. Dort II, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	1,088.00	
W. Carter Doswell, 1101 Pennsylvania Avenue, NW, #900 Washington, DC 20004	Goldman Sachs & Co	1,000.00	
Robert J. Dotchin, 2550 M Street, NW, #300 Washington, DC 20037	Smokeless Tobacco Council, Inc		
R. J. Doubrava, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	170.00	108.70
James Dougherty, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife		
Dougherty Consulting, P.O. Box 819 Sioux Falls, SD 57101-0819	Philip Morris, Inc		
Dow Lohnes & Albertson, 1255 23rd St., NW, Suite 500 Washington, DC 20037	Agricultural Satellite Corp		
Do	American Integrity Insurance Co		
Do	American Investors Life Insurance		
Do	Canadian Committee for National Treatment	850.00	
Do	Carlyle Group		
Do	Chicago City Colleges		
Do	Cox Enterprises, Inc, et al.		
Do	Directors Guild of America		
Do	Dofasco, Inc, et al.	553.00	1,169.80
Do	Dofasco, Inc	913.00	
Do	General Aviation Manufacturers Association	360.00	
Do	Home Shopping Network, Inc	2,187.25	19.00
Do	Johnson-Simmons Co		
Do	Life Care Services Corp		
Do	Marriott Corporation		
Do	National Business Aircraft Assn	140.00	
Do	Northwest Airlines, Inc		
Do	Profit Sharing Council of America		
Do	Torchmark Corp		
Do	Washington Area Bankers Assn		
Do	Worldspan		
Michael G. Dowd, 1233 20th Street, NW, #400 Washington, DC 20036	Porter Wright Morris & Arthur (For:Coalition for Environmental-Energy Balance)		
Maureen F. Dowling, 1511 K Street, NW, #335 Washington, DC 20005	National Committee for a Human Life Amendment, Inc	117.11	10.50
Jane Lind Downey, 2200 Mill Rd Alexandria, VA 22314	American Movers Conference	200.00	
John P. Doyle Jr., 8600 Boundbrook Lane Alexandria, VA 22309	J. P. Doyle Enterprises, Inc	1,000.00	
Ronald W. Drach, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	19,617.60	
David P. Drake, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	5,000.00	
James E. Drake, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	5,272.00	
Anthony V. Dresden, 444 N. Capitol Street, NW, #801 Washington, DC 20001	National Air Traffic Controllers Assn	529.00	
Dressendorfer-Laird, Inc, 1730 Rhode Island Avenue, NW, #210 Washington, DC 20036	General Dynamics Corp	250.00	
Do	Metropolitan Life Insurance Cos		
Do	Science Applications Int'l Corp	250.00	
Stephen D. Driesler, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	2,278.32
William B. Driggers Jr., 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	165.00	171.34
Alvin Drischler, 3420 Reedy Drive Annandale, VA 22003	Leucadia National Corp	9,000.00	100.70
Do	PHLCORP	18,000.00	67.59
Pamela J. Driver, 1025 Connecticut Ave., NW Washington, DC 20036	Foodservice & Packaging Institute, Inc		
Fran Du Melle, 1726 M Street, NW, #902 Washington, DC 20036	American Lung Assn	2,890.00	8,781.00
Mitch Dubensky, 1250 Connecticut Ave., NW, #210 Washington, DC 20036	National Forest Products Assn		
Duberstein Group, Inc, 2100 Pennsylvania Ave., NW, #350 Washington, DC 20037	Aetna Life & Casualty	4,500.00	
Do	Anheuser-Busch Companies, Inc	3,000.00	
Do	Communications Satellite Corp	3,750.00	
Do	CompTel	29,750.00	
Do	Consolidated Rail Corporation	8,500.00	
Do	Federal National Mortgage Assn	3,750.00	
Do	Fiber Optic Competition US, Inc		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	General Motors Corp	15,750.00	
Do	Goldman Sachs & Co	9,750.00	
Do	McCaw Cellular Communications, Inc		
Do	Monsanto Company	2,250.00	
Do	National Cable TV Assn	13,500.00	
Do	Nevada Resort Assn	1,250.00	
Do	Shell Oil Company	3,750.00	
Do	United Air Lines, Inc	2,250.00	
Do	Warner Communications, Inc	25,875.00	
Ducheneaux Gerard & Associates, 1155 Connecticut Avenue, NW, #400 Washington, DC 20036	Ak-Chin Indian Community	684.00	
Do	Bois Forte Band of Chippewa Indians	185.13	
Do	Campo Band of Mission Indians	937.50	
Do	Commissioned Officers Assn of the U.S.P.H.S., Inc	300.00	
Do	Eight Northern Indian Pueblos Council	112.50	
Do	Leech Lake Tribal Council	1,570.62	
Do	Santa Clara Indian Pueblo	1,055.14	
Do	Siletz Tribal Council	1,113.16	
Do	Tohono O'Odham Nation	329.50	
Do	Tulalip Tribes	1,107.00	
Do	White Earth Tribal Council	760.50	
Jane McPike Dudley, 888 17th Street, NW, #400 Washington, DC 20006	Whiteford Taylor & Preston (For:National Constructors Assn)	4,000.00	917.25
Stephen C. Duffy, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn		
Robert H. Dugger, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Mac S. Dunaway, Dunaway & Cross 1146 19th Street, NW Washington, DC 20036	Crown Control Corp		
Do	Industrial Truck Assn		
Do	Lord Corporation		
Do	Walbro Corp		
Amy K. Dunbar, P.O. Box 19230 Washington, DC 20036	National Assn of Bond Lawyers	20,000.01	91.94
Don R. Duncan, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	5,000.00	44.00
Duncan & Allen, 1575 Eye Street, NW Washington, DC 20005	Colorado River Energy Distributors Assn	475.00	179.61
Duncan Weinberg Miller & Pembroke, P.C., 1615 M Street, NW, #800 Washington, DC 20036	Lake Andes-Wagner Water Systems, Inc		
Do	Mid-West Electric Consumers Assn		
Do	National Assn of State Energy Officials		
Do	State of Hawaii, Dept of Business & Economic Development		
Robert Dunkel, 1875 I Street, NW, #1110 Washington, DC 20006	Times Mirror Company		
Mari Lee Dunn, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation		
Michael V. Dunn, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	15,579.40	2,492.34
James A. Dupree, 1350 Eye Street, NW, #1000 Washington, DC 20005	Ford Motor Co	3,500.00	1,291.10
Daniel T. Durham, 601 E Street, NW Washington, DC 20049	American Association of Retired Persons	606.86	138.69
Ed Durkin, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	650.00	
Lloyd L. Duxbury, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	18,846.00	537.83
Ernest DuBester, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,826.69	955.95
William P. DuBose IV, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	2,437.00	
Robert F. DuPree Jr., 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	1,136.68	19.90
Denis J. Dwyer, 1155 15th St., NW, #400 Washington, DC 20005	McNair Group, Inc	9,375.00	46.27
Roderick T. Dwyer, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Dykema Gossett, 1752 N Street, NW, 6th Fl. Washington, DC 20036	Committee on U.S. Business Canadian Life & Health Ins. Assn	2,000.00	
Talis Dzenitis, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	500.00	
DGA International, Inc, 1133 Connecticut Avenue, NW Washington, DC 20036	Dir Intl Aff of the Gen Del for Armements		
Do	Societe Nationale D'Etude et de Const de Moteurs D'Aviation	8,507.50	1,101.76
Do	Sofreavia	1,339.00	111.05
Matthew C. Eames, P.O.Box 70 Boise, ID 83707	Idaho Power Company		
Anthony S. Earl, One South Pinckney Street P.O. Box 2113 Madison, WI 53701-2113	Quarles & Brady (For:Medical College of Wisconsin)	200.00	40.00
Do	Quarles & Brady (For:Wisconsin Electric Power Co)		
Jack D. Early, 1155 15th St., NW, #900 Washington, DC 20005	National Agricultural Chemicals Assn		
C. Renee Eastman, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Company, Inc	2,000.00	
Robert E. L. Eaton, 4921 Essex Avenue Chevy Chase, MD 20815	Eaton Associates, Inc		
Eaton Associates, Inc, 4921 Essex Avenue Chevy Chase, MD 20815			
Robert E. Ebel, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	1,450.00	1,028.00
Brenda L. Eberly, 50 F Street, NW, #1050 Washington, DC 20001	Freeport-McMoRan D.C., Inc	2,750.00	42.50
George Eckert, 12100 Sunrise Valley Drive Reston, VA 22091	Tandem Computers, Inc	2,550.00	285.00
Ed Graves & Associates, 2001 M Street, NW, 4th Floor Wasington, DC 20036	Emerald Resources Inc		
Do	Jorden Schulte & Burchette	675.00	
Do	OPEDA	425.00	
Helen H. Edge, 700 N. Fairfax Street, #601 Alexandria, VA 22314	Railway Progress Institute	729.68	
Edison Electric Institute, 701 Pennsylvania Avenue, NW Washington, DC 20004		66,106.46	66,476.82
Christine A. Edwards, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Dean Witter Financial Services Group	403.00	
J. Rodney Edwards, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
Jack Edwards, 3000 First Natonal Bank Bldg. P.O. Box 123 Mobile, AL 36601	Matra Aerospace, Inc	41.67	
Do	Societe Nationale d'Etude et de Const de Moteurs d'Aviation	2,767.50	
Do	Teledyne Industries, Inc	5,180.00	
Michael D. Edwards, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,962.49	58.00
William J. Ehrig, 700 Anderson Hill Road Purchase, NY 10577	Pepsi Co, Inc		879.60
Peter J. Eide, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	27.00
Eugene Eidenberg, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	
Roy L. Eiguren, 702 West Idaho Street, #700 Boise, ID 83702	Davis Wright Tremaine (For:Idaho Cooperative Utilities Assn)		
Albert A. Eisele, 1201 Pennsylvania Ave., NW, #370 Washington, DC 20004	Cornerstone Associates, Inc		
Phyllis Eisen, 1331 Pennsylvania Ave., #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	250.00	
Albert C. Eisenberg, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects	14,256.00	43.00
Robert Eisenbud, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	
Earl B. Eisenhart, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Truck Council		
Linda S. Eisnaugle, 225 W. 34th Street New York, NY 10122	National Commercial Finance Assn	12,000.00	1,894.00
H. J. Elam III, 110 S. Park Dr. Greensboro, NC 27401	Cone Mills Corp	13,026.50	1,471.36
Timothy L. Elder, 100 N.E. Adams Street Peoria, IL 61629-1430	Caterpillar, Inc		
J. Burton Eller Jr., 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Charles W. Elliott, Wisconsin Petroleum Council 25 W. Main St., #703 Madison, WI 53703	American Petroleum Institute	3,100.00	2,021.08
Emily K. Elliott, 204 Whitehurst Stillwater, OK 74078-0001	Oklahoma State University	6,000.00	1,361.23
Mark G. Ellis, 1920 N St., NW Washington, DC 20036	American Mining Congress		
Kenneth W. Ellison, 1001 Pennsylvania Ave., NW, #600-S Washington, DC 20004	Belz Investment Company, Inc		
Gary Elmestad, P.O. Box 3153 St Charles, MO 63302	St. Charles Co Economic Development Council	9,999.99	1,230.18
Nancy C. Elwood, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Alyson A. Emanuel, 2100 Pennsylvania Ave., NW #755 Washington, DC 20037	BASF Corp	156.25	
Emergency Committee for American Trade, 1211 Connecticut Ave., NW, #801 Washington, DC 20036		104,958.90	110,047.30
Emerson Electric Co, 8000 W. Florissant St. Louis, MO 63136			1,818.96
John M. Emery, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Michael J. Emig, 1125 15th St., NW Washington, DC 20005	International Brotherhood of Electrical Workers	18,832.00	203.91
Randy Eminger, 5205 West 37th Street Amarillo, TX 79109	Southwestern Public Service Co	1,563.75	
End Notch Discrimination, P.O. Box 3630 59 West La Sierra Drive Arcadia, CA 91006-3630			5,325.00
Energy Consumers & Producers Assn, Box 1726 Seminole, OK 74868		8,875.00	
Ralph Engel, 1913 Eye Street, NW, Washington, DC 20006	Chemical Specialties Manufacturers Assn, Inc	290.77	10.00
English First, 8001 Forbes Place, #102 Springfield, VA 22151		148,741.47	153,308.01
Christopher Engquist, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Richard Engram Jr., P.O. Box 506 Merchants & Miners Bank Bldg. Welch, WV 24801			
Loretta E. Enloe, 8 Oak Hill Drive Edwardsville, IL 62025	Federation of American Consumers & Travelers (FACT)	750.00	
David Eppler, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	7,250.00	
Epstein Becker & Green, P.C., 1227 25th Street, NW, #800 Washington, DC 20037	American Managed Care & Review Assn	2,400.00	
Do	Edison Electric Institute		
Do	MFJ Task Force	1,325.00	
Do	National Shorthand Reporters Association		
Do	Voluntary Hospitals of America, Inc	11,250.00	
Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	45,904.00	
Thomas J. Erickson, 1030 15th Street, #1020 Washington, DC 20005	National Grain Trade Council		41.65
Gregory D. Erken, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004	Knights of Columbus	7,750.00	
James L. Ervin, 1667 K Street, NW, #310 Washington, DC 20006	Baldt, Inc	6,020.94	20.94

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Kaman Diversified Technologies Corp	9,190.47	190.47
Do	Mip Instadsetzungstriebe Gmbh	29,227.30	2,227.30
Ingolf G. Esders, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	12,495.00	374.82
John T. Estes, 2300 N St., NW, #600 Washington, DC 20037	International Council of Cruise Lines	1,800.00	573.00
Sherry Ettleson, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	6,500.00	
Billy Lee Evans, 1301 Connecticut Ave., NW, #700 Washington, DC 20036	B.L. Evans & Associates (For:Great Western Financial Corp)		
Do	B.L. Evans & Associates (For:Paul Revere Life Insurance Company)		
Brock Evans, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society	4,400.00	165.00
Cindy Evans, 1250 Connecticut Ave., NW, #210 Washington, DC 20036	National Forest Products Assn		
Donald C. Evans Jr., 655 15th St., NW, #310 Washington, DC 20005	American Family Corp		
Elaine Evans, 555 13th Street, NW, #900-E Washington, DC 20004	National Hydropower Assn	19,800.00	46.65
Lynwood J. Evans, 1020 19th Street, NW, #780 Washington, DC 20036	U.S. West, Inc	250.00	
Walter H. Evans III, Davis Wright Tremaine 1752 N Street, NW, #800 Washington, DC 20036	Oregon Economic Development Dept, Ports Div	9,600.00	514.83
William J. Evans Jr., 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc	1,150.00	571.00
B.L. Evans and Associates, Inc, 1301 Connecticut Ave., NW, #700 Washington, DC 20036	Great Western Financial Corp	5,000.00	
Do	Paul Revere Life Insurance Company	2,500.00	
Dave Evans Associates, 406 3rd Street, SE Washington, DC 20003	FIFE	2,000.00	
Evans Group, Ltd, 1010 Wisconsin Ave., NW, 8th Floor Washington, DC 20007	Matlack Systems, Inc	6,000.00	
Do	National Independent Automobile Dealers Assn	4,500.00	
Do	Republic of China		
Do	Republic of Cyprus	21,000.00	
Do	Towers Financial Corp	4,100.00	
Wayne S. Ewing, Associated Petroleum Industries of PA P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute		
EDS Corporation, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004			2,162.44
ESCO Electronics Corp, 8100 W. Florissant St. Louis, MO 63136			
F/P Research Associates, 1700 K St., NW, #404 Washington, DC 20006	American Bus Assn		
Do	National Cable Television Assn, Inc	500.00	
Do	Northrop Corp	550.00	
Dan L. Fager, 1700 K St., NW #1200 Washington, DC 20006	Chevron USA, Inc	1,400.00	
Darryl H. Fagin, 1511 K Street, NW, #941 Washington, DC 20005	Americans for Democratic Action	3,894.30	
Robert R. Fahs, 1101 15th St., NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
Dale W. Fallat, P.O. Box 119 Maumee, OH 43537	Andersons		
Thomas B. Farley II, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	8,120.00	173.80
Farm Credit Council, 50 F Street, NW, #900 Washington, DC 20001		1,000.00	
David M. Farmer, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers	20,000.00	
Farmers' Educational & Co-Operative Union of America, 600 Maryland Ave., SW, #202w Washington, DC 20024		262,967.00	120,718.80
Dagmar T. Farr, 1750 K Street, N.W. Washington, DC 20006	Food Marketing Institute	300.00	
Christopher G. Farrand, 122 C Street, NW, #240 Washington, DC 20001	Peabody Holding Co, Inc		
Michael Farrar, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc	200.00	
Joseph A. Farrell, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Richard T. Farrell, 1015 15th St., NW, #401 Washington, DC 20005	Syntex (USA) Inc	4,125.00	2,639.85
Marcus G. Faust, 332 Constitution Ave., NE Washington, DC 20002	Central Utah Water Conservancy District	22,481.25	345.84
Do	Clark County Nevada-McCarran International Airport	29,625.00	432.07
Do	Geneva Steel	9,000.00	8.34
Do	Kirton McConkie & Bushnell	3,350.00	3.42
Do	Las Vegas Valley Water District	30,112.50	1,005.63
Do	Public Service Co of New Mexico	14,012.50	260.08
Do	Sierra Pacific Power Co	16,976.25	434.59
Jane Fawcett-Hoover, 801 Pennsylvania Ave., NW, #720 Washington, DC 20004-2604	Procter & Gamble Manufacturing Co	306.27	
Robert C. Fay, 12731 Directors Loop Woodbridge, VA 22192	American Amusement Machine Assn		
Federal Kemper Life Assurance Co, Kemper Bldg. D-3 Long Grove, IL 60049			94.85
Federation for American Immigration Reform, 1666 Connecticut Avenue, NW, #400 Washington, DC 20009			17,999.69
Federation of American Controlled Shipping, 50 Broadway New York, NY 10004		1,329.46	1,329.46
Federation of American Scientists, 307 Massachusetts Ave., NE Washington, DC 20002		7,980.00	6,366.99
John D. Fedor, 2001 Jefferson Davis Highway, #1012 Arlington, VA 22202	Capital Marketing Analytics, Inc (For:Alliant Techsystems, Inc)		
Robert Feenstra, 13545 Euclid Avenue Ontario, CA 91761	Milk Producers Council (For:Dairy Farmers for Responsible Dairy Policy)	362.08	362.08
Donald M. Fehr, 805 Third Ave. New York, NY 10022	Major League Baseball Players Assn		
Scott Feierabend, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	2,426.02	
Douglas J. Feith, 2300 M Street, NW—#600 Washington, DC 20037	International Advisers Inc (For:Embassy of Turkey)	5,000.00	
Elliot J. Feldman, 901 15th Street, NW, #1250 Washington, DC 20005-2301	Ackerson & Feldman (For:Government of Quebec, Ministry of International Affairs).		
Laura Feldman, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,318.00	
Mark B. Feldman, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	5,000.00	25.50
Kenneth E. Feltman, 927 15th St., NW, #1000 Washington, DC 20005	Employers Council on Flexible Compensation	200.00	
Melody H. G. Fennel, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Judith W. Fensterer, 242 E. 80th Street New York, NY 10021	Generic Pharmaceutical Industry Assn	356.00	414.00
Fensterwald Alcorn & Vangellow, 1952 Gallows Road Vienna, VA 22182	Concerned Federal Railroad Administration Employees		
George F. Fenton Jr., 1920 N Street, NW Washington, DC 20036	American Mining Congress	90.00	
Edward T. Fergus, 100 Gold St. New York, NY 10292	Prudential Securities, Inc	750.00	
James H. Ferguson, 2310 Trott Avenue Reston, VA 22181	Institute of Electrical & Electronics Engineers	7,500.00	
Stephen L. Ferguson, CFC, Inc 405 N. Rogers St. Bloomington, IN 47401	Cook Group, Inc	5,400.00	336.25
Michael J. Ferrell, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	28,500.00	164.63
Deeohn Ferris, 1400 Sixteenth Street, NW Washington, DC 20036-2266	National Wildlife Federation	193.53	
John L. Festa, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Fiber Fabric & Apparel Coalition for Trade, 1801 K Street, NW, #900 Washington, DC 20006		194,025.00	68,640.00
Fiber Optic Competition US, Inc, 804 W. Diamond Ave., 3rd Floor Gaithersburg, MD 20878			75,000.00
Alan D. Fiers, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters	4,000.00	
Richard G. Fifield, P.O. Box 11000 Montgomery, AL 36198	Alabama Farmers Federation	1,775.00	834.89
Amy M. Finan, 818 Connecticut Ave., NW, #303 Washington, DC 20006	National Assn for Biomedical Research	235.00	
Financial Executives Institute, 10 Madison Avenue P.O. Box 1938 Morristown, NJ 07962-1938			
Financial Services Council, 1225 19th St., NW, #410 Washington, DC 20036		14,625.00	9,506.00
Sharon R. Fine, 1776 K Street, NW Washington, DC 20006	Washington Citizens for World Trade	1,875.00	75.00
Lawrence A. Fineran, 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004	National Assn of Manufacturers	125.00	
Matthew P. Fink, 1600 M St., NW Washington, DC 20036	Investment Company Institute	282.20	30.00
Nelson L. Fink, 378 Valley Oak Court Waldorf, MD 20601-3500	Air Force Sergeants Assn, Inc		
Stephen Finley, 200 West Thomas, #310 Seattle, WA 98119	Emerald Seafoods, Inc		5,350.00
James J. Finnucan, 2 Hodio Drive Ansonia, CT 06401	Northeast Utilities Service Co	1,835.39	706.32
M. J. Fiocco, 1700 N. Moore Street, S-1900 Arlington, VA 22209-1904	National Industrial Transportation League	8,000.00	28.95
Fire Equipment Manufacturers & Services Assn, Inc, 808 17th Street, NW, #200 Washington, DC 20006-3953			
First National Bank of Boston, 100 Federal St. Boston, MA 02110		2,800.00	6,166.62
Richard L. Fischer, 1615 M St., NW, #200 Washington, DC 20036	Amoco Corporation		
Deborah A. Fischione, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
Carleton W. Fish, P.O. Box 35106 Minneapolis, MN 55435	American Collectors Assn	1,000.00	384.00
Donald W. Fisher, 3814 Ivanhoe Lane Alexandria, VA 22310	American Group Practice Assn, Inc	68.00	
Gary K. Fisher, 1700 K Street, NW, #1200 Washington, DC 20006	Chevron Companies	4,800.00	88.00
J. Paris Fisher, 1801 K St., NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,500.00	
Fisher Wayland Cooper & Leader, 1255 23rd Street, NW, #800 Washington, DC 20037-1125	International Communications Assn	5,000.00	125.00
John Fitzgerald, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife		
Mary Clare Fitzgerald, 1155 21st Street, NW, #850 Washington, DC 20036	Secura Group	15,000.00	2,505.51
Thomas H. Fitzpatrick, Connecticut Petroleum Council 60 Washington Street, #908 Hartford, CT 06106	American Petroleum Institute		
Alan M. Fitzwater, 3700 Continental Plaza 777 Main Street Fort Worth, TX 76102	Burlington Northern Railroad Co	25,000.00	
Donald Fix, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Hyjek & Fix, Inc (For:Canadair Challenger, Inc)	1,500.00	1,500.00
Do	Hyjek & Fix, Inc (For:Defence Equipment & Systems, Ltd)	1,250.00	
Do	Hyjek & Fix, Inc (For:NEI Thompson Ltd)	1,500.00	3,249.50
Do	Hyjek & Fix, Inc (For:Short Brothers (USA), Inc)	1,750.00	
Robert B. Flagg, 3214 White Flint Ct. Oakton, VA 22124	Chemical Manufacturers Assn, Inc	750.00	266.75
Fleishman-Hillard, Inc, 1301 Connecticut Ave., NW, 7th Floor Washington, DC 20036	Ad Hoc Coalition on Intermarket Coordination	9,000.00	72.99
Do	American Ambulance Assn	27,000.00	196.25
Do	American Health Care Assn		
Do	American Optometric Assn	15,000.00	11.13
Do	Anheuser-Busch Companies	6,000.00	
Do	Association of American Railroads	24,999.00	159.12
Do	Automotive Refrigeration Products Institute	15,000.00	223.39
Do	Centel Federal Systems		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Certified Auctioneers Institute	22,500.00	146.12
Do	Citizens for a Drug Free America	16,000.00	27.75
Do	Esselte Pendaflex Corp		
Do	Eveready		
Do	EDS	18,000.00	30.50
Do	Ferrellgas		
Do	Jason Pharmaceuticals		
Do	LeGere Walking Stick Foundation	6,000.00	28.54
Do	National Collegiate Athletic Assn (NCAA)		
Do	National Spiritual Assembly of the Baha'is of the U.S.	29,350.00	2,570.00
Do	Oklahoma Natural Gas	3,000.00	5.14
Do	Pathology Practice Assn	24,000.00	67.72
Do	Pharmaceutical Coalition	15,000.00	88.17
Do	Public Broadcasting Service	15,000.00	45.15
Do	Sony Corp of America	60,000.00	424.20
Do	Spectacor Management Group	9,000.00	
Do	St. Louis NFL Partnership		
Do	Syva Company	40,500.00	128.61
Do	Third District Industrial Development Initiative Fund	12,000.00	152.81
Do	United Homeowners	6,000.00	
Michael Fleming, 1300 N. 17th St., # 1010 Arlington, VA 22209	American Assn of Equipment Lessors		
Terry P. Fleming, Ohio Petroleum Council 88 E. Broad St., #1960 Columbus, OH 43215	American Petroleum Institute	1,000.00	1,279.41
Ronnie G. Flippo, 701 Pennsylvania Ave., NW, #800 Washington, DC 20004	R.G. Flippo & Associates, Inc (For:Aetna Life & Casualty)	3,750.00	
Do	R.G. Flippo & Associates, Inc (For:Alabama Power Company)	2,100.00	
Do	R.G. Flippo & Associates, Inc (For:American Institute of Certified Public Accountants).	4,500.00	
Do	R.G. Flippo & Associates, Inc (For:AmSouth Bank)	1,200.00	
Do	R.G. Flippo & Associates, Inc (For:Colsa, Inc)	1,350.00	
Do	R.G. Flippo & Associates, Inc (For:Edison Electric Institute)	5,250.00	
Do	R.G. Flippo & Associates, Inc (For:Norfolk Southern Corp)	1,575.00	
Do	R.G. Flippo & Associates, Inc (For:RJR Nabiso Washington)	2,850.00	
Florida Business Associates, 1825 EYE Street, NW, #400 Washington, DC 20006	Control Data Corporation	4,924.15	
Do	Convex Computer Corporation	26,264.28	
Do	Cray Research, Inc		
Do	HNSX Supercomputers, Inc	26,772.13	
Do	MEDCO Containment	4,303.05	
Do	State University System	41,664.00	
Do	University of Alaska	12,498.00	
Do	University of Nevada-Las Vegas	17,026.12	
Do	Westinghouse Electric Corp	20,036.92	
Karen Florini, 1616 P Street, NW, #150 Washington, DC 20036	Environmental Defense Fund	2,250.00	1,150.00
David L. Flory, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:American Mobile Satellite Consortium)	500.00	
Do	Murphy & Demory, Ltd. (For:Cable & Wireless North America, Inc)	500.00	
Do	Murphy & Demory, Ltd. (For:California Energy Company)	5,750.00	586.37
Ruth Flower, 245 Second Street, NE Washington, DC 20002	Friends Committee on National Legislation	5,515.62	
Veronica M. Floyd, 3306 Fallen Tree Court Alexandria, VA 22310	Brunswick Corp	5,431.25	339.94
John J. Flynn, 1125 17th Street, NW Washington, DC 20036	International Union of Operating Engineers	7,500.00	635.44
Focus on the Family, 801 Corporate Center Drive Pomona, CA 91768		29,136.00	29,794.00
Foley & Lardner, 1775 Pennsylvania Avenue, NW, #1000 Washington, DC 20006-4680	Aurora Health Care, Inc & Sinai Samaritan Medical Center,Inc		
Do	Coldwell Banker Real Estate Group		
Do	United Savings of America		
R. D. Folsom, 1317 F Street, NW, #400 Washington, DC 20004	Glaxo, Inc	1,500.00	
Food & Allied Service Trades Dept, AFL-CIO, 815 16th Street, NW, #408 Washington, DC 20006		16,974.00	16,974.00
Foodservice & Packaging Institute, Inc, 1025 Connecticut Ave., NW Washington, DC 20036			
Mari S. Forbes, 11 Dupont Circle, NW, #300 Washington, DC 20036-1207	Albers & Company (For:May Department Stores Co)		
David Ford, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn	1,500.00	
James E. Ford, 1333 New Hampshire Avenue, NW Washington, DC 20036	Atlantic Richfield Co	55.00	
Foreman & Heidepriem, 1112 16th Street NW, #750 Washington, DC 20036	Coalition to Protect the Integrity of American Trademarks		
Forest Farmers Assn, P.O. Box 95385 Atlanta, GA 30347			7,500.00
Edward H. Forgotson, 1350 I Street, NW, #700 Washington, DC 20005	Enserch Corporation		
Do	GNB, Inc		
Do	National Deposit Insurance Corp		
Do	Northern Indiana Public Service Company		
Do	RSR Corp		
Do	Skidmore Owings & Merrill (SOM)		
Do	Superior National Insurance Group		
Mark A. Forman, 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	1,250.00	
Sallie H. Forman, 1331 Pennsylvania, NW, #700-South Washington, DC 20004	National Broadcasting Co, Inc		
James R. Forrester, P.O. Box 94661 Cleveland, OH 44101	Centerior Energy Corp, et al.	1,672.00	3,240.56
Larry Forrester, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
Alison B. Fortier, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International	14,730.00	1,053.37
Richard D. Fortin, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League	1,274.00	
Tracy Fortson, 818 Connecticut Ave., NW, #303 Washington, DC 20006	National Assn for Biomedical Research	80.00	
Nancy E. Foster, 1300 L Street, NW, Suite 950 Washington, DC 20005-4107	American Soybean Assn	430.20	27.00
William L. Foster, 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	2,550.00	
James J. Fotis, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,388.45	
Donald L. Fowler, P.O. Box 50627 Columbia, SC 29250	Chem-Nuclear Systems, Inc	500.00	64.76
Do	Delaware Container Corporation	3,475.00	167.31
Do	Giant Cement Company	1,500.00	566.55
Alissa T. Fox, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	5,155.00	899.45
Fox Group, USA Ltd, P.O. Box 1831 Charleston, SC 29402	Camp Barsh Bates & Tate (for Sears Roebuck & Co), et al.		
John R. Frahm, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	3,000.00	
Douglas L. Francisco, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		86.50
John L. Frank, P.O. Box 8082 Eau Claire, WI 54702-8082	National Presto Industries, Inc	3,505.50	694.40
Richard L. Frank, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Olsson Frank & Weeda (For:Ad Hoc Pizza Standard Rulemaking Group)	400.00	
Stephen R. Frank, 607 Azure Hills Drive Simi Valley, CA 93065	Calcitek Dental Products		
Do	Church of Scientology	1,500.00	1,368.01
Faye B. Frankfort, 9312 Old Georgetown Road Bethesda, MD 20814-1621	American Podiatric Medical Assn	4,000.00	
Walter L. Frankland Jr., 1730 M Street, NW, #911 Washington, DC 20036	Silver Users Assn, Inc	1,080.00	
Thomas C. Franks, 1220 L St., NW, #510 Washington, DC 20005	American Resort & Residential Development Assn	1,500.00	200.41
John B. Franz, P.O. Box 10568 Pompano Beach, FL 33061-6568			
Marian C. Franz, 2121 Decatur Place, NW Washington, DC 20008	National Campaign for a Peace Tax Fund	1,102.50	175.00
Charles L. Frazier, 777 North Capitol Street, #915 Washington, DC 20002	National Farmers Organization	4,500.00	3,014.00
Douglas Freberg II, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	2,000.00	108.50
Robert M. Frederick, 1616 H St., NW Washington, DC 20006	National Grange	6,000.00	
John S. Fredericksen, 1101 Connecticut Ave., NW, #700 Washington, DC 20036	Regional Airline Association	1,000.00	
Joel Freedman, 1600 M St., NW, 5th Floor Washington, DC 20036	Hartford Fire Insurance Co		15,800.00
James T. Freeman, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America	4,665.00	927.06
Lewis R. Freeman Jr., 1275 K Street, NW, #400 Washington, DC 20005	Society of the Plastics Industry, Inc		
Mary Ann Freeman, 1331 Pennsylvania Ave, NW Washington, DC 20005	General Electric Co	401.00	
David W. Freer, 1150 Connecticut Ave., NW, #717 Washington, DC 20036	Southern California Gas Co	5,000.00	
Paula D. Freer, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corporation		
Freer & Alagia, Chtd, 1000 Thomas Jefferson St., NW, #600 Washington, DC 20007	Dairymen, Inc	10,780.00	2,070.71
Verrick O. French, 1455 Pennsylvania Avenue, NW, #1260 Washington, DC 20004	French & Company (For:International Electronics Mfgrs & Consumers of America, Inc).	300.00	
Do	French & Company (For:Montgomery Ward & Co, Inc)	250.00	
Do	French & Company (For:Wheels, Inc)	100.00	
French & Company, 1455 Pennsylvania Ave., NW, #1260 Washington, DC 20004	International Electronics Mfgrs & Consumers of America, Inc	700.00	
Do	Montgomery Ward & Co, Inc	325.00	
Do	Wheels, Inc	125.00	
Robert H. Frenzel, 316 Pennsylvania Ave., SE, #304 Washington, DC 20003	United Parcel Service	1,500.00	79.42
Katherine L. Frey, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co, (3M)	1,000.00	
Annette P. Fribourg, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn (Fannie Mae)	10,125.00	114.01
G. William Frick, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Ronald A. Fried, 888 17th Street, NW, #900 Washington, DC 20006	Holland & Knight (For:St. Johns Home Health)	2,000.00	
Fried Frank Harris Shriver & Jacobson, 1001 Pennsylvania Ave., NW, #800 Washington, DC 20004-2505	General Electric Co	490.00	8.60
Do	Goldrich & Kest	54.00	33.40
Do	Virgin Islands Rum Industries, Ltd	690.00	
F. Michael Friedman, 321 West Front Street P.O. Box 1000 Media, PA 19063	Clouse Pagano & Friedman (For:Chem Service, Inc)	2,622.54	61.81
James M. Friedman, 1100 Citizens Bldg. Cleveland, OH 44114	Centerior Energy Corp	556.50	59.12
Do	Environmental Standards Group	60.00	252.25
Gay H. Friedmann, 655 15th Street, NW, #300 Washington, DC 20005	Northern States Power Company		
Friends Committee on National Legislation, 245 2nd St., NE Washington, DC 20002			33,112.49
R. Roger Fries, 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute		
Edward O. Fritts, 1771 N Street Washington, DC 20036	National Assn of Broadcasters	2,500.00	
Charles H. Fritzel, 499 S. Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	340.00
Jeffrey Fritzlen, 555 13th Street, NW, #450-W Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	224.59
Alan Front, 312 Massachusetts Ave., NE Washington, DC 20002	Trust for Public Land	7,467.00	11,163.79
Marcy Masters Frosh, 2030 M Street, NW Washington, DC 20036	Common Cause	6,617.52	
Gordon H. Fry, 900 19th Street, NW Washington, DC 20006	Aluminum Assn, Inc	25.00	
Fulbright & Jaworski, 801 Pennsylvania Avenue, NW Washington, DC 20004	Barrett Resources Corp	15,628.75	752.35
Do	Crysen Corp	3,000.00	66.74
Do	Rugby-Darby Group Companies, Inc	500.00	14.25
Nancy R. Fulco, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Richard B. Fuller, 801 18th Street, NW Washington, DC 20006	Paralyzed Veterans of America	15,178.98	
Pattison Fulton, 601 Pennsylvania Ave., #900-W Washington, DC 20004	League to Save Lake Tahoe		
Do	Orrick Herrington & Sutcliffe		
Don Fuqua, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	3,500.00	
Harold W. Furman, 3050 K Street, NW Washington, DC 20007	Collier Shannon & Scott (For:Basic Management, Inc)	600.00	
Do	Collier Shannon & Scott (For:Central Basin Municipal Water District)	4,200.00	
Do	Collier Shannon & Scott (For:Central Utah Water Conservancy District)	10,000.00	
Do	Collier Shannon & Scott (For:Comdisco Medical Leasing Group, Inc)	650.00	
Do	Collier Shannon & Scott (For:Florida Lime & Avocado Trustees)	2,825.00	
Do	Collier Shannon & Scott (For:Granite Rock Company)		
Do	Collier Shannon & Scott (For:Riverside Resort & Casino)	2,650.00	
Do	Collier Shannon & Scott (For:South Dade Land Corp)	8,850.00	
Do	Collier Shannon & Scott (For:Spelman & Co)	700.00	
Do	Collier Shannon & Scott (For:Summit Engineering Corp)	7,600.00	
Do	Collier Shannon & Scott (For:West Basin Municipal Water District)	7,890.00	
FICA Fairness Coalition, P.O. BGox 66674 Washington, DC 20035-6674			30,919.31
FMR Group, Inc, 1000 Potomac Street, NW, #401 Washington, DC 20007	National Coalition of Burn Center Hospitals		
Do	Songwriters Guild of America		
Eric Keith Gabrielle, P.O. Box 12532 Gainsville, FL 32604			
James E. Gaffigan, 1201 New York Ave., NW Washington, DC 20005	American Hotel & Motel Assn	2,921.25	
Gage & Tucker, 2120 L Street, NW, #810 Washington, DC 20037	Black & Decker Corp		
Do	Pepsi Co, Inc		
Do	Pizza Hut, Inc		
Floyd D. Gaibler, 888 16th Street, NW Washington, DC 20006-4103	American Butter Institute/National Cheese Institute		298.00
Galland Kharasch Morse & Garfinkle, P.C., 1054 31st Street, NW Second Floor Washington, DC 20007	Air Jamaica, Ltd		
Do	National Assn of Theatre Owners		
Do	Soule Corp		
Do	South Africa Sugar Association	218.75	54.20
Do	Textile Rental Services Assn of America		
Karl Gallant, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	4,200.00	354.42
Galvin Haroian & Mlawski, 425 Park Avenue New York, NY 10022	Herman's Sporting Goods, Inc		
Do	Voyager International, Inc		
Peter S. Gambel, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		225.00
Bruce Gamble, 122 C St., NW, #580 Washington, DC 20001	National Bankers Assn		297.39
Briggs Gamblin, 2030 M Street, NW Washington, DC 20036	Common Cause	7,000.02	
Cheryl Gannon, 2000 K Street, NW #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	10,904.00	191.50
Curtis B. Gans, 421 New Jersey Avenue, SE Washington, DC 20003	Committee for the Study of the American Electorate		
Sandra M. Garbrecht, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:Alliance of Responsible Electric Systems for Energy Access).		
Do	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE)) .	18,492.50	6,722.25
Isabella Garcia, 1201 16th St., NW, #624 Washington, DC 20036	National Education Assn	2,912.25	91.00
Raymond Garcia, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	3,000.00	
James N. Gardner, 222 S.W. Columbia, #1600 Portland, OR 97201-6616	Lindsay Hart Neil & Weigler (For:Rentrak Corp)	20,018.65	458.15
Lynda Nelson Gardner, 222 S.W. Columbia, #1600 Portland, OR 97201-6616	Lindsay Hart Neil & Weigler (For:Rentrak Corp)	20,018.65	458.15
Sherwin Gardner, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Anthony Garrett, 150 Andover San Francisco, CA 94110	Citizens for Reliable and Safe Highways (CRASH)	1,687.50	
Theodore J. Garrish, 11 Canal Center, #250 Alexandria, VA 22314	American Nuclear Energy Council	8,250.00	261.31
John C. Gartland, 214 Massachusetts Ave., NE, #210 Washington, DC 20002	Amway Corp	8,250.00	
Gas Appliance Manufacturers Assn, Inc, 1901 North Moore Street Arlington, VA 22209			
Christie J. Gaskin, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co)		
Philip Gasteyer, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	2,100.00	
Bruce A. Gates, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Fred Gebler, 1331 Pennsylvania Ave., NW, #1300N Washington, DC 20004	Electronic Data Systems Corp	184.00	382.26
Robert C. Gelardi, 5775 Peachtree-Dunwoody Rd., #500-G Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)	270.00	
Do	Kellen Company (For:Infant Formula Council)		
Morton A. Geller, Corporate Tax Department 100 Federal Street Boston, MA 02110	First National Bank of Boston		
General Instrument Corporation, 1899 L Street, NW, Fifth Floor Washington, DC 20036		1,500.00	315.90
Generic Pharmaceutical Industry Assn, 200 Madison Ave., #2404 New York, NY 10016		6,241.00	6,241.00
Diane J. Generous, 1331 Pennsylvania Ave., NW, #1500 North Washington, DC 20004-1703	National Assn of Manufacturers		
John Gentille, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
William A. Geoghegan, 1200 18th Street, NW Washington, DC 20036	Securities Industry Assn	3,700.00	
Nancy Whorton George, 555 13th Street, NW, #1010 E Washington, DC 20004-1109	Enron Corp		
Do	Natural Gas Alliance for the Generation of Electricity		
Do	Transco, Inc		
Joseph G. Gerard, 918 16th St., NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	1,500.00	1,247.68
Louis Gerber, 1925 K St., NW Washington, DC 20006	Communications Workers of America	7,132.00	148.15
Robin Gerber, 101 Constitution Ave. NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	1,254.50	
Richard C. Gergle, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp	5,000.00	
Scott A. Gerke, 955 L'Enfant Plaza, SW #5300 Washington, DC 20024	Honda North America, Inc	225.00	
Gerry Baby Products, Co, 12520 Grant Drive Box 33755 Denver, CO 80233	Gerry Baby Products Co		
Matthew Gerson, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	3,494.00	485.69
Kenneth Gersten, 1116-C West Street Annapolis, MD 21401	Sierra Club	622.32	
Alvin J. Geske, 1016 16th St., NW, 6th Floor Washington, DC 20036	Benchmarks, Inc		
Do	Grupo Industrial Alfa, SA		
Do	Renewable Fuels Assn		
Dorothy F. Gevinson, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Manufacturing Co	68.46	
Danny Ghorbani, 8014 Falstaff Road McLean, VA 22102	Association for Regulatory Reform	6,000.00	705.52
Clair Ghylin, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron USA, Inc	7,500.00	50.00
Christopher J. Giaimo, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	2,826.00	
William C. Gibb, 1050 Thomas Jefferson St., NW, 6th Fl Washington, DC 20007	Itel Rail Corp, et al.	15,500.00	683.00
Wayne Gibbens, 801 Pennsylvania Ave., NW, #840 Washington, DC 20004-2604	Mid-Continent Oil & Gas Assn	15,000.00	300.00
Anne Giesecke, 1111 14th Street, NW, #300 Washington, DC 20005	American Bakers Assn		
Robert C. Gilardi, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202	Compressed Gas Assn/Heliun Advisory Council		
Karl O. Gilbert, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Pamela Gilbert, 215 Pennsylvania Avenue, SE Washington, DC 20003	Public Citizen	8,625.00	
James E. Gilchrist, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Jacqueline Gillan, 777 North Capitol Street, NE, #410 Washington, DC 20002	Advocates for Highway & Auto Safety	4,269.23	210.74
Mary Ann Gilleece, 1146 19th Street, NW, 3rd Floor Washington, DC 20036	Lepon McCarthy Jutkowitz & Holzworth (For:Astra Holdings Corp)		
Do	Lepon McCarthy Jutkowitz & Holzworth (For:DynCorp)		
Do	Lepon McCarthy Jutkowitz & Holzworth (For:NMP Corp)		2,000.00
Neal P. Gillen, 1725 K Street, NW, #1210 Washington, DC 20006	American Cotton Shippers Assn	37,500.00	1,269.94
David Gillette, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Committee	4,416.66	
Daniel F. Gilligan, 1701 K Street, NW, #400 Washington, DC 20006	National Manufactured Housing Federation	1,000.00	
Jim Gilmore, 1735 New York Avenue, NW, #500 Washington, DC 20006	American Factory Trawler Assn	17,500.00	1,279.32

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Ginn Edington Moore & Wade, 803 Prince Street Alexandria, VA 22314	Allied Signal Aerospace Co	4,000.00	58.18
Do	Equifax	3,000.00	42.87
Do	Lockheed Corporation	10,000.00	146.99
Do	Oglethorpe Power Corp	2,000.00	30.62
Do	Rockwell International Corp		
Do	Swedish Ordnance		
Do	Turner Broadcasting System, Inc	2,000.00	34.32
Do	U.S. Cane Sugar Refiners' Assn		
Do	Watkins Associated Industries, Inc		
Ginsburg Feldman & Bress, Chartered, 1250 Connecticut Ave., NW, #800 Washington, DC 20036	Chugai-Upjohn, Inc		
Do	Home Shopping Network, Inc		
Do	International Mobil Machines Corp		
Do	U.S. Telephone Assn		
Gerard Giovaniello, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	695.11
Earl E. Gjelde, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Chem-Nuclear Environmental Services, Inc		
Lawrence L. Gladchun, 27777 Inkster Road Farmington Hills, MI 48334	Michigan National Corp	3,850.00	2,316.00
Nicholas J. Glakas, 1600 M Street, NW Washington, DC 20036	ITT Corporation	595.00	77.50
Glass Packaging Institute, 1801 K Street, NW, #1105-L Washington, DC 20006			4,515.00
Matthew D. Glasser, 1919 Park Road, NW Washington, DC 20010	City of Broomfield, Colorado	30,000.00	2,311.08
Law Offices of Thos Gleason, 26 Broadway, 17th Floor New York, NY 10004	International Longshoremen's Assn, AFL-CIO		
Robert E. Gleason, 815 16th Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	17,433.00	110.00
Martha Cole Glenn, 4637B S. 36th Street Arlington, VA 22206	Humane Society of the U.S.	10,570.02	3,088.21
Sara B. Glenn, 3225 Gallows Rd Room 3c004 Fairfax, VA 22037-0001	Mobil Corp	1,125.00	
Joanne Glisson, 700 14th Street, NW, Washington, DC 20005	Monsanto Company		75.62
Stephanie R. Godley, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	1,000.00	50.00
James W. Godlove, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,050.00	347.85
Kevin C. Goebel, 2530 San Pablo Avenue, #J Berkeley, CA 94702	Americans for Nonsmokers' Rights	646.00	
Judith M. Goff, P.O. Box 130092 St. Paul, MN 55113	Farm Credit Services	500.00	1,230.00
Harvey S. Gold, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Gold & Liebengood, Inc, 1455 Pennsylvania Ave., NW, #950 Washington, DC 20004	Air & Space West, Inc		1,649.00
Do	Alaska Loggers Assn		1,697.00
Do	Amercan College of Cardiology	1,500.00	2,049.00
Do	American Academy of Dermatology	16,000.00	2,049.00
Do	American Academy of Ophthalmology	10,500.00	2,049.00
Do	American Medical Assn		1,649.00
Do	American Trucking Assn	4,200.00	1,682.00
Do	Hanna Andersson	2,070.00	2,049.00
Do	Bausch & Lomb		1,649.00
Do	Beretta U.S.A. Corp	13,890.00	2,049.00
Do	BAA plc	3,200.00	2,049.00
Do	Camp Barsh Bates & Tate	1,068.00	2,049.00
Do	Chemical Manufacturers Assn, Inc	2,818.00	1,757.00
Do	Coca Cola Company	2,400.00	1,649.00
Do	College of American Pathologists	5,000.00	2,049.00
Do	Copiat	863.00	1,722.00
Do	Electronic Data Systems Corp	11,700.00	2,049.00
Do	Energy Research Corp	4,200.00	1,955.00
Do	Equitable Life Assurance Society of the U.S.	50,000.00	2,049.00
Do	Eye Bank Assn of America	2,200.00	1,692.00
Do	Federated Investors, Inc	15,000.00	2,049.00
Do	Fiat USA	10,890.00	2,049.00
Do	Ford Motor Co	1,234.00	2,049.00
Do	Genentech, Inc	24,000.00	2,049.00
Do	Hopi Tribe	28,800.00	1,649.00
Do	Investment Company Institute	5,619.00	2,049.00
Do	Martin Marietta Corp	4,605.00	1,905.00
Do	Museum Company		1,649.00
Do	MCI Communications Corp	7,200.00	2,049.00
Do	National Business Aircraft Assn, Inc	1,100.00	1,832.00
Do	National Cattlemen's Assn		1,649.00
Do	National Football League	27,620.00	2,041.00
Do	National Restaurant Assn	39,000.00	2,049.00
Do	National School Transportation Assn	6,000.00	2,019.00
Do	Pacific Enterprises	9,900.00	2,049.00
Do	Pennzoil Co	4,000.00	2,049.00
Do	Philip Morris Co	45,000.00	2,049.00
Do	Philipp Brothers, Inc		1,649.00
Do	Phillips Petroleum Co	10,000.00	2,049.00
Do	Public Securities Assn	3,000.00	2,049.00
Do	Salomon Brothers, Inc	4,500.00	2,049.00
Do	Southwest Detroit Hospital		1,649.00
Do	Thomson-CSF, Inc	22,330.00	2,049.00
Do	Times Mirror Co	4,950.00	2,049.00
Do	Washington Metropolitan Area Transit Authority	16,758.00	1,649.00
Do	Washington Post Company		1,649.00
Goldberg & Spector, 1229 19th St., NW Washington, DC 20036	Alpha Lyracom d/b/a Pan American Satellite		
Janlori Goldman, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	500.00	100.00
Max Goldman, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc		
Goldman Sachs & Co, 1101 Pennsylvania Avenue, NW, #900 Washington, DC 20004			3,800.00
Janice Goldman-Carter, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	1,524.06	
Robert H. Goldsborough, 5508 Lombardy Place Baltimore, MD 21210	Americans for Immigration Control, Inc	9,000.00	
Marva Goldsmith, 601 13th Street, NW, #650-North Washington, DC 20005	Detroit Edison Company	750.00	45.00
Richard S. Goldstein, 2300 M Street, NW Washington, DC 20037	Kelley Drye & Warren (For:Coalition to Preserve the Low Income Housing Tax Credit).		
Judith E. Golub, 2027 Massachusetts Ave., NW Washington, DC 20036	American Jewish Committee	14,000.00	1,500.00
John A. Gonzalez, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	5,000.00	3,844.40
Richard F. Goodstein, 1150 Connecticut Avenue, NW, #500 Washington, DC 20036	Browning-Ferris Industries, Inc	1,275.00	481.50
Linda Goold, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	
John Gordley, 1150 Connecticut Avenue, NW, #507 Washington, DC 20036	Export Processors Industry Coalition (EPIC)	3,000.00	3,274.18
Do	Iowa Pork Producers Assn	1,500.00	1,336.15
Do	National Sunflower Assn	6,000.00	3,595.73
Do	U.S. Canola Association	9,000.00	2,757.66
Mary S. Gordon, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc		1,445.00
Randall C. Gordon, 1201 New York Ave., NW #830 Washington, DC 20005	National Grain & Feed Assn		
David W. Gorman, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	16,780.80	
Faye A. Gorman, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp	5,000.00	
Ann M. Gosier, 1920 N Street, NW Washington, DC 20036	American Mining Congress	45.00	21.00
Peter Gossens, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics	1,000.00	189.98
William P. Gotschall, 6222 Cheryl Drive Falls Church, VA 22044	World Resources Company	4,800.00	
Gover Stetson & Williams, 2501 Rio Grande Blvd, NW Albuquerque, NM 87104-3223	Campo Band of Mission Indians	14,721.00	
Do	Crow Tribal Housing Authority	1,029.00	
Do	Mescalero Apache Housing Authority	712.50	
Do	Minnesota Chippewa Tribe		
Do	Navajo Area School Board Assn	1,713.50	
Do	Pueblo of Laguna Housing Authority	490.00	
Do	Pueblo of Pojoaque	8,473.50	
Do	Pueblo of Tesuque		
Do	Pueblo of Zuni		
Do	Santa Clara Indian Pueblo	11,175.00	
Do	Santa Fe Indian School, Inc		
Do	Shoshone Tribe	6,558.50	
Do	Tonono O'odham Nation		
Do	Wind River Tax Commission		
Do	Zuni Housing Authority		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Government Affairs-Maryland, 220 Prince George Street Annapolis, MD 21401	Philip Morris, USA	2,500.00	1,978.85
Edmund Graber, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
Graham & James, 2000 M Street, NW, #700 Washington, DC 20036	Citibank, N.A.	17,770.00	240.00
Do	Investors in Industry		
Frances Turk Granahan, 1620 L Street, NW, #1200 Washington, DC 20036	Panhandle Eastern Corp		297.97
James L. Granum, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Clifford S. Graul, 1800 M Street, NW, #325-S Washington, DC 20036	Dow Corning Corp	5,000.00	24.00
Edwin C. Graves, 2001 M Street, NW Washington, DC 20036	Hill & Knowlton, Inc (For:American Chamber of Commerce in Hong Kong)		
Do	Hill & Knowlton, Inc (For:Bolivar Aviation)		
Do	Cellular Telecommunications Industry Assn		
Do	Capitoline International Group Ltd (For:City of America)	1,219.00	
Do	Hill & Knowlton, Inc (For:City of Chattanooga)		
Do	Hill & Knowlton, Inc (For:Comdisco)		
Do	Hill & Knowlton, Inc (For:CBI Sugar Group)		
Do	Hill & Knowlton, Inc (For:CVPWA)		
Do	Hill & Knowlton, Inc (For:Desert Research Institute)		
Do	Hill & Knowlton, Inc (For:Emerald Seafoods, Inc)		
Do	Hill & Knowlton, Inc (For:Ferruzzi)		
Do	Friant Water Users Authority		
Do	Hill & Knowlton, Inc (For:FBA)		
Do	Hill & Knowlton, Inc (For:General Atomics)		
Do	Hill & Knowlton, Inc (For:Gerber Products Corp)		
Do	Hill & Knowlton, Inc (For:Johnson Controls)		
Do	Hill & Knowlton, Inc (For:McGuiness & Williams)		
Do	Hill & Knowlton, Inc (For:Organization of Professional Employees of USDA (OPEDA)).		
Do	Hill & Knowlton, Inc (For:Pacific Trade & Investment Corp)		
Do	Capitoline International Group, Ltd (For:Professional Lawn Care Assn. of America).	2,313.00	
Do	Hill & Knowlton, Inc (For:South Dade Land Corp)		
Do	Hill & Knowlton, Inc (For:Trustees)		
Do	Hill & Knowlton, Inc (For:University of Nevada, Reno)		
Do	Hill & Knowlton, Inc (For:Village of Palatine)		
Do	Hill & Knowlton, Inc (For:Washoe County, Nevada)		
Barbara Gray, P.O. Box 3958 Missoula, MT 59806	Metropolitan Analysis & Retrieval Systems, Inc (Mars, Inc)	11,300.00	7,000.00
Carol J. Gray, 1850 M Street, NW, #550 Washington, DC 20036	Securities Industry Assn	1,615.00	
Peter Gray, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp/Citibank	2,728.00	
Robert K. Gray, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:AMR Corp)		
Do	Hill and Knowlton, Inc (For:Church of Scientology International)		
Do	Hill & Knowlton, Inc (For:First American Bank, N.A.)		
Do	Hill & Knowlton, Inc		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Do	Hill & Knowlton, Inc (For:Tesoro Petroleum Corp)		
Do	Hill & Knowlton, Inc (For:Tobacco Institute)		
Robert N. Gray, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	9,750.00	80.50
Scott D. Grayson, 1828 L Street, NW, #1202 Washington, DC 20036	Institute of Electrical & Electronics Engineers (IEEE)	900.00	
Greater Wash/MD Service Station & Automotive Repair Assn, 9420 Annapolis Rd., #307 Lanham, MD 20706		500.00	500.00
Donald R. Greeley, 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	4,500.00	285.55
Deborah Green, 610 W. 110th Street New York, NY 10025	Rainbow Lobby, Inc	4,400.00	
Edward M. Green, 1920 N St., NW Washington, DC 20036	American Mining Congress		
George R. Green, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	450.00	
James E. Green, 1100 Connecticut Ave., NW #620 Washington, DC 20036	Mobil Corp	2,500.00	1,931.73
John K. Green, 800 American Charter Center 1623 Farnam St. Omaha, NE 68102-2130	Papillion-Lavista School District		
Micah S. Green, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	12,500.00	301.21
Scott H. Green, 1275 Pennsylvania Ave, NW, #220 Washington, DC 20004	Boys & Girls Clubs of America	6,392.40	
Wayne Green, Forest Road Hancock, NH 03449	73, Inc		
William Green, 1455 Pennsylvania Ave, #575 Washington, DC 20004	MacAndrews & Forbes Holdings, Inc	3,000.00	
Fred Greene, 3434 Pinetree Terrace Falls Church, VA 22041	Denny Miller Associates	2,500.00	
Anne Greenfield, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	75.62
Suzanne Greenfield, 2030 M Street, NW Washington, DC 20036	Common Cause	6,720.00	
Ronald K. Greenhalgh, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural ELectric Cooperative Assn	110.00	
Lynn Greenwalt, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation		
R.T. Gregg, 900 19th Street, NW, #800 Washington, DC 20006	U.S. Telephone Assn	500.00	
Sarah Massengale Gregg, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Janet R. Gregor, 1331 H Street, NW, #300 Washington, DC 20005	Rosapepe & Spanos, Inc	1,800.00	6.00
Nancy Gregovich, 3050 K Street, NW, #330 Washington, DC 20007	National Club Association		
David J. Gribbin IV, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business (NFIB)	3,401.00	200.00
Jeffrey J. Grieco, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co)		
Kathryn Griesinger, 2001 Pennsylvania Ave., NW Washington, DC 20006	Electronic Industries Assn	625.00	48.10
Griffin Johnson & Associates, 1211 Connecticut Ave., NW, #700 Washington, DC 20036	Air Transport Assn of America	750.00	18.00
Do	American Assn of Equipment Leasors	8,750.00	210.00
Do	American Nuclear Energy Council	8,500.00	204.00
Do	American Petroleum Institute	1,500.00	36.00
Do	American Psychological Assn	5,750.00	138.00
Do	Arthur Andersen & Co	3,250.00	78.00
Do	Avondale Industries, Inc	250.00	6.00
Do	Blue Cross & Blue Shield Assn	2,750.00	66.00
Do	City of Broomfield	1,000.00	24.00
Do	CBS, Inc	7,500.00	180.00
Do	COMSAT Corp	2,500.00	60.00
Do	Ethyl Corporation	13,000.00	312.00
Do	Firemans Fund Insurance Cos.	4,375.00	108.00
Do	General Atomics	5,750.00	138.00
Do	W.R. Grace & Co	6,250.00	150.00
Do	Grumman Corporation	1,750.00	42.00
Do	McCaw Communications Cos	3,000.00	72.00
Do	Merck & Co, Inc		
Do	Motorcycle Industry Council, Inc	1,000.00	24.00
Do	National Music Publishers Assn	5,000.00	120.00
Do	Nus Corp	17,500.00	420.00
Do	Outdoor Advertising Assn of America	7,750.00	186.00
Do	Pharmaceutical Manufacturers Assn		
Do	Tobacco Institute	1,250.00	30.00
Do	Transport Life Insurance Co (for Resource Deployment, Inc)	17,250.00	414.00
Do	United Illuminating Co		
Edward D. Griffith, 3801 West Chester Pike Newtown Square, PA 19073	ARCO Chemical Co	70.00	
Gary W. Griffith, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	540.00	188.50
Randy Griggs, 1052 Highway 431 North Dothan, AL 36303	Alabama Farmers Federation	600.00	834.89
Philip M. Grill, 444 N. Capitol Street, NW, #514 Washington, DC 20001	Matson Navigation Company, Inc		
Craig N. Grimm, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Margo A. Grimm, 1000 Connecticut Ave., NW Washington, DC 20036	Japan Economic Instutute of America	500.00	
Norman E. Grimm Jr., 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		
Cynthia P. Grisso, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		20.00
Mark W. Grobmyer, P.O. Box 70 Little Rock, AR 72203	Arnold Grobmyer & Haley (For:Arkansas Assn of Securities Dealers)		
Do	Arnold Grobmyer & Haley (For:Mid-South International Trade Assn)		
Grocery Manufacturers of America, Inc, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007			2,591.32
James N. Groninger, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc	181.73	
George Gross, 1211 Connecticut Ave., NW, #406 Washington, DC 20036	Magazine Publishers of America, Inc	5,000.00	
Thomas P. Gross, 1627 Eye Street, NW, #1000 Washington, DC 20006	McGuire Woods Battle & Boothe (For:Appomattox River Water Authority)	2,000.00	
Jerome Grossman, 110 Maryland Avenue, NE Washington, DC 20002	Council for a Livable World		
Steven A. Grossman, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Cetus Corp)		
Do	Hill & Knowlton (For:Gerber Products Corp)		
Do	Hill Knowlton (For:Nintendo of America, Inc)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)	240.00	
Gerald M. Guarilia, 70 North Main Street Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Gabriel Guerra-Mondragon, 444 North Capitol Street, #711 Washington, DC 20001	TKC International (For:Mexican Dept of Commerce & Industrial Development)		
Gene Guerrero, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	1,250.00	
Mary Scott Guest, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	O'Connor & Hannan (For:Blanchfield & Moore)	1,000.00	
Do	Morris Communications	14,000.00	
Do	Naegle Outdoor Advertising		
Do	O'Connor & Hannan	25,000.00	
Do	Bettis Rainsford		
Do	Riverton Investment Corp		
Do	Western Electrochemical Company		
Pamela D. Guffain, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	3,000.00	238.01
Clark J. Guild Jr., Guild & Hagen, Ltd 100 West Liberty St., #800 Reno, NV 89501	Motion Picture Assn of America, Inc		
James E. Guirard Jr., 1730 Rhode Island Avenue, NW, #419 Washington, DC 20036	BASF Corp	2,000.00	95.00
Do	KMS Fusion, Inc	1,500.00	130.00
Do	Walk-Haydel & Associates, Inc	1,500.00	160.00
Deborah H. Gum, 9425 Cloverhill Road Manassas, VA 22110	Capital Cities/ABC, Inc		
Gun Owners of America, Inc, 8001 Forbes Place Springfield, VA 22151		177,989.10	211,844.47
Phyllis A. Guss, 1050 Thomas Jefferson Street, NW 6th Floor Washington, DC 20007	Citizens for Reliable & Safe Highways (CRASH)	1,170.00	134.60
Richard E. Gutting Jr., 1525 Wilson Boulevard, #500 Arlington, VA 22209	National Fisheries Institute	4,000.00	
Z. Lou Guttman, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	1,000.00	
Jocelyn A. Guyer, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	23,087.50	7,982.67
GPIA Animal Drug Alliance, 200 Madison Ave., #2404 New York, NY 10016			
Jane Scherer Haake, 1667 K Street, NW, #420 Washington, DC 20006	Mead Corporation		
William G. Haddeland, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
Lonnie E. Haefner, 10 Finlay Road Kirkwood, MO 63122	L.E. Haefner Enterprises, Inc (For:I-66 Project, Inc)		
Gene P. Haflich, Indiana Petroleum Council 714 Harrison Building Indianapolis, IN 46204	American Petroleum Institute	927.48	1,453.58
Thomas M. Hagan, 1005 Congress Ave., #795 Austin, TX 78701	Central & South West Services, Inc	1,415.15	2,058.89
Tom Hagedorn Associates, 4000 Oxford Street Annandale, VA 22003	Asphalt Rubber Producers Group, Inc	10,000.00	
Barry Hager, 1701 K St., NW, #900 Washington, DC 20006	Fund for Private Assistance in Internat'l Development (Paid)	4,220.00	60.00
Nancy A. Hailpern, 316 Pennsylvania Ave., SE, #200 Washington, DC 20003	American Cancer Society	2,250.00	
Jay D. Hair, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	1,483.49	
Thomas F. Hairston, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California	7,000.00	487.07
Alma P. Hale, 1920 N Street, NW Washington, DC 20036	America Mining Congress	20.00	
Mr. Randolph M. Hale, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Micron Technology, Inc	137.50	
Angelynn Hall, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	15,342.16	
Anne Hall, 100 East Broad Street Columbus, OH 43271-0251	Banc One Corporation		
Elliott S. Hall, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	7,500.00	1,291.10
John F. Hall, 1945 Old Gallows Road, #550 Vienna, VA 22180	American Wood Preservers Institute	5,000.00	
John P. Hall Jr., 1350 Eye Street, NW, #810 Washington, DC 20005	Johnson & Johnson	1,000.00	225.00
Joseph Mitchell Hall, 2930 S. Buchanan Street, #A1 Arlington, VA 22230	Harris Corporation	1,475.00	787.73
Marian Hall-Crawford, 316 Pennsylvania Avenue, SE, #301 Washington, DC 20003	San Diego Gas & Electric	1,935.00	2,405.87
Eliot J. Halperin, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Hawaii Cruises)		
Morton H. Halperin, 122 Maryland Ave.,NE Washington, DC 20002	American Civil Liberties Union	16,000.00	100.00
Paul T. Haluza, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004	Motor and Equipment Manufacturers Association	3,000.00	3,456.13
Martha R. Hamby, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	240.00	62.00
Matthew W. Hamill, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	7,248.00	306.00
David S. Hamilton, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	6,115.38	
J. Lee Hamilton, 1331 Pennsylvania Avenue, NW, #1550N Washington, DC 20004-1703	National Assn of Manufacturers	281.00	
Joyce Hamilton, 201 Park Washington Court Falls Church, VA 22046	National-American Wholesale Grocers' Assn	3,000.00	
Thomas A. Hammer, 2100 Pennsylvania Ave, NW, #695 Washington, DC 20037	Sweetener Users Assn	10,000.00	1,050.00
Timothy A. Hanan, 1100 Connecticut Avenue, NW, #620 Washington, DC 20036	Mobil Corp	2,500.00	
Hand Arendall Bedsole Greaves & Johnston, P.O. Box 123 Moblie, AL 36601	General Electric Co	3,504.58	
Do	Ingalls Shipbuilding	729.15	
Do	Northrop Corp	2,611.25	
Do	Panavia		
Do	Veda, Inc		
Do	Waste Management, Inc	542.51	
William G. Handfield, 50 F Street, NW Washington, DC 20001	Association of American Railroads	1,807.70	
Rose M. Hanes, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance		
Thomas H. Hanna, 7430 Second Ave, #300 Detroit, MI 48202	Motor Vehicle Manufacturers Assn of the U.S., Inc	2,650.00	480.30
P. S. Hannas, 919 18th Street, NW, #400 Washington, DC 20006	W. R. Grace & Co /World Headquarters	300.00	
M. Arnita Hannon, 1726 M Street, NW, #902 Washington, DC 20036-4502	American Lung Assn	1,826.40	1,162.82
Dolly A. Hanrahan, 1030 15th Street, NW, #1100 Washington, DC 20005	Hima	2,462.00	525.96
Erling Hansen, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
William S. Haraf, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	2,100.00	
Julie E. Harbin, 1100 Wilson Blvd. Arlington, VA 22209	Hughes Aircraft Company		
Robert N. Harbor, P.O. Box 1492 El Paso, TX 79978	El Paso Natural Gas Co		
Dorcas R. Hardy & Associates, 2909A So. Woodstock Street, #100 Arlington, VA 22206	MCI Telecommunications Corp		627.58
Harker Firm, 2021 K Street, NW, #310 Washington, DC 20006	International Bottled Water Assn	25,212.62	103,846.38
Donna Akers Harman, 1875 Eye Street, NW, #540 Washington, DC 20006	Champion International Corp		
Patricia L. Harmening, 316 Pennsylvania Ave., SE, #301 Washington, DC 20003	San Diego Gas & Electric	122,000.00	2,441.30
Kathleen Harnett, 1301 Pennsylvania Ave., NW #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Diane Harper, 1000 Wilson Blvd. Arlington, VA 22209	Grumman Corporation	625.00	467.09
Toni Harrington, 950 L'Enfant Plaza North, SW, #5300 Washington, DC 20024	Honda North America, Inc	1,300.00	1,571.76
W. Brendan Harrington, 1101 15th St., NW, #205 Washington, DC 20005	Cargill, Inc	1,250.00	
A. J. Harris II, 1825 Eye Street, NW, #750 Washington, DC 20006	CIGNA Corp	4,938.00	115.49
Leslie Harris, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	6,500.00	
Marilyn A. Harris, 818 Connecticut Avenue, NW Washington, DC 20006	USX Corporation	150.00	
Ray Harris, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Nuclear Operating Company	560.00	4,435.88
Jack E. Harrison, West Virginia Petroleum Council 1250 One Valley Square Charleston, WV 25301	American Petroleum Institute	230.00	585.02
Jim Harrison, 501 I Street, SW Washington, DC 20024	Association of Urban Universities	4,166.66	
L. Ray Harry, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc	520.00	4,333.51
Jayne A. Hart, 1101 Vermont Avenue, NW Washington, DC 20005	College of American Pathologists	2,300.00	
Thomas D. Hart, 1001 Pennsylvania Avenue, NW, #700 Washington, DC 20004	Allied-Signal, Inc		
William R. Hart, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	2,826.00	
Hartford Fire Insurance Co, Hartford Plaza Hartford, CT 06115			33,800.00
Mary M. Hartman, 8480 Fredericksburg Rd., #341 San Antonio, TX 78229	Diamond Shamrock, Inc		
Rebecca J. Hartman, 1100 Citizens Building Cleveland, OH 44114	Centerior Energy Corp	543.40	
Arthur W. Hartmann, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn		
Carolyn Hartmann, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	5,076.90	
Frederick J. Hartwigsen, 1500 Paxton Street P.O. Box 3565 Harrisburg, PA 17105	UGI Corporation		
Fanny L. Haslebacher, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	400.00	
Holly Hassett, 1730 Rhode Island Avenue, NW, #206 Washington, DC 20036	Hershey Foods Corp		
James C. Hassett, 1010 Wisconsin Ave., NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Janet S. Hathaway, 1350 New York Ave., NW, #300 Washington, DC 20005	Natural Resources Defense Council	12,190.20	576.62
Hauck & Associates, 1255 23rd Street, NW Washington, DC 20037	National Oilseed Processors Assn	5,000.00	5,550.83
James N. Haug, 55 E. Erie Street Chicago, IL 60611	American College of Surgeons		
Barbara S. Haugen, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Marilyn Beth Haugen, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Barbara J. Haugh, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		2,127.57
Todd J. Hauptli, 4554 A S. 28th Road Alexandria, VA 22206	American Assn of Airport Executives	4,212.00	
Arnold I. Havens, 1156 15th Street, NW, #1100 Washington, DC 20005	White Fine & Verville (For:Armstrong World Industries, Inc)	15,975.00	
Do	White Fine & Verville (For:Ashland Oil, Inc)	10,000.00	
Do	White Fine & Verville (For:Association of American Railroads)	2,000.00	
Do	White Fine & Verville (For:Burlington Northern Services, Inc)	1,347.50	
Do	White Fine & Verville (For:CSX Corporation)	8,000.00	
Do	White Fine & Verville (For:MetPath, Inc)	7,000.00	
Charles W. Havens III, 1333 New Hampshire Avenue, NW, #1100 Washington, DC 20036	Leboeuf Lamb Leiby & MacRae		
Laura A. Havens, 1901 L Street, NW, #260 Washington, DC 20036	March of Dimes Birth Defects Foundation	1,100.00	10.00
Jennifer Hawk, 1722 Eye Street, NW, 4th Floor Washington, DC 20006	Barclays Bank, PLC	3,000.00	45.00
Sidney G. Hawkes, 1667 K St., NW, #420 Washington, DC 20006	Mead Corporation	750.00	50.00
Edmund S. Hawley, 555 13th St., NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
F. William Hawley, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp/Citibank	712.50	
John F. Hay, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,200.00	
John F. Hayden, 1700 N. Moore Street, 20th Floor Arlington, VA 22209	Boeing Company		
David J. Hayes, 1001 Pennsylvania Ave., NW Washington, DC 20004	Latham & Watkins (For:American Electronics Assn)	1,580.94	25.85
Do	Latham & Watkins (For:Semiconductor Industry Assocation)	836.38	14.78
Robert G. Hayes, Bogle and Gates One Thomas Circle, NW, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	2,000.00	
Do	Coastal Conservation Assn		
Do	Natural Resources United	3,000.00	
Leah V. Haygood, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Robert A. Haynos, 4711 Hunt Circle Harrisburg, PA 17112	Harsco Corporation	23,808.00	2,137.82
Holly Elisabeth Hazard, 900 2nd Street, NE, #303 Washington, DC 20002	New England Anti-Vivisection Society		
Paul Hazen, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	10,000.00	259.67
Healthcare Financial Management Assn, 1050 17th Street, NW, #510 Washington, DC 20036			37.43
Robert Healy Jr., 1201 New York Ave., NW Washington, DC 20005	American Public Transit Assn	3,400.00	100.00
Robert L. Healy, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	325.00	
Anne A. Heanue, 110 Maryland Avenue, NW, #101 Washington, DC 20002	American Library Assn		
David E. Hebert, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	5,000.00	187.00
Jay Hedlund, 2030 M St., NW Washington, DC 20036	Common Cause	14,095.02	308.40
John Heffner, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
John F. Heilman, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	21,350.40	977.53
Robert M. Heine, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	139.13	341.97
Scott E. Heisel, 735 N. Water Street, #908 Milwaukee, WI 53202-4105	American Malting Barley Assn, Inc	675.00	
Richard Helfer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
Helicopter Assn International, 1619 Duke Street Alexandria, VA 22314			22,650.00
Richard L. Hellwege, 1225 Jefferson Davis Highway, #1100 Arlington, VA 22202	Smiths Industries	700.00	652.43
DeWitt F. Helm Jr., 155 East 44th Street New York, NY 10017	Association of National Advertisers, Inc		
Robert W. Helm, 1000 Wilson Boulevard, #2300 Arlington, VA 22209	Northrop Corp	3,000.00	1,341.50
Thomas M. Helscher, 700 Fourteenth Street, NW, #1100 Washington, DC 20005	Monsanto Co		693.46
Mike D. Helton, Kentucky Petroleum Council 305 Ann St., #403 Frankfort, KY 40601	American Petroleum Institute	1,500.00	2,619.45
Carol C. Henderson, 110 Maryland Ave., NE, #101 Washington, DC 20002	American Library Assn	1,329.00	
Robyn L. Henderson, 1726 M Street, NW, #902 Washington, DC 20036-4502	American Lung Assn	962.50	4,423.61
Karen Hendricks, 1319 F Street, NW, #604 Washington, DC 20004	Association of Junior Leagues Int'l, Inc	6,125.00	630.00
Dennis A. Henigan, 1225 Eye Street, NW Washington, DC 20005	Handgun Control, Inc	2,336.00	
C. Dayle Henington, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange		
George H. Henry, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	459.00	123.73
John Hugh Henry, 1850 K Street, NW, #950 Washington, DC 20006	McDermott, Inc	9,400.00	5,897.69
Margaret C. Henry, 1919 Pennsylvania Ave., NW Washington, DC 20006	Arter & Hadden (For:Morgan Stanley & Co, Inc)	200.00	544.88
LeAnn Hensche, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,450.00	102.10
Catherine L. Heron, 1600 M St., NW Washington, DC 20036	Investment Company Institute	521.23	10.25
Julian B. Heron, 1025 Thomas Jefferson Street, NW, #407 Washington, DC 20007	California Almond Growers Exchange	3,725.00	106.88
Do	Carl J. Maggio		
Do	Sunkist Growers, Inc	33,325.00	1,741.50
Do	Universal Leaf Tobacco		
Jo-Ann T. Herrick, 1800 K Street, NW, #530 Washington, DC 20006	Tesoro Petroleum Corp	1,500.00	
John A. Heslip, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn		5,951.00
William S. Hettinger, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	625.00	134.60
Heublein, Inc, 16 Munson Road Farmington, CT 06034-0388		17,250.00	10,893.67
Dale E. Heydlauff, 801 Pennsylvania Avenue, NW, #214 Washington, DC 20004	American Electric Power Service Corp	240.87	785.07
David B. Hickerson, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	405.00	252.00
Sydney Tally Hickey, 6401 Phillip Court Springfield, VA 22152	National Military Family Assn, Inc	2,158.13	20.00
Guy M. Hicks, 1000 Wilson Boulevard, #2407 Arlington, VA 22209	Northrop Corp	1,000.00	
Paul T. Hicks, Rhode Island Petroleum Assn 395 Smith Street, #2 Providence, RI 02908	American Petroleum Institute	135.00	
Barbara L. Hiden, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	89.61	80.00
J. Thomas Higginbotham, 1455 Pennsylvania Ave., NW Washington, DC 20004	American Institute of Certified Public Accountants		19,562.88
John S. Hightower, 5700 Florida Blvd., #310 Baton Rouge, LA 70806	Louisiana-Pacific Corp	7,125.00	1,203.00
Vivian A. Hightower, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	100.00	
Clifton T. Hilderley Jr., 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
John Hildreth, 1300 Guadalupe, #100 Austin, TX 78701	Consumers Union of U.S., Inc	1,000.00	
Catherine J. Hill, 1640 Wisconsin Ave., NW, First Floor Washington, DC 20007	American College of Surgeons		136.95
Frederick Wells Hill, 1801 K Street, NW, #800 Washington, DC 20006-1378	Westinghouse Electric Corp	3,000.00	
J. Eldred Hill Jr., 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	2,000.00	
Patricia Hill, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Robert B. Hill, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	750.00	17.38
Thomas M. Hill, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	2,509.50	
Edward Joseph Hillings, 750 17th Street, NW, 4th Fl Washington, DC 20006	Enron Corp	7,500.00	
John L. Hills, Rt. 1, Box 645 Purcellville, VA 22132	Sundstrand Corporation	2,640.00	1,622.28
Steven A. Hillyard, 1401 Eye Street, NW, #1200 Washington, DC 20005	Chevron Companies		
Cynthia Hilton, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
John M. Himmelberg, 888 17th Street, NW, #900 Washington, DC 20006	Florida Fruit & Vegetable Assn	3,000.00	
Do	Florida Tomato Exchange	1,500.00	
Rick Hind, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group		
Maureen K. Hinkle, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		340.00
Louis Hinman, 1627 Lamont Street, NW, #41 Washington, DC 20010	Rainbow Lobby, Inc		
Robert A. Hirsch, 1320 Braddock Place, #720 Alexandria, VA 22314	National Private Trucking Assn		
Evan Hirsche, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	690.61	
Tamara Hirschfeld, 2101 L Street, NW, #401 Washington, DC 20037	American Stock Exchange, Inc		
Dan L. Hitt, 1101 15th Street, NW Washington, DC 20005	3M Co (Minnesota Mining & Mfg)	400.00	
Charles W. Hitzemann, 1701 Pennsylvania Ave, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co.		293.00
Sheila E. Hixson, 1200 17th Street, NW, #106 Washington, DC 20036	American Psychological Assn (APA)		
Lawrence S. Hobart, 2301 M St., NW, #300 Washington, DC 20037	American Public Power Assn	1,000.00	
Philip M. Hocker, 20 West Chapman Street Alexandria, VA 22301	Mineral Policy Center		395.00
Scott Hodes, 180 North La Salle St., #3800 Chicago, IL 60601	Investment Company Institute	13,465.72	
Ann C. Hodges, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	8,904.00	5,480.33
Sheridan T. Hodges, 333 Piedmont Avenue, 23rd Floor Atlanta, GA 30308	Georgia Power Co	9,311.25	2,470.25
A.R. 'Trey' Hodgkins, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	935.90	65.42
Jeanne E. Hoenicke, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance	1,000.00	
Kristin Hofeditz, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	1,077.00	
Glen D. Hofer & Associates, 1000 16th Street, NW, #702 Washington, DC 20036	National Barley Growers Assn	13,500.00	4,578.00
William L. Hoffman, 516 First Street, SE Washington, DC 20003	American University of Beirut	11,856.00	10,319.47
Walter F. Hoffmann, 418 7th Street, SE Washington, DC 20003	Campaign for U.N. Reform-Political Education Committee	776.25	44.00
F. Nordy Hoffmann and Assoc, Inc, 400 N. Capitol St., NW, #327 Washington, DC 20001	Archer Daniels Midland Company		
Do	Coca-Cola Company		
Do	Crysen Corp		
Do	Interstate Natural Gas Assn of America		
Do	Keene Corp		
Do	Marine Engineers' Beneficial Assn		
Do	National Education Assn		
Do	Sound Refining, Inc		
Do	Wilmorite, Inc		
Elizabeth Hogan, 1133 19th St., NW Washington, DC 20036	MCI Communications Corp	4,000.00	281.18
Hogan & Hartson, 555 13th St., NW Washington, DC 20004-1109	American Frozen Food Institute		
Do	American Physical Therapy Assn		
Do	Amgen, Inc	2,643.75	18.00
Do	Berg Steel Pipe Corp	292.50	83.10
Do	Bristol-Myers Squibb Company		
Do	California State Teachers Retirement System		
Do	Fox Broadcasting Company		
Do	Freightliner Corp		
Do	Glaxo, Inc	500.00	
Do	Government of the Commonwealth of the Bahamas	1,160.00	
Do	Manufacturers Hanover Trust Co		
Do	May Department Stores Co	3,635.00	27.00
Do	Mercedes-Benz of North America, Inc	24,710.00	
Do	Michigan Consolidated Gas Co		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Mutual Life Insurance Co of New York		
Do	National Assn of Tobacco Distributors		
Do	National Broiler Council		
Do	National Consumers Bankruptcy Coalition	7,000.00	500.00
Do	National Hospice Organization	4,494.37	50.40
Do	Ontario Ministry of Industry, Trade & Technology		
Do	PaineWebber Group, Inc		33.68
Do	Security Savings & Loan Assn	30,000.00	800.00
Do	Smith Barney Harris Upham & Co, Inc		
Do	Storage Technology Corp	550.00	
Do	Tektronix, Inc	80.00	1.80
Do	Timex Corporation		
Do	Toyota Motor Sales, USA, Inc	3,162.50	
Do	Underwriters at Lloyd's London		
Do	University of Pennsylvania		
Philip A. Hogue, 2230 Gallows Rd., #200 Dunn Loring, VA 22027	International Technical Expertise Ltd		
Bruce E. Holbein, 111 Powdermill Rd. (b79) Maynard, MA 01754	Digital Equipment Corp	28,000.00	
Benny Holland Jr., 815 Sixteenth Street, NW Washington, DC 20006	International Longshoremen's Assn, AFL-CIO	7,458.00	
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	Carnival Cruise Lines		
Do	Florida Celery Exchange		
Do	Hospice Care, Inc	1,680.00	
Do	Pan American Satellite Corp	2,583.00	
Do	Joseph E. Seagram & Sons, Inc		
Do	Town of Palm Beach	1,600.00	
Do	United Fresh Fruit & Vegetable Assn	3,000.00	
Patricia L. Hollis, 1300 L Street, NW, #950 Washington, DC 20005	American Soybean Assn	1,500.00	171.19
Wendell M. Holloway, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	5,362.50	3,376.36
Holly Corporation, 100 Crescent Court, #1600 Dallas, TX 75201	Holly Corp		
Diane S. Holmes, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	351.00	452.24
Moses D. Holmes Jr., 1201 16th St., NW Washington, DC 20036	National Education Assn	3,567.60	128.00
Engin Inel Holmstrom, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	196.66	
E. Y. Holt Jr., 3138 North 10th St., Arlington, VA 22201	National Assn of Federal Credit Unions		
Fred H. Holt, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	25.00	
John W. Holt, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	350.00	
John F. Holtz, NJ Petroleum Council 150 West State Street Trenton, NJ 08608	American Petroleum Institute		
Home Recording Rights Coalition, P.O. Box 33576 1145 19th Street, NW Washington, DC 20033		76,000.00	55,974.87
Michael J. Hoogendyk, 706 E. Bell Road, #101 Phoenix, AZ 85022	National Assn of Mortgage Brokers	1,900.00	1,900.00
Billy E. Hooper, 1023 15th Street NW 3rd floor Washington, DC 20005	Association of American Veterinary Medical Colleges		
Candice Shy Hooper, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:Enserch Corp)	2,750.00	
Do	Hooper Hooper & Owen (For:John Hancock Mutual Life Insurance, Co)	15,000.00	
Helen Hooper, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	2,357.85	
Lindsay Hooper, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:Carbon Fuels Corp)	3,750.00	
Do	Hooper Hooper & Owen (For:Hallmark Cards)	6,375.00	
Do	Hooper Hooper & Owen (For:Kansas City Southern Industries)	7,500.00	
Do	Hooper Hooper & Owen (For:Phlcorp)	5,813.00	
Do	Hooper Hooper & Owen (For:UtiliCorp United, Inc)	6,750.00	
Stephen A. Hopkins, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	3,000.00	
Virginia E. Hopkins, 625 Indiana Avenue, NW, #500 Washington, DC 20005	Campbell & Hopkins (For:Wald Manufacturing Company, Inc)	245.00	26.28
Hopkins & Sutter (Chicago), Three First National Plaza, #4200 Chicago, IL 60602	Cash Station, Inc	4,428.00	18.00
Hopkins & Sutter (Washington), 888 16th Street, NW, 6th floor Washington, DC 20006	Estate of Helen Wodell Halbach		
Do	Grand Trunk Corp	5,754.50	123.85
Do	National Milk Producers Federation		
Darnell K. Horio, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	9,191.25	60.12
Bernard Horn, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	6,635.00	
Robert Jack Horn, 1990 M St., NW, #480 Washington, DC 20036	Detroit Edison Company	1,320.00	60.00
Marcia L. Horton, 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
Hoving Group, 1575 Eye Street, NW, #325 Washington, DC 20005	American Film Marketing Assn	3,000.00	666.97
Do	Eagle-Picher Industries, Inc	68,200.00	4,894.18
Do	Western-Southern Life Insurance Co	10,500.00	919.70
Gerald M. Howard, 15th & M Street, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Robert M. Howard, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	2,187.60	1,811.07
Roger W. Howard, 3253 E. Chestnut Expressway Springfield, MO 65802	Burlington Northern Railroad Co		
Allynn Howe, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	11,375.00	5,331.94
Christopher W. Howe, 1401 Eye Street NW #1200 Washington, DC 20005	Chevron USA, Inc	950.00	
Jonathan Howe, 1200 18th Street NW, #200 Washington, DC 20036	National Business Aircraft Assn	1,250.00	
Howe Anderson & Steyer, 2020 K St., NW, #800 Washington, DC 20006	Association of Bituminous Contractors		
Do	Industrial Diamond Assn		
Gary Howell, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	300.00	
Mary Lynch Howell, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	1,500.00	280.00
Susan Howland, 20 Black Oak Mews Newtown, PA 18940	Philadelphia Maritime Exchange		
Clifford T. Howlett Jr., 1875 Eye St., NW, #775 Washington, DC 20006	Georgia-Pacific Corp	4,000.00	
Paul R. Huard, 1331 Pennsylvania Avenue, NW, #1500N Washington, DC 20004-1703	National Assn of Manufacturers	500.00	
David S. Hubbard, 1212 New York Avenue, NW, #520 Washington, DC 20005	American Cement Alliance, Inc	5,000.00	107.78
Margaret Renken Hudson, 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	3,401.00	300.00
Stewart Hudson, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	5,736.19	
Gary E. Hughes, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Robert (Bob) Hughes, 333 Piedmont Ave., 23rd Floor Atlanta, GA 30308	Georgia Power Company	16,292.10	8,769.03
Sharon M. Hughes, 1735 I St., NW, Suite 704 Washington, DC 20006	National Council of Agricultural Employers	2,650.00	344.00
Vester T. Hughes Jr., 1717 Main Street, Suite 2800 Dallas, TX 75201	Mrs. H. E. Butt		
Do	Holly Corp		
Do	Sammons Enterprises, Inc		
William Hughes, 27357 Avonbourne Lane Easton, MD 21601-9147	National Assn of Federal Veterinarians	26.14	
Steven E. Humerickhouse, 976 Fair Oaks Dr. Collierville, TN 38017	Adoptive Families of America	1,500.00	2,653.96
Gregory A. Humphrey, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	20,976.60	352.00
Margot Smiley Humphrey, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)	3,520.00	28.00
Frances A. Hunt, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	3,302.38	
Francis M. Hunt, 1776 Eye Street, N.W. Suite 575 Washington, DC 20006	Dow Chemical Co	500.00	6,589.00
Harriet Hunt-Burgess, 44 Montgomery Street, #4165 San Francisco, CA 94104	American Land Conservancy (ALC)	2,899.40	2,929.59
Angela M. Hunter, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	11,374.69	
Daniel J. Hunter, 1110 Vermont Ave., NW, #430 Washington, DC 20005	National Cotton Council of America	14,375.00	2,226.93
Milton F. Huntington, Maine Petroleum Assn P.O. Box 2739 Augusta, ME 04338	American Petroleum Institute	115.00	
Gerard F. Hurley, 3050 K Street, NW, #330 Washington, DC 20007	National Club Association		
Geoffrey B. Hurwitz, 1667 K St., NW, #1210 Washington, DC 20006	Rohm & Haas Co	800.00	118.12
Mark Hurwitz, 1201 New York Ave., NW, #300 Washington, DC 20005	Building Owners & Managers Assn Int'l	1,250.00	400.00
Michael Hussey, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,294.04
Philip A. Hutchinson, 490 L'Enfant Plaza, #7204 Washington, DC 20024	Volkswagen of America, Inc	150.00	20.00
Suzanne C. Hutchinson, 805 15th Street NW, Suite 1110 Washington, DC 20005	Mortgage Insurance Companies of America	7,375.00	224.91
Randy Huwa, 2030 M St., NW Washington, DC 20036	Common Cause	12,493.13	281.06
Kimberly Hyatt, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Steven M. Hyjek, 2100 Pennsylvania Ave., NW, #560 Washington, DC 20037	Hyjek & Fix, Inc (For:Canadair Challenger, Inc)	1,500.00	656.54
Do	Hyjek & Fix, Inc (For:Defence Equipment & Systems)	1,250.00	1,224.24
Do	Hyjek & Fix, Inc (For:NEI Thompson LTD.)	1,500.00	
Do	Hyjek & Fix, Inc (For:Short Brothers (USA), Inc)	1,750.00	2,675.79
Gary Hymel, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Cetus Corp)		
Do	Hill & Knowlton, Inc (For:Church of Scientology International)		
Do	Hill & Knowlton, Inc (For:City of Chattanooga)		
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:CBI Sugar Group)		
Do	Hill & Knowlton, Inc (For:Ferruzzi Group)		
Do	Hill & Knowlton, Inc (For:Hertz Corp)		
Do	Hill & Knowlton (For:Johnson Controls)		
Do	Hill & Knowlton, Inc (For:Liberal Democratic Federation of Hong Kong)	450.00	
Do	Hill & Knowlton, Inc (For:Mazda (North America), Inc)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Hill & Knowlton, Inc (For:Nintendo of America, Inc)	600.00	
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	1,100.00	
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Do	Hill & Knowlton (For:UNUM Corp)		
Robert D. Hynes Jr., 1331 Pennsylvania Ave., NW Suite 930 North Washington, DC 20004	National Broadcasting Co, Inc	1,000.00	577.26
Timothy John Hynes, 600 Cedar Street, NW Washington, DC 20012	Converging Techniques		
J. William Ichord, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Company of California		1,971.70
Richard H. Ichord, 800 K Street, NW, #830 Washington, DC 20001	Panda Motors Corp		599.36
Kris H. Ikejiri, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference	500.00	
Catherine L. Imus, 1201 Connecticut Avenue, NW, #300 Washington, DC 20036	Braun/Ketchum		
Independent Insurance Agents of America, Inc, 127 S. Peyton Street Alexandria, VA 22314		55,670.00	55,670.00
Independent Lubricant Manufacturers Assn, 651 South Washington Street Alexandria, VA 22314			2,755.00
Industrial Biotechnology Assn, 1625 K Street, NW, #1100 Washington, DC 20006		2,228.01	2,228.01
Industrial Gas Cleaning Institute, Inc, 1707 L St., NW Washington, DC 20036			
Infant Formula Council, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342			
Charles E. Ing, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc	15,120.00	115.19
Amie Ingber, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	210.00	
Doug Inkley, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	5,112.69	
Institute of International Bankers, 299 Park Avenue New York, NY 10171			229,736.38
International Advisers, Inc, 2300 M Street, NW, #600 Washington, DC 20036	Embassy of Turkey	218,750.00	27,017.52
International Advisory Services Group, 1400 L Street, NW, #600 Washington, DC 20005	Steel Service Center Institute		
International Assn of Bridge Struct & Ornamental Iron Wkrs, 1750 New York Ave., NW Washington, DC 20006		16,308.51	27,108.51
International Brotherhood of Teamsters, 25 Louisiana Ave., NW Washington, DC 20001			93,890.02
International Communications Industries Assn, 3150 Spring Street Fairfax, VA 22031-2399		33,552.00	2,901.00
International Council of Shopping Centers, 665 Fifth Ave. New York, NY 10022		18,201.27	18,201.27
International Longshoremen's Assn, AFL-CIO, 17 Battery Place, #1500 New York, NY 10004			129,869.78
International Speedway Corp, 1801 Speedway Blvd., P.O. Box S Daytona Beach, FL 32015			12,952.00
International Taxicab Assn, 3849 Farragut Avenue Kensington, MD 20895			
International Union of Bricklayers & Allied Craftsmen, 815 15th St., NW Washington, DC 20005			6,192.69
International Union of Operating Engineers, 1125 17th St., NW Washington, DC 20036		10,500.00	851.32
Investment Company Institute, 1600 M St., NW Washington, DC 20036			43,262.80
Investment Counsel Assn of America, Inc, 20 Exchange Place New York, NY 10005			
Peter A. Iovino, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	2,275.00	1,291.10
Richard Munroe Irby III, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	4,000.00	183.01
Kathleen Ireland, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn	2,288.00	923.63
Charles C. Irions, 2200 Mill Rd. Alexandria, VA 22314	American Movers Conference	200.00	
Thomas L. Irmen, P.O. Box 119 Maumee, OH 43537	Andersons		
Iron Ore Lessors Assn, Inc, W-2081 First National Bank Bldg. Saint Paul, MN 55101		2,336.03	12,882.22
William Robert Irvin, 1400 16th Street, NW Washington, DC 20036	National Wildlife Federation	1,419.04	
John Isaacs, 110 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	5,849.96	
William A. Isokait, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Robert A. Jablon, 1350 New York Ave., NW, #1100 Washington, DC 20005-4798	Spiegel & McDiarmid (For:Michigan Municipal/Cooperative Group, et al.)		
Dennis J. Jackman, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	Du Pont Merck Pharmaceutical Company	7,000.00	29.05
Do	Schering-Plough Corp		
Bobby J. Jackson, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Charles R. Jackson, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	9,300.00	21,127.98
Jacquelyn L. Jackson, 1875 I Street #1110 Washington, DC 20006	Times Mirror Co		
Joseph C. Jackson, 1600 Wilson Boulevard, #1008 Arlington, VA 22209	Suppliers of Advanced Composite Materials Assn	194.25	
Julia Jackson, 2626 Pennsylvania Ave., NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	841.44
Thomas C. Jackson, 1350 I Street, NW Washington, DC 20005	Beveridge & Diamond (For:Arvida Company)	2,460.00	
Stephen Jacobs, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	10,000.00	673.16
Rachel L. Jacobson, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
E. A. Jaenke & Associates, Inc, 777 14th St., NW, #666 Washington, DC 20005	University of Kansas	3,750.00	3,208.89
Daniel L. Jaffe, 1725 K Street, NW, #601 Washington, DC 20006	Association of National Advertisers, Inc		
Jaffe Snider Raitt & Heuer, P.C., 1800 First National Building Detroit, MI 48226			
Edward L. Jaffee, 1730 Rhode Island Avenue, NW, #715 Washington, DC 20036	PPG Industries, Inc		
Candace James, 1401 New York Ave., NW, #1100 Washington, DC 20005	National Cooperative Business Assn	2,000.00	40.00
Claudia James, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	10,000.00	521.81
Dennis James, 1215 17th Street, NW Washington, DC 20036	Gadot Petrochemical Industries		
Harriet James, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Federation of Independent Business	3,189.00	200.00
Jerry James, 8303 Mopac Expressway, #150-C Austin, TX 78759	ATC-ClayDesta Communications		
Jamin Ebell Bolger & Gentry, 323 Carolyn Street Kodiak, AK 99615	Old Harbor Native Corp	24,760.00	10,742.02
Russell A. Janis, 233 No. Pleasant St., #38 Amherst, MA 01002	Trust for Public Land	2,100.00	295.33
Mona M. Janopaul, 1101 14th Street, #1400 Washington, DC 20005	Miller Balis & O'Neil (For:American Public Gas Assn (APGA))	171.00	66.70
Japan Economic Institute of America, 1000 Connecticut Ave., NW Washington, DC 20036		1,456.00	1,456.00
Debra Levin Jardot, 1101 Connecticut Ave., NW, #404 Washington, DC 20036	Disney Worldwide Services, Inc	5,000.00	114.43
Charles W. Jarvis, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Chem-Nuclear Environmental Services, Inc		
Jerry J. Jasinowski, 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004-1703	National Assn of Manufacturers	2,000.00	
Judy Jaussi, 1201 L Street, NW Washington, DC 20005	Ameican Health Care Assn	12,000.00	957.58
Michael A. Jawer, 1201 New York Ave., NW, #300 Washington, DC 20005	Building Owners & Managers Assn Int'l	1,250.00	400.00
Kevin Jefferson, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	812.00	
Blake Jeffery, 1215 Jefferson Davis Highway, #100 Arlington, VA 22202	National Assn of Industrial & Office Parks		
Jeford-McManus International, Inc, 513 Capitol Court, NE, #300 Washington, DC 20002	Aerojet-General Corp	50.00	
Do	Ferranti Defense & Space Group	200.00	
Do	Litton Data Systems	200.00	
Jellinek Schwartz Connolly & Freshman, Inc, 1015 15th Street, NW, #500 Washington, DC 20005	ASARCO, Inc	293,114.00	8,608.00
Do	Cement Kiln Recycling Coalition		
Do	Los Angeles County Sanitation District	15,648.00	456.00
Joseph S. Jenckes, Suite 300 1710 Rhode Island Ave., NW Washington, DC 20036	Abbott Laboratories	10,000.00	
David M. Jennings, 115 West College Drive Marshall, MN 56258	Schwan's Sales Enterprises, Inc	5,500.00	932.07
James C. Jennings, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc		
Dallin W. Jensen, 185 S. State Street, #700 Salt Lake City, UT 84111	Parsons Behle & Latemer (For:Intermountain Consumer Power Assn)		
Nancy H. Jessick, 1331 Pennsylvania Ave., NW, #720 Washington, DC 20004	Hiram Walker & Sons, Inc		
Jewish Peace Lobby, 4431 Lehigh Road College Park, MD 20740		23,964.50	13,519.73
Calvin P. Johnson, 815 16th Street, NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations		
Carl T. Johnson, 1235 Jefferson Davis Highway Crystal Gateway #1, Suite 501 Arlington, VA 22202-3269	Compressed Gas Assn/Helium Advisory Council		
George W. Johnson, 1156 15th Street, NW, #1201 Washington, DC 20005	NCR Corp		
Joel L. Johnson, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	1,416.80	
John W. Johnson, P.O. Box 39106 Minneapolis, MN 55439-0106	American Collectors Assn	1,000.00	
Michael S. Johnson, 555 13th Street, NW, #300 East Washington, DC 20004	McCamish Martin & Loeffler (For:Central & South West Corp)		
Do	McCamish Martin & Loeffler (For:Citicorp)		
Do	McCamish Martin & Loeffler (For:Electronic Data Systems Corp)		
Do	McCamish Martin & Loeffler (For:Hong Kong Trade Development Trade Council).	160.00	
Do	McCamish Martin & Loeffler (For:National Assn of Broadcasters)		
Do	McCamish Martin & Loeffler (For:Sematech)		
Do	McCamish Martin & Loeffler (For:United Services Automobile Assn)		
Myrna Johnson, 2025 M Street, NW Washington, DC 20036	National Public Radio	7,870.50	61.50
Rady A. Johnson, 200 East Randolph Drive P.O. Box 87703 Chicago, IL 60680-9978	Amoco Corporation		
Richard W. Johnson Jr., 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	8,541.00	135.00
Susan E. Johnson, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Coldwell Banker Real Estate Group	250.00	
Tom L. Johnson, P.O.Box 2185 Austin, TX 78768	Associated General Contractors of Texas		1,202.60
Johnson & Gibbs, P.C., 1301 K Street, NW, #800 East Washington, DC 20005-3307	Centex Corp	36,237.50	
Do	Church Alliance	36,806.25	
Do	El Paso Health Care Systems, Ltd		
Do	Medical Infusion Management, Inc		
Do	Methodist Hospitals of Dallas, et al.		
Do	Oryx Energy Corporation		
Do	Permanente Medical Group, Inc		
David A. Johnston, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	1,000.00	
George A. Johnston, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	6,581.00	29.88
James D. Johnston, 1660 L St., NW, #401 Washington, DC 20036	General Motors Corp	3,600.00	7,047.12
Mary K. Jolly, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,382.15	159.20
Herbert A. Jolovitz, 7531 Sebago Road Bethesda, MD 20817	Owens-Corning Fiberglas Corporation	1,800.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Allan R. Jones, 2200 Mill Rd. Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Barbara J. Jones, 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Belva W. Jones, 1101 15th St., NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Beverly E. Jones, 1819 L Street, NW, #900 Washington, DC 20036	Consolidated Natural Gas Co	1,500.00	563.86
Earl Jones Jr., 401 West 18th Street Little Rock, AR 72206	Philip Morris, Inc	1,500.00	
Ernest W. Jones Jr., 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
T. Lawrence Jones, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20006	Marsh & McLennan Cos, Inc		
Wiley N. Jones, 816 Connecticut Ave., NW, 8th Floor Washington, DC 20006	Southern Pacific Transportation Company	1,000.00	500.00
Jones Waldo Holbrook & McDonough, 2300 M Street, NW, #900 Washington, DC 20037	American Stores Company	2,850.00	
Do	Nevada Power Company	4,140.00	
Do	Newspaper Agency Corp	470.00	
Do	Utah State University	3,800.00	
Jones Walker Waechter Poitevent Carrere & Denegre, 1776 Eye Street, NW, #245 Washington, DC 20006	Audubon Institute, Inc	294.00	
Do	International Shipholding Corp	770.00	
Do	Montana Sulphur & Chemical Company		
Alexander H. Jordan, 816 Connecticut Avenue, NW, 8th Floor Washington, DC 20006	Southern Pacific Transportation Company	500.00	250.00
James Jordan Associates, Inc, 1825 K Street, NW Washington, DC 20006	Consortium for International Earth Science Info. Network	9,000.00	9,997.87
Do	Diagnostic & Instrumentation Laboratory at Mississippi Univ.	1,800.00	1,800.00
Jorden Schulte & Burchette, 1025 Thomas Jefferson Street, NW, #400E Washington, DC 20007	Carteret Savings & Loan Association	4,392.84	282.00
Do	City of Newark	6,434.32	376.00
Do	Colorado-Ute Electric Assn, Inc		
Do	East Texas Electric Cooperative	444.00	37.75
Do	Federal Agricultural Mortgage Corp	14,933.50	943.75
Do	International Geographical Congress	5,001.79	282.00
Do	Mutual Benefit Life	10,223.97	611.00
Do	New York University	20,367.90	1,222.50
Do	Northeast Texas Electric Cooperative	11,249.50	717.25
Do	Paine Webber		
Do	Sabine River Authority	4,100.00	264.25
Do	Tex-La	28,400.00	1,812.00
Do	University of Medicine & Dentistry of New Jersey	20,985.47	1,269.00
Do	University of Miami	11,172.49	658.00
David C. Jory, 1101 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	500.00	
Mary Lou Joseph, 2025 M Street, NW Washington, DC 20036	National Public Radio	18,290.00	588.64
Robert G. Josephs, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	2,062.50	
Diana Jost, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	964.00	181.12
John J. Joyce, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	3,000.00	
Ardon B. Judd Jr., 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
John Steven Judge, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	2,356.00	
Justice Fellowship Advocates, P.O. Box 17181 Washington, DC 20041			7,470.00
Jan L. Kahn, 1001 Pennsylvania Ave., NW, #1350 Washington, DC 20004	Kahn Soares & Conway (For:Westlake Farms)	1,800.00	1,518.20
Kahn Soares & Conway, 1001 Pennsylvania Ave., NW, #1350-N Washington, DC 20004	Westlake Farms	14,250.00	7,768.63
John E. Kane, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	5,000.00	
Thomas J. Kane Jr., 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	134.60
Miles F. Kanne, P.O. Box 1608 Bloomington, IN 47402	Cook Group, Inc		1,183.24
Martin B. Kanner, 2301 M St., NW Washington, DC 20037	American Public Power Assn	5,000.00	
Gerald Kaplan, 51 Madison Avenue New York, NY 10010	New York Life Insurance Company		
S. Steven Karalekas, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Allpoints International, Inc)	2,000.00	40.85
Do	Karalekas & McCahill (For:American Retirees Assn)	5,000.00	53.62
Do	Karalekas & McCahill (For:Homeport Information Task Force, et al.)	5,000.00	108.60
Phillip J. Kardis, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International	3,000.00	1,532.75
Gene Karpinski, 215 Pennsylvania Avenue, SE Washington, DC 20003	U.S. Public Interest Research Group	7,730.76	
Michael E. Kastner, 1350 New York Ave., NW, #800 Washington, DC 20005-4797	National Truck Equipment Assn		62.69
Katten Muchin Zavis & Dombroff, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Regional Transportation Authority	2,778.75	980.12
Paul C. Katz, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae	5,625.00	91.39
Robert C. Kaufmann, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Ghana R. Kaulius, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:ASSE International)		
Do	Hill & Knowlton (For:Colorado State University)	1,500.00	
Do	Hill & Knowlton (For:Tera Computer Company)		
Everett E. Kavanaugh, 1101 - 17th Street, NW, #300 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Thomas O. Kay, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Kay Associates	17,500.00	
Catherine M. Keane, 1667 K Street, NW, #800 Washington, DC 20006	Williams Companies, Inc	100.00	
Keck Mahin & Cate, 1201 New York Ave., Penthouse Washington, DC 20005	American Assn for Marriage & Family Therapy	3,220.00	
Do	General Instrument Corporation		
J. Michael Keeling, ESOP Association 1100 17th Steet, NW, #1207 Washington, DC 20036	ESOP Association of America		
John R. Keeling, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	6,722.49	72.00
Lana Keelty, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	37.50	
Keith Keeney, 5775 Peachtree-Dunwoody Rd., #500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Jane M. Keffer, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Wallace & Edwards	1,600.00	
Danea M. Kehoe, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	6,000.00	370.00
Joan F. Keiser, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	35.50	
Kendell W. Keith, 1201 New York Avenue, NW, #830 Washington, DC 20005	National Grain & Feed Assn		
Robert H. Kellen, 5775 Peachtree-Dunwoody Rd., Suite 500-D Atlanta, GA 30342	Robert H. Kellen Co (For:Calorie Control Council)		
Keller & Heckman, 1150 17th Street, NW, #1000 Washington, DC 20036	Specialty Advertising Assn Int'l	1,687.00	184.00
John T. Kelley, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Kelley Drye & Warren, 2300 M Street, NW Washington, DC 20037	Business Roundtable		
Do	Coalition to Preserve the Low Income Housing Tax Credit	2,000.00	
Do	Council for Rural Housing & Development	2,000.00	
Do	Federal Legislative Associates, Inc	396.00	
Do	Great Western Financial Corp	260.00	
Do	Institute for Responsible Housing Preservation	2,000.00	
Do	Isotec, Inc	1,100.50	135.33
Do	J.P. Morgan & Co, Inc	927.50	42.90
Do	National Assn of Manufacturers		
Do	National Leased Housing Assn	2,000.00	
Do	Society for Human Resources Management		
Stephen S. Kellner, 1913 Eye Street, NW Washington, DC 20006	Chemical Specialties Manufacturers Assn, Inc		
Cynthia K. Kelly, 1117 North 19th Street, #600 Arlington, VA 22209	American Assn of Blood Banks	2,500.00	
Edward L. Kelly, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Ernest B. Kelly III, 950 L'Enfant Plaza, SW Washington, DC 20024	Communications Satellite Corp	5,957.00	121.59
John F. Kelly, 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	2,000.00	
Paul A. Kelly, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	425.00	645.55
Susan N. Kelly, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
William N. Kelly, Norwest Center-Sixth & Marquette Minneapolis, MN 55479-1032	Norwest Corporation	4,000.00	3,450.00
Jane Kelso, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	757.00	
Coletta Kemper, 1401 New York Avenue, NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Kemper Reinsurance Company, Long Grove, IL 60049			187.00
Jonathan Kempner, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	National Multi Housing Council	4,555.00	
John Kendrick, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	1,645.21
Joseph W. Kennebeck, 490 L'Enfant Plaza, SW, #7204 Washington, DC 20024	Volkswagen of America, Inc	650.00	75.00
David Kennedy, 500 E Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	6,250.00	1,055.51
James J. Kennedy Jr., 400 First St., NW, #804 Washington, DC 20001	Railway Labor Executives' Assn	11,250.00	
Jerry W. Kennedy, 1025 Thomas Jefferson Street, NW, #407 Washington, DC 20007	General Atomics	875.00	214.83
Do	Pemco Aeroplex		
John Paul Kennedy, 57 W. 200 S, #400 Salt Lake City, UT 84101	Edwards McCoy & Kennedy (For:Western Shoshone Judgment Distribution Assn).		4,231.94
Michael E. Kennedy, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Robert P. Kennel, 12500 Fair Lakes Circle, #260 Fairfax, VA 22033-3822	Hadson Development Corp		
Do	National Wood Energy Assn, Inc		
Erica G. Kenney, 499 South Capitol St., SW, #520 Washington, DC 20003	Petroleum Marketers Assn of America	1,313.00	4.00
Jeannine M. Kenney, 1840 Wilson Blvd., #400 Arlington, VA 22201	National Milk Producers Federation	718.10	
Cathy Ann Kenny, c/o NYS Petroleum Council 39 Broadway, #2705 New York, NY 10006	American Petroleum Institute		
Vytautas Kerbelis, P.O. Box 336 Seal Harbor, ME 04675	ARAS	3.00	
Michael C. Kerby, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	134.60

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
John P. Kerekes, P.O. Box 10070 Lansing, MI 48901	American Petroleum Institute	1,000.00	
Michael L. Kerley, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	3,300.00	454.00
Susan Akers Kernus, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn, Inc	1,000.00	
Suzanne S. Kerr, 110 Maryland Ave., NE Washington, DC 20002	Peace Political Action Committee	9,549.96	
Michael J. Kerrigan, 2550 M Street, NW, #300 Washington, DC 20037	Smokeless Tobacco Council, Inc	266.00	
G. Chandler Keys III, 1301 Pennsylvania Avenue, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Richard F. Kibben, 200 Park Ave., #2222 New York, NY 10166	Business Roundtable		
William S. Kies, 1750 K St., NW Washington, DC 20006	Food Marketing Institute	200.00	
Ingolf N. Kiland Jr., 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	6,113.77
Thomas J. Kilcline, 201 North Washington Street Alexandria, VA 22314	Retired Officers Assn	1,073.40	
John J. Killeen, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Richard H. Kimberly, 1201 Pennsylvania Avenue, NW, #220 Washington, DC 20004	Kimberly-Clark Corp	4,095.00	1,237.50
Kimberly-Clark Corp, Texas Commerce Bank Building 545 E. Carpenter Freeway Irving, TX 75062-3931			6,601.40
James L. Kimble, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Aubrey C. King, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,000.00	
Judith E. King, 918 16th Street, NW, #402 Washington, DC 20006	American Furniture Manufacturers Assn	750.00	751.73
Lewis O. King, P.O. Box 10045 Austin, TX 78766	National Guard Assn of Texas	7,000.00	115.55
W. Russell King, 50 F St., NW, #1050 Washington, DC 20001	Freeport McMoran D.C., Inc	25,000.00	185.25
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Alliance for Capital Access		
Do	Charter Medical Corp	678.50	
Do	Electromagnetic Sciences Inc (EMS)		
Do	Fleet North Star Financial Group		
Do	General Motors Corp	1,925.00	
Do	Generic Pharmaceutical Industry Assn		
Do	Georgia International Investment Coalition		
Do	GPIA-Animal Drug Alliance		
Do			
Do	Lincoln Property Co, et al.		
Do	Martin-Marietta	97.50	
Do	Milliken & Company		
Do	National Assn of Bond Lawyers		
Do	National Pharmaceutical Alliance		
Do	Trammell Crow Co		
Do	Union Camp	1,692.00	201.33
Do	Woodruff Foundation		
Kinghorn & Associates, 900 2nd Street, NE, #109 Washington, DC 20002	Ferroalloys Association	6,666.00	2,131.02
Do	Nuclear Metals, Inc	6,000.00	600.00
Do	South Carolina Research Authority	10,725.00	864.00
Kathleen N. Kingscott, 1301 K Street, NW, #1100 Washington, DC 20005	IBM Corp	1,709.55	815.63
Daniel T. Kingsley, 1655 N. Fort Myer Dr., #700 Arlington, VA 22209	National Venture Capital Association		
Jan Kinney, 1625 K Street, NW, #900 Washington, DC 20006	Sporting Goods Manufacturers Assn		
Janie A. Kinney, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	575.00	175.00
Richard J. Kinney, 1850 K Street, NW, #1195 Washington, DC 20006	Schering-Plough Corp	500.00	80.74
Walter M. Kiplinger, 901 15th Street, NW, #250 Washington, DC 20005	American Foundrymens Society, Inc		
Kevin Kirchner, 1531 P Street, NW, #200 Washington, DC 20005	Sierra Club Legal Defense Fund	8,775.00	1,926.01
John R. Kirk, Bingham, Dana & Gould 150 Federal Street Boston, MA 02110	First National Bank of Boston		
Raissa V. Kirk, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Sharon Kirk, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Walter B. Kirkwood, 111 Monument Circle Indianapolis, IN 46277	Banc One Corp	5,469.00	4,987.28
Kirlin Campbell & Keating, One Farragut Square South Second Floor Washington, DC 20006	Council of European & Japanese National Shipowners' Assn	16,380.00	1,770.59
Robert A. Kirshner, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	500.00	
David M. Kiser, 343 State Street Rochester, NY 14650-0301	Eastman Kodak Co	1,000.00	60.00
Jon Kiser, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Sam Kito Jr., P.O. Box 210575 Anchorage, AK 99521-0575	Kito, Inc (For:Klukwan, Inc)	46,500.00	4,322.65
Do	Kito, Inc (For:Sealaska Corporation)	12,337.50	2,666.27
Do	Kito, Inc (For:Southeast Alaska Landless Native Coalition)	15,000.00	4,534.12
Sandra D. Kjellberg, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	3,444.85	
Dean Kleckner, 225 Touhy Avenue Park Ridge, IL 60068	American Farm Bureau Federation	4,025.00	
Douglas M. Kleine, 11479 Waterview Cluster Reston, VA 22090	Professional Assn Services		
Andre M. Kliczak, P.O.Box 1000-165 Duluth, MN 55814			
William J. (Bill) Klinefelter, 815 16th Street, NW, #301 Washington, DC 20006	International Brotherhood of Teamsters	16,250.00	
David M. Klucsik, 1415 Wyckoff Road Wall, NJ 07719	New Jersey Natural Gas Co		
John A. Knebel, 1920 N Street, NW, #300 Washington, DC 20036	American Mining Congress		
Peter E. Knight, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	10,000.00	397.62
Knights of Columbus, 1275 Pennsylvania Ave., NW, #501 Washington, DC 20004-2404			9,581.50
Karen Theibert Knobloch, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
Keith R. Knoblock, 1920 N St., NW Washington, DC 20036	American Mining Congress	60.00	7.85
Albert B. Knoll, 555 13th Street, NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	2,000.00	1,176.10
Mark S. Knouse, 555 Thirteenth Street, NW, #450 West Washington, DC 20004	Union Pacific Corp	13,750.00	327.34
Karil L. Kochenderfer, 1801 K Street, NW, #900K Washington, DC 20036	American Textile Manufacturers Institute, Inc		
Blair Koehler, 1800 Diagonal Road, #140 Alexandria, VA 22314	National Assisted Housing Management Assn	500.00	
David G. Koenig, 1050 17th Street, NW, #500 Washington, DC 20036	Texaco, Inc		
Robert W. Kohlmeyer, 1101 15th Street, NW Washington, DC 20005	Cargill, Inc		
Howard Kohr, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Committee	7,775.00	
Stanley E. Kolbe Jr., 305 4th Street, NE Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		472.70
Ann Kolker, 1616 P Street, NW, #100 Washington, DC 20036	National Women's Law Center		127.25
David Kolker, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	48,330.00	17,225.75
Diane J. Koller, 1101 17th St., NW, #600 Washington, DC 20036	American Airlines, Inc	2,500.00	275.27
Koniag, Inc, 4300 B Street, #407 Anchorage, AK 99503			87,702.14
Stephen Koplan, 1455 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc		
Ronald W. Kosh, 12600 Fair Lakes Circle Fairfax, VA 22033-4900	AAA Potomac		
Stephen M. Koslow, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Barbara M. Kostuk, 1025 Thomas Jefferson Street, NW, #511 Washington, DC 20007	LTV Corp	1,575.00	150.00
Anil Kothari, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Gerald J. Kovach, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	4,000.00	495.49
Kenneth S. Kovack, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	14,238.06	
Joan M. Kovalic, 2100 Pennsylvania Avenue, NW, #755 Washington, DC 20037	BASF Corp		
Jermone J. Kozak, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Malcolm A. Kram, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	112.00	
Jeffrey H. Kramer, 1616 H Street, NW Washington, DC 20006	National Grange	5,750.00	
Alan M. Kranowitz, 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Stephen W. Kraus, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	1,000.00	
Raymond R. Krause, Pillsbury Center-MS 4076 Minneapolis, MN 55402	Pillsbury, Inc	1,500.00	918.00
Robert S. Krebs, 12600 Fair Lakes Circle Fairfax, VA 22033-4904	AAA Potomac		50.00
Earl R. Kreher, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	901.00	
Donald J. Kroes, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	6,500.00	53.35
Kroger Company, P.O. Box 1199 Cincinnati, OH 45201-1199			4,017.45
Robin L. Kropf, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	25.00	
Keith R. Krueger, 1527 Wisconsin Avenue, NW Washington, DC 20007	U.S. West Communications	4,800.00	656.77
Paul C. Kruger, 5500 Pangola Rd. Fort Myers, FL 33905	Ohio Prison Education Network, Inc (Open)		
Joseph A. Kuchler, 1050 17th Street, NW, #510 Washington, DC 20036	Healthcare Financial Management Assn		37.43
Ronald W. Kuehn, 2 East Mifflin Street, #600 Madison, WI 53703	DeWitt Porter Huggett Schumacher & Morgan, SC (For:Becker CPA Review Courses).		
M. J. Kuehne, P.O. Box 11346 Tacoma, WA 98411	Northwest Independent Forest Manufacturers	6,250.00	3,128.00
Jake Kuitwaard, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,219.79
Kurrus & Kirchner, P.C., 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	American Pilots' Assn		
Do	St. Lawrence Seaway Pilots Assn		
Ester Kurz, 440 First Street, NW, 6th Floor Washington, DC 20001	American Israel Public Affairs Comm	28,600.00	2,274.73
Peter Dev Kurze, 1753 Lanier Place, NW Washington, DC 20009	Daimler-Benz Washington, Inc		
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	Capital Markets Assurance Corporation		14.10
Do	Financial Security Assurance		14.09
Do	Louisiana Public Facilities	40,058.51	24,120.69
Do	Municipal Bond Insurance Assn	2,962.50	1,993.33
Do	Smith Barney Harris Upham & Co		3,905.20

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Labor Bureau, Inc, 1101 15th Street, NW, #1010 Washington, DC 20005			
Labor-Management Maritime Committee, Inc, 444 Capitol Street, 8th Fl Washington, DC 20001		18,490.00	4,777.00
Joseph L. Lach, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	500.00	
Marc E. Lackritz, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Securities Industry Assn	6,731.00	
John D. Lacopo, 1331 Pennsylvania Ave., NW, #1300 Washington, DC 20004	EDS Corporation	96.00	
Robert A. Ladig, Scott Plaza Philadelphia, PA 19113	Scott Paper Co	2,175.00	694.01
Myron F. Laible, 1212 New York Ave., NW #1210 Washington, DC 20005	Outdoor Advertising Assn of America, Inc		
Robert Lamb, 1627 Eye St., NW, #1000 Washington, DC 20006	James River Corp	2,000.00	
Do	McGuire Woods Battle & Boothe (For:Occidental Chemical Corp)		
Do	Potlatch Corp	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Solite Corp)	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Sun Co, Inc)	5,000.00	
Martha D. Lamkin, P.O. Box 3005 Columbus, IN 47202	Cummins Engine Co, Inc		
Jennifer Lamson, 2030 M Street, NW Washington, DC 20036	Common Cause	7,138.51	416.52
Dina Moses Land, 1764 Old Meadow Lane, #350 McLean, VA 22102	American Frozen Food Institute	500.00	
L. Charles Landgraf, 1333 New Hampshire Avenue, NW Washington, DC 20036	Leboeuf Lamb Leiby & MacRae		
Robert D. Landis, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	
David W. Landsidle, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	5,000.00	
Bruce Alan Landy, 2601 Virginia Avenue, NW Washington, DC 20037	B.A.L. Co		
Do	Cryogenic Vacuum Technology Co		
Do	FAA-Congress Watch		
Do			
William C. Lane, 100 N.E. Adams Street Peoria, IL 61629-1460	Caterpillar, Inc	1,000.00	1,992.53
Adrienne C. Lang, 1101 Vermont Ave, NW, #606 Washington, DC 20005	American Soc of Anesthesiologists	12,000.00	
Robert K. Lange, 1700 N. Moore St., #2120 Arlington, VA 22209	Boeing Company	7,439.00	1,320.53
Roger W. Langsdorf, 1600 M Street, NW Washington, DC 20036	ITT Corporation	5,000.00	25.00
Fern M. Lapidus, 6736 Hillandale Road Chevy Chase, MD 20815	New York State Assn of Proprietary Colleges	14,933.32	2,070.69
Peter J. Larkin, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	200.00	
Richard Eugene Larochelle, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	675.00	
Christopher D. Larsen, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc (IIAA)	7,673.00	
Mary Ellen Larson, 1513 16th Sreet, NW Washington, DC 20036	Air Conditioning Contractors of America	1,250.00	
Reed E. Larson, 8001 Braddock Road, #600 Springfield, VA 22160	National Right to Work Committee		
Warren Lasko, 1125 15th Street, NW Washington, DC 20005	Mortgage Bankers Assn of America		
Delbert L. Latta, 516 Hillcrest Dr. Bowling Green, OH 43402	Amber Milling	5,000.00	649.87
Do	Boren Clay Products (dba Boren Brick)	10,000.00	916.27
Do	Calderon Clean Coal Technology, Inc	7,500.00	649.87
Do	Glasstech, Inc	3,000.00	649.87
Do	Harold & Ronald McMaster DBA McMaster Motors	3,000.00	649.87
K.P. Lau, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	9,362.50	835.99
Karl F. Lauenstein, 1745 Jefferson Davis Highway, #1000 Arlington, VA 22202	General Dynamics Corp	1,000.00	526.20
Nicole Laughlin, 444 North Capitol Street, #711 Washington, DC 20001	Dallas Area Rapid Transit	500.00	
Lorraine Lavet, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	2,100.00	125.00
Elizabeth Kepley Law, 700 13th Street, NW, #500 Washington, DC 20005	Focus on the Family	9,889.50	
Jonathan Lawniczak, 1331 F St. , NW, Washington, DC 20005	National Council of Senior Citizens	5,000.00	
M. S. Lawrence, 40 Franklin Rd, SW P.O. 2021 Roanoke, VA 24022	Appalachian Power Company		
Elizabeth Lawson, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the U.S.	5,376.35	
Keith Lawson, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	164.49	8.00
Laxalt Corporation, 801 Pennsylvania Ave., NW, #747 Washington, DC 20004	Boone Co	3,300.00	
Do	Financial Services Coalition of America		
Do	Mesa Limited Partnership	2,000.00	
Do	Milliken & Company	2,560.00	
Do	Motion Picture Assn of America, Inc	1,500.00	
Jennifer Layman-Heitman, 2030 M Street, NW Washington, DC 20036-0	Common Cause	5,624.02	
Randall R. LaBauve, P.O. Box 61000 New Orleans, LA 70161	Entergy Services, Inc	1,457.50	173.88
Sandra L. LaFevre, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Sally Ann LaHue, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	13,000.00	42.56
Wayne R. LaPierre Jr., 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	3,500.00	2,000.00
Clifford C. LaPlante, 1331 Pennsylvania Avenue, NW, #700-S Washington, DC 20004	General Electric Co	1,850.00	
Joan H. LaVor, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
Barbara Leach, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	63.30
League of Women Voters of the U.S., 1730 M St., NW Washington, DC 20036		73,451.06	73,451.06
League to Save Lake Tahoe, 989 Tahoe Keys Blvd., #6 P.O. Box 10110 South Lake Tahoe, CA 96150			3,673.09
Edward R. Leahy, 1500 K Street, NW, #200 Washington, DC 20005	Chicago Board Options Exchange		
Alisa J. Learner, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	4,725.00	614.00
Thomas B. Leary, Hogan & Hartson 555 13th St., NW Washington, DC 20004-1109	Business Roundtable		
Marvin Leath, 714 Belgrove Road McLean, VA 22101	General Dynamics Corp	3,000.00	
Do	Martin Marietta Corp	3,000.00	
Do	National Guard Assn	2,000.00	
Do	National Soft Drink Assn	3,000.00	
Do	Textron, Inc	3,000.00	
Wendy Lechner, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business (NFIB)	3,401.00	100.00
Gerard Lavery Lederer, 900 19th Street, NW, #800 Washington, DC 20006	U.S. Telephone Assn	3,000.00	
Cara Lee, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		112.86
Marsha P. Lefkovits, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	1,320.00	438.23
Bill B. Lefler, 1111 14th Street, NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
Mary James Legatski, 1330 Connecticut Ave., NW, #300 Washington, DC 20036	Synthetic Organic Chemical Manufacturers Assn, Inc	500.00	40.00
Leslie A. Lehmann, 500 NE Multnomah, #1500 Portland, OR 97232-2045	Nerco, Inc	7,103.00	
Lucie Lehmann, 1212 New York Ave., NW, #1210 Washington, DC 20005	Outdoor Advertising Assn of America		
Mary Nell Lehnhard, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	1,821.00	230.15
Dale Leibach, 1901 L Street, NW, #320 Washington, DC 20036	Powell Adams & Rinehart		
Leighton & Regnery, 1667 K Street, NW Washington, DC 20006	American Dairy Products Institute		
Do	Cordage Institute		
Do	Visiting Nurse Assn of America	500.00	
Terry L. Leitzell, One Thomas Circle, NW, #900 Washington, DC 20005	Bogle & Gates (For:Wright Schuchart, Inc)	2,000.00	
Joseph L. Leitzinger, 1201 Third Ave., #4900 Seattle, WA 98101-3009	Simpson Investment Co	1,155.00	1,066.00
Robert A. Lembo, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	2,000.00	100.00
Burleigh C. W. Leonard, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	3,340.00	957.61
Earl T. Leonard Jr., P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company	1,144.00	873.97
Lloyd Leonard, 1730 M St., NW Washington, DC 20036	League of Women Voters of the U.S.	7,528.33	212.75
Lepon McCarthy Jutkowitz & Holzworth, 1146 19th Street, NW, Third Floor Washington, DC 20036	Chilean Exporters' Assn	4,359.95	4,965.71
Charles Leppert Jr., 801 Pennsylvania Avenue, NW, #720 Washington, DC 20004	Procter & Gamble Co	270.00	
Richard L. Lesher, 1615 H St., NW Washington, DC 20062	U.S. Chamber of Commerce		
William Gene Lesher, 517 C Street, NE Washington, DC 20002	Lesher & Russell, Inc		
Lesher & Russell, Inc, 1919 S. Eads Street, #103 Arlington, VA 22202-3028	Dairy Farmers for Responsible Dairy Policy	40,000.00	
Do	Pizza Hut Inc	25,000.00	
Daniel Lesmez, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	60.00	
William J. Lessard Jr., 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security	4,631.00	
Gilbert B. Lessenco, 1025 Connecticut Ave., NW #500 Washington, DC 20036	Semmes Bowen & Semmes (For:Graco, Inc)	1,125.00	18.50
Dale Lestina, 1201 16th St., NW Washington, DC 20036	National Education Assn	3,567.60	624.78
Leventhal Senter & Lerman, 2000 K Street, NW, #600 Washington, DC 20006-1809	Committee for America's Copyright Community	30,000.00	105.50
Robert B. Levethal, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee	3,280.00	402.13
Betsy Levin, 1201 Connecticut Avenue, NW, #800 Washington, DC 20036	Association of American Law Schools		
Morris J. Levin, 1050 17th St., NW Washington, DC 20036	Association of American Railroads	2,500.00	
Roger N. Levy, 901 15th Street, NW, #520 Washington, DC 20005-2301	Travelers Companies	4,000.00	
Frank J. Lewis, 307 9th Terrace Indialantic, FL 32903	Harris Corporation	877.50	64.15
Howard Lewis, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Association of Manufacturers	1,900.00	200.00
Jack W. Lewis, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	4,000.00	
Richard Lewis, 1025 Vermont Ave., NW Washington, DC 20005	American Pulpwood Assn		
Richard W. Lewis, 1400 I Street, NW, #1200 Washington, DC 20005	Chevron USA, Inc		
Robert J. Lewis, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,250.00	
Stuart A. Lewis, 1919 Pennsylvania Ave., NW, #850 Washington, DC 20006	First Interstate Bancorp	1,200.00	
Do	Manufacturers Hanover Corp	2,000.00	
William H. Lewis, Morgan Lewis & Bockius 1800 M Street, NW Washington, DC 20036	U.S. Gypsum Co	1,000.00	50.00
John F. Leyden, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	5,399.16	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
LeBoeuf Lamb Leiby & MacRae, 1333 New Hampshire Ave., NW, #1100 Washington, DC 20036	Federal Employees Tax Group		
Do	Feibel-Garek Realtors/Environmental Standard Group		
Do	Golden Nugget Corp		
Do	Groom & Nordberg (for: Chevron)		
Do	Maritrans Operating Partners, L.P.		
Do	Physicians Insurers Assn of America	165.00	
Do	Underwriters at Lloyd's London		
Lynn H. LeMaster, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	2,890.11	201.11
Roger J. LeMaster, 1001 Pennsylvania Ave., NW, Washington, DC 20004	American Council of Life Insurance, Inc	4,000.00	
William J. Lhota, One Riverside Plaza Columbus, OH 43215	American Electric Power Service Corp	1,620.00	898.00
Liberty Council, c/o Eligio Castro Calle Habana N-15 EXT Forest Hills Bayamoiy, PR 00619			20.00
Robert Y. Lider, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc		
Richard A. Lidinsky Jr., 700 13th Street, NW Washington, DC 20005	Sea Containers America, Inc		
Diane S. Liebman, 1331 Pennsylvania Avenue, NW, #560 S Washington, DC 20004	CSX Corporation	4,500.00	59.55
Lincoln National Corp, 1300 South Clinton Street Fort Wayne, IN 46801			10,205.00
Karl W. Lindberg, 2322 Easter Lane New Orleans, LA 70114	Southern Forest Products Assn	2,500.00	
Roger Lindberg, 901 31st St., NW Washington, DC 20007	Hill & Knowlton (For:American Public Transit Assn)	225.00	
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)	18.75	
Do	Hill & Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)		
Do	Hill & Knowlton, Inc (For:Shaklee Corporation)		
Victor E. Lindenheim, 1945 Old Gallows Rd., #550 Vienna, VA 22180	American Wood Preservers Institute	1,500.00	
Donald Lindsey, 400 First Street, NW, #819 Washington, DC 20001	Brotherhood of Locomotive Engineers (OH)	415.17	53.68
Rose Marie Lipinski, 6242 West 59th Street Chicago, IL 60638	Chicago Transit Authority	10,875.00	
Linda A. Lipsen, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	2,160.00	
Charles B. Little, 600 Maryland Ave., SW, #603 Washington, DC 20024	UBA, Inc	1,000.00	
William F. Little, 1350 I Street, NW, #1000 Washington, DC 20007	Ford Motor Co	520.00	645.55
Little Sandy Hunting & Fishing Club, P.O.Box 6950 Longview, TX 75608			
Roy E. Littlefield III, 1707 Pepper Tree Court Bowie, MD 20716	American Retreaders' Assn	500.00	
Do	Greater Washington/Maryland Service Station Assn	500.00	
E. F. Livaudais Jr., 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	35.25	
Robert W. Lively, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	3,210.79	2,381.18
Wingate Lloyd, 1600 M Street, NW Washington, DC 20036	ITT Corp	500.00	20.00
Lobel Novins Lamont & Flug, 1275 K St., NW, #770 Washington, DC 20005	Generic Pharmaceutical Industry Assn	15,011.00	297.55
Do	San Francisco Bay Guardian	4,000.00	85.59
Michael A. Lobue, 1333 New Hampshire, NW Washington, DC 20036	Atlantic Richfield Company (ARCO)	75.00	
Robert F. Lockhart Jr., 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Company	720.10	
Stephen G. Lodge, 7900 Westpark Drive, #A-320 McLean, VA 22102	National Confectioners Assn	300.00	154.00
Thomas G. Loeffler, P.O. Box 2999 San Antonio, TX 78299-2999	McCamish Martin Brown & Loeffler (For:Central & South West Corp)		
Do	McCamish Martin Brown & Loeffler (For:Citicorp)		
Do	McCamish Martin Brown & Loeffler (For:Electronic Data Systems Corp)		
Do	McCamish Martin Brown & Loeffler (For:Hong Kong Trade Development Council).	800.00	
Do	McCamish Martin Brown & Loeffler (For:National Assn of Broadcasters)		
Do	McCamish Martin Brown & Loeffler (For:Sematech)		
Do	McCamish Martin Brown & Loeffler (For:United Services Automobile Assn)	500.00	
William E. Loftus, 2000 Massachusetts Ave., NW Washington, DC 20036	American Short Line Railroad Assn		
G. Thomas Long, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Assn (HIMA)	3,045.00	488.98
Linda A. Long, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:National Assn of Maritime Organizations).	3,500.00	27.50
Do	Montgomery McCracken Walker & Rhoads (For:Pilots Assn of the Bay and River Delaware).	500.00	
Do	Montgomery McCracken Walker & Rhoads (For:Ports of Philadelphia Maritime Exchange).	1,800.00	13.00
Patricia Davitt Long, 1331 Pennsylvania Ave., NW, 1500 North Washington, DC 20004-1703	National Assn of Manufacturers	390.00	
Robert S. Long, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	7,500.00	1,392.74
Long Law Firm, 8550 United Plaza Blvd., #800 Baton Rouge, LA 70809	Baker Manufacturing Company, Inc		
Do	CIGNA Corp		
Do	Employee Stock Ownership Assn	300.00	
Do	Greater New York Hospital Assn		
Do	Metropolitan Life Insurance Co		
Do	MicroGeneSys, Inc	6,400.00	
Dennis Longoria, Central Power & Light Co P.O. Box 3400 Laredo, TX 78044	Central Power & Light Co		2,345.44
Peter A. Loomis, One Commercial Place Norfolk, VA 23510-2103	C&S/Sovran Corporation	1,500.00	200.00
Susan J. Loomis, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	4,000.00	500.00
Ann Looper, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects		
Brian C. Lopina, 470 L'Enfant Plaza, SW East Bldg, #7112 Washington, DC 20024	Citizens for a Sound Economy	1,000.00	180.00
Lord Day & Lord, Barrett Smith, 1201 Pennsylvania Avenue, NW, #821 Washington, DC 20004	Coffee Sugar & Cocoa Exchange, Inc	15,055.00	162.55
Gerald D. Lore, 1300 I St., NW, Suite 520 West Washington, DC 20005	Hoffmann-La Roche, Inc		
Philip J. Loree, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	750.00	
Robert E. Losch, P.C., 1716 New Hampshire Ave., NW Washington, DC 20009	American Dredging Co, et al.	19,533.00	4,491.85
Bill Loughrey, One Technology Parkway Box 105600 Atlanta, GA 30348	Scientific-Atlanta	1,100.00	
Timothy Lovain, 3713 Gunston Road Alexandria, VA 22302	Denny Miller Associates	5,000.00	
Celia C. Lovell, 1500 K Street, NW, #375 Washington, DC 20005	Norfolk Southern Corp	1,000.00	
Arthur M. Luby, 1300 L Street, NW, #200 Washington, DC 20005-4178	O'Donnell Schwartz & Anderson (For:Transport Workers Union of America, AFL-CIO).	4,000.00	150.00
Paula D. Lucak, 815 16th Street, NW, #308 Washington, DC 20006	Public Employee Department, AFL-CIO	11,923.60	21.00
William L. Lucas, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	8.50
Michael S. Lucy, One Bowdoin Square Boston, MA 02114	J. Makowski Associates, Inc		1,100.00
Mary Riddle Ludke, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron USA, Inc	480.00	80.00
Leslie G. Ludwick, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,750.00	
David R. Lukens, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Sylvester Lukis, 24 Quincy Street Chevy Chase, MD 20815	Brevard County	3,000.00	
Do	City of Miami	3,750.00	
Do	City of Miami Beach	13,750.00	
Do	City of Palm Springs		
Do	Dade County, Florida	23,124.00	
Do	Florida Medical Center	15,000.00	
Do	School Board of Dade County, Florida	11,800.00	
J.C. Luman & Associates, 1030 15th Street, NW, #816 Washington, DC 20005	National Assn of Personnel Consultants	2,000.00	2,000.00
Lumbermens Mutual Casualty Company, Long Grove, IL 60049			3,320.69
Michael L. Lunceford, 8787 Stemmons Freeway Dallas, TX 75247	Mary Kay Cosmetics, Inc		
Lund & O'Brien, 1825 K St., NW, #1010 Washington, DC 20006	Pennsylvania Power & Light Co	2,040.00	210.03
Francis M. Lunnie Jr., 1331 Pennsylvania Ave., NW, #1500 N. Washington, DC 20004	National Assn of Manufacturers		3,000.00
Beth Lyle-Durham, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	1,692.00	
Howard T. Lyman, 600 Maryland Ave., SW, #202W Washington, DC 20024	Farmers' Educational & Co-Operative Union of America	8,139.41	594.94
Marshall L. Lynam, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Dallas/Ft. Worth International Airport	15,000.00	
Do	Tandy Corp	9,000.00	93.00
David H. Lynch, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Timothy P. Lynch, 1600 Wilson Blvd. #807 Arlington, VA 22209	Roadway Services, Inc	500.00	200.00
Margaret Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	3,625.00	
M.O.A.A.I.O.A. & Subs, Inc, 701 S. 22nd, #107 Omaha, NB 68102			
Olivia C. Mackin, 1776 Eye St., NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,000.00	
Robert A. Macrory, c/o Alabama Petroleum Council P.O. Box 4220 Montgomery, AL 36103-4220	American Petroleum Institute	917.50	1,456.85
Mark MacCarthy, 6305 32nd Street, NW Washington, DC 20015	Capital Cities/ABC, Inc	1,232.00	
Timothy MacCarthy, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc	15,000.00	
Anthony B. MacDonald, 1350 New York Ave., NW Washington, DC 20005	Spiegel & McDiarmid (For:South Hadley Electric Light Dept)		
Gordan D. MacKay, 501 Boylston Street Boston, MA 02117	New England Mutual Life Insurance Co, ('The New England')	2,125.00	
Paul MacMurdy, 410 First Street, SE Washington, DC 20003	American Nuclear Energy Council	2,250.00	212.39
John H. Madigan Jr., 316 Pennsylvania Ave., SE, #200 Washington, DC 20003	American Cancer Society	7,000.00	310.00
Madison Public Affairs Group/Earle Palmer Brown, 2033 M Street, NW, #900 Washington, DC 20036	Kraft General Foods	4,150.00	3,578.60
Do	Northern States Power Company	1,800.00	1,366.00
Bill Magavern, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	5,307.72	
James N. Magill, 200 Maryland Avenue, NE Washington, DC 20002	Veterans of Foreign Wars of the U.S.	4,500.00	318.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James W. Magner, Reg # 38670-019 Box 4000 Springfield, MO 65808	Prisoners With AIDS-Rights Advocacy Group (PWA-RAG)	600.00	1,400.00
A. John Maguire, 1110 Vermont Ave. NW Suite 430 Washington, DC 20005	National Cotton Council of America	33,000.00	876.04
W. Terry Maguire, Box 17407 Dulles International Airport Washington, DC 20041	American Newspaper Publishers Assn	5,000.00	29.50
David L. Mahan, 1133 Connecticut Ave., NW Washington, DC 20036	DGA International, Inc (For:Societe Nationale D'Etude et de Const de Moteurs D'Aviation).		
Do	DGA International, Inc (For:Sofreavia)		
Linda F. Maher, 9000 Montgomery Ave Chevy Chase, MD 20815	Turner Broadcasting System, Inc	550.00	
Robert W. Maher, 1133 21st Street, NW, 3rd Floor Washington, DC 20036	Cellular Telecommunications Industry Assn (CTIA)	4,628.00	147.00
Walter B. Maher, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	1,998.00	477.00
Terence P. Mahony, 1331 Pennsylvania Ave., NW, #700 South Washington, DC 20004	National Broadcasting Co, Inc	500.00	311.90
R. Roger Majak, 1725 Jefferson Davis Hwy, #406 Arlington, VA 22202-4178	Tektronix, Inc		
Major League Baseball Players Assn, 805 Third Avenue New York, NY 10022			
Anthony S. Makris, 116 Waterford Place Alexandria, VA 22314	National Rifle Assn of America		
Andrew T. Malleck, 400 North Capitol St., NW, #852 Washington, DC 20001	Brotherhood of Maintenance of Way Employes	14,922.46	
Michelle Mallory, 453 New Jersey Ave., SE Washington, DC 20003	Beneficial Management Corp		
Lawrence R. Malone, 1211 Avenue of The Americas New York, NY 10036	Hoechst Celanese Corp		
Robert H. Maloney, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae	15,000.00	3,534.67
Manatt Phelps & Phillips, 1200 New Hampshire Ave., NW, #200 Washington, DC 20036	Akhiok-Kaguyak, Inc	950.00	10.00
Do	American Institute of Real Estate Appraisers	7,750.00	203.00
Do	Bowling Proprietors Assn of America	1,100.00	
Do	Dual Banking Coalition		
Do	EDU-DYNE Systems, Inc	1,000.00	
Do	Federal Express Corp	11,075.00	
Do	General Electric, et al.		
Do	Holden Group	1,393.75	
Do	L.A. Gear, Inc		
Do	Melrose Company		
Do	Missouri Assn of Private Career Schools		
Do	Money Store		
Do	National Cable Television Assn, Inc	22,646.50	922.69
Do	New York Stock Exchange		
Do	North Beach Property Owners' Assn		
Do	NEC Corporation	5,087.00	45.00
Do	Philip Morris Management Corp	14,531.25	507.71
Do	United Airlines, Inc		
Do	Vero Beach Oceanfront Investors Limited Partnership		
Diane S. Mand, 1100 Connecticut Ave., NW, #310 Washington, DC 20036	Dresser Industries, Inc		
Susan Rachel Weiss Manes, 2030 M Street, NW Washington, DC 20036	Common Cause	16,075.02	50.20
Ted Maness, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the United States	9,875.00	473.64
Frank Mankiewicz, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Republic of Turkey)		
Mary Jo Manning, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Comcast)	3,000.00	
Do	Hill & Knowlton, Inc (For:Television Operators Caucus)	5,000.00	
Do	Hill & Knowlton, Inc (For:Thomson Consumer Electronics, Inc)		
Richard M. Manning, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Sam P. Manning, P.O.Box 355 Spartanburg, SC 29304	Spartan Mills	24,100.00	2,929.00
Richard J. Mannix, 1001 Pennsylvania Ave., NW Washington, DC 20004-2505	Crowell & Moring (For:L&F Products)		
Cynthia Mansfield, 600 Maryland Ave., SW, #520 Washington, DC 20024	GPU Service Corporation	17,507.00	340.85
Mark Mansour, 2033 M Street, NW, #300 Washington, DC 20036-3399	National Assn of Arab Americans	11,875.00	63.00
Manufactured Housing Institute, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202			21,337.06
Albert Manville II, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	710.64	
Anthony Manzanares Jr., 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
John V. Maraney, 324 East Capitol St., NE Washington, DC 20003	National Star Route Mail Contractors Assn		
March for Life, Inc, P.O. Box 90300 Washington, DC 20090		14,222.50	14,083.32
Jeffery D. Marcoe, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	400.00	
R. V. Mariani, 815 16th St., NW, Suite 511 Washington, DC 20006	Transportation - Communications Union	2,000.00	2,000.00
Maritime Institute for Research & Industrial Development, 1133 15th St., NW, #600 Washington, DC 20005			19,884.93
Lawrence D. Markley, Rt. 1, Box 130-A Mt. Solon, VA 22843	Chugach Electric Assn, Inc		
Ernest Robert Marlow, 1126 16th Street, NW, #200 Washington, DC 20036-1081	International Chemical Workers Union	2,500.00	
Marlowe & Company, 1667 K Street, NW, #480 Washington, DC 20006	City of Venice, Florida	1,477.50	15.00
Do	Coalition to Keep Alaska Oil	2,740.00	26.00
Do	End Notch Discrimination	5,325.00	126.00
Do	Independent Pilots Assn	575.00	20.00
Do	Law Enforcement Steering Committee		
Do	Memphis-Shelby County Airport Authority	5,050.00	233.00
Catherine A. Marshall, 2001 M Street, NW Washington, DC 20036	Capitoline International Group, Ltd. (For:Professional Lawn Care Assn of America).	289.00	
David F. Martin, Plumbing Manufacturers Institute 1655 N. Ft. Myer Drive, #700 Arlington, VA 22209	CM Services, Inc.	500.00	
Fred J. Martin Jr., 1101 17th Street, NW, #1002 Washington, DC 20036	Bank of America	2,718.69	1,163.02
J. Ross Martin, Kansas Petroleum Council 1005 Merchants Tower Topeka, KS 66612	American Petroleum Institute	881.00	1,256.78
John M. Martin Jr., 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	100.00	
Katherine E. Martin, 50 F Street, NW Washington, DC 20001	Association of American Railroads	795.05	175.90
Larry K. Martin, 2500 Wilson Blvd. #301 Arlington, VA 22201	American Apparel Manufacturers Assn, Inc	2,600.00	75.00
Susan Roeder Martin, 700 Universe Boulevard, Rm. 3074 Juno, FL 33408	Florida Power & Light Company		
Judith Marty, 1 Crane Place Bellevue Hill, NSW 2023 Australia			
Joseph J. Martyak, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc		
Robert A. Marzocchi, 15 Mountain View Road Warren, NJ 07061	Chubb & Son, Inc		
Mike M. Masaoka, Suite 520, The Farragut Bldg. 900 17th St., NW Washington, DC 20006	American Japanese Trade Comm		
Do	Japan Telescope Manufacturers Assn	200.00	
Do	Nisei Lobby		
Do	Toyota Motor Sales, USA, Inc	500.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Glen David Mason, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	6,354.00	
Michael J. Mason, 1220 L St., NW Washington, DC 20005	American Petroleum Institute	9,000.00	87.50
Ned W. Massee, 299 Park Avenue 13th floor New York, NY 10171	Westvaco Corporation		719.46
Donald F. Massey, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:ARA Services)	2,400.00	
Do	Hill & Knowlton, Inc (For:Church of Scientology International)		
Do	Hill & Knowlton, Inc (For:Colonial Williamsburg)		
Do	Hill & Knowlton, Inc (For:Ferruzzi Group)	300.00	
Do	Gerber Products Corp		
Do	Hill & Knowlton (For:Liberal Democratic Federation of Hong Kong)	1,050.00	
Do	Hill and Knowlton, Inc (For:Ninentdo of America, Inc)		
Do	Hill & Knowlton, Inc (For:Republic of Turkey)	900.00	
Do	Hill and Knowlton, Inc (For:Ryder, Inc)		
Noel D. Matchett, 1001 Spring St., #123 Silver Spring, MD 20910	Information Security, Inc	10.00	
Mary Cheryl Matheis, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	648.23	16.00
Richard D. Mathias, 1200 17th Street, NW, #500 Washington, DC 20036	Pan American World Airways, Inc		
Dawson Mathis, 1900 L Street, NW, #300 Washington, DC 20036	Dawson Mathis & Associates (For:Crowley Maritime Corp)	1,000.00	
Do	Dawson Mathis & Associates (For:Massachusetts Mutual Life Insurance Co)	2,000.00	
Do	United Parcel Service	2,000.00	
Joel D. Mathis, 3819 Ft. Hill Drive Alexandria, VA 22310	Jim Whitehead & Associates		
Dawson Mathis & Associates, 1900 L Street, NW Suite 300 Washington, DC 20036	Crowley Maritime Corp	1,000.00	
Do	Massachusetts Mutual Life Insurance Co	2,000.00	
Ann H. Mattheis, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
Charles D. Matthews, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	2,375.00	
Robert A. Matthews, 700 North Fairfax St. Alexandria, VA 22314	Railway Progress Institute	1,348.63	
Joseph M. Mattingly, 1901 North Moore Street, #1100 Arlington, VA 22209	Gas Appliance Manufacturers Assn, Inc		
Harry D. Mattison, P.O.Box 660164 Dallas, TX 75266-0164	Central & South West Corporation	1,076.96	163.20
Daniel J. Mattoon, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp		3,700.29
Marshall L. Matz, 888 17th Street, NW, #900 Washington, DC 20006	American School Food Service Assn	9,000.00	503.72
Do	Holland & Knight (For:City of Orlando)	2,250.00	
Do	Holland & Knight (For:Electronic Data Systems Corp)	3,000.00	
Robert V. Maudlin, 1511 K Street, NW Washington, DC 20005	C.V. & R.V Maudlin (For:Southern Company Services, Inc)	440.00	90.00
Michael Mawby, 2030 M Street, NW Washington, DC 20036	Common Cause	13,822.50	574.69
William A. Maxwell, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	6,000.00	53.60

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James C. May, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	30,000.00	18.00
Peter G. Mayberry, 1150 17th Street, NW, #1000 Washington, DC 20036	Keller and Heckman (For:INDA (Association of the Nonwoven Fabrics Industry))		
Arnold Mayer, 4609 30th Street, NW Washington, DC 20008	Oil Chemical & Atomic Workers International Union	7,500.00	3,100.00
Joseph T. Mayer, 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	18,135.00	2,472.35
Marion R. Mayer, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	646.50	533.07
Mayer Brown & Platt, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Accountants' Liability Assurance Co, Ltd		
Do	Acxiom Corp	3,712.50	
Do	Aetna Life & Casualty Company		
Do	Arkansas Electric Cooperative Corp		
Do	Attorneys' Liability Assurance Society Ltd		
Do	Bank for Foreign Economic Affairs of the USSR		
Do	Brunswick Corp		
Do	Cabot Partners Limited Partnership		
Do	City Colleges of Chicago		
Do	Comdisco, Inc		
Do	Continental Bank, N.A.	1,350.00	225.76
Do	Corn Products Co		
Do	Entergy Corporation	225.00	589.50
Do	First Chicago Corp		
Do	FMC Corporation		
Do	GATX Corporation		
Do	Household Commercial Financial Services, Inc		
Do	Inland Steel Corp		
Do	JMB Realty Corp		
Do	Lasalle Partners, Inc		
Do	Lehndorff & Babson Real Estate Counsel		
Do	Mayer Brown & Platt Sentencing Commission Coalition		
Do	Merrill Lynch Capital Markets		
Do	Midway Airlines, Inc		460.00
Do	Nalco Chemical Co		
Do	National Faculty		
Do	Product Liability Coordinating Council		
Do	Quaker Oats Company		
Do	RJR Nabisco, Inc		
Do	Santa Fe Pacific Corp		832.50
Do	Sara Lee Corporation		
Do	Sears Roebuck & Co		
Do	Solid Waste Agency of Northern Cook County		3,072.00
Do	Tele-Communications, Inc		
Do	The Modification of Final Judgement Task Force		68.75
Do	Vulcan Materials Company, Midwest Division		
Martin Mayfield, 8001 Braddock Road Springfield, VA 22160	National Right to Work Committee	950.00	241.40
Maurice W. Maynard, 44 Fifth Avenue Brooklyn, NY 11217			
H. Wesley McAden, 1155 15th St., NW, #504 Washington, DC 20005	J. G. Boswell Co	3,000.00	
Do	New York Cotton Exchange	2,000.00	
Do	Supima Association of America	2,000.00	
Timothy McAnarney, 413 West Edwards Springfield, IL 62704	Philip Morris, Inc	1,875.00	
Mary E. McAuliffe, 555 Thirteenth Street, NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corp	13,750.00	1,504.10
Rebecca Craford McAuliffe, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	3,500.00	
McAuliffe Kelly & Raffaelli, 1341 G Street, NW, 2nd Floor Washington, DC 20005	Bay Area Rapid Transit District	13,794.00	
Do	Cellular Telecommunications Industry Assn	4,500.00	
Do	International Franchise Assn		
Ann McBride, 2030 M St., NW Washington, DC 20036	Common Cause	17,890.02	171.68
Charlie McBride Associates, Inc, 1101 Connecticut Ave., NW, #906 Washington, DC 20036	American Electric Power Co, Inc	2,250.00	
Do	American Nuclear Energy Council	7,500.00	473.00
Do	Carolina Power & Light Co	2,250.00	
Do	Commonwealth Edison Co	2,250.00	
Do	Consolidated Edison Co of New York, Inc	6,000.00	
Do	General Atomics	7,000.00	580.00
Do	HNSX Supercomputers, Inc	3,200.00	113.00
Do	Louisiana Energy Services	6,000.00	250.00
Do	Oxford Energy Co	4,500.00	70.00
Do	Sealaska Corp	3,000.00	150.00
Do	Southern California Edison Co	750.00	
Do	Turlock Irrigation District	3,700.00	1,171.00
Do	Westinghouse Electric Corp	8,050.00	3,546.55
Do	Yukon Pacific Corp	6,000.00	666.00
Susan P. McCaffrey, 1828 N. Meridian Indianapolis, IN 46202	Community Service Council of Central IN, Inc	40.06	16.54
John D. McCallum, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
McCamish Martin Brown & Loeffler, P.C., P.O. Box 2999 San Antonio, TX 78299-2999	Central & South West Corp		
Do	Citicorp		
Do	Electronic Data Systems Corp		
Do	Hong Kong Trade Development Council	1,500.00	960.00
Do	National Assn of Broadcasters		
Do	Sematech		
Do	United States Automobile Assn	625.00	500.00
Carolyn Kim McCarthy, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	MetPath, Inc	30,000.00	1,000.00
John B. McCarthy, 1023 15th Street, NW #300 Washington, DC 20005	American Veterinary Medical Assn	30.00	
Luckie L. McClintock, 901 Massachusetts Ave., NW Washington, DC 20001	United Assn of Journeymen & Apprentices of the P. & P.F.I.	6,000.00	714.00
McClure & Trotter, 1100 Connecticut Ave., NW, #600 Washington, DC 20036	Coca-Cola Company	2,350.10	168.05
Do	Coca-Cola Enterprises, Inc		
Do	MetFuel, Inc		
Do	Motion Picture Assn America, Inc		
Do	Paramount Communications, Inc		
Do	Perpetual Corp		
Do	Rank Video Services America	7,161.96	55.46
McClure Gerard & Neuenschwander, Inc, 801 Pennsylvania Ave., NW, #820 Washington, DC 20004-2604	America Mining Congress	742.86	
Do	Asarco, Inc	742.86	
Do	Barrick Resources (USA, Inc)	742.86	
Do	Brush Willman, Inc	742.86	
Do	Coeur d'Alene Mines Corp	742.86	
Do	Electric Reliability Coalition	3,750.00	
Do	General Atomics	2,600.00	
Do	Hecla Mines	742.86	
Do	Idaho Power Company		
Do	National Rifle Assn		
Do	Nichols Enterprises	1,000.00	
Do	Phelps Dodge Corp	742.86	
Do	Potlatch Corp		
Do	World Cup USA 1994, Inc	3,875.00	
Robert S. McConnaughey, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Cynthia Williams McConnell, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
G. McConnell & Associates, Inc, 4716 Neptune Drive Alexandria, VA 22309	Grumman Corporation		100.00
Judith A. McCormick, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
Carol A. McDaid, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	2,500.00	1,499.04
John McDavitt, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	3,858.00	
Charles J. McDermott, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	1,588.45
Daniel J. McDermott, 1155 Connecticut Ave, NW, #500 Washington, DC 20036	Capital Holding Corp	1,875.00	
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006-2296	Alaska Seafood Marketing Institute		
Do	American Meat Institute	175.00	
Do	California Avocado Commission	15,750.00	196.89
Do	California Canning Peach Assn	3,018.75	86.52
Do	California Energy Commission	3,152.50	45.23
Do	California Kiwi Fruit Commission	1,093.75	53.73

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	California Raisin Advisory Board	15,356.25	268.25
Do	Caterpillar Tractor Co		
Do	Concord Grape Assn		
Do	Federal Kemper Life Assurance Co		
Do	Good Sam Club	570.00	
Do	Hitachi America, Ltd		
Do	Dorothy Holt Estate		
Do	Kemper Investors Life Insurance Co		
Do	Lumbermens Mutual Casualty Company		
Do	National Grocers Assn		
Do	National Potato Council	1,425.00	110.62
Do	Peterson & Sullivan		
Do	Peter Plocki	1,925.00	
Do	Public Employees Retirement Assn of Colorado		
Do	U.S. Mink Export Development Council	3,981.25	156.40
Do	Welch Foods, Inc		
Craig McDonald, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	1,000.00	
Edward T. McDonald, 815 16th St., NW Washington, DC 20006	Transportation - Communications Union	2,000.00	2,000.00
Michael D. McDonald, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	350.00	130.05
Marian E. McDowell, 1275 Pennsylvania Ave., NW, 4th Floor Washington, DC 20004	Pacific Telesis Group	7,725.00	
McElroy & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Outdoor Advertising Assn of America, Inc	54,000.00	368.00
Andrew S. McElwaine, 1627 K Street, NW, #700 Washington, DC 20006	Institute of Scrap Recycling Industries	12,000.00	932.34
Robert H. McFadden, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	4,080.00	
Robert J. McFarlin Jr., 350 St. Peter Street, #1025 St. Paul, MN 55102	American Petroleum Institute	500.00	
Pat L. McFerron, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Company	250.00	
Bertra B. McGann, One Elmcroft Road Stamford, CT 06926-0700	Pitney Bowes, Inc	7,000.00	4,612.68
Becky McGee, P.O. Box 2880 Dallas, TX 75221-2880	Oryx Energy Company	1,500.00	
Donna Lee McGee, 1001 Connecticut Ave., #701 Washington, DC 20036	Burlington Industries, Inc	4,700.00	1,445.00
Meredith McGehee, 2030 M St., NW Washington, DC 20036	Common Cause	10,925.04	93.25
Patricia McGill, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,482.00	92.85
Patricia G. McGinnis, Francis McGinnis & Rees 1000 Potomac St., NW, #401 Washington, DC 20007	California State Dept of Education	40,000.00	33,036.15
Robert M. McGlotten, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	18,831.02	2,754.96
Phyllis M. McGovern, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute		
Joseph M. McGrail, 52 Washington Ave. Williamstown, NJ 08094	Aircraft Owners & Pilots Assn	200.00	125.95
Do	AT&T Federal Systems		
Daniel H. McGrath, 1000 Wilson Boulevard, #2300 Arlington, VA 22209	Northrop Corp	700.00	
McGuiness & Williams, 1015 15th Street, NW, #1200 Washington, DC 20005	Workers Compensation Integrity, Stability & Equity (WISE)	10,564.00	232.00
Joseph M. McGuire, 1501 Wilson Boulevard, #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Monica M. McGuire, 1331 Pennsylvania Ave., NW, #1500 North Lobby Washington, DC 20004-1703	National Assn of Manufacturers	200.00	
Phillip McGuire, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	6,000.00	
Susan G. McGuire, 4613 Hillbrook Dr. Annandale, VA 22003	National Center on Education & the Economy	11,250.00	153.48
McHale Cook & Welch, P.C., 1100 Chamber of Commerce Building Indianapolis, IN 46204	Indiana Bell Telephone Co	1,000.00	600.00
Patrick J. McHugh, c/o NYS Petroleum Council 150 State Street Albany, NY 12207	American Petroleum Institute	125.00	
James E. McInerney Jr., 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	7,083.00	
John J. McKechnie III, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	328.22
Thomas J. McKee, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	625.00	134.60
Ira E. McKeever, 1224 17th Street, NW Washington, DC 20036	Western Coal Traffic League	5,833.33	1,533.27
McKenna & Cuneo, 1575 Eye Street, NW Washington, DC 20005	Fertilizer Institute		
Jan E. McKenzie, 701 Pennsylvania Avenue, NW Washington, DC 20004	Edison Electric Institute	4,242.86	261.27
Robert T. McKernan, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc		
William Colm McKeveny, Chadbourne Park Law Firm 30 Rockefeller Plaza New York, NY 10112	American Pulpwood Assn		
Gerald J. McKiernan, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	15,000.00	
C. A. 'Mack' McKinney, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA	11,000.00	701.26
John P. McKinney, 1825 I Street, NW, #400 Washington, DC 20006	UST Public Affairs, Inc		
Bernard A. McKinnon, 1757 N Street, NW Washington, DC 20036	United Automobile Aerospace & Agricultural Implement Workers	16,727.71	167.80
Monette McKinnon, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,938.00	
Timothy P. McKone, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	8,885.00	
Patrick M. McLain, 1000 Vermont Avenue, NW, #1000 Washington, DC 20005	Rowan & Blewitt, Inc (For:American Assn of Blood Banks)	281.25	
Do	Rowan & Blewitt, Inc (For:C.R. Bard, Inc)	787.50	
Do	Rowan & Blewitt, Inc (For:Bristol-Myers Squibb Company)	1,125.00	
Do	Rowan & Blewitt, Inc (For:Federation for Intercollegiate Fairness & Equity)	3,487.50	
Do	Rowan & Blewitt, Inc (For:Par Pharmaceutical, Inc)	8,493.75	
Do	Rowan & Blewitt, Inc (For:Upjohn Company)	2,362.50	
Francis X. McLaughlin Jr., 1111 14th Street, NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
James D. McLaughlin, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	950.00	
Bob McLean, 490 L'Enfant Plaza, SW, #3200 Washington, DC 20024-2120	National Assn of Postal Supervisors	7,518.00	87.76
Thomas J. McLeod, 50 West Kellogg Boulevard St Paul, MN 55164	West Publishing Company		
Kevin Patrick McMahon, 1001 19th St. N., #800 Arlington, VA 22209	TRW, Inc	11,250.00	200.00
Thomas E. McMahon, 11718 Bowman Green Drive Reston, VA 22090	National Automatic Merchandising Assn	8,750.00	1,925.69
William F. McManus, 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	300.00	
P. E. McManus Associates, 513 Capitol Court, NE, #300 Washington, DC 20002	Hydroacoustics, Inc	50.00	
Do	McConnell Douglas Corp	150.00	
James D. McMillan, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation	1,500.00	174.15
McNair Group, Inc, 1155 15th St., NW, #400 Washington, DC 20005	Harmon Industries, Inc	781.40	49.35
Do	Hercules, Inc	600.00	34.00
Do		4,687.50	
Do	McNair Law Firm, P.A. (for: Puerto Rico Ports Authority)	11,866.52	40.28
Do	State of Hawaii/Dept of Transportation	27,540.31	122.65
McNair Law Firm, P.A., 1155 15th Street, NW, #400 Washington, DC 20005	Allied-Signal, Inc		
Do	Association of Banks in Insurance (ABI)	420.00	7.00
Do	BOC Group, Inc.		
Do	Coalition for Auto Repair Equality		
Do	Edison Electric Institute		
Do	Georgia-Pacific Corp		
Do	International Assn for Financial Planning	1,821.75	3.00
Do	New York State Bankers Assn		81.00
Do	Norfolk Southern Corp		
Do	Phillips Petroleum Co		
Do	South Carolina Research Authority		
Do	State of Hawaii		
Do	Westinghouse Electric Corp		
Kathryn M. McNamara, 633 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Dean Witter Reynolds, Inc	1,820.00	371.64
Laramie Faith McNamara, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	21,070.00	5,963.00
Michael J. McNamara, 2300 M Street, NW, #600 Washington, DC 20037	International Advisers, Inc (For:Embassy of Turkey)	6,416.66	235.75
Peter F. McNeish, 1156 15th Street, NW, #1101 Washington, DC 20005	National Assn of Small Business Investment Cos	3,000.00	
John P. McNicholas, 2001 L Street, NW #1000 Washington, DC 20036	Unisys Corp	1,000.00	91.52
Molly McNulty, 122 C Street, NW, #400 Washington, DC 20001	Children's Defense Fund	460.07	
Michael J. McShane, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	9,750.00	
Martha McSteen, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	17,889.00	
Brose McVey, 1255 23rd Street, NW Washington, DC 20037	Hauck & Associates (For:National Oilseed Processors Assn)	5,000.00	550.83
John K. Meagher, 1333 New Hampshire Avenue, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:Chevron)		
Do	Leboeuf Lamb Leiby & MacRae (For:Federal Employees Tax Group)		
Do	LeBoeuf Lamb Leiby & MacRae (For:Feibel-Garek/Environmental Standard Group).		
Do	LeBoeuf Lamb Leiby & MacRae (For:Golden Nugget Corp)		
Do	National Assn of Chem Recyclers (NACR)	660.00	
Do	LeBoeuf Lamb Leiby & MacRae (For:Physicians Insurance Assn of America)	165.00	
Francis X. Meaney, 1825 Eye Street, NW Washington, DC 20006	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Goldman Sachs & Co)		
Do	Mintz Levin Cohn Ferris Glovsky & Popeo (For:Securities Industry Assn)	3,000.00	
James Gregory Means, 6252 15th Place Arlington, VA 22205	Centerior Energy Corp	6,000.00	549.97
Paul N. Means, P.O. Box 551 Little Rock, AR 72203	Arkansas Power & Light Company		
Stewart C. Megaw, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Ira Mehlman, 1666 Connecticut Avenue, NW, #400 Washington, DC 20009	Federation for American Immigration Reform	1,025.00	30.00
Michelle Meier, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Stanley Meierfeld, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
John Melcher, 230-B Maryland Avenue, N.E. Washington, DC 20002	Chicago Mercantile Exchange	11,250.00	7,920.00
Do	Humane Society of the U.S.	1,500.00	3,168.00
Do	Marine Engineers' Beneficial Assn	2,400.00	1,584.00
Do	Philippine Coconut Authority	6,433.00	9,504.00
Do	Society for Aminal Protective Legislation	3,000.00	3,168.00
Kenneth F. Melley, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
Margaret Mellon, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	2,495.22	
Joseph R. Membrino, 1120 20th Street, NW, #750 South Washington, DC 20036	Hall Estill et al (For:Cherokee Nation)	26,188.50	800.39
Do	Hall Estill et al. (For:Hoopa Valley Tribe)	14,107.50	738.86
John R. Mendenhall, Martin Tower 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	5,000.00	
William P. Mengebier, 655 15th Street, NW, #225 Washington, DC 20005	Rhone-Poulenc, Inc	540.00	193.53
Edward L. Menning, 1023 15th Street, NW, #300 Washington, DC 20005	National Assn of Federal Veterinarians	86.88	
Merle D. Menssen, 3M Center-Bldg 220-6E-02 St. Paul, MN 55144-1000	3M	1,000.00	81.00
J. Roger Mentz, 1333 New Hampshire Ave., NW Washington, DC 20036	Cadwalader Wickersham & Taft (For:Amway)		
Do	Cadwalader Wickersham & Taft (For:Clayton & Dubilier, Inc)		
Do	Cadwalader Wickersham & Taft (For:Government of Puerto Rico)	50.25	
Do	Cadwalader Wickersham & Taft (For:Institute of International Container Lessors).		
Do	Cadwalader Wickersham & Taft (For:Kern River Gas Transmission Company)		
Do	Cadwalader Wickersham & Taft (For:Mercedes-Benz of North America, Inc)		
Do	Cadwalader Wickersham & Taft (For:Philadelphia Stock Exchange, Inc)		
Jane Mentzinger, 2030 M Street, NW Washington, DC 20036	Common Cause	5,258.76	
Melinda Mercer, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses Assn	795.00	95.67
Sandra K. Meredith, 1133 Connecticut Avenue, NW Washington, DC 20036	DGA International, Inc. (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc. (For:Sofreavia)		91.05
Do	DGA International, Inc. (For:SNECMA)		607.76
Cynthia E. Merifield, 1101 Vermont Ave, NW Washington, DC 20005	American Medical Assn	3,750.00	
Edward L. Merrigan, 6000 Connecticut Ave., NW Washington, DC 20815	Central Gulf Lines, Inc	2,925.00	71.20
Nancy Jo Merrill, 1901 L St., NW, #260 Washington, DC 20036	March of Dimes Birth Defects Foundation	1,000.00	
Merrill Lynch & Co, Inc, 3000 K Street, NW, #620 Washington, DC 20007			111,140.00
Gordon Merritt, 1100 Wilson Blvd., #2000 Arlington, VA 22209	Hughes Aircraft Company	60.00	
Richard P. Merski, 1455 Pennsylvania Avenue, NW, #900 Washington, DC 20004	American International Group, Inc	5,000.00	272.72
Messerli & Kramer, 1500 Northland Plaza Building 3800 West 80th Street Minneapolis, MN 55431-4409	City of New Brighton		
Neil T. Messick, 1331 Pennsylvania Ave., NW Washington, DC 20004	General Electric Co	1,200.00	352.50
Keith R. Mestrich, 815 16th Street, NW, #408 Washington, DC 20006	Food & Allied Service Trades Dept (FAST)	2,187.00	14.15
Matthew S. Metcalfe, P.O. Box 6422 Mobile, AL 36660	American Family Corp		
Jeremy Metz, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
David P. Metzger, 1200 19th Street, NW, #500 Washington, DC 20036	Davis Graham & Stubbs	5,177.87	
Ferd. C. Meyer Jr., P.O. Box 660164 Dallas, TX 75266-0164	Central & South West Corp		
M. Barry Meyer, 900 19th Street, NW Washington, DC 20006	Aluminum Assn, Inc	25.00	
John B. Meyers, P.O. Box 4067 Louisville, KY 40204			
Larry D. Meyers, 412 First Street, SE #100 Washington, DC 20003	American Beekeeping Federation	3,000.00	237.81
Do	International Assn of Refrigerated Warehouses		
Do	National Agricultural Chemicals Assn	36,000.00	437.54
Do	National Peanut Growers Group	12,000.00	832.40
Do	Ricebelt Warehouse, Inc	4,500.00	461.44
Do	Texas A&M Research Foundation	21,420.00	1,582.86
Meyers & Associates, 412 First St., SE, #100 Washington, DC 20003	Alnor Oil Company, Inc		
Do	American Sheep Industry Assn	16,500.00	2,379.65
Do	Centergas, Inc		
Do	College of Agriculture, New Mexico State University	9,000.00	1,008.70
Do	College of Engineering, New Mexico State University	9,000.00	1,008.70
Do	Texas International Education Consortium	15,000.00	930.55
Do	Wellman, Inc	6,000.00	494.94
Daniel Mica, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc	5,000.00	
David R. Mica, Florida Petroleum Institute 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute	39.58	
Mark A. Micali, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	5,000.00	1,710.00
Michael Best & Friedrich, 135 South LaSalle Street, #1610 Chicago, IL 60603	Corn Coalition		
Do	DePaul University	7,000.00	
Do	Estate of Edwin A. Gallun		
Do	Sweetheart Cup Company, Inc		
Michael G. Michaels, P.O. Box 150-160 Atlanta, GA 30315			
David Michaud, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	513.26	
Frank G. Michelena, 1520 Nutmeg Place, #100C Costa Mesa, CA 92626	Landsdell Co		4,739.33
Kathleen Michels, 777 N. Capitol Street, NE, #803 Washington, DC 20002	American Assn of Nurse Anesthetists	5,000.00	52.24
Mid-Continent Oil & Gas Assn, 1919 Pennsylvania Ave., NW, #503 Washington, DC 20006		27,541.52	23,857.33
Mid-West Electric Consumers Assn, 999 18th Street, #1635 Denver, CO 80202			
Michael C. Middleton, 100 South Charles Street P.O. Box 987 Baltimore, MD 21203	MNC Financial, Inc		
Edmund Mierzwinski, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	6,611.52	
Migrant Legal Action Program, Inc, 2001 S St., NW, #310 Washington, DC 20009			
Lisa Mihaly, 122 C Street, NW, 4th Fl. Washington, DC 20001	Children's Defense Fund	1,584.13	
Rene Milam, Box 17407 Washington Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn		
Brent V. B. Miller, 4207 South 7th Road Arlington, VA 22204	American Group Practice Assn	457.00	
Carolynn E. Miller, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	3,189.00	200.00
Charles R. Miller, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Dale Miller, 4000 Reno Road, NW Washington, DC 20008	Texasgulf, Inc		
Deborah Imle Miller, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Denny Miller, 2343 South Meade Street Arlington, VA 22202	Denny Miller Associates	7,500.00	
Edward C. Miller, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance, Inc	1,000.00	
Francine Miller, 1627 Lamont Street, NW, Apt #41 Washington, DC 20010	Rainbow Lobby, Inc		
Grant Miller, 499 South Capitol Street, SW, #520 Washington, DC 20003	LTV Aerospace & Defense Co		
Jeffrey T. Miller, 295 Madison Ave 19th Floor New York, NY 10017	Lead Industries Association, Inc	336.00	39.00
Paul J. Miller, 8000 Sears Tower Chicago, IL 60606	Investment Counsel Assn of America, Inc		
Richard G. Miller, 1101 14th Street, NW, #200 Washington, DC 20005	American Health Care Assn	16,000.00	1,025.73
Sandra Miller, 2343 South Meade Street Arlington, VA 22202	Denny Miller Associates	1,250.00	
Sarah Miller, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn		
William T. Miller, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	Electronic Industries Assn		
Do	Export Source Rule Coalition	110.00	
Do	Gold Fields Operating Co-Mesquite		
Do	Great Northern Insured Annuity Corp		
Do	Hewlett-Packard Co	5,995.00	
Do	Organization for Fair Treatment of Int'l Investments	880.00	
Do	Pacific Medical Center		
Do	Professional Services Council		
Miller & Holbrooke, 1225 19th Street, NW, #400 Washington, DC 20036	City of Dubuque		
Do	City of Laredo		
Do	City of St. Louis		
Do	Kenton-Boone Cable Television Board		
Do	Lincoln Broadcasting Company		
Do	Montgomery County Government		
Denny Miller Associates, Inc, 400 North Capitol Street, NW, #325 Washington, DC 20001	Ace Novelty Company	1,000.00	826.00
Do	Boeing Company	3,000.00	2,460.00
Do	Coeur d'Alene Mines Corp		
Do	Comprehensive Health Education Foundation	1,875.00	1,530.00
Do	Gamma-Metrics	1,500.00	1,235.00
Do	Makah Tribal Council	300.00	245.00
Do	Marine Engineers' Beneficial Assn	4,000.00	3,265.00
Do	Momentum 91	1,875.00	1,530.00
Do	Olin Corporation	3,000.00	2,460.00
Do	Pacific Nuclear Systems, Inc	1,062.50	862.00
Do	Port of Tacoma	1,125.00	928.00
Do	Sabey Corporation	1,200.00	1,000.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	State of Washington, Dept of Transportation	1,500.00	1,235.00
Do	Troutlodge, Inc	1,000.33	833.33
Kenneth Y. Millian, 919 18th Street, NW Washington, DC 20006	W. R. Grace & Co		1,224.44
Richard V. Minck, 1001 Pennsylvania Ave., N.W. Washington, DC 20004	American Council of Life Insurance, Inc	1,750.00	
Dallas Miner, One Thomas Circle, #900 Washington, DC 20005	American Fishing Tackle Manufacturers Assn	19,000.00	
Joseph G. Minish, 66 Sheridan Avenue West Orange, NJ 07052	Prudential Insurance Co of America	5,001.00	529.00
Ray Allen Minnick, P.O. Box 1000, Apt.-A304 Leavenworth, KS 66048-1000			
J. Robert Minter, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	368.55	4,417.49
Mintz Levin Cohn Ferris Glovsky & Popeo, P.C., 1825 I Street, NW, #1200 Washington, DC 20006	National Cable Television Assn, Inc	7,500.00	124.24
Douglas P. Miskew, 500 E. Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	8,250.00	1,180.87
Edward F. Mitchell, 1900 Pennsylvania Avenue, NW Washington, DC 20068	Potomac Electric Power Co	125.42	
Lawrence W. Mitchell, 100 Maryland Ave., NE, #500 Box 69 Washington, DC 20002	American Agriculture Movement, Inc	3,000.00	
Stacey J. Mobley, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
David T. Modi, 1875 Eye Street, NW, #775 Washington, DC 20006	Georgia-Pacific Corp	2,260.00	
Martha Mohler, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,490.00	
Brian R. Moir, 1255 23rd Street, NW, #800 Washington, DC 20037	Fisher Wayland Cooper & Leader (For:International Communications Assn)	5,000.00	125.00
Robert M. Moliter, 1331 Pennsylvania Ave., NW, #865 Washington, DC 20004	General Electric Co		
John V. Moller, 1707 L Street NW, #725 Washington, DC 20036	Policy Consulting Services, Inc (For:Nissan Motor Company, Ltd)		
Do	Policy Consulting Services, Inc (For:Nissan Motor Manufacturing, U.S.A.)	8,334.00	813.00
C. Manly Molpus, 1010 Wisconsin Avenue, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	172.00	
Christopher Monek, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
James M. Montgomery, 1455 Pennsylvania Ave., NW, #600 Washington, DC 20004	Joseph E. Seagram & Sons, Inc	1,125.00	
John H. Montgomery, 2715 M St., NW, #300 Washington, DC 20007	Murray Scheer & Montgomery (For:National Assn of State Outdoor Recreation Liaison Officers).	300.00	
Do	National Rural Water Assn	2,240.00	50.00
Do	Murray Scheer & Montgomery (For:Oklahoma State Medical Assn)	600.00	
James P. Mooney, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	16,675.00	
Alan J. Moore, 2000 Pennsylvania Avenue, NW, #6500 Washington, DC 20006	Atchison Topeka & Santa Fe Railway Co	1,000.00	
Carlos Moore, 1801 K Street, NW, #900 Washington, DC 20006	American Textile Manufacturers Institute, Inc	923.00	75.00
Frank B. Moore, 3003 Butterfield Road Oak Brook, IL 60521	Waste Management, Inc	5,000.00	
Mark P. Moore, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	3,000.00	43.00
Powell A. Moore, 1133 Connecticut Ave., NW Washington, DC 20036	Agusta Group	250.00	
Do	Lockheed Corporation	1,000.00	
Do	Outdoor Advertising Assn of America	10,000.00	
Do	DGA International, Inc (For:Societe Nationale d'Etude et de Const de Moteurs d'Aviation).		
Do	STD Research Corp	1,800.00	
Do	U.S. Cane Sugar Refiners Assn of America		
Ann Moorhead, 5125 Adansom Orlando, FL 32804	Press Television		
Laura Moorhead, 1156 15th Street, NW, #1201 Washington, DC 20005	NCR Corp		
Randall B. Moorhead, 1300 I Street, NW, #1070E Washington, DC 20005	North American Philips Corp	4,000.00	1,030.00
Eugene Moos, Gene Moos & Associates 1000 16th Street, NW, #702 Washington, DC 20036	American Oat Assn	1,500.00	1,471.00
Do	Harvest States Cooperative	7,500.00	7,115.00
Do	Kraft General Foods	7,500.00	7,115.00
Robert J. Moran, 1050 17th Street, NW, #700 Washington, DC 20036	National Ocean Industries Assn.	1,575.00	
Judith Morehouse, 1700 N. Moore Street Rosslyn, VA 22209	Boeing Company	168.00	17.57
Dudley Digges Morgan III, 4900 Baronne Street New Orleans, LA 70115	Southern Forest Products Assn	14,622.00	
E.M. Chip Morgan, P.O. Box 257 Stoneville, MS 38776	Delta Council		
J. Railton Morgan, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	1,500.00	1,291.10
Peter Denis Morgan, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,000.00	485.63
Stephen L. Morgan, 5201 Leesburg Pike, #1111 Falls Church, VA 22041	American Cemetery Assn		
Morgan Lewis & Bockius, 1800 M St., NW, #800 N. Washington, DC 20036	Ad Hoc Committee on NHTSA FMVSS 205 Standard		
Do	Association of American Railroads	4,410.00	10.00
Do	Coalition for an Undercharge Relief Bill	1,885.00	
Do	Coalition of Supporters of the Shipping Act		
Do	Consolidated Natural Gas Co		
Do	Hazardous Waste Action Coalition		
Do	Presbyterian Hospital City of New York, et al.		
Do	Scotch Whisky Assn		
Do	United Distribution Companies		
William G. Morin, 1331 Pennsylvania Avenue, NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	24.03	
James A. Morrill, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	10,000.00	101.18
Gerald D. Morris, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	19,377.30	280.00
J. Wilson Morris, 3333 K Street, NW Washington, DC 20007	American Assn of Discount Travel Brokers		
Do	Bailey Morris & Robinson (For:Kingdon Gould II)		
Do	Investment Company Institute		
Do	Bailey Morris & Robinson (For:Upjohn Co)		
Joseph Morris, 1101 15th Street, NW, #202 Washington, DC 20005	National Assn of Margarine Manufacturers		
Tom C. Morris, 1776 Eye Street, NW, #700 Washington, DC 20006	Phillips Petroleum Co	1,800.00	28.25
William Morris, 1737 H Street, NW Washington, DC 20006	Rogers & Wells (For:CFC Coalition)		
James W. Morrison Jr., 815 Connecticut Ave., NW, #800 Washington, DC 20006	ARA Services, Inc	7,799.98	
Do	Morrison Associates (For:Blue Cross & Blue Shield Assn)	31,623.27	1,354.51
John W. Morrison, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	886.88	
Mark E. Morrison, 1825 Eye Street, NW, #1100 Washington, DC 20006	Lockheed Corp	2,000.00	581.19
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	California Bankers Clearing House Assn		
Do	City and County of San Francisco	2,870.00	8.00
Do	Consolidated Freightways		
Do	National Electrical Manufacturers Assn		
Evelyn M. Morton, 601 E Street, NW Washington, DC 20049	American Assn of Retired Persons	573.80	748.61
Michael L. Morton, 910 16th Street, NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Do	Rio Grande Valley Sugar Growers		
Russell N. Mosher, 950 N. Glebe Rd., #160 Arlington, VA 22203	American Boiler Manufacturers Assn, Inc		4,511.05
Jack Moskowitz, 701 N. Fairfax Street Alexandria, VA 22314-2045	United Way of America		
Dorothy J. Moss, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	25.00	
Moss Associates, Inc, 2450 Virginia Ave., NW Washington, DC 20037	Association of Bank Holding Cos	540.00	
Gerald J. Mossinghoff, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	1,000.00	
Motion Picture Assn of America, Inc, 1600 Eye Street, NW Washington, DC 20006		15,838.00	16,614.44
John J. Motley, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	9,570.00	300.00
L. A. Motley and Company, 1800 K Street, NW, #1000 Washington, DC 20006	Abecitrus - Brazilian Citrus Assn		
Do	Adical		
Do	ANIC - National Assn of Citric Industries		
Do	Sawyer/Miller Group (for Philippine Sugar Regulatory Admin)		
Motor and Equipment Manufacturers Association, 1325 Pennsylvania Ave., NW, #600 Washington, DC 20004			3,467.48
Motor Vehicle Manufacturers Assn of the U.S., Inc, 7430 Second Avenue, #300 Detroit, MI 48202		107,383.13	107,383.13
Ronald M. Mottl, 6285 Pearl Rd. Parma Hgts, OH 44130	Cassidy & Mottl (For:Patrick Media)	4,078.00	406.00
Thomas O. Moulton Jr., 1275 Pennsylvania Ave., NW, #400 Washington, DC 20004	Pacific Telesis Group	15,000.00	
Katharine R. Mountcastle, 2030 M St. NW Washington, DC 20036	Common Cause	6,752.52	
Steve Moyer, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	3,715.87	
Mudge Rose Guthrie Alexander & Ferdon, 2121 K Street, NW, #700 Washington, DC 20037	Footwear Retailers of America	1,305.00	24.00
Do	Government of Hong Kong, Trade Dept		
Do	Japan Lumber Importers Assn		
Do	Toshiba Corp		
Do	U.S. Assn of Importers of Textile and Apparel (USITA)		
Muldoon Murphy & Faucette, 5101 Wisconsin Ave., NW, #508 Washington, DC 20016	Anchor Savings Bank, FSB	27,111.25	686.87
Do	Carteret Savings Bank, F.A.	17,313.75	1,617.30
Do	Charter Federal Savings Bank	15,688.75	2,711.43
Do	Long Island Savings Bank	10,452.50	150.57
Do	Manufacturers Life Insurance Co	31,664.00	1,414.55
Do	Northeast Savings, F.A.	9,817.50	1,487.61
Do	Talman Home Federal Savings and Loan Assn	27,478.75	2,117.87
Do	Washington Federal Savings Bank	8,100.00	664.50
Michael J. Mullen, 1401 New York Ave., NW, #720 Washington, DC 20005	National Assn of Insurance Brokers, Inc		
Mullenholz & Brimsek, 1150 Connecticut Ave., NW, #700 Washington, DC 20036	City of Fergus Falls	548.63	
Do	Delaware & Hudson Railroad	2,500.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Florida East Coast Railway Co	1,000.00	
Do	North American Equipment Dealers Assn	1,500.00	
Do	Soo Line Corporation	5,000.00	
Do	TACA International Airlines		
John A. Mullett, 1627 K St., NW, #500 Washington, DC 20006	FMC Corporation	2,400.00	45.00
Ann Mulligan, 1730 M Street, NW Washington, DC 20036	League of Women Voters of the United States	4,684.65	
Robert J. Mulligan, 655 15th Street, NW, #350 Washington, DC 20005	Blue Cross & Blue Shield Assn	2,891.00	1,168.17
Albert E. Mullin Jr, 111 Powdermill Rd. Maynard, MA 01754	Digital Equipment Corp	26,500.00	
Tracy Mullin, 701 Pennsylvania Ave., NW Washington, DC 20004	National Retail Federation	2,800.00	40.00
Morton L. Mullins, 700 14th Street, NW, #1100 Washington, DC 20005	Monsanto Company		236.93
James Brian Munroe, 1300 Eye Street, NW, #520 Washington, DC 20005	Hoffmann-La Roche, Inc		
Barbara Munson, 1000 Wilson Blvd #3012 Arlington, VA 22209	Consumer Bankers Assn	17,000.00	180.20
Daniel J. Murphy, 2300 N Street, NW, #725 Washington, DC 20037	Murphy & Demory, Ltd (For:California Energy Co, Inc)		
Jeanne Marie Murphy, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	32.86
Michael M. Murphy, 1101 17th St., NW, #400 Washington, DC 20036	American President Companies, Ltd, et al.	9,300.00	
Daniel H. Murray, 1133 21st St., NW, #900 Washington, DC 20036	BellSouth Corp		4,410.48
Hyde H. Murray, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	8,799.99	618.41
Richard D. Murray, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		
Rosemary Griffin Murray, Crystal Park Four, 2345 Crystal Drive Arlington, VA 22207	USAir, Inc		
Murray, Scheer & Montgomery, 2715 M Street, NW, #300 Washington, DC 20007	American Assn of Dental Schools	1,700.00	70.00
Do	Atochem, N.A.		
Do	Bear Stearns & Co	500.00	25.00
Do	Benton Mortgage Company		
Do	City of Philadelphia		
Do	Cleveland Cliffs Iron Co	250.00	25.00
Do	Connecticut Mutual Life Insurance Co	500.00	25.00
Do	Home Life Insurance Co	500.00	25.00
Do	Independence Blue Cross		
Do	Independent Laboratory Consortium		
Do	Industry Council for Tangible Assets	400.00	25.00
Do	Iron Ore Assn	250.00	25.00
Do	LTV Corporation	450.00	25.00
Do	National Council of Coal Lessors	300.00	25.00
Do	New England Mutual Life Insurance Co	500.00	25.00
Do	Pacific Mutual Life Insurance Co	500.00	25.00
Do	Penn Mutual Life Insurance Co	500.00	25.00
Do	Philadelphia Port Corp	1,000.00	60.00
Do	Players Club International		
Do	Provident Mutual Life Insurance Co of Philadelphia	500.00	25.00
Do	Qualimetrics, Inc	450.00	40.00
Do	Shubert Organization, Inc	400.00	25.00
Do	Swaziland Sugar Assn	400.00	
Do	Sweetener Users Assn		
Do	Temple University	1,500.00	100.00
Robert Musil, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control		18,476.66
Mutual Life Insurance Co Tax Committee, 720 East Wisconsin Avenue Milwaukee, WI 53202			1,500.00
Fred Mutz Associates, 1200 New Hampshire Ave, NW, #200 Washington, DC 20036	American Bankers Assn	25,000.00	
Do	Communications Satellite Corp (Comsat)		
Do	Government of Romania		
Do	Trans World Insurance Brokers		
Lawrence D. Muzzy, 2200 W. Salzburg Road, Mail #W281 Midland, MI 48686-0994	Dow Corning Corp		
Gary D. Myers, 501 2nd Street, NE Washington, DC 20002	Fertilizer Institute	4,500.00	
Karen Magee Myers, 1331 Pennsylvania Ave., #1300-N Washington, DC 20004	Electronic Data Systems Corp	232.00	32.16
Peter C. Myers, 50 F Street, NW, #900 Washington, DC 20001	Farm Credit Council		
Christopher Alton Myrick, 1155 15th Street, NW, #900 Washington, DC 20005	National AgriChemical Retailers Assn	6,715.00	14,149.11
Daniel Nadash, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Alan Y. Naftalin, 1150 Connecticut Avenue, NW Washington, DC 20036	Koteen & Naftalin (For:Alascom, Inc)		
Do	Koteen & Naftalin (For:Telephone & Data Systems, Inc)		
David Scott Nance, 808 17th Street, NW, #300 Washington, DC 20006-3910	Stewart and Stewart		
Gary M. Nateman, 1225 Eye Street, NW, #825 Washington, DC 20005	Beer Institute		
National Air Traffic Controllers Assn, 444 N. Capitol Street, NW, #845 Washington, DC 20001		12,309.00	2,430.80
National Assn for the Self-Employed (NASE), 575 Ritchie Road Capitol Heights, MD 20743		16,500.00	13,919.47
National Assn for Biomedical Research, 818 Connecticut Ave., NW, #303 Washington, DC 20006		226,750.00	18,520.37
National Assn for Neighborhood Schools, Inc, 335 Locust St. Pittsburgh, PA 15218		927.31	93.98
National Assn for Stock Car Auto Racing, Inc (NASCAR), P.O. Box 26765 1801 Volusia Avenue Daytona Beach, FL 32115-2875.			
National Assn for Uniformed Services, 5535 Hempstead Way Springfield, VA 22151		1,570.93	7,700.39
National Assn of Air Traffic Specialists, 4740 Corridor Pl., Suite C Beltsville, MD 20705			2,520.00
National Assn of Broadcasters, 1771 N Stret, NW Washington, DC 20036		209,771.90	209,771.90
National Assn of Federal Veterinarians, 1023 15th Street, NW, #300 Washington, DC 20005			113.02
National Assn of Independent Colleges & Universities, 122 C St., NW, #750 Washington, DC 20001			75,230.00
National Assn of Insurance Brokers, Inc, 1401 New York Ave., NW, #720 Washington, DC 20005			
National Assn of Life Companies, 1455 Pennsylvania Ave., #1250 Washington, DC 20004		2,300.00	2,328.00
National Assn of Manufacturers, 1331 Penn Ave., NW #1500-North Washington, DC 20004-1703		262,047.78	262,047.78
National Assn of Margarine Manufacturers, 1101 15th St., NW, #202 Washington, DC 20005			
National Assn of Mortgage Brokers (NAMB), 706 E. Bell Road, #101 Phoenix, AZ 85022		7,465.15	3,544.84
National Assn of Mutual Insurance Cos, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268		225.00	225.00
National Assn of Realtors, 777 14th St., NW Washington, DC 20005			71,036.74
National Assn of Securities and Commercial Attorneys, 1300 I Street, NW., #480E Washington, DC 20005		51,000.00	24,000.00
National Assn of Trade & Technical Schools, 2251 Wisconsin Ave., NW Washington, DC 20007		9,750.00	9,750.00
National Beer Wholesalers' Assn, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	92,792.00	14,502.72
National Broiler Council, 1155 15th St., NW Washington, DC 20005		3,025.00	3,025.00
National Business Aircraft Assn, 1200 18th St., NW, #200 Washington, DC 20036-2598			40,097.23
National Cable Television Assn, Inc, 1724 Massachusetts Ave., NW Washington, DC 20036		116,131.34	126,929.10
National Child Care Assn, 1029 Railroad Street Conyers, GA 30207		1,000.00	1,000.00
National Childcare Parents Assn, 3612 Bent Branch Court Falls Church, VA 22041		100.00	100.00
National Club Association, Washington Harbour 3050 K Street, NW, #330 Washington, DC 20007			
National Coal Assn, 1130 17th Street, NW Washington, DC 20036		1,625,870.00	17,586.04
National Comm for a Human Life Amendment, Inc, 1511 K Street, NW, #335 Washington, DC 20005		159.29	906.72
National Comm to Preserve Social Security & Medicare, 2000 K Street, NW, #800 Washington, DC 20006		1,356,274.00	1,356,374.00
National Comm Against Repressive Legislation, 236 Massachusetts Avenue, NE, #406 Washington, DC 20002		5,300.75	6,222.08
National Community Action Foundation, Inc, 2100 M Street, NW, #604A Washington, DC 20037		135,649.69	44,497.00
National Cooperative Business Assn, 1401 New York Ave., NW, #1100 Washington, DC 20005		27,500.00	13,740.00
National Cotton Council of America, P.O. Box 12285 Memphis, TN 38182		85,419.78	85,419.78
National Council for Languages & Int'l Studies, 300 Eye Street, Suite 211 Washington, DC 20002		28,979.70	29,735.52
National Council of Agricultural Employers, 1735 I Street, NW, #704 Washington, DC 20006			
National Council of Savings Institutions, 1101 15th St., NW, #400 Washington, DC 20005		41,237.74	
National Education Assn, 1201 16th St., NW Washington, DC 20036			
National Electrical Manufacturers Assn, 2101 L Street, NW, #300 Washington, DC 20037		14,032.72	14,032.72
National Fed of Independent Business, 150 W. 20th Ave. San Mateo, CA 94403		46,618.00	2,800.00
National Grain & Feed Assn, 1201 New York Avenue, NW, #830 Washington, DC 20005-3917			5,593.75
National Grain Trade Council, 1030 15th Street, NW, #1020 Washington, DC 20005			41.65
National Grange, 1616 H St., NW Washington, DC 20006		21,625.00	21,625.00
National Grocers Assn, 1825 Samuel Morse Drive Reston, VA 22090		3,000.00	3,383.66
National Guard Assn of the U.S., One Massachusetts Ave., NW Washington, DC 20001		62,855.00	18,644.71
National Hydropower Assn, 555 13th Street, NW, #900-E Washington, DC 20004		5,000.00	55,909.32
National Industrial Transportation League, 1700 N. Moore St. S-1900 Arlington, VA 22209-1904		21,000.00	22,512.60
National Leased Housing Assn, 2300 M St., NW, #260 Washington, DC 20037		2,000.00	2,000.00
National Milk Producers Federation, 1840 Wilson Blvd. Arlington, VA 22201		15,118.10	
National Motorsports Comm of Accus, 2555 M Street, NW, #303 Washington, DC 20037		56,800.00	3,152.20
National Multi Housing Council, 1250 Connecticut Ave., NW, #620 Washington, DC 20036			7,910.21
National Pest Control Assn, 8100 Oak St. Dunn Loring, VA 22027			
National Printing Equipment & Supplies Assn, Inc, 1899 Preston White Drive Reston, VA 22091			
National Realty Committee, 1250 Connecticut Ave., NW, #630 Washington, DC 20036		6,981.00	6,981.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
National Retail Federation, 701 Pennsylvania Avenue, NW, #710 Washington, DC 20004	National Retail Merchants Assn		10,118.00
National Right to Work Committee, 8001 Braddock Rd., #600 Springfield, VA 22160		9,291.41	9,291.41
National Rural Electric Cooperative Assn, 1800 Massachusetts Ave., NW Washington, DC 20036			3,150.58
National Society of Professional Engineers, 1420 King Street Alexandria, VA 22314		11,100.00	11,100.00
National Soft Drink Assn, 1101 16th St., NW Washington, DC 20036			783.93
National Strategies, Inc, 888 17th Street, NW, 12th Floor Washington, DC 20006	Alliance for Capital Access	3,750.00	
Do	American International Group	20,000.00	1,004.26
Do	Consumer News & Business Channel	562.50	7,910.59
Do	Manor Care	10,804.69	97.89
Do	Reuters North America, Inc	496.87	22.02
Do	Trian Group	3,478.12	163.42
National Telephone Cooperative Assn, 2626 Pennsylvania Ave., NW Washington, DC 20037		27,000.00	4,317.29
National Truck Equipment Assn, 38705 Seven Mile Road, #345 Livonia, MI 48152		3,750.00	91.00
National Venture Capital Association, 1655 N. Fort Meyer Dr., #700 Arlington, VA 22209			120,509.98
National Wildlife Federation, 1400 16th Street, NW Washington, DC 20036-0001			12,089.28
National-American Wholesale Grocers' Assn, 201 Park Washington Court Falls Church, VA 22046		9,000.00	9,000.00
Natural Gas Supply Assn, 1129 20th St. nw #300 Washington, DC 20036		386,700.00	28,731.34
Michael W. Naylor, 1001 Pennsylvania Ave, NW, #700 Washington, DC 20004-2502	Allied-Signal, Inc		
Pamela Neal, 1301 Pennsylvania, NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Rick J. Neal, 1800 South Baltimore Ave. Tulsa, OK 74119	Mapco, Inc	5,250.00	46.60
Karen J. Neale, 2501 M Street N.w. Washington, DC 20037	Chemical Manufacturers Assn, Inc	1,700.00	219.25
Janet E. Neigh, 519 C Street, NE Washington, DC 20002	Hospice Assn of America/National Assn for Home Care	157.76	35.89
Frederick W. Neill, 600 5th Street Aurora, IL 60505			
Neill & Company, Inc, 815 Connecticut Ave., NW, #800 Washington, DC 20006	American Methanol Institute	25,000.00	1,488.73
Do	General Electric Industrial and Power Systems		439.01
Do	Government of Jamaica	75,000.00	10,127.58
Do	Islamic Republic of Pakistan	130,000.00	18,688.14
Do	Joint Diseases North General Hospital	21,000.00	137.34
Do	Kingdom of Morocco		3,603.88
Do	Korea Foreign Trade Assn		
Do	Puerto Rico Economic Development Administration	19,641.66	157.24
Do	Republic of Cote d'Ivoire		128.58
Do	Republic of Guinea	100,000.00	17,494.04
Do	Republic of Kenya		10,862.95
Do	Schomburg Center for Research In Black Culture	6,000.00	280.40
Neill & Shaw, 815 Connecticut Ave., NW, #800 Washington, DC 20006	National Council Social Security Management Assns, Inc	6,000.00	202.00
Do	PHH Group		
Do	Senior Executives Assn	7,000.00	267.00
Eric G. Nelson, 2000 M Street, NW, #550 Washington, DC 20036	North American Telecommunications Assn	7,833.34	
Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036	E. I. du Pont de Nemours & Co		
Mark E. Nelson, 1825 I Street, NW, #400 Washington, DC 20006	SEMATECH, Inc	5,313.00	3,068.75
Lynda L. Nersesian, 1100 15th St., NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	65.00
Mark Nestlen, 1300 L Street, NW, #950 Washington, DC 20005-4107	American Soybean Assn	6,000.00	377.50
Alexander Netchvolodoff, 1301 Connecticut Ave., #200 Washington, DC 20036	Cox Enterprises, Inc		216.89
Network, 806 Rhode Island Ave., NE Washington, DC 20018		52,758.00	57,875.00
E. John Neumann, 1130 Connecticut Avenue, NW, #830 Washington, DC 20036	Southern Company Services, Inc	6,910.52	5,685.78
Louis H. Nevins, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffett & Wood (For:Cape Cod Five Cents Savings Bank)		
Do	Thacher Proffitt & Wood (For:Castine Partners)		
Do	Thacher Proffitt & Wood (For:Dollar Bank, FSB)		
Do	Thacher Proffitt & Wood (For:Peoples Westchester Savings Bank)		
Do	Thacher Proffitt & Wood (For:Third Federal Savings & Loan Assn)		
Do	Thacher Proffitt & Wood (For:Ulster Savings Bank)		
New England Rehabilitation Hospital, 2 Rehab Way Woburn, MA 01801			3,482.07
New York State Bankers Assn, 485 Lexington Avenue New York, NY 10017		12,500.00	14,039.35
Lilian Ann Newby, 2301 M Street, NW Washington, DC 20037	American Public Power Assn	1,500.00	58.00
Linton C. Newlin, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp		
William B. Newman Jr., P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	5,500.00	
Newman & Holtzinger, P.C., 1615 L St., NW, #1000 Washington, DC 20036	Utility Nuclear Waste & Transportation Program		
Sharon Newsome, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	5,972.81	
E. Archie NeSmith Jr., 1001 Pennsylvania Ave., NW, #700 Washington, DC 20004	Allied-Signal Aerospace Co		
Sara S. Nichols, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	7,075.00	
Marlene Nicholson, 1722 Eye St., NW, Fifth Floor Washington, DC 20006	Barclays Bank PLC	12,000.00	3,029.40
Robert J. Nickens, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	71.55
Patrick J. Nilan, 1300 L Street, NW Washington, DC 20005	American Postal Workers Union, AFL-CIO	21,278.86	4,817.46
Alan Nissalke, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		
Michael E. Nix, 231 W. Michigan Street, #P453 Milwaukee, WI 53203	Wisconsin Electric Power Co.		
Nixon Hargrave Devans & Doyle, One Thomas Circle, NW, #800 Washington, DC 20005	American Free Trade Assn	4,070.00	
Do	Bausch & Lomb		
Do	CP Rehab Corp		
Do	Eastman Savings & Loan Assn		
Do	Exxel Container, L.P.		
Do	Tetrapak, Inc	1,438.00	10.00
Do	Thompson Medical Co		
Barbara D. Nocera, 955 L'Enfant Plaza, SW, #5300 Washington, DC 20024	Honda North America, Inc	413.00	52.76
Walker F. Nolan, 701 Pennsylvania Ave., NW 4th Floor Washington, DC 20004	Edison Electric Institute	13,618.67	417.86
James A. Noone, 1250 Connecticut Avenue, NW, #318 Washington, DC 20036	Karalekas & McCahill (For:Allpoints International, Inc)	2,000.00	12.00
Do	Karalekas & McCahill (For:American Retirees Assn)	3,000.00	30.00
Do	Karalekas & McCahill (For:Homeport Information Task Force, et al.)	3,000.00	206.30
Robert I. Nooter, 600 Maryland Avenue, SW, #800 Washington, DC 20024	American Farm Bureau Federation	7,550.01	289.85
David F. Norcross, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:National Republican Institute for International Affairs).	100.00	
Do	Montgomery McCracken Walker & Rhoads (For:Pilots Assn of the Bay and River Delaware).	1,375.00	
Do	Montgomery McCracken Walker & Rhoads (For:Ports of Philadelphia Maritime Exchange).	2,725.00	5.00
Julia J. Norrell, 1155 Connecticut Ave., NW, #300 Washington, DC 20036	American Council of Life Insurance, Inc	1,000.00	2,600.00
Do	American Insurance Assn	1,000.00	2,600.00
Do	Golden Rule Insurance Company	1,000.00	2,800.00
Do	Mutual of Omaha	1,000.00	2,800.00
North American Export Grain Assn, Inc, 1030 15th Street, NW, #1020 Washington, DC 20005			339.39
North American Telecommunications Assn, 2000 M St., NW, #550 Washington, DC 20036		12,533.34	
Patrice North-Rudin, 1133 21st Street, NW Washington, DC 20036	Travel & Tourism Gov't Affairs Council	2,280.00	
J. Hallock Northcott, 1819 L Street, NW, #200 Washington, DC 20036-3822	Matsushita Electric Corp of America	500.00	67.79
Northeast Utilities Service Co, Selden St. Berlin, CT 06037			2,541.71
Clifford R. Northup, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance	2,000.00	
Steven R. Nousen, P.O. Box 3529 Portland, OR 97208	Port of Portland	13,717.00	184.27
Mary Ann Novak, 555 13th Street, NW #460 West Tower Washington, DC 20004-1109	Parsons Brinkerhoff, Inc	1,578.00	228.10
Nussbaum & Wald, One Thomas Circle, NW #200 Washington, DC 20005	American Soc of Composers Authors & Publishers	2,000.00	
Do	National Football League Players Assn	6,000.00	
Franklin W. Nutter, 1819 L Street, NW, 7th Floor Washington, DC 20035	Reinsurance Assn of America		
R. Marc Nuttle, c/o Marion Harrison 840 The Watergate 2600 Virginia Ave., NW Washington, DC 20037	Regent C&C Ltd., et al.	199,997.00	78,282.08
Hubert K. O'Bannon, 50 F Street, NW Washington, DC 20001	Association of American Railroads	1,285.97	366.75
O'Bannon & Gibbons, 2550 M Street, NW, #250 Washington, DC 20037	Mutual Life Insurance Co of New York	7,143.75	
Do	Underwriters at Lloyd's London		
George O'Bea Jr., 815 16th Street, NW, #701 Washington, DC 20006	United Paperworkers International Union		
Dinah K. O'Berry, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	15,411.00	
Coleman C. O'Brien, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	11,813.00	
Raymond V. O'Brien, 1600 M St., NW Washington, DC 20036	ITT Corporation	4,000.00	200.00
Rosemary L. O'Brien, 805 15th Street, NW, #610 Washington, DC 20005-2207	CF Industries, Inc	500.00	351.82
James J. O'Connell, Control Data Corporation 1201 Pennsylvania Avenue, NW, Suite 370 Washington, DC 20004	Control Data Corporation		
Richard T. O'Connell, Richard T. O'Connell & Associates, Inc 3208 Traveler Street Fairfax, VA 22030	Chocolate Manufacturers Assn of the USA		
Do	National Confectioners Assn of the U.S.		
Terrence M. O'Connell II, 444 N. Capitol Street, NW, #711 Washington, DC 20001	TKC International (For:Mexican Dept of Commerce & Industrial Dev)		
Do	Keefe Co (For:Sanders Associates, Inc)	51,000.00	397.20

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Brenda O'Connor, 818 Connecticut Ave, NW, #303 Washington, DC 20006	National Assn for Biomedical Research	115.00	
David O'Connor, 1129 20th Street, NW, #600 Washington, DC 20036	Group Health Assn of America, Inc		
James E. O'Connor, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	20,000.00	
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	American Bus Assn	3,750.00	
Do	American Clinical Laboratory Assn	4,000.00	
Do	American Family Life Assurance Co	2,989.00	
Do	American Inst of Certified Public Accountants		
Do	American Insurance Assn		
Do	American International Automobile Dealers Assn	9,621.91	
Do	American Orthotic & Prosthetic Association	8,169.54	
Do	American Soc of Assn Executives	3,750.00	
Do	American Soc of Cataract & Refractive Surgery		
Do	Bionox, Inc		
Do	Center for Marine Conservation, Inc		
Do	China External Trade Development Council	6,690.00	
Do	Citizens Savings and Loan	1,086.00	
Do	City of Minneapolis		
Do	Coca-Cola Company	22,162.50	
Do	Connaught Laboratories, Inc	2,101.48	
Do	Crescent Cities Jaycees Foundation, Inc	2,849.37	
Do	CNA Insurance Co	3,917.00	
Do	Distilled Spirits Council of the U.S., Inc	1,000.00	
Do	DKT Memorial Foundation	6,430.00	
Do	Eastern Michigan University	337.00	
Do	Ecomarine USA		
Do	Electronic Data Systems Corp	11,605.00	
Do	Glass Packaging Institute		
Do	Golden Nugget, Inc	3,000.00	50.00
Do	Government of El Salvador	37,500.00	815.46
Do	Government of Israel Supply Mission	2,824.28	
Do	Government of Netherlands Antilles	21,801.34	
Do	Grand Metropolitan/Pillsbury	5,033.89	
Do	Health Care Financing Study Group	10,750.00	
Do	Health Images, Inc	5,000.00	
Do	Hennepin County		
Do	Housing Study Group		
Do	Investment Company Institute	3,252.67	
Do	J.C. Penney Company, Inc		
Do	Kellogg Company	500.00	
Do	Liquidity Fund Management, Inc	20,699.95	
Do	Marine Mammal Interest Group		
Do	Marine Pacifica Oil Company		
Do	Martin Marietta Corp	2,204.21	
Do	MasterCard International, Inc	5,104.00	
Do	Mercedes-Benz of North America, Inc	11,300.00	
Do	Minnesota Mutual Life Insurance Co	1,409.79	
Do	Morgan Grenfell Group, PLC		
Do	Mortgage Bankers Assn		
Do	Mullendore & Tawney		
Do	National Apartment Assn	3,750.00	
Do	National Assn of Optometrists and Opticians, Inc	3,000.00	
Do	National Assn of Portable X-Ray Providers	1,000.00	
Do	National Funeral Directors Assn	4,908.78	
Do	National Retail Hardware Assn	1,566.49	
Do	Pacific Telesis Group	5,060.00	
Do	Joseph E. Seagram & Sons, Inc	316.00	
Do	Securities Industry Assn	10,874.00	
Do	SmithKline Beecham	2,311.36	
Do	Solid Waste Agency of Northern Cook County	519.56	
Do	State of Alaska	197.71	
Do	U.S. Wild Horse & Burro Foundation		
Do	UST	4,140.00	
Do	Visa, USA, Inc	5,104.00	
Do	Wards Cove Packing Company	32,530.65	
Do	Westinghouse Electric Corp	4,352.81	
Emily O'Connor-Karolyi, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
Paul T. O'Day, 1150 17th Street, NW Washington, DC 20036	American Fiber Manufacturers Assn, Inc		
Thomas A. O'Day, 1629 K St., NW, #1010 Washington, DC 20006	Alliance of American Insurers	1,200.00	
Wayne O'Dell, 6004 Wilmington Dr. Burke, VA 22015	Cable Television Assn of MD, DE & DC	21,250.00	
Denise M. O'Donnell, 1987 Eye Street, NW, #775 Washington, DC 20006	Georgia-Pacific Corp		
John F. O'Donnell, 1111 14th St., NW, #1100 Washington, DC 20005	American Dental Assn	1,000.00	
Bridget O'Grady, 3800 N. Fairfax Drive, #4 Arlington, VA 22203	National Water Resources Assn	7,000.00	
Jane O'Grady, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	17,093.08	240.40
Terri O'Grady, 1600 Rhode Island Avenue, NW Washington, DC 20036	National Rifle Assn of America	1,203.38	242.99
Barbara E. O'Hara, P.O. Box 23992 Washington, DC 20026-3992	American Soc of Travel Agents	75.00	
Robert J. O'Hara Jr., 2 North 9th Street Allentown, PA 18101	Pennsylvania Power & Light Company	236.96	529.58
Dean O'Hare, 15 Mountain View Road Warren, NJ 07061	Chubb & Son, Inc		
O'Keefe Ashenden Lyons & Ward, 30 North La Salle, #4100 Chicago, IL 60602	Mutual of America	56,983.87	20,508.22
Daniel J. O'Neal III, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,429.00	208.95
Joseph O'Neil, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
O'Neill and Athy, P.C., 1310 19th Street, NW Washington, DC 20036	American Bankers Assn	2,600.00	
Do	Beth Israel Hospital		
Do	Boston College		
Do	Brandeis University		
Do	Brigham and Women's Hospital, Inc		
Do	Business Roundtable		
Do	Coalition of Boston Teaching Hospitals		
Do	CompuChem Corp		
Do	Cruise America Line, Inc		
Do	Glass Packaging Institute		
Do	Massachusetts General Hospital		
Do	National Football League		
Do	New England Deaconess Hospital		
Do	New England Medical Center		
Do	Northwestern Mutual Life		
Do	Pyrotechnic Signal Manufacturers Assn		
Do	Source Data Network		
Do	Texas Utilities Co	250.00	
Do	University Hospital		
Do	USX Corporation		
Do	Viacom International, Inc	2,100.00	
John O'Shaughnessy, 1001 G Street, NW, 7th Floor East Washington, DC 20001	Greater New York Hospital Assn	14,500.00	1,200.00
J. Denis O'Toole, 1709 New York Ave., NW Washington, DC 20006	U.S. League of Savings Institutions	18,480.00	
M. Diane O'Toole, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	371.02
Stephen E. O'Toole, 1660 L St., NW Washington, DC 20036	General Motors Corp	3,000.00	3,558.06
Jana R. Oakley, 1776 I Street, NW, #275 Washington, DC 20006	Entergy Services, Inc	3,600.00	54.55
Paul C. Oakley, 50 F Street, NW Washington, DC 20001	Association of American Railroads	1,398.95	36.19
Kim M. Oboz, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc	1,000.00	
R. Michael Ochs, 701 Pennsylvania Ave., NW Washington, DC 20004	National Retail Federation		
Donald G. Ogilvie, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Marion Browne Oglesby Jr., 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	3,000.00	
Michael D. Oldak, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	148.00	
R. Teel Oliver, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	2,000.00	500.00
Lawrence Olsen, 400 W. 15th, #417 Austin, TX 78701	Texas Good Roads/Transportation Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Lynnea J. Olsen, 400 North Washington Street Alexandria, VA 22314	Professional Insurance Agents		
Eric Olson, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	4,280.76	
Laura L. Olson, 12731 Directors Loop Woodbridge, VA 22192	American Amusement Machine Assn		
Richard C. Olson, 2000 Edmund Halley Drive, #400 Reston, VA 22091	Citibank, N.A.		
Olsson Frank & Weeda, 1400 16th Street, NW, #400 Washington, DC 20036-2220	Beef Products, Inc	2,000.00	
Do	Duramed Pharmaceuticals, Inc	300.00	
Do	Milk Industry Foundation	2,000.00	
Do	Naremco, Inc.	250.00	
Do	National American Wholesale Grocers Assn	900.00	
Do	National Assn of Margarine Manufacturers	200.00	
Do	National Food Processors Assn	6,000.00	
Do	National Frozen Pizza Instutute	6,000.00	
Do	Pillsbury Company	1,000.00	
Do	San Tomo Group	2,500.00	
Do	Schwan's Sales Enterprises, Inc	1,500.00	
Do	U.S. Surgical Corporation	200.00	
Do	Vicam	600.00	
Do	Western States Meat Assn	900.00	
Olwine Connelly Chase O'Donnell & Weyher, 1701 Pennsylvania Ave, NW, #1000 Washington, DC 20006	Alexander & Alexander Services, Inc		
Do	CRS Capital, Inc	1,000.00	
Do	Intercontinental Energy Corp		
Do	Long Lake Energy Corp		
Do	Manville Corporation	500.00	
Do	National Independent Energy Producers	3,000.00	
Do	Sithe Energies USA, Inc	1,000.00	
Do	Valsan Partners		
Omega International, Inc, 11 Carriage House Circle Alexandria, VA 22034	General Atomic		
Philip C. Onstad, 333 Plainfield Road Edison, NJ 08820	International Communications Assn		
Ronald S. Oppenheimer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	6,000.00	308.00
Oppenheimer Wolff & Donnelly, 1020 19th Street, #400 Washington, DC 20036	Government of Barbados	55,535.13	2,165.60
Opperman Heins & Paquin, 1300 I Street, NW, #480E Washington, DC 20005	West Publishing Company	3,459.50	30.85
Charles J. Orasin, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	12,832.00	
Organization of Professional Employees of USDA, Rm. 1414 S. Building U.S. Dept of Agriculture Washington, DC 20250		2,688.20	1,228.82
Edward R. Osann, 1400 16th St., NW Washington, DC 20036-0001	National Wildlife Federation	9,722.83	
David S. Osterhout, 1825 Eye Street, NW, #1100 Washington, DC 20006	Lockheed Corporation	6,000.00	2,899.30
J. F. Otero, 815 16th Street, NW Washington, DC 20006	Transportation Communications Union	1,000.00	
Alan R. Ott, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	800.00	
Michael F. Ouellette, 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn	2,000.00	
Cliff Ouse, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	25.00	
Arthur R. Ouslander, P.O. Box 23451 Washington, DC 20026	Consolidated Rail Corporation	2,667.00	
Overseas Education Assn, 1201 16th Street, NW Washington, DC 20036		1,000.00	1,191.76
Daryl Owen, 801 Pennsylvania Ave., NW, #730 Washington, DC 20004	Hooper Hooper & Owen (For:Arkla, Inc)	13,500.00	
Do	Hooper Hooper & Owen (For:CSX Corp/Yukon Pacific)	9,000.00	
Do	Hooper Hooper & Owen (For:Ebasco Services, Inc)	9,000.00	
Do	Hooper Hooper & Owen (For:Entergy Corp)	9,000.00	
Do	Hooper Hooper & Owen (For:Lockheed Engineering & Sciences Co)	11,250.00	
Do	Hooper Hooper & Owen (For:Panhandle Eastern Corp)	13,500.00	
Stephen F. Owen Jr., 2020 K Street, NW, #800 Washington, DC 20006	Classroom Publishers Assn		
Thomas E. Owens, 815 16th Street, NW, #309 Washington, DC 20006	AFL-CIO Dept of Legislation	13,590.33	
Thomas J. Owens, P.O. Box 12266 Seattle, WA 98102	Continental Savings Bank		
Do	Dollar Savings Bank, et al.	65,600.00	16,960.98
Do	Pacific First Financial Corp		
William J. Owens, 1745 Jefferson Davis Highway, #511 Arlington, VA 22202	Manufactured Housing Institute	4,407.00	57.80
R. Ray Paabo, P.O. Box 25019 Washington, DC 20007	Santa Fe Pacific Pipelines, Inc		
Joel Packer, 1201 16th Street, NW Washington, DC 20036	National Education Assn	3,567.60	179.30
Thomas J. Padden, 27 Firtree Rd. Levittown, PA 19056			
Lee W. Paden, P.O. Box 201 Tulsa, OK 74102	Public Service Co of Oklahoma		
Anthony Padilla, 815 16th Street, NW, #511 Washington, DC 20006	Transportation Communications Union	3,000.00	195.12
Pagonis & Donnelly Group, Inc, 1620 Eye Street, NW, #202 Washington, DC 20006	Air Products & Chemicals, Inc	8,400.00	47.03
Do	Americans for National Dividend Act, Inc	36,000.00	
Do	Association of High Medicare Hospitals	20,400.00	104.96
Do	Burroughs Wellcome Co	13,850.00	64.90
Do	Coalition for Quality Legal Services	30,000.00	140.46
Do	Dow Chemical USA	18,000.00	454.81
Do	Holiday Inn Corp	23,887.50	402.78
Do	Nord Resources Corp	7,065.00	
Do	Rowland Company	3,249.60	
Geri Palast, 1313 L St., NW Washington, DC 20015	Service Employees International Union, AFL-CIO, CLC		
Michael C. Palmer, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	1,077.00	
Benjamin L. Palumbo, 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Insurance Assn)		
Do	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	6,225.00	200.50
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	1,875.00	119.20
Do	Palumbo & Cerrell, Inc (For:Government Employees Hospital Assn.)	962.50	22.00
Do	Palumbo & Cerrell, Inc (For:Handgun Control)		
Do	New Jersey Turnpike Authority	2,737.50	75.10
Do	Soka University	3,062.50	88.00
Do	Palumbo & Cerrell, Inc (For:Southern California Rapid Transit District)	537.50	
Palumbo & Cerrell, Inc, 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	American Insurance Assn		
Do	American Soc of Composers Authors & Publishers	22,500.00	22,565.31
Do	Atlantic Richfield Co	18,000.00	10,706.46
Do	Government Employees Hospital Assn	18,000.00	6,896.41
Do	Handgun Control		
Do	New Jersey Turnpike Authority	9,999.00	10,233.55
Do	Rockport Fine Arts Council		
Do	Soka University	14,693.75	6,584.43
Do	Southern California Rapid Transit District	18,750.00	7,062.40
G. Oliver Papps, N.J. Petroleum Council 150 W. State St. Trenton, NJ 08608	American Petroleum Institute		
Jonathan R. Paret, 1850 M Street, NW Washington, DC 20036	Securities Industry Assn	3,231.00	
Alan A. Parker, 1050 31st Street, NW Washington, DC 20007	Association of Trial Lawyers of America	5,000.00	100.00
Bruce Parker, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
John N. Parker, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	375.00	
Tom V. Parker, Arkansas Petroleum Council One Riverfront Place, #460 North Little Rock, AR 72114	American Petroleum Institute	134.00	106.60
Penny L. Parkin, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical USA		6,289.00
Carl M. Parks, 633 Pennsylvania Ave., NW, #600 Washington, DC 20004	Sears Roebuck & Co	15,000.00	301.38
Prudence H. Parks, 11301 Popes Head Road Fairfax, VA 22030	Washington Gas Light Co	7,375.00	
Ann M. Parman, 1701 K Street NW, Suite 400 Washington, DC 20005	National Manufactured Housing Federation	100.00	
Norman T. Parnes, 5503 Mako Court Waldorf, MD 20603	Air Force Sergeants Assn, Inc		
Ronald L. Parrish, 1800 One Tandy Center Fort Worth, TX 75102	Tandy Corporation	8,974.35	4,530.77
Richard N. Parsons, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	873.00	
Parsons Behle & Latimer, 185 South State Street, #700 Salt Lake City, UT 84147-0898	Parsons Behle & Latimer (For:Intermountain Consumer Power Assn)		
Partnership on Health Care and Employment, P.O. Box 27414 Washington, DC 20038		32,795.00	19,445.44
Charles C. Partridge, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	3,256.56	
Jack Partridge, P.O. Box 1199 Cincinnati, OH 45201-1199	Kroger Company	2,500.00	495.45
Robert D. Partridge, 511 Janneys Lane Alexandria, VA 22302	Burns & McDonnell		
Richard E. Pasco, 501 School Street, SW, #400 Washington, DC 20024	National Pork Producers Council	10,000.00	303.00
Melissa B. Patack, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	9,557.70	824.05
M. Stephanie Patrick, 1101 15th Street, NW, #1000 Washington, DC 20005	Cargill, Inc	1,250.00	
Gary B. Patterson, Delaware Petroleum Council P.O. Box 1429 Dover, DE 19903	American Petroleum Institute	106.50	67.03
Jerry M. Patterson, 3200 Bristol St., Suite 640 Costa Mesa, CA 92626	City of Bell & Bell Community Redevelopment Agency		
Do	Burke Williams & Sorensen (For:City of Santa Ana)	758.00	
Do	Burke Williams & Sorensen (For:City of Santa Clarita)		
Richard M. Patterson, 1776 Eye St., NW, #575 Washington, DC 20006	Dow Chemical Co	500.00	6,589.00
C. James Patti, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	9,635.79	
Thomas B. Patton, 1300 I Street, NW, #1070 East Washington, DC 20005	North American Philips Corp	17,000.00	84,351.18

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	Ad Hoc Coalition for Intermarket Coordination	717.50	
Do	Ad Hoc Coalition Administration for Native Americans	7,100.00	65.00
Do	Air Products & Chemicals, Inc	990.00	20.00
Do	Aiwa America, Inc		
Do	Akai America, Ltd		
Do	Alabama Power Co		
Do	Amenco	755.00	15.00
Do	American Congress on Surveying & Mapping		
Do	American International Automobile Dealers Assn		
Do	American Stock Exchange, Inc		
Do	Ares-Serono, Inc		
Do	Armco, Inc		
Do	Association of Trial Lawyers of America	315.00	20.00
Do	Bath Iron Works Corp		
Do	Bethlehem Steel Corp		
Do	Bic Corporation		
Do	Blair Corporation		
Do	Board of Mississippi Levee Commissioners		
Do	Bristol Myers/Squibb Corp		
Do	Casio		
Do	Castle & Cooke, Inc	315.00	25.00
Do	Center for Molecular Medicine & Immunology	265.00	9.00
Do	Center City Inner Harbor	1,500.00	
Do	Chemfix Technologies, Inc		
Do	Cherokee Nation of Oklahoma	2,436.25	150.50
Do	Cherokee Nation Industries, Inc	2,800.00	71.00
Do	Chicago Board Options Exchange	695.00	25.00
Do	Chrysler Corporation		
Do	City & County of Denver	487.50	32.00
Do	City of Baltimore	270.00	10.50
Do	Climate Council	65.00	9.00
Do	Coalition on State Use Taxes		
Do	College Savings Bank		
Do	Columbia, Inc		
Do	Corridor Broadcasting Corp		
Do	Council of Community Blood Centers		
Do	CUC International		
Do	Dairy Institute of California	700.00	40.00
Do	Dealer Action Association		
Do	Denver Colorado Planning Department		
Do	Discovery Channel		
Do	Dole Fresh Fruit Co		
Do	Doyon Corporation		
Do	Duty Free Shoppers Group, Ltd		
Do	Electric Reliability Coalition	20,620.00	180.00
Do	Falconwood Corp		
Do	Federation of Postal Police Officers		
Do	Federation Against Inequitable & Progressive Taxation	1,085.00	65.00
Do	Fiart Cantieri Italiani, S.P.A.	6,600.00	379.87
Do	Fishing Vessel Owner's Assn		
Do	Flexi-Van Leasing, Inc	200.83	6.65
Do	Freedom to Advertise Coalition	250.00	20.00
Do	Fuji Photo Film USA, Inc		
Do	Gana-A'Yoo, Limited		
Do	General Electric Co		
Do	Genstar Container Corp	200.83	6.65
Do	Charles Heilbronn, et al.		
Do	Hillenbrand Industries	420.00	36.00
Do	Hitachi Sales Corp of America		
Do	Institute of Scrap Recycling Industries	1,247.50	58.00
Do	International Fabricare Institute		
Do	International Swaps Dealers Assn., Inc.	105.00	5.00
Do	Itel Containers International Corp	200.83	6.65
Do	Johnson Controls World Services, Inc		
Do	Kaiser Aluminum & Chemical Corp	360.00	
Do	Kenwood USA Corporation		
Do	KAO		
Do	Local Government Wetlands Coalition	435.00	15.00
Do	Loop, Inc		
Do	Loyloa University	280.00	17.00
Do	Marathon Oil Co	2,135.00	
Do	Mars, Inc		
Do	Mass Mutual	540.00	20.00
Do	Matson Navigation Co		
Do	Matsushita Electric Corp of America		
Do	Maxell Corp of America		
Do	Metropolitan Life		
Do	Mitsubishi Electric Sales of America, Inc		
Do	Mutual Legislative Committee		
Do	MCI Telecommunications, Inc	2,281.25	59.00
Do	Nakajima USA		
Do	Nakamichi USA		
Do	National Assn of Life Underwriters		
Do	National Assn of Retail Druggists		
Do	National Automatic Merchandising Assn	2,205.00	80.00
Do	National Cable Television Assn, Inc		
Do	National Marine Manufacturers Assn	530.00	20.00
Do	National Soft Drink Assn		
Do	New York Life Insurance Company		
Do	Northwestern Mutual Life		
Do	Nutri/Systems, Inc		
Do	NCNB Texas National Bank		
Do	NEC Electronics (USA) Inc		
Do	NMTBA-National Machine Tool Builder's Assn		
Do	Onkyo USA Corp		
Do	Options Clearing Corp		
Do	OSG Bulk Ships, Inc		
Do	Pioneer Electronics (USA), Inc		
Do	Reader's Digest Assn, Inc	3,000.00	
Do	Reinsurance Assn of America		
Do	Reliance Group Holdings, Inc	200.83	6.65
Do	Republic of the Marshall Islands Development Authority		
Do	Republic of Guatemala	4,230.00	410.00
Do	Retail Industry Trade Action Coalition		
Do	Royal Trustco Ltd		
Do	Sansui Electronics Corp		
Do	Sanyo Electronics, Inc		
Do	Raymond F. Schoenke Jr.		
Do	Sharp Electronics Corp		
Do	Charles E. Smith Companies	105.00	10.00
Do	Smokeless Tobacco Council, Inc	2,650.00	149.50
Do	Sony Corp of America		
Do	Sprat Bay Corp		
Do	Standard Federal Savings Bank		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	State of Louisiana, Department of Conservation		
Do	Sultantate of Oman	480.00	
Do	Toshiba America, Inc		
Do	Trans Ocean Ltd	200.84	6.67
Do	Transamerica Leasing, Inc		
Do	Triton Container	200.84	6.67
Do	TDK USA Corp		
Do	TEAC Corp of America		
Do	TEKNIKA Electronics Corp		
Do	U.S. Tobacco Company	720.00	
Do	Union Pacific Corp		
Do	US JVC Corporation		
Do	USX Corporation	660.00	10.00
Do	Waste Management, Inc		
Do	Wayne County Michigan	1,616.25	35.00
Do	Western Forest Industry Assn		
Do	Westinghouse Electric Corp		
Do	XTRA Corp		
Do	Yamaha Electronics Corp, USA		
Paul Hastings Janofsky & Walker, 1050 Connecticut Avenue, NW, #1200 Washington, DC 20036	Allegheny Power System Inc, et al.	18,938.75	
Do	Amdahl Corp	1,466.25	
Do	American Trucking Assns, Inc	4,631.25	61.31
Do	Business Council on Indoor Air		
Do	CalMat Company		
Do	Government Affairs Policy Council of Reg Bell Operating Co's	31,136.25	258.81
Do	Kawasaki Motors Corp, USA	570.00	
Do	Koito Manufacturing Co		
Do	Motor Vehicle Manufacturers Assn, Inc		
Do	Norfolk Southern Corp	855.00	
Do	Security Life of Denver		
Do	Tobacco Institute	5,502.50	
Gwen Gampel Paulson, 711 Second Street, NE, #200 Washington, DC 20002	Congressional Consultants (For:American Assn of Retired Persons)		
Do	Kinetic Concepts, Inc	3,000.00	57.00
Do	Congressional Consultants (For:National Renal Administrators Assn)		
Tommy J. Payne, 1455 Pennsylvania Ave., NW, #525 Washington, DC 20004	RJR Nabisco, Inc	2,800.00	483.40
Chris Peace, 500 E. Street, SW, #920 Washington, DC 20024	Aircraft Owners & Pilots Assn	5,000.00	1,011.35
Peace Political Action Committee, 110 Maryland Avenue, NE Washington, DC 20002			13,197.08
Norman E. Pearson, 125 N. West Street Alexandria, VA 22314-2754	Fleet Reserve Assn	100.00	
Joe P. Peck Jr., 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Shelley Peck, 122 C St., NW Washington, DC 20001	Children's Defense Fund	2,346.00	454.35
Lee Peckarsky, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	38,250.00	
Edward F. Pembleton, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	2,200.00	455.00
Randall G. Pence, P.O. Box 781 Herndon, VA 22070	National Concrete Masonry Assn	5,416.00	535.00
James C. Pennington, 5535 Hempstead Way Springfield, VA 22151	National Assn for Uniformed Services	3,244.06	
Pennsylvania Power & Light Co, 2 North 9th Street Allentown, PA 18101			3,016.57
Pepper Hamilton & Scheetz, 1300 19th Street, NW Washington, DC 20036	Association for Governmental Leasing & Finance		
Barbara K. Pequet, 609 Bonifant Street Silver Spring, MD 20910	American Soc for the Prevention of Cruelty to Animals	2,000.00	
Perkins Coie, 607 14th Street, NW #800 Washington, DC 20005-2011	American Coke & Coal Chemicals Institute		
Do	Arctic Alaska Fishing Corp		
Do	Boeing Company		2,600.00
Do	Burlington Resources		2,600.00
Do	City of America		27,739.23
Do	Cook Inlet Region, Inc		
Do	General Electric Co		
Do	Krupp Atlas Elektronik GmbH		
Do	Wood Heating Alliance		
Gary J. Perkinson, 453 New Jersey Ave., SE Washington, DC 20003	Beneficial Management Corp		
Beverly Perry, 1900 Pennsylvania Ave, NW Washington, DC 20068	Potomac Electric Power Company	107.61	
Susan Perry, 1015 15th Street, NW Washington, DC 20005	American Bus Assn	2,687.50	75.00
Mark Pertschuk, 2530 San Pablo Ave, #J Berkeley, CA 94702	Americans for Nonsmokers' Rights	1,020.00	
Phillips S. Peter, 3135 Easton Turnpike Fairfield, CT 06431	General Electric Co	200.00	
Gordon A. Peters, 9191 West Tulip Drive Columbus, IN 47201	Juvenile Products Manufacturers Assn	8,350.00	2,578.01
Robert R. Petersen, 1030 15th Street, NW, #1020 Washington, DC 20005	National Grain Trade Council		
Helena Hutton Peterson, 1101 15th Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co	2,500.00	
Kenneth W. Peterson, Kansas Petroleum Council 1005 Merchants Bank Tower Topeka, KS 66612	American Petroleum Institute		
Lars E. Peterson, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	500.00	
Dayna Petete, 1666 Connecticut Ave, NW, #400 Washington, DC 20009	Federation for American Immigration Reform	125.00	31.90
Do	Population Environment Balance		
Susan F. Petniunas, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	500.00	
Michael J. Petrina Jr., 1101 17th Street, NW, #300 Washington, DC 20036	Cosmetic Toiletry & Fragrance Assn, Inc	2,500.00	22.50
Stephan Petry, 1800 Massachusetts Avenue, NW Washington, DC 20036	National Rural Electric Cooperative Assn	240.00	
C. L. Pettit, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Mitchell S. Pettit, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Southwestern Bell Corp-Washington, Inc	8,400.00	558.05
Brian T. Petty, 1901 L St., NW, #702 Washington, DC 20036	International Assn of Drilling Contractors		
Steven J. Pfister, National Retail Federation 701 Pennsylvania Avenue, NW #710 Washington, DC 20004	National Retail Federation	3,000.00	135.62
Pharmaceutical Manufacturers Assn, 1100 15th Street, NW, #900 Washington, DC 20005		30,064.45	30,064.45
Marshall A. Pharr, 6103 Adirondack Amarillo, TX 79106	Southwestern Public Service Co	4,914.00	340.72
Dennis J. Phelan, 1101 17th St., N.W., #609 Washington, DC 20036	Pacific Seafood Processors Assn	20,500.00	388.00
Mary Frances Phelps, 1050 Connecticut Ave., NW, #760 Washington, DC 20036	Union Oil Co of California		
William C. Phelps, 2929 Allen Parkway Houston, TX 77019	American General Corporation	2,200.00	3,783.27
William W. Phelps, P.O. Box 2159 Dallas, TX 75221	FINA, Inc	28,500.04	6,363.54
Deirdre B. Phillips, 100 Federal Street Boston, MA 02110	Bank of Boston Corporation		
Do	First National Bank of Boston	2,800.00	6,166.62
Joseph M. Phillips, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,046.45	60.17
Dan Phythyon, 1771 N St., NW Washington, DC 20036	National Assn of Broadcasters	4,500.00	796.86
Paulette C. Pidcock, 1100 Connecticut Avenue, NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co	1,617.20	1,637.52
Janice Pieper, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,750.00	470.49
Wayne Pierce, 101 Constitution Avenue, NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	14,778.00	
Pierson Semmes & Bemis, 1054 31st Street, NW Washington, DC 20007	Mauritius Sugar Syndicate		
Do	Oklahoma Natural Gas Company		
Donna M. Pignatelli, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance	2,000.00	
Mary C. Pigott, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers		
Piliero Mazza & Pargament, Farragut Square 888 17th Street, NW, #1100 Washington, DC 20006	Ad Hoc Committee of Mutual Fund Managers	1,839.80	
Do	National Fire Protection Assn		
Do	Villa Banfi, U.S.A		
Pillsbury Madison & Sutro, 1667 K St., NW, #1100 Washington, DC 20006	Chevron Corp		
Do	Federal Home Loan Bank of San Francisco		
Do	Geneva Steel		
Do	National Assn of Manufacturers		
Do	Southern Companies Services		
Valerie F. Pinson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,100.00	183.94
Piper & Marbury, 1200 19th Street, NW, #700 Washington, DC 20036	Edison Electric Institute		
William P. Pitts, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
Peggy Pizzo, 2000 14th Street, North #380 Arlingtonn, VA 22201	National Center for Clinical Infant Programs		
Plains Cotton Growers, Inc, 4510 Englewood Lubbock, TX 79414			
Reuben C. Plantico, 500 N.E. Multnomah, #1500 Portland, OR 97232-2045	Nerco, Inc	5,513.00	443.17
Wyll W. Pleger, 1150 Connecticut Ave., NW, #205 Washington, DC 20036	Brown & Root, Inc		
Martha Rachel Plotkin, 2300 M Street, NW, #910 Washington, DC 20037	Police Executive Research Forum	404.62	
Podesta Associates, Inc, 424 C Street, NE Washington, DC 20002	Airport Operators Council International		
Do	Allied-Signal, Inc	675.00	149.72
Do	American Assn of Airport Executives		
Do	American Newspaper Publishers Assn	11,053.12	557.82
Do	Computer & Business Equipment Manufacturers Assn	6,750.00	101.26
Do	Digital Equipment Corp	3,000.00	458.13

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Eidak	4,000.00	147.61
Do	Genentech, Inc	8,000.00	926.50
Do	National Artists Equity Assn		496.79
Do	National Assn of Broadcasters	2,500.00	89.20
Do	National Conference of Bankruptcy Judges	4,800.00	177.33
Rebecca S. Poe, P.O. Box 2450 Clarksburg, WV 26302-2450	CNG Transmission Corp	500.00	1,270.57
David Poisson, 2001 Pennsylvania Ave., NW Washington, DC 20006	Electronic Industries Assn	1,500.00	159.53
Policy Consulting Services, Inc, 1707 L Street, NW, #725 Washington, DC 20036	Nissan Motor Company, Ltd		
Do	Nissan Motor Manufacturing Corp, U.S.A.	11,112.00	11,450.00
Mindy Pollack, One Greenwich Plaza P.O. Box 2568 Greenwich, CT 06836	NAC Re Corp		
Michele Pollak, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	630.23	909.16
Alfred M. Pollard, 1701 K Street, NW, #503 Washington, DC 20006	Security Pacific Corp		
M. A. Polzin, 100 NE Adams Street Peoria, IL 61629-1430	Caterpillar, Inc	500.00	791.40
William B. Pomeroy, 1255 23rd Street, NW, #800 Washington, DC 20037	International Communications Assn		
Christina M. Popolo, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Joseph V. Popolo Jr., 1600 Wilson Boulevard, #807 Arlington, VA 22209	Roadway Services, Inc		
Port of Seattle, P.O. Box 1209 Seattle, WA 98111			5,219.89
Porter Wright Morris & Arthur, 41 South High Streetg Columbus, OH 43215	Coalition for Environmental-Energy Balance	34,664.00	8.92
Sara E. Potter, 1201 16th Street, NW Washington, DC 20036	National Education Assn		
John C. Pouland, 5757 Martel, B-9 Dallas, TX 75206	Philip Morris, USA	1,800.00	
John J. Power, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	16,852.68	249.22
David J. Pratt, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	810.00	380.00
Robert L. Pratt, 303 Wyman Street Waltham, MA 02154	Thermo Electron Corp/Thermedics, Inc	9,380.00	1,457.00
Preston Gates Ellis Rouvelas & Meeds, 1735 New York Avenue, NW, #500 Washington, DC 20006	American Fisheries Coalition		
Do	American Forest Resource Alliance		
Do	American President Lines	2,855.50	
Do	Bellingham Cold Storage		
Do	Boeing Company		
Do	Brown Forman Corp		
Do	Browning Kaleczyc Berry & Hoven	880.00	
Do	Burlington Northern Railroad Co	4,576.50	
Do	Calista Corp		
Do	Coastal Transportation, Inc		
Do	Computer Systems Policy Project		
Do	Council on Research & Technology	1,680.00	
Do	Data General Corp	440.00	
Do	Earthquake Project	622.00	
Do	Fusion Power Associates	380.00	
Do	Hewlett-Packard Co		
Do	Intelsat		
Do	Jackson Laboratory	750.00	
Do	Mormac Marine Group, Inc/Mormac Marine Transport, Inc		
Do	National Council on Compensation Insurance		
Do	OMI Corp		
Do	Pacific Medical Center		
Do	Pitney Bowes		
Do	Port of Seattle		
Do	Sunmar Shipping, Inc	200.00	
Do	Tele-Communications, Inc	11,298.00	
Do	Transportation Institute		
Do	Tri-City Industrial Development Council	160.00	
Do	U.S. Cruises, Inc		
Do	University of Washington		
Do	Westinghouse Electric Company		
James M. Price, 730 Polk Street San Francisco, CA 94109	Sierra Club		
Woodruff M. Price, 1331 Pennsylvania Ave., NW, #560 Washington, DC 20004	CSX Corporation	6,000.00	693.77
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	General Electric Co		
Do	Investment Company Institute	389.00	31.00
Do	Union Labor Life Insurance Co		
Ann L. Pride, P.O. Box 551 Little Rock, AR 72203	Arkansas Power & Light Company	812.49	153.38
Sheila M. Prindiville, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Waste Management Assn	500.00	
George W. Pritts Jr., 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	1,875.00	154.31
Procompetitive Rail Steering Committee, c/o Vuono, Lavelle & Gray 2310 Grant Building Pittsburgh, PA 15219			
Profit Sharing Council of America, 20 N. Wacker Drive Chicago, IL 60606			
Peter D. Prowitt, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd.	11,874.00	
Prudential-Bache Securities, Inc, 100 Gold St. New York, NY 10292			750.00
Jerry Z. Pruzan, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co	230.00	
George Prytula, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corporation	625.00	134.60
Public Citizen, Inc, 2000 P Street, NW Washington, DC 20036		55,325.00	59,665.00
Public Employee Department, AFL-CIO, 815 16th St., NW Washington, DC 20006		78,097.61	25,328.88
Public Strategies, 620 Congress, #310 Austin, TX 78701	AT&T	60,000.00	31,955.15
Do	Sammons Enterprises, Inc		152.31
Do	Southwest Airlines Co	31,000.00	1,304.08
Public Strategies Washington, Inc, 1455 Pennsylvania Ave., NW, #1100 Washington, DC 20004	American Trucking Associations	8,340.00	252.37
Do	Mexican Department of Commerce & Finance	99,947.05	2,522.09
Do	National Assn of Chain Drug Stores	24,999.00	1,279.56
Do	Southwest Airlines	2,220.00	112.50
Theresa Pugh, 1331 Pennsylvania Ave., NW, #1500-N Washington, DC 20004-1703	National Assn of Manufacturers		
Philip N. Pulizzi Jr., 1667 K Street, NW, #600 Washington, DC 20006	Bethlehem Steel Corp	250.00	
David E. Pullen, 1625 K Street, NW, #750 Washington, DC 20006	Manville Corporation	1,000.00	
Julie F. Pulliam, 801 Pennsylvania Ave., NW, #620 Washington, DC 20004	Equifax, Inc	10,000.00	
Howard Pyle III, 1050 17th Street, NW, #550 Washington, DC 20036	Houston Industries, Inc	7,500.00	
Robert N. Pyle & Associates, P.O. Box 3731 Washington, DC 20007	Elkem Metals Company	4,250.00	
Do	Independent Bakers Assn	3,000.00	150.00
Do	International Investors, Inc	2,000.00	250.00
Do	Stratcor	3,000.00	
Do	Welch Foods, Inc	3,750.00	
Patricia A. Quealy, 655 15th Street, NW, #350 Washington, DC 20005	Eckert Seamans Cherin & Mellott (For:Blue Cross & Blue Shield Assn)	7,750.00	695.83
Do	Blue Cross & Blue Shield Assn	7,750.00	695.83
William A. Quinlan, 3045 Riva Rd. Riva, MD 21140	Retail Bakers of America		
John E. Quinn, 11 Beacon Street, #415 Boston, MA 02108	American Petroleum Institute	1,000.00	
Lisa A. Quinn, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Savings Institutions	2,000.00	
Earl C. Quist, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Mark J. Raabe, 1615 L St., NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,500.00	500.00
Theresa Rabel, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	7,000.00	925.44
Alex Radin, 1200 New Hampshire Ave., NW, #507 Washington, DC 20036	Tennessee Valley Public Power Assn	1,675.00	
Do	Radin & Associates Inc (For:Washington Public Power Supply System)	3,135.00	
Do	Radin & Associates, Inc. (For:Washington Public Utility Districts Assn)	500.00	
W. A. Radziewicz, 400 N. Capitol Street, NW, #860 Washington, DC 20001	Brotherhood of Railroad Signalmen	465.00	
Tess A. Rae, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Patrick J. Raffaniello, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	2,750.00	115.15
Ragan & Mason, 1156 15th Street, NW, #800 Washington, DC 20005	American Bureau of Shipping	5,000.00	21.94
Do	American Ship Building Co	5,000.00	785.90
Do	Bechtel Corp		
Do	Bell Atlantic Network Services, Inc	33,750.00	
Do	Childrens Television Workshop	30,000.00	
Do	Commonwealth of Pennsylvania		
Do	Klukwan, Inc		
Do	National Bulk Carriers, Inc	4,500.00	
Do	R.J. Reynolds Nabisco, Inc	21,000.00	
Do	Sea-Land Service, Inc	20,000.00	255.39
Do	Security Pacific Leasing Corporation		
Do	Security Pacific National Bank		
Do	Stimson Lumber Co & Miller Redwood Co	3,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Territorial Savings & Loan Assn		
Kelly Rahach, 3213 Roberts Drive Richfield, OH 44286			890.26
Tanya A. Rahall, 2550 M Street, NW, #305 Washington, DC 20037-1301	American Task Force for Lebanon	15,000.00	28.50
Richard W. Rahn, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	640.00	70.00
Thomas F. Railsback, 2000 M Street, NW Washington, DC 20036	Graham & James (For:American Academy of Cosmetic Surgery, Inc)	450.00	
Do	Graham & James (For:R. R. Donnelley & Sons Company)	323.34	
Do	Graham & James (For:English Bay Corp)		
Do	Graham & James (For:Federal Administrative Law Judges Conference)		
Do	Graham & James (For:Federal Judges Association)	479.83	
Do	Graham & James (For:Illinois Health Facilities Authority)		
Do	Graham & James (For:National Association of Immigration Judges)	512.53	
Do	Graham & James (For:National Council of U.S. Magistrates)	349.13	
Railway Labor Executives' Assn, 400 N. Capitol Street, NW, #850 Washington, DC 20001		133,440.00	293,089.64
Railway Progress Institute, 700 North Fairfax St. Alexandria, VA 22314		3,000.00	3,307.38
Rainbow Lobby, 1660 L Street, NW, #204 Washington, DC 20036		44,152.00	44,152.30
Elizabeth L. Raisbeck, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society		
John C. Ramig, 222 SW Columbia, #1800 Portland, OR 97201	Lindsay Hart Neil & Weigler (For:C & D Lumber Co)		
Do	Lindsay Hart Neil & Weigler (For:Herbert Lumber Co)		
Do	Lindsay Hart Neil & Weigler (For:D.R. Johnson Lumber Co.)		
Do	Lindsay Hart Neil & Weigler (For:Moex Corp)	7,555.61	5,355.44
Do	Lindsay Hart Neil & Weigler (For:Nordic Veneer, Inc)		
Kristen M. Rand, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	1,000.00	
James D. Range, 1155 Connecticut Ave., NW, #800 Washington, DC 20036	Waste Management, Inc	3,550.00	
D. Michael Rappoport, P.O. Box 52025 Phoenix, AZ 85072	Salt River Project	1,680.00	5,475.66
Larry Rasky, 253 Summer Street Boston, MA 02210	Rasky & Company (For:National Cable Television Assn, Inc)	12,000.00	
Magda A. Ratajski, Three Commercial Place Norfolk, VA 23510-2191	Norfolk Southern Corp		
John W. Rauber Jr., 1250 Connecticut Ave., NW Washington, DC 20037	American Paper Institute, Inc	3,000.00	
Carol L. Raulston, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	5,750.00	26.20
G. David Ravencraft, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	
William R. Rawson, 950 N. Glebe Road, #160 Arlington, VA 22203-1824	American Boiler Manufacturers Assn, Inc		
Bruce A. Ray, Bruce Ray & Company 636 A Street, NE Washington, DC 20002	ABB Traction, Inc	9,519.42	
Do	Bayley Seton Hospital	12,809.79	
Do	Cumberland Packing Company	6,770.62	
John K. Rayburn, 1801 K Street, NW Washington, DC 20006	Westinghouse Electric Corp	235.00	30.00
David A. Raymond, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Ebasco Services, Inc	3,379.00	577.97
Joanna E. Reagan, 815 15th Street, NW Washington, DC 20005	International Union of Bricklayers and Allied Craftsmen	3,000.00	192.69
Linda S. Rearick, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Recording Industry Assn of America, Inc, 1020 19th St., NW #200 Washington, DC 20036		13,340.00	13,340.00
John M. Rector, 205 Daingerfield Rd. Alexandria, VA 22314	National Assn of Retail Druggists	700.00	150.00
Fred J. Redeker, 811 Rusk, #200 Houston, TX 77002	Houston Bankers Association		
Donald L. Redfoot, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	596.36	48.00
Catherine C. Redpath, 1350 I Street, NW Washington, DC 20005	Beveridge & Diamond (For:Arvida Company)	2,543.14	
Jerrildine Reed, 1667 K Street, NW, #210 Washington, DC 20006	Rohm & Haas Company		
Jo Reed, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	677.70	145.75
Mary Reed, 600 Maryland Ave., Sw, #700 Washington, DC 20024	National Fed of Independent Business (NFIB)	3,189.00	200.00
Michael L. Reed, 1100 15th Street, NW, #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	57.00
Reed Smith Shaw & McClay, 1200 18th Street, NW Washington, DC 20036	CAFRI	6,250.00	
Do	D & R Pharmaceutical Services, Inc	2,000.00	
Do	Grocery Manufacturers of America, Inc	2,060.00	
Do	National Cellular Resellers Assn	5,653.34	
Do	Portland Cement	2,000.00	
Do	Radio-Television News Directors Assn	10,697.08	
Do	University of Cincinnati	3,000.00	
Robert K. Reeg, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	1,250.00	
Joseph M. Rees, 1000 Potomac Street, NW, #401 Washington, DC 20007	National Coalition Burn Center Hospitals		
Do	Songwriters Guild of America		
Reese Communications Companies,Inc., 2111 Wilson Boulevard, #900 Arlington, VA 22201	Citizens for Sensible Control of Acid Rain (CSCAR)		
Do	Philip Morris, USA		
Benjamin F. Reeves, 1100 17th Street, NW Washington, DC 20036	Burley & Dark Leaf Tobacco Export Assn	1,196.00	
J. Ronald Reeves, 2345 Crystal Drive Arlington, VA 22227	U.S. Air, Inc	2,000.00	196.88
Martin A. Regalia, 1101 15th Street, NW, #400 Washington, DC 20005	National Council of Savings Institutions	11,000.00	
R. Brent Regan, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		233.36
Timothy J. Regan, 1455 Pennsylvania Ave., NW, #500 Washington, DC 20004	Corning Glass Works	4,000.00	510.20
Regional Airline Association, 1101 Connecticut Ave., NW Washington, DC 20036		2,000.00	1,150.00
David K. Rehr, 600 Maryland Ave., SW, #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	400.00
Reichler & Soble, 1747 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Interim Government of National Unity of Liberia		2,051.65
Do	People's Progressive Party		198.66
Do	Republic of Guatemala		
Do	Republic of Nicaragua	14,000.00	4,890.95
Do	United Coconut Assn of the Philippines	19,426.68	465.95
Michael Reid, 1725 K Street, NW, #914 Washington, DC 20006	Alliance to Save Energy	3,358.00	584.07
Reid & Priest, 701 Pennsylvania Avenue, NW Washington, DC 20004	ABB Atom, Inc	18,604.00	837.20
Do	City of Philadelphia	52,764.50	2,961.62
Do	CIAC Group	42.10	
Do	Edison Electric Institute		
Do	Henschel, Inc	1,638.00	
Do	Philadelphia Industrial Development Corp		
Do	Pride Refining, Inc		
Do	Robert E. Derecktor of Rhode Island, Inc		
Do	SPD Technologies		
Do	Transol USA, Inc		
Do	Utility Decommissioning Tax Group	99.27	
Burke G. Reilly, 1350 I Street, NW Washington, DC 20005	Ford Motor Co	2,500.00	645.55
Reinsurance Assn of America, 1819 L St., NW, 7th Floor Washington, DC 20036			
Diane Rennert, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	6,500.00	1,288.90
Lee P. Reno, 122 C Street, NW, #875 Washington, DC 20001	Reno Cavanaugh & Hornig (For:Amerind Risk Management Corp)		
Do	Reno Cavanaugh & Hornig (For:Housing Authority Insurance, Inc)	812.00	
Judy Rensberger, 2000 K Street, NW Washington, DC 20006	National Comm to Preserve Social Security & Medicare	11,415.00	163.52
Edward Repa, 1730 Rhode Island Ave., NW Washington, DC 20036	National Solid Wastes Management Assn	500.00	
Barclay T. Resler, 1627 K St., NW, #800 Washington, DC 20006	Coca-Cola Company	750.00	1,602.71
Retired Officers Assn, 201 N. Washington St. Alexandria, VA 22314		117,925.77	36,398.85
Alan V. Reuther, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	23,048.03	422.02
Renee Reymond, 1331 Pennsylvania Ave, NW, #1500 N Washington, DC 20004	National Assn of Manufacturers		
Gregg M. Reynolds, 1441 Gardiner Lane Louisville, KY 40213	KFC Corp		1,947.15
Frederick W. Rhodes, 1111 Jefferson Davis Highway, #811-E Arlington, VA 22202	Loral Corporation	4,250.00	
Grace Ellen Rice, 600 Maryland Ave., SW Washington, DC 20024	American Farm Bureau Federation	8,887.50	452.23
Lois D. Rice, 1201 Pennsylvania Avneue, NW, #370 Washington, DC 20004	Control Data Corporation		
Richard Richards, Law Office of Richard Richards 1025 Thomas Jefferson Street, NW, #105 Washington, DC 20007	Hughes Aircraft Company		
Do	Pratt & Whitney	2,000.00	
Alan H. Richardson, 2301 M St., NW Washington, DC 20037	American Public Power Assn	1,000.00	
Donna Richardson, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	5,260.00	9.00
John C. Richardson, 101 Park Avenue New York, NY 10178	Morgan Lewis & Bockius (For:Underwriters at Lloyd's London)		
John G. Richardson, 1130 Connecticut Ave, NW, #830 Washington, DC 20036	Southern Company Services, Inc	2,375.00	4,605.27
K. O. Richardson, 815 16th Street, NW, #511 Washington, DC 20006	Transportation - Communications Union	3,000.00	131.02
Kevin C. Richardson, 2001 Pennsylvania Avenue, NW Washington, DC 20006	Electronic Industries Assn	3,000.00	688.25
Mary Ann Richardson, 1455 Pennsylvania, NW, #500 Washington, DC 20004	Corning, Inc	500.00	
Lois Richerson, 1724 Massachusetts Avenue, NW Washington, DC 20036	National Cable Television Assn, Inc	2,265.00	592.28
Les Richter, 2555 M Street, NW, #327 Washington, DC 20037	National Assn for Stock Car Auto Racing, Inc (NASCAR)		
Do	National Motorsports Comm of Accus-FIA, Inc		
Max Richtman, 2000 K Street, NW 8th Floor Washington, DC 20006	National Comm to Preserve Social Security & Medicare	31,231.00	244.75
Larry D. Rickards, 1112 16th Street, NW, #100 Washington, DC 20036	National Assn of Area Agencies on Aging	2,500.00	132.00
Lowell J. Ridgeway, North Dakota Petroleum Council P.O. Box 1395 Bismarck, ND 58502	American Petroleum Institute	2,000.00	2,596.94
E. George Riedel, 1000 Wilson Blvd., #3000 Arlington, VA 22209	ITT Defense Technology Corp	1,000.00	50.00
Dr. Mark J. Riedy, 1101 15th Street, NW, #400 Washington, DC 20005	National Council for Savings Institutions	10,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Carol D. Rieg, 1511 K Street, NW, #335 Washington, DC 20005	National Committee for a Human Life Amendment, Inc	188.30	
E. Philip Riggin, 1608 K St., NW Washington, DC 20006	American Legion	15,279.00	124.75
Karen Rindge, 1400 16th Street, NW Washington, DC 20036-2266	National Wildlife Federation	164.63	
Kenneth Rinzler, 9115 Hague Road Indianaplois, IN 46250	Boehringer Mannheim Corp	1,425.00	600.00
John S. Rippey, 730 15th St., NW Washington, DC 20005	Association of Bank Holding Cos	613.00	
Carol A. Risher, 1718 Connecticut Ave., NW 7th Floor Washington, DC 20009-1148	Association of American Publishers	2,000.00	
Mark R. Riso, 1920 N Street, NW Washington, DC 20036	American Mining Congress		
Edward W. Rissing, 701 Pennsylvania Ave, NW Washington, DC 20004	Edison Electric Institute	71.14	
William R. Ritz, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	4,042.00	
Valentin J. Riva, 501 School Street, SW, 8th Floor Washington, DC 20024-2713	American Road & Transportation Builders Assn	5,000.00	500.00
Rivkin Radler Bayh Hart & Kremer, 1575 I Street, NW, #1025 Washington, DC 20005	ALC Communications Corp		
Do	Chemical Bank	31,000.00	5,350.00
Do	Cook Group, Inc		
Do	Merrill Lynch & Co, Inc	3,500.00	1,700.00
Do	National Basketball Assn	2,200.00	1,200.00
Do	National Soft Drink Assn	1,500.00	
Do	Real Estate Capital Recovery Assn	4,500.00	150.00
Do	Joseph A. Seagram & Sons		
Andrew W. Robart, 701 Pennsylvania Avenue, NW Washington, DC 20004	Edison Electric Institute	760.00	440.55
Bill Roberts, P.O. Box 20406 Bloomington, MN 55420	National Computer Systems, Inc		
Carole T. Roberts, 901 15th Street, NW, #520 Washington, DC 20005	Travelers Companies	2,400.00	
David Gwyn Roberts, 411 Fayetteville Street Mall Raleigh, NC 27601	Carolina Power & Light Company	1,052.00	1,061.00
Perry A. Roberts, 8000 W. Florissant St. Louis, MO 63136	Emerson Electric Co		1,818.96
William A. Roberts, 444 North Capitol St., #711 Washington, DC 20001	Keefe Company (For:AEG Westinghouse Transportation Systems, Inc)	1,500.00	
Do	Keefe Company (For:Broward County Governmental Center)	1,800.00	
Do	Keefe Co (For:City of Tampa)	1,500.00	
Do	Keefe Company (For:Dallas Area Rapid Transit)	1,250.00	
Do	Keefe Company (For:Greater Orlando Aviation Authority)	2,000.00	
Do	Keefe Company (For:Marriott Corp)	1,000.00	
Do	Keefe Co (For:Sanders Associates, Inc)	500.00	
Do	Keefe Company (For:Seminole Tribe of Florida)	1,500.00	
Do	Keefe Company (For:University of Miami)	1,000.00	
Kenneth L. Robinson, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions		
Mr. Davis R. Robinson, 1333 New Hampshire Ave., NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae (For:Feibel-Garek)		
Peter D. Robinson, 3333 K Street, NW, #210 Washington, DC 20007	Bailey Morris & Robinson (For:Kingdon Gould II)		
Do	Bailey Morris & Robinson (For:Investment Company Institute)		
Do	Bailey Morris & Robinson (For:Upjohn Co)		
Thomas S. Robinson, 5955 49th SW Seattle, WA 98136	Greenpeace	1,240.00	121.60
Robinson Lake Lerer & Montgomery, 1667 K St., NW, #900 Washington, DC 20006	Atari Games Corp		
Do	Commission on Self-Determination	500.00	
Do	Faulk & Co., Inc	500.00	
Do	Illinois Power Co	10,000.00	
Do	Minolta Corp		
Do	Napa Flood Control and Water Conservation District	1,000.00	
Do	National Venture Capital Association	1,000.00	
Do	New York Mercantile Exchange (NYMEX)	1,000.00	
Do	Sun-Diamond Growers of California	2,000.00	
James Anthony Rock, 1730 M Street, NW, #607 Washington, DC 20036	Montana Power Co, et al.	2,500.00	507.81
James W. Rock, 1455 Pennsylvania Ave, NW, #560 Washington, DC 20004	American Resort & Residential Development Assn		
Quincy Rodgers, 1899 L Street, NW, Fifth Floor Washington, DC 20036	General Instrument Corporation	1,500.00	315.90
Raymund Rodriguez, P.O. Box 982 El Paso, TX 79960	El Paso Electric Co		
James A. Rogers, 316 Pennsylvania Ave., SE Washington, DC 20003	United Parcel Service	2,000.00	836.00
Kevin Rogers, Two Union Square, 53rd Floor 601 Union Street Seattle, WA 98101	Washington Citizens for World Trade	30,000.00	3,849.00
Lawrence Rogers, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	151.09	
Rogers & Wells, 200 PARK AVE. New York, NY 10166	Liga Agricola Industrial de la Cana de Azucar		
Do	Merrill Lynch & Co. Inc		
Do	Republic National Bank		
Do	Teachers Insurance & Annuity Assn/CREF		
Bruce Rohde, One Central Park Plaza, #1100 Omaha, NE 68102	McGrath North Mullin & Kratz, PC (For:Nebraska Catholic Conference)		
Do	McGrath North Mullin & Kratz, PC (For:Septemberfest Salute to Labor, Inc)		
Richard A. Rohrbach, 1615 M Street, NW, #570 Washington, DC 20036	Boise Cascade Corp	34,200.00	
Stephen F. Rohrkemper, 2230 Gallows Road, #200 Dunn Loring, VA 22027	International Technical Expertise Ltd		
Ian M. Rolland, 1300 South Clinton Street Fort Wayne, IN 46801	Lincoln National Corp	900.00	520.00
Jackie Rollins, 1201 16th Street, NW Washington, DC 20036	Overseas Education Assn, Inc		
George L. Rolofson, P.O. Box 18300 Greensboro, NC 27419	CIBA-GEIGY Corp	3,995.00	3,670.88
Daniel Romanko, c/o Dow Lohnes & Albertson 1255 23rd Street, NW Washington, DC 20037	Canadian Steel Producers Assn		
Dennis G. Romano, 1000 Wilson Boulevard, #2800 Arlington, VA 22209	Grumman Corp	625.00	134.60
Michael J. Romig, 1001 Pennsylvania Avenue, nw Washington, DC 20004-2599	American Council of Life Insurance, Inc	2,500.00	
W. T. Rooker, 1301 K Street, NW, #1200 Washington, DC 20005-3307	IBM Corp	48.00	5.65
Francis P. Rooney, 1400 L Street, NW, #400 Washington, DC 20005	Biscuit & Cracker Mfgrs Assn		
Fred B. Rooney, 1050 Connecticut Ave., NW, #1200 Washington, DC 20036	American Iron & Steel Institute	200.00	
Do	Association of American Railroads	200.00	
James C. Rosapepe, 1331 H Street, NW, #300 Washington, DC 20005	Rosapepe & Spanos, Inc	1,200.00	
Rosapepe & Spanos, Inc, 1331 H Street, NW, #300 Washington, DC 20005	H&R Block, Inc	6,000.00	3,348.16
Clifton Peter Rose, 1101 Pennsylvania Ave., NW, #900 Washington, DC 20004	Goldman Sachs & Co	1,000.00	
Rose Communications, Inc, 901 15th Street, NW, #570 Washington, DC 20005	Johnson Matthey, Inc	13,860.00	
Burt E. Rosen, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Co		
Hilary Rosen, 1020 19th St., NW, #200 Washington, DC 20036	Recording Industry Assn of America	2,800.00	
Lester L. Rosen, 7 Fulham Court Silver Spring, MD 20902	Miles, Inc	3,000.00	
Albert B. Rosenbaum III, 499 South Capitol Street, SW, #520 Washington, DC 20003	Allwaste, Inc	3,000.00	
Robert M. Rosenberg, 8100 Oak Street Dunn Loring, VA 22027	National Pest Control Assn		
Herb Rosenbleeth, 1811 R Street, NW Washington, DC 20009	Jewish War Veterans of the USA	10,961.65	34.55
Marilyn Rosenthal, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
Roger C. Rosenthal, 2001 S St., NW, #310 Washington, DC 20009	Migrant Legal Action Program, Inc		
Joe Ross, P.O. Box 1582 Little Rock, AR 72201			
Nancy Ross, 1830 17th Street, NW, #704 Washington, DC 20009	Rainbow Lobby	5,850.00	194.14
William F. Ross, South Carolina Petroleum Council 1220 L Street, NW Washington, DC 20005-8	American Petroleum Institute	657.00	973.97
Ross Marsh Foster Myers and Quiggle, 888 15th St., NW Washington, DC 20006	Church Alliance	6,062.50	969.48
Richard Rosser, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	1,706.00	
Joseph L. Rosso, 2200 Mill Road Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Roth VanAmberg Gross Rogers & Ortiz, P.O. Box 1447 Santa Fe, NM 87504-1447	Pueblo de Cochiti	1,030.56	210.40
Lauren J. Rothfarb, 1126 16th St., NW Washington, DC 20036	Int'l Union of Electronic, Electrical, Salaried, Machine...	9,745.08	573.80
Linda Rothleder, 315 Bonifant Road Silver Spring, MD 20904	Marconi Electronics, Inc	3,000.00	992.61
Emily B. Rothrock, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,500.00	
Louis C. Rotundo, 4948 Courtland Loop Winter Springs, FL 32708	Central Florida Commuter Rail Authority	2,000.00	1,288.00
Do	City of Altamonte Springs		
Do	Hawaii Natural Energy Institute	8,000.00	
Do	Technological Research & Development Authority	1,700.00	753.90
Donald D. Rounds, South Dakota Petroleum Council 222 E. Capitol, #16 Pierre, SD 57501	American Petroleum Institute	889.00	974.55
Michael O. Roush, 600 Maryland Avenue, SW. #700 Washington, DC 20024	National Fed of Independent Business	4,875.00	300.00
Brigette M. Rouson, Box 17407 Dulles Airport Washington, DC 20041	American Newspaper Publishers Assn	8,000.00	351.48
Deborah Rowell, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		10.00
Lori Groves Rowley, 1025 Connecticut Ave, NW, #1014 Washington, DC 20036	Enserch Corp	2,500.00	4,146.62
Charles Rowton, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation	675.00	
P. Norman Roy, P.O. Box 1938 (10 Madison Ave) Morristown, NJ 07962-1938	Financial Executives Institute		
Robert S. Royer, 1747 Pennsylvania Ave., NW, #900 Washington, DC 20006	Citizens Savings Bank		
Do	Financial Security Assurance		
Do	International Futures Exchange		
Do	Intex Holdings (Bermuda) Ltd		
Do	Long Island Savings Bank		
Do	MacAndrews & Forbes Holdings, Inc		
Do	Michigan Trade Exchange		
Do	Morgan Stanley & Co, Inc		
Do	Municipal Finance Industry Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	National Health Labs, Inc		
Do	Phillips Petroleum Co		
Royer Shacknai & Mehle, 1747 Pennsylvania Avenue, NW Washington, DC 20006	Municipal Finance Industry Assn		
Do	John Nuveen & Co, Inc		
T. Peter Ruane, 501 School Street, SW, #800 Washington, DC 20024-2713	American Road & Transportation Builders Assn	5,000.00	500.00
Robert E. Ruddy, 9106 Drumaldry Drive Bethesda, MD 20817	Mortgage Insurance Companies of America	3,750.00	254.00
Paul M. Ruden, P.O. Box 23992 Washington, DC 20026-3002	American Soc of Travel Agents		
Deborah K. Rudolph, 1828 L Street, NW, #1202 Washington, DC 20036	Institute of Electrical & Electronics Engineers	2,500.00	875.00
Henry C. Ruempler, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Nicholas L. Ruggieri, 1667 K Street, NW, #410 Washington, DC 20006	Ares-Serono, Inc	1,000.00	225.00
Robert A. Rusbuldt, 600 Pennsylvania Avenue, SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	36,346.00	
R.K. Rushin, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	1,500.00	457.00
Barry Russell, 1101 16th St., NW Washington, DC 20036	Independent Petroleum Assn of America		30.00
Christine Anne Russell, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	9,875.00	568.72
Christine Faith Russell, 1331 Pennsylvania Ave., NW, #1500 Washington, DC 20004-1703	National Assn of Manufacturers	350.00	
Randall M. Russell, 1919 S. Eads Street #103 Arlington, VA 22202-3028	Lesher & Russell, Inc		
Diann Rust-Tierney, 122 Maryland Ave. Washington, DC 20002	American Civil Liberties Union	3,137.50	
Wally Rustad, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	125.00	
Herman Max Ruth 71990-158, Mail Box 129 3150 Horton Road Fort Worth, TX 76119			
John G. Ryan, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Co	2,000.00	
Olive M. Ryan, 39 Harriett Ave. Burlington, MA 01803	New England Rehabilitation Hospital	3,333.32	512.42
Patricia Ryan, 1319 F Street, NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Paul D. Ryan, 750 17th Street, NW, #901 Washington, DC 20006	Nissan North America, Inc	6,900.00	
Thomas L. Ryan, 225 North Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn of the USA		
Kermit W. Ryman, 1401 I Street, NW, 1200 Washington, DC 20005	Chevron USA, Inc	53.00	8.00
RCF Group, 1200 19th Street, NW, #606 Washington, DC 20036	Mapco, Inc	30,000.00	16,800.00
Do	Teleserv Corporation International		1,175.00
RJR Nabisco, Inc, 1301 Avenue of the Americas New York, NY 10019			28,385.23
Susan L. Sadtler, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	807.31
Anthony J. Saggese Jr., 1050 17th St., NW, #500 Washington, DC 20036	Texaco, Inc		
Kenneth J. Salaets, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Manufacturers Assn	4,000.00	317.81
David M. Saltz, 815 16th Street, NW Washington, DC 20006	AFL-CIO	12,128.74	666.69
Sammons Enterprises, Inc, 300 Crescent Court Dallas, TX 75201			
Wendy B. Samuel, 1101 15th Street, NW, #400 Washington, DC 20005-5070	National Council of Savings Institutions	10,000.00	
Samuels International Associates, Inc, 1912 Sunderland Place, NW Washington, DC 20036-1608	Trend International	16,551.10	141.10
Felix R. Sanchez, 1515 Wilson Blvd. Arlington, VA 22209	American Gas Assn	2,000.00	670.31
James C. Sanders, 1225 Eye Street, NW, #825 Washington, DC 20005	Beer Institute		
Petronella C. Sanders, 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	500.00	
Rose Marie Sanders, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	200.00	241.78
Sanders Schnabel & Brandenburg, P.C., 1110 Vermont Avenue, NW, #600 Washington, DC 20005	American Soc of Assn Executives		
Stuart A. Sanderson, 1920 N Street, NW, Washington, DC 20036	American Mining Congress		
Julie Sanderson-Austin, 4240 Brittany Court Woodbridge, VA 22192	American Group Practice Assn		
Stephen E. Sandherr, 15th & M Street, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Charles E. Sandler, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	6,000.00	
Peter G. Sandlund, 1730 M Street, NW, Suite 602 Washington, DC 20036	Council of European & Japanese National Shipowners' Assn	300.00	
C. Patrick Sankey, 501 School Street, SW, 8th Floor Washington, DC 20024-2713	American Road & Transportation Builders Assn	500.00	
Kathleen L. Santora, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	1,625.00	
Eric Sapirstein, 1333 H St., NW, #400 Washington, DC 20005	California Assn of Sanitation Agencies	1,750.00	1,134.80
Do	Cure Corp		
Do	ENS Resources, Inc (For:East Bay Mud)	2,306.75	1,207.92
Do	In-Situ, Inc		
Do	Las Virgenes Municipal Water District		
Do	ENS Resources, Inc (For:Orange County Sanitation Districts)		
Do	Western Research Institute	3,105.60	2,161.62
Betty O. Sapp, 1601 Duke Street Alexandria, VA 22314	Society of American Florists		
Leslie Sarasin, 1764 Old Meadow Lane, #350 McLean, VA 22102	American Frozen Food Institute	4,400.00	
Ronald A. Sarasin, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	500.00	
Susan Sarason, 2111 Wilson Boulevard, #1000 Arlington, VA 22201	Ebasco Services, Inc	2,865.00	619.27
Robert L. Sarber, 1819 L Street, NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Sartain Law Offices, 219 Boulevard, NE Gainesville, GA 30501	Philip Morris, Inc	1,500.00	1,325.22
Klara B. Sauer, 9 Vassar Street Poughkeepsie, NY 12601	Scenic Hudson, Inc		
Albert C. Saunders, 1100 15th St., NW #900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	44.25
Charles P. Saunders, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Southern Company Services, Inc		
Save Our Children National Alliance, Inc, 1757-D-West Carson Street, #280 Torrance, CA 90501			567.54
Save Our Security, 1201 16th St., NW, #222 Washington, DC 20036		26,600.00	56,696.00
Richard N. Sawaya, 1333 New Hampshire Ave., NW Washington, DC 20036	Atlantic Richfield Co		
Robert Wayne Sayer, 1742 N Street, NW Washington, DC 20036	Hampshire Instruments	7,500.00	66.50
Robert M. Scarberry, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	812.00	
Jeanne Schaaf, 1850 M Street, NW, 11th Floor Washington, DC 20036	United Telecom/US Sprint	10,000.00	125.17
Victoria V. Schaff, Missouri Electric Utitlies 1800 K Street, NW, #1018 Washington, DC 20006	Kansas City Power & Light, et al.	3,625.00	3,723.17
Roger B. Schagrin, Schagrin Associates 1112 16th St., NW, #1000 Washington, DC 20036	Committee on Pipe & Tube Imports		40.00
Do	Sprinkler Pipe Producers Group		
Do	Tyco-Grinnell Corp		20.00
Do	Weirton Steel Corp		10.00
Schagrin Associates, 1112 16th St., NW, #200 Washington, DC 20036	Committee on Pipe & Tube Imports	2,000.00	2,300.00
Do	Sprinkler Pipe Producers Group		
Do	Tyco-Grinnell Corp	3,000.00	90.00
Do	Weirton Steel Corporation	1,000.00	64.25
Patricia A. Schaub, 1726 M Street, NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Company	902.25	110.20
Robert H. Scheerschmidt, 490 L'Enfant Plaza East, SW, #4200 Washington, DC 20024	Xerox Corp	2,000.00	200.00
Sam Schertz, P.O. Box 2121 Corpus Christi, TX 78403	Central Power & Light Company		2,807.41
Ella M. Schiralli, 2001 Eye Street, NW Washington, DC 20006	Electronic Industries Assn	625.00	
James P. Schlicht, 1350 Eye Street, NW, #810 Washington, DC 20005-3305	Johnson & Johnson	1,000.00	225.00
Kenneth D. Schloman, 499 South Capitol, SW, #401 Washington, DC 20003	National Assn of Independent Insurers	400.00	
Karin Schmerler, 2300 M Street, NW, #910 Washington, DC 20037	Police Executive Research Forum		757.84
Richard M. Schmidt Jr., 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Association of American Publishers	500.00	
Do	National Assn of Trade & Technical Schools	1,250.00	
Robert Richard Schmitt, #12453-047 PO Box 1000 Leavenworth, KS 66048-1000			
John Noehl Schmitz, P.O. Box 475 Culbertson, MT 59218-0475			
Mahlon C. Schneider, 1100 N.W. 14th Austin, MN 55912	Geo. A. Hormel & Company		
Richard C. Schneider, 225 N. Washington Street Alexandria, VA 22314	Non Commissioned Officers Assn	4,000.00	
Thomas J. Schneider, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee	4,880.00	402.13
Zoe Schneider, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	6,262.69	
Abraham Schneier, 1101 16th Street, NW, #333 Washington, DC 20036	Kelly Services, Inc	4,500.00	136.22
Frank Schneller, 1957 E St., NW Washington, DC 20006	Associated General Contractors of America		
Paul Schoellhamer, 4720 Hunt Ave. Chevy Chase, MD 20815	World Span	5,000.00	50.00
Jan Schoonmaker, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates (For:Coalition of EPSCoR States)	16,187.50	
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)	1,666.67	
Do	Van Scoyoc Associates, Inc (For:Tulane University)	5,250.00	
Do	Van Scoyoc Associates (For:University of Alabama System)	5,750.00	
Tracey E. Schreft, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	175.00	
Charles G. Schreiber, 1 Massachusetts Ave., NW Washington, DC 20001	National Guard Assn of the U.S.	9,132.00	2,070.85
N. Donald Schroeder, Maryland Petroleum Council 60 West St., #403 Annapolis, MD 21401	American Petroleum Institute	960.00	146.41
Judy Schub, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	724.61	746.62
Lynn M. Schubert, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Elizabeth Schueler, 1155 Connecticut Ave, NW Washington, DC 20036	Waste Management International, Inc	812.00	
Mark Schultz, 8607 Westwood Center Drive #204 Washington, DC 20006	Professional Services Council	750.00	751.73
Richard F. Schultz, 807 Maine Avenue, SW Washington, DC 20024	Disabled American Veterans	15,160.00	237.91
Benjamin R. Schuster, 1333 New Hampshire Ave., NW, #1001 Washington, DC 20036	Arco Chemical Company	338.00	
Aaron R. Schwartz, 10 South Shore Drive Galveston, TX 77551	American Insurance Assn		950.00
Adam D. Schwartz, 1101 15th St., NW, #400 Washington, DC 20005	National Council of Savings Institutions	2,000.00	1,024.14
Arthur E. Schwartz, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,000.00	
Elinor Schwartz, 318 S. Abingdon Street Arlington, VA 22204	California State Lands Commission	10,800.00	1,327.08
Do	Washington State Department of Natural Resources	7,781.25	139.96

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Phillip L. Schwartz, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Association		
Richard Schwartz, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	15,000.00	
Stephen I. Schwartz, 1436 U Street, NW Washington, DC 20009	Greenpeace USA	252.72	17.00
Richard S. Schweiker, 1001 Pennsylvania Ave, NW Washington, DC 20004	American Council of Life Insurance, Inc	3,740.00	
Joseph A. Sciarrino, P.O. Box 1938 (10 Madison Ave) Morristown, NJ 07962-1938	Financial Executives Institute		
Scientific-Atlanta, One Technology Parkway Box 105600 Atlanta, GA 30348			1,100.00
Michael Sciulla, 880 S. Pickett St. Alexandria, VA 22304	Boat Owners Assn of the U.S.	16,000.00	
David A. Scott, 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corporation	2,000.00	725.93
James L. Scott, 400 N. Capitol Street, NW, #590 Washington, DC 20001	American Healthcare Institute	11,125.00	201.42
John Havens Scott, 1101 Vermont Ave., NW 12th Floor Washington, DC 20005	American Medical Assn	3,750.00	
R. Denny Scott, 101 Constitution Ave., NW Washington, DC 20001	United Brotherhood of Carpenters & Joiners of America	698.75	
Susan J. Scott, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20850	American Occupational Therapy Assn, Inc	2,500.00	195.24
Kerrill K. Scrivner, 1025 Connecticut Ave., NW, #1014 Washington, DC 20036	Enserch Corporation	4,688.00	4,582.11
Timothy Scully, 25 Louisiana Avenue, NW Washington, DC 20001	International Brotherhood of Teamsters	18,102.16	
Murray S. Scureman, 1667 K Street, NW, #300 Washington, DC 20006	Amdahl Corp	1,000.00	
Law Offices of John Sears, 2021 K Street, NW, #750 Washington, DC 20006	Embassy of the Republic of South Africa	15,000.00	
John Morton Sebree, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,300.00	699.30
Securities Industry Assn, 1850 M Street, NW Washington, DC 20036			338,549.00
Charles M. Seeger III, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange	3,850.00	
Mark Seetin, 919 18th Street, NW Washington, DC 20006	New York Mercantile Exchange	5,000.00	460.00
Jerome M. Segal, 8401 Colesville Road, #317 Silver Spring, MD 20910	Jewish Peace Lobby	2,000.00	75.00
Ruth L. Segal, 1212 New York Avenue, NW Washington, DC 20005	Outdoor Advertising Assn of America	26,500.00	80.64
Frances Seghers, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc		
John F. Seher, 1825 I Street, NW, #400 Washington, DC 20006	UST Public Affairs, Inc	9,000.00	5,300.00
Carl J. Seiberlich, 1101 17th Street, NW, #400 Washington, DC 20036	American President Companies, Ltd.	1,000.00	
George H. Seidel Jr., Associated Petroleum Industries of PA P.O. Box 925 Harrisburg, PA 17108	American Petroleum Institute	175.00	148.38
Elliott M. Seiden, 901 15th Street, NW, #500 Washington, DC 20005	Northwest Airlines, Inc	4,000.00	100.00
Mark K. Seifert, 1101 Sixteenth Street, NW Washington, DC 20036	Independent Petroleum Assn of America		667.48
Jane Seigler, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	
Tom Sellers, 1701 Pennsylvania Ave., NW Washington, DC 20006	E. I. du Pont de Nemours & Co		
J.P. Seman Jr., 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:Aseptic Packaging Council)		
Do	Hill & Knowlton (For:Colorado State University)		
Marlisa Senchak, 3900 Wisconsin Ave.,NW Washington, DC 20016	Federal National Mortgage Assn	18,000.00	2,346.27
Wendy Senor, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	11,749.98	
David Senter, 100 Maryland Avenue, NE, #500 Washington, DC 20002	American Agriculture Movement, Inc	3,000.00	
Cecilia B. Sepp, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Robert A. Seraphin, 2001 Jefferson Davis Highway, #1012 Arlington, VA 22202	Aerojet General Corp		
Peter M. Seremet, 16 Munson Road Farmington, CT 06034-0338	Heublein, Inc	17,250.00	10,893.67
Terry L. Serie, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
J. Richard Sewell, 1800 K St., NW, #1110 Washington, DC 20006	Florida Power & Light Co		3,945.21
Seyfarth Shaw Fairweather & Geraldson, 815 Connecticut Ave., NW, #500 Washington, DC 20006	American Soc of Pension Actuaries	15,000.00	
Victoria McKenzie Shain, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	5,000.00	
Thomas A. Shallow, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
James M. Shamberger, 1819 L St., NW, 7th Floor Washington, DC 20036	Reinsurance Assn of America		
Deborah L. Shannon, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,500.00	
Kevin J. Shannon, 2001 Pennsylvania Ave., NW Washington, DC 20006	Electronic Industries Assn	625.00	52.70
Bernard M. Shapiro, 1801 K Street, NW, #700 Washington, DC 20006	Price Waterhouse (For:Investment Co Institute)	389.00	31.00
Gary J. Shapiro, 2001 Pennsylvania Avenue, NW Washington, DC 20006	Electronic Industries Assn	1,500.00	
Mark R. Shapiro, 5 Darby Court Bethesda, MD 20817	Guam Office (For:Joseph George Bamba)	1,500.00	378.61
Do	Guam Office (For:Anthony C. Blaz)		28.55
Do	Guam Office (For:Gordon Mailloux)		13.95
Mark J. Sharp, 1819 L Street, NW, #200 Washington, DC 20036-3822	Matsushita Electric Corp of America	100.00	67.79
Norman F. Sharp, 1100 17th Street, NW, #504 Washington, DC 20036	Cigar Assn of America, Inc		
Do	Pipe Tobacco Council	580.00	460.00
Sharretts Paley Carter & Blauvelt, P.C., 1707 L Street, NW, #725 Washington, DC 20036	American Assn of Exporters & Importers		
Do	Schoeller Technical Papers, Inc		
Do	Toy Manufacturers of America	8,400.00	7,432.90
Edward W. Shaw, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp	1,200.00	
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW, #5121 Washington, DC 20037	Apple Computer, Inc		
Do	Atlas Corp	5,202.50	920.10
Do	City of Houston		
Do	Emerson Electric Co		
Do	Equitable of Iowa		
Do	ESCO Electronics Corp		
Do	Gross Pointes-harper Woods Study Committee for Detroit ...		
Do	Institute of International Bankers	219,024.36	42,620.15
Do	Investment Counsel Assn of America, Inc		
Do	National Assn of Marine Manufacturers	6,667.70	323.90
Do	National Automobile Dealers Assn		
Do	Poly Insulation Manufacturers Assn (PIMA)		
Do	Puerto Rico Federal Affairs Administration		
Do	Robinson Terminal	6,971.55	43.94
Do	RJR Nabisco	5,160.23	89.77
Do	Taiwan Power Company		
Do	Utility Nuclear Waste and Transportation Program	1,330.00	8.33
Quinlan J. Shea, 1920 N Steet, NW Washington, DC 20036	American Mining Congress		
Shea & Gardner, 1800 Massachusetts Avenue, NW Washington, DC 20036	Societe Generale de Surveillance, S.A.		
James V. Sheahan, 1666 Manhasset Drive Atlanta, GA 30338	Siemens Energy & Automation, Inc		82.06
Gail E. Shearer, 2001 S St., NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	
P. Scott Shearer, 1725 K Street, NW, #1405 Washington, DC 20006	Halfpenny Hahn Roche & Marchese (For:Automotive Service Industry Assn)	11,250.00	373.90
Shearman & Sterling, 801 Pennsylvania Avenue, NW, 9th Floor Washington, DC 20004-2604	Claro Y Cia (for Compania Sud Americana de Vapores SA), et a	40,000.00	31.50
Do	Secretariat of Commerce & Ind. Development of Mexico(SECOFI)		14,234.47
John J. Sheehan, 815 16th St., NW, #706 Washington, DC 20006	United Steelworkers of America	16,376.35	
John Thomas Sheehan, 727 15th Street, NW, #1200 Washington, DC 20005	UST, Inc		
Peggy A. Sheehan, 1401 New York Avenue, NW, #1100 Washington, DC 20005	National Cooperative Business Assn	1,300.00	95.00
Shaun M. Sheehan, 1722 Eye Street, NW, Washington, DC 20006	Tribune Broadcasting Co	3,000.00	1,586.38
Kathleen Sheekey, 3rd Floor 2030 M Street, NW Washington, DC 20036	Common Cause	15,575.04	321.50
C. Douglas Shelby, Florida Petroleum Council 215 South Monroe Street, #800 Tallahassee, FL 32301	American Petroleum Institute	47.86	
Zack H. Shelley Jr., 1331 Pennsylvania Avenue, NW Washington, DC 20004	General Electric Co	1,500.00	
Judith C. Sherman, 1111 14th Street, NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	51.85
Nelson T. Shields, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc		
William Jeffry Shipp, 50 F St., NW, #900 Washington, DC 20001	Farm Credit Council		
Julie Shisler, P.O. Box 85608 San Diego, CA 92138	General Atomics	5,698.49	1,369.50
Elaine Shocas, 555 New Jersey Avenue, NW Washington, DC 20001	American Fed of Teachers	15,993.24	230.00
T. V. Shockley III, 2121 San Jacinto Street, #2500 P.O. Box 660164 Dallas, TX 75266-0164	Central & South West Corp	2,500.00	223.09
John G. Shortridge, 818 Connecticut Ave., NW Washington, DC 20006	USX Corporation		
Jill Showell, 1125 15th Street, NW Washington, DC 20005	Federal Home Loan Mortgage Corp	6,134.00	414.42
A. Z. Shows, 1801 Columbia Rd., NW, #203 Washington, DC 20009			
Jennifer M. Shriver, 6200 Oak Tree Blvd. Independence, OH 44131	Centerior Energy Corp		75.00
Walter Shur, 51 Madison Ave. New York, NY 10010	New York Life Insurance Company		
William H. Shute, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		1,843.55
Sidley & Austin, 1722 Eye Street, NW Washington, DC 20006	Donrey, Inc	2,805.00	439.45
Andrew Siegel, 110 Maryland Ave., NE Washington, DC 20002	Council for a Livable World	2,659.96	
Alexander W. Sierck, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Pacific Dunlop-GNB)		
Do	RSR Corp		
Christine Sigler, 2000 K St., NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	4,846.00	
Lucinda Sikes, 215 Pennsylvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	5,307.72	
Allan Silber, 365 Main Street Nashua, NH 03060	Recyclers of Copper Alloy Products	15,000.00	4,011.31
Stephan Silberfarb, 440 First Street, NW, #600 Washington, DC 20001	American Israel Public Affairs Comm	13,000.00	612.41
Mark Silbergeld, 2001 S Street, NW, #520 Washington, DC 20009	Consumers Union of U.S., Inc	4,000.00	20.00
Hilary Sills, 901 31st Street, NW Washington, DC 20007-3838	Hill & Knowlton, Inc (For:Central Nebraska Public Power & Irrigation)		
Do	Hill & Knowlton (For:Florida Municipal Electric Assn (FMEA))		
Do	Hill & Knowlton, Inc (For:Geddes Resources)		
David Silver, 1600 M St., NW Washington, DC 20036	Investment Company Institute	171.01	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Howard J. Silver, 1522 K Street, NW, #836 Washington, DC 20005	Consortium of Social Science Assns		
Silver Users Assn, Inc, 1730 M St., NW, #911 Washington, DC 20036		1,863.00	2,238.00
Daniel Silverman, 215 Pennsyhlvania Ave., SE Washington, DC 20003	U.S. Public Interest Research Group	1,765.39	
Silverstein & Mullens, 1776 K Street, NW, #800 Washington, DC 20006	American Newspaper Publishers Assn		
Do	Association for Advanced Life Underwriting	5,000.00	
Do	Bristol-Myers Co		
Do	Capital Care Shareholders		
Do	Cushman & Wakefield		
Do	EDS	900.00	
Do	Goodwill Industries		
Do	Walter Harris, et al.	800.00	
Do	IEEE	12,000.00	
Do	Kelso & Company		
Do	Majestic Realty Co		
Do	Monrovia Nursery Company	4,000.00	
Do	MCA, Inc	10,000.00	
Do	National Assn of Home Builders Trade Assn		
Do	National Assn of Investment Companies	700.00	
Do	National Structured Settlements Trade Assn	3,000.00	
Do	R.S. Data Systems, Inc		
Do	Republic National Bank of New York		
Do	Rolls-Royce Motor Cars, Inc		
Do	Tropicana Energy Co		
Do	U.S. League of Savings Institutions		
Do	5600, Inc	300.00	
Marsha J. Simon, 1334 G St., NW, 3rd Fl. Washington, DC 20005	Villers Advocacy Associates		
Michael E. Simon, 1666 K St., NW Washington, DC 20006	Arthur Andersen & Co	2,599.00	66.00
Neil A. Simon, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Simon & Company, Inc, 1001 Connecticut Ave., NW, #435 Washington, DC 20036	American Water Works Assn	8,731.98	4,904.68
Do	City of Fresno, CA	8,706.69	5,363.43
Do	City of Portland, OR	10,223.00	5,443.39
Do	East Bay Dischargers Authority	3,836.41	4,509.20
Do	Elkhart, IN	5,123.01	5,038.10
Do	Gary, Indiana	8,255.99	5,122.92
Do	National Easter Seal Society	6,679.79	4,502.58
Do	Newark, Ca	3,674.73	5,088.12
Do	San Bernardino, CA	5,910.89	5,333.70
Do	San Leandro, CA	4,809.99	5,065.78
Do	Tacoma Public Utilities	1,672.64	4,595.43
Do	Tacoma, WA	3,682.78	4,990.07
David C. Simons, 1100 Connecticut Ave, NW, #410 Washington, DC 20036	Eaton Corp		3,993.70
Talmage E. Simpkins, 444 North Capitol Street, #801 Washington, DC 20001	Labor-Management Maritime Committee, Inc	1,875.00	254.00
Charles W. Simpson, 555 13th Street, NW, #410-W Washington, DC 20004	Morrison Knudsen Corp		372.24
Thomas D. Simpson, 700 N. Fairfax Street, #601 Alexandria, VA 22314	Railway Progress Institute	729.06	
William G. Simpson, 1155 15th St., NW, #504 Washington, DC 20005	First Mississippi Corp	2,000.00	
Do	Mississippi Power & Light Company	2,000.00	
Do	State of Mississippi	4,000.00	
James W. Singer III, 1100 15th Street, NW Suite 900 Washington, DC 20005	Pharmaceutical Manufacturers Assn	4,000.00	
Stephen G. Sinkez, 1111 19th Street, NW, #408 Washington, DC 20036	Mitsubishi Motors America, Inc	98.00	7.29
Skadden Arps Slate Meagher & Flom, 1440 New York Avenue, NW Washington, DC 20005	Air Transport Assn of America		
Do	Akzo America, Inc	1,000.00	
Do	Amoco Corporation		
Do	Anadarko Petroleum Corp		
Do	ATMOS Energy Corp		
Do	Bethlehem Steel Corp	2,000.00	
Do	General Mills	2,000.00	
Do	Merrill Lynch & Co, Inc		
Do	Mesa Limited Partnership		
Do	National Assn of Energy Service Companies		
Do	Oryx Energy Company		
Do	Partida Popular Democratico	20,000.00	
Do	Sonat Exploration Co		
Do	U.S. Windpower, Inc		
Edmund J. Skernolis, 1155 Connecticut Ave., NW Washington, DC 20036	Waste Management, Inc	3,550.00	19.50
Mary Jacobs Skinner, 1722 Eye Street, NW Washington, DC 20006	La Radida Childrens Hospital & Research Center, et al.		
Barney J. Skladany Jr., 1100 Connecticut Ave., NW, #620 Washington, DC 20036	Mobil Corp	2,500.00	249.14
Glen J. Skovholt, P.O. Box 524 Minneapolis, MN 55440-0524	Honeywell, Inc		
Paul A. Skrabut Jr., 1000 Connecticut Avenue, NW, #706 Washington, DC 20036	Palumbo & Cerrell, Inc (For:American Insurance Assn)		
Do	Palumbo & Cerrell, Inc (For:American Soc of Composers Authors & Publishers)	5,992.50	103.00
Do	Palumbo & Cerrell, Inc (For:Atlantic Richfield Co)	1,695.00	65.53
Do	Handgun Control		
Do	Palumbo & Cerrell, Inc (For:Rockport Fine Arts Council)		
Do	Palumbo & Cerrell, Inc (For:Soka University)	1,282.50	91.44
Dale D. Skupa, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos		
William T. Slider, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
Ronald J. Slinn, 260 Madison Avenue New York, NY 10016	American Paper Institute, Inc		
John E. Sloan Jr., Capital Gallery East, #695 600 Maryland Avenue, SW, #700 Washington, DC 20024	National Fed of Independent Business	1,150.00	200.00
Kirsten A. Sloan, 1909 K Street, NW Washington, DC 20049	American Assn of Retired Persons	559.32	205.04
David P. Sloane, 1010 Wisconsin Ave., NW #800 Washington, DC 20007	Grocery Manufacturers of America, Inc	138.00	
Kelly Campbell Slone, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
Slover & Loftus, 1224 17th St., NW Washington, DC 20036	Western Coal Traffic League	100.00	5,995.51
Small Business Council of America, Inc, P.O. Box 4299 Columbus, GA 31904		40,447.20	33,706.61
Douglas T. Smalls, 316 Pennsylvania Ave., SE, #304 Washington, DC 20003	United Parcel Service	23,000.00	249.47
Donald E. Smiley, 1899 L St., NW, #1100 Washington, DC 20036	Exxon Corporation		
C. Douglas Smith, 1850 M St., NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Carlos C. Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Strang Fletcher Carriger Walker Hodge & Smith (For:Chattanooga Production Credit Assn, et al.).		
Douglas Allen Smith, #40223-080 P.O.Box 4200 Three Rivers, TX 78071-4200			
Elizabeth M. Smith, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	6,669.00	919.70
Frank Sumner Smith Jr., P.O. Box 1365 Columbia, SC 29202	Colonial Companies, Inc	9,000.00	4,313.00
Jeffrey A. Smith, 1600 Wilson Boulevard, #1000 Arlington, VA 22209	American Waterways Operators, Inc		
Jennifer L. Smith, 900 17th Street, NW, #520 Washington, DC 20006	West Mexico Vegetable Distributors Assn	300.00	
Julian H. Smith Jr., 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	28,666.75	7,573.34
Keith H. Smith, 1455 Pennsylvania Ave, NW, #1260 Washington, DC 20004	French & Company (For:International Electronics Manufacturers)	400.00	
Do	French & Company (For:Montgomery Ward & Co, Inc)	75.00	
Do	French & Company (For:Wheels, Inc)	25.00	
Kevin R. Smith, 1020 19th Street, NW, #700 Washington, DC 20036	U S West, Inc	300.00	
Maureen Smith, 1030 15th Street, NW, #1100 Washington, DC 20005	Health Industry Manufacturers Assn (HIMA)	2,650.00	359.07
Michael E. Smith, P.O. Box 5000 Cleveland, OH 44101	Cleveland Electric Illuminating Co	322.03	423.48
Michael P. Smith, 485 Lexington Ave. New York, NY 10017	New York State Bankers Assn	4,800.00	1,472.00
Patricia Smith, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	713.07	590.14
Philip Hardy Smith, P.O. Box 2801 Daytona Beach, FL 32115	International Speedway Corp	800.00	3,152.20
Do	National Motorsports Comm of Accus-FIA, Inc	800.00	3,152.20
Philip S. Smith, 10900 Wilshire Boulevard, #1600 Los Angeles, CA 90024	Castle & Cooke, Inc		
Do	Castle & Cooke (For:Dole Food Company)		
Do	Flexi Van Leasing, Inc	3,120.00	719.00
Richard F. Smith, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Robert E. Smith, 1730 K St., NW, #1300 Washington, DC 20006	Olin Corporation	6,300.00	1,150.00
Sara Hope Smith, 1275 Pennsylvania Ave, NW, #400 Washington, DC 20004	Pacific Telesis Group	9,937.50	
Stephen Merrill Smith, 1899 L Street, NW, 5th Floor Washington, DC 20036	Ensco, Inc	17,500.00	3,474.00
Susan Snyder Smith, 7900 Westpark Drive, #A320 Mclean, VA 22102	Chocolate Manufacturers Assn of the USA	300.00	473.07
Tim Smith, 410 1st St., SE Washington, DC 20003	American Nuclear Energy Council	4,875.00	700.06
W. Glenn Smith, One Merchants Plaza Indianapolis, IN 46255	Merchants National Bank & Trust Co	2,475.00	2,234.11
Smith Dawson & Andrews, Inc, 1000 Connecticut Ave., NW, #302 Washington, DC 20036	City of Eugene, Oregon	8,060.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Crash	12,593.75	97.50
Do	Haarmann & Reimer Corp	3,000.00	91.00
Do	Kansas City Transit Authority	5,000.00	
Do	N.Y. Metropolitan Transportation Agency	8,333.33	225.00
Do	National Assn of Foreign Trade Zones	1,500.00	47.00
Do	S & F Warehouses, Inc		
Do	San Francisco Public Utilities Commission	9,166.66	
Do	Transportation Advisory/Service Group	8,000.00	20.00
Smith McNulty & Kearney, One State Street Boston, MA 02107	New England Telephone Company	2,500.00	446.13
David A. Smitherman, 1012 Fleming Building Des Moines, IA 50309	American Petroleum Institute	1,067.00	1,303.69
Smokeless Tobacco Council, Inc, 2550 M Street, NW, #300 Washington, DC 20037		26,695.75	26,695.75
Thomas M. Sneeringer, 1025 Thomas Jefferson Street, NW, #700 E Washington, DC 20007	Katten Muchin Zavis & Dombroff (For:Regional Trasnsportation Authority)	926.25	139.73
Randall D. Snodgrass, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	2,950.00	1,160.00
David F. Snyder, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Gene Snyder, 205 North Third Street LaGrange, KY 40031	American Assn of Railroads	21,000.00	1,726.75
Do	Arthur Cameron	9,000.00	
Do	Cincinnati Microwave, Inc		
Do	Norfolk Southern Corp	15,000.00	1,938.56
Do	Radio Assn Defending Airwave Rights, Inc	7,500.00	1,823.22
Do	Scan	10,000.00	1,823.22
Snyder Ball Kriser & Assoc, Inc, 499 S. Capitol St., SW, #520 Washington, DC 20003	Alloy Surfaces Co, Inc		
Do	General Motors Corp	35.00	392.72
Do	Puget Sound Naval Bases Assn, Inc (PSNBA)		
Do	Service Engineering Company		
Alan C. Sobba, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemen's Assn	1,000.00	
Society for Animal Protective Legislation, P.O. Box 3719 Georgetown Station Washington, DC 20007		73,553.06	43,632.54
Society for Nutrition Education, 2001 Killebrew Drive, #340 Minneapolis, MN 55425-1882			3,345.75
Thomas J. Soles Jr., 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Frederick P. Somers, 1383 Piccard Drive P.O.Box 1725 Rockville, MD 20850-0822	American Occupational Therapy Assn, Inc	2,500.00	155.51
Nancy C. Somerville, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	3,000.00	
Judah C. Sommer, 1101 Pennsylvania Ave., NW, #900 Washington, DC 20004	Goldman Sachs & Co	1,000.00	
Sonosky Chambers Sachse & Endreson, 1250 Eye Street, NW Washington, DC 20005	Alaska Native Health Board		
Do	Assiniboine and Sioux Tribes		
Do	Houlton Band of Maliseets		
Do	Lac du Flambeau Band of Lake Superior Chippewa Indians		
Do	Multi-Housing Laundry Assn, Inc		
Do	Seneca Nation of Indians		
Do	Shakopee Mdewakanton Sioux Community of Minnesota		
Do	Standing Rock Sioux Tribe		
Sorensen & Edwards, PS, 1201 Third Ave., #2900 Seattle, WA 98101-3028	Shee Atika, Inc		
Do	Western Pioneer, Inc	10,000.00	10,000.00
Southern Forest Products Assn, P.O. Box 52468 New Orleans, LA 70152		45,145.34	45,145.34
Southwest Airlines Co, P.O. Box 36611 Dallas, TX 75235-1611			31,540.00
Sparber and Associates, Inc, 1325 Pennsylvania Ave., NW, #500 Washington, DC 20006	National Volunteer Fire Council		
Do	Tobacco Institute	4,000.00	
John S. Sparkman, 1100 Connecticut Ave., NW, #530 Washington, DC 20036	Baltimore Gas & Electric Co	1,723.93	794.20
Ian D. Spatz, 1785 Massachusetts Avenue, NW Washington, DC 20036	National Trust for Historic Preservation	4,773.51	
Jonathan B. Spear, 1615 L Street, NW, #1320 Washington, DC 20036	Merck & Co, Inc	1,000.00	400.00
Specialized Carriers & Rigging Assn, Inc, 2200 Mill Road, #616 Alexandria, VA 22314			
Karen Kay Speer, 1825 Samuel Morse Drive Reston, VA 22090	National Grocers Assn	500.00	
Sandra Spence, 808 17th Street, NW, #200 Washington, DC 20006-3953	Spence Group (For:Association for Commuter Transportation, Inc)		
Do	Bostrom Corp (For:Fire Equipment Manufacturers & Services Assn, Inc)		
Martha Louise Spencer, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform (FAIR)	400.00	30.00
Ray L. Spickler, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn		
Spiegel & McDiarmid, 1350 New York Ave., NW Washington, DC 20005-4798	City & County of Denver, Director of Aviation		
Do	Connecticut Municipal Electric Energy Coop		
Do	Former Residents of Centralia Pennsylvania		
Do	Ft. Wayne-Allen County Airport Authority		
Do	LeHigh-Northhampton Airport Authority		
Do	Minneapolis/St. Paul Metropolitan Airport Commission		
Do	Northern California Power Agency	52.50	
Do	St. Lucie County, Florida		
Larry N. Spiller, 1420 King Street Alexandria, VA 22314-2715	National Society of Professional Engineers	1,000.00	
William M. Spodak, 1801 K St., NW Washington, DC 20006	Westinghouse Electric Corp	2,500.00	75.00
Lisa M. Sprague, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce	2,500.00	
Philip Squair, 1501 Wilson Blvd., #600 Arlington, VA 22209	Air Conditioning & Refrigeration Institute		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	American Soc of Anesthesiologists		
Do	ADAPSO, the Computer Software & Services Industry Assn		
Do	Independent Data Communications Manufacturers Assn	19,993.75	704.69
Do	National Collegiate Athletic Assn	8,039.25	114.10
John W. Sroka, 4201 Lafayette Center Drive Chantilly, VA 22021-1230	Sheet Metal & Air Conditioning Contractors' Nat'l Assn		
Janet G. St. Amand, 1225 19th Street, NW, #410 Washington, DC 20036	Financial Services	1,875.00	
Charles A. St. Charles, 808 17th Street, NW, #300 Washington, DC 20006-3910	Stewart & Stewart (For:Libbey Glass)	1,345.00	
Connell Stafford, P.O. Drawer 1734 Atlanta, GA 30301	Coca-Cola Company		
Roger Staiger, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	9,000.00	69.90
David P. Stang, P.C., 1629 K St., NW, #601 Washington, DC 20006	McDermott, Inc	6,948.80	
Arlan Stangeland, 305 C Street, NE Washington, DC 20002	American International Group	10,000.00	1,930.00
Do	Crop Insurance Proffessionals of America	6,000.00	1,051.00
Do	Edison Chouest Offshore		1,200.00
Do	Pelican Rapids Economic Development Association	2,000.00	909.00
Theresa Stanion, 3150 Spring Street Fairfax, VA 22031-2399	International Communications Industries Assn	2,125.00	
Joseph M. Stanton, 1000 Vermont Ave., NW, #800 Washington, DC 20005	Public Securities Assn	7,500.00	1,859.61
Michael J. Stanton, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	5,400.00	
Stanton & Associates, 1310 19th Street, NW Washington, DC 20036	International Longshoremen's Assn AFL-CIO		
Do	National Spa & Pool Institute		
Do	Philip Morris		
Do	University Hospitals of Cleveland		
Jane Sutter Starke, 2100 Pennsylvania Ave., NW, #600 Washington, DC 20037	Eckert Seamans Cherin & Mellott (For:Blockbuster Entertainment Corp)		
Do	Eckert Seamans Cherin & Mellott (For:Community Transportation Assn of America).		
Do	Eckert Seamans Cherin & Mellott (For:Ormet Corp)	765.00	79.38
Do	Eckert Seamans Cherin & Mellott (For:Ravenswood Aluminum Corp)	720.00	29.05
Lois Starkey, Suite 511 1745 Jefferson Davis Hwy. Arlington, VA 22202	Manufactured Housing Institute	8,125.00	123.06
Kent D. Starwalt, 501 School Street, SW, 8th Floor Washington, DC 20024	American Road & Transportation Builders Assn	500.00	
James D. Staton, 320 Timberbrook Drive Waldorf, MD 20601	Air Force Sergeants Assn, Inc		
Julie A. Stauss, 1225 Eye Street, NW, Suite 1250 Washington, DC 20005	American Dietetic Assn	1,000.00	363.38
Randolph J. Stayin, 1815 H Street, NW, Suite 800 Washington, DC 20006	Barnes & Thornburg (For:Empire Resources, Inc)		
Do	Barnes & Thornburg (For:Indiana Glass Company)		
Do	Barnes & Thornburg (For:Special Comm for Workplace Product Liability Reform).		
Daniel M. Steadley, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Barbara E. Steakley, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Company	205.00	
Kathryn A. Steckelberg, 701 Pennsylvania Ave, NW Washington, DC 20004-2696	Edison Electric Institute	2,185.16	442.06
Jeffrey V. Steele, 2033 M Street, NW, #300 Washington, DC 20036	National Association of Arab Americans	6,250.00	25.00
Steele Silcox & Browning, P.C., 1200 19th Street, NW, #604 Washington, DC 20036	K Mart Corp		
Allan Stein, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn		
Dan Stein, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	Federation for American Immigration Reform		
Victoria E. Stein, 3900 Wisconsin Ave., NW Washington, DC 20016	Fannie Mae	9,750.00	282.02
Barry P. Steinberg, 1030 Fifteenth Street, NW, #500 Washington, DC 20005	Jordan Coyne Savits & Lopata (For:Calhoun County Chamber of Commerce)		2,100.00
Rena Steinzor, 1350 New York Ave., NW, #1100 Washington, DC 20005-4798	Spiegel & McDiarmid (For:Alliance of Resposible Electric Systems for Energy Access).	14,508.75	2,066.05
Do	Spiegel & McDiarmid (For:American Communities for Cleanup Equity (ACCE))	27,825.00	10,083.36
John C. Stellman, 1725 Jefferson Davis Hwy, #500 Arlington, VA 22202-4102	Chrysler Technologies Corp	100.00	
Jack L. Stempler, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	75.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Jackson T. Stephens, 114 East Capitol Little Rock, AR 72201	Stephens Group, Inc		
Stephen O. Stephens, 111 Center Street Little Rock, AR 72201	Stephens Group, Inc		
Stephens Group, Inc, 111 Center Street Little Rock, AR 72201			
Stephens Overseas Services, Inc, 111 Center Street Little Rock, AR 72201			
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Bear Stearns & Co	2,345.11	
Do	Citizens Savings Financial Corp	4,525.51	
Do	Co-Operative Central Bank		
Do	Coalition to Promote America's Trade		
Do	Coordinadora de Organizaciones Empresariales de Comercio Ext		
Do	CSO Company		
Do	Mutual Life Insurance Company Tax Committee		
Gary M. Stern, 122 Maryland Ave, NE Washington, DC 20001	American Civil Liberties Union	4,000.00	50.00
Richard W. Sternberg, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	130.00	
Cindy M. Stevens, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	15,183.00	306.74
Michael E. Steward, 1730 M Street, NW, #607 Washington,, DC 20036	Puget Sound Power & Light Co	2,263.00	430.54
Eugene L. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Floral Trade Council		
Do	Monsanto Co		
Do	Roses, Inc		
Do	Timken Co		
Robert B. Stewart, 1050 17th St., NW, #700 Washington, DC 20036	National Ocean Industries Assn	3,250.00	
Sandra Stewart, c/o Dow Lohnes & Albertson 1255 Twenty-third Street, NW Washington, DC 20037	Stelco Steel		
Terence P. Stewart, 808 17th Street, NW, #300 Washington, DC 20006-3910	Floral Trade Council		
Do	Stewart & Stewart (For:Hudson Industries Corp)		
Do	Stewart & Stewart (For:Kimble Glass, Inc)		
Do	Stewart & Stewart (For:Libbey Glass)	15,057.78	3,288.71
Do	Monsanto Co		
Do	PPG Industries, Inc		
Do	Smith Corona Corp		
Do	Stewart and Stewart		86.50
Do	Timken Co	1,566.66	
Do	Torrington Company	1,566.66	
Elizabeth Still, 1850 M Street, NW, #550 Washington, DC 20036	Securities Industry Assn	1,346.00	
Don Stillman, 1757 N Street, NW Washington, DC 20036	Int'l Union, United Auto Aerospace & Agric Implement Workers	2,135.01	35.00
Lee J. Stillwell, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	750.00	
Bonny S. Stilwell, 3803 Densmore Ct. Alexandria, VA 22309	National Vietnam Verterns Coalition	3,125.00	497.38
Neal Stine, 1667 K Street, NW, #710 Washington, DC 20006	Baxter		
John E. Stiner, 1919 Pennsylvania Avenue, NW, #850 Washington, DC 20006	American Electronics Assn	16,500.00	
Kenneth F. Stinger, 2200 Mill Rd Alexandria, VA 22314	American Trucking Assns, Inc	9,000.00	
Heidi A. Stirrup, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	2,000.00	500.00
Stockholders of America, Inc, 3133 Connecticut Avenue, NW, #705 Washington, DC 20008		4,480.00	416.55
Steven F. Stockmeyer, 499 South Capitol Street, SE #103 Washington, DC 20004	Manville Corporation		
Do	National Assn of Business PACs	1,400.00	
Do	Springs Industries, Inc	1,600.00	
Dennis C. Stolte, 600 Maryland Avenue, SW Washington, DC 20024	American Farm Bureau Federation	6,697.59	25.50
Robin E. Stombler, 1640 Wisconsin Avenue, NW, 1st Floor Washington, DC 20007	American College of Surgeons		55.55
Judith Lee Stone, 777 N. Capitol Street, #410 Washington, DC 20002	Advocates for Highway & Auto Safety	2,076.92	5.00
Floyd E. Stoner, 1120 Connecticut Avenue, NW Washington, DC 20036	American Bankers Assn	3,800.00	
Anna Stout, 122 C Street, NW, #740 Washington, DC 20001	American League for Exports & Security Assistance, Inc	5,000.00	276.59
Robert Francis Stout, 1825 I Street, NW, #400 Washington, DC 20006	Heublein, Inc	20,000.00	9,319.92
Susan M. Stout, 1010 Wisconsin Avenue, NW Washington, DC 20007	Grocery Manufacturers of America, Inc	164.00	
William M. Stover, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	1,000.00	
John L. Stowell, 1800 K St., NW, #1018 Washington, DC 20006	PSI Energy	15,250.00	10,532.31
Michael L. Strang, 218 2nd St., SE Washington, DC 20003	ATR Defense Group		1,547.99
Strang Fletcher Carriger Walker Hodge & Smith, 400 Krystal Building, One Union Square Chattanooga, TN 37402	Chattanooga Production Credit Assn, et al.		
Luther J. Strange III, 1100 15th Street, NW, #700 Washington, DC 20005	Sonat, Inc		4,618.77
Raymond L. Strassburger, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc		1,445.00
Terrence D. Straub, 818 Connecticut Avenue, NW Washington, DC 20006	USX Corporation	250.00	137.08
David R. Straus, 1350 New York Avenue, NW Washington, DC 20005	Spiegel & McDiarmid (For:Alliance of Responsible Electric Systems for Energy Access).	25,691.25	3,672.98
Richard H. Streeter, Federal Bar Building 1815 H Street, NW, #800 Washington, DC 20006	Cast North America (1983), Inc		
Stephen P. Strickland, 110 Maryland Ave., NE, #409 Washington, DC 20002	National Peace Institute Foundation	71.42	
Carol Stroebel, 777 N. Capitol Street, #410 Washington, DC 20002	Advocates for Highway & Auto Safety	7,557.66	285.52
Jack B. Strong, 1122 Colorado, #307 Austin, TX 78701	Advanced Telecommunications Corp		
Stroock & Stroock & Lavan, 1150 17th St., NW Washington, DC 20036	J. Aron & Co, Inc	600.00	15.00
Do	Dreyfus Corporation		
William M. Stroud, 800 North Plaza Drive Schaumburg, IL 60196	Zurich-American Insurance Company		
Cory N. Strupp, 60 Wall Street Legal Department 38th Floor New York, NY 10260	Morgan Guaranty Trust Co	3,958.06	444.02
Donald B. Studley, 127 Brookmoor Road Avon, CT 06001	Yankee Gas Services Company	93.50	
Glenn Sugameli, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	11,353.81	
Austin P. Sullivan Jr., P.O. Box 1113 Minneapolis, MN 55440	General Mills, Inc		
Catherine Sullivan, 3050 K Street, NW, #330 Washington, DC 20007	National Club Assn		
Charles S. Sullivan, 11 15th Street, NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	5,445.67	4,691.86
Francis J. Sullivan, 16 W. Walnut Street Alexandria, VA 22301	Frank Sullivan Associates	1,609.00	
Gael M. Sullivan, 1025 Thomas Jefferson St., NW, #511 Washington, DC 20007	LTV Corporation	2,344.00	755.40
Marcia Z. Sullivan, 1000 Wilson Boulevard, Suite 3012 Arlington, VA 22209	Consumer Bankers Assn		
Margaret Cox Sullivan, 3133 Connecticut Avenue, NW, #705 Washington, DC 20008	Stockholders of America, Inc		
Patricia Sullivan, 2251 Wisconsin Ave., NW Washington, DC 20007	National Assn of Trade & Technical Schools	1,750.00	
Pauline Sullivan, #11 15th St., NE, #6 Washington, DC 20002	Citizens United for Rehabilitation of Errants	300.00	
Richard J. Sullivan, 1507 Laburnum Street McLean, VA 22101	Alameda Transportation Authority	4,945.86	
Do	Association of American Railroads	11,500.00	
Do	National Utility Products Company		
Sullivan & Cromwell, 1701 Pennsylvania Ave., NW, #800 Washington, DC 20006	Massachusetts Bay Transportation Authority (MBTA)	3,500.00	200.83
Do	Massachusetts Port Authority (MASSPORT)	5,000.00	123.47
Do	Sierra Laser Systems, Inc		
Do	Turbomeca Engine Corp, Inc		
Sullivan & Worcester, 1025 Connecticut Ave., NW, #806 Washington, DC 20036	Hercules, Inc		
Do	Marion Laboratories, Inc	7,500.00	
Do	Monarch Wine Company of Georgia, et al.		
Do	Upjohn Company	6,000.00	
Do	Wine Institute	106,365.00	
Richard J. Sullivan Associates, Inc, 1507 Laburnum Street McLean, VA 22101	Alameda County Transportation Authority	6,000.00	12,767.08
Do	Association of American Railroads	24,999.99	28,321.22
Do	National Utility Products Company		
Charles Sunderlin, 21480 Pacific Boulevard Sterling, VA 22170	Heckler & Koch, Inc	225.00	
Donald B. Susswein, 1500 K Street, NW, #200 Washington, DC 20005	Thacher Proffitt & Wood (For:Citicorp Washington (Banking))		
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW Washington, DC 20004	CompuServe, Inc		
Do	Federation for American Immigration Reform	4,892.25	10,790.62
W. Thomas Suttle, 1521 Vermont Avenue, NW Washington, DC 20005	Institute of Electrical & Electronics Engineers	1,675.00	
Stephen Sutton, 1000 Wilson Blvd., #2800 Arlington, VA 22209	Grumman Corporation	625.00	274.46
Douglass W. Svendson Jr., 1730 Rhode Island Avenue, NW, #417-19 Washington, DC 20036	Hollywood Marine, Inc	750.00	
Do	Shell Oil Co		
Sylvia E. Swanson, 1801 K Street, NW, #1105-L Washington, DC 20006	Glass Packaging Institute		
Deborah Swartz, 1225 19th Street, NW, #210 Washington, DC 20036	Luggage & Leather Goods Manufacturers of America, Inc	500.00	
Do	Neckwear Assn of America, Inc	500.00	
David A. Sweeney, 25 Louisiana Ave., NW Washington, DC 20001	International Brotherhood of Teamsters	25,854.28	
William R. Sweeney Jr., 1331 Pennsylvania Ave., NW, #1300-N Washington, DC 20004	Electronic Data Systems Corp		
Frederic H. Sweet, 720 East Wisconsin Avenue Milwaukee, WI 53202	Northwestern Mutual Life Insurance Co	1,000.00	
Leland H. Swenson, 10065 East Harvard Avenue Denver, CO 80251	Farmers' Educational & Co-Operative Union of America	11,250.00	183.19
Robert D. Swezey Jr., 1133 19th St., NW Washington, DC 20036	MCI Communications Corp		
Byron Swift, 1400 16th Street, NW Washington, DC 20036	(For:IUCN-US)		440.00
David A. Sykuta, Illinois Petroleum Council P.O. Box 12047 Springfield, IL 62791	American Petroleum Institute	560.00	1,421.68
Ronald P. Szabat, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	3,750.00	322.55
Robert Taft Jr., 625 Indiana Avenue, NW, #500 Washington, DC 20004	Taft Stettinius & Hollister (For:Dosimeter Corp of North America)		
Do	Taft Stettinius & Hollister (For:Great American Broadcasting Co)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Taft Stettinius & Hollister (For:Kings Entertainment Co)		
Do	Taft Stettinius & Hollister (For:Telephone & Data Systems, Inc)		
Do	Taft Stettinius & Hollister (For:Wald Manufacturing Co, Inc)		
Do	Taft Stettinius & Hollister (For:Westland Oil Development Corp)		
George C. Tagg, 300 Maryland Ave., NE Washington, DC 20002	Federal Express Corp	6,000.00	
Susan Tannenbaum, 2030 M St., NW Washington, DC 20036	Common Cause	7,185.00	161.30
Eula M. Tate, 1757 N Street, NW Washington, DC 20036	United Auto. Aerospace & Agricultural Implement Wks of Amer.	16,876.19	357.40
George W. Tate, 2009 N. 14th Street, #101 Arlington, VA 22201	American Retirees Assn		
Thomas N. Tate, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	2,967.60	
David R. Tatum, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp		
Tauke Walgren & Associates, 510 C Street, NE Washington, DC 20002	Association of Chiropractic College		
Do	Chambers Development Company, Inc	4,800.00	
Do	Government Affairs Policy Council: Regional Bell Holding Cos	12,000.00	
Do	Institute of Scrap Recycling Industries, Inc		
Do	Merck & Company		
Do	National Association of Convenience Stores		
Do	Petroleum Marketers Assn of America		
Do	Society of Independent Gasoline Marketers of America		
Do	University of Pittsburgh Medical Center	7,500.00	
Victor Tawil, 1400 16th Street, NW, #610 Washington, DC 20036	Association of Maximum Service Telecasters, Inc		
Charles A. Taylor III, 499 South Capitol St., SW, #401 Washington, DC 20003	National Assn of Independent Insurers	1,500.00	
Gene Taylor, 453 New Jersey Ave., SE Washington, DC 20003	Gene Taylor Associates, Inc (For:Empire District Electric Company)	15,000.00	
Do	Empire Gas Corp		
Do	Gene Taylor Associates, Inc (For:FAG Bearings Corporation)	15,000.00	
Do	Gene Taylor Associates, Inc (For:Norfolk Southern Corp)	9,000.00	
Michael A. Taylor, 1511 K Street, NW, #335 Washington, DC 20005	National Committee for a Human Life Amendment, Inc	57.70	
Peggy Taylor, 815 16th St., NW Washington, DC 20006	American Fed of Labor & Congress of Industrial Organizations	17,388.28	536.90
Richard Taylor, 1819 L Street, NW, #800 Washington, DC 20036	Consolidated Natural Gas Co	150.00	
Robert C. Taylor, 3000 Lincoln Plaza, Lb-5 Dallas, TX 75201	Taylor & Mizell (For:Dresser Industries, Inc)		
William S. Taylor, 239 W. New York Avenue Las Vegas, NV 89107			
Joshua P. Tenuta, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	2,000.00	
Cheryl Terio, 1957 E Steet, NW Washington, DC 20006	Associated General Contractors of America		
Betty-Grace Terpstra, 1726 M St., NW, #901 Washington, DC 20036	Scott Paper Co	6,000.00	
John H. Terry, P.O. Box 4878 Syracuse, NY 13221	Hiscock & Barclay (For:Niagara Mohawk Power Corp)	3,743.00	972.23
Richard Tessier, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		
Robert D. Testa, 1726 M Street, NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	2,045.00	413.33
Texas Committee on Natural Resources, 5934 Royal Lane, #223 Dallas, TX 75230		1,771.12	1,771.12
Textron, Inc, 40 Westminster St. Providence, RI 02903		46,550.00	1,030.00
Thacher Proffitt & Wood, 1500 K Street, NW, #200 Washington, DC 20005	Cape Cod Five Cents Savings Bank		205.50
Do	Castine Partners	23,952.00	1,431.16
Do	Chicago Board Options Exchange		822.00
Do	Citicorp Mortgage Finance, Inc.	3,227.00	822.00
Do	Citicorp Washington (Banking)		822.00
Do	Dollar Bank, FSB	2,746.75	205.50
Do	Massachusetts Bankers Assn	2,311.00	822.00
Do	Peoples Westchester Savings Bank		822.00
Do	Third Federal Savings & Loan Assn	1,496.75	205.50
Do	Ulster Savings Bank	300.00	205.50
Bennie L. Thayer, 575 Ritchie Road Capitol Heights, MD 20743	National Assn for the Self-Employed	8,690.00	4,171.26
Janelle C. Morris Thibau, 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	1,500.00	
Alan C. Thiebaud, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		2,471.05
Douglas E. Thierwechter, 818 Connecticut Avenue, NW, #900 Washington, DC 20006	USX Corporation		
Robert G. Thoma, 2100 Pennsylvania Ave., NW, #755 Washington, DC 20037	BASF Corp	275.00	57.25
Gordon M. Thomas, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
John L. Thomas, P.O. Box 796322 Dallas, TX 75379-6322	Visual Information Technologies, Inc		
John W. Thomas, 119 Oronoco Street Box 1417-D50 Alexandria, VA 22313	Animal Health Institute	403.00	
Melissa Thomas, 3636 16th Street, NW, #B1010 Washington, DC 20010	Ackerson & Feldman (For:Government of Quebec, Ministry of International Affairs).		
Robert L. Thomas, 1319 F St., NW, #1000 Washington, DC 20004	National Assn of Private Psychiatric Hospitals	500.00	
Brent Thompson, 1331 Pennsylvania Ave., NW #1500-N Washington, DC 20004-1703	National Assn of Manufacturers	125.00	
Bruce E. Thompson Jr., 3000 K Street, NW, #620 Washington, DC 20007	Merrill Lynch & Co, Inc	7,500.00	
Dana S. Thompson, 305 4th Street, NE, Washington, DC 20002	Sheet Metal & Air Conditioning Contractors National Assn		
Duane R. Thompson, 1350 New York Ave., NW, #900 Washington, DC 20005	International Franchise Assn		
Kenneth W. Thompson, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	BellSouth Corp	1,500.00	93.80
Do	Duke Power Co	3,000.00	482.99
Do	National Funeral Directors Assn	1,000.00	164.71
Law Offices of Fred Thompson, 12th Floor, Life & Casualty Tower 401 Church St. Nashville, TN 37219	Central States SE & SW Areas Health Welfare & Pension Funds	3,250.00	
Otis N. Thompson, Room 1414-S, Ag. Building Washington, DC 20250	Organization of Professional Employees of USDA	780.00	
Patrick Thompson, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	5,000.00	
Richard L. Thompson, 655 15th Street, NW, #410 Washington, DC 20005	Bristol-Myers Squibb Co	1,500.00	
Robert L. Thompson Jr., P.O. Box 70 Fort Mill, SC 29715	Springs Industries, Inc		1,551.84
W. Reid Thompson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
William Douglas Thompson, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	2,500.00	70.39
Thompson & Company, 1001 G Street, NW, 7th Floor Washington, DC 20004	Appalachian Coalbed Methane Assn	15,050.00	2,178.13
Do	Chicago Research & Trading Group, Ltd	10,000.00	2,469.06
Do	Lifeshares Group, Inc		
Do	Lowrance Electronics	15,050.00	2,178.13
Do	MicroGeneSys		
Do	Mitsubishi Electronics America, Inc	13,200.00	3,904.43
Do	Morse/Diesel	2,800.00	825.42
Do	R. Marc Nuttle	5,000.00	800.13
Do	Reading Anthracite Company		
Do	Republic of Turkey	25,000.00	3,957.75
Do	Robert Wang	22,500.00	1,969.88
Thompson & Mitchell, One Mercantile Center, #3400 St. Louis, MO 63101	Cold Finished Steel Bar Institute		
Thompson Mann & Hutson, 3000 K Street, NW, #600 Washington, DC 20007	Fluor-Daniel, Inc	7,643.75	
Do	International Paper Company		
Do	National Dual Shop Coalition		
James L. Thorne, 490 L'Enfant Plaza, SW, #2202 Washington, DC 20024	Tenneco Gas		
Jill Thorne, 222 NW Davis, #309 Portland, OR 97209	Oregon Trail Coordination Council		758.32
Margo Thorning, 1850 K St., NW, #400 Washington, DC 20006	American Council for Capital Formation	1,007.00	
John Thornton, 444 North Capitol Street, NW, #845 Washington, DC 20001	National Air Traffic Controllers Assn	1,122.00	
C. Ridgely Thorp, 60 Wall Street New York, NY 10260	Morgan Guaranty Trust Company of New York		
Kathryne M. Thorpe, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	1,750.00	527.16
Walter L. Threadgill, 1200 18th Street, NW, #705 Washington, DC 20036	Millicom, Inc		
Julianne S. Thrift, 122 C St., NW, #750 Washington, DC 20001	National Assn of Independent Colleges & Universities	3,813.00	294.00
Susan K. Till, 3800 North Fairfax Drive, #4 Arlington, VA 22203	National Water Resources Assn		
Wallace Tillman, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	124.00	
Patti A. Tilson, Suite 520 900 17th Street, NW Washington, DC 20006	Toyota Motor Sales, USA, Inc	500.00	
Timmons & Co, Inc, 1850 K St., NW, #850 Washington, DC 20006	Air Transport Assn of America	2,543.75	
Do	American Factory Trawler Assn	1,443.75	
Do	American Petroleum Institute	1,232.50	
Do	Amoco Corporation	1,377.50	
Do	Anheuser-Busch Companies, Inc	1,812.50	
Do	Association of Trial Lawyers of America	1,062.50	
Do	Capital Cities/ABC, Inc	962.50	
Do	Chrysler Corporation	2,268.75	
Do	Entergy Services, Inc.	1,522.50	
Do	H.J. Heinz Co	725.00	
Do	Major League Baseball	1,993.75	
Do	Morgan Stanley & Co, Inc	1,522.50	
Do	Mutual Fairness Taxation Assn		
Do	National Rifle Assn of America	3,335.00	
Do	Northern Telecom, Inc	1,015.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Northrop Corp	1,856.25	
Do	NutraSweet Co	869.98	
Do	G. D. Searle & Co	870.00	
Do	Union Pacific Corp	2,102.50	
Alan R. Timothy, 601 Pennsylvania Ave., NW, #500 Washington, DC 20004	Adolph Coors Co	12,109.50	56.80
Michael L. Tiner and Associates, 1317 Rhode Island Avenue, NW, #502 Washington, DC 20005	Genentech, Inc	200.00	
Do	Parry & Romani, Associates	500.00	
Do	Joseph E. Seagram & Sons, Inc	1,800.00	
G. Wayne Tingle, 1725 Jefferson Davis Highway, #900 Arlington, VA 22202	LTV Aerospace & Defense Co	2,500.00	125.00
William C. Tinklepaugh, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		288.00
Constance E. Tipton, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		649.17
E. Linwood Tipton, 888 16th St., NW Washington, DC 20006	International Dairy Foods Association		39.68
Eben S. Tisdale, 900 17th Street, NW, #1100 Washington, DC 20006	Hewlett-Packard Co	4,000.00	400.00
Francis M. Tivnan, Massachusetts Petroleum Council 11 Beacon Street Boston, MA 02108	American Petroleum Institute	2,000.00	
William J. Tobin, 3612 Bent Branch Ct. Falls Church, VA 22041	American Assn of Early Childhood Educators	100.00	9.00
Do	National Child Care Assn	1,000.00	18.00
Do	National Childcare Parents Assn	100.00	9.00
Do	National Hearing Aid Society		5.00
James S. Todd, 515 North State Street Chicago, IL 60610	American Medical Assn	16,000.00	
M. Douglas Todd, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	626.00
Nicholas C. Tolerico, 1025 Thomas Jefferson Street, NW, #511- West Washington, DC 20007	LTV Corporation	9,000.00	
Kathryn R. Tollerton, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	1,573.56	55.18
Michael J. Toohey, 1025 Connecticut Ave., NW, #507 Washington, DC 20036	Ashland Oil, Inc	2,000.00	495.72
William T. Torgerson, 1900 Pennsylvania Ave., NW Washington, DC 20068	Potomac Electric Power Co		
Gilbert D. Tough, 70 North Main St. Wilkes-Barre, PA 18711	Blue Cross of Northeastern Pennsylvania		
Wanda Townsend, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	2,381.00	859.47
Joseph P. Trainor, 400 North Capitol Street, NW, #850 Washington, DC 20001	National Assn of Retired Veteran Railroad Employees	400.00	
Do	Railway Labor Executives' Assn	1,500.00	
Jeffrey B. Trammell, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton, Inc (For:Blue Cross Blue Shield of Florida)		
Do	Hill & Knowlton (For:Florida Municipal Utilities)		
Do	Hill & Knowlton, Inc (For:Fujisawa/Lyphomed)		
Do	Hill & Knowlton (For:Hertz Corp)		
Do	Hill & Knowlton (For:Nintendo of America, Inc)		
Do	Hill & Knowlton (For:Republic of Turkey)		
Do	Hill & Knowlton Inc (For:Ryder Systems, Inc)		
Do	Hill & Knowlton, Inc (For:Serono, Inc)		
Transafrica, 545 8th Street, SE, #200 Washington, DC 20003	TransAfrica	124,003.98	126,568.93
Transportation - Communications Union, 815 16th St., NW, #511 Washington, DC 20006		11,000.00	16,326.14
Travel & Tourism Government Affairs Policy Council, 1133 21st Street, NW Washington, DC 20036		4,300.00	4,300.00
Travel Industry Assn of America, Two Lafayette Centre 1133 21st Street, NM Washington, DC 20036			9,300.00
S. Bradley Traverse, 1667 K Street, NW, #1230 Washington, DC 20006	Deere & Company	221.00	
Jeffery S. Trinca, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates, Inc (For:Golden Rule Insurance Company)	3,750.00	
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)	1,666.67	
Do	Van Scoyoc Associates, Inc (For:The National Assn of Life Underwriters)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:USF&G Insurance)	15,625.00	
Tripp Scott Conklin & Smith, 110 Tower, 28th Floor 110 Southeast 6th Street Fort Lauderdale, FL 33301	Alamo Rent-A-Car, Inc		2,064.02
Michael G. Troop, 1709 New York Avenue, NW, #801 Washington, DC 20006	U.S. League of Savings Institutions	15,750.00	
George G. Troutman, Suite 1100 1090 Vermont Ave., NW Washington, DC 20005	Bell Helicopter Textron, Inc	150.00	
Gregory A. Troxell, 1800 K Street, NW, #1018 Washington, DC 20006	PSI Energy, Inc	5,000.00	5,551.27
Thomas L. Trueblood, 455 North Cityfront Plaza Drive Chicago, IL 60611	Navistar International Transportation Corp	1,000.00	952.08
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	American Insurance Assn		
Do	Cambridge Redevelopment Authority		
Do	Humane Society of the U.S., et al.		
Do	Iroquois Gas Transmission Systems		
Do	National Venture Capital Assn		
Do	Norton Company		
Do	Sierra Club of America		
Do	Thermedics, Inc		
Rowland V. Tucker, Box 133 Darby, PA 19023	Amtrack Conrail Pennsylvania Railroad Retirees	350.00	117.50
David Turch & Asso, 517 2nd Street, NE Washington, DC 20002	City of Rialto	4,800.00	2,750.96
J. Terry Turner, 2200 Mill Road, #600 Alexandria, VA 22314	Interstate Truckload Carriers Conference	700.00	350.00
John H. Turner, 1730 Rhode Island Ave., NW, #1000 Washington, DC 20036	National Solid Wastes Management Assn	500.00	
John M. Turner, 1875 Eye St., NW, #775 Washington, DC 20006	Georgia-Pacific Corp	3,200.00	
Pamela Turner, 1724 Massachusetts Ave., NW Washington, DC 20036	National Cable Television Assn, Inc	6,375.00	801.36
Turner Broadcasting System, Inc, 820 First Street, NE Washington, DC 20002		11,765.00	11,765.00
Max Turnipseed, 1155 15th Street, NW, #611 Washington, DC 20005	Ethyl Corporation	1,620.00	41.00
Mimi Turnipseed, 2301 M Street, NW, 3rd Fl Washington, DC 20037	American Public Power Assn	1,500.00	
St. Clair J. Tweedie, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co		
John R. Tydings, 1129 20th Street, NW Washington, DC 20036	Greater Washington Board of Trade	8,500.00	
Joseph D. Tydings, 2000 Pennsylvania Avenue, NW #7500 Washington, DC 20006	Anderson Kill Olick & Oshinsky (For:Population Crisis Committee)		
Clay Tyeryar, 7297-N Lee Highway Falls Church, VA 22042	American Textile Machinery Assn	135.00	
Craig Tyle, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	228.12	
George Randall Tyree, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	40.00	
U.S. Border Control, 8001 Forbes Place Springfield, VA 22151		1,408.50	1,025.07
U.S. League of Savings Institutions, 111 E. Wacker Dr. Chicago, IL 60601			139,365.00
U.S. Public Interest Research Group, 215 Pennsylvania Avenue, SE Washington, DC 20003		84,431.61	107,908.76
U.S. Telephone Assn, 900 19th Street, NW, #800 Washington, DC 20036		23,466.00	23,466.00
Stewart L. Udall, 1244 Camino Cruz Blanca Santa Fe, NM 87501	Claimants Under Proposed Radiation Exposure Compensation Act		
Jerry G. Udell, 701 Pennsylvania Ave., NW Washington, DC 20004	National Retail Federation	100.00	25.00
Jon C. Uithol, 9623 Shipwright Dr. Burke, VA 22015	D.C. Metropolitan Subcontractors Assn		
Robert D. Umphrey Jr., 919 18th St., NW, #700 Washington, DC 20006	Hoechst Celanese Corp	3,000.00	338.55
United Brotherhood of Carpenters & Joiners of America, 101 Constitution Ave., NW Washington, DC 20001			34,098.19
United Gas Pipe Line Co, P.O. Box 1478 Houston, TX 77251-1478			380.00
United International Consultants, 1800 Diagonal Road Alexandria, VA 22314	Republic of South Africa	40,000.00	6,000.00
Anne I. Urban, 311 First Street, NW Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	6,000.00	746.70
Jane Usdan, 555 New Jersey Ave, NW Washington, DC 20001	American Fed of Teachers	11,049.78	200.00
Utility Nuclear Waste & Transportation Program, c/o Edison Electric Institute 1111 19th St., NW Washington, DC 20036			1,330.00
Francis J. Vacca, 100 North Carolina Ave., SE Washington, DC 20003	Mid-America Dairymen, Inc	39,000.00	
Robert E. Vagley, 1130 Connecticut Avenue, NW, #1000 Washington, DC 20036	American Insurance Assn		
Anthony Valanzano, 1825 I Street, NW, #400 Washington, DC 20006	American Insurance Assn	20,000.00	576.66
Do	Colonial Life & Accident Insurance Co	40,150.00	1,653.33
Do	Metropolitan Life Insurance Co	20,000.00	232.30
Do	Nationwide Life Insurance Company		21.82
Jack J. Valenti, 1600 Eye St., NW Washington, DC 20006	Motion Picture Assn of America, Inc	944.00	
Van der Voort Associates, Ltd, 1134 Westmoreland Road Alexandria, VA 22308	Orbital Sciences Corporation	500.00	
Do	Pharmaceutical Manufacturers Assn	500.00	
Do	Princeton University Office of Governmental Affairs	500.00	
William R. Van Dresser, 1023 15th Street, NW, #300 Washington, DC 20005	American Veterinary Medical Assn	600.00	
Nancy Van Duyne, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	10,927.38	
Becky Davenport Van Dyck, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Van Dyk Associates, Inc, 1250 24th St.,N.W. Suite 600 Washington, DC 20037	American Gas Assn		
Do	Boston Company		
Joseph Van Eaton, 1350 New York Ave, #1100 Washington, DC 20005	Spiegel & McDiarmid (For:Gillette, Wyoming)		
Do	Spiegel & McDiarmid (For:Peru, Indiana)		
Do	Spiegel & McDiarmid (For:Salina, Kansas)	80.00	
Do	Spiegel & McDiarmid (For:Wakefield Municipal Light Department)		
Henry B. Van Gieson, 1700 North Moore St., 2120 Arlington, VA 22209	Boeing Company	1,980.00	62.00
Matthew Van Hook, 1250 Connecticut Avenue, NW Washington, DC 20036	American Paper Institute, Inc		
Todd Van Hoose, 50 F Street, NW, #900 Washington, DC 20001	Farm Credit Council		
Burkett Van Kirk, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Anheuser-Busch Companies, Inc		
Van Ness Feldman & Curtis, P.C., 1050 Thomas Jefferson St., NW, 7th Floor Washington, DC 20007	Alaska Eskimo Whaling Commission		
Do	American President Lines		
Do	Andrew Corp		
Do	Arctic Slope Regional Corp	12,785.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Barron Collier Co		
Do	Blackfeet Tribe		
Do	Bumble Bee Seafoods, Inc		
Do	Clean Coal Technology Coalition		
Do	Consumers United for Rail Equity (C.U.R.E.)		
Do	Electric Transportation Coalition	836.00	
Do	Fort Belknap Tribes		
Do	Geothermal Resources Assn	765.00	
Do	Intertribal Agricultural Council		
Do	Jicarilla Apache Tribe		
Do	Koncor Forest Products Company		
Do	Lower Colorado River Authority		
Do	LUZ International Ltd	810.00	
Do	McKesson Corp	472.50	
Do	National Wetlands Coalition	6,295.00	
Do	Natural Gas Supply Assn		
Do	Oneida Nation of New York		
Do	Seneca Resources, Inc		
Do	SCE Corp		
Do	Toyota Motor Sales, USA, Inc	3,375.00	
Do	TransAlta Resources Corp		
Do	Uranium Producers of America	4,050.00	
Do	Wagner & Brown		
H. Stewart Van Scoyoc, 1420 New York Ave., NW, #1050 Washington, DC 20005	Van Scoyoc Associates, Inc (For:Anheuser-Busch Companies)	15,000.00	
Do	Van Scoyoc Associates (For:Champion International Corp)		
Do	Van Scoyoc Associates (For:Coalition of EPSCoR States)	16,187.50	
Do	Van Scoyoc Associates, Inc (For:Dresser Industries, Inc)	2,500.00	
Do	Van Scoyoc Associates (For:Du Pont de Nemours & Company, E.I.)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:Golden Rule Insurance Company)	3,750.00	
Do	Van Scoyoc Associates (For:International Paper)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:National Assn of Water Companies)	1,667.00	
Do	Van Scoyoc Associates (For:Quanex)	8,025.00	
Do	Van Scoyoc Associates (For:Scott Paper Company)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:The National Assn of Life Underwriters)	2,500.00	
Do	Van Scoyoc Associates, Inc (For:Tulane University)	5,250.00	
Do	Van Scoyoc Associates (For:University of Alabama System)	5,750.00	
Do	Van Scoyoc Associates (For:USF&G Insurance)	15,625.00	
Do	Van Scoyoc Associates (For:Weyerhaeuser)	2,500.00	
John A. Vance, 1726 M St., NW, #1100 Washington, DC 20036-4502	Pacific Gas & Electric Co	4,027.50	
Marjorie Vanderbilt, 1101 14th Street, NW, #200 Washington, DC 20005	American Nurses' Assn	3,614.00	741.70
Norman C. VanderNoot, New Hampshire Petroleum Council 15 N. Main Street Concord, NH 03301	American Petroleum Institute	246.00	
Charlene Vanlier, 6203 A Waterway Drive Falls Church, VA 22044	Capital Cities/ABC, Inc	1,870.00	
Barbara J. Varca, 1015 15th Street, NW, #401 Washington, DC 20005	Syntex (U.S.A.), Inc	1,200.00	77.72
Donald R. Vaughan, P.O. Box 2909 Asheboro, NC 27203	Stedman Corporation		
Nicholas A. Veliotes, 1718 Connecticut Avenue, NW Washington, DC 20009	Association of American Publishers	4,000.00	199.00
Venable Baetje Howard & Civiletti, 1201 New York Ave., NW, #1100 Washington, DC 20005	American Insurance Association	1,250.00	
Do	Compaq Computer Corporation	1,250.00	
Do	Computer & Business Association	1,000.00	
Do	International Mass Retail Association	375.00	
Do	Wal-Mart	250.00	
Carol Verby, 7361 Calhoun Place Rockville, MD 20850	CNA Insurance Co		
Pamela Verick, 1666 Connecticut Ave., NW Washington, DC 20009	The Federation for American Immigration Reform		
Jerry T. Verkler, 555-13th Street, NW, Suite 300 West Washington, DC 20036	Interstate Natural Gas Assn of America	6,250.00	187.91
Frank Verrastro, 1155 15th Street, NW, #600 Washington, DC 20005	Pennzoil Co	1,084.50	
Linda Vickers, 1706 23rd St., South Arlington, VA 22202	Communicating for Agriculture, Inc		
Do	National Assn of Crop Insurance Agents		
Robert J. Vilhauer, 1700 N. Moore Street, #2120 Arlington, VA 22209	Boeing Company	1,805.00	1,043.08
Ralph Vinovich, 1875 Eye Street, NW, #800 Washington, DC 20006	Tobacco Institute	1,000.00	94.60
Vinson & Elkins, 1455 Pennsylvania Ave., NW, #800 Washington, DC 20004-1007	Allied-Signal, Inc		
Do	Bank Tax Group		
Do	Citicorp Washington, Inc		
Do	City & County of San Francisco		
Do	E. M. Warburg Pincus & Co, Inc	713.00	713.00
Do	Federal Express Corp		
Do	Goldman Sachs & Co		
Do	Guadalupe Valley Electric Cooperative	7,260.00	
Do	Gulf Coast Regional Blood Center	1,440.00	
Do	John Jennings Interests		
Do	Merrill Lynch & Co, Inc		
Do	Panhandle Eastern Corp	3,607.50	3,607.50
Do	Pennsylvania Engineering Company		
Do	Texas Veterans Land Board	480.00	
Do	United Savings Assn of Texas FSB		
Do	YWCA Retirement Fund	12,420.00	
Walter D. Vinyard Jr., Zuckert, Scoutt, Rasenberger & Johnson 888 17th St., NW, 7th Fl. Washington, DC 20006	Continental Insurance Companies	30.00	
Do	National Fraternal Congress of America	30.00	
Virginia Association of Railway Patrons, P.O. Box 867 Richmond, VA 23207		625.00	0.58
Dina Vizzaccaro, 1620 Eye Street, NW, #1000 Washington, DC 20006	Motor Vehicle Manufacturers Assn of the U.S., Inc	19,850.00	
David Vladeck, 2000 P Street, NW Washington, DC 20036	Public Citizen	1,200.00	
Nick J. Volcheff, 7325 Del Norte Drive Scottsdale, AZ 85258	AT&T		
Earl J. Volk, 245 Second Street, NE Washington, DC 20002	Friends Committee on National Legislation	6,699.36	
Volkswagen of America, Inc, 490 L'Enfant Plaza, SW, #7204 Washington, DC 20024			1,664.03
Douglas K. Vollmer, 801 18th St., NW Washington, DC 20006	Paralyzed Veterans of America	17,270.70	
Ian D. Volner, 1333 New Hampshire Ave., NW, #600 Washington, DC 20036	Cohn & Marks (For:Maclean Hunter Cable TV)		
Do	National Assn of Trade & Technical Schools		
Do	Cohn & Marks (For:USA Network)		
Volpe Boskey & Lyons, 918 16th Street, NW, #602 Washington, DC 20006	American Assn of Equipment Lessors		
Voluntary Hospitals of America, Inc, 1150 Connecticut Ave., NW, #800 Washington, DC 20036			11,250.00
Volunteer Trustees of Not-For-Profit Hospitals, 818 18th Street, NW, #900 Washington, DC 20006		60,500.00	11,613.00
Ingrid A. Voorhees, 311 First Street, NW, #500 Washington, DC 20001	Computer & Business Equipment Manufacturers Assn	125.00	100.00
Vorys Sater Seymour & Pease, 1828 L Street, NW, #1111 Washington, DC 20036	Bell Communications Research	2,502.93	111.23
Do	Committee of Publicly Owned Companies	355.58	166.74
Do	Dale Michael A/K/A Riviera Bowling Lanes		25.10
Do	Fraternal Order of Police - National Headquarters	1,331.11	1,906.59
Do	Grocery Manufacturers of America, Inc		
Do	Ohio Advanced Technology Center, Inc		39.80
Do	Ohio Assn of Broadcasters	281.42	76.10
Do	Ohio Forestry Assn		
Do	Ohio Manufacturers Assn		
Do	Ohio Soft Drink	16.80	7.60
Do	Recyclers of Copper Alloy Products	50,000.00	7,379.83
Do	Snow Aviation International, Inc		
Frank J. Voyack, 1750 New York Ave., NW Washington, DC 20006	International Assn of Bridge Struct & Ornamental Iron Wkrs	16,028.51	891.34
John A. Vuono, Vuono Lavelle & Gray 2310 Grant Building Pittsburg, PA 15219	Procompetitive Rail Steering Committee		
Thomas D. Wacker, 2626 Pennsylvania Avenue, NW Washington, DC 20037	National Telephone Cooperative Assn	5,000.00	1,057.74
Rex B. Wackerle, 1000 Wilson Blvd., #2300 Arlington, VA 22209	Northrop Corp	1,400.00	50.37
Sadami Wada, 9 West 57th Street New York, NY 10019	Sony Corp of America		
Robert J. Wade, 1850 M Street, NW, #600 Washington, DC 20036	Toyota Motor Sales, USA, Inc		
Robert Waffle, 1735 New York Ave., NW Washington, DC 20006	American Institute of Architects	1,250.00	
Wagner Hines & Avary, Inc, 1899 L Street, NW, #500 Washington, DC 20036	Nationwide Credit, Inc	4,798.13	709.56
Andrew F. Wahlquist, 1701 Pennsylvania Ave., NW Washington, DC 20006	McDonnell Douglas Corp	15,000.00	4,400.00
Frederick P. Waite, 1200 19th Street, NW, #500 Washington, DC 20036	Davis Graham & Stubbs (For:American Wire Producers Assn)		
Donna Waks, 1627 Lamont St., NW, #51 Washington, DC 20010	Rainbow Lobby	4,225.00	
Susan Stephenson Walden, 1350 Eye Street, NW, #810 Washington, DC 20005	Johnson & Johnson	1,000.00	225.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Michael Waldman, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen, Inc	8,750.00	
Angela S. Waldorf, N.C. Petroleum Council P.O. Box 167 Raleigh, NC 27602	American Petroleum Institute		
Barbara J. Walker, P.O. Box 1417-D50 119 Oronoco Street Alexandria, VA 22313	Animal Health Institute		
John S. Walker, 700 13th Street, NW, #500 Washington, DC 20005	Focus on the Family	10,000.00	
Charls E. Walker Associates, Inc, 1730 Pennsylvania Ave., NW Washington, DC 20006	American Institute of Certified Public Accountants	5,000.00	
Do	American Road & Transportation Builders Assn	2,900.00	
Do	American Telephone & Telegraph Co	3,750.00	
Do	Anheuser-Busch Companies, Inc		
Do	Atchison Topeka & Santa Fe Railway Co	5,100.00	
Do	Broadcast Music, Inc	3,750.00	
Do	BMW of North America, Inc	5,625.00	
Do	Columbia Pictures Entertainment, Inc	6,562.50	
Do	CSX Corporation	3,000.00	
Do	Federal Home Loan Mortgage Corp	5,400.00	
Do	Honeywell, Inc		
Do	Mexican Department of Commerce & Industrial Development	39,978.82	
Do	Mid Continent Oil and Gas Assn	900.00	
Do	National Business Aircraft Assn	500.00	
Do	National Stone Assn		
Do	Northwestern Mutual Life Insurance Co	7,500.00	
Do	Sony Music Entertainment, Inc	4,375.00	
Do	Southern Company Services, Inc	2,500.00	
Do	Union Pacific Corp	600.00	
Do	Weyerhaeuser Company		
R. Duffy Wall & Associates, Inc, 1317 F Street, NW, #400 Washington, DC 20004	Ad Hoc Comm on Coal Taxation	1,406.00	
Do	Bell Atlantic Corp	1,750.00	
Do	Chambers Development Co, Inc		
Do	Cominco, Ltd.	2,250.00	
Do	Eli Lilly & Company		
Do	Footwear Distributors and Retailers of America	1,875.00	
Do	Graham Resources	2,250.00	
Do	Grocery Manufacturers Assn	1,850.00	
Do	Hong Kong Trade Development Council		
Do	IMC Fertilizer, Inc		
Do	Jackson National Life Insurance Co	1,850.00	
Do	Mallinckrodt Medical, Inc		
Do	Peabody Holding Co, Inc	1,875.00	
Do	Pennsylvania Engineering	250.00	
Do	Pharmaceutical Manufacturers Assn	1,875.00	
Do	Pittston Group	1,250.00	
Do	Sandoz Corporation Protection Corp.		
Do	Securities Industry Assn	2,250.00	
Do	Torchmark Corporation	1,250.00	
Do	United Company	1,250.00	
Henry Scott Wallace, 1110 Vermont Ave., NW, #1150 Washington, DC 20005	National Assn of Criminal Defense Lawyers	15,000.00	50.00
Wallace & Edwards, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Alabama Farmers Federation	3,500.00	
Do	Alaska Pulp Corp		
Do	American Soc of Farm Managers and Rural Appraisers	7,500.00	
Do	American Sugar Cane League	19,375.00	1,248.00
Do	Amstar Corp	7,500.00	
Do	Calgene, Inc	3,750.00	
Do	Cash America	5,000.00	
Do	Cotton Warehouse Assn of America	10,750.00	
Do	Fiber Fabric & Apparel Coalition for Trade	12,500.00	
Do	Flue-Cured Tobacco Cooperative Stabilization Corp	5,000.00	
Do	Merchants Grain & Transportation, Inc		
Do	Service Corporation International	7,500.00	283.35
Do	U.S. Canola Association	5,000.00	
Do	Urcarco		
Lori M. Wallach, 215 Pennsylvania Ave., SE Washington, DC 20003	Public Citizen	6,575.00	
Lionel L. Wallenrod, 260 Madison Ave. New York, NY 10016	American Paper Institute, Inc		
David B. Waller, 1667 K Street, NW, #800 Washington, DC 20006	Williams Companies, Inc	500.00	
Charles S. Walsh, Fleischmen & Walsh 1400 16th Street, NW Washington, DC 20036	National Cable Television Assn, Inc	1,500.00	
Richard J. Walsh, 6770 Lake Ellanor Drive Orlando, FL 32859-3330	General Mills Restaurants, Inc	962.50	250.93
James Waltman, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society	1,875.00	980.00
John C. Walton, 1401 North Oak Street, #302 Arlington, VA 22209	John E. Chance & Associates, Inc	7,500.00	
Do	General Dynamics Corp	15,000.00	76.90
Do	ISC Defense & Space	9,000.00	
Do	National Rifle Assn of America	35,000.00	688.34
Do	Stone & Webster Engineering, Inc	8,100.00	
Do	Textron, Inc	18,333.32	510.91
Do	Thiokol Corp	10,500.00	585.44
Bonnie B. Wan, 1201 Pennsylvania Ave., NW, #730 Washington, DC 20004	Kimberly-Clark Corp		
Gregg Ward, 1735 New York Avenue, NW Washington, DC 20006	American Institute of Architects		
Michael D. Ward, c/o Virginia Petroleum Council, 701 E. Franklin Street, #105 Richmond, VA 23219	American Petroleum Institute		
Stephen E. Ward, 1919 Pennsylvania Avenue, NW, #503 Washington, DC 20006	Mid-Continent Oil & Gas Assn	2,370.00	70.00
Michael A. Waring, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	1,000.00	903.53
Peter F. Warker, 1001 19th Street North, #800 Arlington, VA 22209	TRW, Inc	3,369.00	66.76
Ernest R. Warner Jr., 1133 Connecticut Avenue, NW Washington, DC 20036	DGA International, Inc (For:Dir Intl Aff of the Gen Del for Armements)		
Do	DGA International, Inc (For:Sofreavia)		20.00
Do	DGA International, Inc (For:SNECMA)		494.00
James H. Warner, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
B. Jack Warren, P.O. Box 95385 Atlanta, GA 30347	Forest Farmers Assn		
Betsy R. Warren, 2001 Pennsylvania Avenue, NW, #600 Washington, DC 20006	Allied-Signal Inc		
Do	Edison Electric Institute		
Do	Warren & Company (For:MCI Communications Corp)		
Do	Warren & Company (For:Southern Company Services, Inc)		
Tristan Carter Warren, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters	6,843.75	1,121.96
Barbara J. Washburn, 1660 L Street, NW, #400 Washington, DC 20036	General Motors Corp	3,000.00	2,567.31
Washington Gas Light Co, c/o Carol A. Bechtold 1100 H Street, NW Washington, DC 20080			7,982.54
Washington Perito & Dubuc, 1120 Connecticut Ave., NW Washington, DC 20036	American College of Neuropsychopharmacology	863.50	
Do	Behtune-Cookman College		
Do	City of Philadelphia		
Do	Coca Cola Company	2,700.00	
Do	Electronic Data Systems, Inc		
Do	Government of the People's Republic of Angola	6,390.00	
Do	Government of Antigua		
Do	Greater Cleveland Regional Transit Authority		
Do	Healthdyne, Inc		
Do	Novo-Nordisk Pharmaceutical, Inc	5,821.00	
Do	Opeda	300.00	
Jerry B. Waters, 777 14th Street, NW, #680 Washington, DC 20005	Farmland Industries, Inc	5,000.00	
Mary Kirtley Waters, 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	5,200.00	
Kate Watson, 206 E Street, NE Washington, DC 20002	National Roofing Contractors Assn	2,187.00	865.95
Leroy Watson, 1616 H Street, NW Washington, DC 20006	National Grange	4,875.00	
James B. Watt, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors		
Arthur B. Watts, 4496 Alfred Street Cocoa, FL 32927			
Carolyn Herr Watts, 1800 Massachusetts Ave., NW Washington, DC 20036	National Rural Electric Cooperative Assn	50.00	
George B. Watts, 1155 15th St., NW, #614 Washington, DC 20005	National Broiler Council	1,650.00	
William H. Weatherspoon, North Carolina Petroleum Council PO Box 167 Raleigh, NC 27602	American Petroleum Institute		
A. Vernon Weaver, 111 Center Street Little Rock, AR 72201	Stephens Group, Inc		
David Weaver, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	4,395.00	
Rebecca Weaver, 1616 P St., NW #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control		
Frederick L. Webber, 1709 New York Ave., NW, #801 Washington, DC 20006	U.S. League of Savings Institutions		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Phillip J. Weber, 3900 Wisconsin Ave., NW Washington, DC 20016	Federal National Mortgage Assn (Fannie Mae)	12,300.00	1,750.00
Webster Chamberlain & Bean, 1747 Pennsylvania Ave., NW, #1000 Washington, DC 20006	Commercial Law League of America		
Do	International Taxicab and Livery Assn		
Do	INTERARMS		
Lee J. Weddig, 1525 Wilson Boulevard, #500 Arlington, VA 22209	National Fisheries Institute	4,000.00	173.00
Weil Gotshal & Manges, 1615 L Street, NW, #700 Washington, DC 20036	Noranda, Inc	960.00	
Steven A. Wein, 1090 Vermont Avenue, NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Weinberg Bergeson & Neuman, 1300 Eye Street, NW, #600 East Washington, DC 20005	Battery Council International	131.25	32.81
Do	National Assn for Plastic Container Recovery (NAPCOR)		
Robert A. Weinberger, 816 Connecticut Ave., NW Washington, DC 20006	Unilever U.S., Inc	1,500.00	
Deborah Feldman Weiner, 11004 Petersborough Drive Rockville, MD 20852	American Soc for the Prevention of Cruelty to Amimals	1,500.00	
Roslyne D. Weiner, 1205 South Washington Street, Apt. #12A Alexandria, VA 22314	American Group Practice Assn		
Donald G. Weinert, 1420 King St. Alexandria, VA 22314-2715	National Society of Professional Engineers	1,500.00	
Anna Weinroth, 1666 Connecticut Ave., NW #400 Washington, DC 20009	Federation for American Immigration Reform	721.92	30.00
Sandra G. Weis, 445 Hamilton Ave. White Plains, NY 10601	Prodigy Services Company		
Arthur A. Weiss, One Woodward Avenue, Suite 2400 Detroit, MI 48226	Jaffe Snider Raitt & Heuer, P.C.		
Don Welch, P.O. Box 841 Abilene, TX 79604	West Texas Utilities Co		
Suzanne Welch, 1776 Eye Street, NW, #1050 Washington, DC 20006	Eastman Kodak Co	2,000.00	39.00
Jerry Welcome, 1700 North Moore Street Arlington, VA 22209	American Meat Institute	10,312.50	1,715.38
Arnold Wellman, 316 Pennsylvania Ave., SE, #304 Washington, DC 20003	United Parcel Service	22,000.00	3,520.25
Kent M. Wells, 1667 K Street, NW, #1000 Washington, DC 20006	Southwestern Bell Corp		[illegible]
Robert C. Wells, 1101 Pennsylvania Ave., NW, #1000 Washington, DC 20004	Citicorp Washington, Inc	4,468.75	
Frederick C. Wendorf, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004	Central & South West Services, Inc	3,920.00	2,395.91
Thomas F. Wenning, 1825 Samuel Morse Dr. Reston, VA 22090	National Grocers Assn	500.00	
Fred Wertheimer, 2030 M St., NW Washington, DC 20036	Common Cause	19,617.54	1,520.00
Charles M. West, 205 Daingerfield Road Alexandria, VA 22314	National Assn of Retail Druggists	1,500.00	300.00
Ford B. West, 501 Second Street, NE Washington, DC 20002	Fertilizer Institute	25,000.00	1,006.72
W. P. West Jr., 1200 18th Street, NW, #200 Washington, DC 20036	National Business Aircraft Assn	3,000.00	387.23
J. C. West, P.C., 1090 Vermont Ave., NW, #800 Washington, DC 20005	City of Detroit	52,152.78	13,047.08
Western Coal Traffic League, 1224 17th St., NW Washington, DC 20036		71,305.25	7,588.78
Michelle Westover, 1785 Massachusetts Ave., NW Washington, DC 20036	National Trust for Historic Preservation	2,123.48	
John F. Wetzel Jr., 50 F St., NW Washington, DC 20001	Association of American Railroads	537.41	214.83
Wexler Group, 1317 F Street, NW, #600 Washington, DC 20004	Allied-Signal, Inc	1,500.00	6.00
Do	American Airlines, Inc		11.15
Do	American Institute for Foreign Study Scholarship Foundation		
Do	American Public Transit Assn	1,600.00	140.70
Do	ARCO	4,200.00	
Do	Columbia Hospital for Women Medical Center	3,685.00	28.95
Do	Communications Satellite Corp	2,850.00	43.50
Do	Consortium of State Maritime Schools		6.95
Do	Coopers & Lybrand	1,350.00	
Do	Defense Rations Manufacturers Assn		21.80
Do	Des Moines Chamber of Commerce		
Do	Foothills Pipe Lines (Yukon) Ltd	4,800.00	101.40
Do	FHP	150.00	27.25
Do	General Motors Corp	225.00	
Do	Go USA/ The Travel Coalition	967.50	
Do	Intermountain Rural Electric Assn	300.00	12.00
Do	Massachusetts Maritime Academy		12.40
Do	Motion Picture Assn of America, Inc	4,680.00	67.25
Do	MCI Communications Corp	3,800.00	14.00
Do	National Assn of Social Workers		
Do	National Gypsum Co		
Do	New England Aquarium		21.80
Do	New England Electric System		
Do	Oceanic Institute		5.45
Do	Ohio Edison	125.00	
Do	Square D Company	7,255.00	
Do	State of Oregon, Office of the Governor		7.75
Do	Training Media Distributors Assn		
Do	U.S. Bioscience	2,200.00	50.43
Brian B. Whalen Jr., 455 North Cityfront Plaza Drive Chicago, IL 60611	Navistar International Transportation Corp	4,000.00	900.01
Ellan Wharton, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Leonard P. Wheat, 1111 14th St., NW, #1200 Washington, DC 20005	American Dental Assn	1,000.00	
David W. Wheeler, 600 North 18th Street Birmingham, AL 35291	Alabama Power Co	29,861.66	11,416.63
Larry Wheeler, 1100 Wilson Blvd. Arlington, VA 22209	Hughes Aircraft Company		
Sandra Wheeler, 2000 K Street, NW, #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	2,834.00	
John C. White, White Consulting Group, Suite 380 2000 M Street, NW Washington, DC 20036	AMGEN	8,000.00	
Do	Camp Barsh Bates & Tate		
Do	Chicago Mercantile Exchange		
Do	Coastal Corporation	20,000.00	
Do	Goldman, Sachs & Company	5,000.00	
Do	Tobacco Institute	4,000.00	
John Thomas White III, 490 L'Enfant Plaza East, SW, #2202 Washington, DC 20024	Tenneco Gas		
Joyce White, 222 NW Davis, #309 Portland, OR 97209	Oregon Trail Coordinating Council		570.82
Larry White, 1909 K St., NW Washington, DC 20049	American Assn of Retired Persons	598.84	178.00
Leland J. White, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,750.00	695.08
Margita E. White, 1400 16th Street, NW, #610 Washington, DC 20036	Association of Maximum Service Telecasters, Inc	481.00	
Raymon M. White Jr., 5501 Seminary Road, Apt. 2211-South Falls Church, VA 22041	Harris Corporation	3,500.00	2,284.61
Richard H. White, 1875 I Street, NW, #800 Washington, DC 20006	Tobacco Institute	600.00	46.40
Sam White, 1155 15th Street, NW, #900 Washington, DC 20005	National Agricultural Chemicals Assn		
Toni D. White, 1745 Jefferson Davis Highway, #605 Arlington, VA 22202	Texas Instruments, Inc	588.90	85.66
Ward H. White, 900 19th Street, NW, #800 Washington, DC 20006	U.S. Telephone Assn	150.00	
William R. White, Kaplan, Russin & Vecchi 1215 17th Street, NW Washington, DC 20036	Edison Electric Institute		
White Fine & Verville, 1156 15th St., NW, #1100 Washington, DC 20005	Association of Regionally Accred Priv Coll & Univ	30,000.00	
Whiteford Taylor & Preston, 888 17th St., NW, #400 Washington, DC 20006	National Constructors Association	9,999.99	5,501.12
Suzanne K. Whitehurst, 332 Constitution Ave., NE Washington, DC 20002	Marcus G. Faust, PC (For:Central Utah Water Conservancy District)	1,555.00	
Do	Marcus G. Faust, PC (For:Clark County Nevada-McCarran International Airport)	1,555.00	
Do	Marcus G. Faust, PC (For:Las Vegas Valley Water District)	1,555.00	1,070.56
Do	Marcus G. Faust, PC (For:Public Service Co of New Mexico)	1,555.00	
Do	Marcus G. Faust, PC (For:Sierra Pacific Power Co)	1,555.00	
Wayne A. Whitham, 1021 East Cary Street, 17th Floor P.O. Box 1320 Richmond, VA 23210-1320	Williams Mullen Christian & Dobbins (For:Investors Savings Bank)	1,504.25	
Richard M. Whiting, 730 15th Street, NW Washington, DC 20005	Association of Bank Holding Cos	276.00	
Elizabeth D. Whitley, 600 Maryland Ave., SW, #800 Washington, DC 20024	American Farm Bureau Federation	7,875.00	267.29
Cameron Whitman, 1666 Connecticut Ave., NW, #400 Washington, DC 20009	FAIR	300.00	22.00
William F. Whitsitt, 1212 New York Avenue, NW, Suite 1200 Washington, DC 20005-6419	Oryx Energy Company	2,000.00	258.73
Larry H. Whitt, 9111 E. Douglas Wichita, KS 67207	Pizza Hut, Inc		
Gary L. Widman, 505 Montgomery Street San Francisco, CA 94111	Bronson Bronson & McKinnon (For:Sjoberg Industries, Inc)		
Helen C. Wiederhorn, 1350 I Street, NW, #1000 Washington, DC 20005	Ford Motor Co	3,180.00	2,682.80
Richard S. Wiedman, 600 Grant Street, 42nd Floor Pittsburgh, PA 15219	Eckert Seamans Cherin & Mellott (For:Ormet Corp)		
Do	Eckert Seamans Cherin & Mellott (For:Ravenswood Aluminum Corp)		
Phillip R. Wiedmeyer, 600 North 18th Street Birmingham, AL 35203	Alabama Power Co	21,113.27	6,558.48
Wiggin & Dana, One Century Tower P. O. Box 1832 New Haven, CT 06508-1832	Villa Banfi, U.S.A.		
W. Scott Wilber, 1101 Vermont Avenue, NW Washington, DC 20005	American Medical Assn	3,975.00	
Shirley J. Wilcher, 122 C Street, NW, #750 Washington, DC 20001	National Assn of Independent Colleges and Universities	7,500.00	167.00
Wildlife Legislative Fund of America, 1000 Connecticut Ave., NW, #1202 Washington, DC 20036			5,200.00
Wiley Rein & Fielding, 1776 K Street, NW, 12th Fl. Washington, DC 20006	American Newspaper Publishers Assn		
Do	Association for Public TV (APTV)		
Do	Association of Telemessaging Services, International	969.00	8.50
Do	Chaparral Steel Co		
Do	Club Car, Inc	1,332.00	
Do	Firemens Fund Insurance		
Do	Georgetown Industries		
Do	J.C. Penney		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Marine Mammal Coalition		
Do	Merchants National Bank	14,780.00	214.28
Do	National Assn for Information Services	2,164.00	
Do	National Health Care Anti-Fraud Assn		
Do	Olan Mills, Inc	4,632.00	22.58
Do	Operator Service Providers of America		
Do	Pharmaquest		
Do	Prodigy Services Company	114.00	
Do	Raritan River Steel Co		
Do	United Parcel Service	7,873.00	94.20
Do	Washington Citizens for World Trade	42,326.00	1,207.24
Guenther O. Wilhelm, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
Carl B. Wilkerson, 1001 Pennsylvania Ave., NW Washington, DC 20004	American Council of Life Insurance, Inc		
Faith Williams, 1001 Pennsylvania Ave., NW, #460 Washington, DC 20037	New York Life Insurance Company		
Jack L. Williams, 451 New Jersey Avenue, SE Washington, DC 20003	Ark-Best Co	1,450.00	250.00
Do	Arkansas Louisiana Gas Co (ARKLA)	1,500.00	250.00
Do	Coalition for American Energy Security	1,550.00	250.00
Do	Cooper Communities, Inc	1,500.00	225.00
Do	Electro Com Automation, Inc	1,600.00	300.00
Do	Riceland Foods, Inc	1,500.00	225.00
Do	Tyson Foods, Inc	1,500.00	260.00
Leonard B. Williams, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	50.00	263.41
Lucinda L. Williams, 733 15th Street, NW, #700 Washington, DC 20005	National Medical Enterprises, Inc	4,980.00	
Merrill Williams, 3701 Connecticut Ave., NW, #802 Washington, DC 20008	Freshwater Press, Inc		
Do	Galactica Biochemical		
Do	National Credit Improvement Group		
Michael E. Williams, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America	1,046.45	255.70
Perry F. Williams, 225 Main St. Newington, CT 06111	American Radio Relay League, Inc	1,952.00	1,464.00
Peter Williams, 2030 M St., NW Washington, DC 20036	Common Cause	450.00	
Richard T. Williams, 2501 M Street, NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	2,000.00	
Robert E. Williams, 1707 L Street, NW, #300 Washington, DC 20036-4202	United Airlines, Inc	1,500.00	
Robin L. Williams, 1667 K St., NW, #210 Washington, DC 20006	Rohm & Haas Co	700.00	282.56
Williams & Connolly, 839 17th St., NW Washington, DC 20006	Gtech		
Do	National Comm to Preserve Social Security		
Do	North American Assn of State & Provincial Lotteries		
Alan R. Willis, Box 3529 Portland, OR 97208	Port of Portland	10,696.00	
Roy W. Willis, 1101 16th Street, NW Washington, DC 20036	Independent Petroleum Assn of America		325.00
Wayne D. Willis, 1100 17th Street, NW, #1200 Washington, DC 20036	General Atomics	997.82	62.58
Willkie Farr & Gallagher, 1155 21st Street, NW, # 600 Washington, DC 20036	American Nuclear Energy Council (ANEC)	988.00	13.73
Do	Association of International Auto Manufacturers		
Do	Institute of Resource Recovery (IRR)	4,724.50	
Do	Morgan Guaranty Trust Co	9,750.00	123.51
Do	National Assn of Independent Fee Appraisers	4,358.25	33.29
Do	Standard Commercial Tobacco Co	2,286.00	
Do	Telecommunications Industry Assn		
Do	Westinghouse Electric Corp	34,126.50	84.00
Do	Yamaha Motor Co, Ltd, et al.	1,970.75	67.86
Do	Yamaha Motor Manufacturing Corp of America	284.25	54.12
Cindy J. Wilmer, 1455 Pennsylvania Ave., NW, #900 Washington, DC 20004	American International Group, Inc	2,500.00	50.00
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Aetna Life & Casualty Co	2,135.00	
Do	American Honda Motor Co, Inc		
Do	Association of American Universities		
Do	Federal Home Loan Bank of San Francisco		
Do	G-IV Family Coalition, Inc		
Do	Handgun Control, Inc		
Do	International Metals Reclamation Company, Inc	2,950.00	
Do	Pepsico, Inc		
Do	World Savings & Loan Assn		
David W. Wilmot, 1029 Vermont Avenue, NW Washington, DC 20005	Anheuser-Busch Companies, Inc		
Ann Wilson, 1611 Duke Street Alexandria, VA 22314	American Movers Conference	200.00	
Charles D. Wilson, 1919 South Broadway, Box 19130 Green Bay, WI 54307-9130	Fort Howard Corp	2,153.76	2,140.65
Dena L. Wilson, Suite 1000 1600 Wilson Blvd. Arlington, VA 22209	American Waterways Operators, Inc	2,000.00	80.00
Gary Wilson, 1301 Pennsylvania Ave., NW, #300 Washington, DC 20004	National Cattlemens Assn	1,000.00	
Patricia M. Wilson, 818 Connecticut Ave, NW Washington, DC 20006	USX Corporation		
Randolph Wilson, One Merchants Plaza Indianapolis, IN 46255	Merchants National Corp	7,500.00	5,541.03
Robert Dale Wilson, 1900 L Street, NW, #500 Washington, DC 20036	Wilson & Wilson (For:Cadmium Council)		
Do	Wilson & Wilson (For:Hecla Mining Company)		
Robert Gary Wilson, 1730 Rhode Island Avenue, NW, #715 Washington, DC 20036	PPG Industries, Inc	50.00	8.00
William F. Wilson, 231 W. Michigan Street Milwaukee, WI 53201	Wisconsin Electric Power Co		
Quentin Wilson & Associates, Inc, 25 North Brentwood Blvd. St. Louis, MO 63105	University of Missouri-Rolla	12,000.00	1,022.96
Mark V. Wimberly, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Mississippi Power Co	22,719.24	9,850.47
John P. Winburn, 50 E Street, SE Washington, DC 20003	Winburn Associates, Inc (For:American Assn of Equipment Lessors)	225,000.00	
Do	Winburn VanScoyoc & Hooper (For:American Automotive Leasing Assn)	6,000.00	
Do	Winburn VanScoyoc & Hooper (For:American Insurance Assn)	45,000.00	
Do	Winburn Associates, Inc (For:Burlington Northern Railroad Company)	15,000.00	
Do	Winburn Associates, Inc (For:Burlington Northern Services, Inc)	15,000.00	
Do	Winburn Associates, Inc (For:Fag Bearings Corp)	15,000.00	
Do	Winburn Associates, Inc (For:Hartford, (The))	45,000.00	
Do	Winburn Associates, Inc (For:Leggett & Platt)	6,000.00	
Do	Winburn Associates, Inc (For:National Assn of County Office Employees)	3,000.00	
Do	Winburn Associates, Inc (For:Pennzoil)	9,000.00	
Do	Winburn Associates, Inc (For:Philip Morris)	54,000.00	
Stephen H. Wines, 1133 15th Street, NW, #600 Washington, DC 20005	Maritime Institute for Research & Industrial Development	6,067.15	
Eileen M. Winkelman, 2501 M St., NW Washington, DC 20037	Chemical Manufacturers Assn, Inc	600.00	13.00
Joseph B. Winkelmann, 1250 Connecticut Ave., NW, #620 Washington, DC 20036	American Resort & Residential Development Assn	6,000.00	
Do	Winkelmann & Associates, Inc (For:Four Seasons Group, Inc)	6,712.50	
Do	Winkelmann & Associates, Inc (For:National Assn of Mortgage Brokers)	1,000.00	
Alexander Bradford Winslow, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance		
David A. Winston, 1922 F Street, NW Washington, DC 20006	National Assn of Life Underwriters	837.50	72.00
Winston & Strawn, 1400 L Street, NW Washington, DC 20005-3502	Cooper Tire & Rubber Company	1,700.00	18.00
Do	Federal Intermediate Credit Bank of Jackson	57,793.75	2,671.11
Do	Mississippi Department of Economic & Community Development	29,159.46	1,605.55
Winthrop Stimson Putnam & Roberts, 1133 Connecticut Ave., NW, 1200 Washington, DC 20036	America West Airlines, Inc		
Do	Amoco Performance Products, Inc		
Do	Bowater, Inc		
Do	Brown & Bain		
Do	Business Roundtable	13,212.80	118.35
Do	BASF Corp		
Do	BASF Structural Materials, Inc		
Do	Connecticut Liquidity Investment Fund, Inc		
Do	Fiberite Corp		
Do	Hercules Aerospace Co		
Do	IBJ Schroder Bank & Trust Co		
Do	Macrovision, Inc	4,622.50	214.56
Do	MTN Coalition		
Do	National Vehicle Leasing Assn		
Do	Navajo Nation	8,795.00	8.00
Do	Sabreliner Corp	40,567.50	104.99
Do	Snappy Car Rental		
Do	Thrifty Rent-A-Car System, Inc		
Jennifer K. Wirick, 1001 Pennsylvania Ave., NW, #1350 Washington, DC 20004	Kahn Soares & Conway (For:Westlake Farms)	2,000.00	40.00
Robert V. Witeck, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Republic of Turkey)		
Walter J. Witek Jr., 777 14th St., NW Washington, DC 20005	National Assn of Realtors	8,000.00	
Cynthia D. Witkin, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America	3,000.00	500.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Hope R. Wittenberg, 1101 Vermont Ave., NW, #604 Washington, DC 20005	College of American Pathologists	2,750.00	
Judith A. Wittig, 1213 Jefferson Davis Hwy., #1414 Arlington, VA 22202	Defense Products Marketing, Inc		
Richard J. Wittig, 1213 Jefferson Davis Highway, #1414 Arlington, VA 22202	Defense Products Marketing, Inc	1,000.00	75.00
Sandra W. Wobbe, 1250 Eye Street, NW Washington, DC 20005	Aerospace Industries Assn of America, Inc	742.00	
J. Thomas Wolfe, 1627 K Street, NW, #700 Washington, DC 20006	Institute of Scrap Recycling Industries	3,200.00	649.86
Melissa A. Wolford, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	(For:American Insurance Assn)	350.00	10.00
Ronald Wolsey, 1615 M Street, #200 Washington, DC 20036	Amoco Corporation	1,200.00	585.00
Don Womack, Suite 303 1825 K St., NW Washington, DC 20006	Texas Utilities Services, Inc	3,375.00	56.83
Linda Womack, 2100 E. Exchange Place Tucker, GA 30085-1349	Oglethorpe Power Corp	13,612.50	4,797.67
Richard Marvin Womack, 801 18th Street, NW, #400 Washington, DC 20006	Procter & Gamble Co	994.24	
Burton C. Wood, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	19,800.00	
Donna Y. Wood, 577 Mulberry Street Macon, GA 31298	Charter Medical Corp		
Harris S. Wood, 1333 New Hampshire Ave., NW, #1001 Washington, DC 20036	Arco Oil & Gas Co	60.00	
Joel Wood, 400 N. Washington Street Alexandria, VA 22314	National Association of Professional Insurance Agents		
Mildred Wood, 2000 K Street, NW #800 Washington, DC 20006	National Comm to Preserve Social Security & Medicare	1,923.00	
S. Roy Woodall Jr., 1455 Pennsylvania Ave., NW, #1250 Washington, DC 20005	National Assn of Life Companies	2,000.00	20.00
Mark E. Woodbridge, 1825 K Street, NW, #1107 Washington, DC 20006	National U.S. Arab Chamber of Commerce		
James H.B. Woodroffe III, 2805 Samara Drive Tampa, FL 33618	Teco Energy, Inc	16,250.00	3,659.51
Irvin M. Woods, P.O. Box 521 The Plains, VA 22171	Maule Air, Inc		370.00
Do	National Assn of Air Traffic Specialists	6,000.00	1,400.00
Do	Woods Research Associates, Inc		
Jeanne M. Woods, 122 Maryland Ave., NE Washington, DC 20002	American Civil Liberties Union	2,315.00	
Cynthia Woodside, 701 N. Fairfax Street Alexandria, VA 22314-2045	(For:United Way of America)	4,947.69	34.60
Robert W. Woody, 1333 New Hampshire Ave, NW Washington, DC 20036	LeBoeuf Lamb Leiby & MacRae		
Perry W. Woofter, Suite 530 1800 K St. NW Washington, DC 20006	Tesoro Petroleum Corp	3,000.00	
Howard E. Woolley, 1771 N Street, NW Washington, DC 20036	National Assn of Broadcasters		
Workers Compensation Integrity, Stability & Equity (WISE), P.O. Box 18300 Washington, DC 20036-8300		24,900.00	27,980.00
W. Robert Worley, 190 St. Clair Drive St. Simons Island, GA 31522	Southern Company Services, Inc	2,060.00	1,748.00
Worthington Associates, 2132 Southbay Lane Reston, VA 22091	HRM		
David L. Wray, 20 North Wacker Drive Chicago, IL 60606	Profit Sharing Council of America		
Andrew S. Wright, 1130 Connecticut Ave., NW, #1000 Washington, DC 20036	American Insurance Assn	395.00	113.00
David L. Wright, Anderson Hill Rd. Purchase, NY 10577	Pepsico, Inc		
Wunder Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	American Insurance Assn	760.00	6.45
Do	Association of American Railroads	1,249.95	29.85
Do	BellSouth Corp	1,920.00	15.00
Do	Cosmetic Toiletry & Fragrance Assn, Inc		
Do	Dresser Industries, Inc		
Do	Electronic Industries Assn		
Do	HDTV 1125/60 Group	4,500.00	193.41
Do	Intermarine SpA	3,600.00	
Do	Investment Company Institute	1,500.00	69.90
Do	ITT Corporation		
Do	Kelly Assisted Living/Kelly Services	1,500.00	
Do	Keramont Corp	300.00	1,135.93
Do	Kraft		
Do	Manville Corporation	3,555.00	148.25
Do	Martin Marietta	1,666.00	0.41
Do	Maxxan	5,050.00	7.00
Do	McDonnell Douglas	1,875.00	8.07
Do	Metropolitan Life Insurance Co	9,600.00	463.00
Do	Montana Department of Highways	5,100.00	70.00
Do	Mutual Life Insurance Co Tax Committee	15,750.00	50.10
Do	Mylan Laboratories, Inc	20,628.00	2,063.47
Do	National Assn of Temporary Services	918.40	38.23
Do	National Cable Television Assn, Inc	1,250.00	51.16
Do	North American Phillips Corp	10,155.00	1,226.00
Do	Northwestern Mutual Life Insurance Co	16,666.00	308.00
Do	NEC Home Electronics (USA) Inc		
Do	NYNEX Corp	4,763.00	31.05
Do	Polaris Industries		
Do	Product Liability Coordinating Committee		
Do	Rohm & Haas		
Do	Sony Corp of America	4,237.50	256.23
Do	South Dakota Dept of Transportation	5,100.00	70.00
Do	Squibb Corporation		
Do	Stanford University	1,240.00	10.06
Do	Thomson Consumer Electronics, Inc		
Do	Tobacco Industry Labor Management Committee	5,387.40	408.28
Do	Trailer Train Co		
Do	U.S. Telephone Assn	23,466.00	1,030.00
Tracy Wurzel, 600 Maryland Ave, #700 Washington, DC 20024	National Federation of Independent Business	3,401.00	200.00
Jeffery D. Wyatt, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron Chemical Company	700.00	
James Wyerman, 1244 19th Street, NW Washington, DC 20036	Defenders of Wildlife	3,616.65	10.65
Thomas L. Wylie, 555 13th St., NW, #1010 East Washington, DC 20004-1109	Sun Co, Inc	1,519.00	104.87
David S. Wynett, 1629 K Street, NW, #501 Washington, DC 20006	Delta Air Lines, Inc	110.00	225.00
Marc D. Yacker, 1250 Connecticut Ave., NW Washington, DC 20036	American Paper Institute, Inc	550.00	
Milan P. Yager, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the U.S.		
John W. Yago, 5101 River Rd. Bethesda, MD 20816	American Road & Transportation Builders Assn	9,999.96	
Nick Yaksich, 1957 E Street, NW Washington, DC 20006	Associated General Contractors of America		
T. Albert Yamada, Suite 520 900 17th St., NW Washington, DC 20006	Toyota Motor Sales, USA, Inc	500.00	
Do	West Mexico Vegetable Distributors Assn	500.00	
Nancy Foster Yanish, 1750 K Street, NW Washington, DC 20006	Food Marketing Institute	400.00	
Yankee Gas Services Company, 599 Research Parkway P.O. Box 1030 Attn: Steve Piascik Meriden, CT 06450			93.50
Mary J. Yarrington, 2000 K St., NW, 8th Foor Washington, DC 20006	National Comm to Preserve Social Security	4,134.00	
Bruce Yarwood, 1201 L Street, NW Washington, DC 20005	American Health Care Assn	22,500.00	2,131.50
Edward R. Yawn, 701 Pennsylvania Avenue, NW Washington, DC 20004-5475	Edison Electric Institute	1,459.67	260.00
Jack Yelverton, 125 N. West St. Alexandria, VA 22314-2754	Fleet Reserve Assn		
Edward L. Yingling, 1120 Connecticut Ave., NW Washington, DC 20036	American Bankers Assn	10,000.00	742.79
John S. Yodice, 500 E Street, SW, #930 Washington, DC 20024	Yodice Associates (For:Aircraft Owners & Pilots Assn)		
D. Scott Yohe, 1629 K St., NW, #501 Washington, DC 20006	Delta Air Lines, Inc	450.00	147.50
Andrew Yood, 1220 L Street, NW Washington, DC 20005	American Petroleum Institute	200.00	
Thomas F. Youngblood, 1201 New York Avenue, NW Washington, DC 20005-3931	American Hotel & Motel Assn	2,200.00	
Betsy Younkins, 1220 L Street, NW, #1200 Washington, DC 20005	American Petroleum Institute	8,000.00	102.29
Eugene A. Yourch, 50 Broadway New York, NY 10004	Federation of American Controlled Shipping	200.00	
John R. Zagame, John R. Zagame Associates, Inc 7611 Virginia Lane Falls Church, VA 22043	National Music Publishers Assn	6,000.00	
Paulette Zakrzeski, 1110 Vermont Ave., NW, #430 Washington, DC 20005	National Cotton Council of America	16,000.00	1,297.69
Paul j. Zanowski, 15th & M Streets, NW Washington, DC 20005	National Assn of Home Builders of the United States		
John S. Zapp, 1101 Vermont Ave., NW Washington, DC 20005	American Medical Assn	4,900.00	
Thomas K. Zaucha, 1825 Samuel Morse Drive Reston, VA 22090	National Grocers Assn	500.00	
Leo C. Zeferetti, 9912 Fort Hamilton Parkway Brooklyn, NY 11209	Building & Construction Trades Dept, AFL-CIO		
Do	New York Telephone		
Don J. Zeller, 1615 M Street, NW, #200 Washington, DC 20036	Amoco Corporation	1,850.00	447.60
Arlene Zielke, 3724 West 107th Street Chicago, IL 60655	National Congress of Parents & Teachers		2,979.05
Elaine Ziemba, 1515 Wilson Boulevard Arlington, VA 22209	American Gas Assn	2,000.00	578.38
Kelly Ziglar-Clay, 805 15th Street, NW, #1110 Washington, DC 20005	Mortgage Insurance Companies of America	6,474.97	907.75
Fred Everett Zillinger II, 501 Second Street, NE Washington, DC 20002	Fertilizer Insititue	9,000.00	1,424.50
John H. Zimmerman, 3138 North 10th Street Arlington, VA 22201	National Assn of Federal Credit Unions	1,250.00	
Ziontz Chestnut Varnell Berley & Slonim, 2101 Fourth Avenue, #1230 Seattle, WA 98121	Fallon Paiute-Shoshone Tribes		
Do	Makah Indian Tribe		
Gary M. Zizka, 5205 Leesburg Pike, #1600 Falls Church, VA 22041	National Beer Wholesalers Assn	2,000.00	903.50
John L. Zorack, 1111 14th St., NW, #1001 Washington, DC 20005	Federal Express Corp	10,500.00	
Zurich-American Insurance Co, 800 North Plaza Drive Schaumburg, IL 60196	Zurich-American Insurance Company	600.00	600.00
Charles O. Zuver, 805 15th St., NW, #300 Washington, DC 20005	Credit Union National Assn, Inc	300.00	191.16
31st Pro-Life Congressional District Action Comm, 8654 Bonview Terrace Williamsville, NY 14221			

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
965 Inc, 513 Capitol Court, NE, #300 Washington, DC 20002	Bath Iron Works Corp	50.00	
Do	General Electric Company	75.00	
Do	Intermarine USA	150.00	
Do	Kaman Diversified Technologies	100.00	
Do	Woods Hole Oceanographic Institution	300.00	

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the first calendar quarter of 1991 were received too late to be included in the published reports for that quarter:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective headings. This page (Page 1) is designed to supply identifying data, and Page 2 deals with financial data.)

PLEASE RETURN 1 ORIGINAL TO: THE CLERK OF THE HOUSE OF REPRESENTATIVES, OFFICE OF RECORDS AND REGISTRATION, 1036 LONGWORTH HOUSE OFFICE BUILDING, WASHINGTON, D.C. 20515

PLEASE RETURN 1 ORIGINAL TO: THE SECRETARY OF THE SENATE, OFFICE OF PUBLIC RECORDS, 232 HART SENATE OFFICE BUILDING, WASHINGTON, D.C. 20510

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19 . . . . . ◆

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th

(Mark one square only)

IDENTIFICATION NUMBER

Is this an Amendment?
☐ YES ☐ NO

NOTE on ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) *"Employee"*.—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) *"Employer"*.—To file as an "employer", write "None" in answer to Item "B".

(*b*) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.
☐ CHECK IF ADDRESS IS DIFFERENT THAN PREVIOUSLY REPORTED

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE on ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER

—State name, address, and nature of business. If there is no employer, write "None."

NOTE on ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have ☐ terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the specific legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) description, (*b*) quantity distributed, (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and, if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this item "C4" and fill out items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly Report." ◆

STATEMENT OF VERIFICATION

[Omitted in printing]

NOTE on ITEM "D."—*(a)* IN GENERAL. The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—§302(a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In general.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in connection with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multi-purpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In general.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the space following the number.

Receipts (other than loans)

1. $..............Dues and assessments
2. $..............Gifts of money or anything of value
3. $..............Printed or duplicated matter received as a gift
4. $..............Receipts from sale of printed or duplicated matter
5. $..............Received for services (e.g., salary, fee, etc.)
6. $..............TOTAL for this Quarter (Add "1" through "5")
7. $..............Received during previous Quarters of calendar year
8. $..............TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received—"The term 'contribution' includes a . . . *loan* . . ."—§302(a).

9. $..............TOTAL now owed to others on account of loans
10. $..............Borrowed from others during this Quarter
11. $..............Repaid to others during this Quarter

12. $..............''Expense Money'' and Reimbursements received this Quarter.

Contributors of $500 or More (from Jan. 1 through this Quarter)

13. Have there been such contributors?
    Please answer "yes" or "no": ....

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor* *("Period"* from Jan. 1 through.............................., 19.......)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE on ITEM "E".—*(a)* IN GENERAL. "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—§302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) IN CONNECTION WITH LEGISLATIVE INTERESTS:

Fill in every blank. If the answer to any numbered item is "None," write "NONE" in the spaces following the number.

Expenditures (other than loans)

1. $..............Public relations and advertising services
2. $..............Wages, salaries, fees, commissions (other than Item "1")
3. $..............Gifts or contributions made during Quarter
4. $..............Printed or duplicated matter, including distribution cost
5. $..............Office overhead (rent, supplies, utilities, etc.)
6. $..............Telephone and telegraph
7. $..............Travel, food, lodging, and entertainment
8. $..............All other expenditures
9. $..............TOTAL for this Quarter (Add "1" through "8")
10. $..............Expended during previous Quarters of calendar year
11. $..............TOTAL from Jan. 1 through this Quarter (Add "9" and "10")

Loans Made to Others—"The term 'expenditure' includes a . . . *loan* . . ."—§302(b).

12. $..............TOTAL now owed to person filing
13. $..............Lent to others during this Quarter
14. $..............Repayments received during this Quarter

15. *Recipients of Expenditures of $10 or More*____________

If there were no single expenditures of $10 or more, please so indicate by using the word "NONE".

In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Jessica R. Aberly, 1616 P Street, NW, #320 Washington, DC 20036	Professionals' Coalition for Nuclear Arms Control	3,538.10	
Jean R. AbiNader, 1825 K Street, NW, #1107 Washington, DC 20006	National U.S.-Arab Chamber of Commerce		
John R. Adams, One Tabor Center 1200 17th Street, #2500 Denver, CO 80202	Energy Fuels Nuclear, Inc		
Sandra Sue Adams-Choate, 80 F Street, NW Washington, DC 20001	American Federation of Government Employees	2,845.81	
David A. Affeldt, 10404 Joiners Lane Potomac, MD 20854	American Assn of Retired Persons		
Do	Association for Gerontology in Higher Education	1,000.00	
Air Transport Assn of America, 1709 New York Ave., NW Washington, DC 20006		196,339.17	196,339.17
Michael A. Aisenberg, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	23,500.00	
Albanian American Civic League, 717 Second Street, NE, #303 Washington, DC 20002			7,758.00
James J. Albertine, 1250 24th Street, NW, #600 Washington, DC 20037	Albertine Enterprises, Inc (For:West Point Pepperell, Inc)		
Alcalde Rousselot & Fay, 1901 North Ft. Myer Drive, 12th Floor Rosslyn, VA 22209	Alliance for Responsible CFC Policy	6,000.00	
Do	American Counsel of State Savings Supervisors	3,000.00	
Do	Barbee Curran Elevator Co	3,000.00	
Do	City of Las Vegas	4,000.00	
Do	Colton Communities		
Do	Consolidated Freightways	5,000.00	
Do	Credit Union National Assn	3,000.00	
Do	Jack Eckerd Corp	1,000.00	
Do	Elcon Enterprises	3,000.00	
Do	EMSA Limited Partnership	3,500.00	
Do	Home Shopping Network	30,000.00	
Do	International Council of Cruise Lines	30,000.00	
Do	Jim Walter Corp	3,000.00	
Do	Port of Jacksonville	3,000.00	
Do	Regular Common Carrier Conference	2,000.00	
Do	Tampa Electric Co	6,000.00	
Do	Tampa Port Authority	6,000.00	
Do	Towers Financial Corp	7,500.00	
Do	Walter Industries	2,000.00	
Do	Washington Workshops	2,000.00	
Marjorie D. Allen, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,035.96	921.95
Laura L. Allendorf, 1101 Vermont Avenue, NW, #500 Washington, DC 20005	American Soc of Internal Medicine	1,250.00	179.32
Alliance for Medical Nutrition, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004		3,067.00	3,067.00
Alliance to Save Energy, 1725 K Street, NW, #914 Washington, DC 20006			2,440.19
Thomas H. Altmeyer, 1130 17th St., NW Washington, DC 20036	National Coal Assn	13,000.00	260.50
Jerome A. Ambro Associates, 4734 Timber Ridge Dr. Mountclair, VA 22026	Associated Universities	10,000.00	8,565.33
American Apparel Manufacturers Assn, Inc, 2500 Wilson Blvd., #301 Arlington, VA 22201		1,852.88	1,852.88
American Assn for Counseling & Development, 901 East Capitol Street, SE Second Floor Wahington, DC 20003		88,175.00	39,382.00
American Assn for Marriage & Family Therapy, 1100 17th Street, NW, 10th Fl Washington, DC 20036		26,480.00	26,480.00
American Assn of Boomers (AAB), 2621 W. Airport Frwy, #101 Irving, TX 75062			
American Assn of Museums, 1225 Eye Street, NW, #200 Washington, DC 20005		30,125.00	10,602.53
American Automobile Assn, 500 E Street, SW, #950 Washington, DC 20024			
American Fed of State County & Municipal Employees, 1625 L St., NW Washington, DC 20036			115,767.73
American Forest Resource Alliance, 1250 Connecticut Ave., NW, #200 Washington, DC 20036		2,500.00	
American Humane Association, 63 Inverness Drive, East Englewood, CO 80112		15,693.00	15,693.00
American International Automobile Dealers Assn, 1128 16th Street, NW Washington, DC 20036		803,570.00	98,565.00
American Medical Peer Review Assn, 810 First Street, NE, #410 Washington, DC 20002			
American Osteoporosis Alliance, 1001 Pennsylvania Ave., NW, 6th Floor Washington, DC 20004		5,180.00	5,180.00
American Seed Trade Assn, 1030 15th Street, NW, #964 Washington, DC 20005			14,385.00
American Soc for Medical Technology, 2021 L Street, NW, #400 Washintgton, DC 20036			15,209.02
American State of the Art Prosthetic Assn, 955 26th Street, NW, #208 Washington, DC 20037		7,000.00	685.00
American Subcontractors Assn, 1004 Duke St. Alexandria, VA 22314			4,800.00
John Amick, 1010 Pennsylvania Ave., SE Washington, DC 20003	Campbell-Raupe, Inc (For:American Assn of Advertising Agencies)		
Do	Campbell-Raupe, Inc (For:National Auctioneers Assn)		
Do	Securities Industry Assn		
Bette B. Anderson, 1030 15th St., NW, #700 Washington, DC 20036	KCI (For:SICPA Industries of America, Inc)		
Do	KCI (For:U.S. Banknote Corp)		
James A. Anderson Jr., 1725 K Street, NW, #710 Washington, DC 20006	National Assn of Wholesaler-Distributors		
Thomas D. Anthony, 2500 Central Trust Center 201 E. Fifth Street Cincinnati, OH 45202	Frost & Jacobs (For:Comprehensive Medical Imaging, Inc)		
Do	Frost & Jacobs (For:Louisville Imaging Services, Inc)		
Do	Frost & Jacobs (For:Western Hills Imaging Center, Inc)		
John Archer, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Arent Fox Kintner Plotkin & Kahn, 1050 Connecticut Ave., NW Washington, DC 20036-5339	Central States SE & SW Areas Health Welfare & Pension Funds	31,209.00	574.05
Do	Guardian Life Insurance Co of America	65,591.00	1,527.47
Do	Video Software Dealers Assn	44,307.50	1,128.37
Tertia R. Armstrong, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.	28.00	
Kay Kelley Arnold, P.O. Box 551 Little Rock, AR 72203	Arkansas Power & Light Company	816.45	202.13
Nan Aron, 1601 Connecticut Avenue, NW Washington, DC 20009	Alliance for Justice	407.74	
Karen McGill Arrington, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	2,991.66	
Milton F. Ashford, P.O. Box 24305 Oakland, CA 94623	Clorox Company		
Asian Pacific Economic Educational Cultural Organization, P.O. Box 891 Manila, Philippines			
Associated Builders & Contractors, Inc, 729 15th St., NW Washington, DC 20005		20,000.00	
Association for Commuter Transportation, Inc, 808 17th Street, NW, #200 Washington, DC 20006-3953			69.11
Association of American Foreign Service Women, P.O. Box 70051 Washington, DC 20024-0051		6,135.00	
Joe H. Ausley Jr., 431 First Street, SE Washington, DC 20003	Control Data, Inc	3,750.00	138.88
Do	Gen Corps	3,750.00	90.27
Michael G. Ayre, P.O. Box 130 Levis P.Q. Canada G6V 6N7	Mil Davie Inc		
AIDS Action Council, Inc, 2033 M Street, NW, #8010 Washington, DC 20035			51,591.68
APCO Associates, 1155 21st Street, NW, #1000 Washington, DC 20036	American Maritime Congress		
Do	American Red Cross	250.00	
Do	Asocolflores		
Do	City Utilities of Springfield		
Do	Colorado River Energy Distributors Assn	1,046.25	
Do	Emerald Public Utility District		
Do	Fujisawa USA, Inc	2,405.00	
Do	Heart of America Northwest	2,625.00	86.08
Do	High Technology Coalition	26.25	14.80
Do	Hoffman-La Roche		
Do	Kansas Municipal Energy Agency		
Do	London Futures and Options Exchange		
Do	Missouri Joint Municipal Electric Utility Commission	720.00	
Do	Pasminco	67.50	14.00
Do	Philip Morris Management Corp		
Do	Profilo Holding A.S.		
Do	Sacramento Municipal Utility District		
Do	State Farm Mutual Automobile Insurance Co	885.00	
Do	Tennessee Valley Public Power Assn		
ATOCHEM North America, Three Parkway Philadelphia, PA 19102			6,451.25
Victor Bach, 105 East 22nd Street New York, NY 10010	Community Service Society	1,151.12	847.21
Sheila Bair, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Edward R. Bajer, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	587.50	
Baker & Hostetler, 1050 Connecticut Ave., NW, #1100 Washington, DC 20036	Mitsui & Co (U.S.A.), Inc	1,596.25	
Patricia A. Baldi, 801 Pennsylvania Avenue, SE Washington, DC 20003	National Audubon Society		420.00
Stanley W. Balis, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
William L. Ball III, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	1,250.00	
William Lewis Ball, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	2,776.98
Jack L. Ballard, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004	Central & South West Services, Inc	1,820.50	65.03
Thomas M. Balmer, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Kathryn Bannan, 1300 I Street, NW, #520-W Washington, DC 20005-3314	Hoffmann-La Roche, Inc		
Baraff Koerner Olender & Hochberg, P.C., 5335 Wisconsin Avenue, NW, #300 Washington, DC 20015-2003	College Football Association		
Do	Football Bowl Assn		
Do	National Assn of Collegiate Directors of Athletics		
Do	National Basketball Assn	1,500.00	
Do	National Hockey League	1,300.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Barnes Richardson & Colburn, 1819 H St., NW, #400 Washington, DC 20006	Abbott Laboratories		93.28
Do	American International Knitters Corp		
Do	Commonwealth Garment Manufacturing Co		
Do	J.G. Durand International		67.82
Do	Florida Citrus Mutual		153.67
Do	Industrial Fastener Equity Committee	55.30	
Do	Marion Merrell Dow, Inc	1,003.75	4.04
Do	Polaroid Corp		173.13
Larry P. Barnett, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	17,717.71	
Linda L. Bartlett, 1341 G Street, NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	750.00	
Patricia L. Bartlett, 700 13th Street, NW, #800 Washington, DC 20005	Georgia Institute of Technology	1,650.00	
Jim Bates, 3246 Quesada Street, NW Washington, DC 20015	Hasstech	3,920.00	25.00
Do	Parking Company of America		
Do	Pyramids		
Richard M. Bates, 1101 17th St. NW, #501 Washington, DC 20036	Disney Worldwide Services, Inc	45,000.00	811.55
Catharine R. Batky, 801 Pennsylvania Ave., NW, #220 Washington, DC 20004-2604	Burlington Northern Railroad Co	1,750.00	704.54
Ellen Battistelli, 2010 Massachusetts Ave., NW, 5th Floor Washington, DC 20036	Planned Parenthood Federation of America	1,541.48	45.79
Stacey Beckhardt, 750 17th Street, NW, #1100 Washington, DC 20006	American Society of Clinical Oncology		
David Beier, 1747 Pennsylvania Ave., NW, #1223 Washington, DC 20006	Genentech, Inc	3,000.00	1,049.11
Robert R. Belair, 1800 M Street, NW South Lobby, 9th Floor Washington, DC 20036	Kirkpatrick & Lockhart (For:Center for Civic Education)	2,724.66	210.41
Do	Kirkpatrick & Lockhart (For:Constitutuinal Rights Foundation)	2,724.66	210.41
Do	Kirkpatrick & Lockhart (For:National Institute for Citizen Education in the Law)	2,724.66	210.41
Joe Belew, 1000 Wilson Boulevard, 30th floor Arlington, VA 22209-3908	Consumer Bankers Assn		
Michael A. Bell, 1801 K Street, NW Washington, DC 20036	Price Waterhouse (For:Hillenbrand Industries)		
Terre Belt, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	1,250.00	
Daniel J. Bennet, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
William Berger, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
Paul C. Bergson, 1325 Pennsylvania Ave., NW, #500 Washington, DC 20004	Bergson & Company (For:RJR Nabisco)		
Jessica Berk, 1600 M Street, NW Washington, DC 20036	Investment Company Institute	55.80	60.90
Antoinette C. Berkely, P.O. Box 2972 Washington, DC 20013			
William R. Berman, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Mary E. Bernhard, 1615 H St., NW Washington, DC 20062	Chamber of Commerce of the U.S.	298.00	
Zalman C. Bernstein, Sanford C. Bernstein & Co, Inc 767 Fifth Avenue New York, NY 10153			
Willard M. Berry, 1625 K Street, NW, #1090 Washington, DC 20006	National Foreign Trade Council, Inc	5,000.00	1,100.00
Beveridge & Diamond, P.C., 1350 Eye Street, NW, #700 Washington, DC 20005	Pacific Dunlop-GNB		
Do	RSR Corp		
Beverly Enterprises, Inc, 1631 Woodstock Street, N Arlington, VA 22207			25,259.75
Sheldon D. Beychok, 2237 South Acadian Thruway, #801 Baton Rouge, LA 70808	Community Health Network of Louisiana, Inc		
Do	Lamar Corporation		
Do	Ramsay Hospital Corporation of Louisiana, Inc		
Heidi Biggs, 1250 Connecticut Ave, NW, #200 Washington, DC 20036	American Forest Resource Alliance	1,500.00	
Birch Horton Bittner and Cherot, 1155 Connecticut Ave., NW, #1200 Washington, DC 20036	Duquesne Light		
Joseph W. Blackburn, P.O. Box 55727 2222 Arlington Ave., So. Birmingham, AL 35255	Sirote & Permutt (For:Health Care Coalition)		
Bev D. Blackwood, 1899 L Street, NW, #1100 Washington, DC 20036	Exxon Corporation		
John B. Blount Jr., 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	636.36
Joanne Blum, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	9,869.70	211.00
Louis Blumberg, 900 - 17th Street NW Washington, DC 20006	Wilderness Society	347.29	
Seth M. Bodner, 386 Park Avenue South New York, NY 10016	National Knitwear & Sportswear Assn	1,500.00	
Robert Z. Bohan, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn		
Michael J. Bolen, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Robert Bonnie, 216 7th Street, SE Washington, DC 20003	Scenic America	750.00	225.00
Laurence D. Bory, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,681.25	
Bostrom Corp, 808 17th Street, NW, #200 Washington, DC 20006	Association for Commuter Transportation, Inc (ACT)	62.50	
Do	Fire Equipment Manufacturers & Services Assn, Inc		
Michael Bowers, 1100 17th Strret, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	2,838.00	
Gina M. Bowman, P.O. Box 7305, Dept. 178 Kansas City, MO 64116	Farmland Industries, Inc		
Lavinia Boxill, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	1,045.00	
Carolyn A. Boyer, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Philip B. Boyer, 421 Aviation Way Frederick, MD 21701	Aircraft Owners & Pilots Assn	2,250.00	
Raymond F. Bragg Jr., 1025 Thomas Jefferson Street, NW, #700-E Washington, DC 20007	Federal Strategies (For:American Independent Refiners Assn)	450.00	169.07
Do	Legislative Strategies (For:Associated Aviation Underwriters)		
Do	Bridge Products		
Do	Legislative Strategies (For:Cogeneration & Independent Power Coalition of America, Inc).		
Do	Legislative Strategies (For:Consolidated Natural Gas Co)	300.00	407.19
Do	Legislative Strategies (For:Globos International, Inc)		
Do	Legislative Strategies (For:National Hydropower Assn)	937.50	60.09
Do	Legislative Strategies (For:Natural Gas Vehicle Coalition)		
Do	Texas-New Mexico Power Company		
Do	Legislative Strategies (For:Tosco Corp)	412.50	66.42
George W. Breece, P.O. Box 2801 Fayetteville, NC 28302	American State of the Art Prosthetic Assn	1,000.00	824.00
Carolyn L. Brehm, 1660 L Street, NW Washington, DC 20036	General Motors Corp	3,000.00	1,019.26
Franklin K. Breselor, 150 State Street Albany, NY 12207	Orange & Rockland Utilities, Inc		
Donald K. Brown, 1121 L St., #810 Sacramento, CA 95814	Crowley Maritime Corp		
Do	Summa Corporation		
Doreen L. Brown, 1726 M Street NW Washington, DC 20036	Consumers for World Trade		
James P. Brown, 232 N. Kingshighway, #202 St. Louis, MO 63108	Bi-State Development Agency	4,500.00	1,825.00
Do	City of St. Louis - City Hall	8,000.00	2,975.00
Do	Lambert-St. Louis International Airport	22,000.00	7,825.00
John J. Brown, 50 E Street, SE Washington, DC 20003	John J. Brown & Associates (For:Labor Management Committee of the Tobacco Institute).	1,000.00	900.00
Julia B. Brown, 1725 K Street, NW, #914 Washington, DC 20006	Alliance to Save Energy		
Lori D. Brown, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	953.72	105.00
Kenley W. Brunsdale, P.O. Box 510210 215 S. State St., 12th Fl. Salt Lake City, UT 84151	Fabian & Clendenin (For:Envirocare of Utah, Inc)	6,328.35	1,096.01
Do	Fabian & Clendenin (For:Thompson Medical, Inc)	1,140.00	1,362.93
Do	Fabian & Clendenin (For:Wasatch County)	20,588.75	6,558.43
Barbara L. Bryant, 1101 17th Street, NW, #1000 Washington, DC 20036	American Physical Therapy Assn, Private Practice Section		
Dawn M. Brydon, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Judith A. Buckalew, 1300 Eye Street, NW, #520-W Washington, DC 20005	Hoffmann-La Roche	5,500.00	208.89
Roy C. Buckner, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
J. Bruce Bugg Jr., 660 N. Main Ave., #350 San Antonio, TX 78205	J. Bruce Bugg, Jr., P.C. (For:Karnes Savings and Loan Assn)		
Ann Garver Bulcao, 600 Pennsylvania Ave., SE, #211 Washington, DC 20003	National Assn of Casualty and Surety Agents	1,500.00	95.61
Thomas J. Bulger, Government Relations, Inc 1620 Eye Street, NW, #300 Washington, DC 20006	County of Fairfax	28,600.00	16,420.00
Do	County of San Mateo	15,000.00	6,400.00
Do	Metropolitan Transportation Commission	26,749.98	17,800.00
Do	Oakland County	8,721.25	8,950.00
Barbara G. Burchett, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
Bruce W. Burgess, 807 Maine Ave., SW Washington, DC 20024	Disabled American Veterans	11,223.20	
Diane B. Burke, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	13,511.16	440.25
J. J. Burke Jr., 40 E. Broadway Butte, MT 59701	Montana Power Co		139.52
Larry D. Burton, 1776 Eye Street, NW, #1000 Washington, DC 20006	BP America, Inc	4,700.00	490.00
James J. Butera, 1275 Pennsylvania Avenue, NW Washington, DC 20004	Federal Home Loan Bank of Boston	3,000.00	
Do	Federal Home Loan Bank of New York	3,000.00	
Sydney J. Butler, 900 Seventeenth Street, NW Washington, DC 20006	Wilderness Society		
William Byler Associates, Inc, 1155 Conn. Ave., NW, #300 Washington, DC 20036	Ak-Chin Indian Community Council	84.57	
Do	Havasupai Tribal Council		
Do	San Carlos Apache Tribe	3,942.48	
John R. Cady, 1401 New York Avenue, NW, #400 Washington, DC 20005	National Food Processors Assn	600.00	100.00
Bruce P. Cameron, 1725 17th Street, NW, #109 Washington, DC 20006	Embassy of Mozambique	55,000.00	1,578.00
Do	Embassy of Nicaragua	7,500.00	1,578.00
Do	Estna Center		
Campaign for Uni-Comp, 6459 Santina Way St. Augstine, FL 32095			
Anne D. Campbell, 1101 30th Street, NW, #500 Washington, DC 20007	Campbell Falk & Selby (For:Commonwealth of Puerto Rico)		
Jeanne Campbell, Campbell-Raupe, Inc 1010 Pennsylvania Avenue, SE Washington, DC 20003	Boston Edison		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Campbell-Raupe, Inc (For:Coalition for Affordable Home Financing)		
Do	Coalition for Affordable Home Financing		
Do	National Auctioneers Assn		
Campbell Falk & Selby, 1101 30th Street, NW, #500 Washington, DC 20007	Commonwealth of Puerto Rico		4,593.86
Sharon M. Canavan, 1125 15th St., NW Washington, DC 20005	Mortgage Bankers Assn of America	15,150.00	544.33
Anne C. Canfield, 1331 Pennsylvania Ave., NW, #800-South Washington, DC 20004	General Electric Co	525.00	
Charles Hollister Cantus, 555 13th Street, NW, #450 west Washington, DC 20004	Union Pacific Corp	8,000.00	592.38
Melissa Coggeshall Carey, 3415 North 21st Ave. Arlington, VA 22207	Harris Corporation	907.24	371.90
William Carney, 217 3rd St., SE Washington, DC 20003	American Nuclear Energy Council	20,000.00	
Do	Edison Electric Institute	29,000.00	
John R. Carter, 1000 Wilson Blvd., #2600 Arlington, VA 22209	TRW, Inc		
Susan B. Carver, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	2,500.00	1,064.24
Robert Cashdollar, 1000 16th Street, NW, #702 Washington, DC 20036	Cashdollar-Jones & Company (For:Council on Education Research & Development).		
Cassidy and Associates, Inc, 700 13th St., NW, #400 Washington, DC 20005	Jones Intercable, Inc		
Do	Kerr-McGee		
Do	Massachusetts Corp for Education Telecommunication		
Mark A. Casso, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	912.50	
John J. Castellani, 1000 Wilson Boulevard, #2700 Arlington, VA 22209	TRW, Inc		
Rita L. Castle, 100 NE Adams Street Peoria, IL 61629	Caterpillar, Inc	9,450.00	1,535.00
G. Thomas Cator, 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates (For:American Industrial Hygiene Assn)	1,500.00	1,500.00
Do	Neece Cator & Associates, Inc (For:Association of Small Business Development Centers).		
Do	Neece, Cator & Associates (For:Design Professional Coalition)		
Do	Neece Cator & Associates (For:Hazardous Waste Action Coalition)	1,300.00	1,300.00
Do	Neece Cator & Associates (For:National Assn of Development Companies)		
Do	Neece Cator & Associates, Inc (For:Southeastern Lumber Manufacturers Assn)	2,000.00	2,000.00
Robert S. Cave, 11094-D Lee Highway, #102 Fairfax, VA 22030	American Public Gas Assn	219.62	13.00
Cement Kiln Recycling Coalition, 1101 30th Street, NW 5th Floor Washington, DC 20007			
Center for Law and Education, Inc, 955 Massachusetts Ave., #3A Cambridge, MA 02139		15,557.65	60.97
Walton M. Chalmers II, 122 C Street, NW, #500-A Washington, DC 20001	Fujisawa Pharmaceutical Co		
Michael D. Chapman, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,705.50
Christopher Chiames, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	13,354.47	
Jane Dunn Cirrincione, 555 13th Street, NW, #900-E Washington, DC 20004	National Hydropower Assn	8,875.02	66.10
Citizens Comm for the Right to Keep & Bear Arms, Liberty Park, 12500 NE Tenth Place Bellevue, WA 98005		432,142.97	185,293.63
Citizens Political Action Committee, P.O. Box 645 228 South A Street, #2 Oxnard, CA 93032			
Julie Clark, 1625 K St., NW, #800 Washington, DC 20006	National Legal Aid & Defenders Assn	13,252.98	46.50
Lynn C. Clark, 1411 K Street, NW, #603 Washington, DC 20005	District of Columbia Chamber of Commerce	975.00	
Robert G. Clark, 400 Madison St., #1908 Alexandria, VA 22314	Ryder Systems, Inc		
Michelle C. Clay, 8630 Fenton Street, #615 Silver Spring, MD 20910	Brown & Associates	3,000.00	1,275.00
Clean America!, 1825 Connecticut Ave., NW, #200 Washington, DC 20009	Magic Spout, Inc		
Clohan & Dean, 1101 Vermont Ave., NW, #400 Washington, DC 20005	Very Special Arts	375.00	
Guy Clough, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	16,332.61	
Coalition of Americans to Protect Sports (CAPS), 200 Castlewood Drive North Palm Beach, FL 33408			
Coalition to Stop Gun Violence, 100 Maryland Ave., NE Washington, DC 20002		142,831.00	15,877.00
Sharon Cohen, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,374.00	767.86
Collier Shannon & Scott, 3050 K Street, NW, #400 Washington, DC 20007	North American Reassurance Corp		
Paula J. Collins, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	9,410.38	200.00
Dominique Colon, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		12.00
Committee for Fair Trade with China, Evergreen Point Rd., Box 288 Medina, WA 98039			
Community Service Society, 105 East 22nd Street New York, NY 10010			2,846.03
Conference of State Bank Supervisors, 1015 18th St., NW Washington, DC 20036			3,407.50
John L. Conley, 2200 Mill Road Alexandria, VA 22314	National Tank Truck Carriers, Inc		100.00
Francis J. Conners, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	4,710.66	
Consumers for World Trade, 1726 M Street, NW Washington, DC 20036		28,650.00	19,956.78
John J. Contney, Suite B 1130 E. Hallandale Blvd. Hallandale, FL 33009	Textile Rental Services Assn of America		
Edward Cooney, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center	414.30	
Stephen H. Cooper, 74 North Pearl St. Albany, NY 12207	Hospital Assn of New York State	769.00	2,694.00
Maria C. Cordone, 1300 Connecticut Ave, NW Washington, DC 20036	International Assn of Machinists and Aerospace Workers	14,575.41	551.97
David L. Cornwell, 10530 Rosehaven Street, #500 Fairfax, VA 22030	Wackenhut Corporation		
Michael E. Costello, 1620 L Street, NW, #1200 Washington, DC 20036	Panhandle Eastern Corp		903.28
Cotten Day & Selfon, 1899 L Street, NW, #1200 Washington, DC 20036	American Samoa Government		
Coudert Brothers, 1627 I Street, NW Washington, DC 20006	British Columbia, Province of, (Office of Attorney General)	8,359.76	
Walter Couillard, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	8,476.65	
Council of American Homeowners, 7927 Jones Branch Drive, #600-S McLean, VA 22102			
Council on Alternate Fuels, 1225 Eye St., NW, #320 Washington, DC 20005			
C. Deming Cowles, 6th Floor 1050 Thomas Jefferson Street, NW Washington, DC 20007	Fairbanks/North Star Borough		
William C. Cramer, 5396 Gulf Boulevard, #1102 St Peterburg, FL 33706	Cramer & Haber, P.C. (For:Canaveral Port Authority)		
Cramer & Haber, P.C., 5396 Gulf Boulevard, #1102 St. Petersburg, FL 33706	Canaveral Port Authority	2,250.00	
Joseph F. Crangle, 1250 Statler Towers Buffalo, NY 14202	Block & Colucci, PC	40,000.00	2,748.00
Creative Coalition, 1100 Avenue of the Americas, 15th Floor New York, NY 10036			
Ken A. Crerar, 316 Pennsylvania Ave., SE, #400 Washington, DC 20003	National Assn of Casualty & Surety Agents		4,448.87
Crop Insurance Research Bureau, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268			
Pete Cruz, P.O. Box 1000-476 Duluth, MN 55814			
Brien F. Culhane, 5752 Drake Ct., #371 Alexandria, VA 22311	Wilderness Society		
John T. Curran, 905 16th St., NW Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	20,900.01	564.70
Do	National Coordinating Comm for Multiemployer Plans		
Robert J. Cushman, 1776 G Street P.O.Box 37347 Washington, DC 20013	Federal Home Loan Mortgage Corp		
Jay B. Cutler, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	8,107.00	448.78
CR Associates, 317 Massachusetts Ave., NE, #100 Washington, DC 20002	Alzheimer's Assn	1,831.25	
Do	American Assn for Dental Research	958.50	
Do	Association of Academic Health Sciences Library Directors	100.00	
Do	Association of University Programs in Health Administration	489.00	
Do	Conjoint Comm on Diagnostic Radiology	1,200.00	
Do	Delta Dental Plans Assn	1,200.00	
Do	Medical Library Assn	100.00	
Do	National Assn of State Long Term Care Ombusman Programs	100.00	
CRS, P.O. Box 118 Cold Spring Harbor, NY 11724-0118			
Jim Daniels, 4759 S. Conway Rd. Orlando, FL 32812	National Assn of State Farm Agents		
Mark C. Darrell, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
Drew M. Davis, 1101 16th St., NW Washington, DC 20036	National Soft Drink Assn	653.76	40.00
Richard S. Davis, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond, P.C. (For:City of Bluefield, WV, et al.)		
Davis Wright & Tremaine, 701 Pennsylvania Avenue, NW, #600 Washington, DC 20004	Spaceport Florida Authority		
Do	Turner Broadcasting System	86.00	
Donald S. Dawson, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Michael Gaughan		
Do	Opticians Assn of America		
Do	Virgin Islands Gift & Fashion Shop Assn		
Do	Virgin Islands Merchants Assn		
Harry F. Day, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Gaston De Bearn, 1300 Eye Street, NW, #520-W Washington, DC 20005-3314	Hoffmann-La Roche, Inc		
O. Mark De Michele, 400 N. 5th Street Phoenix, AZ 85004	Arizona Public Service Company		
Mitchell Delk, 1776 G Street, NW P.O.Box 37347 Washington, DC 20013	Federal Home Loan Mortgage Corp		
James L. Denson, 1250 Connecticut Ave., NW, #319 Washington, DC 20036	Allpoints International, Inc (For:Republic of Bophuthatawana)	10,000.00	85.00
Dewey Ballantine, 1775 Pennsylvania Ave., NW, #500 Washington, DC 20006	Amax, Inc		
Do	Bankers Trust Co		
Do	Bell Atlantic Corp		
Do	Beneficial Corporation		
Do	Bristol-Myers Squibb Corp		
Do	Catholic Health Assn of the U.S.		
Do	Cellular Telecommunications Industry Assn		
Do	Chase Manhattan Corp		
Do	Children of Alcoholics Foundations, Inc		
Do	Chrysler Corporation		
Do	Federal National Mortgage Assn		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Federation of American Health Systems	1,080.00	
Do	Ft. Howard Corp		
Do	General Electric Co		
Do	General Electric Pension Trust		
Do	General Reinsurance Corp		
Do	Glaxo, Inc		
Do	Hanschell Inniss, Ltd		
Do	Health Insurance Assn of America, Inc		
Do	Hershey Foods Corp		
Do	Household International	1,800.00	
Do	IT&T		
Do	Labor-Industry Coalition for International Trade		2,983.00
Do	McCormack Baron & Associates	1,440.00	
Do	McCown De Leeuw & Company		
Do	Morgan Stanley Group, Inc		
Do	National Assn of Wholesaler-Distributors		
Do	Norfolk Southern Corp		
Do	NYNEX Corp		
Do	Paramount Communications, Inc		
Do	Pfizer, Inc		
Do	Piedmont Environmental Services	1,800.00	
Do	Premark International		
Do	Prudential Insurance Co of America		
Do	Semiconductor Industry Association	5,676.63	
Do	Seton Hall University		
Do	Teachers Insurance & Annuity Assn of America		
Do	Tribune Broadcasting Co		
Do	U.S. Coalition for Fair Lumber Imports		
Do	U.S. Telephone Assn		
Do	Union Pacific Corp		
Do	United States Surgical Corporation		
Do	Walt Disney Co		
Do	West Indies Rum & Spirits Producers Assn		
Do	Xerox Corp	5,400.00	
David P. Dexter, 1000 Connecticut Ave., NW, #1202 Washington, DC 20036	Wildlife Legislative Fund of America	5,200.00	
Rodney DeLoach, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
Martin L. DePoy, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	2,083.84
Dickstein Shapiro & Morin, 2101 L St., NW Washington, DC 20037	Advance Publications		
Do	American Greyhound Track Operators Assn	8,714.29	
Do	Apple Computer Corp		
Do	Avondale Industries, Inc	517.50	
Do	ABD Securities Corp		
Do	Bear Stearns & Co		
Do	Boundary Gas, Inc		
Do	BATMAN Corp		
Do	C-3, Inc		
Do	Car Audio Specialists Assn (CASA)		
Do	Embassy of Malaysia		
Do	Federal National Mortgage Assn	5,310.63	
Do	Federated Cash Management Systems	7,500.00	
Do	First Annapolis Savings Bank F.S.B.		
Do	Guess, Inc		
Do	Harbour Group Ltd	950.00	
Do	Home Box Office, Inc		
Do	Illinois Dept of Children & Family Services		
Do	Iroquois Gas, Inc	2,326.00	
Do	IPP Working Group	3,256.25	
Do	Marine Engineers' Beneficial Assn		
Do	Medtronic, Inc	1,182.50	
Do	J. P. Morgan Securities, Inc		
Do	Newport Group		
Do	North Carolina Dept of Natural Resources and Community Devlp		
Do	Ocean State Power		
Do	Paulucci Enterprises	534.00	
Do	Sea Hawk Seafoods, Inc	3,600.00	
Do	State of Connecticut		
Do	States of Arkansas, et al.		
Thomas C. Diederich, 2170 Piedmont Road, NE Atlanta, GA 30324	Orkin Exterminating Co, Inc		332.48
Joseph J. DioGuardi, 50 Baraud Road Scarsdale, NY 10583	Albanian American Civic League		
Barbara A. Dixon, 1600 Eye Street, NW Washington, DC 20006	Motion Picture Assn of America, Inc	1,290.00	245.48
Dixon Arnett Associates, 905 16th Street, NW, #310 Washington, DC 20006	Foundation Health Corp	6,000.00	6,642.36
Do	Institute for Clinical PET		
Do	Southern California Rapid Transit District (SCRTD)	4,000.00	6,272.20
Nicholas J. DiMichael, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League		
Nancy A. Donaldson, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	11,000.00	379.65
Paul Donnellan, 1128 16th Street, NW Washington, DC 20036	American International Automobile Dealers Assn	7,875.00	
Sally S. Donner, 1341 G Street NW, 9th Floor Washington, DC 20005	Kraft General Foods, Inc	1,666.67	
Donohue & Associates, Inc, 11240 Waples Hill Road, #100 Fairfax, VA 22030			
David L. Donovan, 1200 18th Street, NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Brad L. Doores, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc	4,000.00	
Doris Day Animal League, 900 2nd Street, NE, #303 Washington, DC 20002		192,964.00	76,050.00
James A. Dorsch, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Dorsey & Whitney, 1330 Connecticut Ave., NW, #200 Washington, DC 20036	Guam Commission on Self Determination		
Fran Du Melle, 1726 M Street, NW, #902 Washington, DC 20036	American Lung Assn	2,890.00	10,593.00
John Dudinsky Jr., 15 3rd St., NE Washington, DC 20002	Central Florida Research Park	1,000.00	250.00
Do	Greater Orlando Aviation Authority	3,000.00	350.00
Do	Hvide Shipping, Inc	2,000.00	250.00
Juanita D. Duggan, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn	600.00	100.00
Duncan & Allen, 1575 Eye Street, NW Washington, DC 20005	Colorado River Energy Distributors Assn		
William C. Dunning, P.O. Box 619500 Dallas, TX 75261	Caltex Petroleum Corp		
Douglas A. Durante, 7315 Wisconsin Avenue, NW, #515 East Bethesda, MD 20814	Clean Fuels Development Coalition	6,000.00	
Chris Durbin, 1630 Duke Street Alexandria, VA 22314-3465	National Rural Letter Carriers Assn	3,846.00	164.00
Katherine M. Dutilh, 1100 Connecticut Ave., NW, #1300 Washington, DC 20036-4101	Milliken & Company	5,000.00	1,700.00
Dutko & Associates, 412 First St., SE, #100 Washington, DC 20003	American Iron & Steel Institute	300.00	
Do	American Nuclear Energy Council		
Do	Association of Progressive Rental Organizations	5,000.00	
Do	Bedford Properties	15,000.00	70.00
Do	Building Industry Assn of Southern California	40,000.00	2,673.87
Do	Chickasha Cotton Oil Co		
Do	Citgo Petroleum Corp	5,000.00	1,859.28
Do	Communications Satellite Corp	20,000.00	912.51
Do	Construction Industry Air Quality Coalition (CIAQC)	20,000.00	334.51
Do	Council for Solid Waste Solutions	120,000.00	2,624.72
Do	DSC Communications Corp	22,281.25	1,545.40
Do	Haldor-Topsoe, Inc	20,000.00	862.81
Do	Hart-Culp International		
Do	International Arid Lands Consortium		
Do	International Telecharge, Inc		
Do	Jewish National Fund	20,000.00	5,176.03
Do	Mexican American Free Trade Assn		
Do	National Cellular Resellers Assn	6,666.66	892.07
Do	PacifiCare Health Systems	22,500.00	3,726.85
Do	Paramount Communications, Inc	11,250.00	
Do	Phoenix Mutual Life Insurance	40,000.00	596.44

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Polyisocyanurate Insulation Manufacturers Assn (PIMA)	17,825.00	247.00
Do	Rmax, Inc	375.00	
Do	Satellite Broadcasting & Communications Assn	22,500.00	663.02
Do	Sims Walker... (for Creditors Alliance for Freight ...)	37,463.53	470.34
Do	SICPA Industries of America, Inc	10,000.00	140.00
Do	Waste Conversion Systems, Inc		
Denis J. Dwyer, 1155 15th St., NW, #400 Washington, DC 20005	McNair Group, Inc	9,375.00	
James W. Dyer, 1341 G Street, NW, #900 Washington, DC 20005	Philip Morris Management Corp		
Dyer Ellis Joseph & Mills, 600 New Hampshire Ave., NW, #1000 Washington, DC 20037	Apex Marine Corp		
Do	ARCO Marine Co, Inc	3,330.00	196.08
Do	Liberty Maritime Corporation	21,900.00	197.10
Do	Medical Care International, Inc		
Do	REN Corporation, USA	8,670.00	286.16
Do	Surgical Care Affiliates, Inc		
Do	T/2 Medical, Inc		
Robert Edgell, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	3,413.08	
Jane Elder, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club		
Law Offices of Peter L Eleey, 304 Victory Road Marina Bay, MA 02171	Dana Farber Cancer Institute		
Do	Fox Chase Cancer Center		
Do	Fred Hutchinson Cancer Research Center		
Do	Kenneth Norris Jr. Comprehensive Cancer Center		
Dorothy A. Ellsworth, 1300 Connecticut Ave., NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	16,657.61	
Employee Relocation Council, 1720 N St., NW Washington, DC 20036			
Ronald K. Ence, One Thomas Circle, NW, #950 Washington, DC 20005-5802	Independent Bankers Assn of America	20,625.00	319.32
End Notch Discrimination, P.O. Box 3630 59 West La Sierra Drive Arcadia, CA 91006-3630			300.00
Energy Fuels Nuclear, Inc, One Tabor Center, #2500 1200 17th Street Denver, CO 80202		32,394.40	
Richard Engram Jr., P.O. Box 506 Merchants & Miners Bank Bldg. Welch, WV 24801			
J. Barry Epperson, 324 Main Mall, #900 Tulsa, OK 74103	Associated Wire Rope Fabricators		4,375.98
Cheryl Anthony Epps, 1110 North Glebe Road, #200 Arlington, VA 22201	International Assn of Chiefs of Police	11,545.86	1,054.26
Epstein Becker & Green, P.C., 1227 25th Street, NW, #800 Washington, DC 20037	AEtna Life & Casualty		2,120.00
Do	Northwestern National Life Insurance Co		1,060.00
Do	PKR Foundation		265.00
Do	Southern California Edison Co		2,782.50
Paul A. Equale, 600 Pennsylvania Ave., SE, #200 Washington, DC 20003	Independent Insurance Agents of America, Inc	40,546.00	
Erisa Industry Committee, 1400 L Street, NW, #350 Washington, DC 20005		90,100.00	187.50
John T. Estes, 2300 N St., NW, #600 Washington, DC 20037	International Council of Cruise Lines	1,000.00	520.00
Elaine Evans, 555 13th Street, NW, #900-E Washington, DC 20004	National Hydropower Assn	19,800.00	50.00
Rae Forker Evans, 1615 L Street, NW, #1220 Washington, DC 20036	Hallmark Cards, Inc		
Paul K. Eyer, 300 5th Street, NE Washington, DC 20002	American Osteopathic Assn	2,500.00	
Faegre & Benson, 1140 Connecticut Ave, NW, #500 Washington, DC 20036	Church Alliance	3,283.75	2,446.06
Do	Lutheran General Health Care System	277.50	251.59
Roger C. Fairchild, 14500 Avion Parkway, #300 Chantilly, VA 22021	TechLaw, Inc (For:Shutler & Low (for: Nissan R&D, Inc))	24,465.00	76.70
Christopher Falkenberg, 709 D Street, SE Washington, DC 20003	Kessler & Associates (For:Upjohn Corp)		
F. S. Fallon Jr., 4202 West Waters Avenue, #3-4 Tampa, FL 33614			
Joseph B. Fallon, 1825 Connecticut Ave., NW, #200 Washington, DC 20009	Clean America		
Do	Trees America!		
Renelda Moorehead Fallon, 1825 Connecticut Ave., NW, #200 Washington, DC 20009	Trees America!		
David M. Farmer, 1629 K Street, NW, #1010 Washington, DC 20006	Alliance of American Insurers		1,445.00
Greg Farmer, 801 Pennsylvania Ave., NW, #700 Washington, DC 20004	Northern Telecom, Inc		1,445.00
William D. Fay, 1001 19th St. North, #800 Arlington, VA 22209	National Coal Assn	5,880.00	2,328.34
Do	Product Liability Coordinating Committee	4,600.00	866.78
Kenrick Fealing, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	7,930.00	257.90
Federal Judges Association, Suite 110 111 West Washington Street Chicago, IL 60602-2768		40,250.00	33,757.47
Federation of Behavioral Psychological & Cognitive Sciences, 1200 17th Street, NW Washington, DC 20036			
Claudia Feller, 1200 17th Street, NW Washington, DC 20036	Federation of Behavioral Psychological & Cognitive Sciences		
Mimi A. Feller, 1100 Wilson Blvd Arlington, VA 22209	Gannett Co., Inc	1,800.00	430.00
Stephen Fenoglio, P.O. Box 1148 Austin, TX 78767	Clark Thomas Winters & Newton (For:State Mutual Insurance Company)		
Denise G. Ferguson, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	13,524.00	672.00
James H. Ferguson, 2310 Trott Avenue Reston, VA 22181	Institute of Electrical & Electronics Engineers	7,500.00	
Robert J. Fersh, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center	285.99	
Amy M. Finan, 818 Connecticut Ave., NW, #303 Washington, DC 20006	National Assn for Biomedical Research	180.00	
Fire Equipment Manufacturers & Services Assn, Inc, 808 17th Street, NW, #200 Washington, DC 20006-3953			
Donald Fix, 2100 Pennsylvania Ave., NW, #710 Washington, DC 20037	Hyjek & Fix, Inc (For:Canadair Challenger, Inc)	1,500.00	
Do	Hyjek & Fix, Inc (For:Defence Equipment & Systems, Ltd)	1,250.00	
Do	Hyjek & Fix, Inc (For:NEI Thompson Ltd)	1,500.00	1,979.39
Do	Hyjek & Fix, Inc (For:Short Brothers (USA), Inc)	1,750.00	
Veronica M. Floyd, 3306 Fallen Tree Court Alexandria, VA 22310	Brunswick Corp	5,431.25	339.94
Mark A. Forman, 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	1,250.00	
Larry Forrester, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos	75.00	
Richard D. Fortin, 1275 K Street, NW, #850 Washington, DC 20005-4006	National Industrial Transportation League	350.00	10.00
Maria Foscarinis, 918 F Street, NW, #412 Washington, DC 20004	National Law Center on Homelessness and Poverty		
John P. Foster, 6459 Santina Way St Augustine, FL 32095	Campaign for Uni-Comp		
Fox Bennett & Turner, 750 17th Street, NW, #1100 Washington, DC 20006	American Soc of Clinical Oncology		
Do	Bristol-Myers Co		
Do	Fisons Corp		
Do	Healthcare Management Alternatives, Inc		
Do	Hoffmann-La Roche, Inc		60.00
Do	Johnson & Johnson		
Do	Lederle-Praxis Biologicals		
Do	Memorial Sloan-Kettering Cancer Center		
Do	National Coalition for Cancer Research		
Do	New MediCo Associates, Inc		
Do	Pickens County Medical Center		
Do	Serono Laboratories, Inc		
Do	Wireless Cable Assn, Inc		50.00
Phillip L. Fraas, 1 Massachusetts Avenue, N.W., #800 Washington, DC 20001	McLeod & Pires (For:American Soybean Assn)		
Do	McLeod & Pires (For:First South Production Credit Assn)	5,136.00	65.05
Do	Milk Industry Foundation		
Leslie C. Francis, 1000 Potomac St., NW, #401 Washington, DC 20007	FMR Group (For:Hazelwood Farms Bakeries, Inc)		
Do	National Passenger Traffic Assn		
Do	Francis Associates, Ltd (For:Southern California Edison Co & Pacific Gas & Electric).		
Michael Francis, 900 17th Street, NW Washington, DC 20006	Wilderness Society	1,208.33	59.89
Marc Freedman, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Mary Ann Freeman, 1331 Pennsylvania Ave, NW Washington, DC 20005	General Electric Co	429.00	
Gay H. Friedmann, 655 15th Street, NW, #300 Washington, DC 20005	Northern States Power Company	6,000.00	
Charles H. Fritts, P.O. Box 37347 Washington, DC 20013	Federal Home Loan Mortgage Corp	1,900.00	29.80
Jeffrey Fritzlen, 555 13th Street, NW, #450-W Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	633.54
Pattison Fulton, 601 Pennsylvania Ave., #900-W Washington, DC 20004	CH2M Hill	319.00	407.25
Do	League to Save Lake Tahoe	185.80	108.91
Do	Northern California Power Agency	1,167.17	172.56
Do	Sacramento Area Flood Control Agency	1,542.00	113.39
Do	Solano Water Authority	1,805.00	126.67
Harold W. Furman, 3050 K Street, NW Washington, DC 20007	Collier Shannon & Scott (For:Basic Management, Inc)	10,755.00	
Do	Collier Shannon & Scott (For:Central Basin Municipal Water District)	1,910.00	
Do	Collier Shannon & Scott (For:Central Utah Water Conservancy District)	13,846.25	
Do	Collier Shannon & Scott (For:Comdisco Medical Leasing Group, Inc)	950.00	
Do	Collier Shannon & Scott (For:Florida Lime & Avocado Trustees)	13,442.50	
Do	Collier Shannon & Scott (For:Granite Rock Company)		
Do	Collier Shannon & Scott (For:Riverside Resort & Casino)	2,750.00	
Do	Collier Shannon & Scott (For:South Dade Land Corp)	1,600.00	
Do	Collier Shannon & Scott (For:Spelman & Co)		
Do	Collier Shannon & Scott (For:Summit Engineering Corp)		
Do	Collier Shannon & Scott (For:West Basin Municipal Water District)	10,675.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
FMR Group, Inc, 1000 Potomac Street, NW, #401 Washington, DC 20007	National Coalition of Burn Center Hospitals		
Do	Songwriters Guild of America		
Floyd D. Gaibler, 888 16th Street, NW Washington, DC 20006-4103	American Butter Institute/National Cheese Institute		
Galland Kharasch Morse & Garfinkle, P.C., 1054 31st Street, NW Second Floor Washington, DC 20007	Air Jamaica, Ltd		
Do	National Assn of Theatre Owners		
Do	Soule Corp		
Do	South Africa Sugar Association	131.25	
Do	Textile Rental Services Assn of America		
John Paul Galles, 1155 15th St., NW, #710 Washington, DC 20005	National Small Business United	1,000.00	
Curtis B. Gans, 421 New Jersey Avenue, SE Washington, DC 20003	Committee for the Study of the American Electorate	82,552.50	1,001.07
Gardner Carton & Douglas, 1301 K Street, NW Washington, DC 20005	Minnesota Mining & Manufacturing Co		
Do	Pharmaceutical Aerosol CFC Coalition		
Sara G. Garland, 137 13th St., NE Washington, DC 20002	National Assn of Public Television Stations	3,675.00	175.00
Do	North Dakota Agricultural Products Utilization Commission, e		
Do	Prairie Public Broadcasting, Inc	1,500.00	
Do	Rapoza Associates	3,000.00	
Do	University of North Dakota	6,354.00	350.00
Lee D. Garrigan, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	2,100.00	
Theodore J. Garrish, 11 Canal Center, #250 Alexandria, VA 22314	Flanagan Group, Inc (For:American Nuclear Energy Council)	1,000.00	385.91
Do	Flanagan Group, Inc (For:California Desert Coalition)	912.00	
Garvey Schubert & Barer, 1000 Potomac Street, NW Washington, DC 20007	American Iron & Steel Institute		
Do	Canadian Embassy	2,187.37	
Do	City of Aberdeen	31,746.65	
Do	Early Winters Resorts, Inc	131.63	
Do	Ministry of the Environment	8,055.76	
Do	Province of Manitoba Department of Natural Resources	681.26	
Do	Space Industries, Inc		
Do	Totem Ocean Trailer Express, Inc	8,898.00	
Karl Gawell, 1400 16th St., NW, #320 Washington, DC 20036	Zero Population Growth	724.00	
Karen M. Geers, 370 L'Enfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America		
Craig Gehrke, 900 17th Street, NW Washington, DC 20006	Wilderness Society		
William A. Geoghegan, 1200 18th Street, NW Washington, DC 20036	Securities Industry Assn	3,700.00	
Karl O. Gilbert, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
Richard Gilbert, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,222.00	
Annelise Gillespie, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	1,200.00	
Dorothy M. Gillman, One Thomas Circle, NW, #950 Washington, DC 20005	Independent Bankers Assn of America	10,250.00	1,374.19
Maureen Gilman, 901 E St., NW, #600 Washington, DC 20004	National Treasury Employees Union	16,000.00	887.70
Tod I. Gimbel, 1341 G Street, NW, #900 Washington, DC 20005	Miller Brewing Company	600.00	225.00
Mark R. Ginsberg, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	2,318.00	
Gerard Giovaniello, 777 14th St., NW Washington, DC 20005	National Assn of Realtors	2,500.00	1,324.53
Brenda M. Girton, 901 East Capitol Street, SE Washington, DC 20003	American Assn for Counseling & Development	13,651.00	
Lisa Glantz, 801 Pennsylvania Ave., SE Washington, DC 20003	National Audubon Society	1,750.00	600.00
George E. Glasier, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc		
Katherine Gleeson, 1400 Sixteenth Street, NW, #320 Washington, DC 20036	Zero Population Growth, Inc	314.00	
Global USA, Inc, 2121 K St., NW, #650 Washington, DC 20037	All Nippon Airways Co, Ltd		
Do	Convex Computer Corp	43.26	
Do	Fanuc, Ltd		
Do	Hitachi, Ltd		
Do	Hyundai Motor America	480.76	
Do	Japan Fed of Construction Contractors, Inc		
Do	Komatsu Ltd		
Do	Kyocera Corporation		
Do	Mazak Corporation	216.34	
Do	Murata Machinery, Ltd		
Do	South Louisiana Port Commission		
Do	Teco Transport & Trade Corp		
Jere W. Glover, 1725 K Street, NW, #308 Washington, DC 20006	Fair Franchising Coalition		
Do	National Assn for the Self-Employed	4,000.00	41.35
Horace D. Godfrey, 910 16th St., NW, S-402 Washington, DC 20006	Godfrey Associates, Inc		
Godfrey Associates, Inc, 15 Golf Course Road Littleton, NC 27850			
Judith M. Goff, P.O. Box 130092 St. Paul, MN 55113	Farm Credit Services	500.00	882.00
Allen Goldberg, 1010 Wisconsin Avenue, NW, #800 Washington, DC 20007	Grocery Manufacturers of America, Inc		
Brenda J. Gore, 1000 Wilson Blvd., 2600 Arlington, VA 22209	TRW, Inc	43.50	44.15
Dr. Kevin C. Gottlieb, Box 434 Rockville, MD 20848	Gottlieb & Associates, Inc	5,000.00	535.00
Margaret A. Gottlieb, 1101 17th Street, NW, #705 Washington, DC 20036	Direct Marketing Assn		
George B. Gould III, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	13,627.75	2,267.02
Graham & James, 2000 M Street, NW, #700 Washington, DC 20036	Contact Lens Manufacturers Assn		
Gerald W. Grandey, One Tabor Center, #2500 1200 Seventeenth Street Denver, CO 80202	Energy Fuels Nuclear, Inc	2,000.00	771.28
Grange Mutual Casualty Co, 650 South Front Street Columbus, OH 43206			
Greater Washington Educational Telecommunications Assn, P.O.Box 2626 Washington, DC 20013		190.00	
Phyllis Greenberger, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	3,481.00	1,529.85
Anne Greenfield, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
R.T. Gregg, 900 19th Street, NW, #800 Washington, DC 20006	U.S. Telephone Assn	200.00	
Janice M. Gregory, 1400 L St., #350 Washington, DC 20005	ERISA Industry Committee		
Lori Gribbin, 1128 16th Street, NW Washington, DC 20036	American International Automobile Dealers Assn	18,000.00	
James W. Griffith, 7027 Tara Drive Villa Rica, GA 30180	Voters, Inc		
Randy Griggs, 1052 Highway 431 North Dothan, AL 36303	Alabama Farmers Federation	600.00	834.89
Kenneth A. Guenther, One Thomas Circle, NW, #950 Washington, DC 20005	Independent Bankers Assn of America	46,325.00	
Ned H. Guthrie, 209 Hayes Avenue Charleston, WV 25314	American Fed of Musicians	4,254.25	2,376.67
Z. Lou Guttman, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	1,000.00	284.00
John F. Haifley, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Hale and Dorr, 1455 Pennsylvania Ave., NW, #1000 Washington, DC 20004	National Corp for Housing Partnerships	352.00	
Do	Pine Street Inn		
Do	Riverview Towers Limited Partnership	208.00	
Do	State Street Development Corp		
Angelynn Hall, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	15,865.67	
William W. Hamilton Jr., 2010 Massachusetts Ave., NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	908.73	
Gregory L. Hammond, 5010 Wisconsin Ave., NW, #118 Washington, DC 20016	National Staff Leasing Assn		
William A. Hanbury, One Lincoln Center, #1180 Syracuse, NY 13202	Cookfair Spector & Hanbury (For:Oneida Indian Nation)	1,687.50	2,809.83
Handgun Control, Inc, 1225 Eye Street, NW, #1100 Washington, DC 20005		2,33,550.00	1,800,160.00
Eric R. Hanson, 1321 Duke Street, #200 Alexandria, VA 22314-3563	U.S. Strategies Corp (For:Healthsouth Rehabilitation Corp)		
Harker Firm, 2021 K Street, NW, #310 Washington, DC 20006	International Bottled Water Assn	9,629.14	25,212.62
Robert L. Harris, 608 Massachusetts Ave., NE Washington, DC 20002	Jefferson Group, Inc (For:Alumax, Inc)		
Do	Nutter & Harris (For:Childrens Health Systems)		
Do	Jefferson Group (For:Conundrum Joint Venture)		
Do	Jefferson Group, Inc (For:Doe Run Co)		
Do	Nutter & Harris (For:Lead Industries Assn)	1,850.00	50.00
Do	Jefferson Group (For:Lockheed Corp)		
Do	Jefferson Group, Inc (For:Zinc Corporation of America)		
Clifford J. Harvison, 2200 Mill Rd. Alexandria, VA 22314	National Tank Truck Carriers, Inc		150.00
Charles E. Hawkins III, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Edmund S. Hawley, 555 13th St., NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corp	12,500.00	
Mark F. Haynes, 1627 K Stret, NW, #300 Washington, DC 20006	Fluor Corporation	5,000.00	849.16
Holly Elisabeth Hazard, 900 2nd Street, NE, #303 Washington, DC 20002	Doris Day Animal League	2,805.00	2,805.00
Health Insurance Assn of America, Inc, 1025 Connecticut Ave., NW Washington, DC 20036		227.54	227.54
Brian Keith Heard, 201 Massachusetts Ave., NE, #C-4 Washington, DC 20002	National Corn Growers Assn	4,688.00	
James B. Hedlund, 1200 18th St., NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Robert M. Heine, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	139.13	
Richard Helfer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
Richard L. Hellwege, 1225 Jefferson Davis Highway, #1100 Arlington, VA 22202	Smiths Industries	700.00	225.00
Charlotte W. Herbert, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Barbara L. Hiden, 1101 16th Street, NW Washington, DC 20036	National Soft Drink Assn	429.73	26.00
Hal D. Hiemstra, 216 7th Street SE, Washington, DC 20003	Scenic America	1,000.00	600.00
Arthur William Hillman, 1235 Jefferson Davis Highway, #606 Arlington, VA 22202	National Utility Contractors Assn	8,000.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Grace L. Hinchman, 1331 Pennsylvania Ave., NW, #600-2 Washington, DC 20004	Digital Equipment Corp	18,590.50	
Hobbs Straus Dean & Wilder, 1819 H St., NW, #800 Washington, DC 20006	Bristol Bay Area Health Corp	60.00	36.00
Do	Kodiak Area Native Assn		
Do	Maniilaq Assn	150.00	
Do	Metlakatla Indian Community	170.00	8.00
Do	Miccosukee Tribe of Indians of Florida	200.00	16.00
Do	Mississippi Band Choctaw Indians	50.00	
Do	Norton Sound Health Corp	190.00	16.00
Do	Oglala Sioux Tribe		
Do	Oglala Sioux Tribe Public Safety Commission		
Philip A. Hogue, 2230 Gallows Rd., #200 Dunn Loring, VA 22027	International Technical Expertise Ltd		
William J. Holayter, 1300 Connecticut Avenue, NW Washington, DC 20036	International Assn of Machinists & Aerospace Workers	9,161.68	
Holland & Knight, 888 17th St., NW, #900 Washington, DC 20006	Carnival Cruise Lines		
Holt Miller & Associates, 2111 Wilson Blvd., #531 Arlington, VA 22201-3008	Ada Software Alliance (ASA)	1,908.89	1,059.00
Do	American Council of International Personnel	3,750.00	549.83
Do	AmBase Corp		
Do	Fruit Growers League of Jackson County		
Do	Home Insurance Co	2,499.00	213.53
Do	Irish Immigration Reform Movement	260.00	42.13
Homeport Information Task Force, 130 Bay Street Staten Island, NY 10301		2,250.00	873.82
Tom Hoog, 901 31st Street, NW Washington, DC 20007	Hill & Knowlton (For:Colorado State University)		
Do	Hill & Knowlton (For:McAndrews & Forbes Holdings, Inc)		
Do	Hill & Knowlton (For:Phillips Petroleum)		
Do	Hill & Knowlton (For:Tera Computer Company)		
Hoog & Associates, 1050 17th Street, #2200 Denver, CO 80265-2201	ASSE International		
Do	Colorado State University		
Do	Interfacts		
Do	McAndrews & Forbes Holdings, Inc		
Do	Myrias Research Corp		
Do	Phillips Petroleum Co		
Do	Tera Computer Company		
Do	United Technologies Corporation		
Michael J. Hoogendyk, 706 E. Bell Road, #101 Phoenix, AZ 85022	National Assn of Mortgage Brokers	3,804.17	3,804.17
Karen A. Hoover, 2111 Jefferson Davis Highway Apt. 407 Arlington, VA 22202	American Maritime Officers Service		
Mark Hopkins, 1725 K St., NW, #914 Washington, DC 20006	Alliance to Save Energy		
Hopkins & Sutter (Washington), 888 16th Street, NW, 6th floor Washington, DC 20006	Farm Credit Bank of Texas	42,192.50	5,418.14
Do	Federal Agricultural Mortgage Corp (Farmer Mac)	7,706.25	325.22
Do	U.S. Sugar Corp	4,585.00	1,346.65
Do	Washington Consulting Group	8,343.75	434.10
Hospital Association of New York State, 74 N. Pearl St. Albany, NY 12207		3,874.00	3,874.00
John Howard, 1615 H Street, NW Washington, DC 20062	U.S. Chamber of Commerce		
Howe Anderson & Steyer, 2020 K St., NW, #800 Washington, DC 20006	Association of Bituminous Contractors		
Do	Classroom Publishers Assn		
Do	First Co		
Do	Industrial Diamond Assn		
Do	National Assn of Theatre Owners		
Do	Optical Manufacturers Assn		
Do	Textile Rental Services Assn of America		
Mary Lynch Howell, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	1,500.00	200.00
Betty Hudson, 1627 K Street, NW, #300 Washington, DC 20006	Fluor Corporation	15,000.00	611.78
Steven D. Huff, 111 East Wisconsin Avenue, #1800 Milwaukee, WI 53202	National Employee Benefits Institute		
Peter W. Hughes, 7927 Jones Branch Drive, #600-S McLean, VA 22102	Council of American Homeowners	3,000.00	
Vester T. Hughes Jr., 1717 Main Street, Suite 2800 Dallas, TX 75201	Holly Corp		
Robert L. Hulkill, 7013 Krick Road Bedford, OH 44146	Hulkill Chemical Corp (For:Cement Kiln Recycling Coalition)		
Brett Hulsey, Midwest Office 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	1,275.00	241.84
Gregory A. Humphrey, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	20,976.60	424.00
W.N. Hunter & Associates, 2104-A Gallows Road Vienna, VA 22180			2,000.00
Hunton & Williams, 2000 Pennsylvania Ave., NW, #9000 Washington, DC 20036	Long Island Lighting Co	1,000.00	
Steven M. Hyjek, 2100 Pennsylvania Ave., NW, #560 Washington, DC 20037	Hyjek & Fix, Inc (For:Canadair Challenger, Inc)	1,500.00	1,231.90
Do	Hyjek & Fix, Inc (For:Defence Equipment & Systems)	1,250.00	234.90
Do	Hyjek & Fix, Inc (For:NEI Thompson LTD.)	1,500.00	
Do	Hyjek & Fix, Inc (For:Short Brothers (USA), Inc)	1,750.00	152.27
I & J Associates, 4400 Massachusetts Ave., NW #648 Anderson Washington, DC 20016-8101			
I.S.I. Enterprises, Inc, 7312 Western Ave. Chevy Chase, MD 20815	Comoil		
Independent Data Communications Manufacturers Assn, c/o Squire Sanders & Dempsey 1201 Pennsylvania Ave., NW Washington, DC 20004.			
Independent Insurance Agents of America, Inc, 127 S. Peyton Street Alexandria, VA 22314		45,843.00	45,843.00
Institute for Responsible Housing Preservation, 2300 M Street, NW, #400 Washington, DC 20037		2,000.00	2,000.00
Int'l Union, United Auto Aerospace & Agric Implement Workers, Workers of America (uaw) 8000 E. Jefferson Avenue Detroit, MI 48214.		139,040.52	139,040.52
International Assn of Machinists & Aerospace Workers, 1300 Connecticut Ave., NW Washington, DC 20036			40,394.70
International Business-Government Counsellors, Inc, 818 Connecticut Ave., NW, #1200 Washington, DC 20006	Procter & Gamble	468.75	
International Communications Industries Assn, 3150 Spring Street Fairfax, VA 22031-2399		319,348.00	2,757.00
Investment Counsel Assn of America, Inc, 20 Exchange Place New York, NY 10005			
Edrie Irvine, 7430 Second Avenue, #300 Detroit, MI 48202	Motor Vehicle Manufacturers Assn of the U.S., Inc	343.00	
Ivins Phillips & Barker, Chtd, 1700 Pennsylvania Ave., NW, #600 Washington, DC 20006	Oberlin College		
Al Jackson, 100 Indiana Avenue, NW Washington, DC 20001	National Assn of Letter Carriers	11,525.15	
Benjamin R. Jackson, 14500 Avion Parkway,#300 Chantilly, VA 22021	TechLaw (For:Shutler & Low (for Nissan Research & Development))	21,850.00	423.80
Kelleen W. Jackson, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	2,060.00	768.54
Jeff P. Jacobs, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	1,200.00	
Khalil E. Jahshan, 2033 M Street, NW, #300 Washington, DC 20036	National Assn of Arab Americans	1,750.00	1,273.00
Mona M. Janopaul, 1101 14th Street, #1400 Washington, DC 20005	Miller Balis & O'Neil (For:American Public Gas Assn (APGA))	921.50	68.33
Jar-Mon Consultants, 214 Massachusetts Ave., NE #300 Washington, DC 20002	American Business Council, Inc		
Do	American Freedom Coalition		
Do	Christian Voice, Inc	30,000.00	
Debra Levin Jardot, 1101 Connecticut Ave., NW, #404 Washington, DC 20036	Disney Worldwide Services, Inc	5,000.00	101.75
Edwin S. Jayne Jr., 1625 L Street, NW Washington, DC 20036	American Federation of State County & Municipal Emp(AFSCME)	15,509.62	589.42
Wendell Jeffreys, 245 N. Waco P.O. Box 2940 Wichita, KS 67201-2940	Wichita District Farm Credit Council		
Jellinek Schwartz Connolly & Freshman, Inc, 1015 15th Street, NW, #500 Washington, DC 20005	Adolph Coors Co		
Do	ASARCO, Inc	250,355.00	10,414.00
Do	Cement Kiln Recycling Coalition		
Do	Los Angeles County Sanitation District	7,649.00	238.00
Do	National Assn of Wheat Growers, et al.		
Do	National Independent Energy Producers	5,847.00	285.00
Do	Rhone-Poulenc Ag Co		
Do	Union Pacific Corp		
Do	Waste Management Lawncare		
Linda Jenckes, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc	74.40	
Ira F. Jersey Jr., 648 Anderson Washington, DC 20016-8101	I & J Associates		
Karen Jettmar, 430 W. 7th Avenue, #210 Anchorage, AK 99501	Wilderness Society		
David H. Johnson, 1200 17th Street, NW Washington, DC 20036	Federation of Behavioral Psychological & Cognitive Sciences		
Jane Leonard Johnson, P.O. Box 19109 Greensboro, NC 27419	Unifi, Inc		
Nancie S. Johnson, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Johnson & Gibbs, P.C., 1301 K Street, NW, #800 East Washington, DC 20005-3307	EPIC Healthcare Group, Inc		
Do	Redman Industries		
Barbara W. Johnston, 1401 I Street, NW, #200 Washington, DC 20005	BHP-UTAH International, Inc		
Theodore L. Jones, P.O. Box 65122 Baton Rouge, LA 70896	United Companies Life Insurance Companies		
Do	United Illuminating Co		
Jones Day Reavis & Pogue, 1450 G Street, NW, #700 Washington, DC 20005-2088	Chevy Chase Savings Bank		
Do	Citadel Holding Corp		
Do	Day Kimball Hospital		
Do	Embassy of the People's Republic of China		
Do	First Church of Christ-Scientists		
Do	Genetech	490.80	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	International Telecharge, Inc		
Do	Laurel Industries, Inc		
Do	Los Angeles County		8.00
Do	National Assn of State Auditors Comptrollers & Treasurers		
Do	Royal Trustco Ltd		
Do	RJR Nabisco, Inc	2,376.50	24.00
Do	State Assn of County Retirement Systems		
Do	SCM Corp		
Do	Telecommunications, Inc		
Do	Westinghouse Electric Corp	787.59	
Do	Windham Community Memorial Hospital, Inc		
Hans Kaehler, P.O. Box 118 Cold Spring Harbor, NY 11724			
Laurel B. Kamen, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	11,842.88	28.50
Linda Heller Kamm, 1875 Connecticut Ave., NW, #710 Washington, DC 20009	Women's Legal Defense Fund		331.03
James L. Kane Jr., 1315 Vincent Place Mclean, VA 22101			
Donald J. Kaniewski, 905 16th St., NW Washington, DC 20006	Laborers' Intl Union of North America, AFL-CIO	17,010.00	599.10
Dennis R. Kanin, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	American Insurance Assn	2,145.00	1,557.03
Do	Cambridge Redevelopment Authority	825.00	457.75
Do	Humane Society of the U.S., et al.		
Do	Iroquois Gas Transmission Systems	962.50	
Do	National Venture Capital Assn		
Do	Thermedics, Inc		
James W. Kanouse, 1700 North Moore Street, 21st Floor Rosslyn, VA 22209	Boeing Company	6,109.82	2,494.09
George Kassouf, 1601 Connecticut Avenue, NW, #600 Washington, DC 20009	Alliance for Justice	2,979.68	
Ghana R. Kaulius, 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:ASSE International)		
Do	Hill & Knowlton (For:Colorado State University)		
Do	Hill & Knowlton (For:Tera Computer Company)		
Everett E. Kavanaugh, 1101 - 17th Street, NW, #300 Washington, DC 20005	Cosmetic Toiletry & Fragrance Assn, Inc		
Bronwen A. Kaye, 1575 Eye St., NW, #200 Washington, DC 20005	American Cyanamid Co	266.16	95.45
Kaye Scholer Fierman Hays & Handler, 901 15th St., NW, #1100 Washington, DC 20005	American Nuclear Energy Council		
Do	Benjamin Moore & Co		81.00
Do	Robert Bosch Corp		
Do	Brown Brothers Harriman & Co		
Do	Carlon Company		
Do	City of Newport Beach		
Do	Dow Chemical Co		
Do	Eastern Air Lines, Inc		
Do	Educational Media, Inc		
Do	Goldman Sachs & Co		
Do	GAF Corporation		
Do	Hartford Insurance Group		
Do	Kraft, Inc		
Do	Londontown Corporation		
Do	Michigan Consolidated Gas Co		
Do	Morgan Guaranty Trust Co of New York		
Do	Pepsico		75.00
Do	Siemens Medical Systems, Inc		
Do	Spanish Broadcasting System	15,075.00	3,768.75
Do	Texaco, Inc		
Do	U.S. Industrial Fabric Institute		
Do	United Television, Inc		
Do	Westwood One, Inc		
Catherine M. Keane, 1667 K Street, NW, #800 Washington, DC 20006	Williams Companies, Inc		
David L. Keating, 7322 Piney Branch Rd. Takoma Park, MD 20912	National Taxpayers Union	4,038.00	
J. Michael Keeling, ESOP Association 1100 17th Steet, NW, #1207 Washington, DC 20036	ESOP Association of America		
Do	National Assn of Royalty Owners, Inc		
Do	Small Business Council of America		
Jane M. Keffer, 1150 Connecticut Ave., NW, #507 Washington, DC 20036	Wallace & Edwards	1,600.00	
Susan Keith, 201 Massachusetts Ave., NE, #C-4 Washington, DC 20002	National Corn Growers Assn	3,438.00	
Donald E. Kelly, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037	Society of Real Estate Appraisers	1,750.00	
Harold V. Kelly, 1025 Thomas Jefferson St., NW, #511 W. Washington, DC 20007	Republic Engineered Steels, Inc		
John A. Kelly, 1025 Thomas Jefferson St., NW, #105 Washington, DC 20007	Perdue Farms Inc	12,375.00	
Susan N. Kelly, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))		
William N. Kelly, Norwest Center-Sixth & Marquette Minneapolis, MN 55479-1032	Norwest Corporation	4,000.00	2,300.00
Mark L. Kemmer, 1660 L Street, NW, #401 Washington, DC 20036	General Motors Corp	3,000.00	2,571.83
Art Kennedy, P.O. Box 200576 Anchorage, AK 99520	Koniag, Inc	23,950.00	8,389.06
J. H. Kent, 1825 K Street, NW, #305 Washington, DC 20006	American Soc of Plastic & Reconstructive Surgery	3,000.00	1,409.30
Do	American Supply Association	3,000.00	704.68
Do	International Assn of Airport Duty Free Stores	1,000.00	448.13
Do	National Customs Brokers & Forwarders Assn of America	5,847.50	3,138.85
Do	Kent & O'Connor, Inc (For:Vista Chemical Company)	10,440.00	3,715.39
T. Michael Kerr, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	14,789.16	128.29
Margaret Kerry, 105 East 22nd Street New York, NY 10010	Community Service Society	111.79	234.00
Carolyn Kiely, 1015 Fifteenth Street, NW Washington, DC 20005	American Consulting Engineers Council	1,301.25	59.85
John J. Killeen, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Kilpatrick & Cody, 700 13th Street, NW, #800 Washington, DC 20005-3960	Chicago Research & Trading Group, Ltd		
Do	Federal Express		
Do	Forest Farmers Assn	1,404.00	32.00
Do	Georgia Tech Research Corp		
Do	Granite Industrial Development		
Do	Greenpeace USA		
Do	Kootznoowoo, Inc		
Do	U.S. Sprint Telecommunications Co	4,159.50	17.00
Do	United Airlines, Inc		
Do	University of Georgia	1,548.00	
King & Spalding, 1730 Pennsylvania Ave., NW, #1200 Washington, DC 20006	Electromagnetic Sciences Inc (EMS)		
Roger P. Kingsley, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Peter C. Kirby, 900 17th Street, NW Washington, DC 20006	Wilderness Society		
Kirkland & Ellis, 655 15th Street, NW, #1200 Washington, DC 20005	Corning Glass		
Do	General Motors Corp	1,282.50	
Do	Management Insights, Inc	1,024.50	
Do	Service Master		
Do	Valhi, Inc		
Kirkpatrick & Lockhart, 1800 M St., NW, S. Lobby, #900 Washington, DC 20036	Search Group, Inc	7,371.00	823.37
Sam Kito Jr., P.O. Box 210575 Anchorage, AK 99521-0575	Kito, Inc (For:North Slope Borough)		
Jerry D. Klepner, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	25,749.78	2,112.84
Andre M. Kliczak, P.O.Box 1000-165 Duluth, MN 55814			
Anthony J. Knettel, 1400 L Street, NW, #350 Washington, DC 20005	Erisa Industry Committee		
Bruce Knight, 415 Second Street, NE, #300 Washington, DC 20002	National Assn of Wheat Growers	1,125.00	
Mark S. Knouse, 555 Thirteenth Street, NW, #450 West Washington, DC 20004	Union Pacific Corp	13,750.00	965.62
C. Neal Knox, Neal Knox Associates Box 6537 Silver Spring, MD 20906		10,000.00	11.00
Darrell Knuffke, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society	900.83	
Kirk Koepsel, 23 North Scott Sherican, WY 82801	Sierra Club	4,469.50	4,469.50
Karen K. Kohl, 370 L'Fnfant Promenade, SW, #800 Washington, DC 20024	Concerned Women for America Legislative Action Committee		
Gary J. Kohn, One Thomas Circle, NW, #950 Washington, DC 20005	Independent Bankers Assn of America	17,500.00	806.00
Michael S. Koleda, 1225 Eye St., NW, #320 Washington, DC 20005	Council on Alternate Fuels		
Timothy S. Kolly, 2805 Meadow Vista Drive Charlottesville, VA 22906	Worrell Enterprises, Inc		
Koniag, Inc, 4300 B Street, #407 Anchorage, AK 99503			110,494.90
George S. Kopp, 2121 K Street, NW, #650 Washington, DC 20037	Global USA, Inc (For:Earth Observation Satellite Co)	288.46	
Stephen M. Koslow, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Jermone J. Kozak, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Kurrus & Kirchner, P.C., 1055 Thomas Jefferson St., NW, #418 Washington, DC 20007	American Pilots' Assn		
Do	St. Lawrence Seaway Pilots Assn		
Ruth M. Kurtz, 5517 Chevy Chase Pkwy., NW Washington, DC 20015	French & Company (For:Montgomery Ward & Co, Inc)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James M. Kuszaj, P.O. Box 31608 Raleigh, NC 27615	Dow Chemical USA		
Kutak Rock & Campbell, 1101 Connecticut Ave., NW, #1000 Washington, DC 20036	Capital Markets Assurance Corporation		92.53
Do	Financial Security Assurance		92.53
Do	Louisiana Public Facilities	29,218.46	18,477.79
Do	Municipal Bond Insurance Assn		404.26
Do	Smith Barney Harris Upham & Co		1,761.45
John R. Kyte, 1455 Pennsylvania Avenue, NW, #1000 Washington, DC 20004	New England Council, Inc		
Labor Policy Assn, Inc, 1015 15th St., NW, #1200 Washington, DC 20005		933.00	933.00
Labor-Management Maritime Committee, Inc, 444 Capitol Street, 8th Fl Washington, DC 20001		16,269.00	4,398.00
Laborers' Intl Union of North America, AFL-CIO, 905 16th St., NW Washington, DC 20006			39,033.81
Janice R. Lachance, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	3,514.90	
Bruce C. Ladd Jr., 1350 I Street, NW Washington, DC 20005	Motorola, Inc	16,500.00	101.00
Ellen C. Lamb, 1015 18th St., NW Washington, DC 20036	Conference of State Bank Supervisors		
Robert Lamb, 1627 Eye St., NW, #1000 Washington, DC 20006	McGuire Woods Battle & Boothe (For:Chlorine Institute)		
Do	McGuire Woods Battle & Boothe (For:Combined Sewer Overflow)		
Do	James River Corp	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Occidental Chemical Corp)	5,000.00	
Do	Potlatch Corp	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Solite Corp)	5,000.00	
Do	McGuire Woods Battle & Boothe (For:Sun Co, Inc)	5,000.00	
David P. Lambert, 1800 K St., NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
David R. Lambert, 1030 15th St., NW, #964 Washington, DC 20005	American Seed Trade Assn	5,000.00	
Jill Lancelot, 7100 Sycamore Avenue Takoma Park, MD 20912	National Taxpayers Union	5,192.00	
Robert D. Landis, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
George D. Lapointe, 444 North Capitol Washington, DC 20001	International Assn of Fish and Wildlife Agencies	11,134.22	109.63
Terry K. Laughlin, One Thomas Circle, NW, #900 Washington, DC 20005	Imrex Company, Inc		
Daniel Lauwers, 1840 Wilson Blvd Arlington, VA 22201	National Milk Producers Federation	1,701.55	
John M. Lawson, 1350 Connecticut Ave., NW #200 Washington, DC 20036	Assn of America's Public TV Stations	3,250.00	41.00
Richard L. Lawson, 1130 17th St., NW Washington, DC 20036	National Coal Assn	3,300.00	
Barbara Leach, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		42.00
Leadership Conference on Civil Rights, 2027 Massachusetts Ave., NW Washington, DC 20036		94,703.39	79,889.17
League of American Investors, 600 Hampshire Road, #200 Westlake Village, CA 91361			
Alisa J. Learner, 1100 Connecticut Ave., NW Washington, DC 20036	Chrysler Corporation	4,725.00	738.00
Gerard Lavery Lederer, 900 19th Street, NW, #800 Washington, DC 20006	U.S. Telephone Assn	200.00	
Legislative Strategies, 1025 Thomas Jefferson Street, NW, #700-E Washington, DC 20007	American Independent Refiners Assn	1,350.00	518.16
Do	Associated Aviation Underwriters		
Do	Bridge Products		
Do	Cogeneration & Independent Power Coalition of America, Inc	560.00	274.88
Do	Consolidated Natural Gas Service Co, Inc	900.00	345.44
Do	Globos International, Inc		
Do	National Hydropower Assn	3,037.50	1,182.58
Do	Natural Gas Vehicle Coalition	243.75	111.67
Do	Texas-New Mexico Power Company		
Do	Tosco Corporation	1,537.50	612.42
Arnold H. Leibowitz, 1707 H Street, NW, #500 Washington, DC 20036	Cameron Hornbostel & Butterman (For:Hebrew Immigrant Aid Society (HIAS))	13,500.00	2,434.33
Jerris Leonard, 1000 Thomas Jefferson St., NW, #609 . Washington, DC 20007	Leonard Ralston Stanton & Danks (For:Krueger, Inc)	13,595.24	
Charles L. Leppert, P.O.Box 1000 P.M.B. 721 Duluth, MN 55814			
Craig S. Lesser, 23/333 Piedmont Ave Atlanta, GA 30308	Georgia Power Co		
Robert John Levering, 1101 17th St., NW, #705 Washington, DC 20036	Direct Marketing Assn	1,000.00	1,000.00
Robert B. Levethal, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Barbara W. Levine, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	634.50	
David R. Levinson, 1133 15th Street, NW, #1200 Washington, DC 20005	Office & Professional Employees Intl Union, Local 2, AFL-CIO	79.00	79.00
Herbert J. Levy, 1614 King St. Alexandria, VA 22314	National Assn of Housing Cooperatives		
Lawson LeGate, 177 East 900 South, #102 Salt Lake City, UT 84111	Sierra Club	749.65	1,041.58
Robert G. Liberatore, 1100 Connecticut Avenue, NW, #930 Washington, DC 20036	Chrysler Corporation	6,252.00	468.00
Liberty Council, c/o Eligio Castro Calle Habana N-15 EXT Forest Hills Bayamoiy, PR 00619			200.00
William C. Lienesch, 238 10th St., SE Washington, DC 20003	Wilderness Society	300.00	8.70
Julienne Wood Lindley, 1725 17th Street, NW, #109 Washington, DC 20009	Bruce P. Cameron (For:Embassy of Mozambique)	1,485.00	
Do	Bruce P. Cameron (For:Embassy of Nicaragua)	1,485.00	
Do	Bruce P. Cameron (For:Estna Center)	742.00	
Lipsen Whitten & Diamond, 1725 DeSales St., NW, #800 Washington, DC 20036	Federal Record Service Corp	3,000.00	
Do	Health Trust, Inc	17,000.00	
Do	National Rural Letter Carriers Assn	2,000.00	
Do	Olivetti USA, Inc	1,000.00	
Do	Pioneer Seed Co, Inc	10,000.00	787.00
Do	Rolls Royce, Inc	7,500.00	
Do	RJR Nabisco Washington, Inc	10,000.00	
Do	Westinghouse Electric Corp	5,000.00	
David A. Litvin, 1600 M Street, NW, #700 Washington, DC 20036	Kennecott Corporation	300.00	596.56
Leslie Loble, 1925 K St., NW Washington, DC 20006	Communications Workers of America		
Linda A. Long, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:Coalition for Affordable Home Financing).		
Do	Montgomery McCracken Walker & Rhoads (For:National Republican Institute for International Affairs).		
Robert S. Long, 1130 17th Street, NW Washington, DC 20036	National Coal Assn	7,500.00	1,374.16
Gerald D. Lore, 1300 I St., NW, Suite 520 West Washington, DC 20005	Hoffmann-La Roche, Inc		
James Lovell, 20361 Middlebelt Livonia, MI 48152	National Hearing Aid Society		
Mark A. Lowman, 1201 K Street, #800 Scaramento, CA 95814	California Assn of Hospitals and Health Systems	10,000.00	1,465.00
Mrs. Freddie H. Lucas, 1660 L St., NW, Suite 400 Washington, DC 20036	General Motors Corp	3,000.00	1,581.45
Gene A. Lucero, 633 West 5th Street, #3500 Los Angeles, CA 90071	Sidley & Austin (For:General Electric Capital Corp)	6,712.50	1,757.54
Do	National Commercial Finance Assn (NCFA)	2,502.50	
David H. Lynch, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors		
William T. Lyons, 1747 Pennsylvania Ave., NW, #700 Washington, DC 20006	Ciba-Geigy Corp	6,050.00	8,533.00
Robb S. Mackie II, 1004 Duke Street Alexandria, VA 22314	American Subcontractors Assn	1,800.00	
Gordon MacDonald, 315 E Street, SE Washington, DC 20003	National Taxpayers Union	3,567.00	
Madison Public Affairs Group/Earle Palmer Brown, 2033 M Street, NW, #900 Washington, DC 20036	Philip Morris, USA		
Paul J. Magliocchetti, 9527 Wallingford Drive Burke, VA 22015	Paul J. Magliocchetti Associates, Inc (For:Hughes Aircraft Company)		
Do	Paul Magliocchetti Associates, Inc (For:United Technologies Corporation)		
Robert W. Maher, 1133 21st Street, NW, 3rd Floor Washington, DC 20036	Cellular Telecommunications Industry Assn (CTIA)	4,628.00	
Walter B. Maher, 1100 Connecticut Ave., NW, #900 Washington, DC 20036	Chrysler Corporation	1,998.00	450.00
James E. Mahoney, 2200 Concord Pike Wilmington, DE 19899	Rollins Jamaica Ltd	18,250.00	2,370.00
Donald W. Mann, 60 B Fraklin Street Tenafly, NJ 07670	Negative Population Growth, Inc	500.00	
Richard M. Manning, 1600 Rhode Island Ave., NW Washington, DC 20036	National Rifle Assn of America		
Mark Mansour, 2033 M Street, NW, #300 Washington, DC 20036-3399	National Assn of Arab Americans		
John V. Maraney, 324 East Capitol St., NE Washington, DC 20003	National Star Route Mail Contractors Assn		
Marc L. Marks, 1801 K Street, NW, #800 Washington, DC 20006	Westinghouse Electric Corp		
Chalmers H. Marquis, 1350 Connecticut Avenue, NW, #200 Washington, DC 20036	Association for Public Broadcasting	3,000.00	109.82
Robert L. Martin, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.		
Anna M. Maschino, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors	625.00	
Noel D. Matchett, 1001 Spring St., #123 Silver Spring, MD 20910	Information Security, Inc	10.00	
Herbert S. Matthews, 2500 Q Street, NW, #228 Washington, DC 20007	Martin Marietta Corp	3,900.00	
Mary E. McAuliffe, 555 Thirteenth Street, NW, #450 West Columbia Square Washington, DC 20004	Union Pacific Corp	13,750.00	1,854.11
McAuliffe Kelly & Raffaelli, 1341 G Street, NW, 2nd Floor Washington, DC 20005	Arlington Cancer Center	1,000.00	
Do	COSTEP	1,000.00	
Do	Dallas/Ft. Worth Railtran System		
Do	Dean Witter Realty, Inc	3,000.00	
Do	Diagnostic Retrieval Systems	800.00	
Do	Lloyd's U.S.		
Do	National Greyhound Assn	400.00	
Do	National Telephone Services, Inc	1,500.00	
Do	Philip Morris Co		
Do	Seafarers International Union	1,200.00	
Do	Union Labor Life Insurance Co	1,000.00	
Katherine S. McCarter, 1015 15th Street, NW Washington, DC 20005	American Public Health Assn	2,566.00	

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
James A. McCarthy, 1401 New York Ave., NW, #400 Washington, DC 20005	National Food Processors Assn	600.00	100.00
Todd McCracken, 1155 15th Street, NW, #710 Washington, DC 20005	National Small Business United	7,750.00	
Edgar H. McCulloch III, 1313 L Street, NW Washington, DC 20005	Service Employees International Union	9,815.00	354.55
John H. McCutcheon II, 240 9th Street, NE Washington, DC 20002	National Taxpayers Union	1,672.00	
Francis O. McDermott, 888 16th Street, N.W. Suite 624A Washington, DC 20006	Hopkins Sutter Hamel & Park (For:Association Management Corp)		
Marianne McDermott, 1350 New York Avenue, NW, #615 Washington, DC 20005	Resources for Group Management, Inc (For:Greeting Card Assn)		
McDermott Will & Emery, 1850 K St., NW, #500 Washington, DC 20006-2296	Caterpillar Tractor Co		
Do	Federal Kemper Life Assurance Co		
Do	Hitachi America, Ltd		
Do	Dorothy Holt Estate		
Do	Kemper Investors Life Insurance Co		
Do	Lumbermens Mutual Casualty Company		
Do	National Grocers Assn		
Do	Peterson & Sullivan		
Do	Public Employees Retirement Assn of Colorado		
Dinah D. McElfresh, 1255 23rd Street, NW, #850 Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
McElroy & Associates, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	Outdoor Advertising Assn of America, Inc	65,000.00	10,976.10
Paul J. McGeady, 27 Hampton Place Nutley, NJ 07110	Morality in Media, Inc		
Kate McGee, 10227 Big Rock Road Silver Spring, MD 20901	Oracle Corporation		2,230.68
Phillip McGuire, 1225 Eye Street, NW, #1100 Washington, DC 20005	Handgun Control, Inc	6,000.00	
Robert McIntyre, 1313 L St., NW Washington, DC 20005	Citizens for Tax Justice	9,808.24	
Harrison D. McIver, 1701 EastWest Highway, #313 Silver Spring, MD 20901	Project Advisory Group	257.25	
Michael R. McLeod, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:American Assn of Crop Insurers)	5,642.00	151.93
Do	McLeod Watkinson & Miller (For:American Mushroom Institute)	149.00	
Do	McLeod Watkinson & Miller (For:American Peanut Product Manufacturers, Inc)	4,753.50	46.24
Do	McLeod Watkinson & Miller (For:American Soybean Assn)		
Do	McLeod Watkinson & Miller (For:Chicago Board of Trade)	9,375.00	449.80
Do	McLeod Watkinson & Miller (For:Coalition for Affordable Home Financing)		
Do	McLeod Watkinson & Miller (For:Mid-Valley Water Authority)		
Do	McLeod Wilkinson & Miller (For:Mushroom Council)		
Do	McLeod Watkinson & Miller (For:State of Florida Department of Citrus)	963.00	
Do	McLeod Watkinson & Miller (For:United Egg Producers)	2,058.00	45.83
Tara McMahon, 1025 Connecticut Avenue, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
McNair Group, Inc, 1155 15th St., NW, #400 Washington, DC 20005	Harmon Industries, Inc	9,056.25	30.38
Do			
Do	McNair Law Firm, P.A. (for: Gateway Freight Services, Inc)		
Do	(For:McNair Law Firm, P.A. (for: Paine Webber))		
Do	McNair Law Firm, P.A. (for: Puerto Rico Ports Authority)	11,886.52	10.68
Do	Railstar Control Technology, Inc		
Do	South Carolina State College	500.00	
Do	State of Hawaii/Dept of Transportation		14.75
Larry McNickle, 901 E Street, NW, #500 Washington, DC 20004-2873	American Assn of Homes for the Aging	343.00	215.00
Molly McNulty, 122 C Street, NW, #400 Washington, DC 20001	Children's Defense Fund	102.87	
Martha McSteen, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	16,184.00	
James Meadows, 600 Congress Ave., #1360 Austin, TX 78701	Capital Network System, Inc	1,200.00	1,200.00
Medical-Dental Diversified Services, Inc, 15600 San Pedro, #107 San Antonio, TX 78232-3738	U.A.G. Alumni Assn		
Medtronic, Inc, 7000 Central Ave., NE Minneapolis, MN 55432			150.00
Larry Mehlhaff, 23 N. Scott Sheridan, WY 82801	Sierra Club	2,595.04	2,595.04
Joseph Mehrkens, 900 17th Street, NW Washington, DC 20006	Wilderness Society		
Vernon H. Meier, 1630 Duke Street——4th Floor Alexandria, VA 22314-3465	National Rural Letter Carriers Assn	16,495.00	
Stanley Meierfeld, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange		
John R. Mendenhall, Martin Tower 8th & Eaton Avenues Bethlehem, PA 18018	Union Pacific Corp	5,000.00	
David Mengebier, 1225 Eye St., NW Washington, DC 20036	Handgun Control, Inc		
Edward L. Merrigan, 6000 Connecticut Ave., NW Washington, DC 20815	Central Gulf Lines, Inc	900.00	31.41
Carol Messer, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	5,000.00	201.25
Howard M. Messner, 1015 15th St., NW, #802 Washington, DC 20005	American Consulting Engineers Council	625.00	
Nicholas Meyers, 1400 K Street, NW Washington, DC 20005	American Psychiatric Assn	3,007.00	1,145.36
Meyers & Associates, 412 First St., SE, #100 Washington, DC 20003	Centergas, Inc		
John L. Mica, 15 Third Street N. E. Washington, DC 20002	Central Florida Research Park	1,000.00	250.00
Do	Greater Orlando Aviation Authority	3,000.00	350.00
Do	Harris-RF Communications		
Do	Hvide Shipping, Inc	2,000.00	250.00
Roger E. Middleton, 1615 H Street, NW Washington, DC 20062	Chamber of Commerce of the U.S.		
Milgrim Thomajan & Lee, P.C., 1025 Connecticut Ave, NW, #1000 Washington, DC 20036	New York Mercantile Exchange (NYMEX)		
Bonnie K. Miller, Box 528 Gainesville, VA 22065-0528	Liberty Lobby	2,000.00	1,077.50
Do	National Council for Improved Health	3,500.00	1,816.00
Charles R. Miller, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	8,000.00	37.43
Clinton R. Miller, P.O. Box 528 Gainesville, VA 22065-0528	Liberty Lobby		
Do	National Council for Improved Health		
Dale Miller, 4000 Reno Road, NW Washington, DC 20008	Texasgulf, Inc		
Edward C. Miller, 1001 Pennsylvania Ave., NW Washington, DC 20004-2599	American Council of Life Insurance, Inc	1,000.00	
G. Daniel Miller, 1140 Connecticut Ave., NW, #500 Washington, DC 20036	Faegre & Benson (For:Church Alliance)	1,557.18	
Do	Faegre & Benson (For:Luthern General Health Care System)	162.92	
Jeffrey T. Miller, 295 Madison Ave 19th Floor New York, NY 10017	Lead Industries Association, Inc		
Juanita D. Miller, 2965 Sunset Lane Suitland, MD 20746			
Linda B. Miller, 818 18th Street, NW, #900 Washington, DC 20006	Volunteer Trustees of Not-For-Profit Hospitals		
Marc E. Miller, 1 Massachusetts Ave., #800 Washington, DC 20001-1431	McLeod & Pires (For:Coalition for Affordable Home Financing)		
Paul J. Miller, 8000 Sears Tower Chicago, IL 60606	Investment Counsel Assn of America, Inc		
William T. Miller, 1101 14th Street, NW, #1400 Washington, DC 20005	Miller Balis & O'Neil, P.C. (For:American Public Gas Assn (APGA))	1,208.00	38.37
Miller & Chevalier, Chtd, 655 15th St., NW, #900 Washington, DC 20005-5701	American Nuclear Energy Council	1,500.00	
Do	Association of Financial Services Holding Companies		
Do	Chevy Chase Savings Bank, FSB		
Do	Franklin Savings Corp		
Miller & Holbrooke, 1225 19th Street, NW, #400 Washington, DC 20036	City of Dubuque		
Do	City of Laredo	1,337.00	
Do	City of St. Louis	2,659.00	11.00
Do	Kenton-Boone Cable Television Board		
Do	Montgomery County Government		
Miller Hamilton Snider & Odom, P.O. Box 46 Mobile,, AL 36601	Honfed Savings Bank		
Do	J.P. King Auction Co.		
Richard H. Mitman, 14734 Victory Blvd., #201 Van Nuys, CA 91411			
Michael Monroney, 470 L'Enfant Plaza, SW East Building, #7112 Washington, DC 20024	Citizens for a Sound Economy		
Walter K. Moore, 1901 L Street, NW, #705 Washington, DC 20036	Eli Lilly & Company		
Richard M. Moose, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	14,687.50	
Morality in Media, Inc, 475 Riverside Dr., #239 New York, NY 10115		293.99	294.00
Lori M. Moran, 1015 15th Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	3,375.00	
Gerald D. Morris, 555 New Jersey Ave., NW Washington, DC 20001	American Fed of Teachers	19,277.30	272.00
William Morris, 1737 H Street, NW Washington, DC 20006	Rogers & Wells (For:CFC Coalition)		
James W. Morrison Jr., 815 Connecticut Ave., NW, #800 Washington, DC 20006	ARA Services, Inc	7,799.98	
Do	Morrison Associates (For:Blue Cross & Blue Shield Assn)	54,580.75	471.80
Mark E. Morrison, 1825 Eye Street, NW, #1100 Washington, DC 20006	Lockheed Corp	2,000.00	1,547.80
Morrison & Foerster, 2000 Pennsylvania Ave., NW Washington, DC 20006	Consolidated Freightways		
Valerie T. Morse, 1020 19th St., NW, #600 Washington, DC 20036	American Express Co	11,760.00	227.26
Michael L. Morton, 910 16th Street, NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Do	Rio Grande Valley Sugar Growers		
Beth Moten, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	1,144.57	31,819.85
Motion Picture Assn of America, Inc, 1600 Eye Street, NW Washington, DC 20006		15,641.00	17,128.14
Mullenholz & Brimsek, 1150 Connecticut Ave., NW, #700 Washington, DC 20036	National Council Social Security Management Assns, Inc		
Do	PHH Group, Inc		
Do	Senior Executives Assn		
Evelyn Fiemann Munley, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
James Brian Munroe, 1300 Eye Street, NW, #520 Washington, DC 20005	Hoffmann-La Roche, Inc		
Barbara Munson, 1000 Wilson Blvd #3012 Arlington, VA 22209	Consumer Bankers Assn	6,000.00	688.80
Patricia Collins Murdock, 1625 L St., NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,310.82	218.40

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Margaret R. Murray, One Massachusetts Avenue, NW, #800 Washington, DC 20001	McLeod Watkinson & Miller (For:American Assn of Crop Insurers)	521.00	127.25
Do	McLeod Watkinson & Miller (For:Coalition for Affordable Home Financing)		
Do	McLeod Watkinson & Miller (For:National Rural Telecom Assn)		
Richard D. Murray, 1133 15th Street, NW, #640 Washington, DC 20005	American Logistics Assn		
Lawrence D. Muzzy, 2200 W. Salzburg Road, Mail #W281 Midland, MI 48686-0994	Dow Corning Corp		1,868.98
MWW/ Strategic Communications, Inc, 70 Grand Ave River Edge, NJ 07661	Coalition for American Youth Opportunity	17,875.00	17,875.00
Do	Environmental Compliance Service	24,000.00	800.49
Do	Farmland Dairies	16,250.00	16,250.00
Do	First Jersey Securities	600.00	600.00
Do	GAF Corporation	57,312.50	592.54
Do	Kaselaan & D'Angelo Associates, Inc		
Do	MarineSAfety International	17,500.00	17,500.00
Daniel Nadash, 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
John Francis Nash Jr., 1100 Connecticut Ave NW #1300 Washington, DC 20036	Milliken & Company	5,000.00	3,300.00
National Assn of Casualty & Surety Agents, 316 Pennsylvania Ave., SE, #400 Washington, DC 20003			8,899.63
National Assn of Home Builders of the U.S., 15th & M Sts., NW Washington, DC 20005		85,876.55	118,960.37
National Assn of Letter Carriers, 100 Indiana Ave., NW Washington, DC 20001		5,947,146.91	121,827.91
National Assn of Mortgage Brokers (NAMB), 706 E. Bell Road, #101 Phoenix, AZ 85022		4,894.80	5,923.52
National Assn of Mutual Insurance Cos, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268		775.00	775.00
National Assn of Wheat Growers, 415 2nd St., NE, #300 Washington, DC 20002		6,000.00	10,025.00
National Automobile Dealers Assn, 8400 Westpark Drive Mclean, VA 22102			25,250.00
National Corn Growers Assn, 201 Massachusetts Ave., NE Suite C-4 Washington, DC 20002		23,513.00	23,513.00
National Education Assn, 1201 16th St., NW Washington, DC 20036		34,535.86	34,535.86
National Environmental Strategies, 600 New Hampshire Ave., NW, #1010 Washington, DC 20037	EcoMarine	20,000.00	
National Foreign Trade Council, Inc, 100 East 42nd St. New York, NY 10017		91,342.00	91,342.00
National Hearing Aid Society, 20361 Middlebelt Livonia, MI 48152			
National Hydropower Assn, 555 13th Street, NW, #900-E Washington, DC 20004		363,200.00	35,537.39
National Independent Automobile Dealers Assn, 2521 Brown Blvd., Suite 100 Arlington, TX 76006-5299			21,996.19
National Knitwear & Sportswear Assn, 386 Park Avenue South New York, NY 10016			2,628.77
National League of Postmasters of the U.S., 1023 North Royal Street Alexandria, VA 22314			47,589.00
National Printing Equipment & Supplies Assn, Inc, 1899 Preston White Drive Reston, VA 22091			
National Rifle Assn of America, 1600 Rhode Island Ave., NW Washington, DC 20036		458,585.51	
National Rural Letter Carriers Assn, 1630 Duke St., 4th Floor Alexandria, VA 22314-3465		1,101.00	34,914.00
National Soft Drink Assn, 1101 16th St., NW Washington, DC 20036			2,399.49
National Taxpayers Union, 325 Pennsylvania Ave., SE Washington, DC 20003		19,164.00	20,909.00
National Tour Assn, Inc, 546 E. Main Street Lexington, KY 40508		62,704.00	62,704.00
Natural Gas Supply Assn, 1129 20th St. nw #300 Washington, DC 20036		3,14,305.00	28,775.32
Ralph G. Neas, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	23,286.80	307.85
Allen Neece Jr., 1050 17th Street, NW Washington, DC 20036	Neece Cator & Associates (For:American Industrial Hygiene Assn)	1,500.00	1,500.00
Do	Neece Cator & Associates, Inc (For:Association of Small Business Development Centers).	1,500.00	1,500.00
Do	Neece Cator & Associates, Inc (For:National Small Business United)	1,300.00	1,300.00
Do	Neece Cator & Associates, Inc (For:National Venture Capital Association)	1,300.00	1,300.00
Neill & Shaw, 815 Connecticut Ave., NW, #800 Washington, DC 20006	PHH Group		
Christine V. Nelson, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:United Egg Assn)	2,444.00	154.16
Do	McLeod Watkinson & Miller (For:United Egg Producers)	2,444.00	154.16
E. Colette Nelson, 1004 Duke St. Alexandria, VA 22314	American Subcontractors Assn	3,000.00	
Mark D. Nelson, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20036	E. I. du Pont de Nemours & Co		
Daniel E. Nickelson, 2000 L St., NW, #200 Washington, DC 20036	Cleveland Clinic Foundation		
Nicholas K. Niemann, One Central Park Plaza, #1100 Omaha, NE 68102	McGrath North Mullin & Kratz, PC (For:Nebraska Catholic Conference)		
Do	McGrath North Mullin & Kratz, PC (For:Septemberfest Salute to Labor, Inc)		
Nissan North America, Inc, 750 17th Street, NW, #901 Washington, DC 20006	Nissan Motor Corporation, U.S.A.		
William A. Nitze, 1725 K Street, NW, #914 Washington, DC 20006	Alliance To Save Energy	194.39	
Jeffrey P. Noah, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
David F. Norcross, 1156 15th Street, NW, #550 Washington, DC 20005	Montgomery McCracken Walker & Rhoads (For:Coalition for Affordable Home Financing).		
Do	Montgomery McCracken Walker & Rhoads (For:National Republican Institute for International Affairs).		
Julia J. Norrell, 1155 Connecticut Ave., NW, #300 Washington, DC 20036	American Council of Life Insurance, Inc	1,000.00	2,800.00
Do	American Insurance Assn	1,000.00	2,800.00
Do	Federation of American Consumers & Travelers (FACT)		
Do	Golden Rule Insurance Company	1,000.00	2,800.00
Do	Mutual of Omaha	1,000.00	2,800.00
James Norton, 900 17th Street, NW Washington, DC 20006	Wilderness Society	1,687.50	588.94
Julie Noufer, 1015 Fifteenth Street, NW, #802 Washington, DC 20005	American Consulting Engineers Council	4,800.00	
Patrick J. Nugent, 1133 19th Street, NW Washington, DC 20036	MCI Communications Corp	2,000.00	
Jack O. Nutter II, 608 Massachusetts Ave., NE Washington, DC 20002	Jefferson Group (For:Alumax, Inc)		
Do	Nutter & Harris (For:Childrens Health Systems)	9,000.00	1,500.00
Do	Jefferson Group (For:Doe Run Company)		
Do	Nutter & Harris, Inc (For:Lead Industries Assn.)		
Do	Jefferson Group (For:Lockheed Corp)		
Do	Jefferson Group (For:Molson Breweries USA, Inc)		
Do	Jefferson Group (For:O. M. Scott & Sons)		
Do	Nutter & Harris (For:J.R. Simplot Company)		
Do	Jefferson Group (For:United Fresh Fruits & Vegetables Assn)		
Do	Jefferson Group (For:3M Safety & Security Systems)		
Durinda O'Brien, 900 17th Street, NW Washington, DC 20006	Wilderness Society	6,251.66	24,368.33
Patrick C. O'Connor, 1825 K Street, NW, #305 Washington, DC 20006	Kent & O'Connor, Inc (For:American College of Occupational Medicine)		
Do	Kent & O'Connor, Inc (For:American Supply Association)	3,000.00	637.37
Do	American Warehousemen's Association		
Do	National Assn of Fleet Administrators	10,305.00	3,360.46
Do	Steel Tank Institute		
Do	Transportation Lawyers Assn		
O'Connor & Hannan, 1919 Pennsylvania Ave., NW, #800 Washington, DC 20006	Martin Marietta Corp		
Do	New York State Assembly		
J. Daniel O'Flaherty, 1625 K St., NW, #1090 Washington, DC 20006	National Foreign Trade Council	5,000.00	400.00
Kathleen O'Leary, 700 13th Street, NW, #900 Washington, DC 20005	Columbia Gas Transmission Corp	4,100.00	
Law Offices of John O'Neal, P.C., 1455 Pennsylvania Ave., NW, #1200 Washington, DC 20004	National Rural Telecom Assn	2,843.75	
Harry R. Obley, One Mellon Bank Center, #1905 Pittsburgh, PA 15258-0001	Mellon Bank N.A., et al.	2,000.00	713.11
Office & Professional Employees Intl Union, Local 2, AFL-CIO, 8455 Colesville Road, #1250 Silver Spring, MD 20910-3320			79.00
Ronald S. Oppenheimer, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	6,000.00	284.00
David S. Osterhout, 1825 Eye Street, NW, #1100 Washington, DC 20006	Lockheed Corporation	6,000.00	5,237.96
Karl Ottosen, 208 G Street, NE Washington, DC 20002	NL Industries/Baroid Corp	11,250.00	
Do	U.S. Federation of Small Businesses, Inc	1,500.00	
Eileen E. Padberg, 2081 Business Center Drive, #125 Irvine, CA 92715	Reese Communications Cos (for: Philip Morris, USA)		
Stephen J. Paradise, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
Nancy L. Parke, 5410 Grosvenor Lane, #100 Bethesda, MD 20814-2122	American Cong. on Survey. & Mapp./Amer Soc of Photogrammetry	2,692.65	2,953.50
Sara Lynn Parker, 1319 F St., NW, #500 Washington, DC 20004	Food Research & Action Center		
Penny L. Parkin, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical USA		6,289.00
Prudence H. Parks, 11301 Popes Head Road Fairfax, VA 22030	Washington Gas Light Co	7,375.00	
Ken Parmelee, 1630 Duke Street, 4th Floor Alexandria, VA 22314-3465	National Rural Letter Carriers Assn	16,357.00	2,931.00
David J. Pattison, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Patton Boggs & Blow, 2550 M St., NW Washington, DC 20037	CIGNA Corp		
Paul Weiss Rifkind Wharton & Garrison, 1615 L Street, NW, #1300 Washington, DC 20036	Carl Marks & Co, Inc (for Royal Seafoods, Inc)		
Nicholas J. Penning, 1801 N. Moore Street Arlington, VA 22209	American Assn of School Administrators	8,715.00	
Robert Peters, 15 Leroy Street, #19 New York, NY 10014-3975	Morality in Media, Inc	323.93	
Wendi L. Petsinger, 1745 Jefferson Davis Highway, #1200 Arlington, VA 22202	Rockwell International Corp	4,000.00	157.50
Laura M. Pettey, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical Co	500.00	5,496.00
Susan M. Pettey, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
Mitchell S. Pettit, 1133 Connecticut Ave., NW, #1000 Washington, DC 20036	Southwestern Bell Corp-Washington, Inc	8,400.00	
Pettit & Martin, 601 13th Street, NW, #600 Washington, DC 20005	American Suzuki Motor Corp	14,853.00	221.00
Laura Phelps, 1 Massachusetts Ave., NW, #800 Washington, DC 20001-1431	McLeod Watkinson & Miller (For:American Assn of Crop Insurers)	1,444.00	120.98
Do	McLeod Watkinson & Miller (For:American Mushroom Institute)	1,336.50	
Do	McLeod Watkinson & Miller (For:Mushroom Council)		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Joan Piccolo, 1350 I Street, NW, #400 Washington, DC 20005	Motorola, Inc	4,500.00	
William A. Pierce, 4616 Chelsea Lane Bethesda, MD 20814	National Taxpayers Union	2,019.00	
Pierson Semmes & Bemis, 1054 31st Street, NW Washington, DC 20007	Mauritius Sugar Syndicate		
Do	Oklahoma Natural Gas Company		
Susan G. Pikrallidas, 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Jeffrey J. Pirruccello, One Central Park Plaza, #1100 Omaha, NB 68508	McGrath North Mullin & Kratz, PC (For:Nebraska Catholic Conference)	208.00	
Do	McGrath North Mullin & Kratz, PC (For:Septemberfest Salute to Labor, Inc)	46.00	
Planned Parenthood Fed of America, Inc, 2010 Massachusetts Avenue, NW, 5th Fl. Washington, DC 20036		20,815.07	20,815.07
Martha Rachel Plotkin, 2300 M Street, NW, #910 Washington, DC 20037	Police Executive Research Forum	1,377.85	
Podesta Associates, Inc, 424 C Street, NE Washington, DC 20002	Airport Operators Council International		
Do	Allied-Signal, Inc	700.00	80.28
Do	American Assn of Airport Executives		
Do	American Newspaper Publishers Assn	1,318.75	143.50
Do	Computer & Business Equipment Manufacturers Assn		35.08
Do	Digital Equipment Corp	3,000.00	379.73
Do	Genentech, Inc	2,100.00	504.69
Do	National Artists Equity Assn		213.26
Do	National Conference of Bankruptcy Judges	1,212.50	255.50
Gerald Poje, 1400 16th Street, NW Washington, DC 20036-0001	National Wildlife Federation	85.21	
John F. Pontius, 130 North Carolina Avenue, SE Washington, DC 20003	Caron Foundation		
Kathryn Pontzer, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage & Family Therapy	583.00	
James J. Popham, 1200 18th Street, NW Washington, DC 20036	Association of Independent Television Stations, Inc	1,500.00	
Powell Goldstein Frazer & Murphy, 1001 Pennsylvania Ave., NW, 6th Floor, S Washington, DC 20004	Alliance for Medical Nutrition	3,067.00	
Do	American Osteoporosis Alliance	5,180.00	
Do	Belz Investment Co	938.00	
Do	Coalition for Equitable Compensation		
Do	Committee for Competitive Marketing	500.00	
Do	Hitachi Sales Corp of America		
Do	Krupp Financial Group		
Do	Lockheed Engineering & Sciences Company	350.00	
Do	Public Service Company of Indiana, Inc		
Do	Republic of Palau		
Do	Simmons Communications		
Prather Seeger Doolittle & Farmer, 1600 M Street, NW, 7th Floor Washington, DC 20036	Banker's Assn for Foreign Trade	3,526.25	277.50
Do	Preussag AG		1,236.40
Robert L. Pratt, 303 Wyman Street Waltham, MA 02154	Thermo Electron Corp/Thermedics, Inc	5,460.00	1,455.00
Price Waterhouse, 1801 K St., NW, #700 Washington, DC 20006	Hillenbrand Industries		
William Prindle, 1725 K St., NW, #914 Washington, DC 20006	Alliance to Save Energy	197.77	
George W. Pritts Jr., 1745 Jefferson Davis Hwy., #1200 Arlington, VA 22202	Rockwell International Corp	1,875.00	222.14
Project Advisory Group, 1625 K Street, NW, #725 Washington, DC 20006			1,967.04
Public Strategies Washington, Inc, 1455 Pennsylvania Ave., NW, #1100 Washington, DC 20004	American Trucking Associations	10,425.00	
Do	Mexican Department of Commerce & Finance		535.21
Do	National Assn of Chain Drug Stores	8,333.00	
Do	Southwest Airlines		
Patricia A. Quealy, 655 15th Street, NW, #350 Washington, DC 20005	Eckert Seamans Cherin & Mellott (For:Blue Cross & Blue Shield Assn)		
George Gregory Raab, 2000 L Street, NW, #200 Washington, DC 20036	Medtronic, Inc		138.00
Peri Jude Radecic, 1734 14th Street, NW Washington, DC 20009	National Gay & Lesbian Task Force (NGLTF)		
Radio-Television News Directors Assn, 1717 K Street, NW, #615 Washington, DC 20006		2,500.00	
W. A. Radziewicz, 400 N. Capitol Street, NW, #860 Washington, DC 20001	Brotherhood of Railroad Signalmen	465.00	
Elizabeth L. Raisbeck, 801 Pennsylvania Ave., SE, #301 Washington, DC 20003	National Audubon Society		
Rebecca G. Range, 1300 Eye Street, NW, #950 East Washington, DC 20005	Continental Airlines Holdings, Inc	11,250.00	9,854.00
Helene Rayder, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	4,995.00	179.00
Stephen F. Ready, 129 Cabrillo, #201 Costa Mesa, CA 92627	National Bicycle Dealers Assn, Inc		
Reed Smith Shaw & McClay, 1200 18th Street, NW Washington, DC 20036	CAFRI	6,250.00	
Do	National Cellular Resellers Assn	12,634.52	
Joseph M. Rees, 1000 Potomac Street, NW, #401 Washington, DC 20007	National Coalition Burn Center Hospitals		
Do	Songwriters Guild of America		
J. Mitchell Reese, 1401 I Street, NW, #1200 Washington, DC 20005	Chevron USA, Inc		
Reid & Priest, 701 Pennsylvania Avenue, NW Washington, DC 20004	Smith Barney Harris Upham & Co, Inc		
Joseph J. Reilly, Jr, 62A Winn Street Burlington, MA 01803	Morality in Media, Inc		
Joan Reiss, 900 17th Street, NW Washington, DC 20006	Wilderness Society	191.67	118.91
Riley Repko, 1627 Eye Street, NW #880 Washington, DC 20006	Oracle Corporation		12,412.50
Reserve Officers Assn of the US, 1 Constitution Ave., NE Washington, DC 20002		3,256.25	23,875.03
Mark E. Rey, 1250 Connecticut Avenue, NW Washington, DC 20036	American Forest Resource Alliance	1,500.00	
Do	National Forest Products Assn	1,500.00	
Lois D. Rice, 1201 Pennsylvania Avneue, NW, #370 Washington, DC 20004	Control Data Corporation		
Alan K. Richards, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc		
James G. Rickards, 600 Steamboat Road Greenwich, CT 06830-7149	Greenwich Capital Markets, Inc		
Larry D. Rickards, 1112 16th Street, NW, #100 Washington, DC 20036	National Assn of Area Agencies on Aging	2,500.00	145.00
Michael R. Riksen, 2706 Davis Ave. Alexandria, VA 22302	Harris Corporation	2,025.00	721.96
Bryan Riley, 470 L'Enfant Plaza East Bldg. #7112 Washington, DC 20024	Citizens for a Sound Economy		
Riselli & Pressler, P.C., 1225 19th Street, NW, #850 Washington, DC 20036	Professional Managers' Assn		
Rivkin Radler Bayh Hart & Kremer, 1575 I Street, NW, #1025 Washington, DC 20005	Merrill Lynch & Co, Inc	4,585.00	2,340.00
Do	National Basketball Assn		
Do	National Foreign Trade Council	437.50	235.00
David Gwyn Roberts, 411 Fayetteville Street Mall Raleigh, NC 27601	Carolina Power & Light Company	738.00	1,425.00
Richard R. Roberts, P.O. Box 809 North Beach, MD 20714	American Council of Highway Advertisers	13,866.00	2,089.10
Belinda Lee Rochelle, 1734 Fourteenth Street, NW Washington, DC 20009-4309	National Gay & Lesbian Task Force	7,750.00	
Michael F. Rodgers, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging	101.26	61.40
Margaret Rogers, 1776 Eye Street, NW, #575 Washington, DC 20006	Dow Chemical Co		
Rogers & Wells, 200 PARK AVE. New York, NY 10166	American Express Co		
Do	Dreyfus Corporation	3,500.00	484.00
Do	Investment Partnership Assn	2,500.00	90.85
Do	Kamehameha Schools/Bishop Estate		
Do	National Assn of Beverage Importers		
Do	Oxnard Refinery		140.00
Do	Rutgers, The State University of New Jersey		
Do	Shearson Lehman Hutton		
Do	Wine & Spirits Wholesalers of America, Inc		
Carole M. Rogin, 1255 23rd Street, NW, Washington, DC 20037	Hauck & Associates, Inc (For:Hearing Industries Assn)		
Lori S. Rogovin, 901 East Capitol Street, SE Second Floor Washington, DC 20003	American Assn for Counseling & Development	8,907.00	
Bruce Rohde, One Central Park Plaza, #1100 Omaha, NE 68102	McGrath North Mullin & Kratz, PC (For:UNO Maverick Boosters, Inc)		
William A. Romjue, 1530 North Key Boulevard, #422 Arlington, VA 22209	Seafarers International Union	5,500.00	
James Roosevelt, 2000 K Street, NW, 8th Floor Washington, DC 20006	National Comm to Preserve Social Security	625.00	
Ropes & Gray, 1001 Pennsylvania Ave., NW, #1200 Washington, DC 20004	Butler Capital Corp		
Do	Industrial Development Authority of Ireland		
Sara Rosenbaum, 122 C Street, NW Washington, DC 20001	Children's Defense Fund	4,045.44	
Ted R. Rudder, 2233 Marydell Rd. London, KY 40741			
Lois J. Rude, 50 F Street, NW, #1080 Washington, DC 20001	BR Services, Inc	500.00	380.95
Paul M. Ruden, P.O. Box 23992 Washington, DC 20026-3002	American Soc of Travel Agents		
Barbara A. Rudolph, 1631 Woodstock Street, N. Arlington, VA 22207	Beverly Enterprises, Inc	3,375.00	75.00
Ryan-McGinn, Inc, 2300 Clarendon Blvd., #610 Arlington, VA 22201	American Medical Record Assn Long Term Care Section	2,250.00	46.13
Do	Cabot Energy Corporation	986.25	
Do	Council on Accreditation of Services for Families & Children	4,050.00	54.65
Do	Dietary Managers Assn	5,750.00	1,149.17
Do	Health Industry Manufacturers Assn		
Do	McDermott Will & Emery		
Do	National Assn of Medical Directors of Respiratory Care	21,249.99	
Do	West Virginia Hospital Assn	1,875.00	461.07
Do	West Virginia Independent Oil & Gas Assn	4,500.00	1,153.12
RBC Associates, 122 C Street, NW, #850 Washington, DC 20001	Ann Arbor Railroad		8,304.82
Do	Bangor & Aroostook Railroad	8,250.00	8,304.82
Do	Chicago & Northwestern Railroad	36,000.00	8,304.82
Do	Delaware Otsego System	16,000.00	8,304.82

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Illinois Central Railroad	32,000.00	8,304.82
Do	Investment Counsel Assn of America	8,700.00	8,304.82
Do	Regional Railroads of America	52,000.00	8,304.82
Do	Turbomeca Engine Corp	37,500.00	8,304.81
Sagamore Associates, Inc, 1701 K Street, NW #400 Washington, DC 20006	Ebasco Services Inc	9,000.00	94.80
Do	Indiana Electric Assn	15,690.00	1,701.05
Do	MSE Corp	2,560.00	27.40
Do	New American Ventures Group		
Do	Society of Nuclear Medicine		
James D. Santini, 1101 King Street, #350 Alexandria, VA 22314	American Escrow Assn	5,100.00	1,682.12
Do	Conference of National Park Concessioners	4,000.00	362.31
Do	National Tour Assn, Inc	21,663.00	7,271.19
Do	Truckee-Carson Irrigation District	1,975.00	508.03
Sartain Law Offices, 219 Boulevard, NE Gainesville, GA 30501	Philip Morris, Inc	1,500.00	
Donald M. Saunders, 1625 K Street, NW, #800 Washington, DC 20006	National Legal Aid & Defender Assn	12,500.00	161.20
Paulasue Sawyers, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Karin Schmerler, 2300 M Street, NW, #910 Washington, DC 20037	Police Executive Research Forum		237.08
Herbert K. Schmitz, 1600 M St., NW, #702 Washington, DC 20036	ICI Americas, Inc	20,000.00	2,414.64
Thomas J. Schneider, 1150 17th Street, NW, #400 Washington, DC 20036	AFL-CIO Maritime Committee		
Schnitzer Steel Industries, Inc, 3200 N.W. Yeon Avenue Portland, OR 97210			
Carl J. Schramm, 1025 Connecticut Ave., NW Washington, DC 20036	Health Insurance Assn of America, Inc	116.00	
Leslie C. Schuchart, 1030 15th Street, NW, #964 Washington, DC 20005	American Seed Trade Assn	6,000.00	
Ralph D. Schumack, 1800 M Street, NW, #325 South Washington, DC 20036	Dow Corning Corp		
Schwabe Williamson & Wyatt, 2100 Pennsylvania Ave., NW, #670 Washington, DC 20037	Nichols Institute	357.00	19.90
Do	Oregon State University		
Do	Oregon Steel Mills, Inc	2,192.80	24.36
Do	Public Generating Pool	3,260.25	146.61
Do	Tri-Met	18,781.13	789.25
Carl F. Schwensen, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	2,875.00	
Melanie Scofield, 901 Main Street, #2555 Dallas, TX 75202	Greyhound Lines, Inc		
Michael Scott, 900 17th Street, NW Washington, DC 20006	Wilderness Society	64.02	
Anne Scully, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	1,725.00	2,448.54
Law Offices of John Sears, 2021 K Street, NW, #750 Washington, DC 20006	Embassy of the Republic of South Africa	15,000.00	
Charles M. Seeger III, 2000 Pennsylvania Ave., NW, #6200 Washington, DC 20006	Chicago Mercantile Exchange	3,850.00	
Harold L. Segall, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond, P.C. (For:City of Bluefield, WV, et al.)		
H. Richard Seibert Jr., 1331 Pennsylvania Ave., NW, #1500 N Washington, DC 20004-1703	National Assn of Manufacturers	150.00	
Steven K. Selby, 1101 30th Street, NW, #500 Washington, DC 20007	Campbell Falk & Selby (For:Commonwealth of Puerto Rico)		
J.P. Seman Jr., 1050 17th Street, #2200 Denver, CO 80265	Hill & Knowlton (For:Colorado State University)		
Sarah Setton, 1101 15th Street, NW, #600 Washington, DC 20005	Sugar Assn, Inc	356.00	10.00
Seven Months Session for Congress, 4210 Spicewood Springs Road, #202 Austin, TX 78759			145.00
Seward & Kissel, 818 Connecticut Avenue, NW, #800 Washington, DC 20006	Merrill Lynch & Co, Inc		
Do	Merrill Lynch Money Markets, Inc	4,335.00	
Victoria McKenzie Shain, 1710 Rhode Island Avenue, NW, #300 Washington, DC 20036	Abbott Laboratories	5,000.00	
John Hunter Sharp, 1129 20th St., NW, #300 Washington, DC 20036	Natural Gas Supply Assn	18,675.00	2,221.99
Susan Shaw, 2729 S. Veitch Street Arlingtonn, VA 22206	National Treasury Employees Union	14,412.00	1,646.78
Shaw Pittman Potts & Trowbridge, 2300 N Street, NW, #5121 Washington, DC 20037	Investment Counsel Assn of America, Inc		
Shaun M. Sheehan, 1722 Eye Street, NW, Washington, DC 20006	Tribune Broadcasting Co	3,000.00	1,596.96
R. Philip Shimer, 444 N. Capitol St., NW, #526 Washington, DC 20001	Western Governors Assn		
Elaine Shocas, 555 New Jersey Avenue, NW Washington, DC 20001	American Fed of Teachers	17,637.00	224.00
Scott Shotwell, 1250 Connecticut Avenue, NW Washington, DC 20036	National Forest Products Assn	2,475.00	
Pamela Hill Shouldis, One Tabor Center, #2500 1200 17th Street Denver, CO 80202	Energy Fuels Nuclear, Inc	4,000.00	
Alexander W. Sierck, 1350 I Street, NW, #700 Washington, DC 20005	Beveridge & Diamond (For:Pacific Dunlop-GNB)		
Do	RSR Corp		
Sierra Club, 408 C Street, NE Washington, DC 20002		294,041.31	294,041.31
David C. Simons, 1100 Connecticut Ave, NW, #410 Washington, DC 20036	Eaton Corp	3,915.75	
Talmage E. Simpkins, 444 North Capitol Street, #801 Washington, DC 20001	Labor-Management Maritime Committee, Inc	2,037.00	809.00
William G. Simpson, 1155 15th St., NW, #504 Washington, DC 20005	First Mississippi Corp	2,000.00	
Do	Mississippi Power & Light Company	2,000.00	
Do	State of Mississippi	4,000.00	
Dale D. Skupa, 3707 Woodview Trace P.O. Box 68700 Indianapolis, IN 46268	National Assn of Mutual Insurance Cos	50.00	
Elizabeth M. Smith, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	6,669.00	449.95
Richard F. Smith, 1090 Vermont Ave., NW, #1100 Washington, DC 20005	Textron, Inc	600.00	150.00
Stephen Merrill Smith, 1899 L Street, NW, 5th Floor Washington, DC 20036	Ensco, Inc	17,500.00	1,003.28
David A. Smitherman, 1012 Fleming Building Des Moines, IA 50309	American Petroleum Institute		
Society of Real Estate Appraisers, Public Affairs Office 600 New Hampshire Ave., NW, #1111 Washington, DC 20037		2,362.00	2,362.00
Vincent R. Sombrotto, 100 Indiana Ave., NW Washington, DC 20001	National Assn of Letter Carriers	4,616.34	
Sonosky Chambers Sachse & Endreson, 1250 Eye Street, NW Washington, DC 20005	Alaska Native Health Board		
Do	Assiniboine and Sioux Tribes		
Do	Houlton Band of Maliseets		
Do	Lac du Flambeau Band of Lake Superior Chippewa Indians		
Do	Multi-Housing Laundry Assn, Inc		
Do	Seneca Nation of Indians		
Do	Shakopee Mdewakanton Sioux Community of Minnesota		
Do	Standing Rock Sioux Tribe		
Peter Sorum, 7927 Jones Branch Drive, #600-S McLean, VA 22102	Council of American Homeowners	500.00	
D. Dean Sparkman, 1925 N. Lynn Street, #903 Arlington, VA 22209	United Airlines, Inc		
Sandra Spence, 808 17th Street, NW, #200 Washington, DC 20006-3953	Spence Group (For:Association for Commuter Transportation, Inc)	31.25	
Do	Bostrom Corp (For:Fire Equipment Manufacturers & Services Assn, Inc)		
William B. Spencer, 729 15th Street, NW Washington, DC 20005	Associated Builders & Contractors, Inc	2,500.00	
Spriggs & Hollingsworth, 1350 I Street, NW, 9th Floor Washington, DC 20005	Eagle-Picher Industries, Inc		
Squire Sanders & Dempsey, 1201 Pennsylvania Ave., NW P.O. Box 407 Washington, DC 20044	American Chamber of Commerce in Germany		
Do	Public Securities Assn		
Cecile Srodes, 1800 K Street, NW, #1100 Washington, DC 20006	New York Stock Exchange, Inc		
James St. Pierre, 900 17th Street, NW Washington, DC 20006-2596	Wilderness Society	156.25	
Vivian Escobar Stack, 2010 Massachusetts Avenue, NW, #500 Washington, DC 20036	Planned Parenthood Fed of America, Inc	527.92	71.00
Tyrone Stallworth, 220 North Devillers Street Pensacola, FL 32501			
Theresa Stanion, 3150 Spring Street Fairfax, VA 22031-2399	International Communications Industries Assn	2,125.00	
Thomas Stanton J., 1000 Thomas Jefferson Street, NW, #609 Washington, DC 20007	Leonard Ralston Keyes & Danks (For:Krueger, Inc)	13,595.24	
David Stawick, 201 Massachusettes Ave., NE Washington, DC 20002	National Corn Growers Assn	3,500.00	
Jeffrey V. Steele, 2033 M Street, NW, #300 Washington, DC 20036	National Association of Arab Americans	6,250.00	25.00
Henry J. Steenstra Jr., 1000 Wilson Boulevard, #2600 Arlington, VA 22209	TRW, Inc	1,927.00	1,255.00
Susan M. Steinberg, 1455 Pennsylvania Ave, NW, #1000 Washington, DC 20004	New England Council, Inc		
John C. Stellman, 1725 Jefferson Davis Hwy, #500 Arlington, VA 22202-4102	Chrysler Technologies Corp	100.00	
Steptoe & Johnson, 1330 Connecticut Ave., NW Washington, DC 20036	Harley-Davidson Motor Co, Inc		
Do	National Council on Teacher Retirement		
Joseph D. Sternlieb, 2027 Massachusetts Ave., NW Washington, DC 20036	Leadership Conference on Civil Rights	4,193.01	37.75
Alex Stoddard, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn	1,200.00	
Richard H. Streeter, Federal Bar Building 1815 H Street, NW, #800 Washington, DC 20006	Cast North America (I983), Inc		
Stephen P. Strickland, 110 Maryland Ave., NE, #409 Washington, DC 20002	National Peace Institute Foundation		
John N. Sturdivant, 80 F Street, NW Washington, DC 20001	American Fed of Government Employees	5,818.22	52,442.05
Francis J. Sullivan, 16 W. Walnut Street Alexandria, VA 22301	Frank Sullivan Associates	2,057.00	
Judy M. Sullivan, 1614 King Street Alexandria, VA 22314	National Assn of Housing Cooperatives		
Marcia Z. Sullivan, 1000 Wilson Boulevard, Suite 3012 Arlington, VA 22209	Consumer Bankers Assn		
David A. Super, 1875 Connecticut Ave., NW, #540 Washington, DC 20009	Food Research & Action Center	1,130.21	
Thomas M. Susman, 1001 Pennsylvania Ave., NW, #1200-S Washington, DC 20004	Ropes & Gray (For:Digital Equipment Corp)		767.00
Do	Ropes & Gray (For:Eastern Enterprises)		
Do	Ropes & Gray (For:Barry Krock)		
Sutherland Asbill & Brennan, 1275 Pennsylvania Avenue, NW Washington, DC 20004	Mutual of Omaha Insurance Co		
Swidler & Berlin, Chtd, 3000 K Street, NW, #300 Washington, DC 20007	American Bakers Assn	3,107.50	
Do	Business Coalition For RICO Reform	20,419.32	18.00
Do	MacAndrews & Forbes Group, Inc	3,010.00	
Do	Renewable Fuels Assn		
Do	Rivkin Radler Bayh Hart & Kremer (for Merrill Lynch & Co)	125.00	
Ivan Swift, P.O. Box 607 Arlington, VA 22216	New England Anti-Vivisection Society	3,000.00	1,750.00

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Ronald L. Tammen, 1900 L Street, NW, #500 Washington, DC 20036	Tammen Group (For:Cray Research, Inc)		
Elizabeth L. Taylor, 1155 15th Street, NW, #400 Washington, DC 20005	McNair Group, Inc	30,000.00	
Margaret J. Taylor, 50 F Street, NW, #1080 Washington, DC 20001	BR Services, Inc	1,750.00	82.58
Robert C. Taylor, 3000 Lincoln Plaza, Lb-5 Dallas, TX 75201			
T. Daniel Tearno, 1341 G Street, NW, #900 Washington, DC 20005	Miller Brewing Company	791.03	1,861.82
Paul M. Tendler, 1090 Vermont Ave., NW, #1200 Washington, DC 20005	Tendler & Biggins, Chtd (For:American Licensed Practical Nurses Assn)		
Do	Tendler Goldberg & Biggins (For:Hugo Boss Fashions, Inc)		
Do	Tendler Goldberg & Biggins (For:Joseph and Feiss, Inc)		
Do	Tendler & Biggins, Chtd (For:Mears International Sales Co)		
Textron, Inc, 40 Westminster St. Providence, RI 02903		4,650.00	1,030.00
Peter William Thomas, 955 26th Street, NW, #205 Washington, DC 20037	American State of the Art Prosthetic Assn		949.22
Patrick Thompson, 4 World Trade Center New York, NY 10048	New York Mercantile Exchange	5,000.00	284.00
William Douglas Thompson, 777 14th Street, NW Washington, DC 20005	National Association of Realtors	2,500.00	833.91
Thompson & Mitchell, One Mercantile Center, #3400 St. Louis, MO 63101	Cold Finished Steel Bar Institute	594.00	
Do	Midland Enterprises, Inc	3,000.00	48.36
Do	Mutual Fairness Taxation Assn	37,500.00	5,567.44
Anna Thronson, 1025 Thomas Jefferson Street, #700E Washington, DC 20007	Legislative Strategies (For:American Independent Refiners Assn)		
Do	Legislative Strategies (For:Bridge Products)		
Do	Legislative Strategies (For:Cogeneration & Independent Power Coalition of America, Inc).		
Do	Legislative Strategies (For:Consolidated Natural Gas Service Co, Inc)		
Do	Legislative Strategies (For:Globos International, Inc)		
Do	Legislative Strategies (For:National Hydropower Assn)		
Do	Legislative Strategies (For:Natural Gas Vehicle Coalition)	74.75	
Do	Legislative Strategies (For:Texas-New Mexico Power Company)		
Do	Legislative Strategies (For:Tosco Corp)	92.00	
William C. Tinklepaugh, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		
Constance E. Tipton, 888 16th Street, NW Washington, DC 20006	Milk Industry Foundation/Int'l Ice Cream Assn		1,715.40
E. Linwood Tipton, 888 16th St., NW Washington, DC 20006	International Dairy Foods Association		208.38
Tony Poole, 1030 15th Street, NW, #700 Washington, DC 20005	Kelly Anderson & Associates, Inc (For:U.S. Banknote Corp)		
Transafrica, 545 8th Street, SE, #200 Washington, DC 20003	TransAfrica	84,063.41	70,313.91
Shirley Traylor, 105 East 22nd Street New York, NY 10010	Community Service Society		
Trees America!, 2122 Mass Ave., NW, #412 Washington, DC 20008			
Eugene M. Trisko, P.O. Box 596 Berkeley Springs, WV 25411	Stern Bros, Inc		
Paul E. Tsongas, Foley Hoag & Eliot One Post Office Square Boston, MA 02109	American Insurance Assn		326.50
Do	Cambridge Redevelopment Authority		
Do	Humane Society of the U.S., et al.		
Do	Iroquois Gas Transmission Systems		
Do	National Venture Capital Assn		
Do	Norton Company		
Do	Sierra Club of America		
Do	Thermedics, Inc		
Genevieve W. Tuchow, 700 13th Street, NW, #900 Washington, DC 20005	Columbia Gas Distribution Companies	4,100.00	
James Tully, 7927 Jones Branch Drive, #600-S McLean, VA 22102	Council of American Homeowners		
Jane L. Turner, 1250 Connecticut Ave., NW, #200 Washington, DC 20036	National Forest Products Assn	1,200.00	
Larry Tuttle, 900 17th Street, NW Washington, DC 20006	Wilderness Society	637.50	77.40
St. Clair J. Tweedie, 1575 Eye Street, NW, #200 Washington, DC 20005	American Cyanamid Co		
U.S. Recreational Ski Association, 1315 East Pacifico Avenue Anaheim, CA 92805			
U.S. Strategies Corp, 1321 Duke Street, #200 Alexandria, VA 22314-3563	Healthsouth Rehabilitation Corp		
U.S. Telephone Assn, 900 19th Street, NW, #800 Washington, DC 20036		23,480.00	675.60
Mark J. Ugoretz, 1400 L St., NW Ste. 350 Washington, DC 20005	Erisa Industry Committee		
Craig Ulrich, 1300 N. 17th Street, #1200 Arlington, VA 22209	Consumer Bankers Assn		
Unifi, Inc, P.O. Box 19109 Greensboro, NC 27419			
Jane Usdan, 555 New Jersey Ave, NW Washington, DC 20001	American Fed of Teachers	11,049.78	192.00
Richard Van Deuren, 111 E. Wisconsin Avenue, NW, #1800 Milwaukee, WI 53202	National Employee Benefits Institute		
Nancy Van Duyne, 1709 New York Ave., NW Washington, DC 20006	Air Transport Assn of America	11,300.24	
Becky Davenport Van Dyck, 888 16th Street, NW Washington, DC 20006	International Dairy Foods Assn		
Henry B. Van Gieson, 1700 North Moore St., 2120 Arlington, VA 22209	Boeing Company	1,000.00	81.75
Robert J. Verdisco, 1901 Pennsylvania Avenue, NW, #10th Fl. Washington, DC 20006	International Mass Retail Assn	10,000.00	200.00
Verner Liipfert Bernhard McPherson & Hand, Chtd, 901 15th Street, NW #700 Washington, DC 20005-2301	American Museum of Natural History		
Do	Bell Atlantic Corp	1,575.00	
Do	Brown & Root, Inc	1,391.25	
Do	Central Gulf		
Do	General Dynamics Corp	1,612.50	
Do	GenCorp	1,702.50	
Do	Hughes Communications, Inc	120.50	
Do	Investment Company Institute	3,448.75	
Do	John F. Kennedy Center for the Performing Arts		
Do	Mars, Inc	675.00	
Do	McDonnell Douglas Corp	1,612.50	
Do	Merrill & Lynch & Co, Inc	8,956.25	
Do	New Progressive Party	8,300.00	
Do	Northwest Airlines	12,050.00	
Do	NBC	5,893.75	
Do	NYNEX Corp	4,512.50	
Do	Travelers Companies	780.00	
Do	TRW, Inc		
Do	UNC, Inc		
Robert J. Vilhauer, 1700 N. Moore Street, #2120 Arlington, VA 22209	Boeing Company	1,862.00	526.32
Walter D. Vinyard Jr., Zuckert, Scoutt, Rasenberger & Johnson 888 17th St., NW, 7th Fl. Washington, DC 20006	Continental Insurance Companies	25.00	
Do	National Fraternal Congress of America	25.00	
George A. Viverette Jr., 500 E Street, SW, #950 Washington, DC 20024	American Automobile Assn		
Marcos Von Goihman, P.O. Box 65475 Washington, DC 20035	Guyana Airways Corp		
Jay J. Vroom, 1155 15th Street, NW, #900 Washington, DC 20005	National Agricultural Chemicals Assn	200.00	1,011.70
Anne Marie Walsh, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc	25.14	12.00
Michael O. Ware, 1701 Pennsylvania Ave., NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co	2,500.00	
Washington Gas Light Co, c/o Carol A. Bechtold 1100 H Street, NW Washington, DC 20080			7,907.03
Diana L. Waterman, 900 2nd Street, NE Washington, DC 20002	United Property Owners of Washington (UPOW)		
Ronald D. Waterman, 900 2nd Street, NE, #109 Washington, DC 20002	Milwaukee County-Intergovernmental Relations	13,650.00	4,475.76
Do	Wisconsin Counties Assn	11,625.00	6,713.64
Do	Wisconsin Department of Industry, Labor & Human Relations		
Mary Kirtley Waters, 888 17th Street, NW, #300 Washington, DC 20006	ConAgra, Inc	5,200.00	
Lucy R. Watkins, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	Center for Law and Education, Inc	27.68	
Clarke R. Watson, P.O. Box 18837 Denver, CO 80218	Westland Companies, Inc		
Jay Watson, 900 17th Street, NW Washington, DC 20006	Wilderness Society	2,749.16	325.00
Jerry B. Watson Jr., P.O. Box 1022 Wilmington, DE 19899-1022		2,868.00	2,799.00
James B. Watt, 1015 18th Street, NW Washington, DC 20036	Conference of State Bank Supervisors		
Arthur B. Watts, 4496 Alfred Street Cocoa, FL 32927			
James M. Webb, 5 Char Bea Lane St., Louis, MO 63132	Sandstone Resources		
Andrew H. Webber, 810 First Street, NE, #410 Washington, DC 20002	American Medical Peer Review Assn		
Susan Weber, 1400 16th Street, NW, #320 Washington, DC 20036	Zero Population Growth, Inc		
Paul Weckstein, 236 Massachusetts Ave., NE, #504 Washington, DC 20002	Center for Law and Education, Inc		
Arthur E. Weisberg, 2200 First Bank Place East Minneapolis, MN 55402	Dorsey & Whitney		
Suzanne Weiss, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
Robert A. Weissman, 14500 Avion Parkway, #300 Chantilly, VA 22021	TechLaw, Inc (For:Shutler & Low (for: Nissan R&D, Inc))	3,234.00	45.20
Mark Weller, 2200 Clarendon Blvd, #1006 Arlington, VA 22201	Ball Corp	425.00	888.87
Frederick C. Wendorf, 801 Pennsylvania Ave., NW, #352 Washington, DC 20004	Central & South West Services, Inc	3,920.00	2,549.77
Sherece West, 105 East 22nd Street New York, NY 10010	Community Service Society	88.80	413.10
Joseph J. Westwater, 1 Massachuseets Avenue, N.W., #800 Washington, DC 20001	McLeod Watkinson & Miller (For:American Peanut Product Manufacturers, Inc)	4,780.00	95.79
Wexler Group, 1317 F Street, NW, #600 Washington, DC 20004	Allied-Signal, Inc	2,150.00	
Do	American Airlines, Inc	1,800.00	7.75
Do	American Institute for Foreign Study Scholarship Foundation	725.00	7.75
Do	ARCO	1,800.00	
Do	Columbia Hospital for Women Medical Center	75.00	5.45

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	Communications Satellite Corp	6,600.00	13.20
Do	Consortium of State Maritime Schools		
Do	Coopers & Lybrand	2,800.00	
Do	Foothills Pipe Lines (Yukon) Ltd	1,425.00	52.15
Do	FHP		16.35
Do	General Motors Corp	1,650.00	
Do	Massachusetts Maritime Academy		
Do	Monarch Capitol Corp		
Do	Motion Picture Assn of America, Inc	3,060.00	55.05
Do	MCI Communications Corp	2,500.00	24.10
Do	National Assn of Social Workers		
Do	National Gypsum Co		
Do	New England Electric System	450.00	
Do	Nova, An Alberta Corp		
Do	Novacor Chemicals, Ltd		
Do	Oceanic Institute		
Do	Ohio Edison		
Do	Pyramid Lake Paiute Tribal Council		
Do	Regional Planning Commission		
Do	Serono Laboratories		
Do	Simon Wiesenthal Center/Museum of Tolerance		
Do	Square D Company	14,383.75	
Do	State of Oregon, Office of the Governor		
Do	Stock Information Group		
Do	Training Media Distributors Assn		
Do	U.S. Bioscience	6,900.00	18.20
Nancy Katherine Weyl, 777 14th Street, NW Washington, DC 20005	National Assn of Realtors	1,250.00	576.06
Whalen Company, Inc, 1717 K Street, NW, #700 Washington, DC 20006	Equitable Life Assurance Society of the U.S.		
Do	Toyota Motor Sales, USA, Inc		
Ellan Wharton, 1701 Pennsylvania Avenue, NW, #900 Washington, DC 20006	E. I. du Pont de Nemours & Co		
Gordon B. Wheeler, 1025 Connecticut Ave, NW Washington, DC 20036	Health Insurance Assn of America, Inc		
Steven C. White, 10801 Rockville Pike Rockville, MD 20852	American Speech-Language-Hearing Assn		
Ward H. White, 900 19th Street, NW, #800 Washington, DC 20006	U.S. Telephone Assn	23,480.40	23,480.40
Valerie Wilbur, 901 E Street, NW, #500 Washington, DC 20004-2837	American Assn of Homes for the Aging		
E. John Wilkinson, 1225 19th Street, NW, #300 Washington, DC 20036	Vulcan Materials Co	1,700.00	540.00
Daniel Will, 306 Commonwealth, #4 Alexandria, VA 22301	National Taxpayers Union	986.00	
Christopher D. Williams, 1 Massachusetts Avenue, N.W., #800 Washington, DC 20001	McLeod & Pires (For:Mid-Valley Water Authority)	444.25	
Margie R. Williams, 415 2nd St., NE, #300 Washington, DC 20002	National Assn of Wheat Growers	1,500.00	
Patricia R. Williams, 1101 Pennsylvania Ave., NW, #800 Washington, DC 20004	McCutchen Doyle Brown & Enersen (For:Southern California Assn of Governments).	11,169.00	
Williams & Jensen, P.C., 1101 Connecticut Ave., NW, #500 Washington, DC 20036	American Home Products		32.89
Do	Association of Family Farmers		19.73
Do	Robert M. Bass Group	1,755.00	85.52
Do	BMC Industries, Inc		
Do	Century 21 Real Estate Corp		
Do	College Construction Loan Insurance Assn		
Do	Continental Airlines Holding, Inc.	5,200.00	198.44
Do	CIGNA Corp		42.85
Do	Estee Lauder, Inc	1,860.00	92.09
Do	Executive Life Insurance	540.00	26.32
Do	First Boston Corp	1,620.00	78.95
Do	FAIR		
Do	Glaxo, Inc	3,740.00	172.13
Do	Greenwich Capital Markets, Inc	540.00	26.32
Do	GAMMA Corp	390.00	19.73
Do	Kelly Appleman Hart & Hallman		13.16
Do	Keystone Provident Life Insurance Co		
Do	Mustang Fuel Corporation		
Do	National Assn of Rehabilitation Agencies		
Do	National Board for Professional Teaching Standards	1,147.50	46.05
Do	National Soft Drink Assn	1,040.00	39.47
Do	Norfolk Southern Corp	1,820.00	78.95
Do	Oklahoma Gas & Electric Co	3,550.00	157.87
Do	Pharmaceutical Manufacturers Assn	510.00	26.32
Do	Pittston Co	4,200.00	172.13
Do	Recording Industry Assn of America, Inc		13.16
Do	Southern Pacific Transportation Co.	1,280.00	52.63
Do	Southwest Airlines	270.00	13.16
Do	Student Loan Marketing Assn		26.32
Do	Texaco, Inc		
Do	Trailer Train Co	740.00	26.32
Do	Turner Broadcasting System, Inc	5,200.00	185.28
Do	U.S. English		
Do	U.S. Telephone Assn		
Do	Universal Foods, Inc		
Do	USAA Financial Service Co	350.00	13.16
Wilmer Cutler & Pickering, 2445 M Street, NW Washington, DC 20037-1420	Business Roundtable		
Do	Computer Systems Policy Project		
Do	Intellectual Property Committee		
David W. Wilmot, 1029 Vermont Avenue, NW Washington, DC 20005	Anheuser-Busch Companies, Inc		
Michael J. Wilson, 815 16th St., NW, #507 Washington, DC 20006	Amalgamated Clothing & Textile Workers Union	4,375.00	15.50
Mark V. Wimberly, 1130 Connecticut Ave., NW, #830 Washington, DC 20036	Mississippi Power Co	23,706.05	9,651.35
Alexander Bradford Winslow, 1325 G Street, NW, #1003 Washington, DC 20005	Population-Environment Balance		
Wisconsin Citizens Utility Board, 16 North Carroll, #300 Madison, WI 53703			
Peter M. Wisniewski, P.O.BOX 322 Kearny, NJ 07032			
Walter J. Witek Jr., 777 14th St., NW Washington, DC 20005	National Assn of Realtors		
S.R. Wojdak and Associates, Inc, The Bellevue - Suite 850 200 S. Broad Street Philadelphia, PA 19102	Albert Einstein Medical Center		
Do	All Children's Hospital		
Do	Arkansas Children's Hospital	3,000.00	415.27
Do	Biosonics, Inc		150.27
Do	Cardinal Glennon Children's Hospital		
Do	Children's Hospital (Boston)	9,000.00	1,825.14
Do	Children's Hospital of Buffalo	3,000.00	415.26
Do	Children's Hospital of Los Angeles	3,000.00	415.26
Do	Children's Hospital of Michigan	3,000.00	415.27
Do	Children's Hospital of Philadelphia	33,000.00	2,705.52
Do	Children's Hospital of Pittsburgh	21,000.00	4,816.97
Do	Children's Hospital Medical Center of Akron	5,100.00	1,724.69
Do	Children's Hospital Research Foundation		
Do	Children's Memorial Medical Center	3,000.00	1,308.27
Do	Drexel University	10,000.00	
Do	Greater Philadelphia First Corp		
Do	Health Partners of Philadelphia		
Do	Healthcare Management Alternatives, Inc	9,000.00	2,656.87
Do	Hill Group	27,000.00	2,122.88
Do	La Rabida Children's Hospital		
Do	Magee-Womens Hospital	7,500.00	1,765.18
Do	Mercy Catholic Medical Center	6,000.00	2,368.17
Do	National Assn of Children's Hospitals & Related Institutions	15,000.00	1,611.34
Do	National League of Nursing	13,200.00	3,592.76
Do	Philadelphia Electric Company	16,212.50	2,686.82
Do	Public Financial Management	27,000.00	3,156.12
Do	Southeastern Pennsylvania Trans Authority	7,437.50	
Do	St. Louis Children's Hospital		

Organization or Individual Filing	Employer/Client	Receipts	Expenditures
Do	University of Pennsylvania	22,500.00	
Do	Western Pennsylvania Hospital	3,900.00	1,633.16
Do	Wyler Children's Hospital		
James Wolf, 1725 K St., NW, #914 Washington, DC 20006	Alliance to Save Energy	1,145.96	
Mark E. Woodbridge, 1825 K Street, NW, #1107 Washington, DC 20006	National U.S. Arab Chamber of Commerce		
Laura Dallman Wooster, 1100 17th Street, NW, 10th Floor Washington, DC 20036	American Assn for Marriage and Family Therapy	7,597.00	
World University Games (for 1993), 1701 K Street, NW #400 Washington, DC 20006	Greater Buffalo Athletic Corp	33,000.00	977.87
Wunder Ryan Cannon & Thelen, 1615 L St., NW, #650 Washington, DC 20036	American Insurance Assn	2,455.00	2.55
Do	American Iron & Steel Institute		32.40
Do	Dresser Industries, Inc		
Do	Electronic Industries Assn		
Do	Ford Motor Co		
Do	General Aviation Manufacturers Association		
Do	GTE Corporation		
Do	Interlocking Directorate Reform Coalition		
Do	ITT Corporation		
Do	Kraft		
Do	Maxxan	6,893.00	33.80
Do	North American Phillips Corp		
Do	NEC Home Electronics (USA) Inc		
Do	NYNEX Corp	8,721.00	205.35
Do	Rohm & Haas		
Do	Thomson Consumer Electronics, Inc		
Do	Trailer Train Co		
Do	Wheelabrator Technologies		
Deborah K. Yamada, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	7,612.13	203.50
Dalton Yancey, 910 16th St., NW, #402 Washington, DC 20006	Florida Sugar Cane League, Inc		
Do	Rio Grande Valley Sugar Growers		
Larry E. Yoakam, 650 S. Front Street Columbus, OH 43206	Grange Mutual Casualty Co		
Caryl Yontz, 1625 L Street, NW Washington, DC 20036	American Fed of State County & Municipal Employees	10,987.76	493.27
Roberta Lynn Youmans, 122 C Street, NW, #875 Washington, DC 20001	National Housing Law Project	2,765.86	
Robert A. Young, 12248 Turkey Creek Ct. Maryland Heights, MO 63043	Brown & Associates	1,500.00	1,337.66
Do	United Assn of Jnymen & Appren of Plmbg & Pipeftg Industry	1,500.00	
Michael Zagorac Jr., 8333 Bryan Dairy Rd. P.O. Box 4689 Clearwater, FL 33518	Jack Eckerd Corp		
Sharon G. Zedd, 1050 17th Street, NW, #810 Washington, DC 20036	Neece Cator & Associates (For:American Wood Preservers Institute)	2,000.00	2,000.00
Zero Population Growth, Inc, 1400 Sixteenth St.,N.W.,#320 Washington, DC 20036		2,169.00	1,694.00
Carl A. Zichella, 214 N. Henry St., #203 Madison, WI 53703	Sierra Club	1,900.00	1,306.60
Bradley P. Ziff, 1270 Avenue of the Americas, #2118 Rockefeller Center New York, NY 10020-1702	International Swap Dealers Assn Inc		1,982.66
Mary Beth Zimmerman, 1725 K Street, NW, #914 Washington, DC 20006	Alliance To Save Energy		
Amy G. Zirkle, 1020 19th Street, NW, #600 Washington, DC 20036	American Express Co	4,687.50	224.50
Zuckert Scoutt & Rasenberger, 888 17th St., NW, #600 Washington, DC 20006-3959	Coalition for Air Service to O'Hare		4,006.00

SENATE—*Friday, August 2, 1991*

(Legislative day of Monday, July 8, 1991)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Thus the heavens and the earth were finished, and all the host of them. And on the seventh day God ended his work which he had made; and he rested on the seventh day from all his work which he had made.—Genesis 2:1, 2.

Eternal God, infinite and unchangeable, Creator of all that is, the Senators and their staffs have been laboring long hours under great pressure—as have all the support staffs. They need rest, despite which inordinate demands will persist in making their relentless claims upon them during the August recess.

As Almighty God rested, so should they. Gracious Father, grant to Your servants wisdom and grace to finish their business today and help them to discipline themselves, order their priorities, and make time for You, their families, and themselves—that they may be restored to fullness of health and strength in mind and body.

In the name of Him who said, "Come unto me all ye that labour and are heavy laden, and I will give you rest." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, August 2, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. LIEBERMAN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of S. 1507, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1507) to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense; for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Breaux Modified Amendment No. 1034, to provide for the conveyance of closed military installations to the neighboring communities in certain cases.

The ACTING PRESIDENT pro tempore. The pending business is the amendment offered by the Senator from Louisiana. There is, under the previous order, 1 hour allocated for debate on this amendment divided in the customary manner.

Who seeks recognition?

The time is controlled by the Senator from Ohio [Mr. GLENN] and the Senator from Louisiana [Mr. BREAUX].

Who yields time?

Mr. JOHNSTON. Mr. President, I ask unanimous consent that I be allowed to proceed, under the time of the proponents of the amendment, for 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, the amendment which we propose very clearly states the obligation of the Federal Government, of the Secretary of Defense, to convey property of bases closed to the communities which are impacted, if they are substantially adversely impacted by the closing of that base.

There is a fundamental question here presented by this amendment, and it is, on the one hand, whether we should create another RTC to be a repository of all of this property, to have GSA take title to all of the property of the closed bases, and to retain it probably for interminable lengths of time while they shop it throughout the Federal Government, determining whether or not they can make homes for the homeless, or drug rehab centers, or other Federal uses; or whether, on the other hand, as our amendment says, the local communities ought to get this property. This amendment says very clearly, Mr. President, that the Secretary has the obligation to convey this property to the local communities. Moreover, we state very clear deadlines as to when this action must be.

The Secretary must make a determination as soon as possible as to this adverse economic impact, and file his findings as soon as possible, but in no event later than the closure of the base. We define what adverse economic impact is, and it is the usual things: Real estate values, unemployment, lost revenues, bankruptcies, declining personal income. Those things, in most cases, will be self-evident. You would be able to tell the effect by just driving through town. In Louisiana, where England Air Force Base is being closed, the predicted impact is a loss of 12,000 jobs, a loss of $228 million in sales, a loss of $257 million in household income, a loss of State and local revenue, and increased bankruptcies. This is in an already very very poor section of our State. So, Mr. President, it will be easy, simple and self-evident, in most cases, as to what the impact is.

We provide in this legislation the party to whom the conveyance will be. That is, it will be to the local subdivision of the State, or to the State as designated by State law or, failing in that, to the appropriate party as determined by the Secretary of Defense.

Mr. President, we set very clear guidelines on when this conveyance must be made—180 days after closure, with the requirement that the local community be informed as soon as possible, before that conveyance is made.

Mr. President, there has been a suggestion that some of these bases are so valuable that it would constitute a windfall to the local community to grant the title to the property to them. Therefore, we provide for a Presidential waiver, if the President, either on grounds of national security, or on the grounds of windfall—that is, that the value of the property is so valuable that it would constitute a windfall to the local community—and that the conveyance of the property to the local community is not essential for the recovery of that community, and in that event, the President may waive the requirement of conveying the property to

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

them, with the limitation that not more than five waivers in any one base closure package may be made by the President.

Further, we provide that waivers, in part—that is, where certain functions or property will be reserved to the Federal Government—he may do that an unlimited number of times, that it not count against the total of five, but that the value of those waivers in part cannot exceed 25 percent of the property. Otherwise, they could count against the five. What we have in mind there, Mr. President, is those instances where a base might be closed, but the National Guard might want to use an armory or runway or a hangar or some other property.

It need not be necessary that the reservation include the fee title to the property, but that would be decided by the Secretary of Defense. He could, for example, keep an easement over the runway as appropriate.

Mr. President, we provide that the waiver determination by the President must be made in the earlier of December 31, in the year following the Presidential approval of closure, or closure, whichever is earlier, with two 90-day extensions.

In other words, if a President wants to exercise this waiver power he must make up his mind and do it early on.

Now, why this emphasis on all the deadlines? It is because of the sad experience of working with the Federal Government. The Federal Government does a lot of things well, like efficiently collecting taxes. They do not get rid of the property very well. If you look at the situation in the RTC, the Federal Government has had hundreds of billions of dollars' worth of property for years and they have not gotten rid of 10 percent of it yet. They have not sold it. They have not negotiated. They are just owning it and letting it deteriorate.

I think my colleagues can talk about many, many examples, Mr. President, of where this property has been kept and cannot be obtained from the Federal Government in spite of the very best efforts. I personally can testify to that. If we give this property, as under present law, no deadlines to GSA, it is going to stay there while the economies of these closed base communities die on the vine, which they are, and are in very bad shape.

Mr. President, the regular law simply does not accommodate to the situation which we have at present. I hope that the Senate will resoundingly approve of this amendment which we have proposed today.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

The Chair recognizes the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I wonder if my colleague will yield to me 1 minute to introduce two bills, as if in morning business.

The ACTING PRESIDENT pro tempore. Who yields time?

Without objection, the Senator from Alaska has 1 minute in morning business.

Mr. MURKOWSKI. I thank the Chair.

(The remarks of Mr. MURKOWSKI pertaining to the introduction of S. 1624 and S. 1625 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MURKOWSKI. I thank the Chair and my colleagues, and wish them a good day.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. GLENN. Mr. President, has the distinguished Senator from Alaska concluded?

The ACTING PRESIDENT pro tempore. The Senator from Alaska has concluded.

AMENDMENT NO. 1034, AS MODIFIED

Mr. GLENN. Mr. President, I yield myself such time as I may require.

Mr. President, the basics of what is being proposed here are that it changes law that has served us well for some 40 years. It changes the Federal Property Administrative Services Act of 1949 by saying that instead of a regular progression of disposal of Federal property, that has a regular procedure hooked up with it for the potential for other Federal uses first, if there are none then the States have first call on this property.

At that point, the same disposition of property could be made if it gets to that point, as my distinguished colleague from Louisiana is talking about. Or at that point, if the States do not want it, the counties have a claim on it if they want it, then local communities, and then individual sales.

Mr. President, this would stand that procedure exactly on its head. It would reverse it 100 percent. It would say that local communities have first call and that everyone else gets in line after that.

The impact on local communities is not something that I dispute in any way, shape, or form. We experience that in Ohio, just as well as other States. We have a base being closed up there, too, a major base. The impact on the local community is severe. I wish I could do something for those people, also.

But, Mr. President, there is another issue here that we did not bring up last night or debate on the floor, and that is the cost to the Federal Government if we do this.

I ask my distinguished colleague from Louisiana if he has made any estimate on the amount of money that it will cost to close the bases, what this will reduce in the way of sales or revenue to the Government—not revenue, but value to the Government—if this bill passes, because it means we will not sell this property, and we still have the cost of base closure. Have estimates been made in that regard?

Mr. JOHNSTON. I would say to my friend from Ohio, first of all, that this will have no budgetary impact because there are no allocations of budget authority or outlays that have been ascribed to the property. We do understand that there are particularly a few bases that are of very high value, and for that reason we have put in the waiver so that in any package the President may waive five bases, either for national security or on windfall grounds. It is up to him, not reviewable, not appealable. So the really valuable bases will be preserved.

Moreover, he has an unlimited ability to exercise a partial waiver of up to 25 percent of the value of these bases.

I do not believe that the cost to the Federal Government will be very much because of the experience with RTC. RTC has this huge property which initially was worth billions of dollars and the property values are going down very rapidly because it overwhelms the ability of the Federal Government to convey the property out. We are much better off, for example, in our base rather than to shop it around and determine whether it ought to be a place for the homeless, to try to avoid having people be homeless by getting them jobs.

What we want to do in central Louisiana is try to bring in some jobs and industry. We are losing 12,000 jobs, and under the act, as I understand it, there is no provision, under the present law, for conveyance out for industrial development purposes. I mean, as I look at the law here it says, public parks, historic monuments, public health, wildlife, public airports and negotiated sales, but nothing in there that seems to authorize a conveyance out for.

Mr. GLENN. Let me get back to the cost, because we do have a case history here, recent case history, that I think is illustrative of what I am talking about.

As far as the 1988 base closures, it is estimated by the Pentagon that the costs of those base closures will be about $3.38 billion. We are not talking about small money here. It is estimated also that the sales, revenue or the money that will come in as a result of shutting down these bases, is going to be about $1.8 billion. I cannot say that the figures in this case would be exactly the same. These are different bases, different locales.

But that means that the delta here, the total difference is not only the $1.8 billion, but $3.38 billion it is going to cost us, which comes up to $5 billion expense under the 1988 act if this same type procedure was applied to it. Otherwise, that $1.876 billion in sales or revenues realized off the base closure before would come down to only a cost of somewhere around $1.5 billion or

$1.89 billion, grand total, to get the cost to get the bases closed. This is under the 1988 act now, which means over a period of time then you amortize that out by savings as you do not have to provide money for those bases in the future.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. GLENN. We are talking about a $5 billion delta here, talking about a $5 billion net to the Government off the 1988 bill. I presume we have something of that order in this bill, if the Senator's amendment prevails.

Mr. JOHNSTON. Will the Senator yield at that point for a question?

Mr. GLENN. Yes.

Mr. JOHNSTON. I am informed that under the 1988 act, they closed a number of bases. I am informed that the total amount of sales since 1988, this is 1991, obviously, has been $300,000.

I ask the Senator if he knows whether that is correct or whether it seems to be correct and whether he would expect better results under this closure package?

Mr. GLENN. I do not have any figures. The law permits some 6 years for base closure, and I know that they estimate that the total revenue received from this when it is all completed will be on the order of $1.8 billion. Whether it was actually what has been sold so far is $300,000, I do not know. That may be absolutely correct.

Mr. President, I think we could accomplish this same thing under existing law by putting in expedited procedures of how we dispose of Federal property so it does not take so long. That concerns me also. I agree with my distinguished colleague from Louisiana in that particular situation.

It does take a long time because if there are other Federal agencies that might want to use this property for quite legitimate purposes and purposes we would want them to use it for, it does take a while to canvass them, it takes a while to canvass the State and county before it gets to the local communities, and I agree with that. But notwithstanding that, this law for some 40 years has worked very, very well, and here we are now in our second base closure operation changing the laws in the middle of the game. I just think that would deal very unfairly with the people that have already been through this whole procedure.

With regard to the costs—let me get back to that again—in the base closure report they specify, as I understand it, the sale of property near the El Toro Marine Corps Station in California, at the Tustin Marine Corps facility out there, they specify that base be closed and they specify that it would be sold and the money out of that would be used to finance the move to other areas. Now the estimated sale of that property to whomever they are going to sell it to is estimated to gain about $600 million from that single property; very valuable property in Orange County, CA.

I lived on that base at one time for about 6 months, so I am very familiar with the value of that base. It is a very key location for business and industry.

They expect to realize some $600 million from that sale. This is supposed to finance some of the moves to other areas. That will be lost if this amendment passes. I would presume there are similar installations at other bases all over the country where a similar thing would occur.

Mr. President, it also bothers me a bit that we have specified, "notwithstanding any other provision of law" as leading this off, because that means that whatever State law, local law, or Federal law that may apply that we have not even had the opportunity to look at yet is required to be waived. I am not sure that that is a good idea. I think we need more time to look at that one also.

Perhaps another irony here is that, although the stated purpose of this amendment is to benefit the neighboring communities, those immediately impacted, the bill does not guarantee that those neighboring communities are the winners because the first priority will go to whoever the State designates. Now, I grant that the likelihood is the State will cooperate with the local area, but that certainly is not guaranteed in this and there is nothing in the law, nothing in this proposed amendment, that would prohibit the State from designating somebody else to receive the benefit from this base.

Mr. President, we have had this proposed before. I would point out to my colleagues that last year we went through basically this same debate and basically the same provision.

This changes very little from what was proposed last year. And last year 81 Senators soundly rejected the proposal. In principal, what we stated last year did the same thing the Johnston amendment will do now. We defeated that effort last year by a vote of 81 to 18. So if people want to see what their vote was last year before they cast their vote on this, they might want to look back into last year's RECORD. The vote last year was on August 3. I was looking through the list. In fact, Senator JOHNSTON voted in favor of defeating that proposal last year—I just happened to notice that; I had not noticed that before—and. Senator BUMPERS, and several others, too.

Mr. JOHNSTON. I would tell the Senator this is not the same proposition as last year.

Mr. GLENN. Almost.

Mr. JOHNSTON. No, it is not. There was no waiver last year. There were no dates. The Secretary of Defense is to make this conveyance out. There was no finding relative to substantial adverse economic impacts. There was no waiver in part last year. There was no reservation as I understand it for environmental purposes. It is a fundamentally different proposal than the one last year. And I might say that it is also a fundamentally different economic situation because we have had these devastated communities.

Mr. GLENN. I do agree it is a different economic situation. I would concur with that, but I would disagree it is that much different. There are some of these, I believe, small points that are different from last year, but I would urge people to look at their vote of last year. In fact, get it out and read the debate of last year and I think you will find most of the same points that were made last year are being made this year. And the vote of last year is listed in the CONGRESSIONAL RECORD of August 3, 1990, in case people want to check last year's voting record.

Mr. President, I think this is just bad law. As much as I am in agreement with the fact that there is much hurt out there around these bases, there also is a way that we dispose of Federal property that has worked well for 40 years and I see no reason to change that now.

I reserve the remainder of my time.

Mr. BREAUX. How much time remains?

The ACTING PRESIDENT pro tempore. The Senator has 22 minutes and 27 seconds remaining. The Senator from Ohio has 16 minutes and 46 seconds.

Mr. BREAUX. Mr. President, I yield myself 5 minutes.

Mr. President, I think that many people back home must look at the Congress sometimes and come to the conclusion that we all speak "Washingtonese." And I would describe "Washingtonese" as words that are spoken that make no sense.

We have a situation here in which almost 25 States around the country are directly affected by action of the Federal Government, in this case the Department of Defense, which had come in and shut down bases, put people out of work, literally threatened to destroy communities. And here we are debating on the floor of the U.S. Senate as to how perhaps it may not be a good idea to in fact have the local community be given the opportunity to get back the property which in most cases they gave in the first place to the Federal Government.

England Air Base in Louisiana is not atypical of what has occurred in most communities around the United States. When the military came in and said we need property for the U.S. Government for a military installation, most communities donated the property to the Federal Government. In the case of England in Louisiana, 95 percent of the property that the Air Force got to build an airbase was given to the military free of charge by the people in the local community to use for the purpose of an airbase. And they were happy they were there.

But now that the military has come in and said, "we're out of here folks, we're gone."

Is it not proper and appropriate, is it not logical, is it not fair, is it not equitable to have the people who gave the property free of charge to the military for a particular use, that, when the Federal Government does not need it any more, perhaps the people who gave it in the first place should have the right to get it back? That is all this amendment says, Mr. President. It says that the local people do not have to wait behind every other Federal agency to get a shot at getting back what they gave in the first place.

Why should we say that, if the Air Force does not need it, we should have to check with every other Federal installation—Fish and Wildlife, HUD, FAA, any kind of Federal agency in the Government—and let them have an opportunity to get the property before the local people who owned it in the first place have the right to come in and receive that property?

Mr. President, it is time we quit speaking Washingtonese and start speaking common sense. It is time we start caring for the local people whose lives have literally been potentially destroyed by a military quickly moving out of an area, never to return again.

I think it is horribly wrong for the Federal Government to do that to a community and say, "we're out of here, but we are going to keep the property anyway. We do not care that you gave 95 percent of it to the Federal Government free of charge when the Federal Government needed your help. Now that you need our help, we are out of here, folks."

That is not the American way of doing things. It is not the way it should be done in this case. Our amendment today would correct it. It corrects it by putting the local community in the first priority, in the first place, to get their property back in most cases.

It is truly interesting when we talk about how much is this going to cost—it is not going to cost anything. When the Federal Government, under the current law, offers the property for sale to other Federal agencies, who do we think is paying for it? If DOD sells the property, say, to the Department of the Interior, where is the money coming from? It is coming from us.

It is like the Pogo statement, "We have met the enemy and they are us." DOD is not making money by selling the property to the Department of the Interior. They are just taking money out of the Interior budget and putting it over in the DOD budget. It is still the same Treasury funds. The Federal Government is not making money when we sell property to ourselves, and that is what happens when the Department of Defense, through the Federal Government, offers it to be sold to the Department of Transportation or the Department of the Interior or the Department of Commerce. That is not new money that they are making. It is money from the same Treasury. It is money from the same Department. If you rob Peter to pay Paul, is anybody any richer? Of course not.

When the Department of Defense offers to sell the property to another Federal agency we are buying it from ourselves. We are not making money. To insinuate that, as the Department of Defense does, that somehow by letting the local government get back what they owned in the first place we are losing out on $3.5 billion in sales is a ludicrous argument.

Mr. GLENN. Will the Senator yield?

Mr. BREAUX. I suggest we are only saying we are not going to take money from one Federal department to give it to another Federal agency.

I will be happy to yield.

Mr. GLENN. Will the Senator yield on that point?

What we have under the Property Disposal Act is the idea that if a Federal entity is looking for a property for a quite legitimate purpose, whatever it is, and there is Federal property that comes available for that purpose, we should not, then, go out and be buying new property. That is the theme behind all of this property disposal law.

Mr. BREAUX. I understand that. If the Federal Government is going out and buying property from a private agency or private individual, that is a cost. But when the Federal agency is buying property from another Federal agency, the Federal Government is not making money or losing money.

Mr. GLENN. But you are saving the purchase of new land that would otherwise be involved if you were buying new property.

Mr. BREAUX. I would say if the Department of Defense sells property to the Department of Interior they may collect $1 million by selling it to the Department of Interior but Interior is going to find the $1 million from the same Treasury the Department of Defense goes to for those funds.

Mr. GLENN. I think the Senator misses my point. The point is we would not have to go to out the Treasury for the money to buy another brand new $1 million piece of property. Interior should not have to go out and about to buy it and use appropriated funds to buy property when there is excess property they can get and use.

Mr. BREAUX. Where the Department of Defense sells the property to another Federal agency, that does not earn the U.S. Treasury any money, by that sale. It is just going to cost another agency the price of that property and they have to pay it to the Department of Defense. The bottom line, as far as the U.S. Government is concerned, is it does not make any difference. It is certainly not any new revenue to the Federal Government.

The most important point of what we have here, Mr. President, is this is an opportunity to give some genuine help to the local communities who have been hurt. I daresay every other Member who has a situation similar to ours in Louisiana is thinking what are we going to go back and tell the people of our State when we have to tell them that the military is moving out? Oh, by the way, the property that you gave to the military for an air base or a military base, you are not getting it back even though they do not need it anymore. They are going to go look for somebody else to give it to. They are going to look for another Federal agency to give it to or sell it to.

The people will not buy that kind of answer when we try to tell the people what we have done. "What, Mr. Senator, have you done to help alleviate the misery that has been caused by the base moving out of our local community?"

Are we going to be able to go back and tell them we are going to think about giving it or selling it to the Interior Department, Commerce Department, FAA, Fish and Wildlife Service, Department of Justice?

"By the way, if nobody else in the Federal Government wants it, we might let you take a look at it."

Are my colleagues going to sell that back in their local communities in 20-some-odd States around the country? Not only are they going to be getting rid of military bases, they are going to be getting rid of Members of Congress because that logic is illogical and that Washington talk does not make sense back home.

It may make sense in a committee hearing, it may make sense on the Senate floor. I doubt it. But it is not going to sell back in our respective States.

What we have at the desk is a simple procedure that gives some equity and some balance in how the Government tries to help local communities and local individuals. We are talking about lives. We are not talking about agencies. We are not talking about bureaucracies. We are not talking about bureaucrats in Washington. We are talking about real people back home who are losing their jobs, closing their stores, packing their goods and having to get out of town because the Government has gotten out of town.

The least we can do is to allow us to give those local communities some help and some hope. That is why the legislation is incredibly important.

Mr. President, I reserve the remainder of my time, but I yield to our distinguished colleague, Senator ROTH, 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Delaware [Mr. ROTH] is recognized.

Mr. ROTH. Mr. President, it is time for the Senate to speak out on how it will address the needs of the families and communities impacted by base closures. It is clear that military bases and installations must be closed as the Defense Department shrinks.

Unfortunately, people working at bases selected for closure will lose their jobs, and there will be some economic impact on the surrounding community. I believe that Congress has an obligation to assist them by adopting policies that turn base closings into economic opportunities for the individual, opportunities for the community, and opportunities for the country.

The arguments against the Roth-Breaux-Johnston amendment suggest that the current procedures for disposing of bases are fine. Mr. President, the data do not support that conclusion. The current process for closing bases is painful, slow, and benefits no one. Local communities have little voice in what happens to bases slated for closure. The Base Closure and Realignment Commission has said that the process needs to be expedited and that communities should get the first opportunity to receive the property.

Mr. President, the key to minimizing the impact of base closures is to turn them into an economic opportunity for the affected community. Historical data that shows that converting military bases to community uses has created 158,000 jobs, more than enough to replace the 93,000 jobs at the bases closed between 1961 and 1990. Our legislation would speed the recovery process by more rapidly transferring the land and empowering communities in the disposal process.

Our amendment is important to local communities affected by base closures because it involves communities early on, and transfers ownership, free of charge, to the local community.

Let me reemphasize that the Defense Base Closure and Realignment Commission in its report to the President found that: "Reusing former military base property offers communities the best opportunity to rebuild their economies." Moreover, the Commission found that expediting the transition is critical to those affected by the closure: "Full economic recovery from base closure is dependent upon timely disposition of the facilities and land vacated by the services."

Mr. President, some have made it sound as if this amendment were a fast moving train heading west with no clear destination. That is not true. In May 1987, I introduced legislation with Congressman DICK ARMEY to make the base closing process work more smoothly. I recognized the fact that families and communities would be adversely affected unless a method could be found that would convert a closed base into an economic opportunity.

So last year, I first introduced the base conversion bill to accomplish that, and I testified on this bill in front of the Armed Services Committee. As Senator GLENN pointed out, I offered it as an amendment just a year ago on the Defense authorization bill, and many who voted against it then are now speaking in favor of it. In May of this year, I testified in front of the Base Closure Commission on behalf of my base conversion concept. In June, I reintroduced the bill.

In the 6 years that I have been studying the issue of base closings, I have realized that much is yet to be learned. I believe that Congress will have to revisit this issue as further bases are closed. I want to make it very clear that, regardless of the vote on today's amendment, I very much appreciate the offer of the chairman of the Governmental Affairs Committee to hold joint hearings with the Armed Services Committee. Even so, this amendment takes a large step forward in addressing the needs of America's families and communities, and it should be adopted by the Senate.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time? The Senator from Indiana.

Mr. COATS. Mr. President, I wonder if one of the managers will yield me time to speak in favor of the legislation.

Mr. JOHNSTON. How much time does the Senator need?

Mr. COATS. Five minutes; if not, 3 or 4.

Mr. JOHNSTON. Mr. President, how much time is left?

The ACTING PRESIDENT pro tempore. The Senator from Louisiana has 8 minutes remaining.

Mr. JOHNSTON. Mr. President, I yield, in the absence of Senator BREAUX, 3 minutes to the Senator from Indiana.

Mr. COATS. I thank the Senator for yielding.

Mr. President, having read through the amendment, I want to commend the authors of the amendment. All of us—not all of us, but most of us are faced with a painful process on base closing. It is a necessary one if we are ever going to reconcile the changing world threat and the tremendous budget pressures on the Department of Defense with the need to close bases. We have to make some very tough choices. There is no doubt these choices result in a significant impact, in many cases adverse impact, on the communities involved.

In my own case in the State of Indiana, we are closing both a large SAC base, Fort Harrison, in Indianapolis, and Jefferson Proving Grounds in the southern part of Indiana. Each of the surrounding communities associated with those bases are facing some pretty tough transition times.

The one thing that we have been able to hold out to them is that other communities have successfully gone through the base closing process, acquired the property, and put it on the tax rolls as a way of alleviating and mitigating the disruption that occurs when you close a base and the impact on a particular community.

This will expedite that process significantly, and it offers, I think, a great hope to the people in the communities affected by base closing that, within a relatively brief and certain period of time, 180 days, they will be able to acquire title to the property and then develop it for industrial, commercial, recreational, residential, or other appropriate uses, put it on the tax rolls and make that painful transition to a private sector economy that is going to be necessary to restore economic health to these communities.

I am also pleased that the legislation provides for continuing environmental responsibility on the part of the Department of Defense. In particular, Jefferson Proving Grounds in southern Indiana faces an astounding environmental problem. The amendment of mine that the Senate adopted less than 24 hours ago to force the Department of Defense and the Department of Army to face up to the reality of that environmental restoration at Jefferson Proving Grounds will be very helpful in that process. So we need to go forward with that.

This legislation also maintains the responsibility of the Department of Defense in terms of not just turning over a piece of property with environmental problems, but staying involved and cleaning up those problems.

For a lot of reasons, it is important that the Senate adopt the amendment offered by the Senators from Louisiana and the Senator from Delaware.

I heartily support their efforts and look forward to the adoption of this important legislation.

Thank you, Mr. President. I thank the sponsors for yielding time.

The PRESIDING OFFICER pro tempore. Who yields time?

Mr. GLENN. Mr. President, I yield myself such time as I require.

Mr. President, what is at issue is are we going to have a Federal policy of disposal of Federal property or are we not? The Federal policy has worked for 40 years.

I say to my colleague from Louisiana that I agree completely that there is a devastation around the bases when a base closes up. But I say also if we have a relocation of a major Social Security facility or agricultural facility or whatever facility, the devastation to individual lives is just as great. We do not propose in other law that every time someone's life is devastated, and we are concerned about that, that we give them the property that they were involved with. That is basically what we are proposing to do; to turn Federal property disposal on its head and do exactly that.

Let me say that we have a new letter dated this morning to the President of the Senate, the Honorable DAN QUAYLE, from the general counsel of the Department of Defense. Let me read this, because the Department of Defense, I say to my colleagues, is solidly against this amendment. They do not want to do it this way. They want to stick with the procedure that has worked well and is working well for those bases that have been disposed of since 1988 under that closure operation. That is still going on. Let me read this letter:

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, DC, August 2, 1991.

Hon. DAN QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: This provides the Department's position on the proposed amendment, Section 2804 to S. 1507, entitled "Conveyance of Closed Bases to Neighboring Communities."

The Department opposes the amendment. It would undermine the existing property disposal procedures established by the Federal Property and Administrative Services Act of 1949 as implemented by General Service Administration Regulations.

Concurrent property disposal procedures for the base closure process work very well to the benefit of communities. The amendment could actually harm communities' interests. DoD has and will continue to work diligently within the existing property disposal procedures to ensure economic revitalization at closing bases wherever possible.

The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this report.

Signed Terrence O'Donnell, general counsel of the Department of Defense.

So the administration is solidly opposed to this. That letter is dated as of today, August 2.

Mr. President, this is basically the same proposal that was made last year. This proposal this year changes a few minor things but does not change the basic thrust of what is being attempted here. The vote last year, I say to my colleagues, was 81 to 19 against this proposal. We very soundly defeated this last year.

I want to cooperate in every way possible with helping alleviate the suffering and the difficulty when a base closes. The people do suffer out there at those places. But I want to make sure, too, that the Federal Government goes through its processes that are of best benefit to all the taxpayers and that means that we do not have to give up what revenue might come in from sales of property and we do not have to go to the expense of buying other property that other Government agencies might need.

Under our property disposal law, Federal use, property that may be sought by another Government agency may be declared surplus by a different Government agency. What this says is we do not have to buy other property if there are other Federal entities looking for facilities, and those facilities can be for a great variety of purposes, whether it is Social Security, Agriculture, Interior; they may be looking for some place to put an AIDS research lab; there may be a VA cemetery or hospital.

I understand part of Fort Sheridan is going to be used as a Federal cemetery. We do not have to go out and buy that property now. That is one of the purposes of the Federal Property Disposal Act, to make sure we do not have excess Government expenditures.

If we follow logically the process that is being proposed today, it would mean that no matter what the Federal property, whatever the purpose of it is, we never can dispose of it for any profit for the Federal Government and get the taxpayers back their money. We would have to give that property to the local people whose lives are impacted when that facility is closed. Let us say we have a big major Federal building, and we are going to close that function; we are going to move out. Should we say that Federal building, wherever it is and for whatever purpose it is being used now, becomes the property of the people whose lives are affected in the Social Security Administration or VA, or whatever? Their lives, those individual lives, are just as much affected in closings like that as are the lives of people around a base that closes.

Everyone would think that, obviously, that was ridiculous, and it would be if I proposed that, if that is what is being proposed here today. And I say that with every bit of compassion I can muster in my heart for people around these bases whose lives are impacted.

But we have a property disposal procedure that has worked very well, and that usually takes care of people in that local community. Quite often, the local community does wind up with this property. I see no reason to change. I would hope that we have a similar vote this year to the one last year, where similar legislation was turned down by 81 to 19.

Mr. President, I read the letter from the General Counsel of the Department of Defense stating the Department's solid opposition to this. They make no bones about it. They state: "The Department opposes the amendment." Period.

Mr. BREAUX. Mr. President, how much time is remaining?

The ACTING PRESIDENT pro tempore. The Senator from Louisiana has 5 minutes remaining. The Senator from Ohio has 10 minutes remaining.

Who yields time?

Mr. BREAUX. I yield a minute to the Senator from Delaware.

The ACTING PRESIDENT pro tempore. The Senator from Delaware.

Mr. ROTH. Mr. President, at this time I wish to insert into the RECORD a copy of a letter from the Administrator of the Environmental Protection Agency, Mr. Reilly. This letter describes the procedure the EPA has pursued at an Air Force Base in New Hampshire to ensure consistency with section 120(h) of the Comprenhensive Environmental Response Compensation and Liability Act.

I ask unanimous consent that that letter be printed.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, July 12, 1991.

Hon. WARREN B. RUDMAN,
U.S. Senate, Washington, DC.

DEAR SENATOR RUDMAN: I appreciated the opportunity to meet with you on June 27 to address the issues surrounding the proposed transfer of a portion of Pease Air Force Base to Deutsche Airbus. We are fully committed to working with the New Hampshire delegation, the State of New Hampshire, and the Air Force to enable the base to be redeveloped in an environmentally sound manner. EPA is equally committed to the timely remediation of the contamination at the base.

EPA has examined the information currently available from the Air Force. As we discussed with you during our meeting, EPA believes that a transfer of Building 227 (the hangar) by deed, together with the leasing of the fifty-acre parcel including the ground beneath the building, is the best way to ensure consistency with Section 120(h)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 U.S.C. §6920(h)(3). This would in no way impair the obligation of the Air Force to complete any necessary cleanup at this NPL site.

Under the terms of Section 120 of CERCLA and the Interagency Agreement (IAG) with EPA and the State of New Hampshire dated April 24, 1991, the Air Force will remain responsible for the on-going Remedial Investigation/Feasibility Study (RI/FS) activity. Upon completion of the RI/FS, the Air Force will propose a CERCLA remedial action. Pursuant to the IAG, EPA will then either concur in the remedy proposed or select a remedy that will be implemented by the Air Force.

We believe that, in light of the unique circumstances at Pease, approach outlined above addresses the respective interests and statutory obligations of the involved parties at Pease Air Force Base. Thank you for the opportunity to present EPA's views.

Sincerely yours,
WILLIAM K. REILLY.

The ACTING PRESIDENT pro tempore. Who yields time?

If no one yields time, time will run equally on both sides.

Mr. BREAUX. Mr. President, I yield myself 2 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana.

Mr. BREAUX. Mr. President, this debate boils down to a simple question, in my opinion. Whose interests are we representing? Do we represent the interests of Washington or do we represent the interests of our constituents?

The argument is made that somehow we ought to put the Washington bureaucrats and the bureaucracies in the departments ahead of the people we represent. We are talking about not post offices and Social Security offices that have been closed. Those properties were bought from the local government.

Of course, the Federal Government has a right to keep those properties. It paid for those. But in most cases, in military installations, the property was donated from our local constituents to the Federal Government for use as a military base. We are suggesting that when a military base closes up shop and throws away the key and moves out of town, we have an obligation to the people who elected us and put us here in the first place. We have an obligation not to represent Washington, but to represent our constituents in Washington.

I suggest that it is totally appropriate and proper that when the military turns its back—maybe necessarily so, but when they turn their back and move out of a community, we have an obligation to help those people in that community. They should be a first priority, not the last priority, not the people that we take care of after everybody else has said we do not want the property.

This is property that was donated. This is property, by and large, in our case, 95 percent was given to the Air Force for a military base. And when they close the military base, it is not appropriate to say they should not get their property back. That is what this amendment simply does. It sets up a priority, and we have taken care of the constituents and the people back home before we are trying to take care of the rest of the bureaucracy in Washington. I think it is appropriate and proper.

This amendment is totally different from what our colleagues voted on last year. That program, as Senator JOHNSTON said, set up training programs. It turned the property over to the General Services Administration—totally different, night and day, black and white. This legislation is right on target. We are going to have a chance to tell our constituents that we put them on first priority instead of putting the Federal Government at the first priority. It is just that simple.

I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Why yields time? If no one yields time, time will run simultaneously on both sides.

Mr. GLENN. Mr. President, I believe my distinguished colleague from Louisiana has represented that most bases have been donated. But I do not know of any statistics on that. If there are statistics, I would like to have them, because it was not my impression that most bases had been donated.

Are there any statistics to back up that statement?

Mr. FORD. Mr. President, will the Senator yield? I can give the Senator some statistics. They came to my State, bought land for $87 an acre, promised the people that they bought the land from if they ever closed the base, they would have first opportunity. They turned around and sold it for $2,700 an acre, kept the mineral rights, and the original landowners have not seen it yet. There ought to be a little fairness, and I think this is the beginning.

Mr. GLENN. I say to my good friend from Kentucky, if the promises were made that the land would be resold, then I presume that is part of the regular contract and it should go back just exactly like that if that was part of the agreement going in.

The major point I wanted to make is the fact if we make this change now—this applies to military bases—I see no reason why the same change would not apply every time Federal property is to be disposed of that affects a number of lives. That would include closing Federal buildings, moving jobs to one place or another, the property there, where lives are impacted, just as much in those cases as they are by a base closing. Then that property should go to the people involved. We do not think we want to set that as a precedent for disposal of property.

I say to my distinguished colleague from Kentucky, I know that things have changed in the last year with the base closures and the adding on of additional bases to those that were slated to be closed in 1988, but last year my distinguished colleague from Kentucky voted with us that we should not change the base closure procedure. And I think his vote last year was the proper vote.

Mr. FORD addressed the Chair.

Mr. GLENN. It is the same proposal all over again.

Mr. FORD. Mr. President, since my name has been used, or my position has been used, may I respond to the Senator a minute?

The ACTING PRESIDENT pro tempore. The Senator from Ohio controls the time.

Mr. GLENN. The Senator may make a limited response on my time.

Mr. FORD. Mr. President, I will take about 15 seconds. This post I was referring to was the one that was closed years ago. They have already sold the property, kept the mineral rights, and taken the money from selling the minerals.

We have been trying to get this institution to do something to help those people, and I think we are going to have to bring it to this Congress. It is not something under base closing. It is something from a long time ago.

Mr. GLENN. OK. I may well be working on the side of the Senator from Kentucky when that is brought to the floor. I do not know. I think the property disposal law has served us very well through the years, and it has worked for base closures in the past. It is working on the base closures in 1988.

This proposal was basically the same proposal as was made last year. It was defeated in the Senate 81 to 19 last year. This is basically the same vote. I urge Senators to go back and look at the debate of last year before they come to the floor to vote in a few minutes.

The issues are mostly the same as they were last year. I, too, feel great compassion for those people whose jobs have been affected.

But I see no reason to change the whole Federal Property Disposal Act at this point when it is working well, and has been working well for 40 years. We do not want to set a precedent that every time a Federal property, military or whatever, is to be closed and it affects jobs, we wind up giving that property to the people whose jobs are affected.

I reserve the remainder of my time.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER (Mr. KOHL). The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, I yield 1 minute to the Senator from Arkansas.

Mr. BUMPERS. I thank the Senator very much. Mr. President, I will just take a minute because I spoke on this amendment last night. But I would like to say to my very good friend from Ohio that I wish he could come to my State and see Aker Air Force base, which that county has depended on almost totally for their economic survival. That base is going to be closed, and the people up there have never had less than a 10-percent unemployment rate even with the base in 10 years.

You talk about a disaster. The closing of that base is a disaster. Even the base closing commission admits that the unemployment rate is likely to go to 30 percent, and the only prayer we have, the only hope we have right now of immediate relief is to get that facility and get something on it. How on Earth could the people of this body or the Congress or the President or the Pentagon suggest that we are going to allow this magnificent facility to lie idle when we need it and it will help alleviate unbelievable problems that this Base Closing Commission has caused.

Mr. DECONCINI. Mr. President, will the Senator yield for 1 minute?

Mr. BREAUX. I only have 1 minute left. I am sorry.

Mr. JOHNSTON. How much time remains on both sides?

The PRESIDING OFFICER. Five minutes forty seconds.

Mr. GLENN. How much time do I have?

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute; the Senator from Ohio has 5 minutes, 40 seconds.

Mr. GLENN. I will grant 1 minute.

Mr. DECONCINI. I thank the Senator, my friend from Ohio. I particularly appreciate it because I support the amendment offered by the Senators from Louisiana. We have a base in Arizona near Chandler and Mesa, Williams Air Force Base, and it is targeted and will be closed now. There are a multitude of uses for this base as well as 50 years ago the city of Mesa donated this base to the Air Force for $1.

If I understand this amendment correctly, it means that there would be a preference for these communities to receive these bases. Rightfully they should. It is bad enough to have this base closed for the economic loss as well as the loss to the military's strategical training and training for Air Force pilots. So I hope that people will realize the significance of this amendment and will support it because it is fair and equitable.

I thank the Senator from Ohio.

Mr. GLENN. Mr. President, I give myself such time as I may require. I repeat, the Department of Defense does not want this. They are concerned as anybody about these people who have been long, loyal employees in these communities around the bases to be closed. General counsel for the Department of Defense sent us a letter this morning, sent to the President of the Senate, the Honorable DAN QUAYLE. After the opening paragraph, which just says what they are speaking about, the second paragraph says:

> The Department opposes the amendment. It would undermine the existing property disposal procedures established by the Federal Property and Administrative Services Act of 1949 as implemented by General Services Administration Regulations.
>
> Concurrent property disposal procedures for the base closure process work very well to the benefit of communities. The amendment could actually harm communities' interests. DOD has and will continue to work diligently * * *.

And so on. That is from the general counsel, Department of Defense. I entered this in the RECORD earlier.

To my distinguished colleague from Arkansas, who spoke eloquently a moment ago, as he always does, he should be advised that these procedures that would give title to the base are not likely to occur much faster than under the Federal property disposal law as we have right now, as I see it, because most State legislatures have not passed the enabling legislation which would permit this to happen.

Mr. President, I think we have pretty well illuminated this particular issue. I hope my colleagues will agree that the Federal property disposal procedures we have now that have worked well for over 40 years and are operating very well right now under the base closures ordered in 1988 are the best way to make certain that the taxpayers and the people in local communities and everywhere are given the best shake possible. That is what the Federal Property Disposal Act does.

My distinguished colleague from Virginia is here. Does he desire to speak? Time is very limited. How much time do I have left?

The PRESIDING OFFICER. Two minutes, twenty seconds.

Mr. WARNER. Mr. President I may take a minute to strongly reinforce what the Senator from Ohio has said. Of course, the Senate is aware that last year basically the same issue was rejected resoundingly by 81 Senators. This year, the base closure legislation, in which I had a role, together with Senator DIXON—not one single instance during the course of deliberations of our committee in the hearings and the like was this issue ever raised. It is an issue that should have the benefit of hearings, careful consideration, and not a late night review that we have had thus far.

Clearly, there is a problem in Louisiana. It would have been my hope that they could have resolved this problem on an individual basis with that one situation down there. Maybe it is not too late to get that done. Let us not jostle the entire structure as it relates to base closures nationwide to take care of this one situation in that State.

With all due respect, perhaps there is another means with which we can solve the problem and at the same time leave in place the law which worked very well and the new base closure statute which was adopted by our committee.

Mr. President for that reason, I register my strongest opposition and associate myself with the remarks of the Senator from Ohio.

Mr. GLENN. Mr. President I give myself such time as remains.

Mr. President I indicated earlier the best procedure, I believe, is to stick with the existing Federal property disposal procedures. That permits the Federal Goverment to use surplus Federal property for other Federal uses, which means we do not have to buy property for those other Federal uses. If there are no other Federal uses, the property is offered to the States, and the States could basically at that point do exactly the thing that the Senator from Louisiana is proposing to do if they wanted to. If the States do not want it, then excess Federal properties are offered to the counties and then local communities.

The sales of the property under the ADA act have not all been realized yet. It is a 6-year closure procedure. But sales are estimated to be about $1.8 billion. The costs of closing these bases are estimated, under the ADA procedure, at $3.3 billion. If we just toss all of that out, that is a difference to the Federal Government of about $5 billion. What is that money to be used for? It is basically to be used for environmental cleanup. That is a very major factor. I do not think we should ignore that. The vote on this last year was 81 to 19. I hope we will have a similar vote this year. I yield the floor.

Mr. BREAUX. I yield the remaining time to the senior Senator from Louisiana.

Mr. JOHNSTON. Mr. President, there are 34 devasted communities whose bases have been closed under the 1990 Commission. There are another 86 bases with the same situation from the ADA Commission. We need help. We do not need the Federal Government to tell us, as the Department of Defense has, that the amendment could actually harm communities' interests. Here communities are wanting their property back, in most instances given to the Federal Government. They want it back so they can try to recoup, in our case, those 12,000 jobs that were lost.

Mr. President, we do not want another RTC where we have months and years of bureaucratic delays, snafus where we cannot get this property to try to develop it for the people who gave it to the Federal Government in the first place. We need help. It is time for the Senate to understand that bureaucracy cannot solve this problem. We need to give the property back to the local communities. We have waivers here for the Federal Government in the case of windfalls so that the President can say you cannot have this valuable property back. But we need this property, Mr. President. I am asking our colleagues to help those who need help and do it now.

I am asking our colleagues to help those who need help, and do it now.

Mr. LAUTENBERG. Mr. President, as chairman of the Subcommittee on Superfund, Ocean and Water Protection, I was concerned about the impact of the original amendment on our environmental laws. Consequently the amendment's authors agreed to modify their amendment. I have reviewed the environmental provisions of this modified amendment, and believe that it is designed to assure full compliance with both the Superfund law and the Solid Waste Disposal Act. The amendment is designed to assure such compliance, and to assure an EPA determination of such compliance. This means that both the Federal environmental laws and State laws will apply through the mechanisms in both Superfund and the Solid Waste Disposal Act, which guarantee the application of such State laws. In addition, the State role in applying these laws is fully protected by virtue of the provisions both in Superfund and the Solid Waste Disposal Act, which define the role of States in applying these laws and in participating in EPA and other Federal compliance determinations.

Mr. BAUCUS. Mr. President, the Senator from New Jersey, the distinguished chairman of the Superfund, Ocean and Water Protection Subcommittee, makes a good point, and is correct in his assessment of the application of both Federal and State roles as defined by the Solid Waste Disposal

Act, and Superfund. As chairman of the Environmental Protection Subcommittee, which has jurisdiction over the Solid Waste Disposal Act, I agree States play a key role in the application of these statutes and the language in this amendment assures that such State laws and roles will be fully protected.

The PRESIDING OFFICER. All time has expired.

Mr. GLENN. Mr. President, I move to table the amendment of the Senator from Louisiana, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Delaware [Mr. BIDEN], is necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 30, nays 67, as follows:

[Rollcall Vote No. 175 Leg.]

YEAS—30

Bond
Boren
Chafee
Cochran
Cranston
Danforth
Dixon
Dole
Durenberger
Glenn
Gorton
Graham
Grassley
Harkin
Jeffords
Kasten
Mack
Metzenbaum
Moynihan
Murkowski
Pell
Pressler
Robb
Sarbanes
Seymour
Simon
Simpson
Smith
Wallop
Warner

NAYS—67

Adams
Akaka
Baucus
Bentsen
Bingaman
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Coats
Cohen
Conrad
Craig
D'Amato
Daschle
DeConcini
Dodd
Domenici
Exon
Ford
Fowler
Garn
Gore
Gramm
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
McCain
McConnell
Mikulski
Mitchell
Nickles
Nunn
Packwood
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sasser
Shelby
Specter
Symms
Thurmond
Wellstone
Wirth
Wofford

NOT VOTING—3

Biden
Pryor
Stevens

So, the motion to table the amendment (No. 1034), as modified, was rejected.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1034), as modified, was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, it is my understanding that the Senate will now move to the consideration of an amendment to be sponsored by the Senator from Nebraska [Mr. EXON] and that there is a time agreement of one-half hour, equally divided. Therefore, Senators can anticipate a vote in the area of 11 o'clock.

I now see the Senator from Nebraska on the floor.

I yield the floor.

Mr. EXON. Mr. President, what is the pending business?

The PRESIDING OFFICER. Under the order, the Senator is to be recognized to offer an amendment on the SRAM-T.

AMENDMENT NO. 1037

(Purpose: To prohibit the use of funds for the short range attack missile tactical (SRAM-T) program)

Mr. EXON. Mr. President, I send an amendment to the desk on behalf of myself, Mr. LEVIN, Mr. ROTH, Mr. WELLSTONE, Mr. WIRTH, Mr. DECONCINI, Mr. ROBB, Mr. GLENN, Mr. KERREY, and Mr. BRYAN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for himself, Mr. LEVIN, Mr. ROTH, Mr. WELLSTONE, Mr. WIRTH, Mr. DECONCINI, Mr. ROBB, Mr. GLENN, Mr. KERREY, and Mr. BRYAN, proposes an amendment numbered 1037.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 56, between lines 15 and 16, insert the following:

SEC. 231. SHORT RANGE ATTACK MISSILE TACTICAL (SRAM T).

(a) PROHIBITION.—No funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 or fiscal year 1993 may be expended for the short range attack missile tactical (SRAM T) program.

(b) REDUCED AUTHORIZATIONS OF APPROPRIATIONS.—(1) Notwithstanding section 201(3)(A), the amount authorized to be appropriated for the Air Force for fiscal year 1992 for research, development, test, and evaluation is $14,638,908,000.

(2) Notwithstanding section 201(3)(B), the amount authorized to be appropriated for the Air Force for fiscal year 1993 for research, development, test, and evaluation is $10,387,865,000.

(3) Notwithstanding section 3101(1), the amount authorized to be appropriated for the Department of Energy for fiscal year 1992 for operating expenses for weapons activities is $3,944,450,000 of which—

(A) the amount authorized to be allocated for research and development is $1,093,600,000;

(B) the amount authorized to be allocated for weapons testing is $463,500,000; and

(C) the amount authorized to be allocated for production and surveillance is $2.220,050,000.

(4) Notwithstanding section 3102(1) no funds are authorized to be appropriated for plant and capital equipment for weapons activities for project 91-D-122, short range attack missile tactical (SRAM T) production facilities.

(c) ELIMINATION OF GENERAL REDUCTION IN AUTHORIZATIONS.—Section 3105 of this Act shall not take effect.

Mr. EXON. Mr. President, as I understand it, there is one-half hour, equally divided, on this amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. EXON. Mr. President, I yield myself 5 minutes.

Mr. President, on behalf of myself, Senators LEVIN, ROTH, KERREY, WELLSTONE, WIRTH, DECONCINI, ROBB, GLENN, and BRYAN, I propose an amendment to terminate the short-range attack missile-tactical, or SRAM-T, nuclear missile program. We should save $96 million in proposed funding in 1992 and an additional $2 billion in follow-on spending if we take this action.

The SRAM-T is designed as an air-launched nuclear missile with a range of 250 miles to be deployed in Europe on the wings of F-15E bomber aircraft. The original mission of this new missile, scheduled for European deployment in 1996, was to strike airfields and command posts of the now-defunct Warsaw Pact.

I propose the termination of the SRAM-T nuclear missile for five compelling reasons:

First, the SRAM-T nuclear missile is a missile without a legitimate mission. Eastern Europe has broken free of communism and is no longer under the Soviet sphere of military influence. The Warsaw Pact has disbanded and Soviet troops and equipment are being loaded onto trains and shipped out of Eastern European nations.

Furthermore, a conventional weapons reduction treaty for Europe, known as CFE, has been signed by 22 nations and will, once implemented, require the Soviet Union to destroy tens of thousands of tanks, armored vehicles and artillery pieces and shift a large portion of its remaining military east of the Ural Mountains. The mission of the SRAM-T was designed to blunt a massive Soviet conventional invasion of Europe with nuclear retaliation. It was designed to attack an enemy force that clearly no longer exists. The SRAM-T's mission is a relic of a bygone era.

The second reason for terminating the SRAM-T nuclear missile is that it is politically undeployable. No present European head of government has endorsed deployment of this new generation weapon. In fact, with the reunification of Germany and political realities on the continent, it is unlikely the nuclear missile, once produced, could be deployed in Europe and would have to be mothballed in the United States, thus, hampering its ability to perform its already obsolete mission.

Cost considerations and technical problems represent the third reason for halting the SRAM-T Program. Still in early stages of research and development, the SRAM-T is estimated to cost at least $1.8 billion. But this is only an early, initial Department of Defense estimate. Everyone understands how these programs seem to be delayed, to be manipulated and grow and grow and grow. In other words, what my amendment does is it strikes all of this and eliminates this as a relic of the past that has no proper mission in the future.

Additionally, because of rocket motor, missile guidance computer, and software problems in the SRAM II—SRAM-T's parent missile—the SRAM-T has experienced schedule delays and technical problems of its own, increasing the likelihood that the deployment date will be postponed from 1996 to 1998 and costs could soar.

The fourth consideration for my colleagues to consider is that the operational capability offered by the SRAM-T nuclear missile already exists. The SRAM-T does not represent a new capability. Today U.S. and NATO Forces have an extensive and redundant ability to target the Soviet Union with thousands of tactical nuclear weapons through the use of gravity bombs, submarine launched ballistic missile warheads, and cruise missiles. The SRAM-T will not enhance nuclear deterrence and is contradictory to the present trend in warming U.S.-U.S.S.R. relations. Our two nations have completed the INF Treaty and now President Bush and President Gorbachev have signed a START Treaty. The development and deployment of a new nuclear missile in Europe pointed toward the Soviet Union would be a step backward at achieving greater stability in Europe and follow-on arms control with the Soviets.

Finally, I would like to point out to my colleagues, that both the House and Senate energy and water appropriators have zeroed funding for the development of the W91, the nuclear warhead which the SRAM-T is designed to carry. Therefore, to authorize the missile and warhead funding would be an ineffectual action—the energy appropriators have terminated the warhead development. Furthermore, the full House of Representatives has overwhelmingly terminated the SRAM-T in its version of the defense authorization bill.

In summary, the SRAM-T missile, No. 1, does not have a legitimate mission; No. 2, is politically undeployable; No. 3, is costly; No. 4, has experienced technical and schedule problems; No. 5, would be harmful to European stability and future arms control prospects; and No. 6, has already been terminated by the energy appropriators and the House of Representatives. The case against the SRAM-T is a strong one. Certainly the SRAM-T should be eliminated, in the view of this Senator, if for no other reason, Mr. President, than that our own financial house is in a crisis situation and we owe it to the American taxpayers to eliminate spending for dubious weapons, such as the SRAM-T, which will not enhance our national security. The SRAM-T is a cold war thing of bygone days which has no place in a post-cold-war world.

Mr. President, I yield 5 minutes to my friend and colleague from the State of Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I am pleased to join my good friend and colleague from Nebraska in offering this amendment.

Mr. EXON. Will the Senator yield 30 seconds to the Senator from Delaware [Mr. ROTH] on our time?

Mr. LEVIN. I would be happy to.

Mr. ROTH. Mr. President, I appreciate the courtesy. I strongly support the amendment, of which I am a cosponsor. I have had the opportunity in the past several months to consult with many in Europe. The message is: "Yes, we want the SRAM-T; go ahead and develop it." But they say it privately, not publicly.

None of the leaders I have talked to about it are willing to say publicly that it can be located in their country. So it seems to me very foolish for our Government to spend money on research and development until we get a firm commitment as to where these missiles will be stationed. Otherwise, we could find ourselves spending money to no avail.

We already know the difficulty that was had with the intermediate missiles a few years ago when we were urged to develop them. When it came time to station them, we only met opposition.

I congratulate the principal sponsor of this amendment.

The senior Senator from Nebraska has laid down a well-argued set of reasons as to why the research and development of SRAM-T should be discontinued.

Frankly, however, I base my support for his amendment on only one consideration; namely, this system, in my opinion, is probably never going to be deployed, and if it is unlikely to be deployed, there is little reason to waste money on its research and development.

As I said, European leaders have privately encouraged the SRAM-T to compensate for the withdrawal of intermediate range weaponry and obsolescence of short range systems. However, while European leaders may be willing to encourage the SRAM-T Program in private, they are notably reluctant to address their own electorates on the matter in public.

And this is essential, Mr. President, because why should this Nation be disbursing taxpayer moneys on the research and development of a new nuclear weapons system for Europe when we have no idea how, when, where, or even if the system will be deployed.

Let us not forget our experiences with the deployment of Pershing II and ground-launched cruise missiles in Europe in the early 1980's. The initiative for the deployment of these systems came from Europe, where elected leaders were deeply concerned by huge Soviet deployments of SS-20's targeted on NATO-Europe.

It was proposed that the United States should counterbalance these deployments. However, when the time came for the deployments to be made, the story was different.

Instead of strongly supporting the U.S. deployments, many European governments postured before their electorates as the hopeless victims of an aggressive U.S. Government intent upon ratcheting up the cold war an extra notch.

Eventually, the new deployments were made, but only after a great deal of political trauma.

My colleagues must bear our historical experience in mind. It proved extremely difficult to deploy new United States nuclear systems in Europe at a time when an aggressive, heavily armed Soviet Government was expanding its conventional and nuclear strike capability.

Will it not prove much more difficult to deploy new systems now that the Warsaw Pact has collapsed and the Soviet conventional and nuclear threat to Europe has retreated?

I submit, Mr. President, that European leaders have not raised the issue of new nuclear deployments with their electorates because they know full well that such an announcement will be very badly received. Rather than face the issue head on, they have chosen to procrastinate. They assure us that the matter will get a full airing at a later, more opportune time.

But, Mr. President, in our heart of hearts, we all know that there will never be such a more opportune time.

The question will be postponed time and again, and the United States will be left holding an expensive tactical nuclear missile that no one wants or ever wanted.

It is my firm opinion that if Europe is genuinely willing to accept the SRAM-T on German, British, Dutch, or Italian soil, then it is the duty of the NATO Council publicly to announce exactly how, where, and when this system will be deployed. In the absence of such a commitment, the United States should proceed no further with the system.

I introduced a sense-of-the-Senate resolution to this effect and the Senate approved its attachment to the State Department authorization bill. It is now time to place that resolution into effect by voting in favor of the Exon amendment.

If our allies are willing publicly to commit themselves to accepting the SRAM-T, the President can always seek reauthorization of the system next year. Meanwhile, in the absence of such a commitment, I believe it is our clear duty to the taxpayer to terminate this system.

Mr. EXON. I thank the Senator from the State of Delaware for his help and support. I appreciate the statement. I hope now we can go back to the Senator from Michigan.

Mr. LEVIN. Mr. President, while the Senator from Delaware is on the floor, I might say just a few days ago it was his sense-of-the Senate resolution that we not proceed with the research on the SRAM-T. All we are doing in this amendment is incorporating in the authorization bill what our good friend from Delaware has already gotten the Senate to express in a sense-of-the Senate resolution. So his resolution was right on target. His remarks here were right on target. He has been a leader in the effort to eliminate a cold war relic from this bill. We thank him for that.

Mr. President, it is more than just a sense-of-the Senate resolution that we are incorporating if this amendment is agreed to in this Defense authorization bill. It is common sense that would be incorporated if we agree to this amendment.

This SRAM-T missile is not going to be accepted by any country that we can identify. Nobody has agreed to deploy it. Why should our country bear the cost and the burden of developing a nuclear missile without any prior agreement, without the hint of an agreement from any potential host nation who might deploy it? It makes no sense to spend over $1 billion to develop a missile which cannot be deployed, where it would have to be deployed to be of military use.

The Soviet threat to Western Europe has declined significantly. Nuclear weapons on submarines, aircraft carriers, and NATO-based planes provide sufficient deterrence against remaining threats without SRAM-T.

Back in March 1990, the distinguished chairman of the Armed Services Committee gave a comprehensive set of speeches on America's future military strategy and budget. At that time he took note of the rapid changes sweeping through Europe, which have recently culminated in the dismantling of the Warsaw Pact.

Senator NUNN said there, in reference to another short-range nuclear missile that was scheduled for Germany, the follow-on Lance, the following:

> It is time for a complete reassessment of NATO's nuclear posture. Short-range nuclear weapons that cannot reach beyond the borders of Germany and Czechoslovakia have no mission in today's world.

That is a good description of SRAM-T. The only place it could hit would be our allies, our friends in Eastern Europe, that have followed our lead toward freedom and democracy after all these years of repression.

The deployment of this missile in other theaters besides Europe would be unwise. If we develop that nuclear system for deployment in the Middle East or Korea, we would be giving governments of Third World countries an added excuse to develop their own nuclear weapons contrary to American antiproliferation policy.

The SRAM-T is still in its very early research and development stage. Most of the total program costs, estimated at $1.8 billion, lies ahead of us. There are going to be numerous schedule delays, and there already have been, and technical problems outlined by our friend from Nebraska. We have a whole new generation of standoff weapons scheduled to become operational about the time that SRAM-T would become available, including the triservice standoff attack missile.

Finally, as our friend from Nebraska has said, this weapon has already been terminated by the House of Representatives in its authorization bill; it has been terminated by the Appropriations Committees in both the House and Senate. They have zeroed out the funding for this missile. It makes no sense for us to continue in this bill an authorization of a missile which has no mission and has no home.

I strongly support the Exon amendment and hope the Senate will give it a resounding vote of approval.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. Mr. President, the proponents of the measure have 2 minutes left. Does the other side wish to make any comment? If not, I yield 1 minute to my distinguished colleague from Nebraska.

Mr. KERREY. Mr. President, I rise in strong support of the amendment of the senior Senator from Nebraska. As has already been mentioned, this particular weapons system is not needed, it is not politically deployable, and I applaud the senior Senator's efforts to save the taxpayers not only $80 million this year but $1.8 billion in out-year expenditures. It is a good amendment and deserves the full support of the Senate.

The PRESIDING OFFICER. Who yields time?

Mr. EXON. Mr. President, I ask unanimous consent that we continue for a 1-minute period without the time being charged to either side. I only have 1 minute remaining.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. EXON. Mr. President, I am prepared to yield back the remaining 1 minute of our time, provided the other side is ready to yield back its time and go to a vote.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I would like to accommodate the Senator from Nebraska. I cannot yield back time until I see if there are people who want to speak in opposition to the amendment.

I was told the Senator from Virginia and the Senator from South Carolina are in opposition to the amendment. So I urge that they come over.

Mr. EXON. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be equally charged.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time to the Senator from South Carolina?

Mr. THURMOND. Mr. President, I yield such time as may be required.

Mr. President, I rise in strong opposition to the Exon-Levin amendment to delete all funding for the SRAM-T Missile Program. As the ranking member on the Subcommittee on Strategic Forces and Nuclear Deterrence, I have worked closely with Senator EXON, the chairman of the subcommittee, to maintain this Nation's tactical nuclear capability and regret that I must oppose him on this amendment.

Mr. President, last year the Congress canceled the land-based Follow-on to Lance Program. This termination reinforces the need for the SRAM-T, as it will be the only weapon to fulfill the nuclear standoff missile needs of both NATO and the United States. Without the SRAM-T, the absence of a flexible response and extended deterrence would seriously undermine NATO's credibility.

This shortfall in NATO's short range nuclear capability is especially troubling, because the Soviet Union is continuing with the modernization of its theater nuclear forces. They are continuing this modernization, despite the fact that they currently have an enormous supply of land and air based tactical nuclear forces.

Mr. President, just this month, NATO leaders agreed that despite the withdrawal of the Soviet forces from Eastern Europe and the implementation of the conventional forces in Europe agreement, nuclear weapons will continue to play an essential role in the alliance's strategy. The amendment offered by the distinguished Senator from Nebraska and the Senator from Michigan would undermine this strategy.

The SRAM-T is also critical to keeping our European based dual purpose aircraft viable. These aircraft, equipped with SRAM-T, will be capable of engaging Soviet targets well beyond the front lines of the friendly forces. They will provide the necessary operational flexibility, responsiveness, and penetrability that is critical on the modern battlefield.

Mr. President, the SRAM-T is the Nation's only remaining theater nuclear forces modernization program. The administration strongly supports this program, and I believe the U.S. Senate should also support the program. I urge a vote against the Exon-Levin amendment.

Mr. President, I have a copy of a letter written to the Honorable SAM NUNN, chairman of the Committee on Armed Services, by Stephen J. Hadley, Assistant Secretary of Defense. It reads this way:

ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, July 8, 1991.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you prepare to mark up the National Defense Authorization Act for 1992–93, I would like to reaffirm the Department's strong support for full funding of the Short-Range Attack Missile-Tactical (SRAM-T) program. SRAM-T is the only modern non-strategic nuclear missile system currently being developed in the U.S.

SRAM-T is designed to fulfill the requirements of our overseas Commanders-in-Chief for an air-delivered, nuclear stand-off capability. In Europe, while NATO is reducing its nuclear stockpile level and adapting its policies in light of the new security environment, Alliance leaders are agreed that nuclear forces will continue to play an indispensable role in NATO's deterrent strategy. Consequently, as NATO moves toward a European-based nuclear posture consisting entirely of weapons for tactical aircraft, the SRAM-T is critical to ensuring that NATO retains effective and modern nuclear forces capable of responding flexibly to any situation that may arise. At the Nuclear Planning Group meeting in May, Secretary Cheney told NATO Defense Ministers that he remains committed to SRAM-T and will resist efforts to cut funds for its development.

The SRAM-T also has significant advantages that are applicable to U.S. forces worldwide. By allowing aircraft to stand off from heavily defended areas, SRAM-T will greatly enhance aircraft survivability. Its penetrativity provides high assurance that the missile will reach its intended target. Furthermore, SRAM-T's tailored weapons effects and high accuracy offer effectiveness against a wide range of potential targets, from close-in forces to more distant hard targets. Finally, its range provides commanders with greater flexibility in accomplishing their assigned missions.

For these reasons, the program remains an important priority for the United States and for NATO. We therefore strongly urge your committee to provide full funding of the SRAM-T.

Sincerely,

STEPHEN J. HADLEY.

Mr. THURMOND. Mr. President, I now yield 5 minutes to the distinguished Senator from Tennessee [Mr. GORE].

The PRESIDING OFFICER. The Chair recognizes the Senator from Tennessee.

Mr. GORE. Mr. President, I thank my distinguished colleague, the Senator from South Carolina, for yielding time.

The cold war is over, but we have correctly decided that as we remold U.S. defense forces, certain essential principles must be observed. Among these principles are the ideas our forces must be mobile, able to penetrate to heavily defended targets, armed with weapons that will do their jobs the first time they are used, and versatile, able to be applied in a variety of circumstances and conditions.

Finally, these weapons must be cost effective. In my opinion, the SRAM-T fulfills these conditions. The Exon-Levin amendment, which would kill the SRAM-T, misconstrues its purposes and comes to a faulty conclusion. Therefore, I rise to oppose the amendment.

The SRAM-T is a 250-mile range air-launched tactical missile with a nuclear warhead.

Right away, people are prone to be opposed to anything that sounds like that, just as people are prone to be opposed to the Pershing 2 missile, or ground-launched cruise missile, both of which were due to be deployed in Europe. People distrusted the argument that we needed those weapons in order to negotiate the removal and destruction of the Soviet Union's SS-20's. Now they discount and want to get rid of the argument, and distrust the argument that negotiations on short-range nuclear missiles will not make similar progress unless we have something to negotiate with. This is always a hard case to make. People say: Oh, bargaining chip; that is just a discredited idea.

Mr. President, we just signed a START Treaty that was 9 years in the making and was successful in large part because the idea of bargaining chips does have some relevance. We can denigrate it and say it does not matter, but it does matter.

Actually, this particular weapon is to be deployed for a variety of applications. Its guidance and targeting systems are sophisticated. Without this missile, our aircraft would have to rely upon direct delivery of gravity bombs over a target, and that means deep penetration of air defenses.

According to the proposed amendment, the dissolution of the Warsaw Pact means that the SRAM-T no longer has a mission. It is through. There are no longer targets that have to be covered in Eastern Europe, obviously, but there remains targets in the Soviet Union. We are ready to discount them, all right.

We are trying to get rid of all of their nuclear weapons in Europe. This thing is not finished yet. We have work still to do. There remains a political and military requirement for United States and NATO forces to have the capability of reaching those targets using a system based in NATO. The fact that deployment of these forces is a political hot potato in NATO is not reason to kill the SRAM-T. The same political difficulties existed in the case of the Pershing II and the GLCM. We heard the same arguments; that people are opposed to them; they will never accept them. The governments were in strong favor of them and they did accept them because the governments understood, as our bipartisan leadership for four decades has understood here, that deterrence requires steadfastness and making some tough decisions. The stakes are not nearly as high. We are into the end game, but it is an important decision and it would have been a great mistake to have killed the Pershing II and the GLCM because deploying them required a show of guts by our allies, and it would be a great mistake to throw SRAM-T out now because of similar concerns.

When the chips were down, the allies came through, and it is crucial to realize that the same allies who are finding it difficult to embrace deployment are also clearly on record, most recently at the London NATO summit, as expressly wanting this kind of capability, exactly this kind of capability. This will take time. We have until 1996. That is when the IOC is. Maybe the thing will never be deployed. I believe it is going to work out. But the best way for it to work out is for us to be steadfast in this and to hold true, steady to the course of deterrence.

Now, the offerors of the amendment cited cost and technical problems. I have information that the program is in fact moving along extremely well. At any rate, such problems as may exist are perfectly normal at this stage of work. This is a sensible program moving along in a normal fashion. The offerors of the amendment claim that

SRAM-T will duplicate existing capability. If that means the ability to launch 250 miles away from a target rather than over it, that is true. If it means precision guidance rather than the law of gravity, that is true. But if there is no difference in the psychology of deterrence any more as between making available on European soil a nuclear response or floating it offshore on U.S. ships, then that is true.

As for the idea that deploying this weapon is contrary to the spirit of the times and of our improved relations with the Soviet Union, the same thing could be said of every dollar we are spending for defense. Defense spending is not governed by good feelings. It is governed by what you do to protect yourself over the long term. Good feelings can be converted into changes in defense spending in one way, and that is arms control. This weapon gives us the best way to trade off what the Soviets still have in large numbers. Will they give them up anyway? Well, again we sometimes make the assumption that their military just rolled over and played dead and they will do whatever we want. But the strategy that has worked for us is being steadfast and pursuing a double track, arms control and the deployment of weapons systems that make sense for our security and the security of our allies and that are able to convince the Soviet Union that, if they do not come open handed to the negotiating table, then they have nothing to gain by just trying to wait us out. We do not have arms control arrangements covering these systems yet.

Finally, in conclusion, I would add that the Soviet Union is not the only potential military problem we have to face in the future. We have just had a big debate about all these other countries that are trying to get ballistic missiles. As I said, I do not believe the prospect of intercontinental ballistic missiles is right hard upon us in the next decade or so at least, but there are threats that we need to be able to respond to, and I urge opposition to this amendment.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER (Mr. ROBB). Who yields time?

Mr. NUNN. Mr. President, I yield myself 15 seconds.

Mr. President, I know that time is running out, and I agree with the arguments made by the Senator from Tennessee and the Senator from South Carolina. I urge our colleagues to vote against the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN. Mr. President, I strongly support the distinguished Senator from Nebraska's amendment to terminate the SRAM-T nuclear missile program, and I am a cosponsor of that amendment.

SRAM-T is a weapons system without a valid mission, and yet the bill would expend some $162 million on the program in DOD and DOE funds in fiscal year 1992. It just makes no sense.

If the bill provision becomes law we will be throwing money at a program with substantial technical problems, one with a total program cost estimated at close to $2 billion, and one which cannot even be deployed to the geographic area for which it was designed—Central Europe—because of compelling political considerations.

Mr. President, I urge my colleagues to vote for this amendment that will terminate this ill-advised program.

Mr. THURMOND. Mr. President, I think we can yield back our time if the other side is willing to yield back its time.

Mr. EXON. I am prepared to yield back the remainder of any time we have.

Mr. THURMOND. Mr. President, Senator GORE and I move to table the amendment.

The PRESIDING OFFICER. Is there a request for a rollcall vote?

Mr. THURMOND. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators who wish to vote?

The result was announced—yeas 51, nays 47, as follows:

[Rollcall Vote No. 176 Leg.]

YEAS—51

Bond
Breaux
Brown
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Fowler
Garn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Heflin
Helms
Hollings
Jeffords
Kassebaum
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Rockefeller
Rudman
Sarbanes
Sasser
Seymour
Shelby
Simpson
Smith
Specter
Symms
Thurmond
Wallop
Warner

NAYS—47

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Bryan
Bumpers
Burdick
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Glenn
Harkin
Hatfield
Inouye
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Reid
Riegle
Robb
Roth
Sanford
Simon
Wellstone
Wirth
Wofford

NOT VOTING—2

Pryor
Stevens

So the motion to table the amendment (No. 1037) was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

The Chair recognizes the Senator from Georgia [Mr. NUNN].

Mr. NUNN. Mr. President, it is my understanding that the unanimous-consent request calls for the recognition of the Republican leader at this point in time. It is my understanding that a near agreement and I hope agreement on a unanimous-consent request I am prepared to propound on the Wirth amendment has been cleared on both sides. Is that correct?

Mr. WIRTH. Certainly, if the distinguished chairman will yield, it has been cleared on this side, and I was just talking to the distinguished Senator from Indiana.

Mr. COATS. Yes, if the Senator will yield, it is cleared on this side.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator WIRTH be recognized to offer an amendment relating to abortions on U.S. military bases overseas, that there be a time limitation on the amendment of 40 minutes equally divided and controlled in the usual form; that no amendments to the amendment be in order; that following the expiration or yielding back of time on the amendment, there be a cloture vote on the amendment, with the requirement of filing the cloture motion and the mandatory live quorum each being waived; that if cloture is not invoked on the amendment, Senator WIRTH then be recognized to withdraw the amendment; if cloture is invoked, the amendment then be considered agreed to by the Senate, without any intervening action or debate and with the motion to table the motion to reconsider being laid upon the table; that upon disposition of the Wirth amendment, Senator DOLE be recognized to offer his amendment regarding Iraq, under the same conditions and limitations as previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. I thank the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Colorado is recognized for the purpose of offering the amendment, with 40 minutes divided equally.

Mr. NUNN. Mr. President, if I could just say, if my colleagues will listen for a moment, I thank the Senator from Colorado for his patience. He has been waiting all week to offer his amendment. It is not a last minute amendment. He talked about it all week.

I thank my friend from Indiana, a valuable member of the committee, for his patience. He is a strong opponent of the amendment. We worked out the procedure where we can proceed and let the Senate work its will.

We are now in that stage where Senators are coming up with amendments we have not heard about all week. Some are very controversial amendments and, fine, everyone has that right.

I say this is not the last bill we are going to vote on this year. If Senators think it is and we continue to get these kinds of amendments that basically are very controversial and going to take a lot of debate, and some Senators threaten filibusters on both sides, then I want everyone to understand the managers do not choose to be here tonight until midnight, the managers do not choose to be here tomorrow, tomorrow night, next week but if that is what it will take, the Senate is going to be imposing that upon itself if we do not have some discipline about the amendments being offered.

Last night we could very clearly see how we could finish this bill at 3 or 4 o'clock this afternoon. That is still possible but it is impossible if Senators are not reasonable. Of course that is up to the Senate, whether it wants to be reasonable and complete the bill in an orderly fashion or behave as though this is the last train in town. If it is the last train in town, and that is the way we proceed as if it is, we are going to be here quite a while. I hope that is not the case.

I thank the Senator from Colorado for his patience, and I yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Colorado is recognized for the purpose of offering an amendment.

AMENDMENT NO. 1038

(Purpose: To amend title 10, United States Code, regarding the entitlement of members of the Armed Forces and their dependents to receive reproductive health services in uniformed services medical facilities outside the United States)

Mr. WIRTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Colorado [Mr. WIRTH] (for himself, Mr. GLENN, Mr. PACKWOOD, Mr. ADAMS, Mr. AKAKA, Mr. CRANSTON, Mr. GORE, Mr. SIMON, Mr. ROCKEFELLER, Mr. BURDICK, Mr. BINGAMAN, Mr. BRADLEY, Mr. METZENBAUM, Mr. LAUTENBERG, and Mr. RIEGLE), proposes an amendment numbered 1038.

Mr. WIRTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 177, between lines 2 and 3, insert the following new section:

SEC. 713. REPRODUCTIVE HEALTH SERVICES IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code (as amended by section 712(a) of this Act), is further amended by inserting after section 1074c the following new section:

"§ 1074d. Reproductive health services in medical facilities of the uniformed services outside the United States

"(a) PROVISION OF SERVICES.—A member of the uniformed services who is on duty at a station outside the United States (and any dependent of the member who is accompanying the member) is entitled to the provision of any reproductive health service in a medical facility of the uniformed services outside the United States serving that duty station in the same manner as any other type of medical care.

"(b) PAYMENT FOR SERVICES.—(1) In the case of any reproductive health service for which appropriated funds may not be used, the administering Secretary shall require the member of the uniformed service (or dependent of the member) receiving the service to pay the full cost (including indirect costs) of providing the service.

"(2) If payment is made under paragraph (1), appropriated funds shall not be considered to have been used to provide a reproductive health service under subsection (a). The amount of such payment shall be credited to the accounts of the facility at which the service was provided.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter (as amended by section 712(b) of this Act) is further amended by inserting after the item relating to section 1074c the following new item:

"1074d. Reproductive health services in medical facilities of the uniformed services outside the United States.".

Mr. WIRTH. Mr. President, I thank the distinguished chairman of the Armed Services Committee for his patience in this and also the distinguished Senator from Indiana who has worked assiduously to get this agreement which I think makes a great deal of sense.

We are doing only what we in the United States would do. We are attempting to find 60 votes to pass this amendment. If we do not have 60 votes, the amendment falls. If we do not have 60 votes, the amendment wins. I am offering this amendment on behalf of myself, and Senators GLENN, PACKWOOD, ADAMS, AKAKA, CRANSTON, GORE, SIMON, ROCKEFELLER, BURDICK, BINGAMAN, BRADLEY, METZENBAUM, LAUTENBERG, and RIEGLE.

Mr. President, this amendment is the same amendment we debated last year.

Mr. President, I rise today to offer an amendment that simply would allow members of our armed services and their dependents stationed overseas the same access to the full range of quality health care as those stationed in the States.

The basic proposition is, should members of the armed services community be treated the same as other members of our society or should they be treated as second-class citizens?

This amendment is not a complex one. It does not provide for the public funding of abortions. It does not remotely address whether a woman should have the right to choose to have an abortion. It does not allow for post-viability abortions. It does not force military medical personnel to be involved in providing abortion related services if that is contrary to their religious or moral beliefs. It does not preclude parents from being involved in these important decisions that their children may face. It is simply about equality.

Our women in uniform volunteered to serve their country, not to give up their constitutional rights. In short, this amendment would allow those stationed overseas to be able to use military medical facilities for the full range of reproductive health services permitted under U.S. law. Any service that cannot be funded by appropriated Federal funds will be paid for by the individual. No Federal money will go for any abortion service.

This spring, across the Nation we witnessed a powerful display of emotion and support for the accomplishments of our voluntary forces in the Persian Gulf. Flags were waved, ribbons were hung and we sang praises to the accomplishments of our troops. In the next breath, however, we turn around and tell our service members overseas that they deserve a lower quality of health care than what they could have at home. These people risk their lives to protect our country—I do not believe they must risk their lives because we will not provide them access to safe health care.

If we do not include this amendment in the bill, we will only be hurting more Americans. I do not believe that is our mission.

This Senate should followup on the action taken by the House when it accepted the same amendment in its authorization bill and restore the rights that have been stripped from our overseas military personnel by one arbitrary DOD directive. This would be a statement of support for simple justice, decency, and equality for our women in the military.

Let me back up here one moment and walk through the developments that created the need for this amendment. Since 1984, there has been a permanent ban on the use of Department of Defense funds to perform abortions, except when the life of the woman is in danger. It was preceded by similar language included in each of the fiscal year 1979 through fiscal year 1984 appropriations bills. The law, however, has always been silent on the question of using military facilities for abortion procedures. The law has always been quiet on that.

Until 1988, DOD had no formal policy in regard to performing abortions that are not funded by the Government in overseas military medical facilities. In June 1988, DOD—specifically William Mayer, then Assistant Secretary of Defense for Health Affairs—issued a directive stating: "The policy is that the performance of pre-paid abortions in military treatment facilities is not authorized." This policy became effective October 1, 1988.

Where does that leave our overseas military personnel? Last year I shared with you a letter I received from Charles Zwierzynski, a second class petty officer in the U.S. Navy, who described the trying experience he and his wife went through when they tried to end a pregnancy—a wanted pregnancy, but sadly the fetus had multiple birth defects and would not live past birth. That should have been reason enough to propel this body into action.

This year I would like to share another letter with you—one from Lt. Comdr. Jeffrey Jensen at the U.S. Naval Hospital in Subic Bay, Philippines. Because he worked in a country where abortion is illegal, he was exposed to several situations that describe how the arbitrary 1988 DOD directive has endangered women's lives and interfered with the readiness of our military.

He wrote:

> I taste the bitter irony of my words when I tell a young woman, who has volunteered to serve her country because she believes in the ideals of democracy and freedom, that despite my training and expertise, I am not free to help her. As a medical student, I never expected to see the day when a military physician could face criminal prosecution for performing a procedure which is safe, effective, legal and common in the civilian community.* * *
>
> Not only are our U.S. service women faced with the horror of obtaining illegal abortions that are unsafe and expensive, but many avoid informing their military physician about complications from the abortion for fear of having gone against military regulations—which, if their superior is not supportive of the right to choose, could jeopardize their careers.

Mr. President, because active duty military are not authorized to obtain second opinions or outside care, we further alienate women from adequate care for fear of the repercussions of their being forced into a situation that violates regulations. We are forcing these women to deal with a true catch-22.

Do not be fooled into believing that women are not forced into the streets. Dr. Jensen states that at his hospital alone, about eight patients each year are admitted with complications from illegal abortions. This is a very real problem for the individuals in the military.

Dr. Jensen went on to say:

> It is appaling to me that the President of the United States, Commander in Chief of the military sees it fit to send active duty women overseas, and then neglect a major issue of health care concern. The overwhelming sexism in this policy is especially ugly. On any given night, one can observe scores of young men taking "liberty" in Olongapo City. The service gives implied consent to this by treatment of repeat offenders for sexually transmitted diseases, and ignoring the shameful problem of children fathered in these relationships and later abandoned. It is assumed "boys will be boys" or that such activity is necessary after a long deployment * * * That active duty female probably acts irresponsibly far less often, but receives no support from the system when unintended (undesired) pregnancy results.

I ask my colleagues to join me in carefully looking at this situation—remove some of the emotion of the issue, and look at how we should rationally solve this injustice.

Let us look at the situation—our service members are frequently serving our country in locations where safe health care is not available at local facilities. That is precisely why the United States has established medical facilities on our bases—to meet the needs of DOD personnel and dependents in these locations. That is why we do not depend on local hospitals in the Philippines or in Panama or Saudi Arabia.

In many countries where U.S. military personnel are stationed, abortion is illegal or access to abortion is severely restricted. In Saudi Arabia, where approximately 30,000 women were stationed during Operations Desert Storm and Shield, abortions are illegal except to save the life of the woman. The laws are similar in the Philippines and Panama, where about 46,000 military personnel and their dependents are stationed. This is also the only situation when a woman can obtain an abortion on the base.

So what choice are we leaving these women? Because they are stationed in a place that does not allow a woman the right to choose whether or not to continue a pregnancy to term, as is the case in our country, we eliminate her option to choose to have proper health care.

In Latin America, complications of illegal abortion are thought to be the main cause of death in women between the ages of 15 and 39. A small 16 percent of the illegal abortions performed in the Philippines are done by physicians. The alternative that we are forcing on our service women is to seek an unsafe, illegal abortion at great risk to the woman's life or to travel to another country, at a cost which, in many cases, as we outlined last year, may be prohibitively expensive.

I, as one Senator, am sickened by this information and have to ask the question—where does our responsibility to protect the life of the woman end? Unless her life is in danger by carrying the fetus to term, we force her to pursue unsafe medical practices that put her life in danger for choosing to exercise her constitutional rights. What kind of reasoning is that? It is simply illogical.

Even in countries where abortion services are legal, many subject American women to substandard health care. Many developing countries, for instance, cannot afford to test their blood supply for the HIV virus. They may not have the clean blood, antibiotics and trained personnel necessary to provide quality care. Is this a price we are asking of those who are serving our Nation? We are asking them to pay this simply because they are stationed overseas and simply because of a regulation which treats them as second-class citizens.

Many U.S. military personnel and their dependents stationed overseas do not have a full command of the language of their host country. As with any medical procedure, the abortion decision requires a woman to communicate fully with her physician.

Some have charged that this amendment is limitless and seek to defeat the amendment stating that it would allow for third trimester abortions. Just as no one in the United States can obtain a legal, third-trimester abortion, except to save her own life, no one stationed overseas will be able to either. The amendment merely applies all that is legal in the United States to those citizens stationed elsewhere.

Left uncorrected, the DOD directive has a terrible impact on lives of those in our Armed Forces. I have become aware of a variety of devastating situations created by this directive: Families forced into carrying to term a fetus that will not live past birth, families that used their entire life savings to travel to another country and pay for an abortion when they knew the baby could not live, military doctors who are prohibited from providing the counseling and care they determine to be in the best interest of the patient, and a young enlisted woman who was so distraught about a pregnancy and could not get the care she needed that she was driven to take her own life.

We should not allow one arbitrary directive to stay in place—not when it has such an overwhelming impact on the members of our military.

I urge my colleagues to support cloture on this amendment so we can have the opportunity to show that the majority of the Senate believes in equality for all our citizens.

Mr. President, this is a very simple issue. We are not providing Federal funds for abortion. We are only saying to a woman who wishes to have an abortion, which is legal in the United States of America, that if she is stationed overseas she can use a U.S. facility there, pay for it herself, but have the same access to quality health care that somebody has here. Why should we treat women in the military as second-class citizens? They should have the same rights that women in the United States have.

It is a very simple proposition, Mr. President. I urge my colleagues to support cloture and support this amendment so we have the opportunity to show that a majority in the Senate believes in equality for all of our citizens.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, I yield myself 10 minutes.

Mr. President, I first of all want to thank the Senator from Colorado for his patience and his cooperation in arranging a procedure which allows us to debate this issue thoroughly but then to bring it to a vote of the Senate without the complication of asking our 100 Senators to sit through the evening and sit through the weekend deciding this issue. I think, given the fact that the Senate has debated and voted on this just a year ago and that Members are fully aware of the issue at hand, it is not necessary to go through that procedure.

Let me, if I could, present the other case. The situation that exists, as described by the Senator from Colorado, if that were true, I can understand why Members would be concerned and would want to at least consider his amendment as a solution to a problem. If it is true that, as Lieutenant Commander Jensen says, those in the military are unable to either offer advice to women who find themselves pregnant and in need of medical assistance, or if they have no other option but to search the back alleys for an illegal abortion, I can understand why for many that would be a very legitimate concern.

However, that is not the case and, as I will demonstrate very shortly, no women in the military or dependent of any women in the military need be faced with that situation or in fact is faced with that particular situation.

To me, this seems to be a solution in search of a problem, because the Department of Defense has indicated to me in writing—and I will refer to that letter in a moment—that they have not experienced any difficulties in administering the policy which they currently are operating under and have been operating under since 1988.

In anticipation of the statement made by the Senator from Colorado, I wrote to the Assistant Secretary of Defense for Legislative Affairs asking a series of questions relative to the military policy. He has written back. I would like to not only share that with my colleagues, but I ask unanimous consent that my letter and his response be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, July 24, 1991.

Mr. DAVID GRIBBIN,
Department of Defense, Assistant Secretary of Defense, Legislative Affairs.

DEAR MR. GRIBBIN: As you may be aware, Senator Wirth is planning to offer an amendment to the Department of Defense Authorization Bill reversing the Department's ban on the performance of abortion in military facilities.

As this bill may be up for consideration before the Senate as early as next week, I would appreciate your response to the following questions as soon as possible.

1. Has the Department had any difficulty in implementing this policy?

2. Have any formal complaints been filed concerning this policy—to the best of your knowledge and information?

3. Have any legal challenges been instituted concerning this policy—to the best of your knowledge and information?

4. Have any members or their dependents been denied access to an abortion as a result of this policy—to the best of your knowledge and information?

5. Have any members or their dependents been denied access to military transport for the purpose of procuring an abortion—to the best of your knowledge and information?

6. Have any members or their dependents been denied access to military transport for the purpose of procuring an abortion—to the best of your knowledge and information?

7. The Wirth amendment requires members to pay all direct and indirect costs associated with the performance of abortions in military facilities, other than those necessary to save the life of the mother. This would seem to require a complete accounting of all costs associated with the performance of abortion, including, but not limited to a proportionate share of the costs associated in the actual performance of the abortion, the administrative costs associated with the performance of abortion, the salaries of staff involved either directly or indirectly in the performance of abortion, the depreciated and proportionate value of materials and machinery used in the performance of abortion, the value of the rent of the space used in the facility in which the abortion was performed, etc.

Would the Department be able to readily assess all of the direct and indirect costs associated with the performance of abortion? How difficult of a task would this pose?

8. Have you had an occasion to consult the Department's General Counsel as to the legal implications of the Wirth amendment? If so, please provide their analysis.

9. Under the Wirth amendment, dependents of members of the uniformed services (including unemancipated minors) would be able to receive abortions on a prepaid basis in military facilities. Does the military currently require either parental notification or consent when a minor requests reproductive health services such as contraceptives or treatment for sexually transmitted diseases? Does a minor presently have to secure a parent's consent before using military air transport? Are there any other Department restrictions on minor's access to health care services?

Thank you in advance to your prompt attention to this matter. Should you have any questions concerning this matter please feel free to contact Stephanie Monroe of my staff at 224-6211.

Sincerely,

DAN COATS,
U.S. Senate.

THE ASSISTANT SECRETARY
OF DEFENSE, LEGISLATIVE AFFAIRS,
Washington, DC.

Hon. DAN COATS,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR COATS: This is in response to your letter of July 24, 1991. The following are responses to each of the nine questions you asked regarding abortion practice and policy in military facilities.

1. No.
2. No.
3. No.
4. No.
5. No.
6. No.

7. To assess the exact and complete direct and indirect costs for abortions in military facilities would be difficult, and at best, estimates in most cases. The military health care accounting systems do not use patient level accounting to track any health care delivery costs. Civilian comparative costs could be used and are used to bill insurance companies for other types of health care.

8. No. The Department has not yet seen any Wirth amendment language.

9. Each Service has regulations governing consent for the delivery of health care to minors and the conditions that require parental, spousal or guardian consent. These regulations generally follow State law regarding consent of minors. Minors generally cannot use space available military transport in the continental United States, or travel without their sponsor while overseas. Medical military transport is used exclusively for medically indicated conditions. Other than the matter of consent, minors eligible for military health care do not generally have any other special restrictions on access to military health care services, subject to the availability of these services.

The Department of Defense opposes any amendment that would change current policy.

I trust this information is responsive to your needs.

Sincerely,

DAVID J. GRIBBIN III.

Mr. COATS. Mr. President, in response to the question relative to the policy of the Department of Defense regarding abortion, I asked the following question: "Has the Department had any difficulty in implementing this policy?"—that policy being that they provide access to any women who requests medical airlift back to the United States for any medical service whatsoever that is not available at a military hospital overseas or not available at another hospital or medical clinic or facility of a women's choosing in that host country—if they had any difficulty in implementing that policy, and their answer was no.

I asked had they had any formal complaints filed concerning the policy. There was none.

I asked, "Have any legal challenges been instituted concerning this policy—to the best of your knowledge and information?" Their answer is no.

I asked have any members—I think this is the instructive point—have any members of the armed services or their dependents been denied access to an abortion as a result of the military policy, and their answer is a categorical no.

Have any members or their dependents been denied access to military transport for the purpose of procuring an abortion? Their answer is no.

So, in every instance that may be or has been raised relative to the desire of someone in the military or their dependent requesting medical assistance, even for the purpose of an abortion, the Department of Defense policy is simply to say if you cannot secure the medical treatment that you need in the host country where we are located—and in some countries that service is not available either because of a constitutional provision or because the facilities offered do not meet the medical standards that the woman would have every right to expect—the military will provide immediate air transport for that person or their dependent back to the United States, any place of their choosing, so that they can receive the medical help that they need.

Again, it seems to me we have a solution to a problem which really does not exist. Lieutenant Commander Jensen of Subic Bay, who was referred to by my colleague from Colorado, indicated that he was upset because he was not freed to offer advice or to perform an abortion. Lieutenant Commander Jensen needs to be informed of the policy that is currently in effect, stated by the Assistant Secretary of Defense, as to the options that are available to those women. It is unfortunate that he, in his letter, indicates that he is not aware of that policy. Obviously, he will be now, given this debate.

There will be no woman of the military or her dependent who needs to rummage around in any back alley of any country in the world. If they so desire, they will receive without question military air transport back to any State in the United States or to any other country necessary for them to receive whatever medical assistance they might need.

In fact, in the Persian Gulf war situation, 1,250 women who were pregnant requested transport back to the United States. We do not know for what purpose. I assume some of those requested that transport back for the purpose of an abortion. All 1,250 were given that opportunity, and no one was denied.

The second point I would like to make is we have a policy under the Hyde language of not expending taxpayers' funds for the purpose of performing abortions. Obviously, in a military hospital situation, you have a hospital, doctors, equipment, all paid for completely with taxpayer funds. It is not possible to segregate the performance of an abortion, use of equipment, doctors whose salary is fully paid by the taxpayer. It is impossible to provide a situation where you would allow the performance of an abortion and then be able to say no taxpayer funds were used.

Yes, the military personnel would pay for the abortion but it is virtually impossible to account for the myriad ways in which services were provided.

In that regard, I also asked the question of the Department of Defense:

> The Wirth amendment requires members to pay all direct and indirect costs associated with the performance of abortions in military facilities, other than those necessary to save the life of the mother. This would seem to require a complete accounting of all costs associated with the performance of abortion, including, but not limited to a proportionate share of the costs associated in the actual performance of the abortion, the administrative costs associated with the performance of abortion, the salaries of staff involved either directly or indirectly in the performance of abortion, the depreciated and proportionate value of materials and machinery used in the performance of abortion, the value of the rent of the space used in the facility in which the abortion was performed, etc.
>
> Would the Department be able to readily assess all of the direct and indirect costs associated with the performance of abortion? How difficult of a task would this pose?

The Department of Defense replied to me:

> To assess the exact and complete direct and indirect costs for abortions in military facilities would be difficult, and at best, estimates in most cases. The military health care accounting systems do not use patient level accounting to track any health care delivery costs. Civilian comparative costs could be used and are used to bill insurance companies for other types of health care.

We have not a great problem, but a significant problem, in terms of totally segregating the use of taxpayer funds for the performance of abortion.

Third, I draw my colleagues' attention to the fact that the amendment before us, offered by the Senator from Colorado, is not a restrictive amendment in any way. It is not in the mainstream of what Americans, even Americans who support abortions, consider proper.

Under the Wirth amendment, abortions can be performed for any reason whatsoever. They can be performed at any time during the pregnancy. Abortions could be performed unrestricted, absolutely on the right of demand of the mother. There is no definition or restricting definition of reproductive health services.

So, obviously, it could go beyond even the performance of an abortion. Those issues were discussed last year when we talked about this.

Under this amendment, any military personnel can use any military facility in a base outside the hospital facility or medical facility, in a base outside the United States, for any reproductive health service—whatever that means—without the limitation, in terms of restrictions on abortion, that I think most Americans, even those who support abortion, feel are proper. This opens up the military hospital to perform any abortion for any reason at any time.

We also run into a problem from a diplomatic nature. I do not know how critical this is to a discussion of the amendment. But in a situation that exists, say, at Subic Bay in the Philippines, where the host Nation constitutionally prohibits abortion and guarantees the right to life of any child or any unborn child, we run into a situation where the U.S. military would be providing a hospital within a country that has prohibited abortion as a constitutional matter, and its people have decided that this is the policy of that particular nation. Yet, within that country, a military hospital would be performing abortions for any reason without any restriction.

So for those basic reasons, I think it is important to understand that the amendment before us is unnecessary. It provides a situation that I do not believe either the majority of the people of this country or even a majorty of the Members of the U.S. Senate would support.

Let me reiterate quickly why many of us in this body, on a bipartisan basis, feel that the Wirth amendment is an amendment that is not needed. It does not provide anything for women that cannot be provided in another manner. It allows unrestricted abortion at military facilities outside the United States. That raises all kinds of questions and all kinds of problems. The situation that we are facing here is clearly, in my opinion, a solution in search of a problem that simply does not exist.

I yield any time I have remaining under this current request for time. If I can ask the Chair how much time is remaining? There are a number of other Senators who wish to speak, and I want to reserve that time.

The PRESIDING OFFICER. The Senator controls 7 minutes and 28 seconds.

Who yields time? The Senator from Colorado.

Mr. WIRTH. Mr. President, I yield 6 minutes to the other author of the Wirth-Glenn amendment, Senator GLENN.

The PRESIDING OFFICER. Senator GLENN is recognized for up to 6 minutes.

Mr. GLENN. Mr. President, Mr. WIRTH, my distinguished colleague from Colorado, and I, offer an amendment to the Defense authorization bill permitting military personnel and their dependents to obtain abortions at military medical facilities overseas.

WHY THIS CHANGE IS NECESSARY

Let me tell you a dramatic story about what happened to a military couple stationed over in the Philippines, where abortion is illegal, I believe you will see why this amendment is so desperately needed.

The case has been poignantly related to Congress by a military doctor frustrated by his inability to help his patients. In that case, the couple, a 23-year-old lance corporal and his 21-year-old wife, were expecting their first child. At about 20 weeks, the woman underwent an ultrasound and multiple fetal anomalies were discovered. Additional testing indicated that the anomalies were so severe that the child could not live beyond birth.

The couple was counseled concerning the child's chances for survival and options related to continuing the pregnancy or electively terminating it. Faced with the deteriorating condition of the fetus, the couple chose to terminate the pregnancy.

It is at this point that the harshness and cruelty of DOD's current policy become most visible. This couple, devastated by the news that their child could not possibly live, made the decision to terminate the pregnancy, a decision fraught with agony. They were then faced with the fact that the abortion procedure could not be conducted in a military medical facility.

The couple then sought to obtain an abortion in Japan. However, at the time, the cost of an abortion in Japan was about $2,500 and the couple could not afford the procedure. A lance corporal does not make a large salary and the young couple had no savings. This family felt they had no other choice but to continue pregnancy. For 10 weeks, the woman carried this fetus until it died. A long and painful labor was induced, a labor that was complicated by the fetus' anomalies. Mr. President, there simply was no need to put this couple through this kind of emotional trauma. The amendment Senator WIRTH and I propose would end this needless agony.

EFFECT ON OTHER CURRENT POLICIES

Despite suggestions to the contrary, Mr. President, this amendment merely overturns the current Department of Defense policy preventing servicewomen and dependents overseas from obtaining abortions in military medical facilities. The amendment does not affect the ban on using DOD funds to pay for abortion because it requires that all costs associated with the abortion procedure be paid by the individual. Even DOD's own policy letter admits that the ban on using DOD funds is not violated when military medical facilites are used to perform abortions paid for by the individual. Nor does this amendment impact DOD regulations which provide that military medical personnel are not required to participate in abortion procedures if they object because of their ethical, moral or religious beliefs.

WHAT THE AMENDMENT DOES

This amendment eliminates the inequity that the current policy has created. It removes the obstacles that have been thrown in the way simply because these women are in the service or are dependents of those in the service. It simply gives these military women access to the same medical procedures available to women living in the United States.

Moreover, Mr. President, if people are not persuaded by the fundamental fairness of this amendment, this measure also eliminates the policy which can force a woman to seek an illegal abortion if she is stationed in a country outlawing abortions, and the policy which can force a woman to rely on a substandard health care system in a country that does not routinely apply the health care standards to which we in the States are accustomed.

What could possibly be the rationale for transforming an otherwise safe and legal procedure into an illegal act or a needlessly life-threatening situation? Why would DOD seek to make its people commit criminal acts or risk their lives for the sake of subverting a constitutionally protected right? Mr. President, I submit, we, as legislators, cannot stand by idly while the rights of these women are eroded.

THE DEBATE'S LEGAL FRAMEWORK

Before we embark on the kind of debate that has become customary whenever the Senate addresses issues related to abortion, let me lay out the contours of the real debate so that we can avoid being diverted by arguments that really have no place in this debate.

Let me begin at the most basic and fundamental level with the constitutional perspective. U.S. citizens have a constitutionally protected right to obtain an abortion.

People can disagree with that policy, but they cannot dispute, nor, more importantly, can they ignore, the fact that our Constitution has been interpreted to protect this fundamental right. Therefore, the question of whether abortion should or should not be a protected right is not an issue here today and arguments against this amendment based on the belief that abortion should not be legal miss the mark. Abortion is legal, and thus, the debate must begin from that starting point.

The real question is whether we will continue to allow the Department of Defense to compromise the undisputed constitutionally protected rights of our servicewomen and dependents by denying them access to safe, legal abortions in military medical facilities overseas. Mr. President, I maintain that we cannot tolerate the arbitrary curtailment of constitutional rights.

And, Mr. President, let me add that when I speak of the arbitrary curtailment of rights I am not raising arcane concepts of constitutional law, I am talking about a policy which sends women to abortion clinics in underdeveloped countries exposing them to questionable health care practices. I ask you, Mr. President, what does that say about the respect the Department of Defense shows for the rights of individuals who would risk their lives to protect our basic freedoms.

When Mr. WIRTH and I introduced a similar amendment to last year's Defense authorization bill, opponents of the amendment raised a whole host of issues which really have no bearing on the merits of this amendment. Mr. President, I intend to put those arguments at rest at the very outset.

OPPOSITION'S ARGUMENTS LAST YEAR

Last year, opponents of this measure argued that the measure was unnecessary because the number of abortions performed in military medical facilities overseas would not be very high. They argued that it was unnecessary because DOD officials had not sought a legislative change to their policy. They argued that access to abortions in military medical facilities overseas was unnecessary because servicewomen and dependents could always fly back to the United States to obtain an abortion.

They also argued that the 1984 statutory ban on funding abortions would be undermined by this amendment. They argued that the funding ban was not just a funding ban, but that it was a ban on Government involvement in abortion services. They argued that the amendment would allow abortions to be performed in the third trimester of pregnancy, or that this amendment would be used as a vehicle to select the gender of a child.

OPPOSITION IS NOT PERSUASIVE

I think you will see, Mr. President, that none of these arguments is persuasive. In fact, I believe that most of these arguments are designed to confuse and inflame the issue.

As I have already mentioned, Mr. President, opponents last year sought to defeat this measure as unnecessary because, in their view, there is not enough of a need for it. That is, it is unnecessary because too few women would need to obtain abortions in military medical facilities. In a related argument, opponents argued that the amendment was unnecessary because neither the Secretary of Defense nor the Assistant Secretary of Defense for Health sought this legislation.

Mr. President, I find it almost incomprehensible that members of this body would condition protection of a constitutional freedom on how frequently the need of protection arises. I ask those Senators what the magic number should be? Mr. President, even if it turns out that only one woman seeks to obtain an abortion, I believe all women should be guaranteed access to safe, legal abortions while they are stationed overseas. Moreover, the fact that senior officials in the Defense Department have not sought this legislation has no bearing on the issue. The right to an abortion is a constitutionally protected right. I do not think we need to look to these officials as the arbiters of our constitutional freedoms.

Mr. President, opponents of this measure have also argued that this amendment violates the statutory ban on using DOD funds to perform abortions. This argument is simply wrong, Mr. President. Under this amendment, the individual seeking the abortion would be responsible for its cost, including all indirect costs associated with the procedure. No taxpayer dollars would be used. And as I mentioned earlier, even DOD acknowledges that the ban is not violated when the individual pays for the abortion.

In a strange twist, these same opponents have argued that the current DOD policy need not be changed because women seeking abortions in countries where abortions are illegal or in countries where the health care system could imperil their lives are free to take leave, and fly back to the United States or to another country to obtain an abortion. I find it incredible that these same opponents who view abortions fully paid by the patient as involving the expenditure of DOD funds would suggest that women fly back on military aircraft to obtain abortions. If anything were to violate the ban on using funds, flying around on military aircraft would seem more likely to do it.

Moreover, needlessly making women fly around the world to obtain an abortion because they happen to be in military service and stationed overseas seems to be a thinly veiled attempt to make a woman's exercise of a constitutional freedom as difficult as possible.

Last, Mr. President, this amendment does not affect the scope of sanctioned abortions. So I ask my colleagues not to be taken in by arguments that this amendment would allow abortions in the ninth month of pregnancy or to select the gender of a child. This amendment merely provides access to abortions for military personnel stationed overseas. It does not allow or prohibit anything more or less than is allowed or prohibited in the United States.

Mr. President, I support this amendment because it demonstrates the fact that Congress respects the constitutional rights of our servicewomen and military dependents. I urge my colleagues to support this amendment to restore sanity and compassion and reject the absurd interpretation of the funding ban and its potentially deadly consequences.

I thank my distinguished colleague for yielding time.

The PRESIDING OFFICER (Mr. KERREY). Who yields time? If no Senator yields time, time will be charged equally to both sides.

Mr. WIRTH. Mr. President, I yield 2 minutes to the distinguished Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. Mr. President, I rise in strong support of the Wirth-Glenn amendment to permit U.S. military women and dependents stationed overseas to get safe legal abortions at U.S. military hospitals. Current military policy adopted in 1988—without congressional approval—denies servicewomen and military family dependents stationed overseas their basic and fundamental right to obtain reproductive health services—the same services available to their counterparts in the States. DOD policy prohibits military hospitals overseas from providing abortions to women regardless of whether they pay for themselves or not.

This is an outrage. It means that the more than 600,000 active duty military personnel and 400,000 dependents stationed overseas are treated as second-class U.S. citizens when it comes to health care. In countries where abortion is illegal, like the Philippines or Panama, it means that women with an unintended pregnancy are subject to the worst kind of substandard health care—illegal abortions.

For women serving overseas, the DOD policy is tantamount to overturning Roe versus Wade. It makes a mockery of the Constitution. While we protect certain fundamental rights for women at home, the Department of Defense has discarded these same rights for women serving overseas.

The Department of Defense has been made the tool of right wing ideologues who cannot defeat the right to abortion by honest means, but push mean-spirited and odious restrictions like the gag rule and this DOD policy to make it harder for women to get abortions.

The only issue today is whether women stationed abroad should have access to the same quality medical care they can get in Seattle or Des Moines. It is not—as some would like you to believe—a question of whether the Federal Government should pay for abortions in these hospitals. Under this amendment, no Federal funds are involved.

Individuals seeking an abortion would be required to pay all costs, including indirect costs, for the procedure.

Last May, the House passed an identical amendment to reverse the DOD restrictions. The Senate should do the same today. Our message should be clear: second-rate health care for women is not acceptable. Denying women's constitutional rights is not acceptable. Forcing military women overseas to seek life-threatening abortions is not acceptable.

I ask my colleagues to join me in reversing this shameful policy.

Mr. WOFFORD. Mr. President, I wish to engage in a colloquy with my distinguished colleague from Colorado, Mr. WIRTH.

Mr. President, I believe that under almost any circumstances a pregnant teen considering an abortion should consult with at least one of her parents. Providing guidance and understanding support in difficult times is a big part of what families are all about.

When I first read the amendment offered by Senators WIRTH and GLENN, I became concerned that the broad language of the amendment might prevent the branches of the uniformed services from adopting rules that insist on parental involvement in virtually all cases concerning minors. I believe the military should be free to establish such rules with respect to abortion.

Since raising this issue with my colleagues, I have been informed that this amendment is not intended to overturn or precludes rules on parental involvement where minors are concerned. I have been told that the branches of the military and military commanders of overseas installations will not violate the intent of the amendment if they set rules on parental consent and notification.

My first question for the Senator from Colorado is this: Am I correct in my present understanding? Will the Wirth-Glenn amendment permit regulations and rules that insist on parental or guardian involvement?

Mr. WIRTH. The Senator is correct. The amendment is not intended to preclude or prevent policies on parental consent or notification.

Mr. WOFFORD. During the period before the Department of Defense policy the Senator now seeks to reverse went into effect, that is before October 1988, the branches of the military could prohibit third-trimester abortions except where the life or health of the mother was endangered. I quote an Air Force regulation from 1985:

> Air Force policy precludes the performance of abortions on patients whose pregnancy has advanced beyond 20 weeks unless, in the medical judgment of the patient's attending physician, the abortion is necessary to preserve the life or physical health of the mother.

Is it the understanding and intent of the Senator as author of the Wirth-Glenn amendment that, under the amendment, the branches of the military can continue to prohibit third-trimester abortions except where necessary to preserve the life or health of the mother?

Mr. WIRTH. That is my understanding and that is my intent.

Mr. WOFFORD. One final question. From my inquiries on this issue and from certain regulations I have obtained, I understand that conscience clauses apply in each branch of the military: the physicians and other medical personnel with religious or moral objections to abortion are not required to perform or physically assist in such procedures.

I also understand that such conscience clauses were in effect during those years in the 1980's when overseas military installations were not barred from performing abortions where local facilities were unsafe and the patient paid for the abortion herself.

Is it the Senator's intent as author of the Wirth-Glenn amendment that the branches of the military can continue such conscience clauses?

Mr. WIRTH. It is.

Mr. WOFFORD. I thank my distinguised colleague from Colorado and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. Presient, I yield 4 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I wish to congratulate and compliment my colleague from Indiana, Senator COATS, for his statement today and also his leadership in the effort to protect the lives of unborn children.

Mr. President, I rise in strong opposition to the Wirth amendment that is before us today that basically says we should have unlimited abortion on demand at Government hospitals outside the United States. He says that is equality. But, Mr. President, we do not have Government abortions nor do we allow abortions in Government hospitals in the United States. We do not allow Government abortions in Bethesda Naval Hospital. We do not allow abortions to be performed in Government military hospitals anywhere in the United States. Why should we allow them outside the United States? I think that would be a serious mistake.

Somebody said we are not funding abortions but, frankly, if Government facilities are used, we are giving some kind of Government sanction to an abortion.

I have heard my colleague from Washington say we were talking about quality of health care, talking about reproductive health services. We are not talking about reproductive health services; we are talking about abortion. We are talking about the taking of an unborn child's life.

We are talking about a hospital that is funded by our Government actually used for the destruction of an unborn child, an unborn human being.

Mr. President, we have laws on the books to protect endangered species, the unborn of certain creatures, some of which might be beetles, some of which might be eagles, some of which might be different animal species. Certainly we should protect the lives of unborn children.

I have heard my colleagues in one case read a letter saying, well, our baby was going to be born with multiple birth defects. Is there a reason to slaughter the child?

I thought we were supposed to protect the lives of disabled. We actually passed a bill in this Congress to do so. Yet we are going to say because an unborn child has a physical deformity it should be slaughtered. Tell that to a youngster who was born with spina bifida.

Unfortunately, some people think that quality of life is not worth living, so they want to terminate that unborn child's life.

I beg to disagree. It is certainly wrong for our Government to sanction an abortion. Taking the life of an unborn child in a Government hospital, that is what this amendment is about.

Again I compliment my friend and colleague, Senator COATS, for his leadership and I hope the Senate will vote against cloture on the Wirth amendment.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, may I inquire how much time is available?

The PRESIDING OFFICER. The Senator from Indiana has 4 minutes 30 seconds.

Mr. COATS. And the Senator from Colorado?

The PRESIDING OFFICER. The Senator from Colorado has 57 seconds.

Mr. COATS. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. COATS. Mr. President, I thank the Senator from Oklahoma for his comments and support.

If I could respond both to the Senator from Ohio and the Senator from Washington, the Senator from Ohio had mentioned the woman facing a life-threatening situation. I need to point out that military hospitals are allowed and do provide abortions to any military personnel or dependent where the life of the mother is threatened.

Second, it was mentioned by the Senator from Washington that a woman's constitutionally-protected right is violated here, that in a number of difficulties—examples of difficulties were raised where that might be the case.

I want to repeat for my colleagues the military policy currently in effect, which has been given to me in writing by the Department of Defense. And I am happy to make that available to any Member who wants that. It clearly does not in any way violate any woman's constitutionally protected right. It does not deny any woman the opportunity to obtain an abortion if she so chooses.

The Department of Defense has indicated that it has not received one complaint or denied anyone access to that abortion. It simply says you cannot have it at the military facility. There are a whole number of reasons why that is a good policy. This Congress has enforced that policy. The Department has issued that regulation. And so no one should be mistaken that what they are voting on is somehow a violation of a woman's constitutional right.

Now, for those who might be concerned that the Wirth amendment is not too broad, perhaps you have some inclination to think that, well, abortions should be performed in some instances, let me state that the Wirth amendment allows abortion to be performed in a military facility for any reason at any time. There is no restriction whatsoever on the demand for an abortion. If a woman wants an abortion in the eighth or ninth month of pregnancy, under the Wirth amendment she is entitled to that.

Mr. President, I yield myself an additional minute.

If someone wants to go into a military hospital and ask for whatever they define as reproductive health service, whether that is a sex change or whatever, as I read the amendment they are entitled to that. There is no limitation or definition of what reproductive health service includes.

I do not think that is the kind of policy our Nation wants in military hospitals or Government facilities in the United States, let alone overseas. I am not sure that this country wants unrestricted abortion for any reason at any time simply upon the demand of the mother. If a woman in the military or her dependent finds herself in a life-threatening situation, she is fully protected. If she finds herself in a difficulty and she wants an abortion, and it cannot be performed overseas, she is allowed first place on the next military air transport or medical evacuation to a country or back to the United States for securing whatever medical treatment she wants. We do not have a problem here.

Mr. President, I ask how much time is remaining?

The PRESIDING OFFICER. The Senator from Indiana has 59 seconds remaining.

Mr. COATS. I reserve that time.

The PRESIDING OFFICER. Who yields time?

Mr. WIRTH. Mr. President, I yield myself the remaining time.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. WIRTH. Mr. President, the myth of military transportation, a letter that we have received:

> In contrast to the situation for White House staffers, air transport for military on leave is on a "space available" basis only, and flights do not occur every day. In addition, a flight may be cancelled at any time. You may not sign up on the wait list for a flight until you are in a leave status, so chargeable leave time accumulates while you wait. The wait lists for the States is much longer than Japan. Furthermore, there is no guarantee of a return flight. This further increases time away from work, anxiety, and expense. During peak transit times there may be no space available seats, resulting in the additional financial burden of commercial airline tickets.

Another letter:

> A woman in her mid-twenties came into our office to arrange for an abortion. She explained that she was an officer in the Air Force and was stationed in Spain. When she suspected that she might be pregnant, she went to the military hospital for a pregnancy test. At the time of the test, she asked about the availability of abortion. She was told that the military did not provide abortion. She then asked where else she might be able to get one and was told that they could not tell her anything about abortion at all. She was hoping that they would at least make a referral to legal, reputable abortion providers elsewhere in Europe.

A gag rule in the military because of this as well. Finally, Mr. President, a young woman was not as fortunate. The woman was 18 years old. When she found out she was pregnant, she became increasingly distraught and she had no one to talk to. Ultimately she committed suicide.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WIRTH. Mr. President, I ask unanimous consent that certain materials be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HEAD, DEPARTMENT OF OBSTETRICS AND GYNECOLOGY, U.S. NAVAL HOSPITAL, SUBIC BAY, REP. PHILIPPINES,
FPO San Francisco, CA, May 11, 1991.
Hon. LES AUCOIN,
Rayburn Office Building, Washington, DC.

DEAR CONGRESSMAN AUCOIN: I understand that you are reintroducing an amendment to the DOD Authorization bill, which you had sponsored in 1990, which would allow overseas active duty military and their dependents the option of obtaining an abortion at a military treatment facility at their own expense. I would like to share with you some of the experiences I have had with this issue over the past two years at the U.S. Naval Hospital, Subic Bay, where I have served as a staff Obstetrician/Gynecologist, and Head of the Department of Ob/Gyn. They exemplify the danger and frustrations that our volunteer servicewomen and female military dependents are subject to in the Philippines. Hopefully these examples will help you and other members of Congress see even more clearly how the 1988 DOD prohibition against abortion at overseas hospitals has endangered women's lives and interfered with the readiness of our military.

First let me provide you with details of health care at the U.S. Naval Facility, Philippines, and contrast it with that available locally. The Naval Hospital is a 85 bed facility serving a patient population of about 17,000 active duty and dependents. It also serves as a referral center for the Fleet and Naval Station Diego Garcia. Our department provides comprehensive Ob/Gyn services to both active duty, retired, and dependent patients. Problems we are unequipped to deal with are transferred to other military treatment facilities. We have the equipment necessary to perform elective abortions, as it is identical to that used for spontaneous abortion. Olongapo City borders the base, and serves as the local liberty area for personnel. The community is known for its cheap bars and prostitution is a way of life for many economically disadvantaged women who flock to Olongapo. Needless to say, sexually transmitted diseases are common. I do not think our military leaders would be proud to show the parents of our sailors the lifestyle that is common in Olongapo. The Philippines is a third world country with high unemployment and a rapidly increasing population. Government population policies are severely restricted by the Catholic church. As a consequence, availability of contraceptive methods is low and the birth rate is high. Although abortion is illegal for any reason, it is commonly available. Procedures available range from abdominal massage and catheter insertion techniques of lay midwives to more sophisticated dilatation and curettage procedures provided by physicians. As all of these procedures are illegal, there is no quality assurance. I have visited the local hospitals. The facilities for legal procedures such as surgery and vaginal delivery are questionable. I can only imagine the facilities and equipment for sterilizing instruments in black market abortion clinics. One patient relayed a chilling story of instruments set to boil upon the stove, a technique ineffective against spore forming bacteria and certain viruses.

We admit about eight patients per year with complication from illegal abortion. In order to minimize this occurrence, I am outspoken and open when counseling my patients. I maintain an open door policy to any women needing information on options in early pregnancy. If a patient chooses abortion, I council her against obtaining the procedure locally due to the inherent risks involved in even the best clinics. If the patient intends to have a local procedure she is instructed to come to my clinic following the procedure for an examination to rule out infection or other problems. I fit them into my schedule without appointment. Unfortunately, many patients do not consult us, wrongly concluding that since the system does not support her choice a Navy physician will not be supportive or compassionate. Some even fear having their plans revealed to their (sponsor's) command. This has an obvious negative impact on the quality of the physician-patient relationship.

Not all illegal procedures result in complications. When problems do arise, however, there is a tendency to present late for legitimate care. Part of this is a suspicion of the system which initially denied care. It is against Navy regulations for active duty members to seek health care outside of the military system (unless referred by a military physician). An active duty woman suffering a complication might find herself in a "line of duty" investigation which could find her injuries non service-connected and ineligible for care in the military or VA system. If she suffered injury from faulty illegal care in the Philippines she also cannot be compensated through civil suits. Is this fair treatment for an individual who, having volunteered to serve her country, was guaranteed comprehensive health care as a benefit of service, and then sent overseas? To protect our patients, the unofficial policy we have adopted is to not document (in the medical record) illegal abortion as the antecedent cause of complications which may result in admission to our hospital. I imagine other facilities handle this problem in a similar fashion so accurate statistics on number of admissions for complications of illegal abortion may be impossible to obtain. Hospital administrators vary with respect to their concern and compassion for this problem.

I urge my patients to travel to Japan or the States if possible. This requires that a servicewoman take leave. For junior enlisted taking leave on short notice presents a problem, as leave is a privilege granted only if the needs of the command are met. As the safety of abortion procedures is inversely proportional to the length of gestation, delays contribute to morbidity. The servicewoman often finds herself in a situation where she must divulge (against her wishes) her most private decisions regarding her reproductive health. And she must do this in an environment which may be hostile to her intentions. Despite attempts at education by the Navy, the level of sexual harassment remains high. My patient could find this decision has a negative impact on her career if a supervisor is not supportive of a woman's right to choose abortion. Even after receiving permission from her command to take leave, my active duty patient faces the obstacle of obtaining transportation to a country where abortion is safe and legal. There seems to be some myth about the availability of government transportation to military personnel overseas. [In contrast to the situation for White House Staffers, air transport for military on leave is on a "space available" basis only, and flights do not occur every day. In addition, a flight may be canceled at any time. You may not sign up on the wait list for a flight until you are in a leave status, so chargeable leave time accumulates while you wait. The wait lists for the States is much longer than Japan. Furthermore, there is no guarantee of a return flight. This further increases time away from work anxiety, and expense. During peak transit times there may be no space available seats, resulting in the additional financial burden of commercial airline tickets.]

The predicament for active duty dependents is even worse as they are in a lower category of priority for space available flights (i.e. an active duty member on regular leave showing up on the day of a flight will get space before a dependent regardless of the duration of the dependent's wait). I know of at least two cases, one active duty enlisted and one dependent daughter, who were subjected to the increased morbidity and expense of a second trimester procedure secondary to wait involved for a space available flight. The fact that the risk of death and complications from their procedures was needlessly increased four fold left me exasperated and outraged. These are real people, military members (or their dependents) who volunteer their lives to defend their country and are denied the same standard of care available to other Americans.

For teenagers, the situation is more complicated and frightening. This problem is compounded by the local ruling which prevents minors (dependent children under 21) from access to health care, including contraceptive counseling, without parental consent. A recent survey done by students at our DODDS high school revealed that 61% of female and 81% of male juniors and seniors state that they are, or have been, sexually active. About 8–10 students carry a pregnancy to term each year. A comparable number have abortions. Combined, that number is roughly 10% of all female high school students (grade 9–12). In other words about 5% of all female high school students here will have an abortion! It is an unfortunate fact of life that not all families have perfect communication. Even the best parent-teenager relationships are strained by the intensely personal nature of sexuality and pregnancy. In families with dysfunctional communication, or where physical or mental abuse is present, it is unreasonable to assume that these issues can ever be openly discussed. Rather than confront an abusive parent (or disappoint a good one), teenagers often attempt to conceal their pregnancies and present late for prenatal care or abortion referral. Again, for those who choose to leave the Philippines for an abortion, the additional wait for transportation may add significantly to the risk of the procedure. The stories of young women who choose not to involve their parents and pursue illegal abortions locally horrify and sicken me. They are forced to travel to unsafe locations for the procedures. Often times the person performing the procedure cannot explain it in English. Prices are inflated to extortion levels for Americans. Anesthetics are administered without appropriate monitoring. We have admitted two teens so far this school year for intravenous antibiotics and completion curettage following an illegal procedure. One, a high school junior was hospitalized for over 7 days. What impact this will have on her future fertility remains to be seen. In my opinion, it is only a matter of time before a teenage dependent daughter dies here from a complication of illegal abortion. Even legal termination presents serious difficulty for students. One of my patients, an intelligent high school sophomore who states she would have used a reliable birth control method had access to confidential care been available, went to Japan for her abortion, accompanied by her mother. Although she suffered no complications, she missed two and a half weeks of school due to flight delays.

Cases of fetal anomalies provide further insight into the arbitrary cruelty of the current law. We have the technology to screen for fetal malformations with high resolution ultrasound imaging, and detect chromosomal anomalies with amniocentesis and genetic studies. The military supports these diagnostic studies as they are the standard of care. Most patients are shocked to learn, however, that there is no federal funding for pregnancy interruption in the event that a serious anomaly is found, even if the anomaly is significant enough to be 100% fatal! This is not abortion for birth control; these couples are usually anxious to conceive again. Often times these are couples who have delayed childbearing and planned their pregnancy. Let me illustrate this with an example from my own practice. A 23 year Marine Lance Corporal and his 21 year old wife were pregnant with their first child. An ultrasound was performed at about 20 weeks in order to confirm gestational age, as the patient had presented late for prenatal care. At that time, multiple fetal anomalies were discovered. Repeat studies were performed with the same conclusions; the anomalies were incomplete with extrauterine life. The patient and her husband were counseled regarding the findings, and options for continuing or electively terminating the pregnancy were discussed. Observing the deteriorating condition of the fetus through multiple exams, the parents felt unable to cope with continuing the pregnancy and requested interruption. Although they had previously been told that federal regulations would not allow the procedure in our hospital, they again requested we reconsider this in view of the severity of the anomalies. The case was presented to the Hospital ethics and executive committees; both refused to go against federal regulations. A Lance Corporal has a take home pay of about $865/mo. Exclusive of transportation and incidental expenses, the cost of hospitalization and labor induction termination in Japan is around $2,500. With no savings, this young couple had no choice but to continue the pregnancy. Just imagine what it feels like as a physician to have to tell a patient that although you have the tools and training to end her suffering you cannot do so. I presume it is easy for policy makers to abstract themselves from this situation and consider the issue black and white. But attempt to visualize the emotional pain this real life situation creates in both patient and physician. The heartache a mother feels with each fetal movement knowing that her baby will never live past birth, and that she must be continually reminded and tormented by this knowledge until her delivery. The sadness and helplessness her physician shares at every office visit and phone call. This young couple lived through this hell for an additional 10 weeks until the doomed fetus suffered an intrauterine death. The labor induction which followed was long and painful, complicated at delivery by the massive size of the fetal abdomen (secondary to ascites), which had developed during the last several weeks of the pregnancy. After a year this couple has conceived again, this time with a normal fetus. Physically the patient is fine, but the emotional scars of this unnecessary suffering remain in both her and me. I can't help but think that this young marine's vision of what his country is willing to do for him and his family, in return for his dedication and professionalism as a soldier, has been forever altered.

The current situation in the military provides me with insight into the problems we would see if abortion were not readily available in the United States. The powerful and wealthy would continue to receive safe care with terminations provided by sympathetic private physicians in their own offices. The "have nots" would be unable to access this type of care for several reasons. Primarily, as these patients have not developed longstanding relationships with a physician, the doctor would be unwilling to run the risk of criminal prosecution to treat the patient. I am certain that many military gynecologists have found themselves in the position to help someone they trusted and have terminated a pregnancy by camouflaging it as an incomplete or missed spontaneous abortion. I consider this to be more an act of kindness than civil disobedience. Unfortunately, those with the greatest need, the young junior enlisted where the financial burden falls heaviest—are unlikely to benefit from this relationship. I taste the bitter irony of my words when I tell a young woman, who has volunteered to serve her country because she believes in the ideals of democracy and freedom, that despite my training and expertise I am not free to help her. As a medical student, I never expected to see the day when a military physician could face criminal prosecution for performing a procedure which is safe, effective, legal, and common in the civilian community.

It is appalling to me that the President of the United States, Commander and Chief of the military, sees it fit to send active duty women overseas, and then neglect a major issue of health care concern. The overwhelming sexism in this policy is especially ugly. On any given night one can observe scores of young men taking "liberty" in Olongapo City. The service gives implied consent to this by treatment of repeat offenders for sexually transmitted diseases, and ignoring the shameful problem of children fathered in these relationships and later abandoned. It is assumed "boys will be boys" or that such activity is necessary after a long deployment. It is my opinion that the Navy's attachment to its Philippine base centers more on its use as a liberty port than a shipyard. The active duty female probably acts irresponsibly far less often, but receives no support from the system when unintended (undesired) pregnancy results.

Thank you for letting me share my experiences with you. Although I personally feel federal funds should also be available for abortions, this legislation alone would significantly improve the physical and mental health of military women overseas. By allowing women the option of obtaining the procedure in military hospitals at their own expense, we would guarantee them access to safe treatment at a clean facility in a timely fashion. The preparedness of the military would be improved not only by reducing lost work days, but also by enhancing morale through this expression of empathy for women's issues. I appreciate your dedication to improving the health care of active duty and military dependent women. If I can be of any further help with this issue (or any other women's health care issue) feel free to contact me.

Sincerely,

JEFFREY T. JENSEN, M.D.

PLANNED PARENTHOOD OF DELAWARE,
Wilmington, DE, May 15, 1991.

Hon. LES AUCOIN,
Washington, DC.

DEAR CONGRESSMAN AUCOIN: I am the Executive Director of planned Parenthood of Delaware. I am also a nurse who has worked in abortion services for nine years. In hearing about your amendment to the Department of Defense Authorization bill, I recalled an experience I had about four years ago when I was the clinic supervisor of our abortion service here in Delaware and felt that the story should be shared.

A woman in her mid twenties came into our office to arrange for an abortion. She explained that she was an officer in the Air Force and was stationed in Spain. When she suspected that she might be pregnant, she went to the military hospital for a pregnancy test. At the time of the test, she asked about the availability of abortion. She was told that the military did not provide abortion. She then asked where else she might be able to get one and was told that they could not tell her anything about abortion at all. She was hoping that they would at least make a referral to legal, reputable abortion providers elsewhere in Europe.

Fortunately for this woman, she was able to return home and contact us. She was also able to make these arrangements quickly enough that she could have a first trimester procedure. During our conversation she told of a young woman in her unit who was not as fortunate. This woman was 18 years old and when she found out she was pregnant, she became increasingly distraught as she had no one to talk to. Ultimately she committed suicide.

We asked our patient if she would be willing to talk with Congressman Carper about her experience. She was unwilling to do so as she was concerned about confidentiality. I share the story with you as I applaud your efforts to restore access to this vital service and hope that it will be useful in your discussions of the amendment.

Yours sincerely,

MARTHA MACRIS,
Executive Director.

[From the Washington Post, Mar. 7, 1991]

GERMANY'S ABORTION ORDEAL

(By Marc Fisher)

BONN, March 6.—Driving with her husband from Holland back home to Germany a few weeks ago, the woman now known to all Germany as Kathrin K. was stopped by border police.

First, they searched the car for drugs. They didn't find any.

What they found instead—a plastic bag containing a nightgown, towels and sanitary napkins—convinced them nonetheless that she had committed a crime. Accusing her of having left the country to undergo an abortion—she denied it—they took her to a nearby hospital, where she was forced to have a vaginal examination.

Formally charged, Kathrin went on television this week to admit her abortion but decry the ordeal she had suffered. Her story became a sensation, intensifying the bitter division in Germany over abortion—a division so deep that abortion is legal in the country's east but not in the west.

For residents of the west, abortion is a crime even if it is performed outside the country.

Leaders of virtually every political party and citizens group in Germany, whatever their stands on abortion, seem in agreement that what happened to Kathrin K. is an outrage.

The Dutch Justice Ministry, spurred on by parliamentarians who say the German practice violates European Community guarantees of freedom of movement, today asked Germany to explain what its police have been doing.

German officials say the policy of compelling physical exams in cases of suspected abortions is rarely used; the Bonn Interior Ministry issued a statement saying that "in the last 10 years, there have been about 10 cases."

But abortion rights activists and their opponents alike say even one forced examination is too many. "The Interior Ministry's denial can only be understood as a confirmation of this criminal practice," said Heide Ruehle of the environment-oriented Greens party.

Among the thousands of legal and social issues that had to be resolved when the two Germanys merged last fall, only a handful were considered so hot that the two countries agreed to postpone any decision, and abortion was the most divisive of the bunch.

The two approaches to the problem have brought the debate in Germany to a powerful boil. The country has committed itself to finding a common solution by the end of next year.

"It was so degrading," Kathrin told a television interviewer. The 22-year-old from southern Germany was eight weeks pregnant when she went with her husband to a clinic in Holland, less than an hour from the German border, to avoid the "bureaucratic war" that faces German women seeking to end a pregnancy.

Western German women who have abortions face up to a year in jail, whether they have the procedure done at home or in another country. Women in western Germany may have abortions legally only if a panel of doctors decides it is medically or socially necessary—a process that varies enormously in its strictness, depending largely on whether the woman lives in the conservative Catholic south or in the more liberal Protestant north.

In the former East Germany, abortion remains completely legal, without questions from the government.

Kathrin had already had one child after a difficult pregnancy. "I didn't want another so quickly," she said. So she went to Holland, where the procedure was done on an outpatient basis for $300. Then she and her husband started the drive home.

At the border at Gronau, police pulled them over. When they found the bag and accused Kathrin, she said she had her period. But police took her to the prosecutor's office and then to a hospital, where, according to German press reports, one physician refused to conduct the examination. A second doctor agreed to do it.

In another forced examination case, police said they found a bill from an abortion clinic in a car being searched at the border. And in a third case, police said they sought the medical examination after a woman suffering bleeding after an abortion asked them for help.

"If we have certain suspicions, we are bound by law to pursue them," border police spokesman Walter Musholt told the newsmagazine Der Spiegel.

Several women have been brought to trial for having illegal abortions recently, and some doctors who have approved abortions say they no longer keep records of those cases out of fear that police might seek to confiscate them.

Gerhard Ettlinger, a public health physician, told the Bild am Sonntage newspaper that police use at least three hospitals for forced examination of women returning from Amsterdam who are suspected of having had an abortion.

"We want to protect the unborn," said former German interior minister Gerhart Daum of the Free Democrats, the junior partner in Chancellor Helmut Kohl's center-right government. "But to hunt on the border for women who've had abortions is pure persecution. The border police should have something more useful to do."

Across party lines, many politicians are calling for an amnesty for women who have had abortions. And Minister for Women and Youth Angela Merkel, one of three former East Germans whom Kohl gave a place in his new cabinet, said the forced exams "show that we need new laws. In emergency situations, help, not punishment, is appropriate."

But Merkel, a 36-year-old physicist who was an early leader of the 1989 East German revolution, has adopted the strict anti-abortion position of Kohl's Christian Democratic Union. She argues that abortion should not be permitted to become the routine method of birth control that it was in communist East Germany, and also should be a crime punishable by imprisonment, as it is in the western part of the country.

"My goal is to clearly reduce the number of abortions," Merkel told reporters. "We have seen that this will not be achieved by [just] threatening punishment. Society has a duty to make it easier for women to say yes to child-bearing. There is a no black or white in this question."

Merkel rejects a proposal from liberal legislators to make first-trimester abortions legal, preferring government-required counseling for women who seek abortions.

"Germany is simply split," said Christa Meves, a psychotherapist who has written extensively on family issues. "There is no majority anymore for the conservative position and the law will eventually be weakened."

But that doesn't help Kathrin K. with the humiliation she carries with her from her border encounter, or with the irony of her experience. Kathrin is a relative newcomer to western Germany and its restrictive law. She moved from East Germany in 1988, when the trip was still an adventure beyond the Iron Curtain. Now that Germany is one again, she could have simply gone home to Jena, where her abortion would have been legal.

[From the New Republic, July 8, 1991]

EUROPE'S ABORTION WARS: WOMB FOR DEBATE

(By Anthony J. Blinken)

In Gronau, a nondescript border town, German customs officials linger over the belongings of a young woman returning from a quick trip to Holland. They pick apart her toilet kit and scrutinize her dirty laundry. One of the officials asks the woman, Kathrin K., if she has just had an abortion. She says yes. She is taken to a local hospital and submits to a physical examination, which confirms her confession. A prosecutor indicts Kathrin K. for violating paragraph 218 of the German penal code.

This story, splashed across the pages of the mass-circulation newsmagazine *Der Spiegel* in March, has caused a stink in a country sorely divided over the question of abortion. But the debate in Germany is only a microcosm of the struggle facing Europe at a time when the continent moves painfully toward some sort of unity. European unity is usually described in terms of harmonizing tax rates, abolishing tariffs, negotiating a common currency, allowing for the same social safeguards for workers among member countries. What's often ignored, however, is the strain of harmonizing social mores across a religiously and culturally diverse continent. And nowhere is that strain more evident than on the subject of abortion.

The European continent right now is a virtual schizophrenic on abortion rights. National legislation ranges from abortion on demand with no questions asked to an informal interdiction—backed by law—on any abortion at all. Holland and Sweden have the most liberal laws. Holland has abortion on demand, and the patient is reimbursed by the state until the twenty-fourth week. It's legal in Sweden until the eighteenth week for a token fee, and right up until term if the National Health Bureau gives permission. Britain, which in 1967 was the first Western European country to legalize abortion, has a liberal law: abortion on demand in the first two trimesters, paid for by the National Health Service, and abortion until term when the mother's life or the fetus's health are in danger. Last year, however, Parliament reduced the cutoff point for abortion on demand from twenty-eight to twenty-four weeks and is under pressure to reduce it to eighteen.

France permits abortion until the twelfth week of pregnancy, the cost of which is reimbursed up to 80 percent, and allows it into the second trimester in cases of rape or danger to the mother's physical or mental health. However, the French also retain a law that makes a doctor who performs an abortion or a woman who receives one outside these limits liable to spend between one and five years in jail. Belgium, after much internal wrangling, legalized abortion in 1990 until the twelfth week, at the woman's expense. (King Baudouin abdicated for thirty-six hours rather than sign the bill into law.)

Elsewhere, conservatism is more pervasive. In Ireland an amendment to the constitution adopted by referendum in 1983 prohibits abortion outright—no exceptions. The penalty for "facilitating" an abortion can be life in prison. Spain allows abortion until the twelfth week only in cases of rape, until the twenty-second week if the fetus is malformed, and at any time if the mother's life is in danger. Penalties for performing an illegal abortion include up to five years in prison. Last February Parliament rejected a bill that would have granted a limited right to abortion on demand. Italy allows free abortion for ninety days in state facilities, but doctors may refuse to perform them as a matter of conscience. Swiss law permits abortion "until the fetus is viable" or when the woman's health is in danger, provided a licensed physician consents. In practice, the availability of abortion—which is reimbursed by health insurance—varies substantially from region to region. Poland is now undergoing perhaps the severest test of its new democracy as bishops and legislators wrangle over the legality of abortion. (See

"A Theocratic State?" by Czeslaw Milosz, page 27.) Abortion is legal in Czechoslovakia till the twelfth week for a token fee, and into the second trimester when the woman's health is in danger or in cases of rape. But the law is under pressure: model bills outlawing abortion on demand have been floated in Parliament.

The German Parliament still needs to write a national abortion law. Until then "East" Germany is allowed to retain its liberal law, which permits abortion during the first trimester, and "West" Germany is allowed to restrict abortion by requiring that a woman receive permission to abort from a licensed social worker and a doctor. In practice, social workers and doctors in the conservative south often browbeat women into bringing the pregnancy to term. West German law also provides that doctors who perform and women who receive illegal abortions must pay a penalty, and may be jailed up to three years.

These national differences are often played out in the market. It's known in Europe as abortion shopping. According to France's Family Planning Movement, a pro-choice group, some 15,000 Irish women travel to England each year to take advantage of its law, and about 7,000 German women cross the border to Holland annually for the same reason. Even French women are drawn to Britain to terminate a pregnancy beyond the proscribed limit in France: nearly 3,000 made the trip in 1989.

But inevitably, a political response to the massive divergencies is brewing. Abortion rights groups in countries with restrictive laws are beginning to challenge domestic legislation by appealing to continent-wide laws and codes. Irish pro-choice advocates recently argued before the European Court of Justice that Irish law contravenes the Treaty of Rome. The treaty, drafted in 1957 as the basis for the European Economic Community, requires its signatories to eliminate "any restrictions on the freedom to offer services" within the Common Market. The Irish appellants argue that abortion is a "service." Even if the court agrees with the Irish appeal—which experts consider unlikely—it may still find that legalizing abortion in Ireland would "offend public morality" in that country and deny relief.

Similarly, most national medical associations now adhere to the voluntary European Code of Medical Ethics, which codifies the right to doctor-patient confidentiality. What this means in practice, among other things, is that a doctor should not participate in governmental investigations or inquiries unless subpoenaed to do so as an expert witness. Under the confidentiality canon, doctors will be obliged to refuse the government's request to report confidential information about whether an abortion has taken place, derailing the enforceability of anti-abortion laws in many countries.

But the abortion rights movement is not, of course, the only player in the Euro abortion wars. Right-to-life groups also are appealing to EC regulations. The French Doctors Association for the Respect for Life cited the European Convention on Human Rights and Fundamental Freedoms, unsuccessfully, in urging France's highest court to ban the RU 486 "abortion pill." The convention declares that "the right of each person to life is protected by the law." The French Court, hedging its decision, actually held that life begins at conception, but concluded that French abortion legislation is a "necessary and limited" exception to the implied protection of the fetus. Other anti-abortion groups threaten to challenge French law based on that country's ratification, last year, of the International Convention on Children's Rights, which speaks of "each child's inherent right to life." In ratifying the treaty, the French government stated that this phrase "cannot be interpreted as raising an obstacle to French legislation allowing abortion on demand."

To make matters more confusing, Operation Rescue-style right-to-life groups are increasingly active in Europe, especially in France and Great Britain. Last year such groups took credit for more than thirty sit-ins and demonstrations at family planning clinics throughout France. Some of these organizations—with names like "SOS Littlest Ones" and "Let Them Live"—apparently receive more than inspiration from Operation Rescue. Members of Randall Terry's organization spent several months in Europe in 1989 and 1990 to show the locals how to do things, according to Marie-France Casalis of the Family Planning Movement. Evidence of this trans-Atlantic collaboration can be found in some of the right-to-life literature distributed at rallies and abortion clinic blockades. Though written in the relevant native tongue, the flyers are printed in Cincinnati, Ohio, by a company that supplies Operation Rescue.

It's a good bet that European politicians will find the task of grappling with this subject across the continent virtually intractable. It's been hard enough in reunified Germany alone, where conservative former West Germans from the southern Catholic länder are locked in a protracted political struggle with the more liberal former Easterners. There, at least, a cultural, national bond keeps the two sides engaged; and they both, literally, speak the same language. Throughout the European Community, however, none of that applies. And the gloves are finally being taken off.

RELIGIOUS COALITION
FOR ABORTION RIGHTS,
Washington, DC, July 24, 1991.

Hon. TIM WIRTH,
Senate Russell Office Building, Washington, DC.

DEAR SENATOR WIRTH: The AuCoin amendment to DOD Authorization Bill, HR 2100, currently before the Senate Committee on Armed Services, will restore access to the full range of reproductive health services at military medical facilities outside the United States. Women who are dependent on the military for their health care would be able to use their own funds to pay for an abortion in a military health facility, thus achieving the same access to safe abortions as women in the United States. The Religious Coalition for Abortion Rights strongly supports this amendment.

While the AuCoin amendment ensures equal access to reproductive health care services for our active duty women and dependents, it does not in any way require the Federal Government to pay for abortions. Further, the amendment will not disturb the current DOD "conscience clause" that forbids requiring any individual to participate in an abortion procedure. In fact, the conscience clause reinforces the option of choices for people of faith. Just as one is free to choose whether or not to continue an unintended pregnancy, one is free to choose whether or not to participate in the performance of an abortion.

The Religious Coalition for Abortion Rights, formed in 1973, is a national, nonprofit coalition of Protestant, Jewish and other faith groups. The Coalition members are religiously and theologically diverse, but unified in their commitment to preserve reproductive freedom as an intrinsic element of religious liberty. RCAR supports the AuCoin amendment because to do otherwise is to endanger the health of countless American women serving our country in remote geographic locations where quality medical care is too often available only through our military facilities.

We appreciate your long standing position for choice and your continuing support for this amendment as it moves through the legislative process.

Sincerely,

PATRICIA A. TYSON,
Executive Director.

[In the Supreme Court of the United States, No. 88–605]

(October Term, 1988)

WILLIAM L. WEBSTER, ET AL., APPELLANTS, *v.* REPRODUCTIVE HEALTH SERVICES, ET AL., APPELLEES

ON APPEAL FROM THE UNITED STATES COURT OF APPEALS FOR THE EIGHTH CIRCUIT

Brief for the amici curiae women who have had abortions and friends of amici curiae in support of appellees.

(Names of 2887 Amici Curiae and 627 Friends of Amici Curiae Set Forth in Appendix A)

Sarah E. Burns, Counsel of Record; Helen R. Neuborne, Alison Wetherfield, NOW Legal Defense and Education Fund, 99 Hudson Street, New York, New York 10013 and 1333 H Street, NW., Washington, D.C. 20005.

Dawn Johnsen, National Abortion Rights Action League, 1101 14th Street, NW., Washington, D.C. 20005.

ROE LETTER–78

I had an abortion today. I am a young widow in the military and have a 3 year old son. My son's daddy died suddenly the day before his 3rd birthday. We are still trying to cope with the loss—both emotionally and financially.

I've been stationed in a 3rd world country full of poverty, dirt, ignorance, tyranny, and hostility towards Americans. I had to rely on military doctors who apparently were highly incompetent. They told me I wasn't pregnant when I was really 15 weeks along! The only military personnel who was helpful was the Chaplain. He helped me keep my sanity in the month of December.

I had had no symptoms of pregnancy till December, the month I asked for a pregnancy test and exam. Even though I was assured, "You just have an infection," I recognized the signs of pregnancy that finally emerged full blown by January. I learned that only dirty, life-threatening illegal abortions exist in that country. And so I struggled through the red tape to get out of that country and come back home where I could exercise some control over my life, safely and sanely.

It took me till February before I got home to my parents. By this time I was 22 weeks! I was determined to end that pregnancy because financially and mentally and physically I knew I could not survive if I carried to term. While giving birth to my 3 year old I had multiple complications, and the doctors then told me it would be physically risky for me to try again. My son already had lost his Daddy. I surely didn't want him to lose me, too. And even if I did survive, I felt I owed what resources I had left to the child already living and needing me so badly.

> Fortunately (it was high time I started having some luck), my parents found the only clinic in a 4 state area that performed abortions up to 24 weeks. They went with me.
>
> It is the 2nd day of a two-day procedure. I received the best of care from both the counseling and medical staffs, and all went well. I am feeling fine physically and relieved and grateful emotionally.
>
> Now I can begin again, and rebuild a life for me and my son. I thank God that I was born in the good old U.S. of A. where people have personal rights and freedoms. May we never lose our liberty and fall backward into the mentality and condition of a 3rd world country!

Mr. WIRTH. Mr. President, I ask unanimous consent that Senator RIEGLE and Senator LAUTENBERG be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AKAKA. Mr. President, I am pleased to join my friend, the senior Senator from Colorado [Mr. WIRTH], in cosponsoring this amendment to S. 1507, the fiscal year 1992 Department of Defense authorization bill.

Mr. President, on Wednesday, the Senate voted to lift the discriminatory exclusion prohibiting women in the Armed Forces from flying combat missions. The professionalism and bravery exhibited by the American women who served during Operation Desert Storm should have erased any doubt as to the ability and qualifications of women to serve in combat situations.

Yet, Mr. President, as the professional barriers based upon sex are falling, an odious personal imposition upon American women in the military remains intact. Since 1988, the DOD has prohibited military hospitals from performing abortions. Under this restriction, American women serving our Nation and stationed overseas are denied the right of reproductive choice provided all women in the United States.

I find it appalling that women who have volunteered to defend our Nation through military service should be expected to surrender their right to choose abortion. The amendment before us corrects this inequity. Military personnel and their dependents overseas would be entitled to receive complete reproductive health service in a military facility. Abortion services would be made available to members of the military and their dependents at their own expense.

Mr. President, currently thousands of U.S. military personnel are stationed in many countries which prohibit abortion. An American woman stationed in one of these countries who seeks an abortion is unable to legally have one. Instead, denied access to complete care in a military medical facility, as she is entitled to, she must return to the United States or travel to another country where abortion is legal and safe. She must bear the logistical problems, additional expense, and increased health risk as a result of the delay. The only other alternative is to obtain an unsafe, illegal abortion, and chance the concomitant health and criminal consequences.

This burden is an unwarranted and unfair imposition upon American women stationed overseas. It should not be the policy of our Government to complicate or impede an individual citizen's right to make a personal reproductive decision. This amendment ends the discrimination against those defending our Nation abroad, by providing only for their equal treatment under U.S. law.

Mr. President, today, we have an opportunity to reverse another ill-advised and discriminatory restriction. It's a simple matter of fairness and equity. I urge the Senate to adopt the amendment and restore the constitutional right of choice to our brave women serving overseas.

Thank you, Mr. President. I yield the floor.

Mr. SIMPSON. Mr. President, it is important for the American people to know just where their Senate is on a bill that addresses the most critical function of the Federal Goverment—the defense, safety, and security of its citizens. Now, we are again dealing with the issue of abortion, and that issue is threatening the passage of one of the most important pieces of legislation this body will address this session.

The unfortunate truth is that this issue of abortion now comes up on almost every piece of legislation which we deal with. My position on a woman's right to obtain an abortion—the freedom of choice—is crystal clear, and has been a matter of dozens of record votes since I began my service here over 12 years ago. Based upon the votes we have dealt with in the last month—an impartial observer might believe that the Senate is an elected body which continually conducts intramural referenda only on the issue of abortion. I am personally weary of it. I think the American public expect us to get on with all of the business of this country—not just disproportionately focusing on one issue.

Despite the vital importance of funding education and health programs, the issue of abortion now threatens the passage of that spending bill. It threatens the passage of a bill which determines what our national obligations to foreign countries should be. It threatens passage of a bill that funds the FBI, and judges salaries, and the Drug Enforcement Agency, and legal services for the poor. It threatens the passage of a bill that provides funds for nearly all of the services provided to the people who live in our Nation's Capital—the District of Columbia. It has become the proverbial monkey wrench in all legislation—the mother of all monkey wrenches. Just throw it into the gears, and delay the passage of bills that are often very critical to this Nation.

On the merits, I would support the Wirth measure in the present form. However, if it becomes a part of this bill, it may well be vetoed. It may also be subject to a filibuster. The defense bill may never get out of this Senate at all and this bill is not some minor concern to the people of this country. It is about their protection and national security. Nothing that we do here is more important than the expedient passage of our national defense bill. I believe the American people want us to get on with this critical business. Therefore, I am voting against cloture in order to get this measure completed and on to conference during the August recess.

Mr. PACKWOOD. Mr. President, I rise today in strong support of the Wirth-Glenn amendment, which would overturn the 1988 Department of Defense regulations which prohibit the performance of abortions in U.S. military hospitals.

Military members and their families are not second-class citizens. They have the same constitutional rights as other Americans, including the right to choose. In many foreign countries where our troops are stationed, including those where Desert Storm troops remain, abortions are illegal or severely restricted. In many other areas, abortions are legal but performed under substandard medical conditions. Our military personnel must not be condemned to such a dangerous and unnecessary situation.

The options of a pregnant woman stationed overseas in the U.S. military who wants to obtain an abortion are limited:

She can obtain an illegal abortion or a legal abortion performed under substandard conditions;

She can wait for transportation on military aircraft on a space available basis; or

She can try to come up with the funds to fly to the U.S. by private carrier.

All of these options are problematical and involve major inconvenience if not outright danger to the woman's life or health. By contrast, military women fortunate enough to be stationed in the United States have access to legal and safe abortion—this is an equal protection issue.

During last year's debate, some Senators raised the issue that even if the woman paid for the abortion herself, as our amendment requires, the use of the military hospital for the abortion amounts to Government funding. In response to that argument, this year's amendment requires the woman to pay all direct and indirect costs of the abortion, which would include the use of the facility.

Mr. President, the Department of Defense regulation which this amendment would overturn is contrary to the intent of Congress. Congress has only voted not to fund abortion—not to deny access to it. I urge my colleagues' support of this amendment.

Mr. WOFFORD. Mr. President, abortion is perhaps the single most controversial issue confronting our American society in the late 20th century. Millions of women and men feel deeply and passionately about abortion. Each of us is concerned. All of us follow our conscience. Yet we remain at odds, our differences unresolved.

When an issue so deeply divides a nation, a person entrusted to represent the people on that issue must, more than ever, search his or her own conscience, explore the facts, and arrive at a position through careful and reasoned reflection.

I am clear in my mind that—whether on American soil or anywhere else—abortion should never be treated as a method of family planning akin to abstinence or to the use of contraceptives. I am equally clear that we owe a duty to our military families stationed overseas to consider seriously the unique problems and difficulties they face because of their service to their country.

When I first read the amendment offered by Senators WIRTH, GLENN, and others, I was concerned that its seemingly sweeping language might prevent the military from adopting the same kinds of reasonable rules and restrictions on abortions that many American States, including my home State of Pennsylvania, have adopted.

I was worried that although there would be no expenditure of Federal funds for abortions, the Wirth-Glenn amendment might make abortions available to those stationed overseas without any reasonable limitations such as those affecting the women who live and work in our 50 States. My reason and conscience would compel me to oppose any such amendment.

Today, after much inquiry and research and a formal colloquy with the principal sponsor of the amendment, Senator WIRTH, I am satisfied that the Wirth-Glenn amendment does not sweep so broadly. I am convinced that it would not lead to abortion on demand at overseas installations and that it would not prevent the military from implementing reasonable restrictions.

The Army, the Air Force, the Navy, and the Marines would still be able to insist on parental notification or consent in virtually all cases concerning minors. They would still be able to ban third-trimester abortions except where necessary to preserve the life or health of the mother. They would still be able to protect physicians and other medical personnel morally opposed to abortion with strong conscience clauses. I would expect the Armed Forces to maintain such reasonable restrictions, within the bounds set by the Constitution.

Any doubt on these matters is resolved by the colloquy between my colleague from Colorado, Senator WIRTH, and myself—a colloquy that clearly and simply places these crucial points of legislative intent in the record of the Senate. As the Supreme Court stated in North Haven Board of Education versus Bell, the "remarks * * * of the sponsor of the language ultimately enacted are an authoritative guide to the statute's construction." (456 U.S. at 526–27.)

Since my most pressing concerns have been addressed, I will support the Wirth-Glenn amendment.

I feel strongly, however, that if the Wirth-Glenn amendment fails today and an amendment along the same lines is to be offered in the future, the text of that new amendment itself should reflect the points I felt compelled to resolve today through colloquy. To that end, if the Wirth-Glenn amendment does not pass, I will send to Senator WIRTH a letter that sets out draft language which, if incorporated in any future amendment, I believe could eliminate the need for time-consuming colloquies.

Specifically, I will propose that any future amendment along the lines of today's Wirth-Glenn amendment explicitly state:

> Implementing Regulations.—Notwithstanding any other provision of this section, the administering Secretaries are authorized to promulgate regulations which—
>
> (1) to the extent permissible under the Constitution of the United States, prohibit the use of a facility of the uniformed services to provide an abortion in the case of a woman after the viability of the fetus commences;
>
> (2) provide that uniformed services medical personnel are not required to perform or physically assist in the performance of an abortion if participation in the abortion is contrary to the religious beliefs or moral convictions of such personnel; and
>
> (3) provide for parental or guardian notification in cases of abortions provided to unemancipated dependent minors.

Mr. LAUTENBERG. Mr. President, I rise in strong support of the Wirth amendment to reverse the 1988 Department of Defense policy that prohibits women's access to reproductive health services simply because they are stationed overseas. This administration policy prevents servicewomen or spouses of servicemen from receiving the same type of health services that they can when they are stationed in the United States. The right to an abortion, under certain limits, is a constitutional one established by the Supreme Court. The Department of Defense, however, chose in 1988 to take this right away from women and spouses who are stationed overseas.

Mr. President, this amendment would allow servicewomen and spouses to simply receive privately financed abortions in overseas military medical facilities. This is essential because reproductive services are not available in many countries. In some countries, if an American servicewoman is raped and seeks to terminate her pregnancy, she would either have to break the host countries laws and get a back-alley abortion or take leave and try to arrange transportation back to the United States.

There have been numerous attacks on this amendment that are simply not true. First of all, this amendment in no way requires the Federal Government to pay for abortions. It simply allows women to pay for these health services with their own money. This fee covers the costs of the physician, other personnel, and facility overhead. Second, this amendment does not require anyone to perform a medical procedure that he or she objects to on moral grounds. The military already has regulations that permit medical personnel to abstain from performing medical procedures that they object to as a matter of conscience. Third, no parental notification provision is needed on this amendment because military regulations already require that children of servicewomen and servicemen must notify their parents before they undergo any major medical procedure.

I urge my colleagues to support this amendment. I will also work hard in the future to make sure that this regulation that prevents our dedicated servicewomen from receiving reproductive services is soon overturned.

The Senator from Indiana is recognized.

Mr. COATS. Mr. President, to conclude the debate on this matter, if any Member has a question regarding what the official Department of Defense policy is relative to providing transportation back for any medical reason, I urge them to read the letter the Assistant Secretary of Defense has given to me relative to their policy.

If you have a question regarding delay in receiving medical treatment, please understand that if the life of the mother is threatened, that service can be provided at that military hospital where they are stationed.

The Department of Defense has received no complaints and no problems about arranging military transport for anyone back to their States or to another place for whatever medical treatment they need. Again, I do not believe we have a problem here that this solution addresses. That is a solution in search of a problem. I urge the Members read the letter from the Department of Defense clarifying that matter.

The PRESIDING OFFICER. The Senator's time has expired.

CLOTURE VOTE

The PRESIDING OFFICER. Under the previous order, the cloture vote will now occur on amendment No. 1038.

Filing of the cloture motion has been waived. Under the previous order, the quorum has also been waived.

The question is, Is it the sense of the Senate that debate on the Wirth amendment No. 1038 should be brought to a close? The yeas and nays are required. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted: yeas 58, nays 40, as follows:

[Rollcall Vote No. 177 Leg.]

YEAS—58

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bradley
Brown
Bryan
Bumpers
Burdick
Byrd
Chafee
Cohen
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Fowler
Glenn
Gore
Gorton
Graham
Harkin
Hollings
Inouye
Jeffords
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Specter
Wellstone
Wirth
Wofford

NAYS—40

Bond
Boren
Breaux
Burns
Coats
Cochran
Craig
D'Amato
Danforth
Dole
Domenici
Durenberger
Exon
Ford
Garn
Gramm
Grassley
Hatch
Hatfield
Heflin
Helms
Johnston
Kasten
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Reid
Roth
Rudman
Simpson
Smith
Symms
Thurmond
Wallop
Warner

NOT VOTING—2

Pryor
Stevens

The PRESIDING OFFICER. On this vote the yeas are 58, the nays are 40. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Pursuant to the previous order, cloture not having been invoked, the Senator from Colorado is recognized to withdraw this amendment.

Mr. WIRTH. Mr. President, I thank you very much.

Under the previous order, I had agreed to withdraw the amendment, which I will do at this point.

I thank the Senator from Indiana for working out an agreement. I thank those who voted for this amendment. We had four people who changed their votes. I understand the terms of the procedure and the timing, but I want to put my colleagues on notice that, on this issue, we should not get squeezed at the end like this.

I think we will have the opportunity in the not too distant future to do this in a little more rational fashion.

I thank the distinguished chairman of the Armed Services Committee for allowing us to bring this up at this time and fitting this in this particular situation.

The amendment (No. 1038) was withdrawn.

The PRESIDING OFFICER. Under the previous order, the Republican leader, Mr. DOLE, is authorized to offer an amendment on Iraq on which there shall be 40 minutes of debate equally divided and controlled in the usual form.

The Republican leader is recognized.

AMENDMENT NO. 1040

(Purpose: To support the use of all necessary means to accomplish the elimination of Iraq's chemical, biological, and nuclear weapons capability)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of myself and the distinguished Senator from Connecticut [Mr. LIEBERMAN] and 38 other cosponsors and ask for its immediate consideration and ask that the amendment be read in its entirety.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Kansas [Mr. DOLE], (for himself, Mr. LIEBERMAN, Mr. NICKLES, Mr. CRANSTON, Mr. CRAIG, Mr. SYMMS, Mr. D'AMATO, Mr. MCCAIN, Mr. MACK, Mr. PRESSLER, Mr. WARNER, Mr. WALLOP, Mr. LUGAR, Mr. STEVENS, Mr. COCHRAN, Mr. KASTEN, Mr. SMITH, Mr. SIMPSON, Mr. GRAMM, Mr. INOUYE, Mr. REID, Mr. BRYAN, Mr. RUDMAN, Mr. HELMS, Mr. MCCONNELL, Mr. GORE, Mr. LOTT, Mr. SEYMOUR, Mr. BROWN, Mr. BURNS, Mr. CHAFEE, Mr. COATS, Mr. GARN, Mr. ROTH, Mr. THURMOND, Mr. GRAHAM, Mr. COHEN, Mrs. KASSEBAUM, Mr. GLENN, and Mr. DECONCINI) proposes an amendment numbered 1040.

At the appropriate place in the bill, insert the following:

The Congress finds:

American and coalition armed forces achieved great success in the Persian Gulf war in accomplishing the goals set forth by the United Nations Security Council.

Subsequent to the cessation of hostilities in the Persian Gulf, the United Nations Security Council adopted Resolution 687, which has now been in effect for more than 100 days, and which required that Iraq submit within 15 days of its adoption a declaration of "the locations, amounts and types" of its weapons of mass destruction.

Resolution 687 further required that Iraq "shall unconditionally accept the destruction, removal, or rendering harmless, under international supervision," of all of its "chemical and biological weapons," and shall place all of its nuclear weapons-usable material under the "exclusive control, for custody and removal, of the International Atomic Energy Agency."

Iraq has failed to meet any of these requirements of Resolution 687, and further:

(a) Refused to acknowledge the existence of its biological weapons program.

(b) Obstructed, including through the use of armed force, the efforts of the United Nations Special Commission established by the Resolution to inspect Iraq's nuclear facilities to carry out its mandate.

In a report issued on July 30, the Commission concluded that Iraq has undertaken a systematic effort to conceal its nuclear weapons development program, and has four times as many chemical weapons as previously estimated.

President Bush has stated his determination to accomplish the goals of Resolution 687.

It is the sense of Congress that:

1. Iraq's failure to meet the requirements of Resolution 687 constitutes a continuing and grave threat to vital American national security interests and to the peace, security and stability of the Persian Gulf region.

2. The Congress supports the use of all necessary means to achieve the goals of Resolution 687.

3. The President is urged to continue consulting closely with our partners in the Desert Storm Coalition, and with the United Nations Security Council, on efforts to achieve the goals of Resolution 687.

4. Should the use of force prove necessary, the President is urged to take all reasonable precautions to ensure that innocent civilian casualties are avoided or minimized.

Mr. DOLE. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Mr. President, I yield myself 2 minutes, then I will yield to the distinguished Senator from Connecticut 5 minutes, and then the Senator from Tennessee 3 minutes and the Senator from Arizona 2 minutes, which will deplete our side, but I do have our leader time and I will be happy to yield some of that to other Members.

Mr. President, this is the 1-year anniversary of the Iraqi incursion and invasion of Kuwait. So I think it is very timely we are considering it today. I am pleased that so many Senators on both sides have joined in this resolution. It is a bipartisan effort.

Mr. President, I wanted the resolution to be read in its entirety because I believe its words speak for themselves.

Some people never seem to get the message. Sadly, Saddam Hussein is one of those people.

One year ago today, Saddam Hussein ordered his army into Kuwait. Through all the buildup to that invasion, Saddam did not get the message that the world would not tolerate his aggression—and the people of Kuwait and, indeed, of Iraq paid a terrible price.

Apparently, he has not yet gotten the message that the world will not tolerate his possession, or development of chemical, biological, or nuclear weapons. And unless he soon does get that message, Iraq may have to pay a heavy price again.

This amendment will put the Congress squarely behind the President in sending the message to Saddam in the loudest and clearest possible terms: You are out of wiggle room; you are out of bluffs; you are out of time.

Unless you, Saddam Hussein, act now, to acknowledge and eliminate your chemical, biological, and nuclear weapons programs—we, the United States, the President and the Congress, working together, will do the job for you.

Let me also add that the American people support this position, too. A Boston Globe poll published last week, for example, reports that 85 percent of the American people believe the United States should take action to stop dictators from aquiring chemical, biological or nuclear weapons; and 79 percent would favor going to war to accomplish that goal, if diplomacy and economic sanctions do not work.

Mr. President, none of this means we want war, or further military action.

Back in January, just moments after the Senate passed the resolution authorizing the use of force to repel Saddam's invasion of Kuwait, I asked the then-Iraqi Ambassador, Mr. Al-Mashat, to come into my office. A number of Senators, including many of the cosponsors of this amendment, joined me at that meeting.

We told the Ambassador frankly that passage of the resolution was not an expression of any desire on our part to use force—but indeed, a last effort to avoid its use. We told the Ambassador to pass on the word to Saddam that we did not want war—but the only way left to avoid war was for Saddam to understand that we were united, and determined to do whatever was necessary to oust him from Kuwait.

Tragically, that message did not sink in.

So now we try again, through this amendment, to send a message to Saddam. A message not that we want to use force—but on the contrary, want to make one last effort to avoid it.

Mr. President, the United Nations has outlined its demands—its legitimate demands—in Resolution 687.

The President has laid out our demands—our legitimate demands—in the clearest possible terms.

By agreeing to this amendment, we will reinforce the President's declarations, and—hopefully—make Saddam understand, at long last, that all of us are united in our demands; and in our determination to do whatever we must to ensure that those demands are met.

Mr. President, on this day, the anniversary of Iraq's invasion of Kuwait, I urge all Senators to vote for this amendment, in the interest of our national security, and in the interest of peace.

Mr. President, I reserve the remainder of my time, if I have any, and I yield to the distinguished cosponsor, Senator LIEBERMAN.

The PRESIDING OFFICER. The Senator is recognized.

Mr. LIEBERMAN. Mr. President, I thank the distinguished Republican leader and I am proud to join with him and other cosponsors of this resolution in a unified and I believe unifying expression of support for the use of all necessary means to compel the Iraqi dictator to once and for all abide by the law.

One year ago today, the forces of Saddam Hussein invaded Kuwait, launching a brutal attack against that smaller, weaker neighbor. Too few people in the world believed that could ever occur. One year ago today, we stood really unknowingly at a crossroads of history. We did not appreciate what Saddam had in mind for Kuwait. In fact, for years we had tried to befriend him, turning a blind eye to his pattern of brutal behavior. So it was 1 year ago on August 2, 1990, with all those troops destroying a defenseless neighbor, that we could hardly believe our own eyes. At first, we could not clearly see the crossroads at which we stood. Saddam chose the path for us, a path that led ultimately to the war in the gulf and that great victory won by the coalition partners of Operation Desert Storm.

Now, on the anniversary of the invasion of Kuwait, we find ourselves at another crossroads. But this time we have been educated by our experience. Our eyes are open. We can see our choices clearly. And the path we choose today to take may well determine whether our hopes for peace will finally be realized in the Middle East and the Persian Gulf.

Yes, we have learned many lessons since August 2, 1990, and I think chief among them is that Saddam Hussein cannot be trusted.

Not now, and not ever. Even after suffering a humiliating defeat, he continues to flout international law, especially by his refusal to comply with the terms of U.N. Resolution 687, the cease-fire resolution.

And his violations are no mere technical violations or slight differences in interpretation of legal terminology. Saddam Hussein has clearly, consistently, and outrageously broken the terms of the cease-fire resolution, and he is doing so, we must conclude, to preserve his ability to create weapons of mass destruction.

According to the International Atomic Energy Agency Director Hans Blix, U.N. inspection teams that paid visits to Iraq discovered extensive Iraqi concealment and salvage efforts. And thanks to the reports of an Iraqi defector, we now know that the Iraqi dictator was much closer to actual possession of nuclear weapons than most of us believed possible. His effort was an indigenous effort, one that escaped the attention of all previous inspections, and one which might have resulted in the covert creation of dozens of atomic bombs, an arsenal capable of annihilating millions of people in a single, furious blow. And who—after this last year—among us can doubt that Saddam, were he to possess such weapons, would not hesitate to use them?

Mr. President, Saddam Hussein is fighting a single-minded rear-guard action to protect his weapons of mass destruction. For him, the U.N. cease-fire resolution is just that, a cease-fire, and not an end to the war. He may be pinning his hopes on our inability to sustain the pressure that we have applied to him.

He may be counting on us to lose our will, while he sustains his own.

We must prove him wrong. All the progress we have achieved throughout the course of these past 12 months—every bit of it—results only from the threat or actual use of force. Only when Saddam has been staring into the barrel of a gun that is cocked and ready to fire has he ever thought about giving in.

The resolution that Senator DOLE and I and so many others have sponsored today provides us with an opportunity to send that signal to Saddam.

The resolution does not seek to move beyond the authority we have already provided to the President under previous action by Congress.

But it does express the clear intent of the Congress that the President can use any and all necessary means to carry out the terms of the U.N. Resolution 687, and particularly with regard to the development of nuclear, biological, and chemical weapons of mass destruction.

Years before World War II, when President Roosevelt saw more clearly than most in this country how actions in faraway countries can threaten the survival of the civilized world, he said:

> There can be no stability or peace either within nations or between nations except under laws and moral standards adhered to by all. International anarchy destroys every foundation for peace.

Well, in our time, we have learned that Saddam Hussein respects no laws and no moral standards, and as such, he represents a danger to the fabric of peace and security in the world. The fact that he possesses weapons of mass destruction, and still seeks to acquire more, makes that danger clear and present.

It would be wonderful if we could assume that U.N. resolutions and good wishes would convince Saddam to bare all, to come clean, to let us cart away all of his offensive capability. It would be wonderful, but it would be wrong. Therefore, we must be prepared to use force, if necessary, against Saddam again.

Recent events have shown that he has learned little in the year that has passed since August 2, 1990. But let us show by our vote today, on August 2, 1991, that we have learned a great deal.

Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. I yield 3 minutes to the Senator from Arizona, and then 3 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. McCAIN. Thank you, Mr. President.

I thank the distinguished Republican leader for proposing this amendment. It is a very important message to be sent at this time. And I would like to associate myself with the very eloquent remarks of the Senator from Connecticut, who I think describes the situation in very convincing fashion.

Mr. President, the only comment I would add to this very important discussion is, Saddam Hussein, being clearly in violation of the cease-fire agreement as regards weapons of mass destruction, makes a compelling case that we must act in order to prevent him from breaking this cease-fire agreement. Hopefully, he will do so without the use of force.

But, Mr. President, if we do not succeed here in this clear-cut case of a tyrant who continues to attempt to build up and acquire weapons of mass destruction, we will never succeed in addressing the compelling issue of the nineties, and that is the proliferation of weapons of mass destruction. This will be viewed by the tinhorn dictators of the world, such as Assad, Qadhafi, and others, including North Korea, as a litmus test as to whether the world is serious, if we are going to address the issue of proliferation of weapons of mass destruction.

I would like to take just a moment relating to another matter, and that is the issue of the Presidential Commission on the Investigation of the MIA/POW's.

I have had extended discussions with Secretary Cheney, with National Security Adviser Scowcroft, and the Chief of Staff, Mr. Sununu. I am convinced they are moving rapidly toward the appointment of a Presidential Commission. I have urged General Scowcroft that the most credible members be appointed to that Commission, and I am considering Mr. President, a sense-of-the-Senate resolution to be put on this bill calling for the appointment of a Presidential Commission on POW-MIA issues. I am not sure that is necessary, but I am seriously considering it.

And, Mr. President, I am pleased that the administration is moving forward to the appointment of a Presidential Commission on this issue. I do not believe it harms the special committee that is being proposed by some of our Members.

But it is a very important issue, and it is very important we get this issue resolved.

Mr. WARNER. Mr. President, if the Senator will yield for just a moment, I wish to congratulate the Senator on his initiative, together with the Republican leader and others. This was a subject of some discussion in the Rules Committee this morning. At that time, I indicated to the membership present that I felt the administration was proceeding, and that it would in no way detract from such action the Senate may take with respect to its own committee.

Indeed, the subject deserves attention from the highest levels, both of the executive branch, the President, and the Commission, and indeed, the Senate, if that is the ultimate judgment of the Senate.

Mr. McCAIN. Mr. President, I thank the distinguished Senator from Virginia for his views.

Again, I would like to express my appreciation to the minority leader. Twenty-two years ago, Senator DOLE had a meeting with POW-MIA families in his office. He has been dedicated to the issue ever since. And it was his proposal and mine for deployment of a Presidential Commission starting last week. I appreciate his continued efforts and dedication on this issue.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, I yield 10 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I rise to oppose this amendment. I support the sponsors' intent to compel Iraqi compliance with the terms of the cease-fire agreed to by the Security Council. I share their concerns that the Iraqi Government is trying to evade these terms by concealing its nuclear weapons production facilities and chemical weapons capabilities. I believe that among the Members of this body, there is little question that Iraq must comply fully with U.N. Resolution 687.

But, Mr. President, as I read this language, "The Congress supports the use of all necessary means to achieve the goals," I have to ask the question, what does "all necessary means" mean?

In this context, it has emerged as a code word for United States bombing of Iraqi facilities. But what else might it mean? Are we talking about ground assaults on Iraqi facilities by the United States or allied forces? Are we talking about other more catastrophic alternatives? We do not know.

We do not know. Given all the twists and turns of what has happened in the Persian Gulf, we will not know until the moment of decision comes closer.

Do we, in the wake of the war, hold congressional war-making authority in such disdain that we routinely attach vague, ambiguous, and gratuitous expressions of support—not a formal congressional authorization to use force—to any legislative vehicle which happens to move through this body?

In the face of all the allied opposition to unilateral use of force against these facilities now, why the rush? Why not continue to tighten the screws diplomatically and economically?

This is not really a debate. There will not be an equal division of opinion on this question. I have to tell you that my vote and my opposition will feel, and is, very lonely. I came here, and in my maiden speech on the floor of the U.S. Senate I had to speak about the war. I wanted to speak about health care and education and children and jobs and having our country do better economically. Now, the day before we go on recess, once again I speak out, and I know very few other Senators will be with me.

But I remember that when I was under attack for my vote—and it was discouraging because I want to do well for people and I want people to like me, and I do not like being alone—I called home and I talked to my youngest son, Mark. He knew I was really down. And he said to me, "I know you are down. But, you know, you have to remember what you always told each of us. You have to stick with what you believe in. You have to say what you believe. You have to vote what you believe, Dad. You have to reach deep within."

So, as much as I hate to oppose this, as much as I hate to be perhaps the lone voice in the Senate speaking out against this, I am going to continue to say what I believe. I am going to continue to vote what I believe. It is the only way. Other Senators disagree with me in good faith. But this is the only way I can go to sleep at night and be credible to myself and be a powerful voice for what I believe in.

I yield the remainder of my time.

The PRESIDING OFFICER (Mr. AKAKA). Who yields time?

Mr. DOLE. Mr. President, I yield 5 minutes to the Senator from Tennessee and 4 minutes to the Senator from New York.

I ask unanimous consent that each side have 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Tennessee is recognized.

Mr. GORE. Mr. President, first I would like to thank the distinguished Republican leader for his courtesy and compliment him and Senator LIEBERMAN for their leadership in introducing this amendment. I strongly support this amendment.

I might say I not only see this as a message to Saddam Hussein, I also see it as a message from the U.S. Senate, and I think from the American people through the U.S. Senate, to President Bush as well, because he is geting other messages on this question.

We have to respect and understand the situation the President is in. He is being urged by our allies in Saudi Arabia to leave the situation alone. Many of those countries that were part of the coalition during the war are now saying, do not upset the apple cart, do not do anything untoward. Let us just let things be.

Even in his meetings with the leader of the Soviet Union, Mikhail Gorbachev, we are told that Mr. Gorbachev urged the President not to overthrow Saddam Hussein. Saddam Hussein himself is not the issue. The survival of that Bathist regime in Iraq is the issue, and whether or not they will be allowed to violate the terms of the cease-fire agreement. This is the 1-year anniversary of their invasion of Kuwait.

We have much to be proud of, much to reflect upon with pride. Our soldiers have performed admirably. The world community came together. The United States led the world community. The aggression was rolled back.

But am I missing something? After what we have been through, Saddam is still in power, still developing nuclear weapons, still developing chemical weapons. Hello? Have I missed something?

I do not think it is reasonable, after what we have been through, for him to continue the development of nuclear weapons in violation of the U.N. cease-fire agreement and for us to listen to the voices of the Saudi Arabians and others in the region who say, let us just keep calm about this and not do anything about it. I think that is an extremely serious mistake.

How is it that we can convince ourselves that the people of Iraq, whom we felt were perfectly capable of handling the sophisticated military weapons that our country was selling them for so long up until the invasion, and actually through an indirect route even during the occupation of Kuwait, how can we assume they can handle all that high technology, but then blithely assume they are incapable of handling democracy. Why is it we are unwilling to support the forces of democracy inside Iraq? It is because many of our allies there react against democracy as the worst thing they could possibly see in the region. They do not want democracy.

But in this situation we have to stand up for our interests, the larger interests of the world community, in not allowing Saddam Hussein and his regime to develop nuclear weapons. What this resolution says to Saddam Hussein and to President Bush is the American people believe that, if Saddam is not going to live up to the terms of this cease-fire agreement, we believe that is justification for using force, if necessary, to take out those nuclear and chemical facilities. I believe the Senate will go on record with a very strong and overwhelming vote to do that.

I think we should do more, may I say. I do not know why we do not have an investigation of war crimes going on right now, to lay down the indictment, to document the record, including the environmental atrocity that he has committed.

Mr. President, we are getting to the point where there is pressure to undo the sanctions. There is suffering on the part of the people of Iraq. We were told our war is not against the people of Iraq; it is against the government of Saddam Hussein. Well, the government of Saddam Hussein is still in power and the people of Iraq are the ones who are suffering.

I believe an international authority should be created to control the sale of Iraqi oil and to collect all of the revenue which comes from the sale of that oil and spend it only for humanitarian assistance—food and medicine—from an approved list, coming from Iraq, on condition it is not distributed by the government of Saddam Hussein. That should be a function of the world community as an additional measure to pressure the removal of Saddam Hussein.

But as a minimum item, we should overwhelmingly support this amendment. If necessary, use force against those nuclear sites—not ground forces; air strikes if necessary—to enforce the cease-fire agreement.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. I yield 1 minute to the distinguished chairman of the Foreign Relations Committee, Senator PELL, then 4 minutes to the Senator from New York and 2 minutes to the Senator from Nebraska.

Mr. PELL. Mr. President, I thank the Republican leader. I think his amendment is an excellent one and ask unanimous consent I be a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. I intend to offer a further amendment for the protection of the Kurds. I hope it will receive the same overwhelming support. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, first, let me commend my colleagues, Senator DOLE and Senator LIEBERMAN, for this amendment. It is long overdue.

We are not sending the kind of clear signal that Saddam Hussein must understand. Nor are we giving the right signal to the world community. I have to tell my colleagues that history, it would seem to me, has failed to wake us up, failed to let us know and give us the courage to act as we should. I look back to the days—it was not too long ago—when we can vividly recall the world community wringing their hands, condemning the State of Israel because she had the courage to do what many knew should be done, even her enemy, the Iranians. They condemned the State of Israel for knocking out the nuclear reactors 10 years ago. Incredible. And here we are now, after having scored a splendid victory, and when it comes time to see to it that the terms of the cease fire are adhered to, we kind of shilly-shally. We look the other way. We wonder.

It has taken us months and months to come to a point where we say he has nuclear capability far greater than anyone has suspected, he has the chemicals, biological, and what do we do? We do not send a clear signal that says, listen, Saddam, you either comply with those resolutions or we will take the measures necessary to see to it that they are destroyed.

The only thing this amendment lacks is the fact that maybe it should include when we do make the strike, and if it is necessary to make the strike, that we see if we cannot have it coincide with one of Saddam's visits to one of those sites so that we can knock out two birds with one stone, or, might I say, one bird and one vulture.

When I hear this business about saying, oh, I have to go back to my constituents, you know, it is lonely—get in the real world. Understand what is happening; he is making a fool of us.

Let me tell you, my colleague from Tennessee was absolutely right when he said, you are going to lift the sanctions now? You really trust this son of a gun? You really think he is going to use these moneys for humanitarian aid? My gosh, what philosophical idiots have we turned into to believe that kind of drivel? That is drivel.

The Commission says, we want to make things nice, let us tuck them up and we will lift the sanctions. We should not lift those sanctions until that miserable person is out of there. Absolutely. If we lift those sanctions he is not going to help the Iraqi people. He is going to help his army; he is going to help the people who are with him.

So the Senator is absolutely right and this amendment, hopefully, will give to the administration the backbone necessary to stand and do what is right so that we can avoid more turmoil in the Middle East. God help us if this tyrant is permitted to develop the nuclear capability or chemical and biological capability that he seeks. So I strongly support this amendment. It may, indeed, serve the purposes of world peace if we act now. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 2 minutes.

Mr. KERREY. Mr. President, I also rise in strong support of the Dole-Lieberman amendment. The statements that have been previously made I think adequately cover the reasons for it. However, I do think it is important to observe that the presence of this amendment does beg a question, which is, Why is it needed? What is its purpose?

As I said, I believe the distinguished Senator from Kansas and the distinguished Senator from Connecticut and others have adequately addressed part of that, which is Saddam Hussein's performance, his violation of the U.N. Security Council Resolution No. 687; a clear violation of that resolution. I believe the United States should be prepared to use force, if necessary, to make certain that Saddam Hussein does comply with that resolution.

But in addition to that, Mr. President, I think the resolution itself provides an answer as to why we are taking this action today. Mr. President, I ask unanimous consent that the U.N. Resolution 687 be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

[U.N. Security Council, Apr. 8, 1991]

RESOLUTION 687 (1991)

(Adopted by the Security Council at its 2981st meeting, on 3 April 1991)

The Security Council,

Recalling its resolutions 660 (1990) of 2 August 1990, 661 (1990) of 6 August 1990, of 9 August 1990, 664 (1990) of 18 August 1990, 665 (1990) of 25 August 1990, 666 (1990) of 13 September 1990, 667 (1990) of 16 September 1990, 669 (1990) of 24 September 1990, 670 (1990) of 25 September 1990, 674 (1990) of 29 October 1990, 677 (1990) of 28 November 1990, 678 (1990) of 29 November 1990 and 686 (1991) of 2 March 1991,

Welcoming the restoration to Kuwait of its sovereignty, independence and territorial integrity and the return of its legitimate Government,

Affirming the commitment of all Member States to the sovereignty, territorial integrity and political independence of Kuwait and Iraq, and noting the intention expressed by the Member States cooperating with Kuwait under paragraph 2 of resolution 678 (1990) to bring their military presence in Iraq to an end as soon as possible consistent with paragrpah 8 of resolution 686 (1991),

Reaffirming the need to be assured of Iraq's peaceful intentions in the light of its unlawful invasion and occupation of Kuwait,

Taking note of the letter sent by the Minister for Foreign Affairs of Iraq on 27 February 1991[1] and those sent pursuant to resolution 686 (1991),[2]

Noting that Iraq and Kuwait, as independent sovereign States, signed at Baghdad on 4 October 1963 "Agreed Minutes Between the State of Kuwait and the Republic of Iraq Regarding the Restoration of Friendly Relations, Recognition and Related Matters", thereby recognizing formally the boundary between Iraq and Kuwait and the allocation of islands, which were registered with the United Nations in accordance with article 102 of the Charter of the United Nations and in which Iraq recognized the independence and complete sovereignty of the State of Kuwait within its borders as specified and accepted in the letter of the Prime Minister of Iraq dated 21 July 1932, and as accepted by the Ruler of Kuwait in his letter dated 10 August 1932,

Conscious of the need for demarcation of the said boundary,

Conscious also of the statements by Iraq threatening to use weapons in violation of its obligations under the Geneva Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare, signed at Geneva on 17 June 1925,[3] and of its prior use of chemical weapons and affirming that grave consequences would follow any further use by Iraq of such weapons,

Recalling that Iraq has subscribed to the Declaration adopted by all States participating in the Conference of States Parties to the 1925 Geneva Protocol and Other Interested States, held in Paris from 7 to 11 January 1989, establishing the objective of universal elimination of chemical and biological weapons,

Recalling also that Iraq has signed the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction, of 10 April 1972,[4]

Noting the importance of Iraq ratifying this Convention,

Noting moreover the importance of all States adhering to this Convention and encouraging its forthcoming Review Conference to reinforce the authority, efficiency and universal scope of the convention,

Stressing the importance of an early conclusion by the Conference on Disarmament of its work on a Convention on the Universal Prohibition of Chemical Weapons and of universal adherence thereto,

Aware of the use by Iraq of ballistic missiles in unprovoked attacks and therefore of the need to take specific measures in regard to such missiles located in Iraq,

Concerned by the reports in the hands of Member States that Iraq has attempted to acquire materials for a nuclear-weapons programme contrary to its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons of 1 July 1968,[5]

Recalling the objective of the establishment of a nuclear-weapons-free zone in the region of the Middle East,

Conscious of the threat that all weapons of mass destruction pose to peace and security in the area and of the need to work towards the establishment in the Middle East of a zone free of such weapons,

Conscious also of the objective of achieving balanced and comprehensive control of armaments in the region,

Conscious further of the importance of achieving the objectives noted above using all available means, including a dialogue among the States of the region,

Noting that resolution 686 (1991) marked the lifting of the measures imposed by resolution 661 (1990) in so far as they applied to Kuwait,

Noting that despite the progress being made in fulfilling the obligations of resolution 686 (1991), many Kuwaiti and third country nationals are still not accounted for and property remains unreturned,

Recalling the International Convention against the Taking of Hostages,[6] opened for signature at New York on 18 December 1979, which categorizes all acts of taking hostages as manifestations of international terrorism,

Deploring threats made by Iraq during the recent conflict to make use of terrorism against targets outside Iraq and the taking of hostages by Iraq,

Taking note with grave concern of the reports of the Secretary-General of 20 March 1991[7] and 28 March 1991,[8] and conscious of the necessity to meet urgently the humanitarian needs in Kuwait and Iraq,

Bearing in mind its objective of restoring international peace and security in the area as set out in recent resolutions of the Security Council,

Conscious of the need to take the following measures acting under Chapter VII of the Charter,

1. Affirms all thirteen resolutions noted above, except as expressly changed below to achieve the goals of this resolution, including a formal cease-fire;

A

2. Demands that Iraq and Kuwait respect the inviolability of the international boundary and the allocation of islands set out in the "Agreed Minutes Between the State of Kuwait and the Republic of Iraq Regarding the Restoration of Friendly Relations, Recognition and Related Matters", signed by them in the exercise of their sovereignty at Baghdad on 4 October 1963 and registered with the United Nations and published by the United Nations in document 7063, United Nations, Treaty Series, 1964;

3. Calls upon the Secretary-General to lend his assistance to make arrangements with Iraq and Kuwait to demarcate the boundary between Iraq and Kuwait, drawing on appropriate materials, including the map transmitted by Security Council document S/22412 and to report back to the Security Council within one month;

4. Decides to guarantee the inviolability of the above-mentioned international boundary and to take as appropriate all necessary measures to that end in accordance with the Charter of the United Nations;

B

5. Requests the Secretary-General, after consulting with Iraq and Kuwait, to submit within three days to the Security Council for its approval a plan for the immediate deployment of a United Nations observer unit to monitor the Khor Abdullah and a demilitarized zone, which is hereby established, extending ten kilometres into Iraq and five kilometres into Kuwait from the boundary referred to in the "Agreed Minutes Between the State of Kuwait and the Republic of Iraq Regarding the Restoration of Friendly Relations, Recognition and Related Matters" of 4 October 1963; to defer violations of the boundary through its presence in and surveillance of the demilitarized zone; to observe any hostile or potentially hostile action mounted from the territory of one State to the other; and for the Secretary-General to report regularly to the Security Council on the operations of the unit, and immediately if there are serious violations of the zone or potential threats to peace;

6. Notes that as soon as the Secretary-General notifies the Security Council of the completion of the deployment of the United Nations observer unit, the conditions will be established for the Member States cooperating with Kuwait in accordance with resolution 678 (1990) to bring their military presence in Iraq to an end consistent with resolution 686 (1991);

C

7. Invites Iraq to reaffirm unconditionally its obligations under the Geneva Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare, signed at Geneva on 17 June 1925, and to ratify the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction, of 10 April 1972;

8. Decides that Iraq shall unconditionally accept the destruction, removal, or rendering harmless, under international supervision, of:

(a) All chemical and biological weapons and all stocks of agents and all related subsystems and components and all research, development, support and manufacturing facilities;

(b) All ballistic missiles with a range greater than 150 kilometres and related major parts, and repair and production facilities;

9. Decides, for the implementation of paragraph 8 above, the following:

(a) Iraq shall submit to the Secretary-General, within fifteen days of the adoption of the present resolution, a declaration of the locations, amounts and types of all items specified in paragraph 8 and agree to urgent, on-site inspection as specified below;

(b) The Secretary-General, in consultation with the appropriate Governments and, where appropriate, with the Director-General of the World Health Organization, within forty-five days of the passage of the present resolution, shall develop, and submit to the Council for approval, a plan calling for the completion of the following acts within forty-five days of such approval:

(i) The forming of a Special Commission, which shall carry out immediate on-site inspection of Iraq's biological, chemical and missile capabilities, based on Iraq's declarations and the designation of any additional locations by the Special Commission itself;

(ii) The yielding by Iraq of possession to the Special Commission for destruction, removal or rendering harmless, taking into account the requirements of public safety, of all items specified under paragraph 8(a) above, including items at the additional locations designated by the Special Commission under paragraph 9(b)(i) above and the destruction by Iraq, under the supervision of the Special Commission, of all its missile capabilities, including launchers, as specified under paragraph 8(b) above;

(iii) The provision by the Special Commission of the assistance and cooperation to the Director-General of the International Atomic Energy Agency required in paragraphs 12 and 13 below;

10. Decides that Iraq shall unconditionally undertake not to use, develop, construct or acquire any of the items specified in paragraphs 8 and 9 above and requests the Secretary-General, in consultation with the Special Commission, to develop a plan for the future ongoing monitoring and verification of Iraq's compliance with this paragraph, to be submitted to the Security Council for approval within one hundred and twenty days of the passage of this resolution;

11. Invites Iraq to reaffirm unconditionally its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons of 1 July 1968;

12. Decides that Iraq shall unconditionally agree not to acquire or develop nuclear weapons or nuclear-weapons-usable material or any subsystems or components or any research, development, support or manufacturing facilities related to the above; to submit to the Secretary-General and the Director-General of the International Atomic Energy Agency within fifteen days of the adoption of the present resolution a declaration of the locations, amounts, and types of all items specified above; to place all of its nuclear-weapons-usable materials under the exclusive control, for custody and removal, of the International Atomic Energy Agency, with the assistance and cooperation of the Special Commission as provided for in the plan of the Secretary-General discussed in paragraph 9(b) above; to accept, in accordance with the arrangements provided for in paragraph 13 below, urgent on-site inspection and the destruction, removal or rendering harmless as appropriate of all items specified above; and to accept the plan discussed in paragraph 13 below for the future ongoing monitoring and verification of its compliance with these undertakings;

13. Requests the Director-General of the International Atomic Energy Agency, through the Secretary-General, with the assistance and cooperation of the Special Commission as provided for in the plan of the Secretary-General in paragraph 9(b) above, to carry out immediate on-site inspection of Iraq's nuclear capabilities based on Iraq's declarations and the designation of any additional locations by the Special Commission; to develop a plan for submission to the Security Council within forty-five days calling for the destruction, removal, or rendering harmless as appropriate of all items listed in paragraph 12 above; to carry out the plan within forty-five days following approval by the Security Council; and to develop a plan, taking into account the rights and obligations of Iraq under the Treaty on the Non-Proliferation of Nuclear Weapons of 1 July 1968, for the future ongoing monitoring and verification of Iraq's compliance with paragraph 12 above, including an inventory of all nuclear material in Iraq subject to the Agency's verification and inspections to confirm that Agency safeguards cover all relevant nuclear activities in Iraq, to be submitted to the Security Council for approval within one hundred and twenty days of the passage of the present resolution;

14. Takes note that the actions to be taken by Iraq 8, 9, 10, 11, 12 and 13 of the present resolution represent steps towards the goal of establishing in the Middle East a zone free from weapons of mass destruction and all missiles for their delivery and the objective of a global ban on chemical weapons;

D

15. Requests the Secretary-General to report to the Security Council on the steps taken to facilitate the return of all Kuwaiti property seized by Iraq, including list of any property that Kuwait claims has not been returned or which has not been returned intact;

E

16. Reaffirms that Iraq, without prejudice to the debts and obligations of Iraq arising prior to 2 August 1990, which will be addressed through the normal mechanisms, is liable under international law for any direct loss, damage, including environmental damage and the depletion of natural resources, or injury to foreign Governments, nationals and corporations, as a result of Iraq's unlawful invasion and occupation of Kuwait;

17. Decides that all Iraqi statements made since 2 August 1990 repudiating its foreign debt are null and void, and demands that Iraq adhere scrupulously to all of its obligations concerning servicing and repayment of its foreign debt;

18. Decides also to create a fund to pay compensation for claims that fall within paragraph 16 above and to establish a Commission that will administer the fund;

19. Directs the Secretary-General to develop and present to the Security Council for decision, no later than thirty days following the adoption of the present resolution, recommendations for the fund to meet the requirement for the payment of claims established in accordance with paragraph 18 above and for a programme to implement the decisions in paragraphs 16, 17 and 18 above, including: administration of the fund; mechanisms for determining the appropriate level of Iraq's contribution to the fund based on a percentage of the value of the exports of petroleum and petroleum products from Iraq not to exceed a figure to be suggested to the Council by the Secretary-General, taking into account the requirements of the people of Iraq, Iraq's payment capacity as assessed in conjunction with the international financial institutions taking into consideration external debt service, and the needs of the Iraqi economy; arrangements for ensuring that payments are made to the fund; the process by which funds will be allocated and claims paid; appropriate procedures for evaluating losses, listing claims and verifying their validity and resolving disputed claims in respect of Iraq's liability as specified in paragraph 16 above; and the composition of the Commission designated above;

F

20. Decides effective immediately, that the prohibitions against the sale or supply to Iraq of commodities or products, other than medicine and health supplies, and prohibitions against financial transactions related thereto contained in resolution 661 (1990) shall not apply to foodstuffs notified to the Security Council Committee established by resolution 661 (1990) concerning the situation between Iraq and Kuwait or, with the approval of the Committee, under the simplified and accelerated "no-objection" procedure, to materials and supplies for essential civilian needs as identified in the report of the Secretary-General dated 20 March 1991,[9] and in any further findings of humanitarian need by the Committee;

21. Decides that the Security Council shall review the provisions of paragraph 20 above every sixty days in the light of the policies and practices of the Government of Iraq, including the implementation of all relevant resolutions of the Security Council, for the purposes of determining whether to reduce or lift the prohibitions referred to therein:

22. Decides that upon the approval by the Security Council of the programme called for in paragraph 19 above and upon Council agreement that Iraq has completed all actions contemplated in paragraphs 8, 9, 10, 11, 12 and 13 above, the prohibitions against the import of commodities and products originating in Iraq and the prohibitions against financial transactions related thereto contained in resolution 661 (1990) shall have no further force or effect;

23. Decides that, pending action by the Security Council under paragraph 22 above, the Security Council Committee established by resolution 661, (1990) shall be empowered to approve, when required to assure adequate financial resources on the part of Iraq to carry out the activities under paragraph 20 above, exceptions to the prohibition against the import of commodities and products originating in Iraq;

24. Decides that, in accordance with resolution 661 (1990) and subsequent related resolutions and until a further decision is taken by the Security Council, all States shall continue to prevent the sale or supply, or the promotion or facilitation of such sale or supply, to Iraq by their nationals, or from their territories or using their flag vessels or aircraft, of:

(a) Arms and related materiel of all types, specifically including the sale or transfer through other means of all forms of conventional military equipment, including for paramilitary forces, and spare parts and components and their means of production, for such equipment;

(b) Items specified and defined in paragraphs 8 and 12 above not otherwise covered above;

(c) Technology under licensing or other transfer arrangements used in the production, utilization or stockpiling of items specified in subparagraphs (a) and (b) above;

(d) Personnel or materials for training or technical support services relating to the design, development, manufacture, use, maintenance or support of items specified in subparagraphs (a) and (b) above;

25. Calls upon all States and international organizations to act strictly in accordance with paragraph 24 above, notwithstanding the existence of any contracts, agreements, licensees or any other arrangements;

26. Requests the Secretary-General, in consultation with appropriate Governments, to develop within sixty days for the approval of the Security Council, guidelines to facilitate full international implementation of paragraphs 24 and 25 above and paragraph 27 below, and to make them available to all States and to establish a procedure for updating these guidelines periodically;

27. Calls upon all States to maintain such national controls and procedures and to take such other actions consistent with the guidelines to be established by the Security Council under paragraph 26 above as may be necessary to ensure compliance with the terms of paragraph 24 above, and calls upon international organizations to take all appropriate steps to assist in ensuring such full compliance;

28. Agrees to review its decisions in paragraphs 22, 23, 24 and 25 above, except for the items specified and defined in paragraphs 8 and 12 above, on a regular basis and in any case one hundred and twenty days following passage of the present resolution, taking into account Iraq's compliance with the resolution and general progress towards the control of armaments in the region;

29. Decides that all States, including Iraq, shall take the necessary measures to ensure that no claim shall lie at the instance of the Government of Iraq, or of any person or body in Iraq, or of any person claiming through or for the benefit of any such person or body, in connection with any contract or other transaction where its performance was affected by reason of the measures taken by the Security Council in resolution 661 (1990) and related resolutions;

G

30. Decides that, in furtherance of its commitment to facilitate the repatriation of all Kuwaiti and third country nationals, Iraq shall extend all necessary cooperation to the International Committee of the Red Cross, providing lists of such persons, facilitating the access of the International Committee of the Red Cross to all such persons wherever located or detained and facilitating the search by the International Committee of the Red Cross for those Kuwaiti and third country nationals still unaccounted for;

31. Invites the International Committee of the Red Cross to keep the Secretary-General appraised as appropriate of all activities undertaken in connection with facilitating the repatriation or return of all Kuwaiti and third country nationals or their remains present in Iraq on or after 2 August 1990;

H

32. Requires Iraq to inform the Security Council that it will not commit or support any act of international terrorism or allow any organization directed towards commission of such acts to operate within its territory and to condemn unequivocally and renounce all acts, methods and practices of terrorism;

I

33. Declares that, upon official notification by Iraq to the Secretary-General and to the Security Council of its acceptance of the provisions above, a formal cease-fire is effective between Iraq and Kuwait and the Member States cooperating with Kuwait in accordance with resolution 678 (1990);

34. Decides to remain seized of the matter and to take such further steps as may be required for the implementation of the present resolution and to secure peace and security in the area.

FOOTNOTES

[1] S/22275, annex.

[2] S/22273, S/22276, S/22320, S/22321 and S/22330.

91-11221, 33152 (E)

[3] League of Nations, "Treaty Series," vol. XCIV (1929). No. 2138.

[4] General Assembly resolution 2826 (XXVI), annex.

[5] General Assembly resolution 2373 (XXII).

[6] General Assembly resolution 34/146.

[7] S/22366.

[8] S/22409.

[9] S/22366.

Mr. KERREY. Mr. President, the resolution is a rather weak one, in my judgment. It is hardly an unconditional surrender. It deals essentially with the border-to-border dispute between Iran and Iraq. It provides a mechanism to ensure there are no biological, chemical, or nuclear weapons still in Iraq. It directs Iraq to do a number of things; it requests Iraq to do a number of things. It talks about this being a first step toward a regional zone where nuclear and other mass destruction weapons will not be present.

I urge my colleagues to look at the U.N. Security Council Resolution No. 687. It is part of the reason that we are revisiting this issue. It is decidedly weak. It is hardly a document that indicates Iraq itself unconditionally surrendered as a consequence of their defeat.

The PRESIDING OFFICER. Who yield time?

Mr. DOLE. The Senator from Ohio [Mr. METZENBAUM], desired 2 minutes. He has been called away to the telephone. Is the Senator from Minnesota going to take additional time?

Mr. WELLSTONE. No.

Mr. NUNN. Mr. President, I find myself controlling the time in opposition, but I support the Dole amendment. So I am prepared to yield to people who are in opposition. I would like to save most of the time because I think I have that duty. I ask the Senator from Minnesota, does he have a desire for more time?

Mr. WELLSTONE. I say to the Senator from Georgia that I have basically spoken my piece. I have laid out my concerns. There may be another Senator who wants to speak against this.

Mr. NUNN. Does the Senator from Delaware desire to speak?

Mr. BIDEN. I would like to speak. I am not sure I am in opposition or favor. I raise two questions.

Mr. NUNN. How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 14 minutes.

Mr. NUNN. Mr. President, I yield the Senator from Delaware 7 minutes.

Mr. DOLE. Is the Senator from Ohio to be recognized next?

Mr. BIDEN. The Senator from Ohio can go next.

Mr. President, the Senator from Ohio is very gracious in suggesting I go forward. I am going to be brief out of necessity, because I have only minutes, but also because there is no need to spend a lot of time with the issue I want to raise.

This resolution does not fail in terms of its objective, which I think most are willing to support. That is a policy that we have already now declared, a policy that we voted on and gave authorization for one that was the congressional equivalent of a declaration of war. Once that was done, most of us who opposed it, opposed it on the basis of timing. We already crossed the Rubicon on that.

Now the question is getting the job finished. I am prepared to support "getting that job finished," particularly as it relates to nuclear capability. What concerns me is not a grammatical point or substantive point, but a constitutional point.

This resolution, I am concerned, may fail in a fundamental way in that it may not be clear what exactly it is about. Is this a mere expression of encouragement to the President to be energetic in pursuing the ends of resolution 687, or is it an authorization to use force which would be clearly constitutional, which I strongly support, and which I believe should be explicitly stated, if that is what is meant. Or, is it an exhortation to the President to exercise an allegedly inherent authority we believe he still retains? If it is, I am prepared to support that as well, but it does not say that in the resolution.

Regardless of what we think about the outcome of the vote we had last year or some months ago on this issue, in January, it was historic, it was proper, it was precise and it was necessary, and we did it. We cast a vote and we did it in a way we have not done in a long time, not willy-nilly. We stepped up, we concluded under constitutional responsibility what we were willing to give the President authority to do what he did.

I, quite frankly, think it is important that the resolution contain as I say, certain provisions: First either a direct authorization to use force, or a paragraph where it says "it is the sense of the Congress that;" second, there be a paragraph 3(a) short of the last paragraph that says something to the effect that the U.S. Congress exhort to the President the use of authority that he retains from the authority granted to him in January by the Congress.

So I would strongly urge, if it is able to be done under our rules, the sponsors of this legislation to be explicit.

But all I see is that the President is urged to continue consulting closely with our partners in the Desert Storm coalition and with the U.N. Security Council in efforts to achieve the goals of Resolution 687. That is not an explicit authority, and I believe under our Constitution it is a dangerous precedent to suggest that that is a base upon which the President has the authority to go to war.

I predict that we will have on this floor very shortly other resolutions about the unfinished business, because no one here argues we finished the business of the Persian Gulf war. Saddam Hussein is still wandering around with a sidearm strapped to his side. He is consolidating power. The Kurds are struggling for power. The Shiites are striving for power, and so on. So I would urge my colleagues, if they would be willing, to accept some modification along the lines of either explicitly stating that this is a continuation of authority already granted or an authorization granting authority. I would strongly urge their consideration. I think it is the best way for us to cleanly proceed and say what we mean.

If I have any time left, I ask either one of the sponsors whether or not they would consider that or respond as to why what I have suggested might not be necessary constitutionally.

Mr. DOLE. Mr. President if I could respond—is there any time remaining?

The PRESIDING OFFICER. The Senator from Delaware has 2 minutes.

Mr. BIDEN. If they can answer on maybe their time. Is that possible?

Mr. DOLE. I think I have already overextended my time.

Mr. BIDEN. Answer on my time. This is extremely important.

Mr. DOLE. This is a legitimate question, one that the Senator from Delaware raised with me a couple of days ago. This amendment does not and is not intended to authorize the use of force by the President.

We purposely structured this amendment to avoid any extended debate on the question of authorization of the use of force or the war powers. My personal view, and I should add the President's view, is that in circumstances such as those we face in Iraq the President requires no specific authorization from Congress. He already has the authority under the Constitution as Commander in Chief to undertake military action short of war to defend our vital interests.

Others, including I, believe the coauthor of this amendment, the distinguished Senator from Connecticut [Mr. LIEBERMAN], believe that the President does not, indeed, need such congressional authorization, but they also believe that the authority given in January—in other words this is an extension of the authority given in January.

I yield to the Senator from Connecticut, who just made a very valid point in discussing with me about the second authorization for the same conflict. I yield to my colleague.

Mr. LIEBERMAN. I thank the distinguished Republican leader.

In responding to the very pertinent question raised by the Senator from Delaware, this Persian Gulf war was perhaps the most legal war we have ever fought leading through the U.N. resolutions of last fall. Our own resolution (S.J. Res. 2) enacted on January 12, authorizes the President to use U.S. Armed Forces to carry out Resolution 678, and the intention here is not to have a further authorization but to make clear that we support the use of force as the President deems necessary to further carry out the authorization we gave him in January.

Mr. President, if I may put it this way, we have sent troops abroad almost 215 times in our history. Prior to the Persian Gulf war, there were only five declarations or war, this being the sixth. To use the term authorize here would be the equivalent of saying that we needed two declarations of war in Operation Desert Storm, one to start it and one to finish it. That makes no sense. We have given clear authority in Senate Joint Resolution 2 and this merely expresses our support for the President and sends a message to Saddam Hussein and our allies that we intend not to allow him to flout the U.N. cease-fire resolution.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BIDEN. Mr. President on the Senator's time, since we just all used up my time, may I respond for 60 seconds? Is that possible? Thirty seconds.

Mr. DOLE. I ask unanimous consent I may be given 1 minute.

Mr. BIDEN. I thank the chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Would the Senator be willing to say explicitly that the argument is inherent based on the President's authority versus his not having inherent authority. If the Senator will use any language that says this is an explicit recognition of the continuation of the authority that was granted, then there is no problem here. I do not think the President has any reason to worry.

One Senator said this is the most legal war. Look at it. It was the most clean legal war, the one with the most support of the American people. There are benefits to being clearly legal. Would the Senator be willing to insert a phrase saying that this is a continuation of authority already granted to the President. We acknowledge that this is a continuation; he can act under that. The President believes he does not need it anyway. We will not prejudice the President's position, but we will satisfy the congressional position if that is all that we really mean.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. LIEBERMAN. Mr. President, if I may have an additional moment from the Senate Republican leader to respond.

Mr. President, I ask unanimous consent if I might for 2 additional minutes to respond to the Senator from Delaware.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LIEBERMAN. Mr. President, I would yield ultimately to the cosponsor, the distinguished Republican leader, for his response, but may I say that I think we have established a clear record of intent here with the statements that have been made: that there is not another authorization necessary; that was done in January, and it is not the intention of the sponsors to support the use of all necessary means pursuant to the authorization that was given in January.

I think we have established a very clear record. The real message is not just the legal one, although that is important. The real message is to the gentleman in Baghdad.

The PRESIDING OFFICER. Who yields time?

Mr. DOLE. Mr. President, will the Senator yield to me?

Mr. LIEBERMAN. Yes.

Mr. DOLE. I prefer not to try to start amending the resolution at this point. I think we have made the history. The RECORD will reflect precisely what the Senator from Delaware said.

But I think this amendment assumes one way or another that the President has the authority he needs, and this amendment expresses the support of Congress for his exercise of that authority, and that is for the use of force should that be necessary. That is all we are suggesting we are doing.

I am afraid if you start amending this resolution, then it creates problems on this side of the aisle, and I think we have made the record. I think we have in effect tried to address the concerns, the very real concerns raised by the Senator from Delaware.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, I agree with the last comment made by the minority leader. I believe that the January 12, 1991 congressional authorization to use force is of sufficient authority for the President to use force to enforce the U.N. cease-fire terms. The U.N. cease-fire grew out of the basic conflict that was authorized clearly by the Congress on January 12.

My logic is as follows: The Security Council Resolution 678 authorized the use of force to free Kuwait, and quoting that resolution, "To restore international peace and security in the area." House Joint Resolution 77 specifically noted that Iraq's nuclear and other weapons of mass destruction "pose a grave threat to world peace," and authorized the use of force pursuant to Resolution 678.

Then we came along and had Resolution 687 of the United Nations requiring Iraq to identify the locations, amounts, and types of all nuclear and nuclear-related weapons and systems and subsystems, and to place such under the exclusive custody for control and removal of such items as a condition of the normal cease-fire, which was a cease-fire relating to Resolution 678 and certainly relating to the House joint resolution we passed on January 12. Accordingly, noncompliance by Iraq to the terms of the cease-fire resolution amounts to a continuing threat to peace and security in the area. And I think that that means the cease-fire could be vitiated if this state of basic noncompliance were to continue, and that would enable the coalition to resume hostilities to ensure compliance with Resolutions 678 and 687 and that ties right back into the resolution.

As I read the Dole-Lieberman resolution, it makes it clear that what we are doing is supporting the use of all necessary means to achieve the goals of Resolution 687. So, I think there is a flow of logic here. I do not think this is granting new authority. I understand that is what the authors have said. I see it as a congressional affirmation of the authority the President already has. Is that a fair summary?

Mr. DOLE. That is a fair summary.

Mr. NUNN. Mr. President, I do not believe we ought to amend this. I think the record is clear right now, abundantly clear by both the words and by the congressional debate and legislative record.

Mr. METZENBAUM addressed the Chair.

Mr. NUNN. Mr. President, I yield back.

Mr. WELLSTONE. Mr. President, could I yield 20 seconds to myself?

Mr. NUNN. Mr. President, who controls time? I am a little confused here.

The PRESIDING OFFICER. The Senator from Georgia and the Republican leader control time.

Mr. NUNN. Mr. President, I yield the Senator—How much?

Mr. WELLSTONE. I will try to do this in 20 seconds.

Mr. NUNN. I will yield the Senator 1 minute.

Mr. WELLSTONE. I appreciate that. I thank the Senator from Delaware for his analysis. I want to make it clear one more time that there is absolutely no disagreement about the need for Iraqi compliance. There is absolutely no disagreement about what we are faced with. I just wish that what I thought was a very helpful suggestion by the Senator from Delaware would have been adopted. I think the language is broad and vague. I think it is confused with whether or not it is an authorization. I do not think we should be making these kinds of decisions in this manner, a sense of the Senate attached on to a vehicle without the kind of discussion that we are supposed to have on such a serious question. I think the Senator from Delaware made a very helpful suggestion. I wish it really had been part of the amendment. If it had been, it would have made it a very different vote for myself, I think.

Mr. DOLE. Mr. President, I yield 2 minutes of my leader time to the Senator from Ohio.

Mr. METZENBAUM. I thank the minority leader.

Mr. President, I rise to support the resolution. I am frank to say that I had some reluctance early on. I was not sure whether this was the right thing for us to be doing. As I have read it, studied it, and heard the arguments, however, I have become more and more convinced that it is time that the Congress assert itself in unequivocal language to indicate that we support the use of all necessary means to achieve the goals of Resolution 687.

I do not believe that, in the history of this country, there have been many adversaries or enemies of this country that have been more evil, more lying or more deceptive than has Saddam Hussein. I am one who did not vote originally for the use of force. I had believed that sanctions might work. Once we got into the war, it was my feeling we would win it, and we did win it. My concern was and feeling was that the only mistake, if any, that was made was we did not go far and finish it.

I think this resolution says it is time to finish it. I think Saddam Hussein has been attempting to fool the American people, and to fool the world. He has lied publicly. He lied to the distinguished minority leader—and I was there and others were with us at that time—deliberate, unequivocal lies. He has been lying in every instance. He has been deceptive, unwilling to let the U.N. committee examine the availability of nuclear weapons, to actually learn the facts. I believe if there ever was a case where this country has to indicate it is totally united and supportive of using whatever necessary force has to be used in order to achieve the objectives, I think this is exactly one of those cases.

I yield the floor.

Mr. NUNN. Mr. President, I yield the Senator from Nebraska 1 minute.

Mr. EXON. I thank the Chair. I thank the leader.

I intend to support the resolution because, obviously, whatever form it is taking, I think we want to send a clear signal to the President, if he thinks it is necessary and has to do some more with regard to the Iraq's nuclear capacity, that Hussein has or does not have, any chemical capacity.

My concern is—and I would ask a quick question from my friend who is the cosponsor—does this go far enough? The Senator reference the U.N. resolution, and what we did before.

Unfortunately, I think this resolution does nothing to say to the President to go even further to eliminate Saddam Hussein as a ruler of that country in some fashion. This really does not address that at all. Is that correct?

Mr. LIEBERMAN. The Senator from Nebraska is correct. I think it is fair to say that I certainly share his desire, as I would guess most Members of the Senate do, that the business of the war be finished and ultimately there will not be real peace and security called for in the U.N. resolution until Saddam Hussein is gone and out of power.

Mr. EXON. This does not do that?

Mr. LIEBERMAN. This does not. This only deals with the enforcement of Resolution 687, which is the cease-fire resolution of the United Nations.

Mr. EXON. I support it. I do not think it goes far enough.

Mr. NUNN. I yield such time as I have remaining to the Senator from Tennessee.

Mr. GORE. Mr. President, I would like to try to clear up the conditions about the degree to which the Congress is authorizing the President to use force. This issue is complicated by the fact that in January when we authorized the use of force, the President and many of his supporters on the other side of the aisle took the position that the congressional authorization was not really needed because the President had the inherent authority.

We decided to bypass that debate and vote on whether or not we were going to authorize the use of force. In my opinion, the President implicitly acknowledged, to my satisfaction at least, that he needed the authorization from the Congress to do what he later did. We had an up-or-down vote. We authorized that force.

Clearly, in authorizing him to use force in the enforcement of the U.N. resolution this is a continuation of the authorization already granted. The fact that the distinguished Republican leader takes the position that he may have the inherent authority anyway should not prevent those of us who believe there is a continuation of the authority we previously granted from voting for this expression of support.

We are once again bypassing that debate and saving it for another day. The narrow question is whether or not we express support for the use of force in the event it becomes necessary to enforce the cease-fire sanctions as a continuation of the authority already granted by the Congress.

Mr. BIDEN. Mr. President, I was tempted at the outset to vote against this resolution, not because I disagree with the policy it reflects but because I disagree with the way it is formulated. My concern is not a grammatical point, but a constitutional one. The text of this resolution fails to be clear about what exactly it is:

Is it a mere expression of encouragement for the President to be energetic in pursuing the ends of U.N. Resolution 687? If so, we should be more specific.

Is it an authorization to use force? If so, let us say that.

Is it an exhortation to the President to exercise an allegedly inherent authority to use force? If so, I disagree that the President possesses such authority.

Is it an exhortation to use an authority we believe the President retains as a consequence of the explicit use-of-force authorization enacted by Congress in January? If so, since that is not a completely self-evident proposition, let us make it clear.

I am sorry that we are not able, through amendment, to clarify the text because amendments have been deemed out of order and we are therefore left with the alternative of voting the resolution up or down.

Thus, those of us who wish to vote in favor of the policy reflected in the resolution, but who worry about the lack of clarity in the text itself, must rely on the fact that the legislative history—the very strong statements made on the floor here today by the bill's manager, Senator NUNN, by Senator GORE, and the amendment's sponsor, Senator LIEBERMAN—will, along with this statement, serve to establish a clear intent.

The legislative intent underlying this resolution is, as I understand it, to affirm two propositions:

First, that actions taken by the President, including the use of force, in seeking the implementation of U.N. Resolution 687 may be taken under the authority enacted by Congress in January; and

Second, that Congress encourages the President to act vigorously to seek the implementation of U.N. Resolution 687.

As to the first of these propositions, I have expressed my preference for a more explicit text because, although it may be perfectly reasonable to do so, it is not unequivocally obvious that the Presidential authority enacted before the war should be interpreted to extend into the implementation of U.N. Resolution 687, which was passed after the fighting stopped. In matters of such gravity, I think clarity is our solemn responsibility, and offers a considerable degree of insurance against later divisiveness and recrimination.

However, with the strong statements on the floor today to which I have referred, I believe a strong foundation of legislative intent has been laid. And the intent expressed is an intent with which I can agree.

As to the second proposition—not whether the President has authority to use force, but whether he should use it if necessary—I think it is particularly important to be clear about the relationship of this vote and the congressional vote in January. It is both consistent and sound, I believe, to have voted no then and to vote yes now.

The question at issue in January was not whether we should use force, if necessary, against Saddam Hussein. It was a question of timing. All concerned knew that if authorization were granted, the President would use force immediately; he had made that unmistakably clear. Thus, the issue then was whether to give sanctions a chance—an option, as is now well known, then favored by many of our own military commanders.

The vote of the Congress in January was controversial, as well it should have been. But we should have no doubt—indeed, we and the American people should have nothing other than pride—about the value of our having focused directly and voted democratically on that most solemn of issues: Should Congress authorize the President to use force?

It was a fine and remarkable moment in the history of the American Constitution. And we made the kind of clear decision—clear in legal terms, clear in policy—that I am confident the framers intended when they allocated to Congress the decision on war. I voted to give sanctions time. But the majority voted otherwise—in effect to go to war. And we remain in that condition today.

That decision having been reached in January, I believe it logically consistent—and sound policy—to urge the President today to proceed as necessary to carry through to success the policy we embarked upon in January. That is why I support the resolution before us now.

U.N. Resolution 687, which outlines the terms of the cease-fire in the gulf war, requires that Iraq "shall unconditionally accept the destruction, removal, or rendering harmless, under international supervision" of all its chemical and biological weapons. U.N. Resolution 687 also mandates the placement of all of Iraq's nuclear weapons-usable materials under the "exclusive control, for custody and removal, of the International Atomic Energy Agency."

Because Iraq has failed to meet this demand, and because there is a very real danger that Saddam Hussein may seek to develop weapons of mass destruction, the security interests of the international community may very well require concerted action to alleviate that threat.

If a further use of force becomes necessary, pursuant to relevant U.N. resolutions and to the authority enacted by Congress in January, I will support it—as I have always been prepared to support the necessary use of force against Saddam Hussein. This resolution today, though not as explicit in its design as I would have wished for constitutional reasons, expresses that policy. Thus, I will vote in its favor.

Mr. DOLE. Mr. President, I yield 2 minutes to the distinguished Senator from Pennsylvania, the last request for time, and then I will close with the remaining minute.

Mr. SPECTER. Mr. President, I thank the distinguished Republican leader for yielding time.

I ask unanimous consent that I may be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I suggest that this is a very important resolution on a very important day marking the 1 year anniversary of the invasion of Iraq against Kuwait. This body had very extended debates on January 10, 11, and 12 and voted to support the use of force against Iraq. We have had flagrant violations by Iraq on their commitments to make appropriate disclosures of their weaponry—nuclear, chemical, bacteriological.

There is an explicit statement in this resolution which I think is plain beyond any doubt; that is, that there are vital U.S. national interests involved here. We cannot stand by and permit Iraq to develop these forms of weaponry given their treachery and their willingness to use this kind of force on unarmed cities, civilian populations, as illustrated by 39 Scud attacks against Israel. There is a forceful statement. This strengthens the hand of the President of the United States.

I hope it is overwhelmingly adopted. I thank the Chair.

I yield the floor.

Mr. CHAFEE. Mr. President, it is a sad fact, but true, that Saddam Hussein rules by force and will only yield to the threat of force. Even a cursory examination of his background makes that fact clear.

In 1980, he invaded Iran at a period when he thought the Iranian revolution had made that country vulnerable. The ensuing war cost hundreds of thousands of lives and ended in stalemate. Millions fought and suffered needlessly because of the ambitions and miscalculations of the Iraqi tyrant. One also cannot help but recall that it was during the course of this long war that Saddam Hussein used chemical weapons against both his Iranian adversaries and rebellious Iraqi Kurds.

It was only a few years after the end of the futile Iran-Iraq war, and exactly 1 year ago today, that Saddam Hussein invaded Kuwait. As we all know, his troops vandalized that country and committed numerous acts of abuse, torture, and kidnaping. Yet, even after his actions were condemned by virtually the entire world, and an embargo was imposed, and the forces of the U.N. coalition assembled against him, he refused to comply with the mandatory U.N. Security Council resolutions calling for his army to withdraw.

After the air campaign began, he remained intransigent, despite the enormous hardship this imposed on his people and most especially the Iraqi army. He did not respond by seeking negotiations but by firing missiles at civilian targets; setting fire to Kuwait's oil fields; and dumping millions of gallons of crude oil into the Persian Gulf. He seems contemptuous not only of law but of life itself.

In the aftermath of the war, he turned his loyal Republican Guard forces against his own people. The Shiites were brutally suppressed in the south and the Kurds were driven across international boundaries in the north—creating an enormous humanitarian disaster. It was only after coalition forces were sent to Turkey and northern Iraq, intimidating Saddam Hussein, that it proved possible to restore order.

Most recently, we find the U.N. deadline for Iraq, to disclose its weapons of mass destruction, has elapsed and Iraq is not in compliance. U.N. inspectors have encountered repeated obstructions and evasions and have even had guns fired over their heads. I think there can be little doubt that Iraq is trying to conceal nuclear and possibly chemical and biological weapons-related materials. A recent Washington Post article on this subject states:

> UN-IAEA inspections in May, June and July * * * revealed extensive Iraqi salvage or concealment efforts, including complete removal of equipment and reinforced, concrete floors from several buildings. While IAEA officials estimate that at least 6.6 pounds of weapons-grade unanium were made covertly, Iraq has admitted making only one pound. U.S. intelligence officials estimate that Iraq possesses 15–25 pounds, and want Iraq to surrender all of its hidden fissile materials, bomb designs, triggers, and any other vital weapons components.

Saddam Hussein has fomented and survived coup attempts in the violent world of Iraqi Baathist politics. I believe that he subscribes to the ancient view, expressed in Thucydide's "History of the Peloponnesian War," that "Right as the world goes is only in question between equals in power, while the strong do what they can, and the weak suffer what they must."

Mr. President, if we seriously hope to obtain Saddam Hussein's compliance with U.N. resolutions calling for the destruction of Iraq's weapons of mass destruction, we must retain at least the plausible threat to use force. The President is not eager to use force, and I believe he has shown considerable restraint. He brought the ground war to an end after only 100 hours although he might easily have allowed it to continue to inflict even greater damage on Iraqi forces. Later, he might have used force in northern Iraq. But again he exercised restraint.

I believe the President will continue to exercise restraint but I also believe that it would be naive to rule out the possibility of using force at a time when Iraq is clearly not in compliance with important U.N. resolutions. Saddam Hussein was taught a severe lesson in Iraq, and I therefore believe that our threats are sufficiently credible in his mind to obtain the cooperation we need, if we remain firm in the weeks and months ahead. If the threat of force is removed, however, I think it is virtually certain that Saddam Hussein will flagrantly disregard relevant U.N. resolutions.

Mr. President, Saddam Hussein has used chemical weapons in the past and might well use nuclear, chemical, or biological weapons in the future, if he had the opportunity. Should this amendment be defeated, essential leverage will be lost, and the benefits of our victory in the gulf will be unnecessarily compromised.

As I noted at the outset, force seems to be the only thing that Saddam Hussein has any respect for. We should make clear to Saddam Hussein that that option remains available to the President of the United States. I am pleased to be a cosponsor of this amendment and I urge its adoption.

Mr. DURENBERGER. Mr. President, I will support this resolution by my colleagues from Kansas and Connecticut, although I have some concerns about it. My support is for the President of the United States and for the United Nations and for the goals of the international community's entry into Iraq.

My concern is for the meaning of "all necessary means." What does it mean? Does it imply a new authority for the President? Is it an extension of the authority granted in January, which I strongly supported? That was an important and signal precedent. That was an important decision that his body arrived at after long and careful deliberation. It had a very specific set of goals. Have they not been achieved? If not, in what respect?

Yes, it is necessary that the international community ensure that Iraq complies with the U.N. resolutions pertaining to the cease-fire. This is an extremely significant objective, especially as it pertains to Iraq's nuclear capabilities.

I will support the resolution, but with some concerns about what is intended by it. Thank you, Mr. President, I yield the floor.

Mr. ADAMS. Mr. President, I strongly support the need to resolve immediately the extreme danger posed to world peace by Iraq's nuclear weapons program. I do not believe, however, that the United States should employ military force at this time without having exhausted all peaceful alternatives, such as multilateral action through the United Nations, the IAEA, or other similar groups.

We are again in a situation where the President is laying down a military ultimatum—similar to the January 15 deadline, which triggered the war in the gulf. And I feel I must repeat again that, under the Constitution of the United States, only the Congress has the right to introduce U.S. force into hostile situations. Not the President alone. Not the United Nations.

The President has not asked for that authority, nor has Congress debated whether or not such action would be advisable, given Saddam Hussein's refusal to comply with the terms of U.N. Resolution 687. If we adopt the Dole-Lieberman amendment, we run the risk of sending the message that whenever the President wants to use force against Iraq, it is fine with the U.S. Congress. It is a blank check and a total abdication of congressional responsibility.

I agree with my colleagues that strong action should be taken to eliminate Iraq's chemical, biological, and nuclear capabilities. But I do not believe the United States should take unilateral military action to accomplish this objective, because it sets a dangerous precedent. If such action is acceptable against Iraq's nuclear capability, why not against India's or Pakistan's or another nation's unsafeguarded nuclear facilities?

I believe the President should work vigorously through the U.N. and its affiliates, as well as through other multilateral groups, to achieve resolution 687's goals. The President should be pressing for permanent IAEA monitoring in Iraq, for Iraq to abide by the guidelines of the Australia Group on chemical and biological weapons proliferation and the Missile Technology Control Regime.

I expect the President to report regularly to Congress on progress toward achieving Iraqi compliance with the U.N. resolution.

I believe that such an approach would pressure Saddam Hussein without yielding on the vital issue of authorizing unilateral military force.

Mr. SIMPSON. Mr. President, I rise in support of the amendment of the distinguished Republican leader, which I am proud to cosponsor.

It is so very important for us to send this very clear, continuing message to Saddam Hussein: That his deceit and trickery will not be tolerated in a civilized world. We must do all that we can to ensure his compliance with the U.N. Resolution 687 including this authorization for the President to use all necessary means, including force, to accomplish the elimination of Iraq's nuclear capability. We are simply telling Saddam directly and succinctly to comply with the mandate of the international community or face up to the consequences—again. He would be a bigger boob if he ignored this one.

Senators DOLE, METZENBAUM, MURKOWSKI, MCCLURE, and I personally met with Saddam Hussein in April 1990. At that time, we told the Iraqi dictator of our concerns regarding his nuclear capabilities, his threat to use chemical weapons against Israel, and of our desire for Iraq to join the civilized family of nations. We also told him to reconsider his pursuit of dangerous chemcial and nuclear programs and to cease his provocative cruelty if, according to his representations to us, he really wanted peace and cooperation with the United States.

We also delivered to him a letter outlining that message, which I ask to be printed in the RECORD at the conclusion of these remarks. Read that letter. The world saw his actions. The five of us who went on that trip can tell you all the you need to know about this man. He is a base deceiver, a liar.

We must again restate the message which Saddam Hussein failed to hear prior to our successful military victory. He should have learned well from that lesson. Until today, Iraq has failed to meet any of the requirements of Resolution 687. Further, Iraq has refused to acknowledge the existence of biological weapons. Iraq has obstructed the efforts of the U.N. Special Commission established by the resolution to inspect Iraq's nuclear facilities to carry out its mandate.

President Bush has stated his dogged determination to accomplish the goals of Resolution 687. To Saddam Hussein, we say, do not make the same mistake twice. Do not doubt our resolve to enforce the cease-fire provisions. We have the full support of the United Nations. We have worked with the United Nations so very successfully in the last year and we will continue to do that. Do not continue to second guess the world and the President of the United States. Comply with the mandate immediately. The U.S. Senate is sending you the real message today.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MESSAGE OF PEACE

(Full Text of President Saddam Hussein's Meeting With U.S. Senators Led by Senator Bob Dole on April 12, 1990)

President Saddam Hussein: Welcome.

Senator Robert Dole: At 11 o'clock yesterday evening we contacted President Bush by telephone and each of us spoke with him. He was pleased that we were going to visit Baghdad.

Mr. President, we would like to present to you a letter signed by the five of us. We have provided the translator with a copy, and perhaps it would be easier for us to have a discussion with you after the letter has been read. It's very short.

U.S. SENATE DELEGATION,
April 12, 1990.

His Excellency SADDAM HUSSEIN,
President of the Republic of Iraq,
Baghdad.

DEAR MR. PRESIDENT: We appreciate your willingness to receive us during your holy month of Ramadan, particularly on such short notice.

We come to Baghdad, as a bipartisan delegation of the United States Senate, because of our belief that Iraq plays a key role in the Middle East. we would also like to see improved bilateral relations between our nations.

It is clear to us that we can never resolve the serious differences between our nations if we ignore them, or fail to take advantage of opportunities to communicate with each other clearly and candidly. For that reason, we believe it is important that you hear our very deep concerns about certain policies and activities of your Government, which stand as a major barrier to improved relations.

Your nation has just emerged from a long and costly war, which has generated concerns about your own security. But we cannot stress too firmly our conviction that your efforts to develop a nuclear, chemical and biological capability seriously jeopardize—rather than enhance—your security, potentially threaten other nations of the region, and provoke dangerous tensions throughout the Middle East. Your recent statements threatening to use chemical weapons against Israel have created anxiety among nations throughout the world. In your own interest and in the interest of peace in the Middle East, we urge you to reconsider pursuit of these dangerous programs and provocative assertions.

We must also express our profound distress at the alleged activities which led to the expulsion of an official of your diplomatic mission in the United States on charges that he was involved in a conspiracy to murder. We repeat: if our two nations are to have better relations, such activities as those alleged to have occurred must never happen again.

Finally, we urge you to become actively and constructively engaged in the peace process now underway involving Egypt, Israel, representatives of the Palestinian people, and the United States.

Mr. President, we thank you again for receiving us. We look forward to our exchange of views.

Sincerely yours,
James A. McClure, Howard M. Metzenbaum, Bob Dole, Alan K. Simpson, Frank H. Murkowski.

Mr. DOLE. Mr. President, I will just close in 30 seconds.

This is an anniversary present to Saddam Hussein. The President says we want you to stop lying to the Iraqi people, stop lying to the people in the Mideast, stop lying to the United Nations, stop lying to the people in the United States of America. Come clean on your nuclear weapons, your chemical weapons, and maybe even your biological weapons, and tell us where they are. If you do not, then your presidency is going to self-destruct, because we are going to say today in the U.S. Senate and, hopefully, in the House at a later date, that we support the use of force as we did in January. This is an indication of that, as the Senator from Tennessee pointed out. We want you to get the message this time. You are a very slow learner, Saddam Hussein. You find it very difficult to get the message. Did you not get the message in January of this year?

I hope there is an overwhelming vote of support for this resolution—for peace. We do not want to use force and never have wanted to. He has to understand that, in the final analysis, there may not be any recourse.

I yield the remainder of my time.

Mr. NUNN. I yield the remainder of my time.

Have the yeas and nays been ordered?

The PRESIDING OFFICER. Yes, the yeas and nays have been ordered.

Mr. NUNN. Thank you, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

The result was announced—yeas 97, nays 2, as follows:

[Rollcall Vote No. 178 Leg.]

YEAS—97

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wirth
Wofford

NAYS—2

Hatfield
Wellstone

NOT VOTING—1

Pryor

So, the amendment (No. 1040) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1041

Mr. PELL. Mr. President, I ask unanimous consent that the pending Metzenbaum amendment be set aside for 1 minute so that I may offer an amendment relating to the protection of the Kurds. This amendment has been cleared on both sides.

The PRESIDING OFFICER (Mr. WELLSTONE). Is there objection? Without objection, it is so orderd.

Mr. PELL. I will not ask for a rollcall vote. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. PELL], for himself, Mr. HELMS, Mr. DOLE, Mr. GORE, Mr. D'AMATO, Mr. LIEBERMAN, Mr. WOFFORD, and Mr. EXON, proposes an amendment numbered 1041.

Mr. PELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

Mr. WARNER. I object. Mr. President, I do not have the amendment. Could we hear it read or at least be handed the amendment? I will withdraw my objection if the Senator is able to provide the Senator from Virginia with the amendment.

The PRESIDING OFFICER. Without objection, the clerk will read the amendment.

The legislative clerk continued to read as follows:

SEC. . PROTECTION OF THE KURDS.

(a) The Congress finds that—

(1) the continuation of Saddam Hussein's Ba'ath party regime poses an enduring and serious threat to the fundamental human rights and physical survival of many of the Iraqi people including Iraq's long-oppressed Kurdish minority and its Shi'a majority;

(2) United States military intervention in northern Iraq helped spare a part of the Kurdish people from Iraqi military attack and from disease and hunger; and

(3) the presence of United States and coalition forces in southern Turkey with a clear mandate to protect Iraq's Kurdish minority, through military intervention if necessary, is essential to the survival of Iraq's Kurdish minority.

(b) The Congress supports the use of all necessary means to protect Iraq's Kurdish minority, consistent with the relevant United Nations Resolution and the authorities contained in Public Law 102-1.

Mr. PELL. Mr. President, when U.N. Resolution 687 was negotiated in March it had a glaring omission. While it included language demanding that Iraq declare and destroy its missiles, its chemical weapons, its nuclear facilities, and its biological weapons facilities, it included no provision requiring Iraq to stop killing its own people. During the month of March the most appalling catastrophe overtook Iraq's Kurdish minority and Shi'a majority. Cities were shelled, religious shrines became slaughter houses, whole neighborhoods were razed, tens of thousands were executed. The terror unleashed by Saddam's forces drove almost the entire population of Iraqi Kurdistan to the borders with Iran and Turkey. For far too long the victorious coalition ignored the desperate human suffering on Iraq's northern and eastern borders. As is typical in these situations, the victims were primarily the very young and the very old. Kurdish children and their grandparents were dying at a rate of 600 to 1,000 each day in early April.

Thanks to television the world finally had to react. The United States and its coalition partners launched one of the most successful humanitarian relief operations in history. Our troops created a safe haven in northern Iraq free of the murderous Iraqi Army and secret police, provided food and medicine to needy people, and then restored basic services to the cities in the safe haven.

Unfortunately, our deployment was, in my view, too short. Instead of simply withdrawing, I believe we should have turned our military position over to a U.N. force. After all, the threat to the Kurds is long-term and will continue for as long as Saddam Hussein is in power.

But, we did not stay and now the Kurds are protected only by an over-the-horizon force in Turkey. We have told the Iraqis that if they launch an attack against the Kurds we will again intervene. This threat will be more credible if it is backed up by the Congress. My amendment is intended to enhance the credibility of the United States mission to protect the Kurds. By supporting the use of force if necessary, my hope is to make such use less likely.'

Mr. WARNER. Mr. President, I ask to be added as a cosponsor. I commend the Senator from Rhode Island. There certainly is no objection on this side. The amendment notes that it is cosponsored by Mr. HELMS, Mr. DOLE, and others on this side.

The PRESIDING OFFICER. Without objection, the Senator from Virginia will be added as a cosponsor.

Mr. NUNN. Mr. President, I commend the Senator from Rhode Island for his leadership in this area. We are all very concerned about the Kurdish minority in Iraq and the cruelties that have been imposed on them over the years.

I think it is important in this amendment to note that in the final paragraph of the amendment the Senator has added the words which I suggested and which I think improve and make clear in the amendment that "The Congress supports the use of all necessary means to protect Iraq's Kurdish minority." That was in the original amendment. Senator PELL agreed to add, "consistent with the relevant U.N. resolutions and the authorities contained in Public Law 102-1," which I think makes it clear we are tying this to the war, the aftermath, the cease-fire, and the flow of events that came out of that war, which have been in some cases, from a Kurdish point of view, certainly catastrophic.

So I think it is important that this be tied and not be deemed a perpetual grant of authority to the President, that it does not flow from the United Nations nor flow from Public Law 102-1, which is a resolution passed last year.

So it is clear this authority, to the extent it is authority—but it really is, I believe, more an expression of support than a grant of authority. The word authority is not used; the word support is used.

Mr. PELL. That is correct. We intentionally did not use the word authorized we used the word support.

Mr. NUNN. It is clear that the support ties to the authority from the United Nations and from the public law that has been passed. So I think it is a very good amendment, and I support it.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1041) was agreed to.

Mr. PELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Ohio is to be recognized.

AMENDMENT NO. 1042

(Purpose: To reduce the total amount authorized to be appropriated by divisions A and B by $350,000,000)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 1042.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 13, between lines 6 and 7, insert the following:

SEC. 5. GENERAL REDUCTION OF AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—Notwithstanding any other provision of division A or B of this Act, the total amount authorized to be appropriated by the provisions of such divisions is hereby reduced by $350,000,000.

(b) DISTRIBUTION OF REDUCTION.—Subsection (a) does not apply to sums provided for any intelligence program in any authorization of appropriations contained in division A or B of this Act.

Mr. METZENBAUM. Mr. President, the amendment I send to the desk has to do with cutting the budget. It has to do with saving money, real dollars. It comes in an amount that the Armed Services Committee would hardly notice. In their terms, this amendment is an amendment to reduce the defense budget for fiscal year 1992 by a mere $0.35 billion; that is $350 million in a defense budget of $278.2 billion. That is a reduction of only one-eighth of 1 percent.

To the American taxpayers it is something different than just one-eighth of 1 percent of the defense budget.

To the American taxpayers, however, $350 million is more than small change.

To the people, $350 million represents the yearly earnings of more than 10,000 hardworking Americans. It is the total amount of Federal income taxes paid by all of the people in some of our cities.

It also happens, Mr. President, that this $350 million represents the amount of money that the Select Committee on Intelligence trimmed from the intelligence budget for next year, only to have the Armed Services Committee divert it to their own purposes.

The relationship between the intelligence budget and the defense budget is complex. Roughly, it works as follows:

The Intelligence Committee reports out the Intelligence Authorization Act. That act authorizes funds for the National Foreign Intelligence Program.

The Armed Services Committee routinely takes sequential jurisdiction of that bill for matters that also fall within its jurisdiction.

The funds that we authorize in the Intelligence Authorization Act are also embedded in the Defense Authorization Act. This is done for security reasons, and I find no fault with that. The important point is that the purpose of embedding most of the intelligence budget in the defense budget is strictly to hide the true numbers from our enemies. And certainly every one of us would be supportive of that.

One side-effect of that practice, however, has been that the Armed Services Committee is able to change those numbers in its own authorization bill. Thus, the funds that we save in the intelligence budget can be saved by the American people only if the Armed Services Committee has the restraint and self-discipline not to divert those savings to its own pet programs.

This year, Mr. President, the Select Committee on Intelligence felt strongly that the funds we saved in the intelligence budget should be returned to the U.S. Treasury, specifically for the purpose of reducing the growing Federal deficit.

I have been here 15, 16, 17 years—I am not sure exactly how many myself. I guess I can go back and count them. But the fact is, I do not remember actually coming to the floor to talk about reducing the Federal deficit. That is what the Intelligence Committee wanted to do. That is what they thought we were going to do, although it is a fact that the chairman of the Armed Services Committee, who serves on the Intelligence Committee, had indicated earlier that he felt that for his budgetary purposes he needed $350 million of that amount.

But the Intelligence Committee stated explicitly in the select committee's report, the following. I am quoting from their report:

> Since virtually all of the funding for intelligence activities is contained within the funds separately authorized by the Committee on Armed Services to the Department of Defense, savings that might be achieved by this committee in the intelligence budget are ordinarily authorized to fund other programs of the Department of Defense.
>
> It is the committee's position, however, that the savings which have been achieved in this year's intelligence budget should be returned to the U.S. Treasury to lessen the federal deficit, rather than being allocated to defense programs. The committee is hopeful that the Committee on Armed Services will take note of its views, and will take appropriate steps to achieve this objective.

The committee could not have been clearer. It was a bipartisan recommendation. We were really hoping that we would save $450 million. Now, there is, in fact, $100 million left in the armed services bill before us that is a reduction in the deficit, and I commend the Armed Services Committee for that. But the other $350 million has been absorbed into the defense budget.

That $350 million was sidetracked and used for some other purposes—maybe the B-2 bomber, maybe star wars, maybe a ship somewhere or ammunition or salaries. I do not know where it went, and it would not surprise me if the managers of this bill did not know either. Frankly, it is easy to lose $350 million in a budget of $278.2 billion.

I do not know where that money went, Mr. President, but I know where it came from. And I know it is going to reduce the Federal deficit, as the Intelligence Committee had made clear it hoped would occur.

This intelligence budget reduction did not just come about. You do not save $450 million by just a stroke of the pen.

It took weeks of difficult work in the Intelligence Committee to save the U.S. taxpayer $450 million, consistent with the national security. The cuts that we made in the intelligence budget were difficult. They were not made just to be treated just as a giveaway, not as additional money to be used by the Armed Services Committee. But that is just what happened to most of them.

So here I stand, Mr. President, with a simple request: That the funds that we on the Intelligence Committee worked so hard to save should be really saved, and not just diverted into more military spending. This is not too much to ask, just a $350 million pea in the $278 billion mattress of defense spending.

As I stated earlier, I am not unaware of the fact that the distinguished chairman of the Armed Services Committee had indicated that they wanted this $350 million out of the intelligence budget. He made that clear. The chairman of the Intelligence Committee had indicated he was continuing his discussions with the chairman of the Armed Services Committee. But the fact is we do not have that saving.

A lot of people will not notice it, will not realize what has occurred. But the American taxpayers will notice it because we so rarely offer them any money back. The self-discipline that we imposed would be good for us, if we were to save the entire $450 million.

Every dieter knows that the best exercise comes from pushing your chair away from the table before you eat everything. That is what we tried to do with the intelligence budget. I hope the managers of the bill would consider and permit us to give this modest savings back to the American people.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. Mr. President, I rise in support of the amendment offered by my distinguished colleague.

The PRESIDING OFFICER. If the Senator will withhold, who yields time to the Senator from Alaska?

Mr. METZENBAUM. I yield 5 minutes to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I rise in support of the concept of the amendment offered by my distinguished colleague on the Intelligence Committee, the Senator from Ohio [Mr. METZENBAUM]. The Intelligence Committee in its deliberations, I think it is fair to note, on the fiscal year 1992 intelligence authorization bill, made a major and a genuine effort to find savings in the administration's budget request. I think it is fair to say that the effort was painful. It was a difficult effort. But the interesting thing is we were successful.

The exact numbers, of course, must remain classified, but I can say that we found savings totaling in excess of several hundreds of millions of dollars. It has been addressed in general terms that is somewhere in the area of $350 million, or thereabout.

These figures are represented in savings passed out of the intelligence function to the armed services function in the overall committee budget figures. In its deliberations, the committee members made it clear by a majority that it was their intent and hope that these savings would be passed directly to the Treasury. I want to commend my colleague from Ohio for his effort and that of several others, because it was a feeling that the savings clearly should be passed on to reduce the national deficit.

In its unclassified report, the committee stated its position:

> That the savings which have been achieved in the year's intelligence budget should be returned to the United States Treasury to lessen the Federal deficit rather than being allocated to defense programs under the auspices of the Armed Services Committee.

I do not need to remind this body of the seriousness of the national debt. The fiscal year 1992 deficits is estimated at $348 billion. The accumulated national debt is $4 trillion.

Mr. President, it is a fact that a significant portion of the savings achieved in the intelligence programs are being passed through the defense authorization process to be applied to the national deficit. I commend the Armed Services Committee for recognizing that. Senator NUNN noted in his opening statement that as a consequence of intelligence cuts, over $100 million would be returned to the Treasury in the defense bill.

Like the distinguished Senator from Ohio, I wish the number were even larger, but the number is substantial. It establishes a precedent which should be adopted by other committees.

The point is savings can be found, savings were found in this case, and they should be returned directly to the Treasury.

The discussion highlights another issue that I think we must seriously consider in the future. As vice chairman of the Intelligence Committee, clearly it is evident that we do not have the last word on the authorization of the intelligence budget. It is, obviously, for good reason. I am not condemning that, but the budget prepared by the Intelligence Committee as referred to the Armed Services Committee, which of course can alter it, is a reality. Today, we simply have a situation where the Intelligence Committee can achieve savings in intelligence programs but cannot necessarily guarantee that those savings will go to the Treasury unless the Armed Services Committee agrees.

The situation is a result of the need to bury the intelligence budget inside the defense budget. That certainly is no secret. It also reflects on the fact that most intelligence programs are also in military programs.

But let me make a clear conclusion that the Intelligence Committee has received excellent cooperation from the chairman and ranking member of the Armed Services Committee. I think the chairman of the Intelligence Committee will agree with that. We work closely on all matters. So it is not a complaint against any of those involved—Senator NUNN or Senator WARNER. But I think we have an institutional obligation.

We have a bit of a problem. We need to address it; that is, how to give the Intelligence Committee more control over the Intelligence Committee budget so, indeed, we can pass on those savings.

I commend the Senator from Ohio. I think he has performed a useful service in highlighting this important question to our Members so that we may reflect on that and take corrective action. I thank the Chair, and I thank my colleague from Ohio for yielding.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I yield such time as I may need.

Mr. President, I know the motives behind this amendment. I think they are good motives, and I share them. We need to do everything we can to reduce the deficit. Both the Intelligence Committee and the Armed Services Committee need to prune back everything we can prune back.

I understand where the Senator from Ohio and the Senator from Alaska are coming from, but I really believe they are looking at only one small part of the overall picture and relationship between our two committees. I do not believe the Senator from Alaska and the Senator from Ohio realize that in the last 2 years, including this one, the Armed Services Committee has saved, comparing cuts from previous years' budgets, $31 billion for the U.S. Treasury. Thirty-one billion dollars. During that same period, those 2 years, the Intelligence Committee has saved $1 billion.

We have to basically use the intelligence numbers. They are classified and I cannot discuss them today, and that is somewhat of a disadvantage but I think I can get the point across. Intelligence numbers are in the defense budget. So when you talk about cuts in the defense budget, you are talking about the total defense budget being reduced. If the intelligence budget does not come down, it makes the rest of the defense budget come down that much more.

I do not think the Senators from Ohio and Alaska focused on the buildup of defense between 1980 and 1985. The defense budget went up probably to the highest rate it had been up in any peacetime, I would say, in history.

The intelligence budget went up twice that rate. The intelligence budget from 1980 to 1985 grew twice as much as the defense budget. I am on the Intelligence Committee. I support the Intelligence Committee. I do not want the intelligence budget coming down as rapidly as defense because I think intelligence is a multiplier, but I do not believe our colleagues understand the arithmetic of this situation.

What you are basically asking the Armed Services Committee to do is to take all the cuts and then if you find any money, you are saying we want you to pass that on. We have to work with you to begin with every year and say, look, we have to make *x* number of dollars in cuts; how much of it can you take? That is what we are doing.

The Senator from Ohio and the Senator from Alaska are under the impression we are taking that money and spending it. You can only take that position if we were increasing our budget. We are decreasing our budget. We came down $6 billion this year. Six billion dollars from last year's budget in real dollar terms.

The intelligence budget—I believe this is unclassified—we are talking about how much? I see the chairman. How much did the Intelligence Committee cut this year? The Intelligence Committee cut about $600 million. I believe it is unclassified. Nevertheless, we cut $6 billion, but the big cut was last year, I say to my friend from Ohio. We cut $25 billion last year.

I will make a deal with my colleagues. Why do you not take the defense budget and put it in your budget and then you take all the cuts and whatever we save you pass through? That is what you are asking us to do.

We cannot do it that way. We both have to sit down at the first of the year and we have to say, look, here is the budget resolution: intelligence is part of the defense numbers. We are going to cut $6 or $8 billion out. That is about the pace we are on now because we made big cuts last year, $6 or $8 billion a year from last year's budget so we are coming down every year.

We say to the chairman of the Intelligence Committee and the staff working closely together, how much of this $6 billion can you cut? And they tell us. Then we calculate that and then we see how much more we have to cut in addition to meet that $6 billion cut.

Then I found myself this year in the position of going to the Intelligence Committee and some members said we cut *x* number of dollars, now we want to make sure you pass it on. We are passing it on in effect because we are cutting $6 billion out overall. That is what people have to understand. We cannot cut $6 billion out unless we use a part of the intelligence savings. It just cannot be done. It is going to be the same thing next year and the year after. We are really working together in this respect. I think it is also important for the Senators from Ohio and Alaska to realize that last year's budget summit say $500 billion over 5 years. That is theoretical. Of course, if you look at the recession and all of that, then it is going to be dubious as to whether that much is saved. Nevertheless, that was the target. Out of that $500 billion, my understanding is, the defense portion of it was 40 percent of the savings. Part of it was taxes. If you look at all the savings for 5 years, defense is absorbing 40 percent of that.

So I say to my friends, I know where they are coming from. I certainly understand the sentiment and I believe that in the next year, and the year after, and the year after we are going to have to find more ways to save in defense and intelligence. We are going to have to sit down the first of the year and decide.

I think what we have to do next year to avoid this misunderstanding is to get the whole committee together so when Senator BOREN and I have our conversations, everybody understands what it is. We will stand up and say here is how much we have to save under the budget resolution and tell us how much you can contribute toward that. What we cannot do is say this is how much we are going to save overall;

Whatever you save we are going to passthrough. We cannot do that. We passed through $100 million this year, but we had already calculated in all our deliberations and assumed we were going to have $350 million from the Intelligence Committee to passthrough to deficit reduction.

So, in effect, what happened this year, if I could say to our collegues, is that the Intelligence Committee contributed $350 million toward the reduction the defense budget made of $6 billion. That is the way it is.

Now, maybe the chairman would have a slightly different perspective, but that is the way this chairman at least sees it.

I thank my friends for listening because I know they are sincere, and I know they are dedicated. I know how much time they both put on the Intelligence Committee. And I know the Intelligence Committee, because I am on it, is scrubbing this budget as never before under the leadership of both the chairman, Senator BOREN, and the Senator from Alaska [Mr. METZENBAUM], and others, and we have to continue to scrub that budget.

The other thing that is complicated and frustrating is that so much of intelligence is in defense and so much of intelligence is tactical intelligence that really we have jurisdiction over and you do not. But we have to work together on that because we learn from the Intelligence Committee, and when it makes suggestions about tactical intelligence, we listen.

In fact, for the previous 5 years, every request for increase—and I think the Senator from Oklahoma would say that—while we were reducing—we have reduced for 7 years in a row, but about 5 of those years we have taken requests from the Intelligence Committee for increases and we have absorbed them.

Now, we certainly cannot do that in a period of coming down. I know the Senator from Oklahoma recognizes that, too. That is the reason this year there has been a real scrubbing of the intelligence budget. I know that is going to continue in the future. It is a complicated matter. It is a tough one for people to understand. We are inhibited in what we can say on the floor because of the exact numbers of intelligence. But I think everyone has to understand intelligence is part of defense.

When we talk about defense spending, we are talking about defense and intelligence spending. When we are talking about defense reductions, we are talking about both defense and intelligence. And when we are talking about savings, we also have to look at it in that framework.

I yield, Mr. President.

Mr. BOREN addressed the Chair.

Mr. NUNN. Mr. President, I yield such time as the Senator from Oklahoma may desire.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BOREN. Mr. President, how much time is remaining to the Senator from Georgia?

The PRESIDING OFFICER. The Senator from Georgia has 21 minutes and 17 seconds.

Mr. BOREN. Mr. President, I thank the Chair. I certainly will not consume that much time.

Listening to this discussion between my good friends and colleagues, the distinguished chairman of the Armed Services Committee, the Senator from Georgia, my colleague on the Intelligence Committee, and the distinguished vice chairman, the Senator from Alaska, and my friend, the Senator from Ohio, as a very valued member of our committee—I might say the chairman of the Armed Services Committee is also a member of the Intelligence Committee, as is the distinguished ranking minority member of the Armed Services Committee, the Senator from Virginia, who is also on the floor—listening to this discussion, I am reminded of the story about the old politician who got up to make a speech about a certain very controversial proposition that was pending. He said, "Some of my friends are for it, some of my friends are against it, and my position is that I stand with my friends."

This is a little bit like my position on this matter today because I think what we have heard expressed on the floor is a commitment really by both of these committees to do everything they can to meet their responsibilities to bring down the Federal budget deficit.

The Armed Services Committee, as we have heard the chairman indicate, has cut some $36 billion or $37 billion over the last 2 years, a very heavy responsibility. We are endeavoring in the Intelligence Committee to do our part to bring down the Federal deficit even at a time when we are facing new intelligence challenges.

The Senator from Georgia is correct as he has described the relationship between the budget and our actions in authorizing legislation and that of the Armed Services Committee. In many ways, we must work together as a unit in terms of coming up with a total figure in the national security field under the budget agreements which represent a savings toward budget deficit reduction.

He is also correct that over the last 5 years, during that period of time, at least during my service as chairman of the Senate Intelligence Committee and his service as chairman of Armed Services, along with the service of Senator WARNER, I cannot remember a single instance in which the Armed Services Committee has altered by even $1 the action of the Intelligence Committee on intelligence matters. That reflects the very close cooperation and the consensus of opinion between our two committees. Indeed, we have taken initiatives together by virtually unanimous votes of both committees to begin to make savings by bringing military and civilian intelligence closer together, reducing the duplication and the overlap in some programs between the two and making them function more as one single unit—very important initiatives that have been the initiatives of both committees.

What has happened this year is that our committee has made an especially earnest effort to reduce the intelligence budget as much as we can. We have had the support of the members of the Armed Services Committee, including the distinguished chairman, for the concept that it is difficult to bring the intelligence budget down as much percentagewise as the defense budget and that, indeed, it would be unwise to do so because, as he has said, intelligence is a force multiplier.

As the size of our Armed Forces begins to shrink, as we have fewer bases around the world, fewer troops deployed around the world, and the small standing military force, intelligence becomes all the more important. Since you do not have troops spread out around the world, you need earlier advance warning in terms of any hostile action against the United States. You need better information. You need better intelligence so that you can use fewer forces to do the same job effectively.

Yesterday, we had in our committee testimony by General Schwarzkopf. He described quite vividly how intelligence, when it is properly prepared, can be a force multiplier, it can help you do the job with the smaller military force because you know what the opposition is doing.

And so the Armed Services Committee has supported us in that proposition. As I say, they have given total support. They have acted virtually as one unit, of one mind, over the past years as we have allocated resources between the intelligence budget and the armed services budget.

There are many of us on our committee who feel we should go further than we have gone in the past in trying to bring down the intelligence budget. It has grown rapidly, as the chairman of the Armed Services Committee has indicated. And in some cases I think it has grown to the point and reached a size in certain areas that it has hampered its own effectiveness. I am convinced that without sacrificing any intelligence capability, we can make substantial savings this year as we have indicated, and I hope we can come back and make more savings next year.

Let me say that no one on our committee has been more forceful in putting forward that point of view than the distinguished Senator from Ohio

[Mr. METZENBAUM]. Again and again he has asked about program after program, how are we going to pay for it? Can we really afford it when we look at the size of the budget deficits? Are we really doing our part to bring those deficits down? He has been in many ways the conscience of the committee on this particular issue. I commend him for it. I think by his raising his views again and again, he has helped move the committee in a very responsible direction when it comes to making savings in the intelligence budget.

What has happened this year is that we have, as the Senator from Georgia indicated, made a net reduction of somewhere between $600 and $700 million in intelligence functions. We cannot discuss the full scale of the budget under the law as it is now, the exact amount we are cutting from, but these are very substantial savings.

We may have even more savings, but we reallocated some of those savings to new priorities, as we have indicated in public discussion—priorities that would provide better human intelligence—priorities that would provide training of those that will analyze world events in the future so we have people trained with the languages, the regional studies, and skills and knowledge of the cultures and developments around the world making them effective in providing intelligence analysis. So we not only have cuts; we have shifted priorities.

The Armed Services Committee indicated to the chairman of our meeting at the Intelligence Committee and to me, that they would simply not be able to mark to the bottom line, so to speak, in terms of deficit reduction, the full amount of savings that the Intelligence Committee was making. They had to consider that some of our savings were a contribution to this total effort—to make this reduction of approximately $6 billion that the Senator from Georgia has talked about—to come from the Armed Services Committee.

I believe that members of our committee understand that the Senator from Ohio [Mr. METZENBAUM] has indicated he knew that was the case. At the same time, the members of our committee expressed the firm hope that, as much as we could, we would like to see savings that we were accomplishing be moved to impact the bottom line of the bottom line of the Federal budget; that is, the amount outstanding in the deficit.

We were able to do that at least in part this year. Over $100 million by action of the Armed Services Committee was in essence moved straight to the bottom line account in terms of being applied directly against the Federal deficit reduction.

As the Senator has indicated, $350 million more was considered a part of the reduction which the Armed Services Committee made in terms of the $6 billion that it was trying to cut. So in both categories, if we take both definitions of deficit reduction, we are able through joint action this year to impact in both areas and in both ways.

Mr. NUNN. Mr. President, I think the Senator has expressed it very well because the Intelligence Committee contributed $100 million beyond what the Armed Services Committee incorporated as savings, and the $350 million was part of our $6 billion.

Mr. BOREN. The Senator is correct. So I would say to my good friend from Ohio, I think what he has done today is valuable. I think having this discussion, which is a rare public discussion of the way in which the budget process works in the intelligence area, is valuable. As we struggle over the next year to look at the possible reorganization of the intelligence community one of the things we should examine is the way the budgets are formed in the intelligence community.

We are having very good discussions again between the Armed Services Committee and ourselves on this subject and a whole range of issues that impacts reorganization. It is a valuable discussion for that reason. It is also a valuable discussion because the Senator from Ohio, the Senator from Alaska, my colleague, the vice chairman of the committee, have held up to us once again the challenge to press forward to do all we can to reduce the budget deficit of this country. We are committed to doing that.

I am pleased that they have come forward to make that point, to sound the alarm once again to encourage all of us, not just the Armed Services Committee and the Intelligence Committee. But I hope all of the committees of the Congress step up and do their part to fulfill their responsibility and go further. That is what we tried to do in the Intelligence Committee this year, not only to meet those targets given to us, but to do more than we were in essence being forced to do by circumstances. We were able to do that.

The Senator from Ohio I think is saying I wish we could have done more. I wish that we not only could have cut some more but that more of it could have gone directly down to the bottom line in terms of reducing the total budget deficit of the country. I think we all share that desire. We hope that this can happen in the future. We hope that this is only the beginning of a process.

But I would say, to close on a positive note—and I hope my colleague will consider, having had this discussion—that we might not press to a vote on this matter at this time. Because our committees have worked together in such harmony and continue, I think, to share common objectives, I hope that it is made clear what is happening here is really pretty historic. Not only have we worked together to share the burdens between the two committees of reducing the Federal deficit, not only have we had the cooperation of the Armed Services Committee and the Intelligence Committee go a step further, and for the first time, at least since I have been involved in the process, the Armed Services Committee has sent directly through to the bottom line, taken an additonal $100 million of deficit reduction over and above the $6 billion they were already obligated to take. They have taken an additional $100 million provided by our committee and passed it on through to increase by another $100 million the amount of deficit reduction that otherwise would have been achieved by the joint action of our two committees.

This is a step in the right direction. It is a modest step. But it would not have happened without the determination of those that are on the floor today. It would not have happened without the determination of Senator METZENBAUM, the Senator from Ohio, Senator MURKOWSKI, the distinguished vice chairman, and the action of the distinguished ranking member, and the chairman of the Armed Services Committee as well.

So I prefer to look at this as a positive step. It may not be a large enough step to satisfy all, but it is a positive step in the right direction. If all of the committees of the Congress would begin to operate with the same kind of dedication to try to get the budget deficit down that I think we have shown in our committee, and I think with concurrence from the Armed Services Committee, and this action, I think we would be further down the road.

So I want to thank my colleagues for their work in bringing the budget deficits down.

I close where I began. I am with my friends on this issue. I hope that we do not press this to a vote today but I hope that instead we will take this as a challenge to build next year on the good start that we have been able to make together.

There is something I think is important. I think we all want to make sure we do not impair the intelligence capabilities of the United States. It is a force multiplier; good intelligence in some ways. It is what makes it possible for us to further reduce the defense budget. So we have to take great care where we cut.

We are committed to doing our part. I think we set a good example on this matter in both the Senate Intelligence Committee and the Senate Armed Services Committee this year.

Mr. METZENBAUM. I yield time to the Senator from Alaska.

Mr. MURKOWSKI. I probably need no more than 2 minutes.

Mr. METZENBAUM. I yield 3 minutes.

Mr. MURKOWSKI. Mr. President, I certainly do not rise for a moment to suggest that my good friend from Ohio is providing all of the leadership in this body to reduce the deficit by any means. But, seriously, I think we have a situation where we have a good discussion. I appreciate the comments of the chairman, Senator BOREN from Oklahoma, and I thank the floor leader, Senator NUNN, from Georgia, relative to his explanation of the structure.

I think it is fair to note, though, that while we do appreciate the savings of approximately $100 to $111 million, that basically was passed through as a consequence of the request of the committee, and we recognize the nuances associated with the $350 million, and recognize it is a quasi military savings of a sort. But we feel we more or less have given birth to that, and are passing it on instead of it moving down where the $111 million is moved; why as a consequence of the structure the savings is all in the same pot. But it is not coming out as a total of $461 million, which is a total amount.

As a consequence, I think that I would agree with the chairman, this is an internal matter that we can address at a later date when this comes up again so we do not get in this particular predicament again.

I think it has been a good discussion. I think it is important to note, and the chairman has noted, that as we addressed reorganization within the intelligence community we have every reason to believe we will have future savings. Clearly the Armed Services Committee is faced with the same dilemma of cutting, and addressing future savings.

So I think we have made the RECORD here on this point. Again, I think it behooves the other committees to take the same aggressive stance in ensuring that the deficit cuts are made. They are real, and they are pleased through to reduce the deficit.

I thank the Chair. I thank my colleague from Ohio, my committee chairman, as well as the Armed Services Committee ranking member for the opportunity to discuss this at some length.

Mr. NUNN. Mr. President, in a moment I will yield to the Senator from Virginia for remarks and the Senator from Ohio for remarks.

Mr. President, I want to thank the Senator from Oklahoma for his remarks. I agree with his remarks. I also very much like the suggestion that he made that perhaps we could avoid a rollcall vote on this one because we have had a good discussion. I think that we can work better next year and inform all Members in advance of what we are doing.

I think that would be helpful. In addition to that, it is apparent to me, after listening to the Senator from Oklahoma, with his careful words and diplomacy, he has probably committed error on this side. To spare him that dilemma, I hope we can resolve this without a rollcall.

I yield 3 minutes to the Senator from Virginia.

Mr. WARNER. In the spirit of those remarks, I simply forbear to say more. I will simply say I agree with everybody who spoke. There is a phrase, "inside the beltway." This is not inside the beltway; it is down in these committees, and we cannot give all the facts to our colleagues. So why do we not have a handshake and get on with the business of the authorization bill.

Thank you very much.

Mr. NUNN. I yield 5 minutes to the Senator from Ohio.

I hope he can yield back some of that time. I know our colleagues are ready to move.

Mr. GLENN. Mr. President, I want to first compliment my colleague from Ohio. I know personally of his interest in trying to keep the budget under control, and his efforts to make sure that every dollar gets spent properly. There is no one in the whole Senate who stations themself on the floor more continually during times when we have legislation that involves a lot of dollars. He makes certain that he is satisfied that all of the dollars get spent correctly.

I rise today because I thik it is important, when discussing intelligence, to make a few remarks.

Mr. President, I was very much opposed to the reductions to the 1992 intelligence budget. I am not convinced of the rationale for these reductions. I do not believe by a long shot that our budget for intelligence should go up and down with the military budget.

I believe that the committee concerns with the intelligence community's focus should not be addressed by deep budget cuts, but rather by, I think we should restructure our existing resources.

We have a compelling need for a strong, reliable intelligence capability during the current period of enormous change and uncertainty.

As we pull down our military by about one-fourth over the next 5 years, there are two areas I would not cut in at all. One is basic, military research, so if we ever have to expand our military again, we do it from the best research base possible. I think that is fundamental.

Two, I would not cut intelligence. If we ever have to expand our military again, we want to do it the best way there is, using intelligence as a force multiplier.

The Soviet threat has decreased, but I do not think it is safe to decrease dramatically the intelligence budget because of that, as we did on the Intelligence Committee. We need to continue to monitor events within the Soviet Union that remain very significant. We must also remember that all of our intelligence is not tied up in just military matters.

The intelligence community is looking at political changes around the world that may give Secretary of State Baker great advantage in his diplomatic dealings. Intelligence is also looking at economic and military restructuring, and ethnic and religious turmoil all over the world. The intelligence community must monitor these changes aggressively.

The international environment has also heightened expectations for the conclusion of a sweeping array of arms control agreements. We have an increased requirement for verification, not less. If we sign an arms control agreement, we are not saying to the Soviet Union that, we suddenly trust it. No; we have to verify these agreements. So treaty monitoring constitutes the hidden cost of arms control.

If these systems are sacrificed to narrow budgetary considerations, our ability to monitor adequately these agreements will be placed at risk. That endangers our Nation's security, as well as public support for both the arms control process and intelligence.

So to the extent we need to reduce resources devoted to the Soviet target, we must focus more of our intelligence capabilities and resources on other security threats, such as weapons of mass destruction, drug smuggling, terrorism, environmental change, low-intensity conflict, and hopefully, keeping up with some of the regional conflict areas that we are tailoring our military structure to address in the future.

A large measure of the military success in Panama and Iraq can be attributed to effective intelligence. These conflicts demonstrated that our most sophisticated weaponry and our most highly trained military personnel are useless, unless we know where, when, and how to deploy them for optimal effect in a conflict.

Mr. President, we are concerned about the international trade situation. I think we can well have some of our intelligence people doing some analysis in that area, as well. We are into an economic competition, internationally, like we have never seen before in our whole history.

The PRESIDING OFFICER. The Senator's time is up.

Mr. GLENN. Mr. President, I thank the distinguished floor manager for yielding me these few minutes.

I think it was a mistake to cut our intelligence budget, wherever it is being monitored, whether in the Armed Services Committee or in the Intelligence Committee.

I yield the floor.

Mr. METZENBAUM. Does the Senator from Ohio have 11 minutes left?

The PRESIDING OFFICER. The Senator has 13 minutes 47 seconds.

Mr. METZENBAUM. Mr. President, I appreciate the comments of the manager of the bill, of my colleague from Ohio, of the distinguished chairman of the Intelligence Committee, and of the Senator from Alaska, all of whom I consider to be good personal friends.

This is an unusual day for me in the U.S. Senate, an unusual day in that, so often, I come out here, and I have thought we ought to have an extra $10 or $100 million, or some particular sum for some very worthy cause, for some program I thought would help children, or medical research, or education, or with respect to the environment or to energy issues.

Sometimes those programs cost money. But I had thought and hoped that by working within the Intelligence Committee, I could find ways to effect some economies—and I am frant to say that, originally, when the matter was first discussed in that committee, I was told there could practically be no economy; it is just not possible.

I remember saying, "I just cannot buy that in a budget as large as ours," and it is certainly a significant one. It was hard to accept the concept that there was no way you can make any savings. So we went and looked at various different programs, and came up finally with roughly $450 million in savings.

And then I wanted to be certain that it went into reducing the deficit; that it was not just used somewhere else.

I respect the comments of my good colleague and friend, the chairman of the Armed Services Committee. I think he is one of the most able Members of this body. But the fact is, as I understand it, that the Intelligence Committee this year cut the intelligence budget, while the Armed Services Committee's mark rose, as related to the amount that the administration originally requested and recommended.

Mr. NUNN. If the Senator will yield, that is incorrect. The defense budget, compared to last year's budget, is coming down in real terms by $6 billion. The budget resolution, which was the guideline we have to go by, the budget is coming down approximately $100 million.

Mr. METZENBAUM. $100 million.

Mr. NUNN. Yes; which is the result of the Intelligence Committee savings, which we passed through. The $350 million, as I explained a while ago, in addition to that, the Senator is interested in, was part of our $6 billion cut to meet the ceiling of the budget resolution, which required us to reduce approximately $6 billion in real terms from last year's bill.

There is just no sense to the word of the defense bill going up. It is coming down.

Mr. METZENBAUM. I understand the point.

Mr. NUNN. It is coming down a much larger percentage than the intelligence bill is coming down.

Mr. METZENBAUM. It is my understanding—and I may be incorrect, but I think it is correct—that if you look at the figures that the administration sent to us, their recommended budget, the Armed Services Committee figure for programs other than those in the Intelligence Authorization Act is higher than that, and the Intelligence Committee figure is lower than that.

Mr. NUNN. The Senator is incorrect. We have a chart showing what we have done on page 7 of our report that is before the Senator, and it shows Senate bill versus requests, minus $111,016,000.

Mr. METZENBAUM. I did not hear that.

Mr. NUNN. Minus $111,016,000.

Mr. METZENBAUM. $111 million compared to $278 billion.

Mr. NUNN. What the Senator has to understand is the budget resolution.

Mr. METZENBAUM. That is including our $350 million.

Mr. NUNN. No. The Senator's $350 million is required in order for us to meet the $6 billion reduction we are required to meet under the budget resolution. I think what the Senator would like to do is for us to take the 20 or 30 percent cut over 5 years over the budget resolution and then come out and see how much more we could save every year beyond that. The time for that debate is on the budget resolution. We are taking huge cuts based on the mandate of the budget resolution. That $111 million is beyond that.

Mr. METZENBAUM. I do not need to belabor this point. I want to acknowledge that the effort has been made to move in the right direction. Unfortunately, the cut in the deficit will not be as much as many of us had hoped.

I would like at this point to indicate that the support for this position in the Intelligence Committee was rather broad-based.

Mr. HOLLINGS. Mr. President, I rise in support of the initiative of the distinguished Senator from Ohio. He is stating the views of the majority of members on the Intelligence Committee when he urges that most of the amount we cut from the intelligence community's budget should be returned to the Treasury. The amount, $350 million, may not seem like much in the world of defense, but it represents a serious effort by the Intelligence Committee to set priorities in the intelligence community without weakening the capabilities of our intelligence agencies.

When we made these cuts, we thought we were doing something real. The deliberations of the Intelligence Committee were not intended to be a sterile, pro forma exercise. Having saved these funds, we wanted to take an action that actually saved some money, rather than just moving it from one account to another. We wanted to show that the budget agreement has not turned Congress into robots, but that even within the bounds of that agreement, we can save real money. The opposing view seems to be that a requirement exists to spend right up to the limit of the budget agreement. What the Senator from Ohio and I are saying to our colleagues on Armed Services is, you do not have to spend it all. You can save some. The Intelligence Committee showed you where you can save $350 million. Overcome that temptation to shop till we call drop and send that money to the Treasury to reduce the deficit.

Mr. METZENBAUM. Mr. President, I would like to quote from the statement by Senator HOLLINGS very briefly. Senator HOLLINGS says: "I rise in support of the initiative of the distinguished Senator from Ohio." He says further: "The amount, $350 million, may not seem like much in the world of defense, but it represents a serious effort by the Intelligence Committee to set priorities in the intelligence community without weakening the capabilities of our intelligence agencies. When we made these cuts we thought we were doing something real."

He goes on to say: "We wanted to show that the budget agreement has not turned Congress into robots, but that even within the bounds of that agreement, we can save real money."

He continues on to say: "What the Senator from Ohio and I are saying to our colleagues on Armed Services is, you do not have to spend it all. You can save some."

I do not think I can summarize it any better than that. We could have saved some. We could have saved more. We are saving $111 million.

The chairmen of both committees have asked that we not put this matter to a vote. I am realistic enough to believe that in all probability I would not prevail. I would have been more eager to go to a vote myself, but in order to accommodate the request of my friends, both chairmen of the two committees—and hopefully to indicate, by coming here, my desire that we make more progress in the future. I ask unanimous consent that the amendment be withdrawn.

The PRESIDING OFFICER (Mr. BAUCUS). Without objection, it is so ordered.

The amendment is withdrawn.

The amendment (No. 1042) was withdrawn.

Mr. NUNN. Mr. President, I know there are other Senators who have amendments. I have been asked by the majority leader to put in a quorum call because he has a conference report he would like to come in and take up. So I am complying with his request to put in a quorum call.

I yield to the Senator for a question.

Mr. METZENBAUM. Will the Senator from Georgia be willing to agree to a unanimous consent that immediately after that matter is disposed of, the Senator from Ohio may go forth with another amendment?

Mr. NUNN. I will, but I have not enough players on the floor to be able to do that. I do not have the ranking minority member. I cannot accede to that request until he comes on the floor. At some point I will be glad to do that. I hope to reach a time agreement on the Senator's amendment.

At this point, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, the majority leader has asked that no other amendment be submitted at this point. So I yield to the Senator from Ohio for the purpose of discussing an amendment he will later introduce with the understanding—and I will ask unanimous consent that there be no amendment introduced until the majority leader is recognized for the purpose of calling up a conference report.

Mr. BINGAMAN. Mr. President, reserving the right to object, I would like to ask, is this an imminent thing? I do not want to be closed down from offering amendments here for the next 2 or 3 hours.

Mr. NUNN. He is due in momentarily, it is my understanding.

Mr. BINGAMAN. If that is the case, I will not object at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I ask unanimous consent to be able to proceed for no more than 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, when our country was founded 200 years ago, we were an agrarian nation made up of small farms. Family dairy farmers are a hard-working and industrious people, but they face the constant threats of declining profits and dramatic boom-or-bust swings in the marketplace. The giant corporate farms can make it through the lean times but our small family farms struggle to survive.

Between last summer and early this year, the income dairy farmers receive for their milk dropped 25 percent, to the lowest its been since 1978. Many have lost thousands of dollars in income and are in danger of losing their farms. Others have been forced to apply for food stamps just to feed their families.

Last week, a majority of the Senate Agriculture Committee jointed Senator JEFFORDS and me in introducing comprehensive supply management legislation designed to stabilize dairy farmers' income and the Nation's supply of milk. Similar legislation was adopted by the House Agriculture Committee.

Unfortunately, the administration continues to oppose congressional efforts to help our dairy farmers.

Last March, the administration killed emergency dairy relief legislation that passed the Senate on a 60 to 40 vote. More recently, after months of study, the administration announced it wants current law, not supply management. In reality, its policy is nothing more than supply management by forced bankruptcy.

Then, the administration stepped up its attack and threatened that President Bush would veto any legislation that proposes mandatory supply or increases the price support level.

With the administration adamantly opposed to dairy relief legislation, we knew it would be very difficult for a bill to pass Congress. For this reason I called for negotiations between the administration and Congress to solve this stalemate. Members of the Senate Agriculture Committee joined me in meetings with Secretary Madigan and members of the House Agriculture Committee. At the time I said I wanted to meet until we either reached an agreement or an impasse. Unfortunately, the administration refuses to put a meaningful proposal on the table. It won't budge 1 inch from its position and continues to oppose raising the support price by even 1 cent to help our dairy farmers. For months I have been trying to get the administration's attention on the dairy crisis. Maybe if our dairy farmers moved to Kuwait or the Soviet Union, the administration would be more willing to provide relief.

As far as I am concerned, our meetings with the administration are suspended. There is no reason to meet unless the administration is ready to substantially raise farmers' income. If the administration wants to make a concrete offer, my door is always open.

Dairy farmers know it is time to redouble their pressure on the administration. The administration remains the key roadblock to solving the dairy crisis.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, FISCAL YEAR 1992—CONFERENCE REPORT

Mr. MITCHELL. Mr. President, the conferees have completed action on conference reports to accompany the energy and water appropriations bill and the legislative branch appropriations bill. It is my hope that the Senate will now be able to consider and complete action on those measures. Since this is a privileged matter and may be called up by the majority leader at any time, and since the distinguished Senator from Louisiana, the manager of the legislation, is present, I will not ask the Chair to lay before the Senate the conference report to accompany H.R. 2427, the energy and water appropriations bill.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS, FISCAL YEAR 1992—CONFERENCE REPORT

Mr. MITCHELL. Mr. President, I submit a report of the committee of conference on H.R. 2427 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2427) making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 30, 1991.)

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I am pleased to present the conference report on the fiscal year 1992 energy and water development appropriation bill. This conference report on the bill, H.R. 2427, passed the House of Representatives by a vote of 393 yeas to 32 nays on July 31, 1991. The bill passed the Senate on July 10, 1991, by a vote of 96 yeas to 3 nays and passed the House of Representatives on May 29, by a vote of 392 yeas to 24 nays.

The conference on this bill was held on Tuesday, July 30 and the conference report was printed in the CONGRESSIONAL RECORD on July 30. Of course, the printed conference report has been available since that time also. Therefore, I will not undertake to elaborate on the disposition of all the items that were in conference.

The conference agreement provides $21,839,500,000 in new budget obligational authority. This amount is $229,672,000 more than the President's budget request. It is $344,501,000 over the House-passed bill, and $145,082,000 less than the Senate-passed bill. The principal reason for these differences is because our 602(b) allocation provided $200 million more for the Defense functions in this bill and $145 million more in Domestic Discretionary.

Title I of the bill provides appropriations for the U.S. Army Corps of Engineers Civil Works Program. The conference agreement provides $3,610,235,000, which is $386,000 more than the House bill and $27 million less than the Senate bill.

For title II, the Bureau of Reclamation in the Department of the Interior, the conference agreement includes a total of $889,983,000.

A total of $16,967,647,000 is provided in title III for the Department of Energy programs, projects, and activities. Of this amount, $12 billion is for atomic energy defense activities.

Title IV provides appropriations for independent agencies and commissions and totals $362 million. Of this amount, $190 million is for the Appalachian Regional Commission, $508,810,000 is for the Nuclear Regulatory Commission, and $135 million is for the Tennessee Valley Authority. A table showing the disposition of the various differences between the House and the Senate by appropriation accounts was included in the CONGRESSIONAL RECORD of July 30, 1991. This appears on page H6075 for those who are interested in the detailed aspects of the conference agreement.

Mr. President, this is the first conference report of the 13 annual appropriation bills. We are, of course, anxious to get our work done in a timely manner this year. I do not know of any problems in connection with this appropriation conference report. It is a good, clean bill, and I understand that the President will approve this bill in its current form. Naturally, we would have preferred to have more money—especially for the science and technology programs under our jurisdiction. These are all highly important functions and activities that keep our Nation in the forefront. Many of these efforts represent the very basic scientific and technological foundation of our Nation and we simply must maintain sufficient budgetary resources to keep these programs funded at a healthy level.

In light of our budget difficulties, I believe this is a sound and responsible measure, however.

I recommend to the Senate that this conference report be approved promptly so as to complete action on this appropriation bill and clear it for the President's consideration and approval.

Mr. President, I wish to express our appreciation and thanks to our House colleagues lead by the chairman of the House subcommittee, the distinguished gentleman from Alabama, Mr. BEVILL, and the ranking minority member, the distinguished gentleman from Indiana, Mr. MYERS. I also want to thank again my friend and able colleague from the State of Oregon, Mr. HATFIELD. It is always a joy to work with him. Also, I want to express my appreciation to all of the Senate conferees who are members of our subcommittee also.

Mr. President, I want especially to again commend my able and distinguished colleague from the State of Oregon, Mr. HATFIELD. He and I have worked together for many years on this bill and on appropriation matters. It is a real pleasure to work with him. I cannot imagine a better relationship between majority and minority, and both of us have alternated those positions through the years.

I want especially to commend him. I see the distinguished Senator from New Mexico whose State probably has a greater interest in this matter than any other State and who has been very effective in promoting the interest of the Nation as they appear in our bill.

Mr. President, I want to express my appreciation to all of the Senate conferees who are members of the subcommittee. Before we accept the conference report, I would like to defer to my distinguished colleague from New Mexico.

Mr. President, I ask unanimous consent that an editorial which appeared in the July issue of the Energy Update written by Elihu Bergman, executive director, Americans for Energy Independence, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[Americans for Energy Independence, Vol 2, No. 2, 1991]

EDITORIAL

(By Elihu Bergman)

The most comprehensive energy policy legislation tabled since the late '70's is jeopardized by ideological cross-fire that could prevent its enactment. The threat emerges from the clash over the two most potentially valuable, yet most controversial, provisions in the Johnston-Wallop Bill approved by the Senate Energy Committee in May, and now awaiting Senate action.

The targets are CAFE (better automobile mileage) on the conservation side and ANWR (more oil from Alaska) on the production side. Unless both are included in the legislation, it may not fly.

It would be unfortunate if the Johnston/Wallop bill, and companion legislation in the House, was sidetracked or abandoned or stripped of its essentials. Unlike reactive energy legislation of previous years, this package is designed to prevent fires—not merely put them out. It is an integrated array of supply and demand side options aimed at the sound energy development addressed to national needs. Now is the last chance to enact any sort of comprehensive energy legislation, while memories of the Persian Gulf War fought to protect vital oil supplies still linger in the public mind.

But ideological warfare threatens the opportunity for progress, as the competing parties engage in an uncompromising encounter between their conflicting visions, values, and ideologies which include such things as an unfettered marketplace, a pristine environment, government regulations, and deregulations.

A coalition of environmental activists opposed to ANWR conjures up draconian scenarios about the fate of the Arctic wilderness based neither on experience nor good science. In the process they resort to absurdities such as George Frampton's (Wilderness Society) recent comparison of ANWR to Yosemite as a potential tourist mecca. For anybody who has seen the ANWR, it strains credulity to imagine any, but the most intrepid Arctic explorer braving the spongy inhospitable land surface and hordes of ravenous mosquitoes who infest the area during the short summer season. In the winter, temperatures drop to more than 40 below.

On the other side of the ideological divide, CAFE requirements have been a key factor in moderating oil consumption. Yet a coalition of marketplace purists and automobile manufacturers who oppose CAFE charge that fuel efficiency kills people, and have launched an expensive campaign of scary newspaper and TV ads illustrating what happens when a larger automobile collides with a smaller one. In fact, highway mortality rates—fatalities per miles driven—have declined in the past 18 years, as average mileage performance of cars marketed in the U.S. rose from 13 to 20 miles per gallon. Most fatalities associated with automobile accidents are caused by alcohol; not by car size. And as for the advertising message, there is no argument that a Lincoln Town Car would be no match for an M-1 tank. In any case, there are better ways than "upsizing" to protect automobile occupants, including improved body design and airbags that for so long were resisted by the same people who are trying to defeat CAFE in the name of saving lives.

Though ANWR has been portrayed as a clash between the environmental community and the oil companies; and CAFE a test of strength between automobile companies and environmentalists, neither characterization is correct. Oil companies and automobile manufacturers are merely facilitators; the people who know how to do the job. The American public is the principal party of interest in both debates, and the potential beneficiary of favorable outcomes.

The best energy policy package may not be everybody's ideal model nor favorite design. But it would be most acceptable to a broad cross-section of the public, and equally important, most likely to strike a blow to excessive oil dependence. Such a package would have to exclude unrealistic expectations based on utopian visions of what should be acceptable, such as the seductive claim that further U.S. energy production could be stopped if only we used energy more wisely. The package that can work needs to exploit all available alternatives; it cannot be based on the exclusionary either/or formulas advocated by the opponents of CAFE and ANWR. The Johnston/Wallop package meets most of the requirements, certainly far more than anything we have seen since the late 70's. But it would be a pity if this rare opportunity to deal more effectively with national energy needs were forfeited to partisan and ideological agendas. In this season's energy policy discussion, killer politics is bad for everybody's particular interests, and certainly bad for the nation.

Mr. LEVIN. Mr. President, I wonder if the distinguished Senator from Louisiana, in his capacity as chairman of the Subcommittee on Energy and Water Development Appropriations, would engage in a brief colloquy with me relative to the Senate's recent passage of the conference report on the Energy and Water Development Appropriations bill for fiscal year 1992. I am specifically interested in the section of the bill dealing with technology transfer from Federal laboratories.

Mr. JOHNSTON. I would be happy to discuss the matter with the Senator from Michigan.

Mr. LEVIN. I thank the Senator. The bill contains $20,000,000 for a new technology research program within the Office of Energy Research. The purpose of this new program is to enhance the Department of Energy's implementation of recent technology transfer legislation, and to focus it's efforts at research on generic, precompetitive technologies. The DOE's national laboratories are further directed to support long term technology research and near-term laboratory-industry collaborations to move technological innovations to the market.

My concern and interest with respect to this new program, is that it may shut out preexisting projects funded to achieve substantially the same goals as the Energy and Water Development Appropriations bill now redefines and redirects. I am interested specifically in a project, funded in the fiscal year 1989 appropriations bill and conducted by the Industrial Technology Institute of Ann Arbor, MI, to assist in the identification and commercialization of technologies developed at national laboratories. ITI had been working with Argonne, Mound, and other laboratories and had planned to expand the scope of their project into prototype development and the development of a computerized data base for decision-making by laboratory personnel.

Since this particular project was started prior to the passage of new technology transfer legislation, yet is consistent with the goals of that legislation and the new program included in the bill we are discussing, I would like to be assured that ITI will have an equal opportunity to compete for funds to complete the project and that in no way does the direction provided in the bill prejudice the Department of Energy against providing funding to ITI.

Mr. JOHNSTON. The Senator is correct. The Industrial Technology Institute certainly would be equally eligible.

Mr. LEVIN. That being the case, I would encourage the Department of Energy to carefully review ITI's progress to date, since it seems an ongoing project that can demonstrate results is probably deserving of continuation as opposed to reinventing the wheel in other circumstances. Would the Appropriations Subcommittee chairman agree?

Mr. JOHNSTON. The Senator's argument makes sense and I encourage the Department to take note of it.

Mr. LEVIN. I thank the Senator.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I have a statement that summarizes my feelings and my evaluation of this bill. Needless to say, I concur with everything the Senator from Louisiana indicated with reference to the quality of this bill.

I want to thank a number of people who have been helpful in significantly enhancing the research and development capabilities of the DOE laboratories and, in particular, the nuclear deterrent laboratories. All of that is easily visible as one observes this year's appropriations because, indeed, we are asking they do more and be more versatile and were given the resources to do that so they can be more helpful in a science and development way to the private sector in America.

Mr. President, I rise in strong support of the conference report accompanying H.R. 2427, the energy and water development appropriations bill for fiscal year 1992.

I commend the distinguished chairman and ranking member of the Appropriations Committee for bringing one of the first of 13 appropriations bills for fiscal year 1992 to the floor.

The bill now before the Senate provides $21.9 billion in new budget authority and $13 billion in new outlays for fiscal year 1992 for the programs of the Army Corps of Engineers, the Bureau of Reclamation, the civilian and defense-related programs of the Department of Energy—except for fossil energy and energy conservation—for the Tennessee Valley Authority, the power marketing administrations, and various related agencies.

When outlays from prior-year budget authority and other completed actions are taken into account, the final bill totals $21.9 billion in budget authority and $20.7 billion in outlays for fiscal year 1992.

Mr. President, I urge the adoption of this conference report, which is essentially at the subcommittee's 602(b) allocation as that allocation is expected to be revised by the Appropriations Committees to accommodate the conference outcomes on all 13 appropriations bills for fiscal year 1992.

Under the existing section 602(b) allocation to the subcommittee filed July 23, the conference agreement is actually $0.1 billion in both budget authority and outlays below the Senate subcommittee allocation and the Senate-passed bill to fit within the anticipated final subcommittee allocation.

Mr. President, I am pleased to support this bill. I sincerely appreciate the consideration the distinguished subcommittee chairman and ranking member gave to several priority projects important to my home State of New Mexico.

I am particularly pleased that the subcommittee was able to sustain Senate priorities in the atomic energy defense area where the Senate allocation was fully $200 million above the House allocation for these defense-related activities.

These additional funds are critically needed to help address what has been a steady erosion in funding for core research, development and testing programs at DOE, and in particular, at the three nuclear deterrent laboratories: Los Alamos, Sandia, and Lawrence Livermore Laboratories.

Significant safety initiatives will be supported with these funds, in addition to the important work these labs undertake in areas relating to arms control and verification, environmental cleanup and compliance, and the reconfiguration of the weapons complex.

I am extremely gratified that the conferees have approved the Senate recommendation of $50 million to implement the National Competitiveness Technology Transfer Act of 1989, which I coauthored.

This legislation, and the existing program at DOE, encourages the integration of the scientific and technical expertise of DOE's national laboratories with U.S. industry to enhance their capability and their ability to compete in an expanding global market.

We have made significant progress in getting a successful technology transfer program underway, and these funds will support an increased number of partnerships between DOE's national laboratories, the private sector, and the Nation's universities.

Mr. President, I am pleased to give this bill my unreserved support, and I urge the expeditious adoption of this conference report.

I note Senator BINGAMAN is on the floor, my colleague from New Mexico. While he is not on the Appropriations Committee, clearly, he works very hard to maintain the kind of activities and is enthusiastic about our research and development and the transfer of technology of these laboratories. I want to thank him for that.

I yield the floor.

Mr. LAUTENBERG. Mr. President, I rise in support of the conference report on H.R. 2427, the fiscal year 1992 energy and water development appropriations bill.

This conference report includes funding for a number of programs and projects of great importance to New Jersey. I would like to briefly outline some of those items.

First, I want to note the inclusion of water resources projects of benefit to the State of New Jersey. New Jersey's shoreline is one of its most precious resources. It plays a vital role in our economy because of tourism, and because of the tremendous business conducted at our port facilities. Projects funded in this bill would directly and positively impact the ability to move goods through our ports. That's good news for New Jersey's economy, its businesses, and its workers.

The Senate bill provided significant funding for New Jersey projects. I am pleased to note that the conferees retained this funding, and, in several instances, were able to provide resources in addition to those initially provided by the Senate. I worked with the subcommittee chairman, and colleague on the Appropriations Committee, Senator JOHNSON, in this effort, and appreciate his efforts.

Among the port projects designated for increased funding under this conference report are: $30 million for the Kill van Kull and Newark Bay Channel; $500,000 for the Port Jersey Channel; $7.15 million for the Passaic River Mainstem flood control project; and $3.169 million for continued work on the Green Brook flood control project. There is a great deal of local support for this project, and I am pleased that the conferees were able to provide this full level of funding to advance the Green Brook effort.

This conference report also includes $337.1 million for the Department of Energy's magnetic fusion program. This funding level represents the President's request and was included in both the Senate and House versions of this legislation. The Princeton Plasma Physics Laboratory [PPPL] is one of the world's leading research institutions in magnetic fusion and is a major recipient of these Department of Energy funds. In fiscal year 1992, the PPPL will receive approximately $116 million in research funds to continue its work on magnetic fusion including engineering work on the burning plasma experiment [BPX], funding for international collaboration on the design phase of the international thermonuclear experiment reactor [ITER] and funding for the deuterium-tritium [D-T] experiments of the Tokamak fusion test reactor at Princeton.

Finally, I wanted to note that this conference report contains language that will release the remaining funds for the construction of the New Garden State Cancer Center in Essex County, N.J. Formerly called the Center for Molecular Medicine and Immunology [CMMI], the Garden State Cancer Center can now proceed to the development of its new state-of-the-art cancer research center that will house a first-class research team dedicated to research and clinical testing of new cancer therapies.

The PRESIDING OFFICER. Is there further debate on the conference report?

If not, the question is on agreeing to the conference report.

The conference report was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the conference report was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that it be in order to consider, en bloc, the amendments in disagreement.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2427) entitled "An Act making appropriations for energy and water development for the fiscal year ending September 30, 1992, and for other purposes.".

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 10, 15, 28, 49, and 53 to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert: ": *Provided*, That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following items under General Investigations in fiscal year 1992 in the amounts specified:

"Red River Waterway, Index, Arkansas, to Denison Dam, Texas, $500,000;

"Casino Beach, Illinois, $375,000;

"Chicago Shoreline, Illinois, $150,000;

"Illinois Waterway Navigation Study, Illinois, $2,185,000;

"McCook and Thornton Reservoirs, Illinois, $2,000,000;

"Miami River Sediments, Florida, $200,000;

"Lake George, Hobart, Indiana, $330,000;

"Little Calumet River Basin (Cady Marsh Ditch), Indiana, $170,000;

"St. Louis Harbor, Missouri and Illinois, $900,000;

"Fort Fisher and Vicinity, North Carolina, $250,000;

"Passaic River Mainstem, New Jersey, $7,150,000, of which $400,000 shall be used to initiate the General Design Memorandum for the Streambank Restoration Project, West Bank of the Passaic River, as authorized by section 101(a)(18)(B) of Public Law 101-649;

"Buffalo Small Boat Harbor, New York, $70,000;

"Red River Waterway, Shreveport, Louisiana, to Daingerfield, Texas, $3,200,000; and

"La Conner, Washington, $60,000:

Provided further, That using $425,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete a reconnaissance report and initiate a feasibility phase study of the bank stabilization problems at Norco Bluffs, California, as authorized by section 116(b) of the Water Resources Development Act of 1990: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete preconstruction engineering and design of the Miami River, Florida, sediments project, to include the full dredging of all polluted bottom sediments from the Seybold Canal and the Miami River between the mouth of the river and the salinity control structure at 36th Street, and the disposal of the polluted sediments in an environmentally sound manner, in compliance with Public Law 99-662, using funds appropriated for that purpose in this Act and the Energy and Water Development Appropriations Act, 1991, Public Law 101-514: *Provided further*, That using $200,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake the development of a comprehensive waterfront plan for the White River in central Indianapolis, Indiana: *Provided further*, That with $425,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete preconstruction engineering and design for the Olcott Harbor, New York, project, including all activities necessary to ready the project for construction as authorized by Public Law 99-662: *Provided further*, That with $700,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to create, in cooperation with the National Park Service and other agencies as appropriate, a comprehensive river corridor greenway plan for the Lackawanna River Basin, Pennsylvania: *Provided further*, That with $120,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake a study, in cooperation with the Port of Walla Walla, Washington, of the disposition of the current Walla Walla District headquarters: *Provided further*, That using $1,100,000 of the funds appropriated in the Energy and Water Development Appropriations Act, 1991, Public Law 101-514, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete the South Atlantic Cargo Traffic study authorized by section 116(a) of the Water Resources Development Act of 1990 at full Federal expense in accordance with existing law: *Provided further*, That the Secretary of the Army is authorized, in partnership with the Department of Transportation, and in coordination with other Federal agencies, including the Department of Energy, to conduct research and development associated with an advanced high speed magnetic levitation transportation system during fiscal year 1992: *Provided further*, That with $300,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to complete a regional environmental reconnaissance study to identify and quantify point and nonpoint sources of pollution of Old Hickory, Percy Priest and Cheatham Lakes in Tennessee, and to complete a reconnaissance study of the nondam alternatives for the Mill Creek flood control project in Nashville, Tennessee".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum named in said amendment, insert "$500,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum stricken and inserted by said amendment, insert "$1,160,461,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert: "*Provided*, That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following projects in fiscal year 1992 in the amounts specified:

"Red River Emergency Bank Protection, Arkansas and Louisiana, $7,300,000;

"O'Hare Reservoir, Illinois, $4,000,000;

"Kissimmee River, Florida, $5,000,000;

"Red River Below Denison Dam, Louisiana, Arkansas, and Texas, $2,300,000;

"New York Harbor Collection and Removal of Drift, New York and New Jersey, $2,500,000; and

"Red River Basin Chloride Control, Texas and Oklahoma, $3,000,000; *Provided further*, That with $20,500,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue the work for the levees/floodwalls and to undertake other structural and nonstructural work associated with the Barbourville, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367 and to continue the work for the river diversion tunnels and to undertake other structural and nonstructural work associated with the Harlan, Kentucky, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367: *Provided further*, That with $9,000,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue floodwall construction at the Matewan, West Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367: *Provided further*, That with $17,000,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue construction of the Lower Mingo County, West Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project authorized by section 202 of Public Law 96-367: *Provided further*, That with $2,437,000 of the funds appropriated herein to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to initiate and complete specific project reports for McDowell County, West Virginia, Hatfield Bottom, West Virginia, Upper Mingo County, West Virginia, Wayne County, West Virginia, Tug Fork Tributaries, West Virginia, Upper Tug Fork, West Virginia, Pike County, Kentucky, Middlesboro, Kentucky, Clover Fork, Kentucky, and Upper Cumberland River Basin, Kentucky: *Provided further*, That no fully allocated funding policy shall apply to construction of the Matewan, West Virginia, Lower Mingo County, West Virginia; specific project reports for McDowell County, West Virginia, Upper Mingo County, West Virginia, Wayne County, West Virginia, Tug Fork Tributaries, West Virginia, Hatfield Bottom, West Virginia, Upper Tug Fork, West Virginia, Pike County, Kentucky, Middlesboro, Kentucky, Clover Fork, Kentucky, and Upper Cumberland River Basin, Kentucky; and construction of Barbourville, Kentucky, and Harlan, Kentucky, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project: *Provided further*, That using $43,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue to prosecute the planning, engineering, design and construction of projects under the sections 14, 103, 107, 111, 205 and 208 Continuing Authorities Programs: *Provided further*, That using $600,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to continue construction of the Salyersville cut-through as authorized by Public Law 99-662, section 401(e)(1), in accordance with the Special Project Report for Salyersville, Kentucky, concurred in by the Ohio River Division Engineer on or about July 26, 1989: *Provided further*, That with $750,000 of the funds appropriated herein, or funds hereafter provided in subsequent annual appropriation Acts, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts until construction is complete in accordance with the terms and conditions of Public Law 100-202 for the Des Moines Recreational River and Greenbelt project in Iowa: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall expend $300,000 of the funds appropriated herein in fiscal year 1992 on plans and specifications, environmental documentation and hydraulic modeling to advance to the maximum extent practicable the project to restore the riverbed gradient at Mile 206 of the Sacramento River in California: *Provided further*, That with funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the project for shoreline protection at Emeryville Point Park Marina, California, under the authority of section 103 of the River and Harbor Act of 1962, as amended, at a total estimated first cost of $1,396,000 with an estimated first Federal cost of $907,000 and an estimated first non-Federal cost of $489,000, in accordance with the plan recommended by the Division Commander in the report entitled Detailed Project Report, section 103, Shoreline Protection Project, Emeryville Point Park Marina dated November 1988. The cost sharing for this project shall be in accordance with the provisions of title I, section 103, of Public Law 99-662 for hurricane and storm damage reduction: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to construct the San Timoteo feature of the Santa Ana River Mainstream flood control project by scheduling design and construction. The Secretary is further directed to initiate and complete design and to fund and award all construction contracts necessary for completion of the San Timoteo feature. Furthermore, the Corps of Engineers is directed to use $2,000,000 of the funds appropriated herein to initiate the design: *Provided further*, That using $1,252,000 previously appropriated for the Hansen Dam, California, project, the Secretary of the Army, acting through the Chief of Engineers, is directed to plan, design and construct a swim lake and associated recreational facilities at Hansen Dam as described in the February 1991 Hansen Dam Master Plan prepared by the United States Army Corps of Engineers Los Angeles District: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to pursue the acquisition of Mollicy Farms for environmental restoration, flood control and navigation and the completion of the Ouachita-Black Rivers navigation project in Louisiana and Arkansas in accordance with law and the revised General Design Memorandum for the project, including required cutoffs and bendway widenings in Louisiana and Arkansas. The Federal Government is authorized to advance rights-of-way acquisition funds for the cutoffs and bendway widenings at Federal expense, and the States of Louisiana and Akansas shall have 10 years after construction begins to repay its portion of the costs: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall include as project costs in accordance with the Post Authorization Change Report, dated April 1989, as revised in January 1990, the costs for aesthetics for the Brush Creek, Kansas City, Missouri, project, which shall be shared with non-Federal interests under the provisions of section 103(a) of Public Law 99-662: *Provided further*, That with funds heretofore, herein or hereafter appropriated, the Secretary of the Army, acting through the Chief of Engineers, is directed to award continuing contracts until construction is complete in accordance with the terms and conditions of Public Law 101-101 for the O'Hare Reservoir, Illinois, and Wallisville Lake, Texas, projects: *Provided further*, That with funds appropriated herein and hereafter for the Lake Pontchartrain and Vicinity, Louisiana Hurricane Protection project, the Secretary of the Army is authorized and directed to provide parallel hurricane protection along the entire lengths of the Orleans Avenue and London Avenue Outfall Canals by raising levees and improving flood protection works along and parallel to the entire lengths of the outfall canals and other pertinent work necessary to complete an entire parallel protection system, to be cost shared as an authorized project feature, the Federal cost participation in which shall be 70 percent of the total cost of the entire parallel protection system, and the local cost participation in which shall be 30 percent of the total cost of such entire parallel protection system: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is directed to construct project modifications for improvement of the environment, as part of the Anacostia River Flood Control and Navigation project, District of Columbia and Maryland, within Prince Georges County, Maryland, using $700,000 of the funds appropriated herein, under the authority of section 1135 of Public Law 99-662, as amended: *Provided further*, That $100,000 of the funds appropriated herein shall be made available to the Town of Krotz Springs, Louisiana, for restoration and improvement of Bayou Latanier: *Provided further*, That with $2,500,000 appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to proceed with construction of the Fort Yates Bridge, North Dakota and South Dakota, project using continuing construction contracts: *Provided further*, That using $600,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to use continuing contracts to construct hurricane and storm protection measures for Folly Beach, South Carolina, in accordance with the Charleston District Engineer's Post Authorization Change Report dated May 1991: *Provided further*, That the Secretary of the Army is authorized and directed to provide $100,000 from funds herein appropriated to reimburse the Town of Grand Isle, Louisiana, for interim emergency measures constructed by the Town: *Provided further*, That within available funds, the Secretary of the Army, acting through the Chief of Engineers, is directed to study, design, and construct streambank protection measures along the bank of the Tennessee River adjacent to the Sequoyah Hills Park in the City of Knoxville, Tennessee, under the authority of section 14 of Public Law 79-526: *Provided further*, That the April 1977 contract for Recreational Development at Stonewall Jackson Lake, West Virginia, is amended to include such elements as proposed by the State on March 28, 1990, except a golf course; and, in addition, $123,681,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project, and the Secretary of the Army is directed to complete the actions necessary to award continuing contracts, which are not to be considered fully funded, and to award such contracts for the second phase construction for Locks and Dams 4 and 5 during the first quarter of fiscal year 1992; to continue construction of the MdDade, Moss, Elm Grove, and Cecile Revetments in Pool 5 which were previously directed to be initiated in fiscal year 1991; to award continuing contracts in fiscal year 1992 for construction of the following features of the Red River Waterway Pool 4 and 5 which are not to be considered fully funded: Caroll Capout, Cupples Capout, Sunny Point Revetment and Dikes, Curtis Revetment, and Eagle Bend Revetment; and to continue land acquisition in the vicinity of Stumpy Lake/Swan Lake/Loggy Bayou Wildlife Management area to insure acquisition of manageable units and to develop such lands to maximize benefits for mitigation of fish and wildlife losses; and to initiate planning and acquisition of mitigation lands in the Bayou Bodcau area for the mitigation of fish and wildlife losses all as authorized by laws".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 12 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum stricken and inserted by said amendment, insert "$1,535,229,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 13 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

"*Provided*, That not to exceed $8,000,000 shall be available for obligation for national emergency preparedness programs: *Provided further*, That $1,000,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, to continue the development of recreation facilities at Sepulveda Dam, California: *Provided further*, That using $400,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to plan and design a fifteen-acre swim lake and related recreational facilities at Hansen Dam, California: *Provided further*, That using $1,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to undertake the one-time repair and rehabilitation of the Flint, Michigan, project in order to restore the project to original project dimensions: *Provided further*, That $40,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, to continue the project for removal of silt and aquatic growth at Sauk Lake, Minnesota: *Provided further*, That $150,000 of the funds appropriated herein shall be used by the Secretary of the Army, acting through the Chief of Engineers, for the development of Gateway Park at the Lower Granite Lock and Dam project: *Provided further*, That with $2,000,000 of the funds herein appropriated to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to use continuing contracts, which are not to be considered fully funded, for construction of the riverfront park at Charleston, West Virginia, in accordance with the cost sharing principles of Public Law 99-662: *Provided further*, That with $8,000,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed on a one-time basis, at full Federal expense, and without requirement of local sponsorship, to maintain navigation access to and berthing areas at all currently operating public and private commercial dock facilities associated with the Federal navigation project on the Columbia and Snake Rivers, from Bonneville Dam to Lewiston, Idaho, at a depth commensurate with the Federal navigation project, and the Federal Government is exempted from any liability due to damages to public and private facilities including docks adjacent to the access channels and berthing areas resulting from this maintenance: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized to provide water releases from Broken Bow Lake for the Mountain Fort trout fishery under terms and conditions acceptable to the Secretary of the Army for a time period not to exceed two years from the date of enactment of this Act: *Provided further*, That with $4,825,000 of the funds appropriated herein, to remain available until expended, the Secretary of the Army, acting through the Chief of Engineers, is directed to modify the fish lift at the Cooper River, Charleston Harbor, South Carolina (Rediversion Project), authorized by the River and Harbor Act of 1968, Public Law 90-483, and to monitor operation of the fish lift for two years following such modifications".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 14 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

"*Provided further*, That using $900,000 of the funds appropriated herein, the Secretary of the Army, acting through the Chief of Engineers, is directed to rehabilitate recreation facilities at Wilson Lake, Kansas".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 21 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the first section number named in said amendment, insert "108".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 22 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number named in said amendment, insert "109".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert SEC. 110. None of the funds appropriated in this Act or any prior Act shall be used to close any Corps of Engineers Division or District headquarters office.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 24 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the section number named in said amendment, insert "111".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 30 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

"For the cost, as defined in section 13201 of the Budget Enforcement Act of 1990, including the cost of modifying loans, of direct loans and/or grants authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a-4221), as follows: cost of direct loans and/or grants $2,000,000 to remain available until expended: *Provided*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $3,240,000.

"In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, $890,000: *Provided*, That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from the fund.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 31 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: Sec. 205. The Bureau of Reclamation may invite non-Federal entities involved in cost sharing arrangements for the development of water projects to participate in contract negotiation and source selection proceedings without invoking provisions of the Federal Advisory Committee Act (5 U.S.C. Appendix (1988)): *Provided*, That such non-Federal participants shall be subject to the provisions of the Federal Procurement Integrity Act (41 U.S.C. 423 (1988)) and to the conflict of interest provisions appearing at 18 U.S.C. 201 et seq. (1988).

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 32 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum stricken and inserted by said amendment, insert "$2,961,903,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 34 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment, insert: ", of which $84,800,000 shall be available only for the Institute for Micromanufacturing, Louisiana Tech University; the Ambulatory Research and Education Building, Oregon Health Sciences University; Cancer/Oncology Center, Medical University of South Carolina; Biomedical Research Institute, LSU Medical Center, Shreveport, Louisiana; Technology Complex at Pittsburg State University, Pittsburg, Kansas; Energy, Mineral and Materials Science Research Building Expansion at the University of Alabama; Research Institute at Loma Linda University Medical Center; Cancer Research Center at Indiana University School of Medicine at Indianapolis; Old Colony Center for Technological Applications at Bridgewater State College in Bridgewater, Massachusetts; and the Center for Molecular Electronics at the University of Missouri-St. Louis".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 36 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum stricken and inserted by said amendment, insert "$1,313,600,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 39 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum stricken and inserted by said amendment, insert "$275,071,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 45 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert:

ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 96 for replacement only, and purchase of one rotary-wing aircraft, for replacement only), $4,623,428,000, to remain available until expended.

NEW PRODUCTION REACTOR

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense new production reactor activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, $515,500,000, to remain available until expended, of which $100,000,000 shall be for design of new production reactor capacity, to become available for obligation sixty days after issuance of the Record of Decision on the Environmental Impact Statement on New Production Reactor Capacity.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 70 for replacement only, and purchase of one rotary-wing aircraft, for replacement only), $3,680,672,000, to remain available until expended, of which $17,100,000 shall be available only for the Environmental and Molecular Sciences Laboratory, and of which $20,000,000 shall be made available to the State of New Mexico to assist the State and its affected units of local government in mitigating the environmental, social, economic, and other impacts resulting from the Waste Isolation Pilot Plant: *Provided*, That a portion of the $20,000,000 received by the State of New Mexico may be provided directly to the affected units of local government in the vicinity of, and along the transportation routes to, the Waste Isolation Pilot Plant based on a State assessment of needs, conducted in consultation with its affected units of local government, and the demonstration of impacts: *Provided further*, That the $20,000,000 shall be provided upon initiation of the performance assessment phase at the Waste Isolation Pilot Plant site.

MATERIALS PRODUCTION AND OTHER DEFENSE PROGRAMS

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other incidental expenses necessary for atomic energy defense materials production, and other defense program activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 70 for replacement only), $3,148,400,000, to remain available until expended.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 47 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum stricken and inserted by said amendment, insert "$405,976,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 48 to the aforesaid bill, and concur therein with an amendment as follows: In lieu of the sum stricken and inserted by said amendment, insert "$121,624,000".

Mr. FORD. Mr. President, as the manager of the bill knows, the Senate has long supported development of AVLIS—the atomic vapor laser isotope separation method of enriching uranium.

AVLIS offers a more energy-efficient and commercially competitive way to enrich uranium than present technology. We have invested millions of dollars on AVLIS research and development.

Now that the research is almost done and we know AVLIS will work, DOE seems reluctant to deploy it. The administration requested no funds for AVLIS deployment in fiscal year 1992.

Earlier this month, the Senate approved an amendment to the bill earmarking funds for AVLIS deployment. We provided $30 million more for uranium enrichment activities than the House did. This amount, plus $5 million more, was earmarked for AVLIS deployment.

The Senate amendment expressly allocated $20 million to procure a contractor to take steps leading to commercial deployment of AVLIS. The committee report specifically identified the steps the contractor was to take. In addition, the Senate amendment earmarked an additional $15 million to integrate AVLIS into the commercial uranium fuel cycle.

The conference agreement would have us recede from the Senate amendment. It drops the $30 million increase in uranium funding. It cuts an additional $24 million from the lower figure in the House bill. It says nothing about AVLIS deployment.

My question for the manager is, Would the conference agreement in fact eliminate funding for AVLIS deployment?

Mr. JOHNSTON. Mr. President, emphatically, no. The Senator is correct that the conference agreement does reduce the overall funds available for uranium enrichment activities and eliminates language earmarking $35 million for AVLIS.

But it does not preclude the Department of Energy from using for AVLIS deployment part of the $1,313,600,000 the conference agreement appropriates for enrichment activities.

Mr. FORD. Is the Senator saying that the Department of Energy can spend part of the appropriation on AVLIS predeployment activities if it wants, but that it is not required to?

Mr. JOHNSTON. I am saying that the Department can and should proceed with predeployment activities. It is crucial that the AVLIS Program proceed in a timely fashion if it is to have any chance for commercial success.

It is imperative that the transition from the laboratory to commercial application begin as soon as possible and that it be pursued vigorously. Failure to initiate deployment activities now would undermine the entire uranium enrichment enterprise, damaging our energy security and our national security.

I believe the conference agreement gives the Department adequate funds to take the steps spelled out in the Senate report. I expect the Department to select a contractor to take those steps.

The language in the Senate report is not repealed by the conference report. The message has been sent to the Department and I expect the Department to honor our views on this matter.

Mr. SASSER. Mr. President, as a member of the Subcommittee on Energy and Water Development Appropriations and a conferee, I concur completely with the remarks of the manager. I strongly supported the overall increase in AVLIS funding approved by the Senate and the report language earmarking funds for AVLIS deployment.

I was disappointed that the House did not recede in conference to the higher AVLIS appropriation, but I agree with the Senator from Louisiana that the conference agreement does not repeal the language included in the Senate report and that it does not preclude the Department of Energy from using for AVLIS deployment a portion of the funding provided for enrichment activities. Indeed, as he notes, it is vitally important that the AVLIS program proceed in a timely fashion if it is to have any chance for commercial success.

Mr. JOHNSTON. I appreciate the remarks of the Senator from Tennessee. I know he shares my concern and the concern of the Senator from Kentucky that deployment of AVLIS should begin as soon as possible. In fact, the Senator from Tennessee was a strong proponent as a member of the subcommittee of increased funding for AVLIS and helped craft the report language regarding AVLIS deployment. His expression of support for deployment of AVLIS and his statement about what is intended by the conference agreement should leave no doubt at the Department regarding the intent of the conferees.

Mr. SPECTER. Mr. President, I wish to engage in a brief colloquy with the distinguished chairman and distinguished ranking member regarding a project that is a particularly important priority for me—the construction of a new Ambulatory Care Research and Teaching Center at Hahnemann University in Philadelphia.

Mr. President, Hahnemann University has proposed a project that will serve as a model energy-efficient medical and education facility. This proposed facility is designed to incorporate the most advanced energy systems available and integrate state-of-the-art technologies to promote maximum energy efficiency. It is my belief that the demonstration of this technology warrants Federal assistance to best allow for its development.

Hahnemann University is a recognized national leader in the development, implementation, and maintenance of advanced building energy systems. It has a distinguished track record of excellence in this field dating back to energy conservation initiatives conducted with the Department of Energy in the past decade. Hahnemann has received many commendations for this work, including a special achievement award from the Pennsylvania Governor's Energy Council. The university's pioneering work in energy conservation has resulted in a savings of over 20 percent from the start, and every year thereafter. This success has been shared with other institutions through publications and conferences sponsored by the Department of Energy and others.

Mr. President, Hahnemann University is seeking an investment of Federal assistance for a cost-shared model facility to demonstrate state-of-the-art energy technologies. In testimony submitted to the Energy and Water Appropriations Subcommittee, Hahnemann outlined its proposal for this facility. The university will provide 75 percent of the costs amounting to $45 million and has requested 25 percent, or $15 million, in Federal funds. The facility will enable the university to carry out its unique ambulatory care research and teaching programs, while demonstrating the effectiveness of its energy-efficient technologies.

I believe the investment of Federal funds in this project will provide many benefits in our efforts to develop energy-saving technologies. Such benefits could include millions of dollars in savings for taxpayers and consumers.

Mr. President I have discussed this matter with the chairman of the Energy and Water Appropriations Subcommittee. I understand that it was not possible to accommodate funding for this project in the energy and water appropriations bill for fiscal year 1992. However, I remain committed to working with the subcommittee to establish some initial funding for this project and to prepare to have the project included in next year's funding plan for the Department of Energy.

I wish to thank the chairman for his commitment of further consideration of this important project and look forward to working with him and the ranking minority member in an effort to obtain funding for its development.

Mr. JOHNSTON. I thank the Senator from Pennsylvania for his remarks and recognize the value of this special project. I would be pleased to review this project next year in a effort to secure Federal assistance for this project in fiscal year 1993. I am particularly impressed by the commitment which Hahnemann has made on its own, so that the Federal share requested, at 25 percent, would represent only a small investment that could pay off large dividends in promoting the development and use of energy-saving technologies.

Mr. HATFIELD. I thank the Senator from Pennsylvania and although I currently am unfamiliar with the Hahnemann University proposed Ambulatory Care Research and Teaching Center, I will also review its numerous meritorious aspects which recently have been brought to my attention. Additionally, I understand the chairman has indicated he will assist to obtain funding for this worthwhile project in fiscal year 1993. I also look forward to making every effort to obtaining funding for and working with the Senator on this important issue.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Senate concur in the amendments of the House to the amendments of the Senate as stated by the legislative clerk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I thank my colleagues, the distinguished Senators from Louisiana and New Mexico, for their courtesy and promptness in handling this matter.

PROVIDING FOR CONDITIONAL ADJOURNMENT OF THE CONGRESS

Mr. MITCHELL. Mr. President, I send a concurrent resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 59) providing for a conditional adjournment of the Congress for the August non-legislative period.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

Mr. BINGAMAN. Mr. President, could I ask the majority leader what the resolution provides?

Mr. MITCHELL. Mr. President, the resolution provides that when the Senate adjourns on today, tomorrow, or Sunday, that it stand recessed until 9:30 a.m. on Tuesday, September 10.

Mr. STEVENS. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I suggest to my friend if we do not recess today, we might be here beyond Monday.

Mr. MITCHELL. Mr. President, the sooner we can get this done, the sooner we can adjourn. It is my very strong hope that we are going to be able to complete action today in the Senate.

Mr. STEVENS. Will the leader mind amending the request to say if we adjourn today, we will just modify it to that extent? I am trying to do my best to convince people to finish today.

Mr. MITCHELL. I am, too. I might suggest modestly that no one has made a greater effort toward that end than myself. I must respectfully decline the offer because, as we all know, I cannot control the result and it may be possible, actually necessary, to be in for a short period tomorrow to complete action on this pending DOD bill. I would hate to see us in that position, Mr. President. I know my colleague understands that.

Mr. STEVENS. Mr. President, I do not think the Senators who do not travel West understand the problem of such uncertainty as to when we leave with our wives and our families and everyone ready to go with their schedule saying we are finished today to have an open-ended recess request with due respect to my friend, and he has worked very hard to finish up. I would like to see other Senators join him and finish this today.

The Senator does not want to modify his proposal and do it today? It is an open-ended invitation to some people who apparently have no place else to go and have no family plans and no concept of what August means in the Senate family to stay here Saturday and Sunday. It would prevent some of us who will be very irritated if we are here beyond today in teaching those people that next week their reservations are going to be in jeopardy.

Mr. MITCHELL. Mr. President, I have the greatest respect and understanding for the concerns which the Senator has raised, and I assure him that I will not only continue but intensify my efforts to complete action today. But I ask if the Senator would permit us to proceed with this, I will do the very best I can to see that the Senate completes action not only today but perhaps at a reasonable hour today.

Mr. STEVENS. Mr. President, I have great respect for the leader and I know what he is trying to do. I just had hoped to be over here before the leader made this request to keep him from holding out that last ray of hope to some people that if they keep us here tomorrow or Sunday that maybe some of use will change our minds and do something we should not do otherwise.

So I am here to tell the leader that I intend to object to any unanimous-consent request that has to be made to insert anything into this procedure that would prevent us from finishing today as we were scheduled to do. I withdraw my reservation.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 59) was agreed to, as follows:

S. CON. RES. 59

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns on Friday, August 2, 1991, Saturday, August 3, 1991, or Sunday, August 4, 1991, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand recessed or adjourned until 9:30 o'clock a.m. on Tuesday, September 10, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first, and that when the House of Representatives adjourns on Friday, August 2, 1991, Saturday, August 3, 1991, or Sunday, August 4, 1991, or Monday, August 5, 1991, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand adjourned until noon on Wednesday, September 11, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the majority leader of the Senate, acting jointly after consultation with the minority leader of the House and the minority leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. WIRTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL CAMPUS CRIME AND SECURITY AWARENESS WEEK

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 142, a resolution relating to campus crime, just received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 142) to designate the week beginning September 1, 1991, as "National Campus Crime and Security Awareness Week."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

AMENDMENT NO. 1043

(Purpose: To amend the Civil War Sites Study Act of 1990 to provide for the designation of additional members to the Civil War Sites Advisory Commission)

Mr. MITCHELL. Mr. President, on behalf of Senator DOLE and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for himself, and Mr. DOLE, proposes an amendment numbered 1043.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . DESIGNATION OF ADDITIONAL MEMBERS TO THE CIVIL WAR SITES ADVISORY COMMISSION.

In addition to those members appointed to the Civil War Sites Advisory Commission (hereinafter in this section referred to as the "Commission") pursuant to section 1205(a) of the Civil War Sites Study Act of 1990 (Public Law 101-628, 104 Stat. 4504), the following two additional members shall be appointed to the Commission as follows—

(1) one individual to the appointed by the United States House of Representatives, in the same manner as provided for in section 1205(a)(4) of Public Law 101-628; and

(2) one individual to be appointed by the United States Senate in the same manner as provided for in section 1205(a)(5) of Public Law 101-628.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1043) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read a third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall the joint resolution pass?

So the joint resolution (H.J. Res. 142), as amended, was passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, we have completed action on the energy and water appropriations conference report and, as I indicated earlier, the legislative branch appropriations report is ready for final action. That is being managed by the distinguished Senator from Nevada [Mr. REID]. I note his presence on the floor for that purpose.

LEGISLATIVE BRANCH APPROPRIATIONS FISCAL YEAR 1992—CONFERENCE REPORT

Mr. MITCHELL. Mr. President, I submit a report of the committee of conference on H.R. 2506 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2506) making appropriations for the legislative branch for the fiscal year ending September 30, 1992, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 30, 1991.)

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I am pleased to recommend to the Senate the conference report on H.R. 2506, making appropriations for the legislative branch for fiscal year 1992, and for other purposes.

Mr. President, we completed conference with our House colleagues Tuesday afternoon. In contrast to previous years, our discussions were relatively uncontentious. The result, I believe, is a set of agreements that fairly reconciles the differences between the two Houses on funding and other issues.

I want to take this opportunity to express my personal appreciation to Chairman FAZIO, Mr. LEWIS, and the other House conferees for their cooperation. We had some difficult and sensitive matters to resolve. But we were able to find some acceptable middle ground and move the bill forward without rancor.

Much of the credit for this achievement belongs to my ranking member, Senator GORTON, and the other Senate conferees. Of course, anytime the Senate's delegation to a conference includes Senators INOUYE, HATFIELD, and STEVENS, you can rest assured the interests of our institution and of the public will be well served.

The conference report and joint explanatory statement provide a detailed description of the agreements we are recommending. Let me just touch upon a few of the more significant items.

First, the conference agreement provides a total of $2,343,163,700 in new discretionary budget authority for the legislative branch in fiscal 1992. This is below the subcommittee's 602(b) allocation by just over $800,000. According to CBO scoring, the bill is $7.3 million below our allocation for outlays. The increase over the enacted level comes to $89.8 million which is only 4 percent more than the amount provided last year.

So, Mr. President, the legislative branch is living up to its responsibilities under the summit agreement. This has, as I said earlier when the bill was first before the Senate, meant major reductions below the amounts requested by agencies in the legislative branch.

Let me give you a few examples of reductions we had to make. The total for joint items is below the enacted level by $33.5 million dollars. The Architect of the Capitol requested a total of $212.9 million dollars. The conference agreement reduces that amount by $72.9 million dollars. The Library of Congress requested $337.7 million dollars. The conference agreement provides $298.9 million dollars, a reduction of $38.8 million dollars. The General Accounting Office requested $489.5 million dollars. The conference agreement provides $438.7 million, a decrease of $50.8 million dollars.

So, Mr. President this is a very lean bill. The result will be some tough choices and tradeoffs in the coming fiscal year. But, overall, I believe the conference bill meets essential requirements.

The conference agreement also includes the provision bringing the pay of Senators into line with the compensation of Members of the House of Representatives and prohibiting honoraria. I, of course, oppose the pay increase. But the Senate has decided the matter on a fair and open vote. The conference approved language intended to assure that Members of the House and Members of the Senate are subject to the same framework of ethics rules with respect to gifts, travel, outside earned income, and so forth. I believe the agreement, although not perfect by any means, substantially achieves the objective of providing for equality of treatment in these respects between the Members of the two bodies and the rest of the Government. Improvements in this regard are always possible and I am sure that we will be working on some suggestions in the future.

I urge the Senate to approve the conference report.

Mr. GORTON. Mr. President, I am happy to join Chairman REID in bringing to the floor the conference report on H.R. 2506, the fiscal 1992 Legislative Branch Appropriations Act.

Since the time the Senate passed the bill, House and Senate committee staff have worked diligently to form a compromise bill that would be acceptable to the Members of both bodies. While most of the issues in contention were resolved amicably, there were several items addressed and debated in conference. I would like to share a few brief comments on these items.

Mr. President, the conferenced bill totals $2.34 billion and is still under the subcommittee's 602(b) allocation. Again, I wish to emphasize that the committee has provided only inflationary and essential program increases for the agencies under our jurisdiction.

Many of the agreements reached during the consideration of this bill have drawn great public attention and will have great impact on the way we do business. The bill provides a total of $466 million to support the congressional operations of the Senate. Included in the Senate title is a provision adjusting staff pay ceilings and prohibiting honoraria to Senate staff. Senators pay has been adjusted to achieve parity with our House colleagues. Along with this adjustment, outside income limits have been restricted and the gift reporting requirements modified. Most of these new provisions are identical to those contained in the Ethics Reform Act of 1989 and will undoubtedly have an impact on the operations of many Senate offices.

The conferees agreed to provide $66.1 million to finance the operations of the Capitol Police, an amount that will allow the Police Board and authorizing committees to implement the requested pay compression and to make other changes creating greater parity with local police jurisdictions.

The Congressional Budget Office is funded at $22.5 million. Included in this amount is additional funding to establish a position of deputy director.

A total of $4.4 million has been provided to maintain the 250 acres of Capitol grounds. Contained in this amount are funds to provide additional benches and waste receptacles to help accommodate the thousands of annual visitors to the Capitol.

A total of $55.7 million is provided for salaries and expenses of the Congressional Research Service and $196.3 million is provided for the Library of Congress. Additionally, the committee reaffirms its commitment to the Library's deacidification program, an essential component to preserving the vast volumes of historic material in the Library's collection.

Mr. President, there has been a great deal of discussion on the operations and funding for the General Accounting Office. The conferees agreed to provide a total of $438.7 million for the GAO and additional report language requiring the periodic reporting of GAO activities to Congress. The amount is $2.2 million less than the sum provided in the House bill but will allow the GAO to continue its asbestos abatement program.

Mr. President, the fiscal 1992 Legislative Branch Appropriations Act may well be remembered as one of the most significant bills this subcommittee has considered. The process has been long but I am confident that we have produced a bill that brings about needed change and provides necessary funding for the legislative branch and its agencies.

I wish to convey my personal appreciation to Senator REID for his leadership and dedication to this subcommittee and to Senator BYRD, our full committee chairman and Senator HATFIELD, the ranking minority member.

Mr. President, I would be remiss if I did not mention the work of staff in the preparation of this bill. I wish to convey my appreciation to Jerry Bonham, the majority clerk, Lula Joyce, his assistant, Sean O'Hollaren, the minority clerk, Ginny James, his assistant, Keith Kennedy, the minority staff director, and Curtis Hom and Sam Spina of my staff.

Mr. WOFFORD. Mr. President, as the Senate prepares to pass the conference report to the legislative branch appropriations bill for fiscal year 1992, I want to again express my opposition to the $23,000 pay raise contained in this legislation.

For myself, I can't justify accepting a pay raise after only 2 months on the job. I know that most of my colleagues are in a very different position. But across our Nation people are hurting from this recession. They're suffering from over a decade of policies that have ignored the needs of working families in Pennsylvania and across the Nation.

So I am not accepting this raise; this year I am donating it to the children of those Pennsylvanians who lost their lives in the Persian Gulf war.

But it troubles me that this raise is going forward. We need to remember the reason we're here—to represent the people. When we raise our salaries at the same time that people are being laid off and struggling to make ends meet, we lose sight of the way that most Americans live their lives, and it becomes more difficult for us to address the problems faced by working people.

Mr. President, I oppose this pay raise at this time.

Mr. STEVENS. Mr. President, with regard to the conference agreement currently before the Senate, I want to make a point of clarification. At Tuesday's meeting of the committee of conference on the legislative branch appropriations bill, the committee included a provision in section 314(f) of the bill which states that certain provisions of the bill are enacted "as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively. * * *" This exercise language is often inserted into legislation which includes provisions pertaining to the procedures and rules of the Congress. It is designed to make clear that each body of the Congress reserves and retains its constitutional authority over its own proceedings.

Because this appropriations bill includes changes in ethics laws, the conference committee agreed to include the standard exercise language, which was taken verbatim out of the Ethics Reform Act of 1989. Our understanding was that the exercise language was to be applied to all provisions in the appropriations bill which concerned the Ethics Act of 1989.

The conference agreement which was brought to the House floor on Wednesday applies the exercise language to one section of the appropriations bill, which includes most, but not all, of the ethics provisions. Specifically, the exercise language was not applied to the provisions of Senator BYRD's amendment—agreed to by the Senate on July 17, 1991—which brings the Senate under several provisions of the 1989 Ethics Act.

The exercise language as drafted nevertheless reflects the intent of the conferees, because application of the exercise language to the Byrd provisions is unnecessary. It is unnecessary because the Byrd provisions simply brought the Senate under the application of the 1989 Ethics Act, which act already included comprehensive exercise language. In other words, the 1989 Ethics Act provisions—which are being applied to the Senate by the Byrd amendment provisions of this bill—are themselves subject to the exercise language of the 1989 Ethics Act.

Do the chairman and ranking member of the Legislative Branch Subcommittee agree with my explanation?

Mr. REID. I have listened to the Senator from Alaska, the ranking Republican on the Rules Committee, and agree with his explanation.

Mr. GORTON. I concur with the chairman and my good friend Senator STEVENS.

Mr. HATFIELD. If the Senator will yield, I have been listening to the statement of the Senator from Alaska and agree with his explanation of the conference committee's intent and the application of the exercise language.

Mr. NICKLES. Mr. President, will the managers yield for a question? In the fiscal year 1991 Legislative Branch Appropriations Act (Public Law 101-520), section 311(d) prohibits a Senator from using any funds that are not specifically appropriated for official expenses. It is my recollection that it was the intention of the authors that the prohibition on the use of nonappropriated funds to defray official but unreimbursed expenses applies to the personal offices of Senators, and therefore was not intended to apply to the party Conferences of the majority and the minority. Is this the understanding of the distinguished Senator from Nevada?

Mr. REID. Mr. President, I thank my colleague for raising that point. The Senator from Oklahoma [Mr. NICKLES] was the ranking member from his side on last year's legislative branch appropriations. I concur with his recollection that it was the intent of the bill's language to apply only to the offices of individual Senators and not to the party conferences.

Mr. GORTON. Mr. President, let me say that I agree with my two colleagues. The 1991 legislative branch appropriations bill clearly refers to the personal offices of Senators and was not intended to extend to the respective party caucuses. I thank them for their efforts to clarify the legislative intent behind last year's bill.

The PRESIDING OFFICER. Is there further debate on the conference report?

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I wonder if I might ask the managers for clarification of a provision. I am unable to locate here on the floor a copy of what is now under consideration. I do not want to be dilatory. But can the managers or someone enlighten me with regard to the provision on earned income and how that would apply to an individual who owns a farm—in my instance it is cattle farm—which periodically generates in excess of $15,000 in certain years, particularly when you sort of marshal your herds in such a way as to make hopefully a profit in the operation of the farm in a certain year and then take losses in other years. And in the year that you make a profit, in the instance of the Senator from Virginia, it does exceed $15,000 per year.

Is this provision directed at those of us who do have an agricultural operation? I do not have a corporation. It is in my name. And there are certain years in which for the cattle which have been marshaled for sale, collected over a period of 2 to 3 years of breeding, the income does exceed the limits specified in the conference report.

Mr. REID. I will be happy to respond to the Senator from Virginia.

Mr. WARNER. Mr. President, may we have order. I am having some difficulty hearing my friend.

The PRESIDING OFFICER. The Senator is correct. The Senate is not in order. Will Senators please suspend all conversations.

Mr. WARNER. I thank the Chair. In the 13 years I have been privileged to be a Member of this body, I have meticulously complied with all rules. I am not at this point objecting to this one. I am not trying to get it changed. I just want to know, was it designed to apply to this situation?

Mr. REID. I respond to the question presented by the senior Senator from Virginia that the legislation before this body limits earned outside income from any source to 15 percent of the base salary of Executive Level II. Now, the definition of "earned income" is something that the Senator would have to determine from his accountants and otherwise. If his farm income is characterized as investment income, that is different. You can certainly see that. But if it is earned income the limitation would apply. When I first came to the House of Representatives, you could have a law practice up to a certain amount. That is now prohibited. If the income in question is investment income, then there are no limits.

Mr. WARNER. Mr. President, this is an operating farm of some 700 acres; depending on any 1 year, 400 to 500 head of cattle.

Mr. STEVENS. Will the Senator yield?

Mr. WARNER. I am happy to yield.

Mr. STEVENS. Will the Senator mind if I insert myself into this?

Mr. REID. I would be happy to. Let me make this one brief statement, if I could. The Ethics Reform Act of 1989 contains a provision that it would be up to the Ethics Committee to make a decision as to the application of the new ethics rules including the determination of whether income is "earned" or not.

I am happy to yield to the Senator from Alaska.

Mr. STEVENS. Mr. President, in addressing the question raised by the Senator from Virginia, I would say this. The earned income limitation was directed at compensation for personal services. As such, as the Senator from Nevada has said, it is my judgment that an individual who has income, such as the Senator from Virginia has described, could go to the Ethics Committee for a definitive ruling. Being a former chairman of that committee, I can tell you the Ethics Committee chairman and ranking member would welcome such an inquiry. They would examine the source of the income and whether it is derived from personal services, or whether it is income from the operation of a capital asset, such as a farm or a ranch.

We have several in this body who are ranchers. I do not think the intent of this provision is to limit those people who operate such entities as the Senator has discussed from receiving in any 1 year income in excess of that limitation. Since the intent of this provision applies to the concept of compensation for personal services, it ought not to be interpreted to limit the income of those people who derive income from farms and personal businesses where they are not being paid for their services or labor. Neither is this prohibition intended to apply to those people who, over a period of years, write books and treatises and have those published. They simply ought not to be viewed in any 1 year as having exceeded this earned income limitation.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I thank both of my colleagues. If I can summarize, first I want to make it eminently clear that the Senator from Virginia is not asking for any special consideration. I wish to comply with the rules of this institution as established by the majority.

But as I understand both Senators, a person who owns an agricultural entity—in this instance it has been my home for many years. It is an operating farm. It can be used for no other purpose, that is, developing. But I am not going to do that. Over my dead body it would be developed. So, therefore, so long as it has to be conducted as an agricultural operation, that this matter is within the purview and the discretion of the Senate Ethics Committee to determine whether or not this particular rule is applicable.

Mr. STEVENS. Mr. President, if I might go further, I had the privilege of visiting the farm of the distinguished Senator from Virginia and I noticed he is becoming a distinguished painter. Let us get away from the operation of the farm and turn to the Senator's paintings. Suppose over a period of years he has painted——

Mr. WARNER. Mr. President, for the RECORD, this is not a house painter. I dabble.

Mr. STEVENS. I am talking about a painting that becomes a masterpiece and he sells it to someone who absolutely must buy it from him at a fabulous sum. That in this Senator's judgment is not in the purview of a limitation on earned income.

Mr. WARNER. I thank my friend. Mr. President, I now regret I rose to single myself out for this type of commendation. But my paintings are more in the nature of a mud dauber applying to a canvas because they are too poor to sell but too dear to even give away. I doubt that I have to deal with that. But I thank the Senator for that interpretation.

Mr. President, I thank my colleagues for the time.

Mr. WELLSTONE And Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I move that the Senate adopt the conference report.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnestoa.

Mr. WELLSTONE. I just would like to, before adoption of this report, one more time for the RECORD make it clear that for my own part I really think the elimination of the honoraria is a very important public policy in the right direction.

But I am still very much opposed to the increase in salary for Senators, because I think there is too great a disparity already between the incomes of those who are elected to Washington and the people that we represent. That is my own honest view. Libraries are closing, and the State and local governments are in fiscal crisis. I do not feel that this is the right thing to do.

After having said that, Mr. President, I finish with my statement.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the conference report.

The conference report was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCAIN. Mr. President, I would just like to register my opposition to the legislative appropriations conference report which has just been agreed to by a voice vote.

Mr. ADAMS. Mr. President, I would like to also represent my opposition to the legislative appropriations conference report that was just agreed to.

HONORARIA

Mr. DOLE. Mr. President, let me just say one word. I did not want to speak at that time. But I think since we acted on the conference report there was some misunderstanding or lack of communication along the way with reference to honoraria.

I want the record to reflect that I did not understand it the way it turned out, that we would have a $2,000 limit on any speech that we might make and give the money to charity. My view was that was going to stay the same.

Under the rule prior to action on the pay raise and banning honoraria, there was no limit. If you are giving it to charity, there was no limit on honoraria, under the circumstances the Senator involved would receive nothing. All the money would go to charity. I have a foundation. To the best of my recollection, though I would have to check, I have not given money to that foundation for the past couple of years—nor do I intend to. So I gain nothing personally through the change I am proposing.

I want the record to reflect that I have introduced a change in the rules that has been referred to the Rules Committee, and I hope my colleagues will take a look at it.

We banned honoraria that we have kept for personal use in exchange for getting the same pay that the House Members have gotten for the past 9 months. Had I known beforehand that we were also putting a limit on contributions to charity, I would have voted against the pay raise.

POSITION ON VOTE

Mr. FORD. Mr. President, I ask unanimous consent that I be recorded in the negative on the previous question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

POSITION ON VOTE

Mr. FOWLER. Mr. President, I ask unanimous consent that I be recorded in the negative on the previous question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

POSITION ON VOTE

Mr. REID. I wish to be recorded as "no."

The PRESIDING OFFICER. Without objection, it is so ordered.

POSITION ON VOTE

Mr. LAUTENBERG. Mr. President, I ask unanimous consent to be recorded in the negative on the adoption of the conference report.

POSITION ON VOTE

Mr. HOLLINGS. Mr. President, I request unanimous consent that I be recorded as voting "no" on the fiscal year 1992 legislative appropriations conference report just agreed to by voice vote.

POSITION ON VOTE

Mr. SEYMOUR. Mr. President, I ask that I be recorded as "no" on the conference report to H.R. 2506, the legislative branch appropriations bill. I remain opposed due to the unnecessary pay raise that was passed as part of this bill.

Mr. GRASSLEY. Mr. President, this conference report includes a 25-percent pay raise which this body approved by just a narrow margin only 2 weeks ago. I oppose this pay raise and I oppose the fact that it will be seen in our paychecks right away, well before an election has taken place.

When the Senate rejected this pay raise in 1989 on the ethics reform package, observers anticipated that it would not take long after the House received its raise that the Senate would soon follow suit. Unfortunately, we are all too predictable.

Our noble rejection of the pay raise was short lived. It's bad enough that we succumbed to greed, in the facade of equity with the House, but we also fell short of a promise we made to the public that we would not receive a pay raise until an election takes place. But this pay raise will take place immediately—as soon the President signs this bill. Our voters will not have the opportunity to determine at the ballot box whether they believe we have deserved this raise.

Mr. President, I believe we have reneged on our promise to the public. We have gone ahead with the raise, even though we had said we would not. Further, we have maneuvered the raise so that we can benefit from it without having to first face the voters.

While I regret that we have taken this path, I am not surprised. I do hope, however, that when the next quadrennial commission meets and makes its recommendations in 1993, that this body will have the fortitude at that time to do the right thing and reject that raise.

As I have said dozens of times before, but which I must reiterate yet again—the Congress does not deserve, and should not receive, a pay raise until we can effectively manage the affairs of the Federal Government. The first and most important task is to balance the Federal budget, a task which seems all too impossible in the current environment.

Mr. LEVIN. Mr. President, this bill contains a provision which amends the disclosure requirements of the Ethics in Government Act. It increases the minimum for disclosure of gifts from $100 to $250.

There were no hearings on this, Mr. President.

There was no public debate on this, Mr. President.

There was no consideration by the committee of jurisdiction—the Subcommittee on Oversight of Government Management, which I chair.

There was not even notification by the conferees of this bill to the committee of jurisdiction.

This amendment does not just affect the Congress. It affects all three branches of Government.

The Oversight Subcommittee has been involved in various issues involving the disclosure statutes for over 10 years. The subcommittee has developed an understanding of how these statutes work.

This is not good Senate procedure, and I want to register my objection to the manner in which these issues were decided.

I also object to the pay increase in this bill and voted against it when it was considered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANWR SERIES NO. 4: EXXON VALDEZ AND ANWR

Mr. MURKOWSKI. Mr. President, Wednesday, I talked about the economic benefits of ANWR development which are increased domestic jobs, net national economic benefits, GNP increase, balance of trade benefits.

Mr. President, I rise to speak briefly about improvements in tanker safety since the *Exxon Valdez* oilspill March 24, 1989.

Some argue that the *Exxon Valdez* oilspill is proof that ANWR cannot be opened safely. This is simply not true.

Mr. President, I submit that opening ANWR is actually environmentally safer to the U.S. coastline than not opening ANWR.

Let me begin by stating the improvements in oil tanker safety at Valdez since the spill.

As as result of the recently passed Oil Pollution Act of 1990, important changes in tanker operation and monitoring have been developed and implemented. We have come a long way since the *Exxon Valdez* ran aground on Bligh Reef.

New measures have been established to greatly minimize the risks that could lead to oilspills. These include:

First, implementation of a $40 million a year oilspill response program covering spill prevention, containment and cleanup.

Second, establishment of Ship Escort/Response Vessel System [SERVS]. One tug and one support vessel escort each tanker. SERVS vessels carrying oilspill cleanup and containment equipment now escort tankers out of the Port of Valdez, past Bligh Reef, through the Hinchinbrook entrance and out of Prince William Sound. This is a total escort of 68 miles—40 miles beyond Bligh Reef.

Third, oilspill containment and cleanup equipment is now pre-positioned along the tanker route and throughout Prince William Sound.

Fourth, new radar tracking and satellite positioning system to track tankers in and out of Valdez.

Fifth, new navigation light on Bligh Reef.

Sixth, new vessel traffic system restricting discretionary tanker travel outside specified shipping lanes.

Seventh, lower tanker speed limits in the Valdez Narrows.

Eighth, closure of ship lanes during bad weather.

Ninth, experienced harbor pilots stay aboard tankers beyond Bligh Reef.

Tenth, phase in of doubled hulled tankers.

Eleventh, strict new rules on drug and alcohol testing of master and crew.

Twelfth, citizen advisory committee has been established for oversight of terminal and tanker operations.

Mr. President, these new Federal and State regulations have made the Port of Valdez the safest port in the world. And Valdez needs to be the safest because since 1977 over 8.3 billion barrels of oil have traveled through the pipeline.

Commander Ed Thompson, who heads the Coast Guard's Marine Safety Office in Valdez and is in charge of ship traffic control recently stated, "We've just completely rewritten the book. I don't know how we could make the net any tighter."

Mr. President, those who oppose ANWR development contend that if ANWR is not developed, the Trans Alaska Pipeline will shut down sooner, and less oil will be shipped out of Valdez. This would reduce the risk of another Prince William Sound oilspill.

This is short sighted. The reality is that America must replace Alaska North Slope oil from somewhere. In all likelihood, that means importing more oil in foreign tankers into more U.S. ports. And that, Mr. President, will actually increase the risk of a spill.

The west coast of the United States is supplied almost exclusively by U.S. flagged tankers full of Alaska oil. What happens when we remove these U.S. tankers from transporting Alaska oil?

Seventy-five to eighty oil tankers leave the Port of Valdez every month. In the last 5 years, tankers have departed from Valdez. These are American flagged tankers, as required under the Jones Act, and are subject to strict U.S. regulations and guidelines.

However, because America imports over 50% of its oil, hundreds of foreign tankers enter U.S. ports every month bringing foreign oil to the United States. These tankers are not American flagged and are not subject to stringent U.S. regulations.

Prudhoe Bay oil will not flow forever. Without ANWR development we will increase foreign tanker traffic to many U.S. ports. And no other port in the United States or the world is as safe for tanker traffic as Valdez.

Those who oppose ANWR development must bear the responsibility of increasing the likelihood of foreign tanker accidents in the United States and foreign ports.

Let me share with my colleagues the current condition of Prince William Sound.

The *Exxon Valdez* oilspill cleanup was the most intense environmental cleanup effort in the world's history.

After three summers of cleanup work, and $2.5 billion, Admiral Ciancaglini, commander of the Coast Guard for Alaska and Federal on-scene coordinator for the oilspill cleanup, recently stated, "We've done as much as is humanly possible."

Admiral Ciancaglini also testified during a March 1991 Energy Committee hearing that he knew of no long-term damage to Prince William Sound as a result of the *Exxon Valdez* oil-spill.

CONCLUSION

As the Senate begins debate on the merits of opening the coastal plain of ANWR to oil and gas exploration and development we need to put emotional rhetoric aside and focus on the facts. Here are two facts to consider:

First, Valdez is the safest marine oil port in the world. No oil port is more closely monitored.

Second, Alaska provides 25 percent of domestic oil. Decreased U.S. production will mean increased U.S. oil imports—this will increase marine transportation risks associated with foreign flagged tankers in U.S. waters. In effect we would be increasing the possibility of a tanker accident.

Mr. President, the argument that we should not open ANWR because of the *Exxon Valdez* oilspill is very short sighted. We already have a proven system working in Alaska. Let's not succumb to emotional rhetoric. Alaska has the technology to transport oil safely, let's be responsible and utilize this technology.

RECOGNITION FOR THE LUMBEE INDIANS: THE TIME IS NOW

Mr. SANFORD. Mr. President, the Select Committee on Indian Affairs recently held a hearing to discuss S. 1036, a bill to grant Federal recognition to the Lumbee Indians of North Carolina. I would like to share with my colleagues the statement I made on behalf of the Lumbees at the hearing.

STATEMENT OF SENATOR TERRY SANFORD IN SUPPORT OF THE LUMBEE INDIAN RECOGNITION ACT AUGUST 1, 1991

Thank you, Mr. Chairman. I am here today to ask that the Lumbee Indians of Robeson and surrounding counties in Southeastern North Carolina finally be recognized as a tribe and thus become eligible for federal aid and benefits. The Lumbees began their quest over one hundred years ago. I believe it is time we heed their request and extend to them the recognition that is their due.

The state of North Carolina first recognized the Lumbees in 1885 as the Croatan Indians of Robeson county. The Lumbees then began their efforts to be recognized federally in 1888 when they petitioned the government for financial assistance in establishing a school. Thus began the long and arduous attempt by the Lumbees to be recognized at a federal level in order to receive the special status of a government to government relationship. There have been many steps in the process which is not yet complete.

First of all, the authenticity of the Lumbees' Indian heritage was called into question. They were first acknowledged to be of Indian ancestry by the Department of the Interior in 1911. Later, both the 1914 and the 1933 Presidential Administrations conducted extensive studies. Each of these studies concluded that the Lumbee were indeed Indians, probably of Cheraw descent.

It seems that the debate over the Lumbee heritage should have ended then. However, some groups opposed to recognition for the Lumbee have persisted in calling into question the "Indianness" of these people despite continued findings in support of their Native American ancestry. In fact, Adolph Dial and David Eliades wrote a book about the history of the Lumbee Indians, entitled: *The Only Land I Know: A History of the Lumbee Indians*, in which they stated definitively, "The central fact of Lumbee history is that the people are Indian in origin and social status." The legitimacy of the Lumbee Indians has been established by many sources. We do not need more debate on the legitimacy of the claim of these people to their heritage. We do, however, need federal recognition for the Lumbee people.

Most Indians were able to receive federal recognition through proof of a prior relationship with the federal government. A "prior relationship" was most often verified by the existence of a treaty between the tribal government and the United States government. There was never an occasion for the Lumbees to establish a formal relationship with the United States government.

Although they were recognized by the state of North Carolina in 1885, the Lumbees have been called by different names, including Croatan, Cherokee, and Cheraw. In 1953, the state of North Carolina officially recognized these people as Lumbee Indians. The Lumbees naturally proceeded to seek national recognition from Congress. In 1956, a bill regarding the Lumbee Indians passed both the House and the Senate. This 1956 Act tracked the 1953 North Carolina law almost verbatim and was obviously intended by the tribe to be recognition legislation. The only deviation from the 1953 Act was the last sentence which precluded the Lumbees' eligibility for federal services.

During the 1950s, the federal government adopted a policy that encouraged Indians to assimilate into mainstream society. As a result, the federal government began terminating their relationships with several Indian tribes. Once Congress terminates a relationship, the Department of the Interior does not have the authority to reinstate the relationship. Since the Lumbees had no prior relationship with the federal government, the 1956 Lumbee Act both extended recognition to the Lumbees as Indians but prevented them from becoming eligible for any services extended to Indians and, more importantly, prohibited them from applying for federal recognition as a tribe.

The United States policy toward Indians has changed since the 1950s. In addition, the recognition procedures have changed as well. Now a tribe is required to present a petition for recognition to the Bureau of Indian Affairs, which is a process that can take many years. The Lumbees began the petition process in 1980. However, it has been determined and verified by William G. Lavell, Associate Solicitor for Indian Affairs, that the Bureau of Indian Affairs is "precluded from considering the application of the Lumbees for recognition" because of the 1956 Lumbee Act. Mr. Chairman, the very Act which was supposed to extend recognition to these people effectively prevents their applying for it through present conventional channels. Therefore, their only resource is an Act of Congress. We have a duty to these people to give them the recognition that is their due. We must not shirk this responsibility.

This is not an unprecedented situation. A precedent was set by the Pascua Yaqui Indians. In 1964, Congress extended them recognition but no services, just as it had done with the Lumbee. However, Congress has since amended the status of the Pascua Yaqui Indians and extended full recognition to them by statute in 1978.

The case of the Ysleta de Sur Pueblo or Tiwa Indians of Texas is even more similar to the Lumbee case. The 1968 Tiwa Act which gave recognition but no services to the Tiwas was in fact modeld on the Lumbee Act. In 1987, Congress officially recognized the Tiwas and made them a trust responsibility. This Act acknowledged prior recognition of the Tiwa tribe. Since the original Tiwa Act was based on the Lumbee Act itself certainly constitutes recognition as well. If the 1968 Tiwa Act justifies federal legislation to clarify the status of the Tiwas, so does the 1956 Lumbee Act. When the Congressional Research Service was asked to look into the Lumbee matter, it concluded that "the 1956 Lumbee Act and the 1968 Tiwa acts are strikingly similar." The report went on to say that "the essentials of the two pieces of legislation are identical." It would follow, then, that the Lumbees' claim could be addressed through an Act of Congress, just as the claim of the Tiwas was.

Little, if any, distinction can be made between the situation of the Tiwa and the Lumbee. Both were recognized by Congress as American Indians, and both were left in the anomalous position of being federally recognized but not made eligible for any government services extended to Indians. Congress has corrected this anomaly with respect to the Tiwas. Simple fairness would dictate that Congress do the same with the Lumbee Tribe.

Mr. Chairman, I have introduced this legislation three times. It has been favorably reported out of your committee in the past. The time has come to extend federal recognition and federal trust responsibility to the Lumbee Indians. Let us delay no longer in completing the process that began in 1888. I understand that there are several tribes that are seeking recognition through the legislation process. However, I urge this committee to recognize that the Lumbee situation is unique. Because the Lumbees have been explicitly precluded from seeking recognition through the Bureau of Indian affairs, their request is obviously worthy of special legislation.

My legislation does not immediately extend federal funds to the Lumbees. In fact, it contains no appropriations. The Lumbee would be a line item in appropriations so as not to take away from the funds available for other Indian tribes. This legislation would simply recognize the Lumbee Indians and make them eligible to apply for funds as they should have been years ago. Recognition is the important matter. Financial concerns can come later.

The Lumbees are the largest non-federally recognized tribe in the country. They began their quest for recognition over a century ago. Let us end their quest now. We cannot make up for lost time but we can prevent the loss of future time. I want to urge this committee in the strongest possible terms to officially recognize the Lumbee Indians.

Thank you, Mr. Chairman.

THE EXAMPLES SET BY LELAND AND MCNONE PERRY

Mr. HATCH. Mr. President, later this month, the family and friends of Leland and McNone Perry will gather in Provo, UT, to honor this distinguished couple on the occasion of three remarkable milestones: Their 90th birthdays and their 69th wedding anniversary.

This will be a joyful occasion not only for the numbers of years involved but also because of who the Perrys are. They have given of themselves in ways that have nourished the lives of literally thousands of people in ways that have inspired all who know them.

Leland and McNone Perry have been diligent and loving parents, grandparents, and great-grandparents. Their roots go deep in their native Utah, and their contributions are deeply woven into the fabric of two Utah communities—Provo and Cedar City. Leland served as Cedar City's city manager, helped engineer key Utah highways that will serve generations of Utahns to come, and founded station KSUB, Southern Utah's first radio station. In Provo, Leland served as director of the sprawling physical plant for Brigham Young University and then for all LDS church schools and oversaw construction of Ricks College in Rexburg, ID. Along the way, the Perrys also have been creative business entrepreneurs.

The Perrys have touched the lives of thousands more through missions they served as members of the Church of Jesus Christ of Latter-day Saints—first, as newlyweds, in Mexico, and later, when they again set aside their personal lives to preside over their church's extensive West Spanish-American Mission.

Family, friends, neighbors, and church members can testify that Leland and McNone Perry always have been willing to give freely of themselves and their resources. They are deeply loved by their family and friends, and Utah and the Nation are better for the examples they continue to set for us.

BEST WISHES TO CONSTANCE PANG

Mr. GLENN. Mr. President, one of the pleasures of office is to recognize publicly outstanding people in our country. Today, I want to recognize such a person, and to also wish her a special happy 80th birthday. That person is Mrs. Constance Pang, of Honolulu, HI, who is the mother of Mr. Fred Pang, my staff director on the Subcommittee on Manpower and Personnel of the Committee on Armed Services that I chair.

I want to send Mrs. Pang my very best wishes for many happy returns on the occasion as she celebrates her 80th birthday with her family and friends in Honolulu on August 18 this year. To her, her family, and her friends, I send a warm Aloha.

RECOGNIZING THE SERVICE OF MERLIN E. DEWING TO THE CONGRESSIONAL AWARD

Mr. WALLOP. Mr. President, for the past several years it has been my pleasure to serve as a member of the Congressional Award Foundation National Board of Directors. For the past 3 years the Chairman of the Board has been Mr. Merlin E. Dewing, a partner with KPMG Peat Marwick.

Yesterday, Mr. Dewing concluded his term as Chairman of the Board and I would like to draw the attention of my colleagues to the invaluable service he has performed for the Congress.

Mr. Dewing became aware of the value of the congressional award through his involvement with the program in Minnesota, and it was to the great good fortune of the congressional award that he moved from Minnesota and became available to serve on the National Board.

Merlin was appointed to the Board in 1986, and took on the role of Chairman in September 1988. It was truly an act of faith on his part, and a reflection of his commitment to the importance of this program to our country's young people, that he was willing to serve in this position. Having been so closely involved with the program, I am well aware that when Merlin became Chairman, he took on a situation which was challenging to say the least.

The foundation had a clear mission, to bring the congressional award opportunity to all our Nation's young people. However, it had no clear vision to enable the mission to be achieved, resulting in misguided management and ineffective use of resources. Under Merlin's leadership, that has all been corrected, and I am most proud of the direction of the program today.

That is not to say that all the work is done and the mission is accomplished. In fact, in terms of generating sufficient support for nationwide development to successfully occur, there is an enormous effort still to take place. But this effort is now guided by a board and staff with a clear purpose and direction. In very large part, this is due to Mr. Dewing's leadership as Chairman.

Though Mr. Dewing's term as Chairman has ended, he will remain active in the program as Vice-Chairman of the Board. I am confident that his successor, W. Russell King of Freeport-McMoran, will build upon the established program, resulting in significant growth during the next several years.

As the congressional award depends on the private sector for its successes, I would also like to thank both KPMG Peat Marwick and Freeport-McMoran, for their financial support of the program, and for their commitment to employee service to the community.

My dear colleagues, we have been most fortunate to have benefited from the service of Mr. Merlin Dewing to the Congress and to our young constituents. I extend to him my sincere appreciation.

HUMAN RIGHTS IN PERU

Mr. LEAHY. Mr. President, over the years the Congress has provided many millions of dollars requested by the President to fight drug trafficking overseas. I have supported these requests. However, I have also expressed grave concerns about providing lethal military assistance to countries such as Peru, there are persistent reports of human rights atrocities by Peruvian police and military forces.

The International Narcotics Control Act provides that before funds can be released to Peru the President must first determine, among other things, that the Peruvian security forces are not engaged in a consistent pattern of gross violations of human rights. On July 30 I was informed that the President made that determination.

Mr. President, we all want to stop the flow of drugs into this country. No one wants that more than I do, and I have voted for the money to do it. But if our law is worth the paper it is printed on we cannot ignore the deplorable human rights situation in Peru today. According to the President's determination, the "major human rights groups within Peru" do not believe that the Peruvian Government is engaged in a consistent pattern of human rights abuses. That is not correct. According to the director of Peru's "National Human Rights Coordinating Committee"—a coalition of over 30 human rights groups including the major groups in Lima and regional and local groups in areas most affected by the political violence—"The Peruvian security forces systematically violate the most fundamental human rights * * * the situation has gotten no better over the past year."

I find the President's determination particularly troubling given the findings in the State Department's 1990 Human Rights Report. That report, dated February 1991, states that "[s]ecurity forces personnel were responsible for widespread and egregious human rights violations.* * * For at least the fourth straight year, political and other extrajudicial killings rose again in 1990." It goes on to say that "[t]orture often occurs in the period immediately following detentions. * * * Credible reports of rape by elements of the security forces in the emergency zone were so numerous that such abuse can be considered a common practice condoned—or at least ignored—by the military leadership." According to Peruvian officials, the emergency zone extends to 40 percent of the country.

Several weeks ago a photograph of Peruvian police officers forcing a medical student and two teenagers into a trunk of a car appeared in American newspapers. Their bullet-ridden bodies turned up later in the city morgue. They are just three of the thousands of Peruvians who have been detained, tortured, disappeared and murdered in the violence that has ravaged that country since 1980. Many of those atrocities were committed by the guerrillas, but in many others cases the army and police are implicated.

Respected Peruvian and international human rights groups agree that the situation is deplorable. I ask unanimous consent that excerpts from an August 1, 1991 letter to American Ambasssador Anthony Quainton from the members of the Executive Committee of the National Human Rights Coordinating Committee of Peru, be printed in the RECORD at the end of my remarks.

I also ask unanimous consent that letters from the executive directors of Amnesty International and Americans Watch, a July 26 op-ed piece in the Los Angeles Times, and an August 1 letter to the editor of the New York Times by Congressman TED WEISS, be printed in the RECORD

Mr. President, I will study this determination closely. But at the outset I want to convey my disappointment about the President's action, and to set the record straight about the concerns of the human rights groups that monitor this situation closely.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL HUMAN RIGHTS COORDINATING COMMITTEE OF PERU,
August 1, 1991.

DEAR AMBASSADOR ANTHONY QUAINTON: We write to you to express our profound concern regarding the reasons given in the recent decision by your government to certify that the Government of Peru meets the conditions laid out in U.S. legislation necessary for the disbursal of foreign aid . . .

Your own State Department pointed out that in 1990 the number of extrajudicial executions and forced disappearances increased and that not a single member of the Armed Forces has been convicted of such practices in the eleven years of violence that our country has suffered. The situation of impunity has continued under the Fujimori government. * * *

These past months have been characterized by a substantial increase in denunciations of human rights violations committed by the security forces. The massacre of Chilcahuaycco, those in Vilcashuamán and Iquicha, the collective disappearances in Chuschi, the extrajudicial executions in Huaura, Chillutira and Chumbivilcas and most recently in Santa Bárbara in the Huancavelica department—these are all examples of the counterinsurgency strategy being carried out by the Fujimori government—and it is worth remembering the diverse forms of aggression against human rights monitors because of the work they carry out. * * *

All of these facts reveal that human rights violations are not isolated events—as could happen anywhere in the world—but are the result of a pattern of conduct consistently used by the security forces, whose Commander in Chief is, constitutionally, the President of the Republic. * * *

The human rights movement in Peru has consistently denounced the crimes committed by the armed insurgencies and has stated that a democratic regime has the obligation and the right to defend itself. . . Yet at the same time we affirm that the State must demonstrate an ethical superiority in the face of those who attempt to destabilize it. This moral superiority, which must be characterized by the unrestricted respect for democratic norms and human rights, is far from being established in Peru.

We reiterate that we are not opposed to the provision of U.S. foreign aid to our country. Our purpose is to call attention to the grave consequences for the promotion of human rights that the provision of unconditional aid could have if given to a government that is engaged in grave and systematic violations of those rights. This decision is particularly delicate what an important part of this aid is designated for military expenditures.

We have great respect for the people of the United States, a country with a long trajectory of respect for human rights . . . we appeal to your government and to your congress to collaborate with us in our work to defend human life and democratic values. Decisions such as that taken by the State Department are not only unhelpful, but clearly impede that work.

Sincerely yours,

Members of the Executive Committee, National Human Rights Coordinating Committee of Peru; Pilar Coll, Executive Director; Jose Burneo Labrin, Center of Study and Action for Peace (CEAPAZ); Pablo Rojas Rojas, Commission of Human Rights (COMISEDH); Francisco Soberón G., Pro-Human Rights Association (APRODEH); Miguel Talavera R., Institute of Legal Defense (IDL).

AMNESTY INTERNATIONAL USA,
Washington, DC, August 1, 1991.

Hon. PATRICK J. LEAHY,
U.S. Senate.

DEAR SENATOR LEAHY: Amnesty International is concerned over the recent determination by the State Department regarding the human rights situation in Peru. Amnesty has had ongoing concerns with Peru for over a decade and if anything, the human rights situation in Peru has continued to deteriorate.

In our annual Report 1991, we state that over 300 people were "disappeared" in Peru last year alone. This figure reflects only confirmed reports, so this figure may in fact be lower than the actual one. The United Nations has stated that for the fourth year in a row, Peru leads the world in the number of "disappearances."

Amnesty is very concerned by the violations committed by the Shining Path insurgency. However, we feel that the insurgency's atrocities do not give the Peruvian government the license to perpetrate human rights abuses. There is no justification for torture, extrajudicial executions or "disappearances," all of which are routinely committed by the Peruvian security apparatus.

These abuses are ongoing even as I write to you. Any day one can glimpse our Urgent Action communications and find either long lists of massacre victims or reported "disappearances." I should point out that these "disappearances" take place after the person has been taken into custody by the Peruvian armed forces or the police.

Amnesty International has been pushing for a single standard for human rights since 1961. Peru is no exception. I hope you consider this information and take action to counter what can only be called disinformation by the claim that the Peruvian human rights situation has improved.

Best,

JOHN G. HEALEY,
Executive Director.

HUMAN RIGHTS WATCH,
Washington, DC., July 31, 1991.

Hon. Senator PATRICK LEAHY,
Chairman, Senate Foreign Operations Subcommittee, Washington, DC.

DEAR MR. CHAIRMAN: I write to express the deep concern of Human Rights Watch and Americas Watch about the State Department's determination on human rights in Peru. We heartily disagree with the Administration's finding that the Peruvian armed forces and police are under civilian control, and that police and military are not engaged in a consistent pattern of gross abuses of internationally recognized human rights. We are dismayed that the leverage which the Congress provided the executive branch by attaching human rights conditions to antinarcotics aid has been squandered with a blatantly misleading certification.

I am particularly concerned at the suggestion that Peruvian human rights organizations support the Administration's findings. During my visit to Peru this month, I met with numerous representatives of Peruvian human rights organizations. All are deeply concerned about the continuing deterioration in human rights. They told me that according to their documentation, June of this year was the most violent month in the decade, due to killings and other gross abuses against civilians by Sendero Luminoso and by the armed forces and police.

As my colleague Holly Burkhalter, and I indicate in the attached article published in the Los Angeles Times of July 26, the Administration picked a particularly bad time to indicate its satisfaction with Peru's human rights record. The Peruvian press is awash in reports of sensational violence by the police and military and Peruvian reformers are calling for reforms.

We are very pleased to learn that the Congress will be placing a hold on U.S. military assistance to Peru this summer. We hope that the Administration will use the opportunity to press the Peruvian authorities for real human rights improvements, including investigations and prosecutions in human rights cases. In particular, we would like to see the following steps be taken by the Peruvian Government before military aid goes forward: first, President Fujimori should bolster the authority of his own civilian government by publicly supporting the work of Peruvian prosecutors attempting to investigate and prosecute military and police abuses. These brave lawyers in the Prosecutors office are regularly subjected to abuse by military and police figures. A public expression of support for their work and a formal demand that the army and police cooperate with them would be very useful.

We have conveyed a number of other suggestions to your office under separate cover. We appreciate your interest and that of your staff. Please do not hesitate to call upon us if we can be of service.

Sincerely,

JUAN E. MENDEZ,
Executive Director, Americas Watch.

U.S. HAS TO BACK HUMAN RIGHTS IN PERU

To the Editor:

Your July 14 Week in Review article "10 Die a Day, or Disappear, and Peru Goes Numb" evokes the tragedy of innocents caught in the crossfire between two brutal adversaries—the Shining Path guerrillas and Peruvian security forces. You quote the father of Carlos Rodriquez, a slain medical student, on the bitter reality: "There is no difference between the police and the Shining Path when both are the ones who kill us."

But you seem to share the Bush Administration's mistaken view that applying United States human rights laws—which preclude aid to Peru—would make matters worse. Our assistance to Peru is conditioned on respect for human rights. You help demonstrate why Peru does not qualify for aid. Yet you suggest that if the United States enforces the law and withholds aid, Peruvians will be further alienated, and Shining Path will be the major beneficiary.

But respect for human rights is a profoundly practical policy concern. We have found in case after case that ignoring the abusive practices of our allies around the world undercuts our long-term goals. If the people of Peru have trouble distinguishing between Shining Path and the Peruvian military, we will not win over the populace by appearing to endorse the brutal tactics of one side. Indeed, we may unintentionally give momentum to the guerrilla cause.

The Bush Administration maintains that only through "engagement" with Peru's armed forces can the United States gain leverage to moderate their behavior. Last Tuesday, the Administration submitted a transparently fraudulent human rights report that claims Peru's military and police forces are not engaged in a consistent pattern of human rights abuses. This shameful whitewash will clear the way for more than $30 million in military aid.

If the President fails to enforce our laws—that is, if United States aid flows to Peru regardless of abuses—then we lose our credibility, and any hope of leverage at the outset.

The best way to achieve our goals in Peru is to remain true to our own highest principles and to enforce our human rights laws.

TED WEISS,
Member of Congress, 17th Dist., N.Y.
Washington, July 31, 1991.

The writer is a member of the House Foreign Affairs Subcommittees on Western Hemisphere Affairs and Human Rights.

EASTERN NORTH CAROLINA POVERTY COMMITTEE

Mr. SANFORD. Mr. President, I rise today to share with my colleagues the efforts of an organization actively engaged in fighting poverty in North Carolina. The Eastern North Carolina Poverty Committee, a nonprofit private organization based in Greenville, is dedicated to developing strategies and models for the elimination of poverty in the 41 coastal counties of eastern North Carolina. The committee recently presented to me an outstanding summary of their plan for breaking the cycle of poverty and despair endemic to many of the rural counties in eastern North Carolina.

Their document is exemplary because it so clearly lays out the problems and needs in the region and then—and here is the important part—presents specific, thoughtful approaches for alleviating each of those problems.

Although this document discusses eastern North Carolina specifically, its recommendations could be useful to anyone or any organization fighting rural poverty in any State in our Nation. Therefore, I would like to make this document available to all my colleagues. I ask that the presentation of the Eastern North Carolina Poverty Committee be included in the RECORD in its entirety.

There being no objection, the presentation was ordered to be printed in the RECORD, as follows:

FIGHTING RURAL POVERTY

BRIEF HISTORY

The people of Eastern North Carolina are proud of their beautiful region. The rich resources of land and sunshine coupled with caring people known for their hospitality have fostered a sense of pride throughout the forty-one counties of the region. Because of the commitment of citizens to promote the well-being of all in this area, several concerned individuals began meeting in May 1986 to confront the increasing problems and realities of poverty in Eastern North Carolina. As a result of these meetings, the Eastern North Carolina Poverty Committee was born under the leadership of Dr. Maria O'Neil McMahon, Dean of East Carolina University School of Social Work, and Mr. E.C. Modlin, Director of the Cumberland County Department of Social Services. During the summer of 1986, Committee members met with leaders of human services agencies to begin to tackle the many complex issues of poverty in eastern North Carolina. By December of that year many agencies in the region had agreed to work together to study poverty issues at large. Members recognized that the problem of poverty has many faces, causes, and solutions; however, for study purposes, they decided to divide the needs of the poor into the following categories:

Education, Health, Social Services—both Public and Private, Housing, Transportation, and Industry and Employment.

Dynamic, sometimes heated, heart-felt revelations emerged as the group considered provoking questions as they began their research.

Questions, such as:

Who are the poor coming to human service agencies?

What programs and resources do the poor really need?

What programs are available?

What are the main problems in serving the poor?

Where can funding come from?

What is being done to coordinate public and private services? What are the root causes of poverty in Eastern North Carolina?

How can these causes be exposed for remedial action?

What is being done to educate the public about poverty, its causes, consequences and possibilities of prevention?

How can we best participate in this education of ourselves and others?

Not all these questions were answered but they guided and stimulated the group as they divided the tasks of research and authorship into manageable areas of concern. While topics seem to suggest consideration of separate components, the group always remembered the complex interrelated nature of poverty in Eastern North Carolina.

The definition for poverty used by the Committee was an income below $11,650 for a family of four. This definition is taken from the Federal Register, Department of Health and Human Services, "Annual Update of the Poverty Income Guideline," February 12, 1988. The official 1991 income level for a family of four is $12,708. Eastern North Carolina was identified as consisting of 41 Coastal Plain Counties. This area covers 45 percent of the state's land with 32 percent of its population. Although the State of North Carolina is 52 percent rural, Eastern North Carolina is 56 percent rural. Studies show that North Carolina has 11.6 percent of its families categorized as poor, with 43.8 percent of these families living in the Eastern Region.

Increasing populations of poor in the East are found within coastal fishing communities and rural farm communities. Both employers and employees in these areas are falling below the poverty level.

Several factors, such as the decline in tobacco demand and the destruction of the seafood industry caused by environmental disasters like pollution and red tide, contribute to the decrease in income for farmers and fishermen in the East. Rather than reaching out for public assistance or social services, affected families have been experiencing an increase in family breakdown, drug addiction, and suicide.

Even when social services are contacted for assistance, the resources of the services do not meet the multiple needs of the region. No one agency or human service system can be seen as responsible for the cause of, or the solution to, the problem of poverty in the East. Involvement and commitment are needed by individuals and systems throughout the state.

Funding

In April 1988, a grant of $2,000 was awarded by the Catholic Diocese to distribute 500 copies of "Poverty in The East." This report was the accumulation of hundreds of volunteer hours by members of the committee. In 1989, a $2,000 grant from the Episcopal Diocese of East Carolina helped the committee distribute another 1,000 copies of "Poverty in The East." In 1990 the Committee decided to write a proposal to the Z. Smith Reynolds Foundation of Greensboro, North Carolina. The proposal was written to plan for a Center that would act on the Committee's recommendations. In November 1990, a grant for $50,000 was awarded by the Z. Smith Reynolds Foundation to help develop The Eastern North Carolina Center on Poverty. In January 1991 the Planning and Development Office for the Eastern North Carolina Center on Poverty was established under the leadership of Mr. Richard Brockett, Senior Planner of the East Carolina University Regional Development Institute.

AREAS OF CONCERN

Education

Statistical data suggest a direct relationship between poverty and one's educational level. Over seventy-seven percent of the North Carolina households below the poverty level are headed by individuals with less than a high school education. Four out of every ten individuals living below the poverty level have less than an eighth grade education. The statistics seem to correlate with the dropout rate in Eastern North Carolina. Additionally, the female head of household statistics are even higher among poverty-stricken families in Eastern counties than in other counties of the State.

Students from uneducated and deprived families in eastern North Carolina make up almost one-third of the public school population. These children may reach working age without the necessary skills to function as productive members of society and the work force.

In educational terms, poverty not only creates severe and sometimes intolerable conditions for those exposed to it, but also brings about unemployment, dependence on welfare, crime, drug abuse, educational and political conflicts. Education, or the lack of it, is often targeted as a cause of poverty.

Head Start is providing many children with valuable and essential early training; however, this assistance reaches too few, too late. Unfortunately, recent government policies have exacerbated this problem. Free meal programs in schools do serve thousands of deserving students K–12 in Eastern North Carolina. Structural inequalities in the economy and other factors must be improved before poverty can be alleviated in the region, regardless of progress in education.

Recommendations

1. Renew local efforts to create a broader awareness about the realities of poverty in Eastern North Carolina among lay people, in-service and pre-service educators.
2. Provide support for pre-school and child-care centers so that parents or guardians in poverty may work and have appropriate child care provisions supported by the state or federal government.
3. Make provisions for enrichment opportunities in pre-school and child-care centers.
4. Expand parent-guardian education programs that target skills development necessary to provide the proper educational nur-

turing of their children, such as reading to their young children.

5. Develop local initiatives, such as after-school tutorial programs at accessible sites throughout local communities to help needy students with school assignments.

6. Since the ability to read is vital to education, promote existing programs and create new ways to help young people (and their parents/guardians) to develop their reading skills.

7. Apply more rigorously the knowledge that educators have acquired about how to effectively teach economically deprived children.

8. Provide incentive grants or awards for educators and others who conceive and implement successful school achievement programs or strategies for impoverished children.

9. Develop a sequential poverty curriculum with suggested implementation for grades K–12.

Health

A higher degree of ruralism than in most of the regions in the nation (only 14 of the United States Health System Agencies (HSA's) 202 regions have a greater percentage) contributes to Eastern North Carolina's limited access to medical care and optional health services. Ten of the twenty-nine counties comprising HSA VI are classified as 100 percent rural. Also contributing to this "high risk" group are such factors as shortage of health manpower, few social service programs, poor access to medical care due to traveling distance and time.

HSA VI has a lower per capita income than 96 percent of the HSA's in the United States. Persons having a low socio-economic status experience a disproportionate share of illness, especially chronic problems and disabilities. Primary care is neglected creating a higher percentage of income spent on health care. Based on the four major components of socio-economic status (occupational status, income, housing and education), HSA VI has a lower status than either the state or the nation.

The residents of HSA VI are less healthy than the rest of the nation. Of the six North Carolina HSA's, HSA VI has either the highest or the second highest five year mortality rate for each of the six top leading causes of death. Additionally, HSA VI has one of the highest infant mortality rates of any health service area in the nation.

North Carolina HSA VI has the 20th highest percentage of non-whites. The national average is 13.2 percent, North Carolina's is 24 percent and HSA VI is approximately 35 percent non-white. Non-whites are at "high risk" of death from chronic diseases. Low income prevents minorities from purchasing needed health care services.

Available health programs are extremely limited in HSA VI. Twenty of the twenty-nine counties in HSA VI have been designated as all or partially medically underserved. Twenty counties are completely underserved; only 9 counties would be considered adequately served. These conclusions are based on four weighted variables:

number of primary care physicians per capita
percentage of population age 65 and over
infant mortality rate
percentage of population with income below poverty level.

Recommendations

1. Expand Medicaid Coverage: Adjust income eligibility standards for all programs to 100 percent of poverty level and allow for deductibles.

Increase outreach efforts to identify those North Carolinians that, though technically eligible for Medicaid, decline to be enrolled.

2. Expand Employer-Based Coverage:

a. Assist small employers to make health insurance more affordable through the development of multiple-employer trusts (METS). Encourage HMO's and managed care arrangements.

b. Create insured risk pools for medically uninsurable people in North Carolina. This program could be further expanded through state funding.

3. Increase Patient Access to Needed Services:

a. Encourage further development of coordinated regional transportation to health care facilities.

b. Promote public awareness of programs and services available to residents of the area.

c. Develop mobile health screening units and clinics.

d. Develop and coordinate specialized care programs between community-based facilities and regional referral facilities.

e. Guarantee medical care for one year after termination of AFDC clients to help movement into the job market.

4. Increase the application of information technology to the delivery and the coordination of health services.

Public social services

Poverty in our society has reached epidemic proportions especially among our children. The United States is the only developed country where the largest population in poverty is children. One child in four is born into poverty today, and one child in five will grow up in poverty. The means exist within North Carolina to deal with the problems of poverty. In the Eastern 41 counties of North Carolina, the problems are multiplied due to the high unemployment rate, high public assistance caseload, and counties that have insufficient resources to fund more than Social Services and Public Assistance Programs.

One in every five children in North Carolina lives in poverty.

One-third of poor households live in substandard dwellings.

One in five poor households had adequate nutrition.

One in three poverty households reports difficulty in receiving medical treatment.

Seventy-seven percent of poor households are headed by persons with less than a high school education.

Over one-half of poverty households are headed by minorities.

Over fifty percent of poor households are headed by women.

Twenty-five percent of the elderly in North Carolina are poor.

Within public social service departments, Income Maintenance includes programs such as Food Stamps, Medicaid, and Aid to Families with Dependent Children. The Service Division is divided into Adult Services, Family Services, and Child Protection and Placement Services sections and five special program areas including CARE-Family Violence Program, Youth Community Based Alternatives Program, Psychological Services, Personal and Family Counseling Program and Volunteer Services Program. The Office of Social Security Administration provides Supplemental Security Income.

Recommendations

1. Provide work training for all welfare recipients, with an adequate living allowance for families in transition and with case management to help families negotiate the system.

2. Have a coordinated state-wide effort to deal with the issues of economic development and the shift to a service economy, looking especially at the needs of the state's rural areas.

3. Link the public efforts with private efforts to alleviate the problems of poverty and to provide good jobs with adequate wages and benefits, so that such efforts will strengthen both the public and private sectors.

4. Provide services as a key place in the effort to prevent dependency and support the transition to self-sufficiency. Through case management and education, day care and transportation, and by preventing teen pregnancy, long-term gains can be made.

5. Maintain a continued strong emphasis on insisting that parents support their children and recommend specific policy changes to facilitate the enforcement of child support orders.

6. Make all AFDC and SSI clients categorically eligible for food stamps automatically.

7. Have only one, comprehensive application form for all public assistance programs that can be available to other agencies upon informed consent of client.

8. All income and reserve criteria for program eligibility should be uniform and counted the same in all programs.

PRIVATE SOCIAL SERVICE AGENCIES

Private social service agencies include all social service programs other than those functioning under legislative mandates and funded by state or local appropriations. Historically, the private sector has been called upon for funding to meet needs that are not met by public assistance programs. A questionnaire sent to directors of Departments of Social Services, Salvation Army, and Red Cross in eastern North Carolina verified that no accurate data are available to determine the amount of funding involved or the numbers of persons helped through private sector assistance.

Problems

There is an increasing demand for services from private social services with insufficient resources to respond to the demand.

Private social service programs are not comprehensively listed, reviewed, or defined.

There is inadequate incentive for coordination between public and private social service agencies to work together toward the goal of helping people to become self-sufficient.

Some communities do not have privately funded and staffed resources to help meet the needs not met by public programs.

Both public and private agencies are placing only a "band-aid" on the problems of the poor. Public assistance guidelines are somewhat narrow and neither public nor private agencies have adequate funding to provide long-term professional counseling as needed.

Private citizens often have little or no understanding of the needs, programs, or gaps in services within their communities.

Programs

During the 1980s, there has been an explosion of programs funded by churches, social and civic service clubs, businesses and private foundations. Churches in many communities have joined together to pool resources and screen recipients (such as Church Ministries United, established in April, 1982 by resolution of the Greenville Ministerial Association and supported by 28 Greenville Churches). Many private sector programs are staffed by volunteers with few or no paid staff.

Recommendations

1. Public and private agencies should combine efforts to ensure that services are not duplicated and that the client is referred to the most appropriate source for assistance.

2. The primary goal of all human service organizations, coordinated and working together, should be to assist people not only with their immediate emergency needs, but at the same time help them to find ways to become independent and productive as soon as possible.

3. Needy persons should have easy access to a caring, professional social worker who has time and patience enough to listen to them talk about all of their poverty-related problems and who has an incentive to help show them a way out.

4. The community as a whole should be kept well-informed about needs in the community, well-educated about how publicly funded programs work, and challenged and used to help solve the problems of the poor.

5. Persons who need help from community human service organizations should be offered a contract that guarantees that:

A. The applicant would have a thorough introductory interview with a knowledgeable, professional social worker so that both parties to the contract would understand what is expected of each of them;

B. There would be adequate financial support for basic needs until the household is viably independent;

C. At least once every week while the household is receiving support there would be an "encouragement session" with a professional social worker;

D. That every day the household is receiving assistance is a day of working toward independence. Every recipient unit would be expected to spend the working hours every weekday in learning, training, preparing and/or searching for ways to become independent. Such as, learning reading, writing and communication skills, how to budget, the cost of credit, family nutrition, child care and nurturing, sewing, cooking, brick-laying, carpentry, bookkeeping, etc., working their way out of their need for assistance.

All human service organizations should be effectively administered operations with minimum administrative costs, working cooperatively with each other and openly with the community to solve the problems of the poor.

Housing

The 1990 Census of Housing has confirmed the high instance of substandard housing in rural areas, indicating that of the households living in substandard quarters, nearly 60 percent are in rural areas. Another report (Eisen and Rucker, 1977) states that a rural resident is at a 50 percent higher risk of living in housing lacking adequate heating and wiring and more likely to have a leaky roof or holes in the floor. Houses lacking indoor plumbing occur at a 70 percent higher rate in rural areas. With the large percentage of families and individuals in the eastern region living in rural areas, there is a problem with poor or inadequate housing in this region. In urban areas, too, low income persons are at a disadvantage, both in availability and affordability of housing.

Migrant housing, too, in the Eastern part of the state has been notoriously lacking in adequacy. The North Carolina Public Health Association in their August, 1986, Newsletter, stated that local and state agents were named as defendants in a lawsuit regarding two migrant camps in the Eastern part of the state. The suit alleged that a local sanitarian issued an operating permit to a camp without ensuring their requirements had been met. There is evidence that inspection procedures and compliance with regulations may not be uniformly adhered to.

Problems

1. Affordable, livable housing is not readily available to low-income families, rural and urban, in Eastern North Carolina.

2. Those low-income families who have housing are often not able physically or financially to do maintenance, upkeep and to assure safety in their environment. It is estimated that 15-20 percent of rural homes have no indoor plumbing and potable water must be hauled from a well or a neighboring home. Also there are no indoor bathrooms for those families.

Programs

The Housing Authorities of each county, in their Section 8 and other programs, assist in providing some low-income housing. Their criterion is based solely on income, except for single person households in which a member is elderly or disabled. Throughout eastern North Carolina, waiting time for low-income housing ranges from 1 to 5 years. All counties have waiting lists.

Besides locating housing, these programs may counsel participants in budgetary and housekeeping techniques.

The Health Departments become involved in the housing issue only on an as-needed basis, to determine environmental hazards. This department acts as it becomes aware of a housing or environmental issue and no ongoing inspection procedure is in place. Migrant camp inspection and operating permission, however, is an area routinely assigned to the Public Health officials.

Recommendations

1. A campaign to determine specific needs for rural non-visible residents who may be living in sub-standard housing should be mounted. Evidence suggests the existence of this problem, but statistics for this area are needed for action. Identification and assessment of specific housing problems or conditions are needed.

2. Establish a system with local, state, and federal housing organizations to obtain and share information and to coordinate efforts to respond to housing needs.

3. Advocate that city and county governments pursue Community Development Block Grant Funds, block grants and other federal and state programs that could provide assistance with housing.

4. Activate church and local leaders to identify housing conditions needing improvement. Often they are the only sources of information in very rural areas.

5. Advocate for the long-range goal of a national housing commission, whose goal would be safe and decent housing standards, with appropriate funding and legislation. A state agency should likewise be formed, which would keep abreast of regional housing problems and coordinate efforts for improvement.

6. Housing rehabilitation efforts should be encouraged in rural areas, with instruction and leadership offered by public or private agencies and/or volunteer organizations.

TRANSPORTATION

The problem with the lack of transportation is caused by:

A. The rural nature of many eastern North Carolina areas, making mass transportation systems less readily available.

B. The lack of adequate resources for the poor to afford the purchase of an automobile or to be able to pay for rides.

C. Public mass transportation only being available in the few major city areas of the East.

Programs

Transportation is available through Title XIX Medicaid for medically-related needs.

Public transportation is available in some areas for a small charge.

A few areas offer transportation for the indigent as part of a contracted purchase service.

Recommendations

The poor in eastern North Carolina need access to educational opportunities and employment in order to move out of poverty. Families not only need access to additional education and employment but also access to adequate day care. A county-wide transportation system is imperative if the poor are to be able to gain access to greater opportunities.

Employment

Low-skill jobs, which once proliferated in the South, are quickly disappearing. Industries today require more training skills and technical expertise than previous factory-type jobs. Those industries which produce essentially the same products as they have for years now require fewer workers due to greater mechanization. Foreign imports also create competition, frequently causing losses to American manufacturers. Industries which previously employed Southern labor because it was cheaper can now go overseas to fill this requirement.

According to "County Lines," a publication of the North Carolina Association of County Commissioners, industries may be disappointed when they locate to North Carolina, due to the generally low level of skills of employees. As previously noted in this report under education, the drop-out rate in eastern North Carolina adds to the dearth of qualified personnel in this region.

Most industries in Pitt County, such as Proctor and Gamble, Burroughs-Welcome, Yale, and TRW require experienced people to work for them. "County Lines" quoted James McLawhorn, economic development director for Greene County, who spoke of barriers to development in rural counties and the lack of skill and access to transportation as the primary barriers.

Farm industries such as tobacco farming have become more mechanized, and that factor, along with reduced government subsides, has eliminated many seasonal jobs for rural and migrant workers.

Since poverty statistics show that over one-half of poverty households are also one-parent households, headed by women, a major barrier to successful employment is a lack of appropriate child care. Recent cutbacks by the Department of Social Services Day Care Service have added to this crisis, as many children formerly receiving day care service during a parent's training and education, as well as during their parent's job search, are no longer eligible. The expense of day care, as well as its limited availability for varying hours such as night shifts, are problems for working parents or those seeking work.

Unemployment rates in the 41 counties of the eastern region of North Carolina in 1981 averaged 6 percent, compared to 4.5 percent in North Carolina as a whole, and 7 percent nationwide (N.C. Employment Security Commission and U.S. Bureau of Labor Statistics.)

Problems

Adequate, available and affordable child care is needed for low-income families to enable breadwinners to enter and remain in the work force.

Additional training and education are needed by the unskilled work force to enable them to compete for industry and other skilled positions.

Adequate incentives and benefits are needed to supplement the jobs filled by unskilled workers.

Programs

Human Resources Development Curriculum is taught in many community colleges throughout the eastern region. It is a 240-hour program designed to motivate and teach basic skills to unemployed adults, who are then assigned in a job procurement or placed in a skills training program.

The Job Training Partnership Act is a program by which employees can continue their education subsidized by their employers, thus benefiting both.

Adult Basic Education Training is available at community colleges. It enables those who are dropouts to obtain their high school diploma or GED.

Basic Education Opportunity Grant is a federal grant that can be applied for through a school by the participant. It does not have to be repaid.

WIN/CWEP are programs founded as a requirement for able-bodied parents of children over 6 years old who receive Aid to Families with Dependent Children payments. It is a program where training and community work experience is given to recipients. This work experience familiarizes them with job search requirements and procedures and the systems in which they may be able to obtain employment. The recipients are placed on a volunteer basis with public and non-profit organizations, thereby becoming more experienced and visible to potential employers.

Recommendations

1. Industries should be encouraged with financial incentives from private sources or governmental agencies to offer more benefits and training to unskilled laborers.
2. Child care provisions should be looked at by industry as an area of concern, and the feasibility of formulating internal child care facilities considered. Successful models of child care within industry are available.
3. Existing training programs should be made available, publicized, emphasized, and subsidized by communities which most need skilled workers. The success of the program is dependent on the participation of potential employers and the Employment Security Commission.
4. Locally developed groups of employers and agencies should look at small-scale operations which would hire and train low-income persons to produce a product, such as crafts, or services, such as repair work. Often reliance on large-scale industry is not appropriate to a particular area.
5. Transportation needs to be recognized as a primary barrier to employment in rural communications.

FRANK LYNN

Mr. MOYNIHAN. Mr. President, readers of last Sunday's New York Times, having searched out and located Frank Lynn's indispensable weekly collection of political notes, will have been stunned to read a closing half-inch item simply headed "Goodbye." Thirty as they used to say in the days of hot lead and copy boys.

He was among the great political writers of his time. None knew this better than his peers; nor yet those political wretches such as I who occasionally felt his wrath, but always knew he was telling us things we needed to hear.

Frank Lynn was born in Brooklyn on May 19, 1929. In 1951, having graduated from Fordham College, he took a job as a general assignment reporter at the Brooklyn Eagle. In 1956 he joined the World Telegram and moved to Newsday in 1965, working there until 1970, when he went to the Times.

Beginning in 1956, Frank covered every national and New York State convention of both political parties; he won a Byline Award from the New York Reporters Association in 1962, and in 1970 received an American Political Science Association Award.

Frank and his wife, Marilyn, a public school librarian, have five children, three of whom are journalists. I know I speak for all those who value the written word when I wish Frank Lynn as he wrote in his off "A long retirement."

TRIBUTE TO SIR JOHN PLUMB

Mr. MOYNIHAN. Mr. President, on the first floor of the Senate side of the Capitol, just off the anteroom of the Foreign Relations Committee hearing room, there is a particularly fine bust of the great British historian and statesman, James Bryce. The inscription reads:

> James, Viscount Bryce, Friend and Ambassador to the American People and Interpreter of Their Institutions, Born 1838—Died 1922.

Viscount Bryce was, of course, the author of "The American Commonwealth," first published in 1888. He was not the first British commentator on American society, and happily not the last. In our time we have had the equal fortune to have the writings of Sir John Plumb. A Cambridge don and Master of Christ's, he has brought to his work that special genius of the place, as Capability Brown would say, the darting insight, the seeming insignificant detail that tells all. A very different mode from that of the Regius Professor of Civil Law at Oxford. More, he not only visited America; he lived here. He has entered our lives, and surely our hearts. And most of all our minds; a habit he acquired in British intelligence in the Second World War.

The University of Georgia recently published "The American Experience: The Collected Essays of J.H. Plumb." It is an inspired work, at times unsettling, but invariably, well, teaching. For that has been his life—teaching—and we have learned from him as from no other Briton of his age.

Mr. President, while it is not our custom, I would even so ask unanimous consent that a flag be flown over the U.S. Capitol in honor of Sir John Plumb and that the same be presented to him.

LUXURY TAX ON BOATS

Mr. LAUTENBERG. Mr. President, I rise to announce my decision to cosponsor legislation, S. 649, to repeal the luxury tax on boats. The evidence is clear—verified by independent economic analyses—that this is a tax that loses revenue and hurts an industry and its workers.

Mr. President, the boat industry in my State of New Jersey is hurting, and hurting badly. According to one estimate, over 3,250 New Jersey workers in the industry will be laid off this year. Yet the impact on the State's economy as a whole will be much greater, as related businesses are affected by the boating industry's problems. A New Jersey Department of Commerce and Economic Development study concluded that, based on the estimate of 3,250 job losses in the industry, the State stands to lose a total of 6,250 jobs and about $140 million in income in 1991.

Of course, Mr. President, these numbers fail to convey the real personal pain experienced by the men and women in the industry, and their families. I've met personally with these workers, and I must tell you the experience was deeply moving. These are proud, hard working, decent people. Most are far from rich. And, as jobs continue to slip away, they feel an increasing sense of desperation.

Compounding matters, Mr. President, many of those thrown out of work have few places to turn. At least in my State, much of the boat-building industry is located in fairly small towns. There are no jobs to replace the boat-building jobs. So not only are workers losing their jobs and their incomes, some tragically may be forced to leave their homes and their home towns.

Mr. President, the luxury tax on boats was intended to make our Tax Code more fair. That's a goal I believe in. As I see it, the middle class is already being burdened with an unfair portion of the tax burden. That needs to change.

Yet, ironically, as independent analysis has established, the tax is actually striking hardest at ordinary, working Americans.

The people losing their jobs because of this tax are not fat cats. They are small business owners, electricians, carpenters, painters, and other manual and clerical workers. Most live modestly, and work hard for their money.

Meanwhile, most real fat cats are escaping the tax altogether. Many are buying their boats overseas. Others are buying used boats, on which no luxury taxes are imposed. Either way, the Government gains nothing, while the American boat-building industry, and the people who work in that industry, lose out.

Mr. President, my opposition to this tax is not based on speculation, nor on unsubstantiated claims or questionable reports sponsored by an affected industry. It's based on hard, objective analysis by reputable independent experts.

Most importantly, I would point to a study I noted earlier that was performed by the New Jersey Department of Commerce and Economic Development. The report produced by this State government agency provides independent documentation of the severity of the problem in New Jersey. Its findings are striking, and very disturbing.

I also would note a report that was prepared for members of the Joint Economic Committee. According to that report, the luxury tax on boats will result in the elimination of at least 7,600 boat manufacturing and retail jobs in 1991. The report also concluded that the combined cost of the revenue lost and the increased outlays from this job loss is $18.2 million, substantially higher than the $3 million revenue increase projected by the Joint Committee on Taxation.

In sum, Mr. President, I have become firmly convinced that Congress must act to repeal this tax, and quickly. It's hurting workers in my State. It's costing ordinary, middle-class taxpayers money because of increased Government outlays for the unemployed. And it's increasing the deficit by reducing payroll and income tax revenues.

Mr. President, it's a tax that does not make sense.

I intend to work with Senator BREAUX, the bill's chief sponsor, to seek prompt enactment of S. 649, and I urge my colleagues to join in that effort.

LAND REMOTE SENSING DATA ARCHIVING AUTHORIZATION ACT OF 1991

Mr. PRESSLER. Mr. President, last night the Senate passed legislation I introduced that will transfer the responsibility for archiving the land remote sensing data, acquired by the Landsat satellites, from the Department of Commerce to the Department of the Interior.

I have worked closely with the administration to develop this legislation. The Secretaries of Commerce and the Interior and the Office of Management and Budget have expressed strong support for this transfer. This legislation will codify an agreement already worked out by all the agencies involved.

The Land Remote-Sensing Commercialization Act of 1984 gave the responsibility for archiving to the Secretary of Commerce. At the time, that made sense. The Landsat Program fell under the jurisdiction of the National Oceanic and Atmospheric Administration [NOAA]. The archiving and processing of the Landsat data is handled at the Earth Resources Observation Systems [EROS] Data Center near Sioux Falls, SD. The EROS Data Center [EDC] is a U.S. Geological Survey [USGS] facility, but since NOAA was processing the Landsat data, it also made sense for NOAA to handle the archiving of that data.

But the 1984 Commercialization Act also began the process of getting NOAA out of the Landsat processing business. Once Landsats 4 and 4 discontinue operations, NOAA will be doing no processing of incoming data at EDC. Without a transfer of authority, NOAA would still be responsible for archiving the old data. It seems to make more sense to everyone involved that this is the proper time to give that responsibility to the Department of the Interior, which operates the facility and is also one of the biggest users of the accumulated data.

Mr. President, the EROS Data Center is the primary national archive for data derived from land remote-sensing technologies. It has continuously archived Landsat data since 1972. This collection of data is our Nation's most important source of baseline environmental data for the study of long-term global change. The USGS is the proper agency to archive this data.

In 1986 the Department of Commerce and the Geological Survey signed a memorandum of agreement to transfer the authority of archiving Landsat data. Passage of this legislation will be the final step in bringing about this move. I urge the House to give my legislation swift consideration.

I ask unanimous consent that a letter signed by the Secretaries of Commerce and Interior in support of this legislation be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, June 9, 1989.

Hon. J. DANFORTH QUAYLE,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is enclosed a draft bill, "To amend the Land Remote-Sensing Commercialization Act of 1984 in order to transfer responsibility for archiving land remote-sensing data to the Department of the Interior, and for other purposes." This draft bill is being submitted jointly by the Department of the Interior and the Department of Commerce.

We recommend that the draft bill be introduced, referred to the appropriate committee for consideration, and enacted.

This draft bill would transfer the authority found in section 602 of Public Law 98-365, the "Land Remote-Sensing Commercialization Act of 1984" (15 U.S.C. 4201 *et al.*, hereinafter referred to as the Act) over the archiving of data obtained through "land remote-sensing technologies" from the Secretary of Commerce to the Secretary of the Interior.

The Act provides a framework for a phased, orderly commercialization of "land remote-sensing technologies." This commercialization framework includes provisions for Federal Government regulation of remote-sensing activities by private individuals, continued Federal research and development in remote sensing, and Federal Government archiving of land remote-sensing data.

Section 602 of the Act directs the Secretary of Commerce to provide for the archiving of data derived from land remote-sensing technologies for historical, scientific, and technical purposes, including long-term global environmental monitoring. The Secretary of Commerce currently provides for the archiving of this data at the Department of the Interior's Earth Resources Observation Systems (EROS) Data Center through a Memorandum of Understanding between the two agencies. This arrangement is consistent with the provisions of section 602(g) of the Act, which requires the use of existing Federal Government facilities to the maximum extent practicable in carrying out this archiving responsibility.

We recommend that the archiving authority currently held by the Secretary of Commerce be transferred to the Secretary of the Interior for the following reasons. First, as noted above, this data is already archived at the Department of the Interior's EROS Data Center. Thus, the transfer of authority would provide for administrative simplicity in the handling of the data. In addition, little or no expense would be required to effectuate the transfer of authority.

Second, the Department of the Interior currently maintains archives of aerial photography, digital cartographic data, and other earth science data at the EROS Data Center that also are important for monitoring and assessing land resources and long-term global environmental monitoring. It would be logical from an administrative and a technological standpoint to maintain satellite land remote-sensing data within the Department.

Third, enactment of this legislation would ensure that the land remote-sensing data would continue to be maintained at the EROS data center, and thus facilitate the use of archived data for research purposes for years to come.

In conclusion, this legislation would provide for administrative simplicity in the operation of the archive, would provide for a clearinghouse for data used to monitor and assess land resources and long-term global environmental monitoring, and would ensure that this data would be maintained at the EROS Data Center for research purposes for years to come.

The Office of Management and Budget has advised that there is no objection to the presentation of this legislative proposal from the standpoint of the Administration's program.

Sincerely,

WENDELL L. WILLKIE II,
Acting Secretary of Commerce.
MANUEL LUJAN, JR.,
Secretary.

TRIBUTE TO GEN. CARL E. VUONO

Mr. NUNN. Mr. President, as we conclude debate on the fiscal year 1992 defense authorization bill, I want to offer a tribute to an individual who was instrumental in building the Army we are all so proud of today and who was instrumental in setting the future directions for the Army.

Mr. President, at the end of June, Gen. Carl E. Vuono retired from active duty as the 31st Army Chief of Staff after serving his country with distinction for 34 years.

I worked closely with General Vuono during his tenure as Army Chief of Staff and as a member of the Joint Chiefs of Staff. He is a man of uncompromising integrity and professionalism, well schooled in the disciplines of strategy and warfighting and deeply committed to his soldiers and to this Nation. As Chief of Staff of the Army, he continued the revitalization of the Army and provided a vision and roadmap for ensuring the Army of the future can meet the changing threats and carry out the revised military strategy.

A native of Pennsylvania, General Vuono was commissioned a second lieutenant of field artillery on his graduation from West Point in 1957. Throughout his career, he has served in a variety of command positions in peacetime and in war, including command of the 8th Infantry Division in the early 1980's and two tours in the Republic of Vietnam. Yet, it is from the positions that he held throughout the decade of the eighties that he came to shape the Army as we know it today—an Army trained and ready to perform those missions deemed in our national interest.

In 1982, General Vuono assumed command of the Army's Combined Arms Center at Fort Leavenworth, KS. It was here that he worked intensively on the development of Airland Battle Doctrine, which is the intellectual basis for the Army and was a key element in the overwhelming victory of U.S. forces during Operation Desert Shield. He subsequently served as the Army's Deputy Chief of Staff for Operations and Plans, and as the Commander of the Army's Training and Doctrine Command. In these positions, he gave the highest priority to the training and leader development programs that were so instrumental in the professionalism with which our soldiers conducted their highly successful operations in the jungles of Panama as well as the deserts of Saudi Arabia and Iraq.

President Bush, in a letter to General Vuono on his retirement, expressed the views of the Nation with these words:

> In the midst of an era of great challenge and change, you have forged an Army that is the finest in our long history—the Army of Just Cause and of Desert Storm, which now stands a dauntless symbol of our nation's determination to defend the cause of liberty. You have my gratitude, and that of all Americans, for your vision, your dedication, and your leadership in shaping the Army of today and tomorrow.

So as we do our part today to build a stronger Defense Establishment when we approve this authorization bill, we also take this opportunity to say thank you to Gen. Carl Vuono and to his wife, Pat, and their family. He can take considerable pride in knowing that he delivered to his successor a superb Army. I know the Senate joins me in thanking General Vuono and wishing him and his family every success and happiness in the years ahead.

NATIONAL ENERGY SECURITY ACT OF 1991

Mr. WALLOP. Mr. President, today is the anniversary of the Persian Gulf crisis and awaiting Senate consideration is the most comprehensive energy legislation every presented to the Senate. The Energy and Natural Resources Committee approved S. 1220, the National Energy Security Act of 1991, in May with strong bipartisan support. The bill addresses the need for domestic energy supplies, consistent with protecting the environment and strengthening our economy. The measure contains a portfolio of energy and economic initiatives that reflect a balance between energy efficiency and energy production initiatives and between conventional and alternative energy resources. Importantly, it provides a framework for Senate debate on our country's energy posture as we enter the 21st century.

I doubt if there is one member of this body that has not criticized the failure of Congress to formulate a national energy policy, or lamented the economic, trade and human consequences of our country's critical dependence on imported oil from the politically unstable Persian Gulf.

During Senate consideration of the Persian Gulf resolution statements were made lamenting the human consequences of the lack of a national energy strategy. Quoting one member, "Not a single American soldier should lose his life in the Persian Gulf because America has no energy policy worthy of the name to reduce our dependence on foreign oil."

Other members commented on the failure of Congress to formulate an energy policy and challenged the Congress, and I quote, "I challenge the Congress to lead this Nation to the formation of a comprehensive national energy policy with the goal of eliminating our dependency on foreign oil, thereby assuring that this type of crisis will not ever again happen."

Over the years, at one time or another, each of us has characterized the formulation of a long-term, comprehensive, and consensus-based national energy strategy as one of the most important tasks facing the Congress. Since the committee reported S. 1220 more than 18 Senators addressed the Senate on the need to begin debate on the elements of a national energy policy; yet, S. 1220 still languishes on the Senate Calendar after 2 months.

Mr. President, our country is fortunate to have every energy resource—coal, uranium, oil, gas, and the renewables. We cannot always produce these resources because of political decisions. As a result of these decisions, and often indecision, more than one-half of our trade deficit is caused by imports of foreign energy supplies.

The debate over national energy policy has racked this body for more than 40 years—long before many of us entered public service. Yet we are still at it. In 1950, this body authorized the Committee on Interior and Insular Affairs, the predecessor to the Committee on Energy and Natural Resources, to investigate available fuel reserves and formulate a broad "national fuel policy to meet the needs of the United States in times of peace and war."

When the study was authorized, as a people we enjoyed a peacetime economy, but by the time the committee's effort was completed a year later, in January 1951, as a nation we were confronted with a wartime economy. In his letter transmitting the results of the study to his fellow member, Senator Joseph O'Mahoney, chairman of the committee, who also was from the State of Wyoming, emphasized the need to find the "ways and means of showing all the peoples of the world how natural resources can be utilized to relieve men everywhere from the misery and the want which, after all, have been the principal causes of war throughout history."

The Interior and Insular Affairs Committee's 1951 report, Senate Document 82–8, supported, and I quote, "the formulation of policies designed to increase the availability of reliable energy resources by drawing more heavily on those which are inexhaustible, such as water, wind, and the Sun"; what are now called renewable resources. Continuing with the quote, "by improving the methods of producing exhaustible resources; and by encouraging the more efficient consumption of energy." All these objectives are still being sought even today, 40 years later. The study then went on to cite the universal objective that all of this must be done to the, and I quote, "end that the American people may have the assurance that their energy resources will not be dealt with so improvidently as to limit the ever higher and higher level of living possible with our national genius and our wealth of resources," end quote. But that did not easily come about.

The committee was to return to the need for a national energy policy, again in 1961 and 1962, and again from 1971 through 1976, when the Senate commissioned further investigations into our Nation's energy posture and the need for a national energy strategy. Then, as now, attempts to formulate a national energy policy are plagued by a dearth of information on domestic energy production and consumption.

In 1962, the Senate's National Fuels and Energy Study Group observed when submitting its report to the then committee chairman, Senator Clinton

P. Anderson, and I quote, "we found ourselves continuously dismayed to learn how little positive information exists, how much is impression and folklore, in subject area after subject area, in industry after industry. Belief in this folklore is deep and it is held with passionate, though honest, tenacity. Too often, to our minds, have we been forced to write: 'No one knows * * *'". But once again, we continued to muddle forward through the 1960's into the 1970's without a comprehensive energy policy.

Early in the 1970's we saw the establishment of the Federal Energy Office and the Energy Research and Development Administration. In response to the 1973 Arab oil embargo, the Congress—with the support of the Nixon and Ford administrations—enacted a spate of energy measures in response to oil shortages. As a nation we launched Project Independence and established the Department of Energy. The Congress enacted numerous statutes formulated to distribute the pain associated with shortages and to protect special interest unwilling to bear their fair share of shortages. Little attention was given to the longer term consequences of energy import trends.

This legislative marathon received a transfusion in 1979 during the Carter administration, which spurred another round of fragmented legislation which ignored the fact that energy supplies and prices were being managed by an international cartel—OPEC.

With the Reagan administration there followed a period of uncertainty as many of the misguided initiatives of the 1970's were repealed. What few Federal energy policies remained emphasized long-term research and development; however, even these initiatives were severely constrained by budgetary concerns.

Only because of the recent Persian Gulf crisis has the Congress turned its attention to the need for a national energy policy. The National Energy Security Act of 1991 responds to this need. The measure advances our national energy security interests. The bill also will create American jobs, help our balance of payments, and lessen our dependence on foreign energy markets and international cartels. The American people deserve nothing less from their elected leaders.

What is significant is that this is the first major energy initiative by the Senate and indeed the Congress, in over 10 years. Importantly, the measure represents a truly bipartisan effort that is supported by the White House.

The National Energy Security Act contains major energy conservation initiatives which preliminary analyses estimate will reduce primary energy demand in the year 2000 by approximately 517,000 to 800,000 barrels of oil a day. By the year 2010, estimated savings in primary energy demand will be from 3.3 to 3.9 million barrels a day. Extensive research and development initiatives will further decrease primary energy demand and projected oil consumption.

The measure also contains major production initiatives which preliminary analyses estimate will increase domestic primary energy supplies in the year 2000 from 1.7 to 2.0 million barrels a day and in the year 2010 by 2.1 million barrels of oil a day. These initiatives include enhanced oil and gas production from already producing domestic reserves and greater use of the hydroelectric potential at existing Federal dams.

As a consequence of these energy efficiency and production initiatives, oil imports are expected to be reduced in the year 2000 by an estimated 2.9 million barrels a day and in the year 2010 by over 6 million barrels a day. These saving are achieved by major energy conservation and energy supply initiatives in six complementary areas; and I emphasize, complementary areas.

First, the measure provides incentives which foster a more efficient and expanded use of domestic supplies of natural gas, oil, and coal—all of which we have in abundance. This bill will encourage the use of domestic energy resources consistent with national environmental concerns.

Second, this measure encourages the greater use of renewable energy and energy efficiency alternatives throughout our economy. In the transportation sector, for example, the measure contains a broad range of energy efficiency and alternative fuels initiatives including the commercialization of electric and electric hybrid vehicles and the conversion of fleets of 20 or more vehicles to alternative fuels.

It also contains a fair and workable CAFE provision which reflects concern for American jobs and the health of our domestic automobile industry. The economic viability of the American economy rises and falls with the economic viability of the American automobile industry.

The CAFE provisions in the National Energy Security Act provide the necessary flexibility for meeting energy efficiency standards which, on a continuing basis, reflect the state of the art as new technologies evolve. This approach accommodates new information as it becomes available, such as that being developed by the National Academy of Sciences for the Department of Transportation. In addition, the measure provides a mechanism to address the critical concern of the American consumer—highway safety.

Third, in response to increasingly tough international competition, the measure contains initiatives to more effectively deliver advanced energy technologies developed in the United States to the marketplace as a source for businesses and jobs. These technologies can serve as a critical component in the growth of the U.S. economy.

Fourth, in support of this objective, the measure restructures many Federal energy research and development programs to place greater emphasis on commercialization of energy technologies. For example, the measure authorizes a broad range of cooperative agreements and joint ventures in such areas as energy efficiency, renewable energy, electric and electric-hybrid vehicles, advanced nuclear reactor technologies, and the use of natural gas.

Fifth, the bill promotes safe nuclear power as an energy option. Nuclear power must be a viable energy option or else the economic and foreign policy implications of our dependence on imported oil will remain a threat to our Nation's economic health and energy security.

And, finally, and perhaps the most significant area, the National Energy Security Act removes regulatory barriers that unreasonably restrict the use of domestic energy supplies and constrain the deployment of new, more environmentally benign energy technologies.

Mr. President, at this precise moment on the anniversary of war in the Persian Gulf, we should be in a period of unusually clear weather and clear thinking. The American people, and indeed the world, are ready for such a reexamination of our joint dependence on the Persian Gulf for those energy supplies that are critical to all of our economic futures. Unfortunately, however, some of my colleagues are operating in a fog.

S. 1220, the National Energy Security Act of 1991, is a balanced bill that provides a long-term, comprehensive, and consensus-based energy policy for the United States. By reporting S. 1220, the National Energy Security Act, the committee demonstrated that it is possible for representatives of this body to address complicated issues such as national energy policies.

Because S. 1220 is a comprehensive and balanced bill, it has received strong bipartisan support as the framework for Senate debate on our Nation's energy strategy. Earlier this week, the 23 members of the Western Governors' Association unanimously approved S. 1220 as "a sound legislative to begin the development of a comprehensive and balanced national energy strategy."

Last week, President Bush observed that:

> * * * on balance (S. 1220) defines a very positive role in energy for the Federal Government. It enhances efficiency, energy efficiency, in areas like building efficiency standards, Federal energy management efforts, energy conservation investments by utilities, and the development of new transportation technologies and alternative fuels.
>
> On the supply side, it ensures access to energy we need to sustain continued growth,

growth that is environmentally sound.* * * And in the bill before the Senate, we've encouraged the use of a whole range of environmentally sound fuels like ethanol, methanol, electricity, propane, and certainly, encouraging the use of more clean burning natural gas.

The President also observed that "we need Congress to act wisely, and I think, act soon * * * on this important domestic policy initiative."

The importance of a comprehensive national energy strategy to the Nation's economy and national security is fully recognized by industry and consumers alike. Some 88 associations have joined on the National Energy Coalition's later urging the Senate to promptly begin consideration of comprehensive energy legislation and endorsing S. 1220 as the vehicle for such consideration.

Mr. President, I ask unanimous consent that the President's remarks, the Western Governors' Association resolution and the National Energy Coalition letter that I mentioned be printed in the RECORD following my remarks.

What now remains, Mr. President, is for the full Senate to bring up S. 1220 and deal with this critical issue.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY THE PRESIDENT ON NATIONAL ENERGY STRATEGY

JULY 24, 1991.

The PRESIDENT: Please be seated. Thank you all very much. Well, may I just thank everybody for coming, and first of all greet our Secretaries: Jim Watkins, who is doing an absolutely superb job on the energy front, and I'm delighted that he's here. And I think after I do my number here, why, he will get into a lot more of the substance. But I want to salute also Manuel Lujan and Bill Reilly, key players in our drive to do a better job on the energy front.

And, of course, we have in front row, in case those of you in the back haven't seen them, Senator Wallop and Senator Bennett Johnston and Phil Sharp. And Mike Deland is over here. I'm getting trouble because I'm going to—I thought Martin Allday was supposed to be here from FERC. There he is right there in the second row—Midland, Texas man. (Laughter.) Thank you again.

Five months ago—and many of you, maybe not all, but put it this way, most were probably here that day—we announced our comprehensive and balanced strategy for an energy future that is secure, efficient and environmentally sound. And our National Energy Strategy is designed to meet needs this nation can't afford to compromise: continued economic growth, increased energy efficiency, strong environmental protection and then-a reduced dependence on foreign oil.

This strategy relies on the magic of the marketplace, the resourcefulness of the American people and the responsible leadership of industry and government. As we enter the next American century, this balanced approach will propel a larger and larger American economy in a more and more energy-efficient way.

And some have pushed for radical measures in order to reduce the oil imports and reduce our dependency; measures that, in my view, would hurt American industries and jobs and consumers. So we've got to act with care, but it is our firm belief that we've got to act comprehensively.

And our Energy Strategy strikes a balance. We believe it is a sound and reasonable middle ground that will achieve greater energy security without endangering the environment or stopping the economy in its tracks.

We start by using energy more efficiently. And we've got to accelerate our research efforts, to keep America on the cutting edge of new energy technologies like alternative fuels, electric cars, high-speed rail, solar and geothermal, safer and more secure nuclear technology.

Today, we want to build an energy future that opens the door to new and diverse energy sources, because our energy future should never be at the mercy of foreign exporters.

As Jim Watkins will tell you, most of the initiatives contained in this strategy can be implemented under existing authority. And the administration has already made, I think, a great deal of progress. We've set in motion a substantial part of the strategy already, in other words, without waiting for needed legislation—legislation that's needed in other areas.

On the legislative front, we've made a substantial headway since we released the strategy last February. And I just can't tell you how much I appreciate the leadership of the members of Congress that are here. We're talking principally about the Senate bill here, but Senator Johnston and Senator Wallop, the Senate Energy Committee passed a comprehensive and a balanced energy bill, one which embodies the key elements of our strategy. And for them it hasn't been easy. They've had to compensate and consider a lot of interests up there, but they've done a superb job. And I urge the full Senate to act swiftly on this bill which should win support from conservationists and industry alike.

There's been a lot said about the Johnston-Wallop bill, some of it, frankly, not very accurate. Let me tell you what it actually does. On balance, it defines a very positive role in energy for the federal government. It enhances efficiency, energy efficiency, in areas like building efficiency standards, federal energy management efforts, energy conservation investments by utilities, and the development of new transportation technologies and alternative fuels.

On the supply side, it ensures access to the energy we need to sustain continued growth, growth that is environmentally sound. And we've made a lot of progress on cleaner-burning gasoline over the last few years—private industry doing a superb job with its own research in this area. And in the bill before the Senate we've encouraged the use of a whole range of environmentally-sound fuels like ethanol, methanol, electricity, propane, and certainly, encouraging the use of more clean burning natural gas.

We anticipate that the Johnston-Wallop bill will reach the Senate floor hopefully right after the August recess. I would defer to the experts, but that's what we're hoping for. It won't get there—they've a pretty full calendar before the August recess. The House began mark-up on the bill last week, and we're hoping for the same comprehensive approach there that was achieved in the Senate.

We need Congress to act wisely and, I think, act soon—and I know these members agree with that—on this important domestic policy initiative. And we need action on all fronts: to remain world leaders in technology; to protect the environment; to make the most or our domestic resources; and to encourage energy efficiency through incentives for industrial, commercial and private consumers.

Unfortunately, some critics don't seem to see the big picture. They focus on one or two issues that admittedly are controversial. And if I think they're controversial, talk to the senators and congressmen about it, because they get hammered on all sides on these issues. ANWR clearly is one of them.

And let me give you a little history. In 1980, Congress specifically avoided designating part of the coastal plain in Alaska—the ANWR, the Arctic National Wildlife Refuge—as wilderness. And instead, Congress asked the Interior Department to determine whether the resources of ANWR could be developed without harming the environment.

Well, since then, Interior has conducted or examined more than 170 studies. And time after time, these studies have shown that under strict environmental oversight, ANWR's coastal plain and its resources could, indeed, be developed safely. The wildlife will be protected. John Turner, the Director of Fish and Wildlife, is here today, and he's conducted rigorous studies. The way of life will be protected. And finally, the state of Alaska fully supports ANWR's development.

So I urge the Congress to take a look at these facts, more than 170 studies and the considered opinion of Alaska's own government, and not to be distracted by the critics, many of whom come from the extreme side. There are some that aren't, that just reasonably have doubt, but we cannot let our policy be shaped in this manner. And so please encourage people to take a look at the record.

Of course, all of you are here today because you can make a difference in the energy future of this country. And some people act as if Washington can snap its fingers and impose an energy strategy on the rest of the country. We know that just won't work.

The best part of our strategy is that it does draws upon our greatest resource—I'd call it a national resource—and that is the ingenuity of our own people. With their resourcefulness, we can ensure that America in the next century will be energy efficient, environmentally sound and economically strong.

And so I really wanted to come over here today, first of all to say thank you, to salute those members of Congress who are out front and laying it on the line—it's not without a political downside to any of them—to stand up courageously for the kind of program that we've talked about here.

And as Bennett, Malcolm and Congressman Sharp will tell you, sure there are differences from time to time, but we're all on the same general track here. And I think it's the right one for our country.

So I want to thank you for your support. And I hope, and I'm right confident looking around this room, that we can count on your continuing support. So thank you all very much for your interest, taking the time from these fantastically busy schedules that everybody around this room has. And we're with you. I'm strongly in support of this program that our able Secretary, Jim Watkins will outline in more detail. And once again, thanks for coming. (Applause.)

WESTERN GOVERNORS' ASSOCIATION, BOARD OF DIRECTORS, AS OF MARCH 1991

Walter Hickel (Indep.), Governor of Alaska, Pouch AN, State Capitol, Juneau, AK 99811, (907) 465–3500.

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Fife Symington (Republican), Governor of Arizona, State Capitol, Phoenix, AZ 85007, (602) 542-1305.

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George Sinner (Democrat), Governor of North Dakota, State Capitol, Bismarck, ND 58505, (701) 224-2200.

Lorenzo I. Guerrero (Rep.), Governor of N. Mariana Islands, Saipan, C.M. 96950, 0-11-670-234-6407.

Barbara Roberts (Democrat), Governor of Oregon, State Capitol, Salem, OR 97310, (503) 378-3100.

George Mickelson[1] (Rep), Governor of South Dakota, State Capitol, Pierre, SD 57501, (605) 773-3212.

Norman Bangerter (Rep), Governor of Utah, State Capitol, Salt Lake City, UT 84114, (801) 538-1000.

Booth Gardner (Democrat), Governor of Washington, State Capitol, Olympia, WA 98504, (206) 753-6780.

Michael Sullivan[2] (Democrat), Governor of Wyoming, State Capitol, Cheyenne, WY 82002, (307) 777-7434.

WESTERN GOVERNORS' ASSOCIATION,
Rapid City, SD, July 23, 1991.

RESOLUTION 91-004

Sponsors: Governors Sinner and Sullivan.

Subject: The National Energy Security Act of 1991.

A. BACKGROUND

1. The National Energy Security Act of 1991 was introduced in April (as S. 341) by Senators Bennett Johnston (D-LA) and Malcolm Wallop (R-WY) and reported in June 1991 as S. 1220 by the Senate Energy and Natural Resource Committee.

2. S. 1220 provides the legislative framework for a comprehensive, balanced national energy strategy.

3. The National Energy Security Act of 1991 promotes domestic energy development by:

a. Promoting domestic oil and gas development.

b. Promoting increased use of natural gas.

c. Encouraging the use of coal and promoting the development of advanced coal-based technologies.

d. Partially relaxing unnecessary regulatory barriers that impede construction of new natural gas pipeline capacity.

e. Relaxing the economic regulation of the sale of natural gas for use in transportation vehicles.

f. Directing the Department of Energy to establish a program that encourages the use of domestically-produced alternative fuels.

g. Providing government research and development funds to investigate economically viable conservation measures.

h. Reforming the Public Utility Holding Company Act of 1925 to encourage the development of independent electric generating projects.

i. Expanding the authority of the President and Department of Energy to enlarge and fill the Strategic Petroleum Reserve.

j. Authorizing oil and gas exploration and development in the Coastal Plain of the Arctic National Wildlife Refuge (ANWR), considered by the Department of the Interior to be the best onshore prospect in North America for the discovery of substantial amounts of crude oil.

4. Markets are efficient mechanisms to increase conservation and production, and reduce imports.

B. GOVERNORS' POLICY STATEMENT

1. Greater emphasis must be placed upon the development of sound domestic energy self-sufficiency policies, including development of domestic energy supplies, advancement of clean coal technology and aggressive new conservation programs to minimize the dangerous and increasing tendency of increasing imports of foreign energy products.

2. The development of sound, comprehensive energy policy is the preferred option when compared to international military and economic options.

3. A National Energy Strategy must consider state and regional differences and provide for basic consumer protection.

4. Alternative fuels development and energy conservation must play increasingly important roles in our nation's energy future, and the National Energy Strategy must address the need for policy and technology advancements for this energy source.

5. The National Energy Strategy must address the development of a full range of cost-effective alternative energy strategies that would reduce or minimize air pollution and its impacts, particularly in the twenty-five worst urban areas.

6. Conservation and alternative fuels alone cannot meet America's energy needs, but must be supplemented by new domestic supplies of conventional energy resources including oil, natural gas, and coal. This includes development in some areas currently restricted, given sound environmental management.

7. S. 1220, as reported by the Senate Energy and Natural Resources Committee, provides a sound legislative framework to begin the development of a comprehensive and balanced national energy strategy.

8. Other measures not currently a part of S. 1220, such as a guaranteed floor price for oil and an oil import fee, should also be included in the National Energy Strategy, with the bulk of the revenues from such a fee to be used for mass transit. The remainder of the revenues should be used for conservation efforts and research and development on environmental safety programs for energy.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. WGA staff shall transmit copies of its resolution to the Secretary of the U.S. Department of Energy, the western congressional delegation, and to the appropriate congressional committee chairmen and ranking minority members.

2. WGA staff shall closely monitor this legislation and other related energy bills, and to inform governors on policy and program implications for western states.

3. WGA staff shall inform the governors of key debates and decision points for the National Energy Strategy so western governors can actively participate in the development of this strategy.

NATIONAL ENERGY COALITION,
Washington, DC, July 24, 1991.

Hon. MALCOLM WALLOP,
U.S. Senate, 237 RSOB, Washington, DC.

DEAR SENATOR WALLOP: We strongly urge the United States to promptly begin consideration of comprehensive energy legislation. Although the undersigned associations may have concerns over specific provisions in the legislation, we believe that S. 1220, as reported by the Senate Committee on Energy and Natural Resources, should be used as the vehicle for consideration.

Americans want a wise, balanced plan for our energy future. We believe that the 102nd Congress has a historic opportunity to pass an energy bill which will serve as a blueprint for years to come. The President has unveiled his National Energy Strategy. It is now time for the Congress to act. We cannot afford to wait until the next energy crisis for Congressional action.

Although the recent Gulf War was not over oil, it again reminded us of the importance of oil to our economy and national security. The failure of Congress to enact a balanced, comprehensive energy package will have a severe effect on the country. Because of the long lead-times with energy-related projects, the Department of Energy estimates that U.S. dependence on foreign oil could exceed 80 percent by the year 2030 if we fail to enact a balanced, comprehensive energy policy.

For the Nation's economy and for our national security, we urge prompt consideration by the Senate of balanced, comprehensive energy legislation.

Sincerely,

THOMAS D. FINNIGAN,
Chairman, National Energy Coalition.

CO-SIGNATURES TO NEC JULY 24 LETTER TO SENATE

Air-Conditioning and Refrigeration Institute.

Air-Cooled Heat Exchanger Manufacturers Association.

The Aluminum Association.

American Boiler Manufacturers Association.

American Cement Alliance.

American Electronics Association.

American Foundrymen's Society.

American Gas Association.

American Gear Manufacturers Association.

American Hardware Manufacturers Association.

American Lighting Association.

American Mining Congress.

American Paper Institute.

American Petroleum Institute.

American Pipe Fittings Association, Inc.

American Recreation Coalition.

Arizona Association of Industries.

Arkansas State Chamber of Commerce.

Associated Builders and Contractors, Inc.

Associated Industries of Florida.

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[1] WGA Chairman.

[2] WGA Vice-Chairman.

Associated Industries of Massachusetts.

Associated Industries of Missouri.

Associated Oregon Industries.

Association of Commerce and Industry of New Mexico.

Bakery Equipment Manufacturers Association.

Book Manufacturers' Association, Inc.

Business and Institutional Furniture Manufacturers Association.

Business Council of Alabama.

Chamber of Commerce of United States of America.

Chocolate Manufacturers Association of the U.S.A.

Composite Can and Tube Institute.

Compressed Gas Association.

Connecticut Business and Industry Association.

Construction Industry Manufacturers Association.

Copper and Brass Fabricators Council, Inc.

Delaware State Chamber of Commerce.

Electronic Industries Association.

Envelope Manufacturers Association of America.

Equipment Manufacturers Institute.

Fire and Emergency Manufacturers and Services Association.

Forging Industry Association.

Gas Appliance Manufacturers Association.

Gypsum Association.

Hardwood Plywood Manufacturers Association.

Highway Users Federation.

Independent Petroleum Association of America.

Indiana Manufacturers Association, Inc.

Indiana State Chamber of Commerce.

Industrial Safety Equipment Association.

Industry and Commerce Association of South Dakota.

Institute for Interconnecting and Packaging Electronic Circuits.

Interstate Natural Gas Association of America.

Iowa Association of Business and Industry.

Kansas Chamber of Commerce and Industry.

Kitchen Cabinet Manufacturers Association.

Louisiana Association of Business and Industry.

Maryland Chamber of Commerce.

Metal Treating Institute.

Michigan Manufacturers Association

National Association of Band Instrument Manufacturers.

National Association of Food Equipment Manufacturers.

National Association of Hosiery Manufacturers.

National Association of Manufacturers.

National Association of Photographic Manufacturers.

National Coal Association.

National Confectioners Association of the U.S.A.

National Electrical Manufacturers Association.

National Fluid Power Association.

National Housewares Manufacturers Association.

National Ocean Industries Association.

National Screw Machine Products Association.

Natural Gas Supply Association.

Nebraska Chamber of Commerce and Industry.

The New England Council Inc.

Non-Ferrous Founders' Society.

Ohio Manufacturers Association.

PCPI—The Transformer Association.

Petrochemical Energy Group.

Portland Cement Association.

Power Tool Institute, Inc.

Puerto Rico Manufacturers Association.

Small Motor Manufacturers Association.

Sporting Goods Manufacturers Association.

The Society of the Plastics Industries, Inc.

Toy Manufacturers of America, Inc.

Valve Manufacturers Association of America.

West Virginia Manufacturers Association.

Wisconsin Manufacturers & Commerce.

NATIONAL ENERGY POLICY

Mr. WELLSTONE. Mr. President, I rise to continue my efforts to inform the Senate's upcoming debate on national energy policy and S. 1220. As was underscored in the July 12 Science article by the U.S. Geological Survey's World Energy Resource Program, which I inserted into the RECORD previously, continued dependence upon fossil fuels portends a future of serious energy supply vulnerability and dangerous global climate change.

A serious national energy strategy must include, as S. 1220 does not, a well-defined plan for a transition away from our fossil fuel dependence to domestically produced renewable fuels. This point is emphasized by an important article in the July issue of Physics Today. In "US Energy Transition: On Getting From Here to There," Jack Gibbons, Director of the Office of Technology Assessment, and Peter Blair, manager of OTA's Energy and Materials Program, stress the urgency of this situation.

"We need to make an explicit commitment to a transition to the post-fossil-fuel age as well as to an era of constantly advancing energy efficiency," Drs. Gibbons and Blair conclude. The consequences of not making this transition are serious, they warn, "Our long-term economic, environmental and national security future hangs on these transitions, and the possibility of global warming could greatly foreshorten the time we once thought we had to count on fossil fuels."

This article contributes a perspective we need for a balanced and informed debate, for as they observe, "There is an ancient Chinese saying worth repeating here: 'If you do not change your direction, you are very likely to end up where you are heading.'" I ask unanimous consent that it be included in the RECORD.

In addition, it is important to set the record straight about an exchange between the Union of Concerned Scientists and Deputy Secretary Hensen Moore regarding S. 1220. In previous statements about national energy policy, my colleague from Wyoming, Senator WALLOP, made a series of remarks calling into question the competence of the Union of Concerned Scientists. A document from UCS and a letter from Deputy Secretary Hensen Moore were included in the RECORD elaborating upon the Senator from Wyoming's statement.

Recently, the Union of Concerned Scientists replied to these charges by documenting the accuracy of their statements about S. 1220 and the administration's national energy strategy. I ask unanimous consent that the letter to W. Hensen Moore from Howard Ris, executive director of UCS, and the UCS "Legislative Alert" criticizing S. 341, now S. 1220, also be printed in the RECORD.

My colleagues may wish to know that the Union of Concerned Scientists is a nonprofit organization of over 100,000 scientists and other citizens concerned about the impact of advanced technology on society. The work of UCS is widely respected in the scientific community. Dr. Henry Kendall, the founder and chairman of the board of the Union of Concerned Scientists was recipient of the 1990 Nobel Prize in physics.

Again, I encourage my colleagues to examine these documents. I believe that they both make important contributions to the upcoming Senate debate.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Physics Today, July 1991]

U.S. ENERGY TRANSITION: ON GETTING FROM HERE TO THERE

(By John H. Gibbons and Peter D. Blair)

Uncommon events like the Exxon Valdez oil spill, the Three Mile Island nuclear power plant meltdown and the Persian Gulf war as well as such unremitting problems as global climate change and the balance-of-payments deficit point up the urgency of dealing with the nation's energy issues. Congress is now deliberating President Bush's National Energy Strategy. The topic is hardly a new one. In fact, in the words of that immortal American philosopher Yogi Berra, "It's *déjà vu* all over again."

The Bush strategy was issued on 20 February, after a year and a half of grassroots hearings across the country and contentious deliberations within the White House. It turns out that this is the ninth time a President has sought a thoroughgoing national energy program. The first time was when Franklin Roosevelt directed his staff, at the brink of World War II, to make sure the U.S. was not left vulnerable for want of ample supplies of energy.

One conclusion that emerges from the history of these exercises is the realization that there are no energy "fixes" that are easy, quick or cheap. The last 20 years provide repeated examples of how susceptible the U.S. has become to energy cutoffs and crises: electricity blackouts, nuclear plant accidents, oil embargoes, price manipulations by a cartel, long gas lines and the chronic problems of increasing dependence on the volatile Middle East. If we didn't know it already, the Persian Gulf war reminded us how dependent most of the world is on oil from abroad.

As the latest Middle East crisis recedes, we may be beguiled again into a false sense of complacency about energy. Consider what happened in the past decade: Having been seduced by fairly steady supplies, easy gains in efficiency and small price increases for both gasoline and electricity below the rate of inflation, the country largely abandoned the efforts of the 1970s to push R&D in energy conservation and alternative sources. Such on-again, off-again policies haven't worked. Major changes in energy systems—and major changes are what must occur—require unwavering commitment over decades by political authorities, industrial captains, business chiefs, and the rest of us. To be sure, energy is a flexible component of a modern economy, but it takes a long time to achieve a major turnover of the capital stock of energy and the capital equipment that produces and conveys energy. Short-term strategies for either spurring production or curbing consumption are usually inefficient and often traumatic. A sensible, comprehensive energy policy certainly must be responsive to sudden changes of events, but it must also be grounded in a long-term strategy.

Along with the President's new strategy, Congress is considering a wide range of other energy-related legislative proposals. It is important to weigh these options in the context of three of the country's overarching imperatives: economic vitality, environmental quality and strategic security. This is not easy to do. The means of achieving these goals often are at odds. For instance, increasing our reliance on coal could reduce our dependence on imported oil, and yet it could also aggravate air pollution problems and exacerbate global climate change. Still, some energy options, particularly those that improve efficient production and use, can contribute to attaining all three goals.

In the almost two decades since the first Arab oil embargo in 1973, perceptions of the role of energy in the US and world economies have changed considerably. Throughout the 1970s, concern about the price and availability of oil spurred development of a wide range of new technologies for improving energy supply and consumption. The dramatic increases in energy efficiency in the US economy were second only to Japan's during that period. Those efficiency improvements, coupled with the decontrol of oil and natural gas prices during the late 1970s, contributed to increases and more diversity in energy supply and subsequently to a drop in energy prices during the mid-1980s.

BEYOND PRICE AND AVAILABILITY OF ENERGY

Despite those gains, US energy use per dollar of GNP is still twice that of some industrialized nations. Today's inquiries into energy policy do not focus so much on price and availability as on such issues as regional and global environmental conditions, balance of payments, international industrial competitiveness and national security.

The US currently consumes about 81 quads of energy annually. (One quad equals 10^{15} Btu.) Most analysts forecast that by the year 2010 we will consume more than 100 quads. The Department of Energy, for instance, projects[1] a "base case" of 108 quads in 2010. Without fundamental changes in energy policy and with moderate economic growth, the sources of energy we use to fuel the economy in 2010 are expected to be similar to what they are today: about 40% oil, 20% natural gas, 25% coal and perhaps 15% renewable sources and nuclear power. Nonetheless, some important features in the US energy supply-and-demand balance are changing, and these changes, in turn, are affecting the realm within which policy decisions are made, especially decisions about technologies. Increasingly, far-reaching concerns such as the threat of global climate deterioration are influencing decisions about energy policy.

We need to understand the major changes in the patterns of US energy supply and demand since the 1970s. Four of the most significant changes are:

the steeply declining energy intensity of the economy between the early 1970s and mid-1980s.

the falloff of domestic oil discovery and production and, with this, the sharply increasing reliance on foreign sources of oil.

the changing patterns of electricity use in the economy and shifts in the structure of the electric utility industry.

the increasingly complicated environmental implications of energy technologies.

For many years most observers believed that energy use and GNP were inextricably linked, always moving up in lockstep. We've learned since the energy shocks of the 1970s, however, that economic growth is not necessarily contingent on using more energy. In fact, slow economic growth tends to cause disruptions that impede actions to improve energy efficiency. Those actions include spending for less energy-intensive products, which would include retrofitting homes and commercial buildings with better insulation and efficient appliances, and funding research and development. Ingenuity can substitute for supply when the price is right. When the price of energy increased in the 1970s, it stimulated impressive gains in energy efficiency. Producers adopted more efficient ways of providing energy services; manufacturers introduced more energy-efficient automobiles, heaters and appliances; consumers shifted their market basket of purchases to more efficient products. The energy intensity of the economy—that is, the energy consumed per unit of GNP produced—fell 2.5% per year between 1972 and 1985, with most of this drop caused by improved efficiency. (See figure 1.) A striking example of the period was the doubling of efficiency for new car fleets from 14 mpg in 1973 to 28 mpg today, with little or no loss of size, comfort and safety.

Another trend over the past 20 years was the slowed growth in electricity usage. This is attributed primarily to improved efficiency, though demand was offset in part by the increasing substitution of electricity for other fuels in all sectors of the economy. Nonetheless, the net result was a drop in the ratio between electricity consumption and GNP by about one-half (from 2:1 to 1:1) since 1970.

Today, in addition to other energy sources, the US consumes about 17 million barrels of oil per day, which is about 25% of total world consumption. The current US consumption rate is about 14% more than it was in 1983. Over the same period the level of domestic oil production has declined considerably, due largely to the depletion of low-cost resources and the absence of new discoveries. The net result is that imports rose from about a third of total US consumption in 1983 to nearly 45% in 1990. Moreover, the fraction of total imports coming from Persian Gulf nations has increased at the same time from about 4% of total US consumption (10% of total oil imports) to more than 10% of current consumption (26% of current imports).

DEPENDENCE ON MIDDLE EAST OIL

In some respects our oil use, domestic supply and import dependence are still similar to those of the 1970s, especially the transportation sector's virtually complete reliance on oil. In other ways our dependence on oil has improved considerably, however, especially the more efficient use of oil in many industries and the substitution of other fuels for oil, particularly by the electric utilities. The US government enlarged the strategic petroleum reserve and ended oil price controls and restrictions on the use of natural gas. In addition, an active spot and futures markets for oil supply has developed in recent years. Major oil-consuming countries have agreed to share world supplies of petroleum in times of crisis. All of these changes, and others as well, contain implications for the possible future of our oil use. In spite of these developments, the US economy is now and will continue to be increasingly dependent on foreign oil, especially on supplies coming from the volatile Middle East.

The US electric utility industry has weathered dramatic changes in the last two decades. Since 1986, the demand for electricity has picked up substantially, not only in the US but elsewhere, particularly in Japan. As a result, the industry faces a wide range of changes that are likely to shape its future technological choices, operating characteristics and regulatory structures. Among the possible changes is the emergence of a truly competitive power-producing industry, which could generate some major mergers and acquisitions as well as modifications of the Public Utility Holding Company Act. Some changes are already evident. One is the trend toward lease-cost planning and toward demand-side investment and management; others are the emergence of natural gas as an increasingly important fuel for electric power generation and the almost certain consequences of the Clean Air Act of 1990 for electric utilities.

While such changes could significantly alter many features of the electric utility industry in the US, none of the changes supposes radical shifts in the fuel mix for creating electricity. Without significant action, electric power will continue to be generated by fossil fuels, notably coal, tempered somewhat by natural gas and nuclear power, well into the next century. (See figure 2.)

Much of the energy policy enacted in the last decade has actually been driven by environmental policy. Moreover, environmental concerns have motivated the accelerated development of some new energy technologies. For example, such clean coal techologies as advanced flue-gas scrubbers, fluidized-bed combusters and coal gasification are used increasingly in utilities and industry. The introduction of advanced engine technology, catalytic converters and alternative transportation fuels, particularly methanol and compressed natural gas, could have a similar impact on the transportation sector. What's more, a variety of technical developments have greatly improved energy efficiency in lighting, appliances and buildings. There is no question that more stringent environmental regulation of air, water, nuclear waste, surface mining, oil exploration and development of other matters will bear on the evolution of energy supply and demand technologies in the coming decades.

Technological innovation has always been a cornerstone of any strategy for dealing with current and longer-term energy policy issues. Today it holds promise for cleaner and more efficient energy use, safer and more effective recovery of energy supplies and smoother transition to a post-fossil-fuel era. Indeed, after two decades of experience with new energy supply and use technologies—some good, some bad—we as a nation have come to understand much better the pivotal position of new technologies in energy strategy.

Footnotes and end of article.

Several technologies are of conspicuous interest in the 1990s. In what follows we discuss the prospects for the future of nuclear power, both fission and fusion, the evolving character of renewable energy technologies and our increasing experience with them, and the pace of research and development in quest of new energy-efficient technologies. We are also concerned about the specter of global climate change, which hovers over virtually every technological choice for energy supply and demand.

In much of the industrialized world, most notably in France and Japan, nuclear power plays a large role in electric power generation. In the US today 20% of electricity is generated by 110 reactors—more than in any other nation. Even so, no construction of any new nuclear plant has begun since 1974. The full cost of nuclear power relative to other alternatives remains a significant concern. In addition, and related to cost, three major obstacles stand in the way of a new generation of nuclear power plants in the US:

slow licensing procedures.

sluggish commercial development, along with a notable lack of acceptance of advanced reactor designs by industry, government and the public.

stalled decisions relating to nuclear waste disposal.

The order in which these issues are resolved could be very important. For example, assuming that the technology remains the same, a prolonged and unproductive debate over licensing reform is virtually certain. If, however, the nuclear waste issue were resolved and new reactor designs were available and shown to be responsive to public worries, licensing reform might be easier to achieve.[2]

The main issues of electricity supply narrow down to deregulation of production, access to transmission and minimization of cost. While nuclear power remains in limbo, some alternatives, including high-efficiency gas turbines, advanced coal burners and such renewables as wind power and solar thermal energy, are popular. It is likely that any new nuclear plants built in the US will be in the range of several hundred megawatts—smaller than any since the early days of the industry. Because of uncertainties in forecasting the growth of demand, the cost of capital and the length of construction, as well as regulatory rules and permitted prices, electric power utilities now generally avoid building any nuclear plants with capacities in the gigawatt range.

Utilities, regulators and investors are eager to limit their financial risk. As a result, they have shown increasing interest in modular units that are largely factory manufactured and can be delivered rapidly as needed, that incorporate passive safety features and that adhere to a standardized design. New reactor concepts responding to these criteria include the advanced lightwater reactor, developed by Westinghouse and General Electric; the modular high-temperature gas-cooled reactor, designed by General Atomics; and the power reactor inherently safe module, known as PRISM, now under development at GE.

ADVANCES IN RENEWABLE ENERGY SYSTEMS

Several renewable energy technologies are already commercialized. These include hydropower, wind turbines, some biomass technologies, solar collectors and passive solar design features. These technologies continue to advance, especially in reliability, efficiency, cost, sophistication and durability. For instance, designs of wind turbine blades continue to evolve to optimize operation near steal speed.

So, while some renewable technologies, such as photovoltaics, certain solar thermal electric technologies, geothermal and wind, are available, such concepts are not generally competitive with more traditional technologies, especially for large-scale energy applications. Increased market penetration of many of the mature technologies is currently limited by the low cost of conventional fossil fuels and the availability of such highly attractive, familiar renewables as hydropower. Still, some of the newer renewables have experienced remarkable success and are already fully competitive in some regions of the country. Most of the commercial success of renewables has come in situations where the technologies are deployed in the most favorable locations. Examples include the geothermal sources at The Geysers in California, the wind turbines in the Altamont Pass near San Francisco and the solar thermal electric facilities in southern California. Many of these technologies have the potential for further improvement in cost and performance.[3] Additional renewables, such as some advanced biomass technologies, including biomass-based synthetic liquid and gaseous fuels, have few commercial applications to date. Even so, they possess great potential for improved cost and performance—hence for wide commercial use.

Compared with nuclear power, renewable technologies have attracted only modest investments in R&D from both public and private sources so far. (See figure 3.) In consequence, major innovations are not apt to come about soon for many of these technologies, compared with the likely incremental changes ahead for nuclear and fossil technologies. On the other hand, while comparative costs still favor fossil technologies, the costs are converging. The cost of solar energy is now within a factor of two of that of fossil fuels, down dramatically within the past decade. Indeed, some state rate-setting commissions are beginning to provide substantial incentives to companies that generate non-fossil energy, a decision that could accelerate interest in renewable technologies.

EFFORTS TO IMPROVE ENERGY EFFICIENCY

Over the last decade and a half, efforts to improve energy efficiency in end uses and in generating electricity from traditional fossil fuels have been among the most successful components of US energy policy. In many cases investments in energy efficiency brought about results that exceeded even the most optimistic forecasts, contributing substantially to the startling fact that there has been almost no increase in total energy consumption since 1974, despite a GNP growth rate of 40% in the same period. For the most part, the investments were in industry, transportation, commercial buildings and private residences—sections of the economy where fuel represented a significant operating cost and, significantly, where the payback on the investment could be realized quickly.

To be sure, many actions taken in the past were aimed at easy targets. While some involved simple changes in patterns of energy use, such as adjusting thermostats, most were investments in technology that involved essentially no changes in life-styles. Among these were housing retrofits, such as adding more insulating material and installing more efficient lighting. Other efficiency improvements centered on new building designs and shell construction methods for both residential housing and commercial buildings, which led[4] to reductions in the amount of energy used per unit of floor space of new structures by half since 1974. Despite impressive efficiency gains in passenger cars since 1974, still greater gains in cars and light trucks are feasible over the next 10 to 15 years.

The Bush Administration's current strategy for developing new energy technologies, as set forth in its new energy plan,[5] and for advancing the relevant underpinnings in scientific research, assumes that there is adequate time and incentive to enable the private sector to fill the gaps of energy supply and to respond to conservation opportunities as these appear. This strategy may not be sufficiently sensitive to the concerns that stimulated special interest in supply and conservation technologies in the past. It is unreasonable, for instance, to expect commercial firms to take full account of environmental problems of foreign policy and national defense implications in making investment decisions about energy. This is one of the main reasons why the Federal government is so important in stimulating research, technology development and market incentives for energy. In this connection the government is particularly concerned that liquid fuel substitutes for oil be available and that oil be more efficiently used—two policies that are vital to virtually our entire transportation system.

Another nonmarket concern involves finding more environmentally acceptable ways to generate electricity. The current period of low and stable world oil prices, relative to the 1970s, is providing a window of opportunity for the development of supply substitutes and more efficient end-use technologies, to ensure commercial availability of these technologies in the future.[6]

Among the most important conditions for the sustained development of better technologies, and especially of conservation technologies and renewable sources, is a Federal presence in R&D that is committed to a long-term strategy. While many energy technologies are no longer in the basic research phase, their development still faces formidable hurdles, and the importance of R&D remains high. Policy options aimed at accelerating the commercial availability and market penetration of new technologies should focus on reducing cost, improving performance and resolving uncertainties in both cost and performance. A key to sustaining progress in R&D is to provide a stable funding environment so that long-term research ideas are encouraged or at least not penalized.

OIL AS A "PRESSURE GAUGE" OF POLITICS

When policy analysts reflect on the Persian Gulf war and recount other events of the past 20 years in the Middle East, they attribute at least some of the rationale for our military presence in that part of the world to our dependence on its oil reserves or, in President Bush's own words, "US economic interests there." Yet energy security is only one dimension of our concern with energy supply and demand. As noted earlier, local, regional and global environmental pressures and international competitiveness issues are two of the newly added factors shaping future US energy supply and demand as much as concerns over energy security.

In 1977 the Office of Technology Assessment suggested that the level of US oil imports was a "pressure gauge" measuring how well American energy policies are succeeding. Today, while circumstances have evolved to lessen somewhat the significance of imports as a measure of energy security, the current level as a percentage of total oil consumption is at nearly 45%, and many analysts expect the percentage to run to more than 60% by 2010, despite major investments in domestic petroleum exploration and development.

It can be forcefuly argued that imports should be allowed to increase as long as the net effect on our economy is positive. Other countries, such as Japan, are much more dependent on oil imports than we are. But the situation is not that simple, because in the US, unlike in Japan, the full cost of import dependence is not reflected in the price, which does not include support of the military, for instance. If we were to set policies that propelled us more steadily toward energy efficiency and development of non-fossil fuel, as Japan has done, and if we were to set gasoline prices at $3 to $5 gallon, as Japan has done, then the argument for forgetting our vulnerability to oil imports might make sense.

MEASURES TO LOWER U.S. CARBON EMISSIONS[1]

	Reductions in 2015	
	Moderate scenario	Tough scenario
DEMAND-SIDE MEASURES		
Residential and commercial buildings:		
New investments:		
Shell efficiencies	3.6	6.0
Heating and cooling equipment	1.1	1.6–2.5
Water heaters and appliances	1.3	1.6–2.4
Lighting	2.1	3.0
Office equipment	1.6	2.1
Congeneration	0.2	1.5–2.3
Operation and maintenance, retrofits:		
Shell efficiencies	1.6	1.7
Lighting	1.1	1.3
All residential and commercial	8.9	18.6–21.6
Transportation:		
New investments:		
New auto efficiencies	0.8	3.5–3.8
New light-truck efficiencies	0.5	2.5–2.7
New heavy-truck efficiencies	0.4	2.4
Nonhighway efficiencies	0.5	1.2
Operation and maintenance, retrofits:		
Improved public transit	0.2	3.5
Truck inspection and maintenance	0.3	0.4
Traffic flow inprovements and 55 mph highway limit	1.2	1.4
Ride sharing and parking controls	0.4	1.0
All transportation	4.0	14.0–15.0
Industry:		
New Investments:		
Efficient motors	1.2	3.7–4.0
Lighting	0.5	0.7–0.8
Manfacturing process change in the top four industsries	3.0	8.2
Fuel switch to natural gas	0.0	2.4–2.7
Congeneration	0.8	5.2–5.8
Operation and maintenance, retrofits:		
Housekeeping	1.9	2.0
Lighting	0.1	0.2
All industrial	8.0	17.0–18.0
UTILITY SUPPLY-SIDE MEASURES		
Existing-plant measures:		
Improved nuclear utilization	4.1	4.1
Fossil-fuel efficiency improvements	1.7	1.7
Upgraded hydroelectric plants	0.5	0.5
Natural gas cofiring	0.0	3.7
New-plant measures:		
No new coal; higher fraction of new fossil sources	0.0	0.0–4.7
CO_2 emission rate standards	0.4	0.0–0.1
FORESTRY MEASURES		
Afforestation (Conservation Reserve Program, urban trees, additional trees)	0.2	3.2
Increased tree productivity	0.0	3.1
Increased use of biomass fuel	0.0	1.3
All forestry	0.2	7.5

[1] Expressed as percentage of 1987 total emissions (percent of 1987 emissions = 13 million metric tons of C = 0.75 percent of 2015 emissions).

Source: Office of Technology Assessment, 1991.

An essential component of that vulnerability is a seemingly intractable negative balance of payments. Oil imports amount to about half of our trade deficit and opportunities to reduce such imports offer an attractive means of improving our trade balance. It can thus be argued that some of our most attractive strategies for balancing our international payments are associated with investments in higher energy efficiency and alternative energy sources—the Japanese method, to be sure. As a nation we must stick to the strategy for achieving those goals through periods of both crisis and calm, as well as through periods of variable oil prices.

The discipline of physics enables practitioners to describe phenomena comprehensively and accurately, as well as to simplify things. Maxwell's equations are a case in point, providing a metaphor for an approach to energy policy. Society properly merits a policy that is described simply and framed in such a way that quantitative goals are explicit. Using previous studies and analyses by OTA, and paying heed to the lessons learned over the past two decades, we offer below three policy goals. We know that there can be other formulations, but the three we discuss could, in combination, guide us through a period of several decades to a vastly improved energy situation that is consonant with the national goals for our economy, our environment and our security.

In 1990 the nation's bill for oil imports amounted to $65 billion, well over half of our total balance-of-payments deficit of $101 billion. Unless aggressive actions are taken, our dependence on imported oil will grow substantially. Of course, if it is less expensive (as measured in total indirect and direct cost) to import oil than to offset that need domestically, then it makes sense to import. But there is strong reason to believe that the reverse is true, and that our national economic well-being would be improved by shifting investment to reduce imports under a long-term, least-cost strategy. For example, one goal we might choose in limiting oil import dependence would involve holding our imports to no more than 50% of total US oil use. The President's National Energy Strategy calls for a 40% limit but provides no convincing procedures for achieving that level. Our scenario would also include work to diversify sources of world oil production—and therefore sources of US imports—to regions of the world outside the Middle East where such imports can be aligned with other US policy interests.

Supply mechanisms for achieving such goals include sustaining current levels or at least slowing the decline of domestic oil production while developing and producing alternative transportation fuels, and spurring the development of petroleum resources in regions such as Asia, South America and the Soviet Union, where known reserves are yet to be extracted. Demand mechanisms include improving the efficiency of oil use in all sectors, particularly transportation, and shifting industrial, residential and commercial use into such other sources as natural gas and electricity. All these options imply not only investment and commercial development of new technologies, but also sustained research. We observed earlier that some of these technological options may be inimical to political or economic interests. Widespread commercialization of technologies for producing alcohol fuels from grain and biomass, for example, could affect food prices and alter land use patterns.

About two-thirds of the fall in US energy intensity over the last decade is attributable to improved efficiency in energy conversion and use in every sector of the economy. Such efficiency gains—that is, reductions in the energy consumed per unit of service provided (area heated or cooled, say, or miles traveled)—have generally come about without sacrifice of either comfort or dollars, but rather have resulted in net cost savings. Considerable future gains in energy efficiency are still possible in all sectors of the economy using existing technologies, and even greater cost savings and efficiency gains are possible with technologies now in research and development.

Considering what has happened over the past 15 years—and after analyzing additional opportunities that are both technically and economically attractive—we think a sustained improvement in efficiency of 20% per decade for the next two decades is a realistic goal. We believe this change is possible over and above the most likely continued drop in energy intensity due to structural changes resulting from factors other than energy use per se, including the readjustment of demographics and the continuing transformation from manufacturing to services. With more vigorous research on energy efficiency, coupled with greater investment and policy leadership, and with the help of more appropriate energy pricing, this goal can be met or exceeded—by means of options that are certainly no more costly than pursuing the present supply-side path.

This strategy is likely to provide great opportunities for innovative research and development—certainly home ground for physicists! An active R&D program in energy would bolster all three overarching national policy interests of economic vitality, environmental quality and national security.

BEYOND THE AGE OF FOSSIL FUELS

For decades most people have assumed that fossil fuels will supply human energy needs for several more centuries. But now the specter of air pollution and climate change casts an ominous shadow over the already troubled future of fossil fuels. The fossil era may wind down not in centuries but sometime in the next hundred years. This means that unless we ignore global climate change, which we would do at our peril, solar and nuclear power (both fission and fusion) must become the dominant energy sources everywhere on our globe—possibly within 50 years. That's a daunting prospect. Unfortunately, for different reasons, neither nuclear nor solar technologies are attractive options for massive deployment in their present state.

The only serious hedge to our long-standing bet on fossil fuels has been our effort to work on harnessing nuclear power. While attempts to develop a fusion power technology have so far been frustrating, fission power now accounts for 20% of U.S. electricity, or about 8% of our total primary energy budget. Other non-fossil fuels, mostly generated by hydropower and biomass burning, add another 8%. So the non-fossil fraction of our present energy budget is in the range of 15% to 20%.

In this country the nuclear power enterprise, for several reasons, is in deep trouble—so deep that the task of rescuing it could well be more difficult than the original job of creating it. And our commitments to harnessing solar energy more effectively and broadly have been comparatively minuscule. However, developing attractive nuclear (fission and fusion) and solar options is patently possible. For example, efficiency gains in photovoltaic conversion have resulted in reductions of half an order of magnitude in installed costs over the past two decades—and further gains appear promising. Likewise, small-scale modular nuclear power reactors with passive safety features show great promise. Then, too, technologies using solar thermal arrays and aerojet turbines driven by burning biomass are nearing direct economic competitiveness. Despite the gains to date, such options require—and merit—long-term commitments of research, development and investment, which, in turn, means we must now move ahead on that odyssey.

A prudent goal for current U.S. policy is an average reduction in carbon intensity of energy use of at least 10% per decade for at least the next two decades. Steps to achieve this goal could include improvements in end-use and energy conversion efficiency, changes in the fuel mix, such as replacing coal with natural gas or adopting a combination of the two, and increasing use of renewables and nuclear power. The number we offer for this goal is perhaps less important than the will to define a goal, to vigorously pursue that goal and to modify it based on the experience of pursuing it. Economically attractive efficiency improvements and increased use of methane would dominate the first decade or two, giving us time for nonfossil fuels to take hold in ground and air transport and for new sources of electric power to develop systematically and efficiently. Technologies emerging from such a commitment could give the U.S. an advantageous competitive position in the world marketplace. To illustrate the implications of the policy goals we have outlined, in the following section we relate these goals more specifically to future scenarios of U.S. oil production and use and to the reduction of greenhouse gas emissions.

SUSTAINED ENERGY FOR A ROBUST SOCIETY

In figure 4 we illustrate the vigorous and sustained efforts that will be required if we choose to limit oil import dependency over the next several decades—even to a relatively high level such as 50%. The largest and most attractive opportunities lie on the demand side. Fortunately, such options hold the promise of providing good new jobs and important new commercial activities to strengthen the nation's domestic economy. To the extent that we improve cost-effectiveness, supplies will last longer, our economic competitiveness is bound to improve, environmental problems will be eased, and the chances for international crises will be lessened.

But improved efficiency, however dramatic, will not be enough. The traditional opportunities on the supply side, such as enhanced domestic production in the lower 48 states, off shore and in Alaska, are more modest than increased demand efficiency—though still important. And with time, there are various opportunities for shifting to alternative transportation fuels such as methanol, compressed natural gas, hydrogen and electricity. These fuels have extensive long-term implications, however. The oil replacement potential must be weighed against the energy, environmental and financial costs associated with producing and using these fuels.[7]

The pacing of all these efforts is an essential feature of energy policy. Like turning around a fully loaded supertanker, changing the present course of our national energy system will require time and vision if it is to be achieved without stress and strain on the economy. Patterns of energy supply or demand can change radically as technology changes and as capital stock turns over, but we have learned that short-term changes in policies and technological quick fixes can lead to economic hardships and inefficiencies.

A responsible energy policy will complement as much as possible a responsible environmental policy. There are some activities that might spur our economy and enhance national security but run counter to environmental goals. For example, by relying on coal the US could cut its dependence on imported oil but exacerbate the problems of air pollution and climate change. Such strategies should be seriously considered only if we've exhausted other options that more generally support all of our broad goals, such as a fuel cell for transportation that burns hydrogen derived from solar or other sources.

With a wealth of off-the-shelf technologies and some near-ready technologies, we see no reason why existing environmental goals need to be compromised to meet our demand for energy services. Energy and environmental concerns are closely linked and are usually considered to be on a collision or perhaps orthogonal) course. Therefore neither energy nor environmental policies should be developed or changed in isolation. For example, more than half of US electricity generation today is fueled by coal, the major source of SO_2 and CO_2 emissions. Policies to improve the efficiency of electricity use directly translate into reducing such emissions, typically at a cost considerably less than that of new power plants.

The recent OTA report "Changing by Degrees: Steps to Reduce Greenhouse Gas Emissions" outlines the technical steps that would reduce carbon dioxide emissions in the US. In that analysis, we examined several alternative scenarios. In addition to a baseline scenario that assumes continuation of present patterns of energy production and use, OTA constructed a "moderate" scenario that involves measures such as increases in the operating capacity of nuclear power plants and various improvements in end-use efficiency typically requiring some capital investment but ultimately saving money through fuel savings—savings that in most cases would more than compensate for initial costs. (See the table on page 27.) While none of the measures included in this scenario are difficult to achieve technically, obtaining the cooperation of consumers to use them may not be so easy. An alternative "tough" scenario would lower energy demands further than the moderate case, but includes measures that cost more for the same level of convenience or comfort as well as measures that will be technically difficult to achieve. While all of the measures in the tough case are at least feasible technically, most are *not* based on the best available prototypes or practices. OTA made judgments about what would be feasible for widespread use. Implementing the technically feasible tough measures would also be politically, logistically and economically challenging. The net cost of complying with the tough scenario is inherently uncertain but would range from better than break-even to perhaps $150 billion per year (equal to possibly less than 2 percent of GNP in 2015), depending upon such factors as future energy prices and the rate of technological progress.

COMMITMENT TO ENERGY TRANSITION

In addition to providing for contingencies such as interruptions in energy supply, the US needs to constrain its growing propensity for importing oil and emitting CO_2. We need to make an explicit commitment to a transition to the post-fossil-fuel age as well as to an era of constantly advancing energy efficiency. If we want to accomplish such goals at minimum cost, it will take several decades to stabilize our dependence on imported oil, and it could possibly require a century to get beyond fossil fuels. Our long-term economic, environmental and national security future hangs on these transitions, and the possibility of global warming could greatly foreshorten the time we once thought we had to count on fossil fuels. The relationships among the long-term goals of economy, environment and security provide some important guiding principles from which a systematic, integrated and comprehensive energy strategy could flow. There is an ancient Chinese saying worth repeating here: "If you do not change your direction, you are very likely to end up where you are heading."

The current debates about national energy policy have less to do with the goals themselves than with the strategies for reaching the goals and with the understanding of what would happen in the absence of any policy initiatives. Accordingly, President Bush, in commissioning his energy strategy, stated the objectives as "achieving balance among our increasing need for energy at reasonable prices, our commitment to a safer, healthier environment, our determination to maintain an economy second to none, and our goal to reduce dependence by ourselves and our friends and allies on potentially unreliable energy suppliers." These objectives parallel those of the myriad of legislative initiatives being analyzed in Congress and indeed of the ideas we have offered here.

The actions proposed to achieve these goals, however, are deeply tempered in the case of the National Energy Strategy by the President's stated "keystone of the strategy"—namely, to rely on market forces. This feature of Bush's strategy forms a kind of litmus test for energy policy initiatives that excludes a good many options, such as efficiency standards for cars and appliances and, for that matter, such economic incentives as higher taxes on some forms of energy. Regrettably, the ideological test seems to have pruned the final portfolio of the Bush legislative proposals to what many view as a narrow set of production-oriented options and, on the demand side, an almost complete reliance on the fruits of R&D. Thus the stated objective of the Administration's energy strategy, however nicely phrased, falls flat in terms of the balance and the credibility of the proposed plan to reach or even carefully define specific goals. The sad consequence, of course, is that in Congress the President's energy strategy, instead of being viewed as a "vision thing" for lawmakers to contemplate carefully, is now only one of more than 160 energy-related bills in the legislative hopper.

The opinions expressed in this article are those of the authors and do not necessarily represent those of OTA or the Technology Assessment Board.

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UNION OF CONCERNED SCIENTISTS,
Cambridge, MA, July 22, 1991.
W. HENSON MOORE,
Deputy Secretary of Energy
Washington, DC.

DEAR SECRETARY MOORE: I am responding to your letter of June 25th regarding our legislative alert on the National Energy Security Act of 1991.

You express concern that UCS's legislative alert will harm "accuracy" in the "energy debate;" as documented below, we believe that the information contained in the alert is quite accurate. We see no basis for your contentions, and thus do not take lightly what appears to be an attack on our credibility. Such a tactic does not serve the cause of broad public debate on an issue which is of great importance to the nation. It also suggests that your agency is wary of debating the issue on its merits, perhaps because you are well aware that much of DOE's own National Energy Strategy analyses were disregarded by the White House.

In our view, the goals of a national energy strategy should be to: reduce our vulnerability to disruptions in oil prices and supply, improve economic competitiveness, and educe the environmental damage caused by energy production and use (including the risks associated with global warming). In choosing policies to achieve these goals, priority should be given to those that produce, or save, energy at the lowest cost to society (including environmental and public health costs). We believe a strategy centered on energy efficiency and renewable energy development would prove far more cost-effective than the current emphasis on fossil fuel and nuclear power production, and thus, that a major shift in national energy policy is warranted.

Rather than taking such a "least-cost" approach, the Administration's National Energy Strategy and S. 1220 take the approach of doing something for everybody (every conventional fuel source, that is), calling it "balance." Such an approach is fundamentally flawed, resulting in selection of policies that are far more costly than others that are omitted. Weakened environmental requirements, taxpayer giveaways to the fossil fuel and nuclear industries, exclusion of citizens from energy facility decisionmaking—these aren't the solutions to our current energy mess, they are the reasons we're in it.

Let me now address some of your specific criticisms of our legislative alert.

First, our alert was right on the mark in pointing out that the energy efficiency and renewable energy measures in S. 1220 are quite limited. An independent analysis by the American Council for an Energy-Efficient Economy, released on July 3rd, estimates that S. 1220 will produce energy savings of just 1.4 Quadrillion Btu per year by 2000, and 3.4 Quads per year by 2010. This represents just 1.5% and 3.2%, respectively, of total energy use projected in DOE's most recent reference cast forecast. We can, and must, do much better on energy efficiency than S. 1220.

Second, you assert that neither Senator Bryan nor the other sponsors of S. 279, the Motor Vehicle Fuel Efficiency Act of 1991, have ever claimed that their bill would result in oil savings of 2.5 million barrels per day by 2005, and that such savings are "technically impossible." Not only have Senator Bryan and other advocates made such a claim, frequently and prominently, but this figure is listed as a Congressional finding in the legislation itself (Section 2, paragraph 15). As ACEEE has documented, these savings are both technically achievable and cost-effective; they should be vigorously pursued.

DOE assumes that market forces will result in significant fuel economy gains in the absence of new CAFE standards. Given the declining trend in actual new fleet fuel economy since 1988, uncertain future oil prices, and political resistance to significant gasoline taxes, we do not see how this assumption can be defended. "Market forces" simply cannot be counted on to do the job. S. 297 builds on a proven approach—standards—to make sure that technically achievable fuel efficiency gains are converted into actual gains. We again urge the Administration to reconsider its short-sighted, all-out resistance to increases in the CADE standard.

Third, you claim that S. 1220 does not envision a reassessment of OCS leasing policy, as suggested in our alert. Section 12102 of S. 1220 requires that within six months of passage of the bill, a report be submitted to Congress "containing the President's recommendations and findings regarding the availability of areas of the Outer Continental Shelf for oil and gas leasing, development and production . . . [including] the extent to which production from areas of the Outer Continental Shelf currently under moratoria . . . would reduce United States dependence on oil from the Middle East and . . . OPEC." It's clear to us that this report would constitute a "reassessment" of the current oil drilling moratoria in evironmentally sensitive offshore areas.

Fourth, you take issue with our point on the futility of a "drain America first" strategy that would open environmentally sensitive areas to oil drilling while ignoring the much larger potential for oil savings through efficiency gains, particularly in the light vehicle sector. Your assertion that without production from the Arctic refuge, "the entire production of Alaska oil is in jeopardy" because production will slide to levels that make operation of the Trans Alaska Pipeline System (TAPS) uneconomic is, to put it mildly, disingenous. You must be aware of the tremendous known oil resources on the North Slope in areas that the oil companies are not now developing. The West Sak shallow oil sands alone, we understand, are estimated to contain between 15 and 25 billion barrels of oil; significant amounts of this oil could prove economically recoverable using enhanced oil recovery techniques such as chemical injection.

A report prepared for the Alaska State Legislature in December, 1990 entitled "An Overview of North Slope Production Prospects, 1990–2010," evaluates a number of production forecasts, including one produced for DOE last September by EG&G Idaho, Inc. All of the forecasts project North Slope production in 2005 in excess of the 500,000 barrels per day figure cited in your letter, which is itself well above the 350,000 barrels per day commonly used as the threshold for economic operation of the TAPS. Furthermore, the report cites a prospectus filed in 1989 by British Petroleum, one of the owners of the TAPS, that projected economic production of Prudhoe Bay oil until the year 2020. To anyone who examines the facts of the matter, DOE's Alaska oil production shutdown argument has to appear nothing more than scare tactics.

Fifth, you suggest that our alert neglects the possibility that S. 1220's "reforms" of the Public Utility Holding Company Act will benefit energy efficiency and renewable energy technologies.

We quite agree with your statement that increased competition in the utility sector will help ensure that "the best technology reaches the market at lowest cost to consumers"—but only if that competition is fair and on a level playing field. Unfortunately, S. 1220 will not provide such competition. It would allow investor-owned utilities to create wholesale generating affiliates that are exempt from PUHCA, a statute created to protect consumers and investors from the abuses of market power by large investor-owned utilities so widespread in the 1920s and 1930s. There are already enough instances of self-dealing, cross-subsidization and other abuses of market power among existing utility affiliates to raise concerns about throwing the door wide open to creation of more such corporate entities.

S. 1220 will also encourage utilities to shift a larger share of future generation to the wholesale market, evading the increasingly rigorous integrated resource planning requirements of many state utility commissions and opting instead for the much more lax regulatory regime of the Federal Energy Regulatory Commission (which to date appears largely oblivious to the demand-side planning revolution sweeping utility regulators at the state level). The bill does nothing to address the real barrier to increased competition in the power generating sector: the lack of open access to the nation's transmission grid, the "highways" of our electricity system. As Kenetech Corporation, the parent company of U.S. Windpower, testified before FERC on June 18th, "Independents, IOUs, and Public Power Agencies all realize that lack of access to transmission due to monopoly control by the transmission owning utilities is the single largest barrier to competition in the wholesale power market." PUHCA "reform" without open transmission access is akin to saying there should be full market competition among automobile manufacturers, but only cars produced by GM and Ford will be allowed to use the Interstate Highway System.

Finally, you take issue with our position on the changes in the nuclear licensing process proposed by S. 1220. We heartily concur that the licensing process should be "more transparent and rational for all concerned;" our testimony and other public statements over the past decade in favor of design standardization and early resolution of known safety issues is motivated by just such a concern. The debate on the nuclear licensing provisions of S. 1220 (and of the NES) is, as you well know, on a much narrower issue: whether public intervenors should retain the current right to a pre-operation hearing on those safety issues that by definition could not have been raised at the construction license stage. These could include new scientific data bearing on the safety of the nuclear plant's design, new information on the susceptibility of the site and the plant design to earthquakes or other extraordinary events, changes in population density and other factors that could complicate emergency planning and evacuation in the event of an accident, as well as quality control problems in construction of the plant itself.

The original Johnston-Wallop bill, which eliminated the public's right to a hearing on valid new safety issues, was bad enough. But as amended in committee markup, S. 1220 goes even farther and appears to forbid the Nuclear Regulatory Commission itself from considering, in its determination of whether a nuclear plant should be allowed to operate, significant new information relating to the plant's design, siting, evacuation, or environmental issues. Even if another nuclear plant with the same design had recently suffered a serious accident, the NRC, under S. 1220, could not refuse to allow the plant to operate, as long as it had complied with the criteria laid out in the combined license issued before construction had even begun.

How such a licensing scheme could do anything but "undermine both nuclear reactor safety and public confidence in the nuclear industry" is beyond rational comprehension.

As for the examples of Shoreham and Seabrook as proof that public participation has unduly delayed the licensing process, the facts in both those cases prove the contrary. As you know, the main issue of concern that delayed operation of Seabrook, and consigned Shoreham to oblivion, was that of emergency planning. In both instances, public intervenors attempted to raise emergency planning issues at the construction permit stage, before billions of dollars had been invested, but the NRC refused to consider them. The delays at the operating license stage were not attributable to inappropriate public participation, but the failure of the plants to satisfy NRC's regulatory requirements on state and local government participation in emergency plan development. Given these facts, I would ask you to explain why you believe Shoreham and Seabrook were "inappropriately delayed by public hearings."

In closing, let me restate our belief that the nation's economic competitiveness, environmental quality, and national security all demand a new approach to energy policy. I fear historians will look back on President Bush's failure to provide such a new approach as one of the major shortcomings of his Presidency. I say this with a mixture of anger and sorrow: anger because of the huge opportunities missed; sorrow because given the intellect and integrity of both the President and Secretary Watkins, it didn't have to come out this way.

Sincerely yours,

HOWARD RIS,
Executive Director.

[Union of Concerned Scientists, June 1991]

LEGISLATIVE ALERT: ENERGY BILLS HEAD FOR SENATE FLOOR

Although floor action has not yet been scheduled, the Senate may well vote on major energy legislation in June or July. There are two competing proposals that have been reported out of committee and could come to the floor:

S. 341, the National Energy Security Act of 1991, is a comprehensive bill sponsored by Senate Energy Chairman J. Bennett Johnston (D-LA) and the committee's ranking Republican, Sen. Malcolm Wallop (R-WY). This bill closely parallels President Bush's National Energy Strategy, and is nothing more than the coal, oil and nuclear industries' 'wish-list.' It is an unbalanced approach which will do little for our nation's energy security. S. 341 represents a 'more of the same' energy policy—more assaults on our environment, more taxpayer subsidies and giveaways to the fossil fuel and nuclear industries, more exclusion of citizens from energy siting and regulatory decision.

S. 279, the Motor Vehicle Fuel Efficiency Act of 1991, was introduced by Senator Richard Bryan (D-NV), and reported out of the Commerce Committee by a bipartisan 14-5 vote in March. This legislation would require auto manufacturers to substantially increase the fuel efficiency of their new cars and light trucks, requiring on average, that automobiles achieve 34 mpg by 1996 and 40 mpg by the year 2000. It is estimated that such efficiency gains would save some 2.5 million barrels of oil per day by 2005, significantly reducing both oil imports and carbon dioxide emissions.

WHAT THE JOHNSTON-WALLOP BILL DOES

This bill has something for everyone (except the American public). For the coal industry, the bill provides incentives for 'clean coal' technologies and coal exports, and open-ended funding for a new government 'coal refining program' (shades of the late, unlamented Synthetic Fuels Corporation boondoggle!). The oil industry gets access to the Arctic National Wildlife Refuge and a 'reassessment' of those environmentally sensitive offshore areas currently protected by moratoria on oil drilling. The nuclear industry wins provisions virtually shutting the public out of the nuclear power plant licensing process and writing off nearly $10 billion in unrecovered government investments in uranium enrichment facilities.

While it includes some measures on energy efficiency and renewables, these are limited. There is no requirement for increased fuel economy standards for automobiles and light trucks (which use much of our oil), no efficiency standards for electric motors (which use half of our electricity), no major shift in federal research and development spending away from fossil fuels and nuclear power to energy efficiency and renewables (which now get only about 13 percent of the nearly $3 billion energy R&D budget).

Three specific provisions of S. 341 are of greatest concern:

Arctic Oil Drilling: S. 341 would allow drilling in the Arctic National Wildlife Refuge, a major arctic coastal ecosystem of global significance. Other provisions of the bill would lay the groundwork for increased drilling off the Atlantic and Pacific coasts. The bill ignores the fact that only 5 percent of the world's oil reserves are in the United States, while almost 50 percent are in the Persian Gulf. Drilling in even the most environmentally sensitive areas will not provide a significant amount of oil to displace imports and pales in significance when compared to the amount of oil that can be saved by increasing vehicle fuel economy standards, promoting increased car and van pooling, and other conservation measures not included in the bill.

PUHCA 'Reform': S. 341 would amend the Public Utility Holding Company Act in ways that will undermine recent state utility commission initiatives to advance conservation and efficiency as alternatives to new power plants. It will also reduce the ability of renewable resources to compete. The bill would allow utilities to create affiliates to build power plants and sell power back to themselves or to other utilities, largely circumventing state regulatory review. This will encourage utilities to build new coal, gas and nuclear plants rather than making more cost-effective, environmentally-sound investments in energy efficiency measures. Because the bill does nothing to address the utility monopolies' stranglehold on the electricity transmission grid, it could worsen the competitive position of independent power producers and hurt prospects for increased electricity production from renewable sources like solar and wind.

Nuclear Licensing: S. 341 would attempt to speed up the current licensing process by authorizing a one-step licensing procedure, and eliminating the right of public intervenors to raise significant new safety issues at the operating license stage. This measure is designed to encourage investment in the nuclear industry by assuring operation once a plant has been built, but it goes too far. By preventing the public from raising valid safety issues, S. 341 would undermine both nuclear reactor safety and public confidence in the nuclear industry. All this despite the fact that neither the Nuclear Regulatory Commission nor the nuclear industry can point to a single case where operation of a nuclear reactor was inappropriately delayed by public hearings.

HIGHWAYS AND A TAX INCREASE

Mr. SYMMS. Mr. President, a piece of legislation this body worked on for 2 full weeks, the Federal Highway Program, the Surface Transportation Efficiency Act, has been roadblocked thus far in the House. I call it to the attention of my colleagues.

Senator MOYNIHAN's statement was released to the national press today, and a letter from the President dealing with the House action thus far and where we are with the progress of the highway bill. I hope my colleagues and the staffs that are watching could get this statement, send it out to the respective States so all Senators can be kept abreast of the situation, because we are very rapidly, now, heading toward having no highway program accommodated on the books at the end of the fiscal year if this pace keeps up. I hope we can avoid it.

Yesterday, the House leadership decided not to bring the surface transportation bill to the floor. That means it will be sometime during the second week in September before the House will have another opportunity to consider this most important legislation.

The authorization for our current highway, mass transit, and highway safety programs will expire at the end of this fiscal year. The House's failure to approve a surface transportation bill prior to the August recess makes it highly unlikely Congress will meet the September 30 deadline for approving a new program. As a result, there may well be an interruption in the flow of funds to support our Nation's transportation infrastructure. That, Mr. President, is a result that will serve no one's interest.

Obviously, there are a variety of reasons the House was unable to muster the votes to move their bill before the recess, but an important factor was the 5-cent per gallon fuel tax increase. I know how hard my colleagues on the House Public Works Committee have worked on this bill, and I appreciate the tremendous disappointment they must feel at being unable to bring the bill before the House this week.

But I hope members of the committee will come back from the August recess refreshed and ready to proceed on a scaled-back, 5-year authorization that does not include the tax increase. The President and his advisers have made it quite clear he will not sign a bill that includes a fuel tax increase; in fact, the President sent a letter just yesterday stating in absolutely certain terms that he will veto a transportation bill that includes the nickel tax increase. I ask unanimous consent that a copy of the President's letter be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SYMMS. My hope is the House will act quickly in September to approve a bill within the parameters of the budget agreement, so we can move to conference, and send a bill to the White House as early as possible which the President can sign.

In that regard, I have seen press reports indicating some House Members are now thinking of a simple, 1-year extension of the current highway program. Let me say clearly, this Senator does not support a 1-year extension.

We are near the end of the interstate construction era. Both the Senate bill and the bill proposed by the House committee would complete Federal funding for construction of the entire interstate and Defense Highway System. Congress must approve a multiyear surface transportation bill that moves the Nation into the postinterstate future; this year's surface transportation bill should build into our transportation programs greater State and local decisionmaking authority, greater economic efficiencies, and the flexibility necessary for States to establish their own transportation priorities. We should not and will not settle for anything less.

I know Secretary Skinner and the chairman of our Subcommittee on Water Resources, Transportation, and Infrastructure, Senator MOYNIHAN, share my view on this point. America needs a multiyear surface transportation program to set a course by which State and local transportation officials can plan transportation improvements and program project funding. A 1-year extension would be shortsighted and bad public policy. We can and will do better.

EXHIBIT 1

THE WHITE HOUSE,
Washington, August 1, 1991.

HON. ROBERT H. MICHEL,
Republican Leader, House of Representatives, Washington, DC.

DEAR BOB: As the House prepares to consider the Intermodal Surface Transportation Infrastructure Act, I want to reiterate my strong opposition to an increase in the Federal gasoline tax included in the bill. This tax could harm our Nation's economy precisely at a time when it appears a healthy recovery has just begun. If the Congress presents me with a Surface Transportation Bill that includes this increase in the gasoline tax, I will veto it.

With this in mind, I ask you to support the effort to recommit the bill to the appropriate committees to delete this unwise and unsound proposal.

Let me emphasize that I want to sign a Surface Transportation Bill this year. The Administration's legislation includes a 39 percent increase in highway investment over the next five years without a tax increase. I urge you to work toward passage of this proposal and urge the House to defeat attempts to increase taxes at the expense of our economic recovery.

Thank you for your consideration of this matter.

Sincerely,

GEORGE BUSH.

Mr. MOYNIHAN. Mr. President, first, I will take this opportunity to put one line of speculation to rest. There will be no short-term reauthorization of Federal transportation spending. We will do this right or we will not do it at all.

I would hope to reach beyond the Washington lobbyists. And speak to those who have an interest in this legislation. Try to grasp this heretofore unthinkable fact. The entire highway program is in jeopardy. There is little possibility that a surface transportation bill will have been enacted by September 30. That means the Federal highway program stops. Period. Over and again during the Senate debate I stated one simple fact. With the Interstate System finished, there is no absolute need for a Federal highway program. This statement, as indeed the Senate's entire argument, was dismissed with contempt by the men you pay to lobby for you.

Well, now you know. Or could know if you bother to learn. The highway program is in jeopardy. It will stop dead on September 30. It may stay dead. The choice is up to the industry. Get your lobbyists to listen.

When the gasoline tax was increased in 1956 to fund the construction of the Interstate and Defense Highway System, an industry was created. This industry quickly learned the lesson of the defense industry, which is that an industry entirely dependent on public spending needs lobbyists.

And so just as defense contractors have been victimized by their own lobbyists, so now have the highway contractors. The House's refusal to consider its $150 billion transportation bill is stark evidence of this.

The Senate passed the Surface Transportation Efficiency Act of 1991 on June 19 by a vote of 91 to 7. This bill would radically alter the principles of Federal transportation spending. We did this for one simple reason: The current system is not working well. Dr. Michael Boskin, chairman of the President's Council of Economic Advisers, has stated that over the last decade, productivity in the transportation sector has grown at a rate of 0.2 percent per year. This takes 350 years to double.

And so instead of just spending more money, we have proposed to get more out of the money we do spend. Introducing productivity into public sector spending is the question facing government everywhere. The Senate addressed this by introducing private sector competition into a public sector industry. The bill passed despite the opposition, even the contempt, of the highway lobby—the American Trucking Association, the American Road and Transportation Builders Association, the Associated General Contractors, and the like.

As specific evidence I cite the advertisement placed in this week's edition of Roll Call by the American Road and Transportation Builders Association:

SUPPORT THE "NICKEL FOR AMERICA"

Opinion polls have shown that the public will support an increase in the gasoline tax if the money is dedicated to highway and bridge improvements.

Perhaps. But the public sector cannot support a continuation of the mindless, massive construction programs of the past, which have been good for the highway lobby, but not for America. Now there may be no reauthorization.

THE OBSCENITY REMAINS

Mr. MOYNIHAN. Mr. President, in his moving, even haunting remarks at the Babi Yar War Memorial, in Kiev yesterday afternoon President Bush observed: "In the vast quiet here, something larger than life assails; the shadows of past evil. * * *"

He referred, of course, to the unutterable horror of September 1941 when Nazi firing squads commenced 36 hours of nonstop shooting of Jews.

The President did not speak of a subsequent horror: The propaganda compaign begun in the Soviet Government in 1971 alleging that this massacre was a collaboration between Nazis—and Jews!

I set forth the essential history in a book "A Dangerous Place," which was published in the United States in 1978, and later in the United Kingdom, in the Federal Republic of Germany, in India, and in Israel. In essence, following the defeat of Soviet-backed Arab forces in various conflicts with Israel, the Soviet leaders set out on a campaign to delegitimize the Jewish state.

As was their routine in that time, the campaign began in Pravda, the official organ of the Communist Party of the Soviet Union. On February 18 and 19, 1971, a two-part article appeared in Pravda entitled, "Anti-Sovietism—Profession of Zionists." Promptly published as an English language pamphlet in the Novosti Press, it was next translated into six other languages and distributed around the globe. The author of the article was Vladimir Viktorovich Bolshakov, then—or shortly thereafter—Deputy Secretary of Pravda's editorial board in charge of the newspaper's international department. (He is now at the Paris bureau.)

Pravda stated:

Zionist agents active during the last war in western and eastern Europe and in the occupied part of the Soviet Union, collaborated with the Nazis. Many cases are known where Gestapo men recruited overseers in death camps and special "police" from among Zionists who "kept order" in Jewish ghettos. "The tragedy of Babi Yar," wrote a number of Soviet citizens of Jewish origin who live in the Ukraine in a letter to Pravda, "will forever be a reminder not only of the monstrous barbarity of the Nazis but also of the indelible disgrace of their accomplices and followers—the Zionists."

It is the singular, ghastly aspect of this assertion that the moral individual responds with silence, disbelief, finally denial. The first response was not to hear. This continued until 1975 when the proposal reached the floor of the General Assembly of the United Nations in the form of the infamous Resolution 3379 declaring that "Zionism is a form of racism. * * *"

Since then there has been an unrelenting effort to have our Government set out to repeal Resolution 3379. Over and again Congress has condemned "any linkage between Zionism and racism" (S.J. Res. 98, Public Law 99-90, approved August 15, 1985), recommended that "the U.S. Government should lend support to efforts to overturn Resolution 3379" (S.J. Res. 205, Public Law 100-169, approved November 17, 1987), called "upon member states of the United Nations General Assembly to take immediate action to repeal * * * Resolution 3379" and requested that the "President * * * periodically report to the Congress" on progress toward repealing the resolution (S.J. Res. 246, Public Law 101-317, approved June 29, 1990).

Nothing happens.

The numbing impact of the original charge continues. Its evil hold persists.

I know the President did not know of these statutes when he went to Babi Yar. Had he known, I know he would have spoken out. But what is it that kept him from knowing? Who in our Government knew but could not bring themselves to speak? Or chose not to speak?

Did they think it might interfere with plans for having the Soviets be the co-host at a Middle East peace conference?

Yet how can we ask the Israelis to accept an invitation from a nation that for two decades is on record as saying the Jewish state has no right to exist. For no state founded on the principles described in that Pravda article could claim legitimacy in the modern world.

The obscenity remains. A stain on the United Nations. The last huge obscenity of the age of totalitarian propaganda. Unremarked by us; unprotested.

FINANCING HEALTH CARE

Mr. KERREY. Mr. President, another warning alarm went off last week alerting us to the need to do damage control with America's fragmented system of financing health care. The warning alarm was an article in the New York Times reporting another disturbing crack in our engines.

The article reported that Empire Blue Cross and Blue Shield—BC/BS—the largest health insurer in New York State, announced its intention to raise health insurance rates by 50 percent for its policyholders. Increases in premium rates of this magnitude are in themselves disturbing enough. Empire BC/BS, however, added another related piece of disturbing news: Their decision to abandon their long-standing policy of community rating small group health insurance policies in favor of experience rating such policies.

This move to experience rating is a pronouncement by Empire BC/BS that they can no longer compete in the current fragmented health insurance system unless they too play the fragmentation game. BC/BS traditionally provided health insurance based on a community rating system—one in which everyone in a particular area paid basically the same premium regardless of their risk. Other commercial insurance companies have typically set premiums according to the anticipated health care expenditures of a particular individual or group.

Over the years, BC/BS competed successfully with commercial insurers despite the commercial's use of experience rating. Now, however, as competition has intensified, our current fragmented health insurance system presented Empire BC/BS with a serious dilemma: Retain their community rating policy, and as they noted, "cover a higher proportion of sick people" than their commercial competitors and face greater losses or pick selectively through good and poor risks and set rates according to those risks. This is a move that runs directly counter to the fundamental purpose of insurance—that is, spreading the risk of needed services over a large population.

The net result of this move toward experience rating and greater risk selection and fragmentation of the system is that more Americans are likely to find themselves priced right out of the health insurance system and right into medical indigency. Increased segmentation of the health insurance market means higher costs for those most likely to be most in need of health services.

Last week the distinguished senior Senator from Minnesota [Mr. DURENBERGER] made similar observations. He referenced two specific responses to this problem: S. 700 which requires that insurers selling policies to small businesses meet certain consumer protection requirements and another proposal which will provide a 50-percent tax credit to small businesses for providing health insurance—both of which are worthy of our consideration.

They represent stop gap proposals and I commend my colleague for introducing them both. I believe we need to go further if we expect to control costs, provide coverage to all Americans, decrease the amount of paperwork, and continue to hope that the quality of our care will continue to improve. On July 18, I introduced legislation which I believe would dramatically improve health care in America by restructuring the way we finance that care.

Mr. President, if anyone doubts the need for action, they should consider what the Empire decision could mean for 420,000 Americans. The New York Times article outlines the decision for an individual or small business in real dollar terms. It describes how individuals purchasing their own coverage from Empire BC/BS will pay over $11,000 per year for family coverage with a $300 deductible. It describes how individuals and small groups determined to be poor risks will pay over $9,000 per year for comprehensive coverage or $6,500 for limited coverage with as much as a $2,000 deductible.

Mr. President, the median income for a resident of New York is $32,000 per year. Assuming take home pay of $24,000, the average New Yorker will face a stark decision. For these individuals, families or small businesses, the choice is to pay a substantial amount for limited coverage, not use services because of a prohibitive deductible or run the risk of not being insured. Given the fact that a lack of coverage means less access to services, making the latter decision means less or no access to important health services.

The statistics increasingly ingrained in all our memories show that more individuals, families, and businesses are falling victim to our fragmented financing system. Nationwide about 15 percent of Americans are insured. In New York, about 12 percent of the State's population is uninsured. In California, a recent study found that 22.5 percent of that State's population is uninsured and 20 percent of all employees in the State lack insurance. In Nebraska, a report by the University of Nebraska Medical Center found that 11.5 percent of my State's under 65 population lacked insurance coverage in 1990. Looking over several years and comparing uninsured with unemployment rates shows that the problem is not necessarily cyclical or tied completely to the State's economy, but rather is an endemic problem—one founded in our current system of financing health care.

One of the basic goals of our Nation's health care system should be to provide access to some basic level of care to all Americans. Public opinion polls and our leadership in Congress echo the growing acceptance of this goal. We know that health care coverage is a critical determinant of access to health and medical care services. We know that people who are not covered are less likely to receive basic necessary, and oftentimes, preventive care services and if they do need it, are likely to pay more out-of-pocket for it than do insured people.

And we should all know, that we all pay for the fundamental flaws in our current health care system in one way or another. We pay through cost-shifting among payers. We pay through the uncompensated care given by our providers of care. We pay through reduced access to critical services as emergency rooms and trauma centers close. We pay through the cost of the products we buy. We, as taxpayers, pay through the taxes we pay for Medicaid and other medical assistance programs.

Mr. President, I hope we respond to this warning signal with action. I hope we carefully consider stop gap action, then I hope we are prepared for the complete overhaul of our financing system which I believe is urgently needed.

THE NATIONAL STUDENT/PARENT MOCK ELECTION

Mr. KENNEDY. Mr. President, over the past several months, we have been celebrating the victories of America's forces, who left homes and families to protect the freedoms of a faraway land. Here at home, we need to protect our freedoms on a different front.

Four out of five Americans under 30 who are eligible to vote do not bother going as far as their neighborhood polls to protect their freedoms as Americans.

In May 1990, the Markle Commission warned that as the rest of the world marches toward democracy, widespread voter ignorance and low election turnout threaten the American democratic process.

The Times Mirror Center for the People and the Press found that young Americans, 18 to 29, are a generation that "knows less, cares less and votes less * * * than young people in the past." People for the American Way has sounded the alarm that "America's youth are alarmingly ill-prepared to keep democracy alive."

Study after study repeats these findings. The Carnegie Council on Adolescent Development has found American youth are "approaching young adulthood with only rudimentary knowledge of the American political process. They do not make connections between the actions of government and those of citizens * * * they do not appear even to make connections between ethical principles and either their own lives or political issues involving the common good." The National Assessment of Educational Progress found that American students, including high school seniors only a year away from voting age, demonstrated only a limited understanding of the fundamental concepts of U.S. history and civics.

The results, as Chester E. Finn, Jr., chairman of NAEP's governing board has pointed out, are cause for special concern because these subjects lie at the heart of the central responsibilities of American schools: Preparing students to participate as citizens in the affairs of a democratic republic.

There is a ray of hope in all this discouraging news. In 1988, 3½ million students, from kindergarten through college, and their families, participated in the National Student/Parent Mock Election, which Time magazine called the largest voter education project ever. And the organizers of the National Student/Parent Mock Election have set their sights on 7–10 million for 1992. Time magazine, the principal sponsor in 1988, plans to take a prominent role again in 1992.

The Department of Justice made it possible to take the first steps toward adding law-related education to the National Student/Parent Mock Election in 1990. I commend the Department for its thoughtful support. The relationship between the right to vote and the rule of law under a government "of the people, by the people and for the people" needs to be stressed as never before.

Adding law-related education to the highly successful National Student/Parent Mock Election will help teachers and parents to counter the ignorance, apathy, cynicism, and alienation among the young that place the rule of law and democracy in danger. This apathy and alienation can be transformed into literate discussions about the importance of the rule of law and other key national issues that millions of them will face when they cast their votes on October 29, 1992.

Participating in the 1992 mock election with its focus on law-related education will improve young voters' ability to think critically, to work cooperatively, and to learn to define problems critically, to work cooperatively, and to learn to define problems and meet challenges in relation to the fundamental principles of American democracy. Above all, they will achieve an active sense of their responsibilities as citizens and the personal involvement by which democracy is sustained.

I urge my colleagues to contact their State and local school superintendents and to encourage them to participate in the 1992 National Student/Parent mock election. The mock election is an especially useful tool for reaching young citizens and their families in urban centers with the highest crime and drug rates, as the project's success rate in cities such as New York and Washington, DC, attest. Evaluations from mock election coordinators across the country have shown that by keeping young people active and involved, mock election projects are a strong deterrent to drug abuse and dropping out.

I am pleased that the cochairs of the mock election will be Frank J. Fahrenkopf and Paul G. Kirk, Jr. In Massachusetts, the project will be coordinated by the Eagle-Tribune and the Massachusetts League of Women Voters. The 1992 mock election will be an experience that students and teachers will never forget, and I commend all those who have worked tirelessly in recent years to make it a success.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, we have a number of additional matters which we wish to have action completed on now, during this brief break in the bill. I am going to ask the distinguished Senator from Colorado to manage these matters.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. WIRTH. Mr. President, I ask unanimous consent that the Senator go into executive session to consider the following nominations: Calendar 261, William Happer, to be Director of the Office of Energy Research in the Department of Energy; and all nominations and promotions reported today by the Committee on Armed Services in the Air Force, Army, Navy, and Marine Corps.

I further ask unanimous consent that the nominees be confirmed en bloc, and that any statements appear in the RECORD as if read; that the motions to reconsider be laid upon the table; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF ENERGY

William Happer, of New Jersey, to be Director of the Office of Energy Research.

CONFIRMATION OF WILLIAM HAPPER TO BE DIRECTOR OF THE OFFICE OF ENERGY RESEARCH, DEPARTMENT OF ENERGY

Mr. WALLOP. Mr. President, on July 24, 1991, the Committee on Energy and Natural Resources favorably reported the nomination of William Happer to be Director of the Office of Energy Research, Department of Energy, by a vote of 18 to 1.

Dr. Happer is an exceptionally well-qualified candidate for this position. Since 1980, he has served as professor of physics at Princeton University where he earned his doctorate. Prior to 1980, he was professor of physics at Columbia University. He is the recipient of numerous honors and awards in his field and has authored over 100 publications. Dr. Happer has acted as a scientific consultant to Los Alamos, Lawrence Livermore, and Argonne National Laboratories.

Mr. President, I urge my colleagues to join me in supporting Dr. Happer's confirmation as Director of the Office of Energy Research.

ARMY, AIR FORCE, NAVY, AND THE MARINE CORPS

Mr. WIRTH. From the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar.

Those with two asterisks are to be placed on the Secretary's desk.

**In the Air Force there are 17 appointments to the grade of colonel and below (list begins with Richard N. Boswell) (Reference No. 246-1).

**In the Air Force there are 16 promotions to the grade of colonel and below (list begins with Randy C. Smith) (Reference No. 343).

*Major General Richard E. Hawley, USAF to be lieutenant general (Reference No. 371).

*Rear Admiral (lower half) Ronald P. Morse, USN to be rear admiral (Reference No. 375).

*In the Navy there are 22 promotions to the grade of rear admiral (list begins with Philip S. Anselmo) (Reference No. 376).

*In the Naval Reserve there are 6 promotions to the grade of rear admiral (list begins with Jimmie Wayne Seeley) (Reference No. 387).

*Major General Robert M. Alexander, USAF to be lieutenant general (Reference No. 391).

*Major General Gary H. Mears, USAF to be lieutenant general (Reference No. 392).

*Colonel Ruben A. Cubero, USAF to be Dean of Faculty, United States Air Force Academy and to be brigadier general (Reference No. 407).

*Brigadier General Sidney Shachnow, USA to be major general (Reference No. 414).

*Major General Eugene H. Fischer, USAF to be lieutenant general (Reference No. 424).

**In the Air Force there are 1,623 promotions to the grade of colonel and below (list begins with Betty J. Andrews) (Reference No. 441).

*Lieutenant General Walter E. Boomer, USMC to be lieutenant general (Reference No. 446).

*In the Air Force there are 35 appointments to the grade of brigadier general (list begins with Peter C. Bellisario) (Reference No. 457).

*Lieutenant General E. Salomon, USA for reappointment to lieutenant general (Reference No. 459).

**In the Naval Reserve there are 267 promotions to the grade of captain (list begins with Robert Frederick Aarstad) (Reference No. 464).

**In the Naval Reserve there are 522 promotions to the grade of commander (list begins with Lawrence Elliott Adler) (Reference No. 465).

**In the Marine Corps Reserve there are 160 appointments to the grade of lieutenant colonel (list begins with Steven Allen) (Reference No. 466).

*Major General Wilson A. Shoffner, USA to be lieutenant general (Reference No. 470).

**In the Navy there are 1,420 promotions to the grade of lieutenant commander (list begins with Eugene Michael Abler) (Reference No. 471).

*Lieutenant General John M. Shalikashvili, USA for reappointment to the grade of lieutenant general (Reference No. 476).

*Lieutenant General Alonzo E. Short, Jr., USA for reappointment to the grade of lieutenant general (Reference No. 477).

*Lieutenant General Robert F. Milligan, USMC to be placed on the retired list in the grade of lieutenant general (Reference No. 479).

**Lieutenant Colonel Kenneth D. Cameron, USMC (astronaut) for appointment to the grade of colonel (Reference No. 481).

*Lieutenant General Frederick M. Franks, Jr., USA to be general (Reference No. 484).

*Lieutenant General Michael F. Spigelmire, USA for reappointment to the grade of lieutenant general (Reference No. 485).

*Major General Wayne A. Downing, USA to be lieutenant general (Reference No. 486).

*Major General Peter A. Kind, USA to be lieutenant general (Reference No. 487).

**Lieutenant Colonel Lloyd B. Hammond, Jr., USAF (astronaut) for appointment to the grade of colonel (Reference No. 488).

**In the Air Force Reserve there are 18 promotions to the grade of lieutenant colonel (list begins with Leo L. Accursi) (Reference No. 489).

**In the Air Force there are 2 appointments to the grade of second lieutenant (list begins with Eric F. Holt) (Reference No. 490).

**In the Air Force there are 6 appointments to the grade of second lieutenant (list begins with James R. Fisher) (Reference No. 491).

**In the Air Force there are 20 appointments to the grade of second lieutenant (list begins with Christopher P. Azzano) (Reference No. 492).

**In the Army Reserve there are 37 promotions to the grade of colonel and below (list begins with Louis A. Cabrera) (Reference No. 493).

**In the Army there are 3 promotions to the grade of lieutenant colonel (list begins with Robert M. Reade) (Reference No. 494).

**In the Navy there are 3 appointments to the grade of ensign (list begins with Jay R. Frohne) (Reference No. 495).

**In the Air Force Reserve there are 62 promotions to the grade of lieutenant colonel (list begins with Roger L. Bacon) (Reference No. 496).

**In the Army there are 643 promotions to the grade of lieutenant colonel and below (list begins with Robert M. Adams) (Reference No. 497).

**In the Marine Corps there are 123 appointments to the grade of second lieutenant (list begins with James H. Adams III) (Reference No. 498).

*Major General Paul G. Cerjan, USA to be lieutenant general (Reference No. 547).

*Major General Gylnn C. Mallory, Jr., USA to be lieutenant general (Reference No. 548).

**In the Army there are 8 promotions to the grade of colonel and below (list begins with Denis Rosnick) (Reference No. 549).

**In the Army Reserve there are 38 promotions to the grade of colonel and below (list begins with James V. Bedard) (Reference No. 550).

**In the Navy there are 26 appointments to the grade of lieutenant and below (list begins with Thomas A. Frantzen) (Reference No. 551).

**In the Army Reserve there are 56 promotions to the grade of colonel and below (list begins with Melvin L. Brewer) (Reference No. 552).

**In the Navy there are 791 promotions to the grades of lieutenant commander (list begins with John Sindos Adams) (Reference No. 553).

Total: 5,945.

NOMINATION OF JOHN SCHROTE TO BE ASSISTANT SECRETARY OF THE INTERIOR

Mr. WIRTH. Mr. President, as if in executive session, I ask unanimous consent that the Committee on Governmental Affairs be discharged from further consideration of the John Schrote nomination to be Assistant Secretary of the Interior; that the Senate proceed to the immediate consideration of the nomination; that the nominee be confirmed; that any statements appear in the RECORD as if read; that the motion to reconsider be laid upon the table; and that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOHN SCHROTE TO BE ASSISTANT SECRETARY OF THE INTERIOR

Mr. WALLOP. Mr. President, on July 17, 1991, the Committee on Energy and Natural Resources favorably reported the nomination of Mr. John Schrote to be Assistant Secretary of the Interior for Policy, Management, and Budget by a unanimous vote.

Mr. Schrote has held the position of Deputy Assistant Secretary of the Interior for Policy, Management, and Budget since 1989 and currently is serving as Acting Assistant Secretary. Mr. Schrote has served in a number of high-level staff positions both in the administration and on the Hill. He holds a bachelor of science degree in agriculture and a masters degree in economics. I believe Mr. Schrote to be well-qualified for the position to which he has been nominated and I support his confirmation as Assistant Secretary of the Interior for Policy, Management and Budget.

The nomination considered and confirmed is as follows:

DEPARTMENT OF THE INTERIOR

John Schrote to be Assistant Secretary.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

AUTHORIZATION FOR REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. WIRTH. Mr. President, in behalf of Mr. MITCHELL, the distinguished majority leader, and the distinguished Republican leader, Mr. DOLE, I send to the desk a resolution on authorization for representation of Senate defendants and appearance by the Senate legal counsel in the name of the Senate as amicus curiae, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 167) to authorize the Senate Legal Counsel to represent Senate defendants and to appear as amicus curiae in the name of the Senate in lawsuits brought by Alcee L. Hastings in regard to his impeachment trial.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, in recent weeks former U.S. District Judge Alcee L. Hastings has filed two lawsuits in regard to his impeachment trial in the Senate, which resulted in his removal from office on October 20, 1989, upon conviction for high crimes and misdemeanors.

In the more comprehensive of these actions, former Judge Hastings challenges his impeachment on a claim of double jeopardy, based on his prior acquittal in a criminal trial, and also challenges procedural rulings made by the Senate in the course of trying him, including the appointment of a committee to receive and report evidence to the full Senate. In that action, which was filed in the U.S. District Court for the District of Columbia, he seeks a declaration that his impeachment conviction was unconstitutional. He also seeks orders reinstating him to the Federal bench, awarding back pay from the date of his removal, and enjoining further impeachment proceedings on the charges of bribery and false statements that constituted the major portion of the impeachment articles against him.

In both actions, former Judge Hastings also challenges the lack of payment by the Government of funds to pay for his legal defense. Specifically, in an action filed in the U.S. Claims Court, he seeks a judgment, of $3.2 million, the amount he states he incurred in attorneys' fees and expenses in defense of his office. The Claims Court action, which is limited to that claim, is solely against the United States, but other defendants, including the Senate as a whole, are named in the district court suit.

In 1989, in the course of his impeachment proceedings, then Judge Hastings filed an action against the Senate making similar claims. The district court dismissed the suit, and the U.S. Court of Appeals for the District of Columbia Circuit affirmed, but on the ground that the action was premature, rather than on the merits. Since then, another district judge whom the Senate convicted of impeachment articles presented by the House, Walter L. Nixon, Jr., initiated a legal challenge to the Senate's conduct of his impeachment proceeding on a ground that overlaps one of former Judge Hastings' claims, namely, the contention that the Senate may not utilize a trial committee to receive and report evidence to the full Senate.

Former Judge Nixon's lawsuit, too, was dismissed, and within this past month the District of Columbia Circuit affirmed the dismissal. Unlike the earlier action, whose dismissal was ultimately predicated on its timing, in this case the D.C. Circuit established that the courts have no authority to review the Senate's performance on its duty to try impeachments, because the Constitution vests that power exclusively in the Senate. One judge dissented from that ruling, but concurred in the affirmance of the district court's dismissal of former Judge Nixon's suit on the ground that the Senate's use of a committee to receive and report evidence is constitutional.

Pursuant to a resolution of the Senate, the Senate legal counsel defended the Senate parties in the action brought by these impeached judges while their impeachment proceedings were pending in the Senate. Also by resolution of the Senate, the Senate legal counsel appeared as amicus curiae in the name of the Senate in support of the dismissal of former Judge Nixon's action following his removal from office. In that action, the Senate legal counsel worked in close coordination with the Department of Justice in defending the Senate's exclusive constitutional authority to try impeachments and, alternatively, in defending the constitutional basis for the Senate's use of an impeachment trial committee.

Today's resolution will permit the legal counsel to continue to work with the Justice Department to defend the Senate's interests in this matter. The resolution authorizes the counsel to represent any Senate defendants named by former Judge Hastings. It also authorizes the Senate legal counsel to appear in these lawsuits as amicus curiae in the name of the Senate. To the extent that any Senate defendant remains as a party in the pending action in the district court, it may not be necessary to utilize the authority to appear as amicus curiae in that case. With respect to the action in the Claims Court, the intention of the resolution is to vest discretion in the Senate legal counsel in regard to the exercise of the authority to appear as amicus curiae. In particular, the counsel may utilize this authority on any appeal rather than in the initial proceeding in the Claims Court.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 167) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 167

Whereas, in the case of Alcee L. Hastings v. United States of America, No. 91-1173C, pending in the United States Claims Court, the plaintiff, former Judge Alcee L. Hastings, has asserted a claim that the Compensation Clause, article III, section 1 of the Constitution, requires the United States to reimburse him for the costs of his legal defense during his impeachment trial;

Whereas, in the case of Alcee L. Hastings v. United States of America, et al., No. 91-1713, pending in the United States District Court for the District of Columbia, the plaintiff, former Judge Alcee L. Hastings, has named the United States Senate as a defendant and has placed in issue the constitutionality of his impeachment trial, conviction, and removal from office;

Whereas, pursuant to section 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a)(1), the Senate may direct its counsel to defend Senate parties in civil actions relating to their official responsibilities;

Whereas, pursuant to sections 703(c), 706(a), and 713(a) of the Ethics in Government Act of 1978, 2 U.S.C. 2881(c), 288e(a), and 288*l*(a), the Senate may direct its counsel to appear as amicus curiae in the name of the Senate in any legal action in which the powers and responsibilities of Congress under the Constitution are placed in issue: Now, therefore be it

Resolved, That the Senate Legal Counsel is authorized to represent the Senate and any other Senate parties in Alcee L. Hastings v. United States of America, et al., filed in the United States District Court for the District of Columbia, or in any similar lawsuit filed by former Judge Alcee L. Hastings to challenge his impeachment trial, conviction, or removal from office.

SEC. 2. That the Senate Legal Counsel is authorized to appear as amicus curiae in the name of the Senate in Alcee L. Hastings v. United States of America, filed in the United States Claims Court, and in Alcee L. Hastings v. United States of America, et al., filed in the United States District Court for the District of Columbia, or in any similar lawsuit filed by former Judge Alcee L. Hastings, in order to defend the Senate's sole constitutional power to try impeachments and to defend, to the extent necessary, the decisions and procedures of the Senate in the course of his impeachment.

AUTHORIZING REPRESENTATION OF U.S. SENATE IN THE CASE OF PERKINS VERSUS U.S. SENATE

Mr. WIRTH. Mr. President, on behalf of Senator MITCHELL and the Republican leader, Mr. DOLE, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 168) to authorize representation of the United States Senate in the case of Perkins versus United States Senate.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, the plaintiff in a civil action brought against the U.S. Senate has appealed the order of the U.S. District Court for the District of Columbia dismissing his complaint as frivolous.

The plaintiff contends in his lawsuit that the Senate failed to act on a grievance which he allegedly communicated to the Senate in 1985. As we have stated previously in relation to similar lawsuits, every citizen has a constitutionally protected right to petition the Government for the redress of grievances. In turn, the Government, including its branches and officials, has discretion to decide how to respond to the many problems that are presented to it.

This resolution would authorize the Senate Legal Counsel to represent the Senate in this case and to seek affirmance of the district court order dismissing the complaint.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 168) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 168

Whereas, in the case of Perkins v. United States Senate, No. 90-5330, pending in the United States Court of Appeals for the District of Columbia Circuit, the appellant is seeking reversal of a district court order dismissing as frivolous his complaint against the United States Senate;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a)(1), the Senate may direct its counsel to defend the Senate in civil actions relating to its official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent the Senate in the case of Perkins v. United States Senate.

FORMALIZING THE MEMBERSHIP OF THE SENATE SELECT COMMITTEE ON ETHICS

Mr. WIRTH. Mr. President, on behalf of the distinguished majority leader and the Republican leader, I send to the desk a resolution formalizing the Senate Select Committee on Ethics and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 169) to formalize membership on the U.S. Senate Select Committee on Ethics.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

FORMALIZING MEMBERSHIP ON THE U.S. SENATE SELECT COMMITTEE ON ETHICS

Mr. MITCHELL. Mr. President, this resolution formalizes the fact that Senator SANFORD is the chairman of the Ethics Committee and Senator BRYAN is a member of the Ethics Committee for all Ethics Committee business other than that relating to the preliminary inquiries into the conduct of Senators CRANSTON, DECONCINI, GLENN, MCCAIN, and RIEGLE, and the investigation of Senator CRANSTON.

The resolution also provides that Senators HEFLIN and HELMS, along with Senators RUDMAN, SANFORD, LOTT, and another member to be appointed in accordance with the rules of the committee to replace Senator BINGAMAN, remain members of the committee for the purpose of resolving the abovementioned matters.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 169) was agreed to.

The resolution is as follows:

S. RES. 169

Resolved,

SECTION 1. For purpose of matters relating to the preliminary inquiries into the conduct of Senators Granston, DeConcini, Glenn, McCain and Riegle, including the investigation into the conduct of Senator Cranston, the membership on the Select Committee on Ethics shall be Senator Heflin (Chairman); Senator Rudman (Vice Chairman); Senator Sanford; Senator Helms; Senator Lott; and a Senator to be named in accordance with Sec. 1 of S. Res. 338 (88th Congress, 2d Sess., 1964).

SEC. 2. For all other purposes, the membership of the Select Committee on Ethics shall be Senator Sanford (Chairman); Senator Rudman (Vice Chairman); Senator Bingaman; Senator Bryan; Senator Lott; and Senator Gorton.

CONGRESSIONAL REVIEW FOR CERTAIN DISTRICT OF COLUMBIA ACTS

Mr. WIRTH. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged, en bloc, from further consideration of H.R. 2968 and H.R. 2969; that the Senate then proceed, en bloc, to their immediate consideration, that the bills be deemed read the third time and passed, and that the motion to reconsider be laid upon the table en bloc; that the consideration of these items appear individually in the RECORD; and any statements relating to these items appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills (H.R. 2968 and H.R. 2969) were deemed read a third time and passed.

Mr. SASSER. Mr. President, I want to thank the leadership for bringing before the Senate two recently passed House bills, H.R. 2968 and H.R. 2969. These are of great importance to the Government of the District of Columbia as it continues to bring its budget and finances under control.

In the usual course, these measures would have been referred to a subcommittee that I chair, the Subcommittee on General Services, Federalism, and the District of Columbia, of the Committee on Governmental Affairs. Because of the urgency of approving these bills before the August recess, I am pleased that my colleagues on the Governmental Affairs Committee agreed to discharge the committee from further consideration so that both bills could be considered expeditiously by the full Senate. Because of my interest in the substance of these bills—indeed, the provisions contained in H.R. 2969 were the subject of discussion at a hearing of my subcommittee on July 11—and because there won't be a committee report on them, I take this opportunity to explain a little about them for the record.

Ordinarily, enactments by the council of the District of Columbia are sent to Congress for a 30-legislative-day review period. After that, unless there has been a joint resolution of disapproval by both Houses, the council bill becomes law. This may create problems if Congress adjourns for the fall before the review period has been completed. Therefore, on a limited number of occasions, Congress has agreed to waive its review prerogative so that council measures can take effect sooner.

H.R. 2968 provides such a waiver for 31 different pieces of council legislation. The House passed this bill earlier this week by a voice vote. My subcommittee staff have reviewed it and advise me that no Federal interest would be adversely affected by a waiver of congressional review of these items. But, the urgency lies in the fact that 15 of these council bills represent emergency budget cutting legislation requested by the Mayor of the District. It is only because she was required by law to obtain council approval, rather than acting unilaterally on these initiatives, that they are before us at all.

I cannot say at this time that I necessarily endorse the continual creation of piecemeal exceptions to the congressional review requirement. If the whole review procedure ought to be revisited, that would be a better approach. But I would say that H.R. 2968 deserves our support. The Mayor and the council of the District have worked very hard to try to get a handle on the District's budget and we should reciprocate by being helpful where possible. That includes expediting those 15 budget measures so that the Mayor's fiscal responsibility program can go forward.

Now, by letter to me dated July 10, 1991, in my capacity as subcommittee chairman, Mayor Sharon Pratt Dixon requested that Congress amend the city's Self-Government Act by authorizing the District to take additional steps toward fiscal responsibility. These provisions were introduced and passed unanimously by the House in the form of the second bill we are asked to consider, H.R. 2969. One provision would allow the Mayor, subject to council approval, to reduce the appropriated spending level of independent city agencies if necessary to balance the District's budget for a fiscal year. Second, the Mayor and council requested that Congress limit the bumping rule so that the modified reduction-in-force, enacted by the Council on July 2, could go into effect as planned. Third, Congress would amend the District's authority to issue general obligation bonds against indebtedness to allow the city to retire its accumulated operating deficit.

The subcommittee considered these and other proposals affecting the District's interests, including the bill to establish a formula for the Federal payment to the District, at a hearing on July 11, 1991 entitled, "Meeting the District's Financial Challenge." The subcommittee subsequently polled out the Federal payment formula bill, H.R. 2123, unanimously on July 26, 1991, with the three substantive provisions of H.R. 2969 included as amendments. In order to avoid delay, however, the committee discharged H.R. 2969 so that it could be considered on its own.

Following the title section, section 2 of the bill adds to the Self-Government Act authority for the Mayor, subject to council approval, to reduce amounts appropriated or otherwise available to independent agencies of the District government. This is to be done only if, during the fiscal year, the Mayor determines it is necessary to help balance the District's budget for that year. The principal agency which would be affected by this section is the board of education. It is my understanding that such a reduction would be contingent upon the existence of a serious fiscal emergency, one requiring prompt relief. Reductions in independent agency budgets should not substitute for the District's routine budget processes, and the Mayor and council leadership have indicated their understanding of this. Indeed, this section does not amend existing section 425 of the Self-Government Act, and the Mayor and council are still estopped to specify the purposes for which or the amounts which can be expended for given programs under the aegis of the Board of Education. Only a maximum expenditure level can be set.

Moreover, the Mayor must submit proposals for independent agency reductions to the council for approval. The proposal may be deemed approved if no member of the council objects in writing within 10 days of the submission, or if, following such an objection, the council does not disapprove the proposal within 45 days—days of council recess not being included in such computations of time. Finally, the reduction authority does not apply to the District of Columbia courts or their agencies, or to the council of the District of Columbia.

Section 3 of H.R. 2969 amends section 422(3) of the Self-Government Act to permit, for an 18-month period, the separation from service of officers or employees of the District under procedures set by the council after positions have been identified as "excess." Specifically, it is meant to limit the so-called bump and retreat rule and permit even treatment of all employees whose positions are determined to be excess, including those hired prior to 1980 with tenure rights comparable to those of Federal employees.

Under bumping, an employee whose position was abolished could retain his or her pay even at a lower position and grade from which they in turn bumped another employee. Thus under current procedures, the effect of the original job reduction would really be felt, ultimately, by an employee at a lower level, often a frontline service worker. In the spring of 1991, the Mayor proposed eliminating current positions identified as excess, and sought congressional help in rendering the bumping rule inapplicable. However, the council voted to give holders of excess positions the chance to compete on a one-time basis, within their current grades, for retention at another job. This compromise was at the core of the reduction-in-force plan enacted by the council on July 2, 1991.

Thus, the identification of a managerial position as excess will not presumptively deprive the holder of his or her job—they may compete for retention within their grade level, and a lower-tenured occupant of an otherwise essential position within that grade may be the one ultimately separated. But at least, separations from service may take place without some workers taking advantage of the rules to bump other employees in lower grades.

Finally, H.R. 2969 authorizes the District to issue general obligations bonds to refund indebtedness of the District at any time outstanding. Upon the advent of home rule in the 1970's, the District inherited a substantial accumulated operating deficit from Congress. While this was successfully reduced for several years in the 1980's, a combination of budgetary and economic difficulties has caused the District's accumulated deficit to grow to a current level of $331,589,000. The city has been financing this deficit from year to year through short-term borrowing.

H.R 2969 specifically authorizes the District to refund this accumulated deficit by issuing general obligation bonds; the council has already passed legislation authorizing the Mayor to issue the $331.6 million in bonds. The Mayor advised my subcommittee that issuing long-term debt could save the District some $40 million over the anticipated 12-year term of the bonds, when compared to the current method of short-term financing by tax and revenue anticipation notes. In addition, issuance of the General Fund Recovery bonds will improve the city's financial standing and credit rating.

So, Mr. President I join the leadership in requesting this body to expedite passage of H.R. 2969 and the waiver legislation, H.R. 2968, so that Mayor Dixon and the council can get on with meeting the fiscal challenge they have determined to face.

Thank you, Mr. President.

RELATING TO SARCOIDOSIS AWARENESS

Mr. WIRTH. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 309, a joint resolution relating to sarcoidosis, awareness, just received from the House; that the resolution be deemed read the third time and passed, that the motion to reconsider be laid upon the table, and that the preamble be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 309) was deemed read a third time and passed.

The preamble was agreed to.

RELATING TO JOHN BARRY DAY

Mr. WIRTH. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 166, a joint resolution relating to John Barry Day, just received from the House; that the resolution be deemed read the third time and passed; that the motion to reconsider be laid upon the table, and the preamble be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 166) was deemed read a third time and passed.

The preamble was agreed to.

THE CALENDAR

Mr. WIRTH. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration, en bloc, of Calendar Nos. 201, 202, 203, 204, and 205 that the committee substitute, where appropriate, be agreed to, that the bills be deemed read a third time and passed; and the motion to reconsider the passage of these items be laid upon the table, en bloc.

Mr. President, I further ask unanimous consent that any statements relating to these calendar items appear at the appropriate place in the RECORD, and that the consideration of these items appear individually in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF PATENT TO THE UNITED DAUGHTERS OF THE CONFEDERACY

The bill (S. 525) granting an extension of patent to the United Daughters of the Confederacy, was considered.

Mr. THURMOND. Mr. President, I rise to urge my colleagues to support this bill which will extend and renew the design patent for the insignia of the United Daughters of the Confederacy. This bill was unanimously approved by the Subcommittee on Patents, Copyrights, and Trademarks and by the full Judiciary Committee.

This design patent was originally issued on November 8, 1898, and has been extended on numerous occasions since then. It was extended in 1926, 1941, 1955, and 1977. In November of this year, the patent will expire. In order to ensure continued protection for the insignia, Congress must pass this legislation.

Recently, I was contacted by the president of the United Daughters of the Confederacy, June H. Leake. Mrs. Leake informed me that continued protection of this insignia is vital to her organization.

Mr. President, legislation extending the statutory period for design patents for emblems or badges of patriotic, fraternal, or religious organizations is recognized by Congress as being meritorious and is commonplace. The United Daughters of the Confederacy is the outgrowth of a number of memorial, monument, and Confederate home associations which were organized after the Civil War. It was officially formed in 1890. In fact, I have been informed that the United Daughters of the Confederacy, by way of its consolidation with the auxiliaries of the Confederate Veterans Association, is the oldest patriotic organization in our country.

This organization's objectives are noble. Members work to educate others about the Civil War and they work to honor the memory of those who served and those who fell in the service of the Confederate States of America.

Mr. President, it is important that Congress continues to assist and promote patriotic organizations. Passage of this measure will help ensure that the United Daughters of the Confederacy continues to prosper.

For these reasons, I urge my colleagues to support this legislation.

The bill (S. 525) was ordered to be engrossed for a third reading, deemed read the third time, and passed; as follows:

S. 525

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a certain design patent issued by the United States Patent Office of date November 8, 1898, being patent numbered 29,611, which is the insignia of the United Daughters of the Confederacy, which was renewed and extended for a period of fourteen years by the Act entitled "An Act granting an extension of patent to the United Daughters of the Confederacy", approved November 11, 1977 (Public Law 95-168; 91 Stat. 1349), is hereby renewed and extended for an additional period of fourteen years from and after the date of enactment of this Act, with all the rights and privileges pertaining to the same, being generally known as the insignia of the United Daughters of the Confederacy.

EXTENSION OF PATENT FOR THE BADGE OF THE AMERICAN LEGION AUXILIARY

The bill (S. 967) providing for a 14-year extension of the patent for the badge of the American Legion Auxiliary, was considered, ordered to be engrossed for a third reading, deemed read the third time, and passed; as follows:

S. 967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, acting through the Commissioner of Patents and Trademarks, shall, when a certain design patent numbered 55,398 (for the badge of the American Legion Auxiliary) expires, extend such patent for a period of 14 years after such date, with all the rights and privileges pertaining thereto.

EXTENSION OF PATENT FOR THE BADGE OF THE SONS OF THE AMERICAN LEGION

The bill (S. 968) providing for a 14-year extension of the patent for the badge of the Sons of the American Legion, was considered, ordered to be engrossed for a third reading, deemed read the third time, and passed; as follows:

S. 968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, acting through the Commissioner of Patents and Trademarks, shall, when a certain design patent numbered 92,187 (for the badge of the Sons of the American Legion) expires, extend such patent for a period of 14 years after such date, with all the rights and privileges pertaining thereto.

EXTENSION OF PATENT FOR THE BADGE OF THE AMERICAN LEGION

The bill (S. 969) providing for a 14-year extension of the patent for the badge of the American Legion, was considered, ordered to be deemed read the third time, and passed; as follows:

S. 969

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, acting through the Commissioner of Patents and Trademarks, shall, when a certain design patent numbered 54,296 (for the badge of the Sons of the American Legion) expires, extend such patent for a period of 14 years after such date, with all the rights and privileges pertaining thereto.

ADDITIONAL BANKRUPTCY JUDGES

The Senate proceeded to consider the bill (S. 646) to amend title 28, United States Code, to authorize the appointment of additional bankruptcy judges, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. ADDITIONAL BANKRUPTCY JUDGES.

Section 152(a)(2) of title 28, United States Code, is amended—

(1) in the item relating to the northern district of Alabama by striking out "5" and inserting in lieu thereof "6";

(2) in the item relating to the district of Arizona by striking out "5" and inserting in lieu thereof "7";

(3) in the item relating to the district of California by striking out "19" and inserting in lieu thereof "21";

(4) in the item relating to the district of Colorado by striking out "5" and inserting in lieu thereof "6";

(5) in the item relating to the district of Connecticut by striking out "2" and inserting in lieu thereof "3";

(6) in the item relating to the middle district of Florida by striking out "4" and inserting in lieu thereof "8";

(7) in the item relating to the southern district of Florida by striking out "3" and inserting in lieu thereof "5";

(8) in the item relating to the middle district of Georgia by striking out "2" and inserting in lieu thereof "3";

(9) in the item relating to the northern district of Georgia by striking out "6" and inserting in lieu thereof "8";

(10) in the item relating to the southern district of Illinois by striking out "1" and inserting in lieu thereof "2";

(11) in the item relating to the district of Maryland by striking out "3" and inserting in lieu thereof "4";

(12) in the item relating to the district of Massachusetts by striking out "4" and inserting in lieu thereof "5";

(13) in the item relating to the district of New Hampshire by striking out "1" and inserting in lieu thereof "2";

(14) in the item relating to the district of New Jersey by striking out "7" and inserting in lieu thereof "8";

(15) in the item relating to the southern district of New York by striking out "7" and inserting in lieu thereof "9";

(16) in the item relating to the eastern district of Pennsylvania by striking out "3" and inserting in lieu thereof "5";

(17) in the item relating to the district of Puerto Rico by striking out "2" and inserting in lieu thereof "3";

(18) in the item relating to the district of South Carolina by striking out "2" and inserting in lieu thereof "3";

(19) in the item relating to the middle district of Tennessee by striking out "2" and inserting in lieu thereof "3";

(20) in the item relating to the western district of Tennessee by striking out "3" and inserting in lieu thereof "4";

(21) in the item relating to the northern district of Texas by striking out "5" and inserting in lieu thereof "6";

(22) in the item relating to the western district of Texas by striking out "4" and inserting in lieu thereof "5"; and

(23) in the item relating to the eastern district of Virginia by striking out "4" and inserting in lieu thereof "5".

SEC. 2. TREATMENT OF VACANT POSITIONS.

Section 152(b) of title 28, United States Code, is amended by adding at the end thereof the following:

"(3) Not later than December 31, 1992, and every 2 years thereafter, the Judicial Conference of the United States shall conduct a comprehensive review of all judicial districts to assess the continuing need for the bankruptcy judges authorized by this section. The Judicial Conference shall report to Congress its findings and any recommendations for the elimination of any authorized position which can be eliminated when a vacancy exists by reason of resignation, retirement, removal, or death.".

Mr. MACK. Mr. President, I rise in support of S. 646, a bill to amend title 28 of the United States Code authorizing the appointment of additional bankruptcy judges. This bill creates six additional bankruptcy judgeships in Florida. These judgeships have been approved by the Judicial Conference based on standards established by the Bankruptcy Committee of that Conference.

Florida has experienced an increase in the filings of bankruptcy cases. This increase coupled with the weighted hours per judge in the dispensing of these cases undoubtedly warrants the six additional bankruptcy judges in Florida—four additional judges in the middle district and two additional judges in the southern district.

According to the Bankruptcy Division of the Administrative Office of the United States Courts, the filings per judge in the middle district ending December 31, 1990 were 6,039 as compared to a national average of 2,691 per judge. Mr. President, this is a staggering difference. In fact, the middle district's caseload was the highest in the history of the U.S. Bankruptcy Court. In the southern district of Florida, the filings per judge were 3,303.

The Administrative Office of the U.S. Courts also reported that as of December 31, 1991, the weighted hours per judge in the middle district of Florida were 2,546 hours as compared to a national average of 1,332 hours per judge. Mr. President, Florida's average in the middle district alone is almost twice that of the national average. As a result of the four newly created judgeships, the weighted hours per judge in the middle district will be lowered to 1,273.

In the southern district of Florida, the weighted hours per judge was 2,313 as compared to the national average of 1,332 hours per judge. As a result of the two newly created judgeships, the weighted hours per judge in the southern district will become 1,388.

Mr. President, I have received numerous letters from constituents pleading with me to have the Congress authorize more bankruptcy judgeships. The people in my State deserve to have the same opportunity to be heard before the court as citizens in other States have. the simple facts reveal that there is an overwhelming need for additional bankruptcy judges in Florida. In light of the importance of the judiciary in our Nation and the resources necessary for the judiciary to faithfully carry out the duties of its office, I strongly support the creation of these additional bankruptcy judges and the passage of S. 646.

LEGISLATION AUTHORIZING NEW BANKRUPTCY JUDGES

Mr. DECONCINI. Mr. President, I commend the Senate for passing S. 646, which will authorize the appointment of 32 additional bankruptcy judges. These 32 positions were recommended by the Judicial Conference after a thorough review of each district's workload. The U.S. Bankruptcy Court is suffering from significant increases in bankruptcy filings and the need for these new judges is compelling.

During 1990, there was a 15-percent increase in the number of bankruptcy filings nationwide for a total of over 780,000 filings. The per judge annual caseload increased from approximately 1,400 cases in 1980 to almost 2,700 in 1989. Since 1984, the total number of bankruptcy filings has increased nearly 125 percent. Furthermore, there is no relief in sight.

My home State of Arizona has been extremely hard hit by the increasing number of bankruptcy filings. Total case filings have increased 224 percent since 1985. Arizona ranks first in the number of chapter 11 filings per judge. Each of Arizona's five bankruptcy judges had 216 new chapter 11 cases, compared to the national average of 67 cases per judge. In addition, the Arizona judges have had to find time for very complex cases. The need for new judges in the other districts specified in this bill is just as compelling.

Concerns have been raised about whether the demand for bankruptcy judges is a reflection of economic trends. It is possible that certain positions may not be needed in the future if our economy grows stronger and the number of bankruptcy filings decreases. Therefore, the supporters of this bill have included language requiring the Judicial Conference to review every 2 years the workload of the bankruptcy courts and determine whether all of the authorized positions are needed. The Conference is to report its findings to the Congress along with recommendations on any existing positions that should be eliminated when a vacancy occurs. It is the intention of this provision, to ensure that the Judicial Conference periodically reviews whether existing judgeships continue to be needed.

I want to thank my colleagues Senators THURMOND and HEFLIN for their help on this bill and hope the House of Representatives will act quickly to pass this measure.

ESTABLISH ADDITIONAL FEDERAL BANKRUPTCY JUDGES

Mr. SPECTER. Mr. President, I am pleased to be an original cosponsor of both S. 646 as introduced and the substitute bill which the Senate will pass today. This legislation creates 32 new bankruptcy judgeships in several judicial districts throughout the Nation, including two in the eastern district of Pennsylvania that are desperately needed. The last time a new bankruptcy judgeship was created in the eastern district was 1961, when 510 bankruptcies were filed. In 1990, 8,821 cases were filed, an increase over 1961 of 1,630 percent. These cases are still being handled by three judges.

As introduced, S. 646 provided only one additional bankruptcy judgeship for the eastern district of Pennsylvania to the three current judgeships. After conferring with Chief Judge Louis Bechtle and Judge Jan DuBois of the eastern district and reviewing the caseload figures from the eastern district as compared to those from other districts, I became convinced that a second new bankruptcy judgeship was needed for the district. As a result, I introduced S. 1375 on June 25, 1991, to provide for two new bankruptcy judgeships for the eastern district. Shortly after I introduced this free-standing bill, the Judicial Conference recommended that a second new bankruptcy judgeship be added in Philadelphia. The substitute we will adopt today follows the Judicial Conference's recommendation and my free-standing bill and provides for two new bankruptcy judges for the eastern district.

The new judgeships in the eastern district will alleviate a critical situation and allow litigants access to more prompt adjudications; the same holds true for all the judicial districts receiving help in this bill. I am therefore pleased to cosponsor and support this important legislation, and I am especially pleased to see the Senate acting on it promptly. I hope that it will be enacted with equal dispatch by the House of Representatives.

Mr. THURMOND. Mr. President, I am pleased that the Senate is considering today S. 646, a bill to authorize the creation of 30 new bankruptcy judgeships. Senator DECONCINI and I introduced this bill because these judgeships are vitally necessary to reduce the heavy caseload currently existing in many States today.

The rising number of bankruptcy filings across the country has created a heavy burden on existing bankruptcy judges. Each district has clearly demonstrated its need for these judgeships. The Judicial Conference has formally recommended these judgeships.

The substitute amendment we are offering today will also establish a review provision to ensure that all authorized bankruptcy judgeships are necessary. This provision provides that every 2 years, the Judicial Conference will conduct a comprehensive review of all judicial districts to assess the need for the judgeships. The Conference will then report to Congress its findings and recommendations regarding the elimination of any judgeship positions.

Mr. President, I believe that the creation of new judgeships will greatly assist the efficiency of the bankruptcy system and will ensure a more balanced caseload for bankruptcy judges. Furthermore, the review provision will certify that all authorized bankruptcy judgeships are truly essential to the bankruptcy system. Therefore, I urge my colleagues to support this important legislation.

Mr. HEFLIN. Mr. President, I have joined with Senators DECONCINI and THURMOND as a cosponsor of a substitute bill to amend title 28 of the United States Code to authorize the appointment of additional bankruptcy judges.

Our substitute bill will authorize a total of 32 bankruptcy judgeships for placement in districts recommended by the Judicial Conference.

At a hearing which I was privileged to chair on May 16, 1991, the Honorable Lloyd D. George, Chairman of the Committee on the Administration of the Bankruptcy System of the Judicial Conference of the United States testified that bankruptcy case filings have more than tripled since 1979, when the present code was enacted. The fiscal year case load for 1990 was 725,000 case filings and the administrative office of the courts conservatively estimates that "between 860,000 and 900,000 new bankruptcy cases will be filed in 1992."

Judge George testified that while improved case management procedures have allowed our Nation's bankruptcy courts to operate more efficiently, "there is a limit to the volume of work that a judge can appropriately handle. More judgeships are clearly necessary in certain districts."

The Judicial Conference requested the administrative office of the courts to conduct an expedited survey which contained comprehensive standards based on an empirical case weighted system and recommended an additional 18 judges in addition to the original recommendation of 14 judges. The substitute amendment incorporates both of those recommendations for a total of 32 new judgeships.

I urge my colleagues to join in supporting this needed legislation which will ensure that those who utilize the services of our Nation's bankruptcy courts will receive the efficient service that they deserve.

So, the bill (S. 646), as amended, was deemed read a third time and passed.

COLORADO WILDERNESS ACT

Mr. WIRTH. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 193, S. 1029, the Colorado Wilderness Act of 1991.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1029) to designate certain lands in the State of Colorado as components of the National Wilderness Preservation System, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Colorado Wilderness Act of 1991".

SEC. 2. ADDITIONS TO THE WILDERNESS PRESERVATION SYSTEM.

(a) ADDITIONS.—The following lands in the State of Colorado are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Gunnison Basin Resource Area administered by the Bureau of Land Management which comprise approximately 1,470 acres, as generally depicted on a map entitled "American Flats Additions to the Big Blue Wilderness—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Big Blue Wilderness designated by Public Law 96–560;

(2) certain lands in the Gunnison Resource Area administered by the Bureau of Land Management which comprise approximately 140 acres, as generally depicted on a map entitled "Larson Creek Addition to the Big Blue Wilderness—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Big Blue Wilderness designated by Public Law 96–560;

(3) certain lands in the Pike and San Isabel National Forests which comprise approximately 40,150 acres, as generally depicted on a map entitled "Buffalo Peaks Wilderness—Proposal", dated May 1991, and which shall be known as the Buffalo Peaks Wilderness;

(4) certain lands in the Gunnison National Forest and in the Bureau of Land Management Powderhorn Primitive Area which comprise approximately 60,100 acres as generally depicted on a map entitled "Powderhorn Wilderness—Proposal", dated May 1991, and which shall be known as the Powderhorn Wilderness;

(5) certain lands in the Routt National Forest which comprise approximately 17,300 acres, as generally depicted on a map entitled "Davis Peak Additions to the Mount Zirkel Wilderness Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Mount Zirkel Wilderness designated by Public Law 88–555;

(6) certain lands in the San Isabel National Forest which comprise approximately 22,040 acres as generally depicted on a map entitled "Greenhorn Mountain Wilderness—Proposal", dated May 1991, and which shall be known as the Greenhorn Mountain Wilderness;

(7) certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests which comprise approximately 32,000 acres as generally depicted on a map entitled "Fossil Ridge Wilderness Proposal", dated May 1991, and which shall be known as the Fossil Ridge Wilderness Area;

(8) certain lands within the Pike and San Isabel National Forests which comprise approximately 13,830 acres, as generally depicted on a map entitled "Lost Creek Wilderness Proposal", dated May 1991, which are hereby incorporated in and shall be deemed to be a part of the Lost Creek Wilderness designated by Public Law 96–560: Provided, That the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") is authorized to acquire, only by donation or exchange, various mineral reservations held by the State of Colorado within the boundaries of the Lost Creek Wilderness additions designated by this Act;

(9) certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests which comprise approximately 5,000 acres, as generally depicted on a map entitled "Oh-Be-Joyful Addition to the Raggeds Wilderness—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Raggeds Wilderness designated by Public Law 96–560;

(10) certain lands in the San Juan National Forest which comprise approximately 56,000 acres, as generally depicted on a map entitled "Piedra Wilderness", dated July 1991 and which shall be known as the Piedra Wilderness;

(11) certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests which comprise approximately 18,000 acres, as generally depicted on a map entitled "Roubideau Wilderness—Proposal", dated May 1991, and which shall be known as the Roubideau Wilderness;

(12) certain lands in the Rio Grande National Forest which comprise approximately 207,330 acres, as generally depicted on a map entitled "Sangre de Cristo Wilderness—Proposal", dated May 1991, and which shall be known as the Sangre de Cristo Wilderness;

(13) certain lands in the Routt National Forest which comprise approximately 44,000 acres, as generally depicted on a map entitled "Service Creek Wilderness Proposal", dated May 1991, which shall be known as the Sarvis Creek Wilderness: Provided, That the Secretary is authorized to acquire by purchase, donation, or exchange, lands or interests therein within the boundaries of the Sarvis Creek Wilderness only with the consent of the owner thereof;

(14) certain lands in the San Juan National Forest which comprise approximately 15,920 acres as generally depicted on a map entitled "South San Juan Expansion Wilderness—Proposal", (V–Rock Trail and Montezuma Peak), dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the South San Juan Wilderness designated by Public Law 96–560;

(15) certain lands in the White River National Forest which comprise approximately 8,330 acres, as generally depicted on a map entitled "Spruce Creek Additions to the Hunter-Fryingpan Wilderness—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Hunter-Fryingpan Wilderness designated by Public Law 95–327: Provided, That no right, or claim of right, to the diversion and use of the waters of Hunter Creek, the Fryingpan or Roaring Fork Rivers, or any tributaries of said creeks or rivers, by the Fryingpan-Arkansas Project, Public Law 87–590, and the reauthorization thereof by Public Law 93–493, as modified as proposed in the September 1959 report of the Bureau of Reclamation entitled "Ruedi Dam and Reservoir, Colorado," and as further modified and described in the description of the proposal contained in the final environmental statement for said project, dated April 16, 1975, under the laws of the State of Colorado, shall be prejudiced, expanded, diminished, altered, or affected by this Act. Nothing in this Act shall be construed to expand, abate, impair, impede, or interfere with the construction, maintenance, or repair of said Fryingpan-Arkansas Project facilities, nor the operation thereof, pursuant to the Operating Principles, House Document 187, Eighty-third Congress, and pursuant to the water laws of the State of Colorado: And provided further, That nothing in this Act shall be construed to impede, limit, or prevent the use of the Fryingpan-Arkansas Project of its diversion systems to their full extent;

(16) certain lands in the Arapaho National Forest which comprise approximately 7,630

acres, as generally depicted on a map entitled "St. Louis Peak Wilderness—Proposal", dated May 1991, and which shall be known as Byers Peak Wilderness;

(17) certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests and in the Bureau of Land Management Montrose District which comprise approximately 16,740 acres, as generally depicted on a map entitled "Tabeguache Wilderness—Proposal", dated May 1991, and which shall be known as the Tabeguache Wilderness;

(18) certain lands in the Arapaho National Forest which comprise approximately 12,300 acres, as generally depicted on a map entitled "Vasquez Peak Wilderness—Proposal", dated May 1991, and which shall be known as the Vasquez Peak Wilderness;

(19) certain lands in the San Juan National Forest which comprise approximately 28,740 acres, as generally depicted on a map entitled "West Needle Wilderness and Weminuche Wilderness Addition—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Weminuche Wilderness designated by Public Law 93–632;

(20) certain lands in the Rio Grande National Forest which comprise approximately 23,100 acres, as generally depicted on a map entitled "Wheeler Additions to the La Garita Wilderness—Proposal", dated May 1991, and which shall be incorporated into and shall be deemed to be a part of the La Garita Wilderness;

(21) certain lands in the Arapaho National Forest which comprise approximately 12,100 acres, as generally depicted on a map entitled "Williams Fork Wilderness—Proposal", dated May 1991, and which shall be known as the Farr Wilderness; and

(22) certain lands in the Arapaho National Forest which comprise approximately 6,400 acres, as generally depicted on a map entitled "Bowen Gulch Additions to Never Summer Wilderness—Proposal", dated May 1991, which are hereby incorporated into and shall be deemed to be a part of the Never Summer Wilderness.

(b) MAPS AND DESCRIPTION.—As soon as practicable after the date of enactment of this Act, the appropriate Secretary shall file a map and a legal description of each area designated as wilderness by this Act with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives. Each map and description shall have the same force and effect as if included in this Act, except that the Secretary is authorized to correct clerical and typographical errors in such legal descriptions and maps. Such maps and legal descriptions shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture and the Office of the Director of the Bureau of Land Management, Department of the Interior, as appropriate.

SEC. 3. WATER RIGHTS.

(a) FINDINGS.—The Congress finds that—

(1) since virtually all of the lands designated as wilderness by this Act lie at the headwaters of streams and rivers that arise on those lands, the designation of these lands as wilderness poses few, if any, conflicts with existing water users in view of the provisions of this Act, and the land management agencies can protect these wilderness lands and their water-related resources without asserting either implied or express reserved water rights;

(2) these particular headwaters areas are not appropriate for new water projects;

(3) while the Piedra Wilderness designated by section 2(a)(10) of this Act is located downstream of numerous State-granted conditional and absolute water rights, the Forest Service can adequately protect the water-related resources of this wilderness area by working in coordination with the Colorado Water Conservation Board through a contractual agreement between the Secretary and the Board (as provided in subsection (e) of this section) to protect and enforce instream flow filings established pursuant to the provisions of section 37–92–102(3) of the Colorado Revised Statutes by the Colorado Water Court for Division 7; and

(4) the water-related values of the existing Platte River Wilderness will be adequately protected by the terms of the equitable apportionment decree that the United States Supreme Court has issued for allocation of the waters of the North Platte River and its tributaries.

(b) WATER RIGHTS.—(1) Nothing in this Act or any other Act of Congress shall constitute or be construed to constitute either an express or implied reservation of water or water rights arising from—

(A) wilderness designation for the lands designated as wilderness by this Act;

(B) the establishment of the Fossil Ridge National Conservation Area pursuant to section 6 of this Act; or

(C) the establishment of the Bowen Gulch Backcountry Recreation Area pursuant to section 7 of this Act.

(2) The United States may acquire such water rights as it deems necessary to carry out its responsibilities on any lands designated as wilderness by this Act pursuant to the substantive and procedural requirements of the State of Colorado: Provided, That nothing in this Act shall be construed to authorize the use of eminent domain to acquire water rights for such lands.

(3) Notwithstanding any other provision of law, no officer of the United States shall authorize or issue a permit for the development of a new water resource facility within the wilderness areas designated by this Act: Provided, That nothing in this Act shall affect irrigation, pumping and transmission facilities, and water facilities in existence within the boundaries of such wilderness areas, nor shall anything in this Act be construed to limit operation, maintenance, repair, modification or replacement of existing facilities as provided in paragraph (f) of this section.

(c) PIEDRA WILDERNESS.—The Secretary shall enter into an agreement with the Colorado Water Conservation Board to protect and enforce instream flow filings established pursuant to the provisions of section 37–92–102(3) of the Colorado Revised Statutes by the Water Court of Water Division 7 of the State of Colorado, and neither the United States nor any other person shall assert any rights for water in the Piedra River for wilderness purposes except those established pursuant to the provisions of section 37–92–102(3) of the Colorado Revised Statutes by the Water Court of Water Division 7 of the State of Colorado.

(d) NORTH PLATTE RIVER.—Notwithstanding the provisions of this Act or any prior Acts of Congress to the contrary, neither the United States nor any other person shall assert any rights which may be determined to have been established for waters of the North Platte River for purposes of the Platte River Wilderness established by Public Law 98–550, located on the Colorado-Wyoming State boundary, to the extent such rights would limit the use or development of water within Colorado by present and future holders of valid water rights in the North Platte River and its tributaries, to the full extent allowed under interstate compact or United States Supreme Court equitable decree. Any such rights shall be junior and subordinate to use or development of Colorado's full entitlement to interstate waters of the North Platte River and its tributaries within Colorado allowed under interstate compact or United States Supreme Court equitable decree.

(e) INTERSTATE COMPACTS.—Nothing in this Act shall be deemed to alter, modify, or amend any interstate compact or equitable apportionment decree affecting the allocation of water between or among the State of Colorado and other States nor the full use and development of such waters, and nothing in this title shall affect or limit the use or development by holders of valid water rights of Colorado's full apportionment of such waters.

(f) ACCESS.—Reasonable access shall be allowed to existing water diversion, carriage, storage and ancillary facilities within the wilderness areas designated by this Act, including motorized access where necessary and customarily employed on existing routes. The present diversion, carriage and storage capacity of existing water facilities, and the present condition of existing access routes, may be operated, maintained, repaired and replaced as necessary to maintain serviceable conditions: Provided, That, unless authorized by applicable statute: (i) the original function and impact of an existing facility or access route on wilderness values shall not be increased as a result of changes in operation; (ii) existing facilities and access routes shall be maintained and repaired when necessary to prevent increased impacts on wilderness values; and (iii) the original function and impact of existing facilities and access routes on wilderness values shall not be increased subsequent to maintenance, repair, or replacement.

(g) PRECEDENTS.—Nothing in this section shall be construed as establishing a precedent with regard to any future wilderness designations, nor shall it constitute an interpretation of any other Act or any wilderness designation made pursuant thereto.

SEC. 4. ADMINISTRATION OF THE WILDERNESS AREAS.

(a) IN GENERAL.—(1) Subject to valid existing rights, each wilderness area designation by this Act shall be administered by the Secretary or the Secretary of the Interior, as appropriate, in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.) and this Act, except that, with respect to any wilderness areas designated by this Act, any reference in the Wilderness Act to the effective date of the Wilderness Act shall be deemed to be a reference to the date of enactment of this Act.

(2) Administrative jurisdiction over those lands designated as wilderness pursuant to paragraphs (1), (2), and (12) of section 2(a) of this Act, and which, as of the date of enactment of this Act, are administered by the Bureau of Land Management, is hereby transferred to the Forest Service.

(b) GRAZING.—(1) Grazing of livestock in wilderness areas designated by this Act shall be administered in accordance with the provisions of section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)), as further interpreted by section 108 of Public Law 96–560.

(2) REVIEW.—The Secretary of the Interior is directed to review all policies, practices, and regulations of the Bureau of Land Management-administered wilderness areas in Colorado to ensure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in this Act.

(c) STATE JURISDICTION.—As provided in section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Colorado with respect to wildlife and fish in Colorado.

(d) REPEAL OF WILDERNESS STUDY AND FURTHER PLANNING AREAS STATUS.—(1) Public Law 96–560 is amended by striking sections 105(c) and 106(b).

(2) Section 2(e) of the Endangered American Wilderness Act of 1978 (92 Stat. 41) is amended

by striking "Subject to" and all that follows through "System".

(e) BUFFER ZONES.—Congress does not intend that the designation by this Act of wilderness area areas in the State of Colorado creates or implies the creation of protective perimeters or buffer zones around any wilderness area. The fact that non-wilderness activities or uses can be seen or heard from within a wilderness area shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

SEC. 5. WILDERNESS REVIEW CONCERNS.

(a) FINDINGS.—The Congress finds that—

(1) the Department of Agriculture has adequately met the wilderness study requirements of Public Law 96-560, Public Law 95-237, and section 12(g) of Public Law 98-141;

(2) the initial Land and Resource Management Plans and associated environmental impact statements (hereinafter referred to as "land and resource management plans") for the National Forests in the State of Colorado have been completed as required by section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1976;

(3) the Department of Agriculture, with substantial public input, has reviewed the wilderness potential of these and other areas; and

(4) the Congress has made its own examination of National Forest System roadless areas in the State of Colorado and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) with respect to the National Forest System lands in the State of Colorado that were reviewed by the Department of Agriculture in wilderness studies conducted pursuant to Public Law 95-237, Public Law 96-560, and section 12(g) of Public Law 98-141, and the initial land and resource management plans, such reviews shall be deemed for the purposes of the initial land and resource management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revision of the plans but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a 10-year cycle, or at least every 15 years, unless prior to such time the Secretary finds that conditions in a unit have significantly changed;

(2) except as may be specifically provided in sections 6 and 7 of this Act, those areas in the State of Colorado referred to in subparagraph (1) of this subsection which were not designated as wilderness shall be managed for multiple use in accordance with land and resource management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: Provided, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land and resource management plans;

(3) in the event that revised land and resource management plans in the State of Colorado are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable laws, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(4) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of Colorado for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) REVISIONS.—As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an amendment to a plan.

(d) APPLICATION OF SECTION.—The provisions of this section shall also apply to those National Forest System roadless lands in the State of Colorado that are less than 5,000 acres in size.

SEC. 6. FOSSIL RIDGE NATIONAL CONSERVATION AREA.

(a) ESTABLISHMENT.—(1) In order to conserve, protect, and enhance the scenic, wildlife, recreational, and other natural resource values of the Fossil Ridge area, there is hereby established the Fossil Ridge National Conservation Area (hereinafter referred to as the "conservation area").

(2) The conservation area shall consist of certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests, Colorado, which comprise approximately 43,900 acres as generally depicted as "Area A" on a map entitled "Fossil Ridge Wilderness Proposal", dated May 1991.

(b) ADMINISTRATION.—The Secretary shall administer the conservation area in accordance with this section and the laws and regulations generally applicable to the National Forest System.

(c) WITHDRAWAL.—Subject to valid existing rights, all lands within the conservation area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws, from location, entry, and patent under the mining laws, and from disposition under the mineral and geothermal leasing laws, including all amendments thereto.

(d) TIMBER HARVESTING.—No timber harvesting shall be allowed within the conservation area except for the minimum necessary to protect the forest from insects and disease, and for public safety.

(e) LIVESTOCK GRAZING.—The designation of the conservation area shall not be construed to prohibit, or change the administration of, the grazing of livestock within the conservation area.

(f) DEVELOPMENT.—No developed campgrounds shall be constructed within the conservation area. After the date of enactment of this Act, no new roads or trails may be constructed within the conservation area.

(g) OFF-ROAD RECREATION.—Motorized travel shall be permitted within the conservation area only on those designated trails and routes existing as of July 1, 1991.

SEC. 7. BOWEN GULCH BACKCOUNTRY RECREATION AREA.

(a) ESTABLISHMENT.—(1) There is hereby established in the Arapaho National Forest, Colorado, the Bowen Gulch backcountry recreation area (hereinafter referred to as the "backcountry recreation area").

(2) The backcountry recreation area shall consist of certain lands in the Arapaho National Forest, Colorado, which comprise approximately 6,800 acres as generally depicted as "Area A" on a map entitled "Bowen Gulch Additions to Never Summer Wilderness Proposal", dated May, 1991.

(b) ADMINISTRATION.—The Secretary shall administer the backcountry recreation area in accordance with this section and the laws and regulations generally applicable to the National Forest System.

(c) WITHDRAWAL.—Subject to valid existing rights, all lands within the backcountry recreation area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws, from location, entry, and patent under the mining laws, and from disposition under the mineral and geothermal leasing laws, including all amendments thereto.

(d) DEVELOPMENT.—No developed campgrounds shall be constructed within the backcountry recreation area. After the date of enactment of this Act, no new roads or trails may be constructed within the backcountry recreation area.

(e) TIMBER HARVESTING.—No timber harvesting shall be allowed within the backcountry recreation area except for the minimum necessary to protect the forest from insects and disease, and for public safety.

(f) MOTORIZED TRAVEL.—Motorized travel shall be permitted within the backcountry recreation area only on those designated trails and routes existing as of July 1, 1991 and only during periods of adequate snow cover. At all other times, mechanized, non-motorized travel shall be permitted within the backcountry recreation area.

(g) MANAGEMENT PLAN.—During the preparation of the revision of the Land and Resource Management Plan for the Arapaho National Forest, the Forest Service shall develop a management plan for the backcountry recreation area, after providing for public consultation.

AMENDMENT NO. 1044

Mr. WIRTH. Mr. President, on behalf of myself and Senator BROWN, I send a technical amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from Colorado [Mr. WIRTH] (for himself and Mr. BROWN) proposes an amendment numbered 1044.
>
> Section 2(a)(10) is amended by striking "Piedra Wilderness;" and inserting in lieu thereof, "Piedra Wilderness: *Provided*, That no motorized travel shall be permitted on Forest Service trail number 535, except for snowmobile travel during periods of adequate snow cover;".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1044) was agreed to.

Mr. WIRTH. Mr. President, I move to reconsider the vote.

Mr. GRASSLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BROWN. Mr. President, today Senator WIRTH and I bring S. 1029, the Colorado Wilderness Act of 1991, to the floor. Today is also Colorado Day. Colorado is the "Rocky Mountain State," and no matter where you are, the mention of Colorado instills images of awe-inspiring mountain views, crystal-clear mountain streams, and pristine forests. I cannot think of a more meaningful way for the Senate to observe Colorado Day than to pass S. 1029, which will honor the citizens of Colorado and the Nation by preserving some of the most spectacular mountains in Colorado for future generations.

The rugged Rocky Mountains have determined the very course of Colorado's growth since the first settlers came in search of gold in 1858. "Pikes Peak or Bust" was the inspirational rallying cry to thousands of people heading west. Yet, throughout its history, westerners have recognized the need to conserve its vast natural resources and its natural heritage.

Congress also recognized the need to preserve America's heritage when it began to designate land for Federal protection. It has done so in several ways, each with a separate purpose.

In 1872, President Grant persuaded Congress to create the Yellowstone, the world's first national park open to everyone. There had been parks and reserves in Europe, but access was limited to the elite, the royal, and the rich. What made American national parks unique was that they were meant for the enjoyment of every citizen "by such means as will leave them unimpaired for the enjoyment of future generations."

Other Federal lands are managed for multiple use by agencies such as the Bureau of Land Management and the Forest Service. For these Federal lands, conservation is the main objective with appropriate commercial utilization of the land. These areas balance the need for mining, grazing, and timbering with recreational use.

In 1964, Congress set aside some 493,000 acres of Colorado for wilderness preservation. By 1980, 2.64 million acres of Colorado wilderness had been designated by Congress for future generations to use for hiking, fishing, hunting, and camping.

Since that bill was enacted in 1980, Senator Hart, Senator Armstrong, Senator WIRTH, Congressman ALLARD, Congressman CAMPBELL, Congressman Kogosvek, Congressman SKAGGS, Congressman STRANG, and Congressman SCHAEFER have each introduced wilderness bills, only to find that the attempts to address the legitimate concerns of recreational users, environmentalists, and water users had been overcome by an entrenched and highly emotional ideological debate that prevented passage of a wilderness bill. As a result, not 1 foot of Colorado ground has been designated as wilderness since passage of the 1980 Colorado Wilderness Act.

Senator WIRTH and I have been working with community leaders and water and environmental experts since last year to break the stalemate which has existed since 1980. Today, Colorado and the Nation have a unique opportunity to preserve some of the State's last remaining wild heritage. Introduced by Senator WIRTH and myself, S. 1029, the Colorado Wilderness Act of 1991, will protect 641,420 acres as wilderness as well as create 43,900 acres as national conservation areas. This is more land than the entire State of Rhode Island. Yet, each one of these areas has a unique beauty and a variety of wildlife to offer every visitor. S. 1029 is a careful compromise of many competing interests. Changes in the language or the boundaries will destroy the careful balance we have reached in protecting wilderness and Colorado's water rights system. Enacting this bill will preserve 641,420 acress of additional Colorado wilderness lands for future generations.

S. 1029 is primarily a headwaters wilderness bill. Of these 22 areas, the U.S. Forest Service or the Bureau of Land Management specifically studied each of these areas and recommended 453,393 acres to be added to the wilderness system. Senator WIRTH and I included an additional 188,027 acres which were studied but not recommended by the U.S. Forest Service and the BLM, and also included 42,530 acres in three areas that were not studied or recommended for inclusion as wilderness.

As the Denver Post editorial on May 15, 1991 said:

> In the Fossil Ridge area northeast of Gunnison, for example, the measure would allow travel only by foot or by horseback in the pristine core of the wilderness, but would tolerate the use of dirt bikes on existing trails in three adjoining tracts to be designated as a "National Conservation Area."

The Forest Service recommended that Fossil Ridge not be designated as wilderness. This compromise was worked out with the agreement of all the groups involved, and protects the land that should be wilderness from development, but provides an alternative area for recreation by trail bike users.

Again, in the area northwest of Grand Lake, the Forest Service recommended that the area not be designated as wilderness. Congressman SKAGGS' bill recommended its inclusion in wilderness. The Denver Post commented:

> The bill would keep snowmobiles out of the heart of Bowen Gulch, but allow them in an equally large area of old growth timber just to the south.

One of the largest areas to be protected is in Colorado's most majestic mountain range, the Sangre de Cristo. Home to three of the State's 14,000-foot peaks, this area contains some of the most beautiful back-country with cascading waterfalls and sparkling, trout-filled streams. In addition, the Sangre de Cristo provides winter range for deer, elk, and bighorn sheep. Adjacent to the Great Sand Dunes, this wilderness area will provide the people of Colorado some of the most spectacular recreational opportunities in the State.

Up near Steamboat Springs lies the proposed Service Creek wilderness area. Characterized by broad, smooth slopes, this area contains some of Colorado's most pristine forests of spruce, fir, pine, and aspen. Service Creek is unique as it is the only lower elevation forested area proposed as wilderness. The area offers a visitor the chance to walk along the 21 miles of trails, from dense forests into quiet, lush meadows. Service Creek is also located within a 50-mile radius of eight other wilderness areas, presenting Coloradans with an unparalleled array of scenic beauty.

Out on the western slope of Colorado stands the Roubideau Canyon. This proposed wilderness area offers the diversity of spectacular sandstone cliffs overlooking dense forests of aspen and spruce to sparsely vegetated arid desert. Stretching some 20 miles, Roubideau is one of the longest roadless canyons in the country with wildlife ranging from golden eagles and elk to black bears and mountain lions. Colorado must not pass up the opportunity to preserve this area of dramatic contrasts.

The significant boundary issues presented and resolved for each of these areas represent a small part of the hundreds of compromises made in these intense negotiations that have taken more than 6 months. Let me mention some of the other areas of this compromise.

Colorado has had thousands of acres of productive Federal land in wilderness study status for many years. Timber, oil and gas, mining, and recreation interests requested that all of these areas be released from study and not be studied again. As part of the compromise, the release language allows the Forest Service to review all the forests in Colorado for their wilderness potential as part of its forest planning administrative function. This was a substantial concession. Those industries will testify that they oppose the so-called soft release language we have adopted.

Thousands of conflicts created by private property, mining claims, water rights, oil and gas leases, timber suitable areas, and existing access trails were carved out to preserve Colorado's wild lands. This careful analysis took weeks, but the effort was worthwhile to preserve every acre of wilderness that was suitable.

The water issues associated with these proposed wilderness areas were particularly difficult to resolve because of the strong and diametrically opposed views held by many members of the water and environmental communities. Fortunately, we have been able to reach an agreement and produce water language that is a true compromise which does not injure the fundamental principles that have much value for Colorado—protection of wild lands and protection of Colorado's future ability to develop and use all of its interstate water entitlements.

The water-related provisions of S. 1029 have four basic purposes:

First, to protect water-related wilderness resource values in the newly designated Colorado wilderness areas;

Second, to provide for the operation, maintenance, repair, and replacement of existing water facilities within the wilderness additions;

Third, to alleviate Federal preemption of Colorado water law as to the newly designated wilderness lands; and,

Fourth, to utilize Colorado water law in the protection of wilderness values.

If enacted, the water language of S. 1029 will provide explicit recognition of, and protection for, water-related resource values of the wilderness areas. The "findings" provisions explicitly recognize the responsibility of Federal land managers to "protect these wilderness lands and their water-related values." This would be accomplished by preventing the construction of any new water projects or expansion of existing facilities in the wilderness areas designated by this act. The new water facilities prohibition effectively guarantees preservation of the water-related wilderness values of newly designated headwaters wilderness areas.

Critics have argued that S. 1029 contains no prohibition against expansion of the draw which could be placed by existing facilities on water within the newly designated areas. However, the opportunities for such an expansion are limited by the fact that people that develop water diversion facilities do not typically waste money by building excess capacity which is not protected by a water right. And even if such an opportunity exists, the bill specifically provides that unless authorized by statute:

> The original function and impact of existing facilities and access routes on wilderness values shall not be increased subsequent to maintenance, repair and replacement.

Consequently, an unauthorized expansion of the use of the facility in a manner which increases the impact on the wilderness area would result in the denial of access to the facility, which effectively precludes any such expansion.

In short, no new facilities can be built in the wilderness designated by this bill, and existing facilities cannot be increased in size or operated in a manner which increases the impact of the facility on wilderness values. This provision guarantees that the streams in the wilderness areas designated by this bill will remain undisturbed by new development.

Some members of the environmental community are also unhappy with this bill because it does not create express Federal reserved water rights. Other States, such as Arizona, have expressly created reserved water rights in recent wilderness bills. However, Colorado, as an upstream State, has everything to lose and nothing to gain by recognizing Federal reserved water rights which could control upstream management, use, and development of water.

Colorado is at the headwaters of the Colorado, Arkansas, South Platte, North Platte, White, Yampa, Rio Grande, Animas, La Plata, Costilla, and Republican Rivers, to name a few, and each of these rivers is subject to interstate compacts or equitable apportionment decrees of the U.S. Supreme Court. Under these compacts and decrees, Colorado is obligated to pass water through the State so that it can be delivered to and used by downstream States.

Taking the Colorado River as an example, under the 1922 compact, the upper basin States of Colorado, Utah, New Mexico, and Wyoming are obligated to pass approximately 50 percent of the flows in the Colorado River to the lower basin States of Arizona, Nevada, and California. The 1948 Upper Basin Compact further limits Colorado's ability to use water from the Colorado River, as Colorado was allocated 51 percent of the upper basin's 50 percent share of the Colorado River. In other words, Colorado has been allocated in the neighborhood of 25 percent of the Colorado River, and 75 percent must flow downstream to other States. The Mexican Treaty of 1944 also granted Mexico 1.5 million acre feet of water, part of which comes from the upper basins' allocation and may further reduce Colorado's ability to use water from the Colorado River. In addition, claims for Federal Indian reserved water rights under the Winters doctrine may also limit the amount of water which may be used under Colorado law. So even though the Colorado River starts in the Colorado mountains, Federal law limits Colorado's use of water in the river to less than 25 percent of the water in the Colorado River, and guarantees that over 75 percent of the water in the Colorado River will flow through and out of the State.

But that isn't the end of the story. Colorado has a very strong instream flow program established under Colorado law. Under this program, the Colorado Water Conservation Board [CWCB] is authorized to appropriate or acquire instream flow water rights to "protect the natural environment to a reasonable degree." There are currently in excess of 7,300 miles of streams in Colorado which are protected by the CWCB instream flow program, including instream flow water rights in the proposed Piedra Wilderness Area, and the CWCB is in the process of obtaining decrees to protect an additional 100 miles of Colorado streams. Most of these instream flow water rights are high in the mountains, and in fact many of them are within the wilderness areas proposed for designation in S. 1029. This recognition of environmental values in Colorado has a cost, however, as each and every one of these instream flow water rights further limits Colorado's ability to appropriate and use water for new projects.

The fact of the matter is that Colorado is currently only able to use a small fraction of the water in the Colorado River, and over 84 percent of the water in the Colorado River now flows out of the State. California gets over 100 percent of the water it contributes to the Colorado River Basin. Arizona gets over 100 percent of the water it contributes to the Colorado River. Colorado uses about 16 percent of the Colorado River water that flows through the State. Compared against the ability of States like Arizona and California to use all of the water that originates in the State and more from upstream States, Colorado is significantly restricted in its ability to use and develop water. Colorado cannot give more without inflicting serious damage on its ability to provide a future for its citizens. So, if the question is what kind of instream flows should be required for wilderness areas in Colorado, the answer is that over 84 percent of the water in the Colorado River flows out of the State, and there is no need for additional Federal reservations. Existing Federal and State laws already ensure that there will be water in the streams.

Another criticism of the bill is that it recognizes and relies on the Colorado instream flow program to protect the wilderness water values in the Piedra Wilderness Area. S. 1029 requires that the Colorado Water Conservation Board enforce its instream flow water rights within the proposed Piedra Wilderness Area, thereby blocking expansion of water rights above the 50,100 acres of the Piedra Wilderness Area, and contains a provision allowing the purchase and conversion of direct flow water rights above the Piedra. The denigration of the State program is unfair and inappropriate. The Colorado Water Conservation Board [CWCB] has instream flow water rights created under State law both within and outside of existing wilderness lands and the additional wilderness lands that would be designated by this bill. The CWCB also has authority to acquire existing water rights from willing sellers or donors and to use these senior water rights for instream flow use. This very creative mechanism of Colorado law actually adds water to the stream for protection of wilderness values by converting existing consumptive uses of water into instream flow uses. The State's program is superior to any approach which would result in taking someone's property rights, without paying a fair price, through the backdoor mechanism of extinguishing valuable water rights by making it hard or impossible to adequately maintain access routes and water facilities existing prior to wilderness designation.

I want to emphasize that the State's instream flow program can adequately protect the Piedra Wilderness Area, and the CWCB Program provides an effective tool for protecting the environment in a manner which is consistent with Colorado law. And while some question the CWCB in quantifying the instream water rights, I believe that the CWCB has taken a strong stand to protect the environment in a manner which recognizes the need to preserve the potential to develop Colorado's interstate water allocations. The CWCB Program continues to evolve and develop, and the recognition of this program is a particularly appropriate way to protect wilderness values for downstream wilderness areas in Colorado.

Some members of the water community are also disappointed by the language of this bill. They would like a complete denial of the existence of past, present, and future Federal reserve water rights for wilderness. Water experts are also concerned that the ban on new water projects will make it impossible for Colorado to store additional water, and that the access provision will preclude water users from obtaining additional water from existing facilities in the wilderness areas.

These concerns are valid. Water users are correct that the Presidential exemption is not available to the wilderness areas designated by this act. This provision was adopted in the 1964 National Wilderness Preservation Act and explicitly allowed the President to authorize water prospecting and the construction of water facilities in wilderness areas, should he or she determine to allow development of new water facilities in the wilderness area. The Presidential authorization provision was to be an essential safety valve for Colorado in the event of drought or some other pressing need justifying Presidential action. However, while this option will not be available for these new wilderness areas, these headwaters additions are at high altitude where, to my knowledge, no one plans or expects to develop or file for a water right which would bring a new storage or diversion project into existence.

I also share the concerns about restrictions on Colorado's ability to develop its water, and would not be introducing this bill if it inhibited the development and use of Colorado's compact and equitable apportionment entitlements. However, while the bill does preclude future development in wilderness areas in these headwaters, it does not threaten Colorado's ability and right to develop water downstream of the designated areas. This distinction is very important, and makes the compromise in this bill one that is acceptable on the whole.

At the present time there is only one downstream wilderness area in Colorado, the Platte River Wilderness on the Colorado-Wyoming State line which was established by the Wyoming Wilderness Act of 1984. One mile of that wilderness area extends up the North Platte River into North Park in Colorado. The designation of downstream wilderness lands within Colorado, combined with the threat of the 1984 Sierra Club lawsuit that implied reserved water rights at some time in the future may be found to exist, has caused great alarm among water users in North Park and the elected officials of citizens who rely on that water. I am happy to say that the 1991 Colorado Wilderness Bill Senator WIRTH and I have agreed upon guarantees that present and future water users in Colorado can fully develop Colorado's share of North Platte River waters without any interference that might otherwise arise because of designation of those downstream lands included in the Platte River Wilderness Area.

We have also agreed that interstate compacts and equitable apportionment decrees allocating water among and between Colorado and other States will not be altered or modified by designation of additional Colorado wilderness lands.

No one will have their Colorado water rights taken away from them or extinguished by denial of wilderness access. The language guarantees reasonable access, including motorized access where necessary, to keep existing water facilities and access routes related to the exercise of water rights in serviceable condition.

This bill breaks an 11-year stalemate in the designation of new Colorado wilderness. The water provisions of S. 1029 are designed to both protect the new wilderness additions, including wilderness water values, and at the same time protect Colorado's ability to develop and use its water entitlements. Passage of the Colorado Wilderness Act will not only protect more than two-thirds of a million acres of some of Colorado's most beautiful wilderness, it is another way to ensure preservation of Colorado's past. It is a past rich in history and full of respect for the land which will be given to our children and our children's children. I am confident that the 1991 bill does not sacrifice any principles which are fundamental to Colorado's strong interest in water development and wilderness. And while those on either side who refuse to compromise will object, I suggest that people who truly value Colorado wilderness and water will support this bill so that we as a State and a Nation can move forward with protection and recognition of these important wilderness lands. Otherwise, the passage of time will cause the threats to these areas to become real, and we will have lost forever the opportunity to designate additional wilderness in Colorado.

Mr. STEVENS. Mr. President, yesterday was the State of Colorado's birthday, and I am happy to join with the Senators from Colorado in presenting her with a very special birthday present.

For 10 years the Colorado wilderness bill has been stalled. There have been fights over water, fights over timber, and fights over economic development versus preservation of land. For over a decade the Colorado delegation has been unable to come to a consensus on how to preserve critical areas without destroying jobs in Colorado's already fragile economy.

As soon as HANK BROWN was sworn in as the junior Senator from Colorado, he rolled up his sleeves and began work to develop a compromise which would preserve jobs and wilderness at the same time. His bill adds some 648,000 acres of unique, wild lands to Colorado's existing wilderness system. When this measure is enacted into law, 5 percent of Colorado's land will be under wilderness protection. But unlike certain past legislative proposals, loggers, ranchers, and farmers will be protected.

I commend the junior Senator from Colorado for his fortitude. Despite opposition from radical environmental groups who sought to undue this delicate compromise, he, along with the senior Senator from Colorado have stood their ground and have not given in.

I am particularly pleased that the senior Senator from Colorado [Mr. WIRTH] has modified his past position in favor of a strict preservationist approach to one that recognizes that people in Colorado, like people throughout the West, depend on the land to make their living.

Senator WIRTH's earlier proposals would have designated hundreds of mining claims, both patented and unpatented, as wilderness along with 60 adjudicated water rights, thousands of acres of private land, and more than 100,000 acres previously rejected as wilderness and made available for multiple use.

Colorado's local governments strongly opposed this approach because they rely on the land for activities such as snowmobiling, mountain biking, mining, timber harvesting, and mineral exploration. Eliminating their right to use the land would have eliminated jobs and cut off their means of economic survival.

As every Senator learns, taking away a community's ability to make a living is a recipe for disaster. S. 1029, unlike previous wilderness proposals, recognizes the fact that creation of wilderness areas can adversely impact a State's economy. The answer is not to stop wilderness. The answer is to craft a compromise which strikes a balance between competing interests.

While the senior Senator from Colorado kept his own old growth forests out of wilderness to preserve logging jobs, he was the leading force behind legislation undercutting the logging industry in Alaska. He introduced legislation creating over one million acres of new wilderness areas or areas managed as wilderness in Alaska's Tongass National Forest.

While loggers in Colorado are protected under this Colorado wilderness bill, 750 jobs have been lost in Alaska as a result of the Tongass Timber Reform Act. In addition, over 500 new timber-related jobs won't be created in the Tongass this year because of constrained timber supplies associated with wilderness withdrawals.

Although it's too late for the unemployed workers and destitute families in Alaska, I am pleased that Senator WIRTH has finally seen the light—that economic development such as logging, ranching, farming, and mining, can occur while preserving critical ecosystems—that compromises can and must be made to preserve jobs and communities while protecting our environment.

I just hope the lesson stays with him when it comes time to consider the future of the Arctic National Wildlife Refuge. With a wilderness area the size of Rhode Island, Connecticut, Delaware, and Hawaii combined, the refuge already has 400 percent more wilderness than the entire State of Colorado, even with the new Colorado wilderness bill.

If you include the wilderness the senior Senator from Colorado insisted on in the Tongass and the other already existing wilderness in Alaska, we have 25 times more wilderness than the entire State of Colorado, even after these new additions are approved.

While this Colorado wilderness bill places 5 percent of Colorado in wilderness, 16 percent of Alaska is already in wilderness status. Although the senior Senator from Colorado has cosponsored legislation designating yet another area in Alaska as wilderness—the Delaware-size ANWR Coastal Plain—since he has revised his views when it came to jobs in Colorado, I trust he will come to the same conclusion when it comes to Alaska.

Not only would exploration of the Coastal Plain mean jobs for Americans—but it would provide safe, domestically produced oil to meet the Nation's energy demands at a time when we import over half of our oil from the volatile Middle East.

While Senator WIRTH'S and Senator BROWN'S bill does not go as far as we have already gone in Alaska, nevertheless, I believe it is a reasonable bill. Not the one-sided sacrifice of multiple use interests as some earlier drafts were.

The importance of maintaining this compromise between preserving jobs and economic opportunity and preserving land cannot be understated. Any revision of the compromises struck in S. 1029 in conference may make it unacceptable to me and those of us who are concerned about the preservation of social and economic vitality in the West.

So happy birthday, Colorado. And congratulations to the junior Senator from Colorado for bringing a bill that had been dead on arrival back to life with amazing dispatch. And last but not least, my hat goes off to the senior Senator from Colorado for finally recognizing the principles of multiple use that have guided the West for decades. I just hope he will see fit to apply them to my home State when the time comes.

I commend my statement to the attention of my friend, the senior Senator from Colorado. It is submitted with every good intent but it is straight Alaska talk.

Mr. WIRTH. Mr. President, the Colorado Wilderness Act of 1991 is the result of many years of work by many people. The Colorado delegation has been working on resolving which of our Forest Service lands should be protected as wilderness since the 1970's, and in 1980, we passed a wilderness bill that added 1.4 million acres to the National Wilderness Preservation System. But that bill left the status of a number of areas unresolved, and we have been working on which of these areas should also be added to the wilderness system ever since.

The bill now before the Senate represents a compromise resolution on these important issues which both Senator BROWN and I can support, and which I hope the Senate will pass. This bill will protect nearly 700,000 acres of spectacular, but fragile, wild lands in Colorado, and ensure that they will remain wild and unspoiled for our children, and their children.

I and my family have visited most of the areas to be protected in this bill, and many other areas that have been proposed for protection as wilderness in our State. And I can testify, from personal experience, that the common assumption that such wild lands will continue as they are without the protection of wilderness designation by an act of Congress is sadly wrong. While our delegation has debated what should and what should not be protected, we have lost large pieces of these wilderness lands to development pressures.

The Sand Beach Area, an extraordinary old growth forest adjacent to the Piedra Wilderness Study Area, is a good example. If the wilderness bill I had introduced in the last Congress had passed, this area would have been protected. Instead, this area is being logged this summer.

The Fossil Ridge WSA is another example. When my family and I visited Fossil Ridge two summers ago, we were struck by the erosion and trail damage that was being caused by off-trail motorcycle use. The Forest Service has been actively encouraging off-road-vehicle use in the Fossil Ridge WSA—a use that eventually could disqualify this remarkable place for wilderness designation.

These threats are real, Mr. President, and they are eating away at some of the most beautiful, pristine mountain lands in Colorado. My highest priority since 1980 has been to protect as much of this wild legacy as possible in our State. I am convinced the legislation that Senator BROWN and I have jointly introduced will do that.

Many in the conservation community feel strongly that this bill should have taken a different approach toward the protection of the water resources of these proposed wilderness areas. I agree with them that we have a duty to do our utmost to see that the water resources of these wilderness areas are protected, along with the other values and resources of these areas. I believe this bill meets the test of providing real protection for these resources, though through a different means than that which the Congress has adopted in several recent wilderness bills.

Different does not mean lesser, and I believe that I and Senator BROWN haved gone to great lengths to provide maximum protection to the water resources of these wilderness areas within the particularities of Colorado's State water laws.

Without this agreement on water rights, Colorado would face continued stalemate, and the loss of thousands of acres of wilderness lands. With this agreement, we are, for the first time, getting unified support from all the Members of our State's congressional delegation to protect the entire Oh-Be-Joyful drainage as wilderness. We will designate a large core of the Fossil Ridge area as wilderness—and a larger area as a National Conservation Area—even though the Forest Service recommended against wilderness designation, and despite heavy lobbying against designating any wilderness there at all. This legislation will add Roubideau and Tabeguache Canyons as wilderness—areas that were rejected as wilderness in the 1980 bill. And this bill will protect old-growth forests in Bowen Gulch and Corral Mountain, both areas that the Forest Service had planned to log.

Viewed as a package, Mr. Chairman, I am convinced this is a good bill. That is why this bill has been endorsed by the Denver Post, the Boulder Daily Camera, the Pueblo Chieftan, the Grand Junction Daily Sentinel, the Durango Herald, and numerous other newspapers from every corner of the State. It has earned the support of our Governor, Roy Romer, and of a host of local government and civil groups, and I urge all of my colleagues to join Senator BROWN and I in supporting it as well.

WATER RIGHTS

I recognize that there are many in the environmental movement who firmly believe that we should take a different approach to protecting the water resources that are integral to these wilderness lands than this bill does.

But simply put, Mr. Chairman, I believe the standard against which this and any other bill should be measured is whether it protects the water-related resources of the wilderness areas. If this bill's provisions can pass that test—and I believe they do—then we should put aside debate over what form that protection should take and proceed.

I think this bill protects the water resources of these wilderness areas as well or better than any other bill ever passed by the Congress—and I urge my colleagues not to reject providing that high level of protection simply because it is not provided in quite the same way as in some other bills.

Is the language in our bill generally applicable to other wilderness proposals affecting other lands, or in other States? No, it is not. Is the language in our bill a model for future bills? No, it is not, and it is not intended to be.

My intention is sponsoring this language with Senator BROWN is very simple and very limited—to provide every reasonable protection to the water resources in the areas we designate wilderness, while neither intending, pretending, or proposing to decide water rights issues affecting any areas not directly addressed in this bill.

This bill does not address the question of whether past wilderness designations imply a Federal reserved water right. On that issue, Senator BROWN and I do not agree. We did agree, however, to deny any such implication for the areas designated in this bill—because we agreed that the water language in our bill provided adequate protection of the wilderness values of the areas designated in this bill, without a Federal reservation.

This bill does not address the question of how the Senate should protect the water resources of future wilderness designations, in our State or any other. I would say, however, that if we do set a precedent, it is that these issues should be addressed, and that we should see that the water resources of wilderness and park areas are, in fact, protected when we designate them. I am satisfied, as I have said before, that this bill does protect those resources.

How do we do that? For the vast majority of the acreage protected in this bill, we provide protection by simply prohibiting any additional water development in these areas, overruling the provision in force in every other wilderness area ever designated which allows the President to authorize water development projects in wilderness areas. These areas are the headwaters of watersheds, mountain peaks from which waters flow down. No use outside the wilderness can affect these waters, because all such uses are downstream of the wilderness. Our provisions yield near-absolute protection for these areas, without the long and uncertain court proceedings that would be required to translate any application for a Federal-reserved water right into real protection.

On the one large wilderness proposal which has significant water use upstream of it—the Piedra Wilderness—we have provided for this area to be protected by the substantial water rights the State of Colorado has already set aside to protect the riverine resources of this area. In addition, our bill directs the Forest Service to work with the Colorado Water Conservation Board to work out a contractual agreement that will provide the necessary tenure and enforcement of the State instream flow rights.

These rights are in addition to the very senior water rights the Forest Service already has, but has yet to quantify, in this area, by virtue of the establishment of the National Forest almost a century ago.

It is only because of these alternative protections that this bill waives the establishment of Federal-reserved water rights for these wilderness areas. These provisions are unique to the particular circumstances of these areas—the headwaters nature of most of the areas involved, and the preexistence of substantial State instream flow rights in the Piedra area. They were designed to meet the specifics of this situation, and I believe they do.

SKI AREAS

I want to note for the record that none of the areas designated as wilderness, national conservation area, or backcountry recreation area by this legislation include any national forest land within the permit area of any ski area in our State. Nor is anything in this bill intended in any way to interfere with the management and operation of the ski areas nearby or adjacent to any of the lands designated wilderness or any other protective designation in this bill.

ADDITION TO THE PROPOSED PIEDRA WILDERNESS

I also want to note for the record that in committee, I proposed an amendment to S. 1029 to add some 6,000 additional acres to the Piedra Wilderness, with the support of Senator BROWN. Those additions, in the East Creek/Lime Creek area, connect the Piedra area with the existing Weminuche Wilderness. There is a corridor through the area, through which there is now a Forest Service trail, trail No. 535. It was our intention, in drawing the wilderness boundary to exclude that trail, that the Forest Service would allow snowmobiles to use that trail in the winter, but would not allow any other motorized use, and would not under any circumstances build a road through that area.

To finish my remarks, Mr. President, I want to say again that getting agreement on this bill has been difficult. There are many issues involved, many Coloradans directly affected, and strong feelings on both sides of virtually all of the issues. This has been a difficult task for everyone involved. I am particularly appreciative of the hard work of my colleague Senator BROWN, and of his dedication to the task of finding ways for us to reach agreement on what to designate as wilderness in our State, and how. I want to thank him for all his hard work on this bill.

I also want to thank Senator JOHNSTON, the chairman of the Committee on Energy and Natural Resources, and Senator BUMPERS, the chairman of the Subcommittee on Public Lands, National Parks and Forests, for the help both of them have given Senator BROWN and I in moving this bill forward and resolving the many details involved. I also want to thank the staff of the committee, particularly Tom Williams, David Brooks, and Diane Nagel of the subcommittee staff, for their professionalism, their knowledge, and the great help they have provided us in working through this bill. I also want to be sure to thank Jim Martin of my own staff, who has had the very difficult job of working with every disparate interest group in our State, and doing his best to find areas of agreement and consensus on issues fraught with controversy. He has worked hard and long on this issue, and deserves a great deal of credit for what is good in this bill.

With those thanks made, Mr. President, I want to urge my colleagues to support this bill, and I yield the floor.

Mr. President, Senator BROWN and I have jointly offered an amendment that is needed to clarify a provision that was added to S. 1029 during the Energy and Natural Resources Committee's consideration of this legislation.

At the outset, I want to say that I am pleased the committee agreed to designate much of the Lime Creek and East Creek drainages as part of the Piedra Wilderness Area. These are worthy and important additions to the wilderness system, since they will provide a bridge between the existing Weminuche Wilderness Area, and the new Piedra Wilderness Area. By designating the East Creek/Lime Creek area as wilderness, we are establishing what will soon be recognized as a premier wilderness area with some of the best elk habitat and most extraordinary mountain vistas of any wilderness area in the Nation.

It is important to point out, however, that the committee also agreed to leave a narrow corridor between the Weminuche Wilderness Area and the Piedra Wilderness Area. We did so in the expectation that the Forest Service may consider establishing a snowmobile trail in that corridor. But I want to emphasize two principles that must guide the Forest Service in its deliberations.

First, the Forest Service permitted the development of a trail in this area, despite the fact that such a trail violated the terms of an agreement that the Forest Service had executed with a number of land owners and conservationists. In addition, the Forest Service failed to provide any opportunity for public review and comment, and failed to complete a NEPA review of its proposal. As a consequence, the Forest Service subsequently was forced to close this corridor to motorized use.

Furthermore, that corridor should be compatible with the surrounding wilderness. There is no need, and the Forest Service should not permit, grading, gravel construction, significant trail improvements of other kinds, or the unnecessary removal of trees and vegetation. And finally, the Forest Service should ensure that, with the exception of snowmobiles, no other motorized vehicles use this trail, and that the Forest Service designs any trail to ensure that snowmobiles will not encroach into the adjacent wilderness areas. And it goes without saying that this corridor must never be considered for the development of a road or way for timber removal or for any other purpose.

At this point, I should ask my colleague, the Senator from Colorado [Mr. BROWN] if that is also his understanding of this clarifying amendment.

Mr. BROWN. I thank my colleague, Senator WIRTH, for his comments. Senator WIRTH and I agreed upon an amendment regarding an addition to the Piedra Wilderness which was included in the bill during the Energy and Natural Resources Committee's consideration of S. 1029. The amendment reads as follows:

> Section 2(a)(10) is amended by striking "Piedra Wilderness;" and inserting in lieu thereof, "Piedra Wilderness: *Provided*, That no motorized travel shall be permitted on Forest Service trail number 535, except for snowmobile travel during periods of adequate snow cover.

As Senator WIRTH mentioned, in 1983, a land use agreement was reached between the Forest Service, landowners, multiple-use interests and conservationists for the East Creek-Lion Creek Area. This agreement called for the construction of a trail for snowmobile use. The trail was inadvertently constructed in the wrong place, violating the original agreement. To restore the intent of the agreement, the amendment adds 6,000 to the Piedra Wilderness Area, excludes the existing snowmobile trail 535 from wilderness and mandates that use of the trail shall be restricted to snowmobiles and mountain bikes.

The intent of the amendment is to prevent ATV use of the trail and to prevent the trail from being developed into a road. Our intention in cherry-stemming this corridor is to preserve its character as a trail. It must never be considered for the development of a road.

Mr. WELLSTONE. Mr. President, I rise to engage in a brief colloquy. First, I want to express my appreciation for the hard work which both Senator WIRTH and Senator BROWN have expended in crafting this legislation. The areas which it proposes for wilderness designation deserve the special protection afforded such unique areas by the Wilderness Act.

While I recognize the sincere intent of my colleagues from Colorado to protect these areas, I have serious reservations about the water rights provisions of the legislation. The potential implications of this unique arrangement could reach beyond these lands in Colorado and affect wilderness designations in other areas.

I wish to ask my colleague whether he intends this legislation's provisions respecting water rights to establish a precedent for wilderness legislation respecting any other lands?

Mr. WIRTH. I thank my colleague from Minnesota, Senator WELLSTONE, for his interest in this legislation and the protection of these spectacular lands in my State of Colorado. First, let me say, unequivocally, that I intend this legislation to protect any waters integral to the wilderness characteristics of these lands. However, there is a significant debate in Western States about division of legal jurisdiction over water resources between the Federal and State governments. This legislation seeks to protect the wilderness values of these lands while protecting water resources through control of access to that water, and through the administration of State law.

While I respect my colleague's concerns about this arrangement, I sincerely believe this is an approach which will succeed. It will preserve the wilderness areas and their water resources without relying on Federal reserved water rights.

But I recognize that this legislation proposes a new and different approach. That is one of the reasons why we have included provisions in this bill explicitly recognizing that this bill does not establish a precedent for other wilderness designations.

Mr. WELLSTONE. I appreciate your explanation and recognition of my concerns. But simply relying upon a statement that this bill does not establish a precedent concerns me. There are other wilderness bills which the Senate may consider soon. What reason is there for me to believe that this new arrangement won't be seized upon by water interests to weaken wilderness protections elsewhere?

Mr. WIRTH. While I cannot say that some of the other wilderness bills will not offer new approaches to water rights, I would find it difficult to believe that they would duplicate the unique facts of the situation of these areas in Colorado. The water rights provisions of this proposal are unique to the particular circumstances of these lands—the headwaters nature of most of the areas involved, and the preexistence of substantial State instream flow rights in the Piedra area. They were designed to meet the specifics of this situation, and I believe they do.

I want to assure my colleague that I would personally oppose the use of this arrangement or any other legislative treatment of the water resources of wilderness areas if I did not believe they succeeded in achieving full protection of the wilderness values of the lands to be designated. I came to my conclusion about these lands in Colorado only after extensive study and scrutiny, and would as thoroughly scrutinize any other legislative proposals, including any which merely copied the arrangement which we have developed for this bill's unique circumstances.

Mr. WELLSTONE. I wish to thank my colleague for his assurances about the potential precedential value of the water rights provisions of this legislation. I have one other question about the specifics of the arrangement in Colorado. It appears that the legislation assumes that the water rights currently afforded the Piedra area will continue indefinitely. What assurances are there that the State of Colorado will not adversely change the water allocation for this area in the future?

Mr. WIRTH. The legislation directs the Forest Service to enter into a binding contract with the Colorado State Water Conservation Board to ensure the long-term protection of water in the Piedra areas. I have every reason to expect they will successfully reach an agreement based upon my discussion with the Forest Service, but if they could not I would expect the Forest Service to promptly request further congressional review of this situation.

Mr. WELLSTONE. I thank Mr. WIRTH. I am grateful for his assurances.

Mr. METZENBAUM. Mr. President, I feel compelled to express my serious reservations about the water rights provisions in the Colorado Wilderness Act of 1991. I am very concerned that the act makes a dangerous departure from our historical reliance on a reserved water right to protect the Federal interest in water within wilderness areas.

The Colorado Wilderness Act expressly states that Congress is not reserving any water rights to the United States. This is troublesome with respect to several wilderness areas designated in the act but is particularly troublesome with respect to the Piedra Wilderness that does not include the entire headwaters of the rivers within its boundaries.

I am concerned that this relinquishment of any water rights in a Federal wilderness area will make it difficult to preserve the wilderness values of the Colorado Wilderness and may lead other States to attempt other exceptions. Ultimately, I am concerned that this will have a detrimental effect on our national wilderness system.

The reserved rights approach has served us well for 80 years. The Colorado Wilderness Act would replace this proven approach with the uncertainty of a yet-to-be-written contract between the Forest Service and the State of Colorado. Instead of expressly reserving water rights to the United States, the act provides that if the Federal Government deems it necessary to carry out the purposes of the act, the United States may acquire water rights back from the State of Colorado subject to the terms that the State shall prescribe. In other words, after giving away all right to the water, the bill acknowledges that if the Federal Government needs any water, it can buy it back from the State on the State's terms.

It is entirely possible that the Federal Government will need to buy back some water from the State of Colorado. While there is some provision for instream flows in the act, it is far from clear that such flows will be adequate to sustain fish and wildlife and to preserve wetlands, recreation, and scenic values in the wilderness area.

Congress established the National wilderness preservation system in 1964 because of increasing concern about the loss of lands untouched by man. More and more, people are coming to realize the foresight of that action by Congress.

Wilderness designation is the best management tool available to protect critical fish and wildlife habitat. By managing areas so that they are primarily affected only by the forces of nature, we preserve habitat in prime condition. Land left in its pristine condition—the way it was created in the first place—is best suited to sustain fish and wildlife and to preserve wetlands, recreation, and scenic values.

While the Colorado Wilderness Act of 1991 is commendable for setting aside 648,620 acres as wilderness, I must express my opposition to the bill due to the provisions on water rights reserved to the United States.

It is my understanding that these provisions are opposed by many key members of the Interior Committee of the House of Representatives. It is my hope that eventually our position will prevail.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended, was agreed to.

Mr. WIRTH. Mr. President, I move to reconsider the vote.

Mr. GRASSLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 1029

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Colorado Wilderness Act of 1991".

SEC. 2. ADDITIONS TO THE WILDERNESS PRESERVATION SYSTEM.

(a) ADDITIONS.—The following lands in the State of Colorado are hereby designated as wilderness and, therefore, as components of the National Wilderness Preservation System:

(1) certain lands in the Gunnison Basin Resource Area administered by the Bureau of Land Management which comprise approximately 1,470 acres, as generally depicted on a map entitled "American Flats Additions to the Big Blue Wilderness—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Big Blue Wilderness designated by Public Law 96-560;

(2) certain lands in the Gunnison Resource Area administered by the Bureau of Land Management which comprise approximately 140 acres, as generally depicted on a map entitled "Larson Creek Addition to the Big Blue Wilderness—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Big Blue Wilderness designated by Public Law 96-560;

(3) certain lands in the Pike and San Isabel National Forests which comprise approximately 40,150 acres, as generally depicted on a map entitled "Buffalo Peaks Wilderness—Proposal", dated May 1991, and which shall be known as the Buffalo Peaks Wilderness;

(4) certain lands in the Gunnison National Forest and in the Bureau of Land Management Powderhorn Primitive Area which comprise approximately 60,100 acres as generally depicted on a map entitled "Powderhorn Wilderness—Proposal", dated May 1991, and which shall be known as the Powderhorn Wilderness;

(5) certain lands in the Routt National Forest which comprise approximately 17,300 acres, as generally depicted on a map entitled "Davis Peak Additions to the Mount Zirkel Wilderness Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Mount Zirkel Wilderness designated by Public Law 88-555;

(6) certain lands in the San Isabel National Forest which comprise approximately 22,040 acres as generally depicted on a map entitled "Greenhorn Mountain Wilderness—Proposal", dated May 1991, and which shall be known as the Greenhorn Mountain Wilderness;

(7) certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests which comprise approximately 32,000 acres as generally depicted on a map entitled "Fossil Ridge Wilderness Proposal", dated May 1991, and which shall be known as the Fossil Ridge Wilderness Area;

(8) certain lands within the Pike and San Isabel National Forests which comprise approximately 13,830 acres, as generally depicted on a map entitled "Lost Creek Wilderness Proposal", dated May 1991, which are hereby incorporated in and shall be deemed to be a part of the Lost Creek Wilderness designated by Public Law 96-560: *Provided*, That the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") is authorized to acquire, only by donation or exchange, various mineral reservations held by the State of Colorado within the boundaries of the Lost Creek Wilderness additions designated by this Act;

(9) certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests which comprise approximately 5,000 acres, as generally depicted on a map entitled "Oh-Be-Joyful Addition to the Raggeds Wilderness—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Raggeds Wilderness designated by Public Law 96-560;

(10) certain lands in the San Juan National Forest which comprise approximately 56,000 acres, as generally depicted on a map entitled "Piedra Wilderness", dated July 1991 and which shall be known as the Piedra Wilderness: *Provided*, That no motorized travel shall be permitted on Forest Service trail number 535, except for snowmobile travel during periods of adequate snow cover;

(11) certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests which comprise approximately 18,000 acres, as generally depicted on a map entitled "Roubideau Wilderness—Proposal", dated May 1991, and which shall be known as the Roubideau Wilderness;

(12) certain lands in the Rio Grande National Forest which comprise approximately 207,330 acres, as generally depicted on a map entitled "Sangre de Cristo Wilderness—Proposal", dated May 1991, and which shall be known as the Sangre de Cristo Wilderness;

(13) certain lands in the Routt National Forest which comprise approximately 44,000 acres, as generally depicted on a map entitled "Sarvis Creek Wilderness Proposal", dated May 1991, which shall be known as the Sarvis Creek Wilderness: *Provided*, That the Secretary is authorized to acquire by purchase, donation, or exchange, lands or interests therein within the boundaries of the Sarvis Creek Wilderness only with the consent of the owner thereof;

(14) certain lands in the San Juan National Forest which comprise approximately 15,920 acres as generally depicted on a map entitled "South San Juan Expansion Wilderness—Proposal", (V-Rock Trail and Montezuma Peak), dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the South San Juan Wilderness designated by Public Law 96-560;

(15) certain lands in the White River National Forest which comprise approximately 8,330 acres, as generally depicted on a map entitled "Spruce Creek Additions to the Hunter-Fryingpan Wilderness—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Hunter Fryingpan Wilderness designated by Public Law 95-327: *Provided*, That no right, or claim of right, to the diversion and use of the waters of Hunter Creek, the Fryingpan or Roaring Fork Rivers, or any tributaries of said creeks or rivers, by the Fryingpan-Arkansas Project, Public Law 87-590, and the reauthorization thereof by Public Law 93-493, as modified as proposed in the

September 1959 report of the Bureau of Reclamation entitled "Ruedi Dam and Reservoir, Colorado," and as further modified and described in the description of the proposal contained in the final environmental statement for said project, dated April 16, 1975, under the laws of the State of Colorado, shall be prejudiced, expanded, diminished, altered, or affected by this Act. Nothing in this Act shall be construed to expand, abate, impair, impede, or interfere with the construction, maintenance, or repair of said Fryingpan-Arkansas Project facilities, nor the operation thereof, pursuant to the Operating Principles, House Document 187, Eighty-third Congress, and pursuant to the water laws of the State of Colorado: *And provided further*, That nothing in this Act shall be construed to impede, limit, or prevent the use of the Fryingpan-Arkansas Project of its diversion systems to their full extent;

(16) certain lands in the Arapaho National Forest which comprise approximately 7,630 acres, as generally depicted on a map entitled "St. Louis Peak Wilderness—Proposal", dated May 1991, and which shall be known as Byers Peak Wilderness;

(17) certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests and in the Bureau of Land Management Montrose District which comprise approximately 16,740 acres, as generally depicted on a map entitled "Tabeguache Wilderness—Proposal", dated May 1991, and which shall be known as the Tabeguache Wilderness;

(18) certain lands in the Arapaho National Forest which comprise approximately 12,300 acres, as generally depicted on a map entitled "Vasquez Peak Wilderness—Proposal", dated May 1991, and which shall be known as the Vasquez Peak Wilderness;

(19) certain lands in the San Juan National Forest which comprise approximately 28,740 acres, as generally depicted on a map entitled "West Needle Wilderness and Weminuche Wilderness Addition—Proposal", dated May 1991, and which are hereby incorporated in and shall be deemed to be a part of the Weminuche Wilderness designated by Public Law 93-632;

(20) certain lands in the Rio Grande National Forest which comprise approximately 23,100 acres, as generally depicted on a map entitled "Wheeler Additions to the La Garita Wilderness—Proposal", dated May 1991, and which shall be incorporated into and shall be deemed to be a part of the La Garita Wilderness;

(21) certain lands in the Arapaho National Forest which comprise approximately 12,100 acres, as generally depicted on a map entitled "Williams Fork Wilderness—Proposal", dated May 1991, and which shall be known as the Farr Wilderness; and

(22) certain lands in the Arapaho National Forest which comprise approximately 6,400 acres, as generally depicted on a map entitled "Bowen Gulch Additions to Never Summer Wilderness—Proposal", dated May 1991, which are hereby incorporated into and shall be deemed to be a part of the Never Summer Wilderness.

(b) MAPS AND DESCRIPTION.—As soon as practicable after the date of enactment of this Act, the appropriate Secretary shall file a map and a legal description of each area designated as wilderness by this Act with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives. Each map and description shall have the same force and effect as if included in this Act, except that the Secretary is authorized to correct clerical and typographical errors in such legal descriptions and maps. Such maps and legal descriptions shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture and the Office of the Director of the Bureau of Land Management, Department of the Interior, as appropriate.

SEC. 3. WATER RIGHTS.

(a) FINDINGS.—The Congress finds that—

(1) since virtually all of the lands designated as wilderness by this Act lie at the headwaters of streams and rivers that arise on those lands, the designation of these lands as wilderness poses few, if any, conflicts with existing water users in view of the provisions of this Act, and the land management agencies can protect these wilderness lands and their water-related resources without asserting either implied or express reserved water rights;

(2) these particular headwaters areas are not appropriate for new water projects;

(3) while the Piedra Wilderness designated by section 2(a)(10) of this Act is located downstream of numerous State-granted conditional and absolute water rights, the Forest Service can adequately protect the water-related resources of this wilderness area by working in coordination with the Colorado Water Conservation Board through a contractual agreement between the Secretary and the Board (as provided in subsection (e) of this section) to protect and enforce instream flow filings established pursuant to the provisions of section 37-92-102(3) of the Colorado Revised Statutes by the Colorado Water Court for Division 7; and

(4) the water-related values of the existing Platte River Wilderness will be adequately protected by the terms of the equitable apportionment decree that the United States Supreme Court has issued for allocation of the waters of the North Platte River and its tributaries.

(b) WATER RIGHTS.—(1) Nothing in this Act or any other Act of Congress shall constitute or be construed to constitute either an express or implied reservation of water or water rights arising from—

(A) wilderness designation for the lands designated as wilderness by this Act;

(B) the establishment of the Fossil Ridge National Conservation Area pursuant to section 6 of this Act; or

(C) the establishment of the Bowen Gulch Backcountry Recreation Area pursuant to section 7 of this Act.

(2) The United States may acquire such water rights as it deems necessary to carry out its responsibilities on any lands designated as wilderness by this Act pursuant to the substantive and procedural requirements of the State of Colorado: *Provided*, That nothing in this Act shall be construed to authorize the use of eminent domain to acquire water rights for such lands.

(3) Notwithstanding any other provision of law, no officer of the United States shall authorize or issue a permit for the development of a new water resource facility within the wilderness areas designated by this Act: *Provided*, That nothing in this Act shall affect irrigation, pumping and transmission facilities, and water facilities in existence within the boundaries of such wilderness areas, nor shall anything in this Act be construed to limit operation, maintenance, repair, modification or replacement of existing facilities as provided in paragraph (f) of this section.

(c) PIEDRA WILDERNESS.—The Secretary shall enter into an agreement with the Colorado Water Conservation Board to protect and enforce instream flow filings established pursuant to the provisions of section 37-92-102(3) of the Colorado Revised Statutes by the Water Court of Water Division 7 of the State of Colorado, and neither the United States nor any other person shall assert any rights for water in the Piedra River for wilderness purposes except those established pursuant to the provisions of section 37-92-102(3) of the Colorado Revised Statutes by the Water Court of Water Division 7 of the State of Colorado.

(d) NORTH PLATTE RIVER.—Notwithstanding the provisions of this Act or any prior Acts of Congress to the contrary, neither the United States nor any other person shall assert any rights which may be determined to have been established for waters of the North Platte River for purposes of the Platte River Wilderness established by Public Law 98-550, located on the Colorado-Wyoming State boundary, to the extent such rights would limit the use or development of water within Colorado by present and future holders of valid water rights in the North Platte River and its tributaries, to the full extent allowed under interstate compact or United States Supreme Court equitable decree. Any such rights shall be junior and subordinate to use or development of Colorado's full entitlement to interstate waters of the North Platte River and its tributaries within Colorado allowed under interstate compact or United States Supreme Court equitable decree.

(e) INTERSTATE COMPACTS.—Nothing in this Act shall be deemed to alter, modify, or amend any interstate compact or equitable apportionment decree affecting the allocation of water between or among the State of Colorado and other States nor the full use and development of such waters, and nothing in this title shall affect or limit the use or development by holders of valid water rights of Colorado's full apportionment of such waters.

(f) ACCESS.—Reasonable access shall be allowed to existing water diversion, carriage, storage and ancillary facilities within the wilderness areas designated by this Act, including motorized access where necessary and customarily employed on existing routes. The present diversion, carriage and storage capacity of existing water facilities, and the present condition of existing access routes, may be operated, maintained, repaired and replaced as necessary to maintain serviceable conditions: *Provided*, That, unless authorized by applicable statute: (i) the original function and impact of an existing facility or access route on wilderness values shall not be increased as a result of changes in operation; (ii) existing facilities and access routes shall be maintained and repaired when necessary to prevent increased impacts on wilderness values; and (iii) the original function and impact of existing facilities and access routes on wilderness values shall not be increased subsequent to maintenance, repair, or replacement.

(g) PRECEDENTS.—Nothing in this section shall be construed as establishing a precedent with regard to any future wilderness designations, nor shall it constitute an interpretation of any other Act or any wilderness designation made pursuant thereto.

SEC. 4. ADMINISTRATION OF THE WILDERNESS AREAS.

(a) IN GENERAL.—(1) Subject to valid existing rights, each wilderness area designation by this Act shall be administered by the Secretary or the Secretary of the Interior, as appropriate, in accordance with the Wilderness Act (16 U.S.C. 1131 et seq.) and this Act, except that, with respect to any wilderness areas designated by this Act, any reference in the Wilderness Act to the effective date of the Wilderness Act shall be deemed to be a reference to the date of enactment of this Act.

(2) Administrative jurisdiction over those lands designated as wilderness pursuant to paragraphs (1), (2), and (12) of section 2(a) of this Act, and which, as of the date of enactment of this Act, are administered by the Bureau of Land Management, is hereby transferred to the Forest Service.

(b) GRAZING.—(1) Grazing of livestock in wilderness areas designated by this Act shall be administered in accordance with the provisions of section 4(d)(4) of the Wilderness Act (16 U.S.C. 1133(d)(4)), as further interpreted by section 108 of Public Law 96-560.

(2) REVIEW.—The Secretary of the Interior is directed to review all policies, practices, and regulations of the Bureau of Land Management-administered wilderness areas in Colorado to ensure that such policies, practices, and regulations fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in this Act.

(c) STATE JURISDICTION.—As provided in section 4(d)(7) of the Wilderness Act (16 U.S.C. 1133(d)(7)), nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Colorado with respect to wildlife and fish in Colorado.

(d) REPEAL OF WILDERNESS STUDY AND FURTHER PLANNING AREAS STATUS.—(1) Public Law 96-560 is amended by striking sections 105(c) and 106(b).

(2) Section 2(e) of the Endangered American Wilderness Act of 1978 (92 Stat. 41) is amended by striking "Subject to" and all that follows through "System".

(e) BUFFER ZONES.—Congress does not intend that the designation by this Act of wilderness area areas in the State of Colorado creates or implies the creation of protective perimeters or buffer zones around any wilderness area. The fact that non-wilderness activities or uses can be seen or heard from within a wilderness area shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

SEC. 5. WILDERNESS REVIEW CONCERNS.

(a) FINDINGS.—The Congress finds that—

(1) the Department of Agriculture has adequately met the wilderness study requirements of Public Law 96-560, Public Law 95-237, and section 12(g) of Public Law 98-141;

(2) the initial Land and Resource Management Plans and associated environmental impact statements (hereinafter referred to as "land and resource management plans") for the National Forests in the State of Colorado have been completed as required by section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1976;

(3) the Department of Agriculture, with substantial public input, has reviewed the wilderness potential of these and other areas; and

(4) the Congress has made its own examination of National Forest System roadless areas in the State of Colorado and of the environmental impacts associated with alternative allocations of such areas.

(b) On the basis of such review, the Congress hereby determines and directs that—

(1) with respect to the National Forest System lands in the State of Colorado that were reviewed by the Department of Agriculture in wilderness studies conducted pursuant to Public Law 95-237, Public Law 96-560, and section 12(g) of Public Law 98-141, and the initial land and resource management plans, such reviews shall be deemed for the purposes of the initial land and resource management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revision of the plans but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a 10-year cycle, or at least every 15 years, unless prior to such time the Secretary finds that conditions in a unit have significantly changed;

(2) except as may be specifically provided in sections 6 and 7 of this Act, those areas in the State of Colorado referred to in subparagraph (1) of this subsection which were not designated as wilderness shall be managed for multiple use in accordance with land and resource management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land and resource management plans;

(3) in the event that revised land and resource management plans in the State of Colorado are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable laws, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecting their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(4) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of Colorado for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) REVISIONS.—As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revision" shall not include an amendment to a plan.

(d) APPLICATION OF SECTION.—The provisions of this section shall also apply to those National Forest System roadless lands in the State of Colorado that are less than 5,000 acres in size.

SEC. 6. FOSSIL RIDGE NATIONAL CONSERVATION AREA.

(a) ESTABLISHMENT.—(1) In order to conserve, protect, and enhance the scenic, wildlife, recreational, and other natural resource values of the Fossil Ridge area, there is hereby established the Fossil Ridge National Conservation Area (hereinafter referred to as the "conservation area").

(2) The conservation area shall consist of certain lands in the Grand Mesa, Uncompahgre, and Gunnison National Forests, Colorado, which comprise approximately 43,900 acres as generally depicted as "Area A" on a map entitled "Fossil Ridge Wilderness Proposal", dated May 1991.

(b) ADMINISTRATION.—The Secretary shall administer the conservation area in accordance with this section and the laws and regulations generally applicable to the National Forest System.

(c) WITHDRAWAL.—Subject to valid existing rights, all lands within the conservation area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws, from location, entry, and patent under the mining laws, and from disposition under the mineral and geothermal leasing laws, including all amendments thereto.

(d) TIMBER HARVESTING.—No timber harvesting shall be allowed within the conservation area except for the minimum necessary to protect the forest from insects and disease, and for public safety.

(e) LIVESTOCK GRAZING.—The designation of the conservation area shall not be construed to prohibit, or change the administration of, the grazing of livestock within the conservation area.

(f) DEVELOPMENT.—No developed campgrounds shall be constructed within the conservation area. After the date of enactment of this Act, no new roads or trails may be constructed within the conservation area.

(g) OFF-ROAD RECREATION.—Motorized travel shall be permitted within the conservation area only on those designated trails and routes existing as of July 1, 1991.

SEC. 7. BOWEN GULCH BACKCOUNTRY RECREATION AREA.

(a) ESTABLISHMENT.—(1) There is hereby established in the Arapaho National Forest, Colorado, the Bowen Gulch backcountry recreation area (hereinafter referred to as the "backcountry recreation area").

(2) The backcountry recreation area shall consist of certain lands in the Arapaho National Forest, Colorado, which comprise approximately 6,800 acres as generally depicted as "Area A" on a map entitled "Bowen Gulch Additions to Never Summer Wilderness Proposal", dated May, 1991.

(b) ADMINISTRATION.—The Secretary shall administer the backcountry recreation area in accordance with this section and the laws and regulations generally applicable to the National Forest System.

(c) WITHDRAWAL.—Subject to valid existing rights, all lands within the backcountry recreation area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws, from location, entry, and patent under the mining laws, and from disposition under the mineral and geothermal leasing laws, including all amendments thereto.

(d) DEVELOPMENT.—No developed campgrounds shall be constructed within the backcountry recreation area. After the date of enactment of this Act, no new roads or trails may be constructed within the backcountry recreation area.

(e) TIMBER HARVESTING.—No timber harvesting shall be allowed within the backcountry recreation area except for the minimum necessary to protect the forest from insects and disease, and for public safety.

(f) MOTORIZED TRAVEL.—Motorized travel shall be permitted within the backcountry recreation area only on those designated trails and routes existing as of July 1, 1991 and only during periods of adequate snow cover. At all other times, mechanized, nonmotorized travel shall be permitted within the backcountry recreation area.

(g) MANAGEMENT PLAN.—During the preparation of the revision of the Land and Resource Management Plan for the Arapaho National Forest, the Forest Service shall develop a management plan for the backcountry recreation area, after providing for public consultation.

Mr. WIRTH. Mr. President, I move to reconsider the vote.

Mr. GRASSLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WIRTH. Mr. President, a quick note. I thank the distinguished senior Senator from Alaska for his help, and that of the distinguished Senator from Ohio [Mr. METZENBAUM] for working out concerns about this legislation. I take a moment to thank the distinguished junior Senator from Colorado [Mr. BROWN]. This has been underway and negotiation for a decade and it is a remarkable day, the day after Colorado Day to have this happen.

I yield the floor.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, will the Senator yield to permit us to complete action on the D.C. appropriation conference report?

Mr. HEFLIN. I wish only 10 seconds.

Mr. MITCHELL. Mr. President, I yield to the Senator from Alabama.

POSITION ON VOTE

Mr. HEFLIN. Mr. President, I ask unanimous consent to appear in the RECORD, if I had an opportunity to vote I would vote against the appropriations bill on legislative affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I am advised that the conference report on the District of Columbia appropriations bill is similarly ready for action.

DISTRICT OF COLUMBIA APPROPRIATIONS, FISCAL YEAR 1992—CONFERENCE REPORT

Mr. MITCHELL. Mr. President, I submit a report of the committee of conference on H.R. 2699 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2699) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 31, 1991.)

Mr. ADAMS. Mr. President, I am pleased to present the conference report on the District of Columbia appropriations bill for fiscal year 1992 to the Senate.

Mr. President, the conference agreement includes $699,850,000 in budget authority in fiscal year 1992, this is the same as the Senate bill. It is within our 602(b) allocation, and includes a Federal payment $630,500,000, which was the amount contained in both bills. I will briefly summarize the highlights of the conference agreement.

Mr. President, that agreement includes, $500,000 to continue the breast and cervical cancer screening program for poor women as recommended by the Senate. This program will provide cancer screening for women who have no insurance and do not qualify for Medicare.

The conferees also have included an additional $1,000,000 for the highest priority programs at D.C. General Hospital in 1992 and will provide another $8.5 million in 1993. The hospital will use these funds to carry out priority programs, such as a program to immunize poor school age children against various childhood diseases, and to begin a program to address the rising incidence of pediatric HIV cases.

The Senate had included $10,000,000 to establish a trauma care fund. The conference agreement does not include this provision. In deleting this provisions, we are not expressing the view that this is an unnecessary element in the city's health care system, but rather acknowledging that the District Council has pending before it bill 9–193, the District of Columbia Health Insurance and Health Care Coverage Act of 1991. The bill includes a provision establishing an uncompensated care trust fund similar to the one proposed by this amendment. The conferees have encouraged early action on this portion of the legislation and will carefully follow its progress.

For the D.C. public schools the conference agreement includes $2,125,000 for renovation of athletic and recreational facilities and other maintenance improvements. This will help them with a $150 million backlog in repairs to school buildings.

The conference also included $330,000 in the school's budget to operate the Options Program of the National Learning Center during next school year and through the summer. The program is an intensive drop-out prevention program for youths 12 to 15 years of age who are at least 2 years behind grade level. A recent report on this program shows that in one semester the kids increased their reading level by more than one grade level, and increased their math scores by 1.6 grade levels.

Mr. President, also included by the conferees is $250,000 for a Parents as Teachers Program which encourages parental involvement as the most important component of a child's education.

The Senator from Missouri [Mr. BOND] has provided the leadership to have this provision included in the Senate bill and now in the conference. It is a very worthwhile program and we look forward to receiving a report on its operation during next year's hearings.

Mr. President, the bill contains a directive to keep fire engine company No. 3 open during fiscal year 1992 as recommended by the House. The Senate had wanted to keep it open and provided some funds to cover a portion of the additional operating costs. At conference the House agreed to keep the engine company open, but refused to provide any funds for that purpose. The budget had proposed closing this station house, thus removing nearby fire and ambulance protection. We are aware of the Mayor's plans to improve the ambulance service, and certainly support any effort to improve that vital service. The conferees have included language in our statement of managers stating that support.

Mr. President, the Senate bill included a provision that allowed for renovation and modernization of George Washington University Medical Center. That amendment was returned in true disagreement because the colleagues from the other side could not accept any part of the amendment.

They have now rejected that amendment. We believe that this is a worthwhile amendment. I note the Senator from Hawaii, Senator INOUYE, has worked tirelessly on this provision for many years. However, because of the unwillingness of the House to compromise, at the appropriate time I will move that we recede.

But I want to assure the Senator that I and others will continue to work with him to find acceptable ways to assist the medical centers in this program. For example, if we have a further veto and if that occurs and this bill will be presented again in September, I will support the Senator on his proposal.

Before closing I want to address myself to an issue in this bill that we haven't discussed much. That issue is abortion. As the bill stands now the President's advisors inform us that he will veto it because we propose restricting only the Federal funds on abortion, where he insists that all funds, including locally raised revenue be restricted. I know that this has been this President's position for the past few years, and I know that my words are not likely to make a difference. But I hope that the President will look deep inside himself before he signs a veto message to make sure that message is fair to the poor women of the Nation's Capital. I hope he searches his own heart and mind for a fair response. If he does I am confident he will sign this bill.

Mr. President, that concludes my summary of the provisions in the conference report.

In closing, I want to express my thanks to the conferees from the other side led by their chairman, JULIAN DIXON, and DEAN GALLO, their ranking member. As always they were ably assisted by their staff Migo Miconi, Mary Porter and Donna Mullins.

I also want to especially thank Tom Keefe and the members of the Senate staff for the assistance they have given to all of us.

On our side I want to thank my colleagues on the subcommittee for their assistance and support. To our ranking member, the Senator from Missouri, I want to say that it has been a pleasure to work with him this year and I look forward to a similar experience next year.

As usual, our minority clerk, Rick Pierce, has handled his responsibility with honesty and professionalism. He has been a help to every member of the subcommittee.

Finally, Mr. President, I want to express my appreciation for the guidance and support we have received from the distinguished chairman of the Appropriation Committee. We all know what he means to the Senate and I consider it a privilege to serve with him in the Senate and on his committee.

Mr. President, in addition to my chairman, I want to thank our committee's ranking member, the Senator from Oregon [Mr. HATFIELD], for providing us with the resources to accommodate the many important needs in the Nation's Capital.

Mr. President, that concludes my summary.

Unless Senator GRASSLEY has a comment that he wishes to make, I would ask that we proceed then to the amendments in disagreement and to complete the matter.

Mr. GRASSLEY. Mr. President, for my side of the aisle, I urge support for this legislation.

Mr. BOND. Mr. President, I rise in support of H.R. 2699, the District of Columbia appropriations bill for fiscal year 1992.

Before I go further, I want to express my appreciation to the chairman of the subcommittee, the Senator from Washington [Mr. ADAMS]. He has brought to the Senate a fair and equitable bill which I believe most of our colleagues can support. And I should note that the budget authority and outlays associated with the bill are within the subcommittee's 602 allocation.

Mr. President, as we are all aware, the District of Columbia has new leadership. Mayor Sharon Pratt Dixon has given every indication that she can and will bring stability to the District's finances. She has been joined in this effort by the chairman of the council, Mr. John Wilson. Together, they have confronted the fiscal problem and worked toward a solution—both in the short term and the long term.

It must be noted, as well, that the Congress and this administration has been supportive of Mayor Dixon's leadership. The bill before us continues that support. The supplemental appropriations bill passed earlier this year provided an additional $100 million for the Federal payment to the District. And the bill before us provides $630.5 million for the Federal payment—the first increase since fiscal year 1987. Mr. President, the Federal payment is a unique funding source provided to the District of Columbia to make up for the revenues lost to the city by virtue of the huge amount of untaxable land and assets owned by the Federal Government as well as embassies and so forth. In addition, the District must provide unique services to the Federal Government that are not directly reimbursed. I believe that the amount recommended in this bill is fair.

Mr. President, the chairman of the subcommittee has highlighted the bill in his opening remarks. I will not take the time of the Senate to repeat these facts and figures, but I do want to mention a couple of items of special interest: Parents as Teachers; and a $10 million trauma care fund to be used by various D.C. hospitals which have been dramatically impacted by the number of patients who cannot pay—from those who are truly in need to those who come in from violence.

I believe, based on my conversations with the Mayor, that she shares my view that the city's emergency rooms cannot be used as the city's primary care centers. We have asked the city to develop a proposal for handling nonemergency care away from the emergency rooms. Not only will this save money, but it provides a continuity in basic health care.

In addition, we are recommending language which allows the Mayor to use confiscated drug funds to help pay for the health care of the convicted individuals.

Mr. President, the Federal payment this year is a substantial increase over last year's request. I have spoken earlier about the Federal payment level, and I should mention that it appears that during this session of Congress that a formula for this payment will be acted upon. The House has already passed such legislation, and I believe it is a step in the right direction to allow stability in the District's budget process.

I must note that the bill before us also recommends a few small items to be funded with Federal dollars—again, all within our allocations. While the Committee unanimously supported these items, I believe that we must be aware that future allocations to the District of Columbia for discretionary Federal dollars will be carefully reviewed. With the increase in the Federal payment and the improving budgetary situation of the District, I believe it will be the District's responsibility to handle these programs. I am not being negative about any of these matters, but I think we—and the District of Columbia government—must face the reality of ever-declining discretionary dollars.

Mr. President, in conclusion, I again want to commend the chairman of the subcommittee for his cooperation in bringing this bill before the Senate. I further want to thank the chairman of the full committee, Senator BYRD, and the ranking member, Senator HATFIELD, for their support of the District of Columbia bill. Without their understanding and support of the unique problems facing the city, the increase in the Federal payment could not have happened.

Mr. President, I urge my colleagues to support the bill as recommended by the committee.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the conference report.

The conference report was agreed to.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2699) entitled "An Act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1992, and for other purposes.".

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 7 and 25 to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 2 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: "$3,205,000, of which $2,125,000 shall be for renovations to public school athletic and recreational grounds and facilities; $330,000 shall be for the Options Program; $250,000 shall be for the Parents as Teachers Program; and $500,000 shall be for maintenance, improvements, and repairs to public school facilities under the Direct Activity Purchase System (DAPS): *Provided*, That the $500,000 provided for DAPS shall be returned to the United States Treasury on October 1, 1992, if the amount spent by the District of Columbia out of its own funds under DAPS and for maintenance, improvements, and repairs to public school facilities in fiscal year 1992 is less than the amount spent by the District out of its own funds for such purposes in fiscal year 1991: *Provided further*, That of the $3,205,000 appropriated under this heading, $1,500,000 shall not be available for obligation until September 30, 1992 and shall not be expended prior to October 1, 1992".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 15 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert: "$708,536,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 17 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert: "$2,625,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 18 to the aforesaid bill, and concur therein with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: ", of which $2,125,000 shall be for renovations to public school athletic and recreational grounds and facilities and $500,000 shall be for maintenance, improvements, and repairs to public school facilities under the Direct Activity Purchase System (DAPS): *Provided*, That the $500,000 provided for DAPS shall be returned to the United States Treasury on October 1, 1992, if the amount spent by the District of Columbia out of its own funds under DAPS and for maintenance, improvements, and repairs to public school facilities in fiscal year 1992 is less than the amount spent by the District out of its own funds for such purposes in fiscal year 1991: *Provided further*, That of the $708,536,000 appropriated under this heading and the $2,625,000 allocated for pay-as-you-go capital projects for public schools, $1,500,000 shall not be available for obligation until September 30, 1992 and shall not be expended prior to October 1, 1992: *Provided further*, That of the $519,344,000 allocated for the public schools of the District of Columbia under this heading, $3,050,000 shall be paid within fifteen (15) days of the enactment of this Act directly to the District of Columbia Public Schools Foundation for a series of demonstration projects including Project ACCORD ($800,000 of which $200,000 shall be paid directly to the Foundation when the Foundation certifies that an equal amount of private contributions has been received); the Anacostia Project ($1,000,000); the Cooperative Employment Education Project ($500,000); and the Options Program ($750,000)".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert: "$312,453,946".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 24 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert: "$2,625,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 26 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert ": *Provided*, That nothing herein is intended to prohibit the parties from negotiating a limited duty policy that is fair for all concerned and that does not impede the Department from carrying out its duties: *Provided further*, That whatever negotiations take place should also consider methods to prevent abuse of the program which drains scarce police resources.

"(e) If less than the 75 officers or members excluded under subsection (a) are retired on disability, the actuary shall adjust accordingly the determinations made pursuant to section 142(d) of the District of Columbia Retirement Reform Act of 1979 (Public law 96-122)".

Resolved, That the House insist on its disagreement to the amendment of the Senate numbered 10 to the aforesaid bill.

Mr. ADAMS. Mr. President, I ask unanimous consent that the amendments in disagreement, with the exception of amendment 10, be considered and agreed to en bloc, and that the motion to reconsider the votes by which the amendments were agreed be laid upon the table en bloc.

The PRESIDING OFFICER (Mr. REID). Without objection, it is so ordered.

The amendments in disagreement, with the exception of amendment No. 10, were agreed to en bloc.

Mr. ADAMS. Mr. President, I move the Senate recede from amendment No. 10.

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington.

The motion was agreed to.

Mr. ADAMS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. GRASSLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ADAMS. Mr. President, I thank the Chair for his assistance and thank the majority leader.

APPOINTMENT BY THE REPUBLICAN LEADER

The PRESIDING OFFICER. The Chair announces on behalf of the Republican leader, pursuant to provisions in Public Law 102-62, the appointment of Dr. Edward Meyen, of Kansas, to the National Council on Education Standards and Testing.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT

Mr. MITCHELL. Mr. President, parliamentary inquiry. Is it appropriate to inquire as to final action on the unemployment compensation legislation received from the House?

The PRESIDING OFFICER. The majority leader is advised that the legislation was received from the House. The majority leader is further advised that under a previous order, H.R. 3201 is deemed read a third time and passed, the motion to reconsider the vote on passage is tabled.

So the bill (H.R. 3201) was deemed read a third time and passed.

Mr. MITCHELL. Am I correct Mr. President, in my understanding then that the Senate has now completed action on the emergency unemployment compensation bill?

The PRESIDING OFFICER. The majority leader is correct.

Mr. MITCHELL. Mr. President, last night the Senate approved legislation to provide emergency unemployment compensation. Today the House of Representatives approved the Senate-passed bill and, by the action just taken, the legislation will now go forward to the President.

We have all heard the proposed veto recommendations from the President's advisers. We have also heard from millions of Americans all across the country who need and want unemployment compensation insurance.

The issue is simple and it is clear.

Nearly 9 million Americans are out of work, through no fault of their own. These are people who have lost their jobs in this recession not because of their own lack of effort or skill. Nearly 3 million Americans have exhausted unemployment insurance benefits between July of last year when the recession began and this July.

The Department of Labor announced today that the national average unemployment rate for July was 6.8 percent.

We welcome the news today that the national unemployment rate has declined slightly. But we remain firmly committed to those families without any income, those families who have exhausted their current State unemployment benefits, those families for whom a national rate means nothing.

Beyond the beltway, there is a world in which national statistics mean nothing. For workers who have lost their jobs, this recession has already been too deep. For businesses strapped for credit and customers, the recession has already been too long.

The national unemployment rate does not reflect those Americans who are working part time because they can't find full-time jobs or those who have become so frustrated that they have dropped out of the labor force.

At the same time that unemployment remains unacceptably high, the trust fund established to pay extended unemployment benefits is growing. That trust fund is about $8 billion today and is expected to grow to $9.5 billion next year.

That is not right. That is not fair.

Americans may rightly ask, how is it possible for people to be out of work through no fault of their own, who have exhausted their unemployment benefits, and the trust fund set up to provide benefits is growing while the American workers are not receiving any benefits?

This legislation attempts to correct that inequity to right that wrong.

The President says this is not an emergency. But when people in Iraq needed help, the President said it was an emergency. When people in Turkey needed help, the President said it was an emergency. When people in Israel needed help, the President said it was an emergency. When Americans need help, the President says it is not an emergency.

We disagree. I believe I speak for millions of Americans when I ask, are not Americans for whom we established the trust fund as important as people overseas for whom we have not established a trust fund?

We all hope the recession will end soon and that unemployment will decline. For those who have lost their jobs through no fault of their own, cannot pay their mortgages, who cannot put food on the table, hopes and kind words are not enough.

This legislation will extend unemployment compensation to those who need it and declare that and acknowledge that it is the right thing to do.

I urge the President to heed the words of millions of Americans beyond the beltway who, by no fault of their own, have lost their jobs rather than the words of those advisers within the beltway. Americans deserve no less than the attention paid to those overseas.

It is about time the American Government treated Americans at least as well as it treats those who are outside this country.

Mr. President, I yield the floor.

Mr. DOLE addressed the Chair.

UNEMPLOYMENT GOES DOWN

Mr. DOLE. Mr. President, there is more encouraging news to report on the unemployment front.

The Department of Labor reported this morning that July's unemployment rate dropped from June's 7 percent to 6.8 percent. According to Janet Norwood, Commissioner of the Bureau of Labor Statistics, these numbers show, "That the deterioration in the labor market has stopped."

That is good news. Not good enough for those who are still out of work, but it is good news for some who are going to start finding jobs.

And this, Mr. President, is on top of more good economic news reported this week.

Last night, along with Senators SIMPSON, DOMENICI, and others, I offered a substitute bill to the legislation introduced by the distinguished Senator from Texas, Senator BENTSEN, which I believe was a more responsible and effective response to the unemployment problems we are addressing.

Unfortunately, my proposal did not pass.

But I could indicate that earlier today in a press conference the President indicated he preferred the Dole approach. In other words we paid for it. We did not charge it up to the next generation. We did not violate the budget agreement.

While well intentioned, the Bentsen proposal increases the deficit by almost $6 billion—breaching the budget agreement approved on a bipartisan basis last year. It provides a level of benefits wholly inconsistent with an economy on the road to recovery, and provides disincentives to reemployment.

It is administratively complex, and unnecessarily costly.

The bill we discussed last evening—myself, Senator DOMENICI, and Senator SIMPSON—paid for itself—and I underscore "paid for itself."

It provided benefits to unemployed workers, 5 weeks for everybody, extended benefits in every State and in some States as much as 10 weeks. And it did not increase the deficit, which would be good news to all Americans who are concerned about keeping the economy and America strong and not having other people out of work because we continue to pile up on the deficit.

It was a fiscally responsible proposal—costing $1.6 billion less than the Bentsen proposal.

It was also a proposal that the administration said it would not oppose, and in fact, that the President would be likely to sign—thereby providing relief to the unemployed—including those who have exhausted their benefits—as soon as September 1.

So I guess we have a difference of opinion here. We talked about an emergency. I understand in most cases whenever you have an emergency you dial 911. If you have an emergency dial 911. Well, in this case, my colleagues on the other side of the aisle, are really dialing 1-800 DEFICIT—that's D-E-F-I-C-I-T—which is a wrong number in my book.

The proposal we outlined last night is more in line with the unemployment problem we are facing, and is sensitive to the concerns and interests of all Americans in controlling the deficit.

Let me say finally, with reference to helping everybody else but Americans, if my recollection is correct—and I have not gone back to check the record—I have to believe that there were a lot of Members of Congress asking for aid to Israel, asking for aid for Turkey, asking for aid to help the stricken people in Bangladesh, where 125,000 people lost their lives in a very cataclysmic tragedy there, and in Ethiopia where people were starving to death. We were asking—Congress was asking—not just the President. It was not just the President who declared that an emergency.

So I want to say to the President of the United States, take a careful look at the legislation that was passed. It has some advantages. It is temporary rather than being permanent. But in the final analysis it seems to me we are on the road to recovery and the worst thing we could do right now is to add $6 billion to the deficit.

Mr. President, I yield the floor.

S. 1554—THE UNEMPLOYED NEED OUR HELP

Mr. KERRY. Mr. President, the past several years have been terribly difficult years for many of the citizens of Massachusetts. Massachusetts has been contending with an economy that has suffered dislocation not known in recent times. Businesses have folded; bankruptcies have soared; hundreds of homes have been foreclosed; thousands of workers have had the frightening, empty experience of being handed a pink slip and told they no longer have a job.

We could debate at length, Mr. President, the underlying reasons for the recession that has gripped Massachusetts, New England, and other parts of the Nation. Indeed, we should and I hope we will debate those reasons—and expeditiously act to rectify the conditions that have permitted such a thing to occur. We must take effective action to establish the conditions that will enable the economy to regenerate and to restore its equilibrium.

Today, however, I want to focus on those who arguably are the saddest victims of the recession that has Massachusetts in its grasp—the long-term unemployed.

When a person who has been working in a job covered by unemployment insurance law, as most jobs are, loses his job through no fault of his or her own, in most cases the person is eligible for unemployment insurance (UI). Depending on the circumstances of the lost employment situation, and the amount of time the person held the job, in Massachusetts the person would be eligible for between 10 and 30 weeks of UI benefits.

During times when the economy is functioning at more or less a normal level, that generally will be a sufficient amount of time to permit the person to seek, find, and begin work in another suitable job.

Unemployment insurance benefits are never going to make anyone comfortable—in Massachusetts the maximum benefit level is $423 a week, and most beneficiaries receive considerably lower amounts. That amount is particularly small when an unemployed breadwinner is attempting to provide food, shelter, and other essentials for a family with no income except the UI check.

But it is something. And, with great care and a lot of scrimping, it can help a family hang onto its home; it can permit children to continue to eat.

If a recession is especially severe, however, and increasing numbers of workers are being laid off from their jobs, the employment situation may become sufficiently bleak that many if not most of the unemployed are unable to find new positions before their basic UI benefits are exhausted.

If a State has relatively high unemployment levels, and those levels have continuously grown over recent months, the State may be eligible to participate in the extended benefits [EB] program, which offers Federal funds to pay half the cost of extending the state's UI benefits for 13 additional weeks to those who have been unable to find jobs in the initial period of UI eligibility.

But because of the quirks of the formula that determines if a State, and therefore the long-term unemployed in the State, are eligible for participation in the EB program, a relatively few States have qualified in recent years, and those that have managed to qualify have remained qualified for relatively short periods.

I anticipate this will come as a surprise to a lot of people, Mr. President. One might be forgiven for thinking that the unemployment rate is the unemployment rate. However, few things in life are simple, and this is no exception. There are a number of different unemployment rates, each computed in a different manner to serve different purposes. When you or I think of the unemployment rate, we might understandably assume it would be computed by dividing the number of persons who want to work but can't find jobs by the number of persons in the work force, both employed and unemployed. That definition comes close to what is known as the total unemployment rate.

To determine State eligibility for the EB program, however, a different unemployment rate is used, called the insured unemployment rate, computed by dividing the number of unemployed workers claiming unemployment benefits by the number of all workers holding jobs subject to unemployment insurance coverage. As the recession deepens and workers exhaust their benefits without finding new work, they are purged from the count with the perverse effect of lowering the insured unemployment rate and thereby making it more difficult for a state to become eligible or, once eligible, to retain eligibility for its long-term unemployed workers to receive extended benefits. This troubling situation was compounded by imposition of a much stiffer insured unemployment rate standard states must meet to gain EB eligibility that was pushed into law by the Reagan administration in 1981 as a component of its radical budget reduction initiative.

Even States with unemployment rates exceeding those traditionally considered to be unacceptably high may not qualify for the additional 13 weeks of benefits.

In fact, that is precisely what has occurred—in my own State of Massachusetts and in other States. The unemployment rate in Massachusetts has been hovering just below 10 percent over the last several months. That, Mr. President, means that at least 1 out of every 10 workers in the Commonwealth wants to work, is available to work, but cannot find an employer willing or able to employ him or her. A study by Northeastern University indicates that the Commonwealth has lost more than 275,000 jobs in the past 2 years.

During this period, the State unemployment level consistently has been above the national unemployment rate, and consistently above 8½ percent. New Bedford and Fall River share the dubious honor of having the fourth and fifth highest city unemployment rates in the Nation, with April rates of 15.8 percent and 15.6 percent, respectively.

During most of this period, however, Massachusetts has not been eligible to participate in the EB program. In March of this year, the Commonwealth was found to be qualified for EB participation, permitting those who had exhausted their UI benefits in the recent past to apply for up to 13 additional weeks of benefits. At that time, 50,000 unemployed workers applied for the extended benefits. But that eligibility was short-lived—despite the fact that Massachusetts unemployment remained at record-setting levels.

Once again, despite its record unemployment levels, Massachusetts currently is not eligible for the EB program. When the unemployed in my State exhaust the 10–30 weeks of basic UI benefits to which they are entitled, they are left without any assistance.

In every other recession since the Depression, the Federal Government has extended unemployment benefits for the majority of the long-term unemployed beyond the initial, regular benefit period. At the current time, the EB program provides assistance to fewer than 100,000 workers nationwide at a time when almost 1.2 million have been unemployed for more than 26 weeks.

This is an unacceptable state of affairs.

In my judgment, the flaws in the so-called UI system are so serious that the Congress should enact and the President sign into law a fundamental overhaul of the system. But until that can be accomplished, it is absolutely imperative that we fix the program temporarily. S. 1554, introduced by Senate Finance Committee Chairman LLOYD BENTSEN, does exactly that.

In essence, S. 1554 provides up to 20 weeks of emergency unemployment compensation benefits for the long-term unemployed—with the duration of emergency benefits in any State dependent on that State's total unemployment rate, the measure of all unemployed workers in the State—not the unemployment rate that counts only those receiving unemployment benefits. The additional weeks of benefits will be tacked onto the regular UI benefits for which an unemployed person is eligible. Because Massachusetts is among the handful of States with the highest unemployment figures, it currently will qualify for 20 weeks of emergency unemployment compensation benefits.

Under S. 1554, this emergency program will be in place from early September of this year to early July of next year [1992].

The bill, in effect, recognizes that the extended benefits program is just not working acceptably, and temporarily junks it, replacing it with the temporary emergency unemployment compensation program established by the bill.

Mr. President, I can make two observations about that action: First, it's occurring none too soon. Second, I am very hopeful the chairman, the Finance Committee, and the House will act to replace the extended benefits program on a permanent basis, and do so before this temporary program expires.

In addition to offering additional weeks of benefits to the long-term unemployed, S. 1554 also makes a permanent change to provide benefits for unemployed former members of our armed services on the same basis as unemployed civilians. Under current law, unemployed veterans of Desert Storm and other former service members must wait 4 weeks rather than 1 week, to receive benefits and then are eligible for only half the duration of benefits available to civilians. The bill also reduces from 180 to 90 days the time that members of the Armed Forces reserves must spend on active duty to be considered eligible for regular unemployment benefits after their duty is completed.

I commend the distinguished chairman of the Finance Committee, and the membership of the committee, for their efforts in bringing this bill before the Senate. I commend the majority leader and the other members of the Senate's Democratic leadership for assuring time on the Senate's packed prerecess schedule to debate and act on this measure. I support the bill fully and enthusiastically.

Mr. President, unemployment insurance, regardless of how generous its benefits are, or for how long they are offered to a jobless worker, is a poor substitute for a real, challenging job. As a bumpersticker has said with simple eloquence: "Unemployment isn't working." But when the bottom falls out of the economy, unemployment insurance becomes doubly important.

The Senate has acted to approve S. 1554, the House follows suit. Now it is in President Bush's hands. I sincerely hope he will sign the bill as soon as it reaches his desk.

It is the least we can do for these workers and their families who have suffered so greatly already.

EMERGENCY UNEMPLOYMENT COMPENSATION ACT

Mr. DECONCINI. Mr. President, last night, the Senate voted to pass the Emergency Unemployment Compensation Act of 1991. Today, the conference report was agreed to and sent to the President. Much has been said about the need to extend unemployment benefits. The administration tells us that the current recession is over. I hope that they are correct. I am not convinced, however, that we have turned the corner. That is why I supported this legislation. It is hard to believe that with an unemployment rate of 7 percent, the highest it's been in nearly 5 years, that the economy has fully recovered. Since last July, 1.7 million Americans have lost their jobs. The Labor Department predicts that the number of Americans who will have exhausted their eligibility for unemployment assistance will reach 3.4 million over the next year. For those 3.4 million men and women struggling to meet the economic needs of their families, the time for recovery has run out.

By providing an extension of benefits based on the individual State's unemployment rate, this measure will provide help to those who need it the most. Unemployed workers in Arizona who have exhausted their entitlement to benefits will now receive an additional 4 weeks of compensation.

In addition to the extension of unemployment benefits, this legislation also redresses an inequity in the treatment of unemployed veterans. Currently, civilians are treated more favorably than ex-service members. Ex-military personnel are required to wait 4 weeks before applying for unemployment compensation. This bill reduces the waiting period from 4 weeks to 1 week, the same as for civilians. What better way to honor the men and women returning from Desert Storm than by assisting them in their efforts to reenter the work force.

American workers need our help. President Bush has indicated that he will veto this bill when it arrives on his desk and I would encourage him to reconsider his position. Extension of benefits, even for a few weeks, can send a strong message of support to the spiraling number of unemployed workers in this country.

Mr. GORTON. Mr. President, I rise today to speak of my complete dissatisfaction with yesterday's action on the proposal to extend unemployment benefits. In my view, the world's greatest deliberative body made its greatest claim to fame, unlimited debate, irrelevant.

Contrary to what you would expect of an unemployment benefits extension package, the Bentsen proposal was directed at the President of the United States, not the unemployed of America. This proposal was crafted to allow the maximum political advantage flow to those taking the minimum risk. I will briefly touch on the proposal itself, a modification to the Bentsen proposal I considered but withdrew, and why I feel this action by the Democratic leadership was so irresponsible.

The Bentsen proposal incorporates a graduated scale of unemployment benefits based on statewide unemployment rates. All States would receive at least 4 extra weeks, and possibly as many as 20 extra weeks, of federally funded unemployment benefits depending on the State's unemployment rate.

The problem with the Bentsen proposal is that the proposal is a trap set primarily for the President, but one that has caught the entire Congress. The Bentsen proposal requires that President Bush declare an emergency under the provisions of last year's budget agreement. If the President does declare this emergency, several billions of dollars of spending will not be counted against the deficit targets. The President has expressed the political will to avoid this trap. Congress has not mustered the same political courage; the bill provides no way by which to pay for its spending.

The extension of additional benefits to those economically disadvantaged during this recession was a proposal I supported. In fact, Mr. President, I intended further to expand on that concept with an amendment. My amendment would have allowed States to identify pockets of high unemployment within their borders. Once those areas of high unemployment were identified by the State, my amendment allowed the State to offer to workers living and working in such areas an extension of benefits equal to those offered to unemployed workers in higher unemployment rate States.

For example, in Grays Harbor County, WA, the unemployment rate is over 10 percent. Unfortunately for workers in Grays Harbor, the central Puget Sound area of Washington has an unemployment rate running almost 2 percentage points below the national average. The strong economy around the sound drives down the statewide average to about 6 percent. Consequently, my constituents in Grays Harbor are only eligible for 7 additional weeks of unemployment benefits under the bill, not 20. If my amendment had been adopted, workers in Grays Harbor County would be treated in the same way as workers in a State with high unemployment. Under my amendment, the workers in Grays Harbor would be eligible for 20 weeks of extended unemployment benefits instead of just 7 weeks.

I did not offer my amendment to the Bentsen proposal because the Democratic leadership refused to allow any serious debate or modification of the proposal to accommodate the President's concerns. It preferes a veto to a bill the President might sign.

Now, President Bush is left with an impossible choice. President Bush can accept the Democratic package, declare an emergency, and further contribute to what is projected to be the largest deficit in history, more than $300 billion. Or he may refuse to declare the emergency required by this legislation—as he should—leaving the unemployed with no extra relief. He announced the latter choice before debate began.

However, Mr. President, the unemployed of this country should not blame our President. The unemployed have only the cynical, calculating, Democratic leadership to blame, a leadership that refused to provide adequate time for debate or to consider any alternative to the trap which the Democrats laid with their unemployment benefits extension proposal.

Nor can the unemployed decry a lack of action by the Republicans in the Senate. Minority leader DOLE offered a two-tier extension of unemployment benefits which the President indicated he was willing to accept. While this proposal was less generous, it would put between 5 and 10 weeks of extra benefits in the pockets of the unemployed throughout this country without adding to the deficit. The Democratic leadership preferred to play politics.

As I said, Mr. President, I am disappointed by this cheap show of politics. Perhaps when Congress returns from its August recess, we can get down to really assisting unemployed Americans and stop playing politics with their lives and their pocketbooks.

Mr. MITCHELL. Mr. President, if I might just make a brief comment and then permit the Senate to return to the Department of Defense bill.

There is no disagreement that Members of Congress wanted to and supported helping people in Iraq, people in Turkey, people in Israel, and people in Bangladesh. The point is that no one then said this is a problem with the deficit. No one then said this is not an emergency. The problem is that only when we want to help Americans does this question come up about the deficit and the breaking the budget agreement.

Mr. President, the distinguished Republican leader and I disagree respectfully and civilly. I believe this does not violate the budget agreement. The budget agreement specifically contemplated the declaration of emergency. It specifically established a procedure for the declaration of emergencies and, pursuant to that procedure, emergencies were declared with the President's full support and support of Congress for help to the people in Iraq, for help to the people in Turkey, for help to the people in Israel.

All we are saying is that Americans ought to get the same treatment that the American Government gave to people in other countries. That is the only point I would make in response.

I am going to ask unanimous consent that a statement by the Joint Economic Committee, of today, regarding the unemployment statistics to which both the distinguished Republican leader and I referred, be printed in the RECORD.

It makes the point that the decline in the unemployment rate for July does not indicate better labor market conditions. In fact, employment in the country declined in July. One estimate had a loss of jobs of a total of 51,000; another estimate at 172,000. The unemployment rate declined only because 415,000 people dropped out of the labor force.

So the number of jobs in the country actually went down in July. The number of people who dropped out of the labor force went down further. So then the unemployment rate declined by two-tenths of 1 percent.

We welcome any news regarding the decline in the unemployment rate but no one should be under the illusion that it is because the labor market improved during that period.

Mr. President, I ask unanimous consent that this statement by the Joint Economic Committee entitled "Labor Market Worsens in July" be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE LABOR MARKET WORSENS IN JULY

The decline in the unemployment rate for July to 6.8 percent does not indicate better labor market conditions. The ranks of the unemployed did not shrink because more people found work: employment as measured in the household survey slipped by 172,000. The number unemployed declined only because 415,000 workers dropped out of the labor force. Employment as measured in the establishment survey declined by 51,000.

The July employment report confirms the consensus among economists that this recovery will be weak by historical standards, if it is not interrupted by another decline. Not only did jobs go down, but so did hours and wages. According to the Administration's relatively optimistic forecast, it will be 1995 before the unemployment rate recovers to pre-recession levels.

5 of the last 8 recessions have shown a single quarter of positive growth, followed by further declines (a "double dip"). The minimal GNP growth in the second quarter (0.4 percent) and recent declines in factory orders raise serious questions about prospects for a sustained recovery.

Historically, the number of long-term unemployed continues to rise for half a year after a recovery begins. The "first fired" in the downturn are often the "last hired" in the recovery. The number of long-term unemployed has risen by more than 80 percent since May of 1990.

It may be harder than usual for the long-term unemployed to find jobs in coming months. In this recession, more workers have been terminated than laid-off. Terminated workers usually take longer to find jobs, and they constitute a much larger fraction of today's job losers than in past recessions.

The Labor Department estimates that the number of workers who will exhaust their 26 weeks of state UI benefits will rise to 3.4 million in the coming fiscal year, up 10 percent over this fiscal year and more than 75 percent over two years ago.

During this recession, only eight states ever triggered on Extended Benefits. Three have already triggered off at very high rates of unemployment: Massachusetts 9.1%, Michigan 8.3%, and West Virginia at 9.7%. Today fewer than 30,000 workers receive Extended Benefits.

Mr. MITCHELL. Mr. President, I will be pleased now to yield for the final comment by the distinguished Republican leader. Then we will return to the DOD bill.

Mr. DOLE. Mr. President, I do not want to prolong it.

I point out the Joint Economic Committee is controlled by the Democratic Party in both the House and the Senate. I do not quarrel with all the figures, but I think we ought to identify where the report comes from.

Also, I would say aid to Bangladesh came from United States international disaster assistance accounts specifically earmarked for such purposes and did not increase the deficit. In addition, the aid to the Kurds, which we were all concerned about, and urging the administration to do more, actually came from interest on funds we had received from our coalition partners. Again, the use of such funds did not have any impact on the deficit whereas the Bentsen proposal would require the Government to sell almost $6 billion more in bonds to pay for the bill.

Notwithstanding that, I want to make it clear I think we are all concerned about unemployed workers. But we did not think we should count college students and others when we talk about people out of work. We ought to talk about the people who are really out there, trying to make it work for their family. That is why there are a lot of problems with the proposal offered by the distinguished chairman of the Finance Committee, Senator BENTSEN. I do not want to re-argue our position here today. We did that last evening.

In any event, the President will not have the opportunity, the responsibility, call it what you will, to determine whether or not there is an emergency. If there is no emergency, then the bill that has been passed by Congress will do nothing. But if they want to come back and revisit it and pay for it, perhaps then we can talk about the Dole substitute.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business?

If not, morning business is closed.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (S. 1507) to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1045

(Purpose: To terminate the Seawolf (SSN-21) class submarine program and to reallocate the authorization of appropriations for such program)

Mr. MCCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 1045.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 17, below line 22, insert the following:

SEC. 109. TERMINATION OF THE SEAWOLF CLASS SUBMARINE PROGRAM.

(a) TERMINATION OF PROGRAM.—Funds appropriated for the Department of Defense may not be obligated or expended for construction of any Seawolf (SSN-21) class submarine.

(b) REALLOCATION OF AUTHORIZED APPROPRIATIONS.—(1) Of the amount authorized to be appropriated by section 102(a)(3)(A), $1,803,200,000 shall be available for the following purposes:

(A) Payment of termination costs of the Seawolf (SSN-21) class submarine program.

(B) Construction of a new SSN-688 class submarine.

(C) Research, development, test, and evaluation for an advanced follow-on submarine.

(D) Improvement of sealift capability.

(2) Of the amount authorized to be appropriated by section 102(a)(3)(B), $2,061,100,000 shall be available for the purposes set out in paragraph (1).

(3) The Secretary of Defense may allocate the amounts specified in paragraphs (1) and (2) for the purposes set out in paragraph (1) as the Secretary considers appropriate in the national security interests of the United States.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I know that some of my colleagues are very interested in seeing that we move this bill along as we are all preparing for recess and I will probably ask unanimous consent to withdraw this amendment after I have discussed what I believe is a very important issue.

The amendment I am proposing deletes authorization of $1.8 billion for the SSN-21, the so-called *Seawolf*. It authorizes the Secretary of Defense to spend this fund for payment of termination costs for the SSN-21 Program, for the construction of a new SSN-688 class submarine, for RDT&E on an advanced follow-on submarine and for improvement of sealift capability.

There are two basic reasons why the SSN-21 submarine is not needed, and why the expenditure of $30 billion to $50 billion over the next 10 years, is not necessary.

The SSN-21 is probably a good design. It is a tactical advance over its predecessor; and it represents a significant increase in capability, although scarcely as much as the Navy claims. But the fact is, Mr. President, we do not need to spend 25 percent of the Navy's shipbuilding budget on a ship that is designed for threats to this Nation's vital security interests that no longer exist, and vanished with the end of the cold war.

There were many lessons of the Persian Gulf war. There are some on which we disagree. There are others on which we are in agreement.

We are clearly in agreement that this Nation's defense establishment needs an improvement in its sealift capability; an improvement in its airlift capability; and an improvement it its mine countermeasures capability. For example, many experts argue that the reason there was no amphibious landing in the Persian Gulf war was because of the danger Iraqi mines posed to our ships as they approached the coast of Kuwait.

We know that if we need to face the future Saddam Hussein's of this world, we need increases in several critical power projection capabilities that we have failed to fund.

At the conclusion of the consideration of this bill in the other body, one of my colleagues said "This bill does not respond to any lessons learned from the Persian Gulf war." I believe that the bill produced by this body does a better job of responding to these lessons and the end of the cold war. It does a better job of reflecting the fact that the likelihood of conflict between the United States and the Soviet Union is very remote, and I say that as one of the last cold warriors. It does a better job of recognizing the possibility of future conflicts throughout the world, and that the threats posed by Hafez Assad, Muámmar Qadhafi, Kim Il-song, and others is still very real.

The SSN-21 class submarine does not reflect these realities or the lessons of the gulf war. It is a class of submarine which is designed to counter a very sophisticated Soviet submarine and naval threat which none of our potential adversaries in the developing world possess. It is totally unsuitable for a scenario where we are going to experience somewhere between 25 percent and 40 percent cut in our defense budget over the next few years, and where there will be increased pressures to reduce the defense budget even further in fiscal year 1993, when the current budget agreement expires.

In contrast, I see block obsolescence in our amphibious forces; I see a significant lack of airlift capability; and I see a significant lack of sealift capability. All of these shortfalls were made abundantly clear during the Persian Gulf conflict and we are not funding the programs we need to correct them.

If we do not cancel this program we will spend more money on the SSN-21 than we will spend on the rest of the B-2 bomber program. We may also spend far more. The recent history of our nuclear submarines, both Trident and SSN-688, has been fraught with cost overruns and with significant problems that have only been remedied by enormous expenditures of taxpayer dollars.

In this morning's Washington Post, there is a story on the front page concerning the *Seawolf*.

I ask unanimous consent this article be printed in the RECORD in its entirety.

There being no objection, the article was ordered to be printed in the Record, as follows:

WELD FLAWS MAY DELAY SUBMARINE

(By Barton Gellman)

General Dynamics Corp. has discovered welding flaws so severe in the hull and internal structures of the Navy's first SSN-21 attack submarine that the partially completed submarine will have to be disassembled and rebuilt, Defense Department officials said yesterday.

Officials speaking on condition of anonymity said the problem is expected to delay delivery by as much as a year and cost tens of millions of dollars. They said there would be no change in the specifications or operational performance of the submarine.

Officials had no explanation why the flaws, detected in mid-June, were not disclosed until yesterday.

Known as the Seawolf, the submarine was already projected to be the most expensive ever built, with a total program cost for 12 submarines estimated at $33.6 billion in current dollars. General Dynamic's Electric Boat Division, which is building the first of the Seawolf class in Groton, Conn., under a $726 million contract, was scheduled to deliver it to the Navy in 1995.

The Seawolf class is intended to succeed the Los Angeles-class SSN-688. Its primary mission would be to hunt down and destroy Soviet submarines equipped with ballistic missiles. Because Seawolf submarines would be faster, dive deeper and run quieter than any existing submarine, the Navy has also touted them for missions ranging from mine-laying and delivery of special forces troops to the underwater launch of cruise missiles.

Defense Department spokesman Pete Williams, who disclosed the welding flaws in his regular Pentagon briefing yesterday, said "cracks in the hull of a submarine are extremely serious" but provided no estimate of the time or cost involved in effecting a repair.

Disclosure of the Seawolf's flaws came one day after a federal judge in Norfolk invalidated the Navy's award of a second Seawolf contract to the New England shipyard. Tenneco's Newport News Shipbuilding & Drydock Co. has mounted a fierce struggle for the Seawolf business in the Pentagon, Congress and the courts.

The Navy, which fears that the welding cracks could strengthen critics of the submarine or of General Dynamics, emphasized yesterday that General Dynamics engineers discovered the flaws and reported them promptly to the Naval Sea Systems Command.

Lt. Greg Smith, a Navy spokesman, said the 353-foot Seawolf is the first to use a hull made entirely of high-pressure HY-100 steel. He said construction of the submarine has also relied on a new welding material to join the steel into plates, hull subsections and large cylindrical sections. The complete hull will be formed by welding the cylinders together.

Work on the submarine began in Groton in October 1989, and officials said welding has been underway for about a year. Routine "quality assurance" inspections did not turn up problems, they said, until the first time workers tried to weld two large cylinders of hull material together.

Though not visible to the naked eye, cracks and other signs of brittleness appeared under magnetic resonance imagery of that large weld, officials said, casting doubt on the technique employed throughout the ship. During a 10-day halt in work last month, officials said, General Dynamics came up with a new method that uses less carbon and does not permit the welding material to cool as quickly.

A spokesman for General Dynamics declined to answer questions yesterday. In a statement, the company's Electric Boat division said its cost-sharing contract with the Navy "provides for contractual entitlement for costs related to this matter" and the company is "therefore confident that the ultimate resolution of this matter will not have an adverse impact on the financial condition of Electric Boat."

Cmdr. Mark Van Dyke, a Navy spokesman, said the Navy could not confirm Electric Boat's interpretation of the contract. "We have not made a determination on that," he said.

Mr. McCAIN. Mr. President, I will just read a few quotes from it.

> General Dynamics Corp. has discovered welding flaws so severe in the hull and internal structures of the Navy's first SSN-21 attack submarine that the partially completed submarine will have to be disassembled and rebuilt, Defense Department officials said yesterday.

Mr. President, The SSN-21 program has already proved that it is deja vu all over again. As Yogi Berra used to say, in the late seventies, this same company, Electric Boat, experienced significant cost overruns. We also know who thin picked up the tab for hundreds of millions of dollars: The U.S. taxpayer.

I think it is informative, although a little bit saddening, read the statement of the Electric Boat Co. on this new problem:

> Our contract with the Navy provides for contractual entitlement for costs related to this matter.

To the layman, Mr. President, do you know what these words translated into? They translated into a statement that the American taxpayers are going to pick up the bill again. We do not know how large that bill is going to be, but millions of dollars are involved. There may be tens of millions and there could be hundreds of millions.

There may also be many other problems to come. Before the first SSN-21 is 15 percent completed, we find it has to be disassembled and rebuilt. This particular corporation and shipyard has a record of significant cost overruns in the past. Unfortunately, if history teaches us any lessons about the problems in weapons system development and production it is that they repeat themselves until they are forcibly stopped.

I could go into many of the other technical difficulties that the SSN-21 is now experiencing, including ones in its incredibly expensive AN/BSY-2 weapons control system. The real issue, however is that this is the wrong ship at the wrong cost at the wrong time for the wrong threat, the fact is we need to have a new and very different submarine. Given the dramatically changed threat, we need a much smaller, and less capable, and much less expensive submarine. One possibility is the so-called Centurion class which we could expect in a relatively short number of years if we accelerated this program. There can be no doubt that without such a submarine we will spend 25 percent of our shipbuilding budget on one weapons system which does not counter the changing threats foreseen by almost all the military experts outside the Navy. The American taxpayers do not need or deserve this waste.

I wonder if the Senator from Virginia or New Mexico have comments on this particular amendment?

Mr. BINGAMAN. Mr. President, I would like to comment on the amendment of the Senator, if I could, for a moment.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, first, let me indicate that in my capacity as Senator from New Mexico, I ask the Senator from Arizona if I could be added as a cosponsor to his amendment.

Mr. McCAIN. I so ask unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Now, Mr. President, on behalf of the chairman of our committee, Armed Services Committee, I wanted to make a couple of points in response to the amendment. The SSN-21 is clearly a very expensive program, over $2 billion per ship is the estimate.

There are real uncertainties about the contract award and the recent court decision to nullify the fiscal year 1991 contract and force the Navy to recompete. The ship does cause concern. Welding cracks in the hull which were announced just yesterday are a very troubling development and we do not know, yet, how much it will cost or how long it will take to fix these problems.

Our committee, the Armed Services Committee, heard troubling testimony from the Congressional Budget Office that indicates the Navy fleet size may be driven to as little as 300 ships if the Navy cannot get costs under control.

The chairman of our committee, the Senator from Georgia, has indicated that the committee intends to evaluate the SSN-21 program closely next year in light of these new problems. However, because this information and the amendment have come before the Senate so late in the process, the chairman urges that the Senator withdraw the amendment and allow us to give the issue the full attention and debate that it deserves during the upcoming months.

That is the statement that the chairman asked me to make, Mr. President. I yield the floor.

Mr. LIEBERMAN. Mr. President, I rise in opposition to the amendment of the distinguished Senator from Arizona and in support of the Armed Service Committee's position on the *Seawolf*. The *Seawolf* will be one of the vital building blocks of the United States in the 21st century.

We have heard much talk about the declining Soviet military threat. And it is true that with the collapse of the Warsaw Pact, the threat of a Soviet invasion of Western Europe has decreased dramatically.

On the other hand, perestroika has stopped short of the Soviet submarine yards. The Soviets are currently building six classes of submarines—the Kilo diesel-electric-powered submarine; the Victor III, Sierra, and Akula nuclear-powered attack submarines; the Oscar II nuclear-powered cruise missile attack submarine; and the Delta IV nuclear-powered ballistic missile submarine. This compares with only three classes currently under construction in the United States, of which two—the 688 and the Trident class—are now winding down.

Moreover, the Soviets have substantially narrowed the qualitative gap between their boats and ours. These advances are largely due to the crucial intelligence that they procured through the Walker spy case and the illegal diversion of Toshiba-Kongsberg technology during the 1980's. What they could not achieve through their own research, they accomplished through guile.

And if this was not worrisome enough, Third World countries are increasingly purchasing submarines from the industrial powers. At the end of World War II, 6 countries had submarines; today, 43 countries do, including Libya, Iran, Syria, and North Korea. Iraq was negotiating to acquire submarines before the invasion of Kuwait.

In light of these threats, the need for a new submarine—the *Seawolf*—is clear. Because of its increased size, the *Seawolf* can carry twice as many torpedoes and cruise missiles as the Improved 688. And unlike the Improved 688's, it will also be able to carry the new generation of improved torpedoes and cruise missiles that are now being planned. The *Seawolf*'s larger cruise missile capacity will be particularly important against Third World targets. If such cruise missiles had been fully operational in 1986, for example, we could have attacked Libyan military targets without risking the lives of pilots or innocent civilians.

The *Seawolf*'s second major advantage over the Improved 688 is in the electronics system. The *Seawolf*'s sensor capability will have three times the detection capability of the *I-688*. This will allow it to detect, track, and attack Soviet and Third World submarines before being attacked.

Third, the *Seawolf*'s propulsion system will make it ten times more quiet over its full range of operating speeds than the I-688 and 70 times more quiet than the initial generation of 688's. And noise is the key factor in reducing a submarine's vulnerability to other attack submarines and ship-launched torpedoes.

The *Seawolf*'s superior and quieter propulsion system will also enable it to have twice the tactical speed as the *I-688*. Tactical speed is the speed at which a submarine is still quiet enough to remain undetected while tracking enemy submarines effectively. Overall, the *Seawolf*'s propulsion system represents a 75-percent improvement over the *I-688*'s—that is, the *Seawolf* can operate 75 percent faster before being detected.

Finally, we could not really go back to the Improved-688 even if we wanted to. The 688 production lines are in the process of being shut down; to reopen them would lead to enormous costs. It is by no means clear that the inferior 688 would be any less expensive than the *Seawolf*.

Senator McCAIN has mentioned reports of cracks in welds in its hull sections. I have talked to Navy officials about these problems. All welds were done in accordance with full Navy procedures. Electric Boat discovered some cracking problems. They have since worked closely with the Navy to come up with revised procedures to alleviate the cracking problems. These new procedures are in place today and welding has resumed. And only 15 percent of the first *Seawolf* has been constructed, so the problem only affects a small portion of the program. There will, therefore, be no slippage in the delivery date—1996—of the first *Seawolf*.

Mr. President, these are the kind of technical problems that are inevitable in any new weapons system. In fact, the Improved-688, which Senator McCAIN advocates as a substitute for the *Seawolf*, also suffered periodically from welding problems. If we abandoned every new weapons system each time that a technical problem was discovered, our Armed Forces would still be outfitted with steam ships and horse-drawn artillery.

We need the *Seawolf* because the United States is a maritime Nation and control of the seas will remain a key component of our defense strategy. And a robust submarine force, as embodied by the *Seawolf*, is one of the principal means of doing this. And so I support the committee's position on the *Seawolf*. I support a strong defense and a strong America.

THE SEAWOLF SUBMARINE

Mr. CHAFEE. Mr. President, I am strongly opposed to the amendment proposed by my colleague from Arizona, Mr. McCAIN, which would discontinue the *Seawolf* attack submarine program. The amendment would further shift the funds from the *Seawolf* to the construction of an additional *Los Angeles* class 688 submarine, payment of termination costs for the *Seawolf*, research, development, test, and evaluation for an advanced follow-on submarine called the *Centurion*—and improvement of sealift capability.

The *Seawolf* is a state-of-the-art submarine that is intended conduct multiple missions, while remaining undetected itself. Its most important mission is to counter the growing Soviet fleet of ballistic missile and attack submarines.

According to the Department of Defense, the Soviet Union, as of 1990, had 63 ballistic missile submarines, 61 attack submarines, and 31 other submarines. In addition, each year, the Soviets produce an additional nine attack submarines of the *Akula*, *Oscar*, and *Sierra* classes. These submarines are increasingly quiet and equipped with modern conventional and nuclear weapons.

The mission of the *Seawolf*, more specifically, will be to destroy the Soviet attack subs before they can, in turn, attack American targets. This is such a vital mission because the Soviet submarines are one of the most survivable elements of their intercontinental ballistic missile arsenal. In addition, the *Seawolf* could penetrate deep into enemy territory and launch Tomahawk cruise missiles against land targets. The last mission of the *Seawolf* is to attack the rather sizable Soviet surface fleet. As Soviet technology improves, increasingly, the *Seawolf* is an extremely important weapon to hold Soviet targets at risk.

What about building another *Los Angeles* class 688 submarine? First, this makes little sense because this submarine is based on 30-year-old technologies. It will also be more expensive than it appears to restart the 688 program because many suppliers on the program have already been shut down. Most importantly, though, there are a number of missions that the 688 simply cannot perform that the *Seawolf* can.

Placing a greater emphasis on sealift capacity also has some appeal. Certainly one lesson of Desert Storm was that we need to improve our ability to move large amounts of material in a short period of time. The sealift command, however, already has nearly $1.3 billion of funds appropriated in previous years which it has not spent yet. When added together the $1.4 billion the Senate Armed Services Committee recommends for fiscal year 1992, the sealift program will have at its disposal nearly $2.7 billion to spend. This is much more than could reasonably be spent when the Navy has not even forwarded a plan for enhancing our sealift capabilities as of this date.

As far as funding for the new *Centurion* submarine is concerned, the bill already provides $75 million for study of new submarine technologies. The bill calls for a report which will be due 1 month after the submission of the fiscal year 1993 budget. The report will focus on the major issues which affect the design of the ship, and identify a tentative schedule for research and development and procurement. There are logical limits to how fast the Navy can move on a program which is in its earliest stages of development.

Proponents of abandoning the *Seawolf* could argue that it is simply not needed because of the diminishing Soviet threat. On this matter, I call my colleague's attention to today's Washington Post. In an article by David Remnick, a Soviet economist is quoted as saying "The ruble is disappearing as a viable currency . . . in stores and markets, ordinary goods regularly double and triple in price. This is the sort of financial situation that causes military overthrows in South America." The article goes on to conclude "There is no reason to think that the hard-line coalition of Orthodox Communists, generals and KBG officers has disappeared from the scene after its ascendancy late last year." Under such circumstances, we cannot abandon the most capable and advanced new technology in submarine warfare available to the United States.

Enhancing American antisubmarine warfare capabilities should continue to be a top priority for the foreseeable future. The missions that only the *Seawolf* will be able to perform make it an indispensable part of the United States Navy's plans to remain an effective hedge against Soviet or Third World aggression. In addition, I feel strongly that the shifts in funding proposed by this amendment cannot be wisely spent in the time period suggested. For those reasons, I urge my colleagues to vote against the McCain amendment.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I understand and appreciate the remarks of the Senator from New Mexico. I have also discussed this issue with the chairman, Senator NUNN, and with my friend from Virginia, Senator WARNER. They all share many of my concerns.

We need to reexamine both the strategic rationale for the SSN-21, and every aspect of its design, construction, and cost. We cannot afford to repeat the agony of the late 1970's, which the Senator from Virginia is very familiar with, when a negotiated settlement between this very same company cost the taxpayers hundreds of millions of dollars because we had no other option than to pay the bill.

I urge the chairman of the committee and my friend from Virginia that we make the reexamination of the SSN-21 one of our highest priorities between now and next year, when we will be asked to authorize further funding for this weapon system. It is clear there are major problems, and we must make a total reevaluation of the need to spend 25 percent or more of our shipbuilding budget on one weapon system.

Mr. President, in deference to the desires of the chairman of the committee and the ranking Republican, I withdraw my amendment.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

The amendment (No. 1045) was withdrawn.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I want to express my appreciation. The Senator from Arizona is true Navy blue and gold and even though a Naval aviator and therefor has some kill instincts toward submarine and surface officers. Sometimes I do not think that is part of the equation. He speaks from a knowledge and a conscience and addresses a problem which is a very serious problem in the U.S. Navy.

The Navy has experienced problems not only with this contract but with an aviation contract, the A-12, with which the Senator is very familiar. It has been most unfortunate. I think the Navy has excellent leadership in uniform and civilian. It has just been beset with these problems.

I talked personally with the Secretary of the Navy who called me yesterday regarding the problems with regard to this ship, and he seems to think that this matter can be resolved and they will go on to the next challenge. I think it is essential for America that this program go ahead. I speak from the sense of misfortune since my State at one time and perhaps still continues to have an interest in this program. That remains to be seen, pending the Federal court problem.

But the bigger issue is exactly as the Senator from Arizona has stated. I thank him for his consideration and willingness to withdraw this amendment.

Mr. LOTT. Mr. President, this country faces a serious problem when we cannot afford to build more than one submarine a year. As a result of the reductions in the total intended buy for the *Seawolf* class, the unit cost per ship has increased from $1.6 billion to $2.1 billion. Projections indicate the cost will soon reach $2.5 billion per ship. Unit costs of this magnitude commit 25 percent of our ship construction funds to one asset. These outrageous unit costs reflect a procurement reality: When you buy small quantities at low rates, the cost soars. Essentially, we have two choices:

First, we can build more than one boat a year and lower the unit costs; or second, we can terminate the program and focus our efforts on designing a smaller, lower cost replacement.

Mr. President, the fiscal realities are clear. We cannot afford to build two, three, or even four submarines a year. We have only one choice: Terminate this program. It is not a lightly reached conclusion. I have never in my congressional tenure proposed such an idea, but this is an idea whose time has come.

The Congressional Budget Office testified before the Senate Armed Services Committee on June 14 of this year that the Navy's construction rate, as projected in the 5-year plan, would support a maximum ship fleet of 310 ships. It was not very long ago that we argued the need for a fleet of 600 ships. A lot of things have changed in the world over the last 2 years, but one thing has not changed: The United States continues to be an island nation.

Mr. President, the world gets smaller every day. International trade has become the lifeblood of our Nation's economy, and our Navy ensures our access to markets across the seas.

I firmly believe that we need submarines, but we don't need them when their extreme cost hobbles our shipbuilding efforts. We need a robust ship fleet to project power to the littorals of the world. Submarines are important, but this submarine is not the answer to all our problems. Mr. President, we have many needs; the Marine Corps continues to face severe shortfalls in amphibious lift. This submarine program is draining the resources required to fund this requirement.

This amendment correctly places us back on a course which allows us to maintain shipbuilding rates which are economically sound, both for submarines and surface ships. If we are going to have a Navy in the future, we must build ships as we go. If we do not, one day we are going to turn around and we will not have a fleet—or maybe we will just have half a dozen or so *Seawolf*s.

We need to accelerate the design of the *Seawolf*'s replacement, the *Centurion*. Some people say, "You can't design a submarine faster." If we cannot design a boat faster, then we have not learned anything over the last 10 years. Have we stopped learning from our mistakes? Maybe we have become overly bureaucratic and lost our edge. If we cannot learn how to do things better, faster, and cheaper, then maybe we have already become institutionally bankrupt. Perhaps it is time for us to review the way we do these things.

The *Seawolf* is a classic post-cold-war weapon. It is over-designed for a post-cold-war defense posture. We need additional submarines, but we don't need this submarine when it jeopardizes the meager shipbuilding program which we already face; 25 percent of our ship construction funds going to one ship violates a fundamental rule: Don't put all your eggs in one basket. This bill places too much emphasis on the *Seawolf*—at the detriment of the rest of the Navy fleet.

Mr. President, I thank my colleague from Arizona. I support his effort, and I yield back the balance of my time.

Mr. BINGAMAN. Mr. President, I have an amendment that I wish to send to the desk in just a moment. But before I do, I ask unanimous consent in several respects; first of all, that my amendment be limited by a 20-minute time agreement for debate, equally divided and controlled in the usual form, prior to a motion to table which will be offered at that time, as I understand it.

Second, I ask unanimous consent that immediately following my amendment, the Senator from Ohio be allowed to proceed with an amendment he is ready to offer.

Mr. WARNER. Mr. President, reserving the right to object.

The PRESIDING OFFICER. Will the Senator repeat the unanimous-consent request?

Mr. BINGAMAN. Mr. President, the unanimous-consent request was in two regards. First, that I be permitted to offer an amendment at this time limited by a 20-minute time limit, equally divided on the amendment with the time controlled in the usual form prior to any motion to table the amendment; that following a vote on a motion to table the amendment that the Senator from Ohio——

Mr. WARNER. Will the Senator be willing to address them into two separate ones and deal with them separately, if we can deal with the first one now?

My objection to that is withdrawn, seeing on the floor the two Senators from Kentucky. I will allow them to speak on my behalf.

The PRESIDING OFFICER. The Senator will state the first unanimous-consent request.

Mr. BINGAMAN. Let me state it again and then I will be glad to yield to anybody for questions, if they have questions on it.

The unanimous-consent request was that I be allowed to offer an amendment and that it be limited to 20 minutes debate, equally divided, and that the control of the time be in the usual form, prior to a motion to table which would be made at that time and voted upon.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Reserving the right to object. It is not clear to the Senator from Kentucky what would happen if the motion to table were not to succeed.

Mr. BINGAMAN. Mr. President, that is a very good question. I propose to modify the unanimous-consent request to provide that if it is not tabled that the amendment still be subject to debate under the rules.

Mr. McCONNELL. The amendment then would be the pending amendment.

Mr. METZENBAUM. Reserving the right to object, and I do not intend to object, the Senator from Ohio previously made a speech in connection with an amendment that I wanted to offer. At the request of the manager of the bill, Senator NUNN, I was told that there was a conference report that was coming and would I withhold the offering of my amendment. I did that.

I have no objection at all with respect to Senator BINGAMAN proceeding as indicated, providing that it is understood that immediately upon the conclusion of action in connection with the Bingaman amendment, the Senator from Ohio be recognized for the purpose of offering an amendment.

Mr. EXON. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I am not familiar with the order of procedure of the bills. I would only agree if I then can have an amendment which this Senator was ready to offer when we started debate on Wednesday afternoon. I held back on that at the request of the chairman of the Armed Services Committee.

I have been trying to work out time agreements which have not materialized. I can see the handwriting on the wall that there is going to be accusations that the Senator from Nebraska is tying up the Senate in knots and keeping everybody from going home. I announce to the Senate now——

The PRESIDING OFFICER. Does the Senator have an objection?

Mr. EXON. Yes; I have an objection.

The PRESIDING OFFICER. Objection is heard.

Mr. EXON. I am reserving the right to object. I am trying to explain the reason for that, if I might. Is that satisfactory with the Chair?

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. METZENBAUM. He made his objection.

Mr. EXON. Mr. President, I am going to object unless I can get an agreement along the lines just suggested, properly, I think, by the Senator from Ohio. Therefore, I reserve the right to object unless I can get a unanimous-consent agreement that following the amendment that I understand is going to be offered by the Senator from New Mexico, that immediately following that we will take up the matter to be offered by the Senator from Ohio, if following that the Senator from Nebraska then would be recognized in the order as announced. If I can get that agreement, then I will not object.

The PRESIDING OFFICER. Objection has been heard.

Several Senators addressed the Chair.

Mr. STEVENS. Will the Senator withhold his objection just for a moment?

Mr. EXON. I will be glad to withhold the objection.

Mr. STEVENS. Mr. President, I wonder if the needs of this Senator could be met, also. If I might suggest that there might be a similar approach to that of the Senator from New Mexico for the Senator from Ohio and the Senator from Nebraska for a short period of time and then a motion to table to see whether the Senate wants to debate this bill at length on the Senator's amendment.

Mr. President, may I have a response from the Senator from Ohio? Would the Senator from Ohio be agreeable to a short time limit?

Mr. WARNER. I will object to it right now.

Mr. STEVENS. The Senator is entitled to make an inquiry, I think.

Mr. METZENBAUM. The Senator from Ohio is agreeable to a short period of time. The Senator from Ohio has already spoken on the subject, but may speak briefly in addition. The Senator from North Dakota and the Senator from South Dakota both wish to be heard. My guess is they would want about 10 minutes each. I might want 5 minutes more. Other than that, I will be prefectly agreeable to a time limit.

Mr. STEVENS. As to the Senator from Nebraska, if I might continue, will he be willing to have a short timeframe?

Mr. EXON. I certainly would. I have been trying to get one all day long. I certainly think everyone knows the amendment I intend to offer has to do with the rail garrison proposal. I would be willing to enter into a time agreement of 20 minutes equally divided between myself and possible opponents.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. BINGAMAN. Mr. President, do I understand that there has been objection raised to the unanimous-consent agreement?

The PRESIDING OFFICER. The Senator from Nebraska has an objection.

Mr. BINGAMAN. I yield to the Senator from Virginia for a question at this point.

Mr. EXON. I correct the Chair in saying that I said that I would not offer an objection provided I could get the agreement that was about to be agreed to, to accommodate the Senator from Ohio. I have not objected yet, but I will unless I can get that agreement.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, let me clarify what the Senator from Virginia intends to do by way of exercising his right not only as a Senator but as a comanager of the bill. I have no objection to the unanimous-consent request for the Bingaman amendment, and the Senators from Kentucky have spoken with respect to the other side. Putting that first one in its own category, I think the Senator from Ohio deserves to be recognized at the earliest possible time. He has made an opening statement. He is to be followed by cosponsors of his amendment, the original sponsors.

I intend to have, I regret to say, a very extended reply. So I cannot at this time agree to a time limit. I would like to accommodate in any other manner than to make this amendment a gatekeeper to seeing that this amendment is considered. I want to accommodate my friend and chairman of the Strategic Subcommittee as soon as possible. But there are Senators on this side who at the present time have indicated to me they are not willing to provide a time agreement with respect to the amendment offered by the Senator from Nebraska.

So the most which I can agree to at this time is the unanimous-consent request pending on behalf of the Bingaman amendment. All others, I lodge my objection at this point.

Mr. METZENBAUM. Will the Senator from Virginia yield for a question?

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

Mr. BINGAMAN. I yield to the Senator from Ohio for the purpose of a question.

Mr. METZENBAUM. Is the Senator from Virginia not willing to agree to a time limit with respect to the amendment of the Senator from Ohio?

Mr. WARNER. At this time, that is correct, Mr. President. I would like to continue to work with my good friend and colleague to see whether or not we can find mutual ground for acceptance. Absent that, and I do not say this as an idle threat, I sincerely believe in the position I hold with respect to his amendment and it will require a very extensive period for me to convey my thoughts.

Mr. METZENBAUM. I appreciate the position of the Senator.

Mr. NUNN. Mr. President, will the Senator from New Mexico yield for a question?

Mr. BINGAMAN. Yes.

Mr. NUNN. Mr. President, rather than taking more time seeking a unanimous-consent agreement, I think the Senator from New Mexico and the Senator from Kentucky have a good understanding. I think all we have to do is have the Senator from New Mexico propose the amendment; the Senator from Kentucky can move to table; and we can be through with this amendment.

Then it is a jump ball with anybody trying to get recognized.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

Mr. WARNER. Mr. President, reserving the right to object, we should have the UC clearly stated at this time.

Mr. BINGAMAN. Mr. President, the unanimous-consent request is that when I send this amendment to the desk, we limit the time to 20 minutes equally divided and controlled in the usual form prior to a motion to table being made.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Reserving the right to object, and I will object unless we can have as a part of the understanding that the Senator from Ohio will be recognized to send his amendment to the desk; the Senator from Ohio making the point that I was originally on my feet before, was recognized, did not go forward with my amendment because the majority leader wished to offer a conference report, and did offer my remarks.

I am not asking for a time agreement, but I do want an understanding that I will be recognized.

The PRESIDING OFFICER. The Senator from New Mexico has the floor.

AMENDMENT NO. 1046

(Purpose: To amend title 10, United States Code, regarding the method for pricing tobacco products for sale in commissaries, exchanges, and ships' stores and the use of the proceeds from such sales)

Mr. BINGAMAN. Mr. President, it is clear we are not going to get this unanimous-consent agreement, and I withdraw the request at this time and send my amendment to the desk. I hope we can complete action on it very quickly.

The PRESIDING OFFICER. The unanimous-consent request is withdrawn. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] for himself, Mr. BOREN, and Mr. BRADLEY, proposes an amendment numbered 1046.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 297, between lines 18 and 19, insert the following new section:

SEC. 1125. SALE OF TOBACCO PRODUCTS IN COMMISSARIES, EXCHANGES, AND SHIPS' STORES.

(a) IN GENERAL.—(1) Chapter 147 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§2491. Sale of tobacco products in commissaries, exchanges, and ships' stores; use of proceeds

"(a) Tobacco products may be sold in commissary stores, military exchanges, or ships' stores subject to the requirements prescribed in subsections (b) and (c).

"(b)(1) In the case of a commissary store, military exchange, or ship's store located in the United States, the price charged for any tobacco product shall be the prevailing price charged by private commercial businesses for the retail sale of such tobacco product in the retail market area in which the commissary store, military exchange, or ship's store is located.

"(2) In the case of a commissary store, military exchange, or ship's store located outside the United States, the price charged for any tobacco product shall be the average amount charged by private commercial businesses for the retail sale of such product in the United States.

"(3)(A) In determining the prevailing price charged or the average price charged by commercial businesses, applicable State and local taxes shall be included.

"(B) The prevailing price or the average price may be determined under an appropriate sampling procedure.

"(c)(1) The Secretary of a military department may use the profits from the sale of tobacco products by commissary stores under the Secretary's jurisdiction to promote the health and fitness of members of the armed forces and their dependents.

"(2) Amounts made available under paragraph (1) shall remain available for obligation without fiscal year limitation.

"(d) The Secretary of Defense shall prescribe regulations to carry out this section.

"(e) In this section:

"(1) The term 'profits' means the amount which represents the difference between the price charged by commissary stores for the sale of tobacco products and the cost incurred by such commissary stores for the purchase and sale of such products (including appropriate amounts of overhead).

"(2) The term 'tobacco product' includes cigarettes, cigars, tobacco processed for cigarette or pipe smoking, and tobacco processed for oral use.

"(3) The term 'United States' includes the Commonwealth of Puerto Rico and the territories and possessions of the United States.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new section:

"2491. Sale of tobacco products in commissaries, exchanges, and ships' stores; use of proceeds.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 1992.

In section 2(b), amend the table of contents by inserting after the item relating to section 1124 the following new item:

Sec. 1125. Sale of tobacco products in commissaries, exchanges, and ships' stores.

Mr. BINGAMAN. Mr. President, the amendment that I have sent to the desk on behalf of myself and the Senator from Oklahoma [Mr. BOREN], and Senator BRADLEY from New Jersey, is an amendment that is virtually identical to one that we introduced both in the 100th Congress and the 101st Congress. It is not complex. I do not plan to take a great deal of time to explain it.

It simply stipulates that tobacco products sold in military commissaries, post exchanges, and ships' stores are to be sold at prices that are competitive in the local marketplace. It also provides that overseas tobacco products are to be sold at prices equal to the U.S. average price. That is the entire extent of the amendment.

Five years ago, in 1986 this amendment was offered. The amendment failed by a vote of 56 to 43.

This amendment really is nothing more than an attempt to encourage the Department of Defense to make good on a commitment that it announced 5 years ago. That commitment was very clearly articulated in a directive from the Department of Defense, and it said that it was their purpose to:

> Encourage military personnel, retirees, their families, and civilian employees to live healthy lives, to create an environment to enhance development of healthful lifestyles and high unit performance.

Let me specify a few things this amendment does not do, Mr. President. It does not ban the sale of tobacco products. Commissaries, exchanges, ships' stores are free to continue selling cigarettes and other tobacco products without interference.

Second, the amendment does not rob veterans of a benefit that is guaranteed to them. They are still permitted to buy cigarettes or any other tobacco product. The amendment merely provides that the pricing of those items be closer to what the average U.S. taxpayer is required to pay.

As former Surgeon General C. Everett Koop said, how can you describe a lifetime of poor health and premature death as a benefit for our military personnel?

The third thing the amendment does not do is that it does not set a precedent for the removal of any product from commissary shelves, despite all rumors to the contrary. I say this with confidence, because in 1982, at the direction of the Secretary of Defense, the price of most alcoholic beverages sold in commissaries was increased to the prevailing local price minus 10 percent. And over the past 8 years, no product has been removed from commissary shelves because of the Secretary's action on alcohol pricing, and none will be removed because of our actions today on this amendment.

The amendment also does not adversely impact on the military commissary system. It will not create a bookkeeping nightmare, as some colleagues have argued and did argue in the 1986 debate. For the commissaries that do sell tobacco products, we do not require any separate accounting. We do not require that the Department use the revenues generated for any particular program. What we do is to encourage the Department of Defense to invest the increased revenues in programs promoting health and fitness, but we do not require that this be done.

Mr. President, some will argue that the amendment is unnecessary because of the great success that has already occurred in the military in reducing the incidence of smoking, and there has been some progress. I applaud the efforts of the Department that have led to that.

Over the last 6 years, the reduction in smoking in the military has been about 5.3 percent, which is a reasonably good reduction. But at this time, there are still right at 41 percent of our military personnel who smoke, as compared to closer to 30 percent for the national average. Clearly, it is far too high and the pricing of tobacco products is a major factor in keeping that too high.

In 1989, as an example of the importance of this item in these commissaries, tobacco sales ranked fourth in the items sold in military exchanges and commissaries, and the total value of those tobacco sales exceeded $700 million. For the sake of young men and women who join the Army today, and who may become addicted to the habit, for the sake of the children and grandchildren of veterans, I think this amendment is good law, good public policy.

It is simply ludicrous, in my view, Mr. President, for the Department of Defense, on the one hand, to launch an aggressive antismoking education campaign, which it has done to a degree, and on the other hand, to encourage smoking through a pricing policy which provides those tobacco products at the lowest price in the country. This is inconsistent. It is illogical. It is an extremely costly policy, and it is exactly what we are living with today.

In the United States, cigarettes are up to 35 percent cheaper in commissaries and up to 20 percent cheaper in post exchanges than they are in civilian stores. And overseas, tobacco products are 40 to 60 percent cheaper than the average U.S. price.

Mr. President, the time has come to equalize these prices. This is good public policy. It is something that is clearly in line with the increased recognition we have in this country of the adverse effects of smoking. The tobacco industry is strongly opposed to this amendment, and they have consistently opposed it because they recognize that bringing prices into line with prices in the civilian sector will significantly decrease the amount of tobacco products sold.

That is one of the purposes of the amendment, very clearly. The costs in terms of health care and lost productivity are extremely high. The costs to the Department are too high. The estimate that I have been given is that at least $210 million annually is spent in the Department of Defense in direct health care costs as a result of military smoking.

The figure, in my view, is an underestimate of the true figure with which we have to deal.

Mr. President, as my colleagues prepare to vote on the amendment, I urge them to keep the health benefits of the amendment foremost in mind. It simply does not make sense for the Federal Government to continue subsidizing ill health. Instead of supporting the tobacco industry, we need to support the good health of the American people, and we should be focusing our efforts on promoting positive, lifelong lifestyle changes. This is the message that the amendment would send to the Department of Defense.

Mr. President, I ask that a June 1990 Army Times article on smoking in the military be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From, the Army Times, June 17, 1991]

UP IN SMOKE

(By Soraya S. Nelson and Margaret Roth)

WASHINGTON.—When the Defense Department ordered the services to start an aggressive anti-smoking campaign in 1986, the statistics were not encouraging.

Forty-six percent of military members smoked, compared with 34 percent of the general population, and a survey showed thousands of young people were picking up the habit after they put on their uniforms.

Then-Defense Secretary Caspar Weinberger set an ambitious goal—cut smoking in the military to below the civilian rate.

Five years later, the military's institutional attitude toward tobacco use has changed. The statistical evidence is limited, but officials say the smoking rate dropped six percentage points by 1988 while sales of cigarettes in military facilities dropped 10 percent. Recruits and their instructors are forbidden to smoke during training.

Exactly how effective the campaign has been since 1988 is not known. Tobacco was one of the biggest sellers at post exchanges in 1989, after electronics, snack foods and uniforms. In 1990, tobacco sales at military outlets topped $700 million. But a periodic survey of smoking and drinking habits in the military that was to have been done this year was postponed one year because of Operation Desert Storm.

COME AND GET IT

Tobacco products are sold at lower prices at military outlets than off-post at the same time Pentagon officials complete work on health goals for the next century that stress curbing the rise in lung cancer and other smoking-related deaths.

"The subliminal message is, 'Come and get it, kids, because we are going to give you a big discount,'" says Dr. William Mayer, the former assistant secretary of defense for health affairs who helped launch the Pentagon's anti-smoking campaign.

"The reduced price of cigarettes on military bases is a large part of the problem," says Dr. Ronald Davis, former director of the National Centers for Disease Control's Office on Smoking and Health.

For example, a carton of Marlboros costs $13.50 at the Fort Myer, Va., Post Exchange. At a 7-Eleven store just outside one of Fort Myer's gates, a carton costs $14.14.

"We know that the price of cigarettes is one of the most important determinants of tobacco consumption. For every 10 percent [price] increase, there's a 4 percent decrease in sales. With the huge disparity in the price of cigarettes between military and civilian outlets, you're basically removing a major disincentive to smoking," Davis says.

Since 1985, Mayer and other military health officials have lobbied for an end to the discounted sales of tobacco at exchanges. So far, their attempts have failed. So have efforts to remove tobacco from commissary shelves.

"We had a hard time getting cigarettes out of the PXs in the hospital," says Col. (Dr.) Keith Hunt, chief of the department of medicine at Walter Reed Army Medical Center here. "Patients would come for their appointments, then go down to the PX and get their cigarettes."

Opponents to removing tobacco products from exchanges see raising prices as an erosion of benefits and a multimillion-dollar loss of revenue rather than a strategy to promote good health, Defense Department and military officials say.

PROGRAMS DEPEND ON SALES

Morale, welfare and recreation, or MWR, activities depend heavily on money earned through tobacco sales. The profit from the sales of goods at military exchanges is the largest source of money for MWR programs. Since cigarettes are one of the biggest-selling items at exchanges, the sales of cigarettes is a major funding mechanism for MWR activities.

Vice Adm. James Zimble, the Navy's surgeon general, says he considered sending a bill to the Navy exchange system for the costs of treating patients with smoking-related illnesses. It would be a symbolic gesture, he says, but one that would lash out at the practice of discounting tobacco products.

"We in the military have implicitly made cigarette smoking a benefit," Zimble says.

Zimble, in a letter that appeared in the Aug. 27, 1990, Navy Times, complained that the publication's cigarette advertisements implied Navy endorsement of smoking.

The independent Army Times, Navy Times, and Air Force Times have no plans to drop cigarette advertising, according to Nat Kornfeld, vice president for advertising.

"Since tobacco advertising meets our basic advertising acceptability standards and the products are on sale in the commissaries and exchanges, we feel we should not prohibit them from advertising," he said

Kornfeld declined to say how much money tobacco ads generate annually for the papers, saying it is "a large category but represents only a relatively small percentage of our total advertising revenue."

Tobacco industry advocates scoff at proposals to raise cigarette prices and abolish smoking in the military. One lobbyist called Defense Department officials attitude "paternalistic.

"They always have a price tag on their social cause [to create a healthier military], and they'd like nothing better than to have [tobacco] profits to pay for it," says Tom Lauria, a spokesman for the Tobacco Institute here. "Why take away a perk from adults who choose to use the product?"

The Tobacco Institute is a lobbying and education group that represents manufacturers of cigarettes and chewing tobacco.

Mr. BINGAMAN. Mr. President, I see that we have some other Senators wishing to speak on this, and I, therefore, yield the floor.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The senior Senator from Kentucky.

Mr. FORD. I yield myself 4 minutes.

The PRESIDING OFFICER. There is no time agreement that has been entered.

Mr. FORD. Mr. President, this amendment has been before the Senate twice before, and it has failed. This amendment keeps failing for a reason. It flies in the face of the commissary system that we provide for our service men and women as a benefit for their sacrifice to our country.

In addition, this amendment would open the door to State and local governments seeking tax revenues from commissaries, an exemption commissaries and military personnel currently enjoy.

Let us look at a few things that this amendment would do. It would erode the commissary benefit that we promised our military personnel and their families. The higher prices it demands will not necessarily result in increased revenues. We will see a drop in spending on these products in the commissary, but those dollars may well go to civilian commercial establishments.

Most telling of all, Mr. President, the price increase it invokes may make it a revenue target for State and local governments desperate for funding. This amendment calls for building the price of State and local taxes into the commissary price. That will stop State and local governments from seeking to recover these revenues.

And if these same States and localities see that tax revenues may be gained from the sale of tobacco products at commissaries, then we can expect those State and local governments to work for the imposition of taxes on other commissary products.

Mr. President, any amendment that seeks to change the way the commissary system works deserves far greater consideration than this amendment is receiving here today on the Senate floor. It is obvious that larger issues exist than just increasing the price of tobacco products. This is not a reasonable way to approach a change that may have far-reaching effects.

Mr. President, commissaries are a significant and necessary benefit for our military families operating on modest Government salaries.

These families are generally unable to generate sufficient income from the employment of nonmilitary spouses due to frequent relocation and other factors.

I should point out that this measure will affect military retirees and their families as well. In addition, Mr. President, later this year all commissary operations will be consolidated into one defense commissary agency, and that agency in the process of being implemented opposes any change in the pricing structure at this time.

Mr. President, I cannot see any economically sound reason or significant benefit to support this amendment. At some point, as the proponent of this amendment has stated, I will make a motion to table.

I yield the floor.

Mr. McCONNELL. Mr. President, my senior colleague indicated his intent to make a motion to table after what I hope will be a rather brief debate. I shall not discuss this at length. Should, however, the motion to table not be successful, I will be prepared to speak at greater length on this most important issue.

Mr. President, let me begin this debate with a quote from Noble laureate James M. Buchanan:

> Let those who would use the political process to impose their preferences on the behavior of others be wary of the threat to their own liberties. The liberties of some cannot be restricted without limiting the liberties of all.

This statement sums up the critical factor we must not lose sight of—the decision to use tobacco products is up to the individual. I have made a personal decision not to smoke, but I simply do not think it is acceptable for the Government or anyone else to impose unfair restrictions on those who do. This would be an infringement upon individual choice with which I simply cannot agree.

This amendment by the distinguished Senators from New Mexico and Oklahoma would be a direct infringement on the very people who protect this great Nation and the ideals upon which it was built. Our military personnel have just completed one of the most brilliantly executed campaigns in history. Are we now here to deny them the right to smoke a cigarette? Is this the way we reward our men and women in uniform, by taking away their rights as American citizens after they have fought a war to protect those rights for citizens of another nation? After all, the intention of this amendment is to stop our military personnel from smoking. Be it by increasing prices or prohibition, we always come back to the same issue of reducing smokers' rights.

There is not a legal product in this country which is subjected to more restrictions, more bans, higher taxes, and even prohibition in many cases. Earlier this year, our Government tried to ban smoking in all Federal buildings. Smoking was the easy target, but the fact is there are numerous contaminants in the air of buildings which are many times more harmful. However, tobacco was to take the fall. Nearly 3 million executive branch workers in the 6,800 General Services Administration controlled buildings would have been denied the right to smoke.

One of the alleged goals of this amendment is to "improve the productivity of members of the Armed Services." Research shows that there is no proven link between smoking and reduced productivity. In a survey of union representatives and business and government supervisors by the independent research firm Response Analysis Corp., 74 percent said smoking during work breaks has no significant effect on job performance. Antismoking activists argue that, overall, smokers are less productive lives than nonsmokers. But how do we define productivity and calculate what an "acceptable" level is for each American?

Another goal of this amendment is to "assist the Department of Defense in this effort to significantly reduce smoking rates in the military". In 1986, the tobacco issue was extensively studied by the Department of Defense. Cigarette smoking has declined among members of our Armed Forces. The Pentagon reported that cigarette smoking and other tobacco use dropped significantly during the decade of the 1980's. Cigarette use has declined from 51 percent in 1980 to less than 40 percent by the end of the decade. Less than 20 percent of those smoking use more than one pack a day.

So if the goal of this amendment is to discourage smoking, that is occurring already. In fact, tobacco use has declined at a more rapid rate than was projected. All this amendment would accomplish is taking money out of the pockets of our soldiers which could otherwise be spent on necessities.

As you can see this issue is not only an issue on individual rights but one of great economic importance. Over the past several years, tobacco products have commanded a smaller share of military family's commissary budget. Increasing the price of tobacco products in commissaries threatens the very existence of the institution because many customers patronize commissaries principally for tobacco purchases and would shop elsewhere for tobacco and other products if the price benefits were eliminated. The commissary is considered by the Department of Defense as an important quality of life benefit for military families. The men and women of the armed services are willing to lay down their lives for us at any given moment and we want to restrict one of the few luxuries they have. That is if you call being able to buy cigarettes for a few cents cheaper a luxury. I doubt if many in this Chamber would.

Not only are you hurting the individual, but you are placing added burdens on the commissary itself. Military facilities by charter offer all consumer products at a savings over commercial prices. Selectively increasing the price on any legal product is an unfair taxation of service members and erodes the compensatory value of all resale benefits.

It is also an erosion of the commissary benefit; taking tobacco products out sets a precedent for removal of other commodities deemed unhealthy; and higher prices for tobacco products would not necessarily result in increased profits. Do we remove coffee and caffeinated beverages because there are studies which imply caffeine exacerbates hypertension. All products are currently treated equally regardless of commodity for pricing purposes. Use of a legal commodity should be anyone's personal decision and not congressionally determined.

Currently, the Department of Defense is consolidating its commissary services into one system, the Defense Commissary Agency. Lost revenues at these facilities could occur if there is a disruption to the commodity mix now available in the commissary stores. This amendment would increase the changes of a need for additional tax dollars to operate the system, thus defeating the purpose of the consolidation.

By law, commissaries are established to sell commodities to military personnel at the same cost all over the world. A box of cereal cost the same in Fort Knox, KY, as it does in a military mission in West Germany. This uniformity of pricing is created for a reason and this amendment is an erosion of benefits which threatens the survival of the system.

Even further it threatens the nonpay compensation the system is intended to provide for servicemen, women, and their families. Keep in mind the cigarettes are an extremely inelastic product among existing smokers and if people are forced to spend more of their disposable income, they do so at a cost to other goods and services.

The authors of the amendment presume that $200 million would be raised by this increase. Raising prices is likely to reduce, not increase revenues. Because the exchanges are setup to sell goods at cost plus a 5-percent margin, any change at this point in time could disrupt profitability. Any revenues generated through sales are used to pay salaries of personnel and operations expenses, as well as to support morale, welfare and recreation activities on military installations throughout the world. These activities often include day care facilities, softball fields and sports equipment.

Military commissaries, exchanges, and ship's stores currently operate at no cost to the Government. Tampering with sales would lead to loss of revenues. Is Congress prepared to pay for the operation of these stores and offer to cover the cost of these other benefits and services.

In the Air Force alone, tobacco products represent about 10 percent of commissary sales. Their prohibition would reduce commissary net income by between 25 and 37 percent. This impact results from three features.

First, the direct sales of tobacco products generate commissary income at a higher rate than other products. Tobacco products are particularly lucrative sources of income through coupon redemption fees and discounts for early payment of invoices. Tobacco manufacturers pay shelf allocation fees to the commissaries for shelf space. Altogether, the direct sale of tobacco products generated $18.3 million in fiscal 1990, which was 12 percent of commissary net income.

Second, tobacco products generate a considerably larger sales volume per foot of shelf space or per square foot of commissary space than other products. They also entail considerably lower personnel and inventory costs. Part of the reason for this low personnel requirement is that the tobacco companies themselves bear many of the costs of ordering and stocking tobacco products. The frequent delivery of tobacco products to the commissaries lowers the inventory costs the commissaries must bear. In terms of sales within the continental United States during 1990, tobacco sales were 13 percent of grocery inventory conducted on December 31, 1990. Each dollar of tobacco inventory support $26 of sales, whereas $1 of grocery inventory support only $17 of sales. Each dollar invested in tobacco inventory generated 158 percent as much sales volume as a dollar invested in grocery inventory.

Tobacco products are generally less expensive to sell than other products. Hence, an elimination of tobacco products would reduce costs by less than it would reduce sales. A nontobacco commissary would be around 10 percent more expensive to operate than persent commissaries. The higher cost would either translate directly into a requirement for additional operating funds, or would result in declines in quality of service as those cost increases were absorbed through reductions in commissary net income. Commissaries would lose business to civilian stores. Net income to commissaries would be reduced by between $11.4 million and $22.9 million which is between 7.5 percent and 15 percent of current levels.

Third, tobacco products are particularly attractive price wise because they are not subject to State and local excise taxes. There are shoppers who visit the commissary principally to buy tobacco products and who buy other products at the same time. Elimination of one of its greatest price bargains, will lead fewer people to the commissary, and sales of nontobacco products will decline as a byproduct. This kind of loss is between $9 million and $15 million of net commissary income. The elimination or increased price of tobacco products would damage strongly the economic basis of the Air Force's commissary system. This in turn undermines a good part of commissary benefits to smokers and nonsmokers alike.

The Senators from New Mexico and Oklahoma, in their amendment, encourage the Department of Defense to use profits generated from tobacco sales to promote the health and fitness of members of the Armed Forces and their families. Once again, Congress is singling out one group to bear a greater burden of financing government programs that benefit all.

Now is not the time for military personnel who smoke to bear this burden. This is a time to celebrate the great achievements of the entire armed services. We appreciate their dedication and hard work. This is especially evident in how Americans responded during the recent Desert Shield/Desert Storm military action. People and business from all over the country packaged and shipped cookies, cakes, candy bars and many other well intentioned gifts. However, cigarettes were the only item which was rejected for delivery to our troops. The U.S. Marine Corps requested that cigarettes be included in their 30-day supply parcels, but DOD rejected this direct request. What is even more appalling is while our fighting forces were having difficulty obtaining cigarettes, particularly on the front lines, Iraqi prisoners were supplied cigarettes at U.S. taxpayer expense.

Cigarettes are, indeed, a controversial product, but they are legal in the United States and in every other country in the world. Too often, under the veil of protecting public health, antitobacco activists push their own personal views. Tobacco smoke has an odd way of obscuring the issues. Because tobacco smoke is visible and has an odor it becomes the likely culprit of many of our Nation's ills.

The antismoking forces portray smoking as a threat to everyone. They feel an obligation to protect smokers from themselves and make sure the smoker bears all of the cost of their behavior, actual and perceived. Such reasoning, as if you smoke you will die and if you are in a room with a person who smokes you too will die, is a disservice to the public. People have rights, smokers and nonsmokers alike, but as the quote I began with suggests, using the Government to control your neighbor's habits is a risky business.

In conclusion, let me reiterate that increasing the price of tobacco products in commissaries and exchanges threatens the very existence of these systems. The Department of Defense considers commissaries and exchanges important quality of life benefits to military families. Any efforts to tamper with the fragile balance of product sales and pricing should be defeated.

Mr. President, this body has twice rejected these proposals in the past. The newly created Department of Defense Commissary Agency is also strongly opposed to any changes in commissary policy at this time.

I certainly hope that my colleagues, when the motion to table is made, will join the senior Senator from Kentucky and myself in tabling this most unfortunate proposal.

Mr. President, I yield the floor.

Mr. BOREN. Mr. President, once again my friend and colleague, Senator BINGAMAN, of New Mexico, and I have come before the Senate to offer our amendment to require the Department of Defense to change the pricing system for tobacco products in the military outlets and stop the present subsidy of smoking.

Before coming to the floor, I looked back through the files that I have on this subject, and, sadly, I found little has changed since Senator BINGAMAN first began this initiative to increase the cost of cigarettes to the prevailing price back in 1985. That year Dr. William Mayer, then Assistant Secretary of Defense for Health Affairs, prepared a policy directive to implement the report of the blue ribbon panel of health promotion. This report recognized that the greatest improvement for the health of military personnel would result from discouraging smoking. Part of his recommendation was to stop the subsidy of smoking by increasing the price of tobacco products on military installations.

Needless to say, that has yet to win approval from either the administration or the Congress. The excuse that the Department of Defense has been giving has been that its antismoking program has been succeeding. Yet in 1990, tobacco sales at military outlets topped $700 million. Even more upsetting is that during Desert Storm the price of a carton of cigarettes cost $14.14 at a 7-Eleven; $13.50 at the Fort Myer post exchange, but only $8.50 at military outposts in the gulf. I am told thousands of free cigarettes also made it into those areas using military transport.

The decision can be made to change this policy administratively by the Department of Defense. It has not done so. Congress should legislate this decision. The Veterans Administration made the decision to charge prevailing prices back in 1978. Fifty VA facilities have either banned or are awaiting approval to ban the sale of tobacco products at those installations.

In 1990, the Coast Guard prohibited smoking in all seagoing craft, in all buildings, aircraft, and vehicles. The Coast Guard has been amazed at how well it has been accepted and believes the personnel support the policy at a rate of 50 to 1. The former Director of the Office of Smoking and Health in the Centers for Disease Control believes that every 10-percent increase in the cost of cigarettes translates into a 4-percent decrease in smoking.

Yet, the United States continues to make it cheaper for the military and their families to smoke. There is a hodgepodge of DOD programs and rules to discourage smoking. The Air Force prohibits smoking or tobacco sales in medical facilities. The Army prohibits smoking during basic training and restricts use in other military courses. Navy doctors and dentists cannot smoke in front of patients. But you still can buy cigarettes 35 percent below the local rate in commissaries, 20 percent cheaper in exchanges, and 40 to 67 percent cheaper overseas. Mr. President, being stationed overseas allows one to purchase tobacco products at a 40 to 60 percent lower cost than in the United States.

Federal outlays such as Medicare, Social Security, and disability continue to climb with smoking-related illness and death. In 1985, there were 300,000 smoking-related deaths per year, and in 1988, there were 434,000 smoking-related deaths. Thirty-two percent of cancer deaths each year are caused by smoking.

It is long past the time for this Nation to take one more step toward eliminating this hazard. I support wholeheartedly this amendment to increase the price of cigarettes at commissaries, exchanges, and ships to prevailing retail market prices or, in the case of military outlets which ship outside the United States, to the average retail amount in the United States. Congress would then be doing its job.

Even the profits—and I want to point this out—that would come from the sales due to the increase in prices for tobacco products would be used to improve health programs for military personnel. Surely, if we have to choose between using a Government subsidy to provide more cigarettes and tobacco products for military personnel or to use those same funds to provide better health care for military personnel, there is simply no doubt as to which we should choose. There is no doubt as to which course is more beneficial, more helpful to those men and women serving in uniform in our armed services. We are doing them no favor by continuing a policy which causes them to subject themselves to risking their own health by making tobacco products more easily obtainable for them at lower prices.

Instead, let us provide more funds for better health care for those in our armed services. That is what this amendment would do. I support it. I urge my colleagues to think about it, think about the choice with which we are confronted, to think about what will most benefit those serving this country in the military before they vote on this prevailing amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. WARNER. Mr. President, I wish to associate myself with those in opposition to the amendment. This is a subject that I have been involved in for many years in the Armed Services Committee periodically, in the conscientious way it is brought up by members of the committee. And it has been the prevailing view, certainly with the majority of the committee, that we should not get into trying to manage the commissaries of the Armed Forces of the United States.

Starting with Chairman of the Joint Chiefs, in every statement before our committee, what comes first is the men and women in the Armed Forces. They should be given a right, if they are courageous enough to fight, to decide for themselves on a wide range of social issues. I feel that if we were to take the action as outlined by my good friend, the Senator from New Mexico, this would be misconstrued as the Congress of the United States trying to exercise authority over their right to exercise their freedom.

So from the standpoint of the Department of Defense, who opposes this, it becomes a management problem with the commissaries. Therefore, I strongly urge my colleagues to vote against the amendment.

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I will conclude with a couple of comments, since I do not believe anybody else is seeking recognition.

First, let me respond to the point made by my colleague from Kentucky, when he suggested that this would require or permit a change in the tax laws or the taxes imposed by State and local government. I dispute that.

There is nothing in our bill that changes the authority of State and local government to impose taxes on military installations. My own State is probably as aggressive as any State in the Union at imposing a sales tax. But I can tell you we do not impose that sales tax in commissaries, because it is not permitted. And there is nothing in our legislation that does that.

This amendment affects the pricing of tobacco products in these commissaries. It does not change the ability of State or local governments to impose a tax.

Clearly, I agree that commissaries are a significant benefit to people in our military, and retirees. But I do not agree with providing cheap tobacco products is a significant benefit to these people. We do not do any favor for our military personnel, or retirees, by giving them a substantial discount and encouragement to buy additional cigarettes and tobacco products.

Mr. President, this issue is very simple. The tobacco industry opposes the amendment, because they know very well what analysts have said: Increasing the price of these products decreases the use of them. Therefore, there will be less use of tobacco products if the prices are brought to the level they are in the civilian world.

We are not taking away anybody's freedoms. We are saying that you should pay the same in the commissary as you pay in the 7-Eleven outside of the base gate. It is clear to me that the reduction in volume is what is encouraging the tobacco industry to oppose this amendment consistently. It is the very reason we support the amendment. We think this encouragement to use tobacco products is not in the best interest of our military personnel. It should be stopped.

Mr. President, I am informed that the Senator from Kentucky is intending to offer a motion to table the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

TOBACCO PRODUCT SALES IN MILITARY

Mr. HELMS. Well, here we go again. It has become increasingly fashionable for politicians who have nothing to lose to take pot-shots at, first, the hundreds of thousands of tobacco farmers in America, second, an important industry—with thousands of workers who produce tobacco products, and third, the men and women who serve or have served in the Armed Forces of this Nation.

No. 3 above is a new entry in the list of targets of those who like to kick tobacco around.

Mr. President, the kickers have nothing to lose. They get a few headlines back home. They have no farmers in their States who grow tobacco. They have no working men and women who make their livings growing or manufacturing or selling tobacco and tobacco products.

Mr. President, the new victims of this proposed political exercise are military personnel who use tobacco products. This amendment proposes to raise the taxes paid by military personnel.

This is not an issue of whether military personnel are going to smoke or use smokeless tobacco products. It is an issue of fairness.

Commissaries provide military personnel a source to buy groceries and countless other items. Overseas, commissaries are usually the only source for most American products. And while commissary prices allow military personnel significant savings, it is in fact one of their true fringe benefits—and part of the contract entered into when they join the service.

Mr. President, I do not have specific numbers on the amount of tobacco used during the Operation Desert Storm. However, I have a few of the more than 1,700 letters from men in the Army, Navy, Air Force, and Marines who enjoyed—and greatly appreciated—the smokeless tobacco products they received on the front. I would like to share a few of the comments with my colleagues.

Sgt. S.E. Bryning writes:

> I myself never thought a "dip" could mean so much to so many! My not being a tobacco user. To pass out a can or two of chew to those and see the thanks and relief in their faces was a great thrill for me.

And this from a squad that moved far enough north that they were unable to collect pay and could not get to a military facility.

> On the 8th of February artillery hit our front. After the "all clear" was given, one member asked another for a dip and he said it was his last can and he was saving it. A fight nearly broke out. Later that day, a box arrived. Our eyes glowed as we looked at that roll [of smokeless tobacco]. I gave everyone 2 cans and it was like we all got a new car for Christmas.

Mr. President, those two examples from a stack of about 1,700 letters show how important tobacco products can be in the military. Most of us don't realize the pressure and strain of being in a combat situation. However, to make it more arbitrarily difficult for our military men and women to buy tobacco products is, in a word, unfair.

RESTRICTIONS ON THE SALE OF TOBACCO PRODUCTS IN MILITARY SALES STORES

Mr. THURMOND. Mr. President, I do not advocate the use of tobacco products. However, I do not support limiting the sale or increasing the price of tobacco products to our service men and women.

In 1986, the Department of Defense determined that the most effective way to deglamorize tobacco usage was through an active health promotion and education program. By all indications, this program has been a success. The Department feels it does not need additional stimulus to reduce smoking among our soldiers, airmen, sailors, or marines.

The proposed amendment selectively discriminates against our service members. It sets a questionable precedence which could be applied to any product deemed undesirable by a specific group.

Mr. President, the purpose of the commissaries, exchanges, and ship stores is to provide our service men and women with a convenient and economical place to purchase their essential goods. The prices at these facilities are expressly kept low to compensate for salaries which are habitually lower than their civilian counterparts.

The outcome of this amendment would be to inflict the values of a particular group by increasing the price of a product they feel is undesirable. Additionally, it represents yet another case in which the benefits of our service personnel are being eroded without providing them additional compensation.

Mr. President, I urge my colleagues to vote against this amendment.

Mr. FORD. Mr. President, I had the opportunity to visit the Persian Gulf along with my distinguished colleague, and I lit a cigarette for every commander of the main forces in the Persian Gulf; I can tell you what brand they smoked. So everybody over there, in my opinion, enjoyed it.

Now we are going to try to raise the price, with the camel's nose under the tent, and the taxes will come. On behalf of Senator NUNN, Senator WARNER, and Senator MCCONNELL, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. LOTT] is necessarily absent.

The PRESIDING OFFICER (Mr. LAUTENBERG). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 55, nays 43, as follows:

[Rollcall Vote No. 179 Leg.]

YEAS—55

Bentsen
Bond
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
DeConcini
Dixon
Dole
Domenici
Exon
Ford
Fowler
Gorton
Gramm
Grassley
Heflin
Helms
Hollings
Inouye
Johnston
Kassebaum
Kasten
Kerrey
Kerry
Kohl
Levin
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Robb
Rudman
Sanford
Sasser
Seymour
Shelby
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wofford

NAYS—43

Adams
Akaka
Baucus
Biden
Bingaman
Boren
Bradley
Burdick
Chafee
Conrad
Cranston
Daschle
Dodd
Durenberger
Garn
Glenn
Gore
Graham
Harkin
Hatch
Hatfield
Jeffords
Kennedy
Lautenberg
Leahy
Lieberman
Lugar
Mack
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Pressler
Reid
Riegle
Rockefeller
Roth
Sarbanes
Simon
Simpson
Wellstone
Wirth

NOT VOTING—2

Lott
Pryor

So, the motion to table the amendment (No. 1046) was agreed to.

Mr. FORD. Mr. President, I move to reconsider the vote.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NUNN. Mr. President, we have made a lot of progress here. Frankly, we are within view, I think with a good solid couple of hours here—maybe even less if people will cooperate—of finishing this bill.

What we have left, if I could take just a moment, we have a Metzenbaum amendment on European troop strength. We have been working very hard to work that one out and I think it is on the verge of being worked out, which could be done very quickly if it is worked out.

We have a Graham of Florida amendment on arms sales that I do not know the status of. I hope Senator GRAHAM could tell me the status of that one because I understand if that amendment is presented without being worked out it will take considerable time.

We have a Reid amendment on POW's and MIA's and that also is still facing us. It is not agreed to.

We have a Specter amendment on Navy ships which is in the same category. It is not agreed to and we have to work that one out.

We have an Exon amendment on the MX. I believe we are on the verge of having that one where Senator EXON will be able to debate his amendment and then we will have to vote on a motion to table at some point. Depending on the outcome of that, we will dispose of that amendment one way or the other.

So we have some contingencies here that could take a considerable amount of time. But if everyone cooperates I think we can move this bill right along. We have a lot of amendments that are being worked out. I have not tried to list those, but those Senators who have amendments that they think are being worked on by the staff—it is absolutely impossible to keep up with everybody's amendments—Senators need to check with our staff and with minority staff and make sure of the progress of the amendment and where it is in terms of being worked out.

Mr. President, that is where we are now. I suggest if the Metzenbaum amendment has been worked out that we move directly to that one. That will move one of the important ones off the list.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, may I suggest the Senate now address the amendment that has been pending, really, although not technically. Certainly it has in every other respect. The amendment by the Senator from Ohio.

If I might address the substance of the amendment briefly, it relates to the troop levels of the U.S. forces in the NATO alliance. The objective of the amendment is really to state what the Congress of the United States would like to see the executive branch; namely, the President, Secretary of Defense, and Chairman of the Joint Chiefs, seek as a goal to reduce these troops to a level of approximately 100,000 by the end of the fiscal year 1995.

The original amendment as given the Senator from Virginia by the Senator from Ohio I found objectionable. The amendment originally stated that U.S. troop levels in Europe "should not exceed 100,000" in fiscal year 1995. The compromise amendment adds the word "approximately," and reads—"should not exceed approximately 100,000." This change may appear minor, but I believe it adds some discretion for the President and Secretary of Defense to determine the actual future level of U.S. forces in Europe.

I want to say the Senator from Ohio has been most accommodating in revising this amendment to where, now, I have less objection, although still some. But I am willing to recommend that it be accepted on this side.

I understand the chairman of the committee, Mr. NUNN, is prepared to accept it on that side.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. I would say to my friend from Virginia, before it is accepted on this side I would like to hear a little more about it. I am, frankly, sick and tired of this micromanagement of the military. They are doing a pretty good job, most of the American people think, in withdrawing the troops as necessary. The job that President Bush, General Schwarzkopf, and General Gavin are doing is a pretty good one.

I am not sure this Senator is ready to accept more micromanagement, which we see year after year after year, on the part of people who, frankly, in all candor and all respect, do not have that kind of talent and expertise.

I say to my friend from Virginia, I object to acceptance of this amendment until I, and several others whom I know share my views about this continued micromanagement, accept this amendment.

I yield.

The PRESIDING OFFICER. The Senator from Ohio.

AMENDMENT NO. 1047

(Purpose: To express the sense of Congress that the number of military personnel authorized to be assigned to permanent duty ashore in Europe at the end of fiscal year 1995 should not exceed 100,000)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for himself, Mr. CONRAD, and Mr. DASCHLE proposes an amendment numbered 1047.

At the appropriate place in the bill add the following new section:

SEC. . SENSE OF CONGRESS REGARDING UNITED STATES TROOPS IN EUROPE.—It is the sense of Congress that—

(1) On July 2, 1991, the Soviet Union, Poland, Hungary, Czechoslovakia, Bulgaria and Rumania agreed to formally dissolve the Warsaw Pact military and political alliance.

(2) The Soviet army has withdrawn nearly 500,000 troops from throughout eastern Europe, including all of its troops in Hungary and Czechoslovakia.

(3) The threat of a Soviet attack on western Europe is drastically reduced.

(4) The United States has a continuing interest in maintaining and strengthening the North Atlantic Treaty Organization.

(5) Our NATO allies must take steps now to begin paying and carrying a greater share of the common NATO defense burden.

(6) Barring unforeseen developments which result in a substantial increase in the threat to our national security, the United States should plan for an end strength level of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO by the end of fiscal year 1995 that should not exceed approximately 100,000.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I previously spoke about this amendment and then, by reason of the fact that the majority leader wanted to have the floor for the purpose of consideration of conference reports, I did not offer the amendment to be taken up at that time.

The thrust of this amendment is a very simple one. A very distinguished group of military leaders and national leaders, including the distinguished chairman of the Armed Services Committee, Jim Schlesinger, Zbigniew Brzezinski, Harold Brown, and others did a study on this issue.

They came to the conclusion that we should reduce our Armed Forces strength in Europe to 100,000 by the end of 1995. That is what this amendment says.

Let us be very realistic about it. The cost of maintaining our troops in Europe is an unbelievable burden upon the American people. I believe that it was the Congressional Budget Office that indicated that bringing the troops home would save us $14 billion a year, although my recollection is not 100 percent certain as to the specifics.

There is not any reason why we should be pouring billions of dollars into the European economy and spending far more in order to maintain our troops there. The Soviet troops have gone home. What we are doing is we are keeping our troops there. As a consequence, it is a tremendous burden upon the American taxpayer. This does not say bring them home precipitously; it says to do so by the end of 1995.

I am pleased to say that the chairman of the Armed Services Committee and the ranking member of the Armed Services Committee have signed off with respect to this amendment. We did make some modifications. I believe it is something this Congress ought to make unequivocally clear that we support.

I am concerned about the fact that it was intended to bring home 100,000 troops this year from the European theater, and now the Secretary of Defense has indicated it may only be as many as 20,000 troops.

I believe this is an amendment which should be adopted, a sense of the Senate, indicating where we stand on the issue.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I will be glad to support a time agreement on this amendment, because it is clear that the real question is whether we will express the sense of the Senate in the way the Senator from Ohio feels is best for defending this Nation's vital national security interests, or whether we will pay attention to what Secretary Cheney, General Powell, and General Galvin view as what is necessary to preserve this Nation's vital national security interests.

There is a difference of some 50,000 troops; about one-third the number our military leaders feel is necessary. The resolution calls only 100,000 troops by 1995. General Galvin, who has been confirmed by the Senate to be the Supreme Allied Commander of NATO; as the Chairman of the Joint Chiefs of Staff, General Powell, who has been confirmed by the U.S. Senate; and Secretary of Defense Cheney, who has been confirmed by the U.S. Senate, all call for 150,000. The best judgment of the men have given the responsibility to shape our future plans for NATO is that we need 150,000 men.

I do not know how former Secretaries of Defense and officers do their planning. I know they spend a lot of time in think tanks and in other—I am sure—very enlightening activities. I do not believe they conduct war games, examine threats in detail, or write military contingency plans.

We are already cutting our manpower in Europe from 320,000 to 235,000, and we plan to go down to 150,000. I am sure even that figure may drop. Why do we not let the Secretary of Defense and the Chairman of the Joint Chiefs of Staff and the four-star general who we have asked to serve in Europe make the decisions to fine tune such cuts for us, rather than the Senator from Ohio?

The answer is quite clear in my mind. And, as I say, I will be more than happy to have a time limit on debate.

I want to request the yeas and nays on this resolution.

Mr. WARNER. Mr. President, if the Senator will withhold his request for the yeas and nays until the Senator from Virginia——

The PRESIDING OFFICER. Did the Senator request the yeas and nays?

Mr. McCAIN. I did not request the yeas and nays.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I would like to briefly recap the events of today. First, I say to my good friend from Arizona, I agree with him. But as a manager of the bill and with the amendment as it was originally presented to me, I had to try and reconcile as best I could an acceptable solution.

I much prefer that the Senate, and indeed the Congress, not try and adjust these troop levels. But I have to take judicial notice today of the report referred to by the Senator from Ohio of which the distinguished chairman has been a participant; another member of the Senate Armed Services Committee, the Senator from Maine [Mr. COHEN] also participated in the report and I think at least one other Member of the U.S. Senate, in which they have come to the conclusion, after considerable deliberation, that somewhere in the area of 100,000 troops should be the goal of the United States by the fiscal year 1995.

The Senator from Ohio raised this amendment and debated it for about 20 minutes. I then responded and indicated my strongest objection to the amendment, and I felt at that time that we had fully informed all Members of the Senate of the pending amendment.

I then worked with representatives of the White House staff to try and revise the amendment as best we could, given the realities of the situation, and the Senator from Ohio was willing to accept a number of the amendments to his amendment that the Senator from Virginia proposed.

I apologize to my colleague from Arizona. I did not realize that he or perhaps other Members of this body wished to address the amendment.

That is where the matter is as of this time. I am just wondering if the chairman wishes to express his views. It might be appropriate at this time, so we can determine whether, in fact, the Senator from Arizona wishes to press ahead with a rollcall vote.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I support the amendment. I think the Senator from Virginia has worked very hard with the Senator from Ohio.

I believe basically it reflects the goal, as I understand it, of approximately a 100,000 troop level by 1995 in Europe. Again, as we debated on the SDI proposal, a goal has to be reviewed. I know the Senator from Ohio will agree with that. If the threat changes, if other things change, then you have to review the goal. We will be authorizing this every year.

The House has a similar provision but, again, both sense of the Congress. It is my view this amendment would get a very substantial vote if it is voted on. Of course, that is up to the Senate.

Mr. WARNER. Mr. President, will the distinguished chairman yield for another, I think, important fact? The original thinking on the part of, I believe, the Senator from Ohio, and indeed our colleagues with whom he is associated, was that they did not want a sense of the Senate, but a clear statutory direction to achieve that goal of 100,000 within this period of time?

Mr. NUNN. The Senator is correct.

Mr. WARNER. It was only after considerable discussion with the chairman supporting the Senator from Virginia that the amendment was modified to make it a sense of the Senate, rather than a statutory requirement?

Mr. NUNN. The Senator is correct. I urge our colleagues, whether it is a voice vote or rollcall vote, to support the amendment.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I appreciate very much the support of the Senate Armed Services Committee chairman and the ranking member of the committee. It is a fact that when we originally started on this matter, we intended to make it mandatory, make it law.

The Armed Services Committee chairman said that he felt it would be preferable if we make it a sense-of-the-Senate resolution, and that if it were that, he would support it and would hope that there not be a rollcall vote. I said I am willing to have it with or without the rollcall vote.

Then the ranking member of the committee, Senator WARNER, came and indicated he had some concerns with the language. As is so often the procedure in the Senate, we negotiated back and forth. He won most of the negotiations, as he always does, and we changed a substantial amount of the language. But I think the language still reflects clearly that it is the intent of the United States Senate that we expect the number of troops in the European Theater, by the end of 1995, will be reduced to approximately 100,000.

The language was carefully worked out. I hope I have not overstated the case or understated it. I have tried to reflect the agreement as was worked out. The Senator from North Dakota was also part of those negotiations, as was the Senator from South Dakota, Senator DASCHLE.

Mr. WARNER. Mr. President, I just want to indicate that the Senator from North Dakota and the Senator from South Dakota were very active during the course of these negotiations.

Indeed, I think the amendment, as amended by the Senator from Virginia, was about as far as they felt they could go, if my recollection serves me.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I want to verify that we have had a negotiation ongoing here for virtually the entire afternoon. It was our intention initially to offer an amendment that would make it a statutory requirement that we go to 100,000, or approximately that number of troops in Europe.

Mr. President, the Senator from Virginia strongly resisted that position, so we agreed to something else.

Mr. President, I hope that we will have a chance to debate this issue and vote on it. The Senator from Arizona has a very strong feeling. The Senator from North Dakota has a very strong feeling on the other side. I hope we will have a chance to debate the amendment.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I am certainly interested to know that negotiations went on for several hours. I must express my surprise that neither Senator GLENN, who is the chairman of the Manpower Subcommittee of the Armed Services Committee, nor I as the ranking member of the Personnel Manpower Subcommittee were included in those negotiations. However, these things happen from time to time.

My question to the Senator from North Dakota and the Senator from Ohio is: Who are this Nation's military planners? Are they the Secretary of Defense and military officers who planned the victory that we achieved in the Persian Gulf, or are they the outside experts who predicted defeat and disaster for United States troops if we engaged in conflict in the Persian Gulf?

Mr. CONRAD. Will the Senator yield?

Mr. MCCAIN. I will yield when I finish my remarks.

Mr. CONRAD. Will the Senator yield?

Mr. MCCAIN. I tell the Senator from North Dakota I will yield when I finish my remarks.

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. MCCAIN. The question is, who is going to do the Nation's military planning? It is going to be Secretary of Defense Cheney, General Powell, General Galvin and General Schwarzkopf, or is it going to be the Senator from Ohio and the Senator from North Dakota? That is the question. That is why there should be a vote on the issue.

But, given the fact that the ranking Republican agreed to a voice vote on this issue, I will drop my demand for a recorded vote. The Senator from North Dakota is certainly free to demand it if he wishes. But the real issue here is very clear, and I want to make sure that the record indicates that, that once again the Senate is disregarding the best advice and counsel of the very people to whom we give the authority and responsibility to make these decisions. That once again it is disregarding those who have a proven track record of being correct about what military policy the United States should pursue for the advice of two sponsors who have a proven record of being incorrect when they voted against authorizing the President to use force to liberate Kuwait, as to what military policy the United States should pursue.

I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, first of all, I want to say that the Senator from Arizona has mischaracterized and misrepresented at least the position of this Senator with respect to what went on in the Persian Gulf, and I wish the Senator instead would debate the merits of this issue rather than mischaracterizing the position of Senators who advocate a position with respect to troop levels in Europe. That might be a productive and constructive way to conduct debate in this Chamber, but misrepresenting, mischaracterizing people's position, I believe, does a disservice not only to this Chamber but to the people whose positions are mischaracterized. I am, frankly, surprised the Senator from Arizona would engage in that kind of debate because it is not characteristic of him.

Beyond that, Mr. President, there is not just one set of experts in this country on this question. In fact, we have a report that was contributed to by the chairman of the Senate Armed Services Committee, was contributed to by former Secretaries of Defense and former military leaders and current military leaders, who suggest that we ought to be moving to a lower level of troop strength in Europe.

Mr. NUNN. Mr. President, will the Senator yield?

Mr. CONRAD. I will be happy to yield.

Mr. NUNN. Mr. President, I believe that this matter can be handled very quickly now on a voice vote, and I believe that all those interested in seeing the amendment passed would be well advised to permit it to go to a vote as soon as possible.

Mr. WARNER. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I would like the opportunity to at least make a case. The Senator from Arizona has taken the opportunity to mischaracterize people's positions on this issue. I would like the chance to explain the rationale for supporting it. We have not ever had a chance to debate the merits of the issue.

Mr. WARNER. Mr. President, could I implore my good friend that we have a momentum in which I think we can conclude this bill in a very brief period of time. I have now discussed it with my colleagues and would recommend that we proceed on a voice vote. Could the Senator supplement his remarks in the RECORD? I urge the Senator to do that so the managers can continue the momentum. We are about to turn to another amendment which could require a rollcall vote, and I think we can move this bill in a very quick period of time.

Mr. NUNN. Mr. President, I say to the Senator I have seen the situation in the Senate where individuals won the debate and lost the amendment. So I hope that we will move to a vote on this amendment, because I believe on a voice vote, looking at the people around and the volume of their voices, the Senator may prevail.

Mr. WARNER. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Virginia has a parliamentary inquiry. Please state it.

Mr. WARNER. The Senator from Virginia moved the question, am I not correct?

The PRESIDING OFFICER. There is no such motion in the Senate.

Is there further debate?

Mr. METZENBAUM. Mr. President, the past 2 years have witnessed the triumph of every fundamental U.S. objective in Europe for the past 45 years. On November 8, 1989, the Berlin Wall—that very symbol of the cold war—fell and with it fell the nightmare of a surprise Soviet bloc military attack on Western Europe.

On July 2, 1991, the Soviet Union, and its five former satellites in Eastern Europe agreed to formally dissolve the Warsaw Pact Military and Political Alliance.

The Red Army is withdrawing throughout Europe: 500,000 troops stationed in Germany, Poland, Czechoslovakia, Hungary, and Bulgaria have pulled back to the Soviet Union. Yet, the United States still has nearly 300,000 combat troops based in Europe.

Why? What possible reason can there be for us to be spending so many of our dollars for 300,000 troops stationed in Europe?

The Soviets have withdrawn the last of their troops from Czechoslovakia and Hungary.

Soviet troops remain on former east Germany soil only because the Soviets have such a serious housing shortage in their own country. They have no place to put their returning troops, in fact, it is the West German Government that is picking up the cost of stationing those troops in Eastern Germany. Consider that irony; almost unbelievable.

While the U.S. taxpayer shells out billions of dollars to support 300,000 American combat troops, most of whom are stationed in Western Germany to protect the Germans from the Soviets, the Germans are supporting those very Soviet troops that we call the enemy.

Mr. President, to be fair, Secretary Cheney has promised to bring home at least 80,000 U.S. troops by the end of 1992.

But this is not the first time the administration has made such a promise about bringing home the troops: 50,000 were supposed to come home this year. Last month, however, the Pentagon announced that they would not achieve that goal; instead, only about 20,000 would come home.

Mr. President, think not only of the cost to the U.S. Treasury of these hundreds and hundreds of millions and billions of dollars that are being spent to maintain those troops in Europe, think of the fact of the balance of payments, the fact that those dollars are being spent in the European economy instead of being spent in the American economy.

Despite all the rhetoric and all the talk about bringing troops home, it is just not happening.

Mr. President, a bipartisan group of 26 distinguished national security experts, in and out of Government, including former Secretary of Defense Harold Brown, former National Security Advisor Zbigniew Brzezinski, the chairman of the Senate Armed Services Committee, SAM NUNN, our Republican colleague, Senator WILLIAM COHEN, and former Treasury Secretary William Simon recently authored a Johns Hopkins report entitled, "The United States and NATO in an Undivided Europe." They said:

> We believe that given its disproportionate share of the current NATO conventional forces structure, a disproportionate share of any reductions in the alliance's overall force posture should also fall to the United States.
>
> Specifically, we believe that U.S. forces deployed ashore in Europe should be reduced during the next 5 years to less than 100,000 troops * * *.

Those are not my words. Those are the words of 26 of some of the most distinguished defense experts in the country.

Mr. President, our amendment is very straightforward. It takes the recommendations of these experts at their word. It expresses the sense of Congress that U.S. troop strength in Europe should be reduced to not more than 100,000 by the end of fiscal year 1995. It is a common sense amendment, and it is also a matter of fairness.

Because for over 4 decades, the taxpayers of the United States paid more money out of their pockets for the defense of Europe than all the taxpayers in Europe combined.

I want to repeat that. For over 4 decades, 40 years, the taxpayers of this country have been paying more money out of their pockets for the defense of Europe than all the taxpayers in Europe combined.

In 1991, we spent $1,071 for every American man, woman, and child on defense.

Our alliance partners spend about one-fourth of that. They spent $257 for every man, women, and child.

We can not continue such an outrageous subsidy. Our standard of living is actually declining while the Europeans' is actually going up. Most of them have inexpensive—or even free—universal health care for their people.

While over here, 30 million Americans have no health insurance.

Many of them have free higher education.

In the United States you practically have to take out a mortgage to send your kids to college.

Our European allies spend their taxes taking care of themselves. We spend our taxes taking care of them, defending them.

In 1990, we had a combined world trade deficit of $101 billion.

Now, I have no quarrel about the fact that we defended Europe and picked up the tab after the war, but the war was over 46 years ago, and the cold war ended 2 years ago. Yet we are still picking up the tab. How absurd can we be?

Every day there is a story in the newspaper about a European company buying another American corporation.

In the last 3 years, foreign companies spent $160 billion buying up U.S. corporations.

British investments in the United States climbed from $102 billion in 1988 to $120 billion in 1990, almost a 20 percent increase.

The Dutch ranked third in United States investment. They own Shell Oil, Norelco, Lever Brothers. Dutch investments in this country jumped from $49 billion 2 years ago to $63 billion in 1990.

Those old American brands—Magnavox, Sylvania—they are Dutch. Calvin Klein perfume, Vaseline, Q-tips, they are all owned by Unilever, a Dutch Co.

So, Mr. President given these circumstances, the time has come to bring most of our troops home. It is time we put those tax dollars to work here at home.

We are not talking about peanuts. In a March 1991 report, the Congressional Budget Office concluded that a plan to reduce United States troops in Europe to 100,000—quoting from that report—

> Once fully implemented * * * could reduce annual U.S. defense spending by as much as $14 billion * * * $11 billion of the total savings would be realized in operating and support costs, the remaining $3 billion in procurement costs.

That is a lot of money.

So, Mr. President, we have shouldered the burden of Europe for long enough. They certainly can pay their own way. They will pay their own way.

Mr. DASCHLE. Mr. President, today I rise in support of the amendment offered by the Senator from Ohio [Mr. METZENBAUM] and the Senator from North Dakota [Mr. CONRAD] to reduce the number of troops in Europe from the current 300,000 troops to less than 100,000 by the end of fiscal 1995. I am proud to be a cosponsor of this amendment, which I believe will take us one step closer to a more realistic military force structure in the face of a changing world order.

Over the last 2 years, we have seen amazing changes in our world. The Berlin Wall has come down, the Iron Curtain is open, and the Soviet Union can no longer afford it own military budget. At the same time, our budget deficit here at home has soared, more children in America are going hungry or homeless each day, our kids are turning to drugs and dropping out of school, our family farms are threatened and dwindling, and over 30 million Americans cannot afford basic health care.

It is clear to me that times have changed. The military buildup of the 1980's has led to a host of problems in the 1990's. The situation we must deal with in our policy making today is vastly different than the situation we faced 10 years ago. We can no longer ignore the inequity of a bloated military and a failing infrastructure. We can no longer deny that changes are necessary.

What we have before us today is a clear choice between spending over $14 billion to maintain troops to defend against a threat that is no longer imminent, or investing those funds in domestic priorities and reducing the deficit. For me, the choice is simple.

Calling for a reduction in our troop levels in Europe is nothing more than a logical adaptation to the changes abroad. Clearly, the United States will not shirk from its international responsibilities to its friends and allies, and we should not do so. This action does not represent an abandonment of our friends. In fact, we are merely encouraging the talks that were recently concluded to reduce our forces to 150,000. However, the threat of invasion by the Soviet Union into Europe at this time is greatly reduced. It is unrealistic and unwise for us to continue to keep more than 100,000 troops in Europe for the purpose of defending its borders from Soviet invasion.

The amendment, after consultation with the managers of the bill and members of the committee, has been changed so that it states clearly that the sense of the Senate is to reduce our troop levels in Europe to less than 100,000. This is not a statutory change, nor is it a directive to Secretary Cheney. It merely makes the record clear that we believe troop levels in Europe should be significantly reduced.

This is a commonsense approach to a changing world. For the last 40 years, we have paid out more money in defense of Europe than all of the taxpayers in Europe combined have paid. This amendment is only a modest step toward reducing that inequity, but it is an important step.

Earlier in this debate, the Senate approved an amendment I offered to require greater burden sharing by our allies toward our common defense. These combined efforts will, I believe, ease the burden for American taxpayers and make our alliances more closely reflect the realities of the global situation in the 1990's.

I urge my colleagues to support this amendment.

Mr. WARNER. Mr. President, I respect the views of our distinguished colleague from Ohio and his facts and statistics are very compelling. But I waish to bring to the attention of my colleagues that I take issue with his statement that there is no detailed plan by the administration for troop reductions in Europe.

Indeed, General Galvin, the Commander in Chief, Europe has briefed this Senator on his detailed plan to reduce United States troop levels in Europe to 150,000 by fiscal year 1995. And NATO is working on a new strategy review which addresses the issue of future troop levels in Europe. This new NATO strategy will be formally announced in November of this year.

Let me also bring to the attention of the Senate, reductions are going forward. There has been action on this issue by the Armed Services Committee this year. The committee approved a provision to lower the statutory ceiling on United States troops in Europe from 261,855 to 235,700, a reduction of approximately 60,000 troops from current force levels. That is effective September 30, 1992. This new ceiling is consistent with the administration plans for troop withdrawals from Europe to a level of approximately 150,000 by fiscal year 1995.

I also bring to the attention of the Senate that further reductions to a level of 100,000 will have a major effect on the U.S. role in NATO's new multinational forces, and the ability of the United States to respond rapidly to contingencies in areas of the world adjacent to Europe. I would point out that over 90,000 troops, that is roughly one-third of all U.S. troops in the European theater, were deployed to the Persian Gulf during that crisis, and were a very effective part of the coalition forces.

So I believe the Committee on the Armed Forces is working in a very conscientious way, and we are moving toward the goal of future troop reductions in Europe.

I hope this amendment would not require a rollcall vote, since I believe we have discussed it, the two of us, on a thorough basis.

Several Senators addressed the Chair.

Mr. WARNER. Mr. President, could the Senator from Ohio be permitted to reply to the Senator from Virginia?

The PRESIDING OFFICER. The Senator from Virginia has the floor.

THE PRESIDING OFFICER. Is there further debate? Hearing none, the question is on agreeing to the amendment.

The amendment (No. 1047) was agreed to.

Mr. METZENBAUM. I move to reconsider the vote.

Mr. NUNN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EXON and Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, earlier during this debate it had been my intention to offer an amendment. I will not do so, but I would like to make some brief remarks.

Mr. President, the administration on Monday proposed a $365 million arms sale to Saudi Arabia. Under current law, the Congress has 30 calendar days to review the sale.

Mr. President, our recess begins at the end of today, hardly time enough for the Senate as a whole to consider this sale and to examine how it fits into the sales that have taken place so far this year.

I had considered introducing an amendment today that would, in this case, effectively extend the mandatory review period of this particular sale to 60 days.

It would also require that the President analyze the military balance in the Persian Gulf region, including the nature of the military threat facing countries in the area.

Further, the President would be required to analyze the legitimate defensive requirements, including current inventories of major defense articles, missiles of all types, rockets, and other munitions of each country situated on the Arabian Peninsula.

And finally, since the administration's request is based on the supposed need to replenish Saudi stocks, we ask the President to provide an inventory of the Saudi's weapons and munitions inventories before, during and after Desert Shield.

In each case, the objective is to give the Senate as a whole time to reflect upon this sale and its implications for the future.

However, such an effort would have been a reality. Even if adopted by the Senate, the 30-day review period would have been before the change of law and additional conditions could have been enacted.

Thus, Mr. President, I am using this opportunity to express my deep concern for the rearmament of the Middle East by the United States and to state my intention to offer such a proposal later in this session of Congress.

Mr. President, this sale, in and of itself, would usually not draw much attention. It includes 2,000 MK-84 bombs, 2,100 CBU-87 cluster munitions, 770 AIM-7M Sparrow air-to-air missiles, laser-guided bomb components, and miscellaneous munition components, spare and repair parts. In the overall scheme of things, it is not a backbreaker.

But, Mr. President, taken together with other recent administration Mideast arms sales, this sales raises some very real concerns. On the one hand, the President continues to talk loftily of the need for arms control in the Mideast. On the other, he has pumped into this volatile region billions of dollars worth of arms since the end of the Persian Gulf war; $7.5 billion to be exact. Nine separate sales. All since March 1.

Let me review the list and the dollar value of the arms sold.

March 1, $1.6 billion in Egypt.

March 22, $919 million to Saudi Arabia.

June 11, $150 million to Bahrain.

June 11, $682 million to the United Arab Emirates.

July 11, $473 million to Saudi Arabia.

July 19, $150 million to Oman.

July 19, $250 million to Morocco.

July 19, $146 million to Egypt.

July 23, $2.8 billion to Turkey.

And the most recent sale, July 24, $365 million to Saudi Arabia.

That is 7½ billion dollars' worth in less than 5 months. Is this the new world order the President keeps talking about? At this rate, the region will be ready for another war by the end of the year.

Mr. President, this particular sale comes at a peculiar time, to say the least.

Only a scant few weeks have passed since the United States and the other permanent members of the U.N. Security Council—the United Kingdom, France, the Soviet Union, and China—agreed in Paris to exercise restraint in selling arms.

I am not so naive as to think that arms sales to this region will come to a miraculous stop if the United States halts sales. But I do believe we have a unique leadership role to play in this regard. And we are not playing it. Instead, it seems to be business a usual.

Moreover, whether we play a leadership role or not, we should at the very minimum expect this administration to develop a strategy and a commitment to restraint governing these generous arms sales.

The administration has failed to provide Congress with either a strategy or a commitment to restraint.

If there is one lesson we learned from the war, it is that this region has become a virtual parking lot for arms.

Do we really want to start down the road we traveled in the 1980's, when we poured more than 200 billion dollars' worth of arms into the region?

More generally, do we have any plan whatsoever governing these sales to the region?

What are our overall strategic objectives in unloading more than 7½ billion dollars' worth of military hardware into this region since the end of the war?

What on earth are we getting with all of these armaments. What is in it for us? How are our interests going to be advanced? Are these sales really going to help bring peace to the area? Are they going to increase the feeling of security among the nations in the region?

In the process, we don't need another report on short-term tactics. We need a long-term strategy and a clear definition of our goals. We are not getting that from this administration.

If the administration is under the impression that Congress is going to roll over in the face of these salami tactics—a small sale a month, if you will—I think we need to tell them otherwise.

Mr. President, the United States has a historic opportunity to change the way we do business in this volatile region. I fear that we are squandering that opportunity. I ask my colleagues announce to the administration that we will not stand still for business as usual.

Mr. President, it will be my intention when we return to offer legislation which would amend the Arms Export Act to provide the Congress 60 days in which to review so that we would not be caught in a circumstance such as we currently find ourselves, and also, as it relates to sales in the Persian Gulf region, require the President to submit with his request a statement of what is our strategic position, what is our vision in that region of the world, what is it we are trying to accomplish, and, if other requests are similar to that which have been provided to Saudi Arabia, that there be a statement as to why these particular items are necessary in order to replenish inventory, which is the basis of the Saudi request.

Mr. President, what makes me particularly concerned about this sale is that this is by no means the only sale which has been made in this region. In fact, $7.5 billion of arms sales have been made since March 1 into the Persian Gulf region. I have detailed the dates and the amounts and the country to which those sales were made.

Mr. President, at the time we are looking for a new position in this region of the world, when the world is asking for a deescalation of the arms race in the Middle East, we have just paid a very heavy price for having allowed $200 billion in arms sales made to that region over the decade of the 1980's, I think that prudence and good sense requires us to be very careful about rearming, a redeployment of additional armaments to what has already become the parking lot of arms for the world, the Middle East.

Mr. COATS. Will the Senator from Florida yield to me for a brief comment?

Mr. GRAHAM. I yield to the Senator from Indiana.

Mr. COATS. I thank the Senator for yielding. I want to express my appreciation to the Senator for his work on what I think is a very important issue.

I was privileged to assist in a small degree on this matter. I understand the reasons why he is not going to offer the amendment now. I think it is important that we revisit the question when we come back. It raises a very important point. I look forward to working with him on it. I thank the Senator for yielding.

Mr. GRAHAM. I appreciate the statement made by my colleague from Indiana. That concludes my comments on this matter. I look forward to turning to this issue with our colleagues as we return in September.

ARMS SALES TO SAUDI ARABIA

Mr. BYRD. Mr. President, on July 15, Senator DIXON and I introduced two resolutions prohibiting the sale of F-16 fighters to Korea. At that time, I stated that my objection was based on the failure of Korea to fulfill its pledge to support Operation Desert Storm and the prohibition, contained in section 109 of the Desert Shield Supplemental Appropriations Act, against arms sales to countries that have not fulfilled their commitments.

Section 109 was included in the Desert Shield supplemental because of concern that the United States, having borne the majority of the burden for the military operation in the gulf, would be saddled with picking up the tab for the financial costs as well. I and many of my colleagues feared that the mercifully quick end of the war would cause some of the contributors to rethink their pledges. But, during questioning before the Senate Appropriations Committee, witnesses from the administration assured the Congress and the American people that these pledges of financial support were solemn commitments made by sovereign nations that would be bound to fulfill them swiftly.

Now, more than 4 months after the end of the war, we discover that our fears are being realized. The payments have not been swift. We are still owed approximately $8 billion, most of it by Saudi Arabia and Kuwait, the countries we saved from extinction. Saudi Arabia and Kuwait should think back to last August. The United States didn't hesitate then. We took swift and decisive action to stop the aggression of Saddam Hussein. We committed our country's military might and the blood of our citizens to defend their homeland and we expect them to honor their commitments to help us shoulder the financial cost of that effort.

Yesterday's Wall Street Journal reported that in testimony Tuesday before the House Ways and Means Committee, OMB Director Darman said the United States Government was pressing Kuwait and Saudi Arabia to pay their pledges, but that both countries are financially strained. By strained he means that they have been forced to sell off some of their assets and resort for the first time to borrowing money to cover their expenses. You heard me correctly, they are forced to borrow money for the first time. If this is the criteria to qualify for strained, then I shudder to think of the condition of the U.S. economy. Saudi Arabia owes us $4.11 billion; the United States Treasury is forced to borrow that much every 4 or 5 days. I do not have much sympathy for the strain that Saudi Arabia and Kuwait are experiencing.

Despite section 109, the President has formally notified the Congress of three proposed armed sales to Saudi Arabia. Saudi Arabia still owes the United States $4.11 billion of its $16.839 billion commitment. Obviously, Saudi Arabia has not fulfilled its commitment as required by Public Law 102–28. I cannot understand the reluctance on the part of Saudi Arabia to pay its debt. Nor can I understand the administration's insistence on pressing forward with these arms sales in clear contradiction to section 109.

Furthermore, I find the whole pattern of rapid rearmament of the Middle East to be particularly troublesome. Since the end of hostilities in Iraq, the administration has announced the sale of attack helicopters to the United Arab Emirates, aircraft parts to Morocco, Hawk missiles to Egypt, and armored vehicles to Oman with more sales under discussion. All of this in the wake of pronouncements from the five permanent members of the U.N. Security Council, including the United States, of their intentions to restrain the flow of military hardware to the region.

As I said when opposing the F–16 sale to Korea, it is my sincere hope that we will collect all of the outstanding pledges, but until that happens I will continue to oppose sales to delinquent countries. The Wall Street Journal quotes Mr. Darman as describing the diplomatic pressure being put on Kuwait and Saudi Arabia by saying, "* * * we need you to be paying a little more rapidly here. It's in your own interest * * * not the least that you'll be called to account publicly in some way by the U.S. Congress." I think Mr. Darman is exactly right.

I ask unanimous consent that a letter from me to President Bush expressing my opposition to these sales be placed in the RECORD. I further ask unanimous consent that the above mentioned Wall Street Journal article also be placed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Aug. 1, 1991]

KUWAIT, SAUDI ARABIA TOLD TO PAY FOR THEIR WAR COSTS

WASHINGTON.—White House Budget Director Richard Darman told Congress that the U.S. government is pressing Kuwait and Saudi Arabia to pay the $8 billion they still owe toward the cost of Operation Desert Storm, but said both countries' finances are strained.

"Saudi Arabia is in a situation where they are already violating what had been their previous approach in borrowing in order to finance themselves," Mr. Darman told the House Ways and Means Committee. "Kuwait's economic recovery is not coming along as quickly as we and they had hoped. And so they're strained."

Saudi Arabia and Kuwait have contributed more than $2 billion each toward the cost of the war. In all, U.S. allies pledged $54 billion in cash and goods and services; $46 billion has been received so far. Mr. Darman denied that the U.S. will turn a profit on the war.

Mr. Darman said the Bush administration is putting diplomatic pressure on Kuwait and Saudi Arabia to pay up, saying, "C'mon, c'mon, c'mon, we need you to be paying a little more rapidly here. It's in your own interest . . . not the least that you'll be called to account publicly in some way by the U.S. Congress."

COMMITTEE ON APPROPRIATIONS,
Washington, DC, August 1, 1991.

Hon. GEORGE BUSH,
President of the United States,
The White House, Washington, DC.

DEAR MR. PRESIDENT: On June 20th of this year I wrote to you expressing my concern over the interpretation and implementation of section 109 of P.L. 102–28, the "Operation Desert Shield/Desert Storm Supplemental Appropriations Act, 1991."

Section 109 prohibits the use of funds for arms sales "to any country that has made a commitment to contribute resources to defray any of the costs of Operation Desert Storm and that has not fulfilled its commitment." The intent of this language was to ensure that once the war was completed the countries that benefitted from United States involvement did not then lower the priority of their commitments to us. It made sense to me and to my colleagues that if a country had the money to buy our weapons then it should first fulfill its pledge.

Despite the prohibition of Section 109, the State Department has notified the Congress of three arms sales to Saudi Arabia, a country with an outstanding commitment of $4.11 billion, and a sale to Korea, which has paid only 62 percent of its pledge. Of course the thirty-day notification period for these sales will expire while the Congress is out of session in August.

In a July 15th letter to the General Accounting Office, the State Department's Assistant Legal Advisor asserted that, "We do not interpret Section 109 as prohibiting Executive branch officials from taking steps that might be preliminary to the making of sales, *so long as no agreements are actually concluded* * * *" (italic added). Given the clear intent of Section 109, and in light of the written opinion of the State Department, I ask that you refrain from finalizing the four pending sales and any future sales to Korea or Saudi Arabia until they have paid their entire pledges.

It is still my hope that countries that have not fulfilled their commitments to the United States will do so soon.

With warm regards, I am

Sincerely,

ROBERT C. BYRD,
Chairman.

AMENDMENT NO. 1048

(Purpose: To limit the use of funds for the Rail Garrison MX (RGMX) program)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for himself, Mr. LEVIN, Mr. KERREY, Mr. BRYAN, Mr. WELLSTONE, Mr. ROBB, Mr. GLENN, and Mr. DECONCINI, proposes an amendment numbered 1048.

Mr. EXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On Page 50, below line 22, insert the following:

(e) LIMITATION ON RGMX PROGRAM.—(1) Notwithstanding subsection (a), of the amounts appropriated pursuant to section 201 for the Department of Defense for fiscal year 1992, not more than $575,909,000 shall be available for the intercontinental ballistic missile (ICBM) modernization program, of which—

(A) not more than $548,838,000 shall be available for the small ICBM (SICBM) program; and

(B) not more than $20,000,000 shall be available for the rail garrison MX (RGMX) program.

(2) Funds made available pursuant to this subsection for the rail garrison MX (RGMX) program may be used only for the completion of critical design reviews and may specifically not be used for the procurement of trains, locomotives, or railcars.

(b) REDUCED AUTHORIZATIONS OF APPROPRIATIONS.—(1) Notwithstanding section 201(3)(A), the amount authorized to be appropriated for the Air Force for fiscal year 1992 for research, development, test, and evaluation is $14,448,254,000.

(2) Notwithstanding section 201(3)(B), the amount authorized to be appropriated for the Air Force for fiscal year 1993 for research, development, test, and evaluation is $10,394,385,000.

Mr. EXON. Mr. President, I want to repeat again that the amendment that I have just sent to the desk is offered in behalf of myself, an original cosponsor, Senators LEVIN, KERREY, BRYAN, WELLSTONE, ROBB, GLENN, and DECONCINI.

I introduced this amendment to eliminate $225 million in what I think is wasteful spending under the mobile rail garrison MX program. Mr. President, I take second place to no Member of the U.S. Senate in my support of the MX missile and then the rail garrison portion of the MX missile that was fostered and developed first by the Carter administration as a mobile missile, strongly backed by the Reagan administration, and then by the Bush administration.

Time after time I have stood for the MX and have been one of the leading proponents over the years of making that 10-warhead missile mobile on a train.

In fact, I think year after year I stood down there just at the well of the Senate and carried the ball on several attempts to eliminate funding for the rail garrison MX. I have been working with many other Members of the Senate on both sides of the aisle that have had a strong record of support for the concept of the rail garrison MX program.

I only say that to make it clear that this Senator does not come as one who has forever opposed first the MX missile, and then the rail garrison concept. But somewhere along the line, we have to face facts.

The facts of the matter are that the administrator and the Air Force together, or at least in concert, have decided that we are no longer going to deploy the rail garrison MX as an operational part of our nuclear deterrent. Oh, yes, they want to have some arrangements to put it in mothballs, to have it in mothballs to bring out in case it is ever needed.

This has gone on so long that maybe all Members of the Senate understand it. Possibly some people in the United States, maybe, do not quite understand what the concept was.

The concept basically was to take this rather large missile that was designed from the beginning as a mobile missile, or one that could be moved around to further enhance our deterrence against the Soviet Union, that we would put two or four or six of these, depending on the number of railroad cars, and have these railroad cars in garrison, meaning inside a military base. They would only be deployed out on our railroad networks in the United States upon the order of the Commander in Chief in what he might think was a pending crisis.

That was the last concept that was developed. I thought it was a good one.

In the meantime, when we finished building and perfecting the MX missile, which I think most would agree of all of the missiles that we have developed, has withstood the test of time, has withstood the many tests they have been submitted to, test firings at one of the most successful missile programs we have ever had, and indeed although it is large, it could be made portable.

Along about this time we finished up production on the MX missile, but we did not have any place to put it. That was somewhat embarrassing because when the MX missile program first came into being, it was specifically designed as a mobile missile, as opposed to a missile that would be placed in a fixed silo.

Then, early in the administration of President Reagan, here we had this splendid missile that could contribute to our deterrence, but we had no mobile platform to move it about. So at that time a decision was made, since we did not have anyplace else to put this mobile missile, we would put it right back in the silo, to replace older missiles.

The reason that we developed the MX missile in the first place, was to make it mobile so it was not a sitting duck target. But the first great embarrassment, as far as the MX was concerned, was when after all we decided that although it was a mobile missile we did not have any place to put it, so we put it right back in the hole and made it just as vulnerable to Soviet attack as the missiles that it replaced.

That is a little bit of history. We kept going on and on. Then we got to the place where the rail garrison concept—I accept it, many people accept it—it was opposed by many great people for a variety of reasons, some of them good. But in any event, as time went on, then the MX missile was no longer a new missile.

In any event, as time went on then, the MX missile was no longer a new missile; it was becoming an older missile. Along came the new small ICBM, which is a single warhead missile, commonly referred to as the "Midgetman." The Midgetman is now our development missile and, probably, the missile of the future, if it is eventually developed as I think it should be, as further modernization of our nuclear deterrence. In the opinion of this Senator, it is going to be necessary for a long time to come.

Mr. President, it has been said many times on this floor—and I think it should be repeated over and over again—that, especially, we cannot let down our deterrence, as far as missiles are concerned, because at this very moment, the Soviet Union, despite the strides that we have made, despite the START Treaty that was signed the day before yesterday, despite the warning of relations, the Soviet Union is now improving their ICBM deterrent force faster than at any time in history. Therefore, the national security interest of the United States has to be served by us maintaining that deterrence, and recognizing that we have to move forward.

There is no other way to go forward, it seems to me, given the facts that face us, but to continue to develop the small ICBM or Midgetman as the next generation of our land-based strategic nuclear deterrent.

Having said all of that, it is now clear that the administration has given up and has placed a very low priority, or any priority at all, with regard to ever making the MX mobile. Therefore, I challenged in the committee, and I challenge on the floor, that we should attack this wasteful spending of $225 million in fiscal 1992.

The administration still proposes to build a train—one train only—and then immediately put it in mothballs. The defense authorization bill that is before us contains $245 million in research and development funding for the rail garrison MX program. This $245 million includes $20 million for the completion of the critical design reviews, which I think is necessary, and I am not attacking that part of the funding. These, together, are for the completion of at least one operational model rail garrison MX train.

The train is made up of seven cars pulled by two locomotives. Procurement will ultimately cost—bear this in mind, that is just the downpayment—$225 million and $245 million.

Eventually and ultimately, the cost of this train to the taxpayers is $600 million. It is this $225 million that should be deleted as unnecessary and, thus, the follow-on spending would fall as well.

There are no plans within the Pentagon to ever deploy the mobile rail MX garrison system. This is important for Senators to understand. The present Department of Defense plan is to close out the research and development effort under the program and mothball the system for at least 6 years, if not permanently.

The intent behind purchasing this expensive train was to conduct a flight test—this is what the administration proposed when they sent the defense bill over to the Armed Services Committee. They proposed that we finance this expensive train, and after it was conducted, they proposed to conduct one single test flight on one MX missile from the operational train that would cost $600 million. Yet, the Senate Armed Services Committee has forwarded to the Senate this defense authorization bill which, in my view, wisely prohibits the firing of the single test flight to avoid having the MX missile designated as a mobile missile.

Designating the MX as a mobile missile, even though it will remain in silos, may undercut a promising option for the START II negotiations. The offering of a ban on mobile MIRV ICBMs is something that is in the offing, and the interim step toward a ban of all land-based MIRV ICBMs, which some day in the future might come to pass. The Air Force itself has testified that this one proposed test flight, though prohibited by the Senate bill that is before us, is statistically insignificant. Then why spend $225 million in fiscal year 1992 funding, and $600 million to build and maintain one train only, to turn around and place it in storage?

The Air Force has conceded that if the United States was to determine at some future date that the rail garrison MX had to be brought out and deployed, a minimum of five verification test flights would have to be conducted, and numerous production trains would have to be produced, requiring a period of many months, at a minimum, and probably years, thus making the rail garrison system in mothballs irrelevant to any sort of a so-called crisis scenario.

More than $2 billion has already been spent on the rail garrison MX program. The administration, in its budget request, plans to take $170 million in fiscal year 1991 funding and combine that with the $225 million in fiscal year 1992—that is the money I am trying to knock out—plus an additional $100 million that they say they will request in fiscal year 1993, to buy a $495 million train, which will be immediately mothballed.

The administration then plans to spend an additional $102 million between fiscal years 1994 and 1997 to maintain this train in the mothball status, bringing the total cost of this cold war museum piece to $600 million. The political and budgetary reality, though, is that the MX missile is never going to be redeployed from silos to trains.

Mr. President, spending an additional $225 million in this upcoming fiscal year for one operational train, only to immediately mothball it for at least 6 years will in no way enhance our national security. At a time when our Federal deficit continues to mount and worthy programs are being cut, it would be irresponsible, in my view, to allow this wasteful spending.

Mr. President, I yield the floor.

Mr. GORE. Mr. President, I rise in opposition to the amendment, and I rise in support of a motion to table which I hope will be forthcoming after we have had a chance to talk about this.

Let me begin. If I could get the attention of my colleague from Nebraska, I would like to begin by saying what members of the Armed Services Committee know, and some other Members of this body know, but many others may not know, that the senior Senator from Nebraska spends countless hours upon hours upon hours in hearings, sometimes when no other Member of the Senate is present, going into the intricate details of all of our strategic programs, and as a steward of those programs in behalf of the entire Senate and through us in behalf of the American people, he has developed a comprehensive understanding of what those programs are all about, about how they fit into our Nation's security, what the future of those programs might hold, and he has developed strong views about what should take place.

As often as not—and in fact I would say usually—I find myself in agreement with my colleague, the senior Senator from Nebraska. My respect for him is boundless, and I say that very sincerely. Sometimes I will come late to one of these meetings and and I will see him there all by himself, and the witnesses in the hearing will have loosened their ties and they will be hot from the intensive questioning to which they have been subjected as the Senator from Nebraska seeks to save the taxpayers money and at the same time ensure that the security of this country is never put into question. So when he speaks on a subject of this kind, we all naturally listen with great care. He brings experience and knowledge to the subject.

It is with regret, therefore, that I oppose him. And it is with regret that I inform my colleagues that should the motion to table not be agreed to, I would be forced to insist that the debate on this question be sufficiently lengthy so that the stakes involved are fully debated.

I do not say that in a cute way to say I will filibuster this if the motion to table is not agreed to. I do not think I have ever done that. The first year I was here I was involved in extended debate on an agricultural bill and the Senator from Nebraska was on the same side I was on, that in behalf of the farmers of this country. Since that time I do not think I have had an occasion where I felt so personally the real intent and meaning of the unique rules of the Senate which say that if an individual Senator believes strongly enough that an issue is so important that it has to be debated fully and completely, notwithstanding the fact that every other Member or many other Members of the body may be personally inconvenienced as a result, then a Senator has that right.

I feel that strongly about this issue, and I would like to take this brief time to explain to my colleagues why I feel that strongly.

First of all, what we are debating here is not the beginning of a new system. It is the manner in which a system is ended. This is the last year of funding. How will the system be put into mothballs? Will the $2 billion already spent be validated with enough testing and review to enable the Department of Defense to put this system on the shelf in a way in which it can be removed and put back into the inventory at some future date with confidence that is a sensible thing to do? Or will we say the $2 billion is completely down the drain?

We are not going to end that phase of the program as it should be ended by spending the final small increment to make certain that the remaining questions have been answered that need to be answered before it can be put on the shelf and mothballed. As you might suspect, more is involved, and I wish to elaborate on what more is involved.

But first let me quote from the distinguished chairman of the Defense Appropriations Subcommittee in the other body, Congressman MURTHA, who said on June 7 of this year, on this subject:

> Mr. Chairman, we are trying to work with them and mothball a system which all of us agree is not needed now, but we do think we need the ability to respond and, as the gentleman suggested, it has taken a long time for us to get to this position.

Congressman MURTHA of the other body is saying that it is being finished but it is being finished out in good order. The House of Representatives voted on this very question and the vote was 229 to 155.

There is a little history to that vote, and I want my colleagues here to be aware of that history. A year earlier the vote was different. Those funds were removed and the entire strategic modernization program collapsed totally. The House of Representatives has always been hostile to the MX, always much more hostile to the MX than this body. But the House of Representatives voted 229 to 155 this year to finish it out in good order and that is what we are being asked to do here.

Strategic consensus in a democracy is itself an asset. This Nation has wrestled for 20 years and more with the decisions on how to best modernize the ICBM force. When I first came to this body, I was appointed as a freshman by the then majority leader, the senior Senator from West Virginia, the President pro tempore, as a member of the arms control observer group. No group in the Senate on which I have served has been as interesting, as valuable, as enriching an experience as serving on that group.

As a member of that group, I followed closely the entire debate and negotiation on the START treaty. I also followed the preliminary discussions between our negotiators and the Soviet negotiators about the design of a START II treaty. The START II discussions are now getting underway. The charter for those discussions was formally laid down with an agenda agreed to by both sides in November 1990.

One of the subjects to be discussed in START II has already been mentioned by the Senator from Nebraska, the phasing out of land based MIRV'd systems, a ban on MIRV'd mobile systems, a transition toward single-warhead mobile systems.

On many occasions, President Gorbachev and his military advisers have said the future strategic relationship between the United States and the Soviet Union, if it is constructed in an ideal fashion designed to promote the removal of unreasoning fears of attack on both sides, fears of a first strike on both sides, in a way that creates the opportunity for much deeper reductions in the number of offensive weapons on both sides, will consist of an arsenal of single-warhead mobile missiles as the mainstay of the offensive force deployed by both countries.

It is a rather remarkable congruence of thought when one lays the Gorbachev statements side by side with the statements contained in the Scowcroft Commission of almost 10 years ago which came to almost precisely the same conclusion.

Both countries are moving in the same direction. We have to get through this transition period. Part of the transition involves banning MIRV'd mobiles on both sides. The Soviet Union has deployed MIRV'd mobiles. We will be able to trade our MIRV mobile for their MIRV mobile, and get through this transition. We will be able to deploy single-warhead mobile missiles in smaller numbers, as they do the same, to move toward a relationship characterized by stability, notwithstanding what happens on defenses in the future, although the way that question plays out, of course, could be threatening to any stable relationship. But I would say regardless how one feels about defenses, one wants a stable relationship between the offensive forces of both sides.

I had an occasion 18 months ago to sit in a private meeting with one of the leading military analysts in the Soviet Union in Moscow. Another Member of this body was present and can verify the remarks. This Soviet military analyst—and he is characterized as a hardliner—when asked what is the prospect for making this transition, he said——

Mr. NUNN. Mr. President, I do not want to interrupt the Senator, and I apologize for interrupting. But there are about five people who want to speak on this amendment, and we really need to move this process along.

I am getting an awful lot of pressure. I believe the quicker we go to a vote on this amendment, the more likely it is the Senator from Tennessee will be pleased with the result.

Mr. GORE. Mr. President, I will take only another few minutes.

This senior Soviet military analyst said if the United States Congress will just get the MX missiles to the bargaining table, we can wrap this thing up. Now I know, Mr. President, that the very phrase "bargaining chip" is in disrepute. I understand that.

But, Mr. President, those of us who have made this argument in conjunction with the START I talks, I believe, are entitled to say in the week of the signing of that treaty that our theories have had some value.

Mr. President, I do want to say that should the motion to table not succeed, I will feel the need to speak longer on this because I feel very strongly about this.

But out of respect to the chairman of the committee, I yield the floor.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Who yields time or who seeks recognition?

The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise in opposition to Senator EXON's amendment to delete funds for the rail garrison Peacekeeper Program. For years now, the Congress has tried to achieve a consensus on the ICBM modernization. The debate over ICBM modernization has unfortunately been polarized in two extreme directions. For some reason, the rail garrison and MX programs have been seen largely as Republican programs, while the small ICBM has been criticized as a Democratic program. I have never accepted this political characterization of the ICBM modernization programs. I have, and will continue to, support both ICBM programs. Each, for various reasons, has unique characteristics that are necessary to provide our deterrent force with credibility and needed systems to reinforce strategic stability.

Mr. President, last year the Congress finally forged a consensus on the ICBM modernization. I was not fully pleased with the outcome of that consensus because it denied funding for the procurement of rail garrison—a program that I still think is needed given the unabated modernization of Soviet strategic forces. But for the better good of the overall U.S. strategic force modernization program, I accepted this compromise. But as part of that compromise, the conferees agreed that the rail garrison program should be terminated and mothballed at a logical termination point to take full advantage of the over $2 billion in research and development invested in the program, while at the same time endorsing continued investment in the small ICBM program. Indeed, the conferees stated in their report the reasons why the rail garrison research and development program required completion:

> Research and development of the rail garrison MX and Small ICBM is a prudent and necesary hedge (a) against the robust Soviet strategic nuclear modernization program and, in particular, Soviet rail- and road-mobile ICBM progrms, (b) against possible future threats to the invulnerability of the sea-based leg of the strategic Triad, and (c) to help ensure the continued stability of the strategic balance as the United States negotiates reductions in its strategic forces under the prospective START agreement and planned follow-on negotiations for further reductions.

The conferees went on to say that:

> Any funds obligated or expended for the rail-garrison MX system should be used only to conduct critical activities needed to complete research, development, test, evaluation and maintain the key technologies for that system on a stand-by or "mothball" status.

Mr. President, I emphasize: Maintain on a standby or mothball status. For the very reasons outlined above by the conferees, the United States must finish research and development at a logical termination point that allows us to benefit from the $2 billion invested as I stated above, but also as a hedge against a reversal in the existing favorable trend in United States-Soviet relations. At the time the conferees negotiated this compromise, we were well aware of the warming relations between the two countries due primarily to the historic changes in Eastern Europe. Nonetheless, the Soviet strategic modernization program was not slowing to any noticeable degree last year. In fact, the Soviet Union is continuing with their robust modernization, including the development of 5 to 6 new ballistic missiles, two of which are for their rail- and road-mobile system. We must wonder why or how the Soviet Union can continue with this robust modernization effort at a time when they cannot house or feed their own people.

Mr. President, if Senator EXON's amendment were to pass, the United States would not be able to have this system in reserve, and it would greatly undermine the leverage of our negotiators in follow-on START discussions to meet the objective of eliminating mobile MIRV'd ICBM's. Returning back to my earlier point, it would also undermine the fragile consensus on ICBM modernization. This could easily translate into an attempt by some, particularly in the House, to terminate the small ICBM program. This outcome would be highly unfavorable for our strategic modernization program, and for strategic stability.

Mr. President, I must restate: Early termination of the rail garrison program would preclude the development of the documentation required for a possible restart. This leaves the Air Force with an unvalidated design and virtually no ability to restart after investing $2 billion in research and development. Thus, a restart of rail garrison would result in having to redo many of the tasks already completed with a significant schedule delay.

I must remind my colleagues that there are termination costs associated with this program. If approved, the amendment probably requires that certain funds be made available for termination costs that could range from $50 to $100 million. This is due primarily to the fact that the Air Force could not terminate this program until after conference because the House has fully funded the rail garrison program.

Mr. President, I want to say that Senator EXON and I agree on almost all issues within our subcommittee. We have worked well over the years, and I consider Senator EXON not only a well-respected colleague, but also a trusted friend. However, I feel that the rail garrison is a valid and important program that deserves a logical, fiscally responsible termination. Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, I see the Senator from Michigan rising. At some moment shortly it would be my intention to offer a motion to table this amendment. I think the points on our side have generally been made. I think the points about the waste of money have generally been made. I know the Senate is anxious to go, and it would appear that this will be nearly the last vote tonight. That is presuming the success of the tabling motion.

If that is not successful, I fear where we go from here. If the Senator from Michigan is wishing to speak in behalf of this, I will withhold my motion to table.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I thank Senator WALLOP for withholding that motion to table for a few more minutes.

We have debated for many years just what strategic modernization programs were necessary to preserve stability and deterrence between us and the Soviet Union. The committee has received extensive testimony on MX rail garrison, and I just want to list a few of these statements for the Senate before we vote on this, because, Mr. President, a consensus has been reached. We are not going to put the MX on railroad trains. That is the heart of the consensus. That is the heart of the decision. That is finally what we have concluded. We are not going to put the MX on railroad trains.

General Butler, who is commander in chief of the Strategic Air Command, testified that the plan to put MX rail garrison in mothballs and not to deploy it on trains was fiscally prudent.

General Powell has confirmed to the committee that the Department of Defense has no plans to deploy rail garrison MX. The MX rail garrison program, its destiny, is now clear. It is going into mothballs. It is going to be put on the shelf. The only issue is whether or not we are going to spend another $200 million-plus to build one train of the 25 that would be needed for this system to work before we put it into mothballs.

One of the purposes of that train was so we could have test-firing of a missile from the train. We are not going to have that test-firing even if we build that one model train. We decided to kill that one test-firing.

Mind you, you would have to have many, many more test-firings than that if we ever took this off the shelf. But nonetheless we are not even going to have one test-firing from the one model train.

So now the question is why $200 million plus for that train? And the answer, I believe, is because the train has a momentum of its own. There is no logical reason to build that one model train. If we bring this system out of mothballs without building this model, if we ever did that for some totally unforeseeable reason, it would take us 56 months to get up to full-rate production of the trains that we would need. If we build the one model train now, it would take us 48 months to do that. That is what we are now talking about. That is the difference we are now talking about.

Our good friend from Nebraska is not only one of the strongest supporters of defense in this body, he has been a strong proponent of the MX. But he is something else. He is fiscally prudent and he is logical. His amendment reflects both the new consensus on MX, which is that we are going to put it, right away, into mothballs. That is its destiny.

But his amendment also reflects some commonsense fiscal prudence, which is, since we know it is going right into mothballs, put the plans into mothballs and do not build one model train and then mothball it. This will be one of the few times we can save a little money on this bill. It is money that can safely be saved. It is money that in good, common, prudent, common sense must be saved.

I commend the Senator from Nebraska for his amendment. I hope it is not tabled. I think we have reached a consensus now we are not going to build MX rail garrison, and we ought to be consistent and not spend over $200 million on a train we are going to immediately mothball, knowing if ever we took it out of mothballs, it would take us years to get full-rate production of all the other trains that were necessary and to do the flight testing of the missiles that would go with those trains.

I commend Senator EXON on his logic and on his consistency.

Mr. WALLOP. Mr. President, I would say, should the Exon amendment succeed, it is the certain death knell of any mobility possibility on the rail mobile MX, with grave arms control consequences and grave potential future consequences to the United States mobility at a time when Soviet missilery is becoming, now, 80 percent mobile.

I believe the Senator from Tennessee wished to speak.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. GORE. Mr. President, I only have one other short statement to make. There is a difference between throwing something away as completely worthless and carefully preparing for storage something which might in the future retain some of the value which has been invested in it. We are ending this program. Will we simply discard the $2 billion as having no value and as being declared totally worthless? Or will we carefully prepare it for storage in the event it might be needed? We are in an uncertain world. We do not know what the future holds. And, if it is in the latter category, it preserves its value in the negotiations which are following right now on the heels of the START I Treaty.

The Air Force Chief of Staff, Gen. Merrell McPeak, said in a letter to the chairman of the Subcommittee on Defense Appropriations, dated today:

> Obviously it is essential that all of the peacekeeper rail garrison research, development, and testing be completed to hedge against future uncertainties. Once tested we can put this technology on the shelf with confidence that the United States possesses a mobile option that can be quickly fielded, should the need arise.

I understand that the distinguished senior member on the other side wishes recognition. I yield the floor.

Mr. SIMPSON. Mr. President, it just does not make any sense to kill off the MX Rail Garrison Program when we have not yet deployed a mobile missile. The Soviets have a decided and clear advantage in this area and we must ensure that our missiles are as survivable as Soviet missiles.

We cannot afford to pretend that American security interests are somehow "safe" because we have improved relations with the Soviets. The Soviet situation is not stable. We do not know what the future will hold and we have a tremendous responsibility to ensure that our deterrent strength is preserved.

We do have MX missiles deployed in fixed silos, but these missiles are not as survivable as a mobile missile. We have already spent close to $2 billion developing the MX and rail garrison and it does not make any economic sense—and is a flight from common sense—to pull the plug on the program at this time.

The START treaty limits warheads on mobile missiles to 1,100. That sounds good, except for the fact that we don't have a mobile missile. So the Soviets can right now field over 1,000 warheads on mobile missiles while we sit around on our duffs and argue about whether we should develop a small mobile missile or the rail garrison project.

My old pal Secretary Dick Cheney is known in this town as a very thoughtful and prudent fellow and he has strongly supported the Rail Garrison Program and he has done that for good reason. He knows that intelligent defense planners must plan for worse case scenarios. We should not look at strategic planning through rose colored glasses. We need a land-based missile leg of the strategic triad that is mobile—even if we do have better and stronger relations with the Soviets.

The rail garrison concept is unique because it involves placing a missile on a train instead of moving it about on roads. We do know that mobile missiles deployed on trucks are much more expensive and that the impacts on public lands are much greater.

We do not know how many mobile missiles we are going to deploy in the future, but if we do not finish the development of an operational train we will be placing ourselves at a severe disadvantage in the future. And that is exactly why I am strongly opposed to the Exon amendment.

Contrary to what we have heard on the floor today the MX will contribute to ever greater American security and we ought to be about our business and continue on with this very vital program.

I also commend my long time friend, my able colleague for his unflagging work in preserving and protecting this worthy project. You have done a superb job for your country Senator MALCOLM WALLOP.

Mr. WALLOP. Mr. President, I yield to the Senator from South Carolina to offer the tabling motion and just express my hope that this is tabled. Otherwise, I fear for the length of time the Senate will be here.

Mr. THURMOND. Mr. President, I move to table the amendment.

Mr. WALLOP. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. WALLOP. I ask unanimous consent on behalf of the Senator from Tennessee he be added as one of the tabling parties.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no further debate, the question is on agreeing to the motion of the Senator from South Carolina to lay on the table the amendment of the Senator from Nebraska. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY] and the Senator from Arkansas [Mr. PRYOR], are absent because of illness.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. LOTT] is necessarily absent.

The result was announced—yeas 49, nays 48, as follows:

[Rollcall Vote No. 180 Leg.]

YEAS—49

Bentsen
Bond
Breaux
Brown
Burdick
Burns
Coats
Cochran
Cohen
Craig
D'Amato
Danforth
Dixon
Dole
Domenici
Fowler
Garn
Gore
Gorton
Graham
Gramm
Grassley
Hatch
Heflin
Helms
Inouye
Kasten
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Packwood
Pressler
Reid
Roth
Rudman
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—48

Adams
Akaka
Baucus
Biden
Bingaman
Boren
Bryan
Bumpers
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Byrd
Chafee
Conrad
Cranston
Daschle
DeConcini
Dodd
Durenberger
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Riegle
Robb
Exon
Ford
Glenn
Harkin
Hatfield
Hollings
Jeffords
Johnston
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Wellstone
Wirth
Wofford

NOT VOTING—3

Bradley
Lott
Pryor

So the motion to lay on the table the amendment (No. 1048) was agreed to.

Mr. Bradley necessarily absent.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. WALLOP. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I would like to send an amendment to the desk. It is my understanding, having spoken to the two managers of the bill, that the—

Mr. NUNN. May we have order?

The PRESIDING OFFICER. The Senator from Georgia is correct.

Mr. MITCHELL. Would the Senator from Nevada yield for one moment, Mr. President?

Mr. REID. I am happy to yield to the majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. May I have the attention of Senators, Mr. President?

Mr. President, Members of the Senate, it is not my intention to seek a rollcall vote on final passage unless one or more Senators expresses a desire to do so. Some of our colleagues have left; some are leaving. We are close to final passage now, I believe. If no Senator now expresses a demand that there be a rollcall vote, all Senators will then be on notice that it is our intention not to seek a rollcall vote on final passage.

Mr. President, I would like to yield to the distinguished Republican leader.

Mr. DOLE. We have no request for a vote on final passage. We think we can maintain that posture.

Mr. WIRTH. Is it the leadership's intent to bring up any other legislation tonight, or would this be the last major piece of legislation before us?

Mr. MITCHELL. The only other measures will be those which are agreed, with respect to which no rollcall votes will be required.

Mr. WIRTH. Are we going to have any appropriations bills, or any other kind of legislation coming up this evening?

Mr. MITCHELL. No.

Mr. WIRTH. The answer to that is no?

Mr. MITCHELL. There will be no further appropriations bills this evening.

Mr. REID. Mr. Leader, I may have missed the statement of the majority leader. Did the majority leader say there would be no more rollcall votes? It is my understanding, on the amendment that I am to offer in just a short time, that there will be a rollcall vote.

Mr. MITCHELL. If I stated that, I misspoke. What I thought I said, and I intended to say, is that there will be no rollcall vote on final passage. I did not intend to suggest that there would not be votes on other amendments prior to then.

Several Senators have inquired about final passage. There may be a vote on this amendment, and possibly others. I do not know about that.

Mr. DOLE. Mr. President, I wonder if we might—I think this will be the last vote, on this amendment. We have a number of colleagues who are about to miss connections, and if this would be the last amendment requiring a rollcall, we can accommodate them.

Mr. REID. Mr. President, if I can respond to the minority leader, it is not this Senator requesting the rollcall vote. But it appears that is the only way I can have my matter adjudicated.

Mr. WARNER. Regrettably. And this is a Senator that will request a rollcall vote. I will not require more than 10 minutes in which to state this Senator's views on an amendment.

But I suggest we acquaint the Senate with the nature of the amendment before we ask for a time agreement. I would require no more than, say, 7 minutes.

Mr. MITCHELL. Mr. President, just so there is no misunderstanding, I want to make it clear to the Senator from Colorado and other Senators, we regularly do a substantial amount of business at the conclusion of the day that does not require a rollcall vote. That may be the case this evening.

I do not want anybody to be under the impression that when I said we are not going to take up an appropriations bill, that we are not going to do other things. We may well do that. Ordinarily, they are cleared on both sides.

I did not want a misunderstanding in that regard, so that everybody understands that.

Mr. WIRTH. If the Senator will yield. I understand what he is saying, but again I ask the question about appropriations bills. He is not saying there may be an appropraitons bill?

Mr. MITCHELL. Mr. President, my answer is that there will not be any appropriations bills taken up this evening. There may well be other business done in the wrapup, which we do regularly at the conclusion of the day; we may enact a number of measures that do not require rollcall votes, if they are cleared on both sides.

I do not want anybody under a misimpression in that regard.

Mr. DOLE. Mr. President, I hope, again, that after a few minutes, we can get a time agreement, and there will be no more rollcall votes, and some of our colleagues can depart.

Mr. REID. Mr. President, I am willing to enter into a time agreement with the managers of the legislation.

Mr. MITCHELL. Would the Senator be agreeable to a 30-minute time limitation, equally divided, on the amendment?

Mr. REID. I would be willing to agree to 20 minutes.

Mr. WARNER. I am agreeable. I will only take 6 of those minutes, leaving a few minutes on the other side for some colleagues.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the amendment to be offered by the Senator from Nevada be subject to a time limitation of 20 minutes, equally divided in the usual form, with no second-degree amendments to be in order; and that at the conclusion of yielding back of that time, the Senate, without any intervening action or debate, proceed to a vote on or in relation to the amendment of the Senator from Nevada.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, during the course of the day, an amendment was adopted by the managers, presented by Senator METZENBAUM, which dealt with the troop levels of NATO by the year 1995.

I just say, that is the sense-of-the-Senate resolution, but that does not represent the sense of this Senator's thoughts on micromanaging what the troop levels in Europe will be 4 or 5 years from now.

I think it is unfortunate that the amendment was presented. I can understand the managers having adopted it. I presume they wanted to get on with business. While it may represent many of the Senators' thoughts in this Chamber, it certainly does not represent this Senator's thoughts.

I think it is micromanaging of the worst type. We have had all kinds of efforts—fortunately rejected on the floor of this Chamber—to limit troop levels in Europe, and they have all been misguided, in my judgment.

I think this one likely is misguided.

Mr. REID addressed the Chair.

Mr. DOMENICI. Will the Senator yield for 3 seconds?

Mr. REID. Yes.

Mr. DOMENICI. If the majority leader will indulge me for 10 seconds, Mr. President, I have been waiting patiently, and I have an amendment with Senator BINGAMAN. It will not require a rollcall vote.

I ask unanimous consent that it be the pending business immediately following the disposition of the Reid amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Yesterday evening, during one of our times back and forth between our offices in the Capitol, a young man was standing in the Hart Building, and I asked if he wanted to ride the elevator. He was going to Senator GRASSLEY's office. We talked a little in the elevator.

I came to learn that this young man was here on the Hill because of that picture we have seen so much about relating to prisoners of war. This young man is convinced that one of those people is his father. He proceeded to draw out of a large folder a picture of his father taken 2 years ago, and a picture of a blown-up photo that he had received from a newspaper.

He proceeded to show me how both people had dimples in the exact same place and how their chins were the same.

Mr. WARNER. Will the Senator yield? I believe the Senate is under the impression we are under a time agreement of 20 minutes.

The amendment has not been sent to the desk. Therefore, the time has not commenced.

Mr. REID. I indicated to the Senator from Virginia that the time, I thought, would start running now. I will be happy to send the amendment to the desk.

AMENDMENT NO. 1049

(Purpose: To require display of the POW/MIA flag at Federal buildings and the National Vietnam Veterans Memorial)

Mr. REID. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nevada [Mr. REID] (for himself, Mr. KERREY, Mr. HATCH, Mr. HOLLINGS, Mr. BRYAN, Mr. DOMENICI, Mr. SHELBY, Mr. BURDICK, Mr. MCCAIN, Mr. JOHNSTON, Mr. SMITH, Mr. SASSER, Mr. DECONCINI, Mr. STEVENS, and Mr. BIDEN) proposes an amendment numbered 1049.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. . REQUIREMENT TO DISPLAY POW/MIA FLAG ON FEDERAL BUILDINGS AND VIETNAM MEMORIAL.

The POW/MIA flag shall be displayed on or in the immediate vicinity of all Federal buildings referred to in the subsequent section and at the National Vietnam Veterans Memorial until such time as the fullest possible accounting has been made of all members of the Armed Forces of the United States and civilians who are known to have become prisoners of war or who are missing in action in Southeast Asia.

SEC. . DETERMINATIONS BY ADMINISTRATION OF GENERAL SERVICES.

The Administrator of General Services shall in consultation with the heads of other Executive departments and agencies, determine the Federal buildings at which the POW/MIA flag will be displayed and the manner in which such flag shall be displayed.

SEC. . DEFINITIONS.

(1) As used in this amendment, the term "Executive departments and agencies" means all departments and agencies of the Federal Government, including independent agencies and instrumentalities of the United States.

(2) The term "POW/MIA flag" means the flag designated as the National League of Families POW/MIA flag pursuant to section 2 of the Joint Resolution designating September 21, 1990, as "National POW/MIA Recognition Day", and recognizing the National League of Families POW/MIA flag (Public Law 101-335; 104 Stat. 416).

Mr. REID. Mr. President, this young man had a large portfolio case picture of his father and of this man from the photo taken from the newspaper, blown up very large. From the naked eye, it was difficult to tell if they were two different people. I do not know if they were the same person or not. This young man believed that the picture depicted his father.

He saw his father for the last time when he was 10 years old. He is now 30 years old. As I indicated, Mr. President, I do not know whether or not that is his father. I know they look the same; they had the dimples, the same-shaped chin; the same sloping forehead, as the son pointed out to me.

I mention this, because 2 years ago, I introduced a joint resolution to require that a POW-MIA flag be flown at Federal buildings.

On January 23, this year, I introduced that resolution again, and I am here today offering it to this Defense authorization bill.

Today, 2,282 Americans are still missing as a result of the conflict in Southeast Asia, according to the League of Families of American Prisoners and Missing in Southeast Asia.

More recently, the Iraqis, like the Vietnamese, have used prisoners of war for political purposes that they had captured.

Who can forget, Mr. President, the pictures that we saw on television as our airmen were paraded with faces battered and bruised. Not many of us will ever forget that.

All of the pilots when they were eventually repatriated were malnourished—some lost as much as 30 pounds—and several suffered broken bones and hearing loss.

I mention that to you because prisoners of war in the conflict that was just completed in the Middle East have all been returned. That is not the case with the conflict in Southeast Asia. Over 2,000 of those people are still unaccounted for. I think it is high time that we as a body gave the people, who are waiting for their loved ones to return and/or be described as having been lost in action, least the recognition that we remember them.

Americans throughout the country have friends and colleagues, parents and grandparents, brothers and sisters, husbands and wives whose fate is still unknown, not only from Vietnam, but from the Korean war and the two world wars. Together they strive to promote public awareness of those who are prisoners of war or missing in action.

Congress also has a responsibility to acknowledge and honor those Americans who have not returned home. Flying the POW-MIA flag shall be a symbol to the Nation, and to the world, that we have not forgotten and will not forget our missing service men and women. This amendment would require that the POW-MIA flag be flown at the National Vietnam Veterans Memorial and over Federal buildings until the fullest possible accounting is made of all American POW-MIA's.

This amendment has a provision in it that leaves it up to the General Services Administrator as to which Federal facilities this flag will fly over.

In 1971, Mrs. Michael Hoff, an MIA wife and member of the League of Families, recognizing the need for a symbol to represent the POW-MIA's, contacted a flagmaker named Norman Rivkees to design a flag to represent our missing men and women. With league approval, the flags were produced and distributed.

Concerned groups and individuals have altered the original POW-MIA flag many times. The logo has changed back and forth, and the colors switched: from black and white to red, white, and blue, to white with black. POW-MIA has, at times, been revised to MIA-POW. Such changes, however, are really insignificant. What is important is that there continues to be a symbol in the public eye as a constant reminder of the plight of these American heros.

This amendment sends a message to the world that we have not forgotten the 2,282 men and women who remain missing from Vietnam, nor have we forgotten those still missing from other conflicts.

The presence of the flags over Federal buildings and at the Vietnam Veterans Memorial will indicate that the POW-MIA issue is unresolved, and it is unresolved.

The flags should remain flying until we have the fullest possible accounting of every last American who has served this country in war and not come home. It has been almost two decades since the last troops left Vietnam. Their families deserve to know what happened to them.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I yield myself such time as I may require.

Mr. President, it is with great difficulty that I rise to oppose this amendment, because I feel that in my own way I have tried to join all those in the Senate and elsewhere who want to do all we can to determine, accurately, if there is a single individual still alive and held against his will in Southeast Asia.

As a member of the Rules Committee I voted today to establish a special select committee of the U.S. Senate to deal with the POW-MIA issue. I have joined others in this Chamber to encourage the President of the United States to establish a commission. Each step of the way I have consistently warned that we should make certain we do not unduly raise the expectations of the families as we take these steps. Now comes the third step—that the POW flag could well be raised on every Federal building in this country—that is every post office, every Federal building in Washington.

I would like to have the Senator answer the question, does that include the Capitol of the United States which, incidentally, to my knowledge, is not under the administration of the GSA?

But these are the questions that should be answered.

For 18 years, conscientious individuals have worked on this issue. I myself, when I served in the Department of the Navy, worked on this issue. Each President, each Secretary of Defense, each Chairman of the Joint Chiefs have worked on this. Now all of a sudden here, within a very brief period, a matter of weeks, suddenly this proposal has come to everyone's attention.

I think the Senate was correct thus far in the Rules Committee to establish the select committee which will take a long time, in my judgment, to make the assessment necessary to come up with any results. The Presidential Commission, as we speak, is under consideration by the President. I think every assurance has been given, certainly by the Secretary of Defense yesterday when he was here on Capitol Hill, this too will be established.

I think raising this particular flag next to Old Glory on every Federal building is just a step too far at this time. There may come a time when it is the judgment, after a careful period of reflection—I repeat, a careful period of reflection—that it is the judgment of the special select committee of the Senate that this should be done, that it is the judgment of the Presidential Commission that it be done. But let us exercise caution, because I feel that we are unduly raising expectations by these steps.

I say to the Senate of the United States, the POW's—if indeed, any remain alive—have a flag now, and that is Old Glory, flying as we are here in this Chamber debating. They do not need another flag at this time.

The PRESIDING OFFICER. Who yields time.

The Senator from Nevada.

Mr. REID. How much time will the Senator from Nevada have?

The PRESIDING OFFICER. Four minutes 43 seconds.

Mr. REID. I support this, but as to the question, does not raise expectations? The obvious answer is "yes." Does the flag fly over the Capitol of the United States? That would be up to the General Services Administrator.

> The Administrator of the General Services shall in consultation with the heads of other executive departments and agencies determine the Federal buildings at which the POW/MIA flag will be displayed and the manner in which such flag shall be displayed.

That answers the question of the Senator from Virginia.

That will leave up to the General Services Administrator and the executive departments and agencies to determine over which buildings the flag should fly.

This is not as if this amendment just suddenly popped up. We have been working on this for 3 years. In the Governmental Affairs Committee, Senator GLENN indicated that it had been cleared through his committee. Is this the time? Are we going to wait 20 more years? Do we want this young man to be 45, 50 years old before he knows what has happened to his father? The answer is "no." This is the time.

These people who have these missing ones deserve this recognition. It is their recognition. It is not something the Senator from Nevada thought up on the spur of the moment. It is something they want.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Will the Senator yield 2 minutes?

Mr. REID. I yield.

Mr. NUNN. Mr. President, I share the sentiments of the Senator from Nevada completely in terms of the goal here in terms of keeping emphasis on the need for the fullest possible accounting for every POW and MIA.

I have a couple of questions. One question: Who makes the determination under this amendment as to when there has been the fullest possible accounting? It says here we will fly this flag until such time as the fullest possible accounting has been made of all members of the Armed Forces of the United States and civilians known to have become prisoners of war and missing in action in Southeast Asia. Who makes that determination?

Mr. REID. A number of people could make the decision. Of course, the findings of the select committee I think would be a step in the right direction. Remember, the manager of this legislation, the General Services Administrator, his discretion can determine what agencies fly the flag.

Mr. NUNN. But somebody has to decide when the fullest possible accounting has been achieved. Is it the President who would make that determination?

Mr. REID. Under the terms of this legislation it would be the General Services Administrator.

Mr. NUNN. It does not say that.

Mr. REID. And the executive departments and agencies.

Mr. NUNN. It does not say that.

Mr. REID. I think that it does. If I could read the exact language of the legislation.

Mr. NUNN. The Administrator will determine which buildings and when they will be flown, but it does not say who decides when the fullest possible accounting has been made.

The other question I would ask the Senator: Have we had a full accounting for World War II and Korean POW/MIA's?

Mr. REID. It is my understanding there was a full accounting of the Second World War but not Korea.

Mr. NUNN. Would the Senator then want us in the conference committee—I am not asking him to change his amendment now—would he want us to include Korean POW/MIA's?

Mr. REID. In my remarks, I have referred to the Korean conflict. I think this designates them also. If there could be language that would make it more specific, then, of course, I would be happy to do it. I think the conference committee should do that.

Mr. WARNER. Mr. President, what time remains under the control of the Senator from Virginia?

The PRESIDING OFFICER. The Senator from Virginia has 4 minutes and 4 seconds.

Mr. WARNER. Mr. President, I yield myself such time as I may use.

Mr. President, as I read this amendment, I note that it does not apply to those who are missing from World War II or Korea.

Second, I certainly do not want the General Services Administrator to be the one who decides which buildings shall fly this flag, including the Capitol of the United States. I do not think we should repose that type of discretion in the Administrator.

If we are going to fly the flag, then fly it on every building, fly it over every postoffice. I anticipate that there will be committees formed by the POW groups to make certain the GSA Administrator will do that and we could well have a clash between the conflicting viewpoints.

I would like to close this debate with one statement of fact and then I will move to table unless the Senator requires more time. If the Senator does not require time, then I will make this statement.

Tonight on the CBS Network News is a report that a Member of the U.S. Senate has predicted within the next few months there will be one or more POW's discovered, found, and returned to the United States. That is the report.

Now does this body want to add to that report tonight? I have no way of establishing the credibility of that report. Do we want to add to that report, as we go on record giving the GSA Administrator the discretion to fly this flag on one or more Federal buildings?

I think we recognize the great misfortune that these families have suffered already. Compounding that suffering has been those detestable individuals who have preyed on them for money and for other reasons that have no relation to these tragic losses. I think this whole subject is reaching a point that borders on almost national hysteria. And we had best, if we are going to have a special select committee in the U.S. Senate, allow that committee to carefully assess such suggestions as are contained in this amendment, assess along with the new commission that I anticipate will be established by the President. The two entities, the Senate and the executive branch, can, indeed, work in parallel and in tandem to try and solve this problem.

But tonight, given the very few minutes that we have allocated ourselves to discuss this very important subject, critical subject, and given the report in the press, I urge this Chamber not to adopt this amendment, with all due respect to my good friend from Nevada.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Mr. President, this is the time. We go to townhall meetings; we write leaders. Here is an opportunity to do something that the loved ones of those 2,200 people that are missing in Southeast Asia want done, to give them some recognition, and not be lost in some furor that takes place in the Senate dealing with as to whether or not this applies to Second World War prisoners.

I appreciate the suggestion of the chairman of the full committee. If, in fact, he feels it more appropriate that he could designate the Korean war vets, then, fine, I have no problem with that. But this is the time to recognize the POWs' loved ones who want this done. I think we should agree with them. There are no more townhall meetings you can go to, no more letters you can write and say I am doing everything I can. Because if you do not do this, you have not done everything you can.

Mr. DECONCINI. Will the Senator yield?

Mr. REID. Under the time of the Senator from Virginia, I would be happy to.

Mr. WARNER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Virginia has 30 seconds remaining.

Mr. WARNER. I yield myself such time as is necessary to move to table, but I see on the floor a Senator who has a major role in this. I do not know which side he is on, but I yield him 20 of my 30 seconds.

Mr. SMITH. I thank the Senator. That is not very much time.

I do want to say I support the amendment of the Senator from Nevada. But I would also like to say there has been a lot of discussion about the select committee. The select committee passed it 14 to 1 today in the Rules Committee and we cannot get it to the floor tonight because we are arguing about how many Democrats and how many Republicans are on the committee. This is not a partisan issue, Mr. President. It is not a partisan issue. Let us get the bill to the floor.

The PRESIDING OFFICER. The time for the Senator has expired.

Mr. WARNER. Mr. President, I wish recognition to move to table at the appropriate time.

The PRESIDING OFFICER. The Senator from Nevada has 2 additional minutes.

Mr. REID. I yield 1 minute to the Senator from Arizona.

Mr. DECONCINI. Mr. President, I have listened to the debate. Everybody is tired and wants to move on.

But when you fly the flag, it is a symbol, and that is what the Senator from Nevada is talking about. He is not talking about causing more pain or anxiety or raising anxiety. These people have been through the mill, and now the Senator has a good idea. He wants to show the colors. He wants to show the respect. He wants to show that this country is really concerned.

If it is so concerned that the President is going to appoint a commission and that we are going to spend a million dollars or more here reviewing the whole problem, why can we not fly the flag of the Vietnam POW-MIA's? I think it a good amendment. We ought to adopt it and not table it.

The PRESIDING OFFICER. The Senator from Nevada has 1 minute 12 seconds remaining.

Mr. REID. I yield to the Senator from Virginia for the purpose of offering a motion to table.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. REID. I do.

Mr. WARNER. Mr. President, I say in conclusion, the POW's have a flag flying now. It is the American flag. I move to table the amendment.

The PRESIDING OFFICER. The question is on the motion to table.

Mr. WARNER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. STEVENS. Mr. President, may I ask, through the Chair, the majority leader if this now means that is the last vote this evening.

Mr. MITCHELL. Mr. President, I am advised by the managers that they know of no other amendments to the bill which would require a rollcall vote. We have already established, through the silence of Senators earlier, that no one will seek a rollcall vote on final passage. And unless any Senator now stands and expresses an intention to offer an amendment which would require a rollcall vote—no Senator having expressed that intention—then it is my expectation that there will be no further amendments offered. The managers will be able to complete action without the necessity of any rollcall votes and, accordingly, this will be the last rollcall vote of this evening.

Mr. NUNN. We will have amendments offered that have been agreed to on both sides.

Mr. MITCHELL. I understand that.

Mr. President, if I may say for the information of Senators, when this recess period was established, several Senators came to me and asked that we not return on a Monday so as to facilitate travel back to Washington on that Monday. Therefore, the recess will end Tuesday.

No one will be surprised to learn that several Senators have now come and said that, since we are not coming in until Tuesday, to facilitate travel back to the Senate on Tuesday, could we have votes on Wednesday?

The answer is, no. There will be a vote on Tuesday morning. Monday has been established for the purpose of travel and, there will be a vote on Tuesday morning. We have to act to take up the appropriations bills promptly upon our return.

I wish all Senators a very restful and enjoyable recess. The Senate will reconvene at 9:30 on Tuesday morning and there will be a vote on that morning.

I thank my colleagues.

Mr. BUMPERS. Will the majority leader yield for 30 seconds?

Mr. MITCHELL. Yes.

Mr. BUMPERS. I want to make this point. I had two amendments that I had foregone tonight. One of them I will offer later on the appropriations measure where it is indeed perhaps more appropriate. And another one, which for some reason or other the managers have indicated might require a rollcall vote, would have simply gone on record as a sense of the Congress that START II talks began as soon as appropriate after the Senate advised and consented to the ratification of START I.

It seemed very simple. I cannot imagine why it was controversial, but when I offer that as a freestanding amendment or on some other measure, I hope no one stands up and says why did you not offer that on the DOD authorization bill. I just wanted to make that point.

Mr. WARNER. Mr. President, I want to express my appreciation to our distinguished chairman, Mr. NUNN, and all Senators who participated this evening.

The PRESIDING OFFICER. There being no further debate, the question is on agreeing to the motion of the Senator from Virginia to lay on the table the amendment of the Senator from Nevada. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. BRADLEY] and the Senator from South Dakota [Mr. DASCHLE] are necessarily absent.

I also announce that the Senator from Arkansas [Mr. PRYOR] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. LOTT], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina [Mr. THURMOND] would vote "yea."

The PRESIDING OFFICER (Mr. ROBB). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 34, nays 60, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—34

Bentsen
Bingaman
Bond
Boren
Byrd
Chafee
Coats
Cochran
Cohen
Craig
Danforth
Dole
Domenici
Exon
Garn
Glenn
Gorton
Gramm
Hatch
Hatfield
Heflin
Hollings
Kassebaum
Kennedy
Lugar
Mack
McConnell
Nickles
Pell
Rudman
Simpson
Symms
Wallop
Warner

NAYS—60

Adams
Akaka
Baucus
Biden
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Conrad
Cranston
D'Amato
DeConcini
Dixon
Dodd
Durenberger
Ford
Fowler
Gore
Graham
Grassley
Harkin
Helms
Inouye
Jeffords
Johnston
Kasten
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
McCain
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pressler
Reid
Riegle
Robb
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Smith
Stevens
Wellstone
Wirth
Wofford

NOT VOTING—6

Bradley
Daschle
Lott
Pryor
Specter
Thurmond

So the motion to lay on the table the amendment (No. 1049) was rejected.

Mr. REID. I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. That was a very difficult amendment to handle and in a very brief period of time. There are certain parts of the amendment that I would support, namely, that the POW flag be flown at the memorial here in Washington, DC, dedicated to the Vietnam veterans.

I had a modest role in the creation of that monument over many years. I think it is a most appropriate place. Also, throughout the United States, where there are memorials erected and being erected to the sacrifices of the men and women in the Armed Forces during that historic period of our country, they would likewise be appropriate places for the flying of the official flag of the POW's and MIA's.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1049) was agreed to.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico [Mr. DOMENICI].

AMENDMENT NO. 1050

(Purpose: To improve payment bond protections for subcontractors and suppliers on construction contracts)

Mr. DOMENICI. Mr. President, I send an amendment to the desk on behalf of myself and Senator BINGAMAN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. BINGAMAN, proposes an amendment numbered 1050.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out section 828 and insert in lieu thereof the following:

SEC. 828. IMPROVED PAYMENT BOND PROTECTIONS FOR SUBCONTRACTORS AND SUPPLIERS ON CONSTRUCTION CONTRACTS.

(a) REGULATIONS REQUIRED.—Subject to subsection (d), the Secretary of Defense shall prescribe regulations governing the matters described in subsection (b). The regulations shall be issued as a modification to the Department of Defense Supplement to the Federal Acquisition Regulation and shall apply to contracts awards by the Department of Defense.

(b) MATTERS COVERED.—The regulations shall——

(1) require a contractor who has furnished a payment bond in connection with a contract pursuant to the Miller Act to attach a copy of such bond to each subcontract, purchase order, or other agreement proposed to be entered into by such contractor for the purpose of obtaining labor or materials for the performance of such contract;

(2) require a contracting officer, upon written request, to promptly furnish a copy of each payment bond (furnished by a contractor pursuant to such Act) to any supplier of labor or material protected by that bond; and

(3) provide for the payment by the United States of a claim for a loss to any supplier of labor or materials under a contract if——

(A) the loss results from the default of a contractor in the payment of the supplier for such labor or materials; and

(B) because of a failure of the contracting officer to exercise due dilligence in discharging his duties, the contractor has failed to furnish or maintain a valid and complete payment bond applicable to the supplier in accordance with such Act (and its implementing regulations).

(c) SPECIFIC REQUIREMENTS FOR CLAIMS REGULATIONS.—The regulations prescribed pursuant to subsection (b)(3) shall——

(1) provide for the filing and disposition of claims in the same manner as apply to contract claims of contractors under the Contract Disputes Act (41 U.S.C. 601 et seq.); and

(2) limit the amount that may be paid a supplier referred to in subsection (b)(3) in connection with a contractor's failure to furnish or maintain a valid and complete payment bond to the amount that the supplier could have claimed under such payment bond.

(d) PUBLICATION OF REGULATIONS.—(1) The proposed regulations required by subsection (a) shall be published not later than 180 days after the date of the enactment of this Act.

(2) The final regulations required by subsection (a) shall be published not later than 270 days after that date.

(e) EFFECTIVE DATES OF REGULATIONS.——

(1) The regulations prescribed pursuant to subsection (a) that pertain to the matters described in subsection (b)(1) shall take effect with respect to any contract that is in effect on or after the date 60 days after the publication of the final regulations.

(2) The regulations prescribed pursuant to subsection (a) that pertain to claims authorized pursuant to subsection (b)(2) shall take effect as of the date of the enactment of this Act and shall apply with respect to——

(A) payment bonus furnished on or after the date;

(B) any claim filed within one year after that date in the case of a contract for the repair or alternation of real property that was awarded by the Air Force on or after September 1, 1989, and was terminated for default of the contractor before June 1, 1991, if—

(i) the payment bonds furnished by the contractor for the purpose of meeting the requirements of the Miller Act and accepted by the contracting officer provided not more than 50 percent of the payment protectior required by the Act; and

(ii) a surety on any such payment bond defaults on such bond before June 2, 1992 or is determined by the Secretary of the Air Force to lack sufficient financial resources to fulfill its payment obligation under the bond before that date; and

(g) DEFINITION.—In this section, the term "Miller Act" means the Act entitled "An Act requiring contractors for the construction, alteration, and repair of any public building or public work of the United States to be accompanied by a performance bond protecting the United States and by an additional bond for the protection of persons furnishing material and labor for the construction, alternation, or repair of said public buildings or public work", approved August 24, 1935 (49 Stat. 793; 40 U.S.C. 270a-270d). Commonly referred to as the "Miller Act".

In Section 2(b), amended the table of contents by striking out the item relating to section 828 and inserting in lieu thereof the following new item:

"Sec. 828. Improved payment bond protections for subcontractors and suppliers on construction contracts.".

Mr. DOMENICI. Mr. President, I rise today with my colleague Senator BINGAMAN to offer an amendment that would greatly strengthen the rights of subcontractors, and undo the wrong that has been done to a group of subcontractors in my home State of New Mexico.

The events that have occurred since the award of the contract at Kirtland Air Force Base to SCORE Construction of Phoenix, AZ, on September 28, 1989, illustrate the great necessity for the amendment we are offering today. The Miller Act was intended to provide protection for small subcontractors on military construction projects. It is designed so that, in case the prime contractor fails to pay their subcontractors, the subcontractors will still have recourse in seeking what is owed to them through a payment bond.

Mr. President, I rise today to share with Senators an example of how little the Miller Act has protected the rights of several small subcontractors in New Mexico, and how the negligence of the Air Force in awarding and maintaining the contract has caused many hard working, honest New Mexico subcontractors to be left empty-handed, some in serious financial condition.

I would like to take the time to cite examples for Senators of the negligence on the part of the Air Force that caused these terrible events.

First, on September 28, 1989, a military construction contract was hastily awarded by the Air Force to SCORE Construction Co. of Phoenix, AZ, in the amount of $4.6 million. Just 3 days prior to this date, on September 25, the director of contracting at KAFB sent for review to the Contract Review Committee, award of the contract to SCORE. The director of contracting then directed that the contract be awarded before the Review Committee's review was complete. No postawarded review was conducted.

I say to Senators, just weeks ago the Air Force completed an investigation of the events surrounding the case at Kirtland Air Force Base that was conducted at my request and the Air Force itself asserts that "More time to make the award would have allowed for a preaward survey specifically for this acquisition. Such a survey could, arguably, have disclosed other bases for rejecting SCORE."

Second the payment bond the KAFB contracting officer accepted under the FAR regulations was inadequate. The payment bond should have been $1.6 million for each surety. Instead the contracting officer accepted only half of what was required by law under the Miller Act for protection of the subcontractors.

The contracting officer did not discover this error until 1 year later on September 11, 1990. At this time the Air Force requested a correction from SCORE with regard to its bonds. SCORE responded, on September 20, that the bonds met the contract requirements. They were correct with regard to the bond that protects the Government—performance bond, but not with regard to the bond that protects the subcontractors—payment bond. The Air Force freely admits this deficiency was never corrected, nor was the net worth of the two sureties ever verified.

Third, Mr. President, the contracting officer may require the recertification of sureties at any time during contract performance. The contracting officer at KAFB never did this despite numerous opportunities.

First, after the contract was originally awarded no post award survey was conducted despite the fact that the contract was awarded prior to completion of preaward review.

Second, on November 16, 1989, the pricing division under the director of contracting became aware of SCORE's poor financial condition based upon SCORE's financial statements.

Third, the Air Force first learned of subcontractor nonpayment in September 1990. It took 5 months for the AF to suspend payment to SCORE, despite numerous complaints from subcontractors. Furthermore, during this time no AF official bothered to pick up the phone and verify the sureties.

As you can see, Mr. President, this case is replete with examples that demonstrate the need for change to ensure subcontractor protection under the Miller Act.

Problems relating to this Air Force construction contract in New Mexico highlight the importance of making contracting officers broadly aware of their responsibilities regarding implementation of the construction subcontractor payment protection of the Prompt Payment Act, as amended. The contracts awarded by the Air Force required contract provisions relating to subcontractor payment, and the prime contractors required certification to the Government regarding payment of its subcontractors. Yet this compliance failed to provide the intended protection.

Our amendment would remedy this situation by requiring that the prime contractor attach a copy of the payment bond to the subcontract. This will ensure that the subcontractor can make a wise business decision based upon cold hard facts. It would also correct the wrong that has been done to the numerous subcontractors who have suffered this injustice because of the negligence of the Air Force and the dishonesty of SCORE Construction.

In summary, Mr. President, the committee bill involves about $295 billion, and I regret to tell the Senate that I have a very minor amendment. This amendment is worth about, maximum, $700,000, but I thought I should call the Senate's attention to the serious injustice in the State of New Mexico regarding the way the U.S. Air Force conducted business on a contract which left a number of small subcontractors unpaid.

Mr. President, essentially this amendment calls to the attention of the Senate a set of facts in the State of New Mexico that I truly believe are deplorable with the U.S. Air Force letting a small contract to a contractor in New Mexico called SCORE Construction Co. About everything that one could imagine went wrong with reference to the surety under the Miller Act. First of all, the bonds were half the value required. Had they really looked into the contractor as they are required to they would have found that he was not an adequate contractor for the job, and many other things that have been ascertained regarding the letting of this contract.

Nonetheless, it was let, and a number of contractors in the State of New Mexico were awarded contracts by that general contractor. They went out, did their work and they have not been paid.

The Air Force says we are not responsible. The Air Force says it is up to the general contractor. The contractor has disappeared.

The Air Force says it is up to the surety. And it happens that they did not get good surety.

First of all, I have told the Senate it was half the face value required. It turns out if we are correct—and we think we are—there will not be any money on the bonds because they were not insurance bonds but, rather, bonds given by individuals. At that time, just a few years ago, nobody had to hold on to those assets. Even if they were surety, they could dispose of them in the meantime. Nonetheless, the law has been changed since then but it does not help our subcontractors. I thought it was appropriate because of the circumstances that if we targeted in on just those subcontractors we ought to indemnify and pay them because we have value received and they have nothing. They will not get paid.

I have talked at length to the managers of the bill. I think I understand what their position will be, but I thought it important to call this to the Senate's attention. Albeit a very small matter in a very big bill, it is extremely important to these small subcontractors, some of whom may not even make it because they are not going to get paid for what they did on a Federal job.

I thank the Albuquerque Journal for exposing this problem. I do not think these subcontractors will be paid unless we agree to pay them.

My colleagues from New Mexico will give his remarks and then we will be through for the evening. I only hope the managers will see fit to change their mind and permit us to reimburse these contractors.

I yield to Senator BINGAMAN.

The PRESIDING OFFICER. The Chair recognizes the junior Senator from New Mexico [Mr. BINGAMAN].

Mr. BINGAMAN. Mr. President, I commend my colleague for the effort he has put into this. As he said, these subcontractors were wrongfully denied compensation for the work they did. Unfortunately, what we have encountered in the effort is very strong opposition from the administration and in particular from the Department of Defense.

Mr. President, I ask unanimous consent that a letter that was sent to the chairman of the Armed Services Committee on August 2 from Mr. Don Yockey, the Under Secretary of Defense, together with a position paper on the position of the administration and the Department of Defense on the issue of reimbursement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE UNDER SECRETARY OF DEFENSE,
Washington, DC, August 2, 1991.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Department of Defense strongly opposes passage of Senator Domenici's amendment to Section 828 of S. 1507, National Defense Authorization Act for Fiscal Year 92/93.

The amendment makes the government responsible for costs that properly belong to contractors and their sureties. The bill would generally increase costs of defense contracting and would not provide any offsetting benefit to subcontractors. Further, the bill is designed to have the government pay a financial liability of particular contractors or their sureties before the legal obligations of the parties have been finally resolved.

I have enclosed a more complete discussion of the amendment and the Department's concerns for your information.

Sincerely,

DON YOCKEY.

POSITION PAPER

Subject: Senator Domenici Amendment to Section 828, "Improved Payment Bond Protections for Subcontractors and Suppliers on Construction Contracts"

Statement of Language/Provision: The bill requires the Government guarantee contractor payment to construction subcontractors under certain conditions; provides subcontractors with direct access to the Federal Government by modifying the Contract Disputes Act; requires prime contractors to distribute copies of payment bonds to all subcontractors; and requires the Government to give copies to any subcontractor who asks for one.

Statement of DoD Position: DoD opposes passage of this provision because it generally makes the government financially responsible for costs that properly belong to contractors and their sureties. DoD also opposes this legislation because it will make the government financially responsible for particular problems on specific contracts before the financial liabilities of the respective parties have been ultimately determined. DoD is also concerned about the increased costs the bill will cause and the absence of an offsetting benefit to subcontractors.

Effect of Language/Provision: This bill appears designed to make the government financially responsible for particular problems on specific contracts before the financial liabilities of the respective parties have been ultimately determined. It will also unnecessarily increase the paperwork burden, cost, and complication of doing business with the Government; and will not provide a significant benefit to most subcontractors to offset the increased costs. The bill's guarantee provision (section (b)(3)) is unnecessary and potentially wasteful of the taxpayers' funds.

The bill's provisions are in two parts: those dealing with distribution of copies of contractor surety bonds, and those dealing with guarantees of payments to subcontractors.

A major cause of problems with sureties has been loose controls on the use of individuals as sureties. Some individual sureties have either made fraudulent bonds, or otherwise failed to honor their obligations. Recent changes in the Federal Acquisition Regulation (FAR) have substantially reduced this problem by establishing strict quality standards for individual sureties and requiring legal encumbrance of individual's surety's assets until the bond is discharged. The other kind of surety, corporate sureties, are regulated by state insurance departments and the Department of the Treasury, and have not been a risk for subcontractors. Thus the underlying cause of failures of a surety to pay subcontractors has already been brought under control.

The bill is so loosely drafted that the liability of the Government cannot be anticipated:

The term "due diligence" is so vague that it is not possible to determine what standard the contracting officer must meet. Would the individual contracting officers have to continually monitor the financial condition of sureties, including corporate sureties, to have exercised due diligence? Could contracting officers rely upon the existence of state insurance regulators as monitors of corporate sureties? Would the Federal Government have to establish oversight of the state insurance regulators for contracting officers to have exercised due diligence?

The bill requires that the Government regulations provide for filing and disposition of (subcontractor) claims in the same manner as apply to contract disputes of contractors under the Contract Disputes Act. The bill would significantly alter the concept of contractual privity, permitting subcontractors access to a party of which it has no privity. Further making a subcontractor claim subject to the Contract Disputes Act overlooks the potential recovery to be obtained from surety. Finally this bill puts the Government in the untenable position of paying for the same goods or services twice, once to the prime, and secondly to the subcontractor.

The bill's provisions (sections (b)(1) and (b)(2)) dealing with distributing contractor surety bonds require both the Government and the contractor to provide copies of payment bonds to subcontractors.

Subcontractors have an interest in knowing who the surety is, since that is who guarantees their payments. Subcontractors have a need for a certified copy of a surety bond, for court purposes, if the sub must sue to enforce the bond. The existing FAR already provides that the surety name and address, as well as a certified copy of the bond be provided to subcontractors as requested.

The bill significantly increases the cost of providing this information by requiring that copies of the bond be furnished by the contractor with each subcontract, and copies of the bond be furnished by the Government upon request. As a result, tens of thousands of pieces of useless paper will be distributed. This paper is useless since the potential subcontractor needs to know who the surety is well before receiving the subcontract, in order to check the surety's reliability; in the rare event of having to sue the surety, the subcontractor needs a certified copy of the bond for court purposs. The bill's provisions provide less support to subcontractors in these areas than does the existing FAR. (See FAR 28.106-6 (b) and (c).)

Mr. BINGAMAN. Mr. President, I join my colleague in saying that I do think a serious injustice has been done. The amendment that has been sent to the desk by Senator DOMENICI is about all we can hope to accomplish at this time. I regret that that is the case, but I do think we are all wiser for the errors that were clearly made by the Department of Defense, and we do have language in the bill to correct those in the future. I wish we could also go back and reimburse the subcontractors who have been the victims of this.

I yield the floor, Mr. President.

The PRESIDING OFFICER. Is there additional debate? The Chair recognizes the Senator from Illinois [Mr. DIXON].

Mr. DIXON. Mr. President, I very much regret the necessity to oppose my colleagues from New Mexico, who come here in good faith in a situation which I am sure is an equitable one. But Mr. President, as a general matter there is no privy of contract between the Government and subcontractors. There is no contractual relationship.

This fundamental principle of Government contract law is essential to ensuring that the work of subcontractors is managed by prime contractors with minimal Government interference. It is essential to ensuring that the Government does not assume financial responsibility for the actions of its prime contractors. This amendment, Mr. President, would upset this long-settled relationship by allowing a subcontractor with whom the Government has no contractual relationship to sue the Government.

For that reason, I regret very much that the managers oppose this amendment and the Department of Defense does oppose the amendment.

Mr. WARNER. Mr. President, it is most regrettable that I must also rise in the strongest of opposition, as stated by my distinguished colleague from Illinois, the manager of the bill. This is a matter which our committee has looked at before in previous iterations in previous years. There has not been, to the best of my knowledge, I say to my friend from Illinois, one exception at any time on our committee.

This amendment would insert the Federal Government into prime contractor-subcontractor relationships. It would make the United States the guarantor of all payments to subcontractors on construction contracts. The liability of the Federal Government on such contracts could expose the Government to large numbers of very expensive claims.

The committee has addressed this problem with the new requirement in section 828 requiring access to the Miller Act payment bonds by potential subcontractors. The report language also requires an IG report on payment protection to subcontractors under the Miller Act process.

Legislative changes should not be made in response to potentially isolated problems, or where the factual and legal remedies have not been utilized. Report langauge requires the DOD IG to determine the scope of subcontractor losses and to assess the effectiveness of subcontractor payment protections in current law and make legislative recommendations if such protections are inadequate.

One portion of the amendment (subsection (f)(3)) is nothing more than a private relief bill for certain subcontractors who incurred losses on two Air Force construction contracts in New Mexico.

Mr. President, I express my profound regret to my two dear friends from New Mexico, but I fear there is no alternative but to steadfastly oppose the amendment.

Mr. DOMENICI. Mr. President, I am not sure that small subcontractors understand what is going on, but I hope they understand that we did present the claim. This kind of matter we discuss with the majority and minority. I guess I have done that three or four times during the day. I have asked my colleague to do it. I do not think we are going to win.

Mr. WARNER. Mr. President, if the Senator will yield, I verify the fact that he has approached this Senator, the chairman of the committee, and the Senator from Georgia, as has the junior Senator from New Mexico. I would be the first to say that they have steadfastly, not only today, but over a period of time, advanced this claim. But I hope that they correspondingly will state that we very carefully and thoroughly reviewed it before giving this our opinion.

Mr. DOMENICI. I thank my friend from Virginia.

Mr. President, I want to make two observations. First of all, if the law that applied to the subcontractors was still in existence tonight, I do not believe there is any doubt but that the U.S. Senate would change it in this authorization bill, because there is really no surety under the Miller Act when a personal bond is accepted, and the surety is permitted to change this asset value during the period of time that they are exposed to that surety liability.

In fact, the law has been changed such that you put a lien on the property during the period of suretyship. That will mean you will not have any kind of these weak-kneed bonds. You will have dollar bonds, you will have insurance-backed bonds.

That is what is happening. They were not fortunate enough to have that.

Second, I submit you have rules for procurement agents, be it the Air Force, the Army or the GSA, and they ought to follow them. Had they followed them here, they would never have let this contract, and they would have had good surety.

So we are just caught in the middle of that, where the Government cannot assume responsibility for such second and third-tier obligations.

I think I understand we are not going to win. It thank everyone for their time. I thank Senator BINGAMAN for his efforts to get this done in committee and here. I yield any time we might have.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from New Mexico.

The amendment (No. 1050) was rejected.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DIXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THEATER AIR COMMAND CONTROL AND SIMULTATION FACILITY

Mr. DOMENICI. I ask the distinguished chairman and ranking member if they would agree with me that a significant portion of the success of the air war was attributable to the ability of the Air Force to simulate the kinds of missions the pilots had to actually fly while in training?

Mr. WARNER. I agree with the Senator from New Mexico.

Mr. DOMENICI. We have on this bill said that in order to deal with the future threats and provide for the security for the American people, it is our "goal to deploy an ABM system, including one or an adequate additional number of ABM sites and spaced based sensors, capable of providing a highly effective defense of the U.S. against limited attacks of ballistic missiles." Would the Senators say that the simulation needs of the DOD and SDIO are of vital importance in this regard?

Mr. WARNER. Yes.

Mr. DOMENICI. I would just like to bring to the attention of the chairman and ranking member the theater air command control and simulation facility at Kirtland Air Force Base.

We have to date spent $200 million on this facility and it is my understanding that this facility will close at the end of the fiscal year. It is also my understanding that when closed, by selling off the assets, the Air Force will only gain $5 million.

It is my hope that the Secretary of Defense will look at this facility and find a way to make use of these tremendous assets.

The SDIO has visited TACCSF and has plans to work with TACCSF to supply for some of their needs.

It would be my hope if the SDIO sees fit, that they would make use of, and if necessary upgrade TACCSF to provide for the increasingly important simulation needs of the DOD.

I ask my colleagues if they would associate themselves with these remarks?

Mr. WARNER. I do.

Mr. NUNN. If the Senator would yield, I would like to say that the Committee on Armed Services strongly supports simulation technology and has in the past acted to keep this specific facility available for simulations and analyses.

The committee understands, however, that the Department believes this system has outlived its usefulness, and has not requested funds to keep it in operation after this September.

If I understand correctly, the Senator from New Mexico is suggesting that this facility could be upgraded and modified to take on new responsibilities. I understand, however, that the Department already has under development a more advanced simulator effort called the Extended Air Defense Test Bed. The committee supports that effort.

The distinguished Senator from New Mexico could well be right that this facility may hold promise, but the Department needs to be the judge of that. If the Department decides that this facility should be retained, the Committee on Armed Services would consider that proposal very seriously and would give expedited consideration of a reprogramming request to upgrade that facility.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the Chair.

SECTION 507 OF THE DEFENSE AUTHORIZATION ACT

Mr. President, I call my colleagues' attention to section 507 of the Defense Authorization Act. This provision directs the Secretary of Defense to establish a review board that will champion the athletic programs of the three U.S. military service academies, and recommend ways in which their commitment to the student athlete can serve as a model for civilian institutions of higher education.

I am sure we are all aware of the continuing national debate over the proper role for intercollegiate athletics in higher education. Just a few days ago, Congressman TOM McMILLEN introduced legislation in the House of Representatives to push the National Collegiate Athletic Association toward serious reform, and I applaud his efforts.

It seems every year a scandal involving the athletic department rocks one or more major universities. Blue chip recruits are wined and dined and promised fancy cars and posh apartments. Players receive money under the table from alumni. Athletes are admitted even though they are academically unqualified, and grades are changed to make sure that the star remains eligible to play.

To date, reform attempts have been limited to Band-Aid measures, while the underlying problems go unchecked. Otherwise, fine institutions are caught in a dangerous cycle. They see a successful sports program as a chance to bring prestige and money to their school. But it becomes a chase for the pot of gold at the end of the rainbow. A university must pump money into a sports program in order to build a winner. As the program gets bigger and better, it requires more and more money, until support of the athletic department becomes a goal unto itself.

Ultimately, the stakes become too high and the temptation to cheat too great. At this point, the crash is almost inevitable. What began as an attempt to enhance prestige and attract money to support the university ends up tarnishing the school's good name and creating a monster with an insatiable appetite for the money that it generates.

These institutions have lost sight of their reason for being. It is essential that they return to their fundamental mission: to provide students with an education. These colleges and universities exist as institutions of higher learning, not farm systems for professional athletics, and not to satisfy some urge of rich alumni who want to recapture past glory. We must be sure that the focus returns to the educational needs of the Nation.

It is time for colleges to offer sports programs to encourage physical fitness and healthy competition and to sponsor intercollegiate athletics to foster such character traits as teamwork, loyalty, and a drive for personal excellence. But these programs must always be secondary considerations. They should be returned to their status as extracurricular activities, not promoted as the primary focus of campus life. This "win at all cost" mentality is damaging not only to the reputation of intercollegiate sports, but also to our entire educational system.

It is within this environment that the athletic programs of the military academics must operate. The physical development of young military officers is an important mission of the academies. But in fulfilling that mission, their athletic programs must not become caught up in the win-prestige-money cycle; but more than just avoiding controversy, they should provide an example to their civilian counterparts of the proper role for athletics and higher education.

In March of this year, the Knight Foundation Commission on Intercollegiate Athletics issued a report, "Keeping Faith With the Student Athlete," which examined the abuses in college sports and proposed certain reforms.

The academics have the opportunity to lead the way in implementing these reforms. An important recommendation of the Knight report was the establishment of an annual certification process where the outside body reviews and certifies the integrity of the athletic program at each participating institution. Section 507 creates a board to not only review the academies; programs, but also to explore ways in which they can serve as role models for civilian colleges and universities struggling with the proper place of athletics in higher education.

I have no doubt that the athletic programs at the academies could easily pass the most rigorous certification process, but as the training grounds for the best and brightest of our Nation's youth, they must do more.

As the report accompanying this bill stated, the Armed Services Committee "believes that this board will help ensure that the academies maintain the commitment to excellence that exists today and will provide a forum for the exchange of ideas between the academies and their civilian counterparts."

Mr. President, I want to take a minute to deal with another matter. Section 508 of this bill establishes procedures for the appointment of the academic dean at the Naval Academy. Senator GLENN, chairman of the Manpower Subcommittee, included this provision at my request to ensure that the civilian faculty have a proper role in the selection of the academic dean.

After the Armed Services Committee reported this legislation, I received a letter from the new superintendent of the Naval Academy, Rear Adm. Tom Lynch, outlining the implementation of procedures that satisfy the intent of that provision. I applaud Admiral Lynch for promptly addressing the situation, and in view of his actions to institutionalize these procedures, I shall offer an amendment to strike section 508.

Mr. President, I ask unanimous consent that the letter from Admiral Lynch be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
U.S. NAVAL ACADEMY,
Annapolis, MD, July 25, 1991.

Hon. ROBERT C. BYRD,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Department of Defense authorization measure for fiscal year 1992 contains a provision regarding the appointment and reappointment of the Academic Dean and Provost at the United States Naval Academy. The provision cites guidelines provided by the American Association of University Professors [AAUP] concerning faculty participation in the appointment/reappointment process and further recommends a system similar to the current practice at the Naval Postgraduate School in Monterey.

The Naval Academy has always been sensitive of the need to solicit the faculty views on major decisions affecting the nature and staffing of our curriculum. The mixed nature of our faculty, about 60 percent civilian and 40 percent military instructors and professors, makes us unique among the service academies, and often requires different procedures and structures to address certain academic issues. The appointment/reappointment of the Academic Dean and Provost is one such issue.

I understand and appreciate the proposal made by the Committee regarding a structure to accomplish our mutual goals, and I have established the objectives review board [ORB] to achieve this end. This board, as part of its charter, reviews all significant academic issues and is comprised of both facility and administration representation. Because this board is now institutionalized and meets the intent of the committee language, I would appreciate action by the Committee to remove the provision addressing the Academic Dean and Provost at the U.S. Naval Academy. I would be pleased to provide you or your staff more information on this matter if desired.

I thank you and the committee for bringing this matter to my attention, and for your support of the Brigade of Midshipmen.

Sincerely,

T.C. LYNCH,
Rear Admiral, U.S. Navy,
Superintendent.

AMENDMENT NO. 1051

(Purpose: To strike out section 508, relating to the academic dean and provost of the Naval Academy)

Mr. BYRD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 1051.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 88, beginning on line 10, strike out all that follows through the matter before line 11 on page 89.

In section 2(b), amend the table of contents by striking out the item relating to section 508.

Mr. DIXON. Mr. President, this side supports the amendment by the distinguished President pro tempore and urges the support of the amendment by the Democratic colleagues on this side.

Mr. WARNER. Mr. President, we, likewise, support the amendment. And may I say to my good friend and teacher from the great State of West Virginia that I am hopeful that that letter will find its way back to not only the United States Naval Academy, but to the other two academies. I had the opportunity, when I was in the Department of the Navy, to work very closely with Annapolis, West Point, and the Air Force Academy; and I think it is very helpful that the superintendents, as they come and go, are aware that there are certain Members of Congress that will take that additional time to assist them.

I was particularly struck by that phrase in there that these institutions should never depart from the original mission for which they were established, not to let emphasis on other extracurricular matters detract from the teachings of these young men and women in these academies.

I am certain that our distinguished colleague is knowledgeable of the fact that Admiral Lynch was formerly the legislative liaison of the Secretary of the Navy and the Chief of Naval Operations to the U.S. Senate. I daresay that Admiral Lynch—then Captain Lynch—had the opportunity from time to time to get to know the President pro tempore of the U.S. Senate.

So I express appreciation for the Senator taking the added time here to appear in person to state his letter in full. It is my hope that all three service academies heed the advice contained therein.

Mr. BYRD. Mr. President, I thank my distinguished friend, the Senator from Virginia [Mr. WARNER].

I thank the managers for accepting the amendment. It has always been my belief that the purposes of these institutions, basically, is to educate the mind of the students, and that athletics are secondary—although important. and I congratulate Rear Admiral Lynch for his letter and for carrying out the purposes for which the language in the amendment was devised.

I think we are making progress. It is a delight to me that the ranking member of the Armed Services Committee has addressed the Senate in the light that he has, and that he supports this effort. I hope that in the future we will see the fruits of the effort.

I thank both managers again, and I urge the Senate to adopt the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from West Virginia.

The amendment (No. 1051) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition?

The Chair recognizes the Senator from Virginia [Mr. WARNER].

AMENDMENT NO. 1052

Mr. WARNER. Mr. President, on behalf of the Senator from Pennsylvania [Mr. SPECTER] I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. SPECTER (for himself and Mr. LAUTENBERG), proposes an amendment numbered 1052.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert at the appropriate point in title XXVIII, part A:

SEC. 17. REPORT ON EMPLOYMENT ASSISTANCE SERVICES.

Not later than 90 days after the date of enactment of this Act, the Secretary of Defense, in coordination with the Secretary of Labor, shall submit to Congress a report setting forth the availability of employment assistance services for civilian employees of the Department of Defense who may be affected by reductions in defense employment associated with the 1988 or 1991 Base Closure Commission. The report shall include the following: 1) a detailed description of plans to reduce the work force, including specific time tables, at defense facilities designated for closure or realignment by the 1988 or 1991 Base Closure Commission; 2) descriptions of the availability of all current federal, state, and local programs and efforts to provide training and reemployment assistance to involuntarily separated personnel in each community affected by base closure; 3) descriptions of any plans by the Department of Labor and the Department of Defense to expand existing job training programs for Defense civilian personnel affected by base closure and realignments and the estimated cost of such program expansions; and 4) a description of any specific Army, Navy, or Air Force programs which provide job training and reemployment assistance to civilian workers affected by the 1988 or 1991 base closure and realignment actions, the current cost of these programs, and any plans to expand these existing programs to meet future job training and reemployment requirements.

Mr. WARNER. Mr. President, the amendment requires the Secretary of Defense to report to Congres the plans of the Secretary of Defense for assisting in retraining of civilian personnel who lose their jobs as a result of base closures.

The amendment is cleared on both sides. I urge its adoption.

The PRESIDING OFFICER. Is there additional debate?

Mr. DIXON. Mr. President, this side enthusiastically supports the amendment offered by the distinguished Senator from Pennsylvania.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1052) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1053

Mr. WARNER. Mr. President, I send to the desk an amendment on behalf of the Senator from Pennsylvania [Mr. SPECTER] and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. SPECTER, proposes an amendment numbered 1053.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER: Without objection, it is so orderd.

The amendment is as follows:

At the end of Part A of Title V, insert the following:

SEC. . ACCESS OF PARENTS AND CERTAIN OTHERS TO THE MILITARY RECORDS OF DECEASED SERVICEMEMBERS.

(a) Chapter 53 of title 10, United States Code, is amended by inserting the following new section at the end thereof:

§1057. Access of parents and certain others to the military records of deceased servicemembers

"(a) The Secretary of Defense shall respond promptly and comprehensively to requests by the parents, spouse, children who are at least eighteen years of age, or legal representative of a member of the armed forces who died while serving on active duty or on inactive-duty training.

"(b) The Secretary shall make available to a person described in subsection (a) a copy of any military record of the member (including any autopsy report or report of investigation concerning the member's death) that would have been available to the member if the member were alive, upon written request for such record.

"(c) The Secretary may impose a nominal charge for the administrative and reproduction requests of responding to a request under subsection (b).

"(d) As used in this section, the term 'parent' includes an adoptive parent and a stepparent.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1057. Access of parents and certain others to the military records of deceased servicemembers".

Mr. WARNER. Mr. President, the amendment adds a new section in chapter 52, title X, United States Code.

The PRESIDING OFFICER. Is there further debate?

Mr. DIXON. Mr. President, this side supports the amendment offered by the Senator from Pennsylvania.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1053) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1054

(Purpose: To authorize the Secretary of the Army to convey certain real property to Lompoc, California)

Mr. WARNER. Mr. President, I send an amendment to the desk on behalf of the Senators from California, both Senators, Senator SEYMOUR and Senator CRANSTON.

The PRESIDING OFFICER. The Clerk will report the amendment

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. SEYMOUR (for himself Mr. CRANSTON), proposes an amendment numbered 1054.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 402, between lines 5 and 6, insert the following new section:

SEC. 2847. LAND CONVEYANCE, LOMPOC, CALIFORNIA.

(a) IN GENERAL.—Subject to subsections (b) through (e), the Secretary of Army may convey to the City of Lompoc, California (hereafter in this section referred to as the "City"), without consideration, all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 41 acres located at the United States Disciplinary Barracks, Lompoc, California, together with any improvements on such land.

(b) CONDITION.—The conveyance authorized by subsection (a) shall be subject to the condition that the City use the real property conveyed for—

(1) educational purposes; or

(2) the purposes provided for in section 834 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1526).

(c) REVERSION.—If the Secretary determines at any time that the City is not complying with the condition specified in subsection (b), all right, title, and interest in and to the property conveyed pursuant to subsection (a), including improvements on the property, shall revert to the United States and the United States shall have the right of immediate entry on that property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcel of property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyance under this section that the Secretary determines appropriate to protect the interests of the United States.

In section 2(b), amend the table of contents by inserting after the item relating to section 2846 the following new item:

Sec. 2847. Land conveyance, Lompoc, California.

Mr. WARNER. Mr. President, this amendment, which has been cleared on both sides and which has the support of the Army, authorize the Secretary of the Army to transfer the title to approximately 41 acres of land as Lompoc CA, which on excess to the Army's needs and which will be and for education purposes. This amendment parallels similar actions enacted in 1985 and 1988. This last initiative will complete the integrity of a track of land already developed for educational purposes.

I urge the approval of this amendment.

Mr. DIXON. Mr. President, this side supports the bill by two two distinguished Senators from California to convey certain real property in Lompoc, CA, and we urge our colleagues to support it.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1054) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. DIXON. Mr. President, I ask unanimous consent that amendment 1055 be in order, despite the fact it amends language which had previously been amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1055

(Purpose: To increase the amount provided for the nuclear monitoring research program of the Defense Advanced Research Projects Agency)

Mr. DIXON. Mr. President, on behalf of the two distinguished Senators from Florida [Mr. GRAHAM and Mr. MACK] I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. GRAHAM (for himself and Mr. MACK) proposes an amendment numbered 1055.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 2, strike out "$10,374,839,000" and insert in lieu thereof "$10,358,639,000".

On page 31, line 25, strike out "$10,653,478,000" and insert in lieu thereof "$10,669,678,000".

Mr. DIXON. Mr. President, this amendment would authorize an additional $16.2 million to DARPA for research on treaty monitoring technologies. The committee understands that any university research contracts associated with these funds will be competed.

This amendment has been cleared on both sides.

We support the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1055) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks recognition? The Chair recognizes the Senator from Michigan.

AMENDMENT NO. 1056

(Purpose: To add an item to the certificate requirement relating to the B-2 bomber aircraft program)

Mr. LEVIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN] proposes an amendment numbered 1056.

Mr. LEVIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 23, line 11, strike out "and" and all that follows through line 14, and insert in lieu thereof the following:

(6) the B-2 test program has demonstrated sufficiently the following critical performance characteristics from flight testing to provide a high degree of confidence in mission accomplishment: detection and survivability, air vehicle performance, strength and durability of the structure, offensive and defensive avionics, and weapon separation testing currently planned (as of August 1, 1991) to take place during fiscal year 1992, provided that 45 days shall elapse after the date of such certification before any funds in this act can be obligated for procurement of new production B-2 bomber aircraft; and

(7) such funds will be used to initiate the procurement of not more than four new production B-2 bomber aircraft in fiscal year 1992.

Mr. LEVIN. Mr. President, this amendment will help establish necessary limitations on the obligation of funds for procuring new B-2 bomber aircraft, by requiring the Secretary of Defense to assure Congress that the bomber will work as required before any funds authorized for the B-2 in this bill are obligated.

I am concerned that the existing certification process is not keeping up with the changing B-2 program. This amendment will establish a fence that will provide assurances and certifications that the B-2 will be able to work as required because none of us want a repeat of the B-1.

My amendment will make sure that before any funds for the B-2 in this bill are obligated, the test program has demonstrated—at the time of the required certification—that there is a high degree of confidence that the B-2's missions can be accomplished. The critical performance characteristics, which must have been demonstrated for the certification to be made, are each essential to assure mission accomplishment, and those critical performance characteristics are specified in my amendment.

Mr. President, the B-2 bomber is an immensely complex and expensive weapon system. I am deeply concerned about the concurrence problems faced by the B-2, and by the fact that we are being asked to fund an increased production rate for the B-2 before the Initial Operational Test and Evaluation Program has begun, and before we know confidently whether the bomber will perform as designed and required. Some of the flight testing has been done, but the Initial Operational Test and Evaluation Program has not begun.

The B-2 bomber testing schedule has slipped 3 years and the trend is for continued slippage. This means that we will not know as much about the bomber's performance as early in the program as the Air Force had previously planned. This means greater concurrence and greater risk that more planes than desirable will be bought and produced without first knowing if it will work as required.

The B-2 production program also has experienced significant problems. All three test aircraft delivered so far have been delivered late and incomplete. In one case the aircraft required more than 100,000 hours of unanticipated additional work after it was delivered. These delays have caused delays in the flight test program. Manufacturing problems have resulted in cracks in the aft deck behind the B-2's engines. Additional unanticipated problems require analysis and testing that prevent the test aircraft form flying according to schedule. The next three test aircraft will all be delivered late and incomplete. This is important to note because certain critical tests will not be possible until air vehicles 5 and 6 are delivered and ready to fly.

It is argued that every year we delay a decision to go to a higher rate of production for the B-2 will cost hundreds of millions of dollars, and that this estimated cost increase justifies moving to a full-rate production decision as soon as we are confident that no terminal problems exist with the B-2 by which is meant problems so serious as to require cancellation of the program. This argument is made irrespective of any and all costs that might be required to fix problems with the B-2 that will not be discovered until the mid-1990's or later.

But such estimates assume that the manufacturer will be able to achieve efficient and stable rates of production far beyond what has been demonstrated so far. It is equally plausible to suppose that it will take years for such production efficiencies to be possible. It is far from clear that the aircraft can be produced at a high rate anywhere near the schedule that is now planned.

Mr. President, I see enough warning signs on the B-2 that I cannot accept the notion that we will be certain in the near future that the bomber will work as required. So it is necessary to add an additional fence to make sure we are not going to buy another bomber that will not work as required. We seem to agree with the notion "if it isn't broken, don't fix it." In the case of the B-2, we need to operate under a different notion: "If it doesn't work, don't buy it."

The vast majority of the flight testing has not even begun. More than 90 percent lies ahead of us. If the Defense Department wants to obligate these funds for these bombers, my amendment would require the Secretary of Defense to certify first that the bombers will work as required, not just that the limited flight test program has not yet produced any catastrophes. The certification of demonstrated success from testing is the key to the high degree of confidence the amendment requires.

Mr. President, given the heavy fiscal constraints this Nation faces we must spend every Federal dollar wisely. We literally cannot afford to waste money. We cannot afford to buy a bomber that doesn't work as required. Many would argue that we can't afford the B-2 even if it does work, and I am sympathetic to their concerns. We need to review the affordability issue each year.

But surely the least we can do is require that DOD assures us that we are going to get what we pay for before we spend any more money. This amendment will help accomplish that.

The B-2 bomber program represents a large investment in a radical new aircraft design and technology. There are many critical elements of the program that are being tested that will demonstrate whether or not the aircraft will be able to perform the missions that were required at the outset of the B-2 program. Some of these critical elements include the terrain following/terrain avoidance radar system, the integrated offensive and defensive avionics systems, including critical defensive avionics systems, the low observable signature features, including radar cross section, infra red, electromagnetic, optical, and sonic signature reduction features, flight characteristics throughout the flight speed and altitude envelope, including maximum airspeed flights at low altitude with representative operational gross weight loads, and weapon release characteristics for all weapons in the B-2 baseline program.

Some of these tests already have been conducted, while scheduled to be conducted by the end of calendar 1992.

If the Defense Department certifies as provided in section 118, (C)(6), then would the chairman be willing to hold, as soon as practicable during the 45-day period, a hearing, with a closed session if necessary, to consider the status of the B-2 test program and production schedule?

Mr. EXON. I appreciate the efforts of the distinguished Senator from Michigan to strengthen the committee's oversight of the B-2 program. I believe the Senator's amendment to section 118 is in the spirit of the recommendations contained in the recent Rand briefings and Rand's followup letter of July 31, 1991, to Senators NUNN, WARNER, LEVIN and myself. That letter recommended that the Secretary be asked to certify that:

First, sufficient testing has been completed on critical aspects of the systems design so as to enable officials to project, with high confidence, system capability to satisfy the operational needs of the using command, and

Second, any aspects of system performance, or elements of the system design, that are deemed critical to successfully achieving the above operational goals and that have not been successfully tested at the time that funds are to be expended should be identified, and the expected test schedule for those elements should be provided.

Accordingly, I want to assure the distinguished Sentor that when the certification under section 118(c) is received, I will immediately consult with the Senator and other members of the subcommittee to establish appropriate hearing dates and witnesses.

I ask unanimous consent that a copy of the Rand briefing and followup letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE RAND CORP.
Santa Monica, CA, July 31, 1991.

Hon. CARL LEVIN,
Committee on Armed Services, U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEVIN: This letter is in response to your request for comments on the phrasing of certain restrictions on use of funds appropriated for the B-2 bomber program. I specifically refer to Section 118, paragraph (C) in S-1507.

I agree with your objective of ensuring that reasonable progress is being made in the development and test program and that no evidence of potentially serious problems has been uncovered. Unfortunately, the process raises complex and troublesome issues. I shall discuss those issues briefly in order to lay a foundation for my recommendations.

One problem is that test results, and especially interim results obtained during development testing, are rarely conclusive in themselves. They require interpretation by people with knowledge about the overall system design and the test environment. Even fully informed experts will sometimes disagree over the likely consequences of a test result in terms of whether design changes are needed and of the difficulty of those changes. Thus I applaud the present policy of the Congress in asking senior DoD officials to certify the general status and results of testing and other development activities, and of allowing those officials some leeway in determining how "major" a problem is or how "successfully" something has been demonstrated.

Another problem arises in selection of specific design elements or performance functions to be certified at any milestone. In S-1507 four aspects of the B-2 are specified. Are those the most critical? My own jdugement is that status of structure fatigue testing is at least as important as some of the elements on the present list, simply because the consequences of major fatigue failure could be very serious. But other experts would create still different lists.

My belief is that any attempt to list specific features for certification raises more problems than it solves. My recommendation is that when "fencing" the expenditure of authorized funds the Congress should ask the Secretary of Defense or other appropriate official to certify that:

(a) Sufficient testing has been completed on critical aspects of the system design so as to enable officials to project, with high confidence, system capability to satisfy the operational needs of the using command.

(b) Any aspects of system performance, or elements of the system design, that are deemed critical to successfully achieving the above operational goals and that have not been successfully tested at the time that funds are to be expended should be identified, and the expected test schedule for those elements should be provided.

An approach such as this clearly provides more flexibility to the DoD officials in terms of deciding exactly what is critical, and how much testing is needed to judge the performance to have been adequately demonstrated. However, my intention is to also place on those DoD officials the responsibility of identifying the full list of such critical elements, and of defending the contents of that list in a continuing dialog with the Congress. Of course, such a list of critical issues should be defined at the beginning of a program, and the System Maturity Matrix is a first step toward such an objective, but at this time in the B-2 program that process has not been refined to an adequate degree.

I hope that this initial response to your question proves useful. These opinions are, of course, my own and do not necessarily represent the views of RAND or of any DoD agencies that have sponsored related research at RAND.

Cordially yours,

GILES K. SMITH.

WHEN SHOULD WE START HIGH-RATE PRODUCTION OF THE B-2?

AN ANALYSIS BASED ON FLIGHT TEST RESULTS

(Statement of Michael D. Rich, Vice President, National Security Research Director, National Defense Research Institute)

PREFACE

The research that I will describe here has a long lineage. For thirty years RAND has studied many topics associated with the development and procurement of major systems, including weapon systems and large-scale civil projects.

In 1987, the Under Secretary of Defense for Acquisition requested that RAND conduct a study of the acquisition strategy of what was then known as the Advanced Technology Bomber. Our initial results, which I briefed to Secretary Weinberger, Secretary Aldridge, and several congressional audiences in the fall of 1987, gave high marks to the risk-reduction measures taken in the early phases of the program. However, we expressed considerable concern about the planned pace of the flight test program, which had not yet begun, and especially about the scheduled timing of key production go-aheads. We made several specific recommendations about both the test program and its relationship to the production program. The subsequent evolution of those programs reflected our recommendations.

Shortly after our study, the Congress directed OSD to establish a "Cost, Performance, and Management Initiative" for the B-2. In connection with that initiative, OSD asked RAND to continue its analysis of the program's acquisition strategy. One of the questions we tackled was how to tie production commitments to progress achieved in the test program, which was one of the recommendations we made in our 1987 study. That's the part of the study I will describe today.[1]

This research was performed for OSD and conducted within the National Defense Research Institute, the federally funded research and development center sponsored at RAND by OSD and the Joint Staff. The views expressed, however, are those of the research team and do not necesarily represent those of RAND or any of its research sponsors.

INTRODUCTION

Over the past decade a series of initiatives from government commissions and from the Congress have urged the Department of Defense to devote more attention to testing activities during the weapons acquisition process. One special thrust has been to encourage the Services to not only do more, and better, operational testing, but also to defer high-rate production of a new system until its operational suitability and effectiveness have been demonstrated.

Given the mandate to demonstrate operational suitability and effectiveness of a new weapon system before authorizing high-rate production, the obvious question is, how much testing and demonstration are enough? The complete flight test program of a modern aircraft system typically extends four to five years after first flight. The industrial lead time from funding authorization to delivery of such a system is at least three years. Thus, to wait until the end of all testing before funding the first high-rate production lot would mean delivery of the first inventory aircraft at least seven years after first flight. Such a delay would be expensive and would diminish the combat advantage provided by the technology advances incorporated in the design.

We know that system maturity of a new airplane (absence of flaws and performance shortfalls) typically improves during the flight test program. Thus, we need some systematic basis for selecting a point in the flight test program that probably will be short of full completion but that will provide sufficient confidence in the basic design to justify production funding. The objective of this study is to develop the necessary analysis model and to apply it to the B-2 bomber development and flight test program.

Decision environment

The decision to authorize funding for high-rate production of a new weapon system obviously depends on many factors. The present analysis assumes that additional quantities of the B-2 bomber will be procured, and that at some point in time we will seek the economies possible through production rates somewhat higher than the Low Rate Initial Production (LRIP) of about two units per year that has characterized recent appropriations. The present study addresses certain technical and economic issues that affect the timing of the decision to move to higher production rates.

Research approach

This research is based on the hypothesis that the fiscal and operational benefits of an early production authorization warrant accepting some risk that all problems have not been identified and corrected. The goal of the research was to identify and quantify those elements of risk that could be reduced through flight test, and to provide a model so that those risks could be systematically and quantitatively projected and then balanced against the costs of delaying production.

This basic approach can be illustrated by the sketch in Fig. 1. At the beginning of a flight test program, the probability is very high that the design contains important flaws. As we progress through the flight test program we discover those flaws, so that by the end of the combined development test and initial operational test program we expect to have found all, or nearly all, of the important problems. The flight test program can therefore be viewed as a process for reducing the risk that undetected flaws remain in the design. To help the acquisition executive who is contemplating authorization of high-rate production before the flight test program is complete, we need to know something about the rate of risk reduction. Two alternative conceptual models are depicted in Fig. 1. (Figure 1 not reproducible in the RECORD.) Curve A reflects the notion that important flaws tend to be revealed quite early, while Curve B suggests that it is not until near the end of flight testing that we begin to rapidly accumulate confidence that the important flaws have been revealed. An acquisition executive who believes in Curve A will be inclined to authorize highrate production after only a modest amount of flight testing has been completed. Conversely, belief in Curve B will lead to a later production start.

One of the major steps in the present study was to assemble data from the flight test phase of previous combat aircraft development programs in order to get some idea of which of the alternative models is most accurate (Fig. 2). The following programs were examined in some detail:[2]

FIGURE 2.—*Research approach*

Review history of recent aircraft flight test programs:
  B-1A, B-1B, F-117, F/A-18, C-5A.
  Time distribution of key events.
Apply historical patterns to estimate future progress of B-2 flight test program.

The B-1A/B-1B bomber, the most recent bomber program and possibly the one most directly analogous to the B-2;

The F-117, our only operational stealth airplane;

The F/A-18 fighter, another recent major combat aircraft; and

The C-5 cargo airplane, the other large aircraft that has completed development and test during the past couple of decades.

For each program the history of the flight test phase was reviewed in detail to determine what problems were discovered, when those problems were discovered, and how long it took to make the necessary design change and to incorporate the change in the production line.

When we examined the past programs it became apparent that we needed to distinguish between some different kinds of "positions" (Fig. 3):

1. Those that seriously diminish the mission capability of the system, and that are so difficult or expensive to fix that they threaten the very life of the program;

FIG. 3.—*Some problems are worse than others*

Type 1: Potential program killers:
  Seriously diminish mission capability.
  Very difficult or expensive to correct.
Type 2: Troublesome but manageable:
  Seriously diminish mission capability.
  Can be corrected, but require time or funding beyond original program scope.
Type 3: Routine Can be corrected within scope of original program.

2. Other important problems that also affect mission capability but are capable of being corrected to an acceptable degree, although that corrective action causes important delays or increases in program cost.

3. Routine problems that can be corrected within the original program budget and schedule.

There are, of course, many problems discovered during flight test. Most are Type 3 (corrected within the scope of the original program) and therefore have little or no effect on mjaor program decisions. By focusing on the two knds of major problems that might be uncovered during flight test, we concluded that we needed a two-step decision process when addressing the high-rate production decision.

First, it seems appropriate to demonstrate enough of the critical system capabilities so as to achieve high confidence that there are no flaws in the system concept so serious as to justify program cancellation. We refer to this as "proof of concept."

Given proof of concept, there is a second, cost-related criterion that can be applied to the high-rate production. There is some point in the test program where the expected cost of correcting flaws not yet discovered is balanced by the expected costs of futher delay in high-rate production. Starting high-rate production at that point should minimize the expected total production cost, including the cost of correcting flaws and retrofitting already-produced units.

By applying this analysis approach to the B-2 program we reached two conclusions (Fig 4.):

FIG. 4.—*Conclusions*

High confidence in system concept by middle of FY 1992:
  Verification of detection/survivability.

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[1] This part of the research was performed by Giles K. Smith, under the direction of John Birkler.

[2] Results were compared in a cursory manner with those from two other major combat aircraft developed in recent times, the F-15 and F-16, and no inconsistencies were found.

FIG. 4.—*Conclusions—Continued*

Flight vehicle well demonstrated.
First looks at weapon release and mission equipment.
Delay beyond FY92 authorization for starting high-rate production likely to increase total production cost.

1. By the middle of 1992 we should have completed enough flight tests to provide high confidence that there are no design or performance problems so serious that they might justify termination of the program.

2. The costs of correcting flaws not yet uncoverd are likely to be less than the costs of delaying onset of more efficient, higher-rate production. Any further delay in authorizing higher-rate production will almost certainly increase the total production cost of the B-2 fleet.

The remainder of this paper will describe the reasoning and analysis that supports those two conclusions.

PROOF OF CONCEPT

Military weapon systems are typically designed against very demanding performance goals, and rarely does a new system fully achieve all such goals early in its operational life. But each new system is typically configured around a few critical design concepts and performance goals, such that failure to meet those goals jeopardizes the entire program. Those goals should be demonstrated to a rather high level of confidence. The question is, how much testing is needed in order to have high confidence that there are no remaining "show stopper" problems in the design?

HISTORICAL GUIDANCE

We approached this issue in two ways. First, we sought guidance from past experience. We reviewed a wide range of earlier aircraft weapon system programs, together with other systems that are technologically complex and challenging, to see when in the test programs project-threatening (Type 1) problems were revealed, and how often that occurred. Surprisingly, we found very few instances where major weapon system programs were cancelled because of problems revealed or confirmed during fullscale tests.

During the past couple of decades, which we believe reflect modern technologies and modern management practices, we found only two programs that were cancelled after full scale testing had commenced and before a substantial amount of serial production: the Army's DIVAD gun (the Sergeant york) and the Tacit Rainbow missile. There were no aircraft programs cancelled on the basis of major design or performance problems revealed during full scale testing.

Other programs have been cancelled during the full scale development and test phase. The B-1A and the T-46A are recent examples. While both suffered some performance problems, it seems clear that budget and broad political issues dominated the fate of those projects, rather than the existence of basic design problems as revealed during full scale tests.

System-specific criteria

One thing apparent from our review of past programs was that the few Type 1 problems actually encountered in full scale system tests had usually been identified as critical issues during the engineering development phase. That gave us confidence that we should be able to create, a prior, a list of such critical issues for the B-2 and then see when in the flight test program we are likely to have accumulated some verification of performance in those areas.

We prepared a list of those aspects of the B-2 design where performance at least close to program goals is absolutely necessary for mission accomplishment, and where initial performance shortfalls might be quite difficult or expensive to correct. We believe four areas satisfy those criteria (see Fig. 5):

FIGURE 5.—*Critical aspects of B-2 design*

	When demonstrated
Detection/Survivability	End 1991.
Vehicle Performance	Mid-1991.
Flying qualities throughout critical portion of envelope.	
Propulsion system performance.	
Range-payload capability.	
Airfield performance.	
Structure adequacy	End 1991.
Air loads in selected maneuvers.	
Limit load demo.	
One fatigue lifetime.	
Weapons separation	Mid-1992.

1. Detection/Survivability: The basic system performance characteristics necessary to degrade enemy detection and to enhance survivability should be validated during full scale flight tests of a fully-configured vehicle. This includes demonstration of all relevant signature-reduction techniques to the extent necessary to achieve signature goals throughout the anticipated spectrum of operational missions. These performance characteristics should be adequately demonstrated by the end of this year.

2. Vehicle Performance: The novel vehicle configuration makes verification of basic flight vehicle performance especially important. This includes demonstration of acceptable flying qualities and performance levels throughout the critical portions of the speed-altitude envelope, demonstration of propulsion system performance, and demonstration of acceptable handling qualities and performance during take-off, landing, and ground operation. Adequate cruise efficiency should be demonstrated at gross weights representative of useful loads for typical missions. These characteristics have been adequately demonstrated through tests completed to date.

3. Structure Strength and Durability: The unusual configuration and the extensive use of composite materials suggest that validation of structure adequacy should be the next criterion for proof of concept. That should include verification of predicted air loads in critical maneuvers, together with the common practice of taking the static test specimen to at least 80 percent of ultimate load and the fatigue specimen to at least the equivalent of one operational lifetime. These performance characteristics should be adequately demonstrated by the end of this year.

4. Weapon Release: The unusual vehicle configuration suggests that weapon carriage and clean separation should be demonstrated. The necessary tests are expected to be performed during the first half of 1992.

Some readers might be startled by the absence of entries in this list dealing with electronic system performance. While it is unreasonable to expect the offensive and defensive electronic suites to be trouble free, the testing of those systems already accomplished on flying test beds seems adequate to assure they can be made to perform at an acceptable level.[3]

Provided the present test schedule is met, by some time during the first half of calendar year 1992 there should be considerable confidence that the basic system concept of the B-2 is sound.

MINIMIZATION OF TOTAL PROCUREMENT COST

Presuming that proof of concept has been demonstrated, should more testing be required before authorizing high-rate production? The answer to that question is based on the observation that most design flaws discovered during test can be fixed, but that occasionally (Type 2 flaws) the fix is expensive. If production is authorized early, then several units might be produced with the flawed component, requiring expensive retrofit after the flaw is discovered and corrected. That argues for extensive testing before production. However, delaying production is itself expensive. That leads to the second decision criterion:

To minimize total procurement cost, the expected cost of correcting flaws not yet discovered should not exceed the savings achieved through prompt start of high-rate production.

This notion can be illustrated by the simple diagram in Fig. 6. (Figure 6 not reproducible in the RECORD.) As high-rate production is delayed in order to perform more testing, the direct cost of production increases, simply because more years of overhead and other fixed costs are incurred. However, the additional testing should reduce the risk of unknown problems, and thus reduce the cost consequences of those problems. The sum of those two cost elements, which we define here as the total production cost, should have a minimum value at some point in time. Here we describe and apply a method for estimating the location of that minimum cost point.

Direct cost of production delays

We start the process of estimating the cost consequences of delaying high-rate production by establishing a series of optional production rate profiles that, while not identical to any actual B-2 program schedules, are close enough for our purposes. We assume a Low Rate Initial production (LRIP) rate of two units per year, which is characteristic of actual appropriations in recent years. Following a decision to produce at higher rates, a build-up sequence of four and six units would occur in successive years, leading to a sustained maximum rate of 12 per year. We examined several such profiles, with each successive one containing an additional year of low-rate production.

We estimated the total flyaway cost for each of the alternative production profiles, using standard parametric cost estimation procedures.[4] Each year of delay in moving to rates beyond LRIP costs at least $400 million dollars.[5]

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[3] This conclusion is based on results of a still-classified antecedent RAND study performed in 1987, and is specific to the B-2 program at this point late in the overall development process. It should not be interpreted as a general conclusion; in fact, at the beginning of any modern combat aircraft program the electronic system must be considered among the elements deserving special attention during both development and test.

[4] Note that these are generalized estimates based on our somewhat arbitary authorization profiles. Therefore, the cost values do not correspond to specific budget authorizations or requests for future authorizations, but the magnitudes and trends are consistent with official values.

[5] This estimate is based on broad military aircraft industry averages for overhead rates and fixed costs.

Cost consequences of risk

Given the estimated cost of delaying production in order to gain more test information, the next step in estimating the total expected production cost is to determine the likely cost consequences of the risk remaining at each point in time during the test program. The "risk cost" is defined (Fig. 7) as the probability of some remaining undetected flaws, times the expected cost of correcting those flaws and retrofitting any previously-completed production items. Each of those elements can be estimated on the basis of previous experience.

Probability of Remaining Flaws: In each of the five previous airplane development programs that we examined, we tried to identify the problems satisfying the "Type 2" criteria:

1. The design discrepancy had to be identified during the flight test phase. This eliminated any problems that had been identified during design or component test prior to flight test.

FIGURE 7.—*Cost consequences of risks*

Total Cost equals Production Cost Plus Risk Cost.

Risk Cost Equals Risk: Probability that additional tests or operational service will reveal new flaws that require corrective action times Corrective costs: Cost of correcting deficiencies in units already funded when flaws were revealed.

2. The discrepancey had a significant effect on the basic mission capability of the system, and therefore had to be fixed.

3. The discrepancy had to be either expensive or time consuming to fix, so that it required changing the schedule or the budget of the project to a significant degree.

We found only a few such problems in each of the programs studied.

The data are plotted in Fig. 8. Figure 8 not reproducible in the RECORD. It is apparent that the shape of the risk reduction trend in this data set more closely compares with Curve A in Fig. 1 than Curve B. By roughly mid-way in the test program there is a very low probability that an important flaw remains undetected. Even without further quantitative analysis, we believe this provides justification for rejecting the argument that production decisions should be delayed until "all testing has been completed."

These data are plotted against percent of test program completed. By mapping the data onto the B-2 flight test plan, we can create a plot of expected-risk profile vs. calendar date. That yields the "Reference Case" program risk profile shown in Fig. 9. (Figure 9 not reproducible in the RECORD.)

That process was repeated, using the arbitrary assumption that the B-2 program might take twice as much testing as historical evidence would indicate is needed to reveal major problems. The resulting "Pessimistic Case" risk profile is also shown in Fig. 9.

Cost of Correcting Flaws: The second part of the "risk cost" model shown in Fig. 7 requires us to estimate the cost of correcting flaws that might be identified in the future. A search of the literature and available cost data bases revealed only a very few instances where such costs could even be roughly inferred. The worst case we found was the cost of replacing the entire wing on the C-5A, which cost about 16% of the original total airplane flyaway cost (using constant-year dollars). Other data points all were in the range of a few percent of original production cost. We elected to use in our calculations a very conservative and pessimistic value of twenty percent of original cost.

We would expect the cost of correcting flaws to vary with the time required to perform corrective engineering and to introduce the new design into the production line. That averages about three years, with a range of one to five years encompassing almost all data points. We used a reference value of three years, and a pessimistic upper limit of five years.

ESTIMATION OF TOTAL PRODUCTION COST

Adding the direct cost of production and the cost consequences of risk yields the estimate of total production cost for each production profile. The results are shown in Fig. 10 where we plot the projected production cost for the assumed 70-airplane buy vs. the first year for which production beyond LRIP was authorized. (Figure 10 not reproducible in the RECORD.) The lower curve is the estimate of direct production cost, whereas the upper curve includes the cost consequences of risk that we estimate are associated with each of the different years in which higher-rate production is first authorized.

We included in our calculations a series of cases in which we assumed that authorization for high-rate production had occurred in prior years. We did that to show a more complete picture of cost trends. In this chart only the last two points on the right, for FY92 and FY93, represent real opportunities at this time. We estimate that the minimum-cost point actually occurred several years ago. This is because the "risk cost" component of the total production cost is small compared to the direct production cost, so the trend of total expected cost is dominated by the cost of delaying production. Thus, any delay (at least since FY90) in authorizing production beyond LRIP appears to cause an increase in the expected total production cost.

We repeated the calculations using the arbitrary, very pessimistic estimate of the program risk profile. That yielded the cost estimates show in Fig. 11. (Figure 11 not reproducible in the RECORD.) While the curve for total cost moves up and the minimum-cost point moves to the right, Fig. 11 still shows a steady trend of increasing total cost with each year of delay beyong FY92 in authorizing high-rate production.

All of the results shown above used constant FY91 dollars. To test the sensitivity of the conclusions of the escalation treatment, we repeated the analysis using then-year dollars, together with the most pessimistic combination of assumptions for the other variables (five-year lead time to correct problems, and the pessimistic risk profile). Results are similar to those for constant dollars, but with steeper slopes (i.e., larger cost penalties for each year of delay in authorizing high-rate production).

SUMMARY

This analysis supports two conclusions (Fig. 12), both predicated on the assumption that the present test program will proceed approximately on schedule:

1. Before the middle of 1992 enough testing should have been accomplished to yield high confidence in the validity of the basic design concept for the B-2. Critical measurements will have been made on the general detection and survivability characteristics of the vehicle. A substantial amount of information should be available on the flight characteristics, structural integrity, and mission performance of the basic flight vehicle. At least initial data should be available on critical elements on the offensive systems. That information should provide substantial confidence that no subsequent problems of a program-threatening nature will be discovered.

Figure 12.—Conclusions

High confidence in system concept by middle of CY 1992: Verification of detection/survivability, flight vehicle well demonstrated, first looks at weapon release and mission equipment.

Delay beyond FY92 authorization for starting high-rate production likely to increase total production cost.

Above presumes that: Test schedule is maintained, problems are corrected in timely and effective manner.

2. Under even the most pessimistic combinations of assumptions regarding the effect of problems not yet discovered, any delay beyond FY92 in authorizing high-rate production will likely cause an increase in total procurement cost of the system. This conclusion is valid even if the total production quantity is less than the current projection of 70 units.

It is interesting to note that in this case the goal of demonstrating confidence in system concept appears to the pacing item, because we almost certainly have passed the time when we could have achieved a minimum estimated production cost.

Every program is different, and there is no promise that the conclusions drawn regarding the B-2 program will apply to the next program. However, it does seem that a policy of delaying production until the design is highly refined and demonstrated through exhaustive flight testing is not necessarily the best course in every program.

Mr. LEVIN. I thank the managers of the bill for their work with me on this amendment during this process.

The PRESIDING OFFICER. Is there additional debate?

Mr. WARNER. Mr. President, the amendment is cleared on this side.

Mr. President, I would like to add, the Senator from Michigan is a tireless worker on the Armed Services Committee. We came to the Senate together, and I have tried to keep up the pace, but I have not equaled the pace in terms of his ability to perform homework.

When this subject of the B-2 bomber was under consideration by the Senate, he gave it his closest attention, and I am pleased to say I support the program.

Therefore, I feel that this is a constructive addition to the work of our committee, and we support the adoption of the amendment.

Mr. LEVIN. Mr. President, first let me thank my dear friend from Virginia. The hour is late, so I will not be too rhapsodic for too long.

We are indeed good friends. We came to this body together and have a very lot of very close and good working relationships over the years. I thank him for his comments.

I have indeed looked deeply into the so-called concurrency problems with

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We recognize that the B-2 program is likely to experience higher levels of such fixed costs, which would strengthen our conclusions regarding the cost benefits of early production go-ahead.

the B-2. I have had some real concerns about the program and about the concurrency issue, which is the question of whether or not adequate flight-testing is being done before we increase production of this bomber.

This amendment addresses that concern, and we will continue to keep a very careful eye on the entire program.

Again, I thank my friend from Virginia.

The PRESIDING OFFICER. Is there further debate?

Mr. WARNER. Mr. President, I thank my colleague and urge adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1056) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1057

(Purpose: To provide limitations regarding the redeployment of the Minuteman III ICBM force)

Mr. DIXON. Mr. President, on behalf of Senator KENT CONRAD, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. CONRAD, proposes an amendment numbered 1057.

Mr. DIXON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 297, between lines 18 and 19, insert the following:

SEC. 1125. LIMITATIONS RELATING TO REDEPLOYMENT OF MINUTEMAN III ICBMS.

(a) PROHIBITION REGARDING OPERATIONALLY DEPLOYED MISSILES.—Funds appropriated for fiscal year 1992 or any fiscal year preceding fiscal year 1992 pursuant to an authorization contained in this or any other Act may not be obligated or expended for the redeployment or transfer of operationally deployed Minuteman III intercontinental ballistic missiles from one Air Force ICBM base to another Air Force ICBM base.

(b) LIMITATION REGARDING STORED MISSILES.—No Minuteman III missile in storage may be transferred to a Minuteman II silo until the Secretary of Defense submits to Congress a plan for the restructuring of the United States strategic forces consistent with the strategic arms reduction (START) treaty signed by the United States and the Soviet Union, including—

(1) a discussion of the force structure options that were considered in developing the plan;

(2) for each option, the locations for the Minuteman III ICBMs and Small ICBMs and the number of each such type of missile for each location;

(3) the cost of each such option; and

(4) the reasons for selecting the force structure provided for in the plan.

Mr. CONRAD. Mr. President, this amendment prevents the expenditure of 1992 or prior funds for the redeployment or transfer of Minuteman III missiles. The amendment also requires that the Secretary of Defense report to Congress his plan for restructuring our entire strategic force under the pending Strategic Arms Reduction Treaty. All aspects of the future missile force, including a decision on the fate of small ICBM's, must be addressed in the report before any funds can be released for moving Minuteman III missiles.

Mr. President, without ever having notified concerned congressional committees of its intentions, the Air Force announced a plan to consolidate Minuteman III missile forces from four to three wings beginning this fall. I do not know why the Air Force did not report such a major shift in the disposition of Minuteman III missiles to the Congress, but, it is clear to Members on both sides of the aisle that the plan is premature.

While the START agreement is all but signed and its provisions are known, no decisions have been made yet concerning the future mix of our strategic assets. The final number of B-2 Stealth bombers that will be built is far from certain—different end numbers presumably will affect the ultimate makeup of each leg of the triad.

Likewise, we do not know if the development and deployment of small ICBM's will proceed. Again, whether or not small ICBM's are made and how they will be deployed affect not only the total warhead count that will be allocated to the ground-based missile leg of the triad under START, it may also affect decisions on where to deploy the various types of missiles in the ground-based arsenal.

The Air Force estimates that the consolidation of Minuteman III's will save $26 million, which is not a small number. But the planned move appears to be the first step of an Air Force attempt to present the Congress with a fait accompli for future strategic force structure.

Simply put, Mr. President, the so-called downloading provision of START will allow a near infinite mix of warheads among the three legs of the triad. Since at least two significant programs are pending that will affect the makeup of two of the three legs, any plan to rearrange the ground-based force now could end up costing more in the long run than it will save now. This amendment announces that we won't let that happen.

Mr. DIXON. Mr. President, this amendment would prohibit the deployment in fiscal year 1992 of any operational Minuteman III ICBM from one Air Force ICBM base to another and restrict any transfer of spare Minuteman III's to empty Minuteman II silos until the Secretary of Defense submits a report on the U.S. strategic force structure under START. The committee agrees that we should not make decisions piecemeal affecting one part of our retaliatory forces until we know what strategic forces, including Midgetman, the administration intends to deploy under START.

This amendment has been cleared on both sides.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1057) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1058

Mr. DIXON. Mr. President, I send an amendment to the desk on behalf of Sentor WIRTH, Senator MACK, Senator MCCAIN, Senator COATS, and Senator SMITH, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. WIRTH, for himself, Mr. MACK, Mr. MCCAIN, Mr. COATS, and Mr. SMITH proposes an amendment number 1058.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 297, between lines 18 and 19, insert the following:

SEC. 1125. POLICY REGARDING CONTRACTING WITH FOREIGN FIRMS THAT PARTICIPATE IN THE SECONDARY ARAB BOYCOTT.

(a) RESTATEMENT OF POLICY REGARDING TRADE BOYCOTTS.—As stated in section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practice or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

(b) POLICY REGRADING CONTRACTING WITH PARTICIPANTS IN TRADE BOYCOTTS.—Consistent with the policy referred to in subsection (a), it is the sense of Congress that—

(1) no Department of Defense prime contract should be awarded to a foreign person unless that person certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel; and

(2) the Secretary of Defense should consider developing a procurement policy to implement the policy expressed in paragraph (1).

Mr. MACK. Mr. President, this amendment is straightforward and timely. For years it has been United States policy to oppose the Arab League economic boycott of Israel. United States law prohibits American companies from abiding by the Arab boycott. This amendment would urge the Defense Department not to grant contracts to foreign firms that abide by the secondary Arab boycott of Israel.

The Arab boycott of Israel continues to be a cornerstone, both symbolically and in practice, of the refusal of the Arab States, except Egypt, to recognize Israel's right to exist. The Arab League boycott was initiated in 1946, 2 years before the State of Israel was established. At that time the boycott was against goods and services produced by Jews in Palestine under the British mandate.

Since the establishment of Israel, the Arab boycott has cost that small State an estimated $20 billion in lost exports and $16 billion in lost investment.

For the last 15 years the United States has led the way in the fight against the Arab boycott with legislation prohibiting U.S. companies from cooperating with any foreign boycott against nations friendly to the United States. According to the Commerce Department, U.S. firms receive some 12,000 requests per year to comply with the boycott, which they must by law refuse.

The Senate should note that the Arab boycott also affects American companies directly. Since 1951, the Central Boycott Office in Damascus, Syria has blacklisted foreign companies that trade with Israel. The number of blacklisted companies has gone up from 2,462 in 1968 to 6,300 in 1976. That number is still growing, even after the gulf war. In March 1991, the Arab League met in Damascus and added almost 200 new companies to the blacklist.

The blacklist includes, of course, dozens of American companies whose only crime is that they trade with Israel. The blacklist even includes 600 ships that have docked in Israeli ports.

Mr. President, the Arab boycott of Israel is illegal, immoral, and it should be ended unconditionally by the Arab world. We should be clear: The Arab boycott has nothing to do with Israel's borders, or Israeli settlements, or anything else. It was imposed in opposition to Israel's right to exist; it should be lifted in recognition of that right.

I was pleased to take a leading role in writing, in a letter signed by 82 Senators, to President Bush urging him to raise the issue of the Arab boycott at the London economic summit last month. The G-7 nations did, in fact, call for an end to the boycott. Unfortunately, that call was linked to a matter that has nothing to do with the Arab economic boycott, the right of Jews to live in the territories administered by Israel.

I recently received a response to our letter from President Bush. In that letter the President states, "I wholeheartedly agree with you that the elimination of the Arab boycott of Israel is highly desirable."

The amendment before us is consistent with U.S. law and policy. I hope that the Department of Defense will take it seriously and develop a workable procurement policy that reflects the views of Congress on this issue.

Mr. President, it is time that we stopped sending taxpayer dollars to foreign companies that comply with the Arab boycott of Israel. I thank the managers of the bill for their acceptance of this amendment and urge its adoption.

I ask unanimous consent that the text of both letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, July 10, 1991.

DEAR PRESIDENT BUSH: As you prepare for the annual G-7 meeting of major industrialized nations, we urge you to make the Arab League economic boycott a high priority on the U.S. agenda. We urge you to press our G-7 allies in the strongest terms possible to end their compliance with the boycott.

Since the early 1950's, the Arab League has maintained a secondary and tertiary boycott which targets companies that do business with Israel or companies that do business with other companies involved with an Israeli company. This offends the very principles of free and open international trade espoused by the G-7 nations last year in Houston.

While the U.S. has enacted strict laws which prohibit U.S. firms from complying with the boycott, our major trading partners have taken no such action. Accordingly, U.S. firms vying for contracts are put at a competitive disadvantage with foreign companies because of the boycott restrictions. We must implore our trading partners to examine their own policies toward the boycott, and urge them to pass legislation which prohibits private sector compliance.

America and the industrialized nations of the world fought to preserve the national sovereignty of Arab nations faced with Saddam Hussein's aggression. It is inconceivable that they will not trade with companies which have business relations with Israel.

The U.S. cannot unilaterally succeed in this endeavor. In order to effectively stifle the coercive effects of the Arab boycott, we need the cooperation of our allies. They too should have laws that prohibit their companies from complying with the Arab boycott of Israel. During the war, we witnessed just how powerful the world community can be when it is unified. This issue is no different. It requires cohesion. If the industrialized countries are unified in their approach, the Arab countries can be convinced to lift their boycott against businesses that do have economic relations with Israel.

It is imperative that the U.S. provide the leadership and the vision at the G-7 conference to accomplish this goal. We look forward to working with you on these issues.

Sincerely,

Frank R. Lautenberg, Timothy E. Wirth, Joseph I. Lieberman, John D. Rockefeller IV, Larry Pressler, Dan Coats, Dennis DeConcini, Connie Mack, Bob Packwood, Charles E. Grassley, Daniel K. Akaka, John McCain, Daniel K. Inouye, Thomas A. Daschle.

Brock Adams, Sam Nunn, John Seymour, Bennett J. Johnston, John Glenn, Alan J. Dixon, Tom Harkin, Donald W. Riegle, Jr., Wendell H. Ford, Claiborne Pell, Alfonse M. D'Amato, Arlen Specter, Bill Bradley, Don Nickles, Jesse Helms, John F. Kerry.

Bob Graham, Howard M. Metzenbaum, Terry Sanford, Daniel Patrick Moynihan, Larry Craig, Conrad Burns, Nancy Landon Kassebaum, Quentin N. Burdick, Herb Kohl, George J. Mitchell, Charles S. Robb, Christopher J. Dodd, Alan Cranston, William S. Cohen, Richard Bryan, Ernest F. Hollings.

Barbara A. Mikulski, Paul S. Sarbanes, Max Baucus, Paul Wellstone, Jim Sasser, Dale Bumpers, Kent Conrad, James Exon, Harry Reid, Paul Simon, Carl Levin, Lloyd Bentsen, Albert Gore, Joseph Biden, Jake Garn, Robert J. Kerrey.

Hank Brown, Ted Stevens, Warren B. Rudman, Christopher S. Bond, Robert Smith, Robert W. Kasten, Jr., Robert Dole, Edward M. Kennedy, Howell Heflin, Phil Gramm, Mitch McConnell, Pete V. Domenici, Slade Gorton, Dave Durenberger, John C. Danforth, Richard G. Lugar, Wyche Fowler, Jr., Harris Wofford, Richard Shelby, John Breaux, Orrin Hatch.

THE WHITE HOUSE,
Washington, July 26, 1991.

Hon. CONNIE MACK,
U.S. Senate, Washington, DC.

DEAR CONNIE: I was pleased to receive the letter that you and 82 of your colleagues sent me regarding the Arab boycott of Israel. I wholeheartedly agree with you that the elimination of the boycott is highly desirable. We have been determined in making this case with the Arab states. On his trips to the region, Secretary Baker repeatedly has told the Arab government that they should end the boycott.

Consistent with this commitment and your letter, we took the lead in raising this issue at the recent G-7 Summit in London. What emerged as a consensus that the best chance to bring about an end to the boycott was to be found in a simultaneous end to Israeli settlement activity. This is not meant to equate the two, although we are on record opposing each, but simply to reflect a widely-shared political judgment. The summit political declaration thus called upon Israel and its Arab neighbors to adopt reciprocal and balanced confidence-building measures, and urged the Arabs to suspend the boycott and Israel to suspend building settlements in the occupied territories.

I have been very pleased, as I am sure you and your colleagues are, by the response we have seen in the Arab world. Egyptian President Mubarak publicly called for suspension of the boycott after his meeting with Secretary Baker. Saudi Arabia announced officially on 20 July that it supports Egypt's call for suspension of the boycott and suspension of settlement activity. Since then a number of other Arab governments, including Jordan, Oman, Qatar and the UAE, have done the same.

In my view, this is an extremely significant accomplishment. Arab willingness to suspend the boycott is a potential turning point in the region's history. The boycott represents the symbol and substance of Arab rejection and isolation of Israel; a readiness to drop it constitutes a readiness to accept and deal with Israel.

This new attitude, along with Secretary Baker's progress in his recent mission to the region following Syria's acceptance of our proposal for a peace conference, suggests that we stand on the threshold of a new era in Israel's relations with its neighbors. Successive American administrations have argued that Israeli settlements constitute an obstacle to peace; recent Arab statements indicating a willingness to suspend the economic boycott if Israel suspends settlement activity underscore this reality.

In short, I believe we have made meaningful progress toward the objective we share. Now is the time for all concerned with Israel's well being and peace in the Middle East to support our efforts to encourage mutual confidence building between Israel and its neighbors by suspending both the boycott and settlement activity.

Sincerely,

GEORGE BUSH.

Mr. DIXON. Mr. President, this amendment would express the sense of Congress that a Department of Defense prime contract should not be awarded to a foreign person unless that entity certifies it does not comply with the secondary Arab boycott of Israel.

This amendment has been cleared on both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1058) was agreed to.

Mr. DIXON. Mr. President, I ask unanimous consent that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

ABSENCE OF RISK-SHARING PROVISIONS

Mr. DIXON. Mr. President, I would like to engage in a colloquy with my distinguished colleague Senator WARNER to clarify the reasons for the absence in this legislation of risk-sharing provisions. These provisions would define an appropriate allocation of risks between the Department of Defense [DOD] and the private contractors performing environmental restoration services at DOD facilities.

Last year, Congress expressly recognized that experienced environmental restoration firms play a vital role in the cleanup of DOD facilities. These firms could be negatively impacted by unquantifiable, probably uninsurable, long-term liabilities associated with hazardous waste cleanup activities. The statement of managers language accompanying last year's authorization conference report directed DOD to study the liability issues and report back to Congress by March 31, 1991, with their findings and recommendations to address this situation.

Mr. President, the Senate Armed Services Committee looked forward to receiving the DOD report. We had full intentions of implementing their recommendations in this year's authorization bill, which is before us today. The March 31 deadline passed, with no report. The June 12 hearing, held specifically for receipt and discussion of this report, passed with no report. DOD did transmit the report shortly after the June 12 hearing. But, the report did not address the various issues requested by the Congress. While the report recognizes that environmental restoration firms face very real liabilities, the four-page report contains no analysis, and virtually no recommendations from which the committee could take action.

Does the Senator from Virginia agree with my assessment of the DOD report?

Mr. WARNER. My distinguished colleague from Illinois is correct. The Department was not responsive.

I do not believe that the Department should postpone resolution of this problem, while at the same time, issues of public health and safety, expedited cleanup of base closures, and the need for cost-effective innovative technologies for cleanup are pressing before this Congress today. I would ask my colleague from Illinois to indicate what the Subcommittee on Readiness intends to do in order to resolve this impasse in time for next year's legislative window.

Mr. DIXON. My colleague poses an important question, to which I can respond with certainty by stating that the Subcommittee on Readiness remains deeply committed to ensuring that the liability issues facing cleanup firms are addressed in an expeditious manner. To that end, we would hope, as a start, that DOD would proceed to implement whatever administrative remedies it has at its disposal, including implementing the provisions of Public Law 85-804, which gives the Secretary of Defense authority to deal with some of these issues. The subcommittee intends to review DOD's efforts closely.

Beyond that, we would expect that DOD will address the remaining, very real concerns of environmental restoration contractors. The DOD should work directly with them and their associations, in order to formulate whatever legislative remedies are necessary to avoid a crisis situation. I would hope that the legislative recommendations resulting from this joint effort would be provided to the subcommittee well in advance of the second session of this Congress.

Mr. WARNER. I thank the distinguished Senator from Illinois for his explanation of the subcommittee's intent, and I would add my commitment to resolve this issue, by this time next year.

Mr. DIXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

Mr. DIXON. Mr. President, I ask unanimous consent that I may proceed as though in morning business for a brief period of time until my colleague, the manager on the Republican side, returns to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois is recognized.

Mr. DIXON. I thank the Chair.

(The remarks of Mr. DIXON pertaining to the introduction of S. 1691 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

AMENDMENT NO. 1059

(Purpose: To express the Sense of the Congress that the United States and the Soviet Union should resume nuclear weapons testing limitation talks)

Mr. DIXON. Mr. President, on behalf of my distinguished colleague, the distinguished Senator from Illinois, Senator PAUL SIMON and Senators KENNEDY, JEFFORDS, and PELL, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. SIMON, for himself, Mr. KENNEDY, Mr. JEFFORDS, and Mr. PELL, proposes an amendment numbered 1059.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following new section:

"SEC. . SENSE OF CONGRESS REGARDING NUCLEAR WEAPONS TESTING LIMITATION TALKS.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the commitment made prior to the Reykyavik Summit by President Ronald Reagan, in a letter to Senator Barry Goldwater, then Chairman of the Senate Armed Services Committee, on October 10, 1986, to "engage in negotiations on ways to implement a step-by-step parallel program—in association with a program to reduce and ultimately eliminate all nuclear weapons—of limiting and ultimately ending nuclear testing" was an important step toward the achievement of further controls on nuclear testing;

(2) the Threshold Test Ban and Peaceful Nuclear Explosions Treaties entered into force on December 11, 1990;

(b) POLICY.—It is the sense of the Congress that the United States and the Soviet Union share a special responsibility to resume the Nuclear Testing Talks to continue negotiations toward additional limitations on nuclear weapons testing.

(c) REPORT.—The President shall, within 60 days of enactment of this Act, submit to the Congress of the United States a report containing a proposed schedule for resumption of the Nuclear Testing Talks and identifying the goals to be pursued in such talks.

Mr. DIXON. Mr. President, this amendment expresses the sense of Congress that the United States should resume the nuclear testing talks and requires a report within 60 days of enactment of the bill, on the administration's timetable for resuming these talks, and its goals in these talks.

Mr. SIMON. Mr. President, I just want to speak for a few minutes about the amendment I am offering with Senators KENNEDY, JEFFORDS, and PELL. It is an important statement of congressional policy on the question of nuclear testing, and I am gratified that my colleagues have accepted this.

The policy section of this amendment simply says:

> It is the sense of the Congress that the United States and the Soviet Union share a special responsibility to resume the Nuclear Testing Talks to continue negotiations toward additional limitations on nuclear weapons testing.

That is all its says, but it comes at a time when the administration is saying that discussions would not make sense at this time.

This is not in keeping with the commitments made several times by the Reagan and Bush Administrations since October 1986. In July of 1990, national security advisor Brent Scowcroft wrote Senator CLAIBORNE PELL, the distinguished Chairman of the Foreign Relations Committee, that "the United States will be ready to propose negotiations on possible further limitations that make sense from a national security standpoint, contribute to stability, and still guarantee a reliable, safe, and effective deterrent." Ambassador Ron Lehman, the Director of the Arms Control and Disarmament Agency, testified before the Armed Services Committee in September 1990 that the administration was exploring the next steps that could be taken on nuclear testing negotiations, and testified again in March 1991 that a review was underway and that he expected it would be completed "in a few months."

Yet less than 2 months later, in May of this year, the Arms Control and Disarmament Agency issued its "Fiscal Year 1992 Arms Control Impact Statement," and in the nuclear testing section, they say that there are no "further limitations on nuclear testing beyond those now contained in the Threshold Test Ban Treaty that would be in the U.S. national security interest."

And this comes from the agency charged with promoting arms control! I cannot imagine why this agency is having such a hard time envisaging negotiations on additional nuclear testing limitations. We ought to move vigorously on negotiations, in my view toward a comprehensive test ban, but let's start the talks again and see where they lead.

Mr. President, the report called for in my amendment requires a schedule for resumed talks and goals to be pursued in these talks. This will be of great help in focusing our friends in the administration on the next steps on nuclear testing. I am a pleased that the Senate can support this amendment, and I thank my colleagues.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1059) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1060

(Purpose: To provide for a study of the need for and feasibility of developing a joint Armed Forces-civilian airport at Manhatten Kansas)

Mr. WARNER. Mr. President, I send an amendment to the desk for Mr. DOLE and Mrs. KASSEBAUM, and ask for its immediate consideration. It permits the Secretary of the Army to conduct a feasibility study of the airport at Manhattan, Kansas, to facilitate the deployment of the 1st Infantry Division—Mechanized. The amendment has been cleared on both sides. I urge its adoption.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Virginia [Mr. WARNER], for Mr. DOLE (for himself and Mrs. KASSEBAUM), proposes an amendment numbered 1060.

Mr. WARNER. Mr. President, I ask that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 309, between lines 2 and 3, insert the following:
>
> **SEC. 2110. AIRPORT FEASIBILITY STUDY, MANHATTAN, KANSAS.**
>
> Of the amount authorized to be appropriated by section 2106(a), not more than $250,000 shall be available for the Secretary of the Army to study the need and feasibility of developing a joint Armed Forces and civilian airport at Manhattan, Kansas, in order to accelerate the future deployment of the 1st Infantry Division (Mechanized).

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1060) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1061

Mr. DIXON. Mr. President, I send an amendment to the desk on behalf of the Senator from Arkansas, Mr. BUMPERS, and ask for its immediate consideration.

The PRESIDING OFFICER. The Clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Illinois [Mr. DIXON], for Mr. BUMPERS, proposes an amendment numbered 1061.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the appropriate place in the bill, insert the following:
>
> **SEC. . U.S. TROOPS IN KOREA.**
>
> A. Congress finds that:
>
> (1) The Department of Defense plans to reduce the United States troop presence in the Republic of Korea to 36,500 personnel by the end of 1992.
>
> (2) The Department has announced no specific plans for further personnel reductions below that level.
>
> (3) The National Unification Board of South Korea estimates the GNP of North Korea to have been $21 billion in 1989, while the Bank of Korea estimates the economy of the Republic of Korea's economy to have been $210 billion in 1989, a factor of ten larger. At its current growth rate, as estimated by its Economic Planning Board, just the annual expansion of the economy of the Republic of Korea is nearly equivalent in size to the entire North Korean economy.
>
> (4) The Republic of Korea faces a substantial military threat from North Korea that requires a vigorous response on both military and diplomatic levels.
>
> (5) The Republic of Korea has decided to increase its level of host nation support, although such support still falls short of the actual cost involved, and short of the relative level provided by the government of Japan.
>
> (6) While recognizing that the Republic of Korea has consistently increased its defense budget in real terms by an average of about 6 percent annually for the past five years, at 4.2 percent of GNP, the Republic of Korea devotes a smaller share of its economy to defense than does the United States, at 4.9 percent.
>
> B. It is the sense of the Senate that:
>
> (1) The Republic of Korea remains an important ally of the United States, with the two countries sharing important political, economic, and security interests.
>
> (2) Commensurate with the security situation on the Korean peninsula and the size and vitality of the economy of the Republic of Korea:
>
> (a) the Department of Defense should seriously consider future reductions of United States military personnel from the Republic of Korea beyond those now planned to be completed by the end of 1992.
>
> (b) the Republic of Korea should undertake greater efforts to meet its security requirements, particularly in the area of force modernization.
>
> (3) The Government of the Republic of Korea should increase the level of host nation support it provides to United States forces in the area so that its relative level more closely approximates that of Japan.
>
> C. The President shall report to Congress, either separately or as part of another relevant report, on or before June 30, 1992, in

both classified and unclassified form, on the overall security situation on the Korean peninsula, the implications of relevant political and economic developments in the area for the security situation there, and United States policy for the area. Issues covered in the report should include, but not be limited to, a qualitative and quantitative assessment of the military balance on the Korean peninsula, the material requirements of the Republic of Korea, United States military personnel requirements, the state of United States-ROK, China-ROK, and Soviet-ROK relations, and prospects for change within North Korea.

Mr. DIXON. Mr. President, this amendment expresses the sense of the Senate that the Defense Department should seriously consider further reductions in the number of United States military personnel in South Korea. It is supported on this side.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. No objection.

Mr. BUMPERS. Mr. President, I am offering this amendment because of my continuing concern about United States policy toward South Korea. Let me say at the outset that I believe relations between our two countries are very good, and I am pleased about that. Our two countries are allies. We are also friends. We share many common economic, political, and security concerns.

However, our policy toward Korea seems mired in the mists of the world of four decades past. Our current troop levels are higher than they were a decade ago. We are acting as if South Korea is a very weak country needing a large United States military presence to protect them from a more powerful neighbor. And that was true in the 1950's and probably the 1960's. But it certainly is not true today.

South Korea has twice as large a population as the North. Its economy is 10 times as large, and it is growing 3 to 4 times as fast as the North. It has grown to such a point that the amount by which South Korea's economy grows each year is equal to the entire size of the North Korean economy. It is an economic powerhouse, and I salute them for their success. Of course, they should open their markets to more imports—their current trade barriers are serious. But they have done well.

Sadly, South Korea seems not to fully realize its economic strength. Keeping trade barriers up is one aspect of this. But another is how they address their security situation. South Korea rightly warns of North Korea's strengths, but they seem unwilling to do more to defend themselves. They spend a smaller share of their GNP on defense than we do, 4.2 percent versus 4.9 percent for us. They could do more, but they don't. We shouldn't be a party to them having it both ways. They cannot warn how terrible the North Korean threat is, and then turn around and devote less of their economy to defense than we.

I would like to have done more than this amendment, and I probably will in the future. I believe that the United States should maintain a presence in South Korea as long as the South Koreans want us, but it does not need to be as large as it is. And it should end at some point. General Menetrey, former head of allied forces in South Korea, said in 1989 that he thought the mid-1990's would be about right if current trends continued. Well, they have continued, and even become better.

We have made some progress, but not enough. Last year, President Bush announced reductions of 7,000 in U.S. troop levels by the end of 1992. That is good. But I think we should go farther. At a minimum, we should keep up that same pace. I think we should keep our Air Force presence of about 10,000 personnel there, and a limited number of Army personnel to perform specialized tasks. But we do not need 26,000 Army troops for that.

What's worse, South Korea does not come close to matching the level of host-nation support as Japan does, on a relative basis. Even with the increase to $430 million, which is about $10,000 per troop, South Korea lags far behind Japan, which supports our forces at over $40,000 per troop. And the cost of our presence is about $3 billion per year, far more than we receive. At a minimum, South Korea can do much better with its level of host-nation support.

Let us also look at the geopolitical picture. Almost everyone agrees that North Korea would need major assistance to invade the South. That means the Soviet Union or China. But the Soviets have greatly improved relations with the South Koreans. For the first time in decades, they have diplomatic relations. They are angling for economic aid from South Korea. They have supported South Korea's entry into the United Nations. And China's relations with South Korea are better than ever, for economic and political reasons. Neither country is going to help North Korea invade the south.

We pay a political price for keeping our troops there. Our troop presence creates social problems in the communities in South Korea where they are located. A while back there were street fights that led to United States troops facing off-limits restrictions for several months. There are other tensions as well, as exemplified by an editorial in a Seoul paper, which claimed that the United States presence provides the means of dominating South Korea's political, economic, military, and cultural fields. Of course this is not true, but our excessive presence there feeds such mistaken beliefs.

Our troop reductions are steps in the right direction. This amendment encourages the Pentagon to continue. I believe we should, and even accelerate them.

My amendment also encourages South Korea to do more in its own defense, especially in the field of force modernization. Last year's Senate Armed Services Committee Report contained some excellent suggestions in this regard, including South Korean acquisition of the multiple launch rocket system. And my amendment also calls on the South Koreans to improve their level of host-nation support.

Let me repeat, South Korea and the United States are good friends, and I hope we will remain that way. But I believe that South Korea needs to more fully recognize its growing role in the community of free nations, and part of that includes shouldering a greater share of the serious burden of their own defense. And the defense department needs to bring its policy up to date, and stop thinking of South Korea as a weak country. It is strong, and could be even stronger if we would do a better job of encouraging them.

I urge the adoption of my amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1061) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1062

(Purpose: To express the sense of the Congress that the President should begin negotiations with Panama to consider whether to conclude a new base rights agreement with the Government of Panama to permit the United States Armed Forces to remain in Panama beyond December 31, 1999.)

Mr. WARNER. Mr. President, I send an amendment to the desk on behalf of Senator CRAIG. The amendment expresses the sense of the Congress that the President should negotiate a new base rights agreement with the Government of Panama to continue permanent stationing of United States troops in Panama beyond the year 1999, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for Mr. CRAIG proposes an amendment numbered 1062.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 465, after line 16, add the following new section:

SEC. 3505. POLICY ON MILITARY BASE RIGHTS IN PANAMA.

(a) FINDINGS.—The Congress finds that—

(1) the Panama Canal is a vital strategic asset to the United States and its allies;

(2) the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal and the Panama Canal Treaty, both signed on September 7, 1977, mandates that (A) no United States troops are to remain in Panama after December 31, 1999; (B) the Canal Zone is to be incorporated into Panama; (C) United States Panama-based communications facilities are to be phased out; (D) all United States training in Panama of Latin American soldiers is to be halted; and (E) management and operational control of the Canal is to be turned over to Panamanian authorities;

(3) the government of President Guillermo Endara has demonstrated its determination to restore democracy to Panama by quickly moving to implement changes in the nation's political, economic, and judicial systems;

(4) friendly cooperative relations currently exist between the United States and the Republic of Panama;

(5) the region has a history of unstable governments which pose a threat to the future operation of the Panama Canal, and the United States must have the discretion and the means to defend the Canal and ensure its continuous operation and availability to the military and commercial shipping of the United States and its allies in times of crisis;

(6) the Panama Canal is vulnerable to disruption and closure by unforeseen events in Panama, by terrorist attack, and by air strikes or other attack by foreign powers;

(7) the United States fleet depends upon the Panama Canal for rapid transit ocean to ocean in times of emergency, as demonstrated during World War II, the Korean War, the Vietnam War, the Cuban Missile Crisis, and the Persian Gulf War, thereby saving 13,000 miles and three weeks steaming effort around Cape Horn;

(8) the Republic of Panama has dissolved its defense forces and has no standing army, or other defense forces, capable of defending the Panama Canal from aggressors and, therefore, remains vulnerable to attack from both inside and outside of Panama and this may impair or interrupt the operation and accessibility of the Panama Canal;

(9) the presence of the United States Armed Forces offers the best defense against sabotage or other threat to the Panama Canal; and

(10) the 10,000 United States military personnel now based in the Canal Zone, including the headquarters of the United States Southern Command, cannot remain there beyond December 31, 1999, without a new agreement with Panama.

(b) POLICY.—(1) It is the sense of the Congress that the President should—

(A) begin negotiations with the Government of Panama to consider whether the two Governments should negotiate a new base rights agreement to allow the permanent stationing of United States military forces in Panama beyond December 31, 1999; and

(B) consult with the Congress throughout the negotiations described in subparagraph (A).

Mr. CRAIG. Mr. President, I am here to offer my amendment urging negotiations of United States base rights in Panama. This amendment will preserve the United States' interest in the Panama Canal and promote security in the region.

My amendment simply adds an additional section, numbered 3505, to title 35 of the Defense Authorization Act. This new section expresses the sense of the Senate that the President should seek to negotiate a new base rights agreement with Panama to allow United States troops to remain in Panama beyond December 31, 1999.

In the past, there has been a great deal of controversy over the Panama Canal Treaties. As is well-known, they gradually relinquish U.S. control of the Panama Canal and require the withdrawal of all U.S. military personnel by the end of 1999. Serious concerns have been raised about the propriety of the ratification of the treaties. While we may have varying degrees of concern, I think we can agree that the base rights problem must be addressed, which is the purpose of my amendment.

I met last week with five members of the Panamanian legislature, and received strong support for my resolution. My colleagues from Panama expressed their concerns regarding the withdrawal of United States troops, and the impact that would have on their economy and security. Their concerns are well founded, Mr. President. Panama has made great strides during the past year, but many challenges remain ahead.

I am sure my colleagues here would agree that President Endara has done a commendable job. He has been committed to reversing the effects of years under dictatorships and has worked diligently to promote and stabilize democracy in Panama. That fact is not questioned by my amendment—nor is the issue of sovereignty questioned. What my amendment does address is a means of achieving a mutually beneficial agreement.

My colleague in the other body, Congressman CRANE, has met with Mr. Ray Bishop, a concerned labor union leader in Panama from Panama Local 907. He expressed his concerns regarding the potential loss of jobs in Panama, and the other numerous problems workers face with the withdrawal of United States troops.

The Panama Local 907 has publicly endorsed the companion resolutions introduced by Congressman CRANE and myself, which go a little bit farther than my amendment, but are substantively the same. Mr. Bishop has been working to build support in the Panamanian Government for the negotiation of a new base rights agreement.

Clearly, the Panamanian people realize the importance of this issue, and the need to make it more prominent. The rise in Panamanian support of continued U.S. bases has been noted in recent public opinion polls published in La Prensa. I share their commitment, and feel that now is the time for this Government and the Government of Panama to resolve the remaining questions and problems surrounding the transfer of the canal.

With support of a continued United States presence being expressed by key Panamanian legislators, labor leaders, and the people of Panama, it is time for the United States to respond. I urge my colleagues to support this amendment.

Mr. President, it would be difficult to overstate the strategic and economic importance of the Panama Canal Zone to the United States. Panama is an important center for international maritime commerce. Any blockage of the canal would greatly disrupt U.S. exports and increase costs for transporting goods. Currently, 15 percent of all U.S. imports and exports pass through the canal annually each year.

The fact that the waterway is a strategic choke point in times of crisis is clearly illustrated by the fact that the number of warships transiting the canal more than doubled after the beginning of the Persian Gulf crisis.

Without the canal, ships would have had to make a 13,000-mile trip around Cape Horn, taking about 3 weeks. Even in the best of situations, loss of the use of the canal would create a security risk.

The Panama Canal is of vital importance to the United States. Its security cannot be jeopardized. While there is no question that President Guillermo Endara has proven his determination to restore democracy to Panama, we cannot ignore the fact that Panama has a history of unstable governments.

Beyond the current economic and strategic needs, we have a new relationship with Panama. I commend the democratically elected Endara government for diligently working to improve its economy and to stabilize its democratic institutions. They have made a strong commitment to democracy, and face a difficult road in turning back many years of policy formed under dictatorships.

To ensure stability, it is expected that Panama will require an annual growth rate of 6 to 8 percent. This will ensure acceptable levels of employment and income.

Forecasted economic growth in fiscal 1991 is between 3 and 4 percent. Direct loss of the jobs of those working on the bases when the U.S. forces are removed is expected to be more than 6,000. The secondary effect will impact 11,000 to 15,000 people, plus their dependents, according to my Panamanian colleagues.

In a country the size of Panama, this could have a devastating effect. They also estimate a loss of $400 million dollars a year—an amount equalling nearly 20 percent of the Panamanian Government's budget.

Now is a time when our two Governments should come to the negotiating table to work out a mutually beneficial agreement that will solidify the future of United States-Panamanian relations.

Mr. Speaker, Panama has dissolved its defense forces and has no standing army or other forces capable of defending the Panama Canal from aggressors. National police director, Egrahim Asvat, has publicly expressed concern that 9 years is too short a period for Panama to accept full responsibility for the Canal's protection. The sufficiency of current allocations, $2.7 million dollars, to prepare the canal area police for their new responsibilities has been questioned.

Mr. President, as recently as December of 1990, we saw a coup attempt in which 100 renegade policemen, led by former police chief Col. Eduardo Herrera, seized control of police headquarters in Panama City. At the request of the Panamanian Government, the rebellion was stifled by the assistance of United States troops. Had the uprising not been subdued, it is possible that Panama would now be controlled by another Noriega-style dictator.

Unless we act in time, the canal will be turned over to Panama with no real safeguards against a third party, hostile to the United States, taking control of the area or restricting its use by United States ships. National security and economic interests demand that we give careful consideration to any policy alternatives that will prevent such a mistake from happening. Concerns for the future of the Panama Canal, and the economy of our southern neighbor, also require our expression of support for their efforts.

Again, let me remind my colleagues that support for a United States presence among Panamanians has been climbing, according to polls listed in La Prensa. Support for my bill has also been expressed by several members of the Panamanian Legislature, including Alonso Fernandez Guardia, President of the Panamanian Senate. For these reasons, I ask my colleagues to join me in supporting this amendment.

I ask unanimous consent that a letter to me from Leo Gonzalez be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ASAMBLEA LEGISLATIVA

Panama 4, Panama, July 23, 1991.

Senator LARRY CRAIG,
Washington, DC.

DEAR SENATOR CRAIG: We are pleased to meet with you yesterday and to review Senate Concurrent Resolution #24 regarding a future relationship between our two countries over military bases in Panama.

As responsible Panamanians, we would welcome the opportunity to discuss such a future relationship.

We recognize the U.S. has a legitimate security interest in the Panama Canal. We further recognize the existing U.S. military presence in Panama represents some 6,000 well-paid jobs, whose discontinuance would further complicate an already weakened economy and would seriously jeopardize our country's political stability. Unemployment is currently Panama's major national-security problem. At 23%, with a further 20,000 young people coming onto the job market every year, you can surely understand our concern over any further determination on an already bad situation.

This situation is part of the aftermath of a 20-year period of military dictorships. Reversing patterns forged over a full generational span is a trend that cannot be overcome in a very short time. (At the very least, that is not a realistic expectation.)

With the advent of the Endara Government, Panama is now taking stock of its long-term perspectives and its attempting to lay the foundations for the sustained long-term development of a Western-style democracy. Basic economic issues, such as employment, are crucial to the success of our efforts in this regard.

Panama and the U.S. share a common interest in a workable democracy astride that interoceanic waterway.

We strongly support your recommendation for both countries to meet to discuss these issues within a reasonable time frame, long before the target date set by the Panama Canal Treaties for the year 2000.

We would both welcome and support such a dialogue should it materialize. We further believe the vast majority of the Panamanian people already take a realistic look at the fundamentals involved and would support such a dialogue in a mature and responsible manner, within the sustained democratic framework required for credible, long-term implications and results. Successive "La Prensa" public opinion polls suggest our belief is indeed anchored in current fact. They also show that a large and growing segment of Panamanian public opinion would support such a dialogue.

We recognize we are at a crossroads in U.S.-Panama relations. We appreciate your personal efforts to suggest the right road to take.

Yours,

ALONSO FERNANDEZ GUARDIA,
Legislador.
LEO GONZALEZ,
Legislador.

The PRESIDING OFFICER. Is there further debate? The Senator from Illinois.

Mr. DIXON. Mr. President, for this side I want to make it very clear that the negotiation of an agreement for a continued military presence in Panama is consistent with the Panama Canal Treaties, and would not in any way abrogate or vitiate any of the provisions of those treaties.

The PRESIDING OFFICER. If there be no further debate the question is on agreeing to the amendment.

The amendment (No. 1062) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1063

(Purpose: To direct the President to provide Congress with a report required by Congress in the fiscal year 1991 DoD Authorization Bill on the disposal of the nuclear stockpile due to potential arms control agreements. The report was required on April 30, 1991. The Committee has been informed that the report has been completed, and is awaiting final approval by the President).

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. WIRTH, for himself, and Mr. KENNEDY, proposes an amendment numbered 1063.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the appropriate section of the bill insert the following:

SEC. REPORT ON WARHEAD DISMANTLEMENT

(a) REPORT REQUIREMENT.—Section 3151 of the National Defense Authorization Act, for fiscal year 1991 require: the President to establish a Technical Advisory Committee on Verification of Fissile Material and Nuclear Warhead Controls. A report was required of the Committee for delivery to Congress no later than April 30, 1991. This report has not been submitted to Congress.

(b) The Committee continues to have a strong interest in this subject, and therefore directs the President to submit this report not later than 60 days after the enactment of this act.

Mr. DIXON. Mr. President, this amendment would direct the Department of Energy to submit the report required by section 3152 of the Fiscal Year 1991 National Defense Authorization Act on Fissile Material and Nuclear Warhead Controls within 60 days from the date of enactment of the act. This report was due on April 30, 1991.

The PRESIDING OFFICER. If there be no further debate the question is on agreeing to the amendment.

The amendment (No. 1063) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1064

(Purpose: To revise the waiver on post-employment restrictions applicable to employees of certain national laboratories)

Mr. DIXON. Mr. President, I send an amendment to the desk on behalf of the distinguished Senator from Michigan [Mr. LEVIN].

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. LEVIN, proposes an amendment numbered 1064.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 443, strike out line 15 and all that follows through page 446, the matter above line 14 and insert in lieu thereof the following:

SEC. 3134. REVISION OF WAIVER OF POST-EMPLOYMENT RESTRICTIONS APPLICABLE TO EMPLOYEES OF CERTAIN NATIONAL LABORATORIES.

(a) REVISIONS.—Subparagraph (B) of section 207(k)(1) of title 18, United States Code, is amended—

(1) by inserting "(i)" after "(B)"; and

(2) by adding at the end the following new clause:

"(ii) Notwithstanding clause (i), a waiver granted under this paragraph to any person who was an officer or employee of Lawrence Livermore National Laboratory, Los Alamos National Laboratory, or Sandia National Laboratory immediately before the person's Federal Government employment began shall apply to that person's employment by any such national laboratory after the person's employment by the Federal Government is terminated.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to persons granted waivers under section 207(k)(1) of title 18, United States Code, on or after that date.

In section 2(b), amend the table of contents by striking out the item relating to section 3134 and inserting in lieu thereof the following new item:

Sec. 3134. Revision of waiver of post-employment restrictions applicable to employees of certain national laboratories.

Mr. DIXON. Mr. President, this amendment would allow the Department of Energy greater flexibility in using DOE laboratory employees in DOE management positions.

Mr. LEVIN. Mr. President, my amendment revises section 3134 of the DOD authorization bill, which would waive a number of ethics laws for certain employees of national laboratories who go to work with the Department of Energy and then return to their national lab.

The Department of Energy has represented to Congress that it is in the Department's interest to be able to tap into the scientific expertise of the employees of the national laboratories by hiring certain key employees for a limited period of time. Many of these national laboratory employees, we are told, desire to return to their national laboratory after their employment with the Department of Energy is terminated. Because of the close relationship between a national laboratory and its sponsoring agency, it is critical for national laboratory employees to talk freely with their sponsoring agency employees. Federal ethics laws, however, contain a governmentwide prohibition on former Government employees lobbying their former agencies. Thus, when one of these national laboratory experts returns to his or her national lab after working for the Department of Energy, he or she could be barred from contacting the Department of Energy, even though such contacts are an integral part of the work of the national laboratory.

For that reason, we enacted a waiver provision in 18 U.S.C. 207, the postemployment lobbying statute, to allow an employee of a national laboratory who goes to work for the Department of Energy and subsequently returns to the national laboratory to contact DOE as part of his or her job at the national laboratory, upon a finding that it was in the public interest to do so.

The Department of Energy, however, has sought additional waivers and exemptions for national laboratory employees in section 3134 of this bill. The section goes too far. It suspends key ethics provisions that should apply to all Federal employees, whether or not they are from a national laboratory—such as the prohibition against taking a bribe.

My amendment is more narrowly drawn to address DOE's specific needs. DOE claims that some of the national laboratory employees who go to work for the Department don't return to their former national laboratory, to which the current waiver provision applies, but may instead go to another of the DOE national laboratories. DOE argues that these DOE laboratories are really interchangeable for purposes of this postemployment lobbying restriction and that the current waiver should reflect that. My amendment, therefore, expands on section 207(k) by recognizing that three of the national labs—Livermore, Los Alamos, and Sandia—draw on many of the same experts and allowing each of these national labs to be treated as one for purposes of applying the 207(k) waiver. Thus, if an employee leaves Livermore to work for the Department of Energy and then is employed by Los Alamos or Sandia after leaving the Department, the 207(k) waiver of the postemployment lobbying restriction could still apply to his or her employment at Los Alamos or Sandia.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1064) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1065

(Purpose: To amend the Small Business Administration's Certificate of Competency Program to provide improved accountability in the Administration's exercise of the authority granted by the Small Business Act, and streamline Certificate of Competency Program procedures relating to contracts below the "small purchase threshold")

Mr. DIXON. Mr. President, I send to the desk an amendment, sponsored by Senators BUMPERS, NUNN, BOND, LEVIN, and DIXON that would remove the requirement that the Small Business Administration [SBA] automatically review a determination by Federal agencies, including DOD, that a small business is nonresponsible to perform a contract. It is my understanding that it has been cleared on both sides. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. BUMPERS (for himself, Mr. NUNN, Mr. BOND, Mr. LEVIN, and Mr. DIXON), proposes on amendment numbered 1065.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At an appropriate place in title VIII of the bill insert the following:

SEC. 8 . SMALL BUSINESS ADMINISTRATION CERTIFICATE OF COMPETENCY PROGRAM IMPROVEMENTS.

Section 8(b)(7) of the Small Business Act (15 U.S.C. 637(b)(7)) is amended—

(1) in subparagraph (A)—

(A) by striking "To certify" at the beginning of the first sentence and inserting "(i) To certify";

(B) by striking "A Government procurement officer" at the beginning of the second sentence and inserting the following:

"(ii) Except as provided in clause (iv), a Government procurement officer";

(C) by striking the period at the end of the second sentence and inserting ", pursuant to clause (iii)."; and

(D) by adding at the end of the paragraph the following:

"(iii) Any certification issued by the Administration for any contract with an anticipated award value in excess of $10,000,000 shall be supported by detailed findings addressing—

"(I) the determination by the contracting officer that the small business concern was deficient with respect to one or more of the elements of responsibility; and

"(II) any submission relating to such nonresponsibility determination subsequently submitted to the Administration by the procuring agency.

"(iv) A contracting officer is not required to refer a determination of nonresponsibility with respect to the procurement of supplies or services the award value of which is not expected to exceed the small purchase threshold prescribed pursuant to section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) to the Administration if—

"(I) the small business concern does not request a determination of its responsibility and the issuance of a certificate by the Administration, and

"(II) the solicitation of offers for such contract included a notice of the right of a small business concern to request the Administration to make a determination of its responsibility and specified the manner (including the time) in which such request may be made."; and

(2) in subparagraph (C)—

(A) by striking "In any case" at the beginning of the first sentence and inserting "(i) Except as provided in clause (ii), on any case"; and

(B) by striking the second sentence and inserting the following:

"(ii)(I) Notwithstanding the issuance of a certificate by the Administration on behalf of a small business concern other than the firm awarded a contract described in subclause (II), the secretary of a department or the head of an agency, on a non-delegable basis (except that such determination may be delegated to the senior acquisition executive of a Military Service or of a Defense agency within the Department of Defense), may determine to continue performance of the contract.

"(II) A contract is described in this subclause if the contract has been awarded, the award value is $25,000,000 or more, substantial performance has been undertaken by the contractor, and the secretary of the department or head of the agency, on a nondelegable basis (except that such determination may be delegated to the senior acquisition executive of a Military Service or of a Defense agency within the Department of Defense), has determined that termination of the contract would likely have a substantial adverse impact on the performance of critical mission or program activities of such department or agency.

"(iii) Nothing in this paragraph requires the processing of an application for certification if the small business concern declines to have its application processed.".

Mr. DIXON. Mr. President, this amendment will remove the requirement that the Small Business Administration automatically review a determination by Federal agencies, including the Department of Defense, that a small business is nonresponsible to perform a contract.

Mr. BOND. Mr. President, the amendment by the Senator from Arkansas, which was just adopted by the Senate, corrects an existing deficiency in the process by which small businesses are certified as competent to compete for important defense contracts. The amendment was prompted by a recent case in which the Navy awarded a contract to a deserving and qualified small business. That company then went forward with its effort to perform in good faith.

Unfortunately, due to the flawed process by which the Small Business Administration now issues certificates of competency, the Navy is now being forced to terminate Sabreliner, the company it wants to fulfill the contract, and is instead forced to contract with another firm which it has determined is not competent to complete the contract. The result of this travesty is that the Navy is being forced to pay a second contractor—which it does not believe can fulfill the contract in the first place—to duplicate the work of another firm which has been performing the contract to the satisfaction of the Navy for almost 1½ years.

I ask my colleagues to think for a moment about what this means. Not only are the taxpayers being forced to pay tens of millions of dollars twice for a service, for no reason other than because of a ruling of some bureaucrat at the Small Business Administration. But even more important, on a contract for critical services—in this case naval flight officer training services—the Navy is being forced to go to a firm that it does not feel is competent to complete the contract.

This bill will correct that problem by giving the Secretary of the Navy—or his counterpart in other agencies—the ability to continue performance of a contract notwithstanding a decision by the SBA.

This legislation will prevent future problems like the one experienced by the Sabreliner Corp. in the case I have referred to. Sabreliner bid on the contract for naval flight services, was the low bidder, was awarded the contract, and has performed exceptionally for well over a year. Now, due to no fault of its own, Sabreliner's contract will be terminated and awarded to the other firm.

Mr. President, I wish there was something we could do here today to remedy this situation as it relates to Sabreliner. But since that is not possible, it is important that we pass this measure to ensure that this type of travesty does not arise again.

I also think it is important to find out what the true cost of this case will be. For that reason, I am joining today with the Senator from Michigan to request a GAO study of the contract for undergraduate naval flight officer training services. I think we need to know what the cost to the taxpayers will be, what the impact will be on the training of our naval flight officers, and how we got into this situation in the first place. This study will provide us with that information and, when combined with the pending amendment, will end the problems that we have experienced under the existing law.

The PRESIDING OFFICER. If there be no further debate the question is on agreeing to the amendment.

The amendment (No. 1065) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1066

(Purpose: To require the collection of information relating to the exposure of members of the Armed Forces to fumes of burning oil in connection with Operation Desert Storm and to require annual reports relating to the study of such information)

Mr. DIXON. Mr. President, I send an amendment to the desk on behalf of Senators KOHL, CRANSTON, and DASCHLE and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. KOHL (for himself, Mr. CRANSTON, and Mr. DASCHLE), proposes an amendment numbered numbered 1066.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 177, between lines 2 and 3, insert the following new section:

SEC. 713. REGISTRY OF MEMBERS OF THE ARMED FORCES EXPOSED TO FUMES OF BURNING OIL IN CONNECTION WITH OPERATION DESERT STORM.

(a) ESTABLISHMENT OF REGISTRY.—The Secretary of Defense shall (with the advice of an independent scientific organization) establish and maintain a special record relating to members of the Armed Forces who, as determined by the Secretary, were exposed to the fumes of burning oil in the Operation Desert Storm theater of operations during the Persian Gulf conflict (hereafter in this section referred to as the "Registry").

(b) CONTENTS OF REGISTRY.—The Registry shall include—

(1) a list containing the name of each member of the Armed Forces referred to in subsection (a); and

(2) a description of the circumstances (including the length) of each exposure of that member to the fumes of burning oil as described in subsection (a).

(c) REPORTING REQUIREMENT RELATING TO EXPOSURE STUDIES.—The Secretary shall annually submit to Congress with the budget submitted under section 1105 of title 31, United States Code, a report on the ongoing studies on the members of the Armed Forces referred to in subsection (a) to determine the health consequences (including any short- or long-term consequences) of the exposure of such members to the fumes of burning oil (as described in subsection (a)), and on any need for additional studies relating to the exposure of such members to such fumes.

(d) MEDICAL EXAMINATION.—Upon the request of any member listed in the Registry, the Secretary of the military department concerned shall, if medically appropriate, furnish a pulmonary function examination and chest x-ray to such person.

(e) EFFECTIVE DATE.—The Secretary shall establish the Registry not later than 180 days after the date of the enactment of this Act.

(f) DEFINITIONS.—In this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Bene-

fits Act of 1991 (Public Law 102-25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf conflict" has the meaning given such term in section 3(3) of such Act.

In section 2(b), amend the table of contents by inserting after the item relating to section 712 the following new item:

Sec. 713. Registry of members of the Armed Forces exposed to fumes of burning oil in connection with Operation Desert Storm.

Mr. DIXON. Mr. President, this amendment will establish a registry to allow the Department of Defense to followup on any long-term health effects associated with members of the armed services exposure to the fumes of the Kuwaiti oil fires.

Mr. KOHL. Mr. President, I am offering an amendment today that calls on our government to take action regarding possible health impacts of the fumes from the oil well fires that have raged in the Persian Gulf region. Many of the troops that performed so well on our behalf in Operation Desert Storm were subjected, and some are still being subjected, to breathing these noxious fumes. At this point in time, we have no way of knowing what, if any, problems may develop from this exposure. This amendment will make sure that if problems do develop we will know about them. And that if problems do develop our veterans will not need to fight the long and controversial battles that have characterized the agent orange and atomic veterans struggle.

The amendment will do three things. First, the Department of Defense will draw up a registry of all service members who participated in Operation Desert Storm who were exposed to these noxious fumes and to the extent possible describe the circumstances and length of their exposure. The Secretary is directed to receive advice from an independent scientific organization to determine the parameters of the registry. While the legislation gives DOD the discretion to select an organization, it is clear to me that the Medical Follow-Up Agency of the National Academy of Sciences Institute of Health has the independence, experience, and expertise to make recommendations on this issue.

Second, the amendment includes a reporting requirement on the studies being done by DOD to determine the presence of any adverse health impacts from which our Persian Gulf veterans may suffer, both now and in the future.

Third, the amendment would allow the members listed in the registry to receive, upon request and if medically necessary, a pulmonary function exam and chest x-ray. This requirement is meant to help ensure that any service member who fears for their own health will have no problem in establishing some permanent, baseline data for their own personal medical history.

The need for this amendment is clear. We've all heard how bad the smoke in the gulf region is. It can block out the noonday Sun. In Kuwait City during May, visibility averaged only 50 percent of normal. Administrator William K. Reilly of the Environmental Protection Agency came back from Kuwait and has testified that "the fires produce large amounts of smoke and soot that blanket the area with acrid pollution, blacken the desert crust for miles, and deposit oily globules as far away as Riyadh." That's the air our fighting men and women have been breathing, and if it can do that to the desert floor, I hate to think about what it may do to human lungs.

When the EPA team was in Kuwait, they advised military commanders to restrict the physical activity of troops and to provide gas masks on heavy air pollution days. Nonetheless, the preliminary conclusion was that there were no immediate severe or acute problems that threatened the short-term health of our soldiers. As for the long-term health effects, our experts have said there was no way of predicting them.

That is why the registry is so important. Let us get the data in our hands today. Let us not wait 20 years before we begin to notice some incidental cases of lung cancer and then try to go back and see whether this veteran or that one was near those oil well fires. Let us not muddle through on this. Let us do it right the first time. We need to find out who was there, and for how long, and what type of control groups are needed. We need to figure out the best way to track the health problems that might develop. This amendment will get that done.

I also want to make it clear that this amendment is in no way meant to be a criticism of the efforts that have already been undertaken by the Department of Defense to study this matter. Rather, the effect of this amendment should be to work in concert with the various activities already underway in DOD, such as the various worthwhile studies being coordinated by the tri-service working group with the U.S. Army Environmental Hygiene Agency Team, the Naval Medical Department, and others.

Adoption of this amendment will make congressional concern about the matter clear. First, a comprehensive registry should be set up now for use in any future epidemiologic studies; even if the initial assessment is that there will be no long-term health impact, I think the American people, and certainly our veteran population, see this as a necessary step. I would envision that the registry would become an important source for studies that may be undertaken in the future by DOD, the Department of Veterans Affairs, or by independent bodies. Second, Congress needs to know the results of the studies that are being undertaken and we need to make clear the questions we want answered—a determination of the extent of any possible near-term or long-term health impacts of exposure, and what the need is for future studies.

I want to thank Chairman NUNN, Senator WARNER, and the staff of the Armed Services Committee for their assistance and support of this amendment. They recognize, as I do, that we have a continuing responsibility to our service men and women. I am especially pleased to have the support and cosponsorship of the distinguished chairman of the Veterans' Affairs Committee, Senator CRANSTON. It is my fervent hope that the black soot of Saddam Hussein's rage does not come back to haunt the health of our veterans in the future. But if it does, adoption of this amendment is a concrete pledge to those veterans that they will not be abandoned.

Mr. CRANSTON. Mr. President, I rise in support of the amendment offered by my friend, the Senator from Wisconsin [Mr. KOHL]. As chairman of the Committee on Veterans' Affairs and one who has been active for many years in issues involving environmental hazards that might have affected veterans during their service, I congratulate Senator KOHL for his work on this issue.

If we have learned anything from the scientific and public controversies over agent orange and radiation exposure, it is that early data collection and analysis can be critical factors in making rational policy decisions about the health effects of environmental hazards like the oil fires in Kuwait.

On July 16, I began a series of hearings into the readjustment problems of Persian Gulf war veterans and their families. On the first day of those hearings, we heard veterans and veterans' service organizations express concern about the possible adverse health effects of the oil fires in Kuwait. I asked VA's Chief Medical Director, Dr. Jim Holsinger, to describe the Government's efforts to track respiratory and other diseases that veterans might suffer as a result of the oil fires in the gulf. I was very encouraged by his reply.

Dr. Holsinger said VA currently is working with the Department of Defense to develop a registry of individuals who served in the Persian Gulf "so that we can * * * track issues that might deal with the oil fires and other environmental agents, so that we will not be in a position of having to deal with this 30 years from now without knowledge—as we have done with both the atomic veterans and the agent orange issue. * * * We are trying to get ahead of the game this time on issues of environmental hazards."

Mr. President, the Congress, too, should be ahead of the game this time. The Committee on Veterans' Affairs will continue to monitor and pursue this issue and other matters affecting the health and well-being of our newest generation of wartime veterans.

I urge my colleagues to support the amendment.

Mr. DIXON. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1066) was agreed to.

Mr. DIXON. I move to reconsider the vote by which the amendment was agreed to.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1067

(Purpose: To direct the Secretary of the Air Force to study bases to serve as main operating bases for the B-2 bomber)

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration. I will state it has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 1067.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it so ordered.

The amendment is as follows:

At the appropriate place insert the following:

Sec. . REQUIREMENT TO CONDUCT BASING STUDIES FOR THE B-2 BOMBER.

The Secretary of the Air Force shall conduct studies of existing Air Force bases and other service bases such as including Forbes Air Force Base, to determine the feasibility and suitability of such bases as main operating bases of the Strategic Air Command for the B-2 bomber. Such studies will include desirability of location, strategic considerations, military construction requirements, costs, flying conditions, adequacy of safety zones, and other site requirements as deemed necessary by the Secretary of the Air Force. These studies shall be completed and provided to the Committees on the Armed Services of the Senate and the House of Representatives prior to final site selection of any main operating bases for the B-2 bomber not previously selected and currently under construction and shall be part of the studies mandated in section 2310.

Mr. DOLE. Mr. President, the strong endorsement the Senate has given the B-2 begins to pave the way for a second wing of this awesome symbol of American technological genius. My amendment directs the Secretary of the Air Force to study existing airbases to determine their suitability as main operating bases for the next wing of B-2 bombers.

Exploring the use of existing bases makes sense, especially as we begin to draw down our force structure.

I have specifically highlighted Forbes Air Force Base in Topeka, KS, because I want to make sure that the Secretary takes a good look at all that Forbes has to offer. Because some of the missions have been scaled back at Forbes over the years I want to make sure that Forbes is not overlooked. This amendment ensures that this fine base gets the full consideration it deserves.

I think that Secretary Rice will agree with me—Forbes has a lot to offer and deserves his special attention. The large existing runway, excellent flying conditions, and quality of life in the Topeka area all adds up to a solid value for the Air Force and the taxpayer.

Forbes is already home to the 190th Air Refueling Group—stars of Operation Desert Storm. The current strategic refueling mission of the 190th would be a great fit with America's newest strategic bomber.

My amendment ensures that McConnell Air Force Base in Wichita will also receive full consideration by the Secretary.

McConnell is currently the home of the Strategic Air Command's B-1B. It possesses the facilities, extensive runway, and full instrumentation necessary for a state-of-the-art operation base required by the B-2.

No doubt about it. Kansas and the Strategic Air Command have had a great relationship over the years. This is just a reminder of our mutual heritage.

Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amedment.

The amendment (No. 1067) was agreed to.

Mr. DOLE. I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1068

Mr. DIXON. Mr. President, I send an amendment to the desk on behalf of Senators SHELBY and HEFLIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. SHELBY, (for himself and Mr. HEFLIN) proposes an amendment numbered 1068.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 297, between lines 18 and 19, insert the following new section:

SEC. 1125. SENSE OF CONGRESS RELATING TO THE CHEMICAL DECONTAMINATION TRAINING FACILITY, FORT McCLELLAN, ALABAMA.

(a) FINDINGS.—Congress finds the following:

(1) The possible use of chemical weapons by Iraqi forces was the most significant military threat confronted by members of the Armed Forces of the United States who served in the Persian Gulf region in connection with Operation Desert Storm.

(2) There continues to be extreme concern with respect to the ever more rapid proliferation of chemical weapons and agents, especially among nations in the Middle East.

(3) This proliferation makes it increasingly necessary that members of the Armed Forces have the capability of self-defense against chemical weapons and agents.

(4) Combat training with live chemical agents directly promotes this capability by reducing the life-threatening fear and self doubt that some soldiers experience on a battlefield contaminated by chemical weapons or agents.

(5) Such training further promotes this capability by enhancing the professional credibility of the members of the Armed Forces who train others with respect to chemical weapons and agents.

(6) The Chemical Decontamination Training Facility (CDTF) located at Fort McClellan, Alabama, is the only facility for conducting combat training with live chemical agents located in the Western Hemisphere.

(7) The operations of the CDTF depend upon the support activities of the Army Chemical School which is also located at Fort McClellan, Alabama.

(8) The Defense Base Closure and Realignment Commission has reported that the Closure or diminished operation of the CDTF could have an adverse impact on the capability of the Armed Forces to defend against the use of chemical weapons agents and thus on the national security of the United States.

(9) The capability of members of the Armed Forces to defend against chemical weapons and maintaining a fully operating facility for conducting combat training with live chemical agents located in the Western Hemisphere including maintaining support activities.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the necessity for the Armed Forces to have an effective live chemical agent training facility requires that the Chemical Decontamination Training Facility and the Army Chemical School be continued in operation at Fort McClellan, Alabama, unless a new facility for conducting combat training with live chemical agents is constructed.

In section 2(b), amend the table of contents by inserting after the item relating to section 1124 the following new item:

Sec. 1125. Sense of Congress relating to the Chemical Decontamination Training Facility, Fort McClellan, Alabama.

Mr. DIXON. Mr. President, this amendment would express the sense of the Congress that the necessity for the Armed Forces to have an effective live chemical agent training facility requires that the chemical decontamination training facility in the Army Chemical School be continued in operation at Fort McClellan, AL, unless a new facility for conducting combat training with live chemical agents is constructed.

Mr. President, we support that amendment.

Mr. SHELBY. Mr. President I join today with my colleague from Alabama in offering an amendment to S. 1507, the Department of Defense authorization bill for fiscal years 1992 and 1993 expressing the sense of Congress relating to the chemical training decontamination facility [CDTF], located at Fort McClellan, AL.

Mr. President, as the recent operation in the Persian Gulf has so graphically demonstrated, the possible use of chemical weapons by Iraqi forces was the most significant military threat confronted by members of the Armed Forces of the United States. This current threat, combined with an ever more rapid proliferation of chemical weapons and agents, continues to be of extreme concern to all nations of the world. This proliferation of chemical weapons makes it increasingly necessary for members of the Armed Forces to have the capability of self-defense against chemical weapons and agents. This real capability can only be obtained through realistic training with live chemical agents provided by the chemical decontamination training facility at Fort McClellan, AL.

Live agent training promotes this capability by reducing the life-threatening fear and self-doubt that some soldiers experience on a battlefield contaminated by chemical weapons or agents. Furthermore, this training promotes this capability by enhancing the professional credibility of the members of our Armed Forces who train others in defending against chemical weapons. The only place in the free world where our soldiers can obtain this training is at the CDTF at Fort McClellan.

As the Base Closure and Realignment Commission recently reported, the closure or diminished operation of the CDTF would have an adverse impact on the capability of our Armed Forces to defense against the use of chemical agents and thus on the national security of the United States. We simply cannot afford to abandon this training.

Therefore, Mr. President, we are asking the Senate to express the sense of Congress that the necessity for our Armed Forces to have effective live chemical agent training facility requires that the chemical decontamination training facility and the Army chemical school, which supplies necessary support activities, be maintained at Fort McClellan, AL, unless a new facility for conduction combat training with live agents is constructed elsewhere. I urge the adoption of this amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1068) was agreed to.

Mr. DIXON. I move to reconsider the vote by which the amendment was agreed to.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1069

(Purpose: To direct the Secretary of the Army to conduct a study to determine the feasibility and desirability of establishing an Armor Combat Tank Badge)

Mr. SMITH. Mr. President, I send an amendment to the desk on behalf of Senator MCCONNELL and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH], for Mr. MCCONNELL, proposes an amendment numbered 1069.

Mr. SMITH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 297, between lines 18 and 19, insert the following new section:

SEC. 1125. REPORT ON THE FEASIBILITY AND DESIRABILITY OF ESTABLISHING AN ARMOR COMBAT TANK BADGE.

(a) REPORT REQUIRED.—Not later than six months after the date of enactment of this Act, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the feasibility and desirability of establishing an Armor Combat Tank Badge.

(b) CONTENTS OF REPORT.—The report shall include the following information:

(1) A description of all costs involved in the creation and awarding of an Armor Combat Tank Badge.

(2) A description of conditions for the award of an Armor Combat Tank Badge.

(3) A description of Army personnel eligible for the award of An Armor Combat Tank Badge.

(4) A description of the Department of the Army's * * *, desirability for the establishment of an Armor Combat Tank Badge.

Mr. SMITH. Mr. President, the amendment would direct the Secretary of the Army to study the feasibility and desirability of establishing an armored combat tank badge. This amendment has been cleared on both sides. I urge the adoption of the amendment.

Mr. MCCONNELL. Mr. President, the massive assault of allied armor forces against Iraqi positions during Operation Desert Storm is evidence of the need for armor on tomorrow's battlefields. Since the debut of modern tanks on September 15, 1916, at the Battle of the Somme, armor forces have become an integral part of modern warfare doctrine.

By successfully spearheading offensive operations, providing reconnaissance and supporting infantry attacks, U.S. armor forces again proved their worth during World War II, Korea, and Vietnam. When reporting on the D-Day invasion of Normandy, Gen. Dwight D. Eisenhower, the Supreme Commander of Allied Forces, remarked:

> Comparatively light casualties were, in a large measure, due to the staggering fires and material effect of the mass of tanks landed in the leading waves of the assault.

The amendment I am offering today is simply a progression of General Eisenhower's support of armor: It directs the Secretary of the Army to study the feasibility and desirability of establishing an armor combat tank badge. I am confident such a study will provide for the careful consideration an armor combat badge deserves.

Armor soldiers are a unique breed of warrior. Like infantrymen, they are directly involved in close combat missions. Armor soldiers are 100-percent mobile and are capable of rapidly engaging hostile forces throughout a theater of combat. Armor forces are capable of delivering awesome firepower in support of the infantry—as was done during the invasion of Normandy—or on missions to attack an enemy's flank or rear—as was done during Operation Desert Storm.

I would be amiss if I did not take a moment to praise Fort Knox, the home of armor. The superb training of our armor soldiers and their unparalleled performance during Operation Desert Storm is testament to that installation's commitment to excellence. Let me extend my personal thanks and praise to Commanding General Foley and the entire installation for their tireless efforts in the training and education of our armor personnel.

Mr. President, I ask my colleagues to support this amendment, and to demonstrate their appreciation for the contributions of our armor forces.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1069) was agreed to.

Mr. SMITH. I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1070

(Purpose: To authorize and request the establishment of a POW-MIA family support center in the Executive Office of the White House)

Mr. SMITH. Mr. President, I send an amendment to the desk on behalf of Senators DOLE and WARNER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH], for Mr. DOLE (for himself and Mr. WARNER) proposes an amendment numbered 1070.

Mr. SMITH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 297, between lines 18 and 19, insert the following new section:

SEC. 1125. ESTABLISHMENT OF SUPPORT CENTER OF FAMILIES OF PRISONERS OF WAR AND PERSONS MISSING IN ACTION.

(a) REQUEST FOR ESTABLISHMENT.—The President is authorized and requested to establish in the Executive Office of the White House a family support center to provide information and assistance to families of prisoners of war and of persons missing in action in Southeast Asia.

(b) DUTIES.—The center referred to in subsection (a) should be organized and provided with such personnel as are necessary to permit the center—

(1) to assist families of prisoners of war and persons missing in action in Southeast Asia in contacting the departments and agencies of the Federal Government having jurisdiction over matters relating to such prisoners and persons; and

(2) to act as a central clearinghouse of any information, documents, and other relevant materials under the jurisdiction of such departments and agencies that may be made available to the public under Federal law.

In section 2(b), amend the table of contents by inserting after the item relating to section 1124 the following new item:

Sec. 1125. Establishment of support center of families of prisoners of war and persons missing in action.

Mr. SMITH. Mr. President, this amendment establishes a family support center for family members of our missing in action and prisoners of war. This amendment has been cleared on both sides.

Mr. DOLE. Mr. President, this amendment is to establish a POW-MIA family support center in the executive offices of the White House. It is designed to provide these families a single point of contact, one office within the Government where they can get the help they need.

Mr. President, as I talked to the many families of our POW's and MIA's, I was amazed to learn about the difficulty they have in finding the answers to even the most basic questions. I was amazed to discover that there is no one place where these families can go to get help, gather information, or even make contact with those working to discover the truth about their loved ones. They are left to their own devices to find their way through a tangled Federal bureaucracy. It is little wonder that while these families have faith and hope for their lost loved ones, they have lost faith in the system that says it cares so much about them.

We need to restore the trust and faith of the families of our missing. In my view, this is a good first step. It isn't everything, but it is a start. I am confident that when the President appoints his commission to address the deeper issues involved here, we will be able to fully restore this trust and meet our commitment to these families. But this is a start, and in my view, an important start. This does more than just say we care. This lifts the burden of the bureaucracy and helps to get things focused on the real issue.

Mr. SMITH. Mr. President, I ask unanimous consent that Senator SMITH be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1070) was agreed to.

Mr. SMITH. I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1071

(Purpose: To clarify the rate of reimbursement payable for certain mental health care services under CHAMPUS)

Mr. SMITH. Mr. President, I send an amendment to the desk on behalf of Senator McCAIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH], for Mr. McCAIN, proposes an amendment numbered 1071.

Mr. SMITH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

On page 163, line 12, strike out "in the same locality." and insert in lieu thereof a period.

Mr. SMITH. Mr. President, this is merely a technical amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1071) was agreed to.

Mr. SMITH. I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1072

(Purpose: To provide for continued research, development, test, and evaluation of the cryofracture method of chemical weapons demilitarization and for certain follow-on procurement relating to the use of such method for chemical weapons demilitarization)

Mr. SMITH. Mr. President, I send an amendment to the desk on behalf of Senator GARN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH], for Mr. GARN, proposes an amendment numbered 1072.

Mr. SMITH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

On page 17, between lines 9 and 10, insert the following:

(d) FUNDING FOR ARMY CRYOFRACTURE PROGRAM.—(1) In addition to the amount authorized to be appropriated by paragraph (1) of subsection (a), there is authorized to be appropriated for the purpose set out in such subsection for fiscal year 1992, $33,900,000 of which—

(A) $13,900,000 is available for research, development, test, and evaluation of the cryofracture method of chemical weapons demilitarization; and

(B) $20,000,000 is available for the procurement of long lead items for a cryofracture demonstration plant on and after the date on which the Secretary of the Army certifies in writing to the congressional defense committees that the Army will construct a cryofracture demonstration plant.

(2) The amount authorized to be appropriated by section 103(1)(A) is reduced by $33,900,000.

Mr. SMITH. Mr. President, this amendment would provide full funding to allow the Army to complete testing of the cryofracture method of demilitarizing the unitary chemical stockpile. This amendment has been cleared on both sides. I urge its adoption.

Mr. GARN. Mr. President, I rise today to propose an amendment which would fully fund the Army's requirements to complete testing of the cryofracture method of demilitarizing the unitary chemical stockpile. For many years, I have been concerned about the safe and efficient destruction of chemical weapons. While the vast majority of these weapons are located in Utah at the Tooele Army Depot, there are eight sites in the United States where these weapons are stored. Each of these communities deserve to know whether the Army has chosen the safest method of destruction.

This amendment authorizes $34.9 million to the Chemical Demilitarization Program, of that amount $13.9 million is available to complete the design and final testing of the cryogfracture technology. This funding completes the testing so that a demonstration plant can be started. Also included is $20 million for long-lead procurement for the rotary kiln, which would be used to incinerate the munitions in a full-scale development plant. The rotary kiln at Johnston Island has experienced problems and the industry strongly recommends a preinstallation shakedown of the kiln. Even though the Army failed to include the funding for this program in the President's budget request, the Army supports the inclusion of the funds for research and development of the cryofracture program.

Last year, Senators NUNN and WARNER supported a similar amendment I made to the chemical program. I am grateful for their support. Also in 1990, I asked that language be included in the conference report that would reflect the desire of the Senate for the Army to seek reprogramming funds for the site preparation and planning, once the testing is successfully completed. Since the Army did not request enough funds to adequately test the program last year, similar language would be helpful in this year's Conference report.

I strongly believe that the Army needs to continue to develop alternative technologies to the base line technology. As background, the Department of Defense has been developing the base line technology at Tooele, UT, for nearly 20 years. The first full scale plant has been constructed at Johnston Island in the Pacific. However, the progress on this plant has not been encouraging. This program has suffered greatly because of the Army's lack of support. I would hope that the Army will aggressively pursue this promising technology and seek to include funds for the development plant, once the research and development for the cryofracture program is successfully completed. This is the only way to ensure that the Nation's stockpile of chemical weapons will be destroyed in the safest and most cost-effective manner.

I thank Senator NUNN and Senator WARNER for their support of this program and their efforts to encourage the Army to continue the development of this program.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 1072) was agreed to.

Mr. SMITH. I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1073

(Purpose: To provide for additional research in advanced technologies)

Mr. SMITH. Mr. President, I send an amendment to the desk on behalf of Senators GRAMM and BENTSEN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH], for Mr. GRAMM (for himself and Mr. BENTSEN), proposes an amendment numbered 1073.

Mr. SMITH. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 55, line 8 strike "20" and insert in lieu therefor "30."

Mr. SMITH. Mr. President, this amendment provides for a minor adjustment in the funding of research and advanced technologies. This amendment has been cleared on both sides. I urge its adoption.

Mr. GRAMM. Mr. President, I offer this amendment along with my colleague the senior Senator from Texas, to allow the Institute for Advanced Technology at the University of Texas at Austin to engage in critical electrodynamics and hypervelocity research. Even though the institute has only been a federally funded research and development center for 2 years, it has already established itself as a top-notch research facility, and is ready and able to perform this vital work.

This amendment simply raises the cap on the number of personnel the institute can hire to perform its work from 20 to 30. This increase will bring the staffing level at IAT to 40 percent of the next largest FFRDC. Once this cap is lifted, it is my hope the Congress and DOD can provide additional research dollars to take full advantage of these new staff members.

The electrodynamics program will investigate, develop, and test component parts for an advanced electric gun, including the pulse power supply, energy storage devices, high temperature materials, and advanced manufacturing techniques. The hypervelocity physics program will complement the electrodynamics effort by studying the geometry and kinematics of ultrahigh speed projectiles used as penetration weapons. This research is very important and will prove to be of immense value to the Army.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1073) was agreed to.

Mr. SMITH. I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1074

(Purpose: To ensure that a transfer of fiscal year 1991 unobligated appropriations is subject to the appropriation process)

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration. This is to make a technical correction in the bill. I understand it has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. NUNN proposed an amendment numbered 1074.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, line 12, strike out "shall transfer," and insert in lieu thereof "may, to the extent provided in appropriations Acts, transfer,".

Mr. DIXON. Mr. President, on behalf of the distinguished chairman of the Armed Services Committee, the senior Senator from Georgia, I make the following statement.

Mr. President, I have discussed the technical amendment with Senator WOFFORD and Senator SPECTER. It is a good amendment. I urge its adoption.

So does this manager.

Mr. LAUTENBERG. Mr. President, I support this amendment. I commend the junior Senator from Pennsylvania, Senator WOFFORD, for taking this important initiative. He has fought tirelessly in support of the Philadelphia Naval Shipyard.

This amendment will have a critical impact. It will keep $450 million available for a Service Life Extension Program [SLEP] of the U.S.S. *Kennedy* at the Philadelphia Naval Shipyard. The funding for the SLEP was provided by the Congress in the fiscal year 1991 Defense spending bill. In the supplemental spending bill for fiscal year 1991, the Congress directed the Pentagon to spend this money.

The U.S.S. *Kennedy* is the last and best nonnuclear aircraft carrier. A SLEP would cost $871 million, and would extend by 15 to 30 years the service life of the carrier. Now, that's a good deal for our Nation's security.

But, Mr. President, a provision in this legislation would take the $405 million—for which I and other members have fought tirelessly—away from the SLEP of the U.S.S. *Kennedy* at the Philadelphia Naval Shipyard. It would transfer it to another defense program. Given the benefit to national security that would be derived from a SLEP of the U.S.S. *Kennedy*, I do not think that is wise.

I also do not think it is appropriate for the Armed Services Committee to act unilaterally and rescind funding for this program that the Congress provided. That is why I am supporting this amendment, which would effectively negate the provision in this bill and keep the $405 million available for the SLEP at the Philadelphia Naval Shipyard.

Mr. President, I do not believe the Philadelphia shipyard should be closed. I think it provides a valuable service that enhances our national security. I do not think it got a fair shake in the process. For that reason, I have fought against its closure every step of the way. Most recently, I have joined in a lawsuit against the Pentagon and the Base Closing Commission in an effort to prevent it from closing.

Mr. President, my colleagues should be aware that in supporting this amendment, they need not take a position on the issue of closing the shipyard as proposed by the Base Closing Commission. A SLEP could be completed in 1995 or 1996, before the deadline for all bases. It would dramatically extend the service life of an important conventional carrier and enhance national security.

Mr. President, I understand the SLEP would represent about 6,000 jobs at the shipyard. These jobs are critical to the people of New Jersey and Pennsylvania. They should be preserved along with the $405 million Congress has already provided for the SLEP of the U.S.S. *Kennedy* at the Philadelphia Naval Shipyard.

Mr. WOFFORD. Mr. President, I offer this statement in support of an amendment to S. 1507, the Defense authorization bill, that will help protect the U.S.S. *Kennedy* Service Life Extension Program [SLEP] at the Philadelphia Naval Shipyard. It's a good program. It's a cost-effective program. And it should go forward.

The amendment ensures that the 1991 SLEP appropriation cannot be transferred to the Sealift program without passing through the full appropriation process. It reads: "On page 19, line 11, insert after 'law,' the following: 'to the extent provided in appropriations Acts, the Secretary of the Navy may.' ".

In particular, section 113 of the Defense bill directs the Secretary of the Navy to transfer up to $405 million in unobligated funds from the Navy's 1991 appropriation to the Sealift program. In addition, the section would repeal 1991 appropriation language directing that $405 million be spent on a SLEP for the U.S.S. *Kennedy* aircraft carrier at the Philadelphia Naval Shipyard.

Section 113, before this amendment, flatly deleted spending authority for the *Kennedy* SLEP in Philadelphia. The Navy requested the SLEP in 1990 and the Congress appropriated funds in 1991. Now, in the wake of the Base Closure Commission's recommendation to close the shipyard—which the President has approved—the Navy has abruptly assumed the position that the SLEP is unnecessary.

I suggest that what made good sense for our taxpayers and our national security only a few months ago, still makes sense today. The SLEP is as necessary and worthwhile an investment as it ever was. It would prolong the life of the *Kennedy* for 15 or more years and would be performed at the Nation's most cost-efficient shipyard. What's more, the SLEP would provide work for a majority of the yard's employees through 1996.

Performance of the SLEP at Philadelphia would neither hinder nor otherwise affect the recommendation of the Base Closure Commission. Navy and Commission staffers have testified to this fact. I have said elsewhere that I will continue to fight the closure recommendation, but that recommendation is a separate matter. Even if it should be fully carried out, the SLEP could and should still be done at Philadelphia.

I believe that section 113, without this amendment, improperly attempts, through an authorization bill, to delete or transfer an appropriation that can only be done legitimately through the 1992 appropriations bill scheduled for markup in September. I support this corrective amendment, and I will work to prevent introduction in the appropriations bill of any language that would threaten the SLEP appropriation.

Mr. BIDEN. Mr. President, I am pleased to support this amendment. I would like to commend Senator WOFFORD for his efforts on this measure, and I would like to thank the managers for their cooperation.

This amendment is very simple, but one that is important in retaining thousands of jobs at the Philadelphia Naval Shipyard. It will keep $405 billion available for a Service Life Extension Program [SLEP] at the Philadelphia Shipyard, funds that the Armed Services Committee had proposed to transfer to another program.

Let me be clear that this amendment will not conflict with the recommendations of the Base Closing Commission. Don't take my word for it—read the words of the Commission report:

> The *Kennedy* SLEP would be completed in mid-1996, about a year before the required closure date.

In short, a *Kennedy* SLEP will maintain an important project at Philadelphia for the next 5 years, without interfering with the closure of the base.

Mr. President, the hour is late, and I do not want to take up any more of the Senate's time. I would like to again thank the managers for their assistance and urge the adoption of the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1074) was agreed to.

Mr. DIXON. I move to reconsider the vote by which the amendment was agreed to.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DIXON. Mr. President, I simply want to observe that the distinguished Senator from Pennsylvania, Senator WOFFORD, has had another piece of significant legislation adopted for which this side congratulates him.

AMENDMENT NO. 1075

Mr. WARNER. Mr. President, I send to the desk an amendment on behalf of Senator DOMENICI.

This amendment would provide a charter for the existing National Atomic Museum in Albuquerque, NM. This amendment has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from Virginia [Mr. WARNER] for Mr. DOMENICI, proposes an amendment numbered 1075.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

TITLE . NATIONAL ATOMIC MUSEUM ACT

SECTION . SHORT TITLE.

This title may be cited as the "National Atomic Museum Act of 1991".

SEC. . FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there is a need to ensure the preservation of the National Atomic Museum, which contains and should continue to acquire items, materials, and memorabilia of singular value and great historical significance relating to nuclear science, atomic energy, and atomic weapons marking major events and milestones of American and world history;

(2) the facility comprising the museum needs to be improved and authorities and resources provided to enable proper operation and maintenance of the facility for the indefinite future so that the museum can continue to function—

(A) as a repository of information, materials, and artifacts which serves as a major attraction for large and growing numbers of visitors from all over the world;

(B) as an educational resource for the public, students, and scholars in the field of nuclear science; and

(C) in a manner and setting appropriate to the importance and historical significance of its collection;

(3)(A) there is a need to clarify and supplement the authority of the Secretary of Energy under section 652 of the Department of Energy Organization Act (42 U.S.C. 7262) regarding gifts so that there is no doubt that gifts and donations of funds earmarked for the museum (and otherwise acceptable) may be used by the museum;

(B) under section 652 of that Act the Secretary of Energy is empowered to ". . . accept, hold, administer, and utilize gifts, bequests, and devises of real and personal property for the purpose of facilitating or aiding the world of the Department" and ". . . (the gifts, etc.) shall be used as nearly as possible in accordance with the terms of the gift, bequest or devise.";

(C) the language quoted in subparagraph (B) leaves doubt concerning whether the museum can be considered the "work of the Department" and thus may properly receive and use gifts given to the Secretary even though donors intended that such gifts be used by the museum;

(D) consequently, there is need for clear statutory authority to enable gifts and donations intended for the museum to be sent to and retained and used by the museum; and

(E) the treatment of such gifts should be made as simple as possible so as to encourage donation of gifts or funds directly from individuals or via institutions and foundations; and

(4) there is a need to provide a statutory basis to authorize and encourage the use of volunteer personal services in support of the museum, it being apparent that such activities also have the potential to enhance public interest and support for the museum.

(b) PURPOSES.—The purposes of this title are to—

(1) recognize the National Atomic Museum as this Nation's atomic museum and ensure its preservation;

(2) provide for capital improvements to the National Atomic Museum and ensure adequate resources for the operation and maintenance of the museum; and

(3) provide for such other authorities and powers as are appropriate to the management and operation of the museum including the selling of appropriate mementos and other materials to members of the public to help support the museum.

SEC. 3. RECOGNITION AND STATUS.

The museum known as the National Atomic Museum operated under the aegis of the Department of Energy and currently located at Building 20358 on Wyoming Avenue South near the corner of M street within the confines of the Kirtland Air Force Base (East), Albuquerque, New Mexico (referred to as the "museum"), is recognized as the official atomic museum of the United States with the sole right throughout the United States and its possessions to have and use the name "National Atomic Museum".

SEC. . MISSION.

The mission of the National Atomic Museum has been and shall continue to be to provide for the benefit and education of the public freely available central repository of information and items reflecting the Atomic Age throughout the collection, preservation, exhibition, interpretation, display, and making available to the public of unclassified or declassified data, materials, artifacts, models, replicas, and other items pertaining to nuclear science, with special emphasis on the history of nuclear weapons and other areas of research, development, and production conducted by laboratories and facilities of the Department of Energy and its predecessor agencies.

SEC. . AUTHORITIES AND RESPONSIBILITIES.

(a) IN GENERAL.—The museum shall continue to be located at its present site at the Kirtland Air Force Base, Albuquerque, New Mexico, and shall continue to be managed, operated, and supported by the Department of Energy through the Manager, Albuquerque Operations Office.

(b) VOLUNTEERS.—The following provisions govern the use of volunteers:

(1) The Department of Energy may recruit, train, and accept the services of individuals without compensation as volunteers for or in aid of interpretive functions of other services or activities of and related to the museum.

(2) The Department of Energy may provide for volunteers incidental expenses such as nominal awards, uniforms, and transportation.

(3) Except as otherwise provided in this subsection, a volunteer who is not otherwise employed by the Federal Government is not subject to laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, because of service as a volunteer under this subsection.

(4) For the purposes of chapter 171 of title 28 of the United State Code relating to tort claims, a volunteer under this subsection is conidered a Federal employee.

(5) For the purposes of subchapter I of chapter 81 of title 5 of the United States Code, relating to compensation for work-related injuries, a volunteer under this subsection is considered an employee of the United States.

(c) ACTIVITIES.—Subject to such approvals or guidelines as are required by the Secretary of Energy, the museum may—

(1) accept and use donations of money or gifts on behalf of the Secretary of Energy pursuant to section 652 of the Department of Energy Organization Act (42 U.S.C. 7262) where such gifts or money are designated in a written document signed by the donor as intended for the museum and such donations or gifts are deemed by the museum to be suitable and beneficial for use by the museum:

(2) operate a retail outlet on the premises of the museum for the purpose of selling or distributing mementos, replicas of memorabilla, literature, materials, and other items of an informative, educational, and tasteful nature relevant to the contents of the museum, all of the net proceeds of which shall be applied to authorized activities of the museum:

(3) exhibit, perform, display, and publish information and materials concerning museum mementos, items, memorabilia, and replicas thereof in any media or place anywhere in the world, at reasonable fees or charges where feasible and appropriate, to substantially cover costs, all net proceeds of which shall be applied to authorized activities of the museum;

(4) establish in association with the museum 1 or more standing or ad hoc boards or committees of knowledgeable citizens of the United States to provide studies, consultation, advice, and assistance for the museum and the Department of Energy regarding—

(A) facility improvement operation and maintenance;

(B) possible changes in the location, size, mission, nature, or site of the museum;

(C) assistance and coordination regarding obtaining of donations and volunteer services; and

(D) other activities of concern to the museum; and

(5) conduct any other activity reasonably pertinent to the normal and customary activities of museums, including—

(A) operation of a library;

(B) acquisition at reasonable cost of materials, memorabilia, and other items relevant to the nature of the museum;

(C) storage and preservation of museum materials and items in appropriate facilities; and

(D) preparation and distribution of literature advertising or providing information about the museum.

Mr. DOMENICI. Mr. President, I rise in support of legislation to create a congressional charter for the National Atomic Museum located at Kirtland Air Force Base in Albuquerque, NM, which I am offering as an amendment to the Department of Defense authorization bill which we are considering today.

New Mexico, the birthplace of the Atomic Age, is home to this museum which highlights man's capacity to learn and create. Founded in 1969, the National Atomic Museum is now looking to ensure its longevity through a congressional charter.

The Museum displays unclassified atomic technology, including exhibits from the explanation of the atomic theory of matter, the development of the chain reaction, to the Manhattan project. The museum's exhibits are being constantly expanded, and continually updated to not only meet the interest of the growing number of visitors—215,000 in 1990—but also to honor our continual innovations in the field of atomic science and technology.

Visitors are from New Mexico, the United States, and all around the world. This is not a homogeneous group of people, but a mixture of young and old, students and educators, the impassive and the curious. In other words, this museum attracts not only those who are well-versed in science, but those who are interested in a time that altered the shape of the future.

The amendment I am offering is a simple piece of legislation and, I would like to point out, has already passed the Senate in the form of a free-standing bill, S. 477.

This amendment does not appropriate any money, challenge the authority of the Department of Energy, or move the location of the museum. Instead, this amendment allows for the museum's longevity. It will give custody of the museum to its rightful owners—the people of this Nation, who have benefitted and learned from the advances we have made in the atomic age. This amendment allows for gifts to be donated and used in a manner beneficial to the museum. Most importantly, this amendment finally recognizes this museum, which in the last 21 years has been informally serving as the Nation's own.

Mr. President, I would be remiss if I did not mention a great public servant, Mr. Herman Roser, who recognized both the potential and the historical significance of the National Atomic Museum in 1976. His dream of a congressional charter is also shared by his wife Norma, and his many friends. On this, just 10 days before the dedication of the Herman Roser Memorial Exhibit, it is more than appropriate that we honor him with this amendment. I am certain that he would be pleased to see the culmination of his efforts today.

I would like to thank Senator BINGAMAN, who is a cosponsor of this legislation, as well as my good friend Congressman SCHIFF, who has offered similar legislation in the House of Representatives.

The PRESIDING OFFICER. Is there further debate on amendment No. 1075?

The Chair hears none. The question is on agreeing to the amendment.

The amendment (No. 1075) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. DIXON. I move to lay that motion on the table.

That motion to lay on the table was agreed to.

AMENDMENT NO. 1076

Mr. WARNER. Mr. President, I send to the desk an amendment on behalf of the Senators from New Mexico, Senator DOMENICI and Senator Bingaman, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], (for Mr. DOMENICI) (for himself and Mr. BINGAMAN), proposes an amendment numbered 1076.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 241, in line 21, insert the following after the period:

The regulations shall also require a contractor who has furnished a payment bond in connection with a contract pursuant to the Miller Act to attach a copy of such bond to each subcontract, purchase order, or other agreement proposed to be entered into by such contractor for the purpose of obtaining labor or materials for the performance of such contract;

Amend the title so as to read: "To authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities and other national security functions of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.".

Mr. WARNER. Mr. President, this amendment provides that prime contractors will have to attach copies of the Miller Act payment bonds to all solicitations for the supply, labor and materials for DOD contracts. The amendment has been cleared on both sides. I urge its adoption.

The PRESIDING OFFICER. Is there further debate?

The Chair hears none. The question is on agreeing to the amendment.

The amendment (No. 1076) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1077

Mr. DIXON. Mr. President, in relation to the situation with respect to the amendment by my distinguished friend, the Senator from Ohio, Mr. GLENN, I now send to the desk an amendment by the distinguished Senator from Ohio, Mr. GLENN, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for Mr. Glenn, proposes an amendment numbered 1077.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 31, line 22 strike out "$14,673,254,000" and insert in lieu thereof "$14,676,254,000".

Mr. DIXON. Again, Mr. President, this amendment by my friend and colleague, the distinguished Senator from Ohio [Mr. GLENN] adds $3 million to the Air Force research and development to complete the military qualification testing of an engine the Air Force developed for the triservice standoff attack missile.

Mr. GLENN. Mr. President, the Air Force, on behalf of all of the military services, is developing a new stealthy cruise missile. It is a major program with a large inventory objective. At the outset the Air Force wanted to have two producers for the missile and for all major components of the missile, including the engine.

As the missile continued in development it became clear to the prime contractor that it was going to have some cost problems, so the prime contractor, in an effort to save money, decided to cut out the second source producer of the engine to avoid further development costs and the costs to facilitize the contractor. Also, because the overall quantities of the missile were being reduced, the Air Force was not so sure that it made economic sense to have two producers for all components.

As a result, the prime contractor this spring decided to go ahead with only one of the engine designs and to terminate further work on the other engine.

Now there is a modest step we could take that makes good business sense for the Government. It would cost only $3 million to complete the military qualification of the second engine. If fully qualified, the engine could be available for future use as needed. We have already spent over $50 million to develop the second engine. It only makes good business sense to spend $3 million more to qualify the engine so that it could be used on other programs.

My amendment stipulates that the flight qualification would be carried out at the Air Force's Arnold Engineering Development Center, which was the original plan. I have confirmed with the Air Force that this is what they would do.

This is good business and good government.

Mr. President, I would like to enter into a short colloquy with my good friend, Senator LEVIN, the distinguished Senator from Michigan, who is the chairman of the Conventional Forces Subcommittee of the Senate Armed Services Committee.

I understand that the Senator basically agrees that qualifying this second engine could make economic sense, but he has a concern about potential future costs.

Mr. LEVIN. That is correct. But I am concerned that next year we are apt to see a request from the contractor for $12 million or some other substantial amount to conduct flight testing of this engine once it is qualified. In my view this would be an unwarranted expenditure.

Mr. GLENN. I agree with Senator LEVIN, that such an expense would be unwarranted. I have also contacted the Air Force and they said that while they would not oppose qualifying the engine, they, too, were unwilling to support flight testing.

Given these facts, I say to my good friend from Michigan that I would not offer, nor would I support, any proposal for additional moneys to flight test the second engine.

Mr. LEVIN. I thank the Senator from Ohio. Given those assurances, I do not object to his proposed amendment which, I understand, has been accepted by both sides.

Mr. GLENN. That is my understanding.

Mr. President, I urge for adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on amendment No. 1077?

If not, the question is on agreeing to the amendment.

The amendment (No. 1077) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WOFFORD. Mr. President, I support the Defense Authorization Act because it incorporates the lessons learned in the gulf war—and equips our armed services with the technology, intelligence, and training they need to remain the world's premier military services.

In the defense budgets of past years, much of our strategy and our systems were directed at the Soviet threat. But the world has changed and we have to adjust our thinking accordingly. In this year's bill, I opposed weapon systems that were better suited to meeting yesterday's threats than tomorrow's. Now, military conflicts are far more likely to be regional than global. In this kind of world, flexibility and fast response must be the key goals that guide our Armed Forces.

This defense bill includes procurement funds for the kind of transport equipment that proved invaluable during the gulf war. The logistics involved in mobilizing and deploying a vast military force were considerable. The bill provides funding for programs which enhance our military mobility, such as the C-17 airlift aircraft. Strategic mobility will continue to be critical to our national security, and I am pleased that the defense authorization bill emphasizes this need.

High technology and sophisticated weapons were instrumental to the outcome of the gulf war. All Americans were impressed by the use of overwhelming air power. The F-117 was an especially successful aircraft. Comprising only 2 percent of our combat fleet, the F-117 dropped 40 percent of the precision ammunition. The aircraft played a major role in destroying the Iraqi command and control systems, largely eliminating Iraq's strategic and offensive capabilities. So I am pleased that the Senate's defense authorization bill calls for the procurement of 24 new F-117's.

Another good example is the Tomahawk cruise missile, which was able to penetrate Iraqi air defenses even during daylight. And of course, the use of antitactical ballistic missiles, such as Patriot, gained well-deserved attention during the gulf war. The data gathered during the war should permit more detailed information on the Patriot's ability to destroy missiles like the Scud, as well as its potential capacity against more sophisticated targets.

The defense bill also improves funding for research into important new programs. The V-22 Osprey has the potential to replace much of the aging helicopter fleets in all four branches of the service—and may also have great potential for civilian use. I would have preferred that the Senate legislation include the level of funding authorized by the House, but am hopeful that the House provision will prevail in the conference report.

These are the types of effective, stealthy weapons that we should continue to develop. We have learned from the gulf war that these are the kinds of weapons we need. That is why I voted for amendments which would have reduced funds for the most anachronistic weapons systems in this legislation. And that is why I cosponsored, with Senator DASCHLE, an amendment to move us toward greater burden sharing by other nations. Because I believe that our wealthy allies—who are also our strongest economic competitors—must invest more of their own resources in our collective defense.

The U.S. Armed Forces performed so well in the gulf because they are the best trained and equipped military force in the world. I support the defense authorization bill because it moves our Nation's defense policy forward toward the 21st century, provides for our security, invests in high technology, and moves our allies toward sharing a larger burden of the costs of maintaining peace and freedom across the globe.

THE NEED FOR A POWER PROJECTION STRATEGY

Mr. McCAIN. Mr. President, we have debated many important issues as we addressed the fiscal year 1992 Defense Authorization Act, but none have been more important than the underlying issue: how to restructure U.S. strategy and forces in an era where the cold war has ended and we face steady reductions in our defense resources.

Our success will not be measured by how the Act deals with individual issues like SDI, the B-2, the size of our reserves, and our level of readiness. It will be determined by the extent we understand the true lesson of the gulf war: that the United States has become the world's only superpower, and the only major global force for peace and strategic stability. It will be determined by the extent to which we can create a strategy and force structure based upon that fact and that truly meets our needs for the 1990's.

I firmly believe that we can only exert the influence we must exert to protect our vital interests abroad and to create a stable and peaceful world if we shift from a strategy focused on the cold war to a power projection strategy just as quickly as we can and if we made the necessary shifts in resources and roles and missions.

THE KEY CHANGES NEEDED IN THE BILL TO IMPLEMENT A POWER PROJECTION STRATEGY

Further, I believe that we still have a great deal to do to make this possible. While both this bill and the proposals of the Bush administration have many strengths, they move too slowly and they retain too much of the status quo.

Our status as the world's only true superpower does not mean we do not face severe economic and resources problems, or that we may wait while the world changes. We need to move away from our past emphasis on the Soviet and Warsaw Pact threat just as quickly as the evolving situations in Europe and the U.S.S.R. permit. We need to face the fact that we are not going to fight world war III or a new major conflict in Europe. We need to tailor our force posture to deal with the challenges of the developing world, and we need to make the necessary tradeoffs in ways which ensure we can fund the forces we really need.

In practice, this means that we do not need a $2.5 billion submarine like the SSN-21 to fight a Soviet enemy that no longer challenges our control of the seas. It means we do not need a B-2 and additional expenditures of well over $35 billion, or a new small ICBM, to fight a broken backed nuclear war that lacks political and strategic credibility and that can be fought to the same end with our existing forces and modest improvements to the Trident Program.

It means that we do not need to fund each military service as if its past share of the budget was engraved in stone. It means that we do not need to fund a large reconstitution force to deal with a long war in Europe, and it means that we can make significant further cuts in our active and reserve forces in the United States.

What a power projection strategy does mean is that we must change the roles and missions of each service to emphasize power projection, and that we must alter the share of the defense budget going to each service accordingly. It means we must retain and strengthen the power projection forces we really need.

We must maintain the Marine Corps at three Marine expeditionary forces, and thereby keep our most ready and effective power projection capability intact. We must keep up our carrier forces at their present strength, and either maintain our battleships or find a substitute source of naval firepower and cruise missile delivery capability.

We must keep up the strength of our tactical air power and strategic airlift rather than emphasize strategic bombers. We must concentrate on giving a true rapid deployment capability to the U.S. Army forces that already provide some rapid deployment capability rather than trying to retain and convert Army forces for NATO into global power projection forces.

We must provide the amphibious lift and strategic sea and airlift we need to project our forces, and strengthen our maritime prepositioning. We must maintain critical foreign bases and forward deployments where these are vital to defending our interests in the Atlantic, Mediterranean, Pacific, and the Persian Gulf. We must maintain the readiness and sustainability of our power projection forces, and we must be ready to deal with the ongoing impact of transferring arms and weapons of mass destruction to some of the most threatening and aggressive countries in the developing world.

THE NEED FOR A POWER PROJECTION STRATEGY

There is nothing new about our need for a power projection strategy. This Nation relied on a maritime strategy for virtually its entire history before World War II. It relied on this strategy to ensure that we could defend our growing global interests and that we would never have to fight a foreign enemy on our own soil.

We did not abandon this strategy when World War II came. World War II and the cold war involved us in struggles with three major powers, but that did not mean an end to our other global involvements. In fact, since 1945 we have used military force well over 260 times in defense of our interests or those of our allies, and virtually all of those uses of force have taken place in the developing world. They have not involved direct confrontations with the Soviet Union or the Warsaw Pact.

These same uses of force also have illustrated a key fact about our power projection strategy. In case after case, the United States lacked strategic warning that it would need to use force. In case after case, American success was dependent on forward deployed forces or those that have the combat readiness and mobility to move forward quickly and decisively.

This explains why we have used seapower 200 times since World War II and in more than 80 percent of all our uses of force, and why we have used our carriers 122 times. It explains why we have used the Marine Corps almost as often as the Navy, and used amphibious forces in more than 100 cases. It also explains why forward deployed, or rapidly deployable tactical Air and Army forces have been equally important.

If we look at the lessons of the gulf war, we see a similar pattern. A massive crisis arose with such little warning that only weeks beforehand some argued that we could cut our contingency forces for the gulf. We found ourselves the only nation in the world that could act.

At a time when only one Saudi brigade stood between Iraqi forces and the Saudi ports and oil fields, we rushed carriers and fighter aircraft into the region. We moved Marine Corps forces and maritime prepositioning ships into the region. We airlifted combat ready Army units into Saudi Arabia, and we drew down on our power projection and forward deployed forces throughout the world until we developed the force that smashed Iraqi aggression.

THE TRUE NATURE OF FUTURE THREATS

There also can be no doubt about the future. The threat we face has shifted decisively from the Soviet Union to problems of proliferation and military conflict in the developing world. Our victory in the gulf has liberated Kuwait and stabilized the situation in the northern gulf, but it is only the beginning of a long series of actions we will have to take before international institutions grow stronger and before we see more than the beginning of a new world order.

The developing world is not becoming a kinder and gentler place. Developing nations currently spend nearly 5 percent of their gross national product, and 20 percent of all government expenditures on military forces: a total of $175 to $200 billion a year. They take delivery on an average of over $40 billion worth of arms a year, including approximately 1,500 modern main battle tanks, 2,000 artillery weapons, 3,000 other armored fighting vehicles, over 100 combat ships, 350 supersonic jet combat aircraft, and 5,500 surface-to-air missiles.

As Iraq has shown the world, such nations can become massive threats to the security of their region, and this threat is likely to grow:

At least 14 developing countries now have offensive chemical weapons;

Seven developing countries now have biological warfare capabilities;

Twenty-one countries now have tactical ballistic missiles. Eighteen developing nations are likely to possess long range tactical ballistic missiles by the year 2000, and up to 15 countries may be able to manufacture them;

Nine developing countries seem likely to acquire imagery satellites by the year 2000;

Forty-seven developing countries have modern main battle tanks;

Fifty-eight countries have modern jet fighter aircraft;

One-hundred and three countries have cruise missiles;

Seventy-one countries have antiship cruise missiles, and 46 countries have naval mines; and

Over 30 developing countries have submarines.

We must have power projection forces that can deal with any foreseeable combination of threats in the Third World, and these threats are neither theoretical nor ones that may appear in the future. If Iraq's offensive capabilities have been destroyed, those of North Korea remain, and North Korea has chemical and biological weapons and seems to be moving rapidly towards a nuclear capability.

Our power projection forces also must have enough combat readiness, forward deployed capability, and strategic lift to deter conflict wherever possible and rapidly contain and limit conflict when deterrence fails. Most conflicts in the Third World occur without significant strategic warning, and many take unpredictable forms. In virtually all cases, the level of escalation in such crises and conflicts is dependent on how quickly action is taken to control them.

THE KEY CHANGES WE MUST MAKE IN FUTURE DEFENSE AUTHORIZATION ACTS

The act we are debating has many strengths—enough strengths for me to support in the committee—and take many of our real requirements into account. It calls for a new emphasis on strategic sealift and airlift. It recognizes the Navy's longstanding failure to come to grips with mine warfare and the need to provide effective naval fire support. It emphasizes the need to strengthen the Marine Corps, and challenges administration recommendations that would cut the goal for amphibious life. It calls for improvements in U.S. Air Force, Marine Corps, and naval tactical aviation, and for maintaining our readiness for power projection.

It does not define, however, a viable strategy for the 1990's, and it retains many vestiges of the cold war. It threatens forces we must preserve and it wastes billions of dollars in force we do not need.

Let me be very specific about what this bill does not do, and about what should be included in the fiscal year 1993 Authorization Act and in all future Defense Authorization Acts:

It does not make a firm commitment to maintaining the active strength of the Marine Corps at three Marine expeditionary forces, each of which is fully equipped and deployable with one full active Marine division and air wing. It does not ensure that the Marine Corps reserve will be retained at one full additional MEF.

It does not resolve the future roles of the Marine Corps and the Army in providing combat ready power projection forces. It leaves the Army building up the power projection capabilities that already exist in the Marine Corps and that are fully funded. It underscores a critical problem in the original budget request from the Pentagon, which fails to properly define new roles and missions for our contingency forces and seeks to shift the Army to a mix of contingency and NATO missions we do not need and cannot afford.

It does not reflect plans to provide the overall mix of maritime prepositioning and amphibious capability the Marine Corps needs or to deal with the obsolesence of important parts within our amphibious lift that will occur in the mid-1990's.

It does not provide specific goals for expanding our sealift, although this must again be blamed largely on the administration, and particularly on the Navy, which has always been unwilling to put its budget requests where its words are. Similarly, it does not set clear new goals for airlift, or explain how we will be able to move the Army heavy forces we actually need on a timely and responsive basis.

It does not make a firm commitment to maintaining the current strength of our carrier battle groups, and deactivates our remaining two battle ships under conditions that mean we will not have replacement cruise missile and naval gunfire platforms for a decade. It does not set any clear path for the overall modernization of our fleet as it drops from 600 ships to 450. It only exhorts the Navy to solve a mine warfare problem that crippled our amphibious forces in the gulf, and that represents a chronic leadership failure within the Navy that has lasted for more than two decades.

It puts an analytically absurd emphasis on stealth by quoting Air Force arguments that somehow imply the F-117 fighter dominated the gulf war, regardless of the fact that virtually all of the destruction of Iraqi ground forces was accomplished by other aircraft. At the same time, it leaves both the Air Force and Navy department on tactical air modernization plans that have highly uncertain funding, plans which raise serious questions about the availability of advanced air munitions, and plans that leave us without a truly advanced attack aircraft until well after the year 2000.

It leaves both the U.S. Army and the U.S. Marine Corps with highly uncertain equipment plans in terms of their future mix of armor, antiarmor, artillery, attack helicopters, tactical lift, advanced munitions, and virtually every other aspect of their long-term planning. It leaves the Army committed more to modernizing for a war in Europe than for power projection.

It addresses the problem of our total force mix by default. It halts needless involuntary separations, but it does not establish a clear or stable mix between active and reserve forces. It illustrates the fact that the Pentagon is failing to make hard choices between roles and missions, and leaves far too many of both our active and reserve forces dedicated to a war in Europe that the collapse of the Warsaw Pact has made literally incredible.

It makes a long series of almost invisible cuts in readiness and sustainability, while it puts hundreds of millions into weapons developments and technology that may be needed after the year 2000. It includes well-intentioned efforts to use defense funds to improve our education, the environment, and our industrial base that are ill-defined and belong in other bills.

It starts to define the kind of limited strategic defenses we need to protect against proliferation and accidental launch, but it fails to come to grips with the need for space-based systems. Further, it makes only limited progress in the effort to support our international arms control agreements with the U.S. sanctions and actions necessary to halt the sellers and buyers of mass destruction. It leaves us without a clear strategy to deal with this critical problem.

THE WASTE IN THE FISCAL YEAR 1993 DEFENSE AUTHORIZATION BILL

Every bill that comes before this body is a compromise. No bill can meet all the demands of any one Senator or member of the House, and we all must vote on the basis of such compromises. Judged by that standard, I believe that this bill would authorize the spending of some $290 billion dollars worth of the taxpayer's money in ways which generally do a good job of meeting the Nation's strategic needs. I believe it gives us a foundation upon which we can build to correct the problems I have just outlined.

No one, however, needs me to go into a long series of numbers to remind them that we are operating at a time of continual fiscal crisis. The CBO and virtually every other organization which has examined the present 6-year defense spending plan has found it to be underfunded by hundreds of billions of dollars, and we see a new worsening of our budget deficit projections each month.

We can ignore the fact we cannot afford to waste a single defense dollar, but we can never forget it. We all understand that we live at a time when every dollar that goes into fat comes out of the military muscle we need.

That, quite frankly, is why I am dismayed, Mr. President, that the bill commits major resources to equipment and forces we do not need. In the case of the forces, these include a host of different expenditures on forces for a prolonged war in Europe that are spread throughout the budget, and which cannot be addressed with one simple budget cut or costed with one simple number.

In four other areas, however, the waste is more evident. We do not need a B-2. We do not need a small ICBM. We do not need an SSN-21 or *Seawolf* Submarine. We do not need a program in defense industrial technology.

THE NEED TO KILL THE B-2

In the case of the B-2, we are going to spend $3.2 billion, including $2.456 billion for four aircraft. The only good news about this expenditure is that its mission no longer seems to be for a strategic nuclear bomber designed to find the last surviving targets in the smoking rubble of a nation that is rapidly ceasing to be a practical threat.

The bad news is that we are being asked to spend at least $800 million per plane for an aircraft with limited conventional capability and limited operational flexibility that we simply do not need and cannot afford. We are being asked to fund the B-2 by the Air Force "mission of the month club" and by an Air Force that has failed to develop a credible or fundable tactical aviation modernization plan and an advanced attack aircraft of the kind we really need.

We are confronted by a deeply divided Air Force, led by those committed to strategic bombers, that seems determined to cripple the tactical capabilities it really needs in order to finance the B-2. This leadership cannot seem to define either the future role of the B-2 or the cruise missile. We are confronted by an Air Force which is far too slow to reduce its nuclear strike requirements and admit there is no way to win such a war with offensive weapons, and which is unable to adjust its strike plans to include the heat and radiation effects of nuclear weapons.

We need to halt any further expenditure on the B-2. Equally important, we need to reorganize this aspect of our roles and mission to reflect the fact that the SSBN, not the bomber, is our key instrument of deterrence, and that the focus of Air Force planning should shift to tactical and airlift capabilities.

THE CASE AGAINST THE SEAWOLF

In the case of the *Seawolf*, we have the world's first underwater Albatross: a submarine that is supposed to cost us $2 billion a ship, but which will probably cost nearer to $2.5 billion and which may well escalate to $3 billion in future years.

This submarine had questionable merit even at a time when the Russian attack submarine dominated our naval planning. It has no merit today. We will spend some 25 percent of all our ship building funds for technology and attack features that many high ranking Navy officers privately admit we do not need. The only remaining justification is protecting our industrial base and an argument that we cannot develop the new class of submarine we really need until after the year 2010.

This whole argument is an abdication of leadership. The basic concepts for a new class of submarines already exist. The concept of the modular or "reconfigurable" submarine, and the use of unmanned underwater vehicles, can do a far better job of meeting our needs at much lower cost. If we must go ahead with a new SSN to keep our industrial base alive, then let it be the SSN-688 class.

As for the future, the Navy must realize that there will never be a fourth SSN-21 and act accordingly. It has so far come up with argument after argument for delaying the inevitable and making changes that will waste billions upon billions of the taxpayer's dollars. It is time the Navy remembered the 1950's and 1960's, and pushed forward solutions rather than problems.

THE CASE AGAINST THE SMALL ICBM

The small ICBM is a similar vestige of the past. It does not even have, however, the dignity of being the product of a true military requirement. It is the product of a failed compromise between the Congress and the Reagan administration, and there is no need to waste $550 million on this system in fiscal year 1992, and billions more in future years.

Even if we did not have START, we would be investing more in strategic nuclear force modernization than is justified. We need to cancel the SICBM as soon as possible, and rely on the Trident, Peacekeeper, and an upgraded Minuteman.

Once again, however, we also need to reconsider sharply the current emphasis on the triad. The driving irony behind our current strategic force plans is that they are built around attacking a given percentage of targets in the SIOP, rather than an explicit set of judgments about what is necessary to deter and terminate nuclear conflict.

CANCELING EXPENDITURES ON DEFENSE INDUSTRIAL EDUCATION PROGRAMS AND STRATEGIC ENVIRONMENTAL RESEARCH

Finally, we need to stop loading up the defense budget with half-formed programs that have nothing to do with our direct defense needs. If we are to have peace dividends, then they should be recognized and funded as such and kept in the civil budget.

Last year, however, we began a strategic environmental research program that has now become an entitlement program costing over $100 million a year. Unlike key environmental activities—such as fully solving the environmental problems at the bases we are closing—this program is simply the EPA by other means. It duplicates functions that are not within the province of the Defense Department.

This year, we are adding nearly $600 million worth of educational and training programs, pilot projects, and subsidies to defense industrial efforts. Many of these funds go to good ideas: ideas that I could endorse at a smaller scale or if they were part of well defined projects that meet urgent defense needs. Most, however, go to activities such as solving our defense problems by helping the education of children in the range of kindergarten to the 12th grade.

We cannot afford these efforts, particularly when they come at costs like forcing some of our best men and women out of military service, reducing our depot maintenance, and cutting other vital military capabilities. They may be the noblest form of pork, but we cannot afford any form of pork at all.

BUDGETING OR STRATEGY

Let me conclude, Mr. President, by once again stating a simple fact. We are the world's only superpower, but we are a power with serious and growing limits. We cannot meet the burden we must bear in the world by throwing money at our problems or treating national strategy as if it may be dealt with as an annual budget. We must focus on the need for a power projection strategy, we must implement it, and we must ruthlessly make the tradeoffs and changes necessary to do so.

I rarely agree with my former colleague in the House, RON DELLUMS. I believe he was all too right, however, when he said that the House has recommended a defense budget that did not respond to "changing world conditions or policy considerations," but which responded largely to "the budget constraints under which this institution now labors."

I believe that the Senate Armed Services Committee has done better than the House, but I do not believe that it has done well enough. We need strategic focus, we need a clear commitment to developing the right power projection forces, and we need to redirect the billions of dollars of waste in this bill toward our real needs.

Mr. MACK. Mr. President, as this body debates the Defense Authorization Bill, we must address the future of naval aviation. There are some who may feel that the events in Desert Storm demonstrated that our land-based air forces alone can, and should, be our primary means to project power in the future; saying land-based aircraft can meet all future crisis situations. Those who embrace this notion overlook the fact that it was naval air power that was first on the scene in the Persian Gulf, and that this concrete example of naval power projection probably prevented Saddam Hussein from invading Saudi Arabia. It was naval air power that held Saddam at bay while we negotiated basing and overflight rights with our allies for our land-based aircraft. It was naval air power alone that would have had to confront and stop Iraqi forces, except that Iraq was intimidated by our aircraft carriers. It is naval air that remains behind in the gulf as our land-based assets are returned to their bases in the United States and Europe. Naval air was, as usual, the first to arrive and the last to leave.

Our history is replete with international crises in which our naval forces were the first to be called upon by the President to demonstrate our country's resolve. The distinguished Senator from Virginia, Senator WARNER, once reminded me that the first question a President will ask when faced with an impending conflict is "Where are the carriers?" Those who feel that the days of America needing a strong and formidable Navy are over simply ignore our country's history, and fail to recognize that, by virtue of our geographical location, we have been, and will continue to be, a maritime nation. Only naval aviation truly provides America with the flexible response it needs to deal with all types of future crises and contingencies.

The Senate Armed Services Committee report correctly recognizes that the future of naval aviation is a vital concern facing us today. However, this bill fails to take any real corrective action. It merely supports a request which severely underfunds naval aviation. In fact, naval aviation's share of the defense budget is the smallest percentage it's been at any time since World War II. How did we get in this predicament? In the past 8 months, the Defense Department has cancelled the A–12, the F–14 remanufacture program, and the naval variant of the Air Force's advanced tactical fighter. In their place, the Navy was told by DOD, and it appears that the Navy may now endorse this decision, to procure a redesigned and yet-to-be-developed light-attack aircraft, the E and F models of the F/A–18.

The Navy has testified before the Armed Services Committee that carrier air wings of the 21st century will consist of 40 F/A–18s and 20 AX aircraft. The AX has not yet even begun concept exploration, and may or may not ever be built. As the committee's report notes, the AX will be the only means by which the carrier Navy can perform its primary mission of power projection ashore. Power projection, to be militarily useful throughout the spectrum of conflict, cannot be limited to merely a light-attack capability. Our Navy must sustain its medium-attack capability. Therefore, given the fiscal uncertainty we now face, should the AX fail to be developed for any reason, it is certainly possible that America will eventually be left with an all F/A–18 force. The Navy already concedes that the F/A–18 Hornet will never be a medium-attack aircraft, and cannot perform the fighter mission as well as the F–14D Tomcat we now have in production. The Navy says it will need $4 billion to develop the F/A–18E. There are clearly better ways to spend this money.

I have grave reservations about the Armed Services Committee's tacit endorsement of the Navy's plan. The committee may have other motives, but I can see no credible rationale for its decision to terminate the only proven modern aircraft the Navy has which is capable of growing into the medium-attack role, and, further, is already a superior fighter to any current or future version of the F/A–18.

I will not offer an F–14 amendment to the bill before us today, but I am very concerned about the future of naval aviation. I hope my colleagues will review this issue closely, and, at some appropriate time, act to rectify this situation which could become a national embarrassment. Passage of this bill should in no way imply that the Senate fully endorses the current plans for naval aviation. To do so could mortgage our future ability to project military power anywhere in the world on demand. Desert Storm was an overwhelming success. But the elements of time and access to airfields and depots which led to our victory may not be available next time around.

I urge the conferees, and all Senators, to thoroughly review the naval aviation issue before chiseling the committee's recommendation into stone. As in 1990, Congress has the opportunity to prevent termination of the F–14. The Tomcat will provide vital alternatives to the current narrowly focused and very risky plan for naval aviation, at less cost, and will provide a superior technological bridge to the AX and any future Navy fighter.

I believe the committee chose to support the termination of the F–14 without prejudice, given the remarkable number of other pressing issues that it faced. I ask committee members to keep the future viability of naval aviation at the forefront of their deliberations. We cannot afford a second-rate Navy, and our naval aviation capability must remain second to none. We can avoid this risk by not terminating the F–14.

THE RAH-66 COMANCHE HELICOPTER PROGRAM

Mr. DODD. Mr. President, I have already spoke on this floor on two major strategic issues, the SDI program, and the B–2 bomber aircraft. At this point I would like to address another subject, that of the new Army helicopter, the RAH–66 Comanche.

Recently I had the occasion to visit the mockup of this new helicopter here in Washington, DC. For those of you not familiar with a mockup, it is a full-scale replication of the actual aircraft representing in every way the design and unique features of what the actual flying bird looks like. The LH, recently named the RAH–66 Comanche, is the Army's No. 1 program and I can see why.

Over the past 10 years, the U.S. Army has been preparing to supply their combat aviation forces with capabilities never before possessed. The U.S. Government, Army aviation, and industry has invested hundreds of millions of dollars for initial development of a replacement for the Army's 1970's Vietnam era reconnaissance and attack helicopters. The solution materialized in the RAH–66 Comanche, previously known as the light helicopter, a helicopter with two crew-members, which has an all-composite airframe. Capitalizing on over 20 years of technological advancements, 3,000 aging helicopters will be replaced by less than 1,300 Comanches. This helicopter has three primary missions.

First, armed reconnaissance—which is really the scout mission. This mission involves stealthy combat operations deep into enemy territory. The RAH–66 Comanche will replace the OH–58D as the scout. The stealthy Comanche with its advanced sensors will significantly increase the combat effectiveness of the Army by penetrating deep into enemy territory, scouting, and designating for the AH–64 Apache which is positioned at a safer, standoff range with its heavy firepower.

Second, attack—with massive firepower for battlefield operations; and

Third, air combat—which is essentially helicopter against helicopter.

I would like to take a few minutes to talk about some of these unique features.

If there's one thing that proved its worth in the recent gulf war, it was the value of stealth technology. Stealth capabilities ensure that the airplane or helicopter remains undetected prior to, during, and returning from the mission. We have seen, in the case of the F–117, how stealth features allowed deep penetration into Iraq, got the job done and returned unscathed. These stealthy features, which are achieved by significantly reducing the radar signature, are accomplished on the LH by fuselage shaping and also by having the weapons and landing gear retract into the fuselage. By so doing, it is very difficult for a radar directed weapon to pick up the helicopter.

Another important feature of the new light helicopter is that by suppressing and diffusing the hot engine gases, it makes it impossible for an infrared missile to lock on it as a target. All of us remember the devastation the Stinger missile brought to the Soviet helicopters in the hands of the Afghan freedom fighters.

Another characteristic that will allow this new light helicopter to sneak around behind enemy lines is the low noise level due to the advanced technology rotor blades which allow for a lower tip speed. So, with the combination of stealth design to evade radar and a low-infrared signature to prevent a heat-seeking missile like a Stinger to lock on, plus much quieter rotor blades, you can begin to envision a helicopter that can wreck havoc behind enemy lines.

Another feature that really impressed me was the supportability factors designed into this helicopter that will make it reliable and sustainable in the field. For example, there are only six tools required to maintain the engine and another six tools required for maintenance of the helicopter at the unit level. No maintenance ladders or scaffolding are required as mechanics can simply climb up and work with ease on this helicopter.

We have all seen during the gulf war the deadly accuracy and effectiveness of precision guided weapons. This new helicopter has vastly improved night vision and automated target detection systems which allows for the instantaneous acquisition and destruction of enemy targets. Additionally, rapid and precise target verification ensures that "friendly fire" does not contribute to combat casualties.

By supplying our fighting forces with these combat advantages—mobility, stealth, lethality, and supportability—we will give them the combat advantages which are demanded to fight, survive, and win on the battlefield of the 21st century.

The RAH–66 Comanche mockup was on display at the Paris Air Show and it drew a great deal of international interest. After the air show, the mockup toured a number of NATO countries. The Comanche will become available to the international customer in the early part of the 21st century. This helicopter will be a viable solution in replacing their aging fleet of 1970's technology helicopters. International participation on a technical level is a key element of the Comanche program. The Army and the Boeing Sikorsky Comanche team welcomes international technology applications during the development and production phases of the program.

BURDEN SHARING AMENDMENT NO. 1047

Mr. CONRAD. Mr. President, I rise in strong support of the amendment before us to reduce our troop levels in Europe to 100,000 by 1995. This amendment will result in an overall savings of $14 billion—an enormous savings, even in these days of trillion-dollar debt.

Mr. President, I have repeatedly offered and supported legislation to force our allies to shoulder a larger share of our mutual defense burden. The case is clear and compelling.

Forty-six years after the end of World War II, the Warsaw Pact has now officially ceased to exist. The Soviet Union has withdrawn, or is in the process of withdrawing, almost all of its troops from Eastern Europe. The Berlin Wall has come down, and Germany is reunited. In another year, the European community will achieve its long-awaited common market, creating a pan-European economy with a greater GNP than that of the United States.

In short, the cold war is over, and Europe is economically resurgent. And yet, despite all that has happened in the past 2 years, the United States still maintains more than 300,000 troops in Europe.

This policy makes absolutely no sense. We continue to spend billions and billions of dollars for the defense of our allies, and we have to borrow the money from them to pay for it. Our budget deficit is mushrooming—the latest estimate puts our 1991 deficit at $340 billion. The United States cannot afford to pay its own bills, and there is no reason for the U.S. taxpayers to continue paying the defense bills for Europe. They can afford to pay for their defense; we can't.

The United States spends roughly 6 percent of its gross national product on defense, including our alliance obligations. Our European allies spend roughly half this amount, on average. And we wonder why we face such trouble in this country.

I have said time and again that the greatest threat to our national security is our economic vulnerability. Despite a budget agreement that was designed to keep spending in check, our budget deficit will rise again in 1991. One of the major opportunities for spending reduction is to return the responsibility of defending Europe to the Europeans themselves.

Today, we are debating a defense authorization bill that will authorize over $290 billion in funding for fiscal 1991. Many of us in this Chamber feel this number is still too high, for a variety of reasons. To this Senator, one of the clearest reasons is that we continue to fund the defense of allies that can well afford to defend themselves.

Absolutely, we have an interest in ensuring the security of Europe. And the United States will never fail her allies in time of need. However, the European community is made up of 320 millon people who now face no immediate outside military threat. We are not abandoning the Europeans by adopting this amendment. We are merely responding to the new realities that affect our common defense needs in a changing world.

Mr. President, President Eisenhower, the architect of the postwar peace in

Europe, said it well more than 30 years ago:

> For 8 years in the White House, I believe that a reduction of American strength in Europe should be initiated as soon as European economies were restored. I believe the time has now come for withdrawing some of those troops.

Mr. President, the time is long past. We must reduce our overseas military commitments now. It is the prudent thing to do; it is the proper thing to do; it is the right thing to do. Let us take action today.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

Mr. DOMENICI. Mr. President, I support the passage of the Senate Armed Services Committee bill (S. 1507) that authorizes appropriations for national defense for fiscal years 1992 and 1993, and the accompanying Report 102–113. This is a prudent, responsible bill, and the Congress owes a great debt to the Senate Armed Services Committee Chairman NUNN and ranking member WARNER for their leadership in writing it.

This bill is both prudent and responsible first, because it is faithful to last year's budget agreement. Under this bill budget authority and outlays are below the 1992 caps on defense spending. Second, it supports a strategy for dealing with threats to our national interests. Finally, Mr. President, this bill provides the resources necessary for the United States to stay engaged in a world in transition. I would like to discuss each of these points in turn.

COMPLIANCE WITH THE 1990 BUDGET AGREEMENT

The Senate Armed Services Committee bill would provide budget authority of $290.7 billion and outlays of $294.7 billion for national defense in fiscal year 1992. This bill is consistent with the 1990 budget summit agreement:

As was the administration's proposal;

As is the House-passed defense authorization bill; and

As is the House-passed defense appropriations bill.

Last year at this time, in the aftermath of a Soviet decision to withdraw from Central Europe and the collapse of the Warsaw Pact, strong arguments were made for huge cuts in defense spending. Saddam Hussein stemmed some of those arguments and helped to develop a bipartisan consensus around the spending path we adopted in the budget summit. I am heartened to see the administration and the Congress living up to the budget agreement.

THE FUTURE OF THE BUDGET AGREEMENT

The budget agreement is based upon a 5-year spending path developed, last year, by the distinguished chairman of the Senate Armed Services Committee. That path, and the 6-year plan, known as the future years defense plan, submitted by the administration in January of this year, would cut defense spending 3 percent each year through 1995. With the 9-percent reduction last year defense spending will decline 22 percent, in real terms, between 1990 and 1995. I believe this to be a prudent contraction.

As an aside I must note that defense spending has been declining since 1985 and is already smaller, in real terms, than President Reagan's first full year budget submission, fiscal year 1982. The administration's plan, will continue real defense spending reductions through 1996. By 1996 defense spending, measured as a percent of GNP, or Federal outlays, will be at its lowest level in over 50 years.

While the administration's plan calls for a prudent contraction in our defense establishment through 1996, the budget agreement specifies defense spending levels only for 1991, 1992, and 1993. There was no consensus on defense discretionary spending levels in 1994 and 1995 as there was no consensus on domestic discretionary or international discretionary spending levels. From 1993 to 1995 total discretionary spending will remain unchanged. In real terms it declines nearly 8 percent. The agreement doesn't tell us where to take the cuts or where to find additional revenues that would forgo the cuts.

While the budget agreement doesn't necessarily specify defense spending assumptions in 1994 and 1995, we cannot escape the fact that policy, and therefore spending, decisions we make here in 1992 and 1993 will affect spending needs in 1994 and 1995. By CBO's estimates, the bill before us today would incur outlays of over $108 billion in 1994 and 1995. Because of varying spendout rates among different categories of defense spending these committed outlays, in practical terms, are making choices in 1994 and 1995.

HOW MUCH FOR DEFENSE?

While the budget agreement remains silent on defense spending levels in 1994 and 1995 it also remains silent on the threats to our national security, our strategy for addressing those threats, and the role of the United States in a rapidly changing world. Balanced against our fiscal constraints, these issues will impact our decisions about how much we will spend on defense in the future.

THE THREAT

Clearly the Soviet conventional threat has changed. Soviet military forces are withdrawing from Central Europe and downsizing; the Warsaw Pact no longer exists; and the problems with the Conventional Forces in Europe [CFE] Treaty have been resolved and we will soon begin to debate its ratification here in the Senate. As a consequence we are able to reduce our conventional force structure. Between 1990 and 1995 our force structure will be reduced by: 6 active and 4 Reserve Army divisions; 9 active and 1 Reserve Air Force tactical fighter wings; and nearly 100 Navy battle force ships.

In total our active force structure will be reduced by more than 400,000 people over the 1990 to 1995 time period. The Soviet withdrawal from Europe makes possible the 22-percent real defense savings that take place under the administration's plan.

While the Soviet conventional threat has lessened somewhat their strategic modernization program continues unabated.

In the non-Soviet realm, even in the aftermath of our success in the Presian Gulf conflict, many disturbing realities remain. These realities include a global arms market, more nations acquiring weapons of mass destruction and the means to deliver them, and continuing regional instabilities:

In the Middle East—Arab States versus Israel and wealthy Arab States versus poor Arab States;

In Latin America—drug cartels and left-and right-wing movements against elected governments;

In Central Europe—Yugoslavia, Croatians, and Slovenians versus Serbians;

In Asia—India versus Pakistan, and North versus South Korea, and

In the Soviet Union—hardliners versus reformers.

While not all of these realities directly affect our national interests, as did the potential of Iraqi dominance in the Persian Gulf, they suggest that for the foreseeable future large additional cuts to our force structure, or to our levels of defense expenditure, would not be prudent.

OUR MILITARTY STRATEGY

Last year the Senate Armed Services Committee "developed a new military strategy guided by several elements, including the deterrence of nuclear war, a reinforcement strategy, * * * maintenance of our technological superiority, and a greater utilization of reserves." With the exception of reserves utilization the administration incorporated the committee's recommendations in its budget request.

Nuclear deterrence remains of paramount importance to our military strategy. The Senate bill cites the continued modernization of Soviet strategic forces as rationale for its action on the B–2 bomber and on our missile defense programs. The B–2 is an effective penetrating bomber that contributes to stability—by virtue of its speed and recallability—and is START Treaty-compliant.

The strategic defense initiative [SDI] is provided with necessary funds to develop capabilities for the initial deployment of limited missile defense systems. The bill calls for the deployment, by 1996, of an operationally effective, Anti-Ballistic Missile Defense [ABM] Treaty-compliant missile defense system at a single site. It also calls for a parallel negotiating effort to modify the ABM Treaty to allow deployment of a system capable of defending the United States against a limited missile attack.

Emphasis on a reinforcement strategy means that as our overseas presence is reduced we will emphasize lighter and more lethal forces and mobility. Importantly, additional funds are provided to improve the capabilities and responsiveness of special operations forces—an additional $129 million for radios, ammunition, and training—and Marine Corps—an additional $550 million to purchase and modernize equipment on our maritime prepositioning ships. The Senate bill provides funds for mobility assets including C-17 aircraft, air cushion landing craft, and an amphibious cargo ship.

Technological superiority was a hallmark of allied success in the Persian Gulf. The Senate bill provides funds for a continued strong research and development effort. Lessons learned during the Persian Gulf conflict are the basis for many of the authorized expenditures. For example, the bill provides for improvements in countermine technology—both land and sea—and in tactical intelligence collection and dissemination. The bill also continues strong support of basic technology research and development with support for high performance computing, laser technology, and fuel cell technology.

The Senate bill diverges from the administration's request to cut Reserves significantly in fiscal year 1992 citing "no analytical justification for the disproportionate reductions proposed by the Department of Defense." The committee's recommendation seems warranted by the enormous contribution provided by the 225,000 reservists mobilized for Operation Desert Shield/Desert Storm. On the other hand, not all reservists were able to train up to an adequate level of proficiency in a timely manner. The administration's position is that the Reserve force should be downsized roughly in proportion to the downsizing of the Active Force. Clearly this issue needs more study.

In sum I believe this bill, in total, provides the resources and the programmatic and personnel decisions to support our military strategy in the near term and for the foreseeable future.

THE NEW WORLD ORDER

In the aftermath of the cold war the United States is clearly the world's dominant power. During the Persian Gulf crisis the President embraced the concept of a new world order. In April of this year he described it in the following terms:

> The new world order does not mean surrendering our national sovereignty or forfeiting our interests. It describes a responsibility imposed by our successes. It refers to new ways of working with other nations to deter aggression and to achieve stability, to achieve prosperity, and, above all, to achieve peace. * * * The quest for the new world order is in part a challenge to keep the dangers of disorder at bay.

The Persian Gulf conflict was the first major international event in the post-cold-war world, and the first test of a possible new world. It required the international support—diplomatic, military and financial—of our allies, the cooperation of our adversaries and, most of all, it required American leadership.

It is too soon to conclude that the changed world will be more stable, yielding to the rule of law and greater cooperation among nations. Future crises will probably not represent quite so unambiguous a choice between right and wrong.

Dramatic changes have occurred in the world and they have fostered dramatic hopes for the future. What seems clear is that if these hopes are to have any chance of success then the United States, at least for the foreseeable future, must continue to lead. It must lead simply because it is the only nation capable of doing so in a post-cold-war unipolar world.

CONCLUSION

Mr. President, threats to our national interests still remain in this post-cold-war world. I support passage of this bill because it supports a strategy for dealing with those threats. I also support passage of this bill because it provides the resources necessary for the United States to stay engaged in a unipolar world in transition. And Mr. President, I support passage of this bill because it adheres to the spending levels specified in last year's budget agreement. I commend the efforts of the Senate Armed Services Committee on this important legislation.

THE "U.S.S. KENNEDY"

Mr. SPECTER. There is some confusion as to what impact the requirement to perform a service life extension program on the U.S.S. *Kennedy* at the Philadelphia Naval Shipyard will have on the ability of the Navy to close PNSY, if such an action must ultimately be taken, within the timeframe stipulated in the Base Closure Act. It is my understanding that, according to the Navy, a decision to SLEP *Kennedy* at PNSY would still provide ample time for the closure of PNSY before January 1, 1997.

Does the chairman agree with this assessment of the relationship between the issue of SLEP of the U.S.S. *Kennedy* and the expected closure date for PNSY as required by the base closure statute?

Mr. NUNN. It is my understanding that the Navy believes it could undertake a SLEP of the U.S.S. *Kennedy* at the Philadelphia Naval Shipyard, if required to do so, within the timeframe projected by the Navy for the closure of the shipyard.

Mr. WOFFORD. Would it be accurate to characterize the committee's action on the SLEP of the U.S.S. *Kennedy* as having a basis that is independent of the Base Closure Commission's recommendations.

Mr. NUNN. Yes, the committee based its action on the belief that an overhaul as opposed to a SLEP is more appropriate for the U.S.S. *Kennedy*.

Mr. SPECTER. I appreciate the chairman's view on this issue, however, I firmly believe that a SLEP of the *Kennedy* would, in the long run, be more cost effective for the Navy and more consistent with our maritime operational requirements. The *Kennedy* is the last and best nonnuclear aircraft, identical to new nuclear carriers except for its powerplant. With the budgetary constraints facing Defense and other Federal programs today, I blieve it is critical to retain existing assets for use as long as it is cost effective to do so. The SLEP will allow the Navy to extend the service life of the *Kennedy* for 15 to 30 years at a cost of roughly $350 million more than the cost of an overhaul.

I thank the chairman for the opportunity to clarify this important issue with him.

Mr. DURENBERGER. Mr. President, I rise to support final passage of the DOD authorization bill. I congratulate the Armed Services Committee for its excellent work on a very difficult and challenging task. There are many new elements in the world and security environment that must be considered, along with the enduring threats we continue to confront. I believe the committee has produced a sound bill.

The full Senate clearly shares the appreciation and respect for the committee's work. On almost every vote, the committee's position has prevailed. That says a great deal about the quality of the work by our colleagues on the Armed Services Committee.

Overall, I am satisfied that the committee and full Senate have produced a defense authorization bill that responsibly balances our twin needs to provide for our adequate security and to do so within the tight budget constraints. The committee has produced a bill that respects the parameters of the budget agreement last fall. It reduces spending based on a thorough and informed reassessment of U.S. security requirements in an extremely fluid and dynamic international environment.

Mr. President, I will not take the time now, after so many hours of debate on this bill, to enumerate the individual issues about which I am particularly interested or concerned. I will note, however, that with this bill, the Senate passes a major milestone with the strategic defense initiative.

The Senate has approved the deployment of a strategic defense system that would fully comply with the ABM Treaty. It also establishes the goal of working toward a nationwide defense against accidental or limited ballistic missile attacks on the United States.

The committee provisions, which I support, do not in any way authorize the United States to violate the ABM Treaty. It calls for a negotiations track with the Soviet Union to modify the treaty to accommodate new realities.

Mr. President, I commented more extensively yesterday on these provisions, so I will not elaborate further again today. This is a good bill, and I urge my colleagues to support it.

Mr. President, I have a number of strong objections to the House-passed defense bill. It is my hope that the result of the passage of both the House and Senate bills will be a conference report that will strike a proper balance between national security and budgetary responsibility.

Mr. President, I listened intently to the debate on the future of the B-2 bomber both here in the Senate and at home in Minnesota. The debate centers around its mission in our national security strategy—as it should.

The most common criticism of the B-2—as it has been for several years—is that it is a system in search of a mission.

Critics of the B-2 contend that the mission for the bomber seems to keep changing—first it is nuclear deterrence and second strike against the Soviets; then it is finding mobile missiles; now it is conventional bombings. The underlying reasoning is that the B-2 was built for an era that no longer exists. Therefore, we should stop throwing good money after bad.

There is a certain superficial logic to these arguments. But considered more thoroughly, the B-2's mission has not changed over time. It has always been intended primarily as a nuclear bomber with substantial conventional capabilities. That has not changed.

This is what the 1981 mission statement says:

> The advanced strategic penetrating aircraft [now called B-2] shall provide the capability to conduct missions across the spectrum of conflict, including general nuclear war, conventional conflict, and peacetime/crisis situations.

What has changed, however, is the relative emphasis placed on each role. As the United States-Soviet confrontation becomes less prominent and regional contingencies become more threatening, it is not unreasonable that the focus or emphasis of the bomber's mission shifts to reflect new realities. The missions have not changed; only the relative emphases.

This should not automatically lead one to oppose the bomber. In a certain sense, it is a demonstrable advantage that the bomber has this flexibility and utility across a broad spectrum of potential uses. Considered in this way, one would almost be relieved that the bomber we have already invested so much into is actually flexible and adaptable enough to deal equally well with the new world circumstances. This is not necessarily a fatal flaw.

As the focus of our defense strategy shifts away from deterring and defending against Soviet-led Warsaw Pact attacks on Western Europe toward a wide range of potential regional threats to United States and allied interests, we should expect that the focus of our forces adapts accordingly.

Today is the 1-year anniversary of Iraq's invasion of Kuwait. That should remind each of us that the world is still a very dangerous place. U.S. interests are still threatened. At the same time, U.S. forces are increasingly being reduced.

Although we will continue to maintain forward-deployed forces, there will be fewer of them as we bring home the troops from Europe, South Korea, Japan, and elsewhere. The U.S. Army will reduce from 28 to 20 divisions. U.S. naval carrier battle groups will also contract, further diminishing U.S. power projection capabilities.

What is the implication? That our interests will continue to expand all over the world, but our ability to defend them from bases nearby contracts. Increasingly, we will have to project power and defend our interests from the United States and selected overseas bases.

Mr. President, regarding the future of the U.S. bomber force, it makes a great impact on this Senator that the decisions we make today determine the forces we will have available in the future. In this case, not just in 5 or 10 years. But in 30 or 40 years. Without the B-2 Stealth bomber, the United States will be left without a substantial or modern bomber force by the first quarter of the next century.

I urge my colleagues to consider what the U.S. bomber fleet will look like in the future if the B-2 is terminated at the current 15. By the year 2010, the B-52G's will be retired, the B-52H's—our newest B-52—will be over 50 years old, and the B-1B's will be 23 years old.

We currently have 97 B-1B's and B-52H's. By 2020, in just 30 years, the B-52H's will be over 60 years old. Sixty years old. Yes, they can be modernized, upgraded, improved, and so forth. But 60 years is still pretty old, no matter how much the Air Force modernizes the B-52's.

The President, the Department of Defense, and the Armed Services Committee do not believe that the United States can accomplish the same nuclear deterrence and conventional missions into the next century with 97 B-1's and however many 60-plus year old B-52's are left.

It has been suggested that if we need another bomber in 40 years, we can build another one. In contemplating this suggestion, I have tried to consider whether we would actually be saving much money by starting from scratch 40 years from now. Future cost estimates are impossible to derive accurately, but starting over in 40 years and replicating effort we have already invested will not save money.

Finally, Mr. President, the United States will continue to require a penetrating strategic bomber as well as a modern conventional bomber force well into the future.

Penetrating bombers have capabilities that standoff, cruise-missile carrying bombers just cannot match. I have listened and very carefully considered the arguments against this proposition made by my friend and respected colleague, Senator COHEN. The Senator from Maine and others make a strong case. But I am not fully persuaded.

Cruise missiles are certainly difficult to detect, but they cannot respond to enemy actions; they cannot be retargeted in flight, or react to unanticipated enemy defenses—such as mobile air defenses.

Cruise missiles can be fired to saturate defenses, but because of their relatively small payload, that requires a very large number of missiles. At approximately $1.3 million per missile, that becomes a very expensive proposition.

Finally, Mr. President, I urge my colleagues to consider that cruise missiles are a weapon. A bomber is a weapon system. The bomber is more flexible in its flight profile and ability to respond to defenses, carries a much greater payload that can be delivered with accuracy greater than cruise missiles, can be retargeted in flight, and is reusable over a 30-plus year lifetime.

Mr. President, this has been a very difficult decision for me to make. The B-2 is a very expensive system, extremely expensive. After deliberating hard on this question, I conclude that the B-2 is worth the money in the long run. And it is for the long run that we must plan.

I thank my colleagues for the high quality of the debate. It has made a positive contribution to my thinking on this vote, and I have learned much from the debate.

AMENDMENT NO. 1040

Mr. LIEBERMAN. Mr. President, the question has arisen whether the Congress needs to specifically reauthorize in this resolution, pursuant to the War Powers Act, any continuing use of force against Saddam Hussein, such as proposed in this resolution.

I believe the answer is that the Congress already authorized the use of force in the joint resolution of January 2, 1991, and implementation of the U.N. Cease-Fire Resolution No. 687, as supported in my resolution, does not require a new authorization.

Senate Joint Resolution 2 enacted on January 12, 1991, states in relevant part that:

> The President is authorized * * * to use United States Armed Forces pursuant to United Nations Security Council Resolution 678 (1990) [and the other United Nations Resolutions].

U.N. Resolution No. 678 in turn, "authorizes [United Nations] Member States cooperating with the Government of Kuwait * * * to use all necessary means to uphold and implement Security Council Resolution 660 (1990) and all subsequent resolutions and to restore international peace and security in the area".

Clearly, implementation of the subsequent cease-fire Resolution No. 687, including its provisions to control weapons of mass destruction, has been in furtherance of this directive to "restore international peace and security in the area."

Therefore, implementation of the cease-fire resolution is entirely consistent with and indeed arguably mandated by the prior Resolution No. 678. It is therefore authorized under the wording of Senate Joint Resolution 2 of January 12, which specifically references Resolution 678.

Congress does not need a new and separate authorization to implement the U.N. cease-fire resolution; the President already has the authority under our January 12 resolution to do so.

The purpose of the resolution I propose with my colleague from Kansas today is not to create a new authorization, but simply to spell Congress' support for using the means necessary to implement the cease-fire resolution. No new authorization is required; this resolution simply endorses obtaining compliance with the cease-fire resolution.

This result is also logical. It would be peculiar for Congress to insist that it had to authorize the same war twice, once to start it and once to end it.

Procedural requirements consistent with the War Powers Act, which constituted the subsection 2(c) of Senate Joint Resolution 2 of January 12, likewise remain in effect and do not require renewal, since our prior authorization of the use of force remains in place. The President also remains required under Senate Joint Resolution 2 to submit to Congress regular reports at least every 60 days on the status of his efforts to obtain compliance with the various U.N. resolutions, which would, by extension, include cease-fire Resolution No. 687. Thus the reporting requirements to Congress still stand and would not be altered by the resolution we propose today.

There is a further question that follows from the first: Is there anything in the War Powers Act itself that would require a specific authorization of force to effectuate compliance with the cease-fire resolution? That is, are there other war powers provisions that would be triggered by the resolution I propose with the Senator from Kansas?

Again, I believe the answer is no. The War Powers Act has already been triggered and its provisions have already gone into effect and continue in effect concerning this conflict, and further authorization under that act is not now required.

The basic requirement of the War Powers Act (Public Law 93-148), is found in section 4(a)(1) which requires the President to report to Congress on the introduction of U.S. forces into hostilities or imminent hostilities. When such a report is submitted or required to be submitted, it triggers a requirement in section 5(b) that the use of forces must be terminated within 60 to 90 days unless Congress authorizes them to remain longer. This was the provision that applied to the Kuwait war and it was effectuated by a specific congressional resolution, Senate Joint Resolution 2, on January 12 of this year.

The War Powers Act speaks in terms of the introduction of new U.S. forces and the commencement of hostilities. It was designed to preserve Congress' constitutional authority over the initiation and declaration of war under article I, section 8. That is not the situation we now face and that our resolution attempts to deal with. Our troops successfully prosecuted a war authorized by Congress, reached a cease-fire agreement with our enemy, and now we are in a situation where we need to enforce that cease-fire agreement. It is not a new conflict; it is the same conflict. It involves the same parties, the same issues, and the same territory that we dealt with in January. New forces are not being introduced; the remaining elements of the same forces are still in place.

Congress in January affirmed its historic role in the authorization of force. It took courage for the Senate to insist on this step, and it deserves great credit. But the Senate has no further need to act now, to reauthorize the means necessary to enforce the cease-fire agreement all of us applauded just 4 months ago. This resolution is very simple. It tells the President that the Congress supports enforcement of the U.N. cease-fire resolution. It sends a message to Saddam Hussein to comply with the cease-fire resolution, and tells the President that we believe the resolution should be enforced. No further authorization is now required under the War Powers Act.

ON THE USE OF FORCE AGAINST IRAQ

Mr. MOYNIHAN. Mr. President, on January 12, 1991 the United States Congress voted to authorize the use of force to carry out and enforce U.N. Security Council resolutions concerning the Iraqi invasion of Kuwait. Now we are voting to support the use of force to carry out the terms of the Security Council resolution which established a cease-fire in the Persian Gulf. By this action the Congress supports the Security Council in its efforts to control Iraq's weapons of mass destruction and for that reason the resolution has my support.

I do hope that the President will understand—and surely he does—that the United States is bound by the provisions of the U.N. Charter in the use of force. The charter gives to the Security Council in all cases save those involving the inherent right of self-defense the decision of whether or not force is required to carry out its resolutions. This resolution in no manner alters our legal obligation to adhere to the charter. The Council has the authority to order the use of force to carry out its resolutions and, under article 25, those decisions are binding on members. I urge the President to use the support granted by the Senate today in a manner consistent with our legal obligations under the charter. I am confident that he will do so.

THE 1992 DEFENSE AUTHORIZATION BILL

Ms. MIKULSKI. Mr. President, I rise today to express my support for S. 1507, the National Defense Authorization Act for fiscal years 1992 and 1993. This bill advances important national defense goals, supports our military men and women in the field and at home and promotes initiatives to provide well-deserved benefits to those active duty and reserve military personnel who have served their country.

Now, Mr. President, I do not agree with all aspects of this bill. The truth be known, there are very few bills of this size and scope with which I can agree completely. In particular, I am highly skeptical of the committee's plan to exchange the proven protection of the Anti-Ballistic Missile Treaty for a system of defenses which may defend us against certain accidental or unauthorized launches but which will certainly not defend us against the most likely sorts of rogue attacks. I also believe it makes no sense to increase the strategic defense initiative by $1.9 billion over this year's level.

But I support this bill overall because it retains and refines America's defensive strength, its conventional and non-conventional equipment, its intelligence and logistical capabilities, its technological and industrial base, and, most importantly, its human resources—the brave fighting men and women who constitute our Armed Forces.

In particular, I support the measures in this bill which enhance the well-being and combat effectiveness of our military personnel—the 4.2-percent military pay raise to begin January 1, 1992; the increase over the administration request in the number of National Guard and Reserve units; the $550 million added to modernize equipment in the maritime prepositioning ships; the funding provided to procure better weapons and personal equipment for soldiers and Marines; and the resources directed towards better protection of our troops against chemical and biological weapons.

Mr. President, this Senator also strongly supports this bill's recognition of the importance to a comprehensive military strategy of maintaining U.S. technological superiority and a strong defense industrial base. I applaud the $170 million this bill authorizes for partnerships with industry to develop critical technologies. I cheer the establishment of a national manufacturing extension program to help small manufacturers. And I endorse the creation of a grant program to enhance university programs in manufacturing engineering education.

The bill also provides $1.4 billion for the Nation's sealift capability, which was so clearly lacking during Desert Shield.

One of the areas where I disagree with the committee's action, however, is the decision to terminate F-16 production in fiscal year 1992. If production is terminated next year, the country will be left with no Air Force fighter in production for many years. And it would be 4 years before any fighter is even procured. Even then we would have only an initial, low-rate procurement of the F-22 advanced tactical fighter.

It is hard to imagine that this complete shutdown in Air Force multirole fighter production is worth the risk. We certainly cannot predict the world situation years in advance, which is what it would take to restart and get deliveries from any fighter line once it has been totally closed down.

The proposed action would also have a serious effect on the U.S. aerospace industrial base. I am told that the impact of early F-16 termination would be the loss of 6,000 first tier and over 11,000 lower tier suppliers in 47 States, representing 150,000 jobs annually. Early loss of this F-16 industrial base without a follow-on program to bridge the gap would harm the U.S. world leadership position in the aerospace field at a time when Asian and European countries recognize the potential of international aerospace competition and are rapidly building their industrial capability.

Termination of the F-16 program would also reduce the number of F-16's available to the National Guard for training and deployment.

The House of Representatives has wisely decided to fund a buy of 48 aircraft in each of the next 3 years. I hope the conferees will follow that course of action.

In sum, I would prefer to see less emphasis and less money in DOD's strategic programs, but I am pleased that this bill recognizes the need to be prepared for regional warfare. Desert Storm reminded us of the need to maintain our technological edge, to stress conventional weapons and to value the men and women who fight our wars. On the whole, this bill takes us in the right direction.

KINETIC ENERGY PROGRAM

Mr. KERRY. Mr. President, I rise today to express my opposition to the Armed Services Committee's decision to fully fund the kinetic energy antisatellite weapons program in next year's Defense authorization bill. This program—for which the administration has requested $65 million in fiscal year 1992 and $69 million for fiscal year 1993—is unnecessary and could lead to a very costly and destabilizing Asat arms race. The Pentagon had even planned on canceling it, but the decision was reversed by the White House as a result of objections from some Members of this body.

The administration has traditionally argued that the United States needs an operational Asat system for two main reasons: to deter the Soviets from using their co-orbital Asat and, in the event of conflict, to attack Soviet radar and electronic ocean reconnaissance satellites—RORSAT's and EORSAT's—that track naval units. These missions are inherently contradictory, however, and the Pentagon has begun to emphasize the latter mission, framing it as one of "space control." But development of a U.S. Asat cannot be justified on either basis.

The Soviet Asat is a crude system developed in the 1960's that has not been tested since June 1982. Of the 20 tests that were conducted prior to 1982, only 9 were successful, and 9 of the last 13 tests failed. It is hard to believe the Soviets have much confidence in a system that has not been tested in 9 years.

In addition, according to the Pentagon, the Soviet Asat has an altitude range of only 5,000 km. While this would enable it to attack certain U.S. intelligence, navigation, and weather satellites in low Earth orbit, it could not reach the many other such U.S. satellites deployed in higher orbits. More importantly, the Soviet Asat lacks the range to threaten our most vital satellites, namely early warning and military communications satellites.

To the extent that the Soviet Asat remains a threat, there are relatively simple countermeasures we can employ to protect those satellites that may be vulnerable. U.S. satellites could be equipped with radar-jamming devices or programmed to maneuver. They could be hardened or provided with defensive capability. We also could design satellites for rapid launch in the event of an Asat attack. The Lightsat Program being pursued by the Defense Advanced Research Projects Agency is developing small, inexpensive satellites that could be used for this purpose.

Turning to the supposed threat that Soviet ocean reconnaissance satellites pose to United States naval units, the Navy has rarely alluded to this threat in its budget requests and some naval commanders have openly played down the threat. The Soviet RORSAT program has encountered numerous problems, and no new RORSAT's have been launched since March 1988. In any case, it is fairly easy to detect radar surveillance, and such surveillance can be jammed or foiled in other ways. EORSAT's can be countered by using very short wavelength and highly directional transmitters, maintaining electronic silence, and using electronic noise to disguise encoded signals.

The Soviets have offered to dismantle their Asat and permit on-site inspection of its base as part of an arms control agreement. If the United States continues to develop an Asat system, however, the Soviets will likely concentrate on developing a more advanced Asat than they currently possess, one that could threaten our most important satellites in higher orbits. Besides the tremendous cost and destabilizing nature of an Asat arms race, we stand to lose much more than the Soviets. Our satellites are more technically sophisticated, and we are more dependent on them for information and communication. In addition, the Soviets can replace satellites more easily than we given their relatively rapid space-launch capability.

It is hard to envision a scenario in which the military benefits of using a U.S. Asat system would outweigh the potential costs. From a military standpoint, Asats would be most useful before war had begun. However, their use in a prewar crisis would be very provocative, thereby increasing the likelihood of war. If we were to use Asats once a war begun, we would risk retaliation and escalation.

I am well aware of the argument that the use of satellites in the gulf war proved the need for Asats, but the war is being used to justify the need for SDI, the B-2, and almost every other weapons system that has garnered significant opposition in the past. Yes, it is true that our satellites played a vital role in the war, particularly our early warning satellites which enabled us to detect Scud launches and our military communications satellites which enabled our Armed Forces to perform so effectively. But that is exactly why provoking an Asat arms race does not serve our interests. These two types of satellites, along with most of the others we employed in the gulf, are out of range of the Soviet Asat. However, this is unlikely to remain the case if we force an Asat competition.

I also am familiar with the claim that a U.S. Asat is necessary to hedge against the development of Third World satellites that could track our military forces and Asats that could threaten our space assets. However, according to CRS, China and India are the only Third World nations that have the ability to launch satellites. Iraq had such capability prior to the war, given subsequent events, that would seem to no longer be a concern. Other countries, such as Brazil and Pakistan, have announced plans to develop space-launch capabilities but progress has been slow. As I already have explained, however, there are other means of countering satellites that pose a threat to our military forces. Furthermore, we do not need to develop our own Asat to deter any Third World Asat threat that might arise—we have many other ways of deterring such a threat.

For those who are concerned that cancellation of the kinetic energy Asat program will leave us unprepared for any technological breakthroughs on the part of the Soviets or other nations, rest assured that the R&D being pursued under SDI will provide a sufficient hedge. In fact, the Asat program is largely redundant, and unfortunately, much of the hardware being developed under SDI has Asat applications.

In sum, Mr. President, this country does not need to spend taxpayers' dollars on a program that is unnecessary and risks a costly and destabilizing arms race. I urge the administration to refrain from developing an Asat system and instead seek an Asat arms control agreement with the Soviet Union.

AMENDMENT NO. 961

Mr. GLENN. I am concerned that the amendment by the distinguished Senator from North Dakota would require a burdensome and expensive survey of Federal refueling facilities spread out across the country in order to determine if such facilities can provide alcohol-gasoline blended fuel to refuel Federal vehicles. As I understand, this amendment would require the Administrator of the General Services Administration to report on and provide justification for broad agencywide exemptions granted under these laws, and that this would not require the Administrator to perform an exhaustive review of all refueling facilities operated by Federal agencies. Does the distinguished Senator from North Dakota agree with this interpretation?

Mr. CONRAD. My colleague, the distinguished chairman of the Senate Governmental Affairs Committee, is correct in his interpretation. The purpose of the report is to have the General Services Administration review the exemptions to the existing law that are granted on an agencywide basis, but it would not require GSA to review all Federal refueling facilities. As my colleague is aware, there is an existing Executive order, which was executed pursuant to the Energy Security Act, which requires the use of alcohol gasoline blends in federally operated vehicles. My understanding is that, despite this requirement, few agencies have complied because they have been exempted from the Executive order for a number of reasons. The report will examine these broad exemptions and determine what justification there may be for their continued existence.

Mr. WALLOP. Mr. President, I rise to make a few final comments on the defense bill before we proceed to final passage. I will be very brief, but I am obliged to offer three observations which I regard as essential for the record before we proceed to final passage.

It is no exaggeration to say that the most prominent feature of this bill is the historic bipartisan consensus on the strategic defense initiative. No false modesty prevents me from claiming to have played a pivotal role in achieving that bipartisan compromise, thanks especially to the staunch support I had from Senators LOTT, MACK, and SMITH. As a key player in the SDI negotiations during markup, and then later in working to obtain passage for the committee SDI compromise on the floor, I feel obliged to ensure that certain ambiguities are clarified. It is especially important that the legislative intent of those who vigorously supported ballistic missile defense be clear for the Department of Defense and others in the executive branch when they begin to look at the legislative history of the bill for the purposes of carrying out its provisions.

The committee bill provides $625 million for continued research and development of the Brilliant Pebbles space-based interceptor, and in fact calls for "robust" R&D of Brilliant Pebbles. However, space-based interceptors are not part of the initial system architecture. This in fact was one of the primary concessions that I and Senators LOTT, MACK, and SMITH made in order to achieve a bipartisan compromise.

That brings me to the main point. In agreeing to the SDI compromise in markup, and later in actively working for final passage of the bill which contains the committee position, it has been my clear, certain, and unequivocal understanding and intent that this legislation contemplates the ultimate deployment of Brilliant Pebbles or a similar space-based interceptor. That eventual deployment of course will be contingent on the system's technical feasibility, cost-effectiveness, and military effectiveness, as with any other defense program. But my position is that the Senate action has explicitly and intentionally opened the door to the future deployment of Brilliant Pebbles.

Second, Mr. President, the language of the committee consensus on SDI directs the Secretary of Defense to develop for deployment by 1996 an ABM system that includes "optimum utilization of space-based sensors. In helping craft this legislation, and in actively supporting it on the floor, it has been my clear, certain, and unequivocal understanding and intent that the bill contemplates the development of space-based sensors that are capable of substituting for ABM radars.

Finally, Mr. President, the committee SDI language envisions a future architecture with multiple ground-based interceptor sites. The compromise contains the tortured formulation "one or an adequate additional number of sites," but the clear meaning in plain English is "multiple," or "more than one." And of course, as I have already cited, the future architecture may include space-based interceptors. Obviously, in order to reach this goal in the future, the United States must obtain relief from the present restrictions of the ABM Treaty.

There are three possibilities. A new treaty, perhaps a defense and space treaty, to replace the ABM Treaty. Or we can negotiate changes or amendments to the current treaty. Or, if we cannot resolve the ABM Treaty problem with the Soviet Union we can withdraw, as is our right at the present time under article XV.

Consequently, the bill calls for a period of renegotiation of the ABM Treaty to make it possible to go beyond the single treaty-compliant ABM site and achieve the more comprehensive architecture envisioned by the SDI language. It is my understanding and intent that the bill language does not permit this period of negotiation to be open-ended and indefinite, and that the purpose of including the 1994 interim report to the Congress on treaty discussions with the Soviet Union is to bring the negotiations to closure.

Moreover, Mr. President, it is my clear, certain, and unequivocal understanding and intent that nothing in the bill can be correctly read as providing the Soviet Union a veto over a future United States decision to deploy strategic defenses. Nothing in this legislation can be correctly construed as in any way providing new legal or diplomatic impediments to ballistic missile defense, nor forfeiting the U.S. right to act unilaterally to protect its territory, troops deployed abroad, or allies from ballistic missile attack.

The only existing impediment to U.S. unilateral action is, as I have just acknowledged, the ABM Treaty. And I repeat that my intent in this legislation is to provide a track for renegotiation and amendment of the treaty; or failing that, to strengthen the congressional mandate for the President to exercise present rights of the United States under article XV.

I hope these observations will clarify the legislative intent—at least from the perspective of this Senator—and serve to resolve any future ambiguities and uncertainties which must necessarily arise from the language inherent in a compromise.

I thank the Chair, and yield the floor.

NATIONAL CRITICAL TECHNOLOGIES ACT, ADVANCED MANUFACTURING TECHNOLOGY ACT

Mr. LIEBERMAN. Mr. President, I rise today to speak in support of two provisions of the Department of Defense authorization bill—the National Critical Technologies Act and the Advanced Manufacturing Technology Act. I was pleased to join Senators BINGAMAN, NUNN, HOLLINGS, and GORE as an original cosponsor of these measures. Mr. President, simply stated, these provisions, when enacted, will help recharge American manufacturing, which has been seriously harmed by a decade of neglect and ideological bickering. In the words of the Senator from New Mexico, Senator BINGAMAN: "While the White House is debating ideology, other countries are eating our lunch."

The state of U.S. manufacturing is clearly in decline and indicators of that decline are acutely visible. The U.S. merchandise trade deficit remains stubbornly high despite a significant downward change in the value of the dollar. Growth in productivity continues to be sluggish as compared to our major competitors. And, U.S. manufacturers, including defense manufacturers, are becoming increasingly dependent on foreign companies for an ever-increasing range of machinery, machine tools, and manufactured components.

In the debate over the state of American manufacturing and industrial competitiveness, we routinely address issues such as the high cost of capital; our low rate of savings and investment; chronic trade and budget deficits; and the failure of our educational system to prepare our workers for the jobs we need done, but we rarely address the fundamental issue of technological advancement, which is among the most important.

Mr. President, technological advancement can drive an economy by creating new goods, services, industries, jobs, and capital. Technological advancement, when applied to existing systems, can improve productivity and the quality of products. And, Mr. President, technological advancement can help compensate for competitive disadvantages U.S. firms must face including comparatively higher costs of capital and labor.

While the United States remains the undisputed world leader in basic research and in many areas of applied research—largely due to direct Federal support—we must understand that research alone does not lead to improved productivity and economic growth. Research and development is merely the first step. It is commercialization—the process of moving products from our laboratories to our factories—that leads to increased productivity, continued economic growth, and the ultimate rise in our standard of living. But, Mr. President, this is also where we fail. We must, as our competitors do, aggressively support emerging technologies, so they can be transformed into commercially viable products for the international marketplace.

Our chief economic competitors are not afraid to do just that. According to the Council on Competitiveness, in 1988 the United States spent 0.2 percent of the total Federal Government R&D budget on industrial development—compared to 4.8 percent in Japan and 14.5 percent in Germany. Additionally, the Ministry of International Trade and Industry [MITI] is the most celebrated example of how the Japanese economic miracle came into being. We may not want to create an American MITI, but we certainly ought to be thinking about long-term blueprints for keeping America ahead of the high technology curve. These two titles of the DOD authorization bill go a long way toward reaching that goal.

Mr. President, at a time when America is struggling to face the economic challenge of the nineties, the administration is still mired in out-of-date economic theory and conflicting policies. The White House says that the Federal Government has no business picking winners and losers, that the free market should reign supreme. I agree, the free market should reign supreme.

But what the administration seems to forget is that the Government is and always has been deeply involved in the economy. This type of activity is nothing new. That is how the railroads were built. That is how the highways were built. That is how the American aerospace industry and American agriculture have become the standards for American excellence—all through direct Government support. In fact, the aerospace industry produces a larger trade surplus for the United States than any other manufacturing industry and agriculture is a big contributor to trade surpluses as well.

Even Adam Smith, the author of laissez-faire, understood that the free market is not always perfect or ideal. He suggested that there is a legitimate role for Government to play in the market, particularly in caring for the indigent and needy, in building public infrastructure, in education, in public health, in providing for the national defense, and in preventing firms from conspiring against the public good.

The two provisions in the defense bill do not purport to replace the free market. Nothing could be further from the case. What these provisions say is that there is also a constructive role for the Government to play in technology policy—particularly in the pre-competitive, pre-commercial, developmental stages of technological advancement.

Evaluate the case of the aerospace industry. According to the Office of Technology Assessment, the first Federal contract for a military aircraft was let in 1907, and in 1911 Congress appropriated $25,000 to purchase the first airplane for the Navy. The Europeans, however, were the first to establish aeronautical research centers and between 1907 and 1915 the Europeans made landmark advances in aerospace technology. During this period, the United States felt itself falling far behind the curve in aerospace advancement, and finally, in 1915, Theodore Roosevelt endorsed and Congress supported the concept of a National Advisory Committee for Aeronautics, which was a Government organization designed specifically to advance the science and technology associated with aerospace.

Since that time, the Federal Government has aggressively supported aerospace research, development, commercialization, and production—albeit primarily for military functions. Many would argue, however, that this support—which has led to a variety of dual-use technologies—is what made the U.S. commercial aerospace industry what it is today. I cannot help but note that almost 90 years later the greatest challenge to United States civilian aerospace predominance is coming from Airbus—a firm which is wholly supported and which has received billions of dollars in R&D and working capital from a coalition of four European countries.

Mr. President, at the same time the administration is pushing its policy of laissez-faire, the President's National Critical Technologies Panel, which is a part of the Office of Science and Technology Policy, has been preparing a list of 22 key technologies and a report which stresses the need for increased cooperation between Government and corporations. In the prepared report, the National Critical Technologies Panel stated:

> The failure to maintain world class manufacturing capabilities would compromise the nation's ability to compete in domestic and international markets, and would threaten our ability to obtain access to the full range of components and equipment required for a strong national defense.

The dependance of our defense sector on our civilian manufacturing capability is increasing. Military R&D, which once provided technological advances for the civilian sector, especially in electronics, is increasingly dependant on civilian research and its spinoffs! It is less and less possible to draw a line between defense and civilian sectors.

If maintaining a world class manufacturing capability—as the administration suggests—is critical to both our national defense and economic security, then we should not be debating whether or not the Federal Government should be supporting technological advancement; rather, we should be asking what is the best way for us to do so? How can we put the resources and leverage capacity of the Federal Government directly behind American industrial technologies to improve our industrial competitiveness over the long term? I believe the two titles included in the Department of Defense authorization bill have directly and appropriately answered these questions.

These two provisions address three primary areas of concern: manufacturing, technology, and education. The initiatives include provisions for coordinated planning and management of Federal manufacturing activities; increased Federal support for the development of industry-led advanced manufacturing technology; programs for manufacturing extension activities, particularly for small- and medium-sized firms; and expanded technological education programs.

In the area of manufacturing, the bill provides $250 million for manufacturing technology development and $50 million for manufacturing extension. There are presently few public or private institutions in the United States for diffusing new technologies across manufacturing sectors. This causes particular concern for small manufacturers who do not have the resources to keep up with technological developments made in the United States, not to mention those made abroad. This is not the case in Japan where technology dissemination and technical assistance is commonplace. For example, the Japanese Government provides $235 million—half the funding—for a nationwide network of 185 technology extension centers. Partly as a result, the Japanese have repeatedly beaten American manufacturers in incremental product and process improvements—first in transistor radios and TV's—consumer electronics—then automobiles, and perhaps now semiconductors.

In the area of technology advancement, the bill provides $170 million in critical technology partnerships; $15 million in advanced material partnerships, and $17.5 million in foreign technology monitoring.

Finally, in the area of education, the bill provides $30 million for manufacturing engineering education; $10 million for United States-Japan management training; $20 million for Nunn-Hatfield fellowships; and $20 million for university research initiatives. Mr. President, the link between productivity and education is critical. The huge growth in the U.S. economy in the first half of the 20th century has been attributed largely to increases in human capital—the expansion of worker's knowledge. In order for us to grow in the first half of the 21st century, we must address the training and preparation of our future inventors and creators—scientists, physicists, chemists, and engineers.

To conclude, America must regain its lead in the civilian high technology industry. What is at stake here is both the national and economic security of our Nation, and the standard of living of our people. Government initiatives should not be dismissed as interference. They should be viewed as support for American competitiveness and a strong economy. I appreciate the work Senators BINGAMAN, NUNN, GORE, and HOLLINGS have done on this issue, and have been pleased to be able to join with them as a sponsor of these measures.

HAZARDOUS WASTE CONTAMINATION AT BASES SCHEDULED FOR CLOSURE

Mr. COHEN. Mr. President, I would like to discuss with the chairman of the Armed Services Committee, Senator NUNN, and the chairman of the Readiness, Sustainability and Support Subcommittee, Senator DIXON, the issue of cleaning up hazardous waste contamination at bases scheduled for closure. This is an issue of great concern to me, as it is to the Senator from Georgia, the Senator from Illinois, and several other Senators who are concerned about the transfer of closed military facilities to States, local communities, or private parties for reuse.

Mr. DIXON. I can assure the Senator from Maine that I share his interest in this issue. The Readiness, Sustainability and Support Subcommittee, which I chair, has held one hearing already on this subject and we plan to hold several more in the future. It is an extremely complex but important subject, and we need to examine every issue very carefully so that closed military facilities can be converted to other uses as soon as possible. However, we also must ensure that the Department of Defense remains responsible for the environmental damage caused at these facilities. Our task is to fashion a workable approach to this problem.

Mr. COHEN. As the Senators know, there are several very important issues to consider—the liability, if any, that may attach to the successors of a military facility, the transferability of uncontaminated parcels of a base that is designated as a national priorities list site, and the extent of Department of Defense liability at transferred parcels, just to name a few. One of my concerns is the lengthy time it will take to sort all this out. The complexity of the issues demands a thorough review by several committees. I would not want the resolution of outstanding issues to drag out so long that those bases scheduled to close by 1993 will not benefit from any changes in the law that are required.

Mr. NUNN. I can assure the Senator that the Armed Services Committee remains committed to addressing these issues as expeditiously as possible.

Mr. DIXON. The subcommittee is considering holding additional hearings either this fall or early next year, in recognition of the time-sensitive nature of this problem.

Mr. COHEN. I am very pleased to hear that and would urge you to schedule hearings as soon as possible.

B-2 CONSTRUCTION FUNDS FOR WHITEMAN AFB

Mr. BOND. Mr. President, I had intended to offer an amendment today to restore the $49.5 million that the administration requested to continue with the construction program for B-2 related projects at Whiteman Air Force Base. Those funds were eliminated by the committee.

This body has again indicated its support for completion of the B-2 bomber by defeating yet another proposal to kill the program; and I feel confident that the bill that eventually emerges from conference will provide funding for continued B-2 production. If we continue on that schedule, the first B-2 aircraft will begin to arrive at Whiteman in June 1993. In order to meet that deployment date, it is essential that we go forward with the ongoing construction program at the base to ensure that all necessary facilities are completed in time.

Construction at Whiteman has been under way for several years now, and significant progress has been made. I recently visited the base and was highly impressed. However, we still have much work to do. The fiscal year 1992 work package includes several critical projects without which the base will be unable to support initial B-2 deployment. The munitions processing center, engine maintenance ship and area security improvements are just a few examples.

I have discussed the need for this funding with the chairman, the ranking member and other members of the committee. All have expressed their desire to clear up concerns that have arisen with the Air Force over this program and to go forward with construction at Whiteman. I understand their concerns and I am hopeful that the Air Force will quickly respond to the issues raised by the committee so that construction at Whiteman can continue. Though I would prefer to see the funds restored at this time, I feel confident that the committee will work to ensure that the Air Force's failure to respond to the committee's concerns will not stand in the way of the planned deployment of the B-2 at Whiteman Air Force Base.

Mr. NUNN. Mr. President, I would like to respond to the Senator from Missouri. I understand his concerns on this issue and I share his desire to ensure that the first wing of B-2 aircraft are deployed on time. As the committee made clear in our report, however, the Air Force has failed to respond to several important issues raised by the committee and, for that reason, I feel it is necessary to delay action on this issue. Let me assure the Senator, however, that the committee's action is not intended to, in any way, indicate any lack of support for initial deployment of the B-2. Further, I would assure the Senator that I will work in conference to ensure that the B-2 facility construction program Is funded at levels that are consistent with the procurement and deployment schedules.

Mr. BOND. I appreciate the chairman's explanation of the committee's action and his willingness to work to address this problem.

CONCERNS ABOUT STRATEGIC DEFENSE INITIATIVE

Mr. ROCKEFELLER. Mr. President, in considering the question of strategic nuclear defenses, I believe all Americans are united on the same goals, however much we may disagree over the means of attaining them. We all seek security, strategic stability, and, above all else, peace. For more than 40 years we have maintained nuclear stability and peace through military strength. We have done so at enormous cost, but we made that investment because the goal was so important. And we should recognize that we have largely succeeded in that goal at the strategic level.

This year's debate over the fate of the strategic defense initiative, undertaken in the context of a tremendous budget deficit, poses some watershed issues for the country. One is the cost of any course we pursue. Another is the consequence of a major change in course, such as that advocated by the Armed Services Committee, which could well lead to less stability and less security at greater cost.

We have faced a more modest version of this question in past years each time we vote on funding the strategic defense initiative, which would clearly take the United States down the road of constructing a nuclear defense. But this year's debate is different in that we are being asked to authorize actual deployment, in this case of a ground-based system. By voting for the provision in committee bill, we cross a threshold from research to deployment that deserves careful scrutiny about where we ought to be going with our strategic defenses.

In that regard, there are really two separate issues at stake in this debate. One is the question of our defense against a deliberate missile attack from the Soviet Union. The other is our defense against an accidental or unauthorized launch from the U.S.S.R. or a launch from some irresponsible third country. Let me address each of these briefly.

Any debate over strategic missile defenses begins with the Anti-Ballistic Missile Treaty. I don't think there is any Member in this body that does not believe in the ABM Treaty. Since 1972, it has been an effective deterrent, keeping the nuclear peace for nearly 20 years.

Today I am concerned that we could be heading in a direction that will undermine the effectiveness of this treaty. The Armed Services Committee has included in this bill a new SDI plan which would develop for deployment in just 5 years, a theater missile defense system. This system, according to the bill, is an initial deployment of ABM systems that are intended to protect the United States against accidental or unauthorized launches of ballistic missiles.

The ABM Treaty prohibits more than one ABM site; yet this bill's goal is to "deploy an antiballistic-missile system, including one or an additional number of antiballistic missile sites and space-based sensors." In just that sentence, Mr. President, the bill's goal reaches beyond two provisions of the ABM Treaty the limitation to one ABM site and the prohibition on space-based weapons and space-based weapons testing.

Now it is certainly correct to say, as the Senator from Georgia has done, that the bill's language does not violate the treaty. That is true as far as it goes. It is equally true, however, that the bill starts us clearly down the road to a treaty violation, or significant amendment. It is also true that although the Senator from Georgia, the chairman of the committee, may not wish to walk that road, there are numerous Members of this body who are looking forward to it and see this provision as merely a brief stop on the way to a full-fledged SDI system. Who prevails in that debate will likely await votes in future years. But we must now face the question of whether we want to take the first step toward either violating or effectively abandoning the ABM Treaty. And Mr. President, I am not prepared to do that.

The ABM Treaty has preserved nuclear deterrence and strategic stability between the superpowers for 20 years. The agreement keeps both the United States and the Soviet Union from deploying defenses that might threaten the ability of the other to retaliate after a nuclear attack. That has two advantages. By making clear each side's inability to survive an attack, the treaty effectively deters a first strike. Second, by limiting the development of defensive systems, the treaty prevents the huge expenditures that would go with the irresistible temptation to deploy more offensive weapons just to overpower the other side's defenses.

So far, the treaty has worked, and I am reluctant at this point to conclude that its time has passed. The response to that argument, of course, is that there is a new development—the second issue I referred to—an accidental or unauthorized launch.

Discussing that question, however, puts us immediately in the realm of speculation. Certainly there is some logic to the argument. As the Soviet economy implodes and the country threatens to disintegrate politically, the risk of internal conflict grows. In that environment, loss of control over missile launches or a deliberate launch by a renegade military faction is a greater possibility, although it is difficult to find anyone who would put either contingency in the likely category. Soviet missile control procedures are highly centralized and would, by all accounts, be difficult to take over.

More troubling is the possibility of some third country, led by an irrational or irresponsible leader, acquiring a nuclear capability and missile technology and undertaking a launch for essentially terrorist purposes. That is clearly not an immediate possibility, and informed analysis of this problem suggest that it would be far easier for a third country with this kind of objective to sneak a nuclear bomb into the country secretly than it would be to launch a missile.

In that case, Mr. President, or even in the case of a launch, it is an uphill battle to argue that the system proposed in this bill—100 interceptors in Grand Forks, ND, would be an effective defense. The Grand Forks site could not defend our eastern and western seaboards, the most likely targets of an attack, and even multiple sites could not defend against a nuclear bomb in a suitcase, or a chemical weapon in a speedboat.

This is not to suggest that the chance of such an event occurring is zero. It is not, and we would not be fulfilling our responsibility to the Nation if we did not prepare for it. Neither, however, should we be driven to irrationality by fear of such an unlikely event. The proper means of preparation is through prevention—expansion of the missile technology control regime to cover all producers and more vigorous monitoring, inspection, and detection efforts by multilateral forces. We are discovering in Iraq how complicated a question that is and how easy it is to hide one's illicit activities. Rather than spending billions to defend against the indefensible, we could be doing much more to make sure these situations never arise.

In short, Mr. President, prospects of an accidental or terrorist launch are real, but it is by no means clear that the proposed ground-based interceptor system will be either a necessary or effective means of dealing with them. It will cover only part of the country, and that part least likely to be targeted. It will do nothing for the greater likelihood of a nuclear device coming into the country covertly.

Finally, there is serious doubt in my mind as to whether any advantage such a system might provide would offset the costs of effectively junking the ABM Treaty. There have been continuous attacks on the treaty for the last few years, but this new plan poses the biggest threat yet to the treaty and the stability and deterrence it has brought us. This plan costs a tremendous amount of money, $4.6 billion for this year alone, but provides only minimal protection. There is simply no new threat that justifies spending that kind of money and undermining the ABM Treaty at this time.

Developing plans for SDI systems that are not compliant with the ABM Treaty could seriously undermine the treaty and subsequently our national security. Adopting the committee's plan now, before consultation and negotiation with the Soviet Union, will most certainly endanger not only the ABM Treaty but the START Treaty which President Bush and President Gorbachev just signed. Our choice is whether we want to risk the cornerstone of arms control on the near impossibility of an accidental or unauthorized ballistic strike. I believe it would be a grave mistake to take that step.

Thus the choice we face is really not that difficult. The ABM Treaty has contributed to nearly 20 years of stability. The START Treaty, just signed by Presidents Bush and Gorbachev, will contribute further to stability by beginning the reduction of stocks of nuclear weapons and institutionalizing detailed methods of inspection and verification. Continuing that policy will allow us to make further progress in arms reduction within an umbrella of strategic stability.

Changing course, on the other hand, will cost more, will reduce stability by creating uncertainty about our future policy, and will reduce security by removing incentives for further arms reductions.

That is not such a difficult choice, and it is why I support the several amendments to eliminate deployment of the ground-based site, reduce funding appropriately, and clarify that there is no intent to violate the ABM Treaty.

DARPA ADVANCED MCM MATERIALS TECHNOLOGY

Mr. BUMPERS. Mr. President, I have some questions regarding the multichip module technology program funded in this bill and would like to engage my good friend, the chairman of the Armed Services Subcommittee on Defense Industry and Technology, in a colloquy on this program, if he is willing.

Mr. BINGAMAN. I would be happy to discuss this promising program with my esteemed colleague from Arkansas.

Mr. BUMPERS. I thank my friend from New Mexico. First let me say how pleased I am that this important program is funded in this bill. It is my understanding that in the microelectronics world, an important new development just beginning to make itself felt is the multichip module, where several computer chips are placed together on the same wafer of silicon or similar substrate and hooked up to one another. I further understand that these multichip modules, or MCM's, are projected to represent up to one-third of the market for computer chips by the turn of the century. Is this the understanding of the subcommittee chairman?

Mr. BINGAMAN. Mr. President, I say to my good friend from Arkansas that I have also been told that the multichip module appears to have great promise for military and civilian applications, and I have heard the same estimates for microchip market share for MCM's as he has. It is interesting to note that while the United States has lost much of its market share in the chip market in the last decade, the multichip module presents an opportunity for the United States to regain some of that lost market share.

Mr. BUMPERS. I agree with the distinguished Senator from New Mexico. It is my understanding that a series of promising new developments in several fields of materials science point the way to potentially revolutionary improvements in the performance of MCM's. These developments—high temperature superconductors and ultra-high quality industrial diamonds—promise to overcome obstacles that currently limit the performance horizon of MCM's, especially in military electronics applications. In particular, the recent advances in developing high temperature superconducting materials with higher critical temperatures, and in developing more workable forms of those materials, have great promise. Also promising are the advances made in magnetically enhanced Arc-jet chemical vapor deposition techniques for making ultra-high quality industrial diamond at reasonable cost. This advance in diamond holds the promise of making the excellent heat transfer and dielectric characteristics of synthetic diamond available in sufficient quantities for microelectronic applications.

Mr. BINGAMAN. That is my understanding. These critical enabling materials technologies will be the focus of the new multichip module materials technology program funded in our bill.

Mr. BUMPERS. I thank the Senator. As the Senator knows, I have actively sought to get a program like this underway for many months, and so I am gratified to see it receiving the support of the committee in this bill. It is my understanding that this program's chief objectives are to further these materials advances from the laboratory stage and use them to demonstrate several MCM's of different designs using high temperature superconducting interconnects, and using diamond substrates. Is that correct?

Mr. BINGAMAN. Mr. President, I say to my good friend from Arkansas that this is the understanding I have. It is the committee's hope that the successful demonstration of such advanced multichip modules would ultimately lead to their insertion into several defense programs where their high performance and reduced size requirements would be of great benefit. Possible military applications would include surveillance and communications systems, avionics, and systems involved with areas as diverse as intelligence, fire control, guidance, and target acquisition.

Mr. BUMPERS. Mr. President, I say to my good friend, the subcommittee chairman, that a successful materials technology program in high temperature superconducting materials for interconnect applications and the production of high-quality synthetic diamond at reasonable cost will have major implications for the development of highly advanced multichip modules.

Mr. BINGAMAN. I agree with my friend from Arkansas. There are some efforts underway already in the Defense Advanced Research Projects Agency in these areas, but they are relatively modest, and may be less than the critical mass needed to realize the potential payoff of the materials technologies involved in a reasonable timeframe. It is the committee's hope that DARPA will build on these existing efforts and form consortia composed of industry, university, and Government laboratory participants to investigate and then exploit the materials technologies involved. This approach would accelerate the insertion of the technologies developed into military applications.

Mr. BUMPERS. I appreciate my colleague's remarks on this important program, which I intend to champion in the appropriations committee as we mark up and send to the floor the fiscal year 1992 Department of Defense Appropriations bill in the weeks ahead. I thank my friend from New Mexico for his time and attention on this program, which I firmly believe will pay rich dividends for the Department of Defense and the country.

Mr. BINGAMAN. Mr. President, I thank my good friend from Arkansas for his leadership on this issue over the last year. I look forward to working with him on this and other issues related to strengthening the U.S. defense technology in the months to come.

MANPOWER AND PERSONNEL

Mr. GLENN. Mr. President, I rise in support of the bill reported by the Armed Services Committee—the National Defense Authorization Act for Fiscal Years 1992 and 1993.

Mr. President, as chairman of the Subcommittee on Manpower and Personnel, I can say that we have recommended military personnel provisions that provide for the combat readiness of our men and women in uniform, and for their quality of life.

Last year, we put the military services on a gradual glide path that would result in a 22-percent reduction in active duty strength over 5 years—a reduction driven by the substantial easing of tensions in Europe. At the same time the Congress approved this plan, it provided a generous safety net of benefits for military personnel who might be involuntarily separated as a result of the strength reduction plan.

Since then, we have engaged in and successfully concluded the Persian Gulf conflict. In spite of the tremendous amount of personnel turbulence that this operation has had on the military services, they have shown great resilience in getting back on the strength reduction glide path we set out before the conflict. I would note that in hearings we had on this matter, each service personnel chief testified that the strength levels in the President's budget request, which do place each service back on the glide path we set out last year, were achievable and prudent.

MANPOWER STRENGTH LEVELS

So the committee recommended approval of the active duty end-strength levels requested by DOD for each of the services for fiscal years 1992 and 1993. The levels reduce the active duty force by 106,358 from current levels in fiscal year 1992 and another 91,900 in fiscal year 1993.

Because DOD has been tardy in implementing the safety net of transition benefits we authorized last year, the committee recommended a provision that would prohibit the involuntary separation of certain career military personnel in fiscal year 1992 who are ineligible to retire. I think this is appropriate not only because of DOD's lethargy in implementing the transition provisions we authorized last year, but because there are other means of reducing active duty strength levels that are not as onerous.

MILITARY PAY AND COMPENSATION

Mr. President, with regard to military pay and compensation, the committee approved a 4.2-percent pay raise for military personnel, effective January 1, 1992. This will give our men and women in uniform a pay raise that matches the average civilian wage and salary increase expected in the private sector.

The committee also approved a number of other targeted compensation initiatives that provide certain benefits for military personnel and their families, including permanent increases in imminent danger pay, death gratuity pay, and family separation pay; a program to reimburse military families for adoption expenses; and reimbursements for certain travel expenses.

I think it is fair to say that we have provided a very decent compensation package given the pressures on the Defense budget.

MEDICAL PROGRAMS

Mr. President, the committee also recommended a number of provisions to improve certain medical benefits for the families of military personnel, and to contain the cost of medical care in the Department of Defense.

Some examples include the authority to expand the existing dental insurance program for military dependents to include a supplemental option offering broader dental care coverage; the provision of hospice care; the restoration of certain CHAMPUS benefits to beneficiaries who lose the benefits because of disability; the simplification and enhancement of CHAMPUS payment procedures; and the flexibility to manage more efficiently alternative forms of contracted medical care.

MILITARY PERSONNEL MANAGEMENT

With regard to improvements in military personnel management, the committee recommended provisions that provide for more effective management of the officer corps in terms of providing more equitable procedures for the appointment of regular officers, strengthening committee oversight on the utilization and retirement of senior officers, and strengthening officer promotion procedures. These recommendations are consistent with the committee's interest in providing a healthy, competitive environment in the military services that encourages professional excellence.

PERMANENT BENEFITS FOR PERSONNEL SERVING IN SUPPORT OF FUTURE OPERATIONAL CONTINGENCIES

Mr. President, as Senators will recall, we passed a number of provisions in the National Defense Authorization Act for Fiscal Year 1991, and in the Persian Gulf Authorization and Personnel Benefits Act of 1991 that updated and enhanced certain benefits, and corrected certain inequities in the way activated reservists were compensated. The committee recommended, as part of its Persian Gulf lessons-learned provisions, making permanent these authorities which we enacted as temporary authorities for Desert Shield/Desert Storm, for certain active duty and activated reservists engaged in future contingencies.

Mr. President, there were two manpower issues that our committee spent some time discussing. They are our recommendations on personnel strength levels for the National Guard and Reserve components, and on the establishment of a commission to study and report on the assignment of women in our military services.

SELECTED RESERVE STRENGTH

With regard to the first issue—selected Reserve strength levels—the committee recommended substantially smaller reductions than requested by DOD.

For fiscal year 1992, DOD requested a reduction in Selected Reserve end strength of 105,076 and a further reduction in fiscal year 1993 of 79,800, a cumulative reduction of 16 percent over 2 years. The committee approved 30 percent of the requested reduction in fiscal year 1992—a reduction of 32,716 instead of the 105,076 requested—and 40 percent of the requested reduction in fiscal year 1993, a reduction of 33,505 instead of the 79,800 requested. The committee's action would still reduce Selected Reserve end strength by 6 percent over 2 years, reflecting the Reserve support tail associated with the reduction in the active component.

Quite frankly, we found that the large 16-percent cut proposed by DOD lacked any sound force structure basis. Instead, Defense witnesses testified that the cut was basically budget driven. The National Guard and Reserve components were given numbers to hit and given the job of pulling out units.

Mr. President, we found that this approach led to incomprehensible results. For example, the Navy proposed to deactivate two Navy Reserve minesweeping squadrons to get down to its budget driven Selected Reserve end strength. This is completely at odds with the serious problems the Navy had with mines in the Persian Gulf. Two ships were damaged, one extensively, by mines. It took the Navy nearly 2 weeks to clear the mines so that one of the battleships could get close enough to Iraq to use its 16-inch guns. Further, General Schwartzkopf testified that he could not risk an amphibious landing by the Marine Corps because of lack of minesweeping in the Navy. Yet, because of having to achieve an end strength that is almost purely budget driven, the Navy wants to cut its minesweeping capability. This does not make any sense, and we have prohibited this in our bill.

Another example is DOD's planned 21 percent reduction in Marine Corps Selected Reserve end strength. How can this make sense when 55 percent of the Marine Corps Reserve had to be activated for the Persian Gulf conflict? Specifically, in order to implement the proposed reduction, the Marine Corps plans to deactivate a tank unit that fought with distinction in the Persian Gulf war. With regard to this unit, DOD's interim report on lessons learned stated:

> Post-mobilization training was, for the most part, well supported by the Active Component, and was effective. Perhaps the best example of the effectiveness of this training is found in Company B of the 4th Tank Battalion, 4th Marine Division. This unit had been equipped with M60A1 tanks, a system that is much different than the more modern M1 and M1A1. When this unit was activated in November, it completed a 23-day M1A1 training program in 18 days. The unit arrived in Saudi Arabia on 19 February and went into battle on 24 February. In four engagements during the course of the war Company B destroyed 59 enemy tanks, about half of which were T-72's, without losing one of its tanks.

How can pulling this unit out make sense?

The Navy and Marine Corps examples are but two of the many chaotic actions that the Reserve components would have to take if the Selected Reserve end strengths proposed by the Department of Defense were to be approved.

So the committee took the responsible action of recommending Selected Reserve end strengths that preserve the combat readiness of the National Guard and Reserve components.

COMMISSION ON THE UTILIZATION OF WOMEN IN THE MILITARY

Mr. President, with regard to issue of the assignment of women in the military, I believe we all acknowledge the outstanding contributions women serving in our Armed Forces have made to the national defense, despite laws and DOD policies that restrict their assignment from certain combat skills and positions. Today, women in the military serve in many extremely demanding roles. Some of these roles expose women to the risk of death in combat. Most recently, women have performed under such conditions in the Persian Gulf conflict.

So, the current move in certain circles to expand the role of women in the military services is understandable. However, assigning women to combat skills and positions raises basic questions about the future shape and structure of the Armed Forces that cannot be answered by merely opening all or selected combat skills and positions to women or by punting such decisions to the Secretary of Defense. The Congress should accept its responsibilities in this regard, and should make such decisions openly, deliberately, and after a full examination of all the available facts. We must neither continue the current combat restriction laws and policies for invalid reasons, nor repeal such laws or policies without full understanding of the meaning of such action.

Mr. President, we had a hearing on this issue on June 18, 1991. At that hearing, Defense witnesses indicated that the administration would not make any substantive changes to its policies on the utilization of women even if the current assignment restrictions in law are repealed. Other witnesses testified that women should be provided the same opportunities as men to serve in any skill or position in the Armed Forces, and that women should share the same responsibilities for national defense as men. These responsibilities would include being subject to draft registration, being subject to involuntary assignment to combat during military service, and being subject to conscription during periods when conscription may be authorized by law. On the other hand, other witnesses testified that women should not be placed in any combat role at all.

It was evident from the wide range of strongly held views heard by the committee at that hearing, and the many crucial questions that were left unanswered, that substantially more study is required before we can act conclusively on the future role of women in the Armed Forces.

On this basis, the committee approved a provision that would require the President to appoint a commission to study and report on the assignment of women in the military. The commission would consist of 15 members who have distinguished themselves in the public sector, the private sector, and who have had significant experience in matters, such as scholarly inquiry into social and cultural matters affecting the workplace; constitutional and other law; the effects of medical and physiological factors on job performance; military personnel management; and service in the Armed Forces in land, air, and sea combat environments.

The commission would be required to submit its report to the President by November 15, 1992, and the President would be required to submit his comments and recommendations on the report to the Congress by December 15, 1992.

The commission would be required to make specific recommendations with regard to whether existing law and policies governing the assignment of women in the military should be retained, modified, or repealed; what roles women should have in the military, including what, if any, roles women should have in combat; what transition process is appropriate if women are to be given the opportunity to be assigned to combat positions in the military; and whether special conditions and different standards should apply to women than apply to men performing similar roles in the military.

Mr. President, I think this is a very responsible approach for us to take on this very complicated, sensitive issue, and I ask my colleagues to support it. I believe that when we receive the results of the commission's work that we will then be able to act positively by spelling out what we believe the role of women should be in each of our military services.

Mr. President, I also want to make some short remarks about some of the hardware issues in the bill. Before I do however, I want to note that overall I feel that the fiscal year 1992–93 Defense authorization bill presented to the full Senate is an excellent bill. It is a year of tough choices and hard decisions—and the committee did not shirk the task. Under the able leadership of Chairman NUNN and our ranking member Senator WARNER, the committee worked in a cooperative and effective manner, and I feel the final product amply reflects that.

Now to some comments on several specific issues.

First, and foremost, I am pleased that the committee recommended $365 million for the continued research and development of the V–22 Osprey tiltrotor aircraft. This is strong reaffirmation that the Senate Armed Services Committee recognizes the need for this breakthrough technology, and agrees that the aircraft is the proper replacement for the Marine Corp's workhorse troop carrier, the superannuated H–46 helicopter.

While I would have preferred that the Senate fund the V–22 program more generously and realistically toward the House mark of $990 million, I'm content to have this issue resolved in conference.

The B–2 bomber program is the biggest Defense game in town, as we all know. Unfortunately, the aircraft suffers from some major flaws, any one of which is reason enough to cancel, or at least drastically reduce, the program.

My objections to the program essentially are threefold:

First, its exorbitant price tag. No nation, not even the United States of America, can afford an aircraft that costs just short of $1 billion a copy—best current estimates are about $860 million each, all program costs considered. And I say to you that that price is virtually certain to go up, since I know of no aircraft program that has kept to its advertised cost short of having a funding cap.

Second, what is the aircraft's mission? Charitably, I would say that the Air Force is confused on the issue or, perhaps, the message changes as circumstances change.

And last, I have some reservations about the technology—not only the low observability aspect, which is the only real justification for this aircraft, but also the more mundane aeronautical handling characteristics of a platform which still is in its earliest stages of testing.

So, Mr. President, I say to you that the B–2 is a loser—a very expensive loser—which is why I joined with my colleagues Senators LEAHY, COHEN, and MCCAIN, to propose substantial changes to the authorization for this program.

Mr. President, I would also like to reiterate my strong opposition to the committee's action on the strategic defense initiative [SDI]. I was one of four members of the committee who opposed an amendment during our markup session which would fund the SDI at a level of $4.6 billion for fiscal year 1992 and authorize an ABM Treaty compliant strategic defense system at Grand Forks, ND. It is envisaged that this action would be an initial step toward deploying a multistate strategic defense system which would undermine the ABM Treaty.

I strongly disagreed with the committee's action to authorize deployment of a strategic defense system—even if it is compliant with the ABM Treaty. The Senate will soon begin consideration of the CFE Treaty, and on the day of the committee's vote on SDI deployment it was announced that the United States and the Soviet Union had essentially concluded negotiations on a START agreement. I believe it would be unfortunate for us to mark our success in United States-Soviet arms control by eroding the ABM Treaty which has contributed so significantly to strategic stability over the years.

Mr. President, I would like to turn now to some important language included in the bill that relates to the Department of Energy. Specifically, I want to point out language which I succeeded in getting approved by the committee which authorizes the Secretary of Energy to award up to $10 million in training grants to train and educate workers who are or may be engaged in hazardous waste response or emergency response. The provision also authorizes the Secretary to assess civil penalties up to $5,000 a day for each day the violation continues against contractors who fail to provide adequate hazardous waste response training to workers.

With three DOE facilities in my home State, I have become increasingly concerned with the lack of adequate training that DOE workers are receiving. This problem was underscored in great detail by a recent review of worker safety at DOE by OSHA, the Occupational Safety and Health Administration. Its findings demonstrated the important need for this program, and I am very pleased that the committee agreed to its inclusion in the bill.

I also want to point out another provision which is included in S. 1507. In December 1990, the General Accounting Office [GAO] published a report on the Biological Defense Research Program [BDRP] that concluded that because of lax controls, the Army "unnecessarily expanded funds on research and development efforts that did not address validated threats and may have duplicated research efforts to other Federal agencies." the GAO further determined that the BDRP was spending an inordinate portion of its research funding on biological agents that had not been determined to be validated biowarfare threats. Accordingly, section 227 of S. 1507 would prohibit the obligation or expenditure of any DOD funds for product development, or for research, development, testing, or evaluation of medical countermeasures against a biowarfare threat agent not contained in the biological warfare threat list published jointly by the Armed Forces Military Intelligence Center [AFMIC] and the Defense Intelligence Agency [DIA]. To ensure that the vast majority of the medical component of the BDRP research is concentrated on validated threats that could be confronted by U.S. Armed Forces within the next 10 years, this provision would require that no less than 80 percent of the medical component of BDRP funding be targeted on such threats.

Finally, Mr. President, I would like to make a few comments about an amendment that Senator WIRTH and I will be offering. The amendment would overturn a DOD policy which threatens both the rights and the safety of our servicewomen and military dependents stationed overseas. The amendment provides the authority for these women to obtain abortions in medical military facilities outside of the United States.

The purpose of the amendment is to afford these women the same access to safe, legal medical procedures as they would have if they were located in the United States, and to eliminate a policy which, in effect, punishes them simply because they happen to be serving our country overseas. Last year, Senator WIRTH and I offered an amendment providing the same authority and it lost on a very close vote. I urge my colleagues to support this important measure to safeguard the freedoms of our military women. Thank you, Mr. President. I yield the floor.

PROJECTION FORCES AND REGIONAL DEFENSE

Mr. KENNEDY. Mr. President, I rise in support of the National Defense Authorization Act for fiscal years 1992 and 1993.

The Projection Forces Subcommittee of the Armed Services Committee has responsibility for oversight for our military commitment in areas other than NATO and for research and development and procurement programs intended to outfit our conventional Navy, Marine Corps, sealift, and airlift forces.

The effort we undertake today is very important. Saddam Hussein showed us that the world remains a dangerous place. While many components of the Defense Establishment face a much reduced threat, the demands for projection forces have not diminished to the same extent. Although these forces may not face frontline Soviet forces, they could very well face frontline Soviet weapons. And as was clearly shown by the Persian Gulf deployment, mobility forces play a role that is probably more important than it was when we were more focused on Europe.

I am convinced that the package of Projection Forces Subcommittee recommendations before the Senate in this bill moves in the right direction, and that it is a solid base from which to sustain viable projection forces that are tailored to the emerging international security situation.

Briefly, Mr. President, I would like to highlight a few of the major initiatives that are proposed in this bill. First, the bill before the Senate takes a major initiative to improve the Navy and Marine Corps' ability to deal with the mine warfare threat that we faced in the gulf, not only this year, but also during previous experiences such as the Kuwaiti reflagging operation. We have gone too long ignoring the dangerous limitations that the mine threat can place on our Navy's operations. The committee bill recommends a range of mine countermeasures research and development initiatives and additional funding for Navy coastal mine hunter vessels. The bill also includes continued funding of Navy Reserve helicopter mine countermeasures squadrons which the administration had planned to retire.

Second, Mr. President, the bill includes a major initiative for improving the quality of the Marine Corps' equipment. In many cases, Reserve and National Guard units have been modernized to include much better capability than the Marine Corps has fielded. The committee believes that the Marine Corps' goal of getting by with less is admirable. However, the Congress should not permit the Marine Corps, one of the two groups that would be the first to fight in any future conflict, to field inferior equipment.

Third, the bill slows procurement of the new C-17 airlifter. The committee continues to support acquisition of this aircraft as essential to maintaining a robust airlift capability. But it concluded that continuing delays in the development program make a production ramp imprudent at this time.

Finally, the committee bill includes a number of research and development initiatives to improve the Navy's ability to develop future submarines and surface ships and to improve the capability of existing ships to defend themselves in Third World confrontations. These improvements are vital if we are to afford the kind of Navy that this country deserves to protect its vital interests around the world.

I urge the Senate to support these vital initiatives.

I would again like to thank members of the Projection Forces Subcommittee for their contributions during the past year. I especially want to thank Senator COHEN, the ranking minority member, for his contributions and cooperative approach to the work of this subcommittee.

BASE CLOSURES

Mr. WOFFORD. Mr. President, for long months now I have voiced my strong opposition to the closure of the Philadelphia Naval Shipyard, the Naval Air Development Center at Warminster, the Letterkenny Army Depot and other Pennsylvania facilities recommended by the Base Closure Commission and approved by the President. All the evidence argues in favor of keeping these facilities open.

Particularly in the case of the Philadelphia Naval Shipyard, the process that led to the recommendation that it be closed was inherently flawed. The Commission disregarded compelling evidence of the shipyard's importance to our national security, the vitality of its drydocks, the effectiveness and cost-efficiency of its work force and the disastrous effect on the Philadelphia region of the loss of tens of thousands of jobs. The Commission and the Navy ignored the advice of an admiral with expertise in the area who argued forcefully that the shipyard should be kept open. Instead, the Commission relied on tainted evidence gathered and presented by the Navy, in certain important cases, behind closed doors.

Indeed, the process that resulted in the Commission's recommendation to close the shipyard is now the subject of a lawsuit in Federal court filed by me, my colleague Senator ARLEN SPECTER, the Governor of Pennsylvania and a number of our congressional colleagues from the Pennsylvania delegation. We seek a declaration overturning the recommendation, and expedited discovery against the Navy was granted last week in our behalf by a judge in Philadelphia.

I will continue to fight the closure of the Philadelphia Naval Shipyard and other Pennsylvania facilities. I believe that these facilities will ultimately be saved.

I also believe, however, that in the case of any base that is ultimately closed in the United States, basic fairness and compassion for the resulting dislocation require that the facility be transferred to the community in which it is located. Only in this way can the community begin to deal with the loss and salvage some value from the closure.

For this reason, I suppport the amendment offered by my distinguished colleague from Louisiana, Senator JOHNSTON.

DEFENSE COOPERATION FUNDS TO COVER INCREMENTAL COSTS OF DESERT STORM

Mr. NUNN. Mr. President, the distinguished chairman of the Senate Budget Commitee, Senator SASSER, addressed the Senate during initial debate on this bill, and questioned whether the defense authorization bill we are currently debating complies with the budget ceilings. The chairman of the Budget Committee specifically referred to certain items included in that portion of the bill that makes supplemental authorizations for the incremental costs of Desert Storm, and concluded that some of those items should not be considered incremental costs.

Mr. President, the staffs of the two committees discussed this issue for a number of days and we just do not agree on this issue. I believe it is important to lay out the Armed Services Committee's position so that it is clear what we did in our bill and why our committee believes that these items are legitimately incremental costs of Desert Storm.

SUPPLEMENTAL AUTHORIZATION FOR DESERT STORM INCREMENTAL COSTS

The fiscal year 1992–93 authorization bill pending in the Senate includes a supplemental authorization to cover additional incremental costs associated with Desert Storm. This supplemental authorization includes items requested by DOD, but also includes items which the committee judged were directly related to Operation Desert Storm.

First, the committee did not agree to all of the items requested by the administration. For example, we did not agree to authorize 12 additional OH-58D helicopters. The committee didn't think that was necessary because Congress has bought 72 more OH-58D's than the Army requested, so there are more than enough OH-58D's to replace combat losses.

In another example, the administration requested funds in their supplemental request to preposition equipment and supplies in the Persian Gulf region, but the committee did not feel that there was adequate justification to include this. The committee exercized significant discretion and did not take the issue of incremental costs lightly.

DEFINITION OF "INCREMENTAL COSTS"

Mr. President, this is not the core of the dispute between our committee and the Senate Budget Committee. The core of the dispute is what constitutes an incremental cost from Desert Storm. It is important to return to the initial legislation establishing the authority and funding mechanisms to pay for war-related costs.

Let me quote from last year's reconciliation bill, Public Law 101-508, which provided emergency appropriations for Desert Shield-related costs:

> Emergency Desert Shield costs mean those incremental costs associated with the increase in operations in the Middle East and do not include costs that would be experienced by the Department of Defense as part of its normal operations absent Operation Desert Shield.

This is a broad definition, but the final words represent the key to understanding incremental costs. It specifically defines incremental costs as those costs that would not otherwise have occurred in the absence of Operation Desert Shield. I reemphasize: Otherwise would not have occurred. I participated in drafting this law and this definition and it clearly was intended to cover more than just actual losses and consumed items.

The chairman of the Budget Committee indicated that in his judgment the committee-reported bill included items that were not legitimate incremental costs of Desert Storm. It appears that the Budget Committee has adopted a definition of incremental costs more narrow than the law, a definition that would limit the costs to direct operating expenses and the replacement costs for things shot up or otherwise consumed in the operation.

That is not the view of the Senate Armed Services Committee, and we clearly believe that is not the definition in the law. From our perspective, any cost which was caused by Desert Storm—as well as any cost that would not have occurred in the absence of Desert Storm—is legitimately an incremental cost of Desert Storm. Mr. President, the Armed Services Committee approach is clearly consistent with the definition of incremental costs established in the law.

The committee was very careful applying this criteria. We did not buy just anything that was related to Desert Storm and then fund it in the supplemental. For example, the F-117 fighter proved extremely effective during the war, and the committee felt we should buy another 24 of them. But we did not charge that to Desert Storm because it wasn't a cost attributable to Desert Storm. The effectiveness of the F-117 was a lesson learned from Desert Storm, but not an incremental cost of Desert Storm.

The committee did identify items that we felt were directly tied to Operation Desert Storm. Some of them were in the budget request and some were not.

For example, the Air Force lost three F-15's in Desert Storm. The supplemental request by the administration did not include funds to replace them. We added $125 million to buy three replacements. The administration requested replacements for F-18's shot down in Desert Storm, which we approved, but did not request funds for F-15's that were shot down. So we bought replacements for the 3 F-15's and included them in the supplemental because we believe these fighters are needed. Apparently these are not in question.

Instead, the Budget Committee is questioning three specific items. First, the committee questions the $10.3 million of depot support equipment for the Army. The chairman of the Budget Committee argued that this $10.3 million was in the fiscal year 1992 budget request, and therefore by definition it couldn't be an incremental cost of Desert Storm. Let us look into that a little more closely.

The Army's budget justification material for the fiscal year 1992 budget request explained that the Army needed $10.3 million to replace depot equipment that was shipped over to Southwest Asia and is no longer available to the Army. Why is that not an incremental cost of Desert Storm? It is a cost that was caused by Desert Storm and would not have occurred otherwise. From the Armed Services Committee's perspective, that is clearly a cost of Desert Storm, and I am at a loss to understand why the Budget Committee does not consider this an incremental cost, since it occurred because of Desert Storm.

The second item in dispute was the army's request for heavy equipment transports, or HET's. HET's are heavy duty flatbed trucks designed to move tanks. Every mile you save on a tank by transporting it on a HET saves a mile of wear and tear on the tank for combat. When Desert Shield started, the Army moved to Saudi Arabia every HET they owned, and then scoured the world for HET's to supplement its inventory. The Army even used HET's we borrowed from former Warsaw Pact countries. In the process, the Army wore out most of its HET's.

Again, the Budget Committee argues that because the budget request contained HET's, they couldn't by definition be considered an incremental cost of Desert Storm. But I would point out to my colleagues that a HET that was worn out in Desert Storm is just as much a loss as was a fighter aircraft that was shot down. Replacing those HET's is certainly an incremental cost of Desert Storm. The committee concluded that we should buy them with Desert Storm funds because we wore out our existing HET's during the war.

Finally, the Budget Committee objected to our recommendation to procure two JSTARS aircraft with Defense cooperation account funds. All of my colleagues know how effective JSTARS was in Desert Storm. We only have two of these aircraft and they are the R&D test articles. Because they were shipped over to Southwest Asia—along with most of the technicians—the test program was suspended and a year delay introduced into the program which caused cost increases. The aircraft are now back home and the Air Force is attempting to restore as much of the gap as possible in the test program. But the war caused a restructuring in the procurement program that caused a year delay, and that stretchout is driving up the cost of the program. The committee recommended that we procure two JSTARS aircraft to eliminate that gap and try to reduce the costs in the outyears. This approach will save hundreds of millions of dollars.

The definition used by the chairman of the Budget Committee would not allow that because the two JSTARS aircraft were not shot down in Desert Storm. But the Armed Services Committee followed its understanding of the law—that the Defense cooperation account is available to fund costs that would not have occurred in the absence of the war. Restoring a stretchout in production caused by the war is a valid incremental cost. It also makes good business sense.

Mr. President, let me reiterate: The committee looked at all of the items in the supplemental and specifically funded only those that were directly related to Desert Storm. There could well be other items out there that legitimately could be billed to Desert Storm. But we were very careful in making sure that only items that were linked directly to Desert Storm were authorized to be funded with supplemental funds from the Defense cooperation account.

The committee did not hide our recommendations. We sent our bill to the Congressional Budget Office for analysis. They did not consider these items as ineligible for Desert Storm funding when they scored our bill. Subsequently, at the Budget Committee's request, CBO reconsidered these items and said that they had doubts that they were incremental costs of Desert Storm.

Mr. Reischauer's letter to the Senate Budget Committee stated "We do not believe the acquisition of two JSTARS aircraft meet the legislative criteria for incremental costs; the JSTARS Program appears to have been affected by the operations, but no JSTARS aircraft were lost or destroyed." Mr. President, CBO acknowledges that the JSTARS Program was affected by the operations. In my judgement, this is clearly an incremental cost. CBO can't have it both ways.

Concerning the HETs and the production base support equipment, Mr. Reischauer argues these are not incremental costs because "the administration requested funds for these two programs as part of its request for 1992 and not as incremental costs of Desert Shield/Desert Storm. We assume that if they were such incremental costs that the administration would have requested the funding in its supplemental request."

I find Mr. Reischauer's logic troubling. Evidently, if the administration didn't request it in its supplemental, CBO doesn't consider it an incremental cost. If the Congressional Budget Office had applied this logic to the Desert Storm supplemental legislation passed earlier this year, veterans benefits, personnel benefits and other items not requested by the administration would not have been enacted. In fact, neither the Budget Committee nor OMB nor CBO raised objections earlier this year when Congress added or subtracted items from administration supplemental requests.

The Armed Services Committee recognizes that the Budget Committee makes scorekeeping decisions in the Senate and that the Office of Management and Budget makes the final scoring decisions for Gramm-Rudman purposes. We did not attempt to take away those rights. We merely stated our case.

I should point out that we went through the normal process and obtained a cost estimate for our bill, and I ask unanimous consent to have that cost estimate printed in the RECORD at this point.

There being no objection, the estimate was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 19, 1991.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate on the National Defense Authorization Act for fiscal years 1992 and 1993, as ordered reported by the Senate Committee on Armed Services on July 17, 1991.

This bill would affect direct spending. Therefore, its costs are subject to the pay-as-you-go procedures set up in section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

Should the committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,

ROBERT D. REISCHAUER.

COST ESTIMATE

1. Bill number: Unassigned.

2. Bill title: National Defense Authorization Act for Fiscal Years 1992 and 1993.

3. Bill status: As ordered reported by the Senate Committee on Armed Services on July 17, 1991.

4. Bill purpose: This bill authorizes appropriations for 1992 and 1993 for the military functions of the Department of Defense, the Department of Energy, and the Federal Emergency Management Agency. The bill authorizes supplemental appropriations for 1991 to cover costs of Operation Desert Shield and reappropriations into 1992 of funds previously appropriated for 1991. This bill also prescribes authorized personnel strengths for each active duty and selected reserve component.

5. Estimated cost to the Federal Government: This bill would entail costs to the Federal Government in 1991–1996, as shown in Table 1. The activities covered by this bill affect many budget functions.

Basis for Estimate: All estimates assume that funds will be appropriated for the full amount of the authorizations and will be available for obligation by October 1, 1991 unless otherwise specified. Outlays are based on historical outlay rates.

DIRECT SPENDING

Title 33 contains provisions that regulate disposals and acquisitions for the National Defense Stockpile. The CBO estimates that disposals will exceed acquisitions by about $16 million. Specifically, section 3302 would allow the obligation of up to $133.7 million for critical materials purchases and research for materials development during fiscal year 1992. The bill also loosens some of the present restrictions on disposal of excess materials and adds new authority to dispose of certain quantities of ten materials. The CBO estimates that with these new authorities and current economic conditions, the value of sales from the stockpile during fiscal year 1992 will be approximately $150 million.

The bill contains four sections that would affect direct spending by changing current law pertaining to military retirees or their survivors. Section 624 would allow certain retired military officers who are employed in the Legislative Branch of the Federal Government to receive all of their retired pay. Under current law, such a retired military officer must forgo roughly one-third of a typical officer's retired pay, or about $11,000 annually. The CBO estimated that within the legislative branch there are at least fifty relevant positions. Therefore, the cost of this provision would exceed $500,000 in each year of the estimate.

TABLE 1.—ESTIMATED COSTS OF THE NATIONAL DEFENSE AUTHORIZATION ACT, 1992, AS ORDERED REPORTED BY THE SENATE ARMED SERVICES COMMITTEE

[By fiscal year, in millions of dollars]

Category	1991	1992	1993	1994	1995	1996
Direct Spending:						
Estimated budget authority	0	0	0	0	0	0
Estimated outlays	0	−15	1	1	1	1
Amounts subject to appropriations:						
Stated authorizations:						
Authorization level	2,150	221,522	175,866	0	0	0
Estimated outlays	0	119,734	149,477	66,503	32,290	15,077
Estimated authorizations:						
Estimated auth. level	0	79,307	80,754	6,520	6,455	6,461
Estimated outlays	0	50,700	54,316	6,537	2,888	2,891
Subtotal-authorizations:						
Estimated auth. level	2,150	300,828	256,620	6,520	6,455	6,461
Estimated outlays	0	170,434	203,793	73,040	35,178	17,968
Bill total:						
Estimated BA/auth. level	2,150	300,828	256,620	6,520	6,455	6,461
Estimated outlays	0	170,419	203,794	73,041	35,179	17,969

Totals may not add due to rounding.

Section 502 would change from ninety to thirty days the maximum amount of time a retiring three- or four-star officer could hold that grade during a transition between their last post at that grade and their retirement. This would have the practical effect of speeding retirement for some officers in these grades. However, even if all such officers use the full ninety day transition allowed under current law, the extra retirement costs to the Federal Government to pay retirement for two extra months under this new provision would be less than $50,000.

Section 623 would allow retirees to elect a supplement to the survivor benefit plan in increments of five percent instead of a lump sum of twenty percent. Though this would probably affect the number of retirees selecting a supplement for their survivor, it is impossible to predict whether the total amount of extra coverage selected would be any larger if offered in increments rather than one piece. Surveys of retiree preferences seemed to point to the conclusion that the total amount covered—and hence premiums paid by the retirees for this extra coverage—would not be significantly different under this selection scheme. For the purposes of this estimate, it was assumed that the difference in the amount of total premiums paid would not be significant.

TABLE 2.—DIRECT SPENDING PROVISIONS IN THE NATIONAL DEFENSE AUTHORIZATION ACT, 1992, AS ORDERED REPORTED BY THE SENATE ARMED SERVICES COMMITTEE

[By fiscal year, in millions of dollars]

Category	1992	1993	1994	1995	1996
Stockpile Sales:					
Estimated budget authority	0	0	0	0	0
Estimated outlays	−16	0	0	0	0
Retired pay offset:					
Estimated budget authority	0	0	0	0	0
Estimated outlays	1	1	1	1	1
Transition to retirement:					
Estimated budget authority	(1)	(1)	(1)	(1)	(1)
Estimated outlays	(1)	(1)	(1)	(1)	(1)
Survivor benefit plan:					
Estimated budget authority	(1)	(1)	(1)	(1)	(1)
Estimated outlays	(1)	(1)	(1)	(1)	(1)
Rank of activated retirees:					
Estimated budget authority	(1)	(1)	(1)	(1)	(1)
Estimated outlays	(1)	(1)	(1)	(1)	(1)
Homeowner's assistance program:					
Estimated budget authority	(2)	(2)	(2)	(2)	(2)
Estimated outlays	(2)	(2)	(2)	(2)	(2)
Total direct spending:					
Estimated budget authority	0	0	0	0	0
Estimated outlays	−15	1	1	1	1

[1] Less than $500,000.

[2] Cannot be estimated.

Section 531 of the bill would allow certain military retirees returning to active duty to return at the highest rank that they had previously held. In addition, these retirees, upon retirement, would be eligible to receive retired pay at the higher grade if they served in the grade for six months or more. The costs of the future, higher retired pay would constitute direct spending. Nevertheless, CBO expects the number of individuals affected to be quite small and the annual cost of this provision would be less than $1 million.

In Title XI of the bill, two provisions relate to burdensharing and joint projects wih friendly foreign governments. These provisions would allow spending of contributions made by foreign governments with no further congressional action. In both cases, the contributions from the foreign governments would be reflected as offsetting collections in an appropriations account in the Treasury. Since by definition the amount of direct spending would equal the receipts from the foreign governments involved, the net budget (and direct spending) impact of these provisions is zero.

Another provision of the bill changes the eligibility rules under which military and civilian personnel affected by base closures may apply for funds under the Homeowners Assistance Program (HAP). These changes would have the effect of increasing the number of people who might eventually qualify for this assistance. The HAP helps eligible individuals who cannot sell their homes within a reasonable amount of time by either buying the homes, reimbursing owners for lost equity, or paying foreclosure costs. In some cases, the government would assume the mortgages of eligible participants. Mortgage assumptions result in direct spending because HAP makes use of permanent borrowing authority. To the extent that the expanded rules of eligibility would result in more mortgages being assumed, this provision would increase direct spending. However, CBO is unable to estimate the number of additional eligibles or the proportion of them who might opt for mortgage assumption rather than another form of assistance.

AUTHORIZATIONS OF APPROPRIATIONS

Stated Authorizations

The bill states the amount of authorizations for appropriations for several accounts totaling about $222 billion for 1992 and $176 billion for 1993 (see Table 3). The bill extends three lease and rental guarantee provisions, but requires that contracts contain certain provisions. These provisions include limiting the obligations of the Federal Government to amounts provided in appropriations acts for specific fiscal years and specific lease or rental guarantee projects. The present value of these projects totals $670 million.

Estimated Authorizations

In addition, the bill contains provisions that affect several budget functions and that require CBO to estimate cost impacts for 1992 and the outyears. Table 4 shows these costs.

Title IV of the bill authorizes yearly end strengths for the Active Duty and Selected Reserve components of the armed forces for 1992 and 1993. Active Duty end strengths are the same as requested by the Administration, with reductions of 106,000 during 1992 and 92,000 in 1993. End strengths for the Selected Reserves are greater than those proposed by the Administration, however. The Administration's budget request assumed that Selected Reserve personnel declined by 105,000 in 1992 and another 80,000 in 1993, while the bill would only reduce strengths by 33,000 and 34,000 in 1992 and 1993, respectively. These changes would increase military personnel costs relative to the Administration's request by $257 million in 1992 and an additional $716 million in 1993.

TABLE 3.—STATED AUTHORIZATIONS IN THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993, AS ORDERED REPORTED BY THE SENATE ARMED SERVICES COMMITTEE

[By fiscal year, in millions of dollars]

Category	1991	1992	1993	1994	1995	1996
Procurement:						
Authorization level	0	62,916	52,087	0	0	0

TABLE 3.—STATED AUTHORIZATIONS IN THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993, AS ORDERED REPORTED BY THE SENATE ARMED SERVICES COMMITTEE—Continued

[By fiscal year, in millions of dollars]

Category	1991	1992	1993	1994	1995	1996
Estimated outlays	0	12,121	23,242	30,885	23,600	11,784
RDT&E:						
Authorization level	0	40,267	30,079	0	0	0
Estimated outlays	0	22,272	30,004	12,985	3,192	1,063
O&M:						
Authorization level	0	85,047	87,010	0	0	0
Estimated outlays	0	66,396	82,745	17,297	3,308	1,200
Military construction:						
Authorization level	0	9,243	5,393	0	0	0
Estimated outlays	0	3,011	5,681	3,074	1,328	635
Stock Funds:						
Authorization level	0	3,400	1,145	0	0	0
Estimated outlays	0	1,326	1,569	922	421	216
Atomic Energy defense activities:						
Authorization level	0	11,980	14	0	0	0
Estimated outlays	0	7,600	4,081	332	0	0
Civil Defense:						
Authorization level	0	144	138	0	0	0
Estimated outlays	0	91	122	47	17	4
General transfer authority: Estimated outlays	0	420	−90	−180	−90	−30
Operation Desert Storm:						
Authorization level	2,150	8,525	0	0	0	0
Estimated outlays	0	6,497	2,124	1,142	514	205
Total:						
Authorization level	2,150	221,522	175,866	0	0	0
Estimated outlays	0	119,734	149,477	66,503	32,290	15,077

The bill also sets certain restrictions on grade structure within the end strength authorization. It increases the number of officers allowed within the end strength authorization for the Army in 1992 and 1993. While the total number of Army personnel would not change as a result of this provision, a larger proportion of the total would consist of officers, whose average pay costs are higher than those of enlisted personnel. Thus, this provision would cost $25 million in 1992 and another $52 million in 1993. Section 403 of the bill decreases the number of colonels authorized within the Air Force by 250. This provision would save money, about $1 million in 1992 and $3 million annually after that, because it would limit promotions to a higher pay grade.

Title VI of the bill deals with military compensation and other benefits. In section 601, the bill authorizes the same pay raise as was included in the Administration request, 4.2 percent on January 1, 1992, at a cost of $2.1 billion.

The bill also contains a provision that decreases Basic Allowance for Quarters (BAQ) payments for certain divorced members required to make child support payments. This change would result in savings of $78 million in 1992 and greater amounts after that.

Other provisions of the bill authorize temporary extensions to the authority of the Department of Defense to pay certain special pays and bonuses, including Aviator Retention Bonuses, various medical special pays, and certain enlistment and reenlistment bonuses. The total 1992 cost associated with these activities is $40 million, which was included in the Administration's budget request.

Family separation allowance payments for 100,000 members would increase from $60 to $75 per month, increasing annual costs by $18 million.

Title VII of the bill contains several provisions relating to health care services provided by the Department of Defense. Section 701 would create a supplemental dental coverage plan for military dependents. The plan would be financed entirely through subscriber premiums and would therefore not result in any additional budget costs. Section 704 would add blood-lead level screenings of dependent infants to the list of medical benefits received by members of the uniformed services, at a cost of $5 million annually. Finally, section 706 would expand CHAMPUS coverage to individuals who would otherwise be eligible for CHAMPUS but are currently excluded because they receive Medicare disability coverage. This provision would make CHAMPUS a second payer to Medicare for these individuals. By applying disability rates for the population as a whole to the CHAMPUS eligible population, CBO estimates that about 80,000 people who qualify for Medicare because of a disability would be affected by this provision. Of this group, about 55 percent currently receive care in military hospitals and would continue to do so. The remaining 45 percent, or 36,000, would use CHAMPUS as a secondary payer to their Medicare coverage at a cost of about $1,600 per person, for a total cost of about $60 million in 1992.

The bill contains several other provisions for which the costs are small. Imminent danger pay received by approximately 15,000 individuals would increase from $110 to $150 per month, at an annual cost of $7 million. The death gratuity paid to beneficiaries of deceased military personnel would increase from $3,000 to $6,000, increasing costs by $5 million per year. Section 618 of the bill would authorize the Secretary of Defense to reimburse military personnel for adoption expenses of up to $2,000 per adoption or $5,000 per family per year.

TABLE 4.—ESTIMATED AUTHORIZATIONS IN THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1992 AND 1993, AS ORDERED REPORTED BY THE SENATE ARMED SERVICES COMMITTEE

[By fiscal year, in millions of dollars]

Category	1992	1993	1994	1995	1996
Function 050:					
End strengths:					
Estimated authorization level	76,186	75,270	0	0	0
Estimated outlays	72,554	75,314	3,588	0	0
Military pay raise:					
Estimated authorization level	2,072	2,606	2,504	2,401	2,397
Estimated outlays	1,973	2,581	2,509	2,406	2,397
Child support BAQ:					
Estimated authorization level	−78	−81	−84	−88	−92
Estimated outlays	−74	−81	−84	−88	−92
Expiring authorities:					
Estimated authorization level	40	402	421	458	467
Estimated outlays	38	385	420	456	467
Family separation allowance:					
Estimated authorization level	18	18	18	18	18
Estimated outlays	17	18	18	18	18
CHAMPUS for Medicare disabled:					
Estimated authorization level	62	67	72	77	82
Estimated outlays	59	67	72	77	82
Other 050:					
Estimated authorization level	−46	−53	19	19	19
Estimated outlays	−84	−9	12	19	19
Function 050 total:					
Estimated authorization level	78,254	78,229	2,950	2,885	2,891
Estimated outlays	74,484	78,273	6,535	2,888	2,891

TABLE 4.—ESTIMATED AUTHORIZATIONS IN THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1992 AND 1993, AS ORDERED REPORTED BY THE SENATE ARMED SERVICES COMMITTEE—Continued

[By fiscal year, in millions of dollars]

Category	1992	1993	1994	1995	1996
Function 400:					
Estimated authorization level	64	64	0	0	0
Estimated outlays	62	64	2	0	0
Function 570:					
Estimated authorization level	1,153	1,248	157	157	157
Estimated outlays	0	0	0	0	0
Function 600:					
Estimated authorization level	19,795	21,013	2,897	2,897	2,897
Estimated outlays	0	0	0	0	0
Function 650:					
Estimated authorization level	3,881	4,227	516	516	516
Estimated outlays	0	0	0	0	0
Function 700:					
Estimated authorization level	58	0	0	0	0
Estimated outlays	52	6	0	0	0
Function 950:					
Estimated authorization level	−23,898	−24,027	0	0	0
Estimated outlays	−23,898	−24,027	0	0	0
Total estimated authorizations:					
Estimated authorization level	79,307	80,754	6,520	6,455	6,461
Estimated outlays	50,700	54,316	6,537	2,888	2,891

CBO estimates that about 1,900 families would take advantage of such a program annually. Because the average cost of an adoption usually exceeds $2,000, this estimate assumes that the maximum rate of reimbursement would be used in each case. Thus, the added costs of this provision would be about $4 million annually.

Other provisions of the bill would have little or no net cost impact. Section 603 would establish a certification program for certain housing allowances, which would consolidate or replace several existing programs and surveys, at an annual savings of $2 million. Section 611 would increase basic pay for aviation cadets at an annual cost of $1 million. Other provisions would allow reimbursement of military personnel for certain emergency meal and lodging expenses and expand the definition of the term "dependent" to increase eligibility for certain allowances, at a cost of less than $1 million annually.

Titles IV and V include a number of provisions regarding special compensation for members involved in certain operational contingencies as designated by the Secretary of Defense, or for reservists called to active duty under certain circumstances. Affected areas include payment for some types of accrued leave, eligibility for various housing allowances, and certain medical special pays. Most of the provisions would result in additional costs in the event of an operational contingency. CBO assumes that no such operations will take place during the period of this estimate, however.

The bill authorizes an end strength of 15,150 people for the Coast Guard Reserve in 1992 and 1993 each. These authorizations cost $64 million in each year; the associated costs fall within budget function 400.

The military and civilian end strengths authorized by this bill affect estimated contributions to the Old-Age and Survivors Insurance Trust Fund, the Disability Insurance Trust Fund (both in function 650) and the Hospital Insurance Trust Fund (function 570). The employer's share of the old-age, survivors, and disability insurance contribution for DoD military and civilian employees totals about $3.9 billion, while contributions for hospital insurance would be approximately $1.2 billion in 1992.

Function 600—income security—records the accrual amounts for the military retirement trust fund and various amounts associated with civil service retirement. The military end strengths authorized in this bill have a retirement accrual cost of $16.8 billion. The employer contribution for civil service retirement adds about $3.0 billion to function 600.

Authorizations of about $58 million were included for the Soldiers' and Airmen's Home (function 700). Outlays are estimated using CBO baseline assumptions.

Finally, function 950—undistributed offsetting receipts—records offsets to the accrual payments from function 050 associated with military retirement, and employer contributions to the social insurance funds. Function 950 also shows the offsets from civil service retirement contributions associated with DoD's civilian employees for whom funding is authorized in this bill.

6. Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1995. The direct spending costs of this bill that are subject to the pay-as-you-go procedures are shown in the following table.

[By fiscal year, in millions of dollars]

	1992	1993	1994	1995
Change in outlays	−15	1	1	1
Change in receipts[1]				

[1] Not applicable.

7. Estimated cost to State and local governments: None.

8. Estimate comparison: None.

9. Previous CBO cost estimate: None.

10. Estimate prepared by: Eugene Bryton (202) 226-2840, Barbara Hollinshead (202) 226-2840, Lisa Siegel (202) 226-2840, Amy Plapp (202) 226-2840, Mary Helen Petrus (202) 226-2840, and Liron Kronzon (202) 226-2840.

11. Estimate approved by: C.G. Nuckols for James L. Blum, Assistant Director for Budget Analysis.

Mr. NUNN. Mr. President, this cost estimate does not support any claim that our bill exceeds the budget caps, or violate any understanding of incremental costs on Desert Storm.

Now the chairman has a different letter from the Congressional Budget Office that selectively reviews three items in the supplemental authorization.

As I said earlier, CBO has changed its tune and is now applying a different standard than they applied to the official cost estimate for our bill and to earlier Desert Storm supplementals.

I thank my colleagues for letting me take this opportunity to clarify the Record.

YAKIMA FIRING RANGE

Mr. ADAMS. Mr. President, I had intended to offer an amendment today that would delete from the National Defense Authorization for fiscal years 1992 and 1993 the authorization to expand the Yakima Firing Range located in Washington State. I note that the House chose to delete this matter from the bill before it was sent to us, and I requested that the Armed Services Committee do likewise. Therefore I was disappointed to learn that the committee chose instead to accept the administration's proposal to authorize the spending of $19 million in fiscal year 1992 to acquire an additional 62,000 acres to expand the existing 261,000-acre firing range.

My strong preference would be that we delay authorizing this enormous land acquisition until after the Army completes its development of a comprehensive training strategy. I believe my concerns were validated with the release of a report from the U.S. General Accounting Office in April of this year entitled, "Army Training: Various Factors Create Uncertainty About Need for More Land." Because this proposed acquisition is moving forward as a result of a waiver issued by the Army from a current moratorium on land acquisitions, I was particularly interested in the GAO statement in its comments on the Department of Defense's letter responding to the report:

> It does not appear that factors identified in this report that can affect land requirements and use were considered in DOD's granting of a waiver to its moratorium for the Yakima expansion.

Quite frankly, what is the rush? Several State agencies including the Department of Ecology, the Department of Fisheries, and the Department of Game have raised objections to this expansion plan, with particular concern regarding the impact on natural resources in and near the Columbia River which will be detrimentally impacted by the proposed river crossing site on the east bank of the river. With growing concerns being voiced about the survival of natural salmon runs on the Columbia River, an ill-timed decision, made in haste, could have consequences that might be regretted for generations to come.

The Confederated Tribes and Bands of the Yakima Indian Nation object to this further expansion into lands ceded to the Federal Government under the Yakima Treaty of 1855. The tribe reserved the right to utilize these lands to hunt, gather roots, and berries, visit the graves of their ancestors, and seek the solitude of those religious places along the river and in the surrounding hills that have been part of their history since time immemorial. I only wish that the members of the Armed Services Committee could have sat with me to hear tribal leaders, together with representatives of the Wanapam Band, describe the deeply held affection they have for this land. Whether the future exercise of those federally protected treaty rights can be reconciled with the Army's desire to conduct brigade level training exercises in that area remains to be seen. I am pleased to hear that Maj. Gen. Paul Schwartz from Fort Lewis is continuing to work with the Yakima Tribe and the Wanapam Band to explore available options.

My distinguished colleague the senior Senator from Hawaii, Senator INOUYE, who chairs the Senate Select Committee on Indian Affairs, also met with those tribal leaders during their recent visit here. I am grateful that Senator INOUYE has offered his assistance in this matter. We intend to continue working with both the authorizing and appropriations committees in preventing a hasty land acquisition that provokes a taking of rights reserved by treaty from occurring. I appreciate that commitment, and would urge the Armed Services Committee to work with us in helping the Army to understand the Federal responsibilities that flow from specific promises made in June of 1855 at the Walla Walla Treaty Council.

An impressive list of private citizens, civic groups, ranchers, environmentalists, local government officials, and newspaper editorial boards have urged that this expansion not go forward at this time. In your letter to me dated July 16, 1991 you state, "I will keep an open mind on this issue as we address this matter in conference later this year." I very much appreciate your willingness to listen to additional facts and concerns as this bill moves through conference. Am I correct in assuming that you will be willing to carefully consider the House position on this matter?

Mr. NUNN. As I indicated in my letter, I did raise the Senator's request to defer this expansion when the Senate Armed Services Committee held the markup on the National Defense Authorization Act. The committee elected to authorize this project in fiscal year 1992. I appreciate being advised of your ongoing concerns about this program, and will keep those views in mind when this matter is taken up in conference. This issue will go to conference as an item in disagreement, and I fully intend to carefully consider the position taken by our colleagues from the other body.

PROBLEMS FACING RESERVISTS

Mr. KOHL. Mr. President, I have recently learned about a problem facing a number of reservists which I would like to discuss with the chairman and ranking member of the Manpower Subcommittee. Let me briefly explain the problem.

One of my staff members in Wisconsin was contacted by a marine reservist. When that individual was activated, he failed to apply for a deferral status on his student loans. Had he applied, as I understand it, that deferral could have been granted. But in this particular case, the individual apparently did not know about that process and was not told about it. When my staff made inquiry on his behalf they were informed by the U.S. Marine Corps Recruiting Station in Milwaukee that:

> When an applicant is processing for active duty, there is no requirement to provide that individual with specifics regarding school loan deferments. If that individual inquires about a deferment, he will be provided with an application and the Recruiting Station Commanding Officer will sign that form.

Which, as I understand it, means that if they ask they will be told about their right to apply for and receive a deferment; but if they do not ask, no one will tell them.

Now, Mr. President, that does not seem right. My office contacted the office of the Assistant Secretary of Defense for Reserve Affairs, Office of Manpower and Personnel, to talk about this situation. In the course of the conversation we learned about the efforts made by that Office to make sure reservists know what their rights are. There is, for example, an excellent publication which details many of the rights and responsibilities that each reservist has. That publication specifically addresses the issue of student loan deferments and over 250,000 copies have been distributed.

I hope that the chairman would agree with my conclusion that reservists are entitled to have this information—and they ought not be required to ask for it before we provide it to them. Now, I do not think offering an amendment requiring dissemination of such information is either necessary or desirable. Based on conversations with the Office of Reserve Affairs, I believe this is a situation they want to correct. I just want to ask the chairman if they agree with the concerns I have expressed and if they are willing to work with me and the Office of Reserve Affairs to correct this problem.

Mr. GLENN. Mr. President, I think the Senator from Wisconsin has indeed identified a problem which can and should be corrected. I share his concern and his unwillingness to accept an "If they ask, we will tell them" approach to the issue of student loan deferments. If the failure to get a deferral leads to a default, that can have long-term consequences for individuals—consequences which can be devastating and can be avoided. I believe that the Department can and should work with us to make sure reservists get this information without being required to ask for it. I too believe the Office of Reserve Affairs generally tried very hard to make sure that people know what their rights are. But the changing nature of the benefits we provide means that we always have to update our procedures. And we certainly need to ensure that there is adequate cooperation and coordination with the Department of Education.

Mr. KOHL. Mr. President, I thank my colleague and I look forward to working with him and the Office of Reserve Affairs to correct this problem.

ADVISORY COMMITTEE ON RIGHTS IN TECHNICAL DATA

Mr. LEVIN. I would like to enter a colloquy with my colleague from New Mexico regarding section 834 of the committee bill. This section established an advisory committee on rights in technical data.

It is my understanding that the Department of Defense is currently working with other agencies, including the Office of Federal Procurement Policy, the Department of Energy, and NASA, to develop final technical data regulations which can be issued on a Governmentwide basis. I am concerned that section 834's requirement for the Secretary of Defense to prescribe final regulations on rights in technical data could be interpreted as a directive to the Department of Defense to withdraw from the Governmentwide effort and issue regulations on its own.

Mr. BINGAMAN. That is not the intent of the amendment. Nothing in the amendment is intended to preclude or discourage the issuance of technical data regulations on a Governmentwide basis. That is why the committee report directs the Secretary to ensure that other agencies of Government with a significant interest in technical data rights, such as the Office of Federal Procurement Policy, are represented on the advisory committee.

Mr. LEVIN. I thank the Senator from New Mexico. I am pleased that the committee does not intend to undercut the Governmentwide regulatory process we now have ongoing.

READINESS SUSTAINABILITY AND SUPPORT

Mr. DIXON. Mr. President, I strongly support S. 1507, the National Defense Authorization Act for Fiscal Years 1992 and 1993. This bill continues the process we initiated last year of reducing the size of our Military Establishment in an orderly fashion, and also begins implementing some of the important lessons learned from the recent Persian Gulf conflict.

Mr. President, I want to spend a few minutes today outlining the provisions in the bill under the jurisdiction of the Readiness, Sustainability and Support Subcommittee, which I chair. This subcommittee's jurisdiction covers the operation and maitenance accounts; spare parts and ammunition procurement; the defense stock funds; and military construction and family housing programs. This year, the fiscal year 1992 budget request before the Readiness Subcommittee totaled $103.4 billion, a little over one-third of the total defense budget.

For the operations and maintenance accounts, the committee bill includes a net reduction of approximately $700 million, including reductions of $1.8 billion and additions of $1.1 billion. Almost all of the reductions reflect fact-of-life pricing changes that have occurred since the budget was submitted in January, and will not affect the execution of O&M programs in the next 2 fiscal years. For example:

The $796.6 million reduction in fiscal year 1993 and the $768.5 million reduction in fiscal year 1993 reflect the improvement in the strength of the dollar relative to the German mark and the Japanese yen;

The projected inflation rate for purchases in the O&M accounts during fiscal year 1992 is expected to be slightly lower than projected in January, producing savings of $105 million;

The continuing hiring freeze on civilian personnel in DOD means there are some savings in this area from the budget request which we conservatively estimated at $142 million;

Cash balances in the revolving funds can be reduced and used to offset $350 million in funding requested in the O&M accounts;

Our hearings showed two areas: Marine Corps prepositioning and Navy depot maintenance—where the services were requesting funds in fiscal year 1992 for programs that were clearly incremental costs of Operation Desert Shield and Desert Storm. These funds have been taken out of the budget request and authorized as part of the fiscal year 1992 supplemental to be transferred from the defense cooperation account for savings of $330 million;

Finally, reductions are recommended in Army and Air Force travel costs to bring them in line with the other services, and in funding for the on-sight inspection agency due to the delayed implementation of the CFE and START Treaties.

We will have an opportunity to review some of these pricing and financing adjustments in conference, but I think we have done a good job of protecting and supporting the basic programs in the O&M accounts.

Offsetting these reductions are a series of increases totaling $1.1 billion. Many of these increases are in important readiness-related programs that have been underfunded in past budgets:

There is an increase of $440 million to cover the personnel and operating costs to the anticipated committee recommendation for National Guard and Reserve strength in fiscal year 1992.

Depot maintenance is increased by $200 million and real property maintenance by $300 million above the fiscal year 1992 request. Both of these areas are important to force readiness and both have growing backlogs that should be reduced;

Smaller increases above the budget are recommended for special operations forces; environmental restoration and compliance activities; Navy and Marine Corps recruiting; the DOD IG; and several other areas.

The key issue in the area of revolving and management funds was the Defense Department's proposal to consolidate the existing stock and industrial funds into a single new fund called the defense business operations fund. We discussed this issue at length at one of our subcommittee hearings, and I received a personal letter from Secretary Cheney in strong support of this proposal. The committee bill approves the creation of the new fund—but with some modifications.

The committee disapproved DOD's proposal to fund military construction projects through this new fund. I think it is more appropriate to authorize all military construction projects through the current process rather than splitting off a handful of projects and authorizing them through this new fund.

The committee also disapproved DOD's proposal to fund oversight activities such as the Defense Contract Audit Agency and the Defense Contract Management Command through this fund beginning in fiscal year 1993. The oversight activities should be funded by direct appropriations and not through the kind of customer relationship that this new fund creates.

I should point out that the House Defense authorization bill disapproves creation of this new fund, although the House Defense appropriations bill approves it. This will obviously be an item in conference that we will continue to work on over the next several months.

One of the subcommittee's major initiatives this year was to increase funding for conventional ammunition programs. I am concerned that the continued reductions in the level of funding for conventional, level-of-effort ammunition is seriously jeopardizing the existence of the ammunition production base in the United States. The committee bill authorizes increased funding for Army, Marine Corps, and Air Force conventional ammunition of $333 million above the budget request for fiscal year 1992. These increases are to meet annual training requirements and selected high priority new rounds—like the 25mm round for the Bradley fighting vehicle—that are currently in short supply.

One of the provisions under the Readiness Subcommittee's jurisdiction continues our initiative of last year to reduce inventory levels in the Defense Department. Section 311 of the committee bill would limit obligations for new purchases in the stock funds to 80 percent of the sales of materials from the stock funds. This limitation will ensure that the military services continue to draw down their inventories during the next fiscal year. This year's provision repeats the waiver authority for the Secretary of Defense should this constraint become too onerous, as it did during Operation Desert Shield and Desert Storm this past year.

The principal reductions to the fiscal year 1992 budget request in the military construction area are associated with the base closure and realignment recommendations made by the Defense Base Closure and Realignment Commission and endorsed by the President; a major $80 million land acquisition at Vandenberg Air Force Base; and construction funding for the B-2 at Whiteman Air Force Base, MI.

This area also includes another of the subcommittee major initiatives this year—extending and strengthening the current authorities for the Defense Department to enter into third party financed facility arrangements. These authorities include long-term service contracts which have facilities associated with the provision of these services, such as steam plants, waste water treatment plants, and the like; the highly successful section 801 build to lease family housing program; and the section 802 guaranteed rental program in which the Government assures developers of 97 percent occupancy of family housing complexes and is able to negotiate the rents which individual military families pay the project owners.

Mr. President, I think this last authority offers real potential for improving the condition of our military bases with private sector cooperation in a time of shrinking budgets. I am happy to report that the first such contract has been awarded for 276 units of housing in Hawaii. It promises to save each resident about $400 per month compared to rentals on the civilian economy. By requiring the identification in the budget request of projects to be solicited under these authorities, and by directing in statute their solicitation, I believe that we can break the log jam which has contributed to the limited use of these three authorities in the past.

Finally, Mr. President, I want to mention several changes to the base closure statute enacted last year which were adopted by the committee this year after a great deal of careful discussion. The committee bill:

Amends the 1990 Base Closure and Realignment Act to make clear that it was the intent of Congress that the civil works activities of the Army Corps of Engineers are not under the jurisdiction of the Base Closure Commission;

Increases by 1 month the time available for future Commission's deliberations by requiring the Secretary of Defense to submit his list of proposed closures on March 15 rather than April 15; and

Strengthens the requirement for independence within the Commission staff, the necessity of accurate data from DOD, and an unfettered flow of testimony from DOD employees.

Mr. President, before I conclude, I wish to note the valuable assistance of the ranking member of the subcommittee, Senator LOTT, in the work of the Readiness Subcommittee this year. It has been a pleasure working with him, and I appreciate his cooperation very much. I also wish to salute the tremendous job done by our Armed Services Committee staff. In particular, I want to thank David Lyles, Bob Bayer, and Mary Kampo of the majority staff, as well as Ron Kelly and Ken Johnson of the minority staff, whose hard work ensures that our subcommittee always acts in a bipartisan manner. And finally, I would be remiss if I did not also recognize the outstanding assistance that my personal staff provides me. My aide, Charles Smith, is an old and dear friend who has been my right hand man for defense issues since I came to the Senate. He has been assisted this year by Jim Rohacik, a congressional fellow and a former advisor to the Joint Chiefs of Staff. While Jim's expertise and enthusiasm will be missed, we wish him the best of luck in his future endeavors.

I thank my colleagues for their time. Thank you, Mr. President.

F-16 FIGHTER PROCUREMENT

Mr. DIXON. Mr. President, the Senate Armed Services Committee has recommended early termination of Air Force F-16 fighter procurement.

This is a pivotal time in our history as we undergo change from a world gripped by the cold war, to a world with increased hope for peace. Only 1 year ago, we stood frozen in disbelief as Saddam Hussein invaded a brother Arab nation, and threatened the entire stability of the middle eastern region. The United States demonstrated to the world before continuous television coverage what the definition of a true superpower really means.

We demonstrated that we could obtain a coalition of U.N. countries to stand with us against such flagrant aggression. We demonstrated that we could rally bipartisan support in our own Congress to use whatever military power the President, Secretary Cheney, and General Powell deemed necessary to halt that aggression. We demonstrated that the investment made in defense technology was indeed a wise investment that saved not only American lives, but the lives of those brave coalition forces that stood with us.

I am concerned that the committee would recommend termination of one of the prime examples of American defense technology, a standout in Operation Desert Storm, the F-16 fighting Falcon.

F-16's from the 363d Tactical Fighter Wing, Shaw Air Force Base, SC, were the first aircraft capable of delivering bombs to deploy to the Middle East. The 363d, together with the first F-15's deployed, are credited with giving Saddam second thoughts if he ever intended on going beyond the Kuwaiti border in his quest for territorial expansion. A total of 249 F-16's, representing 34 percent of the fighter/attack aircraft deployed by the U.S. Air Force, flew 13,500 combat sorties, which were more than any other type of aircraft that participated in the war. Those 249 F-16's delivered 22,000 tons of bombs, which were second only to the B-52's that delivered 25,700 tons. These impressive accomplishments were achieved while maintaining a 95.2 percent mission capable maintenance rate.

It was this magnificent performance that prompted General Powell to comment:

> When you boil it all down to the essence of what victory really takes * * * it was the Patriot missiles and M1 tanks and F-16 aircraft * * * that gave our troops the decisive edge.

Lt. Gen. Charles Horner, commander of the allied air campaign remarked:

> The F-16 was the workhorse of this war. It did the baseline bombing, the body punching. It hauled the iron.

Lt. Col. William Diehl, commander of the 17th Tactical Fighter Squadron and the first F-16 unit to deploy wrote;

> In the last 27 days, I flew 28 missions without a single ground or air abort, or even a late takeoff. Twenty of the flights returned with code one, discrepancy-free aircraft, and believe me, the aircraft was really being worked out in the target area.

Mr. President, last year we directed the Department of Defense to build down by 25 percent from the current level of 1995. The Air Force accepted this challenge and established a tactical fighter force objective of 26.5 Wings, which represents in reality a 29-percent decrease from the 37 Wings of a year ago. The Air Force plan to accomplish this reduction was based on modernizing the remaining total force, which includes the National Guard, Reserves, and the Active Duty forces. The F-16 was chosen as the replacement aircraft by the Air Force because of the flexibility and versatility it offers in a large spectrum of missions that previously required dedicated predecessor aircraft accomplished. The cost effectiveness of the F-16 has also been unprecedented in that the average unit flyaway cost of all the F-16's bought for the Air Force is $13.5 million in fiscal year 1991 dollars. The proposed Senate Armed Services Committee recommendation to terminate F-16 procurement in fiscal year 1992 would leave the Air Force at least 72 aircraft short of what is required to execute its modernization plans.

Mr. President, we in this body must make difficult choices in determining the programs that should continue during this time of dynamic change. Let us not terminate a program such as the F-16 at a time when we need to preserve our options and when we can do so with such a cost-effective, successful program. The F-16 accomplishes the Air Force objectives of total force modernization in a reduced force structure that retains the flexibility to project power worldwide, if necessary, again in the future. I urge that we continue F-16 procurement in order to remain consistent with the position taken by the Senate Armed Services Committee last year that "it is essential that an ongoing fighter production line be sustained."

Mr. DIXON. Mr. President, it is my happy honor at this point to urge third reading of this bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DIXON. Mr. President, I urge passage of this bill.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on the passage of the bill.

So the bill (S. 1507), as amended was passed.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the bill was pased.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read: "To authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities and other national security functions of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes.".

Mr. DIXON. Mr. President, I ask unanimous consent that S. 1507, as amended, be printed, as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 1507

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Authorization Act for Fiscal Years 1992 and 1993".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.
Sec. 4. Expiration of authorizations for fiscal years after 1992.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense Agencies.
Sec. 105. Defense Inspector General.
Sec. 106. Reserve components.
Sec. 107. Chemical demilitarization program.
Sec. 108. Multiyear authorizations.

PART B—OTHER MATTERS

Sec. 111. M-1 Abrams tank program.
Sec. 112. Transfer of certain funds for procurement of Navy aircraft.
Sec. 113. Aircraft carrier service life extension program.
Sec. 114. Air cushion landing craft.
Sec. 115. Inapplicability to inflatable boats of restriction on construction in foreign shipyards.
Sec. 116. MK-92 fire control system upgrades.
Sec. 117. Transfer of funds for Trident missiles.
Sec. 118. B-2 bomber aircraft program requirements and limitations.
Sec. 119. B-1 bomber aircraft program.
Sec. 120. C-17 aircraft program.
Sec. 121. Availability of F-15 sales proceeds for replacement aircraft.
Sec. 122. AMRAAM missile program.
Sec. 123. Repeal of unnecessary budget format provision.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS

Sec. 201. Authorization of appropriations.

PART B—STRATEGIC DEFENSE INITIATIVE

Sec. 211. Missile Defense Act of 1991.
Sec. 212. Development and testing of anti-ballistic missile systems or components.

PART C—OTHER MATTERS

Sec. 221. V-22 Osprey aircraft program.
Sec. 222. Management of Navy mine countermeasures programs.
Sec. 223. Non-acoustic anti-submarine warfare program.
Sec. 224. Anti-submarine warfare stand-off weapon.
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SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For the purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

SEC. 4. EXPIRATION OF AUTHORIZATIONS FOR FISCAL YEARS AFTER 1992.

Authorizations of appropriations, and of personnel strength levels, in this Act for any fiscal year after fiscal year 1992 are effective only with respect to appropriations made during the first session of the One Hundred Second Congress.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for procurement for the Army as follows:

(1) For aircraft:

(A) For fiscal year 1992, $1,666,200,000.

(B) For fiscal year 1993, $1,299,900,000.

(2) For missiles:

(A) For fiscal year 1992, $1,042,335,000.

(B) For fiscal year 1993, $1,327,400,000.

(3) For weapons and tracked combat vehicles:

(A) For fiscal year 1992, $1,022,300,000.

(B) For fiscal year 1993, $1,290,100,000.

(4) For ammunition:

(A) For fiscal year 1992, $1,529,200,000.

(B) For fiscal year 1993, $1,195,400,000.

(5) For other procurement:

(A) For fiscal year 1992, $3,014,643,000.

(B) For fiscal year 1993, $3,274,700,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for procurement for the Navy as follows:

(1) For aircraft:

(A) For fiscal year 1992, $7,080,800,000.

(B) For fiscal year 1993, $7,207,500,000.

(2) For weapons:

(A) For fiscal year 1992, $4,834,700,000.

(B) For fiscal year 1993, $4,872,100,000.

(3) For shipbuilding and conversion:

(A) For fiscal year 1992, $7,726,400,000.

(B) For fiscal year 1993, $8,540,800,000.

(4) For other procurement:

(A) For fiscal year 1992, $6,373,400,000.

(B) For fiscal year 1993, $6,416,100,000.

(b) Marine Corps.—Funds are hereby authorized to be appropriated for procurement for the Marine Corps as follows:

(1) For fiscal year 1992, $1,738,737,000.

(2) For fiscal year 1993, $777,761,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for procurement for the Air Force as follows:

(1) For aircraft:

(A) For fiscal year 1992, $10,358,639,000.

(B) For fiscal year 1993, $6,833,272,000.

(2) For missiles:

(A) For fiscal year 1992, $5,362,110,000.

(B) For fiscal year 1993, $4,105,665,000.

(3) For other procurement:

(A) For fiscal year 1992, $7,939,282,000.

(B) For fiscal year 1993, $3,044,166,000.

SEC. 104. DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for procurement for the Defense Agencies as follows:

(1) For fiscal year 1992, $2,127,708,000.

(2) For fiscal year 1993, $1,150,314,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1992 for procurement for the Inspector General of the Department of Defense in the amount of $800,000.

SEC. 106. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For fiscal year 1992:

(A) For the Army National Guard, $156,400,000.

(B) For the Air National Guard, $359,800,000.

(C) For the Army Reserve, $22,500,000.

(D) For the Naval Reserve, $129,000,000.

(2) For fiscal year 1993, for the Naval Reserve, $134,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

(a) Funding.—Funds are hereby authorized to be appropriated for the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), as follows:

(1) For fiscal year 1992, $474,800,000.

(2) For fiscal year 1993, $617,400,000.

(b) Change in Stockpile Elimination Deadline.—Section 1412(b)(5) of such Act is amended by striking out "April 30, 1997" and inserting in lieu thereof "July 31, 1999".

(c) Financial Assistance for Review of Applications for Certain Permits.—Section 1412(c) of such Act is amended by adding at the end the following new paragraph:

"(4) The Secretary may provide funds to State and local governments through cooperative agreements with such governments in order to assist such governments in reviewing applications for permits or licenses required by such governments for the construction and operation of facilities to carry out this section, reviewing applications for modifications of such permits and licenses, and carrying out oversight activities in relation to such permits and licenses. The Secretary shall ensure that funds provided through a cooperative agreement under this paragraph are used solely for the purpose for which funds are provided.".

(d) Funding for Army Cryofracture Program.—(1) In addition to the amount authorized to be appropriated by paragraph (1) of subsection (a), there is authorized to be appropriated for the purpose set out in such subsection for fiscal year 1992, $33,900,000 of which—

(A) $13,900,000 is available for research, development, test, and evaluation of the cryofracture method of chemical weapons demilitarization; and

(B) $20,000,000 is available for the procurement of long lead items for a cryofracture demonstration plant on and after the date on which the Secretary of the Army certifies in writing to the congressional defense committees that the Army will construct a cryofracture demonstration plant.

(2) The amount authorized to be appropriated by section 103(1)(A) is reduced by $33,900,000.

SEC. 108. MULTIYEAR AUTHORIZATIONS.

(a) Army.—The Secretary of the Army may use funds appropriated for fiscal year 1992 to enter into multiyear procurement contracts in accordance with section 2306(h) of title 10, United States Code, for the Army Tactical Missile System (ATACMS).

(b) Navy.—The Secretary of the Navy may use funds appropriated for fiscal year 1992 to enter into multiyear procurement contracts in accordance with section 2306(h) of title 10, United States Code, for the following programs:

(1) The MK–48 ADCAP torpedo program.

(2) The enhanced modular signal processor program.

PART B—OTHER MATTERS

SEC. 111. M–1 ABRAMS TANK PROGRAM.

(a) Fiscal Year 1991 Funds.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of the Army shall obligate $150,000,000 in advance procurement funds appropriated for the Army for fiscal year 1991 for the M1A2 tank program.

(2) Section 142 of Public Law 101–510 (104 Stat. 1503) is repealed.

(b) Fiscal Year 1992 Funds.—Of the amount authorized to be appropriated pursuant to section 101(3)(A)—

(1) $90,000,000 shall be available for the procurement of 60 new M1A2 tanks; and

(2) $225,000,000 shall be available for the remanufacture of M1 tanks to the M1A2 configuration.

SEC. 112. TRANSFER OF CERTAIN FUNDS FOR PROCUREMENT OF NAVY AIRCRAFT.

(a) Authority.—To the extent provided in appropriations Acts, the Secretary of the Navy may transfer, out of the unobligated balance of the appropriations for the Navy for fiscal year 1991 for research, development, test, and evaluation that remain available for obligation, $851,600,000 to the appropriations for the Navy for fiscal year 1991 for procurement of aircraft.

(b) Availability of Funds.—Amounts transferred pursuant to subsection (a) shall remain available until September 30, 1992.

(c) Relationship to Other Transfer Authority.—The transfer authority in subsection (a) is in addition to any other transfer authority provided in this or any other Act.

SEC. 113. AIRCRAFT CARRIER SERVICE LIFE EXTENSION PROGRAM.

(a) Transfer of Unobligated Fiscal Year 1991 Funds.—Notwithstanding any other provision of law, the Secretary of the Navy may, to the extent provided in appropriations Acts, transfer out of any unobligated funds appropriated for the Navy for fiscal year 1991 for shipbuilding and conversion that remain available for obligation, $405,000,000 for shipbuilding and conversion in connection with the sealift program established pursuant to section 1424 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1683; 10 U.S.C. 7291 note). Funds transferred pursuant to this subsection shall remain available until September 30, 1995.

(b) Repeal of Related Provision.—Section 203 of Public Law 102–27 (105 Stat. 139) is repealed.

SEC. 114. AIR CUSHION LANDING CRAFT.

(a) Amount Available.—Of the amount authorized to be appropriated in section 102(a)(3)(A) for the Navy for fiscal year 1992 for shipbuilding and conversion, $265,900,000 shall be available for the air cushion landing craft (LCAC) program.

(b) Limitation.—Funds appropriated for the Navy for fiscal year 1992 for shipbuilding and conversion may not be obligated for any air cushion landing craft (LCAC) until 30 days after the Secretary of Defense submits to the congressional defense committees a report containing the following information:

(1) A goal for amphibious shipping that is consistent with the multiyear defense program and meets the needs of the commanders of the unified and specified combatant commands.

(2) A procurement objective for air cushion landing craft (LCAC) that supports such amphibious shipping goal.

(3) A discussion of how the planned procurement of air cushion landing craft (LCAC) will affect the inventory levels for such craft.

SEC. 115. INAPPLICABILITY TO INFLATABLE BOATS OF RESTRICTION ON CONSTRUCTION IN FOREIGN SHIPYARDS.

Section 7309 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) An inflatable boat or a rigid inflatable boat, as defined by the Secretary of the Navy, is not a vessel for the purpose of the restriction in subsection (a).".

SEC. 116. MK–92 FIRE CONTROL SYSTEM UPGRADES.

None of the funds appropriated or otherwise made available for the Navy for fiscal year 1992 or fiscal year 1993 may be obligated for the production or installation of upgrades in the MK–92 Mod 6 fire control system until the Commander of the Operational Test and Evaluation Force of the Navy has certified to the Secretary of the Navy that the MK–92 Mod 6 fire control system has successfully completed operational testing.

SEC. 117. TRANSFER OF FUNDS FOR TRIDENT MISSILES.

(a) Authority.—To the extent provided in appropriations Acts, the Secretary of the Navy may transfer, out of the unobligated balance of the appropriations for the Navy for fiscal year 1991 for other procurement that remain available for obligation, $56,700,000 to the appropriations for the Navy for fiscal year 1992 for procurement of weapons for the procurement of Trident missiles. Funds transferred pursuant to this subsection shall remain available until September 30, 1993.

(b) Relationship to Other Transfer Authority.—The transfer authority in subsection (a) is in addition to any other transfer authority provided in this or any other Act.

SEC. 118. B-2 BOMBER AIRCRAFT PROGRAM REQUIREMENTS AND LIMITATIONS.

(a) Amount for Program.—Of the amount appropriated pursuant to section 103(1)(A) for the Air Force for fiscal year 1992 for procurement of aircraft, not more than $3,200,362,000 may be obligated for procurement for the B-2 bomber aircraft program.

(b) Limitation.—Funds appropriated for the Air Force for fiscal year 1992 for procurement of aircraft may not be obligated for the procurement of new production B-2 bomber aircraft until the Secretary of Defense satisfies the requirements of subsections (c) and (d).

(c) Certification of Performance and Procurement Limit.—The Secretary of Defense shall certify to the congressional defense committees that—

(1) the performance milestones (including initial flight testing) for the B-2 bomber aircraft for fiscal year 1991 (as contained in the B-2 full performance matrix program established under section 121 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180) and section 232 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456)) have been met and that any proposed waiver or modification to the B-2 performance matrix will be provided in writing in advance to such committees;

(2) no major aerodynamic or flightworthiness problems have been identified during the B-2 bomber aircraft testing conducted before October 1, 1991;

(3) the capability to update the navigation system using the Coherent Map Mode of the B-2 radar has been successfully demonstrated;

(4) the basic capabilities of X-band and KU-band transponders have been successfully demonstrated;

(5) the baseline analysis of the radar cross-section signature data for Air Vehicle 1 (AV-1) has been completed;

(6) the B-2 test program has demonstrated sufficiently the following critical performance characteristics from flight testing to provide a high degree of confidence in mission accomplishment: detection and survivability, air vehicle performance, strength and durability of the structure, offensive and defensive avionics, and weapon separation testing currently planned (as of August 1, 1991) to take place during fiscal year 1992: *Provided*, That 45 days shall elapse after the date of such certification before any funds in this Act can be obligated for procurement of new production B-2 bomber aircraft; and

(7) such funds will be used to initiate the procurement of not more than four new production B-2 bomber aircraft in fiscal year 1992.

(d) Certification of Compliance With B-2 Bomber Aircraft Correction-Of-Deficiency Requirements in Public Law 101-189.—The Secretary of Defense shall—

(1) certify to the congressional defense committees that the Secretary of the Air Force has entered into a contract for the procurement of B-2 aircraft authorized for fiscal years 1989 and 1990 that meets the requirements of section 117(d) of Public Law 101-189 relating to correction-of-deficiencies clauses in B-2 aircraft procurement contracts; and

(2) submit forthwith to the congressional defense committees the reports (relating to correction-of-deficiencies clauses in B-2 aircraft procurement contracts) required by section 117 of Public Law 101-189.

SEC. 119. B-1 BOMBER AIRCRAFT PROGRAM.

(a) Operational Test and Evaluation Certification.—(1) Upon the completion of testing of the B-1B bomber aircraft under the test program required by section 121 of Public Law 101-189 and the completion of the planned flight testing of software changes to the controls and displays system for the B-1B bomber aircraft, the Director of Operational Test and Evaluation shall review all B-1B bomber aircraft flight test data related to the electronic countermeasures (ECM) system for such aircraft and submit to the congressional defense committees a report on the results of the review.

(2) The report shall include the following matters:

(A) An assessment of the realism of the threat environment against which the CORE program was tested.

(B) An assessment of the maturity of the CORE program.

(C) A recommendation as to whether the CORE program testing is adequate to support a procurement decision in the case of the B-1B bomber aircraft.

(b) Independent Analysis by Outside Panel.—Following the completion of the analysis and report required by section 121(e) of Public Law 101-189 by the panel established pursuant to that section, the panel shall conduct an analysis of the penetration capability of a mixed bomber force consisting of 15 B-2 bomber aircraft and 97 B-1B bomber aircraft. The panel shall base that analysis on the same threats and assumptions on which the analysis required by such section 121(e) was based. The Secretary of Defense shall submit the panel's analysis to the congressional defense committees not later than January 15, 1992.

(c) Review, Evaluation, and Report by the Comptroller General.—(1) The Comptroller General of the United States shall review the report required by subsection (a) and the analysis required by subsection (b).

(2)(A) The Comptroller General shall conduct an independent evaluation of the costs and effectiveness of taking various actions to maintain or enhance the penetration capabilities of the B-1B bomber aircraft, including—

(i) undertaking the CORE modification for the B-1B bomber aircraft;

(ii) adding and integrating radar warning receivers for situational awareness into the B-1B bomber aircraft; and

(iii) undertaking the augmentations of the B-1B bomber aircraft recommended in the reports prepared by the panel referred to in subsection (b).

(B) The evaluation shall include the cost-effectiveness of the actions in relation to—

(i) the resulting enhancement of the penetration capability of the B-1B bomber aircraft in the short term; and

(ii) the length of the additional period for which such actions contribute to the continuation of an acceptable probability for the aircraft to penetrate improving Soviet air defenses.

(3) The Comptroller General shall submit a report on the results of his review and evaluation to the congressional defense committees not later than April 15, 1992.

(d) B-1B Modification Plan and Certification of Necessity.—(1) With the submission of the amended defense budget request for fiscal year 1993, the Secretary of Defense shall submit to Congress a detailed plan for making each modification of B-1B bomber aircraft proposed for fiscal years 1993 through 1999, including the schedule for the modification, the cost of the modification for each such fiscal year, and the total expected cost of each modification for which the procurement is planned not to be completed before fiscal year 2000.

(2) The Secretary shall certify in the plan that each proposed modification—

(A) is necessary in order to extend the period during which the B-1B bomber aircraft can effectively perform nuclear and conventional bombing missions involving the penetration of hostile air defenses; and

(B) is cost effective.

(e) Fiscal Year 1992 Funding for B-1B Modifications.—(1) Of the funds authorized to be appropriated for the Air Force for fiscal year 1992 by this Act, $20,000,000 shall be available for carrying out the provisions of this section.

(2) None of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 may be expended for the procurement or implementation of the CORE configuration modification for the B-1B bomber aircraft or for the procurement or implementation of any other modification of the B-1B bomber aircraft for the purpose of improving the penetration capability of the aircraft unless that modification is specifically authorized by law.

(f) Repeal of Funding for B-1B Avionics Modifications.—Subsection (f) of section 121 of Public Law 101-189 (103 Stat. 1380) is repealed.

SEC. 120. C-17 AIRCRAFT PROGRAM.

(a) Limitation for Fiscal Year 1992.—None of the funds appropriated for the Department of Defense for fiscal year 1992 that are made available for the C-17 aircraft program (other than funds for advance procurement) may be obligated for the procurement of C-17 aircraft until the Secretary of Defense submits a report to the congressional defense committees—

(1) certifying that the first flight of the first development aircraft (T-1) under such program and the first flight of the first production aircraft (P-2) under that program have been completed;

(2) detailing all reductions made in performance specifications for the C-17 aircraft since the signing of the original development contract under the program; and

(3) containing a certification of the Vice Chairman of the Joint Chiefs of Staff, made after consultation with the commanders of the unified and specified combatant commands, that—

(A) the performance reductions referred to in paragraph (2) do not reduce the military utility of the C-17 aircraft below the levels needed by such commanders; and

(B) the C-17 aircraft continues to be the most cost-effective means to meet current and projected airlift requirements.

(b) Limitation for Fiscal Year 1993.—None of the funds appropriated for the Department of Defense for fiscal year 1993 that are made available for the C-17 aircraft program (other than funds for advance procurement) may be obligated for the procurement of C-17 aircraft before—

(1) the Air Force has accepted delivery of the fifth production aircraft under that program; and

(2) the Director of Operational Test and Evaluation of the Department of Defense—

(A) has evaluated the performance of the C-17 aircraft with respect to critical operational issues after the first 50 flight hours of operational flight testing conducted during initial operational testing and evaluation of the aircraft; and

(B) has provided the Secretary of Defense and the congressional defense committees with an early operational assessment of the aircraft regarding the aircraft's overall suitability and deficiencies relative to the initial requirements and specifications for the aircraft and to the current requirements and specifications for the aircraft.

SEC. 121. AVAILABILITY OF F-15 SALES PROCEEDS FOR REPLACEMENT AIRCRAFT.

Of the funds received by the United States from the sale of F-15 aircraft to Saudi Arabia as described in the certification transmitted to the Congress pursuant to section 36(b)(1) of the Arms Export Control Act on August 26, 1990 (transmittal number 90-36)—

(1) $250,000,000 may be used for the procurement of F-15E aircraft in order to replace the F-15 aircraft sold to Saudi Arabia; and

(2) $364,000,000 may be used for the procurement of support equipment for the F-15 aircraft fleet.

SEC. 122. AMRAAM MISSILE PROGRAM.

Subsection (a) of section 163 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1389) is amended—

(1) in paragraph (1), by striking out "; and" and inserting in lieu thereof ", and";

(2) in paragraph (2), by striking out the period at the end and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following:

"the Director reports to such committees pursuant to section 2399(b)(2) of title 10, United States Code, that the AMRAAM missile system is effective and suitable for combat.".

SEC. 123. REPEAL OF UNNECESSARY BUDGET FORMAT PROVISION.

(a) In General.—Section 2217 of title 10, United States Code, is repealed.

(b) Table of Sections.—The table of sections at the beginning of chapter 131 of such title is amended by striking out the item relating to section 2217.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Part A—Authorizations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for the use of the Armed Forces for research, development, test, and evaluation as follows:

(1) For the Army:

(A) For fiscal year 1992, $6,522,068,000.

(B) For fiscal year 1993, $5,987,268,000.

(2) For the Navy:

(A) For fiscal year 1992, $8,417,708,000.

(B) For fiscal year 1993, $8,747,410,000.

(3) For the Air Force:

(A) For fiscal year 1992, $14,676,254,000.

(B) For fiscal year 1993, $10,494,385,000.

(4) For the Defense Agencies:

(A) For fiscal year 1992, $10,669,678,000, of which—

(i) $271,300,000 is authorized for the activities of the Deputy Director, Defense Research and Engineering (Test and Evaluation); and

(ii) $14,200,000 is authorized for the Director of Operational Test and Evaluation.

(B) For fiscal year 1993, $4,850,123,000, of which—

(i) $289,000,000 is authorized for the activities of the Deputy Director, Defense Research and Engineering (Test and Evaluation); and

(ii) $14,700,000 is authorized for the Director of Operational Test and Evaluation.

Part B—Strategic Defense Initiative

SEC. 211. MISSILE DEFENSE ACT OF 1991.

(a) Goal.—It is a goal of the United States to—

(1) deploy an anti-ballistic missile system, including one or an adequate additional number of anti-ballistic missile sites and space-based sensors, capable of providing a highly effective defense of the United States against limited attacks of ballistic missiles;

(2) maintain strategic stability; and

(3) provide highly effective theater missile defenses (TMD) to United States forward-deployed and expeditionary armed forces and to our friends and allies.

(b) Implementation.—

(1) In general.—To implement this goal, Congress directs the Secretary of Defense to take the actions described in paragraph (2) and urges the President to take the actions described in paragraph (3).

(2) Actions of the Secretary of Defense.—

(A) TMD options.—The Congress directs the Secretary of Defense to aggressively pursue the development of a range of advanced TMD options, with the objective of downselecting and deploying such systems by the mid-1990s.

(B) Initial deployment.—The Congress further directs the Secretary to develop for deployment by fiscal year 1996 a cost-effective and operationally-effective and ABM Treaty-compliant anti-ballistic missile system at a single site as the initial step toward deployment of the anti-ballistic missile system described in subsection (a) designed to protect the United States against limited ballistic missile threats, including accidental or unauthorized launches or Third World attacks. The Treaty-compliant system to be developed under this subparagraph would include—

(i) 100 ground-based interceptors, the design of which is to be determined by competition and downselection for the most capable interceptor deployable by fiscal year 1996;

(ii) fixed, ground-based anti-ballistic missile battle management radar; and

(iii) optimum utilization of space-based sensors, including sensors capable of cueing ground-based anti-ballistic missile interceptors and providing initial targeting vectors, and other sensor systems that also are not prohibited by the ABM Treaty.

(C) Deployment plan.—Within 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a plan for the deployment of TMDs and an anti-ballistic missile system which meet the guidelines established in subparagraphs (A) and (B).

(3) Presidential actions.—

(A) Negotiations regarding ABM Treaty.—Congress urges the President to pursue immediately negotiations to amend the ABM Treaty to permit completion of the anti-ballistic missile defense system described in subsection (a).

(B) Negotiating strategy.—The Congress further urges the President to adopt a new negotiating strategy to reach agreements with the Soviet Union necessary to permit the following:

(i) Additional anti-ballistic missile sites and additional ground-based anti-ballistic missile interceptors.

(ii) Increased utilization of space-based sensors for direct battle management.

(iii) Clarification of what constitutes permissible development and testing of space-based missile defenses.

(iv) Increased flexibility for technology development of advanced ballistic missile defenses.

(v) Clarification of the distinctions between TMDs and anti-ballistic missile defenses, including interceptors and radars.

(c) Follow-on Technology Research.—

(1) Follow-on anti-ballistic missile technologies.—To effectively develop technologies relevant to achieving the goal in subsection (a) and to provide future options for protecting the security of the United States and our allies and friends, robust research and development funding for promising follow-on anti-ballistic missile technologies, including Brilliant Pebbles, is required.

(2) Exclusion from initial plan.—Deployment of Brilliant Pebbles is not included in the initial plan for the limited defense system architecture described in subsection (a).

(3) Report and limitation.—The Secretary of Defense shall submit to the congressional defense committees a report on conceptual and burdensharing issues associated with the option of deploying space-based interceptors, including Brilliant Pebbles, for the purpose of providing global defenses against ballistic missile attacks. Not more than 50 percent of the funds authorized in subsection (f)(2)(C) for the Space-Based Interceptors program element in fiscal year 1992 may be obligated for the Brilliant Pebbles program until 45 days after the submission of the report.

(d) Program Elements.—

(1) Exclusive elements.—The following program elements shall be the exclusive program elements for the Strategic Defense Initiative:

(A) Limited Defense System.

(B) Theater Missile Defenses.

(C) Space-Based Interceptors.

(D) Other Follow-On Systems.

(E) Research and Support Activities.

(2) Applicability to budgets for fiscal years after fiscal year 1992.—The program elements in paragraph (1) shall be the only program elements used in the program and budget provided concerning the Strategic Defense Initiative submitted to Congress by the Secretary of Defense in support of the budget submitted to Congress by the President under section 1105 of title 31, United States Code, for any fiscal year after fiscal year 1992.

(e) Research, Development, Test, and Evaluation Objectives.—

(1) Limited defense system.—The Limited Defense System program element shall include programs, projects, and activities and supporting programs, projects, and activities which have as a primary objective the development of systems, components, and architectures for a deployable anti-ballistic missile system as described in subsection (a) capable of providing a highly effective defense of the United States against limited ballistic missile threats, including accidental or unauthorized launches or Third World attacks, but below a threshold that would bring into question strategic stability. Such activities shall also include those necessary to develop and test systems, components, and architectures capable of deployment by fiscal year 1996 as part of an ABM Treaty-compliant initial site defensive system. For purposes of planning, evaluation, design, and effectiveness studies, such programs, projects, and activities may take into consideration both the current limitations of the 1972 ABM Treaty and modest changes to its numerical limitations and its limitations on the utilization of space-based sensors.

(2) Theater missile defenses.—The Theater Missile Defenses program element shall include programs, projects, and activities, including those previously associated with the Tactical Missile Defense Initiative, which have as primary objectives the following:

(A) The development of deployable and rapidly relocatable advanced theater missile defenses capable of defending forward-deployed and expeditionary United States armed forces. Such a program shall have the objective of downselecting and deploying more capable TMD systems by the mid-1990s.

(B) Cooperation with friendly and allied nations in the development of theater defenses against tactical or theater ballistic missiles.

(3) Space-Based Interceptors.—The Space-Based Interceptors program element shall include programs, projects, and activities and supporting programs, projects, and activities which have as a primary objective conducting research on space-based kinetic-kill interceptors and associated sensors that could provide an overlay to ground-based anti-ballistic missile interceptors.

(4) Other Follow-On Systems.—The Other Follow-On Systems program element shall include programs, projects, and activities which have as a primary objective the development of technologies capable of supporting systems, components, and architectures that could produce highly effective defenses for the future.

(5) Research and Support Activities.—The Research and Support Activities program element shall include programs, projects, and activities which have as primary objectives the following:

(A) The provision of basic research and technical, engineering, and managerial support to the programs, projects, and activities within the program elements referred to in paragraphs (1) through (4).

(B) Innovative science and technology projects.

(C) The provision of test and evaluation services.

(D) Program management.

(f) Funding.—

(1) Total Amount.—Of the amounts appropriated pursuant to section 201 for fiscal year 1992 or otherwise made available to the Department of Defense for research, development, test, and evaluation for fiscal year 1992, not more than $4,600,000,000 may be obligated for the Strategic Defense Initiative.

(2) Specific Amounts for the Program Elements.—Of the amount described in paragraph (1)—

(A) not more than $1,550,530,000 shall be available for programs, projects, and activities within the Limited Defense System program element;

(B) not more than $857,460,000 shall be available for programs, projects, and activities within the Theater Missile Defenses program element;

(C) not more than $625,383,000 shall be available for programs, projects, and activities within the Space-Based Interceptors program element;

(D) not more than $744,609,000 shall be available for programs, projects, and activities within the Other Follow-On Systems program element; and

(E) not more than $822,018,000 shall be available for programs, projects, and activities within the Research and Support Activities program element.

(3) Environmental Impact Statement.—Of the amount described in paragraph (2)(A)—

(A) up to $5,000,000 may be obligated and expended to carry out an expeditious site-specific Environmental Impact Statement in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(B) up to $40,000,000 may be obligated and expended to conduct refurbishment studies, site surveys, and technical assessments and analyses related to removing the Grand Forks anti-ballistic missile site from its deactivated status.

The Congress expressly waives any and all requirements to evaluate alternative sites to the site at Grand Forks.

(4) Reporting Requirement.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the allocation of funds appropriated for the Strategic Defense Initiative for fiscal year 1992. The report shall specify the amount of such funds allocated for each program, project, and activity of the Strategic Defense Initiative and shall list each program, project, and activity under the appropriate program element.

(5) Transfer Authority.—

(A) In General.—Before the submission of the report required under paragraph (4) and notwithstanding the limitations set forth in paragraph (2), the Secretary of Defense may transfer funds among the program elements described in paragraph (2).

(B) Limitation.—The total amount that may be transferred to or from any program element described in paragraph (2)—

(i) may not exceed 10 percent of the amount provided in such paragraph for the program element from which the transfer is made; and

(ii) may not exceed the amount that results in an increase of more than 10 percent of the amount provided in such paragraph for the program element to which the transfer is made.

(C) Merger and Availability.—Amounts transferred pursuant to subparagraph (A) shall be merged with and be available for the same purposes as the amounts to which transferred.

(g) Review of Follow-On Deployment Options.—As deployment at the anti-ballistic missile site described in subsection (b)(2)(B) draws near to the deployment date of fiscal year 1996, the President and the Congress shall assess the progress in the ABM Treaty amendments negotiation. If U.S. negotiating objectives described in subsection (b)(3) have not been achieved, the President and the Congress should at that time consider the options available to the United States as now exist under the ABM Treaty. To assist in this review process, the President shall submit to the Congress not later than May 1, 1994, an interim report on the progress of the negotiations.

(h) Definition.—In this section, the term "ABM Treaty" means the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missiles, signed in Moscow on May 26, 1972.

(i) Interpretation.—Nothing in this Act may be construed to imply congressional authorization for development, testing, or deployment of anti-ballistic missile systems in violation of the ABM Treaty, including any protocols or amendments thereto.

SEC. 212. DEVELOPMENT AND TESTING OF ANTI-BALLISTIC MISSILE SYSTEMS OR COMPONENTS.

(a) Use of Funds.—

(1) Limitation.—Funds appropriated to the Department of Defense for fiscal year 1992, or otherwise made available to the Department of Defense from any funds appropriated for fiscal year 1992 or for any fiscal year before 1992, may not be obligated or expended—

(A) for any development or testing of anti-ballistic missile systems or components except for development and testing consistent with the development and testing described in the May 1991 SDIO Report; or

(B) for the acquisition of any material or equipment (including any long lead materials, components, piece parts, test equipment, or any modified space launch vehicle) required or to be used for the development or testing of anti-ballistic missile systems or components, except for material or equipment required for development or testing consistent with the development and testing described in the May 1991 SDIO Report.

(2) Exception.—The limitation under paragraph (1) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1992 if the transfer is made in accordance with section 1101 of this Act.

(b) Definition.—In this section, the term "May 1991 SDIO Report" means the report entitled, "1991 Report to Congress on the Strategic Defense Initiative," dated May 16, 1991, prepared by the Strategic Defense Initiative Organization and submitted to certain committees of the Senate and House of Representatives by the Secretary of Defense pursuant to section 224 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1398; 10 U.S.C. 2431).

Part C—Other Matters

SEC. 221. V-22 OSPREY AIRCRAFT PROGRAM.

(a) Transfer of Unobligated Fiscal Year 1991 Funds.—To the extent provided in appropriations Acts, the Secretary of the Navy shall transfer, out of any funds appropriated to the Navy for fiscal year 1991 for procurement of aircraft that remain available for obligation, $165,000,000 for research, development, test, and evaluation in connection with the V-22 Osprey aircraft program. Funds so transferred shall be available for obligation until September 30, 1993.

(b) Limitations on the Use of Funds.—(1) Funds appropriated for fiscal year 1992 for the Navy pursuant to section 201(2)(A) may not be obligated or expended for the V–22 Osprey aircraft program.

(2) No funds appropriated or otherwise made available to the Navy for fiscal year 1992 or for any fiscal year before that fiscal year may be obligated after January 1, 1992, for development and testing under the V-22 Osprey aircraft program until the Director of Operational Test and Evaluation has evaluated the performance of the V–22 aircraft during Operational Test IIA and has provided an early operational assessment regarding that aircraft to the Secretary of Defense.

(3) No funds appropriated or otherwise made available to the Navy for fiscal year 1993 or for any fiscal year before that fiscal year may be obligated after January 1, 1993, for development and testing under the V-22 Osprey aircraft program until the Director of Operational Test and Evaluation has evaluated the performance of the V–22 aircraft during Operational Test IIB and has provided an early operational assessment regarding that aircraft to the Secretary of Defense.

(c) Availability of Funds for the Special Operations Variant.—Of the amounts authorized to be appropriated pursuant to section 201(4) for the Defense Agencies, $15,000,000 shall be available for research, development, test, and evaluation in connection with the special operations variant of the V-22 Osprey aircraft.

SEC. 222. MANAGEMENT OF NAVY MINE COUNTERMEASURES PROGRAMS.

No funds appropriated or otherwise made available to the Navy for fiscal years 1992 and 1993 may be obligated on or after January 1, 1992, for developing and testing mine countermeasures systems unless primary responsibility for developing and testing such systems within the Navy for such years is transferred to the Research, Development, and Acquisition Command of the Marine Corps.

SEC. 223. NON-ACOUSTIC ANTI-SUBMARINE WARFARE PROGRAM.

No funds appropriated or otherwise made available to the Navy for fiscal years 1992 and 1993 may be obligated on or after January 1, 1992, for research and development in non-acoustic anti-submarine warfare unless the Secretary of Defense has first certified to the congressional defense committees that (1) the Department of Defense is conducting two viable, independent non-acoustic anti-submarine warfare programs within the Department, and (2) at least one such program is not managed within the Department of the Navy.

SEC. 224. ANTI-SUBMARINE WARFARE STAND-OFF WEAPON.

No funds appropriated for fiscal year 1992 for the Navy for research and development, and no funds otherwise available for the Navy for such fiscal year for that purpose, may be obligated for any anti-submarine stand-off weapon system until 45 days after the Secretary of the Navy submits to the congressional defense committees a report containing the following information:

(1) A validated operational requirement for such weapon system.

(2) The costs and benefits of the alternatives for meeting such requirement.

(3) The reasons for selecting that particular weapon system from among the alternatives considered by the Secretary.

SEC. 225. SHIP-TO-SHORE FIRE SUPPORT.

(a) AVAILABILITY OF FUNDS.—Of the amounts appropriated pursuant to section 201, not more than $25,000,000 may be obligated for the Submarine Tactical Warfare System Program until the Secretary of the Navy submits to the congressional defense committees a report on the Navy's requirements for ship-to-shore fire support.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) An evaluation of the use of gun and multiple launch rocket systems for ship-to-shore fire support.

(2) The Secretary's certification that the Navy has initiated a program for a proof-of-principle demonstration of the use of Army multiple launch rocket systems for ship-to-shore fire support.

SEC. 226. ICBM MODERNIZATION PROGRAM.

(a) FUNDING.—Of the amounts appropriated pursuant to section 201 for the Department of Defense for fiscal year 1992, not more than $800,909,000 shall be available for the intercontinental ballistic missile (ICBM) modernization program, of which—

(1) not more than $548,838,000 shall be available for the small ICBM (SICBM) program; and

(2) not more than $245,082,000 shall be available for the rail garrison MX (RGMX) program.

(b) TRANSFER OF UNOBLIGATED FISCAL YEAR 1991 FUNDS.—(1) Of the unobligated balance of the amount appropriated for the Air Force for fiscal year 1991 for research, development, test, and evaluation for ICBM modernization that remains available for obligation, $95,500,000 may, to the extent provided in appropriations Acts, be transferred for obligation in fiscal year 1992 for the procurement of MX missiles.

(2) Funds transferred pursuant to this subsection shall remain available until September 30, 1992.

(3) The transfer authority in this subsection is in addition to any other transfer authority provided in this or any other Act.

(c) LIMITATIONS.—(1) Funds appropriated or otherwise made available to the Department of Defense for any fiscal year before fiscal year 1993 may not be obligated to conduct any flight test of an MX missile from an operational model RGMX train.

(2) Of the amount made available pursuant to subsection (a)(2), not more than $20,000,000 may be obligated or expended until the Secretary of Defense certifies to the congressional defense committees that no funds will be obligated or expended to procure, integrate, test, or certify an operational model RGMX train in a manner that could result in the MX ICBM being considered a mobile ICBM system for the purposes of the Strategic Arms Reduction Talks (START), without regard to the basing mode designation given the MX ICBM by the United States for such purposes.

(d) SENSE OF CONGRESS.—It is the sense of Congress that the United States should rescind its previous designation, made for the purposes of the START negotiations, of the MX ICBM as a mobile ICBM system.

SEC. 227. MEDICAL COUNTERMEASURES AGAINST BIOWARFARE THREATS.

(a) FUNDING.—Of the amounts appropriated pursuant to section 201 for the Department of Defense for fiscal year 1992, not more than $53,800,000 shall be available for the medical component of the Biological Defense Research Program (BDRP) of the Department of Defense.

(b) LIMITATIONS.—(1) No funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 may be obligated or expended for product development, or for research, development, testing, or evaluation, of medical countermeasures against a biowarfare threat except for medical countermeasures against a validated biowarfare threat agent or a potential (far-term) biowarfare threat agent.

(2) Of the funds made available pursuant to subsection (a), not more than $10,000,000 may be obligated or expended for research, development, testing, and evaluation of medical countermeasures against potential (far-term) biowarfare threats.

(c) DEFINITIONS.—In this section:

(1) The term "biowarfare threat agent" means a biological agent that—

(A) is named in the biological warfare threat list published jointly by the Defense Intelligence Agency (DIA) and the Armed Forces Medical Intelligence Center (AFMIC); or

(B) is identified as a biowarfare agent by the Deputy Chief of Staff of the Army for Intelligence in accordance with Army regulations applicable to intelligence support for the medical component of the Biological Defense Research Program (BDRP).

(2) The term "validated biowarfare threat agent" means a biowarfare threat agent that is being or has been developed or produced for weaponization within 10 years, as assessed and determined by the DIA and the AFMIC.

(3) The term "potential (far-term) biowarfare threat agent" means a biowarfare threat agent that is an emerging or future biowarfare threat, is the object of research by a foreign threat country, and will be ready for weaponization in more than 10 years and less than 20 years, as assessed and determined by the DIA and the AFMIC.

(4) The term "weaponization" means incorporation into usable ordnance or other militarily useful means of delivery.

SEC. 228. UNIVERSITY RESEARCH INITIATIVE.

(a) AVAILABILITY OF FUNDS.—Of the amounts authorized to be appropriated for fiscal year 1992 pursuant to section 201, $107,373,000 shall be available for research and development under the University Research Initiative program of the Department of Defense.

(b) SPECIFIC ACTIVITIES.—Of the amount made available pursuant to subsection (a)—

(1) $20,000,000 shall be available for research in advanced manufacturing technologies and industrial processes; and

(2) $18,225,000 shall be available for research and development activities of institutions of higher education that were awarded less than $4,000,000 in Department of Defense contracts and grants for research and development during fiscal year 1990.

SEC. 229. CONTINUED COOPERATION WITH JAPAN ON TECHNOLOGY RESEARCH AND DEVELOPMENT.

Of the funds authorized to be appropriated pursuant to section 201 for research, development, test, and evaluation for fiscal year 1992, and made available for basic research, exploratory development, and advanced technology, $10,000,000 shall be available for such fiscal year for research and development projects conducted jointly by the United States and Japan in accordance with section 1454(d) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1695).

SEC. 230. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) FUNDING LEVELS TO BE SPECIFIED IN BUDGET DOCUMENTS.—Section 2367 of title 10, United States Code, is amended by inserting at the end the following:

"(d) FUNDING SPECIFICATIONS IN BUDGET DOCUMENTS.—In the documents provided to Congress by the Secretary of Defense in support of the budget submitted by the President under section 1105 of title 31, the Secretary shall set forth the proposed amount of the funding by the Department of Defense for each federally funded research and development center for the fiscal year covered by that budget.".

(b) MAN-YEAR LIMITATIONS.—Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 may not be obligated at any of the following federally funded research and development centers in order to obtain work in excess of the number of man-years specified for that center as follows:

(1) Center for Naval Analysis, 270.

(2) Institute for Defense Analysis:

(A) For studies and analysis, 320.

(B) For systems and engineering in connection with operational test and evaluation, 75.

(C) For research and development in connection with command, control, communications, and intelligence, 150.

(3) Rand Project Air Force, 150.

(4) National Defense Research Institute, 160.

(5) Arroyo Center, 150.

(6) Logistics Management Institute, 140.

(7) Aerospace Corporation, 2450.

(8) MIT Lincoln Laboratory, 1150.

(9) Software Engineering Institute, 160.

(10) Institute for Advanced Technology, 30.

(c) FUNDING LIMITATION.—Of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992, not more than $446,000,000 may be obligated for the federally funded research and development center of MITRE.

(d) AUTHORITY TO WAIVE LIMITATIONS.—The Secretary of Defense may waive a limitation in subsection (b) or (c) in the case of any federally funded research and development center if—

(1) the Secretary has notified the congressional defense committees of the proposed waiver and the reasons for the waiver, and

the 60-day period that begins on the date of the notification has elapsed; or

(2) the Secretary determines that it is essential to the national security that funds be obligated for work in excess of that limitation within 60 days and notifies the congressional defense committees of that determination and the reasons for the determination.

(e) Report on Allocations for Centers.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report containing the following information:

(1) The proposed funding level and the estimated manning level for fiscal year 1992 for each federally funded research and development center.

(2) The funding source for that funding level, by program element, and the amount transferred or to be transferred from that source to each federally funded research and development center for which a program element has not been specified before fiscal year 1992.

SEC. 231. ENGINE MODEL DERIVATIVE PROGRAM.

Of the amount authorized to be appropriated pursuant to section 201(3)(A) for the Air Force for fiscal year 1992, $3,000,000 shall be available for completion of the military qualification of a thousand-pound-thrust class engine for use in unmanned air vehicles. Qualification testing of that class of engine shall be carried out at the Arnold Engineering Development Center of the Air Force.

TITLE III—OPERATION AND MAINTENANCE

Part A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

(a) Authorization of Appropriations for Fiscal Year 1992.—Funds are hereby authorized to be appropriated for fiscal year 1992 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

(1) For the Army, $21,263,100,000.

(2) For the Navy, $23,148,350,000.

(3) For the Marine Corps, $2,170,300,000.

(4) For the Air Force, $19,963,380,000.

(5) For the Defense Agencies, $8,635,800,000.

(6) For the Army Reserve, $963,100,000.

(7) For the Naval Reserve, $841,500,000.

(8) For the Marine Corps Reserve, $81,900,000.

(9) For the Air Force Reserve, $1,080,900,000.

(10) For the Army National Guard, $2,128,900,000.

(11) For the Air National Guard, $2,280,400,000.

(12) For the National Board for the Promotion of Rifle Practice, $5,000,000.

(13) For the Inspector General of the Department of Defense, $120,100,000.

(14) For Drug Interdiction and Counterdrug Activities, Defense, $1,158,600,000.

(15) For the Court of Military Appeals, $5,500,000.

(16) For Environmental Restoration, Defense, $1,183,900.

(17) For Humanitarian Assistance, $13,000,000.

(b) Authorization of Appropriations for Fiscal Year 1993.—Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

(1) For the Army, $20,039,200,000.

(2) For the Navy, $23,781,100,000.

(3) For the Marine Corps, $2,190,200,000.

(4) For the Air Force, $21,047,600,000.

(5) For the Defense Agencies, $9,119,800,000.

(6) For the Army Reserve, $993,500,000.

(7) For the Naval Reserve, $816,950,000.

(8) For the Marine Corps Reserve, $77,650,000.

(9) For the Air Force Reserve, $1,263,900,000.

(10) For the Army National Guard, $2,116,300,000.

(11) For the Air National Guard, $2,723,600,000.

(12) For the National Board for the Promotion of Rifle Practice, $5,000,000.

(13) For the Inspector General of the Department of Defense, $116,700,000.

(14) For Drug Interdiction and Counterdrug Activities, Defense, $1,249,400,000.

(15) For the Court of Military Appeals, $5,900,000.

(16) For Environmental Restoration, Defense, $1,450,200,000.

(17) For Humanitarian Assistance, $13,000,000.

(c) Special Authorization for Contingencies.—There is authorized to be appropriated for each of fiscal years 1992 and 1993, in addition to the amounts authorized to be appropriated in subsections (a) and (b), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs; and

(2) for unbudgeted increases as the result of inflation in the cost of activities authorized by such subsections.

SEC. 302. WORKING CAPITAL FUNDS.

(a) Authorization of Appropriations for Fiscal Year 1992.—Funds are hereby authorized to be appropriated for fiscal year 1992 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for the Defense Business Operations Fund, $3,400,200,000.

(b) Authorization of Appropriations for Fiscal Year 1993.—Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for the Defense Business Operations Fund, $1,145,300,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is authorized to be appropriated for fiscal year 1992 from the Armed Forces Retirement Home Trust Fund the sum of $57,651,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. HUMANITARIAN ASSISTANCE.

(a) Purpose.—(1) Funds appropriated pursuant to the authorization in section 301(a)(17) for humanitarian assistance shall be used for the purpose of providing transportation for humanitarian relief for persons displaced, or who are refugees, because of the invasion of Afghanistan by the Soviet Union.

(2) Of the funds authorized to be appropriated for fiscal year 1992 pursuant to such section for such purpose, not more than $3,000,000 shall be available for the distribution of humanitarian relief supplies to displaced persons or refugees who are noncombatants, including those affiliated with the Cambodian non-Communist resistance, at or near the border between Thailand and Cambodia.

(b) Authority To Transfer Funds.—The Secretary of Defense may transfer to the Secretary of State not more than $3,000,000 of the funds appropriated pursuant to such section for fiscal year 1992 for humanitarian assistance, other than the funds described in subsection (a)(2), to provide for—

(1) the payment of administrative costs incurred in providing the transportation described in subsection (a); and

(2) the purchase or other acquisition of transportation assets for the distribution of humanitarian relief supplies in the country of destination.

(c) Transportation Under Direction of the Secretary of State.—Transportation for humanitarian relief provided with funds appropriated pursuant to such section for humanitarian assistance shall be provided under the direction of the Secretary of State.

(d) Means of Transportation To Be Used.—Transportation for humanitarian relief provided with funds appropriated pursuant to such section for humanitarian assistance shall be provided by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to provide transportation other than by the most economical means available. The means used to provide such transportation may include the use of aircraft and personnel of the reserve components of the Armed Forces.

(e) Availability of Funds.—Funds appropriated pursuant to such section for humanitarian assistance shall remain available until expended, to the extent provided in appropriations Acts.

(f) Reports to Congress.—(1) The Secretary of Defense shall submit (at the times specified in paragraph (2)) to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives a report on the provision of humanitarian assistance under the humanitarian relief laws specified in paragraph (4).

(2) A report required by paragraph (1) shall be submitted—

(A) not later than 60 days after the date of the enactment of this Act;

(B) not later than June 1, 1992; and

(C) not later than June 1 of each year thereafter until all funds available for humanitarian assistance under the humanitarian relief laws specified in paragraph (4) have been obligated.

(3) A report required by paragraph (1) shall contain (as of the date on which the report is submitted) the following information:

(A) The total amount of funds obligated for humanitarian relief under the humanitarian relief laws specified in paragraph (4).

(B) The number of scheduled and completed flights for the purposes of providing humanitarian relief under the humanitarian relief laws specified in paragraph (4).

(C) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of title 10, United States Code.

(4) The humanitarian relief laws referred to in paragraphs (1), (2), and (3) are the following:

(A) This section.

(B) Section 303 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1525).

(C) Section 304 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1409).

(D) Section 303 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 1948).

(E) Section 331 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1078).

(F) Section 305 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 617).

(5) Section 303 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1525) is amended by striking out subsection (f).

SEC. 305. SUPPORT FOR THE 1993 WORLD UNIVERSITY GAMES.

(a) AUTHORITY TO PROVIDE SUPPORT.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1993 World University Games to be held in the State of New York.

(b) PAY AND NONTRAVEL-RELATED ALLOWANCES.—The costs for pay and nontravel-related allowances of members of the Armed Forces for the support and services referred to in subsection (a) may not be charged to appropriations authorized in subsection (c).

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Department of Defense for fiscal year 1992, $1,000,000 to carry out subsection (a).

SEC. 306. SUPPORT FOR THE 1996 SUMMER OLYMPICS.

(a) AUTHORITY TO PROVIDE SUPPORT.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1996 games of the XXVI Olympiad to be held in Atlanta, Georgia.

(b) PAY AND NONTRAVEL-RELATED ALLOWANCES.—The costs for pay and nontravel-related allowances of members of the Armed Forces may not be charged to appropriations authorized in subsection (c).

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Department of Defense for fiscal year 1992, $2,000,000 to carry out subsection (a).

PART B—OTHER MATTERS

SEC. 311. LIMITATION ON OBLIGATIONS AGAINST STOCK FUNDS.

(a) LIMITATION.—(1) The Secretary of Defense may not incur obligations against the stock funds of the Department of Defense during fiscal year 1992 in an amount in excess of 80 percent of the sales from such stock funds during that fiscal year.

(2) For the purposes of determining the amount of obligations incurred against, and sales from, the stock funds during fiscal year 1992, the Secretary shall exclude obligations and sales for fuel, subsistence and commissary items, retail operations, repair of equipment, and the cost of operations.

(b) EXCEPTION.—The Secretary of Defense may waive the limitation contained in subsection (a) if the Secretary determines that such waiver is critical to the national security of the United States. The Secretary shall immediately notify Congress of any such waiver and the reasons for such waiver.

SEC. 312. CONTRACTS FOR EQUIPMENT MAINTENANCE AND OPERATION.

Section 2410a of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting ", equipment," after "tools"; and

(2) by adding at the end the following new paragraph:

"(4) The operation of equipment.".

SEC. 313. DEPOT MAINTENANCE WORKLOAD COMPETITION.

(a) EXTENSION OF PILOT PROGRAM.—Paragraph (1) of section 922(a) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1627) is amended to read as follows:

"(1) The Secretary of Defense shall conduct a depot maintenance workload competition pilot program during fiscal years 1991 and 1992.".

(b) REPEAL OF PROHIBITION.—(1) Section 2466 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 146 of such title is amended by striking out the item relating to section 2466.

SEC. 314. REPEAL OF AUTHORITY OF BASE COMMANDERS OVER CONTRACTING FOR COMMERCIAL ACTIVITIES.

(a) IN GENERAL.—Section 2468 of title 10, United States Code, is repealed.

(b) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 146 of such title is amended by striking out the item relating to section 2468.

SEC. 315. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1684) is amended—

(1) in subsection (a), by striking out "During fiscal year 1991, naval" and inserting in lieu thereof "Naval";

(2) by adding at the end the following new subsection:

"(e) EXPIRATION OF AUTHORITY.—The authority provided by this section expires on September 30, 1992."; and

(3) by striking out "during fiscal year 1991" in the section heading.

SEC. 316. PROHIBITION ON THE PURCHASE OF SURETY BONDS AND OTHER GUARANTIES FOR THE DEPARTMENT OF DEFENSE.

No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1992 or fiscal year 1993 may be obligated or expended for the purchase of surety bonds or other guaranties of financial responsibility in order to guarantee the performance of any direct function of the Department of Defense.

SEC. 317. IMPACT ASSISTANCE FOR NYE COUNTY, NEVADA.

During fiscal year 1992, the Secretary of Defense may provide direct grant assistance of not more than $1,000,000 to Nye County, Nevada, for impact assistance. The impact assistance relates to the capital improvements made by such county that accommodate the dependents of members of the Armed Forces, Department of Defense civilian employees, Department of Defense contractor personnel, and Department of Energy employees supporting the mission of the Tonapah Research Center.

SEC. 318. PREVENTION OF THE TRANSPORTATION OF BROWN TREE SNAKES ON AIRCRAFT AND VESSELS OF THE DEPARTMENT OF DEFENSE.

The Secretary of Defense shall take such action as may be necessary to prevent the inadvertent introduction of brown tree snakes from Guam to Hawaii in aircraft and vessels transporting personnel or cargo for the Department of Defense. In carrying out this section, the Secretary shall consider the use of sniffer or tracking dogs, snake traps, and other preventive processes or devices at aircraft and vessel loading facilities on Guam, Hawaii, or intermediate transit points for such personnel or cargo.

SEC. 319. DONATION OF CERTAIN SCRAP METAL TO THE MEMORIAL FUND FOR DISASTER RELIEF.

(a) DONATION AUTHORIZED.—Notwithstanding any provision of the Federal Property and Administrative Services Act of 1941 (40 U.S.C. 471 et seq.) or any other provision of law, the Secretary of Defense may donate not more than 15 tons of cruise missile scrap generated by the INF Treaty destruction requirements and managed by the Defense Logistics Agency at the Davis-Monthan Air Force Base, Tuscon, Arizona, to the Memorial Fund for Disaster Relief, a corporation incorporated under the laws of the State of Delaware.

(b) DEFINITION.—For purposes of this section, the term "INF Treaty" means the Treaty Between the United States and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, signed in Washington, D.C., on December 8, 1987.

SEC. 320. SURETY BONDS FOR DEFENSE ENVIRONMENTAL RESTORATION PROGRAM CONTRACTS.

(a) IN GENERAL.—Section 2701 of title 10, United States Code, is amended by adding at the end the following:

"(h) SURETY-CONTRACTOR RELATIONSHIP.—Any surety which provides a bid, performance, or payment bond in connection with any direct Federal procurement contract for a response action under the Defense Environmental Restoration Program and begins activities to meet its obligations under such bond, shall, in connection with such activities or obligations, be entitled to any indemnification and standard of liability to which its principal was entitled under the contract or under any applicable law or regulation.

"(i) SURETY BONDS.—

"(1) APPLICABILITY OF MILLER ACT.—If under the Act of August 24, 1935 (40 U.S.C. 270a-270d), commonly referred to as the 'Miller Act', surety bonds are required for any direct Federal procurement of a contract for a response action under the Defense Environmental Restoration Program and are not waived pursuant to the Act of April 29, 1941 (40 U.S.C. 270e-270f), the surety bonds shall be issued in accordance with such Act of August 24, 1935.

"(2) LIMITATION OF ACCRUAL OF RIGHTS OF ACTION UNDER BONDS.—If, under applicable Federal law, surety bonds are required for any direct Federal procurement of any contract for a response action under the Defense Environmental Restoration Program, no right of action shall accrue on the performance bond issued on such contract to or for the use of any person other than an obligee named in the bond.

"(3) LIABILITY OF SURETIES UNDER BONDS.—If, under applicable Federal law, surety bonds are required for any direct Federal procurement of any contract for a response action under the Defense Environmental Restoration Program, unless otherwise provided for by the Secretary in the bond, in the event of a default, the surety's liability on a performance bond shall be only for the cost of completion of the contract work in accordance with the plans and specifications of the contract less the balance of funds remaining to be paid under the contract, up to the sum of the bond. The surety shall in no event be liable on bonds to indemnify or compensate the obligee for loss or liability arising from personal injury or property damage whether or not caused by a breach of the bonded contract.

"(4) NONPREEMPTION.—Nothing in this section shall be construed as preempting, limiting, superseding, affecting, applying to, or modifying any State laws, regulations, requirements, rules, practices, or procedures. Nothing in this section shall be construed as affecting, applying to, modifying, limiting, superseding, or preempting any rights, authorities, liabilities, demands, actions, causes of action, losses, judgment, claims, statutes of limitation, or obligations under Federal or State law, which do not arise on or under the bond.

"(j) APPLICABILITY.—Subsections (h) and (i) shall not apply to bonds executed before October 1, 1991, or after December 31, 1992.".

SEC. 321. REPEAL OF REQUIREMENT FOR AUTHORIZATION OF CIVILIAN PERSONNEL BY END STRENGTH.

Section 115 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out paragraph (4); and

(2) in subsection (b)—

(A) by inserting "or" at the end of paragraph (2);

(B) by striking out "; or" at the end of paragraph (3) and inserting in lieu thereof a period; and

(C) by striking out paragraph (4).

SEC. 322. INAUGURATION ASSISTANCE.

(a) FURNISHING OF MATERIALS, SUPPLIES, AND SERVICES.—During fiscal years 1992 and 1993, the Secretary of Defense may, as the Secretary determines to be appropriate and under such conditions as the Secretary may prescribe, lend materials or supplies and provide materials, supplies, or services of personnel to the Inaugural Committee established under the first section of the Presidential Inaugural Ceremonies Act (36 U.S.C. 721 et seq.) or to the joint committee described in section 9 of that Act.

(b) ADDITIONAL AUTHORITY.—The authority provided by subsection (a) is in addition to the authority provided by section 2543 of title 10, United States Code.

SEC. 323. ACQUISITION OF INVENTORY.

(a) The Secretary of Defense may not incur any obligations against the stock funds of the Department of Defense for the acquisition of any items of supply if such acquisition is likely to result in an on-hand inventory (excluding war reserves) of such items of supply in excess of two years of operating stocks.

(b) Notwithstanding subsection (a), the head of a procuring activity may authorize the acquisition of an item of supply if such head of a procuring activity determines in writing that such acquisition is necessary for industrial base purposes or for other national security reasons.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) FISCAL YEAR 1992.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1992, as follows:

(1) The Army, 660,200, of whom not more than 96,781 shall be commissioned officers.

(2) The Navy, 551,400, of whom not more than 69,468 shall be commissioned officers.

(3) The Marine Corps, 188,000, of whom not more than 19,180 shall be commissioned officers.

(4) The Air Force, 486,800, of whom not more than 92,020 shall be commissioned officers.

(b) FISCAL YEAR 1993.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1993, as follows:

(1) The Army, 618,200, of whom not more than 90,768 shall be commissioned officers.

(2) The Navy, 536,000, of whom not more than 67,557 shall be commissioned officers.

(3) The Marine Corps, 182,200, of whom not more than 18,591 shall be commissioned officers.

(4) The Air Force, 458,100, of whom not more than 86,594 shall be commissioned officers.

(c) LIMITATION ON INVOLUNTARY SEPARATION OF CAREER PERSONNEL INELIGIBLE TO RETIRE.—(1) The Secretary of Defense may not require the involuntary separation in fiscal year 1992 of any member of the Armed Forces on active duty who has completed the initial period of obligated active duty service applicable to such member and is ineligible to retire with entitlement to retired or retainer pay.

(2) Paragraph (1) does not apply to the following involuntary separations of active duty personnel:

(A) A separation of an officer under chapter 36 of title 10, United States Code, for reasons other than meeting an end strength limitation applicable to officers.

(B) A separation for physical disability, age, or cause.

(C) A separation that is made without regard to the limitations on active duty end strengths in subsection (a), as determined under regulations prescribed by the Secretary of Defense.

(d) WAIVER AUTHORITY FOR END STRENGTHS.—The Secretary of Defense may waive an end strength prescribed in subsection (a) for any of the Armed Forces to the extent that the Secretary considers the waiver necessary to prevent the administration of subsection (c) from causing personnel imbalances that would impair the long-term combat readiness of that armed force.

SEC. 402. REDUCTION IN AUTHORIZED END STRENGTH FOR THE NUMBER OF MILITARY PERSONNEL IN EUROPE.

(a) REDUCTION.—Section 1002(c)(1) of the Department of Defense Authorization Act, 1985 (22 U.S.C. 1928 note), is amended in the first sentence by striking out "261,855" and inserting in lieu thereof "235,700".

(b) WAIVER OF AUTHORITY.—Such section is amended in the third sentence—

(1) by striking out "261,855" and inserting in lieu thereof "235,700"; and

(2) by striking out "311,855" and inserting in lieu thereof "261,855".

SEC. 403. REDUCTION IN NUMBER OF ACTIVE DUTY AIR FORCE COLONELS.

The table in section 523(a)(1) of title 10, United States Code, is amended by striking out the figures under the heading "Colonel" relating to the Air Force and inserting in lieu thereof the following:

"3,392
"3,573
"3,754
"3,935
"4,115
"4,296
"4,477
"4,658
"4,838
"5,019
"5,200
"5,381".

PART B—RESERVE FORCES

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) FISCAL YEAR 1992.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1992, as follows:

(1) The Army National Guard of the United States, 443,380.

(2) The Army Reserve, 307,900.

(3) The Naval Reserve, 145,880.

(4) The Marine Corps Reserve, 43,100.

(5) The Air National Guard of the United States, 118,100.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(b) FISCAL YEAR 1993.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1993, as follows:

(1) The Army National Guard of the United States, 425,450.

(2) The Army Reserve, 296,230.

(3) The Naval Reserve, 141,545.

(4) The Marine Corps Reserve, 42,230.

(5) The Air National Guard of the United States, 119,400.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(c) WAIVER AUTHORITY.—The Secretary of Defense may vary an end strength authorized by subsection (a) by not more than 2 percent.

(d) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component for any fiscal year shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) FISCAL YEAR 1992.—Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1992, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 25,270.

(2) The Army Reserve, 12,815.

(3) The Naval Reserve, 22,520.

(4) The Marine Corps Reserve, 2,345.

(5) The Air National Guard of the United States, 9,081.

(6) The Air Force Reserve, 643.

(b) FISCAL YEAR 1993.—Within the end strengths prescribed in section 411(b), the reserve components of the Armed Forces are authorized, as of September 30, 1993, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,889.

(2) The Army Reserve, 12,673.

(3) The Naval Reserve, 22,045.

(4) The Marine Corps Reserve, 2,310.

(5) The Air National Guard of the United States, 9,072.

(6) The Air Force Reserve, 618.

(c) ARMY RESERVE COMPONENT STRENGTHS FOR FISCAL YEARS 1994–1998.—The table in section 412(b)(2) of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1547; 10 U.S.C. 261 note) is amended to read as follows:

"Fiscal Year	Army Reserve	Army National Guard
1994	12,006	23,579
1995	11,339	22,269
1996	10,672	20,959
1997	10,005	19,649
1998	9,341	18,340".

SEC. 413. INCREASED NUMBER OF ACTIVE DUTY OFFICERS ASSIGNED TO FULL-TIME SUPPORT AND TRAINING OF ARMY NATIONAL GUARD COMBAT UNITS.

Within the end strength for the number of officers of the Army on active duty as of the end of fiscal year 1992 that is prescribed by section 401(a)(1), the Secretary of the Army shall assign 1,300 of the officers on active duty within that number to full-time duty in connection with organizing, administering, recruiting, instructing, or training combat units of the Army National Guard.

SEC. 414. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) SENIOR ENLISTED MEMBERS.—Effective on October 1, 1991, the table in section 517(b) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	569	202	279	14
E–8	2,585	429	800	74".

(b) OFFICERS.—Effective on October 1, 1991, the table in section 524(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	575	110
Lieutenant Colonel or Commander	1,524	520	595	75
Colonel or Navy Captain	372	188	227	25".

PART C—MILITARY TRAINING STUDENT LOADS

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) FISCAL YEAR 1992.—For fiscal year 1992, the components of the Armed Forces are authorized average military training loads as follows:

(1) The Army, 66,525.

(2) The Navy, 59,675.

(3) The Marine Corps, 20,880.

(4) The Air Force, 26,880.

(5) The Army National Guard of the United States, 16,611.

(6) The Army Reserve, 15,337.

(7) The Naval Reserve, 3,112.

(8) The Marine Corps Reserve, 3,520.

(9) The Air National Guard of the United States, 2,765.

(10) The Air Force Reserve, 1,628.

(b) FISCAL YEAR 1993.—For fiscal year 1993, the components of the Armed Forces are authorized average military training loads as follows:

(1) The Army, 65,430.

(2) The Navy, 58,720.

(3) The Marine Corps, 20,545.

(4) The Air Force, 26,450.

(5) The Army National Guard of the United States, 16,345.

(6) The Army Reserve, 15,090.

(7) The Naval Reserve, 3,060.

(8) The Marine Corps Reserve, 3,465.

(9) The Air National Guard of the United States, 2,720.

(10) The Air Force Reserve, 1,600.

(c) ADJUSTMENTS.—The average military student loads authorized in subsections (a) and (b) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

TITLE V—MILITARY PERSONNEL POLICY

PART A—GENERAL MATTERS

SEC. 501. INITIAL APPOINTMENT OF COMMISSIONED OFFICER TO BE IN A RESERVE GRADE.

Section 532 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) No person may receive an original appointment as a commissioned officer in the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps until the member has completed one year of service on active duty as a commissioned officer of a reserve component.".

SEC. 502. TRANSITION PERIOD FOR CERTAIN GENERAL AND FLAG OFFICERS AWAITING RETIREMENT.

(a) REDUCTION IN PERIOD.—Section 601(b)(4) of title 10, United States Code, is amended by striking out "90 days" and inserting in lieu thereof "30 days".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins more than 60 days after the date of the enactment of this Act.

SEC. 503. SELECTIVE EARLY RETIREMENT FLEXIBILITY.

(a) EXCLUSION OF OFFICERS OTHERWISE APPROVED FOR RETIREMENT.—Section 638(e) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(e)";

(2) by designating the second sentence as paragraph (2) and realigning such paragraph, as so designated, flush to the left margin;

(3) in paragraph (2), as so designated—

(A) by striking out "Such regulations" and inserting in lieu thereof "The regulations";

(B) by striking out "under this section, such list" and inserting in lieu thereof "under this section, such list—";

(C) in the matter beginning with "shall include"—

(i) by striking out "shall include" and inserting in lieu thereof "(A) except as provided in subparagraph (B), shall include";

(ii) by realigning such matter two ems from the left margin; and

(iii) by striking out the period at the end and inserting in lieu thereof "; and"; and

(D) by adding at the end the following:

"(B) may not include any officer in that grade and competitive category who has been approved for retirement during the fiscal year in which the selection board is convened or, if different, for retirement in the fiscal year in which any officer selected for retirement by the selection board is required to retire, as determined as of the convening date of the selection board."; and

(4) by adding at the end the following new paragraph:

"(3) An officer not considered by a selection board convened under section 611(b) by reason of paragraph (2)(B) shall be retired on the date approved for the retirement of such officer as of the convening date of such selection board unless the Secretary concerned approves a modification of such date in order to prevent a personal hardship for the officer or for other humanitarian reasons.".

(b) TEMPORARY EARLY RETIREMENT SELECTION AUTHORITY.—Section 638a(b)(2) of such title is amended—

(1) by striking out "through (C)" and inserting in lieu thereof "through (D)"; and

(2) by adding at the end the following new subparagraph:

"(D) Officers holding a regular grade below the grade of lieutenant colonel or, in the case of the Navy, commander who will become eligible for retirement under section 3911, 6323, or 8911 of this title before being retired pursuant to selection by the selection board and whose names are not on a list of officers recommended for promotion.".

SEC. 504. WAIVER OF PROHIBITION ON CERTAIN RESERVE SERVICE WITH THE R.O.T.C. PROGRAM.

The Secretary of the military department concerned may waive the prohibition in section 690 of title 10, United States Code, in the case of a member of a reserve component of the Armed Forces referred to in that section who is serving in an assignment to duty with a unit of the Reserve Officer Training Corps program on September 30, 1991, if the Secretary determines that the removal of the member from that assignment will cause a financial hardship for that member.

SEC. 505. RETIREMENT OF CHIEF OF NAVAL OPERATIONS AND COMMANDANT OF THE MARINE CORPS IN HIGHEST GRADE.

(a) CHIEF OF NAVAL OPERATIONS.—Section 5034 of title 10, United States Code, is amended by inserting "and by and with the advice and consent of the Senate" after "President".

(b) COMMANDANT OF THE MARINE CORPS.—Section 5043(c) of such title is amended by inserting "and by and with the advice and consent of the Senate" after "President".

SEC. 506. ELIMINATION OF MINIMUM ENLISTED SERVICE REQUIREMENT FOR NOMINATION TO THE NAVAL ACADEMY.

Section 6958(c) of title 10, United States Code, is amended—

(1) by striking out clause (2); and

(2) by redesignating clauses (3) and (4) as clauses (2) and (3), respectively.

SEC. 507. ADMINISTRATION OF ATHLETICS PROGRAMS AT THE SERVICE ACADEMIES.

(a) INDEPENDENT REVIEW BOARD.—The Secretary of Defense shall appoint a board to review the administration of the athletics programs of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

(b) COMPOSITION OF BOARD.—The Secretary shall appoint the members of the board from among distinguished administrators of institutions of higher education, members of Congress, members of the Boards of Visitors of the academies, and other experts in collegiate athletics programs. The Superintendents of the three academies shall be members of the board. The Secretary shall designate one member of the board, other than a Superintendent of an academy, as Chairman.

(c) DUTIES.—The board shall, on an annual basis—

(1) review all aspects of the athletics programs of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy, including—

(A) the policies relating to the administration of such programs;

(B) the appropriateness of the balance between the emphasis placed by each academy on athletics and the emphasis placed by such academy on academic pursuits; and

(C) the extent to which all athletes in all sports are treated equitably under the athletics program of each academy; and

(2) determine ways in which the administration of the athletics programs at the academies can serve as models for the ad-

ministration of athletics programs at civilian institutions of higher education.

(d) ADMINISTRATIVE PROVISIONS.—(1) Each member of the board who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the board. Members of the board who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) The members of the board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the board.

SEC. 508. AUTHORITY TO WAIVE MAXIMUM AGE LIMITATION ON ADMISSION TO THE SERVICE ACADEMIES FOR CERTAIN MEMBERS WHO SERVED DURING THE PERSIAN GULF WAR.

(a) WAIVER AUTHORITY.—The Secretary of the military department concerned may waive the maximum age limitation in section 4346(a), 6958(a)(1), or 9346(a) of title 10, United States Code, in the case of any enlisted member of the Armed Forces who—

(1) becomes 22 years of age while serving on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm during the Persian Gulf War; or

(2) was a candidate for admission to the service academy under the jurisdiction of such Secretary in 1990, was prevented from being admitted to the academy during that year by reason of the service of such person on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, and became 22 years of age after July 1, 1990, and before the end of such service in that area of operations.

(b) DEFINITIONS.—In this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf War" has the meaning given such term in section 101(33) of title 38, United States Code.

SEC. 509. EXTENSIONS OF CERTAIN MILITARY PERSONNEL MANAGEMENT AUTHORITIES.

(a) COMPUTATION OF YEARS OF SERVICE FOR MANDATORY TRANSFER TO RETIRED RESERVE.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (Public Law 98–94; 10 U.S.C. 3360 note) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(b) GRADE DETERMINATION FOR CERTAIN MEDICAL CORPS RESERVE OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(c) PROMOTION OF CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of title 10, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(d) EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS IN THE SELECTED RESERVE.—Section 2172(d) of title 10, United States Code, is amended by striking out "October 1, 1992" and inserting in lieu thereof "October 1, 1995".

SEC. 510. TEMPORARY AUTHORITY FOR PROMOTION OF NAVY LIEUTENANTS MADE PERMANENT.

Section 5721(f) of title 10, United States Code, is repealed.

SEC. 511. INTEGRITY OF THE PROMOTION SELECTION BOARD PROCESS.

(a) COMMUNICATIONS WITH BOARDS.—Section 615 of title 10, United States Code, is amended—

(1) by redesignating subsections (a) through (d) as subsections (b) through (e); and

(2) by inserting before subsection (b), as so redesignated, the following new subsection (a):

"(a)(1) The Secretary of Defense shall prescribe uniform regulations governing information furnished to selection boards convened under section 611(a) of this title. The Secretaries of the military departments may not supplement such regulations without the advance written approval of the Secretary of Defense.

"(2) Each communication to a selection board shall be furnished to all board members and made a part of the selection board's record. Each communication shall be in a written form or in the form of an audio or video recording. If a communication is in the form of such a recording, a written transcription of the recording shall also be made a part of the selection board's record.

"(3) No information concerning a particular eligible officer may be communicated to a selection board except for the following information:

"(A) Information in an eligible officer's official military personnel records provided to the selection board in accordance with the uniform regulations prescribed by the Secretary of Defense pursuant to paragraph (1).

"(B) Other information that has been reviewed by the Secretary of the military department concerned in accordance with standards and procedures prescribed in the uniform regulations and that has been determined by that Secretary to be substantiated, relevant information that could reasonably and materially affect the deliberations of the selection board.

"(C) Subject to such limitations as may be prescribed in the uniform regulations, information communicated to the board by an eligible officer in accordance with this section, section 614(b) of this title (including any comments on information referred to in subparagraph (A) regarding that officer), or other applicable law.

"(D) A factual summary of the information described in subparagraphs (A), (B), and (C) that, in accordance with the uniform regulations, has been prepared by administrative personnel for the purpose of facilitating the work of the selection board.

"(4) Paragraphs (2) and (3) do not apply to the communication of appropriate administrative processing information to the selection board by administrative staff designated to assist the board, but only to the extent that oral communications are necessary to facilitate the work of the board.

"(5)(A) The Secretary of the military department concerned shall ensure that, before information described in paragraph (3)(B) regarding an eligible officer is provided to a selection board, that officer—

"(i) is notified that such information will be presented to the selection board; and

"(ii) is afforded a reasonable opportunity to submit comments on that information to the selection board.

"(B) If an eligible officer cannot be given access to the information referred to in subparagraph (A) because of its classification status, the officer shall, to the maximum extent practicable, be provided with an appropriate summary of the information.".

(b) TECHNICAL AMENDMENTS.—(1) The heading for section 614 of such title is amended by striking out "**; communications with boards**".

(2) The item relating to such section in the table of sections for subchapter I of chapter 36 of such title, is amended by striking out "; communications with boards".

(c) DISCLOSURE OF BOARD RECOMMENDATIONS.—Section 616 of such title is amended by adding at the end the following new subsections:

"(e)(1) The recommendations of a selection board may be disclosed only in accordance with regulations prescribed by the Secretary of Defense. In no event may the recommendations be disclosed to any person not a member of the board until the written report of the recommendations, required by section 617 of this title, has been signed by each member of the board.

"(f) No Secretary convening a selection board under section 611(a) of this title, and no officer or other official exercising authority over any member of a selection board, may—

"(1) censure, reprimand, or admonish the selection board or any member of the board with respect to the recommendations of the board or the exercise of any function within the discretion of the board; or

"(2) attempt to coerce or, by any unauthorized means, influence any action of a selection board or any member of a selection board in the formulation of the board's recommendations.".

(d) RECOMMENDATIONS FOR REMOVAL OF SELECTED OFFICERS FROM REPORT.—Section 618 of such title is amended by inserting the following at the end thereof:

"(g) If the Secretary of a military department or the Secretary of Defense makes a recommendation under this section that the name of an officer be removed from a report of a selection board and the recommendation includes information that was not presented to that selection board, the information shall be made available to that officer. The officer shall then be afforded a reasonable opportunity to submit comments on that information to the officials making the recommendation and the officials reviewing the recommendation. If an eligible officer cannot be given access to such information because of its classification status, the officer shall, to the maximum extent practicable, be provided with an appropriate summary of the information.".

(e) SCREENING OF OFFICERS FOR CONSIDERATION BY SELECTION BOARDS.—Section 619(c)(2) of such title is amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) may, in accordance with standards and procedures prescribed by the Secretary of Defense in uniform regulations, limit the officers to be considered by a selection board from below the promotion zone to those officers who are determined to be exceptionally well qualified for promotion;";

(2) by striking out subparagraph (B);

(3) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(4) by inserting at the end the following new paragraph:

"(3)(A) The Secretary of Defense may authorize the Secretaries of the military departments to preclude from consideration by selection boards for promotion to the grade of brigadier general or rear admiral (lower half) officers in the grade of colonel or, in the case of the Navy, captain who—

"(i) have been considered and not selected for promotion to the grade of brigadier general or rear admiral (lower half) by at least two selection boards; and

"(ii) are determined, in accordance with standards and procedures prescribed pursuant to subparagraph (B), as not being exceptionally well qualified for promotion.

"(B) If the Secretary of Defense grants the authority described in subparagraph (A) to the Secretaries of the military departments he shall prescribe uniform regulations containing the standards and procedures for the exercise of such authority. The regulations shall include the following provisions:

"(i) That the Secretary of a military department may exercise such authority in the case of a particular selection board only if the Secretary of Defense has approved the exercise of that authority for that board.

"(ii) That no officer may be precluded from consideration by a selection board except upon the recommendation of a preselection board of officers convened by the Secretary of the military department concerned and composed of at least three officers all of whom are serving in a grade higher than the grade of such officer.

"(iii) That a preselection board may not recommend that an officer be precluded from such consideration unless the Secretary concerned has given the officer advance written notice of the convening of such board and of the military records that will be considered by the board and has given the officer a reasonable period before the convening of the board in which to submit comments to the board.

"(iv) That the Secretary convening a preselection board shall provide general guidance to the board in accordance with standards and procedures prescribed by the Secretary of Defense in the uniform regulations.

"(v) That the preselection board may recommend that an officer be precluded from consideration by a selection board only on the basis of the general guidance provided by the Secretary of the military department concerned, information in the officer's official military personnel records that have been described in the notice provided the officer as required pursuant to clause (iii), and any communication to the board received by the Secretary from that officer before the board convenes.".

(f) Effective Date.—The amendments made by this section shall apply to selection boards convened under section 611(a) of title 10, United States Code, on or after the date 60 days after the date of enactment of this Act.

SEC. 512. REPORT ON THE SUPERVISION, MANAGEMENT, AND ADMINISTRATION OF THE RESERVE COMPONENTS.

(a) Report Required.—Not later than December 31, 1992, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the supervision, management, and administration of the reserve components of the Armed Forces.

(b) Contents of Report.—The report shall include the following information:

(1) A description of the organization and supervision of the performance of the command, management, and administration functions for such components by the Secretary of Defense.

(2) A description of the organization and supervision of the performance of the command, management, and administration functions for such components by the Secretary of each military department.

(3) A description of the manner in which the organization and supervision referred to in paragraphs (1) and (2) facilitates the readiness of the reserve components to carry out the purpose of such components set out in section 262 of title 10, United States Code.

(4) Any recommended legislation that the Secretary considers necessary for the improvement of the organization and supervision of the performance of such functions and the readiness of the reserve components to carry out such purpose.

(5) Any additional actions that the Secretary plans to take in order to improve the organization and supervision of the performance of such functions and the readiness of the reserve components to carry out such purpose.

SEC. 513. REVIEW OF PORT CHICAGO COURT MARTIAL CASES.

The Secretary of the Navy shall initiate without delay a thorough review of the cases of all 258 individuals convicted in the courts-martial arising from the explosion at the Port Chicago (California) Naval Magazine on July 17, 1944. The purpose of the review shall be to determine the validity of the original findings and sentences and the extent, if any, to which racial prejudice or other improper factors now known may have tainted the original investigations and trials. If the Secretary determines that the conviction of an individual in any such case was in error or an injustice, then, notwithstanding any other provision of law, he may correct that individual's military records (including the record of the court-martial in such case) as necessary to rectify the error or injustice.

SEC. 514. ACCESS OF PARENTS AND CERTAIN OTHERS TO THE MILITARY RECORDS OF DECEASED SERVICEMEMBERS.

(a) Chapter 53 of title 10, United States Code, is amended by inserting the following new section at the end thereof:

"§ 1057. Access of parents and certain others to the military records of deceased servicemembers

"(a) The Secretary of Defense shall respond promptly and comprehensively to requests by the parents, spouse, children who are at least eighteen years of age, or legal representative of a member of the armed forces who died while serving on active duty or on inactive-duty training.

"(b) The Secretary shall make available to a person described in subsection (a) a copy of any military record of the member (including any autopsy report or report of investigation concerning the member's death) that would have been available to the member if the member were alive, upon written request for such record.

"(c) The Secretary may impose a nominal charge for the administrative and reproduction requests of responding to a request under subsection (b).

"(d) As used in this section, the term 'parent' includes an adoptive parent and a step-parent.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1057. Access of parents and certain others to the military records of deceased servicemembers.".

Part B—Commission on the Assignment of Women in the Armed Forces

SEC. 521. ESTABLISHMENT OF THE COMMISSION.

(a) Establishment.—There is established a commission to be known as the Commission on the Assignment of Women in the Armed Forces (hereafter in this part referred to as the "Commission").

(b) Composition.—(1) The Commission shall be composed of 15 members appointed by the President. The President shall designate one of the members as Chairman of the Commission.

(2) The President shall appoint the members of the Commission from among persons who have distinguished themselves in the public sector, the private sector, or higher education and who have had significant experience (as determined by the President) with one or more of the following matters:

(A) Scholarly inquiry into social and cultural matters affecting the workplace.

(B) Constitutional law and other law.

(C) The effects of medical and physiological factors on job performance.

(D) Service in the Armed Forces in a land combat environment.

(E) Service in the Armed Forces in an air combat environment.

(F) Service in the Armed Forces in a sea combat environment.

(G) Military personnel management.

(3) In making appointments to the Commission, the President shall consult with the chairman and ranking minority member of the Committees on Armed Services of the Senate and the House of Representatives.

(c) Period of Appointment; Vacancies.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) Initial Organizational Requirements.—(1) The President shall make all appointments under subsection (b) within 60 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting within 15 days after the first date on which all members of the Commission have been appointed. At that meeting the Commission shall develop a study agenda and schedule for carrying out its responsibilities under this part.

SEC. 522. DUTIES.

The Commission shall conduct a thorough study of all matters relating to the assignments of women in the Armed Forces and make findings on such matters, including the following matters:

(1) The implications for the combat readiness of the Armed Forces of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions, including the implications with respect to the following matters:

(A) The physical readiness of the force, including the full implications of establishing different minimum physical standards on the basis of sex.

(B) The effects of pregnancy and of child care needs.

(C) The effects on unit morale and cohesion.

(2) The social and cultural implications of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions.

(3) The advisability of permitting only voluntary assignments of women to combat positions and of permitting involuntary assignments of women to combat positions.

(4) The advisability of requiring women to register for conscription under the Military Selective Service Act and to be conscripted under that Act—

(A) on the same basis as men if women were provided the same opportunity as men for assignment to any position in the Armed Forces; or

(B) on a different basis if women were not provided that same opportunity.

(5) The legal and policy implications of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions, including—

(A) the implications of excluding women from coverage by the registration and service requirements of the Military Selective Service Act if the Secretary of each military department were permitted, but not required, to restrict the opportunities of women for assignments to combat positions;

(B) the implications of excluding women from coverage by such requirements if the authority for the assignment of women to combat positions were limited to voluntary assignments;

(C) the implications of excluding women from coverage by such requirements if the authority for the assignment of women to combat positions were not limited to voluntary assignments; and

(D) the implications for any policy that authorizes involuntary assignments of personnel to combat positions only in the case of men.

(6) The extent of the need to modify facilities and vessels, aircraft, vehicles, and other equipment of the Armed Forces to accommodate the assignment of women to combat positions or to provide combat skills training to women, including any need to modify quarters, weapons, and training facilities and equipment.

(7) The costs of meeting the need identified pursuant to paragraph (6) and the practicability of meeting such need during an era of decreasing national security budgets.

(8) The effects of existing laws relating to the recruitment, retention, assignment, and promotion of women in the Armed Forces on—

(A) the combat readiness of the Armed Forces;

(B) the opportunities for women in the Armed Forces; and

(C) the quality of the personnel in the Armed Forces.

SEC. 523. REPORT.

(a) IN GENERAL.—(1) Not later than November 15, 1992, the Commission shall transmit to the President a final report on the results of the study conducted by the Commission.

(2) The Commission may transmit to the President and to Congress such interim reports as the Commission considers appropriate.

(b) CONTENT OF FINAL REPORT.—(1) The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with any recommendations for such legislation and administrative actions as the Commission considers appropriate.

(2) The report shall include recommendations on the following matters:

(A) Whether existing law and policies governing the assignment of women in the Armed Forces to combat positions should be retained, modified, or repealed.

(B) Whether existing law and policies relating to other aspects of the assignment of women to positions in the Armed Forces should be retained, modified, or repealed.

(C) What roles women should have in the Armed Forces, including what, if any, roles women should have in combat.

(D) What transition process is appropriate if women are to be given the opportunity to be assigned to combat positions in the Armed Forces.

(E) Whether special conditions and different standards should apply to women than apply to men performing similar roles in the Armed Forces.

(c) SUBMITTAL OF FINAL REPORT TO CONGRESS.—Not later than December 15, 1992, the President shall transmit to the Committees on Armed Services of the Senate and the House of Representatives the report of the Commission, together with the President's comments and recommendations regarding such report.

SEC. 524. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this part, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense and any other Federal department or agency any information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this part. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

SEC. 525. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission present at a properly called meeting.

(c) PANELS.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this part.

SEC. 526. PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay established for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The Chairman of the Commission may, without regard to civil service laws, appoint and terminate a staff director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of a staff director shall be subject to confirmation by the Commission.

(2) The Chairman of the Commission may fix the compensation of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the staff director and other personnel may not exceed the rate established for GS-18 of the General Schedule under section 5332 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay established for GS-18 of the General Schedule under section 5332 of such title.

(f) APPLICABILITY OF OTHER FEDERAL LAWS.—Service of an individual as a member of the Commission or employment of an individual by the Commission on a part-time or full-time basis and with or without compensation shall not be considered as service or employment bringing such individual within the provisions of any Federal law relating to conflicts of interest or otherwise imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with claims, proceedings, or matters involving the United States. Service as a member of the Commission or as an employee of the Commission, shall not be considered service in an appointive or elective position in the Government for purposes of section 8344 or 8468 of title 5, United States Code, or any comparable provision of Federal law.

SEC. 527. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Administrator of General Services shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

(c) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(d) PROCUREMENT AUTHORITY.—The Commission may procure supplies, services, and property and make contracts, in any fiscal year, in order to carry out its duties, but (except in the case of temporary or intermittent services procured under section 526(e)) only to such extent or in such amounts as are provided in appropriation Acts or are donated pursuant to subsection (c). Contracts and other procurement arrangements may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any similar provision of Federal law.

(e) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act shall not apply to the Commission.

(f) TRAVEL.—To the maximum extent possible, the members and employees of the Commission shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a responsibility of the Commission, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

SEC. 528. PAYMENT OF COMMISSION EXPENSES.

The compensation, travel expenses, and per diem allowances of members and employees of the Commission shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department of Defense. The other expenses of the Commission shall be paid out of funds available to the Department of Defense for the payment of similar expenses incurred by that Department.

SEC. 529. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which Commission submits its final report under section 523(a)(1).

SEC. 530. AUTHORIZATION FOR THE ASSIGNMENT OF FEMALE MEMBERS OF THE ARMED FORCES TO DUTY IN COMBAT AIRCRAFT.

(a) ARMY.—(1) Chapter 343 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3549. Duties: female members; combat duty

"The Secretary of the Army may prescribe the conditions under which female members of the Army may be assigned to duty in aircraft that are engaged in combat missions.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3548 the following new item:

"3549. Duties: female members; combat duty.".

(b) NAVY AND MARINE CORPS.—Section 6015 of title 10, United States Code, is amended in the third sentence—

(1) by inserting "(a)" before the first sentence;

(2) by striking out "or in aircraft";

(3) by inserting "(other than as aviation officers as part of an air wing or other air element assigned to such a vessel)" after "combat missions";

(4) by inserting "other" after "temporary duty on"; and

(5) by adding at the end the following new subsection:

"(b) The Secretary of the Navy may prescribe the conditions under which female members of the Navy and Marine Corps may be assigned to duty in aircraft that are engaged in combat missions.".

(c) AIR FORCE.—(1) Section 8549 of title 10, United States Code, is amended to read as follows:

"§ 8549. Duties: female members; combat duty

"The Secretary of the Air Force may prescribe the conditions under which female members of the Air Force may be assigned to duty in aircraft that are engaged in combat missions.".

(2) The item relating to section 8549 in table of sections at the beginning of chapter 843 of such title is amended to read as follows:

"8549. Duties: female members; combat duty.".

(d) RULE OF CONSTRUCTION.—This section shall be construed only as an expression of an intent of Congress to permit the assignment of female personnel of the Armed Forces of the United States to duty in aircraft that are engaged in combat missions.

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 1991.

SEC. 530A. AUTHORITY TO WAIVE COMBAT EXCLUSION LAWS.

(a) COMPREHENSIVE RESEARCH AND ANALYSIS REQUIRED.—The Commission on the Assignment of Women in the Armed Forces, established under section 521, shall conduct comprehensive research and analyses regarding the potential for women in the Armed Forces to serve in combat positions.

(b) INFORMATION NEEDS TO BE DEFINED.—The Commission, as a priority matter, shall determine the types of information necessary for its research and analysis that can best be obtained through the assignment of women to combat positions on a test basis.

(c) NOTIFICATION OF SECRETARY OF DEFENSE REGARDING INFORMATION NEEDS.—The Commission shall promptly advise the Secretary of Defense of its needs for information determined pursuant to subsection (b). The Commission may request that the Secretary of Defense require the assignment of women to combat positions on a test basis in order to develop that information.

(d) WAIVER AUTHORITY.—The Secretary of Defense, in consultation with the Commission, may conduct test assignments of women to combat positions and may waive sections 6015 and 8549 of title 10, United States Code, and any other restriction that applies under Department of Defense regulations or policies to the assignment of women to combat positions in order to conduct such test assignments.

PART C—MATTERS RELATED TO CONTINGENCY OPERATIONS

SEC. 531. GRADE OF RETIRED OFFICERS ORDERED TO ACTIVE DUTY.

(a) GRADE UPON ORDER TO ACTIVE DUTY.—Section 688(d)(1) of title 10, United States Code, is amended to read as follows:

"(1) Except as provided in paragraph (2), a member ordered to active duty under this section shall be ordered to active duty in one of the following grades, as designated by the Secretary concerned:

"(A) The member's retired grade.

"(B) Any higher grade in which the member previously served on active duty satisfactorily, as determined by the Secretary.".

(b) RETIRED GRADE UPON RELEASE.—Section 688(b) of such title is amended to read as follows:

"(b) A member ordered to active duty under this section is entitled, upon release from that tour of active duty, to placement on the retired list in the highest of the following grades:

"(1) The member's retired grade when ordered to active duty.

"(2) The highest grade in which the member served satisfactorily, as determined by the Secretary concerned, for at least 180 days during that tour of duty.

"(3) The highest grade in which the member served on active duty satisfactorily, as so determined, for a total of at least three years (including that tour of duty).".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to orders to active duty on or after that date.

SEC. 532. WAIVER OF FOREIGN LANGUAGE PROFICIENCY CERTIFICATION REQUIREMENT.

(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—Chapter 5 of title 37, United States Code, is amended by inserting after section 316 the following new section:

"§ 316a. Waiver of certification requirement

"(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—(1) A member of the armed forces described in subsection (b) shall be paid special pay under section 316 of this title for the active duty performed by that member during the period described in paragraph (2) if—

"(A) the member was assigned to duty in connection with a contingency operation;

"(B) the Secretary concerned (under regulations prescribed by the Secretary of Defense) determines that the member was unable to schedule or complete the certification required for eligibility for the special pay under that section because of that duty;

"(C) except for not meeting the certification requirement in that section, the member was otherwise eligible for that special pay for that active duty; and

"(D) the member completes the certification requirement specified in that section before the end of the period established for the member in subsection (c).

"(2) The period for which a member may be paid special pay for active duty pursuant to paragraph (1) is the period beginning on the date on which the member was assigned to the duty referred to in subparagraph (A) of that paragraph and ending on the date of the member's certification referred to in subparagraph (D) of that paragraph.

"(b) ELIGIBLE MEMBER DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who meets the requirement referred to in paragraph (3) of section 316(a) of this title.

"(c) PERIOD FOR CERTIFICATION.—The period referred to in subparagraph (D) of subsection (a)(1) with respect to a member of the armed forces is the 180-day period beginning on the date on which the member was released from the duty referred to in that subsection. The Secretary concerned may extend that period for a member in accordance with regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 316 the following new item:

"316a. Waiver of certification requirement.".

SEC. 533. WAIVER OF BOARD CERTIFICATION REQUIREMENTS.

(a) IN GENERAL.—Chapter 5 of title 37, United States Code, is amended by inserting after section 303a the following new section 303b:

"§ 303b. Waiver of board certification requirements.

"(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—(1) A member of the armed forces described in subsection (b) shall be paid special pay under section 302(a)(5), 302b(a)(5), 302c(c)(3), or 302c(d)(4) of this title for the active duty performed by that member during the period described in paragraph (2) if—

"(A) the member was assigned to duty in connection with a contingency operation;

"(B) the Secretary concerned (under regulations prescribed by the Secretary of Defense) determines that the member was unable to schedule or complete the certification or recertification required for eligibility for the special pay under that section because of that duty;

"(C) except for not meeting the certification or recertification requirement in such section, the member was otherwise eligible for such special pay for such active duty; and

"(D) the member completes the board certification or recertification requirements specified in that section before the end of the period established for the member in subsection (c).

"(2) The period for which a member may be paid special pay for active duty pursuant to paragraph (1) is the period beginning on the date on which the member was assigned to the duty referred to in subparagraph (A) of that paragraph and ending on the date of the member's certification or recertification (as the case may be) referred to in subparagraph (D) of that paragraph.

"(b) ELIGIBLE MEMBERS DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who—

"(1) is a medical or dental officer or a nonphysician health care provider; and

"(2) has completed any required residency training.

"(c) PERIOD FOR CERTIFICATION.—The period referred to in subparagraph (D) of subsection (a)(1) with respect to a member of the armed forces is the 180-day period beginning on the date on which the member was released from the duty referred to in that subsection. The Secretary concerned may extend that period for a member in accordance with regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 303a the following new item:

"303b. Waiver of board certification requirements.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1992.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1992 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective on January 1, 1992, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 4.2 percent.

SEC. 602. LIMITATION ON THE AMOUNT OF BASIC ALLOWANCE FOR QUARTERS FOR MEMBERS RECEIVING SUCH ALLOWANCE BY REASON OF THEIR PAYMENT OF CHILD SUPPORT.

(a) LIMITATION.—Section 403 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(m)(1) Except as provided in paragraph (2), in the case of a member of a uniformed service assigned to quarters of the United States or a housing facility under the jurisdiction of a uniformed service who is authorized a basic allowance for quarters solely by reason of the member's payment of child support pursuant to a court order, the amount of the basic allowance for quarters to which the member is entitled shall be equal to the difference between the basic allowance for quarters applicable to the member's grade, rank, or rating at the with-dependent rate and the applicable basic allowance for quarters at the without-dependent rate.

"(2) A member of a uniformed service shall not be entitled to a basic allowance for quarters solely by reason of the payment of child support pursuant to a court order if the monthly rate of that child support is less than the amount of the basic allowance for quarters computed for the member under paragraph (1).

"(3) The application of this subsection to a member of a uniformed service shall not affect the entitlement of that member to a basic allowance for quarters at a partial rate under section 1009(c) of this title.".

(b) EFFECTIVE DATE.—Subsection (m) of section 403 of title 37, United States Code (as amended by subsection (a)), shall take effect on October 1, 1991, and shall apply with respect to members of the uniformed services who are not entitled to receive the basic allowance for quarters under such section on the day before that date.

SEC. 603. ADMINISTRATION OF BASIC ALLOWANCE FOR QUARTERS AND VARIABLE HOUSING ALLOWANCE.

(a) BASIC ALLOWANCE FOR QUARTERS.—(1) Section 403 of title 37, United States Code, as amended by section 602, is further amended by adding at the end the following new subsection:

"(n) Each member of a uniformed service who has dependents shall annually certify for the Secretary concerned the dependency status of each dependent of the member for the purposes of this section.".

(2) Subsection (j)(1) of such section is amended by striking out "President" and inserting in lieu thereof "Secretary of Defense".

(b) VARIABLE HOUSING ALLOWANCE.—(1) Section 403a of title 37, United States Code, is amended by adding at the end the following new subsection:

"(g) Each member of a uniformed service claiming entitlement to a variable housing allowance under this section shall annually certify for the Secretary concerned the member's housing costs for the purposes of this section.".

(2) Subsection (e) of such section is amended—

(A) in paragraph (1), by striking out "President" and inserting in lieu thereof "Secretary of Defense";

(B) by striking out "a survey area" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "an area";

(C) in paragraph (2)(A), by striking out "the survey area" and inserting in lieu thereof "that area"; and

(D) in paragraph (2)(B), by striking out "reported on the variable housing allowance survey" and inserting in lieu thereof "determined on the basis of the annual certifications of housing costs of members of the uniformed services receiving a variable housing allowance for that area".

PART B—MISCELLANEOUS PAY AND BENEFITS MATTERS

SEC. 611. REVISION IN RATE OF PAY OF AVIATION CADETS.

Subsection (c) of section 201 of title 37, United States Code, is amended to read as follows:

"(c) Unless entitled to the basic pay of a higher pay grade, an aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard is entitled to monthly basic pay at the lowest rate prescribed for pay grade E-4.".

SEC. 612. PAY OF SENIOR NONCOMMISSIONED OFFICERS WHILE ON TERMINAL LEAVE.

(a) BASIC PAY DURING TERMINAL LEAVE.—(1) Chapter 3 of title 37, United States Code, is amended by adding at the end the following new section:

"§210. Pay of the senior noncommissioned officer of an armed force during terminal leave

"(a) A noncommissioned officer of an armed force who, immediately following the completion of service as the senior enlisted member of that armed force, is placed on terminal leave pending retirement shall be entitled, for not more than 90 days while in such status, to the rate of basic pay authorized for the senior enlisted member of that armed force.

"(b) In this section, the term 'senior enlisted member' means the following:

"(1) The Sergeant Major of the Army.

"(2) The Master Chief Petty Officer of the Navy.

"(3) The Chief Master Sergeant of the Air Force.

"(4) The Sergeant Major of the Marine Corps.

"(5) The Master Chief Petty Officer of the Coast Guard.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"210. Pay of the senior noncommissioned officer of an armed force during terminal leave.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a)(1) shall take effect with respect to months beginning on or after the date of the enactment of this Act.

SEC. 613. IMPROVEMENT OF ENTITLEMENT IN LIEU OF TRANSPORTATION OF DEPENDENTS OF MEMBERS ASSIGNED TO VESSELS UNDER CONSTRUCTION.

Section 406c(b)(1) of title 37, United States Code, is amended by striking out "location that was the home port of the ship before commencement of construction" and inserting in lieu thereof "designated home port of the ship or the residence of the member's dependents".

SEC. 614. TRAVEL AND TRANSPORTATION ALLOWANCES FOR CERTAIN EMERGENCY DUTY WITHIN LIMITS OF DUTY STATION.

Section 408 of title 37, United States Code, is amended—

(1) by inserting "(a)" before "A member of a uniformed service"; and

(2) by adding at the end the following new subsection:

"(b)(1) Under regulations prescribed by the Secretary concerned, a member of a uniformed service referred to in paragraph (2) is entitled to travel and transportation allowances under section 404 of this title for duty performed by such member as described in such paragraph.

"(2) A member entitled to the allowances under paragraph (1) is a member who—

"(A) performs duty under emergency circumstances that threaten injury to property of the Federal Government or human life;

"(B) performs such duty at a location within the limits of the member's station (other than at the residence or normal duty location of the member);

"(C) performs such duty pursuant to the direction of competent authority; and

"(D) uses overnight accommodations by reason of such duty.".

SEC. 615. DEPENDENT DEFINED.

The text of section 401 of title 37, United States Code, is amended to read as follows:

"(a) In this chapter, the term "dependent", with respect to a member of a uniformed service, means the following:

"(1) The member's spouse.

"(2) The member's unmarried child who—

"(A) is under 21 years of age;

"(B) is incapable of self-support because of mental or physical incapacity and is in fact dependent on the member for more than one-half of his or her support; or

"(C) is under 23 years of age, is enrolled in a course of study in an institution of higher education recognized by the Secretary concerned as an institution of higher education for the purposes of this subparagraph, and is in fact dependent on the member for more than one-half of his or her support.

"(3) The member's parent or parent-in-law if—

"(A) the parent or parent-in-law is in fact dependent on the member for more than one-half of his or her support;

"(B) the dependency of such a parent or parent-in-law on such member has been determined on the basis of (i) an affidavit submitted by the parent or parent-in-law, and (ii) any other evidence required under regulations prescribed by the Secretary concerned; and

"(C) either—

"(i) the member has provided more than one-half of the support for the parent or parent-in-law for a period prescribed by the Secretary concerned; or

"(ii) due to a change of circumstances arising after the member enters on active duty, the parent or parent-in-law becomes in fact dependent on the member for more than one-half of his or her support.

"(4) An unmarried person, as defined in regulations prescribed by the Secretary concerned, for whom the member has been granted physical custody pursuant to the order of a court of competent jurisdiction and who—

"(A) is under 21 years of age and is in fact dependent on the member for more than one-half of his or her support;

"(B) is incapable of self-support because of a mental or physical incapacity and is in fact dependent on the member for more than one-half of his or her support; or

"(C) is under 23 years of age, is enrolled in a full-time course of study in an institution of higher education recognized by the Secretary concerned as an institution of higher education for the purposes of this subparagraph, and is in fact dependent on the member for more than one-half of his or her support.

"(b) In subsection (a):

"(1) The term 'child', with respect to a member—

"(A) includes the member's—

"(i) stepchild (except as provided in subparagraph (B));

"(ii) adopted child, including a child placed in the home of the member by a placement agency for the purpose of adoption; and

"(iii) child born out of wedlock if the parentage of such child has been established in accordance with criteria prescribed in regulations by the Secretary concerned; but

"(B) does not include a stepchild after the relationship between the member and the stepchild is terminated by the member's divorce from the stepchild's parent by blood.

"(2) The terms 'parent', and except as provided in paragraph (3), 'parent-in-law' with respect to a member, includes—

"(A) a stepparent;

"(B) a parent by adoption; and

"(C) any person, including the member's former stepparent, who has stood in loco parentis to the member at any time for a continuous period of at least five years before the member became 21 years of age.

"(3) The term 'parent-in-law', with respect to a member, does not include a former parent-in-law after the parent-in-law relationship between the member and the former parent-in-law is terminated by the member's divorce from the child of that parent-in-law.".

SEC. 616. CLARIFICATION OF PARACHUTE JUMPING FOR PURPOSES OF HAZARDOUS DUTY PAY.

Section 301(c)(1) of title 37, United States Code, is amended by striking out "at a high altitude with a low opening" and inserting in lieu thereof "in military free fall operations involving parachute deployment by the jumper without the use of a static line".

SEC. 617. EXTENSIONS OF AUTHORITIES RELATING TO PAYMENT OF CERTAIN BONUSES AND OTHER SPECIAL PAY.

(a) AVIATOR RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1993".

(b) SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1993".

(c) ACCESSION BONUSES FOR NURSE OFFICER CANDIDATES.—(1) Section 302d(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1994".

(2) Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1994".

(d) SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(e) REENLISTMENT BONUS FOR REGULAR COMPONENT PERSONNEL.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1997".

(f) ENLISTMENT BONUS FOR EXTENDED ACTIVE DUTY.—Section 308a(c) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1997".

(g) ENLISTMENT AND REENLISTMENT BONUSES FOR RESERVISTS.—Sections 308b(f), 308c(e), 308g(h), 308h(g), and 308i(i) of title 37, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(h) BONUS FOR AFFILIATION WITH THE SELECTED RESERVE.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

SEC. 618. PERMANENT EXTENSION OF PROGRAM TO REIMBURSE MEMBERS OF THE ARMED FORCES FOR ADOPTION EXPENSES.

(a) CODIFICATION OF PROGRAM FOR DEPARTMENT OF DEFENSE PURPOSES.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1051 following new section:

"§ 1052. Reimbursement for adoption expenses

"(a) AUTHORIZATION TO REIMBURSE.—The Secretary of Defense shall carry out a program under which a member of the armed forces may be reimbursed, as provided in this section, for qualifying adoption expenses incurred by the member in the adoption of a child under 18 years of age.

"(b) ADOPTIONS COVERED.—An adoption for which expenses may be reimbursed under this section includes an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)).

"(c) BENEFITS PAID AFTER ADOPTION IS FINAL.—Benefits paid under this section in the case of an adoption may be paid only after the adoption is final.

"(d) TREATMENT OF OTHER BENEFITS.—A benefit may not be paid under this section for any expense paid to or for a member of the armed forces under any other adoption benefits program administered by the Federal Government or under any such program administered by a State or local government.

"(e) LIMITATIONS.—(1) Not more than $2,000 may be paid under this section to a member of the armed forces, or to two such members who are spouses of each other, for expenses incurred in the adoption of a child.

"(2) Not more than $5,000 may be paid under this section to a member of the armed forces, or to two such members who are spouses of each other, for adoptions by such member (or members) in any calendar year.

"(f) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section.

"(g) DEFINITIONS.—In this section:

"(1) The term 'qualifying adoption expenses' means reasonable and necessary expenses (other than expenses described in paragraph (2)) that are directly related to the legal adoption of a child under 18 years of age, but only if such adoption is arranged—

"(A) by a State or local government agency which has responsibility under State or local law for child placement through adoption;

"(B) by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption; or

"(C) through a private placement.

"(2) The term 'qualifying adoption expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent or parents, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member or members of the armed forces are stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law.

"(3) The term 'reasonable and necessary expenses' includes—

"(A) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(B) placement fees, including fees charged adoptive parents for counseling;

"(C) legal fees, including court costs;

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished to the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2)(A), transportation expenses relating to the adoption.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1051 the following new item:

"1052. Reimbursement for adoption expenses.".

(b) CODIFICATION OF PROGRAM FOR COAST GUARD PURPOSES.—(1) Chapter 13 of title 14, United States Code, is amended by adding at the end the following new section:

"§514. Reimbursement for adoption expenses

"(a) AUTHORIZATION TO REIMBURSE.—The Secretary shall carry out a program under which a member of the Coast Guard may be reimbursed, as provided in this section, for qualifying adoption expenses incurred by the member in the adoption of a child under 18 years of age.

"(b) ADOPTIONS COVERED.—An adoption for which expenses may be reimbursed under this section includes an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)).

"(c) BENEFITS PAID AFTER ADOPTION IS FINAL.—Benefits paid under this section in the case of an adoption may be paid only after the adoption is final.

"(d) TREATMENT OF OTHER BENEFITS.—A benefit may not be paid under this section for any expense paid to or for a member of the Coast Guard under any other adoption benefits program administered by the Federal Government or under any such program administered by a State or local government.

"(e) LIMITATIONS.—(1) Not more than $2,000 may be paid under this section to a member of the Coast Guard, or to two such members who are spouses of each other, for expenses incurred in the adoption of a child.

"(2) Not more than $5,000 may be paid under this section to a member of the Coast Guard, or to two such members who are spouses of each other, for adoptions by such member (or members) in any calendar year.

"(f) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.

"(g) DEFINITIONS.—In this section:

"(1) The term 'qualifying adoption expenses' means reasonable and necessary expenses (other than expenses described in paragraph (2)) that are directly related to the legal adoption of a child under 18 years of age, but only if such adoption is arranged—

"(A) by a State or local government agency which has responsibility under State or local law for child placement through adoption;

"(B) by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption; or

"(C) through a private placement.

"(2) The term 'qualifying adoption expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent or parents, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member or members of the Coast Guard are stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law.

"(3) The term 'reasonable and necessary expenses' includes—

"(A) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(B) placement fees, including fees charged adoptive parents for counseling;

"(C) legal fees, including court costs;

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished to the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2)(A), transportation expenses relating to the adoption.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"514. Reimbursement for adoption expenses.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall apply to adoptions completed on or after that date.

SEC. 619. TRANSPORTATION OF THE REMAINS OF CERTAIN DECEASED DEPENDENTS OF RETIRED MEMBERS OF THE ARMED FORCES.

(a) TRANSPORTATION OF REMAINS.—Section 1490 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting ", or a dependent of such a member," after "equivalent pay"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) In this section:

"(1) The term 'United States' includes the Commonwealth of Puerto Rico and the territories and possessions of the United States.

"(2) The term 'dependent' has the meaning given such term in section 1072(2) of this title.".

(b) CONFORMING AMENDMENTS.—(1) The heading of section 1490 of title 10, United States Code, is amended to read as follows:

"§1490. Transportation of remains: certain retired members and dependents who die in military medical facilities".

(2) The table of sections at the beginning of chapter 75 of such title is amended by striking out the item relating to section 1490 and inserting in lieu thereof the following:

"1490. Transportation of remains: certain retired members and dependents who die in military medical facilities.".

SEC. 620. AUTHORIZATION OF USE OF APPROPRIATED FUNDS FOR EXPENSES RELATING TO CERTAIN VOLUNTARY SERVICES.

Section 1588(c) of title 10, United States Code, is amended by striking out "may only be made from nonappropriated funds" in the third sentence and inserting in lieu thereof "may be made from appropriated or nonappropriated funds".

SEC. 621. AUTHORITY OF MEMBERS TO DEFER AUTHORIZED TRAVEL IN CONNECTION WITH CONSECUTIVE OVERSEAS TOURS.

Section 411b(a)(2) of title 37, United States Code, is amended to read as follows:

"(2) Under the regulations referred to in paragraph (1), the travel for which a member may be paid travel and transportation allowances under such paragraph may be deferred, at the election of the member, for up to one year after the date on which the member begins a consecutive tour of duty at the same duty station or reports to another duty station referred to in such paragraph, as the case may be.".

SEC. 622. SEPARATE MAINTENANCE ALLOWANCE FOR FEDERAL EMPLOYEES LOCATED AT JOHNSTON ISLAND.

(a) AUTHORITY.—(1) Chapter 59 of title 5, United States Code, is amended in subchapter IV by inserting after the matter relating to section 5942 the following new section:

"§5942a. Separate maintenance allowance for duty at Johnston Island

"(a) Notwithstanding section 5536 of this title, and under regulations prescribed by the President, an employee assigned to a post of duty at Johnston Island, a possession of the United States in the Pacific Ocean, is entitled to receive a separate maintenance allowance during the period of the assignment to that post if the head of the executive department or independent agency responsible for the assignment of the employee to that post—

"(1) designates Johnston Island as a remote duty site in accordance with the standard provided in section 5942 of this title; and

"(2) finds that it is necessary for the employee to maintain the employee's spouse or dependents at a location other than Johnston Island—

"(A) by reason of dangerous or adverse living conditions at Johnston Island; or

"(B) for the convenience of the Federal Government.

"(b) The amount of the separate maintenance allowance payable under subsection (a) shall be equal to the amount of the separate maintenance allowance payable under section 5924(3) of this title.".

(2) The table of sections at the beginning of chapter 59 of such title is amended in the matter relating to subchapter IV by inserting after the item relating to section 5942 the following new item:

"5942a. Separate maintenance allowance for duty at Johnston Island.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply with respect to months beginning on or after such date.

SEC. 623. AUTHORITY TO ELECT AMOUNT OF STANDARD ANNUITY UNDER SUPPLEMENTAL SURVIVOR BENEFIT PLAN.

(a) AUTHORITY TO ELECT AMOUNT.—Section 1457(b) of title 10, United States Code, is amended by striking out "20 percent of the base amount under the Survivor Benefit Plan of the person providing the annuity" and inserting in lieu thereof "5, 10, 15, or 20 percent of the base amount under the Survivor Benefit Plan of the person providing the annuity, as specified by that person when electing to provide such annuity".

(b) REDUCTION IN RETIRED PAY.—Section 1460(b)(2) of such title is amended by inserting before the period the following: "and, in the case of a person providing a supplemental spouse annuity computed under section 1457(b) of this title, a constant percentage of such person's base amount for each 5 percent increment specified in accordance with such section".

SEC. 624. WAIVER OF REDUCTION OF RETIRED PAY UNDER SPECIFIED CONDITIONS.

(a) WAIVER AUTHORITY.—(1) Chapter 71 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1413. Waiver of reduction of retired pay for certain Federal civilian service

"(a) The applicability of section 5532 of title 5 may be waived in accordance with subsection (b) for employees in positions in the legislative branch for which there is exceptional difficulty in recruiting and retaining qualified employees.

"(b) The waiver authority under subsection (a) may be exercised—

"(1) in the case of a position in the House of Representatives, under procedures established by the Committee on House Administration of the House of Representatives; and

"(2) in the case of a position in the Senate, under procedures established by the Committee on Rules of the Senate.".

(2) The table of sections for such chapter is amended by adding at the end the following new item:

"1413. Waiver of reduction of retired pay for certain Federal civilian service.".

(b) EFFECTIVE DATE.—This section shall be effective with respect to months that begin on or after the date of the enactment of this Act.

SEC. 625. PAYMENT OF SURVIVOR ANNUITY TO A REPRESENTATIVE OF A LEGALLY INCOMPETENT PERSON.

(a) FAMILY PROTECTION PLAN ANNUITY.—(1) Subchapter I of chapter 73 of title 10, United States Code, is amended by inserting after section 1444 the following new section:

"§ 1444a. Regulations regarding payment of annuity to a representative payee

"(a) The regulations prescribed pursuant to section 1444(a) of this title shall provide procedures for the payment of an annuity under this subchapter in the case of—

"(1) a person for whom a guardian or other fiduciary has been appointed under the law of the State in which the person resides; and

"(2) a minor, mentally incompetent, or otherwise legally disabled person for whom a guardian or other fiduciary has not been appointed.

"(b) The regulations may include provisions for the following:

"(1) In the case of an annuitant referred to in subsection (a)(1), payment of the annuity to the appointed guardian or other fiduciary.

"(2) In the case of an annuitant referred to in subsection (a)(2), payment of the annuity to any person who, in the judgment of the Secretary concerned, is responsible for the care of the annuitant.

"(3) Subject to paragraphs (4) and (5), a requirement for the payee of an annuity to spend or invest the amounts paid on behalf of the annuitant solely for benefit of the annuitant.

"(4) Authority for the Secretary concerned to permit the payee to withhold from the annuity payment such amount, not in excess of 4 percent of the annuity, as the Secretary concerned considers a reasonable fee for the fiduciary services of the payee when a court appointment order provides for payment of such a fee to the payee for such services or the Secretary concerned determines that payment of a fee to such payee is necessary in order to obtain the fiduciary services of the payee.

"(5) Authority for the Secretary concerned to require the payee to provide a surety bond in an amount sufficient to protect the interests of the annuitant and to pay for such bond out of the annuity.

"(6) A requirement for the payee of an annuity to maintain and, upon request, to provide to the Secretary concerned an accounting of expenditures and investments of amounts paid to the payee.

"(7) In the case of an annuitant referred to in subsection (a)(2)—

"(A) procedures for determining incompetency and for selecting a payee to represent the annuitant for the purposes of this section, including provisions for notifying the annuitant of the actions being taken to make such a determination and to select a representative payee, an opportunity for the annuitant to review the evidence being considered, and an opportunity for the annuitant to submit additional evidence before the determination is made; and

"(B) standards for determining incompetency, including standards for determining the sufficiency of medical evidence and other evidence.

"(8) Provisions for any other matters that the President considers appropriate in connection with the payment of an annuity in the case of a person referred to in subsection (a).

"(c) An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to subsection (a) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

(2) The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 1444 the following:

"1444a. Regulations regarding payment of annuity to a representative payee.".

(b) SURVIVOR BENEFIT PLAN ANNUITY.—Section 1455 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "The President"; and

(2) by adding at the end the following new subsection:

"(b)(1) The regulations prescribed pursuant to subsection (a) shall provide procedures for the payment of an annuity under this subchapter in the case of persons referred to in section 1444a(a) of this title.

"(2) The regulations may include the provisions set out in section 1444a(b) of this title.

"(3) An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to paragraph (1) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

SEC. 626. INCREASED AUTHORITY FOR WAIVER OF CLAIMS FOR RECOUPMENT OF OVERPAYMENTS OF PAY, ALLOWANCES, AND EXPENSES.

(a) AMENDMENT TO TITLE 5.—Section 5584(a)(2)(A) of title 5, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$2,500".

(b) AMENDMENT TO TITLE 10.—Section 2774(a)(2)(A) of title 10, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$2,500".

(c) AMENDMENT TO TITLE 32.—Section 716(a)(2)(A) of title 32, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$2,500".

SEC. 627. EXTENSION OF FOREIGN POST DIFFERENTIALS TO CERTAIN FEDERAL EMPLOYEES WHO SERVED IN CONNECTION WITH OPERATION DESERT STORM.

(a) AUTHORIZATION OF PAYMENT OF FOREIGN POST DIFFERENTIALS.—Civilian employees of the Department of Defense and the Department of State who served on temporary duty in connection with Operation Desert Storm during the Persian Gulf conflict for a period of more than 41 days in that area designated by the President in Executive Order 12744 as a combat zone are authorized payment of the foreign post differential established under section 5925(a) of title 5, United States Code. This section shall apply only with regard to service performed before the date of the enactment of this Act.

(b) DEFINITIONS.—For the purpose of this section the terms "Operation Desert Storm" and "Persian Gulf conflict" shall have the same meaning as such terms are defined under section 3 (1) and (3) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (10 U.S.C. 101 note), respectively.

PART C—MATTERS RELATED TO CONTINGENCY OPERATIONS

SEC. 641. CONTINGENCY OPERATION DEFINED.

(a) TITLE 10.—Section 101 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(47) The term 'contingency operation' means a military operation that—

"(A) is designated by the Secretary of Defense as an operation in which members of the armed forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or

"(B) results in the call or order to, or retention on, active duty of members of the armed forces under section 672(a), 673, 673b, 673c, 688, 3500, or 8500 of this title, chapter 15 of this title, or any other provision of law during a war declared by Congress or during a national emergency declared by the President or Congress.".

(b) TITLE 37.—Section 101 of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(26) The term 'contingency operation' has the meaning given that term in section 101(47) of title 10.".

SEC. 642. TREATMENT OF ACCRUED LEAVE.

(a) MEMBERS WHO DIE WHILE ON ACTIVE DUTY.—Section 501(d) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking out "However," in the third sentence and inserting in lieu thereof "Except as provided in paragraph (2),"; and

(3) by adding at the end the following new paragraph:

"(2) In the case of a member of the uniformed services who dies as a result of an injury or illness incurred while serving on active duty in support of a contingency operation, the limitations in the second sentence of subsection (b)(3), subsection (f), and the second sentence of subsection (g) shall not apply with respect to a payment made under this subsection for leave accrued during the contingency operation.".

(b) OTHER MEMBERS.—Section 501(b) of such title is amended by adding at the end the following new paragraph:

"(5) The limitation in the second sentence of paragraph (3) and in subsection (f) shall not apply with respect to leave accrued by any of the following members of the armed forces while serving on active duty in support of a contingency operation:

"(A) A member of a reserve component, including a member of the Retired Reserve.

"(B) A retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps.

"(C) A member of the Fleet Reserve or Fleet Marine Corps Reserve.".

SEC. 643. AUTHORIZATION TO EXCEED CEILING ON ACCUMULATION OF LEAVE.

Section 701(f) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(f)";

(2) by striking "Leave" in the last sentence and inserting in lieu thereof "Except as provided in paragraph (2), leave"; and

(3) by adding at the end the following new paragraphs:

"(2) Under the uniform regulations referred to in paragraph (1), a member of an armed force who serves on active duty in a duty assignment in support of a contingency operation during a fiscal year and who, except for this paragraph—

"(A) would otherwise lose any accumulated leave in excess of 60 days at the end of that fiscal year, shall be permitted to retain such leave (not to exceed 90 days) until the end of the succeeding fiscal year; or

"(B) would otherwise lose any accumulated leave in excess of 60 days at the end of the succeeding fiscal year (other than by reason of subparagraph (A)), shall be permitted to retain such leave (not to exceed 90 days) until the end of the next succeeding fiscal year.".

SEC. 644. SAVINGS PROGRAM FOR MEMBERS IN A MISSING STATUS AND OVERSEAS MEMBERS.

(a) MISSING MEMBERS.—Subsection (b) of section 1035 of title 10, United States Code, is amended—

(1) by striking out "the Vietnam conflict or during the Persian Gulf conflict" in the second sentence and inserting in lieu thereof "the period of the Vietnam conflict, the period of the Persian Gulf conflict, or the period of a contingency operation"; and

(2) by striking out the last sentence.

(b) OTHER MEMBERS.—Such section is further amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) The Secretary of Defense may authorize a member of the armed forces who is on a temporary duty assignment outside of the United States or its possessions in support of a contingency operation to make deposits of unallotted current pay and allowances during that duty as provided in subsection (a). The Secretary shall prescribe regulations establishing standards and procedures for the administration of this subsection.".

(c) DEFINITIONS.—Subsection (g) of such section (as redesignated by subsection (b)(1)) is amended to read as follows:

"(g) In this section:

"(1) The term 'missing status' has the meaning given that term in section 551(2) of title 37.

"(2) The term 'period of the Vietnam conflict' means the period beginning on February 28, 1961, and ending on May 7, 1975.

"(3) The term 'period of the Persian Gulf conflict' means the period beginning on January 16, 1991, and ending on the date thereafter prescribed by Presidential proclamation or by law.".

SEC. 645. BASIC ALLOWANCE FOR QUARTERS FOR CERTAIN RESERVES WITHOUT DEPENDENTS.

(a) PAYMENT REQUIRED.—Section 403(d) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end the following new paragraph:

"(2) A member of a reserve component without dependents who is called or ordered to active duty in support of a contingency operation (other than a member who is authorized transportation of household goods under section 406 of this title as part of that call or order) may not be denied a basic allowance for quarters if, because of that call or order, the member is unable to continue to occupy a residence—

"(A) which is maintained as the primary residence of the member at the time of the call or order; and

"(B) which is owned by the member or for which the member is responsible for rental payments.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to calls or orders of members of the reserve components of the Armed Forces to active duty on or after that date.

SEC. 646. DETERMINATION OF VARIABLE HOUSING ALLOWANCE FOR RESERVES AND RETIREES RECALLED TO ACTIVE DUTY.

Section 403a(a) of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) In the case of a member described in subparagraph (B) who is assigned to duty away from the member's principal place of residence (determined as prescribed by the Secretary of Defense), the member shall be considered to be assigned to duty at that residence for the purpose of determining the entitlement of the member to a variable housing allowance under this section.

"(B) A member referred to in subparagraph (A) is a member of a uniformed service who—

"(i) is a member of a reserve component called or ordered to active duty (other than for training) or is a retired member ordered to active duty under section 688(a) of title 10; and

"(ii) is not authorized transportation of household goods under section 406 of this title from the member's principal place of residence to the place of that duty assignment.".

SEC. 647. MEDICAL, DENTAL, AND NONPHYSICIAN SPECIAL PAYS FOR RESERVE, RECALLED, OR RETAINED HEALTH CARE OFFICERS.

(a) ELIGIBILITY FOR SPECIAL PAY.—Chapter 5 of title 37, United States Code, is amended by inserting after section 302e the following new section:

"§ 302f. Special pays for reserve, recalled, or retained health care officers

"(a) ELIGIBLE FOR SPECIAL PAY.—A health care officer described in subsection (b) shall be eligible for special pay under section 302, 302a, 302b, 302e, or 303 of this title (whichever applies) notwithstanding any requirement in those sections that—

"(1) the call or order of the officer to active duty be for a period of not less than one year; or

"(2) the officer execute a written agreement to remain on active duty for a period of not less than one year.

"(b) HEALTH CARE OFFICERS DESCRIBED.—A health care officer referred to in subsection (a) is an officer of the armed forces who, except for not meeting a requirement referred to in that subsection, is otherwise eligible for special pay under section 302, 302a, 302b, 302e, or 303 of this title and who—

"(1) is a reserve officer on active duty (other than for training) under a call or order to active duty for a period of more than 30 days but less than one year;

"(2) is involuntarily retained on active duty under section 673c of title 10, or is recalled to active duty under section 688 of title 10, for a period of more than 30 days; or

"(3) voluntarily agrees to remain on active duty for a period of less than one year at a time when—

"(A) officers are involuntarily retained on active duty under section 673c of title 10; or

"(B) the Secretary of Defense determines (pursuant to regulations prescribed by the Secretary) that special circumstances justify the payment of special pay pursuant to this section.

"(c) MONTHLY PAYMENTS.—Payment of special pay pursuant to this section may be made on a monthly basis. The officer shall refund any amount received pursuant to this section in excess of the amount that corresponds to the actual period of active duty served by the officer.

"(d) SPECIAL RULE FOR RESERVE MEDICAL OFFICER.—While a reserve medical officer receives a special pay under section 302 of this title by reason of subsection (a), the officer shall not be entitled to special pay under subsection (h) of that section.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302e the following new item:

"302f. Special pays for reserve, recalled, or retained health care officers.".

SEC. 648. INCREASE IN IMMINENT DANGER PAY.

Section 310(a) of title 37, United States Code, is amended by striking out "lowest rate for hazardous duty incentive pay specified in section 301(c)(1) of this title" and inserting in lieu thereof "rate for hazardous duty incentive pay specified for pay grade E-5 in section 301(b) of this title".

SEC. 649. VARIABLE HOUSING ALLOWANCE.

Section 403a(b)(3) of title 37, United States Code, is amended by striking out "140 days" and inserting in lieu thereof "140 days, unless the call or order to active duty is in support of a contingency operation".

SEC. 650. INCREASE IN FAMILY SEPARATION ALLOWANCE.

(a) INCREASE IN ALLOWANCE.—Section 427 of title 37, United States Code, is amended in subsection (b)(1) by striking out "$60" and inserting in lieu thereof "$75".

(b) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "ALLOWANCE BASED ON BASIC ALLOWANCE OF QUARTERS.—" after "(a)"; and

(2) in subsection (b), by inserting "ADDITIONAL SEPARATION ALLOWANCE.—" after "(b)".

SEC. 651. INCREASE IN AMOUNT OF DEATH GRATUITY.

(a) INCREASE.—Section 1478(a) of title 10, United States Code, is amended by striking out "equal to six months' pay" and all that follows through the period in the first sentence and inserting in lieu thereof "$6,000.".

(b) Clerical Amendment.—Such section is further amended by striking out "1475-1477" and inserting in lieu thereof "1475 through 1477".

SEC. 652. EXPANDED ELIGIBILITY OF CERTAIN HEALTH CARE OFFICERS FOR CERTAIN SPECIAL PAYS FOR SERVICE IN CONNECTION WITH OPERATION DESERT STORM.

Section 304(e) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25; 105 Stat. 81; 37 U.S.C. 302 note) is amended by striking out "November 5, 1990" and inserting in lieu thereof "August 1, 1990".

TITLE VII—HEALTH CARE SERVICES

SEC. 701. AUTHORITY TO ESTABLISH SUPPLEMENTAL DENTAL BENEFITS PLANS FOR DEPENDENTS.

(a) Authority.—Subsection (a)(1) of section 1076a of title 10, United States Code, is amended by inserting "described in paragraphs (1) and (2) of subsection (d)" after "dental benefits plans".

(b) Benefits Under Supplemental Dental Plans.—Subsection (d) of such section is amended to read as follows:

"(d)(1) The Secretary of Defense may establish a basic dental benefits plan that provides only the following benefits:

"(A) Diagnostic, oral examination, and preventative services and palliative emergency care.

"(B) Basic restorative services of amalgam and composite restorations and stainless steel crowns for primary teeth, and dental appliance repairs.

"(2) The Secretary of Defense may establish one or more supplemental dental benefits plans for members enrolled in basic dental benefits plans referred to in paragraph (1). A supplemental dental benefit plan may provide such dental care benefits, in addition to benefits under a basic dental benefits plan, as the Secretary, after consultation with the other administering Secretaries, considers appropriate.".

(c) Premium for Supplemental Plans.—Subsection (b) of such section is amended—

(1) in paragraph (2), by striking out "plan under this section" and inserting in lieu thereof "basic dental benefits plan referred to in subsection (d)(1)"; and

(2) by adding at the end the following new paragraph (3):

"(3)(A) A member enrolled in a supplemental dental benefits plan under subsection (d)(2) shall pay a supplemental monthly premium for the member and the family of the member. The supplemental premium shall be in addition to the premium payable under paragraph (1) for the basic dental benefits plan in which the member is enrolled.

"(B) The premiums for a supplemental benefits plan shall be prescribed by the Secretary of Defense, after consultation with the other administering Secretaries, at such rate or rates as are necessary to ensure that the premiums pay the total cost of the benefits provided all covered members and dependents under the plan.".

(d) Copayments.—Subsection (e) of such section is amended to read as follows:

"(e)(1) A basic dental benefits plan under this section shall require that a member whose spouse or child receives care pursuant to the plan—

"(A) pay no charge for any care described in subsection (d)(1)(A); and

"(B) pay 20 percent of the charges for care described in subsection (d)(1)(B) or for care referred to in subsection (d)(2).

"(2) A supplemental dental benefits plan under this section may require a member enrolled in that plan to pay not more than 50 percent of the charges for orthodontic services, crowns, gold fillings, bridges, or complete or partial dentures that are received by the spouse or a child of the member, are covered by that plan, and are not covered by the basic dental benefits plan in which such member is enrolled.".

SEC. 702. HOSPICE CARE.

(a) Hospice Care for Dependents in Facilities of the Uniformed Services.—Section 1077 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) Notwithstanding subsection (b)(1), palliative care and support services in connection with hospice care may be provided under section 1076 of this title to a terminally ill patient who chooses (pursuant to regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries) to receive hospice care rather than continuing hospitalization or other health care services for treatment of the patient's terminal illness.

"(2) In this section, the term 'hospice care' has the meaning given such term in section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)), except that the palliative care and support services authorized to be provided under paragraph (1) shall be provided in facilities of the uniformed services.".

(b) Hospice Care for Dependents Under Contracts for Medical Care.—(1) Subsection (a) of section 1079 of title 10, United States Code, is amended—

(A) in paragraph (13), by striking out "clause (4)" and inserting in lieu thereof "paragraph (4)";

(B) by striking out "and" at the end of paragraph (14);

(C) by striking out the period and inserting in lieu thereof "; and" at the end of paragraph (15)(D); and

(D) by adding at the end the following new paragraph:

"(16) palliative care and support services may be provided in connection with hospice care (as such term is defined in section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)).".

(2) Subsection (j)(2)(B) of such section is amended by inserting "hospice program (as defined in section 1861(dd)(2) of the Social Security Act (42 U.S.C. 1395x(dd)(2))," after "home health agency,".

(3) Such section is amended by adding at the end the following new subsection:

"(n) The amount paid to a hospice program for care and services authorized in subsection (a)(16) shall be determined as provided in section 1814(i) of the Social Security Act (42 U.S.C. 1395f(i)).".

SEC. 703. IMPROVEMENT OF AVAILABILITY OF MENTAL HEALTH SERVICES UNDER CHAMPUS.

(a) Limitation on Reduction in Authorized Inpatient Care.—Section 1079(i)(1) of title 10, United States Code, is amended—

(1) by inserting "or" at the end of subparagraph (A);

(2) by striking out subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

(b) Improvement of Inpatient Services.—Section 1079 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(o)(1) Contracts providing for inpatient mental health services under this section shall include provisions for partial hospitalization services.

"(2) Partial hospitalization services may be provided to a patient pursuant to a contract entered into under this section if—

"(A) full hospitalization for inpatient psychiatric care would be necessary for the patient if such services were not available;

"(B) a written plan of individualized treatment has been established for the patient; and

"(C) such services are furnished while the individual is under the care of a physician.

"(3) The daily rate of reimbursement payable to a provider of partial hospitalization services for the provision of such services (other than for physician services) shall be equal to 50 percent of the rate payable for full hospitalization services.

"(4) For the purpose of subsection (a)(6), one day of partial hospitalization services shall be considered ½ day of inpatient mental health services.

"(5)(A) In this subsection, the term 'partial hospitalization services' means items and services described in subparagraph (B) that are—

"(i) prescribed for a patient by a physician and provided to the patient by a physician (or under the direction of a physician) under a hospital-based program and pursuant to a written plan of individualized treatment;

"(ii) reasonable and necessary for the diagnosis of the patient's condition, the active treatment of the condition, or the prevention of a relapse or hospitalization of the patient; and

"(iii) are not provided on an overnight hospitalization basis.

"(B) The items and services referred to in subparagraph (A) are the following items and services:

"(i) Individual or group therapy with a physician or psychologist (or other mental health professional to the extent that such professional is permitted under applicable State law to provide the therapy).

"(ii) Occupational therapy requiring the skills of a qualified occupational therapist.

"(iii) Services of social workers, trained psychiatric nurses, and other staff trained to work with psychiatric patients.

"(iv) Therapeutic drugs that cannot (as determined in accordance with regulations prescribed by the administering Secretaries) be self-administered by the patient.

"(v) Individualized activity therapies that are not primarily recreational or diversionary.

"(vi) Family counseling directed primarily toward treatment of the patient's condition.

"(vii) Patient training and education directly related to the care and treatment of the patient.

"(viii) Diagnostic services.

"(ix) Such other items and services as the Secretary considers appropriate (but in no event to include meals and transportation).

"(C) In this subsection, the term 'written plan of individualized treatment' means a written plan for a patient that—

"(i) sets forth a physician's diagnosis of the patient's condition;

"(ii) sets forth the type, amount, frequency, and duration of partial hospitalization services recommended by the physician for the patient;

"(iii) establishes treatment goals for the patient; and

"(iv) provides for the periodic review of the plan by the physician (in consultation, as appropriate, with other health care professionals participating in the course of treatment of the patient).".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall take effect immediately after the amendment made to section 1079(i) of title 10, United States Code, by section 703(b) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1581) as amended by section 316(a) of the Persian Gulf Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25; 105 Stat. 87).

SEC. 704. BLOOD-LEAD LEVEL SCREENINGS OF DEPENDENT INFANTS OF MEMBERS OF THE UNIFORMED SERVICES.

Section 1077(a)(8) of title 10, United States Code, is amended by inserting before the period the following: ", including well-baby care that includes one screening of an infant for the level of lead in the blood of the infant".

SEC. 705. INELIGIBILITY OF FLAG OFFICERS FOR MULTIYEAR RETENTION BONUS FOR MEDICAL OFFICERS.

(a) Repeal.—Section 201 of Public Law 102-27 (105 Stat. 139) is repealed.

(b) Savings Provision.—(1) A medical officer of the Armed Forces who has received any payment of a bonus under section 301d of title 37, United States Code, by reason of the enactment of section 201 of Public Law 102-27 may not be required to reimburse the United States for such payment.

(2)(A) Subject to subparagraph (B), a written agreement referred to in section 301d(a)(1) of title 37, United States Code, that was entered into on or after April 10, 1991, and before the date of the enactment of this Act by a medical officer of the Armed Forces referred to in section 201 of Public Law 102-27 in exchange for a payment (or a promise of payment) of a bonus under section 301d of such title shall be terminated as of the end of the month following the month in which this Act is enacted.

(B) A written agreement referred to in subparagraph (A) that was entered into by an officer referred to in paragraph (1) shall terminate at the end of the later of—

(i) the month of termination determined under such subparagraph; or

(ii) the period covered by the bonus payment or payments received by that officer as described in such paragraph.

SEC. 706. EXPANSION OF CHAMPUS COVERAGE TO INCLUDE CERTAIN MEDICARE PARTICIPANTS.

(a) Eligibility of Disabled Persons.—Section 1086 of title 10, United States Code, is amended by striking out subsection (d) and inserting in lieu thereof the following new subsection:

"(d)(1) A person who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) or supplementary medical insurance benefits under part B of such title (42 U.S.C. 1395j et seq.) is not eligible for health benefits under this section.

"(2) The prohibition contained in paragraph (1) shall not apply in the case of a person referred to in subsection (c)(1) who—

"(A) is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2)); or

"(B) would be entitled to those benefits pursuant to such subparagraph except for the age of such person being 65 years or older.".

(b) Conforming Amendments to Section 1086.—Section 1086 of such title is further amended—

(1) in subsection (c)—

(A) by striking out "The following" and inserting in lieu thereof "Except as provided in subsection (d)(1), the following"; and

(B) by striking out the sentence following paragraph (3); and

(2) in subsection (g), by striking out "Notwithstanding subsection (d) or any other provision of this chapter," and inserting in lieu thereof "Section 1079(j) of this title shall apply to a plan contracted for under this section, except that".

(c) CHAMPUS To Be Second Payer.—Paragraph (1) of section 1079(j) of title 10, United States Code, is amended to read as follows:

"(1) A benefit may not be paid under a plan covered by this section in the case of any person to the extent that such person is entitled to the same benefit under—

"(A) an insurance, medical service, or health plan in which such person is enrolled, other than a plan administered under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); or

"(B) part A or B of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).".

(d) Other Conforming Amendments.—Section 613(d) of title 38, United States Code, is amended—

(1) by striking out "the second sentence of section 1086(c)" and inserting in lieu thereof "section 1086(d)(1)"; and

(2) by inserting "or supplementary medical insurance benefits under part B of such title" after "(42 U.S.C. 1395c et seq.)".

(e) Application of Amendments and Transitional Provisions.—(1) Subsection (d) of section 1086 of title 10, United States Code, as amended by subsection (a), shall apply with respect to health care benefits or services received by a person described in subsection (d) of such section—

(A) on or after the date of enactment of this Act; and

(B) in the case of a person described in paragraph (2) of such subsection, before that date to the extent that those benefits or services were paid for by that person and would have been covered under a plan contracted for under such section if received on that date.

(2) The Secretary of Defense shall by regulation prescribe the manner in which persons described in section 1086(d)(2) of such title may submit and receive payment for claims based on benefits or services before the date of the enactment of this Act.

(3) To be considered for payment under paragraph (2), each claim that is based on benefits received before the date of the enactment of this Act shall be submitted to the Secretary of Defense not later than two years after the date on which the Secretary first prescribes regulations under such paragraph.

SEC. 707. NONAVAILABILITY OF HEALTH CARE STATEMENTS.

(a) Consideration of Availability of Contract Care.—Chapter 55 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1105. Issuance of nonavailability of health care statements

"In determining whether to issue a nonavailability of health care statement for any person entitled to health care in facilities of the uniformed services under this chapter, the commanding officer of such a facility may consider the availability of health care services for such person pursuant to any contract or agreement entered into under this chapter for the provision of health care services within the area served by that facility.".

(b) Table of Sections.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1105. Issuance of nonavailability of health care statements.".

SEC. 708. SUBMITTAL OF CLAIMS FOR PAYMENT FOR SERVICES UNDER CHAMPUS.

(a) Submittal of Claims Under CHAMPUS.—(1) Chapter 55 of title 10, United States Code, as amended by section 707, is further amended by adding at the end the following new section:

"§ 1106. Submittal of claims under CHAMPUS

"Each provider of services under the Civilian Health and Medical Program of the Uniformed Services shall submit claims for payment for such services directly to the claims processing office designated pursuant to joint regulations prescribed by the administering Secretaries. A claim for payment for services shall be submitted in a standard form (as prescribed in the joint regulations) not later than one year after the services are provided.".

(2) The table of sections at the beginning of such chapter, as amended by section 707, is further amended by adding at the end the following new item:

"1106. Submittal of claims under CHAMPUS.".

(b) Regulations.—The joint regulations required by section 1106 of title 10, United States Code (as added by subsection (a)), shall take effect not later than 120 days after the date of the enactment of this Act.

SEC. 709. EXTENSION OF DEADLINE FOR REGULATIONS RELATING TO THE USE OF DIAGNOSIS-RELATED GROUPS FOR ALLOCATION OF RESOURCES TO HEALTH CARE FACILITIES OF THE UNIFORMED SERVICES.

Section 724 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (103 Stat. 1478; 10 U.S.C. 1101 note) is amended by striking out "October 1, 1991" and inserting in lieu thereof "October 1, 1993".

SEC. 710. AUTHORITY TO USE THE COMPOSITE HEALTH CARE SYSTEM AT A MILITARY MEDICAL FACILITY WHEN COST EFFECTIVE.

Subsection (h)(1) of section 704 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3900), as added by section 717(c)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1586) is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Secretary may authorize the use of the Composite Health Care System to provide information systems support in a military medical treatment facility that is not involved in the operational test and evaluation phase referred to in subsection (b) on November 5, 1990, if the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that the use of the Composite Health Care System in that facility is the most cost-effective method for providing automated operations at the facility.".

SEC. 711. ADMINISTRATION OF THE MANAGED-CARE MODEL OF UNIFORMED SERVICES TREATMENT FACILITIES.

(a) Designation of Facilities of the Uniformed Services Treatment Facilities.—(1) The Secretary of Defense may designate a facility referred to in paragraph (2) as a facility of the uniformed services for the purposes of chapter 55 of title 10, United States Code.

(2) Paragraph (1) applies with respect to any facility owned, operated, or staffed by Uniformed Services Treatment Facilities that is authorized, pursuant to an agreement entered into with the Secretary of Defense,

to provide medical and dental care for persons eligible to receive such care in facilities of the uniformed services under the provisions of chapter 55 of title 10, United States Code.

(b) REIMBURSEMENT FOR CARE.—A facility designated pursuant to subsection (a) may be reimbursed for medical and dental care provided by such facility pursuant to the agreement referred to in subsection (a)(2) in accordance with—

(1) the reimbursement procedure established for approved facilities under section 911(c) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(c)); or

(2) an alternative payment mechanism provided for in section 1252(b) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(b)).

(c) AUTHORITY TO TERMINATE DESIGNATION.—The designation of a facility under subsection (a)(1) may be terminated in accordance with the procedure provided under section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)).

SEC. 712. TRANSITIONAL HEALTH CARE.

(a) HEALTH CARE PROVIDED.—Chapter 55 of title 10, United States Code, is amended—

(1) by redesignating section 1074b as section 1074c; and

(2) by inserting after section 1074a the following new section:

"§1074b. Transitional medical and dental care: members released from active duty performed in support of a contingency operation

"(a) HEALTH CARE PROVIDED.—A member of the armed forces described in subsection (b), and the dependents of that member, shall be entitled to receive health care described in subsection (c) upon the release of the member from active duty served in support of a contingency operation. The entitlement to such care under this section shall terminate on the earlier of—

"(1) the date 30 days after the date of the release of the member from active duty; or

"(2) the date on which the member and the dependents of the member become covered by a health care plan sponsored by an employer.

"(b) ELIGIBLE MEMBER DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who—

"(1) is a member of a reserve component called or ordered to active duty in support of a contingency operation;

"(2) is involuntarily retained on active duty under section 673c of this title in support of a contingency operation; or

"(3) voluntarily agrees to remain on active duty for a period of less than one year in support of a contingency operation.

"(c) HEALTH CARE DESCRIBED.—A person entitled to health care under subsection (a) is entitled to—

"(1) medical and dental care under section 1076 of this title in the same manner as a dependent described in subsection (a)(2) of that section; and

"(2) health benefits contracted under the authority of section 1079(a) of this title, subject to the same rates and conditions as apply to persons covered by that section.

"(d) EXCLUSIONS.—This section does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary concerned).".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter is amended by striking out the item relating to section 1074b and inserting in lieu thereof the following new items:

"1074b. Transitional medical and dental care: members released from active duty performed in support of a contingency operation.
"1074c. Medical care: authority to provide a wig.".

(c) APPLICABILITY.—Section 1074b of title 10, United States Code, as added by subsection (a)(2), shall apply with respect to releases from active duty referred to in that section on or after the date of the enactment of this Act.

SEC. 713. COMPREHENSIVE STUDY OF THE MILITARY HEALTH-CARE SYSTEM.

(a) REQUIREMENT FOR STUDY AND REPORT.—The Secretary of Defense shall conduct a comprehensive study of the military medical care system and shall, not later than December 15, 1992, submit to the congressional defense committees a report on the study.

(b) CONDUCT OF STUDY.—The Secretary shall include as part of the study the following:

(1) A survey of members of the Armed Forces (including retired members), retired former members of the Armed Forces, and their dependents in order to—

(A) determine their attitudes regarding—

(i) the quality and availability of health and dental care under the military medical care system; and

(ii) the premiums, fees, copayments, and other charges imposed under that system; and

(B) identify other major areas of concern to such persons regarding the military medical care system.

(2) A comprehensive review of the existing methods of providing health and dental care through civilian health and dental care programs that are available as alternatives to the methods for providing such care through the existing military medical care system, including the results of experimental use of such alternative methods by the Department and the level of satisfaction of the persons who have received health or dental care pursuant to the experimental use of such alternative methods.

(c) CONTENT OF REPORT.—The report required by subsection (a) shall include the following:

(1) With respect to the military medical care system, the following:

(A) The costs of the system during fiscal year 1992 and the projected costs of such system during each of the five fiscal years following such fiscal year.

(B) The Department's policies regarding the imposition of premiums, fees, copayments, and other charges under the system.

(C) Any plans of the Department to increase or reduce such premiums, fees, copayments, or other charges, stated by the category of the services for which the charge is imposed and by the status as a current member of the Armed Forces, dependent of a member, retired member or former member of the Armed Forces, or dependent of a retired member or former member.

(D) An evaluation (organized by armed force and by State and foreign country) of the availability of health and dental care to the members of the Armed Forces (including retired members), retired former members of the Armed Forces, and their dependents, including any deficiency in the availability of such care.

(E) A comparison (stated by armed force and by State and foreign country) of the availability of health and dental care in facilities of the uniformed services to dependents of members of the Armed Forces with the availability of such care to such dependents pursuant to contract plans, including the average delay in gaining access to such care.

(F) A comparison of the costs of providing such care in facilities of the uniformed services with the costs of providing such care pursuant to regional indemnity contract plans and health maintenance organization contract plans, stated in terms of cost per member of the Armed Forces and cost per family of such members.

(G) An evaluation of the quality and availability of preventive health and dental care.

(H) An evaluation of the adequacy of existing regulations to ensure that the existing and future availability of appropriate health care for disabled active and reserve members of the Armed Forces is adequate.

(I) An assessment of the quality and availability of mental health services for members of the Armed Forces and their dependents.

(J) An assessment of the qualifications of the personnel involved in the Department of Defense review of the utilization of mental health benefits provided under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS).

(K) An evaluation of the efficacy of the actions taken by the Department to ensure that individuals carrying out medical or financial evaluations under the system make such disclosures of personal financial matters as are necessary to ensure that financial considerations do not improperly affect such evaluations.

(L) An evaluation of the adequacy of the existing appeals process and of existing procedures to ensure the protection of patient rights.

(M) Any other information that the Secretary determines appropriate.

(2) The results of the survey conducted pursuant to subsection (b)(1).

(3) With respect to the review conducted pursuant to subsection (b)(2), the following matters:

(A) The results of the review.

(B) A discussion of the existing methods available for providing health and dental care to retired members and former members of the Armed Forces and their dependents, including through Medicare risk contractors, as alternatives to the existing methods of providing health and dental care to such persons under the military medical care system.

(C) A description of any plans of the Department to use any alternative methods referred to in subparagraph (B) to ensure that suitable health and dental care is available to dependents of members of the Armed Forces (including dependents of retired members) and to retired former members of the Armed Forces and their dependents.

(D) A proposal for purchasing health care for persons referred to in subparagraph (C) through private sector managed care programs, together with a discussion of the cost-effectiveness and practicality of doing so within the military medical care system.

(E) Any other information that the Secretary determines appropriate.

(d) DEFINITION.—In this section, the term "military medical care system" means the program of medical and dental care provided for under chapter 55 of title 10, United States Code.

SEC. 714. AUTHORITY TO EXTEND CHAMPUS REFORM INITIATIVE.

(a) AUTHORITY.—Upon the termination (for any reason) of the contract of the Department of Defense in effect on the date of the enactment of this Act under the CHAMPUS reform initiative established under section 702 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 1073 note), the Secretary of Defense may enter into a replacement or successor contract, with the same or a different contractor, and for such amount, as may be determined in accordance with applicable procurement laws and regulations and without regard to any limitation (enacted before, on, or after the date of the enactment of this Act) on the availability of funds for that purpose.

(b) TREATMENT OF LIMITATION ON FUNDS FOR PROGRAM.—No provision of law stated as a limitation on the availability of funds may be treated as constituting the extension of, or as requiring the extension of, any contract under the CHAMPUS reform initiative that would otherwise expire in accordance with its terms.

SEC. 715. REGISTRY OF MEMBERS OF THE ARMED FORCES EXPOSED TO FUMES OF BURNING OIL IN CONNECTION WITH OPERATION DESERT STORM.

(a) ESTABLISHMENT OF REGISTRY.—The Secretary of Defense shall (with the advice of an independent scientific organization) establish and maintain a special record relating to members of the Armed Forces who, as determined by the Secretary, were exposed to the fumes of burning oil in the Operation Desert Storm theater of operations during the Persian Gulf conflict (hereafter in this section referred to as the "Registry").

(b) CONTENTS OF REGISTRY.—The Registry shall include—

(1) a list containing the name of each member of the Armed Forces referred to in subsection (a); and

(2) a description of the circumstances (including the length) of each exposure of that member to the fumes of burning oil as described in subsection (a).

(c) REPORTING REQUIREMENT RELATING TO EXPOSURE STUDIES.—The Secretary shall annually submit to Congress with the budget submitted under section 1105 of title 31, United States Code, a report on the on-going studies on the members of the Armed Forces referred to in subsection (a) to determine the health consequences (including any short- or long-term consequences) of the exposure of such members to the fumes of burning oil (as described in subsection (a)), and on any need for additional studies relating to the exposure of such members to such fumes.

(d) MEDICAL EXAMINATION.—Upon the request of any member listed in the Registry, the Secretary of the military department concerned shall, if medically appropriate, furnish a pulmonary function examination and chest x-ray to such person.

(e) EFFECTIVE DATE.—The Secretary shall establish the Registry not later than 180 days after the date of the enactment of this Act.

(f) DEFINITIONS.—In this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf conflict" has the meaning given such term in section 3(3) of such Act.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

PART A—INDUSTRIAL AND TECHNOLOGY BASE INITIATIVES

SEC. 801. DEVELOPMENT OF CRITICAL TECHNOLOGIES.

(a) ESTABLISHMENT OF NEW TITLE 10 CHAPTER FOR CRITICAL TECHNOLOGY PROVISIONS.—Title 10, United States Code, is amended by inserting after chapter 149 the following new chapter 150:

"CHAPTER 150—DEVELOPMENT OF CRITICAL TECHNOLOGIES

"Sec.
"2521. Definitions.
"2522. Annual defense critical technologies plan.
"2523. Defense dual-use critical technology partnerships.
"2524. Critical technology application centers assistance program.
"2525. Clearinghouse for foreign defense critical technology monitoring and assessment.
"2526. Overseas foreign critical technology monitoring and assessment grant program.

"§ 2521. Definitions

"In this chapter:

"(1) The terms 'Federal laboratory' and 'laboratory' have the meaning given the term 'laboratory' in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)).

"(2) The term 'critical technology' means—

"(A) a national critical technology;

"(B) an emerging technology; and

"(C) a defense critical technology.

"(3) The term 'national critical technology' means a technology that—

"(A) appears on the list of national critical technologies contained in a biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)); and

"(B) has not been expressly deleted from such list by such a report subsequently submitted to Congress by the President.

"(4) The term 'emerging technology' means a technology that—

"(A) appears on an emerging technologies list submitted to Congress by the Secretary of Commerce; and

"(B) has not been expressly deleted from such list by an emerging technologies list subsequently submitted to Congress by the Secretary.

"(5) The term 'defense critical technology' means a technology that—

"(A) appears on the list of critical technologies contained in an annual defense critical technologies plan submitted to Congress by the Secretary of Defense pursuant to section 2522 of this title; and

"(B) has not been expressly deleted from such list by such a plan subsequently submitted to Congress by the Secretary.

"(6) The term 'dual-use critical technology' means a critical technology that has military applications and nonmilitary commercial applications.

"(7) The term 'eligible firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(B) is a company or other business entity the majority ownership or control of which is in United States citizens or is a company or other business that is owned by a parent company that is incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States, and

includes a consortium of such companies or other business entities, as determined by the Secretary of Commerce.

"(8) The term 'Pacific Rim country' means a foreign country located on or near the periphery of the Pacific Ocean.".

(b) TRANSFER OF SECTION.—(1) Section 2508 of title 10, United States Code, is redesignated as section 2522 and, as redesignated, is transferred to the end of chapter 150 of such title (as added by subsection (a)).

(2) The table of sections of chapter 148 is amended by striking out the item relating to section 2508.

(c) SUPPORT FOR DEVELOPMENT OF CRITICAL TECHNOLOGIES.—Chapter 150 of title 10, United States Code, as added by subsection (a), is amended by inserting after section 2522 of such title (as transferred to such chapter by subsection (b)) the following new sections:

"§ 2523. Defense dual-use critical technology partnerships

"(a) ESTABLISHMENT OF PARTNERSHIPS.—The Secretary of Defense shall conduct a program providing for the establishment of cooperative arrangements (hereafter in this section referred to as a 'partnerships') between the Department of Defense and entities referred to in subsection (b) in order to encourage and provide for research and development of dual-use critical technologies. The Secretary may enter into cooperative agreements pursuant to section 2371 of this title to establish the partnerships.

"(b) PARTNERSHIP PARTICIPANTS.—Each partnership shall be composed of participants from two or more eligible firms and may include one or more Federal laboratories, institutions of higher education, agencies of State governments, and any other participants that the Secretary considers appropriate.

"(c) LEAD INSTITUTION.—The participants in each partnership shall designate a lead institution for the partnership. The lead institution shall direct the activities of the partnership.

"(d) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—The non-Federal Government participants in a partnership shall contribute at least 50 percent of the total cost of the partnership activities. Each proposal for the establishment of a partnership shall demonstrate the commitment of such participants to meeting the financial requirement of this subsection.

"(e) PROTECTION OF INFORMATION.—(1) Subject to paragraph (2), a participant in a partnership may disclose information on the research and development activities of the partnership to the same extent that a Federal laboratory may disclose information under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) and all other applicable provisions of law.

"(2) No officer or employee of the Federal Government may disclose any trade secret or commercial or financial information that is privileged or confidential within the meaning of section 552(b)(4) of title 5 and is obtained from a non-Federal Government participant in a partnership as a result of the activities of the partnership, regardless of whether such activities are subject to the Stevenson-Wydler Technology Innovation Act of 1980. The prohibition in the preceding sentence does not apply to a disclosure made with the consent of such participant.

"(f) ASSISTANCE AUTHORIZED.—The Secretary of Defense may provide a partnership with technical and other assistance to facilitate the achievement of the purposes of this section.

"(g) SELECTION PROCESS.—(1) Proposals for partnerships shall be evaluated on the basis of merit pursuant to a competitive selection process prescribed by the Secretary of Defense.

"(2) The Secretary shall consult with the Secretary of Commerce and the Director of the Office of Science and Technology Policy in prescribing the competitive selection process and in making selections for the establishment of partnerships pursuant to such process.

"(h) SELECTION CRITERIA.—The criteria for the selection of proposed partnerships for establishment under this section shall include the following:

"(1) A likelihood that there will not be timely private sector investment in activities to achieve the goals and objectives of the proposed partnership other than through the partnership.

"(2) Significant potential for the research and development conducted by such partnership to enhance the national security or economic prosperity of the United States.

"(3) The potential effectiveness of the programs proposed by the partnership for the transfer of technology among partnership participants and by other means.

"(4) The sufficiency of the breadth of the participation of eligible firms in the partnership to ensure that there will be competition in the application of the results of partnership activities to the production of marketable products and the development of marketable processes.

"(5) The extent of the financial commitment of eligible firms to the proposed partnership.

"(6) Such other criteria that the Secretary prescribes.

"§ 2524. Critical technology application centers assistance program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, in consultation and coordination with the Secretary of Commerce, shall conduct a program to provide assistance for the activities of eligible regional critical technology application centers in the United States.

"(b) ELIGIBLE CENTERS.—A regional critical technology application center is eligible for assistance under the program if—

"(1) the purpose of the center is to facilitate the use of one or more national critical technologies for commercial purposes by an industry in the region served by that center in order to enhance the development and economic sustainability of the capability of that industry to compete effectively on an international scale and thereby to maintain within the United States industrial capabilities that are vital to the national security of the United States; and

"(2) the center meets the other requirements of this section.

"(c) PROGRAM PARTICIPANTS.—(1) The participants in a critical technology application center—

"(A) shall include—

"(i) eligible firms that conduct business in the region of the United States served or to be served by the center; and

"(ii) a sponsoring agency in such region; and

"(B) may include other organizations considered appropriate by the Secretary of Defense.

"(2)(A) A sponsoring agency of a center may be any agency described in subparagraph (B) that, as determined by the Secretary, provides adequate assurances that it will—

"(i) meet the financial requirement in subsection (d); and

"(ii) provide assistance in the management of the center.

"(B) An agency referred to in subparagraph (A) is—

"(i) any agency of a State or local government;

"(ii) any organization established pursuant to an agreement entered into by two or more States or local governments;

"(iii) any organization performing functions pursuant to such an agreement; or

"(iv) any membership organization in which a State or local government is a member.

"(d) ASSISTANCE AUTHORIZED.—(1) Under the program, the Secretary may provide—

"(A) financial assistance for the activities of a critical technology application center (including, in the case of a proposed center, the establishment of such center) in any amount not in excess of 30 percent of the cost of conducting such activities (including the cost of establishing a proposed center) during the period covered by the financial assistance; and

"(B) technical assistance for the activities (and, in the case of a proposed center, the establishment) of a center awarded financial assistance authorized by subparagraph (A).

"(2) The Secretary may not provide financial assistance for construction of facilities.

"(3) The Secretary may furnish assistance to a critical technology application center under the program for not more than six years.

"(e) FINANCIAL CONTRIBUTIONS OF CENTER PARTICIPANTS.—(1) The sponsoring agency of a critical technology application center shall pay at least 30 percent of the total cost incurred each year for the activities of the center. Funds contributed for the activities of the center by institutions of higher education or private, nonprofit organizations participating in the center shall be considered as funds contributed by the sponsoring agency.

"(2) The eligible firms participating in a center shall pay at least 40 percent of the total cost incurred each year for the activities of the center.

"(3) If the right to use or license the results of any research and development activity of a center is limited by participants in the center to one or more, but less than all, of the eligible firms participating in the center, the non-Federal Government participants in the center shall pay the total cost incurred for such activity. The cost incurred in a year for all such activities may not exceed 15 percent of the total cost incurred in such year for all activities of the center.

"(f) MANAGEMENT PLAN.—A critical technology application center shall operate under a management plan that includes provisions for the eligible firms participating in the center to have the primary responsibility for directing the activities of the center and to exercise that responsibility through, among any other means, majority voting membership of such firms on the board of directors of the center.

"(g) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(h) SELECTION CRITERIA.—The criteria for selection of a center to receive financial assistance under this section shall include the following:

"(1) The potential for the activities of the center to result in—

"(A) increased international competitiveness and productivity of eligible firms; and

"(B) the emergence in such region of highly productive new firms that are capable of competing on an international scale.

"(2) The expected level of actual and potential involvement of eligible firms in the center.

"(3) The potential for the center to be able to apply critical technology research and development supported or conducted by Federal laboratories and institutions of higher education.

"(4) The potential for the center to sustain itself through support from industry and other non-Federal Government sources after termination of the Federal assistance provided pursuant to this section.

"(5) The level of involvement of appropriate State and local agencies, institutions of higher education, and private, nonprofit entities in the center.

"(6) Such other criteria as the Secretary prescribes.

"§ 2525. Clearinghouse for foreign defense critical technology monitoring and assessment

"(a) IN GENERAL.—There is, within the Office of the Director of Defense Research and Engineering, an office known as the 'Clearinghouse of Foreign Defense Technology Monitoring and Assessment'.

"(b) RELATIONSHIP TO DEPARTMENT OF COMMERCE.—The head of the clearinghouse shall consult closely with appropriate officials of the Department of Commerce in order—

"(1) to minimize the duplication of any effort of the Department of Commerce by the Department of Defense regarding defense critical technologies having potential commercial uses; and

"(2) to ensure that the clearinghouse is effectively utilized to disseminate information to users of such information within the Federal Government.

"(c) RESPONSIBILITIES.—The clearinghouse shall have the following responsibilities:

"(1) To maintain within the Department of Defense a central library for the compilation and appropriate dissemination of unclassified and classified information and assessments regarding significant foreign activities in research, development, and applications of defense critical technologies.

"(2) To establish and maintain—

"(A) a widely accessible unclassified data base of information and assessments regarding foreign science and technology activities that involve defense critical technologies, including, especially, activities in Europe and in Pacific Rim countries; and

"(B) a classified data base of information and assessments regarding such activities.

"(3) To perform liaison activities among the military departments, Defense Agencies, other appropriate offices within the Department of Defense, and appropriate agencies and offices within the Department of Commerce, the Department of State, and other departments and agencies of the Federal Government in order to ensure that significant activities in research, development, and applications of defense critical technologies are identified, monitored, and assessed by an appropriate department or agency of the Federal Government.

"(4) To ensure the maximum practicable public availability of information and assessments contained in the unclassified and classified data bases established pursuant to paragraph (2) by—

"(A) limiting, to the maximum practicable extent, restrictive classification of such information and assessments; and

"(B) disseminating to the Department of Commerce information and assessments regarding defense critical technologies having potential commercial uses.

"(5) To cooperate with the Department of Commerce in the dissemination of unclassified information and assessments regarding defense critical technologies having potential commercial uses so that such information and assessments may be further disseminated within the Federal Government and to the private sector.

"§ 2526. Overseas foreign critical technology monitoring and assessment grant program

"(a) ESTABLISHMENT AND PURPOSE OF PROGRAM.—The Secretary of Defense shall establish a foreign critical technology monitoring and assessment grant program. Under the program, the Secretary shall award grants to one or more organizations referred to in subsection (b) in order to provide grantees with financial assistance for the establishment of foreign critical technology monitoring and assessment offices in Europe, Pacific Rim countries, and such other countries as the Secretary considers appropriate.

"(b) ELIGIBLE GRANTEES.—Any not-for-profit industrial or professional organization that has economic and scientific interests in research, development, and applications of commercial critical technologies is eligible for a grant under the program.

"(c) REQUIRED GRANTEE ACTIVITIES.—Each privately operated, foreign critical technology monitoring and assessment office supported in part with the proceeds of a grant or grants awarded under this section to an organization referred to in subsection (b) shall collect, evaluate, and disseminate within the organization and to the Department of Defense and the Department of Commerce assessments of significant activities in research, development, and applications of critical technologies that are conducted in the geographic area in which the office is located.

"(d) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (d) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(e) LIMITATION.—Grant assistance may be provided to a foreign critical technology monitoring and assessment office under this section for not more than six years.".

(d) REPEAL.—(1) Section 2368 of title 10, United States Code, is repealed.

(2) The table of sections of chapter 139 is amended by striking out the item relating to section 2368.

(e) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 201, there shall be available for the following purposes the amounts specified for such purposes, as follows:

(1) For each of fiscal years 1992 and 1993, to carry out section 2523 of title 10, United States Code (as added by subsection (c)), relating to dual-use critical technology partnerships, as follows:

(A) For the Defense Advanced Research Projects Agency, $100,000,000.

(B) For the Army, $10,000,000.

(C) For the Navy, $20,000,000.

(D) For the Department of the Air Force, $40,000,000.

(2) For the critical technologies application centers program established pursuant to section 2524 of title 10, United States Code (as added by subsection (c)), as follows:

(A) For fiscal year 1992, $50,000,000.

(B) For fiscal year 1993, $75,000,000.

(3) For each of fiscal years 1992 and 1993, for the Clearinghouse for Foreign Defense Technology Monitoring and Assessment established pursuant to section 2525 of title 10, United States Code (as added by subsection (c)), $10,000,000.

(4) For the overseas foreign critical technology monitoring and assessment grant program established pursuant to section 2526 of title 10, United States Code (as added by subsection (c)), as follows:

(A) For fiscal year 1992, $7,500,000.

(B) For fiscal year 1993, $10,000,000.

(f) TECHNICAL AMENDMENTS NECESSITATED BY THE ENACTMENT OF THE NEW CHAPTER 150.—(1) Part IV of subtitle A of title 10, United States Code, is amended as follows:

(A) Strike out the heading of chapter 151 and insert in lieu thereof the following:

"SUBCHAPTER II—ISSUE OF SERVICEABLE MATERIAL OTHER THAN TO THE ARMED FORCES".

(B) Strike out the heading of the chapter 150 in effect on the day before the date of the enactment of this Act (relating to issue to Armed Forces) and the table of sections of such chapter and insert in lieu thereof the following:

"CHAPTER 152—ISSUE OF SUPPLIES, SERVICES, AND FACILITIES

"SUBCHAPTER Sec.

"I. Issue to the Armed Forces 2540

"II. Issue of Serviceable Material Other Than to the Armed Forces 2541

"SUBCHAPTER I—ISSUE TO THE ARMED FORCES

"Sec.

"2540. Reserve components: supplies, services, and facilities.".

(C) Redesignate the section 2521 in effect on the day before the date of the enactment of this Act (relating to reserve components: supplies, services, and facilities) as section 2540.

(2) The tables of chapters at the beginning of subtitle A of title 10, United States Code, and of part IV of such subtitle are each amended by striking out the items relating to chapters 150 and 151 and inserting in lieu thereof the following:

"150. Development of Critical Technologies 2521

"152. Issue of Supplies, Services, and Facilities .... 2540".

SEC. 802. NATIONAL CRITICAL TECHNOLOGY STRATEGIC ROAD MAPS.

(a) REQUIREMENT FOR STRATEGIC ROAD MAPS.—(1) The President, acting through the Federal Coordinating Council for Science, Engineering, and Technology, shall submit to Congress, at least once every two years, a multiyear strategic road map for each national critical technology (hereafter in this section referred to as a "national critical technology strategic road map" or "strategic road map").

(2) Each strategic road map shall cover at least the four fiscal years following the fiscal year in which the strategic road map is submitted to Congress and may cover more than one national critical technology.

(3) In developing a strategic road map, the Council shall consult with appropriate representatives of United States industry interested in the national critical technology or technologies covered by the strategic road map and with an appropriate national critical technologies advisory committee established pursuant to subsection (c).

(b) CONTENT OF STRATEGIC ROAD MAP.—(1) Each national critical technology strategic road map shall—

(A) provide an assessment of the current strengths and weaknesses in the national capability of the United States to develop and apply the technology or technologies covered by the strategic road map and the sources of such strengths and weaknesses, including an assessment of the current activities of United States industry, institutions of higher education in the United States, the Federal Government, and State and local governments which enhance or hinder the development and application of such technology or technologies;

(B) in light of such assessment, provide guidance for the conduct and coordination of the activities of the Federal Government that are directed toward enhancing the development or application of the national critical technology or technologies covered by the strategic road map;

(C) specify the goals and priorities of such activities;

(D) provide guidance for the appropriate roles of each department and agency of the Federal Government, United States industry, and institutions of higher education in the United States in implementing the strategic road map; and

(E) provide guidance for increasing access to foreign sources of the technology or technologies covered by the strategic road map through international cooperation.

(2) Each national critical technology strategic road map shall identify the joint actions that are feasible and desirable for departments and agencies of the Federal Government to take—

(A) to ensure that the results of federally funded and federally conducted research and development of the national critical technology or technologies covered by the strategic road map are appropriately disseminated to United States industry;

(B) to encourage and enhance the use of such results by United States industry; and

(C) to provide for the education and training of personnel engaged in research and development of such national critical technology or technologies.

(3) Each national critical technology strategic road map for a national critical technology or technologies (other than the first strategic road map covering such technology or technologies) shall include a discussion of the achievements of the activities conducted pursuant to the preceding strategic road map for such technology or technologies issued pursuant to subsection (a). The discussion shall include—

(A) an analysis of the progress made toward achieving the goals and objectives of the strategic road map;

(B) a summary of the budgets of the departments and agencies of the Federal Government for research and development of such national critical technology or technologies for the first two fiscal years covered by such preceding strategic road map; and

(C) any additional actions or recommendations for legislation necessary to carry out the provisions of this section and the provisions of such strategic road map.

(c) NATIONAL CRITICAL TECHNOLOGIES ADVISORY COMMITTEES.—(1) The Director of the Office of Science and Technology Policy shall establish one or more national critical technologies advisory committees to ensure that expert advice on each national critical technology is available to the Federal Coordinating Council for Science, Engineering, and Technology for the purposes of carrying out the responsibilities of the Council under this section.

(2) Each such advisory committee shall consist of members appointed by the Director from among representatives of United States industry, members of industry associations, representatives of labor organizations in the United States, members of professional and technical societies in the United States, and other persons who are qualified to provide the Council with advice and assistance in the development of one or more national critical technology strategic road maps.

(3) The Director shall designate a member of each advisory committee to serve as the chairman of the advisory committee.

(4) Each advisory committee shall, for each national critical technology within the purview of such committee, provide the Council with its independent assessment of—

(A) the goals and priorities for the development and applications of that national critical technology, including an assessment of the extent to which the achievement of such goals and priorities will ensure continued United States leadership in that technology;

(B) the specific programs and activities that the Federal Government must conduct as complements to the activities of United States industry in order to accomplish such goals and priorities;

(C) the progress made in implementing the national critical technology strategic road map for that technology;

(D) any need to revise such strategic road map;

(E) the balance between the components of the strategic road map; and

(F) any other issues identified by the Director.

(5) A national critical technologies advisory committee shall assist in the development of, and shall review, the first national critical technology strategic road map for each national critical technology within the purview of such advisory committee before that strategic road map is submitted to Congress. With regard to that strategic road map, the advisory committee shall provide the Council with its independent assessment of the matters described in subparagraphs (A), (B), (D), (E), and (F) of paragraph (4).

(d) RESPONSIBILITIES OF THE COUNCIL.—The Federal Coordinating Council for Science, Engineering, and Technology shall—

(1) serve as the lead organization within the Federal Government responsible for—

(A) the development of each national critical technology strategic road map; and

(B) the interagency coordination of the Federal Government activities conducted pursuant to such road map;

(2) report to the President on a biennial basis on any recommended changes in departmental or agency responsibilities that are necessary for better implementation of the strategic road map;

(3) each year before the submission of the budget to Congress pursuant to section 1105 of title 31, United States Code, review the budget concerning the consistency of the budget with each national critical technology strategic road map and make the results of that review available to appropriate officials within the Executive Office of the President; and

(4) in carrying out its responsibilities under this section—

(A) obtain analyses and assessments from the Critical Technologies Institute established by section 822 of the National Defense Authorization Act for Fiscal Year 1991 (42 U.S.C. 6686), as appropriate; and

(B) consider any reports of and studies conducted by (i) departments and agencies within the executive branch, (ii) Congress, (iii) the National Research Council, (iv) industry associations, or (v) other persons and organizations.

(e) SUBMISSION OF INITIAL ROAD MAPS.—(1) The President shall establish a schedule for the submission of the initial national critical technology strategic road maps to Congress at regular intervals between the date of the enactment of this Act and October 1, 1996. The schedule shall provide for the submission of at least three such strategic road maps not later than a date within one year after the date of the enactment of this Act.

(2) The President shall submit each initial national critical technology strategic road map to Congress not later than the earlier of the submission date specified for such strategic road map in the schedule established pursuant to paragraph (1) or the date on which the strategic road map is completed.

(f) DEFINITION.—In this section, the term "national critical technology" has the meaning given such term in section 2521 of title 10, United States Code, as added by section 801.

SEC. 803. ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.

(a) AUTHORITY TO ESTABLISH PARTNERSHIPS.—Chapter 149 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2518. Defense Advanced Manufacturing Technology Partnerships

"(a) ESTABLISHMENT OF PARTNERSHIPS.—(1) The Secretary of Defense may enter into cooperative arrangements (hereafter referred to in this section as "partnerships") with entities referred to in paragraph (2) of this title in order to encourage and provide for research and development of advanced manufacturing technologies with the potential for having a broad range of applications.

"(2) Each partnership shall be composed of participants from two or more eligible firms and may include one or more Federal laboratories, institutions of higher education in the United States, State entities, and any other participants that the Secretary of Defense considers appropriate.

"(b) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(c) SELECTION CRITERIA.—The criteria for the selection of proposed Partnerships for establishment under this section shall include the following criteria:

"(1) The provisions for minimizing the potential health, safety, and environmental hazards of the advanced manufacturing activities proposed for development by the Partnership.

"(2) The criteria specified in section 2523(h) of this title.

"(d) DEFINITIONS.—In this section the terms 'eligible firm' and 'Federal laboratory' have the meanings given such terms in section 2521 of this title.".

(b) ESTABLISHMENT OF INITIAL PARTNERSHIPS.—Not later than one year after the date of enactment of this Act, the Secretary of Defense shall establish three or more advanced manufacturing technology partnerships pursuant to section 2518 of title 10, United States Code, as added by subsection (a).

(c) FUNDING.—(1) Of the amounts authorized to be appropriated pursuant to section 201, $50,000,000 shall be available for each of fiscal years 1992 and 1993 to carry out section 2518 of title 10, United States Code, as added by subsection (a).

(2) Of the amounts authorized to be appropriated pursuant to section 201, $5,000,000 shall be available for each of fiscal years 1992 and 1993 for activities relating to advanced manufacturing technology that are carried out by United States industry, institutions of higher education in the United States, or Federal laboratories under the authority of bilateral or multilateral technology agreements entered into by the United States and other nations. The amount of such funds allocated for each such activity may not exceed one-third of the total estimated cost of carrying out that activity for the period for which the funds are to be provided.

SEC. 804. MANUFACTURING EXTENSION PROGRAMS.

(a) REVISION OF AUTHORITY.—Section 2517 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "The Secretary of Defense,";

(2) in the first sentence—

(A) by striking out "the defense subtier industry" and inserting in lieu thereof "defense foundation firms"; and

(B) by striking out "and other existing organizations" and all that follows through "manufactured parts"; and

(3) by adding at the end the following new subsection:

"(b)(1) The Secretary of Defense shall establish a program—

"(A) to support manufacturing extension programs of States, local governments, and private, nonprofit organizations;

"(B) to promote the development of a broad range of such programs, including programs that provide for in-factory assistance, teaching factories, computer-integrated manufacturing centers, advanced manufacturing technology testbeds, flexible manufacturing networks, group services, service centers, industry association technology activities, and other productivity and quality improvement activities; and

"(C) to increase the involvement of appropriate segments of the private sector, especially key customers of foundation firms, vendors of advanced manufacturing equipment, and industry and professional organizations, in activities that improve the manufacturing quality, productivity, and performance of foundation firms.

"(2)(A) There is a Council on Manufacturing Extension.

"(B) The Council is composed of ten members as follows:

"(i) Three members designated by the Secretary of Defense from among personnel in the Department of Defense.

"(ii) Three members designated by the Secretary of Commerce from among officers and employees of the Department of Commerce.

"(iii) One member designated by the Secretary of Energy from among officers and employees of the Department of Energy.

"(iv) One member designated by the Secretary of Labor from among officers and employees of the Department of Labor.

"(v) One member designated by the Administrator of the National Aeronautics and Space Administration from among officers and employees of the National Aeronautics and Space Administration.

"(vi) One member designated by the Director of the National Science Foundation from among officers and employees of the National Science Foundation.

"(C) The Secretary of Defense shall designate a member of the Council to serve as chairman for each even numbered year. The Secretary of Commerce shall designate a member of the Council to serve as chairman for each odd numbered year.

"(D) The Council shall have the following responsibilities:

"(i) To prescribe policies and procedures for the implementation of the program established under this subsection.

"(ii) To serve as a means for coordinating such program with related programs conducted by the Department of Energy, the Department of Labor, the National Aeronautics and Space Administration, the National Science Foundation, and other departments and agencies of the Federal Government.

"(iii) To develop a long-range strategic plan for the manufacturing extension activities of the Federal Government.

"(3) Any State government, any local government, any private, nonprofit institution, any group of State governments, local governments, or private, nonprofit institutions, and any consortium of private, nonprofit institutions may submit to the Council an application for financial assistance under this subsection in accordance with the procedures prescribed by the Council. The Council shall encourage multi-State applications when cooperation among States in the direction and delivery of program services serves the purposes of the program.

"(4) The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this subsection as apply under subsections (c) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(5) In awarding financial assistance under the program, the Council shall select manufacturing extension programs that demonstrate in the applications for assistance the following:

"(A) Evidence that the program—

"(i) will be carried out by a staff that includes personnel who have significant experience in industrial manufacturing;

"(ii) is capable of providing in-factory assistance to foundation firms, as appropriate; and

"(iii) proposes an approach that integrates technology, training, management, and other appropriate factors.

"(B) Significant involvement by and support from private industry (especially key customers of the foundation firms to be served by the program, vendors of advanced manufacturing equipment, and appropriate industry and professional organizations) in the planning, directing, delivery, and financing of assistance to foundation firms.

"(C) The potential for assisting a significant number of foundation firms with a limited expenditure of federal funds.

"(6)(A) The amount of financial assistance furnished to a manufacturing extension program under this subsection may not exceed 50 percent of the estimated cost of carrying out the program for the period for which the assistance is to be provided. Financial assistance shall be provided to a recipient program for a period of at least five years unless such financial assistance is earlier terminated for good cause determined by the Secretary. The amount to be furnished shall be determined on the basis of the availability of funds for furnishing such assistance, and other factors that the Secretary considers appropriate.

"(B) Subparagraph (A) does not prohibit a recipient program from reapplying for financial assistance under this subsection upon expiration or termination of the furnishing of financial assistance. The application for additional financial assistance shall be subject to the requirements and procedures set out in this subsection in the same manner and to the same extent as initial applications for financial assistance under this subsection.".

(b) DEFINITIONS.—Section 2511 of title 10, United States Code, is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following new paragraphs:

"(1) The term 'manufacturing technology' means processes, equipment, techniques, practices, capabilities (including organizational and management practices and capabilities), and skills (including worker skills) that are applied in ways intended—

"(A) to improve the efficiency by which a product similar in character to existing products is designed, developed, tested, and manufactured;

"(B) to reduce the cost of designing or producing a product;

"(C) to improve the quality of a product, including the reliability, functionality, and maintainability of the product; or

"(D) to expand the technical capability to design, develop, test, and manufacture a product that is fundamentally different in character from existing products.

"(2) The term 'manufacturing extension program' means a public or private, nonprofit programs for the improvement of the quality, productivity, and performance of small and medium-sized manufacturing firms in the United States.

"(3) The term 'foundation firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) engages in manufacturing;

"(B) has less than 500 employees;

"(C) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(D) is a company or other business entity the majority ownership or control of which is in United States citizens or is a company or other business entity of a parent company that is incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States.".

(c) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 201, the following amounts shall be available to carry out section 2517(b) of title 10, United States Code (as added by subsection (a)(3)), as follows:

(1) For fiscal year 1992, $50,000,000.

(2) For fiscal year 1993, $65,000,000.

SEC. 805. DEFENSE MANUFACTURING EDUCATION.

(a) DEFINITIONS.—Section 2196 of title 10, United States Code, is amended to read as follows:

"§ 2199. Definitions

"In this chapter:

"(1) The term 'defense laboratory' means a laboratory operated by the Department of Defense or owned by the Department of Defense and operated by a contractor or a facility of a Defense Agency at which research and development activities are conducted.

"(2) The term 'institution of higher education' has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

"(3) The term 'regional center for the transfer of manufacturing technology' means a regional center for the transfer of manufacturing technology referred to in section 25(a) of the National Institute of Standards and Technology Act (15 U.S.C. 278k).".

(b) ESTABLISHMENT OF PROGRAMS.—(1) Chapter 111 of title 10, United States Code, is amended further by inserting after section 2195 the following new sections 2196 and 2197:

"§ 2196. Manufacturing engineering education grants

"(a) ESTABLISHMENT OF GRANT PROGRAM.—The Secretary of Defense, in consultation with the Director of the National Science Foundation and the Director of the Office of Science and Technology Policy, shall establish a program for the Secretary to make grants to institutions of higher education for the following purposes:

"(1) To support the enhancement of existing programs in manufacturing engineering education that are conducted by grantee institutions and that meet the requirements of subsection (f).

"(2) To support the establishment at grantee institutions of new programs in manufacturing engineering education that meet such requirements.

"(b) NEW PROGRAMS IN MANUFACTURING ENGINEERING EDUCATION.—For the purpose of subsection (a)(2), a program in manufacturing engineering education to be established at an institution of higher education may be considered new regardless of whether the program is to be conducted—

"(1) within an existing department in a school of engineering of the grantee institution of higher education;

"(2) within a manufacturing engineering department to be established separately from the existing departments within such school of engineering; or

"(3) within a manufacturing engineering school or center to be established separately from an existing school of engineering of such institution.

"(c) MINIMUM NUMBER OF GRANTS FOR NEW PROGRAMS.—Of the total number of grants awarded pursuant to this section, at least one-third shall be awarded for the purpose stated in subsection (a)(2).

"(d) GEOGRAPHICAL DISTRIBUTION OF GRANTS.—In awarding grants under this subsection, the Secretary shall, to the maximum extent practicable, avoid geographical concentration of grant awards.

"(e) COORDINATION OF GRANT PROGRAM WITH THE NATIONAL SCIENCE FOUNDATION.—The Secretary of Defense and the Director of the National Science Foundation shall enter into an agreement for carrying out the grant program established pursuant to this section. The agreement shall include procedures to ensure that the grant program is fully coordinated with similar existing education programs of the National Science Foundation.

"(f) COVERED PROGRAMS.—(1) A program of engineering education supported with a grant awarded pursuant to this section shall meet the requirements of this subsection.

"(2) The program of education shall be conducted at the undergraduate level, the graduate level, or both the undergraduate and graduate levels.

"(3) The program of education shall be a consolidated and integrated multidisciplinary program of education having each of the following components:

"(A) Multidisciplinary instruction that encompasses the total manufacturing engineering enterprise and that may include—

"(i) manufacturing engineering education and training through classroom activities, laboratory activities, thesis projects, individual or team projects, and visits to industrial facilities, consortia, or centers of excellence in the United States and foreign countries;

"(ii) faculty development programs;

"(iii) recruitment of educators highly qualified in manufacturing engineering;

"(iv) presentation of seminars, workshops, and training for the development of specific research or education skills; and

"(v) activities involving interaction between the institution of higher education conducting the program and industry, including programs for visiting scholars or industry executives.

"(B) Opportunities for students to obtain work experience in manufacturing through such activities as internships, summer job placements, or cooperative work-study programs.

"(C) Faculty and student research that is directly related to, and supportive of, the education of undergraduate or graduate students in advanced manufacturing science and technology because of—

"(i) the increased understanding of advanced manufacturing science and technology that is derived from such research; and

"(ii) the enhanced quality and effectiveness of the instruction that result from that increased understanding.

"(g) GRANT PROPOSALS.—The Secretary of Defense, in coordination with the Director of the National Science Foundation, shall solicit from institutions of higher education in the United States proposals for grants to be made pursuant to this section for the support of programs of manufacturing engineering education that are consistent with the purposes of this section.

"(h) MERIT COMPETITION.—Applications for grants shall be evaluated on the basis of merit pursuant to competitive procedures prescribed by the Secretary of Defense in consultation with the Director of the National Science Foundation.

"(i) SELECTION CRITERIA.—The Secretary may select a proposal for the award of a grant pursuant to this title if the proposal, at a minimum—

"(1) contains innovative approaches for improving engineering education in manufacturing technology;

"(2) demonstrates a strong commitment by the proponents to apply the resources necessary to achieve the objectives for which the grant is to be made;

"(3) provides for the conduct of research that supports the instruction to be provided in the proposed program and is likely to improve manufacturing engineering and technology;

"(4) demonstrates a significant level of involvement of United States industry in the proposed instructional and research activities;

"(5) is likely to attract superior students;

"(6) proposes to involve fully qualified faculty personnel who are experienced in research and education in areas associated with manufacturing engineering and technology;

"(7) proposes a program that, within three years after the grant is made, is likely to attract from sources other than the Federal Government the financial and other support necessary to sustain such program; and

"(8) proposes to achieve a significant level of participation by women, members of minority groups, and disabled persons through active recruitment of students from among such persons.

"(j) FEDERAL SUPPORT.—The amount of financial assistance furnished to an institution under this section may not exceed 50 percent of the estimated cost of carrying out the activities proposed to be supported in part with such financial assistance for the period for which the assistance is to be provided.

"§2197. Manufacturing managers in the classroom

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, in consultation with the Secretary of Commerce, shall conduct a program to support the following activities of one or more manufacturing managers and experts at such institution:

"(1) Identifying the education and training requirements of United States manufacturing firms located in the same geographic region as such institution.

"(2) Assisting in the development of teaching curricula for classroom and in-factory education and training classes.

"(3) Teaching such classes and overseeing the teaching of such classes by others.

"(4) Improving the knowledge and expertise of permanent faculty and staff of the institution.

"(5) Marketing the programs and facilities of the institution to firms referred to in paragraph (1).

"(6) Coordinating the activities described in the other provisions of this subsection with other programs conducted by the Federal Government, any State, any local government, or any private, nonprofit organization to modernize United States manufacturing firms, especially the regional centers for the transfer of manufacturing technology and programs receiving financial assistance under section 2196(b) of this title.

"(b) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(c) SELECTION CRITERIA.—The Secretary shall select applications for the award of financial assistance under this section that—

"(1) demonstrate that the proposed activities are of an appropriate scale and a sufficient quality to ensure long term improvement in the applicant's capability to serve the education and training needs of United States manufacturing firms in the same region as the applicant;

"(2) demonstrate a significant level of industry involvement and support;

"(3) demonstrate attention to the needs of any United States industries that supply manufactured products to the Department of Defense or to a contractor of the Department of Defense; and

"(4) meet such other criteria as the Secretary may prescribe.

"(d) FEDERAL SUPPORT.—The amount of financial assistance furnished to an institution under this section may not exceed 50 percent of the estimated cost of carrying out the activities proposed to be supported in part with such financial assistance for the period for which the assistance is to be provided. In no event may the amount of the financial assistance provided to an institution exceed $250,000 per year. The period for which financial assistance is provided an institution under this section shall be at least two years unless such assistance is earlier terminated for good cause determined by the Secretary.".

(2) The table of sections at the beginning of such chapter is amended by striking out the item relating to 2196 and inserting in lieu thereof the following:

"2196. Manufacturing engineering education grants.
"2197. Manufacturing managers in the classroom.
"2199. Definitions.".

(c) INITIAL IMPLEMENTATION.—Within one year after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Director of the National Science Foundation, shall award grants under section 2196 of title 10, United States Code (as added by subsection (b)), to at least 10 institutions of higher education across the United States.

(d) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 201, there shall be available for—

(1) the manufacturing engineering education grant program established pursuant to section 2196 of title 10, United States Code (as added by subsection (b)), $25,000,000 for each of fiscal years 1992 and 1993; and

(2) the manufacturing managers in the classroom program established pursuant to section 2197 of such title (as added by subsection (b))—

(A) for fiscal year 1992, $5,000,000; and

(B) for fiscal year 1993, $10,000,000.

SEC. 806. COOPERATIVE AGREEMENTS AND OTHER TRANSACTIONS RELATING TO ADVANCED RESEARCH PROJECTS.

(a) BROADENING OF AUTHORITY.—Section 2371 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting "or a military department" after "Defense Advanced Research Projects Agency"; and

(B) by inserting before the period at the end the following: "and may authorize the Secretary of the military department concerned to enter into such agreements and other transactions";

(2) in subsection (b)—

(A) in paragraph (1), by striking out "by the Secretary"; and

(B) in paragraph (2), by striking out "account" each place it appears and inserting in lieu thereof "accounts"; and

(3) in subsection (e)—

(A) by striking out "an account" and inserting in lieu thereof "separate accounts for each of the military departments and the Defense Advanced Research Projects Agency"; and

(B) by striking out "such account" and inserting in lieu thereof "such accounts".

(b) AUTHORITY MADE PERMANENT.—Subsection (g) of section 2371 of such title is repealed.

SEC. 807. DEFENSE INDUSTRIAL BASE.

(a) EVALUATION OF USE OF FOREIGN COMPONENTS BY DEFENSE INDUSTRIAL BASE.—(1) Not later than March 15, 1992, the Secretary of Defense shall submit to the congressional defense committees a plan for collecting and assessing information on the extent to which the defense industrial base of the United States—

(A) procures weapon systems, subsystems of weapon systems, components of weapon systems, and components of subsystems of weapon systems from foreign sources; and

(B) is dependent upon such foreign sources for the procurement of such weapon systems and such subsystems and components.

(2) The Secretary shall ensure that the plan provides for the collection and assessment of information relating procurements at the prime contactor level and the lower-level tiers of the defense industrial base of the United States.

(b) IDENTIFICATION OF BARRIERS TO INTEGRATION OF COMMERCIAL AND DEFENSE INDUSTRIAL BASE.—(1) Not later than September 30, 1992, the Secretary of Defense shall submit to the congressional defense committees a plan for the removal of barriers to the effective integration of the commercial and defense sectors of the industrial base of the United States.

(2) The plan shall contain—

(A) the Secretary's recommendations for any legislation necessary to remove such barriers;

(B) a discussion of the actions to be taken by the Secretary to remove such barriers; and

(C) a summary of the information relied on in the development of the plan.

(3) The Secretary shall designate an official within the Office of the Secretary of Defense to develop the plan. In developing the plan, that official shall, in consultation with appropriate representatives of other departments and agencies of the Federal Government, State and local governments, and the private sector, identify and evaluate—

(A) the areas of industrial production in which a greater integration of commercial and defense activities would be beneficial for national defense purposes;

(B) any Federal, State, and local statutes, regulations, and policies that are barriers to the integration of such activities; and

(C) the actions necessary to remove the barriers to the integration of such activities.

SEC. 808. ANNUAL NATIONAL DEFENSE MANUFACTURING TECHNOLOGY PLAN.

(a) SUBMISSION OF ANNUAL PLAN TO CONGRESS.—Section 2513 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "a National" and inserting in lieu thereof "an annual National"; and

(2) by adding at the end the following new subsection:

"(e) The Secretary shall submit the annual Plan to Congress not later than March 15 of each year. The Plan may be submitted in classified and unclassified versions.".

(b) LIMITATION.—No funds appropriated for fiscal year 1992 or 1993 may be obligated for a manufacturing technology-related research and development activity unless that particular activity (1) is specifically included in the National Defense Manufacturing Technology Plan submitted to Congress during the preceding fiscal year pursuant to section 2513(a) of title 10, United States Code, (2) is required by law, or (3) is specifically approved by the Secretary of Defense.

SEC. 809. FLEXIBLE COMPUTER INTEGRATED MANUFACTURING PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall conduct a program for the development and use of advanced flexible computer integrated manufacturing capabilities in the Army, Navy, Air Force, and Marine Corps and the defense industrial base of the United States.

(b) RAPID ACQUISITION OF MANUFACTURED PARTS PROGRAM.—As part of the program, the Secretary of the Navy shall—

(1) continue to develop Rapid Acquisition of Manufactured Parts (RAMP) technologies and applications;

(2) attempt to establish full RAMP capabilities in all naval aviation and ship maintenance facilities and depots by January 1, 2000; and

(3) establish a center—

(A) to evaluate the potential for using Rapid Acquisition of Manufactured Parts-Flexible Computer Integrated Manufacturing (RAMP-FCIM) technology for previously unidentified applications at Department of Defense depot level maintenance facilities;

(B) to provide the means for rapid transfer of RAMP-FCIM technology within the Department of Defense; and

(C) to provide Department of Defense maintenance facilities with technical guidance and support for (i) initial training in the use of such technology, and (ii) the initial operation of RAMP-FCIM technology at such facilities.

(c) FUNDING.—(1) Of the amounts authorized to be appropriated pursuant to section 201 for fiscal years 1992 and 1993, $21,500,000 shall be available for each such fiscal year for the program conducted pursuant to subsection (a).

(2) Of the amount available under paragraph (1) for each such fiscal year—

(A) $11,500,000 shall be available to carry out subsection (b); and

(B) $4,000,000 shall be available for a grant to the Institute for Advanced Flexible Manufacturing Systems.

(d) PROHIBITION.—Funds appropriated or otherwise made available to the Department of the Army or the Department of the Air Force may not be obligated or expended to develop flexible computer integrated manufacturing capabilities that (1) would substantially duplicate the existing flexible computer integrated manufacturing capabilities of the Navy, or (2) cannot be achieved using the Navy's design for a rapid acquisition of manufactured parts (RAMP) system existing as of the date of the enactment of this Act.

SEC. 810. UNITED STATES-JAPAN MANAGEMENT TRAINING PROGRAMS.

(a) ESTABLISHMENT.—Chapter 111 of title 10, United States Code, as amended by section 805, is further amended by inserting after section 2197 the following new section 2198:

"§2198. Management training program in Japanese language and culture

"(a) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish a program to award grants on a competitive basis to United States institutions of higher education and other United States not-for-profit organizations for the conduct of programs for scientists, engineers, and managers to learn Japanese language and culture.

"(b) The Secretary of Defense shall prescribe in regulations the criteria for awarding a grant under the program for activities of an institution or organization referred to in subsection (a), including the following:

"(1) Whether scientists, engineers, and managers of defense laboratories and Department of Energy laboratories are permitted a level of participation in such activities that is beneficial to the development and application of defense critical technologies by such laboratories.

"(2) Whether such activities include the placement of United States scientists, engineers, and managers in Japanese government and industry laboratories—

"(A) to improve the knowledge of such scientists, engineers, and managers in (i) Japanese language and culture, and (ii) the research and development and management practices of such laboratories; and

"(B) to provide opportunities for the encouragement of technology transfer from Japan to the United States.

"(3) Whether an appropriate share of the costs of such activities will be paid out of funds derived from non-Federal Government sources.

"(c) In this section, the term 'defense critical technology' means a technology identified in an annual defense critical technologies plan submitted to the Congress under section 2522 of this title.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter, as amended by section 805, is further amended by inserting after the item relating to section 2197 the following:

"2198. Management training program in Japanese language and culture.".

SEC. 811. SCIENCE, MATHEMATICS, AND ENGINEERING EDUCATION.

(a) SCIENCE, MATHEMATICS, AND ENGINEERING EDUCATION MASTER PLAN.—(1) At the same time that the President submits to Congress the budget for each of fiscal years 1993 through 1997 pursuant to section 1105 of title 31, United States Code, the Secretary of Defense shall submit to Congress a plan for providing Department of Defense support for science, mathematics, and engineering education at all levels of education in the United States for such fiscal year. Subject to the authority, direction, and control of the Secretary of Defense, the Director of Defense Research and Engineering shall perform the duties of the Secretary under this section.

(2) The plan shall support the national education goals stated in the Report of the Committee on Education and Human Resources of the Federal Coordinating Council for Science, Engineering, and Technology that was submitted to Congress with the submission of the budget for fiscal year 1992 pursuant to section 1105 of title 31, United States Code.

(3) The plan for a fiscal year shall include the following matters:

(A) A description of each action for the improvement of scientific, mathematics, and engineering education identified by the Secretary of Defense under section 2192 of title 10, United States Code, for such fiscal year and the funds that are provided in the budget for such fiscal year for such action.

(B) The long-range goals and priorities of the Department of Defense for improving the Department's support for science, mathematics, and engineering education programs, including—

(i) programs within the Department of Defense;

(ii) programs in other departments and agencies of the Federal Government; and

(iii) programs at elementary, secondary, and postsecondary educational institutions.

(4) The plan shall provide the basis for the Secretaries of the military departments and the heads of the Defense Agencies of the Department of Defense (A) to define the programs of such departments and agencies to support the achievement of the goals referred to in paragraph (2), and (B) to allocate resources for such programs.

(b) GRANT ASSISTANCE FOR PRIMARY AND SECONDARY LEVEL SCIENCE AND MATHEMATICS

EDUCATION.—(1) The Secretary of Defense shall award grants to programs that are conducted on a national basis for the improvement of science and mathematics education in primary and secondary schools in the United States. Such grants may be awarded for the enhancement of existing programs and the establishment of new programs.

(2) Grants shall be awarded on the basis of merit pursuant to competitive procedures prescribed by the Secretary of Defense.

(3) A grant may be made to a program referred to in paragraph (1) only if the program derives at least 50 percent of the program's funds and other resources from non-Federal Government sources. In the determination of the amounts provided by the various sources, there shall be included the fair market value of equipment, services, materials, and other assets directly related to the costs associated with activities of the program that are provided by such sources, as determined by the Secretary of Defense.

(4) Not later than March 15, 1992, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the actions taken to carry out this section.

(5) Of the amounts authorized to be appropriated pursuant to section 201 for fiscal years 1992 and 1993, $10,000,000 shall be available for each such fiscal year to carry out this section.

PART B—OTHER ACQUISITION POLICY MATTERS

SEC. 821. IMPLEMENTATION OF GOALS FOR SMALL DISADVANTAGED BUSINESSES AND HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

(a) MENTOR-PROTEGE PROGRAM.—Of the amounts authorized to be appropriated for each of fiscal years 1992 and 1993 pursuant to title I of this Act, $15,000,000 shall be available for each such fiscal year for the program established by section 831 of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1607; 10 U.S.C. 2301 note).

(b) DEFENSE RESEARCH BY HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND MINORITY INSTITUTIONS.—Of the amounts authorized to be appropriated for each of fiscal years 1992 and 1993 pursuant to title II of this Act, $15,000,000 shall be available for each such fiscal year for infrastructure assistance to historically Black colleges and universities and minority institutions under section 1207(c)(3) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note).

SEC. 822. STATUS OF THE DIRECTOR OF DEFENSE PROCUREMENT.

For the purposes of the amendment made by section 807 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1593) to section 25(b)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(b)(2)), the Director of Defense Procurement of the Department of Defense shall be considered to be an official at an organizational level of an Assistant Secretary of Defense within the Office of the Under Secretary of Defense for Acquisition.

SEC. 823. REVISION OF LIMITATIONS ON RESEARCH AND DEVELOPMENT CONTRACTS.

Section 2352 of title 10, United States Code, is amended by designating the text as subsection (a) and inserting at the end the following new subsection:

"(b) A contract that has been extended under subsection (a) may be extended for additional periods not to exceed one year each. Not later than 30 days before extending any such contract pursuant to this subsection, the Secretary of Defense shall submit to Congress a notice of the proposed extension, together with the reasons for the extension.".

SEC. 824. DEFENSE ACQUISITION WORKFORCE IMPROVEMENTS.

(a) AMENDMENTS TO TITLE 10.—Chapter 87 of title 10, United States Code, is amended as follows:

(1) Strike out "Under Secretary of Defense for Acquisition" each time it appears and insert in lieu thereof "Assistant Secretary of Defense with responsibility for manpower".

(2) Strike out "Under Secretary" each time it appears and insert in lieu thereof "Assistant Secretary".

(3) Strike out "the service acquisition executive" each time it appears and insert in lieu thereof "the Assistant Secretary with responsibility for manpower".

(4) Strike out "the Assistant Secretary with responsibility for manpower" each time it appears and insert in lieu thereof "the service acquisition executive".

(5) Strike out **"Service acquisition executives"** in the heading of section 1704 and insert in lieu thereof **"Service assistant secretaries"**.

(6) Strike out "Service acquisition executives" in the item relating to section 1704 in the table of sections at the beginning of subchapter I and insert in lieu thereof "Service assistant secretaries".

(7) In section 1705, strike out "the executive" and insert in lieu thereof "the Assistant Secretary".

(8) In section 1722(e)—

(A) Strike out "1991" and insert in lieu thereof "1993"; and

(B) Strike out "substantial" and insert in lieu thereof "measurable".

(9) In section 1724(a), strike out paragraph (3) and insert in lieu thereof the following:

"(3) meet appropriate educational requirements established by the Secretary of Defense; and".

(10) In section 1732(b)(2), strike out "Such requirements," and all that follows through the end of the paragraph.

(11) In section 1732(c)(1), strike out "subsections (b)(2)(A) and (b)(2)(B)" and insert in lieu thereof "subsection (b)(2)".

(12) In section 1732(c)(2)—

(A) strike out "subsections (b)(2)(A) and (b)(2)(B)" and insert in lieu thereof "(b)(2)"; and

(B) strike out "who has completed" and all that follows through the end of the paragraph and insert in lieu thereof "who has met the educational requirements established under subsection (b)(2).".

(13) In section 1732(d)—

(A) strike out "(1) Except as provided in paragraph (2), the" in paragraph (1) and insert in lieu thereof "The"; and

(B) strike out paragraph (2).

(b) AUTHORITY TO POSTPONE EFFECTIVENESS OF CERTAIN STATUTORY REQUIREMENTS.—(1) The Secretary of Defense may postpone the effectiveness of any requirement established in or pursuant to a provision of law listed in paragraph (2) until a date within one year after the effective date otherwise applicable to that requirement if the Secretary—

(A) determines that the postponement is necessary in order to effectuate the amendments made by subsection (a); and

(B) notifies the congressional defense committees of the postponement and the reasons for the postponement not later than 45 days before such effective date.

(2) The provisions of law referred to in paragraph (1) are the following:

(A) Sections 1723, 1724, 1732, and 1734 of title 10, United States Code.

(B) Sections 1209 and 1210 of the Defense Acquisition Workforce Improvement Act (title XII of the National Defense Authorization Act for Fiscal Year 1991; Public Law 101-510; 104 Stat. 1666).

SEC. 825. PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(a) AVAILABILITY OF AUTHORIZED APPROPRIATIONS.—Of the funds authorized to be appropriated pursuant to section 301 for Defense Agencies for fiscal years 1992 and 1993 for operation and maintenance, $9,000,000 shall be available for each such fiscal year for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts provided for in subsection (a), $600,000 shall be available for each of the fiscal years 1992 and 1993 for the purpose of carrying out programs sponsored by eligible entities named in subparagraph (D) of section 2411(1) of title 10, United States Code, that provide procurement technical assistance in distressed areas referred to in subparagraph (B) of section 2411(2) of such title. If there is an insufficient number of satisfactory proposals for cooperative agreements in such distressed areas to allow for effective use of the funds authorized under this subsection in such areas, the funds shall be allocated among the Defense Contract Administration Services regions in accordance with section 2415 of such title.

SEC. 826. EQUAL APPLICATION OF POST-EMPLOYMENT RESTRICTIONS.

(a) PROCUREMENT ETHICS SIMPLIFICATION.—Section 27 of the Office of Procurement Policy Act (41 U.S.C. 423) is amended—

(1) in subsection (c)—

(A) in paragraph (1) by inserting "only" after "subsection (b)(1)";

(B) in paragraph (1)(A) by inserting "(including the modification or extension of a contract)" after "any procurement";

(C) by striking out paragraphs (2) and (3) and inserting in lieu thereof:

"(2) Whenever the head of a procuring activity approves a recusal under paragraph (1), a copy of the recusal request and the approval of the request shall be retained by such official for a period of time (not less than five years) specified in regulations prescribed in accordance with subsection (o).

"(3)(A) Except as provided in subparagraph (B), all recusal requests and approvals of recusal requests pursuant to this subsection shall be made available to the public on request.

"(B) Any part of a recusal request or an approval of a recusal request that is exempt from the disclosure requirements of section 552(b)(1)(A) of title 5, United States Code, under subsection (b)(1) of such section may be withheld from disclosure to the public under subparagraph (A)."; and

(D) in paragraph (4), by striking out "competing contractor" and inserting in lieu thereof "person";

(2) in subsection (e)(7) by adding at the end thereof the following new subparagraph:

"(C) A contractor in a contract of less than $500,000 is exempt from the requirement of paragraph (1)(B) with respect to such contract.";

(3) in subsection (f)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) No individual who, in the year prior to separation from service as an officer or employee of the Government or an officer of the uniformed services in a covered position, participated personally and substantially in acquisition functions related to a contract, subcontract, or claim of $500,000 or more and—

"(A) engaged in repeated direct contact with the contractor or subcontractor on matters relating to such contract, subcontract, or claim; or

"(B) exercised significant ongoing decisionmaking responsibility with respect to the contractor or subcontractor on matters relating to such contract, subcontract, or claim,

shall knowingly accept or continue employment with such contractor or subcontractor for a period of 1 year following the individual's separation from service, except that such individual may accept or continue employment with any division or affiliate of such contractor or subcontractor that does not produce the same or similar products as the entity involved in the negotiation or performance of the contract or subcontract or the adjustment of the claim.

"(2) No contractor or subcontractor, or any officer, employee, agent, or consultant of such contractor or subcontractor shall knowingly offer, provide, or continue any employment to another person, if such contractor, subcontractor, officer, employee, agent, or consultant knows or should know that the acceptance of such employment is or would be in violation of paragraph (1).

"(3) The head of each Federal agency shall designate in writing as a 'covered position' under this section each of the following positions in that agency:

"(A) Each source selection authority, each member of a source selection evaluation board, the chief of each financial or technical evaluation team, and any other position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the evaluation of proposals or the selection of a source for a contract in excess of $500,000.

"(B) Each procuring contracting officer and any other position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the negotiation of a contract in excess of $500,000 or the negotiation or settlement of a claim in excess of $500,000.

"(C) Each program executive officer, program manager, deputy program manager, and any other position in which the incumbent is likely personally to exercise similar substantial responsibility for ongoing discretionary functions in the management or administration of a contract in excess of $500,000.

"(D) Each administrative contracting officer, each official assigned on a permanent basis to a Government Plant Representative's Office, and any other position (including auditor and quality assurance positions) in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the on-site oversight of a contractor's operations with respect to a contract in excess of $500,000.

"(E) Each position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in operational or developmental testing activities involving repeated direct contact with a contractor regarding a contract in excess of $500,000.";

(4) in subsection (l)—

(A) by inserting "who are likely to be involved in contracts, modifications, or extensions in excess of the small purchase threshold" after "its procurement officials"; and

(B) by striking out "(e)" each place it appears and inserting in each such place "(f)";

(5) by amending subsection (n) to read as follows:

"(n) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to—

"(1) authorize the withholding of any information from the Congress, any committee or subcommittee thereof, a Federal agency, any board of contract appeals of a Federal agency, the Comptroller General, or an inspector general of a Federal agency;

"(2) restrict the disclosure of information to or its receipt by any person or class or persons authorized, in accordance with applicable agency regulations or procedures, to receive that information;

"(3) restrict a contractor from disclosing its own proprietary information or the recipient of information so disclosed by a contractor from receiving such information; or

"(4) restrict the disclosure or receipt of information relating to a Federal agency procurement that has been canceled by the agency, and that the contracting officer determines in writing is not likely to be resumed.";

(6) in subsection (o)(2)(A)—

(A) by inserting "money, gratuity, or other" before "thing of value"; and

(B) by inserting before the semicolon "and such other exceptions as may be adopted on a Governmentwide basis under section 7353 of title 5, United States Code"; and

(7) in subsection (p)—

(A) in paragraph (1) by striking out "clauses (i)-(viii)" and inserting in lieu thereof "clauses (i) through (vii)";

(B) in paragraph (3)—

(i) in subparagraph (A)—

(I) by striking out clause (i);

(II) by redesignating clauses (ii) through (viii) as clauses (i) through (vii), respectively; and

(III) in clause (i) (as redesignated by subclause (II) of this clause) by striking out "review and approval of a specification" and inserting in lieu thereof "approval or issuance of a specification, acquisition plan, procurement request, or requisition"; and

(ii) in subparagraph (B) by inserting "any individual, including an officer or employee of" after "includes";

(C) in paragraph (6)(A) by inserting "nonpublic" before "information"; and

(D) in paragraph (8)—

(i) by striking out "as the term 'designated agency official' in section 209(10)" and inserting in lieu thereof "provided under section 109(3)"; and

(ii) by striking out "(92 Stat. 1850; 5 U.S.C. App.)" and inserting in lieu thereof "(5 U.S.C. App. 6)".

(b) CRIMINAL LIABILITY.—Section 208(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Except as permitted"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Whoever knowingly aids, abets, counsels, commands, induces or procures conduct prohibited by this section shall be subject to the penalties set forth in section 216 of this title.".

(c) REPEALS.—The following provisions of law are repealed:

(1) Sections 2397, 2397a, 2397b, and 2397c of title 10, United States Code.

(2) Section 281 of title 18, United States Code.

(3) Section 801 of title 37, United States Code.

(4) Part A of title VI of the Department of Energy Organization Act (42 U.S.C. 7211 through 7218).

(d) TECHNICAL AND CONFORMING AMENDMENTS.—(1) The table of sections for chapter 141 of title 10, United States Code, is amended by striking out the items relating to sections 2397, 2397a, 2397b, and 2397c.

(2) The table of sections for chapter 15 of title 18, United States Code, is amended by striking out the item relating to section 281.

(3) The table of sections for chapter 15 of title 37, United States Code, is amended by striking out the item relating to section 801.

(4) The table of contents for the Department of Energy Organization Act is amended by striking out the matter relating to part A of title VI.

(e) IMPLEMENTATION.—(1) No later than 180 days after the date of enactment of this Act, regulations implementing the amendments made by this Act to section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423), including definitions of the terms used in subsection (f) of such section shall be issued in accordance with sections 6 and 25 of such Act (41 U.S.C. 405 and 521), after coordination with the Director of the Office of Government Ethics.

(2)(A) No officer, employee, agent, representative, or consultant of a contractor who has signed a certification under section 27(e)(1)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(e)(1)(B)) before the effective date of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(B) No procurement official of a Federal agency who has signed a certification under section 27(l) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(l)) before the date of enactment of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(3) Not later than May 31 of each of the years 1992 through 1996, the Inspector General of each Federal agency (or, in the case of a Federal agency that does not have an Inspector General, the head of such agency) shall submit to Congress a report on the compliance by the agency during the preceding year with the requirement for the head of the agency to identify certain procurement positions under section 27(f)(3) of the Office of Federal Procurement Policy Act (as added by subsection (a)).

(f) EFFECTIVE DATE.—(1) The amendments made by subsections (c) and (d) of this Act shall be effective on and after the date of enactment of this Act.

(2) The amendments made by subsections (a) and (b) of this Act shall be effective on and after 180 days after the date of enactment of this Act.

(3) Subsection (f) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423(f)) shall have no force or effect during the period beginning on May 31, 1991, and ending 180 days after the date of enactment of this Act.

SEC. 827. REAUTHORIZATION OF BOND WAIVER TEST PROGRAM.

(a) EXTENSION OF TEST PROGRAM.—Section 833 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (103 Stat. 1509; 15 U.S.C. 636 note) is amended—

(1) by striking out "fiscal years 1990 and 1991" in the first sentence and inserting in lieu thereof "fiscal years 1990 through 1993"; and

(2) by striking out "during each such fiscal year to award not less than 30 contracts" in the second sentence and inserting in lieu thereof "to award in each of fiscal years 1990 and 1991 not less than 30, and in each of fiscal years 1992 and 1993 not less than 45,".

(b) AIR FORCE CONSTRUCTION PROJECTS.—In the awarding of Air Force construction contracts to participants in the Minority Small

Business and Capital Ownership Development Program of the Small Business Administration in each of fiscal years 1992 and 1993, the Secretary of the Air Force may exercise the authority provided under section 7(j)(13)(D) of the Small Business Act (15 U.S.C. 636(j)(13)(D)) and, after exercising such authority in the case of any contract, may award the contract directly and without the approval of the Administrator of the Small Business Administration. The Secretary shall prescribe procedures for exercising the authority provided in this subsection.

SEC. 828. IMPROVED ACCESS TO PAYMENT BONDS BY POTENTIAL SUBCONTRACTORS AND SUPPLIERS ON CONSTRUCTION CONTRACTS.

(a) AVAILABILITY OF BOND.—Under regulations prescribed by the Secretary of Defense, a copy of any payment bond furnished by a contractor in connection with a Department of Defense contract as required by the Act of August 24, 1935 (40 U.S.C. 270a–270d), commonly referred to as the "Miller Act", shall be made available by the Department of Defense, upon request, to any potential subcontractor or supplier of the contractor under that contract. The regulations may impose fees to cover the cost of processing the request and preparing copies. The regulations shall also require a contractor who has furnished a payment bond in connection with a contract pursuant to the Miller Act to attach a copy of such bond to each subcontract, purchase order, or other agreement proposed to be entered into by such contractor for the purpose of obtaining labor or materials for the performance of such contract.

(b) DEADLINE FOR REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations to carry out subsection (a).

(c) APPLICABILITY.—Subsection (a) shall apply with respect to any Department of Defense contract covered by the Act referred to in subsection (a) that is in effect on the promulgation date of the regulations or is awarded after such date.

SEC. 829. CERTIFIED COST AND PRICING DATA THRESHOLD CLARIFICATION.

Section 803(a) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2306a note) is amended—

(1) in paragraph (2)—

(A) by redesignating subparagraph (C) as subparagraph (D);

(B) by striking out "and" at the end of subparagraph (B); and

(C) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) subcontracts described in paragraph (3); and"; and

(2) by adding at the end the following new paragraph:

"(3) A subcontract referred to in paragraph (2)(C) is a subcontract entered into after December 5, 1991, under a contract entered into on or before December 5, 1990. Each such prime contract shall be modified to apply the revised threshold to each such subcontract.".

SEC. 830. SEVERANCE PAY FOR FOREIGN NATIONALS.

(a) WAIVER AUTHORITY.—Section 2324(e) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2)(A) The Secretary may waive the applicability of paragraphs (1)(M) and (1)(N) with respect to a covered contract if the Secretary determines that—

"(i) the applicability of such provisions would jeopardize the continuation of a program, project, or activity that provides an important support function to members of the armed forces stationed or deployed outside the United States;

"(ii) the contractor has taken, or has established plans to take, appropriate actions within the contractor's control to minimize the amount and incidents of the payments of severance pay to foreign nationals; and

"(iii) the payment of severance pay is necessary to comply with laws in effect on the date of the contract award that are generally applicable to a significant number of businesses in the country in which the foreign nationals receiving the payment performed the contract.

"(B) Subparagraph (A) does not apply with respect to a contractor that is owned or controlled directly or indirectly by citizens of nationals of a foreign country, as determined by the head of an agency who awarded the contract. The head of an agency shall make such determination in accordance with the criteria set out in paragraph (1) of section 4(g) of title III of the Act of March 3, 1933 (41 U.S.C. 10b–1) (commonly referred to as the 'Buy American Act'), and the policy guidance referred to in paragraph (2)(A) of such section.".

(b) PROSPECTIVE APPLICABILITY.—The amendments made by paragraph (1) do not apply with respect to any severance of employment before the date of the enactment of this Act.

SEC. 831. PERMANENT AUTHORITY TO CONDUCT PERSONNEL DEMONSTRATION PROJECT.

(a) AUTHORITY MADE PERMANENT.—The Secretary of the Navy may continue to conduct the personnel demonstration project referred to in subsection (b) at the Naval Weapons Center, China Lake, California, and at the Naval Ocean Systems Center, San Diego, California.

(b) APPLICABILITY.—Subsection (a) applies—

(1) to the project that was authorized to be continued temporarily in the provision of law repealed by subsection (c); and

(2) in the event of a reorganization of the organization involved in the conduct of such project at either of the installations referred to in subsection (a), with respect to the successor organization to that organization.

(c) REPEAL OF SUPERSEDED PROVISION.—Section 6 of Public Law 98–224 (98 Stat. 49) is repealed.

SEC. 832. REPEAL OF MANPOWER ESTIMATES REPORTING REQUIREMENT.

Subsection (a) of section 2434 of title 10, United States Code, is amended by striking out "unless—" and all that follows and inserting in lieu thereof the following: "an independent estimate of the cost of the program, including a manpower estimate, is considered by the Secretary.".

SEC. 833. REVISION OF RESTRICTION ON PROCUREMENT OF CARBONYL IRON POWDERS.

Section 2507(e) of title 10, United States Code, is amended—

(1) in paragraph (3), by striking out "1994" and inserting in lieu thereof "1992"; and

(2) in paragraph (4)(A), by striking out "by an entity" and all that follows and inserting in lieu thereof a period.

SEC. 834. ADVISORY COMMITTEE ON RIGHTS IN TECHNICAL DATA.

(a) REGULATIONS.—(1) Not later than June 1, 1992, the Secretary of Defense shall prescribe final regulations required by subsection (a) of section 2320 of title 10, United States Code, that supersede the interim regulations prescribed before the date of the enactment of this Act for the purposes of that section.

(2) In prescribing such regulations, the Secretary shall give thorough consideration to the recommendations of the advisory committee appointed pursuant to subsection (b).

(3) Not less than 30 days before implementing such regulations, the Secretary shall—

(A) transmit to the Committees on Armed Services of the Senate and House of Representatives a report containing such regulations, the recommendations of the advisory committee, and any matters required by subsection (b)(4); and

(B) publish such regulations for comment in the Federal Register.

(4) The regulations shall apply to contracts entered into on or after July 1, 1992, or, if provided in the regulations, an earlier date. The regulations may be applied to any other contract upon the agreement of the parties to the contract.

(b) ADVISORY COMMITTEE.—(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall appoint an advisory committee to make recommendations on the regulations to be prescribed pursuant to subsection (a).

(2) The membership of the advisory committee shall include, at a minimum, representatives of the following:

(A) The Under Secretary of Defense for Acquisition.

(B) The acquisition executives of the military departments.

(C) Prime contractors under major defense acquisition programs.

(D) Subcontractors and suppliers under major defense acquisition programs.

(E) Contractors under contracts other than contracts under major defense acquisition programs.

(F) Subcontractors and suppliers under contracts other than contracts under major defense acquisition programs.

(G) Small businesses.

(H) Contractors and subcontractors primarily involved in the sale of commercial products to the Department of Defense.

(I) Contractors and subcontractors primarily involved in the sale of spare and repair parts to the Department of Defense.

(J) Institutions of higher education.

(3) Not later than May 1, 1992, the advisory committee shall submit to the Secretary a report containing the following matters:

(A) Proposals for the regulations to be prescribed by the Secretary pursuant to subsection (a).

(B) Proposed legislation that the advisory committee considers necessary to achieve the purposes of section 2320 of title 10, United States Code.

(C) Any other recommendations that the advisory committee considers appropriate.

(4) If the Secretary omits from the regulations published pursuant to subsection (a)(3)(B) any regulation proposed by the advisory committee, any regulation proposed by a minority of the advisory committee in any minority report accompanying the advisory committee's report, or any part of such a proposed regulation, the Secretary shall set forth his reasons for each such omission in the report submitted to Congress pursuant to subsection (a)(3)(A).

(c) DEFINITION.—In this section, the term "major defense acquisition program" has the meaning given such term in section 2430 of title 10, United States Code.

SEC. 835. RECOMMENDATIONS OF COMPTROLLER GENERAL IN BID PROTESTS OF GOVERNMENT CONTRACTS.

(a) BID PROTESTS.—Section 3554 of title 31, United States Code is amended—

(1) in subsection (c)—

(A) by striking out "may declare an appropriate interested party to be entitled to the costs of—" in paragraph (1) and inserting in lieu thereof "may recommend to the Federal agency issuing the solicitation, proposing the contract award, or awarding the contract, as the case may be, that such agency pay to the appropriate interested party reimbursement of the costs of—"; and

(B) by striking out "Monetary awards to which a party is declared to be entitled under paragraph (1) of this subsection shall be paid promptly" in paragraph (2) and inserting in lieu thereof "A payment of costs recommended by the Comptroller General under paragraph (1) of this subsection may be paid"; and

(2) in subsection (e)(1) by striking out "those recommendations within 60 days of the receipt of the Comptroller General's recommendations under subsection (b) of this section." and inserting in lieu thereof "the recommendations of the Comptroller General under subsection (b) or (c) of this section within 60 days after the head of such procuring activity receives those recommendations.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall not be applicable to any declarations made by the Comptroller General under section 3554(c) of title 31, United States Code, before the date of the enactment of this Act. All such declarations are valid and all monetary awards to which a party has been declared to be entitled by such declarations shall be paid promptly by the Federal agency concerned out of funds available to or for the use of the Federal agency for the procurement of property and services.

SEC. 836. PROCUREMENT FLEXIBILITY FOR SMALL PURCHASES DURING CONTINGENCY OPERATIONS.

Section 2302(7) of title 10, United States Code, is amended by inserting before the period the following: ", except that in the case of any contract to be awarded and performed, or purchase to be made, outside the United States in support of a contingency operation the term means $100,000".

SEC. 837. TECHNICAL CORRECTION RELATING TO PARTNERSHIP INTERMEDIARIES.

Section 21(a) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3715) is amended by inserting after "federally funded research and development center", the following: "that is not a laboratory (as defined in section 12(d)(2))".

SEC. 838. CORRECTION AND CLARIFICATION RELATING TO PILOT MENTOR-PROTEGE PROGRAM.

(a) CORRECTION TO SECTION HEADING.—The section heading of section 831 of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1607; 10 U.S.C. 2301 note) is amended to read as follows:

"SEC. 831. PILOT MENTOR-PROTEGE PROGRAM".

(b) REGULATIONS.—Section 831(k) of such Act (104 Stat. 1611) is amended—

(1) in the first sentence, by inserting before the period the following: "and the Department of Defense policy regarding such program (dated July 30, 1991, or any successor policy) in the Department of Defense Supplement to the Federal Acquisition Regulation"; and

(2) by inserting "and policy" after "regulations" each place it appears in the second, third, and fourth sentences.

SEC. 839. REQUIREMENT FOR PURCHASE OF GASOHOL IN FEDERAL FUEL PROCUREMENTS WHEN PRICE IS COMPARABLE.

(a) REQUIREMENT.—Section 2398 of title 10, United States Code, is amended—

(1) by inserting "(a) DOD MOTOR VEHICLES.—" before "To the maximum extent"; and

(2) by adding at the end the following two new subsections:

"(b) OTHER FEDERAL FUEL PROCUREMENTS.—Consistent with the vehicle management practices prescribed by the heads of affected departments and agencies of the government and consistent with their obligation under Executive Order Number 12261 to use gasohol to the maximum extent possible, whenever the Secretary of Defense enters into a contract for the procurement of unleaded gasoline that is subject to tax under section 4081 of title 26, United States Code, for motor vehicles of a department or agency of the Federal Government other than the Department of Defense, the Secretary shall buy alcohol-gasoline blends containing at least 10 percent domestically produced alcohol in any case in which the price of such fuel is the same as, or lower than, the price of unleaded gasoline.

"(c) SOLICITATIONS.—Whenever the Secretary solicits bids to procure unleaded gasoline under subsection (b), the Secretary shall expressly include in such solicitation a request for bids on alcohol-gasoline blends containing at least 10 percent domestically produced alcohol.".

(b) EFFECTIVE DATE.—Section 2398(b) of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts awarded pursuant to solicitations issued after the expiration of the 180-day period beginning on the date of the enactment of this Act.

(c) REPORT ON EXEMPTIONS.—The Secretary of Defense shall review all exemptions granted with respect to the Department of Defense, and the Administrator of the General Services Administration shall review all exemptions granted to Federal agencies and departments, to the requirements of section 2398 of title 10, United States Code, and section 271 of the Energy Security Act (Public Law 96-294; 42 U.S.C. 8871). The Secretary and the Administrator shall terminate any exemptions granted under these laws that the Secretary and the Administrator determines are no longer appropriate. Not later than 90 days after the date of the enactment of this Act, the Secretary and the Administrator shall submit to Congress a report on the results of the review, with a justification for the exemptions that remain in effect under those provisions of law.

(d) SENSE OF CONGRESS.—It is the sense of Congress that whenever any motor vehicle capable of operating on gasoline or alcohol-gasoline blends that is owned or operated by the Department of Defense or any other department or agency of the Federal Government is refueled, it shall be refueled with an alcohol-gasoline blend containing at least 10 percent domestically produced alcohol if available along the normal travel route of the vehicle at the same or lower price than unleaded gasoline.

SEC. 840. IMPROVEMENT OF INVENTORY MANAGEMENT POLICY AND PROCEDURE.

(a) IMPROVEMENT IN INVENTORY MANAGEMENT POLICY.—Section 2458(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(3) set forth a uniform system for the valuation of inventory items by the military departments and Defense Agencies.".

(b) ANNUAL REPORT ON INVENTORY.—Section 2721 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "Under"; and

(2) by adding at the end the following new subsection:

"(b) The regulations prescribed pursuant to subsection (a) shall include a requirement that the records maintained under such subsection—

"(1) to the extent practicable, provide up-to-date information on all items in the inventory of the Department of Defense;

"(2) indicate whether the inventory of each item is sufficient or excessive in relation to the needs of the Department for that item; and

"(3) permit the Secretary of Defense to include in the budget submitted to Congress under section 1105 of title 31 for each fiscal year, information relating to—

"(A) the amounts proposed for each appropriation account in such budget for inventory purchases of the Department of Defense; and

"(B) the amounts obligated for such inventory purchases out of the corresponding appropriations account for the preceding fiscal year.".

(c) IMPLEMENTATION.—The Secretary of Defense shall establish the uniform system of valuation described in section 2458(a)(3) of title 10, United States Code (as added by subsection (a)), and prescribe the regulations required by section 2721(b) of such title (as added by subsection (b)), not later than 180 days after the date of the enactment of this Act.

SEC. 841. PROMPT PAYMENT FOR PURCHASE OF FISH.

Section 3903(2) of title 31, United States Code, is amended by striking "provide" and inserting "or of fresh or frozen fish (as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), provide".

SEC. 842. SMALL BUSINESS ADMINISTRATION CERTIFICATE OF COMPETENCY PROGRAM IMPROVEMENTS.

Section 8(b)(7) of the Small Business Act (15 U.S.C. 637(b)(7)) is amended—

(1) in subparagraph (A)—

(A) by striking "To certify" at the beginning of the first sentence and inserting "(i) To certify";

(B) by striking "A Government procurement officer" at the beginning of the second sentence and inserting the following:

"(ii) Except as provided in clause (iv), a Government procurement officer";

(C) by striking the period at the end of the second sentence and inserting ", pursuant to clause (iii)."; and

(D) by adding at the end of the paragraph the following:

"(iii) Any certification issued by the Administration for any contract with an anticipated award value in excess of $10,000,000 shall be supported by detailed findings addressing—

"(I) the determination by the contracting officer that the small business concern was deficient with respect to one or more of the elements of responsibility; and

"(II) any submission relating to such nonresponsibility determination subsequently submitted to the Administration by the procuring agency.

"(iv) A contracting officer is not required to refer a determination of nonresponsibility with respect to the procurement of supplies or services the award value of which is not expected to exceed the small purchase threshold prescribed pursuant to section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) to the Administration if—

"(I) the small business concern does not request a determination of its responsibility and the issuance of a certificate by the Administration, and

"(II) the solicitation of offers for such contract included a notice of the right of a small business concern to request the Administration to make a determination of its responsibility and specified the manner (including the time) in which such request may be made."; and

(2) in subparagraph (C)—

(A) by striking "In any case" at the beginning of the first sentence and inserting "(i) Except as provided in clause (ii), in any case"; and

(B) by striking the second sentence and inserting the following:

"(ii)(I) Notwithstanding the issuance of a certificate by the Administration on behalf of a small business concern other than the firm awarded a contract described in subclause (II), the secretary of a department or the head of an agency, on a non-delegable basis (except that such determination may be delegated to the senior acquisition executive of a Military Service or of a Defense agency within the Department of Defense), may determine to continue performance of the contract.

"(II) A contract is described in this subclause if the contract has been awarded, the award value is $25,000,000 or more, substantial performance has been undertaken by the contractor, and the secretary of the department or head of the agency, on a non-delegable basis (except that such determination may be delegated to the senior acquisition executive of a Military Service or of a Defense agency within the Department of Defense), has determined that termination of the contract would likely have a substantial adverse impact on the performance of critical mission or program activities of such department or agency.

"(iii) Nothing in this paragraph requires the processing of an application for certification if the small business concern declines to have its application processed.".

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

PART A—GENERAL MATTERS

SEC. 901. VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

(a) DESIGNATION AS A MEMBER OF THE JOINT CHIEFS OF STAFF.—Subsection (a) of section 151 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively; and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2) The Vice Chairman.".

(b) CONFORMING AMENDMENTS.—(1) Section 154 of title 10, United States Code, is amended—

(A) in subsection (c) by striking out "such" and inserting in lieu thereof "the duties prescribed for him as a member of the Joint Chiefs of Staff and such other";

(B) by striking out subsection (f); and

(C) by redesignating subsection (g) as subsection (f).

(2) Section 155(a)(1) of such title is amended by striking out "and the Vice Chairman".

SEC. 902. POSITION OF DEPUTY UNDER SECRETARY OF DEFENSE FOR POLICY.

(a) ESTABLISHMENT.—(1) Chapter 4 of title 10, United States Code, is amended by inserting after the matter relating to section 134 the following new section:

"§ 134a. Deputy Under Secretary of Defense for Policy

"(a) There is a Deputy Under Secretary of Defense for Policy appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) The Deputy Under Secretary of Defense for Policy shall assist the Under Secretary of Defense for Policy in the performance of his duties. The Deputy Under Secretary of Defense for Policy shall act for, and exercise the powers of, the Under Secretary when the Under Secretary is absent or disabled.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 134 the following:

"134a. Deputy Under Secretary of Defense for Policy.".

(b) EXECUTIVE SCHEDULE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Deputy Under Secretary of Defense for Policy.".

SEC. 903. JOINT DUTY CREDIT FOR EQUIVALENT DUTY IN OPERATIONS DESERT SHIELD AND DESERT STORM.

(a) IN GENERAL.—(1) The Secretary of Defense, upon a recommendation made in accordance with paragraph (3), shall credit an officer of the Armed Forces of the United States who has completed service described in paragraph (2) as having completed a full tour of duty in a joint duty assignment for the purposes of chapter 38 of title 10, United States Code.

(2) Paragraph (1) applies to any officer who, after August 1, 1990, and before October 1, 1991, performed service in an assignment in the Persian Gulf combat zone that—

(A) provided significant experience in joint matters; or

(B) involved frequent professional interaction of that officer with (i) units and members of any of the armed forces other than the officer's armed force, or (ii) an allied armed force.

(3) The Secretary shall take action under paragraph (1) in the case of any officer if that action is recommended, with the concurrence of the Chairman of the Joint Chiefs of Staff, by the Chief of Staff of the Army (for an officer in the Army), the Chief of Naval Operations (for an officer in the Navy), the Chief of Staff of the Air Force (for an officer in the Air Force), or the Commandant of the Marine Corps (for an officer in the Marine Corps).

(b) INAPPLICABILITY OF CERTAIN REPORTING AND POLICY REQUIREMENTS.—Officers for whom joint duty credit has been granted pursuant to subsection (a) shall not be counted for the purposes of paragraphs (7), (8), (9), (11), or (12) of section 667 of title 10, United States Code, and subsections (a)(3) and (b) of section 662 of such title.

(c) INFORMATION ON EXERCISE OF AUTHORITY TO BE INCLUDED IN FISCAL YEAR 1992 ANNUAL REPORT.—The annual report submitted to Congress by the Secretary of Defense for fiscal year 1992 under section 113(c) of title 10, United States Code, shall include the following information:

(1) The total number of officers granted joint duty credit pursuant to subsection (a).

(2) The total number of such officers for each armed force.

(3) The total number of officers in each grade and each occupational specialty who have been granted joint duty credit pursuant to subsection (a).

(4) For each armed force, the total number of such officers in each grade and each occupational specialty who have been granted such credit.

(d) DEFINITIONS.—In this section:

(1) The term "joint matters" has the meaning given such term in section 668(a) of title 10, United States Code.

(2) The term "Persian Gulf combat zone" means the area designated by the President as the combat zone for Operation Desert Shield, Operation Desert Storm, and related operations for purposes of section 112 of the Internal Revenue Code of 1986.

SEC. 904. CINC INITIATIVE FUND.

(a) CONTINUATION OF FUND.—The separate budget account in the Department of Defense known as the "CINC Initiative Fund" is hereby continued for fiscal years 1992 and 1993. During fiscal years 1992 and 1993, the Chairman of the Joint Chiefs of Staff may use the account to provide funds, upon request, to the commanders of the unified and specified combatant commands and the Commander, United States Element, North American Aerospace Defense Command. Such funds may be provided, as specified by the Chairman, for any of the activities named in subsection (b).

(b) AUTHORIZED ACTIVITIES.—Activities for which funds may be provided under subsection (a) are the following:

(1) Force training.

(2) Contingencies.

(3) Selected operations.

(4) Command and control.

(5) Joint exercises (including activities of participating foreign countries).

(6) Humanitarian and civic assistance.

(7) Military education and training to military and related civilian personnel of foreign countries.

(8) Personnel expenses of defense personnel for bilateral or regional cooperation programs.

(9) Support for counter-drug activities.

(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds under this section, should give priority consideration to requests for funds to be used for activities that would enhance the warfighting capability, readiness, and sustainability of the forces assigned to the commander requesting the funds.

(d) AMOUNT AND SOURCE OF FUNDS.—(1) Of the amounts authorized to be appropriated pursuant to section 301 for the Defense Agencies for fiscal years 1992 and 1993, $25,000,000 shall be made available by the Secretary of Defense for each such fiscal year for the CINC Initiative Fund.

(2) Any amount provided by the Chairman out of that fund for an activity referred to in subsection (b) shall be in addition to amounts otherwise available for that activity for fiscal years 1992 and 1993.

(e) LIMITATIONS.—(1) Not more than $7,000,000 of the amount provided from the CINC Initiative Fund from funds made available pursuant to subsection (d) for a fiscal year may be used to purchase items with a unit cost in excess of $15,000.

(2) Funds may not be provided under this section for any activity that has been denied authorization by Congress.

SEC. 905. ADDITIONAL DEPARTMENT OF DEFENSE SUPPORT FOR COUNTER-DRUG ACTIVITIES.

(a) SUPPORT TO OTHER AGENCIES.—Section 1004(a) of the National Defense Authorization

Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1629) is amended by striking out "During fiscal year 1991," and inserting in lieu thereof "During fiscal years 1991, 1992, and 1993,".

(b) Aerial and Maritime Support for Counter-Drug Activities of Law Enforcement Agencies.—Subsection (a) of section 124 of title 10, United States Code, is amended—

(1) by inserting "(1)" before "The Department"; and

(2) by adding at the end the following new paragraph:

"(2) The responsibility conferred by paragraph (1) shall be carried out in support of the counter-drug activities of Federal, State, local, and foreign law enforcement agencies.".

SEC. 906. SPECIAL ACCESS PROGRAM OVERSIGHT AND MANAGEMENT IMPROVEMENTS.

(a) Management of Special Access Programs.—(1) Section 132 of title 10, United States Code, is amended by inserting at the end the following:

"(d)(1) The Deputy Secretary of Defense is the principal civilian adviser to the Secretary of Defense on special access programs and, after the Secretary of Defense, is the principal special access programs official within the senior management of the Department of Defense.

"(2) Subject to the authority, direction, and control of the Secretary of Defense, the Deputy Secretary of Defense shall carry out the responsibilities of the Secretary of Defense relating to special access programs for all such programs, including acquisition special access programs, intelligence special access programs, and operations and support special access programs. The Deputy Secretary shall perform such duties and exercise such powers relating to special access programs as the Secretary may prescribe. Such duties shall include the following:

"(A) Supervising the management of special access programs.

"(B) Prescribing in regulations the policies, standards, and procedures for all special access programs of the military departments and the Defense Agencies.

"(C) Approving the establishment of a special access program or any significant change (as defined in the regulations prescribed pursuant to subparagraph (B)) in the conduct or mission of a special access program.

"(3) The regulations prescribed pursuant to paragraph (2)(B) shall include the following:

"(A) Standards and procedures for the designation of programs as special access programs.

"(B) A requirement for the manager of each special access program to submit to the Secretary of Defense a reclassification schedule when the total cost of such program is expected to exceed $50,000,000.

"(C) Standards and procedures for an annual review of the classification status of each special access program by the Deputy Secretary of Defense.

"(D) Standards and procedures for appropriate exchange of information among technologically related programs.

"(E) Standards and procedures to ensure timely oversight by officials with expertise in (i) cost, schedule, and performance reviews, and (ii) applicable intelligence or operational matters.

"(4)(A) There is for the Deputy Secretary of Defense a Principal Assistant for Special Access Programs.

"(B) The Principal Assistant is appointed by the President, by and with the advice and consent of the Senate, from among the officers of the regular components of the armed forces and serves at the pleasure of the President for a term of two years. The Principal Assistant may be reappointed in the same manner for two additional terms. However, in time of war there is no limit on the number of reappointments.

"(C) The Principal Assistant performs such duties related to special access programs as may be prescribed by the Secretary of Defense.

"(D) The Principal Assistant, while so serving—

"(i) holds the grade, as designated by the President at the time of appointment, of general or lieutenant general or, in the case of an officer of the Navy, as admiral or vice admiral; and

"(ii) is in addition to the number of officers that would otherwise be permitted for that officer's armed force under section 525 of this title.

"(5) The Deputy Secretary of Defense may delegate the performance of the Deputy Secretary's duties under this subsection only to the Principal Assistant for Special Access Programs.

"(e) The terms 'special access program', 'acquisition special access program', 'intelligence special access program', and 'operations and support special access program' have the meanings given those terms in Department of Defense Directive O-5205.7, dated January 4, 1989.".

(2) The Deputy Secretary of Defense shall prescribe the regulations as required by section 132(d)(2)(B) of title 10, United States Code (as added by this subsection), not later than January 15, 1992.

(b) Oversight of Special Access Programs.—Section 119 of title 10, United States Code, is amended—

(1) in subsection (e), by striking out "or (c)" and inserting in lieu thereof "(c), or (f)";

(2) in subsection (f)(1), by striking out "are notified of the program; and" and inserting in lieu thereof "receive a notification of the program, including—

"(A) notice of the designation of the program as a special access program;

"(B) the justification for such designation;

"(C) the current estimate of the total program cost for the program; and

"(D) an identification of the existing programs or technologies that are similar to the technology, or that have a mission similar to the mission, of the program that is the subject of the notice; and";

(3) by redesignating subsection (g) as subsection (i);

(4) by inserting after subsection (f) the following new subsections:

"(g) Funds appropriated or otherwise made available to the Department of Defense may not be obligated for any special access program unless the applicable report on such program has been submitted in accordance with subsection (a), (b), (c), (e), or (f).

"(h)(1) The Secretary of Defense shall ensure that access to information relating to special access programs is granted, as provided in paragraphs (2) and (3), upon the request of the chairman or ranking minority member of a defense committee.

"(2)(A) The chairman or ranking minority member of a defense committee may designate one or more members of Congress or one or more congressional employees of such committee to be given access to information referred to in paragraph (1).

"(B) An employee may not be designated under subparagraph (A) unless the employee has a 'top secret, special compartmented information access' security clearance.

"(C) Each designation under this paragraph shall be in writing and shall specify the special access program to which the designation applies. A separate written designation is required for each special access program.

"(3)(A) If the chairman or ranking minority member of a defense committee submits to the Secretary of Defense a request for access to information relating to a special access program for which a Member or employee referred to in paragraph (2)(A) has been designated and the requested access is not granted, then funds may not be obligated for such special access program after the tenth day following the date on which the Secretary receives the request until the date on which the requested access is granted.

"(B) Subparagraph (A) shall not apply in the case of a particular request for access for a congressional employee if the President submits to the chairman of the defense committee concerned a report in writing containing (i) a certification that the provision of the information requested with respect to a particular special access program to that congressional employee would adversely affect the national security, and (ii) a detailed justification for the certification.

"(4) In this section, the term 'congressional employee' has the meaning given such term in section 2107 of title 5."; and

(5) in subsection (i), as redesignated by paragraph (3)—

(A) by striking out "section," and inserting in lieu thereof "section:";

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(C) by designating the text beginning with "the term" as paragraph (1) and by capitalizing the initial letter in such paragraph;

(D) by realigning paragraph (1), as so designated, two ems from the left margin and realigning subparagraphs (A) and (B), as redesignated by subparagraph (B), four ems from the left margin; and

(E) by adding at the end the following new paragraph:

"(2) The term 'special access program' shall have the meaning referred to for that term in section 132(e) of this title.".

SEC. 907. REVISION IN MEMBERSHIP OF STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM COUNCIL.

Section 2902(b) of title 10, United States Code, is amended—

(1) by striking out "nine" and inserting in lieu thereof "thirteen";

(2) by redesignating paragraph (9) as paragraph (10); and

(3) by inserting after paragraph (8) the following new paragraph:

"(9) One representative from each of the Army, Navy, Air Force, and Coast Guard, who shall be non-voting members.".

PART B—INTELLIGENCE MATTERS

SEC. 911. DEFENSE INTELLIGENCE AGENCY REORGANIZATION.

(a) In General.—(1) Subchapter II of chapter 8 of title 10, United States Code, is amended—

(A) by redesignating section 201 as section 202; and

(B) by inserting after the table of sections for such subchapter the following new section 201:

"§ 201. Defense Intelligence Agency; Director

"(a) There is a Defense Intelligence Agency within the Department of Defense. The Director of the Defense Intelligence Agency is the head of the agency.

"(b) The Director shall be the senior military intelligence adviser to the Secretary of

Defense, the Chairman of the Joint Chiefs of Staff, and the Director of Central Intelligence. The Director shall report directly to those officials on all matters concerning military intelligence.

"(c) The duties of the Director include the following:

"(1) To manage the activities of the Defense Intelligence Agency, including the production of general military intelligence, scientific and technical intelligence, and the performance of other analysis, liaison, and intelligence missions as assigned by an official referred to in subsection (b).

"(2) To manage the General Defense Intelligence Program (GDIP), including the preparation, execution, and review of budgets and program matters.

"(d) In carrying out his duties, the Director shall adhere to the policies prescribed by—

"(1) the Director of Central Intelligence for national foreign intelligence programs;

"(2) the Secretary of Defense for Department of Defense organizations and personnel; and

"(3) the Chairman of the Joint Chiefs of Staff for joint staff operations and command support.

"(e) Subject to subsection (d), the Assistant Secretary of Defense referred to in section 136(b)(3) of this title having responsibility for intelligence matters shall—

"(1) issue policy guidelines for the Defense Intelligence Agency;

"(2) conduct audits of the Defense Intelligence Agency and the General Defense Intelligence Program; and

"(3) review the General Defense Intelligence Program budget to ensure its integration with the Tactical Intelligence and Related Activities budget.".

(2) The table of sections at the beginning of such subchapter is amended to read as follows:

"201. Defense Intelligence Agency; Director.
"202. Unauthorized use of Defense Intelligence Agency name, initials, or seal.".

(3)(A) The heading of such chapter is amended to read as follows:

"SUBCHAPTER II—DEFENSE INTELLIGENCE AGENCY".

(B) The chapter analysis at the beginning of chapter 8 of title 10, United States Code, is amended by striking out the item relating to subchapter II and inserting in lieu thereof the following:

"I. Defense Intelligence Agency .... 201".

(b) ROLES OF FUNCTIONAL MANAGERS.—The Director shall strengthen the roles and authorities of the functional managers of the Defense Intelligence Agency, shall ensure that such managers have the responsibility for preparing, executing, and reviewing budgets and programs within the General Defense Intelligence Program, and shall ensure that each functional manager maintains direct communications with all entities of the General Defense Intelligence Program carrying out the functions within the responsibility of such manager.

SEC. 912. JOINT INTELLIGENCE CENTER.

(a) REQUIREMENT FOR CENTER.—The Secretary of Defense shall maintain within the District of Columbia or its vicinity a single and joint intelligence center for the Armed Forces.

(b) FUNCTIONS.—The center shall be responsible for current intelligence assessments, including indications and warning, for the Department of Defense and, as appropriate, for the support of military operations, provide for and manage the collection and analysis of intelligence.

(c) MANAGEMENT.—The center shall be managed by the Defense Intelligence Agency in its capacity as the intelligence staff activity of the Chairman of the Joint Chiefs of Staff.

(d) RESPONSIVENESS TO COMMAND AUTHORITIES.—The Secretary shall ensure that the center is fully responsive to the intelligence needs of the Secretary, the Chairman of the Joint Chiefs of Staff, and the commanders of the combatant commands.

SEC. 913. DEPARTMENT OF DEFENSE USE OF NATIONAL INTELLIGENCE COLLECTION SYSTEMS.

(a) PROCEDURES FOR USE.—Under procedures that the Secretary of Defense and the Director of Central Intelligence shall jointly prescribe, the Secretary, and, through the Secretary, the Chairman of the Joint Chiefs of Staff and the commanders of the combatant commands shall regularly and periodically exercise the use of the national intelligence collection systems defined in the classified annex.

(b) REPORT.—Not later than May 1, 1992, the Secretary of Defense and the Director of Central Intelligence shall submit to the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a joint report describing the joint procedures prescribed pursuant to subsection (a).

SEC. 914. ESTABLISHMENT OF SINGLE IMAGERY MANAGER IN THE DEFENSE INTELLIGENCE AGENCY.

(a) ASSIGNMENT OF DUTIES.—(1) Subchapter II of chapter 8 of title 10, United States Code, as amended by section 911, is further amended by adding at the end the following new section:

"§ 203. Imagery intelligence management

"(a) The Secretary of Defense shall assign to the Director of the Defense Intelligence Agency responsibility for managing all imagery intelligence processing, exploitation, and dissemination activities within the Department of Defense in order to ensure that there is adequate imagery intelligence support for the Secretary, the Chairman of the Joint Chiefs of Staff, and the commanders of the combatant commands. The Director may delegate the performance of routine imagery intelligence management functions to a functional manager for imagery within the agency.

"(b) In accordance with guidelines prescribed by the Secretary of Defense, the manager for imagery shall, for each Department of Defense activity or organization engaged in imagery processing, exploitation, or dissemination—

"(1) develop personnel and training policies;

"(2) assign responsibilities;

"(3) approve budgets;

"(4) provide oversight of program execution;

"(5) conduct program reviews;

"(6) ensure interoperability between and among imagery data bases and dissemination systems;

"(7) develop and enforce standards for imagery exploitation, analysis, and dissemination; and

"(8) perform such other functions as the Secretary may assign.".

(2) The table of sections at the beginning of such subchapter, as amended by section 911, is further amended by adding at the end the following new item:

"203. Imagery intelligence management.".

(b) JOINT IMAGERY PLANNING AND PROCUREMENT COMMITTEE.—The Secretary of Defense and the Director of Central Intelligence shall—

(1) consider establishing a joint imagery planning and procurement committee, and

(2) not later than May 1, 1992, submit to the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a joint report containing the decisions made concerning the establishment of such a committee.

TITLE X—SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR OPERATION DESERT STORM

SEC. 1001. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS NECESSITATED BY OPERATION DESERT STORM.

(a) APPLICABILITY OF PUBLIC LAW 102-25 AUTHORIZATIONS TO FISCAL YEAR 1992.—Sections 101 and 102 of Public Law 102-25 (105 Stat. 78) are each amended by striking out "fiscal year 1991" each place it appears and inserting in lieu thereof "fiscal years 1991 and 1992".

(b) LIMITATION ON APPLICABILITY.—The provisions of title I of Public Law 102-25 (105 Stat. 78), as amended by subsection (a), shall apply only to appropriations provided in Public Law 102-28 (105 Stat. 161).

(c) TECHNICAL AMENDMENT.—Sections 101(b)(2), 102, 105(b)(4), and 203(b) of Public Law 102-25 (105 Stat. 75) are amended by striking out "working capital funds" and "Persian Gulf Conflict Working Capital Fund" each place such terms appear and inserting in lieu thereof "Persian Gulf Regional Defense Fund".

SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—During fiscal years 1991 and 1992, there are authorized to be appropriated to the Department of Defense in accordance with this section current and future balances in the Defense Cooperation Account and the Persian Gulf Regional Defense Fund.

(2) RELATIONSHIP TO OTHER AUTHORIZATIONS.—The authorizations of appropriations in this section are in addition to the amounts otherwise authorized to be appropriated by this Act or any other Act enacted before the date of the enactment of this Act.

(3) AVAILABILITY BY TRANSFER.—Amounts appropriated pursuant to paragraph (1) shall be available only in accordance with subsections (b) and (c) for—

(A) transfer by the Secretary of Defense to fiscal year 1991 and fiscal year 1992 appropriations accounts of the Department of Defense for incremental costs associated with Operation Desert Storm; and

(B) replenishment of the Persian Gulf Regional Defense Fund by transfer from the Defense Cooperation Account.

(4) MAXIMUM AMOUNTS.—

(A) TRANSFERS TO DEPARTMENT OF DEFENSE ACCOUNTS.—The total amount transferred as provided in paragraph (3)(A) may not exceed $4,392,855,000.

(B) REPLENISHMENT TRANSFERS.—The total amount transferred as provided in paragraph (3)(B) may not exceed the amount transferred from the Persian Gulf Regional Defense Fund pursuant to appropriations authorized by this section.

(b) FISCAL YEAR 1991.—

(1) PROCUREMENT.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for procurement, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for procurement as follows:

(A) ARMY.—For the Army:

(i) For aircraft, $110,400,000.

(ii) For missiles, $21,800,000.

(iii) For other procurement, $80,500,000.

(B) NAVY.—For the Navy:

(i) For aircraft, $508,000,000.

(ii) For weapons, $8,100,000.

(iii) For other procurement, $112,700,000.

(C) MARINE CORPS.—For the Marine Corps, $4,300,000.

(D) AIR FORCE.—For the Air Force:

(i) For aircraft, $76,900,000.

(ii) For other procurement, $460,000,000.

(2) RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—In addition to amounts otherwise authorized to be appropriated for fiscal year 1991 for research, development, test, and evaluation, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for research, development, test, and evaluation as follows:

(A) ARMY.—For the Army, $47,800,000.

(B) NAVY.—For the Navy, $6,100,000.

(C) AIR FORCE.—For the Air Force, $26,500,000.

(D) DEFENSE AGENCIES.—For the Defense Agencies, $28,100,000.

(3) OPERATION AND MAINTENANCE.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for operation and maintenance, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for operation and maintenance as follows:

(A) ARMY RESERVE.—For the Army Reserve, $23,200,000.

(B) NAVAL RESERVE.—For the Naval Reserve, $28,300,000.

(C) NATIONAL GUARD.—For the Army National Guard and the Air National Guard, $41,900,000.

(D) AIR NATIONAL GUARD.—For the Air National Guard, $55,000,000.

(E) DEFENSE AGENCIES.—For the Defense Agencies, $50,000,000.

(4) WORKING CAPITAL FUNDS.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for providing capital for working-capital funds, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for providing capital for such funds as follows:

(A) ARMY STOCK FUND.—For the Army Stock Fund, $60,000,000.

(B) NAVY STOCK FUND.—For the Navy Stock Fund, $300,000,000.

(C) AIR FORCE STOCK FUND.—For the Air Force Stock Fund, $60,000,000.

(5) MILITARY PERSONNEL, ARMY NATIONAL GUARD.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for military personnel, Army National Guard, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for military personnel, Army National Guard, $40,196,000.

(c) FISCAL YEAR 1992.—

(1) PROCUREMENT.—In addition to the amounts authorized to be appropriated by title I of this Act for fiscal year 1992 for procurement, there are authorized to be appropriated for fiscal year 1992 in accordance with subsection (a) for procurement as follows:

(A) ARMY.—For the Army:

(i) For missiles, $200,000,000.

(ii) For weapons and tracked combat vehicles, $10,300,000.

(iii) For other procurement, $207,859,000.

(B) AIR FORCE.—For the Air Force:

(i) For aircraft, $777,600,000.

(ii) For other procurement, $100,000,000.

(2) OPERATION AND MAINTENANCE.—In addition to the amounts authorized to be appropriated by title III of this Act for fiscal year 1992 for operation and maintenance, there are authorized to be appropriated for the Army for fiscal year 1992 for operation and maintenance in accordance with subsection (a), $227,300,000.

(3) WORKING CAPITAL FUNDS.—In addition to the amounts authorized to be appropriated by title III of this Act for fiscal year 1992 for providing capital for working capital funds, there are authorized to be appropriated for fiscal year 1992 in accordance with subsection (a) for providing capital for such funds as follows:

(A) ARMY STOCK FUND.—For the Army stock fund, $350,000,000.

(B) NAVY STOCK FUND.—For the Navy stock fund, $150,000,000.

(C) AIR FORCE STOCK FUND.—For the Air Force stock fund, $220,000,000.

(d) ADDITIONAL TRANSFER AUTHORITY.—The amount of the transfer authority provided in section 1401 of Public Law 101–510 for fiscal year 1991 and the amount of the transfer authority provided in section 1101 of this Act for fiscal year 1992 are increased by the amounts of the transfers made by the Secretary of Defense for fiscal years 1991 and 1992, respectively, pursuant to this title or any other law other than Public Law 101–511.

(e) ADMINISTRATION OF TRANSFERS.—A transfer made under the authority of this title increases by the amount of the transfer the amount authorized for the account to which the transfer is made.

(f) REPLENISHMENT OF FUND.—Amounts transferred from the Persian Gulf Regional Defense Fund pursuant to an authorization contained in this section shall be replenished from funds available in the Defense Cooperation Account to the extent that funds are available in the Defense Cooperation Account. Whenever the balance in the Persian Gulf Regional Defense Fund is less than $14,680,000, the Secretary of Defense, in order to replenish that Fund, shall transfer funds that become available to the Defense Cooperation Account from such account to that Fund before making any transfer of such funds under subsection (a)(3)(A).

(g) MONTHLY REPORTS ON TRANSFERS.—Not later than seven days after the end of each month in fiscal years 1991 and 1992, the Secretary of Defense shall submit to the congressional defense committees and the Comptroller General of the United States a detailed report on the cumulative total amount of the transfers made under the authority of this title through the end of that month.

SEC. 1003. DEFINITIONS.

(a) INCLUSION OF OPERATION PROVIDE COMFORT.—Section 3(1) of Public Law 102–25 (105 Stat. 77) is amended by striking out "Operation Desert Shield and Operation Desert Storm" and inserting in lieu thereof "Operation Desert Shield, Operation Desert Storm, and Operation Provide Comfort".

(b) INCREMENTAL EXPENSES ASSOCIATED WITH OPERATION DESERT STORM.—In this title, the term "incremental expenses associated with Operation Desert Storm" has the meaning given such term in section 3(2) of Public Law 102–25 (105 Stat. 77).

TITLE XI—GENERAL PROVISIONS

PART A—FINANCIAL AND BUDGET MATTERS

SEC. 1101. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon a determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for any fiscal year between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations for any fiscal year that the Secretary of Defense may transfer under the authority of this section may not exceed $3,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1102. DATE FOR TRANSMITTAL OF JOINT OMB/CBO ANNUAL OUTLAY REPORT.

(a) CHANGE IN DATE.—Subsection (a)(1) of section 5 of Public Law 101–189 (103 Stat. 1364; 10 U.S.C. 114a note) is amended by striking out "Not later than December 15, 1989, and not later than December 15 of each year thereafter," and inserting in lieu thereof "Not later than the day on which the budget for any fiscal year is submitted to Congress pursuant to section 1105 of title 31, United States Code,".

(b) CONFORMING AMENDMENT.—Such subsection is further amended by striking out "for the budget" in subparagraph (A) and all that follows through "is submitted" and inserting in lieu thereof "for that budget".

(c) CROSS-REFERENCE CORRECTION.—Subsection (b) of such section is amended by striking out "subsection (i)(1)" and inserting in lieu thereof "subsection (a)(1)".

SEC. 1103. REVISION OF REPORTING REQUIREMENT REGARDING THE EFFECT OF CERTAIN PAYMENTS AND ADJUSTMENTS ON THE FEDERAL DEFICIT.

(a) TEMPORARY REQUIREMENT FOR OMB REPORT.—For each of fiscal years 1991, 1992, 1993, 1994, 1995, and 1996, the Director of the Office of Management and Budget shall submit to Congress the Director's estimate of the effect on the Federal deficit of payments and adjustments made with respect to sections 1552 and 1553 of title 31, United States Code. Such estimate shall be made separately for the accounts of each agency.

(b) ELIMINATION OF PERMANENT REQUIREMENT FOR CBO REPORT.—Section 1554 of title 31, United States Code, is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

PART B—MISCELLANEOUS

SEC. 1111. TRANSFER OF OBSOLETE AIRCRAFT CARRIER ORISKANY.

(a) AUTHORITY.—Notwithstanding subsections (a) and (c) of section 7308 of title 10, United States Code, but subject to subsection (b) of that section, the Secretary of the Navy may transfer the obsolete aircraft carrier Oriskany (CV 34) to the Zaidan Hojin Kokusai Joho Shizen Kyokai (in English, "International Information Friendship Foundation" or "IIFF") for cultural and educational purposes.

(b) LIMITATION.—The transfer authorized by subsection (a) may be made only if the Secretary of the Navy determines that the vessel is of no further use to the United States for national security purposes.

(c) RESTRICTIONS ON TRANSFER.—The transfer authorized by subsection (a) may not be made until—

(1) the United States has received from or on behalf of the IIFF an amount not less than the estimated scrap value of the vessel (as determined by the Secretary of the Navy) that would otherwise be received by the United States if the vessel were not transferred pursuant to this section; and

(2) the IIFF has agreed in writing that all work necessary to restore the Oriskany will be performed in United States shipyards.

(d) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

SEC. 1112. TRANSFER OF OBSOLETE RESEARCH VESSEL GYRE.

(a) AUTHORITY TO TRANSFER VESSEL.—Notwithstanding subsections (a) and (c) of section 7308 of title 10, United States Code, but subject to subsection (b) of that section, the Secretary of the Navy may transfer the obsolete research vessel Gyre to the Texas Agricultural and Mechanical University for education and research purposes.

(b) LIMITATION.—The transfer authorized by subsection (a) may be made only if the Secretary determines that the vessel Gyre is of no further use to the United States for national security purposes.

(c) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

SEC. 1113. REPORT ON THE PROLIFERATION OF MISSILES AND ESSENTIAL COMPONENTS OF NUCLEAR, BIOLOGICAL, AND CHEMICAL WEAPONS.

(a) CONTENTS OF REPORT.—(1) Not later than 90 days after the date of the enactment of this Act, and every year thereafter, the President shall submit to the Congress a report on developments in the transfer of weapons, technology, and materials that can be used to deliver, manufacture, or weaponize nuclear, biological, or chemical weapons (hereafter in this section referred to as "NBC weapons") to any country that is not an MTCR adherent and is seeking to acquire such equipment, technology, or any other missile system that the Secretary of Defense has reason to believe may be used to deliver NBC weapons, other than those countries excluded in subsection (b).

(2) Such report shall cover—

(A) the transfer of all aircraft, cruise missiles, artillery weapons, unguided rockets and multiple rocket systems, and related bombs, shells, warheads and other weaponization technology and materials which the Secretary has reason to believe may be intended for the delivery of NBC weapons;

(B) international transfers of MTCR equipment or technology to any country that is not an MTCR adherent and is seeking to acquire such equipment or any other missile system that the Secretary has reason to believe may be used to deliver NBC weapons; and

(C) the transfer of technology, test equipment, radioactive materials, feedstocks and cultures, and all other specialized materials that the Secretary has reason to believe will be used to manufacture NBC weapons.

(3) Each such report shall include—

(A) the status of missile, aircraft, and other weapons delivery and weaponization programs in any such country, including efforts by such country to acquire MTCR equipment, NBC-capable aircraft, or any other weapon or major weapon component which is dedicated to the delivery of NBC weapons, whose primary use is the delivery of NBC weapons, or which the Secretary has reason to believe may be used to deliver NBC weapons;

(B) the status of NBC weapons development, manufacture, and deployment programs in any such country, including efforts to acquire essential test equipment, manufacturing equipment and technology, weaponization equipment and technology, and radioactive material, feedstocks or components of feedstocks, and biological cultures and toxins;

(C) a description of assistance provided by any person or government, after the date of the enactment of this Act, to any such country in the development of—

(i) missile systems, as defined in the MTCR or which the Secretary has reason to believe may be used to deliver NBC weapons;

(ii) aircraft and other delivery systems and weapons which the Secretary has reason to believe may be used to deliver NBC weapons; and

(iii) NBC weapons;

(D) a listing of those persons and countries which continue to provide such equipment or technology described in subparagraph (C) to any country as of the date of submission of the report;

(E) a description of the diplomatic measures that the United States, and that other adherents to the MTCR and other agreements affecting the acquisition and delivery of NBC weapons, have made with respect to activities and private persons and governments suspected of violating the MTCR and such other agreements;

(F) an analysis of the effectiveness of the regulatory and enforcement regimes of the United States and other countries that adhere to the MTCR and other agreements affecting the acquisition and delivery of NBC weapons in controlling the export of MTCR and other NBC weapons and delivery system equipment or technology;

(G) a summary of advisory opinions issued under section 11B(b)(4) of the Export Administration Act of 1979 and under section 73(d) of the Arms Export Control Act; and

(H) an explanation of United States policy regarding the transfer of MTCR equipment or technology to foreign missile programs, including programs involving launches of space vehicles.

(b) EXCLUSIONS.—The countries excluded under subsection (a) are Australia, Belgium, Canada, Denmark, the Federal Republic of Germany, France, Greece, Iceland, Israel, Italy, Japan, Luxembourg, Netherlands, Norway, Portugal, Spain, Turkey, and the United Kingdom.

(c) CLASSIFICATION.—The President shall make every effort to submit all of the information required by subsection (a) in unclassified form. Whenever the President submits any such information in classified form, he shall submit such classified information in an addendum and shall also submit simultaneously a detailed summary, in unclassified form, of such classified information.

(d) DEFINITIONS.—For purposes of this section—

(1) the terms "missile", "MTCR", "MTCR equipment or technology", and "MTCR adherent" have the meanings given those terms in section 74 of the Arms Export Control Act;

(2) the term "Secretary" means the Secretary of Defense; and

(3) the term "weaponize" or "weaponization" means to incorporate into, or the incorporation into, usable ordnance or other militarily useful means of delivery.

(e) REPEAL OF SUPERSEDED LAW.—Section 1704 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1749; 22 U.S.C. 2797) is repealed.

SEC. 1114. PROHIBITION RELATING TO DEACTIVATION OF NAVAL RESERVE HELICOPTER MINE COUNTERMEASURES SQUADRONS.

Funds appropriated or otherwise made available for the Department of Defense for fiscal years before fiscal year 1994 may not be used to deactivate Naval helicopter mine countermeasures squadrons HM-18 and HM-19 as units in the Naval Reserve.

SEC. 1115. REPEAL OF REQUIREMENT FOR TRANSFER OF CERTAIN AIRCRAFT TO AIR FORCE RESERVE COMPONENTS.

Section 1436 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1688) is repealed.

SEC. 1116. TERMINATION OF REQUIREMENT TO REPLACE MARINE CORPS OV-10 AIRCRAFT WITH AIR FORCE A-10 AIRCRAFT.

(a) TERMINATION OF OV-10 REPLACEMENT REQUIREMENTS.—The requirements in subsection (b)(2) of section 1439 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1689) that relate to the retirement of OV-10 aircraft in the inventory of the Marine Corps and to the transfer of A-10 aircraft to the Department of the Navy are terminated.

(b) REPEAL OF RELATED LIMITATION.—Subsection (a)(2) of such section is repealed.

SEC. 1117. TREATMENT AND AVAILABILITY OF CONTRIBUTIONS OF FRIENDLY FOREIGN COUNTRIES AND NATO FOR COOPERATIVE DEFENSE PROJECTS.

(a) IN GENERAL.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2350i. Foreign contributions for cooperative projects

"(a) Whenever the United States participates in a cooperative project with a friendly foreign country or the North Atlantic Treaty Organization (NATO) on a cost-sharing basis, any contribution received by the United States from that foreign country or NATO to meet its share of the project costs may be credited to appropriations available to an appropriate military department or another appropriate organization within the Department of Defense, as determined by the Secretary of Defense.

"(b) The amount of a contribution credited to an appropriation account in connection with a cooperative project referred to in subsection (a) pursuant to such subsection shall be available only for payment of the share of the project expenses allocated to the foreign country or NATO making the contribution. Payments for which such amount is available include the following:

"(1) Payments to contractors and other suppliers (including the Department of Defense and other participants acting as suppliers) for necessary articles and services.

"(2) Payments for any damages and costs resulting from the performance or cancellation of any contract or other obligation.

"(3) Payments or reimbursements of other program expenses, including program office overhead and administrative costs.

"(4) Refunds to other participants.

"(c) In this section:

"(1) The term 'cooperative project' means a jointly managed arrangement, described in a written cooperative agreement entered into by the participants, that—

"(A) is undertaken by the participants in order to improve the conventional defense capabilities of the participants; and

"(B) provides for—

"(i) one or more participants (other than the United States) to share with the United States the cost of research and development, testing, evaluation, or joint production (including follow-on support) of defense articles;

"(ii) the United States and another participant concurrently to produce in the United States and the country of such other participant a defense article jointly developed in a cooperative project described in clause (i); or

"(iii) the United States to procure a defense article or a defense service from another participant in the cooperative project.

"(2) The term 'defense article' has the meaning given such term in section 47(3) of the Arms Export Control Act (22 U.S.C. 2794(3)).

"(3) The term 'defense service' has the meaning given such term in section 47(4) of the Arms Export Control Act (22 U.S.C. 2794(4)).".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of subchapter II of such chapter is amended by adding at the end the following new item:

"23501. Foreign contributions for cooperative projects.".

SEC. 1118. BURDENSHARING CONTRIBUTIONS BY KOREA.

(a) AUTHORITY TO ACCEPT CONTRIBUTIONS.—During fiscal years 1992 and 1993, the Secretary of Defense may accept cash contributions from the Republic of Korea for the purposes specified in subsection (c).

(b) CREDIT TO APPROPRIATIONS.—Amounts accepted in a fiscal year pursuant to the authority provided in subsection (a) shall be credited to Department of Defense appropriations that are available for that fiscal year for the purposes (specified in subsection (c)) for which the amounts are contributed. The amounts so credited shall be available for the same period as the appropriations to which credited.

(c) AVAILABILITY OF CONTRIBUTIONS.—Amounts credited to appropriations pursuant to subsection (b) shall be available only for the payment of the following costs:

(1) The costs of compensation for local national employees of the Department of Defense in the Republic of Korea.

(2) The costs of military construction projects of the Department of Defense in the Republic of Korea.

(d) REPORTS.—Not later than the first day of each of fiscal years 1993 and 1994, the Secretary of Defense shall submit to the congressional defense committees a report on the contributions accepted by the Secretary during the preceding fiscal year under the authority provided in subsection (a).

SEC. 1119. EXPANSION OF AUTHORITY FOR THE NAVY TO PROVIDE SUPPLIES AND SERVICES TO FOREIGN COUNTRIES.

(a) REIMBURSABLE PROVISION OF SUPPLIES AND SERVICES.—Subsection (a) of section 7227 of title 10, United States Code, is amended by striking out "friendly" each place it appears.

(b) PROVISION OF PORT AND AIRPORT SERVICES WITHOUT REIMBURSEMENT.—Subsection (b)(2) of such section is amended—

(1) in subparagraph (A)—

(A) by striking out "(A)";

(B) by striking out "port services" each place it appears and inserting in lieu thereof "port or airport services";

(C) by inserting "or aircraft" after "naval vessels" each place such term appears; and

(D) in the first sentence, by striking out "an allied" and inserting in lieu thereof "a foreign"; and

(2) by striking out subparagraph (B).

SEC. 1120. EXTENSION OF AUTHORITY FOR TRANSFER OF EXCESS DEFENSE EQUIPMENT TO CERTAIN NATIONS.

Section 516(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(a)) is amended in the first sentence by striking out "during the fiscal years 1987 through 1991,".

SEC. 1121. AUTHORITY OF SECRETARY OF DEFENSE IN CONNECTION WITH COOPERATIVE AGREEMENTS ON AIR DEFENSE IN ITALY.

(a) AUTHORITY TO CARRY OUT AGREEMENTS.—The Secretary of Defense is authorized to carry out the Italian air defense agreements. In carrying out those agreements, the Secretary—

(1) may provide without monetary charge to the Republic of Italy articles and services as specified in the agreements; and

(2) may accept from the Republic of Italy (in return for the articles and services provided under paragraph (1)) articles and services as specified in the agreements.

(b) ADMINISTRATION OF AGREEMENTS.—In connection with the administration of the Italian air defense agreements, the Secretary of Defense may—

(1) waive any surcharge for administrative services otherwise chargeable under section 21(e)(1)(A) of the Arms Export Control Act (22 U.S.C. 2761(e)(1)(A));

(2) waive any charge not otherwise waived for services associated with contract administration for the sale under the Arms Export Control Act of Patriot air defense missile fire units or components thereof to the Republic of Italy contemplated in the agreements; and

(3) use, to the extent contemplated in the agreements, the North Atlantic Treaty Organization (NATO) Maintenance and Supply Agency—

(A) for the supply of logistic support in Europe for the Patriot missile system; and

(B) for the acquisition of such logistic support, to the extent that the Secretary determines that the procedures of that agency governing such supply and acquisition are appropriate.

(c) AUTHORITY SUBJECT TO AVAILABILITY OF APPROPRIATIONS.—The authority of the Secretary of Defense to enter into contracts under the Italian air defense agreements is available only to the extent that appropriated funds are otherwise available for that purpose.

(d) DEFINITION.—For the purposes of this section, the term "Italian air defense agreements" means—

(1) the agreement entitled "Memorandum of Understanding Between the Secretary of Defense of the United States of America and the Minister of Defense of the Italian Republic on Cooperative Measures for Enhancing Air Defense in Italy", signed on March 24, 1988; and

(2) the agreement entitled "Implementing Agreement to the Memorandum of Understanding Between the Secretary of Defense of the United States of America and the Minister of Defense of the Italian Republic on Cooperative Measures for Enhancing Air Defense in Italy", signed on April 20, 1990.

SEC. 1122. TRAINING OF SPECIAL OPERATIONS FORCES WITH FRIENDLY FOREIGN FORCES.

(a) PAYMENT FOR TRAINING.—(1) Chapter 101 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2011. Special operations forces training with friendly foreign forces

"(a) Under regulations prescribed pursuant to subsection (c), the commander of the special operations command established pursuant to section 167 of this title and the commander of any other unified or specified combatant command may pay, or authorize payment for, any of the following expenses:

"(1) Expenses of training special operations forces assigned to that command in conjunction with training, and training with, armed forces and other security forces of a friendly foreign country.

"(2) Expenses of deploying such special operations forces for that training.

"(3) In the case of training in conjunction with a friendly developing country, the incremental expenses incurred by that country as the direct result of such training.

"(b) The primary purpose of the training for which payment may be made under subsection (a) shall be to train the special operations forces of the combatant command.

"(c) The Secretary of Defense shall prescribe regulations for the administration of this section. The regulations shall establish accounting procedures to ensure that the expenditures pursuant to this section are appropriate.

"(d) In this section:

"(1) The term 'special operations forces' includes civil affairs forces and psychological operations forces.

"(2) The term 'incremental expenses', with respect to a developing country, means the reasonable and proper cost of rations, fuel, training ammunition, transportation, and other goods and services consumed by such country. The term does not include pay, allowances, and other normal costs of such country's personnel.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2011. Special operations forces training with friendly foreign forces.".

(b) BUDGETING FOR TRAINING.—Section 166 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) SOF TRAINING WITH FOREIGN FORCES.—A funding proposal for force training under subsection (b)(2) may include amounts for training expense payments authorized in section 2011 of this title.".

SEC. 1123. TECHNICAL DATA PACKAGES FOR LARGE-CALIBER CANNON.

(a) EXCEPTION FOR FRIENDLY FOREIGN COUNTRIES.—Section 4542(b)(1) of title 10, United States Code, is amended by striking out "member nation" and all that follows through "major non-NATO ally" and inserting in lieu thereof "friendly foreign country".

(b) TECHNICAL CORRECTIONS.—Section 4542 of such title is amended—

(1) in subsection (c)(3), by striking out "subsection (d)" and inserting in lieu thereof "subsection (f)"; and

(2) in subsection (f), by striking out "subsection (b)(3)" and inserting in lieu thereof "subsection (c)(3)".

SEC. 1124. FOREIGN COMPARATIVE TESTING.

Section 2350a of title 10, United States Code, is amended in subsections (g)(1)(A), (g)(4)(A), and (h) by inserting "and other friendly foreign countries" after "major allies of the United States".

SEC. 1125. SENSE OF CONGRESS RELATING TO THE CONTRIBUTIONS TO OPERATION DESERT STORM MADE BY THE DEFENSE-RELATED INDUSTRIES OF THE UNITED STATES.

(a) FINDINGS.—Congress finds the following:

(1) The success of the Armed Forces of the United States in the prosecution of Operation Desert Storm is without parallel in the history of warfare.

(2) This success was due in great measure to the ready availability of weapons and weapon systems exhibiting remarkable accuracy through advanced technological design.

(3) These weapons and weapon systems were designed and produced by the defense-related industries of the United States.

(4) The Commander in Chief, United States Central Command, formulated a battle plan for Operation Desert Storm that relied on the availability and performance of these weapons and weapon systems.

(5) The successful use of these weapons and weapon systems in accordance with this plan resulted in astonishingly small numbers of killed and wounded among the Armed Forces of the United States and of the allied coalition.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the defense-related industries of the United States, and the men and women who work for such industries, deserve the gratitude and appreciation of the Congress and of the United States for the design and production of the technologically-advanced weapons and weapon systems that ensured victory by the United States and its international coalition allies in Operation Desert Storm;

(2) future decisions relating to the national security of the United States must take into account the need to maintain strong defense-related industries in the United States; and

(3) it is vitally important to the United States that the defense-related industries of the United States be capable of responding to the national security requirements of the United States.

SEC. 1126. SENSE OF CONGRESS RELATING TO COOPERATION BETWEEN THE MILITARY DEPARTMENTS AND BIG BROTHERS AND BIG SISTERS ORGANIZATIONS.

(a) FINDINGS.—Congress finds the following:

(1) The Big Brothers and Big Sisters consist of 499 independent organizations located across the United States that assist at-risk children and the families of such children by establishing mentor programs that foster one-to-one relationships between such children and concerned adult mentors.

(2) The Big Brothers and Big Sisters organizations annually assist approximately 110,000 such children.

(3) As a result of cooperation between the Department of Defense and Big Brothers and Big Sisters organizations, successful mentor programs have been established at several military installations located in the United States and overseas.

(4) There are an estimated 80,000 single-parent families, containing at least 80,000 at-risk youth, that are headed by members of the Armed Forces.

(5) Appropriately trained members of the Armed Forces are exceptionally qualified to serve as concerned adult mentors of at-risk youths in Big Brothers and Big Sisters mentor programs.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) additional cooperation between the military departments and the Big Brothers and Big Sisters organizations located in communities near military installations under the jurisdiction of such departments will assist members of the Armed Forces who serve at such installations and such communities in responding to the family support needs of such members and communities; and

(2) the military departments should take all practicable steps necessary to encourage such cooperation at military installations located in the United States and to promote the establishment of additional Big Brothers and Big Sisters organizations at such installations located overseas.

SEC. 1127. STRATEGIC FRAMEWORK AND DISTRIBUTION OF RESPONSIBILITIES FOR THE SECURITY OF ASIA AND THE PACIFIC.

(a) FINDINGS.—Congress makes the following findings:

(1) The alliance between the United States and its allies in East Asia contributes greatly to the security of that region.

(2) It is in the national interest of the United States to maintain a forward military and naval presence in East Asia.

(3) The pace of economic, political, and social advances in many of the East Asian countries, particularly Japan and South Korea, continues to accelerate.

(4) As a result of such advances the capacity of those countries to contribute to the responsibilities for their own defense has increased dramatically.

(5) While the level of defense burdensharing by Japan and South Korea has increased, continued acceleration of the rate of transfer of that burden is desirable.

(6) The United States remains committed to the security of its friends and allies in Asia and the Pacific Rim region.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the United States should regularly review the missions, force structure, and locations of its military forces in Asia and the Pacific, including Hawaii;

(2) the United States should also regularly review its basing structure in the Pacific and Asia, with special attention to developments in the Philippines, Japan, and South Korea, and determine basing, forward deployments, maritime and land base prepositioning, amphibious forces, and strategic lift to meet evolving strategic needs;

(3) the United States should regularly review the threats and potential threats to regional peace, the United States, and its friends and allies;

(4) the United States should continue to assess the feasibility and desirability of the ongoing partial, gradual reduction of military forces in Asia and the Pacific;

(5) in view of the advances referred to in subsection (a)(3), Japan and South Korea should continue to assume increased responsibility for their own security and the security of the region;

(6) Japan and South Korea should continue to offset the direct costs incurred by the United States in deploying military forces for the defense of those countries including costs related to the presence of United States military forces in those countries; and

(7) Japan should continue to contribute to improvements to global stability by contributing to countries in regions of importance to world stability through the Official Development Assistance Program of Japan.

(c) REPORT REQUIRED.—(1) Not later than April 1, 1992, the President shall submit to the congressional defense committees, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives a report on the strategic posture and military force structure of the United States in Asia and the Pacific, including the forces in Hawaii. The President shall include in such report a strategic plan relating to the continued United States presence in that region.

(2) The report shall specifically include the following matters:

(A) An assessment of the trends in the regional military balance involving potential threats to the United States and its allies and friends in Asia and the Pacific, with special attention to (i) the implications of recent developments in the Soviet Union and the People's Republic of China for United States and allied security planning in Asia and the Pacific, and (ii) such regional conflicts as the struggle in Cambodia.

(B) An assessment of the trends in acquiring and deploying nuclear, biological, and chemical weapons and long range missiles and other delivery systems and other destabilizing transfers of arms and technology.

(C) An assessment of the extent to which a requirement continues to exist for a regional security role for the United States in East Asia.

(D) Identification of (i) any changes in the missions, force structure, and locations of United States military forces in Asia and the Pacific that could strengthen the capabilities of such forces and lower the costs of maintaining such forces, and (ii) changes in contingency and reserve armed forces in the United States and other areas.

(E) A review of the United States basing structure in the Pacific and Asia with special attention to developments in the Philippines, Japan, and South Korea, including a review of the implications for basing, forward deployments, maritime, and land base prepositioning, amphibious forces, and strategic lift to meet evolving strategic needs.

(F) A discussion of the strategic implications of the departure of United States forces from Clark Air Force Base and of the remaining facilities in the Philippines.

(G) A discussion of the need for expanding the United States access to facilities in Singapore and other states in East Asia that are friendly to the United States.

(H) A discussion of the recent trends in the contributions to burdensharing and the common defense being made by the friends and allies of the United States in Asia and the ways in which increased defense responsibilities and costs presently borne by the United States can be transferred to the friends and allies of the United States in Asia and the Pacific.

(I) An assessment of the feasibility of relocating United States military personnel and facilities in Japan and South Korea to reduce friction between such personnel and the people of those countries.

(J) Changes in bilateral command arrangements that would facilitate a transfer of military missions and command to allies of the United States in East Asia.

(K) A discussion of the changes in (i) the flow of arms and military technology between the United States and its friends and allies, (ii) the balance of trade in arms and technology, and (iii) the dependence and interdependence between the United States and its friends and allies in military technology.

SEC. 1128. PROTECTION OF KEYS AND KEYWAYS USED IN SECURITY APPLICATIONS BY THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—Chapter 67 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1386. Keys and keyways used in security applications by the Department of Defense

"(a)(1) Whoever steals, purloins, embezzles, or obtains by false pretense any lock or key to any lock, knowing that such lock or key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment shall be punished as provided in subsection (b).

"(2) Whoever—

"(A) knowingly and unlawfully makes, forges, or counterfeits any key, knowing that such key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment; or

"(B) knowing that any lock or key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment, possesses any such lock or key with the intent to unlawfully or improperly use, sell, or otherwise dispose of such lock or key or cause the same to be unlawfully or improperly used, sold, or otherwise disposed of,

shall be punished as provided in subsection (b).

"(3) Whoever, being engaged as a contractor or otherwise in the manufacture of any lock or key knowing that such lock or key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment, delivers any such finished or unfinished lock or any such key to any person not duly authorized by the Secretary of Defense or his designated representative to receive the same, unless the person receiving it is the contractor for furnishing the same or engaged in the manufacture thereof in the manner authorized by the contract, or the agent of such manufacturer, shall be punished as provided in subsection (b).

"(b) Whoever commits an offense under subsection (a) shall be fined under this title or imprisoned not more than 10 years, or both.

"(c) As used in this section, the term 'key' means any key, keyblank, or keyway adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment.".

(b) AMENDMENT TO THE CHAPTER ANALYSIS.—The chapter analysis for chapter 67 of title 18, United States Code, is amended by adding after the item referring to section 1385 the following:

"1386. Keys and keyways used in security applications by the Department of Defense.".

SEC. 1129. DEFENSE COST-SHARING AGREEMENTS, ACCOUNTING, AND REPORTING.

(a) DEFENSE COST-SHARING AGREEMENTS.—The President shall consult with foreign nations to seek to achieve, within 12 months after the date of the enactment of this Act, an agreement on appropriate defense cost-sharing with each foreign nation in which the United States has permanently stationed United States combat units. Each such defense cost-sharing agreement should provide that such nation agrees to share equitably with the United States, through cash compensation or in-kind contributions, or a combination thereof, the costs to the United States of maintaining military personnel or equipment in that nation.

(b) EXCEPTION.—The provisions of subsection (a) shall not apply to those countries which are eligible for Foreign Military Financing (FMF) assistance or Economic Support Fund (ESF) assistance.

(c) CONSULTATIONS.—In the consultations conducted under subsection (a), the President should make maximum feasible use of the Department of Defense and of the post of Ambassador-at-Large created by section 8125(c) of the Department of Defense Appropriations Act, 1989 (10 U.S.C. 113 note).

(d) ALLIES MUTUAL DEFENSE PAYMENTS ACCOUNTING.—The Secretary of Defense shall maintain an accounting for defense cost-sharing under each agreement entered into with a foreign nation pursuant to subsection (a). Such accounting shall show for such nation—

(1) the amount and nature of cost-sharing contributions agreed to;

(2) the amount of cost-sharing contributions delivered to date;

(3) the amount of additional contributions of such nation to any commonly funded multilateral programs providing for United States participation in the common defense;

(4) the amount of contributions made by the United States to any such commonly funded multilateral programs;

(5) the amount of the contributions of all other nations to any such commonly funded multilateral programs; and

(6) the cost to the United States of maintaining military personnel or equipment in that nation.

(e) REPORTING REQUIREMENTS.—(1) The annual Report on Allied Contributions to the Common Defense (required by section 1003, Public Law 98-525, Department of Defense Authorization Act, 1985) shall include information on efforts and progress in carrying out the provisions of subsections (a) and (c).

(2) The report shall also contain the accounting of defense cost-sharing contributions maintained pursuant to subsection (d).

SEC. 1130. DISCLOSURE OF INFORMATION CONCERNING UNITED STATES PERSONNEL CLASSIFIED AS PRISONER OF WAR OR MISSING IN ACTION.

(a) IN GENERAL.—(1) Except as provided in subsection (c), the head of each department or agency of the Federal Government holding or receiving any information referred to in paragraph (2) relating to any United States personnel currently classified as prisoners of war or missing in action shall make such information available to the public.

(2) Paragraph (1) applies to any record, live-sighting report, or other information relating to the location, treatment, or condition of any person referred to in such paragraph on or after the date on which such person passed from control of the Armed Forces of the United States into a status ultimately classified as prisoner of war or missing in action, as the case may be.

(b) DEPARTMENT OF DEFENSE INFORMATION.—At the same time that the Secretary of Defense makes available to the public the records and other information that is subject to the deadline established by subsection (d)(1), the Secretary shall also make available to the public a complete list of United States personnel classified as prisoners of war, missing in action, or killed in action (body not returned) after 1940, including during a period of war. The list shall include—

(1) the current classification of each listed person for Department of Defense purposes; and

(2) each change that has occurred in the listed person's classification (for Department of Defense purposes) since the original classification.

(c) EXCEPTIONS TO DISCLOSURE REQUIREMENT.—(1) A record or other information, including any fatality report, may not be made available to the public pursuant to subsection (a) if—

(A) such record or other information is exempt from the disclosure requirements of section 552 of title 5, United States Code, by reason of subsection (b) of such section;

(B) the record or other information is in a system of records exempt from the requirements of subsection (d) of section 552a of such title pursuant to subsection (j) or (k) of such section; or

(C) the record or other information specifically mentions a person by name unless such person or, in the case of a dead or incapacitated person or a person whose whereabouts is unknown, the closest living relative of such person (as determined by the official custodian of such record or information) expressly consents in writing to the disclosure of such record or other information.

(2) The prohibition contained in paragraph (1)(C) does not apply to the access of a member of the family of a person to any record or information to the extent that the record or other information relates to such person.

(3) The authority of a person to consent to disclosure of a record or other information for the purposes of paragraph (1)(C) may be delegated to another person or an organization only by means of an express legal power of attorney granted by the person authorized by such paragraph to consent to the disclosure.

(d) DEADLINES.—(1) In the case of records or other information that are required by subsection (a) to be made available to the public and are held by a department or agency of the Federal Government on the date of the enactment of this Act, the head of such department or agency shall make such records and other information available to the public pursuant to this section not later than 1 year after such date.

(2) Whenever after the date of the enactment of this Act a department or agency of the Federal Government receives any record or other information referred to in subsection (a) that is required by this section to be made available to the public, the head of such department or agency shall make such record or other information available to the public pursuant to this section not later than 1 year after it is received by that department or agency.

(3) If the head of a department or agency determines that his disclosure of any record or other information referred to in subsection (a) by the date required by paragraph (1) or (2) will compromise the safety of United States personnel known or thought to be held as prisoners of war, then the head of such department or agency may withhold such record or other information from the disclosure otherwise required by this section and shall immediately notify the President and the congressional intelligence committees of that determination.

(e) DEFINITIONS.—In this section:

(1) The term "period of war" has the meaning given such term in section 101(11) of title 38, United States Code.

(2) The term "congressional intelligence committees" means the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 1131. REPORT ON SHIPBUILDING EXPORT LICENSE.

Not later than four months after enactment of this Act, the Secretary of the Navy shall report to the Committees on Armed Services of the Senate and the House of Representatives on the criteria to be used in evaluating requests by corporations in the United States for a license to import components of submarines designed and manufactured abroad for further assembly and re-export.

SEC. 1132. COMMENDATION OF THE MILITARY COLLEGES FOR THEIR CONTRIBUTIONS TO TRAINING THE CITIZEN-SOLDIERS.

(a) FINDINGS.—Congress makes the following findings:

(1) The number of essential military colleges—institutions that the Department of Defense has recognized as constituting a special aspect of American higher education—has decreased from 11 institutions in 1914 to only 4 today: Norwich University, founded in 1819; Virginia Military Institute, established in 1839; The Citadel, The Military College of South Carolina, chartered in 1842; and North Georgia College, which opened in 1873;

(2) The hallmark of these institutions has been their dedication to the principle of the citizen-soldier, and in this regard are joined in spirit and devotion by the Cadet Corps at Texas A & M University, and Virginia Polytechnic Institute and State University;

(3) Citizen-soldiers are educated, trained, and inspired to become productive members of society in any calling, but are also prepared to serve their country in a military role during times of war or national peril; and

(4) These citizen-soldiers have accepted as their duty an obligation to serve their country in every instance of war since the Mexican War, and have without fail or hesitation answered the call to arms—most recently with service in Southwest Asia as part of Operation Desert Storm: Now, therefore, be it

(b) RECOGNITION AND COMMENDATION.—In light of the findings in subsection (a), the Congress recognizes and commends military colleges for the unique contributions they have made and continue to make, and urges citizens of the United States to support the concept of the citizen-soldier to which these colleges are dedicated.

SEC. 1133. IRAQ, REQUIREMENTS OF RESOLUTION 687.

(a) The Congress finds—

(1) American and Coalition armed forces achieved great success in the Persian Gulf War in accomplishing the goals set forth by the United Nations Security Council.

(2) Subsequent to the cessation of hostilities in the Persian Gulf, the United Nations Security Council adopted Resolution 687, which has now been in effect for more than 100 days, and which required that Iraq submit within 15 days of its adoption a declaration of "the locations, amounts and types" of its weapons of mass destruction.

(3) Resolution 687 further required that Iraq "shall unconditionally accept the destruction, removal, or rendering harmless, under international supervision," of all of its "chemical and biological weapons," and shall place all of its nuclear weapons-usable material under the "exclusive control, for custody and removal, of the International Atomic Energy Agency".

(4) Iraq has failed to meet any of these requirements of Resolution 687, and further:

(A) Refused to acknowledge the existence of its biological weapons program.

(B) Obstructed, including through the use of armed force, the efforts of the United Nations Special Commission established by the Resolution to inspect Iraq's nuclear facilities to carry out its mandate.

(5) In a report issued on July 30, the Commission concluded that Iraq has undertaken a systematic effort to conceal its nuclear weapons development program, and has four times as many chemical weapons as previously estimated.

(6) President Bush has stated his determination to accomplish the goals of Resolution 687.

(b) It is the sense of Congress that:

(1) Iraq's failure to meet the requirements of Resolution 687 constitutes a continuing and grave threat to vital American national security interests and to the peace, security and stability of the Persian Gulf region.

(2) The Congress supports the use of all necessary means to achieve the goals of Resolution 687.

(3) The President is urged to continue consulting closely with our partners in the Desert Storm Coalition, and with the United Nations Security Council, on efforts to achieve the goals of Resolution 687.

(4) Should the use of force prove necessary, the President is urged to take all reasonable precautions to ensure that innocent civilian casualties are avoided or minimized.

SEC. 1134. PROTECTION OF THE KURDS.

(a) The Congress finds that—

(1) the continuation of Saddam Hussein's Ba'ath party regime poses an enduring and serious threat to the fundamental human rights and physical survival of many of the Iraqi people including Iraq's long-oppressed Kurdish minority and its Shi'a majority;

(2) United States military intervention in northern Iraq helped spare a part of the Kurdish people from Iraqi military attack and from disease and hunger; and

(3) the presence of United States and coalition forces in southern Turkey with a clear mandate to protect Iraq's Kurdish minority, through military intervention if necessary, is essential to the survival of Iraq's Kurdish minority.

(b) The Congress supports the use of all necessary means to protect Iraq's Kurdish minority, consistent with the relevant United Nations Resolutions and the authorities contained in Public Law 102–1.

SEC. 1135. SENSE OF CONGRESS REGARDING UNITED STATES TROOPS IN EUROPE.

It is the sense of Congress that—

(1) On July 2, 1991, the Soviet Union, Poland, Hungary, Czechoslovakia, Bulgaria and Rumania agreed to formally dissolve the Warsaw Pact military and political alliance.

(2) The Soviet army has withdrawn nearly 500,000 troops from throughout eastern Europe, including all of its troops in Hungary and Czechoslovakia.

(3) The threat of a Soviet attack on western Europe is drastically reduced.

(4) The United States has a continuing interest in maintaining and strengthening the North Atlantic Treaty Organization.

(5) Our NATO allies must take steps now to begin paying and carrying a greater share of the common NATO defense burden.

(6) Barring unforeseen developments which result in a substantial increase in the threat to our national security, the United States should plan for an end strength level of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO by the end of fiscal year 1995 that should not exceed approximately 100,000.

SEC. 1136. ESTABLISHMENT OF SUPPORT CENTER OF FAMILIES OF PRISONERS OF WAR AND PERSONS MISSING IN ACTION.

(a) REQUEST FOR ESTABLISHMENT.—The President is authorized and requested to establish in the Executive Office of the White House a family support center to provide information and assistance to families of prisoners of war and of persons missing in action in Southeast Asia.

(b) DUTIES.—The center referred to in subsection (a) should be organized and provided with such personnel as are necessary to permit the center—

(1) to assist families of prisoners of war and persons missing in action in Southeast Asia in contacting the departments and agencies of the Federal Government having jurisdiction over matters relating to such prisoners and persons; and

(2) to act as a central clearing house of any information, documents, and other relevant materials under the jurisdiction of such departments and agencies that may be made available to the public under Federal law.

SEC. 1137. SENSE OF CONGRESS RELATING TO THE CHEMICAL DECONTAMINATION TRAINING FACILITY, FORT MCCLELLAN, ALABAMA.

(a) FINDINGS.—Congress finds the following:

(1) The possible use of chemical weapons by Iraqi forces was the most significant military threat confronted by members of the Armed Forces of the United States who served in the Persian Gulf region in connection with Operation Desert Storm.

(2) There continues to be extreme concern with respect to the ever more rapid proliferation of chemical weapons and agents, especially among nations in the Middle East.

(3) This proliferation makes it increasingly necessary that members of the Armed Forces have the capability of self-defense against chemical weapons and agents.

(4) Combat training with live chemical agents directly promotes this capability by reducing the life-threatening fear and self doubt that some soldiers experience on a battlefield contaminated by chemical weapons or agents.

(5) Such training further promotes this capability by enhancing the professional credibility of the members of the Armed Forces who train others with respect to chemical weapons and agents.

(6) The Chemical Decontamination Training Facility (CDTF) located at Fort McClellan, Alabama, is the only facility for conducting combat training with live chemical agents located in the Western Hemisphere.

(7) The operations of the CDTF depend upon the support activities of the Army Chemical School which is also located at Fort McClellan, Alabama.

(8) The Defense Base Closure and Realignment Commission has reported that the closure or diminished operation of the CDTF could have an adverse impact on the capability of the Armed Forces to defend against the use of chemical weapons agents and thus on the national security of the United States.

(9) The capability of members of the Armed Forces to defend against chemical weapons and agents depends upon maintaining a fully operating facility for conducting combat training with live chemical agents

located in the Western Hemisphere including maintaining associated support activities.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the necessity for the Armed Forces to have an effective live chemical agent training facility requires that the Chemical Decontamination Training Facility and the Army Chemical School be continued in operation at Fort McClellan, Alabama, unless a new facility for conducting combat training with live chemical agents is constructed.

SEC. 1138. POLICY REGARDING CONTRACTING WITH FOREIGN FIRMS THAT PARTICIPATE IN THE SECONDARY ARAB BOYCOTT.

(a) RESTATEMENT OF POLICY REGARDING TRADE BOYCOTTS.—As stated in section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

(b) POLICY REGARDING CONTRACTING WITH PARTICIPANTS IN TRADE BOYCOTTS.—Consistent with the policy referred to in subsection (a), it is the sense of Congress that—

(1) no Department of Defense prime contract should be awarded to a foreign person unless that person certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel; and

(2) the Secretary of Defense should consider developing a procurement policy to implement the policy expressed in paragraph (1).

SEC. 1139. LIMITATIONS RELATING TO REDEPLOYMENT OF MINUTEMAN III ICBMS.

(a) PROHIBITION REGARDING OPERATIONALLY DEPLOYED MISSILES.—Funds appropriated for fiscal year 1992 or any fiscal year preceding fiscal year 1992 pursuant to an authorization contained in this or any other Act may not be obligated or expended for the redeployment or transfer of operationally deployed Minuteman III intercontinental ballistic missiles from one Air Force ICBM base to another Air Force ICBM base.

(b) LIMITATION REGARDING STORED MISSILES.—No Minuteman III missile in storage may be transferred to a Minuteman II silo until the Secretary of Defense submits to Congress a plan for the restructuring of the United States strategic forces consistent with the strategic arms reduction (START) treaty signed by the United States and the Soviet Union, including—

(1) a discussion of the force structure options that were considered in developing the plan;

(2) for each option, the locations for the Minuteman III ICBMs and Small ICBMs and the number of each such type of missile for each location;

(3) the cost of each such option; and

(4) the reasons for selecting the force structure provided for in the plan.

SEC. 1140. REQUIREMENT TO DISPLAY POW/MIA FLAG ON FEDERAL BUILDINGS AND VIETNAM MEMORIAL.

The POW/MIA flag shall be displayed on or in the immediate vicinity of all Federal buildings referred to in the subsequent section and at the National Vietnam Veterans Memorial until such time as the fullest possible accounting has been made of all members of the Armed Forces of the United States and civilians who are known to have become prisoners of war or who are missing in action in Southeast Asia.

SEC. 1141. DETERMINATIONS BY ADMINISTRATOR OF GENERAL SERVICES.

The Administrator of General Services shall in consultation with the heads of other Executive departments and agencies, determine the Federal buildings at which the POW/MIA flag will be displayed and the manner in which such flag shall be displayed.

SEC. 1142. DEFINITIONS.

(1) As used in sections 1140, 1141, and 1142, the term "Executive departments and agencies" means all departments and agencies of the Federal Government, including independent agencies and instrumentalities of the United States.

(2) The term "POW/MIA flag" means the flag designated as the National League of Families POW/MIA flag pursuant to section 2 of the Joint Resolution designating September 21, 1990, as "National POW/MIA Recognition Day", and recognizing the National League of Families POW/MIA flag (Public Law 101-355; 104 Stat. 416).

SEC. 1143. SENSE OF CONGRESS REGARDING NUCLEAR WEAPONS TESTING LIMITATION TALKS.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) The commitment made prior to the Reykjavik Summit by President Ronald Reagan, in a letter to Senator Barry Goldwater, then Chairman of the Senate Armed Services Committee, on October 10, 1986, to "engage in negotiations on ways to implement a step-by-step parallel program—in association with a program to reduce and ultimately eliminate all nuclear weapons—of limiting and ultimately ending nuclear testing" was an important step toward the achievement of further controls on nuclear testing;

(2) the Threshold Test Ban and Peaceful Nuclear Explosions Treaties entered into force on December 11, 1990.

(b) POLICY.—It is the Sense of the Congress that the United States and the Soviet Union share a special responsibility to resume the Nuclear Testing Talks to continue negotiations toward additional limitations on nuclear weapons testing.

(c) REPORT.—The President shall, within 60 days of enactment of this Act, submit to the Congress of the United States a report containing a proposed schedule for resumption of the Nuclear Testing Talks and identifying the goals to be pursued in such talks.

SEC. 1144. UNITED STATES TROOPS IN KOREA.

(a) Congress finds that:

(1) The Department of Defense plans to reduce the United States troop presence in the Republic of Korea to 36,500 personnel by the end of 1992.

(2) The Department has announced no specific plans for further personnel reductions below that level.

(3) The National Unification Board of South Korea estimates the GNP of North Korea to have been $21,000,000,000 in 1989, while the Bank of Korea estimates the economy of the Republic of Korea's economy to have been $210,000,000,000 in 1989, a factor of ten larger. At its current growth rate, as estimated by its Economic Planning Board, just the annual expansion of the economy of the Republic of Korea is nearly equivalent in size to the entire North Korean economy.

(4) The Republic of Korea faces a substantial military threat from North Korea that requires a vigorous response on both military and deplomatic levels.

(5) The Republic of Korea has decided to increase its level of host nation support, although such support still falls short of the actual cost involved, and short of the relative level provided by the government of Japan.

(6) while recognizing that the Republic of Korea has consistently increased its defense budget in real terms by an average of about 6 percent annually for the past five years, at 4.2 percent of GNP, the Republic of Korea devotes a smaller share of its economy to defense than does the United States, at 4.9 percent.

(b) It is the sense of the Senate that:

(1) The Republic of Korea remains an important ally of the United States, with the two countries sharing important political, economic, and security interests.

(2) Commensurate with the security situation on the Korean peninsula and the size and vitality of the economy of the Republic of Korea:

(A) the Department of Defense should seriously consider future reductions of United States military personnel from the Republic of Korea beyond those now planned to be completed by the end of 1992.

(B) The Republic of Korea should undertake greater efforts to meet its security requirements, particularly in the area of force modernization.

(3) The government of the Republic of Korea should increase the level of host nation support it provides to United States forces in the area so that its relative level more closely approximates that of Japan.

(c) The President shall report to Congress, either separately or as part of another relevant report, on or before June 30, 1992, in both classified and unclassified form, on the overall security situation on the Korean peninsula, the implications of relevant political and economic developments in the area for the security situation there, and United States policy for the area. Issues covered in the report should include, but not be limited to, qualitative and quantitative assessment of the military balance on the Korean peninsula, the material requirements of the Republic of Korea, United States military personnel requirements, the state of United States-Republic of Korea, China-Republic of Korea, and Soviet-Republic of Korea relations, and prospects for change with North Korea.

SEC. 1145. REQUIREMENT TO CONDUCT BASING STUDIES FOR THE B-2 BOMBER.

The Secretary of the Air Force shall conduct studies of existing Air Force and other service bases, including bases such as Forbes Air Force base to determine the feasibility and suitability of such bases as main operating bases of the Strategic Air Command for the B-2 bomber. Such studies will include desirability of location, strategic considerations, military construction requirements, costs, flying conditions, adequacy of safety zones, and other site requirements as deemed necessary by the Secretary of the Air Force. These studies shall be completed and provided to the Committees on the Armed Services of the Senate and the House of Representatives prior to final site selection of any main operating bases for the B-2 bomber not previously selected and currently under construction and shall be part of the studies mandated in section 2310.

SEC. 1146. REPORT ON THE FEASIBILITY AND DESIRABILITY OF ESTABLISHING AN ARMOR COMBAT TANK BADGE.

(a) REPORT REQUIRED.—Not later than six months after the date of enactment of this Act, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the feasibility and desirability of establishing an Armor Combat Tank Badge.

(b) CONTENTS OF REPORT.—The report shall include the following information:

(1) A description of all costs involved in the creation and awarding of an Armor Combat Tank Badge.

(2) A description of conditions for the award of an Armor Combat Tank Badge.

(3) A description of Army personnel eligible for the award of an Armor Combat Tank Badge.

(4) A description of the Department of the Army's views on the desirability of the establishment of an Armor Combat Tank Badge.

SEC. 1147. REPORT ON WARHEAD DISMANTLEMENT.

(a) REPORT REQULIREMENT.—Section 3151 of the National Defense Authorization Act for fiscal year 1991 requires the President to establish a Technical Advisory Committee on Verification of Fissile Material and Nuclear Warhead controls. A report was required of the Committee for delivery to Congress no later than April 30, 1991. This report has not been submitted to Congress.

(b) The Committee continues to have a strong interest in this subject, and therefore directs the President to submit this report not later than 60 days after the enactment of this Act.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

TITLE XXI—ARMY

PART A—FISCAL YEAR 1992

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Anniston Army Depot, $105,800,000.
Fort Rucker, $17,700,000.
Redstone Arsenal, $74,700,000.

ALASKA

Fort Greely, $7,600,000.
Fort Richardson, $7,000,000.
Fort Wainwright, $7,950,000.

ARIZONA

Fort Huachuca, $18,000,000.

CALIFORNIA

Fort Hunter Liggett, $4,700,000.
Fort Irwin, $10,320,000.
Sierra Army Depot, $1,950,000.

COLORADO

Fort Carson, $10,500,000.
Pueblo Army Depot, $6,300,000.

GEORGIA

Fort Benning, $2,150,000.
Fort Gordon, $1,200,000.
Fort Stewart, $950,000.

HAWAII

Fort Shafter, $3,500,000.
Schofield Barracks, $5,800,000.

KANSAS

Fort Riley, $2,600,000.

KENTUCKY

Fort Campbell, $17,050,000.
Fort Knox, $23,450,000.

LOUISIANA

Fort Polk, $22,730,000.

MARYLAND

Aberdeen Proving Ground, $11,150,000.
Fort Ritchie, $3,900,000.

MASSACHUSETTS

Natick Research Center, $4,250,000.

MISSOURI

Fort Leonard Wood, $12,200,000.

NEW HAMPSHIRE

Cold Regions Laboratory, $3,700,000.

NEW JERSEY

Fort Dix, $20,000,000.

NEW MEXICO

White Sands Missile Range, $4,250,000.

NEW YORK

Seneca Army Depot, $1,150,000.
United States Military Academy, West Point, $15,800,000.

NORTH CAROLINA

Fort Bragg, $13,400,000.

OKLAHOMA

Fort Sill, $3,350,000.

OREGON

Umatilla Army Depot, $11,100,000.

PENNSYLVANIA

Letterkenny Army Depot, $3,150,000.
Tobyhanna Army Depot, $8,200,000.

TEXAS

Corpus Christi Army Depot, $3,400,000.
Fort Hood, $31,500,000.
Fort Sam Houston, $4,350,000.
Red River Army Depot, $2,020,000.

UTAH

Dugway Proving Ground, $4,000,000.
Tooele Army Depot, $14,700,000.

VIRGINIA

Fort A.P. Hill, $6,100,000.
Fort Belvoir, $19,950,000.
Fort Eustis, $8,500,000.
Fort Lee, $6,700,000.
Fort Myer, $5,550,000.
Fort Pickett, $2,800,000.
Fort Story, $900,000.
Vint Hill Farms Station, $3,550,000.

WASHINGTON

Fort Lewis, $42,100,000.

WISCONSIN

Fort McCoy, $18,500,000.

CONUS CLASSIFIED

Classified Location, $3,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

GERMANY

Feucht, $590,000.
Hohenfels Training Area, $960,000.

KOREA

Camp Carroll, $5,600,000.
Camp Hovey, $9,100,000.
Camp Walker, $2,250,000.

KWAJALEIN ATOLL

Kwajalein, $77,400,000.

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Army may construct or acquire family housing units (including land), using amounts appropriated pursuant to section 2106(a)(6)(A), at the following installations, for the purpose shown, and in the amount shown, for each installation:

(1) Fort Hunter Liggett, California, one hundred and fifty-four units, $22,000,000.

(2) Fort Irwin, California, one hundred and seventy-two units, $18,000,000.

(3) Fort Carson, Colorado, one unit, $150,000.

(4) Camp Merrill, Georgia, forty units, $4,550,000.

(5) Fort Stewart, Georgia, one unit, $190,000.

(6) Hawaii, Oahu Various, one hundred and forty units, $16,500,000.

(7) Fort Leonard Wood, Missouri, two units, $360,000.

(b) PLANNING AND DESIGN.—The Secretary of the Army may, using amounts appropriated pursuant to section 2106(a)(6)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $5,220,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Army may, using amounts appropriated pursuant to section 2106(a)(6)(A), improve existing military family housing in an amount not to exceed $74,980,000.

SEC. 2104. SECTION 2809 FACILITIES CONTRACT PROJECTS.

The Secretary of the Army may enter into long-term contracts for construction, management, and operation of facilities pursuant to section 2809 of title 10, United States Code, at the following installations for the purpose shown, and at the estimated capital investment cost shown, for each installation:

(1) Redstone Arsenal, Alabama, child development center, $1,900,000.

(2) Redstone Arsenal, Alabama, transient quarters, $6,000,000.

(3) Fort Irwin, California, consolidated maintenance and supply complex, $30,000,000.

(4) Fort McPherson, Georgia, child development center, $2,300,000.

(5) Price Support Center, Illinois, transient quarters, $6,000,000.

(6) Detroit Arsenal, Detroit, Michigan, child development center, $1,100,000.

(7) Fort Sill, Oklahoma, sewage treatment facility, $20,000,000.

(8) Fort Jackson, South Carolina, laundry, $7,800,000.

(9) Fort Belvoir, Virginia, child development center, $6,500,000.

SEC. 2105. MILITARY HOUSING RENTAL GUARANTY PROJECTS.

The Secretary of the Army may enter into rental guaranty agreements for military housing pursuant to section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note) at the following installations and locations for the purpose shown for each installation and location:

(1) Oahu, Hawaii, five hundred units.

(2) Fort Belvoir, Virginia, three hundred units.

SEC. 2106. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,488,475,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $604,670,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $95,900,000.

(3) For unspecified minor construction projects authorized under section 2805 of title 10, United States Code, $11,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $146,730,000, of which $25,000,000 shall be for Host Nation Infrastructure Support construction projects.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $7,200,000.

(6) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $141,950,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $1,397,025,000, of which not more than $360,783,000 may be obligated or expended for the leasing of military family housing worldwide.

(7) For the Homeowners Assistance Program, as authorized by section 2832 of title 10, United States Code, $84,000,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2107. AUTHORIZATION OF FAMILY HOUSING PROJECT FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

Section 2102(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1760), is amended by striking out "Kansas, Fort Riley, two hundred and four units, $12,500,000." and inserting in lieu thereof "Kansas, Fort Riley, two hundred and fifty units, $16,500,000.".

SEC. 2108. EXTENSION OF CERTAIN PRIOR YEAR AUTHORIZATIONS.

(a) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1989 PROJECTS.—Notwithstanding section 2701 of the Military Construction Authorization Act, 1989 (division B of Public Law 100–456; 102 Stat. 2115), authorizations for the following projects authorized in sections 2101 and 2102 of that Act, as extended by section 2106(c) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1762), shall remain in effect until October 1, 1992, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1993 (other than this Act), whichever is later:

(1) Battalion headquarters in the amount of $2,300,000 at Fort Wainwright, Alaska.

(2) Family housing, new construction, one hundred eight units, in the amount of $9,100,000 at Fort Bliss, Texas.

(3) Operations facility in the amount of $5,300,000 at Location 276 (Turkey).

(b) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1990 PROJECTS.—Notwithstanding section 2701(b)(1) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1645), authorizations for the following projects authorized in sections 2101 and 2102 of that Act shall remain in effect until October 1, 1992, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1993 (other than this Act), whichever is later:

(1) Family housing, new construction, two units, in the amount of $400,000 at Fort Rucker, Alabama.

(2) Alter dormitory in the amount of $3,750,000 at Melvin Price Support Center, Illinois.

(3) Armament technology laboratory in the amount of $11,800,000 at Picatinny Arsenal, New Jersey.

(4) Vehicle maintenance facility in the amount of $1,400,000 at Dugway Proving Ground, Utah.

(5) Enlisted petroleum training facility in the amount of $8,300,000 at Fort Lee, Virginia.

(6) War reserve storage in the amount of $6,100,000 at classified overseas locations.

SEC. 2109. ELEMENTARY SCHOOL FOR DEPENDENTS OF DEPARTMENT OF DEFENSE PERSONNEL AT FORT WAINWRIGHT, ALASKA.

(a) GRANT AUTHORITY.—The Secretary of the Army may make a direct grant to the Fairbanks North Star Borough School District, Fairbanks, Alaska, for support of the construction of a public elementary school facility sufficient to accommodate the dependents of members of the Armed Forces assigned to Fort Wainwright, Alaska, and dependents of Department of Defense employees employed at Fort Wainwright.

(b) MAXIMUM AUTHORIZED GRANT.—The total amount made available by grant from the Secretary to the Fairbanks North Star Borough School District under subsection (a) may not exceed $8,300,000.

(c) SOURCE OF FUNDS.—To the extent provided in appropriations Acts, funds authorized in title XXI of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1759) to be appropriated for construction of a school at Fort Wainwright, Alaska, shall be available to carry out this section.

(d) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the grant authorized by this section as the Secretary considers appropriate.

SEC. 2110. AIRPORT FEASIBILITY STUDY, MANHATTAN, KANSAS.

Of the amount authorized to be appropriated by section 2106(a), not more than $250,000 shall be available for the Secretary of the Army to study the need for and feasibility of developing a joint Armed Forces and civilian airport at Manhattan, Kansas, including conducting engineering and design studies, in order to accelerate the future deployment of the 1st Infantry Division (Mechanized).

PART B—FISCAL YEAR 1993

SEC. 2121. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ARKANSAS

Pine Bluff Arsenal, $80,600,000.

CALIFORNIA

Sierra Army Depot, $2,300,000.

HAWAII

Schofield Barracks, $4,700,000.

LOUISIANA

Fort Polk, $17,500,000.

OREGON

Umatilla Army Depot, $117,200,000.

PENNSYLVANIA

Letterkenny Army Depot, $5,400,000.

TEXAS

Red River Army Depot, $3,100,000.

UTAH

Tooele Army Depot, $9,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

GERMANY

Grafenwoehr, $12,200,000.

KWAJALEIN ATOLL

Kwajalein, $45,500,000.

TURKEY

Location 276, $3,000,000.

SEC. 2122. FAMILY HOUSING.

The Secretary of the Army may, using amounts appropriated pursuant to section 2124(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $11,060,000.

SEC. 2123. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Army may, using amounts appropriated pursuant to section 2124(a)(5)(A), improve existing military family housing in an amount not to exceed $58,240,000.

SEC. 2124. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $1,956,400,000 as follows:

(1) For military construction projects inside the United States authorized by section 2121(a), $239,800,000.

(2) For military construction projects outside the United States authorized by section 2121(b), $60,700,000.

(3) For unspecified minor military construction projects authorized under section 2805 of title 10, United States Code, $11,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $83,100,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $69,300,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,407,500,000, of which not more than $379,881,000 may be obligated or expended for the leasing of military family housing worldwide.

(6) For the Homeowners Assistance Program, as authorized by section 2832 of title 10, United States Code, $85,000,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2121 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXII—NAVY

PART A—FISCAL YEAR 1992

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALASKA

Adak, Naval Security Group Activity, $12,700,000.

Amchitka, Fleet Surveillance Support Command, $7,200,000.

Anchorage, Naval Security Group Support Detachment, $2,600,000.

Shemya, Naval Security Group Support Detachment, $3,140,000.

CALIFORNIA

Camp Pendleton, Amphibious Task Force, $17,750,000.

Camp Pendleton, Marine Corps Air Station, $2,010,000.

Camp Pendleton, Marine Corps Base, $1,460,000.

China Lake, Naval Weapons Center, $16,600,000.

Concord, Naval Weapons Station, $1,250,000.

Coronado, Naval Amphibious Base, $1,600,000.

Fallbrook, Naval Weapons Station Annex, $9,700,000.

Miramar, Naval Air Station, $3,250,000.

Monterey, Naval Postgraduate School, $2,900,000.

Port Hueneme, Naval Construction Battalion Center, $17,250,000.

San Diego, Fleet Combat Training Center, Pacific, $640,000.

San Diego, Naval Station, $3,110,000.

San Diego, Naval Submarine Base, $14,130,000.

San Diego, Naval Supply Center, $1,750,000.

San Diego, Navy Public Works Center, $16,800,000.

Seal Beach, Naval Weapons Station, $3,780,000.

Twentynine Palms, Marine Corps Air-Ground Combat Center, $680,000.

Vallejo, Mare Island, Naval Shipyard, $3,570,000.

CONNECTICUT

New London, Naval Submarine Base, $5,680,000.

New London, Submarine Support Facility, $5,800,000.

DISTRICT OF COLUMBIA

District of Columbia, Commandant Naval District Washington, $5,750,000.

FLORIDA

Jacksonville, Naval Aviation Depot, $3,300,000.

Mayport, Naval Station, $3,140,000.

Orlando, Naval Training Center, $21,430,000.

Panama City, Naval Coastal Systems Center, $11,150,000.

Pensacola, Naval Air Station, $4,000,000.

Pensacola, Naval Supply Center, $5,700,000.

GEORGIA

Kings Bay, Naval Submarine Base, $9,780,000.

McIntosh County, Townsend Range, $2,881,000.

HAWAII

Barbers Point, Naval Air Station, $3,300,000.

Honolulu, Naval Communication Area Master Station, Eastern Pacific, $1,500,000.

Lualualei, Naval Magazine, $8,700,000.

Pearl Harbor, Naval Inactive Ship Maintenance Facility, $3,200,000.

Pearl Harbor, Naval Shipyard, $800,000.

Pearl Harbor, Naval Submarine Base, $62,000,000.

Pearl Harbor, Naval Public Works Center, $13,440,000.

ILLINOIS

Great Lakes, Naval Training Center, $7,000,000.

INDIANA

Crane, Naval Weapons Support Center, $9,450,000.

MARYLAND

Annapolis, David Taylor Naval Ship Research Development Center, $3,450,000.

Annapolis, Naval Radio Transmitting Facility, $5,220,000.

Bethesda, National Naval Medical Center, $4,470,000.

Indian Head, Naval Ordinance Station, $6,600,000.

Patuxent River, Naval Air Test Center, $5,800,000.

St. Inigoes, Naval Electronic Systems Engineering Activity, $8,450,000.

MISSISSIPPI

Gulfport, Construction Battalion Center, $7,000,000.

NEVADA

Fallon, Naval Air Station, $8,200,000.

NEW JERSEY

Earle, Naval Weapons Station, $4,900,000.

NORTH CAROLINA

Camp Lejeune, Marine Corps Base, $2,500,000.

Cherry Point, Marine Corps Air Station, $18,450,000.

Cherry Point, Naval Aviation Depot, $7,700,000.

New River, Marine Corps Air Station, $7,100,000.

OKLAHOMA

Tinker Air Force Base, Naval Air Detachment, $4,700,000.

PENNSYLVANIA

Philadelphia, Naval Inactive Ship Maintenance Activity, $4,000,000.

SOUTH CAROLINA

Beaufort, Marine Corps Air Station, $2,250,000.

Charleston, Fleet and Mine Warfare Training Center, $14,620,000.

Charleston, Naval Weapons Station, $3,250,000.

Parris Island, Marine Corps Recruit Depot, $5,100,000.

TEXAS

Kingsville, Naval Air Station, $1,500,000.

VIRGINIA

Chesapeake, Naval Security Group Activity, Northwest, $13,800,000.

Dahlgren, Naval Surface Warfare Center, $18,280,000.

Little Creek, Naval Amphibious Base, $12,730,000.

Norfolk, Naval Air Station, $9,370,000.

Norfolk, Naval Communication Area Master Station, Atlantic, $6,550,000.

Norfolk, Naval Station, $340,000.

Norfolk, Naval Supply Center, $1,250,000.

Norfolk, Navy Public Works Center, $7,300,000.

Norfolk, Oceanographic System Atlantic, $3,250,000.

Oceana, Naval Air Station, $7,270,000.

Portsmouth, Naval Hospital, $6,600,000.

Portsmouth, Shore Intermediate Maintenance Activity, $14,000,000.

Yorktown, Naval Weapons Station, $4,650,000.

WASHINGTON

Bangor, Commander, Submarine Group 9, $2,050,000.

Bangor, Trident Refit Facility, $2,170,000.

Bremerton, Puget Sound Naval Shipyard, $39,700,000.

Bremerton, Puget Sound Naval Supply Center, $12,550,000.

Everett, Naval Station, $21,790,000.

Whidbey Island, Naval Air Station, $6,800,000.

WEST VIRGINIA

Green Bank, Naval Observatory, $5,400,000.

VARIOUS LOCATIONS

Land Acquisition, $45,900,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

BAHRAIN ISLAND

Bahrain Island, Administration Support Unit, $1,300,000.

GUAM

Naval Communication Area Master Station, Western Pacific, $2,000,000.

Navy Public Works Center, $670,000.

ICELAND

Keflavik, Naval Air Station, $9,300,000.

Keflavik, Naval Communication Station, $10,600,000.

ITALY

Naples, Naval Support Activity, $11,270,000.

Sicily, Naval Communication Station, $2,750,000.

Sigonella, Naval Air Station, $12,150,000.

PUERTO RICO

Roosevelt Roads, Naval Station, $7,660,000.

SCOTLAND

Edzell, Naval Security Group Activity, $1,400,000.

VARIOUS LOCATIONS

Host Nation Infrastructure Support, $2,000,000.

Satellite Terminals, $1,800,000.

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Navy may construct or acquire family housing units (including land), using amounts appropriated pursuant to section 2207(a)(7)(A), at the following installations for the purpose shown, and in the amount shown, for each installation:

(1) Camp Pendleton, Marine Corps Base, California, one hundred and fifty units, $16,172,000.

(2) Lemoore, Naval Air Station, California, community center, $1,070,000.

(3) Point Mugu, Port Hueneme Complex, California, one hundred units, $11,160,000.

(4) San Diego, Navy Public Works Center, California, two hundred sixty units, $29,800,000.

(5) Washington Naval District, District of Columbia, demolition, $9,910,000.

(6) Mayport, Naval Station, Florida, community center, $710,000.

(7) Glenview, Naval Air Station, Illinois, two hundred units, $16,000,000.

(8) Lakehurst, Naval Air Engineering Center, New Jersey, housing office, $340,000.

(9) Guantanamo Bay, Naval Station, Cuba, two hundred seventy-eight units, $38,400,000.

(b) PLANNING AND DESIGN.—The Secretary of the Navy may, using amounts appropriated pursuant to section 2207(a)(7)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,200,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may, using amounts appropriated pursuant to section 2207(a)(7)(A), improve existing military family housing units in the amount of $55,438,000.

SEC. 2204. SECTION 2809 FACILITIES CONTRACT PROJECTS.

The Secretary of the Navy may enter into long-term contracts for construction, management, and operation of facilities pursuant to section 2809 of title 10, United States Code, at the following installations for the purpose shown, and at an estimated capital cost shown, for each installation:

(1) Marine Corps Air Station, El Toro, California, bachelor officers quarters, $8,300,000.

(2) Naval Research Laboratory, Washington, District of Columbia, child development center, $1,400,000.

(3) Naval Air Station, Jacksonville, Florida, child development center, $1,000,000.

(4) Naval Air Station, Pensacola, Florida, child development center, $1,100,000.

(5) Naval Avionics Center, Indianapolis, Indiana, child development center, $2,000,000.

(6) Naval Undersea Warfare Engineering Station, Keyport, Washington, child development center, $1,300,000.

SEC. 2205. FAMILY HOUSING LEASE PROJECTS.

The Secretary of the Navy may enter into contracts for the lease of family housing units pursuant to section 2828(g) of title 10, United States Code, at the following installations and locations for the purpose shown, and at the net present values shown, for each installation and location:

(1) Bangor, Washington, three hundred units, $21,250,000.

(2) Kings Bay, Georgia, four hundred units, $28,070,000.

(3) Naval Air Station Whidbey Island, Washington, three hundred units, $21,110,000, a project previously approved by the Navy.

(4) Dahlgren, Naval Surface Warfare Center, Dahlgren, Virginia, one hundred fifty units, $11,000,000.

SEC. 2206. MILITARY HOUSING RENTAL GUARANTY PROJECTS.

The Secretary of the Navy may enter into rental guaranty agreements for military housing pursuant to section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note), at the following installations and locations for the purposes shown for each installation and location:

(1) Oahu, Hawaii, three hundred sixty-eight units.

(2) Great Lakes Naval Training Center, Illinois, one hundred fifty units.

(3) Camp Pendleton, California, six hundred units.

(4) Cheltenham, Maryland, two hundred eighty-four units.

SEC. 2207. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,764,681,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $667,381,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $62,900,000.

(3) For military construction projects, Earle, Naval Weapons Station, New Jersey, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1765), $36,500,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $12,400,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $88,600,000.

(6) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $1,000,000.

(7) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $185,200,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $710,700,000, of which not more than $72,900,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2208. TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN PROJECTS.

(a) SILVERDALE STRATEGIC WEAPONS FACILITY PACIFIC.—Section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1763) is amended under the heading "WASHINGTON" by striking out "Silverdale, Strategic Weapons Facility Pacific, $56,480,000." and inserting in lieu thereof "Silverdale, Strategic Weapons Facility Pacific, $11,060,000.".

(b) CONFORMING AMENDMENTS.—Section 2205(a) of such Act (division B of Public Law 101-510; 104 Stat. 1767) is amended—

(1) by striking out "$2,014,223,000" and inserting in lieu thereof "$1,968,803,000"; and

(2) in paragraph (1), by striking out "$959,802,000" and inserting in lieu thereof "$914,382,000".

SEC. 2209. SPECIFICATION OF THE MILITARY CONSTRUCTION PROJECT PREVIOUSLY AUTHORIZED FOR THE MARINE CORPS SUPPORT ACTIVITY, KANSAS CITY, MISSOURI.

The authority provided in section 2201(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1621) for a military construction project for the Marine Corps Reserve Support Activity, Kansas City, Missouri, shall apply only to a military construction project for a Marine Corps Reserve Center to house the Marine Corps Reserve Support Center.

PART B—FISCAL YEAR 1993

SEC. 2221. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

CALIFORNIA

Camp Pendleton, Marine Corps Base, $23,100,000.

Twentynine Palms, Marine Corps Air-Ground Combat Center, $4,600,000.

GEORGIA

Albany, Marine Corps Logistics Base, $7,000,000.

RHODE ISLAND

Newport, Naval Education and Training Center, $2,000,000.

SOUTH CAROLINA

Charleston, Naval Weapons Station, $600,000.

TENNESSEE

Memphis, Naval Air Station, $9,060,000.

TEXAS

Kingsville, Naval Air Station, $8,500,000.

VIRGINIA

Norfolk, Naval Station, $500,000.

Norfolk, Naval Supply Center, $12,400,000.

Oceana, Naval Air Station, $3,600,000.

Yorktown, Naval Weapons Station, $1,100,000.

WASHINGTON

Bremerton, Puget Sound Naval Shipyard, $1,400,000.

Silverdale, Strategic Weapons Facility Pacific, $25,940,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ICELAND

Keflavik, Naval Air Station, $2,000,000.

VARIOUS LOCATIONS

Host Nation Infrastructure Support, $3,000,000.

SEC. 2222. FAMILY HOUSING.

The Secretary of the Navy may, using amounts appropriated pursuant to section 2224(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,200,000.

SEC. 2223. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may, using amounts appropriated pursuant to section 2224(a)(5)(A) improve existing military family housing units in the amount of $2,000,000.

SEC. 2224. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $990,000,000, as follows:

(1) For military construction projects inside the United States authorized by section 2221(a), $99,800,000.

(2) For military construction projects outside the United States authorized by section 2221(b), $5,000,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $12,400,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $79,900,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $8,200,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $784,700,000, of which not more than $108,800,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2221 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXIII—AIR FORCE

PART A—FISCAL YEAR 1992

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amount shown for each of the following installations and locations inside the United States:

ALABAMA

Gunter Air Force Base, $9,200,000.

ALASKA

Eielson Air Force Base, $30,900,000.
Elmendorf Air Force Base, $1,400,000.
Shemya Air Force Base, $38,400,000.

ARIZONA

Davis-Monthan Air Force Base, $4,100,000.
Luke Air Force Base, $8,800,000.

CALIFORNIA

Beale Air Force Base, $3,050,000.
Edwards Air Force Base, $14,300,000.
March Air Force Base, $7,910,000.
Sierra Army Depot, $2,700,000.
Travis Air Force Base, $8,280,000.

COLORADO

Buckley Air National Guard Base, $42,050,000.
Cheyenne Mountain Air Force Base, $610,000.
Falcon Air Force Station, $1,400,000.
Peterson Air Force Base, $26,300,000.
United States Air Force Academy, $15,000,000.

DELAWARE

Dover Air Force Base, $10,150,000.

DISTRICT OF COLUMBIA

Bolling Air Force Base, $5,400,000.

FLORIDA

Cape Canaveral Air Force Station, $24,000,000.
Eglin Air Force Base, $2,830,000.
Homestead Air Force Base, $4,900,000.
Tyndall Air Force Base, $850,000.

GEORGIA

Robins Air Force Base, $30,400,000.

HAWAII

Camp H.M. Smith, $2,600,000.
Hickam Air Force Base, $7,100,000.

ILLINOIS

Scott Air Force Base, $13,290,000.

KANSAS

McConnell Air Force Base, $7,650,000.

LOUISIANA

Barksdale Air Force Base, $11,200,000.

MARYLAND

Andrews Air Force Base, $5,400,000.

MASSACHUSETTS

Hanscom Air Force Base, $11,200,000.

MICHIGAN

K.I. Sawyer Air Force Base, $1,700,000.

MISSISSIPPI

Columbus Air Force Base, $600,000.
Keesler Air Force Base, $3,400,000.

MONTANA

Conrad Strategic Training Range Site, $700,000.
Havre Strategic Training Range Site, $700,000.

NEBRASKA

Offutt Air Force Base, $13,850,000.

NEVADA

Nellis Air Force Base, $8,400,000.

NEW HAMPSHIRE

New Boston Satellite Tracking Station, $4,210,000.

NEW JERSEY

McGuire Air Force Base, $22,500,000.

NEW MEXICO

Cannon Air Force Base, $1,300,000.
Holloman Air Force Base, $33,600,000.
Kirtland Air Force Base, $5,600,000.

NEW YORK

Griffiss Air Force Base, $2,700,000.
Plattsburgh Air Force Base, $960,000.

NORTH CAROLINA

Pope Air Force Base, $8,200,000.
Seymour Johnson Air Force Base, $11,200,000.

NORTH DAKOTA

Dickinson Strategic Training Range Site, $640,000.
Grand Forks Air Force Base, $4,400,000.
Minot Air Force Base, $3,950,000.

OHIO

Wright-Patterson Air Force Base, $39,300,000.

OKLAHOMA

Altus Air Force Base, $61,340,000.
Tinker Air Force Base, $3,700,000.
Vance Air Force Base, $4,750,000.

SOUTH CAROLINA

Charleston Air Force Base, $21,850,000.

SOUTH DAKOTA

Belle Fourche Strategic Training Range Site, $640,000.
Ellsworth Air Force Base, $2,710,000.

TENNESSEE

Arnold Engineering Development Center, $2,400,000.

TEXAS

Dyess Air Force Base, $620,000.
Kelly Air Force Base, $13,900,000.
Lackland Air Force Base, $5,700,000.
Lackland Air Force Base Training Annex, $1,170,000.
Laughlin Air Force Base, $4,250,000.
Randolph Air Force Base, $410,000.
Reese Air Force Base, $2,000,000.
Sheppard Air Force Base, $16,670,000.

UTAH

Hill Air Force Base, $9,200,000.

VIRGINIA

Langley Air Force Base, $5,800,000.

WASHINGTON

Fairchild Air Force Base, $2,500,000.

WYOMING

F.E. Warren Air Force Base, $5,300,000.
Powell Strategic Training Range Site, $700,000.

VARIOUS LOCATIONS

Various Locations, $5,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ASCENSION

Ascension Island Auxiliary Airfield, $11,000,000.

CANADA

Various Locations, $20,700,000.

GERMANY

Ramstein Air Base, $3,500,000.

GREENLAND

Thule Air Base, $12,700,000.

GUAM

Andersen Air Force Base, $2,600,000.

ICELAND

Keflavik Air Base, $10,500,000.

PORTUGAL

Lajes Field, $5,000,000.

UNITED KINGDOM

RAF Lakenheath, $3,600,000.
RAF Molesworth, $15,600,000.

VARIOUS LOCATIONS

Classified Location, $5,500,000.
Classified Location, $3,500,000.

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Air Force may construct or acquire family housing units (including land), using amounts appropriated pursuant to section 2307(a)(8)(A), at the following installations for the purpose shown, and in the amount shown, for each installation:

(1) March Air Force Base, California, eighty-five units, $10,517,000.

(2) Edwards Air Force Base, California, housing office, $453,000.

(3) Tyndall Air Force Base, Florida, housing maintenance facility, $410,000.

(4) Scott Air Force Base, Illinois, housing office, $550,000.

(5) Andrews Air Force Base, Maryland, housing office, $571,000.

(6) Seymour Johnson Air Force Base, North Carolina, housing office, $365,000.

(7) Tinker Air Force Base, Oklahoma, housing office, $370,000.

(8) Hill Air Force Base, Utah, one hundred thirty units, $11,628,000.

(b) PLANNING AND DESIGN.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2307(a)(8)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,000,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may, using amounts appropriated pursuant to section 2307(a)(8)(A), improve existing military family housing units in an amount not to exceed $141,236,000.

SEC. 2304. SECTION 2809 FACILITIES CONTRACT PROJECTS.

The Secretary of the Air Force may enter into long-term contracts for construction, management, and operation of facilities pursuant to section 2809 of title 10, United States Code, at the following installations for the purpose shown, and at an estimated capital investment cost shown, for each installation:

(1) Eielson Air Force Base, Alaska, child development center, $3,600,000.

(2) McGuire Air Force Base, New Jersey, child development center, $3,900,000.

(3) Cannon Air Force Base, New Mexico, child development center, $1,200,000.

(4) McChord Air Force Base, Washington, child development center, $4,700,000.

SEC. 2305. FAMILY HOUSING LEASE PROJECTS.

The Secretary of the Air Force may enter into contracts for the lease of family housing units pursuant to section 2828(g) of title 10, United States Code, at the following installations and locations for the purpose shown, and at the net present value shown, for each installation and location:

(1) March Air Force Base, California, five hundred eighty-two units, $55,360,000.

(2) Cannon Air Force Base, New Mexico, three hundred fifty units, $24,400,000.

SEC. 2306. MILITARY HOUSING RENTAL GUARANTY PROJECTS.

The Secretary of the Air Force may enter into rental guaranty agreements for military housing pursuant to section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note) at the following installations for the purpose shown for each installation:

(1) Patrick Air Force Base, Florida, five hundred eighty-five units.

(2) Offutt Air Force Base, Nebraska, four hundred units.

SEC. 2307. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,033,790,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $639,890,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $94,200,000.

(3) For the construction of the Large Rocket Test Facility, Arnold Engineering Development Center, Tennessee, as authorized by section 2301(a) of the Military Construction Authorization Act, 1989 (division B of Public Law 100–456; 102 Stat. 2104), and as amended by section 2307 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1638), $44,000,000.

(4) For the construction of facilities for the 37th Tactical Fighter Wing at Holloman Air Force Base, New Mexico, as authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1771), $39,000,000.

(5) For unspecified minor construction projects under section 2805 of title 10, United States Code, $11,500,000.

(6) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $117,700,000.

(7) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $6,000,000.

(8) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $172,100,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $909,400,000, of which not more than $140,900,000 may be obligated or expended for leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2308. EXTENSION OF CERTAIN PRIOR YEAR AUTHORIZATIONS.

(a) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1989 PROJECTS.—Notwithstanding section 2701(a) of the Military Construction Authorization Act, 1989 (division B of Public Law 100–456; 102 Stat. 2115), authorizations for the following projects authorized in section 2301 of that Act, as extended by section 2309 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of the Public Law 101–510; 104 Stat. 1775), shall remain in effect until October 1, 1992, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1993 (other than this Act), whichever is later:

(1) Alter combat intelligence operations center in the amount of $1,000,000 at Ramstein Air Base, Germany (authorized as part of classified locations in the amount of $16,473,000).

(2) Post office in the amount of $550,000 at Incirlik Air Base, Turkey.

(3) F–16 aircraft maintenance unit facility in the amount of $2,800,000 at Osan Air Base, Korea.

(b) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1990 PROJECTS.—Notwithstanding section 2701(b)(1) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1645), authorization for the following projects authorized in section 2301 of that Act shall remain in effect until October 1, 1992, or the date of the enactment of an Act authorizing funds for fiscal year 1993 (other than this Act), whichever is later:

(1) Add to and alter child development center in the amount of $630,000 at McClellan Air Force Base, California.

(2) Child development center in the amount of $1,200,000 at McClellan Air Force Base, California.

(3) Upgrade electrical distribution in the amount of $9,500,000 at McClellan Air Force Base, California.

(4) Add to and alter child development center in the amount of $1,100,000 at Robins Air Force Base, Georgia.

(5) C–141 Depot maintenance hangar in the amount of $13,700,000 at Robins Air Force Base, Georgia.

(6) Child development center in the amount of $680,000 at Newark Air Force Base, Ohio.

(7) Child development center in the amount of $1,950,000 at Wright-Patterson Air Force Base, Ohio.

(8) Child development center in the amount of $1,550,000 at Tinker Air Force Base, Oklahoma.

(9) Add to and alter child development center in the amount of $730,000 at Kelly Air Force Base, Texas.

(10) Child development center in the amount of $1,300,000 at Hill Air Force Base, Utah.

(11) Procurement facility consolidation in the amount of $3,700,000 at Hill Air Force Base, Utah.

SEC. 2309. TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN PROJECTS.

(a) VARIOUS LOCATIONS, ALASKA.—Section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1769) is amended by striking out "Various Locations, $11,000,000." under the heading "ALASKA".

(b) CONFORMING AMENDMENTS.—Section 2304(a) of such Act (division B of Public Law 101–510; 104 Stat. 1773) is amended—

(1) by striking out "$1,954,059,000" and inserting in lieu thereof "$1,943,059,000"; and

(2) in paragraph (1), by striking out "$777,081,000" and inserting in lieu thereof "$766,081,000".

SEC. 2310. RESTRICTION RELATING TO B–2 BOMBER AIRCRAFT BED DOWN FACILITIES.

(a) RESTRICTION.—The Secretary of the Air Force may not enter into a contract for the construction of any facility related to the permanent basing of B–2 bomber aircraft, or for architectural and design services for the construction of such a facility, until 180 days after the Secretary of Defense submits to Congress a report containing the following matters:

(1) All basing options for the B–2 bomber aircraft.

(2) The selected sites for permanently basing B–2 bomber aircraft.

(3) A comparison of the cost of providing for the basing of B–2 bomber aircraft at Whiteman Air Force Base, Missouri, and at each follow-on base for Whiteman Air Force Base (if any), with the cost of providing for the basing of B–2 bomber aircraft at each existing base of the Strategic Air Command of the Air Force (SAC), including those SAC bases scheduled for closure.

(b) GAO REPORT.—Not later than 180 days after the Secretary of Defense submits the report required by subsection (a), the Comptroller General of the United States shall submit to Congress a report containing the Comptroller General's comments on the cost comparison contained in that report of the Secretary of Defense.

PART B—FISCAL YEAR 1993

SEC. 2321. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ARIZONA

Davis-Monthan Air Force Base, $2,750,000.

FLORIDA

Cape Canaveral Air Force Station, $34,000,000.

NEBRASKA

Offutt Air Force Base, $1,350,000.

NORTH DAKOTA

Grand Forks Air Force Base, $5,100,000.
Minot Air Force Base, $1,400,000.

OHIO

Wright-Patterson Air Force Base, $5,600,000.

OKLAHOMA

Altus Air Force Base, $3,000,000.
Tinker Air Force Base, $900,000.

SOUTH CAROLINA

Charleston Air Force Base, $29,500,000.

TEXAS

Dyess Air Force Base, $7,500,000.
Kelly Air Force Base, $12,250,000.

VARIOUS LOCATIONS

Various Locations, $10,300,000.
Various Locations, $4,350,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

CANADA

Various Locations, $20,200,000.

GREENLAND

Thule Air Base, $9,200,000.

SEC. 2322. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Air Force may construct or acquire family housing units (including land), using amounts appropriated pursuant to section 2324(a)(5)(A), at the following installations for the purpose shown, and in the amount shown, for each installation:

(1) Beale Air Force Base, California, housing office, $306,000.

(2) Moody Air Force Base, Georgia, housing maintenance facility, $290,000.

(3) Barksdale Air Force Base, Louisiana, housing maintenance and storage facility, $443,000.

(4) Minot Air Force Base, North Dakota, housing maintenance and storage facility, $237,000.

(5) Cannon Air Force Base, New Mexico, housing office, $480,000.

(6) Shaw Air Force Base, South Carolina, housing office, $351,000.

(7) Lajes Field, Portugal, water wells, $865,000.

(8) Hill Air Force Base, Utah, eighty-two units, $6,553,000.

(b) PLANNING AND DESIGN.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2324(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $9,957,000.

SEC. 2323. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may, using amounts appropriated pursuant to section 2324(a)(5)(A), improve existing military family housing units in an amount not to exceed $168,518,000.

SEC. 2324. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,380,100,000 as follows:

(1) For military construction projects inside the United States authorized by section 2321(a), $118,000,000.

(2) For military construction projects outside the United States authorized by section 2321(b), $29,400,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $11,500,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $54,200,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $188,000,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $979,000,000, of which not more than $169,200,000 may be obligated or expended for leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2321 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXIV—DEFENSE AGENCIES

PART A—FISCAL YEAR 1992

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

DEFENSE COMMUNICATIONS AGENCY

Classified Location, $4,500,000.

Reston, Virginia, $600,000.

DEFENSE LOGISTICS AGENCY

Tracy Defense Depot, California, $2,000,000.

Jacksonville Defense Fuel Support Point, Florida, $2,200,000.

Pensacola Defense Fuel Support Point, Florida, $16,000,000.

Columbus Defense Construction Supply Center, Ohio, $89,000,000.

Dayton Defense Electronics Supply Station, Ohio, $2,000,000.

Craney Island Defense Fuel Support Point, Norfolk, Virginia, $19,800,000.

Fort Belvoir, Virginia, $27,000,000.

DEFENSE MAPPING AGENCY

Hydrographic/Topographic Center, Brookmont, Maryland, $1,000,000.

St. Louis Aerospace Center, Missouri, $1,000,000.

DEFENSE MEDICAL FACILITIES OFFICE

Little Rock Air Force Base, Arkansas, $690,000.

San Diego Naval Training Center, California, $17,500,000.

Stockton Naval Communications Station, California, $22,000,000.

Travis Air Force Base, California, $2,000,000.

Tyndall Air Force Base, Florida, $800,000.

Hickam Air Force Base, Hawaii, $13,800,000.

Tripler Army Medical Center, Hawaii, $3,500,000.

Fallon Naval Air Station, Nevada, $6,000,000.

Nellis Air Force Base, Nevada, $1,000,000.

Camp Lejeune, North Carolina, $4,600,000.

Cherry Point Marine Corps Air Station, North Carolina, $34,000,000.

Fort Bragg, North Carolina, $5,000,000.

Fort Sill, Oklahoma, $2,700,000.

Tinker Air Force Base, Oklahoma, $4,100,000.

Carlisle Barracks, Pennsylvania, $510,000.

Dallas Naval Air Station, Texas, $3,500,000.

Langley Air Force Base, Virginia, $1,150,000.

DEFENSE NUCLEAR AGENCY

White Sands Missile Range, New Mexico, $20,000,000.

Arnold Engineering Development Center, Tennessee, $7,000,000.

NATIONAL SECURITY AGENCY

Camp Smith, Hickam Air Force Base, Hawaii, $488,000.

Fort George G. Meade, Maryland, $14,722,000.

OFFICE OF THE SECRETARY OF DEFENSE

Defense Language Institute, Monterey, California, $6,000,000.

Uniformed Services University of the Health Sciences, Bethesda, Maryland, $600,000.

Classified Locations, $35,600,000.

SECTION 6 SCHOOLS

Fort Stewart, Georgia, $6,951,000.

Beaufort Marine Corps Air Station, South Carolina, $989,000.

SPECIAL OPERATIONS COMMAND

Kodiak Coast Guard Support Center, Alaska, $2,050,000.

Camp Pendleton Marine Corps Base, California, $4,900,000.

Coronado Naval Amphibious Base, California, $2,100,000.

Eglin Air Force Base, Auxiliary Field No. 3, Florida, $2,400,000.

Eglin Air Force Base, Auxiliary Field No. 9, Florida, $12,050,000.

Fort Benning, Georgia, $3,900,000.

Fort Campbell, Kentucky, $5,800,000.

Kirtland Air Force Base, New Mexico, $2,050,000.

Fort Bragg, North Carolina, $6,000,000.

Fort A.P. Hill, Virginia, $2,300,000.

Oceana Naval Air Station, Virginia, $2,350,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

DEFENSE LOGISTICS AGENCY

Diego Garcia Defense Fuel Support Point, $16,100,000.

DEFENSE MEDICAL FACILITIES OFFICE

Camp Essayons, Korea, $1,050,000.

Camp Humphreys, Korea, $2,350,000.

K-16 Army Airfield, Korea, $1,450,000.

Classified Location, $10,400,000.

DEFENSE NUCLEAR AGENCY

Johnston Island, $5,100,000.

NATIONAL SECURITY AGENCY

Classified Location, $4,490,000.

OFFICE OF THE SECRETARY OF DEFENSE

Classified Location, $2,100,000.

(c) VARIOUS LOCATIONS.—The Secretary of Defense may acquire or construct portal facilities at various locations in support of the On-Site Inspection Agency in an amount not to exceed $2,000,000.

(d) RED RIVER ARMY DEPOT.—The authorization of appropriations for the Army for the Red River Army Depot, Texas, in section 2104(a)(3) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1619) is hereby transferred to the Secretary of Defense for modernization activities, construction activities, or modernization and construction activities in support of the supply distribution mission at the Red River Army Depot. The Secretary shall carry out such activities through the head of the Defense Logistics Agency.

SEC. 2402. FAMILY HOUSING.

The Secretary of Defense may construct or acquire one family housing unit (including land), using amounts appropriated pursuant to section 2404(a)(13)(A), at a classified location in the total amount not to exceed $160,000.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of Defense may, using amounts appropriated pursuant to section 2404(a)(13)(A), improve existing military family housing units in an amount not to exceed $40,000.

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $1,656,240,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $372,200,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $43,040,000.

(3) For military construction projects at various locations authorized by section 2401(c), $2,000,000.

(4) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4035), $37,000,000.

(5) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1640), $40,000,000.

(6) For unspecified minor construction projects under section 2805 of title 10, United States Code, $14,000,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $15,000,000.

(8) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $98,200,000.

(9) For base closure and realignment activities pursuant to the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note), $674,600,000.

(10) For base closure and realignment activities pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note), $297,000,000.

(11) For an energy conservation program under section 2865 of title 10, United States Code, $30,000,000.

(12) For conforming storage facilities authorized by section 2404 of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4037), $7,000,000.

(13) For military family housing functions:

(A) For construction and acquisition of military family housing facilities, $200,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $26,000,000, of which not more than $21,664,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) AUTHORIZATION OF UNOBLIGATED FUNDS.—Funds appropriated to the Department of Defense for fiscal years before fiscal year 1992 for military construction functions of the Defense Agencies that remain available for obligation are hereby authorized to be made available, to the extent provided in appropriation Acts, for military construction projects authorized in section 2401(a) in the amount of $17,000,000.

(c) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 may not exceed—

(1) the total amount authorized to be appropriated under subsections (a)(1), (a)(2), and (b); and

(2) $10,000,000 (the balance of the amount authorized for the construction of the defense logistics headquarters at Fort Belvoir, Virginia).

SEC. 2405. DEFENSE LOGISTICS AGENCY, HEADQUARTERS BUILDING, FORT BELVOIR, VIRGINIA.

The Secretary of Defense, may, in advance of appropriations for the project, enter into one or more contracts for the design and construction of the military construction project authorized by section 2401(a) to be constructed at Fort Belvoir, Virginia. Each such contract shall limit the payments the United States is obligated to make under the contract to the amount of appropriations available, at the time the contract is entered into, for obligation under such contract.

SEC. 2406. AUTHORIZATION FOR UNAUTHORIZED FISCAL YEAR 1991 APPROPRIATIONS FOR SPECIAL OPERATIONS COMMAND PROJECTS.

(a) AUTHORIZATION.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amount shown for each of the following installations and locations inside the United States:

SPECIAL OPERATIONS COMMAND

Fort Bragg, North Carolina, $8,100,000.

Additional Classified Locations, $2,000,000.

(b) CONSTRUCTION WITH FY91 MILITARY CONSTRUCTION AUTHORIZATION.—The authorization provided in subsection (a) for the projects specified in such subsection shall take effect as of November 5, 1990, as if included in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1776).

SEC. 2407. SPECIAL OPERATIONS BATTALION HEADQUARTERS, FORT BRAGG, NORTH CAROLINA.

(a) AVAILABILITY OF FUNDS.—Of the funds authorized to be appropriated pursuant to section 2401(a) for fiscal year 1992, $6,000,000 shall be available only for the construction of a headquarters facility for a special operations battalion at Fort Bragg, North Carolina.

(b) RESTRICTION ON USE.—A facility constructed pursuant to subsection (a) may be used only as a headquarters for a special operations battalion.

PART B—FISCAL YEAR 1993

SEC. 2421. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may acquire real property and may carry out military construction projects in the amount shown for the following installation inside the United States:

DEFENSE NUCLEAR AGENCY

Eglin Air Force Base, $64,000,000.

SEC. 2422. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $745,700,000 as follows:

(1) For military construction projects inside the United States authorized by section 2421, $32,000,000.

(2) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4035), $27,000,000.

(3) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1640), $50,000,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $7,500,000.

(5) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.

(6) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $51,700,000.

(7) For base closure and realignment activities pursuant to the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note), $440,700,000.

(8) For base closure and realignment activities pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note), $100,000,000.

(9) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $26,800,000, of which not more than $22,559,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2421 may not exceed—

(1) the total amount authorized to be appropriated under that section; and

(2) $32,000,000 (the balance of the amount authorized for the construction of the Climatic Test Chamber at Eglin Air Force Base, Florida).

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

PART A—FISCAL YEAR 1992

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure Program as authorized by section 2501, in the amount of $314,417,000.

SEC. 2503. TRANSFER AUTHORITY.

If the Secretary of Defense determines that funds authorized to be appropriated for contributions to the North Atlantic Treaty Organization Infrastructure Program under section 2806 of title 10, United States Code, are in excess of the contributions required for that program, the Secretary may use the excess amount to carry out Defense Agency military construction projects authorized by this division or any other Act.

PART B—FISCAL YEAR 1993

SEC. 2521. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2522 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2522. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure Program as authorized by section 2521, in the amount of $226,200,000.

SEC. 2523. TRANSFER AUTHORITY.

If the Secretary of Defense determines that funds authorized to be appropriated for contributions to the North Atlantic Treaty Organization Infrastructure program under section 2806 of title 10, United States Code, are in excess of the contributions required for the program, the Secretary may use the excess amount to carry out Defense Agency military construction projects authorized by this division or any other Act.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

PART A—FISCAL YEAR 1992

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1991, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code, including the cost of acquisition of land for those facilities, the following amounts:

(1) For the Department of the Army:

(A) For the Army National Guard of the United States, $122,874,000.

(B) For the Army Reserve, $66,241,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $56,900,000.

(3) For the Department of the Air Force:

(A) For the Air National Guard of the United States, $184,300,000.

(B) For the Air Force Reserve, $20,800,000.

PART B—FISCAL YEAR 1993

SEC. 2621. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1992, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code, including the cost of acquisition of land for those facilities, the following amounts:

(1) For the Department of the Army:

(A) For the Army National Guard of the United States, $37,527,000.

(B) For the Army Reserve, $7,000,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $3,900,000.

(3) For the Department of the Air Force:

(A) For the Air National Guard of the United States, $41,580,000.

(B) For the Air Force Reserve, $4,700,000.

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) IN GENERAL.—Authorizations of military construction projects, land acquisition, family housing projects and facilities, contributions to the North Atlantic Treaty Organization Infrastructure program, and Guard and Reserve projects in titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of this Act (and authorizations of appropriations therefor) shall be effective only to the extent that appropriations are made for such projects, acquisition, facilities, and contributions during the first session of the One Hundred Second Congress.

(b) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS IN CERTAIN CASES.—(1) Except as provided in subsections (a), (c)(1), and (d), all authorizations contained in part A of each of titles XXI, XXII, XXIII, XXIV, XXV, and XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on October 1, 1994, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1995, whichever is later.

(2) Except as provided in subsections (a), (c)(2), and (d), all authorizations contained in part B of each of titles XXI, XXII, XXIII, XXIV, XXV, and XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1996, whichever is later.

(c) EXCEPTIONS.—(1) The provisions of subsection (b)(1) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) for which appropriated funds have been obligated before October 1, 1994, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1995, whichever is later.

(2) The provisions of subsection (b)(2) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) for which appropriated funds have been obligated before October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1996, whichever is later.

(d) TERMINATION OF AUTHORIZATIONS FOR PROJECTS AT CERTAIN INSTALLATIONS.—In the case of any authorization made by this division for any military construction project, including any military family housing project, which is located at any installation to be closed or realigned pursuant to section 2904 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) and which the Secretary of the military department concerned determines, within the three-day period beginning on the date of adjournment of the 1st session of the 102d Congress sine die, is not necessary because of such closure or realignment, the project approval for such project under this division is terminated as of the date of such determination.

TITLE XXVIII—GENERAL PROVISIONS

PART A—DEFENSE BASE CLOSURE AND REALIGNMENT

SEC. 2801. DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION.

(a) APPOINTMENT OF COMMISSION.—Paragraph (1) of section 2902(c) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by adding at the end the following new subparagraph:

"(C) If the President does not transmit to Congress the nominations for appointment to the Commission on or before the date specified for 1993 in clause (ii) of subparagraph (B) or for 1995 in clause (iii) of such subparagraph, the process by which military installations may be selected for closure or realignment under this part with respect to that year shall be terminated.".

(b) EMPLOYMENT OF STAFF.—Section 2902(i) of such Act is amended—

(1) in paragraph (3)—

(A) by inserting "(A)" after "(3)"; and

(B) by adding at the end the following new subparagraphs:

"(B)(1) Not more than one-fifth of the professional analysts of the Commission staff may be persons detailed from the Department of Defense to the Commission.

"(2) No person detailed from the Department of Defense to the Commission may be assigned as the lead professional analyst with respect to a military department or defense agency.

"(C) A person may not be detailed from the Department of Defense to the Commission if, within 12 months before the detail is to begin, that person participated personally and substantially in any matter within the Department of Defense concerning the preparation of recommendations for closures or realignments of military installations.

"(D) No member of the Armed Forces, and no officer or employee of the Department of Defense, may (i) prepare any report concerning the effectiveness, fitness, or efficiency of the performance on the staff of the Commission of any person detailed from the Department of Defense to that staff, (ii) review the preparation of such a report, or (iii) approve or disapprove such a report."; and

(2) by inserting at the end the following new paragraph:

"(6) During 1992 and 1994—

"(A) there may not be more than 15 persons on the staff at any one time;

"(B) the staff may perform only such functions as are necessary to prepare for the transition to new membership on the Commission in the following year; and

"(C) no member of the Armed Forces and no employee of the Department of Defense may serve on the staff.".

(c) SELECTION CRITERIA.—Section 2903(b)(2)(B) of such Act is amended—

(1) by striking out "February 15" in the first sentence and inserting in lieu thereof "January 15"; and

(2) by striking out "March 15" in the second sentence and inserting in lieu thereof "February 15".

(d) DOD RECOMMENDATIONS.—Section 2903(c) of such Act is amended—

(1) in paragraph (1), by striking out "April 15, 1993, and April 15, 1995" and inserting in lieu thereof "March 15, 1993, and March 15, 1995";

(2) in paragraph (4), by inserting at the end the following: "The Secretary shall also

make such information available, upon request, to Congress (including any committee or member of Congress)."; and

(3) by inserting at the end the following new paragraph:

"(5)(A) Each person referred to in subparagraph (B), when submitting information to the Secretary of Defense or the Commission concerning the closure or realignment of a military installation, shall certify that such information is accurate and complete to the best of that person's knowledge and belief.

"(B) Subparagraph (A) applies to the following persons:

"(i) The Secretaries of the military departments.

"(ii) The heads of the Defense Agencies.

"(iii) Each person who is in a position the duties of which include personal and substantial involvement in the preparation and submission of information and recommendations concerning the closure or realignment of military installations, as designated in regulations which the Secretary of Defense shall prescribe, regulations which the Secretary of each military department shall prescribe for personnel within that military department, or regulations which the head of each Defense Agency shall prescribe for personnel within that Defense Agency.

"(6) The Secretary of Defense shall prescribe regulations to ensure that any information provided to the Commission by a person described in paragraph (5)(B) shall, within 24 hours of the submission of such information to the Commission, be submitted to the Senate and the House of Representatives, and shall be made available to the Members of each such House in accordance with the rules of each such House.".

(e) Commission Recommendations.—Section 2903(d) of such Act is amended—

(1) in paragraph (2)(B), by striking out "In making" and inserting in lieu thereof "Subject to subparagraph (C), in making"; and

(2) by adding at the end of paragraph (2) the following new subparagraphs:

"(C) The Commission may make a change in the Secretary's recommendations as described in subparagraph (D) only if—

"(i) the Commission makes the determination referred to in subparagraph (B);

"(ii) the Commission determines that the change is consistent with the force-structure plan and final criteria referred to in subsection (c)(1);

"(iii) the Commission publishes a notice of the proposed change in the Federal Register not less than 30 days before transmitting its recommendations to the President pursuant to paragraph (2); and

"(iv) the Commission conducts public hearings on the proposed change.

"(D) Subparagraph (C) applies to a change of the Secretary's recommendations that—

"(i) adds a military installation to the list of military installations recommended by the Secretary for closure;

"(ii) adds a military installation to the list of military installations recommended by the Secretary for realignment; or

"(iii) increases the extent of a realignment of a particular military installation recommended by the Secretary.".

(f) Environmental Restoration and Mitigation.—Section 2905(a)(1)(C) of such Act is amended by striking out "or funds" and all that follows through "mitigation".

(g) Military Installation Defined.—(1) Section 2910(4) of such Act is amended by inserting at the end the following: "Such term does not include any facility used primarily for civil works, rivers and harbors projects, flood control, or other projects not under the primary jurisdiction or control of the Department of Defense.".

(2) The amendment made by paragraph (1) shall take effect as of November 5, 1990, and shall apply as if it had been included in section 2910(4) of Public Law 101-510 on that date.

(h) Prohibition Against Restricting Communications With the Commission.—The Defense Base Closure and Realignment Act is further amended by adding at the end the following new section:

"SEC. 2912. COMMUNICATIONS WITH THE COMMISSION

"Section 1034 of title 10, United States Code, applies with respect to communications with the Defense Base Closure and Realignment Commission.".

(i) No Authority To Withhold Information.—Nothing in this section or in the Defense Base Closure and Realignment Act of 1990 shall be construed to authorize the withholding of information from Congress, any committee or subcommittee of Congress, or the Comptroller General of the United States.

SEC. 2802. CONSISTENCY IN BUDGET DATA.

(a) Military Construction Funding Requests.—In the case of each military installation considered for closure or realignment or for comparative purposes by the Defense Base Closure and Realignment Commission, the Secretary of Defense shall ensure, subject to subsection (b), that the amount of the authorization requested by the Department of Defense for each military construction project in each of fiscal years 1992 through 1999 for the following fiscal year does not exceed the estimate of the cost of such project (adjusted as appropriate for inflation) that was provided to the Commission by the Department of Defense.

(b) Explanation for Inconsistencies.—If, in any fiscal year referred to in subsection (a), the Secretary determines that it is necessary to submit to Congress a request for the authorization of a military construction project referred to in that subsection in an amount that exceeds the estimated cost referred to for that project in that subsection, the Secretary may submit the request for that amount, but shall also submit with that request a complete explanation of the reasons for the difference between the requested amount and that estimated cost.

(c) DoD Inspector General's Investigation.—(1) The Inspector General of the Department of Defense shall investigate each military construction project for which (A) the Secretary is required to submit an explanation to Congress under subsection (b), and (B) the difference required to be explained is significant, as determined under standards prescribed by the Inspector General.

(2) The Inspector General shall determine, with respect to each investigated project, the following matters:

(A) Why the amount requested to be authorized in the case of that project exceeds the estimated cost of such project that was submitted to the Commission by the Department of Defense.

(B) Whether the relevant information submitted to the Commission with respect to that project was inaccurate, incomplete, or misleading in any material respect.

(3) The Inspector General shall report his findings to the Secretary. The Secretary shall forward a copy of the report to the congressional defense committees.

SEC. 2803. ELIGIBILITY OF DEPARTMENT OF DEFENSE EMPLOYEES AND MEMBERS OF THE ARMED FORCES FOR HOMEOWNERS ASSISTANCE IN CONNECTION WITH BASE CLOSURES.

(a) Expanded Eligibility.—Subsection (b) of section 1013 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374) is amended by striking out the matter above the first proviso and inserting in lieu thereof the following:

"(b)(1) In order for a civilian employee to be eligible for the benefits of this section, the employee—

"(A) must be assigned to or employed at or in connection with the installation or activity at the time of public announcement of the closure action, or employed by a nonappropriated fund instrumentality operated in connection with such base or installation;

"(B) must have been transferred from such installation or activity, or terminated as an employee as a result of a reduction in force, within six months prior to public announcement of the closure action; or

"(C) must have been transferred from the installation or activity on an overseas tour within three years prior to public announcement of the closure action.

"(2) In order for a member of the Armed Forces to be eligible for the benefits of this section, the member—

"(A) must be assigned to the installation or activity at the time of public announcement of the closure action; or

"(B) must have been transferred from such installation or activity before public announcement of the closure action.

"(3) The eligibility of a civilian employee under paragraph (1) and a member of the Armed Forces under paragraph (2) for benefits under this section in connection with the closure of an installation or activity is subject to the additional conditions set out in paragraphs (4) and (5), except that paragraph (5) does not apply to a member of the Armed Forces transferred from such installation or activity before public announcement of the closure action.".

(b) Conforming Amendments.—(1) Subsection (a) of such section is amended—

(A) in paragraph (1), by striking out "servicemen" and inserting in lieu thereof "member of the Armed Forces of the United States"; and

(B) in paragraph (2), by inserting before the semicolon the following: "or, in the case of a member of the Armed Forces not assigned to that base or installation at the time of public announcement of such closing, will prevent any reassignment of such member to the base or installation".

(2) The first proviso of subsection (b) of such section is amended—

(A) by striking out "*Provided*, That, at" and inserting in lieu thereof the following:

"(4) At";

(B) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(C) by striking out the colon at the end and inserting in lieu thereof a period.

(3) The second proviso of subsection (b) of such section is amended—

(A) by striking out "*Provided further*, That as" and inserting in lieu thereof the following:

"(5) As"; and

(B) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively.

(4) Subsection (l) of such section is amended by striking out "the second proviso of subsection (b)" and inserting in lieu thereof "subsection (b)(5)".

SEC. 2804. ENVIRONMENTAL PLAN FOR JEFFERSON PROVING GROUND, INDIANA.

(a) PLAN REQUIRED.—The Secretary of Defense shall prepare a plan for the environmental restoration and cleanup of the entire 55,000 acres of the Jefferson Proving Ground, Indiana (including all areas north and south of the firing line).

(b) CONTENT OF PLAN.—The plan shall include the following matters:

(1) An identification of the categories of potential alternative uses, including unrestricted use, for the entire installation following closure.

(2) For each of the potential use categories identified pursuant to paragraph (1), the following:

(A) An identification and detailed description of the activities necessary for environmental restoration and cleanup of the installation to a condition suitable for the uses in such category.

(B) A schedule (including milestones) for completing such environmental restoration and cleanup activities.

(C) The total estimated cost of completing such activities and the estimated cost of such activities for each fiscal year through fiscal year 1998.

(D) A description of any impediments to achieving successful environmental restoration and cleanup.

(c) PROPOSED PLAN.—Within 180 days after the date of the enactment of this Act, the Secretary shall—

(1) prepare a proposed plan;

(2) publish simultaneously in the Federal Register and in at least 2 newspapers of general circulation in Madison, Indiana, and the surrounding area a notice of the availability of the proposed plan, including the Secretary's request for comments on the proposed plan from the public; and

(3) provide copies of the proposed plan to appropriate State and local agencies authorized to develop and enforce environmental standards.

(d) OPPORTUNITIES FOR PUBLIC COMMENT.—

(1) There shall be a period of at least 60 days for public comment on the proposed plan.

(2) The Secretary shall hold at least 1 public meeting on the proposed plan in the area of the Jefferson Proving Ground no sooner than 45 days after the date of the publication of the notice in the Federal Register required by subsection (c). The public may submit comments on the proposed plan at the meeting. The comments may be in either oral or written form.

(e) AVAILABILITY OF PUBLIC COMMENTS.—The Secretary shall make available to the public all comments received by the Secretary on the proposed plan.

(f) FINAL PLAN.—(1) At the same time that the President submits the budget to Congress for fiscal year 1994 pursuant to section 1105 of title 31, United States Code, the Secretary shall submit to the congressional defense committees the final plan required by subsection (a).

(2) The final plan shall include the Secretary's recommendations for uses of the Jefferson Proving Ground, the environmental restoration and cleanup actions necessary for such uses, and the Secretary's specific responses to each comment received on the proposed plan pursuant to subsection (d).

SEC. 2805. DISPOSITION OF CREDIT UNION FACILITIES ON MILITARY INSTALLATIONS TO BE CLOSED.

(a) GENERAL AUTHORITY.—Subject to subsection (b) and notwithstanding any other provision of law, on the date of the closure of a military installation pursuant to a base closure law the Secretary of the military department having jurisdiction over the installation—

(1) may convey to any credit union which conducts business in a facility located on such installation and constructed using funds of the credit union all right, title, and interest of the United States in and to that facility; and

(2) in the event of such conveyance, shall permit the credit union to purchase (for an amount determined by that Secretary) the land upon which that facility was constructed before offering such land for sale or other disposition to any other entity.

(b) LIMITATION.—The Secretary may not convey a facility to a credit union under subsection (a)(1) if the Secretary determines that the operation of a credit union business at such facility is inconsistent with the plan for the reuse of the installation developed in coordination with the community in which the facility is located.

(c) DEFINITION.—In this section, the term "base closure law" means the following:

(1) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 104 Stat. 1808; 10 U.S.C. 2687 note).

(2) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(3) Section 2687 of title 10, United States Code.

(4) Any other similar law enacted after the date of the enactment of this Act.

SEC. 2806. CONVEYANCE OF CLOSED BASES TO NEIGHBORING COMMUNITIES.

(a) FINDINGS AND PURPOSES.—

(1) The Congress finds that—

(A) The Department of Defense has been directed to reduce the size and cost of the military and this can only be accomplished by closing military installations;

(B) A military installation is a part of the infrastructure of the community in which it is located and there is a long standing symbiotic relationship between a military installation and the community;

(C) The people in an impacted community have made substantial, long term investments of time, training, and wealth to support the military installations;

(D) The loss to an impacted community when a military installation is closed may be substantial and in such cases the Congress wishes to mitigate the damage to the impacted community;

(E) An impacted community knows best the needs of the community and the best way to use available resources to meet these needs consistent with existing national priorities; and

(F) Unfettered ownership of the real property associated with a closed military installation at the earliest possible time can partially offset the loss to a community which results when a military installation is closed.

(2) Purpose of the section—

(A) To benefit communities impacted significantly when a military installation located in such communities is closed by authorizing the real and excess related personal property, on which the military installations are located to be conveyed to the impacted community as soon as possible after a decision to close the military installation is made but no later than 180 days after closure; and

(B) To provide significantly impacted communities a resource which will aid in mitigating the loss incurred by the community following a decision to close a military installation and which may be used by the impacted comunity, as the community deems appropriate, for industrial, commercial, residential, recreational, or public uses.

(b) IN GENERAL.—(1) Notwithstanding any other provision of law, the Secretary of Defense shall convey to an eligible political subdivision or subdivisions or State all right, title, and interest of the United States in the military installation closed pursuant to a base closure law in accordance with this section and the Comprehensive Environmental Response, Compensation, and Liability Act and the Solid Waste Disposal Act as determined by the Administrator of the Environmental Protection Agency.

(2) Even if the conditions set forth in paragraph (1) have been satisfied, the Secretary shall not convey such installation if the Secretary determines that the community or communities in the area of the real property to be conveyed are not experiencing or will not experience a significant adverse economic impact as a result of the closure of that military installation.

(c) DETERMINATIONS.—(1) The Secretary must make the determination referred to in subsection (b) in the case of a military installation as soon as practicable after the installation has been identified for closure, but in any event not later than the date on which the installation is closed.

(2) In determining whether a community is experiencing or will experience a significant adverse economic impact as a result of the closure of a military installation, the Secretary shall consider such objective evidence as the following:

(A) Declining real estate values.

(B) Increasing unemployment.

(C) Loss of revenue to the State and the community.

(D) Increasing rate of business failures.

(E) Significant decreases in total personal income.

(d) ADVANCE NOTICE TO ELIGIBLE STATES AND POLITICAL SUBDIVISIONS.—As soon as practicable after a military installation has been identified for closure, but in any event not later than the date on which the installation is closed, the Secretary shall transmit to the appropriate political subdivision, communities, counties and State to which property at such installation may be conveyed pursuant to this section advance notification of the Secretary's intention to make a conveyance of that property.

(e) ELIGIBLE STATES AND POLITICAL SUBDIVISIONS.—Property at a military installation that is to be conveyed pursuant to the requirement in subsection (b) shall be conveyed to a political subdivision or subdivisions or State in the following order of priority:

(1) To a political subdivision of a State that is designated in State law to receive the conveyance of such property and accepts the conveyance.

(2) If there is no political subdivision that satisfies the criteria in paragraph (1), then to the State in which the property is located if the law of that State designates the State to receive the conveyance of such property and the State accepts the conveyance.

(3) In the case of any real property for which neither a State nor a political subdivision of a State satisfies the criteria in paragraph (1) or (2), then to one or more political subdivisions of a State which the Secretary determines, after consultation with appropriate local officials, would best serve the interests of the residents of such subdivision or subdivisions and of the State in which the

property is located, providing such subdivision or subdivisions accept such conveyance.

(4) In the case of any real property for which no subdivision or subdivisions or State accept such conveyance, then the Secretary shall offer the property to other departments and agencies of the Federal Government.

(f) PROPERTY TO BE CONVEYED.—In addition to the conveyance of real property to a community or State pursuant to this section, the Secretary shall convey any related personal property that the Secretary determines is appropriate for use by the recipient in connection with the recipient's use of the real property.

(g) CONVEYANCE DEADLINE.—Except as provided in subsection (h), all property to be conveyed pursuant to this section in connection with the closure of a military installation shall be conveyed within 180 days after the date on which the installation is closed.

(h) PROPERTY NOT SUITABLE FOR CONVEYANCE.—The Secretary shall sever from the real property of a closed military installation to be conveyed pursuant to subsection (b) that real property which is not suitable for conveyance and make such transfers over a period longer than that which would otherwise be permitted under subsection (g). Property is not suitable for conveyance under the following conditions:

(1) When the political subdivision or State will not accept conveyance of a part of the real property of a closed military installation; or

(2) If the Administrator of the Environmental Protection Agency determines that such conveyance does not comply with the requirements of either the Comprehensive Environmental Response Compensation and Liability Act of 1980 or the Solid Waste Disposal Act; or

(3) When necessary to ensure completion of environmental restoration and mitigation projects.

(i) CONSIDERATION NOT TO BE REQUIRED.—No consideration may be required for a conveyance of property pursuant to this section.

(j) WAIVER AUTHORITY.—(1) Subject to paragraph (2), the President may waive in whole or in part the requirement to convey property at a military installation under subsection (b) if the President—

(A) determines that the continuation of the United States interest in such property—

(i) is vital to national security interests; or

(ii) the value of the base is so high that a conveyance to the political subdivision or State would constitute an undue windfall to the community and would not be necessary for the economic recovery of the region: *Provided*, That the number of waivers exercised under this Act do not exceed a cumulative total of five military installations for each package of closures approved by a commission under the Base Closure Law: *Provided further*, That a waiver in part shall not count against this limit if the value of the property reserved does not exceed 25 percent of the total value of such installation or if the appropriate political subdivision or State agrees with the reservation; and

(B) transmits to the Committees on Armed Services of the Senate and the House of Representatives a certification of such determinations together with the reasons for such determinations.

(2) A determination and certification in the case of the closure of any military installation shall be effective only if made before the earlier of—

(A) the date on which the installation is closed; or

(B) December 31 of the year following the later of the year in which the closure of that installation is approved by the President.

(3) The President may extend the deadline for making a determination and certification under paragraph (2) for not more than two successive periods of 90 days by transmitting to the congressional defense committees a notification of the extension before the end of the deadline or extended deadline, as the case may be.

(4) The President may withdraw a waiver under paragraph (1) in the case of any military installation. Not later than 180 days after the withdrawal of the waiver, the Secretary of Defense shall make the conveyance required by subsection (a) in accordance with this section.

(k) CONTINUING RESPONSIBILITY OF THE DEPARTMENT OF DEFENSE.—Prior to and after any conveyance of real property of a closed military installation pursuant to this section, the Secretary of Defense in consultation with the political subdivision or State shall be responsible for the following matters:

(1) To provide economic adjustment and community planning assistance including assistance in conducting public hearings to decide the appropriate use of a closed military installation to communities near the closed military installation until such time as the economic stability of such communities is achieved, as determined by the Secretary.

(2) To comply with the Comprehensive Environmental Restoration Compensation Liability Act of 1980 and the Solid Waste Disposal Act in consultation with the Administrator of the Environmental Protection Agency.

(3) To continue to carry out environmental restoration and mitigation activities relating to uses made of such installation before closure.

(l) SOURCES OF FUNDING.—The Secretary may expend any funds in the Base Closure Account to carry out the responsibilities referred to in subsection (k) and the Secretary shall notify the congressional defense committees in advance of the obligation of funds for such purpose.

(m) IMPROVEMENT OF PROPERTY PENDING CONVEYANCE.—(1) Notwithstanding any other provision of law, the Secretary of Defense and the head of any other department or agency of the Federal Government may continue, on and after the applicable date referred to in paragraph (2), to obligate funds (to the extent available) for making improvements to the property that has not been conveyed that will facilitate the conveyance of the property and are consistent with the use to be made of the property by the recipient of the conveyance.

(2) Paragraph (1) applies in the case of property at a military installation on and after the later of the date on which the closure of that installation is approved by the President.

(n) DEFINITIONS.—In this section:

(1) The term "military installation" has the meaning given such term in section 2687(e)(1) of title 10, United States Code.

(2) The term "base closure law" means the following:

(A) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102–510; 104 Stat. 1808; 10 U.S.C. 2687 note).

(B) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

(C) Section 2687 of title 10, United States Code.

(3) The term "base closure account" means the following:

(A) The Department of Defense Base Closure Account established by section 207(a) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).

(B) The Department of Defense Base Closure Account 1990 established by section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102–510; 104 Stat. 1815; 10 U.S.C. 2687 note).

SEC. 2807. REPORT ON EMPLOYMENT ASSISTANCE SERVICES.

Not later than 90 days after the date of enactment of this Act, the Secretary of Defense, in coordination with the Secretary of Labor, shall submit to Congress a report setting forth the availability of employment assistance services for civilian employees of the Department of Defense who may be affected by reductions in defense employment associated with the 1988 or 1991 Base Closure Commission. The report shall include the following: (1) a detailed description of plans to reduce the work force, including specific time tables, at defense facilities designated for closure or realignment by the 1988 or 1991 Base Closure Commission; (2) descriptions of the availability of all current Federal, State, and local programs and efforts to provide training and reemployment assistance to involuntarily separated personnel in each community affected by base closure; (3) descriptions of any plans by the Department of Labor and the Department of Defense to expand existing job training programs for Defense civilian personnel affected by base closure and realignments and the estimated cost of such program expansions; and (4) a description of any specific Army, Navy, or Air Force programs which provide job training and reemployment assistance to civilian workers affected by the 1988 or 1991 base closure and realignment actions, the current cost of these programs, and any plans to expand these existing programs to meet future job training and reemployment requirements.

PART B—MILITARY CONSTRUCTION PROGRAM CHANGES

SEC. 2821. CONTRIBUTIONS TO STATES FOR ACQUISITION AND CONSTRUCTION OF JOINT-USE RESERVE COMPONENT FACILITIES.

Section 2233(a)(2) of title 10, United States Code, is amended by inserting "or to acquire or construct facilities" after "United States".

SEC. 2822. INCREASED AUTHORITY FOR USE OF OPERATION AND MAINTENANCE FUNDS FOR ACQUISITION AND CONSTRUCTION OF RESERVE COMPONENT FACILITIES.

Section 2233a(b) of title 10, United States Code, is amended by striking out "$200,000" and inserting in lieu thereof "$300,000".

SEC. 2823. MODIFICATION AND EXTENSION OF FACILITIES CONTRACT AUTHORITY.

(a) REPEAL OF LIMITATION.—Subsection (b) of section 2809 of title 10, United States Code, is repealed.

(b) SUBMISSION AND AUTHORIZATION OF PROPOSED PROJECTS.—Subsection (a)(1)(A) of such section is amended to read as follows:

"(a)(1)(A) The Secretary concerned may enter into a contract for the procurement of services in connection with the construction, management, and operation of a facility on or near a military installation for the provision of an activity or service named in subparagraph (B) if—

"(i) the Secretary concerned has identified the proposed project for such facility in the budget material submitted to Congress by the Secretary of Defense in connection with the budget submitted pursuant to section 1105 of title 31 for the fiscal year in which the contract is proposed to be awarded;

"(ii) the Secretary concerned has determined that the services to be provided at that facility can be more economically provided through the use of a long-term contract than through the use of conventional means; and

"(iii) the project has been authorized by law.".

(c) SOLICITATION FOR CONTRACT.—Subsection (a)(2) of such section is amended by adding at the end the following: "In accordance with such procedures, the Secretary concerned shall solicit bids or proposals for a contract for each project that has been authorized by law.".

(d) OBLIGATION AND CONTINGENT COMMITMENT TO OBLIGATE FUNDS.—(1) Section 2809 of such title is amended by inserting after subsection (a) the following new subsection (b):

"(b) A contract entered into for a project pursuant to subsection (a) shall include the following provisions:

"(1) A statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

"(2) A commitment to obligate the necessary amount for each fiscal year covered by the contract when and to the extent that funds are appropriated for such project for such fiscal year.

"(3) A statement that such a commitment given under the authority of this section does not constitute an obligation of the United States.".

(2) Subsection (a)(3) of such section is amended by striking out the second sentence.

(e) EXTENSION OF AUTHORITY.—Subsection (c) of such section is amended by striking out "1991" and inserting in lieu thereof "1993".

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1991.

SEC. 2824. MODIFICATION AND EXTENSION OF MILITARY HOUSING LEASE AUTHORITY.

(a) SUBMISSION, AUTHORIZATION, AND SOLICITATION OF PROPOSED PROJECTS.—Section 2828(g) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "and subject to paragraph (7)," after "Notwithstanding any other provision of law,";

(2) in paragraph (2), by inserting after the first sentence the following: "In accordance with such procedures, the Secretary of a military department, or the Secretary of Transportation, as the case may be, shall solicit bids or proposals for a contract for the lease of military housing authorized in accordance with paragraph (7).";

(3) by striking out paragraph (7);

(4) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively; and

(5) by inserting after paragraph (6) the following new paragraph (7):

"(7)(A) The Secretary of a military department, or the Secretary of Transportation with respect to the Coast Guard, may enter into a lease contract pursuant to paragraph (1) for such military housing as is authorized by law for the purposes of this section.

"(B) The Budget material submitted to Congress by the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard, in connection with the budget submitted pursuant to section 1105 of title 31 for each fiscal year shall include materials that identify the military housing projects for which lease contracts are proposed to be entered into under paragraph (1) in such fiscal year."

(b) OBLIGATION AND CONTINGENT COMMITMENT TO OBLIGATE FUNDS FOR GUARANTY.—(1) Section 2828(g) of such title, as amended by subsection (a), is further amended by inserting after paragraph (7) the following new paragraph (8):

"(8) A lease contract entered into for a military housing project pursuant to paragraph (1) shall include the following provisions:

"(A) A statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specially for that fiscal year and specifically for that project.

"(B) A commitment to obligate the necessary amount for each fiscal year covered by the contract when and to the extent that funds are appropriated for such project for such fiscal year.

"(C) A statement that such a commitment entered into under the authority of this section does not constitute an obligation of the United States,".

(2) Paragraph (1) of such section is amended by striking out the third sentence.

(c) LOCATIONS OF PROJECTS.—Section 2828(g)(1) of such title is amended in the first sentence by striking out "on or near a military installation within the United States under the Secretary's jurisdiction at which there is a validated deficit in" and inserting in lieu thereof "near a military installation within the United States under the Secretary's jurisdiction at which there is a shortage of".

(d) EXTENSION OF AUTHORITY.—Section 2828(g)(9) of such title (as redesignated by subsection (a)(4)) is amended by striking out "1991" and inserting in lieu thereof "1993".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1991.

SEC. 2825. PERMANENT AND INCREASED AUTHORITY TO USE TURN-KEY SELECTION PROCEDURES

Section 2862 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "(1)"; and

(B) by striking out "(2)" and inserting in lieu thereof "(b)"; and

(2) by striking out subsections (b) and (c).

SEC. 2826. INCREASED COST LIMITATIONS FOR UNSPECIFIED MINOR CONSTRUCTION PROJECTS.

(a) DEFINITION OF MINOR CONSTRUCTION.—Subsection (a)(1) of section 2805 of title 10, United States Code, is amended by striking out "$1,000,000" and inserting in lieu thereof "$1,500,000".

(b) O&M-FUNDED PROJECTS.—Subsection (c)(1) of such section is amended by striking out "$200,000" and inserting in lieu thereof "$300,000".

SEC. 2827. INCREASED LIMITATION ON MILITARY FAMILY HOUSING SPACE LOCATED IN HARSH CLIMATES.

Section 2826 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) The applicable maximum net floor area prescribed by subsection (a) may be increased by 300 square feet for a family housing unit in a location where harsh climatological conditions severely restrict outdoor activity for a significant part of each year, as determined by the Secretary concerned pursuant to regulations which the Secretary of Defense shall prescribe. The regulations shall apply uniformly to the armed forces.".

SEC. 2828. PERMANENT AUTHORITY TO OBLIGATE CERTAIN FUNDS UNDER THE HOMEOWNERS ASSISTANCE PROGRAM.

Section 2828(b)(1)(B) of title 10, United States Code, is amended by striking out ", except that such funds may not be obligated after September 30, 1991".

SEC. 2829. EMERGENCY CONSTRUCTION FOR HEALTH, SAFETY, AND ENVIRONMENTAL QUALITY.

Section 2803(a) of title 10, United States Code, is amended—

(1) in clause (1), by striking out ", and" and inserting in lieu thereof "or that the project is vital to protection of health, safety, or the quality of the environment, and "; and

(2) in clause (2), by inserting before the period the following: "or would be inconsistent with protection of health, safety, or environmental quality, as the case may be".

SEC. 2830. MODIFICATION OF AUTHORITY TO ACQUIRE OPTIONS ON REAL PROPERTY.

(a) OPTIONS FOR LEASE OF REAL PROPERTY.—Section 2677(a) of title 10, United States Code, is amended—

(1) by inserting "or lease" after "acquisition"; and

(2) by striking out "a military project of his department" and inserting in lieu thereof "military purposes by the military department".

(b) CONSIDERATION FOR OPTIONS.—Section 2677(b) of such title is amended to read as follows:

"(b)(1) As consideration for an option acquired under subsection (a), the Secretary of a military department may pay—

"(A) in the case of an option to acquire real property, an amount that is not more than 12 percent of the appraised fair market value of the property to be acquired; and

"(B) in the case of an option to lease real property, an amount that is not more than 12 percent of the appraised fair market rental value of the property to be leased.

"(2) The Secretary shall make any payments under paragraph (1) from funds available to the military department for real property activities.".

(c) REVIEW OF RTC ASSETS BEFORE ACQUISITION OF OPTIONS.—Section 2677 of such title is amended by adding at the end the following new subsection:

"(c)(1) Before acquiring an option to acquire or lease real property under subsection (a), the Secretary of a military department shall review the most recent inventory of real property assets published by the Resolution Trust Corporation under section 21A(b)(12)(F) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(12)(F)) and determine whether any real property listed in the inventory is suitable for use for the purposes for which the real property is to be acquired or leased, as the case may be.

"(2) The requirement for the review referred to in paragraph (1) shall terminate at the end of September 30, 1996.".

(d) CLERICAL AMENDMENTS.—(1) The heading of section 2677 of such title is amended to read as follows:

"§ 2677. Options: acquisition or lease of real property for military purposes".

(2) The table of sections at the beginning of chapter 159 of such title is amended by strik-

ing out the item relating to section 2677 and inserting in lieu thereof the following:

"2677. Options: acquisition or lease of real property for military purposes.".

SEC. 2831. MODIFICATION AND EXTENSION OF MILITARY HOUSING RENTAL GUARANTEE PROGRAM.

(a) Submission, Authorization, and Solicitation of Proposed Projects.—Section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note) is amended—

(1) in subsection (a), by striking out "The Secretary" and inserting in lieu thereof "Subject to subsection (f), the Secretary";

(2) in subsection (c), by adding at the end the following: "In accordance with such procedures, the Secretary of a military department, or the Secretary of Transportation, as the case may be, shall solicit bids or proposals for a guaranty agreement for each military housing rental guaranty project authorized in accordance with subsection (f).".

(3) by striking out subsections (f), (g), and (i); and

(4) by inserting after subsection (e) the following new subsection (f):

"(f)(1) The Secretary of a military department, or the Secretary of Transportation with respect to the Coast Guard, may enter into agreements pursuant to subsection (a) for such military housing rental guaranty projects as are authorized by law.

"(2) The budget material submitted to Congress by the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard, in connection with the budget submitted pursuant to section 1105 of title 31, United States Code, for each fiscal year shall include materials that identify the military housing rental guaranty projects for which agreements are proposed to be entered into under subsection (a) in such fiscal year.".

(b) Obligation and Contingent Commitment To Obligate Funds for Guaranty.—(1) Section 802 of such Act, as amended by subsection (a), is further amended by inserting after subsection (f) the following new subsection (g):

"(g) An agreement entered into for a project pursuant to subsection (a) shall include the following provisions:

"(1) A statement that the obligation of the United States to make payments under the agreement in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

"(2) A commitment to obligate the necessary amount for each fiscal year covered by the agreement when and to the extent that funds are appropriated for such project for such fiscal year.

"(3) A statement that such a commitment entered into under the authority of this section does not constitute an obligation of the United States.".

(2) Subsection (a) of such section is amended by striking out the second sentence.

(c) Extension of Rental Guarantee Program.—Section 802(h) of such Act is amended by striking out "1991" and inserting in lieu thereof "1993".

(d) Effective Date.—The amendments made by this section shall take effect on October 1, 1991.

SEC. 2832. MODIFICATION OF AUTHORITY FOR INDEMNIFICATION OF LANDLORDS OF ARMED FORCES PERSONNEL AND RELATED COLLECTION AUTHORITY.

Section 1055 of title 10, United States Code, is amended—

(1) in subsection (b)(1), by striking out ", to the extent funds are provided in advance in appropriations Acts,"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection (c):

"(c) The Secretary of a military department who compensates a landlord under subsection (b) for a breach of lease or for damage described in subsection (b)(1)(C) may withhold from the pay of the member (in accordance with section 1007 of title 37) an amount equal to the amount paid by the Secretary to the landlord as compensation for the breach or damage.".

SEC. 2833. CLARIFICATION OF THE AUTHORITY OF THE SECRETARIES OF THE MILITARY DEPARTMENTS TO LEASE NONEXCESS PROPERTY.

Section 2667(b) of title 10, United States Code, is amended—

(1) in paragraph (3)—

(A) by striking out "must" and inserting in lieu thereof "shall"; and

(B) by striking out "and" at the end of that paragraph;

(2) by redesignating paragraph (4) as paragraph (5);

(3) by inserting after paragraph (3) the following new paragraph:

"(4) shall provide for the payment (in cash or in kind) by the lessee of consideration in an amount the Secretary considers to be appropriate; and"; and

(4) in paragraph (5) (as redesignated by paragraph (2))—

(A) by inserting "improvement," before "maintenance"; and

(B) by inserting "the payment of" before "part or all".

SEC. 2834. LEASES OF REAL PROPERTY FOR ACTIVITIES RELATED TO SPECIAL FORCES OPERATIONS.

(a) Authority To Lease.—(1) Chapter 159 of title 10, United States Code, is amended by inserting after section 2679 the following new section:

"§ 2680. Leases: land for special operations activities

"(a) Notwithstanding any other provision of this title, except as provided in subsection (b), the Secretary of Defense may acquire any leasehold interest in real property that the Secretary determines is necessary in the interests of national security to facilitate special operations activities of forces of the special operations command established pursuant to section 167 of this title.

"(b) The Secretary may not acquire a leasehold interest in real property under this section if the estimated annual rental cost of the real property exceeds $500,000.

"(c) The Secretary may provide in a lease entered into under this section for the construction or modification of any facility on the leased property in order to facilitate the activities referred to in subsection (a). The total cost of the construction or modification of such facility may not exceed $750,000 in any fiscal year.

"(d) The authority to enter into contracts under this section shall expire at the end of September 30, 1992. The expiration of that authority shall not affect the validity of any contract entered into under such authority on or before that date.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2679 the following new item:

"2680. Leases: land for special operations activities.".

(b) Reporting Requirement.—Not later than March 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report that—

(1) identifies each leasehold interest acquired by the Secretary pursuant to section 2680 of title 10, United States Code (as added by subsection (a)), in the previous fiscal year; and

(2) contains a discussion of each project for the construction or modification of facilities carried out pursuant to subsection (c) in such fiscal year.

SEC. 2835. LAW ENFORCEMENT AUTHORITY ON THE PENTAGON RESERVATION.

Section 2674(b)(2) of title 10, United States Code, is amended to read as follows:

"(2) shall have the same powers (other than the service of civil process) as sheriffs and constables upon the property referred to in the first sentence to enforce the laws enacted for the protection of persons and property, to prevent breaches of the peace and suppress affrays or unlawful assemblies, and to enforce any rules or regulations with respect to such property prescribed by duly authorized officials.".

SEC. 2836. STUDY OF CONSTRUCTION OF TORNADO SHELTERS AT INSTALLATIONS LOCATED IN AREAS THAT ARE PRONE TO TORNADOES.

Not later than April 15, 1992, the Secretary of Defense shall study the advisability of constructing tornado shelters at military installations that are located in areas prone to tornadoes and submit to the congressional defense committees a report on the results of the study. If the Secretary determines that such construction is advisable, the report shall contain the Secretary's proposed schedule for the construction of such shelters.

Part C—Land Transactions

SEC. 2841. LAND CONVEYANCE, SANTA FE, NEW MEXICO.

(a) In General.—Subject to subsections (b) through (g), the Secretary of the Army may convey to the New Mexico State Armory Board (hereafter in this section referred to as the "Board") all right, title, and interest of the United States in and to the parcel of real property consisting of approximately 5 acres, including improvements thereon, located at 2500 Cerrillos Road, Santa Fe, New Mexico, the location of a United States Army Reserve Center.

(b) Consideration.—In consideration for the conveyance authorized in subsection (a), the Board shall be required to convey to the United States all right, title, and interest of the State of New Mexico in and to a parcel of real property consisting of approximately 13 acres located in Santa Fe County, New Mexico.

(c) Conditions of Conveyance.—The conveyance authorized by subsection (a) shall be subject to the following conditions:

(1) That the Board design and construct on the property conveyed pursuant to subsection (b) (on terms satisfactory to, and subject to the approval of, the Secretary) a facility suitable for use as a replacement for the United States Army Reserve Center referred to in subsection (a).

(2) That the Board permit (on terms satisfactory to the Secretary and the Board) units of the United States Army Reserve located in New Mexico to use, at no cost to the United States, Board facilities at the headquarters complex of the New Mexico National Guard, Santa Fe, New Mexico, that are also being used by units of the New Mexico National Guard.

(d) Reversion.—If the Secretary determines at any time that the Board is not complying with the conditions specified in subsection (c), all right, title, and interest in and to the property conveyed pursuant to subsection (a), including improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry thereon.

(e) DESCRIPTION OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be conveyed under subsections (a) and (b) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the Board.

(f) USE OF APPROPRIATED FUNDS.—The cost of designing and constructing the United States Army Reserve Center required under subsection (c)(1) shall be paid out of funds appropriated for the construction of such center in Public Law 101-148 (103 Stat. 920) or out of other funds appropriated for the Department of Defense for military construction and made available for such construction project.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyances under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2842. LAND EXCHANGE, SCOTT AIR FORCE BASE, ILLINOIS.

(a) IN GENERAL.—Subject to subsections (b) through (e), the Secretary of the Air Force may convey to the County of Saint Clair, Illinois, all right, title, and interest of the United States in and to a parcel of real property known as the Cardinal Creek Housing Complex, Scott Air Force Base, Illinois, consisting of approximately 150 acres, together with the improvements thereon.

(b) CONSIDERATION.—In consideration for the conveyance authorized by subsection (a), the County shall be required to convey to the United States a parcel of real property located in the vicinity of Scott Air Force Base, Illinois. The fair market value of the real property conveyed to the United States shall be at least equal to the fair market value of the real property (including the improvements thereon) conveyed to the County pursuant to the authority in subsection (a).

(c) DETERMINATIONS OF FAIR MARKET VALUE.—The determinations of the Secretary regarding the fair market values of the parcels of real property to be conveyed pursuant to subsections (a) and (b) shall be final.

(d) DESCRIPTION OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be conveyed pursuant to subsections (a) and (b) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the County.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyances under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2843. REVISION OF LAND CONVEYANCE AUTHORITY, NAVAL RESERVE CENTER, BURLINGTON, VERMONT.

Section 2837(c)(1)(A) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1800) is amended by striking out "$1,500,000" and inserting in lieu thereof "$800,000".

SEC. 2844. RELEASE OF REVERSIONARY INTEREST, BERRIEN COUNTY, MICHIGAN.

(a) IN GENERAL.—Subject to subsections (b) through (d), the Secretary of the Navy shall release to the State of Michigan the reversionary interest of the United States in approximately 1.7 acres of real property conveyed by the quitclaim deed described in subsection (b).

(b) DEED DESCRIPTION.—The deed referred to in subsection (a) is a quitclaim deed executed by the Secretary of the Navy, dated February 25, 1936, which conveyed to the State of Michigan approximately 1.7 acres of land in Berrien County, Michigan, situated in section 23, township 4 south, range 19 west.

(c) PROPERTY DESCRIPTION.—The exact acreage and legal description of the property subject to the reversionary interest to be released under this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of the survey shall be borne by the State of Michigan.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require any additional terms and conditions in connection with the release under this section that the Secretary determines appropriate to protect the interests of the United States.

(e) INSTRUMENT OF RELEASE.—The Secretary of the Navy shall execute and file in the appropriate office a deed of release, amended deed, or other appropriate instrument effecting the release of the reversionary interest under this section.

SEC. 2845. ACQUISITION OF LAND, BALDWIN COUNTY, ALABAMA.

(a) ACQUISITION OF LAND.—Subject to subsections (b) and (c), the Secretary of the Navy may acquire the fee simple interest in a parcel of real property consisting of approximately 60 acres within the runway clear zones located at Outlying Landing Field Barin, Baldwin County, Alabama.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcel of real property to be acquired under subsection (a) shall be determined by a survey that is satisfactory to the Secretary.

(c) TERMS AND CONDITIONS.—The Secretary may require any terms or conditions in connection with the acquisition under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2846. LAND CONVEYANCE, NEW BEDFORD, MASSACHUSETTS.

(a) CONVEYANCE.—Subject to subsections (b) through (d) and (f), the Secretary of the Army may convey to the City of New Bedford, Massachusetts (the "City"), all right, title, and interest of the United States in and to the following parcels of real property:

(1) A parcel consisting of approximately twelve acres, with improvements thereon, located at Clark's Point, New Bedford, Massachusetts, and comprising the New Bedford Army Reserve Center.

(2) A parcel consisting of approximately two thousand five hundred square feet, with improvements thereon and including a utility easement and right-of-way appurtenant, located on Clark's Point, New Bedford, Massachusetts.

(b) CONSIDERATION.—In consideration for the conveyance authorized in subsection (a), the City shall—

(1) accept the parcels to be conveyed under this section in their existing condition;

(2) conduct any remedial actions with respect to the parcels that are necessary (as determined by the Secretary) to prevent the release or threat of release of any oil or hazardous material identified in and described as being located on the parcels in the "Phase One Limited Site Investigation United States Army Reserve Center Fort Rodman Parcel 5 New Bedford, Massachusetts", dated May 1991, and prepared by Tibbetts Engineering Corporation;

(3) agree to indemnify the United States for all claims with respect to the parcels arising from—

(A) the failure of the City to conduct any remedial action required under clause (2); and

(B) the remedial actions conducted by the City under that clause; and

(4) pay to the United States the amount, if any, by which the fair market value of the parcels on the date of the conveyance (as determined by the Secretary) exceeds the cost of the remedial actions referred to in clause (2) (as estimated by the Secretary as of such date).

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcels of real property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(d) DISPOSITION OF PROCEEDS.—The Secretary shall deposit any amount received by the Secretary pursuant to subsection (b)(4) into the special account referred to in section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(e) ENTRY ONTO PROPERTY.—Not later than October 1, 1991, the Secretary shall permit authorized representatives of the City to enter upon the parcels of real property referred to in subsection (a) for the purpose of preparing the parcels for the construction of a waste water treatment plant.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2847. LAND CONVEYANCE, LOMPOC, CALIFORNIA.

(a) IN GENERAL.—Subject to subsections (b) through (e), the Secretary of Army may convey to the City of Lompoc, California (hereafter in this section referred to as the "City"), without consideration, all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 41 acres located at the United States Disciplinary Barracks, Lompoc, California, together with any improvements on such land.

(b) CONDITION.—The conveyance authorized by subsection (a) shall be subject to the condition that the City use the real property conveyed for—

(1) educational purposes; or

(2) the purposes provided for in section 834 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1526).

(c) REVERSION.—If the Secretary determines at any time that the City is not complying with the condition specified in subsection (b), all right, title, and interest in and to the property conveyed pursuant to subsection (a), including improvements on the property, shall revert to the United States and the United States shall have the right of immediate entry on that property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcel of property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyance under this section that the Secretary determines appropriate to protect the interests of the United States.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 3101. OPERATING EXPENSES.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1992 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $4,049,450,000, to be allocated as follows:

(A) For research and development, $1,198,600,000.

(B) For weapons testing, $465,500,000.

(C) For production and surveillance, $2,223,600,000.

(D) For program direction, $161,750,000.

(2) For defense nuclear materials production, $1,464,312,000, to be allocated as follows:

(A) For production reactor operations, $584,418,000.

(B) For processing of defense nuclear materials, including naval reactors fuel, $531,217,000.

(C) For supporting services, $305,433,000.

(D) For program direction, $43,244,000.

(3) For verification and control technology, $214,900,000.

(4) For nuclear materials safeguards and security technology development program, $88,731,000.

(5) For security investigations, $62,600,000.

(6) For Office of Security evaluations, $15,000,000.

(7) For new production reactors, $152,335,000.

(8) For naval reactors, $726,400,000, to be allocated as follows:

(A) For plant development, $99,000,000.

(B) For reactor development, $272,997,000.

(C) For reactor operation and evaluation, $214,600,000.

(D) For program direction, $16,963,000.

(E) For enriched material, operating, $122,840,000.

SEC. 3102. PLANT AND CAPITAL EQUIPMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1992 for plant and capital equipment (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project GPD–101, general plant projects, various locations, $28,800,000.

Project GPD–121, general plant projects, various locations, $34,700,000.

Project 92–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase IV, various locations, $6,600,000.

Project 92–D–122, health physics/environmental projects, Rocky Flats Plant, Golden, Colorado, $7,200,000.

Project 92–D–123, plant fire/security alarm systems replacement, Rocky Flats Plant, Golden, Colorado, $5,200,000.

Project 92–D–125, master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, Golden, Colorado, $3,500,000.

Project 92–D–126, replace emergency notification systems, various locations, $4,200,000.

Project 91–D–122, short range attack missile tactical (SRAM T) production facilities, various locations, $23,372,000.

Project 91–D–126, health physics calibration facility, Mound Plant, Miamisburg, Ohio, $4,000,000.

Project 90–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $34,100,000.

Project 90–D–124, high explosives (HE) synthesis facility, Pantex Plant, Amarillo, Texas, $12,927,000.

Project 90–D–126, environment, safety, and health improvements, various locations, $1,428,000.

Project 88–D–104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,515,000.

Project 88–D–106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $53,608,000.

Project 88–D–122, facilities capability assurance program, various locations, $47,473,000.

Project 88–D–123, security enhancements, Pantex Plant, Amarillo, Texas, $30,000,000.

Project 87–D–104, safeguards and security enhancement II, Lawrence Livermore National Laboratory, Livermore, California, $4,650,000.

Project 85–D–105, combined device assembly facility, Nevada Test Site, Nevada, $12,027,000.

Project 85–D–121, air and water pollution control facilities, Y–12 Plant, Oak Ridge, Tennessee, $3,000,000.

(2) For materials production:

Project GPD–146, general plant projects, various locations, $40,000,000.

Project 92–D–140, F and H canyon exhaust upgrades, Savannah River, South Carolina, $12,000,000.

Project 92–D–141, reactor seismic improvement, Savannah River, South Carolina, $14,200,000.

Project 92–D–142, nuclear material processing training center, Savannah River, South Carolina, $2,500,000.

Project 92–D–143, health protection instrument calibration facility, Savannah River, South Carolina, $2,000,000.

Project 92–D–150, operations support facilities, Savannah River, South Carolina, $3,000,000.

Project 92–D–151, plant maintenance and improvements, Phase I, Savannah River, South Carolina, $4,060,000.

Project 92–D–153, engineering support facility, Savannah River, South Carolina, $8,017,000.

Project 91–D–143, increase 751–A electrical substation capacity, Phase I, Savannah River, South Carolina, $2,614,000.

Project 90–D–141, Idaho chemical processing plant fire protection, Idaho National Engineering Laboratory, Idaho, $12,000,000.

Project 90–D–149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $39,000,000.

Project 90–D–150, reactor safety assurance, Phases I, II, and III, Savannah River, South Carolina, $14,530,000.

Project 90–D–151, engineering center, Savannah River, South Carolina, $105,000.

Project 89–D–140, additional separations safeguards, Savannah River, South Carolina, $28,150,000.

Project 89–D–148, improved reactor confinement system, Savannah River, South Carolina, $12,121,000.

Project 88–D–153, additional reactor safeguards, Savannah River, South Carolina, $6,528,000.

Project 86–D–149, productivity retention program, Phases I, II, III, IV, V, and VI, various locations, $36,865,000.

Project 85–D–139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $82,700,000.

(3) For verification and control technology:

Project 90–D–186, center for national security and arms control, Sandia National Laboratories, Albuquerque, New Mexico, $10,000,000.

(4) For nuclear materials safeguards and security:

Project GPD–186, general plant projects, Central Training Academy, Albuquerque, New Mexico, $2,000,000.

(5) For new production reactors:

Project 92–D–300, new production reactor capacity, various locations, $386,465,000.

Project 92–D–301, new production reactor (NPR) safety center, Los Alamos National Laboratory, New Mexico, $2,000,000.

(6) For naval reactors development:

Project GPN–101, general plant projects, various locations, $8,500,000.

Project 92–D–200, laboratories facilities upgrades, various locations, $4,900,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $15,000,000.

Project 90–N–103, advanced test reactor offgas treatment system, Idaho National Engineering Laboratory, Idaho, $2,800,000.

Project 90–N–104, facilities renovation, Knolls Atomic Power Laboratory, Niskayuna, New York, $5,000,000.

(7) For capital equipment not related to construction:

(A) For weapons activities, $263,250,000.

(B) For materials production, $92,198,000.

(C) For verification and control technology, $10,100,000.

(D) For nuclear safeguards and security, $5,269,000.

(E) For new production reactors, $11,200,000.

(F) For naval reactors development, $58,400,000.

SEC. 3103. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1992 for carrying out the environmental restoration and waste management programs necessary for national security programs as follows:

(1) For operating expenses, $3,196,142,000, to be allocated as follows:

(A) For corrective activities—environment, $27,689,000.

(B) For corrective activities—defense programs, $33,518,000.

(C) For environmental restoration, $1,082,392,000.

(D) For waste management, $1,723,796,000.

(E) For technology development, $285,778,000.

(F) For transportation management, $18,220,000.

(G) For program direction, $24,749,000.

(2) For plant projects:

Project GPD–171, general plant projects, various locations, $88,027,000.

Project 92–D–171, mixed waste receiving and storage, Los Alamos National Laboratory, Los Alamos, New Mexico, $6,640,000.

Project 92–D–172, hazardous waste treatment and processing facility, Pantex Plant, Amarillo, Texas, $2,400,000.

Project 92–D–173, NOx abatement facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $7,000,000.

Project 92–D–174, sanitary landfill, Idaho National Engineering Laboratory, Idaho, $10,000,000.

Project 92–D–176, B plant safety class ventilation upgrades, Richland, Washington, $4,400,000.

Project 92–D–177, tank 101–AZ waste retrieval system, Richland, Washington, $5,800,000.

Project 92–D–180, inter-area line upgrade, Savannah River, South Carolina, $2,100,000.

Project 92–D–181, fire and life safety improvements, Idaho National Engineering Laboratory, Idaho, $3,000,000.

Project 92–D–182, sewer system upgrade, Idaho National Engineering Laboratory, Idaho, $2,100,000.

Project 92–D–183, transportation complex, Idaho National Engineering Laboratory, Idaho, $895,000.

Project 92–D–184, Hanford infrastructure underground storage tanks, Richland, Washington, $300,000.

Project 92–D–185, road, ground, and lighting safety improvements, 300/1100 areas, Richland, Washington, $800,000.

Project 92–D–186, steam system rehabilitation, Phase II, Richland, Washington, $400,000.

Project 92–D–187, 300 area electrical distribution conversion and safety improvements, Phase II, Richland, Washington, $1,100,000.

Project 92–D–402, sanitary sewer system rehabilitation, Lawrence Livermore National Laboratory, California, $3,000,000.

Project 92–D–403, tank upgrades project, Lawrence Livermore National Laboratory, California, $3,500,000.

Project 91–D–171, waste receiving and processing facility module 1, Richland, Washington, $7,400,000.

Project 91–D–172, high-level waste tank farm replacement, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $30,000,000.

Project 91–D–173, hazardous low-level waste processing tanks, Savannah River, South Carolina, $10,100,000.

Project 91–D–175, 300 area electrical distribution, conversion and safety improvements, Phase I, Richland, Washington, $4,419,000.

Project 91–E–100, environmental and molecular sciences laboratory, Richland, Washington, $4,000,000.

Project 90–D–125, steam ash disposal facility, Y–12 Plant, Oak Ridge, Tennessee, $8,122,000.

Project 90–D–126, environment, safety, and health improvements, various locations, $7,419,000.

Project 90–D–171, laboratory ventilation and electrical system upgrade, Richland, Washington, $1,116,000.

Project 90–D–172, aging waste transfer lines, Richland, Washington, $6,000,000.

Project 90–D–173, B plant canyon crane replacement, Richland, Washington, $5,800,000.

Project 90–D–174, decontamination laundry facility, Richland, Washington, $3,700,000.

Project 90–D–175, landlord program safety compliance-I, Richland, Washington, $8,840,000.

Project 90–D–176, transuranic (TRU) waste facility, Savannah River, South Carolina, $5,500,000.

Project 90–D–177, RWMC transuranic (TRU) waste treatment and storage facility, Idaho National Engineering Laboratory, Idaho, $25,000,000.

Project 90–D–178, T&A retrieval containment building, Idaho National Engineering Laboratory, Idaho, $4,490,000.

Project 89–D–122, production waste storage facilities, Y–12 Plant, Oak Ridge, Tennessee, $9,238,000.

Project 89–D–126, environment, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio, $41,000.

Project 89–D–141, M-area waste disposal, Savannah River, South Carolina, $4,170,000.

Project 89–D–172, Hanford environmental compliance, Richland, Washington, $27,700,000.

Project 89–D–173, tank farm ventilation upgrade, Richland, Washington, $4,231,000.

Project 89–D–174, replacement high-level waste evaporator, Savannah River, South Carolina, $14,145,000.

Project 89–D–175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $4,330,000.

Project 88–D–102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,546,000.

Project 88–D–173, Hanford waste vitrification plant, Richland, Washington, $79,200,000.

Project 87–D–181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $4,697,000.

Project 86–D–103, decontamination and waste technology, Lawrence Livermore National Laboratory, California, $5,060,000.

Project 83–D–148, nonradioactive hazardous waste management, Savannah River, South Carolina, $9,100,000.

(3) For capital equipment, $121,832,000, to be allocated as follows:

(A) For corrective activities—environment, $1,249,000.

(B) For corrective activities—defense programs, $6,520,000.

(C) For waste management, $95,913,000.

(D) For technology development, $17,500,000.

(E) For transportation management, $650,000.

SEC. 3104. FUNDING LIMITATIONS.

(a) DEFENSE INERTIAL CONFINEMENT FUSION PROGRAM.—Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1992 for operating expenses pursuant to section 3101 and for plant and capital equipment pursuant to section 3102, not less than $197,000,000 shall be available for the defense inertial confinement fusion program.

(b) REIMBURSEMENT OF COSTS RELATING TO CERTAIN WATER MANAGEMENT PROGRAM ACTIVITIES.—(1) In fiscal years 1992 and 1993, the Secretary of Energy shall make available out of the funds appropriated to the Department of Energy for such fiscal years the amount specified in paragraph (2) to reimburse the cities of Westminster, Broomfield, Thornton, and Northglen, Colorado, for the costs incurred by such cities in implementing the March 22, 1991, grant program known as the "Water Management Program for Area Communities". Reimbursement under this subsection shall not be considered a major Federal action for the purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2)(A) The amount referred to in paragraph (1) for fiscal year 1992 is $70,137,000 plus the amount determined by multiplying $70,137,000 by the percentage equal to the percentage increase in the Consumer Price Index during fiscal year 1991.

(B) The amount referred to in paragraph (1) for fiscal year 1993 is the amount determined by multiplying the amount computed for fiscal year 1992 pursuant to subparagraph (A) by the percentage equal to the percentage increase in the Consumer Price Index during fiscal year 1992.

(C) For the purposes of this paragraph, the term "percentage increase in the Consumer Price Index", with respect to a fiscal year, means the percentage by which the Consumer Price Index (all items, United States city average) published by the Bureau of Labor Statistics for September of that fiscal year exceeds the Consumer Price Index (all items, United States city average) published by the Bureau of Labor Statistics for September of the preceding fiscal year.

(c) FUNDING FOR HANFORD HEALTH INFORMATION NETWORK.—Of the funds authorized to be appropriated for the Department of Energy under this title, the Secretary of Energy shall make available to the States of Washington, Oregon, and Idaho for the purpose of implementing and operating the Hanford Health Information Network in fiscal years 1992 through 1994 as follows:

(1) Fiscal year 1992, $1,554,000.

(2) Fiscal year 1993, $1,750,000.

(3) Fiscal year 1994, $1,750,000.

(d) W–79 PROJECTILE MODIFICATION.—None of the funds appropriated or otherwise made available for the Department of Energy for fiscal year 1992 may be obligated for the modification of the W–79 atomic fired artillery projectile.

SEC. 3105. GENERAL REDUCTION IN AUTHORIZATIONS.

The total amount authorized to be appropriated by this part is reduced by $76,300,000.

PART B—RECURRING GENERAL PROVISIONS

SEC. 3121. REPROGRAMMING.

(a) NOTICE TO CONGRESS.—(1) Except as otherwise provided in this title—

(A) no amount appropriated pursuant to this title may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this title; or

(ii) $10,000,000 more than the amount authorized for that program by this title; and

(B) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress.

(2) An action described in paragraph (1) may not be taken until—

(A) the Secretary of Energy has submitted to the congressional defense committees a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period, there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain.

(b) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated cost of the construction project does not exceed $2,000,000.

(b) REPORT TO CONGRESS.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3102 or 3103 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such actions necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period, there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) IN GENERAL.—Funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

(b) NUCLEAR DIRECTED ENERGY WEAPONS CONCEPTS.—The Secretary of Defense may transfer to the Secretary of Energy not more than $100,000,000 of the funds appropriated for fiscal year 1992 to the Department of Defense for research, development, test, and evaluation for the Defense Agencies for the performance of work on the Strategic Defense Initiative. Funds so transferred—

(1) may be used only for research and testing for nuclear directed energy weapons concepts, including plant and capital equipment related thereto; and

(2) shall be merged with the funds appropriated to the Department of Energy.

(c) INERTIAL CONFINEMENT FUSION PROGRAM.—The Secretary of Defense may transfer to the Secretary of Energy not more than $12,000,000 of the funds appropriated to the Department of Defense for the inertial confinement fusion program. Funds so transferred shall be merged with funds appropriated to the Department of Energy national security programs for research and development.

SEC. 3125. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary of Energy may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the congressional defense committees in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such planning and design shall be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY CONSTRUCTION, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—In addition to the funds authorized to be appropriated for advance planning and construction design under sections 3102 and 3103, the Secretary of Energy may use any other funds available to the Department of Energy in order to perform planning, design, and construction activities for any Department of Energy defense activity construction project that, as determined by the Secretary, must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

(b) LIMITATION.—(1) The Secretary may not exercise the authority under subsection (a) in the case of any construction project until—

(A) the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out with funds under such authority and the circumstances making such activities necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(2) In the computation of the 30-day period, there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects shall be available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operating expenses or for plant and capital equipment may remain available until expended.

PART C—MISCELLANEOUS

SEC. 3131. SCHOLARSHIP AND FELLOWSHIP PROGRAM FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) ESTABLISHMENT.—The Secretary of Energy, acting through the Office of Environmental Restoration and Waste Management established by section 3132(b), shall conduct a scholarship and fellowship program for the purpose of enabling individuals to qualify for employment in environmental restoration and waste management positions in the Department of Energy.

(b) AWARD OF SCHOLARSHIPS AND FELLOWSHIPS.—(1) Subject to paragraph (2), the Secretary shall award at least 20 scholarships (for undergraduate students) and 20 fellowships (for graduate students) during fiscal year 1992.

(2) The requirement to award 20 scholarships and 20 fellowships under paragraph (1) applies only to the extent there is a sufficient number of applicants qualified for such awards.

(c) ELIGIBILITY.—To be eligible to participate in the scholarship and fellowship program, an individual must—

(1) be accepted for enrollment or be currently enrolled as a full-time student at an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(2) be pursuing a program of education that leads to an appropriate higher education degree in a qualifying field of study, as determined by the Secretary of Energy;

(3) sign an agreement described in subsection (d); and

(4) meet such other requirements as the Secretary prescribes.

(d) AGREEMENT.—An agreement between the Secretary of Energy and a participant in the scholarship and fellowship program established under this section shall be in writing, shall be signed by the participant, and shall include the following provisions:

(1) The Secretary's agreement to provide the participant with educational assistance for a specified number of school years during which the participant is pursuing a program of education in a qualifying field of study. The assistance may include payment of tuition, fees, books, laboratory expenses, and a stipend.

(2) The participant's agreement (A) to accept such educational assistance, (B) to maintain enrollment and attendance in the program of education until completed, (C) while enrolled in such program, to maintain an acceptable level of academic achievement (as prescribed by the Secretary), and (D) after completion of the program of education, to serve as a full-time employee in an environmental restoration or waste management position in the Department of Energy for a period of 12 months for each school year or part thereof for which the participant is provided a scholarship or fellowship under the program established under this section.

(e) REPAYMENT.—(1) Any person participating in a scholarship or fellowship program established under this section shall be required to pay to the United States the amount determined under paragraph (2) if the person—

(A) does not complete the program of education as agreed to pursuant to subsection (d), or completes the course of education but declines to serve in a position in the Department of Energy as agreed to pursuant to such subsection; or

(B) is voluntarily separated, or involuntarily separated for cause, from the Department of Energy before the end of the period for which the person has agreed to be employed in the Department.

(2)(A) A person referred to in paragraph (1) shall pay to the United States the amount equal to an amount determined as follows:

(i) Add (I) the amounts of educational allowance paid to the person under the scholarship and fellowship program, and (II) the interest on the total of such amounts computed from the date determined by the Secretary under subparagraph (B) at the rate equal to the average yield on all contractual obligations of the United States (as determined by the Secretary of the Treasury).

(ii) Multiply the amount determined under clause (i) by 3.

(iii) Subtract from the number of months of the person's obligated period of employment (established by the agreement pursuant to subsection (d)(2)(D)) the number of months of the person's actual employment pursuant to that agreement (rounding each fraction of one month to the nearest whole number of months).

(iv) Divide the amount determined under clause (iii) by the number of months of the person's obligated period of employment (established by the agreement pursuant to subsection (d)(2)(D)).

(v) Multiply the amount determined under clause (ii) by the number determined under clause (iv).

(B) A person required to pay the United States the amount determined under subparagraph (A) shall make such payment not less than one year after the date (as determined by the Secretary) on which such person, as the case may be—

(i) terminates pursuit of the program of education described in the agreement of the person under subsection (d);

(ii) declines to serve in a position in the Department of Energy as specified in that agreement; or

(iii) is voluntarily separated, or involuntarily separated for cause, from a position in the Department before the end of the period referred to in paragraph (1)(B).

(3) If a person referred to in paragraph (1) fails to pay the United States the amount determined under paragraph (2)(A) within the time referred to in paragraph (2)(B), the Federal Government may recover that amount from the person (or the estate of the person) by any method that is provided by law for the recovery of amounts owing to the Federal Government.

(4) The Secretary may waive in whole or in part a required repayment under this subsection if the Secretary determines the recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

(5) A discharge in bankruptcy under title 11, United States Code, that is entered less than five years after the date applicable in the case of such person under paragraph (2)(B) does not discharge the person from a debt arising under this subsection. This paragraph applies to any case commenced after the date of the enactment of this Act.

(f) PREFERENCE FOR COOPERATIVE EDUCATION STUDENTS.—In evaluating applicants for award of scholarships and fellowships under the program, the Secretary of Energy may give a preference to an individual who is entitled to or accepted for enrollment in an educational institution that has a cooperative education program with the Department of Energy.

(g) REPORT TO CONGRESS.—Not later than January 1, 1993, the Secretary of Energy shall submit to Congress a report on activities undertaken under the program and recommendations for future activities under the program.

(h) COORDINATION OF BENEFITS.—A scholarship or fellowship awarded under this section shall be taken into account in determining the eligibility of the student for Federal student financial assistance provided under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

(i) FUNDING.—Of the funds appropriated for environmental restoration and waste management pursuant to the authorization in section 3103, $1,000,000 may be used for carrying out this section.

SEC. 3132. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT PROGRAM.

(a) DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT PROGRAM.—The Secretary of Energy shall carry out a program to be known as the "Defense Environmental Restoration and Waste Management Program" (hereafter in this section referred to as the "Program"). Under the Program, the Secretary shall carry out environmental restoration activities and waste management activities (including technology research and development and technology demonstration activities) at Department of Energy defense nuclear facilities. The Secretary shall carry out the Program in accordance with this section.

(b) OFFICE OF ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.—There is established in the Department of Energy an office to be known as the "Office of Environmental Restoration and Waste Management" (hereafter in this section referred to as the "Office"). The Secretary shall carry out the Program through the Office.

(c) ANNUAL 5-YEAR PLAN FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.—(1) Not later than June 1 of each year, the Secretary of Energy shall issue a five-year plan for the environmental restoration and waste management activities to be conducted at the Department of Energy defense nuclear facilities under the Program.

(2) The annual five-year plan shall cover the five-year period beginning on October 1 of the year of issuance.

(3) The Secretary shall submit the annual five-year plan to the President and Congress, publish a notice of the issuance of the plan in the Federal Register, and make the plan available to the public.

(4) The annual five-year plan shall contain the following matters:

(A) A description of the actions necessary to maintain or achieve compliance with Federal, State, and local environmental laws.

(B) A proposed order of priority for taking such actions.

(C) The estimated costs of taking such actions.

(D) A description of the corrective actions, environmental restoration activities, and waste management activities and technologies that are necessary in order to continue to operate the Department of Energy defense nuclear facilities or to decontaminate and decommission the facilities, as the case may be.

(E) A proposed program of research and development activities for the expeditious and efficient environmental restoration of such facilities.

(F) A description of the actions to be taken at each Department of Energy defense nuclear facility in order to implement the environmental restoration activities, waste management activities, and additional corrective actions planned for all such facilities.

(G) A description of the respects in which the plan differs from the preliminary form of that plan issued pursuant to paragraph (5), together with the reasons for any differences.

(H) A discussion of the implementation of the preceding annual five-year plan.

(5) The Secretary shall prepare each annual five-year plan in a preliminary form not later than three months before the date on which that plan is required to be issued under paragraph (1). The preliminary plan shall include the matters referred to in paragraph (4). The Secretary shall provide the preliminary plan to affected States and affected Indian tribes for coordination, review, and comment.

(6) The Secretary shall consult with the Administrator of the Environmental Protection Agency and appropriate representatives of affected States and of affected Indian tribes in the preparation of the plans pursuant to paragraphs (1) and (5).

(7) The Secretary shall include in the annual five-year plan issued in 1992 a discussion of the feasibility and need, if any, for the establishment of a contingency fund in the Department of Energy to provide funds necessary to meet new requirements in environmental laws, and to undertake additional environmental restoration activities at Department of Energy defense nuclear facilities, that are not provided for in the budgets for fiscal years in which it is necessary to meet such requirements or undertake such activities.

(8) The first annual five-year plan shall be issued in 1992.

(d) TREATMENT OF PLANS UNDER NEPA.—The development and adoption of any part of any final plan (including any preliminary form of any such plan) under subsection (c) shall not be considered a major Federal action for the purposes of subparagraphs (C), (E), or (F) of section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

(e) ESTABLISHMENT OF DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT ACCOUNT.—(1) There is hereby established in the Treasury of the United States for the Department of Energy an account to be known as the "Defense Environmental Restoration and Waste Management Account" (hereafter in this subsection referred to as the "Account").

(2) All sums appropriated for the Department of Energy and available to carry out the Program shall be credited to the Account. Appropriations for the Program shall be authorized annually by law. To the extent provided in appropriations Acts, amounts in the Account shall remain available until expended.

(f) BUDGET REPORTS.—With each budget submitted to Congress pursuant to section 1105 of title 31, United States Code, the President shall submit a report containing the following matters:

(1) The amounts proposed in the budget for activities under the Program for such fiscal year.

(2) A summary of the proposed activities of the Department of Energy under the Program for such fiscal year.

(3) A description of the manner, if any, in which such activities differ from the activities of the Department of Energy identified in the annual five-year plan issued pursuant to subsection (c)(1) during the year before the year in which the budget is submitted to Congress, together with the reasons for such differences.

(4) A description of the funding and personnel levels necessary for the Department to carry out fully the activities referred to in paragraph (2) for all Department of Energy defense nuclear facilities and for each such facility.

(5) A discussion of the extent, if any, to which such funding and personnel levels differ from the funding and personnel levels identified in the annual five-year plan referred to in paragraph (3), together with the reasons for such differences.

(g) GRANTS TO AFFECTED STATES AND AFFECTED INDIAN TRIBES.—The Secretary may make grants to, and enter into cooperative agreements with, affected States and affected Indian tribes to assist the participation of such States and tribes in the development of the annual five-year plan (including the preliminary form of such plan) under subsection (c).

(h) DEFINITIONS.—For the purposes of this section:

(1) The term "Department of Energy defense nuclear facility" has the meaning given such term in section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g).

(2) The term "affected State" means—

(A) a State in which a Department of Energy defense nuclear facility is located; and

(B) a State that is contiguous with a State referred to in subparagraph (A).

(3) The term "affected Indian tribe" means an Indian tribe, as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), that is located in an affected State.

SEC. 3133. PRIVATE SECTOR PARTICIPATION IN WASTE CLEANUP AND MODERNIZATION ACTIVITIES.

(a) CONTRACT AUTHORITY.—(1) Notwithstanding any other provision of law, the Secretary of Energy may enter into a long-term contract for the procurement of products and services described in paragraph (2) from a facility referred to in paragraph (3).

(2) The products and services referred to in paragraph (1) are products and services that are determined by the Secretary to be necessary to support waste cleanup and modernization activities at Department of Energy facilities. Such products and services include the following services and related products:

(A) Waste treatment, storage, and disposal.

(B) Technical services.

(C) Energy production.

(D) Utility services.

(E) Effluent treatment.

(F) General storage.

(G) Fabrication and maintenance.

(H) Research and testing.

(3) A facility referred to in paragraph (1) is a facility that—

(A) is designed, constructed, and operated, at no expense to the Federal Government, by the contractor from which the Secretary procures the products and services referred to in paragraph (2);

(B) is owned by the contractor; and

(C) is located at or near a Department of Energy atomic energy facility, or Department of Energy nuclear or hazardous waste facility, that uses such products and services.

(b) CONTRACT PROVISIONS.—(1) The Secretary of Energy may enter into a contract under subsection (a)(1) for a period of not more than 30 years. The contract may include options for two 10-year extensions of the contract.

(2) A contract for the procurement of products and services referred to in subsection (a) shall—

(A) provide that, upon the termination of the contract at the end of a contract period, the Department of Energy may (at the discretion of the Secretary)—

(i) assume ownership of the facility; or

(ii) if the facility is located on Federal Government land, require the owner of the facility to decommission the facility;

(B) require that the contractor comply with all laws that would apply to the Department of Energy if the Department carried out the activities carried out by the contractor under the contract, including laws relating to the environment and to public health and safety;

(C) include, when applicable, an agreement of indemnification pursuant to—

(i) section 170(d) of the Atomic Energy Act of 1954 (42 U.S.C. 2210);

(ii) section 119(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619(c)); or

(iii) any similar Federal law that applies to the contract, as determined by the Secretary;

(D) require that, in carrying out activities under the contract, the contractor comply with any labor agreements applicable in the case of the contractor's workforce at the facility;

(E) permit the contractor (in accordance with Federal law) to use for commercial purposes any technology developed by the contractor in the performance of the contract;

(F) include a clear statement of any requirement of the Department of Energy that applies (as determined by the Secretary) to the contract, including any requirement related to the environment, public health or safety, and the provision and quality of services;

(G) provide that the Secretary of Energy may terminate the contract and take title to the contractor's facility if the contractor (as determined by the Secretary)—

(i) engages in unsafe or unsound practices at the facility;

(ii) consistently violates any term of the contract; or

(iii) becomes bankrupt;

(H) include a provision stating that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that procurement in advance of the obligation of funds for that fiscal year for that procurement; and

(I) include such other terms and conditions as the Secretary of Energy determines necessary or desirable to protect the interests of the United States.

(3) In awarding contracts under subsection (a), the Secretary of Energy, to the extent appropriate and practicable, shall—

(A) use competitive procedures;

(B) encourage the development of new and innovative technologies; and

(C) enter into contracts with diverse contractors.

(4)(A) Upon the termination of any contract entered into under this section, the Secretary of Energy may pay the unamortized balance of the cost of any special facility acquired or constructed by the contractor in connection with that contract if such acquisition or construction constitutes a significant portion of the investment by the contractor under the contract. The Secretary may pay such balance and any other costs assumed by the Secretary as a result of the termination out of any appropriations that are available to the Department of Energy for operating expenses for the fiscal year of the termination or for any fiscal year after such fiscal year.

(B) For the purposes of subparagraph (A), the term "special facility" means land or depreciable buildings, structures, utilities, machinery, equipment, or materials that are not made available to the contractor by the Department of Energy.

(5)(A) Notwithstanding any other provision of law, the Secretary of Energy may lease Federal Government land at a Department of Energy facility to a contractor in order to provide for or to facilitate the construction of a facility in connection with a contract under subsection (a).

(B) The period of a lease under this paragraph shall be for the lesser of—

(i) the expected useful life of the contractor's facility, as determined by the Secretary; or

(ii) the period of the contract.

(C) A lease under this paragraph shall provide for the contractor to pay rent in amounts determined by the Secretary to be in the best interests of the United States and shall include such additional terms and conditions as the Secretary considers appropriate in the interests of the United States.

(c) JUSTIFICATIONS AND ANALYSES OF CONTRACTS.—The Secretary of Energy may not enter into a contract under subsection (a) until—

(1) the Secretary submits to Congress—

(A) a justification of the need of the Department of Energy for the products or services to be procured under the contract; and

(B) an analysis (including a life-cycle costs analysis) that demonstrates that the procurement of the products and services under a contract entered into in accordance with this section is more beneficial to the United States than the procurement of such products and services under procedures that the Secretary of Energy would otherwise be required to use for the procurement of such products and services; and

(2) the expiration of the 21-day period beginning with the date on which the justification and analysis are received by Congress.

(d) DURATION OF AUTHORITY.—The authority to enter into a contract under subsection (a) shall terminate on September 30, 1996.

(e) REPORT.—Not later than January 1, 1996, the Secretary of Energy shall submit to Congress a report analyzing the benefits of any contracts entered into under subsection (a) and making any recommendation for an extension of the authority to enter into such contracts after September 30, 1996, that the Secretary considers appropriate.

(f) LIMITATION.—Funds appropriated pursuant to this or any other Act enacted after the date of enactment of this Act may be obligated for a contract under this section only—

(1) to the extent or in such amounts as are provided for such contracts in advance in an appropriation Act, and

(2) if such contract contains the following provisions:

(A) a statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that contract;

(B) a commitment to obligate the necessary amount for each fiscal year covered by the contract when and to the extent that funds are appropriated for such contract for such fiscal year; and

(C) a statement that such a commitment given under the authority of this section does not constitute an obligation of the United States.

SEC. 3134. REVISION OF WAIVER OF POST-EMPLOYMENT RESTRICTIONS APPLICABLE TO EMPLOYEES OF CERTAIN NATIONAL LABORATORIES.

(a) REVISION.—Subparagraph (B) of section 207(k)(1) of title 18, United States Code, is amended—

(1) by inserting "(i)" after "(B)"; and

(2) by adding at the end the following new clause:

"(ii) Notwithstanding clause (i), a waiver granted under this paragraph to any person who was an officer or employee of Lawrence Livermore National Laboratory, Los Alamos National Laboratory, or Sandia National Laboratory immediately before the person's Federal Government employment began shall apply to that person's employment by any such national laboratory after the person's employment by the Federal Government is terminated.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to persons granted waivers under section 207(k)(1) of title 18, United States Code, on or after that date.

SEC. 3135. RESUMPTION OF PLUTONIUM OPERATIONS AT ROCKY FLATS NUCLEAR WEAPONS PLANT.

(a) RESUMPTION OF PLUTONIUM OPERATIONS.—The Secretary of Energy may not resume plutonium operations at the Rocky Flats Nuclear Weapons Plant, Golden, Colorado, until the Defense Nuclear Facilities Safety Board determines, to the satisfaction of the Board, that the Secretary has responded to the Board's recommendations numbered 90-2, 90-5, and 91-1 relating to the Rocky Flats plant.

(b) RESUMPTION OF WARHEAD PRODUCTION OPERATIONS.—(1) The production of warheads of any particular type may not be resumed at any plutonium operations building, other than building 559, at the Rocky Flats Nuclear Weapons Plant until—

(A) the expiration of the 30-day period beginning on the date of the submission of the report on the production of warheads of that type required by paragraph (2); and

(B) the Secretary of Defense and the Secretary of Energy submit the certification regarding such warhead required by paragraph (3).

(2)(A) The Defense Science Board and the Nuclear Weapons Council shall submit to the Committees on Armed Services of the Senate and House of Representatives a joint report on each type of warhead proposed to be produced at the Rocky Flats plant. The report shall contain the following information:

(i) Whether the reuse of existing plutonium pits in the production of that type of warhead is feasible.

(ii) If such reuse is feasible, the approximate date on which it is feasible to begin the production of warheads of that type using such pits.

(iii) What modifications (if any) to the warhead, the weapon system for the warhead, or production facilities are necessary to permit the reuse of plutonium pits for the production of warheads of that type, and where (in the case of the warhead or the weapon system) such modifications would be made.

(iv) Whether the performance of the warheads would be diminished by reason of the reuse of such pits for the production of those warheads.

(B) The Defense Science Board and the Nuclear Weapons Council shall submit a joint report under this subsection with respect to warhead type W-88 not later than January 1, 1992.

(3) For each type of warhead to which the limitation in paragraph (1) applies, the Secretary of Defense and the Secretary of Energy shall certify to the committees of Congress referred to in paragraph (2) that the production of that type of warhead is necessary in the interest of the national security of the United States.

(4) Each report submitted pursuant to paragraph (1) shall be submitted in an unclassified form. Classified information may be submitted in a classified appendix.

SEC. 3136. WORKER PROTECTION AT NUCLEAR WEAPONS FACILITIES.

(a) TRAINING GRANT PROGRAM.—(1) The Secretary of Energy may award grants to organizations referred to in paragraph (2) in order for such organizations—

(A) to provide training and education to persons who are or may be engaged in hazardous substance response or emergency response at Department of Energy nuclear weapons facilities; and

(B) to develop curricula for such training and education.

(2)(A) Subject to subparagraph (B), the Secretary may award grants under paragraph (1) to non-profit organizations that have demonstrated (as determined by the Secretary) significant capabilities in—

(i) implementing and conducting training and education programs relating to the general health and safety of workers;

(ii) identifying groups of workers whose duties include hazardous substance response or emergency response; and

(iii) conducting effective training programs for such workers.

(B) The Secretary shall give preference in the award of grants to employee training organizations and joint labor-management training programs that are grant recipients under section 126(g) of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. 9660a).

(3) An organization shall carry out training, education, or curricula development in accordance with paragraph (1) pursuant to Department of Energy orders relating to employee safety training, including orders numbered 5480.4 and 5480.11.

(b) ENFORCEMENT OF EMPLOYEE SAFETY STANDARDS.—(1) Subject to paragraph (2), the Secretary may assess civil penalties against any contractor of the Department of Energy who (as determined by the Secretary)—

(A) employs individuals who are engaged in hazardous substance response or emergency response at Department of Energy nuclear weapons facilities; and

(B) fails (i) to provide for the training of such individuals to carry out such hazardous substance response, or (ii) to certify to the Department of Energy that such employees are adequately trained for such response pursuant to orders issued by the Department of Energy relating to employee safety training (including orders numbered 5480.4 and 5480.11).

(2) Civil penalties assessed under this subsection may not exceed $5,000 for each day in which a failure referred to in paragraph (1)(B) occurs.

(c) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.

(d) DEFINITIONS.—For the purposes of this section:

(1) The term "hazardous substance" includes radioactive waste and mixed radioactive and hazardous waste.

(2) The term "Department of Energy nuclear weapons facility" means a facility referred to in section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g).

(e) FUNDING.—Of the funds authorized to be appropriated pursuant to section 3103 for fiscal year 1992, $10,000,000 shall be available for the purpose of carrying out this section.

SEC. 3137. DEPARTMENT OF ENERGY CRITICAL TECHNOLOGY PARTNERSHIPS.

(a) ESTABLISHMENT OF PARTNERSHIPS.—(1) The Secretary of Energy shall enter into cooperative arrangements with entities referred to in subsection (b) in order to encourage and provide for the conduct of research and development of dual-use critical technologies selected by the Secretary. Each such arrangement shall be known as a "Department of Energy Critical Technology Partnership".

(2) The Secretary shall enter into as many Partnerships as the Secretary determines necessary in order to ensure the conduct of a significant level of research and development on the critical technologies referred to in paragraph (1).

(b) PARTNERSHIP PARTICIPANTS.—Each Partnership shall be composed of participants from two or more eligible firms and one or more laboratories of the Department of Energy, and may include institutions of higher education in the United States, other departments and agencies of the Federal Government, agencies of State governments, and any other participants that the Secretary considers appropriate.

(c) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (h) of section 2523 of title 10, United States Code (as added by section 801 of this Act), in the case of the dual-use critical technologies partnerships program provided for in that section.

(d) DEFINITION.—In this section, the term "dual-use critical technology" has the meaning given such term in section 2521 of title 10, United States Code (as added by section 801 of this Act).

SEC. 3138. DEPARTMENT OF ENERGY ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.

(a) ESTABLISHMENT OF PARTNERSHIPS.—The Secretary of Energy may enter into cooperative arrangements with entities referred to in subsection (b) in order to encourage and provide for the research, development, and utilization of advanced manufacturing technologies potentially having a broad range of applications. Each such arrangement shall be known as a "Department of Energy Advanced Manufacturing Technology Partnership".

(b) PARTNERSHIP PARTICIPANTS.—Each Partnership shall be composed of participants from two or more eligible firms and one or more laboratories of the Department of Energy, and may include other Federal laboratories, institutions of higher education in the United States, State entities, and any other participants that the Secretary of Energy considers appropriate.

(c) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (g) of section 2523 of title 10, United States Code (as added by section 801 of this Act), in the case of the dual-use critical technologies partnerships program provided for in that section, and under subsection (c) of section 2518 of such title (as added by section 803 of this Act) in the case of the establishment of advanced manufacturing partnerships under that section.

SEC. 3139. DEPARTMENT OF ENERGY ADVANCED MATERIALS PROCESSING, SYNTHESIS, AND COMMERCIALIZATION PARTNERSHIPS.

(a) REQUIREMENT TO ESTABLISH PARTNERSHIPS.—Not later than one year after the date of the enactment of this Act, the Secretary of Energy shall establish two or more Advanced Materials Processing, Synthesis, and Commercialization Partnerships in order to facilitate the development and commercialization of advanced materials processing, synthesis, and technology in the United States.

(b) PARTNERSHIP PARTICIPANTS.—Each Partnership shall be comprised of one or more Department of Energy laboratories and participants from among United States firms

cation in the United States, and may include other Federal laboratories, State entities, and other appropriate organizations in the United States.

(c) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (h) of section 2523 of title 10, United States Code (as added by section 801 of this Act), in the case of the dual-use critical technologies partnerships program provided for in that section.

PART D—NATIONAL ATOMIC MUSEUM ACT

SEC. 3141. SHORT TITLE.

This part may be cited as the "National Atomic Museum Act of 1991".

SEC. 3142. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there is a need to ensure the preservation of the National Atomic Museum, which contains and should continue to acquire items, materials, and memorabilia of singular value and great historical significance relating to nuclear science, atomic energy, and atomic weapons marking major events and milestones of American and world history;

(2) the facility comprising the museum needs to be improved and authorities and resources provided to enable proper operation and maintenance of the facility for the indefinite future so that the museum can continue to function—

(A) as a repository of information, materials, and artifacts which serves as a major attraction for large and growing numbers of visitors from all over the world;

(B) as an educational resource for the public, students, and scholars in the field of nuclear science; and

(C) in a manner and setting appropriate to the importance and historical significance of its collection;

(3)(A) there is a need to clarify and supplement the authority of the Secretary of Energy under section 652 of the Department of Energy Organization Act (42 U.S.C. 7262) regarding gifts so that there is no doubt that gifts and donations of funds earmarked for the museum (and otherwise acceptable) may be used by the museum;

(B) under section 652 of that Act the Secretary of Energy is empowered to ". . . accept, hold, administer, and utilize gifts, bequests, and devises of real and personal property for the purpose of facilitating or aiding the work of the Department" and ". . . (the gifts, etc.) shall be used as nearly as possible in accordance with the terms of the gift, bequest or devise.";

(C) the language quoted in subparagraph (B) leaves doubt concerning whether the museum can be considered the "work of the Department" and thus may properly receive and use gifts given to the Secretary even though donors intended that such gifts be used by the museum;

(D) consequently, there is need for clear statutory authority to enable gifts and donations intended for the museum to be sent to and retained and used by the museum; and

(E) the treatment of such gifts should be made as simple as possible so as to encourage donation of gifts or funds directly from individuals or via institutions and foundations; and

(4) there is a need to provide a statutory basis to authorize and encourage the use of volunteer personal services in support of the museum, it being apparent that such activities also have the potential to enhance public

(b) PURPOSES.—The purposes of this part are to—

(1) recognize the National Atomic Museum as this Nation's atomic museum and ensure its preservation;

(2) provide for capital improvements to the National Atomic Museum and ensure adequate resources for the operation and maintenance of the museum; and

(3) provide for such other authorities and powers as are appropriate to the management and operation of the museum including the selling of appropriate mementos and other materials to members of the public to help support the museum.

SEC. 3143. RECOGNITION AND STATUS.

The museum known as the National Atomic Museum operated under the aegis of the Department of Energy and currently located at Building 20358 on Wyoming Avenue South near the corner of M street within the confines of the Kirtland Air Force Base (East), Albuquerque, New Mexico (referred to as the "museum"), is recognized as the official atomic museum of the United States with the sole right throughout the United States and its possessions to have and use the name "National Atomic Museum".

SEC. 3144. MISSION.

The mission of the National Atomic Museum has been and shall continue to be to provide for the benefit and education of the public a freely available central repository of information and items reflecting the Atomic Age throughout the collection, preservation, exhibition, interpretation, display, and making available to the public of unclassified or declassified data, materials, artifacts, models, replicas, and other items pertaining to nuclear science, with special emphasis on the history of nuclear weapons and other areas of research, development, and production conducted by laboratories and facilities of the Department of Energy and its predecessor agencies.

SEC. 3145. AUTHORITIES AND RESPONSIBILITIES.

(a) IN GENERAL.—The museum shall continue to be located at its present site at the Kirtland Air Force Base, Albuquerque, New Mexico, and shall continue to be managed, operated, and supported by the Department of Energy through the Manager, Albuquerque Operations Office.

(b) VOLUNTEERS.—The following provisions govern the use of volunteers:

(1) The Department of Energy may recruit, train, and accept the services of individuals without compensation as volunteers for or in aid of interpretive functions of other services or activities of and related to the museum.

(2) The Department of Energy may provide for volunteers incidental expenses such as nominal awards, uniforms, and transportation.

(3) Except as otherwise provided in this subsection, a volunteer who is not otherwise employed by the Federal Government is not subject to laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, because of service as a volunteer under this subsection.

(4) For the purposes of chapter 171 of title 28 of the United States Code relating to tort claims, a volunteer under this subsection is considered a Federal employee.

(5) For the purposes of subchapter I of chapter 81 of title 5 of the United States Code, relating to compensation for work-related injuries, a volunteer under this subsection is considered an employee of the United States.

(c) ACTIVITIES.—Subject to such approvals or guidelines as are required by the Secretary of Energy, the museum may—

(1) accept and use donations of money or gifts on behalf of the Secretary of Energy pursuant to section 652 of the Department of Energy Organization Act (42 U.S.C. 7262) where such gifts or money are designated in a written document signed by the donor as intended for the museum and such donations or gifts are deemed by the museum to be suitable and beneficial for use by the museum;

(2) operate a retail outlet on the premises of the museum for the purpose of selling or distributing mementos, replicas of memorabilia, literature, materials, and other items of an informative, educational, and tasteful nature relevant to the contents of the museum, all of the net proceeds of which shall be applied to authorized activities of the museum;

(3) exhibit, perform, display, and publish information and materials concerning museum mementos, items, memorabilia, and replicas thereof in any media or place anywhere in the world, at reasonable fees or charges where feasible and appropriate, to substantially cover costs, all net proceeds of which shall be applied to authorized activities of the museum;

(4) establish in association with the museum 1 or more standing or ad hoc boards or committees of knowledgeable citizens of the United States to provide studies, consultation, advice, and assistance for the museum and the Department of Energy regarding—

(A) facility improvement, operation, and maintenance;

(B) possible changes in the location, size, mission, nature, or site of the museum;

(C) assistance and coordination regarding obtaining of donations and volunteer services; and

(D) other activities of concern to the museum; and

(5) conduct any other activity reasonably pertinent to the normal and customary activities of museums, including—

(A) operation of a library;

(B) acquisition at reasonable cost of materials, memorabilia, and other items relevant to the nature of the museum;

(C) storage and preservation of museum materials and items in appropriate facilities; and

(D) preparation and distribution of literature advertising or providing information about the museum.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

SEC. 3201. AUTHORIZATION.

Funds are authorized to be appropriated for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.) as follows:

(1) For fiscal year 1992, **$12,000,000.**

(2) For fiscal year 1993, **$14,000,000.**

SEC. 3202. POWERS AND FUNCTIONS OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD.

(a) POWERS.—(1) Subsection (b)(1)(A) of section 313 of the Atomic Energy Act of 1954 (42 U.S.C. 2286b) is amended by striking out "100" and inserting in lieu thereof "150".

(2) Subsection (g) of such section is amended by striking out "The Board" and inserting in lieu thereof "Notwithstanding any other provision of law relating to the use of competitive procedures, the Board".

(b) EXPANSION AND CLARIFICATION OF AUTHORITY RELATING TO ATOMIC WEAPONS.—(1)

Section 318(1)(B) of such Act (42 U.S.C. 2286g(1)(B)) is amended by striking out "with the assembly or testing of nuclear explosives or with".

(2) Section 312 of such Act (42 U.S.C. 2286a) is amended—

(A) by inserting "(a) IN GENERAL.—" before "The Board shall perform"; and

(B) by adding at the end the following new subsection:

"(b) EXCLUDED FUNCTIONS.—The functions of the Board under this chapter do not include functions relating to the safety of atomic weapons. However, the Board shall have access to any information on atomic weapons that is within the Department of Energy and, as determined by the Board, is necessary to carry out the functions of the Board.".

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

PART A—CHANGES IN STOCKPILE AMOUNTS

SEC. 3301. AUTHORIZED DISPOSALS.

(a) AUTHORITY.—The National Defense Stockpile Manager may dispose of materials in the National Defense Stockpile in accordance with this section. Such disposal may be made only as specified in subsection (b).

(b) MATERIALS AUTHORIZED TO BE DISPOSED.—Any disposal under subsection (a) shall be made from quantities of materials in the National Defense Stockpile previously authorized for disposal by law or, in the case of materials in the National Defense Stockpile that have been determined to be excess to the current requirements of the stockpile, in accordance with the following table:

Material	Unit	Quantities
Bismuth	LB	500,000
Diamond, industrial, crushing bort	KT	10,000,000
Fluorspar, metallurgical grade	ST	20,000
Graphite, Malagasy	ST	3,635
Manganese, battery grade	SDT	25,000
Manganese, chemical grade	SDT	173,000
Mercury	FL	15,000
Mica, muscovite block	LB	2,700,000
Mica, muscovite splittings	LB	1,100,000
Tin	MT	15,000

(c) ADDITIONAL AUTHORITY.—The disposal authority provided in subsection (a) is in addition to any other disposal authority provided by law.

SEC. 3302. AUTHORIZATION OF ACQUISITIONS.

(a) ACQUISITIONS.—During fiscal year 1992, the National Defense Stockpile Manager may obligate $133,700,000 out of funds of the National Defense Stockpile Transaction Fund (subject to such limitations as may be provided in appropriations Acts) for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)).

(b) RESEARCH AND DEVELOPMENT PROGRAMS.—Of the amount specified in subsection (a), $25,000,000 may be obligated for materials development and research under section 9(b)(2)(G) of such Act (as added by section 3311(b)).

PART B—PROGRAMMATIC CHANGES

SEC. 3311. MATERIALS RESEARCH AND DEVELOPMENT.

(a) CLARIFICATION OF AUTHORITY.—Subsection (d) of section 8 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98g) is amended to read as follows:

"(d) The President shall encourage the conservation of strategic and critical materials by making grants or awarding contracts for research regarding the development of—

"(1) full or partial substitutes for such materials, including the development of advanced materials for which there are possible electronic, aeropropulsion, air frame, munitions, combat vehicle, maritime, or other applications relating to military weapon systems or equipment; or

"(2) more efficient methods of production or use of strategic and critical materials or of substitutes for such materials.".

(b) AVAILABILITY OF NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.—Section 9(b)(2) of such Act (50 U.S.C. 98h(b)(2)) is amended by adding at the end the following new subparagraph:

"(G) Materials development and research (including investigations) provided for under section 8.".

(c) MATTERS TO BE DISCUSSED IN ANNUAL MATERIALS PLAN.—Section 11(b) of such Act (50 U.S.C. 98h-2(b)) is amended—

(1) by designating the first, second, and third sentences as paragraphs (1), (2), and (3), respectively; and

(2) by adding at the end of paragraph (2), as so designated, the following: "Each such report shall also contain the details of the materials research and development projects (including investigations) to be conducted pursuant to section 8 during the fiscal years covered by the report, including, with respect to each such project, the amount projected to be expended from the Fund, the material or materials for which a substitute material is intended to be developed, the potential military or industrial applications for each such substitute material, and the research and development methodologies to be used.".

SEC. 3312. PROCEDURES FOR CHANGING OBJECTIVES FOR STOCKPILE QUANTITIES ESTABLISHED AS OF THE END OF FY87.

Section 3(c) of the Strategic and Critical Materials Stockpiling Act (50 U.S.C. 98b(c)) is amended—

(1) by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following new paragraph (2):

"(2) The President shall notify Congress in writing of any change proposed to be made in a quantity referred to in paragraph (1). The President may make the change effective on or after the 30th day following the date of the notification. The President shall include a full explanation and justification for the change in the next annual materials plan submitted to Congress under section 11(b) after the date of the notification."; and

(2) by redesignating paragraph (5) as paragraph (3).

SEC. 3313. AUTHORITY FOR STOCKPILE OPERATIONS.

(a) WAITING PERIOD FOR PROPOSED SIGNIFICANT STOCKPILE TRANSACTION CHANGES.—Subsection (a)(2) of section 5 of the Strategic and Critical Materials Stockpiling Act (50 U.S.C. 98d) is amended by striking out the second sentence.

(b) ELIMINATION OF DISPOSAL RESTRICTION RELATING TO NATIONAL DEFENSE STOCKPILE TRANSACTION FUND BALANCE.—Subsection (b) of such section is amended—

(1) by striking out "(1)"; and

(2) by striking out "law," and all that follows and inserting in lieu thereof "law.".

(c) PERIOD OF AVAILABILITY OF CERTAIN NATIONAL DEFENSE STOCKPILE TRANSACTION FUND APPROPRIATIONS.—Subsection (c) of such section is amended by striking out "for a period of two fiscal years" in the last sentence and inserting in lieu thereof "until expended".

SEC. 3314. ROTATION OF STOCKPILE MATERIALS.

(a) PREVENTION OF TECHNOLOGICAL OBSOLESCENCE.—Subsection (a)(4) of section 6 of the Strategic and Critical Materials Stockpiling Act (50 U.S.C. 98e) is amended by inserting "or technological obsolescence" after "deterioration".

(b) ROTATION FOR BETTER MATERIALS.—Subsection (a)(4) of such section is further amended by inserting "or better" after "same".

SEC. 3315. AUTHORIZED PURPOSES FOR EXPENDITURES FROM THE NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) MAINTENANCE AND DISPOSAL OF MATERIALS.—Subparagraph (A) of section 9(b)(2) of the Strategic and Critical Materials Stockpiling Act (50 U.S.C. 98h(b)(2)) is amended—

(1) by inserting ", maintenance, and disposal" after "acquisition"; and

(2) by striking out "section 6(a)(1)" and inserting in lieu thereof "section 6(a)".

(b) EXPENSES INCIDENTAL TO ANY STOCKPILE TRANSACTION.—Subparagraph (B) of such section is amended by striking out "such acquisition" and inserting in lieu thereof "any stockpile transaction".

SEC. 3316. INCREASED INTERVALS BETWEEN REPORTS TO CONGRESS.

(a) REPORT ON STOCKPILE OPERATIONS.—Section 11(a) of the Strategic and Critical Materials Stockpiling Act (50 U.S.C. 98h-2(a)) is amended—

(1) in the first sentence, by striking out "every six months" and inserting in lieu thereof "at the end of each fiscal year";

(2) in paragraph (1), by striking out "the preceding 6-month period" and inserting in lieu thereof "such fiscal year"; and

(3) in paragraph (2), by striking out "period" and inserting in lieu thereof "fiscal year".

(b) REPORT ON STOCKPILE REQUIREMENTS.—Section 14 of such Act (50 U.S.C. 98h-5) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking out "annual" and inserting in lieu thereof "biennial"; and

(B) in the second sentence, by striking out "the annual" and inserting in lieu thereof "an annual"; and

(2) in the section heading, by striking out "ANNUAL" and inserting in lieu thereof "BIENNIAL".

SEC. 3317. CONTINUATION OF DISPOSAL AUTHORITY DURING PERIODS OF VACANCY IN THE POSITION OF STOCKPILE MANAGER OR DEFICIENCY IN DELEGATION OF AUTHORITY TO THE STOCKPILE MANAGER.

Section 16 of the Strategic and Critical Materials Stockpiling Act (50 U.S.C. 98h-7) is amended by striking out subsection (d).

TITLE XXXIV—CIVIL DEFENSE

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.), as follows:

(1) For fiscal year 1992, $143,625,000.

(2) For fiscal year 1993, $137,728,000.

TITLE XXXV—PANAMA CANAL COMMISSION

SEC. 3501. SHORT TITLE.

This title may be cited as the "Panama Canal Commission Authorization Act for Fiscal Year 1992".

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments, without regard to fiscal year limitations, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, and improvement of the Panama Canal for fiscal year 1992.

(b) Limitation on Reception and Representation Expenses.—Of amounts available to the Panama Canal Commission for fiscal year 1992, not more than $52,000 may be used for official reception and representation expenses, of which—

(1) not more than $12,000 may be used for expenses of the Supervisory Board of the Commission;

(2) not more than $6,000 may be used for expenses of the Secretary of the Commission; and

(3) not more than $34,000 for fiscal year 1992 may be used for expenses of the Administrator of the Commission.

(c) Purchase of Passenger Motor Vehicles.—Funds available to the Panama Canal Commission for fiscal year 1992 may be used for the purchase of passenger motor vehicles (including large heavy-duty vehicles) used to transport personnel of the Commission across the Isthmus of Panama. Such vehicles may be purchased without regard to price limitations prescribed by law or regulation.

SEC. 3503. GENERAL PROVISIONS.

(a) Pay Increases.—Notwithstanding section 1341 of title 31, United States Code, funds available for use by the Panama Canal Commission for fiscal year 1992 may be obligated to the extent necessary to permit payment of such pay increases for officers or employees as may be authorized by administrative action pursuant to law which are not in excess of statutory increases granted for the same period in corresponding rates of compensation for other employees of the United States in comparable positions.

(b) Expenses in Accordance With Law.—Expenditures authorized under this Act may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

SEC. 3504. REVISION OF EXECUTIVE PAY SCHEDULE FOR THE ADMINISTRATOR OF THE PANAMA CANAL COMMISSION.

(a) Revision.—Section 5315 of title 5, United States Code, is amended by inserting at the end the following:

"Administrator of the Panama Canal Commission.".

(b) Conforming Amendment.—Section 5316 of such title is amended by striking out "Administrator of the Panama Canal Commission.".

SEC. 3505. POLICY ON MILITARY BASE RIGHTS IN PANAMA.

(a) Findings.—The Congress finds that—

(1) the Panama Canal is a vital strategic asset to the United States and its allies;

(2) the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal and the Panama Canal Treaty, both signed on September 7, 1977, mandates that (A) no United States troops are to remain in Panama after December 31, 1999; (B) the Canal Zone is to be incorporated into Panama; (C) United States Panama-based communications facilities are to be phased out; (D) all United States training in Panama of Latin American soldiers is to be halted; and (E) management and operational control of the Canal is to be turned over to Panamanian authorities;

(3) the government of President Guillermo Endara has demonstrated its determination to restore democracy to Panama by quickly moving to implement changes in the nation's political, economic, and judicial systems;

(4) friendly cooperative relations currently exist between the United States and the Republic of Panama;

(5) the region has a history of unstable governments which pose a threat to the future operation of the Panama Canal, and the United States must have the discretion and the means to defend the Canal and ensure its continuous operation and availability to the military and commercial shipping of the United States and its allies in times of crisis;

(6) the Panama Canal is vulnerable to disruption and closure by unforeseen events in Panama, by terrorist attack, and by air strikes or other attack by foreign powers;

(7) the United States fleet depends upon the Panama Canal for rapid transit ocean to ocean in times of emergency, as demonstrated during World War II, the Korean War, the Vietnam War, the Cuban Missile Crisis, and the Persian Gulf War, thereby saving 13,000 miles and three weeks steaming effort around Cape Horn;

(8) the Republic of Panama has dissolved its defense forces and has no standing army, or other defense forces, capable of defending the Panama Canal from aggressors and, therefore, remains vulnerable to attack from both inside and outside of Panama and this may impair or interrupt the operation and accessibility of the Panama Canal;

(9) the presence of the United States Armed Forces offers the best defense against sabotage or other threat to the Panama Canal; and

(10) the 10,000 United States military personnel now based in the Canal Zone, including the headquarters of the United States Southern Command, cannot remain there beyond December 31, 1999, without a new agreement with Panama.

(b) Policy.—It is the sense of the Congress that the President should—

(A) begin negotiations with the Government of Panama to consider whether the two Governments should negotiate a new base rights agreement to allow the permanent stationing of United States military forces in Panama beyond December 31, 1999; and

(B) consult with the Congress throughout the negotiations described in subparagraph (A).

NATIONAL DEFENSE MULTIYEAR AUTHORIZATION ACT OF 1991

The text of S. 1508, National Defense Multiyear Authorization Act of 1991, as passed by the Senate on August 2, 1991. See text of S. 1507, this issue.

OMNIBUS NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The text of S. 1509, Omnibus National Defense Authorization Act for Fiscal Years 1992 and 1993, as passed by the Senate on August 2, 1991. See text of S. 1507, this issue.

SUBSTITUTE THE TEXT OF RELEVANT PORTIONS OF THE SENATE-PASSED BILL FOR THE TEST OF BILLS PREVIOUSLY REPORTED OUT BY THE SENATE ARMED SERVICES COMMITTEE

Mr. DIXON. Mr. President, I ask unanimous consent that the Senate proceed immediately to the consideration en bloc of the following bills: S. 1508 through S. 1515, Calendar Order Nos. 170 through 177.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to consider the bills.

Mr. DIXON. Mr. President, I ask unanimous consent that all after the enacting clause of each of those bills be stricken, and that the appropriate portion of S. 1507, as amended, be inserted in lieu thereof, according to the schedule as follows:

S. 1508, The National Defense Multiyear Authorization Act of 1991: insert S. 1507, as amended.

S. 1509, The Omnibus National Defense Authorization Act for Fiscal Years 1992 and 1993: insert S. 1507, as amended.

S. 1510, The Military Personnel Authorization Act for Fiscal Years 1992 and 1993: insert titles IV-VII of S. 1507, as amended.

S. 1511, The National Defense Desert Storm Supplemental Authorization Act for Fiscal Year 1991: insert title X of S. 1507, as amended.

S. 1512, The Department of Defense Authorization Act for Fiscal Years 1992 and 1993: insert Division A of S. 1507, as amended.

S. 1513, The Military Construction Act for Fiscal Years 1992 and 1993: insert Division B of S. 1507, as amended.

S. 1514, The Department of Energy National Security Act for Fiscal Years 1992 and 1993: insert titles XXXI-XXXII of S. 1507, as amended.

S. 1515, The Commission on the Assignment of Women in the Armed Forces Act of 1991: insert Part B of title V of S. 1507, as amended.

The PRESIDING OFFICER. Without objection, the several bills are considered amended as requested.

Mr. DIXON. Mr. President, I ask unanimous consent that these bills be advanced to third reading, and agreed to en bloc, and that the motion to reconsider en bloc be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of S. 1507 through S. 1515, as passed by the Senate today, will appear in a subsequent issue of the Record.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FY 1992 AND 1993

Mr. DIXON. Mr. President, with respect to H.R. 2100, the House-passed version of the National Defense Authorization Act for fiscal years 1992 and 1993, I ask unanimous consent as follows: that the Committee on Armed Services be discharged from further consideration of H.R. 2100, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. That all after the enacting clause be stricken and the text of S. 1507, as amended, be substituted in lieu thereof; that the bill be advanced to third reading and passed; that the motion to reconsider the vote be laid on the table; that the title of S. 1507 be substituted for the title of H.R. 2100; and, Mr. President, that the Senate insist on its amendments to the bill, and the title, and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the Presiding Officer (Mr. BRYAN), appointed the following conferees on the part of the Senate: Mr. NUNN, Mr. EXON, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, Mr. DIXON, Mr. GLENN, Mr. GORE, Mr. WIRTH, Mr. SHELBY, Mr. BYRD, Mr. WARNER, Mr. THURMOND, Mr. COHEN, Mr. MCCAIN, Mr. WALLOP, Mr. LOTT, Mr. COATS, Mr. MACK, and Mr. SMITH.

Mr. NUNN. Mr. President, as we conclude debate on S. 1507, the national defense authorization bill for fiscal years 1992–93, I want to take just a few moments to thank my colleague and good friend, Senator JOHN W. WARNER for all his help and assistance during debate on this bill and, indeed, over the course of the entire year. He is a true leader on defense in the Senate and in the Nation.

Next, I want to thank each of the chairmen and ranking minority members of our six subcommittees and all the rest of our committee members for their many fine contributions and untiring efforts on this bill.

I owe a special debt of gratitude tonight to the majority leader and to the minority leader for their hard work and assistance over the past several days and for enabling us to reach final passage prior to the recess.

For the information of all Senators, over the past 3 days the Senate has disposed of a total of 78 amendments on this bill.

Finally, I want to express my deep appreciation to the outstanding staff of the Armed Services Committee, led by Arnold Punaro and Pat Tucker. The committee staff is a true group of professionals who work together as a bipartisan team.

This bill continues the process of restructuring the military in an orderly fashion and I hope that all Senators will support its final passage.

Mr. DIXON. Mr. President, may I simply make this comment in conclusion? It has been the privilege of this Senator over a period of years to serve on the Armed Services Committee chaired by the distinguished senior Senator from Georgia, Senator SAM NUNN, upon which the distinguished senior Senator from Virginia, Senator JOHN WARNER, serves as ranking member.

I would like to say, Mr. President, that it is the opinion of this Senator that the diligent efforts and the outstanding service of these two greats Senators over a period of years have substantially enhanced the military and defense position of this great Nation of ours. They are excellent leaders for the committee.

I can report as a chairman of one of the major subcommittees of the committee that the work there is always done in a harmonious and bipartisan fashion.

May I conclude by saying, Mr. President, that this Nation is indeed fortunate to have the leadership that it enjoys on a bipartisan basis in that committee. I thank the Chair.

Mr. WARNER. Mr. President, I appreciate the graciousness of the expressions of the distinguished Senator from Illinois. He exemplifies the quality that we have in the membership of the committee. He is indeed one of the most active of the members. My only regret this year, that a markup in the Banking Committee which paralleled in dates and times the floor consideration of this bill, precluded a more active participation in this deliberation of the authorization bill. Because in years previous, the Senator from Illinois has been relied upon by the chairman more often then with others to assist in the management of the bill.

I thank him.

Mr. DIXON. I thank the Senator from Virginia.

THE COMMITTEE STAFF

Mr. WARNER. I know that Senator NUNN joins me, as I am sure my colleague from Illinois will, in expressing our heartfelt gratitude not only to the members of our committee, but the Members of the Senate. Perhaps one of the high watermarks in the history of the date on a bill submitted to the Senate by the Armed Services Committee. That was particularly true with those sections of the debate related to our strategic forces, and most significantly the debate on the SDI.

The debate on this floor over a period of days reflected the quality of the intensity and the sincerity of the debates that took place during the course of the markup of the committee as a whole.

Mr. President, all members of our committee are grateful to the staff that we have. Mr. Punaro is the majority staff director; Mr. Tucker, that for the Republicans. Each has an extraordinary competent staff that works with them. I want to pay particular recognition tonight to Mr. Tucker and Brian Dailey, for their work on the strategic amendments, and again most particularly the amendment relating to SDI. They were joined in this effort by Ann Sauer, who also serves on the Republican staff.

Their work commenced way back in January during which period of time it ensued we laid a careful foundation for the deliberations in the subcommittee, the full committee markup, and here on the floor of the Senate.

There was a strong vote in the Senate, the strongest that I can recollect on any SDI amendment since 1983, when that subject was first highlighted by the then President of the United States, Ronald Reagan.

I am confident that the work of the Senate as a whole on this amendment lays a foundation for a program that will survive in the coming years, a bipartisan program, and that our successors in this body will someday look back, as will a future President, and be grateful that the Senate had the wisdom to lay this foundation because I think—I know—the Nation and indeed the world, faces an awesome and most uncertain future as it relates to the proliferation of the technology associated with ballistic missiles, both tactical and intercontinental.

APPRECIATION FOR THE MAJORITY AND MINORITY LEADERS

Mr. WARNER. Mr. President, I also express my appreciation to the majority leader of the U.S. Senate and the minority leader, for no matter how much work is done by the managers of a bill, there is frequent need to solicit the advice and the counsel of these two very wise and learned Members of our body.

RESPECT FOR CHAIRMAN NUNN

Mr. WARNER. Last, Mr. President, I pay my total respect to my chairman, Mr. NUNN, of Georgia. I have had the privilege of working with him now some 13 years in those matters relating to legislation, the authorization bills.

I am confident that he always puts forward the best interests of the United States, the security interests of our country, and that we strive together to achieve the highest measure possible of bipartisan work on all aspects of the legislation that comes before our committee.

He is a man of extraordinary knowledge, indefatigable in his efforts to work in preparation for his responsibilities on the committee. He always has an open-door policy to advisers, both on active duty or retired, particularly former members of administrations that have served in the Department of Defense. We look back to these individuals with some frequency for their advice and counsel, which we incorporate into the legislation.

This has been, perhaps, one of the most difficult of sessions, primarily because of the controversy on the amendments relating to the SDI defense system. I know it has been particularly stressful for all Members, but I say that in the end, we have reached the proper conclusion.

I am grateful to the majority leader, the Republican leader, Chairman NUNN, all members of the committee, and the staff for their assistance.

I thank the Chair. I yield the floor.

MODIFICATION OF AMENDMENT NO. 1077 TO S. 1507

Mr. WARNER. Mr. President, there is one technical matter that should be addressed to the Chair and the Senate as a whole.

Mr. President, I ask unanimous consent that in the engrossment of S. 1507, amendment No. 1077 be modified with the language I now send to the desk.

The PRESIDING OFFICER. Without objection, it so ordered.

The amendment (No. 1077), as modified, is as follows:

On page 31, line 22, strike out "$14,673,254,000" and insert in lieu thereof "$14,676,254,000".

On page 56, between lines 15 and 16, insert the following:

SEC. 231. ENGINE MODEL DERIVATIVE PROGRAM.

Of the amount authorized to be appropriated pursuant to section 201(3)(A) for the Air Force for fiscal year 1992, $3,000,000 shall be available for completion of the military qualification of a thousand-pound-thrust class engine for use in unmanned air vehicles. Qualification testing of that class of engine shall be carried out at the Arnold Engineering Development Center of the Air Force.

In section 2(b), amend the table of contents by inserting after the item relating to section 230 the following new item:

Sec. 231. Engine model derivative program.

The PRESIDING OFFICER. Who seeks recognition?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I was disappointed to learn yesterday that my distinguished colleague from Missouri, Senator DANFORTH, has decided to discontinue his efforts to forge a civil rights compromise.

During the past several months, Senator DANFORTH has obviously worked the civil rights issue with great care and with great diligence.

He deserves our gratitude for narrowing the differences, and for making policy—not politics—the focus of this debate.

But, Mr. President, it is too soon to fold up the tent on a civil rights compromise.

A DIFFERENCE OF OPINION

What we have now is a classic Washington-style difference of opinion.

Senator DANFORTH has one opinion—and President Bush, his Education Secretary Lamar Alexander, Attorney General Thornburgh, and Chairman of the EEOC Evan Kemp, happen to have a different view.

These differences need to be—and can be—worked out.

And, with a month-long August recess soon before us, we have the time to find the common ground that will put this contentious issue behind us for good.

President Bush is still committed to a civil rights compromise. This morning, I had the opportunity to meet with President Bush in my Capitol office.

The President said to me, as he has said many times before, that he wants to sign a civil rights bill—he wants a strong, responsible civil rights bill, not a political issue.

President Bush is willing to negotiate. He is willing to make compromises.

But the President, to his credit, is unwilling to downgrade educational standards, and he will not back off from his administration's commitment to promote educational achievement throughout America.

According to today's Washington Post, Senator DANFORTH's bill would bar employers from adopting employment standards that are not directly related to job performance, such as reading skills for a secretarial job.

Senator DANFORTH may not agree with this example, but the example does highlight the administration's concern.

Of course, secretaries should possess basic reading skills and, of course, employers should have wide latitude to adopt a reading-skill requirement for secretaries and for other workers.

We have an education crisis in America.

We need tough solutions, not unnecessary legal barriers making these solutions a source of litigation and confusion.

KANSAS COMPROMISE

Last week, my distinguished colleague from Kansas, Senator KASSEBAUM, and I sent a letter to Senator DANFORTH outlining a series of changes that would bridge the gap between Senator DANFORTH's initiative and the administration's own civil rights proposal.

These changes focus on four principal areas of concern: First, the ability of individuals to challenge discriminatory consent decrees; second, jury trials in intentional discrimination cases; third, the grouping of employment practices in so-called disparate impact cases; and fourth, the definition of business necessity.

On the key issue of business necessity, Senator KASSEBAUM and I suggested in our letter that the word "and" be substituted for the word "or" in the first part of the business necessity definition. The effect of this change would be to link the term "job qualifications" to the ability to perform the job itself.

In my view, this single word change—one word change—would untie the Gordian knot of business necessity that has plagued the civil rights debate for almost 2 years.

Mr. President, I cannot say that Senator KASSEBAUM and I have all the answers.

But I will say that there is still plenty of room for a compromise on civil rights, and there is still plenty of time to make this compromise a reality.

We should not—and must not—give up.

Mr. DOLE. Mr. President, like most of the Members of this body, I will return to my home State next week to meet with constituents.

If these meetings are like the ones I have held over the past years, I know that I am going to hear a lot of discussion and questions about long-term care.

In Kansas, and across America, millions of elderly men an women ask what type of long-term care is available to them, and if they will be able to afford it.

Middle-aged and younger adults have also shared their concerns on this issue—will their parents get the high-quality care they deserve? Will a system be in place which will care for them as they grow older?

For over a year, the distinguished Senator from Oregon, Senator PACKWOOD and I have worked together to craft comprehensive legislation which would address the concerns we hear so often.

During this time, we have met with representatives from State governments, industry associations, and insurance companies—and we are grateful for their contributions.

And today, we introduce the product of our effort—legislation which we call "secure choice." Senator PACKWOOD and I are committed to this legislation, and to finding adequate financing for its implementation, without further increasing the deficit.

Secure Choice is a responsible three-step approach to the long-term care issue. The first step involves providing a wider range of long-term care services that are currently available to low-income elderly Americans under medicaid.

Year after year, in meeting after meeting, we have heard from seniors who do not want to spend their remaining years in a nursing home, unless their medical condition dictates. Instead, they would rather remain at home, with their family, in familiar and often more cost-effective surroundings.

That is why, in addition to nursing home care, Secure Choice provides for expanded home and community-based care to seniors below the proverty level. With the cooperation of State governments, which exercise the option of extending these services to people with incomes up to 240 percent of the Federal poverty level, home and community-based care will be available to millions of needy older Americans.

Part 2 of our legislation recognizes that the only responsible solution to long-term care is one that calls upon the initiative of private enterprise, as well as government.

By creating a public-private partnership, Secure Choice encourages insurers to increase their options and broaden their market, thereby putting private long-term care insurance within the financial reach of a greater number of Americans.

Our bill also requires case management services for both the public and public/private programs, which insurers and providers have told us are the best way to promote high quality and cost-effective care. A broad variety of public, nonprofit and nonpublic agencies will be eligible to contract to perform these services. While there is a prohibition against a provider performing this service, in no way is it our intention to exclude insurance companies that may have extensive case management experience, but may also be involved with or related to an HMO or other broad-based health care service provider.

The third part of Secure Choice is a clarification of the Tax Code, which encourages individuals to buy long-term care insurance, and which provides incentives for business to provide such insurance to their employees.

Under our proposal, all long-term care expenses would be treated the same as medical expenses. Therefore, payments for insured long-term care services would be tax free; employer-paid long-term care services and insurance would be classified as tax-free employee fringe benefits; and insurance company reserves set aside to pay long-term care benefits would be tax deductible.

Senator PACKWOOD and I strongly believe that this free market approach—and not government mandates—is the most responsible way to shield Americans from the financial ruin of uninsured nursing home expense, and to protect health care providers from the heartbreak of denying care to those who otherwise could not pay for it.

Long-term care is a national problem, requiring a national solution. And Secure Choice calls on all sectors of American society—Federal and State government, private employers, insurance companies, and families and individuals—to join together in ensuring that our seniors can live with dignity.

Mr. President, Senator PACKWOOD and I certainly realize that Secure Choice is not the only solution that has been offered. There are others out there. And there are disagreements on whether we can afford some of the proposals, and on whether others do enough.

One thing on which we can all agree is that we must do something. We simply cannot wring our hands, and wish the problem away.

We have a duty to assist those who have given so much to our country. Secure Choice fulfills that duty by offering a comprehensive approach that will result in long-term security for Americans facing the prospect of long-term care.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMITH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. SMITH. Mr. President, I ask unanimous consent to speak as if in morning business for a few moments while we wait for wrap-up.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON POW-MIA AFFAIRS

Mr. SMITH. Mr. President, in just a very few moments, by unanimous consent, the Senate will be passing a piece of legislation of which I was the original sponsor. It forms a select committee to account for our missing service personnel in Southeast Asia, both in Vietnam as well as Korea. This is the culmination of a lot of hard work by a lot of Members of this body for over the past 7 months. It is also the culmination of a lot of hard work by a lot of people throughout this country, family members, and friends, and veterans. Many thousands of people have written cards and letters and made phone calls in support of this committee.

As the original sponsor, I think I have some idea about how we ought to proceed along the lines of getting answers. I am looking forward to establishing that committee. Both Senator MITCHELL and DOLE will shortly be announcing the members on both sides of that committee, and then we will proceed to set up our staffs and begin to dig into the research that needs to be done.

I say to everyone that the goal here is to work in cooperation, not confrontation, with those agencies who hold the records and hold the information, the data, and I hope they will be forthcoming in providing this because the Senate of the United States, indeed, the Congress of the United States has oversight responsibility in this matter and we intend to exercise it. And I hope in that spirit we will be able to conduct this matter over the next several months.

As you know this legislation is sunsetted at the end of this Congress sometime next year, and we hope to be able to have the answers by then, although we cannot predict that. The latest information around the country—now with photographs and other matters that have come out recently—and other bits of information just tend to feed the doubt, the public lack of confidence, the mistrust of our Government. So I think we have a great responsibility ahead of us. We are all ready for it. There was some bit of a glitch here tonight, only briefly, where there was some bit of partisan wrangling, but it came together because all sides realized that this is not a partisan issue and therefore the committee is going to consist of six Republicans and six Democrats.

I certainly want to commend my leader, Senator DOLE, for his help and Senator MITCHELL on the other side for his help. It was just a great bipartisan effort to come together. I think what we are saying to the American people is we want to resolve this issue, we want to account for those men and women, and if they are deceased, then we want to bring their remains back home to American soil, and, if there is anyone alive, we want to bring them home as soon as possible. That is our goal, and I feel very confident we will do that.

We will be starting very shortly, I hope, to put the staff people together who will be doing this and helping us. We look forward to the challenge, and I hope that we can resolve this thing once and for all.

For now over 20 years many of these families have waited for answers. We are not trying to cast any blame on anybody. I think it is pretty well established by a lot of folks, that this truly has been the highest national priority so far as action was concerned. Maybe we will have the answers. We know where the answers are. They are in Hanoi, they are in Phnom Penh and in Vientiane in Laos. That is where the answers are. We have to go get those answers. We intend to. We will work with the administration every step of the way.

We announce this committee in the spirit of cooperation, to have a good cooperative effort between the executive and legislative branches of Government, to work together and confront the Communist governments of Southeast Asia to bring our men home. That is what we are going to do. At this time, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, let me take a minute to add to what the distinguished Senator from New Hampshire has said, and to thank him for his personal efforts. I think, without any question, it was Senator SMITH who, in the past few months, has really made this his No. 1 priority and, as a result of that, it will come to fruition tonight. As he outlined, we will name Members on each side. It will be nonpartisan, bipartisan, whatever, and it should be.

I certainly thank the distinguished Senator from New Hampshire, Senator SMITH, for his leadership. This is a very important issue. I can recall 22 years ago, as a young Member of this Senate, meeting in the Senate reception room with families of POW's and MIA's, and at that time not many of us knew what the initials MIA meant. We knew what POW's were. But MIA, we really did not understand that very fully.

I remember the first meeting at that time involving the families of POW's and MIA's, and only about 35 people showed up. I remember at that meeting I made a promise to the families who were there that we would fill Constitution Hall within 9 days, and we did fill Constitution Hall. We had 12,000 people in Constitution Hall. I remember Vice President Spiro Agnew was the featured speaker that evening. That was a long time ago.

In the interim, as the Senator from New Hampshire pointed out, a lot of families have suffered emotionally. They would like to put this to rest. It has been a very sad chapter in the lives of many, many families across America, and perhaps this select committee can help ease the strain on many families across America.

And then, if the President appointed a commission, I think there is no reason the two cannot work in harmony. There should not be any conflict because, in my view, since the photographs have surfaced in the past 30 days, 45 days, there is a new interest. It is all across America. It is not Republican, it is not Democrat, it is not based on class or race; it is concern that Americans have about doing all we can do as the greatest Nation on the face of the Earth to try to end this terrible chapter in history.

I again thank the distinguished Senator from New Hampshire.

Mr. SMITH. I thank my leader for those remarks.

Mr. President, let me make one more comment while we are waiting. There was some concern, as we talked about putting this committee together, about the fact that there have been, if I am not mistaken, seven Senate hearings over the years on this matter and yet the issue hangs out there unresolved.

I think the important aspect to the select committee is that we will bring this thing into focus. We will now have what used to be four committees of jurisdiction—the Armed Services Committee, the Intelligence Committee, the Foreign Relations Committee, and the Veterans' Affairs Committee—which, in one way or another, will investigate this matter. But now there will be a focus of one select committee whose specific purpose, and only purpose, is to find out what happened to our POW's and MIA's from Korea and Vietnam. That will be the focus, and we intend to work hard and diligently at it, to get those answers.

Again, I certainly want to thank all of the Senators who were so helpful to me. We came today to the Rules Committee. Senator FORD gave us a hearing last week. The markup today was actually 9 to 0, unanimous of those who were there, and with the help of some of the absentees' votes, we had 14 votes in favor. That is a tribute to the dedication of the issue.

Then 54 Senators cosponsored the legislation. So I think what has been said here is that the Senate of the United States this evening will go on record as saying that they want this issue resolved. It has been here too long. The families have suffered too long.

I know—having made two trips to Vietnam, Mr. President, in search of answers on our missing, not to mention the fact that I served in Vietnam in the United States Navy during the war—I know that it is difficult for the families on these rollercoaster rides that they have been on over the years, with a few sets of remains being distributed out of Vietnam every few months and very few answers, then to have information come out in the public as it has in the past few weeks, which only adds more questions, fuels the fires of doubt and lack of confidence.

We have to get the confidence of the American people back on this issue and the way to do it is to resolve it, frankly, so that this Government can work, that we can get the answers out of Hanoi.

I just wanted to say—speaking as one Senator, speaking for myself, not for other members of the select committee or Members who may have cosponsored this legislation—that we should not be doing business, economic business of any kind, any type of business with the Communists in Hanoi until they give us answers on what happened to our men who are missing. The only business we ought to be doing with them is the business of bringing home our men. They can have trade and aid after, after we find out what happened to our missing service personnel. That is going to be our objective.

We intend to press, and press real hard, for answers wherever they are; in our own Government, in any private individuals who feel that they have information that they might like to provide to the committee throughout the country, as well as the Communists themselves. We will do whatever we have to do, go where we have to go, to get those answers. That is a commitment that I have made and that all members of the committee will make.

Thank you, Mr. President. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDEPENDENT INSURANCE AGENTS

Mr. BREAUX. Mr. President, I would like to bring to the attention of my distinguished colleagues an issue that merits our serious attention. This issue was brought to my attention by several of my constituents who are State Farm Insurance Co. [State Farm] agents and members of the National Association of State Farm Agents, Inc. [NASFA].

The approximately 17,000 State Farm Agents who are disbursed throughout the 50 States are exclusive agents, meaning they may only sell State Farm products. At the same time, these agents are bound by a contract wherein they are deemed independent contractors who are required to furnish their own office space and personnel, pay for all expenses of running their businesses, and obtain and service the clients.

According to the dozens of State Farm agents from Louisiana who have contacted me, the issue arises after they retire. Upon retirement, the agents are entitled to receive termination payments if certain conditions are met. The most significant of these stipulations is that the retired agents must abide by a noncompete provision which bars them from selling competing insurance products to former or existing State Farm policyholders for 1 year. This protection is important to State Farm because it has the absolute power to transfer the retired agents' accounts to a new agent or an active agent of State Farm's choice.

As long as the noncompete clause is not violated, the retired agents receive a payment calculated as a percentage of earnings in the year before retirement. Although the payments are conditional, and are made only to retired agents, the Internal Revenue Service and Social Security Administration have characterized these payments as commissions. This means the retired agents are required to pay self-employment tax on the payments. This characterization also enables State Farm to deduct the termination payments as compensation expense or business expense.

The retired agents argue that this tax is an unfair burden. Even the State Farm Insurance Co. has argued in testimony before the Ways and means Committee in the House of Representatives that these agents should not pay self-employment tax on the payments because these agents are no longer selling insurance and have already paid the maximum self-employment tax on their earnings during their active careers.

The issue of whether these payments are goodwill payments, commission payments, or a quid pro quo for not violating the noncompete convenant needs review.

Mr. President, I would like to point out to my colleagues that the State Farm agents in Louisiana are not the only insurance agents faced with this type of arrangement. All told, there are over 50,000 insurance agents throughout the country who operate as independent contractors and have exclusive sales arrangements similar to those of the State Farm agents. Many of these agents may also be interested in legislative relief similar to that sought by NASFA. All Members of Congress will likely be hearing from their constituents who find themselves in this predicament, and I hope you will join me in identifying an equitable solution to their problem.

Mr. President, although I do not have the solution to this issue, I hope work will continue toward identifying a fair and workable solution to these issues.

UNFAIR TRADE POLICIES

Mr. BREAUX. Mr. President, I recently cosponsored Senator TOM DASCHLE's bill, S. 650, to strengthen the U.S. trade law, by giving U.S. businesses an additional tool to fight unfair trade policies. Specifically, the bill would amend section 301 of U.S. trade law to cover unfair acts, policies or practices by a foreign government that threaten to burden or restrict U.S. commerce.

The need for this legislation was again brought home to me after a recent conversation with one of my constituents. Vista Chemical Co. in Lake Charles, LA produces linear alkylbenzene [LAB]—a product used as a surface-active cleaning agent in household and industrial laundry and dishwashing detergents.

The United States has long recognized that LAB is a highly import sensitive product, as can be seen by the efforts of the USTR to protect the LAB tariff in the Uruguay round and the recent decision by the President to deny GSP treatment for LAB.

Now it seems, a 100 percent-owned Quebec crown corporation, SGF, is joining up with a Spanish company, Petresa, to form a LAB plant in Quebec, with a planned capacity of 75,000 metric tons per year. The crown corporation, SGF, will hold 30 percent of the LAB company's shares. This venture poses serious concerns for U.S. LAB manufacturers such as Vista, in light of the eventual tariff elimination for LAB pursuant to the United States-Canada FTA. In fact, the competitive issues raised by the joint venture threaten to undermine the letter and spirit of the United States-Canada Free-Trade Agreement.

After all, how can U.S. LAB manufacturers compete against a producer who is subsidized both directly and indirectly by a provincial government? There are numerous benefits accruing to the joint venture because of its relationship with the Quebec crown corporation, and its affiliation with SGF's other subsidiaries in the petrochemical industry. These benefits include: substantial capital availability, subsidized financing, access to capital markets; the expertise and resources of a large, government-owned and financed enterprise; ability to receive subsidies on projects that lose money (as SGF has done with some of its other subsidiaries); and the benefits derived from relationships with SGF's other affiliates, which may assure the availability and affordability of feedstocks and other materials necessary for LAB production.

These are not just speculative fears. In February, the Quebec government announced they will grant the new LAB project an interest-free loan of $7 million, to be repaid in the year 2012. And this loan was announced even though the project has not yet received the necessary environmental clearances.

U.S. producers should not be expected to compete with the duty-free imports of foreign manufacturers. I plan to bring this situation in Quebec to the attention of the U.S. Trade Representative, particularly since they will soon begin talks on a North American Free Trade Agreement.

Examples such as this are also a reason I have cosponsored S. 650. It will provide the needed flexibility in section 301 of our trade law so that these kinds of unfair trade acts can be dealt with ahead of time—before a U.S. industry has been seriously injured.

THE MOTOR-VOTER BILL IS A TOUGH ANTI-FRAUD BILL

Mr. FORD. Mr. President, this is the third time that I have risen to address my colleagues on the subject of the National Voter Registration Act of 1991, S. 250. Each time, I have spoken to issues which have been raised by opponents of this legislation. In this statement, I want to take a moment to speak to the concerns which have been raised regarding fraud. I think it is important that we clarify the record regarding the bill and the accusations that have been leveled against the bill that it opens the way for increased opportunities of vote fraud.

Both the Senator from Oregon [Mr. HATFIELD] and I have taken very seriously the concerns that many have expressed about fraud. While we are working to make registration procedures more convenient for all Americans, we realize that we must also protect the integrity of the electoral process by protecting against the unscrupulous few who seek to dilute the electoral process. The bill has many provisions which are designed to protect the electoral process against fraudulent registrations and fraudulent voting.

The greatest strength of S. 250 is that for the first time, fraudulent registrations and vote fraud would be a Federal crime with stringent Federal criminal penalties, including imprisonment and/or a fine. If there are incidents of people who are ineligible to vote and are registering and voting, the act provides Federal prosecutors the necessary means by which to protect the integrity of the rolls by prosecuting these people. I would like to point out, Mr. President, that the criminal penalties section of S. 250 is based in part, on the criminal penalties section of a voter registration bill introduced in the 100th Congress by the senior Senator from California and cosponsored by the senior Senator from Pennsylvania.

Mr. President, it seems that my colleagues' concerns regarding fraud relate mainly to mail registration. In addition to the Federal criminal penalties of the bill which apply to all aspects of the bill, let me address some of the specific provisions we have included as fraud protections in the mail registration system.

S. 250 mandates that any mail registration form must have a statement that specifies each eligibility requirement, including citizenship, and an attestation clause that the applicant meets each requirement and notice that the applicant signs the form under penalty of perjury.

Furthermore, the act requires that each applicant is to be given notice regarding the disposition of his or her application. The bill does not include a specific means of notifying the applicant, so that each State may continue to use whatever means is required or permitted by State law. Thus, the bill affords the States an opportunity to continue with a current practice or adopt some other means which they deem best suited to provide notice to the applicant; and, at the same time, to provide the registar with verification of the accuracy of the information provided by the applicant.

Perhaps the strongest protection against fraud with regard to mail registration is a provision regarding first time voters who register by mail. The act provides that a State may require by law that a person who registers by mail and has not previously voted in that jurisdiction vote in person. Let me point out that this personal appearance requirement is not mandated by the bill. Rather, it is left to the discretion of the individual States to determine whether a personal appearance is necessary.

Some of my colleagues on the other side of the aisle are particularly concerned that the bill prohibits a notarization or witness requirement. They claim that absent such a requirement, the bill opens the way for increased fraud and abuse. As an example, the minority has pointed to a recent grand jury investigation of voter registration fraud in Huntington, WV.

Mr. President, I've read the same articles about that grand jury investigation, and I too am concerned about what occurred. But let me say that the incident in West Virginia is a classic example of local elected officials engaged in a large scheme of deception. In fact, this fraudulent registration scheme involved the mayor, county clerks, and notaries. The facts of this case show that the local officials were registering themselves and others by mail in jurisdictions in which they did not reside. Ironically, Mr. President, West Virginia requires that mail registration applications be notarized. In fact, the grand jury indictment included notaries who were notarizing forms which were not signed in their presence. While the grand jury did recommend the repeal of mail registration in West Virginia, the Secretary of State of West Virginia was quoted in the very same article which was inserted in the RECORD as saying that even with the abuses found in the system, postcard registration has its merits and should not be discontinued.

Mr. President, this case in West Virginia is not a solitary example of the types of fraud that is occurring with notarization requirements. There are other examples of this activity, and it is not limited to voter registrations. Recently, the Colorado legislature enacted a law which abolished the requirement that absentee ballot signatures be notarized. Evidence that notaries had solicited absentee votes and attempted to intimidate voters helped persuade the Colorado legislators that the notary requirement might do more harm than good. This only serves to demonstrate the notarization or other means of formal authentication can be manipulated.

There have been other grand jury investigations of voter registration fraud, some involving mail registrations. In particular, a 1984 New York grand jury investigated vote fraud which had been conducted in Kings County, NY from 1968 to 1982. However, that grand jury did not recommend the repeal of mail registration, as implied by the minority in its views included with the committee report on S. 250. Rather, the grand jury recommended that the State of New York conduct a study to determine methods which would prevent abuse of the system. The other recommendation relating to mail registration was that the mail application be revised so that the affirmation appear in less legalistic language and in a typeface bold enough to be easily noticed and to alert the applicant that the affirmation is serious.

In fact, Mr. President, the main focus of the grand jury's investigation was security at the offices of the Board of Elections. Of the 11 recommendations made by the grand jury, 9 of the recommendations related to security procedures. The grand jury found that security was so lax that some individuals were able to hide themselves in the ceiling of a restroom and accomplish their forgeries undetected after the office had closed.

Following the committee's markup and reporting of the bill, the committee received a letter from Elizabeth Holtzman, who was the district attorney who convened the grand jury. Ms. Holtzman vigorously supports the bill and sees the protections of the bill as more than adequate to protect against fraud.

More importantly, Mr. President, the State of New York recently enacted new legislation regarding mail registration, extending the deadline for the receipt of mail registrations to 25 days prior to an election. Moreover, this legislation would permit local officials to abandon in person registration, except in Presidential election years. New York has found that the advent of mail registration has significantly impaired the utility of local registration days and dramatically increased the cost per registration received during those days.

In New York, a few weeks before the close of the registration period, the local board of elections open up registration at the polling places to permit inperson registration. In New York City, this local registration day costs the taxpayers an average of $83.28 for each new registered applicant.

Clearly, if the State of New York believed that the mail registration system resulted in fraudulent registrations, it would have sought to limit or abandon mail registration. I would argue, Mr. President, that New York's actions only demonstrate that mail registration has adequate protections against fraud and is cost effective.

The minority and the Justice Department also point to an Illinois grand jury investigation which found substantial amounts of fraud in Chicago elections. But, that grand jury did not find that mail registration was the cause of voter fraud. Rather, the fraud that was investigated involved structural flaws in the election process that permitted widespread public corruption, such as vote buying and counting the same ballot twice. The reforms recommended by that grand jury are not related to mail registration. The grand jury recommendations were, first, imposition of more stringent penalties for fraud, including the loss of public employment and prison terms; second, replacement of politically appointed precinct captains and other election officials with paid nonpartisan professional election judges; and third, automatic voiding of ballots after they have been counted. None of these recommendations are prohibited by S. 250.

Mr. President, in a CRS study on mail registration, it was determined that the majority of States which have mail registration do not require notarization or any other formal authentication. Rather, most States require a warning on the registration materials about the penalties for fraud for false statements of fraud, as is required by S. 250. Furthermore, a 1984 CRS report found that voter registration officials in 18 States reported that they had experienced little or no fraud with postcard registration.

During the Rules Committee hearings on S. 250, we heard from Gov. Barbara Roberts of Oregon. Oregon is one State that has mail registration and has a high number of migrant farm workers. I asked, Governor Roberts directly whether Oregon had experienced any problems with fraud. She replied that it did not. I would also note that in the most populous States that have mail registration, and large immigrant populations—California, Texas, and New York—none of these States have reported any problems with noncitizens registering to vote.

Mr. President, the registration procedures of S. 250 require more information than current practices. In the motor-voter provisions, the bill requires more identification than current voter registration systems. It is expected that 85 percent of those registering to vote will be registered through the motor-voter program and the requirements for identification under all motor vehicle drivers license systems is much more stringent than is currently true of voter registration applications. In fact, as was noted by Ralph Munro, secretary of State of Washington, during the Rules Committee hearings on the bill, if we put the same time and effort in voter registration as we do for applications for a driver's license, we can be assured that only those eligible to vote will be registered.

In addition to all these methods of protecting the rolls, the bill's other strengths lie in the fact that it will provide State and local election officials with the most accurate registration lists. As a result, the amount of deadwood will be substantially reduced. As many of my colleagues are aware, it is the amount of deadwood on the rolls which is the greatest threat to the integrity of the electoral process. Through the list verification programs established under the bill, election officials will be assured that on election day, they will have an accurate list of eligible voters.

Mr. President, I think that after making a fair assessment of all the provisions of the bill, it is correct to conclude that this bill is a strong antifraud bill. It will result in more current and correct voter rolls, and will provide the registrars ample means to assure that our elections are as free from election fraud as possible. I wish that I could say the same about the minority's proposal, S. 921. Rather, their proposal will only reinforce the very registration systems which have been manipulated by unscrupulous people and have for too long deprived the electorate of fair elections.

Mr. President, the issue that S. 250 will open the door for fraud is really a nonissue. This bill has addressed the concerns raised regarding fraud by providing stringent Federal criminal penalties and using proven methods of voter registration that require more information and verification procedures than currently exist. The real question, Mr. President, is whether we will establish a national and uniform registration process that will enfranchise virtually all eligible citizens and result in greater participation in the democratic process; or, whether we should be content with the current and restrictive practices that result in low voter participation. I think that the answer is very clear. We should support democracy by supporting S. 250.

Mr. President, I ask unanimous consent that a letter from Elizabeth Holtzman, to which I referred to earlier, be printed in the RECORD immediately following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER OF THE
CITY OF NEW YORK,
New York, NY, June 20, 1991.

Hon. WENDELL H. FORD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, DC.

DEAR SENATOR FORD: As a public official, I am writing to you to express my support for your efforts to expand the registration opportunities for millions of Americans. Like yourself, I am concerned when we see fewer and fewer citizens participating in the democratic process. That is why I support your efforts and those of Senator Hatfield in attempting to make registration procedures more convenient for citizens.

While I strongly believe that we as public officials should do all that we possibly can to make voter registration procedures convenient, we must also protect the integrity of the electoral process by protecting against the unscrupulous few who work to dilute it. During my tenure as Kings County District Attorney, a Brooklyn Grand Jury investigated fraud and illegality in certain primary elections in King County, New York. The Grand Jury's 1984 report documented deficiencies in the voter registration system and made recommendations for reform. The Grand Jury did not, as implied by the minority view included in the Committee Report accompanying S. 250 (at page 62), recommend repeal of the mail registration system.

The Grand Jury investigation revealed that a group of individuals over a fourteen year period, from 1968 to 1982, engaged in various fraudulent and illegal practices designed to influence the outcome of elections. These practices included the forgery of registration cards with the names of fictitious persons, the filing of these cards with the board of Elections, the recruitment of people to cast multiple votes on behalf of specified candidates using these forged cards or the cards of deceased and other persons, and the forgery of voter registration cards after an election on behalf of the losing candidate in order to establish a basis for voiding the election.

Part of the Grand Jury's report did find that the advent of mail registration in New York made the creation of bogus registration cards even easier and less subject to detection. One of the major flaws of the system was that mail registration forms were distributed in bulk quantities with no identifying serial numbers. However, the Grand Jury also found many instances where forgeries were occurring within the Board of Election offices themselves. In fact, security was so lax in these offices, that the individuals engaged in the fraudulent activities were able to hide themselves in the ceiling of a rest room and accomplish their forgeries undetected after the close of business.

As a result of the Grand Jury's investigation, eleven recommendations were made. Of these eleven, two recommendations related to the registration procedure itself. The first was the recommendation of a study to evaluate various proposals and remedies to identify voters at the time of voting or registration, serializing and recording the serial numbers of all voter registration cards and insisting on greater accountability by organizations engaged in voter registration. The second recommendation called for a revision of the voter registration card affirmation to less legalistic language and printed in prominent boldface type so as to be easily noticed and to alert the applicant. The remaining nine recommendations related to security at the Board of Election offices.

The proposed National Voter Registration Act of 1991 would not preclude states from taking these and other steps to protect the integrity of the electoral process. In fact, the Act could strengthen anti-fraud efforts. For example, one particular provision of S. 250 that was recommended by the Brooklyn Grand Jury is the inclusion of an attestation clause which sets forth the eligibility requirements and requires the applicant's signature under penalty of perjury.

The other registration procedures of S. 250, the "motor-voter" and agency-based provisions, appear to address concerns regarding fraudulent voting, as well. Under these procedures, the voter registration application process is simultaneous with the application for a driver's license or public benefits. If the same stringent requirements are applied to a voter registration application as are applied to a driver's license application or a public assistance application, I am confident that the opportunities for fraud can be restricted. In addition, S. 250 includes numerous requirements for the administration of the voter rolls that I believe will keep the voter rolls clear of "deadwood."

I recognize that you have given considerable attention to the concerns of local officials. S. 250 is not only a strong voter registration bill, but also has strong anti-fraud provisions. Voter registration reform is long overdue and I fully support your efforts.

Sincerely,

ELIZABETH HOLTZMAN,
Comptroller.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,330th day that Terry Anderson has been held captive in Lebanon.

EASTCHESTER, NEW YORK: BIRTHPLACE OF FREEDOMS

Mr. MOYNIHAN. Mr. President, I would like to take a moment to commend the fifth grade students of the Greenvale School in Eastchester, New York. Last year, with the help and guidance of Mrs. Alice Thomas, a teacher at the school, they banded together to form the Student Stamp Actioin Committee. Their goal was to have the Post Office issue a stamp in honor of the historic role their town played in the birth of the Bill of Rights. They went about gathering petitions and drafting a proposal to present to the Postmaster General. What they learned through their efforts is indeed worth recounting.

Colonial Eastchester was the setting for one of the many suspect doings of the administration of British Governor William Cosby. In 1733 the Governor conducted a rigged election on the town's village green, which outraged a young editor of the New York Weekly Journal named John Peter Zenger. Zenger proceeded to publish articles deeply critical of the abusive Government Party in his paper. This provoked his arrest on charges of criminal libel. In a famous trial which took place in New York City, a brilliant lawyer named Andrew Hamilton successfully defended Zenger on grounds that Zenger had printed the truth, and that truth is not libelous. This constituted the first major victory for freedom of the press, a right later guaranteed by the first amendment to the Bill of rights.

Mr. President, as we approach the 200th anniversary this year of the ratification of the Bill of Rights, we would do well to keep in mind the diligent work of Mrs. Thompson and the Student Stamp Action Committee. They have reminded the public of one of those small but defining events of our nations history. And in so doing, they have learned much about the Bill of Rights, and given the citizens of their town great cause to be proud. I know my colleagues join me in saluting Eastchester, New York and the students of the Greenvale School.

SUPPORT FOR SECRETARY BAKER'S STATEMENT ON BURMA

Mr. MOYNIHAN. Mr. President, I would like to take just a few moments to express my support and I believe that of the Senate for the words spoken about Burma by Secretary of State Baker at his recent meeting with the ASEAN ministers in Kuala Lumpur, Malaysia. He was forceful, direct, and principled in stating the strong opposition of the United States to the regime in Rangoon. He was also clear that ASEAN must accept some responsibility for the tragedy in Burma. And ASEAN must act, as must the United Nations, to end this horror.

On July 24, in response to a reporter's question about the difference in view between the United States and ASEAN over Burma, Secretary Baker stated:

> we would like to see ASEAN use whatever influence they have, individually or collectively, in order to move the Burmese government toward greater respect for human rights, greater respect for political pluralism, freedom for political prisoners, respect for the election they have just concluded, and if possible some semblance of economic freedom and progress for the people of Burma. And you're quite right—we have a different position with respect to this issue than does ASEAN. We have a disagreement here.

Indeed. Economic exploitation of the Burmese people and their resources by ASEAN is nothing more than plunder and opportunism of the worst type. It is inexplicable that neighbors would do such to another. Especially nations that claim to be victims of exploitation in the past.

The country with the most regrettable record in this regard is Thailand. All nature of quick money schemes have been agreed to. Primarily the result of strong ties between the Burmese and the Thai military. Lest the world had begun to believe that civilian control and democratic institutions had finally taken hold in Thailand, the military coup of February reminded us once again of how much the Thai and Burmese military continue to have in common. Singapore and Malaysia also have committed wrongs against the Burmese people. More, China is now Rangoon's largest arms supplier. Compare the record of these nations to the steady opposition of India to the Rangoon regime. The difference comes down to that India is a democracy.

Mr. President, it is indeed regrettable that ASEAN was not more forthcoming. Perhaps if they won't support United States initiatives on Burma, they will not block strong action at this year's meeting of the General Assembly of the United Nations. We can only hope, and remember that Daw Aung San Suu Kyi remains imprisoned as Thai military officers continue to enrich themselves from Burma's tragedy. We are proud of the words of the Secretary of State, and we will encourage ever more action by the President against the regime in Rangoon and against those that would support it.

CLARENCE THOMAS NOMINATION

Mr. SIMPSON. Mr. President, the nomination of Clarence Thomas has elicited much praise from a number of sources, and I do not wish to distract us from that praise.

This is an intelligent and well qualified judge whose personal skills, determination, and perseverance should serve as a model to us all.

While I wish to address some of the critics of the Thomas nomination, I wish to start by noting what a fine choice President Bush has made.

Some critics have referred to Judge Thomas' nomination as a quota appointment.

I find that charge to be motivated by pure partisan politics.

As Senator DOLE said earlier, none of Judge Thomas' current critics would call his nomination a quota appointment if he were a liberal democrat.

In addition, let us dispel once and for all this analogy between the civil rights bill's quota debate and a supreme court nomination.

U.S. employers have complete freedom to choose whom they employ; it is only legislation—such as the democrat's civil rights bill—that can force certain hiring decisions on employers.

The president, on the other hand, must obtain the consent of a political branch of government—the U.S. Senate—of his choice for a supreme court justice. So yes, I suppose there were political considerations in President Bush's choice. But that is only because his choice must be approved by a body very much infested with politics—the U.S. Senate.

Some have mentioned that Judge Thomas has benefited from the gains achieved by earlier civil rights leaders.

Judge Thomas has told members of the committee that he was the beneficiary of the work of people and organizations like Thurgood Marshall and the NAACP.

While he has clearly expressed his opposition to quotas, I have not heard him oppose traditional affirmative action.

And I have no doubt that affirmative action played a part in the selection process on this nomination.

However, I'm referring to the original notion of affirmative action, which has universal support: Where an effort is made to increase the number of members of under-represented groups in the pool of applicants.

I am certain that the President asked that qualified women and minorities be included in the pool of possible nominees he would consider for the appointment.

However, the person selected from that pool was fully qualified for the Supreme Court: As the President said, Judge Thomas was the best candidate for this nomination.

I oppose quotas, as does the President and the nominee. However, I support this kind of affirmative action.

A quota appointment would be one where a minority would be required to be chosen from the pool. This did not happen.

Affirmative action merely requires us to enlarge and diversify the pool of applicants.

The difference between affirmative action and quotas is as clear as day to me—and to most Americans who oppose quotas. For some reason, certain liberal critics are incapable of making this distinction.

I believe the Black Caucus' opposition to the nomination is based solely on the fact that Judge Thomas is not a liberal.

Indeed, there was a dissenting vote in the Black Caucus: The able new Congressman, GARY FRANKS, dissented from the Caucus' opposition.

All other members of the Caucus are democrats, and most are politically liberal.

While everyone has the right to an opinion on the nomination, I believe the Black Caucus' position is based on political ideology, and not any other factor.

I also have a right to accept either the majority or the dissenting position of the Black Caucus, and I choose to accept the dissenting position of Congressman GARY FRANKS.

A number of pro-choice groups have already stated their opposition to Judge Thomas.

I am pro-choice, and I vote that way consistently, but I believe this opposition is not well-founded.

We should not base our decisions on how a Justice might rule on a single issue.

I am not the only one who feels that way.

The democrats in the House of Representatives just elected a capable and respected Congressman as their majority whip—DAVID BONIOR—even though he is on the record as pro-life.

The democrats in the House of Representatives obviously did not judge a person's qualifications for high office on a single issue.

Neither should, nor neither will, the Senate Judiciary Committee base its confirmation decision on where we believe Judge Thomas sits on the difficult question of abortion.

We will not judge this man based on his potential views on a single issue—just as the House does not judge its members based on their views on a single issue.

I do not believe that the revelation that Judge Thomas tried marijuana a few times while in college is at all significant.

I agree with the White House's analysis: Isolated youthful experiments on

Judge Thomas' part are inconsequential.

I also agree with Senator GRASSLEY'S reaction: Clarence Thomas is not a candidate for sainthood, he's a candidate for the Supreme Court.

Finally, I should note that a number of prominent and respected politicians have also admitted trying marijuana in their youth. My answer to that is so what? Let get on with getting this fine man confirmed. We'll be ready for the rule-or-ruin fellows and the plash-and-burn corps that marauded the Judiciary Committee during the Bork hearings. I'm excitedly looking forward to September.

BOB STRAUSS TO MOSCOW

Mr. DOLE. Mr. President, this week the Senate confirmed the nomination of Bob Strauss to be our new Ambassador to the Soviet Union.

Bob Strauss happens to be a close friend of mine, and of many in the Senate, from both sides of the aisle.

But my enthusiasm for this nomination goes way beyond personal friendship. Bob Strauss is truly the right man, at the right time, for this tough, tough job.

The nomination of this towering figure in the Democratic Party to the critical post of ambassador in Moscow reflects and underscores President Bush's conviction that partisanship stops at the water's edge.

His nomination also reflects the President's belief that the kind of ambassador we need now, in this huge and powerful country in the throes of revolutionary change, is not an ideolog; not a striped-pants traditionalist; but a cool, tough pragmatist. In Bob Strauss, that is what you see, and that is what you get.

Having been to Moscow several times over the past few years—having seen the hardships of life in that country; knowing of the incredibly tough issues Bob Strauss will face—I'm not sure I should congratulate Bob Strauss on undertaking this new job. But I believe I speak for all Senators in offering our best wishes, and our appreciation for his willingness to do this real public service.

And I do want to congratulate the President. He made a great choice, and Bob Strauss will make a great ambassador.

THE PRESIDENT'S POSITION ON CIVIL RIGHTS

Mr. METZENBAUM. Mr. President, it was with great disappointment that I read this morning's press reports regarding the President's rejection of Senator DANFORTH'S most recent civil rights proposal.

The President's explanation for rejecting the latest initiative offered by my colleague from Missouri is that it interferes with the administration's education agenda. Specifically, in his July 28 letter to Senator DANFORTH, the President stated that

> [e]nsuring that Griggs is preserved is far better than broadly legislating new rules that say employers cannot use educational standards in hiring decisions except in limited circumstances.

That explanation is unacceptable as a matter of law, as a statement of fact, and as an issue of public policy.

First, the fundamental principle announced by the Supreme Court in the 1971 Griggs decision was that an employer would not be permitted to use hiring or promotion practices which disproportionately exclude women and minorities from employment opportunities unless the employer could show that the practices were related to job performance. A recent study by the law firm of Fried, Frank, Harris, Shriver & Jacobson for the NAACP Legal Defense and Educational Fund, Inc. found that in 96 percent of all of the post-Griggs, pre-Wards Cove title VII disparate impact cases the courts used such a job-relatedness standard.

The President's most recent disagreement with Senator DANFORTH focuses in principal part on this very issue. The President insists that Griggs was not premised on a showing of job relatedness, but that a much broader standard of "legitimate employment goal" could apply even to hiring and promotion practices. The Fried, Frank study convincingly shows that view to be incorrect as a matter of law. I ask unanimous consent that a summary of the study be reprinted in the RECORD.

Second, the President's explanation is unacceptable as a statement of fact. The suggestion from the President's explanation is that his bill would "ensure that Griggs is preserved," while the Danforth proposal would "broadly legislate new rules that say employers cannot use educational standards in hiring decisions except in limited circumstances." Both assertions are simply incorrect.

The President's bill, like the Danforth proposal, adopts two business necessity standards, only one of which relates to job performance. The difference between the two proposals is that the administration would allow employers to choose which standard to use in defending discriminatory practices, while the Danforth proposal would require hiring and promotion practices to be defended based on their relationship to job performance.

Thus, the President's proposal would not preserve Griggs at all, but would overturn it instead by codifying the Supreme Court's Wards Cove decision. That decision, like the President's proposal, allows employers to use discriminatory practices (such as minimum height or weight requirements) even if they have nothing whatsoever to do with job performance.

Conversely, the Danforth proposal would not preclude the use of educational standards except in limited circumstances, as the President has suggested. Instead, employers would be free to use such standards as hiring criteria for any position, even if they have a discriminatory impact on women or minorities, provided that they are related to job performance.

Third, the President's statement suggests that civil rights are of trivial importance in comparison to our commitment to education. That suggestion is unacceptable as a matter of public policy. I am sure that no one in this body would disagree with the notion that employers can and should use educational requirements as hiring criteria if those requirements are related to job performance. But if they are not so related, and if they screen out otherwise qualified women or minorities disproportionately, why should we allow employers to use them? Indeed, the National Education Association has stated that arbitrary, unrelated employment practices do not promote educational achievement. That is why the NEA expressed strong disagreement with the President's position, calling it "dangerous and untenable." I ask unanimous consent that the NEA's letter to Senator DANFORTH be reprinted in the RECORD.

In sum, we must now look to move civil rights legislation immediately upon our return from the August recess. I have some problems with Senator DANFORTH'S proposals, but I applaud his tireless efforts on behalf of all hard-working Americans, and I look forward to working with him toward resolution of our differences. We must make the passage and enactment of civil rights legislation a top priority, even if we are forced to override a Presidential veto, in order to restore the rights and protections the Supreme Court stripped away in a series of 1989 decisions.

NAACP LEGAL DEFENSE AND
EDUCATIONAL FUND, INC.,
WASHINGTON, DC.

HOW THE FRIED, FRANK STUDY RELATES TO THE CURRENT DEBATE OVER THE CIVIL RIGHTS ACT OF 1991

According to Senator JOHN DANFORTH, who has been negotiating with the White House over the Civil Rights Act of 1991, the single issue that divides him and the Administration is whether employers should be able to impose job qualifications that screen out large numbers of qualified minorities and women and have nothing to do with the ability to perform the job. The White House position is that employers should be permitted to do this. Senator DANFORTH believes they should not.

The White House insists that when a company is sued for job discrimination, it should not be required to show that its workers were selected based on their ability to do the job, even if the company's job requirements disproportionately excluded qualified female or minority applicants. This legal standard is codified in the Administration's civil rights bill.

The Administration also claims that the legal standard is the House passed bill requiring employers to prove that their employment practices are job-related is too difficult for companies to meet. It contends that this standard would compel companies to adopt quotas in order to avoid costly lawsuits.

To support its objection to the job-performance standard, the Administration argues that the law has always permitted employment practices with a proven disparate impact on minorities and women if the employer can show that those practices serve other "legitimate employment goals" of the company, although they have nothing to do with actual job performance.

In a letter last month to Senator DANFORTH, the Attorney General asserted that job performance has *never* been the legal standard in disparate impact cases. The Administration asserts that its approach would codify the legal standards governing disparate impact suits that were established in the 1971 *Griggs* ruling and followed by all subsequent Supreme Court decisions.

The study done by the law firm of Fried, Frank, Harris, Shriver & Jacobson decisively refutes the Administration's claims.

The Fried, Frank study demolishes the Administration's contention that job performance was not the foundation of the Griggs standard. It shows that in almost all disparate impact cases from 1971 to 1989, employers were permitted to justify practices that had a discriminatory impact only when they showed that such practices were significantly related to the ability to perform the job.

According to the Fried, Frank study, job performance was the test applied in *Griggs* and virtually all other cases prior to *Ward's Cove*. In 217 out of 225 disparate impact cases, or 96 percent, the standard that judges actually applied in reaching a decision was job performance. The exact phrase "job performance" was *34 times* in Supreme Court opinions beginning with *Griggs*, and in 15 other instances the Court used phrases obviously equivalent to job performance.

The Fried, Frank study also refutes the claims that a job performance standard is too high for employers to meet and would force them to adopt quotas. The study shows that the job performance standard offered a viable defense under which employers won a significant number of cases. For 18 years under *Griggs*, employers succeeded 28 percent of the time even where the evidence established that the challenged practice had resulted in a significant discriminatory impact. Furthermore, in numerous other cases, the employer won because the plaintiffs were unable to make the required showing of disparate impact.

The job performance standard is incorporated into the bill passed this year by the House. Opponents of this bill insisted that employers could not meet this standard, and would be left with no defense at all. But the Fried, Frank study shows that employers met this requirement regularly for nearly two decades.

Under the White House approach, an applicant's actual ability to do the job would no longer matter. An employer could utilize a job requirement irrelevant to the job in question—such as a high school degree requirement for janitors—if it served any legitimate "goal" of the employer.[1] Indeed, under the Administration's bill, an employer could use any practice that satisfied such a goal, even if it resulted in reduced job performance, i.e., a practice which preferred less qualified whites over *more* qualified minorities.

The Fried, Frank study shows that the Administration's approach is a radical departure from established legal precedent that governed the American workplace for 18 years—precedent that provided ample opportunity for businesses to defend themselves against job bias suits.

NATIONAL EDUCATION ASSOCIATION,
Washington, DC, August 1, 1991.

Hon. JOHN C. DANFORTH,
Senate Russell Office Building,
Washington, DC.

DEAR SENATOR DANFORTH: I want to share with you the National Education Association's strong disagreement with the President's position on the civil rights legislation, as articulated in his July 28 letter to you. NEA stongly agrees with you that legislation is needed to overturn the Supreme Court's decision in Wards Cove v Atonio and return to the business necessity standard established by the prior Griggs decision.

As you have so forcefully and clearly articulated, the key aspect of Griggs is that employment practices challenged as discriminatory must be related to job performance. The recent study prepared for the NAACP Legal Defense Fund by Fried, Frank, Harris, Shriver, and Jacobson clearly proves that prior to Wards Cove, virtually all disparate impact cases used the test of job performance.

For the President to now insist that employers be able to establish arbitrary educational criteria that have no relation to job performance, even if such criteria are found to be discriminatory would undermine the whole purpose of the civil rights bill, which is to return to Griggs.

NEA is strongly supportive of the National Education Goals adopted by the Governors of the 50 states and endorsed by the President. We strongly endorse increasing the high school graduation rate. However, allowing arbitrary, unrelated educational standards for employment will not achieve these goals.

Indeed, the Griggs test of job relatedness is no barrier to high school graduation and in fact lower courts under Griggs have upheld education criteria where they have been found to be job related. The study, "High School Degree Requirements" and the Civil Rights Bill, just released by LDF, shows, however, that such standards were struck down when the employer couldn't prove their relationship to job performance.

NEA believes the President's position that discriminatory hiring practices will lead to increased educational achievement by our nation's student is a dangerous and untenable position. The way to improve our nation's schools is through appropriate education reform measures, including increased resources for high school dropout prevention programs.

It is also worth noting that according to the 1990 Digest of Education Statistics published by the Department of Education, the percentage of high school dropouts decreased from 17.0 percent in October 1970 to 12.5 percent in October 1989. Since these are the years the Griggs standard was in effect, it is obvious that high school completion rates were not adversely affected by Griggs.

We look forward to working with you and your colleagues to enact a strong civil rights bill this year which restores the Griggs standard.

Sincerely,

DEBRA DELEE,
Director of Government Relations.

BCCI BANKING SCANDAL

Mr. KERRY. Mr. President, yesterday, the distinguished minority leader took the floor to make a brief statement concerning the BCCI banking scandal.

That statement appeared to imply that the Senate investigation into the scandal is somehow motivated by partisan concerns. If I am correct that that is what the minority leader intended to imply, I must tell him that his statement has no basis in fact.

Yesterday morning, at our subcommittee's hearing on BCCI, the senior Senator from North Carolina, who is not usually known as a partisan of Democratic causes, said correctly that if there ever was an issue of legitimate bipartisan concern, it is BCCI.

The fundamental issue raised by this scandal has nothing to do with partisan politics. That issue is whether or not we are going to allow a global criminal conspiracy of bankers, influence peddlers, and con men to corrupt our political and financial system, bankroll terrorists, launder drug money, and bilk the public. I would think, and I would certainly hope, that Members from both political parties would agree on the answer to that question.

It is no secret that there are those who would go to great lengths to discredit this investigation. There are those in both political parties who may be embarrassed by it. There are those in the administration who may not wish to see the full record of enforcement actions taken and not taken spelled out on the record. But I would say to those people that it is too late. The genie is out of the bottle. And Members of this body from both parties who care about the truth are going to do everything we can to expose the truth—carefully, fairly, in a balanced manner—but determined to find the truth and let the chips fall where they may.

Finally, the minority leader asked rhetorically whether Democrats have expressed an interest in the activities of Centrust, a financial institution in Florida that has been under investigation by the Justice Department for the past 2 years. I would reply by noting first, that our subcommittee subpoenaed information from BCCI about Centrust months ago. Our subcommittee has been asking about the investigation into Centrust for months. And our subcommittee received testimony this morning referring clearly to the direct link between Centrust and the main focus of our inquiry—the activities of BCCI.

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[1] Recently, the Chairman of the Equal Employment Opportunity Commission argued that high school degree requirements should be imposed even when they are not related to job performance. Such a requirement would overrule dozens of court decisions, including *Griggs* itself, which the Chairman recognized when he noted that his plan "means reexamining *Griggs*."

In closing, I just want to say to the minority leader that I hope my impression of his statement was wrong. I hope that he did not mean to imply that our investigation is motivated by partisan politics. Such an allegation would not be supported by the facts; it would not be supported, to my knowledge, by Republican Senators familiar with the way the investigation has been handled; and it would not serve what I hope would be our shared purpose of uncovering the truth.

STUDY OF JOB PERFORMANCE STANDARD IN TITLE VII DISPARATE IMPACT CASES

Mr. JEFFORDS. Mr. President, the NAACP Legal Defense and Education Fund recently released a study of 18 years of disparate impact job discrimination cases in which courts have interpreted the meaning of the business necessity defense. The object of the review was to determine whether there was a generally applied standard of business necessity in those cases and, if so, to ascertain the extent to which employers were able to meet that standard.

The study was prepared on a pro bono basis by the law firm of Fried, Frank, Harris, Shriver & Jacobson. Those of us who have been involved in the long and sometimes overly technical effort to craft a civil rights bill are extremely grateful to them for their input and assistance.

PLACING MATTERS IN CONTEXT

Over the past year and a half I have been part of a debate on civil rights which has centered on the language that should be used to describe the defendant's burden of proving the business necessity defense. You will recall, Mr. President, that business necessity is the excuse that an employer can use to justify a neutral employment practice that has the effect of screening out qualified women or minorities. These issues arise in the context of unintentional, or disparate impact, discrimination cases. We have endlessly rearranged, analyzed, and interchanged such words as "essential," "significant," "substantial," and "manifest" in the effort to find just the right combination. We were trying to be fair to all parties; to make this a burden that is neither too high nor too low.

One of my great frustrations throughout this process has been the apparent failure of anyone to realize that centering the debate on disparate impact cases is to allow the tail to wag the dog. Last year, I attempted to find out exactly how many title VII cases are raised on disparate impact theory as compared with disparate treatment or intentional discrimination theory. What I found was that while we can determine the number of title VII cases filed, no records are kept of the underlying theory asserted in those cases. The best approximation that I could make from the available data was that approximately 1 per cent or less of the cases filed asserted disparate impact claims. Of some 90,000 cases filed between 1980 and 1990, roughly 1,400 were cases in which disparate impact claims could have been raised. I ask unanimous consent that a listing of statistics from the U.S. Court Administration be placed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1)

Mr. JEFFORDS. Mr. President, rather than looking at total cases filed like the U.S. Court Administration data, the Fried, Frank study examined cases in which decisions were reported. This approach necessarily produced a far smaller number of cases. Between 1971 and 1989, they found 1,300 decisions citing to the Griggs case, but only 255 in which the court actually interpreted and applied the business necessity doctrine.

What all of these imperfect numbers reveal to us, Mr. President, is that out of an approximate average of 8,000 title VII cases filed each year, a maximum of 72 [0.9 percent] and as few as 14 [0.17 percent] of these cases may be based on disparate impact theory. This confirms my findings based on the U.S. Court Administration data. Thus, it is only in that very limited arena that the battle we are now fighting over these civil rights bills will have any significance whatsoever.

THE DISPARATE IMPACT DISPUTE

In recent months the focus has shifted away from the hunt for perfect words to the policy question of whether employers should be able to impose job qualifications unrelated to performance if they screen out qualified minorities or women. The administration position has been that when companies are sued for job discrimination, they should not be required to show that their workers were selected on the basis of job performance ability, even if their practices screen out women or minorities. For Senator DANFORTH and those of us who stand with him, the requirement that employee selection standards be related to job performance is the essence of the effort to restore the Griggs decision and a bedrock issue in this debate.

The administration supports its objection to the job performance standard by arguing that the law has always allowed employers to use nonjob related practices that cause a disparate impact if it is shown that such practices serve other legitimate employment goals. This legal standard is codified in the administration's version of the civil rights bill. Further, Mr. President, the Attorney General has asserted that job performance has never been the legal standard in disparate impact cases. Thus, the administration asserts that its approach would codify the legal standards governing disparate impact suits that were established in the Griggs ruling and followed in all subsequent Supreme Court decisions.

The Fried, Frank study directly addresses the Administration's contention that job performance was not the foundation of the Griggs standard. It shows that in almost all disparate impact cases from 1971 to 1989, employers were permitted to justify practices that had a discriminatory impact only when they showed that such practices were significantly related to the ability to perform the job.

According to the study, job performance was the standard applied in Griggs and virtually all disparate impact cases prior to Wards Cove. In 217 out of 255 cases, fully 96 percent, the standard that judges actually applied in reaching a decision was job performance, not service of other legitimate employment goals. While the study examined cases at all levels, the job performance standard was applied in such noted Supreme Court decisions as Albermarle, Dothard, Beazer, and Connecticut versus Teal.

Further, Mr. President, the study reveals that the job performance standard was not so tough that employers could not defend themselves from discrimination charges. In the years between Griggs and Wards Cove, employers succeeded in 28 percent of the cases where the evidence established that the challenged practices resulted in significant discriminatory impact. Obviously, this number does not include the substantial body of cases which employers won because the plaintiffs were unable to make the required showing of disparate impact.

Finally, Mr. President, I need to address the argument that adherence to the job performance standard will discourage Americans, and especially young Americans, from seeking the higher levels of education which will be necessary for the work force of the 21st century. It is beyond dispute that in our increasingly technological society, well-educated workers are a necessity if we are to prosper into the next century. Japan, Germany, and other competing countries currently do a far better job than we do in this regard. We must catch up in education if we are not to fall behind in science, technology, and commerce. However, agreement with this necessity does not support the position of the Administration on the impact of the job performance standard on promotion of educational excellence.

The politics surrounding sensitive issues sometimes makes legislators spend their time discussing extreme examples. Parties on both sides of an issue will illustrate their concerns by citing hypotheticals which are extremely unlikely to arise in the real world, but the opposition still must expend energy and political capital either refuting them or making amendments to their proposals to steer around them. Thus, for example, the proponents of the civil rights bills have stated their fear that unless limited by the law, unscrupulous employers will use bogus qualifications as a way to limit the entry or advancement of minorities or women in the workplace.

Mr. President, one may well agree with the administration's position that in 1991, unlike 1971, requiring a high school diploma for a janitorial job is a perfectly legitimate qualification. Our worry is that without legal limitation, what would be the status of requiring a bachelor of science degree for that same position? Is that an equally legitimate qualification? If you say it is not, what limitation in the law will prevent imposition of such a standard other than the requirement that qualifications be linked to the ability to do the job?

On the other hand, Mr. President, the administration seems to worry that under the job performance standard employers will be found guilty of discrimination if they so much as ask to see a school transcript. Are the advocates of civil rights trying to devalue educational achievement? I think not. Education is obviously good and more education is obviously better. But neither educational standards nor any other standards should be allowed to act as barriers to the entry or advancement of minorities or women in the workplace unless there is some connection between the standards and the jobs in question.

That the administration's position on the job qualification issue results in the reversal of Griggs rather than its reinstatement is apparently not a problem for the White House. In his letter attacking the Danforth business necessity language, EEOC Chairman Evan Kemp stated that reexamining Griggs, and presumably reversing it, is necessary to avoid conflict with the President's "America 2000: An Education Strategy." However, Mr. President, I firmly believe that the Fried, Frank study provides potent ammunition to refute this contention. In fact, under the Griggs job performance standard in effect from 1971 to 1989, employers have not been rendered defenseless. Rather they have been able to successfully defend their educational qualifications against disparate impact charges. Nothing which we are proposing will change this situation.

Mr. President, I ask unanimous consent that the narrative text of the Fried, Frank study be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Memorandum from Fried, Frank, Harris, Shriver & Jacobson, July 26, 1991]

FROM *GRIGGS* TO *WARDS COVE*: JOB PERFORMANCE, A UNIFORMLY APPLIED STANDARD IN TITLE VII CASES

(By Leon Silverman, Arthur Lazarus, Jr., John Sullivan, and Natalie Chetlin)

You have asked us to review disparate impact employment discrimination cases which, after the *Griggs* versus *Duke Power Co.*[1] decision in 1971 and before the *Wards Cove Packing Co.* versus *Atonio*[2] decision in 1989, applied the business necessity rule first enunciated by the Supreme Court in *Griggs*. The object of the review was to determine whether there was a generally applied standard of business necessity in those cases, and, if so, to ascertain the extent to which employers were able to meet that standard.

We have reviewed 225 cases which applied the business necessity standard after a finding of disparate impact.[3] Based on our examination of the cases we have concluded that:

(i) there was a consistently applied standard of business necessity;

(ii) the standard applied in nearly all of the cases was whether the employment practice which adversely impacted minorities or women was appropriately related to "job performance"; and,

(iii) employers succeeded in approximately 28% of these cases despite a finding in each case that the challenged practice resulted in a disparate impact.[4]

An examination of the annexed chart shows that in 217 of the 225 cases, or 96%, the job performance standard was, in fact, applied. Approximately 72% of those cases were decided for the plaintiff and 28% for the defendant.[5]

In only eight (8) cases the standard actually applied was one which did not measure ability to do the job. In those cases, three (3) were decided for the plaintiff and four (4) were decided for the defendant.

To document our survey, we have attached as Exhibit A a chart of the disparate impact cases we analyzed. The chart includes citations and brief descriptions of the cases, including the plaintiffs, the challenged practice, the disposition of the challenge, and the business necessity standard which the court applied. We have also attached, as Exhibits B and C, a list of job performance cases categorized by the types of practices which courts have struck down and upheld, respectively. Exhibit D lists cases (by circuit) which have applied the job performance standard of buisness necessity. Exhibit E lists all of the references in *Griggs* to job performance.

I. THE BUSINESS NECESSITY STANDARD IN SUPREME COURT DECISIONS

Title VII prohibits gender, racial, ethnic and religious discrimination in employment.[7] Plaintiffs advancing a Title VII claim can prove discrimination in either of two ways: by proof of disparate treatment or by proof of disparate impact. In disparate treatment cases, an employer defends a charge that it intentionally treated a minority employee differently by articulating any "legitimate nondiscriminatory reason" for the alleged disparate treatment.[8] Conversely, proof of discriminatory intent is not required in disparate impact cases. In these cases, after the plaintiff proves that one or more of the employer's facially neutral employment practices resulted in a disparate impact on the basis of race, color, religion, national origin or sex, the employer defends against this charge by proving that the practice or practices are required by "business necessity."

In *Griggs*, the Supreme Court held that certain employment requirements that disproportionately impacted on blacks were unlawful because the employer failed to prove that the requirements were related to job performance. In the wake of *Griggs* and prior to *Wards Cove*,[9] the Supreme Court resolved all cases before it on the business necessity standard by examining whether the practices in issue were related to job performance. In *Beazer*, the Court found that the employer had sufficiently proved job relatedness; on two other occasions (*Albermarle* and *Dothard*), the Court found the employer had failed in such proof. In neither of the latter cases nor in *Griggs*, however, did the Court even consider whether a business necessity defense could be upheld absent proof of relation to job performance.

The Court's references to job performance throughout its opinion in *Griggs* produced an explicit message about the standard to be applied in disparate impact cases.

"[T]he question [presented is] whether an employer is prohibited by * * * Title VII from requiring a high school education or passing of a * * * test as a condition of employment * * * when * * * neither standard is shown to be significantly related to successful job performance.* * *"[10]

"If an employment practice which operates to exclude Negroes cannot be shown to be related to job performance, the practice is prohibited."[11]

"[N]either the high school completion requirement nor the general intelligence test is shown to bear a demonstrable relationship to successful *performance of the jobs* for which it was used."[12]

"Both [practices] were adopted * * * without meaningful study of their relationship to *job-performance* ability."[13]

"What Congress has forbidden is giving [tests] controlling force unless they are demonstrably a reasonable measure of *job performance*."[14]

None of these references to job performance is limited even by implication to apply only to the particular facts presented in *Griggs*.[15] Indeed, the central proposition that an employment practice is prohibited if it "cannot be shown to be related to job performance" immediately followed the Court's pronouncement that, in a Title VII analysis, "[t]he touchstone is business necessity."[16]

In *Griggs*, the Court also stated in one passage that "Congress has placed on the employer the burden of showing that any given requirement must have a manifest relationship to the employment in question."[17] The Court neither held nor suggested, however, that the phrase "manifest relationship to * * * employment" was in any way broader than or different from "job performance."

In short, based upon the language of *Griggs* the general legal standard of business necessity, to be used in analysis of disparate impact cases under Title VII, was whether the employment criteria in question measure skills or abilities necessary to performance of the jobs for which the criteria are used.

The first Supreme Court case after *Griggs* to apply the business necessity standard was *Albermarle Paper Co.* versus *Moody*.[18] The Court repeatedly characterized the *Griggs* holding in terms of job-relatedness[19] and ultimately concluded, in rejecting the tests at issue in *Albermarle*, that there was simply no way to determine whether the criteria actually considered were "sufficiently related to the Company's legitimate interest in *job-spe-*

Footnotes at end of article.

cific ability to justify a testing system with a racially discriminating impact."[20] As in *Griggs*, the Court again made no suggestion that the absence of a relationship to job performance could somehow be cured by some other evidence concerning business necessity.

In *Dothard* versus *Fawlinson*,[21] a majority of the Court, citing *Griggs*, again began its analysis by stating that, "[o]nce it is * * * shown that the employment standards are discirminatory in effect, the employer must meet 'the burden of showing that any given requirement [has] * * * a manifest relationship to the employment in question,'"[22] and repeatedly utilized references to the term "job related" within its opinion.[23] The majority disposed of the employer's business necessity defense solely by reference to "job performance."[24]

In rejecting the employer's alternate constitutional challenge to Title VII in *Dothard*, the Court equated business necessity with proof that the requirement was necessary to job performance.

"[F]or both private and public employers, '[t]he touchstone is business necessity,' *Griggs* * * *; a discriminatory employment practice must be shown to be necessary to safe and efficient *job performance* to survive a Title VII challenge."[25]

In *Dothard* as in *Albermarle*, "job related" and "job performance" were used virtually interchangeably.[26]

The next disparate impact Title VII case, *New York City Transit Authority* versus *Beazer*,[27] concerned an employer's practice of refusing to hire applicants who were being treated with methadone. In holding that the practice did not violate Title VII, a majority held it was job related:

"[T]he findings of the District Court establish * * * that [the] T[ransit] A[uthority]'s legitimate employment *goals of safety and efficiency* require exclusion * * * of a majority of all methadone users. * * * The District Court also held that those goals require exclusion of all methadone users from the 25% of its positions that are 'safety sensitive.' * * * Finally, the District Court noted that *those goals* are signficantly served by—even if they do not require—TA's rule as it applied to all methadone users. * * * The record thus demonstrates that TA's rule bears a 'manifest relationship to the employment in question.'"[28]

Analytically, the practice was found to bear a "manifest relation to the employment in question" because it resulted in a safer and more efficient, i.e., better performing work force.

Three years later in *Connecticut* versus *Teal*,[29] the Court addressed, in passing, the business necessity defense. The Court observed that in *Griggs* the court had held that tests which excluded a disproportionate number of blacks "were invalid because they had a disparate impact and were not shown to be *related to job performance*."[30] The opinion then continued:

"Griggs and its progeny have established a three-part analysis of disparate-impact claims. To establish a prima facie case of discrimination, a plaintiff must show that the facially neutral employment practice had a significantly discriminatory impact. If this showing is made, the employer must then demonstrate that 'any given requiremen [has] a manifest relationship to the employment in question,' in order to avoid a finding of discrimination."[31]

Thus, the Court in *Albermarle*, *Dothard* and *Teal* gave no indication that the phrase "manifest relationship to * * * employment" was in any way broader than or different from "job performance.[32]

A clearcut difference of opinion within the Supreme Court concerning the scope of the business necessity standard first became evident in *Watson* versus *Fort Worth Bank and Trust*,[33] where the issue under consideration was "whether disparate impact analysis may be applied to cases in which subjective criteria are used to make employment decisions.[34] While all justices who voted concurred in the result, a plurality asserted that the Court's prior decisions "make it clear that employers are not required * * * to introduce formal 'validation studies' showing that particular criteria predict actual on-the-job performance."[35] For this plurality, the "manifest relationship to * * * employment" language of *Griggs* would be satisfied if the employer's practice was "related to legitimate business purposes" or served "the employer's legitimate business goals"[36]—a new expression of the business necessity rule.[37] Justices Blackmun, Brennan and Marshall, on the other hand, argued that an employer's "offering *any* legitimate, nondiscriminatory justification * * * is simply not enough to legitimize a practice that has the effect of excluding a protected class from job opportunities at a significantly disproportionate rate";[38] "[o]ur cases since *Griggs* make clear that this effect itself runs afoul of Title VII unless it is 'necessary to safe and efficient *job performance*.'"[39]

Finally, in *Wards Cove Packing Co.* versus *Atonio*,[40] where plaintiffs alleged that the employer's hiring and promotion practices were responsible for the work force's racial stratification, a majority of the Court, the *Watson* plurality together with Justice Kennedy, came forward with yet another (and weaker) formulation of business necessity:

"The dispositive issue is whether a challenged practice serves, in a significant way, the legitimate employment goals of the employer. * * * A mere insubstantial justification will not suffice. * * * At the same time, though, there is no requirement that the challenged practice be "essential" or "indispensable" to the employer's business for it to pass muster. * * *[41]

The *Wards Cove* majority opinion, in a notable departure from prior cases, contained no reference to job performance, no use of the phrase "job-related," and did not even quote the "manifest relationship" passage from *Griggs*.

II. CASES ILLUSTRATIVE OF THE BUSINESS NECESSITY STANDARD IN THE LOWER COURTS

A. Like the Supreme Court, the Lower Courts Since Griggs Have Applied a Standard of Business Necessity That Is Based On Job Performance.

Since the *Griggs* decision in 1971, almost all of the circuit and district courts (217 out of 225 cases), when asked by employers to sustain practices that were proven to have a discriminatory impact, have applied a performance-related standard.[42]

Thus, using a variety of formulations,[43] courts have rejected employers' justifications such as customer preference, employee morale, and administrative convenience when an employer did not demonstrate that satisfaction of these concerns provided a better worker or work force. Correspondingly, courts have upheld employment practices that disproportionately exclude minorities if that practice is related to skills that result in better job performance. The performance-based standard of business necessity has been applied in cases where plaintiffs challenged seniority systems, benefits, experience and training requirements, educational, physical and testing requirements, subjective hiring, transfer and promotion policies, recruiting practices and various miscellaneous employment practices. The following discussion highlights the application of performance-related standards by the courts.

1. Courts Invalidate Practices That Exclude Qualified Minorities If The Practices Do Not Predict, Measure or Ensure Successful Job Performance.

When applying a performance-related standard of business necessity, courts have invalidated a challenged practice that disproportionately excludes minorities who are capable of performing the job.

For example, in *Davis* v. *Richmond, Fredericksburg & Potomac R.R. Co.*,[44] the Fourth Circuit struck down a requirement that an employee have prior train service before becoming eligible for an engineer apprenticeship program. The employer defined train service as service in and around rail cars, such as the services performed by inspectors, mechanics, brakemen and conductors. In the history of the railroad, no woman had ever worked in a job involving train service; most women held clerical positions. Consequently, the prior train service requirement excluded almost every female employee of the railroad from entering the engineer apprenticeship program. The court found that there was nothing unique about train service that made employees with this experience better engineers. Moreover, the railroad admitted that persons without prior train service were capable of being trained to become engineers without being disadvantaged by their lack of prior train service. Because there was no significant relationship between prior train service and successful performance as an engineer and because the requirement prevented otherwise qualified women from entering the apprenticeship program, the court invalidated the requirement.

For similar reasons, the Eleventh Circuit struck down a hiring preference in a reverse discrimination case, *Craig* v. *Alabama State University*.[45] In *Craig*, a white administrator challenged a university hiring preference for current employees which prevented her from obtaining a permanent position which she satisfactorily had performed on a temporary basis. Since almost 90% of the university's employees were black, the hiring preference policy disproportionately excluded qualified whites. Because the university did not show that the hiring preference was in any way related to job performance, the court invalidated the policy.

In *Liberles* v. *County of Cook*,[46] the Seventh Circuit invalidated a job classification scheme because the classifications and resulting pay differential were unrelated to the jobs actually performed. The county classified social workers as case aides and case workers. Eighty-three percent (83%) of the case aides were black; 81% of the case workers were white. The case aides and the case workers performed identical tasks, but the county paid the predominantly white case workers almost $200–300 more per month. Because the case workers had passed an examination and had obtained degrees from four-year colleges, the county tried to argue that these differential qualifications justified the differential pay. The court found, to the contrary, that the examination and the college degrees had nothing to do with job performance as the case aides successfully performed the same tasks as the case workers although they did not pass the examination or obtain a college degree. Accordingly, the court invalidated the classification system and ordered the county to give equal pay for identical work.

As the foregoing cases illustrate, under a performance-related standard, if an employer cannot show that an employment practice which excludes qualified minorities measures, predicts or is otherwise related to successful job performance, a court will invalidate the practices. Under established case law an employer can utilize a practice which in fact selects the best qualified applicants from among those who are merely qualified, but it cannot use a practice which adversely impacts on minorities if those who are selected by that standard are no better at the job than those who are rejected. Accordingly, a performance-related standard of business necessity carries out the mandate of *Griggs* that "qualifications [be] the controlling factor, so that race, religion, nationality, and sex become irrelevant. * * * [A]ny [practice] used must measure the person for the job and not the person in the abstract."[47]

2. Courts Uphold Employment Practices When Employers Show That The Practices Are Significantly Related To Successful Job Performance.

Griggs and its progeny do not require that employers hire minorities who are unqualified or less qualified to perform the job. Courts have upheld employment practices with a proven disparate impact if the practice measures, predicts or is otherwise substantially related to successful job performance.

For example, in *Berkman* versus *City of New York*,[48] the court allowed New York City to base an eligibility list for fire fighter training upon the scores achieved on a physical test despite the test's disparate impact on women. The test measured only an individual's anaerobic abilities, strength and speed. The test did not measure endurance, an aerobic capacity which women possess more abundantly than men. A class of women challenged the physical test because only two (2) women scored sufficiently high on the test to obtain a place on the eligibility list of over 6,400 persons. The court upheld the test because it found that the fire department was entitled to value speed and strength over endurance: life and death may depend on whether the first fire fighters to arrive at the scene have the superior strength and speed to act most effectively.

In *Aguilera* versus *Cook County Police & Corrections Merit Board*,[49] the Seventh Circuit upheld a high school diploma requirement which effectively precluded 65% of all Hispanics, as opposed to only 30% of all whites, in the relevant labor market from obtaining a job as a prison guard. The court found that because a prison guard must obtain a rudimentary grasp of constitutional law, a high school diploma helped to ensure that prison guards had the capacity to grasp these important concepts. Although the diploma requirement had a proven disparate impact on a minority group, it was upheld because it bore a significant relationship to successful job performance.

Courts have also upheld differential pay scales. In *Newman* versus *Crews*,[50] the state of South Carolina proved that it raised the salary of a predominantly white class of teachers, and did not raise the salary of a predominantly black class of teachers, because of differential performance. The state tied pay raises to scores on a national teacher's examination which, the court found, measured an individual's teaching skill and knowledge. Because the teachers in the predominantly white class performed better on the test, they were better teachers to whom the state was entitled to pay more.

And, in *EEOC* versus *Ball Corp.*,[51] a court allowed a manufacturer to enforce a lunch policy which disparately impacted upon women. Ball Corporation had a lunch policy which required lower-paid finishers in the manufacturing plant to take a thirty-minute lunch period for which they were not paid. However, all production workers were paid for a full eight-hour work day and no time was deducted for their lunch period. Since nearly all of the women in the plant were employed as finishers, almost all of the women in the plant were paid only for a seven and one-half hour work day. Although the court agreed that the lunch policy had a disparate impact, it upheld the policy. The court found that production workers could eat while their machines were operating unattended. Conversely, finishers could not leave their machines unattended without risking harm to the employer's product. Since the lunch policy ensured efficient performance and production, the court upheld it.

A court also found that successful completion of a marketing program ensured good performance in *Wilson* versus *Michigan Bell Telephone Co.*[52] Michigan Bell required that its sales persons complete a training program before entering its sales force. A black man who failed the program challenged it on the grounds that only 41% of black candidates succeeded in the program, while 60% of white candidates succeeded. The court questioned plaintiff's proof of disparate impact, but, nevertheless, analyzed the employer's defense. The court held that Michigan Bell had proved that performance in the training program predicted success on the job. Thus, the court upheld the program.

Finally, in *Boyd* versus *Ozark Air Lines, Inc.*,[53] a court allowed the airline to enforce a modified height requirement for pilots. A class of women plaintiffs challenged the airline's requirement that pilots be at least 5′7″ tall. The height requirement operated to exclude almost 75% of all active female pilots and only 12% of all active male pilots. The airline proved that a minimum height requirement was a business necessity. Airplane cockpits are designed around a pilot's "eye reference point." The reference point allows engineers to construct a cockpit wherein a pilot can see out of the windshield and see instruments and operate controls at the same time If a pilot is too short, his or her vision could be impaired, causing problems with landing the aircraft; also, a short pilot may not be able to operate the airplane's controls. Although the airline persuaded the court that a height requirement was a business necessity, the court did not agree that Ozark's 5′7″ requirement was the appropriate minimum. The airline admitted that pilots who were at least 5′5″ tall could safely operate its aircraft. Thus, the court ordered Ozark to modify its height restriction to the 5′5″ minimum.

As the foregoing cases illustrate, courts readily uphold an employment practice if the employer can show that the practice actually enables the employer to screen out unqualified or less qualified candidates. Thus, in *Berkman*, the court allowed New York City to hire fire fighters who could react with strength and speed in the crucial first minutes of an emergency; in *Newman*, the court allowed the state to attract and retain better teachers by tying pay raises to performance; and, in *Boyd*, the court allowed the airline to hire pilots who were tall enough to look out of the windshield and operate a plane at the same time.[54]

III. CONCLUSION

The Supreme Court, in *Griggs*, enunciated a business necessity defense which required proof by employers that employment practices with a proven discriminatory impact are substantially related to job performance. Prior to *Watson* and *Wards Cove*, the Supreme Court cases used the "manifest relationship to * * * employment" language in the same context as either job performance or job relatedness. This performance-based standard was applied in nearly all disparate impact cases in the 18 years between *Griggs* and *Wards Cove*. Employers have prevailed in a substantial number of these cases and, thus, have been able to demonstrate that challenged employment practices measure, predict or are otherwise significantly related to successful job performance.

FOOTNOTES

[1] 401 U.S. 424, 91 S. Ct. 849, 28 L. Ed. 2d 158 (1971).

[2] 490 U.S. 642, 109 S. Ct. 2115, 104 L. Ed. 2d 733 (1989).

[3] Although a computer search based on the terms "*Griggs*" or "business necessity" yielded over 1300 cases, the following cases were eliminated from our analysis: (i) cases that did not involve Title VII, (ii) education and housing discrimination cases, (iii) disparate treatment cases, (iv) cases in which the court articulated but did not apply the business necessity standard because plaintiffs did not prove a prima facie case of disparate impact and (v) cases in which the district court's analysis of business necessity was reversed on appeal or where the appellate court determined that the disparate impact analysis did not apply. Our analysis, however, included some cases in which the court questioned the plaintiff's proof of disparate impact but went on to apply the business necessity defense anyway. Exhibit A, annexed hereto, contains a chart of the 225 relevant cases.

[4] This percentage is based on the number of times that employers succeeded in trial and appellate courts applying the job performance standard of business necessity. Cases in which a court only upheld some of the various employer practices challenged were counted as a "success" for both the plaintiff and the defendant/employer.

[5] This of course does not include the numerous cases decided in favor of employers for failure of the plaintiff to establish a prima facie case of disparate impact.

[6] One case was remanded.

[7] The statute provides:

(a) It shall be an unlawful employment practice for an employer—(1) to fail or refuse to hire or discharge any individual, or otherwise to discriminate against any individual with respect to his compensation, terms, conditions or privileges of employment, because of such individuals's race, color, religion, sex or national origin; or (2) to limit, segregate, or classify his employees, or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of such individual's race, color, religion, sex, or national origin.

Civil Rights Act of 1964, §703(a), 42 U.S.C. §2000e-2(a) (1988).

[8] *Texas Dept. of Community Affairs v. Burdine*, 450 U.S. 248, 254 (1981).

[9] In the *Watson* case, decided by the Supreme Court prior to *Ward Cove*, two segments of the Court disputed the standard to be applied with respect to business necessity. *Wards Cove*, however, was the first Supreme Court majority opinion which substantially deviated from the *Griggs'* job performance test. See discussion infra at 11–13.

[10] 401 U.S. at 426 (emphasis added).

[11] Id. at 431 (emphasis added).

[12] Id. (emphasis added).

[13] Id. (emphasis added).

[14] Id. at 436 (emphasis added).

[15] A number of other passages in *Griggs* further indicate that the general legal standard adopted therein is whether a disputed practice is related to how well employees actually perform their jobs. See, e.g., 401 U.S. at 432 ("job capability"); id. at 433 ("highly effective performance"); id. at 433 n.9 ("the knowledge or skills required by the particular job").

[16] 401 U.S. at 431.

[17] Id. at 432.

[18] 422 U.S. 405 (1975). In an earlier decision, *McDonnell Douglas Corp.* v. *Green*, 411 U.S. 792 (1973), the Court summarized *Griggs* (without relying upon it) as relating to tests which "exclude many blacks who are capable of performing effectively in the desired

position" (411 U.S. at 806) and elsewhere as relating to job performance. *Id.* Significantly, the Court made no mention in this summary of the term "manifest relationship."

[19] 422 U.S. at 425, 426, 436. The Court also stated that an employer must meet "'the burden of showing that any given requirement [has] * * * a manifest relationship to the employment in question' * * * If an employer does then meet the burden of proving that its tests are 'job related,' it remains open to the complaining party to show that * * * other selection devices * * * would also serve the employer's ultimate interest in 'efficient and trustworthy workmanship.'" Id. at 425.

[20] 422 U.S. at 433.

[21] 433 U.S. 321 (1977).

[22] 433 U.S. at 329.

[23] Id. at 329, 331, 332.

[24] Id. at 331.

[25] Id. at 331 n.14 (emphasis added).

[26] Although the case did not involve Title VII, the Court in *Washington* v. *Davis*, 426 U.S. 229 (1976), observed that under Title VII employer practices which disqualify disproportionate numbers of blacks must be "'validated' in terms of *job performance* * * *" 426 U.S. at 247 (emphasis added). No comparable reference was made in the case to a "manifest relationship" to employment.

[27] 440 U.S. 568 (1979).

[28] 440 U.S. at 587 n.31 (emphasis added).

[29] 457 U.S. 440 (1982).

[30] 457 U.S. at 446 (emphasis added).

[31] Id. at 446–47.

[32] Actually, the majority opinion in *Teal* is replete with references both to "job performance" (457 U.S. at 446, 449, n. 10, 451) and to "job related" (id. at 445, 448, 450, 452).

[33] 487 U.S. 977, 101 L. Ed. 2d 827 (1988).

[34] 101 L. Ed. 2d at 841.

[35] Id. at 847.

[36] Id.

[37] As the plurality observed, "we do not believe that each verbal formulation used in prior opinions to describe the evidentiary standards in disparate impact cases is automatically applicable in light of today's decision." 101 L. Ed. 2d at 844 n. 2.

[38] 101 L. Ed. 2d at 852 (emphasis in original).

[39] Id. (emphasis added).

[40] 104 L. Ed. 2d 733 (1989).

[41] 104 L. Ed. 2d at 752–53.

[42] Only eight (8) cases, out of the 225 cases analyzed, applied a business necessity standard other than job performance. See, e.g., *Sabala* v. *Western Gillette, Inc.*, 362 F. Supp. 1142, 1152 (S.D. Tex. 1973) (court struck down a seniority rule that stripped employees of seniority if they transferred from job classifications that were virtually all-black and Hispanic to classifications that were virtually all-white because there was no "overriding legitimate nonracial business purpose" for the rule); *Langley* v. *State Farm Fire & Gas Co.*, 644 F.2d 1124, 1129 (5th Cir. 1981) (court upheld a rule which required new mothers to return to work within sixty days after the delivery of a child on the ground that it was "essential to the efficient operation of * * * [the] business"); *Woods* v. *Safeway Stores, Inc.*, 420 F. Supp. 35 (E.D. Va. 1976) (court upheld a no-beard policy because "customer preference" constituted a sufficient legitimate business purpose which justified the rule); *Wright* v. *Olin Corp.*, 697 F.2d 1172 (4tth Cir. 1982) (permitting, in appropriate circumstances, an employer's fetal protection policy that is required to protect the health of unborn children of women workers). The Supreme Court has since held that fetal protection policies which exclude all women capable of bearing children are impermissible under Title VII. *International Union, UAW* v. *Johnson Controls, Inc.*, 111 S. Ct. 1196 (1991).

[43] Among other formulations, courts have stated that the challenged practice must be "job related," "manifestly related to the job," "related to job performance," "predicitve of or significantly correlated with important elements of work behavior," "necessary to safe and efficient operation of the business," or "necessary to safe and efficient job performance."

[44] 803 F.2d 1322 (4th Cir. 1986).

[45] 804 F.2d 682 (11th Cir. 1986).

[46] 709 F.2d 1122 (7th Cir. 1983).

[47] *Griggs*, 401 U.S. at 436.

[48] 626 F. Supp. 591 (E.D.N.Y. 1985), modified on other grounds, 43 Fair Empl. Prac. Cas. (BNA) 315 (E.D.N.Y. 1986), aff'd in relevant part and rev'd in part on other grounds, 812 F.2d 52 (2d Cir.), cert. denied, 484 U.S. 848 (1987).

[49] 760 F.2d 844 (7th Cir.), cert. denied, 474 U.S. 907 (1985). Although the Supreme Court struck down an educational requirement in *Griggs*, courts today routinely uphold educational requirements that are related to effective job performance. See, e.g., *Davis* v. *City of Dallas*, 777 F.2d 205 (5th Cir. 1986), cert. denied, 476 U.S. 1116 (1986) (college credit requirements). Courts have also upheld advanced graduate degree requirements in most cases. See, e.g., *Scott* v. *University of Del.*, 455 F. Supp. 1102 (D. Del. 1978), aff'd in part and vacated in part on other grounds, 601 F.2d 76 (3d Cir.), cert. denied, 444 U.S. 931 (1979); *Kunda* v. *Muhlenberg College*, 463 F. Supp. 294 (E.D. Pa. 1978).

[50] 651 F.2d 222 (4th Cir. 1981).

[51] 661 F.2d 531 (6th Cir. 1981).

[52] 550 F. Supp. 1296 (E.D. Mich. 1982).

[53] 568 F.2d 50 (8th Cir. 1977).

[54] In many of the cases cited in which the courts use a performance-based standard of business necessity, the litigants and the court refer to the EEOC Uniform Guidelines on Employer Selection Procedures (the "Guidelines"). These Guidelines are codified at 29 C.F.R. §1607.5 (1990) and provide useful methods of validating the performance-relatedness of a challenged practice.

EXHIBIT 1

Info from the Office of U.S. Court Administration on the numbers of employment civil rights cases filed, and those cases in which class action allegations were raised, during the past 11 years. Generally, class action cases are those in which disparate impact claims would be asserted. Impact claims could be asserted in single plaintiff cases, but this is thought to be the exception rather than the rule. No information was available breaking out the data on the basis of the alleged legal theory (*i.e.*, disparate impact or treatment).

	Total cases	Class actions	Percentage
1980	5,017	326	6.5
1981	6,245	301	4.8
1982	7,689	224	2.9
1983	9,097	156	1.7
1984	9,748	135	1.4
1985	8,082	82	1.0
1986	9,174	68	0.7
1987	8,993	48	0.5
1988	8,563	46	0.5
1989	9,000	50	0.5
1990	8,413	42	0.5
	90,021	1,478	1.6

PRESIDENT BUSH RECEIVES BLACK HILLS DIPLOMAT CORPS HONOR

Mr. PRESSLER. Mr. President, when I flew on Air Force One with President George Bush on July 3, 1991, I had the rare honor or presenting the President with a handcrafted Black Hills gold lapel pin, formally making him a member of the Black Hills Diplomat Corps. It was especially fitting that President Bush be made a member of this elite group. He is the leader of our Nation and his stature has grown throughout the world as a fighter for freedom and democracy, ideals embodied on Mount Rushmore.

In 1986 the Rapid City Area Chamber of Commerce established the Black Hills Diplomat Corps in order to honor distinguished persons who have visited the Black Hills of South Dakota. When persons are inducted into the Diplomat Corps, they become one of a select group whose total membership cannot exceed 100 people. To acknowledge their connection to the corps, and to the Black Hills, members receive a limited edition Black Hills gold pin depicting Mount Rushmore. Only 100 of these pins have been made, one for each member of the corps.

In the 5 years that the Diplomat Corps has been in existence, only 16 people have become members. These individuals embody the virtues portrayed by the sculptures of George Washington, Thomas Jefferson, Abraham Lincoln, and Theodore Roosevelt that are carved into Mount Rushmore. Besides President Bush, current members of the Diplomat Corps include President Ronald Reagan, Secretary of Defense Caspar Weinberger, philanthropist and publisher Malcolm Forbes, South Dakota native and USA Today founder Al Neuharth, and entertainer Bob Hope.

I am pleased that the Rapid City Area Chamber of Commerce chose to make President Bush a Black Hills Diplomat. This action heightens our Nation's awareness of Mount Rushmore and South Dakota's beautiful Black Hills I especially wish to commend Carole Hillard of Rapid City for her effective leadership as president of the Rapid City Chamber of Commerce, as a member of the Rapid City Common Council, and the South Dakota House of Representatives. Carole is one of South Dakota's finest leaders. Her devotion to her community and State is an inspiring lesson for us all. We need more leaders like Carole Hillard.

ARCHBISHOP JOHN F. WHEALON

Mr. LEIBERMAN. Mr. President, I rise today to pay honor to the life and works of Archbishop John F. Whealon, who unexpectedly died during surgery in Hartford this morning.

I used the word unexpectedly advisedly. Archbishop Whealon would likely say that, while we may not expect death to occur at any particular time, it is up to God when and where he chooses to call us home. The good archbishop, though he loved life, did not fear death. For him, it is but a transition, one that brings him closer to the God he served so piously for so long.

In accordance with his own nature, as well as the teachings of his beloved Roman Catholic Church, he would not want us to mourn on this occasion. He would want us to celebrate—to celebrate the meaning of his life, and his belief that death does not end the journey of the soul.

While he was with us, Archbishop Whealon was a source of spiritual guidance and inspiration to more than 770,000 Catholics in Connecticut. He was a souce of guidance and inspiration to many nonCatholics, as well, including this United States Senator. I was honored to work with him over the years on issues affecting the Catholic Church in our State, such as educational matters relating to the excellent parochial school system in Connecticut. I turned to him for advice on moral concerns, not only out of respect for his position, but also for the quality of his mind and the depth of his compassion. In fact, I had an opportunity to discuss a wide range of topics just a few weeks ago, when my wife, Hadassah, and I, were honored to be his guest at a private dinner in Hartford. His was such a vibrant, warm personality that one felt a spirit of optimism and love just by being in his presence.

Mr. President, Archbishop Whealon accomplished his spiritual duties despite many years of harsh physical adversity. He battled cancer for many years, and underwent numerous, painful surgical procedures. Through it all, he never lost hope, nor his sense of humor and good will. Up until the end, he was faithful to his flock and his duties. He collapsed, in fact, while celebrating the Mass. I think that fact says something about his relationship to God, and perhaps God's relationship to him.

A Romam Catholic priest once said, "What you are is God's gift to you; what you make of it is your gift to God." God granted great gifts to Archbishop John F. Whealon—gifts of faith, intelligence, scholarship, leadership—and in return, Archbishop Whealon fashioned a wonderful gift for God—the gift of a life of loving service to God's children. For that, I am sure, He is as grateful to the archbishop as we who were gently touched by his goodness and grace.

BEN BRADLEE RETIRES

Mr. MOYNIHAN. Mr. President, It appears that Thursday was Ben Bradlee's last day as executive editor of the Washington Post. We shall not see his like again. But the standards he set, and the things he did, will be with us in song and story for ages hence.

O Rare Ben Bradlee,
His reign has ceased.
But his nation stands.
Its strength increased.

I ask unanimous consent that it be ordered that a flag be flown from the Nation's Capitol in honor of Ben Bradlee and that the same be presented to him.

ON THE USE OF FORCE AGAINST IRAQ

Mr. MOYNIHAN. Mr. President on January 12, 1991, the United States Congress voted to authorize the use of force to carry out and enforce U.N. Security Council resolutions concerning the Iraqi invasion of Kuwait. Now we are voting to support the use of force to carry out the terms of the Security Council resolution which established a ceasefire in the Persian Gulf. By this action the Congress supports the Security Council in its efforts to control Iraq's weapons to mass destruction, and for that reason the resolution has my support.

I do hope that the President will understand—and surely he does—that the United States is bound by the provisions of the U.N. Charter in the use of force. The charter gives to the Security Council in all cases, save those involving the inherent right of self-defense, the decision of whether or not force is required to carry out its resolutions. This resolution in no manner alters our legal obligation to adhere to the charter. The Council has the authority to order the use of force to carry out its resolutions and, under article 25, those decisions are binding on members. I urge the President to use the support granted by the Senate today in a manner consistent with our legal obligations under the charter. I am confident that he will do so.

NATURAL GAS RESEARCH, DEVELOPMENT, AND DEMONSTRATION AND THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1992

Mr. JOHNSTON. Mr. President, as part of H.R. 2686, the Department of Interior and Related Agencies appropriations bill for 1992, the Congress will appropriate funds for the Department of Energy's fossil-energy research and development and energy conservation programs. A portion of these appropriated funds will be earmarked for the Department's research, development, and demonstration [RD&D] program for natural gas supply enhancement and end-use technologies. Today, Mr. President, I would like to speak briefly on the future of the Department's natural gas RD&D program.

Over the past 3 weeks, Mr. President, I have spoken during morning business on various aspects of S. 1220, the National Energy Security Act of 1991, the comprehensive energy legislation that is pending before the Senate. I have stressed that natural gas must be one of the cornerstones of our national energy policy. I have outlined the comprehensive set of natural gas initiatives that are part of S. 1220. These initiatives will enhance our Nation's energy security by promoting the greater use of natural gas. One one these initiatives is to authorize a greatly expanded Federal RD&D program for natural gas technologies.

Our Nation is blessed with an abundant natural gas resource base. In connection with assembling the National Energy Strategy, the Department of Energy estimated that with advanced production technology, economically recoverable natural gas resources in the lower-48 States totaled almost 1,100 trillion cubic feet. At the current rate of natural gas consumption, this represents approximately 60 years of economically recoverable natural gas supply.

Natural gas accounts for approximately one-quarter of the Nation's energy consumption. This is slightly greater than coal's share of energy consumption. Only petroleum makes a bigger contribution to the energy mix, and as we have been made so painfully aware, almost one-half of that petroleum is imported. Natural gas is especially important to the residential sector where it supplies nearly one-half of the energy consumed.

Natural gas can make important contributions to the achievement of our Nation's energy and environmental policy goals. Natural gas can displace imported oil in a variety of applications—fueling motor vehicle, generating electricity, and heating homes and businesses. Natural gas is the cleanest fossil fuel that we have. As it is consumed, natural gas produces virtually no sulfur oxides or particulate matter, and emits far less nitrogen oxide, carbon monoxide, and reactive hydrocarbons, than other fossil fuels. Natural gas has the potential to be an important part of the strategy for compliance with the Clean Air Act Amendments of 1990.

Despite the importance of natural gas as part of our Nation's energy mix, and despite the attributes that make natural gas an attractive fuel for our Nation's energy and environmental future, natural gas has lagged far behind other energy sources in terms of its share of the Department of Energy's nonnuclear energy RD&D budget. Only once in the past decade has gas-related RD&D funding accounted for 20 percent of the Department's nonnuclear RD&D budget. That was fiscal year 1986. In fiscal year 1991, gas-related funding accounted for only 14 percent of the Department's nonnuclear RD&D budget. This disparity needs to be addressed in future budgets.

But this is more than just an issue of relative dollar amounts, Mr. President. It is also an issue of priorities within that portion of the Department's budget dedicated to natural gas. A disproportionate share of the Department's natural gas RD&D budget goes to supply enhancement; in other words, the development of technologies for producing natural gas. Mr. President, one look at the size of our natural gas resource base, and at the price of natural gas, tells you that supply is not a pressing problem. On the spot market, natural gas this summer is selling for barely a dollar per thousand cubic feet—an unheard of price. Despite low wellhead prices for much of the 1980's, natural gas reserve replacement has kept pace with natural gas consumption. Much of this can be attributed to improvements in natural gas recovery technology that already have occurred.

The Department's natural gas RD&D priority should be to develop technologies for the end-use of natural gas. Federal RD&D should be taking place in areas where natural gas can make a contribution to emissions control and where gas-powered engines and appliances can be made more efficient and even cleaner. Federal RD&D should be taking place in the area of natural gas vehicles. Federal RD&D should be taking place in the area of natural gas-powered fuel cells that offer the promise of greatly improved energy conversion efficiency and virtually no emissions.

Mr. President, such a reorientation of the Department's natural gas RD&D budget would be consistent with the mandates of the Clean Air Act and with the priorities set out in S. 1220 and in the President's own national energy strategy. These priorities should be reflected in the Department's fiscal year 1993 budget request for natural gas RD&D. The appropriations committees in both houses should be mindful of these priorities when making recommendations for fiscal year 1993 appropriations. In the next appropriations cycle, I intend to make a point of the need to examine carefully the orientation of the Department's natural gas RD&D program.

Finally, Mr. President, I do not wish to leave the impression that I am ungrateful for what the appropriations committees have done for natural gas RD&D in the fiscal year 1992 appropriations cycle. In several cases, the committees have recommended natural gas RD&D funding in excess of that requested by the administration. This is particularly true in the area of fuel cells where the committees have recommended that the administration's request be doubled. For this I am grateful.

RETURN OF CERTAIN NOMINATIONS TO THE PRESIDENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that all nominations received by the Senate remain in status quo, notwithstanding the provisions of 31, paragraph 6, with the following exceptions: Director, Office of Victims of Crime; Charles M. House; U.S. Circuit Judge: Kenneth L. Ryskamp; U.S. attorney: Dexter W. Lehtinen; U.S. district judge: James R. McGregor; member, National Labor Relations Board: Mary Cracraft.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following matters: Executive Calendar No. 6, Convention Providing a Uniform Law on the Form of an International Will; Executive Calendar No. 7, Protocol Relating to an Amendment to Article 56 of the Convention on International Civil Aviation; Executive Calendar No. 8, Amendments to the 1928 Convention Concerning International Expositions, as amended; and Executive Calendar No. 9, Protocol Amending the Extradition Treaty with Canada.

I further ask unanimous consent that the treaties be considered as having been advanced through the various parliamentary stages up to and including the presentation of the resolutions of ratification; that no other amendments, understandings, or reservations be in order; that any statement appear as if read in the RECORD; and that the Senate vote en bloc on the resolution of ratification without intervening action or debate with one vote to count as four.

The PRESIDING OFFICER. Without objection, it is so ordered.

The treaties will be considered to have passed through their various parliamentary stages up to and including the presentation of the resolution of ratification, with the clerk will state.

CONVENTION PROVIDING A UNIFORM LAW ON THE FORM OF AN INTERNATIONAL WILL

The resolution of ratification was read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Providing a Uniform Law on the Form of an International Will, adopted at a diplomatic conference held in Washington, D.C. from October 16 to 26, 1973, and signed on behalf of the United States on October 27, 1973.

PROTOCOL RELATING TO AN AMENDMENT TO ARTICLE 56 OF THE CONVENTION ON INTERNATIONAL CIVIL AVIATION

The resolution of ratification was read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol Relating to an Amendment to Article 56 of the Convention on International Civil Aviation, done at Montreal on October 6, 1989.

AMENDMENTS TO THE 1928 CONVENTION CONCERNING INTERNATIONAL EXPOSITIONS, AS AMENDED

The resolution of ratification was read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Amendments to the Convention of November 22, 1928, concerning International Expositions, as amended (TIAS Series 6548, 6549, 9948, and Treaty Doc. No. 98-1).

PROTOCOL AMENDING THE EXTRADITION TREATY WITH CANADA

The resolution of ratification was read as follows:

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol signed at Ottawa on January 11, 1988, amending the Treaty on Extradition Between the United States of America and Canada, signed at Washington on December 3, 1971, as amended by an exchange of notes on June 28 and July 9, 1974.

Mr. PELL. Mr. President, I am pleased to bring before the Senate today four treaties for this body's advice and consent. Each of these treaties has been assigned a designation of either "urgent" or "high priority" by the Department of State.

I would like to summarize briefly the substance of each of these treaties and what they are designed to accomplish.

EXTRADITION TREATY WITH CANADA

The Protocol Amending the Extradition Treaty with Canada would restyle our existing Extradition Treaty with Canada so that it will conform with the currently preferred form of extradition treaties.

As the Members might be aware, most extradition treaties, including our own with Canada, have traditionally listed specific crimes that are considered to be extraditable offenses. The problem with that approach has been that every time new offenses becomes punishable under the laws of both countries who are parties to these extradition treaties, the treaties have to be renegotiated and amended to include the new offenses.

The new approach to extradition treaties, which is embodied in the protocol that is being proposed to our Extradition Treaty with Canada, seeks to eliminate that problem by including in these treaties what is called a dual criminality clause instead of the listing of enumerated offenses. Under this new approach, extradition is permitted for any crime that is punishable in both countries by imprisonment for a year or more.

Using the dual criminality approach in our Extradition Treaty with Canada will also enable parental child abduction to become an extraditable offense.

Finally, this protocol will exclude certain specified crimes of violence, typically committed by terrorists, from the scope of the political offense exception contained in this extradition treaty. Therefore, according to the State Department, this protocol "represents an important step toward improving law enforcement cooperation and countering the threat of international terrorism and other crimes of violence."

INTERNATIONAL EXPOSITIONS

The Amendments to the 1928 Convention Concerning International Expositions are designed to halt the proliferation of world fairs by requiring 5-

year intervals between such expositions. This goal would be accomplished by amending the 1928 Convention so as to establish a system of "registered" expositions and "recognized" expositions, with certain respective specified characteristics and corresponding limitations as to frequency of occurrence.

INTERNATIONAL CIVIL AVIATION

The purpose of the Protocol Relating to the Convention on International Civil Aviation is to increase from 15 to 19 the membership of the Air Navigation Commission of the International Civil Aviation Organization [ICAO].

This increase in the size of the Commission is occasioned by an increase in the size of the larger body, ICAO. The Commission, as originally established, was designed to provide a small body of well-qualified experts to handle the complex technical problems of air navigation coming before ICAO. Commission members are appointed by the ICAO Council from among the nominees of all ICAO member states—there are now 161—and must have "suitable qualifications and experience in the science and practice of aeronautics."

INTERNATIONAL WILLS

The purpose of the Convention on the International Will is to provide a will form that will be accorded recognition by all countries that ratify the Convention, in order to facilitate the probating of wills throughout the world, even if the will is executed in one country and the testator's property is in another country.

An "international will" is defined in the Convention as one which has been executed in the presence of an "authorized person", and which meets certain requirements as to form, such as number of witnesses and signature. The Convention requires each contracting country to introduce those rules into its law.

Two phases of implementing legislation are contemplated: First, Congress will have to enact an International Wills Act, containing the rules as to form and providing for the recognition of international wills throughout the United States. Second, individual States will have to subscribe, by their own legislation, to a Uniform International Wills Act, and will need to designate an "authorized person" as described in the Convention, thereby enabling international wills to be executed in such States.

The administration has assured the Senate that the instrument of ratification will be deposited only after the necessary Federal legislation is enacted.

Mr. MITCHELL. I ask for a division vote.

The PRESIDING OFFICER. A division vote has been requested.

All those in favor of ratification of these treaties, stand and be counted. (After a pause.) All those opposed to ratification, stand and be counted.

With two-thirds of the Senators present having voted in the affirmative, the resolutions of ratification are agreed to.

Mr. MITCHELL. I ask unanimous consent that the motion to reconsider the vote be tabled en bloc; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

GRANTS TO REGULATE ENVIRONMENTAL QUALITY ON INDIAN RESERVATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 206, S. 668, regarding environmental quality on reservations.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 668) to authorize consolidated grants to Indian tribes to regulate environmental quality on Indian reservations.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Select Committee on Indian Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. AMENDMENT.

The Act entitled "An Act to authorize certain appropriations for the territories of the United States, to amend certain Acts relating thereto, and for other purposes", approved October 15, 1977 (91 Stat. 1159), is amended by adding at the end thereof the following:

"SEC. 502. GENERAL ASSISTANCE PROGRAM.

"(a) SHORT TITLE.—This section may be cited as the "Indian Environmental General Assistance Program Act of 1991".

(b) PURPOSES.—The purposes of this section are to—

"(1) provide general assistance grants to Indian tribal governments and intertribal consortia to build capacity to administer environmental regulatory programs that may be delegated by the Environmental Protection Agency on Indian lands; and

"(2) provide technical assistance from the Environmental Protection Agency to Indian tribal governments and intertribal consortia in the development of multimedia programs to address environmental issues on Indian lands.

"(c) DEFINITIONS.—For purposes of this section:

"(1) The term 'Indian tribal government' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C.A. 1601, et seq.)), which is recognized as eligible for the special services provided by the United States to Indians because of their status as Indians.

"(2) The term 'intertribal consortia' or 'intertribal consortium' means a partnership between two or more Indian tribal governments authorized by the governing bodies of those tribes to apply for and receive assistance pursuant to this section.

"(3) The term 'Administrator' means the Administrator of the Environmental Protection Agency.

"(d) GENERAL ASSISTANCE PROGRAM.—(1) The Administrator of the Environmental Protection Agency shall establish an Indian Environmental General Assistance Program that provides grants to eligible Indian tribal governments on intertribal consortia to cover the costs of planning, developing, and establishing environmental protection programs on Indian lands.

"(2) Each grant awarded for general assistance under this subsection for a fiscal year shall be no less than $75,000, and no single grant may be awarded to an Indian tribal government or intertribal consortium for more than 10 percent of the funds appropriated under subsection (h) of this section.

"(3) The term of any general assistance award made under this subsection may exceed one year. Any awards made pursuant to this section shall remain available until expended. An Indian tribal government or intertribal consortium may receive a general assistance grant for a period of up to four years in each specific media area.

"(e) NO REDUCTION IN AMOUNTS.—In no case shall the award of a general assistance grant to an Indian tribal government or intertribal consortium under this section result in a reduction of Environmental Protection Agency grants for environmental programs to that tribal government or consortium. Nothing in this section shall preclude an Indian tribal government or intertribal consortium from receiving individual media grants or cooperative agreements. Funds provided by the Environmental Protection Agency through the general assistance program shall be used by an Indian tribal government or intertribal consortium to supplement other funds provided by the Environmental Protection Agency through individual media grants or cooperative agreements.

"(f) EXPENDITURE OF GENERAL ASSISTANCE.—Any general assistance under this section shall be expended for the purpose of planning, developing, and establishing the capability to implement programs administered by the Environmental Protection Agency and sepcified in the assistance agreement. Purposes and programs authorized under this section shall include the development and implementation of solid and hazardous waste programs for Indian lands. An Indian tribal government or intertribal consortium receiving general assistance pursuant to this section shall utilize such fund for programs and purposes to be carried out in accordance with the terms of the assistance agreement.

"(g) PROCEDURES.—(1) Within 12 months following the date of the enactment of this section, the Administrator shall promulgate regulations establishing procedures under which an Indian tribal government or intertribal consortium may apply for general assistance grants under this section.

"(2) The Administrator shall publish regulations issued pursuant to this section in the Federal Register.

"(3) The Administrator shall establish procedures for accounting, auditing, evaluating, and reviewing any programs or activities funded in whole or in part for a general assistance grant under this section.

"(h) AUTHORIZATION.—There are authorized to be appropriated to carry out the provisions of this section, $15,000,000 for each of the fiscal years 1992, 1993, 1994 1995, and 1996.".

Mr. McCAIN. Mr. President, for the last 20 years, the Environmental Protection Agency [EPA] has provided financial support for the efforts of State governments to develop comprehensive environmental protection programs and to develop capacities to directly administer federally delegated programs.

For the most part, Indian tribal governments were overlooked in the early Federal efforts to regulate environmental quality. In 1986 and 1987, the Congress adopted amendments to Superfund, the Safe Drinking Water Act and the Clean Water Act to authorize EPA to treat tribes as States. Yet, despite the years of hard work by dedicated tribal and Federal employees, there is abundant evidence that environmental quality on Indian lands continues to deteriorate.

Under the leadership of Chairman INOUYE, the Select Committee on Indian Affairs has been engaged in a continuing effort to address environmental concerns on Indian lands. Last year the committee considered and favorably reported the Indian Environmental Regulatory Enhancement Act, which later became Public Law 101-408.

In this session, the committee has acted upon S. 668, the Indian Environmental General Assistance Program Act of 1991. The purpose of this bill is to provide environmental general assistance grants to Indian tribal governments and intertribal consortia to enhance their capacity to administer environmental regulatory programs on Indian lands that may be delegated by the Environmental Protection Agency and to provide technical assistance in the development of multimedia environmental regulatory programs on Indian lands.

In developing this legislation, the select committee has worked closely with the Environment and Public Works Committee. I want to express my thanks to Chairman BURDICK and Senator CHAFEE and their staffs for their assistance. We have incorporated into the substitute bill the changes they have recommended. I also want to express my thanks to Chairman INOUYE for the prompt consideration of this bill, and to Senator SIMON for his cosponsorship of the bill.

Finally, Mr. President, I am offering one technical amendment to the bill which simply amends the title to conform it to the intended purpose of this legislation.

The PRESIDING OFFICER. Are there any amendments? If not, the question is on agreeing on the Committee substitute.

The Committee substitute was agreed to.

The PRESIDING OFFICER. The bill is deemed read the third time and passed.

So the bill (S. 668) was ordered to be engrossed for a third reading, was deemed read the third time, and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SMITH. I send an amendment to the title to the desk and ask its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

Amend the title so as to read: "An Act to authorize general assistance grants to Indian tribal governments to regulate environmental quality on Indian reservations.".

The PRESIDING OFFICER. The question occurs now on the title amendment.

The amendment was agreed to.

EXTENSION OF TIME LIMITATIONS ON CERTAIN LICENSES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 161, S. 1283, related to FERC-issued licenses.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1283) to authorize extensions of time limitations in certain FERC-issued licenses.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1078

(Purpose: To authorize extensions of time limitations for FERC Project No. 3246)

Mr. SMITH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH], for Mr. DANFORTH, proposes an amendment numbered 1078.

Mr. SMITH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

THE PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, line 6, strike "and 3034" and insert ", 3034, and 3246".

On page 2, line 9, strike "and".

On page 2, line 14, strike the period and insert "; and".

On page 2, between lines 14 and 15, insert the following new paragraph:

(3) until October 15, 1995, the time required for the licensee to acquire the required real property and commence the construction of Project No. 3246, and until October 15, 1999, the time required for completion of construction of the project.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1078) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the time limitations of section 13 of the Federal Power Act, the Federal Energy Regulatory Commission upon the request of the licensee for FERC Projects Nos. 3033, 3034, and 3246 (and after reasonable notice) is authorized, in accordance with the good faith, due diligence, and public interest requirements of section 13 and the Commission's procedures under such section, to extend—

"(1) until August 10, 1994 the time required for the licensee to acquire the required real property and commence the construction of Project No. 3033, and until August 10, 1999 the time required for completion of construction of such project;

"(2) until August 10, 1996 the time required for the licensee to acquire the required real property and commence the construction of Project No. 3034, and until August 10, 2001 the time required for completion of construction of such project; and

"(3) until October 15, 1995, the time required for the licensee to acquire the required real property and commence the construction of Project No. 3246, and until October 15, 1999, the time required for completion of construction of the project.

The authorization for issuing extensions shall terminate three years after enactment of this section. The Commission to facilitate requests under this section may consolidate such requests.".

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS TO FOLLOW THROUGH ACT AND THE HEAD START TRANSITION PROJECT ACT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 115, H.R. 2312, regarding the Follow-through Program.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2312) to make certain technical and conforming amendments to the Follow-through Act and the Head Start Transition Project Act.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objecion, the Senate proceeded to consider the bill.

Mr. BENTSEN. Mr. President, I rise to express my gratitude to the distinguished chairman of the Education Subcommittee, Senator CLAIBORNE PELL. Chairman PELL has graciously accepted my impact aid amendment to H.R. 2312, a bill making various technical amendments to our education laws.

My amendment would rescue the three financially strapped coterminous school districts in the San Antonio area: Fort Sam Houston I.S.D., Randolph Field I.S.D., and Lackland Field I.S.D. My amendment would increase the minimum payment these districts receive under the impact aid laws. Impact aid provides Federal financial assistance to schools like these that educate the children of military personnel. For each student, impact aid currently pays each coterminous district an amount equal to 50 percent of the national average for per pupil spending. My amendment would increase the payment to 62 percent of the national average.

The increase would translate into approximately $563 more per student in fiscal 1992. The estimated national average for fiscal year 1992 is $4,694. 50 percent of that amount would be paid under current law: $2,347 per pupil. My amendment would multiply the average by 62 percent, resulting in $2,910 per pupil. In total, $2.1 million extra will go to the three San Antonio districts combined.

I pushed for this increase because impact aid has not kept up with the escalating costs of educating military dependents. And the costs of these districts are particularly high. For example, they have more learning and physically disabled students than most school populations. Two large military hospitals, Wilford Hall and Brook Army Medical Center, are located within two of the districts. Because the hospitals offer excellent health care for the disabled, many military families with disabled children transfer to the three San Antonio bases. As a result, the three school districts enroll more special education students, students to whom more resources must be devoted.

The districts are limited in how they can meet these costs. The district boundaries completely coincide with the military bases they serve. Federal property isn't subject to real estate taxes. The districts therefore can't generate property tax revenue. They also can't issue school bonds. Without these revenue tools, the districts depend on impact aid as their main source of revenue.

Mr. President, the Persian Gulf conflict showed how much the children of our fighting men and women suffered while their mothers and fathers defended our Nation. In many ways, the children sacrificed just as much for their country as their parents did. Their sacrifice compels us to ensure that they receive the best education possible while their parents serve our country.

My amendment will help finance a quality education. Impacted schools like Fort Sam Houston, Randolph, and Lackland must have strong financial support in order to offer our little homefront warriors the first-class education they deserve.

Mr. President, I again want to express my appreciation to the distinguished chairman, Senator PELL.

I ask unanimous consent that the full text of my statement be printed in the RECORD and that it follow this bill and accompanying amendments. I thank the Chair.

Mr. ROCKEFELLER. Mr. President, I rise to support and commend Senator KENNEDY for his leadership on early childhood education and especially his efforts in this technical amendment to help Follow Through programs that are threatened because of limited Federal funding.

Follow Through is an effective program established in 1967 to continue the efforts of Head Start by following through and helping disadvantaged students make the transition from home and Head Start into the early elementary grades. Under the program, special assistance is offered to children in kindergarten and the first three grades of elementary school.

This program has been especially important to young children in Randolph County, WV, who have benefited enormously under the Follow Through Program since 1967. Under this successful project, children at the George Ward School have received special educational assistance in reading and mathematics for more than 20 years. Medical and dental services and screening are provided to participating children. Parents are involved in the program as classroom volunteers.

Teachers and students in Randolph County know that this program works, and they were alarmed to learn that lack of Federal funding threatened to end this successful program. We should not allow this to happen. Children who are looking forward to starting school this September need and deserve the support that Follow Through provides.

Getting students started on the right foot in elementary school is crucial, and Follow Through helps. It is an worthwhile investment in our children, and our future.

I strongly support Senator KENNEDY'S efforts to ensure that established, successful Follow Through programs can continue their important work.

AMENDMENT NO. 1079

(Purpose: To amend the Follow-Through Act, and for other purposes)

Mr. MITCHELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. KENNEDY, proposes an amendment numbered 1079.

Mr. MITCHELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following:

SEC. 3. THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.

Subsection (a) of section 1006 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2712(a)) is amended by adding at the end thereof the following new paragraph:

"(7)(A) Notwithstanding the provisions of subparagraph (A) of paragraph (1), if a county has the largest number of children counted under section 1005(c) compared to other counties in the State in which such county is located and is not otherwise eligible to receive a grant under this section, then such county shall be eligible to receive a grant under this section.

"(B) Nothwithstanding the provisions of paragraphs (2) and (3), the amount of a grant that a county receives in any fiscal year solely as a result of the application of subparagraph (A) shall be determined on the basis of the number of children in the county that are counted under section 1005(c) for the preceding fiscal year.

"(C) Notwithstanding the provisions of paragraph (5), the State educational agency serving a county eligible for a grant as a result of the application of subparagraph (A) shall allocate such grant funds to the local educational agency within such county that has the largest number of children counted under section 1005(c).".

SEC. 4. ADJUSTMENTS FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES.

Paragraph (2) of section 3(h) of the Act of September 30, 1950 (Public Law 81–874) (hereafter in this section and sections 5 and 6 referred to as the "Act") (20 U.S.C. 238(h)(2)) is amended—

(1) in the first sentence, by striking "second preceding year" and inserting "third preceding year";

(2) in the third sentence, by inserting "and the last sentence" after "sentences";

(3) in the fourth sentence, by striking "50 per centum" and inserting "125 percent of half"; and

(4) by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to any local educational agency that does not directly operate and maintain facilities for providing free public education.".

SEC. 5. USE OF DATA FROM PRECEDING YEAR.

(a) CHILDREN OF PERSONS WHO RESIDE AND WORK ON FEDERAL PROPERTY.—

(1) IN GENERAL.—Section 3(a) of the Act (20 U.S.C. 238(a)) is amended—

(A) in the first sentence, by striking "during such fiscal year" and inserting "during the preceding fiscal year"; and

(B) in the second sentence, by striking "during such year" and inserting "during the preceding fiscal year".

(2) EFFECTIVE DATE.—(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall take effect on the date of enactment of this Act.

(B) The amendments made by paragraph (1) shall not apply until October 1, 1993 with respect to any local educational agency that—

(i) has an increase of 5 percent or more, from school year 1990–1991 to school year 1991–1992, in the number of children described in section 3(a) of this Act, as a direct result of activities of the United States; and

(ii) submits a written request to the Secretary for the delayed application of such amendments.

(b) CHILDREN OF PERSONS WHO RESIDE OR WORK ON FEDERAL PROPERTY.—Section 3(b) of the Act (20 U.S.C. 238(b)) is amended—

(1) in the matter preceding paragraph (1), by striking "during such fiscal year" and inserting "during the preceding fiscal year"; and

(2) in the second sentence, by striking "during such fiscal year" and inserting "during the preceding fiscal year".

(c) CONFORMING AMENDMENTS.—

(1) ELIGIBILITY FOR PAYMENTS.—Section 3(c) of the Act (20 U.S.C. 238(c)) is amended—

(A) in paragraph (1)(B), by striking "during such year" and inserting "during the preceding fiscal year"; and

(B) in paragraph (2)(B), by striking "during such fiscal year" and inserting "during the preceding fiscal year".

(2) AMOUNT OF PAYMENTS.—Section 3(d)(2)(B) of the Act (20 U.S.C. 238(d)(2)(B)) is amended—

(A) in clause (i)—

(i) by inserting "for the year in which the determination is made" after "the amount of payment";

(ii) by striking "for any fiscal year" and inserting "for the preceding fiscal year";

(iii) by striking "the preceding fiscal year" each place such term appears and inserting "the second preceding fiscal year"; and

(iv) by striking "from the second preceding fiscal year to the prior fiscal year" and inserting "from the third preceding fiscal year to the second preceding fiscal year";

(B) in clause (iii)—

(i) by striking "during such fiscal year" and inserting "during the preceding fiscal year"; and

(ii) by striking "were, during such fiscal year," and inserting "were, during such preceding fiscal year,";

(C) in the third sentence—

(i) by striking "in the year" and inserting "in the year preceding the year"; and

(ii) by striking "such fiscal year" and inserting "such preceding fiscal year";

(D) in the fifth sentence, by inserting "for the preceding year" after "State average tax rate,"; and

(E) in the sixth sentence—

(i) in subclause (I), by striking "such fiscal year" and inserting "the preceding fiscal year";

(ii) in subclause (II), by striking "for such year" and inserting "for such preceding year"; and

(iii) in the matter following subclause (II)—

(I) by striking "to be available" and inserting "was available"; and

(II) by striking "for the fiscal year" and inserting "for the fiscal year preceding the fiscal year".

(3) LOCAL CONTRIBUTION RATE.—Section 3(d)(3)(A) of the Act (20 U.S.C. 238(d)(3)(A)) is amended—

(A) in clause (i), by striking "second" and inserting "third"; and

(B) in clause (ii), by striking "second" and inserting "third".

(4) MINIMUM LOCAL CONTRIBUTION RATE.—Section 3(d)(3)(B)(ii) of the Act (20 U.S.C. 238(d)(3)(B)(ii)) is amended by inserting a comma and "in the preceding fiscal year," after "necessitated".

(5) DEFINITION.—Section 3(d)(3)(D)(ii) of the Act (20 U.S.C. 238(d)(3)(D)(ii)) is amended by striking "second" each place it appears and inserting "third".

SEC. 6. SPECIAL RULE REGARDING ORIGINAL ASSESSED VALUE OF REAL PROPERTY.

Section 2 of the Act (20 U.S.C. 237) is amended by adding at the end thereof the following new subsection:

"(g) SPECIAL RULE REGARDING ORIGINAL ASSESSED VALUE OF REAL PROPERTY.—Any school district that received a payment under section 5(b)(2) of the Act for fiscal year 1986, but which the Department of Education has determined to be ineligible for assistance under this section due to a review of the original assessed value of the real property involved at the time of the acquisition of the Federal property, shall be deemed eligible for payments under this section.".

SEC. 7. COMPREHENSIVE CHILD DEVELOPMENT CENTERS ACT OF 1988.

Section 670N of the Comprehensive Child Development Centers Act of 1988 (42 U.S.C. 9881) is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively;

(2) by inserting after subsection (c) the following new subsection:

"(d) The Secretary may, directly or through grants, contracts, or cooperative agreements, provide technical assistance in infant and toddler development, to eligible agencies and entities receiving funding under this subchapter in order to assist such eligible agencies and entities in achieving the purposes of this subchapter."; and

(3) in subsection (g) (as redesignated in paragraph (1)), by striking "(e)(1)" and inserting "(f)(1)".

SEC. 8. THE FOLLOW-THROUGH ACT.

If the amount of funds appropriated to carry out the Follow-Through Act for fiscal year 1992 exceeds the amount of funds appropriated to carry out such Act in fiscal year 1991, then such amount as exceeds the amount appropriated for fiscal year 1991 shall become available for obligation on October 1, 1991 for applicants for grants under such Act whom the Secretary of Education determined were qualified to receive such grants in fiscal year 1991 and who did not receive such grants.

SEC. 9. CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.

(a) ALLOTMENT.—Subsection (d) of section 101 of the Carl D. Perkins Vocational and Applied Technology Education Act (hereafter in this section referred to as the "Act") (20 U.S.C. 2311) is amended by inserting ", except that, for the purpose of allotting funds under parts A, B and E of title III of this Act, such term also includes Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau (until such time as the Compact of Free Association is ratified)" before the period at the end thereof.

(b) THE TERRITORIES.—Section 101A of the Act (20 U.S.C. 2311a) is amended by adding at the end the following new subsection:

"(d) SPECIAL RULE.—Funds received under this section shall not be used to carry out parts A, B and E of title III of this Act.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 1991.

SEC. 10. MATCHING FUNDS.

Section 516 of the Carl D. Perkins Vocational and Applied Technology Education Act is amended by adding at the end thereof the following new subsection:

"(e) MATCHING FUNDS.—No State receiving funds under this Act shall require an eligible recipient to match in-cash or in-kind payments received under this Act in order for such recipient to receive funds under this Act.".

SEC. 11. ASSETS FROZEN BY BANK FAILURES.

(a) PURPOSE.—It is the purpose of this section to ensure that individuals who are barred from exercising discretion and control over funds in checking and savings accounts because of the actions of any State in declaring a bank emergency due to the insolvency of credit unions, banks, and loan and investment companies that are not covered by Federal deposit insurance—

(1) receive appropriate adjustments from financial aid administrators in the calculations of expected family contribution and need; and

(2) are adequately informed about the availability and use of such adjustment procedures.

(b) THE HIGHER EDUCATION ACT OF 1965.—Section 479A of the Higher Education Act of 1965 (20 U.S.C. 1087tt) is amended by adding at the end thereof the following new subsection:

"(d) ASSETS FROZEN BY BANK FAILURES.—

"(1) IN GENERAL.—A student financial aid administrator shall be considered to be making a necessary adjustment in accordance with subsection (a) if the administrator adjusts expected family contribution to reflect the family's or student's lack of discretion and control over assets in checking and savings accounts due to a declaration in a State of a bank emergency.

"(2) METHODS.—The Secretary shall use appropriate methods to identify and inform students from States in which such bank emergencies occur of the opportunity for review of the circumstances described in paragraph (1). Such methods may include notification of financial aid administrators, high school guidance counselors, and grant recipients under subpart 4 of part A of this title and publication of such opportunity at secondary schools and postsecondary institutions within the State.".

LAW ENFORCEMENT UNIT RECORDS

SECTION 12(a) Section 438(a)(4)(B)(ii) of the General Education Provisions Act (20 U.S.C. 1232g(a)(4)(B)(ii)) is amended to read as follows:

"(ii) records maintained by a law enforcement unit of the educational agency or institution that were created by that law enforcement unit for the purpose of law enforcement.".

EFFECTIVE DATE

(b) This section shall take effect upon enactment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment (No. 1079) was agreed to.

The PRESIDING OFFICER. Are there further amendments? If not, the question is on engrossment and third reading of the bill.

The bill was engrossed for a third reading, was read the third time, and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I move that the Senate insist on its amendment, request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KENNEDY, Mr. PELL, Mr. METZENBAUM, Mr. HATCH, and Mrs. KASSEBAUM.

VETERANS EDUCATIONAL ASSISTANCE AMENDMENTS ACT

Mr. MITCHELL. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 188, S. 868, the Armed Forces Reserve educational benefits bill.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 868) to amend title 10, United States Code, and title 38, United States Code, to improve educational assistance benefits for members of the Selected Reserve of the Armed Forces who served on active duty during the Persian Gulf war, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SPECTER. Mr. President, as ranking Republican member of the Committee on Veterans' Affairs, I am pleased to support passage of S. 868, the Veterans' Educational Assistance Amendments of 1991. This bill, Mr. President, would improve educational assistance benefits for certain servicemembers and reservists who served during the Persian Gulf conflict.

As amended at the June 6, 1991, committee markup, S. 868 would:

First, amend chapters 30, 32 and 35 of title 38, United States Code, and chapter 106 of title 10 to restore educational assistance entitlements to participants in the programs under these chapters who had received benefits for the pursuit of courses which they were unable to complete because they were called to active duty, or in the case of active-duty service members, they were assigned duties that prevented them from completing their courses;

Second, amend chapter 106 of title X to extend the delimiting date for reservist's education entitlement by the length of their periods of active duty, and provide that reservists are not to be considered to have been separated from the Selected Reserve for education benefit purposes by reasons of their active-duty service;

Third, amend section 2014 of title 38 to limit eligibility for veterans' readjustment appointments—certain noncompetitive appointments in the federal civil service—by specifying that those Vietnam-era veterans eligible for an excepted appointment under this authority on the basis of having a service-connected disability must have a compensable service-connected disability; and

Fourth, extend eligibility for employment and job-training services under chapters 41 and 42 of title 38 to members of the Selected Reserve who serve on active duty during a period of war, or in a campaign or expedition for which a campaign badge is authorized—such as Operation Desert Shield/Desert Storm—and are discharged or released under other than dishonorable conditions, even if such service was less than the current requirement of 180 days.

Mr. President, these proposals are intended for the primary benefit of veterans of the Persian Gulf war, particularly those members of the Selected Reserve and National Guard who were called to active duty and performed so magnificently. It gives me great pleasure to be a strong advocate of benefits for these truly heroic citizen-soldiers.

As we hold hearings on the readjustment needs of Persian Gulf war veterans, I become more and more impressed with the quality and determination of these brave men and women who willingly leave factory, farm, and office to defend freedom thousands of miles away. My own State of Pennsylvania is a stronghold of such citizens. I am proud of their contribution to our national effort, and proud to be able to represent them in the Senate.

I would also like to thank the staff who worked hard to assist the committee in its hearings on and preparation of this bill. Our thanks go to majority staffers Chuck Lee, associate counsel; Bill Brew, general counsel; and Ed Scott, chief counsel and staff director. On my own staff, I thank Hannah Thompson, research assistant; Scott Waitlevertch, professional staff member; Charlie Battaglia, deputy staff director; and Tom Roberts, minority chief counsel and staff director.

This bill is a measure of thanks to our Persian Gulf veterans. I urge my colleagues to join me in supporting final passage.

AMENDMENT NO. 1080

(Purpose: To provide additional improvements in educational assistance)

Mr. MITCHELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. CRANSTON, proposes an amendment numbered 1080.

Mr. MITCHELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, below line 12, add the following new section:

SEC. 6. IMPROVEMENT IN PAYMENT OF EDUCATIONAL ASSISTANCE FOR RESERVISTS CALLED TO ACTIVE DUTY.

(a) IN GENERAL.—Clause (3) of section 1780(a) of title 38, United States Code, is amended to read as follows—

"(3) to any eligible veteran or person for a course for which the grade assigned is not used in computing the requirements for graduation including a course from which the student withdraws unless—

"(A) the eligible veteran or person withdraws because he or she is ordered to active duty; or

(B) the Secretary finds there are mitigating circumstances, except that, in the first instance of withdrawal (without regard to withdrawals described in subclause (A) of this clause) by the eligible veteran or person from a course or courses with respect to which the veteran or person has been paid assistance under this title, mitigating circumstances shall be considered to exist with respect to courses totaling not more than six semester hours or the equivalent thereof; or".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as of August 1, 1990.

Mr. SPECTER. Mr. President, as ranking Republican member of the Committee on Veterans' Affairs, and as a cosponsor, I am pleased to support adoption of the amendment offered by the distinguished chairman of the Committee on Veterans' Affairs, Senator CRANSTON.

This amendment, Mr. President, would add a new section to S. 868, the Veterans' Educational Assistance Amendments of 1991, to permit a nonpunitive withdrawal from a program of education in the case of an eligible veteran or person who withdraws because he or she is called to active duty.

Under current law, 38 U.S.C. 1780(a)(3), a trainee who withdraws from a program of education is required to repay any benefits received for the period of training unless the Secretary determines that there are mitigating circumstances. There is also, however, a special rule which provides that, in the case of the first such withdrawal, mitigating circumstances are statutorily considered to exist with respect to courses totaling not more than 6 semester hours. This special rule is sometimes referred to as the free-bite rule. Under this rule, for example, if a person was in training and was called to active duty in Desert Shield/Desert Storm, that withdrawal—up to 6 semester hours—could constitute the person's free-bite.

Under this amendment, there would be a separate exception for those who must interrupt their training to answer a call to active duty. This exception would not be limited to 6 semester hours and would not be counted with respect to a trainee's statutory mitigating circumstances.

While this amendment would affect those who were called to duty in connection with Operation Desert Shield/Desert Storm, Chairman CRANSTON and I have drafted this measure so that it would also provide the special exception to future trainees who may be called to active duty.

The amendment would be effective August 1, 1991.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. If there be no further debate the question is on agreeing to the amendment.

The amendment (No. 1080) was agreed to.

Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I urge my colleagues to give their unanimous approval to S. 868 as reported by the Veterans' Affairs Committee on July 26, 1991, as it would be amended by an amendment that I am proposing. This bill would improve educational and employment assistance benefits for certain service members, primarily those who served during the Persian Gulf war, which is defined for purposes of Department of Veterans Affairs benefits as the period beginning on August 1, 1990, and ending on a date to be specified by law or by the President.

Mr. President, S. 868 embodies provisions that were originally included in the Persian Gulf service members and veterans benefits package—H.R. 1175, as passed by the House on March 13, and in S. 578, as part of the leadership amendment passed by the Senate on March 14 as an amendment to H.R. 1175—but not included in S. 725 as enacted in Public Law 102-25. Unfortunately, the measure enacted on April 6 was limited by a monetary cap on funding for all veterans' benefits in the bill and, as a result, did not include these provisions.

Mr. President, I will briefly summarize and discuss the provisions of S. 868 and the amendment.

SUMMARY OF PROVISIONS

Mr. President, this measure as reported, which I will refer to as the "committee bill," contains provisions which would amend chapters 30, 32, 35, and 42 of title 38, United States Code, and chapter 106 of title 10. These provisions would:

First, restore educational assistance entitlement to participants in VA-administered programs who had received benefits for the pursuit of courses which they were unable to complete because either they were reservists who were called to active duty or, in the case of active duty service members, they were assigned duties that prevented them from completing their courses.

Second, in the case of a reservist who was called to active duty during the Persian Gulf war, extend the period during which the reservist may use his or her Montgomery GI Bill benefits under chapter 106 of title 10 by a period equal to the length of their active service plus four months; and provide that the reservist is not to be considered to have been separated from the selected Reserve for education benefit purposes by reason of the reservist's active duty service.

Third, clarify that Vietnam-era veterans' eligibility for veterans readjustment appointments in Federal employment based on having a service-connected disability is limited to veterans who are entitled to disability compensation or who were discharged or released from active duty for a disability incurred or aggravated in line of duty.

Fourth, expand the definition of an "eligible veteran" for purposes of employment assistance to include an activated reservist with less than 180 days of active duty service if he or she served on active duty during a period of war or was awarded a campaign badge.

RESTORATION OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE

Mr. President, chapters 30, 32, and 35 of title 38, United States Code, and chapter 106 of title 10 provide for educational assistance programs for eligible active duty service members, survivors, dependents, and reservists. Under these VA-administered programs, participants are eligible for a set number of monthly educational assistance payments.

Many active duty service members and reservists had to leave school in midterm to serve in the Persian Gulf or in support of military operations there. Section 2 of the committee bill would restore to those who had received educational benefits but were unable to complete their courses as a result of a change in their duties, or of their activation, in connection with the Persian Gulf conflict the entitlement they used for the interrupted course. Thus, upon returning to school, they would resume their educational pursuit with the amount of entitlement that they had before entering the period of schooling that they were unable to finish.

DELIMITING DATE FOR RESERVISTS' EDUCATION ENTITLEMENT

Mr. President, current statutory requirements allow reservists participating in the educational assistance program under chapter 106 of title X to use their educational benefits until the end of the 10-year period following their attaining eligibility or until they are separated from the Selected Reserve, whichever occurs first.

Section 3 of the committee bill is designed to ensure that reservists do not have any less time in which to use their benefits by reason of their active duty service in connection with the Persian Gulf conflict. Thus, it would provide that the period of active duty plus 4 months would not count as part of the 10-year period.

As noted by the National Association of Veterans Program Administrators in testimony submitted for the committee's May 23, 1990, hearing on S. 868, the number of months that an individual serves on active duty is not always equal to the amount of educational opportunity lost. For example, an individual released from active duty during a school term will usually have to wait until the next term begins to resume coursework. In recognition of that fact and to avoid the administrative burden of determining the amount of lost opportunity in each case, section 3 would provide for an additional 4 months for the use of entitlement in all cases in which a reservist was ordered to active duty in connection with the Persian Gulf war.

Mr. President, in addition, this section would provide that, for education benefit purposes, an individual would not be considered to have been separated from the selected Reserve by virtue of his or her service dring the Persian Gulf war. This provision would ensure that an individual would not be considered separated from the selected Reserve while on active status and, thus, ineligible for continued educational benefits following discharge or release from active duty.

ELIGIBILITY OF MEMBERS OF THE SELECTED RESERVE FOR EMPLOYMENT AND TRAINING ASSISTANCE

Mr. President, section 2011 of title 38 defines an "eligible veteran" for purposes of employment assistance and training as an individual who served on active duty for a period of more than 180 days and was discharged or released with an other than dishonorable discharge, or was discharged or released from active duty because of service-connected disability. Under this eligibility requirement, a reservist who earned a campaign badge in connection with the Persian Gulf war, but served for less than 180 days, would not be eligible for employment assistance.

The uniformed services rely on reservists to provide essential skills in times of conflict. These reservists often must interrupt civilian careers to serve on active duty. Thus, it is obvious that some reservists could benefit from employment assistance following service. Section 5 of the committee bill would extend eligibility to members of the selected Reserve who serve on active duty during a period of war or in a campaign or expedition for which a campaign badge is authorized and are discharged or released under other than dishonorable conditions.

AMENDMENT

Mr. President, the amendment that I am proposing would provide, effective August 1, 1990, that limitations on withdrawal from a course by participants in VA-administered educational assistance programs would not apply to a course from which a student withdraws if the withdrawal is by reason of the call or order of the student to active duty during the Persian Gulf war.

Mr. President, under current law, participants in a VA-administered education program generally may not receive payment for a course from which they withdraw unless the Secretary finds that there are mitigating circumstances. However, in the first instance of withdrawal, mitigating circumstances are considered to exist with respect to courses totaling not more than 6 semester hours or the equivalent. As I noted a moment ago, many persons had to leave school for active duty service in the Persian Gulf or in support of military operations there. Under current law, these students would forfeit their one-time free withdrawal or, if they had withdrawn from a course previously, could be required to demonstrate mitigating circumstances to the Secretary.

The amendment, which would add a new section 6 to the committee bill, would provide that these limitations on withdrawal from a course do not apply to a course from which a student withdraws by reason of a call or order to active duty.

CONCLUSION

Mr. President, in closing I express my appreciation to the ranking minority member of our committee, Mr. SPECTER, for his cooperation on this matter.

I am also grateful for the contributions of the committee staff members who have worked on this legislation—on the minority staff, Scott Waitlevertch, Charlie Battaglia, and Tom Roberts; and on the majority staff, Shannon Phillips, Chuck Lee, Bill Brew, and Ed Scott.

Mr. President, it is important to our dedicated men and women in uniform, many of whom were civilian employees or students before recently being activated as reservists, that we do all we can to ensure that their active-duty service does not create unnecessary hardship for them. Thus, I urge the Senate to give its unanimous approval to the pending measure.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Educational Assistance Amendments of 1991".

SEC. 2. RESTORATION OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE.

(a) CHAPTER 30 PROGRAM.—Section 1413 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) Notwithstanding any other provision of this chapter or chapter 36 of this title, any payment of an educational assistance allowance described in paragraph (2) shall not—

"(A) be charged against any entitlement of any individual under this chapter; or

"(B) be counted toward the aggregate period for which section 1795 of this title limits an individual's receipt of assistance.

"(2) Subject to paragraph (3), the payment of the educational assistance allowance referred to in paragraph (1) is the payment of such an allowance to an individual for pursuit of a course or courses under this chapter if the Secretary finds that the individual—

"(A) in the case of a person not serving on active duty, had to discontinue such course pursuit as a result of being ordered, in connection with the Persian Gulf War, to serve on active duty under section 672(a), (d), or (g), 673, 673b, or 688 of title 10; or

"(B) in the case of a person serving on active duty, had to discontinue such course pursuit as a result of being ordered, in connection with such War, to a new duty location or assignment or to perform an increased amount of work; and

"(C) failed to receive credit or lost training time toward completion of the individual's approved education, professional, or vocation objective as a result of having to discontinue, as described in subparagraph (A) or (B), his or her course pursuit.

"(3) The period for which, by reason of this subsection, an educational assistance allowance is not charged against entitlement or counted toward the applicable aggregate period under section 1795 of this title shall not exceed the portion of the period of enrollment in the course or courses for which the individual failed to receive credit or with respect to which the individual lost training time, as determined under paragraph (2)(C) of this subsection.".

(b) CHAPTER 32 PROGRAM.—(1) Section 1631(a) of such title is amended by adding at the end the following new paragraph:

"(5)(A) Notwithstanding any other provision of this chapter or chapter 36 of this title, any payment of an educational assistance allowance described in subparagraph (B) of this paragraph—

"(i) shall not be charged against the entitlement of any eligible veteran under this chapter; and

"(ii) shall not be counted toward the aggregate period for which section 1795 of this title limits an individual's receipt of assistance.

"(B) The payment of an educational assistance allowance referred to in subparagraph (A) of this paragraph is any payment of a monthly benefit under this chapter to an eligible veteran for pursuit of a course or courses under this chapter if the Secretary finds that the eligible veteran—

"(i) in the case of a person not serving on active duty, had to discontinue such course pursuit as a result of being ordered, in connection with the Persian Gulf War, to serve on active duty under section 672(a), (d), or (g), 673, 673b, or 688 of title 10; or

"(ii) in the case of a person serving on active duty, had to discontinue such course pursuit as a result of being ordered, in connection with such War, to a new duty location or assignment or to perform an increased amount of work; and

"(iii) failed to receive credit or training time toward completion of the individual's approved education, professional, or vocational objective as a result of having to discontinue, as described in clause (i) or (ii) of this subparagraph, his or her course pursuit.

"(C) The period for which, by reason of this subsection, an educational assistance allowance is not charged against entitlement or counted toward the applicable aggregate period under section 1795 of this title shall not exceed the portion of the period of enrollment in the course or courses for which the individual failed to receive credit or with respect to which the individual lost training time, as determined under subparagraph (B)(iii) of this paragraph.

"(D) The amount in the fund for each eligible veteran who received a payment of an educational assistance allowance described in subparagraph (B) of this paragraph shall be restored to the amount that would have been in the fund for the veteran if the payment had not been made. For purposes of carrying out the previous sentence, the Secretary of Defense shall deposit into the fund, on behalf of each such veteran, an amount equal to the entire amount of the payment made to the veteran.

"(E) In the case of a veteran who discontinues pursuit of a course or courses as described in subparagraph (B) of this paragraph, the formula for ascertaining the amount of the monthly payment to which the veteran is entitled in paragraph (2) of this subsection shall be implemented as if—

"(i) the payment made to the fund by the Secretary of Defense under subparagraph (D) of this paragraph, and

"(ii) any payment for a course or courses described in subparagraph (B) of this paragraph that was paid out of the fund,

had not been made or paid.".

(2) Section 1631(a)(2) of such title is amended by inserting "in paragraph (5)(E) of this subsection and" after "Except as provided".

(c) CHAPTER 35 PROGRAM.—Section 1711(a) of such title is amended—

(1) by striking out "Each" and inserting in lieu thereof "(1) Each"; and

(2) by adding at the end the following new paragraph:

"(2)(A) Notwithstanding any other provision of this chapter or chapter 36 of this title, any payment of an educational assistance allowance described in subparagraph (B) of this paragraph shall not—

"(i) be charged against the entitlement of any individual under this chapter; or

"(ii) be counted toward the aggregate period for which section 1795 of this title limits an individual's receipt of assistance.

"(B) The payment of the educational assistance allowance referred to in subparagraph (A) of this paragraph is the payment of such an allowance to an individual for pursuit of a course or courses under this chapter if the Secretary finds that the individual—

"(i) had to discontinue such course pursuit as a result of being ordered, in connection with the Persian Gulf War, to serve on active duty under section 672(a), (d), or (g), 673, 673b, or 688 of title 10; and "(ii) failed to receive credit or training time toward completion of the individual's approved educational, professional, or vocational objective as a result of having to discontinue, as described in clause (i) of this subparagraph, his or her course pursuit.

"(C) The period for which, by reason of this subsection, an educational assistance allowance is not charged against entitlement or counted toward the applicable aggregate period under section 1795 of this title shall not exceed the portion of the period of enrollment in the course or courses for which the individual failed to receive credit or with respect to which the individual lost training time, as determined under subparagraph (B)(ii) of this paragraph.".

(d) SELECTED RESERVE PROGRAM.—Section 2131(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3)(A) Notwithstanding any other provision of this chapter or chapter 36 of title 38, any payment of an educational assistance allowance described in subparagraph (B) of this paragraph shall not—

"(i) be charged against the entitlement of any individual under this chapter; or

"(ii) be counted toward the aggregate period for which section 1795 of title 38 limits an individual's receipt of assistance.

"(B) The payment of the educational assistance allowance referred to in subparagraph (A) of this paragraph is the payment of such an allowance to the individual for pursuit of a course or courses under this chapter if the Secretary of Veterans Affairs finds that the individual—

"(i) had to discontinue such course pursuit as a result of being ordered, in connection with the Persian Gulf War, to serve on active duty under section 672(a), (d), or (g), 673, or 673b of this title; and

"(ii) failed to receive credit or training time toward completion of the individual's approved educational, professional, or vocational objective as a result of having to discontinue, as described in clause (i) of this subparagrah, his or her course pursuit.

"(C) The period for which, by reason of this subsection, an educational assistance allowance is not charged against entitlement or counted toward the applicable aggregate period under section 1795 of title 38 shall not exceed the portion of the period of enrollment in the course or courses for which the individual failed to receive credit or with respect to which the individual lost training time, as determined under subparagraph (B)(ii) of this paragraph.".

SEC. 3. DELIMITING DATE.

Section 2133(b) of title 10, United States Code, is amended by adding at the end the following:

"(4)(A) In the case of a member of the Selected Reserve of the Ready Reserve who, during the Persian Gulf War, serves on active duty pursuant to an order to active duty issued under section 672(a), (d), or (g), 673, or 673b of this title—

"(i) the period of such active duty service plus four months shall not be considered in determining the expiration date applicable to such member under subsection (a); and

"(ii) the member may not be considered to have been separated from the Selected Reserve for the purposes of clause (2) of such subsection by reason of the commencement of such active duty service.

"(B) For the purposes of this paragraph, the term 'Persian Gulf War' shall have the meaning given such term in section 101(33) of title 38.".

SEC. 4. CLARIFICATION OF ELIGIBILITY FOR EMPLOYMENT AND TRAINING ASSISTANCE.

Section 2014(b)(2)(A)(i) of title 38, United States Code, is amended by striking out "has a service-connected disability" and inserting in lieu thereof "is entitled to disability compensation under the laws administered by the Secretary or whose discharge or release from active duty was for a disability incurred or aggravated in line of duty.".

SEC. 5. ELIGIBILITY OF MEMBERS OF A RESERVE COMPONENT FOR EMPLOYMENT AND TRAINING ASSISTANCE.

Section 2011(4) of title 38, United States Code, is amended to read as follows:

"(4) The term 'eligible veteran' means a person who—

"(A) served on active duty for a period of more than 180 days and was discharged or released therefrom with other than a dishonorable discharge;

"(B) was discharged or released from active duty because of a service-connected disability; or

"(C) as a member of a reserve component under an order to active duty pursuant to section 672(a), (d), or (g), 673, or 673b of title 10, served on active duty during a period of war or in a campaign or expedition for which a campaign badge is authorized and was discharged or released from such duty with other than a dishonorable discharge.".

SEC. 6. IMPROVEMENT IN PAYMENT OF EDUCATIONAL ASSISTANCE FOR RESERVISTS CALLED TO ACTIVE DUTY.

(a) IN GENERAL.—Clause (3) of section 1780(a) of title 38, United States Code, is amended to read as follows—

"(3) to any eligible veteran or person for a course for which the grade assigned is not used in computing the requirements for graduation including a course from which the student withdraws unless—

"(A) the eligible veteran or person withdraws because he or she is ordered to active duty; or

"(B) the Secretary finds there are mitigating circumstances, except that, in the first instance of withdrawal (without regard to withdrawals described in subclause (A) of this clause) by the eligible veteran or person from a course or courses with respect to which the veteran or person had been paid assistance under this title, mitigating circumstances shall be considered to exist with respect to courses totaling not more than six semester hours or the equivalent thereof; or".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as of August 1, 1990.

The title was amended so as to read: "A bill to amend title 10, United States Code, and title 38, United States Code, to improve the educational assistance benefits for members of the reserve components of the Armed Forces who served on active duty during the Persian Gulf War, to improve and clarify the eligibility of certain veterans for employment and training assistance, and for other purposes.".

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TO ESTABLISH AN ALBERT EINSTEIN CONGRESSIONAL FELLOWSHIP PROGRAM

Mr. SMITH. Mr. President, I send a resolution to the desk on behalf of Senator HATFIELD and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution.

The assistant legislative clerk read as follows:

A resolution (S. Res. 173) to establish an Albert Einstein Congressional Fellowship Program.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 173) was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 173

Whereas a need exists to facilitate understanding, communication, and cooperation between Congress and the science education community;

Whereas the science education community includes a cadre of nationally recognized outstanding secondary school science and mathematics teachers; and

Whereas secondary school science and mathematics teachers can provide insight into education programs that work effectively: Now, therefore, be it

Resolved by the Senate,

SECTION 1. FELLOWSHIP PROGRAM.

(a) IN GENERAL.—The President pro tempore of the Senate are authorized to enter into an agreement with the Triangle Coalition for Science and Technology Education to establish an Albert Einstein Congressional Fellowship Program (referred to in this concurrent resolution as the "fellowship program"), which provides for each fiscal year, beginning with fiscal year 1991, three fellowships within the Senate (referred to in this concurrent resolution as the "Senate fellowships").

(b) RESPONSIBILITIES.—The President pro tempore of the Senate may enter into the agreement described in subsection (a), and fund fellowships as specified in section 4(a), only if the Triangle Coalition for Science and Technology Education—

(1) undertakes the application responsibilities referred to in section 2(a);

(2) participates in the evaluation referred to in section 3; and

(3) provides the funding for administration and evaluation costs referred to in section 4(b).

SEC. 2. SELECTION PROCESS.

(a) APPLICATION.—The Triangle Coalition for Science and Technology Education shall—

(1) publicize the fellowship program;

(2) develop and administer an application process; and

(3) conduct an initial screening of applicants for the fellowship program.

(b) SELECTION.—The President pro tempore and the Majority Leader and the Minority Leader of the Senate, in consultation with the chairmen and ranking minority party members of the Committee on Labor and Human Resources of the Senate and the Committee on Commerce, Science, and Transportation of the Senate, shall each select one of the recipients of the Senate fellowships.

(c) PLACEMENT OF FELLOWSHIPS.—The President pro tempore of the Senate, in consultation with the Members referred to in subsection (b), may place one fellowship recipient on the staff of the Committee on Labor and Human Resources, and one recipient on the staff of the Committee on Commerce, Science, and Transportation, and one recipient may serve on the personal staff of a member of the Senate.

(d) ELIGIBLE RECIPIENTS.—Recipients shall be selected from a pool of nationally recognized outstanding secondary school science and mathematics teachers. The pool shall include teachers who have received Presidential Awards for Excellence in Science and Mathematics Teaching, as established by section 117(a) of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1881b), or other similar recognition of skills, experience, and ability as science or mathematics teachers.

(e) COMPENSATION.—The President pro tempore of the Senate shall fix the compensation of each recipient of a Senate fellowship.

(f) LENGTH OF TERM.—Each fellowship recipient shall serve for a period of up to 1 year.

SEC. 3. EVALUATION.

The Chairman of each committee and Member of the Senate referred to in section 2(b) and the Executive Director of the Triangle Coalition for Science and Technology Education shall submit to the President pro tempore of the Senate an annual report evaluating the fellowship program, and shall make recommendations concerning the continuation of the program.

SEC. 4. FUNDING.

(a) FELLOWSHIPS.—For fiscal years 1991 and 1992, the funds necessary to provide any Senate fellowships shall be paid from the contingent fund of the Senate, but not to exceed a total of $40,000 in fiscal year 1991 and $42,500 in fiscal year 1992 for the Senate fellowships.

(b) ADMINISTRATION AND EVALUATION.—The Triangle Coalition for Science and Technology Education shall provide the funds necessary for the administration of the fellowship program and for the evaluation referred to in section 3.

Mr. SMITH. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZING PRINTING OF "COLUMBUS IN THE CAPITOL"

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Concurrent Resolution 151, a concurrent resolution authorizing the printing of a volume entitled "Columbus in the Capitol," just received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 151) providing for the printing of the volume entitled "Columbus in the Capitol" as a House document.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 151) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEFENSE PRODUCTION ACT EXTENSION—CONFERENCE REPORT

Mr. MITCHELL. Mr. President, I submit a report of the committee of conference on H.R. 991 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 991) to extend the expiration date of the Defense Production Act of 1950, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, August 2, 1991.)

Mr. EXON. Mr. President, I am pleased to rise to support the immediate passage of the conference report on H.R. 991, the Defense Production Extension Act. This long-awaited conference report merits the endorsement of the full Senate.

The key provisions of this legislation would renew the Defense Production Act and permanently reauthorize the Exon-Florio law. The Exon-Florio law gives the President the power to investigate and if necessary stop a foreign purchase of an American company.

At a time when the defense budget is declining and American weapons production will likely be reduced, it is absolutely critical that America maintains an industrial and technological base which can be mobilized in the time of national need. The Defense Production Act is the statute which gives the President the power to assure that industrial production is available in the time of war or national emergency.

The Exon-Florio law gives the President the power to assure that American industrial and technological strength is not lost to foreign takeovers, mergers, or acquisitions. The President has used the Exon-Florio law to protect the national security in one case where he ordered a Chinese firm to divest its ownership of an aircraft parts manufacturer and in numerous cases where the Exon-Florio process was used to assure that existing security laws were fully enforced and in cases where accommodations were made by foreign companies to meet American security needs. In several cases, the Exon-Florio process also exposed questionable purchasers of American companies.

The passage of this legislation which will make the Exon-Florio law permanent assures certainty for international investors and gives the President the power he needs to protect the national security.

I would also like to take this opportunity to recognize and thank the chairman and ranking member of the Senate Banking Committee, and Congressmen CARPER, HOAGLAND, and SHARP, all of who were extremely helpful in bringing this conference to conclusion and securing the permanent reauthorization of the Exon-Florio law.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REFUGEE DAY

Mr. SMITH. Mr. President, on behalf of Mrs. KASSEBAUM, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Joint Resolution 192, designating October 30, 1991, as "Refugee Day."

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 192) designating October 30, 1991, as "Refugee Day."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mrs. KASSEBAUM. Mr. President, today, I am pleased to introduce a joint resolution with my colleagues Senators MOYNIHAN, DOLE, KENNEDY, LUGAR, SIMON, SIMPSON and DURENBERGER, which designates October 30 as Refugee Day. Last year was the first year we officially acknowledged both the plight of refugees worldwide, as well as the contribution refugees have made in building our own society. The success of last year's efforts to bring attention to the very important issue of refugees has resulted in our offering this joint resolution today.

This joint resolution would designate October 30 as Refugee Day, not only this year but every year. The dramatic flight of the Kurds from Iraq earlier this year has helped to remind all of us of the exploding refugee crisis worldwide. Over the past 10 years the world refugee population has more than doubled from 7 million to 17 million. When combined with the number of people displaced within their own countries' borders, the numbers affected are well over 30 million.

Over 80 percent of these refugees are women and children. One-third of the refugees worldwide are found in Africa, where the host countries have the poorest infrastructure and are least able to sustain such large number of destitute people. There is not a corner of Africa which has been spared the tragedy caused by massive movement of populations.

While the end of the cold war has raised our hopes for the future, the growing refugee crisis is a bleak reminder that international community must not relinquish its responsibility to respond to the continuing desperate needs of many around the globe.

On a recent visit to the United States, the current U.N. High Commissioner for Refugees, Mrs. Sadako Ogata of Japan poignantly said,

> The refugee issue lies at the heart of the quest for a stable world order. Unless existing refugee situations are addressed properly and simultaneously by governments as well as humanitarian organizations, they have the potential to blight the prospects for peace and progress which the new political climate offers.

As Americans, we can be very proud both of our leadership in refugee matters worldwide and of our country as a land of refugee for those escaping prosecution. We are a nation of immigrants, which I believe has enhanced our understanding of refugees in crisis and has contributed to our humanitarian response to these problems.

I urge my colleagues to join us in cosponsoring this joint resolution and designating October 30 Refugee Day. I would also hope that everyone in this body will do all they can to help make this day a success in our home States by contributing to the efforts to highlight this problem and to expand understanding of its dimensions.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

S.J. RES. 192

Whereas in the past decade, the plight of refugees worldwide has been deepening as the world refugee population has more than doubled from 7,300,000 to 16,000,000;

Whereas more than 80 percent of these refugees are women and children;

Whereas one-third of the refugee population is found in Africa where the host countries have the weakest infrastructure and are the least able to sustain such large numbers of destitute people in flight;

Whereas the international effort to respond to the refugee crisis worldwide with the formulation of the United Nations Convention on Refugees and the founding of the Office of the United Nations High Commissioner for Refugees (UNHCR) marks its fortieth anniversary in 1991;

Whereas the United States has always played a leading role in refugee matters worldwide;

Whereas the origins of the United States as a land of refuge for those escaping persecution and the development of the United States as a nation of immigrants gives the country a deep understanding of and sympathy for the plight of the 16,000,000 refugees in the world;

Whereas refugees who have come to the United States have made significant contributions to the country;

Whereas the United States has consistently encouraged other countries to expand the effort to help the needy population of refugees and has worked to find both short-term and long-term solutions to the refugee crisis; and

Whereas the current world refugee situation requires that the United States continue to be a leader in refugee affairs and in the efforts to meet the growing challenges of the refugee crisis: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) October 30, 1991 is designated as "Refugee Day"; and

(2) the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

Mr. SMITH. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION REORGANIZATION ACT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 195, S. 1306, the alcohol, drug abuse, and mental health administration reorganization bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1306) to amend title V of the Public Health Service Act to revise and extend certain programs to restructure the Alcohol, Drug Abuse and Mental Health Administration, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Alcohol, Drug Abuse, and Mental Health Administration Reorganization Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References.

TITLE I—ADMINISTRATION AND INSTITUTES

Subtitle A—Restructuring

Sec. 101. Restructuring.

"PART A—ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

"Subpart 1—Establishment and General Duties

"Sec. 501. Alcohol, Drug Abuse and Mental Health Services Administration.
"Sec. 502. General duties and activities with respect to substance abuse and mental health.

"Subpart 2—Substance Abuse Prevention and Treatment Programs and Mental Health Services

"Sec. 505. Substance abuse prevention and treatment projects for high risk youth.
"Sec. 506. Projects for reducing the incidence of substance abuse among pregnant and postpartum women and their children.
"Sec. 507. Treatment projects of national significance.
"Sec. 508. Grants for substance abuse treatment in state and local criminal justice systems.
"Sec. 509. Treatment and prevention services training.
"Sec. 510. Substance abuse treatment capacity expansion program.
"Sec. 511. Other services programs.
"Sec. 512. Community partnership grants.
"Sec. 513. Establishment of grant program for demonstration projects.

"Subpart 3—Administrative Provisions

"Sec. 515. Advisory councils.
"Sec. 516. Peer review for service grants.
"Sec. 517. Applications and Native American governing units.
"Sec. 518. Procedures for misconduct.
"Sec. 519. Experts and consultants.
"Sec. 520. Office for special populations.
"Sec. 520A. Office of women's health services.

Sec. 102. National Institutes.

"Subpart 14—National Institutes on Alcohol Abuse and Alcoholism, on Drug Abuse and of Mental Health

"CHAPTER 1—ESTABLISHMENT AND GENERAL DUTIES

"Sec. 464I. National Institute on Alcohol Abuse and Alcoholism.
"Sec. 464J. National Institute on Drug Abuse.
"Sec. 464K. National Institute of Mental Health.

"CHAPTER 2—RESEARCH PROGRAMS

"Sec. 464L. Mental health and substance abuse research.
"Sec. 464M. National mental health and substance abuse education programs.

"Sec. 464N. National substance abuse research centers.
"Sec. 464O. Medication development program.

Subtitle B—Miscellaneous Alcohol and Drug Abuse Provisions

Sec. 111. Miscellaneous alcohol and drug abuse provisions.

"PART C—MISCELLANEOUS PROVISIONS RELATING TO SUBSTANCE ABUSE AND MENTAL HEALTH

"Sec. 541. Technical assistance to state and local agencies.
"Sec. 542. Substance abuse among government and other employees.
"Sec. 543. Admission of substance abusers to private and public hospitals and outpatient facilities.
"Sec. 544. Confidentiality of records.
"Sec. 545. Data collection.
"Sec. 546. Research on public health emergencies.

Subtitle C—Transfer Provisions

Sec. 121. Transfers.
Sec. 122. Delegation and assignment.
Sec. 123. Transfer and allocations of appropriations and personnel.
Sec. 124. Incidental transfers.
Sec. 125. Effect on personnel.
Sec. 126. Savings provisions.
Sec. 127. Separability.
Sec. 128. Transition.
Sec. 129. References.

Subtitle D—Conforming Amendments

Sec. 131. Conforming amendments.
Sec. 132. Additional conforming amendments.

Subtitle E—Miscellaneous provisions

Sec. 141. Alternative sources of funding for certain grantees.
Sec. 142. Peer review.
Sec. 143. Budgetary authority.
Sec. 144. Substance abuse training and research.

TITLE II—REAUTHORIZATION AND IMPROVEMENT OF ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICE BLOCK GRANT PROGRAM

Sec. 201. Reauthorization of block grant.
Sec. 202. Revision of block grant formula.
Sec. 203. Use of unobligated funds by States.
Sec. 204. Revision of intravenous drug set-aside.
Sec. 205. Use of allotments.
Sec. 206. Maintenance of effort.
Sec. 207. Requirement of statewide substance abuse treatment plans.
Sec. 208. Technical amendment.

TITLE III—CHILDREN OF SUBSTANCE ABUSERS

Sec. 301. Short title.
Sec. 302. Findings and purposes.

Subtitle A—Services for Children of Substance Abusers

Sec. 311. Services.

Subtitle B—Grants for Home-Visiting Services for At-Risk Families

Sec. 321. Short title.
Sec. 322. Grants for home-visiting services for at-risk families.

TITLE IV—CHILDHOOD MENTAL HEALTH

Sec. 401. Short title.
Sec. 402. Purpose.
Sec. 403. Establishment of program of grants to States with respect to comprehensive mental health services for children with serious emotional disturbance.

TITLE V—STUDIES

Sec. 501. Study on private sector development of pharmacotherapeutics.
Sec. 502. Study on medications review process reform.
Sec. 503. Sense of Congress.
Sec. 504. Report by the Institute on Medicine.
Sec. 505. Definition of serious mental illness.
Sec. 506. Provision of mental health services to individuals in correctional facilities.
Sec. 507. Study of barriers to treatment coverage.
Sec. 508. Report on fetal alcohol syndrome.
Sec. 509. Report on research.

SEC. 2. REFERENCES.

Except as otherwise provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

TITLE I—ADMINISTRATION AND INSTITUTES

Subtitle A—Restructuring

SEC. 101. RESTRUCTURING.

Title V (42 U.S.C. 290aa et seq.) is amended—

(1) by redesignating parts C through E as parts B through D, respectively; and

(2) by striking out parts A and B and inserting in lieu thereof the following new part:

"PART A—ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

"Subpart 1—Establishment and General Duties

"SEC. 501. ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.

"(a) ESTABLISHMENT.—There is hereby established, as an agency of the Service, the Alcohol, Drug Abuse and Mental Health Services Administration.

"(b) ADMINISTRATOR, ASSOCIATE ADMINISTRATORS AND OTHER ENTITIES.—

"(1) ADMINISTRATOR.—The Alcohol, Drug Abuse and Mental Health Services Administration shall be headed by an Administrator (hereinafter in this title referred to as the 'Administrator') who shall be appointed by the President by and with the advice and consent of the Senate.

"(2) ASSOCIATE ADMINISTRATORS FOR SUBSTANCE ABUSE AND FOR MENTAL HEALTH.—The Administrator with the approval of the Secretary, shall appoint an Associate Administrator for Substance Abuse and an Associate Administrator for Mental Health.

"(3) OTHER ENTITIES.—The Administrator with the approval of the Secretary, may establish and prescribe the functions of such offices and entities within the Administration as are necessary to administer the activities to be carried out through the Administration, including the establishment of an Office for Substance Abuse Prevention, an Office for Treatment Improvement, an Office for Mental Health Services and an Office for Evaluations and Statistics.

"(c) COMPREHENSIVE PROGRAM.—The Administrator shall establish and implement a comprehensive program to improve the provision of treatment, rehabilitation, and related services to individuals with substance abuse and mental illness and emotional disorders, improve prevention, promote mental health and protect the legal rights of individuals with mental illnesses and individuals who are substance abusers. The Administrator shall carry out the administrative and financial management, policy development and planning, evaluation, knowledge development, and public information functions that are required for the implementation of such program.

"(d) GRANTS FOR SERVICES.—

"(1) PURPOSE.—It is the purpose of the program established under this subsection to support the provision of substance abuse treatment, rehabilitation, prevention, and related services, to encourage others to provide such services and to further the application of knowledge to meet prevention, rehabilitation, treatment, and other related service needs. All programs conducted under this subsection shall include focus, to the extent appropriate, on both the mental health and substance abuse needs of the individuals to be served.

"(2) ESTABLISHMENT.—The Secretary, acting through the Administrator, shall establish and implement a program to award grants to, and enter into cooperative agreements and contracts with, public and nonprofit private entities for the conduct, promotion, and coordination of demonstration projects, evaluation and service system assessments, and other activities relative to the provision of treatment, rehabilitation, prevention, and related services.

"(e) EMPLOYEES.—The Administrator, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees as are necessary to administer the programs and authorities to be carried out through the Administration.

"(f) OTHER SERVICES.—The Administrator may accept voluntary and uncompensated services.

"(g) PARTICIPATION.—The programs to be carried out through the Administration shall be administered so as to encourage the broadest possible involvement of professionals, paraprofessionals, and other knowledgeable participants.

"(h) PEER REVIEW GROUPS AND ADVISORY COMMITTEES.—The Administrator shall, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, establish such technical and scientific peer review groups as are needed to carry out the requirements of section 516, establish program advisory committees pursuant to section 515, and pay members of such groups and committees, except that officers and employees of the United States shall not receive additional compensation for services as members of such groups or committees. The Federal Advisory Committee Act shall not apply to the duration of a peer review group appointed under this subsection.

"SEC. 502. GENERAL DUTIES AND ACTIVITIES WITH RESPECT TO SUBSTANCE ABUSE AND MENTAL HEALTH.

"(a) DEFINITION.—For purposes of this section, the term 'treatment, rehabilitation, prevention, and related services' means primary prevention services, treatment of substance abuse, mental illness, or emotional disorders and services to rehabilitate persons with mental or substance abuse disorders, to promote mental health and improve individual functioning, and to assure needed care and support.

"(b) DUTIES.—The Administrator shall—

"(1) engage in activities that will support the improvement and provision of, and encourage others to provide treatment, rehabilitation, prevention, and related services, including the development of national mental health and substance abuse goals;

"(2) conduct activities to obtain and provide data and other information with respect to programs that provide treatment, rehabilitation, prevention, and related services;

"(3) collaborate with the appropriate Directors of the institutes of the National Institutes of Health to assure that research programs are conducted by such institutes with appropriate information obtained and maintained with the knowledge and experience of service programs under this title, and to assure that knowledge developed through research programs is appropriately applied through service programs;

"(4) in cooperation with the Centers for Disease Control, the Health Resource Services Administration and the National Institute on Drug Abuse, develop educational materials and intervention strategies to reduce the risks of acquired immune deficiency syndrome among intravenous drug abusers;

"(5) conduct training, technical assistance, data collection, and evaluation activities with respect to programs that provide treatment and prevention services;

"(6) collaborate with the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health to promote and conduct evaluations of the process, outcomes, and community impact of treatment and prevention services and systems of services in order to identify the manner in which such services can most effectively be provided;

"(7) collaborate with the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health to promote and conduct the dissemination and implementation of research findings that will improve the delivery and effectiveness of treatment and prevention services;

"(8) collaborate with the National Institute on Aging to promote and evaluate mental health services for older Americans in need of such services through resource centers for long term care as authorized in section 423 of the Older Americans Act;

"(9) engage in activities to encourage the adoption of, and provide technical assistance to student assistance programs and employee assistance programs, especially those associated with small business;

"(10) in consultation with the States and provider associations, carry out activities to educate communities on the need for providing treatment and prevention services within such communities;

"(11) engage in activities to encourage public and private entities that provide health insurance to provide benefits for treatment, rehabilitation, and prevention services;

"(12) promote the increased integration of treatment, rehabilitation, and prevention services into the mainstream of the health care system of the United States;

"(13) develop and disseminate guidelines on the provision of treatment and prevention services;

"(14) establish a clearinghouse for substance abuse and mental health information to assure the widespread dissemination of such information to States, political subdivisions, educational agencies and institutions, treatment and prevention service providers, and the general public;

"(15) administer the block grant program authorized in section 1911, and the programs authorized in sections 1916B, 1924 and 1928;

"(16) carry out the programs established in sections 505 to 513, and the program established in part D, and in administering such programs, assure that—

"(A) all grants that are awarded for the provision of services are subject to performance and outcome evaluation studies; and

"(B) all grants awarded to entities other than States are awarded only after consultation with the appropriate State agency;

"(17) prepare and submit an annual report to the Secretary and the appropriate committees of Congress describing and assessing the collaborative activities conducted with the National Institutes of Health;

"(18) promote the coordination of service programs conducted by the Administration and similar programs conducted by other departments, agencies, organizations, and individuals that are or may be related to the problems of individuals suffering from mental illnesses and substance abuse, including liaisons with the Social Security Administration, Health Care Financing Administration, and other programs of the Department, as well as liaisons with the Department of Education, Department of Justice, and other Federal Departments and offices as appropriate;

"(19) promote policies and programs at Federal, State, and local levels and in the private sector that foster independence and protect the legal rights of persons disabled by mental illness or substance abuse, including carrying out the provisions of the Protection and Advocacy of Mentally Ill Individuals Act (42 U.S.C. 10801 et seq.);

"(20) carry out the program of Projects to Aid the Transition from Homelessness and demonstration programs for persons who are homeless, as authorized under the Stewart B. McKinney Homeless Assistance Act;

"(21) carry out responsibilities for the Human Resource Development program, and programs of clinical training for professional and paraprofessional personnel; and

"(22) conduct services-related assessments, including evaluations of the organization and financing of care, self-help and consumer-run programs, mental health economics, mental health service systems, rural mental health, and improve the capacity of State to conduct evaluations of publicly funded mental health programs.

"(c) GRANTS AND CONTRACTS.—The Administrator may make grants and enter into contracts and cooperative agreements in carrying out the activities described in subsection (b).

"(d) APPLICATIONS.—Applications for grants under this part shall be in such form, shall contain such information, and shall be submitted at such time as the Secretary may prescribe.

"(e) EQUITABLE DISTRIBUTION.—To the extent feasible, the Secretary in awarding grants under this part, shall award such grants in all regions of the United States, and shall ensure the distribution of grants under this part among urban and rural areas.

"(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $150,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"Subpart 2—Substance Abuse Prevention and Treatment Programs and Mental Health Services

"SEC. 505. SUBSTANCE ABUSE PREVENTION AND TREATMENT PROJECTS FOR HIGH RISK YOUTH.

"(a) AUTHORITY.—The Secretary, acting through the Administrator, shall make grants to public and nonprofit private entities for projects to prevent and treat substance abuse among high risk youth.

"(b) PRIORITY.—

"(1) CHILDREN.—In making grants for substance abuse prevention projects under this section, the Secretary shall give priority to applications for projects directed at children of substance abusers, latchkey children, children at risk of abuse or neglect, preschool children eligible for services under the Head Start Act, children at risk of dropping out of school, children at risk of becoming adolescent parents, children placed in foster care or at risk of such placement, and children who do not attend school and who are at risk of being unemployed.

"(2) PROJECTS ADDRESSING CERTAIN RELATIONSHIPS.—In making grants for substance abuse treatment projects under this section, the Secretary shall give priority to projects which address the relationship between substance abuse and physical child abuse, sexual child abuse, emotional child abuse, dropping out of school, unemployment, delinquency, pregnancy, violence, suicide, or mental health problems.

"(3) COMMUNITY BASED ORGANIZATIONS.—In making grants under this section, the Secretary shall give priority to applications from community based organizations for projects with comprehensive coordinated services for the prevention or treatment of substance abuse by high risk youth that may be replicated.

"(c) APPLICATION.—In order to receive a grant for a project under this section for a fiscal year, a public or nonprofit private entity shall submit an application to the Secretary.

"(d) HIGH RISK YOUTH.—For purposes of this section, the term 'high risk youth' means an individual who has not attained the age of 21 years, who is at high risk of becoming, or who has become, a substance abuser, and who—

"(1) is identified as a child of a substance abuser;

"(2) is a victim of physical, sexual, or psychological abuse;

"(3) has dropped out of school;

"(4) has become pregnant;

"(5) is economically disadvantaged;

"(6) has committed a violent or delinquent act;

"(7) has experienced mental health problems;

"(8) has attempted suicide;

"(9) has experienced long-term physical pain due to injury; or

"(10) has experienced chronic failure in school.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $75,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"SEC. 506. PROJECTS FOR REDUCING THE INCIDENCE OF SUBSTANCE ABUSE AMONG PREGNANT AND POSTPARTUM WOMEN AND THEIR CHILDREN.

"(a) GRANTS.—The Secretary, acting through the Administrator, shall make grants to public and nonprofit private entities for the purpose of carrying out projects to provide to pregnant and postpartum women and their children prevention, education, and treatment services regarding substance abuse.

"(b) PRIORITY.—

"(1) IN GENERAL.—In making grants under subsection (a), the Secretary shall give priority to any qualified applicant that agrees to provide treatment services.

"(2) FURTHER PRIORITY.—

"(A) NUMBER OF SERVICES PROVIDED.—In the case of any applicant for a grant under subsection (a) that is receiving priority under paragraph (1), the Administrator shall give further priority to the applicant commensurate with the number of different services described in subparagraph (B) that will be provided through the applicant and commensurate with the quality of such services. For purposes of the preceding sentence, such services may be provided directly by the applicant or through arrangements with other public or nonprofit private entities.

"(B) SERVICES.—The services referred to in subparagraph (A) are—

"(i) outreach services in the community involved to identify women who are abusing alcohol or drugs and to encourage such women to undergo treatment for such abuse;

"(ii) primary health care, including prenatal and postpartum health care for women who are undergoing treatment for such abuse;

"(iii) for the children of such women, pediatric health care and comprehensive social services;

"(iv) child care, transportation, and other support services regarding such treatment, including, as appropriate, visits to the home of such women;

"(v) as appropriate, referrals to facilities for necessary hospital services;

"(vi) employment counseling;

"(vii) counseling on parenting skills and nutrition;

"(viii) appropriate follow-up services to assist in preventing relapses;

"(ix) case management services, including assistance in establishing eligibility for assistance under Federal, State, and local programs providing health services, mental health services, or social services;

"(x) reasonable efforts to preserve and support the family unit, including promoting the appropriate involvement of parents and others, and counseling the children of women receiving services pursuant to this subsection; and

"(xi) housing in the course of treatment under circumstances that permit the children of the women to reside with their mothers.

"(c) ACCESSIBILITY AND LANGUAGE CONTEXT.—The Administrator may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the services provided pursuant to subsection (a), to—

"(1) provide services at locations accessible to low-income pregnant and postpartum women;

"(2) provide services in the cultural context that is most appropriate; and

"(3) ensure that individuals providing services are able to effectively communicate with the women and their children, directly or through interpreters.

"(d) HEALTH SERVICE COVERED BY STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT.—

"(1) REQUIREMENT.—Subject to paragraph (2), the Administrator may not make a grant under subsection (a) unless, in the case of any health service under subsection (b)(2)(B) that is covered by the State plan approved under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) for the State in which the service will be provided—

"(A) the applicant for the grant will provide the health service directly, and the applicant has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

"(B) the applicant for the grant has entered into a contract with an entity under which the entity will provide the health service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

"(2) WAIVER REGARDING PARTICIPATION AGREEMENTS.—

"(A) NO CHARGE OR REIMBURSEMENT.—In the case of an entity making an agreement under paragraph (1)(B) regarding the provision of health services under subsection (a), the requirement established in such paragraph regarding a participation agreement shall be waived by the Secretary if the organization does not, in providing health services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

"(B) DETERMINATION.—A determination by the Secretary of whether an entity referred to in subparagraph (A) meets the criteria for a waiver under such subparagraph shall be made without regard to whether the organization accepts voluntary donations regarding the provision of services to the public.

"(e) IMPOSITION OF CHARGES.—The Administrator may not make a grant under subsection (a) unless the applicant for the grant agrees that, if a charge is imposed for the provision of services or activities under the grant, such charge—

"(1) will be made according to a schedule of charges that is made available to the public;

"(2) will be adjusted to reflect the income and resources of the woman involved; and

"(3) will not be imposed on any woman with an income of less than 100 percent of the official poverty line, as established by the Director of the Office for Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)).

"(f) REQUIREMENT OF NON-FEDERAL CONTRIBUTIONS.—

"(1) IN GENERAL.—The Administrator may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to not less than—

"(A) \$1 for each \$9 of Federal funds provided for each of the first 5 years of payments under the grant; and

"(B) \$1 for each \$3 of Federal funds provided in any subsequent year of such payments if the grant is renewed pursuant to subsection (h).

"(2) TYPE OF CONTRIBUTION.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(g) LIMITATIONS AND WAIVER.—

"(1) LIMITATIONS.—The Administrator may not, except as provided in paragraph (2), make a grant under subsection (a) unless the applicant for the grant agrees that the grant will not be expended—

"(A) to provide inpatient services, except with respect to residential treatment for alcohol and drug abuse provided in settings other than hospitals;

"(B) to make cash payments to intended recipients of services under the program involved;

"(C) to purchase real property or major medical equipment; or

"(D) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

"(2) WAIVER.—If the Administrator finds that the purpose of the program involved cannot otherwise be carried out, the Director may, with respect to an otherwise qualified grantee, waive the restriction established in paragraph (1)(C).

"(h) PAYMENTS.—The period during which payments are made by the Administrator under a grant under subsection (a) may not exceed 5 years, but the Administrator may renew the grant.

"(i) COLLABORATION WITH OTHER FEDERAL AGENCIES AND WITH STATES.—The Administrator shall collaborate with all other relevant Federal agencies on issues relating to maternal substance abuse, including relevant institutes within the National Institutes of Health, the Bureaus of Maternal and Child Health and Health Resources Development, the Indian Health Service, the Bureau of Indian Affairs, the Bureau of Health Care Delivery and Assistance, and the Administration for Children and Families. Such collaboration may be accomplished through the establishment of interagency task forces, as appropriate. The Administration shall collaborate with the States to ensure that grants awarded under this section are coordinated with other treatment efforts undertaken within each State.

"(j) NONDISCRIMINATION.—The Secretary may not, in the awarding of grants under subsection (a), discriminate against applicants that propose or provide residential or outpatient treatment to substance abusing pregnant and postpartum women that receive treatment by order of a court or other appropriate public agency, subject to the availability of qualified applicants.

"(k) ANNUAL REPORTS.—The Administrator may not make a grant under subsection (a) unless the applicant for the grant agrees—

"(1) to include in the report the number of women served, the number of children served, the utilization rates, and the type and costs of services provided to women and their children; and

"(2) to include in the report such other information as the Secretary determines to be appropriate; and

"(3) to prepare the report in such form, and to submit the report at such time and in such manner, as the Secretary determines to be necessary.

"(l) REPORT.—Not later than October 1, 1993 and every 3 years thereafter, the Administrator shall submit to the appropriate committees of Congress a report describing programs carried out pursuant to this section.

"(m) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, \$75,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) RESIDENTIAL TREATMENT.—Of the amounts appropriated in each fiscal year under paragraph (1), the Secretary shall make available not less than \$10,000,000 in each such fiscal year to award grants for the establishment of projects in which addicted mothers in residential drug abuse treatment facilities are permitted to have their children reside with them during the course of such treatment, or in which residential services are provided for mothers and their children while the mother participates in outpatient drug abuse treatment.

"SEC. 507. TREATMENT PROJECTS OF NATIONAL SIGNIFICANCE.

"(a) GRANTS FOR TREATMENT IMPROVEMENT.—The Administrator shall award grants to public and nonprofit private entities for the purpose of establishing projects that will improve the provision of substance abuse treatment services.

"(b) NATURE OF PROJECTS.—Grants under subsection (a) may be awarded for—

"(1) projects that focus on providing treatment to adolescents, minorities, female addicts and their children, the residents of public housing projects, or substance abusers in rural areas;

"(2) projects that provide substance abuse treatment and vocational training in exchange for public service;

"(3) projects that provide treatment services and which are operated by public and nonprofit private entities receiving grants under section 329, 330 or 340;

"(4) projects that provide substance abuse treatment to women with children in the setting in which such children receive primary pediatric care or in which such women receive primary health care;

"(5) 'treatment campus' projects that—

"(A) serve a significant number of individuals simultaneously;

"(B) provide residential drug treatment;

"(C) provide patients with ancillary social services and referrals to community-based aftercare, including psychosocial rehabilitation, peer support and group homes; and

"(D) provide services on a voluntary basis; or

"(6) projects to determine the long-term efficacy of the projects described in this section.

"(c) PREFERENCES IN MAKING GRANTS.—In awarding grants under subsection (a), the Administrator shall give preference to projects that—

"(1) demonstrate a comprehensive approach to the problems associated with substance abuse and provide evidence of broad community involvement and support; or

"(2) initiate and expand programs for the provision of treatment services (including renova-

tion of facilities, but not construction) in localities in which, and among populations for which, there is a public health crisis as a result of the inadequate availability of such services.

"(d) DURATION OF GRANTS.—Projects funded under subsection (a) shall be for a period of at least 3 years, but in no event to exceed 5 years, and may be renewed after competitive application.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"SEC. 508. GRANTS FOR SUBSTANCE ABUSE TREATMENT IN STATE AND LOCAL CRIMINAL JUSTICE SYSTEMS.

"(a) IN GENERAL.—The Secretary, acting through the Administrator, shall establish a program to provide grants to public and nonprofit private entities that provide drug and alcohol treatment services to individuals under criminal justice supervision.

"(b) ELIGIBILITY.—In awarding grants under subsection (a), the Administrator shall ensure that the grants are reasonably distributed among—

"(1) projects that provide treatment services to individuals who are incarcerated in prisons, jails, or community correctional settings; and

"(2) projects that provide treatment services to individuals who are not incarcerated, but who are under criminal justice supervision because of their status as pretrial releasees, post-trial releasees, probationers, parolees, or supervised releasees.

"(c) PRIORITY.—In awarding grants under subsection (a), the Administrator shall give priority to programs commensurate with the extent to which such programs provide, directly or in conjunction with other public or private nonprofit entities, one or more of the following—

"(1) a continuum of offender management services as individuals enter, proceed through, and leave the criminal justice system, including identification and assessment, drug and alcohol treatment, pre-release counseling and pre-release referrals with respect to housing, employment and treatment;

"(2) comprehensive treatment services for juvenile offenders;

"(3) comprehensive treatment services for female offenders, including related services such as violence counseling, parenting and child development classes, and perinatal care;

"(4) outreach services to identify individuals under criminal justice supervision who would benefit from substance abuse treatment and to encourage such individuals to seek treatment; or

"(5) treatment services that function as an alternative to incarceration for appropriate categories of offenders or that otherwise enable individuals to remain under criminal justice supervision in the least restrictive setting consistent with public safety.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"SEC. 509. TREATMENT AND PREVENTION SERVICES TRAINING.

"(a) IN GENERAL.—The Secretary, acting through the Administrator, shall develop programs to increase the number of substance abuse treatment and prevention providers and the number of health professionals providing treatment and prevention services as a component of primary health care. Such programs shall include the awarding of grants, contracts or cooperative agreements to appropriate public and nonprofit private entities, including agencies of State and local governments, provider associations, hospitals, schools of medicine, schools of osteopathic medicine, schools of nursing, schools of public health, schools of chiropractic services, schools of social work, graduate programs in family therapy, and graduate programs in clinical psychology.

"(b) USE OF AMOUNTS.—Amounts awarded under subsection (a) shall be utilized to—

"(1) train individuals in the diagnosis, treatment and prevention of substance abuse; and

"(2) to develop appropriate curricula and materials for the training described in paragraph (1);

"(c) PRIORITY.—In awarding grants under subsection (a), the Administrator shall give priority to applicants that train full-time substance abuse treatment providers.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"SEC. 510. SUBSTANCE ABUSE TREATMENT CAPACITY EXPANSION PROGRAM.

"(a) CAPACITY EXPANSION PROJECTS.—

"(1) ESTABLISHMENT.—The Secretary, acting through the Administrator, shall award grants to States for the purpose of assisting such States to expand their substance abuse treatment capacity.

"(2) STATE ELIGIBILITY.—The Secretary shall award grants under paragraph (1) to States in which the demand for substance abuse treatment services exceeds the capacity of entities operating in those States to provide such services. In making such determination concerning demand, the Secretary shall consider indicators of capacity shortage, such as a high prevalence of substance abuse, a high crime rate, a high rate of acquired immune deficiency syndrome among intravenous drug users, waiting lists at treatment facilities within a State, and any other criteria that the Secretary determines are appropriate.

"(3) PRIORITY.—In awarding grants under this section, the Secretary shall develop criteria to assess the extent to which States are utilizing non-Federal funds to expand treatment capacity, and shall give priority to such States commensurate with the per capita expenditure of such funds and may establish such other priorities as appropriate.

"(4) USE OF GRANTS.—Grants awarded under this section shall be used directly for the provision of treatment services, except that the Secretary may authorize the use of grant funds to renovate or improve property to make such property suitable for use as a treatment facility if the Secretary determines, with respect to a prospective grantee, that inadequate facilities are a significant barrier to capacity expansion. Grants awarded under this section may not be used to purchase real property.

"(5) SUPPLEMENTATION OF FUNDING.—Projects funded under paragraph (1) shall supplement, not supplant, existing or planned substance abuse treatment services in a State.

"(b) REQUIREMENT OF NON-FEDERAL CONTRIBUTIONS.—

"(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to not less than—

"(A) $1 for each $9 of Federal funds provided for each of the first 5 years of payments under the grant; and

"(B) $1 for each $3 of Federal funds provided in any subsequent year of such payments if the grant is renewed pursuant to subsection (c).

"(2) TYPE OF CONTRIBUTION.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(c) PAYMENTS.—The period during which payments are made by the Secretary under a grant under subsection (a) may not exceed 5 years, but the Secretary may renew the grant.

"(d) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section $100,000,000 for the fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) AVAILABILITY.—Funds appropriated in accordance with paragraph (1) shall remain available until expended.

"SEC. 511. OTHER SERVICES PROGRAMS.

"(a) AIDS OUTREACH GRANTS.—The Secretary, acting through the Administrator and in consultation with the National Institute on Drug Abuse and the Health Resources and Services Administration, may make grants to, or enter into contracts with, public and nonprofit private entities to support projects to carry out outreach activities to intravenous drug abusers and their sexual partners with respect to preventing exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome and encouraging intravenous drug abusers to seek treatment for such abuse.

"(b) GRANTS FOR THE BENEFIT OF HOMELESS INDIVIDUALS.—The Secretary, acting through the Administrator and in consultation with the National Institute on Alcohol Abuse and Alcoholism and the Health Resources and Services Administration, may make grants to, and enter into contracts and cooperative agreements with, community-based public and private nonprofit entities for the purpose of developing and expanding mental health and substance abuse treatment services for homeless individuals. In carrying out this subsection, the Administrator shall consult with the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health.

"(c) TERM OF GRANT.—No entity may receive grants under subsection (a) or (b) for more than 5 years although such grants may be renewed.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $150,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"SEC. 512. COMMUNITY PARTNERSHIP GRANTS.

"(a) GRANTS.—The Secretary, acting through the Administrator, may make grants to communities—

"(1) for the development of comprehensive long-term strategies for the prevention of substance abuse; and

"(2) to evaluate the success of different community approaches towards the prevention of substance abuse.

"(b) APPLICATION.—To be eligible to receive a grant under this section, a community shall prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $130,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"SEC. 513. ESTABLISHMENT OF GRANT PROGRAM FOR DEMONSTRATION PROJECTS.

"(a) SERIOUSLY MENTALLY ILL INDIVIDUALS, AND CHILDREN AND ADOLESCENTS WITH SERIOUS EMOTIONAL AND MENTAL DISTURBANCES.—

"(1) IN GENERAL.—The Secretary, acting through the Administrator, may make grants to

States, political subdivisions of States, and nonprofit private agencies for—

"(A) mental health services demonstration projects for the planning, coordination and improvement of community services (including outreach and consumer-run self-help services) for seriously mentally ill individuals and their families, seriously emotionally and mentally disturbed children and youth and their families, and seriously mentally ill homeless and elderly individuals;

"(B) demonstration projects for the prevention of youth suicide;

"(C) demonstration projects for the improvement of the recognition, assessment, treatment and clinical management of depressive disorders;

"(D) demonstration projects for programs to prevent the occurrence of sex offenses, and for the provision of treatment and psychological assistance to the victims of sex offenses; and

"(E) demonstration projects for programs to provide mental health services to victims of family violence.

"(2) Mental Health Services.—Mental health services provided under paragraph (1)(A) should encompass a range of delivery systems designed to permit individuals to receive treatment in the most therapeutically appropriate, least restrictive setting. Grants shall be awarded under such paragraph for—

"(A) demonstration programs concerning such services; and

"(B) systems improvements to assist States and local entities to develop appropriate comprehensive mental health systems for adults with serious long-term mental illness and children and adolescents with serious emotional and mental disturbance.

"(b) Individuals at Risk of Mental Illness.—

"(1) Grants.—The Secretary, acting through the Administrator, may make grants to States, political subdivisions of States, and private nonprofit agencies for prevention services demonstration projects for the provision of prevention services for individuals who, in the determination of the Secretary, are at risk of developing mental illness.

"(2) Types of Demonstrations.—Demonstration projects under paragraph (1) may include—

"(A) prevention services for populations at risk of developing mental illness, particularly displaced workers, those confined in correctional facilities, young children, and adolescents;

"(B) the development and dissemination of education materials;

"(C) the sponsoring of local, regional, or national workshops or conferences;

"(D) the conducting of training programs with respect to the provision of mental health services to individuals described in paragraph (1); and

"(E) the provision of technical assistance to providers of such services.

"(c) Limitation on Duration of Grant.—The Secretary may make a grant under subsection (a) or (b) for not more than five consecutive one-year periods.

"(d) Limitation on Administrative Expenses.—The Secretary may not make a grant under subsection (a) or (b) to an applicant unless the applicant agrees that not more than 10 percent of such a grant will be expended for administrative expenses.

"(e) Authorizations of Appropriations.—

"(1) In General.—For the purposes of carrying out this section, there are authorized to be appropriated $40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) Rural Areas.—Of the amounts appropriated pursuant to paragraph (1), the Secretary shall make available 15 percent for demonstration projects to carry out the purpose of this section in rural areas.

"Subpart 3—Administrative Provisions

"SEC. 515. ADVISORY COUNCIL.

"(a) Appointment.—

"(1) In General.—The Secretary acting through the Administrator, shall appoint one or more advisory councils for the Alcohol, Drug Abuse and Mental Health Services Administration (hereinafter referred to in this part as the 'Administration'). Such an advisory council shall advise, consult with, and make recommendations to the Administrator concerning matters relating to the activities carried out by and through the Administration and the policies respecting such activities.

"(2) Duties.—An advisory council appointed under paragraph (1)—

"(A)(i) shall review applications for grants and cooperative agreements for services or training and for which advisory council approval is required under section 516(c)(2), and recommend for approval applications for projects which show promise of improving the provision of treatment and prevention services; and

"(ii) may review any grant, contract, or cooperative agreement proposed to be made or entered into by the Administration;

"(B) may appoint subcommittees and convene workshops and conferences; and

"(C) may prepare reports.

"(b) Composition.—

"(1) In General.—An advisory council appointed under subsection (a) shall consist of nonvoting ex officio members and not more than 12 members appointed by the Secretary.

"(2) Ex Officio Members.—The ex officio members of an advisory council shall consist of—

"(A) the Secretary and the Administrator (or the designees of such officers); and

"(B) such additional officers or employees of the United States as the Secretary determines necessary for the advisory council to effectively carry out its functions.

"(3) Appointment of Members.—The members of an advisory council who are not ex officio members shall be appointed as follows:

"(A) Nine of the members shall be appointed by the Secretary from among the leading representatives of the fields of substance abuse and mental health treatment and prevention and two of such members shall be individuals who have received substance abuse or mental health treatment.

"(B) Three of the members shall be appointed by the Secretary from the general public and shall include leaders in fields of public policy, public relations, law, health policy, economics, and management.

"(4) Compensation and Expenses.—Members of an advisory council who are officers or employees of the United States shall not receive any compensation for service on an advisory council. The other members of an advisory council shall receive, for each day (including travel time) they are engaged in the performance of the functions of an advisory council, compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule.

"(c) Term of Office.—

"(1) In General.—The term of office of an appointed member of an advisory council shall be 4 years, except that any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term and the Secretary shall make appointments to an advisory council in such manner as to ensure that the terms of the members do not all expire in the same year. A member may serve after the expiration of the member's term until a successor has taken office.

"(2) Reappointments.—A member who has been appointed for a term of 4 years may not be reappointed to an advisory council before 2 years from the date of expiration of such term of office.

"(3) Vacancies.—If a vacancy occurs on an advisory council among the appointed members, the Secretary shall make an appointment to fill the vacancy within 90 days from the date the vacancy occurs.

"(d) Chairperson.—The chairperson of an advisory council shall be selected by the Secretary from among the members. The term of office of chairperson shall be 2 years.

"(e) Meetings.—An advisory council shall meet at the call of the chairperson or upon the request of the Administrator but at least 3 times each fiscal year. The location of the meetings of an advisory council shall be subject to the approval of the Administrator.

"(f) Administration.—The Administrator shall designate a member of the staff of the Administration to serve as the Executive secretary of an advisory council. The Administrator shall make available to an advisory council such staff, information, and other assistance as it may require to carry out its functions, and shall provide orientation and training for new members of an advisory council to provide them with such information and training as may be appropriate for their effective participation in the functions of an advisory council.

"SEC. 516. PEER REVIEW FOR SERVICES GRANTS.

"(a) Provision.—The Secretary, after consultation with the Administrator, shall by regulation require appropriate peer review of services, and services training, grants, cooperative agreements, and contracts to be administered through the Administration.

"(b) Membership.—The members of any peer review group established under such regulations shall be individuals who by virtue of their training or experience are eminently qualified to perform the review functions of the group and not more than one-fourth of the members of any peer review group established under such regulations shall be officers or employees of the United States.

"(c) Requirements Based on Amounts.—

"(1) Under $50,000.—If the direct cost of a grant, cooperative agreement, or contract to be made does not exceed $50,000, the Secretary may make such grant, cooperative agreement, or contract only if such grant, cooperative agreement, or contract is recommended after technical and scientific peer review required by regulations under subsections (a) and (b).

"(2) Over $50,000.—If the direct cost of a grant, cooperative agreement, or contract (described in subsection (a)) to be made exceeds $50,000, the Secretary may make such grant, cooperative agreement, or contract only if such grant, cooperative agreement, or contract is recommended—

"(A) after peer review required by regulations under subsections (a) and (b); and

"(B) by the advisory council established under section 515.

"SEC. 517. APPLICATIONS AND NATIVE AMERICAN GOVERNING UNITS.

"(a) Applications.—Except as otherwise specifically provided, grants under this title may be made only to public and nonprofit private entities that prepare and submit to the administering entity an application for such grant that—

"(1) with respect to carrying out the purpose for which the assistance is to be provided, provides assurances of compliance satisfactory to the Secretary; and

"(2) is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out the purpose of the program under which the application is submitted.

"(b) NATIVE AMERICAN GOVERNING UNITS.—For purposes of this title, Native American governing units and agencies shall be considered public entities.

"SEC. 518. PROCEDURES FOR MISCONDUCT.

"The Administrator shall establish a process for the prompt and appropriate response to information regarding misconduct in connection with projects, to be administered by the Administrator, for which funds have been made available under this title. Such process shall include procedures for the receiving of reports of such information from recipients of funds under this title and taking appropriate action with respect to such misconduct and violations.

"SEC. 519. EXPERTS AND CONSULTANTS.

"(a) AUTHORITY TO OBTAIN.—The Administrator may obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the number of days or the period of service) the services of not more than 20 experts or consultants who have scientific or professional qualifications. Such experts and consultants shall be obtained for the Administration and each of the agencies of such.

"(b) COMPENSATION AND EXPENSES.—

"(1) IN GENERAL.—Experts and consultants whose services are obtained under subsection (a) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a)(1), 5724a(a)(3), and 5726(c) of title 5, United States Code.

"(2) AGREEMENTS.—Expenses specified in paragraph (1) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under subsection (a), unless and until the expert or consultant agrees in writing to complete the entire period of assignment or one year, whichever is shorter, unless separated or reassigned for reasons beyond the control of the expert or consultant that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in paragraph (1) is recoverable from the expert or consultant as a debt of the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"SEC. 520. OFFICE FOR SPECIAL POPULATIONS.

"(a) ESTABLISHMENT.—The Administrator shall establish, within the Administration, an Office for Special Populations.

"(b) DIRECTOR.—

"(1) DESIGNATION.—The Administrator shall designate a Director for Special Populations for the Office established under subsection (a).

"(2) DUTIES.—The Secretary, acting through the Director for Special Populations shall—

"(A) develop and coordinate policies and programs to assure increased emphasis on the needs of adolescents, children, individuals with disabilities, minority populations and the elderly with respect to substance abuse and mental health;

"(B) develop a plan to increase the provision of treatment and prevention services to adolescents, children, individuals with disabilities, minority populations and the elderly; and

"(C) support and develop programs designed to counteract discrimination against adolescents, children, individuals with disabilities, minority populations and the elderly in the fields of substance abuse and mental health services.

"(c) ANNUAL REPORT.—The Secretary shall periodically report to the appropriate committees of Congress concerning the actions taken by the Administrator under this section.

"(d) NATIVE AMERICANS.—For purposes of this section, the term 'minority populations' shall include Native Americans.

"SEC. 520A. OFFICE OF WOMEN'S HEALTH SERVICES.

"(a) ESTABLISHMENT AND GENERAL PROVISIONS.—

"(1) IN GENERAL.—There is established within the Office of the Administrator an office to be known as the Office of Women's Health Services (hereafter in this section referred to as the 'Office'). The Office shall be headed by a director, who shall be appointed by the Administrator.

"(2) PURPOSE.—The Director of the Office shall ensure that women's health and mental health services are identified and addressed by the Alcohol, Drug Abuse, and Mental Health Administration.

"(3) COORDINATING COMMITTEE.—

"(A) In carrying out subsection (a)(2), the Director of the Office shall establish a committee to be known as the Coordinating Committee for Research on Women's Health (hereafter in this paragraph referred to as the 'Coordinating Committee').

"(B) The Coordinating Committee shall be composed of the Directors of the agencies of the Alcohol, Drug Abuse, and Mental Health Administration (or the designees of the Directors).

"(C) The Director of the Office shall serve as the chair of the Coordinating Committee.

"(E) The Coordinating Committee shall, with respect to women's health and mental health services—

"(i) identify the need for such services, and make an estimate each fiscal year of the funds needed to adequately support the services;

"(ii) identify needs regarding the coordination of services, including with respect to intramural and extramural multidisciplinary projects and programs;

"(iii) encourage the agencies of the Alcohol, Drug Abuse, and Mental Health Services Administration to support such services; and

"(iv) determine the extent to which women are represented among senior physicians and scientists of the Alcohol, Drug Abuse, and Mental Health Services Administration and of entities conducting services with funds provided by such Administration, and as appropriate, carry out activities to increase the extent of such representation.

"(4) ADVISORY COMMITTEE.—

"(A) In carrying out subsection (a)(2), the Director of the Office shall establish an advisory committee to be known as the Advisory Committee for Women's Health Services (hereafter in this paragraph referred to as the 'Advisory Committee').

"(B) The Advisory Committee shall be composed of not more than 18 individuals who are not officers or employees of the Federal Government. The Director of the Office shall make appointments to the Advisory Committee from among physicians, practitioners, scientists, and other health professionals, whose clinical practice, specialization, or professional expertise includes a significant focus on women's health and mental health conditions.

"(C) The Director of the Office shall serve as the chair of the Advisory Committee.

"(D) The Advisory Committee shall—

"(i) advise the Director of the Office on appropriate activities to be undertaken by the agencies of the Alcohol, Drug Abuse, and Mental Health Administration with respect to—

"(I) women's health and mental health services, including services relating to menopause, premenstrual syndrome, postpartum depression, and other conditions related to the reproductive system, and including depression, attacks of panic, and eating disorders; and

"(II) women's health and mental health services which require a multidisciplinary approach;

"(ii) report to the Director of the Office on publicly and privately supported women's health and mental health services; and

"(iii) provide recommendations to the Director of the Office regarding activities of the Office.

"(E)(i) The Advisory Committee shall prepare a biennial report describing the activities of the Committee, including findings made by the Committee regarding—

"(I) the extent of expenditures made for women's health and mental health research by the agencies of the Alcohol, Drug Abuse, and Mental Health Services Administration; and

"(II) the level of funding needed for women's health and mental health research.

"(ii) The report required in subparagraph (A) shall be submitted to the Administrator for inclusion in the report required in subsection (c).

"(b) NATIONAL DATA SYSTEM AND CLEARINGHOUSE.—

"(1) DATA SYSTEM.—

"(A) The Administrator shall establish a single data system for the collection, storage, analysis, retrieval, and dissemination of information regarding women's health and mental health research. Information from the data system shall be available through information systems available to health care professionals and providers, researchers, and members of the public.

"(B) The data system established under subparagraph (A) shall include a registry of clinical trials of experimental treatments that have been developed for women's health and mental health research. Such registry shall include information on subject eligibility criteria, sex, age, ethnicity or race, and the location of the trial site or sites. Principal investigators of such clinical trials shall provide this information to the registry within 30 days after it is available. Once a trial has been completed, the principal investigator shall provide the registry with information pertaining to the results, including potential toxicities or adverse effects associated with the experimental treatment or treatments evaluated.

"(2) CLEARINGHOUSE.—The Administrator, in consultation with the Director of the Office and the National Library of Medicine, shall establish, maintain, and operate a program to provide information on women's health and mental health services.

"(c) BIENNIAL REPORT.—Not later than February 1, 1994, and February 1 of every second year thereafter, the Director of the Office shall, with respect to women's health and mental health services, submit to the Congress a report—

"(1) describing and evaluating the progress made during the preceding 2 fiscal years in research and treatment conducted or supported by the Alcohol, Drug Abuse, and Mental Health Services Administration;

"(2) summarizing and analyzing expenditures made by the agencies of such Administration (including the Office) during the preceding 2 fiscal years; and

"(3) making such recommendations for legislative and administrative initiatives as the Director of the Office determines to be appropriate.

"(d) DEFINITIONS.—For purposes of this section:

"(1) WOMEN'S HEALTH AND MENTAL HEALTH CONDITIONS.—

"(A) Except as provided in subparagraph (B), the term 'women's health and mental health conditions', with respect to women of all age, ethnic, and racial groups, means all diseases, disorders, and other conditions (including with respect to mental health)—

"(i) unique to or more prevalent in women; or

"(ii) with respect to which there has been insufficient services involving women.

"(B) The term 'women's health and mental health conditions' does not include a disease, disorder, or other condition unless the condition—

"(i) relates to alcohol, drug abuse, or mental health; or

"(ii) relates to another condition with respect to which the Alcohol, Drug Abuse, and Mental

Health Services Administration is authorized, by a provision of law other than this section, to provide services.

"(2) WOMEN'S HEALTH AND MENTAL HEALTH SERVICES.—The term 'women's health and mental health services' means services for women's health and mental health conditions.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $20,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995. The authorization of appropriations established in the preceding sentence shall be in addition to any other amounts authorized to be appropriated for providing and supporting women's health and mental health services.".

SEC. 102. NATIONAL INSTITUTES.

(a) NATIONAL INSTITUTES OF HEALTH.—Section 401(b)(1) (42 U.S.C. 281(b)(1)) is amended by adding at the end thereof the following new subparagraphs:

"(N) The National Institute on Alcohol Abuse and Alcoholism.

"(O) The National Institute on Drug Abuse.

"(P) The National Institute of Mental Health.".

(b) ORGANIZATION.—Part C of title IV (42 U.S.C. 285 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 14—National Institutes on Alcohol Abuse and Alcoholism, on Drug Abuse and of Mental Health

"CHAPTER 1—ESTABLISHMENT AND GENERAL DUTIES

"SEC. 464I. NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established within the National Institutes of Health the National Institute on Alcohol Abuse and Alcoholism (hereafter in this section referred to as the 'Institute') to administer the programs and authorities relating to alcohol abuse and alcoholism assigned to the Director of such Institute by this Act.

"(2) COMPREHENSIVE PROGRAMS.—The Director of the Institute shall develop and conduct a comprehensive research program on the cause, diagnosis, epidemiology, prevention and treatment of alcohol abuse and alcoholism, including services research. The Director of the Institute shall carry out the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(3) PURPOSE.—The general purpose of the Institute is the conduct and support of biomedical, behavioral, epidemiological, social, and clinical research, including health services research, research training, health information dissemination, and other research with respect to the etiology, prevention, treatment, and consequences of alcohol abuse and alcoholism.

"(b) DIRECTOR.—

"(1) IN GENERAL.—The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) EMPLOYEES.—The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs to be carried out through the Institute, and may obtain the services of not more than 10 expert consultants in accordance with the terms and conditions provided for in section 402(d).

"(c) PARTICIPATION.—The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $200,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 through 1996.

"SEC. 464J. NATIONAL INSTITUTE ON DRUG ABUSE.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established within the National Institutes of Health the National Institute on Drug Abuse (hereinafter in this section referred to as the 'Institute') to administer the programs and authorities relating to drug abuse assigned to the Director of such Institute by this Act.

"(2) COMPREHENSIVE PROGRAMS.—The Director of the Institute shall develop and conduct a comprehensive research program on the cause, diagnosis, epidemiology, prevention and treatment of drug abuse, including services research. The Director of the Institute shall carry out the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(3) PURPOSE.—The general purpose of the Institute is the conduct and support of biomedical, behavioral, epidemiological, social, and clinical research, including health services research, research training, health information dissemination, and other research with respect to the etiology, prevention, treatment, and consequences of drug abuse.

"(b) DIRECTOR.—

"(1) IN GENERAL.—The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) EMPLOYEES.—The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute, and may obtain the services of not more than 10 expert consultants in accordance with the terms and conditions provided for in section 402(d).

"(c) PARTICIPATION.—The programs of the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $400,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 through 1996.

"SEC. 464K. NATIONAL INSTITUTE OF MENTAL HEALTH.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established within the National Institutes of Health the National Institute of Mental Health (hereinafter in this part referred to as the 'Institute') to administer the programs and authorities of the Director with respect to mental health.

"(2) COMPREHENSIVE PROGRAM.—The Director of the Institute, shall develop and conduct a comprehensive research program on the cause, diagnosis, epidemiology, prevention and treatment of mental illness, including services research. The Director of the Institute shall carry out the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities. The research program established under this paragraph shall be designed to further the treatment and prevention of mental illness, the promotion of mental health, and the study of the psychological, social and legal factors that influence behavior.

"(3) PURPOSE.—The general purpose of the Institute is the conduct and support of research, research training, mental health information dissemination, and other research with respect to the cause, diagnosis, prevention, treatment, and consequences of mental disorders, and the promotion of mental health.

"(b) DIRECTOR.—

"(1) IN GENERAL.—The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) EMPLOYEES.—The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute, and may obtain the services of not more than 20 expert consultants in accordance with the terms and conditions provided for in section 402(d).

"(c) PARTICIPATION.—The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $600,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 through 1996.

CHAPTER 2—RESEARCH PROGRAMS

"SEC. 464L. MENTAL HEALTH AND SUBSTANCE ABUSE RESEARCH.

"(a) IN GENERAL.—The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, may make grants to, and enter into cooperative agreements and contracts with, public and nonprofit private entities for the conduct of, promotions of, coordination of, research, investigation, experiments, demonstrations, clinical trials and studies relative to the cause, diagnosis, treatment, control, epidemiology, and prevention of mental illness and substance abuse.

"(b) AUTHORITY TO CARRY OUT ACTIVITIES.—In carrying out the programs described in subsection (a), the Secretary, acting through each Director, is authorized to—

"(1) collect and disseminate through publications and other appropriate means (including the development of curriculum materials), information as to, and the practical application of, the research and other activities under the program;

"(2) make available research facilities of the Public Health Service to appropriate public authorities, and to health officials and scientists engaged in special study;

"(3) secure from time to time and for such periods as the Directors deem advisable, the assistance and advice of experts, scholars, and consultants;

"(4) promote the coordination of appropriate research programs conducted by the Directors, and similar programs conducted by other departments, agencies, organizations, and individuals, including the Centers for Disease Control and all National Institutes of Health research activities;

"(5) conduct intramural programs of biomedical, behavioral, epidemiological, and social research, including research involving human subjects, each of which is—

"(A) located in an institution capable of providing all necessary medical care for such human subjects, including complete 24-hour medical diagnostic services by or under the supervision of physicians, acute and intensive medical care, including 24-hour emergency care, psychiatric care, and such other care as is determined to be necessary for individuals suffering from substance abuse; and

"(B) associated with an accredited medical or research training institution;

"(6) for purposes of study, admit and treat at institutions, hospitals, and stations of the Public Health Service, persons not otherwise eligible for such treatment;

"(7) provide to health officials, scientists, and appropriate public and other nonprofit institutions and organizations, technical advice and assistance on the application of statistical and other scientific research methods to experiments, studies, and surveys in health and medical fields;

"(8) conduct research directly or through grants and contracts concerning the development of new and improved medications for the treatment of the diseases within the Institute's mission;

"(9) enter into contracts under this subpart without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5);

"(10) collaborate with the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration to ensure that research programs are appropriately informed with the knowledge and experience obtained through service programs, and to assure that knowledge developed through research programs is appropriately applied through service programs;

"(11) collaborate with the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration to promote the study of the outcomes of treatment, rehabilitation, and prevention services in order to identify the manner in which such services can most effectively be provided;

"(12) collaborate with the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration to promote the dissemination and implementation of research findings that will improve the delivery and effectiveness of treatment, rehabilitation, and prevention services;

"(13) prepare and submit an annual report to the Secretary and the appropriate committees of Congress describing and assessing the collaborative activities conducted with the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health; and

"(14) adopt such additional means as the Directors determines necessary or appropriate to carry out the purposes of this section.

"SEC. 464M. NATIONAL MENTAL HEALTH AND SUBSTANCE ABUSE EDUCATION PROGRAMS.

"The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, shall establish National Mental Health and Substance Abuse Education Programs for the purpose of—

"(1) disseminating by publication and other appropriate means, information concerning improved methods of treating substance abusers and individuals with mental health problems and improved methods of assisting the families of such individuals; and

"(2) supporting, by grant, contract, or otherwise, programs of training and education with respect to the causes, diagnosis, and treatment of, and research concerning, substance abuse and mental health problems.

"SEC. 464N. NATIONAL SUBSTANCE ABUSE RESEARCH CENTERS.

"(a) DESIGNATION.—The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse, may designate National Substance Abuse Research Centers for the purpose of interdisciplinary research relating to substance abuse and other biomedical, behavioral, and social issues. No entity may be designated as a Center unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such manner and contain such information as the Secretary may reasonably require. The Secretary may not approve such an application unless—

"(1) the application contains or is supported by reasonable assurances that—

"(A) the applicant has the experience, or capability, to conduct, through biomedical, behavioral, social, and related disciplines, long-term research on substance abuse and to provide coordination of such research among such disciplines;

"(B) the applicant has available to it sufficient facilities (including laboratory, reference, and data analysis facilities) to carry out the research plan contained in the application,

"(C) the applicant has facilities and personnel to provide training in the prevention and treatment of substance abuse;

"(D) the applicant has the capacity to train predoctoral and postdoctoral students for careers in research on substance abuse;

"(E) the applicant has the capacity to conduct courses on substance abuse and research on substance abuse problems for undergraduate and graduate students, and medical and osteopathic, nursing, social work, and other specialized graduate students; and

"(F) the applicant has the capacity to conduct programs of continuing education in such medical, legal, and social service fields as the Secretary may require.

"(2) FIVE-YEAR PLAN.—The application contains a detailed 5-year plan for research relating to substance abuse.

"(b) GRANTS.—The Secretary shall, under such conditions as the Secretary may reasonably require, make annual grants to Centers which have been designated under this section. No funds provided under a grant under this subsection may be used for the purchase of any land or the purchase, construction, preservation, or repair of any building. For the purposes of the preceding sentence, the term 'construction' has the meaning given that term by section 702(2).

"(c) TYPES OF CENTERS.—Grants under this section may be awarded to entities that specialize in the study of either alcohol or drug abuse or both.

"SEC. 464O. MEDICATION DEVELOPMENT PROGRAM.

"(a) ESTABLISHMENT.—There is established in the National Institute on Drug Abuse a Medication Development Program through which the Director of such Institute shall—

"(1) conduct periodic meetings with the Commissioner of Food and Drugs to discuss measures that may facilitate the approval process of drug abuse treatments;

"(2) encourage and promote (through grants, contracts, international collaboration, or otherwise) expanded research programs, investigations, experiments, and studies, into the development and use of medications to treat drug addiction;

"(3) establish or provide for the establishment of research facilities;

"(4) report on the activities of other relevant agencies relating to the development and use of pharmacotherapeutic treatments for drug addiction;

"(5) collect, analyze, and disseminate data useful in the development and use of pharmacotherapeutic treatments for drug addiction and collect, catalog, analyze, and disseminate through international channels, the results of such research;

"(6) directly or through grants, contracts, or cooperative agreements, support training in the fundamental sciences and clinical disciplines related to the pharmacotherapeutic treatment of drug abuse, including the use of training stipends, fellowships, and awards where appropriate; and

"(7) coordinate the activities conducted under this section with related activities conducted within the National Institute on Alcohol Abuse and Alcoholism, the National Institute of Mental Health, and other appropriate institutes and shall consult with the Directors of such Institutes.

"(b) DUTIES OF DIRECTOR.—In carrying out the activities described in subsection (a), the Director—

"(1) shall collect and disseminate through publications and other appropriate means, information pertaining to the research and other activities under this section;

"(2) shall make grants to or enter into contracts and cooperative agreements with individuals and public and private entities to further the goals of the program;

"(3) shall, in accordance with other provisions of Federal law, through grants, contracts, or cooperative agreements acquire, construct, improve, repair, operate, and maintain pharmacotherapeutic centers, laboratories, and other necessary facilities and equipment, and such other property as the Director determines necessary to carry out the purposes of this subpart;

"(4) may accept voluntary and uncompensated services;

"(5) may accept gifts, or donations of services, money, or property, real, personal, or mixed, tangible or intangible; and

"(6) shall take necessary action to ensure that all channels for the dissemination and exchange of scientific knowledge and information are maintained between the Administration and the other scientific, medical, and biomedical disciplines and organizations nationally and internationally.

"(c) REPORT TO OFFICE OF NATIONAL DRUG CONTROL POLICY.—

"(1) IN GENERAL.—Not later than December 31, 1991, and each December 31 thereafter, the Director shall submit to the Office of National Drug Control Policy established under section 1002 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1501) a report, in accordance with paragraph (3), that describes the objectives and activities of the program assisted under this section.

"(2) INCORPORATION.—The Director of National Drug Control Policy shall incorporate, by reference or otherwise, each report submitted under this subsection in the National Drug Control Strategy submitted the following February 1 under section 1005 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504).

"(d) REVIEW OF GRANTS.—The Director shall provide for the proper scientific review of all research grants, cooperative agreements, and contracts made or entered into under this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the provisions of this section—

"(1) $70,000,000 for fiscal year 1992;

"(2) $85,000,000 for fiscal year 1993;

"(3) $100,000,000 for fiscal year 1994;

"(4) $110,000,000 for fiscal year 1995; and

"(5) $130,000,000 for each of the fiscal years 1996 through 2000.

"(f) DEFINITION.—As used in this section, the term 'pharmacotherapeutics' means medications used to treat the symptoms and disease of drug abuse, including medications to—

"(1) block the effects of abused drugs;

"(2) reduce the craving for abused drugs;

"(3) moderate or eliminate withdrawal symptoms;

"(4) block or reverse the toxic effect of abused drugs;

"(5) prevent, under certain conditions, the initiation of drug abuse; or

"(6) prevent relapse in persons who have been detoxified from drugs of abuse.".

Subtitle B—Miscellaneous Provisions

SEC. 111. MISCELLANEOUS PROVISIONS.

Part C (42 U.S.C. 290dd et seq.) (as redesignated by section 101(1)) is further amended to read as follows:

"PART C—MISCELLANEOUS PROVISIONS RELATING TO SUBSTANCE ABUSE AND MENTAL HEALTH

"SEC. 541. TECHNICAL ASSISTANCE TO STATE AND LOCAL AGENCIES.

"(a) AUTHORITY.—At the request of any State, the Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall, to the extent feasible, make available technical assistance for—

"(1) collecting data and developing and improving systems for data collection;

"(2) program management, accountability, and evaluation;

"(3) certification, accreditation, or licensure of treatment facilities and personnel;

"(4) monitoring compliance by hospitals and other facilities with the requirements of section 543; and

"(5) improving the scope of health insurance and other public or private third party coverage offered in the State for mental health and substance abuse services.

"(b) COORDINATION.—Technical assistance provided under this section shall be provided in a manner which will improve coordination between activities supported under this title.

"(c) DUTIES OF ADMINISTRATOR.—In carrying out this section, the Administrator may—

"(1) provide technical assistance, including advice and consultation relating to local programs, technical and professional assistance, and, where deemed necessary, use of task forces of public officials or other persons assigned to work with State and local governments, to analyze and identify State and local problems and assist in the development of plans and programs to meet the problems so identified;

"(2) convene conferences of State, local, and Federal officials, and such other persons as the Administrator shall designate; and

"(3) draft and make available to State and local governments model legislation with respect to State and local substance abuse and mental health programs and activities.

"SEC. 542. SUBSTANCE ABUSE AMONG GOVERNMENT AND OTHER EMPLOYEES.

"(a) PROGRAMS AND SERVICES.—

"(1) DEVELOPMENT.—The Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall be responsible for fostering substance abuse prevention and treatment programs and services in State and local governments and in private industry.

"(2) MODEL PROGRAMS.—

"(A) IN GENERAL.—Consistent with the responsibilities described in paragraph (1), the Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall develop a variety of model programs suitable for replication on a cost-effective basis in different types of business concerns and State and local governmental entities.

"(B) DISSEMINATION OF INFORMATION.—The Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall disseminate information and materials relative to such model programs to the State agencies responsible for the administration of substance abuse prevention, treatment, and rehabilitation activities and shall, to the extent feasible provide technical assistance to such agencies as requested.

"(b) DEPRIVATION OF EMPLOYMENT.—

"(1) PROHIBITION.—No person may be denied or deprived of Federal civilian employment or a Federal professional or other license or right solely on the grounds of prior substance abuse.

"(2) APPLICATION.—This subsection shall not apply to employment in—

"(A) the Central Intelligence Agency;

"(B) the Federal Bureau of Investigation;

"(C) the National Security Agency;

"(D) any other department or agency of the Federal Government designated for purposes of national security by the President; or

"(E) in any position in any department or agency of the Federal Government, not referred to in subparagraphs (A) through (D), which position is determined pursuant to regulations prescribed by the head of such agency or department to be a sensitive position, except that the Rehabilitation Act of 1973 shall, if otherwise applicable, apply to an individual holding such position.

"(c) CONSTRUCTION.—This section shall not be construed to prohibit the dismissal from employment of a Federal civilian employee who cannot properly function in his employment.

"SEC. 543. ADMISSION OF SUBSTANCE ABUSERS TO PRIVATE AND PUBLIC HOSPITALS AND OUTPATIENT FACILITIES.

"(a) NONDISCRIMINATION.—Substance abusers who are suffering from medical conditions shall not be discriminated against in admission or treatment, solely because of their substance abuse, by any private or public general hospital, or outpatient facility (as defined in section 1633(6)) which receives support in any form from any program supported in whole or in part by funds appropriated to any Federal department or agency.

"(b) REGULATIONS.—

"(1) IN GENERAL.—The Secretary shall issue regulations for the enforcement of the policy of subsection (a) with respect to the admission and treatment of substance abusers in hospitals and outpatient facilities which receive support of any kind from any program administered by the Secretary. Such regulations shall include procedures for determining (after opportunity for a hearing if requested) if a violation of subsection (a) has occurred, notification of failure to comply with such subsection, and opportunity for a violator to comply with such subsection. If the Secretary determines that a hospital or outpatient facility subject to such regulations has violated subsection (a) and such violation continues after an opportunity has been afforded for compliance, the Secretary may suspend or revoke, after opportunity for a hearing, all or part of any support of any kind received by such hospital from any program administered by the Secretary. The Secretary may consult with the officials responsible for the administration of any other Federal program from which such hospital or outpatient facility receives support of any kind, with respect to the suspension or revocation of such other Federal support for such hospital or outpatient facility.

"(2) DEPARTMENT OF VETERANS AFFAIRS.—The Secretary of Veterans Affairs, acting through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary under paragraph (1) to the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from substance abuse. In prescribing and implementing regulations pursuant to this paragraph, the Secretary shall, from time to time, consult with the Secretary of Health and Human Services in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.

"SEC. 544. CONFIDENTIALITY OF RECORDS.

"(a) REQUIREMENT.—Records of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any program or activity relating to substance abuse education, prevention, training, treatment, rehabilitation, or research, which is conducted, regulated, or directly or indirectly assisted by any department or agency of the United States shall, except as provided in subsection (e), be confidential and be disclosed only for the purposes and under the circumstances expressly authorized under subsection (b).

"(b) PERMITTED DISCLOSURE.—

"(1) CONSENT.—The content of any record referred to in subsection (a) may be disclosed in accordance with the prior written consent of the patient with respect to whom such record is maintained, but only to such extent, under such circumstances, and for such purposes as may be allowed under regulations prescribed pursuant to subsection (g).

"(2) METHOD FOR DISCLOSURE.—Whether or not the patient, with respect to whom any given record referred to in subsection (a) is maintained, gives written consent, the content of such record may be disclosed as follows:

"(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

"(B) To qualified personnel for the purpose of conducting scientific research, management audits, financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

"(C) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefor. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

"(c) USE OF RECORDS IN CRIMINAL PROCEEDINGS.—Except as authorized by a court order granted under subsection (b)(2)(C), no record referred to in subsection (a) may be used to initiate or substantiate any criminal charges against a patient or to conduct any investigation of a patient.

"(d) APPLICATION.—The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when such individual ceases to be a patient.

"(e) NONAPPLICABILITY.—The prohibitions of this section do not apply to any interchange of records—

"(1) within the Armed Forces or within those components of the Department of Veterans Affairs furnishing health care to veterans; or

"(2) between such components and the Armed Forces.

The prohibitions of this section do not apply to the reporting under State law of incidents of suspected child abuse and neglect to the appropriate State or local authorities.

"(f) PENALTIES.—Any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined not more than $500 in the case of a first offense, and not more than $5,000 in the case of each subsequent offense.

"(g) REGULATIONS.—Except as provided in subsection (h), the Secretary shall prescribe regulations to carry out the purposes of this section. Such regulations may contain such definitions, and may provide for such safeguards and

procedures, including procedures and criteria for the issuance and scope of orders under subsection (b)(2)(C), as in the judgment of the Secretary are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

"(h) APPLICATION TO DEPARTMENT OF VETERANS AFFAIRS.—The Secretary of Veterans Affairs, acting through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary of Health and Human Services under subsection (g) of this section to records maintained in connection with the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from substance abuse. In prescribing and implementing regulations pursuant to this subsection, the Secretary of Veterans Affairs shall, from time to time, consult with the Secretary of Health and Human Services in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.

"SEC. 545. DATA COLLECTION.

"(a) REQUIREMENT.—The Secretary, acting through the Administrator and the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, as appropriate, shall collect data each year on the national incidence and prevalence of the various forms of mental illness and substance abuse.

"(b) MENTAL HEALTH.—With respect to the activities under subsection (a) relating to mental health, the Secretary shall ensure that such activities include, at a minimum, the collection of data on—

"(1) the number and variety of public and nonprofit private treatment programs;

"(2) the number and demographic characteristics of individuals receiving treatment through such programs;

"(3) the type of care received by such individuals; and

"(4) such other data as may be appropriate.

"(c) SUBSTANCE ABUSE.—

"(1) IN GENERAL.—With respect to the activities under subsection (a) relating to substance abuse, the Secretary shall ensure that such activities include, at a minimum, the collection of data on—

"(A) the number of individuals admitted to the emergency rooms of hospitals as a result of substance abuse;

"(B) the number of deaths occurring as a result of substance abuse;

"(C) the number and variety of public and private nonprofit treatment programs, including the number and type of patient slots available;

"(D) the number of individuals seeking treatment through such programs, the number and demographic characteristics of individuals receiving such treatment, the percentage of individuals who complete such programs, and, with respect to individuals receiving such treatment, the length of time between an individual's request for treatment and the commencement of treatment;

"(E) the number of such individuals who return for treatment after the completion of a prior treatment in such programs and the method of treatment utilized during the prior treatment;

"(F) the number of individuals receiving public assistance for such treatment programs;

"(G) the costs of the different types of treatment modalities for drug and alcohol abuse and the aggregate relative costs of each such treatment modality provided within a State in each fiscal year;

"(H) to the extent of available information, the number of individuals receiving treatment for alcohol or drug abuse who have private insurance coverage for the costs of such treatment;

"(I) the extent of substance abuse among high school students and among the general population; and

"(J) the number of alcohol and drug abuse counselors and other substance abuse treatment personnel employed in public and private treatment facilities.

"(2) SURVEYS.—Annual surveys shall be carried out in the collection of data under this section. Summaries and analyses of the data collected shall be made available to the public and nonconfidential data files shall be made available to qualified researchers.

"(d) SPECIFIC STUDIES.—The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse, as appropriate, shall award grants under this section on a competitive basis to qualified entities to support—

"(1) epidemiological studies of infants and the families of infants with fetal cocaine syndrome and fetal alcohol syndrome; and

"(2) longitudinal studies of infants and the families of infants afflicted with such syndromes.

"(e) UNIFORM CRITERIA.—After consultation with the States, provider associations, and appropriate national organizations, the Administrator and the Directors shall develop uniform criteria for the collection of data, using the best available technology, pursuant to this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $25,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"SEC. 546. PUBLIC HEALTH EMERGENCIES.

"(a) REQUIREMENTS.—If the Secretary determines, after consultation with the Administrator, the Commissioner of Food and Drugs, or the Director of the Centers for Disease Control, that a disease or disorder within the jurisdiction of the Administration constitutes a public health emergency, the Secretary, acting through the Administrator—

"(1) shall expedite the review by advisory councils and by peer review groups of applications for grants for services concerning such disease or disorder or proposals for contracts for such services;

"(2) shall exercise the authority in section 3709 of the Revised Statutes (41 U.S.C. 5) respecting public exigencies to waive the advertising requirements of such section in the case of proposals for contracts for such services;

"(3) may provide administrative supplemental increases in existing grants and contracts to support new services relevant to such disease or disorder; and

"(4) shall disseminate, to health professionals and the public, information on the cause, prevention, and treatment of such disease or disorder that has been developed under this section.

The amount of an increase in a grant or contract provided under paragraph (3) may not exceed one-half the original amount of the grant or contract.

"(b) REPORT.—Not later than 90 days after the end of a fiscal year, the Secretary shall report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on actions taken under subsection (a) in such fiscal year if any actions were taken under such subsection in such fiscal year.".

Subtitle C—Transfer Provisions

SEC. 121. TRANSFERS.

(a) ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.—Except as specifically provided otherwise in this Act or an amendment made by this Act, there are transferred to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration all service related functions which the Administrator of the Alcohol, Drug Abuse and Mental Health Administration exercised before the date of the enactment of this Act and all related functions of any officer or employee of the Alcohol, Drug Abuse and Mental Health Administration.

(b) NATIONAL INSTITUTES.—Except as specifically provided otherwise in this Act or an amendment made by this Act, there are transferred to the appropriate Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, through the Director of the National Institutes of Health, all research related functions which the Administrator of the Alcohol, Drug Abuse and Mental Health Administration exercised before the date of the enactment of this Act and all related functions of any officer or employee of the Alcohol, Drug Abuse, and Mental Health Administration.

(c) ADEQUATE PERSONNEL AND RESOURCES.—The transfers required under this subtitle shall be effectuated in a manner that ensures that the Alcohol, Drug Abuse and Mental Health Services Administration has adequate personnel and resources and that the National Institutes of Health have adequate personnel and resources to enable the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health to carry out their respective functions.

SEC. 122. DELEGATION AND ASSIGNMENT.

(a) ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.—Except where otherwise expressly prohibited by law, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration may delegate any of the functions transferred to the Administrator by this subtitle and any function transferred or granted to the Administrator after the date of enactment of this Act to such officers and employees of the Alcohol, Drug Abuse and Mental Health Services Administration as the Administrator may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Administrator under this section or under any other provision of this subtitle shall relieve the Administrator of responsibility for the administration of such functions.

(b) NATIONAL INSTITUTES.—Except where otherwise expressly prohibited by law, the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health may delegate any of the functions transferred to the Directors by this subtitle and any function transferred or granted to the Directors after the date of enactment of this Act to such officers and employees of such Institutes as the Directors may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Directors under this section or under any other provision of this subtitle shall relieve the Directors of responsibility for the administration of such functions.

SEC. 123. TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.

(a) ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.—Except as otherwise provided in the Public Health Service Act, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other

funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration by this subtitle, subject to section 1531 of title 31, United States Code, shall be transferred to the Alcohol, Drug Abuse and Mental Health Services Administration. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(b) NATIONAL INSTITUTES.—Except as otherwise provided in the Public Health Service Act, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred to the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health by this subtitle, subject to section 1531 of title 31, United States Code, shall be transferred to the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

SEC. 124. INCIDENTAL TRANSFERS.

The Secretary of Health and Human Services is authorized to make such determinations as may be necessary with regard to the functions transferred by this subtitle, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this subtitle and the Public Health Service Act. Such Secretary shall provide for the termination of the affairs of all entities terminated by this subtitle and for such further measures and dispositions as may be necessary to effectuate the purposes of this subtitle.

SEC. 125. EFFECT ON PERSONNEL.

(a) IN GENERAL.—Except as otherwise provided by this subtitle and the Public Health Service Act, the transfer pursuant to this subtitle of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of transfer of such employee under this subtitle.

(b) EXECUTIVE SCHEDULE POSITIONS.—Any person who, on the day preceding the effective date of this Act, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Alcohol, Drug Abuse and Mental Health Services Administration to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

SEC. 126. SAVINGS PROVISIONS.

(a) EFFECT ON PREVIOUS DETERMINATIONS.—All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges that—

(1) have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred by this subtitle; and

(2) are in effect on the date of enactment of this Act;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director of the National Institutes of Health, or the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, as appropriate, a court of competent jurisdiction, or by operation of law.

(b) CONTINUATION OF PROCEEDINGS.—

(1) IN GENERAL.—The provisions of this subtitle shall not affect any proceedings, including notices of proposed rule making, or any application for any license, permit, certificate, or financial assistance pending on the date of enactment of this Act before the Department of Health and Human Services, which relates to the Alcohol, Drug Abuse and Mental Health Administration or the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, or the National Institute of Mental Health, or any office thereof with respect to functions transferred by this subtitle. Such proceedings or applications, to the extent that they relate to functions transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made under such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health by a court of competent jurisdiction, or by operation of law. Nothing in this subsection prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this subtitle had not been enacted.

(2) REGULATIONS.—The Secretary of Health and Human Services is authorized to issue regulations providing for the orderly transfer of proceedings continued under paragraph (1).

(c) EFFECT ON LEGAL ACTIONS.—Except as provided in subsection (e)—

(1) the provisions of this subtitle do not affect actions commenced prior to the date of enactment of this Act; and

(2) in all such actions, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) NO ABATEMENT OF ACTIONS OR PROCEEDINGS.—No action or other proceeding commenced by or against any officer in his official capacity as an officer of the Department of Health and Human Services with respect to functions transferred by this subtitle shall abate by reason of the enactment of this Act. No cause of action by or against the Department of Health and Human Services with respect to functions transferred by this subtitle, or by or against any officer thereof in his official capacity, shall abate by reason of the enactment of this Act. Causes of action and actions with respect to a function transferred by this subtitle, or other proceedings may be asserted by or against the United States or the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health, as may be appropriate, and, in an action pending when this Act takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(e) SUBSTITUTION.—If, before the date of enactment of this Act, the Department of Health and Human Services, or any officer thereof in the official capacity of such officer, is a party to an action, and under this subtitle any function of such Department, Office, or officer is transferred to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, then such action shall be continued with the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, as the case may be, substituted or added as a party.

(f) JUDICIAL REVIEW.—Orders and actions of the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health in the exercise of functions transferred to the Administrator or the Directors by this subtitle shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Administrator of the Alcohol, Drug Abuse and Mental Health Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health, or any office or officer thereof, in the exercise of such functions immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this subtitle shall apply to the exercise of such function by the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors.

SEC. 127. SEPARABILITY.

If a provision of this subtitle or its application to any person or circumstance is held invalid, neither the remainder of this Act nor the application of the provision to other persons or circumstances shall be affected.

SEC. 128. TRANSITION.

With the consent of the Secretary of Health and Human Services, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration and the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health are authorized to utilize—

(1) the services of such officers, employees, and other personnel of the Department with respect to functions transferred to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration and the Director of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health by this subtitle; and

(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this subtitle.

SEC. 129. REFERENCES.

Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to the Alcohol, Drug Abuse and Mental Health Administration or to the Administrator of the Alcohol, Drug Abuse and Mental Health Administration shall be deemed to refer to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration.

Subtitle D—Conforming Amendments

SEC. 131. CONFORMING AMENDMENTS.

(a) Title V.—Title V is amended—

(1) in section 521 (42 U.S.C. 290cc–21), by striking "Director of the National Institute of Mental Health" and inserting in lieu thereof "Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration";

(2) in section 528 (42 U.S.C. 290cc–28)—

(A) by striking "the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse" and inserting in lieu thereof "and the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration" in subsection (a); and

(B) by striking "National Institute of Mental Health" and inserting in lieu thereof "Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration" in subsection (c);

(3) in section 530 (42 U.S.C. 290cc–30), by striking "the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse" and inserting in lieu thereof "and the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration"; and

(4) in section 561(a) (42 U.S.C. 290ff), by striking "National Institute of Drug Abuse" and inserting in lieu thereof "Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration".

(b) Title XIX.—Part B of title XIX (42 U.S.C. 300x et seq.) is amended in section 1911 (42 U.S.C. 300x) (as such section is amended by section 201) by adding at the end thereof the following new subsection:

"(c) The Secretary shall carry out this part through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration.";

(c) General Public Health Service Act Amendments.—The Act (42 U.S.C. 201 et seq.) is amended—

(1) in section 227 (42 U.S.C. 236)—

(A) by striking out ", and the the Alcohol, Drug Abuse, and Mental Health Administration" in subsection (c)(2);

(B) by striking out ", the the Alcohol, Drug Abuse, and Mental Health Administration" in subsection (c)(3);

(C) by striking out "and the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration" in subsection (e); and

(D) by striking out "and the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration" in subsection (e);

(2) in section 319(a) (42 U.S.C. 247d(a)), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration";

(3) in section 487(a)(1) (42 U.S.C. 288(a)(1))—

(A) by striking out "and the Alcohol, Drug Abuse, and Mental Health Administration" in subparagraph (A)(i); and

(B) by striking out "or the Alcohol, Drug Abuse, and Mental Health Administration" in the matter immediately following subparagraph (B); and

(4) in section 489(a)(2) (42 U.S.C. 288b(a)(2)), by striking out "and institutes under the Alcohol, Drug Abuse, and Mental Health Administration".

(d) Other Laws.—

(1) Section 4 of the Orphan Drug Amendments of 1985 (42 U.S.C. 236 note) is amended—

(A) in subsection (b), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration,";

(B) in subsection (c)—

(i) by striking out "the Alcohol, Drug Abuse, and Mental Health Administration," in the matter preceding paragraph (1); and

(ii) by striking out "the institutes of the Alcohol, Drug Abuse, and Mental Health Administration," in paragraph (7); and

(C) in subsection (d)—

(i) by striking out paragraph (3) and inserting in lieu thereof the following new paragraph:

"(3) Four nonvoting members shall be appointed for the directors of the national research institutes of the National Institutes of Health which the Secretary determines are involved with rare diseases."; and

(ii) by striking out "or an institute of the Alcohol, Drug Abuse, and Mental Health Administration" in the matter immediately following paragraph (3).

(2) The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended—

(A) in section 202(b)(1) (42 U.S.C. 3012(b)(1)), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration";

(B) in section 301(b)(2) (42 U.S.C. 3021(b)(2)), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration"; and

(C) in section 402(b) (42 U.S.C. 3030bb(b)), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration".

(3) Section 116 of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10826) is amended by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration".

SEC. 132. ADDITIONAL CONFORMING AMENDMENTS.

(a) Recommended Legislation.—After consultation with the appropriate committees of the Congress, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration and the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health shall prepare and submit to the Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this subtitle to the Public Health Service Act or any other provision of law.

(b) Submission to the Congress.—Not later than 6 months after the date of enactment of this Act, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration and the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health shall submit the recommended legislation referred to under subsection (a).

Subtitle E—Miscellaneous Provisions

SEC. 141. ALTERNATIVE SOURCES OF FUNDING FOR CERTAIN GRANTEES.

The Secretary of Health and Human Services shall undertake diligent efforts to obtain alternative sources of Federal funds, including funds available under section 505, to provide assistance to grantees who have been receiving assistance under the community youth activity program established under section 3521 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11841).

SEC. 142. PEER REVIEW.

The peer review systems, advisory councils and scientific advisory committees utilized, or approved for utilization, by the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health prior to the transfer of such Institutes to the National Institute of Health shall be utilized by such Institutes after such transfer.

SEC. 143. BUDGETARY AUTHORITY.

The Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health shall have independent authority to formulate the budgets of such institutes to the same extent as the Director of the National Cancer Institute.

SEC. 144. SUBSTANCE ABUSE TRAINING AND RESEARCH.

Section 303 (42 U.S.C. 242a) is amended—

(1) in subsection (c), by striking out the second sentence; and

(2) by adding at the end thereof the following new subsection:

"(e) The Secretary shall have the same authority with respect to substance abuse as the Secretary has with respect to mental health under this section.".

TITLE II—REAUTHORIZATION AND IMPROVEMENT OF ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICE BLOCK GRANT PROGRAM

SEC. 201. REAUTHORIZATION OF BLOCK GRANT.

Section 1911 (42 U.S.C. 300x) is amended to read as follows:

"SEC. 1911. AUTHORIZATION OF APPROPRIATIONS.

"(a) In General.—There are authorized to be appropriated to carry out this subpart, $1,500,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(b) Technical Assistance.—The Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration may use not more than 5 percent of the amounts appropriated for a fiscal year pursuant to subsection (a) to carry out sections 541, 1916B, 1921 and 1924, to monitor expenditures pursuant to subsection (a), and to conduct evaluations on the effectiveness of treatment and prevention programs.".

SEC. 202. REVISION OF BLOCK GRANT FORMULA.

(a) In General.—Section 1912A of the Act (42 U.S.C. 300x–1a) is amended—

(1) in the formula specified in subsection (a)(4)(A)(ii)(II) by striking "N" and inserting "P";

(2) in subparagraphs (B) and (C) of subsection (a)(4), to read as follows:

"(B) For the purposes of clause (i) and the formula specified in clause (ii)(II), of subparagraph (A), the term 'P' means the product of the at-risk population percentage and the cost index of the State involved.

"(C)(i) Except as provided in clause (ii), for purposes of the formula specified in subparagraph (A)(ii)(II), the term 'S' means the percentage of the most recent 3-year average of the total taxable resources of the State involved as compared to the most recent 3-year average of the taxable resources of all States, as determined by the Secretary of the Treasury.

"(ii) In the case of the District of Columbia, for purposes of the formula specified in subparagraph (A)(ii)(II), the term 'S' means the percentage of the most recent 3-year average of personal income in the District of Columbia as compared to the most recent 3-year average of personal income in all States, as reported by the Secretary of Commerce.";

(3) by striking subparagraphs (D) and (E) of subsection (a)(4);

(4) in subsection (b), to read as follows:

"(b)(1) Each State that received an allotment of $7,000,000 or less under this subpart in fiscal year 1989 shall receive a minimum allotment under this subpart in each fiscal year, which allotment shall be the greater of—

"(A) the amount determined in accordance with the formula described in subsection (a)(1); and

"(B) the amount determined in accordance with the following formula:

$$E\,(1 + 0.25\,(R))$$

"(2) For the purpose of the formula specified in paragraph (1)(B)—

"(A) the term 'E' means the amount the State involved received under this subpart in fiscal year 1989; and

"(B) the term 'R' means the cumulative percentage by which the total amount appropriated pursuant to the authority of section 1911 has increased or decreased since fiscal year 1989.";

(5) in subsection (c)—

(A) in paragraph (2)(A), by inserting "or the amount such territory received in fiscal year 1989" after "100,000";

(B) by inserting the following flush sentence after clause (ii) of paragraph (1)(B):

"In the absence of reliable recent population data with respect to a given territory, the Secretary shall assume that the population of the territory has changed at the same rate as the population of the territories generally."; and

(C) by adding at the end the following new paragraph:

"(4) As used in this subsection, the term 'population' means the civilian population.";

(6) in subsection (g), to read as follows:

"(g)(1) Notwithstanding any other provision of law, no State shall receive an allotment under this section in fiscal year 1992 or 1993 that is less than the allotment such State received under this section in the preceding fiscal year.

"(2) Notwithstanding any other provision of law, in any fiscal year in which the total amount appropriated under 1911(a) increases by less than $200,000,000 as compared to the previous fiscal year, no State shall receive an allotment under this section in such fiscal year in an amount that exceeds the sum of—

"(A) the allotment such State received in such previous fiscal year; and

"(B) $20,000,000.

"(3) Notwithstanding any other provision of law, no State shall receive an allotment under this section in fiscal year 1994, or in subsequent fiscal years, that is less than 95 percent of the amount of the allotment that such State received under this section in the preceding fiscal year."; and

(7) by adding at the end the following new subsection:

"(j) As used in this section—

"(1)(A) The term 'at risk population percentage' means the sum of—

"(i) one-third of the percentage obtained by dividing the number of individuals in the State aged 25 through 64, by the number of individuals in all States aged 25 through 64;

"(ii) one-third of the percentage obtained by dividing the number of individuals in the State aged 18 through 24, by the number of individuals in all States aged 18 through 24; and

"(iii) one-third of the percentage obtained by dividing of the number of individuals in the State aged 25 through 44, by the number of individuals in all States aged 25 through 44.

"(B) In making the determination required in clause (ii) of subparagraph (A) the Secretary shall count twice the number of individuals aged 18 through 24 who reside in urban areas. If current data regarding the number of individuals aged 18 through 24 who reside in urban areas is not available for any fiscal year, then the Secretary shall estimate such number by multiplying the total population of each State as determined by the Secretary of Commerce for such year by the percentage obtained by dividing the number of individuals in the State aged 18 through 24 who reside in urban areas within the State, by the total number of individuals in the State. The Secretary shall make such determinations in accordance with the data available from the most recent decennial census.

"(2)(A) The term 'cost index' means the overall cost index for the State that appears in table 4 of the March 30, 1990 report entitled 'Adjusting the Alcohol, Drug Abuse and Mental Health Services Block Grant Allocations for Poverty Population and Cost of Service' prepared by the Health Economics Research, Inc. pursuant to a contract with the National Institute on Drug Abuse.

"(B) The Secretary shall, in consultation with the Comptroller General of the United States, update the cost index described in subparagraph (A) prior to making allotments under this section for fiscal year 1993 and at least once every 3 years thereafter as more current data becomes available. The Secretary may make reasonable refinements in the methodology used in constructing such cost index and may phase in such changes in the cost index as the Secretary determines to be appropriate.

"(3)(A) The term 'State' means, except as provided in subparagraph (B), each of the several States, the District of Columbia, and each of the territories of the United States.

"(B) As used in subsections (a), (b), (e), and (f), the term 'State' means each of the several States and the District of Columbia.

"(4) The term 'territories of the United States' means each of the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.".

(b) REPORT ON ALLOTMENT FORMULA.—

(1) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services, in consultation with the Director of the Office of National Drug Control Policy, shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the statutory formula under which funds made available under section 1911 of the Public Health Service Act are allocated among the States and territories.

(2) CONTENTS.—The report required under paragraph (1) shall include—

(A) an assessment of the degree to which the formula allocates funds according to the respective needs of the States and territories;

(B) a review of relevant epidemiological research regarding the incidence of substance abuse and mental illness among various age groups and geographic regions of the country;

(C) the identification of factors not included in the formula that are reliable predictors of the incidence of substance abuse and mental illness;

(D) an assessment of the validity and relevance of factors currently included in the formula, such as age, urban population and cost; and

(E) any other information that the Secretary of Health and Human Services believes would contribute to a thorough assessment of the appropriateness of the current formula.

(3) CONSULTATION.—In preparing the report required under paragraph (1), the Secretary shall consult with the Comptroller General of the United States. The Comptroller General shall review the study after its transmittal to the committees described in paragraph (1) and within three months make appropriate recommendations concerning such report to such committees.

SEC. 203. USE OF UNOBLIGATED FUNDS BY STATES.

Section 1914(a)(2) (42 U.S.C. 300x–2(a)(2)) is amended by adding at the end thereof the following new sentence: "Unobligated funds shall remain available to the State if the Secretary finds that said funds were obligated but subsequently rendered unobligated due to the State's diligence in carrying out the purposes of this subpart.".

SEC. 204. REVISION OF INTRAVENOUS DRUG SET-ASIDE.

Section 1916(c)(7)(B)(ii) of the Public Health Service Act (42 U.S.C. 300x–4(c)(7)(B)(ii)) is amended in the first sentence by striking "may" and inserting in lieu thereof "shall".

SEC. 205. USE OF ALLOTMENTS.

(a) SERIOUSLY MENTALLY ILL INDIVIDUALS.—Section 1915(a)(2) (42 U.S.C. 300x–3(a)(2)) is amended by striking out "chronically" each place that such occurs and inserting in lieu thereof "seriously".

(b) SERVICES FOR CERTAIN INDIVIDUALS.—Section 1915(a)(2)(D) (42 U.S.C. 300x–3(a)(2)(D)) is amended by inserting "(which may include mentally ill individuals in State and local correctional facilities)" after "populations".

(c) EXCEPTION TO PROHIBITIONS.—Section 1915(b) (42 U.S.C. 300x–3(b)) is amended by adding at the end of paragraph (1), the following: "except that funds may be used to pay for inpatient hospital or accredited nonhospital drug treatment services pursuant to a contractual arrangement with a hospital if—

"(A) needed residential treatment services could not otherwise be provided; and

"(B) the rates paid for such services do not exceed 125 percent of the cost of the rates typically required for comparable residential services,".

(d) RENOVATION.—Section 1915(b)(3) (42 U.S.C. 300x–3(b)(3)) is amended—

(1) by striking "(other than minor remodeling)"; and

(2) by inserting ", except that the Secretary may authorize the use of funds for renovation that makes land or a building or other facility suitable for use under this part, including renovation to remove hazardous conditions or make the land, building, or facility accessible to disabled persons" after "equipment".

(e) WAIVER.—The matter immediately following paragraph (5) of section 1915(b) (42 U.S.C. 300x–3(b)) is amended—

(1) in the first sentence by striking out "or rehabilitation of a existing facility"; and

(2) by inserting after the fifth sentence the following new sentence: "The Secretary may waive or reduce the matching rate requirement of the preceding sentence if the State requests such a waiver and the Secretary determines that a failure to grant such a request would result in a reduction in the resources that would otherwise be used to provide direct treatment services and that are essential to implementation of the State drug abuse plan.".

(f) SUBSTANCE ABUSERS IN JUSTICE SYSTEMS.—Section 1915(c)(1) (42 U.S.C. 300x–3(c)(1)) is amended—

(1) in subparagraph (B), by striking "and" after the semicolon at the end;

(2) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(D) to develop, implement, and operate programs of treatment for adult and juvenile substance abusers in State and local criminal and juvenile justice systems, including treatment programs for individuals in prisons and jails and individuals on probation, parole, supervised release, and pretrial release.".

(g) PROHIBITION AGAINST CERTAIN PROGRAMS.—Section 1915(c)(2)(A) (42 U.S.C. 300x–3(c)(2)(A)) is amended to read as follows:

"(A) to carry out any program prohibited by section 256(b) of the Health Omnibus Programs Extension of 1988 (42 U.S.C. 300ee–5); or".

(h) ADMINISTRATIVE EXPENSES.—Section 1915(d) (42 U.S.C. 300x–3(d)) is amended to read as follows:

"(d) Of the amount paid to any State under section 1914 for a fiscal year, not more than 5

percent may be used for the administrative expenses of carrying out this subpart. In determining the percentage of the amount used for the administrative expenses, the Secretary shall not include reasonable expenses, as determined by the Secretary, incurred for the training of individuals as required under this subpart, including training required under plans submitted under section 1916B.".

(i) NONDISCRIMINATION.—Section 1915 (42 U.S.C. 300x–3) is amended by adding at the end thereof the following new subsection:

"(f) Substance abuse treatment facilities and mental health treatment facilities receiving assistance under this title may not discriminate against mentally ill substance abusers in the provision of services.".

SEC. 206. MAINTENANCE OF EFFORT.

(a) IN GENERAL.—Paragraph (11) of section 1916(c) (42 U.S.C. 300x–4(c)(11)) is amended to read as follows:

"(11)(A) The State agrees to maintain State expenditures for alcohol and drug abuse services at a level that is not less than the average annual level maintained by the State for such services during the 2-year period preceding the fiscal year for which the State is applying to receive payments under section 1914.

"(B) The State agrees to maintain State expenditures for community mental health services at a level that is not less than the average annual level maintained by the State for such services during the 2-year period preceding the fiscal year for which the State is applying to receive payments under section 1914.".

(b) DUTIES OF COUNCIL.—Section 1916(e)(2) (42 U.S.C. 300x–4(e)(2)) is amended—

(1) in subparagraph (A), by striking out "and" at the end thereof;

(2) in subparagraph (B), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(C) to review and comment concerning the State plan required under section 1925, and at the request of the council, the State shall submit such comments to the Secretary together with such State plan.".

(c) WAIVER.—Section 1916 (42 U.S.C. 300x–4) is amended by adding at the end the following new subsection:

"(h) Upon the request of a State, the Secretary may waive a requirement established in subparagraph (A) or (B) of subsection (c)(11) if the Secretary determines that extraordinary economic conditions in the State justify the waiver.".

SEC. 207. REQUIREMENT OF STATEWIDE SUBSTANCE ABUSE PREVENTION AND TREATMENT PLANS.

Subpart 1 of part B of title XIX (42 U.S.C. 300x et seq.) is amended by inserting after section 1916A the following new section:

"SEC. 1916B. STATEWIDE SUBSTANCE ABUSE PREVENTION AND TREATMENT PLAN.

"(a) NATURE OF PLAN.—To receive the substance abuse portion of its allotment, in whole or in part, under section 1912A for fiscal year 1992 or a subsequent fiscal year, a State shall develop, implement, and submit as part of the application required by section 1916(a), a statewide Substance Abuse Prevention and Treatment Plan which shall designate a single State agency that shall formulate and implement the Statewide Substance Abuse Prevention and Treatment Plan, and shall contain a description of—

"(1) the mechanism that shall be used to assess the needs for substance abuse prevention and treatment, and related technical assistance needs, in localities throughout the State, including the presentation of relevant data;

"(2) a statewide plan that shall be implemented to expand treatment capacity and overcome obstacles that restrict the expansion of treatment capacity (such as zoning ordinances), or an explanation of why such a plan is unnecessary;

"(3) the process and the needs- and performance-based criteria that shall be used in the allocation of funds to substance abuse prevention and treatment facilities, which shall be identified, receiving assistance under this subpart;

"(4) the mechanisms that shall be used to make funding allocations under this subpart;

"(5) the actions that shall be taken to improve the referral of substance abusers to treatment facilities that offer appropriate treatment modalities;

"(6) the program of training that shall be implemented for employees of prevention and treatment programs receiving Federal funds, designed to permit such employees to stay abreast of the latest and most effective treatment techniques;

"(7) the plan that shall be implemented—

"(A) to coordinate substance abuse prevention and treatment services with other social, health, correctional and vocational services; and

"(B) to assure that individuals receiving substance abuse treatment also receive primary health care, directly or through arrangement with other entities;

"(8) the need for services for female substance abusers, including—

"(A) an unduplicated count of the number of women served with funds set aside pursuant to section 1916(c)(14), the demographic characteristics of the women, the specific services offered to women, the average expenditure per woman for services funded under the set-aside, and the numerical objectives for new substance abuse treatment services for women; and

"(B) the strategy for providing, or linking with existing service provision entities, prenatal and postpartum health care for women undergoing such treatment, pediatric care for the children of such women, child care, transportation and other support services that facilitate treatment, case management services, including assistance in establishing eligibility for public economic support, and employment counseling and other appropriate follow-up services to help prevent a relapse of alcohol or drug abuse;

"(9) the plan that shall be implemented to expand drug treatment opportunities for individuals under criminal justice supervision;

"(10) the plan that shall be implemented to expand drug treatment opportunities for homeless individuals;

"(11) the plan that shall be implemented, considered in terms of the plan formulated pursuant to section 1924, to expand and improve specialized services for individuals with substance abuse and coexisting mental disorders and to describe the actions to be taken to improve the organization and financing of services for individuals with coexisting substance abuse and mental disorders;

"(12) the plan that shall be implemented to assist businesses, labor unions, and schools to establish employee assistance programs and student assistance programs;

"(13) the steps taken to assure that each recipient of financial assistance pursuant to the provisions of this subpart shall not engage in discrimination on the basis of race, religion, color, national origin, gender, reproductive status, or handicap in the course of the activities assisted in whole or in part pursuant to the provisions of this subpart;

"(14) the actions of the State to encourage treatment facilities to provide aftercare, either directly or through arrangements with other individuals or entities, for patients who have ended a course of treatment provided by the facility, that shall include periodic contacts with the patient to monitor the progress of the patient and provide services or additional treatment and rehabilitation as needed;

"(15) interim assistance that is available for individuals who apply for treatment, and who must wait for the availability of treatment opportunities;

"(16) actions taken to ensure and maintain patient confidentiality;

"(17) the performance of the State in implementing the previous year's plan, including the presentation of relevant data;

"(18) with respect to States with a significant number of Native Americans, the plan for providing appropriate services to that population, including services to reduce the incidence of Fetal Alcohol Syndrome; and

"(19) such other information as the Secretary determines to be appropriate.

"(b) SUBMISSION OF PLAN.—The plan required by subsection (a) shall be submitted to the Secretary annually for review and approval. The Secretary shall have the authority to approve or disapprove, in whole or in part, such State plans and the implementation thereof, and to propose changes to such plans.

"(c) REGULATIONS.—

"(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary, in consultation with the States, shall issue regulations to carry out this section. Such regulations may include uniform data collection criteria and shall include criteria for each area to be covered by the State plan prepared under subsection (a). Pending the adoption of such regulations, the Secretary may implement this section through the issuance of mandatory guidelines.

"(2) APPLICABILITY.—For fiscal year 1993 and subsequent fiscal years, no payment shall be made to a State from the allotment of the State under section 1912A unless such State has submitted, and the Secretary has approved, a plan in accordance with the regulations issued under paragraph (1). The Secretary may withhold such portion of a State's allotment as the Secretary determines to be appropriate upon a finding by the Secretary that the State is only partially in compliance with this section and has made a good faith effort to be in complete compliance.

"(3) MONITORING.—The Secretary shall monitor and evaluate the compliance of the State's implementation of the plan submitted under this section and provide technical assistance to assist in achieving such compliance.

"(4) OTHER REGULATIONS.—Notwithstanding any other provision of law, any other rule or regulation that is inconsistent with this section (including the provisions of section 50(e) of part 96 of title 45 of the Code of Federal Regulations) shall not be enforced to the extent of such inconsistency.

"(d) SUBMISSION OF PROGRESS REPORTS.—Each State shall submit reports in such form, and containing such information as the Secretary may, from time to time, require, and shall comply with such additional requirements as the Secretary may from time to time find necessary to verify the accuracy of such reports.

"(e) WAIVER OF PLAN REQUIREMENT.—At the discretion of the Secretary, the Secretary may waive any or all of the requirements of this section on the written request of a State, upon a finding by the Secretary that one or more of the requirements of this section is inapplicable to a State.".

SEC. 208. TECHNICAL AMENDMENT.

Section 1924(a) (42 U.S.C. 300x–10(a)) is amended by inserting ", acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration," after "The Secretary".

TITLE III—CHILDREN OF SUBSTANCE ABUSERS

SEC. 301. SHORT TITLE.

This title may be cited as the "Children of Substance Abusers Act".

SEC. 302. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) an estimated 375,000 infants each year are exposed to drugs before birth and an estimated 5,000 infants have documented cases of Fetal Alcohol Syndrome which result in a distinct cluster of congenital birth defects;

(2) there are an estimated 28,600,000 children of alcoholics in the United States, of whom 6,600,000 are under the age of 18, and an estimated total of 9,000,000 to 10,000,000 children under the age of 18 are affected by a type of parental substance abuse;

(3) children of alcoholics and other drug abusers are at risk of developing a range of physical, psychological, emotional, and developmental problems, and of becoming substance abusers themselves;

(4) alcohol and other drugs are a factor in an increasing number of child abuse and neglect cases, and placements in foster care have risen almost 30 percent since 1986, resulting in the disruption of families;

(5) pregnant women often have difficulty in obtaining drug or alcohol treatment because of the risks their pregnancies pose, and women in general are underrepresented in drug and alcohol treatment programs;

(6) parents, particularly women, often have a range of additional problems that must be addressed, including their own physical or sexual abuse, chemical dependency in their family backgrounds, lack of job skills, and high levels of family conflict and violence;

(7) effective treatment must be comprehensive and address the needs of the entire family, and where possible, be directed at preserving the family over time;

(8) children whose parents are substance abusers must have access to services regardless of the participation of their parents, and caretakers other than parents also need supportive services;

(9) earlier intervention with vulnerable families is needed to strengthen families and prevent crises from developing, including those stemming from parental substance abuse; and

(10) home visiting has been proven to contribute to healthy births, the healthy development of children, and the development of better parenting skills and social support networks.

(b) PURPOSES.—The purposes of this title are—

(1) to increase the ability of mothers and fathers who are substance abusers to participate in alcohol and drug treatment;

(2) to ensure that the physical, emotional, and psychological needs of children of substance abusers, including children exposed to drugs or alcohol before birth, are identified, assessed, and addressed;

(3) to promote the economic and social well-being of families in which a parent is a substance abuser by providing comprehensive services directed at the entire family;

(4) to develop a service delivery system to provide family intervention based on a case management approach;

(5) to promote early intervention through the use of home visiting to families with children at risk of health or developmental complications; and

(6) to promote the healthy development of children and preserve families by improving parenting skills and providing support systems of social services.

Subtitle A—Services for Children of Substance Abusers

SEC. 311. SERVICES.

Title III (42 U.S.C. 301 et seq.) is amended by adding at the end thereof the following new part:

"PART M—SERVICES FOR CHILDREN OF SUBSTANCE ABUSERS

"SEC. 399D. DEFINITIONS.

"As used in this part:

"(1) CARETAKER OF A CHILD OF A SUBSTANCE ABUSER.—The term 'caretaker of a child of a substance abuser' means a birth parent, foster parent, adoptive parent, relative of a child of a substance abuser, or other individual acting in a parental role.

"(2) CHILD OF A SUBSTANCE ABUSER.—The term 'child of a substance abuser' means any child of a substance abuser, including a child born to a mother who abused alcohol or other drugs during pregnancy or any child living in a household with an individual acting in a parental role who is a substance abuser.

"(3) COMMUNITY OUTREACH SERVICES.—The term 'community outreach services' means services provided by a public health nurse, social worker, or similar professional, or by a trained worker from the community supervised by a professional, to—

"(A) accomplish early identification of families where substance abuse is present;

"(B) accomplish early identification of children affected by parental substance abuse;

"(C) provide counseling to substance abusers on the benefits and availability of substance abuse treatment services and services for children of substance abusers;

"(D) assist substance abusers in obtaining and using substance abuse treatment services and services for children of substance abusers; and

"(E) visit and provide support to substance abusers, especially pregnant women, who are receiving substance abuse treatment services or services for children of substance abusers.

"(4) INDIAN TRIBE.—The term 'Indian tribe' means any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(5) NATIVE AMERICANS.—The term 'Native Americans' means of, or relating to, a tribe, people, or culture that is indigenous to the United States.

"(6) NATIVE HAWAIIAN.—the term 'Native Hawaiian' means any individual who is a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now constitutes the State of Hawaii.

"(7) RELATED SERVICES.—The term 'related services' means services provided by—

"(A) education and special education programs;

"(B) Head Start programs established under the Head Start Act (42 U.S.C. 9831 et seq.);

"(C) other early childhood programs;

"(D) employment and training programs;

"(E) public assistance programs provided by Federal, State, or local governments; and

"(F) programs offered by vocational rehabilitation agencies, recreation departments, and housing agencies.

"(8) SERVICES FOR CHILDREN OF SUBSTANCE ABUSERS.—The term 'services for children of substance abusers' includes—

"(A) in the case of children of substance abusers—

"(i) periodic evaluation of children for developmental, psychological, and medical problems;

"(ii) primary pediatric care, consistent with early and periodic screening, diagnostic, and treatment services described in section 1905(r) of the Social Security Act (42 U.S.C. 1396d(r));

"(iii) other necessary and mental health services;

"(iv) therapeutic intervention services for children, including provision of therapeutic child care;

"(v) preventive counseling services;

"(vi) counseling related to the witnessing of chronic violence;

"(vii) referral to related services, and assistance in establishing eligibility for related services; and

"(viii) additional developmental services that are consistent with the definition of 'early intervention services' in part H of title VI of the Individuals with Disability Education Act (20 U.S.C. 1471 et seq.);

"(B) in the case of substance abusers—

"(i) encouragement and, where necessary, referrals to participate in appropriate substance abuse treatment;

"(ii) assessment of adult roles other than parenting, including periodic evaluation of social status, economic status, educational level, psychological condition, and skill level;

"(iii) primary health care and mental health services, including prenatal and post partum care for pregnant women;

"(iv) consultation and referral regarding subsequent pregnancies and life options, including education and career planning;

"(v) where appropriate counseling regarding family conflict and violence;

"(vi) remedial education services; and

"(vii) referral to related services, and assistance in establishing eligibility for related services; and

"(C) in the case of substance abusers, spouses of substance abusers, extended family members of substance abusers, caretakers of children of substance abusers, and other people significantly involved in the lives of substance abusers or the children of substance abusers—

"(i) an assessment of the strengths and service needs of the family and the assignment of a case manager who will coordinate services for the family;

"(ii) therapeutic intervention services, such as parental counseling, joint counseling sessions for families and children, and family therapy;

"(iii) child care or other care for the child to enable the parent to attend treatment or other activities and respite care services;

"(iv) parenting education services and parent support groups;

"(v) support services, including, where appropriate, transportation services;

"(vi) where appropriate, referral of other family members to related services such as job training; and

"(vii) aftercare services, including continued support through parent groups and home visits.

"(9) SUBSTANCE ABUSE.—The term 'substance abuse' means the abuse of alcohol or other drugs.

"(10) SUBSTANCE ABUSER.—The term 'substance abuser' means a pregnant woman, mother, father, or other individual acting in a parental role who abuses alcohol or other drugs.

"Subpart I—Grants for Services for Children of Substance Abusers

"SEC. 399E. GRANTS FOR SERVICES FOR CHILDREN OF SUBSTANCE ABUSERS.

"(a) ESTABLISHMENT.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall make grants to eligible entities to pay for the Federal share of the costs of establishing programs to provide community outreach services and services for children of substance abusers.

"(b) USE OF FUNDS.—

"(1) SERVICES PROVIDED.—An eligible entity shall use grants made under subsection (a) to provide, either directly or by contract or agreement—

"(A) the services described in section 399D(5)(A) and community outreach services to the children of substance abusers, including children not living with their parents;

"(B) the services described in section 399D(5)(B) and community outreach services to substance abusers; and

"(C) the services described in section 399D(5)(C) to substance abusers, spouses of substance abusers, extended family members of substance abusers, caretakers of children of substance abusers, and other people significantly involved in the lives of substance abusers or the children of substance abusers.

"(2) SERVICE CHARACTERISTICS.—A program established through a grant made under this section shall—

"(A) provide comprehensive services directed at the needs of the entire family, including caretakers of children of substance abusers;

"(B) be accessible to recipients of community outreach services and services for children of substance abusers;

"(C) maintain maximum confidentiality of information in compliance with local laws about substance abusers with respect to substance abuse treatment or receipt of community outreach services, services for children of substance abusing, or related services;

"(D) coordinate the referral, determination of eligibility for, and provision of services with other services for children of substance abusers, substance abuse treatment services, and related services;

"(E) use service providers from a variety of disciplines;

"(F) provide long-term services; and

"(G) provide a range of services corresponding to the varying needs of recipients of community outreach services and services for children of substance abusers.

"(c) GRANT AWARDS.—In making grants under subsection (a), the Secretary shall ensure that the grants are—

"(1) reasonably distributed among the three types of eligible entities described in subsection (e);

"(2) distributed to an adequate number of eligible entities that—

"(A) provide residential treatment to substance abusers and provide appropriate therapeutic services to meet the needs of children of substance abusers while they reside with their parents during treatment;

"(B) provide in-home and community-based services on an out-patient basis or in a primary pediatric care setting; or

"(C) provide residential care for the parent with the child participating in the provision of such care while residing with a caretaker, and provide outreach, supportive, and therapeutic services for the child and the caretaker;

"(3) distributed to give priority to areas with a high incidence of poverty and a high incidence of children of substance abusers, infant mortality, infant morbidity, or child abuse; and

"(4) distributed to ensure that entities serving Native American and Native Hawaiian communities are represented among the grantees.

"(d) APPLICATION.—To be eligible to receive a grant under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may by regulation require. At a minimum, each application shall contain—

"(1) a description of the services to be provided, which shall meet the requirements of subsection (b)(2), and measurable goals and objectives;

"(2) information demonstrating an on-going mechanism to involve the local public agencies responsible for health, mental health, child welfare, education, juvenile justice, developmental disabilities, and substance abuse treatment programs in planning and providing community outreach services, services for children of substance abusers, and substance abuse treatment services as well as evidence that the proposal contained in the application has been coordinated with the State agencies responsible for administering those programs and the State agency responsible for administering public maternal and child health services;

"(3) information demonstrating that the applicant has established a relationship with child welfare agencies and child protective services that will enable the applicant, where appropriate, to—

"(A) provide advocacy on behalf of substance abusers and the children of substance abusers in child protective services cases;

"(B) provide services to help prevent the unnecessary placement of children in substitute care; and

"(C) promote reunification of families or permanent plans for the placement of the child;

"(4) an assurance that the applicant will coordinate with the State lead agency and Interagency Coordinating Council as defined in part H of title VI of the Individuals with Disability Education Act (20 U.S.C. 1476 and 20 U.S.C. 1482);

"(5) an assurance that the applicant will obtain at least 10 percent of the costs of providing services for community outreach services and services for children of substance abusers from non-Federal funds;

"(6) an assurance that nonresidential programs will incorporate home-based services;

"(7) an assurance that the applicant will initiate and maintain efforts to enter substance abusers to whom they provide services into appropriate substance abuse treatment programs;

"(8) baseline information (including health status information) regarding the population to be targeted and the service characteristics of the community; and

"(9) an assurance that the applicant will submit to the Secretary an annual report containing—

"(A) a description of specific services and activities provided under the grant;

"(B) information regarding progress toward meeting the program's stated goals and objectives;

"(C) information concerning the extent of use of services provided under the grant, including the number of referrals to related services and information on other programs or services accessed by children, parents, and other caretakers;

"(D) information concerning the extent to which parents were able to access and receive treatment for alcohol and drug abuse and sustain participation in treatment over time until the provider and the individual receiving treatment agree to end such treatment, and the extent to which parents re-enter treatment after the successful or unsuccessful termination of treatment;

"(E) information concerning the costs of the services provided;

"(F) information concerning—

"(i) the number and characteristics of families, parents, and children served, including a description of the type and severity of childhood disabilities, and an analysis of the number of children served by age;

"(ii) the number of children served who remained with their parents during the period in which entities provided services under this section;

"(iii) the number of children served who were placed in out-of-home care during the period in which entities provided services under this section;

"(iv) the number of children described in clause (iii) who were reunited with their families; and

"(v) the number of children described in clause (iii) for whom a permanent plan has not been made or for whom the permanent plan is other than family reunification;

"(G) information on hospitalization or emergency room use by the family members participating in the program; and

"(H) such other information as the Secretary determines to be appropriate.

"(e) ELIGIBILITY.—Entities eligible to receive a grant under this section shall include—

"(1) alcohol and drug treatment programs, especially those providing treatment to pregnant women and mothers and their children;

"(2) public or private nonprofit entities that provide health or social services to disadvantaged populations, including community-based organizations, local public health departments, community action agencies, hospitals, community health centers, child welfare agencies, developmental disabilities service providers, and family resource and support programs, and that have—

"(A) expertise in applying the services to the particular problems of substance abusers and the children of substance abusers; and

"(B) an affiliation or contractual relationship with one or more substance abuse treatment programs;

"(3) consortia of public or private nonprofit entities that include at least one substance abuse treatment program; and

"(4) Indian tribes, Indian organizations, and Alaska Native villages.

"(f) REVIEW PANEL.—

"(1) REQUIREMENT.—In making determinations for awarding grants under subsection (a), the Secretary shall rely on the recommendations of the review panel established under paragraph (2).

"(2) COMPOSITION.—The Secretary shall establish a review panel to make recommendations under paragraph (1) that shall be composed of representatives of the—

"(A) Health Resources and Services Administration;

"(B) Alcohol, Drug Abuse, and Mental Health Services Administration;

"(C) Administration for Children, Youth, and Families;

"(D) entity within the Department of Health and Human Services responsible for providing services to individuals with developmental disabilities; and

"(E) the Office on Family and Child Health of the Administration for Children and Families.

"(g) FEDERAL SHARE.—The Federal share of grants provided under this section shall be 90 percent. The Secretary shall accept the value of in-kind contributions made by the grant recipient as a part or all of the non-Federal share of grants.

"(h) EVALUATION.—The Secretary shall periodically conduct evaluations to determine the effectiveness of programs supported under subsection (a)—

"(1) in reducing the incidence of alcohol and drug abuse among substance abusers participating in the programs;

"(2) in preventing adverse health conditions in children of substance abusers;

"(3) in promoting better utilization of health and developmental services and improving the health, developmental, and psychological status of children receiving services under the program;

"(4) in improving parental and family functioning;

"(5) in reducing the incidence of out-of-home placement for children whose parents receive services under the program; and

"(6) in facilitating the reunification of families after children have been placed in out-of-home care.

"(i) REPORT.—The Secretary shall annually prepare and submit to appropriate committees of Congress a report that contains a description of programs carried out under this section. At a minimum, the report shall contain—

"(1) information concerning the number and type of programs receiving grants;

"(2) information concerning the type and use of services offered;

"(3) information concerning—

"(A) the number and characteristics of families, parents, and children served;

"(B) the number of children served who remained with their parents during or after the period in which entities provided services under this section;

"(C) the number of children served who were placed in out-of-home care during the period in which entities provided services under this section;

"(D) the number of children described in subparagraph (C) who were reunited with their families; and

"(E) the number of children described in subparagraph (D) who were permanently placed in out-of-home care;

analyzed by the type of eligible entity described in subsection (e) that provided services;

"(4) an analysis of the access provided to, and use of, related services and alcohol and drug treatment through programs carried out under this section; and

"(5) a comparison of the costs of providing services through each of the types of eligible entities described in subsection (e).

"(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for each of the 1992 and subsequent fiscal years.

"SEC. 399F. COORDINATION AND INFORMATION.

"(a) COORDINATION.—In carrying out the provisions of this subpart the Secretary shall ensure that the activities and services assisted provided under this subpart are coordinated with the activities and services assisted under section 506, and shall ensure coordination with and consultation regarding expanding and improving services for parents who are substance abusers and their children, among—

"(1) the Administrator of the Health Resources and Services Administration;

"(2) the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration;

"(3) the Commissioner of the Administration for Children, Youth, and Families;

"(4) the Commissioner of the Administration on Developmental Disabilities;

"(5) the Commissioner of Child and Family Health;

"(6) appropriate officials within the Department of Education; and

"(7) the Director of the Indian Health Service.

"(b) STUDY.—Not later than 1 year after the date of enactment of this part, the Secretary shall conduct a study and prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives a report concerning—

"(1) the various efforts within the Department of Health and Human Services to address the needs of parents who are substance abusers and the needs of the children of such parents; and

"(2) the ways in which—

"(A) coordination among the efforts described in paragraph (1) can be improved; and

"(B) duplication of the efforts described in paragraph (1), if any, can be reduced.

"(c) DATA COLLECTION.—The Secretary shall periodically collect and report on information concerning the numbers of children in substance abusing families, including information on the age, gender and ethnicity of the children and the composition and income of the family.

"Subpart II—Grants for Training on Substance Abuse in Families

"SEC. 399G. GRANTS FOR TRAINING ON SUBSTANCE ABUSE IN FAMILIES.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall award grants for the training of professionals and other staff who provide services to, or come in contact with, children and families of substance abusers.

"(b) TRAINING STRATEGY.—Not later than 6 months after the date of enactment of this part, the Administrator of the Health Resources and Services Administration shall identify the training needs of professionals and other staff who provide services to, or come in contact with, children and families of substance abusers and develop a strategy for the establishment and implementation of curriculum to satisfy such training needs. In developing such strategy, the Administrator shall collaborate with—

"(1) the Administrator of the Alcohol, Drug Abuse, and Mental Health Services Administration;

"(2) the Commissioner of the Administration on Children, Youth, and Families;

"(3) the Commissioner of the Administration on Developmental Disabilities;

"(4) the Director of the Indian Health Services;

"(5) relevant officials in the Department of Education; and

"(6) representatives of State and Tribal agencies responsible for administering health programs including maternal and child health, mental health, substance abuse treatment, child welfare, education, juvenile justice, and developmental disabilities programs.

"(c) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section an entity shall—

"(1) be a public or private nonprofit entity with expertise in providing training or services involving substance abuse or children of substance abusers;

"(2) have expertise in providing training and education to Native American and Native Hawaiian communities, including Tribally Controlled Community Colleges, Navajo Community College, and Tribally Controlled Postsecondary Vocational Institutions; or

"(3) be an entity that provides services to, or comes into contact with, substance abusers and children and families of substance abusers, including those entities that provide community outreach services and services for children of substance abusers as described in section 399E.

"(d) APPLICATION.—To be eligible to receive a grant under subsection (a), an entity shall prepare and submit to the Secretary an application at such time, in such manner, and containing such agreements, assurances, and information as the Secretary may require, including—

"(1) a description of the training to be provided or purchased with the assistance provided under the grant;

"(2) a description of the qualifications of the entity providing the training;

"(3) in cases where the training provider is the entity applying for the grant, information indicating the commitment of entities that will be recipients of the training to participate in the training program;

"(4) in the case of applications for grants that will be used to provide the services described in subsection (e)(4), assurances that the agencies that are the training recipients will continue to use the approach to service delivery that is the subject of such training to address cases involving children of substance abusers; and

"(5) any other information determined appropriate by the Secretary.

"(e) USE OF FUNDS.—An entity that receives a grant under subsection (a) shall use the grant proceeds—

"(1) to develop and disseminate interdisciplinary curricula for training professionals and other staff who provide services to children and families of substance abusers, including community outreach services, or who provide services that bring the professionals into contact with substance abusers, children and families of substance abusers, or caretakers of children of substance abusers;

"(2) to provide or purchase training for staff or volunteers in programs specifically designed to provide community outreach services and services for children of substance abusers, as defined in section 399D;

"(3) to provide or purchase training for professionals and other staff whose regular duties involve the provision of services to children and families of substance abusers or to caretakers of children of substance abusers, except that such training—

"(A) shall cover topics including identification, referral, and evaluation of substance abusers, family members affected by substance abuse, and caretakers of children of substance abusers, and, where appropriate, specialized techniques for providing services to these families; and

"(B) shall be attended by representatives from at least one and, to the maximum extent practicable, two or more of agencies responsible for the provision of child protective and child welfare services, health care, developmental services, education, including school administrators, social workers, and teachers, mental health, judiciary, public health, and social services; and

"(4) to provide or purchase training, case support, and consultation to interdisciplinary teams of personnel from child protective service or child welfare agencies and personnel from public health, mental health, developmental service providers, or social services agencies or from entities providing those services, in order for such teams to provide support to, and arrange services for, caretakers of children of substance abusers, except that such training shall—

"(A) include instruction concerning what is known about the effects of prenatal substance abuse, the implications of such substance abuse for infant care, health, and development, and methods of providing instruction and support for caretakers of children of substance abusers;

"(B) support an approach to service delivery that is interagency, interdisciplinary, comprehensive, oriented toward case management, and focused on improving the health and development of the child;

"(C) be provided in sessions that include participants from all agencies contributing members to the team; and

"(D) be provided in classroom, home-based, and clinical settings.

"(f) GRANT AWARDS.—In awarding grants under subsection (a), the Secretary shall—

"(1) consult with the Administrator of the Alcohol, Drug Abuse and Mental Health Administration, the Commissioner of the Administration on Children, Youth, and Families and the Commissioner of the Administration on Developmental Disabilities;

"(2) ensure that grants are awarded in a manner consistent with the training strategy developed under subsection (b);

"(3) ensure that such grants are reasonably distributed among the grantee types described in subsection (c); and

"(4) ensure that the grants are distributed to ensure that entities serving Native American and Native Hawaiian communities are represented among the grantees.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry

out this section $20,000,000 for fiscal year 1992 and for each such subsequent fiscal year.”.

Subtitle B—Grants for Home-Visiting Services for At-Risk Families

SEC. 321. SHORT TITLE.

This subtitle may be cited as the “Healthy Beginnings Act of 1991”.

SEC. 322. GRANTS FOR HOME-VISITING SERVICES FOR AT-RISK FAMILIES.

Part L of title III is amended—

(1) by redesignating sections 399 and 399A (42 U.S.C. 280c-4 and 280c-5) as sections 398A and 398B, respectively; and

(2) by adding at the end thereof the following new subpart:

“Subpart III—Grants for Home-visiting Services for At-risk Families

“SEC. 398E. DEFINITIONS.

“As used in this subpart:

“(1) ELIGIBLE FAMILY.—

“(A) IN GENERAL.—The term ‘eligible family’ means a family that includes—

“(i) a pregnant woman who is at risk of delivering an infant with a health or developmental complication, or other poor birth outcome; or

“(ii) a child below the age of 3 who has experienced or is at risk for a health or developmental complication, or child maltreatment.

“(B) POOR BIRTH OUTCOME.—A pregnant woman may be considered to be at risk of delivering an infant with a poor birth outcome, for purposes of subparagraph (A)(i), if during her pregnancy such woman;

“(i) lacks appropriate access to early and routine prenatal care;

“(ii) lacks the transportation necessary to gain access to the services described in this subparagraph;

“(iii) lacks appropriate child care assistance, which results in impeding the ability of such woman to utilize health and social services;

“(iv) fails to understand the importance of prenatal care, including good nutrition, and the effects that substance abuse and smoking have on her pregnancy;

“(v) is fearful of accessing substance abuse services or child and family support services;

“(vi) is under the age of 20;

“(vii) has an income that is below 100 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981); or

“(viii) is without health insurance.

“(2) HEALTH OR DEVELOPMENTAL COMPLICATION.—The term ‘health or developmental complication’ means—

“(A) low birthweight;

“(B) premature birth;

“(C) a physical or developmental disability or delay; or

“(D) exposure to parental substance abuse.

“(3) HOME VISITING SERVICES.—The term ‘home visiting services’ includes—

“(A) prenatal and postnatal health care;

“(B) primary health care for eligible children, including developmental assessments;

“(C) education for mothers and caretakers concerning parenting skills, infant care, and child development, including the utilization of parents and teachers resource networks and other family resource and support networks where such networks are available;

“(D) education for women concerning the health consequences of smoking, alcohol, or other substance abuse, inadequate nutrition, use of nonprescription drugs, and the transmission of sexually transmitted diseases;

“(E) assistance in developing support networks, including supportive relationships with family, friends, mentors, and other female or maternal models;

“(F) assistance in obtaining necessary health, mental health, developmental, and social services, including services offered by maternal and child health programs, the special supplemental food program for women, infants, and children, authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), early and periodic screening, diagnostic, and treatment services, as described in section 1905(r) of the Social Security Act (42 U.S.C. 1396d(r)), assistance programs under titles IV and XIX of the Social Security Act, housing programs, other food assistance programs, and appropriate alcohol and drug dependency treatment programs, according to need;

“(G) consultation and referral regarding subsequent pregnancies and life options, including education and career planning; and

“(H) initial family assessments, and development of a family service plan.

“(4) HOME VISITOR.—The term ‘home visitor’ means a person who provides home visiting services.

“SEC. 398F. HOME-VISITING SERVICES.

“(a) ESTABLISHMENT.—The Secretary shall make competitive grants to eligible entities to pay for the Federal share of the costs of providing home visiting services to eligible families. The Secretary shall award grants for periods of at least 3 years.

“(b) PURPOSES.—The purposes of this section are—

“(1) to increase the use of early, continuous and comprehensive prenatal care;

“(2) to reduce the incidence of infant mortality and of infants born prematurely, with low birthweight, or with other impairments including those associated with maternal substance abuse;

“(3) to assist pregnant women and mothers of children below the age of 3 whose children have experienced, or are at risk of experiencing, a health or developmental complication, in obtaining health and social services necessary to meet the special needs of the women and their children;

“(4) to identify, where possible, women who are pregnant and at-risk for poor birth outcomes, or who have young children and are abusing alcohol or other drugs, and to assist them in obtaining appropriate treatment;

“(5) to reduce the incidence of child abuse and neglect; and

“(6) to promote other measures to encourage appropriate growth and development of children, and family unity and stability.

“(c) GRANT AWARD.—

“(1) IN GENERAL.—In awarding grants under this section, the Secretary shall—

“(A) give priority to those entities—

“(i) that would provide home visiting services in an area where a shortage of primary health care or health professionals exists or where the population targeted by the applicant for the grant has limited access to health care and related social, family support, and developmental services;

“(ii) that have the ability to provide, either directly or through linkages, a broad range of preventive and primary health care services and related social, family support, and developmental services, as defined in section 398E(3);

“(iii) that have demonstrated a commitment to serving low income and uninsured individuals and families; and

“(iv) where appropriate for the proposed target population, have experience in providing outreach, preventive public health services, and developmental services to families with alcohol and drug problems;

“(B) in those urban areas in which more than one qualified application for a grant under this section is received, give priority to those entities that have the ability to provide comprehensive preventative and primary health care and related and social, family support, and development services that meet the criteria described in subparagraph (A)(i), and that have a history of providing health or social services to the target at-risk population in the communities they serve; and

“(C) ensure that entities targeting families where substance abuse is present and entities serving Native American communities are represented among the grantees.

“(2) CONSIDERATIONS IN AWARDING GRANTS.—To demonstrate the effectiveness of home visiting programs among differing target populations, the Secretary, when awarding grants, shall take into consideration—

“(A) whether such grants are equitably distributed among urban and rural settings; and

“(B) different combinations of professional and lay home visitors utilized within programs that are reflective of the identified service needs and characteristics of target populations.

“(d) DELIVERY OF SERVICES AND CASE MANAGEMENT.—

“(1) CASE MANAGEMENT MODEL.—Home visiting services provided under this section shall be delivered according to a case management model, and a registered nurse or appropriate social worker shall be assigned as the case manager for individual cases under such model.

“(2) CASE MANAGER.—A case manager assigned under paragraph (1) shall have primary responsibility for coordinating and overseeing the development of a family service plan for each home visited under this section, and for coordinating the delivery of services provided through appropriate personnel.

“(3) APPROPRIATE PERSONNEL.—In determining which personnel shall be utilized in the delivery of services, the case manager shall consider—

“(A) the stated objective of the home visiting program involved, as determined after considering identified gaps in the current service delivery system; and

“(B) the nature of the needs of the client to be served, as determined at the initial assessment of the client that is conducted by the case manager, and through follow-up contacts by home visitors with the family.

“(4) FAMILY SERVICE PLAN.—A case manager, in consultation with the members of the home visiting team, shall develop a family service plan for the client following the initial home visit of the case manager. Such plan shall reflect—

“(A) an assessment of the health, education, and social service needs of the client family;

“(B) a structured plan for the delivery of services to meet the identified needs of the client family;

“(C) the frequency with which home visits are to be made concerning the client family; and

“(D) ongoing revisions made as the needs of family members change.

“(5) HOME VISITING TEAM.—The home visiting team to be consulted under paragraph (4) on behalf of a client family shall include, as appropriate, other nursing professionals, social workers, child welfare professionals, infant and early childhood specialists, nutritionists, and laypersons trained as home visitors. The case manager shall ensure that the family service plan is coordinated with those physician services that may be required by the mother or child.

“(6) SERVICES.—Services provided under this section shall be made available through the applicant, either directly, or indirectly through agreements entered into by the applicant with other public or nonprofit private entities.

“(e) APPLICATION.—To be eligible to receive a grant under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary by regulation requires. At a minimum, each application shall contain—

"(1) a well defined description of the population to be targeted for home visiting services;

"(2) a plan for the delivery of structured services designed to meet the needs of the targeted population with a description of the objectives to be met through the provision of services by the entity and a plan for measuring the progress made toward achieving such objectives;

"(3) a description of the services to be provided by the entity directly, and the services to be provided by other public or nonprofit private entities under agreement with the entity;

"(4) assurances that the entity will provide case planning for eligible families that incorporates an interdisciplinary approach and, to the extent practicable, interagency involvement;

"(5) a description of the types and qualifications of home visitors used by the entity, including assurances that the skill level of the home visitor will be matched with the services to be provided by the visitor;

"(6) assurances that, to meet the objectives of the program, the home visitors will receive training in recognizing and addressing, or making referrals to address, parental substance abuse and its effects on children;

"(7) a description of the process by which the entity will provide continuing training, adequate supervision, and sufficient support to home visitors to ensure that trained home visitors are able to provide effective home visiting services;

"(8) a description of the means to be employed to provide outreach to eligible women;

"(9) assurances that the entity will provide home visiting services conducted by—

"(A) public health nurses, social workers, child welfare professionals, or other health or mental health professionals including developmental service providers who are trained or have experience in home visiting services; or

"(B) teams of home visitors, which shall include at least one individual described in subparagraph (A) and which may include workers recruited from the community and trained in home visiting services;

"(10) assurances that the entity will provide home visiting services with reasonable frequency—

"(A) to families with pregnant women, as early in the pregnancy as is practicable, and until the infant reaches at least 2 years of age;

"(B) to other eligible families, for at least 2 years;

if they remain within the service delivery area;

"(11) assurances that, in the case of an applicant who provides home visiting services to children age 3 or younger, the applicant will to the maximum extent practicable ensure that such children receive continued services through early childhood programs, such as the Head Start program;

"(12) assurances that the entity will deliver home visiting services in a manner that accords proper respect to the cultural traditions of the eligible families;

"(13) information demonstrating that the applicant is familiar with the socioeconomic and cultural groups who will receive home visiting services from the entity;

"(14) an assurance that the applicant will obtain at least 10 percent of the costs of providing home visiting services from non-Federal funds (such contribution to costs may be in cash or inkind, including facilities and personnel);

"(15) an assurance that the applicant will spend not more than 10 percent of the Federal funds received under this subpart on other administrative costs, exclusive of training;

"(16) an assurance that the applicant will submit the report required by subsection (g);

"(17) assurances that the entity will coordinate with public health and social service agencies to improve the delivery of comprehensive services to women and children served by the entity; and

"(18) evidence that the development of the proposal has been coordinated with the State agencies responsible for maternal and child health and child welfare, coordinated with services provided under part H of the Individuals with Disabilities Education Act, as well as evidence of the existence of a mechanism to ensure continuing collaboration and consultation with these agencies.

"(f) ELIGIBILITY.—Entities eligible to receive a grant under this section shall include public and private nonprofit entities that provide health or other social services, including community-based organizations, hospitals, local health departments, community health centers, Native Hawaiian health centers, nurse managed clinics, family service agencies, child welfare agencies, developmental service providers, and family resource and support programs.

"(g) FEDERAL SHARE.—The Federal share of grants provided under this section shall be 90 percent.

"(h) REPORT AND EVALUATION.—

"(1) REPORT.—To be eligible to receive a grant under this section, an entity shall agree to submit an annual report on the services provided under this section to the Secretary in such manner and containing such information as the Secretary by regulation requires. At a minimum, the entity shall report information concerning eligible families, including—

"(A) the characteristics of the families and children receiving services under this section;

"(B) the usage, nature, and location of the provider, of preventive health services, including prenatal, primary infant, and child health care;

"(C) the incidence of low birthweight and premature infants;

"(D) the length of hospital stays for pre- and post-partum women and their children;

"(E) the incidence of substantiated child abuse and neglect for all children within participating families;

"(F) the number of emergency room visits for routine health care;

"(G) the extent to which the utilization of health care services, other than routine screening and medical care, available to the individuals under the program established under title XIX of the Social Security Act, and under other Federal, State, and local programs, is reduced;

"(H) the number and type of referrals made for social and other services, including alcohol and drug treatment services, and the utilization of such services provided by the grantee; and

"(I) the incidence of developmental disabilities.

"(2) EVALUATION.—

"(A) IN GENERAL.—The Secretary shall, directly or through contracts with public or private entities, conduct evaluations to determine the impact of programs supported under subsection (a) on the criteria specified in subsection (b), and not less than once during each 3-year period, prepare and submit to the appropriate committees of Congress, a report concerning the results of such evaluations.

"(B) CONTENTS.—The evaluations conducted under subparagraph (A), shall—

"(i) include a summary of the data contained in the annual reports submitted under subsection (h);

"(ii) assess the relative effectiveness of home visiting programs located in urban and rural areas, and among programs utilizing differing combinations of professionals and trained home visitors, to meet the needs of defined target service populations; and

"(iii) make recommendations with respect to legislative action necessary or desirable to achieve the objectives identified in subsection (b) through home visiting programs.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $30,000,000 for the 1992 fiscal year and such sums as may be necessary for subsequent fiscal years.".

TITLE IV—CHILDHOOD MENTAL HEALTH

SEC. 401. SHORT TITLE.

This title may be cited as the "Children's and Communities' Mental Health Systems Improvement Act of 1991".

SEC. 402. PURPOSE.

It is the purpose of this title to—

(1) provide funds to States for the development of systems of community care for children and adolescents with serious emotional disturbance that will provide such children and adolescents with access to a comprehensive range of services;

(2) ensure that such services are provided in a cooperative manner by all appropriate public and nonprofit private entities that provide human services in the community, including entities providing mental health services, education, special education, juvenile justice and child welfare services;

(3) ensure that each child or adolescent shall receive such services according to an individualized plan, developed with the participation of the family and, as appropriate, the child or adolescent; and

(4) provide funding for mental health services provided in the systems referred to in this section.

SEC. 403. ESTABLISHMENT OF PROGRAM OF GRANTS TO STATES WITH RESPECT TO COMPREHENSIVE MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCE.

Part B of title XIX (42 U.S.C. 300x et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 3—Comprehensive Mental Health Services for Children With Serious Emotional Disturbance

"SEC. 1928. CATEGORICAL GRANTS TO STATES.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall make grants to States for the purpose of providing comprehensive community mental health services to children with serious emotional disturbance. The Secretary may make such a grant to a State only if the State makes each of the agreements described in this subpart.

"(b) CONSIDERATIONS IN MAKING GRANTS.—

"(1) REQUIREMENT OF STATUS AS GRANTEE REGARDING BLOCK GRANTS UNDER SUBPART 1.—The Secretary may not make a grant under subsection (a) unless the State involved is receiving payments under subpart 1.

"(2) CERTAIN CONSIDERATIONS.—In making grants under subsection (a), the Secretary shall—

"(A) equitably allocate assistance made available under this subpart among the principal geographic regions of the United States;

"(B) equitably allocate such assistance between States that are predominantly urban and those which are nonurban; and

"(C) consider the extent to which the State involved has a need for the grant.

"(c) MATCHING FUNDS.—

"(1) IN GENERAL.—To be eligible to receive a grant under this subpart the State involved shall, with respect to the costs to be incurred by the State in carrying out the purpose described in subsection (a), agree to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to not less than—

"(A) 25 percent of such costs in the first year in which the State receives such a grant;

"(B) 30 of such costs in the second year in which the State receives such a grant;

"(C) 40 of such costs in the third year in which the State receives such a grant;

"(D) 55 of such costs in the fourth year in which the State receives such a grant; and

"(E) 70 of such costs in the fifth year in which the State receives such a grant.

"(2) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—

"(A) IN GENERAL.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(B) PERIOD OF DETERMINATION.—In making a determination of the amount of non-Federal contributions for purposes of subparagraph (A), the Secretary may include only non-Federal contributions in excess of the average amount of non-Federal contributions made by the State involved toward the purpose described in subsection (a) for the 2-year period preceding the first fiscal year for which the State receives a grant under such section.

"SEC. 1928A. REQUIREMENTS WITH RESPECT TO CARRYING OUT PURPOSE OF GRANTS.

"(a) SYSTEMS OF COMPREHENSIVE CARE.—

"(1) IN GENERAL.—To be eligible to receive a grant under this section a State shall, with respect to children with serious emotional disturbance, agree to carry out the purpose described in section 1928(a) only through establishing and operating one or more systems of care for making each of the mental health services specified in subsection (c) available to each child that is provided access to the system. In providing for such a system, the State may make grants to, and enter into contracts with, public and nonprofit private entities.

"(2) STRUCTURE OF SYSTEM.—To be eligible to receive a grant under this section a State shall, with respect to a system of care under paragraph (1), agree—

"(A) to establish such system in a community selected by the State;

"(B) that such system will be managed by such public and nonprofit private entities in the community as are necessary to ensure that each of the services specified in subsection (c) is available to each child that is provided access to the system;

"(C) that such system will be established pursuant to agreements entered into between such entities and the State;

"(D) to coordinate the provision of the services of the system; and

"(E) to establish a local office in each system whose functions are to serve as the location through which children are provided with access to the system, to coordinate the provision of services of the system, and to provide information to the public regarding the system.

"(3) COLLABORATION OF LOCAL PUBLIC ENTITIES.—To be eligible to receive a grant under this subpart a State shall, for purposes of the establishment and operation of a system of care under paragraph (1), agree to ensure collaboration among all appropriate public entities that provide human services in the community in which the system is established, including public entities providing mental health services, education, special education, juvenile justice and child welfare services.

"(b) LIMITATION ON AGE OF CHILDREN ELIGIBLE FOR SERVICES FROM THE SYSTEM.—To be eligible to receive a grant under this subpart, a State shall agree that a system of care established under subsection (a) will provide services only to individuals who are not more than 21 years of age.

"(c) REQUIRED MENTAL HEALTH SERVICES OF SYSTEM.—To be eligible to receive a grant under this subpart, a State shall agree that mental health services provided by a system of care under subsection (a) will include, with respect to serious emotional disturbance in a child—

"(1) diagnostic and evaluation services;

"(2) outpatient services provided in a clinic, office, school, home or other appropriate location, including individual, group and family counseling services, professional consultation, and review and management of medications;

"(3) emergency services, available 24-hours a day, 7 days a week;

"(4) intensive home-based services for children and their families when the child is at imminent risk of out-of-home placement;

"(5) intensive day-treatment services;

"(6) respite care;

"(7) therapeutic foster care services, and services in therapeutic foster family homes or individual therapeutic residential homes, and group homes caring for not more than 8 children; and

"(8) assisting the child in making the transition from the services received as a child to the services to be received as an adult.

"(d) REQUIRED ARRANGEMENTS REGARDING OTHER APPROPRIATE SERVICES.—

"(1) IN GENERAL.—To be eligible to receive a grant under this subpart a State shall agree that—

"(A) a system of care under subsection (a) will enter into a memorandum of understanding with each of the providers specified in paragraph (2) in order to facilitate the availability of the services of the provider involved to each child admitted to the system; and

"(B) the grant under section 1928(a), and the non-Federal contributions made with respect to the grant, will not be expended to pay the costs of providing such services to any individual.

"(2) SPECIFICATION OF SERVICES.—The providers referred to in paragraph (1) are providers of medical services other than mental health services, providers of education including special education, providers of vocational counseling and vocational rehabilitation services, and providers of protection and advocacy services with respect to mental health.

"(3) PROVISION OF SERVICES OF CERTAIN PROGRAMS.—To be eligible to receive a grant under this subpart a State shall agree that a system of care under subsection (a) will, for purposes of paragraph (1), enter into a memorandum of understanding regarding the provision of—

"(A) services available pursuant to title XIX of the Social Security Act, including services regarding early periodic screening, diagnosis, and treatment;

"(B) services available under parts B and H of the Individuals with Disabilities Education Act; and

"(C) services available under other appropriate programs, as identified by the Secretary.

"(e) GENERAL PROVISIONS REGARDING SERVICES OF SYSTEM.—

"(1) CASE MANAGEMENT SERVICES.—To be eligible to receive a grant under this subpart a State shall agree that a system of care under subsection (a) will provide for the case management of each child admitted to the system in order to ensure that—

"(A) the services provided through the system to the child are coordinated and that the need of each such child for the services is periodically reassessed;

"(B) information is provided to the family of the child on the extent of progress being made toward the objectives established for the child under the plan of services implemented for the child pursuant to section 1928B; and

"(C) the system provides assistance with respect to—

"(i) establishing the eligibility of the child, and the family of the child, for financial assistance and services under Federal, State, or local programs providing for health services, mental health services, education including special education, social services, or other services; and

"(ii) seeking to ensure that the child receives appropriate services available under such programs.

"(2) OTHER PROVISIONS.—To be eligible to receive a grant under this subpart a State shall agree that a system of care under subsection (a), in providing the services of the system, will—

"(A) provide the services of the system in the cultural context that is most appropriate for the child;

"(B) ensure that individuals providing services to the child can effectively communicate with the child and with the child's family, either directly or through interpreters;

"(C) provide the services without discriminating against the child or the family of the child on the basis of race, religion, national origin, sex, disability, or age;

"(D) seek to ensure that each child that is provided access to the system of care remains in the least restrictive, most normative environment that is clinically appropriate; and

"(E) provide outreach services to inform individuals, as appropriate, of the services available from the system, including identifying children with serious emotional disturbance who are in the early stages of such emotional disturbance.

"(f) RESTRICTIONS ON USE OF GRANT.—To be eligible to receive a grant under this subpart a State shall agree that the grant under such subpart, and the non-Federal contributions made with respect to the grant, will not be expended—

"(1) to purchase or improve real property (including the construction or renovation of facilities);

"(2) to provide for room and board in residential programs serving 8 or fewer children;

"(3) to provide for room and board or any other services or expenditures associated with care of children in long-term residential treatment centers serving more than 8 children or in inpatient hospital settings; or

"(4) to provide for the training of any individual, except training authorized in section 1928C(b)(2).

"SEC. 1928B. DEVELOPMENT OF SERVICE PLANS.

"(a) IN GENERAL.—To be eligible to receive a grant under this subpart a State shall agree that a system of care under section 1928A(a) will establish, for each child that is provided access to the system, a multidisciplinary team of appropriately qualified individuals who provide services through the system, including, as appropriate, mental health services, other health services, education, social services and vocational counseling and vocational rehabilitation. Such teams will ensure, for each child that is provided access to the system that—

"(1) an Individualized Services Plan is developed and implemented with the participation of the family of the child involved and, unless clinically inappropriate, with the participation of the child, that meets the requirements of subsection (b);

"(2) an Individualized Education Program, or an Individual Family Services Plan, is developed for the child pursuant to the requirements of the Individuals with Disabilities Education Act and the requirements of subsection (b); or

"(3) a combination of such plans are developed which, taken together, will meet the requirements of subsection (b).

"(b) TREATMENT OF CHILDREN.—

"(1) TREATMENT OF CHILDREN FOR WHICH A PROGRAM IS ESTABLISHED.—For any child for whom the school system has developed an Individualized Education Program, the system of care under section 1928A(a) will specify the

services which are to be available to the child in accordance with such Program and identify and state any additional needs of the child for services available pursuant to section 1928A through the system, provide for the provision of services to meet such additional needs of the child in accordance with the requirements of subsection (c), and describe how the system will coordinate these additional services with the services provided pursuant to the child's Individualized Education Program.

"(2) TREATMENT OF CHILDREN FOR WHICH NO PROGRAM IS ESTABLISHED.—For any child for whom an Individualized Education Program has not been established, the system of care under section 1928A(a) will ensure that an appropriate assessment is made (or has been made within the past 6 months) of the child's need for special education and related services under the Individuals with Disabilities Education Act. If such assessment results in the child's not being eligible for special education and related services under the Individuals with Disabilities Education Act, the system shall specify and provide services to the child in accordance with subsection (c).

"(c) CONTENTS OF PLAN.—To be eligible to receive a grant under this subpart a State shall agree that the individualized plan under subsection (a) for a child will—

"(1) identify and state the needs of the child for the services available pursuant to section 1928A through the system;

"(2) provide for each of such services that are appropriate to the circumstances of the child, including, except in the case of children who are less than 14 years of age, the provision of appropriate vocational counseling and transition services, as defined in section 602A(19) of the Individuals with Disabilities Education Act;

"(3) establish objectives to be achieved regarding the needs of the child and the methodology for achieving the objectives;

"(4) be reviewed and, as appropriate, revised not less than once each year by the multidisciplinary team pursuant to section 1928B(a); and

"(5) designate an individual to be responsible for providing case management required in section 1928A(e)(1), or certify that case management services will be provided to the child as part of the child's Individualized Education Program or Individual Family Services Plan.

"SEC. 1928C. ADDITIONAL PROVISIONS.

"(a) ESTABLISHMENT OF SYSTEM OF CARE DURING FIRST TWO YEARS OF GRANT.—To be eligible to receive a grant under this subpart a State shall agree that the State will establish not less than 1 system of care under section 1928A(a) during the first 2 fiscal years for which the State receives payments under the grant.

"(b) OPTIONAL SERVICES.—In addition to services described in subsection (c) of section 1928A, a system of care under subsection (a) of such section may, in expending a grant under section 1928(a), provide for—

"(1) preliminary assessments to determine whether a child should be provided with access to the system, including, when requested by the family of the child, an independent assessment of the need of the child for special education and related services, as defined in the Individuals with Disabilities Education Act;

"(2) training in the provision of foster care or group home care, in the provision of intensive home-based services and intensive day treatment services under section 1928A(c)(7), and in the development of individualized plans for purposes of section 1928B;

"(3) recreational activities for children that are provided access to the system; and

"(4) such other services as may be appropriate in providing for the comprehensive needs with respect to mental health of children with serious emotional disturbances.

"(c) REPRESENTATION ON STATE PLANNING COUNCIL.—In the case of a State where the State mental health authority is responsible for administration of services to children and youth with emotional disturbance, such State, to be eligible to receive a grant under this subpart, shall agree that the mental health planning council established pursuant to section 1916(e) will include as members of the council a ratio of parents of children with serious emotional disturbances to other members of the council that is sufficient to provide adequate representation of such children in the deliberations of the council.

"(e) LIMITATION ON IMPOSITION OF FEES FOR SERVICES.—To be eligible to receive a grant under this subpart a State shall agree that, if a charge is imposed for the provision of services under a grant under such subpart, such charge—

"(1) will be made according to a schedule of charges that is made available to the public;

"(2) will be adjusted to reflect the income of the family of the child involved;

"(3) will not be imposed on any child whose family has income and resources of equal to or less than 100 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981; and

"(4) will not be imposed on any child with respect to services described in the Individualized Education Program for the child.

"(f) RELATIONSHIP TO ITEMS AND SERVICES UNDER OTHER PROGRAMS.—To be eligible to receive a grant under this subpart a State shall agree that the grant, and the non-Federal contributions made with respect to the grant, will not be expended to make payment for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such item or service—

"(1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

"(2) by an entity that provides health services on a prepaid basis.

"(g) LIMITATION ON ADMINISTRATIVE EXPENSES.—To be eligible to receive a grant under this subpart a State shall agree that not more than 2 percent of the grant under such section will be expended for State administrative expenses with respect to the grant.

"(h) REPORTS TO SECRETARY.—To be eligible to receive a grant under this subpart a State shall agree that the State involved will annually submit to the Secretary a report on the activities of the State under the grant that includes a description of the number of children that are provided access to systems of care operated pursuant to the grant, the demographic characteristics of the children, the types and costs of services provided pursuant to the grant, estimates of the unmet need for such services in the State (as demonstrated through supporting evidence and a description of how such evidence was obtained), and the manner in which the grant has been expended toward the establishment of a State-wide system of care for children with serious emotional disturbance, and such other information as the Secretary may require with respect to the grant.

"(i) DESCRIPTION OF INTENDED USES OF GRANT.—The Secretary may not make a grant under section 1928(a) unless—

"(1) the State involved submits to the Secretary a description of the purposes for which the State intends to expend the grant;

"(2) the description identifies the populations, areas, and localities in the State with a need for services under this section; and

"(3) the description provides information relating to the services and activities to be provided, including a description of the manner in which the services and activities will be coordinated with any similar services or activities of public or nonprofit entities.

"(j) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under section 1928(a) unless an application for the grant is submitted to the Secretary, the application contains the description of intended uses required in subsection (i), and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"SEC. 1928D. GENERAL PROVISIONS.

"(a) DURATION OF SUPPORT REGARDING SYSTEMS OF CARE.—The period during which payments are made to a State from a grant under section 1928(a) may not exceed 5 fiscal years.

"(b) EXPANSION OF SYSTEMS OF CARE ACROSS THE STATE.—

"(1) IN GENERAL.—The Secretary may not make a grant under section 1928(a), for the third, fourth or fifth year to a State unless—

"(A) the State provides assurances satisfactory to the Secretary that it has a plan for achieving long-term financial support for systems of comprehensive care (as described in section 1928A(a) and funded through this Act); and

"(B) the State is making progress satisfactory to the Secretary to expand access to such systems in all areas of the State.

"(2) COMPLIANCE.—In making determinations on State compliance under this subsection, the Secretary shall assess the changes being planned and being made by the State in the organization, financing and delivery of children's services. Such assessment shall be based on a demonstration by the State that it is—

"(A) fully using existing resources;

"(B) taking actions to secure additional financing from mental health, child welfare, juvenile justice, State and Federal education programs, Medicaid, and other programs;

"(C) implementing effective case-management systems to assure that children and their families receive appropriate care; and

"(D) expanding such services in communities beyond the demonstration area.

The Secretary shall also take into account such factors as the development of multiagency and State-community partnership agreements, community-wide interagency agreements outlining respective roles and responsibilities of local mental health, child welfare, education, including special education, and juvenile justice agencies, changes in State statutes and related policy developments that will facilitate expansions of children's services.

"(c) TECHNICAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall, upon the request of a State receiving a grant under section 1928(a)—

"(A) provide technical assistance to the State regarding the process of submitting to the Secretary applications for grants under section 1928(a);

"(B) provide to the State, and to local systems of care established under section 1928A(a), training and technical assistance with respect to the planning, development, and operation of systems of care pursuant to section 1928A.

"(2) AUTHORITY FOR GRANTS AND CONTRACTS.—The Secretary may provide technical assistance under subsection (a) directly or through grants to, or contracts with, public and nonprofit private entities.

"(d) EVALUATIONS AND REPORTS BY SECRETARY.—

"(1) IN GENERAL.—The Secretary shall, directly or through contracts with public or private entities, provide for annual evaluations of programs carried out pursuant to section 1928(a). The evaluations shall assess the effec-

tiveness of the systems of care operated pursuant to such section, including longitudinal studies of outcomes of services provided by such systems, other studies regarding such outcomes, the effect of activities under this subpart on the utilization of hospital and other institutional settings, the barriers to and achievements resulting from interagency collaboration in providing community-based services to children with serious emotional disturbance, and assessments by parents of the effectiveness of the systems of care.

"(2) REPORT TO CONGRESS.—The Secretary shall, not later than 1 year after the date on which amounts are first appropriated under subsection (f), and annually thereafter, prepare and submit to the appropriate committees of Congress a report summarizing evaluations carried out pursuant to paragraph (1) during the preceding fiscal year and making such recommendations for administrative and legislative initiatives with respect to this section as the Secretary determines to be appropriate.

"(e) DEFINITIONS.—For purposes of this subpart:

"(1) CHILD.—The term 'child' means an individual not more than 21 years of age.

"(2) FAMILY.—The term 'family', with respect to a child admitted to a system of care under section 1928A(a), means—

"(A) the legal guardian of the child; and

"(B) as appropriate regarding mental health services for the child, the parents of the child (biological or adoptive, as the case may be) and any foster parents of the child.

"(3) SERIOUS EMOTIONAL DISTURBANCE.—The term 'serious emotional disturbance' includes, with respect to a child, any child who has a serious emotional, serious behavioral, or serious mental disorder.

"(f) FUNDING.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subpart, there are authorized to be appropriated $100,000,000 for fiscal year 1992, $200,000,000 for fiscal year 1993, and $300,000,000 for fiscal year 1994.

"(2) SET-ASIDE REGARDING TECHNICAL ASSISTANCE.—Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall make available not less than $3,000,000 for the purpose of carrying out subsection (c).

"(3) LIMITATION ON INITIAL NUMBER OF GRANTS.—For fiscal year 1992, the Secretary may not make more than 10 grants under section 1928(a).

"SEC. 1928E. EFFECT ON OTHER LAWS.

"Nothing in this subpart shall be construed as limiting the rights of a child with a serious emotional disturbance under the Individuals with Disabilities Education Act.".

TITLE V—STUDIES

SEC. 501. STUDY ON PRIVATE SECTOR DEVELOPMENT OF PHARMACOTHERAPEUTICS.

(a) IN GENERAL.—The Director of the National Institute on Drug Abuse shall prepare a report on the role of the private sector in the development of anti-addiction medications. Such report shall contain legislative proposals designed to encourage private sector development of anti-addiction medications.

(b) SUBMISSION.—The report described in subsection (a) shall be submitted to the appropriate committees of the Congress not later than 1 year after the date of enactment of this Act.

SEC. 502. STUDY ON MEDICATIONS REVIEW PROCESS REFORM.

(a) IN GENERAL.—The Commissioner of the Food and Drug Administration, in consultation with the Director of the National Institute on Drug Abuse, shall prepare a report on the process by which anti-addiction medications receive marketing approval from the Food and Drug Administration. Such report shall assess the feasibility of expediting the marketing approval process in a manner consistent with public safety.

(b) SUBMISSION.—The report described in subsection (a) shall be submitted to the appropriate committees of the Congress not later than 1 year after the date of enactment of this Act.

SEC. 503. SENSE OF CONGRESS.

It is the sense of Congress that the Medications Development Division of the National Institute on Drug Abuse shall devote special attention and adequate resources to achieve the following urgent goals—

(1) the development of medications in addition to methadone;

(2) the development of a long-acting narcotic antagonist;

(3) the development of agents for the treatment of cocaine abuse and dependency, including those that act as a narcotic antagonist;

(4) the development of medications to treat addiction to drugs that are becoming increasingly prevalent, such as methamphetamine;

(5) the development of additional medications to treat safely pregnant addicts and their fetuses; and

(6) the development of medications to treat the offspring of addicted mothers.

SEC. 504. REPORT BY THE INSTITUTE ON MEDICINE.

(a) PHARMACOTHERAPY REVIEW PANEL.—Not later than 120 days after the date of enactment of this Act, the Director of the National Institute on Drug Abuse shall establish a panel of independent experts in the field of pharmacotherapeutic treatment of drug addiction to assess the national strategy for developing such treatments and to make appropriate recommendations for the improvement of such strategy.

(b) REPORT.—Not later than January 1, 1993, the Institute of Medicine of the National Academy of Science shall prepare and submit, to the appropriate Committees of Congress, a report that sets forth—

(1) the recommendations of the panel established under subsection (a);

(2) the state of the scientific knowledge with respect to pharmacotherapeutic treatment of drug addiction;

(3) the assessment of the Institute of Medicine of the progress of the Nation toward the development of safe, efficacious pharmacological treatments for drug addiction; and

(4) any other information determined appropriate by the Institute of Medicine.

(c) AVAILABILITY.—The report prepared under subsection (b) shall be made available for use by the general public.

SEC. 505. DEFINITION OF SERIOUS MENTAL ILLNESS.

Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall develop and submit to the appropriate committees of Congress—

(1) a uniform definition of "serious mental illness"; and

(2) a recommendation for standardized methods that may be utilized by States to estimate the incidence and prevalence of mental illness.

SEC. 506. PROVISION OF MENTAL HEALTH SERVICES TO INDIVIDUALS IN CORRECTIONAL FACILITIES.

Not later than 18 months after the date of enactment of this Act, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, acting jointly with the Director of the National Institute for Mental Health, shall prepare and submit to the appropriate committees of Congress a report concerning the most effective methods for providing mental health services to individuals residing in correctional facilities, and the obstacles to providing such services.

SEC. 507. STUDY OF BARRIERS TO TREATMENT COVERAGE.

Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report concerning the barriers to insurance coverage for substance abuse treatment, that shall include an assessment of the effect of managed care on the quality and financing of these services.

SEC. 508. REPORT ON FETAL ALCOHOL SYNDROME.

Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report concerning the prevalence of, and Federal efforts to combat, fetal alcohol syndrome.

SEC. 509. REPORT ON RESEARCH.

The Director of the National Institutes of Health shall annually prepare and submit to the appropriate committees of Congress a report concerning the status of behavioral and services-related research at the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health.

Mr. KENNEDY. Mr. President, I am extremely gratified by the Senate's passage of S. 1306, the ADAMHA Reorganization Act of 1991. The fact that this legislation has been approved by the Senate unanimously reflects the broad support in this body for improving Federal efforts against mental illness and substance abuse.

S. 1306 is a bipartisan, comprehensive initiative. The bill is the product of 2 years of study and drafting by the Committee on Labor and Human Resources. In formulating this legislation, Senator HATCH and I have worked very closely with HHS Secretary Dr. Louis Sullivan, and other administration officials. I commend Senator HATCH and the Bush administration for the collaborative spirit that has led to passage of this important bill.

S. 1306 was introduced on June 17, 1991. The following day I placed a section-by-section analysis of the bill in the RECORD. The bill was modified during the committee markup on July 17, 1991, and the bill as reported is described in detail in Senate Report 102-131 which accompanies the legislation. The bill has been passed tonight after being modified by a committee amendment.

I ask unanimous consent that a brief description of the amendment be placed at the conclusion of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

I am also enormously grateful to each of my colleagues on the Senate Committee on Labor and Human Resources, and many of my colleagues off the committee, for their willingness to forge a difficult compromise on the block grant formula issue. Formula disputes are never easy to resolve, but in this case the entire Senate membership gave a little and took a little, and we have worked out a fair and equitable formula.

One of the most important aspects of the bill is that it increases flexibility to States in administering the block grant. For example, the bill requires the Secretary to grant a waiver to States that do not have an sufficient population of intravenous drug users to justify the 50-percent set-aside. In such instances, States like Wyoming, shall be permitted to target resources depending upon the individual needs of the State.

Mental illness and substance abuse are among the most vexing health problems facing the Nation. Passage of S. 1306 by the Senate sets the stage for a substantial improvement in the way we research, treat, and prevent these diseases. I look forward to working with my colleagues in the House toward enactment of S. 1306.

EXHIBIT 1

DESCRIPTION OF THE COMMITTEE AMENDMENT TO S. 1306

The amendment improves the bill in several respects. In addition to technical and clarifying provisions, the amendment adds new research and service authority and supplements the bill with two important new programs.

Drug Salvaging

The amendment adds a new program, proposed by Senator HATCH, concerning the salvaging of seized pharmaceutical drugs.

Under current law, the pharmaceutical distribution system allows a significant amount of drugs to fall into the hands of unauthorized individuals. The Committee is concerned about the potential misuse of these drugs and this new section is intended to address the problem.

The pharmaceutical distribution system is a complicated network of wholesalers, distributors, and transportation companies that channel drugs from the manufacturer to drug retail outlets. Although the distributors and wholesalers are controlled and regulated by the Prescription Drug Marketing Act of 1987 (PDMA), the transportation companies are not. These companies handle enormous volumes of pharmaceuticals and some are invariably lost, damaged, or unclaimed by the transportation companies. These products are referred to as salvage products.

The volume of salvage products is significant—worth approximately $17 million (based on Average Wholesale Price) each year. There is a significant potential for large amounts of prescription and controlled pharmaceuticals to fall into the hands of unauthorized individuals, because there is no authorized procedure for the transportation industry to dispose of or salvage these products.

The Committee amendment establishes a demonstration drug salvager compensation program which provides authority to compensate transportation companies in possession of salvage pharmaceuticals in a manner that does not cause them to fall into the hands of unauthorized individuals. The Commissioner of the Food and Drug Administration, in consultation with the Administrator of the Drug Enforcement Administration, shall enter into contracts with private nonprofit or profit making entities that acquire salvage pharmaceuticals and controlled substances. Those that enter into such contracts must either return the pharmaceuticals recovered to the manufacturer or destroy the pharmaceuticals if the identity of the manufacturer cannot be determined.

Trauma Care Program

The amendment contains a new program, proposed by Senators GORE, BENTSEN, GRAHAM and LEVIN to provide grants to trauma centers. The initiative has been motivated by reports that many trauma care centers have closed or are in dire financial condition as a result of rendering uncompensated care for trauma wounds. Many of these wounds are a result of growing drug-related violence throughout the country.

The program is described with specificity in the accompanying statements of the Senators who have advanced this proposal.

Alcohol and Health Report

The amendment provides continuing authority for the Director of the National Institute of Alcohol Abuse and Alcoholism to prepare the very useful "Alcohol and Health" report that the institute has prepared for many years.

Home Visiting

The Committee amendment makes several modifications of the home visiting program authorized in title III of the bill.

Provisions have been added to assure the continued voluntary participation of clients in individual service plans and subsequent delivery of services, and to protect client confidentiality within applicable state law.

Also, the definition of professionals who may be designated case managers has been broadened to include other licensed health professionals with appropriate experience and expertise in delivery services in the home. This change is intended to ensure that rural areas not be disadvantaged in applying for grants by a shortage of registered nurses or social workers in such areas.

The purposes section has been modified to include the provision of information and assistance to women at risk for poor birth outcomes, in lieu of the identification of such women. The definition of those who are at-risk of poor birth outcome has been modified to delete the age classification; the lack of understanding regarding the importance of prenatal care has also been deleted, since the other provisions under this subsection adequately describe those at risk.

The section enumerating home visiting services has been amended to delete education about "parenting skills," since such skills can be included in child development and utilization of family resource and support networks more generally, in lieu of directly fostering supportive relationships.

Finally, throughout the section, health and social services have been qualified to read "health and related social services" to provide an appropriate scope for services to be delivered.

Confidentiality

The amendment modifies the confidentiality section of current law to make clear that "good cause" includes the need to avert a substantial risk of death or serious bodily harm. The Committee is also aware that provisions of the crime bill that recently passed the Senate might conflict with the Public Health Service Act confidentiality provisions, and it is the Committee's intent that if the crime bill is enacted, any such conflict would be resolved in favor of the provisions of the new crime bill. It is also the Committee's intent to work with the Judiciary Committee to address such issues comprehensively in the coming months.

Burden on States

The amendment contains two provisions reflecting the view that while block grant accountability is essential, states should not be subjected to undue burdens in complying with federal requirements. First, the amendment includes a Sense of the Senate provision offered by Senator Smith calling upon the Secretary to review the requirements placed on states by the Office for Treatment Improvement to ensure that they are not unduly burdensome. Second, the amendment provides further discretion for the ADAMHSA Administrator to tailor the state treatment plan requirement to the needs of each State.

Block Grant Formula

As reported by Committee, the block grant formula revision in S. 1306 contained a two year hold harmless. But the Committee amendment revises the new formula so that the there will be a permanent hold harmless. After fiscal year 1992, the hold harmless is to be financed by constraining the maximum percentage increase. This mechanism is described in greater detail in the statement of Senator Pell.

A chart following this description sets forth the actual fiscal year 1991 allotment of each state and the projected allotment of each state in fiscal year 1992 under the new formula, assuming a $100 million increase in the block grant appropriation.

State	Fiscal year 1991 actual	Fiscal year 1992, S. 1306
Alabama	18,732,000	18,732,000
Alaska	2,734,000	3,211,737
Arizona	18,002,000	18,741,696
Arkansas	8,417,000	9,282,042
California	151,410,000	171,410,000
Colorado	17,518,000	19,268,963
Connecticut	16,576,000	16,576,000
Delaware	3,213,000	3,420,673
District of Columbia	4,896,000	4,896,000
Florida	63,093,000	63,093,000
Georgia	24,845,000	27,792,521
Hawaii	6,078,000	6,813,226
Idaho	2,775,000	4,173,010
Illinois	62,486,000	66,725,816
Indiana	28,563,000	28,563,000
Iowa	8,633,000	10,931,179
Kansas	8,085,000	9,375,283
Kentucky	12,666,000	15,878,694
Louisiana	18,622,000	21,248,319
Maine	4,654,000	5,467,237
Maryland	23,275,000	25,637,467
Massachusetts	36,009,000	36,009,000
Michigan	46,271,000	49,686,041
Minnesota	16,590,000	20,051,488
Mississippi	8,326,000	10,840,574
Missouri	22,790,000	22,790,000
Montana	2,964,000	3,481,928
Nebraska	5,854,000	6,357,360
Nevada	5,656,000	6,979,919
New Hampshire	4,627,000	5,435,519
New Jersey	47,170,000	47,170,000
New Mexico	6,673,000	7,000,000
New York	103,643,000	103,643,000
North Carolina	22,084,000	28,312,985
North Dakota	1,992,000	2,631,322
Ohio	56,647,000	56,647,000
Oklahoma	13,620,000	13,635,671
Oregon	12,584,000	15,216,472
Pennsylvania	61,799,000	61,799,000
Rhode Island	7,336,000	7,336,000
South Carolina	13,635,000	16,322,572
South Dakota	3,759,000	4,415,845
Tennessee	19,986,000	21,615,095
Texas	73,454,000	80,803,246
Utah	9,083,000	9,233,596
Vermont	3,918,000	4,602,629
Virginia	25,551,000	27,177,844
Washington	23,309,000	28,578,818
West Virginia	6,084,000	8,305,603
Wisconsin	19,186,000	21,139,124
Wyoming	1,285,000	2,277,436

Mr. PELL. Mr. President, I am pleased that the Senate is about to take up and pass S. 1306, the Alcohol, Drug Abuse, and Mental Health Administration [ADAMHA] Reorganization Act of 1991. In my view, this legislation contains many important provisions that will enhance the Nation's ability to confront the devastation caused by alcohol and drug abuse, and the tragedy of mental illness.

I believe that the centerpiece of the legislation—the proposed reorganization of ADAMHA—makes a great deal of sense. Centralizing research efforts at the National Institutes of Health [NIH], while allowing services to continue on at ADAMHA, which will be renamed ADAMHSA, the Alcohol, Drug Abuse, and Mental Health Services Administration, seems to me an excellent way to streamline Federal efforts in the area of substance abuse research and treatment, and mental health research and treatment. This proposal has received the support of many of the Nation's leading experts in the area of substance abuse and mental health, and I am pleased to support it.

Mr. President, the original bill did contain one provision of great concern to me and to the State of Rhode Island, which I am delighted to report we have resolved to my satisfaction. The provision of concern was the proposed revision to the formula for the allocation of block grant funds.

The original provision in S. 1306 would have resulted, after the first year, in the reduction of funds currently appropriated to Rhode Island and several other States. This reduction would have occurred even with the generous increase in appropriations recommended by Senator HARKIN and his colleagues on the Senate Labor/HHS Appropriations Subcommittee.

This reduction in funds was the result of an effort to make the formula fairer to rural States, which the General Accounting Office [GAO] has indicated have not been receiving an equitable share of funds. While I have no objection to addressing inequities in any formula for the distribution of Federal funds, I do not believe that my State, or any State, should have to lose badly needed Federal funds in order to rectify the situation. And there is no question that the State of Rhode Island has great need for Federal funds to treat substance abuse and mental illness.

Mr. President, my modification, which has been incorporated in the final bill, changes the S. 1306 formula in two very simple ways. First, it would make sure that no State loses any of the funds it currently receives. This modifies the original S. 1306 formula by making its 1-year hold-harmless provision permanent, eliminating the provision that would have allowed each State to lose up to 5 percent per year of its funds.

Second, we would pay for this hold-harmless in a somewhat innovative way. The first year, fiscal year 1992, would be paid for in the traditional way, that is, by taking the amount needed from the overall appropriations to keep level-funded those States that would lose funds under the new formula. All other States would be funded according to the newly adopted formula. This will result in a reslicing of the pie, with States that GAO found to be underfunded sharing the largest increases in appropriations, while those, like Rhode Island, that have been benefiting from the current formula, would remain level-funded.

In subsequent years, the hold-harmless would be paid for by creating a sliding cap on the percent increase that any State could gain from year to year. The percentage increase that each State could gain would depend both on the new formula and the actual appropriation level. A cap would be calculated each year that would reflect the maximum amount that any State could receive, constrained only by how much is needed to keep all States level-funded.

By creating a sliding cap on the percentage increase that any State can receive, we accomplish two things. One is that we involve a smaller number of States in our proposal than we would with a traditional hold-harmless. A limited number of States are being asked, basically, to take a slightly smaller, and in some cases almost insignificantly smaller, increase in future appropriations than they would have received under the original S. 1306 formula, in order to ensure that no State will suffer a reduction in funds. Assuming additional future appropriations, most States will still get a funding increase, and in many cases, the increases will be generous.

Second, our sliding cap provision phases out as soon as the appropriations pot increases to the point that no State will lose funds. Thus, the number of States affected at all by the cap reduces quickly, and the size of the cap, that is, the percentage increase any affected States may enjoy, increases rapidly.

I believe strongly that this compromise is the fairest solution to a very difficult problem, and I would like to thank Chairman KENNEDY, and Senators HARKIN and HOLLINGS, who crafted the original revised formula, for their consideration of our views and for their willingness to consider the needs of every State and the Nation as a whole. I would also like to thank all those Senators who participated in our discussion for their cooperation and understanding.

I would especially like to thank Senator COATS, Senator DODD, and Senator METZENBAUM for their strong support, hard work, and effective advocacy on behalf of their States. Without their assistance, this modification would not have been possible.

Mr. President, I would also like to thank and acknowledge the excellent work and great persistence of Sharon Soderstrom of Senator COATS' staff, Patty Cole of Senator DODD's staff, Jim Brudney of Senator METZENBAUM's staff and Maureen Lane of Senator BRADLEY's staff. These individuals were of enormous help to my staff in crafting and working out this modification.

In addition, I would like to thank and acknowledge Peter Reinecke of Senator HARKIN's staff, and Eddy Moore of Senator HOLLINGS' staff, for their hard work and for their assistance. Finally, I would like to thank very much and note for the RECORD the leadership, patience, and skill of Ronald Weich, of Chairman KENNEDY's staff, who led the staff negotiations.

I urge my colleagues to support this important legislation and look forward to its speedy approval.

Mr. SMITH. Mr. President, I wish to thank my distinguished colleague from Massachusetts, Senator KENNEDY, and my distinguished colleague from Utah, Senator HATCH, for accepting my amendment with the committee amendments to the ADAMHA bill, S. 1306.

This amendment comes as a result of a letter which I received from Geraldine Sylvester, the director of the New Hampshire Department of Health and Human Services Office of Alcohol and Drug Abuse Prevention. Ms. Sylvester is one of the Nation's foremost advocates for alcohol and drug abuse prevention programs, particularly with respect to small States. Her letter suggests that the office has become burdened with paperwork which is a result of inefficient reporting channels. I would like to quote directly from Ms. Sylvester's letter:

> Currently the States are required to submit a State alcohol drug abuse profile [SADAP], a national drug abuse treatment utilization survey [NDATUS], in addition to the block grant application which OMB estimates takes 400 man hours for completion and an annual report. These are all separate documents with partially redundant information.
>
> The Secretary should review the possibility of eliminating SADAP and NDATUS and consolidation of the block grant application and annual report. It would certainly eliminate the mounds of paperwork.

I believe that this amendment will help to reduce this burdensome and redundant paperwork to help the agency run more efficiently. I urge support for this bill.

Mr. LAUTENBERG. Mr. President, I rise in support of S. 1306, the Alcohol, Drug Abuse, and Mental Health Reorganization Act of 1991, as amended. This measure will ensure a more equitable distribution of funds to States to provide valuable drug, alcohol abuse, and mental health services, as well as ensure that no State's funding percentage will drop below previous years' levels.

In 1982, the Federal Government consolidated 10 separate programs that funded substance abuse and related mental-health related services into the Alcohol, Drug Abuse, and Mental Health Services [ADMS] block grant. The legislation that consolidated these programs contained a formula that essentially distributed the ADMS block grant funds in the same manner as when they were distributed in the previous categorical programs. In 1984, Congress altered the distribution formula but included a hold-harmless provision that ensured that no State would receive fewer funds under the new formula.

Congress then altered this block grant formula again in 1988 in the Anti-Drug Abuse Act. This new formula skewed the distribution of funds away from rural States to more urban ones. Since then, smaller and more rural States have been lobbying to alter this formula. This legislation, S. 1306, seeks to restore the funding balance in the ADMS block grant program that existed before 1988.

When initially approved by the Labor and Human Resources Committee, however, S. 1306 broke with customary practice and only included a 1-year hold-harmless provision. Thus, large urban States like New Jersey stood to lose millions of dollars for much-needed alcohol, drug abuse, and mental health services. Projections showed that New Jersey would lose between $6 million and $9 million over the next 5 years under initially approved bill.

I subsequently wrote to the distinguished chairman of the Senate Labor and Human Resources Committee, Senator KENNEDY, asking him to include a permanent hold-harmless provision. The committee then attached a 2-year hold-harmless provision. The committee amendments to this bill which were just adopted, however, include a permanent hold-harmless provision that ensures that no State will receive fewer funds next year for these vital services.

I commend the distinguished chairman and ranking member for their work on restoring equity to this block grant program. I would also note that the Senate Appropriations Committee reported its version of the fiscal year 1992 Labor, Health, and Human Services, and Education bill on July 11, 1991 and it included a $137 million increase for the ADMS block grant program. These two legislative actions, one authorizing and one appropriating, will ensure that more funds will be available for those who need these vital health services.

Mr. LEVIN. Mr. President, as we are all well aware, the national drug epidemic has taken a devastating toll on many of the Nation's hospitals. Several months ago, following my visits to a number of hospital emergency departments and trauma centers in my home State of Michigan, and following a report released by the Federal Drug Abuse Warning Network [DAWN] indicating a continuing increase in drug-related emergency room visits in 770 of our Nation's hospitals, I introduced S. 1049. The bill provides assistance in the form of grants to hospitals that have incurred substantial uncompensated costs in providing emergency room and trauma center care in areas with a significant incidence of illness and injury arising form the abuse of drugs and drug-related violence. My proposal enjoyed the cosponsorship of Senator SIMON, Senator MOYNIHAN, Senator CRANSTON, and Senator KERRY.

Mr. President, S. 1049 and the amendment before us intend similar ends, and would have the effect of helping facilities that are experiencing financial difficulty as a result of the increase in drug-induced violence and, the resultant uncompensated care. The primary difference is that under the amendment, the emphasis is on trauma centers as the beneficiary of the legislation rather than hospital emergency departments, regardless to whether they are designated as trauma centers. Another difference is that S. 1049 allows a much broader clinical interpretation of drug-related emergency patient visits; it allows for the uncompensated care of patients with drug-related illness and trauma injury, including blunt trauma. The amendment before us provided for truama injury only. The need to include such facilities and clinical patient definition is borne out in the hospital emergency room data collected by DAWN. This data includes hospitals in communities that are besieged by drug-related violence and crime, but whose emergency medical system does not include trauma center designation and, also includes in their calculations the emergency room treatment of patients with drug-related illness, as well as injury. These hospitals are forced to treat and stabilize both illness and trauma injuries resulting from the drug war.

I am, however, pleased to join my distinguished colleagues, Senators GORE and BENTSEN in offering this amendment, because it is a step in the right direction. It is intended to help trauma centers that are experiencing financial difficulty as a result of uncompensated care, borne largely out of the mounting financial burden created by unreimbursed care for drug-related injuries.

I would like to commend my colleague, Senator GORE for his persistent efforts to assist this Nation's ailing trauma centers. I am well aware that despite our best efforts, this legislation may not represent the perfect solution to these problems—problems which both Senator GORE and Senator BENTSEN and the managers, Senator KENNEDY and Senator HATCH recognize as serious. But the fact that we cannot address all these problems should not prevent us from dealing with one obvious one—the growing financial crisis with which many of our trauma centers are faced. We cannot ignore the economic pressures they are experiencing without risking the quality of health care they provide to all the residents of the communities they seek to serve.

The vivid picture was painted by Dr. Alexander J. Walt, Wayne State University professor of surgery and attending surgeon at the Detroit Receiving Hospital and University Health Center, one of the major trauma centers in the State of Michigan. During a 1990 hearing before a House subcommittee, Dr. Walt said, "The extraordinary increase in drug-related violence that we have been witnessing in many cities, and the associated increase in the number of trauma patients has been paralleled by a dramatic rise in uncompensated care." These patients, said Dr. Walt, "drain the resources of the hospitals."

Mr. President, this legislation will not solve the problems our trauma centers are facing, but it will certainly help.

Mr. GRAHAM. Mr. President, there are many parts of S. 1306, the Alcohol, Drug Abuse, and Mental Health Reauthorization Act, that have my unqualified support.

The bill reorganizes and improves the Federal Government's efforts against mental illness and drug abuse. Some of its more significant achievements include:

Authorizing a new and important initiative to create treatment beds, the capacity expansion program;

Authorizing a unique grant program to assist hospitals that are impacted by a high incidence of trauma patients—often the victims of drug-related violence. This provision is based on a bill introduced by Senator BENTSEN, Senator GORE, and myself.

Authorizing new grants to States for services to children with serious emotional disturbances, helping States build care systems for these children.

I commend Senators KENNEDY and HATCH on these accomplishments. However, I cannot lend my support to a key provision of this bill—the alcohol, drug abuse, and mental health block grant as amended.

The formula in S. 1306 differs significantly from current law. The changes would result in large losses to Florida's share of the block if a hold-harmless measure was not included.

I know the chairman has worked hard to balance this formula between different and sometimes competing interests. His aim was to create a fairer formula. Because of his concern that States not be left with fewer treatment and mental health resources, he has provided for the hold-harmless.

However, we are not going to achieve fairness in funding distribution if we merely recycle the current formula's indicators of need and measures of population at-risk, as S. 1306 does.

An examination of the formula exposes several flaws:

The formula is based on what is now dated scientific evidence of drug and alcohol abuse and mental illness.

The age categories used for estimating the incidence of mental illness, alcoholism, and drug abuse exclude significant populations that have real substance abuse and mental health needs.

The cost data incorporated into S. 1306 is based on 1980 census information, and it is untested for relevancy.

For these and other reasons, I introduced a bill earlier this year requiring the Secretary of Health and the GAO to work together to evaluate the most current scientific evidence regarding rate of incidence and indicators of risk for substance abuse and mental illness. The GAO must then use this new evidence to make recommendations to Congress so the formula may be changed to reflect the gathered evidence.

It is vital to Florida that we evaluate the block grant formula for it limits Florida for years to come to no increases in its share of the block.

Mr. President, the State of Florida has clear, documented substance abuse and mental illness needs. In fact, the chairman himself presented alarming statistics about Florida's unmet substance abuse needs during Governor Martinez's confirmation hearings. Some of these statistics are:

Only one out of every four citizens of Florida who needs substance abuse treatment receives it.

The average wait for drug treatment in Florida in 1990 was 61 days.

Over 45,000 women in Florida need substance treatment, but only 7,500 receive it.

Only 1,500 of the 10,000 pregnant women in Florida in need of treatment receive it.

How is the proposed formula change fairer to a State with such exceptional needs when it does not allow it to share in increases in the block grant? Mr. President, I submit that it is not a fair formula as far as Florida is concerned and I guarantee that I will not accept this formula as final.

I realize that very rarely are all parties satisfied with a funding formula. For that reason, formulas must be justified by scientific evidence, impartial recommendations, and the most accurate indicators. I am determined to create a truly fair and representative formula based on these factors, and I am sure Senator KENNEDY will lend his support to that effort.

I will support this legislation, but with reluctance. As I stated earlier, there is much to laud in this bill. My displeasure with the ADMS formula, though strong, cannot prevent me from supporting the reauthorization of the important mental health and substance abuse programs that the Alcohol, Drug Abuse, and Mental Health Administration oversees.

Mr. GORE. Mr. President, today I join Senators BENTSEN, GRAHAM, and LEVIN to offer an amendment to help America's trauma centers. This amendment would provide desperately needed resources to help our Nation's trauma centers cope with the substantial uncompensated costs they incur, largely related to the victims of crime and the drug wars that afflict our cities. The Trauma Center Revitalization Act amendment to the Alcohol, Drug Abuse, and Mental Health Act reauthorization bill would require the Secretary of Health and Human Services to make grants to help trauma centers stay in business.

Most Americans know too well the crime and violence that results from drug trafficking. Areas of our inner cities have become virtual war zones, complete with automatic weapons, fire fights, and the many injured and dead that accompany such terror. Trauma centers are effective in reducing casualties in this war. Trauma systems have reduced the trauma death rate by as much as 64 percent. In San Diego County, the trauma death rate fell 55 percent the first year after the countywide trauma care system began.

Trauma centers are too important a national resource to squander. This bill takes an urgently needed step to preserve a system that in many cities is still only first being pioneered.

The trauma system concept evolved from the wartime experience of military doctors. In Korea, Vietnam, and the Persian Gulf our service men and women were only minutes away from the best trauma care available anywhere in the world. During Desert Storm, Americans were proud and reassured that their sons and daughters, brothers and sisters, mothers and fathers would receive the best trauma care in the world.

But now those soldiers and their families are coming back to cities where good trauma care—or any trauma care—cannot be found. Crime and drug-related violence inundate trauma centers with their victims. Because trauma centers do not share in any of the Federal programs to redistribute the assets seized from drug dealers, they are failing under the financial strain imposed upon them. As a result, trauma care that could save the lives of innocent citizens will not be there unless we in government do something to preserve it. That is what this bill will do.

Many of our cities are under siege. In its May 1991 report the GAO reviewed six cities and learned that, within the last 5 years, more than a third of the trauma centers stopped providing trauma care to severely injured people. Primarily these closures were caused by financial losses stemming from treating the uninsured and patients covered by Medicaid and other Government-assisted programs.

In the Washington area, we are fortunate to have one of the better trauma systems in the country. We all remember the excellent care President Reagan received at George Washington University when he was shot. My own son, Albert, survived a traumatic injury and made a full recovery after receiving excellent medical care from the trauma program at Johns Hopkins in Baltimore. But, for millions of American families, such care is not available. At a time when we should be taking evey action possible to expand the development of trauma systems, trauma centers are closing their doors.

Since last year, when I offered this amendment as a bill in the Senate, we have learned about the domino effect of trauma center closings. For example in Chicago, after the University of Chicago Hospital trauma center closed, the trauma patient caseload at Michael Reese Hospital increased by more than 50 percent. Most of the caseload was either uninsured or Government-assisted program patients.

In my own State of Tennessee, the increase in drug-related violence in urban areas has seriously affected the ability of one of the Nation's busiest trauma centers to continue to deliver trauma care. The Regional Medical Center may have to curtail service, which would leave citizens in the Memphis area as well as surrounding States without level one trauma care. Curtailing service in Memphis would create a domino effect for the other trauma centers in the Memphis area and increase the trauma deaths.

I am pleased that Senator BENTSEN has joined me in offering this amendment. I am also pleased that Senators GRAHAM and LEVIN are joining in this effort. Finally, I must recognize my good friend in the other body, Congressman HENRY WAXMAN, who has done so much to develop this legislation and who has introduced a similar bill in that body.

I urge support for this important amendment.

Mr. BENTSEN. Mr. President, I am pleased to join my distinguished colleagues, Senators AL GORE and BOB GRAHAM, in offering the Trauma Center Revitalization Act as an amendment to the Alcohol, Drug Abuse, and Mental Health Association Reorganization Act of 1991. The sponsors, the distinguished chairman and ranking member of the Labor and Human Resources Committee, have agreed to accept the amendment.

Our amendment would provide $50 million in direct grants to hospital trauma centers whose existence are threatened by the drug war. The centers are mostly in larger cities where battles between gangs and drug traffickers have become a way of life. Each night the wounded are transported to these specialized emergency rooms. Level one trauma centers have the surgeons and facilities needed to care for the severely wounded at any time of the night or day, and they have become our versions of front line M.A.S.H. units.

In their efforts to care for victims of drug-related violence, trauma centers are losing millions of dollars. The victims often can't or don't pay for their treatment. They do not have insurance. Or Medicaid does not provide complete coverage.

Our amendment primarily focuses on the unpaid care trauma centers give to victims of drug-related, penetrating trauma. But it would also include the unpaid care given to victims of blunt trauma. Examples of blunt trauma are injuries from car and motorcycle accidents. Gunshot and stab wounds are examples of penetrating trauma.

These wounds and injuries consume vast amounts of care. Grant priority would go to those centers which are providing the only trauma care in a community and which are at risk of closing because of staggering financial losses. The grants are needed to help keep these centers open. The centers can use them to defray losses associated with treatment of penetrating and blunt trauma. For every year a center receives a grant, it must promise to stay open another two. A center can receive grants for up to 4 years.

The risk of trauma centers closing is all too real. About 60 trauma centers have closed nationwide in the last 5 years, according to a General Accounting Office report issued in May. The GAO surveyed 15 of those centers, all in large cities, and found that they had closed because of losses from uncompensated trauma care.

Such losses are now causing Houston's Ben Taub Hospital to seriously consider closing its level one trauma center. If Ben Taub closes, the Houston area will be without a full-time level one facility.

The losses from uncompensated trauma care are mind boggling. The GAO surveyed 28 trauma centers nationwide and found that they lost $65.5 million in uncompensated care in 1989. In 1989, the Texas Legislature ordered a study of uncompensated trauma care. It found that all Texas hospitals lost $158 million in uncompensated care in that same year. That number is not surprising when you analyze what is happening at centers like Houston's Ben Taub and Parkland Hospital in Dallas. At both, over 70 percent of their trauma admissions went unpaid.

The Texas study also found that cases involving stab and gunshot wounds were the leading sources of uncompensated trauma care. Injuries from car and motorcycle accidents were a close second.

The GAO study found that the number of gunshot and stabbing victims is growing, particularly in urban areas. In 1989, penetrating wounds averaged 31 percent of the trauma cases among the centers in the GAO survey.

The GAO also found a direct correlation between the incidence of penetrating trauma cases and the incidence of uncompensated care: The greater the number of penetrating trauma victims, the greater the likelihood trauma centers go unpaid. Indeed, the GAO noted that the recent increase in uncompensated trauma care follows the recent increase in casualties from drug-related violence.

Mr. President, I will admit that many of these casualties are drug dealers, gang members, or drunken drivers. They generate little sympathy. I understand those who question why we should give Federal money to keep trauma centers open for the bad guys.

But when these centers close, they are shut for the good and bad alike. Many of the drug war's casualties are the innocent. They are in the wrong place at the wrong time: a little girl playing in the path of a bullet from a drive-by shooting; a policeman stabbed by an addict out of control. Their best chance for survival is not an emergency room which may not even have a surgeon on 24-hour call. The best chance is the nearest trauma center which has the medical expertise to care for those most severely injured or most seriously ill, every hour of the day.

Mr. President, the welfare of policemen is a particularly important reason to keep trauma centers open. During the Persian Gulf war, we did not think twice about backing up our troops with first rate trauma care facilities. In this drug war, our front line troops deserve no less. When a policeman is shot by some thug in the middle of the night, he cannot wait for a surgeon to get out of bed and drive in from the suburbs to a poorly staffed emergency room. The officer needs the immediate surgical care only a trauma center has to offer.

Police and innocent victims are not the only good reasons for keeping trauma centers open. If a trauma center closes, that is one less place where we can give first rate emergency care to those suffering heart attacks or car accident victims or injured firemen. Where do we take them if that trauma center was the last one in town? Where do we take my fellow Houstonians if Ben Taub closes? When a trauma center closes, it has a domino effect on a community's ability to care for its seriously injured.

Our amendment will help stop trauma centers from closing. I recognize the amendment is not a long-term solution. Uncompensated trauma care is just one part of the health care crisis we face in this country. Solving that crisis is a long-term endeavor. As you know, Mr. President, as chairman of the Finance Committee, I have dedicated myself to making quality health care more accessible, more affordable for all Americans. From hearings I am holding, I know all too well that we need to do a lot more than give grants to trauma centers.

But we face an immediate crisis when it comes to trauma care, and these grants are needed to help keep the centers open while we are solving the bigger problem. Trauma centers are in such an urgent crisis, they cannot wait years for a solution to our national health care problem. Neither can the communities they serve. They need these grants now.

Mr. President, I want to thank Senators KENNEDY and HATCH for accepting this amendment. I urge my colleagues to join in supporting the amendment.

I ask unanimous consent that the full text of this statement appear as if read in its entirety.

I thank the Chair.

Mr. DODD. Mr. President, the legislation we are approving today is an important step toward creating an improved and expanded alcohol and drug treatment system. The abuse of alcohol and other drugs costs our Nation more than $140 billion a year in areas such as health care and crime. S. 1306 gives a much-needed boost to our national effort to reduce this staggering sum by treating addiction. I want to commend Senators KENNEDY and HATCH for their work on this comprehensive legislation. Usually, approving a drug bill is a painful ordeal. They have worked hard to meet the concerns of all Senators and have emerged with legislation that we can all solidly support.

I am particularly pleased and appreciative that S. 1306 includes much of my "Children of Substance Abusers," or COSA, legislation. COSA signals our recognition that other family members—especially children—are affected by addiction. Most widely known are children who are prenatally exposed to alcohol or other drugs. Estimates on those infants with any exposure to illegal drugs range from 375,000 to 554,000. In my own State of Connecticut, a study at the Yale-New Haven clinic found that 49 percent of the women delivering there had used cocaine within the previous 48 hours. The effects on children also are apparent in child protective services, with as many as 90 percent of abuse and neglect cases involving substance abuse in some jurisdictions.

The COSA Program would provide support for families by funding comprehensive services for children of substance abusers and their parents or other caretakers. These services would be open to any child and family of a substance abuser, not simply drug- or alcohol-exposed infants. For those infants, however, the programs would provides a continuity of services as they grow beyond infancy. In addition, the COSA provisions would fund training about substance abuse for professionals, such as child welfare workers or pediatricians, who work with these families in other contexts.

Another COSA initiative included in the legislation is a home visiting program for at-risk families. By promoting use of preventive and primary health care as well as providing information on parenting, home visitors help families grow stronger and children healthier. I believe COSA is an important step toward providing a positive response to problems that are literally ripping families apart.

I want to mention one other provision in this large and enormously important piece of legislation; that is, the revision to the formula through which Alcohol, Drug Abuse, and Mental Health Block Grant funds are distributed. The General Accounting Office and others have concluded the current formula creates inequities for rural States. I recognize the need for, and support, creating a more equitable formula. However, the formula contained in the original version of S. 1306 would have caused some States, including Connecticut, to lose actual funds in future years. This would create a situation where we would have to shut down desperately needed treatment programs to fund the formula change.

For Connecticut, that would be disastrous. The dire economic situation in the State means there is no money to make up a shortfall in Federal funds. Connecticut cities—Hartford, New Haven, Bridgeport—are all struggling with heavy substance abuse problems and a severe shortage of treatment programs. In the face of overwhelming social problems, they certainly have no resources to make up for Federal cuts. Most tragic, the programs most likely to be cut—those that respond to the most recently recognized needs—are programs for pregnant women and prevention programs for youth, including some nationally recognized models.

For this reason, I, along with several other Senators whose States would be similarly affected, have worked closely with Senators KENNEDY, HARKIN, and HOLLINGS to find an approach that would not result in closing down programs. We reached agreement on a slight revision resulting in a formula that I firmly believe is the best course for all States. It accomplishes the shift to a more equitable distribution, while ensuring that no State loses any badly needed funds.

I want to take this opportunity to express my appreciation to the Senators I mentioned, as well as other Senators who were involved, for their willingness to listen to our concerns and work out an agreement we could all support. I particularly want to commend Senator HARKIN for his efforts to increase the block grant funding by over $100 million in fiscal year 1992. If he succeeds in retaining this increase, it will do much to cushion the transition to a new formula.

Clearly, Mr. President, the cost to our Nation incurred by the abuse of alcohol and other drugs demands that we respond by improving the system for treating such abuse. This legislation, the product of much thought and hard work, would start us on that road. I hope my colleagues will give it their wholehearted support.

Finally, Mr. President, I want to thank the staff who have worked so hard to put this legislation together and satisfy all concerns, particularly on the formula. Special thanks go to Patty Cole of my staff, Ron Weich with Senator KENNEDY, Nancy Taylor with Senator HATCH, Peter Reinecki with Senator HARKIN, Eddie Moore with Senator HOLLINGS, Lauren Gross with Senator PELL, Sharon Soderstrom with Senator COATS, Jim Brudney with Senator METZENBAUM, and Rena Coughlin with Senator GRAHAM.

I also want to thank all the groups that have supported the COSA bill. The groups involved are too numerous to name, but I do want to give special thanks to Randy Moore of the American Academy of Pediatrics and Al Guida and Madelyn DeWoody of the Child Welfare League.

AMENDMENT NO. 1081

(Purpose: To improve the bill)

Mr. MITCHELL. Mr. President, on behalf of Senator KENNEDY, I send an amendment to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. KENNEDY (for himself and Mr. HATCH) proposed amendment numbered 1081.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 125, line 14, insert before the semicolon the following: ", and to develop appropriate mental health services for individuals with such disease".

On page 126, line 14, strike out "423" and insert in lieu thereof "412".

On page 127, line 8, insert "financing, organization and" before "provision".

On page 130, line 18, strike out "high risk youth" and insert in lieu thereof "youth at high risk of substance abuse".

On page 132, line 1, strike out "high risk youth" and insert in lieu thereof "youth at-high risk of substance abuse".

On page 132, line 2, strike out "high risk youth" and insert in lieu thereof "youth at high risk of substance abuse".

On page 132, between lines 18 and 19, insert the following new subsection:

"(e) LIMITATION.—Programs which receive assistance under this section shall not promote or encourage homosexual or heterosexual sexual activity programs receiving assistance under this section are intended to reduce substance abuse among all youth at risk of substance abuse; however, no youth shall be deemed at risk of substance abuse solely on the basis of the youth's sexual behavior."

On page 132, line 19, strike out "(e)" and insert in lieu thereof "(f)".

On page 134, line 6, strike out "identify" and insert in lieu thereof "encourage".

On page 134, lines 7 and 8, strike out "and to encourage such women".

On page 134, lines 19 and 20, strike out ", including, as appropriate, visits to the home of such women".

On page 142, between lines 18 and 19, insert the following new subsection:

"(n) DEFINITION.—For purposes of this section, the term 'post-partum' means the 12-month period following the delivery of a child.

On page 151, beginning on line 20, strike out "and in" and all that follows through "Administration" on line 22.

On page 152, line 3, insert before "the Directors" the following: "the Administrator of the Health Resources and Services Administration and with".

On page 152, between lines 12 and 13, insert the following new subsection:

"(e) LIMITATION.—None of the funds expended under this section shall be used for carrying out any program for the distribution of sterile needles for the hypodermic injection of any illegal drug.

On page 153, strike out lines 14 and 15, and insert in lieu thereof the following: "public and nonprofit private entities for—".

On page 153, line 17, insert ", implementation, evaluation" after "coordination".

On page 154, line 2, insert before the semicolon the following: ", except that such projects shall not promote, condone, justify, or advocate suicide or provide instruction in methods of suicide".

On page 154, line 20, insert "and evaluations" before "concerning"

On page 176, between lines 3 and 4, insert the following new subsection:

"(d) REPORTS.—The Director shall, every 3 years, prepare and submit to Congress a report containing—

"(1) current information concerning the health consequences of using alcoholic beverages;

"(2) a description of current research findings made with respect to alcohol abuse and alcoholism; and

"(3) such recommendations for legislation and administrative action as the Director considers appropriate.

On page 176, line 4, strike out "(d)" and insert in lieu thereof "(e)".

On page 178, line 23, insert "shall include support for biomedical and behavioral neuroscience and" before "shall".

On page 199, line 3, insert before the period the following: ", including the need to avert a substantial risk of death or serious bodily harm"

On page 225, between lines 11 and 12, insert the following new sections:

SEC. 145. MENTAL HEALTH SERVICES.

Section 2441(j) (42 U.S.C. 300dd-41(j)) is amended by striking out "1991" and inserting in lieu thereof "1994".

SEC. 146. GRANTS FOR CERTAIN TRAUMA CENTERS.

(a) SHORT TITLE.—This section may be cited as the "Trauma Center Revitalization Act".

(b) ESTABLISHMENT OF GRANT PROGRAM.—Title XII (42 U.S.C. 300d et seq.), as added by section 3 of Public Law 101-590 (104 Stat. 2915), is amended by adding at the end thereof the following new part:

"PART D—TRAUMA CENTERS OPERATING IN AREAS SEVERELY AFFECTED BY DRUG-RELATED VIOLENCE

"SEC. 1241. GRANTS FOR CERTAIN TRAUMA CENTERS.

"(a) IN GENERAL.—The Secretary may make grants for the purpose of providing financial assistance for the payment of operating expenses by hospital trauma centers that have incurred substantial uncompensated costs in providing trauma care. Grants under this subsection may be made only to such hospitals specifically for the operation of their trauma centers.

"(b) MINIMUM QUALIFICATIONS OF CENTERS.—

"(1) SIGNIFICANT INCIDENCE OF UNCOMPENSATED, CARE.—The Secretary may not make a grant under subsection (a) to a hospital trauma center unless the trauma center demonstrates a significant incidence of uncompensated care debt as a result of treating patients with trauma wounds during the 2-year period preceding the fiscal year for which the hospital trauma center involved is applying to receive a grant under subsection (a).

"(2) PARTICIPATION IN TRAUMA CARE SYSTEM OPERATING UNDER CERTAIN PROFESSIONAL GUIDELINES.—The Secretary may not make a grant under subsection (a) unless the hospital trauma center involved is a participant in a system that—

"(A) provides comprehensive medical care to victims of trauma in the geographic area in which the hospital trauma center involved is located;

"(B) is established by the State or political subdivision in which such center is located; and

"(C) has adopted guidelines for the designation of hospital trauma centers, and for triage, transfer, and transportation policies, equivalent to (or more protective than) the applicable guidelines developed by the American College of Surgeons or utilized in the model plan established under section 1213(c).

"SEC. 1242. PRIORITIES IN MAKING GRANTS.

"(a) IN GENERAL.—In making grants under section 1241(a), the Secretary shall give priority to any application—

"(1) made by a hospital trauma center that, for the purpose specified in such section, will receive financial assistance from the State or political subdivision involved for each fiscal year during which payments are made to the hospital from the grant, which financial assistance is exclusive of any assistance provided by the State or political subdivision as a non-Federal contribution under any Federal program requiring such a contribution; or

"(2) made by a hospital trauma center that, with respect to the system described in section 1241(b)(2) in which the center is a participant—

"(A) is providing trauma care in a geographic area in which the availability of trauma care has significantly decreased as a result of a trauma center in the area permanently ceasing participation in such system as of a date during the previous 5-year period; or

"(B) will, in providing trauma care during the 1-year period beginning on the date on which the application for the grant is submitted, incur uncompensated costs in an amount rendering the center unable to continue participation in such system, resulting in a significant decrease in the availability of trauma care in the geographic area.

"(b) ADDITIONAL PRIORITY.—In considering the grant applications of hospital trauma centers under subsection (a)(2), the Secretary shall give additional priority to those hospitals that submit plans that indicate that such hospital trauma centers are developing long term strategies, financial, medical and otherwise, to survive the impact of providing uncompensated trauma care. The goal of such strategies shall be to continue as a hospital trauma center after the period required in section 1243(1).

"SEC. 1243. COMMITMENT REGARDING CONTINUED PARTICIPATION IN TRAUMA CARE SYSTEM.

"The Secretary may not make a grant under subsection (a) of section 1241 unless the hospital trauma center involved agrees that—

"(1) the hospital will continue to participate in the system described in subsection (b) of such section throughout the 2-fiscal years immediately succeeding the fiscal year for which a grant is received;

"(2) during the year in which the grant is received the hospital will maintain its trauma care efforts, financial and otherwise, from those of the preceding year;

"(3) if the agreement made pursuant to paragraph (1) is violated by the hospital, the hospital will be liable to the United States for an amount equal to the sum of—

"(A) the amount of assistance provided to the center under subsection (a) of such section; and

"(B) an amount representing interest on the amount specified in subparagraph (A); and

"(4) the hospital will establish a trauma registry not later than 6 months from the date on which the grant is received that shall include the number of trauma cases and the extent to which the care for such cases is uncompensated.

"SEC. 1244. GENERAL PROVISIONS.

"(a) APPLICATION.—The Secretary may not make a grant under section 1241(a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

"(b) LIMITATION ON DURATION OF SUPPORT.—The period during which a hospital trauma center receives payments under section 1241(a) may not exceed 3 fiscal years, except that the Secretary may waive such requirement for the center and authorize the center to receive such payments for 1 additional fiscal year.

"(c) LIMITATION ON AMOUNT OF GRANT.—The Secretary may not make a grant to any single hospital trauma center in an amount that exceeds $5,000,000 in any fiscal year.

"(d) CONSULTATION.—Grants shall be awarded under section 1241(a) only after the Secretary has consulted with the appropriate State agency.

"(e) JOINT EFFORTS.—Notwithstanding any other provision of law, trauma centers may cooperate, collaborate or coordinate their activities with other trauma centers for the purpose of improving the provision of services to victims of trauma.

"SEC. 1245. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $50,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

(c) CONFORMING AMENDMENTS.—Title XII (42 U.S.C. 300d et seq.), as added by section 3 of Public Law 101-590 (104 Stat. 2915), is amended—

(1) in the heading for part C, by inserting "REGARDING PARTS A AND B" after "PROVISIONS";

(2) in section 1231, in the matter preceding paragraph (1), by striking "this title" and inserting "this part and parts A and B"; and

(3) in section 1232(a), by striking "this title" and inserting "parts A and B".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect October 1, 1991, or upon the date of the enactment of this Act, whichever occurs later.

SEC. 147. DRUG SALVAGER COMPENSATION PROGRAM.

Chapter VII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 371 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 710. DRUG SALVAGER COMPENSATION PROGRAM.

"(a) PURPOSE.—It is the purpose of this section to establish a program to decrease the availability of drugs that are acquired through salvage of shipments of pharmaceuticals and controlled substances through the provision of assistance to salvagers of such products to enable such salvagers to return such product to the manufacturer or to destroy such product.

"(b) ESTABLISHMENT.—The Commissioner, in consultation with the Administrator of the Drug Enforcement Administration, shall establish a drug salvager compensation program (hereinafter referred to in this section as the 'program') to carry out the purpose described in subsection (a).

"(c) CONTRACTS.—

"(1) IN GENERAL.—To carry out the program the Commissioner, in consultation with the Administrator of the Drug Enforcement Administration, shall enter into contracts with private nonprofit or profit making entities that acquire pharmaceuticals and controlled substances through the salvage of shipments of such products.

"(2) REQUIREMENT.—A contract entered into under paragraph (1) shall require the entity that is subject to the contract to return any pharmaceuticals and controlled substances acquired by such entity through salvage to the manufacturer or to destroy such products if the manufacturer cannot be determined.

"(3) COMPENSATION.—In exchange for entering into a contract under paragraph (1), the Commissioner shall reimburse such entity for any costs incurred by such entity in complying with the requirement of paragraph (2).

"(d) DEA NUMBERS.—Entities that are subject to a contract under subsection (c) shall be assigned a Drug Enforcement Administration number and shall be considered as an appropriate recipient of any controlled substances salvaged and disposed of under this section.

"(e) REPORTS.—

"(1) ENTITIES.—Entities that are subject to a contract under subsection (c) shall prepare and submit, to the Commissioner and the Administrator of the Drug Enforcement Administration, quarterly reports concerning their activities under this section.

"(2) CONGRESSIONAL.—Not later than 90 days after the end of each fiscal year, the Secretary, in consultation with the Attorney General, shall prepare and submit, to the Committee on Energy and Commerce and Judiciary of the House of Representatives and the Committee on Labor and Human Resources and Judiciary of the Senate, a report concerning the amount of drugs that have been obtained through salvage and disposed of under this section.".

SEC. 148. SENSE OF THE SENATE CONCERNING CERTAIN REPORTING REQUIREMENTS.

It is the sense of the Senate that the Secretary of Health and Human Services should review the reporting requirements that are imposed on the States by the Office of Treatment Improvement under title V of the Public Health Service Act to ensure that reports required pursuant to such requirements are not redundant, unnecessary, or overly burdensome on the States.

On page 228, lines 24 and 25, strike out "in fiscal year 1992 or 1993" and insert in lieu thereof "for a fiscal year after fiscal year 1991".

On page 229, strike out lines 12 through 16, and insert in lieu thereof the following new paragraph:

"(3) Notwithstanding any other provision of law, in fiscal year 1993 and in fiscal years thereafter, in order to ensure that each State receives an allotment under this section for each fiscal year in accordance with paragraph (1), the Secretary shall constrain the maximum percentage increase in the amount of the allotment to which any State is entitled, if any, under this section in each fiscal year, as compared to the amount of the allotment that such State received in the previous fiscal year, to the value necessary to meet the requirements of paragraph (1).";

On page 231, line 2, insert before the period the following: ", and shall update population data as frequently as possible".

On page 234, line 23, strike out "State and local correctional" and insert in lieu thereof "local jails and detention".

Beginning on page 234, strike out line 24 and all that follows through line 10 on page 235.

On page 235, line 11, strike out "(d)" and insert in lieu thereof "(c)".

On page 235, line 22, strike out "(e)" and insert in lieu thereof "(d)".

On page 236, line 12, strike out "(f)" and insert in lieu thereof "(e)".

On page 237, line 3, strike out "(g)" and insert in lieu thereof "(f)".

On page 237, line 9, strike out "(h)" and insert in lieu thereof "(g)".

On page 237, line 20, strike out "(i)" and insert in lieu thereof "(h)".

On page 246, line 7, strike out "that one or more" and all that follows through line 9, and insert in lieu thereof the following: "that—

"(1) one or more of the requirements of this section is inapplicable to a State; or

"(2) it is not reasonably practical for a State to comply with one or more of the requirements of this section.".

SEC. 208. REPEALS.

Sections 1922 and 1923 (42 U.S.C. 300x-9a and 300x-9b) are repealed.

On page 246, line 10, strike out "208" and insert in lieu thereof "209".

On page 259, line 4, strike out "and". Between lines 7 and 8, insert the following "(5) equitably distributed between urban and rural States and among all geographic regions of the country."

On page 277, line 3, insert "and information concerning" before "early".

On page 277, line 10, insert "related" after "health and".

On page 277, strike out lines 12 through 15.

On page 277, line 16, strike out "(v)" and insert in lieu thereof "(iv)".

On page 277, strike out line 19.

On page 277, line 20, strike out "(vii)" and insert in lieu thereof "(v)".

On page 278, line 1, strike out "(viii)" and insert in lieu thereof "(vi)".

On page 278, line 16, strike out "parenting skills,".

On page 278, line 17, insert "development and" before "utilization".

On page 279, strike out lines 1 through 4.

On page 279, line 5, strike out "(F)" and insert in lieu thereof "(E)".

On page 279, line 19, add "and" after the semicolon.

On page 279, strike out lines 20 through 22.

On page 279, line 23, strike out "(H) initial family assessments, and" and insert in lieu thereof "(F)".

On page 279, line 24, insert "as provided for in section 398F(d)(4)" before the period.

On page 280, line 10, insert ", and to provide information on the availability of" before "early".

On page 280, line 19, insert "related" after "health and".

On page 280, line 22, strike out "identify, where possible," and insert in lieu thereof "assist, when requested,".

On page 281, line 1, strike out ", and to assist them".

On page 281, line 2, add "and" after the semicolon.

On page 281, line 4, strike out "; and" and insert in lieu thereof a period.

On page 281, strike out lines 5 through 7.

On page 282, line 17, insert "related" before "social".

On page 283, line 15, strike out "or appropriate social worker" and insert in lieu thereof ", licensed social worker, or other licensed health care professional with experience and expertise in providing health and related social services in the home,".

On page 284, lines 18 and 19, strike out ", education, and" and insert in lieu thereof "and related".

On page 284, line 24, strike out "and".

On page 285, line 2, strike out the period and insert in lieu thereof "; and".

On page 285, between lines 2 and 3, insert the following new subparagraph:

"(E) the continuing voluntary participation of the client in the plan.

On page 289, line 2, insert "related" before "social".

On page 289, line 3, insert "health and related social" before "services".

On page 289, line 15, strike out "other" and insert in lieu thereof "related".

On page 291, line 2, strike out "social and other" and insert in lieu thereof "health and related social".

On page 292, line 4, strike out "recommendations" and all that follows through "able" on line 6, and insert in lieu thereof "further recommendations necessary or desirable".

On page 292, between lines 8 and 9, insert the following new subsections:

"(i) CONFIDENTIALITY.—In accordance with applicable State law, an entity receiving a grant under this section shall maintain confidentiality with respect to services provided to clients under this section.

"(j) LIMITATION.—Nothing in this section shall be construed to permit an entity receiving a grant under this section to provide services without the consent of the client.

On page 292, line 9, strike out "(i)" and insert in lieu thereof "(k)".

On page 299, line 11, strike out "8" and insert in lieu thereof "10".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1081) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

S. 1306

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Alcohol, Drug Abuse, and Mental Health Administration Reorganization Act of 1991".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References.

TITLE I—ADMINISTRATION AND INSTITUTES

Subtitle A—Restructuring

Sec. 101. Restructuring.

"PART A—ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

"Subpart 1—Establishment and General Duties

"Sec. 501. Alcohol, Drug Abuse and Mental Health Services Administration.
"Sec. 502. General duties and activities with respect to substance abuse and mental health.

"Subpart 2—Substance Abuse Prevention and Treatment Programs and Mental Health Services

"Sec. 505. Substance abuse prevention and treatment projects for high risk youth.
"Sec. 506. Projects for reducing the incidence of substance abuse among pregnant and postpartum women and their children.
"Sec. 507. Treatment projects of national significance.
"Sec. 508. Grants for substance abuse treatment in state and local criminal justice systems.
"Sec. 509. Treatment and prevention services training.
"Sec. 510. Substance abuse treatment capacity expansion program.
"Sec. 511. Other services programs.
"Sec. 512. Community partnership grants.
"Sec. 513. Establishment of grant program for demonstration projects.

"Subpart 3—Administrative Provisions

"Sec. 515. Advisory council.
"Sec. 516. Peer review for services grants.
"Sec. 517. Applications and Native American governing units.
"Sec. 518. Procedures for misconduct.
"Sec. 519. Experts and consultants.
"Sec. 520. Office for special populations.
"Sec. 520A. Office of women's health services.

Sec. 102. National Institutes.
"Subpart 14—National Institutes on Alcohol Abuse and Alcoholism, on Drug Abuse and of Mental Health
"CHAPTER 1—ESTABLISHMENT AND GENERAL DUTIES
"Sec. 464I. National Institute on Alcohol Abuse and Alcoholism.
"Sec. 464J. National Institute on Drug Abuse.
"Sec. 464K. National Institute of Mental Health.
"CHAPTER 2—RESEARCH PROGRAMS
"Sec. 464L. Mental health and substance abuse research.
"Sec. 464M. National mental health and substance abuse education programs.
"Sec. 464N. National substance abuse research centers.
"Sec. 464O. Medication development program.
Subtitle B—Miscellaneous Provisions
Sec. 111. Miscellaneous provisions.
"PART C—MISCELLANEOUS PROVISIONS RELATING TO SUBSTANCE ABUSE AND MENTAL HEALTH
"Sec. 541. Technical assistance to state and local agencies.
"Sec. 542. Substance abuse among government and other employees.
"Sec. 543. Admission of substance abusers to private and public hospitals and outpatient facilities.
"Sec. 544. Confidentiality of records.
"Sec. 545. Data collection.
"Sec. 546. Public health emergencies.
Subtitle C—Transfer Provisions
Sec. 121. Transfers.
Sec. 122. Delegation and assignment.
Sec. 123. Transfer and allocations of appropriations and personnel.
Sec. 124. Incidental transfers.
Sec. 125. Effect on personnel.
Sec. 126. Savings provisions.
Sec. 127. Separability.
Sec. 128. Transition.
Sec. 129. References.
Subtitle D—Conforming Amendments
Sec. 131. Conforming amendments.
Sec. 132. Additional conforming amendments.
Subtitle E—Miscellaneous provisions
Sec. 141. Alternative sources of funding for certain grantees.
Sec. 142. Peer review.
Sec. 143. Budgetary authority.
Sec. 144. Substance abuse training and research.
Sec. 145. Mental Health Services.
Sec. 146. Grants for certain trauma centers.
Sec. 147. Drug salvager compensation program.
Sec. 148. Sense of the Senate concerning certain reporting requirements.
TITLE II—REAUTHORIZATION AND IMPROVEMENT OF ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICE BLOCK GRANT PROGRAM
Sec. 201. Reauthorization of block grant.
Sec. 202. Revision of block grant formula.
Sec. 203. Use of unobligated funds by States.
Sec. 204. Revision of intravenous drug set-aside.
Sec. 205. Use of allotments.
Sec. 206. Maintenance of effort.
Sec. 207. Requirement of statewide substance abuse prevention and treatment plans.
Sec. 208. Repeals.
Sec. 209. Technical amendment.
TITLE III—CHILDREN OF SUBSTANCE ABUSERS
Sec. 301. Short title.
Sec. 302. Findings and purposes.
Subtitle A—Services for Children of Substance Abusers
Sec. 311. Services.
Subtitle B—Grants for Home-Visiting Services for At-Risk Families
Sec. 321. Short title.
Sec. 322. Grants for home-visiting services for at-risk families.
TITLE IV—CHILDHOOD MENTAL HEALTH
Sec. 401. Short title.
Sec. 402. Purpose.
Sec. 403. Establishment of program of grants to States with respect to comprehensive mental health services for children with serious emotional disturbance.
TITLE V—STUDIES
Sec. 501. Study on private sector development of pharmacotherapeutics.
Sec. 502. Study on medications review process reform.
Sec. 503. Sense of Congress.
Sec. 504. Report by the Institute on Medicine.
Sec. 505. Definition of serious mental illness.
Sec. 506. Provision of mental health services to individuals in correctional facilities.
Sec. 507. Study of barriers to treatment coverage.
Sec. 508. Report on fetal alcohol syndrome.
Sec. 509. Report on research.

SEC. 2. REFERENCES.

Except as otherwise provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

TITLE I—ADMINISTRATION AND INSTITUTES

Subtitle A—Restructuring

SEC. 101. RESTRUCTURING.

Title V (42 U.S.C. 290aa et seq.) is amended—

(1) by redesignating parts C through E as parts B through D, respectively; and

(2) by striking out parts A and B and inserting in lieu thereof the following new part:

"PART A—ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

"Subpart 1—Establishment and General Duties

"SEC. 501. ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.

"(a) ESTABLISHMENT.—There is hereby established, as an agency of the Service, the Alcohol, Drug Abuse and Mental Health Services Administration.

"(b) ADMINISTRATOR, ASSOCIATE ADMINISTRATORS AND OTHER ENTITIES.—

"(1) ADMINISTRATOR.—The Alcohol, Drug Abuse and Mental Health Services Administration shall be headed by an Administrator (hereinafter in this title referred to as the 'Administrator') who shall be appointed by the President by and with the advice and consent of the Senate.

"(2) ASSOCIATE ADMINISTRATORS FOR SUBSTANCE ABUSE AND FOR MENTAL HEALTH.—The Administrator with the approval of the Secretary, shall appoint an Associate Administrator for Substance Abuse and an Associate Administrator for Mental Health.

"(3) OTHER ENTITIES.—The Administrator with the approval of the Secretary, may establish and prescribe the functions of such offices and entities within the Administration as are necessary to administer the activities to be carried out through the Administration, including the establishment of an Office for Substance Abuse Prevention, an Office for Treatment Improvement, an Office for Mental Health Services and an Office for Evaluations and Statistics.

"(c) COMPREHENSIVE PROGRAM.—The Administrator shall establish and implement a comprehensive program to improve the provision of treatment, rehabilitation, and related services to individuals with substance abuse and mental illness and emotional disorders, improve prevention, promote mental health and protect the legal rights of individuals with mental illnesses and individuals who are substance abusers. The Administrator shall carry out the administrative and financial management, policy development and planning, evaluation, knowledge development, and public information functions that are required for the implementation of such program.

"(d) GRANTS FOR SERVICES.—

"(1) PURPOSE.—It is the purpose of the program established under this subsection to support the provision of substance abuse treatment, rehabilitation, prevention, and related services, to encourage others to provide such services and to further the application of knowledge to meet prevention, rehabilitation, treatment, and other related service needs. All programs conducted under this subsection shall include focus, to the extent appropriate, on both the mental health and substance abuse needs of the individuals to be served.

"(2) ESTABLISHMENT.—The Secretary, acting through the Administrator, shall establish and implement a program to award grants to, and enter into cooperative agreements and contracts with, public and nonprofit private entities for the conduct, promotion, and coordination of demonstration projects, evaluation and service system assessments, and other activities relative to the provision of treatment, rehabilitation, prevention, and related services.

"(e) EMPLOYEES.—The Administrator, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees as are necessary to administer the programs and authorities to be carried out through the Administration.

"(f) OTHER SERVICES.—The Administrator may accept voluntary and uncompensated services.

"(g) PARTICIPATION.—The programs to be carried out through the Administration shall be administered so as to encourage the broadest possible involvement of professionals, paraprofessionals, and other knowledgeable participants.

"(h) PEER REVIEW GROUPS AND ADVISORY COMMITTEES.—The Administrator shall, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, establish such technical and scientific peer review groups as are needed to carry out the requirements of section 516, establish program advisory committees pursuant to section 515, and pay members of such groups and committees, except that officers and employees of the United States shall not receive additional compensation for services as members of such groups or committees. The Federal Advisory Committee Act shall not apply to the duration of a peer review group appointed under this subsection.

"SEC. 502. GENERAL DUTIES AND ACTIVITIES WITH RESPECT TO SUBSTANCE ABUSE AND MENTAL HEALTH.

"(a) Definition.—For purposes of this section, the term 'treatment, rehabilitation, prevention, and related services' means primary prevention services, treatment of substance abuse, mental illness, or emotional disorders and services to rehabilitate persons with mental or substance abuse disorders, to promote mental health and improve individual functioning, and to assure needed care and support.

"(b) Duties.—The Administrator shall—

"(1) engage in activities that will support the improvement and provision of, and encourage others to provide treatment, rehabilitation, prevention, and related services, including the development of national mental health and substance abuse goals;

"(2) conduct activities to obtain and provide data and other information with respect to programs that provide treatment, rehabilitation, prevention, and related services;

"(3) collaborate with the appropriate Directors of the institutes of the National Institutes of Health to assure that research programs are conducted by such institutes with appropriate information obtained and maintained with the knowledge and experience of service programs under this title, and to assure that knowledge developed through research programs is appropriately applied through service programs;

"(4) in cooperation with the Centers for Disease Control, the Health Resource Services Administration and the National Institute on Drug Abuse, develop educational materials and intervention strategies to reduce the risks of acquired immune deficiency syndrome among intravenous drug abusers, and to develop appropriate mental health services for individuals with such disease;

"(5) conduct training, technical assistance, data collection, and evaluation activities with respect to programs that provide treatment and prevention services;

"(6) collaborate with the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health to promote and conduct evaluations of the process, outcomes, and community impact of treatment and prevention services and systems of services in order to identify the manner in which such services can most effectively be provided;

"(7) collaborate with the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health to promote and conduct the dissemination and implementation of research findings that will improve the delivery and effectiveness of treatment and prevention services;

"(8) collaborate with the National Institute on Aging to promote and evaluate mental health services for older Americans in need of such services through resource centers for long term care as authorized in section 412 of the Older Americans Act;

"(9) engage in activities to encourage the adoption of, and provide technical assistance to student assistance programs and employee assistance programs, especially those associated with small business;

"(10) in consultation with the States and provider associations, carry out activities to educate communities on the need for providing treatment and prevention services within such communities;

"(11) engage in activities to encourage public and private entities that provide health insurance to provide benefits for treatment, rehabilitation, and prevention services;

"(12) promote the increased integration of treatment, rehabilitation, and prevention services into the mainstream of the health care system of the United States;

"(13) develop and disseminate guidelines on the financing, organization and provision of treatment and prevention services;

"(14) establish a clearinghouse for substance abuse and mental health information to assure the widespread dissemination of such information to States, political subdivisions, educational agencies and institutions, treatment and prevention service providers, and the general public;

"(15) administer the block grant program authorized in section 1911, and the programs authorized in sections 1916B, 1924 and 1928;

"(16) carry out the programs established in sections 505 to 513, and the program established in part D, and in administering such programs, assure that—

"(A) all grants that are awarded for the provision of services are subject to performance and outcome evaluation studies; and

"(B) all grants awarded to entities other than States are awarded only after consultation with the appropriate State agency;

"(17) prepare and submit an annual report to the Secretary and the appropriate committees of Congress describing and assessing the collaborative activities conducted with the National Institutes of Health;

"(18) promote the coordination of service programs conducted by the Administration and similar programs conducted by other departments, agencies, organizations, and individuals that are or may be related to the problems of individuals suffering from mental illnesses and substance abuse, including liaisons with the Social Security Administration, Health Care Financing Administration, and other programs of the Department, as well as liaisons with the Department of Education, Department of Justice, and other Federal Departments and offices as appropriate;

"(19) promote policies and programs at Federal, State, and local levels and in the private sector that foster independence and protect the legal rights of persons disabled by mental illness or substance abuse, including carrying out the provisions of the Protection and Advocacy of Mentally Ill Individuals Act (42 U.S.C. 10801 et seq.);

"(20) carry out the program of Projects to Aid the Transition from Homelessness and demonstration programs for persons who are homeless, as authorized under the Stewart B. McKinney Homeless Assistance Act;

"(21) carry out responsibilities for the Human Resource Development program, and programs of clinical training for professional and paraprofessional personnel; and

"(22) conduct services-related assessments, including evaluations of the organization and financing of care, self-help and consumer-run programs, mental health economics, mental health service systems, rural mental health, and improve the capacity of State to conduct evaluations of publicly funded mental health programs.

"(c) Grants and Contracts.—The Administrator may make grants and enter into contracts and cooperative agreements in carrying out the activities described in subsection (b).

"(d) Applications.—Applications for grants under this part shall be in such form, shall contain such information, and shall be submitted at such time as the Secretary may prescribe.

"(e) Equitable Distribution.—To the extent feasible, the Secretary in awarding grants under this part, shall award such grants in all regions of the United States, and shall ensure the distribution of grants under this part among urban and rural areas.

"(f) Authorization of Appropriations.—For the purpose of carrying out this section, there are authorized to be appropriated $150,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"Subpart 2—Substance Abuse Prevention and Treatment Programs and Mental Health Services

"SEC. 505. SUBSTANCE ABUSE PREVENTION AND TREATMENT PROJECTS FOR HIGH RISK YOUTH.

"(a) Authority.—The Secretary, acting through the Administrator, shall make grants to public and nonprofit private entities for projects to prevent and treat substance abuse among youth at high risk of substance abuse.

"(b) Priority.—

"(1) Children.—In making grants for substance abuse prevention projects under this section, the Secretary shall give priority to applications for projects directed at children of substance abusers, latchkey children, children at risk of abuse or neglect, preschool children eligible for services under the Head Start Act, children at risk of dropping out of school, children at risk of becoming adolescent parents, children placed in foster care or at risk of such placement, and children who do not attend school and who are at risk of being unemployed.

"(2) Projects addressing certain relationships.—In making grants for substance abuse treatment projects under this section, the Secretary shall give priority to projects which address the relationship between substance abuse and physical child abuse, sexual child abuse, emotional child abuse, dropping out of school, unemployment, delinquency, pregnancy, violence, suicide, or mental health problems.

"(3) Community based organizations.—In making grants under this section, the Secretary shall give priority to applications from community based organizations for projects with comprehensive coordinated services for the prevention or treatment of substance abuse by high risk youth that may be replicated.

"(c) Application.—In order to receive a grant for a project under this section for a fiscal year, a public or nonprofit private entity shall submit an application to the Secretary.

"(d) Youth at High Risk of Substance Abuse.—For purposes of this section, the term 'youth at high risk of substance abuse' means an individual who has not attained the age of 21 years, who is at high risk of becoming, or who has become, a substance abuser, and who—

"(1) is identified as a child of a substance abuser;

"(2) is a victim of physical, sexual, or psychological abuse;

"(3) has dropped out of school;

"(4) has become pregnant;

"(5) is economically disadvantaged;

"(6) has committed a violent or delinquent act;

"(7) has experienced mental health problems;

"(8) has attempted suicide;

"(9) has experienced long-term physical pain due to injury; or

"(10) has experienced chronic failure in school.

"(e) LIMITATION.—Programs which receive assistance under this section shall not promote or encourage homosexual or heterosexual sexual activity programs receiving assistance under this section are intended to reduce substance abuse among all youth at risk of substance abuse; however, no youth shall be deemed at risk of substance abuse solely on the basis of the youth's sexual behavior.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $75,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"SEC. 506. PROJECTS FOR REDUCING THE INCIDENCE OF SUBSTANCE ABUSE AMONG PREGNANT AND POSTPARTUM WOMEN AND THEIR CHILDREN.

"(a) GRANTS.—The Secretary, acting through the Administrator, shall make grants to public and nonprofit private entities for the purpose of carrying out projects to provide to pregnant and postpartum women and their children prevention, education, and treatment services regarding substance abuse.

"(b) PRIORITY.—

"(1) IN GENERAL.—In making grants under subsection (a), the Secretary shall give priority to any qualified applicant that agrees to provide treatment services.

"(2) FURTHER PRIORITY.—

"(A) NUMBER OF SERVICES PROVIDED.—In the case of any applicant for a grant under subsection (a) that is receiving priority under paragraph (1), the Administrator shall give further priority to the applicant commensurate with the number of different services described in subparagraph (B) that will be provided through the applicant and commensurate with the quality of such services. For purposes of the preceding sentence, such services may be provided directly by the applicant or through arrangements with other public or nonprofit private entities.

"(B) SERVICES.—The services referred to in subparagraph (A) are—

"(i) outreach services in the community involved to encourage women who are abusing alcohol or drugs to undergo treatment for such abuse;

"(ii) primary health care, including prenatal and postpartum health care for women who are undergoing treatment for such abuse;

"(iii) for the children of such women, pediatric health care and comprehensive social services;

"(iv) child care, transportation, and other support services regarding such treatment;

"(v) as appropriate, referrals to facilities for necessary hospital services;

"(vi) employment counseling;

"(vii) counseling on parenting skills and nutrition;

"(viii) appropriate follow-up services to assist in preventing relapses;

"(ix) case management services, including assistance in establishing eligibility for assistance under Federal, State, and local programs providing health services, mental health services, or social services;

"(x) reasonable efforts to preserve and support the family unit, including promoting the appropriate involvement of parents and others, and counseling the children of women receiving services pursuant to this subsection; and

"(xi) housing in the course of treatment under circumstances that permit the children of the women to reside with their mothers.

"(c) ACCESSIBILITY AND LANGUAGE CONTEXT.—The Administrator may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the services provided pursuant to subsection (a), to—

"(1) provide services at locations accessible to low-income pregnant and postpartum women;

"(2) provide services in the cultural context that is most appropriate; and

"(3) ensure that individuals providing services are able to effectively communicate with the women and their children, directly or through interpreters.

"(d) HEALTH SERVICE COVERED BY STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT.—

"(1) REQUIREMENT.—Subject to paragraph (2), the Administrator may not make a grant under subsection (a) unless, in the case of any health service under subsection (b)(2)(B) that is covered by the State plan approved under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) for the State in which the service will be provided—

"(A) the applicant for the grant will provide the health service directly, and the applicant has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

"(B) the applicant for the grant has entered into a contract with an entity under which the entity will provide the health service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

"(2) WAIVER REGARDING PARTICIPATION AGREEMENTS.—

"(A) NO CHARGE OR REIMBURSEMENT.—In the case of an entity making an agreement under paragraph (1)(B) regarding the provision of health services under subsection (a), the requirement established in such paragraph regarding a participation agreement shall be waived by the Secretary if the organization does not, in providing health services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

"(B) DETERMINATION.—A determination by the Secretary of whether an entity referred to in subparagraph (A) meets the criteria for a waiver under such subparagraph shall be made without regard to whether the organization accepts voluntary donations regarding the provision of services to the public.

"(e) IMPOSITION OF CHARGES.—The Administrator may not make a grant under subsection (a) unless the applicant for the grant agrees that, if a charge is imposed for the provision of services or activities under the grant, such charge—

"(1) will be made according to a schedule of charges that is made available to the public;

"(2) will be adjusted to reflect the income and resources of the woman involved; and

"(3) will not be imposed on any woman with an income of less than 100 percent of the official poverty line, as established by the Director of the Office for Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)).

"(f) REQUIREMENT OF NON-FEDERAL CONTRIBUTIONS.—

"(1) IN GENERAL.—The Administrator may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to not less than—

"(A) $1 for each $9 of Federal funds provided for each of the first 5 years of payments under the grant; and

"(B) $1 for each $3 of Federal funds provided in any subsequent year of such payments if the grant is renewed pursuant to subsection (h).

"(2) TYPE OF CONTRIBUTION.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(g) LIMITATIONS AND WAIVER.—

"(1) LIMITATIONS.—The Administrator may not, except as provided in paragraph (2), make a grant under subsection (a) unless the applicant for the grant agrees that the grant will not be expended—

"(A) to provide inpatient services, except with respect to residential treatment for alcohol and drug abuse provided in settings other than hospitals;

"(B) to make cash payments to intended recipients of services under the program involved;

"(C) to purchase real property or major medical equipment; or

"(D) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

"(2) WAIVER.—If the Administrator finds that the purpose of the program involved cannot otherwise be carried out, the Director may, with respect to an otherwise qualified grantee, waive the restriction established in paragraph (1)(C).

"(h) PAYMENTS.—The period during which payments are made by the Administrator under a grant under subsection (a) may not exceed 5 years, but the Administrator may renew the grant.

"(i) COLLABORATION WITH OTHER FEDERAL AGENCIES AND WITH STATES.—The Administrator shall collaborate with all other relevant Federal agencies on issues relating to maternal substance abuse, including relevant institutes within the National Institutes of Health, the Bureaus of Maternal and Child Health and Health Resources Development, the Indian Health Service, the Bureau of Indian Affairs, the Bureau of Health Care Delivery and Assistance, and the Administration for Children and Families. Such collaboration may be accomplished through the establishment of interagency task forces, as appropriate. The Administration shall collaborate with the States to ensure that grants awarded under this section are coordinated with other treatment efforts undertaken within each State.

"(j) NONDISCRIMINATION.—The Secretary may not, in the awarding of grants under subsection (a), discriminate against applicants that propose or provide residential or outpatient treatment to substance abusing pregnant and postpartum women that receive treatment by order of a court or other appropriate public agency, subject to the availability of qualified applicants.

"(k) Annual Reports.—The Administrator may not make a grant under subsection (a) unless the applicant for the grant agrees—

"(1) to include in the report the number of women served, the number of children served, the utilization rates, and the type and costs of services provided to women and their children; and

"(2) to include in the report such other information as the Secretary determines to be appropriate; and

"(3) to prepare the report in such form, and to submit the report at such time and in such manner, as the Secretary determines to be necessary.

"(l) Report.—Not later than October 1, 1993 and every 3 years thereafter, the Administrator shall submit to the appropriate committees of Congress a report describing programs carried out pursuant to this section.

"(m) Authorization of Appropriations.—

"(1) In general.—There are authorized to be appropriated to carry out this section, $75,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) Residential treatment.—Of the amounts appropriated in each fiscal year under paragraph (1), the Secretary shall make available not less than $10,000,000 in each such fiscal year to award grants for the establishment of projects in which addicted mothers in residential drug abuse treatment facilities are permitted to have their children reside with them during the course of such treatment, or in which residential services are provided for mothers and their children while the mother participates in outpatient drug abuse treatment.

"(n) Definition.—For purposes of this section, the term 'post-partum' means the 12-month period following the delivery of a child.

"SEC. 507. TREATMENT PROJECTS OF NATIONAL SIGNIFICANCE.

"(a) Grants for Treatment Improvement.—The Administrator shall award grants to public and nonprofit private entities for the purpose of establishing projects that will improve the provision of substance abuse treatment services.

"(b) Nature of Projects.—Grants under subsection (a) may be awarded for—

"(1) projects that focus on providing treatment to adolescents, minorities, female addicts and their children, the residents of public housing projects, or substance abusers in rural areas;

"(2) projects that provide substance abuse treatment and vocational training in exchange for public service;

"(3) projects that provide treatment services and which are operated by public and nonprofit private entities receiving grants under section 329, 330 or 340;

"(4) projects that provide substance abuse treatment to women with children in the setting in which such children receive primary pediatric care or in which such women receive primary health care;

"(5) 'treatment campus' projects that—

"(A) serve a significant number of individuals simultaneously;

"(B) provide residential drug treatment;

"(C) provide patients with ancillary social services and referrals to community-based aftercare, including psychosocial rehabilitation, peer support and group homes; and

"(D) provide services on a voluntary basis; or

"(6) projects to determine the long-term efficacy of the projects described in this section.

"(c) Preferences in Making Grants.—In awarding grants under subsection (a), the Administrator shall give preference to projects that—

"(1) demonstrate a comprehensive approach to the problems associated with substance abuse and provide evidence of broad community involvement and support; or

"(2) initiate and expand programs for the provision of treatment services (including renovation of facilities, but not construction) in localities in which, and among populations for which, there is a public health crisis as a result of the inadequate availability of such services.

"(d) Duration of Grants.—Projects funded under subsection (a) shall be for a period of at least 3 years, but in no event to exceed 5 years, and may be renewed after competitive application.

"(e) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"SEC. 508. GRANTS FOR SUBSTANCE ABUSE TREATMENT IN STATE AND LOCAL CRIMINAL JUSTICE SYSTEMS.

"(a) In General.—The Secretary, acting through the Administrator, shall establish a program to provide grants to public and nonprofit private entities that provide drug and alcohol treatment services to individuals under criminal justice supervision.

"(b) Eligibility.—In awarding grants under subsection (a), the Administrator shall ensure that the grants are reasonably distributed among—

"(1) projects that provide treatment services to individuals who are incarcerated in prisons, jails, or community correctional settings; and

"(2) projects that provide treatment services to individuals who are not incarcerated, but who are under criminal justice supervision because of their status as pretrial releasees, post-trial releasees, probationers, parolees, or supervised releasees.

"(c) Priority.—In awarding grants under subsection (a), the Administrator shall give priority to programs commensurate with the extent to which such programs provide, directly or in conjunction with other public or private nonprofit entities, one or more of the following—

"(1) a continuum of offender management services as individuals enter, proceed through, and leave the criminal justice system, including identification and assessment, drug and alcohol treatment, pre-release counseling and pre-release referrals with respect to housing, employment and treatment;

"(2) comprehensive treatment services for juvenile offenders;

"(3) comprehensive treatment services for female offenders, including related services such as violence counseling, parenting and child development classes, and perinatal care;

"(4) outreach services to identify individuals under criminal justice supervision who would benefit from substance abuse treatment and to encourage such individuals to seek treatment; or

"(5) treatment services that function as an alternative to incarceration for appropriate categories of offenders or that otherwise enable individuals to remain under criminal justice supervision in the least restrictive setting consistent with public safety.

"(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"SEC. 509. TREATMENT AND PREVENTION SERVICES TRAINING.

"(a) In General.—The Secretary, acting through the Administrator, shall develop programs to increase the number of substance abuse treatment and prevention providers and the number of health professionals providing treatment and prevention services as a component of primary health care. Such programs shall include the awarding of grants, contracts or cooperative agreements to appropriate public and nonprofit private entities, including agencies of State and local governments, provider associations, hospitals, schools of medicine, schools of osteopathic medicine, schools of nursing, schools of public health, schools of chiropractic services, schools of social work, graduate programs in family therapy, and graduate programs in clinical psychology.

"(b) Use of Amounts.—Amounts awarded under subsection (a) shall be utilized to—

"(1) train individuals in the diagnosis, treatment and prevention of substance abuse; and

"(2) to develop appropriate curricula and materials for the training described in paragraph (1);

"(c) Priority.—In awarding grants under subsection (a), the Administrator shall give priority to applicants that train full-time substance abuse treatment providers.

"(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"SEC. 510. SUBSTANCE ABUSE TREATMENT CAPACITY EXPANSION PROGRAM.

"(a) Capacity Expansion Projects.—

"(1) Establishment.—The Secretary, acting through the Administrator, shall award grants to States for the purpose of assisting such States to expand their substance abuse treatment capacity.

"(2) State eligibility.—The Secretary shall award grants under paragraph (1) to States in which the demand for substance abuse treatment services exceeds the capacity of entities operating in those States to provide such services. In making such determination concerning demand, the Secretary shall consider indicators of capacity shortage, such as a high prevalence of substance abuse, a high crime rate, a high rate of acquired immune deficiency syndrome among intravenous drug users, waiting lists at treatment facilities within a State, and any other criteria that the Secretary determines are appropriate.

"(3) Priority.—In awarding grants under this section, the Secretary shall develop criteria to assess the extent to which States are utilizing non-Federal funds to expand treatment capacity, and shall give priority to such States commensurate with the per capita expenditure of such funds and may establish such other priorities as appropriate.

"(4) Use of grants.—Grants awarded under this section shall be used directly for the provision of treatment services, except that the Secretary may authorize the use of grant funds to renovate or improve property to make such property suitable for use as a treatment facility if the Secretary determines, with respect to a prospective grantee, that inadequate facilities are a significant barrier to capacity expansion. Grants awarded under this section may not be used to purchase real property.

"(5) Supplementation of funding.—Projects funded under paragraph (1) shall supplement, not supplant, existing or planned substance abuse treatment services in a State.

"(b) Requirement of Non-Federal Contributions.—

"(1) In general.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to not less than—

"(A) $1 for each $9 of Federal funds provided for each of the first 5 years of payments under the grant; and

"(B) $1 for each $3 of Federal funds provided in any subsequent year of such payments if the grant is renewed pursuant to subsection (c).

"(2) Type of contribution.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(c) Payments.—The period during which payments are made by the Secretary under a grant under subsection (a) may not exceed 5 years, but the Secretary may renew the grant.

"(d) Authorization of Appropriations.—

"(1) In general.—There are authorized to be appropriated to carry out this section $100,000,000 for the fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) Availability.—Funds appropriated in accordance with paragraph (1) shall remain available until expended.

"SEC. 511. OTHER SERVICES PROGRAMS.

"(a) AIDS Outreach Grants.—The Secretary, acting through the Administrator and in consultation with the National Institute on Drug Abuse and the Health Resources and Services Administration, may make grants to, or enter into contracts with, public and nonprofit private entities to support projects to carry out outreach activities to intravenous drug abusers and their sexual partners with respect to preventing exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome and encouraging intravenous drug abusers to seek treatment for such abuse.

"(b) Grants for the Benefit of Homeless Individuals.—The Secretary, acting through the Administrator, may make grants to, and enter into contracts and cooperative agreements with, community-based public and private nonprofit entities for the purpose of developing and expanding mental health and substance abuse treatment services for homeless individuals. In carrying out this subsection, the Administrator shall consult with the Administrator of the Health Resources and Services Administration and with the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health.

"(c) Term of Grant.—No entity may receive grants under subsection (a) or (b) for more than 5 years although such grants may be renewed.

"(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $150,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"(e) Limitation.—None of the funds expended under this section shall be used for carrying out any program for the distribution of sterile needles for the hypodermic injection of any illegal drug.

"SEC. 512. COMMUNITY PARTNERSHIP GRANTS.

"(a) Grants.—The Secretary, acting through the Administrator, may make grants to communities—

"(1) for the development of comprehensive long-term strategies for the prevention of substance abuse; and

"(2) to evaluate the success of different community approaches towards the prevention of substance abuse.

"(b) Application.—To be eligible to receive a grant under this section, a community shall prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require.

"(c) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, $130,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.

"SEC. 513. ESTABLISHMENT OF GRANT PROGRAM FOR DEMONSTRATION PROJECTS.

"(a) Seriously Mentally Ill Individuals, and Children and Adolescents With Serious Emotional and Mental Disturbances.—

"(1) In general.—The Secretary, acting through the Administrator, may make grants to public and nonprofit private entities for—

"(A) mental health services demonstration projects for the planning, coordination, implementation, evaluation and improvement of community services (including outreach and consumer-run self-help services) for seriously mentally ill individuals and their families, seriously emotionally and mentally disturbed children and youth and their families, and seriously mentally ill homeless and elderly individuals;

"(B) demonstration projects for the prevention of youth suicide, except that such projects shall not promote, condone, justify, or advocate suicide or provide instruction in methods of suicide;

"(C) demonstration projects for the improvement of the recognition, assessment, treatment and clinical management of depressive disorders;

"(D) demonstration projects for programs to prevent the occurrence of sex offenses, and for the provision of treatment and psychological assistance to the victims of sex offenses; and

"(E) demonstration projects for programs to provide mental health services to victims of family violence.

"(2) Mental health services.—Mental health services provided under paragraph (1)(A) should encompass a range of delivery systems designed to permit individuals to receive treatment in the most therapeutically appropriate, least restrictive setting. Grants shall be awarded under such paragraph for—

"(A) demonstration programs and evaluations concerning such services; and

"(B) systems improvements to assist States and local entities to develop appropriate comprehensive mental health systems for adults with serious long-term mental illness and children and adolescents with serious emotional and mental disturbance.

"(b) Individuals at Risk of Mental Illness.—

"(1) Grants.—The Secretary, acting through the Administrator, may make grants to States, political subdivisions of States, and private nonprofit agencies for prevention services demonstration projects for the provision of prevention services for individuals who, in the determination of the Secretary, are at risk of developing mental illness.

"(2) Types of demonstrations.—Demonstration projects under paragraph (1) may include—

"(A) prevention services for populations at risk of developing mental illness, particularly displaced workers, those confined in correctional facilities, young children, and adolescents;

"(B) the development and dissemination of education materials;

"(C) the sponsoring of local, regional, or national workshops or conferences;

"(D) the conducting of training programs with respect to the provision of mental health services to individuals described in paragraph (1); and

"(E) the provision of technical assistance to providers of such services.

"(c) Limitation on Duration of Grant.—The Secretary may make a grant under subsection (a) or (b) for not more than five consecutive one-year periods.

"(d) Limitation on Administrative Expenses.—The Secretary may not make a grant under subsection (a) or (b) to an applicant unless the applicant agrees that not more than 10 percent of such a grant will be expended for administrative expenses.

"(e) Authorizations of Appropriations.—

"(1) In general.—For the purposes of carrying out this section, there are authorized to be appropriated $40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) Rural areas.—Of the amounts appropriated pursuant to paragraph (1), the Secretary shall make available 15 percent for demonstration projects to carry out the purpose of this section in rural areas.

"Subpart 3—Administrative Provisions

"SEC. 515. ADVISORY COUNCIL.

"(a) Appointment.—

"(1) In general.—The Secretary acting through the Administrator, shall appoint one or more advisory councils for the Alcohol, Drug Abuse and Mental Health Services Administration (hereinafter referred to in this part as the 'Administration'). Such an advisory council shall advise, consult with, and make recommendations to the Administrator concerning matters relating to the activities carried out by and through the Administration and the policies respecting such activities.

"(2) Duties.—An advisory council appointed under paragraph (1)—

"(A)(i) shall review applications for grants and cooperative agreements for services or training and for which advisory council approval is required under section 516(c)(2), and recommend for approval applications for projects which show promise of improving the provision of treatment and prevention services; and

"(ii) may review any grant, contract, or cooperative agreement proposed to be made or entered into by the Administration;

"(B) may appoint subcommittees and convene workshops and conferences; and

"(C) may prepare reports.

"(b) Composition.—

"(1) In general.—An advisory council appointed under subsection (a) shall consist of nonvoting ex officio members and not more than 12 members appointed by the Secretary.

"(2) Ex officio members.—The ex officio members of an advisory council shall consist of—

"(A) the Secretary and the Administrator (or the designees of such officers); and

"(B) such additional officers or employees of the United States as the Secretary determines necessary for the advisory council to effectively carry out its functions.

"(3) Appointment of Members.—The members of an advisory council who are not ex officio members shall be appointed as follows:

"(A) Nine of the members shall be appointed by the Secretary from among the leading representatives of the fields of substance abuse and mental health treatment and prevention and two of such members shall be individuals who have received substance abuse or mental health treatment.

"(B) Three of the members shall be appointed by the Secretary from the general public and shall include leaders in fields of public policy, public relations, law, health policy, economics, and management.

"(4) Compensation and Expenses.—Members of an advisory council who are officers or employees of the United States shall not receive any compensation for service on an advisory council. The other members of an advisory council shall receive, for each day (including travel time) they are engaged in the performance of the functions of an advisory council, compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule.

"(c) Term of Office.—

"(1) In general.—The term of office of an appointed member of an advisory council shall be 4 years, except that any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term and the Secretary shall make appointments to an advisory council in such manner as to ensure that the terms of the members do not all expire in the same year. A member may serve after the expiration of the member's term until a successor has taken office.

"(2) Reappointments.—A member who has been appointed for a term of 4 years may not be reappointed to an advisory council before 2 years from the date of expiration of such term of office.

"(3) Vacancies.—If a vacancy occurs on an advisory council among the appointed members, the Secretary shall make an appointment to fill the vacancy within 90 days from the date the vacancy occurs.

"(d) Chairperson.—The chairperson of an advisory council shall be selected by the Secretary from among the members. The term of office of chairperson shall be 2 years.

"(e) Meetings.—An advisory council shall meet at the call of the chairperson or upon the request of the Administrator but at least 3 times each fiscal year. The location of the meetings of an advisory council shall be subject to the approval of the Administrator.

"(f) Administration.—The Administrator shall designate a member of the staff of the Administration to serve as the executive secretary of an advisory council. The Administrator shall make available to an advisory council such staff, information, and other assistance as it may require to carry out its functions, and shall provide orientation and training for new members of an advisory council to provide them with such information and training as may be appropriate for their effective participation in the functions of an advisory council.

"SEC. 516. PEER REVIEW FOR SERVICES GRANTS.

"(a) Provision.—The Secretary, after consultation with the Administrator, shall by regulation require appropriate peer review of services, and services training, grants, cooperative agreements, and contracts to be administered through the Administration.

"(b) Membership.—The members of any peer review group established under such regulations shall be individuals who by virtue of their training or experience are eminently qualified to perform the review functions of the group and not more than one-fourth of the members of any peer review group established under such regulations shall be officers or employees of the United States.

"(c) Requirements Based on Amounts.—

"(1) Under $50,000.—If the direct cost of a grant, cooperative agreement, or contract to be made does not exceed $50,000, the Secretary may make such grant, cooperative agreement, or contract only if such grant, cooperative agreement, or contract is recommended after technical and scientific peer review required by regulations under subsections (a) and (b).

"(2) Over $50,000.—If the direct cost of a grant, cooperative agreement, or contract (described in subsection (a)) to be made exceeds $50,000, the Secretary may make such grant, cooperative agreement, or contract only if such grant, cooperative agreement, or contract is recommended—

"(A) after peer review required by regulations under subsections (a) and (b); and

"(B) by the advisory council established under section 515.

"SEC. 517. APPLICATIONS AND NATIVE AMERICAN GOVERNING UNITS.

"(a) Applications.—Except as otherwise specifically provided, grants under this title may be made only to public and nonprofit private entities that prepare and submit to the administering entity an application for such grant that—

"(1) with respect to carrying out the purpose for which the assistance is to be provided, provides assurances of compliance satisfactory to the Secretary; and

"(2) is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out the purpose of the program under which the application is submitted.

"(b) Native American Governing Units.—For purposes of this title, Native American governing units and agencies shall be considered public entities.

"SEC. 518. PROCEDURES FOR MISCONDUCT.

"The Administrator shall establish a process for the prompt and appropriate response to information regarding misconduct in connection with projects, to be administered by the Administrator, for which funds have been made available under this title. Such process shall include procedures for the receiving of reports of such information from recipients of funds under this title and taking appropriate action with respect to such misconduct and violations.

"SEC. 519. EXPERTS AND CONSULTANTS.

"(a) Authority to Obtain.—The Administrator may obtain (in accordance with section 3109 of title 5, United States Code, but without regard to the limitation in such section on the number of days or the period of service) the services of not more than 20 experts or consultants who have scientific or professional qualifications. Such experts and consultants shall be obtained for the Administration and each of the agencies of such.

"(b) Compensation and Expenses.—

"(1) In general.—Experts and consultants whose services are obtained under subsection (a) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a)(1), 5724a(a)(3), and 5726(c) of title 5, United States Code.

"(2) Agreements.—Expenses specified in paragraph (1) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under subsection (a), unless and until the expert or consultant agrees in writing to complete the entire period of assignment or one year, whichever is shorter, unless separated or reassigned for reasons beyond the control of the expert or consultant that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in paragraph (1) is recoverable from the expert or consultant as a debt of the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"SEC. 520. OFFICE FOR SPECIAL POPULATIONS.

"(a) Establishment.—The Administrator shall establish, within the Administration, an Office for Special Populations.

"(b) Director.—

"(1) Designation.—The Administrator shall designate a Director for Special Populations for the Office established under subsection (a).

"(2) Duties.—The Secretary, acting through the Director for Special Populations shall—

"(A) develop and coordinate policies and programs to assure increased emphasis on the needs of adolescents, children, individuals with disabilities, minority populations and the elderly with respect to substance abuse and mental health;

"(B) develop a plan to increase the provision of treatment and prevention services to adolescents, children, individuals with disabilities, minority populations and the elderly; and

"(C) support and develop programs designed to counteract discrimination against adolescents, children, individuals with disabilities, minority populations and the elderly in the fields of substance abuse and mental health services.

"(c) Annual Report.—The Secretary shall periodically report to the appropriate committees of Congress concerning the actions taken by the Administrator under this section.

"(d) Native Americans.—For purposes of this section, the term 'minority populations' shall include Native Americans.

"SEC. 520A. OFFICE OF WOMEN'S HEALTH SERVICES.

"(a) Establishment and General Provisions.—

"(1) In general.—There is established within the Office of the Administrator an office to be known as the Office of Women's Health Services (hereafter in this section referred to as the 'Office'). The Office shall be headed by a director, who shall be appointed by the Administrator.

"(2) Purpose.—The Director of the Office shall ensure that women's health and mental health services are identified and addressed by the Alcohol, Drug Abuse, and Mental Health Administration.

"(3) Coordinating committee.—

"(A) In carrying out subsection (a)(2), the Director of the Office shall establish a committee to be known as the Coordinating Committee for Research on Women's Health (hereafter in this paragraph referred to as the 'Coordinating Committee').

"(B) The Coordinating Committee shall be composed of the Directors of the agencies of the Alcohol, Drug Abuse, and Mental Health Administration (or the designees of the Directors).

"(C) The Director of the Office shall serve as the chair of the Coordinating Committee.

"(E) The Coordinating Committee shall, with respect to women's health and mental health services—

"(i) identify the need for such services, and make an estimate each fiscal year of the funds needed to adequately support the services;

"(ii) identify needs regarding the coordination of services, including with respect to intramural and extramural multidisciplinary projects and programs;

"(iii) encourage the agencies of the Alcohol, Drug Abuse, and Mental Health Services Administration to support such services; and

"(iv) determine the extent to which women are represented among senior physicians and scientists of the Alcohol, Drug Abuse, and Mental Health Services Administration and of entities conducting services with funds provided by such Administration, and as appropriate, carry out activities to increase the extent of such representation.

"(4) ADVISORY COMMITTEE.—

"(A) In carrying out subsection (a)(2), the Director of the Office shall establish an advisory committee to be known as the Advisory Committee for Women's Health Services (hereafter in this paragraph referred to as the 'Advisory Committee').

"(B) The Advisory Committee shall be composed of not more than 18 individuals who are not officers or employees of the Federal Government. The Director of the Office shall make appointments to the Advisory Committee from among physicians, practitioners, scientists, and other health professionals, whose clinical practice, specialization, or professional expertise includes a significant focus on women's health and mental health conditions.

"(C) The Director of the Office shall serve as the chair of the Advisory Committee.

"(D) The Advisory Committee shall—

"(i) advise the Director of the Office on appropriate activities to be undertaken by the agencies of the Alcohol, Drug Abuse, and Mental Health Administration with respect to—

"(I) women's health and mental health services, including services relating to menopause, premenstrual syndrome, postpartum depression, and other conditions related to the reproductive system, and including depression, attacks of panic, and eating disorders; and

"(II) women's health and mental health services which require a multidisciplinary approach;

"(ii) report to the Director of the Office on publicly and privately supported women's health and mental health services; and

"(iii) provide recommendations to the Director of the Office regarding activities of the Office.

"(E)(i) The Advisory Committee shall prepare a biennial report describing the activities of the Committee, including findings made by the Committee regarding—

"(I) the extent of expenditures made for women's health and mental health research by the agencies of the Alcohol, Drug Abuse, and Mental Health Services Administration; and

"(II) the level of funding needed for women's health and mental health research.

"(ii) The report required in subparagraph (A) shall be submitted to the Administrator for inclusion in the report required in subsection (c).

"(b) NATIONAL DATA SYSTEM AND CLEARINGHOUSE.—

"(1) DATA SYSTEM.—

"(A) The Administrator shall establish a single data system for the collection, storage, analysis, retrieval, and dissemination of information regarding women's health and mental health research. Information from the data system shall be available through information systems available to health care professionals and providers, researchers, and members of the public.

"(B) The data system established under subparagraph (A) shall include a registry of clinical trials of experimental treatments that have been developed for women's health and mental health research. Such registry shall include information on subject eligibility criteria, sex, age, ethnicity or race, and the location of the trial site or sites. Principal investigators of such clinical trials shall provide this information to the registry within 30 days after it is available. Once a trial has been completed, the principal investigator shall provide the registry with information pertaining to the results, including potential toxicities or adverse effects associated with the experimental treatment or treatments evaluated.

"(2) CLEARINGHOUSE.—The Administrator, in consultation with the Director of the Office and the National Library of Medicine, shall establish, maintain, and operate a program to provide information on women's health and mental health services.

"(c) BIENNIAL REPORT.—Not later than February 1, 1994, and February 1 of every second year thereafter, the Director of the Office shall, with respect to women's health and mental health services, submit to the Congress a report—

"(1) describing and evaluating the progress made during the preceding 2 fiscal years in research and treatment conducted or supported by the Alcohol, Drug Abuse, and Mental Health Services Administration;

"(2) summarizing and analyzing expenditures made by the agencies of such Administration (including the Office) during the preceding 2 fiscal years; and

"(3) making such recommendations for legislative and administrative initiatives as the Director of the Office determines to be appropriate.

"(d) DEFINITIONS.—For purposes of this section:

"(1) WOMEN'S HEALTH AND MENTAL HEALTH CONDITIONS.—

"(A) Except as provided in subparagraph (B), the term 'women's health and mental health conditions', with respect to women of all age, ethnic, and racial groups, means all diseases, disorders, and other conditions (including with respect to mental health)—

"(i) unique to or more prevalent in women; or

"(ii) with respect to which there has been insufficient services involving women.

"(B) The term 'women's health and mental health conditions' does not include a disease, disorder, or other condition unless the condition—

"(i) relates to alcohol, drug abuse, or mental health; or

"(ii) relates to another condition with respect to which the Alcohol, Drug Abuse, and Mental Health Services Administration is authorized, by a provision of law other than this section, to provide services.

"(2) WOMEN'S HEALTH AND MENTAL HEALTH SERVICES.—The term 'women's health and mental health services' means services for women's health and mental health conditions.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $20,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995. The authorization of appropriations established in the preceding sentence shall be in addition to any other amounts authorized to be appropriated for providing and supporting women's health and mental health services.".

SEC. 102. NATIONAL INSTITUTES.

(a) NATIONAL INSTITUTES OF HEALTH.—Section 401(b)(1) (42 U.S.C. 281(b)(1)) is amended by adding at the end thereof the following new subparagraphs:

"(N) The National Institute on Alcohol Abuse and Alcoholism.

"(O) The National Institute on Drug Abuse.

"(P) The National Institute of Mental Health.".

(b) ORGANIZATION.—Part C of title IV (42 U.S.C. 285 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 14—National Institutes on Alcohol Abuse and Alcoholism, on Drug Abuse and of Mental Health

"CHAPTER 1—ESTABLISHMENT AND GENERAL DUTIES

"SEC. 464I. NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established within the National Institutes of Health the National Institute on Alcohol Abuse and Alcoholism (hereafter in this section referred to as the 'Institute') to administer the programs and authorities relating to alcohol abuse and alcoholism assigned to the Director of such Institute by this Act.

"(2) COMPREHENSIVE PROGRAMS.—The Director of the Institute shall develop and conduct a comprehensive research program on the cause, diagnosis, epidemiology, prevention and treatment of alcohol abuse and alcoholism, including services research. The Director of the Institute shall carry out the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(3) PURPOSE.—The general purpose of the Institute is the conduct and support of biomedical, behavioral, epidemiological, social, and clinical research, including health services research, research training, health information dissemination, and other research with respect to the etiology, prevention, treatment, and consequences of alcohol abuse and alcoholism.

"(b) DIRECTOR.—

"(1) IN GENERAL.—The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) EMPLOYEES.—The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs to be carried out through the Institute, and may obtain the services of not more than 10 expert consultants in accordance with the terms and conditions provided for in section 402(d).

"(c) PARTICIPATION.—The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines.

"(d) REPORTS.—The Director shall, every 3 years, prepare and submit to Congress a report containing—

"(1) current information concerning the health consequences of using alcoholic beverages;

"(2) a description of current research findings made with respect to alcohol abuse and alcoholism; and

"(3) such recommendations for legislation and administrative action as the Director considers appropriate.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $200,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 through 1996.

"SEC. 464J. NATIONAL INSTITUTE ON DRUG ABUSE.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established within the National Institutes of Health the National Institute on Drug Abuse (hereinafter in this section referred to as the 'Institute') to administer the programs and authorities relating to drug abuse assigned to the Director of such Institute by this Act.

"(2) COMPREHENSIVE PROGRAMS.—The Director of the Institute shall develop and conduct a comprehensive research program on the cause, diagnosis, epidemiology, prevention and treatment of drug abuse, including services research. The Director of the Institute shall carry out the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(3) PURPOSE.—The general purpose of the Institute is the conduct and support of biomedical, behavioral, epidemiological, social, and clinical research, including health services research, research training, health information dissemination, and other research with respect to the etiology, prevention, treatment, and consequences of drug abuse.

"(b) DIRECTOR.—

"(1) IN GENERAL.—The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) EMPLOYEES.—The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute, and may obtain the services of not more than 10 expert consultants in accordance with the terms and conditions provided for in section 402(d).

"(c) PARTICIPATION.—The programs of the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $400,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 through 1996.

"SEC. 464K. NATIONAL INSTITUTE OF MENTAL HEALTH.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established within the National Institutes of Health the National Institute of Mental Health (hereinafter in this part referred to as the 'Institute') to administer the programs and authorities of the Director with respect to mental health.

"(2) COMPREHENSIVE PROGRAM.—The Director of the Institute, shall develop and conduct a comprehensive research program on the cause, diagnosis, epidemiology, prevention and treatment of mental illness, including services research. The Director of the Institute shall carry out the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities. The research program established under this paragraph shall include support for biomedical and behavioral neuroscience and shall be designed to further the treatment and prevention of mental illness, the promotion of mental health, and the study of the psychological, social and legal factors that influence behavior.

"(3) PURPOSE.—The general purpose of the Institute is the conduct and support of research, research training, mental health information dissemination, and other research with respect to the cause, diagnosis, prevention, treatment, and consequences of mental disorders, and the promotion of mental health.

"(b) DIRECTOR.—

"(1) IN GENERAL.—The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) EMPLOYEES.—The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute, and may obtain the services of not more than 20 expert consultants in accordance with the terms and conditions provided for in section 402(d).

"(c) PARTICIPATION.—The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $600,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 through 1996.

CHAPTER 2—RESEARCH PROGRAMS

"SEC. 464L. MENTAL HEALTH AND SUBSTANCE ABUSE RESEARCH.

"(a) IN GENERAL.—The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, may make grants to, and enter into cooperative agreements and contracts with, public and nonprofit private entities for the conduct of, promotions of, coordination of, research, investigation, experiments, demonstrations, clinical trials and studies relative to the cause, diagnosis, treatment, control, epidemiology, and prevention of mental illness and substance abuse.

"(b) AUTHORITY TO CARRY OUT ACTIVITIES.—In carrying out the programs described in subsection (a), the Secretary, acting through each Director, is authorized to—

"(1) collect and disseminate through publications and other appropriate means (including the development of curriculum materials), information as to, and the practical application of, the research and other activities under the program;

"(2) make available research facilities of the Public Health Service to appropriate public authorities, and to health officials and scientists engaged in special study;

"(3) secure from time to time and for such periods as the Directors deem advisable, the assistance and advice of experts, scholars, and consultants;

"(4) promote the coordination of appropriate research programs conducted by the Directors, and similar programs conducted by other departments, agencies, organizations, and individuals, including the Centers for Disease Control and all National Institutes of Health research activities;

"(5) conduct intramural programs of biomedical, behavioral, epidemiological, and social research, including research involving human subjects, each of which is—

"(A) located in an institution capable of providing all necessary medical care for such human subjects, including complete 24-hour medical diagnostic services by or under the supervision of physicians, acute and intensive medical care, including 24-hour emergency care, psychiatric care, and such other care as is determined to be necessary for individuals suffering from substance abuse; and

"(B) associated with an accredited medical or research training institution;

"(6) for purposes of study, admit and treat at institutions, hospitals, and stations of the Public Health Service, persons not otherwise eligible for such treatment;

"(7) provide to health officials, scientists, and appropriate public and other nonprofit institutions and organizations, technical advice and assistance on the application of statistical and other scientific research methods to experiments, studies, and surveys in health and medical fields;

"(8) conduct research directly or through grants and contracts concerning the development of new and improved medications for the treatment of the diseases within the Institute's mission;

"(9) enter into contracts under this subpart without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5);

"(10) collaborate with the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration to ensure that research programs are appropriately informed with the knowledge and experience obtained through service programs, and to assure that knowledge developed through research programs is appropriately applied through service programs;

"(11) collaborate with the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration to promote the study of the outcomes of treatment, rehabilitation, and prevention services in order to identify the manner in which such services can most effectively be provided;

"(12) collaborate with the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration to promote the dissemination and implementation of research findings that will improve the delivery and effectiveness of treatment, rehabilitation, and prevention services;

"(13) prepare and submit an annual report to the Secretary and the appropriate committees of Congress describing and assessing the collaborative activities conducted with the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health; and

"(14) adopt such additional means as the Directors determines necessary or appropriate to carry out the purposes of this section.

"SEC. 464M. NATIONAL MENTAL HEALTH AND SUBSTANCE ABUSE EDUCATION PROGRAMS.

"The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, shall establish National Mental Health and Substance Abuse Education Programs for the purpose of—

"(1) disseminating by publication and other appropriate means, information concerning improved methods of treating substance abusers and individuals with mental health problems and improved methods of assisting the families of such individuals; and

"(2) supporting, by grant, contract, or otherwise, programs of training and education with respect to the causes, diagnosis, and treatment of, and research concerning, substance abuse and mental health problems.

"SEC. 464N. NATIONAL SUBSTANCE ABUSE RESEARCH CENTERS.

"(a) DESIGNATION.—The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse, may designate National Substance Abuse Research Centers for the purpose of interdisciplinary research relating to substance abuse and other biomedical, behavioral, and social issues. No entity may be designated as a Center unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such manner and contain such information as the Secretary may reasonably require. The Secretary may not approve such an application unless—

"(1) the application contains or is supported by reasonable assurances that—

"(A) the applicant has the experience, or capability, to conduct, through biomedical, behavioral, social, and related disciplines, long-term research on substance abuse and to provide coordination of such research among such disciplines;

"(B) the applicant has available to it sufficient facilities (including laboratory, reference, and data analysis facilities) to carry out the research plan contained in the application;

"(C) the applicant has facilities and personnel to provide training in the prevention and treatment of substance abuse;

"(D) the applicant has the capacity to train predoctoral and postdoctoral students for careers in research on substance abuse;

"(E) the applicant has the capacity to conduct courses on substance abuse and research on substance abuse problems for undergraduate and graduate students, and medical and osteopathic, nursing, social work, and other specialized graduate students; and

"(F) the applicant has the capacity to conduct programs of continuing education in such medical, legal, and social service fields as the Secretary may require.

"(2) FIVE-YEAR PLAN.—The application contains a detailed 5-year plan for research relating to substance abuse.

"(b) GRANTS.—The Secretary shall, under such conditions as the Secretary may reasonably require, make annual grants to Centers which have been designated under this section. No funds provided under a grant under this subsection may be used for the purchase of any land or the purchase, construction, preservation, or repair of any building. For the purposes of the preceding sentence, the term 'construction' has the meaning given that term by section 702(2).

"(c) TYPES OF CENTERS.—Grants under this section may be awarded to entities that specialize in the study of either alcohol or drug abuse or both.

"SEC. 464O. MEDICATION DEVELOPMENT PROGRAM.

"(a) ESTABLISHMENT.—There is established in the National Institute on Drug Abuse a Medication Development Program through which the Director of such Institute shall—

"(1) conduct periodic meetings with the Commissioner of Food and Drugs to discuss measures that may facilitate the approval process of drug abuse treatments;

"(2) encourage and promote (through grants, contracts, international collaboration, or otherwise) expanded research programs, investigations, experiments, and studies, into the development and use of medications to treat drug addiction;

"(3) establish or provide for the establishment of research facilities;

"(4) report on the activities of other relevant agencies relating to the development and use of pharmacotherapeutic treatments for drug addiction;

"(5) collect, analyze, and disseminate data useful in the development and use of pharmacotherapeutic treatments for drug addiction and collect, catalog, analyze, and disseminate through international channels, the results of such research;

"(6) directly or through grants, contracts, or cooperative agreements, support training in the fundamental sciences and clinical disciplines related to the pharmacotherapeutic treatment of drug abuse, including the use of training stipends, fellowships, and awards where appropriate; and

"(7) coordinate the activities conducted under this section with related activities conducted within the National Institute on Alcohol Abuse and Alcoholism, the National Institute of Mental Health, and other appropriate institutes and shall consult with the Directors of such Institutes.

"(b) DUTIES OF DIRECTOR.—In carrying out the activities described in subsection (a), the Director—

"(1) shall collect and disseminate through publications and other appropriate means, information pertaining to the research and other activities under this section;

"(2) shall make grants to or enter into contracts and cooperative agreements with individuals and public and private entities to further the goals of the program;

"(3) shall, in accordance with other provisions of Federal law, through grants, contracts, or cooperative agreements acquire, construct, improve, repair, operate, and maintain pharmacotherapeutic centers, laboratories, and other necessary facilities and equipment, and such other property as the Director determines necessary to carry out the purposes of this subpart;

"(4) may accept voluntary and uncompensated services;

"(5) may accept gifts, or donations of services, money, or property, real, personal, or mixed, tangible or intangible; and

"(6) shall take necessary action to ensure that all channels for the dissemination and exchange of scientific knowledge and information are maintained between the Administration and the other scientific, medical, and biomedical disciplines and organizations nationally and internationally.

"(c) REPORT TO OFFICE OF NATIONAL DRUG CONTROL POLICY.—

"(1) IN GENERAL.—Not later than December 31, 1991, and each December 31 thereafter, the Director shall submit to the Office of National Drug Control Policy established under section 1002 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1501) a report, in accordance with paragraph (3), that describes the objectives and activities of the program assisted under this section.

"(2) INCORPORATION.—The Director of National Drug Control Policy shall incorporate, by reference or otherwise, each report submitted under this subsection in the National Drug Control Strategy submitted the following February 1 under section 1005 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504).

"(d) REVIEW OF GRANTS.—The Director shall provide for the proper scientific review of all research grants, cooperative agreements, and contracts made or entered into under this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the provisions of this section—

"(1) $70,000,000 for fiscal year 1992;

"(2) $85,000,000 for fiscal year 1993;

"(3) $100,000,000 for fiscal year 1994;

"(4) $110,000,000 for fiscal year 1995; and

"(5) $130,000,000 for each of the fiscal years 1996 through 2000.

"(f) DEFINITION.—As used in this section, the term 'pharmacotherapeutics' means medications used to treat the symptoms and disease of drug abuse, including medications to—

"(1) block the effects of abused drugs;

"(2) reduce the craving for abused drugs;

"(3) moderate or eliminate withdrawal symptoms;

"(4) block or reverse the toxic effect of abused drugs;

"(5) prevent, under certain conditions, the initiation of drug abuse; or

"(6) prevent relapse in persons who have been detoxified from drugs of abuse.".

Subtitle B—Miscellaneous Provisions

SEC. 111. MISCELLANEOUS PROVISIONS.

Part C (42 U.S.C. 290dd et seq.) (as redesignated by section 101(1)) is further amended to read as follows:

"PART C—MISCELLANEOUS PROVISIONS RELATING TO SUBSTANCE ABUSE AND MENTAL HEALTH

"SEC. 541. TECHNICAL ASSISTANCE TO STATE AND LOCAL AGENCIES.

"(a) AUTHORITY.—At the request of any State, the Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall, to the extent feasible, make available technical assistance for—

"(1) collecting data and developing and improving systems for data collection;

"(2) program management, accountability, and evaluation;

"(3) certification, accreditation, or licensure of treatment facilities and personnel;

"(4) monitoring compliance by hospitals and other facilities with the requirements of section 543; and

"(5) improving the scope of health insurance and other public or private third party coverage offered in the State for mental health and substance abuse services.

"(b) COORDINATION.—Technical assistance provided under this section shall be provided in a manner which will improve coordination between activities supported under this title.

"(c) DUTIES OF ADMINISTRATOR.—In carrying out this section, the Administrator may—

"(1) provide technical assistance, including advice and consultation relating to local programs, technical and professional assistance, and, where deemed necessary, use of task forces of public officials or other persons assigned to work with State and local governments, to analyze and identify State and local problems and assist in the development of plans and programs to meet the problems so identified;

"(2) convene conferences of State, local, and Federal officials, and such other persons as the Administrator shall designate; and

"(3) draft and make available to State and local governments model legislation with respect to State and local substance abuse and mental health programs and activities.

"SEC. 542. SUBSTANCE ABUSE AMONG GOVERNMENT AND OTHER EMPLOYEES.

"(a) Programs and Services.—

"(1) Development.—The Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall be responsible for fostering substance abuse prevention and treatment programs and services in State and local governments and in private industry.

"(2) Model programs.—

"(A) In general.—Consistent with the responsibilities described in paragraph (1), the Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall develop a variety of model programs suitable for replication on a cost-effective basis in different types of business concerns and State and local governmental entities.

"(B) Dissemination of information.—The Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall disseminate information and materials relative to such model programs to the State agencies responsible for the administration of substance abuse prevention, treatment, and rehabilitation activities and shall, to the extent feasible provide technical assistance to such agencies as requested.

"(b) Deprivation of Employment.—

"(1) Prohibition.—No person may be denied or deprived of Federal civilian employment or a Federal professional or other license or right solely on the grounds of prior substance abuse.

"(2) Application.—This subsection shall not apply to employment in—

"(A) the Central Intelligence Agency;

"(B) the Federal Bureau of Investigation;

"(C) the National Security Agency;

"(D) any other department or agency of the Federal Government designated for purposes of national security by the President; or

"(E) in any position in any department or agency of the Federal Government, not referred to in subparagraphs (A) through (D), which position is determined pursuant to regulations prescribed by the head of such agency or department to be a sensitive position, except that the Rehabilitation Act of 1973 shall, if otherwise applicable, apply to an individual holding such position.

"(c) Construction.—This section shall not be construed to prohibit the dismissal from employment of a Federal civilian employee who cannot properly function in his employment.

"SEC. 543. ADMISSION OF SUBSTANCE ABUSERS TO PRIVATE AND PUBLIC HOSPITALS AND OUTPATIENT FACILITIES.

"(a) Nondiscrimination.—Substance abusers who are suffering from medical conditions shall not be discriminated against in admission or treatment, solely because of their substance abuse, by any private or public general hospital, or outpatient facility (as defined in section 1633(6)) which receives support in any form from any program supported in whole or in part by funds appropriated to any Federal department or agency.

"(b) Regulations.—

"(1) In general.—The Secretary shall issue regulations for the enforcement of the policy of subsection (a) with respect to the admission and treatment of substance abusers in hospitals and outpatient facilities which receive support of any kind from any program administered by the Secretary. Such regulations shall include procedures for determining (after opportunity for a hearing if requested) if a violation of subsection (a) has occurred, notification of failure to comply with such subsection, and opportunity for a violator to comply with such subsection. If the Secretary determines that a hospital or outpatient facility subject to such regulations has violated subsection (a) and such violation continues after an opportunity has been afforded for compliance, the Secretary may suspend or revoke, after opportunity for a hearing, all or part of any support of any kind received by such hospital from any program administered by the Secretary. The Secretary may consult with the officials responsible for the administration of any other Federal program from which such hospital or outpatient facility receives support of any kind, with respect to the suspension or revocation of such other Federal support for such hospital or outpatient facility.

"(2) Department of veterans affairs.—The Secretary of Veterans Affairs, acting through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary under paragraph (1) to the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from substance abuse. In prescribing and implementing regulations pursuant to this paragraph, the Secretary shall, from time to time, consult with the Secretary of Health and Human Services in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.

"SEC. 544. CONFIDENTIALITY OF RECORDS.

"(a) Requirement.—Records of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any program or activity relating to substance abuse education, prevention, training, treatment, rehabilitation, or research, which is conducted, regulated, or directly or indirectly assisted by any department or agency of the United States shall, except as provided in subsection (e), be confidential and be disclosed only for the purposes and under the circumstances expressly authorized under subsection (b).

"(b) Permitted Disclosure.—

"(1) Consent.—The content of any record referred to in subsection (a) may be disclosed in accordance with the prior written consent of the patient with respect to whom such record is maintained, but only to such extent, under such circumstances, and for such purposes as may be allowed under regulations prescribed pursuant to subsection (g).

"(2) Method for disclosure.—Whether or not the patient, with respect to whom any given record referred to in subsection (a) is maintained, gives written consent, the content of such record may be disclosed as follows:

"(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

"(B) To qualified personnel for the purpose of conducting scientific research, management audits, financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

"(C) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefor, including the need to avert a substantial risk of death or serious bodily harm. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

"(c) Use of Records in Criminal Proceedings.—Except as authorized by a court order granted under subsection (b)(2)(C), no record referred to in subsection (a) may be used to initiate or substantiate any criminal charges against a patient or to conduct any investigation of a patient.

"(d) Application.—The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when such individual ceases to be a patient.

"(e) Nonapplicability.—The prohibitions of this section do not apply to any interchange of records—

"(1) within the Armed Forces or within those components of the Department of Veterans Affairs furnishing health care to veterans; or

"(2) between such components and the Armed Forces.

The prohibitions of this section do not apply to the reporting under State law of incidents of suspected child abuse and neglect to the appropriate State or local authorities.

"(f) Penalties.—Any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined not more than $500 in the case of a first offense, and not more than $5,000 in the case of each subsequent offense.

"(g) Regulations.—Except as provided in subsection (h), the Secretary shall prescribe regulations to carry out the purposes of this section. Such regulations may contain such definitions, and may provide for such safeguards and procedures, including procedures and criteria for the issuance and scope of orders under subsection (b)(2)(C), as in the judgment of the Secretary are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

"(h) Application to Department of Veterans Affairs.—The Secretary of Veterans Affairs, acting through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary of Health and Human Services under subsection (g) of this section to records maintained in connection with the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from substance abuse. In prescribing and implementing regulations pursuant to this subsection, the Secretary of Veterans Affairs shall, from time to time, consult with the Secretary of Health and Human Services in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.

"SEC. 545. DATA COLLECTION.

"(a) Requirement.—The Secretary, acting through the Administrator and the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, as appropriate, shall collect data each year on the national incidence and prevalence of the various forms of mental illness and substance abuse.

"(b) MENTAL HEALTH.—With respect to the activities under subsection (a) relating to mental health, the Secretary shall ensure that such activities include, at a minimum, the collection of data on—

"(1) the number and variety of public and nonprofit private treatment programs;

"(2) the number and demographic characteristics of individuals receiving treatment through such programs;

"(3) the type of care received by such individuals; and

"(4) such other data as may be appropriate.

"(c) SUBSTANCE ABUSE.—

"(1) IN GENERAL.—With respect to the activities under subsection (a) relating to substance abuse, the Secretary shall ensure that such activities include, at a minimum, the collection of data on—

"(A) the number of individuals admitted to the emergency rooms of hospitals as a result of substance abuse;

"(B) the number of deaths occurring as a result of substance abuse;

"(C) the number and variety of public and private nonprofit treatment programs, including the number and type of patient slots available;

"(D) the number of individuals seeking treatment through such programs, the number and demographic characteristics of individuals receiving such treatment, the percentage of individuals who complete such programs, and, with respect to individuals receiving such treatment, the length of time between an individual's request for treatment and the commencement of treatment;

"(E) the number of such individuals who return for treatment after the completion of a prior treatment in such programs and the method of treatment utilized during the prior treatment;

"(F) the number of individuals receiving public assistance for such treatment programs;

"(G) the costs of the different types of treatment modalities for drug and alcohol abuse and the aggregate relative costs of each such treatment modality provided within a State in each fiscal year;

"(H) to the extent of available information, the number of individuals receiving treatment for alcohol or drug abuse who have private insurance coverage for the costs of such treatment;

"(I) the extent of substance abuse among high school students and among the general population; and

"(J) the number of alcohol and drug abuse counselors and other substance abuse treatment personnel employed in public and private treatment facilities.

"(2) SURVEYS.—Annual surveys shall be carried out in the collection of data under this section. Summaries and analyses of the data collected shall be made available to the public and nonconfidential data files shall be made available to qualified researchers.

"(d) SPECIFIC STUDIES.—The Secretary, acting through the Directors of the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse, as appropriate, shall award grants under this section on a competitive basis to qualified entities to support—

"(1) epidemiological studies of infants and the families of infants with fetal cocaine syndrome and fetal alcohol syndrome; and

"(2) longitudinal studies of infants and the families of infants afflicted with such syndromes.

"(e) UNIFORM CRITERIA.—After consultation with the States, provider associations, and appropriate national organizations, the Administrator and the Directors shall develop uniform criteria for the collection of data, using the best available technology, pursuant to this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $25,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"SEC. 546. PUBLIC HEALTH EMERGENCIES.

"(a) REQUIREMENTS.—If the Secretary determines, after consultation with the Administrator, the Commissioner of Food and Drugs, or the Director of the Centers for Disease Control, that a disease or disorder within the jurisdiction of the Administration constitutes a public health emergency, the Secretary, acting through the Administrator—

"(1) shall expedite the review by advisory councils and by peer review groups of applications for grants for services concerning such disease or disorder or proposals for contracts for such services;

"(2) shall exercise the authority in section 3709 of the Revised Statutes (41 U.S.C. 5) respecting public exigencies to waive the advertising requirements of such section in the case of proposals for contracts for such services;

"(3) may provide administrative supplemental increases in existing grants and contracts to support new services relevant to such disease or disorder; and

"(4) shall disseminate, to health professionals and the public, information on the cause, prevention, and treatment of such disease or disorder that has been developed under this section.

The amount of an increase in a grant or contract provided under paragraph (3) may not exceed one-half the original amount of the grant or contract.

"(b) REPORT.—Not later than 90 days after the end of a fiscal year, the Secretary shall report to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate on actions taken under subsection (a) in such fiscal year if any actions were taken under such subsection in such fiscal year.".

Subtitle C—Transfer Provisions

SEC. 121. TRANSFERS.

(a) ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.—Except as specifically provided otherwise in this Act or an amendment made by this Act, there are transferred to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration all service related functions which the Administrator of the Alcohol, Drug Abuse and Mental Health Administration exercised before the date of the enactment of this Act and all related functions of any officer or employee of the Alcohol, Drug Abuse and Mental Health Administration.

(b) NATIONAL INSTITUTES.—Except as specifically provided otherwise in this Act or an amendment made by this Act, there are transferred to the appropriate Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, through the Director of the National Institutes of Health, all research related functions which the Administrator of the Alcohol, Drug Abuse and Mental Health Administration exercised before the date of the enactment of this Act and all related functions of any officer or employee of the Alcohol, Drug Abuse, and Mental Health Administration.

(c) ADEQUATE PERSONNEL AND RESOURCES.—The transfers required under this subtitle shall be effectuated in a manner that ensures that the Alcohol, Drug Abuse and Mental Health Services Administration has adequate personnel and resources and that the National Institutes of Health have adequate personnel and resources to enable the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health to carry out their respective functions.

SEC. 122. DELEGATION AND ASSIGNMENT.

(a) ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.—Except where otherwise expressly prohibited by law, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration may delegate any of the functions transferred to the Administrator by this subtitle and any function transferred or granted to the Administrator after the date of enactment of this Act to such officers and employees of the Alcohol, Drug Abuse and Mental Health Services Administration as the Administrator may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Administrator under this section or under any other provision of this subtitle shall relieve the Administrator of responsibility for the administration of such functions.

(b) NATIONAL INSTITUTES.—Except where otherwise expressly prohibited by law, the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health may delegate any of the functions transferred to the Directors by this subtitle and any function transferred or granted to the Directors after the date of enactment of this Act to such officers and employees of such Institutes as the Directors may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions by the Directors under this section or under any other provision of this subtitle shall relieve the Directors of responsibility for the administration of such functions.

SEC. 123. TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.

(a) ALCOHOL, DRUG ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.—Except as otherwise provided in the Public Health Service Act, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration by this subtitle, subject to section 1531 of title 31, United States Code, shall be transferred to the Alcohol, Drug Abuse and Mental Health Services Administration. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(b) NATIONAL INSTITUTES.—Except as otherwise provided in the Public Health Service Act, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred to the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health by this subtitle, subject to section 1531 of title 31, United States Code, shall be transferred to the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

SEC. 124. INCIDENTAL TRANSFERS.

The Secretary of Health and Human Services is authorized to make such determinations as may be necessary with regard to the functions transferred by this subtitle, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this subtitle and the Public Health Service Act. Such Secretary shall provide for the termination of the affairs of all entities terminated by this subtitle and for such further measures and dispositions as may be necessary to effectuate the purposes of this subtitle.

SEC. 125. EFFECT ON PERSONNEL.

(a) IN GENERAL.—Except as otherwise provided by this subtitle and the Public Health Service Act, the transfer pursuant to this subtitle of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of transfer of such employee under this subtitle.

(b) EXECUTIVE SCHEDULE POSITIONS.—Any person who, on the day preceding the effective date of this Act, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Alcohol, Drug Abuse and Mental Health Services Administration to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

SEC. 126. SAVINGS PROVISIONS.

(a) EFFECT ON PREVIOUS DETERMINATIONS.—All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges that—

(1) have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred by this subtitle; and

(2) are in effect on the date of enactment of this Act;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director of the National Institutes of Health, or the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, as appropriate, a court of competent jurisdiction, or by operation of law.

(b) CONTINUATION OF PROCEEDINGS.—

(1) IN GENERAL.—The provisions of this subtitle shall not affect any proceedings, including notices of proposed rule making, or any application for any license, permit, certificate, or financial assistance pending on the date of enactment of this Act before the Department of Health and Human Services, which relates to the Alcohol, Drug Abuse and Mental Health Administration or the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, or the National Institute of Mental Health, or any office thereof with respect to functions transferred by this subtitle. Such proceedings or applications, to the extent that they relate to functions transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made under such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health by a court of competent jurisdiction, or by operation of law. Nothing in this subsection prohibits the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this subtitle had not been enacted.

(2) REGULATIONS.—The Secretary of Health and Human Services is authorized to issue regulations providing for the orderly transfer of proceedings continued under paragraph (1).

(c) EFFECT ON LEGAL ACTIONS.—Except as provided in subsection (e)—

(1) the provisions of this subtitle do not affect actions commenced prior to the date of enactment of this Act; and

(2) in all such actions, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) NO ABATEMENT OF ACTIONS OR PROCEEDINGS.—No action or other proceeding commenced by or against any officer in his official capacity as an officer of the Department of Health and Human Services with respect to functions transferred by this subtitle shall abate by reason of the enactment of this Act. No cause of action by or against the Department of Health and Human Services with respect to functions transferred by this subtitle, or by or against any officer thereof in his official capacity, shall abate by reason of the enactment of this Act. Causes of action and actions with respect to a function transferred by this subtitle, or other proceedings may be asserted by or against the United States or the Administrator of the Alcohol, Drug Abuse and Mental Health Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health, as may be appropriate, and, in an action pending when this Act takes effect, the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(e) SUBSTITUTION.—If, before the date of enactment of this Act, the Department of Health and Human Services, or any officer thereof in the official capacity of such officer, is a party to an action, and under this subtitle any function of such Department, Office, or officer is transferred to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, then such action shall be continued with the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, as the case may be, substituted or added as a party.

(f) JUDICIAL REVIEW.—Orders and actions of the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health in the exercise of functions transferred to the Administrator or the Directors by this subtitle shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Administrator of the Alcohol, Drug Abuse and Mental Health Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health, or any office or officer thereof, in the exercise of such functions immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this subtitle shall apply to the exercise of such function by the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration or the Directors.

SEC. 127. SEPARABILITY.

If a provision of this subtitle or its application to any person or circumstance is held invalid, neither the remainder of this Act nor the application of the provision to other persons or circumstances shall be affected.

SEC. 128. TRANSITION.

With the consent of the Secretary of Health and Human Services, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration and the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health are authorized to utilize—

(1) the services of such officers, employees, and other personnel of the Department with respect to functions transferred to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration and the Director of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health by this subtitle; and

(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this subtitle.

SEC. 129. REFERENCES.

Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to the Alcohol, Drug Abuse and Mental Health Administration or to the Administrator of the Alcohol, Drug Abuse and Mental Health Administration shall be deemed to refer to the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration.

Subtitle D—Conforming Amendments

SEC. 131. CONFORMING AMENDMENTS.

(a) Title V.—Title V is amended—

(1) in section 521 (42 U.S.C. 290cc–21), by striking "Director of the National Institute of Mental Health" and inserting in lieu thereof "Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration";

(2) in section 528 (42 U.S.C. 290cc–28)—

(A) by striking "the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse" and inserting in lieu thereof "and the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration" in subsection (a); and

(B) by striking "National Institute of Mental Health" and inserting in lieu thereof "Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration" in subsection (c);

(3) in section 530 (42 U.S.C. 290cc–30), by striking "the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse" and inserting in lieu thereof "and the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration"; and

(4) in section 561(a) (42 U.S.C. 290ff), by striking "National Institute of Drug Abuse" and inserting in lieu thereof "Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration".

(b) Title XIX.—Part B of title XIX (42 U.S.C. 300x et seq.) is amended in section 1911 (42 U.S.C. 300x) (as such section is amended by section 201) by adding at the end thereof the following new subsection:

"(c) The Secretary shall carry out this part through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration.";

(c) General Public Health Service Act Amendments.—The Act (42 U.S.C. 201 et seq.) is amended—

(1) in section 227 (42 U.S.C. 236)—

(A) by striking out ", and the the Alcohol, Drug Abuse, and Mental Health Administration" in subsection (c)(2);

(B) by striking out ", the the Alcohol, Drug Abuse, and Mental Health Administration" in subsection (c)(3);

(C) by striking out "and the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration" in subsection (e); and

(D) by striking out "and the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration" in subsection (e);

(2) in section 319(a) (42 U.S.C. 247d(a)), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration";

(3) in section 487(a)(1) (42 U.S.C. 288(a)(1))—

(A) by striking out "and the Alcohol, Drug Abuse, and Mental Health Administration" in subparagraph (A)(i); and

(B) by striking out "or the Alcohol, Drug Abuse, and Mental Health Administration" in the matter immediately following subparagraph (B); and

(4) in section 489(a)(2) (42 U.S.C. 288b(a)(2)), by striking out "and institutes under the Alcohol, Drug Abuse, and Mental Health Administration".

(d) Other Laws.—

(1) Section 4 of the Orphan Drug Amendments of 1985 (42 U.S.C. 236 note) is amended—

(A) in subsection (b), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration,";

(B) in subsection (c)—

(i) by striking out "the Alcohol, Drug Abuse, and Mental Health Administration," in the matter preceding paragraph (1); and

(ii) by striking out "the institutes of the Alcohol, Drug Abuse, and Mental Health Administration," in paragraph (7); and

(C) in subsection (d)—

(i) by striking out paragraph (3) and inserting in lieu thereof the following new paragraph:

"(3) Four nonvoting members shall be appointed for the directors of the national research institutes of the National Institutes of Health which the Secretary determines are involved with rare diseases."; and

(ii) by striking out "or an institute of the Alcohol, Drug Abuse, and Mental Health Administration" in the matter immediately following paragraph (3).

(2) The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended—

(A) in section 202(b)(1) (42 U.S.C. 3012(b)(1)), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration";

(B) in section 301(b)(2) (42 U.S.C. 3021(b)(2)), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration"; and

(C) in section 402(b) (42 U.S.C. 3030bb(b)), by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration".

(3) Section 116 of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10826) is amended by striking out "the Alcohol, Drug Abuse, and Mental Health Administration" and inserting in lieu thereof "the Alcohol, Drug Abuse, and Mental Health Services Administration".

SEC. 132. ADDITIONAL CONFORMING AMENDMENTS.

(a) Recommended Legislation.—After consultation with the appropriate committees of the Congress, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration and the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health shall prepare and submit to the Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this subtitle to the Public Health Service Act or any other provision of law.

(b) Submission to the Congress.—Not later than 6 months after the date of enactment of this Act, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration and the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health shall submit the recommended legislation referred to under subsection (a).

Subtitle E—Miscellaneous Provisions

SEC. 141. ALTERNATIVE SOURCES OF FUNDING FOR CERTAIN GRANTEES.

The Secretary of Health and Human Services shall undertake diligent efforts to obtain alternative sources of Federal funds, including funds available under section 505, to provide assistance to grantees who have been receiving assistance under the community youth activity program established under section 3521 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11841).

SEC. 142. PEER REVIEW.

The peer review systems, advisory councils and scientific advisory committees utilized, or approved for utilization, by the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health prior to the transfer of such Institutes to the National Institute of Health shall be utilized by such Institutes after such transfer.

SEC. 143. BUDGETARY AUTHORITY.

The Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health shall have independent authority to formulate the budgets of such institutes to the same extent as the Director of the National Cancer Institute.

SEC. 144. SUBSTANCE ABUSE TRAINING AND RESEARCH.

Section 303 (42 U.S.C. 242a) is amended—

(1) in subsection (c), by striking out the second sentence; and

(2) by adding at the end thereof the following new subsection:

"(e) The Secretary shall have the same authority with respect to substance abuse as the Secretary has with respect to mental health under this section.".

SEC. 145. MENTAL HEALTH SERVICES.

Section 2441(j) (42 U.S.C. 300dd-41(j)) is amended by striking out "1991" and inserting in lieu thereof "1994".

SEC. 146. GRANTS FOR CERTAIN TRAUMA CENTERS.

(a) Short Title.—This section may be cited as the "Trauma Center Revitalization Act".

(b) Establishment of Grant Program.—Title XII (42 U.S.C. 300d et seq.), as added by section 3 of Public Law 101–590 (104 Stat. 2915), is amended by adding at the end thereof the following new part:

"PART D—TRAUMA CENTERS OPERATING IN AREAS SEVERELY AFFECTED BY DRUG-RELATED VIOLENCE

"SEC. 1241. GRANTS FOR CERTAIN TRAUMA CENTERS.

"(a) In General.—The Secretary may make grants for the purpose of providing financial assistance for the payment of operating expenses by hospital trauma centers that have incurred substantial uncompensated costs in providing trauma care. Grants under this subsection may be made only to such hospitals specifically for the operation of their trauma centers.

"(b) Minimum Qualifications of Centers.—

"(1) Significant incidence of uncompensated, care.—The Secretary may not make a grant under subsection (a) to a hospital trauma center unless the trauma center demonstrates a significant incidence of uncompensated care debt as a result of treating patients with trauma wounds during the 2-year period preceding the fiscal year for which the hospital trauma center involved is applying to receive a grant under subsection (a).

"(2) Participation in trauma care system operating under certain professional guidelines.—The Secretary may not make a grant under subsection (a) unless the hospital trauma center involved is a participant in a system that—

"(A) provides comprehensive medical care to victims of trauma in the geographic area in which the hospital trauma center involved is located;

"(B) is established by the State or political subdivision in which such center is located; and

"(C) has adopted guidelines for the designation of hospital trauma centers, and for triage, transfer, and transportation policies, equivalent to (or more protective than) the applicable guidelines developed by the American College of Surgeons or utilized in the model plan established under section 1213(c).

"SEC. 1242. PRIORITIES IN MAKING GRANTS.

"(a) IN GENERAL.—In making grants under section 1241(a), the Secretary shall give priority to any application—

"(1) made by a hospital trauma center that, for the purpose specified in such section, will receive financial assistance from the State or political subdivision involved for each fiscal year during which payments are made to the hospital from the grant, which financial assistance is exclusive of any assistance provided by the State or political subdivision as a non-Federal contribution under any Federal program requiring such a contribution; or

"(2) made by a hospital trauma center that, with respect to the system described in section 1241(b)(2) in which the center is a participant—

"(A) is providing trauma care in a geographic area in which the availability of trauma care has significantly decreased as a result of a trauma center in the area permanently ceasing participation in such system as of a date during the previous 5-year period; or

"(B) will, in providing trauma care during the 1-year period beginning on the date on which the application for the grant is submitted, incur uncompensated costs in an amount rendering the center unable to continue participation in such system, resulting in a significant decrease in the availability of trauma care in the geographic area.

"(b) ADDITIONAL PRIORITY.—In considering the grant applications of hospital trauma centers under subsection (a)(2), the Secretary shall give additional priority to those hospitals that submit plans that indicate that such hospital trauma centers are developing long term strategies, financial, medical and otherwise, to survive the impact of providing uncompensated trauma care. The goal of such strategies shall be to continue as a hospital trauma center after the period required in section 1243(1).

"SEC. 1243. COMMITMENT REGARDING CONTINUED PARTICIPATION IN TRAUMA CARE SYSTEM.

"The Secretary may not make a grant under subsection (a) of section 1241 unless the hospital trauma center involved agrees that—

"(1) the hospital will continue to participate in the system described in subsection (b) of such section throughout the 2-fiscal years immediately succeeding the fiscal year for which a grant is received;

"(2) during the year in which the grant is received the hospital will maintain its trauma care efforts, financial and otherwise, from those of the preceding year;

"(3) if the agreement made pursuant to paragraph (1) is violated by the hospital, the hospital will be liable to the United States for an amount equal to the sum of—

"(A) the amount of assistance provided to the center under subsection (a) of such section; and

"(B) an amount representing interest on the amount specified in subparagraph (A); and

"(4) the hospital will establish a trauma registry not later than 6 months from the date on which the grant is received that shall include the number of trauma cases and the extent to which the care for such cases is uncompensated.

"SEC. 1244. GENERAL PROVISIONS.

"(a) APPLICATION.—The Secretary may not make a grant under section 1241(a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

"(b) LIMITATION ON DURATION OF SUPPORT.—The period during which a hospital trauma center receives payments under section 1241(a) may not exceed 3 fiscal years, except that the Secretary may waive such requirement for the center and authorize the center to receive such payments for 1 additional fiscal year.

"(c) LIMITATION ON AMOUNT OF GRANT.—The Secretary may not make a grant to any single hospital trauma center in an amount that exceeds $5,000,000 in any fiscal year.

"(d) CONSULTATION.—Grants shall be awarded under section 1241(a) only after the Secretary has consulted with the appropriate State agency.

"(e) JOINT EFFORTS.—Notwithstanding any other provision of law, trauma centers may cooperate, collaborate or coordinate their activities with other trauma centers for the purpose of improving the provision of services to victims of trauma.

"SEC. 1245. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $50,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

(c) CONFORMING AMENDMENTS.—Title XII (42 U.S.C. 300d et seq.), as added by section 3 of Public Law 101-590 (104 Stat. 2915), is amended—

(1) in the heading for part C, by inserting "REGARDING PARTS A AND B" after "PROVISIONS";

(2) in section 1231, in the matter preceding paragraph (1), by striking "this title" and inserting "this part and parts A and B"; and

(3) in section 1232(a), by striking "this title" and inserting "parts A and B".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect October 1, 1991, or upon the date of the enactment of this Act, whichever occurs later.

SEC. 147. DRUG SALVAGER COMPENSATION PROGRAM.

Chapter VII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 371 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 710. DRUG SALVAGER COMPENSATION PROGRAM.

"(a) PURPOSE.—It is the purpose of this section to establish a program to decrease the availability of drugs that are acquired through salvage of shipments of pharmaceuticals and controlled substances through the provision of assistance to salvagers of such products to enable such salvagers to return such product to the manufacturer or to destroy such product.

"(b) ESTABLISHMENT.—The Commissioner, in consultation with the Administrator of the Drug Enforcement Administration, shall establish a drug salvager compensation program (hereinafter referred to in this section as the 'program') to carry out the purpose described in subsection (a).

"(c) CONTRACTS.—

"(1) IN GENERAL.—To carry out the program the Commissioner, in consultation with the Administrator of the Drug Enforcement Administration, shall enter into contracts with private nonprofit or profit making entities that acquire pharmaceuticals and controlled substances through the salvage of shipments of such products.

"(2) REQUIREMENT.—A contract entered into under paragraph (1) shall require the entity that is subject to the contract to return any pharmaceuticals and controlled substances acquired by such entity through salvage to the manufacturer or to destroy such products if the manufacturer cannot be determined.

"(3) COMPENSATION.—In exchange for entering into a contract under paragraph (1), the Commissioner shall reimburse such entity for any costs incurred by such entity in complying with the requirement of paragraph (2).

"(d) DEA NUMBERS.—Entities that are subject to a contract under subsection (c) shall be assigned a Drug Enforcement Administration number and shall be considered as an appropriate recipient of any controlled substances salvaged and disposed of under this section.

"(e) REPORTS.—

"(1) ENTITIES.—Entities that are subject to a contract under subsection (c) shall prepare and submit, to the Commissioner and the Administrator of the Drug Enforcement Administration, quarterly reports concerning their activities under this section.

"(2) CONGRESSIONAL.—Not later than 90 days after the end of each fiscal year, the Secretary, in consultation with the Attorney General, shall prepare and submit, to the Committee on Energy and Commerce and Judiciary of the House of Representatives and the Committee on Labor and Human Resources and Judiciary of the Senate, a report concerning the amount of drugs that have been obtained through salvage and disposed of under this section.".

SEC. 148. SENSE OF THE SENATE CONCERNING CERTAIN REPORTING REQUIREMENTS.

It is the sense of the Senate that the Secretary of Health and Human Services should review the reporting requirements that are imposed on the States by the Office of Treatment Improvement under title V of the Public Health Service Act to ensure that reports required pursuant to such requirements are not redundant, unnecessary, or overly burdensome on the States.

TITLE II—REAUTHORIZATION AND IMPROVEMENT OF ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICE BLOCK GRANT PROGRAM

SEC. 201. REAUTHORIZATION OF BLOCK GRANT.

Section 1911 (42 U.S.C. 300x) is amended to read as follows:

"SEC. 1911. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this subpart, $1,500,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(b) TECHNICAL ASSISTANCE.—The Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration may use not more than 5 percent of the amounts appropriated for a fiscal year pursuant to subsection (a) to carry out sections 541, 1916B, 1921 and 1924, to monitor expenditures pursuant to subsection (a), and to conduct evaluations on the effectiveness of treatment and prevention programs.".

SEC. 202. REVISION OF BLOCK GRANT FORMULA.

(a) In General.—Section 1912A of the Act (42 U.S.C. 300x–1a) is amended—

(1) in the formula specified in subsection (a)(4)(A)(ii)(II) by striking "N" and inserting "P";

(2) in subparagraphs (B) and (C) of subsection (a)(4), to read as follows:

"(B) For the purposes of clause (i) and the formula specified in clause (ii)(II), of subparagraph (A), the term 'P' means the product of the at-risk population percentage and the cost index of the State involved.

"(C)(i) Except as provided in clause (ii), for purposes of the formula specified in subparagraph (A)(ii)(II), the term 'S' means the percentage of the most recent 3-year average of the total taxable resources of the State involved as compared to the most recent 3-year average of the taxable resources of all States, as determined by the Secretary of the Treasury.

"(ii) In the case of the District of Columbia, for purposes of the formula specified in subparagraph (A)(ii)(II), the term 'S' means the percentage of the most recent 3-year average of personal income in the District of Columbia as compared to the most recent 3-year average of personal income in all States, as reported by the Secretary of Commerce.";

(3) by striking subparagraphs (D) and (E) of subsection (a)(4);

(4) in subsection (b), to read as follows:

"(b)(1) Each State that received an allotment of $7,000,000 or less under this subpart in fiscal year 1989 shall receive a minimum allotment under this subpart in each fiscal year, which allotment shall be the greater of—

"(A) the amount determined in accordance with the formula described in subsection (a)(1); and

"(B) the amount determined in accordance with the following formula:

$E (1 + 0.25 (R))$

"(2) For the purpose of the formula specified in paragraph (1)(B)—

"(A) the term 'E' means the amount the State involved received under this subpart in fiscal year 1989; and

"(B) the term 'R' means the cumulative percentage by which the total amount appropriated pursuant to the authority of section 1911 has increased or decreased since fiscal year 1989.";

(5) in subsection (c)—

(A) in paragraph (2)(A), by inserting "or the amount such territory received in fiscal year 1989" after "100,000";

(B) by inserting the following flush sentence after clause (ii) of paragraph (1)(B):

"In the absence of reliable recent population data with respect to a given territory, the Secretary shall assume that the population of the territory has changed at the same rate as the population of the territories generally."; and

(C) by adding at the end the following new paragraph:

"(4) As used in this subsection, the term 'population' means the civilian population.";

(6) in subsection (g), to read as follows:

"(g)(1) Notwithstanding any other provision of law, no State shall receive an allotment under this section for a fiscal year after fiscal year 1991 that is less than the allotment such State received under this section in the preceding fiscal year.

"(2) Notwithstanding any other provision of law, in any fiscal year in which the total amount appropriated under 1911(a) increases by less than $200,000,000 as compared to the previous fiscal year, no State shall receive an allotment under this section in such fiscal year in an amount that exceeds the sum of—

"(A) the allotment such State received in such previous fiscal year; and

"(B) $20,000,000.

"(3) Notwithstanding any other provision of law, in fiscal year 1993 and in fiscal years thereafter, in order to ensure that each State receives an allotment under this section for each fiscal year in accordance with paragraph (1), the Secretary shall constrain the maximum percentage increase in the amount of the allotment to which any State is entitled, if any, under this section in each fiscal year, as compared to the amount of the allotment that such State received in the previous fiscal year, to the value necessary to meet the requirements of paragraph (1)."; and

(7) by adding at the end the following new subsection:

"(j) As used in this section—

"(1)(A) The term 'at risk population percentage' means the sum of—

"(i) one-third of the percentage obtained by dividing the number of individuals in the State aged 25 through 64, by the number of individuals in all States aged 25 through 64;

"(ii) one-third of the percentage obtained by dividing the number of individuals in the State aged 18 through 24, by the number of individuals in all States aged 18 through 24; and

"(iii) one-third of the percentage obtained by dividing of the number of individuals in the State aged 25 through 44, by the number of individuals in all States aged 25 through 44.

"(B) In making the determination required in clause (ii) of subparagraph (A) the Secretary shall count twice the number of individuals aged 18 through 24 who reside in urban areas. If current data regarding the number of individuals aged 18 through 24 who reside in urban areas is not available for any fiscal year, then the Secretary shall estimate such number by multiplying the total population of each State as determined by the Secretary of Commerce for such year by the percentage obtained by dividing the number of individuals in the State aged 18 through 24 who reside in urban areas within the State, by the total number of individuals in the State. The Secretary shall make such determinations in accordance with the data available from the most recent decennial census, and shall update population data as frequently as possible.

"(2)(A) The term 'cost index' means the overall cost index for the State that appears in table 4 of the March 30, 1990 report entitled 'Adjusting the Alcohol, Drug Abuse and Mental Health Services Block Grant Allocations for Poverty Population and Cost of Service' prepared by the Health Economics Research, Inc. pursuant to a contract with the National Institute on Drug Abuse.

"(B) The Secretary shall, in consultation with the Comptroller General of the United States, update the cost index described in subparagraph (A) prior to making allotments under this section for fiscal year 1993 and at least once every 3 years thereafter as more current data becomes available. The Secretary may make reasonable refinements in the methodology used in constructing such cost index and may phase in such changes in the cost index as the Secretary determines to be appropriate.

"(3)(A) The term 'State' means, except as provided in subparagraph (B), each of the several States, the District of Columbia, and each of the territories of the United States.

"(B) As used in subsections (a), (b), (e), and (f), the term 'State' means each of the several States and the District of Columbia.

"(4) The term 'territories of the United States' means each of the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.".

(b) Report on Allotment Formula.—

(1) Report.—Not later than than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services, in consultation with the Director of the Office of National Drug Control Policy, shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the statutory formula under which funds made available under section 1911 of the Public Health Service Act are allocated among the States and territories.

(2) Contents.—The report required under paragraph (1) shall include—

(A) an assessment of the degree to which the formula allocates funds according to the respective needs of the States and territories;

(B) a review of relevant epidemiological research regarding the incidence of substance abuse and mental illness among various age groups and geographic regions of the country;

(C) the identification of factors not included in the formula that are reliable predictors of the incidence of substance abuse and mental illness;

(D) an assessment of the validity and relevance of factors currently included in the formula, such as age, urban population and cost; and

(E) any other information that the Secretary of Health and Human Services believes would contribute to a thorough assessment of the appropriateness of the current formula.

(3) Consultation.—In preparing the report required under paragraph (1), the Secretary shall consult with the Comptroller General of the United States. The Comptroller General shall review the study after its transmittal to the committees described in paragraph (1) and within three months make appropriate recommendations concerning such report to such committees.

SEC. 203. USE OF UNOBLIGATED FUNDS BY STATES.

Section 1914(a)(2) (42 U.S.C. 300x–2(a)(2)) is amended by adding at the end thereof the following new sentence: "Unobligated funds shall remain available to the State if the Secretary finds that said funds were obligated but subsequently rendered unobligated due to the State's diligence in carrying out the purposes of this subpart.".

SEC. 204. REVISION OF INTRAVENOUS DRUG SET-ASIDE.

Section 1916(c)(7)(B)(ii) of the Public Health Service Act (42 U.S.C. 300x–4(c)(7)(B)(ii)) is amended in the first sentence by striking "may" and inserting in lieu thereof "shall".

SEC. 205. USE OF ALLOTMENTS.

(a) Seriously Mentally Ill Individuals.—Section 1915(a)(2) (42 U.S.C. 300x–3(a)(2)) is amended by striking out "chronically" each place that such occurs and inserting in lieu thereof "seriously".

(b) Services for Certain Individuals.—Section 1915(a)(2)(D) (42 U.S.C. 300x–

3(a)(2)(D)) is amended by inserting "(which may include mentally ill individuals in local jails and detention facilities)" after "populations".

(c) RENOVATION.—Section 1915(b)(3) (42 U.S.C. 300x–3(b)(3)) is amended—

(1) by striking "(other than minor remodeling)"; and

(2) by inserting ", except that the Secretary may authorize the use of funds for renovation that makes land or a building or other facility suitable for use under this part, including renovation to remove hazardous conditions or make the land, building, or facility accessible to disabled persons" after "equipment".

(d) WAIVER.—The matter immediately following paragraph (5) of section 1915(b) (42 U.S.C. 300x–3(b)) is amended—

(1) in the first sentence by striking out "or rehabilitation of a existing facility"; and

(2) by inserting after the fifth sentence the following new sentence: "The Secretary may waive or reduce the matching rate requirement of the preceding sentence if the State requests such a waiver and the Secretary determines that a failure to grant such a request would result in a reduction in the resources that would otherwise be used to provide direct treatment services and that are essential to implementation of the State drug abuse plan.".

(e) SUBSTANCE ABUSERS IN JUSTICE SYSTEMS.—Section 1915(c)(1) (42 U.S.C. 300x–3(c)(1)) is amended—

(1) in subparagraph (B), by striking "and" after the semicolon at the end;

(2) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(D) to develop, implement, and operate programs of treatment for adult and juvenile substance abusers in State and local criminal and juvenile justice systems, including treatment programs for individuals in prisons and jails and individuals on probation, parole, supervised release, and pretrial release.".

(f) PROHIBITION AGAINST CERTAIN PROGRAMS.—Section 1915(c)(2)(A) (42 U.S.C. 300x–3(c)(2)(A)) is amended to read as follows:

"(A) to carry out any program prohibited by section 256(b) of the Health Omnibus Programs Extension of 1988 (42 U.S.C. 300ee–5); or".

(g) ADMINISTRATIVE EXPENSES.—Section 1915(d) (42 U.S.C. 300x–3(d)) is amended to read as follows:

"(d) Of the amount paid to any State under section 1914 for a fiscal year, not more than 5 percent may be used for the administrative expenses of carrying out this subpart. In determining the percentage of the amount used for the administrative expenses, the Secretary shall not include reasonable expenses, as determined by the Secretary, incurred for the training of individuals as required under this subpart, including training required under plans submitted under section 1916B.".

(h) NONDISCRIMINATION.—Section 1915 (42 U.S.C. 300x–3) is amended by adding at the end thereof the following new subsection:

"(f) Substance abuse treatment facilities and mental health treatment facilities receiving assistance under this title may not discriminate against mentally ill substance abusers in the provision of services.".

SEC. 206. MAINTENANCE OF EFFORT.

(a) IN GENERAL.—Paragraph (11) of section 1916(c) (42 U.S.C. 300x–4(c)(11)) is amended to read as follows:

"(11)(A) The State agrees to maintain State expenditures for alcohol and drug abuse services at a level that is not less than the average annual level maintained by the State for such services during the 2-year period preceding the fiscal year for which the State is applying to receive payments under section 1914.

"(B) The State agrees to maintain State expenditures for community mental health services at a level that is not less than the average annual level maintained by the State for such services during the 2-year period preceding the fiscal year for which the State is applying to receive payments under section 1914.".

(b) DUTIES OF COUNCIL.—Section 1916(e)(2) (42 U.S.C. 300x–4(e)(2)) is amended—

(1) in subparagraph (A), by striking out "and" at the end thereof;

(2) in subparagraph (B), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(C) to review and comment concerning the State plan required under section 1925, and at the request of the council, the State shall submit such comments to the Secretary together with such State plan.".

(c) WAIVER.—Section 1916 (42 U.S.C. 300x–4) is amended by adding at the end the following new subsection:

"(h) Upon the request of a State, the Secretary may waive a requirement established in subparagraph (A) or (B) of subsection (c)(11) if the Secretary determines that extraordinary economic conditions in the State justify the waiver.".

SEC. 207. REQUIREMENT OF STATEWIDE SUBSTANCE ABUSE PREVENTION AND TREATMENT PLANS.

Subpart 1 of part B of title XIX (42 U.S.C. 300x et seq.) is amended by inserting after section 1916A the following new section:

"SEC. 1916B. STATEWIDE SUBSTANCE ABUSE PREVENTION AND TREATMENT PLAN.

"(a) NATURE OF PLAN.—To receive the substance abuse portion of its allotment, in whole or in part, under section 1912A for fiscal year 1992 or a subsequent fiscal year, a State shall develop, implement, and submit as part of the application required by section 1916(a), a statewide Substance Abuse Prevention and Treatment Plan which shall designate a single State agency that shall formulate and implement the Statewide Substance Abuse Prevention and Treatment Plan, and shall contain a description of—

"(1) the mechanism that shall be used to assess the needs for substance abuse prevention and treatment, and related technical assistance needs, in localities throughout the State, including the presentation of relevant data;

"(2) a statewide plan that shall be implemented to expand treatment capacity and overcome obstacles that restrict the expansion of treatment capacity (such as zoning ordinances), or an explanation of why such a plan is unnecessary;

"(3) the process and the needs- and performance-based criteria that shall be used in the allocation of funds to substance abuse prevention and treatment facilities, which shall be identified, receiving assistance under this subpart;

"(4) the mechanisms that shall be used to make funding allocations under this subpart;

"(5) the actions that shall be taken to improve the referral of substance abusers to treatment facilities that offer appropriate treatment modalities;

"(6) the program of training that shall be implemented for employees of prevention and treatment programs receiving Federal funds, designed to permit such employees to stay abreast of the latest and most effective treatment techniques;

"(7) the plan that shall be implemented—

"(A) to coordinate substance abuse prevention and treatment services with other social, health, correctional and vocational services; and

"(B) to assure that individuals receiving substance abuse treatment also receive primary health care, directly or through arrangement with other entities;

"(8) the need for services for female substance abusers, including—

"(A) an unduplicated count of the number of women served with funds set aside pursuant to section 1916(c)(14), the demographic characteristics of the women, the specific services offered to women, the average expenditure per woman for services funded under the set-aside, and the numerical objectives for new substance abuse treatment services for women; and

"(B) the strategy for providing, or linking with existing service provision entities, prenatal and postpartum health care for women undergoing such treatment, pediatric care for the children of such women, child care, transportation and other support services that facilitate treatment, case management services, including assistance in establishing eligibility for public economic support, and employment counseling and other appropriate follow-up services to help prevent a relapse of alcohol or drug abuse;

"(9) the plan that shall be implemented to expand drug treatment opportunities for individuals under criminal justice supervision;

"(10) the plan that shall be implemented to expand drug treatment opportunities for homeless individuals;

"(11) the plan that shall be implemented, considered in terms of the plan formulated pursuant to section 1924, to expand and improve specialized services for individuals with substance abuse and coexisting mental disorders and to describe the actions to be taken to improve the organization and financing of services for individuals with coexisting substance abuse and mental disorders;

"(12) the plan that shall be implemented to assist businesses, labor unions, and schools to establish employee assistance programs and student assistance programs;

"(13) the steps taken to assure that each recipient of financial assistance pursuant to the provisions of this subpart shall not engage in discrimination on the basis of race, religion, color, national origin, gender, reproductive status, or handicap in the course of the activities assisted in whole or in part pursuant to the provisions of this subpart;

"(14) the actions of the State to encourage treatment facilities to provide aftercare, either directly or through arrangements with other individuals or entities, for patients who have ended a course of treatment provided by the facility, that shall include periodic contacts with the patient to monitor the progress of the patient and provide services or additional treatment and rehabilitation as needed;

"(15) interim assistance that is available for individuals who apply for treatment, and who must wait for the availability of treatment opportunities;

"(16) actions taken to ensure and maintain patient confidentiality;

"(17) the performance of the State in implementing the previous year's plan, including the presentation of relevant data;

"(18) with respect to States with a significant number of Native Americans, the plan for providing appropriate services to that population, including services to reduce the incidence of Fetal Alcohol Syndrome; and

"(19) such other information as the Secretary determines to be appropriate.

"(b) SUBMISSION OF PLAN.—The plan required by subsection (a) shall be submitted to the Secretary annually for review and approval. The Secretary shall have the authority to approve or disapprove, in whole or in part, such State plans and the implementation thereof, and to propose changes to such plans.

"(c) REGULATIONS.—

"(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary, in consultation with the States, shall issue regulations to carry out this section. Such regulations may include uniform data collection criteria and shall include criteria for each area to be covered by the State plan prepared under subsection (a). Pending the adoption of such regulations, the Secretary may implement this section through the issuance of mandatory guidelines.

"(2) APPLICABILITY.—For fiscal year 1993 and subsequent fiscal years, no payment shall be made to a State from the allotment of the State under section 1912A unless such State has submitted, and the Secretary has approved, a plan in accordance with the regulations issued under paragraph (1). The Secretary may withhold such portion of a State's allotment as the Secretary determines to be appropriate upon a finding by the Secretary that the State is only partially in compliance with this section and has made a good faith effort to be in complete compliance.

"(3) MONITORING.—The Secretary shall monitor and evaluate the compliance of the State's implementation of the plan submitted under this section and provide technical assistance to assist in achieving such compliance.

"(4) OTHER REGULATIONS.—Notwithstanding any other provision of law, any other rule or regulation that is inconsistent with this section (including the provisions of section 50(e) of part 96 of title 45 of the Code of Federal Regulations) shall not be enforced to the extent of such inconsistency.

"(d) SUBMISSION OF PROGRESS REPORTS.—Each State shall submit reports in such form, and containing such information as the Secretary may, from time to time, require, and shall comply with such additional requirements as the Secretary may from time to time find necessary to verify the accuracy of such reports.

"(e) WAIVER OF PLAN REQUIREMENT.—At the discretion of the Secretary, the Secretary may waive any or all of the requirements of this section on the written request of a State, upon a finding by the Secretary that—

"(1) one or more of the requirements of this section is inapplicable to a State; or

"(2) it is not reasonably practical for a State to comply with one or more of the requirements of this section.".

SEC. 208. REPEALS.

Sections 1922 and 1923 (42 U.S.C. 300x–9a and 300x–9b) are repealed.

SEC. 209. TECHNICAL AMENDMENT.

Section 1924(a) (42 U.S.C. 300x–10(a)) is amended by inserting ", acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration," after "The Secretary".

TITLE III—CHILDREN OF SUBSTANCE ABUSERS

SEC. 301. SHORT TITLE.

This title may be cited as the "Children of Substance Abusers Act".

SEC. 302. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) an estimated 375,000 infants each year are exposed to drugs before birth and an estimated 5,000 infants have documented cases of Fetal Alcohol Syndrome which result in a distinct cluster of congenital birth defects;

(2) there are an estimated 28,600,000 children of alcoholics in the United States, of whom 6,600,000 are under the age of 18, and an estimated total of 9,000,000 to 10,000,000 children under the age of 18 are affected by a type of parental substance abuse;

(3) children of alcoholics and other drug abusers are at risk of developing a range of physical, psychological, emotional, and developmental problems, and of becoming substance abusers themselves;

(4) alcohol and other drugs are a factor in an increasing number of child abuse and neglect cases, and placements in foster care have risen almost 30 percent since 1986, resulting in the disruption of families;

(5) pregnant women often have difficulty in obtaining drug or alcohol treatment because of the risks their pregnancies pose, and women in general are underrepresented in drug and alcohol treatment programs;

(6) parents, particularly women, often have a range of additional problems that must be addressed, including their own physical or sexual abuse, chemical dependency in their family backgrounds, lack of job skills, and high levels of family conflict and violence;

(7) effective treatment must be comprehensive and address the needs of the entire family, and where possible, be directed at preserving the family over time;

(8) children whose parents are substance abusers must have access to services regardless of the participation of their parents, and caretakers other than parents also need supportive services;

(9) earlier intervention with vulnerable families is needed to strengthen families and prevent crises from developing, including those stemming from parental substance abuse; and

(10) home visiting has been proven to contribute to healthy births, the healthy development of children, and the development of better parenting skills and social support networks.

(b) PURPOSES.—The purposes of this title are—

(1) to increase the ability of mothers and fathers who are substance abusers to participate in alcohol and drug treatment;

(2) to ensure that the physical, emotional, and psychological needs of children of substance abusers, including children exposed to drugs or alcohol before birth, are identified, assessed, and addressed;

(3) to promote the economic and social well-being of families in which a parent is a substance abuser by providing comprehensive services directed at the entire family;

(4) to develop a service delivery system to provide family intervention based on a case management approach;

(5) to promote early intervention through the use of home visiting to families with children at risk of health or developmental complications; and

(6) to promote the healthy development of children and preserve families by improving parenting skills and providing support systems of social services.

Subtitle A—Services for Children of Substance Abusers

SEC. 311. SERVICES.

Title III (42 U.S.C. 301 et seq.) is amended by adding at the end thereof the following new part:

"PART M—SERVICES FOR CHILDREN OF SUBSTANCE ABUSERS

"SEC. 399D. DEFINITIONS.

"As used in this part:

"(1) CARETAKER OF A CHILD OF A SUBSTANCE ABUSER.—The term 'caretaker of a child of a substance abuser' means a birth parent, foster parent, adoptive parent, relative of a child of a substance abuser, or other individual acting in a parental role.

"(2) CHILD OF A SUBSTANCE ABUSER.—The term 'child of a substance abuser' means any child of a substance abuser, including a child born to a mother who abused alcohol or other drugs during pregnancy or any child living in a household with an individual acting in a parental role who is a substance abuser.

"(3) COMMUNITY OUTREACH SERVICES.—The term 'community outreach services' means services provided by a public health nurse, social worker, or similar professional, or by a trained worker from the community supervised by a professional, to—

"(A) accomplish early identification of families where substance abuse is present;

"(B) accomplish early identification of children affected by parental substance abuse;

"(C) provide counseling to substance abusers on the benefits and availability of substance abuse treatment services and services for children of substance abusers;

"(D) assist substance abusers in obtaining and using substance abuse treatment services and services for children of substance abusers; and

"(E) visit and provide support to substance abusers, especially pregnant women, who are receiving substance abuse treatment services or services for children of substance abusers.

"(4) INDIAN TRIBE.—The term 'Indian tribe' means any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(5) NATIVE AMERICANS.—The term 'Native Americans' means of, or relating to, a tribe, people, or culture that is indigenous to the United States.

"(6) NATIVE HAWAIIAN.—the term 'Native Hawaiian' means any individual who is a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now constitutes the State of Hawaii.

"(7) RELATED SERVICES.—The term 'related services' means services provided by—

"(A) education and special education programs;

"(B) Head Start programs established under the Head Start Act (42 U.S.C. 9831 et seq.);

"(C) other early childhood programs;

"(D) employment and training programs;

"(E) public assistance programs provided by Federal, State, or local governments; and

"(F) programs offered by vocational rehabilitation agencies, recreation departments, and housing agencies.

"(8) SERVICES FOR CHILDREN OF SUBSTANCE ABUSERS.—The term 'services for children of substance abusers' includes—

"(A) in the case of children of substance abusers—

"(i) periodic evaluation of children for developmental, psychological, and medical problems;

"(ii) primary pediatric care, consistent with early and periodic screening, diagnostic, and treatment services described in section 1905(r) of the Social Security Act (42 U.S.C. 1396d(r));

"(iii) other necessary and mental health services;

"(iv) therapeutic intervention services for children, including provision of therapeutic child care;

"(v) preventive counseling services;

"(vi) counseling related to the witnessing of chronic violence;

"(vii) referral to related services, and assistance in establishing eligibility for related services; and

"(viii) additional developmental services that are consistent with the definition of 'early intervention services' in part H of title VI of the Individuals with Disability Education Act (20 U.S.C. 1471 et seq.);

"(B) in the case of substance abusers—

"(i) encouragement and, where necessary, referrals to participate in appropriate substance abuse treatment;

"(ii) assessment of adult roles other than parenting, including periodic evaluation of social status, economic status, educational level, psychological condition, and skill level;

"(iii) primary health care and mental health services, including prenatal and post partum care for pregnant women;

"(iv) consultation and referral regarding subsequent pregnancies and life options, including education and career planning;

"(v) where appropriate counseling regarding family conflict and violence;

"(vi) remedial education services; and

"(vii) referral to related services, and assistance in establishing eligibility for related services; and

"(C) in the case of substance abusers, spouses of substance abusers, extended family members of substance abusers, caretakers of children of substance abusers, and other people significantly involved in the lives of substance abusers or the children of substance abusers—

"(i) an assessment of the strengths and service needs of the family and the assignment of a case manager who will coordinate services for the family;

"(ii) therapeutic intervention services, such as parental counseling, joint counseling sessions for families and children, and family therapy;

"(iii) child care or other care for the child to enable the parent to attend treatment or other activities and respite care services;

"(iv) parenting education services and parent support groups;

"(v) support services, including, where appropriate, transportation services;

"(vi) where appropriate, referral of other family members to related services such as job training; and

"(vii) aftercare services, including continued support through parent groups and home visits.

"(9) SUBSTANCE ABUSE.—The term 'substance abuse' means the abuse of alcohol or other drugs.

"(10) SUBSTANCE ABUSER.—The term 'substance abuser' means a pregnant woman, mother, father, or other individual acting in a parental role who abuses alcohol or other drugs.

"Subpart I—Grants for Services for Children of Substance Abusers

"SEC. 399E. GRANTS FOR SERVICES FOR CHILDREN OF SUBSTANCE ABUSERS.

"(a) ESTABLISHMENT.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall make grants to eligible entities to pay for the Federal share of the costs of establishing programs to provide community outreach services and services for children of substance abusers.

"(b) USE OF FUNDS.—

"(1) SERVICES PROVIDED.—An eligible entity shall use grants made under subsection (a) to provide, either directly or by contract or agreement—

"(A) the services described in section 399D(5)(A) and community outreach services to the children of substance abusers, including children not living with their parents;

"(B) the services described in section 399D(5)(B) and community outreach services to substance abusers; and

"(C) the services described in section 399D(5)(C) to substance abusers, spouses of substance abusers, extended family members of substance abusers, caretakers of children of substance abusers, and other people significantly involved in the lives of substance abusers or the children of substance abusers.

"(2) SERVICE CHARACTERISTICS.—A program established through a grant made under this section shall—

"(A) provide comprehensive services directed at the needs of the entire family, including caretakers of children of substance abusers;

"(B) be accessible to recipients of community outreach services and services for children of substance abusers;

"(C) maintain maximum confidentiality of information in compliance with local laws about substance abusers with respect to substance abuse treatment or receipt of community outreach services, services for children of substance abusing, or related services;

"(D) coordinate the referral, determination of eligibility for, and provision of services with other services for children of substance abusers, substance abuse treatment services, and related services;

"(E) use service providers from a variety of disciplines;

"(F) provide long-term services; and

"(G) provide a range of services corresponding to the varying needs of recipients of community outreach services and services for children of substance abusers.

"(c) GRANT AWARDS.—In making grants under subsection (a), the Secretary shall ensure that the grants are—

"(1) reasonably distributed among the three types of eligible entities described in subsection (e);

"(2) distributed to an adequate number of eligible entities that—

"(A) provide residential treatment to substance abusers and provide appropriate therapeutic services to meet the needs of children of substance abusers while they reside with their parents during treatment;

"(B) provide in-home and community-based services on an out-patient basis or in a primary pediatric care setting; or

"(C) provide residential care for the parent with the child participating in the provision of such care while residing with a caretaker, and provide outreach, supportive, and therapeutic services for the child and the caretaker;

"(3) distributed to give priority to areas with a high incidence of poverty and a high incidence of children of substance abusers, infant mortality, infant morbidity, or child abuse;

"(4) distributed to ensure that entities serving Native American and Native Hawaiian communities are represented among the grantees; and

"(5) equitably distributed between urban and rural States and among all geographic regions of the country.

"(d) APPLICATION.—To be eligible to receive a grant under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may by regulation require. At a minimum, each application shall contain—

"(1) a description of the services to be provided, which shall meet the requirements of subsection (b)(2), and measurable goals and objectives;

"(2) information demonstrating an ongoing mechanism to involve the local public agencies responsible for health, mental health, child welfare, education, juvenile justice, developmental disabilities, and substance abuse treatment programs in planning and providing community outreach services, services for children of substance abusers, and substance abuse treatment services as well as evidence that the proposal contained in the application has been coordinated with the State agencies responsible for administering those programs and the State agency responsible for administering public maternal and child health services;

"(3) information demonstrating that the applicant has established a relationship with child welfare agencies and child protective services that will enable the applicant, where appropriate, to—

"(A) provide advocacy on behalf of substance abusers and the children of substance abusers in child protective services cases;

"(B) provide services to help prevent the unnecessary placement of children in substitute care; and

"(C) promote reunification of families or permanent plans for the placement of the child;

"(4) an assurance that the applicant will coordinate with the State lead agency and Interagency Coordinating Council as defined in part H of title VI of the Individuals with Disability Education Act (20 U.S.C. 1476 and 20 U.S.C. 1482);

"(5) an assurance that the applicant will obtain at least 10 percent of the costs of providing services for community outreach services and services for children of substance abusers from non-Federal funds;

"(6) an assurance that nonresidential programs will incorporate home-based services;

"(7) an assurance that the applicant will initiate and maintain efforts to enter substance abusers to whom they provide services into appropriate substance abuse treatment programs;

"(8) baseline information (including health status information) regarding the population to be targeted and the service characteristics of the community; and

"(9) an assurance that the applicant will submit to the Secretary an annual report containing—

"(A) a description of specific services and activities provided under the grant;

"(B) information regarding progress toward meeting the program's stated goals and objectives;

"(C) information concerning the extent of use of services provided under the grant, including the number of referrals to related services and information on other programs or services accessed by children, parents, and other caretakers;

"(D) information concerning the extent to which parents were able to access and receive treatment for alcohol and drug abuse and sustain participation in treatment over time until the provider and the individual receiving treatment agree to end such treatment, and the extent to which parents reenter treatment after the successful or unsuccessful termination of treatment;

"(E) information concerning the costs of the services provided;

"(F) information concerning—

"(i) the number and characteristics of families, parents, and children served, including a description of the type and severity of childhood disabilities, and an analysis of the number of children served by age;

"(ii) the number of children served who remained with their parents during the period in which entities provided services under this section;

"(iii) the number of children served who were placed in out-of-home care during the period in which entities provided services under this section;

"(iv) the number of children described in clause (iii) who were reunited with their families; and

"(v) the number of children described in clause (iii) for whom a permanent plan has not been made or for whom the permanent plan is other than family reunification;

"(G) information on hospitalization or emergency room use by the family members participating in the program; and

"(H) such other information as the Secretary determines to be appropriate.

"(e) ELIGIBILITY.—Entities eligible to receive a grant under this section shall include—

"(1) alcohol and drug treatment programs, especially those providing treatment to pregnant women and mothers and their children;

"(2) public or private nonprofit entities that provide health or social services to disadvantaged populations, including community-based organizations, local public health departments, community action agencies, hospitals, community health centers, child welfare agencies, developmental disabilities service providers, and family resource and support programs, and that have—

"(A) expertise in applying the services to the particular problems of substance abusers and the children of substance abusers; and

"(B) an affiliation or contractual relationship with one or more substance abuse treatment programs;

"(3) consortia of public or private nonprofit entities that include at least one substance abuse treatment program; and

"(4) Indian tribes, Indian organizations, and Alaska Native villages.

"(f) REVIEW PANEL.—

"(1) REQUIREMENT.—In making determinations for awarding grants under subsection (a), the Secretary shall rely on the recommendations of the review panel established under paragraph (2).

"(2) COMPOSITION.—The Secretary shall establish a review panel to make recommendations under paragraph (1) that shall be composed of representatives of the—

"(A) Health Resources and Services Administration;

"(B) Alcohol, Drug Abuse, and Mental Health Services Administration;

"(C) Administration for Children, Youth, and Families;

"(D) entity within the Department of Health and Human Services responsible for providing services to individuals with developmental disabilities; and

"(E) the Office on Family and Child Health of the Administration for Children and Families.

"(g) FEDERAL SHARE.—The Federal share of grants provided under this section shall be 90 percent. The Secretary shall accept the value of in-kind contributions made by the grant recipient as a part or all of the non-Federal share of grants.

"(h) EVALUATION.—The Secretary shall periodically conduct evaluations to determine the effectiveness of programs supported under subsection (a)—

"(1) in reducing the incidence of alcohol and drug abuse among substance abusers participating in the programs;

"(2) in preventing adverse health conditions in children of substance abusers;

"(3) in promoting better utilization of health and developmental services and improving the health, developmental, and psychological status of children receiving services under the program;

"(4) in improving parental and family functioning;

"(5) in reducing the incidence of out-of-home placement for children whose parents receive services under the program; and

"(6) in facilitating the reunification of families after children have been placed in out-of-home care.

"(i) REPORT.—The Secretary shall annually prepare and submit to appropriate committees of Congress a report that contains a description of programs carried out under this section. At a minimum, the report shall contain—

"(1) information concerning the number and type of programs receiving grants;

"(2) information concerning the type and use of services offered;

"(3) information concerning—

"(A) the number and characteristics of families, parents, and children served;

"(B) the number of children served who remained with their parents during or after the period in which entities provided services under this section;

"(C) the number of children served who were placed in out-of-home care during the period in which entities provided services under this section;

"(D) the number of children described in subparagraph (C) who were reunited with their families; and

"(E) the number of children described in subparagraph (D) who were permanently placed in out-of-home care;

analyzed by the type of eligible entity described in subsection (e) that provided services;

"(4) an analysis of the access provided to, and use of, related services and alcohol and drug treatment through programs carried out under this section; and

"(5) a comparison of the costs of providing services through each of the types of eligible entities described in subsection (e).

"(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for each of the 1992 and subsequent fiscal years.

"SEC. 399F. COORDINATION AND INFORMATION.

"(a) COORDINATION.—In carrying out the provisions of this subpart the Secretary shall ensure that the activities and services assisted provided under this subpart are coordinated with the activities and services assisted under section 506, and shall ensure coordination with and consultation regarding expanding and improving services for parents who are substance abusers and their children, among—

"(1) the Administrator of the Health Resources and Services Administration;

"(2) the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration;

"(3) the Commissioner of the Administration for Children, Youth, and Families;

"(4) the Commissioner of the Administration on Developmental Disabilities;

"(5) the Commissioner of Child and Family Health;

"(6) appropriate officials within the Department of Education; and

"(7) the Director of the Indian Health Service.

"(b) STUDY.—Not later than 1 year after the date of enactment of this part, the Secretary shall conduct a study and prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives a report concerning—

"(1) the various efforts within the Department of Health and Human Services to address the needs of parents who are substance abusers and the needs of the children of such parents; and

"(2) the ways in which—

"(A) coordination among the efforts described in paragraph (1) can be improved; and

"(B) duplication of the efforts described in paragraph (1), if any, can be reduced.

"(c) DATA COLLECTION.—The Secretary shall periodically collect and report on information concerning the numbers of children in substance abusing families, including information on the age, gender and ethnicity of the children and the composition and income of the family.

"Subpart II—Grants for Training on Substance Abuse in Families

"SEC. 399G. GRANTS FOR TRAINING ON SUBSTANCE ABUSE IN FAMILIES.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall award grants for the training of professionals and other staff who provide services to, or come in contact with, children and families of substance abusers.

"(b) TRAINING STRATEGY.—Not later than 6 months after the date of enactment of this part, the Administrator of the Health Resources and Services Administration shall identify the training needs of professionals and other staff who provide services to, or come in contact with, children and families of substance abusers and develop a strategy for the establishment and implementation of curriculum to satisfy such training needs. In developing such strategy, the Administrator shall collaborate with—

"(1) the Administrator of the Alcohol, Drug Abuse, and Mental Health Services Administration;

"(2) the Commissioner of the Administration on Children, Youth, and Families;

"(3) the Commissioner of the Administration on Developmental Disabilities;

"(4) the Director of the Indian Health Services;

"(5) relevant officials in the Department of Education; and

"(6) representatives of State and Tribal agencies responsible for administering health programs including maternal and child health, mental health, substance abuse treatment, child welfare, education, juvenile justice, and developmental disabilities programs.

"(c) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section an entity shall—

"(1) be a public or private nonprofit entity with expertise in providing training or services involving substance abuse or children of substance abusers;

"(2) have expertise in providing training and education to Native American and Native Hawaiian communities, including Tribally Controlled Community Colleges, Navajo Community College, and Tribally Controlled Postsecondary Vocational Institutions; or

"(3) be an entity that provides services to, or comes into contact with, substance abusers and children and families of substance abusers, including those entities that provide community outreach services and services for children of substance abusers as described in section 399E.

"(d) APPLICATION.—To be eligible to receive a grant under subsection (a), an entity shall prepare and submit to the Secretary an application at such time, in such manner, and containing such agreements, assurances, and information as the Secretary may require, including—

"(1) a description of the training to be provided or purchased with the assistance provided under the grant;

"(2) a description of the qualifications of the entity providing the training;

"(3) in cases where the training provider is the entity applying for the grant, information indicating the commitment of entities that will be recipients of the training to participate in the training program;

"(4) in the case of applications for grants that will be used to provide the services described in subsection (e)(4), assurances that the agencies that are the training recipients will continue to use the approach to service delivery that is the subject of such training to address cases involving children of substance abusers; and

"(5) any other information determined appropriate by the Secretary.

"(e) USE OF FUNDS.—An entity that receives a grant under subsection (a) shall use the grant proceeds—

"(1) to develop and disseminate interdisciplinary curricula for training professionals and other staff who provide services to children and families of substance abusers, including community outreach services, or who provide services that bring the professionals into contact with substance abusers, children and families of substance abusers, or caretakers of children of substance abusers;

"(2) to provide or purchase training for staff or volunteers in programs specifically designed to provide community outreach services and services for children of substance abusers, as defined in section 399D;

"(3) to provide or purchase training for professionals and other staff whose regular duties involve the provision of services to children and families of substance abusers or to caretakers of children of substance abusers, except that such training—

"(A) shall cover topics including identification, referral, and evaluation of substance abusers, family members affected by substance abuse, and caretakers of children of substance abusers, and, where appropriate, specialized techniques for providing services to these families; and

"(B) shall be attended by representatives from at least one and, to the maximum extent practicable, two or more of agencies responsible for the provision of child protective and child welfare services, health care, developmental services, education, including school administrators, social workers, and teachers, mental health, judiciary, public health, and social services; and

"(4) to provide or purchase training, case support, and consultation to interdisciplinary teams of personnel from child protective service or child welfare agencies and personnel from public health, mental health, developmental service providers, or social services agencies or from entities providing those services, in order for such teams to provide support to, and arrange services for, caretakers of children of substance abusers, except that such training shall—

"(A) include instruction concerning what is known about the effects of prenatal substance abuse, the implications of such substance abuse for infant care, health, and development, and methods of providing instruction and support for caretakers of children of substance abusers;

"(B) support an approach to service delivery that is interagency, interdisciplinary, comprehensive, oriented toward case management, and focused on improving the health and development of the child;

"(C) be provided in sessions that include participants from all agencies contributing members to the team; and

"(D) be provided in classroom, home-based, and clinical settings.

"(f) GRANT AWARDS.—In awarding grants under subsection (a), the Secretary shall—

"(1) consult with the Administrator of the Alcohol, Drug Abuse and Mental Health Administration, the Commissioner of the Administration on Children, Youth, and Families and the Commissioner of the Administration on Developmental Disabilities;

"(2) ensure that grants are awarded in a manner consistent with the training strategy developed under subsection (b);

"(3) ensure that such grants are reasonably distributed among the grantee types described in subsection (c); and

"(4) ensure that the grants are distributed to ensure that entities serving Native American and Native Hawaiian communities are represented among the grantees.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $20,000,000 for fiscal year 1992 and for each such subsequent fiscal year.".

Subtitle B—Grants for Home-Visiting Services for At-Risk Families

SEC. 321. SHORT TITLE.

This subtitle may be cited as the "Healthy Beginnings Act of 1991".

SEC. 322. GRANTS FOR HOME-VISITING SERVICES FOR AT-RISK FAMILIES.

Part L of title III is amended—

(1) by redesignating sections 399 and 399A (42 U.S.C. 280c–4 and 280c–5) as sections 398A and 398B, respectively; and

(2) by adding at the end thereof the following new subpart:

"Subpart III—Grants for Home-Visiting Services for At-Risk Families

"SEC. 398E. DEFINITIONS.

"As used in this subpart:

"(1) ELIGIBLE FAMILY.—

"(A) IN GENERAL.—The term 'eligible family' means a family that includes—

"(i) a pregnant woman who is at risk of delivering an infant with a health or developmental complication, or other poor birth outcome; or

"(ii) a child below the age of 3 who has experienced or is at risk for a health or developmental complication, or child maltreatment.

"(B) POOR BIRTH OUTCOME.—A pregnant woman may be considered to be at risk of delivering an infant with a poor birth outcome, for purposes of subparagraph (A)(i), if during her pregnancy such woman;

"(i) lacks appropriate access to and information concerning early and routine prenatal care;

"(ii) lacks the transportation necessary to gain access to the services described in this subparagraph;

"(iii) lacks appropriate child care assistance, which results in impeding the ability of such woman to utilize health and related social services;

"(iv) is fearful of accessing substance abuse services or child and family support services;

"(v) has an income that is below 100 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981); or

"(vi) is without health insurance.

"(2) HEALTH OR DEVELOPMENTAL COMPLICATION.—The term 'health or developmental complication' means—

"(A) low birthweight;

"(B) premature birth;

"(C) a physical or developmental disability or delay; or

"(D) exposure to parental substance abuse.

"(3) HOME VISITING SERVICES.—The term 'home visiting services' includes—

"(A) prenatal and postnatal health care;

"(B) primary health care for eligible children, including developmental assessments;

"(C) education for mothers and caretakers concerning infant care, and child development, including the development and utilization of parents and teachers resource networks and other family resource and support networks where such networks are available;

"(D) education for women concerning the health consequences of smoking, alcohol, or other substance abuse, inadequate nutrition, use of nonprescription drugs, and the transmission of sexually transmitted diseases;

"(E) assistance in obtaining necessary health, mental health, developmental, and social services, including services offered by maternal and child health programs, the special supplemental food program for women, infants, and children, authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), early and periodic screening, diagnostic, and treatment services, as described in section 1905(r) of the Social Security Act (42 U.S.C. 1396d(r)), assistance programs under titles IV and XIX of the Social Security Act, housing programs, other food assistance programs, and appropriate alcohol and drug dependency treatment programs, according to need; and

"(F) development of a family service plan as provided for in section 398F(d)(4).

"(4) HOME VISITOR.—The term 'home visitor' means a person who provides home visiting services.

"SEC. 398F. HOME-VISITING SERVICES.

"(a) ESTABLISHMENT.—The Secretary shall make competitive grants to eligible entities to pay for the Federal share of the costs of providing home visiting services to eligible families. The Secretary shall award grants for periods of at least 3 years.

"(b) PURPOSES.—The purposes of this section are—

"(1) to increase the use of, and to provide information on the availability of early, continuous and comprehensive prenatal care;

"(2) to reduce the incidence of infant mortality and of infants born prematurely, with low birthweight, or with other impairments including those associated with maternal substance abuse;

"(3) to assist pregnant women and mothers of children below the age of 3 whose children have experienced, or are at risk of experiencing, a health or developmental complication, in obtaining health and related social services necessary to meet the special needs of the women and their children;

"(4) to assist, when requested, women who are pregnant and at-risk for poor birth outcomes, or who have young children and are abusing alcohol or other drugs in obtaining appropriate treatment; and

"(5) to reduce the incidence of child abuse and neglect.

"(c) GRANT AWARD.—

"(1) IN GENERAL.—In awarding grants under this section, the Secretary shall—

"(A) give priority to those entities—

"(i) that would provide home visiting services in an area where a shortage of primary health care or health professionals exists or where the population targeted by the applicant for the grant has limited access to health care and related social, family support, and developmental services;

"(ii) that have the ability to provide, either directly or through linkages, a broad range of preventive and primary health care services and related social, family support, and developmental services, as defined in section 398E(3);

"(iii) that have demonstrated a commitment to serving low income and uninsured individuals and families; and

"(iv) where appropriate for the proposed target population, have experience in providing outreach, preventive public health services, and developmental services to families with alcohol and drug problems;

"(B) in those urban areas in which more than one qualified application for a grant under this section is received, give priority to those entities that have the ability to provide comprehensive preventative and primary health care and related and social, family support, and development services that meet the criteria described in subparagraph (A)(i), and that have a history of providing health or related social services to the target at-risk population in the communities they serve; and

"(C) ensure that entities targeting families where substance abuse is present and entities serving Native American communities are represented among the grantees.

"(2) CONSIDERATIONS IN AWARDING GRANTS.—To demonstrate the effectiveness of home visiting programs among differing target populations, the Secretary, when awarding grants, shall take into consideration—

"(A) whether such grants are equitably distributed among urban and rural settings; and

"(B) different combinations of professional and lay home visitors utilized within programs that are reflective of the identified service needs and characteristics of target populations.

"(d) DELIVERY OF SERVICES AND CASE MANAGEMENT.—

"(1) CASE MANAGEMENT MODEL.—Home visiting services provided under this section shall be delivered according to a case management model, and a registered nurse, licensed social worker, or other licensed health care professional with experience and expertise in providing health and related social services in the home, shall be assigned as the case manager for individual cases under such model.

"(2) CASE MANAGER.—A case manager assigned under paragraph (1) shall have primary responsibility for coordinating and overseeing the development of a family service plan for each home visited under this section, and for coordinating the delivery of services provided through appropriate personnel.

"(3) APPROPRIATE PERSONNEL.—In determining which personnel shall be utilized in the delivery of services, the case manager shall consider—

"(A) the stated objective of the home visiting program involved, as determined after considering identified gaps in the current service delivery system; and

"(B) the nature of the needs of the client to be served, as determined at the initial assessment of the client that is conducted by the case manager, and through follow-up contacts by home visitors with the family.

"(4) FAMILY SERVICE PLAN.—A case manager, in consultation with the members of the home visiting team, shall develop a family service plan for the client following the initial home visit of the case manager. Such plan shall reflect—

"(A) an assessment of the health and related social service needs of the client family;

"(B) a structured plan for the delivery of services to meet the identified needs of the client family;

"(C) the frequency with which home visits are to be made concerning the client family;

"(D) ongoing revisions made as the needs of family members change; and

"(E) the continuing voluntary participation of the client in the plan.

"(5) HOME VISITING TEAM.—The home visiting team to be consulted under paragraph (4) on behalf of a client family shall include, as appropriate, other nursing professionals, social workers, child welfare professionals, infant and early childhood specialists, nutritionists, and laypersons trained as home visitors. The case manager shall ensure that the family service plan is coordinated with those physician services that may be required by the mother or child.

"(6) SERVICES.—Services provided under this section shall be made available through the applicant, either directly, or indirectly through agreements entered into by the applicant with other public or nonprofit private entities.

"(e) APPLICATION.—To be eligible to receive a grant under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary by regulation requires. At a minimum, each application shall contain—

"(1) a well defined description of the population to be targeted for home visiting services;

"(2) a plan for the delivery of structured services designed to meet the needs of the targeted population with a description of the objectives to be met through the provision of services by the entity and a plan for measuring the progress made toward achieving such objectives;

"(3) a description of the services to be provided by the entity directly, and the services to be provided by other public or nonprofit private entities under agreement with the entity;

"(4) assurances that the entity will provide case planning for eligible families that incorporates an interdisciplinary approach and, to the extent practicable, interagency involvement;

"(5) a description of the types and qualifications of home visitors used by the entity, including assurances that the skill level of the home visitor will be matched with the services to be provided by the visitor;

"(6) assurances that, to meet the objectives of the program, the home visitors will receive training in recognizing and addressing, or making referrals to address, parental substance abuse and its effects on children;

"(7) a description of the process by which the entity will provide continuing training, adequate supervision, and sufficient support to home visitors to ensure that trained home visitors are able to provide effective home visiting services;

"(8) a description of the means to be employed to provide outreach to eligible women;

"(9) assurances that the entity will provide home visiting services conducted by—

"(A) public health nurses, social workers, child welfare professionals, or other health or mental health professionals including developmental service providers who are trained or have experience in home visiting services; or

"(B) teams of home visitors, which shall include at least one individual described in subparagraph (A) and which may include workers recruited from the community and trained in home visiting services;

"(10) assurances that the entity will provide home visiting services with reasonable frequency—

"(A) to families with pregnant women, as early in the pregnancy as is practicable, and until the infant reaches at least 2 years of age;

"(B) to other eligible families, for at least 2 years;

if they remain within the service delivery area;

"(11) assurances that, in the case of an applicant who provides home visiting services to children age 3 or younger, the applicant will to the maximum extent practicable ensure that such children receive continued services through early childhood programs, such as the Head Start program;

"(12) assurances that the entity will deliver home visiting services in a manner that accords proper respect to the cultural traditions of the eligible families;

"(13) information demonstrating that the applicant is familiar with the socioeconomic and cultural groups who will receive home visiting services from the entity;

"(14) an assurance that the applicant will obtain at least 10 percent of the costs of providing home visiting services from non-Federal funds (such contribution to costs may be in cash or in-kind, including facilities and personnel);

"(15) an assurance that the applicant will spend not more than 10 percent of the Federal funds received under this subpart on other administrative costs, exclusive of training;

"(16) an assurance that the applicant will submit the report required by subsection (g);

"(17) assurances that the entity will coordinate with public health and related social service agencies to improve the delivery of comprehensive health and related social services to women and children served by the entity; and

"(18) evidence that the development of the proposal has been coordinated with the State agencies responsible for maternal and child health and child welfare, coordinated with services provided under part H of the Individuals with Disabilities Education Act, as well as evidence of the existence of a mechanism to ensure continuing collaboration and consultation with these agencies.

"(f) ELIGIBILITY.—Entities eligible to receive a grant under this section shall include public and private nonprofit entities that provide health or related social services, including community-based organizations, hospitals, local health departments, community health centers, Native Hawaiian health centers, nurse managed clinics, family service agencies, child welfare agencies, developmental service providers, and family resource and support programs.

"(g) FEDERAL SHARE.—The Federal share of grants provided under this section shall be 90 percent.

"(h) REPORT AND EVALUATION.—

"(1) REPORT.—To be eligible to receive a grant under this section, an entity shall agree to submit an annual report on the services provided under this section to the Secretary in such manner and containing such information as the Secretary by regulation requires. At a minimum, the entity shall report information concerning eligible families, including—

"(A) the characteristics of the families and children receiving services under this section;

"(B) the usage, nature, and location of the provider, of preventive health services, including prenatal, primary infant, and child health care;

"(C) the incidence of low birthweight and premature infants;

"(D) the length of hospital stays for pre- and post-partum women and their children;

"(E) the incidence of substantiated child abuse and neglect for all children within participating families;

"(F) the number of emergency room visits for routine health care;

"(G) the extent to which the utilization of health care services, other than routine screening and medical care, available to the individuals under the program established under title XIX of the Social Security Act, and under other Federal, State, and local programs, is reduced;

"(H) the number and type of referrals made for health and related social services, including alcohol and drug treatment services, and the utilization of such services provided by the grantee; and

"(I) the incidence of developmental disabilities.

"(2) EVALUATION.—

"(A) IN GENERAL.—The Secretary shall, directly or through contracts with public or private entities, conduct evaluations to determine the impact of programs supported under subsection (a) on the criteria specified in subsection (b), and not less than once during each 3-year period, prepare and submit to the appropriate committees of Congress, a report concerning the results of such evaluations.

"(B) CONTENTS.—The evaluations conducted under subparagraph (A), shall—

"(i) include a summary of the data contained in the annual reports submitted under subsection (h);

"(ii) assess the relative effectiveness of home visiting programs located in urban and rural areas, and among programs utilizing differing combinations of professionals and trained home visitors, to meet the needs of defined target service populations; and

"(iii) make further recommendations necessary or desirable to achieve the objectives identified in subsection (b) through home visiting programs.

"(i) CONFIDENTIALITY.—In accordance with applicable State law, an entity receiving a grant under this section shall maintain confidentiality with respect to services provided to clients under this section.

"(j) LIMITATION.—Nothing in this section shall be construed to permit an entity receiving a grant under this section to provide services without the consent of the client.

"(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $30,000,000 for the 1992 fiscal year and such sums as may be necessary for subsequent fiscal years.".

TITLE IV—CHILDHOOD MENTAL HEALTH

SEC. 401. SHORT TITLE.

This title may be cited as the "Children's and Communities' Mental Health Systems Improvement Act of 1991".

SEC. 402. PURPOSE.

It is the purpose of this title to—

(1) provide funds to States for the development of systems of community care for children and adolescents with serious emotional disturbance that will provide such children and adolescents with access to a comprehensive range of services;

(2) ensure that such services are provided in a cooperative manner by all appropriate public and nonprofit private entities that provide human services in the community, including entities providing mental health services, education, special education, juvenile justice and child welfare services;

(3) ensure that each child or adolescent shall receive such services according to an individualized plan, developed with the participation of the family and, as appropriate, the child or adolescent; and

(4) provide funding for mental health services provided in the systems referred to in this section.

SEC. 403. ESTABLISHMENT OF PROGRAM OF GRANTS TO STATES WITH RESPECT TO COMPREHENSIVE MENTAL HEALTH SERVICES FOR CHILDREN WITH SERIOUS EMOTIONAL DISTURBANCE.

Part B of title XIX (42 U.S.C. 300x et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 3—Comprehensive Mental Health Services for Children With Serious Emotional Disturbance

"SEC. 1928. CATEGORICAL GRANTS TO STATES.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, shall make grants to States for the purpose of providing comprehensive community mental health services to children with serious emotional disturbance. The Secretary may make such a grant to a State only if the State makes each of the agreements described in this subpart.

"(b) CONSIDERATIONS IN MAKING GRANTS.—

"(1) REQUIREMENT OF STATUS AS GRANTEE REGARDING BLOCK GRANTS UNDER SUBPART 1.—The Secretary may not make a grant under subsection (a) unless the State involved is receiving payments under subpart 1.

"(2) CERTAIN CONSIDERATIONS.—In making grants under subsection (a), the Secretary shall—

"(A) equitably allocate assistance made available under this subpart among the principal geographic regions of the United States;

"(B) equitably allocate such assistance between States that are predominantly urban and those which are nonurban; and

"(C) consider the extent to which the State involved has a need for the grant.

"(c) MATCHING FUNDS.—

"(1) IN GENERAL.—To be eligible to receive a grant under this subpart the State involved shall, with respect to the costs to be incurred by the State in carrying out the purpose described in subsection (a), agree to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to not less than—

"(A) 25 percent of such costs in the first year in which the State receives such a grant;

"(B) 30 of such costs in the second year in which the State receives such a grant;

"(C) 40 of such costs in the third year in which the State receives such a grant;

"(D) 55 of such costs in the fourth year in which the State receives such a grant; and

"(E) 70 of such costs in the fifth year in which the State receives such a grant.

"(2) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—

"(A) IN GENERAL.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(B) PERIOD OF DETERMINATION.—In making a determination of the amount of non-Federal contributions for purposes of subparagraph (A), the Secretary may include only non-Federal contributions in excess of the average amount of non-Federal contributions made by the State involved toward the purpose described in subsection (a) for the 2-year period preceding the first fiscal year for which the State receives a grant under such section.

"SEC. 1928A. REQUIREMENTS WITH RESPECT TO CARRYING OUT PURPOSE OF GRANTS.

"(a) SYSTEMS OF COMPREHENSIVE CARE.—

"(1) IN GENERAL.—To be eligible to receive a grant under this section a State shall, with respect to children with serious emotional disturbance, agree to carry out the purpose described in section 1928(a) only through establishing and operating one or more systems of care for making each of the mental health services specified in subsection (c) available to each child that is provided access to the system. In providing for such a system, the State may make grants to, and enter into contracts with, public and nonprofit private entities.

"(2) STRUCTURE OF SYSTEM.—To be eligible to receive a grant under this section a State shall, with respect to a system of care under paragraph (1), agree—

"(A) to establish such system in a community selected by the State;

"(B) that such system will be managed by such public and nonprofit private entities in the community as are necessary to ensure that each of the services specified in subsection (c) is available to each child that is provided access to the system;

"(C) that such system will be established pursuant to agreements entered into between such entities and the State;

"(D) to coordinate the provision of the services of the system; and

"(E) to establish a local office in each system whose functions are to serve as the location through which children are provided with access to the system, to coordinate the provision of services of the system, and to provide information to the public regarding the system.

"(3) COLLABORATION OF LOCAL PUBLIC ENTITIES.—To be eligible to receive a grant under this subpart a State shall, for purposes of the establishment and operation of a system of care under paragraph (1), agree to ensure collaboration among all appropriate public entities that provide human services in the community in which the system is established, including public entities providing mental health services, education, special education, juvenile justice and child welfare services.

"(b) Limitation on Age of Children Eligible for Services From the System.—To be eligible to receive a grant under this subpart, a State shall agree that a system of care established under subsection (a) will provide services only to individuals who are not more than 21 years of age.

"(c) Required Mental Health Services of System.—To be eligible to receive a grant under this subpart, a State shall agree that mental health services provided by a system of care under subsection (a) will include, with respect to serious emotional disturbance in a child—

"(1) diagnostic and evaluation services;

"(2) outpatient services provided in a clinic, office, school, home or other appropriate location, including individual, group and family counseling services, professional consultation, and review and management of medications;

"(3) emergency services, available 24-hours a day, 7 days a week;

"(4) intensive home-based services for children and their families when the child is at imminent risk of out-of-home placement;

"(5) intensive day-treatment services;

"(6) respite care;

"(7) therapeutic foster care services, and services in therapeutic foster family homes or individual therapeutic residential homes, and group homes caring for not more than 10 children; and

"(8) assisting the child in making the transition from the services received as a child to the services to be received as an adult.

"(d) Required Arrangements Regarding Other Appropriate Services.—

"(1) In general.—To be eligible to receive a grant under this subpart a State shall agree that—

"(A) a system of care under subsection (a) will enter into a memorandum of understanding with each of the providers specified in paragraph (2) in order to facilitate the availability of the services of the provider involved to each child admitted to the system; and

"(B) the grant under section 1928(a), and the non-Federal contributions made with respect to the grant, will not be expended to pay the costs of providing such services to any individual.

"(2) Specification of services.—The providers referred to in paragraph (1) are providers of medical services other than mental health services, providers of education including special education, providers of vocational counseling and vocational rehabilitation services, and providers of protection and advocacy services with respect to mental health.

"(3) Provision of services of certain programs.—To be eligible to receive a grant under this subpart a State shall agree that a system of care under subsection (a) will, for purposes of paragraph (1), enter into a memorandum of understanding regarding the provision of—

"(A) services available pursuant to title XIX of the Social Security Act, including services regarding early periodic screening, diagnosis, and treatment;

"(B) services available under parts B and H of the Individuals with Disabilities Education Act; and

"(C) services available under other appropriate programs, as identified by the Secretary.

"(e) General Provisions Regarding Services of System.—

"(1) Case management services.—To be eligible to receive a grant under this subpart a State shall agree that a system of care under subsection (a) will provide for the case management of each child admitted to the system in order to ensure that—

"(A) the services provided through the system to the child are coordinated and that the need of each such child for the services is periodically reassessed;

"(B) information is provided to the family of the child on the extent of progress being made toward the objectives established for the child under the plan of services implemented for the child pursuant to section 1928B; and

"(C) the system provides assistance with respect to—

"(i) establishing the eligibility of the child, and the family of the child, for financial assistance and services under Federal, State, or local programs providing for health services, mental health services, education including special education, social services, or other services; and

"(ii) seeking to ensure that the child receives appropriate services available under such programs.

"(2) Other provisions.—To be eligible to receive a grant under this subpart a State shall agree that a system of care under subsection (a), in providing the services of the system, will—

"(A) provide the services of the system in the cultural context that is most appropriate for the child;

"(B) ensure that individuals providing services to the child can effectively communicate with the child and with the child's family, either directly or through interpreters;

"(C) provide the services without discriminating against the child or the family of the child on the basis of race, religion, national origin, sex, disability, or age;

"(D) seek to ensure that each child that is provided access to the system of care remains in the least restrictive, most normative environment that is clinically appropriate; and

"(E) provide outreach services to inform individuals, as appropriate, of the services available from the system, including identifying children with serious emotional disturbance who are in the early stages of such emotional disturbance.

"(f) Restrictions on Use of Grant.—To be eligible to receive a grant under this subpart a State shall agree that the grant under such subpart, and the non-Federal contributions made with respect to the grant, will not be expended—

"(1) to purchase or improve real property (including the construction or renovation of facilities);

"(2) to provide for room and board in residential programs serving 8 or fewer children;

"(3) to provide for room and board or any other services or expenditures associated with care of children in long-term residential treatment centers serving more than 8 children or in inpatient hospital settings; or

"(4) to provide for the training of any individual, except training authorized in section 1928C(b)(2).

"SEC. 1928B. DEVELOPMENT OF SERVICE PLANS.

"(a) In General.—To be eligible to receive a grant under this subpart a State shall agree that a system of care under section 1928A(a) will establish, for each child that is provided access to the system, a multidisciplinary team of appropriately qualified individuals who provide services through the system, including, as appropriate, mental health services, other health services, education, social services and vocational counseling and vocational rehabilitation. Such teams will ensure, for each child that is provided access to the system that—

"(1) an Individualized Services Plan is developed and implemented with the participation of the family of the child involved and, unless clinically inappropriate, with the participation of the child, that meets the requirements of subsection (b);

"(2) an Individualized Education Program, or an Individual Family Services Plan, is developed for the child pursuant to the requirements of the Individuals with Disabilities Education Act and the requirements of subsection (b); or

"(3) a combination of such plans are developed which, taken together, will meet the requirements of subsection (b).

"(b) Treatment of Children.—

"(1) Treatment of children for which a program is established.—For any child for whom the school system has developed an Individualized Education Program, the system of care under section 1928A(a) will specify the services which are to be available to the child in accordance with such Program and identify and state any additional needs of the child for services available pursuant to section 1928A through the system, provide for the provision of services to meet such additional needs of the child in accordance with the requirements of subsection (c), and describe how the system will coordinate these additional services with the services provided pursuant to the child's Individualized Education Program.

"(2) Treatment of children for which no program is established.—For any child for whom an Individualized Education Program has not been established, the system of care under section 1928A(a) will ensure that an appropriate assessment is made (or has been made within the past 6 months) of the child's need for special education and related services under the Individuals with Disabilities Education Act. If such assessment results in the child's not being eligible for special education and related services under the Individuals with Disabilities Education Act, the system shall specify and provide services to the child in accordance with subsection (c).

"(c) Contents of Plan.—To be eligible to receive a grant under this subpart a State shall agree that the individualized plan under subsection (a) for a child will—

"(1) identify and state the needs of the child for the services available pursuant to section 1928A through the system;

"(2) provide for each of such services that are appropriate to the circumstances of the child, including, except in the case of children who are less than 14 years of age, the provision of appropriate vocational counseling and transition services, as defined in section 602A(19) of the Individuals with Disabilities Education Act;

"(3) establish objectives to be achieved regarding the needs of the child and the methodology for achieving the objectives;

"(4) be reviewed and, as appropriate, revised not less than once each year by the multidisciplinary team pursuant to section 1928B(a); and

"(5) designate an individual to be responsible for providing case management required in section 1928A(e)(1), or certify that case management services will be provided to the child as part of the child's Individualized Education Program or Individual Family Services Plan.

"SEC. 1928C. ADDITIONAL PROVISIONS.

"(a) Establishment of System of Care During First Two Years of Grant.—To be eligible to receive a grant under this subpart a State shall agree that the State will establish not less than 1 system of care under section 1928A(a) during the first 2 fiscal years for which the State receives payments under the grant.

"(b) Optional Services.—In addition to services described in subsection (c) of section 1928A, a system of care under subsection (a) of such section may, in expending a grant under section 1928(a), provide for—

"(1) preliminary assessments to determine whether a child should be provided with access to the system, including, when requested by the family of the child, an independent assessment of the need of the child for special education and related services, as defined in the Individuals with Disabilities Education Act;

"(2) training in the provision of foster care or group home care, in the provision of intensive home-based services and intensive day treatment services under section 1928A(c)(7), and in the development of individualized plans for purposes of section 1928B;

"(3) recreational activities for children that are provided access to the system; and

"(4) such other services as may be appropriate in providing for the comprehensive needs with respect to mental health of children with serious emotional disturbances.

"(c) Representation on State Planning Council.—In the case of a State where the State mental health authority is responsible for administration of services to children and youth with emotional disturbance, such State, to be eligible to receive a grant under this subpart, shall agree that the mental health planning council established pursuant to section 1916(e) will include as members of the council a ratio of parents of children with serious emotional disturbances to other members of the council that is sufficient to provide adequate representation of such children in the deliberations of the council.

"(e) Limitation on Imposition of Fees for Services.—To be eligible to receive a grant under this subpart a State shall agree that, if a charge is imposed for the provision of services under a grant under such subpart, such charge—

"(1) will be made according to a schedule of charges that is made available to the public;

"(2) will be adjusted to reflect the income of the family of the child involved;

"(3) will not be imposed on any child whose family has income and resources of equal to or less than 100 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981; and

"(4) will not be imposed on any child with respect to services described in the Individualized Education Program for the child.

"(f) Relationship to Items and Services Under Other Programs.—To be eligible to receive a grant under this subpart a State shall agree that the grant, and the non-Federal contributions made with respect to the grant, will not be expended to make payment for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such item or service—

"(1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

"(2) by an entity that provides health services on a prepaid basis.

"(g) Limitation on Administrative Expenses.—To be eligible to receive a grant under this subpart a State shall agree that not more than 2 percent of the grant under such section will be expended for State administrative expenses with respect to the grant.

"(h) Reports to Secretary.—To be eligible to receive a grant under this subpart a State shall agree that the State involved will annually submit to the Secretary a report on the activities of the State under the grant that includes a description of the number of children that are provided access to systems of care operated pursuant to the grant, the demographic characteristics of the children, the types and costs of services provided pursuant to the grant, estimates of the unmet need for such services in the State (as demonstrated through supporting evidence and a description of how such evidence was obtained), and the manner in which the grant has been expended toward the establishment of a State-wide system of care for children with serious emotional disturbance, and such other information as the Secretary may require with respect to the grant.

"(i) Description of Intended Uses of Grant.—The Secretary may not make a grant under section 1928(a) unless—

"(1) the State involved submits to the Secretary a description of the purposes for which the State intends to expend the grant;

"(2) the description identifies the populations, areas, and localities in the State with a need for services under this section; and

"(3) the description provides information relating to the services and activities to be provided, including a description of the manner in which the services and activities will be coordinated with any similar services or activities of public or nonprofit entities.

"(j) Requirement of Application.—The Secretary may not make a grant under section 1928(a) unless an application for the grant is submitted to the Secretary, the application contains the description of intended uses required in subsection (i), and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"SEC. 1928D. GENERAL PROVISIONS.

"(a) Duration of Support Regarding Systems of Care.—The period during which payments are made to a State from a grant under section 1928(a) may not exceed 5 fiscal years.

"(b) Expansion of Systems of Care Across the State.—

"(1) In general.—The Secretary may not make a grant under section 1928(a), for the third, fourth or fifth year to a State unless—

"(A) the State provides assurances satisfactory to the Secretary that it has a plan for achieving long-term financial support for systems of comprehensive care (as described in section 1928A(a) and funded through this Act); and

"(B) the State is making progress satisfactory to the Secretary to expand access to such systems in all areas of the State.

"(2) Compliance.—In making determinations on State compliance under this subsection, the Secretary shall assess the changes being planned and being made by the State in the organization, financing and delivery of children's services. Such assessment shall be based on a demonstration by the State that it is—

"(A) fully using existing resources;

"(B) taking actions to secure additional financing from mental health, child welfare, juvenile justice, State and Federal education programs, Medicaid, and other programs;

"(C) implementing effective case-management systems to assure that children and their families receive appropriate care; and

"(D) expanding such services in communities beyond the demonstration area.

The Secretary shall also take into account such factors as the development of multi-agency and State-community partnership agreements, community-wide interagency agreements outlining respective roles and responsibilities of local mental health, child welfare, education, including special education, and juvenile justice agencies, changes in State statutes and related policy developments that will facilitate expansions of children's services.

"(c) Technical Assistance.—

"(1) In general.—The Secretary shall, upon the request of a State receiving a grant under section 1928(a)—

"(A) provide technical assistance to the State regarding the process of submitting to the Secretary applications for grants under section 1928(a);

"(B) provide to the State, and to local systems of care established under section 1928A(a), training and technical assistance with respect to the planning, development, and operation of systems of care pursuant to section 1928A.

"(2) Authority for grants and contracts.—The Secretary may provide technical assistance under subsection (a) directly or through grants to, or contracts with, public and nonprofit private entities.

"(d) Evaluations and Reports by Secretary.—

"(1) In general.—The Secretary shall, directly or through contracts with public or private entities, provide for annual evaluations of programs carried out pursuant to section 1928(a). The evaluations shall assess the effectiveness of the systems of care operated pursuant to such section, including longitudinal studies of outcomes of services provided by such systems, other studies regarding such outcomes, the effect of activities under this subpart on the utilization of hospital and other institutional settings, the barriers to and achievements resulting from interagency collaboration in providing community-based services to children with serious emotional disturbance, and assessments by parents of the effectiveness of the systems of care.

"(2) Report to congress.—The Secretary shall, not later than 1 year after the date on which amounts are first appropriated under subsection (f), and annually thereafter, prepare and submit to the appropriate committees of Congress a report summarizing evaluations carried out pursuant to paragraph (1) during the preceding fiscal year and making such recommendations for administrative and legislative initiatives with respect to this section as the Secretary determines to be appropriate.

"(e) Definitions.—For purposes of this subpart:

"(1) Child.—The term 'child' means an individual not more than 21 years of age.

"(2) Family.—The term 'family', with respect to a child admitted to a system of care under section 1928A(a), means—

"(A) the legal guardian of the child; and

"(B) as appropriate regarding mental health services for the child, the parents of the child (biological or adoptive, as the case may be) and any foster parents of the child.

"(3) Serious emotional disturbance.—The term 'serious emotional disturbance' includes, with respect to a child, any child who has a serious emotional, serious behavioral, or serious mental disorder.

"(f) FUNDING.—

"(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subpart, there are authorized to be appropriated $100,000,000 for fiscal year 1992, $200,000,000 for fiscal year 1993, and $300,000,000 for fiscal year 1994.

"(2) SET-ASIDE REGARDING TECHNICAL ASSISTANCE.—Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall make available not less than $3,000,000 for the purpose of carrying out subsection (c).

"(3) LIMITATION ON INITIAL NUMBER OF GRANTS.—For fiscal year 1992, the Secretary may not make more than 10 grants under section 1928(a).

"SEC. 1928E. EFFECT ON OTHER LAWS.

"Nothing in this subpart shall be construed as limiting the rights of a child with a serious emotional disturbance under the Individuals with Disabilities Education Act.".

TITLE V—STUDIES

SEC. 501. STUDY ON PRIVATE SECTOR DEVELOPMENT OF PHARMACOTHERAPEUTICS.

(a) IN GENERAL.—The Director of the National Institute on Drug Abuse shall prepare a report on the role of the private sector in the development of anti-addiction medications. Such report shall contain legislative proposals designed to encourage private sector development of anti-addiction medications.

(b) SUBMISSION.—The report described in subsection (a) shall be submitted to the appropriate committees of the Congress not later than 1 year after the date of enactment of this Act.

SEC. 502. STUDY ON MEDICATIONS REVIEW PROCESS REFORM.

(a) IN GENERAL.—The Commissioner of the Food and Drug Administration, in consultation with the Director of the National Institute on Drug Abuse, shall prepare a report on the process by which anti-addiction medications receive marketing approval from the Food and Drug Administration. Such report shall assess the feasibility of expediting the marketing approval process in a manner consistent with public safety.

(b) SUBMISSION.—The report described in subsection (a) shall be submitted to the appropriate committees of the Congress not later than 1 year after the date of enactment of this Act.

SEC. 503. SENSE OF CONGRESS.

It is the sense of Congress that the Medications Development Division of the National Institute on Drug Abuse shall devote special attention and adequate resources to achieve the following urgent goals—

(1) the development of medications in addition to methadone;

(2) the development of a long-acting narcotic antagonist;

(3) the development of agents for the treatment of cocaine abuse and dependency, including those that act as a narcotic antagonist;

(4) the development of medications to treat addiction to drugs that are becoming increasingly prevalent, such as methamphetamine;

(5) the development of additional medications to treat safely pregnant addicts and their fetuses; and

(6) the development of medications to treat the offspring of addicted mothers.

SEC. 504. REPORT BY THE INSTITUTE ON MEDICINE.

(a) PHARMACOTHERAPY REVIEW PANEL.—Not later than 120 days after the date of enactment of this Act, the Director of the National Institute on Drug Abuse shall establish a panel of independent experts in the field of pharmacotherapeutic treatment of drug addiction to assess the national strategy for developing such treatments and to make appropriate recommendations for the improvement of such strategy.

(b) REPORT.—Not later than January 1, 1993, the Institute of Medicine of the National Academy of Science shall prepare and submit, to the appropriate Committees of Congress, a report that sets forth—

(1) the recommendations of the panel established under subsection (a);

(2) the state of the scientific knowledge with respect to pharmacotherapeutic treatment of drug addiction;

(3) the assessment of the Institute of Medicine of the progress of the Nation toward the development of safe, efficacious pharmacological treatments for drug addiction; and

(4) any other information determined appropriate by the Institute of Medicine.

(c) AVAILABILITY.—The report prepared under subsection (b) shall be made available for use by the general public.

SEC. 505. DEFINITION OF SERIOUS MENTAL ILLNESS.

Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall develop and submit to the appropriate committees of Congress—

(1) a uniform definition of "serious mental illness"; and

(2) a recommendation for standardized methods that may be utilized by States to estimate the incidence and prevalence of mental illness.

SEC. 506. PROVISION OF MENTAL HEALTH SERVICES TO INDIVIDUALS IN CORRECTIONAL FACILITIES.

Not later than 18 months after the date of enactment of this Act, the Administrator of the Alcohol, Drug Abuse and Mental Health Services Administration, acting jointly with the Director of the National Institute for Mental Health, shall prepare and submit to the appropriate committees of Congress a report concerning the most effective methods for providing mental health services to individuals residing in correctional facilities, and the obstacles to providing such services.

SEC. 507. STUDY OF BARRIERS TO TREATMENT COVERAGE.

Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report concerning the barriers to insurance coverage for substance abuse treatment, that shall include an assessment of the effect of managed care on the quality and financing of these services.

SEC. 508. REPORT ON FETAL ALCOHOL SYNDROME.

Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report concerning the prevalence of, and Federal efforts to combat, fetal alcohol syndrome.

SEC. 509. REPORT ON RESEARCH.

The Director of the National Institutes of Health shall annually prepare and submit to the appropriate committees of Congress a report concerning the status of behavioral and services-related research at the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health.

OFFICE OF GOVERNMENT ETHICS AMENDMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 197, S. 1145, regarding the Office of Government Ethics.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1145) to amend the Ethics in Government Act of 1978 to remove the limitation on the authorization of appropriations for the Office of Government Ethics.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LEVIN. Mr. President, the Governmental Affairs Committee filed its report on S. 1145, the Office of Government Ethics Amendment of 1991, on Tuesday, July 30, 1991. I ask unanimous consent that the time limit for acting on this legislation be waived and that the bill be adopted.

This is a very simple piece of legislation. The Office of Government Ethics [OGE] is a freestanding agency that is charged with developing standards and promoting ethics in the executive branch. It began in 1978, as a component of the Office of Personnel Managment, but over the years Congress has given it more responsibility and autonomy.

Unlike most other freestanding agencies, however, OGE's authorizing legislation contains a cap on the authorization of appropriations—now set at $5 million for each of the fiscal years 1990 through 1994. This cap has caused OGE to seek and Congress to pass an amendment to OGE's authorization level whenever the administration and Congress agree that OGE needs more money than the authorized level to do its job. This year, for example, the President's proposed budget for OGE for fiscal year 1992 is $6.3 million, or $1.3 above the amount not authorized.

The administration has asked Congress to simply remove the cap on OGE's authorization of appropriations to avoid these problems in the future. This legislation does that—it will remove the specific cap on OGE's authorization making yearly amendments in response to increased budgetary needs unnecessary.

Since OGE is authorized only through 1994, Congress will have ample incentive and opportunity to oversee OGE's performance, to make sure that OGE uses its new funding wisely.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1145

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Office of Government Ethics Amendment of 1991".

SEC. 2. REMOVAL OF THE CAP ON THE AUTHORIZATION OF APPROPRIATIONS.

Section 405 of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1) by striking "and";

(2) in paragraph (2) by striking "each of the 5 fiscal years thereafter." and inserting "the fiscal year ending September 30, 1990; and"; and

(3) by adding after paragraph (2) the following new paragraph:

(3) such sums as may be necessary for each of the 4 fiscal years thereafter.".

Mr. MITCHELL. I move to reconsider the vote.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TEMPORARY SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 82, a resolution to establish a Select Committee on POW/MIA Affairs, reported earlier today by the Rules Committee.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 82) to establish a Select Committee on MIA/POW Affairs, with an amendment in the nature of a substitute, as follows:

S. RES. 82

Resolved,

SECTION 1. (a) There is established a temporary Select Committee on POW/MIA Affairs (hereafter in this resolution referred to as the "select committee") which shall consist of 11 members, 6 to be appointed by the President pro tempore of the Senate upon recommendations of the Majority Leader from among members of the majority party, and 5 to be appointed by the President pro tempore of the Senate upon recommendations of the Minority Leader from among members of the minority party.

(b) The Majority Leader shall select the chairman of the select committee.

(c) The service of a Senator as a member or chairman on the select committee shall not count for purposes of paragraph 4 of rule XXV of the Standing Rules of the Senate.

(d) A majority of the members of the select committee shall constitute a quorum thereof for the transaction of business, except that the select committee may fix a lesser number as a quorum for the purpose of taking testimony. The select committee shall adopt rules of procedure not inconsistent with this resolution and the rules of the Senate governing standing committees of the Senate.

(e) Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the select committee.

SEC. 2. (a) There shall be referred to the select committee, concurrently with referral to any other committee of the Senate with jurisdiction, all messages, petitions, memorials, and other matters relating to United States personnel unaccounted for from military conflicts.

(b) Nothing in this resolution shall be construed as prohibiting or otherwise restricting the authority of any other committee of the Senate or as amending, limiting, or otherwise changing the authority of any standing committee of the Senate.

SEC. 3. The select committee may, for the purposes of accountability to the Senate, make such reports to the Senate with respect to matters within its jurisdiction as it shall deem advisable which shall be referred to the appropriate committee. In making such reports, the select committee shall proceed in a manner consistent with the requirements of national security.

SEC. 4. (a) For the purposes of this resolution, the select committee is authorized at its discretion (1) to make investigations into any matter within its jurisdiction, (2) to hold hearings, (3) to sit and act at any time or place during the sessions (subject to paragraph 5 of rule XXVI of the Standing Rules of the Senate), recesses, and adjourned periods of the Senate, (4) to require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (5) to make expenditures from the contingent fund of the Senate to carry out its functions and to employ personnel, subject to procedures of paragraph (9) of rule XXVI of the Standing Rules of the Senate, and (6) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable, or nonreimbursable basis the services of personnel of any such department or agency.

(b) The chairman of the select committee or any member thereof may administer oaths to witnesses.

(c) Subpoenas authorized by a majority of the select committee shall be issued over the signature of the chairman and may be served by any person designated by the chairman.

SEC. 5. (a) No employee of the select committee or person engaged to perform services for or at the request of such committee shall be given access to any classified information by such committee unless such employee or person has (1) agreed in writing and under oath to be bound by the rules of the Senate and of such committee as to the security of such information during and after the period of his employment or relationship with such committee; and (2) received an appropriate security clearance as determined by such committee in consultation with the Director of Central Intelligence. The type of security clearance to be required in the case of any such employee or person shall, within the determination of such committee in consultation with the Director of Central Intelligence, be commensurate with the sensitivity of the classified information to which such employee or person will be given access by such committee.

(b) The select committee shall designate a security officer qualified to administer appropriate security procedures to ensure the protection of confidential and classified information in the possession of the select committee and shall make suitable arrangements, in consultation with the Office of Senate Security, for the physical protection and storage of classified information in its possession.

SEC. 6. (a) The select committee shall formulate and carry out such rules and procedures as it deems necessary to prevent the disclosure, without the consent of the person or persons concerned, of information in the possession of such committee which unduly infringes upon the privacy or which violates the constitutional rights of such person or persons.

(b) Nothing in this resolution shall be construed to prevent the select committee from publicly disclosing any such information in any case in which such committee determines the national interest in the disclosure of such information clearly outweighs any infringement on the privacy of any person or persons.

SEC. 7. The select committee is authorized to permit any personal representative of the President, designated by the President to serve as a liaison to such committee, to attend any closed meeting of such committee.

SEC. 8. Paragraph 3(c) of rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following:

"POW/MIA Affairs .... 11."

SEC. 9. The select committee shall terminate at the end of the One Hundred Second Congress. Upon termination of the select committee, all records, files, documents, and other materials in the possession, custody, or control of the select committee, under appropriate conditions established by the select committee, shall be transferred to the Secretary of the Senate.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, I ask unanimous consent that a section-by-section analysis of the resolution be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SENATE RESOLUTION 82, TO ESTABLISH A SELECT COMMITTEE ON POW/MIA AFFAIRS

SECTION-BY-SECTION ANALYSIS—AMENDMENT IN THE NATURE OF A SUBSTITUTE

Section 1: [revised]

Establishes a temporary Select Committee on POW/MIA Affairs, of eleven (11) members, six (6) to be appointed upon recommendation by the Majority Leader and five (5) appointed upon recommendation by the Minority Leader. The Majority Leader shall select the chairman of the select committee.

The service of a Senator as a member or chairman of the select committee shall not count for purposes of paragraph 4 of Rule XXV, relating to limitations on the number and types of Senate committees on which a Member may serve.

A majority of the members of the select committee shall constitute a quorum for the transaction of business, except that the select committee may fix a lesser number as a quorum for the purpose of taking testimony. The select committee shall adopt rules of procedure not inconsistent with this resolution and the rules of the Senate.

A vacancy in the membership of the select committee shall not affect the authority of the committee.

Section 2: [no change from original resolution]

All messages, petitions, memorials and other matters relating to United States personnel unaccounted for from military conflicts shall be referred to the select committee concurrently with referral to any other committee of the Senate with jurisdiction.

Nothing in the resolution shall be construed to prohibit or otherwise restrict the authority of any other committee of the Senate or as amending, limiting, or otherwise changing the authority of any standing committee of the Senate.

Section 3: [revised]

This section has been revised to provide that the select committee may make such reports to the Senate with respect to matters within its jurisdiction as it shall deem advisable. In making such reports, the select committee shall proceed in a manner consistent with requirements of national security.

Section 4: [revised]

The select committee is authorized at its discretion: (1) to make investigations into any matter within its jurisdiction; (2) to hold hearings; (3) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate; (4) to require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents; (5) to make expenditures from the contingent fund of the Senate and to employ personnel, subject to procedures of paragraph 9 of Rule 26; and (6) with the prior consent of a Government department or agency concerned and the Rules Committee, the select committee may use on a reimbursable or nonreimbursable basis, the services of personnel of any such department or agency.

The chairman or any member of the select committee may administer oaths to witnesses.

Subpoenas authorized by a majority of the select committee may be issued over the signature of the chairman and may be served by any person designated by the chairman.

Section 5: [adds a new subsection (b)]

Subsection (a) provides that no employee of the select committee or any person engaged to perform services at the select committee's request shall be given access to any classified information unless such employee or person has (1) agreed in writing and under oath to be bound by the Rules of the Senate and of such committees relating to the security of such information during and after the period of employment or relationship with the committee; (2) received an appropriate security clearance as determined by the select committee in consultation with the Director of the C.I.A. (the type of security clearance to be required shall be commensurate with the sensitivity of the classified information).

A new subsection (b) has been added which provides that the select committee shall designate a security officer qualified to administer appropriate security procedures to ensure the protection of confidential and classified information and, in consultation with the Office of Senate Security, make suitable arrangements for the physical protection and storage of such classified information in the select committee's possession.

Section 6: [no change from original resolution]

The select committee shall formulate and carry out such rules and procedures as it deems necessary to prevent the disclosure, without the consent of the person or persons concerned, of information in the possession of the select committee which unduly infringes upon the privacy or which violates the constitutional rights of such person or persons.

Nothing in this resolution shall prevent the committee from publicly disclosing any such information in any case in which the committee determines that the national interest clearly outweighs any infringement on the privacy of any person or persons.

Section 7: [no change from original resolution]

The select committee is authorized to permit any personal representative of the President, designated by the President as a liaison, to attend any closed meeting of the committee.

Section 8: [no change from original resolution]

Amends paragraph (3)(c) of Rule XXV.

Section 9: [new section]

The select committee shall terminate at the end of the 102nd Congress. Upon termination, all records, files, documents, and other materials in its possession, custody or control, shall be transferred to the Secretary of the Senate.

Mr. STEVENS. Mr. President, will my good friend, the chairman of the Rules Committee, respond to a question?

Mr. FORD. Certainly.

Mr. STEVENS. As the chairman knows, during our hearing on Senate Resolution 82, witnesses charged that documents are available indicating that American prisoners of war are alive in Southeast Asia, but that few senior officials in the Defense Department have read these documents. The critics contend that if high level DOD officials had seen those documents, more action would have been taken. My question is, Will these documents, under this resolution, be available to the members of this select committee?

Mr. FORD. Indeed they will. Under Senate Resolution 82, as amended by the committee, the select committee will have the power to require the production of correspondence, books, papers, and documents during the course of their inquiry.

Mr. STEVENS. One other question to the chairman. Having these documents available to the committee is one thing, and having them read is quite another. Is it the chairman's intent that the committee members themselves will review these documents?

Mr. FORD. I cannot speak for those who have yet to be appointed. However, it would be my hope that the leadership from both sides of the aisle would select members for this committee who will pledge to review these documents. I cannot believe that any Member of this body would accept appointment and would not review all pertinent documents. The Senator's questions are very important, for these documents are the heart of the question of whether or not our Government is pursuing effective policies in accounting for all POW's and MIA's. If these documents are as important and revealing as proponents of the select committee have argued, then it would be incumbent upon every member, before agreeing to appointment, to pledge to read all pertinent documents. I thank the Senator from Alaska. His questions, as I said, get to the heart of this issue.

Mr. STEVENS. I thank the chairman.

Mr. HELMS. Mr. President, it is significant that Senate Resolution 82—to create a Select Committee on POW/MIA Affairs—is cosponsored by 52 U.S. Senators, many Democrats and many Republicans. The hopes of many concerned citizens, veterans, and family members who have a son, brother, or father listed as POW/MIA are pinned to the formation of this committee, which, if agreed to by the Senate, will have the proper authority, jurisdiction and funding to resolve once and for all the many outstanding and unanswered questions about the POW/MIA issue.

Mr. President, from time to time I have a recurring nightmare that our Government willfully abandoned U.S. servicemen in Communist prisoner-of-war camps—after these men volunteered or were drafted to fight a war politicians in Washington would not let them win.

But it is not through anybody's nightmare that it has now become apparent that the U.S. Government abandoned young Americans known to be in enemy hands at the conclusion of World War I, World War II, the Korean war, and the Vietnam war.

So, it is not my nightmare that discloses this sad truth—it is that mass of declassified U.S. Government documents which establish that as many as several hundred Americans were abandoned after World War I, that as many as 20,000 Americans were abandoned after World War II, and that as many as 8,100 Americans were abandoned after the Korean war.

With regard to the Vietnam war, even Henry Kissinger admits in his memoirs that at least 30 U.S. servicemen were captured alive, and never heard from again. The New York Times reported, before the signing of the Paris Peace Accords that the United States Government had requested the Vietnamese to return 5,000 men. Yet, only 591 Americans were returned.

These and other facts that have come to my attention as a result of the investigation by my associates on the minority staff on the U.S. Senate Committee on Foreign Relations. As a result, there is no doubt in my mind that the U.S. Government knowingly left men behind in Southeast Asia.

Mr. President, before I instructed the Republican staff of the Foreign Relations Committee to conduct an ongoing investigation, all other roads, all official channels, led me to a dead end. Neither Republican nor Democratic administrations were helpful in resolving the persistent allegations and bits of evidence that POW's remained in Southeast Asia.

Mr. President, I am sure every Senator here today has had the same frustrating experience. Various U.S. admirals, generals, ambassadors, foreign service officers, intelligence officers from our various agencies, staffers from the State Department and the De-

partment of Defense, all told me the same thing: "Senator, I know you have many concerned constituents—but there is nothing to this information and these various allegations. There are no Americans left over there." That is what I was repeatedly told.

At a minimum, our investigation has showed that there are many questions still to be answered. Two of my staff have worked on this issue for 18 months. Furthermore, continuing developments—such as the recent widely publicized photograph apparently showing three United States POW/MIA's in Laos, and the resignation of Col. Millard Peck, the former Chief of the Special Office for Prisoners of War and Missing in Action—should compel the Senate to act.

The POW/MIA issue is not going to go away by itself. Furthermore, the Fourth Circuit of the United States Court of Appeals in Smith versus Reagan, ruled that "Accountability lies in oversight by Congress or in criticism from the electorate, but not in the judgement of the courts." The resolution of the POW/MIA issue is Congress's responsibility and we must not shirk it.

But it soon became evident that my staff was barely able to scratch the surface. More Senators, more time, more resources and a coordinated effort are needed. The normal committee process cannot accommodate the concerted, focused investigation needed to pry answers out of the executive branch on this issue. Even by a cursory reading of the Senate rules, there are approximately four Senate committees with some claim to jurisdiction over this issue: the Foreign Relations Committee, the Select Committee on Intelligence, the Veterans' Affairs Committee, and the Armed Services Committee. Even the Government Affairs Committee could conceivably claim part of the action.

A haphazard, piecemeal effort cannot resolve the issue. Such an effort by individual committees, uncoordinated as they are, will only create more frustration and disillusionment among the public, and others who want the truth. Family members, veterans, and above all, the men this country abandoned are waiting for us to act.

AMENDMENT NO. 1082

Mr. MITCHELL. Mr. President, on behalf of Senator Ford I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine [Mr. Mitchell] (for Mr. Ford), proposes an amendment numbered 1082.

Mr. MITCHELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, line 25, strike "11" and insert "12".

On page 6, line 3 strike "5" and insert "6".

On page 6, between lines 7 and 8 insert the following:

(c) The minority leader shall select the vice chairman of the Select Committee.

On page 6, line 8, strike "(c)" and insert "(d)".

On page 6, line 12, strike "(d)" and insert "(e)".

On page 6, line 19, strike "(e)" and insert "(f).

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1082) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended was agreed to.

Mr. SMITH. Mr. President, on behalf of Senator Dole, I would announce that the following five of the six Senators on the Republican side will be on the committee: Senator Smith, Senator Brown, Senator Grassley, Senator Kassebaum, and Senator Helms.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution of (S. Res. 82) as amended, was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

Mr. SMITH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTENTION TO APPOINT MEMBERS TO THE SELECT COMMITTEE

Mr. MITCHELL. Mr. President, it is my intention to appoint the following Democratic Senators as members of the Select Committee: Senator John Kerry of Massachusetts, to serve as chairman of the committee; Senator Tom Daschle of South Dakota; Senator Dennis DeConcini of Arizona; Senator Bob Kerrey of Nebraska; Senator Harry Reid of Nevada; Senator Charles Robb of Virginia.

Mr. MITCHELL addressed the Chair.

Mr. DOLE. Mr. President, can I make an inquiry of the Republican names read? They are at the desk?

The PRESIDING OFFICER. Yes.

DISTRICT OF COLUMBIA BUDGETARY EFFICIENCY ACT OF 1991

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be discharged from further consideration of H.R. 2123, the D.C. Budgetary Efficiency Act of 1991, and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2123) to amend the District of Columbia Self-Government and Governmental Reorganization Act to establish a predictable and equitable method for determining the amount of the annual payments to the District of Columbia.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOLE. Mr. President, I will take only a minute of the Senate's time to explain that the distinguished Senator from Washington, Senator Gorton, has received assurances from Mayor Dixon that nothing in this bill alters or restricts congressional discretion to set the level of Federal payments in years covering the bill.

Senator Gorton has been promised a written explanation from the Mayor that nothing in this bill disallows congressional discretion to set the appropriated amount. I now ask unanimous consent to have printed in the Record the letter dated today, to Senator Gorton, along with a floor statement from the House of Representatives regarding some of the same concerns, by Congressman Tom Bliley, Jr., and Congressman Gallo.

There being no objection, the material was ordered to be printed in the Record, as follows:

THE DISTRICT OF COLUMBIA
Washington, DC, August 2, 1991.

Hon. Slade Gorton,
U.S. Senate, Washington, DC.

Dear Senator Gorton: I want to assure you that H.R. 2123, the District of Columbia Budgetary Efficiency Act of 1991, is not an entitlement bill. The formula itself creates no additional burden on the federal treasury, and must still be appropriated.

We believe that this will ensure that there are adequate safeguards to assure appropriate congressional authority and oversight of the District's fiscal affairs.

Sincerely,

Sharon Pratt Dixon.

FLOOR STATEMENT OF REPUBLICAN THOMAS J. BLILEY, JR., ON JUNE 11, 1991

Mr. Speaker and fellow Members, I hope that today will mark the end of the beginning of a new era for the District of Columbia. Over the past decade the fiscal condition of the District of Columbia and the relationship between the Congress and the District have been allowed to drift into dangerous and undesirable waters. As we vote in favor of this legislation today we will be completing a process begun last November of renewal in the District and a renewed feeling of trust and respect between the District and the Congress.

I was prepared to have to come here today and explain this legislation and discuss it and defend it against critics and skeptics all day if necessary. This legislation is important and I strongly support it. But, I must tell you, when I began seeking our Members from the Republican side of the aisle and as Democrats learned of the bill and asked me about it; I was surprised to find almost unversal support for what Chairman Dellums and I had undertaken to do to fulfill Congressional responsibilities and help the District of Columbia and its new administration.

The concepts on which we agreed and which form the basis for H.R. 2123 are:

(1) The unpredictable nature of the Federal payment hurts the District's budget planning ability and costs the District millions of dollars in additional interest payments on its bonds because of revenue uncertainty.

(2) Any formula based on a percentage of local revenue must be somehow divorced from direct and immediate impact by actions of the Council.

(3) Any agreement we reached must not violate the budget agreement reached last Fall between the Congress and the Bush Administration.

(4) The request from the District and propounded by the Rivlin Commission for a federal payment based on 30% of local revenues was unacceptable and politically not feasible.

The end of 1990 brought two events which spurred both the need for this legislation and Chairman Dellums' and my determination to reach a compromise on this matter. The first was the realization of a growing District revenue shortfall resulting in an unprecedented operating budget deficit which pointed out the need the District had for an increased and known-in-advance Federal payment authorization. The second event was the election of Ms. Sharon Pratt Dixon as Mayor of the District of Columbia along with John Wilson as Council Chairman and several new Council members. This singular event brought about a vast and immediate improvement in the relationship between the District and the Congress.

The result of months of intensive negotiations between Mr. Dellums and myself and our staffs is before you today as H.R. 2123. This bill is a bipartisan compromise in the truest sense of the word and meets all of the criteria I mentioned before for helping the District of Columbia while preserving Congressional responsibility.

H.R. 2123 ends that uncertainty and unpredictability of the federal payment. As you can see from these charts, in the past the payment has looked more like a roller coaster ride than a rational program for helping the District. (point to chart 1) As you can see from this next chart (point to chart 2) the results of passing H.R. 2123 would be a much more steady and even-keeled program. Basing the authorized level of the payment on a formula of 24% of local revenue raised two years before will allow the Mayor, the Council and the District's underwriters to know what the cap will be well in advance of the money actually being budgeted by the District and appropriated by the Congress. This new predictability for the Federal payment should allow the District to better anticipate its needs and resources and manage its fiscal affairs in a more responsible manner.

H.R. 2123 links the Federal payment to local revenues, but it does so in a manner that divorces the payment from effect influence by the District Council. No politician in his right mind would raise local taxes in 1991 so that in 1993 the Federal payment would go up. I believe that this effectively keeps the District from directly affecting the size of the payment.

H.R. 2123 is a fair compromise. The District, backed up by the Rivlin Commission, asked for a payment of 30% of local revenues. Looking at projected payment figures it is clear that 30% is more money than Congress would be willing to authorize with a Federal deficit of $300 billion. You can see from the chart (point to chart) that the difference between a 24% and a 30% formula comes out to $500 million over the 1993–1995 period covered by this bill. That is $500 million that we would have to take from some other deserving program or project. As it is, H.R. 2123 provides the District with a potential of several hundred million dollars over a four year period with which to set its house in order. That is generous and fair to the District without using the Federal treasury to simply pay off the irresponsible sins of the past.

Next among my concerns was that H.R. 2123 not violate the budget agreement or not conform to the plans of the Appropriations Committee. I thank the Chairman for his sharing my interest in this matter and for his colloquy with the Chairman of the Appropriations Subcommittee on the District of Columbia. At this time I will yield to the Ranking Minority Member of that Appropriations Subcommittee, the distinguished Representative from New Jersey, Mr. Gallo for the purpose of a similar colloquy. I would ask my colleague to confirm my belief that H.R. 2123 does not violate the terms of the budget agreement and I yield to him.

Mr. GALLO. I thank the gentleman from Virginia for his efforts on this important matter and I can confirm his understanding—H.R. 2123 is in conformance with the budget agreement.

Mr. BLILEY. Reclaiming my time, I thank the gentleman for his answer and ask if this bill will cause concern on the Appropriations Committee or if it will obligate the appropriation of any set amount for the Federal payment?

Mr. GALLO. As stated by my Subcommittee Chairman, the Appropriations Committee will continue to examine proposed District budgets with a sharp eye and we will not approve any budget or appropriate any Federal monies in excess of what is reasonable and necessary for the effective governance of the District of Columbia. If the gentleman will continue to yield to me, I would add further that I join Mr. Dixon in support of this legislation and believe that it will give the Appropriations Committee necessary leeway to fit the Federal payment to the needs of the District and to a fair and reasonable amount of taxpayer funds.

Mr. BLILEY. Reclaiming my time, I thank my colleague for his support and for his answers to my questions. My desire to stay within necessary restraints and guidelines thus has been met in the provisions of H.R. 2123.

My most important reason for negotiating this bill and for supporting it so strongly is that is in the interest of this Congress and of all of the American people that this city—this Federal City which is the heart of our government—renew itself and become once again a capital of which we can all be proud. The citizens of the District of Columbia know this as well as we do. It was the citizens of the District who took the first step down the road to renewal in November when they decisively turned away from the past and elected a corps of local officials dedicated to a return to values in government and operating within the bounds of fiscal responsibility.

We want Mayor Dixon to succeed. We need Mayor Dixon to succeed. We must do our part or else I see no way that she can lead the District back from the brink. Washington, D.C., this Nation's capital city, does not need to be known as the murder capital as well. It does not need to be the drug capital as well. It does not need to lead our Nation in local officials being indicted and going to jail. Mayor Dixon needs our help. The citizens of the District need our help. Indeed, the citizens of this Nation expect our help to make the District of Columbia once again a place where they can visit without fear and meet the history of the past and see the history of the future being made.

Mr. Speaker, it took a lot of hard work by a lot of people to make this bill possible. I would particularly like to thank the citizens of the District and Mayor Sharon Pratt Dixon who each have the really hard roles to play. I support H.R. 2123 and I urge each of my colleagues to do the same.

Mr. SASSER. Mr. President, I take this opportunity to commend the leadership for agreeing to proceed by unanimous consent with consideration of H.R. 2123, the District of Columbia Budgetary Efficiency Act of 1991. This legislation, more commonly referred to as the Federal payment formula bill, amends the District of Columbia Self-Government and Governmental Reorganization Act to authorize a formula for the annual Federal payment to the District for fiscal years 1993 through 1995. Although the formula would not be binding on the congressional appropriations process, H.R. 2123 would provide greater predictability of the Federal payment, which had not grown during the second half of the 1980's, and would assist the District significantly in improving its financial situation.

I also wish to thank my colleagues on the Governmental Affairs Committee for agreeing to discharge this bill from further consideration, so that action by the Senate can be completed before we recess and the act sent to the President for signature. It has taken an extraordinary and courageous effort by the Mayor of the District, the Honorable Sharon Pratt Dixon, to advance consideration of the Federal payment bill—and not just this week, but since assuming office this past January. I am referring to the totality of her efforts to bring about a climate in which this legislation could be considered favorably. She has inherited a situation none of us would envy, and in a few months has gone a long way toward restoring confidence in the District government here on Capitol Hill.

Now, H.R. 2123 was referred to the Committee on Governmental Affairs and to the Subcommittee on General Services, Federalism, and the District of Columbia, which I chair. This past July 11, the subcommittee had the pleasure of welcoming Mayor Dixon and the Honorable John A. Wilson, chairman of the Council of the District of Columbia, to a hearing to consider the subject, "Meeting the District's Financial Challenge." Naturally, H.R. 2123 was the subject of considerable testimony, questioning, and comment at the hearing.

Following its hearing the subcommittee, on July 26, 1991, polled out H.R. 2123 with three amendments to give the Mayor and council budget control over the city's independent agencies; to clear the way for Mayor Dixon to proceed with eliminating unnecessary management positions; and to allow the city to issue $331 million in revenue bonds to retire its operating deficit. It had been our intention to mark up H.R. 2123 and report it to the Senate.

However, owing to the exigencies of time and the need to have this formula in place before recess, we are discharging H.R. 2123 unamended, so that it can be sent directly to the President. My subcommittee had made a few minor technical amendments, but these can be taken up at a later date. The three substantive amendments are already contained in another House bill, H.R. 2969, which also was discharged from the Governmental Affairs Committee for consideration by unanimous consent.

Nevertheless, since the committee will not be making a formal report on H.R. 2123, I would like to offer my own observations about the legislation, including what I see as the background and need for it, in the hope that my comments will be useful to anyone wishing to understand what this bill accomplishes.

HISTORY OF AND RATIONALE FOR THE FEDERAL PAYMENT

The practice of appropriating a Federal payment to the District dates to 1800, when the Nation's Capital formally moved to Washington, DC. The rationale for the payment is to compensate the District for certain limitations and burdens borne by the city in its role as the Federal Capital.

For instance, the District's tax base is limited by the fact that roughly one-half the land in the city, and half the sales made there, are exempt from local taxation due to their Federal or diplomatic nature. In addition, Congress in the Self-Government Act prohibits the District from imposing income taxes on residents of neighboring jurisdictions who work in the District, at an estimated cost of $1.2 billion a year. The private sector property tax base is further limited by the Federal restriction on height of buildings in the District, which is one of Washington's most admired features and continues to enjoy strong congressional support.

At the same time that it is limited in raising revenue, the District bears costs associated with the presence of the Federal Establishment. In addition to the obvious cost of maintaining infrastructure, there are recurring expenses, such as police assistance during public rallies and demonstrations, that result from the city's role as the seat of government. The District also is host to nearly 20 million visitors a year who come to enjoy the public buildings, monuments, museums, and parks for which Washington is famous.

Obviously, then, the District derives significant benefits as well from the Federal presence. Since Congress retains ultimate jurisdiction over the District under article I of the Constitution, the Federal payment is perceived as a fair method of compensating the city and assisting it in meeting the expenses associated with a great capital. At the same time, the payment constitutes a quid pro quo. Congress retains oversight of the District, even under home rule, and an interest in how Federal money is being spent.

Since 1925, the Federal contribution has been determined through the regular congressional authorization and appropriations process. When home rule was authorized in 1973, section 502 of the Self-Government Act formalized and specified the authorized amount of the Federal payment. That section was amended through the years, enlarging the payment to reflect increased costs and inflation. From the beginning of the 1980's through middecade, the Federal payment—with congressional add-ons—remained equivalent to a little over 25 percent of locally raised revenue and thus, about 20 percent of the District's overall budget.

Following the authorization of a $425,000,000 in fiscal year 1985, however, the payment stagnated. There was no increase in it until a special supplemental appropriation in 1991. The Federal contribution as a percentage of the District's budget, not surprisingly, had fallen to roughly 13 percent by fiscal year 1990.

The reasons for this leveling off are several, not the least being the ongoing Federal deficit crisis which has made all spending increases by the Federal Government problematic. Also, the local economy in Washington remained sufficiently robust, into the late 1980's, that the relative decline in the Federal payment was not keenly felt at first.

Unquestionably, however, a significant factor in the nongrowth of the Federal payment after 1985 was a deterioration in the relationship between Congress and the District government. The impression that mismanagement, wasteful and uncontrolled growth, and corruption were common in city government fueled the reluctance on the part of many Members of Congress to approve an increase in the congressional appropriation for the District.

Nevertheless, the idea of indexing the Federal payment to a formula has been a subject of discussion since at least 1948, when Representative Everett Dirksen introduced legislation containing such a provision. A formula, even though not binding on the appropriations process, would afford some predictability as to what the Federal payment is likely to be. It would thus improve long-term city budget planning, and should enhance the District's status in the Nation's bond markets, reducing still further the city's expense of borrowing.

THE RIVLIN COMMISSION REPORT

The Rivlin Commission, chaired by former Congressional Budget Office Director Dr. Alice Rivlin, was formed at the Mayor's request to explore a broad range of options for dealing with the District's mounting fiscal crisis. In November 1990, the Commission released its report entitled, "Financing the Nation's Capital." In chapter 6, "The Federal Government," the Commission concluded that:

> * * * In fairness and justice, the federal government has an obligation to the citizens and government of the District * * * The Commission recognizes, however, that the federal government itself is in a precarious financial situation, that the District Government could be run more efficiently, and that the district government has a duty to U.S. taxpayers to spend tax dollars wisely.

A centerpiece of the Rivlin Commission's recommendations regarding the federal role in the District's finances was the establishment of a formula whereby the Federal payment would be set at 30 percent of audited District general own-source revenues of the second prior fiscal year. The Commission noted that this figure "approximates the Federal payment percentage of own source revenues in 1975, when home rule was granted."

The Federal payment formula was part of a multipronged strategy presented by the Rivlin Commission which also called upon the District to manage its resources and spending more efficiently, to eliminate unnecessary staff, and deliver services at lower cost. Among the suggestions germane to H.R. 2123, as reported by the committee, was that the District reduce its total staff by 6,000 positions, including 2,100 middle management and administrative positions.

INITIATIVES BY THE NEW MAYOR AND COUNCIL IN 1991

In January 1991, a new Mayor and council leadership assumed office in the District, pledging to take immediate action to begin bringing the city's finances under control. Facing a projected fiscal year 1991 deficit of $316 million, Mayor Sharon Pratt Dixon and Council Chairman John Wilson strongly urged Congress to take at least temporary action to close the long running Federal payment shortfall, by making an emergency appropriation of $100 million toward the District's fiscal year 1991 budget. This was included, together with $4 million toward offsetting the city's expenses in connection with Operation Desert Storm—chiefly due to increased security—in the dire emergency supplemental appropriations bill—H.R. 1281—signed by the President on April 10, 1991.

The emergency $100 million appropriation was made contingent upon certification by the council that the District had succeeded in closing the remaining $216 million 1991 deficit through budget reductions and revenue measures. This was done in accordance with the terms of the appropriations measure, so that in effect, over two-thirds of the 1991 deficit reduction was accomplished by the city without Federal help.

The District's efforts to downsize its work force have been continuing. The Mayor has already abolished 2,075 vacant positions in agencies subject to her authority. However, in line with the Rivlin Commission's suggestion, the Mayor proposed to the council a plan for identifying and eliminating an additional 2,100 middle management positions and laying off their incumbents. To do this, the Mayor indicated that she would request congressional amendment of the Self-Government Act to avoid the effect of the bumping rule, whereby the holder of an abolished position can keep his or her pay while taking the position of an employee in a lower grade. As enacted by the council, however, on July 2, 1991, the District of Columbia Government Comprehensive Merit Personnel Act of 1978, Emergency Amendment Act of 1991 would allow holders of identified excess positions the chance to compete on a one-time basis, within their current grades, for retention at another job. Congressional limitation of the bumping rule would still be necessary to avoid its invocation by those who do not succeed in retaining an in-grade position.

HISTORY OF H.R. 2123

On April 18, 1991, Representatives RONALD V. DELLUMS and THOMAS J. BLILEY, and Delegate ELEANOR HOLMES NORTON, introduced H.R. 1932 to authorize a fiscal year 1992 Federal payment of $630 million—24.2 percent of fiscal year 1990 District local revenues—and to establish a Federal payment formula, for fiscal years 1993–95, of 24 percent of second prior year local revenues. This formula figure was not as high as the 30 percent recommended by the Rivlin Commission and urged by the Mayor and council chairman. Nevertheless, all of the foregoing testified favorably about H.R. 1932 before the House Committee on the District of Columbia, which voted 10 to 2 to report a slightly amended, clean version of the bill as H.R. 2123 on April 30, 1991 (H.R. Rept. 102–92).

Now, when she testified before my subcommittee on July 11, Mayor Dixon indicated that a Federal payment based on the proposed 24-percent formula would be equivalent to approximately 19 percent of the District's total projected budget for fiscal years 1993 through 1995. This would be considerably above the 13 to 14 percent low of fiscal year 1990, though still well short of the roughly 25 percent of the early 1980's. Mayor Dixon answered questions about details of other steps by the District government to improve management of spending, including an aggressive review underway on the part of the city's inspector general to identify questionable contract awards and excessive contract overruns.

All of the vigorous initiatives undertaken by the Mayor and council merit a reciprocal response from Congress. The Federal Government must, as the Rivlin Commission noted, do its fair share to aid the District in fulfilling its role as the Nation's Capital. As I previously indicated, we on the committee had intended to follow up on the subcommittee poll by marking up and reporting H.R. 2123. However, I am most pleased that it has reached this stage, by whatever route. I urge my colleagues to pass the legislation without further delay.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 2123) was ordered to a third reading, was read the third time, and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1992

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 153, H.R. 2707, the Labor-HHS appropriations bill.

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

CLOTURE MOTION

Mr. MITCHELL. Mr. President, I now move to proceed to Calendar No. 153, H.R. 2707, the Labor-HHS appropriations bill, and I send a cloture motion to the desk and ask that it be read.

The PRESIDING OFFICER. The clerk will report the cloture motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to the consideration of H.R. 2707, the Labor, HHS, Education Appropriations Act, 1992:

Charles S. Robb, John F. Kerry, Paul Wellstone, Paul Simon, Barbara Mikulski, Daniel K. Inouye, Terry Sanford, Carl Levin, Wendell Ford, Bill Bradley, Robert C. Byrd, Joseph Lieberman, Frank Lautenberg, Bob Graham, Don Riegle, Quentin Burdick.

SELECT COMMITTEE ON POW/MIA AFFAIRS

Mr. DOLE. Mr. President, let me indicate that with reference to the select committee there is still one vacancy to be filled on the Republican side, and I have not yet made a determination who will serve. It is whatever the law says cochairman or vice chairman. As I understand it, that can be done when we return because there are no meetings scheduled during this recess period is my understanding.

Mr. MITCHELL. Mr. President, I have not discussed with the chairman-designate, Senator KERRY of Massachusetts, any proposed schedule for the committee, so I do not know whether any meetings are intended to be held during that period. But I will immediately advise him of this and suggest that he consult with the distinguished Republican leader before making any decision with respect to scheduling.

Mr. DOLE. I say for the RECORD certainly it may be they want to proceed. I do not want to say they should not proceed. In that event, I will move very quickly to designate someone. The bill says cochairman or vice chairman. I know the Senator from Massachusetts is concerned about moving very quickly, as is the Senator from New Hampshire, Senator SMITH.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. Under the authority granted in Senate Resolution 82, on behalf of the President pro tempore, the Chair appoints the following Senators to serve on the Select Committee on MIA/POW Affairs: Senator JOHN KERRY, chairman, Senator TOM DASCHLE, Senator DENNIS DECONCINI, Senator BOB KERREY, Senator HARRY REID, Senator CHARLES ROBB, Senator BOB SMITH, Senator HANK BROWN, Senator CHARLES GRASSLEY, Senator NANCY KASSEBAUM, Senator JESSE HELMS. The Republican vice chair and the sixth member are to be designated at a later time by the Republican leader.

Mr. MITCHELL. Mr. President, so that there can be no confusion or misunderstanding about the order of listing of the members of the select committee, the Democratic members were listed chairman first and then all others in alphabetical order. No significance should be attached to the order in which they were listed since the reason is, as I have just stated, the chairman first and then in alphabetical order.

The PRESIDING OFFICER. The RECORD will so reflect.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT—PM 74

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Environment and Public Works:

To the Congress of the United States:

I transmit herewith the Saint Lawrence Seaway Development Corporation's Annual Report for 1990. This report has been prepared in accordance with section 10 of the Saint Lawrence Seaway Act of May 13, 1954 (33 U.S.C. 989(a)), and covers the period January 1, 1990, through December 31, 1990.

GEORGE BUSH.

THE WHITE HOUSE, *August 2, 1991.*

MESSAGES FROM THE HOUSE

At 10:51 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolutions, each without amendment:

S.J. Res. 72. Joint resolution to designate the week of September 15, 1991 through September 21, 1991, as "National Rehabilitation Week"; and

S.J. Res. 179. Joint resolution to designate the week beginning August 25, 1991, as "National Parks Week."

ENROLLED JOINT RESOLUTION SIGNED

At 12:04 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 179. Joint resolution to designate the week beginning August 25, 1991, as "National Parks Week."

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. BYRD].

At 2:04 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills and joint resolutions:

H.R. 14. An act to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants;

H.R. 500. An act to require the Secretary of the Treasury to mint coins in commemoration of the quincentenary of the discovery of America by Christopher Columbus and to establish the Christopher Columbus Fellowship Foundation;

H.R. 3029. An act to make technical corrections to agricultural laws;

H.R. 3201. An act to provide emergency unemployment compensation, and for other purposes;

H.J. Res. 139. Joint resolution providing for the reappointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution;

H.J. Res. 142. Joint resolution to designate the week beginning September 1, 1991, as "National Campus Crime and Security Awareness Week";

H.J. Res. 166. Joint resolution to designate September 13, 1991, as "Commodore John Barry Day";

H.J. Res. 215. Joint resolution acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 25, 1991, as "National Military Families Recognition Day"; and

H.J. Res. 309. Joint resolution designating August 29, 1991, as "National Sarcoidosis Awareness Day."

The message also announced that the House has agreed to the following concurrent resolution:

H. Con. Res. 172. A concurrent resolution providing for the printing of a revised edition of the booklet entitled "Our American Government", as a House document.

At 2:35 p.m., a message from the House of Representatives announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 991) to extend the expiration date of the Defense Production Act of 1950, and for other purposes.

At 5:42 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 1006) to authorize appropriations for fiscal year 1992 for the Federal Maritime Commission, and for other purposes.

The message also announced that the House has passed the following bills, each without amendment:

S. 1594. An act to honor and commend the efforts of Terry Beirn, to amend the Public Health Service Act to rename and make technical amendments to the community-based AIDS research initiative, and for other purposes; and

S. 1608. An act to make technical amendments to the Nutrition Information and Labeling Act, and for other purposes.

The message further announced that the House has agreed to the concurrent resolution (S. Con. Res. 36) thanking and commending this Nation's Federal civilian employees for their contributions to Operation Desert Shield and Operation Desert Storm; without amendment.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 151. A concurrent resolution providing for the printing of the volume entitled "Columbus in the Capitol" as a House document.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

H.R. 1448. An act to amend the act of May 12, 1920, (41 Stat. 596), to allow the city of Pocatello, Idaho, to use certain lands for a correctional facility for women, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore [Mr. BYRD].

At 5:50 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has agreed to the concurrent resolution (S. Con. Res. 59) providing for a conditional adjournment of the Congress for the August non-legislative period; without amendment.

MEASURES REFERRED

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 14. An act to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants; to the Committee on Commerce, Science, and Transportation.

H.R. 500. An act to require the Secretary of the Treasury to mint coins in commemoration of the quincentenary of the discovery of America by Christopher Columbus and to establish the Christopher Columbus Fellowship Foundation; to the Committee on Banking, Housing, and Urban Affairs.

H.R. 3029. An act to make technical corrections to agricultural laws; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 3201. An act to provide emergency unemployment compensation, and for other purposes.

H.J. Res. 139. Joint resolution providing for the reappointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

H.J. Res. 215. Joint resolution acknowledging the sacrifices that military families have made on behalf of the Nation and designating November 25, 1991, as "National Military Families Recognition Day"; to the Committee on the Judiciary.

The following concurrent resolution, previously received from the House of Representatives for concurrence, was read, and referred as indicated:

H. Con. Res. 191. A concurrent resolution providing for an adjournment of the House from August 2, August 3, August 4, or August 5, 1991, to September 11, 1991; to the Committee on Appropriations.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, August 2, 1991, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 179. Joint resolution to designate the week beginning August 25, 1991, as "National Parks Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1733. A communication from the President of the United States, transmitting, pursuant to law, a proclamation that extends nondiscriminatory treatment to the products of the Union of Soviet Socialist Republics; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Select Committee on Indian Affairs, without amendment:

S. 45. A bill to provide for Federal recognition of the Jena band of Choctows of Louisiana, and for other purposes (Rept. No. 102-135).

S. 374. A bill to settle all claims of the Aroostook Band of Micmacs resulting from the Band's omission from the Maine Indian Claims Settlement Act of 1980, and for other purposes (Rept. No. 102-136).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 260. A bill to provide for the efficient and cost effective acquisition of nondevelopmental items for Federal agencies, and for other purposes (Rept. No. 102-137).

S. 1040. A bill to provide a Governmentwide comprehensive energy management plan for Federal agencies (Rept. No. 102-138).

By Mr. CRANSTON, from the Committee on Veterans Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 775. A bill to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans (Rept. No. 102-139).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute and an amendment to the title:

S. 911. A bill to amend the Public Health Service Act to expand the availability of comprehensive primary and preventative care for pregnant women, infants and children and to provide grants for home-visiting services for at-risk families, to amend the Head Start Act to provide Head Start services to all eligible children by the year 1994, and for other purposes (Rept. No. 102-140).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. NUNN, from the Committee on Armed Services:

Mr. NUNN. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of April 9, May 15, June 27, July 8, July 15, July 16, and July 31, 1991 at the end of the Senate proceedings.)

**In the Air Force there are 17 appointments to the grade of colonel and below (list begins with Richard N. Boswell) (Reference No. 246-1)

**In the Air Force there are 16 promotions to the grade of colonel and below (list begins with Randy C. Smith) (Reference No. 343)

*Major General Richard E. Hawley, USAF to be lieutenant general (Reference No. 371)

*Rear Admiral (lower half) Ronald P. Morse, USN to be rear admiral (Reference No. 375)

*In the Navy there are 22 promotions to the grade of rear admiral (list begins with Philip S. Anselmo) (Reference No. 376)

*In the Naval Reserve there are 6 promotions to the grade of rear admiral (list begins with Jimmie Wayne Seeley) (Reference No. 387)

*Major General Robert M. Alexander, USAF to be lieutenant general (Reference No. 391)

*Major General Gary H. Mears, USAF to be lieutenant general (Reference No. 392)

*Colonel Ruben A. Cubero, USAF to be Dean of Faculty, United States Air Force Academy and to be brigadier general (Reference No. 407)

*Brigadier General Sidney Shachnow, USA to be major general (Reference No. 414)

*Major General Eugene H. Fischer, USAF to be lieutenant general (Reference No. 424)

**In the Air Force there are 1,623 promotions to the grade of colonel and below (list begins with Betty J. Andrews) (Reference No. 441)

*Lieutenant General Walter E. Boomer, USMC to be lieutenant general (Reference No. 446)

*In the Air Force there are 35 appointments to the grade of brigadier general (list begins with Peter C. Bellisario) (Reference No. 457)

*Lieutenant General Leon E. Salomon, USA for reappointment to lieutenant general (Reference No. 459)

**In the Naval Reserve there are 267 promotions to the grade of captain (list begins with Robert Frederick Aarstad) (Reference No. 464)

**In the Naval Reserve there are 522 promotions to the grade of commander (list begins with Lawrence Elliott Adler) (Reference No. 465)

**In the Marine Corps Reserve there are 160 appointments to the grade of lieutenant colonel (list begins with Steven Allen) (Reference No. 466)

*Major General Wilson A. Shoffner, USA to be lieutenant general (Reference No. 470)

**In the Navy there are 1,420 promotions to the grade of lieutenant commander (list begins with Eugene Michael Abler) (Reference No. 471)

*Lieutenant General John M. Shalikashvili, USA for reappointment to the grade of lieutenant general (Reference No. 476)

*Lieutenant General Alonzo E. Short, Jr., USA for reappointment to the grade of lieutenant general (Reference No. 477)

*Lieutenant General Robert F. Milligan, USMC to be placed on the retired list in the grade of lieutenant general (Reference No. 479)

**Lieutenant Colonel Kenneth D. Cameron, USMC (astronaut) for appointment to the grade of colonel (Reference No. 481)

*Lieutenant General Frederick M. Franks, Jr., USA to be general (Reference No. 484)

*Lieutenant General Michael F. Spigelmire, USA for reappointment to the grade of lieutenant general (Reference No. 485)

*Major General Wayne A. Downing, USA to be lieutenant general (Reference No. 486)

*Major General Peter A. Kind, USA to be lieutenant general (Reference No. 487)

**Lieutenant Colonel Lloyd B. Hammond, Jr., USAF (astronaut) for appointment to the grade of colonel (Reference No. 488)

**In the Air Force Reserve there are 18 promotions to the grade of lieutenant colonel (list begins with Leo L. Accursi) (Reference No. 489)

**In the Air Force there are 2 appointments to the grade of second lieutenant (list begins with Eric F. Holt) (Reference No. 490)

**In the Air Force there are 6 appointments to the grade of second lieutenant (list begins with James R. Fisher) (Reference No. 491)

**In the Air Force there are 20 appointments to the grade of second lieutenant (list begins with Christopher P. Azzano) (Reference No. 492)

**In the Army Reserve there are 37 promotions to the grade of colonel and below (list begins with Louis A. Cabrera) (Reference No. 493)

**In the Army there are 3 promotions to the grade of lieutenant colonel (list begins with Robert M. Reade) (Reference No. 494)

**In the Navy there are 3 appointments to the grade of ensign (list begins with Jay R. Frohne) (Reference No. 495)

**In the Air Force Reserve there are 62 promotions to the grade of lieutenant colonel (list begins with Roger L. Bacon) (Referene No. 496)

**In the Army there are 643 promotions to the grade of lieutenant colonel and below (list begins with Roderick M. Adams) (Reference No. 497)

**In the Marine Corps there are 123 appointments to the grade of second lieutenant (list begins with James H. Adams III) (Reference No. 498)

*Major General Paul G. Cerjan, USA to be lieutenant general (Reference No. 547)

*Major General Glynn C. Mallory, Jr., USA to be lieutenant general (Reference No. 548)

**In the Army there are 8 promotions to the grade of colonel and below (list begins with Denis Rosnick) (Reference No. 549)

**In the Army Reserve there are 38 promotions to the grade of colonel and below (list begins with James V. Bedard) (Reference No. 550)

**In the Navy there are 26 appointments to the grade of lieutenant and below (list begins with Thomas A. Frantzen) (Reference No. 551)

**In the Army Reserve there are 56 promotions to the grade of colonel and below (list begins with Melvin L. Brewer) (Reference No. 552)

**In the Navy there are 791 promotions to the grade of lieutenant commander (list begins with John Sindos Adams) (Reference No. 553)

Total: 5,945.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MURKOWSKI:

S. 1624. A bill to amend the Alaska National Interest Lands Conservation Act to improve the management of Glacier Bay National Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1625. A bill to provide for the settlement of certain claims under the Alaska Native Claims Settlement Act, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SPECTER:

S. 1626. A bill to suspend temporarily the duty on chlorinated natural rubber and chlorinated synthetic; to the Committee on Finance.

By Mr. FORD:

S. 1627. A bill to amend section 615 of title 38, United States Code, to require the Secretary of Veterans Affairs to permit persons who receive care at medical facilities of the Department of Veterans Affairs to have access to and to consume tobacco products; to the Committee on Veterans' Affairs.

By Mr. McCAIN (for himself, Mr. DANFORTH, and Mrs. KASSEBAUM):

S. 1628. A bill to amend the Federal Aviation Act of 1958 to increase competition among commercial air carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. ROTH:

S. 1629. A bill to minimize the adverse effects on local communities caused by the closure of military installations; to the Committee on Armed Services.

S. 1630. A bill to minimize the adverse effects on local communities caused by the closure of military installations; to the Committee on Armed Services.

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 1631. A bill to extend the temporary suspension of duty on N-Amidino-3,5-diamino-6-chloropyrazinecarboxamide monohydro-chloride dihydrate; to the Committee on Finance.

S. 1632. A bill to suspend temporarily the duty on resin diaion HP20; to the Committee on Finance.

S. 1633. A bill to extend the temporary suspension of duty on (1)3-Quinolinecarboxcyclic acid, 1-ethyl-6-flouro-1,4-dihydro-4-oxo-(1-piperazinyl); to the Committee on Finance.

S. 1634. A bill to extend the temporary suspension of duty on 2,2-dimethylcyclopropylcarboxamide; to the Committee on Finance.

S. 1635. A bill to suspend temporarily the duty on 4-(6-flouro-2 methyl indine-3-methyl) phenyl methyl sulphide dissolved in toluene; to the Committee on Finance.

S. 1636. A bill to suspend temporarily the duty on 2,3,6-Trimethylphenol (TMP); to the Committee on Finance.

S. 1637. A bill to suspend temporarily the duty on N,N-dithio-di-(2,1-phenylene) bis benzamide until January 1, 1995; to the Committee on Finance.

S. 1638. A bill to suspend temporarily the duty on di-o-tolylguanidine and diphenylguanidine; to the Committee on Finance.

S. 1639. A bill to extend the existing suspension of duty on 2,4-diamino-6-phenyl-1,3,5-triazine; to the Committee on Finance.

S. 1640. A bill to suspend temporarily the duty on Ethanone-1,2-napthyl; to the Committee on Finance.

By Mr. BREAUX (for himself, Mr. GRASSLEY, Mr. COCHRAN, Mr. SIMPSON, Mr. LOTT, Mr. SHELBY, Mr. JOHNSTON, Mr. DANFORTH, Mr. PRYOR, Mr. DASCHLE, Mr. SYMMS, Mr. DIXON, Mr. BOND, Mr. SIMON, and Mr. MURKOWSKI):

S. 1641. A bill to amend section 468A of the Internal Revenue Code of 1986 with respect to deductions for decommissioning costs of nuclear powerplants; to the Committee on Finance.

By Mr. GRASSLEY (for himself and Mr. HEFLIN):

S. 1642. A bill to amend section 574 of title 5, United States Code, to authorize the Administrative Conference of the United States to provide assistance in response to requests relating to the improvement of administrative procedure in foreign countries; to the Committee on the Judiciary.

By Mr. AKAKA:

S. 1643. A bill to amend the Solid Waste Disposal Act to make improvements in the regulation of exports of hazardous and additional wastes, and for other purposes; to the Committee on Environment and Public Works.

By Mr. METZENBAUM:

S. 1644. A bill to create the Insurance Regulatory Commission; to the Committee on Commerce, Science, and Transportation.

By Mr. DURENBERGER (for himself, Mr. FOWLER, and Mr. D'AMATO):

S. 1645. A bill to establish a higher education loan program in which a borrower's annual repayment obligation is dependent upon both postschool income level and borrowing history, and for other purposes; to the Committee on Finance.

By Mr. D'AMATO:

S. 1646. A bill to amend the Harmonized Tariff Schedule of the United States to clarify the classification of certain motor vehicles; to the Committee on Finance.

By Mr. BAUCUS (for himself, Mr. GRASSLEY, Mr. PRYOR, Mr. CHAFEE, and Mr. BOREN):

S. 1647. A bill to amend the Internal Revenue Code of 1986 to provide that the deduction for State and local income and franchise taxes shall not be allocated to foreign source income; to the Committee on Finance.

By Mr. McCAIN (for himself, Mr. GRAHAM, Mr. BENTSEN, and Mr. HATFIELD):

S. 1648. A bill to amend title VII of the Public Health Service Act to reauthorize and expand provisions relating to area health education centers, in order to establish a Federal-State partnership, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DECONCINI:

S. 1649. A bill to establish an Office of Constituent Assistance, and for other purposes; to the Committee on Governmental Affairs.

By Mr. KERRY (for himself, Mr. SARBANES, Mr. CRANSTON, Mr. D'AMATO, and Mr. RIEGLE):

S. 1650. A bill to revise the national flood insurance program to provide for mitigation of potential flood damages and management of coastal erosion, ensure the financial soundness of the program, and increase compliance with the mandatory purchase requirement, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PELL (for himself and Mr. CHAFEE):

S. 1651. A bill to amend the Higher Education Act of 1965 to require special consideration in student aid decisions for students from families whose assets have been restricted because of bank and credit union failures; to the Committee on Labor and Human Resources.

By Mr. FORD:

S. 1652. A bill for the relief of land grantors in Henderson, Union, and Webster Counties, Kentucky, and their heirs; to the Committee on the Judiciary.

By Mr. MOYNIHAN:

S. 1653. A bill to amend the Internal Revenue Code of 1986 to remove United States tax barriers inhibiting competitiveness of United States-owned businesses operating in the European Community; to the Committee on Finance.

By Mr. MOYNIHAN (for himself and Mr. PACKWOOD):

S. 1654. A bill to amend the Internal Revenue Code of 1986 to modify the definition of passive foreign investment company; to the Committee on Finance.

By Mr. REID (for himself and Mr. LIEBERMAN):

S. 1655. A bill to authorize appropriations for environmental research, development, and demonstration for fiscal years 1992, 1993, and 1994, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MITCHELL:

S. 1656. A bill to amend the Internal Revenue Code of 1986 to clarify the excise tax provisions relating to transportation by water; to the Committee on Finance.

By Mr. KOHL:

S. 1657. A bill for the relief of the Menominee Indian Tribe of Wisconsin; to the Committee on the Judiciary.

By Mr. NICKLES:

S. 1658. A bill to require the Secretary of Labor, with respect to contracts covering federally financed and assisted construction, and labor standards provisions applicable to nonconstruction contracts subject to the Contract Work Hours and Safety Standards Act, to ensure that helpers are treated equitably, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BRADLEY:

S. 1659. A bill to expand eligibility for Pell Grants and to increase the maximum amount of a Pell Grant Award; to the Committee on Labor and Human Resources.

By Mr. JOHNSTON (by request):

S. 1660. A bill to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KOHL:

S. 1661. A bill to simplify the tariff classification of certain plastic flat goods; to the Committee on Finance.

By Mr. GORTON:

S. 1662. A bill to require the revision of the management plans for certain Federal lands withdrawn from the public domain to implement an alternative management strategy; to the Committee on Energy and Natural Resources.

By Mr. SIMON (for himself and Mr. DIXON):

S. 1663. A bill to amend the act of May 17, 1954, relating to the Jefferson National Expansion Memorial, to authorize increased funding for the East Saint Louis portion of the Memorial, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LEVIN (for himself and Mr. RIEGLE):

S. 1664. A bill to establish the Keweenaw National Historical Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO:

S. 1665. A bill entitled the "Money Laundering Improvements Act of 1991"; to the Committee on the Judiciary.

By Mr. FORD (by request):

S. 1666. A bill to amend the Harmonized Tariff Schedule of the United States to restore the rate of duty applicable to manmade fiber fabric for technical uses that was in effect under the Tariff Schedules of the United States; to the Committee on Finance.

By Mr. FORD (for himself and Mr. ROTH):

S. 1667. A bill to provide for a 2-year Federal budget cycle, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

By Mr. PACKWOOD (for himself, Mr. DOLE, Mr. CHAFEE, Mr. STEVENS, Mr. GRASSLEY, Mr. GORTON, and Mr. SIMPSON):

S. 1668. A bill to amend the Social Security Act by creating a new title XXI to provide for the creation of a long-term care assistance program on behalf of functionally impaired elderly individuals whose income and resources are insufficient to meet the costs of necessary long-term care services, and to amend the Internal Revenue Code of 1986 to provide for the tax treatment of long-term care insurance and benefits; to the Committee on Finance.

By Mr. SIMON (for himself and Mr. ADAMS):

S. 1669. A bill to amend the Public Health Service Act and the Social Security Act to provide affordable health care to all Americans, to reduce health care costs, and for other purposes; to the Committee on Finance.

By Mr. SEYMOUR:

S. 1670. A bill to amend the Fair Labor Standards Act of 1938 to provide that an employee shall not be excluded from the minimum wage and maximum hour exemption for certain employees because the employee is not paid on a salary basis, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 1671. A bill to withdraw certain public lands and to otherwise provide for the operation of the Waste Isolation Pilot Plant in Eddy County, New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KENNEDY (for himself, Mr. HATCH, Mr. AKAKA, Mr. BENTSEN, Mr. BOREN, Mr. BRADLEY, Mr. BREAUX, Mr. BROWN, Mr. BUMPERS, Mr. BURDICK, Mr. BURNS, Mr. BYRD, Mr. COHEN, Mr. CONRAD, Mr. CRAIG, Mr. D'AMATO, Mr. DANFORTH, Mr. DASCHLE, Mr. DECONCINI, Mr. DODD, Mr. DOLE, Mr. FOWLER, Mr. GARN, Mr. GLENN, Mr. GORE, Mr. GORTON, Mr. HARKIN, Mr. HEFLIN, Mr. HOLLINGS, Mr. INOUYE, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. KERRY, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mr. LUGAR, Mr. MACK, Mr. METZENBAUM, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NUNN, Mr. PELL, Mr. REID, Mr. SANFORD, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. SIMPSON, Mr. SMITH, Mr. SPECTER, Mr. THURMOND, Mr. WARNER, and Mr. WELLSTONE):

S. 1672. A bill to require the Secretary of the Treasury to mint coins in commemoration of James Madison and the Bill of Rights; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HEFLIN:

S. 1673. A bill to improve the Federal justices and judges survivors' annuities program, and for other purposes; to the Committee on the Judiciary.

By Mr. SANFORD:

S. 1674. A bill to provide for an interim date of drawdown in certain lakes under the management of the Tennessee Valley Authority, to establish a Drawdown Study Panel, and for other purposes; to the Committee on Environment and Public Works.

By Mr. EXON (for himself, Mr. KASTEN, and Mr. BURNS):

S. 1675. A bill to amend title 49, United States Code, regarding the collection of certain payments for shipments via motor common carriers of property and household goods freight forwarders, and other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. CRANSTON:

S. 1676. A bill to amend the Federal Water Pollution Control Act to establish a demonstration project for the cleanup of water pollution in the San Gabriel Basin; to the Committee on Environment and Public Works.

By Mr. DASCHLE (for himself and Mr. BRADLEY):

S. 1677. A bill to amend title XIX of the Social Security Act to provide for coverage of alcoholism and drug dependency residential treatment services for pregnant women and certain family members under the medicaid program, and for other purposes; to the Committee on Finance.

By Mr. GARN:

S. 1678. A bill to repeal the McCarran-Ferguson Act; to the Committee on the Judiciary.

By Mr. SANFORD:

S. 1679. A bill entitled the "Long-Term, Investment, Competitiveness, Pension Protection and Corporate Takeover Reform Act of 1991"; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. D'AMATO (for himself, Mr. DODD, Mr. GARN, Mr. SEYMOUR, Mr. STEVENS, Mr. COCHRAN, and Mr. BROWN):

S. 1680. A bill to amend the Internal Revenue Code of 1986 to provide assistance to first-time homebuyers and to permit loans for higher education expenses; to the Committee on Finance.

By Mr. SEYMOUR:

S. 1681. A bill to amend title II of the Social Security Act to make it clear that States and local governments may not tax social security benefits; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. GARN, and Mr. SASSER):

S. 1682. A bill to authorize the Board of Regents of the Smithsonian Institution to acquire an Administrative Service Center, and for other purposes; to the Committee on Rules and Administration.

By Mr. KERRY (for himself, Mr. KENNEDY, and Mr. BREAUX):

S. 1683. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to clarify the employment tax status of certain fishermen; to the Committee on Finance.

By Mr. DOMENICI:

S. 1684. A bill to establish a partnership between the Mexican Government, educational institution, and private industry and the United States Department of Energy laboratories for environmentally related technology and educational transfer; to the Committee on Energy and Natural Resources.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 1685. A bill to direct the Secretary of Energy to request the National Academy of Sciences to conduct a study of the sources of, the damage caused by, and the possible means of preventing occurrences of the phenomenon of electrical and electromagnetic leakage known as stray voltage; to the Committee on Energy and Natural Resources.

By Mr. GORTON (for himself, Mr. HATFIELD, Mr. BURNS, Mr. MCCAIN, Mr. PACKWOOD, Mr. STEVENS, Mr. CRAIG, Mr. MURKOWSKI, and Mr. SYMMS):

S. 1686. A bill to amend title 28, United States Code, to divide the ninth judicial circuit of the United States into two circuits, and for other purposes; to the Committee on the Judiciary.

By Mr. MCCAIN (for himself, Mr. INOUYE, Mr. CONRAD, Mr. DOMENICI, and Mrs. KASSEBAUM):

S. 1687. A bill to increase the capacity of Indian tribal governments for waste management on Indian lands, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. MOYNIHAN:

S. 1688. A bill to amend the Internal Revenue Code of 1986 to modify the estate tax rules for noncitizen employees of international organizations; to the Committee on Finance.

By Mr. KENNEDY:

S. 1689. A bill to amend the Act of March 3, 1991 (known as the Davis-Bacon Act), to revise the standard for coverage under that Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BRYAN (for himself, Mr. GORTON, and Mr. MCCAIN):

S. 1690. A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DIXON (for himself, Mr. GRASSLEY, Mr. KERRY, Mr. SHELBY, Mr. HELMS, Mr. BURDICK, Mr. DODD, Mr. SASSER, Mr. HARKIN, Mr. D'AMATO, Ms. MIKULSKI, Mr. LIEBERMAN, Mr. BOREN, Mr. ADAMS, Mr. DURENBERGER, Mr. DASCHLE, Mr. CONRAD, Mr. WOFFORD, Mr. WARNER, Mr. GORE, Mr. JOHNSTON, Mr. RIEGLE, and Mr. BREAUX):

S. 1691. A bill to amend title 18, United States Code, to govern participation of Federal Prison Industries in Federal procurements, and for other purposes; to the Committee on the Judiciary.

By Mr. MOYNIHAN:

S. 1692. A bill to amend the Federal Home Loan Bank Act to limit the authority of the Resolution Trust Corporation to abrogate residential tenant contract and leases; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BENTSEN (for himself, Mr. PACKWOOD, Mr. DOLE, Mr. PRYOR, and Mr. CHAFEE):

S. 1693. A bill to amend the Internal Revenue Code of 1986 to provide for the tax treatment of long-term care insurance and benefits, and for other purposes; to the Committee on Finance.

By Mr. LAUTENBERG:

S.J. Res. 188. A joint resolution designating November 1991, as "National Red Ribbon Month"; to the Committee on the Judiciary.

By Mr. GORE (for himself and Mr. SASSER):

S.J. Res. 189. A joint resolution to establish the month of October 1991, as "Country Music Month"; to the Committee on the Judiciary.

By Mr. MOYNIHAN:

S.J. Res. 190. A joint resolution to designate January 1, 1992, as "National Ellis Island Day"; to the Committee on the Judiciary.

By Mr. MITCHELL (for himself and Mr. DOLE) (by request):

S.J. Res. 191. A joint resolution approving the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of the Union of Soviet Socialist Republics, Estonia, Latvia, and Lithuania; to the Committee on Finance.

By Mr. SMITH (for Mrs. KASSEBAUM (for herself, Mr. MOYNIHAN, Mr. DOLE, Mr. MITCHELL, Mr. KENNEDY, Mr. LUGAR, Mr. SIMON, Mr. SIMPSON, and Mr. DURENBERGER)):

S.J. Res. 192. A joint resolution designating October 30, 1991 as "Refugee Day"; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WIRTH (for Mr. MITCHELL) (for himself and Mr. DOLE):

S. Res. 167. A resolution to authorize the Senate Legal Counsel to represent Senate defendants and to appear as amicus curiae in the name of the Senate in lawsuits brought by Alcee L. Hastings in regard to his impeachment trial; considered and agreed to.

S. Res. 168. A resolution to authorize representation of the United States Senate in the case of Perkins v. United States Senate; considered and agreed to.

S. Res. 169. A resolution to formalize membership on the U.S. Senate Select Committee on Ethics; considered and agreed to.

By Mr. FORD:

S. Res. 170. A resolution to refer S. 1652 entitled, "A bill for the relief of land grantors in Henderson, Union and Webster counties, Kentucky, and their heirs," to the Chief Judge of the United States Claims Court for a report thereon; to the Committee on the Judiciary.

By Mr. KOHL:

S. Res. 171. A resolution to refer S. 1657 entitled "A bill for the relief of the Menominee Indian tribe of Wisconsin" to the Chief Judge of the United States Claims Court for a report thereon; to the Committee on the Judiciary.

By Mr. SPECTER:

S. Res. 172. A resolution to limit or rescind the antitrust exemption now accorded baseball, football, basketball, and hockey; to the Committee on the Judiciary.

By Mr. SMITH (for Mr. HATFIELD):

S. Res. 173. A resolution to establish an Albert Einstein Congressional Fellowship Program; considered and agreed to.

By Mr. MITCHELL:

S. Con. Res. 59. A concurrent resolution providing for a conditional adjournment of the Congress for the August non-legislative period; considered and agreed to.

By Mr. SEYMOUR:

S. Con. Res. 60. A concurrent resolution to provide a sense of the Congress that the legislative and executive branches should better control Federal overhead expenditures and that is the policy of the United States to reduce its fiscal year 1992 overhead expenditures by 10 percent; to the Committee on Governmental Affairs.

By Mr. SASSER:

S. Con. Res. 61. A concurrent resolution supporting the initiative of the National Capital Planning Commission in the preparation of a new visionary plan to guide the future development of the central Federal Monumental Core area of the Nation's Capital; to the Committee on Governmental Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI:

S. 1624. A bill to amend the Alaska National Interest Lands Conservation Act to improve the management of Glacier Bay National Park, and for other purposes; to the Committee on Energy and Natural Resources.

MANAGEMENT OF GLACIER BAY NATIONAL PARK

Mr. MURKOWSKI. Mr. President, I rise today to offer a bill that guarantees that Alaskans can continue to use Glacier Bay National Park for commercial fishing and for collecting marine life and land-based vegetation for traditional uses. My legislation will also provide for increased park access by permitting more cruise ships to enter the park.

SUBSISTENCE FISHING AND GATHERING

Mr. President, commercial fishermen and local villagers fished in Glacier Bay long before it became a park or a monument. Recently, the National Park Service issued a proposed rule that could prohibit commercial fishing after 1997 and would immediately ban subsistence in the park.

Villagers living near Glacier Bay can no longer use the bay to feed their families—to fish for halibut, salmon, and crabs, and collect clams, seaweeds, berries, and other foods that are traditional in their cultures. We are talking about 25 to 50 families, not thousands of people. These Alaskans live miles from the nearest supermarkets. They rely on the land and marine waters for their food; they catch fish; they kill game, and they collect berries and marine life. This is subsistence hunting, fishing, and gathering.

Hunting in the park is prohibited, and my bill leaves this provision unaltered, but subsistence fishing and gathering, which are vital to these communities, must be permitted.

INCONSISTENCIES IN ANILCA

My bill will correct inconsistencies in the Alaska National Interest Lands Conservation Act [ANILCA] concerning subsistence fishing and gathering in Glacier Bay National Park. For example, section 802(1) of ANILCA states that the "utilization of the public lands in Alaska is to cause the least adverse impact possible on rural residents who depend upon subsistence uses of the resources of such lands." Section 203 states that "Subsistence uses by local residents shall be allowed in national preserves and, where specifically permitted by this Act, in national monuments and parks." And section 816 of ANILCA, entitled "Closure to Subsistence Uses", closes parks like Glacier Bay National Park only to the taking of wildlife, not fish and other marine resources.

Although ANILCA is intended to protect the rights of rural residents, the current Park Service interpretation of ANILCA denies these rights to rural residents in the Glacier Bay area. My amendment corrects this inconsistency.

EXAMPLES OF SUBSISTENCE

What exactly are those subsistence rights? Let's take the Native Alaskans who live in Hoonah, a small village near Glacier Bay National Park. Alaska Natives from this village subsistence fish for salmon in the waters of the bay and outside the bay in the Gulf of Alaska. They collect seaweeds and crabs and other intertidal animals—all foods that have economic and cultural significance in this small Alaska village.

For countless generations, native Alaskans from Hoonah have been using Glacier Bay for subsistence. They would like to continue doing so, as ANILCA intended. Remember, according to ANILCA, use of public lands in Alaska is to cause the least adverse impact possible on rural residents who depend upon subsistence uses of these lands.

Yet, right now, residents of Hoonah and other local communities cannot legally subsistence fish in Glacier Bay National Park. A U.S. Fish and Wildlife Service regulation, which went into effect in July of this year, specifically prohibits subsistence fishing in the park. The National Park Service has proposed similar regulations.

COMMERCIAL FISHING

My bill also addresses commercial fishing in the park. For generations, commercial fishermen have caught salmon, halibut, and crabs in Glacier Bay and have fished the rich grounds in the outside waters of the park.

My bill protects these rights for commercial fishermen. Because Glacier Bay is a national park, fishing is limited to traditional methods like troll fishing for salmon, longline fishing for halibut, and pot fishing for crabs and other forms of commercial fishing that were in existence on or before 1989. These forms of commercial fishing do not destroy the environment, nor the stocks of fish and crabs that support these fisheries, if the fisheries are managed correctly.

Because the fish and crab resources in Glacier Bay National Park, like other natural resources, have great biological variability, the number of fishing boats that enter the park to fish is not limited to the number that fished in 1989. The size of the catch will be determined by the size of the stocks of crabs and fish. These fisheries will be managed according to accepted fishery management practices, and in accordance with existing State and Federal regulations. The Park Service is not required to create new regulations for these fishermen, but make the management of commercial fisheries in the park consistent with the management of neighboring areas.

TOURISM

Glacier Bay National Park is also a popular site both for Alaskans and tourists. I have been to Glacier Bay many times. It's a marvelous place, full of waterfalls, icebergs, whales, sea life, and of course glaciers. To see a glacier calve, and hear a wall of ice roar into the water is something I will never forget.

My legislation specifies that up to two cruise ships can enter Glacier Bay National Park each day between June 1 and August 31, the whale season. In addition, simultaneous with this increase, the Arctic Research Policy Commission will contract a comprehensive study of interactions between cruise ships and whales. Currently, the Park Service limits entries to 107 cruise ships per year during the whale season. My legislation will direct the Park Service to increase this number to 180 entry permits per year during this period. This legislation will let more visitors see the wilderness of Glacier Bay aboard cruise ships and will have no negative environmental impacts on the park.

Incomplete research, most of it collected before 1983 has been used to set the number of cruise ships entering the bay. Other incomplete studies were performed in 1988. Since then, there has been little or no sound scientific evidence that cruise ships have a negative effect on marine life, yet thousands of people are kept from experiencing the wilderness of Glacier Bay. This legislation will mandate that Glacier Bay be studied to resolve this issue once and for all.

CRUISE SHIPS IN THE ALASKAN ECONOMY

Visitors entering the State on cruise ships are an integral part of the Alaska economy. Each year, more than 200,000 tourists see Southeast Alaska on cruise ships that dock in the towns of Ketchikan, Sitka, Juneau, Haines, Skagway, and Glacier Bay. These visitors spend more than $53 million each year on tours, plays, food, and arts and crafts.

The income from tourism stabilizes the economies of small towns all over Alaska. The arts and crafts sold to tourists are produced all over the State, from Barrow to Hoonah, and, in some cases, these handicrafts are the only source of income for remote villagers.

WHO VISITS GLACIER BAY

Who are the visitors to Glacier Bay? Most are average Americans, Americans from the Midwest, the Northeast, the cities and the small towns. People who do not know how to use a kayak, or hike, or camp out. They are not wilderness explorers. They have saved for this trip all their life, and, for many, this is their only chance to see Alaska and its incomparable wilderness.

Cruise ships let average Americans, like you and me, experience the wilderness of Glacier Bay without affecting the bay or whales that sometimes feed there. I would not propose this legislation if I believed that cruise ships, as they are currently regulated, are harming the bay.

ENVIROMENTALLY SOUND

Cruise ships are an environmentally sound way for thousands of visitors to see Glacier Bay. A cruise ship enters the bay in the morning, picks up a Park Service naturalist, and usually goes to the Margerie Glacier. By late afternoon, all the ships have left the bay. Visitors never leave the cruise ship except in Bartlett Cove, where the Park Service has its headquarters. The naturalist onboard monitors whether the cruise ship is conforming to park regulations, and the Park Service does regulate these ships. If this many visitors were to see Glacier Bay in any other way, the bay would be crawling with small planes and boats.

CONCLUSION

Glacier Bay National Park has room for everyone: It's comprised of 3.2 million acres, or roughly 5,000 square miles. To put this into perspective for my colleagues, Glacier Bay National Park is just slightly larger than the State of Connecticut, and it's larger than Delaware and Rhode Island combined. There are 16 tidewater glaciers, and 12 of these actively calve in the bay. There are 14 different, distinct inlets in Glacier Bay, and cruise ships usually only go to one of them, Tarr Inlet.

Kayakers, hikers, and campers can avoid cruise ships. Subsistence users are often difficult to tell from any other visitor to the park. And to some, the sight of a commercial salmon fisherman with his lines in the water is one of beauty to match that of the park.

Those visitors looking for a wilderness experience of kayaking, hiking and camping, can still find it in Glacier Bay even if two ships are daily allowed to enter the bay. Villagers from Hoohah, and other nearby bays can enter Glacier Bay National Park to fish and collect traditional foods for their families. Commercial fishermen can continue to seek their livelihood in one of Alaska's most beautiful and bountiful bays.

There is room for everyone.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1625. A bill to provide for the settlement of certain claims under the Alaska Native Claims Settlement Act, and for other purposes; to the Committee on Energy and Natural Resources.

ALASKA LAND STATUS TECHNICAL CORRECTIONS ACT

Mr. MURKOWSKI. Mr. President, I rise today to introduce the "Alaska Land Status Technical Corrections Act of 1991 along with my colleage, Senator STEVENS. The purpose of this bill is to address several noncontroversial technical corrections to the Alaska Native Claims Settlement Act of 1971.

The Alaska Native Claims Settlement Act [ANCSA] resolved land claims issues raised by Alaska Natives in 1971. ANCSA also instructed the Secretary of the Interior to begin the process of granting land allotments to Alaska Native applicants for lands traditionally used by the applicants. This bill will clarify several land status statutes in Alaska.

Section 2 of this bill would amend the Alaska National Interest Lands Conservation Act [ANILCA] to allow relief for allottees near Nome, AK, to obtain approval of their allotments at Fort Davis, AK. Fort Davis was previously listed as military land in the 1900's. It was returned to the Department of the Interior in 1921, but withdrawal was not modified to show restoration to public land use. These lands were not valid in ANILCA because the withdrawals were not identified as a bar to conveyance until 1979, too late to make the ANILCA title and conference report. This section of my bill will legislatively approve the 18 Fort Davis allotment applications near Nome, AK.

Section 3 of this bill will amend section 18 of ANCSA by adding language to allow amended land descriptions for lands selected by the State of Alaska, if equal in acreage and the State of Alaska agrees to reconvey or relinquish the land described in the amendment. This section also includes language to assure that the State entitlement is not increased or reduced. It allows relocation of allotments out of State parks and other legislatively designated areas to more useable land without the cost and time of reconveyance. This section will allow Natives, whose land was mistakenly conveyed to the State, to relocate their allotments on other State lands.

Section 4 amends section 7(h)(1)(C)(iii) of ANCSA to allow individual adult shareholders the ability to transfer settlement common stock as a gift to a brother or sister. Shareholders are allowed under current law to transfer settlement common stock as a gift to a child, grandchild, great-grandchild, niece, or nephew.

Section 5 amends ANCSA section 21(j) to allow a Native Corporation to establish a shareholder homesite program after 1991, so long as the alienability of the corporation's settlement common stock has not been terminated.

Section 6 modifies the boundary of the Chugach National Forest to include 9,300 acres of earthquake-slumped lowlands, which the BLM feels could be more efficiently and effectively managed by the Forest Service. The State of Alaska has indicated that it does not wish to select these lands, and the Forest Service is willing to incorporate them within the Chugach National Forest.

Section 7 will provide for the relief of the Rabbit Creek Lions Club. The Secretary of the Interior is authorized and directed, under current fair market value, to convey 0.93 acres of land to the Rabbit Creek Lions Club. This conveyance shall preserve existing rights-of-way and easements, and shall reserve all minerals to the United States.

Section 8 amends ANCSA Section 7(g)(1)(B)(i)(I) to allow, at the option of the native corporation, settlement common stock to be issued to descendants of Natives.

Section 9 amends the Alaska National Interest Lands Conservation Act Section 303(5)(A) to transfer the management of Sitkalidak Island to the Kodiak National Wildlife Refuge. Sitkalidak Island is currently administered as part of the Alaska Maritime Wildlife Refuge. The U.S. Fish and Wildlife Service concurs that Sitkalidak Island would be more effectively administered as a part of Kodiak National Wildlife Refuge.

Section 10 conveys to the University of Alaska the lands of the University of Alaska Agricultural Experiment Station and Fur Farm Experiment Station.

Section 11 requires the Administrator of the Federal Aviation Administreation to release a reverter clause on land conveyed to the State of Alaska in Igiugig, AK. This will allow the land to be disposed of by the State for purposes other than an airport.

Section 12 amends section 29(e) of ANCSA to clarify that native corporations are disadvantaged business enterprises and minority business enterprises for the purposes of implementing Federal Small Business Administration programs.

Section 13 amends section 29(g) of ANCSA to clarify that native corporations are to get an exception from the Civil Rights Act that would allow shareholder hiring preference. This would be the same exception Indian Tribes utililze to facilitate Indian hiring preference.

Section 14 requires the Secretary of the Interior to release a reverter clause on land conveyed to the State of Alaska in Beaver, AK. This will allow the land to be disposed of by the State for purposes other than an airport.

Mr. President, I have worked with the rest of the Alaska delegation, the State of Alaska, the Alaska Federation of Natives, the Bureau of Land Management and all those affected by the legislation in resolving some of the issues addressed in this bill. Although the changes envisioned by the legislation are not entirely technical in nature, they are necessary clarifications and changes to existing law which should not evoke controversy. Many are important amendments which will benefit Alaska Natives.

Mr. President, I intend to pursue consideration of this legislaton at the earliest possible opportunity. I look forward to the input of all parties and the expeditious consideration of these important measures.

By Mr. SPECTER:

S. 1626. A bill to suspend temporarily the duty on chlorinated natural rubber and chlorinated synthetic rubber; to the Committee on Finance.

SUSPENSION OF DUTY ON CHLORINATED NATURAL RUBBER AND CHLORINATED SYNTHETIC RUBBER

Mr. SPECTER. Mr. President, today I am introducing legislation that will suspend temporarily the duty on chlorinated natural rubber and chlorinated synthetic rubber. Lord Corp. of Saegertown, PA, is seeking this duty suspension legislation in order to allow it to remain competitive in the world marketplace with its product Chemlock, which, I am informed, is the world's leading adhesive for bonding elastomeric compounds to metal.

As you are aware Mr. President, duty suspension legislation is routinely adopted by Congress where no unfair competitive advantage, vis-a-vis other U.S. companies or industries, is gained by the beneficiary of such legislation. In this regard, I am informed that Lord Corp. will not gain any such advantage by this legislation. My staff has consulted with the Commerce Department's Office of Industrial Trade, the House of Representatives' Ways and Means Subcommittee on Trade, which has jurisdiction over the companion legislation, H.R. 1985, and with the office of Representative TOM RIDGE, the sponsor of H.R. 1985. Each such office has informed my staff that there is no domestic opposition to Lord Corp.'s duty suspension request.

Mr. President, Lord Corp. represents that without such duty suspension, it is faced with operating at an economic disadvantage vis-a-vis its European and Japanese competitors insofar as Lord must pay a 7.7-percent duty on chlorinated rubber it imports from German and Japanese manufacturers. According to Lord, these manufacturers are the only sources of the high viscosity chlorinated rubber required by Lord, and there are no domestic manufacturers of chlorinated rubber.

In sum, Mr. President, without this duty suspension, the ability of Lord Corp. to preserve its integrity and continue to compete in the world marketplace while maintaining manufacturing facilities in western Pennsylvania is made more difficult.

For the foregoing reasons Mr. President, I, therefore, urge my colleagues to join me in supporting this legislation.

By Mr. FORD:

S. 1627. A bill to amend section 615 of title 38, United States Code, to require the Secretary of Veterans Affairs to permit persons who receive care at medical facilities of the Department of Veterans Affairs to have access to and to consume tobacco products; to the Committee on Veterans' Affairs.

VETERANS DIGNITY IN HEALTH CARE ACT

• Mr. FORD. Mr. President, for the past 2 years I have received a number of letters from veterans across the Commonwealth who are upset with the Department of Veterans Affairs decision to do away with smoking in the Department's medical facilities. I, too, am upset with this policy. And now, it appears, that the VA is determined to do away with sales of tobacco products in its canteens. This bothers me, too.

A number of our veterans who wish to smoke are unable to walk outside for a cigarette. And the sight of those who can make the trek just to end up standing outside in the cold and rain so they might smoke is an unforgettable and unforgivable one. These veterans have given their all for our country, and now we have turned around and placed them in a humbling position.

Not content to leave well enough alone, the VA has been studying the possibility to eliminating the sales of tobacco products in the Veterans Canteen Service [VCS] operations. Since its establishment in 1946 with a $5 million appropriation, the VCS has returned over $20 million to the U.S. Treasury and has not required any additional appropriations from the Congress. However, with the curtailed sale of tobacco products, it is estimated that VCS will show a $9 million loss of revenue. In support of VA initiatives, VCS has already reduced the variety of tobacco brands sold in 39 canteens, which produced a drop of $3.3 million in tobacco income and triggered a corresponding drop of $4 million in total gross income between 1984 and 1990.

The VA has not given one good reason why a climate-controlled area cannot be established in each facility. The cost for making smoking areas available could simply be underwritten by making a portion of the tobacco income available for such a purpose.

I think it is time that we stop punishing those veterans who choose to smoke and allow them the dignity that they deserve. The legislation I am introducing today does not ask that every room in every facility be made a smoking room. I understand the objections to that in a medical facility. What I am asking is that any veteran who receives care at medical facilities of the Department of Veterans Affairs be permitted to have access to tobacco products and to be allowed to consume those products in a climate-controlled room on the premises. The solution is a simple one and one that I hope will resolve the impasse that currently exists between the VA and veterans who smoke.•

By Mr. McCAIN (for himself, Mr. DANFORTH, and Mrs. KASSEBAUM):

S. 1628: A bill to amend the Federal Aviation Act of 1958 to increase competition among commercial air carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AIRLINE COMPETITION EQUITY ACT

• Mr. McCAIN. Mr. President, today I am introducing, with the cosponsorship of Senators DANFORTH and KASSEBAUM, the Airline Competition Equity Act of 1991. The goal of this legislation is to remove barriers to airline competition and to fulfill the promise of airline deregulation.

When Congress passed the Airline Deregulation Act of 1978, it did so on the premise that unleashing market forces would lead to unfettered competition, with benefits to consumers of adequate, economic, efficient and low-priced air transportation. Furthermore, deregulation was premised on the belief that, as Jim Miller III testified before the Senate Commerce Committee in 1977:

> Ease of entry in deregulated markets would act to "police" the market and thus prevent any abuses of monopoly power.

Mr. President, I am certainly a believer in the free market and believe that deregulation has resulted in many benefits for consumers. The evidence that the Senate Commerce Committee has collected over the past several years, however, shows that trends in the airline industry are now running counter to the goals of deregulation.

Numerous studies by the General Accounting Office [GAO], the Department of Transportation, and others have confirmed that there are significant barriers to the free and open competition contemplated by the deregulation act. These barriers, such as slot controls at four of the Nation's busiest airports, airline ownership of the computer reservation systems [CRS], and the inefficient utilization of airport gates, are contributing toward the increasing concentration in the industry.

As recently as 1984, the eight largest airlines carried only 74 percent of all passengers. Today, the top eight airlines carry 92 percent of the traffic. I do not believe it is inevitable, as some have suggested, that deregulation will inevitably result in just a few U.S. carriers, competing globally with other international megacarriers.

Mr. President, the Airline Competition Equity Act of 1991 is designed to reinvigorate airline competition by leveling the playing field for all carriers.

Studies by GAO have identified airline ownership of CRS's, used by travel agents to sell the majority of airline tickets, as one of the greatest barriers to competition. To address the CRS issue, this omnibus bill incorporates the provisions of S. 839, the Airline Computer Reservation System Availability Act of 1991, which requires airlines to divest themselves on ownership of CRS systems.

A second barrier to competition, identified by GAO and others, is the difficulty for new entrants of accessing the four slot-controlled airports: Washington National, Chicago O'Hare, and New York Kennedy, and LaGuardia. Without access to these airports, smaller carriers are unable to build a national route system to attract the more profitable business travelers. To date, the Department of Transportation [DOT] has not issued a rulemaking, required by last year's budget reconciliation bill, to provide new entrants access to these four airports. To provide new entry and competition at the slot-controlled airports, this bill repeals the buy/sell rule and increases the number of slots by 5 percent for new entrants. These provisions are substantially the same as those in S. 2851, reported favorably by the Senate Commerce Committee last year.

The legislation also addresses the problem of the inability of carriers to secure airport gates and related facilities at airports where long-term gate leases preclude competition. The bill would allow airports to reallocate unutilized and underutilized gates, subject to DOT regulations, where such reallocation would promote air service and competition at an airport.

In addition, the bill includes a proposal made by Secretary of Transportation Samuel K. Skinner to allow the current limit on foreign investment in U.S. carriers to be raised from 25 to 49 percent. The Secretary shall approve such investments only after satisfying requirements on reciprocity, the promotion of competition, and national security concerns.

Finally, the legislation contains a number of other proposals which have been identified as promoting competition. The bill includes the text of S. 240, the Airline Bankruptcy Passenger Protection Act of 1991, introduced earlier this year by Senator KASSEBAUM. This provision would provide protections for passengers holding tickets of a carrier in bankruptcy which discontinues service. The Aviation Competition Act of 1991 also includes a provision authorizing the Federal Trade Commission to investigate anti-competitive airline practices and it requires DOT to ensure that any proposed international aviation route sale not harm domestic competition nor the viability of any carrier involved in the transaction.

Mr. President, I believe this omnibus legislation provides a good starting place for the Senate Commerce Committee and this Congress to address the trends moving the airline industry away from the promise of deregulation. If we do not act now, I am fearful that we may be faced with calls for reregulation of rates and service.

The measures in this omnibus bill are not exhaustive nor am I wedded to the list. I am committed, however, to finding a way to arrest the concentration occurring in the industry and to promote competition so that all Americans can enjoy the benefits of deregulation. I look forward to working with the chairman of the Aviation Subcommittee, Senator FORD, in holding hearings to examine and address airline competition issues.

Mr. President, I ask unanimous consent that the text of this legislation appear in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1628

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Airline Competition Equity Act of 1991".

SLOT ALLOCATIONS

SEC. 2. (a) FINDINGS.—The Congress finds that—

(1) the provisions of subpart S of part 93 of title 14, Code of Federal Regulations (known as the "buy-sell rule"), which allow a public right to be used as a private asset, not only restrict competition at the four airports whose use is controlled through slots but also can impede competition in air transpor-

tation throughout the northeastern and midwestern United States;

(2) passengers pay higher fares at slot-controlled airports than at other airports;

(3) publicly granted rights should not be sold for purely private gain;

(4) increasing the number of slots at high density traffic airports will make it easier for carriers not already engaged in regular operations at those airports to achieve regular operations; and

(5) improvements in the air traffic control system since the initiation of slot controls, including new technology and new methods of regulating air traffic, necessitate a complete review of the practice of using slots to control access to high density traffic airports.

(b) DEFINITIONS.—As used in this section, the term—

(1) "Administrator" means the Administrator of the Federal Aviation Administration.

(2) "Air carrier" has the meaning given that term in section 101(3) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1301(3)).

(3) "High density traffic airport" means the Kennedy International Airport, New York, New York; LaGuardia National Airport, New York, New York; O'Hare International Airport, Chicago, Illinois; or Washington National Airport, Washington, D.C.

(4) "New entrant carrier" means an air carrier, including a commuter operator, that holds fewer than 12 slots at the relevant airport.

(5) "Secretary" means the Secretary of Transportation.

(6) "Slot" means the operational authority to conduct one landing or takeoff operation, under instrument flight rules, each day during a specific period at a high density traffic airport.

(c) PURCHASE, SALE, LEASE, AND OTHER TRANSFER OF SLOTS.—(1) Notwithstanding the provisions of subpart S of part 93 of title 14, Code of Federal Regulations, no slot at any airport may be purchased, sold, leased, or otherwise transferred on or after August 1, 1991, except that—

(A) one slot may be exchanged for another slot if there is no other consideration associated with the exchange;

(B) slots may be transferred on or after August 1, 1991, as a part of an overall transfer of ownership of an air carrier or substantially all of its assets, or of substantially all assets related to a discrete operation of an air carrier;

(C) slots at a high density traffic airport may be transferred by an air carrier that prior to August 1, 1991, filed for, and as of the date of enactment of this Act is receiving, bankruptcy protection under title 11 of the United States Code, if such transfer is needed to effectuate the sale of assets of that air carrier; and

(D) slot leases entered into and approved by the Administrator prior to August 1, 1991, may continue or be extended until 18 months after the date of enactment of this Act.

(2) No rule, regulation, or order (other than an emergency order) may be issued by the Secretary or the Administrator relating to restrictions on aircraft operations at any high density traffic airport unless such rule, regulation, or order is consistent with the provisions of this section.

(d) SLOT ALLOCATIONS FOR NEW ENTRANT CARRIERS.—(1) Not later than 60 days after the date of enactment of this Act, the Administrator shall by rule establish a pool of air carrier slots for new entrant carriers at each high density traffic airport.

(2) The rule referred to in paragraph (1) shall include, but not be limited to, provisions to accomplish the following:

(A) The new entrant slots in the pool shall be in addition to air carrier slots at each such airport which are in existence on the date of enactment of this Act, and the number of such new entrant slots shall not increase the overall number of air carrier slots at such airport by more than 5 percent in excess of the number of such existing slots.

(B) New entrant slots shall be allocated in such a way that, to the maximum extent practicable, all new entrant carriers have an equal number of slots overall at such airport, including both new entrant slots and existing air carrier slots. No new entrant carrier shall receive a new entrant slot under this subsection which gives that carrier more than 12 slots overall at such airport.

(C) If new entrant slots remain unused after new entrant carriers have had an opportunity to obtain such slots, the remaining new entrant slots may be made available for use by air carriers only for the purpose of providing air service to communities that lost access to a high density traffic airport as a result of changes to the essential air service program under the Act entitled "An Act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1990, and for other purposes", approved November 21, 1989 (Public Law 101–164; 103 Stat. 1069).

(D) If new entrant slots remain unsued after new entrant carriers have had an opportunity to obtain slots and air carriers have had an opportunity to obtain slots under subparagraph (C), the remaining new entrant slots shall be allocated as needed for international operations authorized after the date of enactment of this Act, except for any such operation authorized under section 401(h) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371(h)).

(E) Each new entrant slot shall be public property and its use shall represent a nonpermanent operating privilege within the exclusive control and jurisdiction of the Secretary and the Administrator. Any such privilege may be withdrawn, recalled, or reallocated by the Secretary for reasons of aviation safety, airspace efficiency, the enhancement of competition in air transportation, or any other matter in the public interest and in accordance with the public convenience and necessity.

(F) If the holder of a new entrant slot, including a slot made available under subparagraph (C) or (D), fails to initiate use of the slot within 60 days after receiving the slot or thereafter fails to use the slot in accordance with rules for use of existing air carrier slots, the new entrant slot shall be withdrawn and, if appropriate, be reallocated to another new entrant carrier. In addition to such grounds for withdrawal, a new entrant slot made available under subparagraph (C) shall also be withdrawn and reallocated, in accordance with this paragraph, if the holder fails to use the slot in providing air service as described in subparagraph (C).

(3)(A) Section 6005(c)(5)(C) of the Metropolitan Washington Airports Act of 1986 (49 App. U.S.C. 2454(c)(5)(C)) is amended by inserting ", except as provided in the Airline Competition Equity Act of 1991," immediately after "of this Act".

(B) Section 6009(e)(1) of the Metropolitan Washington Airports Act of 1986 (49 App. U.S.C. 2458(e)(1)) is amended by inserting ", except as provided in the Airline Equity Competition Act of 1991," immediately after "this title".

(e) HIGH DENSITY TRAFFIC AIRPORT RULES.—(1) The provisions of subpart K of part 93 of title 14, Code of Federal Regulations, and of the rule referred to in subsection (d)(1) of this section shall cease to have force and effect on and after the date that is 18 months following the date of enactment of this Act.

(2) If after such provisions cease to be effective the Secretary or the Administrator decides to issue a new rule, regulation, order, or other procedure providing for the allocation of slots at any airport, such rule, regulation, order, or other procedure shall not be issued until the Administrator certifies, after notice and opportunity for public comment, in a report to Congress that—

(A) such a rule, regulation, order, or other procedure is required in the interest of aviation safety; and

(B) there is no alternative means for achieving comparable safety which has a less adverse effect upon competition in air transportation at such airport.

(3) Any such rule, regulation, order, or other procedure issued in accordance with paragraph (2) shall be airport-specific unless the Administrator certifies that the aviation safety sought cannot be achieved without making the rule, regulation, order, or other procedure applicable to more than one airport.

(4) The Secretary is directed—

(A) to study and determine the extent to which shuttle service presently provided by air carriers operating between LaGuardia National Airport and Boston, and between LaGuardia National Airport and Washington National Airport, is of significant public interest to the unique megalopolis of the northeastern United States; and

(B) to report to Congress within 12 months after the date of enactment of this Act on the results of such study, along with such recommendations as the Secretary determines appropriate.

INTERNATIONAL ROUTE TRANSFERS

SEC. 3. Section 401(h) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371(h)) is amended by adding at the end the following new paragraph:

"(4) FOREIGN AIR TRANSPORTATION ROUTES—

"(A) REQUIREMENT FOR FINDINGS BY THE SECRETARY—The Secretary of Transportation may approve the transfer of a foreign air transportation route certificate only if the Secretary makes specific findings, based upon the Secretary's independent analysis and subject to the requirements of subparagraphs (B) and (C), that the transfer—

"(i) does not adversely affect the long term viability of an carrier involved in the transfer;

"(ii) will not increase economic concentration in the domestic airline industry or otherwise adversely affect competition in the domestic airline industry; and

"(iii) is in the public interest, taking into account the factors set forth in section 102.

"(B) FINDING REGARDING EFFECTS ON VIABILITY.—(i) If any person makes a reasonable assertion that a transfer described in subparagraph (A) adversely affects the long term viability of any carrier involved in the transfer, the Secretary shall not make a finding under subparagraph (A)(i) unless it is made on the record after a hearing in accordance with section 554 of title 5, United States Code.

"(ii) The Secretary shall not consider short term infusions of cash resulting from the transfer as a determining factor in a carrier's long term viability.

"(C) FINDING REGARDING EFFECTS ON COMPETITION.—If any person makes a reasonable assertion that a transfer described in subparagraph (A) will increase economic concentration in the domestic airline industry or will otherwise adversely affect competition in the domestic airline industry, the Secretary shall not make a finding under subparagraph (A)(ii) unless it is made on the record after a hearing in accordance with section 554 of title 5, United States Code.".

FOREIGN INVESTMENT IN AIR CARRIERS

SEC. 4. (a) DEFINITION OF CITIZEN OF THE UNITED STATES.—Section 101(16) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1301(16)) is amended by striking "at least 75 per centum" and all that follows and inserting in lieu thereof "no more than 25 percent of the voting interest, and no more than 25 percent of the equity, is owned or controlled by persons who are not citizens of the United States or of one of its possessions, unless the Secretary of Transportation authorizes a higher percentage, up to 49 percent of the voting interest or equity, pursuant to section 420.".

(b) REVIEW OF CERTAIN TRANSACTIONS.—(1) Title IV of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371 et seq.) is amended by adding at the end the following new section:

"SEC. 420. FOREIGN OWNERSHIP OR CONTROL OF AIR CARRIERS.

"(a) REVIEW BY THE SECRETARY OF TRANSPORTATION.—The Secretary of Transportation shall review any proposed transaction which would result in ownership or control, by persons who are not citizens of the United States, of more than 25 percent of the voting interest or equity of an air carrier.

"(b) CRITERIA FOR APPROVAL.—After reviewing a transaction in accordance with subsection (a), the Secretary of Transportation may authorize more than 25 percent of an air carrier's voting interest or equity to be owned or controlled by persons who are not citizens of the United States only if the Secretary determines that—

"(1) the investment laws of the country of nationality of each foreign person involved in the transaction provide reciprocal rights for air carriers and other citizens of the United States to invest in a foreign air carrier of that country's flag;

"(2) the United States has a procompetitive aviation agreement with the country of nationality of each foreign person involved in the transaction;

"(3) no foreign person involved in the transaction is substantially owned or controlled by a foreign government;

"(4) competition in the domestic airline industry will be enhanced by the transaction; and

"(5) the increased percentage of foreign ownership or control will not adversely affect the national security interests of the United States or unfairly disadvantage United States aircraft manufacturers.".

(c) CONFORMING AMENDMENT.—The portion of the table of contents of the Federal Aviation Act of 1958 relating to title IV of such Act is amended by adding at the end the following new item:

"Sec. 420. Foreign ownership or control of air carriers.
"(a) Review by the Secretary of Transportation.
"(b) Criteria for approval.".

BANKRUPTCY TREATMENT OF CERTAIN AIR CARRIER LEASES AND CONTRACTS WITH AIRPORT OPERATORS

SEC. 5. Section 365(d) of title 11, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) Notwithstanding paragraphs (1), (2), and (4), and subject to subparagraphs (B) and (C) of this paragraph, if the trustee in a case under any chapter of this title does not assume or reject an unexpired lease or executory contract with an airport operator under which the debtor has a right to the use or possession of an airport terminal, aircraft gate, or related facility within 60 days after the date of the order for relief, or within such additional time as the court sets under subparagraph (B) during such 60-day period, then such lease or executory contract is deemed rejected, and the trustee shall immediately surrender such airport terminal, gate, or related facility to the airport operator.

"(B) No order shall be entered that extends, beyond 60 days after the date of the order for relief, the time for assumption or rejection of such an unexpired lease or executory contract unless the airport operator has consented in writing to such extension.

"(C) Notwithstanding the granting of consent by an airport operator under subparagraph (B), upon the subsequent request of the airport operator establishing that there exists a competing demand for such terminal, gate, or related facility, the court shall issue an order requiring the trustee to determine within 60 days whether to assume or reject such lease or executory contract.".

UTILIZATION OF AIRCRAFT GATES AT AIRPORTS

SEC. 6. (a) FINDINGS.—The Congress finds that the underutilization of airport gates, which are often in short supply, especially at the Nation's busiest and most critical airport facilities, is not in the public interest and can have a serious negative impact on domestic airline industry competition and on the efficiency of operation of the national air transportation system, impeding the efficient movement of passengers and goods in interstate commerce.

(b) AUTHORITY OF AIRPORTS TO MODIFY AGREEMENT.—Subject to the guidelines and limits established under subsection (c), an airport operator which has been petitioned by an air carrier for the use of aircraft gates in order to provide additional air service and promote competition in the domestic airline industry, and which determines that it is unable to provide such gates either directly, or indirectly through the enforcement of provisions in lease or use agreements with incumbent air carriers, is authorized to modify existing lease or use agreements with incumbent air carriers in order to—

(1) impose use-lose-or-share requirements for gates and related facilities covered by such agreements;

(2) require joint or preferential use of such gates or related facilities if they are unutilized or underutilized; and

(3) obtain the right of approval over any sublease of such gates or related facilities in order to ensure that air carriers which sublease for the use of such gate or related facilities do so under terms and conditions comparable to those applicable to the sublessor.

(c) GUIDELINES AND LIMITS.—Within 120 days after the date of enactment of this Act, the Secretary of Transportation shall establish, by regulation, guidelines and limits for the establishment by an airport operator, in consultation with the air carriers serving such airport, of standards for determining when gates and related facilities are underutilized. Such guidelines and limits shall allow individual airports establishing such standards to take into account local conditions, including but not limited to the size and other characteristics of their facilities, the type of aircraft serving such facilities, and the types of air service provided from such facilities.

(d) RIGHT TO FAIR COMPENSATION.—Any air carrier which is required under subsection (b) to give up its right, in whole or in part, to use a gate or related facility, shall be fairly compensated for the use of such gate or related facility it is required to forgo.

FEDERAL TRADE COMMISSION AUTHORITY

SEC. 7. Section 5(a)(2) of the Federal Trade Commission Act (15 U.S.C. 45(a)(2)) is amended by striking "air carriers and foreign air carriers subject to the Federal Aviation Act of 1958,".

COMPUTER RESERVATION SYSTEMS

SEC. 8. (a) IN GENERAL.—Title VI of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371 et seq.), as amended by this Act, is further amended by adding at the end the following new section:

"SEC. 421. COMPUTER RESERVATION SYSTEMS.

"(a) NONDISCRIMINATORY ACCESS.—The Secretary of Transportation shall ensure that computer reservation systems are available on a nondiscriminatory basis to all air carriers, ticket agents, and other persons.

"(b) PROHIBITION.—After March 1, 1992, no air carrier or air carrier affiliate shall own, operate, or control a computer reservation system.

"(c) REGULATIONS.—The Secretary shall prescribe such regulations as the Secretary determines appropriate to carry out this section.

"(d) DEFINITIONS.—For purposes of this section, the following definitions apply:

"(1) AIR CARRIER AFFILIATE.—The term 'air carrier affiliate' means any person who, directly or indirectly, owns or controls an air carrier or is owned or controlled by an air carrier.

"(2) COMPUTER RESERVATION SYSTEM.—The term 'computer reservation system' means any computerized or automated system which has the ability to allow a ticket agent, air carrier, or other person to—

"(A) obtain information on routes, arrival and departure schedules, and fares of flights of air carriers; and

"(B) make reservations on flights of air carriers or issue tickets for an air carrier.".

(b) CONFORMING AMENDMENT.—The portion of the table of contents of the Federal Aviation Act of 1958 relating to title IV of such Act is amended by adding at the end the following new item:

"Sec. 421. Computer Reservation Systems.
"(a) Nondiscriminatory access.
"(b) Prohibition.
"(c) Regulations.
"(d) Definitions.".

AIRLINE PASSENGERS BANKRUPTCY PROTECTION

SEC. 9. (a) IN GENERAL.—Title IV of the Federal Aviation Act of 1958 (49 App. U.S.C. 1371 et seq.), as amended by this Act, is further amended by adding at the end the following new section:

"SEC. 422. BANKRUPTCY TRANSPORTATION PLANS.

"(a) DEVELOPMENT.—

"(1) ORDER.—Not later than 60 days after the date of enactment of this section, the Secretary shall issue an order authorizing covered air carriers to develop a plan for providing air transportation for any person who holds an airline ticket for provision of such transportation by a covered air carrier who, after the date of purchase of such ticket, becomes a debtor in a case under title 11, United States Code. Such order shall also include an exemption in accordance with section 414.

"(2) DEADLINE FOR SUBMISSION.—Any plan developed under paragraph (1) shall be submitted to the Secretary for approval within

180 days after the date of enactment of this section.

"(b) TIME LIMIT AND BASIS FOR APPROVAL.—If a plan is submitted to the Secretary in accordance with subsection (a), the Secretary shall approve or disapprove such plan within 60 days after the date of such submission. If the Secretary determines that such plan will provide (or would provide if all covered air carriers participate in implementation of such plan) satisfactory protection for all persons who hold airline tickets described in subsection (a), the Secretary shall approve such plan. Otherwise, the Secretary shall disapprove such plan.

"(c) IMPLEMENTATION OF APPROVED PLANS.—If the Secretary approves a plan under this section, the Secretary shall issue an order requiring implementation of such plan by the covered air carriers who submitted such plan and any other covered air carriers. If there are any covered air carriers who did not participate in development of a plan approved under this section, such carriers shall be treated under such order and plan in the same manner as carriers who did participate in development of such plan.

"(d) REGULATIONS.—If a plan described in subsection (a) is not submitted within 180 days after the date of enactment of this section, or if the Secretary disapproves a plan submitted in accordance with subsection (a), or if the Secretary determines that a plan approved under this section is not being implemented in a manner which provides satisfactory protection for all persons who hold airline tickets described in subsection (a), the Secretary shall issue regulations requiring all covered air carriers to provide air transportation for persons who hold such tickets. Such regulations must be issued within 90 days after the expiration of such 180-day period, the date of disapproval of such plan, or the date of such determination, as the case may be.

"(e) DEFINITIONS.—For purposes of this section, the following definitions apply:

"(1) AIRLINE TICKET.—the term 'airline ticket' means any written instrument that embodies a contract of carriage between a covered air carrier and a passenger thereof for interstate or overseas air transportation.

"(2) COVERED AIR CARRIER.—The term 'covered air carrier' means—

"(A) an air carrier which provides interstate or overseas air transportation primarily with aircraft having seating for more than 60 passengers, and which in the 12-month period preceding the date of enactment of this section enplaned more than .2 percent of the total number of passengers enplaned on all aircraft used to provide interstate and overseas air transportation in such period; and

"(B) an air carrier not described in subparagraph (A) who enters into an agreement with an air carrier who is described in subparagraph (A) to operate under or use a single air carrier designator code to provide interstate or overseas air transportation, but only with respect to those operations of the carrier not described in subparagraph (A) which are carried out under such code.

"(3) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.".

(b) CONFORMING AMENDMENT.—The portion of the table of contents of the Federal Aviation Act of 1958 relating to title IV of such Act is amended by adding at the end the following new item:

"Sec. 422. Bankruptcy transportation plans
"(a) Development.
"(b) Time limit and basis for approval.
"(c) Implementation of approved plans.
"(d) Regulations.
"(e) Definitions.".●

● Mr. DANFORTH. Mr. President, the legislation that Senator McCAIN and I are introducing today is aimed at reinvigorating competition in our domestic airline industry. While some might consider certain provisions of this legislation drastic, the time for drastic action has arrived.

Consider the following:

Eastern Air Lines, founded in 1927, the airline of World War I flying ace Eddie Rickenbacker, is in liquidation.

Pan American Airlines, once considered America's flagship abroad, the airline of the *China Clipper*, which made the world's first commercial trans-Pacific flight in 1935, the airline that inaugurated trans-atlantic jet service in 1958, is in bankruptcy and is selling off its parts.

Continental Airlines, "the proud bird with the golden tail," an airline which includes the remnants of Texas International, New York Air, Frontier Airlines, and People Express, is also in bankruptcy.

America West and Midway Airlines, the remaining two major carriers spawned by deregulation, have entered bankruptcy.

And TWA, my hometown airline, a world class carrier founded in 1925, the airline of Howard Hughes, the purchaser of Ozark Airlines, an employer of 14,000 individuals in the State of Missouri, has defaulted on part of its debt, has sold irreplaceable international routes to raise money, and is seeking the protection of the bankruptcy court.

Mr. President, in 1978, prior to airline deregulation, 13 major airlines carried 90 percent of all passengers. Between 1978 and 1986, 215 new airlines were organized. Today, in the 13th year of deregulation, the Secretary of Transportation and many industry analysts are warning that as few as three major domestic carriers may survive.

The hands-off approach to deregulation has failed. Deregulation was never intended to be no regulation. It is instructive to look back at our expectations when Congress enacted deregulation. The conference report accompanying the Airline Deregulation Act was quite clear in its declaration of purpose:

> The prevention of unfair, deceptive, predatory, or anticompetitive practices in air transportation, and the avoidance of unreasonable industry concentration, excessive market domination, and monopoly power.

Mr. President, three carriers dominating our skies, controlling our airports, and dictating their prices to consumers is not what Congress had in mind when it deregulated the airline industry. Congress never intended the American people to have only three airlines to choose among.

The Department of Justice, in testimony before the Senate Commerce Committee in 1977 said that,

> [Commercial aviation] is not a business in which there are enormous economies of scale. It is a business where someone who can operate at a lower-cost basis can do better. [This is not] a situation in which we are going to get more concentration.

Well, the Department of Justice was wrong. We have more concentration today, and if action is not taken immediately, we will have even greater concentration tomorrow. If the little competition that we have left is to be preserved, we must act—and act now!

Today, Senator McCAIN and I are introducing the Airline Competition Act of 1991. This legislation will promote airline competition, lower barriers to entry for airlines, and forestall asset sales that harm the long-term viability of carriers.

The legislation establishes new standards for DOT's approval of international route sales. Before approving any route sale, the Secretary of Transportation must make a specific finding, on the record, that the sale does not harm the long-term viability of any carrier involved in the transaction. In addition, the Secretary must make a second finding that the proposed route sale does not harm domestic airline competition. If a party presents reasonable arguments on either question, the Department must hold a full evidentiary hearing. Furthermore, in making his finding, the Secretary must conduct an independent analysis of the sale's effect on viability and competition, as opposed to relying on the representations of the management of the carriers involved. After the Secretary satisfies both requirements, he may rule on the current public interest test embodied in law.

The legislation incorporates two provisions to give airports more control over their gates to promote competition. An amendment to the bankruptcy code provides that an overriding public interest in the efficient utilization of airport gates requires airlines to reaffirm their commitment to leases of airport gates and related facilities within 60 days of declaring bankruptcy. This will prevent situations where a carrier uses the protection of the Bankruptcy Court to tie up valuable airport gates that could be reallocated to encourage new or replacement air service. A second provision allows airports to reallocate unutilized or underutilized airport gates in order to accommodate new entrants and promote competition.

To encourage competition at the four slot controlled airports, this legislation includes substantially all of S. 2851, reported by the Commerce Committee last year. The provision repeals the buy/sell rule and increases the number of slots by 5 percent for new entrants.

The Aviation Competition Act of 1991 includes a change in law suggested by Transportation Secretary Samuel K. Skinner. This change would increase the limit on foreign ownership in U.S.

airlines to 49 percent. Secretary Skinner has argued that increased foreign investment is a potential source of much needed capital for U.S. carriers. Approval of such foreign ownership would be conditioned on reciprocal arrangements with the government of the investing airline and protections for U.S. security interests.

The legislation also grants authority to the Federal Trade Commission [FTC] to end anticompetitive airline practices. It requires airlines to divest themselves of ownership of computer reservation systems by January 1, 1992—which is a proposal also contained in S. 839, introduced by Senator MCCAIN and myself. Finally, it requires that airlines honor the ticket of any person who is unable to fly because of the bankruptcy of an airline, which is identical to S. 240, introduced by Senator KASSEBAUM.

Mr. President, in order to salvage air service and airline competition, we must act quickly. The Airline Competition Act provides a basis for the Senate Commerce Committee to address the forces pushing the airline industry toward concentration, higher fares, and less service.●

By Mr. LAUTENBERG (for himself and Mr. BRADLEY):

S. 1631. A bill to extend the temporary suspension of duty on N-Amidino-3,5-diamino-6-chloropyrazine-carboxamide monohydro-chloride dihydrate; to the Committee on Finance.

S. 1632. A bill to suspend temporarily the duty on resin diaion HP20; to the Committee on Finance.

S. 1633. A bill to extend the temporary suspension of duty on (1)3-Quinoline-carboxcyclic acid, 1-ethyl-6-flouro-1,4-dihydro-4-oxo-(1-piperazinyl); to the Committee on Finance.

S. 1634. A bill to extend the temporary suspension of duty on 2,2-dimethylcyclopropylcarboxamide; to the Committee on Finance.

S. 1635. A bill to suspend temporarily the duty on 4-(6-flouro-2 methyl indine-3-methyl) phenyl methyl sulphide dissolved in toluene; to the Committee on Finance.

S. 1636. A bill to suspend temporarily the duty on 2,3,6-Trimethylphenol (TMP); to the Committee on Finance.

S. 1637. A bill to suspend temporarily the duty on N,N-dithio-di-(2,1-phenylene) bis benzamide until January 1, 1995; to the Committee on Finance.

S. 1638. A bill to suspend temporarily the duty on di-o-tolylguanidine and diphenylguanidine; to the Committee on Finance.

S. 1639. A bill to extend the existing suspension of duty on 2,4-Diamino-6-phenyl-1,3,5-triazine; to the Committee on Finance.

SUSPENSION OF DUTY ON CERTAIN CHEMICALS

● Mr. LAUTENBERG. Mr. President, I rise to introduce nine bills on behalf of myself and Senator BRADLEY to suspend duties on various materials. Companion bills have already been introduced in the House of Representatives.

AMILORIDE HYDROCHLORIDE

The first bill would extend for 3 years the suspension of the duty on N-amidino 3,5 diamino-6-chloropyrazine-carboxamide monohydryo-chloride dihydrate, also known as amiloride hydrochloride. This compound is used in the processing of Midamor, a potassium-sparing diuretic used with other agents in congestive heart failure and hypertension to help restore normal serum-potassium levels in patients who develop hypokalemia. Representative DWYER introduced similar legislation in the House.

Currently, there is no other domestic manufacturer of this material, and Merck & Co., a pharmaceutical company headquartered in my State, must import amiloride hydrochloride from Ireland.

HP20

I am also introducing a bill to suspend for 3 years the duty on resin diaion HP20. HP20's end products are the pharmaceuticals Primaxin and Tienam. These trademarked-patented products are intravenous formulations of imipenem, used to treat serious infections, including skin infections, bone and joint infections, and urinary tract diseases. Merck & Co. manufactures these finished pharmaceuticals in its Rahway, NJ plant and must import HP20 from Japan. Representative DWYER has introduced similar legislation in the House.

NORFLOXACIN

Another bill which I am introducing today would suspend for 3 years the duty of norfloxacin, a synthetic, broad-spectrum antibacterial agent for oral administration used for the treatment of adults with urinary tract infections. Marketed by Merck & Co. as Noroxin, this drug is not manufactured domestically and must be imported from Japan to meet United States demand. Representative VALENTINE has introduced similar legislation in the House.

D-CARBOXAMIDE

Mr. President, today I am also introducing a bill to suspend duties on Dimethylcyclopropylcarboxamide, also known as D-carboxamide. D-carboxamide is combined with other ingredients to produce two drugs, Primakin and Tienam, which are supplied to domestic and foreign markets. Both pharmaceutical products have a remarkably broad spectrum of activity against gram-positive and gram-negative aerobic and anaerobic bacteria including strains resistant to penicillin. D-carboxamide is not produced in this country, and must be imported from Japan by Merck & Co. Representative DWYER has introduced similar legislation in the House.

IN-4

I am also introducing a bill to suspend for 3 years the duty on IN-4, a drug used in the formulation of Clinoril. Clinoril is supplied to the domestic market as a nonsteroidal, anti-inflammatory drug, also possessing analgesic and antipyretic properties. The drug is indicated for treatment of osteoarthritis and rheumatoid arthritis. IN-4 is not produced domestically by any other company, and must be imported from Ireland to meet United States demand. Merck & Co. in my State is the only U.S. company to use this intermediate ingredient in the drug manufacturing process.

2,3,4-TRIMETHYLPHENOL [TMP]

Mr. President, I am also introducing a bill to suspend duties on 2,3,4-trimethylphenol, commonly known as TMP. The same bill has been introduced in the House of Representatives by Representative ROE.

The bill would continue, for 3 years, the suspension of duties on TMP. TMP is an intermediate in the production of Vitamin E. Vitamin E is one of the 13 vitamins recognized as being essential for man and animals. The role of Vitamin E in disease prevention is under study in such areas as cholestatic disease, a serious deteriorating condition in children, and retrolental fibroplasia, which may lead to blindness in premature infants. Hoffmann-LaRoche is one of four companies manufacturing Vitamin E in the United States; however it is the only company which import the intermediate TMP. TMP is not manufactured in the United States and must be imported from Germany and Japan.

PEPTON 22

Mr. President, I have also introduced a bill to suspend duties on N,N-dithio-di-(2,1-phenylene)bis benzamide, also known as Pepton 22 until January 1, 1995. The same bill has been introduced in the House of Representatives by Representative ROE.

The bill would suspend for 3 years the duty on Pepton 22, a product used by American Cyanamid in my State as a raw material for various peptizer products. Peptizers are used in treating natural and synthetic rubber to reduce its viscosity and promote easier handling when rubber is formed into its various end products. The tire market consumers 80- to 90-percent of the total end use for Pepton products. There are a variety of smaller markets: rubber gloves for household uses; latex gloves used by the medical profession as a barrier for protection against infection; printing screen rollers, and athletic shoes.

DOTG AND DPG

Another of the bills I am introducing will suspend the duties on di-o-tolyguanidine and diphenylguanidine for 3 years. The same bill has been introduced in the House of Representatives by Representative ROE. Both of these products function as rubber accelerators which promote curing in the maufacture of belts and hoses. They also protect the integrity of financial documents made from safety paper, by preventing erasures. American Cyanamid must import these products from France and Japan, as there is no United States manufacturer. The bill would suspend the current 15-percent tariff on these products.

BENZOGUANAMINE

Mr. President, the last of the bills I am introducing today will suspend duties on 2,4-Diamino-6-phenyl-1,3,5-triazine, also known as benzoguanamine. The same bill has been introduced in the House of Representatives by Representative ROE. The bill will suspend for 3 years the duty on benzoguanamine, a critical raw material in a series of methylated benzoguanamine cross-linking coating resins. These resins are utilized in beverage can coatings.

American Cyanamid is the only U.S producer of cross-linking resins, and consumes two-thirds of the benzoguanamine imported to the United States. Since there are no U.S. producers, the company depends exclusively upon imported benzoguanamine to support its production of resins.

Mr. President, in the case of each and every one of these bills, I have been informed by the International Trade Commission staff that no domestic manufacturer exists for the products used by U.S. companies. Yet these imports are critical to the U.S. manufacture of important pharmaceutical and industrial end-use products. The tariff merely adds additional costs to the manufacturing process without protecting U.S. industry.

Mr. President, I ask unanimous consent that the text of the bills be printed in the RECORD.

There being no objection, the bills were ordered to e printed in the RECORD, as follows:

S. 1631

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMILORIDE HYDROCHLORIDE.

Heading 9902.30.89 of the Harmonized Tariff Schedule of the United States (relating to amiloride hydrochloride) is amended by striking "12/31/92" and inserting "12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply with respect to articles entered, or withdrawn from warehouse for consumption, after December 31, 1992.

S. 1632

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY DUTY SUSPENSION.

Heading 9902.39.14 of the Harmonized Tariff Schedule of the United States is amended by inserting "and resin diaion hp20" after the first parenthetical and by striking "12/31/92" and inserting "12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 1633

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NORFLOXACIN.

Heading 9902.30.85 of the Harmonized Tariff Schedule of the United States (relating to norfloxacin) is amended by striking "12/31/92" and inserting "12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply with respect to articles entered, or withdrawn from warehouse for consumption, after December 31, 1992.

S. 1634

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF DUTY SUSPENSION.

Heading 9902.30.68 of the Harmonized Tariff Schedule of the United States (relating to D-carboxamide) is amended by striking "12/31/92" and inserting "12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply with respect to articles entered, or withdrawn from warehouse for consumption, after December 31, 1992.

S. 1635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DUTY SUSPENSION.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12	4-(6-fluro-2 methyl indine-3-methyl) phenyl methyl sulphide dissolved in toluene also known as IN-4 (provided for in subheading 3823.90.29)	Free	No change	No change	On or before 12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 1636

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TMP.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence of the following new heading:

"9902.31.12	2,3,6-Trimethylphenol (provided for in subheading 2907.19.50)	Free	No change	No change	On or before 12/31/95".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 1637

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY DUTY SUSPENSION.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence of the following new heading:

"9902.31.12	N,N-dith-di (2, 1-phenylene) bis benzamide (CAS No. 135-57-9) (provided for in subheading 2930.90.20)	Free	No change	No change	On or before 12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 1638

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DI-O-TOLYLGUANIDINE AND DIPHENYLGUANIDINE.

Heading 9902.29.56 of the Harmonized Tariff Schedule of the United States (relating to 1,2-Dimethyl-3,5-diphenylpyrazolium methyl sulfate) is amended by striking "12/31/90" and inserting "12/31/94".

SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the amendment made by section 1 applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

(b) RELIQUIDATION.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon a request filed with the appropriate customs officer before the 90th day after the date of the enactment of this Act, any entry or withdrawal from warehouse for consumption-

(1) which was made after December 31, 1990, and before the 15th day after the date of the enactment of this Act; and

(2) with respect to which there would have been no duty if the amendment made by section 1 applied to such entry or withdrawal;

shall be liquidated or reliquidated as though such amendment applied to such entry or withdrawal.

S. 1639

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF EXISTING SUSUPENSION OF DUTY.

Heading 9902.30.83 of the Harmonized Tariff Schedule of the United States (relating to 2,4-Diamino-6-phenyl-1,3,5-triazine) is amended by striking "12/31/92" and inserting "12/31/94".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 applies to goods entered, or withdrawn from warehouse for consumption, after December 31, 1992.●

By Mr. BRADLEY (for himself and Mr. LAUTENBERG):

S. 1640. A bill to suspend temporarily the duty on Ethanone-1,2-naphthyl; to the Committee on Finance.

TEMPORARY SUSPENSION OF DUTY

● Mr. BRADLEY. Mr. President, I rise to introduce legislation providing a three year duty suspension on ethanone-1,2-naphthyl-. Joining me is my colleague Senator LAUTENBERG. The same bill was introduced as H.R. 1748 in the House of Representatives by Representative RINALDO on April 11, 1991.

Ethanone-1,2-naphthyl- is not made in the United States. Two New Jersey based organizations, Givaudan Corp. and Haarmann and Reimer Corp., must import the chemical from Switzerland and West Germany and then upgrade it. Ethanone-1,2-naphthyl- is a synthetic organic chemical used as an aromatic agent in a wide range of products ranging from skin care products to household cleansing agents.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"(AS No. 93–08–3) (provided for in subheading 2914.30.30).	Free	No change	No change	On or before 12/31/93".

SEC. 2. The amendment made by the first section of this Act applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the fifteen day after the date of the enactment of this Act.●

By Mr. BREAUX (for himself, Mr. GRASSLEY, Mr. COCHRAN, Mr. SIMPSON, Mr. LOTT, Mr. SHELBY, Mr. JOHNSTON, Mr. DANFORTH, Mr. PRYOR, Mr. DASCHLE, Mr. SYMMS, Mr. DIXON, Mr. BOND, Mr. SIMON, and Mr. MURKOWSKI):

S. 1641. A bill to amend section 468A of the Internal Revenue Code of 1986 with respect to deductions for decommissioning costs of nuclear powerplants; to the Committee on Finance.

NUCLEAR DECOMMISSIONING RESERVE FUND ACT

● Mr. BREAUX. Mr. President, I rise today to reintroduce the Nuclear Decommissioning Reserve Fund Act of 1991 along with my colleagues Senators GRASSLEY, COCHRAN, LOTT, SHELBY, JOHNSTON, DASCHLE, SIMPSON, DANFORTH, PRYOR, SYMMS, DIXON, BOND, SIMON, and MURKOWSKI.

Last Congress, I introduced similar legislation as S. 1808. This legislation will have the dual benefit of lowering electric utility rates for consumers across the Nation while increasing tax revenues from existing qualified nuclear decommissioning reserve funds. The Nuclear Decommissioning Reserve Fund Act of 1991 will achieve these results by lowering the applicable tax rate on the income of such funds and removing the current investment restrictions on such funds. It is estimated that this legislation will lower the Nation's electric bill by at least $35 million per year between 1990 and 2004. This savings is passed directly through to the ratepayers in its entirety. For example, the people in my State of Louisiana will save approximately $80 million in electricity bills over the next 35 to 40 years for the decommissioning of the Waterford and River Bend facilities.

BACKGROUND

There are over 100 commercial nuclear powerplants in the United States. As a requirement of their operating license, owners of nuclear powerplants must close down, dismantle, and decontaminate the plants at the end of their useful lives. This process, called decommissioning, occurs after the plant has operated for several decades and is an extremely expensive and complex procedure. A utility company that owns a nuclear powerplant usually collects a portion of the estimated future cost of decommissioning the plant each year from customers and saves it in a segregated fund. Investments from this fund are governed by both Federal law and State public utility commissions.

Section 468A of the Internal Revenue Code of 1986 allows a utility to deduct contributions to a qualified nuclear decommissioning reserve fund, subject to certain limitations. A qualified nuclear decommissioning reserve fund is a segregated fund to be used exclusively for the payment of nuclear decommissioning costs and other related expenses.

A qualified fund is a separate taxable entity under section 468A, and its income is subject to tax under current law at the maximum corporate income rate—now 34 percent. The assets of a qualified fund, like those of a tax-exempt black lung disability trust fund, may be invested only in Federal obligations, tax-exempt State and local government obligations, and certain bank or credit deposits. These types of investments have relatively low rates of return.

Utility companies that establish qualified funds generally limit their investments to tax-exempt State and local obligations because of the high tax rate imposed on the qualified funds. As a result, the U.S. Treasury is denied significant tax revenue from qualified funds.

Moreover, imposition of the maximum corporate tax rate on the earnings of these funds ignores the fact that these amounts are actually set aside by utility customers to fund a future cost. The utility company merely acts as a conduit in collecting customer funds to pay these future costs. Thus, the proper tax rate to apply to these earnings is the composite tax rate of electric utility customers, and not a corporate tax rate.

LEGISLATIVE PROPOSAL

The Nuclear Decommissioning Reserve Fund Act of 1991 would correct the problems of current law and make the establishment of a qualified nuclear decommissioning reserve fund more beneficial to utility customers by phasing in a reduction of the applicable income tax rate applied to such a fund from 34 percent to 22 percent in taxable years 1991 and 1992 and to 20 percent beginning in taxable year 1993 and eliminating the current investment restrictions. The proposed reduction in rate recognizes both: First, that, from a tax policy perspective the proper rate to apply to these funds is the average marginal tax rate of utility customers; and second, the desirability from an environmental perspective of providing an appropriate incentive to establish and adequately finance these funds. The elimination of investment restrictions would encourage qualified funds to invest in taxable securities rather than tax-exempt securities. The bill would not permit utilities to make speculative investments with the assets of qualified funds because the investment of the assets would remain subject to regulation by public utility commissions.

These changes would allow qualified funds to invest in obligations that generate higher rates of return and therefore would decrease the amounts needed to be collected from customers for decommissioning. These savings would directly benefit customers by lowering electric rates they otherwise would be charged.

Finally, the changes would have the result of decreasing dependence on foreign oil by reducing the decommissioning component of the American consumer's cost of electricity.

The Nuclear Decommissioning Reserve Fund Act of 1991 represents an opportunity to reduce electricity costs to American consumers, benefit the health and safety of the American public, create a substantial market for U.S. Treasury obligations, to increase tax revenues from existing qualified funds, to decrease our dependence on foreign oil, and to encourage the establishment of additional qualified funds so as to provide for the environmentally adequate decommissioning of nuclear generating facilities.

I urge my colleagues to support this legislation and ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1641

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nuclear Decommissioning Reserve Fund Act of 1991".

SEC. 2. NUCLEAR DECOMMISSIONING RESERVE FUND.

Subsection (e) of section 468A of the Internal Revenue Code of 1986 (relating to special rules for nuclear decommissioning costs) is amended—

(1) in paragraph (2)(A) by striking "equal to the highest rate of tax specified in section 11(b)" and inserting "of 22 percent for taxable years beginning after December 31, 1990, and before January 1, 1993, and of 20 percent for taxable years beginning after December 31, 1992", and

(2) in paragraph (4) by striking subparagraph (C), by adding "and" at the end of subparagraph (A), and by striking ", and" at the end of subparagraph (B) and inserting a period.

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after December 31, 1990.•

By Mr. GRASSLEY (for himself and Mr. HEFLIN):

S. 1642. A bill to amend section 574 of title 5, United States Code, to authorize the Administrative Conference of the United States to provide assistance in response to requests relating to the improvement of administrative procedure in foreign countries; to the Committee on the Judiciary.

ADMINISTRATIVE CONFERENCE ACT

• Mr. GRASSLEY. Mr. President, I rise to introduce a bill to enable the Administrative Conference of the United States to provide technical assistance on administrative law matters to foreign governments.

The emerging democracies of Eastern Europe are seeking, not only financial assistance, but they want help in establishing democratic institutions. We have seen delegations of parliamentarians studying Congress. Lawyers are being called upon to consult on the development of free elections and representative government—things we take for granted.

These nations are also asking for help on the management of democracy on a day to day basis, and the running of an accountable bureaucracy. We are fortunate to have an agency with expertise on administrative and regulatory matters. The Administrative Conference of the United States is an advisory body for the study of the efficiency, adequacy, and fairness of the administrative procedures used by agencies. ACUS makes recommendations for improvements to the agencies, the President, Congress and the judiciary, and ACUS collects, published and arranges for the interchange among agencies of useful information to improve administrative procedures.

But the Administrative Conference is not authorized to respond to the requests of foreign governments. This bill would enable the conference to do just that. It amends the Administrative Conference Act to permit the agency to provide assistance in response to requests relating to the improvement of administrative procedures in foreign countries. The Administrative Conference has to act with the concurrence of the State Department, AID, or the U.S. Information Agency.

This bill does not require any additional money. To the extent the Administrative Conference performs services for a foreign government, the bill would allow them to be reimbursed for any costs.

Mr. President, this bill provides an opportunity for the United States to show leadership in the area of administrative law. Our system is a good one, although we can always improve the performance of our bureaucracy. But we have a good example to share with emerging democracies. Let us allow our experts at the Administrative Conference to do it.•

By Mr. AKAKA:

S. 1643. A bill to amend the Solid Waste Disposal Act to make improvements in the regulation of exports of hazardous and additional wastes, and for other purposes; to the Committee on Environment and Public Works.

INTERNATIONAL HAZARDOUS WASTE DISPOSAL AND ENFORCEMENT ACT

• Mr. AKAKA. Mr. President, millions of tons of hazardous waste cross international borders every year without adequate safeguards to ensure their proper handling and final disposition. Accidental spills at sea, intentional dumping of hazardous waste in our oceans, and constant leakage from deficient storage facilities can devastate our fragile marine ecosystems, ruin vital industries such as fishing and tourism, and present a serious public health threat by poisoning our food chain.

To protect our oceans and marine ecosystems from the threat of hazardous waste pollution, I am introducing today the International Hazardous Waste Disposal and Enforcement Act. My bill would bring the United States into compliance with the requirements of the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and Their Disposal. The United States is one of 54 countries to have signed the accord, but only 10 have ratified it; 20 countries must ratify the treaty for it to go into effect.

It is imperative that the United States act quickly to become one of the 20 ratifying signatories so that we may influence the scope and effectiveness of the convention. Failure to ratify the Basel agreement would mean a forfeiture of U.S. leadership on this sensitive front. Indeed, the United States signed the treaty because we realized that rising costs and diminishing options for disposing waste have caused industrialized countries to export more of their wastes. And who is the recipient of this waste? Increasingly, it is the developing countries. Unfortunately, many of these countries lack adequate environmental laws or the means to properly dispose of hazardous wastes.

Unless we act soon on legislation to properly contain the international shipment of hazardous wastes, we will have an environmental nightmare on our hands in the future. For my home State of Hawaii, hazardous waste pollution in the Pacific Ocean is a potentially serious threat to the natural beauty of our beaches; the viability of Hawaii's major industry, tourism; and the health and vitality of our vast fishing stocks and marine ecosystems. I remind my colleagues that the Pacific is a prime source of seafood for a nation whose consumption of seafood and related products has soared over the last decade.

Mr. President, four bills have been introduced this year to implement the terms of the Basel Convention. The President's proposal, S. 1082, introduced by our colleague, Senator JOHN CHAFEE, is an important first step to carry out our treaty requirements. But this is only a first step. S. 1082 literally stops at the water's edge. Once hazardous wastes are shipped off-shore, the administration's bill declares that the minimum treaty requirements have been met and that the shipment is no longer our responsibility. The bill does not seek in any way to track the shipment to its final destination and disposition. The administration, in short, seems to be saying, "Godspeed to you, hazardous waste, and good riddance."

Mr. President, my measure goes far beyond the President's bill. In addition to the administration's proposal that recipient nations have signed a bilateral agreement with the United States on the handling of the hazardous waste, my bill will require that they also be signatories to the Basel Convention.

Furthermore, my bill will require U.S. Customs and the recipient nation to certify the volume, content, and destination of the hazardous cargo so that we can accurately track this noxious waste.

My proposal has another very important benefit: it protects our fragile seas. By closely tracking the shipment of hazardous wastes, illicit dumping of toxic wastes on the open seas is made much more difficult and therefore less likely. This is very important when you consider the growing body of evidence which indicates that illegal dumping of hazardous waste is occurring at sea.

Furthermore, my legislation requires the filing of disclosure statements with the U.S. Attorney General. This requirement will root out those with a history of criminal or financial wrongdoing and keep the lucrative business of hazardous waste management out of the hands of convicted felons.

Mr. President, we must reach beyond the letter of the Basel Convention and adopt legislation which embraces the environmental spirit of that agreement as well. Immediate endorsement of the Basel Convention and quick passage of the International Hazardous Waste Disposal and Enforcement Act would signal our Nation's serious commitment to preserving our global environment.

The Basel Convention is an excellent accord which deserves more than a simple stamp of approval. Congress should embrace the spirit of this international environmental accord and adopt legislation which demonstrates our commitment to the health of our planet and the future of its people.●

By Mr. METZENBAUM:

S. 1644. A bill to create the Insurance Regulatory Commission; to the Committee on Commerce, Science, and Transportation.

INSURANCE PROTECTION ACT OF 1991

● Mr. METZENBAUM. Mr. President, today there is a crisis of confidence in our insurance companies and our insurance regulatory system.

Months of bad news have shaken the American people's faith in an industry that used to be considered solid, stodgy, and safe.

Night after night on the evening news they see evidence that something is very wrong. High flying companies like Executive Life are crashing—but so are companies like Mutual Benefit Life—companies once considered conservative and sound. What are people to think when the ratings of six major life insurance companies are downgraded in a single day?

Now millions of Americans who hold life insurance policies or pension annuities are wondering if their insurance company is solvent. They see Executive Life annuity holders forced to live on 70 percent of their monthly pension checks and wonder if that could happen to them. They share the outrage of Mutual Benefit policyholders who were unable to get their money out, but learned that company executives got away with golden parachutes.

The public is not reassured by insurance industry spokesmen who insist that nothing is wrong. They don't believe industry claims that there really is no problem, that every failure is somehow unique. They wonder just who the State insurance commissioners have been protecting all these years. And they wonder what is Washington doing to protect them now.

With the possibility of still more failures, we must change the way we protect the insurance policyholders and pension annuity holders of this country. As we cope with the current failures making headlines, we must revamp the system to prevent any future failures and banner headlines.

The fact is that the decade of the 1980's brought much change to our lives. In the financial services industry, and in the life insurance industry particularly, those changes were radical.

Life insurance companies are no longer the conservative institutions they used to be. Today, they can create tax-driven investment gimmicks with the best of them. The interest rates they have guaranteed have driven them to take risks—big risks—that place their policyholders and annuitants in potentially grave danger.

Unfortunately, our system of insurance regulation through the 50 States did not change with the industry. Today, it is outstaffed and outlobbied by the most economically influential industry in America.

The Antitrust Subcommittee I chair has been conducting hearings on the insurance industry and the adequacy of State regulation since December 1990. What I have learned is that State regulators are honorable and well intentioned people, but the current system of 50 separate regulators is outdated and overwhelmed. We have national insurance companies, but 50 separate regulators.

Some in the insurance industry finally are acknowledging the problem. IDS Financial Services, one of the largest insurance companies in the country said it well in March 1990: "The current regulatory structure will prove ineffective in preventing an insolvency problem in the U.S. life insurance industry—unless, of course, we are lucky and something is done to significantly improve life insurance regulation."

This multibillion-dollar industry is too powerful and the future of millions of policyholders is too important to trust to luck. Something must be done now.

Today, I am introducing the Insurance Protection Act of 1991, comprehensive legislation to protect the safety and security of American consumers' insurance policies and annuities.

The act will not create another Federal bureaucracy—day-to-day regulation of insurance companies will remain with the States. It will create an Independent Federal Regulatory Commission, similar in structure to the Securities and Exchange Commission, which will set national standards in areas critical to the solvency and solidity of these national insurance companies. States will be accredited based on their adoption and implementation of these minimum standards in matters such as capital and surplus requirements, consumer disclosure, investment limits, and regulatory resources.

The commission will not supersede State regulation, but it will assume responsibility in areas where uniformity and Federal oversight are needed. It makes no sense for 50 different States to be involved in liquidating a single national company. It makes no sense for policyholders with the same policy in the same national company to get different protection because State guaranty funds are different. It will license reinsurance companies, liquidate failed companies, and administer a national guaranty fund that would be prefunded by industry assessments.

This legislation is not a Federal bailout of the insurance industry. The American taxpayers are under no legal obligation to underwrite insurance company policies as they are with savings and loans. But this Government does have an obligation to reform a system that fails to protect the financial security of millions of Americans.

Apologists for the insurance industry will try to tell you that Federal involvement in the insurance industry will bring the same kind of disaster as Federal regulation in the savings and loan industry. It was not Federal regulation that destroyed the savings and loan industry—it was deregulation of the industry that permitted wild speculation by wheeler-dealers and crooks. The savings and loan industry did not collapse because of Federal regulation—it failed because regulators failed to regulate.

We cannot restore the American people's faith in the Nation's insurance industry without reforming the Nation's insurance regulatory system. They need to know that there is a uniform system of safeguards and standards that protects all Americans. And the American people need to know that there is a Federal agency making sure that State regulators regulate.

Mr. President, I am attaching a summary of the bill, and ask unanimous consent that the summary be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE INSURANCE PROTECTION ACT OF 1991—AUGUST 2, 1991

The Insurance Protection Act of 1991 has six titles and is a comprehensive effort to protect the safety and security of American consumers' insurance policies.

Title I of the Insurance Protection Act of 1991 establishes at the Federal level an independent Insurance Regulatory Commission. This Commission, similar in structure to the Securities and Exchange Commission, would not supersede existing state insurance departments, but would perform certain functions where uniformity and Federal oversight are necessary. In that regard, the Commission would fulfill many of the functions that the voluntary National Association of Insurance Commissioners currently does, but would be able to compel uniformity where the NAIC cannot. The Commission would be funded entirely by insurance industry assessments.

The Commission would promulgate minimum Federal standards in those areas critical to the solvency and solidity of the insurance industry and to its proper regulation at the State level. The Commission would accredit States based on their adoption and implementation of these minimum standards, but States would be authorized to establish more stringent State regulations. An accredited State would be authorized to issue interstate insurance licenses to companies domiciled in the State. If a State fails to receive accreditation or has its accreditation revoked by the Commission, insurance companies in the State would lose their licenses to do business in interstate commerce. The accreditation process would not be instituted until two years following enactment of this Act.

The Commission would periodically assess the accreditation of each State and would examine individual companies to monitor the effectiveness of a State's regulation. On the basis of these examinations the Commission could order the State to reexamine an insurer.

The Commission would also be a central depository for information on the insurance industry and would report to Congress on significant issues and trends.

Within the Commission there would be established a securities valuation office. This office would determine values for securities, such as stock and bonds, carried on the books of insurance companies to ensure that those securities are given accurate and fair values. The Securities Valuation Office of the NAIC currently performs a similar function.

Title II authorizes the Commission to establish Federal standards on any matter that is critical to the continued solvency and solidity of the insurance industry and to its proper regulation at the State level, and sets forth a number of subjects on which the Commission must promulgate regulations. Among the subjects for which there will be minimum Federal standards are capital and surplus requirements, limitations on involuntary transfers of policies by insurers, consumer disclosure and insurance policy simplification requirements, and ownership limitations.

Title III establishes within the Insurance Regulatory Commission an Office of Reinsurance Regulation. Currently States are not in position to adequately regulate the majority of reinsurers because they are offshore and outside the reach of State authorities. This office would have the authority to grant or revoke licenses to reinsurers and would be charged with the responsibility of regulating both domestic and alien companies seeking to transact reinsurance business in the United States. All reinsurers wishing to transact business in interstate commerce would be required to have a license issued by the Reinsurance Office. The Commission would promulgate rules necessary to the effective regulation of reinsurance.

Title IV creates a national guarantee fund, the National Insurance Guaranty Corporation, to be managed by a seven member Board of Directors consisting of the five members of the Insurance Regulatory Commission, the Secretary of the Treasury, and the Comptroller of the Currency. This national fund, which would provide a much needed uniform system for the protection of life, health, and property and casualty insurance policies, would supersede State guaranty funds for all insurance companies operating in interstate commerce. The cost of the program will be funded by pre-insolvency assessments against member companies with the funds deposited in a newly created National Guaranty Fund. No Federal funds or guarantees can be used.

Title V establishes the National Insurance Guaranty Corporation as the exclusive liquidator for insurers operating in interstate commerce. This provision will significantly streamline the liquidation process that is now delayed by legal fights over the company's remaining assets.

Title VI creates Federal criminal penalties for making false statements in reports or documents submitted to insurance regulatory officials; for fraudulently misappropriating money from an insurance company; for making false entries with the intent to defraud; for corruptly influencing by threat or force the proper administration of state or federal insurance laws; and for transacting insurance or reinsurance without the appropriate license. A similar provision passed the Senate this year.•

By Mr. DURENBERGER (for himself, Mr. FOWLER, and Mr. D'AMATO):

S. 1645. A bill to establish a higher education loan program in which a borrower's annual repayment obligation is dependent upon both postschool income level and borrowing history, and for other purposes; to the Committee on Finance.

INCOME-DEPENDENT EDUCATION ASSISTANCE ACT

• Mr. DURENBERGER. Mr. President, I rise today to introduce the Income-Dependent Education Assistance Act of 1991—the "IDEA Act."

This legislation creates a fundamentally new and different way of financing the rising cost of higher education.

It responds to many of the concerns I've heard from students, parents, and higher education leaders over the entire 13 years I have served in the Senate.

It reflects my own experiences as a student, as the son of two college teachers, as a university regent, as the father of four sons who have been or are in college.

And, this proposal also responds to many comments I have received from Minnesotans over the last year as we prepare to reauthorize all the student grant and loan programs in the Higher Education Act.

Mr. President, it's hard to talk to Minnesotans or to pick up a newspaper these days and not see yet another story about how lower- and middle-income families are being squeezed as they try to give their children the same opportunities they had growing up.

According to the report just released by the National Commission on Children, today's children will be the first in our history to not exceed the standard of living of their parents.

And, yet we all know that a college education can mean hundreds of thousands of dollars in added income to an individual during his or her lifetime.

Getting a good education is one of the most important things any individual can do to counter the generational and economic trends the report of the National Commission on Children so eloquently details.

Mr. President, the IDEA program I am introducing today is both simple and accessible. It would make student loans available to all students, regardless of their income with a minimum amount of redtape and bureaucracy.

It would provide up to $70,000 in loans to pay tuition and other college-related expenses, with even higher amounts available to students pursuing degrees in health care professions.

IDEA loans could be used by either full or part-time students up to age 50 at accredited colleges, universities or technical schools in America. They would be paid off in 12 to 18 years by most students, with earlier repayment possible if an interest premium is paid. Unpaid balances in IDEA loans would be forgiven after 25 years.

And, most importantly, Mr. President, this proposal would allow students to repay their loans based on their incomes after graduation, not on their personal or family incomes at the time they enroll.

This income-based repayment feature of the IDEA Act means that graduates in lower paying jobs would make lower loan payments. As incomes rise, so would the size of payments.

It means that graduates who take lower paying jobs—in teaching or social service work, for example—would not be burdened with loan payments they could not reasonably make.

It means that graduates who, through no fault of their own, find themselves unemployed, would not have to make loan payments until their incomes are restored.

It means that graduates wishing to work part or full-time at home when their children are very young would not have that decision inhibited by ongoing and inflexible student loan payment obligations.

The IDEA Act, Mr. President, is the brainchild of Congressman TOM PETRI from my neighboring State of Wisconsin. The House bill on which my proposal is based now has 49 cosponsors from both sides of the aisle. And, I am pleased that Senator FOWLER and Senator D'AMATO are joining me as original sponsors of this legislation.

I should also note, Mr. President, that different income-based student loan proposals have been introduced in recent weeks by Senator BRADLEY and by Senator AKAKA, demonstrating a rising degree of interest in fundamental reforms in how we finance American higher education.

There are important differences in the mechanics of these proposals, as well as some important policy questions that those differences raise.

But, as I said last week in applauding Senator BRADLEY on the introduction of his self-reliance scholarship proposal, the differences on this issue are not among those of us who promote radical reform in Federal student loan programs. The real differences are between those who promote radical reform and those who would fix and fine-tune the status quo.

Mr. President, all three of these proposals—including those introduced by my distinguished colleagues from New Jersey and Hawaii—address a common set of problems with a system that's badly in need of reform: a system that's unnecessarily bureaucratic and complex; a system that largely neglects the needs of middle-income students and their families; a system that spends billions of dollars a year on third parties and on administration;

A system that is vulnerable to a myriad of administrative and financial problems best documented by last year's collapse of the Higher Education Assistance Foundation [HEAF]; a system that is losing billions of dollars a year to a rising number of defaults—$2.4 billion just last year;

A system that is limiting institutional, career and family-related choices of a growing number of America's students; and a system that will become even more burdensome to students and their families as costs continue to rise, and as the ability of State governments to directly subsidize public colleges and universities continues to falter.

Mr. President, income-based loan proposal I am introducing today has required many hours over many years to develop and refine.

And, there are many variables in all of these income-based loan proposals—different sources of financing, different limits on borrowing, different mechanisms for making payments, different terms on loans, different floors and caps on payments, different definitions of income on which payments are based.

All of these factors affect the feasibility of these proposals, Mr. President.

They affect the size of loan payments graduates will have to bear.

They affect the percentages of participants who pay back either more or less than they actually borrow.

They affect the range of choices of institutions that students will be able to make.

One common reaction to all these variables—and to the complexity that's inevitable in any student loan program—is to throw up our hands and resist any challenge to venture very far from the status quo.

But, I am reminded of the comment made by David Breneman of the Brookings Institution in a report on the Guaranteed Student Loan Program where he concluded that "no one starting from scratch would intentionally design what we have today."

I agree with that assessment, Mr. President. The bureaucratic redtape and waste and inequities in the status quo demand that we take the time and the effort to do better. I believe we can do better. I believe we must do better.

To begin that task, Mr. President, I've found it helpful to identify what I call guideposts for change—some underlying principles that can be used to help chart the fundamental reforms in higher education financing we need, not just today, but in the future, as well.

These 10 guideposts for change all reflect the input I have received from Minnesota students, parents, and higher education leaders—not just during hearings and forums this year, but in hundreds of individual conversations I've had with Minnesotans over the last 13 years.

First, Mr. President, student loan repayment should be as simple as possible to students and their families and involve minimum administrative and regulatory costs and barriers. There is no excuse for a system that one witness told the Labor Committee forces families to hire outside consultants—to work their way through the forms.

Second, the system should be available to all students regardless of income, age, or career status.

Third, all postsecondary institutions meeting State and/or Federal licensing and other regulatory requirements should be allowed to participate.

Fourth, the size of student loan payments should be variable and should be based on income after graduation. Income-based loan repayment automatically allows graduates the opportunity to defer payment or make lower payments during periods of lower paying employment, part-time employment, involuntary unemployment, and times when noncompensated family obligations are being met that eliminate or reduce income.

Fifth, financing for student loans should come from the lowest cost source of capital available—to keep interest rates paid by students as low as possible and to attract graduates who anticipate high incomes, but would have to pay higher interest rates for loans drawn from other sources.

Sixth, such a student loan program should be self-financing and not require direct taxpayer subsidies. Earning a profit for a financing source should not be an explicit goal or expected side benefit of the program.

Seventh, an income-based direct loan program must recognize that its feasibility depends on attracting graduates with higher lifetime incomes whose loan payments will subsidize those whose incomes will not be adequate to pay off their loans.

This reality raises "adverse selection" concerns—concerns that students who anticipate earning higher incomes through their lifetime would not want to participate.

So, concerns about adverse selection must be addressed—by limiting the degree of cross subsidization or income transfer among participants to just those levels needed to provide income insurance protection for all students and to make the program financially feasible and self-financing.

Eighth, the determination of the income base used in setting loan payment levels should be made based on financial feasibility and adverse selection concerns. The same is true for other variables such as loan repayment terms, interest rates, age limits, and so forth.

Ninth, some portion of cost savings resulting from lower administrative expense, eliminating profits to intermediaries, and reducing default levels should be used to expand funding for grant programs targeted to lower and lower middle income students.

And, finally, Mr. President, as we make fundamental changes in student loan programs, we must make sure cost containment and outcomes accountability aren't neglected.

Any fundamental change that reduces the pain of borrowing to students and parents and fiscal concerns of the Federal Government is likely to further fuel cost inflation in higher education and, therefore, must be accompanied by increased attention to cost containment and accountability for qualitative outcomes.

This final principle is the basis for an important addition I have made to the legislation Congressman PETRI has introduced in the House.

That addition directs the Department of Education to monitor and report to the Congress on the effects of the IDEA program on tuition rates of institutions with participating students and on the accrediting and licensure standards of those colleges and universities.

Mr. President, a natural first reaction to this proposal is that there is no way such a fundamental change could be considered within this year's reauthorization of the Higher Education Act.

And, it may well be that Congressman PETRI and I—along with the other House and Senate authors of these proposals—are all launching a voyage that will take us many years to complete.

At the same time, Mr. President, I believe we should give my IDEA proposal—and the other proposals being made to income-base student loans—our most serious consideration—within the context of this year's Higher Education Act reauthorization.

And, I believe there is and will be a receptive audience for that challenge—in the Congress, in the administration, among students and parents, and in the higher education community, as well.

I offer that challenge, Mr. President, because I believe there is serious concern about the billions of dollars in our student loan programs that is now wasted to cover defaults.

I offer that challenge because I believe there is serious concern about the billions of dollars it costs to administer a system that nearly everyone agrees is too burdensome and too complex—for students, their families, and higher education institutions that administer those programs every day.

I offer that challenge, Mr. President, because I believe a growing segment of middle class America is demanding some way it can continue to afford true choice in higher education—some way to be offered real relief from the rising cost of obtaining a college education.

I offer that challenge because there is no way that the growing needs of low-income students for financial assistance can be met within existing programs and current realities.

And, I offer that challenge, Mr. President, because there is money in this system that can be better spent. Billions of dollars could be freed up to assist those who are truly needy, and to help relieve the budgetary deficit that now rules our lives.

Mr. President, IDEA is a program that can meet those challenges—a program that realizes those savings, a program that can maintain broad institutional choice, a program that can reduce bureaucratic complexity and redtape, a program that can ease financial burdens as incomes rise and fall in the uncertainties and challenges college graduates now face.

Because I serve on both committees of this body that have jurisdiction over this legislation, I feel a special obligation to do my best to give this issue—and this proposal—the full attention and consideration it deserves—this year in the context of the Higher Education Act reauthorization.

But, each of us shares that obligation, as well, not just to today's students and to their families, but to all those who will follow, and to all those who collectively face the future.

Mr. President, I ask unanimous consent that a copy of the IDEA Act, along with a summary and other background information on this legislation, be included in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1645

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Income-Dependent Education Assistance Act of 1991".

TITLE I—SYSTEM FOR MAKING INCOME-DEPENDENT EDUCATION ASSISTANCE LOANS

SEC. 101. PROGRAM AUTHORITY.

The Secretary of the Treasury shall, in accordance with the provisions of this title—

(1) make loans to eligible students in accordance with this title, and

(2) establish an account for each borrower of such a loan, and collect repayments on such loans, in accordance with section 6306 of the Internal Revenue Code of 1986.

SEC. 102. AGREEMENTS BY ELIGIBLE INSTITUTIONS.

(a) TERMS OF AGREEMENT.—In order to qualify its students for loans under this title, an eligible institution shall enter into an agreement with the Secretary of Education which—

(1) provides that the institution will collect applications for loans under this title from its students that are in such form and contain or are accompanied by such information as the Secretary of the Treasury may require by regulation;

(2) contains assurances that the institution will, on the basis of such applications, provide to the Secretary of the Treasury the information required by section 104 and will certify to the Secretary of the Treasury—

(A) the cost of attendance determination for each student; and

(B) the amount of any outstanding loans to such student under title IV of the Higher Education Act of 1965 or title VII of the Public Health Service Act;

(3) provides that the institution will provide to each student applying for a loan under this title a notice provided by the Secretary of Education of the student's obligations and responsibilities under the loan;

(4) provides that, if a student withdraws after receiving a loan under this title and is owed a refund—

(A) the institution will pay to the Secretary of the Treasury a portion of such refund, in accordance with regulations prescribed by the Secretary of the Treasury to ensure receipt of an amount which bears the same ratio to such refund as such loan bore to the cost of attendance of such student; and

(B) the Secretary of the Treasury will credit the amount of such refund to the student's account; and

(5) contains such additional terms and conditions as the Secretary of the Treasury or Secretary of Education prescribes by regulation to protect the fiscal interest of the United States and to ensure effective administration of the program under this Act.

(b) ENFORCEMENT OF AGREEMENT.—The Secretary of Education may, after notice and opportunity for a hearing to the institution concerned, suspend or revoke, in whole or in part, the agreement of any eligible institution if the Secretary of Education finds that such institution has failed to comply with this title or any regulation prescribed under this title or has failed to comply with any term or condition of its agreement under subsection (a). No funds shall be loaned under this title to any student at any institution while its agreement is suspended or revoked, and the Secretary of Education may institute proceedings to recover any funds held by such an institution. The Secretary of Education shall have the same authority with respect to his functions under this Act as the Secretary of Education has with respect to his functions under part B of title IV of the Higher Education Act of 1965.

(c) NOTICE TO SECRETARY.—The Secretary of Education shall annually submit to the Secretary of the Treasury a list of the eligible institutions having effective agreements under this section, and shall promptly notify the Secretary of the Treasury of any action taken under subsection (b) to suspend, revoke, or reinstate any such agreement.

SEC. 103. AMOUNT AND TERMS OF LOANS.

(a) ELIGIBLE AMOUNTS.—

(1) ANNUAL LIMITS.—Any individual who is determined by an eligible institution to be an eligible student for any academic year shall be eligible to receive an IDEA loan for such academic year in an amount which is not less than $500 or more than the cost of attendance at such institution, determined in accordance with section 484 of the Higher Education Act of 1965. The amount of such loan shall not exceed—

(A) $6,500 in the case of any student who has not completed his or her second year of undergraduate study;

(B) $8,000 in the case of any student who has completed such second year but who has not completed his or her course of undergraduate study;

(C) $30,000 in the case of any student who is enrolled in a graduate degree program in medicine, dentistry, veterinary medicine, podiatry, optometry, or osteopathic medicine;

(D) $22,500 in the case of any student who is enrolled in a graduate degree program in pharmacy, chiropractic, public health, health administration, clinical psychology, or allied health fields, or in an undergraduate degree program in pharmacy; or

(E) $11,000 in the case of any other student.

(2) LIMITATION ON BORROWING CAPACITY.—No individual may receive any amount in an additional IDEA loan if the sum of the original principal amounts of all IDEA loans to such individual (including the pending additional loan) would equal or exceed—

(A) $70,000, minus

(B) the product of (i) the number of years by which the borrower's age (as of the close of the preceding calendar year) exceeds 35, and (ii) one-twentieth of the amount specified in subparagraph (A), as adjusted pursuant to paragraph (3).

(3) EXCEPTIONS TO BORROWING CAPACITY LIMITS FOR CERTAIN GRADUATE STUDENTS.—For a student who is—

(A) a student described in paragraph (1)(C), paragraph (2) shall be applied by substituting "$143,370" for "$70,000"; or

(B) a student described in paragraph (1)(D), paragraph (2) shall be applied by substituting "$115,770" for "$70,000".

(4) ADJUSTMENT OF LIMITS FOR INFLATION.—Each of the dollar amounts specified in paragraphs (1), (2), and (3) shall be adjusted for any academic year after calendar year 1994 by the cost-of-living adjustment for the calendar year preceding such academic year determined under section 6306(h)(3)(C) of the Internal Revenue Code of 1986, rounded to the nearest multiple of $100 (or, if such adjustment is a multiple of $50 and not a multiple of $100, such adjustment shall be increased to the next higher multiple of $100).

(5) COMPUTATION OF OUTSTANDING LOAN OBLIGATIONS.—For the purposes of this subsection, any loan obligations of an individual under student loan programs under title IV of the Higher Education Act of 1965 or title VII of the Public Health Service Act shall be counted toward IDEA annual and aggregate borrowing capacity limits. For purposes of annual and aggregate loan limits under any such student loan program, IDEA loans shall be counted as loans under such program.

(6) ADJUSTMENTS OF ANNUAL LIMITS FOR LESS THAN FULL-TIME STUDENTS.—For any student who is enrolled on a less than full-

time basis, loan amounts for which such student shall be eligible for any academic year under this subsection shall be reduced in accordance with regulations prescribed by the Secretary of Education.

(b) DURATION OF ELIGIBILITY.—An eligible student shall not be eligible to receive a loan under this title for more than a total of the full-time equivalent of 9 academic years, of which not more than the full-time equivalent of 5 academic years shall be as an undergraduate student and not more than the full-time equivalent of 5 academic years shall be as a graduate student.

(c) TERMS OF LOANS.—Each eligible student applying for a loan under this title shall sign a written agreement which—

(1) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by him would not, under the applicable law, create a binding obligation, endorsement may be required,

(2) provides that such student will repay the principal amount of the loan and any interest or additional charges thereon in accordance with section 6306 of the Internal Revenue Code of 1954;

(3) provides that the interest on the loan will accrue in accordance with section 105;

(4) certifies that the student has received and read the notice required by section 102(a)(3); and

(5) contains such additional terms and conditions as the Secretary of the Treasury may prescribe by regulation.

(d) DISBURSEMENT OF PROCEEDS OF LOANS.—The Secretary of the Treasury shall, by regulation, provide for the distribution of loans to eligible students and for the appropriate notification of eligible institutions of the amounts of loans which are approved for any eligible student, and for the allocation of the proceeds of such loan by semester or other portion of an academic year. The Secretary of the Treasury shall distribute the proceeds of loans under this title by disbursing to the institution a check or other instrument that is payable to and requires the endorsement or other certification by the student. Such proceeds shall be credited to any obligations of the eligible student to the institution related to the cost of attendance at such institution, with any excess being paid to the student. The first installment of the proceeds of any loan under this title that is made to a student borrower who is entering the first year of a program of undergraduate education, and who has not previously obtained a loan under this title, shall not be presented by the institution to the student for endorsement until 30 days after the borrower begins a course of study, but may be delivered to the eligible institution prior to the end of that 30-day period.

SEC. 104. INFORMATION REQUIREMENTS FOR LOAN PROGRAM.

(a) RESPONSIBILITIES OF ELIGIBLE INSTITUTIONS.—Each eligible institution which receives funds under this title shall—

(1) submit to the Secretary of the Treasury, at such time and in such form as the Secretary may require by regulation, a machine-readable list of applicants and the amounts for which they are qualified under section 103;

(2) promptly notify the Secretary of the Treasury, on request, of any change in enrollment status of any recipient of a loan under this title; and

(3) submit to the Secretary of the Treasury, at such time and in such forms as the Secretary of the Treasury may require by regulation for use in determining the repayment status of borrowers, a machine-readable list of eligible students who have previously received loans under this title but who are not included as current applicants in the list required by such paragraph.

(b) RESPONSIBILITIES OF THE SECRETARY OF THE TREASURY.—The Secretary of the Treasury shall, on the basis of the lists received under subsection (a)(2), establish an obligation account, by name and taxpayer identification number, with respect to each recipient of a loan under this title. The Secretary of the Treasury shall provide for the increase in the total amount stated for each such account by any amounts subsequently loaned to that recipient under this title and by the amount of any interest charges imposed pursuant to section 105. The Secretary of the Treasury shall, with the notice required by section 6306(a)(1) of the Internal Revenue Code of 1986, transmit to each recipient of a loan under this title a statement of the total amount of the obligation of such recipient as of the close of the preceding calendar year.

SEC. 105. INTEREST CHARGES.

Interest charges on loans made under this title shall be added to the recipient's obligation account at the end of each calendar year. Such interest charges shall be based upon an interest rate equal to the lesser of—

(1) the sum of the average bond equivalent rates of 91-day Treasury bills auctioned during that calendar year, plus 2 percentage points, rounded to the next higher one-eighth of 1 percent; or

(2) 10 percent.

SEC. 106. CONVERSION AND CONSOLIDATION OF OTHER LOANS.

(a) IN GENERAL.—The Secretary of the Treasury may, upon request of a borrower who has received a federally insured or guaranteed loan or loans under title IV of the Higher Education Act of 1965 or under title VII of the Public Health Service Act, make a new loan to such borrower in an amount equal to the sum of the unpaid principal on the title IV or title VII loans. The proceeds of the new loan shall be used to discharge the liability on such title IV or title VII loans. Except as provided in subsection (b), any loan made under this subsection shall be made on the same terms and conditions as any other loan under this Act and shall be considered a new IDEA loan for purposes of this title and section 6306 of the Internal Revenue Code of 1986.

(b) CONVERSION REGULATIONS.—The Secretary of the Treasury shall prescribe regulations concerning the methods and calculations required for conversion to IDEA loans under subsection (a). Such regulations shall provide appropriate adjustments in the determination of the principal and interest owed on the IDEA loan in order to—

(1) secure payments to the Government commensurate with the amounts the Government would have received had the original loans been IDEA loans;

(2) fairly credit the borrower for principal and interest payments made on such original loans and for origination fees deducted from such original loans; and

(3) prevent borrowers from evading their obligations or otherwise taking unfair advantage of the conversion option provided under this section.

(c) MANDATORY CONVERSION OF DEFAULTED LOANS.—

(1) CONVERSION IN ACCORDANCE WITH REGULATIONS.—Any loan which is—

(A) made, insured, or guaranteed under title IV of the Higher Education Act of 1965 or title VII of the Public Health Service Act after the date of enactment of this Act, and

(B) assigned to the Secretary of Education or Health and Human Services for collection after a default by the borrower in repayment of such loan,

shall, in accordance with regulations prescribed by the Secretaries of Education and Health and Human Services, be treated for purposes of collection, under section 6306 of the Internal Revenue Code of 1986, as if such loan had been converted to an IDEA loan under subsections (a) and (b) of this section.

(2) NOTICES.—The Secretaries of Education and Health and Human Services shall notify—

(A) the Secretary of the Treasury of the need to establish or adjust an account balance of any borrower by reason of the provisions of this subsection; and

(B) the borrower of the conversion of the defaulted loans to an IDEA loan and of the procedures for collection under section 6306 of the Internal Revenue Code of 1986.

SEC. 107. TERMINATION OF OTHER STUDENT LOAN PROGRAMS.

The authority to make additional loans under section 428A and part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1078-1) is terminated for any academic year beginning after the date that regulations are prescribed by the Secretaries of the Treasury and Education to carry out this title. This section shall not affect the administration of such section and part with respect to loans made prior to that date.

SEC. 108. STUDY AND REPORT.

(a) STUDY.—The Secretary of Education shall conduct a study of the effects of the loan program assisted under this Act on—

(1) the tuition rates of eligible institutions participating in such program; and

(2) the accrediting and licensure standards of such institutions.

(b) REPORT.—

(1) IN GENERAL.—The Secretary of Education shall prepare and submit a report to Congress, including recommendations, on the results of the study conducted pursuant to subsection (a).

(2) DATE.—The report described in paragraph (1) shall be submitted within 2 years of the date of enactment of this Act.

SEC. 109. AUTHORIZATION OF APPROPRIATIONS.

(a) LOAN FUNDS.—There are authorized to be appropriated to make distributions of loan funds under section 102 such sums as may be necessary.

(b) ADMINISTRATIVE EXPENSES.—There are authorized to be appropriated such sums as may be necessary to administer and carry out this title.

SEC. 110. DEFINITIONS.

For purposes of this title—

(1) the term "eligible institution" has the meaning given it by section 435(a) (1) or (2) of the Higher Education Act of 1965;

(2) the term "eligible student" means a student who is eligible for assistance under title IV of the Higher Education Act of 1965 as required by section 484 of such Act (relating to eligibility for student assistance) and who is carrying at least one-half the normal full-time academic workload (as determined by the institution); and

(3) the term "IDEA loan" means a loan made under this title.

TITLE II—COLLECTION OF INCOME-DEPENDENT EDUCATION ASSISTANCE LOANS

SEC. 201. REPAYMENTS USING INCOME TAX COLLECTION SYSTEM.

(a) IN GENERAL.—Subchapter A of chapter 64 of the Internal Revenue Code of 1986 (relating to collection) is amended by adding at the end thereof the following new section:

"SEC. 6306. COLLECTION OF INCOME-DEPENDENT EDUCATION ASSISTANCE LOANS.

"(a) NOTICE TO BORROWER.—

"(1) IN GENERAL.—During January of each calendar year, the Secretary shall furnish to each borrower of an IDEA loan notice as to—

"(A) whether the records of the Secretary indicate that such borrower is in repayment status,

"(B) the maximum account balance of such borrower,

"(C) the current account balance of such borrower as of the close of the preceding calendar year, and

"(D) the procedure for computing the amount of repayment owing for the taxable year beginning in the preceding calendar year.

"(2) FORM, ETC.—The notice under paragraph (1) shall be in such form as the Secretary may by regulations prescribe and shall be sent by mail to the individual's last known address or shall be left at the dwelling or usual place of business of such individual.

"(b) COMPUTATION OF ANNUAL REPAYMENT AMOUNT.—

"(1) IN GENERAL.—The annual amount payable under this section by the taxpayer for any taxable year shall be the lesser of—

"(A) the product of—

"(i) the base amortization amount, and

"(ii) the progressivity factor for the taxpayer for such taxable year, or

"(B) 20 percent of the excess of—

"(i) the modified adjusted gross income of the taxpayer for such taxable year, over

"(ii)(I) in the case of a joint return, the sum of the standard deduction applicable to such return and twice the exemption amount for the taxable year, and

"(II) in any other case, the sum of the standard deduction applicable to such individual and the exemption amount for the taxable year.

For purposes of subparagraph (B)(ii), the term 'standard deduction' has the meaning given such term by section 63(c), and the term 'exemption amount' has the meaning given such term by section 151(d).

"(2) BASE AMORTIZATION AMOUNT.—

"(A) IN GENERAL.—For purposes of this section, the term 'base amortization amount' means the amount which, if paid at the close of each year for a period of 12 consecutive years, would fully repay (with interest) at the close of such period the maximum account balance of the borrower. For purposes of the preceding sentence, an 8-percent annual rate of interest shall be assumed.

"(B) JOINT RETURNS.—In the case of a joint return where each spouse has an account balance and is in repayment status, the amount determined under subparagraph (A) shall be the sum of the base amortization amounts of each spouse.

"(3) PROGRESSIVITY FACTOR.—

"(A) IN GENERAL.—For purposes of this section, the term 'progressivity factor' means the number determined under tables prescribed by the Secretary which is based on the following tables for the circumstances specified:

"(i) JOINT RETURNS; SURVIVING SPOUSES.—In the case of a taxpayer to whom section 1(a) applies—

"If the taxpayer's modified adjusted gross income is:	**The progressivity factor is:**
Not over $7,860	0.429
11,700	0.500
16,740	0.571
21,720	0.643
26,880	0.786
32,700	0.893
39,060	1.000
48,600	1.000
63,480	1.152
87,360	1.272
117,000	1.364
163,080	1.485
240,000 and over	2.000.

"(ii) HEADS OF HOUSEHOLDS.—In the case of a taxpayer to whom section 1(b) applies—

"If the taxpayer's modified adjusted gross income is:	**The progressivity factor is:**
Not over $6,540	0.429
10,320	0.500
12,300	0.607
16,080	0.643
19,920	0.714
25,020	0.857
31,380	1.000
37,740	1.000
47,280	1.094
63,180	1.313
85,440	1.406
114,060	1.500
204,000 and over	2.000.

"(iii) UNMARRIED INDIVIDUALS, ETC.—In the case of a taxpayer to whom section 1(c) applies—

"If the taxpayer's modified adjusted gross income is:	**The progressivity factor is:**
Not over $6,540	0.467
9,000	0.500
11,580	0.533
14,220	0.600
16,740	0.667
19,920	0.767
25,020	0.867
31,380	1.000
37,740	1.000
45,360	1.118
58,080	1.235
82,260	1.412
94,320	1.500
168,000 and over	2.000.

"(iv) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—In the case of a taxpayer to whom section 1(d) applies—

"If the taxpayer's modified adjusted gross income is:	**The progressivity factor is:**
Not over $3,930	0.483
5,850	0.552
8,370	0.655
10,860	0.759
13,440	0.862
16,350	1.000
19,530	1.000
24,300	1.182
31,740	1.333
43,680	1.485
84,000 and over	2.000.

"(B) RATABLE CHANGES.—The tables prescribed by the Secretary under subparagraph (A) shall provide for ratable increases (rounded to the nearest 1/1,000) in the progressivity factors between the amounts of modified adjusted gross income contained in the tables.

"(C) INFLATION ADJUSTMENT OF MODIFIED AGI AMOUNTS.—For inflation adjustment of amounts of modified adjusted gross income, see subsection (h)(3).

"(4) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this subsection, the term 'modified adjusted gross income' means adjusted gross income for the taxable year—

"(A) determined without regard to section 62(b) and without regard to the deductions from gross income allowable under section 62(a) by reason of—

"(i) paragraph (6) thereof (relating to profit-sharing, annuities, and bond-purchase plans of self-employed individuals),

"(ii) paragraph (7) thereof (relating to retirement savings), and

"(iii) paragraph (11) thereof (relating to reforestation expenses), and

"(B) increased by—

"(i) interest exempt from the tax imposed by chapter 1, and

"(ii) the items of tax preference described in section 57 (other than subsection (a)(5) thereof).

"(c) TERMINATION OF BORROWER'S REPAYMENT OBLIGATION.—

"(1) IN GENERAL.—The repayment obligation of a borrower of an IDEA loan shall terminate only if there is repaid with respect to such loan an amount equal to—

"(A) in the case of any repayment during the first 12 years for which the borrower is in repayment status with respect to any loan, the sum of—

"(i) the principal amount of the loan, plus

"(ii) interest computed for each year the loan is outstanding at an annual rate equal to the annual rate otherwise applicable to such loan for such year, plus 2.5 percent, and

"(B) in the case of any repayment during any subsequent year, the principal amount of the loan plus interest computed at the rates applicable to the loan.

"(2) NO REPAYMENT REQUIRED AFTER 25 YEARS IN REPAYMENT STATUS.—No amount shall be required to be repaid under this section with respect to any loan for any taxable year after the 25th year for which the borrower is in repayment status with respect to such loan.

"(3) EXCEPTION FOR DE MINIMUS LOANS REPAID DURING FIRST 12 YEARS IN REPAYMENT STATUS.—In any case where the maximum account balance of any borrower is $3,000 or less, subparagraph (B), and not subparagraph (A), of paragraph (1) shall apply to repayment of such loan.

"(4) DETERMINATION OF YEARS IN REPAYMENT STATUS.—For purposes of paragraphs (1)(A) and (2), the number of years in which a borrower is in repayment status with respect to any IDEA loan shall be determined without regard to any year before the most recent year in which the borrower received an IDEA loan.

"(5) EXTENSION OF REPAYMENT YEARS FOR MEDICAL INTERNS.—The number of years specified in paragraphs (1)(A) and (2) shall be increased by 1 year for each calendar year during any 5 months of which the individual is an intern in medicine, dentistry, veterinary medicine, or osteopathic medicine.

"(d) DEFINITIONS.—For purposes of this section—

"(1) MAXIMUM ACCOUNT BALANCE.—The term 'maximum account balance' means the highest amount (as of the close of any calendar year) of unpaid principal and unpaid accrued interest on all IDEA loan obligations of a borrower.

"(2) CURRENT ACCOUNT BALANCE.—The term 'current account balance' means the amount (as of the close of a calendar year) of unpaid principal and unpaid accrued interest on all IDEA loans of a borrower.

"(3) REPAYMENT STATUS.—A borrower is in repayment status for any taxable year unless—

"(A) such borrower was, during at least 7 months of such year, an eligible student, as that term is defined in section 109(3) of the Income-Dependent Education Assistance Act of 1991; or

"(B) such taxable year was the first year in which the borrower was such an eligible student and the borrower was such an eligible student during the last 3 months of such taxable year.

"(4) IDEA LOAN.—The term 'IDEA loan' means any loan made under title I of the Income-Dependent Education Assistance Act of 1991.

"(e) Payment of Amount Owing.—Any amount to be collected from an individual under this section shall be paid—

"(1) not later than the last date (determined without regard to extensions) prescribed for filing his return of tax imposed by chapter 1 for the taxable year ending before the date the notice under subsection (a) is sent, and

"(2)(A) if such return is filed not later than such date, with such return, or

"(B) in any case not described in subparagraph (A), in such manner as the Secretary may by regulations prescribe.

"(f) Failure To Pay Amount Owing.—If an individual fails to pay the full amount required to be paid on or before the last date described in subsection (e)(1), the Secretary shall assess and collect the unpaid amount in the same manner, with the same powers, and subject to the same limitations applicable to a tax imposed by subtitle C the collection of which would be jeopardized by delay.

"(g) Loans of Deceased and Permanently Disabled Borrowers; Discharge by Secretary.—

"(1) Discharge in the event of death.—If a borrower of an IDEA loan dies or becomes permanently and totally disabled (as determined in accordance with regulations of the Secretary), then the Secretary shall discharge the borrower's liability on the loan.

"(2) Limitation on discharge.—The discharge of the liability of an individual under this subsection shall not discharge the liability of any spouse with respect to any IDEA loan made to such spouse.

"(h) Crediting of Collections; Special Rules.—

"(1) Crediting of amounts paid on a joint return.—Amounts collected under this section on a joint return from a husband and wife both of whom are in repayment status shall be credited to the accounts of such spouses in the following order:

"(A) first, to repayment of interest added to each account at the end of the preceding calendar year in proportion to the interest so added to the respective accounts of the spouses, and

"(B) then, to repayment of unpaid principal, and unpaid interest accrued before such preceding calendar year, in proportion to the respective maximum account balances of the spouses.

"(2) Computation of alternative annual payment for individuals who have attained age 55.—In the case of an individual who attains age 55 before the close of the calendar year ending in the taxable year, or of an individual filing a joint return whose spouse attains age 55 before the close of such calendar year, the progressivity factor applicable to the base amortization amount of such individual for such taxable year shall not be less than 1.0.

"(3) Inflation adjustment in computation of progressivity factor.—

"(A) In general.—Not later than December 15 of 1996 and of each 3d calendar year thereafter, the Secretary shall prescribe tables which shall apply in lieu of the tables contained in subsection (b)(3)(A) with respect to the succeeding 3 calendar years.

"(B) Method of prescribing tables.—The table which under subparagraph (A) is to apply in lieu of the table contained in clause (i), (ii), (iii), or (iv) of subsection (b)(3)(A), as the case may be, shall be prescribed—

"(i) by increasing each amount of modified adjusted gross income in such table by the cost-of-living adjustment for the calendar year, and

"(ii) by not changing the progressivity factor applicable to the modified adjusted gross income as adjusted under clause (i).

If any increase under the preceding sentence is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or, if such increase is a multiple of $5 and is not a multiple of $10, such increase shall be increased to the next highest multiple of $10).

"(C) Cost-of-living adjustment.—For purposes of this paragraph, the cost-of-living adjustment for any calendar year is the percentage (if any) by which—

"(i) the CPI for the preceding calendar year, exceeds

"(ii) the CPI for the calendar year 1995.

"(D) CPI for any calendar year.—For purposes of subparagraph (C), the CPI for any calendar year is the average of the Consumer Price Index as of the close of the 12-month period ending on September 30 of such calendar year.

"(E) Consumer price index.—For purposes of subparagraph (D), the term 'Consumer Price Index' means the last Consumer Price Index for All Urban Consumers published by the Department of Labor.

"(5) Rules relating to bankruptcy.—

"(A) In general.—An IDEA loan shall not be dischargeable in a case under title 11 of the United States Code.

"(B) Certain amounts may be postponed.—If any individual receives a discharge in a case under title 11 of the United States Code, the Secretary may postpone any amount of the portion of the liability of such individual on any IDEA loan which is attributable to amounts required to be paid on such loan for periods preceding the date of such discharge.

"(6) Finality of assessment and collection.—The first sentence of subsection (b) of section 6305 shall apply to assessments and collections under subsection (f) of this section.".

(b) Application of Estimated Tax.—Subsection (f) of section 6654 of such Code (relating to failure by individual to pay estimated income tax) is amended by striking "minus" at the end of paragraph (2) and inserting "plus", by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following new paragraph:

"(3) the amount required to be repaid under section 6306 (relating to collection of income-dependent education assistance loans), minus.".

(c) Filing Requirement.—Subsection (a) of section 6012 of such Code (relating to persons required to make returns of income) is amended by inserting after paragraph (9) the following new paragraph:

"(10) Every individual required to make a payment for the taxable year under section 6306 (relating to collection of income-dependent education assistance loans).".

(d) Clerical Amendment.—The table of sections for subchapter A of chapter 64 of such Code is amended by adding at the end thereof the following new item:

"Sec. 6306. Collection of income-dependent education assistance loans.".

IDEA Act—Basic Elements

LOAN LIMITS

$6,500 for first two years undergrad, $8,000 for third & later years, and $11,000 per year for graduate students, less amounts borrowed under other federal programs; cumulative limit of $70,000; higher limits for certain medical professions schools.

INTEREST

Interest charged to borrowers' accounts each year at lesser of 10% or 2% over the average 91-day T-bill rate for that year; no extra origination fees or insurance premiums.

No in-school interest subsidy or in-school interest payments; interest accured while in school is added to principal for later payment.

REPAYMENT

After leaving school, each year borrowers find repayment amounts from simple tables with income on one axis, maximum account balances on the other axis; total payments are capped at 20% of the difference of income minus the relevant income tax filing threshold ($10,900 joint or $6,050 single in 1993).

For given account balance, standard payment (made by singles between $31,380 and $37,740 and couples between $39,060 and $48,600) would pay off account balance in 12 years if T-bill + 2% rates average 8%.

For given account balance, payment at lowest incomes is a bit less than ½ the standard payment, payment at highest incomes is twice the standard payment; most people repay lonas in 12 to 18 years.

Progessivity of tables derived from pre '86 income tax rate schedules.

Stafford or HEAL loans may be converted to IDEA; cap on total annual payments applies to converted loans.

Repayment ends whenever account balance is paid off at actual T-bill plus 2% variable rates charged to account, or upon death or disability, except:

Any unpaid balance is forgiven after 25 years of repayment, and

Borrowers must make payments for at least 12 years, except: Borrower is finished paying in less than 12 years when cumulative payments pay off account at effective variable interest rate (called "buyout rate") of T-bill plus 4½%.

IDEA Act—Synopsis

The IDEA Act creates a new supplementary student loan program in which repayments are determined by post-school income of the borrower and are collected by the IRS as part of the individual income tax. The program avoids taxpayer subsidies but does contain an internal cross-subsidy from those with very high incomes to those with very low incomes. Essential features follow:

Students may borrow up to $70,000 total ($6,500 for each of the first two years undergraduate, $8,000 for third and later years, $11,000 per year graduate), but any amounts borrowed under other federal programs are subtracted from these limits. The $70,000 limit is phased out between age 35 and 55 so that borrowers do not assume obligations disproportionate to their remaining earning years. There are higher limits for certain medical professions.

Borrowers' accounts are charged interest each year at the average 91 day T-bill rate for the year plus 2%, but in no case more than 10%. There are no up-front fees (i.e. for "loan origination" or insurance).

For a given account balance, the annual repayment amount for a given year varies according to income. Progressivity is derived from the income tax rates applicable to single and married taxpayers before tax reform.

Most borrowers will pay off IDEA loans at the T-bill plus 2% rate in 12 to 18 years. However, borrowers with high post-graduation incomes who finish repayment within 12 years can pay up to 2½ points more than the interest originally charged to their accounts, while low income borrowers will have any unpaid portions of their loans forgiven after 25 years.

No borrower will owe payments for any year in which his income is below the tax return filing threshold ($10,900 for joint returns and $6,050 for single returns in 1993). Any borrowers's total payments are capped by a percentage of his income that rises gradually as income rises (generally below 15% at a moderate income level). Along with the progressivity in the normal repayment schedules, this assures borrowers that their payments will be manageable, regardless of job changes, unemployment, retraining, homemaking, etc.

No means tests restrict IDEA borrowing. They would not reduce government costs and would prevent participation by future high income earners.

All those needing "deferments" to enter low-paying public service jobs automatically receive them. No need for complex deferment schemes.

Borrowers may voluntarily convert any Stafford and HEAL debt to IDEA loans of the same origination date. New Stafford and HEAL loans that go into default will be converted automatically to IDEA loans.

IDEA repayment obligations may not be discharged in a bankruptcy proceeding.

Borrowing limits and repayment schedules are indexed for inflation.

[From the New York Times, July 31, 1991]

ECONOMIC SCENE: TUITION AID WITHOUT TEARS

(By Peter Passell)

College tuition bills loom like a mountain above the finances of every middle-income parent. And Washington, hard pressed to pay for urgently needed programs like extended unemployment benefits, is obviously in no position to trim them down to size.

But Representative Thomas E. Petri, known for his innovative efforts to coax a bigger bang from the Federal buck, is not giving up. The Wisconsin Republican thinks he has found a relatively painless way to help middle-class students pay their own bills—and in the process save Uncle Sam $1 billion a year.

The core of his proposal, generous unsubsidized loans with repayment terms linked to students' future incomes, has been kicking around Capitol Hill for a decade. But Mr. Petri's version, co-sponsored by 50 members of the House, seems the most practical. And in light of new accounting rules for Federal credit programs, the timing could hardly be better. Indeed, the real puzzle is why the Bush Administration, which lacks a domestic agenda with pizazz, has yet to co-opt the plan as its own.

Washington has long offered a smorgasbord of programs to help pay college bills—everything from cash grants to work-study incentives to guaranteed student loans. But tuition increases have far outpaced Congressional generosity, and subsidies in Government loans still available without means tests have been whittled to a nubbin. Many families now find it cheaper to borrow against the value of their homes and deduct the interest.

Mr. Petri is not proposing to turn back the clock. Like many fiscal conservatives, he sees little virtue in raising everyone's taxes to cover the college costs of the soon-to-be affluent. But he does want to give students a chance to borrow at what amounts to wholesale rates. And he wants the repayment terms to be affordable, even for graduates who end up with modest incomes.

He would permit any student to borrow up to $70,000—$29,000 for four years of college, plus $41,000 for four years of graduate school. Medical students would be eligible for far more. Loans would accumulate interest charges from day one, at rates that would more than cover the Treasury's own costs. But repayment would not begin until the borrower had taxable earnings, and would then rise progressively with a cap of about 19 percent of income for the most affluent.

A graduate making $40,000 would pay about $2,700 a year to service a $20,000 education debt, with the money deducted from his or her paycheck along with income and Social Security taxes. If the Treasury's own borrowing rate average 8 percent, the $20,000 debt would be cleared in 12 years. No one would be asked to pay beyond 25 years.

In the early years the Treasury would, of course, lay out far more cash than it collected. But under the new budget rules, these net outlays would not add to the deficit as long as the loan repayment terms were calibrated to make the program self-financing in the long run. Joe Flader, an aide to Representative Petri, thanks the program would actually free $1 billion a year for other uses because it would attract borrowers who would otherwise use existing subsidized-loan programs.

The idea of a generous new loan program that actually saves the Government money sounds like a contradiction, but probably it is not. Default and collection costs would be trival, unlike those of traditional student loans. To beat the system, borrowers would have to cheat on their income taxes. Indeed, Mr. Flader wants the plan to serve double duty as loan collector of last resort: those in default on other sorts of student loans could automatically be folded into the program.

Moreover, much of the appeal of the system lies in the flexibility of the repayment terms, a feature that would add nothing to the Government's costs. Financially successful graduates would end up subsidizing borrowers who took low-paying jobs or were unemployed. But even borrowers contemplating careers in the executive stratosphere would find the terms more attractive than those of the Government-guaranteed loans now available through banks.

If the Petri plan is indeed the greatest gift to political incumbents since the invention of the franking privilege, why haven't Washington's movers and shakers rushed to embrace it as their own? One reason is that it is complicated, and few public officials are about to take seriously any plan committing billions of Federal dollars unless it carries the imprimatur of the White House.

In the end, then, the mystery is why an Administration so eager to make the rest of the world safe for democracy has ignored an apparently costless way to help reserve the dream of social mobility back home.

Perhaps the education President simply has not gotten the message.●

By Mr. D'AMATO:

S. 1646. A bill to amend the Harmonized Tariff Schedule of the United States to clarify the classification of certain motor vehicles; to the Committee on Finance.

JOB FAIRNESS AND TRADE EQUITY ACT

● Mr. D'AMATO. Mr. President, today I rise to introduce the Job Fairness and Trade Equity Act of 1991. Companion legislation is also being introduced in the House by Representative KILDEE of Michigan.

Mr. President, this legislation brings to the front burner a classic example of how effective the well-heeled Japanese lobby in Washington has been at writing America's trade laws. Currently, we allow the Japanese to pick and choose regulatory classifications on vehicles they sell in this country. Because of this, they save hundreds of millions of dollars while we Americans pay through lost jobs and lost Federal revenues.

Let me explain. In 1989, the Japanese lobby won over the U.S. Treasury Department in a decision regarding the classification of their imported multipurpose vehicles [MPV's], also referred to as sport utility vehicles. Through a loophole in the harmonized tariff schedule, Treasury has allowed foreign companies to play around with whether or not to classify MPV's as cars—and pay a 2.5-percent tariff—or as trucks—and pay a 25-percent tariff.

Imported MPV's must meet U.S. Government standards just like U.S. vehicles. The question for four different U.S. regulators is whether or not the vehicle meets the standards for a car or a truck. The Environmental Protection Agency [EPA] sets emissions standards, the National Highway Traffic Safety Administration [NHTSA] sets safety standards and the Department of Transportation [DOT] sets fuel economy requirements. All these standards are lower for trucks than for cars. Under each of these three regulators, MPV's are classified as a truck.

But the fourth regulator, the Customs Service—Treasury Department—which determines classification for purposes of tariff duties, can classify these same vehicles as cars. This classification results in Japanese importers paying a tariff 90 percent below that of trucks. Now, how can a truck under EPA, a truck under NHTSA and a truck under DOT be a car according to Customs?

Mr. President, How can a truck be a car?

The legislation I am introducing addresses this gross inequity. The legislation provides for a note to the U.S. tariff schedule that simply requires that any vehicle classified as a truck for emissions standards under EPA or as a truck for fuel economy standards under DOT will be classified as a truck in the tariff schedule, thereby paying the appropriate truck tariff.

Mr. President, the Japanese can not have their cake and eat it too. The consequence of our inaction on this measure is twofold. First, every year the U.S. Treasury, alias the U.S. taxpayer, forgoes half a billion dollars in lost tariff revenues. That in itself should make your blood boil. But, that is not all. Not only are we subsidizing Japan at the direct expense of the United States taxpayer but through the lower tariff the United States is subsidizing and supporting auto manufacturers and workers in Japan at the expense of manufacturers and workers in the

United States. You have to wonder whether our regulators are working for the United States or for the Japanese.

U.S. employment in the auto manufacturing sector has been steadily declining. In 1987, this industry employed 867,000 people. Today, it employs only 729,000 people, a 16-percent drop in 4 years. How can we afford to subsidize workers in Japan and other foreign countries when our job loss over the last 5 years totals 138,000 workers.

It is time to end this double subsidy and return the revenue and jobs to the U.S. taxpayers and workers.

Every day on the floor of the U.S. Senate we fight to fund one project over another. We fight among States, we fight among regions, we fight among partisan lines. All this time we are losing scarce dollars and jobs to Japanese industry and workers.

Mr. President, I urge my colleagues to join me in supporting U.S. industry by cosponsoring this legislation. I will be forwarding additional information to my colleagues during recess and look forward to aggressively addressing this issue as a team when we return.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1646

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Job Fairness and Trade Equity Act of 1991".

SEC. 2. CLASSIFICATION OF CERTAIN MOTOR VEHICLES.

The Additional United States Notes for chapter 87 of the Harmonized Tariff Schedule of the United States are amended by adding at the end thereof the following new note:

"3. Any motor vehicle that is—

"(a) a light truck within the meaning of section 523.5 of title 49 of the Code of Federal Regulations (as in effect on October 1, 1990); or

"(b) a light-duty truck within the meaning of such term as defined in section 86.082–2 of title 40 of the Code of Federal Regulations (as in effect July 1, 1990);

shall be classified under heading 8704.".

SEC. 3. EFFECTIVE DATE.

The amendment made by section 1 applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.•

By Mr. BAUCUS (for himself, Mr. GRASSLEY, Mr. PRYOR, Mr. CHAFEE, and Mr. BOREN):

S. 1647. A bill to amend the Internal Revenue Code of 1986 to provide that the deduction for State and local income and franchise taxes shall not be allocated to foreign source income; to the Committee on Finance.

ALLOCATION OF DEDUCTION FOR STATE AND LOCAL TAXES

• Mr. BAUCUS. Mr. President, the ability of American businesses to compete with their foreign counterparts is one of the great challenges facing U.S. businesses. There has been no shortage of hearings and speeches in Congress about international competitiveness. There has, however, been a shortage of meaningful action. As Congress continues to debate what might be done, administrative rules and regulations impose additional costs on U.S. businesses competing in the world marketplace.

Last session, I cosponsored legislation relating to the issue of the allocation of State/local income taxes between United States and foreign source income. A significant number of business groups, taxpayers, and associations have spoken out in support of this legislation, including the National Governors' Association, the Multi-State Tax Commission, and the Federation of Tax Administrators.

Today, I am reintroducing this legislation, along with my colleagues, Senator CHAFEE, Senator PRYOR, Senator BOREN, and Senator GRASSLEY. This legislation provides for the allocation of U.S. corporations' deductions for State/local income and franchise taxes to their U.S. source income.

The Internal Revenue Service after several major changes in its position, is requiring U.S. multinationals to allocate a portion of their deduction for State/local income taxes to foreign source income. IRS regulations on this matter were first issued in 1977. A subsequent 1979 revenue ruling interpreting those regulations held that a franchise tax measured by income should not be allocated to foreign source income because it is the cost of the privilege of doing business in the State.

However, in 1987 this ruling was reversed, retroactively for U.S. corporations and prospectively for foreign corporations. In December 1988, the IRS issued proposed regulations retroactive to 1977, requiring an even more extensive allocation of State tax to foreign source income. Notwithstanding the widespread and general criticism of these regulations by the State tax administrators, multinational corporations, concerned Members of Congress, and many other groups, final regulations were issued with little substantive change on March 11, 1991.

The Internal Revenue Service position adversely impacts the competitiveness of U.S. multinationals in world markets. U.S. corporations competing with foreign corporations have an additional cost of doing business when they are, in effect, unable to fully deduct their State income taxes. Their foreign competitors operating in the United States, however, are able to obtain the full benefit of their deduction for State taxes.

Tax policy such as the one involved is no longer appropriate as a result of profound changes in the U.S. role in the world economy. At this time, when much of the world is reexamining its economic structures, the need for proper choices has never been greater. As globalization of competition has intensified, challenges will result, such as the one before us today. We need only to accept the challenge and act upon it.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ALLOCATION OF DEDUCTION FOR STATE AND LOCAL INCOME AND FRANCHISE TAXES FOR FOREIGN TAX CREDIT PURPOSES.

(a) IN GENERAL.—Subsection (b) of section 904 of the Internal Revenue Code of 1986 (relating to taxable income for purpose of computing limitation) is amended by adding at the end thereof the following new paragraph:

"(5) DEDUCTION FOR STATE AND LOCAL INCOME AND FRANCHISE TAXES.—For purposes of computing taxable income under this subpart, any deduction for any State or local income or franchise tax shall not be allocated or appointed to gross income from sources without the United States.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1976.•

By Mr. MCCAIN (for himself, Mr. GRAHAM, Mr. BENTSEN, and Mr. HATFIELD):

S. 1648. A bill to amend title VII of the Public Health Service Act to reauthorize and expand provisions relating to area health education centers, in order to establish a Federal-State partnership, and for other purposes; to the Committee on Labor and Human Resources.

AREA HEALTH EDUCATION CENTERS REAUTHORIZATION ACT

Mr. MCCAIN. Mr. President, I rise today to introduce, in conjunction with Senators GRAHAM, BENTSEN, HATFIELD, the Area Health Education Centers Reauthorization Act of 1991.

This legislation, which has been over a year in the making, represents the consensus opinion of the Area Health Education Center community nationwide. This bill, the Area Health Education Centers Reauthorization Act strives to not only reauthorize the existing act, but to do so in an innovative manner.

I would like to begin by extending my appreciation to a number of people involved in the crafting of this legislation.

First, I would like to thank my distinguished and able colleague from Florida, Senator GRAHAM, for his support and able assistance in putting together this consensus bill. Senator GRAHAM's knowledge and support of this program was evident throughout our work on this legislation. I guess this should not come as a surprise, as when he was Governor of the State of Florida he was responsible for making this critical program a viable force in the State of Florida.

Second, I would like to thank the AHEC community for the countless number of hours they have spent educating Senator GRAHAM and I on the minutia of this critical program, and their willingness to meet us halfway.

Third, I would like to thank my distinguished colleague from Texas, who serves in the House of Representatives, Congressman CHARLIE STENHOLM, for his leadership in making it possible to have this legislation introduced in both bodies. Today, Congressman STENHOLM is introducing the companion to this legislation in the House. I am thankful to him for his leadership with respect to this legislation, and was pleased to have the opportunity with the distinguished cochair of the House Rural Health Coalition.

Last, and certainly not least, I would like to acknowlege the able assistance of Dr. Gene Mayer, legislative committee chairman of the AHEC Program directors, and Dr. Andrew Nichols, the current chairman of the AHEC Program directors, without whose involvement this legislation would not have been possible.

Dr. Nichols, who runs the Arizona AHEC Program and the Southwest Rural Research Center, has been of great assistance to me in both putting this legislation together and in educating me about the health needs in rural areas of Arizona. I am deeply grateful to him for the time he has and continues to give me on these critical issues. I might add, it was the AHEC Program that was one of my first encounters with rural health issues some 4 years ago.

Mr. President, as we all know, rural and low income urban areas are suffering under the enormous weight of a shortage of health care providers. This shortage has resulted in a lack of access even to the most basic of care for those residing in these areas, and is often exacerbated as those providing services in these areas become burned out because they lack a sufficient number of colleagues to both socialize with and share the demanding workload of practicing in an underserved area.

I have been privileged to have been involved in fashioning legislation over the past several years to address the shortage of health care providers in rural and low-income urban areas. Among the things we have accomplished is a strengthened National Health Service Corps—the critical program that places newly graduating health care providers in these underserved areas as a condition of the grants they received to finance their health education. We have adopted legislation to provide incentives for health care practitioners to locate in rural and underserved areas. And, we have adopted legislation to assist local underserved communities that wish to assist their local sons and daughters in pursuing health education and who return to those underserved areas to pursue their careers.

One of my first exposures to the area of rural health, however, was the Area Health Education Center program.

The legislation we are introducing today reflects the positive changes I believe the AHEC Program must undergo to more effectively reach its potential as one of the critical programs to meet the needs of underserved areas. I believe AHEC is one of the bright lights with regard to the potential for addressing the health provider shortage in rural and low-income urban areas.

The program, which is individually established on a State-by-State basis, provides health professions student training, continuing professional education, student recruitment and placement, development of remote site learning resources, and other projects designed to influence the quantity and distribution of health personnel. Recently, this program was expanded to include a special project aimed at specifically meeting the high impact needs which exist in certain areas—particularly those along the Mexican-American border.

As initially designed, the AHEC Program was an experiment. However, we believe it is fulfilling a very definite need and ought to be made permanent. It has great promise to assist in effectively addressing the critical shortage of health providers in rural and low-income urban areas.

It is with this in mind that the legislation we are introducing today was designed. As I said at the start of my statement, this legislation has been more than a year in the making. It has involved numerous meetings around the country, and the bill reflects the consensus of the AHEC community nationwide.

Specifically, the bill would reauthorize—for 10 years— the core AHEC Program and the existing Health Education and Training Center Program. Under this bill, AHEC's will be eligible to receive 6 years of initial Federal funding support, with a revised and more stringent matching requirement, requiring a 20 percent non-Federal contribution for each center in years 5 and 6. This bill also would establish a State-supported AHEC Program, in recognition of the success already experienced by a number of AHEC's across the country in obtaining State or other public support and the need to continue to enhance that support.

This year, title VII of the Public Health Service Act is scheduled for reauthorization. The AHEC Program is included under title VII. This program serves as the bridge between medical and osteopathic schools and disadvantaged communities, recruiting and training primary care providers and health professionals, and providing continuing education to existing providers. It is our hope that our colleagues on the committees of jurisdiction will include this language in the title VII reauthorization bill. Additionally, I invite all of our colleagues to review this important legislation and consider joining us as a cosponsor of the bill.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

S. 1648

SECTION 1. SHORT TITLE.

This Act may be cited as the "Area Health Education Centers Reauthorization Act of 1991".

SEC. 2. REAUTHORIZATION AND EXPANSION OF AREA HEALTH EDUCATION CENTERS PROGRAM.

(a) TERMS OF AGREEMENTS.—Section 781(a) of the Public Health Service Act (42 U.S.C. 295g-1(a)) is amended by adding at the end thereof the following new paragraph:

"(3)(A) Except as provided in subparagraph (B), an agreement entered into under this subsection for establishment of a center shall remain in effect for a period of 6 years from the date on which such agreement was executed. Such agreement shall be extended to the extent necessary to provide Federal funds under such agreement, for a 6-year period, to all centers operated or developed with funds provided under such agreement.

"(B) The agreements referred to in subparagraph (A) may be terminated by the Secretary on a determination by the Secretary that a center, developed and operated with funds received under such agreement, has not performed in a satisfactory manner.

(b) HEALTH EDUCATION TRAINING CENTERS.—Section 781(f) of such Act (42 U.S.C. 295g-1(f)) is amended—

(1) in paragraph (1)—

(A) by inserting "and in other high-impact areas, both urban or rural, (as determined by the Secretary)" before the semicolon in subparagraph (A); and

(B) by inserting "and other high risk" after "Hispanic" in subparagraph (B);

(2) in paragraph (3)—

(A) by inserting "or high impact" after "Each border"; and

(B) by inserting "or a high impact State, both urban or rural (as determined by the Secretary)" before the period at the end thereof; and

(3) in paragraph (5)—

(A) by striking out "and" at the end of subparagraph (G);

(B) by striking out the period at the end of subparagraph (H) and inserting in lieu thereof "; and"; and

(C) by adding at the end thereof the following new subparagraph:

"(I) to ensure that a health education training center receiving assistance under such agreement will require the participation of a school of public health, if such a school exists within the area being served by such center and desires to participate.".

(c) STATE SUPPORTED HEALTH CENTERS.—Section 781 of such Act (42 U.S.C. 295g-1) is further amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f), the following new subsection:

"(g)(1)(A) The Secretary may enter into agreements with eligible entities for the planning, development and operation of State-supported area health education centers that meet the requirements of subparagraph (B).

"(B) To be eligible to receive an agreement award under this section, the applicant shall ensure that the program supported with amounts received under the agreement will—

"(i) meet the other requirements of subsections (c) and (d);

"(ii) create and maintain preceptorship educational experiences for health science students;

"(iii) develop or affiliate with community-based primary care residency programs;

"(iv) institute or coordinate with continuing education programs for health professionals;

"(v) establish and maintain learning resource and dissemination systems for information identification and retrieval;

"(vi) enter into agreements with community-based organizations for the delivery of services supported under this authority;

"(vii) become involved in the training of nurses, allied and other health professionals and, where consistent with State laws, nurse practitioners and physicians assistants;

"(viii) carry out recruitment programs for health science professions among minority and other elementary or secondary students from areas the program determines to be medically underserved; and

"(ix) carry out not less than three of the activities described in subparagraph (C).

"(C) The activities referred to in subparagraph (B)(ix) shall include—

"(i) coordinating with an Office of Rural Health in the State that is operating in the area served by the center, wherein one exists;

"(ii) administering the National Health Service Corps program activities in the area serviced by the center, except that such center shall provide only support services if the responsibility for such administration has been assigned to any other State agency;

"(iii) working directly with local health departments in the area served by the center;

"(iv) participating in community and migrant health center and similar provider activities in the area to be served by the center; or

"(v) cooperating with other federally and State funded health service provider recruitment and retention programs operating in the area to be served by the center.

"(2) Amounts received under an agreement entered into under this subsection shall be sufficient to enable a State-supported area health education program to carry out demonstration projects concerning subjects determined appropriate by the Secretary, including—

"(A) the establishment of computer-based information programs or telecommunication networks that will link health science centers and service delivery sites;

"(B) the provision of disease specific educational programs for health providers and students in areas of concern to the United States;

"(C) the development of information dissemination models to make available new information and technologies emerging from biological research centers to the practicing medical community;

"(D) the institution of new minority recruitment and retention programs, targeted to improved service delivery in areas the program determines to be medically underserved;

"(E) the establishment of State health service corps programs to place physicians from health manpower shortage areas into similar areas to encourage retention of physicians and to provide flexibility to States in filling positions in health professional shortage areas; and

"(F) the establishment or improvement of State emergency medical systems.

"(3) The Secretary shall not provide in excess of $2,000,000 per annum per State, or per program where that program serves more than one State, or an aggregate amount based on an average award of $250,000 per center to be supported in the States in which the program is operating, whichever is less, to programs under this subsection.

"(4) An agreement entered into under this subsection shall require that the program—

"(A) make available (directly or through donations from public or private entities), $1 for every $1 of Federal funds provided under the contract in such year;

"(B) ensure that at least 75 percent of the amounts received under the agreement be distributed to area health education centers within the area served by the program, through a formal agreement; and

"(C) use amounts provided under such agreement to supplement, not supplant, State funds provided for similar programs prior to the execution of the agreement.".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 781 of such Act (42 U.S.C. 295g–1) is further amended—

(1) in subsection (f)(8)—

(A) by striking out "(h)(2)" in subparagraph (A) and inserting in lieu thereof "(i)(2)"; and

(B) by inserting "and Native American" after "Hispanic" in subparagraph (B)(i); and

(2) by striking out subsection (i) (as so redesignated by subsection (b)(1)), and inserting in lieu thereof the following new subsection:

"(i)(1)(A) For purposes of carrying out this section other than subsections (f) and (g), there are authorized to be appropriated—

"(i) $23,000,000 for fiscal year 1992;

"(ii) $23,000,000 for fiscal year 1993;

"(iii) $21,000,000 for fiscal year 1994;

"(iv) $19,000,000 for fiscal year 1995;

"(v) $17,000,000 for fiscal year 1996; and

"(vi) such sums as may be necessary for each of the fiscal years 1997 through 2002.

"(B) A new agreement entered into under this section after the date of enactment of this subsection shall require that the entity awarded such agreement make available (as part of any other matching requirements, directly or through cash donations from public or private entities) during the fifth and sixth years of Federal support for each center funded under the agreements, non-Federal contributions—

"(i) for the fifth year for which such agreement is in effect, $2 for every $8 of Federal funds provided under the agreement in such year; and

"(ii) for the sixth year for which such agreement is in effect, $2 for every $8 of Federal funds provided under the agreement in such year.

"(C) The Secretary shall obligate not more than 20 percent of the amount appropriated under this paragraph in each fiscal year for special initiatives.

"(2) For purposes of carrying out subsection (f), there are authorized to be appropriated—

"(A) $6,000,000 for fiscal year 1992;

"(B) $12,000,000 for fiscal year 1993;

"(C) $16,000,000 for fiscal year 1994;

"(D) $17,000,000 for fiscal year 1995;

"(E) $18,000,000 for fiscal year 1996; and

"(F) such sums as may be necessary for each of the fiscal years 1997 through 2002.

"(3) For purposes of carrying out subsection (g), there are authorized to be appropriated—

"(A) $12,000,000 for fiscal year 1992;

"(B) $24,000,000 for fiscal year 1993;

"(C) $30,000,000 for fiscal year 1994;

"(D) $36,000,000 for fiscal year 1995;

"(E) $42,000,000 for fiscal year 1996; and

"(F) such sums as may be necessary for each of the fiscal years 1997 through 2002.

The Secretary shall obligate not more than 10 percent of the amount appropriated under this paragraph for any fiscal year for demonstration projects included under subsection (g)(2).".

(e) MATCHING REQUIREMENT.—Section 781 such Act (42 U.S.C. 295g–1) is further amended by adding at the end thereof the following new subsection:

"(j) An agreement entered into under this section after the date of enactment of this subsection shall require that the entity awarded such agreement make available (directly or through donations from public or private entities), during the fourth and remaining years of the agreement, non-Federal contributions equal to—

"(1) for the first year for which such contract is in effect, $3 for every $7 of Federal funds provided under the agreement in such year;

"(2) for the second year for which such contract is in effect, $4 for every $6 of Federal funds provided under the agreement in such year; and

"(3) for the third and subsequent years for which such contract is in effect, $1 for every $1 of Federal funds provided under the agreement in such year.".

(f) TECHNICAL AMENDMENTS.—Section 781 such Act (42 U.S.C. 295g–1) is further amended—

(1) by striking out "contract" each place that such appears and inserting in lieu thereof "agreement"; and

(2) by striking out "contracts" each place that such appears and inserting in lieu thereof "agreements".•

• Mr. GRAHAM. Mr. President, as Governor of Florida, I became aware of the accomplishments of Area Health Education Centers [AHEC's] in addressing the maldistribution of health professionals in underserved areas of other Southern States and helped catalyze the initial interest for the development of AHEC's in my State. Since that time, I have watched as AHEC has grown into a highly effective and respected entity throughout our State.

Florida's AHEC Program first began in 1985 with a grant from the Department of Health and Human Services to the College of Osteopathic Medicine of the Southeastern University of the Health Sciences in North Miami targeted at underserved areas surrounding Lake Okeechobee through an Everglades AHEC Center.

It now also includes active AHEC Programs at the schools of medicine at both the University of Miami and the University of Florida as well as a significant number of the State's nursing and other health professions training programs at our universities and community colleges.

In just over 5 years, Florida's AHEC Programs have grown from that first AHEC Center serving 10 counties to 6 AHEC Centers today serving 45 Florida counties, with 3 additional AHEC Centers to serve another 12 Florida counties scheduled to begin operations within the next 2 years.

In the past year alone, over 800 medical student and resident rotations and nearly 600 nursing and other student rotations into Florida's most rural and inner-city areas have accounted for over 180,000 hours of training in underserved areas. Most of these rotations have been into community and migrant health centers, county public health units, community hospitals, and other indigent care settings, serving many of our State's most needy population groups.

Also in this period, over 2,500 health care professionals have benefited from AHEC continuing education and library services in remote community settings.

Mr. President, the bill that we are introducing today is a significant measure which strives to reauthhorize the Area Health Education Center [AHEC] Program in an innovative manner. I commend Senator MCCAIN and the AHEC community for their hard work in producing this proposal.

This year, title VII of the Public Health Service Act is scheduled for reauthorization; AHEC's are included under title VII. AHEC's serve as bridges between medical schools and disadvantaged communities, recruiting and training primary care providers and health professionals, and providing continuing education to existing providers.

The bill would reauthorize the core AHEC Program and the existing Health Education and Training Center Program for 10 years. AHEC Centers will be eligible to receive 6 years of initial Federal support, with revised and more stringent matching requirements, requiring a 20-percent non-Federal contribution for each center in years 5 and 6. The proposed reauthorization also establishes a State supported AHEC Program in recognition of the success already experienced by a number of AHEC's across the Nation in obtaining State or other public support and the need to continue to enhance that support.

Mr. President, I have been working with Senator MCCAIN on the AHEC reauthorization measure and another State Health Service Corps demonstration bill for 2 years now. I urge my colleagues to join us in supporting these important proposals which target health care services to our Nation's most underserved areas.•

By Mr. DECONCINI:

S. 1649. A bill to establish an Office of Constituent Assistance, and for other purposes; to the Committee on Governmental Affairs.

OFFICE OF CONSTITUENT ASSISTANCE ACT

• Mr. DECONCINI. Mr. President, I am introducing legislation today to establish an Office of Constituent Assistance within the U.S. Congress. This Office would investigate constituent complaints and grievances about Federal agency actions referred to it by individual Members of Congress or congressional committees. Referral of cases of this Office would be at the total discretion of the individual Member or committee.

The Director would be selected based solely on his qualifications, without regard to his or her politics, by the President pro tem of the Senate and the Speaker of the House, after consultation with the leadership/membership of their respective bodies. The Director would be approved by concurrent resolution of both Houses and would serve for a 4-year term.

Under the legislation, the Director must investigate the complaint if it meets the criteria outlined in the bill. Upon completion of the investigation, the Director, under most circumstances, must provide the Member or committee with a written report of the results of his/her investigation. Also, on March 1 of each year, the Director must submit a report to Congress on the activities of the Office during the preceding year containing: First, an index of the issues and number of requests for assistance received on each issue; second, a description of the issues that were the subject of investigation and the agency involved in each; and third, a list of issues that may indicate patterns of inefficiency or abuse. This report to Congress should clearly assist Congress in its oversight responsibilities.

Although similar offices have been proposed in the past, these proposals have never made it through the legislative process largely because Members jealously guard their constituent service operations. Members take their casework responsibilities very seriously, and not just to win votes in the next election. They really want to be responsive and to help resolve the problems their constituents bring to them. The concepts of responsiveness and representation are deeply felt by most Members and casework provides them with the opportunity to fulfill those dual responsibilities. For many people, asking for help on a personal problem is their first and only direct contact with Congress, and all Members want to leave a positive impression with every constituent.

However, times have changed. The quantity and complexity of constituent cases have escalated to the point where Members may no longer be able to thoroughly investigate each and every constituent complaint. Establishing an Office of Constituent Assistance within the legislative branch would alleviate caseloads by allowing Members to transfer cases of their choosing to the Office. By comparison to Member offices, the proposed Office of Constituent Assistance would be more able to attract a professional and stable staff with specific agency expertise and would be better equipped to investigate complex administrative and regulatory issues. This should result in improved services for constituents and increased efficiencies in Member offices.

In addition to escalating constituent caseloads, Members are becoming increasingly cautious about pursuing cases where there might be even the slightest appearance of a conflict of interest, thereby depriving constituents of legitimate congressional assistance. The ability to refer politically sensitive cases to an Office of Constituent Assistance would provide Members, who chose to do so, with some layer of protection against the increasing number of complaints of ethical misconduct being filed with the Ethics Committees of the House and the Senate. However, the legislation specifically states the Members choosing to pursue such casework in their personal offices shall not be deemed guilty of any unethical conduct whatsoever as long as they follow existing rules of their respective bodies.

It appears to this Senator that establishing an Office of Constituent Assistance will benefit constituents, Members of Congress and the institution of Congress alike. I would like to briefly point out what I perceive the benefits of this Office to be in each of these three areas.

CONSTITUENTS

Ideally, increased and improved service to constituents would result from an office which consolidates constituent assistance responsibilities, focuses entirely on this responsibility, coordinates related inquiries from different Member offices, and is operated by a professional staff with both agency and administrative expertise.

As mentioned above, a central, professional office is arguably more important today than it has been in the past for the following reasons. The number of constituents has increased and their needs—and Government services—have changed over time, placing added burdens on individual Member offices in providing constituent service. Federal programs, moreover, have grown in size, scope, and complexity, thus affecting a greater number of citizens and in different ways than in the past. Finally, the type and size of Federal administrative entities have become increasingly varied, ranging from Cabinet Departments to Government corporations and from independent regulatory commissions to private firms under contract to perform Government services. These features of contemporary Government can intimidate or confuse citizens, thus contributing to their increased need and demands for assistance.

MEMBERS OF CONGRESS

An Office of Constituent Assistance would benefit Members in a number of ways. It could reduce a Member's caseload, freeing his or her staff to concentrate on other assignments and responsibilities. It would provide office caseworkers with an indepth review of specific constituent problems which could be used as the basis for responding to similar constituent inquiries. Presently, a constituent may make a request to three congressional offices. If the congressional offices are not aware of such multiple referrals, a duplication of effort results. An Office of Constituent Assistance, because of its consolidated responsibility, would more likely be alert to such identical requests, thereby eliminating the wasting of scarce resources.

As ethical complaints against Members mount, an Office of Constituent Assistance would provide Members with a place to refer cases which might potentially pose an appearance of conflict of interest or unethical conduct if the Member intervened directly on behalf of a constituent. By contrast, such an appearance would be unlikely to arise if a legislator called upon a Constituent Assistance Office—outside the Member's immediate control—to investigate a constituent inquiry or complaint about an agency action.

CONGRESS AS AN INSTITUTION

Increased information about complaints of agency actions would provide Congress with improved oversight capability regarding suspected abuse of authority, maladministration, incompetence, and agency inefficiency. Currently, information which comes from constituent complaints or inquiries is dispersed among individual Member offices; there is no central repository and no institutionwide followup capability to assess the reliability or validity of the complaints or to compare them to similar charges coming from different Member offices. The Office of Constituent Assistance would provide a centralized capacity to catalog complaints and to transmit relevant information to the Congress or the appropriate subcommittees or subcommittees with jurisdiction over the agency or Federal program in question. The reporting requirements in the bill would, therefore, enhance congressional oversight of agency actions by creating a consolidated repository of information about administrative practices and executive behavior.

For these reasons, I believe the time for an Office of Constituent Assistance has arrived. It is my intent that this Office be totally nonpartisan and I believe there are sufficient protections in the bill to achieve that result.

Because I believe that Members will continue to pursue most casework within their personal offices, I do not anticipate that this Office will be inundated with hundreds of cases on a regular basis; rather, I believe the Office will be asked to pursue highly complex and/or technical cases and cases which Members do not wish to pursue for political or personal reasons.

I have spent many hours trying to fashion a reasonable bill and I hope my colleagues will give it every consideration. I ask unanimous consent that the full text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1649

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Office of Constituent Assistance Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) there is a need for an additional method of handling constituent inquiries to Members of Congress;

(2) agencies of the Executive Branch can and do make mistakes in the application, implementation, and enforcement of their rules and regulations;

(3) the size and complexity of the Federal bureaucracy often makes it difficult for citizens to ascertain the appropriate office to deal with or remedy to pursue in cases of grievance;

(4) the issues of concern to the citizenry are so varied and complex that Members of Congress may be unable to provide constituents with in-depth assistance and a thorough analysis of the issues in all cases;

(5) the number of inquiries and grievances from constituents continues to increase, possibly overwhelming Members' offices and making it difficult, if not impossible, to respond to all satisfactorily or expeditiously;

(6) individual Members' offices and congressional committees may not be aware of concerns and grievances raised by constituents in other offices and committees;

(7) Members and committees of Congress, in performing oversight of administrative agencies, should be informed of constituents' concerns and grievances that reveal patterns of abuse, inefficiency, neglect, incompetence, or other maladministration or nonfeasance;

(8) Members of Congress may not be inclined to investigate a constituent complaint because it could potentially pose an appearance of impropriety or conflict of interest; and

(9) Congress is often the court of last resort for the resolution of constituent grievances with administrative agencies, and it is important for Members of Congress to ensure that their constituents receive a full and fair hearing of their grievances.

(b) PURPOSES.—The purposes of this Act are—

(1) to establish an office within Congress to assist Members of Congress in responding to the concerns and grievances of their constituents regarding agency actions;

(2) to establish an office to which Members of Congress can refer cases in order to improve service to their constituents and avoid the appearance of impropriety or conflict of interest;

(3) to establish a statistical framework through which Members of Congress and agency officials will be better able to identify issues that appear to pose problems for constituents on a continuing, broad-scale basis and to help Members and agency officials formulate remedial action, if appropriate; and

(4) to alert Members and committees of Congress and agency officials to possible patterns of abuse or inefficiency.

SEC. 3. DEFINITIONS.

For the purposes of this Act—

(1) the term "agency" means an Executive or military department, independent establishment, Government corporation, or other authority of the United States, whether or not it is within or subject to review by another agency, and any officer or member of such an agency acting or purporting to act in the exercise of official duties, but does not include—

(A) the President and Vice President;

(B) the Congress;

(C) a court of the United States;

(D) the government of a territory or possession of the United States;

(E) the government of the District of Columbia;

(F) an agency composed of representatives of the parties or of representatives of organizations of the parties to the disputes determined by them;

(G) a court-martial or military commission; or

(H) military authority exercised in the field in time of war, occupation of territory, or national emergency;

(2) the term "agency action" includes an action, failure or refusal to act, proposal to act, practice, or procedure of an agency but does not include an action concerning the appointment, removal, discipline, benefits, or other personnel matters with respect to—

(A) a member of the Armed Forces of the United States; or

(B) an officer or employee of the Government of the United States;

(3) the term "Director" means the Director of the Office appointed pursuant to section 4(b);

(4) the term "Office" means the Office of Constituent Assistance established by section 4(a); and

(5) the term "requestor" means a Member or committee of Congress that makes a request for assistance pursuant to section 5(a), including members of the office staff of the Member or committee.

SEC. 4. ESTABLISHMENT.

(a) IN GENERAL.—There is established in the legislative branch of the Government the Office of Constituent Assistance.

(b) DIRECTOR.—The Office shall be headed by a Director, who shall be—

(1) appointed by the President pro tempore of the Senate and the Speaker of the House of Representatives, in consultation with the Majority Leader and Minority Leader of the Senate and of the House of Representatives, after considering recommendations received from members of the Senate and of the House of Representatives, without regard to political affiliation and solely on the basis of fitness to perform the duties of the Office; and

(2) confirmed by concurrent resolution of the Senate and the House of Representatives.

(c) DEPUTY DIRECTOR.—(1) The Office shall have a Deputy Director, who shall be appointed by the Director in consultation with the President pro tempore of the Senate, the Speaker of the House of Representatives, and the Majority Leader and Minority Leader of the Senate and of the House of Representatives.

(2) The Deputy Director shall perform such duties as the Director may assign to the Deputy Director and shall act as Director during the absence or incapacity of the Director and during a vacancy in the office of Director.

(d) Prohibition of Outside Employment.—No person may serve as Director while the person is a candidate for or holder of any elected or appointed Federal, State, or local government office or while engaged in any other business, vocation, or employment.

(e) Compensation.—(1) The Director shall receive pay at a rate equal to the rate for Level III of the Executive Schedule in section 5314 of title 5, United States Code.

(2) The Deputy Director shall receive pay at a rate equal to the rate for Level IV of the Executive Schedule in section 5315 of title 5, United States Code.

(f) Term.—(1) The term of office of the Director first appointed shall expire on January 31, 1993, and the term of office of Directors subsequently appointed shall expire on January 31 of each fourth year thereafter.

(2) A person appointed as Director to fill a vacancy prior to the expiration of a term shall serve for the unexpired portion of the term.

(3) A person appointed as Director at the expiration of a term may continue to serve until a successor is appointed.

(g) Removal.—(1) The Director may be removed for cause at any time by a concurrent resolution of the Senate and House of Representatives.

(2) The Deputy Director may be removed at any time by the Director.

SEC. 5. INVESTIGATIONS AND REPORTS.

(a) Request for Assistance.—A Member of Congress, a standing committee, special committee, or select committee of the House of Representatives or the Senate, or a joint committee of the House of Representatives and the Senate may submit to the Director a request for assistance on an agency action that, in the opinion of the requestor, may, upon investigation, be found to be—

(1) contrary to law;

(2) unreasonable, unfair, oppressive, or inconsistent with the general course of an agency's functioning;

(3) mistaken in law or arbitrary in ascertainment of facts;

(4) improper in motivation or based on irrelevant considerations;

(5) unclear or inadequately explained when reasons should have been disclosed;

(6) inefficiently performed;

(7) not the most appropriate or most reasonable action in the circumstances; or

(8) a matter that would pose a potential appearance of impropriety or conflict of interest if an individual Member of Congress were to inquire or attempt to intervene.

(b) Decision Whether To Make a Request for Assistance.—A Member's or committee's decision whether to refer a matter to the Office by submission of a request for assistance under subsection (c) is entirely within the discretion of the Member or committee, and subsection (a) shall not be construed as requiring a Member or committee to make such a request under any circumstances.

(c) Determination Whether To Investigate.—(1) As soon as practicable after receiving a request for assistance, the Director shall determine whether to conduct an investigation into the matter concerned.

(2) If the Director determines that—

(A) the matter concerned in the request for assistance is not an agency action; or

(B) a complaint against an agency action concerned is trivial, frivolous, vexatious, or not made in good faith,

the Director shall expeditiously notify the requestor that the matter is not an agency action subject to investigation under this Act or that it is an agency action that does not warrant investigation, as the case may be, stating the reasons for the determination.

(3) The Director shall conduct an investigation pursuant to subsection (d) and make a report pursuant to subsection (e) unless the Director determines under paragraph (2) that the matter concerned in a request for assistance is not an agency action or that it does not warrant investigation.

(d) Investigation.—(1) The Director may make an investigation by such means, including written and telephonic communications and meetings with agency personnel and others concerned in an agency action, as the Director considers to be appropriate.

(2) An agency that has taken or may take an agency action and an agency that possesses information that may bear on an agency action may, upon oral request of the Director, and shall, upon receipt of the written request of the Director, provide the Director with all information and with copies of or access to all documents relating to an agency action to the extent that such information and documents are required to be disclosed under section 552 of title 5, United States Code.

(3) Prior to submitting a report to a requestor pursuant to subsection (e), the Director may, if the Director considers it to be appropriate, inform an agency of all or part of the findings and recommendations that the Director intends to make in the report and invite the agency to submit a response for inclusion in the report.

(e) Report.—(1) The Director shall submit to a requestor a written report of the results of an investigation.

(2)(A) The Director shall attempt to complete an investigation and submit a report not later than 6 months after receipt of a request for assistance, or by such earlier time as the requestor may request when the nature of the matter under investigation makes an early resolution desirable.

(B) If the Director is unable to submit a report by the time specified in subparagraph (A), the Director shall, at that time and periodically thereafter, submit to the requestor a report on the status of the investigation that explains the reasons for the delay and states the date by which the investigation is expected to be completed and a report submitted.

(3) A report shall—

(A) include a statement of all facts pertinent to an agency action or, if the facts are extensive, a summary of the facts and references to the documents in which the pertinent facts are recited; and

(B) state whether, in the opinion of the Director, there is reason to conclude that the agency action may be objectionable for any of the reasons stated in subsection (a).

(f) Public Disclosure.—(1)(A) Except as provided in subparagraph (B), prior to the submission of a report under subsection (e), no employee of the Office and no other employee of the United States Government shall disclose to anyone except another employee of the United States Government who has a need to know, any information pertaining to a request for assistance that is made under subsection (a) or an investigation that is being conducted under subsection (d).

(B) An employee of the Office may inform a requestor of the status of an investigation at any time and of the date by which a report may be expected, without disclosing any details concerning the course of the investigation.

(2)(A) Subject to subparagraph (B), approximately 30 days after the submission of a report under subsection (e), the Director shall release the report to the public, excluding information that is exempt from public disclosure under section 552(b) of title 5, United States Code.

(B) The Director may for good cause determine that—

(i) a report should not be released to the public;

(ii) a report should be released to the public at a time other than that specified in subparagraph (A); or

(iii) information in addition to that which is exempt from public disclosure under section 552(b) of title 5, United States Code, should be excluded from a report that is released to the public.

(3) The Office is not an "agency" within the meaning of section 551(1) of title 5, United States Code.

SEC. 6. ANNUAL REPORT.

On March 1 of each year, the Director shall submit to Congress a report on the activities of the Office during the preceding year containing—

(1) an index of the issues and number of requests for assistance received on each issue;

(2) a description of the issues that were the subject of investigation during the preceding year and the agency involved with respect to each issue; and

(3) a list of issues that may indicate patterns of inefficiency or abuse.

SEC. 7. ADMINISTRATIVE PROVISIONS.

(a) In General.—The Director may—

(1) employ and fix the compensation of such personnel as may be necessary to carry on the work of the Office, and such personnel shall be employed without regard to political affiliation and solely on the basis of fitness to perform the duties of the office;

(2) delegate authority for the performance of any such duty to any officer or employee of the Office; and

(3) use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(b) Pay.—For purposes of pay (other than pay of the Director) and employment benefits, rights, and privileges, personnel of the Office shall be treated as if they were employees of the House of Representatives.

(c) Experts and Consultants.—In carrying out the duties and functions of the Office, the Director may procure the temporary (not to exceed 1 year) or intermittent services of experts or consultants or organizations thereof by contract as independent contractors, or, in the case of individual experts or consultants, by employment, at rates of pay not in excess of the daily equivalent of the highest rate of basic pay payable under the General Schedule of section 5332 of title 5.

SEC. 8. EFFECT ON OTHER LAWS.

(a) Provisions in Addition to Other Law.—The provisions of this Act are in addition to those of any other law under which any right or remedy is provided for any person, and nothing in this Act shall limit or affect any such remedy, right of appeal, or procedure.

(b) Administrative Finality Not a Bar to Investigation Under This Act.—The powers conferred on the Director by this Act may be exercised by the Director notwithstanding any other law to the effect that an agency action is final or that no appeal shall lie in respect thereof.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Office for each fiscal year such sums as are necessary to enable it to carry out its duties.●

By Mr. KERRY (for himself, Mr. SARBANES, Mr. CRANSTON, Mr. D'AMATO, and Mr. RIEGLE):

S. 1650. A bill to revise the National Flood Insurance Program to provide for mitigation of potential flood damages and management of coastal erosion, ensure the financial soundness of the program, and increase compliance with the mandatory purchase requirement, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

NATIONAL FLOOD INSURANCE, MITIGATION, AND EROSION MANAGEMENT ACT

Mr. KERRY. Mr. President, I rise today to introduce the National Flood Insurance, Mitigation and Erosion Management Act of 1991. This legislation makes major strides toward improving the Nation's flood insurance system.

The National Flood Insurance Program was created by Congress in 1968 to reduce the loss of life and property attributable to floods, and to shift the nature of Federal flood assistance from disaster relief, for which the taxpayer pays, to an insurance program, for which the policyholders pay. Over 18,000 communities participate in this voluntary program. These communities gain eligibility for Federal insurance benefits in exchange for implementing construction and land use standards that reduce flood hazards.

The legislation I am introducing today will strengthen the program by increasing compliance and reducing future claims, helping to ensure that the fund remains self-sufficient. Current reserves are about $396 million, while worst-case losses are estimated at around $4 billion. After Hurricane Hugo, $365 million in flood insurance claims were paid out.

The need to improve compliance is clear. Only 2.4 million of the estimated 11 million structures in flood hazard areas are covered by flood insurance policies. That is a compliance rate of 15 percent. Part of the problem is that a purchaser of property in a flood hazard area must have flood insurance in order to secure a mortgage, but there is no mechanism to ensure that the owner renews the policy when it expires 1 year later and in subsequent years.

This bill improves compliance in two major ways. First, it requires lending institutions to review their portfolios to assure that flood-threatened structures indeed are covered. Second, it requires lenders to escrow flood insurance payments if taxes or other insurance payments are escrowed.

To reduce future claims, this bill institutes a community rating system and develops mitigation assistance and erosion control programs. The community rating system is an incentive program that provides reduced premium rates for policyholders in communities that implement better flood plain and erosion management measures.

Under the Mitigation Assistance Program, a $5 mitigation surcharge will be used to issue grants to States, communities, and individuals for eligible mitigation activities, such as flood-proofing, elevation, relocation, or acquisition. Such activities must be cost effective and technologically feasible and a State or community match is required. This program will be especially useful to reduce the number of repetitive claims. In the 1980's, 2 percent of insured structures accounted for 33 percent of the claims. Repetitive loss properties are a drain on the resources of the community, particularly if evacuation or rescue procedures are necessary. They are also a burden on policyholders whose premiums pay for the damages.

The Erosion Management Program will reduce coastal erosion by designating coastal erosion hazard areas, developing setbacks for development, and establishing land management and use standards that minimize erosion hazards. The bill requires a study to determine the feasibility of setting up a similar program for riverine areas.

To further reduce future claims, the bill calls for coordination between flood insurance programs and coastal zone management programs. In addition, the bill recognizes the importance of preserving the natural and beneficial functions of the flood plain.

Many States and communities already meet the minimum requirements of this bill. In Massachusetts, for example, the State building code contains standards for flood resistant construction. The State Wetlands Protection Act recognizes and seeks to protect the flood control benefits of natural vegetation in the flood plain.

Nearly every municipality in Massachusetts has adopted standards that meet the minimum requirements for flood plain management in return for availability of federally insured flood insurance. Wise use of flood plains and safe building practices in these areas help to alleviate risk to life, limb, and property in emergency situations. The community rating system and the mitigation assistance fund will further mitigation efforts on the community level, especially for the 545 repetitive loss properties in my State that account for 2 percent of the properties and 13 percent of the claims paid.

I would like to take a moment to commend my colleagues in the House who did an excellent job of considering the concerns of the various interest groups and building consensus on this bill. The final vote in the House of 388 to 18 is a testament to their extraordinary efforts.

In summary, Mr. President, this piece of legislation will improve the Nation's Flood Insurance Program by enhancing participation and reducing the potential damage from future flooding. I urge my colleagues to support this bill. I ask unanimous consent that the full text of the bill be placed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1650

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National Flood Insurance, Mitigation, and Erosion Management Act of 1991".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Congressional findings.
Sec. 3. Declaration of purpose under the National Flood Insurance Act of 1968.

TITLE I—DEFINITIONS

Sec. 101. Flood Disaster Protection Act of 1973.
Sec. 102. National Flood Insurance Act of 1968.

TITLE II—COMPLIANCE AND INCREASED PARTICIPATION

Sec. 201. Existing flood insurance purchase requirements.
Sec. 202. Expanded flood insurance purchase requirements.
Sec. 203. Escrow of flood insurance payments.
Sec. 204. Fine for failure to require flood insurance or notify.
Sec. 205. Ongoing compliance with flood insurance purchase requirements.
Sec. 206. Notice requirements.
Sec. 207. Standard hazard determination forms.
Sec. 208. Financial Institutions Examination Council.
Sec. 209. Conforming amendment.

TITLE III—RATINGS AND INCENTIVES FOR COMMUNITY FLOODPLAIN MANAGEMENT PROGRAMS

Sec. 301. Community rating system and incentives for community floodplain management.
Sec. 302. Funding.

TITLE IV—MITIGATION OF FLOOD AND EROSION RISKS

Sec. 401. Office of Mitigation Assistance in Federal Insurance Administration.
Sec. 402. Mitigation assistance program.
Sec. 403. Establishment of National Flood Mitigation Fund.
Sec. 404. Insurance premium mitigation surcharge.
Sec. 405. Mitigation transition pilot program.
Sec. 406. Repeal of program for purchase of certain insured properties.
Sec. 407. Erosion management program.
Sec. 408. Repeal of provisions for claims for imminent collapse and subsidence.
Sec. 409. Erosion setback limitation on availability of flood insurance.

Sec. 410. Erosion setback limitation on flood insurance premium rates.
Sec. 411. Riverine erosion study.

TITLE V—FLOOD INSURANCE TASK FORCE

Sec. 501. Flood Insurance Interagency Task Force.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Maximum flood insurance coverage amounts.
Sec. 602. Flood insurance program arrangements with private insurance entities.
Sec. 603. Flood insurance maps.
Sec. 604. Regulations.

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) with respect to flood damage, a structured prefunded insurance program is preferable to a response based on post-disaster relief;

(2) the Federal Government and State and local governments must work together to successfully carry out the national flood insurance program;

(3) a Federal flood insurance program that combines predisaster mitigation efforts together with an insurance and compliance program will reduce the physical and economic effects of flood damage on the Federal Government, State, and local governments, and individuals;

(4) the national flood insurance program and the citizens of the United States have benefited from a low incidence of major storms and hurricanes in recent years;

(5) the present reserve in the national flood insurance program of nearly $400,000,000 remains extremely vulnerable to another major storm causing billions of dollars in damage claims, which could deplete the national flood insurance fund, exacerbate the Federal budget deficit, and threaten the safety and soundness of financing institutions holding uninsured mortgages on properties in flood-prone areas;

(6) only 1,700,000 of an estimated 11,000,000 households in special flood hazard areas are protected by flood insurance;

(7) the number of properties insured against floods remained roughly constant during the 1980's despite continuing growth in real estate activity in coastal, lakeshore, and riverine areas;

(8) requiring flood insurance coverage for structures subject to private mortgages (in addition to those subject to federally related mortgages) will result in a more comprehensive flood-risk insurance program;

(9) the floodplain management and land use and control measures adopted by communities participating in the national flood insurance program have resulted in lower claims for structures constructed in compliance with such measures;

(10) the national flood insurance program should require and provide for notification regarding flood insurance purchase requirements under the program to homeowners, mortgage lenders, and mortgage servicers;

(11) lending to aid development of areas within the Coastal Barrier Resources System is inherently risky and can affect the financial condition of federally insured financial institutions;

(12) the Federal regulatory agencies for depository and nondepository institutions should, in the course of examinations of institutions, pay particular attention to the quality of loans that would aid the development of coastal barriers within the Coastal Barrier Resources System;

(13) incentives in the form of reduced premium rates for flood insurance under the national flood insurance program should be provided in communities that have adopted and enforced exemplary or particularly effective measures for floodplain management;

(14) a community-based approach to mitigation and erosion management, to reduce losses in floodplains, is the most comprehensive, effective, and cost-efficient method of minimizing losses in floodplains and reducing disaster assistance expenditures;

(15) such community-based mitigation and loss prevention methods should be incorporated in the national flood insurance program;

(16) unprecedented growth in population and development has occurred along coasts and rivers of the United States and it is estimated that a significant portion of the United States population is exposed to the hazard of floods, flooding disasters, and erosion damage;

(17) repeat claims, which involve about 2 percent of total insured properties, account for 32 percent of the total losses from the flood insurance fund, amounting to over $1,000,000,000 since January 1978;

(18) given the problems of homelessness and housing shortages in the United States, many usable homes located in high risk areas that are being destroyed should be removed to safer areas and used;

(19) no comprehensive Federal program exists to assist in the removal of structures out of high risk areas, such as regulatory floodways and coastal high hazard zones, before disaster strikes;

(20) flood and erosion hazards can be significantly reduced by deterring development in wetlands and open-space and recreational areas;

(21) gradual, long-term retreat of portions of the Nation's coastline and the resulting inland advancement of flood hazards is increasing the exposure of insured structures to flood damages;

(22) a comprehensive coastal erosion management program can provide a variety of mitigation alternatives to reduce erosion losses to existing structures and protect new structures from erosion losses, thereby reducing Federal expenditures due to erosion;

(23) since enactment 3 years ago, section 1306(c) of the National Flood Insurance Act of 1968 has not functioned as envisioned or intended and has resulted in a preference for demolition of buildings subject to erosion damages, which is more costly than relocating structures;

(24) there has been a recognized need for the Federal Emergency Management Agency to formally assess, on an ongoing basis, the accuracy of flood hazard maps for communities, thereby ensuring that maps are updated and revised in a timely fashion as needed;

(25) the level of flood insurance coverage that an individual can purchase has not been increased since 1977;

(26) due to substantial increases in construction costs, many property owners are prevented from purchasing flood insurance for the replacement value of the building, potentially resulting in an owner not receiving a payment to fully restore flood-damaged property;

(27) wise use of the floodplain minimizes adverse impacts upon the natural and beneficial functions of the floodplain, such as moderation of flooding, retention of floodwaters, reduction of erosion and sedimentation, preservation of water quality, groundwater recharge, and provision of fisheries and wildlife habitat; and

(28) the relative rise of sea level and the rise in water levels of the Great Lakes exposes the national flood insurance program to greater risks, and such risks must be adequately considered under the program.

SEC. 3. DECLARATION OF PURPOSE UNDER THE NATIONAL FLOOD INSURANCE ACT OF 1968.

Section 1302(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4001(e)) is amended—

(1) by redesignating clauses (3), (4), and (5), as clauses (4), (5), and (6), respectively; and

(2) by inserting after the comma at the end of clause (2) the following: "(3) encourage State and local governments and Federal agencies to protect natural and beneficial floodplain functions that reduce flood-related losses,".

TITLE I—DEFINITIONS

SEC. 101. FLOOD DISASTER PROTECTION ACT OF 1973.

(a) IN GENERAL.—Section 3(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4003(a)) is amended—

(1) by striking paragraph (5) and inserting the following new paragraph:

"(5) 'Federal entity for lending regulation' means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration, and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision, approval, or regulation of the institution;";

(2) in paragraph (6), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (6) the following new paragraphs:

"(7) 'lender' includes any regulated lending institution, other lending institution, and Federal agency (to the extent the agency makes direct loans subject to the provisions of this Act), but does not include any agency engaged primarily in the purchase of mortgage loans;

"(8) 'other lending institution' means any lending institution that is not subject to the supervision, approval, regulation, or insuring of any Federal entity for lending regulation and that is not a Federal agency, but does not include institutions engaged primarily in the purchase of mortgage loans; and

"(9) 'regulated lending institution' means any bank, savings and loan association, credit union, or similar institution subject to the supervision, approval, regulation, or insuring of a Federal entity for lending regulation.".

(b) CONFORMING AMENDMENTS.—

(1) REQUIREMENTS TO PURCHASE FLOOD INSURANCE.—Section 102(b) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(b)) is amended—

(A) by striking "Each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions shall by regulation direct such institutions" and inserting "Each Federal entity for lending regulation shall by regulation direct regulated lending institutions".

(2) EFFECT OF NONPARTICIPATION IN FLOOD INSURANCE PROGRAM.—Section 202(b) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106(b)) is amended by striking "Federal instrumentality described in such section shall by regulation require the institutions" and inserting "Federal entity for lending regulation (with respect to regulated lending institutions), the Secretary of Housing and Urban Development (with respect to other lending institutions), and the appropriate head of each Federal agency acting as a lender, shall by regulation require the lenders".

SEC. 102. NATIONAL FLOOD INSURANCE ACT OF 1968.

(a) IN GENERAL.—Section 1370(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4121(a)) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (6) the following new paragraphs:

"(7) the term 'coastal' means relating to the coastlines and bays of the tidal waters of the United States or the shorelines of the Great Lakes, but does not refer to bayous or riverine areas;

"(8) the term 'Federal entity for lending regulation' means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration, and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision, approval, or regulation of the institution;

"(9) the term 'lender' includes any regulated lending institution, other lending institution, and Federal agency (to the extent the agency makes direct loans subject to the provisions of this Act), but does not include any agency engaged primarily in the purchase of mortgage loans;

"(10) the term 'natural and beneficial floodplain functions' means—

"(A) the functions associated with the natural or relatively undisturbed floodplain that moderate flooding, retain flood waters, or reduce erosion and sedimentation, and

"(B) ancillary beneficial functions, including maintenance of water quality, recharge of ground water, and provision of fish and wildlife habitats;

"(11) the term 'regulated lending institution' means a bank, savings and loan association, credit union, or similar institution subject to the supervision, approval, regulation, or insuring of a Federal entity for lending regulation; and

"(12) the term 'other lending institution' means any lending institution that is not subject to the supervision, approval, regulation, or insuring of any Federal entity for lending regulation and that is not a Federal agency, but does not include institutions engaged primarily in the purchase of mortgage loans.".

(b) CONFORMING AMENDMENT.—Section 1322(d) of the National Flood Insurance Act of 1968 (42 U.S.C. 4029(d)) is amended by striking "federally supervised, approved, regulated, or insured financial institution" and inserting "regulated lending institution".

TITLE II—COMPLIANCE AND INCREASED PARTICIPATION

SEC. 201. EXISTING FLOOD INSURANCE PURCHASE REQUIREMENTS.

Section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(a)) is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following new paragraph:

"(2) Paragraph (1) may not be construed to permit the provision of any amount of financial assistance with respect to any building or mobile home and related personal property for which flood insurance is required under such paragraph, unless the requirements under such paragraph are complied with in full. The prohibitions and requirements under paragraph (1) relating to financial assistance may not be waived for any purpose.".

SEC. 202. EXPANDED FLOOD INSURANCE PURCHASE REQUIREMENTS.

(a) IN GENERAL.—Section 102(b) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(b)), as amended by the preceding provisions of this Act, is further amended—

(1) by inserting "(1)" after "(b)";

(2) by inserting "(after consultation and coordination with the Financial Institutions Examination Council established under the Federal Financial Institutions Examination Council Act of 1974)" before "shall by regulation"; and

(3) by adding at the end the following new paragraphs:

"(2) The Secretary of Housing and Urban Development (after consultation and coordination with the Financial Institutions Examination Council) shall by regulation direct that any other lending institution may not make, increase, extend, or renew any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Director of the Federal Emergency Management Agency as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in the amount provided in paragraph (1).

"(3) A Federal agency may not make, increase, extend, or renew any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Director of the Federal Emergency Management Agency as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in the amount provided in paragraph (1). The head of each Federal agency acting as a lender shall issue any regulations necessary to carry out this paragraph. Such regulations shall be consistent with and substantially identical to the regulations issued under paragraphs (1) and (2).

"(4) Notwithstanding any other Federal or State law, any lender may charge the borrower a reasonable fee (as determined by the Director) for the costs of determining whether the improved real estate or mobile home securing the loan is located in an area of special flood hazards, but only if such determination is made pursuant to the making, increasing, extending, or renewing of a loan described under paragraph (1), (2), or (3) that is initiated by the borrower.

"(5) If a borrower under a loan disputes or challenges the determination of the lender that the improved real estate or mobile home securing the loan is located in an area of special flood hazards, the lender shall review its determination, taking into consideration any relevant information submitted to the lender by the borrower.".

(b) APPLICABILITY AND DETERMINATIONS.—

(1) IN GENERAL.—The amendment made by subsection (a)(3) shall apply only with respect to—

(A) any loan made, increased, extended, or renewed after the expiration of the 1-year period beginning on the date of the enactment of this Act; and

(B) any loan outstanding after the expiration of the 5-year period beginning on the date of the enactment of this Act.

(2) REQUIRED DETERMINATIONS REGARDING COMPLIANCE.—

(A) IN GENERAL.—Except as provided in paragraph (3), each Federal entity for lending regulation (with respect to regulated lending institutions) and the Secretary of Housing and Urban Development (with respect to other lending institutions) shall by regulation require each such lender to conduct a review of all loans of the lender outstanding upon the expiration of the 5-year period beginning on the date of the enactment of this Act. The review shall determine whether such loans are in compliance with the flood insurance purchase requirements under section 102(b) of the Flood Disaster Protection Act of 1973. Not later than the expiration of the period, each regulated lending institution and other lending institution shall evidence the results of the determination and compliance of each such loan with the requirements under such section 102(b) using the standard hazard determination form under section 1365 of the National Flood Insurance Act of 1968.

(B) FEE FOR CONDUCTING DETERMINATIONS.—A lender may charge to the borrower under a loan of the lender that is outstanding on the date of the enactment of this Act a fee for costs of making a determination for such loan in connection with a review under subparagraph (A). The fee may not exceed 50 percent of the reasonable costs of making a determination (as established by the Director), may be charged only for a determination made within 5 years after the date of the enactment of this Act, and may be charged only once with respect to each such loan.

(3) EXEMPT LENDERS.—A lender shall not be required to conduct a review under paragraph (2) if—

(A) the lender—

(i) during the 18-month period ending on the date of the enactment of this Act, has conducted a review of all loans held by the lender (to the satisfaction of the appropriate Federal entity for lending regulation, with respect to regulated lending institutions, or to the satisfaction of the Secretary of Housing and Urban Development, with respect to other lending institutions) for purposes of determining compliance of the loans with the requirements under section 102(b) of the Flood Disaster Protection Act of 1973; and

(ii) upon the expiration of the 18-month period, is regularly providing for escrow of flood insurance premiums and fees for any loans held by the lender (for which flood insurance is required) in a manner substantially in compliance with the provisions of section 102(d) of such Act (as added by section 203(a)); or

(B) before the expiration of the 5-year period beginning on the date of the enactment of this Act, the lender conducts a review of not less than 5 percent of all loans held by the lender (or such lesser number of loans held by the lender, which number shall be established by the Secretary of Housing and Urban Development, after consultation and coordination with the Financial Institutions Examination Council, and shall be statistically valid and significant for purposes of the loan review under this subparagraph) for purposes of analyzing the accuracy of the lender's outstanding determination regarding the applicability of the flood insurance purchase requirements (under section 102(b) of the Flood Disaster Protection Act of 1973) with respect to the loans, and demonstrates (to the satisfaction of the Federal entity for regulation or the Secretary, as applicable) that—

(i) the lender's outstanding determination regarding the applicability of flood insurance purchase requirements is correct with respect to not less than 95 percent of the loans reviewed; and

(ii) of any loans reviewed that are secured by property for which flood insurance is required under section 102(b) of the Flood Disaster Protection Act of 1973, not less than 95 percent of such properties are covered by a policy in force for flood insurance in the required amount.

SEC. 203. ESCROW OF FLOOD INSURANCE PAYMENTS.

(a) IN GENERAL.—Section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) is amended by adding at the end the following new subsection:

"(d)(1) For loans secured by residential real estate, each Federal entity for lending regulation (with respect to any loans of regulated lending institutions) and the Secretary of Housing and Urban Development (with respect to any loans of other lending institutions), after consultation and coordination with the Financial Institutions Examination Council, shall by regulation direct that, if the lender or other servicer of the loan requires the escrowing of taxes, insurance premiums, or any other charges with respect to property secured under residential real estate loans, then any premiums and fees for flood insurance under the National Flood Insurance Act of 1968 for the residential real estate shall be paid to the lender or servicer of the loan. Premiums and fees paid to the lender or servicer shall be paid in a manner sufficient to make payments as due for the duration of the loan. Upon receipt of the premiums, the lender or servicer of the loan shall deposit the premiums in an escrow account on behalf of the borrower. Upon receipt of a notice from the Director or the provider of the insurance that insurance premiums are due, the lender or servicer shall pay from the escrow account to the provider of the insurance the amount of insurance premiums owed.

"(2) The appropriate head of each Federal agency acting as a lender shall by regulation require and provide for escrow and payment of any flood insurance premiums and fees relating to residential property securing loans made by the agency under the circumstances and in the manner provided under paragraph (1). Any regulations issued under this paragraph shall be consistent with and substantially identical to the regulations issued under paragraph (1).

"(3) Escrow accounts established pursuant to this subsection shall be subject to the provisions of section 10 of the Real Estate Settlement Procedures Act of 1974.

"(4)(A) Notwithstanding any State or local law or regulation, the Federal entities for lending regulation, the Secretary of Housing and Urban Development (after consultation and coordination with the Financial Institutions Examination Council), and the appropriate heads of Federal agencies acting as lenders shall by regulation direct that any lender who purchases flood insurance or renews a contract for flood insurance on behalf of or as an agent of a borrower of a loan secured by residential real estate for which (i) flood insurance is required, and (ii) an escrow account for payment of taxes, insurance premiums, or other charges has not been established, shall provide to the borrower written notice of the purchase or renewal (as the Director determines appropriate) on at least 2 separate occasions before the purchase or renewal.

"(B) The notice under this paragraph shall contain the following information:

"(i) A statement that the lender will purchase or renew the flood insurance on behalf of or as an agent of the borrower.

"(ii) The date on which such purchase or renewal will occur.

"(iii) The cost of the insurance coverage as purchased or renewed by the lender.

"(iv) A statement that the borrower may avoid the purchase or renewal by the lender by purchasing flood insurance coverage under the national flood insurance program or from private insurers.

"(v) Any other information that the Director considers appropriate.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to—

(1) any loan made, increased, extended, or renewed after the expiration of the 1-year period beginning on the date of the enactment of this Act; and

(2) any loan outstanding after the expiration of the 5-year period beginning on the date of the enactment of this Act.

SEC. 204. PENALTY FOR FAILURE TO REQUIRE FLOOD INSURANCE OR NOTIFY.

Section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

"(e)(1) Any regulated or other lending institution that is found to have a pattern or practice of committing violations under paragraph (2) shall be assessed a civil penalty by the appropriate Federal entity for lending regulation (with respect to regulated lending institutions) or the Secretary of Housing and Urban Development (with respect to any other lending institutions) of not more than $350 for each such violation. A penalty under this subsection may be issued only after notice and an opportunity for a hearing on the record.

"(2) The violations referred to in paragraph (1) shall be—

"(A) after the date of the enactment of the National Flood Insurance, Mitigation, and Erosion Management Act of 1991, making, increasing, extending, or renewing a loan in violation of escrow requirements under subsection (d) of this section; and

"(B) with respect to any loan made, increased, extended or renewed after the expiration of the 1-year period beginning on such date of enactment and any loan outstanding after the expiration of the 5-year period beginning on such date of enactment, making, increasing, extending, or renewing any such loan in violation of the regulations issued pursuant to subsection (b) of this section or the notice requirements under section 1364 of the National Flood Insurance Act of 1968.

"(3) The total amount of penalties assessed under this subsection against any single lender for any calendar year may not exceed $100,000.

"(4) Notwithstanding any State or local law, for purposes of this subsection, any lender that purchases flood insurance or renews a contract for flood insurance on behalf of or as an agent of a borrower of a loan for which flood insurance is required shall be considered to have complied with the regulations issued under subsection (b).

"(5) Any sale or other transfer of a loan by a lender who has committed a violation under paragraph (1), that occurs subsequent to the violation, shall not affect the liability of the transferring lender with respect to any penalty under this subsection. A lender shall not be liable for any violations relating to a loan committed by another lender who previously held the loan.

"(6) Any penalties collected under this subsection shall be paid into the National Flood Mitigation Fund established under section 1367 of the National Flood Insurance Act of 1968.

"(7) Any penalty under this subsection shall be in addition to any civil remedy or criminal penalty otherwise available.

"(8) No penalty may be imposed under this subsection for any violation under paragraph (1) after the expiration of the 5-year period beginning on the date of the occurrence of the violation.".

SEC. 205. ONGOING COMPLIANCE WITH FLOOD INSURANCE PURCHASE REQUIREMENTS.

(a) IN GENERAL.—Section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

"(f)(1) Except as provided in paragraphs (2), (3), and (4), before the sale or transfer of any loan secured by improved real estate or a mobile home, the seller or transferor of the loan shall determine whether the property is in an area that has been designated by the Director as an area having special flood hazards. The seller or transferor shall, before sale or transfer, notify the purchaser or transferee and any servicer of the loan in writing regarding the results of the determination. A determination under this paragraph shall be evidenced using the standard hazard determination form under section 1365 of the National Flood Insurance Act of 1968.

"(2) For any loan secured by improved real estate or a mobile home, a determination and notice under paragraph (1) shall not be required if, during the 5-year period ending on the date of the sale or transfer of the loan—

"(A) a determination and notice under paragraph (1) has been made for the property secured by the loan; or

"(B)(i) the loan has been made, increased, extended, or renewed; and

"(ii) the lender making, increasing, extending, or renewing the loan was subject, at the time of such transaction, to regulations issued pursuant to paragraph (1), (2), or (3) of subsection (b).

"(3)(A) For any loan secured by improved real estate or a mobile home that is sold or transferred by the Federal Deposit Insurance Corporation acting in its corporate capacity or in its capacity as conservator or receiver, the purchaser or transferee of the loan shall determine whether the property is in an area that has been designated by the Director as an area having special flood hazards.

"(B) Such determination and notice shall not be required for any loan—

"(i) sold or transferred to an entity under the control of the Federal Deposit Insurance Corporation; or

"(ii) for which the purchaser or transferee exercises any available option to transfer or put the loan back to the Federal Deposit Insurance Corporation.

"(C) A purchaser or transferee of a loan required to make a determination and notification under subparagraph (A) shall notify the Director and any servicer of the loan of the results of the determination (using the standard hazard determination form under section 1365 of the National Flood Insurance Act of 1968) before the expiration of the 90-day period beginning on the later of (i) the purchase or transfer of the loan, or (ii) the expiration of any option that the purchaser or transferee may have to transfer or put the loan back to the Federal Deposit Insurance Corporation.

"(4)(A) For any loan secured by improved real estate or a mobile home that is sold or transferred by the Resolution Trust Corporation acting in its corporate capacity or in its capacity as a conservator or receiver, the purchaser or transferee of the loan shall determine whether the property is in an area that has been designated by the Director as an area having special flood hazards if—

"(i) the Resolution Trust Corporation acquires the loan after the date of the effectiveness of this subsection and sells or transfers the loan before the expiration of the 12-month period beginning on such effective date; or

"(ii) the Corporation holds the loan on the date of the effectiveness of this subsection and sells or transfers the loan before the expiration of the 6-month period beginning on such effective date.

"(B) A purchaser or transferee of a loan required to make a determination and notification under subparagraph (A) shall notify the Director and any servicer of the loan of the results of the determination (using the standard hazard determination form under section 1365 of the National Flood Insurance Act of 1968) before the expiration of the 90-day period beginning upon the purchase or transfer of the loan.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to any loan outstanding or entered into after the expiration of the 1-year period beginning on the date of the enactment of this Act.

SEC. 206. NOTICE REQUIREMENTS.

Section 1364 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104a) is amended to read as follows:

"NOTICE REQUIREMENTS

"SEC. 1364. (a) NOTIFICATION OF SPECIAL FLOOD HAZARDS.—

"(1) LENDING INSTITUTIONS.—Each Federal entity for lending regulation (with respect to regulated lending institutions) and the Secretary of Housing and Urban Development (with respect to other lending institutions), after consultation and coordination with the Financial Institutions Examination Council, shall by regulation require such institutions, as a condition of making, increasing, extending, or renewing any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Director under this title or the Flood Disaster Protection Act of 1973 as an area having special flood hazards, to notify the purchaser or lessee (or obtain satisfactory assurances that the seller or lessor has notified the purchaser or lessee) and the servicer of the loan of such special flood hazards, in writing, on or before execution of the mortgage. The regulations shall also require that the lenders retain a record of the receipt of the notices by the purchaser or lessee and the servicer.

"(2) FEDERAL AGENCIES AS LENDERS.—The appropriate head of each Federal agency acting as a lender shall by regulation require notification in the manner provided under paragraph (1) with respect to any loan that is made by the agency and secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Director under this title or the Flood Disaster Protection Act of 1973 as an area having special flood hazards. Any regulations issued under this paragraph shall be consistent with and substantially identical to the regulations issued under paragraph (1).

"(3) CONTENTS OF NOTICE.—Written notification required under this subsection shall include—

"(A) a warning, in a form to be established in consultation with and subject to the approval of the Director, stating that the real estate or mobile home securing the loan is located or is to be located in an area having special flood hazards;

"(B) a description of the flood insurance purchase requirements under section 102(b) of the Flood Disaster Protection Act of 1973;

"(C) a statement that flood insurance coverage may be purchased under the national flood insurance program and is also available from private insurers; and

"(D) any other information that the Director considers necessary to carry out the purposes of the national flood insurance program.

"(b) NOTIFICATION OF CHANGE OF LOAN HOLDER AND SERVICER.—

"(1) LENDING INSTITUTIONS.—Each Federal entity for lending regulation (with respect to regulated lending institutions) and the Secretary of Housing and Urban Development (with respect to other lending institutions), after consultation and coordination with the Financial Institutions Examination Council, shall by regulation require such institutions, as a condition of making, increasing, extending, renewing, selling, or transferring any loan described in subsection (a)(1), to notify the Director (or the designee of the Director) in writing during the term of the loan of the owner and servicer of the loan. Such institutions shall also notify the Director (or such designee) of any change in the owner or servicer of the loan, not later than 60 days after the effective date of such change. The regulations under this subsection shall provide that upon any sale or transfer of a loan, the duty to provide notification under this subsection shall transfer to the transferee of the loan.

"(2) FEDERAL AGENCIES AS LENDERS.—The appropriate head of each Federal agency acting as a lender shall by regulation provide for notification in the manner provided under paragraph (1) with respect to any loan described in subsection (a)(1) that is made by the agency. Any regulations issued under this paragraph shall be consistent with and substantially identical to the regulations issued under paragraph (1) of this subsection.

"(c) NOTIFICATION OF EXPIRATION OF INSURANCE.—The Director (or the designee of the Director) shall, not less than 45 days before the expiration of any contract for flood insurance under this title, issue notice of such expiration by first class mail to the owner of the property, the servicer of any loan secured by the property covered by the contract, and the owner of the loan.".

SEC. 207. STANDARD HAZARD DETERMINATION FORMS.

Chapter III of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.) is amended by adding at the end the following new section:

"STANDARD HAZARD DETERMINATION FORMS

"SEC. 1365. (a) DEVELOPMENT.—The Director, in consultation with representatives of the mortgage and lending industry, the Federal entities for lending regulation, the Federal agencies acting as lenders, and any other appropriate individuals, shall develop standard written and electronic forms for applications relating to real estate loans and mortgages for determining flood hazard exposure of a property.

"(b) DESIGN AND CONTENTS.—

"(1) PURPOSE.—The form under subsection (a) shall be designed to facilitate a determination of the exposure to flood hazards of structures located on the property to which the loan application relates. The form shall be consistent with and appropriate to facilitate compliance with the provisions of this title.

"(2) CONTENTS.—The form shall require identification of the type of flood-risk zone in which the property is located, the complete map and panel numbers for the property, and the date of the map used for the determination, with respect to flood hazard information on file with the Director. If the property is not located in an area of special flood hazard the form shall require a statement to such effect and shall indicate the complete map and panel numbers of the property. If the complete map and panel numbers for the property are not available because the property is not located in a community that is participating in the national flood insurance program or because no map exists for the relevant area, the form shall require a statement to such effect. The form shall provide for inclusion or attachment of any relevant documents indicating revisions or amendments to maps.

"(c) REQUIRED USE.—The Federal entities for lending regulation shall by regulation require the use of the form under this section by regulated lending institutions. The appropriate head of each Federal agency acting as a lender shall by regulation provide for the use of the form with respect to any loan made by such agency. The Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation shall by regulation require use of the form in connection with loans purchased by such corporations. The Secretary of Housing and Urban Development shall encourage the use of the form by other lending institutions.

"(d) GUARANTEES REGARDING INFORMATION.—In providing information regarding special flood hazards on the form developed under this section (or otherwise required of a lender not required to use the form under this section) any lender making, increasing, extending, or renewing a loan secured by improved real estate or a mobile home may provide for the acquisition or determination of such information to be made by a person other than such institution, only to the extent such person guarantees the accuracy of the information. The Director shall by regulations establish requirements relating to the nature and manner of such guarantees.

"(e) ELECTRONIC FORM.—The Federal entities for lending regulation, the Secretary of Housing and Urban Development, and the appropriate head of each Federal agency acting as a lender shall by regulation require any lender using the electronic form developed under this section with respect to any loan to make available upon the request of such Federal entity, Secretary, or agency head, a written form under this section for such loan within 48 hours after such request.".

SEC. 208. FINANCIAL INSTITUTIONS EXAMINATION COUNCIL.

Section 1006 of the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. 3305) is amended by adding at the end the following new subsection:

"(g) The Council shall consult and assist the Federal entities for lending regulation and the Secretary of Housing and Urban Development in developing and coordinating uniform standards and requirements for use by lenders as provided under the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973.".

SEC. 209. CONFORMING AMENDMENT.

The section heading for section 102 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) is amended to read as follows:

"FLOOD INSURANCE PURCHASE AND COMPLIANCE REQUIREMENTS AND ESCROW ACCOUNTS".

TITLE III—RATINGS AND INCENTIVES FOR COMMUNITY FLOODPLAIN MANAGEMENT PROGRAMS

SEC. 301. COMMUNITY RATING SYSTEM AND INCENTIVES FOR COMMUNITY FLOODPLAIN MANAGEMENT.

Section 1315 of the National Flood Insurance Act of 1968 (42 U.S.C. 4022) is amended—

(1) by inserting after "SEC. 1315." the following: "(a) REQUIREMENT FOR PARTICIPATION IN FLOOD INSURANCE PROGRAM.—"; and

(2) by adding at the end the following new subsection:

"(b) COMMUNITY RATING SYSTEM AND INCENTIVES FOR COMMUNITY FLOODPLAIN MANAGEMENT.—

"(1) AUTHORITY AND GOALS.—The Director shall carry out a community rating system program to evaluate the measures adopted by areas (and subdivisions thereof) in which the Director has made flood insurance coverage available to provide for adequate land use and control provisions consistent with the comprehensive criteria for such land management and use under section 1361, to facilitate accurate risk-rating, to promote flood insurance awareness, and to complement adoption of more effective measures for floodplain and coastal erosion management.

"(2) INCENTIVES.—The program under this subsection shall provide incentives in the form of adjustments in the premium rates for flood insurance coverage in areas that the Director determines have adopted and enforced the goals of the community rating system under this subsection. In providing incentives under this paragraph, the Director may provide for additional adjustments in premium rates for flood insurance coverage in areas that the Director determines have implemented measures relating to the protection of natural and beneficial floodplain functions.

"(3) FUNDS.—The Director shall carry out the program under this subsection with amounts, as the Director determines necessary, from the National Flood Insurance Fund under section 1310 and any other amounts that may be appropriated for such purpose.

"(4) REPORTS.—The Director shall submit a report to the Congress regarding the program under this subsection not later than the expiration of the 2-year period beginning on the date of the enactment of the National Flood Insurance, Mitigation, and Erosion Management Act of 1991. The Director shall submit a report under this paragraph not less than every 2 years thereafter. Each report under this paragraph shall include an analysis of the cost-effectiveness and other accomplishments and shortcomings of the program and any recommendations of the Director for legislation regarding the program.".

SEC. 302. FUNDING.

Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended—

(1) in paragraph (4), by striking "and" at the end;

(2) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(3) by inserting after paragraph (5) the following new paragraph:

"(6) for carrying out the program under section 1315(b);".

TITLE IV—MITIGATION OF FLOOD AND EROSION RISKS

SEC. 401. OFFICE OF MITIGATION ASSISTANCE IN FEDERAL INSURANCE ADMINISTRATION.

Section 1105(a) of the Housing and Urban Development Act of 1968 (42 U.S.C. 3533a(a)) is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following new paragraph:

"(2) The Director, through an Office of Mitigation Assistance, shall carry out flood and coastal erosion mitigation activities under the Federal Insurance Administrator, as follows:

"(A) Coordination of all mitigation activities, including administration of the program for mitigation assistance under section 1366 of the National Flood Insurance Act of 1968.

"(B) Administration of the program under section 406(b) of this Act for purchase of certain insured properties.

"(C) Administration of the erosion management program under section 1368 of the National Flood Insurance Act of 1968.

"(D) Development and implementation of various mitigation activities and techniques.

"(E) Provision of advice and assistance regarding mitigation to States, communities, and individuals, including technical assistance under section 1366(d).

"(F) Coordination with State and local governments and public and private agencies and organizations for collection and dissemination of information regarding erosion in coastal areas (as defined in section 1370(a)(7) of the National Flood Insurance Act of 1968).".

SEC. 402. MITIGATION ASSISTANCE PROGRAM.

(a) IN GENERAL.—Chapter III of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

"MITIGATION ASSISTANCE

"SEC. 1366. (a) AUTHORITY.—The Director, through the Office of Mitigation Assistance, shall carry out a program, with amounts made available from the National Flood Mitigation Fund under section 1367, to make grants to States, communities, and individuals to carry out eligible mitigation activities.

"(b) ELIGIBLE RECIPIENTS.—Subject to the other requirements of this section and any regulations issued by the Director under this section, the Director may make grants under this section to—

"(1) any State;

"(2) any community participating in the national flood insurance program under this title that—

"(A) has adopted—

"(i) land use and control measures that (in the determination of the Director) are more protective against flood losses than the criteria established by the Director under section 1361;

"(ii) if applicable, a plan for management of coastal erosion-prone areas; and

"(iii) measures that (in the determination of the Director) provide for the protection of natural and beneficial floodplain functions;

"(B) during the 12-month period ending on the date of the community's application for a grant under this section, has incurred flood damage (excluding infrastructure damage) aggregating more than $250,000; or

"(C) is a community that has suffered recurring flood damages and claims, as determined by the Director, that is in full compliance with the requirements under the national flood insurance program; and

"(3) any individual, with respect to property that—

"(A) has been continuously covered by a contract for flood insurance under this title for the preceding 2 years;

"(B) has incurred flood damage after December 31, 1977, which was covered by a contract for flood insurance under this title; and

"(C) is located in a community that is in full compliance with the requirements under the national flood insurance program.

"(c) ELIGIBLE MITIGATION ACTIVITIES.—

"(1) PURPOSE AND DETERMINATION.—Amounts from grants under this section may be used only for eligible mitigation activities under this subsection, as the Director shall determine, that are designed to reduce flood-related losses in a proactive manner.

"(2) REQUIREMENTS.—To be eligible for assistance under this section, mitigation activities shall be technically feasible and cost-effective with respect to the particular community or situation and in the best interests of the national flood insurance program. After consultation with representatives of States and communities, the Director shall by regulation establish requirements regarding such feasibility and cost-effectiveness. Such activities may include, but are not limited to—

"(A) elevation of structures;

"(B) relocation of structures;

"(C) flood-proofing of structures;

"(D) the provision of technical assistance by States to communities and individuals; and

"(E) acquisition by States and communities of property, for use for a period of not less than 40 years following transfer for such purposes as the Director determines are consistent with sound land management and use in such area, which property—

"(i) is located in flood-risk area, as determined by the Director;

"(ii) is covered by a contract for flood insurance under this title; and

"(iii) while so covered (I) was damaged substantially beyond repair, (II) incurred significant flood damage on not less than 2 previous occasions over a 5-year period for which the average damage equaled or exceeded 25 percent of the value of the structure at the time of the flood event, or (III) sustained damage as a result of a single casualty of any nature under such circumstances that a statute, ordinance, or regulation precludes its repair or restoration or permits repair or restoration only at a significantly increased construction cost.

"(3) LOCATION.—States receiving grants under this section may provide assistance for mitigation activities within the State undertaken by communities and individuals. Communities receiving grants may provide assistance for mitigation activities within the community that are undertaken by the State or by individuals.

"(4) INELIGIBILITY OF ACTIVITIES IN EROSION HAZARD AREAS.—Notwithstanding any other provision of this section, the Director may not make a grant or provide amounts under this section for any mitigation activity carried out within any area that is (A) designated under section 1368(b) as erosion-prone, and (B) located in a community that has not adopted adequate land management and use measures that are consistent with the standards established under section 1368(d).

"(5) STATE AND LOCAL LAWS.—Eligible mitigation activities may be assisted with amounts made available under this section and matching amounts provided in compliance with subsection (g) notwithstanding any conflicting State or local laws.

"(d) TECHNICAL ASSISTANCE.—The Director shall make available, to States, communities, and individuals interested in receiving grants under this section, technical assistance in identifying and planning appropriate eligible mitigation activities, and in developing flood risk mitigation plans under subsection (f)(2).

"(e) GRANT LIMITATIONS.—

"(1) AMOUNT.—The amount of any single grant provided under this section may not exceed—

"(A) $5,000,000, to any State;

"(B) $5,000,000, to any community; and

"(C) $250,000, to any individual.

"(2) TIMING.—The Director may not make a grant or provide amounts under this section to any State, community, or individual that has received amounts from a grant during the preceding 2 years, except that the Director may provide that, with respect to any grant to any State or community in an amount of $3,000,000 or more, outlays for the grant may occur over a period not exceeding 4 years.

"(3) STRUCTURE TYPE.—The Director shall establish maximum limits regarding the amount of assistance that may be provided with amounts from grants under this section for single-family dwellings, residential structures containing more than 1 dwelling unit, and nonresidential properties.

"(f) APPLICATION AND MITIGATION PLAN.—

"(1) FORM AND PROCEDURE.—The Director shall provide for the submission of applications for grants under this section in the form and in accordance with such procedures as the Director shall establish. The Director shall establish separate application procedures and requirements for applications by individuals.

"(2) STATE AND COMMUNITY FLOOD RISK MITIGATION PLAN.—The Director may not approve an application by a State or community for a grant under this section unless the application proposes eligible mitigation activities identified in a flood risk mitigation plan, which is approved by the Director and includes—

"(A) a statement of the mitigation needs of the State or community;

"(B) a statement of a comprehensive strategy for mitigation activities for the State or community, as applicable, designed to address the mitigation needs referred to in the statement under subparagraph (A), which strategy shall have been adopted by the appropriate public body pursuant to not less than 1 public hearing;

"(C) a statement that the mitigation activities to be assisted with amounts under this section and any activities under the comprehensive strategy are designed in coordination with and comply with other State and regional watershed and stormwater management programs and standards;

"(D) a description of resources that are expected to be made available for purposes of meeting the matching requirement under subsection (g); and

"(E) any other information that the Director considers appropriate.

"(3) INDIVIDUAL APPLICATIONS AND COMPLIANCE WITH MITIGATION PLANS.—The Director may not approve an application by an individual for a grant under this section unless the mitigation activities proposed in the application are consistent with land use and control measures under section 1315 and any applicable State or community land use and control measures and flood risk mitigation plans.

"(4) NOTIFICATION OF APPROVAL.—The Director shall notify each applicant for assistance under this section of approval or disapproval of the application not later than 6 months after submission of the application. If the Director does not approve an application, the Director shall notify the applicant in writing of the reasons for such disapproval.

"(g) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—The Director may not make a grant under this title to any State or community in an amount in excess of 3 times the amount that the State or community certifies, as the Director shall require, that the State or community will contribute from non-Federal funds to carry out mitigation activities assisted with amounts provided under this section.

"(2) NON-FEDERAL FUNDS.—For purposes of this subsection, the term 'non-Federal funds' includes State or local agency funds, any salary paid to staff to carry out the mitigation activities of the recipient, the value of the time and services contributed by volunteers to carry out such activities (at a rate determined by the Director), and the value of any donated material or building and the value of any lease on a building.

"(h) ALLOCATION OF AMOUNTS.—The Director shall allocate amounts in the National Flood Mitigation Fund made available for grants under this section for grants to States, communities, and individuals, in such amounts and such proportion as the Director shall determine. The Director shall allocate amounts and make grants pursuant to specific applications in a manner that the Director determines best protects the interests of the National Flood Insurance Fund through mitigation of flood risks. In selecting applications to receive grants under this section, the Director may establish priorities for applications proposing certain eligible mitigation activities.

"(i) RECAPTURE.—If the Director determines that any State, community, or individual that has received a grant under this section has not made substantial progress in carrying out the mitigation activities proposed in the application for the grant within 18 months after receipt of the grant amounts, the Director shall recapture any unexpended grant amounts and deposit such amounts in the National Flood Mitigation Fund.

"(j) COMPLIANCE WITH APPLICATION AND MITIGATION PLANS.—The Director shall conduct oversight of recipients of grants under this section to ensure that the grant amounts are used in compliance with the approved applications for the grants and any applicable flood risk mitigation plans.

"(k) DELEGATION OF AUTHORITY TO STATES.—

"(1) IN GENERAL.—The Director may delegate to any State the authority and responsibility of approving applications for grants to communities and individuals under this section and providing technical assistance under subsection (d), but only upon a finding that a State is capable of making such determinations and providing such assistance.

"(2) GUIDELINES.—The Director shall establish, by regulation, guidelines for delegating authority under this subsection. Such regulations shall be issued not later than the expiration of the 18-month period beginning on the date of the enactment of the National Flood Insurance, Mitigation, and Erosion Management Act of 1991.

"(l) DEFINITION OF COMMUNITY.—For purposes of this subsection, the term 'community' has the meaning given the term under section 3(a) of the Flood Disaster Protection Act of 1973.".

(b) REGULATIONS.—Not later than the expiration of the 24-month period beginning on the date of the enactment of this Act, the Director of the Federal Emergency Management Agency shall issue regulations implementing section 1366 of the National Flood Insurance Act of 1968.

SEC. 403. ESTABLISHMENT OF NATIONAL FLOOD MITIGATION FUND.

Chapter III of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

"NATIONAL FLOOD MITIGATION FUND

"SEC. 1367. (a) ESTABLISHMENT AND AVAILABILITY.—The Director shall establish in the Treasury of the United States a fund to be known as the National Flood Mitigation Fund, which shall be credited with amounts described in subsection (b) and shall be available, to the extent provided in appropriation Acts, for grants under section 1366.

"(b) CREDITS.—The National Flood Mitigation Fund shall be credited with—

"(1) any premium surcharges assessed under section 1308(e);

"(2) any amounts recaptured under section 1366(i);

"(3) to the extent approved in appropriation Acts, any amounts made available to carry out section 1362 that remain unexpended after the submission of the certification under section 406(b) of the National Flood Insurance, Mitigation, and Erosion Management Act of 1991; and

"(4) any penalties collected under section 102(e) of the Flood Disaster Protection Act of 1973.

"(c) INVESTMENT.—If the Director determines that the amounts in the National Flood Mitigation Fund are in excess of amounts needed under subsection (a), the Director may invest any excess amounts the Director determines advisable in interest-bearing obligations issued or guaranteed by the United States.

"(d) REPORT.—The Director shall submit a report to the Congress not later than the expiration of the 1-year period beginning on the date of the enactment of this Act and not less than once during each successive 2-year period thereafter. The report shall describe the status of the Fund and any activities carried out with amounts from the Fund.".

SEC. 404. INSURANCE PREMIUM MITIGATION SURCHARGE.

(a) IN GENERAL.—Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015) is amended by adding at the end the following new subsection:

"(e) Notwithstanding any other provision of this title, the Director shall assess, with respect to each contract for flood insurance coverage under this title, a mitigation surcharge of $5 per policy term. Any mitigation surcharges collected shall be paid into the National Flood Mitigation Fund under section 1367. The mitigation surcharges shall not be subject to any agents' commissions, company expenses allowances, or State or local premium taxes.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to any contract for flood insurance under the National Flood Insurance Act of 1968 issued or renewed after the expiration of the 24-month period beginning on the date of the enactment of this Act.

SEC. 405. MITIGATION TRANSITION PILOT PROGRAM.

(a) AUTHORITY.—The Director of the Federal Emergency Management Agency may, through the Office of Mitigation Assistance under the Federal Insurance Administrator, carry out a program to make grants to States, communities, and individuals to carry out eligible mitigation activities under section 1366 of the National Flood Insurance Act of 1968 before the full implementation of the program under such section.

(b) REQUIREMENTS.—The program under this subsection shall be subject to the provisions of such section 1366 and the proposed regulations issued under section 402(b) of this Act and shall terminate upon the first availability of grants under section 1366, but in no case before final regulations implementing the program for grants under such section 1366 have been issued.

(c) FUNDING.—From any amounts made available for use under section 1362 of the National Flood Insurance Act of 1968 in fiscal year 1992 and any fiscal year thereafter (until the termination of the pilot program under this subsection) the Director of the Federal Emergency Management Agency may use $1,250,000 in each such fiscal year to carry out the pilot program under this subsection.

SEC. 406. REPEAL OF PROGRAM FOR PURCHASE OF CERTAIN INSURED PROPERTIES.

(a) REPEAL.—Section 1362 of the National Flood Insurance Act of 1968 (42 U.S.C. 4103) is repealed.

(b) TRANSITION.—Notwithstanding the repeal under subsection (a), the Director of the Federal Emergency Management Agency may continue to purchase property under subsections (a) and (b) of section 1362 of the National Flood Insurance Act of 1968, as such section existed immediately before the enactment of this Act, during the period beginning on the date of the enactment of this Act and ending upon the submission to the Congress of a certification under this paragraph by the Director. The certification shall be made upon the first availability of grants under section 1366 of the National Flood Insurance Act of 1968 and shall certify the availability of such grants. The certification may not be made until final regulations implementing the program for grants under such section 1366 have been issued.

SEC. 407. EROSION MANAGEMENT PROGRAM.

(a) IN GENERAL.—Chapter III of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new section:

"EROSION MANAGEMENT PROGRAM

"SEC. 1368. (a) ESTABLISHMENT.—The Director, through the Office of Mitigation Assistance under the Federal Insurance Administrator, shall carry out a program to reduce coastal erosion hazards, subject to the requirements of this section. The Director shall implement the program under this section and issue any regulations necessary to carry out the program not later than the expiration of the 24-month period beginning on the date of the enactment of the National Flood Insurance, Mitigation, and Erosion Management Act of 1991.

"(b) HAZARD IDENTIFICATION.—

"(1) DIRECTOR.—Using erosion rate information and other historical data available, the Director shall identify and publish information with respect to erosion hazards of coastal areas and coastal communities that are subject to erosion damage. The Director shall designate any areas subject to special erosion hazards as erosion-prone areas and shall designate any communities containing such areas as erosion-prone communities, for purposes of this section. The Director shall notify erosion-prone communities and erosion-prone areas of such designation not later than 60 days after the designation.

"(2) COMMUNITY REQUEST.—The Director may (pursuant to a request by the community and a determination by the Director) designate as an erosion-prone community any community that—

"(A) contains coastal areas; and

"(B) is not designated as an erosion-prone community under paragraph (1).

"(3) INITIAL DESIGNATIONS.—The Director shall complete the initial designations of all areas subject to special erosion hazards and notification of affected communities and areas not later than the expiration of the 60-month period beginning on the date of the enactment of the National Flood Insurance, Mitigation, and Erosion Management Act of 1991, except that the Director may exclude from such initial designations any areas for which insufficient information exists regarding erosion hazards or for which such information is unavailable.

"(4) ONGOING DESIGNATIONS.—As the Director acquires additional information regarding erosion hazards and environmental conditions change, the Director shall periodically review and revise the designations of erosion-prone areas and communities and may make additional designations of such areas and communities.

"(c) EROSION SETBACKS.—The Director shall, for each erosion-prone community, identify and establish 10-year, 30-year, and 60-year erosion setbacks for purposes under this Act, except that the Director may provide for such communities to identify and establish the setbacks.

"(d) LAND USE RESTRICTIONS.—The Director shall establish comprehensive land management and use standards designed to mitigate the effects of erosion hazards in erosion-prone communities. The standards shall provide for consideration of the severity of erosion risks, construction requirements, and other restrictions on building construction and shall prohibit—

"(1) the relocation of any 1 to 4 dwelling unit structure of not more than 5,000 square feet to, or the new construction or substantial improvement of any such structure on, any location seaward of the 30-year erosion setback established under subsection (c) or any other greater setback established under State or local law;

"(2) the relocation of any other structure to, or the new construction or substantial improvement of any other structure on, any location seaward of the 60-year erosion setback established under subsection (c) or any other greater setback established under State or local law; and

"(3) the new construction or substantial improvement of any 1 to 4 dwelling unit structure of not more than 5,000 square feet that is not readily movable (in the determination of the Director) located seaward of the 60-year erosion setback established under subsection (c).

"(e) REQUIRED ADOPTION OF LAND USE RESTRICTIONS.—The Director may provide erosion mitigation assistance under this section only with respect to structures located in communities designated as erosion-prone that have adopted adequate land management and use measures through the appropriate public body that are consistent with land management and use standards established by the Director under subsection (d).

"(f) ELIGIBILITY OF STRUCTURES FOR MITIGATION ASSISTANCE.—The Director may provide erosion mitigation assistance under this section only with respect to structures that—

"(1) have been continuously covered by a contract for flood insurance coverage under this title for the lesser of—

"(A) the 2-year period ending on the date on which the application for assistance under this section is submitted; or

"(B) the term of ownership of the owner submitting the application for assistance under this section;

"(2) are located in an area for which an erosion setback has been established; and

"(3) are certified by the Director as—

"(A) located seaward of the 10-year erosion setback; or

"(B) subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of surface water, pursuant to—

"(i) a written recommendation by any appropriate Federal, State, or local land use authority; or

"(ii) condemnation of the structure by any appropriate Federal, State, or local land use authority.

"(g) ELIGIBLE EROSION MITIGATION ACTIVITIES.—Any erosion mitigation assistance provided under this section may not be used for any land acquisition costs. Such assistance shall be used only in connection with structures eligible under subsections (e) and (f) and only for the following erosion mitigation activities:

"(1) RELOCATION.—For activities to relocate the structure—

"(A) for any 1 to 4 dwelling unit structure of not more than 5,000 square feet, landward of the greater of the distance established by (i) the 30-year erosion setback under subsection (c), or (ii) any setback under State or local law; and

"(B) for any other structures, landward of the greater of the distance established by (i) the 60-year erosion setback under subsection (c), or (ii) any setback under State or local law.

"(2) DEMOLITION.—For activities to demolish the structure only if—

"(A) the cost of relocating the structure exceeds the value of the structure determined under subsection (h)(1);

"(B) the structure is not of such structural soundness, in the determination of the Director, to permit relocation in a safe manner; or

"(C) the Director determines that extraordinary circumstances relating to the structure or the property on which the structure is located make demolition necessary.

"(h) EROSION MITIGATION ASSISTANCE PAYMENTS.—From any amounts in the National Flood Insurance Fund made available to carry out this section, the Director may make payments for erosion mitigation activities to owners of structures eligible for such assistance under subsections (e) and (f) who submit applications for such assistance in the form and manner required by the Director and whose applications are approved by the Director. Erosion mitigation payments under this subsection shall be in the following amounts:

"(1) RELOCATION.—For relocation of a structure, an amount not exceeding 40 percent of the value of the structure, which shall be the lowest of the following amounts (as determined by the Director):

"(A) The replacement cost of the structure less any physical depreciation of a comparable structure not subject to imminent collapse or subsidence.

"(B) The price paid for the structure and any improvements to the structure, adjusted for inflation according to an appropriate index determined by the Director.

"(C) The insured value of the structure under the flood insurance contract under this title for the structure.

"(2) Demolition.—For demolition of a structure—

"(A) an amount not exceeding 40 percent of the value of the structure as determined under paragraph (1), which shall be paid to the owner following a final determination under subsection (g)(2) that erosion mitigation payments may be made for demolition of the structure; and

"(B) an amount not exceeding the sum of (i) 60 percent of the value of the structure as determined under paragraph (1), and (ii) the lesser of 10 percent of the value of the structure or the actual cost of demolition, which sum shall be paid to the owner following demolition of the structure.

"(i) Limitation of Flood Insurance Coverage for Failure to Mitigate.—With respect to any structure eligible for erosion mitigation assistance under this section, if the owner fails to relocate or demolish the structure in compliance with the setback requirements under subsection (g) before the expiration of the 24-month period beginning on the date of the certification of the structure under subsection (f)(3) (unless such period is extended by the Director for good cause), notwithstanding any other provision of this title or of any contract for flood insurance under this title—

"(1) any payment for any claim thereafter under a contract for flood insurance coverage under this title for the structure may not exceed the lesser of (A) 40 percent of the value of the structure (determined under subsection (h)(1)), or (B) the actual flood damage incurred; and

"(2) the Director shall cancel any flood insurance contract under this title for the structure upon the payment of any claim referred to in paragraph (1) and the structure shall not thereafter be eligible for a contract for flood insurance under this title.

"(j) Limitation of Flood Insurance Availability for Structures on Assisted Properties.—

"(1) Cancellation of existing flood insurance policy.—Upon the demolition or relocation of a structure with assistance under this section, the Director shall cancel any contract for flood insurance under this title for the structure.

"(2) Limitation on new flood insurance.—No new flood insurance coverage under this title nor any assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (except for emergency assistance essential to save lives or property or protect public health or safety) may be provided for any structure for which erosion mitigation assistance under this section has been provided and that is relocated, unless the structure is relocated in compliance with the setback requirements under subsection (g)(1).

"(k) Regulations.—The Director may issue any regulations necessary to carry out this section.

"(l) Report.—The Director shall submit a report to the Congress regarding the implementation of the erosion management program under this section not later than the expiration of the 24-month period beginning on the date of the enactment of the National Flood Insurance, Mitigation, and Erosion Management Act of 1991. The report shall include any findings and recommendations of the Director regarding the program and a description of any regulations and procedures established for the program.".

(b) Funding.—Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new paragraph:

"(7) for providing erosion mitigation assistance under section 1368, in an amount not to exceed $5,000,000 in each fiscal year; and".

SEC. 408. REPEAL OF PROVISIONS FOR CLAIMS FOR IMMINENT COLLAPSE AND SUBSIDENCE.

(a) Repeal.—Subsection (c) of section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(c)) is repealed.

(b) Transition.—Notwithstanding the repeal under subsection (a), the Director may continue to pay amounts under flood insurance contracts in accordance with section 1306(c) of the National Flood Insurance Act of 1968 (as such section existed immediately before the enactment of this Act) during the following periods:

(1) Erosion-prone areas.—For any property located in an erosion-prone area designated under section 1368(b) of the National Flood Insurance Act of 1968, during the period beginning on the date of the enactment of this Act and ending upon the expiration of the 12-month period that begins on the notification under section 1368(b)(1) of such Act to the community containing the area.

(2) Other areas.—For any other property, during the period beginning on the date of the enactment of this Act and ending upon the expiration of the 60-month period beginning on the date of the enactment of this Act.

SEC. 409. EROSION SETBACK LIMITATION ON AVAILABILITY OF FLOOD INSURANCE.

Section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsections:

"(c)(1) Notwithstanding any other provision of this title or of any contract for flood insurance under this title, with respect to any structure described in paragraph (2)—

"(A) any payment for any claim (made after the date of the notification under section 1368(b)(1) to the erosion-prone community in which the structure is located) under a contract for flood insurance coverage under this title for the structure may not exceed the lesser of (i) 40 percent of the value of the structure (determined as provided in section 1368(h)(1)), or (ii) the actual flood damage incurred; and

"(B) the Director shall cancel any flood insurance contract under this title for the structure upon the payment of any claim referred to in subparagraph (A) and the structure shall not thereafter be eligible for a contract for flood insurance under this title.

"(2) This subsection shall apply with respect to any structure that is—

"(A) located in a community that (i) has been designated by the Director under section 1368(b) as erosion-prone, and (ii) has not adopted land management and use measures as provided under section 1368(e);

"(B) located seaward of the 10-year erosion setback established under section 1368(c); and

"(C) existing on the date of the notification under section 1368(b)(1) to the erosion-prone community in which the structure is located.

"(d) Flood insurance coverage under this title may not be provided for any structure that is—

"(1) located seaward of—

"(A) the 30-year erosion setback established under section 1368(c), with respect to 1 to 4 dwelling unit structures of not more than 5,000 square feet; or

"(B) the 60-year erosion setback established under section 1368(c), with respect to any other structures; and

"(2) constructed, substantially improved, or relocated to such location after the date of the notification under section 1368(b)(1) to the erosion-prone community in which the structure is located.".

SEC. 410. EROSION SETBACK LIMITATION ON FLOOD INSURANCE PREMIUM RATES.

Section 1308 of the National Flood Insurance Act of 1968 (12 U.S.C. 4015) is amended by adding at the end the following new subsection:

"(f)(1) Notwithstanding any other provision of this title or of any contract for flood insurance under this title, with respect to any structure described in paragraph (3), the Director shall increase the chargeable premium rate under the contract for flood insurance for the structure in an amount determined by the Director. This paragraph may not be construed to require an increase in the premium rate to an amount equal to or in excess of the full actuarial rate for the property.

"(2) The Director shall provide for increases under paragraph (1) for any structure described in paragraph (3) at any time after the expiration of the 2-year period beginning upon the receipt of notification under section 1368(b) by the community in which the structure is located.

"(3) This subsection shall apply to any structure that is—

"(A) covered by a contract for flood insurance under this title under which the chargeable premium rate is less than the estimated rate under section 1307(a)(1);

"(B) located in a community that (i) has been designated by the Director under section 1368(b) as erosion-prone, and (ii) has not adopted land management and use measures as provided under section 1368(e);

"(C) located seaward of—

"(i) the 30-year erosion setback established under section 1368(c), with respect to any 1 to 4 dwelling unit structure of not more than 5,000 square feet; or

"(ii) the 60-year erosion setback established under section 1368(c), with respect to any other structures; and

"(D) existing on the date of the notification under section 1368(b)(1) to the erosion-prone community in which the structure is located.

"(4) If any community designated as erosion-prone adopts land management and use measures as provided under section 1368(e) after the Director has increased premium rates under paragraph (1) for structures in the community, the Director shall decrease the premium rates for such structures to the amount that the Director determines would have been in effect for such structures at the time of the decrease under this paragraph absent the intervening increase under paragraph (1).".

SEC. 411. RIVERINE EROSION STUDY.

(a) Study.—The Director of the Federal Emergency Management Agency shall conduct a study to determine the feasibility of identifying riverine erosion hazards and methods for management of areas subject to those hazards. Under the study the Director shall—

(1) investigate and assess existing and state-of-the-art technical methodologies for assessing riverine erosion;

(2) examine natural riverine processes, environmental conditions, human-induced changes to the banks of rivers and streams, and examples of erosion and likely causes;

(3) examine examples of erosion control and evaluate their performance; and

(4) analyze riverine erosion management strategies, the technical standards, methods, and data necessary to support such strategies, and methods of administering such strategies through the national flood insurance program.

(b) REPORT.—The Director shall submit a report to the Congress regarding the findings and conclusions of the study under this section not later than the expiration of the 2-year period beginning on the date of the enactment of this Act. The report shall include any recommendations of the Director regarding appropriate methods and approaches for identifying and determining riverine erosion rates and management strategies relating to riverine erosion.

SEC. 412. COORDINATION WITH COASTAL ZONE MANAGEMENT PROGRAMS.

(a) IN GENERAL.—In the implementation of the amendments made pursuant to sections 407 and 408, the Director shall consult with the Under Secretary of Commerce for Oceans and Atmosphere to promote full coordination of the coastal erosion management provisions of the National Flood Insurance Act of 1968 (42 U.S.C. 4101 et seq.) as amended by this Act and the provisions of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.). Furthermore, the Director shall, to the greatest extent possible, utilize State management programs approved under section 306 of the Coastal Zone Management Act of 1972 to facilitate development and implementation of management plans for coastal erosion-prone areas.

(b) COORDINATION REPORT.—The Director and the Under Secretary of Commerce for Oceans and Atmosphere shall jointly prepare a report which details the proposed mechanisms for achieving the coordination required in subsection (a). This report shall be transmitted to the Congress not later than the expiration of the twelve-month period beginning on the date of the enactment of the National Flood Insurance, Mitigation, and Erosion Management Act of 1991.

(c) EROSION MANAGEMENT PROGRAM REGULATIONS.—In issuing any regulations under section 1368(a) of the National Flood Insurance Act of 1968, as amended by this Act, the Director shall consider the recommendations of the Coordination Report required under subsection (b).

TITLE V—FLOOD INSURANCE TASK FORCE

SEC. 501. FLOOD INSURANCE INTERAGENCY TASK FORCE.

(a) ESTABLISHMENT.—There is hereby established an interagency task force to be known as the Flood Insurance Task Force (in this section referred to as the "Task Force").

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Task Force shall be composed of 7 members, who shall be the designees of—

(A) the Federal Insurance Administrator;

(B) the Federal Housing Commissioner;

(C) the Secretary of Veterans Affairs;

(D) the Administrator of the Farmers Home Administration;

(E) the Administrator of the Small Business Administration;

(F) a designee of the Financial Institutions Examination Council;

(G) the chairman of the Board of Directors of the Federal Home Loan Mortgage Corporation;

(H) the chairman of the Board of Directors of the Federal National Mortgage Association;

(I) the Under Secretary of Commerce for Oceans and Atmosphere;

(J) the Director of the United States Fish and Wildlife Service; and

(K) the Administrator of the Environmental Protection Agency.

(2) QUALIFICATIONS.—Members of the Task Force shall be designated for membership on the Task Force by reason of demonstrated knowledge and competence regarding the national flood insurance program.

(c) DUTIES.—The Task Force shall carry out the following duties:

(1) Make recommendations to the head of each Federal agency and corporation under subsection (b)(1) regarding establishment or adoption of standardized enforcement procedures among such agencies and corporations responsible for enforcing compliance with the requirements under the national flood insurance program to ensure fullest possible compliance with such requirements.

(2) Conduct a study of the extent to which Federal agencies and the secondary mortgage market can provide assistance in ensuring compliance with the requirements under the national flood insurance program and submit to the Congress a report describing the study and any conclusions.

(3) Conduct a study of the extent to which existing programs of Federal agencies and corporations for compliance with the requirements under the national flood insurance program can serve as a model for other Federal agencies responsible for enforcing compliance, and submit to the Congress a report describing the study and any conclusions.

(4) Develop guidelines regarding enforcement and compliance procedures, based on the studies and findings of the Task Force and publishing the guidelines in a usable format.

(d) NONCOMPENSATION.—Members of the Task Force shall receive no additional pay by reason of their service on the Task Force.

(e) CHAIRPERSON.—The members of the Task Force shall elect one member as chairperson of the Task Force.

(f) MEETINGS AND ACTION.—The Task Force shall meet at the call of the chairman or a majority of the members of the Task Force and may take action by a vote of the majority of the members. The Federal Insurance Administrator shall coordinate and call the initial meeting of the Task Force.

(g) OFFICERS.—The chairperson of the Task Force may appoint any officers to carry out the duties of the Task Force under subsection (c).

(h) STAFF OF FEDERAL AGENCIES.—Upon request of the chairperson of the Task Force, the head of any of the Federal agencies and corporations under subsection (b)(1) may detail, on a nonreimbursable basis, any of the personnel of such agency to the Task Force to assist the Task Force in carrying out its duties under this Act.

(i) POWERS.—In carrying out this section, the Task Force may hold hearings, sit and act at times and places, take testimony, receive evidence and assistance, provide information, and conduct research as the Task Force considers appropriate.

(j) SUBCOMMITTEE ON NATURAL AND BENEFICIAL FUNCTIONS OF THE FLOODPLAIN.—The members of the Task Force appointed under subsections (b)(1) (I), (J), and (K) shall constitute a select subcommittee which, in addition to their duties under subsection (c), shall make recommendations regarding the implementation of the provisions of the National Flood Insurance, Mitigation, and Erosion Management Act of 1991 which deal with protection of the natural and beneficial functions of the floodplain.

(k) TERMINATION.—The Task Force shall terminate upon the expiration of the 24-month period beginning upon the designation of the last member to be designated under subsection (b)(1).

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. MAXIMUM FLOOD INSURANCE COVERAGE AMOUNTS.

(a) IN GENERAL.—Section 1306(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)) is amended—

(1) in paragraph (1)(A)—

(A) by inserting "and" after the comma at the end of clause (i);

(B) by striking ", and" at the end of clause (ii) and inserting "; and"; and

(C) by striking clause (iii);

(2) by striking subparagraph (B) of paragraph (1) and inserting the following new subparagraph:

"(B) in the case of any nonresidential property, including churches—

"(i) $100,000 aggregate liability for each structure, and

"(ii) $100,000 aggregate liability for any contents related to each structure;";

(3) by striking subparagraph (C) of paragraph (1);

(4) in paragraph (2), by striking "so as to enable" and all that follows through the end of the paragraph and inserting "up to an amount, including the limits specified in clause (i) of subparagraph (A) of paragraph (1), of $250,000 multiplied by the number of dwelling units in the building;";

(5) in paragraph (3), by striking "so as to enable" and all that follows through the end of the paragraph and inserting "up to an amount of $90,000 for any single-family dwelling and $240,000 for any residential structure containing more than one dwelling unit;"; and

(6) by striking paragraph (4) and inserting the following new paragraph:

"(4) in the case of any nonresidential property, including churches, additional flood insurance in excess of the limits specified in clauses (i) and (ii) of subparagraph (B) of paragraph (1) shall be made available to every insured upon renewal and every applicant for insurance up to an amount of $2,400,000 for each structure and $2,400,000 for any contents related to each structure; and".

(b) REMOVAL OF CEILING ON COVERAGE REQUIRED.—Section 1306(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)) is amended—

(1) in paragraph (5), by striking "; and" at the end and inserting a period; and

(2) by striking paragraph (6).

(c) CONFORMING AMENDMENTS.—Section 1306(b)(5) of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)(5)) is amended—

(1) by striking "(A), (B), or (C)" and inserting "(A) or (B)"; and

(2) by striking "(1)(C)".

SEC. 602. FLOOD INSURANCE PROGRAM ARRANGEMENTS WITH PRIVATE INSURANCE ENTITIES.

Section 1345(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4081(b)) is amended by striking the period at the end and inserting the following: "and without regard to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).".

SEC. 603. FLOOD INSURANCE MAPS.

(a) 5-YEAR UPDATES.—Section 1360 of the National Flood Insurance Act of 1968 (42 U.S.C. 4101) is amended by adding at the end the following new subsections:

"(e) Once during each 5-year period (the first such period beginning on the date of the enactment of the National Flood Insurance, Mitigation, and Erosion Management Act of

1991) or more often as the Director determines necessary because of storms, increased erosion rates, increased watershed development, or other extraordinary situations, the Director shall assess the need to revise and update all flood-plain areas and flood-risk zones identified, delineated, or established under this section.

"(f) The Director shall revise and update any flood-plain areas and flood-risk zones—

"(1) upon the determination of the Director, according to the assessment under subsection (e), that revision and updating are necessary for the areas and zones; or

"(2) upon the request from any State or local government stating that specific flood-plain areas or flood-risk zones in the State or locality need revision or updating (if sufficient technical, engineering, or other justification is provided, in the determination of the Director, to justify the request).

"(g) To promote compliance with the requirements of this title and the Flood Disaster Protection Act of 1973, the Director shall make maps and information under this section regarding flood-plain areas and flood-risk zones available, free of charge, to lenders, to States and communities, and to insurance companies, other insurers, and insurance agents and brokers participating in the national flood insurance program pursuant to section 1310.".

(b) USE OF NATIONAL FLOOD INSURANCE FUND.—Section 1310(a) of the National Flood Insurance Act of 1968 (42 U.S.C. 4017(a)) is amended by adding at the end the following new paragraph:

"(8) for revising and updating flood-plain areas and flood-risk zones.".

SEC. 604. REGULATIONS.

The Director of the Federal Emergency Management Agency, the Secretary of Housing and Urban Development, and any appropriate head of any Federal agency may each issue any regulations necessary to carry out the applicable provisions of this Act and the applicable amendments made by this Act.

Mr. D'AMATO Mr. President, I am pleased to cosponsor this flood insurance bill being introduced today. The Federal Flood Insurance Program is extremely important to households throughout the country and to residents of my State. New York has almost 66,000 flood insurance policies in effect, covering more than $6 billion worth of real estate property. The Flood Insurance Program has paid more than $110 million in claims to New York policy holders since 1978.

This bill attempts to substantially increase compliance with the Federal Flood Insurance Program by establishing a mandatory insurance purchase requirement and by requiring lenders to review their portfolios to determine if flood insurance compliance is sufficient. Achieving some method for increasing compliance is very important because it appears that only about 15 to 20 percent of the 8 to 11 million homes in flood prone areas actually have flood insurance policies.

The bill also revises FEMA's community rating system and provides a reduced premium rate incentive to communities which implement more effective floodplain and coastal erosion management measures.

The bill also creates a mitigation fund to provide matching grants to eligible States, communities, and individuals to reduce repeated flood damage to properties and establishes an erosion management program to reduce coastal erosion hazards.

In addition to these changes, the bill also establishes an interagency flood insurance task force, raises maximum flood insurance coverage amounts, and directs FEMA to update floodplain areas and zones regularly.

I look forward to reviewing these issues during hearings that the Banking Committee will hold this fall. As we proceed with consideration of this bill, new issues may come up and we will receive suggestions from other members and interested parties regarding various aspects of this bill. I welcome these comments. Indeed, I expect to consider various changes myself before we report this bill back to the Senate.

However, I do want to establish my interest in this legislation at this time and to express my support for moving forward on this issue as soon as possible. I congratulate my colleague from Massachusetts for introducing this legislation and look forward to working with him and the other members of the Banking Committee as we consider this issue.

By Mr. PELL (for himself and Mr. CHAFEE):

S. 1651. A bill to amend the Higher Education Act of 1965 to require special consideration in student aid decisions for students from families whose assets have been restricted because of bank and credit union failures; to the Committee on Labor and Human Resources.

SPECIAL CONSIDERATION IN STUDENT AID DECISIONS

Mr. PELL. Mr. President, since the first part of January, Rhode Island has been in a banking crisis. During this period of time, thousands of Rhode Island families have been without access to their savings. This has caused horrendous hardships.

Now we are at a point in the year in which more difficulties are on the horizon. As families all over America prepare to send their children to college this month, the task will be an onerous one for many Rhode Island families whose assets remain frozen in closed credit unions. The legislation I introduce today seeks to help relieve that burden.

This bill is a very simple one. It makes it clear that college financial aid officers have the authority to make adjustments to the calculation of expected family contribution for families whose assets are frozen by the Rhode Island situation. It also instructs the Secretary to identify and inform students who face this tragic situation.

This is a simple, straightforward approach to this problem and one which I understand the administration considers reasonable.

Mr. CHAFEE. Mr. President, Rhode Island is in the midst of its worst banking crisis since the Great Depression. The collapse of the Rhode Island Share and Deposit Indemnity Corp. [RISDIC], and the decision to close dozens of the State's privately insured banks and credit unions, has had a devastating effect upon our small state.

Two-hundred thousand Rhode Islanders had their deposit accounts frozen on January 1. For those individuals, the RISDIC collapse has been an absolute catastrophe. Thousands have been unable to make their mortgage or automobile payments. Now, as parents and college students prepare for school, many are unable to make tuition payments because they still do not have access to their accounts. Even though student aid programs offer assistance, financial aid decisions are made months in advance of the coming school year, and may not reflect the uncontrollable circumstances that many students are now facing.

The legislation that Senator PELL and I are introducing would help ensure that students and parents who do not have access to accounts because of a State banking emergency, have the opportunity to receive appropriate adjustments in the calculation of a student's expected family contribution and need. Financial aid administrators, high school guidance counselors, and grant recipients will be notified of this opportunity for adjustment and notice will also be given to secondary and postsecondary schools within the State.

Mr. President, in my view, there is no investment more important than education. The banking crisis in my State has placed additional burdens on students and families as they work to meet rising tuition costs. It would be unfortunate if students had to interrupt or forego a college education because of a situation beyond their control. The proposal we are introducing would help ensure that this does not occur. I urge my colleagues to join us in sponsoring this measure.

By Mr. MOYNIHAN:

S. 1653. A bill to amend the Internal Revenue Code of 1986 to remove U.S. tax barriers inhibiting competitiveness of U.S. owned businesses operating in the European Community; to the Committee on Finance.

EUROPEAN COMMUNITY TAX COMPETITIVENESS ACT

• Mr. MOYNIHAN. Mr. President, I am today introducing legislation, the European Community Competitiveness Tax Act of 1991, to amend the Internal Revenue Code to allow U.S. businesses a better opportunity to organize efficiently and compete effectively in the single European Community [EC] market. The legislation would allow U.S. companies a greater opportunity to consolidate their EC activities and thereby to streamline their operations and reduce their costs. The bill I am proposing would modify the subpart F rules of foreign taxation to enhance the ability of U.S. businesses to market their products in the EC market on more equitable terms in relation to their foreign competitors.

We have all been concerned with the continuing U.S. trade deficit and the difficulties U.S. businesses have had in competing in the world marketplace. It is certainly essential that we fully analyze and understand the factors causing the U.S. trade imbalance and that we seek broad policy initiatives that will restore the United States role in the global economy. It is equally important, however, that we modify our tax laws when we identify unnecessary restrictions on U.S. businesses competing in the international markets.

The EC member nations have been making steady progress toward a unified single market. As tax and trade barriers between these nations are removed, EC and other foreign-based companies are better able to centralize their businesses in one country and sell their products throughout the EC. By contract, the U.S. subpart F rules require U.S. multinational companies either to operate separate subsidiaries in each EC country, with resulting duplication of operations and increased costs, or to risk immediate U.S. taxation on earnings and profits before those earnings are repatriated to the U.S. parent company. These subpart F rules create a Hobson's Choice for U.S. multinationals—they may either forfeit the deferral of tax normally accorded foreign profits before they are repatriated, or, to preserve deferral under the subpart F rules, they must create separate subsidiaries in each foreign country in which their product is marketed, thereby increasing their costs and the price of their product. Under either scenario, U.S. businesses are at a disadvantage in relation to their foreign competitors.

The subpart F rules, which were enacted during the Kennedy administration, were designed to prevent U.S. companies from establishing subsidiaries in low-tax or no-tax countries—tax havens—in order to avoid U.S. taxation on earnings. The subpart F rules can come into play whenever a U.S. company routes foreign sales or services income through intermediate foreign subsidiaries—specifically, whenever a foreign subsidiary of a U.S. corporation makes a sale to, or provides services for, an entity located in another foreign country which is not the country where the first foreign subsidiary is based. Thus, if a product is manufactured in the United States and sold through a foreign subsidiary to a customer in another country, the income from the sale can be treated as subpart F income. If it is subpart F income, the U.S. parent corporation must pay current tax on it, whereas normally foreign earnings are not taxed until repatriated.

Since the inception of the subpart F rules, Congress has always provided an exception from their application for foreign subsidiaries not established in tax haven countries. Since the rationale for the subpart F rules is to discourage the use of foreign subsidiaries in low-tax, tax haven countries for tax avoidance purposes, the rationale ceases to apply when the foreign subsidiary is subject to taxes in a high or full tax country, and thus an exception is provided. Prior to the Tax Reform Act of 1986, this exception was determined according to a subjective test; the Tax Reform Act imposed an objective standard under which foreign subsidiaries paying taxes in the foreign country at an effective rate that is at least 90 percent of the U.S. effective tax rate, based on U.S. earnings and profits principles, are not subject to subpart F taxation.

Subpart F taxation is, essentially, a penalty tax. It is designed to prevent certain activities—the establishment of a foreign subsidiary solely to avoid U.S. taxation. The high-tax exception, which is intended to provide relief in appropriate cases from subpart F taxation, can often be too restrictive, however. It does not always effectively exempt U.S. foreign subsidiaries that are located in non-tax-haven, full tax countries. This problem is particularly evident in the EC, where member countries generally are recognized as full tax countries. U.S. corporate subsidiaries located in the EC have often been unable to satisfy the high-tax test, due to certain timing differences between the U.S. and foreign tax law, and due to the subpart F requirement that the computation of the high-tax exception be made utilizing depreciation schedules which are more restrictive than are available generally under foreign tax law or, indeed, under U.S. tax law for U.S. companies operating domestically.

The subpart F rules are severely hampering U.S. multinational companies in their efforts to make the business reorganizations necessary to compete in the EC single market. In order to sell their products in the EC without being subject to the subpart F penalty tax, U.S. companies must establish separate incorporated subsidiaries in each EC country in which they plant to do business. Needless to say, this is duplicative and costly. Maintaining separate subsidiaries in each EC country is not only contrary to sound business practices, it is manifestly inconsistent with the direction of the economic, tax and trade policies of the new EC single market. As a result of these subpart F restrictions, U.S. businesses are already finding themselves unable to compete effectively in this important market.

One approach to remedying this problem would be simply to treat the EC as a single country for purposes of the subpart F rules. Under this rule, a U.S. multinational corporation could consolidate its operations into a single EC subsidiary and market its products throughout the single market without being subject to the subpart F rules. This approach ultimately may prove to be the simplest and most efficient means of allowing U.S. companies fair opportunity to compete in the EC. It deserves further consideration. Some have expressed concern, however, that the EC should make more progress toward complete removal of its own tax and trade barriers before being treated as a single country under our foreign tax rules.

I am concerned that too much delay over a solution to this tax problem will cost our companies valuable time as they strive to compete in a rapidly changing environment. In light of that fact, I am today introducing legislation that would as an interim measure make the subpart F rules more flexible as they relate to sales and services income of U.S. foreign subsidiaries located and operating in the EC. The bill would not, however, provide an opportunity for tax avoidance by U.S. subsidiaries in the EC. This legislation would modify the high-tax exception threshold by lowering it from 90 percent to 80 percent—that is, U.S. companies' foreign subsidiaries paying taxes in the foreign country at an effective rate that is at least 80 percent of the U.S. effective rate would not be subject to subpart F taxation. Further, the legislation provides that the 80 percent foreign effective rate would be calculated without regard to any net operating losses or other similar timing differences incurred prior to the date of enactment. With the high-tax exception test more liberal, U.S. multinationals can make the necessary business decisions and centralize operations within the EC with greater certainty that they will not be subject to subpart F taxation.

Although a revenue estimate for this legislation is not yet available, it is anticipated that the revenue cost will be quite modest.

Mr. President, it is well recognized that the U.S. trade imbalance is a compelex problem with no single solution. In addressing this issue, however, we must make certain that our businesses are not placed at a competitive disadvantage due to unnecessary or overly restrictive U.S. tax laws. Amending the subpart F rules to allow U.S. multinational corporations to reduce their operating costs, without tax penalty, in order to compete more effectively is an important step toward improving our competitive position in the emerging EC single market. I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of the bill appear in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 954(b) of the Internal Revenue Code of 1986 (relating to foreign base company income) is amended by adding at the end thereof the following:

"(9) SPECIAL RULE FOR EUROPEAN COMMUNITY ACTIVITIES.—

"(A) IN GENERAL.—For purposes of subsections (a)(2) and (a)(3), foreign base company sales income and foreign base company services income shall not include any item of income received by a controlled foreign corporation if the taxpayer establishes to the satisfaction of the Secretary that such income was subject to an effective rate of income tax imposed by a foreign country which is a member of the European Community greater than 80 percent of the maximum rate of tax specified in section 11. For purposes of the preceding sentence, the effective rate of income tax shall be computed without regard to any net operating losses (including adjustments allowable with respect to depreciation deductions) of the controlled foreign corporation arising under the laws of the foreign country in taxable years ending before the date of the enactment of this paragraph.

"(B) EUROPEAN COMMUNITY.—For purposes of this paragraph, the term "European Community" shall include countries which are members of the Council of Ministers of the European Communities (Belgium, Denmark, France, Greece, the Irish Republic, Italy, Luxembourg, The Netherlands, Portugal, Spain, the Federal Republic of Germany, and the United Kingdom)."

(b) The amendments made by this section shall apply to taxable years beginning after December 31, 1991.•

By Mr. MOYNIHAN (for himself and Mr. PACKWOOD):

S. 1654. A bill to amend the Internal Revenue Code of 1986 to modify the definition of passive foreign investment company; to the Committee of Finance.

PFIC TAX SIMPLIFICATION ACT

• Mr. MOYNIHAN. Mr. President, today I am introducing legislation, along with my colleague the distinguished ranking member of the Finance Committee, Senator PACKWOOD, which is designed to simplify our Tax Code in its application to U.S. companies doing business abroad and, by removing unnecessary complexity in their tax compliance burden, make it easier for those companies to compete in international markets. The bill, the PFIC Tax Simplification Act of 1991, addresses what I believe most concede to be the overbreadth of the passive foreign investment company [PFIC] rules.

The PFIC provisions, enacted in the Tax Reform Act of 1986, were intended to eliminate a loophole in the foreign tax rules which allowed individuals to invest in offshore mutual funds and avoid paying any current tax on the income building up in such funds. But as finally drafted, the PFIC rules reach much further, potentially applying to any foreign operating subsidiary of a U.S. company if the foreign subsidiary meets certain tests designed to detect the presence of excessive passive investment-type income—as distinguished from income derived from active business operations. If the foreign subsidiary meets the tests, it acquires PFIC status, and the results are draconian: The U.S. parent company looses the benefit of deferral of tax on the foreign subsidiary's profits. I should note that such deferral of tax on foreign profits, until repatriated, is a principal way that the U.S. tax system attempts to put U.S. companies operating abroad on an equal footing with international competitors.

One key problem with the PFIC provisions is the tests for determining PFIC status. The experience of U.S. companies since passage of the 1986 act has shown that the tests from PFIC status sweep far too broadly, bringing within the net of PFIC penalties companies which are predominatly engaged in active business operations. Such companies should not be within the scope of the PFIC rules, and it is time to modify them to insure that such is not the case.

A foreign subsidiary is classified as a PFIC if either one of two tests is met: an income test, which is met if 75 percent or more of a subsidiary's gross income for the year is passive income, and an asset test, which is met if 50 percent or more of the value of the subsidiary's assets held during the year consists of assets that produce passive income.

It is the asset test that has been the source of most difficulty, because a company can flunk it and be classed a PFIC for any number of innocent reasons, even though it is genuinely and predominantly engaged in the conduct of active business operations. For example, a sales subsidiary that collects cash deposits at the time orders are placed may inadvertently fail the asset test if cash on hand is high. Moreover, an asset test necessitates annual—in some cases quarterly—appraisals of property. The consequences of failing the asset test and becoming a PFIC are so adverse that companies must invest considerable time and effort insuring their compliance. In fact, the rules have come to encourage practices motivated by tax planning that distort sound business decisions—such as delaying the collection of accounts receivable to avoid failing the asset test. But most importantly, experience with the asset test has shown that it imposes the PFIC loss-of-deferral penalty in an arbitrary and overly broad way on companies that were not intended to be penalized.

There is a growing consensus that the asset test of the PFIC rules ought to be repealed. Many tax experts believe that the policy against deferral for passive income can be maintained without use of an asset test. Last year, at a hearing before the House Ways and Means Subcommittee on Select Revenue Measures, Assistant Secretary of the Treasury Ken Gideon testified:

> Since the PFIC regime was enacted, the Treasury Department has had doubts about the broad scope of the PFIC rules. In 1987, in connection with Senate consideration of technical corrections to the 1986 act, we testified as to our concern that the passive asset test operates to classify too broad a category of companies as PFICs. We concluded that the asset test warrants further study to determine whether it should be amended, or, given the addition of other safeguards, discarded, to prevent the PFIC provisions from applying too broadly.

The legislation that I introduce today eliminates the PFIC asset test for any U.S.-controlled foreign corporation, while making other modifications to the PFIC rules to insure that abuses do not occur. The bill makes the income test of the PFIC rules more stringent, by lowering the passive income threshold in the income test from 75 to 50 percent. In addition, the legislation provides a new antiabuse rule to cover situations where there might be second-tier passive foreign subsidiaries in which a first-tier foreign subsidiary has a minority ownership interest. These additional safeguards should be sufficient to allow elimination of the asset test, which will both insure that the PRIC rules operate within their intended scope and constitute a very substantial and constructive step toward needed simplicity in our foreign tax rules.

The revenue losses produced by this bill, I would add, are modest in comparison to its benefits. The legislation actually raises revenue in the first year, and over the first 5 years the net revenue loss from the bill should be approximately $26 million.

Mr. President, the two chairmen and ranking members of the tax-writing committees in Congress recently introduced companion tax simplification bills, the Tax Simplification Act of 1991—S. 1394 and H.R. 1394. This legislation represents a very commendable effort to identify those areas where our tax rules can be streamlined and simplified without sacrificing important tax policy goals. The gains for economic efficiency, business competitiveness, and taxpayer compliance and good will of this simplification enterprise are manifest. The Tax Simplification Act contains significant simplification provisions in the foreign tax area, including modifications to the PFIC rules as part of a consolidation of the various antideferral regimes. Unfortunately, the Tax Simplification Act as introduced does not eliminate the PFIC asset test. However, I believe the bill I propose today fits the goals of the simplification effort quite well, and it is my hope that the bill can be considered as an amendment to the Tax Simplification Act when it is considered.

This bill of course addresses only one area where the rules affecting taxation of U.S. companies doing business abroad can and should be simplified. But these changes have an important role to play in insuring that U.S. companies can compete effectively abroad, without unnecessarily complex and burdensome tax rules. I urge my colleagues to join me in support of this legislation.

Mr. President, I ask unanimous consent that the text of the bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of section 1296 of the Internal Revenue Code of 1986 (defining passive foreign investment company) is amended by adding at the end thereof the following new sentence: "For purpose of determining whether a controlled foreign corporation (as defined in section 957) is a passive foreign investment company, paragraph (1) shall be applied by substituting '50 percent' for '75 percent' and paragraph (2) shall not apply."

(b) Subsection (c) of section 1296 of such Code is amended to read as follows:

"(c) LOOK-THRU RULES.—

"(1) 25-PERCENT OWNED CORPORATIONS.—If a foreign corporation owns (directly or indirectly) at least 25 percent (by value) of the stock of another corporation, for purposes of determining whether such foreign corporation is a passive foreign investment company, such foreign corporation shall be treated as if it received directly its proportionate share of the income of such other corporation.

"(2) 25-PERCENT LIMITATION NOT TO APPLY TO OWNERSHIP OF A PFIC.—

"(A) IN GENERAL.—For purposes of determining whether a controlled foreign corporation (referred to in this paragraph as "the first foreign corporation") is treated as if it directly received its proportionate share of the income of another corporation, the 25-percent limitation of paragraph (1) shall not apply to stock owned (directly or indirectly) in a passive foreign investment company.

"(B) RULES WHERE INSUFFICIENT INFORMATION PROVIDED.—If sufficient income information regarding the other corporation, as provided under regulations, is not produced by the first foreign corporation, then the first foreign corporation shall be a passive foreign investment corporation if the average percentage of assets (by value) held by such corporation during the taxable year which produce passive income or which are held for the production of passive income is at least 50 percent. The first foreign corporation may elect to have the determination made under the preceding sentence based on the adjusted bases of its assets in lieu of their value. Such an election, once made, may be revoked only with the consent of the Secretary."

(c) The amendments made by subsections (a) and (b) shall apply to taxable years of foreign corporations beginning after December 31, 1991.●

● Mr. PACKWOOD. Mr. President, I am pleased to join my distinguished colleague from New York, Senator DANIEL PATRICK MOYNIHAN, in introducing a bill that narrows the scope of the passive foreign investment company [PFIC] rules.

Unlike our trading partners, the United States taxes American companies on their worldwide income. Our tax system provides relief to American companies with overseas business operations by deferring U.S. tax on profits earned abroad until the profits are brought to the States. This deferral feature of our Tax Code is an important way of helping American companies be competitive abroad.

The Tax Reform Act of 1986 enacted a new set of rules—the PFIC rules—aimed at tax avoidance by offshore mutual funds. However, the PFIC rules apply to more companies than just offshore mutual funds. These rules pull in many companies with bona fide business operations in foreign countries, causing a loss of deferral on their overseas business profits.

I believe the PFIC rules were never intended to cutback on deferral for companies with business operations abroad. In fact, the 1986 Senate-passed tax reform bill specifically exempted these companies from the PFIC rules. And the conference agreement accepted the Senate position on this aspect of the 1986 bill. Unfortunately, the PFIC rules, as finally written, are too broad.

The bill we are introducing today corrects this problem. The bill restores deferral of business profits from overseas operations by restricting the scope of the PFIC rules to their intended purpose.

Mr. President, I urge our colleagues to join Senator MOYNIHAN and me in cosponsoring this bill.●

By Mr. REID (for himself and Mr. LIEBERMAN):

S. 1655. A bill to authorize appropriations for environmental research, development, and demonstration for fiscal years 1992, 1993, and 1994, and for other purposes; to the Committee on Environment and Public Works.

ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION AUTHORIZATION ACT

Mr. REID. Mr. President, the American people demand and deserve strong laws to protect the environment. But experience has shown us time and time again that strong laws are not always enough. Our statutes and our regulations must be based on sound science if we are to ensure that our environmental spending is invested in the most effective manner possible.

Environmental science helps us identify emerging stresses on environment and develop innovative ways to control and manage them. Without the work of the researchers who identified the chemicals causing the ozone hole over Antarctica in 1986, the world would not have been able to respond swiftly and decisively to eliminate these chemicals. Today, scientists are opening new frontiers of knowledge in environmental research and technology.

Yet Federal spending on environmental science is limited compared with the $115 billion spent last year on pollution abatement. The Environmental Protection Agency's [EPA] research program has received modest funding increases in recent years. But these increases have failed to bring the program back up to the levels that it received even a decade ago. Between 1980 and 1990, during a period of time marked by increasing demands on the agency, EPA's research spending decreased by 16 percent, after adjustment for inflation.

That is why, Mr. President, I am pleased to introduce the Environmental Research, Development, and Demonstration Act of 1991. This bill begins to move EPA back onto the right track of authorizing $525 million in spending for environmental research in fiscal year 1992. But this is only a beginning. EPA's Science Advisory Board has recommended that the agency's research budget be doubled between fiscal years 1990 and 1994.

This bill also establishes a program to upgrade EPA facilities and equipment on a schedule to meet the standards generally accepted as appropriate for conducting research, and pushes the agency forward in a number of areas of study.

This bill includes provisions from S. 931 creating a National Arid Climate Groundwater Research Center to promote and coordinate ground water management research in arid regions. Ground water is a national resource of immense importance, providing drinking water for half of the U.S. population—and 95 percent of the rural population—and supplying much of the water needs of livestock and irrigation. Yet in many parts of this country, ground water supplies are threatened or contaminated by environmental pollutants. The research coordinated by the center will contribute not only to arid Western States like Nevada, but also to all States that wish to assure the quality of their ground water.

This bill establishes an EPA program on source reduction research and development, directing EPA to develop new practices and processes to reduce the volume and toxicity of contaminants entering the waste stream or released into the environment. Source reduction is often the most effective and least costly way to protect the environment. It prevents polluters from merely shifting emissions from one environmental medium to another. And this research holds great promise of substantial savings to industry in raw material and pollution control costs.

This bill establishes a program to monitor and evaluate the potential for human exposure to pesticides in food, water, soil, and air. The public health and environmental implications of pesticide use are still poorly understood, and this research program will provide much needed information. I wish to offer my sincere thanks and appreciation to the Senator from Connecticut [Mr. LIEBERMAN] for his contribution to this section of the bill.

This bill authorizes a number of other research programs, including research on international environmental problems, human health effects of exposure to electric and magnetic fields, and the use of indoor foliage to reduce indoor air pollution.

In sum, this bill provides EPA with the instructions and the resources needed to identify emerging threats to human health and the environment, and to apply our investment in environmental protection to the most effective possible solutions.

I urge my colleagues to support this bill.

I ask unanimous consent that the text of the bill, and a section-by-section summary, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1655

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Environmental Research, Development, and Demonstration Authorization Act of 1991".

SEC. 2. GENERAL AUTHORIZATIONS.

(a) ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION.—There are authorized to be appropriated to the Environmental Protection Agency for environmental research, development, and demonstration activities to be conducted by the Administrator of the Environmental Protection Agency (hereafter in this Act referred to as the "Administrator") amounts equal to the following amounts:

(1) $152,700,000 for fiscal year 1992, $167,700,000 for fiscal year 1993, and $184,300,000 for fiscal year 1994, for activities authorized under the Clean Air Act (42 U.S.C. 7401 et seq.).

(2) $35,700,000 for fiscal year 1992, $39,200,000 for fiscal year 1993, and $43,100,000 for fiscal year 1994, for activities authorized under the Federal Water Pollution Control Act (33 U.S.C. 1351 et seq.), the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1401 et seq.), and the Marine Plastic Pollution Research and Control Act of 1987 (33 U.S.C. 1901 et seq.).

(3) $27,900,000 for fiscal year 1992, $30,600,000 for fiscal year 1993, and $33,700,000 for fiscal year 1994, for activities authorized under the Safe Drinking Water Act (42 U.S.C. 300f et seq.).

(4) $52,200,000 for fiscal year 1992, $57,300,000 for fiscal year 1993, and $63,000,000 for fiscal year 1994, for activities authorized under the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.), and the Emergency Planning and Community Right-To-Know Act of 1986 (42 U.S.C. 11001 et seq.).

(5) $21,700,000 for fiscal year 1992, $23,800,000 for fiscal year 1993, and $26,200,000 for fiscal year 1994, for activities authorized under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.).

(6) $5,500,000 for fiscal year 1992, $6,000,000 for fiscal year 1993, and $6,600,000 for fiscal year 1994, for activities related to radiation, authorized under section 301 of the Public Health Service Act (42 U.S.C. 241), the Radon Gas and Indoor Air Quality Research Act of 1986 (42 U.S.C. 7401 note), and title III of the Toxic Substance Control Act (15 U.S.C. 2661 et seq.), as added by the Act entitled "An Act to amend the Toxic Substances Control Act to assist States in responding to the threat to human health posed by exposure to radon", commonly known as the "Indoor Radon Abatement Act of 1988".

(7) $178,900,000 for fiscal year 1992, $196,500,000 for fiscal year 1993, and $215,900,000 for fiscal year 1994, for multimedia activities.

(8) $31,200,000 for fiscal year 1992, $34,300,000 for fiscal year 1993, and $37,600,000 for fiscal year 1994, for activities authorized under the Toxic Substances Control Act (15 U.S.C. 2601 et seq.), including activities authorized under the Asbestos Hazard Emergency Response Act of 1986 relating to title II of the Toxic Substances Control Act (15 U.S.C. 1641 et seq.), and for activities otherwise authorized under the Asbestos Hazard Emergency Response Act of 1986.

(9) $14,200,000 for fiscal year 1992, $15,600,000 for fiscal year 1993, and $17,100,000 for fiscal year 1994, for energy activities and activities authorized by the Energy Security Act.

(b) PROGRAM MANAGEMENT AND SUPPORT.—There are authorized to be appropriated to the Environmental Protection Agency, $5,400,000 for fiscal year 1992, $5,900,000 for fiscal year 1993, and $6,500,000 for fiscal year 1994, for use by the Administrator for program management and support of the Office of Research and Development.

(c) CLOSING OFFICES AND REDUCTIONS-IN-FORCE.—Not less than 30 days prior to the issuance of any general notice to close any field station, regional office, laboratory, or other research center, or for a reduction-in-force, the Administrator shall inform the appropriate legislative and appropriations committees of the Senate and the House of Representatives in writing of the reasons for such closing or reduction, the impact of such closing or reduction on carrying out the provisions of this Act, the details of such reduction or closing, and other pertinent information.

(d) AVAILABILITY.—The amounts authorized to be appropriated pursuant to subsection (a) shall remain available until expended.

SEC. 3. CORE RESEARCH PROGRAM.

(a) ESTABLISHMENT.—The Administrator shall establish a separately identified core research program consisting of fundamental health, ecological, and risk reduction research. Such research shall be undertaken for the purpose of generating fundamental knowledge necessary to support efforts to identify, assess, and mitigate serious environmental risks.

(b) INTRA-AGENCY CONSULTATION.—

(1) IN GENERAL.—In establishing and carrying out the program authorized by this section, the Administrator shall establish and chair an intra-agency task group to define the core research program described in subsection (a), with attention to environmental issues that are not the specific responsibility of any Environmental Protection Agency program office. Such intra-agency task group shall include the Deputy Administrator and Assistant Administrator of each of the program offices of the Environmental Protection Agency.

(2) DUTIES.—The intra-agency task group shall—

(A) propose appropriate research activities;

(B) review and approve the core research program established under subsection (a) on an annual basis; and

(C) assure that adequate funding is available to conduct the core research program.

(c) HEALTH EFFECTS.—(1) The core research program described in subsection (a) shall include an assessment of noncancer human health effects from exposure to environmental contaminants. Such research shall include—

(A) a study of the interrelationships between multiple environmental contaminants; and

(B) an identification and assessment of—

(i) exposure pathways; and

(ii) effects on human health.

(2) The research under this subsection shall be carried out in such a manner as to give particular emphasis on the potential effects of exposure to various environmental contaminants on human immune and neurological systems (including behavioral, cognitive, developmental and psychological effects).

(d) GRANTS.—The Administrator is authorized to award grants to eligible organizations or institutions on a competitive basis for the purposes of conducting research in furtherance of the objectives of the core research program.

(e) SCIENCE ADVISORY BOARD.—The Science Advisory Board established under the Environmental Research, Development, and Demonstration Authorization Act of 1978 (hereafter in this Act referred to as the "Science Advisory Board"), or a designated subcommittee thereof, shall review the core research program activities and make recommendations on the core research program, including recommendations on the appropriate balance between core and programmatic research. A report containing the results of such review and recommendations shall be submitted to the Administrator and Congress in March 1992, and every 2 years thereafter.

(f) CONFORMING AMENDMENT.—Section 7 of the Environmental Research, Development, and Demonstration Authorization Act of 1981 is amended by striking subsection (f).

(g) FUNDING.—Such amounts as may be necessary to carry out the purposes of this section shall be made available from the amounts authorized to be appropriated under section 2(a)(7) of this Act.

SEC. 4. MODERNIZATION PROGRAM.

(a) MODERNIZATION PROGRAM.—The Administrator shall establish a modernization program designed to identify, acquire, and maintain modern buildings, facilities, supplies, and equipment needed to conduct high quality research. In carrying out this section, the Administrator shall ensure that such buildings, facilities, supplies, and equipment shall, at a minimum, meet the standards generally accepted by the scientific community as appropriate for conducting research, including research instrumentation replacement standards.

(b) STUDIES.—The Administrator shall conduct studies—

(1) to evaluate and determine the adequacy of current buildings, facilities, supplies, and equipment and identify future building, facility, supplies, equipment and research instrumentation needs; and

(2) to identify and assess future research personnel needs and make recommendations for attracting and retaining qualified scientists, engineers, and other personnel to meet such needs.

The studies required by this subsection shall be submitted to the Committee on Environment and Public Works in the Senate and the Committee on Science, Space, and Technology in the House of Representatives within 1 year after the date of enactment of this Act.

SEC. 5. TECHNOLOGY TRANSFER AND INFORMATION EXCHANGE.

The Administrator shall carry out a program of environmental technology transfer and exchange of scientific and technical information designed to make full and effective use of the research, development, and demonstration efforts of the Environmental Protection Agency.

SEC. 6. SCIENCE ADVISORY BOARD.

(a) ANNUAL REPORT.—The Science Advisory Board shall submit an annual report to Congress and to the Administrator that provides the views of the Science Advisory Board concerning the proposed research program (as described in the budget of the United States Government as submitted by the President) for research, development, and demonstration activities of the Environmental Protection Agency. Such report shall be submitted to Congress not later than 45 days after the submission of the budget of the United States Government (as submitted by the President) to the Congress.

(b) EVALUATION.—The Science Advisory Board shall conduct periodic evaluations of selected areas of the current and planned research, development, and demonstration activities of the Environmental Protection Agency. The areas of evaluation shall be selected by the Science Advisory Board in consultation with the Administrator, the Office of Research and Development, other program offices, the Committee on Environment and Public Works of the Senate and the Committee on Science, Space, and Technology of the House of Representatives. Reports containing the evaluation and recommendations of the Science Advisory Board shall be filed with such committees and the Administrator. The Administrator shall provide to such committees a written response to the evaluation and recommendations of the Science Advisory Board within 60 days after the report of the Science Advisory Board has been submitted.

(c) CONCURRENT SUBMISSION TO CONGRESS.—Any report required by law to be submitted by the Science Advisory Board to the Administrator shall be concurrently submitted to the Committee on Environment and Public Works of the Senate and the Committee on Science, Space, and Technology of the House of Representatives.

SEC. 7. AUTHORITY FOR PEER REVIEW.

In reviewing research, development, and demonstration grant, contract, and cooperative agreement applications, the Administrator shall enter into cooperative agreements to conduct appropriate scientific and professional reviews of such applications and may use research funds authorized by this Act for such cooperative agreements.

SEC. 8. REPEAL OF 5-YEAR RESEARCH REPORT REQUIREMENT.

(a) REPEAL.—Section 5 of the Environmental Research, Development, and Demonstration Authorization Act of 1976 is repealed.

(b) AMENDMENTS TO THE ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION AUTHORIZATION ACT OF 1978.—The Environmental Research, Development, and Demonstration Authorization Act of 1978 is amended—

(1) by striking section 4;

(2) at the end of section 7(a), by striking "including those defined in the five-year research plan";

(3) by striking section 8(c); and

(4) in section 9(a), by striking "The Administrator shall include" and all that follows through the end of the subsection.

SEC. 9. RESEARCH ACCOMPLISHMENTS REPORT.

The Administrator shall submit an annual report to the Committee on Environment and Public Works of the Senate and the Committee on Science, Space, and Technology of the House of Representatives describing the accomplishments of the research, development, and demonstration programs for which funds are authorized by this Act, and the significance of such accomplishments to the mission of the Environmental Protection Agency to protect public health and the environment. The first such report shall be submitted by not later than February 1993.

SEC. 10. RESEARCH ON INTERNATIONAL ENVIRONMENTAL PROBLEMS.

The Administrator is authorized to—

(1) conduct research on the nature and impacts of international environmental problems and how to respond to such problems; and

(2) provide technical and other assistance to foreign countries and international bodies to improve the quality of the environment.

SEC. 11. PESTICIDE RESEARCH.

(a) DEFINITIONS.—For the purposes of this section the term—

(1) "pesticide" shall have the same meaning as given such term under section 2(u) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136(u)); and

(2) "food" shall have the same meaning given such term under section 201(f) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(f)).

(b) PESTICIDE EXPOSURE MONITORING PROJECTS.—

(1) IN GENERAL.—(A) The Administrator shall develop and implement effective monitoring methodologies for measuring the level of pesticides in—

(i) ambient air;

(ii) groundwater;

(iii) soil;

(iv) food; and

(v) indoor air (in residential dwellings and in workplaces).

(B) In developing the methodologies described in subparagraph (A), the Administrator shall specify appropriate protocols for the effective implementation of the methodologies.

(C)(i) The Administrator shall give priority to representative pesticides—

(I) from a broad variety of chemical classifications; and

(II) that are representative of particular uses.

(ii) In selecting a sample of representative pesticides under this subsection, the Administrator shall give priority to any pesticide that is considered to pose a high level of risk to human health.

(2) ROUTES OF EXPOSURE.—(A) The Administrator shall assess routes of human exposure to pesticides.

(B) The Administrator shall address each route of exposure that the Administrator determines to be a potential route of exposure through one or more environmental media (as defined by the Administrator).

(C) The Administrator shall, to the extent practicable, include research relating to all known pesticide uses, and all individuals known to be exposed to pesticides through exposure—

(i) in the workplace;

(ii) in residential dwellings;

(iii) associated with recreational and sports activities (including golf); and

(iv) from food consumption.

(D) The Administrator shall give priority to the study of routes of exposure related to any pesticide with a chemical classification or use that is considered to pose a high level of risk to human health.

(3) AGRICULTURAL WORKERS.—The Administrator shall develop and implement monitoring methodologies to measure and assess the extent and effects of exposure to pesticides by agricultural workers. In developing the methodologies, the Administrator shall specify appropriate protocols for their effective implementation. Priority shall be given to chemicals, that, in the judgment of the Administrator, are considered to be associated with a high level of risk to human health.

(4) LAWN AND GARDEN PESTICIDES.—(A) The Administrator shall develop and implement effective monitoring methodologies to determine the level of human exposure to lawn and garden pesticides. The Administrator shall identify those populations that are most likely to be exposed to such pesticides, and shall assess the extent and effect of such exposure.

(B) The Administrator shall determine the following:

(i) The range in which residues of such pesticides travel from the site of initial application.

(ii) The extent to which each such pesticide is capable of penetrating homes and other buildings.

(iii) A range with respect to the period of time that each such pesticide persists on lawns and gardens and on other recreational areas, including athletic playing fields and golf courses, (calculated for variable climatic conditions and uses of the pesticide).

(iv) Other related information concerning potential routes of exposure that the Administrator determines to be appropriate.

(v) The average quantity of such pesticides used during a calendar year (calculated on the basis of application on a standardized area) on the following:

(I) Lawns.

(II) Gardens.

(III) Recreational and Sporting Areas.

(vi) An estimate of the total quantity of such pesticides used during a calendar year in this Nation.

(vii) An estimate of the percentage of the quantity described in clause (vi)—

(I) that is used for preventive purposes, in the absence of evidence of pest infestation;

(II) that is used unnecessarily;

(III) that is misused; and

(IV) that is likely to increase the resistance to the pesticide of the targeted pests.

(5) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit a copy of a written report to the appropriate committees of the Congress that summarizes the progress of the projects conducted under this subsection.

(c) PESTICIDE RESIDUE DEMONSTRATION PROJECT.—The Administrator shall conduct a demonstration project to develop and implement methodologies for measuring and assessing pesticide residues in food. In carrying out the demonstration project under this subsection, the Administrator shall assess the feasibility of establishing a program in the Environmental Protection Agency for the routine monitoring of pesticide residues in food that is ready for marketing.

(d) PESTICIDE DISTRIBUTION STUDY.—

(1) IN GENERAL.—The Administrator shall determine the extent and effects of pesticide contamination in air and in groundwater. In carrying out such research project, the Administrator shall, with respect to each pesticide studied—

(A) determine the range of the distance that residues of the pesticide travel from a site of initial application (calculated for variable climatic conditions);

(B) if used in agriculture, with respect to specific uses and methods of application of the pesticide, the quantity (expressed as a percentage) of pesticide that does not remain on the crop;

(C) the rate of fall out (as defined by the Administrator) with respect to a specific type of application of the pesticide;

(D) the rate of absorption and adsorption of the pesticide (if any) into soil; and

(E) the quantity of the pesticide that causes a threshold level of groundwater contamination (as determined by the Administrator).

(2) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Administrator shall submit a written report to the appropriate committees of the Congress that summarizes the progress of the research conducted under this subsection and subsection (c).

(e) HEALTH RISK ASSESSMENT.—

(1) IN GENERAL.—

(A) The Administrator shall study the acute and chronic health effects of exposure to pesticides (including any effects on development).

(B) The Administrator shall study the acute and chronic health effects resulting from exposure to cholinesterase inhibitors, including—

(i) the neurotoxic effects of such pesticides; and

(ii) other toxic effects of such pesticides, including any adverse effects on development and reproduction, and any other adverse systemic effects.

(C) The Administrator shall develop and implement methodologies for measuring and assessing the potential health effects on agricultural workers and consumers of agricultural products from exposure to chemical pesticides (as defined in section 201(q) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(q)).

(2) STUDY PRIORITY.—The Administrator shall initially study any pesticide (or active ingredient) described in this subsection with a chemical classification or use that is considered to pose a high level of risk to human health.

(f) EFFECTS OF LONG-TERM PESTICIDE USE.—

(1) IN GENERAL.—(A) The Administrator shall conduct field studies to assess the effects of exposure to pesticides introduced in the environment through long-term use. The Administrator shall study and assess the effects of pesticide exposure on organisms other than humans and organisms that are not target organisms (with respect to the intended uses of the pesticides) in the following types of ecosystems:

(i) Terrestrial ecosystems.

(ii) Marine and estuarine ecosystems.

(iii) Freshwater ecosystems.

(B) The Administrator shall initially study routes of exposure related to any pesticide with a chemical classification or use that is considered to pose a high level of risk to the organisms described in this subsection.

(2) BIOLOGICAL PESTICIDES.—The Administrator shall assess and monitor the impact of biological pesticides (as defined by the Administrator) on the environment.

(3) AIR QUALITY.—The Administrator shall assess and monitor the impact of pesticides on air quality.

(4) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit a written report to the appropriate committees of the Congress that summarizes the progress of the research conducted under this subsection and subsection (e).

(g) FUNDING LEVELS.—From the amounts authorized to be appropriated under section 2(a)(5), the following amounts shall be available for implementation of the research program authorized under this section:

(1) $9,000,000 for fiscal year 1992.

(2) $10,000,000 for fiscal year 1993.

(3) $12,000,000 for fiscal year 1994.

SEC. 12. CHEMICAL DISPOSAL AND CLEANUP.

(a) IMPROVED STORAGE METHODS.—The Administrator shall develop improved methods for chemical storage and disposal.

(b) REMEDIATION METHODS.—The Administrator shall develop methods to remediate chemical contamination in soil, groundwater, and other environmental media.

SEC. 13. HIGHER EDUCATION GRANT PROGRAM.

(a) IN GENERAL.—The Administrator shall establish a grant program to award grants to institutions of higher education in this Nation for the purpose of training graduate students in the field of environmental toxicology in studying disciplines in the field, including the study of the toxicological effects of environmental agents on humans and other animals in terrestrial, marine and estuarine, or freshwater ecosystems.

(b) APPLICATIONS.—The Administrator shall solicit applications for grants under this section from institutions of higher education in this Nation. The Administrator shall prescribe, by regulation, the form and content of the application.

(c) GRANT AWARDS.—The Administrator shall award grants to applicants with approved applications on the basis of the following criteria:

(1) The capability of the applicant institution to provide leadership in making contributions to disciplines in the field of environmental toxicology.

(2) The demonstrated capability of the applicant institution to conduct relevant research.

(3) The appropriateness of the projects proposed to be carried out by the applicant institution.

(4) The presence at the applicant institution of an interdisciplinary staff with demonstrated expertise in the field of environmental toxicology.

(5) The demonstrated ability of the applicant institution to disseminate results of relevant research and educational programs through an interdisciplinary continuing education program.

(6) Any other criteria that the Administrator determines to be appropriate.

(d) COOPERATIVE EFFORTS.—The Administrator shall, in addition to awarding grants to the institutions described in subsection (c), provide the following assistance to students in the field of environmental toxicology enrolled in programs at institutions of higher education that are grant recipients:

(1) Sponsor internships at laboratories managed by the Environmental Protection Agency, and administrative offices of the Agency.

(2) Allow and encourage staff members of the Environmental Protection Agency to hold seminars and lecture at the institutions of higher education.

(e) DURATION OF GRANT.—A grant issued under this subsection shall be for a period not to exceed 3 years. Upon termination of a grant, an institution of higher education may submit an application for a grant renewal for a comparable period.

SEC. 14. HEALTH EFFECTS OF ELECTRIC AND MAGNETIC FIELDS.

(a) ESTABLISHMENT OF RESEARCH PROGRAM.—The Administrator shall develop and implement a plan for a research program to increase understanding of the cancer and noncancer health effects of exposure to electric and magnetic fields. Such plan shall include means for coordination with related research programs at the Department of Energy and other Federal agencies and departments, as appropriate, and with related research efforts in the private sector. Such plan shall be submitted to Congress within 1 year after the date of enactment of this Act.

(b) FUNDING LEVELS.—From the sums authorized to be appropriated under section 2(a)(6), the following sums shall be available for planning and implementation of the research program authorized under this section:

(1) $2,000,000 for fiscal year 1992.

(2) $3,000,000 for fiscal year 1993.

(3) $3,000,000 for fiscal year 1994.

SEC. 15. NATIONAL ARID CLIMATE GROUNDWATER RESEARCH CENTER.

(a) SHORT TITLE.—This section may be cited as the "National Arid Climate Groundwater Research Center Act."

(b) DEFINITIONS.—As used in this section, the term—

(1) "Center" means the National Arid Climate Groundwater Research Center established by this section; and

(2) "Board" means the Board of Directors as established by this section.

(c) FINDINGS.—The Congress finds that—

(1) growing demands for groundwater in arid regions require further research to protect and monitor existing aquifers and to locate future aquifers;

(2) the protection of groundwater from contamination requires further research in monitoring and regulating the movement of potential contaminants;

(3) a variety of Federal, State, and private entities are conducting research in groundwater at various research centers throughout the Nation;

(4) Nevada is the most arid State in the Nation and, along with other western States, has experienced 5 years of drought;

(5) Nevada is the fastest growing State in the Nation, according to the 1990 Census;

(6) extensive groundwater research capabilities exist within Nevada; and

(7) utilization and enhancement of groundwater research at universities can be economical, lead to high-quality research, and further lead to the training of additional scientists and professionals to address critical groundwater issues.

(d) PURPOSE.—The purposes of this section are to—

(1) establish a National Arid Climate Groundwater Research Center within Nevada to promote and coordinate research in the availability, usage, management, and monitoring of groundwater;

(2) increase research in monitoring and regulating the movement and concentration of contaminants in groundwater; and

(3) coordinate groundwater research with other Federal departments and agencies, and

State and private agencies, institutions, and entities.

(e) ESTABLISHMENT OF CENTER.—(1) The Administrator, in consultation with the Governor of the State of Nevada, is authorized to take such action as may be necessary to establish, in the State of Nevada, the National Arid Climate Groundwater Research Center.

(2) The Center shall be under the control, jurisdiction, and direction of the Board.

(3) The Center shall be located at such place or places as the Administrator, after consultation with the Governor and the Board, shall designate.

(4) The Administrator of General Services is authorized, subject to the availability of funds, to assist the Administrator in providing necessary facilities for the purposes of this Act. In providing such facilities, the Administrator of General Services shall consult with the Governor of Nevada and the Board.

(5) The Administrator is authorized to enter into such agreements or other arrangements with the State of Nevada and other public and private agencies, institutions, or entities, as may be necessary to enable the Administrator to carry out the purposes of this section.

(f) BOARD OF DIRECTORS.—(1) There is established the National Arid Climate Groundwater Research Center Board of Directors.

(2) The Board shall be composed of eight members, selected by the Administrator as follows:

(A) one member designated by the Governor of the State of Nevada;

(B) one member designated by the Administrator;

(C) one member designated by the Director of the United States Geological Survey;

(D) one member designated by the Director of the Bureau of Reclamation;

(E) one member designated by the University of Nevada-Las Vegas;

(F) one member designated by the University of Nevada-Reno;

(G) one member designated by the Secretary of Energy; and

(H) one member designated by the Desert Research Institute.

(3) The member designated by the Governor of Nevada shall be Chairman.

(4) Members of the Board shall be appointed for a term of four years.

(5) Four members of the Board shall constitute a quorum, but a lesser number may conduct meetings.

(6) The first meeting of the Board shall be called by the Administrator and shall be held within 60 days after the date of enactment of this Act.

(7) A vacancy on the Board resulting from death or resignation by a member shall not affect its powers and shall be filled in the same manner in which the original appointment was made.

(g) DUTIES OF THE CENTER.—The Center shall—

(1) study and evaluate the availability, usage, and management of groundwater in arid regions;

(2) study and evaluate means of monitoring and regulating the movement and concentration of contaminants in groundwater;

(3) coordinate groundwater research with other Federal departments and agencies, and State and private agencies, institutions, and entities;

(4) encourage graduate and undergraduate education in hydrology and other professions and disciplines related to groundwater;

(5) provide a forum for consideration of issues involving the use and management of groundwater and the protection of groundwater from potential contaminants and, as appropriate, utilize citizens and special advisory councils; and

(6) make the work of the Center accessible to the public by holding public meetings, disseminating research results and other relevant information, establishing technology transfer programs, and other appropriate means.

(h) COMPENSATION.—Each member of the Board who is not otherwise employed by the United States Government shall receive compensation at a rate equal to the daily rate prescribed for GS-15 under the General Schedule contained in section 5332 of title 5, United States Code, including travel time, for each day he or she is engaged in the actual performance of his or her duties as a member of the Board. A member of the Board who is an officer or employee of the United States Government shall serve without additional compensation. All members of the Board shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

(i) POWERS AND ADMINISTRATIVE PROVISIONS.—(1) The Board is authorized to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(2) The Board is authorized to enter into agreements with the General Services Administration for procurement of necessary financial and administrative services, for which payment shall be made by reimbursement from funds of the Board in such amounts as may be agreed upon by the Chairman and the Administrator of General Services.

(3) The Board is authorized to procure supplies, services, and property, and make contracts in any fiscal year, only to such extent or in such amounts as are provided in appropriation Acts.

(4) The Board is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and agencies for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(5) The Board, or on the authorization of the Board, a member thereof, may, for the purpose of carrying out the provisions of this section, hold such hearings and sit and act at such times and places as the Board or such member deems advisable.

(6) The Board, or on the authorization of the Board, any member thereof, may, for the purpose of carrying out the provisions of this section, have such printing and binding done, enter into contracts and other arrangements to such extent or in such amounts as are provided in appropriation Acts, and make such expenditures as the Board or such member deems advisable.

(7) The Board may acquire directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, estimates, and statistics for the purpose of this section. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, estimates, and statistics directly to the Board, upon request by the Chairman.

(8) The Chairman of the Board is authorized to appoint, terminate, and fix the compensation, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, of an Executive Director and such additional personnel as the Chairman finds necessary to enable the Board to carry out its duties. The annual rate of compensation of the Executive Director may not exceed a rate equal to the rate provided for level V of the Executive Schedule under section 5316 of such title and the annual rate of compensation of all other personnel may not exceed a rate equal to the maximum rate for GS-15 of the General Schedule under section 5332 of such title.

(9) Upon request of the Board, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Board or to detail any of the personnel of such agency to the Board, on a reimbursable basis, to assist the Board in carrying out its duties under this section.

(10) The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(11) The Board may expend funds made available for purposes of this section for printing and binding, notwithstanding any other provision of law.

(j) REPORTS.—Not later than 1 year after the date of enactment of this Act, and thereafter upon the request of Congress, the Board shall prepare and transmit to the Congress, the President, and the Governor of the State of Nevada a report describing the findings and activities of the Board, together with any recommendations regarding specific actions necessary to be taken to enable the Center to carry out its mission under this section.

(k) AUTHORIZATION.—For carrying out this section, there is authorized to be appropriated for fiscal year 1992, and each fiscal year thereafter, $1,000,000.

SEC. 16. SOURCE REDUCTION RESEARCH AND DEVELOPMENT.

(a) DEFINITION.—(1) As used in this section, the term "source reduction" means any practice that—

(A) reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment (including fugitive emissions) prior to recycling, treatment, or disposal; and

(B) reduces the hazards to public health and the environment associated with the release of such substances, pollutants, or contaminants.

The term includes equipment or technology modifications, process or procedure modifications, reformulation or redesign of products, substitution of raw materials, and improvements in housekeeping, maintenance, training, or inventory control.

(2) The term "source reduction" does not include any practice that alters the physical, chemical, or biological characteristics or the volume of a hazardous substance, pollutant, or contaminant through a process or activity which itself is not integral to and necessary for the production of a product or the providing of a service.

(b) REQUEST FOR APPROPRIATIONS.—Beginning with the request for fiscal year 1993, the President's annual request for appropriations for the Environmental Protection Agency shall identify as a separate account, funding requested for source reduction research, development, and demonstration activities. Such request for appropriations shall be accompanied by a list of all source reduction research, development, and demonstration projects funded during the previous fiscal year, along with an estimate of the environmental benefits and cost savings derived from such projects.

(c) AUTHORITIES.—The Administrator is authorized to conduct source reduction research, development, and demonstration activities. Such activities may include:

(1) The identification and development of practices and processes to reduce the volume and toxicity of environmental contaminants entering any waste stream or released to land, air, or water. Such research may include source reduction practices and processes for use by households, commercial establishments, institutions, manufacturers, agricultural operations, energy exploration and development, and construction and demolition activities.

(2) The identification and development of practices and processes to redesign products or packaging materials to reduce or remove adverse impacts to human health and the environment.

(3) The identification of opportunities to remove social, economic, and institutional barriers to source reduction efforts.

(4) Grants to public or private entities for projects demonstrating new and innovative source reduction practices and processes. The Administrator may award grant funding pursuant to this paragraph in any manner he deems appropriate, provided that such grants are targeted toward projects with the potential to make a significant near-term contribution to source reduction, and that Federal funding is needed to ensure that these projects will take place. Such grants may not exceed 30 percent of the cost of any project funded pursuant to this section.

(d) FUNDING LEVELS.—From the sums authorized to be appropriated under section 2(a)(7), the following sums shall be available for implementation of this section:

(1) $10,000,000 for fiscal year 1992.

(2) $20,000,000 for fiscal year 1993.

(3) $30,000,000 for fiscal year 1994.

SEC. 17. RESEARCH ON INDOOR FOLIAGE.

(a) ESTABLISHMENT OF RESEARCH PROGRAM.—The Administrator, in consultation with the Administrator of the National Aeronautics and Space Administration, shall develop and conduct a research program on the use of indoor foliage as a means to reduce indoor air pollution. Such program shall include demonstration projects to assess the reductions in the levels of indoor air pollutants that result from the presence of indoor foliage.

(b) REPORT.—The Administrator, in consultation with the Administrator of the National Aeronautics and Space Administration, shall submit a report to the Committee on Environment and Public Works of the Senate and the Committee on Science, Space, and Technology of the House of Representatives on the research program authorized under subsection (a) within 2 years of enactment of this Act.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

SEC. 18. HAWAII VOLCANIC HAZE ENVIRONMENTAL STUDY.

(a) IN GENERAL.—The Administrator shall conduct a comprehensive study to determine the health risks, including the physiological, psychological and behavioral effects on humans associated with volcanic haze in the State of Hawaii, and in particular, on the Island of Hawaii. In conducting the research under this section, the Administrator shall identify populations at particular risk from exposure to environmental contaminants resulting from volcanic eruptions and characterize the influence of specific factors such as age, gender, geographical location, occupation, and socioeconomic conditions.

(b) CONTENTS OF STUDY.—The study described in subsection (a) shall include recommendations concerning—

(1) the prevention of adverse environmental health effects;

(2) public education efforts through community outreach to inform the public concerning the types of risks, the availability of health care resources, and the importance of early identification and treatment; and

(3) the development of programs concerning risk communication to the public.

(c) ADMINISTRATION.—In carrying out the objectives of this study, the Administrator is authorized to acquire the necessary monitoring equipment, and to enter into cooperative agreements or contracts with eligible applicants, including the following:

(1) The Hawaii State Department of Health.

(2) The Hawaii Lung Association.

(3) Other Federal, State and county agencies that the Administrator determines to be appropriate.

(d) REPORTS.—(1) Not later than 180 days after the date of the enactment of this Act, the Administrator shall submit to the Congress an interim report.

(2) Not later than 1 year after the date of the enactment of this Act, the Administrator shall submit to the Congress a final report that summarizes the findings of study and makes such recommendations as the Administrator determines to be appropriate.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the purposes of this section—

(1) for fiscal year 1992, an amount equal to $1,500,000, and

(2) for fiscal year 1993, such sums as may be necessary.

SECTION-BY-SECTION SUMMARY OF THE ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION AUTHORIZATION ACT OF 1991

Section 2. General Authorizations—Provides the Environmental Protection Agency (EPA) with authorizations of $525.4 million for fiscal year 1992, $576.9 million for fiscal year 1993, and $633.4 million for fiscal year 1994 for environmental research and development programs other than those authorized under Superfund.

Section 3. Core Research Program—Provides EPA with authority to conduct fundamental health, ecological, and risk reduction research. Creates an intra-agency task group representing each of the program offices to define and oversee this research. Allows EPA to award competitive grants to further the objectives of the core research program.

Section 4. Modernization Program—Requires EPA to upgrade its research equipment and facilities on a schedule consistent with the standards generally accepted by the scientific community as appropriate for conducting research.

Section 5. Technology Transfer and Information Exchange—Requires EPA to make scientific and technical information developed within the agency available to the public through technology transfer and information exchange.

Section 6. Science Advisory Board—Requires EPA's Science Advisory Board (SAB) to submit an annual report to Congress and the EPA Administrator evaluating the research program proposed in the budget submitted by the President. Authorizes periodic SAB evaluations of elements of the EPA research program, and requires that the EPA Administrator respond in writing to each evaluation.

Section 7. Authority for Peer Review—Allows EPA to enter into cooperative agreements to conduct scientific reviews of research grant and contract applications.

Section 8. Repeal of 5-Year Research Report Requirement—Removes the current provision of law requiring EPA to prepare a research outlook document during each 5-year period.

Section 9. Research Accomplishments Report—Requires EPA to submit an annual report on Congress describing the accomplishments of the agency's research programs during the previous year, including their significance to the EPA's mission to protect health and the environment.

Section 10. Research on International Environmental Problems—Authorizes EPA research on potential responses to international environmental problems, and allows EPA to provide technical assistance to foreign countries and international bodies.

Section 11. Pesticide Research—Requires EPA to monitor and evaluate the potential for human exposure to pesticides in groundwater, soil, food, and ambient and indoor air. For lawn and garden chemicals, EPA research must include an estimate of how much might be used inappropriately, the period of time that residues persist on lawns and gardens, and the range which residues travel from the site of application.

Requires EPA to evaluate the processes by which pesticides enter and persist in soil and groundwater, and how these chemicals affect non-target organisms. EPA research on human health must include the effects of pesticides on cholinesterase inhibitors.

Authorizes $9 million for fiscal year 1992, $10 million for fiscal year 1993, and $12 million for fiscal year 1994 for EPA's pesticide research programs.

Section 12. Chemical Disposal and Cleanup—Authorizes EPA research to develop improved methods of chemical storage, disposal, and remedial cleanup.

Section 13. Higher Education Grant Program—Provides authority for EPA grants and internships for graduate students in environmental toxicology.

Section 14. National Arid Climate Groundwater Research Center—Establishes a research center within the State of Nevada to study groundwater management in arid regions. Allows the center to coordinate research done by other entities and to encourage education in hydrology and other related fields. Provides an authorization for the center of $1 million for 1992 and for every fiscal year thereafter.

Section 15. Source Reduction Research and Development—Requires EPA to identify funding requested for source reduction research as a separate account within the annual budget of the President. Authorizes EPA research to develop practices and processes to reduce the volume and toxicity of environmental contaminants entering any waste stream or released to land, air or water. Allows the EPA to make grants to public or private entities for up to 30 percent of the cost of projects demonstrating new and innovative source reduction practices and processes. Provides authorization for this research of $10 million for fiscal year 1992, $20 million for fiscal year 1993, and $30 million for fiscal year 1994.

Section 16. Research on Indoor Foliage—Requires EPA, in cooperation with the National Aeronautics and Space Administration, to conduct research on the use of indoor foliage to reduce indoor air pollution.

Authorizes such funding as may be necessary to conduct this research.

Section 17. Hawaii Volcanic Haze Environmental Study—Requires EPA to evaluate and develop the means to prevent health risks associated with volcanic haze in the state of Hawaii. Authorizes $1.5 million for fiscal year 1992 and such funding as may be necessary for fiscal year 1993 to conduct this research.

Mr. LIEBERMAN. Mr. President, today Senator REID and I are introducing the Environmental Research, Development, and Demonstration Authorization Act of 1991. This legislation authorizes funds for environmental research and development for fiscal years 1992–94. These appropriations are critical to the Environmental Protection Agency's ability to support research for the regulatory needs of its various program offices. In addition, this legislation endorses a core research program in the areas of health, ecology, and risk reduction in order to enable the Agency to develop a long-term agenda to identify, evaluate, and alleviate the highest priority environmental risks. To ensure a balanced and diverse core research program, the bill establishes an intra-agency Research Strategy Council that will oversee the program and includes a review of the program by the Agency's Science Advisory Board. This process should assist the Agency in becoming "proactive," rather than "reactive," in setting priorities for reducing environmental risks based on the most cost-effective options for risk reduction and using its limited resources to obtain the broadest reductions in risk to human health and our natural ecosystems. This process will also encourage integrated efforts across program offices to address environmental problems that cross media, sources, or economic boundaries.

The legislation also requires EPA to establish a modernization program that would, among other things, require development of a plan for attracting and retaining qualified scientists, engineers, and other personnel. Recruiting well-qualified personnel, retaining them, and making better use of the existing wealth of expertise across the Agency will strengthen EPA's research program and assessments and give greater credibility to its outputs.

The legislation specifically identifies the need for additional research into the health effects of electromagnetic fields. In the past, the Agency has focused only on the risk of cancer to the exclusion of other potential health effects. This legislation requires the Agency to develop a research agenda not only for cancer but also for noncancer effects, such as developmental, reproductive, and neurologic effects.

I am pleased that this bill will continue important research on the use of indoor plants as a means to reduce indoor air pollution. Initial research, funded in part by the National Aeronautics and Space Administration, indicates that indoor plants can provide a natural and inexpensive way to address the "sick building" syndrome. Indoor air pollution is believed to be a significant factor in the rising cost of employee illness, costing over $1 billion in medical bills and more than $5 billion in sick leave and reduced productivity. At a time when employers are struggling to combat skyrocketing health care costs, the news that the introduction of plants to the workplace could significantly improve the health of the American worker and save millions in medical bills is most welcome.

I am most interested in the section of the legislation that specifies the need for research in the area of pesticides. During the last several years, it has come to my attention that although pesticides are applied frequently and abundantly to our crops, our lawns, and our buildings, there are significant data gaps regarding their use. The Toxic Substances, Environmental Oversight, Research and Development Subcommittee of the Committee on Environment and Public Works has, within the last few years, held a number of hearings on pesticides, in general, as well as specifically those used in lawn care products. Through our discussions at these hearings it has become apparent that little information is available regarding the amount of pesticides applied, their frequency of use, the extent of pesticide migration into our environment following application, the exposure levels to agricultural workers, lawn care chemical applicators, and the general population, and the extent to which pesticides are misused.

Recent hearings in both the Senate and House on food safety have identified the fact that there are significant data gaps regarding the levels of pesticides consumed by Americans, particularly subpopulations that represent a variety of eating habits, including those of children. Many pesticides are toxic to their target by inhibiting cholinesterase, an enzyme necessary for normal neurological function. These same pesticides can also inhibit cholinesterase in humans and pets. However, little is known about the long-term effects of cholinesterase inhibition and its potential impact on other organ systems.

There have been a number of isolated studies that have evaluated the health effects of pesticide exposure to agricultural workers. However, a more comprehensive evaluation is needed. This bill would require that EPA conduct the research that is needed to fill in all of these data gaps. This research is vital to ensuring that the Agency has the necessary information to conduct state-of-the-art risk assessments regarding the health and environmental effects of pesticides and, thereby, ensuring that the American public and our environment is adequately protected from the potential adverse effects of pesticides.

I look forward to working with Senator REID and our colleagues in the Senate to help pass this legislation to enable the EPA to develop and implement a sound, scientific, integrated, research agenda, the results of which will ultimately lead to the identification of the best methods for reduction of the greatest environmental risks for the American people and our ecosystems.

By Mr. MITCHELL:

S. 1656. A bill to amend the Internal Revenue Code of 1986 to clarify the excise tax provisions relating to transportation by water; to the Committee on Finance.

INTERNATIONAL DEPARTURE TAX ON SHIP PASSENGERS

Mr. MITCHELL. Mr. President, I am introducing legislation today that would address a problem with the implementation of a section in the Internal Revenue Code that imposes a $3 departure tax on ship passengers. That provision was intended to apply to passengers on cruise ships and gambling voyages. The language of the statute reaches further, however, and the Internal Revenue Service interprets the law to apply to a broader class of passenger ship traffic, including ferry services that operate between the United States and Canada.

Section 4471 of the Internal Revenue Code, the ship passengers international departure tax, was added to the Internal Revenue Code in the Omnibus Reconciliation Act of 1989. The provision originated in the Senate Commerce Committee as a means of that committee fulfilling its reconciliation instructions. The tax writing committees assumed jurisdiction once it became clear that the provision was more in the nature of a tax than a fee. The fee, as envisioned by the Commerce Committee, was intended to apply to overnight passenger cruises and to gambling boats providing gambling entertainment to passengers outside the jurisdiction of the port of departure.

Unfortunately, the statutory language of the 1989 act was not drafted in accordance with the intent of Congress. As a result, the tax appears to apply to three commercial ferry operations traveling between Maine and Nova Scotia and Seattle and Vancouver. The Maine ferries carry commercial and passenger vehicles to Nova Scotia in the warmer months as a more direct means of transportation between Maine and eastern Canada. As such they are an extension of the highway system, carrying commercial traffic and vacationers. The lengths of the voyages are approximately 11 hours and almost all passengers traveling on the outbound voyages do not return on the inbound voyages of the two ferries.

Because the trips are of some length, the ferries provide entertainment for the passengers, including some gaming tables that bring in minimal income.

This is not a voyage for the purpose of gambling and the great majority of the passengers, including children, do not gamble. Clearly, these ferries are not the kind of overnight passenger cruises or gambling boats intended to be covered by the law. However, the IRS, in proposed regulations, is interpreting the statute to apply this tax to ferries.

The statute establishes a dual test for determining if the tax applies. First, the tax applies to voyages of passenger vessels which extend over more than one night. As a factual matter, the Maine ferries do not travel over more than one night but the IRS interprets that they do because it takes into account both the outward and inward voyage of the vessel. The IRS considers both portions of the trip to be one voyage even though virtually no passengers are the same.

Second, the tax applies to commercial vessels transporting passengers engaged in gambling. Although the intent was to apply the tax to gambling boats, the wording of the statute applies to all passengers on vessels that carry any passengers who engage in gambling, no matter how minor that gambling. That interpretation subjects the Maine ferries to the tax because they earn a minimal amount of income from providing gambling entertainment to some passengers.

The legislation I am introducing clarifies the statute in two ways. First, the inward and outward bound trip of a passenger vessel would not be considered one voyage if no more than 50 percent of the passengers complete both portions of the voyage. Second, the tax would apply not to vessels with any passengers engaged in gambling, but to vessels which are gambling voyages. A gambling voyage would be a vessel where at least 10 percent of the gross proceeds of the voyage are derived from gambling.

This legislation is not intended to give a special break to a certain class of passenger ships. It is instead intended to clarify the statute so that it achieves its original intent: To tax passengers on cruise ships and gambling voyages, not passengers on ferryboats.

I ask unanimous consent that a copy of the introduced legislation be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1656

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COVERED VOYAGE.

(a) GAMBLING VOYAGE.—Clause (ii) of section 4472(1)(A) of the Internal Revenue Code of 1986 (defining covered voyage) is amended to read as follows:

"(ii) a commercial vessel on which gambling is conducted beyond the territorial waters of the United States, if more than 10 percent of the gross proceeds of such voyage are derived from such gambling,".

(b) EXCEPTION FOR CERTAIN VOYAGES.—Section 4472(a)(B) of such Code is amended to read as follows:

"(B) EXCEPTIONS FOR CERTAIN VOYAGES ON PASSENGER VESSELS.—The term 'covered voyage' shall not include—

"(i) any voyage of less than 12 hours between 2 ports in the United States, or

"(ii) any voyage if no more than 50 percent of the passengers complete both the outbound and inbound portions of the voyage."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to voyages beginning after December 31, 1991.

By Mr. KOHL:

S. 1657. A bill for the relief of the Menominee Indian Tribe of Wisconsin; to the Committee on the Judiciary.

RELIEF OF MENOMINEE INDIAN TRIBE OF WISCONSIN

• Mr. KOHL. Mr. President, today I am introducing legislation that would provide to the Menominee Indian Tribe of Wisconsin an opportunity for which it has long waited.

Specifically, this bill gives the tribe an opportunity to be heard in the U.S. Claims Court on the merits of a series of claims against the United States resulting from enactment of the Menominee Termination Act of June 13, 1954, and the Government's mismanagement of Menominee assets held in trust by the United States prior to April 30, 1965, when the termination of Government supervision of the Menominee Tribe and reservation became effective.

The bill I am introducing merely sets out the claims of the tribe. It is accompanied by a Senate resolution which, on enactment, will refer this bill to the chief judge of the U.S. Claims Court for judicial determination of facts for congressional use in deciding whether these claims merit legislative relief.

Although this referral passed in the Judiciary Committee in the 101st Congress, that Congress adjourned sine die before action could be completed on the resolution.

As a member of the Judiciary Committee and of the Courts and Administrative Practices Subcommittee to which this legislation will be referred, I'm looking forward to the opportunity of bringing its merits to the consideration of my colleagues.

While adoption of this resolution will send a series of seven claims to the claims court for evaluation, I want to emphasize that the court has no jurisdiction to award money damages for these claims, and that Congress is not obligated to follow the recommendations of the court, though it has often done so.

Mr. President, the congressional reference procedure is recognized by sections 1492 and 2509 of title 28 of the United States Code. It is designed so that the court may examine claims against the United States based on negligence or fault, or based on less than fair and honorable dealings, regardless of technical defenses that the United States may otherwise assert, especially the statute of limitations.

The Menominee Tribe has seven related claims which appear to fit exactly into this mold. These are:

First, that the Menominee forest, held in trust from 1951 to 1961, was seriously undercut, and that the BIA, which knew that additional cutting was required, breached its trust by failing to advise Congress of the need to raise the statutory ceiling from 20 million board feet annually;

Second, that the BIA, in carrying out its trust duties in the management of the tribe's mill, negligently failed to replace wornout equipment and make necessary changes in plant design and procedures;

Third, that the Federal Government breached its duty to the tribe by negotiating a right-of-way agreement with the Wisconsin Power & Light Co. that was unfair and discriminatory;

Fourth, that the Government failed to maintain and operate properly water and sewage facilities on the reservation, to the damage of the tribe;

Fifth, that the Government mismanaged tribal funds;

Sixth, that the Termination Act breached the trust by subjecting the tribal forest to State management restrictions to the detriment of the tribe's interests; and

Seventh, that the Termination Act unfairly deprived the tribe of its exemption from State taxation guaranteed by its treaty with the Federal Government.

In summary, the tribe charges that it and its members suffered grievous economic loss from BIA mismanagement of its resources and through legislative termination of its rights.

The tribe initially filed suit on these claims, and though it obtained favorable trial court judgments on them, an appellate court, in 1984, dismissed the suit on technical grounds without disturbing the factual findings which essentially upheld the tribe's position.

While the now-defunct Indian Claims Commission specifically had jurisdiction to hear claims based on less than fair and honorable dealing, these claims accrued after the time for filing of such claims before the Commission expired. The grant of jurisdiction to the Court of Claims, and now to the claims court, does not include jurisdiction to hear claims based on less than fair and honorable dealing.

In holding certain of the claims were time barred, the Court of Appeals made an unusually strict interpretation of the statute. It held that the statute of limitations continued to tick throughout the 1950's even as to claims the tribe was unaware of. *Menominee Tribe of Indians* v. *United States*, 726 F.2d 718, 721 (1984).

However, during the period after the Termination Act of 1954, when the claims could have been filed in a timely fashion, the Menominee faced circumstances that were adverse in the extreme. While on the one hand desperately seeking to avert or delay termination, they tried on the other hand to carry out the statutory plan as best they could.

Congress has long since acknowledged that the Menominee Termination Act was a tragic error which brought the Menominee Tribe to the brink of economic, social, and cultural disaster. In 1973, the tribe was restored to Federal recognition and tribal status by action of the Congress. But the damages the tribe suffered under termination are yet to be redressed.

Mr. President, adoption of this resolution will permit the claims court to adjudicate these claims on their merits and make appropriate recommendations to Congress in the interests of justice.•

By Mr. NICKLES:

S. 1658. A bill to require the Secretary of Labor, with respect to contracts convering federally financed and assisted construction, and labor standards provisions applicable to nonconstruction contracts subject to the Contract Work Hours and Safety Standards Act, to ensure that helpers are treated equitably, and for other purposes; to the Committee on Labor and Human Resources.

CODIFICATION OF HELPER REGULATIONS

• Mr. NICKLES. Mr. President, I rise today to introduce legislation which will save the Federal Government $2 billion in construction labor costs over the next 5 years. This bill requires the Secretary of Labor to ensure the use of semiskilled helpers in areas where their use is a prevailing practice in the area.

My bill would provide increased job opportunities for minorities, women, and entry-level workers and encourage their use in a manner which provides training. In other words, this bill allows somebody who might not ordinarily have the chance the opportunity to enter the work force, the opportunity to learn a trade, and the opportunity to climb the economic ladder.

My bill would bring the wage scales up to date with current widespread industry practice. In the 1930's, the use of helpers was nonexistent in the construction industry. Today, the practice is almost universal, except in Federal contracts. The use and employment of helpers under a Federal contract would only be permitted when their use is the prevailing practice in the area. There would also be limits placed on the use of helpers. Two semiskilled helpers for every three skilled workers would be used on any job site to prevent abuses of the helper classification.

Since 1982, the Department of Labor has attempted to implement regulations regarding helpers. These regulations have been examined through extensive litigation. All the issues that were challenged with these regulations have been fully reviewed and decided upon. The courts have stated that the Secretary of Labor has the power and the right to administer regulations that recognize and allow the use of semiskilled helpers on Federal construction.

Mr. President, the simple fact is this legislation would allow the Secretary of Labor to implement a policy, which has been court tested for its consistency with the law, will save the taxpayers nearly $2 billion over 5 years in Federal construction costs. We will provide increased job opportunities for many entry-level workers. And we will update outmoded practices under helper and apprenticeship programs to more accurately reflect widespread industry practices.•

By Mr. BRADLEY:

S. 1659. A bill to expand eligibility for Pell grants and to increase the maximum amount of a Pell grant award; to the Committee on Labor and Human Resources.

HIGHER EDUCATION GRANT EXPANSION AND FAIRNESS ACT

• Mr. BRADLEY. Mr. President, access to a higher education is slipping further and further out of reach for all but the richest families in America. As I pointed out last week in introducing the self-reliance scholarship plan, middle-income families do not have access to grants and need a better way to meet skyrocketing tuitions. But low-income families, while they may qualify for small grants in theory, are also losing ground rapidly in the pursuit of the education they need to get ahead in America. There have been no winners in the college game since 1981. the poor and the middle class have both been losing.

The most valuable source of assistance for able students trying to hurdle the barrier of family income and make it into college has been Pell grants. I rise to introduce a bill to expand Pell grants to meet the real cost of going to college today, and to expand eligibility, rather than cutting needy students out of the program.

In 1980, the average Pell grant was about $880, and covered more than a quarter of the cost of a year at a 4-year public institution. Now the average Pell grant, $1,410, covers barely a fifth of a year at college. As family incomes stagnated and college costs rose, that aid became more and more essential.

The Bush administration claims to have come up with a solution to this problem. They proposed to increase the maximum amount of the Pell grant, while changing the eligibility formula, supposedly to concentrate the grants on students from families that earn less than $10,000 a year. Increasing our national investment in education, opening the doors of college to more kids instead of fewer, was apparently not an option they were willing to consider.

The Bush proposal would eliminate Pell grants for 404,000 students. And the fact is that most of those students are not from middle-income families. For all the talk about concentrating benefits on the poorest poor, 40 percent of the Pell grant recipients cut off would come from families making less than $10,000. That's according to the Department of Education's own estimates. Of the students cut off from aid 73 percent would be from families making less than $20,000. If the Bush proposal did just what they say it does, it would be bad enough. Cutting eligibility is not the way to increase the amount of Pell grants. No one is getting a Pell grant who doesn't need it. But because the Bush proposal cuts off even the neediest students, it is the very opposite of what we need to do.

My bill would expand the maximum Pell grant to $4,000 from the current authorized maximum of $3,100, bringing it in line with the real cost of college. And it would increase the minimum grant to $400 from $200. To keep up with education costs in the future, it would index both the maximum and the minimum Pell grant to inflation.

Instead of cutting students off, this bill would increase eligibility to the many families that are now declared ineligible because they own a home. Many low-income families are fortunate enough to own a home. Often it is the only thing they own. Owning a home should not be a barrier to receiving the help that will make a college education possible. My bill would remove the value of nonliquid assets— a home or a family farm—from the needs test for Pell grant eligibility. Aid should be based on the ability to pay for college, and low- and moderate-income families need help whether they happen to own a home or not.

My bill would further expand eligibility to students attending school less than halftime. Education is a lifetime activity. As the American economy shifts toward jobs that are based on information and require high skills, many young people and adults are working hard to upgrade their education. They don't get much help anywhere they turn. This bill would stand behind those students in their efforts to acquire the skills they need, and that our economy needs to remain competitive.

Improving American education means holding our students to the highest standards, but I believe that as we demand more, we must promise more. We have to promise that if you work hard, if you demonstrate ability, if you meet our high educational standards and can get into college, you'll be able to go. Pell grants have made that promise real for millions of young Americans since 1973, and by updating the program to offer realistic grants to more needy students, we can make that promise real for millions more. Our Nation's future will depend on them.

I ask unanimous consent to insert a short summary of this bill in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

BILL SUMMARY OF THE HIGHER EDUCATION GRANT EXPANSION AND FAIRNESS ACT

The Higher Education Grant Expansion and Fairness Act would reverse the trend of the 1980's which significantly reduced the purchasing power of the Pell grants. The bill would increase funding for Pell grants by $1.5 billion, or approximately one-third. More students would be eligible for aid, and each student would receive more aid.

GRANT SIZE

This bill would increase the maximum grant to $4,000. Currently, the authorized maximum is $3,100. The minimum grant would be raised from $200 to $400. Both the maximum and minimum grant would be indexed for inflation to prevent the erosion in purchasing power which we witnessed in the 1980's.

ELIGIBILITY

Eligibility would be significantly increased as the value of a family's house or farm would no longer be used in the calculation of a family's ability to contribute. Unlike the administration's proposal which would remove 400,000 students from eligibility, this proposal would actually increase eligibility by several hundreds of thousands. The bill would also extend eligibility to students who are attending school less than half-time.•

By Mr. JOHNSTON (by request):

S. 1660. A bill to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes; to the Committee on Energy and Natural Resources.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION AUTHORIZATION ACT

• Mr. JOHNSTON. Mr. President, pursuant to an executive communication referred to the Committee on Energy and Natural Resources, at the request of the Pennsylvania Avenue Development Corporation, I send to the desk a bill to amend the Pennsylvania Avenue Development Corporation. Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Pennsylvania Avenue Development Corporation, and I ask unanimous consent that the bill and the executive communication which accompanied the proposal be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1660

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 17(a) of the Pennsylvania Avenue Development Corporation Act of 1972 (86 Stat. 1266, 40 U.S.C. 871, as amended), is amended to delete all that follows "1991;" and insert in lieu thereof the following: "$2,807,000 for the fiscal year 1992 and such sums as may be necessary for fiscal years 1993, and 1994."

PENNSYLVANIA AVENUE
DEVELOPMENT CORPORATION,
Washington, DC, June 12, 1991.

The PRESIDENT OF THE SENATE,
U.S. Senate, Washington, DC.

DEAR MR. PRESIDENT: Additional legislative authorization is required to support the budget for the Pennsylvania Avenue Development Corporation's salaries and expenses account as presented in the President's Budget for fiscal year 1992. Authorization is also needed for fiscal years 1993 and 1994.

The Office of Management and Budget has advised us that there is no objection from the standpoint of the administration's program to the submission of this draft legislation to the Congress, and that its enactment would be in accord with the President's program. Thank you.

Sincerely yours,
RICHARD A. HAUSER,
Chairman.•

By Mr. KOHL:

S. 1661. A bill to simplify the tariff clarification of certain plastic flat goods; to the Committee on Finance.

ADJUSTMENT OF HARMONIZED TARIFF SCHEDULE

• Mr. KOHL. Mr. President, I offer legislation today which will make a needed minor adjustment to the Harmonized Tariff Schedule [HTS]. This legislation is necessary due to a recent reversal of long-standing U.S. Customs Service precedent and common commercial understanding. The result of this action will have a devastating impact on an important domestic industry.

The bill deals with flat goods of plastic sheeting, a category which includes items which are normally carried in a handbag or in the pocket, such as wallets, credit card holders, key cases, eye glass holders, et cetera. While the flat goods industry is not well-known to many, it has a very large commercial value. Importers in 1990 of all flat goods totalled over $235 million, while the Department of Commerce estimated the value of our domestic shipments to be $468 million.

The consequence of an unfortunate administrative action has been a reduction of the duty of plastic flat goods of more than 70 percent. The amount of imports of flat goods potentially affected by this large duty reduction—$63 million—is huge in relation to the shipments of the domestic industry that is competing with these imports, which were $93 million according to the most recent data. Congress had no such intent when it put the HTS into existence, and this bill is essential to restore fairness to the market. I would like to highlight some of the important background information essential to understand this complex matter.

The current HTS, like the Tariff Schedules of the United States [TSUS] before it, contains two breakouts for flat goods of plastic sheeting. The first is flat goods of "reinforced or laminated plastics," and the second is for all "other" flat goods of plastic sheeting. Long-standing and accepted classification of flat goods of reinforced or laminated plastics was clearly guided by a specific definition that had always been part of the TSUS. This definition reflected the fact that the market for goods of reinforced or laminated plastics is small, and that it is a specialty-type of manufacturing process. The 1990 import data provide evidence of this fact: Imports of flat goods of reinforced or laminated plastics were $1.6 million, whereas imports of all other plastic flat goods were $63.4 million. It should be noted that the duty placed on these specialty items was much lower than that placed on other plastic flat goods.

When the HTS went into effect in 1989, there arose disputes between the U.S. Customs Service and importers regarding the classification of certain flat goods. These disputes arose simply because the HTS inadvertently omitted the definition of reinforced or laminated plastics.

The omission of the definition was an oversight that occurred as part of efforts by the U.S. International Trade Commission [ITC] to use the conversion to the HTS as a way to simplify the U.S. tariff schedules. The ITC had proposed merging these two plastic flat goods categories into one. This made the definition of reinforced or laminated plastics unnecessary. In the final HTS, however, the two separate categories remained, but the definition was not reinserted.

Until April 1991, Customs continued to classify imported plastic leather goods under the categories as they had always been understood. But because the definition of the term used to define the lower duty category had been omitted from the HTS, an importer decided to challenge the Customs Service classification. As a result, the Customs Service was forced to reverse the way it customarily classified such goods. Now many of the flat goods which historically entered under the other plastic category will now be entered under the reinforced or laminated category, which carries a much lower duty rate.

The negative impact on our domestic industry will be tremendous. To get some idea of the magnitude of the problem, we need to realize that imports currently make up 45 percent of the whole market. In 1990, fully 47 percent of the quantity of all flat goods imports of all kinds—leather, plastic, and textiles—entered under this other plastic category. To reduce the duty on that large a segment of the import market so dramatically—as will now occur—is unjustified and dangerous. It would put in effect, by administrative fiat, a massive duty reduction that is supposed to be done only by an act of Congress. In fact, no such tariff reduction is even being offered by the United States on these imports in the Uruguay round tariff negotiations, which is the only proper channel for such tariff actions.

To be explicit, the duty on what had formally been understood to be a minor, specialty market is 5.8 percent. The duty on the other category, which formally made up the bulk of flat plastic goods is 20 percent. To suddenly allow the vast majority of imports to enter at the lower duty rate will devastate our domestic industry.

This bill will correct the mistake made when the definition of reinforced or laminated plastics was left out when we moved to the HTS, and thereby restore the original intent behind the HTS. The bill will replace the two current breakouts with a single provision that would encompass all flat goods of plastic sheeting and establish a single duty rate.

This merging of the categories, as already mentioned, is not a new idea. It was specifically called for in the first draft versions of the HTS, but was, for unknown reasons, not maintained in the final version. One advantage of this approach is that, with this simplification of the HTS, it will eliminate the need for Customs to determine which of the two breakouts should be used to classify imported plastic flat goods. The other obvious advantage is that it will fairly restore the equilibrium to the market which had always existed.

The bill is also fair, in that it calls for the establishment of an average duty based on relative volume of trade in the two HTS items in 1990. This results in a slightly lower duty for the merged category than was originally proposed by the ITC. The ITC in its original merging had placed the duty at 20 percent, or the rate in effect on the overwhelming amount of trade in the two categories. The bill's average duty approach, which is one also used by the ITC in numerous cases, provides for an equitable and fair new duty based on actual trade flows. This method is consistent with methods used in similar mergings in the conversion from the TSUS to the HTS.

Mr. President, this bill is a reasonable approach to solve an important and complex problem. It is fair and it is needed. I urge the Senate to act swiftly on it.

I ask unanimous consent that the text of the bill be printed immediately following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1661

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN PLASTIC FLAT GOODS.

Chapter 42 of the Harmonized Tariff Schedule of the United States is amended by striking out subheadings 4202.32.10 and 4202.32.20 and inserting the following new subheading with the article description having the same degree of indentation as the article description in subheading 4202.31.60

"4202.32.15	With outer surface of plastic sheeting	19.7%	Free (A,E,IL) 13.8% (CA).	45.1%"

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.●

By Mr. GORTON:

S. 1662. A bill to require the revision of the management plans for certain Federal lands withdrawn from the public domain to implement an alternative management strategy; to the Committee on Energy and Natural Resources.

HIGH QUALITY FORESTS ACT

Mr. GORTON. Mr. President, I rise today to introduce the High Quality Forests Act. This legislation will distribute the impacts of spotted owl restrictions more evenly across the forests of the Pacific Northwest. Currently, those restrictions impact more heavily on the forests in the northernmost reaches of the region and that means western Washington. Although I continue to work for a predictable regional timber supply, and one that will give Northwest communities sustainability, any regional level will not, without high quality forestry, address the low-harvest levels at the local level in western Washington.

For instance, the traditional, annual harvest from the Olympic National Forest has been well over 200 million board feet and normally closer to 250 million board feet of timber. Communities that rely on the Olympic National Forest will be lucky if they get 5 million board feet this year. A reduction to 2 percent of the traditional harvest level will leave timber towns on the Olympic Peninsula as nothing more than ghost towns. These communities should not bear the burden disproportionately.

The High Quality Forests Act provides that the three western Washington forests are to be managed on "timber harvest rotations of from between 150 and 200 years." Current management principles apply harvest cycles that vary from between 75 and 100 years. This legislation will also require periodic thinning, intermediate harvests, and shelterwood and seed tree regeneration cut systems. Under the high quality scheme that I propose today, Mr. President, we can actually grow spotted owl habitat.

In addition to providing high quality owl habitat, this management scheme will provide high quality timber, high quality watersheds, and high quality recreation. Most important, high quality forestry will provide high quality human habitat. Timber-based communities in the Northwest will survive, as will valuable forest systems in the Northwest.

For too many people, Mr. President, the only solution to the timber supply crisis is strict preservation—to lock up the forests forever and never allow responsible management of the lands. This proposal is unique in that it allows the forest management agencies to manage forests for the furtherance of ecologic, as well as economic, objectives.

By introducing this legislation today I join with Congressman AL SWIFT, who sponsored this legislation in the House, and with the bill's cosponsors in the House, Representatives CHANDLER, DICKS, and UNSOELD. I also join with the Northwest Independent Forest Manufacturers and the leadership of their President, Gus Kuehne. Gus has worked very hard to develop the principles of high quality forestry and I hope that the Senate recognizes the value of those principles and passes them into law.

Thank you, Mr. President.

I ask unanimous consent that a copy of this bill and the attached letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1662

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "High Quality Forests Act".

SEC. 1. MANAGEMENT STRATEGY REQUIRED.—Notwithstanding any other provision of law, the management plans for those federal lands in the State of Washington withdrawn from the public domain by a Proclamation of February 22, 1897 (29 Stat. 901), a Proclamation of February 22, 1897 (29 Stat. 904), Executive Order 824 (June 18, 1908), and Executive Order 820 (June 18, 1908) shall be amended to require that land identified as suitable for timber production are managed pursuant to a management strategy that—

(a) establishes timber harvest rotations of between 150 and 200 years;

(b) requires the use of shelterwood and seed tree regeneration cut systems unless other silviculture systems are found optimal;

(c) adjusts crown closure through establishment of periodic thinning and intermediate harvest to enhance habitats for species dependent on old growth forests while maintaining a high level timber production; and

(d) provides that no lands shall be removed from the land base as old growth reserves or reserves for old growth-dependent species for at least 20 years to allow sufficient time to test this innovative management strategy.

SEC. 2. REVISION OF MANAGEMENT PLANS.—Not later than 3 years after enactment of this Act, the applicable land and resource management plans for lands referred to in

Section 1 shall be revised pursuant to applicable law to conform to the management strategy required by subsection (a).

U.S. DEPARTMENT OF AGRICULTURE,
Washington, DC, July 19, 1991.

Hon. SLADE GORTON,
U.S. Senate, Washington, DC.

DEAR SENATOR GORTON: Thank you for your letter of May 20, 1991, requesting a detailed evaluation of the proposal "High Quality Forestry Alternative for Management of the Olympic and Mt. Baker-Snoqualmie National Forests" presented to you by Northwest Independent Forest Manufacturers [NIFM]. The proposal suggests an alternative to the current practice of setting aside areas to meed the habitat requirements of various old-growth dependent species, such as spotted owls, and managing only the remaining areas for timber production. Under the NIFM proposal, all forest areas would be kept in the timber production base. The utility of the areas as habitat would be maintained by managing the forest on long rotations and by using alternatives to clearcutting to the extent feasible.

We believe there is merit to the proposal. Managing forests on long rotations means that a greater proportion of the forest will be in mature stands at all times. Thus, the habitat for species dependent on older forest conditions will be increased. Also, the proportion of a forest which would be harvested in any decade would be decreased so other environmental concerns, such as water quality, would be mitigated. Under the Forest Land Management Plans which have recently been approved in Oregon and Washington, about 20 percent of the area is now managed on such long rotations.

A key question in evaluating the proposal is whether timber harvesting could be planned on all land suitable for timber production, or whether some lands would still be allocated for uses which would preclude any harvest. For example, during the development of current Forest Land Management Plans, there was strong public interest in managing some areas for nonroaded dispersed recreation. While the reduction in management activity associated with longer rotations might make timber harvesting in these areas more acceptable, we expect that there would still be substantial interest in excluding harvesting activities to maintain the natural environment of these areas.

Traditional applications of shelterwood and seed tree regeneration systems which provide for removal of residual trees once a new stand is established would probably not meet all old-growth habitat requirements, even with snags and down material retained. Research suggests that retaining vertical and size structure is also necessary. This means retaining some green trees from the old stand to give structure to the new stand, along the lines of Jerry Franklin's "New Forestry." To the extent such large trees are left, there will be a reduction in harvest volume.

Our Portland office has done some analysis of the impact of managing all suitable lands on extended rotations. On the several forests analyzed, the calculated harvest levels, based on extended rotations, were below harvest levels set in current plans, adjusted for the Interagency Scientific Committee recommendations. In other words, expanding the land base did not offset the effects of extending the rotations.

The work that was done was based primarily on Forests in the Cascades of Oregon and on 250-year rotations. We will take a more specific look at the Mt. Baker-Snoqualmie and the Olympic and at the 150 and 200-year rotations suggested by NIFM. We will be able to give you the preliminary results on these by July 25. The concepts of high quality forestry are the same or similar to some concepts we are exploring as part of our New Perspectives in Forest Management program. For example, in addition to reduced clearcutting and longer rotations, we are exploring concepts of landscape management and retention of some old-growth components within harvested areas.

I, and many of our scientists, wildlife managers, and timber managers believe that it will be possible to develop forest management systems which will permit timber harvesting in old-growth areas while maintaining the integrity and viability of the ecosystems. However, our scientists are counseling that this needs to be verified through research before critical habitat areas such as the HCA's are disturbed further. This suggests that while interim steps for habitat protection are appropriate, it is premature to make such areas permanent set-asides before such research is completed. We also recognize that, on a Forest like the Olympic where many stands are currently in age classes less than 50 years, going to long rotations means that the harvest level will be much lower through the rest of the "conversion period" (150 more years for Douglas fir on a 200-year rotation) than it will be when the Forest is finally in a regulated condition. Thus the decline in harvest levels from past levels is likely to be quite drastic even with more acres available for harvest.

The use of extended rotations and reduced clearcutting, as proposed by NIFM, is likely to be part of the eventual resolution of this issue. We would be happy to discuss this further with you. Thank you for the opportunity to comment.

Sincerely,

F. DALE ROBERTSON,
Chief.

By Mr. SIMON (for himself and Mr. DIXON):

S. 1663. A bill to amend the act of May 17, 1954, relating to the Jefferson National Expansion Memorial, to authorize increased funding for the East St. Louis portion of the memorial, and for other purposes; to the Committee on Energy and Natural Resources.

JEFFERSON NATIONAL EXPANSION MEMORIAL HILL

• Mr. SIMON. Mr. President, joining me today in introducing this legislation are my colleagues, Senators DIXON, DANFORTH, and BOND. The bill that I am introducing affects the establishment of the Jefferson National Expansion Memorial [JNEM] in East St. Louis. The extension of the JNEM to the Illinois riverfront completes the plans initiated in 1935 by the U.S. Congress for the construction of a memorial to Thomas Jefferson and the Nation's westward expansion, and fulfills the visions and dreams of Eero Saarinen, designer of the arch that the east side of the river be brought into the design of the memorial.

The Jefferson National Expansion Memorial comprises 91 acres on the west bank of the Mississippi River. The internationally acclaimed Gateway Arch and the Westward Expansion Museum attract 2.5 million visitors annually and are among the single most visited tourist attractions in the Midwest. Approximately $30 million of Federal funds invested in the JNEM has been the catalyst for over $2.5 billion of private public investment in downtown St. Louis since the completion of the arch.

The potential for redevelopment of the East St. Louis portion of the Mississippi riverfront has been extensively discussed and analyzed for many years. Because of the perceived value of the East St. Louis property as a park, our former colleague from the House, Mel Price, introduced legislation to add the land to the JNEM. In 1984, I pushed the legislation through the House—and my colleague, Senator DIXON helped win the Senate's approval—that extended the memorial onto the east side of the river, by establishing a 100-acre park contiguous to the Mississippi River between the Eads and Poplar Street Bridges.

Progress on establishment of the park over the last 7 years has been intolerably slow. The major obstacle facing the Southwestern Illinois Development Authority [SWIDA]—the organization responsible for managing land acquisition—is the binding commitment language found in the original legislation. The binding commitments require that land purchases, which exceed the cost of the $1 million authorized in the original bill, must be purchased by, or donated to, SWIDA. By interpreting these requirements as restrictions on release of the authorized and appropriated funds, former Interior Secretary Hodel and now Secretary Lujan have significantly hampered efforts to move forward on establishment of the park.

Good faith efforts have been made to meet the binding commitments. SWIDA has had 17 acres donated to the park, and has made substantial progress on meeting environmental requirements laid out in the original bill. Congress appropriated $1.3 million in the fiscal year 1991 Interior appropriations bill for land acquisition and development of the park. And, to date, Secretary Lujan has resisted releasing funds.

It has become apparent, Mr. President, that as long as the Secretary of the Interior sees the binding commitments as restrictions on the release of necessary funds, we need legislation to repeal the commitments. This bill designates the 100 acres as a national park, thereby freeing up the $1.3 million in 1991 appropriations. It lifts the binding commitments that have brought this project to a halt and it reauthorizes the spending levels for establishment of the park.

I ask for unanimous consent that the bill be printed in full in the RECORD. I also ask that the statement of my friend, Mr. DIXON of Illinois, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1663

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EAST SAINT LOUIS PORTION OF JEFFERSON NATIONAL EXPANSION MEMORIAL.

(a) DESIGNATION OF ADDITIONAL LAND.—The first sentence of section 4(a) of the Act entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for other purposes", approved May 17, 1954 (16 U.S.C. 450jj-3(a)), is amended by striking "The Secretary of the Interior is further authorized to designate" and inserting "There is designated".

(b) REVIEW OF PLAN.—Section 9 of such Act (16 U.S.C. 450jj–8) is repealed.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 11 of such Act (16 U.S.C. 450jj note) is amended—

(1) by amending subsection (b) to read as follows:

"(b) For the purposes of the East Saint Louis portion of the Memorial, there are authorized to be appropriated—

"(1) $2,000,000 for land acquisition;

"(2) $5,000,000 for development; and

"(3) $500,000 for architectural planning, including a world-class competition to design the museum referred to in section 8(b)."; and

(2) by striking subsection (d).●

● Mr. DIXON. Mr. President, today I join my colleague, Senator SIMON, as a cosponsor of legislation affecting the Jefferson National Expansion Memorial in St. Louis, MO and the extension of this memorial park into East St. Louis IL. The Jefferson National Expansion Memorial currently spans a portion of downtown St. Louis, with the Gateway Arch proudly sitting on the west bank of the Mississippi River. The city of East St. Louis, on the opposite side of the Mississippi, has anxiously been awaiting the extension of the park into Illinois since 1984. This legislation will move us toward this goal, which is shared by both States.

This goal of an expanded park has long been envisioned by the designers of the arch memorial, and in 1984 Congress took the first step. A commission was formed, through legislation introduced by Congressman Mel Price and then-Congressman PAUL SIMON, to develop the boundaries of the new park in Illinois, and in 1987 an expansion plan was submitted to the Department of the Interior.

Secretary of the Interior Donald Hodel declined to support the plan due to one stumbling block—binding commitments. These binding commitments, as proscribed by law, are required to ensure private sources as well as public funds from East St. Louis and the State of Illinois have been secured for maintenance and annual upkeep of the park. This was an unusually strict requirement to place on the city of east St. Louis, and one which they could not meet. Although additional legislation was introduced in 1989 to remove this restrictive clause, Congress did not move on the proposed bill in hopes that newly appointed Secretary Manuel Lujan would prove more receptive to the memorial extension plan.

Much to our dismay, however, we have made little progress toward our goal with Secretary Lujan. Although in June 1989, Secretary Lujan had promised his sincere efforts in moving toward the designation of the Illinois extension, to date the expansion has yet to be designated. Until all of the binding commitments included in the original legislation have been Met, Mr. Lujan continues to refuse to designate the site.

I believe that the cities of East St. Louis, IL and St. Louis, MO have made considerable good faith efforts toward addressing Mr. Lujan's concerns, and I believe they have satisfied his requirements for designation of the extension. Secretary Lujan has indicated that the land must be tested and proved to be environmentally safe before he can designate the site. The environmental testing is complete. He has required that the landowners be contacted and negotiations begun for donation of property. To date, 17 acres have been donated to the Southwestern Illinois Development Authority [SWIDA], which is the organization overseeing the property negotiations. Even if SWIDA had been unsuccessful in obtaining any property donations, $1.325 million was included by Congress in the fiscal year 1991 Interior appropriations bill for land acquisition for the Jefferson National Expansion Memorial. Clearly Congress has illustrated that this project should move forward, yet the Department of the Interior has made no move administratively toward this end.

This legislation which is introduced today has become necessary for a number of reasons. As long as the binding commitments language remains in the law, it will continue to be open for restrictive interpretation by the Department of the Interior, and a major stumbling block in the creation of an expanded park. In addition, Secretary Lujan has given no indication that he is willing to move toward this goal from within his Department, although we have given him numerous opportunities. And finally, his reluctance to designate the site has been joined with his failure to utilize $1.325 million appropriated in fiscal year 1991 for land acquisition and development of the memorial.

This legislation, as a companion to H.R. 2926, would remove the restrictive binding commitments language, it would finally designate the Illinois extension, and it would raise the park authorization levels from $2.25 million to $7.5 million for acquisition, development, and museum establishment. Additionally, by finally designating the site, the legislation would release the fiscal year 1991 funds for land acquisition.

Mr. President, the cities of St. Louis and East St. Louis, joined by the great Mississippi River, have waited long enough to accomplish this mutual goal. This legislation will speed the project along toward completion, and it is the very least that these two cities deserve. I urge my colleagues to support this legislation.

Thank you, Mr. President.●

By Mr. LEVIN (for himself and Mr. RIEGLE):

S. 1664. A bill to establish the Keweenaw National Historical Park, and for other purposes; to the Committee on Energy and Natural Resources.

KEWEENAW NATIONAL HISTORIC PARK ESTABLISHMENT ACT

● Mr. LEVIN. Mr. President, today I am introducing legislation to establish the Keweenaw National Historical Park in Michigan. This legislation is similar to legislation I introduced during the 100th and the 101st Congress to create a park to celebrate the nationally significant history of the copper mining industry on the Keweenaw Peninsula. Some changes have been made, however, that are the result of a continuing process of consultation with local citizens. This bill reflects the many long hours and meetings that have been conducted by the citizens' national park committee's members and others in the interested communities and has provided valuable input to the legislative process.

The most obvious of these changes is the change in the name from the Calumet Copper Country National Historical Park to the Keweenaw National Historical Park. This change recognizes that the copper mining history of the Keweenaw Peninsula is not limited to the Calumet area, and will bring new attention to an area of the country that is richly deserving of recognition, as indeed the Department of Interior already has in designating the Calumet and the Quincy Mining Company Historical Landmarks.

The Keweenaw Peninsula, which juts out into Lake Superior, is the northernmost part of Michigan. A copper range runs the length of the peninsula, and this range, where copper occurs in a pure metallic state, supported a massive copper mining industry for more than 100 years.

The remains of prehistoric mining efforts led French and British explorers to attempt to develop the resources on the Keweenaw. Significant development did not occur until the mid-1800's, however, when Michigan's first State geologist, Douglas Houghton, surveyed the area. His surveys sparked the copper boom.

The most productive and profitable copper deposits were found in the central portion of the peninsula, and were initially developed by the Quincy Mining Co. in the late 1850's. The Calumet and Hecla mines were developed in the 1860's a few miles to the north of the Quincy operations. Although over 400 companies were organized to try to exploit this resource, the Quincy and Calumet and Hecla companies were the only ones able to maintain their operations after the initial boom. The development of the area saw the United States production of copper rise from 6 to 17 percent of world production, with Michigan supplying 12 percent of world production.

The Quincy Mining Co. ranked first in national production of copper from 1862 to 1968, and was able to make a significant contribution to the Northern effort during the civil war by supplying the material for brass buttons, copper canteens, bronze cannons, and naval equipment. Quincy used some of the largest steam engines in the U.S. to hoist the ore from its mines, including one which was the largest steam hoisting engine in the world and was able to lift 10 tons of rock per trip. The company continued to develop its mines, and by 1931 the Quincy Mine Shaft No. 2 was the deepest mine in the United States at 9,009 feet in depth.

The Calumet and Hecla Mining Co. was developing its operations at about the same time as the Quincy Co. Calumet and Hecla achieved high production figures and financial success by introducing methods to mine efficiently at great depths and exploit deposits with low mineral content. In 1868, its production outpaced the Quincy Co.

In addition to the business acumen and fortitude that was necessary to make these copper mines successful another critical element was needed: people. Immigrant workers were an important part of this vast boom. They flooded in bringing new ways of thinking, new religions and new ideas about mining. The company towns became ethnic conglomerates with a diversity of religious and social groups.

This legislation is also a product of diversity. It represents the work of all the citizens of Calumet and Quincy and the Keweenaw who have been active in promoting the cause of establishing the park. The bill continues an emphasis on local participation in the creation and management of the park. The bill creates a Keweenaw Historic Preservation Commission that will work with the National Park Service to develop a park preservation plan to guide the preservation and interpretation of the important historic properties.

The Keweenaw Park bill also has provisions that have been retained as a result of the strong public support for them, which has been expressed since this legislation was first introduced. The prohibition on the use of condemnation for the acquisition of property is one such provision. The bill would allow the Secretary of the Interior to acquire property only with consent of the owner, which means that there would be no acquisition of property through condemnation.

The Keweenaw National Historical Park will interpret an important chapter in our Nation's industrial development, and make it available in a tangible way not only to the citizens of Michigan, but to all the citizens of the United States. The National Park Service has indicated that the historical resources within the boundaries of the park I am proposing are of national significance. In fact, the administration and the Park Service have gone so far as to request funds, which have been provided in both the Senate and House Interior appropriations bills for fiscal 1992, for preservation, stabilization, and planning activities within the boundaries of the landmark districts.

I am thankful for the assistance of the staff of the Subcommittee on Public Lands for their help in drafting this bill, and the bills of previous Congresses. Senator BUMPERS, chairman of that subcommittee, has indicated his active interest in this park previously. I appreciate his continued interest and willingness to give this proposal thorough consideration. I look forward to working with him. I ask unanimous consent that the text of the bill be printed in the RECORD following this statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1664

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Keweenaw National Historical Park Establishment Act".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purpose.
Sec. 3. Definitions.

TITLE I—ESTABLISHMENT OF PARK AND PRESERVATION DISTRICT

Sec. 101. Establishments and boundaries.
Sec. 102. Cooperation by Federal agencies.

TITLE II—DUTIES OF THE SECRETARY

Sec. 201. Park management plan.
Sec. 202. Acquisition of property.
Sec. 203. Headquarters and visitors centers.
Sec. 204. Agreements.
Sec. 205. Loans, grants, and technical assistance.

TITLE III— KEWEENAW HISTORIC PRESERVATION COMMISSION

Sec. 301. Establishment.
Sec. 302. Park preservation plan.
Sec. 303. Loans, grants, and technical assistance.
Sec. 304. Powers.
Sec. 305. Director and staff.

TITLE IV—AUTHORIZATION OF APPROPRIATIONS

Sec. 401. Authorization of appropriations.

SECTION 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) certain sites, structures, and districts in a portion of the Keweenaw Peninsula of northern Michigan are of national significance in portraying a major segment of the copper mining industry in the United States during a period of over 100 years;

(2) the cultural heritage of many of the ethnic groups that immigrated to the United States during the early 19th century is still preserved in many of these Upper Peninsula towns and communities;

(3) corporate-sponsored community planning, as evidenced in the architecture, neighborhoods, surnames, foods, and traditions in this region, continues to express the heritage of this remarkable ethnic conglomerate; and

(4) the Secretary of the Interior has designated two National Historical Landmarks in the proposed Park area: the Calumet National Historic Landmark District and the Quincy Mining Company National Historic Landmark District.

(b) PURPOSE.—The purpose of this Act is to preserve and interpret the nationally significant historical and cultural sites, structures, and districts of a portion of the Keweenaw Peninsula in the State of Michigan for the education, benefit, and inspiration of present and future generations.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) COMMISSION.—The term "Commission" means the Keweenaw Historic Preservation Commission established by section 301(a).

(2) PARK.—The term "Park" means the Keweenaw National Historical Park established by section 101(a)(1).

(3) PRESERVATION DISTRICT.—The term "Preservation District" means the Calumet Historic Preservation District established by section 101(a)(2);

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

TITLE I—ESTABLISHMENT OF PARK AND PRESERVATION DISTRICT

SEC. 101. ESTABLISHMENTS AND BOUNDARIES.

(a) ESTABLISHMENTS.—

(1) KEWEENAW NATIONAL HISTORICAL PARK.—There is established as a unit of the National Park System the Keweenaw National Historical Park, which shall include—

(A) the Calumet National Historic Landmark District;

(B) the Village of Calumet;

(C) the Osceola #13 mining properties; and

(D) the Quincy Mining Company National Historic Landmark District.

(2) CALUMET HISTORIC PRESERVATION DISTRICT.—There is established within the Park the Calumet Historic Preservation District, which shall consist of—

(A) the Calumet National Historic Landmark District;

(B) the Village of Calumet; and

(C) the Osceola #13 mining properties.

(b) BOUNDARIES AND MAP.—

(1) IN GENERAL.—The boundaries of the Park and Preservation District shall be the boundaries depicted on the map entitled "Keweenaw National Historical Park and Preservation District, Michigan", dated _____, and numbered _____. Not later than 180 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register a detailed description and map of the boundaries.

(2) PUBLIC INSPECTION OF MAP.—The map—

(A) shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, in Washington, District of Columbia; and

(B) may be on file and available for public inspection in—

(i) the offices of the Village Council, in Calumet, Michigan; and

(ii) the public library in Hancock, Michigan.

(c) ADMINISTRATION.—

(1) IN GENERAL.—The Secretary shall administer the Park in accordance with—

(A) this Act; and

(B) the laws generally applicable to units of the National Park System, including—

(i) the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1 et seq.); and

(ii) the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (16 U.S.C. 461 et seq.).

(2) EMERGENCY ASSISTANCE.—

(A) IN GENERAL.—The Secretary may take any action that the Secretary considers necessary to provide an owner of property with national historic or cultural significance within the Park with emergency assistance in order to preserve and protect the owner's property in a manner consistent with the purpose of this Act.

(B) DEFINITION.—As used in this paragraph, the term "emergency assistance" means assistance necessary to prevent an imminent decrease in the value of the property.

(3) RIGHT OF DISAPPROVAL.—The Secretary has the right to disapprove an action of the Commission.

SEC. 102. COOPERATION BY FEDERAL AGENCIES.

A Federal entity conducting or supporting activities directly affecting the Park or Preservation District shall—

(1) consult, cooperate, and, to the maximum extent practicable, coordinate its activities, with the Secretary and the Commission;

(2) conduct or support the activities in a manner that—

(A) to the maximum extent practicable, is consistent with the standards and criteria required pursuant to section 302(b)(2); and

(B) will not have an adverse effect on the resources of the Park or Preservation District; and

(3) provide for full public participation in order to consider the views of all interested parties.

TITLE II—DUTIES OF THE SECRETARY

SEC. 201. PARK MANAGEMENT PLAN.

(a) PREPARATION.—Not later than 3 years after the date of enactment of this Act, the Secretary shall prepare and submit to Congress a general management plan for the Park that—

(1) contains the information described in section 12(b) of the Act entitled "An Act to improve the administration of the national park system by the Secretary of the Interior, and to clarify the authorities applicable to the system, and for other purposes", approved August 18, 1970 (16 U.S.C. 1a-7); and

(2) takes into account the Park preservation plan developed under section 302.

(b) PUBLIC ACCESS.—The management plan shall be available to the public upon request.

(c) REVISIONS.—

(1) IN GENERAL.—After consulting with the Commission, the Secretary may make any revision to the management plan by—

(A) publication of the revision in the Federal Register; and

(B) submission of written notice of the revision to Congress.

(2) EFFECTIVE DATE.—The revision shall be effective 90 days after written notice of the revision is submitted to Congress.

SEC. 202. ACQUISITION OF PROPERTY.

(a) IN GENERAL.—Subject to subsections (b) and (c), the Secretary is authorized to acquire lands, structures, or interests in lands or structures, within the boundaries of the Park by—

(1) donation;

(2) purchase with donated or appropriated funds;

(3) exchange; or

(4) transfer.

(b) STATE PROPERTY.—Property owned by the State of Michigan or any political subdivision of the State may be acquired only by donation or with donated or appropriated funds.

(c) CONSENT.—No property may be acquired without the consent of the owner.

SEC. 203. HEADQUARTERS AND VISITORS CENTERS.

The headquarters of the Park and a visitors center shall be located within the Calumet National Historic Landmark District. A second visitors center shall be located at the Quincy Mining Company Complex.

SEC. 204. AGREEMENTS.

(a) AGREEMENTS.—The Secretary may enter into agreements with owners of property with national historic or cultural significance within the Park or Preservation District to provide for interpretive exhibits or programs.

(b) PROVISIONS.—Each agreement shall provide, whenever appropriate, that—

(1) the public may have access to the property at specified, reasonable times for the purposes of—

(A) viewing the property or the interpretive exhibits; or

(B) attending the interpretive programs; and

(2) after consultation with the Commission, the Secretary may make such minor improvements to the property as the Secretary considers necessary to enhance the public use and enjoyment of the property, exhibits, and programs.

SEC. 205. LOANS, GRANTS, AND TECHNICAL ASSISTANCE.

After approval of the Park preservation plan pursuant to section 302(c), the Secretary may provide—

(1) loans to corporations chartered under the general laws of the State of Michigan to enable the corporations to provide low interest loans for the preservation, restoration, or development of property within the Quincy Mining Company National Historic Landmark District;

(2) grants to owners of property in the Quincy Mining Company National Historic Landmark District for the preservation, restoration, management, development, or maintenance of the property in a manner consistent with the standards and criteria required pursuant to section 302(b)(2); and

(3) technical assistance to owners of property within the Park or to any other person or public or private entity taking actions consistent with the purpose of this Act.

TITLE III—KEWEENAW HISTORIC PRESERVATION COMMISSION

SEC. 301. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is established the Keweenaw Historic Preservation Commission to—

(1) administer the Calumet Historic Preservation District in accordance with the Park preservation plan required under section 302; and

(2) provide certain services for the Park in accordance with this title.

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of seven members appointed by the Secretary, of whom—

(A) two members shall be appointed from nominees submitted by the Calumet Village Council and the Calumet Township Board;

(B) one member shall be appointed from nominees submitted by the Quincy Township Board and the Franklin Township Board;

(C) one member shall be appointed from nominees submitted by the Houghton County Board of Commissioners;

(D) one member shall be appointed from nominees submitted by the Governor of the State of Michigan;

(E) one member shall be the superintendent of the Park; and

(F) one member shall be an employee of the Department of the Interior.

(2) BACKGROUND.—At least three members shall be persons trained in professional disciplines of direct application to the Commission's purposes, including history, architecture, park planning, and economic development.

(3) CHAIRPERSON.—The chairperson of the Commission shall be elected by the members to serve a term of 3 years.

(4) VACANCIES.—A vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(c) TERMS OF SERVICE.—

(1) IN GENERAL.—Each member shall be appointed for a term of 3 years and may be reappointed not more than three times.

(2) INITIAL MEMBERS.—Of the members first appointed under subsection (b)(1), the Secretary shall appoint—

(A) two members for a term of 1 year;

(B) two members for a term of 2 years; and

(C) three members for a term of 3 years,

(3) EXTENDED SERVICE.—A member may serve after the expiration of that member's term until a successor has taken office.

(d) MEETINGS.—

(1) IN GENERAL.—The Commission shall meet at least once each month at the call—

(A) of the chairperson; or

(B) in the case of an emergency, of the Secretary.

(2) QUORUM.—Five members shall constitute a quorum.

(e) COMPENSATION.—

(1) IN GENERAL.—Members shall serve without pay.

(2) FEDERAL EMPLOYEES.—Members who are full-time officers or employees of the United States shall receive no additional pay, allowances, or benefits because of their service on the Commission.

(f) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of services for the Commission, members shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

SEC. 302. PARK PRESERVATION PLAN.

(a) SUBMISSION.—Not later than 18 months after the Commission conducts its first meeting, the Commission shall submit to the Secretary a preservation plan for the Park.

(b) COMPONENTS.—The plan shall—

(1) identify properties that should be preserved, restored, managed, developed, maintained, or acquired within the Park;

(2) include standards and criteria applicable to the construction, preservation, restoration, alteration, and use of all properties within the Park;

(3) describe the manner in which the Commission intends to implement the loan and grant programs authorized under section 303;

(4) include a tentative budget for the subsequent 5 fiscal years;

(5) identify cultural activities, recreational facilities, and educational and ecological activities, that are consistent with the purpose of this Act;

(6) provide for a visitor transportation system;

(7) provide for—

(A) the technological and industrial aspects of copper mining, milling, and smelting to be interpreted in the Quincy area of the Park, specifically in the Quincy Shaft House, Hoist Building, and Smelting Works;

(B) the cultural and social impact of the mining industry to be interpreted primarily in Calumet; and

(C) the support system for the copper industry to be exhibited in Calumet and Quincy; and

(8) permit industrial and technological interpretation in Calumet.

(c) Review of Plan.—

(1) In general.—In accordance with paragraph (2), the Secretary shall review the plan for compliance with this Act and the laws generally applicable to the Park.

(2) Method of review.—

(A) Original plan.—Not later than 90 days after receiving the plan, the Secretary shall approve the plan or return it with comments to the Commission.

(B) Revised plan.—Not later than 90 days after receipt of the Secretary's comments, the Commission shall submit a revised plan to the Secretary. The Secretary shall approve or return the revised plan in the same manner as provided in subparagraph (A).

(C) Approval by the secretary.—The review process shall continue until the plan is approved by the Secretary.

(d) Submission to Congress.—The Secretary shall submit the approved plan to Congress.

SEC. 303. LOANS, GRANTS, AND TECHNICAL ASSISTANCE.

After approval of the Park preservation plan pursuant to section 302(c), the Commission may provide—

(1) loans to corporations chartered under the general laws of the State of Michigan to enable the corporations to provide low interest loans for the preservation, restoration, or development of property within the Calumet Historic Preservation District;

(2) grants to owners of property in the Calumet Historic Preservation District for the preservation, restoration, management, development, or maintenance of the property in a manner consistent with the standards and criteria required pursuant to section 302(b)(2); and

(3) technical assistance to owners of property within the Park or to any other person or public or private entity taking actions consistent with the purpose of this Act.

SEC. 304. POWERS.

(a) Hearings.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers necessary to carry out this Act.

(b) Donations.—For the purpose of carrying out its duties, the Commission may seek, accept, and dispose of donations of funds, property, or services from—

(1) individuals;

(2) foundations;

(3) corporations;

(4) other private entities; and

(5) public entities.

(c) Matching Funds.—The Commission may use its funds to obtain money from any source under a program or law requiring the recipient of the money to make a contribution in order to receive the money.

(d) Mail.—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the Federal Government.

(e) Acquisition of Property, Facilities, and Services for Administrative Purposes.—The Commission may obtain by purchase, rental, donation, or otherwise, such property, facilities, and services as are needed to carry out its duties.

SEC. 305. DIRECTOR AND STAFF.

(a) Director.—The Commission shall have a Director who shall be—

(1) appointed by the Commission; and

(2) compensated at a rate not to exceed the rate of pay prescribed for level GS–13 of the General Schedule.

(b) Staff.—The Commission may appoint and fix the compensation of such additional personnel as the Commission considers necessary, except that the total staff may not exceed five persons.

(c) Temporary Services.—Subject to such rules as are adopted by the Commission, the Commission may procure temporary and intermittent services to the same extent as authorized by section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(d) Staff of Other Agencies.—

(1) In general.—Upon request of the Commission, the head of any Federal agency represented by a member on the Commission may detail, on a reimbursable basis, any other personnel of the agency to the Commission to assist it in carrying out its duties under this Act. The detail shall be without interruption or loss of civil service status or privilege.

(2) Administrative support services.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

TITLE IV—AUTHORIZATION OF APPROPRIATIONS

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act, including $15,000,000 to carry out section 303.•

By Mr. D'AMATO:

S. 1665. A bill entitled the "Money Laundering Improvements Act of 1991"; to the Committee on the Judiciary.

MONEY LAUNDERING IMPROVEMENTS ACT

• Mr. D'AMATO. Mr. President, I rise today to introduce the Money Laundering Improvements Act. I am submitting this legislation on behalf of the Department of Justice.

The bill has three titles. Title I contains a set of new procedural statutes that would enhance the ability of the Department of Justice to use the civil forfeiture statutes in money laundering cases.

The civil forfeiture statutes were derived from the customs laws. The procedures in those statutes are adequate when used to forfeit such things as vehicles, vessels, aircraft, and cash, but they are not appropriate, and were not designed to be used, in complex financial cases involving bank records, electronic funds, and the complex transactions that often are central to money laundering activity.

Title I addresses the need to craft procedural statutes that are geared toward money laundering cases.

The first section deals with jurisdiction and venue, providing that civil forfeiture actions may be brought in the district where the illegal acts giving rise to forfeiture occurred.

In a money laundering case involving several bank accounts, for example, this would allow a single case to be brought in the district where the money laundering offense occurred even if the bank accounts were located in numerous different banks throughout the United States.

In contract, current law requires the Government to file a separate civil action in each of the districts where the property is located. This piecemeal approach is an unnecessary waste of limited Government resources.

The second section makes it easier to forfeit drug money that has been commingled with other money in a highly active bank account. Current law permits forfeiture of bank deposits only when an accountant can directly trace the funds on deposit at the time of the lawsuit to the earlier deposit of the drug money.

Clever criminals can easily frustrate the Government by putting money in highly active accounts that are periodically swept clean to frustrate any attempt to trace the source of the funds.

The proposal would permit forfeiture of the dirty money, regardless of the number of times the money launderer shifted the money in and out of his account.

Another provision allows the Attorney General to issue administrative subpoenas to gather evidence in civil forfeiture investigations. The proposal is substantially identical to the administrative subpoena provision enacted in FIRREA in 1989 in conjunction with the civil enforcement statutes relating to bank fraud.

The last section in title I simplifies the procedure for gathering bank records in a forfeiture case once the forfeiture action is filed.

Title II contains a number of miscellaneous improvements to the money laundering statutes enacted in the Money Laundering Control Act of 1986. These proposals address problems with the existing laws that have been encountered as prosecutors have learned to use the statutes and courts have begun to interpret them.

Title II also contains provisions designed to remove obstacles in other statutes that unnecessarily limit our ability to use the money laundering statutes.

For example, one section repeals a provision enacted in the Crime Control Act of 1990 that has the unintended effect of possibly limiting the ability of the Government to prosecute those who launder the proceeds of mail and wire fraud schemes.

Another provision makes it a crime to structure financial transactions with the intent of evading the CMIR reporting requirements—that is, the requirement that a Customs report be filed whenever more than $10,000 in cash is transported into or out of the country.

There is also a provision that clarifies ambiguous language in sections 1956 and 1957 regarding the definition of “financial institution.” The purpose of the clarification is to ensure that entities such as car dealers, pawnbrokers, and precious metals dealers are considered financial institutions so that transactions involving such entities will be covered by the money laundering statutes.

A related provision closes a loophole in the definition of “financial transaction” that currently excludes transfers of title to property from prosecution under the money laundering statutes where the transfer does not involve a monetary instrument.

Other provisions would amend the obstruction of justice statute to make it a crime to obstruct a money laundering investigation, permit the use of the assets forfeiture fund to pay awards to informants in money laundering cases, and raise the penalty for money laundering conspiracy from 5 years to whatever the penalty would be for the substantive offense that was the object of the conspiracy.

I note that this last provision was an amendment to the Crime Control Act of 1990 offered by the chairman of the Judiciary Committee, Senator BIDEN.

Finally, title II expands the money laundering statutes to permit prosecution for laundering the proceeds of foreign kidnapping, robbery and extortion offenses, and to permit the forfeiture of the proceeds of such offenses. Currently, only foreign drug offenses are covered by these statutes.

Title III contains a number of provisions drafted by the Department of the Treasury to amend the Bank Secrecy Act and the Right to Financial Privacy Act.

The most important provisions appear in section 301(b) which contains provisions necessary to bring the financial enforcement program in the United States in conformity with the recommendations of the Financial Action Task Force on money laundering.

I ask unanimous consent that a copy of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1665

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the Money Laundering Improvements Act of 1991.

TITLE I—FORFEITURE PROCEDURES IN MONEY LAUNDERING CASES

SEC. 101. JURISDICTION IN CIVIL FOREFEITURE CASES.

(a) IN GENERAL.—Section 1355 of title 28, United States Code, is amended by designating the existing matter as subsection (a), and by adding the following new subsections:

“(b)(1) A forfeiture action or proceeding may be brought in the district court for the district in which any of the acts or omissions giving rise to the forfeiture occurred, or in any other district where venue for the forfeiture action or proceeding is specifically provided by section 1395 of this title or any other statute.

“(2) Whenever property subject to forfeiture under the laws of the United States is located in a foreign country, or has been detained or seized pursuant to legal process or competent authority of a foreign government, an action or proceeding for forfeiture may be brought as provided in paragraph (1), or in the United States District Court for the District of Columbia.

“(c) “In any case in which a final order disposing of property in a civil forfeiture action or proceeding is appealed, removal of the property by the prevailing party shall not deprive the court of jurisdiction. Upon motion of the appealing party, the district court or the court of appeals shall issue any order necessary to preserve the right of the appealing party to the full value of the property at issue, including a stay of the judgment of the district court pending appeal or requiring the prevailing party to post an appeal bond.”.

SEC. 102. CIVIL FORFEITURE OF FUNGIBLE PROPERTY.

(a) Chapter 46 of title 18, United States Code, is amended by adding at the end thereof the following new section:

“§ 984. Civil Forfeiture of Fungible Property.

“(a) This section shall apply to any action for forfeiture brought by the United States.

“(b) In any forfeiture action in rem in which the subject property is cash, monetary instruments in bearer form, funds deposited in an account in a financial institution, or other fungible property, it shall not be necessary for the government to identify the specific property involved in the offense that is the basis for the forfeiture, nor shall it be a defense that the property involved in such an offense has been removed and replaced by identical property. Except as provided in subsection (c), any identical property found in the same place or account as the property involved in the offense that is the basis for the forfeiture shall be subject to forfeiture under this section.

“(c) No action pursuant to this section to forfeit property not traceable directly to the offense that is the basis for the forfeiture may be commenced more than one year from the date of the offense.

“(d) No action pursuant to this section to forfeit property not traceable directly to the offense that is the basis for the foreiture may be taken against funds deposited by a financial institution (as defined in section 20 of this title) into an account with another financial institution unless the depositing institution knowingly engaged in the offense that is the basis for the forfeiture.”.

(b) The amendments made by this section shall apply retroactively.

(c) The chapter analysis for chapter 46 of title 18, United States Code, is amended by adding at the end the following:

“984. Civil forfeiture of fungible property.”

SEC. 103. ADMINISTRATIVE SUBPOENAS.

(a) IN GENERAL.—Chapter 46 of title 18, United States Code, is amended by adding at the end the following new section:

“985. Administrative Subpoenas

“(a)(1) For the purpose of conducting a civil investigation in contemplation of a civil forfeiture proceeding under this title or the Controlled Substances Act, the Attorney General may—

“(A) administer oaths and affirmations;

“(B) take evidence; and

“(C) by subpoena, summon witnesses and require the production of any books, papers, correspondence, memoranda, or other records which the Attorney General deems relevant or material to the inquiry. Such subpoena may require the attendance of witnesses and the production of any such records from any place in the United States at any place in the United States designated by the Attorney General.

“(2) The same procedures and limitations as are provided with respect to civil investigative demands in subsections (g), (h), and (j) of section 1968 of title 18, United States Code, apply with respect to a subpoena issued under this subsection. Process required by such subsections to be served upon the custodian shall be served on the Attorney General. Failure to comply with an order of the court to enforce such subpoena shall be punishable as contempt.

“(3) In the case of a subpoena for which the return date is less than 5 days after the date of service, no person shall be found in contempt for failure to comply by the return date if such person files a petition under paragraph (2) not later than 5 days after the date of service.

“(4) A subpoena may be issued pursuant to this subsection at any time up to the commencement of a judicial proceeding under this section.”

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 46 of title 18, United States Code is amended by adding the following:

“985. Administrative Subpoenas.”

SEC. 104. PROCEDURE FOR SUBPOENAING BANK RECORDS.

(a) IN GENERAL.—Chapter 46 of title 18, United States Code, is amended by adding at the end the following new section:

“986. Subpoenas for Bank Records.

“(a) At any time after the commencement of any action for forfeiture brought by the United States under this title or the Controlled Substances Act, any party may request the Clerk of the Court in the district in which the proceeding is pending to issue a subpoena duces tecum to any financial institution, as defined in 31 U.S.C. 5312(a), to produce books, records and any other documents at any place designated by the requesting party. All parties to the proceeding shall be notified of the issuance of any such subpoena. The procedures and limitations set forth in section 985 of this title shall apply to subpoenas issued under this section.

“(b) Service of a subpoena issued pursuant to this section shall be by certified mail. Records produced in response to such a subpoena may be produced in person or by mail, common carrier, or such other method as may be agreed upon by the party requesting the subpoena and the custodian of records.

The party requesting the subpoena may require the custodian of records to submit an affidavit certifying the authenticity and completeness of the records and explaining the omission of any records called for in the subpoena.

"(c) Nothing in this section shall preclude any party from pursuing any form of discovery pursuant to the Federal Rules of Civil Procedure."

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 46 of title 18, United States Code, is amended by adding at the end the following:

"986. Subpoenas for Bank Records."

TITLE II—MONEY LAUNDERING

SEC. 201. DELETION OF REDUNDANT AND INADVERTENTLY LIMITING PROVISIONS IN 18 U.S.C. 1956.

Section 1956(c)(7)(D) of title 18, United States Code, is amended—

(1) by striking "section 1341 relating to mail fraud) or section 1343 (relating to wire fraud) affecting a financial institution, section 1344 (relating to bank fraud),"; and

(2) by striking "section 1822 of the Mail Order Drug Paraphernalia Control Act (100 Stat. 3207-51; 21 U.S.C. 857)" and inserting "section 422 of the Controlled Substances Act".

SEC. 202. USE OF GRAND JURY INFORMATION FOR BANK FRAUD AND MONEY LAUNDERING FORFEITURES.

Section 3322(a) of title 18, United States Code, is amended—

(1) by striking "section 981(a)(1)(C)" and inserting "section 981(a)(1)"; and

(2) by inserting "or money laundering" after "concerning a banking law".

SEC. 203. STRUCTURING TRANSACTIONS TO EVADE CMIR REQUIREMENTS.

(a) Section 5324 of title 31, United States Code, is amended—

(1) by designating the existing provisions as subsection (a);

(2) by adding at the end the following new subsection:

"(b) No person shall for the purpose of evading the reporting requirements of section 5316—

"(1) fail to file a report required by section 5316, or cause or attempt to cause a person to fail to file such a report;

"(2) file or cause or attempt to cause a person to file a report required under section 5316 that contains a material omission or misstatement of fact; or

"(3) structure or assist in structuring, or attempt to structure or assist in structuring, any importation or exportation of monetary instruments.".

(b) CONFORMING AMENDMENT. Section 5321(a)(4)(C) of title 31, United States Code, is amended by striking "under section 5317(d)".

(c) FORFEITURE. (1) Section 981(a) of title 18, United States Code, is amended by striking "5324" and inserting "5324(a)"; and

(2) Section 5317(c) of title 31, United States Code, is amended by inserting after the first sentence the following: "Any property, real or personal, involved in a transaction or attempted transaction in violation of section 5324(b), or any property traceable to such property, may be seized and forfeited to the United States Government."

SEC. 204. DISCLOSURE OF GEOGRAPHIC TARGETING ORDER.

Section 5326 of title 31, United States Code, is amended by adding the following new subsection:

"(c) No financial institution or officer, director, employee or agent of a financial institution subject to an order under this section may disclose the existence of or terms of the order to any person except as prescribed by the Secretary."

SEC. 205. CLARIFICATION OF DEFINITION OF FINANCIAL INSTITUTION IN 18 U.S.C. 1956 AND 1957.

(a) Section 1957(f)(1) of title 18, United States Code, is amended by striking "financial institution (as defined in section 5312 of title 31)" and inserting in lieu thereof "financial institution (as defined in section 1956)".

(b) Section 1956(c)(6) of title 18, United States, Code, is amended by striking "and the regulations" and inserting in lieu thereof "or the regulations".

SEC 206. DEFINITION OF FINANCIAL TRANSACTION IN 18 U.S.C. 1956.

Section 1956(c)(4)(A) of title 18, United States Code, is amended—

(1) by striking ", which in any way or degree affects interstate or foreign commerce," and inserting that same striken language after "a transaction"; and

(2) by inserting after "monetary instruments" the following: "or (iii) involving the transfer of title to any real property, vehicle, vessel, or aircraft."

SEC. 207. OBSTRUCTING A MONEY LAUNDERING INVESTIGATION.

Section 1510(b)(3)(B)(i) is amended by striking "or 1344" and inserting in lieu thereof "1344, 1956, 1957, or chapter 53 of title 31 (31 U.S.C. 5311 et seq.)."

SEC. 208. AWARDS IN MONEY LAUNDERING CASES.

Section 524(c)(1)(B) of title 28, United States Code, is amended by inserting "or of sections 1956 and 1957 of title 18, sections 5313, and 5324 of title 31, and section 6050I of title 26, United States Code" after "criminal drug laws of the United States."

SEC. 209. PENALTY FOR MONEY LAUNDERING CONSPIRACIES.

Section 1956 of title 18, United States Code, is amended by inserting at the end the following new subsection:

"(g) Any person who conspires to commit any offense defined in this section or section 1957 shall be subject to the same penalties as those prescribed for the offense the commission of which was the object of the conspiracy."

SEC. 210. TECHNICAL AND CONFORMING AMENDMENTS TO MONEY LAUNDERING PROVISION.

(a) Paragraph (a)(2) and subsection (b) of section 1956 of title 18, United States Code, are amended by striking "transportation" each place it appears and inserting in lieu thereof "transportation, transmission, or transfer";

(b) Subsection (a)(3) of section 1956 of title 18, United States Code, is amended by striking "represented by a law enforcement officer" and inserting in lieu thereof "represented".

SEC. 211. PRECLUSION OF NOTICE TO POSSIBLE SUSPECTS OF EXISTENCE OF A GRAND JURY SUBPOENA FOR BANK RECORDS IN MONEY LAUNDERING AND CONTROLLED SUBSTANCE INVESTIGATIONS.

Section 1120(b)(1)(A) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3420(b)(1)(A) is amended by inserting before the semicolon "or crime involving a violation of the Controlled Substance Act, the Controlled Substances Import and Export Act, sections 1956 or 1957 of title 18, sections 5313, 5316 and 5324 of title 31, or section 6050I of title 26, United States Code."

SEC. 212. DEFINITION OF PROPERTY FOR CRIMINAL FORFEITURE

Section 982(b)(1)(A) of title 18, United States Code, is amended by striking "(c)" and inserting "(b),(c)".

SEC. 213. EXPANSION OF MONEY LAUNDERING AND FORFEITURE LAWS TO COVER PROCEEDS OF FOREIGN VIOLENT CRIMES.

Sections 981(a)(1)(B) and 1956(c)(7)(B) of title 18, United States Code, are each amended by—

(1) inserting "(i)" after "against a foreign nation involving"; and

(2) inserting "or (ii) kidnapping, robbery, or extortion" after "Controlled Substances Act)".

SEC. 214. ELIMINATION OF RESTRICTION ON DISPOSAL OF JUDICIALLY FORFEITED PROPERTY BY THE TREASURY DEPARTMENT AND THE POSTAL SERVICE.

Section 981(e) of title 18, United States Code, is amended by striking "The authority granted to the Secretary of the Treasury and the Postal Service pursuant to this subsection shall apply only to property that has been administratively forfeited."

SEC. 215. NEW MONEY LAUNDERING PREDICATE OFFENSES.

Section 1956(c)(7)(D) of title 18, United States Code, is amended—

(1) by deleting "or" before "section 16" and inserting ", or any felony violation of the Foreign Corrupt Practices Act (15 U.S.C. §78dd-1 et seq.)" before the semi-colon; and

(2) by inserting "section 1708 (theft from the mail)," before "section 2113".

TITLE III—BANK SECRECY AND RIGHT TO FINANCIAL PRIVACY AMENDMENTS

SEC. 301. AMENDMENTS TO THE BANK SECRECY ACT.

(a) Section 5324 of title 31, United States Code, is amended by adding the words "or section 5325 or the regulations thereunder" after the words "section 5318(a)," each time they appear.

(b) Section 5318 of title 31, United States Code is amended by adding new subsections (g) and (h), as follows:

"(g)(1) The Secretary may prescribe that financial institutions report suspicious transactions relevant to possible violation of law or regulation.

"(2) A financial institution may not notify any person involved in the transaction that the transaction has been reported.

"(3) The provisions of section 1103(c) of the Right to Financial Privacy Act of 1978 (Title XI of Public Law 95-630, as amended, 12 U.S.C. 3403(c)) shall apply to reports of suspicious transactions under this section.

"(h) In order to guard against money laundering through financial institutions, the Secretary may require financial institutions to have anti-money laundering programs, including at a minimum, the development of internal policies, procedures and controls, designation of a compliance officer, an ongoing employee training program, and an independent audit function to test the program. The Secretary may promulgate minimum standards for such procedures.".

(c) Section 5321 (a)(5)(A) of title 31, United States Code, is amended by adding "or any person willfully causing" after "willfully violates".

(d) Section 5322 of title 31, United States Code, is amended adding "or section 5318(g)(1)" after "under section 5315," each time it appears.

(e) Section 1829b(j)(1) of title 12, United States Code, is amended by adding "or any person who willfully causes such a violation" after "gross negligence violates".

(f) Section 1955 of title 12, United States Code, is amended by adding "or any person willfully causing a violation of the regulation" after "applies".

(g) Section 1957 of title 12, United States Code, is amended by adding "or willfully causes a violation" after "whoever willfully violates".

SEC. 302. AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT.

(a) Section 1103(a) of the Right of Financial Privacy Act of 1978, (Title XI of Public Law 95-630, as amended, 12 U.S.C. 3403(c)), is amended.

(1) by deleting the words, "in this chapter";

(2) by removing the period at the end thereof and adding the following:

"or for refusal to do business with any person before or after disclosure of a possible violation of law or regulation to a Government authority. For purposes of this section, in addition to financial institutions under this chapter, the term "financial institution' includes any business defined as a financial institution in section 5312(a)(2) of Title 31, United States Code, that is required by the Secretary of the Treasury under section 5318(g) of Title 31, United States Code, to file a suspicious transaction report with the Secretary."

(b) Section 1112 of the Right to Financial Privacy Act of 1978 (Title XI of Public Law 95-630, as amended, 12 U.S.C. 3412) is amended—

(1) in paragraph (f)(1), by adding the words "or Secretary of the Treasury" after words "Attorney General";

(2) in paragraph (f)(1)(A) by adding the words "and in the case of the Secretary of the Treasury, a money laundering violation or violation of Chapter 53 of title 31, United States Code" after the word "law";

(3) in paragraph (f)(2) adding the words "Department of the Treasury" after the words "Department of Justice"; and

(4) by adding a new subsection (g) as follows:

"(g) Financial records originally obtained by an agency in accordance with this chapter may be transferred to the Secretary of the Treasury for analysis and use by the Financial Crimes Enforcement Network ("FinCEN") for criminal law enforcement purposes without customer notice."

SECTION ANALYSIS OF MONEY LAUNDERING IMPROVEMENTS ACT OF 1991

SECTION 101

Title 28, Section 1355, gives the district courts subject matter jurisdiction over civil forfeiture cases. The venue statutes for forfeiture actions provide for venue in the district in which the subject property is located, 28 U.S.C. §1395, or in the district where a related criminal action is pending, 18 U.S.C. §981(h). But no statute defines when a court has jurisdiction over the property that is the subject of the suit. See *United States* v. *23,481*, 740 F. Supp. 950 (E.D.N.Y. 1990). This omission has resulted in unnecessary confusion and repetitive litigation of jurisdictional issues, see, e.g., *United States* v. *$10,000 in U.S. Currency*, 860 F.2d 1511 (9th Cir. 1988); *United States* v. *Premises Known as Lots 50 & 51*, 681 F. Supp. 309 (E.D.N.C. 1988), and results in the government's having to file multiple forfeiture actions in different districts in the same case in order to satisfy jurisdictional requirements.

This provision, styled as an amendment to 28 U.S.C. §1355, resolves these issues for all forfeiture actions brought by the government.

Subsection (b)(1) sets forth as a general rule that jurisdiction for an in rem action lies in the district in which the acts giving rise to the forfeiture were committed. This would be a great improvement over current law which requires the government to file separate forfeiture actions in each district in which the subject property is found, even if all of the property represents the proceeds of criminal activity committed in the same place. (For example, if a Miami-based drug dealer launders his money by placing it in bank accounts in six states, the government would have to institute six separate forfeiture actions under §981 to recover the money.)

Under the early in rem cases, jurisdiction was proper only in the district where the property was "located." See *Pennington* v. *Fourth National Bank*, 243 U.S. 269, 272 (1917). This doctrine has been substantially eroded in recent years; and at least one court has speculated that the "minimum contacts" test of *International Shoe* may have completely replaced the territoriality question as a basis for the court's in rem jurisdiction. See *United States* v. *$10,000 in U.S. Currency*, supra. In any event, to the extent that the doctrine remains viable, it has generated litigation over various issues, such as the "location" of money seized in one district and deposited in an account in another district during the pendency of the forfeiture action. See *United States* v. *$23,481*, 740 F. Supp. 950.

Subsection (b)(1) resolves these issues by providing that the court in the district where the acts giving rise to the forfeiture occurred has jurisdiction over the forfeiture action. The subsection also makes clear this provision is not intended to affect jurisdiction based on the venue-for-forfeiture statutes that Congress has previously enacted or may enact in the future. For example, 28 U.S.C. §1395 provides for venue wherever the property is located, and 18 U.S.C. §981(h) and 21 U.S.C. §881(j) provide for venue in a civil forfeiture case in the district where a related criminal prosecution is pending. Although they do not say so explicitly, those statutes apply not only to venue but also to jurisdiction, since it would make no sense for Congress to provide for venue in a district without intending to give the court in that district jurisdiction as well. *See* 130 Cong. Rec., daily ed., January 26, 1984, at S267 (statement of Senator Laxalt explaining venue-for-forfeiture provision in 21 U.S.C. §881(j)).

Subsection (b)(1) thus makes clear that these venue-for-forfeiture statutes also give the court in the relevant district jurisdiction over the defendant property even if the property was not seized in that district and is not located there. See *Premises Known as Lots 50 & 51*, 681 F. Supp. at 311–13 (discussing constitutionality of this approach under 21 U.S.C. §881(j)).

Subsection (b)(2) addresses a problem that arises whenever property subject to forfeiture under the laws of the United States is located in a foreign country. As mentioned, under current law, it is probably no longer necessary to base in rem jurisdiction on the location of the property if there have been sufficient contacts with the district in which the suit is filed. See *United States* v. *$10,000 in U.S. Currency*, supra. No statute, however, says this, and the issue has to be repeatedly litigated whenever a foreign government is willing to give effect to a forfeiture order issued by a United States court and turn over seized property to the United States if only the United States is able to obtain such an order.

Subsection (b)(2) resolves this problem by providing for jurisdiction over such property in the United States District Court for the District of Columbia, in the district court for the district in which any of the acts giving rise to the forfeiture occurred, or in any other district where venue would be appropriate under a venue-for-forfeiture statute. If the acts giving rise to the forfeiture occurred in more than one district, as would commonly occur in a money laundering case, for example, jurisdiction would lie in any of those districts or in the District of Columbia.

Finally, subsection (c) addresses a recurring problem involving appeals in civil forfeiture actions. The question has two parts: (1) whether the removal of the res from the jurisdiction of the court following the entry of the district court order deprives the appellate court of jurisdiction over the appeal; and (2) whether the appellate court should take steps to ensure that the property is not diminished in value, taken out of the country, or otherwise made unavailable to the appellant in the event the appeal results in the reversal of the district court's judgment. See *United States* v. *Parcel of Land (Woburn City Athletic Club, Inc.)*, F.2d, No. 90–1752 (1st Cir. Mar. 12, 1991), slip op. 6–9 (discussing but not deciding whether appellate court retains jurisdiction when district court does not stay forfeiture order and no longer has control over res).

The first sentence in subsection (c) resolves the first issue by providing without exception that an appellate court is not deprived of jurisdiction over an otherwise proper appeal simply because the res has been removed from the jurisdiction. This will allow successful claimants the use of their property pending appeal, and will allow the government to move the property for storage or investment purposes, without depriving the losing party of his appellate rights. The second sentence provides, however, that the appellate court is obliged to take whatever steps it deems necessary, including ordering the stay of the district court order or requiring the appellant to post an appeal bond, to ensure that while the appeal is pending, the party exercising control over the property does not take any action that would deprive the appellant of the full value of the property should the district court's judgment be reversed. The types of actions that the appellant court must seek to protect against are those listed in 21 U.S.C. §853(p).

SECTION 102

In 1986, Congress amended the criminal forfeiture statute, 21 U.S.C. §853, to authorize the forfeiture of substitute assets. See Section 1153(b), Anti-Drug Abuse Act of 1986, Pub. L. 99-570, 100 Stat. 3207–13. This provision, added as a new subsection (p), applies whenever property otherwise subject to forfeiture is unavailable because it cannot be located, has been sold to a third party, has been placed beyond the jurisdiction of the court, has been diminished in value, or has been commingled with other assets. In such a case, the court is authorized to order the forfeiture of any other property of equal value. In 1988, an identical provision was added to the criminal forfeiture statute that governs forfeitures in money laundering cases, 18 U.S.C. 982(b). See Sections 6463–64, Anti-Drug Abuse Act of 1988, Pub. L. 100-690, 102 Stat. 4374–75.

In a criminal case, the purpose of forfeiture is to punish the defendant. It is an in personam action directed at the defendant personally to punish him for his criminal acts. The scope of the punishment is circumscribed by the value of the property involved in or acquired through the commission of the criminal acts, but there is no reason why the punishment can be imposed only through the forfeiture of a specific piece of property. The forfeiture of any property of equal value imposes the same punishment fairly and effectively. If this were not the rule, a defendant could escape the punishment of forfeiture merely by, for example, placing certain property out of the reach of the court or commingling it with other property so that it could not easily be identified. Under the 1986 and 1988 amendments, the court can insure that the appropriate punishment is imposed irrespective of such attempts to avoid the consequences of criminal wrongdoing by ordering the forfeiture of some other property the defendant owns.

Forfeiture in a civil case is based on a different premise: It is intended not to punish a defendant; nor is it directed at any property owner personally. Rather it is an in rem action directed at a specific piece of property involved in criminal wrongdoing. In a civil forfeiture case, the property involved in a criminal offense is itself considered "guilty" and is forfeitable to the government regardless of the guilt or innocence of its owner. Thus it normally would be inconsistent with the theory of civil forfeiture to allow a court to order forfeiture of a substitute asset. In other words, if the theory underlying the forfeiture is that a specific piece of property is "guilty" and therefore forfeitable regardless of who its owner may be, it would make no sense for the government to order the forfeiture of another "innocent" asset when the guilty one is unavailable.

For this reason, the 1986 and 1988 substitute asset amendments applied only to the criminal forfeiture statutes, and not to the civil forfeiture statutes. That distinction should be maintained; but there are instances where strict adherence to the notion of forfeiture in civil cases only of identifiable "guilty" property makes no sense.

In the case of discrete tangible property, such as a car or boat or piece of real estate, the government should be limited in a civil case only to the forfeiture of the property actually involved in the criminal offense. If that property is unavailable, or is diminished in value, the government is simply "out of luck" since it is title to the property, not punishment of its owner, that the government has a right to pursue.

But in cases where the property is fungible, the government should be able to pursue title to the property without having to identify the specific item or items actually involved in an offense. In a case involving a quantity of cash, for example, that had been commingled with other cash, or kept in a place where identical quantities of cash were constantly being added and subtracted, the government could no more identify the specific dollar bills subject to forfeiture than it could identify a specific ton of grain in a grain elevator or a specific pile of bricks in a brickyard. In such a case, the government should be able to obtain title through civil forfeiture to the identical property found in the place where the "guilty" property had been kept.

The courts have recognized the soundness of this argument. In *United States* v. *Banco Cafetero Panama*, 797 F.2d 1154 (2d Cir. 1986), for example, the Second Circuit held that where funds deposited in a certain bank account were subject to civil forfeiture, the government could assume that the "guilty" property remained in the account, notwithstanding subsequent deposits and withdrawals, as long as the balance in the account always remained greater than or equal to the sum subject to forfeiture. *Id.* at 1160. In that case, however, the court based its holding on accepted accounting principles—such as the theory of "first in, last out"—rather than on any statutory authority that would be applicable to all cases involving fungible property. Experience has shown that this approach is inadequate to protect the property rights of the government in such cases.

Consider, for example, the case of a bank account involved in a money laundering scheme. Under 18 U.S.C. §981, all property involved in money laundering is forfeitable to the United States. *United States* v. *All Monies*, 754 F. Supp. 1467 (D. Haw. 1991). Thus if a money laundering offense involving a million dollars occurs on January 1, and the laundered money is deposited into a given bank account on that date, the government may seize the million dollars from the account as soon as it is deposited. Under *Banco Cafetero*, the government may still seize the million dollars a month later even if it can be shown that during the month of January there were numerous other deposits and withdrawals as long as the balance never fell below one million dollars. This is because the government is entitled to assume that the first deposit—the million dollars in laundered money—remains in the account until the last withdrawal is made.

The clever money launderer, however, being aware of the limitations of the accounting theories underlying cases such as *Banco Cafetero*, will choose to place his laundered funds in accounts where the balance is highly volatile. For example, he may place the laundered funds in an account held by a money exchanger where, because of the nature of the business, the balance may vary from zero to a million dollars several times a week; yet in that case, the launderer may be assured that his money will still be available when he wants it because the balance in the account is sure to rise again to the million dollar level. Thus, to continue the above example, if a million dollars in laundered drug money is deposited into a volatile bank account on January 1, and the balance in facts dips to zero several times during the month but returns to one million dollars by the first day of February, the million dollars is still available to the criminal money launderer, but it is not forfeitable to the government.

The above scenario illustrates a weakness in the *Banco Cafetero* holding that can easily be exploited by money launderers, drug traffickers, and others whose criminal proceeds are subject to civil forfeiture. There is no reason why fungible property, such as the balance in a bank account, should escape forfeiture simply because the property is capable of being moved in and out of the government's view with great rapidity. If despite the apparent disbursement of the property it remains, by its fungible nature, capable of being replaced or reconstituted in identical form at any time, it should remain subject to forfeiture. Any other rule merely rewards those who contrive sophisticated shell games to hide the whereabouts of criminally derived property.

The proposed amendment adds a new section 984 to the forfeiture chapter in title 18 that is applicable to any civil forfeiture action brought under title 18 or title 21, including violations of the Bank Secrecy Act punishable by 31 U.S.C. §5322 for which forfeiture actions are undertaken pursuant to 18 U.S.C. §981. Sec. 984 provides that in cases involving fungible property, property is subject to forfeiture if it is identical to otherwise forfeitable property, is located or maintained in the same way as the original forfeitable property, and not more than one year has passed between the time the original property subject to forfeiture was so located or maintained and the time the forfeiture action was initiated by seizing the property or filing the complaint, regardless of whether or not the fungible property was continuously present or available between the time it became forfeitable and the time it was seized. (The time limitation is considered necessary to ensure that the property forfeited has a reasonable nexus to the offense giving rise to the original action for forfeiture.)

Thus under the amendment, a million dollars in laundered drug money that is deposited into a bank account on January 1, would be forfeitable from that account any time within the ensuing year that the balance in the account was at least one million dollars, even if, at various times in the interim, the balance fluctuated above and below the million dollar level. Once a year had passed, however, the government could no longer reasonably claim that the million dollars in the account was the same money that was originally forfeitable, and the forfeiture action could not be maintained.

The provision in subsection (d) carves out a very narrow exception that precludes use of section 984 to forfeit assets held in a clearing account that one bank maintains at another bank. This exception would not apply, however, where the depositing bank itself was engaged in the offense giving rise to the forfeiture action. As is the case with other affirmative defenses available to third parties in forfeiture law, the claimant would bear the burden of proof in establishing the applicability of this provision. See 18 U.S.C. §981(a)(2) & (d).

The retroactive application of these amendments, as set forth in subsection (b), is in keeping with the normal rule for construing amendments to civil statutes. See *United States* v. *$5,644,540*, 799 F.2d 1357, 1364 n.8 (9th Cir. 1986), (ex post facto clause does not apply to civil forfeiture case).

SECTION 103

This gives the Attorney General the means, by way of an administrative subpoena, to acquire evidence in contemplation of a civil forfeiture action brought under title 18 or title 21. Its provisions are taken verbatim from Section 951 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") (12 U.S.C. 1833a), Pub. L. 101–73, and it is intended to give the Attorney General the means to gather evidence in contemplation of a civil forfeiture action in a money laundering case in the same way that he may presently gather evidence in contemplation of civil enforcement action in a FIRREA case.

As Congress recognized in enacting Section 951 of FIRREA two years ago, such subpoena authority is necessary because in the context of a civil law enforcement action there is no procedure analogous to the issuance of a grand jury subpoena that allows the government to gather evidence before the filing of a complaint.

There is ample precedent for this proposal. In RICO, for example, 18 U.S.C. §1968 provides for the issuance of a civil investigative demand to allow the government to gather evidence in contemplation of bringing a civil RICO suit. That provision was drawn from the Anti-Trust Civil Process Act, 15 U.S.C. §§1311–1314,[1] and was in turn the basis for

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[1] *See* S. Rep. No. 91–617, 91st Cong., 1st Sess. 161 (1969). For a list of other statutes that authorize the gathering of evidence by means of an administrative subpoena, *see* H. Rep. No. 94–1343, 94th Cong., 2nd

§951 in FIRREA. Because the language of the present section is taken directly from FIRREA, the same limitations would apply to subpoenas issued in civil forfeiture investigations in money laundering cases as apply to civil enforcement of the bank fraud statutes.

SECTION 104

This provision simplifies the procedure for gathering bank records once a complaint is filed in any civil forfeiture case.

In a typical case, a wrongdoer such as a money launderer or drug trafficker, will place his illegally obtained property in bank accounts in numerous locations, often in a number of different states or districts. Presently, once a civil forfeiture complaint is filed, records pertaining to such accounts, or any other accounts that might be relevant to the forfeiture action, can be obtained only through the discovery process under the Federal Rules of Civil Procedure which requires the government to obtain a separate subpoena for the records in each and every one of the judicial districts in which the banks holding the record are located.

Thus, if a forfeiture action is filed in Texas, but records relevant to the case are held by banks in Miami, New York, and Los Angeles, the United States Attorney in Texas has to seek the issuance of subpoenas duces tecum by courts in Florida, New York and California in order to obtain the records needed in the Texas action. This is because Rule 45, Fed. R. Civ. Pro., contemplates the issuance of a subpoena duces tecum only in the context of the taking of a deposition, and it requires that the subpoena be issued in the district where the deposition is to be taken.

In most civil forfeiture cases, there is no need to take the deposition of the custodian of bank records, and it is unnecessarily burdensome to have the subpoena issued by the court in the district where the bank is located when the forfeiture action is pending in some other district.

The proposed amendment would provide for the issuance of a subpoena duces tecum for bank records by the Clerk of the Court in the district where the forfeiture action was pending. Any party to the action could request the issuance of such a subpoena and would be required to give notice to all other parties. The final subsection makes clear that this section is intended to complement the discovery rules set forth in the Federal Rules of Civil Procedure and does not preclude any party from pursuing discovery under those Rules.

SECTION 201

Section 2706 of the Crime Control Act of 1990 added several bank fraud offenses to the definition of specified unlawful activity in §1956(c)(7)(D). The additions included 18 U.S.C. §§1005-07 and 1014. Unfortunately, this amendment contained another provision that could cause major problems in money laundering cases involving the proceeds of mail and wire fraud offenses.

Currently, under §1956(c)(7)(A), all RICO predicates are included in the definition of "specified unlawful activity". Because mail and wire fraud are RICO predicates, the laundering of the proceeds of any mail or wire fraud offense is currently prosecutable under §1956 and 1957.

The 1990 amendment, however, added mail and wire fraud offenses "affecting a financial institution" to the definition of specified unlawful activity. The context of the amendment makes clear that it was the intent of Congress to expand the money laundering statute to cover banking crimes. See Congressional Record, daily ed., July 31, 1990, at H6005 (explaining section 106 of H.R. 5401 and indicating that new predicate offenses were being added, not limited). Unfortunately, the wording of the amendment will allow some defendants to argue that Congress could not have intended to pass a meaningless statute and that it therefore must have intended to restrict the money laundering statute only to those fraud offenses affecting financial institutions. If that interpretation were to be accepted by a court, the result would be to exempt the laundering of the proceeds of many white collar crimes and public corruption offenses from prosecution under the money laundering statute.

This amendment makes clear that Congress' clear intent in enacting the savings and loan provisions in the 1990 Crime Control Act was to enhance prosecutorial authority, not restrict it, and that therefore the amendment to §1956(c)(7)(D) was a drafting error that was not intended to affect the inclusion of all mail and wire fraud offenses as money laundering predicates under §1956(c)(7)(A). The amendment also strikes the duplicate reference to 18 U.S.C. §1344 as that section is also already a money laundering predicate under §1956(c)(7)(A).

Finally, this section amends the reference to the drug paraphernalia statute to conform to the redesignation of that statute as part of the Controlled Substances Act by section 2401 of the Crime Control Act of 1990.

SECTION 202

This section amends a provision in the FERREA Act of 1989 to conform to forfeiture amendments relating to bank fraud and money laundering that were included in the Crime Control Act of 1990.

Under current law, enacted in FIRREA in 1989, a person in lawful possession of grand jury information concerning a banking law violation may disclose that information to an attorney for the government for use in connection with a civil forfeiture action under 18 U.S.C. §981(a)(1)(C). The purpose of this provision is to make it possible for the government to use grand jury information to forfeit property involved in a bank fraud violation; it does not permit disclosure to persons outside of the government, nor does it permit government attorneys to use the information for any other purpose. Rather, it merely recognizes civil forfeiture actions under §981 as part of any law enforcement action arising out of a criminal investigation.

The limitation to forfeiture under "§981(a)(1)(C)," however is obsolete. At the time FERREA was enacted, all forfeitures relating to bank fraud violations were brought under §981(a)(1)(C). In the Crime Control Act of 1990, however, Congress added paragraphs (D) and (E) to section §981(a)(1), relating to other bank fraud violations involving the Resolution Trust Corporation. The amendment strikes the reference to paragraph (C) so that disclosure under 18 U.S.C. §3322(a) will be permitted in regard to any forfeiture under any part of §981(a)(1) including money laundering forfeitures.

SECTION 203

This amendment is identical to the provisions that passed both the House and Senate in the 101st Congress. *See* §810 of S. 3037, and §32 of H.R. 5889.

In the Anti-Drug Abuse Act of 1986, Congress created 31 U.S.C. 5324, which made it a crime to structure a transaction for the purpose of evading a currently transaction reporting requirement. The amendment creates a parallel provision regarding the monetary instrument reports (commonly called "CMIRs") that must be filed whenever instruments having a value of more than $10,000 are imported or exported.

Under the new provision, codified as subsection (b) of §5324, it would be illegal to structure the importation or exportation of monetary instruments with the intent to evade the CMIR reporting requirement. As is the case presently for structuring cases involving currency transaction reports, the government would have to prove that the defendant knew of the existence of the CMIR reporting requirement, but it would not have to prove that the defendant knew that structuring itself has been made illegal. *United States* v. *Hoyland*, 903 F.2d 1288 (9th Cir. 1990).

The amendment made in subsection (b) is technical in nature and is intended to avoid a double penalty when forfeiture and other civil sanctions are applied to the same case.

The amendment in subsection (c) makes clear that civil forfeitures for CTR structuring offenses will continue to be covered by §981 of title 18, while civil forfeitures for CMIR offenses, including the new structuring offense, will continue to be covered by §5317 of title 31.

SECTION 204

This amendment passed the House and Senate in 1990 as §13 of H.R. 5889 and §204 of S. 3037. It corrects an oversight in §6185(c) the Anti-Drug Abuse Act of 1988, which authorized the Secretary of the Treasury to issue orders directing financial institutions in certain geographic areas to collect additional information regarding cash transactions, by providing a penalty for the disclosure of such orders.

SECTION 205

Currently, sections 1956 and 1957, the two principal money laundering statutes, contain different and possible inconsistent definitions of the term "financial institution." Under §1957, a financial institution is any entity listed in 31 U.S.C. 5312. Under §1956, however, a financial institution is any entity listed in §5312 and the regulations promulgated by the Secretary of the Treasury pursuant to that statute. See 31 CFR §103.11(i) (1990). Moreover, it is unclear whether the reference to the regulations in §1956 is meant to limit the definition of "financial institution" to those entities that are listed in both the statute (i.e. 31 U.S.C. §5312) and the regulations, or whether Congress intended to include any entity referred to in either the statute or the regulations.

The amendment eliminates this confustion first by using the same definition of "financial institution" for both §1956 and §1957, and second by making clear that the definition includes any entity referred to in either 31 U.S.C. §5312 or the regulations promulgated thereunder.

SECTION 206

Section 1402 of the Crime Control Act of 1990 made several purely technical corrections to the definition of "financial transaction" in 18 U.S.C. §1956(c)(4). The present amendment makes several additional minor changes to clarify the scope of the statute.

The substantive part of the amendment expands the definition of "financial transaction" to cover the transfer of title to real property, automobiles, boats, airplanes and other conveyances. This closes a loophole in section 1956 which allows someone to escape prosecution under the money laundering statute if he or she conceals or disguises the

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Sess. 22 n.2 reprinted in 1970 U.S. Code & Admin. News 2617.

proceeds of unlawful activity by transferring title to property without receiving any funds or monetary instruments in return.

The remaining provisions are purely technical in nature.

SECTION 207

Under current law, 18 U.S.C. 1510(b), it is a crime for any employee of a financial institution to disclose the contents of a grand jury subpoena for bank records where the subpoena is issued in the course of an investigation of certain crimes. The crimes covered by this obstruction of justice statute are listed in 18 U.S.C. 1510(b)(3)(B). The amendment expands the listed of covered offenses to include the federal money laundering statutes.

SECTION 208

This section is virtually identical to a provision that passed the Senate twice in the 101st Congress. See §701(a)(5) of S. 1711; §1901(a)(5) of S. 1970. It allows the Asset Forfeiture Fund to be used to pay awards for information relating to violations of the criminal money laundering laws. This amendment differs from the version that passed the Senate previously only in that it includes violations of 31 U.S.C. §5316 (relating to CMIR reports) and 26 U.S.C. §6050I (relating to Form 8300 reports) within the list of money laundering offenses.

SECTION 209

This amendment is virtually identical to an amendment introduced by Senator Biden that passed the Senate as §2437 of S. 1970 in 1990. The amendment, which is modeled on the penalty provision for drug conspiracies in 21 U.S.C. §846, would make the penalty for money laundering conspiracy equivalent to the penalty for the substantive money laundering offense. The only difference between this provision and the Biden amendment is that this amendment would apply only to conspiracies and not to attempt offenses.

SECTION 210

This section includes two technical amendments passed by the Senate in 1990 as section 3722 of S. 1970. The first amendment conforms the language in sections 1956 (a)(2) and (b) to amendments made by section 6471 of the Anti-Drug Abuse Act of 1988, Pub. L. 100-690. That amendment clarified the scope of section (a)(2) to make clear that it covered not only physical "transportation" of property, but also the "transmission or transfer" of property, such as the transmission of funds by wire. The present amendment inserts "transmission or transfer" at the appropriate places in subsections (a)(2) and (b) so that they conform grammatically to the statute as amended in 1988.

The second amendment strikes redundant language in the "sting" provision enacted by section 6465 of the Anti-Drug Abuse Act of 1988.

SECTION 211

In the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), Congress amended 12 U.S.C. 3420 to prohibit a financial institution from notifying a customer of the existence of a grand jury subpoena for records naming such customer (or any information furnished in response to the subpoena) in any case involving a crime against any financial institution or supervisory agency. Other provisions of the Right to Financial Privacy Act exempt grand jury subpoenas from the Act's mandatory notice-to-customer provisions (12 U.S.C. 3413(i)), but except for the limited FIRREA amendment described above, the statute fails to prohibit a financial institution from voluntarily notifying a customer of the existence of a grand jury subpoena pertaining to his or her account. Such notification, of course, may alert a potential suspect of an investigation and permit the suspect to flee or conceal evidence. For that reason, the Act permits a prosecutor to obtain an order precluding such notification, upon certain showings, but the order is effective only for up to ninety days (see 12 U.S.C. 3409).

In drug and money laundering cases, the grand jury investigation is likely to be protracted and may involve numerous subpoenas for bank records. The administrative burdens in such cases imposed by the Act on overworked federal prosecutors to prepare the court papers necessary first to obtain, and then to secure extensions of, such preclusion-of-notice orders are unduly severe and unjustified. Accordingly, the amendment would expand the FIRREA addition of an automatic preclusion of notice to cover not only grand jury subpoenas for records relating to crimes against the financial institution, but also grand jury subpoenas for records relating to criminal investigations of the controlled substances and money laundering laws.

SECTION 212

This minor amendment merely incorporates the definition of property from 21 U.S.C. §853(b) (the drug forfeiture statute) into statute that governs money laundering forfeitures. Section 982 already incorporates virtually all of the other procedural and definitional sections of §853. The definition of property was left out of the statute as originally enacted in 1986 because at that time §982 only permitted forfeiture of commissions and fees paid to money launderers. In 1988, however, §982 forfeitures were expanded to include the property being laundered, proceeds traceable to that property, and property used to facilitate the laundering offense. See *United States* v. *All Monies*, 754 F. Supp. 1467 (D. Haw. 1991). In light of the 1988 amendment, the defintion of property in §853(b) should be incorporated into §982. This conforms to the FIRREA forfeiture amendments of 1989 which incorporated the definition of property from §853(b) into §982(b)(1)(B) for FIRREA forfeitures.

The definition of property in §853(b) is as follows: "real property, including things growing on, affixed to, and found in land; and tangible and intangible personal property, including rights, privileges, interests, claims, and securities."

SECTION 213

At present, 18 U.S.C. §§1956(c)(7)(B) and 981(a)(1)(B) are co-extensive. The former makes foreign drug crimes in which a financial transaction occurs within the United States predicates for money laundering, while the latter provides for civil forfeiture of the proceeds of such crimes if found in the United States. (Criminal forfeiture authority is automatically established under 18 U.S.C. §982(a)(1) for any offense under §1956.)

The proposal would expand the money laundering and civil forfeiture provisions described above so that they would also include the proceeds of foreign kidnappings, robberies, and extortions. The purpose is to make it more difficult for terrorists and other violent offenders to use the United States as a haven for the profits from their crimes.

SECTION 214

18 U.S.C. 981(e) governs the disposal of property forfeited by the Attorney General, the Secretary of the Treasury, or the Postal Service. The subsection provides, among other things, that the property may be retained, may be transferred to another federal agency, or may be transferred to a State or local law enforcement agency which participated directly in any of the acts which led to the forfeiture. The three federal departments or agencies are directed equitably to share the proceeds of forfeitures with such participating State and local law enforcement authorities.

Section 6469(b) of the Anti-Drug Abuse Act of 1988 added a sentence to 18 U.S.C. 981(e) which limited the authority of the Treasury Department and the Postal Service under that subsection to "property that has been administratively forfeited." No rationale for this limitation is stated and none is apparent. Prior to the 1988 Act, Treasury enjoyed the authority to dispose of property it seized irrespective of whether the property was later judicially forfeited in a proceeding conducted by the Attorney General. Possibly, the last sentence of subsection 981(e) was inserted because in some manner it was believed necessary to protect the litigating authority of the Attorney General. However, such litigating authority is not implicated by subsection 981(e), nor is there any other reasons why Treasury and the Postal Service should not be able to dispose of property seized within their respective jurisdictions, as to which a judicial forfeiture proceeding is later brought. Accordingly, the amendment (which passed the Senate last year as §1911 of S. 1970) would repeal the last sentence of 18 U.S.C. 981(e) to give those agencies that authority.

SECTION 215

This section merely adds two additional criminal offenses to the list of "specified unlawful activity" in section 1956.

SECTION 301. AMENDMENTS TO THE BANK SECRECY ACT

Section (a). This technical amendment makes a change to the anti-structuring provision of the Bank Secrecy Act, 31 U.S.C. 5324, to specify that structuring transactions to avoid the $3000 identification requirement of 31 U.S.C. 5325 is prohibited.

By way of background, the anti-structuring provision of the Bank Secrecy Act, 31 U.S.C. 5324, prohibits structuring of transactions to avoid the currency reporting requirements of section 5313, i.e., the $10,000 Currency Transaction Report requirement under 31 C.F.R. 103.22. In section 6185(b) of the Anti-Drug Abuse Act of 1988, Congress added section 5325 to further guard against the practice of "smurfing" drug proceeds by cash purchases of monetary instruments at amounts below the $10,000 reporting threshold. Section 5325 prohibits the cash purchase of certain monetary instruments—bank checks, cashier's checks, traveler's checks, money orders—in amounts greater than $3,000 to non-account holders unless the financial institution verifies the identification of the purchaser. Treasury has issued regulations under section 5325, 31 C.F.R. 103.29, which require that financial institutions maintain a log of cash purchases of these instruments over $3,000 which included a notation of the identification exacted for non-account holders.

Nevertheless, section 5324 only refers to structuring to avoid the Currency Transaction Report requirement. Therefore, the proposed amendment is needed because under the current law it could be argued that customer structuring of transactions or smurfing to avoid the $3,000 identification requirement would not be a violation of the Bank Secrecy Act.

Section (b). This section contains provisions necessary to bring the financial enforcement program in the United States in conformity with the recommendations of the Financial Action Task Force ("FATF") on money laundering.

The FATF was convened by the 1989 G-7 Summit to study the state of international cooperation on money laundering and measures to improve cooperation in international money laundering cases. The group was composed of fifteen financial center countries and the European Community. After several meetings of experts from law enforcement, Justice and Finance Ministries, and bank supervisory authorities, in April 1990, the group issued a comprehensive report with 40 action recommendations for comprehensive domestic anti-money laundering programs and improved international cooperation in money laundering investigations, prosecutions, and forfeiture actions. The recommendations of the group have become the world model for effective anti-money laundering measures.

President Bush and the other heads of state and government endorsed the report of the Financial Action Task Force at the Houston Economic Summit in summer 1990, and the financial ministries of non-G-7 participants also endorsed the report. The Houston Summit reconvened the Task Force for another year. The mandate of the reconvened Task Force is to study possible complements to the original recommendations, to assess implementation of the recommendations, and to study how to expand the number of countries that subscribe to the recommendations. The reconvened Task Force is currently meeting. The original members have been joined by six other European countries and Hong Kong and the Gulf Cooperative Council.

By their endorsement, the Task Force members are committed to take necessary legislative and regulatory measures to implement the recommendations. Most of the countries are in the process of developing the necessary legislation. As can be expected, most of the recommendations reflect measures already in place in the United States because the United States was among the first countries to recognize the need for a comprehensive regulatory and legislative response to money laundering. Nevertheless, to fully measure up to the recommendations, our program requires some refinements which the amendments in this section address.

First, the Task Force recommendations (recommendation 9) provide that the same anti-money laundering measures recommended for banks be put in place for non-bank financial institutions, such as the requirement to report suspicious transactions possibly indicative of money laundering (recommendation 16) and to create anti-money laundering programs (recommendation 20). Our collective experience in the United States and abroad reflects that as banks become more effective in guarding against money laundering, money launderers turn to non-bank financial institutions, such as casas de cambio and telegraph companies. Many of these institutions are subject to the recordkeeping and reporting requirements of the Bank Secrecy Act, but unlike banks are not required to report suspicious transactions nor to have compliance programs to guard against money laundering. See e.g., 12 C.F.R. 12.11 (relating to reports to suspected crimes by national banks); 12 C.F.R. 21.21 (relating to procedures for monitoring Bank Secrecy Act compliance by national banks).

Proposed section 31 U.S.C. 5318(g) authorizes the Secretary to require by regulation the reporting of suspicious transactions by any financial institution subject to the Bank Secrecy Act. Failure to report a suspicious transaction would subject the institution to the civil penalties of 31 U.S.C. 5321. It is anticipated that the Secretary would issue guidelines to assist financial institutions in identifying suspicious transactions.

Also in furtherance of the FATF recommendations, a financial institution, bank or non-bank, would be prohibited from warning its customer if it made a suspicious transaction report (recommendation 17). Under the Right to Financial Privacy Act ("RFPA"), 12 U.S.C. 3403(c), a financial institution may report a suspicious transaction free from civil liability for not notifying its customer, but is not specifically prohibited from warning the customer. The FATF concluded that in order for suspicious transactions reporting to be effective there must be a prohibition from notifying the persons involved in the suspicious transaction. Also, as discussed below, in a related amendment, it is proposed to extend the customer liability protection of the RFPA to all financial institutions subject to the Bank Secrecy Act, not just to the banking institutions generally subject to the RFPA.

Proposed section 31 U.S.C. 5318(h), which tracks the language of FATF recommendation 20, would authorize the Secretary to require financial institutions subject to the Bank Secrecy Act to have anti-money laundering programs which include, at a minimum, development of internal policies, procedures, and controls, designation of a compliance officer, an ongoing employee training program, and an independent audit function to test the program. The Secretary would be able to promulgate minimum standards for such procedures.

This recommendation was based on the regulations the U.S. bank regulators have in place pursuant to 12 U.S.C. 1818 to ensure Bank Secrecy Act compliance. See e.g., 12 C.F.R. 21.21. The Secretary already has authority under 31 U.S.C. 5318 to promulgate procedures to issue procedures to ensure compliance with requirements of the Bank Secrecy Act. This amendment would eliminate the requirement that the procedures be linked to a Bank Secrecy Act requirement, i.e., currency transaction reporting. The procedures would be geared at money laundering generally whether or not a customer dealt in cash. For instance, this authority could be used to require that anti-money laundering programs include "know your customer" procedures.

The Department of the Treasury envisions that the authority of proposed section 5318(g) and (h) could be used with respect to any institution subject to the Bank Secrecy Act under 31 U.S.C. 5312 whether or not that institution is required to report currency transactions under the Bank Secrecy Act.

The amendments in sections (d) through (h) specify that persons who cause financial institutions to maintain false or incomplete records in contravention of the Bank Secrecy Act recordkeeper requirement would themselves be subject to civil sanctions. Currently, the Bank Secrecy Act recordkeeping civil penalties apply only to the financial institution required to maintain the record. (Criminal penalties already apply to persons causing such violations pursuant to 31 U.S.C. §§5322 and 5324(1) and (2), and 18 U.S.C. §2.) The penalties do not apply to a customer who caused a financial institution to maintain a false or incomplete record. As Treasury refines its recordkeeping requirements, e.g., the proposal for enhanced funds transfer records, this may become a loophole in the statutory framework. The amendments in section 1(d) through (h) would cure this problem for records required under the general recordkeeping authority for insured financial institutions (12 U.S.C. 1829b), non-bank financial institutions (12 U.S.C. 1951-1959), and requirements promulgated pursuant to 31 U.S.C. 5314 (foreign financial agency records).

SECTION 302. AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT

Section (a). Since the inception of the Right to Financial Privacy Act, pursuant to an exception in section 1103(c), 12 U.S.C. 3404(c), financial institutions have been able to report, in good faith, possible violations of law or regulation to federal authorities without notice to the suspected customer and free from civil liability under the RFPA. At the Administration's request in the Anti-Drug Abuse Act of 1986 and 1988, Congress further clarified this provision to specify what information a financial institution could give regarding the customer and the suspicious activity, and that the protection preempted any state law requiring notice to the customer. These changes were added to ensure that financial institutions would not be inhibited from reporting suspected violations, especially money laundering and Bank Secrecy Act reporting violations.

Nevertheless, banks have advised that there are other concerns beyond liability under privacy laws that in some instances complicate their treatment of suspicious transactions. For instance, they fear possible defamation actions or that if they sever relations with a customer, they may risk liability under the Fair Credit Reporting Act, 15 U.S.C. 1691, et seq., or for breach of contract. See *Ricci* v. *Key Bancshares of Maine*, 768 F.2d 456 (1st Cir. 1985). However, if they continue relations with the customers, they fear that they may be implicated in any illegal activity.

In many cases, after a suspicion has been reported, Federal authorities will encourage financial institutions to continue dealing with a suspicious customer so his activities may be monitored. Unfortunately, in other cases, law enforcement authorities do not always follow-up with financial institutions on the disposition of suspicious activity reports. In any event, financial institutions should be free to sever relations with the customer based on their suspicions or on information about a customer received from law enforcement.

Section (a) addresses these concerns by extending the protection of section 1103(c) to a financial institution that severs relations with a customer or refuses to do business because of activities underlying a suspicious transaction report and by specifying that the financial institution that acts in good faith in reporting a suspicious transaction is protected from civil liability to the customer under any theory of state or Federal law.

This amendment also broadens the protection of section 1103(c) to the wide range of bank and non-bank institutions subject to the Bank Secrecy Act, 31 U.S.C. 5312, to the extent that these institutions are required to file supicious transaction reports. Currently, the protection from civil liability may apply to financial institutions as defined in section 1101 of the RFPA (12 U.S.C. 3401), e.g., banks, credit unions, savings associations. Non-bank institutions which are required to file suspicious transaction reports may similarly be inhibited from reporting suspicious transactions by fear of civil liability for defamation or breach of contract or under financial or consumer privacy laws.

Under this proposal, the protection from civil liability would apply to any institution enumerated in 31 U.S.C. 5312 if the Secretary has exercised his regulatory authority under proposed 31 U.S.C. 5318(g) (Section of this bill) by requiring that type of institution to file a report on suspicious transactions. Thus, if an institution such as check casher, securities broker, or foreign currency exchange, which is not categorized as a "financial institution" under the RFPA, but is categoriezed as such under 31 U.S.C. 5312 and the implementing regulations, and is required by regulation to file suspicious transaction report, will be free from customer liability based on the suspicious transaction report.

Section (b). Section 1112 of the RFPA, 12 U.S.C. 3412, provides that agencies that obtain financial records in accordance with the RFPA (either after customer notice or pursuant to an authorized notice exception) notify a customer if it transfers the records to another agency.

The amendment in section (b) is necessary to facilitate the work of Treasury's new Financial Crimes Enforcement Network (FinCEN). FinCEN plans not only to analyze financial records, including records subject to the RFPA, e.g., records received by administrative subpoena, to facilitate investigations and prosecution by non-Treasury agencies, but to integrate such records with other available records for further analysis to identify new targets for criminal investigation. Treasury is concerned that this further use, independent of the needs of the agency that originally received the records in accordance with the RFPA, could be considered as a transfer of the records to Treasury necessitating customer notice under section 1112 of the RFPA.

The amendment adds a new subsection 1112(g) to provide that an agency can transfer records obtained in accordance with the RFPA to FinCEN for criminal law enforcement purposes without customer notice. FinCEN also would be able to disseminate the results of its analysis, whether based in whole or in part on records obtained subject to the RFPA, to the appropriate agency for criminal investigation without customer notice.•

By Mr. FORD (by request):

S. 1666. A bill to amend the Harmonized Tariff Schedule of the United States to restore the rate of duty applicable to manmade fiber felt fabric for technical uses that was in effect under the Tariff Schedules of the United States; to the Committee on Finance.

AMENDING THE HARMONIZED TARIFF SCHEDULE

Mr. FORD. Mr. President, I rise today to introduce legislation at the request of BWF America of Erlanger, KY. This legislation is a companion to a bill introduced in the House by the Honorable JIM BUNNING, by request, as H.R. 2847. BWF America intends that this legislation restore the duty rate applicable to industrial filter felt which was in effect prior to the enactment of the Harmonized Tariff Schedule [HTS].

BWF America manufactures and distributes commodity and specialty grade filters used in industrial filter machinery for air and liquid filtration. BWF America manufactures commodity grade filters entirely from United States-made commodity grade felt, and specialty grade filters entirely from specialty grade felt produced by its partner, BWF, Germany. It is my understanding that specialty grade felt is not produced in the United States and sells for about three to four times that of commodity grade felt. Due to the appreciation in the German Mark, and the increase in duties on specialty felt resulting from the HTS, BWF America believes it is jeopardized with the loss of its speciality grade filter market.

BWF America believes that when the United States converted to the HTS, felt fabrics used for technical purposes were incorrectly recategorized at a duty rate higher than, and unrelated to, the duties on felt under the old Tariff Schedules of the United States [TSUS]. With this legislation, BWF America seeks to amend HTS Subheading 5911.40.40 to reestablish the old duty rate of 12.5 percent ad valorem on manmade fiber felt for technical use, as was the case under section 355.25 of the former TSUS. BWF America also seeks through this legislation to provide for the continuation of any staged reductions previously announced for this subheading. Finally, BWF America requests that if this bill is enacted, the U.S. Customs Service be authorized to reliquidate any entries of manmade fiber felt made after the effective date of recategorization of HTS, provided such requests are made within 90 days of enactment.

By Mr. FORD (for himself and Mr. ROTH):

S. 1667. A bill to provide for a 2-year Federal budget cycle, and for other purposes; to the Committee on Budget and to the Committee on Governmental Affairs.

BIENNIAL BUDGET ACT

Mr. FORD. Mr. President, I rise today to join with the distinguished senior Senator from Delaware, Senator ROTH, in reintroducing our bipartisan Biennial Budget Act. I appreciate the hard work of my colleague, Senator ROTH, on this issue in the past, and look forward to enactment of this commonsense measure this Congress.

Congress has been seriously experimenting with multiyear budgeting since 1987, and enacted the most comprehensive multiyear program ever last year with the Budget Enforcement Act of 1990. So far, the experiment has worked. Following the 1987 2-year agreement, Congress was able to complete our work on the regular appropriations bills, for the first time in over a decade, prior to the beginning of the fiscal year. With our current progress, it appears that we will match that success again this fall.

The success of the 1987 2-year budget proved that multiyear budgeting could provide a workable management tool to make the job of Congress and the executive branch more efficient and effective. The 1987 agreement formed the basis for last year's historic 5-year budget plan, as enacted in title XIII of the Omnibus Budget Reconciliation Act of 1990, the Budget Enforcement Act of 1990. The Congress has been slowly building toward a full biennial budgeting approach. Enactment of the Biennial Budget Act is the next logical step.

This legislation is substantially similar to the bipartisan legislation Senator ROTH and I have introduced in the past two Congresses. Senator ROTH and I first introduced our separate biennial budget bills in the 97th Congress. We continued to introduce our separate bills until 1988, when Senator ROTH suggested that we join our efforts to produce a bipartisan bill. In June of that year, I was pleased to join with my distinguished colleague, the ranking member of the Committee on Governmental Affairs, to introduce S. 2478, the Biennial Budget Act of 1988.

We were pleased to have 29 of our colleagues join us in cosponsoring that bill. With the generous cooperation of the chairman, Senator JOHN GLENN, the Biennial Budget Act of 1988 was reported unanimously from the committee in late August 1988. Under the August 1977 unanimous consent agreement governing referral of budget-related legislation, S. 2478 was subsequently discharged from the Committee on Budget, which took no action. There was insufficient time for consideration of the bill by the full Senate during the 100th Congress.

The following Congress, Senator ROTH and I reintroduced a virtually identical bill, S. 29, which ultimately gained 37 cosponsors. Joint hearings on budget process reform, including biennial budgeting, were held by the Committee on Governmental Affairs and the Committee on the Budget, and S. 29 was again reported unanimously from the Committee on Governmental Affairs in March 1990. The legislation was again referred to the Committee on the Budget, which took no action, and was discharged from further consideration. The bill was not considered by the full Senate in the 101st Congress.

I am pleased to join with Senator ROTH to reintroduce this legislation today. In light of the changes made to the Congressional Budget Act of 1974, and subsequent acts, by the Budget Enforcement Act of 1990, changes in our original legislation were necessary. However, the thrust of the legislation remains the same: to create a biennial budget process by requiring a 2-year authorizing, budget resolution, appropriations, and reconciliation cycle. As with previous legislation, the first session of each Congress would be devoted to enacting the biennial budget resolution, appropriations, and reconciliation measures. The second session of each Congress would be devoted to oversight, and biennial authorizations, and action on any supplemental appropriations or emergency spending measures currently allowed under the restrictions of the Budget Enforcement Act of 1990.

As a former Governor, I know first hand the savings that can be achieved with a 2-year budget process. Under a 2-year budget cycle, the recipients of Federal funds, including our State and local officials, have a more stable and predictable source of revenue. Federally supported programs will not face the yearend rush to pass appropriations bills that in the past have sometimes led to confusion and Government shutdown.

While this legislation again provides for biennial appropriations, I am aware of the concerns raised in the past by members of the Committee on Appropriations, and others, who feel that the annual appropriations cycle maintains the maximum power of the purse to affect executive branch decisionmaking. While I continue to believe that biennial appropriations do not infringe upon this power, particularly in light of provisions of the Budget Enforcement Act of 1990, I am sensitive to these concerns. However, support for biennial appropriations is widespread. The 1988 survey of the Center for Responsive Politics reported that over 85 percent of the Senate and House Members polled favored 2-year appropriations.

Particularly in the area of defense spending, the advantages of biennial appropriations have been noted by the former Comptroller of the Department of Defense, Robert Helm, and our distinguished colleague, Senator SAM NUNN, chairman of the Senate Committee on Armed Services. Just this week, during opening debate on the 1990 Department of Defense Authorization Bill, Chairman NUNN pointed out the need for biennial appropriations and called on the Appropriations Committee to move in this direction. I share Chairman NUNN's enthusiasm for such a move and look forward to working with the chairman of the Appropriations Committee, the honorable ROBERT C. BYRD, the distinguished ranking member, Senator MARK O. HATFIELD, and others, to explore ways we can move toward biennial appropriations where appropriate.

It is time to institutionalize our multiyear budgeting experiment with enactment of the Biennial Budget Act. It is not a quick fix for our budgetary problems, but it is a proven management tool which will give Congress the time necessary to make considered, responsible spending decisions, and provide the executive branch the opportunity to ensure that the taxpayers' dollars are being well spent. Perhaps with time set aside each Congress for considered deliberations on spending priorities, and the opportunity for thorough oversight, Congress can prevent the tremendous fraud associated with the savings and loan industry, the waste uncovered at the Pentagon, or the abuse discovered at the Department of Housing and Urban Development. That in itself would have saved the American taxpayers considerable dollars and gone a long way to producing a balanced Federal budget.

I urge my colleagues to join with us in cosponsoring this measure. I look forward to working with my colleagues to produce a biennial budget plan which will streamline our budget process so that both the Congress and the executive branch can be more accountable while fully retaining the constitutional authority of the Congress to appropriate funds.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1667

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Biennial Budget Act".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purpose.
Sec. 3. Revision of timetable.
Sec. 4. Amendment to the Congressional Budget and Impoundment Control Act of 1974.
Sec. 5. Amendments to title 31, United States Code.
Sec. 6. Title and style of appropriations Acts.
Sec. 7. Assistance by Federal agencies to standing committees of the Senate and the House of Representatives.
Sec. 8. Amendments to rules of House of Representatives.
Sec. 9. Effective date; application.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds and declares that the present annual Federal budgeting process—

(1) allows insufficient time for the fulfillment by the Congress of its legislative and oversight responsibilities;

(2) allows insufficient time for the review and consideration by the Congress of authorizing legislation, budget resolutions, and appropriation bills and resolutions and other spending measures;

(3) allows insufficient time for the evaluation of costly and complicated Federal programs, and thereby contributes to the unrestrained growth of the Federal budget; and

(4) allows insufficient time for agencies and State and local governments to plan for the implementation of programs.

(b) PURPOSE.—It is the purpose of this Act—

(1) to establish a process through which the Federal budget will be adopted for a two-year period;

(2) to improve congressional control over the Federal budget process;

(3) to streamline the requirements of the budget process in order to promote better accountability to the public;

(4) to improve the legislative and budgetary processes by providing additional time for congressional oversight and other vital legislative activities;

(5) to provide stability and coherence for recipients of Federal funds; and

(6) to implement other improvements in the Federal budget process.

SEC. 3. REVISION OF TIMETABLE.

Section 300 of the Congressional Budget Act of 1974 (2 U.S.C. 631) is amended to read as follows:

"TIMETABLE

"SEC. 300. The timetable with respect to the Congressional budget process for any Congress (beginning with the One Hundred Third Congress) is as follows:

"First Session"

"On or before:	Action to be completed:
First Monday in February	President submits budget recommendations.
February 15	Congressional Budget Office submits report to Budget Committees.
February 25	Committees submit views and estimates to Budget Committees.
March 31	Senate Budget Committee reports concurrent resolution on the biennial budget.
April 15	Congress completes action on concurrent resolution on the biennial budget.
May 15	Biennial appropriation bills may be considered in the House.
June 10	House Appropriations Committee reports last biennial appropriation bill.
September 30	Congress completes action on reconciliation legislation.
September 30	Congress completes action on biennial appropriation bills.
October 1	Biennium begins.

"Second Session

"On or before:	Action to be completed:
May 15	Congressional Budget Office submits report to Budget Committees.
The last day of the session	Congress completes action on bills and resolutions authorizing new budget authority for the succeeding biennium.".

SEC. 4. AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.

(a) Amendment of the Congressional Budget Act of 1974.—Whenever in this section an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the references shall be to a section or other provision of the Congressional Budget Act of 1974.

(b) Declaration of Purpose.—Section 2(2) (2 U.S.C. 621(2)) is amended by striking "each year" and inserting "biennially".

(c) Definitions.—

(1) Section 3(4) (2 U.S.C. 622(4)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(2) Section 3 (2 U.S.C. 622) is further amended by adding at the end thereof the following new paragraph:

"(11) The term 'biennium' means the period of 2 consecutive fiscal years beginning on October 1 of any odd-numbered year.".

(d) Duties of CBO.—

(1) Section 202(f)(1) (2 U.S.C. 602(f)(1)) is amended—

(A) by striking "February 15 of each year" and inserting "February 15 of each odd-numbered calendar year";

(B) by striking "the fiscal year commencing" and inserting "each fiscal year in the biennium commencing";

(C) by striking "such fiscal year" the first place it appears and inserting "such biennium"; and

(D) by striking "such fiscal year" the second place it appears and "each fiscal year in such biennium".

(2) Section 202(f) (2 U.S.C. 602(f)) is further amended—

(A) in paragraph (2) by striking "The Director shall from time to time" and inserting "On May 15 of each even numbered year and at such other times as he or she deems appropriate, the Director shall".

(B) in paragraph (3)—

(i) by striking "January 15" and inserting "February 15",

(ii) by striking "each year" and inserting "each even-numbered calendar year",

(iii) by striking "the fiscal year ending September 30 of that calendar year" in clause (A) and inserting "either fiscal year in the biennium beginning October 1 of the preceding calendar year",

(iv) by striking "the fiscal year ending September 30 of that calendar year" in clause (B) and inserting "either fiscal year of such biennium", and

(v) by striking "fiscal year beginning October 1 of that calendar year" and inserting "succeeding biennium".

(e) Biennial Concurrent Resolution on the Budget.—

(1) Section 301(a) (2 U.S.C. 632(a)) is amended—

(A) by striking "April 15 of each year" and inserting "April 15 of each odd-numbered year";

(B) by striking "the fiscal year beginning on October 1 of such year" the first place it appears and inserting "the biennium beginning on October 1 of such year";

(C) by striking "the fiscal year beginning on October 1 of such year" the second place it appears and inserting "each fiscal year in such period"; and

(D) by striking "each of the two ensuing fiscal years" and inserting "each fiscal year in the succeeding biennium".

(2) Section 301(b) (2 U.S.C. 632(b)) is amended—

(A) in the matter preceding paragraph (1) by inserting "for a biennium" after "concurrent resolution on the budget"; and

(B) in paragraph (3) by striking "for such fiscal year" and inserting "for either fiscal year in such biennium".

(3) Section 301(d) (2 U.S.C. 632(d)) is amended by striking "Within 6 weeks after the President submits a budget under section 1105(a) of title 31, United States Code" and inserting "On or before February 25 of each odd-numbered year".

(4) Section 301(e) (2 U.S.C. 632(e)) is amended—

(A) in the first sentence by striking "fiscal year" and inserting "biennium";

(B) by inserting between the second and third sentences the following new sentence: "On or before March 31 of each odd-numbered year the Committee on the Budget of each House shall report to its House the concurrent resolution on the budget referred to in subsection (a) for the biennium beginning on October 1 of that year."; and

(C) in paragraph (6)—

(i) by striking "five" and inserting "four",

(ii) by striking "such fiscal year" and inserting "the first fiscal year of such biennium,", and

(iii) by striking "such period" and inserting "such four-fiscal-year period".

(5) Section 301(f) (2 U.S.C. 632(f)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(6) The section heading of section 301 is amended by striking "**annual**" and inserting "**biennial**".

(7) The table of contents set forth in section 1(b) is amended by striking "Annual" in the item relating to section 301 and inserting "Biennial".

(f) Committee Allocations.—

(1) Paragraphs (1) and (2) of section 302(a) (2 U.S.C. 633(a)) are amended—

(A) by inserting "for a biennium" after "budget" the first place it appears in each such paragraph; and

(B) by inserting "for each fiscal year in such biennium" after "estimated allocation" each place it appears.

(2) Section 302(c) (2 U.S.C. 633(c)) is amended—

(A) by striking "for a fiscal year" each place it appears and inserting "for either fiscal year in a biennium"; and

(B) by striking "for such fiscal year" each place it appears and inserting "for such biennium".

(3) Section 302(f)(1) (2 U.S.C. 633(f)(1)) is amended—

(A) by striking "for a fiscal year" and inserting "for a biennium", and

(B) by striking "such fiscal year" each place it appears in the matter preceding subparagraph (A) and inserting "a fiscal year in such biennium".

(4) Section 302(f)(2) is amended—

(A) by striking "for a fiscal year" and inserting "for a biennium",

(B) by striking "for such fiscal year" and inserting "for a biennium", and

(C) by striking "4 succeeding" and inserting "3 succeeding".

(g) Section 303 Point of Order.—

(1) Section 303(a) (2 U.S.C. 634(a)) is amended by striking "fiscal year" each place it appears and inserting "biennium".

(2) Section 303(b) (2 U.S.C. 634(b)) is amended—

(A) in subparagraphs (A) and (B) of paragraph (1) and paragraph (2) by striking "the fiscal year" each place it appears and inserting "biennium"; and

(B) in paragraph (1) by striking "any calendar year" and inserting "any odd-numbered calendar year".

(h) Permissible Revisions of Concurrent Resolutions on the Budget.—Section 304 (2 U.S.C. 635) is amended—

(1) by striking "fiscal year" the first two places it appears and inserting "biennium";

(2) by striking "for such fiscal year"; and

(3) by inserting before the period "for such biennium".

(i) Procedures For Consideration of Budget Resolutions.—Section 305(b)(3) (2 U.S.C. 636(b)(3)) is amended—

(1) striking "the concurrent" and inserting "a concurrent"; and

(2) by striking "fiscal year" and inserting "biennium".

(j) Reports and Summaries of Congressional Budget Actions.—

(1)(A) Section 308(a)(1) (2 U.S.C. 639(a)(1)) is amended—

(i) in the matter preceding subparagraph (A) by striking "fiscal year (or fiscal years)" and inserting "biennium",

(ii) in subparagraph (A) by striking "fiscal year (or fiscal years)" and inserting "biennium", and

(iii) in subparagraph (C) by striking "such fiscal year (or fiscal years)" and inserting "such biennium".

(B) Section 308(a)(2) is amended by striking "fiscal year (or fiscal years)" and inserting "biennium".

(2) Section 308(b)(1) (2 U.S.C. 639(b)(1)) is amended—

(A) by striking "each fiscal year covered by a concurrent resolution on the budget" the first place it appears and inserting "a biennium";

(B) by inserting "for such biennium" after "concurrent resolution on the budget"; and

(C) by striking "the fiscal year preceding the first fiscal year covered by the appropriate concurrent resolution" and inserting "each fiscal year in the biennium preceding such biennium".

(3) Section 308(c) (2 U.S.C. 639(c)) is amended—

(A) by striking "Five" in the subsection heading and inserting "Four";

(B) by striking "fiscal year" each place it appears in the matter preceding paragraph (1) and inserting "biennium"; and

(C) by striking "5 fiscal years" and inserting "4 fiscal years".

(k) Completion of Action on Regular Appropriation Bills.—Section 309 (2 U.S.C. 640) is amended—

(1) by inserting "of any odd-numbered calendar year" after "July";

(2) by striking "annual" and inserting "regular"; and

(3) by striking "fiscal year" and inserting "biennium".

(l) Reconciliation Process.—

(1) Section 310(a) (2 U.S.C. 641(a)) is amended—

(A) by striking "any fiscal year" in the matter preceding paragraph (1) and inserting "any biennium";

(B) in paragraph (1) by striking "such fiscal year" each place it appears and inserting "each fiscal year in such biennium"; and

(C) in paragraph (2) by inserting "for each fiscal year in such biennium" after "revenues".

(2) Section 310(e) (2 U.S.C. 641(e)) is amended—

(A) by striking "20 hours" in paragraph (2) and inserting "100 hours"; and

(B) by adding at the end thereof the following new paragraph:

"(3) It shall not be in order in the Senate or the House of Representatives to consider any reconciliation bill or resolution or any amendment thereto or any conference report thereon which changes any provision of law other than provisions of law which—

"(A) provide new budget authority or spending authority described in section 401(c)(2);

"(B) relate to revenues; or

"(C) specify the amount of the statutory limit on the public debt.".

(3) Section 310(f) (2 U.S.C. 641(f)) is amended—

(A) by inserting "of any odd-numbered calendar year" after "July",

(B) by striking "fiscal year beginning on October 1 of the calendar year to which the adjournment resolution pertains" and inserting "biennium beginning on October 1 of such calendar year", and

(C) by striking "for such fiscal year" and inserting "for such biennium".

(m) SECTION 311 POINT OF ORDER.—

(1) Section 311(a)(1) (2 U.S.C. 642(a)) is amended—

(A) by striking "for a fiscal year" and inserting "for a biennium";

(B) by striking "such fiscal year" the first, second, and third places it appears and inserting "a fiscal year in such biennium";

(C) by inserting "for such fiscal year" after "outlays";

(D) by striking "concurrent resolution on the budget for such fiscal year" and inserting "concurrent resolution on the budget for the biennium in which such fiscal year occurs";

(E) by inserting "for such fiscal year" after "revenues" the first place it appears; and

(F) by inserting "for such fiscal year" after "set forth" the second place it appears.

(2) Section 311(b) (2 U.S.C. 642(b)) is amended—

(A) by striking "such fiscal year" the first place it appears and inserting "a biennium"; and

(B) by striking "such fiscal year" the second place it appears and inserting "either fiscal year in such biennium".

(n) BILLS PROVIDING NEW SPENDING AUTHORITY.—Section 401(b)(2) (2 U.S.C. 651(b)(2)) is amended by striking "for such fiscal year" the second place it appears and inserting "for the biennium in which such fiscal year occurs".

(o) ANALYSIS BY CBO.—Section 403(a) (2 U.S.C. 653(a)) is amended—

(1) by striking "the fiscal year" in paragraph (1) and inserting "each fiscal year in the biennium";

(2) by striking "each of the 4 fiscal years following such year" in paragraph (1) and inserting "each fiscal year in the succeeding biennium";

(3) by striking "the fiscal year" in paragraph (2) and inserting "each fiscal year in the biennium"; and

(4) by striking "each of the four fiscal years following such fiscal year" in paragraph (2) and inserting "each fiscal year in the succeeding biennium".

SEC. 5. AMENDMENTS TO TITLE 31, UNITED STATES CODE.

(a) DEFINITION.—Section 1101 of title 31, United States Code, is amended by adding at the end thereof the following new paragraph:

"(3) 'biennium' has the meaning given to such term in paragraph (11) of section 3 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11))".

(b) BUDGET CONTENTS AND SUBMISSION TO THE CONGRESS.—

(1) So much of section 1105(a) of title 31, United States Code, as precedes paragraph (1) thereof is amended to read as follows:

"(a) On or before the first Monday in February of each odd-numbered year, beginning with the One-Hundred-and-Second Congress, the President shall transmit to the Congress, the budget for the biennium beginning on October 1 of such calendar year. The budget transmitted under this subsection shall include a budget message and summary and supporting information. The President shall include in each budget the following:".

(2) Section 1105(a)(5) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding biennium".

(3) Section 1105(a)(6) of title 31, United States Code, is amended by striking "the fiscal year for which the budget is submitted and the 4 fiscal years after that year" and inserting "each fiscal year in the biennium for which the budget is submitted and in the succeeding biennium".

(4) Section 1105(a)(9)(C) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(5) Section 1105(a)(12) of title 31, United States Code, is amended—

(A) by striking "the fiscal year" in subparagraph (A) and inserting "each fiscal year in the biennium"; and

(B) by striking "4 fiscal years after that year" in subparagraph (B) and inserting "2 fiscal years immediately following the second fiscal year in such biennium".

(6) Section 1105(a)(13) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(7) Section 1105(a)(14) of title 31, United States Code, is amended by striking "that year" and inserting "each fiscal year in the biennium for which the budget is submitted".

(8) Section 1105(a)(16) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(9) Section 1105(a)(17) of title 31, United States Code, is amended—

(A) by striking "the fiscal year following the fiscal year" and inserting "each fiscal year in the biennium following the biennium";

(B) by striking "that following fiscal year" and inserting "each such fiscal year"; and

(C) by striking "fiscal year before the fiscal year" and inserting "biennium before the biennium".

(10) Section 1105(a)(18) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year" and inserting "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting "with respect to that fiscal year"; and

(C) by striking "in that year" and inserting "in that fiscal year".

(11) Section 1105(a)(19) of title 31, United States Code, is amended—

(A) by striking "the prior fiscal year" and inserting "each of the 2 most recently completed fiscal years";

(B) by striking "for that year" and inserting "with respect to that fiscal year"; and

(C) by striking "in that year" each place it appears and inserting "in that fiscal year".

(c) ESTIMATED EXPENDITURES OF LEGISLATIVE AND JUDICIAL BRANCHES.—Section 1105(b) of title 31, United States Code, is amended by striking "each year" and inserting "each even-numbered year".

(d) RECOMMENDATIONS TO MEET ESTIMATED DEFICIENCIES.—Section 1105(c) of title 31, United States Code, is amended—

(1) by striking "fiscal year for" each place it appears and inserting "biennium for";

(2) by inserting "or current biennium, as the case may be," after "current fiscal year"; and

(3) by striking "that year" and inserting "that period".

(e) STATEMENT WITH RESPECT TO CERTAIN CHANGES.—Section 1105(d) of title 31, United States Code, is amended by striking "fiscal year" and inserting "biennium".

(f) CAPITAL INVESTMENT ANALYSIS.—Section 1105(e) of title 31, United States Code, is amended by striking "ensuing fiscal year" and inserting "biennium to which such budget relates".

(g) SUPPLEMENTAL BUDGET ESTIMATES AND CHANGES.—

(1) Section 1106(a) of title 31, United States Code, is amended—

(A) in the matter preceding paragraph (1) by striking "fiscal year" and inserting "biennium";

(B) in paragraph (1) by striking "that fiscal year" and inserting "each fiscal year in such biennium";

(C) in paragraph (2) by striking "4 fiscal years following the fiscal year" and inserting "2 fiscal years following the biennium";

(D) by striking "future fiscal years" in paragraph (3) and inserting "the 2 fiscal years following the biennium for which the budget is submitted"; and

(E) by striking "fiscal year" in paragraph (3) and inserting "biennium".

(2) Section 1106(b) of title 31, United States Code, is amended by striking "the fiscal year" and inserting "each fiscal year in the biennium".

(h) CURRENT PROGRAMS AND ACTIVITIES ESTIMATES.—

(1) Section 1109(a) of title 31, United States Code, is amended—

(A) by striking "On or before the first Monday after January 3 of each year (on or before February 5 in 1986)" and inserting "At the same time the budget required by section 1105 is submitted for a biennium"; and

(B) by striking "the following fiscal year" and inserting "each fiscal year of such period".

(2) Section 1109(b) of title 31, United States Code, is amended by striking "March 1 of each year" and inserting "February 25 of each odd-numbered year".

(i) YEAR-AHEAD REQUESTS FOR AUTHORIZING LEGISLATION.—Section 1110 of title 31, United States Code, is amended—

(1) by striking "fiscal year" and inserting "biennium (beginning on or after October 1, 1991)", and

(2) by striking "year before the year in which the fiscal year begins" and inserting "second calendar year preceding the calendar year in which the biennium begins".

(j) BUDGET INFORMATION ON CONSULTING SERVICES.—Section 1114 of title 31, United States Code, is amended—

(1) by striking "The" each place it appears and inserting "For each biennium beginning with the biennium beginning on October 1, 1991, the"; and

(2) by striking "each year" each place it appears.

SEC. 6. TITLE AND STYLE OF APPROPRIATIONS ACTS.

Section 105 of title 1, United States Code, is amended to read as follows:

"§ 105. Title and style of appropriation Acts

"(a) The style and title of all Acts making appropriations for the support of the Government shall be as follows: 'An Act making appropriations (here insert the object) for the biennium ending September 30 (here insert the odd-numbered calendar year).'.

"(b) All Acts making regular appropriations for the support of the Government shall be enacted for a biennium and shall specify the amount of appropriations provided for each fiscal year in such period.

"(c) For purposes of this section, the term 'biennium' has the same meaning as in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)).".

SEC. 7. ASSISTANCE BY FEDERAL AGENCIES TO STANDING COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES.

(a) INFORMATION REGARDING AGENCY APPROPRIATIONS REQUESTS.—To assist each standing committee of the Senate and the House of Representatives in carrying out its responsibilities, the head of each Federal agency which administers the laws or parts of laws under the jurisdiction of such committee shall provide to such committee such studies, information, analyses, reports, and assistance as may be requested by the chairman and ranking minority member of the committee.

(b) INFORMATION REGARDING AGENCY PROGRAM ADMINISTRATION.—

(1) FURNISHING INFORMATION.—To assist each standing committee of the Senate and the House of Representatives in carrying out its responsibilities, the head of any agency shall furnish without charge to such committee computer tapes or disks, together with explanatory documentation, containing information received, compiled, or maintained by the agency as part of the operation or administration of a program, or specifically compiled pursuant to a request in support of a review of a program, as may be requested by the chairman and ranking minority member of such committee.

(2) MINIMIZING REQUESTS.—The Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate shall prescribe rules and regulations for their respective Houses which will minimize duplication of requests under paragraph (1) of this subsection.

(c) SUMMARIES BY COMPTROLLER GENERAL.—Within 30 days after the receipt of a request from a chairman and ranking minority member of a standing committee having jurisdiction over a program being reviewed and studied by such committee under this section, the Comptroller General of the United States shall furnish to such committee summaries of any audits or reviews of such program which the Comptroller General has completed during the preceding 6 years.

(d) CONGRESSIONAL ASSISTANCE.—Consistent with their duties and functions under law, the Comptroller General of the United States, the Director of the Congressional Budget Office, the Director of the Office of Technology Assessment, and the Director of the Congressional Research Service shall furnish to each standing committee of the Senate or the House of Representatives such information, studies, analyses, and reports as the chairman and ranking minority member may request to assist the committee in conducting reviews and studies of programs under this section.

(e) SECRET AND CLASSIFIED INFORMATION PROTECTED.—This section does not require the public disclosure of matters that are specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified pursuant to such Executive order, or which are otherwise specifically protected by law. This section does not require any committee of the Senate to disclose publicly information the disclosure of which is governed by Senate Resolution 400, Ninety-fourth Congress, or any other rule of the Senate.

SEC. 8. AMENDMENTS TO RULES OF HOUSE OF REPRESENTATIVES.

The Rules of the House of Representatives are amended as follows:

(1) Clause 4(a)(1)(A) of rule X is amended by inserting "odd-numbered" after "each".

(2) Clause 4(a)(2) of rule X is amended by striking "such fiscal year" and inserting "the biennium in which such fiscal year begins".

(3) Clause 4(b)(2) of rule X is amended by striking "first concurrent resolution on the budget for each fiscal year" and inserting "concurrent resolution on the budget required under section 301(a) of the Congressional Budget Act of 1974 for each biennium".

(4) Clause 4(f) of rule X is amended by striking "annually" each place it appears and inserting "biennially".

(5) Clause 4(g) of rule X is amended—

(A) by striking "March 15 of each year" and inserting "March 15 of each odd-numbered year";

(B) by striking "fiscal year" the first place it appears and inserting "biennium"; and

(C) by striking "that fiscal year" and inserting "each fiscal year in such ensuing biennium".

(6) Clause 4(h) of rule X is amended by striking "fiscal year" and inserting "biennium".

(7) Subdivision (C) of clause 2(l)(1) of rule XI is repealed.

(8) Clause 4(a) of rule XI is amended by striking "fiscal year if reported after September 15 preceding the beginning of such fiscal year" and inserting "biennium if reported after August 1 of the year in which such biennium begins".

(9) Clause 2 of rule XLIX is amended by striking "fiscal year" and inserting "biennium".

SEC. 9. EFFECTIVE DATE; APPLICATION.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendments made by this Act shall become effective January 1, 1992, and shall apply to bienniums beginning after September 30, 1993.

(b) FISCAL YEAR 1992 AND FISCAL YEAR 1993.—Notwithstanding subsection (a), the provisions of—

(1) the Congressional Budget Act of 1974, and

(2) title 31, United States Code,

(as such provisions were in effect on the day before the effective date of this Act) shall apply to the fiscal year beginning on October 1, 1991, and on October 1, 1992.

(c) DEFINITION.—For purposes of this section, the term "biennium" shall have the meaning given to such term in section 3(11) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(11)), as added by section 3(b)(2) of this Act.

• Mr. ROTH. Mr. President, I rise today to introduce with my distinguished colleague from Kentucky, the majority whip, legislation to establish a biennial budget process.

A 2-year cycle will improve the way Congress budgets and help to restore the public's confidence in our decisionmaking process. It is my belief that too much money is being spent without the proper review and understanding required of such a tremendous budget. I urge my colleagues to consider this reform effort.

In 1981, Senator FORD and I introduced separate bills to establish a biennial budget process. Three years ago, we introduced a joint approach. Since that time, the Committee on Governmental Affairs has twice reported this legislation to the Senate. The bill we are introducing represents a continuation of our efforts to enact a 2-year budget cycle.

The Biennial Budget Act is designed to put the budget on a 2-year basis. This bill would create a 2-year authorizing, budget resolution, and appropriations cycle. The first session of each Congress would be devoted to the budget resolution and appropriations, culminating with a 2-year budget effective that October 1. The second session would be devoted to oversight and multiyear authorizations for the next 2-year period.

In 1989, the Johns Hopkins Foreign Policy Institute and the Center for Strategic and International Studies released a joint project entitled "Making Defense Reform Work." Among the major recommendations is the creation of a 2-year budget.

According to the report:

> The substantive arguments for two-year budgets are compelling. The longer term focus could help to force hard choices; it is too easy to defer difficult choices. * * * And the burden of annual budgets on both branches of government is too great, for domestic programs as well as defense programs.

The progress we made in the recent past in the Governmental Affairs Committee should be viewed as a step toward passage in 102d Congress. Recent action on the budget presents compelling evidence in favor of a 2-year approach.

Last year's Budget Enforcement Act is an excellent example of the efficiencies which can result when a multiyear approach is set forth in law. That act established spending caps in domestic discretionary, international, and defense spending for the first 3 years of the agreement.

The result: The most efficient budget resolution and appropriation cycles in 10 years. Action on the budget resolution was completed with near record efficiency. The House has passed all 13 appropriation bills, and in all likelihood the Congress will complete all appropriations by the beginning of the fiscal year—an accomplishment achieved only twice since 1974.

However, the Budget Enforcement Act is only temporary. Permanent reform must be implemented. The Budget Enforcement Act is a temporary measure which runs through 1995. In terms of budget process, the Budget Enforcement Act does not go far enough. In order to have true biennial budgeting and efficiency, we must move toward biennial appropriations.

During his introduction of the Department of Defense authorization bill, the distinguished chairman of the Armed Services Committee, Senator NUNN, highlighted the need for 2-year appropriations:

> The Department of Defense and the Armed Services Committee have taken biennial budgeting seriously. In my opinion, the requirement to submit biennial budgets has improved the planning process within DOD. * * * If we ever begin, really, authorizing and appropriating large percentages of the defense budget for 2 years, rather than 1 year at a time, we will save enormous amounts of money in efficiency and effectiveness of government expenditure. This bill provides about 87 percent of the second year. I hope the appropriations bill will be able to move very strongly in this direction.

Mr. President, this is exactly what our legislation does. It not only mandates biennial budget resolutions and authorizations, but biennial appropriations. Ultimately, this will provide greater stability of funding and efficiency of Government programming.

Despite the current success with appropriations, Congress' record on budget action has not been as successful as hoped when the 1974 reforms were enacted. Deadlines are often missed and we end up with massive continuing resolutions. In 1987 and 1988, the Congress passed all 13 appropriation bills in a continuing resolution. This is not to fault the appropriations committee, but the budget process itself, which our bill addresses.

This current procedure is frustrating at best. Authorizing legislation is frequently attached without due consideration. It is my impression that the public does not have a good understanding of what is contained in these bills. And with this lack of understanding, it makes it very difficult to hold members accountable for their votes.

A 2-year budget will allow more time for consideration of underlying authorizations, which will promote a smoother appropriations process, and one which is more accountable to the American people.

While I have disagreed with the content of the last two budget summits, primarily the increased taxes and inability to control greater Government spending, I do believe budget summits show that multiyear budgeting can work. Both the 1990 Budget Enforcement Act and the 1987 budget summit agreement set out spending and tax guidelines for multiyear periods.

The overall totals helped the Congress move briskly on the budget. Fiscal year 1988, coming on the heels of the 1987 budget summit, was the first time in more than a decade that the Congress completed action on all 13 appropriation bills before the beginning of the fiscal year.

The 1987 summit agreement laid the foundation for a 2-year period. The leadership did not let the so-called uncertainty of economic forecasts deter them in moving toward a multiyear plan. This legislation would make permanent the success we have had so far with multiyear agreements, but institutionalize the process within the current structure of the Congress.

A 2-year budget reduces the repetitive nature of the current budget process. Each year the Congress usually considers the budget resolution, annual authorizations, appropriations, and reconciliation. This does not include the extra layer of debate provided by the budget enforcement act sequestration procedures—formerly Gramm-Rudman-Hollings—or debt-limit deliberations.

In fiscal year 1988, for example, the Congress debated the level of defense five different times—during consideration of the budget resolution, the defense authorization bill, defense appropriations, the revision in Gramm-Rudman, and the budget summit agreement.

This redundancy causes widespread frustration. Streamlining the process could reduce the repetitive nature of the process. This legislation does not eliminate any of the processes—they all play a significant role in our deliberations. But by making the decisions once every 2 years instead of twice, we reduce the burden. In addition, we avoid debating an issue which might have been decided earlier in the Congress.

By providing funds for a 2-year period, recipients of these funds will be able to plan better and administer their funds better. On June 7, 1988, the Committee on Governmental Affairs held a hearing on 2-year budgeting. The comptroller of the Department of Defense at that time, Mr. Robert Helm, made a very persuasive argument to this effect:

> As a result of the current process he said, "Defense budgets are plagued with uncertainty . . . program managers have little time to develop rational program execution plans based on available resources, when the available resources become known mere weeks before the next year's budget is transmitted to the Congress . . . ironically, in this period of concern over the deficit, the budget process lends itself to the least economical use of our nation's resources by denying program managers the very tools they need—stability, predictability, and commitment.

These same arguments apply to procurement officers in every agency in the Government, as well as State and local governments and individual recipients of Federal funds.

In addition, 2-year budgeting might help reduce the deficit by providing authorizing committees a stronger ability to review entitlements and other Government functions. By retaining the budget enforcement mechanisms, the Congress can assure that it does not spend more in the second year of the cycle on supplementals. Supplementals will occur, but all decisions must be made within the parameters of the caps.

There is widespread support for the idea of biennial budgeting. The President's 1992 budget includes a recommendation that 2-year budgeting be adopted.

In urging the Congress to adopt biennial budgeting, the President's budget states:

> If the budget process covered two years instead of one, the time spend on allocating resources would decrease, leaving more time to spend on program oversight and management. The two-year bipartisan agreement reached in 1987 for 1988 and 1989 and the five year agreement reached last fall for 1991 through 1995 have demonstrated that it is possible for the administration and the Congress to agree on resource levels for broad budget categories. However, there have been no attempts by appropriations committees to actually appropriate comprehensively on a two year basis. In the past, there was justifiable concern that biennial budgeting could easily degenerate into a process of nearly continuous supplemental appropriations. The threat of within session sequesters provided by the new budget enforcement act has reduced the likelihood of that happening.

In a 1988 survey by the Center for Responsive Politics, over 85 percent of Senate and House Members polled favored 2-year appropriations. This was the overwhelming favorite among the seven process reforms offered.

According to the center's report, ". . . many who supported the 2-year budget cycle felt that such a system was needed to improve congressional budgeting. One frequent response was that a 2-year cycle was necessary to help improve the oversight process. Others believed the 2-year cycle would improve the system by improving planning.

The Chamber of Commerce, former Director of the Congressional Budget Office, Alice Rivlin, and the General Accounting Office all support the idea.

In its October 1989 report "Managing the Cost of Government: Proposals for Reforming Federal Budget Practices," The GAO stated:

> We believe that macro-level biennial budgeting offers perhaps the best opportunity for streamlining the budget process . . . macro-level biennial budgeting permits the President and the Congress to focus on broad policy issues, including the basic direction and general content of programs, without getting bogged down in the innumerable details that must be settled in arriving at the exact amount to be appropriated . . . at the same time, biennial budgeting at the appropriation account level also warrants some consideration as a possible means of reducing the congressional budget workload and allowing more time for oversight and other legislative activities.

While recommending biennial budgeting at the macro-level, the GAO suggests that if biennial budgeting at the appropriation account level is adopted, budget activity should be concentrated in the first session of a Congress and oversight in the second session. This is the approach adopted in this legislation. The GAO notes that any perceived lessening in congressional budget control could be offset by increased oversight activities.

I would like to extend my appreciation to my colleague from Kentucky, Senator FORD, for forging a joint approach on this issue. I am confident that with our efforts, we can enact a biennial budget act during the 102d Congress.●

By Mr. PACKWOOD (for himself, Mr. DOLE, Mr. CHAFEE, Mr. STEVENS, Mr. GRASSLEY, Mr. GORTON, and Mr. SIMPSON):

S. 1668. A bill to amend the Social Security Act by creating a new title XXI to provide for the creation of a long-term care assistance program on behalf of functionally impaired elderly individuals whose income and resources are insufficient to meet the costs of necessary long-term care services, and to amend the Internal Revenue Code of 1986 to provide for the tax treatment of long-term care insurance and benefits; to the Committee on Finance.

SECURE CHOICE

Mr. PACKWOOD. Mr. President, elderly Americans are this country's fastest growing age group. The elderly population in the United States has doubled over the past 30 years, swelling from 16 million in 1960 to 32 million last year. By the year 2030, there will be more than 66 million people over 65. And the number of people age 85 and older is expected to triple.

As the elderly population skyrockets, and the need for long-term care grows, our society will face tough decisions about how to make long-term care more affordable for more seniors.

That is why I am proud to introduce today, with the Republican leader, legislation called Secure Choice. I have worked with Senator DOLE for more than a year to craft a comprehensive three-part legislative plan which tackles the explosive demand for affordable long-term care services. This bill confronts the challenge of providing long-term care services to our Nation's senior citizens. Senator DOLE and I are committed to this legislation, and to finding adequate financing for its implementation.

Several objectives guided the development of this legislation. All have been achieved. First, the legislation provides services to our neediest seniors. Second, it builds on a public-private partnership that will make long-term care insurance more affordable. Third, tax barriers hindering the development of the private long-term care insurance market are removed. Fourth, the legislation encourages the kind of long-term care services seniors want—care provided in the home and in the community. Finally, the legislation is fiscally doable in today's world of limited resources.

Secure Choice recognizes that not everyone's needs are the same. That's why we have structured the legislation to provide seniors with choices so they get the long-term care services they need and prefer. Some seniors may be able to stay at home with the assistance of a homemaker aide. Others may want the services provided in an assisted living facility. Still others may need more intensive services provided in nursing homes.

Secure Choice also recognizes that individual financial capacities differ. That is why we structured the legislation to provide a public program for the most needy; a public-private partnership for people with moderate incomes, to help them purchase qualified long-term care insurance policies; and tax clarifications for individuals and businesses wishing to purchase private long-term care insurance.

Secure Choice recognizes that resources are limited and calls on all sectors of American society to help meet the challenge of providing long-term care to our elderly. This free market approach is the most responsibile way to expand the availability of long-term care services. What we don't need is more government mandates at huge Federal expense.

NEW PROGRAM FOR LOW-INCOME SENIORS

Many Oregonians have told me they want to stay in their homes as they grow older, but need help taking care of themselves. Secure Choice is designed to help them do just that.

The bill provides nursing home care and expanded home and community-based care to seniors with incomes below the Federal poverty level—$6,620 in 1991—through a new title of the Social Security Act. Long-term care services now provided to the elderly through Medicaid would be moved to this new title XXI. Eligibility would be broadened and simplified, and the need for Medicaid waivers would be eliminated. This means states could provide more home care services to elderly individuals without the hassels associated with obtaining a waiver.

States would be required to cover eligible individuals with income up to 100 percent of the Federal poverty level, and could cover individuals up to 2.4 times the Federal poverty level at their option.

BUILDING ON A PUBLIC-PRIVATE PARTNERSHIP

Secure Choice creates a public-private partnership to help seniors with moderate incomes—less than four times the Federal poverty level, or $26,400—purchase long-term care insurance. One of the barriers to the development of a large private insurance market is the high cost of insurance premiums. Secure Choice helps make qualified policies more affordable because the Federal and State governments will join together to pay part of the cost of long-term care services when they are needed through a benefit subsidy.

Qualified policies must offer case management, nursing facility services and an array of home and community-based services. Qualified policies must offer benefit coverage equal to the value of the cost of 2 years in nursing facility. This coverage could be used for any combination of nursing facility, home based, or community based services.

The annual cost of such a policy on the market for an individual age 65 was $1,395 in 1990, according to the Health Insurance Association of America. I asked the actuarial firm, William M. Mercer, Inc., to estimate premiums for qualified Secure Choice insurance policies. They have reviewed my legislation and calculated that unsubsidized premiums for qualified Secure Choice policies would be comparable to premiums for long-term care policies available today. Furthermore, Mercer estimates that the benefit subsidy makes Secure Choice premiums more affordable for individuals with low or moderate income. For example, the Secure Choice premium for an individual at age 65 could be as low as $286 per year. That is approximately $23.83 per month for a state of the art policy.

TAX CLARIFICATION

Finally, Secure Choice clears up the uncertainty about the tax treatment of long-term care expenses and insurance. The bill clears up the uncertainty by clarifying that long-term care expenses and qualified long-term care insurance are treated the same as medical expenses and medical insurance under the tax law. Under my bill:

First, out-of-pocket long-term care expenses and the cost of qualified long-term care insurance will be tax deductible—above 7.5 percent of adjusted gross income;

Second, payments for insured long-term care services under qualified long-term care insurance policies will not be taxable;

Third, employer-paid long-term care services and qualified long-term care insurance would be a tax free employee fringe benefit; and

Fourth, insurance company reserves set aside to pay benefits under qualified long-term care insurance policies would be tax deductible.

Last, the bill incorporates a proposal of Senator BRADLEY's, which I have cosponsored, to allow life insurance companies to pay death benefits to terminally ill individuals on a tax-free basis. This will help the terminally ill afford quality care when they need it most.

Mr. President, I believe Secure Choice is a sensible approach to solving this nation's long-term care needs. The legislation helps protect vulnerable consumers by including protection against inflation and by guaranteeing policy renewability. Inflation protection is important because it assures that the benefits the individual has paid for will help meet their needs twenty to thirty years down the road.

Secure Choice employs a variety of cost containment features. One feature is a case-managed system of care. Case management ensures that an individual receives appropriate care at reasonable cost. Another feature is that the insurance benefit is capped at the cost of two years of nursing home care. The latest available data indicates that 83 percent of all nursing homes stays are for less than two years. Therefore, Secure Choice offers most individuals appropriate care and a benefit that extends beyond two years if individuals use lower cost home and community-based care.

Mr. President, my home State of Oregon has been on the cutting edge of finding innovative ways to provide long-term care in the home and in the community. Secure Choice builds on the knowledge and expertise developed in my state.

Many organizations in my state helped me pull together the ideas in the bill. These organizations include the Oregon Department of Human Resources [DHR]; the Oregon Senior and Disabled Services Division of DHR; the Governor's Task Force on Long-Term and the Governor's Commission on Senior Services.

Mr. President, many other national organizations have worked with me to refine and improve the bill. These organizations include: the National Association of Insurance Commissioners; the National Association of Home Care; the American Health Care Association; the National Committee to Preserve Social Security and Medicare; the National Governors Association; the American Public Welfare Association; the Health Insurance Association of America.

Other important contributions were made by a number of insurance companies. These include: Blue Cross and Blue Shield; Cigna, Metropolitan Life; Amex Life Assurance Co.; Continental National Assurance Co.; and Teachers' Insurance and Annuity Association.

Secure Choice reflects a collective effort. I have listened to affected organizations, the states, insurance companies and individuals. I believe Senator DOLE and I have crafted a bill that responds to real needs in a responsible way.

Mr. President, I would like to submit the numerous letters of encouragement and support Senator DOLE and I have received on our effort to craft this legislation, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF THE GOVERNOR,
STATE CAPITOL,
Salem, OR, July 29, 1991.
Hon. BOB PACKWOOD,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR PACKWOOD: I enthusiastically support your Secure Choice legislative proposal. Several aspects of this proposed legislation are innovative, creative, and much needed to address the long-term care needs of our growing elderly population.

First, the concept of separating long-term care services from the Medicaid Program creating the new Title XXI Program, will greatly simplify the Medicaid Program and broaden eligibility for low-income elderly.

Secondly, the Secure Choice Insurance Option of your bill encourages the sale and development of long-term care insurance which provides home and community-based care, as well as nursing home care. Oregon is particularly pleased with the requirement that the long-term care insurance policies pay for home and community-based care, as this reflects our current public long-term care delivery system, and is basic to the quality, cost-effectiveness, and choice of care. It further encourages individuals between 240 and 400 percent of the federal poverty level to share in the cost for their long term care.

Finally, the tax clarifications in your bill go a long way toward encouraging the sale of employer group long-term care insurance policies.

Again, I support the Secure Choice Bill and sincerely hope it passes into law.

Sincerely,
BARBARA ROBERTS,
Governor.

DEPARTMENT OF HUMAN RESOURCES,
June 26, 1991.
Hon. BOB PACKWOOD,
Senator, Russell Senate Office Building, Washington, DC.

DEAR SENATOR PACKWOOD: The Senior and Disabled Services Division supports your legislation which establishes an integrated, three-part approach to make long-term care services for the elderly more available and more affordable. The legislation will focus on the long-term care needs of America's elderly and begin to move the nation toward solving this rapidly growing problem. Your bill recognizes the significant role that both the public and private sectors must play in solving the problems that face our elderly. We are encouraged by this direction and support the passage of the bill.

We particularly support the emphasis on providing home and community-based care services to those elderly in need of long term care. It has been our experience that the elderly want to remain as independent as possible for as long as possible and this legislation encourages that philosophy. However, if an individual needs services in a nursing facility, your bill will permit individuals to receive that care, as well.

We also support the concept of establishing the need for long-term care by measuring a person's functional impairment rather than just a medical diagnosis. Long-term care services need to focus on the person's inability to perform certain activities of daily living. We need more types of services that emphasize independence, choice, and dignity.

The bill further permits States, at their option, to participate in a public-private partnership to provide long-term care coverage to persons with incomes between 240% and 400% of the federal poverty level. These individuals will be encouraged to purchase a qualified long-term care insurance policy. The state and federal governments will pay part of the cost for services, depending on the individual's income. In addition, these individuals will be allowed to protect assets above the Title XXI levels up to $20,000.

Your legislative proposal clarifies that all long-term care services (medical and personal care) are treated as medical expenses under the tax law. These clarifications include:

1. LTC expenses and insurance will be tax deductible (above 7.5 percent of AGI);
2. Payments under LTC insurance policies will not be taxable when received;
3. Employer-paid LTC insurance will be a tax-free employee fringe benefit.

The legislation addresses the important issues concerning long-term care. We look forward to working with you in the future on this legislation.

Sincerely,
RICHARD C. LADD,
Administrator.

AMEX LIFE ASSURANCE CO.,
San Rafael, CA, July 29, 1991.
Hon. ROBERT PACKWOOD,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR PACKWOOD: On behalf of AMEX Life Assurance Company, I am writing to commend you of the introduction of legislation aimed at promoting a public and private partnership to finance the nation's long-term care bill. Your program recognizes the strengths that the public and private sectors each offer in addressing the problems faced by those elderly in need of long-term care. We applaud the leadership and direction you are taking and look forward to working with you further on specific aspects of "Secure Choice."

We particularly support the idea of expanding Medicaid eligibility for lower income elderly. As proposed, we believe this part of the program would especially benefit those living in the community in need of home and other community-based services. As you well know, many disabled elderly do not need institutional care but alternatives have been sorely lacking in the past. Your program would foster the development of a better delivery system for non-institutional long-term care services. We do hope, however, that you consider adding Medicaid reform language with regard to estate recovery.

We also support that part of your program which recognizes the need to eliminate barriers of the federal tax code which are hampering the growth of the private long-term care insurance. Given our experience to date, we believe that the development of the employer-based market holds great promise. Therefore, we are particularly concerned with those aspects of the tax code that pose obstacles to its optimal development. We have been working with your staff on this section of the bill and look forward to continuing that dialogue after the bill is introduced.

The third section of your program, establishing a public-private partnership for financing long-term care, may encourage more individuals to be covered by the private market—a very worthy objective given federal and state budget realities and the potential of the private market to meet consumers' long-term care needs. We look forward to the possibility of participating in such a partnership and in working to sort out its details.

Thank you for this opportunity to comment on Secure Choice. Your leadership in the area of long-term care has a long and respected history. We look forward to continuing to work with you in this area.

Sincerely,

RONALD D. HAGEN.

HEALTH INSURANCE ASSOCIATION
OF AMERICA,
June 27, 1991.

Hon. ROBERT PACKWOOD,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR PACKWOOD. On behalf of the Health Insurance Association of America (HIAA), I am writing to commend you on the introduction of legislation aimed at promoting a public and private partnership to finance the nation's long-term care bill. Your program recognizes the strengths that the public and private sectors each offer in addressing the problems faced by those elderly in need of long-term care. We applaud the leadership and direction you are taking and look forward to working with you further on specific aspects of "Secure Choice".

We particularly support the idea of expanding Medicaid eligibility for lower income elderly. As proposed, we believe this part of the program would especially benefit those living in the community in need of home and other community-based services. As you well know, many disabled elderly do not need institutional care but alternatives have been sorely lacking in the past. Your program would foster the development of a better delivery system for noninstitutional long-term care services.

We also support that part of your program which recognizes the need to eliminate barriers in the federal tax code which are hampering the growth of private long-term care insurance. Given our experience to date, we believe that the development of the employer-based market holds great promise. Therefore, we are particularly concerned with those aspects of the tax code that pose obstacles to its optimal development. We have been working with your staff on this section of the bill and look forward to continuing that dialogue after the bill is introduced.

The third section of your program, establishing a public-private partnership for financing long-term care, may encourage more individuals to be covered by the private market—a very worthy objective given federal and state budget realities and the potential of the private market to meet consumers' long-term care needs. We look forward to working with you further on the details of such a partnership.

BLUE CROSS AND BLUE SHIELD
ASSOCIATION,
Washington, DC., July 15, 1991.

Hon. BOB PACKWOOD,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR PACKWOOD: The Blue Cross and Blue Shield Association commends you for confronting one of the most pressing health issues facing this country with the introduction of your long term care initiative. We support the goals of your legislation and especially want to commend you for recognizing the value of encouraging a public/private partnership to address the long term care problems.

We believe that both the private sector and the government have important roles to play in meeting our serious needs for long term care services. The private sector can assist in the financing of these services for a large sector of the population through long term care insurance. But the government has a critical role to play in providing long term care coverage to the poor and disabled who cannot obtain private coverage.

Your proposal would expand long term care coverage for low income elderly individuals through creation of a new federal program. At the same time, your proposal would allow states to use federal matching funds to subsidize private long term care insurance for healthy elderly individuals with annual incomes between 240 and 400 percent of the Federal poverty level. It also would clarify the tax treatmet of private long term care insurance. These provisions would enhance the roles of both government and the private sector in providing long term care coverage.

You and your staff deserve to be recognized for this important contribution to the debate on long term care. We look forward to reviewing your long term care legislation in detail and providing our comments. We would like to work with you and your staff as Congress considers your proposal.

Sincerely

MARY NELL LEHNHARD.

METROPOLITAN LIFE INSURANCE CO.,
Washington, DC, July 29, 1991.

Hon. BOB PACKWOOD,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR BOB: Thank you for sending a copy for your legislation on long-term care financing, *Secure Choice*, to MetLife for review. Like you, we are concerned about adequate financing for the long-term care needs of Americans, especially those who are poor or nearly poor. Through our Group Insurance Department, we have worked to encourage our employer customers to provide access to private long-term care insurance for their workers and the parents of their workers.

We applaud your efforts to devise creative solutions to the long-term care problems of the country. We agree that separating the Medicaid program between acute care and long-term care services makes sense so that the program does not serve two distinct purposes—one to help provide acute care services to the poor and another to provide long-term care services to those who are elderly, poor or near poor, and functionally disabled. In addition, as reflected in your bill, we feel that government assistance should be targeted to those who are in financial need. We also support government efforts to educate the public on planning for their long-term care needs and feel this educational process may open up additional markets for the insurance industry to service.

Thank you for the opportunity to comment on your legislation. We look forward to working with you to address the major question of financing the long-term care needs of Americans.

Sincerely,

VINCENT P. REUSING,
Senior Vice President.

CIGNA CORP.,
Washington, DC, June 27, 1991.

Hon. BOB PACKWOOD,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR PACKWOOD: Your proposed long term care legislation is built on the fundamental premise that individuals and their families should be principally responsible for planning and providing for their own long term care needs. CIGNA shares this philosophy. The role of the government in providing long term care should be restricted to persons who are unable to provide for themselves. Any government sponsored long term care program should condition eligibility on need.

We support the proposal to estalish a new title XXI for your Secure Care Program and to sever the link between Medicaid eligibility and long term care. We also appreciate the appropriateness of establishing certain standards for private insurance programs that choose to participate in the Secure Care insurance option. Obviously, we will want to discuss the specifics with you in greater detail as your plan is fully developed.

We also have some questions regarding the tax components of the proposal. We would hope that you would include tax clarifications that would allow long term care premiums and benefits to be deemed a "qualified benefit" for cafeteria plan purposes. In addition, tax clarification allowing for favorable tax treatment for life insurance nursing home confinement would be most desirable and complementary to your program because it would allow individuals at a most vulnerable time in their life to provide for their needs with dignity.

We look forward to working with you during the legislative process.

Sincerely yours,

A.J. HARRIS II,
Vice President.

NATIONAL ASSOCIATION
FOR HOME CARE,
Washington, DC, July 31, 1991.

Hon. BOB PACKWOOD,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR PACKWOOD: The National Association for Home Care (NAHC) is the nation's largest professional association representing the interests of home health care providers, hospices and homemaker-home health aide organizations. On behalf of its nearly 6,000 member organizations, NAHC would like to commend you on the introduction of your legislation establishing a three-part approach to make long-term care services for the elderly more available and more affordable. This legislation will focus on the long-term care needs of America's elderly and begin to move the nation toward solving this rapidly growing problem. Your bill recognizes the significant role that both the public and private sectors must play in solving the problems that face our elderly. We are encouraged by this approach and look forward to assisting you as this bill is considered by the Congress.

We particularly support the emphasis on providing home and community-based care services to those elderly in need of long-term care. It has been our experience that the elderly want to remain as independent as possible for as long as possible and this legislation encourages that philosophy. However, if an individual needs services in a nursing facility, your bill will permit individuals to receive that care, as well.

We also support the concept of establishing the need for long-term care by measuring a person's functional impairment rather than just a medical diagnosis. Long-term care services need to focus on the person's inability to perform certain activities of daily living. We need more types of services that emphasize independence, choice, and dignity.

The legislation addresses the important issues concerning long-term care. We look forward to working with you in the future on this legislation.

Sincerely,

VAL J. HALAMANDARIS,
President.

American Health Care Association,
Washington, DC, July 29, 1991.

Hon. BOB PACKWOOD,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR PACKWOOD: On behalf the 10,000 nursing facilities of the American Health Care Association (AHCA) and our affiliates in the 50 states and the District of Columbia, I commend and congratulate you and Senator Dole on your "Secure Choice" long term care proposal. Thank you for giving AHCA the opportunity to comment and work with you on this legislation.

"Secure Choice" would move the nation toward solving the growing difficulty of meeting the long term care needs of America's elderly by making services more available and affordable. Your legislation recognizes the significant role that both the public and private sectors must play in solving the problems that face our elderly. We are very interested in working with you to develop this approach.

I would like to say more and get more specific. However, as you are, we are currently in the midst of developing our own proposal for comprehensive reform of the nation's long term care system. A number of the concepts embodied in "Secure Choice" are closely consistent with our preliminary efforts. As this process continues, we look forward to working with you and in support of your efforts to address this great need.

Again, thank you for the opportunity to comment on "Secure Choice."

Sincerely,

BRUCE YARWOOD,
Legislative Counsel.

NATIONAL COMMITTEE TO PRESERVE SOCIAL SECURITY AND MEDICARE,
Washington, DC, August 1, 1991.

Senator BOB PACKWOOD,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR PACKWOOD: The National Committee to Preserve Social Security and Medicare appreciates the opportunity to comment on your proposal called Secure Choice which, among other things, establishes a new Medicaid-type program to provide long-term care assistance to low income seniors. This legislation, which you will be introducing with Minority Leader Bob Dole, focuses on the long-term care needs of America's elderly and begins to address this rapidly growing problem.

By establishing a new Title XXI of the Social Security Act, your legislation separates acute and long-term care as well as restores the Medicaid program to its original intent—that of an acute care program for the poor. This proposal, Secure Choice, addresses the lack of long-term care coverage protection by streamlining and coordinating existing long-term care programs under Medicaid. It would clearly improve the current long-term care benefit by calling for income standards as a percent of the Federal poverty level; increasing the asset standards of $5,000 for seniors living in the community; and by increasing the personal needs allowance for nursing home residents from $30 to $35 per month.

We support the emphasis on home and community-based care and the inclusion of case management as a required covered service. We believe that care management is an essential element in a long-term care system. It has been our experience that the elderly want to remain as independent as possible for as long as possible and we believe this legislation encourages that philosophy.

We remain concerned, however, that under the Title XXI program as with the current Medicaid program some seniors will continue to "fall between the cracks" in states without a medically needy program. In establishing a new program as you are doing in this legislation, we see an opportunity to require all states to cover those individuals who are above the required income level but still unable to afford nursing home care as Medicaid does not pay the difference between the cost of nursing home care and the individual's income.

The Secure Choice insurance option is interesting and is one that the National Committee has given considerable thought. It would create a partnership between Title XXI and private insurance, allowing purchasers of private long-term care insurance to protect a greater amount of assets than currently permitted under Medicaid, and thereby, assists middle and lower income individuals in meeting their long-term care needs. We encourage people with moderate and higher incomes to consider purchasing long-term care private insurance as a viable option.

The National Committee agrees with your inclusion of consumer protections for all long-term care insurance products. We feel that minimum standards are an essential element in any legislation reforming long-term care insurance. Likewise, we support a limited waiting period due to pre-existing conditions, the climination of waiting periods when switching policies, and the requirement that all policies be guaranteed renewable.

Your legislative proposal provides a variety of tax incentives for private insurance to encourage individuals to purchase long-term care policies. We support allowing long-term care expenses to be deductible as an itemized deduction; excluding long-term care benefits from income for tax purposes; and encouraging employers to offer long-term care insurance to employees.

The National Committee to Preserve Social Security and Medicare continues to support the establishment of a comprehensive long-term care program for all Americans that is modeled after the social insurance concept of Medicare. However, we recognize the significant and immediate role the private sector can play in solving some of the problems facing our elderly. We are encouraged by the commitment of you and Senator Dole in attempting to address the problems of long-term care through your proposed legislation.

Sincerely,

MARTHA A. MCSTEEN,
President.

By Mr. SIMON (for himself and Mr. ADAMS):

S. 1669. A bill to amend the Public Health Service Act and the Social Security Act to provide affordable health care to all Americans, to reduce health care costs, and for other purposes; to the Committee on Finance.

IMPROVEMENTS TO THE HEALTHAMERICA ACT OF 1991

Mr. SIMON. Mr. President, I rise today to offer a bill to provide health care coverage to all Americans, to put a stop to skyrocketing health care costs, and to address the crisis of health care facing middle-class families and working Americans. As I travel across the State of Illinois—and around the country—it is clear that the crisis of health care is the No. 1 issue on the minds of the American people.

The bill I am introducing, and I am pleased to have Senator ADAMS as a cosponsor, is in the form of a perfecting amendment to S. 1227, the HealthAmerica: Affordable Health Care for All Americans Act. The HealthAmerica Act was introduced by our colleagues Senators KENNEDY, MITCHELL, RIEGLE, and ROCKEFELLER on June 5 of this year, and represents a major step forward in the movement toward comprehensive national health care reform. While their effort is an important step toward addressing the problems of health care in this country, I have not until now felt comfortable cosponsoring it. I am requesting that my name be added as a cosponsor of S. 1227 today.

I have applauded the efforts of my colleagues in introducing the HealthAmerica Act, but I have also been sensitive to some of the criticisms of the bill being made by those who see the need for stronger cost containment and greater involvement of the health care consumer in development of national health care policy. Many of the bill's critics favor an approach that is closer to the single-payer system used in Canada. I frankly have favored reform that would move us toward a universal coverage, single-payer system and will continue to support efforts in that direction.

The reality is, however, that we need major reform as quickly as possible and S. 1227 is legislation that responds with improvements to our current crisis in health care in a way that many can support. It provides access to affordable health care for every family in America and attacks the problem of escalating health care costs. My amendments move the HealthAmerica bill closer to the concept of a single-payer system.

These amendments seek to build upon and improve the HealthAmerica Act. It is clear there will be many proposed changes to the HealthAmerica bill as the legislative process continues. It is a bill we can work to make stronger, and the amendments I am offering are intended to do that. These amendments also are subject to improvement, and I would, frankly, support their modification. In addition, I intend to offer soon a long-term care bill to address part of our current health care crisis not addressed by HealthAmerica. I hope these amendments and that legislation will help to move the process along and provide some benchmarks for the debate.

These amendments would make the following five fundamental changes in S. 1227:

First, they would strengthen the cost containment program in S. 1227 by making Federal expenditure board determined rates mandatory if negotiators do not agree;

Second, they would make universal coverage take effect in slightly more than 1 year after enactment rather than being phased in over 5 years;

Third, they would allow States to opt of the employment-based system if they adopt a single-payer, Canadian-style program, and provide authority for incentive grants for two States to implement such systems;

Fourth, they would give small business greater protection from possible discrimination against high-risk employees, strengthen their access to quality affordable policies, and provide them necessary consumer information on how to get the best insurance plan for their money; and

Fifth, they would lower the age of Medicare eligibility to 60, subject to the enactment of revenue changes to support this modification.

Mr. President, the emphasis of the amendments is on strengthening the cost containment and administrative features in S. 1227 and providing a greater involvement for and sensitivity to the needs of health care consumers. These proposals would assure rapid and significant cost relief for both public and private health plans. In addition they address the growing problem of retirees not yet eligible for Medicare, many of whom are at an age when they have increasing health care problems but cannot find insurance they can afford, if they can find coverage at all.

The bill currently provides for a Federal Health Expenditure Board that sets global targets for hospitals and other health providers. The Board would convene negotiations between providers and purchasers on rates and other methods of achieving the expenditure goals. If the negotiators reached agreement, the recommended rates and other measures would be binding. In the amendments I am offering, if the negotiators fail to reach a negotiated agreement, the Board is required to promulgate regulations establishing rates and other measures to achieve the goals. It is my belief that the reality of having a final decision in the hands of the board will result in more serious and successful efforts to succeed in the negotiation process.

Another important change this legislation makes is to include specific provisions for the inclusion of health care consumers among the negotiators.

Currently the HealthAmerica bill's coverage of all employees through employer purchase of health care insurance or contribution to the public health care plan begins in the second year after enactment and is phased in by year 5. Because of the crisis situation in health care caverage, I believe we need more rapid coverage of all employees. My amendments would phase in the coverage after 1 year rather than 5.

An important provision of these amendments is the authority to permit States to opt out of the employer-based system if they enact single-payer systems of coverage. In addition, grants of $10 per resident for 3 years are authorized for two States that choose to implement such systems. These States can be valuable laboratories for the demonstration of single-payer approaches to the rest of the Nation.

This legislation also makes several improvements in the way the HealthAmerica bill addresses the health care problems facing small business.

There is no one in this Chamber who is not painfully aware of the special impact of America's health care crisis on small business. Businesses that employ fewer than 100 people pay far too much in premiums because they have fewer employees among whom to spread the costs. They find that their policies are costly because insurers seek to provide insurance only to healthy employees who don't need it as much. Often, small businesses find they cannot obtain insurance at all.

The HealthAmerica bill took some steps to address these problems. My legislation goes further. S. 1227 prevents small businesses from being turned down for insurance. It requires insurers to offer small businesses a uniform, basic benefits policy package. And it sets Federal standards for small business insurance coverage and gives the States a full year to implement these rules.

The legislation I am offering today goes further in addressing the problems of small business. In my bill, insurers who want to provide coverage to small businesses must provide both a basic and a comprehensive policy. If they wish to provide other policies, those policies must be approved by the Secretary of Health and Human Services. This will prevent small businesses from trying to sort through dozens of confusing policies that are difficult, if not impossible, to compare. My legislation will also require the Secretary to publish a consumer guidebook to the standard policies, making it easier for small businesses to choose the best policy for themselves. My legislation will also prevent insurers from tailoring their benefit packages to make them attractive only to the most healthy and risk-free employees, which is in effect another, more subtle form of discrimination against the people who need coverage the most.

Finally, my legislation allows these new rules to go into effect immediately by having the Federal Government set and implement the rules governing these policies. This way, small businesses will not face 50 different sets of rules and will not have to wait in limbo 1 year while each State legislature develops rules and regulations to govern insurance coverage for small business.

The changes in my amendments, taken together, make this bill much better and more sensible for small business, as well as making the bill much more responsive to the needs of health care consumers. These amendments are an attempt to move the process along in a positive direction. In introducing these amendments, I understand that my colleagues and people throughout the country will have other suggestions on ways to address our problems. I look forward to continuing to work with my colleagues on the committee, and with the many concerned people who are both consumers and providers of health care to solve the critical and fundamental problems we face in health care today.

Mr. ADAMS. Mr. President, I rise today to join Senator SIMON in introducing legislation to amend S. 1227, HealthAmerica. Our bill is not a substitute to HealthAmerica, but is a friendly amendment to strengthen and improve several areas in the bill that have troubled me and others. Senators MITCHELL and KENNEDY are to be commended for their extraordinary leadership in crafting what is a very substantial health care reform package. HealthAmerica is the right vehicle at this time to tackle the very serious and difficult problems of increasing universal access to acute and chronic care in this country and controlling escalating costs and I support it. But in trying to strike a balance, HealthAmerica didn't go far enough in these areas.

Rising health care costs not only consume an ever greater share of the GNP, they force middle-class Americans to dip down ever deeper into their pockets to pay for health care. Those pockets are all but empty. Costs are spiraling out of sight and must be brought under control. HealthAmerica does establish several innovative and key reforms to cut billions of dollars in unnecessary costs. One of these, the Federal Health Expenditure Board, an independent agency with the stature and independence of the Federal Reserve Board is to be established to set national health care expenditure goals. Under the Mitchell-Kennedy bill, however, rates that could not be agreed to through negotiation would not be binding. The Simon-Adams amendment would add teeth to the cost containment program in S. 1227 by making the Federal Expenditure board determined rates mandatory if negotiators do not agree.

Another serious problem that HealthAmerica seeks to address is the staggering number of Americans, mostly working Americans and their dependents, who have no access to health care. The current health care system locks out these hard-working men and women from receiving necessary health care services. HealthAmerica opens the door to the health care system, but too slowly. It phases in universal coverage over a 5-year period. The problem is too urgent to tell these Americans they will have to wait for access to the health care system until 1997, when they need these services now. The Simon-Adams bill opens the door almost immediately by reducing that time to 1 year.

As the debate over health care reform grows louder and the need more dramatic, there are some important differences in the various legislative approaches being proposed. The Mitchell-Kennedy bill, as everyone knows, is an employer-based plan. Others are looking at a single-payer, tax-based plan. Both sides have merit and should be debated. The Simon-Adams bill allows for both approaches to go forward. Our bill would allow States to opt out of the employment-based system if the State chose to adopt a single-payer, Canadian-style program as long as the coverage provided would be no less than that provided for under the Mitchell-Kennedy plan. For a State like Washington, that has been working hard on its own health care reform package, this proposal provides needed flexibility.

Finally, the bill would lower the age of Medicare eligibility to 60. As chairman of the Aging Subcommittee, I have seen too many elderly Americans fall through the cracks in our health care system when they can no longer work and yet are too young to qualify for Medicare. If their employer doesn't provide retiree health benefits these individuals and their families are shut out of the health care system after a lifetime of hard work. The crack, though, widens into a canyon where older, particularly widowed women are concerned. There are millions of women who are too young to qualify for Medicare, but who have no access to health insurance because they are widowed, or have no attachment to the workplace. Buying health insurance on their own is too expensive. Older women are usually unable to get health care insurance because most plans do exclude pre-existing health conditions. Many of us, by this time in our life, may have a chronic, although not debilitating health condition. The Simon-Adams bill would lower the eligibility for Medicare from 65 to 60 to provide health insurance for many of these women and retirees. I think this change is terribly important.

When the Senate considers HealthAmerica it will take the first step toward a fundamental health care reform. By including the Simon-Adams bill as part of the HealthAmerica package, our efforts will ensure effective cost containment and immediate and reliable universal access. I urge my colleagues to support this bill. The need to provide affordable health care could not be more real or urgent.

By Mr. SEYMOUR:

S. 1670. A bill to amend the Fair Labor Standards Act of 1938 to provide that an employee shall not be excluded from the minimum wage and maximum hour exemption for certain employees because the employee is not paid on a salary basis, and for other purposes; to the Committee on Labor and Human Resources.

AMENDING THE FAIR LABOR STANDARDS ACT

• Mr. SEYMOUR. Mr. President, today I am introducing legislation to relieve State and local governments from the projected hundreds of millions of dollars in retroactive overtime pay for salaried employees thought to be exempt from the Fair Labor Standards Act [FLSA].

Specifically, this legislation is necessary to reverse the July 11, 1990, Ninth Circuit Court of Appeals ruling in Abshire versus Kern County, CA, and provide for the promulgation of regulations regarding the application of the salary basis test of the Fair Labor Standards Act in the public sector.

Under current law and Department of Labor rulings and regulations, salaried employees with salaries over defined levels and specified duties, are exempt from the requirement that they receive premium overtime pay at time and one-half rates.

Under the court's ruling in Abshire, a supervisory or management employee whose compensation would be ceduced for absences of less than a full day must be considered an "hourly" employee—even if no deductions occurred. Under FLSA, this designation—"hourly" employee—means that an employee is entitled to overtime pay at a rate of time and one-half. In other words, this potential reduction of pay has caused the transformation of a bona fide salaried employee into a hourly employee.

As a result, Kern County and numerous State and local governments nationwide face the daunting prospects of enormous retroactive financial liability for something they did to protect the integrity of local taxpayer dollars.

It appears that Kern County is just the beginning. In the wake of Abshire, litigation has sprung up nationwide—from Los Angeles and the State of California to Omaha, NE and New York City. And just recently, a case was filed against Broward County, FL, for $15 million. Each is based on the ninth circuit's ruling in Abshire. Unless action is taken to correct this decision, further litigation can be expected.

I want to emphasize that the court in Abshire did not discuss whether or not deductions actually took place. Rather, the mere possibility of a deduction was sufficient to trigger the court's decision. The fact that no deductions of this nature occurred in Kern County was lost in the debate.

Using the court's rationale, a city manager, police chief, or other highly compensated employee earning at times in excess of $70,000 or $80,000 would be owed retroactive, premium overtime pay. Let's be clear, the Abshire decision only applies to administrative, executive, and professional employees.

My legislation to overturn this decision will not effect any other class of municipal employee. It does not apply to rank and file employees; rather, it effects their superiors or the "boss" who will collect a windfall in overtime pay at the expense of hourly employees and at the expense of other critically needed State and local government services.

Clearly, without this legislative remedy, States, counties, and municipal governments could be forced to reduce essential services to pay for this unintended and misguided result of the FLSA. From police and fire services to programs for the elderly and drug-addicted infants, no program will be immune if this ruling is left to stand. The fiscal consequences of the Abshire decision are far reaching and potentially devastating.

Those of us who have served in local government understand the rationale behind the Kern County ordinance. It's very simple: it was designed to protect precious taxpayer dollars. Unlike the Federal Government, States, and local governments are required to have balanced budgets. Local electorates demand an accounting of every penny spent to ensure proper and cost-effective government.

Kern County, like almost all other units of State and local governments, only pays employees for hours worked unless they have accrued leave to cover an absence. The decision in Abshire overlooks this fact, and it applies a standard developed for the private sector in a public sector setting, which is inappropriate.

I do not come to the floor today to quarrel with the definition "hourly" employee or the subsequent compensation it provides hourly employees. This issue was roundly debated in the wake of the Supreme Court's Garcia decision, and seemingly put to rest with the enactment of the Fair Labor Standards Act Amendments of 1985.

Unfortunately, the Department of Labor failed to issue regulations to address the exemption of executive, administrative, and professional public employees from the salary test under the Fair Labor Standards Act. The Department did adopt a nonenforcement policy in this regard while a proposed rule was being formulated. To date, DOL has not issued final regulations; this has left the courts without clear guidance and, as evidence, they have rendered conflicting rulings. For example, the Eleventh Circuit Court of Appeals decision in Atlanta Professional Firefighters versus City of Atlanta directly conflicts with the ninth circuit court's ruling in Abshire.

This legislation does not seek to undermine the protections afforded employees under the Fair Labor Standards Act. It is drafted to address one specific aspect of the FLSA; it is not intended to open the debate beyond the Abshire decision. Accordingly, I hope it will be considered in that light so that we can move forward and address the unique concerns of public employers and reverse the fundamental inequities they face through the retroactive payment of across-the-board overtime pay to salaried employees.•

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 1671. A bill to withdraw certain public lands and to otherwise provide for the operation of the Waste Isolation Pilot Plant in Eddy County, NM, and for other purposes; to the Committee on Energy and Natural Resources.

WASTE ISOLATION PILOT PROJECT LAND WITHDRAWAL ACT

• Mr. DOMENICI. Mr. President, there are few issues that are as contentious as those surrounding the use and disposal of nuclear materials. Many of my colleagues will remember the lengthy debates surrounding the passage of the Nuclear Waste Disposal Act of 1982 and they are all certain that "they never want to go through that again."

That legislation, Mr. President, dealt with the establishment of a repository for the disposal of high-level radioactive waste. In an earlier bill we had addressed the less radioactive but no less controversial defense waste called "transuranic waste." In 1979 the Congress authorized the Waste Isolation Pilot Project in Carlsbad, NM. It is most commonly called "WIPP." The Department of Energy began a program to characterize the site and eventually dug a shaft to explore the actual geologic formation of salt which was proposed to house the waste.

In order to operate on the site the Department of Energy had to have the land, which was largely owned by the Federal Government, withdrawn from general use and reserved for the WIPP. This was done by an administrative action in the Department of Interior. The Department of Interior placed restrictions on the DOE in that administrative land withdrawal. The most significant one was that the Department could not bring nuclear waste on the site during the period of withdrawal. The intent of the Departments of Energy and Interior was that if nuclear waste was to come to the site, the land ought to be withdrawn by a legislative action.

Many things have happened with this project since that time, Mr. President. I will not try and relate all of them. What I must relate is the current situation with regard to the withdrawal of land for WIPP.

The Department of Energy, concerned that a legislative withdrawal of the land would not be completed by the time the Department was ready to begin experiments with waste, asked the Department of Interior to begin an administrative land withdrawal. The Department of Interior is very close to taking a final action on this administrative withdrawal.

Mr. President, I think I speak for the entire New Mexico congressional delegation, when I say that an administrative withdrawal is totally unacceptable for such a momentous step as the start of testing with actual nuclear waste. That is because there are several guarantees that the State of New Mexico is seeking and we would like to enact them into law as part of the legislative land withdrawal. These provisions we seek are not ones aimed at stopping the project. They are not intended to redirect it. They are intended to guarantee that the facility complies with applicable Federal regulations and the State of New Mexico is properly consulted. In most cases these are things that the Department of Energy would have absolutely no problem with. Yet, the Department seems intent upon pursuing the administrative withdrawal for the land.

Today, I am introducing a legislative withdrawal which Senator BINGAMAN cosponsors. It has the support of the Governor of New Mexico. It was drafted in consultation with the Office of the Attorney General of New Mexico and the independent monitoring agency of New Mexico, the environmental evaluation group.

This legislation provides the guarantees New Mexico seeks. It provides for the regulation of the WIPP from start to finish through the EPA. It provides that the experiments that the DOE will undertake are thoroughly reviewed by the National Academy of Sciences, the EPA, the State of New Mexico, and the environmental evaluation group. It assures that the experimental waste is fully retrievable during the test phase and that if the EPA ultimately decides that the facility is not suitable for permanent disposal, the waste is removed.

There are many other important provisions in the legislation, Mr. President. They include:

No high-level waste may be placed in WIPP;

No more than 0.5 percent of the total volume of waste may be used in experiments;

DOE must submit its finding on whether or not it can meet EPA standards to the EPA for their approval in no more than 7 years;

EPA must finalize all the relevant radioactive waste standards within 1 year;

Requires regular inspection of the facility by the Bureau of Mines and the Mine Safety and Health Administration;

Requires all shipments to WIPP be made in containers certified by the NRC and built under an NRC quality assurance program;

Requires that the State designate routes for the transportation of waste before any waste is brought to the WIPP; and

Provides compensation to the State at a level of $20 million per year during the operation of the facility and $13 million per year during its decommissioning.

Mr. President, Senator BINGAMAN, Governor King and I are hopeful that this legislation will become law quickly. We are hopeful that the Secretary of Energy will see the benefit of having a test phase move forward under appropriate environmental safeguards and with the blessing of the State and independent review groups. We hope he will see the benefit of this approach as opposed to the steam roller approach of an administrative withdrawal. Mr. President, I ask unanimous consent that a summary of the legislation be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF KEY PROVISIONS OF LEGISLATION

Sec. 1—Short Title.

Sec. 2—Definitions.

Sec. 3—Land Withdrawal. Land is withdrawn and reserved for the use of the Secretary of Energy for the construction, experimentation, and operation of the WIPP.

Sec. 4—Management Responsibility—Secretary of Energy is to consult and cooperate with the State; to consult and cooperate with the Environmental Evaluation Group (EEG).

Hunting and grazing shall be permitted on the WIPP site in designated zones.

Land and resources of the WIPP site shall be managed so as to maintain the wildlife habitat.

Salt tailings extracted from the WIPP and not needed for backfilling shall be disposed.

Surface or subsurface mining not related to WIPP shall not be permitted. Mine Safety and Health Administration (MSHA) shall inspect WIPP mine.

One year after the enactment, the Secretary, in consultation with the State, shall develop and submit a management plan for the lands and resources.

Sec. 5—Experimental Program—Within 90 days of enactment, the Secretary (in consultation with the National Academy of Sciences (NAS), the State, and the EEG) shall prepare a plan for an experimental program involving transuranic waste. The plan will include test of gas and brine generation and other tests designed relevant to compliance with the EPA disposal standards.

Sixty days after the proposal has been submitted, the NAS, the State, the EEG, and the EPA Administrator shall review and comment upon the proposal, addressing whether there are performance assessment calculations to guide the experiments, adequate plans and schedules, a retrieval plan, any safety risks, and the relevance of the experiments under the EPA disposal standards. Within a further sixty days the Secretary of Energy must respond to the comments. Sixty days after that, the four agencies publish a final evaluation whether the experiments will provide relevant data in a timely manner to demonstrate compliance with the disposal standards. Thereafter, the State may invoke conflict resolution under the Consultation and Cooperation (C&C) agreement.

Thereafter, the plan may be implemented under restrictions concerning the amount of radioactive material involved. There is a maximum limit of 4500 drums which amounts to one-half percent of the capacity of the WIPP.

The State, the Administrator, the EEG, and the NAS shall negotiate a binding agreement providing access to data of the DOE.

The State, the Administrator, and the EEG shall publish analyses of the DOE performance assessment reports.

Operational demonstrations are prohibited during the test phase.

Sec. 6—Compliance with EPA Standards and Inclusion of Engineered Barriers—Ninety days after enactment, the Administrator shall publish proposed environmental standards for permanent disposal of transuranic wastes, which will be finalized one year after enactment.

Compliance of the WIPP with the EPA's environmental standards for permenent disposal (40 CFR 191) shall be certified by the EPA Administrator.

DOE shall comply fully with the environmental standards for waste management (subpart (A)). If the EPA fails to publish a final permanent disposal rule, DOE shall comply with the rule as issued in 1985.

If WIPP fails to meet EPA permanent disposal standards by seven years from enactment, DOE shall remove waste within one year and restore site. One year extension is available.

Engineered barriers as well as natural barriers shall be used to isolate radioactive waste. The DOE shall also include waste form modifications in the WIPP.

Sec. 7—Restrictions:

Contact-handled TRU waste limited to 200 rem/hour;

Remote-handled TRU waste limited to 1000 rem/hour; and

Remote-handled TRU waste concentration shall not exceed 23 curies per liter.

During the experimental program, no remote-handled transuranic waste is permitted. The amount of waste in the facility during the experimental period is limited to one-half of one percent of the capacity of WIPP.

No spent fuel or high-level radioactive waste may be received at the WIPP site.

Sec. 8—Retrievability—DOE must issue a retrieval plan. The retrieval plan includes the removal of all waste and return of the waste to its point of origin.

The DOE will make an annual determination of the retrievability of all radioactive waste. The DOE will also demonstrate retrievability. If the EPA Administrator determines that the waste is not retrievable, he shall invoke authority under the RCRA to assure retrievability or removal of the waste.

Sec. 9—Transportation—No waste may be transported to or from the WIPP except in packages the design of which is certified by the NRC. Advance notification must be provided to the State and Local governments and Indian tribes.

DOE must also provide technical assistance and funds for training public safety officials for emergency preparedness. Radioactive waste cannot be transported until training has been provided.

Training must commence 30 days after enactment, as necessary and appropriate, determined in consultation with affected States and Indian tribes.

The DOE shall provide to the State the equipment to respond to any incident.

No waste may be transported until the completion of route designation.

Waste may not be shipped from Los Alamos until the Santa Fe bypass is built.

Sec. 10—Economic Assistance—$20 million for fiscal year 1991; $20 million for each subsequent year of operation; and $13 million per year during decommissioning.

Payment in Lieu of Taxes—The Secretary shall annually pay the State and local governments such money as they would receive from the WIPP facility if it were a taxable property.

Sec. 11—Economic Impact Monitoring—Impact Assessment Group shall be established through the Waste Management Education and Research Consortium. Funding is $1 million for the first year and $750 thousand per year thereafter. The group shall quantify economic impacts of the WIPP on the State of New Mexico and affected units of local governments.

Sec. 12—Decommissioning of the WIPP—Plan for the controls for WIPP after decommissioning shall be prepared by the DOE within three years of enactment. It shall be submitted to the Congress and be in accordance with EPA standards for disposal of transuranic waste.

A management plan for the use of the WIPP site after decommissioning shall be prepared within two years of the date of enactment.

Sec. 13—Oil & Gas Leases—Oil and Gas leases inside with the WIPP site below 6000 feet are to be acquired by the DOE.

Sec. 14—Authorization of Appropriations—Necessary funds authorized to be appropriated.

Sec. 15—Consultation and Cooperation Agreement—The existing C&C Agreement is maintained in effect.

Sec. 16—Redress of Administrative Withdrawal—Any waste introduced under an administrative withdrawal, prior to compliance with this Act, must be removed promptly.•

• Mr. BINGAMAN. Mr. President, I rise today with my distinguished colleague from New Mexico, Senator DOMENICI, to introduce the Waste Isolation Pilot Plant Land Withdrawal Act of 1991. This legislation will provide for the permanent withdrawal of land in Eddy County, NM, for use by the Department of Energy to construct and operate the Waste Isolation Pilot Plant [WIPP]. The WIPP was authorized under section 213 of the Nuclear Energy Authorization Act of 1980 as a Department of Energy defense activity to provide a research and development facility to demonstrate the safe disposal of transuranic radioactive waste resulting from defense activities.

This legislation reasserts that the primary mission of WIPP is to include receipt, handling, and permanent disposal of defense transuranic waste. The key provisions of this legislation:

Requires EPA—(not DOE)—to determine compliance with disposal standards.

Reduces amount of waste for experiments to 0.5 percent;

Establishes system to address concerns on the experimental program by EPA, the National Academy of Sciences, New Mexico, and the Environmental Evaluation Group;

Establishes roles for the Mine Safety and Health Administration and Bureau of Mines;

Mandates DOE show compliance or remove experimental waste. If DOE fails to act, EPA and/or State have authority to order waste removal;

Provides New Mexico $20 million per year during experimental and disposal phase and $13 million per year during decommissioning phase;

Prohibits any high level waste;

No waste from Los Alamos National Laboratory until Santa Fe bypass is built; and

Requires EPA to repromulgate disposal standards within one year.

Mr. President, a legislative withdrawal is the only way to ensure that the health and safety of New Mexicans are protected when WIPP opens. An administrative land withdrawal, as proposed by the Secretary of Energy is premature, inadequate and contrary to the interests of New Mexicans and their neighbors. If WIPP is to open for the disposal of radioactive wastes, we must ensure that WIPP is safe and its operations present no threat to the health of our citizens. An administrative withdrawal provides no such assurances.

My position has always been that prior to any waste being brought to WIPP, the Department of Energy [DOE] must meet its commitment to provide necessary health and safety protection to the people of New Mexico and the Nation as a whole. Unfortunately, an administrative land withdrawal would allow radioactive wastes to be brought to WIPP before those health and safety requirements are met. This action is not acceptable.

I hope the Secretary of Energy will move as expeditiously as possible to resolve all remaining issues and that the Secretary of the Interior will refrain from any premature action in withdrawing the land at the WIPP before the facility is ready to open for the receipt of waste. Any action to the contrary will surely result in legal action interrupting the project and thrusting upon the courts a complex problem that calls for a legislative solution.

I urge my colleagues to support this important legislation.•

By Mr. KENNEDY (for himself, Mr. HATCH, Mr. AKAKA, Mr. BENTSEN, Mr. BOREN, Mr. BRADLEY, Mr. BREAUX, Mr. BROWN, Mr. BUMPERS, Mr. BURDICK, Mr. BURNS, Mr. BYRD, Mr. COHEN, Mr. CONRAD, Mr. CRAIG, Mr. D'AMATO, Mr. DANFORTH, Mr. DASCHLE, Mr. DECONCINI, Mr. DODD, Mr. DOLE, Mr. FOWLER, Mr. GARN, Mr. GLENN, Mr. GORE, Mr. GORTON, Mr. HARKIN, Mr. HEFLIN, Mr. HOLLINGS, Mr. INOUYE, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. KERRY, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mr. LUGAR, Mr. MACK, Mr. METZENBAUM, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NUNN, Mr. PELL, Mr. REID, Mr. SANFORD, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. SIMPSON, Mr. SMITH, Mr. SPECTER, Mr. THURMOND, Mr. WARNER, and Mr. WELLSTONE):

S. 1672. A bill to require the Secretary of the Treasury to mint coins in commemoration of James Madison and the Bill of Rights; to the Committee on Banking, Housing, and Urban Affairs.

JAMES MADISON-BILL OF RIGHTS COMMEMORATIVE COIN ACT

• Mr. KENNEDY. Mr. President, today Senator HATCH and I, with 53 of our colleagues, are introducing the James Madison-Bill of Rights Commemorative Coin Act. This legislation calls for the Secretary of the Treasury to mint three commemorative coins in honor of James Madison and the bicentennial of the ratification of the Bill of Rights.

Two hundred years ago this December, Virginia ratified the Bill of Rights, and the first 10 amendments became part of the Constitution. Both are the product of the extraordinary intellect and vision of James Madison, and for two centuries they have been the cornerstone of basic human rights and liberties in this country and beacons of hope to peoples throughout the world.

This Act calls for the minting of 300,000 five dollar gold coins, 900,000 one dollar silver coins, and 1 million half-dollar silver coins. These are the lowest mintage levels of any three-coin program since the minting of commemorative coins was reinstated in the early 1980's. The surcharges added to the price of these coins has been reduced from the customary levels as a direct response to the concerns of coin collectors about the high price of past commemorative coins.

This legislation also calls for a nationwide open competition for the design of the coins. This means that everyone—professional artists and sculptors, college art students, even high school and elementary school children—may submit designs for these coins. The U.S. Mint will convene a seven-member design panel of experts and professionals to select the top ten designs for each coin. The Secretary of the Treasury will ultimately choose the winning designs. The design panel concept is intended to ensure that classic coins of the highest quality will be minted.

The numismatic community has been very supportive of these lower mintage levels and lower surcharge levels. The U.S. Mint has indicated that with the lower mintage levels and surcharge levels, these coins are more likely to completely sell out.

The surcharges from these coins will help to endow the education programs of the James Madison Fellowship Foundation, a federally sponsored educational trust established by Congress in 1986. The Foundation is a living memorial to the fourth president of the United States and generally acknowledged as the "Father of the Constitution." The Foundation was chartered by Congress on the occasion of the bicentennial of the Constitution in order to strengthen teaching about the Constitution in the nation's schools. The foundation seeks to carry out this mission by encouraging teachers and aspiring teachers to know more about this critically important subject, and thereby to increase knowledge of constitutional principles and government among all Americans.

The Foundation plans to offer two fellowships per State and the territories. There will be two types of fellowships: junior fellowships, to undergraduate students who wish to become American history and social studies teachers in secondary schools and are preparing for up to 2 years of full-time graduate study leading to a master's degree; and senior fellowships, to experienced teachers of the same subjects for up to 5 years of part-time graduate study working toward master's degrees during summers or in evening programs. Under the statute that created the foundation, fellows will receive a stipend of not more than $24,000 over these periods for tuition, fees, books, room and board.

Madison fellows may attend any college or university in the United States with an accredited program that emphasizes the origins of the Constitution, its principles, development, and comparison with other forms of government. Each recipient must take at least 12 semester hours or the equivalent in topics directly related to the Constitution.

Madison fellows must agree to teach full time in secondary schools for at least one year for each year of assistance. If this requirement is not met, the recipient must reimburse the Foundation for all assistance received, plus interest. All fellows will be strongly encouraged to return to their home States to teach.

The House of Representatives' version of this legislation, H.R. 2673, has more than 250 cosponsors. A hearing on this legislation has already been held in the House Subcommittee on Consumer Affairs and Coinage. The subcommittee plans to mark up this legislation in September.

This legislation will help all Americans learn more about the Constitution. Certainly both James Madison and the Bill of Rights are deserving of commemoration. I ask that my colleagues join with the sponsors of this legislation in seeking its prompt enactment.•

By Mr. HEFLIN:

S. 1673. A bill to improve the Federal justices and judges survivors' annuities program, and for other purposes; to the Committee on the Judiciary.

JUDICIAL SURVIVORS ANNUITIES IMPROVEMENTS ACT

• Mr. HEFLIN. Mr. President, today I am pleased to introduce the Judicial Survivors' Annuities Improvements Act of 1991. This bill addresses important needs and issues affecting the surviving spouses and dependents of Federal judges. It deserves the full consideration of the Congress.

Today, most spouses and dependents of Federal judges are not covered under the existing federally sponsored survivorship program for judges, the Judicial Survivors' Annuities System [JSAS]. Only 25 percent of newly appointed district court judges and courts of appeals judges and 14 percent of bankruptcy and magistrate judges have elected to participate in this program.

Judges contribute 5 percent of their salaries to JSAS. This cost is high and actively discourages participation in the program. Unlike other Federal employees who make no separate contributions while in active service for survivorship protection, judges must contribute immediately upon assuming office. At the same time, the judges are faced with paying 6.2 percent of their salary for Social Security taxes and 1.45 percent for Medicare taxes. The cumulative contribution of 12.65 percent of salary does not make the JSAS option meaningful to most judges.

JSAS was revised in 1986 to provide minimum benefits to survivors of judges. Prior to that revision, the Government had shared the cost of JSAS equally with judges and matched their contributions to JSAS. But because the enhancement of JSAS in 1986 was expected to raise its costs, JSAS was amended to require the Government to pay the added cost, up to a maximum of 9 percent of judges' salaries. The Government's share of the cost of JSAS was expected to be much more than the contributions of judges. The substantial contributions of judges coupled with the consistently above-average growth in the JSAS fund, however, unintentionally relieved the Government of its obligation. Thus, in 3 of the last 4 years, the Government has reaped a financial windfall by contributing nothing to JSAS, while judges have continued to contribute 5 percent of their salaries.

This bill would reduce the contribution of judges from 5 percent of salary to 1 percent of salary while in active service or while serving in senior or recalled status, and would set the rate of contribution at 3.5 percent of retirement salary for those judges leaving office. The reductions in the judges' contributions would attract more participants and extend protection to survivors of judges who otherwise would remain vulnerable to financial crises.

The bill would reallocate the cost of JSAS more fairly and accomplish the unfulfilled objectives of the 1986 legislation, which were intended to attract more participation in JSAS. It is expected that approximately 80 percent of all judges would elect JSAS if it is revised consistent with this proposal. The Government's added share of cost is estimated at 7.0 percent of the salaries of participating judges. The bill also contains several refinements to JSAS to handle special concerns involving bankruptcy and magistrate judges as well as to allow a judge to terminate participation upon the divorce or death of a spouse.

The reductions in judges' contributions, if offset by increased contributions from the Government in accordance with the provisions of this bill, will not comprise the fiscal integrity of the JSAS fund. The market value of the assets in the JSAS fund for the year ending 1989 was approximately $168 million, including $12 million of interest income earned for 12 months. During the same period, approximately $4.4 million was disbursed for benefits.

I believe it is important that the surviving spouses and dependents of judges are protected under a fair and reasonable survivorship program. I look forward to working with the judiciary on this bill, and I invite my colleagues to consider its merits.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1673

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Judicial Survivors' Annuities Improvements Act of 1991".

SEC. 2. JUDICIAL SURVIVORS' ANNUITIES AMENDMENTS.

(a) ELECTION.—Section 376 of title 28, United States Code, is amended in subsection (a)(1) by striking out "or" before subparagraph (v) and by adding the following at the end of subparagraph (v) "or (vi) the date of the enactment of the Judicial Survivors' Annuities Improvements Act of 1991;".

(b) CONTRIBUTIONS.—Section 376 of title 28, United States Code, is amended in subsection (b)—

(1) by inserting "(1)" immediately after "(b)" and by inserting "(3)" immediately before "The amounts so deducted" and by creating a new paragraph thereat;

(2) by striking out "including any 'retirement salary', sum equal to 5 percent of that salary" and inserting in lieu thereof "a sum equal to 1 percent of that salary, and a sum equal to 3.5 percent of his or her retirement salary, provided, however, that the deduction from any "retirement salary" of a senior judge eligible to perform judicial services under this title or of a judicial official on recall under sections 155(b), 178, 317(b), 372(a), 373(c)(4), 375, or 636(h) of this title shall be an amount equal to 1 percent of that "retirement salary."

"(2) A judicial official who is not entitled to receive an immediate "retirement salary" upon leaving office but who is eligible to receive a deferred "retirement salary" on a later date must file, within ninety days before leaving office, a written notification of his or her intention to remain within the purview of this section under such conditions and procedures as may be determined by the Director of the Administrative Office of the United States Courts. Every judicial official who files a written notification in accordance with this paragraph shall be deemed to consent to contribute, during the period before such a judicial official begins to receive his or her "retirement salary," a sum equal to 3.5 percent of the deferred "retirement salary" which that judicial official is entitled to receive. Any judicial official who fails to file a written notification under this paragraph shall be deemed to have revoked his or her election under subsection (a) of this section."; and

(3) in the new subsection (b)(3) by striking out "so" and inserting immediately after "of each such judicial official" the following: "under paragraphs (1) and (2) of this subsection".

(c) DEPOSITS.—Section 376 of title 28, United States Code, is amended—

(1) in subsection (d)(1) by striking out "5 percent" and inserting in lieu thereof "3.5 percent"; and

(2) in subsection (d)(2) by striking out "5 percent" and inserting in lieu thereof "3.5 percent".

(d) REFUND OF DEPOSITS.—Section 376 (g) of title 28, United States Code, is amended by striking "If any judicial official" and everything that follows and by inserting in lieu thereof the following "If any judicial official leaves office and is ineligible to receive a retirement salary or leaves office and is entitled to a deferred retirement salary but fails to make an election under paragraph 2 of subsection (b) of this section, all amounts credited to his or her account established under subsection (e), minus a sum equal to 1% of salary for service while deductions were withheld under subsection (b) or for which a deposit was made by the judicial official under subsection (d), together with interest at 4 percent per annum to December 31, 1947; and at 3 percent per annum thereafter, compounded on December 31 of each year, to the date of his or her relinquishment of office, shall be returned to that judicial official in a lump-sum payment within a reasonable period of time following the date of his or her relinquishment of office. For the purposes of this section a "reasonable period of time" shall be presumed to be no longer than one year following the date upon which such judicial official relinquished his or her office."

(e) PAYMENT OF ANNUITIES.—Section 376(h)(1) of title 28, United States Code, is amended by striking out "or" immediately before "while receiving" and inserting immediately after "retirement salary," the following: "or after filing an election and otherwise complying with the conditions under paragraph (2) of subsection (b) of this section".

(f) CREDITABLE SERVICE.—Section 376(k) of title 28, United States Code, is amended—

(1) in paragraph (3) by striking out "and";

(2) at the end of paragraph (4) by striking out "." and inserting in line thereof a semicolon; and

(3) by adding a new paragraph as follows: "(5) those years during which such judicial official had deductions withheld from his or her "retirement salary" in accordance with paragraphs (1) or (2) of subsection (b) of this section.".

(g) COMPUTATION OF ANNUITY.—Section 376(1) of title 28, United States Code, is amended—

(1) in paragraph (1) by adding immediately after "(i) during those three years of such service" the following "or during those three years while receiving a retirement salary" and by adding immediately after "his or her annual salary" the following "or retirement salary"; and

(2) in subparagraph (D) of paragraph (1) by striking out "(D)" and inserting "(E)" and by adding a new subparagraph as follows "(D) the number of years during which the judicial official had deductions withheld from his or her retirement salary in accordance with paragraphs (1) or (2) of subsection (b) of this section; plus".

(h) TERMINATION.—Section 376 of title 28, United States Code, is amended by adding at the end of that section the following new subsection: "(u) If any judicial official ceases to be married after making the election under subsection (a), he or she may revoke such election in writing by notifying the Director of the Administrative Office of the United States Courts.".

(i) CREDIT FOR PRIOR CONTRIBUTIONS AT HIGHER RATE.—Notwithstanding any other provision of law, the contribution under section 376(b) (1) or (2) of title 28, United States Code, [as amended by this Act] of any judicial official who is within the purview of section 376 on the effective date of this Act shall be reduced by 0.5 percent for a period of time equal to the number of years of service for which the judicial official has made contributions or deposits before the enactment of this Act to the credit of the Judicial Survivors' Annuities Fund or for eighteen months, whichever is less, provided that such contributions or deposits were never returned to the judicial official. The term "years" shall mean full years and twelfth parts thereof.

SEC. 3. LIFE INSURANCE COVERAGE.

(a) ELIGIBILITY.—Section 8701(a) of title 5, United States Code, is amended by inserting immediately following paragraph 5 a new paragraph as follows: "(5a) a judicial official, including a judge of the United States Claims Court (i) who is in regular active service, or (ii) who is retired from regular active service under section 178 of title 28, United States Code; a judge of the District Court of Guam, the District Court of the Northen Mariana Islands, or the District Court of the Virgin Island (i) who is in regular active service, or (ii) who is retired from regular active service under section 373 of title 28, United States Code; a bankruptcy judge or a magistrate judge (i) who is in regular active service, or (ii) who is retired from regular active service under section 377 (a) of title 28, United States Code;".

(b) TECHNICAL AMENDMENTS.—Sections 8714a(c)(1) and 8714c(c)(1) of title 5, United States Code, are amended to insert immediately after the first sentence in each of those sections a new sentence which reads as follows: "Justices and judges of the United States described in section 8701(a)(5) (ii) and (iii) of this chapter are deemed to continue in active employment for purposes of this chapter.".

(c) ADDITIONAL OPTIONAL LIFE INSURANCE.—Section 8706(a) and 8714b(c)(1) of title 5, United States Code, and sections 8714a(c)(1) and 8714(c)(1) of title 5, United States Code [as amended by this Act] are amended to insert immediately after "(iii)" in each of those sections the following "and judicial officials described in section 8701(a)(5a) of this title".

(d) CONVERSION RIGHTS.—sections 8714a(c)(3) and 8714b(c)(1) are amended to insert immediately after "for continuation of the judicial salary" in each of those sections the following "or a judicial official as defined by section 8701(a)(5a) of this title who leaves office without an immediate annunity".

SEC. 4. HEALTH INSURANCE FOR SPOUSES.

ELIGIBILITY.—Section 8901 of title 5, United States Code, is amended in paragraph (3)—

(a) by striking "and" at the end of subparagraph (C);

(b) by inserting "and" at the end of subparagraph (D); and

(c) by inserting a new subparagraph (E) as follows: "(E) a member of a family who is a survivor of—(i) a Justice or judge of the United States, as defined by 28 U.S.C. §451; (ii) a judge of the District Court of Guam, the District Court of the Northern Mariana Islands, or the District Court of the Virgin Islands; (iii) a judge of the United States Claims Court; or (iv) a United States backruptcy judge or a full-time United States magistrate judge;"

SEC. 5. EFFECTIVE DATE.

IN GENERAL.—This Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.●

By Mr. SANFORD:

S. 1674. A bill to provide for an interim date of drawdown in certain lakes under the management of the Tennessee Valley Authority, to establish a drawdown study panel, and for other purposes; to the Committee on Environment and Public Works.

RESERVOIR MANAGEMENT FAIRNESS ACT

Mr. SANFORD. Mr. President, I rise to introduce the Reservoir Management Fairness Act of 1991, a bill that I hope will get the ball rolling toward solving a problem which has been with the people of western North Carolina for almost 50 years now. Simply put, I want to see the Tennessee Valley Authority maintain adequate lake levels through October 1, of each year for several mountain reservoirs.

Yesterday, TVA was scheduled to begin lowering the water levels of 10 of its power-producing lakes, including those in western North Carolina. I am committed to doing all that I can to see that this is the last year that the people of this region of my State have to look to August 1, as the date when downstream users start taking their water once again.

Several of my congressional colleagues have worked with me over the years, and with TVA, to make sure that North Carolinians can begin to realize reasonable recreation and development benefits from the water resources that have so long been enjoyed by residents of downstream States.

The policy to extend summer pool levels for 10 lakes in the Tennessee Valley region to August 1, was established by the TVA Board of Directors in February. This decision was reached at the conclusion of a 2-year review of operating priorities for the TVA system of lakes. I am delighted that TVA engaged in a detailed study of lake management alternatives and am pleased that they have moved the summer drawdown from June to August; this action seems to represent a new attitude on the part of TVA.

The recreational value of tributary lakes and the economic impact of these lakes on mountain communities are only now beginning to be realized by TVA. I believe that the climate is right to sit down with TVA and discuss realistic alternatives by which we can keep our lakes up until October. This legislation may provide an appropriate starting point for such discussions.

In addition to requiring that TVA reservoirs in North Carolina be maintained at summer pool levels until October 1, for the 2 years after passage of this act, this bill will allow for the selection of a seven-member panel to study the feasibility of making such a delay permanent for lakes managed by TVA. This panel will include representatives from counties in which tributary lakes are located as well as representatives from TVA; the group will also include individuals with expertise in navigation and the recreational value of lakes used for power production. These members must finally determine an equitable cost-sharing mechanism by which TVA might be compensated for lost revenues and added expenses due to reduced hydroelectric power production when lake levels are extended. The General Accounting Office [GAO] will be charged with analyzing TVA projections relating to these lost revenues and added expenses.

Mr. President, let me touch very briefly on a few issues surrounding this debate. Since the TVA Act was passed in 1933, the reservoirs of this Government-owned utility have been managed primarily for the purposes of promoting navigation and controlling floods. These priorities are certainly spelled out in the 1933 act. The TVA Board of Directors is therein authorized to operate these lakes for the generation of electricity, also a function in which the Authority has been appropriately engaged for these many years. However, I believe that a primary mission of the TVA, which is also stated with clarity in the 1933 text, has until recently received relatively little attention. I am referring to that section of the act which calls upon TVA to provide for the social well-being of the people within its region of authority.

TVA has referred to the need for equity in establishing drawdown dates for their lakes. Equity might dictate that TVA lakes in North Carolina be considered in somewhat of a different light than those in Tennessee.

My State is in somewhat of a unique situation in that it harbors scenic mountain lakes within its borders whose water resources are enjoyed almost exclusively by other States. I might point out at this time that it is becoming increasingly common for power users to absorb at least a portion of the costs associated with recreation on our Nation's electricity-producing lakes. And, in the case of North Carolina, this trend might seem particularly applicable since TVA power users have been the primary recipients of western North Carolina's water resources for years.

These water resources provide Tennessee and downstream States with flood control, navigation, recreation, and low power rates—TVA recently announced that it would extend its rate freeze for a 50th year. Meanwhile, citizens in North Carolina's lowest income countries have been subsidizing these power costs and seeing their lakes become little more than muddy pools each year during summer months otherwise popular for recreation and tourism, and fall months when visitors would come to admire the leaf colors. Our mountain counties receive very little TVA power and clearly lose millions in direct visitor dollars and lost development potential.

In the final environmental impact statement [EIS] of TVA's Reservoir Operation and Review study, the Authority recognized several western North Carolina counties in which they operate dams as special opportunity counties [SOC's]. I was pleased to see this. While the EIS properly considered the economic welfare of these counties and the fact that they have very much to gain from extended drawdowns compared to small power losses, the recommended August 1, drawdown date will simply not give these communities a sufficient opportunity to enjoy the resources of which they have been deprived for over half a century.

A study conducted jointly by the U.S. Forest Service and the University of Georgia reveals just what a shot in the arm a delayed drawdown date of October 1 would be for the far western region of North Carolina. Using this date, an estimated $65 million in new business activity could develop for the area, with a resulting $41 million increase in direct annual income to businesses and households. Up to 1,500 new jobs would be created, the study concluded. These figures are promising, but not entirely suprising, to those who know that tourism is the mountains' top industry, and that tourists are not attracted to dry mud banks.

The TVA even reveals in its EIS that recreation visitor-days for their North Carolina lakes should increase from 25 to 53 percent for various lakes if water levels remained up until October. The additional visitors which would be attracted to the lake areas during the busy fall leaf season were apparently not considered as these and other figures were compiled. One example of this flawed analysis is the fact that the EIS indicates that the yearly return of school children to their homes constitutes a major drop in visitorship for our mountains. Clearly, adults and senior citizens make up the largest segment of our fall tourism.

Let me be clear that TVA does an outstanding job of meeting the needs of their power customers. Even without full use of the 10 lakes which the TVA has chosen to maintain at summer pools until August, the Authority met a record summer power demand last month. The all-time power demand record was set during the winter of 1989. These records are only further evidence to confirm the knowledge that peak demand periods typically occur in summer and winter months. Winter peak periods are, however, becoming more important for planning peak system capacity needs. It seems, therefore, that the incremental costs of maintaining high lake levels through part of the nonpeak late summer/fall season appear to be low.

TVA says that many millions of dollars will be required to construct new power facilities if drawdown dates are extended beyond the present August 1, for the 10 lakes included in their new management plan. As new efficiency standards are saving TVA hundreds of millions of dollars, three new nonhydroelectric plants will be operating soon, and estimates of increased power usage are ambitious, I am inclined to think that any small loss in hydroelectric power due to lake level extensions may only require an increase in plant operating expenses rather construction expenses. Hydroelectric power constitutes about 15 percent of TVA's total systems power output, and only a small fraction of that would be forfeited due to a drawdown delay.

Mr. President, we are talking here about a Government-owned utility which deals with several billions of dollars in annual revenues, and there is no question in my mind that they can afford to use a fraction of 1 percent of these moneys to carry out a purpose which is stated in their charter and one which they have supposedly recognized. The economic survival of a region and the social well-being of its people are at stake.

The Reservoir Management Fairness Act which I propose today asks for an interim drawndown extension for a few critical lakes, and then asks for those individuals who know the most about this lake level issue to come up with a permanent and equitable solution. I have allowed TVA flexibility as to compensatory funding methods for the interim period, and I have obviously included language stating that navigation and flood control must remain the overriding goals of the Board.

Mr. President, I had not intended to allow my remarks to become so protracted, but allow me to make a final point that many of us see a brighter day after all of these years of dealing with this issue. We are close to a solution. I have had hard words for the TVA in the past, but I am hopeful that we have turned a corner and believe it is time to talk seriously about moving to a final settlement. I welcome the cooperation of the Tennessee Valley Authority as essential to achieving any such conclusion.

By Mr. EXON (for himself, Mr. KASTEN, and Mr. BURNS):

S. 1675. A bill to amend title 49, United States Code, regarding the collection of certain payments for shipments via motor common carriers of property and nonhousehold goods freight forwarders, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NEGOTIATED RATES EQUITY ACT

• Mr. EXON. Mr. President, on June 21, 1990, the U.S. Supreme Court issued a decision in the case of Maislin Industries versus Primary Steel that invalidated a policy of the Interstate Commerce Commission [ICC] with regard to negotiated, but unfiled, motor carrier tariff rates. In July 1990, I chaired a hearing of the Surface Transportation Subcommittee to consider the ramifications of the Supreme Court's decision. A cross section of witnesses affected by the decision testified during the hearing, including the Chairman of the ICC, Edward Philbin, as well as representatives of shippers, carriers, transportation brokers, consultants, and creditors.

Taken as a whole, the testimony during our committee's hearing last year led me to conclude, as I believe it led my committee colleagues to conclude, that legislation was necessary to eliminate the inequitable situation certain to result because of the Court's decision. Accordingly, I introduced S. 2933, in the 101st Congress, to clarify the ICC's authority to review cases where tariff rates or charges are sought to be collected in addition to those orginally billed and collected by motor common carriers. This legislation was promptly reported by the Commerce Committee to the full Senate, but Congress adjourned before voting on the measure despite my efforts to secure passage.

In an effort to address some of the concerns expressed last year regarding consideration of this measure on the floor, Commerce Committee staff initiated a meeting in March of this year between the various parties which participated in last year's hearing. This meeting with Senate staff included representatives from a number of groups, including the Teamsters, the National Industrial Transportation League, the American Trucking Associations, the Regular Common Carrier Conference [RCCC], and the Creditors' Alliance to Preserve Freight Undercharge Assets. Some of the parties convened followup meetings in an effort to reach a consensus on how further to proceed. I would like to thank the RCCC for its efforts at mediating these discussions.

In lieu of clear consensus from the parties, I am prepared to advance the process by introducing today what I believe is a workable solution, the Negotiated Rates Equity Act of 1991. This legislation would accomplish several objectives. At the outset, it would give the ICC the express authority to declare that tariff rates and charges higher than the rate originally offered, billed, and collected by a motor carrier or freight forwarder for transportation or service previously rendered is unreasonable under the Interstate Commerce Act, to the extent that such rates exceed the rate charged for comparable transportation or service by that motor carrier or freight forwarder, or by other carriers or forwarders in the industry providing similar services.

In an effort to address the legitimate concerns of small shippers, in instances in which the amount in dispute is less than $10,000, the ICC shall find the tariff rates being claimed by a carrier or its successor per se unreasonable to the extent they exceed 20 percent of the amount originally charged. A simplified procedure in this regard is intended to make it easier for small shippers to go to the ICC for relief.

In order to preclude unnecessary litigation of undercharge or overcharge claims, section 3 of the bill would require a reasonableness test by the ICC before motor carriers and freight forwarders could seek additional compensation for services already paid for and provided. Section 4 of the bill would set a 2-year statute of limitations for the filing of undercharge or overcharge claims. One year after enactment of the legislation this period would be reduced to 18 months.

Finally, the legislation would permit motor carriers, freight forwarders, and shippers to resolve overcharge or undercharge claims by mutual consent in certain circumstances.

Taken as a whole, I believe the Negotiated Rates Equity Act of 1991 presents a sound solution to this problem. To prevent overcharge disputes from escalating further, however, the ICC must discharge fully its statutory responsibilities under the Interstate Commerce Act. The ICC must enforce the existing tariff requirements, and adhere to the law by striking tariffs which fail to articulate clearly the rates for services to be rendered. Through conscientious administrative action, the ICC should be able to preclude disputes of these kinds from recurring in the furture.

I am pleased to have Senators KASTEN and BURNS as original cosponsors of this measure.•

By Mr. CRANSTON:

S. 1676. A bill to amend the Federal Water Pollution Control Act to establish a demonstration project for the cleanup of water pollution in the San Gabriel Basin; to the Committee on Environment and Public Works.

SAN GABRIEL BASIN DEMONSTRATION PROJECT

• Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to amend the Federal Water Pollution Control Act to establish a demonstration project for the cleanup of water pollution in the San Gabriel Basin.

The bill is identical to H.R. 3207 introduced today in the House by Congressman ESTEBAN TORRES and is based upon extensive consultations he has had with all interested parties in the San Gabriel Valley.

Mr. President, this legislation is needed to expedite the cleanup of ground water contamination in the San Gabriel Valley, a 195 square mile area just northeast of downtown Los Angeles. Over a million people live in the San Gabriel Valley. Eighty-five percent of them rely upon the ground water of the San Gabriel Basin as their primary drinking water supply. Thus, it's critical that this ground water basin be protected for long-term use. However, it is the most heavily contaminated potable ground water basin in the United States.

In 1984 the Environmental Protection Agency listed four areas of ground water contamination in the San Gabriel Valley on the Superfund national priority list. Cleanup has been complicated because 45 different water purveyors take water from the basin, and this pumping is essentially unregulated. As a result, it has been difficult to predict the movement of the contaminants in the groundwater. Additionally, because the ground water lies under hundreds of different facilities, apportioning responsibility for the contamination and cleanup is very complicated. In fact, EPA has been spending most of its time trying to identify responsible parties and no cleanup is occurring.

This legislation is intended to get the job done through a unique public-private partnership. The bill directs EPA in contract with the Los Angeles Regional Water Quality Control Board to manage and conduct the cleanup activities. The bill requires consultation with all local water agencies. It directs EPA to identify all responsible parties within 6 months and establish a formula by which those responsible parties would be able to contribute voluntarily to the cleanup. The formula is to be based on the responsible parties industrial code, their proximity to known contaminated wells, and their gross revenues and ability to pay. If 85 percent of the identified responsible parties, representing at least 80 percent of the anticipated revenues from all identified parties, chose to participate, the demonstration project begins.

Under the bill, responsible parties' contracts with EPA must include site audits to ensure that their current industrial practices are in compliance with the law and that soil remediation has occurred. If a facility contracts with EPA and fulfills its obligations under the contract, the facility's liability under Superfund is suspended. The bill prohibits any participating facility from trying to recover cleanup costs from any other parties. Any identified responsible party which chooses not to participate in the demonstration program is still liable under Superfund.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1676

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "San Gabriel Basin Demonstration Project Act of 1991".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The San Gabriel aquifer presents a unique set of environmental problems.

(2) The San Gabriel Valley is an area of 195 square miles located approximately 10 to 20 miles northeast of downtown Los Angeles in Los Angeles County. It is the home of 1,000,000 to 1,500,000 people, 85 percent of whom rely on the groundwater of the San Gabriel Basin for their primary drinking water.

(3) The San Gabriel aquifer is the most heavily contaminated potable groundwater basin in the United States.

(4) The groundwater under the San Gabriel Valley is heavily contaminated with toxic volatile organic contaminants (FOCs) including trichloroethylene (TCE), perchloroethylene (PCE), and carbon tetrachloride (CTC). The contamination levels vary throughout the Valley.

(5) Four separate areas of contamination in the San Gabriel acquifer are listed on the National Priority List (NPL) of Superfund.

(6) The VOC contamination in the San Gabriel acquifer has been generated by hundreds of commercial and industrial facilities scattered throughout the San Gabriel Valley over a period of more than 30 years.

(7) The San Gabriel acquifer is also heavily contaminated with nitrates as a result of hundreds of years of agriculture and ranching in the Valley as well as from industrial and residential septic systems.

(8) Once contaminated, groundwater is very difficult to clean up.

(9) A plume of polluted groundwater will migrate and spread contaminants wherever it flows. The many areas of groundwater contamination throughout the San Gabriel Valley move at different rates and in different directions, depending on the density of the contaminants, the character of the aquifer, and the local flow patterns. In the San Gabriel Valley, flow patterns may be changing directions due to fluctuating pumping rates throughout the Valley and other factors.

(10) The Environmental Protection Agency has estimated that if cleanup is technologically possible, the cleanup of the San Gabriel Superfund sites will take 30 to 50 years at a cost of $200,000,000 to $400,000,000.

(11) Complicating the cleanup in the San Gabriel Aquifer is the fact that 45 different water purveyors take water from the basin. Except for annual quantity limits, pumping in the basin is virtually unregulated by any government entity. According to the Environmental Protection Agency, the results of unregulated pumping has been the unpredictable movement of the contaminants in the groundwater.

(12) Because the groundwater flows under hundreds of different facilities, apportioning responsibility has been very complicated and will ultimately be very litigious.

(13) There are currently 275 public water supply wells in the San Gabriel acquifer. To date, 70 (25 percent) of these wells have been closed due to contamination levels exceeding current Federal drinking water standards.

(14) The San Gabriel acquifer presents a unique opportunity for the community to solve a seemingly unsolvable problem by working together with the Federal Government in a public-private partnership.

SEC. 3. FACILITIES WHICH MAY ASSIST ACQUIFER RESTORATION.

In the event that the Los Angeles Metropolitan Water District, or any other public agency, determines it is in its interest to construct, or cause to be constructed, facilities that would assist in the restoration of the San Gabriel aquifer, and the plan for such construction has the prior approval of the Administrator of the Environmental Protection Agency and the Los Angeles Regional Water Quality Control Board, such plan may be carried out, whether or not the demonstration project authorized under section 121 of the Federal Water Pollution Control Act (as added by section 4) is being implemented.

SEC. 4. SAN GABRIEL BASIN DEMONSTRATION PROJECT.

Title I of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) is amended by adding at the end the following new section:

SEC. 121. SAN GABRIEL BASIN DEMONSTRATION PROJECT.

"(a) TREATMENT OF WATER.—(1) Not later than 120 days after the enactment of this section, the Administrator shall enter into a cooperative agreement or contract with the Los Angeles Regional Water Quality Control Board (hereinafter in this Act referred to as the 'Regional Board') to provide water treatment to remove volatile organic compounds and other contaminants from the water in the San Gabriel Aquifer.

"(2) The contract or cooperative agreement shall comply with the Basin-Wide Technical Plan prepared by the Administration, and shall provide for consultation with—

"(A) the Upper San Gabriel Valley Municipal Water District,

"(B) the Main San Gabriel Basin Watermaster,

"(C) the San Gabriel Valley Municipal Water District,

"(D) the Three Valleys Municipal Water District,

"(E) the Central Basin Municipal Water District,

"(F) the Central and West Basin Water Replenishment District,

"(G) the San Gabriel Valley Protective Association,

"(H) the San Gabriel River Watermaster,

"(I) the Metropolitan Water District of Southern California, and

"(J) the Main San Gabriel Basin Water Quality Authority.

"(3) If the Basin-Wide Plan is published in final form after the date on which the contract or cooperative agreement is entered into, the contract or cooperative agreement shall be modified by the parties to the extent necessary to comply with the plan. Pursuant to such contract or cooperative agreement, the Regional Board shall withdraw water from the Basin, treat and reinject such water, or provide treatment for water withdrawn by qualified public water systems from the Basin. Such treatment shall be provided without reimbursement from the owner or operator of the public water system.

"(4) No treatment shall commence under this section for any such system unless the Administrator determines that all preconditions for implementing the project under this section have been met, as provided in subsection (b), before the date 18 months after the enactment of this section. In providing treatment and apportioning costs under this section, the Administrator and the Regional Board shall take into account all remedial action previously undertaken with respect to the Basin and shall take appropriate steps to ensure continuity.

"(b) Preconditions for Implementation of Treatment Project.—(1) No water treatment shall be provided pursuant to the demonstration project established under this section until the Administrator makes each of the following findings:

"(A) A finding that State and local governments have made adequate commitments to the Administrator to provide to the Administrator advance reimbursement for 10 percent of the total costs incurred by the Administrator in carrying out this section. Such reimbursement may be made in the form of funds or in-kind contributions.

"(B) A finding that the State has established a board or commission to make and enforce rules and regulations governing the location of wells used to withdraw water from the Basin and governing the quantity of water which may be withdrawn at each such location. Not more than 50 percent of the members of such board or commission shall represent, or be employed or controlled by, or under the direct or indirect influence of, persons entitled to withdraw water from the Basin.

"(C) A finding that at least 85 percent of the potentially responsible parties (as identified by the Administrator within 6 months after the enactment of this section and representing at least 80 percent of the anticipated revenue from all such identified potentially responsible parties) have entered into long term contracts with the Administrator to provide to the Administrator annual reimbursement for a share of the total costs incurred by the Administrator in carrying out this section, determined as provided in subsection (c). Potentially responsible parties identified by the Administrator after the date 6 months after the enactment of this section shall also be offered the opportunity to enter into contracts under this section. Each potentially responsible party desiring to participate under this section shall enter into a contract under this section within 90 days after the date on which the contract is offered by the Administrator to such party. Each potentially responsible party entering into such a contract shall be treated as a participating party for purposes of this section. The annual reimbursement payment for each such participating party shall be made for each year during which costs are incurred by the Administrator in carrying out this section, and the Administrator shall require advance reimbursement.

"(2) The contracts under paragraph (1)(C) shall also require that each participating party entering into such a contract will—

"(A) conduct an environmental audit in accordance with subsection (j) of all property owned or operated by that party and located in the San Gabriel Valley, and

"(B) carry out all removal and remedial action required with respect to hazardous substances in the soil on such property, to the extent necessary to comply with the standards under section 121 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

"(C) Cost Sharing for 80 Percent of Costs.—(1) The Administrator shall allocate to each participating party a share of the total costs incurred by the Administrator under this section.

"(2) With respect to each participating party, the Administrator shall make 2 allocations of costs. The first allocation shall allocate only those costs associated with the specific zone of contamination located in proximity to the participating party. The allocation shall be made among all participating parties located in proximity to such zone, pursuant to the formula established by the Administrator under paragraph (3). The second allocation shall allocate those costs not associated with specific zones of contamination. The allocation shall be made among all participating parties, pursuant to the formula established by the Administrator under paragraph (3).

"(3) The Administrator shall establish a formula for allocating costs under this subsection. The formula shall require that the share of the total costs to be paid by a participating party shall be based upon the following factors:

"(A) The Standard Industrial Code Number (as determined by the Secretary of Commerce) of the participating party and the Administrator's estimate of the likelihood that industrial operations having that SIC Number contributed to contamination of the Basin.

"(B) The gross sales of the participating party in a baseline year established by the Administrator.

"(C) The ability of the participating party to pay.

"(D) Prior expenditures made by the participating party for groundwater remediation in the Basin.

"(4) The total of all shares contributed by participating parties under this subsection shall be equal to 80 percent of the total costs of carrying out the project authorized under this section, except as provided in paragraph (5).

"(5) At the time the Administrator enters into a contract under this section, the Administrator shall estimate the total costs expected to be incurred by the Administrator under this section. Each contract with a participating party under this section shall provide that the maximum obligation of that participating party under such contract shall not exceed 200 percent of that participating party's share of estimated total costs.

"(6) Amounts received from participating parties shall be deposited by the Administrator in a separate account in the Treasury which shall be available, subject to annual appropriation, only for aquifer remediation under this section.

"(d) Level of Treatment.—Any water treatment provided pursuant to this section shall be adequate to insure that the water will comply with all standards and requirements applicable to drinking water under Title XIV of the Public Health Services Act (the Safe Drinking Water Act) or under any more stringent provision of State law.

"(e) Recovery of State and Federal Share of Cost.—There are authorized to be appropriated to the Administrator such sums as may be necessary to cover 10 percent of the total costs of carrying out the project authorized by this section. For purposes of section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1080, the Federal share of costs made available pursuant to the authority of this subsection and the 10 percent State share of such costs required to be contributed under subsection (b)(1) shall be included as costs of remedial action within the meaning of section 107(a)(4)(A) of that Act which are recoverable by the United States Government and by the State in an action under such section 107 against persons referred to in that section who are not participating parties. For purposes of section 107 all actions taken by the Administrator and the Regional Board in conformity with this section shall be deemed to have been taken in conformity with the National Contingency Plan.

"(f) Exemption From Other Liability.—No participating party making contributions pursuant to an agreement under this section shall be liable, under Federal law (other than this section) or under State laws or rules of law, for the costs of any removal or remedial action or other costs of response with respect to hazardous substances released into the San Gabriel Basin, or for damages to natural resources associated with such Basin, to the extent such release occurred before the enactment of this section and is identified in a site assessment, and no participating party shall be required to abate any such prior release of any hazardous substances into the Basin (except to the extent required by subsection (b)(2)(B)). The exemption provided by the preceding sentence for any participating party shall cease to apply to such participating party upon a determination by the Administrator that such participating party—

"(1) has failed or refused to make any portion of the contribution required of such party pursuant to an agreement under this section,

"(2) has failed or refused to carry out the activities required under subsection (b)(2), or

"(3) has filed a suit against another person for contribution of costs as described in subsection (g).

"(g) Contribution.—No participating party may bring an action against any other person to require such other person to contribute any part of the costs required to be paid to the Administrator by such participating party under subsection (b)(1)(C).

"(h) Relationship to Other Laws.—Except as provided in subsection (f), nothing in this section shall be construed to affect the liability of any person under any provision of law with respect to hazardous substances in the San Gabriel Basin. Nothing in this section shall be construed to affect the authority of the Administrator to carry out removal or remedial action or any other response action with respect to such hazardous substances in addition to the demonstration project authorized by this section.

"(i) Liability Exemption for Public Water Systems.—The owner or operator of a qualified public water system shall not be liable in any suit for recovery of costs for a removal or remedial action or any other response action with respect to hazardous substances in the San Gabriel Basin if such a suit is brought by a potentially responsible party that is not a participating party under this section.

"(j) Audit Requirements.—

"(1) Auditors.—Environmental audits required under this section shall be conducted by an environmental assessor registered in the State of California and included on a list approved by the Regional Board.

"(2) Content of Audits.—An environmental audit required under this section shall consist of a systematic, documented, and periodic review of facility operations and practices which is conducted for the purpose of—

"(A) evaluating compliance with the requirements of applicable Federal and State environmental laws; and

"(B) evaluating the practices and procedures established by the owner or operator of the facility for which the audit is conducted to—

"(i) ensure continuing compliance with applicable environmental requirements; and

"(ii) identify and implement pollution reduction opportunities for the facility.

"(3) CERTIFICATION.—Each environmental audit shall contain a statement signed by an official of the Regional Board certifying that, to the officer's best knowledge and belief, the audit complies with the requirements of this subsection.

"(4) COPIES.—Copies of each environmental audit shall be provided to the Administrator and the appropriate State official.

"(k) DEFINITIONS.—As used in this section—

"(1) QUALIFIED PUBLIC WATER SYSTEM.—The term 'qualified public water system' means a 'public water system', as defined in title XIV of the Public Health Services Act (the Safe Drinking Water Act), which is entitled, as of the May 15, 1991, to withdraw water from the San Gabriel Valley Groundwater Basin, as determined under State law.

"(2) BASIN.—The terms 'San Gabriel Basin' and 'the Basin' mean the San Gabriel Valley Groundwater Basin underlying the San Gabriel Valley in Los Angeles County, California.

"(3) POTENTIALLY RESPONSIBLE PARTY.—The term 'potentially responsible party' means a person who is identifed by the Administrator as a person who may be liable under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Superfund), or under any provision of State law, for any amount with respect to cleanup of hazardous substances in the San Gabriel Basin.

"(4) PARTICIPATING PARTY.—The term 'participating party' means a potentially responsible party identified by the Administrator as provided in subsection (b)(1)(C) who has entered into a long term contract with the Administrator under subsection (b)(1)(C) to provide to the Administrator reimbursement for a share of the total costs incurred by the Administrator in carrying out this section and who is making payment to the Administrator pursuant to such contract.

"(5) OTHER TERMS.—Except as otherwise expressly provided, the terms used in this section shall have meanings provided by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (Superfund).".•

By Mr. DASCHLE (for himself and Mr. BRADLEY):

S. 1677. A bill to amend title XIX of the Social Security Act to provide for coverage of alcoholism and drug dependency residential treatment services for pregnant women and certain family members under the Medicaid Program, and for other purposes; to the Committee on Finance.

MEDICAID SUBSTANCE ABUSE TREATMENT ACT

Mr. DASCHLE. Mr. President, I rise today to introduce the Medicaid Substance Abuse Treatment Act of 1991, legislation that would permit coverage of residential alcohol and drug treatment for pregnant women and certain family members under the Medicaid Program. My distinguished colleague, Mr. BRADLEY, joins me as an original cosponsor of this legislation.

This bill has three primary objectives. First, it would increase the ability of pregnant women who are substance abusers to participate in alcohol and drug treatment programs. Second, by increasing the availability of comprehensive and effective treatment programs for pregnant women and, thus, improving a woman's chances of bearing healthy children, it would help combat the serious and ever-growing problem of drug-impaired infants and children, many of whom face life-long disabilities because of fetal exposure to alcohol and other drugs. And, third, it addresses the unique situation of pregnant addicted Native American and Alaska Native women in Indian Health Service areas.

My awareness of the toll substance abuse during pregnancy is having on children throughout the country was heightened by hearings I chaired last year on the Rosebud Reservation and in Rapid City, SD. Those hearings, which focused on the broader problem of child abuse, included discussion of the effects of maternal consumption of alcohol during pregnancy and led to a third hearing in Washington on the specific issue of alcohol-related birth defects. At the hearings, a series of witnesses presented moving testimony about the potentially devastating consequences to the fetus associated with drinking during pregnancy and the high rate of alcohol-related birth defects for Indians as compared to white babies. Also, the testimony revealed that many substance abuse treatment facilities refuse to accept pregnant women and that few provide child care for dependent children while their mothers receive treatment.

The use of alcohol and other drugs by pregnant women can cause mental retardation, physical malformations, seizures and other health problems, learning disabilities, hyperactivity, and emotional and behavioral disturbances in the babies born of these women. In the case of fetal alcohol syndrome [FAS] and fetal alcohol effect [FAE], the terms used to describe the range of birth defects caused by alcohol use and abuse during pregnancy, the impairments are often permanent and irreversible. As adults, FAS victims may need constant monitoring and attention and may be unable to function without direct supervision.

Clearly, such physical and/or mental impairments have a devastating impact on victims and their families. What is often overlooked is the corresponding cost to society.

Birth defects caused by maternal substance abuse pose extraordinary societal costs in terms of specialized medical care and education programs, foster care, and residential and support services needed by drug-impaired individuals over their lifetimes. Even before these babies leave the hospital following birth, the financial costs can be enormous, as many of these infants are born prematurely and require specialized attention in intensive care nurseries. Alcohol-affected children are at risk for developing alcoholism themselves and giving birth to FAS babies, thereby compounding the problem and perpetuating this cruel cycle.

What I find particularly disturbing is that the heartbreaking impact of birth defects caused by maternal substance abuse during pregnancy is totally preventable—simply through maternal abstention from alcohol and other drugs during pregnancy. FAS is the leading identifiable cause of mental retardation in the United States and the only one that is 100 percent preventable. It is tragic that the Federal Government has not done more to combat prenatal exposure to alcohol and other drugs.

Recent studies show that the publicly funded treatment system in this Nation is only able to serve a small minority of the pregnant alcoholic and drug-dependent women who seek treatment for their addiction. This means that thousands of women who want to break their addiction to alcohol and other drugs are turned away from treatment centers each year. Moreover, due to fears among service providers concerning the risks pregnancies pose, pregnant women face more obstacles to treatment than do other addicts. In fact, many treatment programs exclude pregnant women or women with children. The sad result is that many of the children born to these women will suffer for the rest of their lives

To make matters worse, while Medicaid covers some services associated with substance abuse, like outpatient treatment and detoxification, it fails to cover residential treatment, which is considered by many to be the most effective method of overcoming addiction. The legislation Senator BRADLEY and I are introducing today, would, for the first time, provide Medicaid coverage of stays in residential treatment programs. This will assure a stable source of funding for States that wish to establish these programs.

Many pregnant addicted women have children who need to be cared for when they enter a long-term treatment program. Unless children are allowed to accompany their mothers while they are in treatment, women are faced with a terrible dilemma—enter treatment and leave their children behind, in some cases placing them in foster care, or forego treatment. A provision of our bill, which enables dependent children to accompany their mothers, removes a current disincentive to seek substance abuse treatment.

The treatment programs specified in the Medicaid Substance Abuse Treatment Act will be specifically geared toward the special needs of pregnant women, providing them with up to 12 months of comprehensive services. Studies have shown that the more comprehensive and long-term the treatment program, the more successful the outcome.

Under current law, pregnant women who are Medicaid-eligible only due to their pregnancy and limited income—as opposed to being eligible as an AFDC recipient—lose their Medicaid eligibility 2 to 3 months after their delivery. Our bill extends eligibility to 12 months following delivery, thus allowing a pregnant woman who needs long-term treatment and who enters treatment late in her pregnancy to complete treatment.

The bill also provides important services to help women deal with such problems as domestic violence, incest and other sexual abuse, poor housing, poverty, unemployment, lack of education and job skills, lack of access to health care, emotional problems, chemical dependency in their family backgrounds, lack of family support, and single parenthood. Long-term residential treatment is an essential component of comprehensive services for pregnant addicted women, many of whom need long-term, intensive habilitation services that remove women from the environment that may have contributed to their substance abuse.

Recognizing that children of pregnant addicted women have been negatively impacted by their mothers' addiction and that some may have been drug-exposed while in utero, required treatment services under our bill also include comprehensive services like therapeutic child care or counseling. Our bill provides for coverage in nonhospital treatment programs and also limits the size of residential treatment facilities to no more than 40 beds to ensure the provision of treatment services in a therapeutic, family-like environment, quality care, and cost containment.

While our bill creates a new Medicaid option to close a current gap in Medicaid and provide a stable financing base for residential treatment programs, we recognize that there are cost concerns associated with Medicaid expansions. Accordingly, our bill caps the total beds available for funding under Medicaid for the furnishing of residential treatment programs. Over a 5-year period, the annual bed cap will increase from 1,080 beds nationwide to 6,000 beds nationwide.

While the problem of alcohol and drug use during pregnancy cuts across all races, nationalities, and economic boundaries, and is indeed a national problem, the problem of FAS/FAE is especially acute on Indian reservations. Thus, the absence of appropriate and sufficient treatment measures is even more of a problem for Native Americans.

Over and above the allocation of beds to States under the nationwide bed cap, an additional 240 beds nationally will be provided to the Indian Health Service areas to address the treatment needs of pregnant addicted Indian and Alaska Native women. One hundred percent Federal matching is provided to States to create an incentive for States with IHS areas to support treatment models for Native American women and to exercise this Medicaid option. The bill also requires the Indian Health Service to conduct annual training and education in each of the IHS areas for tribes, Indian organizations, interested residential treatment providers, and States regarding this Indian program.

Mr. President, there is no easy solution to addiction and the birth defects and other impairments it causes in children born to pregnant addicted women. I do believe, however, that a prevention strategy must include increased access to comprehensive and discrete treatment programs for pregnant addicted women so that women and their children can access care.

The cost of prevention in the form of substance abuse treatment is substantially less than the downstream costs in money and human capital of caring for children and adults who have been impaired due to prenatal exposure to alcohol and drugs. Treatment of pregnant addicted women enhances the quality of their lives and that of their unborn children. I urge my colleagues to support this measure to ensure that Medicaid-eligible pregnant addicted women have access to comprehensive residential substance abuse treatment programs.

I ask unanimous consent that the full text of the Medicaid Substance Abuse Treatment Act of 1991 and a brief factsheet on it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1677

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicaid Substance Abuse Treatment Act of 1991".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) a woman's ability to bear healthy children is threatened by the consequences of alcoholism and drug addiction; an estimated 375,000 infants each year are born drug-exposed and at least 5,000 infants are born each year with fetal alcohol syndrome and another 35,000 with fetal alcohol effect, which is a less severe version of fetal alcohol syndrome;

(2) drug use during pregnancy can result in low birthweight, physical deformities, mental retardation, learning disabilities, and heightened nervousness and irritability in newborns;

(3) fetal alcohol syndrome is the leading identifiable cause of mental retardation in the United States and the only one that is 100 percent preventable;

(4) drug-impaired individuals over such individuals' lifetimes pose extraordinary societal costs in terms of medical, educational, foster care, residential and support services;

(5) due to fears among service providers concerning the risks pregnancies pose, pregnant women face more obstacles to substance abuse treatment than do other addicts, and women, in general, are underrepresented in drug and alcohol treatment programs;

(6) many substance abuse treatment programs, in fact, exclude pregnant women or women with children;

(7) alcohol and drug treatment is an important prevention strategy to prevent low birthweight, transmission of AIDS, and chronic physical, mental, and emotional disabilities associated with prenatal exposure to alcohol and other drugs;

(8) effective treatment must address the special needs of pregnant women who are alcohol or drug dependent, including substance-abusing women who may often face such problems as domestic violence, incest and other sexual abuse, poor housing, poverty, unemployment, lack of education and job skills, lack of access to health care, emotional problems, chemical dependency in their family backgrounds, single parenthood, and the need to ensure child care for existing children while undergoing substance abuse treatment;

(9) nonhospital residential treatment is an important component of comprehensive and effective substance abuse treatment for pregnant addicted women, many of whom need long-term, intensive habilitation outside of their communities to recover from their addiction and take care of themselves and their families; and

(10) a gap exists under medicaid for the financing of comprehensive residential care in the existing continuum of medicaid-covered alcoholism and drug abuse treatment services for low-income pregnant addicted women.

(b) PURPOSES.—The purposes of this Act are—

(1) to increase the ability of pregnant women who are substance abusers to participate in alcohol and drug treatment;

(2) to ensure the availability of comprehensive and effective treatment programs for pregnant women, thus promoting a woman's ability to bear healthy children;

(3) to ensure that nonhospital residential treatment is available to those low-income pregnant addicted women who need long-term, intensive habilitation to recover from their addiction;

(4) to create a new optional medicaid residential treatment service for alcoholism and drug dependency treatment; and

(5) to define the core services that must be provided by treatment providers to ensure that needed services will be available and appropriate.

SEC. 3. MEDICAID COVERAGE OF ALCOHOLISM AND DRUG DEPENDENCY RESIDENTIAL TREATMENT SERVICES FOR PREGNANT WOMEN, CARETAKER PARENTS, AND THEIR CHILDREN.

(a) COVERAGE OF ALCOHOLISM AND DRUG DEPENDENCY RESIDENTIAL TREATMENT SERVICES.—

(1) OPTIONAL COVERAGE.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(A) in subsection (a)—

(i) by striking "and" at the end of paragraph (21);

(ii) in paragraph (24), by striking the comma at the end and inserting a semicolon;

(iii) by redesignating paragraphs (22), (23), and (24) as paragraphs (25), (22), and (23), respectively, and by transferring and inserting paragraph (25) after paragraph (23), as so redesignated; and

(iv) by inserting after paragraph (23) the following new paragraph:

"(24) alcoholism and drug dependency residential treatment services (to the extent allowed and as defined in section 1931); and"; and

(B) in the sentence following paragraph (25), as so redesignated—

(i) in subdivision (A), by striking "or" at the end,

(ii) in subdivision (B), by inserting ", who is not receiving alcoholism and drug dependency residential treatment services," after "65 years of age", and

(iii) by inserting after subdivision (B) the following:

"(C) any such payments with respect to alcoholism and drug dependency residential treatment services under paragraph (24) for individuals not described in section 1931(e).".

(2) ALCOHOLISM AND DRUG DEPENDENCY RESIDENTIAL TREATMENT SERVICES DEFINED.—Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is amended by adding at the end the following new section:

"ALCOHOLISM AND DRUG DEPENDENCY RESIDENTIAL TREATMENT SERVICES

"SEC. 1931. (a) ALCOHOLISM AND DRUG DEPENDENCY RESIDENTIAL TREATMENT SERVICES.—The term 'alcoholism and drug dependency residential treatment services' means, subject to subsection (d), all the required services described in subsection (b) provided—

"(1) in a coordinated manner (either directly or through arrangements with public and nonprofit private entities or, for medical services, through arrangements with licensed practitioners or federally qualified health centers or, with respect to such services provided to women eligible to receive services in Indian Health Facilities, through or under arrangements with the Indian Health Service or a tribal or Indian organization that has entered into a contract with the Secretary under section 450(g) of the Indian Self-Determination and Education Assistance Act or section 1652 of the Indian Health Care Improvement Act) by a residential treatment facility that meets the requirements of subsection (c); and

"(2) pursuant to an individualized treatment plan prepared for each individual, which plan—

"(A) states specific objectives necessary to meet the individual's needs,

"(B) describes the services to be provided to the individual to achieve those objectives,

"(C) is established in consultation with the individual,

"(D) is periodically reviewed and (as appropriate) revised by the staff of the facility in consultation with the individual,

"(E) reflects the preferences of the individual, and

"(F) is established in a manner which promotes the active involvement of the individual in the development of the plan and its objectives.

"(b) REQUIRED SERVICES DEFINED.—For purposes of subsection (a), the required services described in this subsection are as follows:

"(1)(A) Individual, group, and family counseling, addiction education and treatment, provided pursuant to individualized treatment plans, including opportunity for involvement in Alcoholics Anonymous and Narcotics Anonymous, (B) parenting skills training, (C) education concerning prevention of HIV infection, and (D) assessment of each individual's need for domestic violence counseling and sexual abuse counseling and provision of such counseling where needed. Services under this subparagraph shall be provided in a cultural context that is appropriate to the individuals and in a manner that ensures that the individuals can communicate effectively, either directly or through interpreters, with persons providing services.

"(2) Room and board in a structured environment with on-site supervision 24 hours-a-day.

"(3) Therapeutic child care or counseling for children of individuals in treatment.

"(4) Assisting parents in obtaining access to—

"(A) developmental services (to the extent available) for their preschool children,

"(B) public education for their school-age children, including assistance in enrolling them in school, and

"(C) public education for parents who have not completed high school.

"(5) Facilitating access to prenatal and postpartum health care for women, to pediatric health care for infants and children, and to other health and social services where appropriate and to the extent available, including services under title V, services and nutritional supplements provided under section 17(i) of the Child Nutrition Act of 1986, services provided by federally qualified health centers, outpatient pediatric services, well-baby care, and early and periodic screening, diagnostic, and treatment services (as defined in section 1905(r)).

"(6) Ensuring supervision of children during times their mother is in therapy or engaged in other necessary health or rehabilitative activities, including facilitating access to child care services under title IV and title XX.

"(7) Planning for and counseling to assist reentry into society, including referrals to appropriate educational, vocational, and other employment-related programs (to the extent available), referrals to appropriate outpatient treatment and counseling after discharge (which may be provided by the same program, if available and appropriate) to assist in preventing relapses, transitional housing, and assistance in obtaining suitable affordable housing and employment upon discharge.

"(8) Continuing specialized training for staff in the special needs of residents and their children, designed to enable such staff to stay abreast of the latest and most effective treatment techniques.

"(c) FACILITY REQUIREMENTS.—The requirements of this subsection with respect to a facility are as follows:

"(1) The agency designated by the chief executive officer of the State to administer the State's alcohol and drug abuse prevention and treatment activities and programs has certified to the single State agency under section 1902(a)(5) that the facility is able to provide (either directly or through arrangements with public and nonprofit private entities or, for medical services, through arrangements with licensed practitioners or federally qualified health centers or, with respect to such services provided to women eligible to receive services in Indian Health Facilities, through or under arrangements with the Indian Health Service or with a tribal or Indian organization that has entered into a contract with the Secretary under section 450(g) of the Indian Self-Determination and Education Assistance Act or section 1652 of the Indian Health Care Improvement Act) all the services described in subsection (b) and, except for Indian Health Facilities, meets all applicable State licensure or certification requirements for a facility of that type.

"(2)(A) Subject to subparagraph (B), the facility or distinct part thereof provides room and board and such facility is not licensed as a hospital and does not exceed 40 beds (including beds occupied by children). The single State agency may grant exceptions to the bed size limit for one or more facilities subject to review by the Secretary. Exceptions, where granted, must be made pursuant to standards and procedures set out in the State plan and must require the facility seeking an exception to demonstrate that—

"(i) it will be able to maintain a therapeutic, family-like environment;

"(ii) it can provide quality care in the delivery of each of the services identified in subsection (b);

"(iii) the size of the facility will be appropriate to the surrounding community; and

"(iv) the development of smaller facilities is not feasible in that geographic area.

"(B) The requirement under subparagraph (A) that a facility not be a hospital may be waived by the Secretary, if the Secretary finds that such facility is located in an Indian Health Service area and that such facility is the only or one of the only facilities available in such area to provide services under this section.

"(3) With respect to a facility providing the services described in subsection (b) to an individual eligible to receive services in Indian Health Facilities, such a facility demonstrates (as required by the Secretary) an ability to meet the special needs of Indian and Native Alaskan women.

"(d) LIMITATIONS ON COVERAGE.—(1) Subject to paragraph (2), services described in subsection (b) shall be covered in the amount, duration and scope therapeutically required for each eligible individual in need of these services.

"(2) A State plan may limit coverage of alcoholism and drug dependency residential treatment services for each individual to a period, if the period is not less than 12 months. This paragraph shall not be construed as requiring a State plan to cover such services for any individual beyond the period for which they are therapeutically required for that individual.

"(3) An initial assessment of financially eligible individuals specified in subsection (e) seeking alcoholism and drug dependency residential treatment services shall be performed by the agency designated by the chief executive officer of the State to administer the State's alcohol and drug abuse treatment activities (or its designee). Such assessment shall determine whether such individuals are in need of alcoholism or drug dependency treatment services and, if so, the treatment setting (such as inpatient hospital, nonhospital residential, or outpatient) that is most appropriate in meeting their health and therapeutic needs and the needs of their dependent children, if any.

"(e) ELIGIBLE INDIVIDUALS DEFINED.—A State plan shall limit coverage under the plan of alcoholism and drug dependency residential treatment services under subsection (a)(24) to the following individuals otherwise eligible for medical assistance under this title:

"(1) Women during pregnancy, and until the end of the 12th month following the termination of the pregnancy.

"(2) Children of a woman described in paragraph (1).

"(3) At the option of a State, a caretaker parent or parents and children of such a parent.

"(f) PHASED-IN PER-STATE BED LEVEL AND OVERALL CAP ON MEDICAL ASSISTANCE.—(1) A State exercising the option to provide the services described in this section shall provide that—

"(A) in calendar years 1992 and 1993, up to 20 beds; and

"(B) in calendar years 1994, 1995, and 1996, up to 40 beds,

will be made available for the furnishing of such services in the State.

"(2)(A) The total amount of services provided under this section as medical assistance for which payment may be made available under section 1903 shall be limited to the total number of beds allocated for such services in any given year as specified under subparagraph (B).

"(B) The total number of beds allocated under this subparagraph (subject to subparagraph (D)) for the furnishing of services under this section and for which Federal medical assistance may be made available under section 1903 is for calendar year—

"(i) 1992, 1,080 beds;

"(ii) 1993, 2,000 beds;

"(iii) 1994, 3,500 beds;

"(iv) 1995, 5,000 beds;

"(v) 1996, 6,000 beds; and

"(vi) for calendar years thereafter beds should be allocated on the basis of the formula established in the fifth year.

"(C) The Secretary shall provide that in allocating the number of beds made available to a State for the furnishing of services under this section that, to the extent not all States are exercising the option of providing services under this section and there are beds available that have not been allocated in a year as provided in subparagraph (B), that such beds shall be reapportioned among participating States based on a formula (as provided by the Secretary) distributing beds to States on the basis of the relative percentage of women of childbearing age in a State.

"(D) In addition to the beds allocated under subparagraph (B) there will be an additional 20 beds allocated in a year to States for each Indian Health Service area within the State to be utilized by Indian Health Facilities within such an area and, to the extent such beds are not utilized by a State, the beds shall be reapportioned to Indian Health Service areas in other States.".

(3) MAINTENANCE OF STATE FINANCIAL EFFORT AND 100 PERCENT FEDERAL MATCHING FOR SERVICES FOR INDIAN AND NATIVE ALASKA WOMEN IN INDIAN HEALTH SERVICES AREAS.—Section 1903 of such Act (42 U.S.C. 1396b) is amended by adding at the end the following new subsections:

"(w) No payment shall be made to a State under this section in a State fiscal year for alcoholism and drug dependency residential treatment services (described in section 1905(t)) unless the State provides assurances satisfactory to the Secretary that the State is maintaining State expenditures for such services at a level that is not less than the average annual level maintained by the State for such services for the 2-year period preceding such fiscal year.

"(x) Notwithstanding the preceding provisions of this section, the Federal medical assistance percentage for purposes of payment under this section for services described in section 1931 provided to individuals residing on or receiving services in an Indian Health Service area shall be 100 percent.".

(b) PAYMENT ON A COST-RELATED BASIS.—Section 1902(a)(13) of such Act (42 U.S.C 1396a(a)(13)) is amended—

(1) by striking "and" at the end of subparagraph (E),

(2) by adding "and" at the end of subparagraph (F), and

(3) by adding at the end the following new subparagraph:

"(G) for payment for alcoholism and drug dependency residential treatment services which the State finds, and makes assurances satisfactory to the Secretary, are reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities in order to provide all the services listed in section 1931(b) in conformity with applicable State and Federal laws, regulations, and quality and safety standards and to assure that individuals eligible for such services have reasonable access to such services;".

(c) CONFORMING AMENDMENTS.—

(1) CLARIFICATION OF OPTIONAL COVERAGE FOR SPECIFIED INDIVIDUALS.—Section 1902(a)(10) of such Act (42 U.S.C. 1396a(a)(10)) is amended, in the matter following subparagraph (F)—

(A) by striking "; and (XI)" and inserting ", (XI)",

(B) by striking ", and (XI)" and inserting ", and (XII)", and

(C) by inserting before the semicolon at the end the following: ", and (XIII) the making available of alcoholism and drug dependency residential treatment services to individuals described in section 1931(e) shall not, by reason of this paragraph (10), require the making of such services available to other individuals".

(2) CONTINUATION OF GENERAL MEDICAID ELIGIBILITY FOR PREGNANT WOMEN FOR 12 MONTHS FOLLOWING END OF PREGNANCY.—Subsections (e)(5) and (l)(1)(A) of section 1902 of such Act (42 U.S.C. 1396a) are each amended by striking "60-day period" and inserting "1-year period".

(3) REDESIGNATIONS.—Section 1902 of such Act (42 U.S.C. 1396a) is further amended—

(A) in subsection (a)(10)(C)(iv), by striking "(21)" and inserting "(24)", and

(B) in subsection (j), by striking "(22)" and inserting "(25)".

(d) ANNUAL EDUCATION AND TRAINING IN INDIAN HEALTH SERVICE AREAS.—The Secretary of Health and Human Services in cooperation with the Indian Health Service shall conduct on at least an annual basis training and education in each of the 12 Indian Health Service areas for tribes, Indian organizations, residential treatment providers, and State health care workers regarding the availability and nature of residential treatment services available in such areas under the provisions of this Act.

(e) EFFECTIVE DATE; TRANSITION.—

(1) The amendments made by this section apply to alcoholism and drug dependency residential treatment services furnished on or after July 1, 1992, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

(2) The Secretary of Health and Human Services shall not take any compliance, disallowance, penalty, or other regulatory action against a State under title XIX of the Social Security Act in regards to alcoholism and drug dependency residential treatment services (as defined in section 1931(a) of such Act) made available under such title on or after July 1, 1992, before the date the Secretary issues final regulations to carry out the amendments made by this section, if the services are provided under its plan in good faith compliance with such amendments.

THE MEDICAID SUBSTANCE ABUSE TREATMENT ACT OF 1991

WHAT THE BILL DOES

The legislation creates a new option (not a mandate) under Medicaid for states to cover non-hospital comprehensive residential substance abuse treatment services for Medicaid-eligible pregnant women and their children.

To control the overall cost of this Medicaid expansion, the bill caps the number of nationwide beds for which Federal assistance may be provided. Over a five-year period, the annual bed cap increases from 1,080 beds to 6,000 beds.

To address the unique situation of pregnant addicted Native American and Alaska Native women in Indian Health Services Areas and the high rate of alcohol-related birth defects for Indians, an additional 240 beds nationally (20 beds per each of the 12 IHS Areas in the U.S.) will be provided.

STATISTICS ON THE PROBLEM

Over 400,000 infants each year are born alcohol- or other drug-exposed. By the year 2000, the number of babies born exposed to all drugs could rise to 4 million.

Fetal Alcohol Syndrome, the term used to describe the range of birth defects caused by alcohol use during pregnancy, is the leading cause of mental retardation in the U.S. and the only one that is 100% preventable.

The monetary cost of caring for drug-exposed children who show significant physiologic and neurologic impairment can exceed one million dollars per child.

The publicly funded treatment system is only able to serve about 11% of the 280,000 pregnant alcoholic and drug-dependent women in need of treatment.

WHY LEGISLATION IS NEEDED

The use of alcohol and other drugs by pregnant women can cause mental retardation, cognitive and behavioral problems, physical malformations and other health problems in children born of substance-abusing pregnant women.

Such impairments have a devastating impact on victims and their families and also pose extraordinary societal costs in terms of medical care, special education, foster care, and residential and support services needed by drug-impaired individuals over their lifetimes. The cost of prevention of alcohol and other drug-related birth defects in the form of substance abuse treatment is substantially less than the monetary and other costs of caring for children and adults who have been impaired.

Despite this fact, recent studies show that the publicly funded treatment system in this country is only able to serve a small minority of the pregnant addicted women who seek treatment. Moreover, many treatment programs exclude pregnant women because of fears among service providers concerning the risks pregnancies pose. This bill, therefore, addresses one of the most pressing problems facing pregnant addicted women—the lack of treatment programs to help them overcome their habits.

WHY MEDICAID

Although, under existing law, Medicaid can be used by states as a funding source for detoxification and some outpatient treatment services, it fails to cover residential treatment, which is considered by many to be the most effective form of treating substance abuse in women. In addition, Medicaid provides a stable source of funding for states that wish to establish residential treatment programs for pregnant addicted women. This bill, therefore, would fill a current gap in the existing continuum of Medicaid-covered substance abuse treatment services for pregnant women and assure a stable funding source.

WHAT KIND OF TREATMENT WOULD BE COVERED

The bill would cover comprehensive services for pregnant addicted women, many of whom need long-term, intensive habilitation services that remove women from the environment that may have contributed to their substance abuse. Thus, coverage is provided for up to 12 months in non-hospital residential programs.

The treatment programs will also address the special needs of this population, including the fact that substance-abusing women may often face such problems as domestic violence, incest and other sexual abuse, poor housing, poverty and unemployment, and lack of education and job skills. The bill provides that comprehensive treatment programs include support services to prevent relapses, ensure long-term rehabilitation, and promote reentry into society.

In addition, the bill provides that a pregnant woman's children can accompany their mother while she is undergoing residential treatment and receive therapeutic child care or counseling services.

By Mr. SANFORD:

S. 1679. A bill entitled "Long-term Investment, Competitiveness, Pension Protection and Corporate Takeover Reform Act of 1991"; to the Committee on Banking, Housing, and Urban Affairs.

LONG-TERM INVESTMENT, COMPETITION, PENSION PROTECTION AND CORPORATE TAKEOVER ACT OF 1991

Mr. SANFORD. Mr. President, I rise today to introduce the Long-Term Investment, Competition, Pension Protection and Corporate Takeover Reform Act of 1991. I believe this legislation is necessary to sharpen this country's competitive edge by allocating resources toward long-term investment not short-term profit as well as to ensure that if companies choose to continue their corporate wheelings and dealings, it is not at the expense of American workers.

As my colleagues know, for quite some time I have been disturbed by the greedy actions of corporate raiders who have ransacked countless companies in my State and across the country. I became convinced long ago that the trend of the 1980's to emphasize short-term rewards cripples our country's economic health and stunts the research and development achievements which should be helping the United States stay globally competitive into the 21st century. Thus, in both the 100th and 101st Congresses, I sponsored legislation which is very similar to the bill which I am introducing today.

While I remain tremendously concerned about the effect the leveraging of corporate America is having on this country's economic vitality, research accomplishments, and capital investment, my decision to reintroduce corporate takeover reform legislation has been spurred by another equally important problem resulting from corporate takeovers and leveraged buyouts—the danger posed to American workers, their jobs and their pension plans.

On Monday of this week, I held a field hearing of the Senate Banking, Housing, and Urban Affairs Committee in Kannapolis, NC to examine the effect the failure of Executive Life Insurance Co. has had on the pensions of Fieldcrest Cannon employees and retirees.

Since May, the Cannon retirees' monthly pension checks from Executive Life have been reduced by 30 percent at the order of the California Insurance Commissioner who took conservatorship of the failing insurance company. While the dilemma of these pensioners elicits concerns on a variety of policy issues, one which can not be ignored stems from the fact that Cannon retirees would never have been dependent on Executive Life Insurance Co., had David Murdock, former owner of Cannon Mills, been prohibited from terminating Cannon Mills safe, insured defined benefit pension plan when he sold the company in 1985 to Fieldcrest, Inc.

The Cannon Mills example is only one of many which illustrate that, because of gaps in the Federal legislation designed to protect employee pension plans, it is the workers, who depend on their pension checks simply to pay the monthly electric bill or buy their weekly groceries, who are being forced to pay the price for Wall Street's excesses.

As Paul Hudspeth, a retired Cannon worker after 50 years of service said of the cut in his already meager pension of $47.33 a month, "I have not heard that Mr. Murdock has lost any of his money on this deal, yet several thousand Cannon retirees have lost thousands of dollars. We do not want charity. All we want is what is rightfully ours." And workers and retirees like Mr. Hudspeth should have the right to live comfortably, unworried that their pension plan might fall prey to some carnivorous raider.

Statistics show that takeovers and leveraged buyouts very frequently do result in the termination of employee pension plans and subsequently place the safety of employee pension's at risk, and that companies with overfunded pension plans have often been the target of hostile takeovers. The General Accounting Office [GAO] issued a report that between 1982 and 1987 almost 40 percent of the 190 companies that were taken over in LBO's terminated pension plans after the takeover. Of the 107 defined benefit plans, over 80 percent were ended with assets in excess of the assets needed to pay beneficiaries, and plan sponsors were able to obtain reversions of excess assets of $581.6 million.

These facts and figures deeply disturb me, and the Long-Term Investment, Competitiveness, Pension Protection and Corporate Takeover Reform Act of 1991 has a variety of provisions to redress all of these serious concerns with current regulation of corporate takeovers and leveraged buyouts.

First, this legislation prohibits the termination of an employee pension plan for 5 years following the change in ownership of a corporation. Such a provision would have prevented a person such as David Murdock from terminating the Cannon pension plan only 3½ years after purchasing Cannon Mills. Also, in order to preserve excess pension funding as a cushion to provide employee benefits, this legislation amends ERISA to prohibit either buyers or sellers from using surplus pension fund assets to finance, directly or indirectly, a takeover or leveraged buyout.

This bill will allow plan managers to consider long-term as well as short-term interests of the plan participants in making a decision whether to tender shares. It also extends the "short-short" rule, which currently prohibits mutual funds from making more than 30 percent of their income from shares held for less than 3 months, to pension funds. I believe this provision not only promotes long-term investment but also provides for safer investment of pension resources.

The legislation also encourages employee ownership. It establishes a 45 business day time period for tender offers and extends the period to 95 days when an employee stock ownership plan submits a comparable offer to competing tender offers. This provision will allow employee groups sufficient time to organize and obtain financing.

To provide additional protection to workers during the case of a takeover or leveraged buyout, this bill also requires anyone who obtains a corporation or plan through a tender offer to abide by outstanding collective bargaining agreements for at least 180 days or, if the plant is to be used in a fundamentally different manner, the offer must provide 6 months pay to all involuntarily terminated employees.

To address the issue of excessive debt caused by takeovers and leveraged buyouts, the legislation also requires that at least 50 percent of the financing for the transaction be committed before the tender offer is commenced and requires the disclosure in a 13-d filing of the financial arrangements for the tender offer.

This legislation seeks also to curb abuse we have seen in our securities market. It closes the current 10-day window on 13-d filings. Currently, any person who acquires more than 5 percent of a company's stock is not required to file a disclosure statement until 10 days after the acquisition. During the 10 days, however, a person may require additional securities without public disclosure and may be able to secretly accumulate controlling interest in a company. This bill requires a filing within 5 business days, and prohibits any additional accumulation of stock until such a filing is made.

In order to help curb insider trading and discourage the commencement of tender offers solely for the purpose of gaining short-swing profits, the bill limits payments of greenmail and applies the insider rules to all 5 percent or greater shareholders who file a tender offer and then sell shares less than 6 months after commencing a tender offer.

Finally, this legislation provides an effective deterrent to violations of the disclosure requirements by raising the penalties for false disclosure and empowering the SEC to sue for tender offer disclosure violations.

In the past, the major opposition voiced by critics of reform legislation have remained that we can not implement significant changes at a time when high numbers of corporate takeover and leveraged buyout deals are in the works without wreaking havoc on our economy. Well, activity has fallen off over the last few years, and I believe presented Congress with an opportune time to fine tune relevant pension and securities law. Refusal to act now will truly wreak havoc on our economy.

This legislation will not singlehandedly restore U.S. competitiveness vis-a-vis foreign countries nor does it take all of the necessary steps to protect worker's retirement funds in the case of pension terminations and asset reversions. However, this bill takes significant steps in the right direction by curbing some of the most dangerous abuses of corporate takeover law, and I urge my colleagues to support it.

By Mr. D'AMATO (for himself, Mr. DODD, Mr. GARN, Mr. SEYMOUR, Mr. STEVENS, Mr. COCHRAN, and Mr. BROWN):

S. 1680. A bill to amend the Internal Revenue Code of 1986 to provide assistance to first-time home buyers and to permit loans for higher education expenses; to the Committee on Finance.

FAMILY HOME INVESTMENT AND EDUCATION PLAN ACT

• Mr. D'AMATO. Mr. President, I rise to introduce the Family Home Investment and Education Plan Act. I am joined by my colleagues, Senators DODD, GARN, SEYMOUR, STEVENS, COCHRAN, and BROWN.

Recently, we have witnessed a number of legislative proposals designed to increase the flexibility of individual retirement accounts [IRA's]. The legislation that I am introducing today provides a dynamic way of using IRA's to make housing and a college education more affordable. Quite simply, this bill would allow individuals and family members to use funds within their IRA accounts to make a first time home purchase or to fund tuition and other higher education expenses. Moreover, this is accomplished at no cost to the Treasury.

Affordability of housing and a college education is a serious problem today for middle-class Americans. Recent data released from the 1990 census showed a drop in the rate of national home ownership in the last decade. This was the first decade since the Great Depression that home ownership declined. This problem is particularly acute in my home State of New York. According to the recent census data, New York ranked last among all 50 States in the level of home ownership, with just 52.2 percent of New York residents owning homes. Similarly, as college tuition costs continue to outpace inflation, the goal of obtaining a college degree becomes an increasingly elusive target.

We in Congress need to take decisive action to deal with these issues. At a time when the price of a single family house and the cost of a college education are racing beyond the means of many lower- and middle-class families, our legislative proposal would free up the use of a major source of savings that is currently inaccessible. Opening up this source of funds is a critical step in addressing this affordability crisis.

To see why our bill is so dynamic, consider other legislative proposals in Congress dealing with this subject. A number of bills have recently been introduced which waive the 10-percent penalty for premature withdrawal for first time home purchase, higher education expenses, and devastating medical expenses. One such proposal is S. 612, the Savings and Investment Incentive Act of 1991, of which I am a cosponsor.

While such a penalty waiver is helpful, premature withdrawal would still be very expensive. Any individual who makes a withdrawal must still pay income taxes on the amount withdrawn. For taxpayers in the highest Federal tax bracket, withdrawal could result in income taxes of as much as $3,100 on a withdrawal of $10,000. This tax also significantly reduces the amount of funds available for the intended purpose. The result is that penalty waivers are limited in their effect in easing the burden of housing or higher education costs.

The Family Home Investment and Education Plan Act is an effective alternative. Under this bill, individuals can make investments for first time home purchase or higher education expenses within an IRA. As a result, there is no early withdrawal penalty and there is no income tax levied. When the investment or loan is repaid, the funds remain within the IRA for reinvestment.

Here is how our bill works. The owner of an IRA account directs the IRA custodian to use funds for either of two narrowly prescribed activities by such owner—or family member. The first is the purchase or construction of a primary residence for use by a first time home buyer. The other permitted activity is for paying higher education expenses.

The funds can be used either as an equity investment or as a loan. Under the equity investment approach, an individual could use funds within an IRA to make a down payment to make a first time home purchase. Alternatively, a parent or grandparent could assist a child or grandchild in making such a down payment. Under the loan approach, IRA funds could be used as a loan to a child or grandchild, either in assisting with a first time home purchase or for higher education purposes.

In all cases, the funds would simply be another form of investment, similar to stock mutual funds or certificates of deposit. The investments or loans would be structured as an arm's length business transaction. When the loan or equity investment is repaid, the funds remain—still tax deferred—within the IRA account of the investor.

Why is this legislation necessary? Under the existing Tax Code, there are a number of prohibited transactions within an IRA account. These include investing in one's own home or making a loan or investment on behalf of a child or grandchild. Our bill would provide a narrow exemption to the list of prohibited transactions.

And for good reason. Consider the following: Any American today can invest IRA funds in a mutual fund consisting of GNMA securities. In effect, this is an investment in a pool of mortgages of single family homes. Thus, under current law, an American can invest in a loan for anyone else's home, but not his own, or that of his parent or child's. This is arbitrary and unfair. After all, the IRA program was established to promote long-term savings to ease the financial condition of retirement. Historically, investment in one's own house has proven to be the single most effective source of retirement wealth for middle Americans. Thus, preventing Americans from investing in their own home is contrary to the very purpose of IRA legislation.

Finally, I would like to emphasize that this legislation would not increase the budget deficit. Under our bill, there is no forgiveness of the taxes otherwise deferred through an IRA account, nor is there a loosening of eligibility standards for investing in an IRA. What this bill does is to free up the use of a large pool of funds for important activities which promote financial security and occupational mobility.

Therefore, I urge my colleagues to join me in this effort to increase home ownership and the attainment of higher education.

Mr. President, I ask unanimous consent that the text of this bill be printed in the Record, along with a letter from the National Association of Home Builders.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1680

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Family Home Investment and Education Plan Act".

SEC. 2. FINDINGS AND POLICY.

(a) Findings.—The Senate finds that—

(1) homeownership and higher education each promotes self-sufficiency and individual prosperity,

(2) the national rate of home ownership has been declining while average housing prices and, therefore, down-payment requirements have risen above the means of many first-time homebuyers,

(3) the cost of higher education is often beyond the financial means of students, and

(4) parents and grandparents are more likely to have sufficient financial resources to assist family members in first-time home purchases and to make family loans for higher education expenses.

(b) Policy.—It is the policy of the Senate to remove impediments to home investment by first-time homebuyers and to the attainment of higher education by permitting owners of individual retirement plans to direct the trustees of such plans to invest plan funds held before January 1, 1992, as home equity or debt in the homes of family members who are first-time homebuyers or to loan plan funds for higher education expenses of family members.

SEC. 3. CERTAIN RETIREMENT PLANS AUTHORIZED TO MAKE EQUITY INVESTMENTS IN PRINCIPAL RESIDENCES FOR FIRST-TIME HOMEBUYERS.

(a) Exemption From Prohibited Transaction Rules.—Section 4975 of the Internal Revenue Code of 1986 (relating to tax on prohibited transactions) is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

"(h) Special Rule for Home Equity Participation Arrangements.—

"(1) In general.—The prohibitions provided in subsection (c) shall not apply to any qualified home equity participation arrangement.

"(2) Qualified home equity participation arrangement.—For purposes of this subsection—

"(A) In general.—The term 'qualified home equity participation arrangement' means an arrangement—

"(i) under which the trustee of an individual retirement plan, at the direction of the eligible participant, shall acquire an ownership interest in all or any part of any dwelling unit which within a reasonable period of time (determined at the time the arrangement is executed) is to be used as the principal residence for a first-time homebuyer, and

"(ii) which meets the requirements of subparagraphs (B) and (C) of this paragraph.

"(B) Ownership interest requirement.—An arrangement shall meet the requirements of this subparagraph if the ownership interest described in subparagraph (A)—

"(i) is a fee interest in such property equal to the percentage which—

"(I) the amount invested by the trustee of the individual retirement plan, bears to

"(II) the acquisition cost of or total equity in the dwelling unit,

"(ii) by its terms requires repayment in full upon—

"(I) the sale or other transfer of the dwelling unit, or

"(II) the cessation of use as the principal residence of the first-time homebuyer, and

"(iii) may not be used as security for any loan secured by any interest in the dwelling unit.

"(C) Total outstanding arrangement balance.—An arrangement shall meet the requirements of this subparagraph if the amount invested from an individual retirement plan under such arrangement, when added to the outstanding balance of any investments under previous qualified home equity participation arrangements with respect to such plan, does not exceed the balance in such plan before January 1, 1992.

"(3) Definitions.—For purposes of this subsection—

"(A) Eligible participant.—The term 'eligible participant' means an individual on whose behalf an individual retirement plan is established.

"(B) First-time homebuyer.—The term 'first-time homebuyer' means an individual who—

"(i) is an eligible participant or qualified family member, and

"(ii) had (and if married, such individual's spouse had) no present ownership interest in a principal residence at any time during the 36-month period before the date of the arrangement.

"(C) Qualified family member.—The term 'qualified family member' means a child (as defined in section 151(c)(3)), parent, or grandparent of the eligible participant (or such participant's spouse). Section 152(b)(2) shall apply in determining if an individual is a parent or grandparent of an eligible participant (or such participant's spouse).

"(D) Acquisition; etc.—

"(i) Acquisition.—The term 'acquisition' includes construction, reconstruction, and improvement related to such acquisition.

"(ii) Acquisition cost.—The term 'acquisition cost' has the meaning given such term by section 143(k)(3).

"(E) Principal Residence.—The term 'principal residence' has the same meaning as when used in section 1034.".

(b) Effective Date.—The amendment made by this section shall apply to arrangements entered into after December 31, 1991.

SEC. 4. LOANS USED TO ACQUIRE PRINCIPAL RESIDENCES FOR FIRST-TIME HOMEBUYERS.

(a) Individual Retirement Plans.—Section 408(e) of the Internal Revenue Code of 1986 (relating to tax treatment of accounts and annuities) is amended by adding at the end thereof the following new paragraph:

"(7) Loans used to purchase a home for first-time homebuyers.—

"(A) In general.—Paragraphs (3) and (4) shall not apply to any qualified home purchase loan made, or secured, by an individual retirement plan, if such loan when added to the aggregate outstanding balance of any previous qualified home loan and qualified higher education loan (under paragraph (8)) made or secured by such plan, does not exceed the balance in such plan before January 1, 1992.

"(B) Qualified home purchase loan.—For purposes of this paragraph, the term 'qualified home purchase loan' means a loan—

"(i) made by the trustee of an individual retirement plan at the direction of the individual on whose behalf such plan is established,

"(ii) the proceeds of which are used for the acquisition of a dwelling unit which within a reasonable period of time (determined at the time the loan is made) is to be used as the principal residence for a first-time homebuyer,

"(iii) is secured by the dwelling unit,

"(iv) by its terms requires repayment in full within 15 years after the date of acquisition of the dwelling unit,

"(v) by its terms treats any amount remaining unpaid in the taxable year beginning after the period described in clause (iv) as distributed in such taxable year to the individual on whose behalf such plan is established and subject to section 72(t)(1), and

"(vi) which bears interest from the date of the loan at a rate not less than the rate for comparable United States Treasury obligations on such date.

"(C) Definitions.—For purposes of this paragraph—

"(i) First-time homebuyer.—The term 'first-time homebuyer' has the meaning given such term by section 4975(h)(3)(B).

"(ii) Acquisition.—The term 'acquisition' has the meaning given such term by section 4975(h)(3)(D)(i).

"(iii) Principal residence.—The term 'principal residence' has the same meaning as when used in section 1034.

"(iv) Date of acquisition.—The term 'date of acquisition' means the date—

"(I) on which a binding contract to acquire the principal residence to which subparagraph (B) applies is entered into, or

"(II) on which construction, reconstruction, or improvement of such a principal residence is commenced.".

(b) Prohibited Transaction.—Section 4975(d) of the Internal Revenue Code of 1986 (relating to exemptions from tax on prohibited transactions) is amended by striking "or" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting "; or", and by inserting after paragraph (15) the following new paragraph:

"(16) any loan that is a qualified home purchase loan (as defined in section 408(e)(7)(B)).".

(c) Effective Date.—The amendments made by this section shall apply to loans made after December 31, 1991.

SEC. 5. LOANS USED TO PAY QUALIFIED HIGHER EDUCATION EXPENSES.

(a) Individual Retirement Plans.—Section 408(e) of the Internal Revenue Code of 1986 (relating to tax treatment of accounts and annuities), as amended by section 4(a), is further amended by adding at the end thereof the following new paragraph:

"(8) Loans used to pay qualified higher education expenses.—

"(A) In general.—Paragraphs (3) and (4) shall not apply to any qualified higher education loan made, or secured, by an individual retirement plan, if such loan when added to the aggregate outstanding balance of any previous qualified higher education loan (under paragraph (7)) and qualified home loan made or secured by such plan, does not exceed the balance in such plan before January 1, 1992.

"(B) Qualified higher education loan.—For purposes of this paragraph, the term 'qualified higher education loan' means a loan—

"(i) made by the trustee of an individual retirement plan at the direction of the individual on whose behalf such plan is established,

"(ii) the proceeds of which are used for the purpose of paying qualified higher education expenses,

"(iii) by its terms requires repayment within 10 years from the date of the loan,

"(iv) by its terms treats any amount remaining unpaid in the taxable year beginning after the period described in clause (iv) as distributed in such taxable year to the individual on whose behalf such plan is established and subject to section 72(t)(1), and

"(v) which bears interest from the date of the loan at a rate not less than the rate for comparable United States Treasury obligations on such date.

"(C) QUALIFIED HIGHER EDUCATION EXPENSES.—For purposes of subparagraph (B)—

"(i) IN GENERAL.—The term 'qualified higher education expenses' means tuition, fees, books, supplies, equipment, and a reasonable allowance for room and board required for the enrollment or attendance of—

"(I) the individual on whose behalf the individual retirement plan is established, or

"(II) a qualified family member (as defined in section 4975(h)(3)(C),

at an eligible educational institution (as defined in section 135(c)(3)).

"(ii) COORDINATION WITH SAVINGS BOND PROVISIONS.—The amount of qualified higher education expenses for any taxable year shall be reduced by any amount excludable from gross income under section 135.".

(b) PROHIBITED TRANSACTION.—Section 4975(d) of the Internal Revenue Code of 1986 (relating to exemptions from tax on prohibited transactions), as amended by section 4(b), is further amended by striking "or" at the end of paragraph (15), by striking the period at the end of paragraph (16) and inserting "; or", and by inserting after paragraph (16) the following new paragraph:

"(17) any loan that is a qualified higher education loan (as defined in section 408(e)(8)(B)).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to loans made after December 31, 1991.

NATIONAL ASSOCIATION
OF HOME BUILDERS,
Washington, DC, June 26, 1991.

Hon. ALFONSE D'AMATO,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR D'AMATO: On behalf of the 155,000 members of the National Association of Home Builders, I congratulate you for introducing the Family Home Investment and Education Plan Act. Enactment of this legislation would greatly enhance the utility of the individual retirement account, thereby increasing the nation's savings base. At the same time, this bill would promote both home ownership and higher education for all Americans.

While we applaud those components of the bill which would encourage higher education, naturally we are most interested in the home ownership elements. Your approach, which would classify investment in mortgages or home equity as a valid investment of the IRA, is a dynamic fresh approach to the expanded IRA concept. It in effect would create a fresh pool of money from which families of IRA depositors could draw.

We urge you, however, to consider expanding the concept to make it available to all IRA funds, not only those deposited in accounts prior to January of 1992, as is currently proposed. The advantages of such a modification are self-evident.

The National Association of Home Builders looks forward to working with you to ensure passage of this bold and innovative concept.

Sincerely yours,

MARK ELLIS TIPTON.

By Mr. SEYMOUR:

S. 1681. A bill to amend title II of the Social Security Act to make it clear that States and local governments may not tax Social Security benefits; to the Committee on Finance.

PROHIBITING SOCIAL SECURITY TAX

Mr. SEYMOUR. Mr. President, the bill I am introducing today will prohibit State and local governments from taxing Social Security benefits. This measure prevents efforts to take income from the pockets of our seniors and prevent what would be an unfair and unjust tax burden.

Several States now tax Social Security benefits and consider them as gross income when calculating an individual's State tax obligations. While there are some States which have enacted legislation to eliminate the taxation of these benefits, many States continue this double taxation of our retirees.

In light of the budget contraints many States are now under, we cannot expect them to freely enact legislation to eliminate the taxation of these benefits. These benefits generate huge tax revenues that go to reduce their escalating budget deficits and fund programs that these States are not readily prepared to surrender—all at the expense of our seniors.

Under the 1983 Social Security Amendments, Social Security benefits for our seniors were drastically reduced. Furthermore, the intention of these amendments were to restore solvency to our Social Security system, not to allow States to tax these benefits. The taxation of these benefits unfairly burdens our seniors and makes it highly unappealing for those who would like to continue working past retirement age. For these reasons, it is essential that we take federal action to close the door on this inequity.

Mr. President, I hope my colleagues will join me in supporting this legislation. Our seniors have seen the value of their benefits dwindle over the past few years. Allowing States to continue this injustice only helps to further reduce the power of the benefits which the lives of our retirees so depend.

By Mr. MOYNIHAN (for himself, Mr. GARN, and Mr. SASSER):

S. 1682. A bill to authorize the Board of Regents of the Smithsonian Institution to acquire an administrative service center, and for other purposes; to the Committee on Rules and Administration.

SMITHSONIAN INSTITUTION ADMINISTRATIVE SERVICE CENTER

• Mr. MOYNIHAN. Mr. President, I rise on behalf of Senators GARN and SASSER to introduce a bill to authorize the Board of Regents of the Smithsonian Institution, of which I and my distinguished colleagues are members, to acquire an administrative service center in the District of Columbia. The bill would authorize the Board to enter into a contract for acquisition financing, and to permit funds currently budgeted for leases to be used to amortize financing. The Regents have approved a motion in this respect. A similar measure was introduced in the House as H.R. 2758 by Representative MINETA for himself and Representatives WHITTEN and MCDADE, the House members of the Board of Regents.

The facility would be used as both a light industrial warehouse and for office space, encompassing 500,000 square feet. It replaces 167,000 square feet of space on North Capitol Street, the lease for which expires on September 30, 1992. The facility would also take on activities from other buildings as well.

Purchasing the service center, rather than leasing it, is prudent financial management. The cost of the current leases over the next 30 years is estimated at $215 million, whereas acquisition would save approximately $55 million for more than twice the space over that period.

I urge my colleagues to support this measure and ask unanimous consent that its full text be printed in the RECORD at this point.

S. 1682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONTRACTS AUTHORIZED.

(a) IN GENERAL.—The Board of Regents of the Smithsonian Institution is authorized to enter into a contract to acquire an administrative service center of approximately 500,000 square feet in the District of Columbia and to enter into a contract for acquisition financing to be amortized using funds appropriated annually, including funds for the rental of space which shall hereafter be available for such purpose.

(b) SPECIAL RULE.—The Board of Regents of the Smithsonian Institution may use appropriated funds to make payments in any fiscal year under the financing contract entered into pursuant to subsection (a) only to the extent that funds have been appropriated for that fiscal year for that purpose.

SEC. 2. LIMITATION.

The financing contract shall provide for the payment of principal not to exceed $60,000,000 and reasonable interest thereon in installments over a period not to exceed 30 years.

SEC. 3. CLAIMS.

The contracts authorized in section 1 shall provide that no claim may be asserted against the Federal appropriations or restricted trusts funds of the Smithsonian Institution.

SEC. 4. TITLE.

Consistent with the provisions of section 5588 of the Revised Statutes (20 U.S.C. 52), title to the land and building occupied by the facility described in section 1 shall be vested in the Smithsonian Institution.•

By Mr. KERRY (for himself, Mr. KENNEDY, and Mr. BREAUX):

S. 1683. A bill to amend the Internal Revenue Code of 1986 and the Social Security Act to clarify the employment tax status of certain fishermen; to the Committee on Finance.

AMENDING THE TAX CODE FOR CERTAIN FISHERMEN

Mr. KERRY. Mr. President, today I am introducing legislation to resolve a crisis in New Bedford, MA. As a result of an IRS ruling, owners of certain fishing vessels are being assessed $10 million. This ruling, if allowed to stand, will wreak havoc with the New Bedford fishing industry and set a very troubling and troublesome precedent for other fishing ports around the country. Furthermore, Mr. President, this ruling clearly violates the intent of Congress.

At issue is whether crewmembers on small fishing vessels are considered self-employed or employees for tax purposes. This is significant in this case because employers must withhold for Federal income tax purposes from the pay of their employees, whereas payments to persons who are self-employed are not subject to withholding.

Congress was very clear in its intention to exclude fishermen on small fishing vessles from the withholding requirements when the Tax Code was amended in 1976. This was in recognition of the unusual relationship that exists on fishing boats. Fishing boats fundamentally are small business operations, and crews can and typically do vary from trip to trip, with each crewmember being a free agent. Consequently, a provision in the 1976 tax bill declared these crewmembers to be self-employed, thereby removing the requirement that boat owners withhold anticipated taxes from their crew's pay.

The problem we now face stems from IRS interpretation and application of the Tax Code provisions with respect to boats based in New Bedford. Congress defined small fishing vessels to which the 1976 tax provision would apply as having crews of "normally fewer than 10." The fishing industry interpreted the word "normally" to mean "on average over the year," a perfectly reasonable and acceptable definition. However, the IRS decided "normally" meant "more often than not in any given quarter of the year." IRS never published this definition in public documents or in any way communicated this decision to the fishing industry.

Scallop vessels in New Bedford go to sea with crews of 10 in the peak of the fishing season and 9 or 10 at other times. These vessels qualify as small fishing vessels under the definition normally used by the fishing industry for the past 15 years, but not under the IRS definition—because, for at least one quarter each year, the vessels have crews of 10 more often than crews of 9. The bill I am introducing today takes care of this problem by statutorily defining "normally," as used in the 1976 tax bill definition of "small fishing vessel," as "on average over the year."

The bill also cares for a separate but related problem. According to the Tax Code, self-employed crewmembers must be compensated solely with a share of the catch. It is a common practice in fishing industries around the country to provide a small cash payment to the cook, first mate, and engineer in recognition of additional duties they perform. This payment is called a "pers" in New Bedford and represents only 1 to 5 percent of the total compensation. That is about $500 annually on $30,000 of income.

In 1977, IRS issued Revenue Ruling 77–102 stating that a pers payment would subject the entire salary to withholding. In response, the industry initiated a sliding scale per that went from $24.50 to $25.50 depending on the catch. Subsequent audits by IRS did not question this practice. Now IRS has ruled that the sliding scale is a sham and that entire salaries of crew members receiving pers were subject to withholding. This legislation would allow for such payments without jeopardizing the self-employed status.

The IRS ruling means that much of the New Bedford fleet does not qualify for the small fishing vessel treatment on withholding. As a result, IRS has placed liens on property and is poised to begin enforced collections from the boat owners.

Let me emphasize that the boat owners believed they complied fully with the tax laws and regulations. They did not keep amounts the IRS now says should have been withheld. Those amounts were given to the crew. To assess these boat owners now means that they will have to pay out the disputed amounts again—this time to the IRS. The outcome of this IRS action will be to drive most boat owners out of business and to make the Government the owner of a lot of fishing boats. Obviously, this outcome does not accomplish anything. Furthermore, Mr. President, if this ruling stands in New Bedford, it will be applied to other fishing ports around the Nation.

With my House colleagues, Mr. DONNELLY and Mr. STUDDS, I have been trying to remedy this problem for the past 2 years. We have introduced legislation, written to the Treasury Department, and met with the IRS. But these steps have not produced a resolution of the problem. Therefore, today I am again introducing legislation to clear up this problem.

Mr. President, the IRS and the fishermen of New Bedford have waited patiently for 2 years now for Congress to deliberate on this matter. I am hopeful that my colleagues will allow this legislation to be considered in this Congress. I ask unanimous consent that the full text of the bill be placed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1683

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLARIFICATION OF EMPLOYMENT TAX STATUS OF CERTAIN FISHERMEN

(a) AMENDMENTS OF INTERNAL REVENUE CODE OF 1986.—

(1) TEN-MEMBER CREW PERMITTED; DEFINITION OF "NORMALLY".—Paragraph (20) of section 3121(b) of the Internal Revenue Code of 1986 is amended by striking "fewer than 10 individuals" and inserting "10 or fewer individuals. For purposes of the preceding sentence, the operating crew of a boat shall be treated as normally made up of 10 or fewer individuals if the operating crew, on at least 50 percent of the trips during the preceding 4 calendar quarters, consisted of 10 or fewer individuals".

(2) CERTAIN CASH REMUNERATION PERMITTED.—Subparagraph (A) of section 3121(b)(20) of such Code is amended to read as follows:

"(A) such individual does not receive any cash remuneration other than as provided in subparagraph (B) and other than cash remuneration—

"(i) which does not exceed $100 per trip;

"(ii) which is contingent on a minimum catch; and

"(iii) which is paid solely for additional duties (such as mate, engineer, or cook) for which additional cash remuneration is traditional in the industry,".

(b) AMENDMENT OF SOCIAL SECURITY ACT.—

(1) TEN-MEMBER CREW PERMITTED; DEFINITION OF "NORMALLY".—Paragraph (20) of section 210(a) of the Social Security Act is amended by striking "fewer than 10" and inserting "10 or fewer. For purposes of the preceding sentence, the operating crew of a boat shall be treated as normally made up of 10 or fewer individuals if the operating crew, on at least 50 percent of the trips during the preceding 4 calendar quarters, consisted of 10 or fewer individuals".

(2) CERTAIN CASH REMUNERATION PERMITTED.—Subparagraph (A) of section 210(a)(20) of such Act is amended to read as follows:

"(A) such individual does not receive any additional compensation other than as provided in subparagraph (B) and other than cash remuneration—

"(i) which does not exceed $100 per trip;

"(ii) which is contingent on a minimum catch; and

"(iii) which is paid solely for additional duties (such as mate, engineer, or cook) for which additional cash remuneration is traditional in the industry,".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to remuneration paid after December 31, 1991.

(2) PARAGRAPH (2) OF SUBSECTION (A) AND (B).—The last sentences of section 3121(b)(20) of the Internal Revenue Code of 1986 and section 210(a)(20) of the Social Security Act (as added by subsections (a)(1) and (b)(1) of this Act), and the amendments made by paragraph (2) of subsections (a) and (b) of this Act, shall also apply to remuneration paid after December 31, 1984, and before January 1, 1992, unless the payor treated such remu-

neration (when paid) as being subject to tax under chapter 21 of the Internal Revenue Code of 1986.

By Mr. DOMENICI:

S. 1684. A bill to establish a partnership between the Mexican Government, educational institutions, and private industry and the United States Department of Energy laboratories for environmentally related technology and educational transfer; to the Committee on Energy and Natural Resources.

UNITED STATES-MEXICO ENVIRONMENTAL TECHNOLOGY TRANSFER AND PARTNERSHIP ACT

• Mr. DOMENICI. Mr. President, today I am introducing legislation to use the significant talent of this country coupled with the talent in the country of Mexico to ensure that development along the United States-Mexico border occurs in an environmentally sound manner.

This bill, the United States-Mexico Environmental Technology Transfer and Partnership Act calls for the resources of our DOE national laboratories to be coupled with the Mexican Government and Mexican industry through a program of technology transfer and educational partnerships.

The Mexican Government has had great success in developing new, tough environmental standards that will ensure that the next generation of plants constructed in that country will be clean and will not pose a threat to human health and the environment.

However, Mexico and the United States face the challenge of making sure that all new development in the border region meets stringent Mexican and United States laws, and is coordinated in a fashion to ensure that there is no environmental degradation.

Our Department of Energy laboratories are already engaged in similar partnerships with U.S. industries. These partnerships have been successful in the identification of appropriate technology, technology maturation, and educational efforts to promote environmentally sound manufacturing in every aspect of the manufacturing process.

For example, in my State, Sandia National Laboratories is engaged in several programs with private U.S. firms directed at waste minimization, focused primarily on the elimination of ozone-depleting chlorofluorocarbons [CFC's] and other hazardous materials.

These programs address specific problem areas in the manufacturing and characterization of microelectronics such as cleaning, plating, soldering, process control—sensors—robotics and reliability.

The lab's expertise and capabilities are matched by industry's needs to solve problems that can improve economic competitiveness.

Now that the United States is engaged in negotiations with Mexico over a free-trade agreement, much concern has centered on environmental considerations.

Mr. President, I believe that the country of Mexico is committed to new, clean industry. This bill helps our neighbors to the south accomplish that goal. The success is as critical to citizens of the United States as it is to the citizens of Mexico.

The bill I am introducing authorizes $3 million per year over the next 4 years to the Department of Energy for use by the national laboratories in technology transfer, technology maturation, and environmental education to Mexican Government and industry. It calls for the exchange of scientists and engineers among the laboratories and Mexican educational institutions and industry to facilitate the transfer of ideas and technology among participating entities.

I think this is a sound approach that helps to address the environmental concerns that have been expressed about the Mexican Free-Trade Agreement, and it is my hope that the bill will receive immediate consideration.

Mr. President, I ask unanimous consent that the bill in its entirety be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1684

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Mexico Environmental Technology Transfer and Partnership Act".

SEC. 2. FINDINGS; DEFINITIONS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds that:

(1) As the United States moves forward on a Free Trade Agreement with Mexico, the challenge is to ensure that development along the border is accomplished in an environmentally sound manner.

(2) The Mexican Government has developed a fine record in addressing environmental concerns by instituting new environmental standards, but, now faces the challenge of implementing and enforcing these new standards.

(3) Technology now exists that would allow new manufacturing plants along the border to meet these new, stringent standards, as well as allowing older plants to be cleaned up.

(4) Much of this technology has been developed in the United States.

(5) The United States has a unique opportunity to work with the Government of Mexico in the construction of clean, new plants through a program of technology transfer, technology maturation, and educational efforts promoting environmentally sound manufacturing that seeks to minimize environmental degradation.

(6) Both environmentally related technology transfer and technology maturation would best be promoted through partnerships between the United States Government laboratories and Mexican industry.

(7) Similar partnerships now exist between the United States Department of Energy multipurpose national laboratories and United States private industry and are quite successful.

(8) The United States is in an optimum position to work with Mexican leaders in review of present Mexican educational programs to determine how to structure new environmental education programs.

(9) United States assistance to Mexico in its review of educational requirements environmental technology transfer and education of university instructors, students and industry in environmentally sound manufacturing would be of great environmental benefit to both countries.

(b) DEFINITIONS.—For purposes of this Act—

(1) "national laboratories" means the folowing Department of Energy multiprogram laboratories: Argonne National Laboratory, Brookhaven National Laboratory, Idaho National Engineering Laboratory, Lawrence Berkeley Laboratory, Lawrence Livermore National Laboratory, Los Alamos National Laboratory, Oak Ridge National Laboratory, Pacific Northwest National Laboratory, and Sandia National Laboratories;

(2) "Secretary" means the Secretary of the United States Department of Energy;

(3) "educational institution" means an institution of higher education as defined in section 1201(a) of the Higher Education Act of 1965 or its institutional equivalent in Mexico; and

(4) "environmentally sound manufacturing" means manufacturing conducted in such a manner as to protect human health and the environment.

(c) PURPOSE.—The purpose of this bill is to establish a program of environmentally related technology transfer and education between the United States Department of Energy multipurpose national laboratories and the Mexican Government and Mexican industry.

SEC. 3. ESTABLISHMENT OF UNITED STATES-MEXICO ENVIRONMENTAL TECHNOLOGY TRANSFER AND PARTNERSHIP ACT.

(a) IN GENERAL.—The Secretary shall encourage national laboratories to enter into partnerships with the Government of Mexico and Mexican industry as described in subsection (b) for the purpose of sharing information and transferring technology to Mexico to provide for—

(1) waste minimization;

(2) education in near-term and long-term environmental technology practices, in particular emphasizing the importance of environmentally sound manufacturing practices to workers at all levels of the manufacturing process; and

(3) transferring environmental technology needed to meet environmental standards for air, water, and soil quality.

(b) Educational and Industrial Partnerships.—(1) The Secretary shall encourage Mexican educational institutions to enter into partnerships with national laboratories to involve academic researchers in environmentally sound manufacturing. Included in this effort would be defining the needs of Mexico's industries and universities; comparing environmental laws and regulation in Mexico to those of the United States; preparing curriculum in environmentally sound manufacturing for either on-site courses or satellite lectures; and providing individuals who are experts in the areas of environmentally sound manufacturing to teach these courses where necessary.

(2) The Secretary shall encourage national laboratories to enter into partnerships with Mexican industry that take advantage of the

expertise in environmentally sound manufacturing that has been developed at the national laboratories.

(3) The Secretary shall encourage the exchange of scientists and engineers among national laboratories and Mexican educational institutions and industry to facilitate the transfer of ideas and technology among participating entities.

(c) Authorization of Appropriations.—There are authorized to be appropriated to the United States Department of Energy for national laboratories $3,000,000 for each fiscal year 1993 through 1996 to carry out the purposes of this Act.•

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 1685. A bill to direct the Secretary of Energy to request the National Academy of Sciences to conduct a study of the sources of, the damage caused by, and the possible means of preventing occurrences of the phenomenon of electrical and electromagnetic leakage known as stray voltage; to the Committee on Energy and Natural Resources.

ELECTRICAL TRANSMISSION RESEARCH ACT

• Mr. RIEGLE. Mr. President, I rise today to introduce the Electrical Transmission Research Act of 1991. The legislation authorizes the Secretary of Energy to commission the National Academy of Sciences to study the prevention of the phenomenon known as "stray voltage," or more scientifically, excess electric fields [EMF's], during the transmission process.

EMF's can be loosely defined as electricity lost as current flows through wires or any other source of resistance, including grounding rods. They are not uncommon. In fact, most Americans and most residents of industrial nations are exposed to EMF's in some way hundreds of times a day.

Most of these EMF's are harmless. But since the early 1980's, there has been increasing public concern about potentially adverse human health effects of EMF's generated by overhead power lines, transformers, feed lines, and even a variety of household and office appliances. According to recent research, people who live near these transmission lines have had a tendency to suffer higher rates of certain kinds of illness than those who do not live near these transmission systems.

As many of my colleagues know, there have been dozens of separate epidemiological studies worldwide that have shown relationships between increased coincidences of higher cancer, leukemia, and birth disorder rates for children and adults living near power or power feeder lines. Other studies have suggested a link between birth disorders in women and pulsed magnetic fields emitted by video display terminals. Additionally, livestock on farms have been affected by the same kind of problems—birth defects, increased cancer and blood disorders—that humans have suffered.

Presently, there is no agreement in either the scientific community or the public health community about whether EMF's have adverse human health effects. Proving their existence is difficult. Explaining the higher disease rates for those who live near the lines is even more difficult.

Currently, research is underway to determine the mechanisms of interaction between transmission line EMF's and both human and animal biological systems. No real progress in establishing a human health risk is expected for at least 5 to 6 years until the results of new biological and epidemiological research studies are completed and published.

Mr. President, that is exactly my concern. It will take at least take 5 to 6 years to determine just how serious the problem is. It will take at least that much time to determine how to prevent EMF's from harming those who live near the transmission lines. My legislation begins the research process on how to prevent the EMF's before the biological scientific studies are completed. If we do not begin to solve these problems soon, it will be 15 years before those who live near power lines can sleep peacefully knowing they are not suffering any ill health effects from the lines above their head.

This is a serious problem that needs to be dealt with swiftly and intelligently because thousands of Americans have been affected. These are some cases that have recently been in the media about stray voltage.

Paul and Judy Vandenberg of Kalamazoo, MI, almost went bankrupt paying veterinarian bills trying to understand why their milk herd was dying, why calves were being born deformed and why milk production was off 50 percent.

Dan and Marg Stangel of Kewaunee, WI, suffered the same similar effects the Vanderbergs have suffered. Both couples found that stray voltage was shocking their cows as they were milked and fed.

Recently, a Wisconsin farmer filed a $9 million lawsuit because the EMF's were so severe on his farm that he could not breed his cows.

An Indiana couple won a $343,000 judgement from the Public Service Co. of Indiana because of stray voltage problems while a rural Minnesota jury awarded $45,000 to a dairyman who says his power cooperative should have warned him about the potential affects of stray voltage he was experiencing on his farm.

Mr. President, it is obvious we must begin to remedy the problems of EMF's. The National Academy of Sciences is the logical choice to complete the research that is needed to begin the process of eliminating hazardous side effects from our Nation's electrical transmission lines or electrical appliances.

The answer may be as simple as burying transmission lines or coating them in plastic. But clearly it is time to move the process ahead.

Mr. President, I ask unanimous consent that the text of the bill be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1685

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STUDY OF STRAY VOLTAGE.

(a) REQUEST.—The Secretary of Energy shall request the National Academy of Sciences to conduct, and to submit to Congress within 2 years a report on, a study of the sources of, the damage caused by, and the possible means of preventing occurrences of the phenomenon of electrical and electromagnetic leakage known as stray voltage.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out the study requested under subsection (a) a total of $2,000,000 for fiscal years 1992 and 1993.•

By Mr. GORTON (for himself, Mr. HATFIELD, Mr. BURNS, Mr. McCAIN, Mr. PACKWOOD, Mr. STEVENS, Mr. CRAIG, Mr. MURKOWSKI, and Mr. SYMMS):

S. 1686. A bill to amend title 28, United States Code, to divide the ninth judicial circuit of the United States into two circuits, and for other purposes; to the Committee on the Judiciary.

NINTH CIRCUIT COURT OF APPEALS REORGANIZATION ACT

• Mr. GORTON. Mr. President, James Madison once wrote that—

> It will be of little avail to the people, that the laws are made by men of their own choice, if the laws be so voluminous that they cannot be read, or so incoherent that they cannot be understood; if they be repealed or revised before they are promulgated, or undergo such incessant changes that no man, who knows what the law is today, can guess what it will be to-morrow.

Those words, written two centuries ago, form the fundamental basis of the American legal system and apply equally to court interpretations of our laws as to their promulgation.

When citizens are unable to keep abreast of legal developments in the courts and in the legislatures, that is a shame. But when judges are unable to keep abreast of legal developments even within their own jurisdiction, that is a travesty. The quality and consistency of justice that they render is at best uncertain.

The current Ninth Circuit Court of Appeals is faced with exactly these problems, due in principal part to its sheer size. It is by far the largest of the thirteen Federal circuit courts with 28 authorized judges, 12 more than any other. It serves over 45 million people, almost 60 percent more than served by the next largest circuit court. Moreover, the population in the States and territories that comprise the ninth circuit is the fastest growing in the Nation.

Ninth circuit judges have nearly unmanageable caseloads with little time to review the voluminous case law within the jurisdiction or consult with their fellow circuit colleagues. Legal opinions tend to be very narrow with little precedential value, merely adding to the problem. As a former attorney general for the State of Washington, I personally have experienced the unique frustrations and difficulties of practicing before the ninth circuit.

Moreover, the ninth circuit over the years has become increasingly dominated by California judges and California judicial philosophy. That trend cannot help but persist as the number of cases filed by California's litigious and exploding population continues to rise. The Northwestern States are confronting emerging issues that are fundamentally unique to that region, issues that are central to the lives of citizens in the Northwest, but which are little more than one of many newspaper articles in California. Simply put the interests of the Northwest cannot be fully appreciated or addressed from a California perspective.

I am introducing today, for myself and for Senators HATFIELD, BURNS, MCCAIN, PACKWOOD, STEVENS, CRAIG, MURKOWSKI, and SYMMS, the Ninth Circuit Court of Appeals Reorganization Act. This bill would divide the ninth circuit into two separate circuits of more manageable size and responsibility. The new ninth circuit would be composed of the Southern States, Arizona, California, and Nevada, as well the island jurisdictions of Guam, Hawaii, and the Northern Mariana Islands. A new circuit court, the twelfth circuit, would consist of the Northern States, Alaska, Idaho, Montana, Oregon and Washington.

This bill is similar to legislation that I introduced during the 101st Congress, S. 948, which earned the support of practitioners and judges in the ninth circuit, attorneys general of the western states, the Department of Justice, and the former Chief Justice of the U.S. Supreme Court, Warren E. Burger. The legislation was revised to accommodate the legal communities of the island jurisdictions of Guam, Hawaii and the Northern Mariana Islands which prefer to remain with California for purposes of Federal appeals.

This initiative is more than timely; it is long overdue. As early as 1972, the Congressional Commission on the Revision of the Federal Court Appellate System recommended that the ninth circuit be divided. In addition, the U.S. Judicial Conference found that increasing the number of judges in any circuit court beyond 15 would create an unworkable situation. In short, it is not a question of whether the circuit should be divided, but rather when Congress finally will acknowledge that need with corrective legislation.

The leadership of the ninth circuit has recognized the difficulties inherent in a circuit court of this size and workload. It has responded by adopting a number of innovative—if not somewhat controversial—approaches to these problems. The ninth circuit has divided itself into three administrative divisions: the Northern Unit consists of the five states that would comprise the proposed twelfth circuit, and the combined Middle and Southern Units is identical to the restructured ninth circuit. This method, however, does little more than recognize the problem without solving it.

Another innovation of the ninth circuit is the limited en banc court, for which a panel of 11 of the 28 judges will be chosen by lot to hear an individual case. Used to meet the pressing need for expediency, limited en banc panels further contribute to the inherent unpredictability of a jurisdiction as large as the ninth circuit. In the ninth circuit, lawyers often must advise their clients that they cannot begin to predict the likely outcome of an appeal until the panel has been identified. Justice should not be determined by lot. Moreover, I have serious reservations about any method which would permit a small minority, as few as 6 of the sitting judges, to dictate the outcome of a case contrary to the judgment of a large majority, depending on the luck of the draw.

Despite these innovations, the performance of the ninth circuit has gotten worse, not better. Its judges are falling further and further behind. Despite only a moderate increase in new filings for appeal, the number of pending cases swelled by almost 20 percent in the last year. The ninth circuit now is the slowest of 12 regional circuits in hearing and deciding appeals, on average taking a full 16 months. Justice delayed is justice denied.

The ninth circuit has been cited as an opportunity to experiment with new methods of court administration and caseload management. I am fundamentally opposed to such an approach. We should not casually experiment with something so fundamental and important as our judicial system and the rights of Americans.

The 45 million residents within the ninth circuit continue to pay the high costs of an unpredictable body of case law and an overburdened court system. They wait years before cases are heard and decided, prompting many to forego their rights to judicial redress. Residents in the Northwest, in particular, are concerned about the growing inability of the ninth circuit to handle the boom in criminal cases stemming from stepped-up enforcement of our drug laws, as well as its pronounced California bias.

As Members of Congress, it is our duty to provide for the efficient and consistent administration of justice in every area of this Nation. The swift and sure administration of justice is a right that should no longer be compromised in the ninth circuit. I urge my colleagues to suport this important legislation.

Mr. President, I ask unanimous consent that the complete text of my bill be printed in the RECORD immediately following my remarks, and further ask unanimous consent that the complete text of the attached list and the items set forth on that list appear immediately thereafter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1686

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Ninth Circuit Court of Appeals Reorganization Act of 1991".

SEC. 2. Section 41 of title 28, United States Code, is amended—

(1) in the text before the table, by striking out "thirteen" and inserting in lieu thereof "fourteen";

(2) in the table, by striking out the item relating to the ninth circuit and inserting in lieu thereof the following new item:

"Ninth .... Arizona, California, Hawaii, Nevada, Guam, Northern Mariana Islands.";

and

(3) between the last 2 items of the table, by inserting the following new item:

"Twelfth .... Alaska, Idaho, Montana, Oregon, Washington.".

SEC. 3. The table in section 44(a) of title 28, United States Code, is amended—

(1) by striking out the item relating to the ninth circuit and inserting in lieu thereof the following new item:

"Ninth .... 19";

and

(2) by inserting between the last 2 items at the end thereof the following new item:

"Twelfth .... 9".

SEC. 4. The table in section 48 of title 28, United States Code, is amended—

(1) by striking out the item relating to the ninth circuit and inserting in lieu thereof the following new item:

"Ninth .... San Francisco, Los Angeles.";

and

(2) by inserting between the last 2 items at the end thereof the following new item:

"Twelfth .... Portland, Seattle.".

SEC. 5. Each circuit judge in regular active service of the former ninth circuit whose official station on the day before the effective date of this Act—

(1) is in Arizona, California, Hawaii, Nevada, Guam, or the Northern Mariana Islands is assigned as a circuit judge of the new ninth circuit; and

(2) is in Alaska, Idaho, Montana, Oregon, or Washington is assigned as a circuit judge of the twelfth circuit.

SEC. 6. Each judge who is a senior judge of the former ninth circuit on the day before the effective date of this Act may elect to be assigned to the new ninth circuit or the twelfth circuit and shall notify the Director of the Administrative Office of the United States Courts of such election.

SEC. 7. The seniority of each judge—

(1) who is assigned under section 5 of this Act; or

(2) who elects to be assigned under section 6 of this Act;

shall run from the date of commission of such judge as a judge of the former ninth circuit.

SEC. 8. The provisions of the following paragraphs of this section apply to any case in which, on the day before the effective date of this Act, an appeal or other proceeding has been filed with the former ninth circuit:

(1) If the matter has been submitted for decision, further proceedings in respect of the matter shall be had in the same manner and with the same effect as if this Act had not been enacted.

(2) If the matter has not been submitted for decision, the appeal or proceeding, together with the original papers, printed records, and record entries duly certified, shall, by appropriate orders, be transferred to the court to which it would have gone had this Act been in full force and effect at the time such appeal was taken or other proceeding commenced, and further proceedings in respect of the case shall be had in the same manner and with the same effect as if the appeal or other proceeding had been filed in such court.

(3) A petition for rehearing or a petition for rehearing en banc in a matter decided before the effective date of this Act, or submitted before the effective date of this Act and decided on or after the effective date as provided in paragraph (1) of this section, shall be treated in the same manner and with the same effect as though this Act had not been enacted. If a petition for rehearing en banc is granted, the matter shall be reheard by a court comprised as though this Act had not been enacted.

SEC. 9. As used in sections 5, 6, 7, and 8 of this Act, the term—

(1) "former ninth circuit" means the ninth judicial circuit of the United States as in existence on the day before the effective date of this Act;

(2) the term "new ninth circuit" means the ninth judicial circuit of the United States established by the amendment made by section 2(2) of this Act; and

(3) the term "twelfth circuit" means the twelfth judicial circuit of the United States established by the amendment made by section 2(3) of this Act.

SEC. 10. The court of appeals for the ninth circuit as constituted on the day before the effective date of this Act may take such administrative action as may be required to carry out this Act. Such court shall cease to exist for administrative purposes on July 1, 1993.

SEC. 11. This Act and the amendments made by this Act shall become effective on October 1, 1991.

SEN. SLADE GORTON—THE NINTH CIRCUIT COURT OF APPEALS REORGANIZATION ACT

ATTACHMENTS

1. A transcript of oral testimony of the Honorable Warren E. Burger, a former Chief Justice of the United States Supreme Court, presented May 6, 1990 to the Subcommittee on Courts and Administrative Practice, Senate Committee on the Judiciary (the "Subcommittee");

2. The written statement of the Honorable Roman L. Hruska, a former United States Senator from Nebraska and the former Chairman of the Commission on Revision of the Federal Court Appellate System, presented May 6, 1990 to the Subcommittee;

3. A letter dated March 6, 1990 addressed to the Honorable Howell Heflin as Chairman of the Subcommittee, from Bruce C. Navarro, Acting Assistant Attorney General, United States Department of Justice;

4. A transcript of oral testimony, and the written statement, of the Honorable Owen M. Panner, Chief Judge, United States District Court for the District of Oregon, presented May 6, 1990 to the Subcommittee;

5. A written statement of the Honorable Kenneth O. Eikenberry, Attorney General of the State of Washington, presented May 6, 1990 to the Subcommittee;

6. A letter dated February 28, 1990 addressed to this Senator from Mary L. Prevost, Director of the Conference of Western Attorneys General, together with a copy of a resolution supporting division of the Ninth Circuit Court of Appeals, adopted by the Conference of Western Attorneys General on August 4, 1989.

7. A written statement of Edward F. Shea, Esq., on behalf of the Washington State Bar Association, presented May 6, 1990 to the Subcommittee; and

8. A letter dated February 26, 1990 addressed to this Senator from Seattle attorney, Richard M. Clinton, a Fellow of the American College of Trial Lawyers and a past president of the Federal Bar Association for the Western District of Washington.

STATEMENT OF HON. WARREN E. BURGER, FORMER CHIEF JUSTICE OF THE UNITED STATES

Chief Justice BURGER. Thank you, Mr. Chairman. I have been very much interested in listening to the comments and observations of my colleagues and other members of the bar. And I must say that it is reminiscent of what I came to call a syndrome beginning in 1969 as we proposed changes in various aspects of the judicial system on the Federal side, and sometimes on the State side.

The general opposition characterized by and resulting in what we call the snydrome was we don't want to change it because we have always done it that way; we have always done it that way. And I have listened with great interest to what has been said here today, and I see that syndrome operating in the Ninth Circuit.

I think Senator Hatfield undertook to rehabilitate my credibility as a witness before your committee, Mr. Chairman, but I will add one more note. In my years of practice and my period on the court of appeals, I had argued cases personally and sat as a visiting judge in half of the circuits of the country. I did not sit in the Ninth Circuit because of the very salutary rule that Chief Justice Warren had placed that he wanted to cut down travel of judges, both because of the time it took and because of the expense.

I think that experience in arguing cases in these other circuits and sitting as a visiting judge gave me an overview of the system that I hope meets the intimations of some of the statements that have been made that since I have been off of the Court for three years, I am out of touch with the realities of today's needs.

Computerization of these things didn't begin in the Ninth Circuit. The Third Circuit began what the Ninth Circuit is doing now, and other circuits followed the Third, about 10 or 12 years ago, and these were very important developments. Some of it was used to save travel time by having judges use a conference call and sometimes a video conference call, which is used widely in other countries now.

The problem that your committee and the Senate and the House are dealing with now, Mr. Chairman, is essentially the same as the problem with the Fifth Circuit back beginning in 1969 when we first took it up. There was emotional, almost passionate opposition among some of the judges in the Fifth Circuit in the beninning to any dividion of the great Fifth Circuit tradition.

That circuit, as you know, was really from sea to shining sea. It went almost from the Pacific Ocean down through Florida and Key West. Some of the figures of that circuit have already been mentioned today. It was divided, and I don't think anyone who has followed the problem in that circuit or elsewhere has any conclusion except that it was a good thing to divide it.

Now, the Ninth Circuit leadership—and it has been very good leadership and very good judges there—has recognized the problem by dividing itself into three divisions. That recognizes the problem, but it doesn't solve the problem.

There had to be in that circuit, as there has been in all the circuits, the need to screen cases for either no oral argument at all, which the legal profession objects to, or a very limited oral argument. And that would explain the figures that the distrtict judge just gave you about the opposition in the Ninth Circuit among district judges and in the practicing bar on the subject of whether there is a consistency of intracircuit holdings.

Now, calling that panel of eleven judges an en banc hearing is what the modern-day law students call an oxymoron. It is a horrible word—an inherent contradiction. It isn't an en banc hearing at all. If you take the very words "en banc," French or English, it means all of the judges involved. And, of course, the Ninth Circuit judges saw from the experience of the Fifth Circuit that they had to do something.

Now, the opposition in the Fifth Circuit to the division melted, as I had hoped it would, the first time they ever had an en banc hearing. There were 26 judges. One of the Florida judges was either ill or recused, so that there were 25 judges.

And you may or may not remember, Mr. Chairman, they built in several of the Federal courthouses, at a very great expense, two benches, one like the bench in this room, and then one a little bit lower in front. They couldn't get all the 26 judges on one bench.

The first case that came up for discussion in the conference on the first en banc case took four-and-one half hours to discuss. And then my dear friend, Judge John Minor Wisdom, whom I had known since both of us were in private practice, and the other judges who were opposing it finally had to give up.

It simply is not practical or feasible, and it isn't sensible to try to have an en banc hearing with 26, and certainly not with 28 or 29 judges. So this hybrid en banc is something that is addressed to a solution, but you can have 6 judges making a rule that 22 other judges on the same court would disagree with, and that a majority of the district would disagree with, but they are all bound by it.

Now, the suggestion that was just made by one of the district judges that if you divide this circuit there would be a cumbersome process of intercircuit assignment—I want to be cautious of the terms I use about that. That just is not so.

Up to the time I became Chief Judge, the intercircuit assigment was routine. We found—and I am sure this doesn't happen in the United States or in the Congress generally—that there were occasions when a judge was assigned to the Second Circuit because by a happy coincidence the World Series was being played that week, and we had judges from the north assigned to the Fifth Circuit or some other warm circuit where there were fine golf courses.

That is when we first instituted the screening committee. Now, the screening committee process and the Chief Justice's signature is not a cumbersome procedure. I signed thousands of those intercircuit assignments in 17-and-a-half years, and neither I nor the committee that passes on it found it any great burden.

There is one suggestion that has been made either in some of the prepared statements and intimated here that perhaps if the circuit is divided, the judges in the northern section of that circuit where there are a great many trees, and therefore a great deal of lumbering business, might be biased—that is the inference I draw from the statement—biased in some way in dealing with such cases.

I find that a very offensive statement to be made that a United States judge, having taken an oath of office, is going to be biased because of the economic conditions in his own jurisdiction.

Now, you have been flooded with figures, Mr. Chairman. The reality is when you have an analysis made of them, the old Fifth Circuit—that is, the present Fifth and Eleventh Circuit—cost of operations, with approximately the same number of judges in the Ninth, taking the two together, is $22 million a year, in round figures. And the cost of the Ninth Circuit, with only one more judge, is $25 million a year.

I haven't undertaken to analyze those figures as to why it is more, but part of it is the maintenance of the additional clerks' offices, which, on the other hand, has been raised as an objection because it would create more expense. There are already branch offices; there are already deputies to the Circuit Executive.

The cost per case, the cost per judge of running the Ninth Circuit in its present unified form is higher than the combination of the Fifth and the Eleventh Circuit. I think it suggests that the division of the Eleventh Circuit not only speeded up the consideration and decision of cases in that total jurisdiction, but it also has reduced the cost both per case and overall.

Now, if you have any cross-examination, Mr. Chairman, I would be very glad to respond in any way that I can.

Senator HEFLIN. I know that you have given considerable thought to the structure of courts and how they might operate more efficiently. Do you have a feeling in regard to an appellate court as to the maximum number of judges that should be on it, and if so, what would that number be?

Chief Justice BURGER. That has been a subject of discussion, as you have already intimated, for many, many years. I can certainly give my view with respect to the Supreme Court of the United States, and I think it is shared by every member of the present Court and most or our predecessors, that nine was all we needed.

You will recall when you and I were very young there was an effort to increase the Supreme Court to 15. One of the reasons, a very valid reason, for opposing it just on the numbers was that it would take more time for the intercommunication and it would reduce the collegiality, as it is called, and hamper the functioning of the Court.

I wish I knew the answer to the question and the propositions that are inherent in your question, Mr. Chairman. It would be ideal, I think, if we could have no more than nine judges on any bench deciding any one question. But the number of en banc cases in the circuits is not so many that it is a great barrier.

Now, my old court, the Court of Appeals of the District of Columbia Circuit, has been increased since I left. I think there is no great problem when you have 12 or 13 judges assembled on a bench much like yours here. When you get beyond that is when you run into the trouble that the Fifth Circuit ran into on the first case it ever heard en banc with 25 judges sitting on the bench. It is simply too cumbersome.

Now, in the long run, over the next 20 or 30 years, there may have to be some restructuring of the whole Federal system if growth continues the way it is. There is one way that has not been used enough to curtail this growth, Mr. Chairman—a few judges have done it—and that is to take, when you have a frivolous appeal in the court of appeals, and have the court impose a fine of 5 or $10,000 on the lawyer who brought that appeal, unless he can demonstrate that he had no options in terms of dealing with his client.

Now, a few judges in the State courts have done some things of that kind, and I suspect you have followed that. There is an abuse of process going on in this country on the appellate level and in other areas, too. The one cure for that will be to use the legitimate powers of the court to deal with it.

The old concept expressed by Roscoe Pound in 1906 in that famous speech of his on judicial problems and judicial administration that there are too many lawyers making a sporting contest out of the legal process—and the best to curtail that is make it expensive for the lawyers who misuse the system.

Senator HEFLIN. Mr. Chief Justice, you observed the Ninth Circuit before it was divided into divisions and you have observed it in its division procedures now. Are the present divisional procedures an improvement over what it was before?

Chief Justice BURGER. I think it would be fair to say it is some improvement, but it does barely more than recognize the problem without solving it. As you know, many cases came from the Ninth Circuit to the Supreme Court, and speaking for myself I could not be unaware of the fact that the intracircuit problem of the Ninth Circuit was a real one.

I attended three, four or five judicial conferences every year and many committee meetings, and when judges are, as I suppose Senators are when they are with other Senators—they will be pretty candid about some of their observations and experiences.

The reaction of the bar that was just mentioned by the preceding witness about how district judges felt and how, I think it was 59 percent of the lawyers consulted about the internal conflicts of the Ninth Circuit, were consistent with my observation five years ago, six years ago.

Senator HEFLIN. In the shortcomings of the divisional approach with many judges as opposed to a single en banc procedure with all of the judges, do you have any observations as to why you feel that the en banc procedure with one group of judges is superior as opposed divisional procedures where you will have a panel that will be sitting, as the Ninth Circuit has?

Chief Justice BURGER. I think I would have to respond to that question broadly. I don't think there is an en banc procedure in the Ninth Circuit at all. An en banc procedure would be every judge who, under the law, by virtue of active service, is entitled to a vote.

And I just restate what I said before. You have a situation now where 6 judges could decide an important issue—6 to 5 in the so-called en banc—and 20 or more of the other judges of the court could disagree with it. Then there is a procedure for having the true en banc, but I am informed that it has never been used in the Ninth Circuit.

I understand why they don't use it, and that is because it is such a cumbersom procedure to have 28 judges sitting on one case. That is going to continue until the Ninth Circuit does what the Fifth Circuit has done.

Now, the objections in the early stages when the division of the Fifth Circuit was proposed—the objections were just as strong—if anything, more emotional—than the objections in the Ninth Circuit today. But, finally, they had to recognize reality.

Senator HEFLIN. Well, thank you, Mr. Chief Justice. We appreciate your testimony and we are delighted from you.

Chief Justice BURGER. It is a pleasure to be here, Mr. Chairman.

STATEMENT OF HON. OWEN M. PANNER, CHIEF JUDGE, U.S. DISTRICT COURT FOR THE DISTRICT OF OREGON, PORTLAND, OR

Judge PANNER. Mr. Chairman, thank you very much for the opportunity to be here. I have submitted a written statement that I would ask be made a part of the record.

I am here representing the active judges in Oregon. We feel the circuit is too big and it should be split. When we were asked for our opinion, I must say that I admired the judges, even though one of them said he didn't particularly want to be a part of the icebox circuit as far as travel and meetings go. All of our judges felt that from the standpoint of the prompt and effective administration of justice, the circuit should be split.

We have 2,800 opinions on the merits issued annually by the Ninth Circuit. I calculated that to be about 14 opinions per working day that each of us gets on our desk. It has long been recognized that trial judges really need to keep up on a daily basis, as Judge Clark has said to this committee before, with the law of the circuit. I don't know a single district judge, nor a single circuit judge who even contends that they read all of the decisions of the Ninth Circuit that are now being issued.

At a recent poll, 68 percent of the district judges disagreed with the statement that there is consistency between the panel on the same issue. I think it is an old joke said somewhat with tongue in cheek, but with a lot of truth to it, that if we trail judges knew which panel was going to be assigned to our case, we could meet the requirements of that panel a little bit better.

This is no criticism of our judges in the circuit. Judge Goodwin and Judge Browning have done a masterful job, even though it is impossible, administering this massive circuit. With some 9,000 daily judge activities on panels in a year, it is impossible to maintain consistency.

The statistics tell a story that is very effective, also. As of the end of June 1898, which was the last full year of statistics and before the earthquake in San Francisco, the average time of circuits in the United States was 10.3 months from the notice of appeal to disposition. The average time in the Ninth Circuit was 15.3 months. That is five months.

That is only two months longer than our total time in trial courts average from filing to disposition.

It is too long, and that in the face of the fact that the volume on a panel basis in the Ninth Circuit is ninth among all of the eleven circuits. In other words, the volume is lower, the time is longer, in spite of capable judges and heroic efforts with the best possible administration.

So you can put this any way you want to. I certainly agree with Senator Wilson that this is not a political or a gerrymandering decision. That is not why we voted for it. It is not a personal decision. We like to go to conferences in California and Arizona and sit on panels, as district judges do, and we like to travel around the circuit just like everybody else.

But I submit to you that the circuit is too big and that the future is going to make it even bigger. And I doubt seriously that the Supreme Court would feel that it would take any more time to decide cases between two circuits than they have in the past over the Ninth Circuit decisions.

Thank you.

[The prepared statement of Judge Panner follows:]

STATEMENT TO THE SUBCOMMITTEE ON COURTS AND ADMINISTRATIVE PRACTICE FOR CHIEF JUDGE OWEN M. PANNER, MARCH 6, 1990, ON S. 948

Mr. Chairman, I want to thank you for the opportunity to appear before the Committee in connection with this proposed legislation to divide the Ninth Circuit. You've had all kinds of statistics in connection with this matter. I will try to bring to you the practical problems of a trial judge from Oregon.

Last year when Senator Hatfield asked me to poll our district court judges, all 5 of the active district judges in Oregon favored a split of the circuit. Our senior judge felt that it should not be split. The active judges felt strongly about their position and presented this view to Senator Hatfield. We recognize that former Chief Judge Browning and our present Chief Judge Goodwin have administered the circuit with outstanding ability, effort and ingenuity. They have worked capably and diligently against impossible odds. They have been fair to all judges, both circuit and district. District judges have equal representation on the circuit council and generous representation on all committees of the circuit. We in Oregon have nothing but the highest respect for their ability and industry. We must say we question their judgment in wanting to keep the circuit together.

We recognize the intensity of feelings that most of the circuit judges have developed over this issue and we trust that our close friendships will remain when the dust settles on this issue.

We still consider Judge Goodwin at least a "former" Oregonian and will continue to invite him to come to Oregon for a branding now and then. I must observe, however, that he seems to have lost some of his ability with a lariat since undertaking the additional and nearly impossible chores of chief judge of a circuit of this size. Friendship aside, the circuit is far too big. It is much bigger than it was when the fifth circuit split. All of the arguments that were made in favor of splitting are even more persuasive now.

There are specific problems that result solely from the size of the circuit. We have 28 circuit judges. In addition, we have 11 senior circuit judges, 87 district judges, and 40 senior district judges, most of whom assist from time to time. Last year, there were 9310 judge participations in panels. The number of opinions on the merits issued was 2,794. It is becoming more and more difficult for district judges to take time away from their trials to assist. In spite of this the circuit's caseload is growing rapidly, and there is no end in sight.

Argument has been made that volume will not change by splitting the circuit. I disagree. The size of the Ninth Circuit encourages discretionary justice rather than error correction. We have so much law in the Ninth Circuit that it has become increasingly easy for appellate panels to pick out those decisions that bring about the results desired by the panel. Philosophical viewpoints become more and more important. The uncertainty of result increases appeals. To an extent this is true throughout the country but it is even more pronounced in the Ninth Circuit.

The present size of the circuit, the travel time of judges and the expense of travel can't be justified. In an admirable effort to objectively and fairly assign cases, district and circuit judges are traveling all over the circuit.

There are circuit-wide committees meeting regularly throughout the circuit. Our annual conference brings judges and delegates from substantial distances. Last year 219 Article III judges, magistrates, and bankruptcy judges, attended our conference. We had 85 lawyer delegates, many of whom attended from long distances. Not only is substantial time and expense involved, but the conference has become so big that it is extremely difficult to carry out the statutory purpose.

We have serious conflicts in circuit law because of the number of three-judge panels that are necessary. Recognizing that there was a study done that concluded to the contrary, the fact is that not all of the conflicts are apparent. More than one district judge has facetiously suggested that we should know who the panel is going to be before we make a decision so that we wouldn't be reversed so often.

Trial judges should read every decision of the Supreme Court and of their circuit. Computers are wonderful but they are not much help while a witness is on the stand and a ruling is required. Daily knowledge of the law of the circuit is a necessity. This has become impossible, with an average of over 12 opinions landing on our desks each working day. More and more appellate courts are establishing standards and guidelines for trial judges to follow. These standards and guidelines are constantly shifting and changing. It is critical that we read the circuit decisions. Shouldn't circuit judges as well as trial judges read the decisions of their own circuit? In the Ninth Circuit it has become accepted that this is impossible.

Many of the panels are reviewing factual determinations made by the trial courts encouraged by the trend toward appellate decision-making rather than error correction. The standards of review are reanalyzed regularly. At last count there were 4 different standards of review and hundreds of classifications for our circuit to apply. They increase constantly.

Chairman Biden has just introduced legislation which proposes to expedite decisions in the district courts. While there will be great controversy over the proposed legislation, I think most everyone would agree that litigation is too slow and too expensive and that changes must occur. Senator Biden's bill does not address the delay at the circuit level which in the Ninth Circuit is more serious than in the trial courts. The median time from filing of the notice of appeal to disposition was 15.3 months for the period ending June 30, 1989. This is the longest of all of the circuits and is increasing each year.

The number of pending appeals continues to rise annually in spite of the Herculean efforts of judges. The number of terminations per panel does not compare favorably with the other circuits, even considering the effort that is being expended.

The argument has been made that increasing the number of circuits will increase the work of the already overloaded Supreme Court. I suggest it is difficult to determine whether there would be more appeals from the two proposed circuits than there are now from the existing circuit. Certainly, the Supreme Court has had to devote extensive time to the Ninth Circuit.

As long as we have three-judge panels functioning throughout the country, the number of appeals will continue to increase rapidly. Ultimately, the only real answer is to give the Circuit certiorari and increase the size of the panels so as to get more deliberate, thoughtful and fewer decisions. In the meanwhile, however, the Ninth Circuit should be split.

While division as provided in S. 948 would not solve all the problems of the judiciary, it would make justice in the two circuits more consistent, more expeditious and less expensive.

I appreciate the opportunity to appear before the Committee.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, March 6, 1990.

Hon. HOWELL HEFLIN,
Chairman, Subcommittee on Courts and Administrative Practice, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter presents the views of the Department of Justice on S. 948, the "Ninth Circuit Court of Appeals Reorganization Act of 1989," a bill to divide the Ninth Circuit. The Department favors enactment of S. 948 for the reasons set forth below.

The bill would create a United States Court of Appeals for the Twelfth Circuit, consisting of the states of Alaska, Hawaii, Idaho, Montana, Oregon, and Washington, as well as Guam and the Northern Mariana Islands. The new Ninth Circuit, in turn, would consist of Arizona, California, and Nevada.

Many suggestions have been made over the years to divide the Ninth Circuit.[1] Serious attention to this proposal began with the creation of a commission in 1972 to study the existing division of the federal circuits (the "Hruska Commission").[2] In December 1973, this Commission recommended that the Fifth and Ninth Circuits each be divided into two circuits.[3] In 1975, the Commission's second report described how a large court rendered the *en banc* process cumbersome and time-consuming, and made it difficult for judges to keep current with the law of the circuit.[4] The Commission concluded that the *en banc* function of large courts should be limited to nine judges.[5]

In 1978, after many years of deliberation on the proposals of the Hruska Commission and many other suggestions for splitting or reorganizing the two largest circuits, Congress put off the issue of dividing the Fifth and Ninth Circuits but provided new means for large circuits to handle their dockets. The Omnibus Judgeship Act of 1978 authorized circuits with more than 15 judges—at that time, only the Fifth and Ninth Circuits—to "constitute itself into administrative units" and adopt a limited *en banc* procedure.[6] The Fifth Circuit organized itself into two geographical units, and its division was formalized by Congress two years later, effective October 1, 1981.[7] The Ninth Circuit, instead, adopted the limited *en banc* procedure discussed more fully below. It functions as a unified court, although it has formed three administrative units, each of which included staff and facilities.

Among other considerations, one problem presented is that the sheer proportion of the appellate docket generated in the district courts in California is so large that it precludes an even division of its cases. At one point, former Chief Justice Burger argued for division into three circuits.[8] The Hruska Commission recommended that the judicial districts of the State of California be divided between circuits.[9] The Department recognizes that this last proposal would cause significant problems unless diversity of citizenship jurisdiction, 28 U.S.C. §1331, is substantially eliminated.

We do not believe that these more exotic formulations are necessary or appropriate to deal with the problems identified with the present Ninth Circuit. S. 948 takes instead the more straightforward and logical step of dividing the circuit along geographic lines by separating the northern and western states into a new circuit while keeping California and the two states most similarly situated, Arizona and Nevada, together in the new Ninth Circuit.

In the past, the question of dividing the circuit has been postponed, to see how well the court was able to handle its massive size and docket through improved management, limited *en banc* panels, and other techniques, as discussed below. Since the issue was last raised seriously, in 1983, five more judges have been added to the Ninth Circuit (for a total of 28), a factor that the Department believes has exacerbated the problems of management and unified control. The relentless caseload pressures since the court was enlarged in 1984 have only served to increase concerns about the workability of a circuit of the size and diversity of the Ninth Circuit. Substantial complaints have been registered that the Ninth Circuit is simply unmanageable.

Because we conclude that division of the Ninth Circuit will be needed to ensure the highest quality of justice and judicial administration to the vast territory and rapidly expanding population of the present Ninth Circuit, we believe that action on this bill is now appropriate.

The sheer size of the Ninth Circuit, even without its attendant management difficulties, argues for division. The Circuit spans nine states and two territories covering some 1.4 million square miles. The large geographic area of the Ninth Circuit necessarily increases the travel time necessary to hear appeals, thus reducing the time for research and consideration, while increasing costs to taxpayers and to clients. Travel expenses for the Ninth Circuit judges are the highest in the federal courts.

Within its vast realm, the Ninth Circuit serves a population in excess of 43.6 million people; the next largest, the Sixth Circuit, serves only 28.8 million, and all other federal circuits serve fewer than 24 million.[10] Moreover, population estimates from 1988 indicate an increase of over 17% in the Ninth Circuit's population just since the last census in 1980.[11]

With 28 authorized judgeships, the Ninth Circuit is by far the largest circuit. The next largest, the Fifth Circuit, has 16 judges, while the First Circuit has six and the Eighth and Tenth Circuits each have ten. The average number of judges in the federal circuits other than the Ninth Circuit is only twelve.

Of the 37,963 cases filed in the regional courts of appeals last year, 6,305 were filed in the Ninth Circuit—one of every six appeals nationwide.[12] Since the court was last enlarged in 1984, the court's docket has grown by 21%.

Residents of the Northwest often have expressed a concern that the Ninth Circuit can be dominated by California cases and by California judges. The single largest source of appeals for the Ninth Circuit is the Central District of California (1,435 direct appeals out of 6,305), while the four judicial districts in the State of California supply the Ninth Circuit with nearly half of its proceedings (3,079 direct appeals from the four district courts out of 6,305).

This concern can be understood in a part as a manifestation of the size of the circuit and diversity of the states (both geographic and economic) within it. In many ways, the northern and western states in the circuit differ substantially from the three southern states. At present, a judge in San Diego may be asked to decide questions involving trade disputes for the Northern Mariana Islands, thousands of miles away, or disputes involving a village in Alaska, or agricultural issues in Montana. The size and diversity of the circuit limits to a degree a judge's knowledge of the circumstances and legal practice in various areas of the circuit. Moreover, because the circuit's caseload is divided among so many different judges, it serves to limit each judge's familiarity with the law of some of the smaller states in the circuits.

The large number of judges also gives rise to a much more serious problem, that of increased inconsistency between panels within the Circuit. Three-judge panels created from the 28 judges of the Ninth Circuit increase the opportunity for conflict because of the possibility of 3,276 different combinations of panels that may decide a similar issue (not even counting the significant number of panels composed of senior judges, and judges sitting by designation.)[13] In 1989, over 9,300 judge participations took place in Ninth Circuit panels. Despite computerization, the large combination of three-judge panel decisions and the sheer size of the caseload make it increasingly difficult for judges to keep abreast of other Ninth Circuit decisions in order to avoid conflicting decisions.

Because of its size, the Ninth Circuit has not utilized the traditional en banc procedure for resolving intracircuit conflicts. Instead, the circuit uses the "limited en banc" procedure for an eleven member panel consisting of the chief judge and ten randomly drawn judges.[14] Apart from any concerns over having Ninth Circuit law being decided by substantially less than a majority of the court, our past experience indicates that the judges of the Ninth Circuit have a strong aversion to using even this limited en banc procedure. That leaves many cases of intracircuit conflict resolved only temporarily, if at all, by a panel.

Splitting the Ninth Circuit into two circuits would probably reduce substantially these intracircuit conflicts. Although the reorganization would be expected to increase intercircuit conflicts to a limited degree, it is preferable to have a settled "law of the circuit" on which parties could rely, than inconsistency and lack of predictability within a circuit.

The Department acknowledges that the Ninth Circuit has instituted a number of administrative innovations designed to demonstrate that the Court is manageable and capable of handling its burgeoning caseload. These procedures and techniques included dividing the circuit into three administrative regions, forming en banc panels of eleven judges, using bankruptcy appellate panels, deciding an increased number of cases without oral argument, and requiring pre-briefing conferences with the attorneys. To some degree, the Circuit has made progress in managing its large volume of cases despite an increasing appellate caseload, yet the court has not made the progress that we believe needs to be attained. The Ninth Circuit's docket still lags behind that of most other circuits, and recent statistics indicate, that the number of pending matters has increased by 5.2% since 1988, and that a backlog may again be forming, as it did in the early 1980's.[15]

Based upon the latest caseload statistics available, the district courts within the new Twelfth Circuit would generate 34% of the total appeals, while those within the new Ninth Circuit would generate 66%.[16] This suggests that 9 of the 28 judges of the present Ninth Circuit would be assigned to the Twelfth Circuit.[17]

We acknowledge, of course, that division of the Ninth Circuit will present quantitative obstacles. Even if the states of the proposed Twelfth Circuit are separated, the reconstituted Ninth Circuit still would be the largest circuit in the nation. Also, the dominant position of California in relation to the new circuit would be increased proportionately. (As indicated above, the district courts in California alone account for nearly half of the total appeals in the Ninth Circuit, over half of which are from the Central District of California.) Yet, any other attempt to deal with this imbalance must necessarily require choosing one of two alternatives, both of which present overriding concerns: the creation of a one-state circuit, or the division of California's judicial districts between two circuits. Even taking into account the imbalance in the caseload between the two proposed circuits, we believe that division of the existing Ninth Circuit would substantially relieve the problems presently associated with a court of its size, caseload, and expanse.

Finally, we acknowledge that the judges of the Ninth Circuit oppose splitting the Ninth Circuit on the grounds it would "Balkanize" the West Coast, and would not benefit the administration of justice or resolve any perceived problems. The Department notes, however, that the judges of the Fifth Circuit were similarly opposed to the bifurcation of that circuit when first proposed and that the Fifth Circuit division is considered to be a success. In our view, creating an additional circuit would not cause any significant "Balkanization" of the circuits and, in any event, would be more than outweighted by the benefits we see in dividing a court as large as the Ninth Circuit.

When the nine circuits first were established in their present form in the late nineteenth century, even before the circuit courts of appeals were created in 1891, the population of the United States was centered much more heavily in the East. Six circuits were established for 22 states east of the Mississippi, while the Eighth and Ninth Circuits covered 22 the states and territories west of the Mississippi. (The only other states to the west, Texas and Louisiana, were assigned to the sprawling Fifth Circuit covering the six states of the Deep South). Since then, in response to geographic and caseload problems, Congress divided the original Eighth Circuit to create the Tenth Circuit in 1929, and divided the former fifth Circuit to create the Eleventh Circuit in 1980. In that sense, retaining vast territory and population of the Ninth Circuit in one circuit is an historical anomaly.

The Attorney General has suggested the need to consider realignment of all of the circuits to overcome the historical accidents of circuit boundaries.[18] Consideration of the restructuring of the Ninth Circuit is an important step in that process. Unlike the case of boundaries for some of the other circuits, which may make little sense if one were writing on a clean slate in present circumstances, the division of the northern and southern states in the present Ninth Circuit would make eminent good sense if the question were considered afresh.

For these reasons, the Department believes that the time has come for Congress to initiate the process of dividing the Ninth Circuit.

The Office of Management and Budget has advised that there was no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

BRUCE C. NAVARRO,
Acting Assistant Attorney General.

FOOTNOTES

[1] In 1940, the State Bar Associations of Washington and Oregon proposed the creation of an Eleventh Circuit comprised of the four Pacific Northwest states plus the Territory of Alaska. This proposal was renewed in 1953 and was endorsed by the Judicial Council of the Ninth Circuit in 1954. The Judicial Conference Committee on the Geographic Organization of the Courts considered a similar proposal in 1963 but concluded that neither division of the Circuit nor creation of new Judgeships was warranted at that time. *See* Judicial Council of the Ninth Circuit, Report to Congress on the Ninth Circuit's Implementation of Section 6 of the Omnibus Judgeship Act of 1978, at 9–10 (June 1982).

[2] Commission on Revision of the Federal Court Appellate System, chaired by Senator Roman L. Hruska. *See* Pub. L. No. 92–489, 86 Stat. 807 (1972).

[3] "The Geographical boundaries of the Several Judicial Circuits: Recommendations for Change." The Commission assumed that a court of more than 15 judges was "unworkable" because of the problems of administration and the difficulty of sitting en banc to maintain the law of the circuit. *Id.* at 1–2, 6, 12, 21.

[4] "Structure and Internal Procedures: Recommendations for Change," at 57–59.

[5] *Id.* at 60–63.

[6] Pub. L. No. 95–486, §6, 92 Stat. 1633, Oct. 20, 1978, 28 U.S.C. §41 note.

[7] Fifth Circuit Court of Appeals Reorganization Act of 1980, Pub. L. No. 96–452, §2, 94 Stat. 1994, Oct. 14, 1980, 28 U.S.C. §41 note.

[8] "9th Circuit Rejects Split; Wants Time to Experiment", *National Law Journal*, at 3 (March 28, 1983) (quoting Chief Justice Warren E. Burger as calling the Circuit an "unmanageable administrative monstrosity" and suggesting that it be divided into three circuits).

[9] Under the Hruska Commission's proposal, the Northern and Eastern Districts of California would be joined to the northern states, while the Central and Southern Districts of California, together with Arizona and Nevada, would form a southern circuit.

[10] Census Bureau Interim Estimates as of Dec. 1, 1988.

[11] *Id.*

[12] Annual Report of the Director of the Administrative Office of the United States Courts, for the reporting year ending June 30, 1989, Table B, at 79 (preliminary print).

[13] *See* 28 U.S.C. §291, et seq.

[14] Ninth Cir. Local Rule 25.

[15] Proceedings of the Judicial Conference of the United States and Annual Report of the Director of the Administrative Office of the United States Courts (1981), at 100 (suspending intercircuit designation of any judges from Ninth Circuit until calendar condition improves).

[16] Based upon caseload figures for reporting year 1988, 1881 cases were filed on appeal from the district courts within the new Twelfth Circuit, and, using a proportional assignment of bankruptcy, administrative and other matters, an additional 258 cases would be attributable to that circuit. Thus the total filings for the Twelfth Circuit would have been 2139 cases. On the other hand, 3690 appeals arise from the district courts in the Ninth Circuit, and 505 other cases would be attributable, for a total of 4195 cases.

[17] The bill would divide the 28 judges of the Ninth Circuit in regular active service between the new circuits according to place of assignment; under present circumstances, that would move 6 judges to the new Twelfth Circuit and leave 21 in the new Ninth Circuit, with one vacancy. Any imbalance in the existing distribution of judges between the circuits could readily be remedied through special transition provisions.

[18] Statement of the Honorable Dick Thornburgh, Attorney General of the United States, before the Federal Courts Study Committee, at 5 (Jan. 31, 1990).

CONFERENCE OF
WESTERN ATTORNEYS GENERAL,
San Francisco, CA, February 28, 1990.

Hon. SLADE GORTON,
U.S. Senate, Senate Hart Office Building, Washington, DC.

DEAR SENATOR GORTON: The proposed legislation to divide the Ninth Circuit Court of Appeals is of interest to the Conference of Western Attorneys General. At the 1989 Annual Meeting the western Attorneys General examined this issue and adopted a resolution supporting division of the Ninth Circuit Court of Appeals.

For the record, I am providing a copy of Resolution No. 89–07, supporting division of the Ninth Circuit Court of Appeals, adopted by the Conference of Western Attorneys General on August 4, 1989.

Sincerely,

MARY L. PREVOST,
Director.

Enclosure.

RESOLUTION NO. 89–07

(Proposed by Attorney General Kenneth O. Eikenberry (WA))

Whereas the Ninth Circuit is the largest federal circuit in the country in number of judges, case load, geographical size and population; and

Whereas the Commission on Revision of the Federal Court Appellate System recommended the division of both the then-Fifth Circuit and the Ninth Circuit each into two smaller circuits, however, Congress only acted to divide the Fifth Circuit; and

Whereas the Ninth Circuit, in part because of its size and load, requires the longest time to dispose of cases (14.5 months versus 10.2 months national average); and

Whereas the Ninth Circuit costs of administration and travel are the highest in the country; costing about twenty percent of total funding for all thirteen federal circuits which costs continue to rise. Costs for litigants also are increased by travel requirements; and

Whereas many commentators have observed the large number of judges, cases and opinions within the circuit make it difficult for the Ninth Circuit to maintain consistency of law and conflicting opinions have become more common. The Ninth Circuit is the only circuit that does not convene en banc panels of all judges to resolve such disputes rather than utilizing a "Limited En Banc" procedure choosing fewer than one-half the circuit judges by lot to sit en banc; and

Whereas federal circuits should be constituted so as to assure that judges hearing cases will have familiarity with regional issues and state laws which are implicated by their decisions. This can be accomplished better by dividing the Ninth Circuit.

Whereas such reorganization which reconstitutes the existing Ninth Circuit into two circuits should be accomplished without splitting any one state between two circuits.

Now, therefore, be it resolved that the Conference of Western Attorneys General supports legislation dividing the Ninth Circuit into two separate circuits; a reconstituted Ninth and a new Twelfth Circuit.

TESTIMONY OF KENNETH O. EIKENBERRY, ATTORNEY GENERAL OF THE STATE OF WASHINGTON

Good morning, I am Ken Eikenberry, Attorney General of the State of Washington.

First, I would like to express my appreciation to the Chairman and Committee for the opportunity to provide this testimony.

Also by way of introductory note, in 1989, the Western Association of Attorneys General representing all states and territories within the present Ninth Circuit considered and adopted a resolution supporting the division of the Ninth Circuit Court of Appeals. The configuration of the resultant circuits and thus the specific bill before you was not addressed, but the idea of dividing the Circuit was endorsed. Nor will my testimony address which states and territories ought be included in any reconfigured Courts of Appeals. I am confident that my general remarks supporting the concept of division and reasons for it were and are shared by other Attorneys General, and I attach a copy of the Western Attorneys General resolution to this testimony.

The impact on states of the problems I discuss is substantial, if symptomatic of impacts on all litigants. My office—the Washington Attorney General's Office—presently has about 60 cases pending in the Ninth Circuit.

The delays and other problems I discuss are multiplied with this caseload. California, I am confident, has many more, and some states far fewer pending cases. Many litigants, of course, have only one.

Some facts about the Circuit are undisputed, and impressive. As one example, the Ninth Circuit is geographically the largest of all circuits with 28 circuit judges currently comprising the states of Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, and Washington, as well as Guam and the Northern Mariana Islands. Though these are all delightful places to visit, the travel burden on the judges and litigants can be extreme. I know of no effort to quantify the costs in time and money spent travelling, except that the Ninth's travel costs are the highest of the Circuits.

The Court's Reports show it receives close to one-sixth of all appeals filed nationwide. The number of pending appeals is at, or close to, the highest nationally each year. The number of "case participations" has been the highest in the country for years (cases argued or submitted on briefs times the judges participating. The latter figure is usually three—the panel size). With this workload, it is not surprising to find delay in disposing of cases.

The time between the filing of an appeal and disposition by the Ninth Circuit court averages approximately 14.7 months, the second longest period of all the circuits. This figure might also be contrasted with the national average of 10.4 months to dispose of federal appeal cases and the 6.3 months of two of the smaller circuits.

Adding more judgeships to the court, though necessary because of workloads, will not cure the problem of delay. Last year's (1989) caseload increase, reported by the Court's clerk at 15 percent, has I assume, continued to present. The only reasonable prediction is that the caseload of the present Ninth Circuit will continue to grow faster than the national average. Some Ninth Circuit states, particularly California, have been experiencing tremendous population growth in the last several years. The Ninth Circuit is not expected to accommodate the resulting caseload rise without even further delays. Thus, the course of litigation throughout all Ninth Circuit states will be adversely affected by the growing volume of cases from a few of those states.

One result of the caseload is the delay noted above.

Another result, both of caseload and geographical spread of the Ninth Circuit, are escalating costs of administration.

The Ninth Circuit costs of administration and travel are the highest in the country; costing about 20 percent of the total funding for all 13 federal circuits. These costs continue to rise.

It is very important that I duly credit the Court, its judges, clerk, and administrators for the admirable efforts to institute management techniques and docket controls to deal with an expanding and already difficult workload. I nearly referred to an "impossible" workload, but these commendable efforts by the Court have made merely "difficult" a task which to outsiders appears impossible.

Another problem caused by the size of the Circuit is a loss of collegiality and consistency within the Circuit.

Many commentators have observed the large number of judges, cases, and opinions within the Circuit which make it difficult for the Ninth Circuit to maintain consistency of law. Conflicting opinions have become more common. The Ninth Circuit is the only circuit that does not convene en banc panels of all judges to resolve such disputes. Rather, the Ninth Circuit utilizes a "Limited En Banc" procedure choosing, by lot, fewer than one-half the circuit judges to sit en banc. The resulting decisions obviously do not necessarily reflect the views of a majority of the judges.

One particular area of litigation of great sensitivity to states is federal court habeas review of criminal convictions, often occurring only after state court procedures have run their often long and tedious course.

The Ninth Circuit court's size and delays only exacerbate the problems inherent in federal habeas corpus review. That delay is especially frustrating to the states in capital cases. The federal district courts in the state of Washington have, by and large, been doing an excellent job of deciding the habeas cases before them in a timely manner. The federal district court judges in Washington state all recognize the inherently intrusive nature of federal habeas review, and go to some pains to carefully balance the rights of petitioners against the legitimate interest of the state.

That concern for the interests of timely and expeditious handling of habeas corpus matters, particularly those involving imposition of the death penalty, has not been a priority in the Ninth Circuit with its huge caseload. The Ninth Circuit, at least officially, places federal criminal appeals on a higher priority than any other cases, even higher than death penalty habeas corpus reviewing state convictions. Ninth Circuit Rule 34-3 places both federal criminal appeals and recalcitrant witness appeals in a higher priority than capital cases from states. This is simply not acceptable. The states have primary responsibility for law enforcement and criminal prosecutions. The public's confidence in the criminal justice system and the finality of its state court judgments is eroded when a federal court not only delays imposition of valid state criminal sentence by issuance of a stay, but when the court also fails to decide the merits of the case within any reasonable timeframe.

As noted, the Ninth Circuit's sheer size—both in number of judges and in its territorial jurisdiction—contributes to these delays. It is not unusual for a habeas corpus case to spend literally years within the Ninth Circuit. For example, in *Harris* v. *Pulley*, the court spent over one year just to decide Mr. Harris's (unsuccessful) petition for rehearing en banc. Another example, is the Washington case of *Campbell* v. *Blodgett*. In the seven years since Mr. Campbell's original conviction and death sentence, over four years have been spent by the federal courts in further habeas review. Habeas corpus review should be expedited, particularly in capital cases. A more workable federal circuit will undoubtedly assist in achieving such expedition, especially of such capital cases.

A brief note should be made of the desirability of smaller circuits to provide more familiarity of the judges with the regional issues and states laws implicated by their decisions. Very often state law issues are mixed with the federal law questions presented in federal cases. When a Circuit is so scattered and disparate as the Ninth, it is unlikely the judges will automatically have knowledge of the state issues. Add a workload which makes full researching of even federal issues difficult and the problem is obvious.

For all the above reasons, I urge you to support legislation dividing the Ninth Circuit into more manageable, more economic circuits which I sincerely believe will dispense better justice and more timely to the citizens of the affected state.

STATEMENT OF ROMAN L. HRUSKA ON S. 948

Mr. Chairman and members of the committee, it is a special pleasure for me to appear once again in a session of hearings of a Committee on which I had the good fortune to serve as a Member for two decades. I express to each of you my greetings and my warm regards. Also my appreciation for the opportunity to share with you some of my thoughts on the Bill 948, which provides for the division of the present boundaries of the Ninth Circuit Court, and for the creation of a new Circuit.

The subject of division of Circuit Court geographical jurisdiction is not new in the history of this Committee; nor to this witness. Twice in my experience there was extended and detailed consideration given to it, to wit: (1) The Biggs Committee of 1964; and (2) The Commission on Revision of the Federal Court Appellate System which was created in 1972.

The Biggs Committee, officially designated as Committee on the Geographical Organization of Courts, was appointed by Chief Justice Earl Warren, pursuant to a Judicial Conference Resolution. It made a Report which included a recommendation that a division of the Fifth Circuit boundaries be made, and a new Circuit created. Hearings in the House and Senate were extended, detailed and prolonged; but no legislation resulted.

The Commission on Revision of the Federal Court Appellate System, was created by an Act signed into law in October, 1972. It had 16 members: four from the House; four from the Senate, four appointed by the President; and four appointed by the Chief Justice. It was my great honor to be designated Chair. One of its several mandates was to make a report to the Congress within 180 days of its existence on the realignment of any circuit court boundaries. It complied with that mandate.

Contrary to what some have suggested, the Commission did not propose a rule of thumb calling for a new circuit whenever the number of judgeships in an existing circuit exceeded nine, or some other pre-determined number. It rejected any such mechanical approach. Likewise, it considered and rejected the possibility of drawing a new national map, realigning all of the circuit, a procedure that some had urged and that had a certain theoretical appeal.

Instead, it focused on the two circuits that gave evidence of significant problems, the Fifth and the Ninth. Recommendations were made for dividing each of them. This would have created the Eleventh and the Twelfth Circuits.

Lawyers are conservative, and for this purpose most judges are lawyers, at least when it comes to institutions that have commanded loyalty and devotion, as the judicial circuits have. Thus, the proposals of the Commission filed in December of 1973 met with substantial resistance. However, and for their own reasons the judges of the old Fifth Circuit came to the Congress and asked for the creation of a new circuit.

The Congress granted the request and I am pleased to report, as has already been reported to this body in testimony offered on other occasions, that the judges of the new Fifth and the new Eleventh Circuits are delighted with the resultant benefits to them and to the cause of justice.

The Ninth Circuit chose to follow a different course. It created administrative divisions, and also devised a limited en banc hearing by virtue of which 11 judges would sit to determine the law of the circuit, five of whom could establish that law for the remaining 23 active judges, to use current figures. With great energy and dedication they set about trying to make that experiment work.

They did so under the leadership of Chief Judge James R. Browning, and there followed what are affectionately and respectfully called the Browning years. Jim Browning served as Chief Judge of the Ninth Circuit from 1976 to 1988. Professor Arthur Hellman, in the preface to a forthcoming volume on the Ninth, put it well when he said of Judge Browning: "there can be no doubt that his own zeal for experimentation and, later, his commitment to avoiding a division of the circuit gave decisive momentum to the currents of change."[1] I am pleased to join in praising Judge Browning; there is much for which he deserves praise. However, Judge Browning himself would be the first to recognize that current problems must be addressed on the merits in the light of developments. To urge that at this juncture creation of a twelfth circuit will best serve the interests of the judiciary and the public, as I do, does not denigrate from

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[1] "Justice Restructured: The Innovations of the Ninth Circuit and the Future of the Federal Courts" (Hellman ed., Cornell University Press, forthcoming 1990), quoted with permission, but manuscript subject to revision. This statement also draws on a chapter in the same volume by Professor A. Leo Levin entitled "Lessons for Smaller Circuits; Caution for Large Ones," in which circuit realignment is discussed and analyzed in some detail.

Judge Browning or his achievements. We turn to analyze the present situation.

The United States Court of Appeals for the Ninth Circuit has had significant problems over a period of years, particularly with respect to the median time from filing a notice of appeal to final disposition in cases adjudicated on the merits. Since 1984 the elapsed time has increased every year, and in 1988 the figure was 14.5 months, ranking the Ninth eleventh among the 12 regional circuits. Preliminary data for 1989, the last available to me, indicate that the elapsed time has grown once again.

In 1988, the median for the Ninth was more than twice as long as that for each of the two fastest circuits, and less than a month kept the Ninth out of the cellar. It bears emphasis that, long as a year plus an additional two and a half months may seem to the litigants, this is only a median figure; half of the cases took longer.

In a 1985 work published by the Federal Judicial Center the Ninth Circuit was praised for the dramatic improvement from a 1980 high of 17.4 months (a median figure) from the filing of the record to disposition (a shorter period, usually by some months, than that from filing of the notice of appeal), but during the next four years the relevent figure rose by 20%.

There would be little point to multiplying statistics, nor would it be particularly useful elaborating on why the situation is indeed a source of concern. It is helpful, however, to speak of root causes.

The judges of the Ninth Circuit determined that to the extent practicable "each judge would sit an equal number of times with each other judge on the court, regardless of the judges' 'home bases,'" and that "each judge would sit an equal number of times in each of the three administrative units."[2] It is simply inconceivable that this does not drain a significant amount of time and energy from the judges. My point is not to criticize the court for its decision; if the most important consideration is avoiding division of the circuit, and if the undivided circuit is really to be a circuit, not one in name only, provision would have to be made for the judge to sit together and to hear cases together. But the price of doing this cannot be blinked and the net is a pattern of having judges sit together far too few times in the course of a cycle which requires the better part of two years to complete and yet traveling over a far-flung circuit at the cost we have mentioned. Creation of a Northwest Circuit would, at the very least, sharply reduce the number of trips required of those judges residing in Seattle and Portland. In addition, other travel would be reduced. This in itself would be a significant gain.

In this brief statement I shall not attempt to cover all the issues, nor rehearse all the reasons for creation of a new circuit. This case has been ably presented by the sponsors of the Bill. I thought to touch only one or two significant points that may warrant added emphasis.

INTRA-CIRCUIT UNIFORMITY

A critical question relates to the ability of the present circuit to maintain intra-circuit uniformity. The perception of the consumers can fairly be characterized as negative. Lawyers and district judges were asked if they agreed with the statement, "There is consistency between [Ninth Circuit] panels considering the same issues." Fifty-nine percent of the attorneys surveyed disagreed. Only 24% of the district court judges disagreed, but the identical percentage of district judges disagreed "strongly."

Of potentially greater significance, when asked whether they agreed with the statement "When intracircuit conflicts do arise, the Court of Appeals generally resolves them through modification of opinions or en banc rehearings," two-thirds of the district judges disagreed and "among lawyer members [of the circuit conference] the disagreement was even higher." These data are presented by Professor Arthur Hellman, whom I quoted earlier.

I have taken the liberty of developing this point in some detail, not because I consider it the single most significant reason for creating a new circuit and reducing what has been termed the "gargantuan" Ninth to more workable proportions, but rather because Professor Hellman has published an analysis of consistency in the Ninth that is referred to as disproving the existence of a problem of circuit uniformity,[3] and it is tremendously important that the limits of that article, whatever its theoretical contributions, be clearly understood. Professor Hellman limited himself to published opinions. Published opinions count for only slightly over one-third of the cases adjudicated by the Ninth Circuit Court of Appeals. As Hellman notes, "In a single year, the court of appeals will adjudicate nearly 2,500 cases and will publish as many as 900 precedential opinions." When the Hellman study, then still in the planning stage, was discussed at a circuit conference there was strong feeling that a study of intra-circuit uniformity had to take account of the unpublished as well as the published decisions.

In its Tentative Recommendations, circulated for public comment, the Federal Courts Study Committee called for a period of serious study over the course of the next five years of an appropriate structure of the United States Courts of Appeals. Of course, if the study were to take place over the next half decade, the results would have to be assessed, debated and referred to the Congress for such action as was deemed appropriate. I leave it to you to estimate how long it would take to implement whatever suggestions may emerge.

There is much to be said for careful consideration of alternatives, but if the case for creation of a Twelfth Circuit seems as compelling to you as it does to me, it hardly appears desirable to postpone the benefits of a smaller, more manageable circuit—one five or six states in size—for the better part of a decade to see what may emerge. One additional circuit will hardly disturb the basic pattern of national structure or put in jeopardy adoption of whatever proposals may emerge from the next five or six years of "serious study."

Mr. Chairman, we move slowly in changing cherished institutions. We move particularly slowly when it comes to making changes in the federal judicial system. That is as it should be, because of the importance of that system to the well-being of the nation and to the quality of life of its citizenry. But caution must not be equated with a lack of capacity to act. Immobility does not serve the nation well when changed circumstances call for adjustments in present patterns.

The case for the creation of a new circuit having been made, I join in the recommendation that the Congress approve the Bill before you.

BOGLE & GATES,
Seattle, WA, February 26, 1990.

Re Ninth Circuit Court of Appeals Reorganization Act of 1989.

Hon. SLADE GORTON,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR GORTON: As you know, I am a litigation partner with the Seattle law firm of Bogle & Gates and have specialized in litigation since 1967. I am a Fellow of the American College of Trial Lawyers and a past president of the Federal Bar Association for the Western District of Washington. As a practicing lawyer from the State of Washington, I am in favor of splitting the Ninth Circuit for the following reasons:

1. The large number of Ninth Circuit judges and the even greater number of panels that sit in the Ninth Circuit often make if very difficult to predict the likely outcome of litigation for clients. Unpredictability is frustrating to lawyers and clients, encourages litigation, and fosters disrespect for the law. In the Ninth Circuit, lawyers must often advise their clients that they cannot begin to predict the likely outcome of an appeal until the panel is identified. Unpredictability encourages litigation because clients are often willing to litigate and appeal if there is not a clear answer. At the same time, those who would criticize the law as being wrongly dependent on who the decision-maker is, rather than on principle, can point to this unpredictability as substantial support. A small circuit in my opinion would increase predictability, reduce the incentive to litigate, and engender heightened respect for the law as an institution.

2. The many cases and large body of law the Ninth Circuit generates not only makes predictability difficult, but also increases the costs of researching and analyzing the large body of Ninth Circuit law. For example, different panels of the Circuit issue opinions on the same subject that vary. To research the questions they address, each opinion must be assessed.

3. The Northwestern part of the United States has been growing in population, with a resulting growth in litigation. This growing region has a number of legal issues that are different from other parts of the country, such as the Southwest, which now falls within the Ninth Circuit. For example, there are complex fishing, natural resource, environmental, and other Northwest issues. A reduced number of judges in a smaller circuit should be able to become more familiar with these regional issues. They should also be more capable, where appropriate, of applying local state law, as they would break with that law much more consistently.

4. One would hope that a smaller Circuit would be composed of current Ninth Circuit judges from this region. This is very desirable. Clients and lawyers are usually more comfortable with judges who come from their region of the country. This is in significant part because, as noted above, the judges are likely to be more familiar with the regional issues and presumably be able to handle those issues more readily. This should increase the predictability of their likely decisions, and, in turn, is likely to produce the amount of litigation.

5. The present Ninth Circuit is extremely large in population, geographic area, judicial workload, and number of judges. In my opinion, and, I believe, in the opinion of many lawyers and clients, bigger is not necessarily

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[2] I am indebted to Professor Church, writing in the volume already cited, for his analysis of the implications of the above decision.

[3] Hellman, "Jumboism and Jurisprudence: The Theory and Practice of Precedent in the Large Appellate Court," 56 U. of Chi. L. Rev. 541 (1989).

better. Splitting the Circuit is likely to decrease the case backlog, reduce bureaucracy, reduce costs, and increase efficiency. In addition, a small circuit is likely to create greater collegiality among the judges and between judges and lawyers. This should work to facilitate consensus in legal decision-making, and therefore lead to a more coherent body of circuit precedent. Finally, litigants are likely to be more comfortable with and receptive to a more local court of appeals.

I hope these comments are helpful. Please contact me if I can be of any further assistance.

Very truly yours,

RICHARD M. CLINTON.

STATEMENT BEFORE THE SENATE JUDICIARY SUBCOMMITTEE ON S. 948 BY EDWARD F. SHEA, WASHINGTON STATE BAR ASSOCIATION

Good afternoon, Mr. Chairman, I am Edward Shea and I want to thank you for the opportunity to present the position of the Washington State Bar Association in the proposed legislation to split the 9th Circuit Court of Appeals. For more than fifteen years the Washington State Bar Association has officially supported splitting the 9th Circuit into two circuit courts of appeals. And this has continued to be its position while more than forty-five different lawyers have been elected to serve on the Association's ten-member Board of Governors by the lawyers from each congressional district. That Board of Governors represents all of the lawyers in Washington State, now numbering more than 15,000.

But a position adopted years ago should be reexamined to determine if it retains its original vitality. In 1989 the Board of Governors decided to do just that regarding splitting the 9th Circuit Court of Appeals.

When we discussed this issue in August of 1989, we were fortunate to have at our Board Meeting not only United States Senator Slade Gorton, but also two distinguished jurists, Judge Browning and Judge Fletcher of the 9th Circuit, both of whom opposed the division of the Circuit. Judge Fletcher had formally been a member of the Board of Governors of the Washington State Bar Association.

After considerable discussion with the judges and the Senator, our Board voted overwhelmingly to continue to support division of the 9th Circuit. The reasons for division are simple and persuasive:

(1) Conflict in the panel decision within the 9th Circuit resulting in unreliability of those panel decisions and unpredictability of those decisions for lawyers and parties.

(2) The unsatisfactory use of a modified en banc procedure defeating the basic purpose of such a procedure.

(3) An enormous work-load resulting in delay and backlog. Currently the 9th Circuit takes 4.5 months longer to make a final decision than the national average of other circuit courts.

(4) Staggering expense to transport those judges around that huge geographic region.

(5) The waste of time—where more time is spent traveling than hearing cases.

These problems have plagued the 9th Circuit since the Washington State Bar Association voted to support division of the circuit. In the years since, only one thing has changed—size! The problems have grown unimaginably larger.

Those who did not want division concede that eventually size will require division. They just say, "Not now!"

The Washington State Bar Association, having reexamined its position, renews its support for the proposed legislation. We urge this subcommittee to act quickly and favorably on this legislation.•

• Mr. BURNS. Mr. President, I am pleased to join my colleague from Washington, Senator GORTON, as an original cosponsor of his legislation to split the Ninth Circuit Court of Appeals. This legislation is essentially the same as S. 948, a bill we introduced in the 101st Congress. The only difference is that Guam, Hawaii, and the Northern Mariana Islands will remain in the ninth circuit's jurisdictions rather than being transferred to the jurisdiction of the new twelfth circuit. Under this legislation, the newly created Twelfth Circuit Court of Appeals will be made up of Alaska, Idaho, Montana, Oregon, and Washington.

A very productive hearing was held on last year's bill before Senator HEFLIN'S Judiciary Subcommittee on Courts and Administrative Practice. Unfortunately, no legislation was reported out of the committee and so we are at it again this year.

Mr. President, Senator GORTON hit the nail on the head when he said, "This initiative is more than timely; it is long overdue." I would like to lay out some of the evidence which illustrates the need for this legislation to become law this year.

First and foremost is the fact that the ninth circuit has become so large that it is unworkable. The ninth circuit is by far the largest circuit court in the country. It currently has 28 judges, nearly twice the number deemed as "workable" by the Judicial Conference of the United States. It had the largest caseload of any circuit pending at the end of 1990, with a total of 8,402 cases, according to statistics published by the Administrative Office of the United States Courts for 1990. That is a 16-percent increase over last year.

The ninth circuit has jurisdiction over nearly one-fifth of the people in this country. Its geographical size is equal to all of Western Europe as a land mass. The size of the Ninth Circuit Court's jurisdiction in terms of total population of our country is twice the average number of people under the jurisdictions of the other 10 circuits. And finally, the ninth circuit covers a land mass in the West roughly equivalent to the land mass covered by six circuits on the east coast.

These figures illustrating the size of the Ninth Circuit Court are impressive in and of themselves. However, the impacts of a circuit court this large on the judicial process are just as impressive and far more grave. According to 1990 Federal Court Management Statistics, it takes an average of 15.6 months for the ninth circuit to reach a decision on each case. That means some cases may be there 31 months—or 2½ years—while others whiz through in 7 to 9 months. It is also important to note that this situation is getting worse, not better. The 1989 Federal Court Management Statistics shows that in 1989 each case was pending for an average of 15.3 months. In 1988, it was 14.5 months.

So, while Congress refuses to remedy this situation and split the circuit, the costs to those in Montana or Washington who are victims of ninth circuit's backlog are accruing. They must continue paying legal counsels during these delays. And in the case of suits against industrial activities such as timbering, mining, and water development, employment is jeopardized, seriously threatening local economic stability. This is of serious concern to States like mine which cannot suffer any more economic blows.

The size of the circuit also makes it necessary for the judges to spend more time traveling around to different parts of the circuit than hearing cases. This doesn't make sense to me. If our goal is to maintain the efficiency and integrity of the judicial process, we should take steps to see that cases are heard and decided expediently and at the least cost to the taxpayer.

Finally, the structure and size of the ninth circuit are causing it to give rise to a body of law which is not uniform and on which Western States cannot rely. Following passage of legislation in 1978, the ninth circuit reorganized to create three administrative units based in San Diego, San Francisco, and Seattle; and developed limited en banc procedures. The ninth circuit's chief judge cites these changes to illustrate the circuit's ability to maintain efficiency while issuing a consistent and predictable body of Federal law. He also cites the court's use of a computerized system to inform panels about similar issues heard by earlier panels—cases brought before the ninth circuit, or any of the other circuits, are generally heard by a three-judge panel—as proof that the ninth circuit is operating efficiently and effectively. However, practical evidence to the contrary shows that these systems are not working.

We have too many cases coming out of the ninth circuit which show that the right hand does not know what the left is doing. For example, last year a U.S. bankruptcy judge in Montana sent me copies of two opinions—by two separate three-judge panels within the ninth circuit—decided within 1 week of each other and holding an opposite result. Both cases involved Montana farmers suing the Farmers Home Administration [FHA]. The Love case held that farmers could sue FHA under the Federal Tort Claims Act and reversed the lower court's decision holding that the claim had to be pursued under the Tucker Act in the Court of Claims. One week later, to the day, on April 13, 1989, a different panel held that the farmers LaPlant could not sue

FHA under the Federal Tort Claims Act but had to resort to the Court of Claims under the Tucker Act. Now, I know that these are the types of decision which will be resolved by en banc review, but the message sent to this bankruptcy judge was one of confusion.

There are a couple of arguments to be made in favor of this legislation which do not related directly to the size of the ninth circuit. In fact, one of the most compelling arguments for splitting the ninth circuit is the fact that the precedent has already been set by the fifth circuit split. A commission which studied the revision of the Federal Appellate Court System recommended in 1973 that both the Fifth and Ninth Circuit Courts be split. Those involved with the fifth circuit had the sense to make the division. Unfortunately, the division of the ninth circuit was held up because it proposed dividing the State of California between two circuits.

Our bill does not propose dividing California. However, the division is still more complicated due to the fact that California generates 60 percent of the ninth circuit's caseload and contains roughly two-thirds of the population served by the court. No matter how you slice it, with California intact, the ninth circuit will still be the largest circuit. The important fact is that the split will bring much needed relief to the ninth circuit while providing overall judicial relief to States in the rest of the West and Northwest, including my home State of Montana.

Finally, this legislation would recognize the fact that the Northwest and Southwest are different regions with different histories, climates, and economics. As I stated earlier, the east coast has six circuits to handle a land mass equal to that handled in the West by the ninth circuit. This means that a case heard in the Northeast, say in the second circuit, will be heard by a judge from either Connecticut, New York, or Vermont. These are all Northeastern States with similar demographics. Likewise, a case heard in the Southeast, say in the eleventh circuit, will be heard by a judge from Alabama, Georgia, or Florida. These again are all Southeastern States with similar demographics, yet they are distinctly different from those in the Northeast.

I think that the West deserves the same judicial fairness. I feel that judges from Montana, Idaho, Oregon, and Washington should rule on cases from those States, not because home State judges will rule more favorably but because they understand the region and are more familiar with the bodies of law that pertain to those States.

Most of these arguments have been made before, but they are worth making again. I feel very strongly about this issue—it is essentially an issue of fairness. The ninth circuit should be split into two circuits and it is my hope that we can enact legislation this Congress to do just that.●

By Mr. McCAIN (for himself, Mr. INOUYE, Mr. CONRAD, Mr. DOMENICI, and Mrs. KASSEBAUM):

S. 1687. A bill to increase the capacity of Indian tribal governments for waste management on Indian lands, and for other purposes; to the Select Committee on Indian Affairs.

INDIAN TRIBAL GOVERNMENT WASTE MANAGEMENT ACT

● Mr. McCAIN. Mr. President, I rise today to introduce a bill for discussion on the idea of establishing a framework for Indian tribal governments to regulate and enforce programs necessary for sound waste management operations on Indian lands, and for the provision of financial, technical, and administrative assistance to tribal governments. I am pleased to be joined by the distinguished chairman of the Select Committee on Indian Affairs, Senator INOUYE and Senators CONRAD, DOMENICI, and KASSEBAUM.

Mr. President, for the last 20 years, the Environmental Protection Agency [EPA] has provided financial support for the efforts of State governments to develop comprehensive environmental protection programs and to develop capacities to directly administer federally delegated programs under the Clean Water Act, the Safe Drinking Water Act, the Clean Air Act and the Resource Conservation and Recovery Act. During this period, Indian tribal governments were not eligible to participate in the program development and regulatory capacity-building efforts of the EPA.

In 1984, former EPA Administrator William Ruckelshaus promulgated an EPA Indian lands policy to implement President Reagan's Indian policy which called for the continuation of the Federal policy of promoting tribal self-government and pledged to work directly with tribes in a government-to-government relationship. In pertinent part, the EPA policy provides:

> In carrying out our responsibilities on Indian reservations, the fundamental objective of the Environmental Protection Agency is to protect human health and the environment. The keynote of this effort will be to give special consideration to tribal interests in making agency policy, and to ensure the close involvement of tribal governments in making decisions and managing environmental programs affecting Indian lands. To meet this objective, the Agency will pursue the following principles:
>
> First, the Agency stands ready to work directly with Indian tribal governments on a one-on-one basis—the government-to-government relationship—rather than as subdivisions of other governments.
>
> Second, the Agency will recognize tribal governments as the primary parties for setting standards, making environmental policy decisions, and managing programs for reservations, consistent with Agency standards and regulations.
>
> Third, the Agency will take affirmative steps to encourage and assist tribes in assuming regulatory and program management responsibilities for reservation lands.
>
> Fourth, the Agency will take appropriate steps to remove existing legal and procedural impediments to working directly and effectively with tribal governments on reservation programs.
>
> Fifth, the Agency, in keeping with the Federal trust responsibility, will assure that tribal concerns and interests are considered whenever EPA's actions and/or decisions may affect reservation environments.
>
> Sixth, the Agency will encourage cooperation between tribal, State and local governments to resolve environmental problems of mutual concern.
>
> Seventh, the Agency will work with other Federal agencies which have related responsibilities on Indian reservations to enlist their interest and support in cooperative efforts to help tribes assume environmental program responsibilities for reservations.
>
> Eighth, the Agency will strive to assure compliance with environmental statutes and regulations on Indian reservations.
>
> Ninth, the Agency will incorporate these Indian policy goals into its planning and management activities, including its budget, operating guidance, legislative initiatives management accountability system, and ongoing policy and regulation development process.

In 1986 and 1987, the Congress finally took the significant step of adopting amendments to Superfund, the Safe Drinking Water Act and the Clean Water Act to authorize EPA to treat Indian tribal governments as States. Yet, despite the years of hard work by tribal leaders to obtain this authorization, there is abundant evidence that environmental quality on Indian lands continues to deteriorate.

On July 29 during a congressional workshop on environmental issues on Indian lands, tribal representatives indicated to members of the Select Committee on Indian Affairs that things are not going as well as they should in tribal and Federal efforts to establish environmental regulatory programs on Indian lands. EPA lacks adequate funds for training, technical assistance, grants, and other support that is needed. The committee has received numerous complaints from tribes which suggest that serious threats to reservation environments are not being addressed by BIA, IHS, or EPA. Tribal efforts in this area have apparently been frustrated by the lack of coordination and the lack of direction within these Federal agencies. Many tribal governments have indicated a need for Federal assistance in the development of their capacity to establish and operate effective environmental regulatory programs. We have also received indications that some unscrupulous parties have attempted to exploit Indian lands in the apparent belief that they can degrade the environment without regard to established environmental standards.

During a 1989 oversight hearing held by the Select Committee on Indian Affairs on environmental issues on Indian reservation lands, Chairman INOUYE perhaps captured the essence of the issue when he stated:

> The [environmental] issues are obviously critically important to all of us, but particularly to Indian tribal governments who are responsible for maintaining viable, permanent homelands for their people. The historical disparity between the financial and technical assistance that EPA provides to States and the assistance that it has provided to tribes is significant.
>
> Now, when less funding is available and the method of funding is changing, tribes are finally able to participate as full partners. Once again, for tribes, it may be too little too late.

All of us, of course, hope that it is not once again too late for tribal governments. That is why, under the leadership of Chairman INOUYE, the select committee has considered and acted upon the Indian Environmental Regulatory Enhancement Act of 1990, Public Law 101-408. In the 102d Congress, the committee has already considered and favorably reported S. 668, the Indian Environmental General Assistance Program Act of 1991. In both instances, the committee has authorized additional funding to improve the capability of Indian tribal governments to administer environmental regulatory programs pursuant to tribal and Federal laws.

As the effort to strengthen tribal environmental capacities moves forward, there are environmental regulatory concerns that cannot be placed in a holding pattern. The well-publicized concerns expressed by Indian and non-Indian communities about the issue of waste management and waste facilities on Indian lands is a prime example.

That is why I am introducing this legislation for discussion. It is time to deal with the issue of waste management and waste facilities on Indian lands in a manner that gets us beyond the rhetoric that is filled with hyperbole and factual inaccuracies.

The legislation reaffirms a tribe's right to regulate waste management on lands under their jurisdiction. But the legislation also raises for discussion the issue of striking a balance between a tribe's inherent right and the trustee's responsibilities for Indian lands. The issue of protecting the trust asset is made even more critical by the growing potential for the introduction of environmentally unsound projects onto Indian lands.

As I mentioned before, the committee has already received information that some tribes have received proposals from third parties with questionable backgrounds. In this respect, the issue is not unlike the issue of Indian gaming. In fact, the criteria proposed for the Secretary of the Interior to use in evaluating potential commercial waste operators on Indian lands is based on some of the same concepts that are contained in the Indian Gaming Regulatory Act.

Mr. President, it is my hope that this discussion bill will help focus the debate, and that it will encourage meaningful dialog between tribes, States, and local governments. Moreover, it is my hope that the debate will also serve to highlight the need for an increased financial and technical commitments by the BIA, IHS, and the EPA.

I earnestly solicit the views, comments, and suggestions of all interested parties. It is my hope that the Select Committee on Indian Affairs will be able to begin hearings on this issue during the latter part of September.

I ask unanimous consent that a copy of the bill, a section-by-section analysis, a copy of the 1984 EPA Indian policy, and a copy the July 10, 1991, memorandum from EPA Administrator Reilly regarding EPA/State/tribal relations be included in the RECORD immediately following my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1687

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Tribal Government Waste Management Act of 1991".

SEC. 2. FINDINGS.

Congress hereby finds and declares that—

(1) Indian tribal governments have inherent powers of self-government, including the legal authority to regulate and manage waste management and waste facilities on Indian lands;

(2) Indian tribal governments have the authority to assume primary responsibility for implementing Federal environmental regulatory programs under the Clean Water Act, the Safe Drinking Water Act, and the Clean Air Act;

(3) the United States has a trust responsibility to Indian tribal governments to ensure that Indian lands and reservation environments are protected in the management of waste disposal and the development of waste treatment and processing facilities on Indian lands;

(4) the disposal of waste in open dumps and the unauthorized disposal of waste in violation of tribal and Federal law are increasingly severe problems on Indian lands which present Indian tribal governments with serious health and safety concerns;

(5) Federal standards for waste disposal facilities, which have been promulgated pursuant to the Solid Waste Disposal Act, are applicable to waste facilities on Indian lands;

(6) there is a need for specific procedural guidelines for the evaluation, management, and regulation of commercial waste facilities on Indian lands;

(7) the Federal agencies responsible for the regulation of solid and other waste management and disposal on Indian lands have not provided adequate financial resources or technical assistance to Indian tribal governments to address solid and other waste management and disposal on Indian lands;

(8) Indian tribal governments are considering the development of environmentally sound methods of waste recycling, treatment, and disposal facilities on Indian lands to provide increased opportunities for training and employment of tribal members; and

(9) the overriding goals of Federal Indian policy are to promote tribal economic development, tribal economic self-sufficiency, and tribal self-government.

SEC. 3. PURPOSES.

The purposes of this Act are to—

(1) acknowledge and affirm the inherent authority of Indian tribal governments to regulate the development, construction, operation, closure, and postclosure maintenance of solid and other waste management and disposal facilities on Indian lands as a means of promoting tribal economic development and self-sufficiency;

(2) establish a system of tribal regulation and Federal review to ensure that solid and other waste management and disposal activities on Indian lands meet tribal and Federal standards and requirements designed to protect public health and safety and the environment;

(3) provide Federal technical and financial assistance to Indian tribal governments for the development of tribal environmental regulatory systems, improved waste management techniques, new and improved methods of collection, separation, and recovery of solid and other waste, and environmentally safe methods of disposal of nonrecoverable residues; and

(4) prevent open dumping on Indian lands and provide for the conversion of existing open dumps to facilities that do not pose a threat to public health and safety and the environment.

SEC. 4. DEFINITIONS.

For purposes of this Act—

(1) The term "Administrator" means the Administrator of the United States Environmental Protection Agency.

(2) The term "control" as it relates to prospective vendors, means the power, either directly or indirectly, to exercise a controlling influence over the management or policies of a company or the activities of a natural person (either alone or pursuant to an arrangement or understanding with one or more other persons), whether through the ownership or voting securities (including but not limited to ownership through one or more intermediary persons), by contract, or otherwise; any person who owns beneficially, either directly or through one or more controlled companies, more than twenty-five percent of the voting securities of a company shall be presumed to control such company.

(3) The term "convicted" means a verdict, judgment, or plea of guilty, or a finding of guilt on a plea of nolo contendere, if such verdict, judgment, plea, or finding has not been reversed, set aside, or withdrawn, whether or not sentence has been imposed or executive clemency has been granted, unless such clemency is based on a finding of innocence.

(4) The term "felony" means any offense prescribed by Federal statute, under which a

person convicted of a violation, if a natural person, could be imprisoned for a maximum term of more than one year.

(5) The term "Indian lands" shall have the meaning given that term in paragraph (10) of section 304 of the National Indian Forest Resources Management Act.

(6) The term "Indian tribal government" means the governing body of any Indian tribe, band, nation, pueblo, or other organized group or community which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(7) The term "lease" means any lease or sublease of Indian lands by which the lessee or sublessee acquires the right to develop, construct, or operate a waste facility.

(8) The term "open dump" means any facility or site where solid waste is disposed of which is not a sanitary landfill meeting the criteria promulgated under the Solid Waste Disposal Act and which is not a facility for the disposal of hazardous waste.

(9) The term "person" means an individual, trust, firm, company, stock company, corporation (including government corporation), partnership, association, Indian tribal government, Alaska Native Village or Regional Corporations established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), State municipality, commission, political subdivision of a State, or interstate body.

(10) The term "postclosure maintenance" means all activities undertaken at a closed waste facility to maintain the integrity of containment features, to monitor compliance with applicable performance standards, and to remedy any situation or occurrence that violates applicable performance standards.

(11) The term "Secretary" means the Secretary of the United States Department of the Interior or his authorized representative acting under delegated authority.

(12) The term "solid waste" has the same meaning as it has under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(13) The term "waste management" means reduction of the amounts of waste that are generated, reduction of overall resource consumption, use of resources recovered from waste, recovery of material or energy from waste, and environmentally safe disposal of nonrecoverable residues.

(14) The term "waste facility" means—

(A) any resource recovery system or component thereof;

(B) any system, program, or facility for resource conservation; or

(C) any facility for the collection, source separation, storage, transportation, transfer, processing, treatment, or disposal of waste, whether such facility is associated with facilities generating such waste or otherwise.

(15) The term "tribal council" means the governing body of an Indian tribal government that exercises jurisdiction over Indian land.

(16) The term "waste" means any solid waste, hazardous waste, or medical waste as such terms are defined in the Solid Waste Disposal Act.

(17) The term "vendor" means any person who contracts or otherwise agrees to develop, design, construct, operate, close, maintain after closure, or otherwise manage a waste facility on Indian lands.

SEC. 5. APPLICABILITY.

All waste management and waste facilities on Indian lands shall be subject to the provisions of this Act.

SEC. 6. TRIBAL WASTE MANAGEMENT.

(a) INHERENT AUTHORITY OF TRIBE.—Congress hereby recognizes the inherent authority of an Indian tribal government to develop construct, operate, close, maintain after closure, license, and regulate facilities for solid and other waste generated on Indian lands over which an Indian tribal government exercises governmental authority, subject to the standards and criteria promulgated pursuant to this Act and the Solid Waste Disposal Act.

(b) TRIBAL PLAN.—(1) Any Indian tribal government conducting activities or responsible for facilities that are not currently in compliance with standards and criteria promulgated pursuant to this Act and the Solid Waste Disposal Act, may, within 180 days following the date of enactment of this Act, submit to the Secretary a plan of activities that specifies a schedule of remedial measures, including a specific sequence of actions or operations intended to result in compliance within a reasonable time not to exceed 5 years from such date of enactment.

(2)(A) The Secretary, in consultation with the Administrator, shall review the plan submitted by the Indian tribal government and, if the Secretary finds that the plan is reasonably likely to result in compliance within 5 years, shall approve the plan.

(B) If an Indian tribal government submits and the Secretary approves a plan pursuant to this section, such Indian tribal government shall be immune from any action to enforce standards and criteria promulgated pursuant to the Solid Waste Disposal Act, during the period the plan is being carried out, unless the Secretary finds that the Indian tribal government has failed to comply with a material requirement of the approved plan.

(c) INVENTORY OF INDIAN LANDS.—The Administrator, in cooperation with the Secretary and the Director of the Indian Health Service, shall prepare a report to the Congress within twenty-four months after the date of the enactment of this Act, which establishes—

(1) an inventory of sites on Indian lands at which hazardous waste has at any time been stored or disposed of such inventory shall contain the information required by section 3012 of the Solid Waste Disposal Act, and shall include the sites at Federal facilities within the exterior boundaries of Indian reservations; and

(2) an inventory of open dumps on Indian lands.

(d) CLOSURE OF OPEN DUMPS ON INDIAN LANDS.—The Secretary, in cooperation with the Administrator and the Director of the Indian Health Service, shall assist Indian tribal governments to upgrade open dumps to comply with the requirements of this Act and the Solid Waste Disposal Act. Such assistance shall include the provision of funds to establish, operate and maintain sanitary landfills for the disposal of solid waste generated on Indian lands.

(e) TECHNICAL ASSISTANCE.—The Secretary, in cooperation with the Administrator and the Director of the Indian Health Service, shall establish a program of technical assistance for Indian tribal governments and Alaska Native Village and Regional Corporations as established under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) to address solid and hazardous waste issues on Indian lands. Technical assistance provided under this section shall include studies of potential impacts due to solid and hazardous waste disposal on such lands, assistance in the design and construction of sanitary landfills, appropriate methods of closure of solid and hazardous waste facilities, assistance in the development of tribal solid waste management plans, laws or regulations, and such other assistance as the Secretary deems appropriate.

SEC. 7. COMMERCIAL WASTE MANAGEMENT ACTIVITIES.

(a) AUTHORITY OF INDIAN TRIBAL GOVERNMENTS.—Congress hereby recognizes the inherent authority of Indian tribal governments to develop, construct, operate, close, maintain, license, and regulate facilities for waste generated outside of Indian lands under the tribe's jurisdiction. Such authority may be exercised only if such Indian tribal government—

(1) enacts a tribal ordinance for the regulation of the handling, collection, transportation, storage, separation, processing, treatment, and disposal of waste, and such tribal ordinance—

(A) prohibits the establishment of open dumps; and

(B) provides for the closing or upgrading of existing open dumps in accordance with standards and criteria promulgated pursuant to this Act and the Solid Waste Disposal Act;

(2) promulgates regulations establishing criteria and standards for the construction, operation, closure, and postclosure maintenance of waste facilities that meet or exceed the criteria and standards for such facilities promulgated pursuant to this Act and the Solid Waste Disposal Act;

(3) establishes an agency with sufficient regulatory and enforcement powers for the regulation of waste facilities on Indian lands subject to the jurisdiction of the tribe;

(4) develops and implements a licensing system and enforcement program that meets or exceeds the guidelines promulgated pursuant to this Act and the Solid Waste Disposal Act for State licensing systems and enforcement programs; and

(5) submits its ordinances, regulations, licensing system, and enforcement programs plans to the Secretary for approval, and the Secretary grants such approval.

(b) INTERSTATE WASTE.—An Indian tribal government may import waste generated outside the State in which the Indian lands subject to the Indian tribal government's jurisdiction are located if such State does not lawfully prohibit the importation of waste from outside the State. If the State in which the Indian lands subject to the Indian tribal government's jurisdiction are located lawfully imposes conditions on the importation of waste, the Indian tribal government may import solid waste if it imposes substantially similar conditions.

(c) VENDOR CONTRACTS.—Subject to the approval of the Secretary, an Indian tribal government may enter into any contract or other agreement (including but not limited to a lease and agreements collateral thereto) with a vendor for the development, construction, operation, management, closure, and maintenance after closure, of a waste facility on Indian lands within the jurisdiction of the Indian tribal government.

(d) SECRETARIAL REVIEW.—The Secretary shall review the vendor contract and any additional information submitted pursuant to this section. In reviewing any vendor contract the Secretary shall consult with the Administrator where appropriate or warranted.

(1) Before approving a proposed vendor contract, the Secretary shall require and obtain the following information—

(A) the name, address, and other additional descriptive background information on each person or entity (including individuals comprising such entity) having a direct financial interest in, or management responsibility for, such contract, and, in the case of a corporation, those individuals who serve as officers of such corporation and each of its shareholders who hold (directly or indirectly) 10 percent or more of its issued and outstanding stock;

(B) the name, address, and other additional descriptive background information on each person or entity that controls or is controlled by the potential vendor or is controlled by any person who controls the vendor;

(C) a description of any previous experience that each person listed pursuant to subparagraph (A) has had with the design, development, construction, operation, management, closure, or postclosure maintenance of other waste management facilities, including specifically the name and address of any permitting or regulatory agency under whose jurisdiction such person has designed, developed, constructed, operated, or maintained any such facility; and

(D) a complete financial statement of each person listed pursuant to subparagraph (A).

Any person listed pursuant to subparagraph (A) shall respond to such written or oral questions as the Secretary may propound in accordance with his responsibilities under this section.

(2) The Secretary shall conduct a background investigation of any potential vendor, the cost of which investigation shall be paid by the vendor. Such background investigation shall include—

(A) review of the quantity and quality of other facilities constructed, operated, or managed by the vendor;

(B) review of the vendor's record of compliance with Federal, State, and tribal environmental laws and regulations;

(C) examination of the vendor's ability to fulfill the economic obligations of the contract or other agreement, including but not limited to the indemnification obligations;

(D) investigation of the vendor's criminal record, if any, to determine whether the vendor has been convicted of any felony; and

(E) review of the vendor's business relationships to determine whether the vendor controls or is controlled by any other person who has been convicted of a felony or who controls any other person who has been so convicted.

(3) The Secretary shall approve any vendor contract entered into pursuant to this section only if he determines that it provides for—

(A) the preparation of an environmental impact statement meeting the requirements of the National Environmental Policy Act, the cost of which shall have been paid by the proposed vendor;

(B) adequate accounting procedures and verifiable financial reports to be submitted to the tribal council on at least a quarterly basis;

(C) a minimum guaranteed payment to the Indian tribal government;

(D) the securing and maintenance of a bond that guarantees, for the benefit of the Indian tribal government, the payment of minimum required rental for a period of not less than one year;

(E) the complete and absolute indemnification of the Indian tribal government and the United States against any and all claims and liabilities of any nature whatsoever for personal injury, death, property damage, violations of Federal and tribal environmental laws and regulations, environmental cleanup, and damages to natural resources;

(F) the purchase and maintenance of liability insurance policies for coverage against occurrences under paragraph (E), or other adequate assurances of the vender's ability to meet its obligations under paragraph (E);

(G) grounds and mechanisms for terminating the contract;

(H) rents, fees, and royalties based on fair market value of the lands to be used for waste management facilities and reasonable standards of the waste management industry;

(I) tribal and Indian preference in employment and training and an employment training policy approved by the tribe;

(J) assurances of compliance with tribal and Federal environmental regulatory laws and adequate provisions for the funding of the tribal licensing, regulatory, and enforcement program;

(K) that the vendor will be financially responsible for any postclosure monitoring, maintenance, and remediation that may be required under Federal or tribal laws or regulations; and

(L) the results of the background investigation show the vendor to be qualified and eligible to conduct business with an Indian tribal government pursuant to this Act.

(4) The Secretary shall not approve any contract if the Secretary determines that—

(A) any person listed pursuant to paragraph (1)(A) of this section—

(i) has been convicted of any felony;

(ii) has knowingly and willfully provided material false statements or information to the Secretary or the Indian tribal government pursuant to this Act or has refused to respond to questions propounded pursuant to paragraph (2)(B); or

(iii) has been determined by the Secretary to be a person whose prior activities or criminal record, if any, pose a threat to the public interest or to the effective regulation and control of waste management activities, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the business and financial arrangements incidental thereto;

(B) any person listed pursuant to paragraph (1)(B) has been convicted of any felony;

(C) the vendor has never constructed or operated a facility of the type being proposed under the vendor contract;

(D) the vendor has interfered with or influenced or has attempted to interfere with or influence, directly or indirectly, for its gain or advantage any decision or process of the tribal government relating to waste management activities;

(E) the vendor has deliberately or substantially failed to comply with the terms of the vendor contract or Federal or tribal laws or regulations; or

(F) a trustee, exercising the skill and diligence that a trustee is commonly held to, would not approve the contract.

(5) By no later than the date that is 180 days after the date on which the vendor contract is submitted to the Secretary for approval, the Secretary shall approve or disapprove such contract on its merits. The Secretary may extend the 180-day period by not more than 90 days if the Secretary notifies the Indian tribal government in writing of the reason for the extension. If the Secretary fails to approve or disapprove a vendor contract within the time allowed by this subsection, the vendor contract shall be deemed to have been approved.

(6) If the Secretary disapproves a contract or other agreement, he shall provide financial and technical assistance to the tribe for the correction of deficiencies and resubmission of the contract, if the tribe so requests, and upon such correction and resubmission shall approve or disapprove such contract within thirty days.

(7) The Secretary shall require a potential vendor to prepay a fee to cover the costs of the investigation necessary to reach any determination required by this section.

(e) CONTRACT VIOLATIONS.—(1) The Secretary shall, within 180 days following the date of the enactment of this Act, promulgate regulations authorizing Indian tribal governments to establish by contract a system of graduated penalties for violations by the vendor of the terms and conditions of the contract or other agreement; of the mitigation requirements imposed by the environmental impact statement; of this Act and the Solid Waste Disposal Act; any regulations promulgated pursuant thereto; and of tribal laws and regulations.

(2) The Secretary shall, within 180 days following the date of the enactment of this Act, promulgate regulations establishing criteria for determining the fair market value of land used for the development and operation of a waste management facility.

(3) The Secretary shall, within 180 days following the date of the enactment of this Act, promulgate such other regulations as may be necessary for the implementation of this section.

SEC. 8. CRIMINAL PENALTIES.

Any person who—

(1) knowingly makes a false statement or misrepresentation of fact in connection with the implementation of this Act, or conceals or fails to disclose any fact in any document the disclosure of which is required by this Act, shall be fined not more than $10,000, or imprisoned not more than 5 years, or both; or

(2) knowingly otherwise violates any provision of this Act shall be guilty of a class D Federal felony and sentenced in accordance with title 18, United States Code.

SEC. 9. SEVERABILITY.

In the event that any section or provision of this Act is held invalid, it is the intent of Congress that the remaining sections or provisions of this Act shall continue in full force and effect.

SEC. 10. AUTHORIZATION.

There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

SEC. 11. JUDICIAL REVIEW.

Decisions made by the Secretary pursuant to the provisions of this Act shall be considered a final agency action for purposes of appeal to the appropriate United States district court pursuant to chapter 7 of title 5, United States Code.

SECTION-BY-SECTION ANALYSIS ON THE INDIAN TRIBAL GOVERNMENT WASTE MANAGEMENT ACT OF 1991

SECTION 1. SHORT TITLE

This section identifies the Act as the "Indian Tribal Government Waste Management Act of 1991."

SECTION 2. CONGRESSIONAL FINDINGS

The Congress acknowledges and affirms the inherent authority of Indian tribal governments to regulate waste management within lands under their jurisdication and to develop programs and facilities for the environmentally sound management of waste; recognizes the inherent authority of Indian tribal governments to regulate solid waste and other waste disposal on Indian lands; manage various environmental protection programs. The findings also identify potential problems in the management and regulation of waste within Indian lands; recognizes the expanding need for development of waste facilities within the United States; recognizes that federal laws and agencies should aid in the regulation and control of solid waste management on Indian lands; and recognizes that development of commercial waste facilities on Indian lands is a type of economic development activity.

SECTION 3. PURPOSES

This section states the purposes of the Act: to establish a system of tribal regulation and Federal review to assure that solid and other waste management and disposal activities on Indian lands will only occur in ways that protect the public health and safety and the environment; to establish mechanisms for the provision of technical and financial assistance to Indian tribal governments to assure compliance with the Act; to prohibit open dumping on Indian lands and provide for conversion of existing open dumps to facilities that do not pose threats to health, safety, and the environment.

SECTION 4. DEFINITIONS

This section provides the definitions necessary for the interpretation of the Act and its implementation.

SECTION 5. APPLICABILITY

This section makes all waste management activities and all waste facilities on Indian lands subject to the provision of the Act.

SECTION 6. TRIBAL WASTE MANAGEMENT

Subsection (a) recognizes the inherent authority of Indian tribal governments to develop, construct, operate, close, maintain after closure, license, and regulate facilities necessary for the management of solid waste generated on lands under tribal jurisdiction. This section specifically makes standards and criteria developed under the Solid Waste Disposal Act.

Subsection (b) provides that within 180 days of enactment of this Act, tribes with non-complying facilities shall submit to the Secretary a plan that specifies a schedule of remedial measures that will bring facilities into compliance. If the Secretary, in consultation with the Administrator of the Environmental Protection Agency, finds the plan to be likely to result in compliance within five years, it shall be approved. When the tribe receives such approval, it will be immune from actions to enforce compliance with the Solid Waste Disposal Act during the time the plan is in effect unless the tribe fails to comply with a material requirement of the plan.

Subject to the approval of the Secretary of the Interior, Indian tribal governments are granted a period of time, not to exceed five years, to bring all solid waste facilities under their jurisdiction into compliance with the Solid Waste Disposal Act.

Subsection (c) requires the Administrator of EPA, in cooperation with the BIA and IHS, to prepare an inventory of hazardous waste sites on Indian lands as well as an inventory of open dumps on Indian lands which shall be reported to the Congress within 2 years of enactment.

Subsection (d) requires the Secretary of the Interior, in cooperation with the IHS and the EPA, to assist Indian tribes to upgrade open dumps to comply with the Solid Waste Disposal Act, Assistance shall include funding to operate and maintain sanitary landfills on Indian lands.

Under subsection (e) the Secretary, with the cooperation of the EPA and IHS, shall establish a program of technical assistance for Indian tribes and Alaska Natives to address solid and hazardous waste issues on Indian lands. Technical assistance shall include studies of potential impacts, assistance in design and construction of sanitary landfills, methods of closure, and development of waste management plans.

SECTION 7. COMMERCIAL WASTE MANAGEMENT ACTIVITIES

The provisions of this title set forth the requirements for the development of commercial waste management activities within lands under tribal jurisdiction.

Subsection (a) recognizes the inherent authority of Indian tribal governments to develop, construct, operate, maintain, license, and regulate facilities for solid waste that is generated outside of Indian lands. The exercise of tribal power is subject to specific restrictions. The tribe must enact an ordinance for the regulation of such activities which includes a prohibition on open dumping and provides for the closing or upgrading of existing open dumps pursuant to guidelines promulgated under the Solid Waste Disposal Act. The tribal government must also establish a regulatory system that meets or exceeds the guidelines for state programs under the Solid Waste Disposal Act, and an agency with the power to regulate waste facilities under tribal jurisdiction. The authorized activities of the agency must include facility licensing and enforcement of tribal laws which meet or exceed Solid Waste Disposal Act requirements. All tribal ordinances, regulations, licensing procedures, and enforcement program plans must be submitted to the Secretary for approval.

Subsection (b) authorizes Indian tribal governments to import solid waste from locations outside of the state in which the tribal lands are located, but such importation will only be allowed if such state has not lawfully prohibited the importation of solid waste. Where states have placed conditions on the importation of solid waste, tribal governments are authorized to import waste under substantially similar conditions.

Subsection (c) authorizes Indian tribal governments to enter into contracts or other agreements for the purpose of developing, constructing, operating closing, or maintaining after closure any solid waste facility located on Indian lands under its jurisdiction and sets specific requirements for such contracts and their approval.

Subsection (d), paragraph (1) Directs the Secretary to investigate the background of all prospective vendors prior to the approval of any contract with Indian tribal governments under this section. The Secretary shall require prospective vendors to provide information necessary for such an investigation. The required information includes: (A) information relating to each person or entity having a direct financial interest in or management responsibility for the contract; (b) information relating to all persons or entities that control or are controlled by the vendor; (C) a description of previous experiences each person named pursuant to (A) has had in the design, development, construction, operation, management, closure, or psot-closure maintenance of other solid waste facilities; and (D) a complete financial statement of each person listed under (A).

Paragraph (2) describes the background investigations to be conducted by the Secretary. Inquiries will be made into the prospective vendor's history of successful construction, operation, or management of other comparable waste facilities; history of compliance with environmental laws and regulations; financial status; criminal record, if any; and business relationships. This subsection provides that the costs incurred by the Secretary in such investigation shall be paid by the potential vendor and requires that a fee to cover such costs shall be prepaid by the vendor.

Paragraph (3) lists the minimum requirements for vendor contracts. The prospective vendor shall have prepared, at his expense, an Environmental Impact Statement which meets the requirements of the National Environmental Policy Act. These provisions will assure that the tribes' financial interests are protected, that the tribe and the United States are protected from liability, that activities under the contract will comply with tribal and Federal environmental regulatory laws; that the vendor will be financially responsible for necessary post-closure monitoring, maintenance, and remediation; and the results of the background investigation show the vendor to be qualified and eligible.

Paragraph (4) lists conditions which will result in the disapproval of a vendor contract. No contract will be approved if the prospective vendor, a person under his control, or a person who exerts control over him has been convicted of a felony offense; has knowingly and willingly made material false statements. Vendors whose activities would tend to pose a threat to the public interest or to the effective regulation or control of waste management activities or whose activities would tend to suggest that they would operate in an unscrupulous manner will not be allowed to enter into contracts with Indian tribal governments. No contract will be approved unless the prospective vendor shows that he has successfully constructed or operated a facility comparable to the facility proposed under the contract. Finally, if a prospective vendor has attempted to or has interfered with or influenced any decision or process of the tribal government relating to waste management activities for his own benefit; deliberately or substantially failed to comply with the contract, or federal or tribal laws and regulations the Secretary, exercising the skill and diligence as a trustee, will not approve the contract.

Paragraph (5) directs the Secretary to approve or disapprove vendor contracts within one hundred eighty (80) days of submission. With prior written notice to the tribe, the Secretary may extend such time period for no more than ninety (90) days. If the Secretary does not act within the time allowed, the contract is deemed approved. If the Secretary disapproves a proposed contract under this section, he is required under (d)(6), at the request of the tribal government to provide to the tribe financial and technical assistance to correct deficiencies and resubmit the contract. Upon such correction and resubmission, the Secretary must approve or disapprove the proposed vendor contract within thirty (30) days.

Subsection (e) requires the Secretary within 180 days to promulgate regulations authorizing tribes to establish a system of graduated penalties for violations of contract, EIS, and Solid Waste Disposal Act provisions related to solid waste management, establishing criteria for determination of fair market values of land used for development and operation of waste management facilities, and as otherwise necessary for the implementation of the Act.

SECTION 8. CRIMINAL PENALTIES

A $10,000 fine and/or up to five years imprisonment for knowingly making false statements or misrepresentations of fact, concealing or failing to disclose any fact.

Anyone who knowingly violates any provision of this Act shall be guilty of a Class D Federal felony. If the offender is a natural person, conviction under this section could result in imprisonment for a term of not less than five years or more than ten years and a fine in an amount not to exceed two hundred fifty thousand dollars ($250,000). If the offender is other than a natural person, conviction under this section could result in the imposition of a fine not to exceed five hundred thousand dollars ($500,000).

SECTION 9. SEVERABILITY

This section provides that, if any provision of or amendment made by the Act is found to be invalid, the remainder of the Act shall continue in full force and effect.

SECTION 10. AUTHORIZATION OF APPROPRIATIONS

This section authorizes appropriations of funds as necessary to carry out the provisions of the Act and to assist tribal governments in reaching compliance with its provisions.

SECTION 11. JUDICIAL REVIEW

This section provides that decisions made by the Secretary or the Administrator under the Act are final agency decisions for the purpose of appeal to the Federal district courts.

EPA POLICY FOR THE ADMINISTRATION OF ENVIRONMENTAL PROGRAMS ON INDIAN RESERVATIONS

INTRODUCTION

The President published a Federal Indian Policy on January 24, 1983, supporting the primary role of Tribal Governments in matters affecting American Indian reservations. That policy stressed two related themes: (1) that the Federal Government will pursue the principle of Indian "self-government" and (2) that it will work directly with Tribal Governments on a "government-to-government" basis.

The Environmental Protection Agency (EPA) has previously issued general statements of policy which recognize the importance of Tribal Governments in regulatory activities that impact reservation environments. It is the purpose of this statement to consolidate and expand on existing EPA Indian Policy statements in a manner consistent with the overall Federal position in support of Tribal "self-government" and "government-to-government" relations between Federal and Tribal Governments. This statement sets forth the principles that will guide the Agency in dealing with Tribal Governments and in responding to the problems of environmental management on American Indian reservations in order to protect human health and the environment. The Policy is intended to provide guidance for EPA program managers in the conduct of the Agency's congressionally mandated responsibilities. As such, it applies to EPA only and does not articulate policy for other Agencies in the conduct of their respective responsibilities.

It is important to emphasize that the implementation of regulatory programs which will realize these principles on Indian Reservations cannot be accomplished immediately. Effective implementation will take careful and conscientious work by EPA, the Tribes and many others. In many cases, it will require changes in applicable statutory authorities and regulations. It will be necessary to proceed in a carefully phased way, to learn from successes and failures, and to gain experience. Nonetheless, by beginning work on the priority problems that exist now and continuing in the direction established under these principles, over time we can significantly enhance environmental quality on reservation lands.

POLICY

In carrying out our resposibilities on Indian reservations, the fundamental objective of the Environmental Protection Agency is to protect human health and the environment. The keynote of this effort will be to give special consideration to Tribal interests in making Agency policy, and to insure the close involvement of Tribal Governments in making decisions and managing environmental programs affecting reservation lands. To meet this objective, the Agency will pursue the following principles:

1. The Agency stands ready to work directly with Indian Tribal Governments on a one-to-one basis (the "government-to-government" relationship), rather than as subdivisions of other governments.

EPA recognizes Tribal Governments as sovereign entities with primary authority and responsibility for the reservation populace. Accordingly, EPA will work directly with Tribal Governments as the independent authority for reservation affairs, and not as political subdivisions of States or other governmental units.

2. The Agency will recognize Tribal Governments as the primary parties for setting standards, making environmental policy decisions and managing programs for reservations, consistent with Agency standards and regulations.

In keeping with the principle of Indian self-government, the Agency will view Tribal Governments as the appropriate non-Federal parties for making decisions and carrying out program responsibilities affecting Indian reservations, their environments, and the health and welfare of the reservation populace. Just as EPA's deliberations and activities have traditionally involved the interests and/or participation of State Governments, EPA will look directly to Tribal Governments to play this lead role for matters affecting reservation environments.

3. The Agency will take affirmative steps to encourage and assist tribes in assuming regulatory and program management responsibilities for reservation lands.

The Agency will assist interested Tribal Governments in developing programs and in preparing to assume regulatory and program management responsibilities for reservation lands. Within the constraints of EPA's authority and resources, this aid will include providing grants and other assistance to Tribes similar to that we provide State Governments. The Agency will encourage Tribes to assume delegable responsibilities, (i.e. responsibilities which the Agency has traditionally delegated to State Governments for non-reservation lands) under terms similar to those governing delegations to States.

Until Tribal Governments are willing and able to assume full responsibility for delegable programs, the Agency will retain responsibility for managing programs for reservations (unless the State has an express grant of jurisdiction from Congress sufficient to support delegation to the State Government). Where EPA retains such responsibility, the Agency will encourage the Tribe to participate in policy-making and to assume appropriate lesser or partial roles in the management of reservation programs.

4. The Agency will take appropriate steps to remove existing legal and procedural impediments to working directly and effectively with Tribal Governments on reservation programs.

A number of serious constraints and uncertainties in the language of our statutes and regulations have limited our ability to work directly and effectively with Tribal Governments on reservation problems. As impediments in our procedures, regulations or statutes are identified which limit our ability to work effectively with Tribes consistent with this Policy, we will seek to remove those impediments.

5. The Agency, in keeping with the Federal trust responsibility, will assure that Tribal concerns and interest are considered whenever EPA's actions and/or decisions may affect reservation environments.

EPA recognizes that a trust responsibility derives from the historical relationship between the Federal Government and Indian Tribes as expressed in certain treaties and Federal Indian Law. In keeping with that trust responsibility, the Agency will endeavor to protect the environmental interests of Indian Tribes when carrying out its responsibilities that may effect the reservations.

6. The Agency will encourage cooperation between Tribal, State and local governments to resolve environmental problems of mutual concern.

Sound environmental planning and management require the cooperation and mutual consideration of neighboring governments, whether those governments be neighboring States, Tribes, or local units of government. Accordingly, EPA will encourage early communication and cooperation among Tribes, States and local governments. This is not intended to lend Federal support to any one party to the jeopardy of the interests of the other. Rather, it recognizes that in the field of environmental regulation, problems are often shared and the principle of comity between equals and neighbors often serves the best interests of both.

7. The Agency will work with other Federal agencies which have related responsibilities on Indian reservations to enlist their interest and support in cooperative efforts to help Tribes assume environmental program responsibilities for reservations.

EPA will seek and promote cooperation between Federal agencies to protect human health and the environment on reservations. We will work with other agencies to clearly identify and delineate the roles, responsibilities and relationships of our respective organizations and to assist Tribes and developing and managing environmental programs for reservation lands.

8. The Agency will strive to assure compliance with environmental statutes and regulations on Indian reservations.

In those cases where facilities owned or managed by Tribal Governments are not in compliance with Federal environmental statutes, EPA will work cooperatively with Tribal leadership to develop means to achieve compliance, providing technical support and consultation as necessary to enable Tribal facilities to comply. Because of the distinct status of Indian Tribes and the complex legal issues involved, direct EPA action through the judicial or administrative process will be considered where the Agency determines, in its judgement, that: (1) a significant threat to human health or the environment exists, (2) such action would reasonably be expected to achieve effective results in a timely manner, and (3) the Federal Government cannot utilize other alternatives to correct the problem in a timely fashion.

In those cases where reservation facilities are clearly owned or managed by private parties and there is no substantial Tribal interest or control involved, the Agency will endeavor to act in cooperation with the affected Tribal Government, but will otherwise respond to noncompliance by private parties on Indian reservations as the Agency would to noncompliance by the private sector elsewhere in the country. Where the Tribe has a substantial proprietary interest in, or control over, the privately owned or managed faciliity, EPA will respond as described in the first paragraph above.

9. The Agency will incorporate these Indian policy goals into its planning and management activities, including its budget, operating guidance, legislative initiatives, management accountability system and ongoing policy and regulation development processes.

It is a central purpose of this effort to ensure that the principles of this Policy are effectively institutionalized by incorporating them into the Agency's ongoing and long-term planning and management processes. Agency managers will include specific programmatic actions designed to resolve problems on Indian reservations in the Agency's existing fiscal year and long-term planning and management processes.

WILLIAM D. RUCKELSHAUS.

[Memorandum from the U.S. Environmental Protection Agency, Washington, DC, July 10, 1991]

Subject: EPA/State/Tribal Relations.

To: Assistant Administrators, General Counsel, Inspector General, Regional Administrators, Associate Administrators, Staff Office Directors.

Earlier this year I shared with you my views concerning EPA's Indian Policy, its implementation and its future direction. I would now like to further emphasize my commitment to the Policy by endorsing the attached paper that was coordinated by Region VIII on EPA/State/Tribal relations.

This paper was prepared to formalize the Agency's role in strengthening tribal governments' management of environmental programs on reservations. The paper notes that the differences between the interests of tribal and state governments can be very sensitive and sometimes extend well beyond the specific issues of environmental protection. It reaffirms the general approach of the Agency's Indian Policy and recommends the strengthening of tribal capacity for environmental management. I believe the Agency should continue its present policy, making every effort to support cooperation and coordination between tribal and state governments, while maintaining our commitment to environmental quality.

I encourage you to promote tribal management of environmental programs and work toward that goal.

Please distribute this document to states and tribes in your region.

WILLIAM K. REILLY,
Administrator.

Attachment.

FEDERAL, TRIBAL, AND STATE ROLES IN THE PROTECTION AND REGULATION OF RESERVATION ENVIRONMENTS—A CONCEPT PAPER

I. BACKGROUND

William Reilly, in his first year as EPA administrator, reaffirmed the 1984 EPA Indian Policy and its implicit promise to protect the environment of Indian reservations as effectively as the Agency protects the environment of the rest of the country. The EPA Indian Policy is premised on tribal self-determination, the principle that has been set forth as federal policy by Presidents Nixon, Reagan, and Bush. Self-determination is the principle recognizing the primary role of tribal governments in determining the future course of reservation affairs. Applied to the environmental arena in the EPA Indian Policy, this principle looks to tribal governments to manage programs to protect human health and the environment on Indian reservations.

II. TRIBAL, STATE AND FEDERAL EXPECTATIONS

The Agency is sensitive to the fact that tribal and state governments have serious and legitimate interests in the effective control and regulation of pollution sources on Indian reservations. EPA shares these concerns and, moreover, has a responsibility to Congress under the environmental statutes to assure that effective and enforceable environmental programs are developed to protect human health and the environment throughout the nation, including Indian reservations.

Indian tribes, for whom human welfare is tied closely to the land, see protection of the reservation environment as essential to preservation of the reservations themselves. Environmental degradation is viewed as a form of further destruction of the remaining reservation land base, and pollution prevention is viewed as an act of tribal self-preservation that cannot be entrusted to others. For these reasons, Indian tribes have insisted that tribal governments be recognized as the proper governmental entities to determine the future quality of reservation environments.

State governments, in turn, recognize that the environmental integrity of entire ecosystems cannot be regulated in isolation. Pollution in the air and water, even the transportation of hazardous materials in everyday commerce, is not restricted to political boundaries. Accordingly, state governments claim a vital interest in assuring that reservation pollution sources are effectively regulated and, in many cases, express an interest in managing reservation environmental programs themselves, at least for non-Indian sources located on the reservations. In addition, some state officials have voiced the concerns of various non-Indians who live or conduct business within reservation boundaries, many of whom believe that their environmental or business interests would be better represented by state government than the tribal government.

Although the Agency hears these particular concerns expressed most often through tribal and state representatives, respectively, the Agency is aware that most of these concerns are shared by both tribes and states. For example, tribal governments are not alone in holding the view that future generations depend on today's leaders to manage the environment wisely. Many state officials argue the same point with the same level of conviction as tribal leaders. Conversely, tribal governments share with states the awareness that individual components of whole ecosystems cannot be regulated without regard to management of the other parts. Tribal governments have also shown themselves to share the states' sensitivity to the concerns and interests of the entire reservation populace, whether those interests are the interests of Indians or non-Indians. In the Agency's view, tribes and states do not differ on the importance of these goals. Where they differ at all, they differ on the means to achieve them.

EPA fully shares with tribes and states their concerns for preservation of the reservation as a healthy and viable environment, for rational and coordinated management of entire ecosystems, and, thirdly, for environmental management based on adequate input both from regulated businesses and from the populace whose health the system is designed to protect. Moreover, the Agency believes that all of these interests and goals can be accommodated within the framework of federal Indian policy goals and federal Indian law.

III. EPA POLICY

The EPA Indian Policy addresses the subject of state and tribal roles within reservation boundaries as follows:

(1) First, consistent with the President's policy, the Agency supports the principle of Indian self-government:

"In keeping with the principle of Indian self-government, the Agency will view Tribal Governments as the appropriate non-Federal parties for making decisions and carrying out program responsibilities affecting Indian Reservations, their environments, and the health and welfare of the reservation populace. Just as EPA's deliberations and activities have traditionally involved the interests and/or participation of State Governments, EPA will look directly to Tribal Governments to play this lead role for matters affecting reservation environments."

(2) Second, the Agency encourages cooperation between state, tribal and local goverenments to resolve environmental issues of mutual concern:

"Sound environmental planning and management require the cooperation and mutual consideration of neighboring governments, whether those governments be neighboring States, Tribes or local units of government. Accordingly, EPA will encourage early communication and cooperation among Tribes, States and local governments. This is not intended to lend Federal support to any one party to the jeopardy of the interests of the other. Rather, it recognizes that in the field of environmental regulation, problems are often shared and the principle of comity between equals often serves the best interests of both."

IV. PRINCIPLES AND PROCEDURES FOR EPA ACTION

EPA program managers will be guided by the following principles and procedures regarding tribal and state roles in the management of programs to protect reservation environments.

1. The Agency will follow the principles and procedures set forth in the EPA Policy for the Administration of Environmental Programs on Indian Reservations and the accompanying Implementation Guidance, both signed on November 8, 1984.

2. The Agency will, in making decisions on program authorization and other matters where jurisdiction over reservation pollution sources is critical, apply federal law as found in the U.S. Constitution, applicable treaties, statutes and federal Indian law. Consistent with the EPA Indian Policy and the interests of administrative clarity, the Agency will view Indian reservations as single administrative units for regulatory purposes. Hence, as a general rule, the Agency will authorize a tribal or state government to manage reservation programs only where that government can demonstrate adequate jurisdiction over pollution sources throughout the reservation. Where, however, a tribe cannot demonstrate jurisdiction over one or more reservation sources, the Agency will retain enforcement primacy for those sources. Until EPA formally authorizes a state or tribal

program, the Agency retains full responsibility for program management. Where EPA retains such responsibility, it will carry out its duties in accordance with the principles set forth in the EPA Indian Policy.

3. Under both authorized and EPA-administrated programs for reservations, the Agency encourages cooperation between tribes and states, acting in the spirit of neighbors with a mutual self-interest in protecting the environment and the health and welfare of the reservation populace. Such cooperation can take many forms, including notification, consultation, sharing of technical information, expertise and personnel, and joint tribal/state programming. While EPA will in all cases be guided by federal Indian law, EPA Indian Policy and its broad responsibility to assure effective protection of human health and the environment, the Agency believes that this framework allows flexibility for a wide variety of cooperative agreements and activities, provided that such arrangements are freely negotiated and mutually agreeable to both tribe and state. The Agency will not act in such a manner as to force such agreements.

4. The Agency urges states to assist tribes in developing environmental expertise and program capability. The Agency has assisted in funding state environmental programs for two decades, with the result that, today, state governments have a very capable and sophisticated institutional infrastructure to set and enforce environmental standards consistent with local states needs and policies. As the country now moves to develop an infrastructure of tribal institutions to achieve the same goals, state governments can play a helpful and constructive role in helping to develop and support strong and effective tribal institutions. The State of Wisconsin has worked with the Menominee Tribe to develop a joint tribal/state RCRA program that can serve as a model of mutually beneficial cooperation for other states and tribes.

5. The Agency urges tribes to develop an Administrative Procedures Act (APA) or other means for public notice and comment in the tribal rule-making process. Many tribes now working with EPA to develop environmental standards and regulatory programs have already taken the initiative in establishing such techniques for obtaining community input into tribal decision-making. Such tribes have enacted APAs and held public meetings to gather input from both Indian and non-Indian residents of the reservation prior to setting tribal environmental standards for their reservations. The Agency generally requires states and tribes to provide for adequate public participation as a prerequisite for approval of state or tribal environmental programs. The Agency believes that public input into major regulatory decisions is an important part of modern regulatory goverance that contributes significantly to public acceptance and therefore the effectiveness of regulatory programs. The Agency encourages all tribes to follow the example of those tribes that have already enacted an APA.

6. Where tribal and State governments, managing regulatory programs for reservation and state areas, respectively, may encounter transboundary problems arising from inconsistent standards, policies, or enforcement activities, EPA encourages the tribal and state governments to resolve their differences through negotiation at the local level. EPA, in such cases, is prepared to act as a moderator for such discussions, if requested. Where a statute such as the Clean Water Act designates a conflict-resolution role for EPA in helping to resolve tribal/state differences, EPA will act in accordance with the statute. Otherwise, EPA will respond generally to such differences in the same manner that EPA responds to differences between states.

V. CONCLUSION

The Agency believes that where an ecosystem crosses political boundaries, effective regulation calls for coordination and cooperation among all governments having a regulatory role impacting the ecosystem. Many differences among tribes and states, like differences among states, are a natural outgrowth of decentralized regulatory programs; these differences are best resolved locally by tribes and states acting out of mutual concern for the environment and the health of the affected populace. EPA actions and decisions made in carrying out its role and responsibilities will be consistent with federal law and the EPA Indian Policy. Within this framework, the Agency is convinced that the environmental quality of reservation lands can be protected and enhanced to the benefit of all.●

By Mr. MOYNIHAN:

S. 1688. A bill to amend the Internal Revenue Code of 1986 to modify the estate tax rules for noncitizen employees of international organizations; to the Committee on Finance.

ESTATE TAX REGULATIONS FOR EMPLOYEES OF INTERNATIONAL ORGANIZATIONS

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation at the request of the World Bank. It is my understanding that the estate tax rules as amended by the Technical and Miscellaneous Revenue Act of 1988 are producing a serious and unjustified tax burden on those employees of the World Bank and other international organizations who are neither U.S. citizens nor permanent resident aliens but who come to the United States temporarily for purposes of their employment at an international organization. The estate tax provisions in question may well be in violation of our international agreements. It is inappropriate for the burdens of U.S. estate taxation to fall upon these individuals should they die while present in the United States for purposes of employment with an international organization located here, and the bill I introduce today is intended to address this problem.

Mr. President, I ask unanimous consent that a memorandum prepared by the World Bank concerning this estate tax problem appear in the RECORD at this point. I further ask unanimous consent that the text of the bill appear in the RECORD immediately following the memorandum.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Memorandum]

U.S. ESTATE TAXATION OF NON-RESIDENT ALIEN STAFF OF THE WORLD BANK AND OTHER INTERNATIONAL ORGANIZATIONS

BACKGROUND

The U.S. Internal Revenue Code imposes estate taxation on the worldwide assets of U.S. citizens and persons "resident" (domiciled) in the United States, whether they hold a permanent visa or some other visa. It also imposes estate taxation on the U.S. assets (U.S. realty, tangible personalty located in the U.S., debt and equity investments in U.S. companies, but not life insurance payments, international organization pensions, and most bank accounts) of non-residents who are not citizens.

The Technical and Miscellaneous Revenue Act of 1988 (enacted Nov., 1988) (TAMRA) now severely and unduly burdens certain international organization staff and the organizations themselves. This occurs despite the Articles of Agreement of the Bretton Woods institutions, which provide that "no tax shall be levied on or in respect of salaries and emoluments paid . . . officials or employees . . . who are not local citizens, local subjects or other local nationals."

Approximately 80 percent of the World Bank's staff are not U.S. citizens. The Bank is required by the charter its member governments have agreed to, to recruit staff "on as wide a geographical basis as possible," subject to quality criteria, to assure that the Bank maintains a staff with broad experience and perspective essential to the Bank's mission. The staff of the World Bank that are neither U.S. citizens nor permanent resident aliens are brought to the United States to pursue the Bank's international purposes. Non-U.S. staff members who are brought to the United States for Bank employment will sometimes be considered resident (domiciled) here for U.S. estate tax purposes, even though U.S. immigration law generally does not permit survivors to remain in the United States after the death of the staff member. Because the existence of U.S. domicile cannot be determined with certainty before death, planning cannot adequately take account of this crucial factor. The burden of U.S. estate taxation will definitely deter able persons from joining and remaining a part of the Bank's staff.

SPECIFIC PROBLEMS

The problems created, inter alia, by TAMRA are:

(1) the disallowance of the estate tax marital deduction for estates of resident decedents where the surviving spouse is not a U.S. citizen;

(2) the inclusion of the full value of jointly-held property in the decedent's estate where the surviving spouse is not a U.S. citizen (unless the estate proves the spouse's money was used to purchase the property); and

(3) the application of the tax rates applicable to U.S. citizens and residents to non-residents, while retaining the $13,000 unified credit (offsets tax on $60,000) at the pre-TAMRA level.

The principal source of survivors' financial support in most cases will be the spouse's pension paid by the Bank which, where the marital deduction is not available, will be currently taxed at its full actuarial value. Heavy taxes, immediately payable, are generated by this non-cash, non-transferable asset valued at a high notional value. Further, where the use of the surviving spouse's money cannot be shown, the full appreciated net value of a family resident, also a non-cash asset, will likewise be taxed. For non-residents (where a credit offsetting only $60,000 is allowed, as compared to a credit offsetting $600,000 for U.S. citizens and "residents"), these rates begin at 26 percent and may go up to 55 percent (the pre-TAMRA rates began at 6 percent going up to 30 percent). For "residents" and U.S. citizens, rates begin at 37 percent going up to 55 percent.

Estate tax legislation enacted since TAMRA has not remedied or materially improved the situation. Qualified domestic trusts (QDT's), which provide a vehicle for deferring estate taxes where the spouse is not a U.S. citizen, are most useful for large estates having ample liquid assets. They are cumbersome and expensive for the typical estate of a World Bank staff member, where the principal assets are illiquid, i.e., the family residence and the pension. Deferred estate taxes may be forgiven where the surviving spouse becomes a U.S. citizen, but, realistically, many surviving spouses of expatriate Bank staff will have no opportunity to become U.S. citizens. Moreover, to condition fair treatment of a spouse, present in the U.S. by reason of the decedent's World Bank employment, on a change of citizenship would be gravely inimical to the international character of the organization.

The special treatment given jointly-held property paid for between 1982 and 1988 also does not materially improve matters. It complicates the law, and since it presumes that 100 percent of the property is taxable absent proof that the survivor paid for it, and it places an unrealistic premium on record-keeping for the ordinary household.

ACTION PROPOSED

The World Bank proposes that the extra burdens imposed by TAMRA be removed by returning to pre-TAMRA provisions. The Bank's proposal would restore the principal elements of the pre-TAMRA estate tax to non-U.S. staff whose presence in the U.S. rests on their status as international organization employees. The changes would apply to full-time Bank and other international organization employees who are neither U.S. citizens nor holders of permanent resident alien status. The proposal is intended to apply to the estate of every such decedent who held a G-4 (international organization employee) visa on the date of death, whether or not the decedent was actually physically present in the United States when he died. The proposal would:

(1) restore the marital deduction for such decedents who are resident (domiciled) in the United States regardless of the spouse's citizenship;

(2) restore the rule that 50 percent of jointly-held property is includible in the decedent's estate, regardless of the spouse's citizenship and the source of payment for the property; and

(3) restore the pre-TAMRA estate tax rates applied to employees who are non-resident non-citizens.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Internal Revenue Code of 1986 is amended by adding a new section 2210, to read as follows:

"SEC. 2210. CERTAIN INTERNATIONAL ORGANIZATION EMPLOYEES.

(a) RESIDENTS.—Section 2056(d)(1) shall not apply to the estate of a resident decedent who was not a citizen of the United States and was temporarily present in the United States by reason of being a full-time employee of an international organization on the date of death.

(b) NONRESIDENTS.—In the case of the estate of a decedent who was not a citizen or resident of the United States and was temporarily present in the United States by reason of being a full-time employee of an international organization on the date of death, section 2056(d)(1)(B) shall not apply, and the tax imposed by section 2101(a) shall be computed in accordance with the rate schedule contained in section 2101(d) (as in effect before its repeal by the Technical and Miscellaneous Revenue Act of 1988)."

(b) The amendments made by subsection (a) shall have effect for estates of decedents dying on or after the date of enactment of this Section.●

By Mr. KENNEDY:

S. 1689. A bill to amend the act of March 3, 1931 (Davis-Bacon Act), to revise the standard for coverage under that act, and for other purposes; to the Committee on Labor and Human Resources.

REFORM OF DAVIS-BACON ACT

Mr. KENNEDY. Mr. President, 60 years ago, Congress enacted the Davis-Bacon Act to promote stability and efficiency on federally funded construction projects, protect the Government and the taxpayer from shoddy contracting practices, and ensure that the spending power of the Federal Government is not misused to undermine local prevailing wage standards.

The simple premise that underlies the Davis-Bacon Act—that workers on federally funded construction projects should be paid no less than the wage rate prevailing in that locality for work of a similar nature—is as valid today as it was in 1931. The men and women who work in the construction industry—who build our bridges and our highways, our hospitals and schools—are as deserving today of the act's protections as they were 60 years ago.

In recent years, there have been numerous debates in this Chamber over various proposals to amend the Davis-Bacon Act, and in each instance this body has reaffirmed its support for the act and rejected attempts to weaken or limit its protections. However, in the course of those debates, both supporters and critics of the act have raised issues relating to the scope of the act's application and the manner in which it is administered and enforced that deserve to be seriously addressed—not in piecemeal fashion, but through a comprehensive set of reforms.

The time has come for us to take up the issue of Davis-Bacon reform. I am therefore introducing today a comprehensive set of proposed amendments to the Davis-Bacon that in my view represent a balanced and reasoned approach to the issues that have been raised in the course of our debates over this important statute.

One of the key provisions of this legislation is a substantial increase in the contract size threshold for coverage under the act from the current level of $2,000 for all construction contracts to $100,000 for contracts for new construction, and $15,000 for contracts for repair and alteration. The thresholds are out of date and the new levels will significantly reduce the burdens associated with administering small contracts.

The bill also would eliminate 75 percent of the paperwork necessary for employer payroll reporting under the Copeland Act, by requiring reports to be furnished monthly instead of weekly, as required under current law.

The bill also addresses concerns that the act is not being adequately enforced by adding new mechanisms for enforcing prevailing wage requirements against contractors who violate the law; by prohibiting the Department of Labor from issuing wage determinations based on out-of-date wage data; and by codifying the existing authority of the Secretary of Labor to issue regulations, administrative decisions and legal interpretations concerning application of the act that are final and binding on other agencies. Other major provisions would strengthen current law requiring prevailing wages on Federal lease/construction projects; define the scope of prevailing wage surveys to include all similar construction work in the applicable area; statutorily define the terms "apprentice," "trainee," and "helper" and limit their use to prevailing local practices; and clarify the application of State or local prevailing wage laws to projects covered by the Davis-Bacon Act.

These are major and timely reforms to improve the administration and enforcement of the act while preserving its important protections for workers, taxpayers, and the Government. I urge my colleagues to support this legislation, and I ask unanimous consent that the text be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DAVIS-BACON ACT REVISION.

The Act of March 3, 1931 (known as the Davis-Bacon Act) (40 U.S.C. 276a et seq.) is amended to read as follows:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'Davis-Bacon Act'.

"SEC. 2. CONTRACT REQUIREMENTS.

"(a) REQUIRED PROVISIONS.—

"(1) IN GENERAL.—A contract described in subsection (b) shall—

"(A) contain a provision stating that the various classes of laborers and mechanics under the contract shall be paid minimum wages based upon wages determined by the Secretary under subsection (b) to be prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the city, town, or other civil subdivision of the State in which the work is to be performed or in the District of Columbia if the work is to be performed there; and

"(B) contain a stipulation that the contractor or subcontractor under the contract shall pay all laborers and mechanics under the contract—

"(i) unconditionally;

"(ii) not less often than once a week; and

"(iii) without subsequent deduction or rebate on any account;

the full amounts accrued at time of payment irrespective of any contractual relationship which may be alleged to exist between the contractor or subcontractor and such laborers or mechanics.

"(2) LABORER OR MECHANIC.—An individual shall for purposes of this subsection be considered a laborer or mechanic under a contract subject to this subsection if the person who entered into the contract paid, directly or through a subcontract, compensation to the individual for services performed as a laborer or mechanic to carry out the contract.

"(b) CONTRACTS COVERED.—

"(1) IN GENERAL.—The requirements of subsection (a) apply to any contract—

"(A) to which the United States or the District of Columbia is a party, or for the construction, prosecution, completion, alteration, repair, renovation, demolition or reconstruction of buildings or works financed in whole or in part by loans, grants, revolving funds or loan guarantees from the United States, or constructed on land owned by the United States unless exempted or otherwise limited by Federal law; and

"(B) which is in excess of—

"(i) $100,000 for new construction (including painting and decorating; or

"(ii) $15,000 for alteration, repair, renovation, rehabilitation, demolition or reconstruction (including painting and decorating);

of public buildings or public works of the United States or the District of Columbia or of buildings or works financed in whole or in part by loans, grants, revolving funds, revolving funds or loan guarantees from the United States, or constructed on land owned by the United States unless exempted or otherwise limited by Federal law.

"(2) PREEMPTION.—Neither the requirements of subsection (a) or the provisions of any other Federal law or regulation shall preempt the application of requirements for the payment of wages or fringe benefits or both adopted by State, local and tribal governments otherwise applicable to contracts for the construction, prosecution, completion, alteration, repair, renovation, demolition or reconstruction of buildings and works financed in whole or in part by loans, grants, revolving funds or loan guarantees from the United States, or constructed on land owned by the United States, unless compliance with such requirements would make it impossible to comply with the requirements of subsection (a).

"(3) MULTIPLE CONTRACTS.—

"(A) IN GENERAL.—Any 2 or more contracts for any construction project (including any alteration, repair, renovation, rehabilitation, reconstruction, demolition, painting or decorating project) that—

"(i) individually do not exceed the applicable amount prescribed by paragraph (1)(B);

"(ii) in the aggregate do exceed such amount; and

"(iii) all relate to the same work or related work at the same project;

shall be treated as a single contract for purposes of subsection (a).

"(B) ENFORCEMENT.—For the purpose of enforcing the requirements of subsection (a) for contracts which under subparagraph (A) are to be treated as a single contract, any interested person may bring an action against the Secretary of the department, the head of the agency, or contracting authority which entered into such contracts. Such an action may be brought in any United States district court for the district in which the violation of subsection (a) is alleged to have been committed or in the United States District Court for the District of Columbia. Such an action shall be commenced not later than 90 days after the day on which the last labor was performed under the contract with respect to which the action is brought.

"(C) RELIEF.—If in an action brought under subparagraph (B) the court finds that there has been a violation of subsection (a), the court may order such relief as may be appropriate, including—

"(i) compliance with subsection (a) in the payment of wages under the contracts subject to subsection (a); and

"(ii) the payment by the Secretary of the department, the head of the agency, or contracting authority which entered into such contracts of prevailing wage rates in accordance with that subsection from the date construction began under the contracts involved in such action until the date of the judgment of the court, together with interest, at a rate determined by the court, based on the difference between the wages paid under such contracts and the wages required to be paid under such contracts by subsection (a).

"(D) ATTORNEY'S FEES.—If an interested person prevails in an action brought under subparagraph (B), the court in such action shall assess the defendants in the action a reasonable attorney's fee and other litigation costs reasonably incurred by the interested person.

"(4) LEASES.—If the United States or the District of Columbia has entered into a contract to lease a building or work or portion thereof and if performance of a contract for the construction, alteration, repair, renovation, rehabilitation, demolition or reconstruction of the building or work or portion thereof subject to the lease is required for fulfillment of the contract to lease, the contract for the construction, alteration, repair, renovation, rehabilitation, or reconstruction of the facility shall be subject to subsection (a) if the contract meets the requirements of paragraph (1)(B).

"(c) APPRENTICES, TRAINEES, AND HELPERS.—

"(1) APPRENTICES.—An apprentice who is employed under a contract subject to subsection (a) may be paid less than the rate required by such subsection if the apprentice is—

"(A) employed pursuant to and individually registered in a bona fide apprenticeship program registered with the Bureau of Apprenticeship and Training of the Department of Labor or with a State Apprenticeship Agency recognized by the Bureau; or

"(B) employed in the apprentice's first 90 days of probationary employment as an apprentice in such an apprenticeship program and is not individually registered in the program but has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

"(2) TRAINEES.—A trainee who is employed under a contract subject to subsection (a) may be paid less than the rate required by such subsection if the trainee is employed pursuant to and individually registered in a program which has received prior approval which is evidenced by formal certification by the Bureau of Apprenticeship and Training of the Department of Labor.

"(3) WAGE RATES.—Notwithstanding any other provision of law, no apprentice or trainee will be permitted to work under a contract subject to subsection (a) at less than the prevailing wage rate unless such apprentice or trainee is registered in a program described in paragraph (1) or (2).

"(4) HELPERS.—A helper who is employed under a contract subject to subsection (a) may be paid less than the rate required by such subsection if—

"(A) the helper is employed in a classification of helpers the use of which prevails in the area in which the helper is employed;

"(B) the scope of the duties of the helper is defined and is separate and distinct from the duties of either a laborer or a mechanic; and

"(C) the helper is not used as informal apprentice or trainee.

"(d) POSTING.—A contractor or subcontractor under a contract described in subsection (b) shall post the scale of wages required to be paid under such contract in a prominent and easily accessible place at the site of the contract work.

"SEC. 3. WAGES.

"(a) DEFINITION.—As used in this Act, the terms 'wages', 'scale of wages', 'wage rates', and 'minimum wages' include—

"(1) the basic hourly rate of pay; and

"(2) the amount of—

"(A) the rate of contribution irrevocably made by a contractor or subcontractor to a trustee or to a third person pursuant to a fund, plan, or program; and

"(B) the rate of costs to the contractor or subcontractor which may be reasonably anticipated in providing benefits to laborers and mechanics pursuant to an enforceable commitment to carry out a financially responsible plan or program which was communicated in writing to the laborers and mechanics affected;

for medical or hospital care, pensions on retirement or death, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, for unemployment benefits, life insurance, disability and sickness insurance, or accidental insurance, for vacation and holiday pay, for defraying costs of apprenticeship, joint labor-management committees or similar programs, or for other bona fide fringe benefits, but only if the contractor or subcontractor is not required by other Federal, State, or local law to provide any of such benefits.

"(b) PREVAILING WAGE.—

"(1) DEFINITION.—For purposes of paragraph (2), the term 'prevailing wage' when used to describe the wages required to be paid a laborer or mechanic under a contract subject to section 2(a) means the wages determined by the Secretary to be prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the city, town, or other civil subdivision of the State in which the work is to be performed or in the District of Columbia if the work is to be performed there. In making such a determination for projects of a particular character in an area, the Secretary shall consider the wages paid for all projects regardless of the source of funding of the same character in the area under contracts which have been entered into for amounts not less than the amounts prescribed by clause (i) or (ii) of section 2(b)(1)(B).

"(2) WAGE DETERMINATIONS.—For purposes of a contract subject to section 2(a), the Secretary shall issue wage determinations based upon the most recent data submitted to the Secretary. No wage determination that is based on data that is older than 3 years shall be considered "prevailing" within the meaning of this Act. In the event that the Secretary has no such data, the prevailing wage for purposes of such contract shall be the highest prevailing wage determined by the Secretary to be prevailing in an area in the State which is comparable to the area in which the contract is to be performed.

"(c) WAGE PAYMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the obligation of a contractor or subcontractor to make wage payments in accordance with the prevailing wage determinations of the Secretary, insofar as this Act and other Acts incorporating this Act by reference are concerned, may be discharged by—

"(A) the making of payments in cash;

"(B) the making of contributions of a type referred to in subsection (a) (2);

"(C) the assumption of an enforceable commitment to bear the costs of a plan or program of a type referred to in subsection (a)(2); or

"(D) any combination thereof.

"(2) CONTRIBUTIONS AND COSTS.—In discharging the obligation to make wage payments to laborers and mechanics in accordance with the prevailing wage determinations of the Secretary, a contractor or subcontractor may only include contributions described in subsection (a)(2)(A) and costs described in subsection (a)(2)(B) which do not exceed the aggregate of contributions and costs determined by the Secretary to be prevailing under subsection (b).

"(d) OVERTIME.—In determining the overtime pay to which a laborer or mechanic is entitled under any Federal law, the regular or basic hourly rate of pay (or other alternative rate upon which premium rate of overtime compensation is computed) of the laborer or mechanic shall be deemed to be the basic hourly rate of pay, except that where the amount of payments, contributions, or costs incurred with respect to the laborer or mechanic exceeds the prevailing wage applicable under subsection (b), the basic hourly rate of pay shall be arrived at by deducting from the amount of payments, contributions, or costs actually incurred with respect to the laborer or mechanic, the amount of contributions or costs of the type described in subsection (a)(2) actually incurred with respect to the laborer or mechanic or the amount determined under subsection (a)(2) but not actually paid, whichever amount is the greater.

"SEC. 4. ENFORCEMENT.

"(a) ACTION BY THE SECRETARY.—The Secretary, on the initiative of the Secretary or at the request of a laborer or mechanic, or interested person, shall investigate compliance by a contractor with the requirements of section 2 and may take such action under section 8(1) to secure compliance with such requirements as may be appropriate.

"(b) COVERAGE REVIEW.—

"(1) PETITION FOR REVIEW OF COVERAGE.—If the Secretary of a department, head of an agency, or contracting authority determines that a contract entered into by the Secretary, agency head, or contracting authority which involves construction (including alteration, repair, renovation, rehabilitation, reconstruction, demolition, painting, or decorating) of a building or works is not subject to section 2(a), any interested person may petition the Administrator to review such determination. The Administrator shall complete the review requested and issue a decision within 60 days of the date the petition is received. Such decision shall be reviewable by the Secretary of Labor who shall make a determination within 90 days. Such determination shall be binding upon the Secretary of a department, agency head or contracting authority.

"(2) JUDICIAL REVIEW.—

"(A) IN GENERAL.—Any interested person adversely affected or aggrieved by—

"(i) the determination by the Secretary of Labor made on a petition filed under paragraph (1); or

"(ii) if the Secretary denies a petition filed under paragraph (1), the determination of a Secretary of a department or head of an agency under paragraph (1) with respect to which the petition was filed;

may obtain review of such determination in any United States court of appeals for the circuit in which such person is located or in the United States Court of Appeals for the District of Columbia Circuit by filing in such court, within 60 days following issuance of such determination, a written petition praying that such determination be modified or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court in which it is filed to the Secretary or agency head which made the determination and to other interested persons.

"(B) FILING OF RECORD.—Upon transmittal of the petition, the Secretary, agency head, or contracting authority which made the determination shall file in the court the record of the proceeding upon which the decision to be reviewed was made and the questions determined in the proceeding as provided in section 2112 of title 28, United States Code. Upon such filing, the court—

"(i) shall have exclusive jurisdiction of the proceeding and of the questions determined in the proceeding; and

"(ii) shall have the power—

"(I) to grant such temporary relief or restraining order as it deems just and proper;

"(II) to decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning or applicability of the terms of the determination subject to review and in so doing, the court shall apply the standards of review set forth in section 706 of title 5, United States Code;

"(III) to make and enter upon the pleadings, testimony, and proceedings set forth in the record a decree affirming, modifying, or setting aside, in whole or in part, the determination subject to review; and

"(IV) to enforce such determination to the extent that it is affirmed or modified.

The decision of the court shall be final except that it shall be subject to review by the Supreme Court of the United States as provided in section 1254 of title 28, United States Code.

"(c) ADMINISTRATIVE COMPLAINT PROCEDURE.—

"(1) IN GENERAL.—Any laborer or mechanic under a contract with the United States or the District of Columbia or another contract described in section 2(b)(1) or any interested person may file an administrative complaint with the Administrator to review the wage payments to the laborer or mechanic under such contract to determine if the wage payments have been made in accordance with section 2(a).

"(2) ADMINISTRATOR.—

"(A) DETERMINATION.—The Administrator shall determine if wage payments have been made in accordance with section 2(a) within 120 days of the receipt of the administrative complaint.

"(B) HEARING.—Either the complainant or the employer involved in the administrative complaint may, within 15 days of the date of issuance of the determination of the Administrator, request a hearing on the determination before an administrative law judge. The determination of the Administrator shall be deemed to be a final agency action if no request for a hearing is made within such 15 days.

"(C) REQUEST FOR REFERENCE.—If the Administrator does not make a determination on an administrative complaint within 120 days of its receipt, the complainant may request that the administrative complaint be referred to the Chief Administrative Law Judge of the Department of Labor for assignment to an Administrative Law Judge of the Department of Labor to make the determination requested by the administrative complaint.

"(3) ADMINISTRATIVE LAW JUDGE.—

"(A) IN GENERAL.—The administrative law judge—

"(i) to whom a determination of the Administrator has been referred under a request for a hearing under paragraph (2)(B); or

"(ii) to whom an administrative complaint has been referred under a request for a hearing pursuant to paragraph (2)(C);

shall within 90 days of a request conduct a hearing on the record in accordance with section 554 of title 5, United States Code, with respect to such administrative complaint or determination.

"(B) HEARINGS.—In any proceeding before an administrative law judge, the employer under the contract reviewed shall have the burden of demonstrating that the wage payments under the contract were made in accordance with such section. The administrative law judge shall have the power to issue orders requiring the attendance and testimony of witnesses and the production of evidence under oath. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In the case of contumacy, failure, or refusal of any person to obey such order, any District Court of the United States or of any Territory or possession, within the jurisdiction of which the inquiry is carried on, or within the jurisdiction of which said person who is guilty of contumacy, failure, or refusal is found, or resides or transacts business, upon the application by the Administrator or the complainant, shall have jurisdiction to issue to such person an order requiring such person to appear before him or representative designated by him, to produce evidence if, as, and when so ordered, and to give testimony relating to the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof. The administrative law judge shall issue a decision as to whether wage payments have been made in accordance with section 2(a) within 30 days after he receives the transcript of the hearing proceedings.

"(C) REVIEW BY SECRETARY.—Within 30 days of the date of issuance of the decision by an administrative law judge, the complainant or the employer involved in the petition may request the Secretary to review the decision of the administrative law judge. The decision of the administrative law judge shall be deemed to be a final agency action if no request for review is made within such 30-day period or, within 30 days of the date the decision is made, the Secretary does not grant a request to review the decision of the administrative law judge.

"(D) GRANTING OF REQUEST TO REVIEW.—The Secretary may grant a request to review a decision of an administrative law judge only if the Secretary determines that the request presents a substantial question of law or fact. If the Secretary grants a request for a review, the Secretary, within 90 days after receiving the request, shall review the record and either adopt the decision of the administrative law judge or issue exceptions. The decision of the administrative law judge, together with any exceptions, shall be deemed to be a final agency action.

"(4) WITHHOLDING OF SUMS.—Upon a determination by the Administrator pursuant to paragraph (2), or the administrative law judge pursuant to paragraph (3), based on a finding that petitioner is likely to succeed on the merits of his or her claim, the Secretary of Labor shall direct the Secretary of the department or the head of the agency, or contracting authority which entered into the contract subject to the requirements of section 2 to withhold from any moneys payable on account of work performed by the contractor or subcontractor under such contract, any other contract described in section 2(b)(1), or any other federally-funded or assisted contract the contractor may have with the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in paragraph (5)(A).

"(5) DECISION.—The decision of the Administrator, an administrative law judge, or the Secretary on a petition under this subsection for the review of the wage payments under a contract may include—

"(A) the awarding of damages to the petitioner in the amount of twice the amount of wages not paid in accordance with section 2(a) if it is found on review of the petition that the petitioner was willfully not paid wages in accordance with such section; and

"(B) in addition to any award to the petitioner, a reasonable attorney's fee to be paid by the employer and the cost of the action.

"(6) PAYMENTS.—The Secretary shall pay directly to laborers and mechanics from any accrued payments withheld under the terms of the contract any wages found by the Secretary of Labor under this subsection to be due laborers and mechanics under section 2(a). The Secretary shall distribute a list to all departments of the Federal Government giving the names of the person and/or corporation, partnership or association the Secretary of Labor has found under this subsection to have disregarded their obligations to employees and subcontractors. No contract shall be awarded to the persons and/or corporations, partnerships or associations appearing on this list or to any corporation, partnership, or association in which such persons have an interest until 3 years (or 5 years in the case of a second debarment) have elapsed from the date of publication of the list containing the names of such persons and/or corporation, partnership, or associations.

"(7) RIGHT OF ACTION.—If the accrued payments withheld under the terms of a contract subject to section 2(a) are insufficient to reimburse all the laborers and mechanics with respect to whom there has been a failure to pay the wages required by such section, the Secretary shall bring an action against the contractor and the contractor's sureties for the payment of the wages required by such section, and in such an action it shall be no defense that such laborers and mechanics accepted or agreed to accept less than the required rate of wages or voluntarily made refunds.

"(8) TIME.—An action seeking judicial review of a final agency action under this subsection shall be brought within 30 days of the date of such action.

"(d) CIVIL ACTIONS.—

"(1) IN GENERAL.—Any employer who violates section 2(a) shall be liable to each laborer or mechanic affected in the amount of the laborer or mechanic's unpaid wages and, if the violation was willful, in an additional equal amount as liquidated damages.

"(2) ACTIONS.—An action to recover the liability prescribed by paragraph (1) may be maintained against any employer in any Federal or State court of competent jurisdiction by any interested party or by any one or more laborers or mechanics for and in behalf of the laborer or mechanic or laborers or mechanics and other laborers or mechanics similarly situated. No laborer or mechanic may be a party plaintiff to any such action unless the laborer or mechanic gives the laborer or mechanic's consent in writing to become such a party and such consent is filed in the court in which such action is brought. No civil action may be brought or maintained under this paragraph by a laborer or mechanic with respect to the laborer or mechanic's wages if a petition is or has been filed by that laborer or mechanic under subsection (c) with respect to the laborer or mechanic's wages.

"(3) ATTORNEY'S FEE.—The court in an action brought under paragraph (2) shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant and the cost of the action.

"SEC. 5. TERMINATIONS.

"Every contract subject to section 2(a), shall contain a provision that in the event it is found by the contracting officer or the Administrator that any laborer or mechanic covered by the contract has been or is being paid a rate of wages less than the rate of wages required by section 2(a) to be paid under the contract or subcontract, the Government may, by written notice to the contractor, terminate the right of such contractor to proceed with the work or such part of the work as to which there has been a failure to pay the required wages and to prosecute the work to completion by contract or otherwise. The contractor and its sureties shall be liable to the Government for any excess costs incurred by the Government because of the termination of the contract.

"SEC. 6. CONSTRUCTION.

"This Act shall not be construed to supersede or impair any authority otherwise granted by Federal law to provide for the establishment of specific wage rates.

"SEC. 7. NATIONAL EMERGENCY.

"In the event of a national emergency, the President may suspend the provisions of this Act.

"SEC. 8. ADMINISTRATION OF ACT.

"The Secretary of Labor shall—

"(1) take such action as may be appropriate to ensure compliance with the requirements of this Act and to enforce its requirements; and

"(2) promulgate appropriate standards and procedures to be observed by contracting officers with respect to contracts to which this Act applies.

An action by the Secretary under section 4 or this section or by a court under section 4 to enforce the requirements of this Act with respect to a contract shall require the application of this Act to the contract from the date of the contract or the beginning of the work.

"SEC. 9. DEFINITIONS.

"As used in this Act:

"(1) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Wage and Hour Division of the Department of Labor.

"(2) CONSTRUCTION, ETC.—The terms 'construction', 'prosecution', 'completion', 'repair', 'alteration', 'renovation', 'demolition' and 'reconstruction' mean all types of work performed by laborers and mechanics which relates to a particular building or work financed in whole or in part by loans, grants, revolving funds or loan guarantees from the United States, or located on land owned by the United States unless exempted or otherwise limited by Federal law, including without limitation, altering, remodeling, painting and decorating, the transporting of materials and supplies to or from the building or work by the employees of the construction contractor or its subcontractors, including independent hauling contractors, and the manufacturing or furnishing of materials, articles, supplies or equipment for the project from facilities dedicated exclusively, or nearly so, to the prosecution of the building or work financed in whole or in part by loans, grants, revolving funds or loan guarantees from the United States, or located on land owned by the United States unless exempted or otherwise limited by federal law.

"(3) INTERESTED PERSON.—The term 'interested person' means any contractor likely to seek or to work under a contract to which section 2(a) applies, any association representing such a contractor, any laborer or mechanic likely to be employed or to seek employment under such a contract, or any labor organization which represents such a laborer or mechanic.

"(4) PROJECT.—The term 'project' means all construction necessary to complete a new facility, building or work, or to complete an alteration, repair, renovation, rehabilitation, demolition or reconstruction (including painting and decorating) of a facility, building or work, regardless of the number of contracts involved so long as all contracts are related in purpose and time.

"(5) SECRETARY.—The term 'Secretary' means the Secretary of Labor.".

SEC. 2. PAYROLL INFORMATION.

(a) AMENDMENTS TO COPELAND ACT.—Section 2 of the Act of June 13, 1934 (40 U.S.C. 276c) is amended—

(1) in the first sentence, by striking out everything after "shall" the second time it appears and inserting in lieu thereof the following: "maintain payroll and other basic records relating to the payroll for the work on such buildings or public works, preserve such records for a period of 3 years after the completion of such work, and furnish with respect to employees employed in such work and not later than the 10th day of each month a statement which sets forth the following information for each employee for each payroll period ending during the preceding calendar month: The name, address, social security number, employment classification, number of hours worked daily and during the payroll period, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits), all deductions made, and actual wages paid."; and

(2) by adding after the first sentence the following: "If a contractor or subcontractor fails timely to submit the certified payroll reports as required herein, the Secretary of the department or the head of the agency which entered into or authorized the funding of the contract subject to the requirements of this section shall suspend all payments to the contractor or subcontractor. Any interested person may obtain a copy of any statement provided under this section from any department, agency or contracting authority which is required by law, regulation, or the

terms of a contract or grant, to maintain a record of such statement notwithstanding section 552(b) of title 5, United States Code.".

(b) ELECTRONIC REPORTING.—The Secretary of Labor shall undertake a study to determine the feasibility of employers using electronic methods to comply with the reporting requirements under section 2 of the Act of June 13, 1934. The Secretary shall report to the Congress not later than one year after the date of the enactment of this Act on actions taken by the Secretary and employers to facilitate electronic reporting of payroll information.

By Mr. BRYAN (for himself, Mr. GORTON, and Mr. MCCAIN):

S. 1690. A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, and for other purposes; to the Committee on Commerce, Science, and Transportation.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION

• Mr. BRYAN. Mr. President, as chairman of the Commerce Committee's Consumer Subcommittee, and a cochairman of the Congressional Fire Service Caucus, I am pleased to introduce this legislation to reauthorize the U.S. Fire Administration. I am joined in this effort by Senator GORTON, the ranking Republican member of the Consumer Subcommittee, and Senator MCCAIN, who also is a member of the Consumer Subcommittee. I appreciate their valuable assistance.

The U.S. Fire Administration, located in Emmitsburg, serves as the focus of our Nation's Federal Fire Protection effort. Its purpose is to enhance the safety and protection of Americans from the dangers of fire.

In 1968, the National Commission on Fire and Control was established to study our Nation's fire problem. The Commission was composed of members from the Fire Service, academia, the administration, and the Congress. After several years of research and study, the Commission issued its report, "America Burning." The Commission's report concluded that America had one of the worst fire records of any country in the industrialized world. The Commission urged the establishment of a Federal fire agency to address our Nation's fire problem, which led to the establishment of the U.S. Fire Administration in 1974.

The U.S. Fire Administration serves as the Federal Government's vehicle for promotion of fire safety throughout the Nation. Its activities include research and development programs to reduce the number of fire-related deaths and injuries in the United States; coordination of safety and education programs with State and local governments; and the institution of public and private initiatives to promote fire safety throughout the country. The Fire Administration also serves as our National Fire Data and Resource Center for the collection and dissemination of information on fire-related issues. I also am pleased with the recent reestablishment of the National Fire Academy within the U.S. Fire Administration. This, in my opinion, will lead to more efficiency and consistency in the coordination of educational and training programs for our Nation's firefighters and fire departments.

The fire problem in the United States is still a serious matter. Each year over 6,000 Americans are killed, and 30,000 are injured in our Nation's fires. The two groups that are at the greatest risk are the elderly and young children. More than 2.4 million fires are reported in the United States every year, and it is believed that approximately 20 million more are unreported. These cost the American public $30 billion a year.

These statistics are sound evidence of the importance and continued need for our Nation's fire agency. This legislation seeks to provide the Federal Fire Administration with the necessary funding to carry out its much needed programs. It is identical to legislation that has passed the House of Representatives as H.R. 2042. The legislation authorizes funding for fiscal years 1992 through 1994. The authorized funding is $25,550,000 for 1992, $26,521,000 for fiscal year 1993, and $27,529,000 for fiscal year 1994. The 1992 amount is consistent with the administration's budget request. The amounts for 1993 and 1994 reflect increases for inflation.

In expending its funds, the agency would be required to give priority to several issues and programs, including: First, reducing the incidence of residential fires, especially residences of the young and elderly; second, strengthening programs that help protect the lives and safety of fire and emergency medical services personnel; and, third, enhancing residential sprinkler programs. In addition, the legislation requires the Fire Administration to report to Congress on its progress in implementing the Hotel and Motel Fire Safety Act of 1990. This legislation was passed by the Congress to encourage the installation of sprinklers and smoke detectors in hotel and motel facilities, and thereby improve the fire safety of public accommodations.

This legislation is a demonstration of the Congress' commitment to addressing our Nation's fire problem. By supporting this legislation, we will be providing not only the necessary authorization for the U.S. Fire Administration, but also much needed assistance to the more than 2 million firefighters and 25,000 fire departments around the country, who are fighting every day to save lives. I urge my colleagues to support the legislation.•

By Mr. DIXON (for Mr. GRASSLEY, Mr. KERRY, Mr. SHELBY, Mr. HELMS, Mr. BURDICK, Mr. DODD, Mr. SASSER, Mr. HARKIN, Mr. D'AMATO, Ms. MIKULSKI, Mr. LIEBERMAN, Mr. BOREN, Mr. ADAMS, Mr. DURENBERGER, Mr. DASCHLE, Mr. CONRAD, Mr. WOFFORD, Mr. WARNER, Mr. GORE, Mr. JOHNSTON, Mr. RIEGLE, and Mr. BREAUX):

S. 1691. A bill to amend title 18, United States Code, to govern participation of Federal Prison Industries in Federal procurements, and for other purposes; to the Committee on the Judiciary.

FEDERAL PRISON INDUSTRIES COMPETITION IN CONTRACTING ACT

Mr. DIXON. Mr. President, together with Senators GRASSLEY, KERRY, SHELBY, HELMS, BURDICK, DODD, SASSER, HARKIN, D'AMATO, MIKULSKI, LIEBERMAN, BOREN, ADAMS, DURENBERGER, DASCHLE, CONRAD, WOFFORD, WARNER, GORE, JOHNSTON, RIEGLE, and BREAUX, I rise today to introduce the Federal Prison Industries Competition in Contracting Act. This bill makes a series of long overdue changes in the statute authorizing the operation of Federal Prison Industries [FPI], a national network of prison workshops operated by the Federal Bureau of Prisons.

The objectives of the legislation are simple and straightforward: First, to make FPI more responsible and more accountable in its business dealings with its Federal agency customers, who are today its virtual captives. And, second to make FPI less predatory and more predictable to the small business community for whom its almost unique brand of unfair competition is becoming increasingly threatening.

As chairman of the Subcommittee on Government Contracting and Paperwork Reduction of the Committee on Small Business, I held two hearings during the last Congress to review how FPI has become a serious threat to many small firms as it expands the range and depth of its activities in the Federal marketplace.

FPI is a truly formidable player in the Federal procurement market. A Government-owned corporation, FPI centrally manages a network of 72 factories located in 43 Federal correctional facilities, using an inmate work force of nearly 14,000. In 1968, FPI had annual sales of $55.1 million. By the end of the 1970's, it had annual sales of $102.8 million. In 1988, its sales to Federal agencies totaled $335.9 million. Mr. President, if FPI had been ranked among the Top 100 Federal contractors for fiscal year 1988, FPI would have ranked 58th, just ahead of the Chrysler Corp. One year later, FPI's sales totaled $360.7 million, which would have placed it at No. 50 in the Top 100, just behind Motorola. Its sales to the Government surpassed many firms that are almost household words: Exxon, Control Data, Eastman Kodak, and Bechtel, to name but a few.

My colleagues may be wondering how FPI can rack up such sales. They may be thinking that FPI has better quality, more competitive price, more timely delivery, or a combination of all three. Were such a situation actually the case, Mr. President. Small business entrepreneurs could understand that kind of competition.

In reality, what gives FPI its greatest advantage is the 1934 statute which authorized FPI, and accorded it a very special place in the Federal procurement process. In the jargon of Government contracting, FPI is a mandated source of supply. Simply put, if a Federal agency has a requirement for a product offered by FPI, the agency must provide FPI with the opportunity to negotiate the sale on a sole-source basis. In fact under the regulations implementing the statute, FPI has expended its statutory authority to require an agency to obtain FPI's clearance before seeking competitive bids from private firms. Small business government contractors have come to refer to this FPI's super preference.

Mr. President, FPI's preferential treatment does not end with having the contract opportunity served-up on a silver platter. Essentially, FPI is the final judge concerning whether its product and schedule meet the buying agency's needs. This is in stark contrast to the procurement procedures applied to private contractors, small or large. A private contractor must unequivocally agree to meet the Government's specifications and the specified delivery schedule.

Even in the negotiation of price, FPI exercises authorities that provide it a very superior bargaining position. FPI has cultivated the myth that agency contracting officers cannot subject FPI's offer to the same forms of price analysis or cost analysis used to dissect the quotations offered by a private contractor in a sole source negotiation. Further, every small business, by statute, must be prepared to demonstrate that its price meets a "fair market price" standard, even in a competitive environment. FPI statute only requires that it offer a "current market price," a term conveniently left undefined in FPI's statute or in the Government-wide procurement regulation.

Mr. President, the Department of Defense Inspector General has recently finished a review of prices charged by FPI for wire and cable harness products sold to various buying activities of the Army, Navy, and Defense Logistics Agency. The results will not be favorable to FPI. Since the report is now being reviewed and commented upon by the senior procurement managers within the Defense Department, it would be inappropriate to comment on the results in any detail. However, of 54 contracts sampled during the review 48 were determined to reflect overpricing by FPI. A general conclusion reached by the DOD IG was that many of the problems identified would not exist if contracting officers had specific guidance related to procurements from FPI.

The legislation that I am introducing today would correct this situation. It will substantially strengthen the hand of the Government's contracting officer in dealing with FPI. It will make clear that FPI has to meet the same standards as any other vendor seeking to obtain a Government contract.

Problems of uncertainty regarding the contracting officer's authority with respect to FPI are not restricted to the contract award phase. Federal procurement regulations fail to make explicit that FPI should not be accorded any preferential treatment during contract performance. This uncertainty has serious adverse results for those agencies buying and seeking to use products furnished by FPI. Small business firms appearing at the hearings held by the Small Business Committee also asserted that FPI was not held to the same performance standards as private sector contractors.

The DOD IG has also been undertaking a rather comprehensive review of the manner in which various DOD buying activities monitor the performance of their contractors and deal with those who would seek to furnish products or services that fail to adhere to specifications. This work is being undertaken for the Committee on Governmental Affairs. During the course of this review, the DOD IG auditors noted that one contractor seemed to be the recipient of substantially more quality deficiency reports, QDRs in the jargon of Government contracting. These deficiencies cover not only substandard work, but also serious delays in performance. As you might have suspected, Mr. President, the contractor with such a glaringly poor performance record was Federal Prison Industries. The DOD IG is now expanding the scope of its review regarding FPI performance on contracts with the Department of Defense.

As chairman of the Subcommittee on Readiness, Sustainability, and Support of the Committee on Armed Services, I intend to schedule a hearing so that representatives of the DOD IG can present their findings regarding both overpricing and shoddy performance to the subcommittee. Both have a direct bearing on the readiness of our Armed Forces. If FPI is overcharging the Department of Defense, readiness funds are going to sustain Bureau of Prisons activities. These important penal programs should be funded from Department of Justice appropriations not Defense Department appropriations. Substandard material, received from FPI or any private sector contractor, can endanger the lives of our brave military personnel as well as impede their ability to perform their missions. I intend to schedule such a hearing as soon as the DOD IG is in a position to testify on the findings of both of these reports.

Again, Mr. President, the legislation I am introducing today will make explicit the contracting officer's authorities to compelling complete and timely performance of all contract obligations by FPI.

FPI's enabling statute prohibits FPI from capturing more than a reasonable share of the Federal market for any specific product. FPI is also expressly prohibited from operating in a manner that would place an undue burden on private competitors. As one might expect, there is little agreement between FPI and the small business community regarding what these two statutory requirements mean in practical terms. In fact, there is little agreement regarding FPI present market share.

The fiscal year 1991 Appropriations Act for the Justice Department included a provision directing FPI to award a contract for the conduct of an "independent market study", which would be submitted to the Congress in August of 1991. The contract was won by Deloitte & Touche. Although the fine professionals assigned to this contract worked hard at trying to get a grasp of the broad assessment with which they were charged, their frequent interactions with the private sector suggested that the undertaking seemed to lack a coherent theme. The Interim Status Report issued on May 1, 1991 was characterized by one private sector participant as an unstructured "data dump." Many await their final report, since in large measure it will certainly be used by FPI's management as the justification for their future commercial forays into the private sector. Once I have had an opportunity to review and digest the final report, it might be helpful to conduct a hearing before the Committee on Small Business during which the assessments of the small business community could be placed on the record along with testimony from the Deloitte & Touche project managers.

Again, Mr. President, the legislation I am introducing today specifies a more open process by which FPI's board of director's makes the determination to authorize the production of a new product or substantially expand the population of a currently authorized product. It also provide improved processes for determining the elusive "fair market share", which are based upon criteria used by the Small Business Administration in setting size standards to determine whether a firm is a "small business concern".

The other features of the bill are thoroughly described in a comprehensive section-by-section analysis that I will insert in the RECORD at the conclusion of my statement.

Mr. President, FPI will seek to assert that this legislation is designed to hamper, if not destroy their operations. This is simply not true. A careful reading will bear me out. It provides authority for the Attorney General to sustain the workflow to Federal correctional facilities, when essential work cannot be won competitively. It merely requires accountability. I recognize and support the need for work programs within our Federal correctional institutions. But such recognition does not grant a license to engage in activities that would subject a private sector contractor to severe sanctions. It does not absolve the obligation to perform one's contractual obligations fully in a timely fashion. As I said earlier, this legislation will make FPI a more predictable and responsible player in the Federal procurement market, and make explicit the authorities of the Government's contracting officers when they deal with FPI. These objectives that will concurrently benefit the Government and the private sector.

Mr. President, I ask unanimous consent that the text of the bill, accompanied by a detailed section-by-section analysis, a listing of organizations supporting the bill, and letters of support from some of those organizations be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1691

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Prison Industries Competition in Contracting Act".

SEC. 2. PUBLIC PARTICIPATION REGARDING EXPANSION PROPOSALS BY FEDERAL PRISON INDUSTRIES.

Section 4122(b) of title 18, United States Code, is amended —

(1) by redesignating paragraph (6) as paragraph (8); and

(2) by striking paragraphs (4) and (5) and inserting the following paragraphs:

"(4) A decision by Federal Prison Industries to produce a new prison-made product or to expand the production of an existing product shall be made by the board of directors in conformance with the requirements of section 553 (b), (c), (d), and (e) of title 5, United States Code, and of this chapter.

"(5)(A) The corporation shall prepare and furnish to the board of directors for its consideration a detailed analysis of the probable impact on industry and free labor of a proposal to authorize the production and sale of a new prison-made product or to expand production of a currently authorized product.

"(B) The analysis made pursuant to subparagraph (A) shall identify and consider—

"(i) the number of vendors that currently meet the requirements of the Federal Government for the specific product;

"(ii) the proportion of the Federal Government market for the product currently furnished by small businesses, small disadvantaged businesses, and businesses in labor surplus areas during the previous 3 fiscal years;

"(iii) the share of the Federal market for the product projected for Federal Prison Industries for the fiscal year in which production will commence (or expand) and the subsequent 3 fiscal years;

"(iv) whether the industry producing the product in the private sector—

"(I) has an unemployment rate higher than the national average;

"(II) has a rate of employment for production workers that has consistently shown an increase during the previous 5 years; or

"(III) has an import to domestic production ratio of 25 percent or greater;

"(v) the total volume of domestic production during each of the 5 previous years in the industry producing the specific product in the private sector;

"(vi) whether the specific product is an import-sensitive product;

"(vii) the requirements of the Federal Government and the demands of entities other than the Federal Government for the specific product during the previous 3 fiscal years;

"(viii) the projected growth in the demand of the Federal Government for the specific product;

"(ix) the capability of the projected demand of the Federal Government for the specific product to sustain both Federal Prison Industries and private vendors; and

"(x) whether authorizing the production of the new product will provide inmates with the maximum opportunity to acquire knowledge and skill in trades and occupations that will provide them with a means of earning a livelihood upon release.

"(C) The Board of Directors may not approve a proposal to authorize the production and sale of a new prison-made product or to expand production of a currently authorized product if the product is—

"(i) produced in the private sector by an industry which has reflected during the previous year an unemployment rate above the national average; or

"(ii) an import-sensitive product.

"(6) To provide further opportunities for participation by interested parties, the board of directors shall—

"(A) give additional notice of a proposal to authorize the production and sale of a new product or expand the production of a currently authorized product in a publication designed to most effectively provide notice to private vendors and labor unions representing private sector workers who could reasonably be expected to be affected by approval of the proposal, which notice shall offer to furnish copies of the analysis required by paragraph (5) and shall solicit comment on the analysis;

"(B) solicit comments on the analysis required by paragraph (5) from trade associations representing vendors and labor unions representing private sector workers who could reasonably be expected to be affected by approval of the proposal to authorize the production and sale of a new product or expand the production of a currently authorized product; and

"(C) afford an opportunity, on request, for a representative of an established trade association, labor union, or other representatives of private industry to present comments on the proposal directly to the board of directors.

"(7) The corporation shall provide to the board of directors its recommendation regarding action on the proposal taking into consideration the comments received.".

SEC. 3. PURCHASE OF PRISON-MADE PRODUCTS BY FEDERAL AGENCIES.

Section 4124 of title 18, United States Code, is amended to read as follows:

"§4124. Purchase of prison-made products by Federal agencies

"(a) PURCHASE OF PRISON-MADE PRODUCTS.—The several Federal departments and agencies shall offer to purchase, in accordance with this section, prison-made products authorized to be offered for sale by Federal Prison Industries in accordance with section 4122 and listed in the current edition of the UNICOR Schedule of Products.

"(b) PUBLICATION OF CATALOG.—(1) Federal Prison Industries shall publish, and may periodically revise not more frequently than semiannually, a UNICOR Schedule of Products.

"(2) A UNICOR schedule of products shall—

"(A) include a listing of all specific, prison-made products authorized to be offered for sale pursuant to this chapter;

"(B) include appropriate references to the National Stock Number of each offered product; and

"(C) be distributed to the buying activities of the Federal departments and agencies subject to subsection (a).

"(c) REQUIREMENTS FOR PRISON-MADE PRODUCTS.—(1) When a buying activity of a Federal department or agency has a requirement for a specific product that is authorized to be offered for sale by Federal Prison Industries and is listed in the current UNICOR Schedule of Products, the buying activity shall solicit an offer from Federal Prison Industries.

"(2) A contract award shall be made on a competitive basis in accordance with the specifications and evaluation factors specified in the solicitation, unless a determination is made by the Attorney General pursuant to paragraph (3).

"(3) The buying activity shall negotiate with Federal Prison Industries on a noncompetitive basis for the award of a contract to furnish such products, if the Attorney General determines that—

"(A) Federal Prison Industries cannot reasonably expect to receive the contract award on a competitive basis; and

"(B) the contract award is necessary to—

"(i) maintain work opportunities otherwise unavailable at the penal facility at which the contract is to be performed to prevent circumstances that could reasonably be expected to significantly endanger the safe and effective administration of such penal facility; or

"(ii) permit diversification into the labor-intensive manufacture of a specific product that has been approved by the Federal Prison Industries board of directors in accordance with section 4122(b).

"(4) A contract award shall be made with Federal Prison Industries if the contracting officer for the buying activity determines that—

"(A) the prison-made product to be furnished will meet the requirements of the buying activity (including any applicable prequalification requirements and all specified commercial or governmental standards pertaining to quality, testing, safety, serviceability, and warranties);

"(B) timely performance of the contract can be reasonably expected; and

"(C) the contract price does not exceed a current market price.

"(5) A determination by the Attorney General pursuant to paragraph (3) shall be made in the same manner as a determination made pursuant to section 303(c)(7) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)(7)) and shall be reported in the manner provided in that section.

"(6) If the Attorney General has not made the determination described in paragraph (3) within 30 days after Federal Prison Industries has received a solicitation from a buying activity, the buying activity shall conduct a procurement for the product in accordance with the procedures generally applicable to such procurements by the buying activity.

"(d) PROHIBITION OF WITHDRAWAL OF SOLICITATION.—A buying activity shall not cancel or withdraw a solicitation solely for the purpose of negotiating the award of a contract on a noncompetitive basis with Federal Prison Industries unless a determination has been timely made by the Attorney General pursuant to subsection (c) (3) and (6).

"(e) COMPETITIVE OFFERS FROM FEDERAL PRISON INDUSTRIES.—A timely offer from Federal Prison Industries shall be eligible for award in accordance with the specification and evaluation factors specified in any competitive solicitation.

"(f) PERFORMANCE BY FEDERAL PRISON INDUSTRIES.—Federal Prison Industries shall be required to perform its contractual obligations to the same extent as any other contractor.

"(g) FINALITY OF CONTRACTING OFFICER'S DECISION.—

"(1) A decision by a contracting officer regarding the award of a contract to Federal Prison Industries or relating to the performance of such contract shall be final, unless reversed on appeal pursuant to paragraph (2) or (3).

"(2)(A) The Director of Federal Prison Industries may appeal to the head of a Federal department or agency an adverse determination made by a contracting officer pursuant to subsection (c)(4).

"(B) The decision of the head of a Federal department or agency on appeal shall be final.

"(3) A dispute between Federal Prison Industries and a buying activity regarding performance of a contract shall be subject to final resolution by the board of contract appeals having jurisdiction over the buying activity's contract performance disputes pursuant to the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.).

SEC. 4. IMPLEMENTATION IN THE FEDERAL ACQUISITION REGULATION.

Not later than 180 days after the date of enactment of this Act, the Federal Acquisition Regulation (Chapter 1 of title 48, Code of Federal Regulations) shall be amended to implement this Act in accordance with Section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b).

SEC. 5. REPORTING PURCHASES FROM FEDERAL PRISON INDUSTRIES.

Chapter 307 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§4130. Reporting purchases from Federal prison industries

"Each Federal department or agency that reports to the Federal Procurement Data System through the General Services Administration shall report all acquisitions from Federal Prison Industries in accordance with section 6(d)(4) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(4)).".

SEC. 6. FEDERAL PRISON INDUSTRIES REPORT TO CONGRESS.

Section 4127 of title 18, United States Code, is amended to read as follows:

"§4127. Federal Prison Industries report to Congress

"(a) IN GENERAL.—The board of directors of Federal Prison Industries shall submit an annual report to the Congress on the conduct of the business of the corporation during each fiscal year and the condition of its funds during the fiscal year.

"(b) CONTENTS OF REPORT.—A report under subsection (a) shall include—

"(1) a statement of the amount of obligations issued under section 4129(a)(1) during the fiscal year;

"(2) an estimate of the amount of obligations that will be issued in the following fiscal year;

"(3) an analysis of—

"(A) the corporation's total sales for each specific product sold to the Federal departments and agencies;

"(B) the total purchases by each each Federal department or agency of each specific product;

"(C) the corporation's share of such total Federal Government purchases by specific product; and

"(D) the number and disposition of disputes submitted to the heads of the Federal departments and agencies pursuant to section 4124(g);

"(4) an analysis of the inmate workforce that includes—

"(A) the number of inmates employed;

"(B) the number and percentage of employed inmates by the term of their incarceration; and

"(C) the various hourly wages paid to inmates employed with respect to the production of the various specific products authorized for production and sale; and

"(5) data concerning employment obtained by former inmates upon release to determine whether the employment provided by Federal Prison Industries during incarceration provided such inmates with knowledge and skill in a trade or occupation that enabled such former inmate to earn a livelihood upon release.

"(c) PUBLIC AVAILABILITY.—Copies of an annual report under subsection (a) shall be made available to the public at a price not exceeding the cost of printing the report.".

SEC. 7. DEFINITIONS.

Chapter 307 of title 18, United States Code, as amended by section 6, is amended by adding at the end thereof the following new section:

"§4131. Definitions

"As used in the chapter—

"(1) the term 'assembly' means the process of uniting or combining articles or components (including ancillary finished components or assemblies) so as to produce a significant change in form or utility, without necessarily changing or altering the component parts;

"(2) the term 'current market price' means, with respect to a specific product, the fair market price of the product within the meaning of section 15(a) of the Small Business Act (15 U.S.C. 644(a)), at the time that the contract is to be awarded (verified through appropriate price analysis or cost analysis), including any costs relating to transportation or the furnishing of any ancillary services;

"(3) the term 'import-sensitive product' means a product which, according to Department of Commerce data, has experienced competition from imports at an import to domestic production ratio of 25 percent or greater;

"(4) the term 'labor-intensive manufacture' means a manufacturing activity in the private sector in which the ratio of the value of direct labor to the value of the product prior to shipment exceeds 20 percent;

"(5) the term 'manufacture' means the process of fabricating from raw or prepared materials, so as to impart to those materials new forms, qualities, properties, and combinations;

"(6) the term 'prison-made products' means specific products that require labor-intensive manufacture or assembly employing Federal prison inmates for not less than 75 percent of the hours of direct labor required for the production of the product;

"(7) the term 'reasonable share of the market' means a share of the total purchases by the Federal departments and agencies, as reported to the Federal Procurement Data System for any specific product during the 3 preceding fiscal years, that does not exceed—

"(A) the average market share of any of the 4 private vendors with the largest shares of the Federal market for the specific product; or

"(B) 20 percent of the share of the private vendor with the largest share of the Federal market for the specific product if there are fewer than 4 private vendors;

"(8) the term 'specific product' means a product that is designed and manufactured to meet requirements distinct in function and predominant material of manufacture from another product, as described by—

"(A) the 7-digit classification for the product in the Standard Industrial Classification (SIC) Code published by the Office of Management and Budget (or if there is no 7-digit code classification for a product, the 5-digit code classification); and

"(B) for purposes of reporting purchases from Federal Prison Industries to the Federal Procurement Data System, the current National Stock Number assigned to such product under the Federal Stock Classification System (including group, part number and section), as determined by the General Services Administration; and

"(9) the term 'UNICOR Schedule of Products' means the catalog of products authorized to be offered for sale by Federal Prison Industries published and maintained in accordance with section 4124(b).".

SEC. 8. CLERICAL AMENDMENT.

The table of sections for chapter 307 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"4130. Reporting purchases from Federal Prison Industries.
"4131. Definitions.".

SEC. 9. DEFENSE SUBCONTRACTING GOAL.

The Department of Defense may count toward the attainment of the goal set out in section 1207(a) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note), for participation by small disadvantaged businesses, historically Black colleges and universities, and minority institutions in Department of Defense contracting opportunities, the value of any purchase of supplies or services made by Federal Prison Industries from an entity described in such section 1207(a) (1), (2), or (3) for the performance of a contract with the Department of Defense.

S. 1691, THE FEDERAL PRISON INDUSTRIES COMPETITION IN CONTRACTING ACT

SECTION-BY-SECTION ANALYSIS

SECTION 1. *Short Title.*

This section establishes the bill's citation as the "Federal Prison Industries Competition in Contracting Act".

SECTION 2. *Public Participation Regarding Expansion Proposals by Federal Prison Industries.*

This section amends section 4122(b) of title 18, United States Code, relating to the procedures for approving the addition of a new product to the list of products authorized to be offered for sale by Federal Prison Industries (FPI) or expanding production of a currently approved product. The amendments will: (a) conform the public participation processes used by FPI's Board of Directors with those currently used by a very similar Federal preference program for purchases from workshops employing the blind and handicapped; (b) specify the analytical process to determine if an adverse private-sector impact will result from the approval of a proposal to add a new product to FPI's line or expand production of a currently authorized product; and (c) distinguish clearly between the analytical and advisory responsibilities of FPI's staff management and the decision-making authorities of the FPI Board of Directors.

New Paragraph (4) of 18 U.S.C. 4122(b) applies the public notice and comment requirements of the Administrative Procedure Act (APA) (5 U.S.C. 553) to the procedures used by FPI's Board of Directors when considering the approval of a new product for authorized sale or any significant expansion of the production of a currently approved product. These APA requirements, the "standard" for public participation, currently apply to almost identical product decisions made by the Committee for Purchase from the Blind and Other Severely Handicapped, under a very similar procurement preference program authorized by the so-called Javits-Wagner-O'Day Act (41 U.S.C. 46–48c, as amended).

New Paragraph (5) of 18 U.S.C. 4122(b) places in a separate paragraph the analytical responsibilities to be undertaken by FPI's staff management to provide a factual basis for the subsequent decisions regarding production being made by the FPI Board of Directors. These analytical responsibilities are based upon requirements presently assigned to FPI's staff management by an unnumbered part of Paragraph (4).

New Subparagraph (C) of this new paragraph restricts FPI expansion regarding products which are produced by an industry with chronic high unemployment (as determined by the Department of Labor) or those which are "import-sensitive" products (as designated by the Department of Commerce).

New Paragraph (6) of 18 U.S.C. 4122(b) place in a separate paragraph the "outreach" mechanisms specified in Paragraph (4) of current law, recognizing that they are supplemental techniques to obtain participation from interested parties. Under current procedures, FPI gives public notice of a proposal to authorize a new product or to expand significantly production of a currently authorized product only through a notice in the *Commerce Business Daily*. FPI's management may also solicit comments from trade associations representing vendors that could reasonably be expected to be affected by approval of a proposal to authorize a new product or expand production of an existing product. Finally, private sector representatives are currently afforded the opportunity to make a presentation to the Board concerning a production proposal. The proposed amendments add specific reference to the participation of labor unions.

New Paragraph (7) of 18 U.S.C. 4122(b) specifies in a separate paragraph the responsibility currently contained in Paragraph (4) which requires FPI's staff management to make a final recommendation to FPI's Board of Directors on the staff's initial production proposal, and its supporting analysis, as modified in response to the comments received.

SECTION 3. *Purchase of Prison-Made Products by Federal Agencies.*

Subsection (a) of 18 U.S.C. 4124, as amended, requires the various Federal departments and agencies to offer to purchase first from Federal Prison Industries any product authorized to be offered for sale and listed in the UNICOR Schedule of Products, whenever the agency has a requirement for an FPI product.

Despite the substitution of use of the terms "Federal departments and agencies", which are currently defined in 18 U.S.C. 5, for the terms "Federal departments, agencies, and all other institutions of the United States", the proposed amendments do not alter the overall reach of the current statute. Similarly, the proposed amendments do not change the current situation regarding services offered by FPI: no procurement preference is accorded to the various services offered by FPI.

Subsection (b) of 18 U.S.C. 4124, as amended, requires FPI to publish and keep current its UNICOR Schedule of Products, which lists the products and services which it offers. Revisions to the Schedule are limited to a semi-annual basis in recognition of the substantial distribution time likely to be needed to assure that a current version of the Schedule is available at the many agency buying activities across the Nation. To help resolve the persistent problem of data comparability for calculations of FPI's share of the Federal market, the provision requires that the catalog include appropriate reference to the National Stock Number assigned to a specific product.

Subsection (c) of 18 U.S.C. 4124, as amended, addresses the solicitation of offers from FPI and awards to FPI on either a competitive or sole source basis.

Paragraph (1) places an affirmative responsibility on the various Executive departments and agencies to offer to purchase from FPI a product authorized to be offered for sale and listed in the UNICOR Schedule of Products, whenever such agency has a requirement for such a prison-made product. Like today, no preference is accorded to services that may be offered by FPI.

Paragraph (2) states that award shall be made on a competitive basis in accordance with the specifications and evaluation factors specified, unless the Attorney General invokes the authority to pursue the contracting opportunity on a sole source basis as provided by Paragraph (3).

Paragraph (3) requires the non-competitive negotiation of an award to FPI, if the Attorney General determines that: (a) there is no reasonable expectation that FPI will win the contract award, and (b) the inmate work opportunities provided by the contract are necessary "to prevent circumstances that could reasonably be expected to significantly endanger the safe and effective administration" of the penal institution at which the contract was to be peformed, or (c) permit diversification into the production of a new labor-intensive product.

Paragraph (4) makes explicit the authority of the contracting officer to evaluate FPI's offer to furnish an authorized product with respect to whether: (a) FPI's offer product will meet the agency's requirements; (b) timely performance by FPI can be reasonably expected; and (c) the price offered by FPI represents a current market price.

FPI maintains that the contracting officer currently has the authority to make these determinations under Section 4124 and the implementing Government-wide procurement regulations found at Subpart 8.6 (Acquisition from Federal Prison Industries, Inc.) of the Federal Acquisition Regulation (48 C.F.R. Subpart 8.6). A review of the current statutory and regulatory language strongly urges that more explicit language is required.

First, the provision seeks to make clear that any product offered by FPI must comply with the full range of design and performance specifications that would be demanded of a product or service furnished by a private sector offeror. For example, FPI or its product or service would have to comply with any prequalification requirements, such as QPLs (Qualified Products Lists). Similarly, design specifications relating to material and manner of manufacture and performance specifications relating to durability and serviceability would have to be met. Further, it is expected that products furnished by FPI will conform to the same Governmental or commercial standards and tests required of products furnished by private sector vendors. Finally, FPI is expected to furnish any warranty that affords the Government protection equal to that provided by a private sector source. FPI's status as a preferred source of supply does not diminish, in any degree, its responsibility to furnish to the Government agency a quality product that meets the agency's mission or program needs to the same extent as a product or service furnished by a private contractor.

Next, the provision addresses the contracting officer's authority regarding assessing time for performance. Timely performance is frequently as important as the quality of the product or service being furnished. It is contemplated that the contracting officer may independently evaluate any promises of timely performance asserted by FPI in its offer. In keeping with current Federal acquisition initiatives to accord greater weight to past performance in contract award decisions, the contracting officer is specifically authorized to accord substantial weight to FPI's history of timely performance with respect to prior contract awards for the product or service being offered.

Third, the contracting officer must make an independent determination as to whether the price being offered by FPI represents a current market price. Currently, the term "current market price" is not defined in FPI's authorizing statute or in the Federal Acquisition Regulation (FAR) provisions pertaining to purchases from FPI. Section 7 of the bill adds such a definition as 18 U.S.C. 4131(2). The proposed definition includes explicit recognition of the contracting officer's authority to employ appropriate price analysis or cost analysis techniques to determine whether FPI's offered price meets the standard.

Paragraph (5) requires that the authorization to negotiate with FPI on a sole source basis pursuant to Paragraph (3) must be made by the Attorney General on a non-delegable basis and reported to the Congress. These proposed requirements mirror the current requirements for use of authority under 41 U.S.C. 253C(c)(7) (as amended by the Competition in Contracting Act of 1984) for sole source purchases by the Department of Justice when the Attorney General determines that a contract award cannot be competitively made, but is "necessary in the public interest" to undertake vital departmental program activities.

Paragraph (6) provides that the buying activity may resume its generally applicable solicitation and contract award procedures, if the Attorney General has not authorized a sole source negotiation within 30 days. It is anticipated that the *Commerce Business Daily* notice required to be published not less than 15 days prior to the release of a competitive solicitation to the public will specify that an offer is required to be solicited from FPI and that the Attorney General may determine that the contract opportunity must be negotiated non-competitively with FPI.

Subsection (d) of 18 U.S.C. 4124, as amended, prohibits the cancellation or withdrawal of a published solicitation solely for the purpose of affording an agency buying activity the opportunity to enter into a noncompetitive negotiation with FPI unless the Attorney General timely makes the determination pursuant to subsection (c)(3).

Subsection (e) of 18 U.S.C. 4124, as amended, makes explicit that an offer timely received from FPI will always be considered eligible for award, even if the competition is restricted, as in the case of a so-called "small business set-aside" competition pursuant to Section 15 of the Small Business Act.

Subsection (f) of 18 U.S.C. 4124, as amended, statutorily establishes the fundamental principle that Federal Prison Industries is required to perform its contractual obligations to the same extent as any other contractor, irrespective of its statutorily recognized status as a preferred source of supply. Attainment of FPI's prison management objectives does not authorize to any degree FPI's failure to timely furnish the specified product or service, which is required by the buying agency to meet its mission or program objectives.

It is expected that the FAR implementation of this provision will afford to an agency contracting officer administering a contract with FPI the same array of contract administration techniques, authorities, and remedies available when administering a contract with a private contractor. Exercise of these contract administration authorities would be subject to the appeal rights granted to FPI pursuant to new subsection (g) of 18 U.S.C. 4124 added by this section of the bill.

New subsection (g) of 18 U.S.C. 4124, as amended, seeks to modernize, and eliminate the FPI bias, contained in the appeal mechanism currently applicable to the resolution of disputes arising out of a final decision by a contracting officer regarding the award of a contract to FPI or relating to the subsequent performance of the contract by FPI.

Under the current version of 18 U.S.C. 4124, and the FAR provisions implementing that provision, any dispute relating to the "price, quality, character, or suitability of such (FPI) products shall be arbitrated by a board consisting of the Comptroller General of the United States, the Administrator of General Services, and the President, or their representatives. Their decision shall be final and binding upon all parties." Such a high level disputes resolution panel has proved to be totally unworkable. According to the General Accounting Office, this arbitration panel has only been convened once, during the 1930's. Of greater practical importance, however, is the likelihood that the spectre of this panel operates as a strong deterrent to legitimate challenges by agency contracting officers during the noncompetitive negotiation of contract awards to FPI or during FPI's subsequent contract performance.

Further, under current FAR provisons, an agency contracting officer must obtain a "waiver" from FPI before beig able to solicit other sources for an FPI-offered product. There is no statutory basis for such a wavier process. This "waiver" process further signals to contracting officers, that they were not expected to too closely scrutinize FPI's offers or its subsequent contract performance.

Under Subsection (c)(4) of 18 U.S.C. 4124, as amended, a contracting officer is empowered to terminate noncompetitive negotiations with FPI and resume conduct of procedures for the competitive solicitation and award of the requirement after making an adverse determination regarding the acceptability of product, delivery schedule, or price being offered by FPI. It is the intent of the proposed amendments to eliminate any appeal processes other than those specified in Paragraphs (2) and (3) of new subsection (g).

Paragraph (2) of new Section 4124(g) provides that the FPI Director may appeal an adverse decision of an agency contracting officer relating to the award of a contract to FPI pursuant to new subsection (c) (that is, on the basis of an adverse determination regarding the acceptability of the FPI product or delivery schedule to meet the agency's requirements, or whether FPI's offered price met the current market price standard) to the departmental secretary or agency head, whose decision shall be final. Such a final resolution by the departmental secretary or agency head mirrors current statutorily prescribed procedures for appeals by the Administrator of the Small Business Administration relating to a decision by a contracting officer not to "set-aside" a contracting opportunity for small business concerns or disadvantaged small business concerns.

Paragraph (3) of new Section 4124(g) gives Federal Prison Industries the opportunity to have an adverse decision by the contacting officer regarding the adequacy of FPI's contract performance reviewed by an independent administrative board of contract appeals, similar to the disputes resolution mechanism currently provided a private sector contractor under the Contract Disputes Act of 1978 (41 U.S.C. 601, et seq.). Thirteen of these boards presently exist. Certain departments and agencies with very substantial procurement missions, such as the Department of Defense and the General Services Administration, maintain their own large-scale boards. Other agencies, with very limited procurement activities, have entered into agreements to have their contract disputes handled by another agency's board. Given the intra-Governmental character of the dispute, an appeal to the Claims Court or a United States District Court is not made available. Similarly, the decision of the board of contract appeals is final, without any further right of appeal.

SECTION 4. *Implementation in the Federal Acquisition Regulation.*

This section requires that the amendments made by the "Federal Prison Industries Competition in Contracting Act" be implemented through modifications to the Government-wide Federal Acquisition Regulation (Chapter 1 of title 48, Code of Federal Regulations) within 180 days of enactment. Section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b) assures publication in the *Federal Register* and the opportunity for public comment before the promulgation of a final regulation.

SECTION 5. *Reporting Purchases from Federal Prison Industries.*

Section 6 adds a new section, Section 4131, to Chapter 307 of title 18, United States Code, with requires each Federal department and agency reporting to the Federal Procurement Data System (FPDS) to report to the FPDS all acquisitions from Federal Prison Industries in the same manner as its purchases from private sector sources. Section 2901 of the "Crime Control Act of 1990", Public Law 101-647, amended 19 U.S.C. 4124 to provide for the reporting of all purchases from FPI. This provision explicitly requires reporting in accordance with existing FPDS procedures which prescribe different a different level of detail for reports relating to purchases below the "small purchase" threshold (currently $25,000). It is expected, however, that comparably detailed reports regarding small purchases made from FPI by the various Executive departments and agencies will be obtained through reports furnished to the FPDS by FPI and made available to the public through the FPDS standard report and any special reports.

Until the enactment of Section 2901, there was no requirement that purchases from FPI be reported to the FPDS by the various departments and agencies because these purchases are considered to be non-reportable interagency transfers rather than contracts. The absence of objective FPDS data on federal agency purchases from FPI has made virtually unworkable in practical terms the procedures of current 18 U.S.C. 4122(b) relating to the FPI Board of Directors' consideration of proposals to approve new products to be offered for sale by FPI or to expand production of currently approved products. The validity of the market share analyses prepared by FPI staff management are generally questioned by the private sector because of the inability to compare agency purchases from private sector sources with those made from FPI on a basis of a common reporting format.

SECTION 6. FEDERAL PRISON INDUSTRIES REPORT TO CONGRESS.—

This section amends Section 4127 of title 18, United States Code, to substantially enhance FPI's Annual Report to the Congress with respect to sales information for the various specific products approved for sale and FPI's resulting share of the total Federal Government market. It also provides for public access to copies of the annual report.

SECTION 7. DEFINITIONS.—

This section further amends Chapter 307 of title 18, United States Code by adding a new section 4131 specifying definitions for key terms used in Sections 4122 and 4124.

Paragraph (1) of new Section 4131 adds a definition of the term "assembly" derived from Department of Labor regulations implementing the Walsh-Healey Public Contracts Act (41 U.S.C. 35).

Paragraph (2) of new Section 4131 adds a definition of the term "current market price". The definition equates the term "current market price" to the term "fair market price" as defined in the Small Business Act at 15 U.S.C. 644(a), which is the standard that must be met by any small business concern when selling to the Government.

Paragraph (3) of new Section 4131 adds a definition of the term "import-sensitive product" derived from a standard used by the Office of the United States Trade Representative.

Paragraph (4) of new Section 4131 adds a definition of the term "labor-intensive manufacture" derived from a standard use by the Bureau of Economic Analysis at the Department of Commerce.

Paragraph (5) of new Section 4131 adds a definition of the term "manufacture" derived from Department of Labor regulations implementing the Walsh-Healey Public Contracts Act (41 U.S.C. 35).

Paragraph (6) of new Section 4131 adds a definition of the term "prison-made products". It specifies that not less than seventy-five percent of the direct labor hours required for the production of a product must be accomplished by inmate labor.

Paragraph (7) of new Section 4131 adds a definition of the term "reasonable share of the market". FPI's share of the Federal market for a specified product would be recognized as a "reasonable share of the market" if its share of the total Federal government purchases for a specific product as reported to the Federal Procurement Data System for any specific product during the preceding fiscal year does not exceed the market share of any of the four private vendors with the largest shares of the federal market for that specific product. This is the standard applied by the Small Business Administration in determining whether a business concern which meets the numerical size standard for a small business concern is nonetheless "dominant in its field" and thus ineligible to be recognized as a "small business concern". In those instances in which there are fewer than four private vendors in the Federal market, FPI's market share would be limited to 20% of the market share of the firm with the largest share of the Federal market.

Paragraph (8) of new Section 4131 adds a definition of the term "specific product" as a product designed and manufactured to meet requirements distinct in function and predominant material of manufacture from another product. The definition also equates a "specific product" to the most current National Stock Number or Federal Supply Classification Code for such product to help resolve the issues of comparable data collection regarding agency purchases of FPI products and the calculation of FPI's market share.

Paragraph (9) of new Section 4131 adds a definition of the term "UNICOR Schedule of Products", which is the catalog of products currently offered for sale by FPI.

SECTION 8. *Clerical Amendment*.

This section makes a clerical change to the table of sections at the beginning of Chapter 307 of Title 18, United States Code.

SECTION 9. *Defense Subcontracting Goal*.

This section allows a DOD buying activity to take credit towards attainment of its goal under the Section 1207 Program for subcontracts awarded to eligible entities under the Section 1207 Program by FPI under a contract from that buying activity. Pursuant to Section 1207 of Public Law 99-661, the "National Defense Authorization Act for Fiscal Year 1987", as amended (10 U.S.C. 2301 note), the Department of Defense has the goal of annually awarding five percent of its procurement funds through contracts or subcontracts with small disadvantaged businesses, Historically Black Colleges and Universities, and Minority Institutions.

S. 1691, THE FEDERAL PRISON INDUSTRIES COMPETITION IN CONTRACTING ACT—LIST OF SUPPORTING ORGANIZATIONS

National Federation of Independent Business.
Small Business Legislative Council.
National Small Business United.
Chamber of Commerce of the United States.
National Association of Manufacturers—Council of Smaller Manufacturers.
National Association of Wholesalers and Distributors.
Coalition for Government Procurement.
Business Council for Fair Competition.
Footwear Procurement Coalition.
American Apparel Manufacturers Association.
American Furniture Manufacturers Association.
American Subcontractors Association.
American Traffic Safety Services Association.
Business and Institutional Furniture Manufactuers Association.
Envelope Manufacturers Association of America.
Food Equipment Distributors Association.
Graphic Arts Legislative Council.
International Communication Industries Association.
Miniatures Industry Association of America.
National Office Products Association.
Printing Industries of America.
Screen Printing Association, International.
National Center of American Indian Enterprise Development.
Native American Industrial Association.
United Food and Commercial Workers International Union.
Amalgamated Clothing & Textile Workers Union.
International Ladies Garment Workers Union.
United Brotherhood of Carpenters and Joiners.
United Steelworkers of America.

SMALL BUSINESS LEGISLATIVE COUNCIL,
Washington, DC, July 29, 1991.

Hon. ALAN J. DIXON,
U.S. Senate, Washington, DC

DEAR SENATOR DIXON: The Small Business Legislative Council (SBLC) strongly supports your legislation, the "Federal Prison Industries (FPI) Competition in Contracting Act." Your bill would add some urgently needed safeguards to ensure competition from FPI does not adversely impact small and small disadvantaged contractors.

The SBLC is a permanent, independent coalition of over one hundred trade and professional associations that share a common commitment to the future of small business. Our members represent the interests of small businesses in such diverse economic sectors as manufacturing, retailing, distribution, professional and technical services, construction, transportation, and agriculture. A list of our members is enclosed.

SBLC does not so much mind FPI competition for Federal business, but we do very much object to unfair competition from FPI.

When FPI was created in 1934 as a modest prison workshop program, wholly owned by the Federal government, there was little concern about the mandatory super preference given FPI over all private companies in sales to the Federal government. In recent years, however, we have seen a dramatic increase in FPI sales of various products to the Federal government. In fiscal year (FY) 1984, FPI sales were under $200 million; by the end of FY 1989, FPI's sales had jumped to nearly $361 million.

Much of FPI's rapid expansion has been concentrated in the Federal market for textile, apparel, furniture, and electronic wiring products. FPI has far exceeded what SBLC considers to be a "reasonable share of the market" in these industries.

SBLC believes this government-sponsored program conflicts with the Federal small business policy to ensure small business concerns receive a fair proportion of Federal government purchases of goods and services in each industry. For too long, FPI has grown virtually unchecked into a predator in many product markets. FPI is not held to the same stringent agency specifications, price demands, and delivery schedules as are small businesses. In fact, FPI is even permitted to pay gratuities and travel expenses to Federal contracting officials, an act which would subject small business concerns to penalties.

SBLC believes FPI should be held more accountable to its statutory mandates to meet agency requirements, avoid placing an undue burden of competition on any one industry, and employ the greatest number of inmates possible by producing or proposing to produce products in a labor-intensive manner. FPI no longer should be permitted to purchase partially or fully assembled products from a private contractor for resale to Federal agencies, with little or no inmate employment involved in the manufacture or assembly of those products.

The proposed Federal Prison Industries Competition in Contracting Act would grant the private industry needed relief, yet preserve FPI's "super preference" in Federal procurement if necessary to prevent a significant decline in inmate employment. The bill also would provide necessary clarification in the form of definitions for "reasonable share of the market," "current market price" as meaning fair market price, and "import-sensitive industry," which should be manufactured by private industry rather than prison inmates.

SBLC pledges to work with you for the swift enactment of this important legislation.

Sincerely,

PHILLIP R. CHISHOLM,
Chairman.

MEMBERS OF THE SMALL BUSINESS LEGISLATIVE COUNCIL

Air Conditioning Contractors of America.
Alliance for Affordable Health Care.
Alliance of Independent Store Owners and Professionals.
American Animal Hospital Association.
American Association of Nuserymen.
American Bus Association.
American Consulting Engineers Council.
American Council of Independent Laboratories.
American Floorcovering Association.
American Machine Tool Distributors Association.
American Road & Transportation Builders Association.
American Society of Travel Agents, Inc.
American Sod Producers Association.
American Subcontractors Association.
American Textile Machinery Association.
American Trucking Associations, Inc.
American Warehousemen's Association.
Architectural Precast Association.
Associated Builders & Contractors.
Associated Equipment Distributors.
Associated Landscape Contractors of America.
Association of Small Business Development Centers.
Association of the Wall and Ceiling Industries-International.
Automotive Service Association.
Automotive Warehouse Distributors Association.
Bowling Proprietors Association of America.
Building Service Contractors Association International.
Business Advertising Council.
C-PORT.
Christian Booksellers Association.
Council of Fleet Specialists.
Electronics Representatives Association.
Florists' Transworld Delivery Association.
Helicopter Association International.
Independent Bakers Association.
Independent Bankers Association of America.

Independent Medical Distributors Association.
Independent Sewing Machine Dealers Association.
International Association of Refrigerated Warehouses.
International Bottled Water Association.
International Communications Industries Association.
International Formalwear Association.
International Franchise Association.
Jewelers of America, Inc.
Machinery Dealers National Association.
Manufactuers Agents National Association.
Manufacturers Representatives of America, Inc.
Mechanical Contractors Association of America, Inc.
Menswear Retailers of America.
NMTBA-The Association for Manufacturing Technology.
National Association for the Self-Employed.
National Association of Brick Distributors.
National Association of Catalog Showroom Merchandisers.
National Association of Chemical Distributors.
National Association of Development Companies.
National Association of Home Builders.
National Association of Investment Companies.
National Association of Passenger Vessel Owners.
National Association of Personnel Consultants.
National Association of Plumbing-Heating-Cooling Contractors.
National Association of Realtors.
National Association of Retail Druggists.
National Association of Small Business Investment Companies.
National Association of the Remodeling Industry.
National Association of Truck Stop Operators.
National Campground Owners Association.
National Candy Wholesalers Association.
National Chimney Sweep Guild.
National Coffee Service Association.
National Electrical Contractors Association.
National Electrical Manufacturers Representatives Association.
National Fastener Distributors Association.
National Food Brokers Association.
National Grocers Association.
National Independent Dairy-Foods Association.
National Knitwear & Sportswear Association.
National Limousine Association.
National Lumber & Building Material Dealers Association.
National Moving and Storage Association.
National Ornamental & Miscellaneous Metals Association.
National Paperbox & Packaging Association.
National Parking Association.
National Precast Concrete Association.
National Shoe Retailers Association.
National Society of Public Accountants.
National Tire Dealers & Retreaders Association.
National Tooling and Machining Association.
National Tour Association.
National Venture Capital Association.
Opticians Association of America.
Organization for the Protection and Advancement of Small Telephone Companies.
Petroleum Marketers Association of America.
Printing Industries of America, Inc.
Professional Plant Growers Association.
Retail Bakers of America.
SMC/Pennsylvania Small Business.
Small Business Council of America, Inc.
Society of American Florists.
Specialty Advertising Association International.
United Bus Owners of America.

NATIONAL SMALL BUSINESS UNITED,
Washington, DC, May 17, 1991.

Hon. ALAN J. DIXON,
U.S. Senate, Washington, DC.

DEAR SENATOR DIXON: At our association's May 7 Legislative Committee meeting, it was brought to our attention that you are sponsoring legislation to reform the involvement of federal prisons in industry. The Committee decided that USBU should be supportive of this legislation and of your efforts in this regard.

We endorse your approach, as well as other legislation which would reduce the level of unfair competition that small businesses must face. It is very important to insure that prison industries do not engage in commerce that would compete with and undermine the country's small business community.

We very much appreciate your interest in this matter, as we appreciate your consistent support of the small business community. If we can be of further assistance, please call.

Sincerely yours,
JOHN PAUL GALLES,
Executive Vice President.

Mr. WOFFORD. Mr. President, I am proud to rise today as an original cosponsor of the Federal Prison Industries Competition in Contracting Act. My distinguished colleague from Illinois, Senator ALAN DIXON, should be complimented for his leadership on this issue and for his hard work in developing the legislation being introduced today.

I am supporting this legislation because the practices of Federal Prison Industries need to be reformed. FPI was created by Congress to provide employment and training to Federal prisoners. FPI, which markets goods under the trade name UNICOR, is permitted to sell only to the Federal Government. According to its 1990 annual report, FPI employs approximately 26 percent of the Bureau of Prisons' population. The Bureau has a longstanding policy of mandatory work for all able-bodied inmates at a wage of $1 per hour.

I support the goals of FPI. But, I am also aware that any meaningful vocational opportunities for prisoners may reduce such opportunities in the private sector. Consequently, a delicate balance must be maintained. Unfortunately, FPI has stepped over the line. As a result, honest working people are losing their jobs and businesses, especially smaller businesses, are being hurt.

I want to make clear that FPI, despite its worth while purpose, is big business. It markets over 250 lines of products to Federal agencies, including furniture, clothing, data entry services, electrical equipment, and printed signs. Last year, it had net sales of over $340 million, which makes it among the top Federal contractors in the country.

Unlike other businesses, FPI has been provided with a variety of competitive advantages to supposedly enable it to better provide training opportunities. But, FPI has abused its advantages and, as a result, workers, business, and average families have been harmed.

For example, FPI has a superpreference that makes it extremely difficult, if not impossible, for private firms to compete. Generally, businesses must engage in a competition to sell to the Government. They must compete in terms of price, quality and time of delivery. But under present law, if a Federal agency needs a product or service offered by FPI, the agency must afford FPI the opportunity to negotiate the sale on a sole-source basis. In order to obtain bids from the private sector, a Government agency must actually obtain FPI's clearance.

As a result of this super preference, there are no checks on FPI's power. There are no guarantees that FPI will perform in a manner that the procuring agencies need. This is a system with a built in potential for abuse and the evidence indicates that FPI has abused this power. In testimony before a Senate subcommittee, numerous examples were given that FPI charges noncompetitive prices, delivers low-quality goods and misses delivery schedules. These are problems that need correcting and the legislation introduced today seeks to do that.

Moreover, the evidence indicates that FPI has taken and is threatening to take significant market shares away from American businesses. By law, FPI may not impose an undue burden of competition on any single industry. But, the opposite is happening. As a result, honest, hard working Americans are losing their jobs. For example, during the period of February 1989 to February 1990, 12,900 jobs were lost in the furniture industry. Yet, FPI has captured 23 percent of the Federal furniture market. Armstrong World Industries, which is headquartered in Lancaster, PA, has indicated that their furniture subsidiary—Thomasville—lost over $2 milion in sales last year to FPI.

Last year, FPI threatened to enter the shoe industry. The domestic shoe industry has been wracked by foreign competition. Between 1968 and 1989, more than 250,000 U.S. manufacturing jobs were lost to foreign competition. In 1989 alone, 21 shoe plants closed around the country. Yet, FPI proposed last year to take 64 percent of the Federal market in men's oxfords, 55 percent in combat boots, and 38 percent in safety boots. This would have had a dramatic effect on an already imperiled industry. For example, in Martinsburg, PA, the Cove Shoe Co., employs approximately 540 workers. Cove is a significant part of the economy of Martinsburg and the surrounding communities. Government contracts represent 10 percent of the company's work. A loss of Government contract work to FPI could result in between 50 and 75 people losing their jobs.

The logic of FPI's decision to try to enter the shoe market is especially elusive. The shoe industry is on the decline. There are few opportunities for people to get jobs making shoes. The same holds true with respect to the textile industries. Yet, FPI is commanding a significant share of the Federal market for certain textile products. It just doesn't make sense for FPI to take jobs away from honest, working people and give them to prisoners under the guise of training for jobs that do not exist. The legislation being introduced today will address the problem of FPI competing with businesses that face stiff competition from foreign imports. It will correct the abuses of the current system that have cost honest people their jobs and led to the Government receiving inferior products at an excessive cost.

Mr. President, I recently voted against granting China unconditional most-favored-nation status and against the fast track procedure for a free trade agreement with Mexico. I did so because I believe American jobs are being lost to unfair competition with these countries. I also oppose unfair practices here at home. That is why I am proud to support the legislation being introduced today.

Mr. HELMS. Mr. President, I am pleased to join with my friend the senior Senator from Illinois [Mr. DIXON] in this important legislation to reform the Federal Prison Industries, also known as UNICOR.

Mr. President, Federal Prison Industries is a very large corporation. It is engaged in the business of making chairs, tables, desks, and other office products. It uses Federal prisoners to manufacture these items. It borrows money from the Government to finance its activities, then sells the products to the Federal Governments.

John Sloan, the president of the National Federation of Independent Business, points out in a statement on this subject, that what had originally started out as a teaching program to rehabilitate prisoners has now become a corporate giant. I ask that the text of Mr. Sloan's statement be included in the RECORD at the conclusion of my remarks.

Mr. President, what we have created is a Government-operated company which has been given a clear competitive edge over private companies. As Mr. Sloan observes, because of the preference given to it by the Congress, prison industries can even keep the Government from giving contracts to private manufacturers.

If that weren't enough, Mr. President, prison products need not even meet the same quality standards which are required of the private sector. This is a multimillion dollar industry making furniture that the Government must buy without adherence to the high quality expected of products purchased from the private producers.

Mr. President, let us get rid of the preference which prison industries receive in securing Government contracts. In other words, Federal Prison Industries get a special Government benefit at the expense of a lot of hard working people across the country. That does not make sense.

When borrowing authority is extended, small businesses across the country could be destroyed. Prisons hold a clear advantage over any business they care to compete with because they receive preference on all Government contracts they choose to bid on. That is to say prisons are given a right of first refusal.

Mr. President, as I said earlier this is not a small corporation. In 1989, UNICOR sales represented 23 percent of Federal office furniture purchases. In the same year total sales of prison furniture to the Government went up 14 percent while private sector sales to the Government increased only 0.7 percent.

In fiscal year 1989, metal and wood product sales of prison industries were $136.5 million. This would make prison industries the 16th largest U.S. furniture manufacturer in terms of sales.

In addition to the competition from UNICOR, the furniture industry also faces competition from prison systems at the State level, as well as billions of dollars' worth of products entering our Nation from abroad.

Mr. President, we are talking about an industry which claims a net worth of over $250 million. Despite that the Bureau of Prisons continues to add factories to its already enormous industrial plant.

I am not condemning prisoner training. But this corporation goes well beyond the intent of the original training program. My State produces one quarter of the furniture in this country. Prison industries are out there competing with North Carolina furniture and textile companies already under assault from foreign competition. Think about it, men and women in North Carolina and Illinois and South Carolina are being put out of work by an agency of their Government, the Federal Bureau of Prisons. This Senator will not sit by and let this happen.

This legislation institutes simple reforms designed to bring some fairness to our domestic industries:

It prevents prison industries from competing with import sensitive products.

It requires prison industry products to meet the same quality standards that the Government imposes on products it purchases from the private sector.

It requires that the public be assured that the taxpayers' dollars buy only the best products.

Mr. President, the businessmen of America understand the illogic of having the Federal prison system get special treatment in the marketplace. We cannot continue to penalize the hardworking, law-abiding people of this country. I urge Senators to support this legislation. I commend the Senator from Illinois for his efforts on behalf of America's furniture and manufacturing industries.

I ask unanimous consent to include the previous mentioned statement in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

SMALL BUSINESS ANGLE

(By John Sloan)

Last month, in cleaning out the closets, lawmakers swept some dirt onto the drug bill, increasing unfair government competition against private-sector companies.

Big, popular bills have always been targets for pet provisions, but this action is particularly maddening because the House defeated a similar measure, considered on its own merits, just a month earlier—by nearly 100 votes.

Undeterred by that margin, supporters inserted the same language into the drug bill, the final piece of legislation hustled through the 100th Congress. The measure allows Federal Prison Industries Inc., known as UNICOR, to borrow money from the federal treasury to expand. UNICOR uses federal prisoners to manufacture chairs, desks, parachutes, paint brushes. Then, it sells the goods to federal, state and local governments.

The original intent of the corporation was to teach prisoners marketable skills, but with $250 million in sales in 1985, members of the House realized that UNICOR had changed from teacher to business executive.

The amendment that allows UNICOR to bank with the federal treasury, tightens the grip that this government-supported company has over a federal procurement. Prison Industries' built-in advantages, such as the use of government buildings and cheap labor, give it a hefty competitive edge. The bidding process further stacks the deck.

UNICOR has the first shot at federal contracts. Its bids do not have to be the lowest, and it is exempt from the government standards that private firms must follow. The clincher, Prison Industries even can keep the government from offering contracts to private companies!

Continuing budget resolutions, the usual magnet for these dust balls, didn't surface this year, because Congress passed separate appropriations bills. Omnibus bills like the drug bill are the next best thing to a continuing resolution. Safety tucked away in a bill better measured in pounds than pages, no one discovers the mischief until it becomes law.

The National Federation of Independent Business, the nation's largest advocacy organization for small business, opposes this expansion of unfair government competition, which favors government-run industries over taxpaying small businesses.

Legislators let their guard down and let down their small-business constituents. But it is difficult for even the most vigilant legislator to review these gigantic bills before a vote.

The 100th Congress proved that it could kick the continuing resolution habit. Let us hope the 101st Congress pares omnibus bills to manageable pieces and cleans them up in the process.

Let us also hope that undoing the damage of UNICOR will be high on the priority list for the next Congress.

Mr. D'AMATO. Mr. President, I rise today to join my distinguished colleague from Illinois, Senator DIXON, in sponsoring legislation that will govern the participation of the Federal Prison Industries [FPI] in Federal procurement. It will also allow small business owners the opportunity to compete more fairly with FPI, sometimes referred to by its trade name UNICOR, which has become a government-sponsored monopoly.

The way FPI is set up now, if a civilian contractor wants to bid on a contract with the Federal Government, it may, as long as FPI has not bid on it already. If, however, FPI does want to bid on the contract, the civilian contractor has no option except to withdraw his bid.

Also, if a civilian contractor already has an existing contract with the Federal Government and FPI decides they want to produce the same product, the civilian company is forced to halt production and hand over the contract to FPI.

Mr. President, I am reminded of an example in my own great State of New York where a small business owner, who manufactures communication cords for helicopters used in Operation Desert Storm, was forced out of business because he lost his contract to prisoners.

FPI came in and decided it wanted to sell the exact same product. The New York company was forced to stop production and turn over its business to FPI. However, the New York firm was able to provide the cable to the Government in like quantities for under $40 per unit. Recent awards to FPI, depending on quantity, ranged from $45.88 per unit to $54.15 per unit. This is at least 14.7 percent higher. The end result was an inferior product at highly inflated prices. There was a high rejection rate by the Department of Defense and ultimately, FPI's intrusion into the communication cord business translated into greater costs to the DOD and the placing of our pilots at greater risk.

Why then, Mr. President, is this allowed to occur? The reason is that the Federal Prison Industries are allowed to continue operating as a government run monopoly. Free trade is stifled and the small, struggling businessman is forced to suffer. Why should a convicted criminal be given an unfair advantage over a taxpaying member of the business community?

FPI was created with the intention of rehabilitation of prisoners. Rehabilitation need not require that the man on the street be robbed twice.

By Mr. MOYNIHAN:

S. 1692. A bill to amend the Federal Home Loan Bank Act to limit the authority to the Resolution Trust Corporation to abrogate residential contract and leases; to the Committee on Banking, Housing, and Urban Affairs.

TENANT PROTECTION ACT

• Mr. MOYNIHAN. Mr. President, I rise to introduce legislation that will clarify the intent of Congress in title V, subtitle A, section 501 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, regarding the authority of the Resolution Trust Corporation to repudiate the leases of tenants in buildings taken over by the Corporation. This clarification is necessary to prevent a preemption of State and local laws that should not happen. The RTC's preemption of State and local law has begun in New York City, and it could become a nationwide policy if we do not make clear that this was not our intent.

The RTC has become conservator of several hundred rent regulated apartments that were held as collateral on defaulted loans. It will likely acquire more in New York, and elsewhere. These apartments can command a much higher price from a prospective purchaser if they have market-rate leases, are unoccupied or are otherwise free and clear of the legal strictures of rent regulation. Accordingly, the RTC has stated its intention to raise rents, and at the end of their term evict tenants in some of these apartments, in direct contravention of State and local law.

The RTC announced in March that it would modify this policy so that only those paying more than 115 percent of the median area income could be evicted. I am pleased to see a show of concern for low and moderate income tenants, but the policy still assumes that the RTC has the authority to evict in contravention of State and local law.

FIRREA gave the RTC generally the same powers as a conservator as the FDIC, including specifically the authority to repudiate contracts, as enumerated in 12 U.S.C. 1821(e)(1). Under that section, the RTC "may disaffirm or repudiate any contract or lease * * *" which it, at its "discretion, determines to be burdensome; and the disaffirmance or repudiation of which * * * will promote the orderly administration of the [insolvent] institution's affairs." The RTC relies on this section as authority to override State and local law.

Nothing in the legislative history of FIRREA suggests that Congress intended to allow a preemption of State and local laws directly addressing the property rights of tenants. And had Congress intended such an extraordinary grant of authority, it would surely have been more explicit in the statute. New York State law requires that rent-stabilized tentants be offered renewal leases, and the New York City Administrative Code prohibits eviction of rent-controlled tenants. Rent-controlled tenants typically have no formal leases. These tenants' right to occupancy derives solely from the city code provision, and it lasts so long as the tenant continues in fact to occupy the unit.

Mr. President, these are duly enacted laws, laws that have been on the books for decades, and laws that have contributed greatly to ensuring low- and moderate-income housing in a city with an extremely tight housing market. They are the considered and deliberated policy of the State and city of New York. Preemption of State and local rent regulation laws is a significant incursion on local authority, and will likely end up in court. Better we settle it in Congress, where the matter originated.

Moreover, the RTC is not entitled to the windfall it would obtain by evicting these people to sell their apartments. The apartments were given as collateral, and their asset value at that time was determined upon the assumption that State and local rent regulation laws applied. Indeed, the applicability of rent regulation is a critical factor in value. Without preempting State and local law, the RTC will have an apartment with the same asset value as was provided to the insolvent institution as collateral. If the RTC can disregard State and local law, it gets a windfall far beyond the value of the collateral originally pledged. While I am mindful of the statutory directive in FIRREA that the RTC "maximize the net present value return from the sale of assets," I do not believe this extends to efforts to override local laws that operate to reduce an asset's market value.

For example, suppose the RTC becomes conservator of a shopping mall with a tavern as a tenant. Local law prohibits the sale of alcoholic beverages after midnight. A tavern that can disregard this law almost certainly has a higher market value than one that cannot. May the RTC disregard local liquor laws to maximize the value of the property in this instance?

Congress surely did not intend such wholesale disregard for State and local law in granting the RTC the authority to "disaffirm or repudiate any contract or lease." The legislation I introduce today will clarify that point, and require the RTC to pursue its mandate within the bounds of State and local laws governing rent regulation.

Mr. President, I ask that the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1692

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tenant Protection Act of 1991".

SEC. 2. LIMIT ON RECEIVER'S RIGHT TO ABROGATE RESIDENTIAL TENANT CONTRACTS AND LEASES.

Section 21A(b) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)) is amended by inserting after paragraph (14) the following new paragraph:

"(15) LIMITATION ON AUTHORITY.—Notwithstanding paragraph (4), the Corporation, acting in any capacity, may disaffirm or repudiate any contract involving, or any lease involving, any residential lease or tenancy only to the extent permitted under the law of the State and the political subdivision of the State (if any) which is applicable to such contract or lease or any provision of any other Federal law.".•

By Mr. BENTSEN (for himself, Mr. PACKWOOD, Mr. DOLE, Mr. PRYOR, and Mr. CHAFEE):

S. 1693. A bill to amend the Internal Revenue Code of 1986 to provide for the tax treatment of long-term care insurance and benefits, and for other purposes; to the Committee on Finance.

PRIVATE LONG-TERM CARE INSURANCE ACT OF 1991

•Mr. BENTSEN. Mr. President, I am pleased to introduce today the Private Long-Term Care Insurance Act of 1991. This legislation will make a significant contribution to the financial security of chronically ill individuals in need of long-term care. I am pleased that my colleagues Senator PACKWOOD—the ranking Republican on the Finance Committee, Senator DOLE—the Republican leader, Senator PRYOR—the chairman of the Aging Committee, and Senator CHAFEE are joining me in making this a truly bipartisan effort.

There are currently more than 9 million Americans in the United States who have some degree of chronic dependence requiring care, and about 1.7 million individuals are in nursing homes. Average nursing home cost is over $30,000 per year. It has been projected that almost one in every two persons now over age 65 will spend some time in a nursing home in their remaining lifetime. About one in four nursing home residents will spend a year or more in a nursing home.

Insurance products to protect against long-term care costs have only recently become available to any significant extent. Recent estimates indicate that last year, there were 143 companies selling long-term care insurance policies and about 1.9 million policies had been sold. The market for private long-term care insurance is growing rapidly, with the number of policies outstanding increasing fourfold since 1987.

But at this time, the tax law does not explicitly recognize or define long-term care or long-term care insurance. And there are no consistent requirements applied to ensure that only legitimate policies, sold in a fair manner, can qualify as long-term care insurance.

This bill would make three major changes to improve the tax treatment of long-term care expenses and ensure that purchasers of long-term care insurance are protected from abusive sales practices.

First, the bill would clarify that long-term care expenses of a chronically ill individual will be treated as medical expenses for income tax purposes. This means that a chronically ill person with $20,000 in nursing home costs will generally be able to deduct the majority of those expenses for income tax purposes. For a son or daughter paying the costs of a chronically ill dependant parent in a nursing home, those costs would be deductible as medical expenses for the son or daughter.

Second, the bill would clarify that benefits paid under qualified long-term care insurance contracts will not be taxable. Once again, this is comparable to the rule that applies for health insurance. A person buying a qualified long-term care insurance policy today would know, and the tax law would say, that they wouldn't have to pay tax on benefits if they require long-term care. Insurance companies selling these products will, however, be required to structure the insurance to avoid the potential for abusive tax shelters.

The bill would also add major new consumer protection provisions. Insurance companies and insurance agents that want to sell long-term care insurance that qualifies for the favorable tax treatment would have to meet these tough new standards. These standards include a requirement that qualified long-term care insurance policies be guaranteed renewable or noncancellable. Participants in group policies would be able to keep the insurance in force even if they were no longer a part of the group. Generally, a policy could not exclude coverage for specified illnesses like Alzheimer's disease. Individuals with preexisting conditions would have to be treated fairly by insurance companies and so-called postclaims underwriting would be prohibited.

Insurance agents and insurance companies would be prohibited from using certain abusive sales techniques and would have to provide adequate disclosure to the people buying the policies. A person buying a policy would be given a "free-look"—they could return a policy within 30 days of purchase and have their premiums refunded if they changed their mind. Violations of these rules would have serious consequences for the companies and agents. They might lose the favorable tax treatment and in some cases could be subject to penalties of up to $5,000 per violation.

These consumer protection provisions are a critical element of this package and I want to point out Senator PRYOR's longstanding interest in enacting provisions to protect individuals who buy long-term care insurance products.

The last major provision in the bill is a clarification of the tax treatment of payments to terminally ill individuals under life insurance contracts. This type of "living benefits" legislation has been included in bills introduced by Senators BRADLEY and LIEBERMAN and I want to commend them for their leadership on this issue. We have incorporated the "living benefits" concept into this bill with one significant modification—the addition of a requirement that spousal approval be obtained before life insurance protecting that spouse can be used for an accelerated death benefit.

This is a bill that would go a long way to clearing up questions about the taxation of long-term care expenses and insurance. It would ensure that purchasers of those long-term care products are protected from unscrupulous practices by unethical insurance companies or agents. It is a good bill, that takes one step down the path of solving the long-term care financing problems that are of great concern to millions of elderly Americans and their adult children. But is is only one step down that path. There is a long way to go. The complex problems of financing the long-term care expenses of tens of millions of Americans are of critical importance. This bill won't solve all those problems, but this bill will take us a ways down the path to a solution.

Before this bill can be enacted it will be necessary to address the question of cost. We do not yet have a revenue estimate on this proposal, but I've asked the Joint Committee on Taxation to prepare cost estimates for this bill. To the extent of any revenue loss, we will have to find a way to ensure that the proposal will not increase the budget deficit.

One final point. This is not a simple issue and not even the sponsors of this legislation think that the bill is necessarily the final answer. I see this bill as a bipartisan attempt to address some important issues that can hopefully be dealt with relatively quickly. We are open to all suggestions to improve the bill and I expect that hearings will be held in the Finance Committee in the near future to give interested parties an opportunity to comment.

I ask unanimous consent that the text of the bill be printed in the RECORD along with a brief summary of the major provisions of the bill. I also ask unanimous consent that a letter from Senator PRYOR be included in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1693

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Private Long-Term Care Insurance Act of 1991".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

TITLE I—TAX TREATMENT OF LONG-TERM CARE

Subtitle A—General Provisions

SEC. 101. QUALIFIED LONG-TERM CARE SERVICES TREATED AS MEDICAL CARE.

(a) GENERAL RULE.—Paragraph (1) of section 213(d) (defining medical care) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) for qualified long-term care services (as defined in subsection (g)), or".

(b) QUALIFIED LONG-TERM CARE SERVICES DEFINED.—Section 213 (relating to deduction for medical, dental, etc. expenses) is amended by adding at the end thereof the following new subsection:

"(g) QUALIFIED LONG-TERM CARE SERVICES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified long-term care services' means necessary diagnostic, preventive, therapeutic, and rehabilitative services, and maintenance and personal care services—

"(A) which are required by an individual during any period during which such individual is a chronically ill individual,

"(B) which have as their primary purpose the provision of needed assistance with 1 or more activities of daily living which a chronically ill individual is certified as being unable to perform under paragraph (2)(A), and

"(C) which are provided pursuant to a continuing plan of care prescribed by a licensed health care practitioner.

"(2) CHRONICALLY ILL INDIVIDUAL.—

"(A) IN GENERAL.—The term 'chronically ill individual' means any individual who is certified by a physician or registered professional nurse as being unable to perform, without substantial assistance from another individual (including assistance involving cueing or substantial supervision), at least 3 activities of daily living described in paragraph (3).

"(B) SPECIAL RULE FOR HOME HEALTH CARE SERVICES.—In the case of services which are provided during any period during which an individual is residing within the individual's home (whether or not the services are provided within the home), subparagraph (A) shall be applied by substituting '2' for '3'. For purposes of this subparagraph, a nursing home or similar facility shall not be treated as a home.

"(3) ACTIVITIES OF DAILY LIVING.—Each of the following is an activity of daily living:

"(A) Eating.

"(B) Toileting.

"(C) Transferring.

"(D) Bathing and dressing.

"(E) Mobility.

"(4) LICENSED HEALTH CARE PRACTITIONER.—The term 'licensed health care practitioner' means—

"(A) a physician or registered professional nurse, or

"(B) any other individual who meets such requirements as may be prescribed by the Secretary after consultation with the Secretary of Health and Human Services.

"(5) CERTAIN SERVICES PROVIDED BY RELATIVES NOT INCLUDED.—The term 'qualified long-term care services' shall not include any services provided to an individual by a relative unless the relative is a licensed health care practitioner with respect to such services. For purposes of this paragraph, the term 'relative' means an individual bearing a relationship to another individual which is described in paragraphs (1) through (8) of section 152(a)."

(c) TECHNICAL AMENDMENTS.—

(1) Subparagraph (D) of section 213(d)(1) (as redesignated by subsection (a)) is amended to read as follows:

"(D) for insurance (including amounts paid as premiums under part B of title XVIII of the Social Security Act, relating to supplementary medical insurance for the aged)—

"(i) covering medical care referred to in subparagraphs (A) and (B), or

"(ii) covering medical care referred to in subparagraph (C), but only if such insurance is provided under a qualified long-term care insurance contract (as defined in section 7702B(b))."

(2) Paragraph (6) of section 213(d) is amended—

(A) by striking "subparagraphs (A) and (B)" and inserting "subparagraphs (A), (B), and (C)", and

(B) by striking "paragraph (1)(C)" in subparagraph (A) and inserting "paragraph (1)(D)".

SEC. 102. TREATMENT OF LONG-TERM CARE INSURANCE OR PLANS.

(a) GENERAL RULE.—Chapter 79 (relating to definitions) is amended by inserting after section 7702A the following new section:

"SEC. 7702B. TREATMENT OF LONG-TERM CARE INSURANCE OR PLANS.

"(a) GENERAL RULE.—For purposes of this title—

"(1) a qualified long-term care insurance contract shall be treated as an accident or health insurance contract,

"(2) any plan of an employer providing coverage of qualified long-term care services shall be treated as an accident or health plan with respect to such services,

"(3) amounts received under such a contract or plan with respect to qualified long-term care services shall be treated as amounts received for personal injuries or sickness, and

"(4) payments described in subsection (b)(5) shall be treated as payments made with respect to qualified long-term care services.

"(b) QUALIFIED LONG-TERM CARE INSURANCE CONTRACT.—

"(1) IN GENERAL.—For purposes of this title, the term 'qualified long-term care insurance contract' means any insurance contract if—

"(A) the only insurance protection provided under such contract is coverage of qualified long-term care services, and

"(B) such contract meets the requirements of paragraphs (2), (3), and (4).

"(2) PREMIUM REQUIREMENTS.—

"(A) IN GENERAL.—The requirements of this paragraph are met with respect to a contract if such contract provides that—

"(i) premium payments may not be made earlier than the date such payments would have been made if the contract provided for level annual payments over the life of the contract (or, if shorter, 20 years), and

"(ii) all refunds of premiums, and all policyholder dividends or similar amounts, under such contract are to be applied as a reduction in future premiums or to increase future benefits.

A contract shall not be treated as failing to meet the requirements of clause (i) solely by reason of a provision providing for a waiver of premiums if the insured becomes a chronically ill individual.

"(B) REFUNDS UPON DEATH OR COMPLETE SURRENDER OR CANCELLATION.—Subparagraph (A)(ii) shall not apply to any refund on the death of the insured, or on any complete surrender or cancellation of the contract, if, under the contract, the amount refunded may not exceed the amount of the premiums paid under the contract. For purposes of this title, any refund described in the preceding sentence shall be includible in gross income to the extent that any deduction or exclusion was allowed with respect to the refund.

"(3) BORROWING, PLEDGING, OR ASSIGNING PROHIBITED.—The requirements of this paragraph are met with respect to a contract if such contract provides that no money may be borrowed under such contract and that such contract (or any portion thereof) may not be assigned or pledged as collateral for a loan.

"(4) COORDINATION WITH MEDICARE.—The requirements of this paragraph are met with respect to a contract if such contract does not cover expenses incurred to the extent that such expenses are reimbursable under title XVIII of the Social Security Act.

"(5) PER DIEM AND OTHER PERIODIC PAYMENTS PERMITTED.—

"(A) IN GENERAL.—For purposes of subsection (a)(4), and except as provided in subparagraph (B), payments are described in this paragraph for any calendar year if, under the contract, such payments are made to (or on behalf of) a chronically ill individual on a per diem or other periodic basis without regard to the expenses incurred during the period to which the payments relate.

"(B) EXCEPTION WHERE AGGREGATE PAYMENTS EXCEED LIMIT.—If the aggregate payments under the contract for any period (whether on a periodic basis or otherwise) exceed the dollar amount in effect for such period—

"(i) subparagraph (A) shall not apply for such period, and

"(ii) the requirements of paragraph (1)(A) shall be met only if such payments are made with respect to qualified long-term care services provided during such period.

"(C) DOLLAR AMOUNT.—The dollar amount in effect under this paragraph shall be $100 per day (or the equivalent amount in the case of payments on another periodic basis).

"(D) ADJUSTMENTS FOR INCREASED COSTS.—

"(i) IN GENERAL.—In the case of any calendar year after 1992, the dollar amount in effect under subparagraph (C) for any period occurring during such calendar year shall be equal to the sum of—

"(I) the amount in effect under subparagraph (C) for the preceding calendar year (after application of this subparagraph), plus

"(II) the applicable percentage of the amount under subclause (I).

"(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the term 'applicable percentage' means, with respect to any calendar year, the greater of—

"(I) 5 percent, or

"(II) the cost-of-living adjustment for such calendar year.

"(iii) COST-OF-LIVING ADJUSTMENT.—For purposes of clause (ii), the cost-of-living adjustment for any calendar year is the percentage (if any) by which the cost index under clause (iv) for the preceding calendar year exceeds such index for the second preceding calendar year. In the case of any calendar year beginning before 1995, this clause shall be applied by substituting the Consumer Price Index (as defined in section 1(f)(5)) for the cost index under clause (iv).

"(iv) COST INDEX.—The Secretary, in consultation with the Secretary of Health and Human Services, shall before January 1, 1994, establish a cost index to measure increases in costs of nursing home and similar facilities. The Secretary may from time to time revise such index to the extent necessary to accurately measure increases or decreases in such costs.

"(E) AGGREGATION RULE.—For purposes of this paragraph, all contracts issued with respect to the same insured by the same company shall be treated as 1 contract.

"(c) SPECIAL RULES FOR TAX TREATMENT OF POLICYHOLDERS.—For purposes of this title, solely with respect to the policyholder under any qualified long-term care insurance contract—

"(1) AGGREGATE PAYMENTS IN EXCESS OF LIMITS.—If the aggregate payments under all qualified long-term care insurance contracts with respect to an insured for any period (whether on a periodic basis or otherwise) exceed the dollar amount in effect for such period under subsection (b)(5)—

"(A) subsection (b)(5) shall not apply for such period, and

"(B) such payments shall be treated as made for qualified long-term care services only if made with respect to such services provided during such period.

"(2) ASSIGNMENT OR PLEDGE.—Such contract shall not be treated as a qualified long-term care insurance contract during any period on or after the date on which the contract (or any portion thereof) is assigned or pledged as collateral for a loan.

"(d) TREATMENT OF COVERAGE AS PART OF A LIFE INSURANCE CONTRACT.—Except as provided in regulations, in the case of coverage of qualified long-term care services provided as part of a life insurance contract, the requirements of this section shall apply as if the portion of the contract providing such coverage was a separate contract.

"(e) QUALIFIED LONG-TERM CARE SERVICES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified long-term care services' has the meaning given such term by section 213(g).

"(2) RECERTIFICATION.—If an individual has been certified as a chronically ill individual under section 213(g)(2)(A), services shall not be treated as qualified long-term care services with respect to the individual unless such individual is recertified no less frequently than annually as a chronically ill individual in the same manner as under such section, except that such recertification may be made by any licensed health care practitioner (as defined in section 213(g)(4)).

"(f) CONTINUATION COVERAGE EXCISE TAX NOT TO APPLY.—Section 4980B shall not apply to—

"(1) qualified long-term care insurance contracts, or

"(2) plans described in subsection (a)(2).

"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the requirements of this section, including regulations to prevent the avoidance of this section by providing qualified long-term care services under a life insurance contract."

(b) CLERICAL AMENDMENT.—The table of sections for chapter 79 is amended by inserting after the item relating to section 7702A the following new item:

"Sec. 7702B. Treatment of long-term care insurance or plans."

SEC. 103. EFFECTIVE DATES.

(a) SECTION 101.—The amendments made by section 101 shall apply to taxable years beginning after the date of the enactment of this Act.

(b) SECTION 102.—The amendments made by section 102 shall apply to contracts issued after the date of the enactment of this Act.

(c) TRANSITION RULE.—If, after the date of the enactment of this Act and before January 1, 1994, a contract providing coverage for services which are similar to qualified long-term care services (as defined in section 213(g) of the Internal Revenue Code of 1986) and issued on or before January 1, 1992, is exchanged for a qualified long-term care insurance contract (as defined in section 7702B(b) of such Code), such exchange shall be treated as an exchange to which section 1035 of such Code applies.

Subtitle B—Consumer Protection Provisions

SEC. 111. POLICY REQUIREMENTS.

(a) IN GENERAL.—Section 7702B (as added by section 102) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) CONSUMER PROTECTION PROVISIONS.—

"(1) IN GENERAL.—The requirements of this subsection are met with respect to any contract if, under the contract—

"(A) the requirements of the model regulation and model Act described in paragraph (2) are met,

"(B) the disclosure requirements of paragraph (3) are met, and

"(C) the requirements of any provisions adopted under paragraph (4) (relating to nonforfeitability) are met.

"(2) REQUIREMENTS OF MODEL REGULATION AND ACT.—For purposes of paragraph (1)—

"(A) MODEL REGULATION.—The following requirements of the model regulation must be met:

"(i) Section 6A (relating to guaranteed renewal or noncancellability), and the requirements of section 6B of the model Act relating to such section 6A.

"(ii) Section 6B (relating to prohibitions on limitations and exclusions).

"(iii) Section 6C (relating to waiver of premium).

"(iv) Section 6D (relating to continuation or conversion of coverage).

"(v) Section 6F (relating to discontinuance and replacement of policies).

"(vi) Section 7 (relating to disclosure), other than section 7F thereof.

"(vii) Section 8 (relating to prohibitions against post-claims underwriting), except that section 8C(3) shall be applied by substituting age 75 for age 80.

"(viii) Section 9 (relating to minimum standards), except that in addition to any such requirements—

"(I) a qualified long-term care insurance contract may not condition or limit eligibility for benefits furnished by licensed providers (aa) on compliance with conditions which are in addition to those required for licensure under State law, or (bb) for custodial care (if covered under the contract) only to care provided in facilities which provide a higher level of care than custodial care or to care provided in facilities which provide for 24-hour or other nursing care not required in order to be licensed by the State,

"(II) if a qualified long-term care insurance contract provides benefits for home health care services, the contract must provide benefits for personal care services (including home health aide and homemaker services), home health services, and respite care in an individual's home, and

"(III) if a qualified long-term care insurance contract provides benefits for nursing facility services, the contract must provide such benefits with respect to all nursing facilities that are licensed in the State.

"(ix) Section 10 (relating to requirement to offer inflation protection), except that such requirements shall not be treated as met unless such protection is offered at least annually.

"(x) Section 21 (relating to prohibition against preexisting conditions and probationary periods in replacement policies or certificates).

"(B) MODEL ACT.—The following requirements of the model Act must be met:

"(i) Section 6C (relating to preexisting conditions).

"(ii) Section 6D (relating to prior hospitalization).

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) MODEL PROVISIONS.—The terms 'model regulation' and 'model Act' mean the long-term care insurance model regulation, and the long-term care insurance model Act, respectively, promulgated by the National Association of Insurance Commissioners (as adopted in December of 1990).

"(ii) COORDINATION.—Any provision of the model regulation or model Act listed under subparagraph (A) or (B) shall be treated as including any other provision of such regulation or Act necessary to implement the provision.

"(3) TAX DISCLOSURE REQUIREMENT.—A contract meets the requirements of this paragraph only if such contract meets the requirements of section 4980C(e)(1).

"(4) NONFORFEITURE REQUIREMENTS.—

"(A) IN GENERAL.—The requirements of this paragraph are met if the contract meets such requirements as to nonforfeitability as take effect under this paragraph.

"(B) NAIC STANDARDS.—The National Association of Insurance Commissioners shall promulgate and certify to the Secretary before January 1, 1993, requirements relating to nonforfeitability. Such requirements shall at least include a requirement that the issuer of the contract offers the insured an opportunity to obtain a type of nonforfeitability benefit.

"(C) DEFAULT.—If no requirements are timely certified to the Secretary under subparagraph (B), the Secretary shall no later than January 1, 1994, prescribe requirements as to nonforfeitability for purposes of this paragraph.

"(D) TRANSITION RULE.—Any requirements under this paragraph shall not apply to contracts issued before the date which is 1 year after the certification under subparagraph (B) or the date of the publication of the requirements under subparagraph (C)."

(b) CONFORMING AMENDMENT.—Section 7702B(b)(1)(B) (as added by section 102) is amended by inserting "and of subsection (g)" after "and (4)".

SEC. 112. ADDITIONAL REQUIREMENTS FOR ISSUERS OF LONG-TERM CARE INSURANCE POLICIES.

(a) IN GENERAL.—Chapter 43 is amended by adding at the end thereof the following new section:

"SEC. 4980C. FAILURE TO MEET REQUIREMENTS FOR LONG-TERM CARE INSURANCE POLICIES.

"(a) GENERAL RULE.—There is hereby imposed on any person failing to meet the requirements of subsection (c), (d), or (e) a tax in the amount determined under subsection (b).

"(b) AMOUNT OF TAX.—

"(1) IN GENERAL.—The amount of the tax imposed by subsection (a) on each failure shall be equal to $5,000.

"(2) WAIVER.—In the case of a failure which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the tax imposed by subsection (a) to the extent that payment of the tax would be excessive relative to the failure involved.

"(c) REGULATION OF SALES PRACTICES.—The requirements of this subsection are as follows:

"(1) COMPLETION OF MEDICAL HISTORIES PROHIBITED.—A person who is selling or offering for sale a long-term care insurance policy may not complete the medical history portion of an application.

"(2) PROHIBITION OF SALE OR ISSUANCE TO MEDICAID BENEFICIARIES.—A person may not knowingly sell or issue a long-term care insurance policy to an individual who is eligible for medical assistance under title XIX of the Social Security Act.

"(d) ADDITIONAL RESPONSIBILITIES.—The requirements of this subsection are as follows:

"(1) REQUIREMENTS OF MODEL PROVISIONS.—

"(A) MODEL REGULATION.—The following requirements of the model regulation must be met:

"(i) Section 11 (relating to application forms and replacement coverage).

"(ii) Section 12 (relating to reporting requirements), except that the issuer shall also report at least annually the number of claims denied during the reporting period for each class of business (expended as a percentage of claims denied).

"(iii) Section 18 (relating to filing requirements for marketing).

"(iv) Section 19 (relating to standards for marketing), except that in addition to such requirements, no person shall, in selling or offering to sell a long-term care insurance policy, misrepresent a material fact.

"(v) Section 20 (relating to appropriateness of recommended purchase).

"(vi) Section 22 (relating to standard format outline of coverage), except that such outline shall include the disclosure required under subsection (e).

"(vii) Section 23 (relating to requirement to deliver shopper's guide).

"(B) MODEL ACT.—The following requirements of the model Act must be met:

"(i) Section 6F (relating to right to return), except that such section shall also apply to denials of applications and any refund shall be made within 30 days of the return or denial.

"(ii) Section 6G (relating to outline of coverage), except that such outline shall include the disclosure required under subsection (e).

"(iii) Section 6H (relating to requirements for certificates under group plans).

"(iv) Section 6I (relating to policy summary).

"(v) Section 6J (relating to monthly reports on accelerated death benefits).

"(C) DEFINITIONS.—For purposes of this paragraph, the terms 'model regulation' and 'model Act' have the meanings given such terms by section 7702B(g)(2)(C).

"(2) MAILING OF POLICY.—If an application for a long-term care insurance policy (or for a certificate under a group long-term care insurance policy) is approved, the issuer shall transmit to the applicant the policy (or certificate) of insurance not later than 30 days after the date of the approval.

"(3) INFORMATION ON DENIALS OF CLAIMS.—If a claim under a long-term care insurance policy is denied, the issuer shall, within 60 days of the date of a written request by the policyholder or certificate-holder (or representative)—

"(A) provide a written explanation of the reasons for the denial, and

"(B) make available all information directly relating to such denial.

"(e) DISCLOSURE.—The requirements of this section are met if either of the following statements, whichever is applicable, is prominently displayed on the front page of any long-term care insurance policy and in the outline of coverage required under subsection (d)(1)(B)(ii):

"(1) A statement that: 'This policy is intended to be a qualified long-term care insurance contract under section 7702B(b) of the Internal Revenue Code of 1986.'.

"(2) A statement that: 'This policy is not intended to be a qualified long-term care insurance contract under section 7702B(b) of the Internal Revenue Code of 1986.'.

"(f) LONG-TERM CARE INSURANCE POLICY DEFINED.—For purposes of this section, the term 'long-term care insurance policy' means any product which is advertised, marketed, or offered as long-term care insurance."

(b) CONFORMING AMENDMENT.—The table of sections for chapter 43 is amended by adding at the end thereof the following new item:

"Sec. 4980C. Failure to meet requirements for long-term care insurance policies."

SEC. 113. COORDINATION WITH STATE REQUIREMENTS.

Nothing in this Act shall be construed as preventing a State from applying standards that provide greater protection of policyholders of long-term care insurance policies (as defined in section 4980C(f) of the Internal Revenue Code of 1986).

SEC. 114. UNIFORM LANGUAGE AND DEFINITIONS.

(a) IN GENERAL.—The National Association of Insurance Commissioners shall not later than January 1, 1993, promulgate standards for the use of uniform language and definitions in long-term care insurance policies (as defined in section 4980C(f) of the Internal Revenue Code 1986).

(b) VARIATIONS.—Standards under subsection (a) may permit the use of nonuniform language to the extent required to take into account differences among States in the licensing of nursing facilities and other providers of long-term care.

SEC. 115. EFFECTIVE DATES.

(a) SECTION 111.—The amendments made by section 111 shall apply to contracts issued after the date of the enactment of this Act, except that the provisions of section 103(c) of this Act shall apply to such contracts.

(b) SECTION 112.—The amendments made by section 112 shall apply to actions taken after December 31, 1992.

TITLE II—TREATMENT OF ACCELERATED DEATH BENEFITS

SEC. 201. TAX TREATMENT OF ACCELERATED DEATH BENEFITS UNDER LIFE INSURANCE CONTRACTS.

Section 101 (relating to certain death benefits) is amended by adding at the end thereof the following new subsection:

"(g) TREATMENT OF CERTAIN ACCELERATED DEATH BENEFITS.—

"(1) IN GENERAL.—For purposes of this section, any amount paid or advanced to an individual under a life insurance contract on the life of an insured who is a terminally ill individual shall be treated as an amount paid by reason of the death of such insured.

"(2) SPOUSAL CONSENT.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to any payment or advance unless—

"(i) the spouse of the insured who is a qualified beneficiary consents to such payment or advance, or

"(ii) it is established that the consent required under clause (i) may not be obtained because such spouse may not be located, or because of such other circumstances as the Secretary may by regulations prescribe.

"(B) TIME FOR CONSENT.—Any consent under subparagraph (A) shall occur during the 90-day period ending on the date of the payment (or in the case of a series of periodic payments, the date of the first of such payments).

"(C) QUALIFIED BENEFICIARY.—For purposes of this paragraph, the term 'qualified beneficiary' means an individual who—

"(i) is the spouse of the individual on the last day of the period described in subparagraph (B), and

"(ii) at any time during the 1-year period ending on such last day, was a beneficiary under the life insurance contract.

"(3) TERMINALLY ILL INDIVIDUAL.—For purposes of this subsection, the term 'terminally ill individual' means an individual who has been certified by a physician as having an illness or physical condition which can reasonably be expected to result in death in 12 months or less.

"(4) PHYSICIAN.—For purposes of this subsection, the term 'physician' has the meaning given to such term by section 213(d)(4)."

SEC. 202. TAX TREATMENT OF COMPANIES ISSUING QUALIFIED ACCELERATED DEATH BENEFIT RIDERS.

(a) QUALIFIED ACCELERATED DEATH BENEFIT RIDERS TREATED AS LIFE INSURANCE.—Section 818 (relating to other definitions and special rules) is amended by adding at the end thereof the following new subsection:

"(g) QUALIFIED ACCELERATED DEATH BENEFIT RIDERS TREATED AS LIFE INSURANCE.—For purposes of this part—

"(1) IN GENERAL.—Any reference to a life insurance contract shall be treated as including a reference to a qualified accelerated death benefit rider on such contract.

"(2) QUALIFIED ACCELERATED DEATH BENEFIT RIDERS.—For purposes of this subsection, the term 'qualified accelerated death benefit rider' means any rider or addendum on, or other provision of, a life insurance contract which provides for payments to an individual upon the insured becoming a terminally ill individual (as defined in section 101(g)(2)).

"(3) SPOUSAL CONSENT.—

"(A) IN GENERAL.—A rider or addendum on, or other provision of, a life insurance contract shall not be treated as a qualified accelerated death benefit rider unless such contract provides that—

"(i) the spouse of the insured who is a qualified beneficiary must consent to the accelerated payments, or "(ii) it is established that the consent required under clause (i) may not be obtained because such spouse may not be located, or because of such other circumstances as the Secretary may by regulations prescribe.

"(B) TIME FOR CONSENT.—Any consent under subparagraph (A) shall occur during the 90-day period ending on the date of the payment (or in the case of a series of periodic payments, the date of the first of such payments).

"(C) QUALIFIED BENEFICIARY.—For purposes of this paragraph, the term 'qualified beneficiary' means an individual who—

"(i) is the spouse of the individual on the last day of the period described in subparagraph (B), and

"(ii) at any time during the 1-year period ending on such last day, was a beneficiary under the life insurance contract."

(b) DEFINITIONS OF LIFE INSURANCE AND MODIFIED ENDOWMENT CONTRACTS.—

(1) RIDER TREATED AS QUALIFIED ADDITIONAL BENEFIT.—Paragraph (5)(A) of section 7702(f) is amended by striking "or" at the end of clause (iv), by redesignating clause (v) as clause (vi), and by inserting after clause (iv) the following new clause:

"(v) any qualified accelerated death benefit rider (as defined in section 818(g)(2)), or".

(2) TRANSITIONAL RULE.—For purposes of determining whether section 7702 or 7702A of the Internal Revenue Code of 1986 applies to any contract, the issuance of a rider or addendum on, or other provision of, a life insurance contract permitting the acceleration of death benefits (as described in section 101(g) of such Code) shall not be treated as a modification or material change of such contract.

SEC. 203. APPLICANTS OR RECIPIENTS UNDER PUBLIC ASSISTANCE PROGRAMS NOT TO BE REQUIRED TO MAKE ELECTION RESPECTING ACCELERATED DEATH BENEFITS UNDER LIFE INSURANCE POLICIES.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding at the end thereof the following new section:

"TREATMENT OF ACCELERATED DEATH BENEFITS

"SEC. 1143. (a) IN GENERAL.—Notwithstanding any other provision of law, no individual who is an applicant for or recipient of aid or assistance under a State plan approved under title IV, X, XIV, XVI, or XIX, of assistance funded by payments under title V or XX, or of benefits under the Supplemental Security Income program established by title XVI shall—

"(1) be required, as a condition of eligibility for (or of continuing to receive) such aid, assistance, or benefits, to make an election to receive an accelerated death benefit under a policy of life insurance, or

"(2) by reason of failure to make such an election, be denied (or suffer a reduction in the amount of) such aid, assistance, or benefits.

"(b) ACCELERATED DEATH BENEFIT.—For purposes of this section, the term 'accelerated death benefit' means any payment made under the terms of a life insurance policy, while the insured individual is alive, as a result of a recalculation of the insured individual's life expectancy."

SEC. 204. EFFECTIVE DATES.

(a) SECTIONS 201 AND 202.—The amendments made by—

(1) section 201 shall apply to taxable years beginning after December 31, 1989, and

(2) section 202 shall apply to contracts issued before, on, or after December 31, 1989, except that any spousal consent requirement shall not apply before January 1, 1992.

(b) SECTION 203.—The amendment made by section 203 shall take effect on January 1, 1990.

EXPLANATION OF PRIVATE LONG-TERM CARE INSURANCE ACT OF 1991

TITLE I—TAX TREATMENT OF LONG-TERM CARE

Present law

Deduction for medical expenses

In determining taxable income for Federal income tax purposes, a taxpayer is allowed an itemized deduction for unreimbursed expenses that are paid by the taxpayer during any taxable year for medical care of the taxpayer, the taxpayer's spouse, or a dependent of the taxpayer, to the extent that such expenses exceed 7.5 percent of the adjusted gross income of the taxpayer for such year (sec. 213). For this purpose, expenses paid for medical care generally are defined as amounts paid: (1) for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body; (2) for transportation primarily for, and essential to, medical care referred to in (1); ro (3) for insurance covering medical care referred to in (1) and (2).

Exclusion for Amounts Received Under Accident or Health Insurance

Amounts received by a taxpayer under accident or health insurance for personal injuries or sickness generally are excluded from gross income to the extent that the amounts received are not attributable to medical expenses that were allowed as a deduction for a prior taxable year (sec. 104).

Treatment of Accident or Health Plans Maintained by Employers

Contributions of an employer to an accident or health plan that provides compensation (through insurance or otherwise) to an employee for personal injuries or sickness of the employee, the employee's spouse, or a dependent of the employee, are excluded from the gross income of the employee (Sec. 106). In addition, amounts received by an employee under such a plan generally are excluded from gross income to the extent that the amounts received are paid, directly or indirectly to reimburse the employee for expenses incurred by the employee for the medical care of the employee, the employee's spouse, or a dependent of the employee (sec. 105). For this purpose, expenses incurred for medical care are defined in the same manner as under the rules regarding the deduction for medical expenses.

Explanation of provisions

In General

The bill provides a safe harbor with respect to certain long-term care services and certain insurance contracts that provide coverage for such services. Services and contracts that satisfy the requirements of the bill are subject to the income tax treatment described in the bill. Services and contracts that do not satisfy such requirements continue to be subject to present law.

The bill provides that certain services that are provided to a chronically ill individual (defined as "qualified long-term care services") are to be treated as medical care for purposes of the deduction for medical expenses. Thus, under the bill, a taxpayer is to be allowed an itemized deduction for unreimbursed expenses that are paid by the taxpayer during any taxable year for qualified long-term care services that are provided to the taxpayer, the taxpayer's spouse, or a dependent of the taxpayer, to the extent that such expenses and other eligible medical expenses of the taxpayer exceed 7.5 percent of the adjusted gross income of the taxpayer for such year. In addition, under the bill, eligible medical expenses for purposes of the medical expense deduction are to include premiums paid for insurance that provides coverage for qualified long-term care services, but only if such insurance is provided under a qualified long-term care insurance contract as defined below.

The bill also provide that for purposes of the Internal Revenue Code (1) a qualified long-term care insurance contract is to be treated as an accident or health insurance contract, (2) any plan of an employer that provides coverage of qualified long-term care services is to be treated an an accident or health plan with respect to such services, and (3) amounts received under such a contract or plan with respect to qualified long-term care services are to be treated as amounts received for personal injuries or sickness.

Thus, under the bill, amounts received under a qualified long-term care insurance contract with respect to qualified long-term care services generally are to be excluded from the gross income of the recipient to the extent that the amounts are not attributable to medical expenses or expenses for qualified long-term care services that were allowed as a deduction for a prior taxable year.

In addition, under the bill, contributions of an employer to a plan that provides coverage of qualified long-term care services are to be excluded from the gross income of the employee to the extend that the plan provides compensation (through insurance or otherwise) to the employee for qualified long-term care services that are provided to the employee, the employee's spouse, or a dependent of the employee. Finally, under the bill, amounts received by an employee under such a plan generally are to be excluded from gross income to the extent that the amounts received are paid, directly or indirectly, to reimburse the employee for expenses incurred by the employee for qualified long-term care services that are provided to the employee, the employee's spouse, or a dependent of the employee.

No inference is intended as to the present-law treatment of (1) amounts paid for qualified long-term care services (or premiums paid under a qualified long-term care insurance contract), (2) amounts received under a qualified long-term care insurance contract, and (3) contributions to, and amounts received under, any plan of an employer that provides coverage for qualified long-term care services.

Definition of Qualified Long-Term Care Services

In general

The term "qualified long-term care services" is defined as the necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, and personal care services that are required by an individual during any period that such individual is a chronically ill individual, but only if (1) the primary purpose of the services is to provide needed assistance with any activity of daily living (as defined below) which the chronically ill individual is certified as being unable to perform, and (2) the services are provided pursuant to a continuing plan of care that is prescribed by a licensed health care practitioner. In addition, in order to constitute qualified long-term care services, the services may not be provided by any relative of the chronically ill individual unless the relative is a licensed health care practitioner with respect to the services provided.[1]

Definition of chroncially ill individual

A chronically ill individual generally is defined as any individual who is certified by a physician or registered professional nurse as being unable to perform, without substantial assistance from another individual, at least three activities of daily living. In the case of services that are provided during any period that an individual is residing in his or her home (whether or not the services are provided in the home),[2] an individual need only be certified as being unable to perform, without substantial assistance from another individual, at least two activities of daily living in order to be considered a chronically ill individual. For purposes of determining whether an individual is chroncially ill, substantial assistance includes cueing or substantial supervision.

For purposes of the definition of a chronically ill individual, the activities of daily living are (1) eating, (2) toileting, (3) transferring, (4) bathing and dressing, and (5) mobility. A licensed health care practitioner is a physician, registered professional nurse, or any other individual who satisfies such requirements as may be prescribed by the Secretary of the Treasury after consultation with the Secretary of Health and Human Services. It is intended that such requirements will include as a licensed health care practitioner any individual who has experience or has been trained in providing services to the elderly, such as a licensed social worker.

Definition of Qualified Long-Term Care Insurance Contract

In general

The term "qualified long-term care insurance contract" is defined as any insurance contract if (1) the only insurance protection provided under the contract is coverage of qualified long-term care services, and (2) the contract satisfies the requirements specified below relating to (a) the payment and refund of premiums, (b) the borrowing of money, (c) the coverage of expenses reimbursable under Medicare, and (d) the protection of consumers.

For purposes of the definition of a qualified long-term care insurance contract, the term "qualified long-term care services" is to have the same meaning as provided above, except that services are not to constitute qualified long-term care services unless the individual with respect to whom the services are performed is recertified no less frequently than annually as a chronically ill individual by a licensed health care practitioner.

Payment and refund of premiums

In order for an insurance contract to constitute a qualified long-term care insurance contract, the contract must provide that (1) the premium payments under the contract may not be made earlier than the date that such payments would have been made if the contract provided for level annual premium payments over the life of the contract,[3] or, if shorter, 20 years, and (2) all refunds of premiums and all policyholder dividends or other similar amounts under the contract are to be applied as a reduction in future premiums or to increase future benefits under the contract.

The requirement relating to the refund of premiums, however, is not to apply to any refund that occurs by reason of the death of the insured or upon the complete surrender or cancellation of a contract, but only if under the contract the amount refunded may not exceed the total premiums previously paid under the contract. If an amount is refunded under a qualified long-term care insurance contract by reason of the death of the insured or upon complete surrender or cancellation of the contract, the amount received is to be included in the gross income of the recipient to the extent that a deduction or exclusion was allowed with respect to the refunded amount.[4]

Prohibition on borrowing

An insurance contract is to constitute a qualified long-term care insurance contract only if the contract provides that (1) no money may be borrowed under the contract, and (2) the contract (or any portion thereof) may not be assigned or pledged as collateral for a loan.

Coverage of expenses reimbursable under Medicare

In addition, in order for an insurance contract to constitute a qualified long-term care insurance contract, the contract may not cover any expense incurred to the extent that the expense is reimbursable under Medicare.

Consumer protection provisions

In order for an insurance contract to constitute a qualified long-term care insurance contract, the contract must satisfy the following consumer protection provision. First, the contract must satisfy the requirements specified in section 6B (relating to guaranteed renewal and noncancellability), section 6C (relating to pre-existing hospitalization) of the long-term care insurance model Act of the National Association of Insurance Commissioners (NAIC) as adopted by the NAIC in December of 1990.[5]

In addition, the contract must satisfy the requirements specified in each of the following provisions of the NAIC long-term care insurance model regulations as adopted by the NAIC in December of 1990: (1) section 6A (relating to the guaranteed renewal or noncancellability); (2) section 6B (relating to prohibition on limitations and exclusions); (3) section 6C (relating to waiver of premium); (4) section 6D (relating to continuation or conversion of coverage); (5) section 6F (relating to replacement of discontinued policies); (6) section 7A (relating to disclosure); (7) section 8 (relating to prohibitions against post-claims underwriting);[6] (8) section 9 relating to minimum standards for home health care benefits);[7] (9) section 10 (relating to the required offering of inflation protection);[8] and (10) section 21 (relating to prohibitions against pre-existing conditions and probationary periods in replacement or certificates).

Second, the following statement must be prominently displayed on the front page of the contract: "This policy is intended to be a qualified long-term care insurance contract under section 7702B(b) of the Internal Code of 1986.".

Third, the contract must satisfy the nonforfeiture requirements that are in effect on the date that the contract is issued. The bill requires the NAIC to promulgate and certify nonforfeiture requirements to the Secretary of the Treasury before January 1, 1993. The NAIC is to have flexibility in determining the type and extent of appropriate nonforfeiture benefits and the extent to which those benefits would have to be offered or provided under a long-term care insurance contract, that the NAIC is to at least include a requirement that the issuer of a long-term care insurance contract offer the policyholder an opportunity to obtain a type of nonforfeiture benefit. In the event that the NAIC does not certify any such retirements to the Secretary of the Treasury before January 1, 1993, then, no later than January 1, 1994, the Secretary of the Treasury is to prescribe nonforfeiture requirements that must be satisfied in order for a contract to constitute a qualified long-term care insurance contract. The nonforfeiture requirements are not to apply to contracts that are issued before the date that is one year after (1) the date that the requirements are certified by the NAIC to the Secretary of the Treasury, or, (2) if applicable, the date that the requirements are published by the Secretary of the Treasury.

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[1] For this purpose, a relative of a chronically ill individual includes: (1) a son or daughter, or a descendant of either; (2) a stepson or stepdaughter; (3) a brother, sister, stepbrother, or stepsister; (4) the individual's father or mother, or an ancestor of either; (5) a stepfather of stepmother; (6) a son or daughter of a brother or sister; (7) a brother of sister of the individual's father or mother; and (8) a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law.

[2] An individual's home for purposes of this rule is not to include a nursing home or other facility that provides nursing services.

[3] For this purpose, the life of a contract is the period for which the insurance coverage is to be in effect and is to include any period for which the contract is guaranteed renewable.

[4] As described above, a medical expense deduction may be allowed for the premiums paid under a qualified long-term care insurance contract, and an employee may be allowed an exclusion from gross income for contributions of an employer to a plan that provides coverage of qualified long-term care services provided to the employee. In addition, an exclusion may be allowed for investment income earned on the excess (if any) of (1) the premiums paid under the contract, over (2) the current cost of the insurance coverage provided under the contract. Thus, for example, if the total amount of premiums paid under a qualified long-term care insurance contract is refunded by reason of the death of the insured or upon the complete surrender or cancellation of the contract, the amount includible in gross income is not to be less than the value of the insurance coverage provided under the contract. If the amount refunded is less than the total amount of premiums paid under the contract, the amount includible in gross income is to equal the excess (if any) of (1) the amount that would have been includible in gross income had the total amount of premiums paid under the contract been refunded, over (2) the total amount of premiums paid under the contract that are not refunded.

[5] In applying the requirements contained in the NAIC long-term care insurance model Act or model regulations to a group long-term care insurance contract, appropriate modifications are to be made to such requirements to reflect the fact that the contract is a group contract.

[6] In applying the requirements of section 8C(3) of the NAIC long-term care insurance model regulations, age 75 is to be substituted for age 80.

[7] In addition to the requirements contained in section 9 of the NAIC long-term care insurance model regulations, a contract must satisfy the following requirements: (1) the contract must not condition or limit eligibility for benefits furnished by licensed providers (a) on compliance with conditions which are in addition to those required for licensure under State law, or (b) for custodial care (if covered under the contract) only to care provided in facilities which provide a higher level of care than custodial care or to care provided in facilities which provide for 24-hour or other nursing care not required in order to be licensed by the State; (2) if a contract provides benefits for home health care services, the contract must provide benefits for personal care services (including home health aide and homemaker services), home health services, and respite care in an individual's home; and (3) if a contract provides benefits for nursing facility services, the contract must provide such benefits with respect to all nursing facilities that are licensed in the State.

[8] The requirements of section 10 of the NAIC long-term care insurance model regulations are not to be treated as satisfied unless the inflation protection is offered at least annually.

Treatment of life insurance contracts that provide coverage of qualified long-term care services

Except as provided in regulations, in the case of a life insurance contract that provides coverage of qualified long-term care services, the requirements that must be satisfied in order for a contract to constitute a qualified long-term care insurance contract are to apply as if the portion of the contract that provides coverage of qualified long-term care services is a separate contract.

Treatment of Per Diem and Other Periodic Payments

The bill provides that except as provided below, payments under a contract that are made to (or on behalf of) a chronically ill individual on a per diem or other periodic basis without regard to expenses incurred during the period to which the expenses relate are to be treated as payments made with respect to qualified long-term care services. Thus, any such payments that are made under a qualified long-term care insurance contract generally are to be excluded from the gross income of the recipient to the extent that the payments are not attributable to medical expenses or expenses for qualified long-term care services that were allowed a deduction for a prior taxable year.[9]

This special rule relating to per diem or other periodic payments is not to apply, however, if the aggregate payments under the contract for any period (whether on a periodic basis or otherwise) exceed the dollar limitation in effect for such period.[10] For any portion of a period that occurs during any calendar year before 1993, the dollar limitation is $100 per day (or the equivalent amount in the case of payments on another periodic basis). For any portion of a period that occurs during any calendar year after 1992, the dollar limitation is to be increased by a percentage of the dollar limitation in effect for the preceding calendar year. The percentage to be used for any calendar year is to equal the greater of (1) 5 years, or (2) the cost-of-living adjustment for the calendar year.[11]

Special Rules Applicable to Policyholders

The bill contains two special rules that apply only to the policyholder of a long-term care insurance contract. First, if the aggregate payments under all long-term care insurance contracts with respect to an insured for any period (whether on a periodic basis or otherwise) exceed the dollar limitation as described above in effect for the period, the special rule described above that treats per diem or other periodic payments as payments made with respect to qualified long-term care services is not to apply. Second, a contract is not to be treated as a qualified long-term care insurance contract during any period on or after the date that the contract (or any portion thereof) is assigned or pledged as collateral for a loan.[12]

Continuation Coverage Excise Tax

The bill provides that the excise tax that is imposed on the failure of a group health plan to satisfy continuation coverage requirements is not to apply to a long-term care insurance contract or any plan of an employer than provides coverage of qualified long-term care services.

Excise Tax on Failure to Satisfy Requirements With Respect to Long-Term Care Insurance Policies

The bill imposes an excise tax on any person that fails to satisfy certain requirements with respect to a long-term care insurance policy, which is defined as any product that is advertised, marketed, or offered as long-term care insurance. The amount of the excise tax is $5,000 for each failure to satisfy any such requirement. In the case of a failure that is due to reasonable cause and not to willful neglect, the Secretary of the Treasury may waive all or part of the tax to the extent that the payment of the tax would be excessive relative to the failure involved.

The excise tax is imposed on each failure to satisfy either of the following requirements relating to sales practices. First, a person who is selling or offering for sale a long-term care insurance policy may not complete the medical history portion of an application. Second, a person may not knowingly sell or issue a long-term care insurance policy to an individual who is eligible for medical assistance under Medicaid.

In addition, the excise tax is imposed on each failure to satisfy any requirement specified in each of the following provisions of the NAIC long-term care insurance model regulations as adopted by the NAIC in December of 1990: (1) section 11 (relating to application forms and replacement coverage); (2) section 12 (relating to reporting requirements);[13] (3) section 18 (relating to filing requirements for marketing); (4) section 19 (relating to standards for marketing);[14] (5) section 20 (relating to appropriateness of recommended purchase); (6) section 22 (relating to standard format outline of coverage); and (7) section 23 (relating to requirement to deliver shopper's guide).

The excise tax is also imposed on each failure to satisfy any requirement specified in each of the following provisions of the NAIC long-term care insurance model Act as adopted by the NAIC in December of 1990: (1) section 6F (relating to right of return);[15] (2) section 6G (relating to outline of coverage); (3) section 6H (relating to requirements for certificates under group plans); (4) section 6I (relating to policy summary); and (5) section 6J (relating to monthly reports on accelerated death benefits).

In addition, the excise tax is imposed on each failure of the issuer of a long-term care insurance policy to satisfy any of the following requirements. First, if an application for a long-term care insurance policy (or for a certificate under a group long-term care insurance policy) is approved, the issuer must transmit to the applicant the policy (or certificate) of insurance not later than 30 days after the date of approval. Second, if a claim under a long-term care insurance policy is denied, within 60 days of the date of a written request by the policyholder (or a representative of the policyholder), the issuer must provide a written explanation of the reasons for the denial and make available all information relating to the denial.

Finally, in the case of a long-term care insurance policy that is intended to be a qualified long-term care insurance contract, the following statement is to be prominently displayed on the front page of the policy and on the front page of the outline of coverage with respect to the policy: "This policy is intended to be a qualified long-term care insurance contract under section 7702B(b) of the Internal Revenue Code of 1986.". In the case of a long-term care insurance policy that is not intended to be a qualified long-term care insurance contract, the following statement is to be prominently displayed on the front page of the policy and on the outline of coverage with respect to the policy: "This policy is not intended to be a qualified long-term care insurance contract under section 7702B(b) of the Internal Revenue Code of 1986.".

Treasury regulations

The bill requires the Treasury Department to prescribe such regulations as may be necessary to carry out the requirements of the provisions of the bill relating to long-term care, including regulations to prevent the avoidance of such provisions by providing qualified long-term care services under a life insurance contract.

Effective dates

The provision of the bill relating to the deductibility of expenses paid for qualified long-term care services applies to taxable years beginning after the date of enactment. The excise tax that is imposed with respect to long-term care insurance policies applies to actions taken after December 31, 1992. The other provisions of the bill relating to long-term care apply to contracts issued after the date of enactment.

A special transitional rule is provided for any insurance contract that is issued on or before January 1, 1992, and that provides coverage for services that are similar to qualified long-term care services but that does not qualify as a qualified long-term care insurance contract. Under this rule, if, after the date of enactment of the bill and before January 1, 1994, any such contract is exchanged for a qualified long-term care insurance contract, such exchange is to be treated as an exchange to which section 1035 of the Code applied (which generally provides that no gain or loss is to be recognized upon the exchange of certain insurance contracts).

TITLE II—TREATMENT OF ACCELERATED DEATH BENEFITS

Present law

In general

The undistributed investment income ("inside buildup") earned on premiums credited under a contract that satisfies a statutory definition of life insurance is not includible in the gross income of the owner of the contract. In addition, death benefits paid under a contract that satisfies the statutory definition are excluded from the gross income of the receipt, so that neither the owner of the contract nor the beneficiary of the contract is ever taxed on the inside buildup if the proceeds are paid to the beneficiary by reason of the death of the insured. Amounts received under a life insurance contract (other than a modified endowment contract) prior to the death of the insured are includible in the gross income of the recipient to the extent that the amount received exceeds the recipient's investment in the contract (generally, the aggregate amount of premiums paid less amounts previously received that were excluded from gross income).

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[9] On the other hand, in determining the deductibility of expenses paid for qualified long-term care services, amounts received by a chronically ill individual on a per diem or other periodic basis under a qualified long-term care insurance contract are to be treated as compensation for such expenses.

[10] In determining whether the dollar limitation has been exceeded for any period, all contracts issued by the same insurance company with respect to the same insured are to be treated as a single contract.

[11] The cost-of-living adjustment for any calendar year is the percentage (if any) by which a nursing home cost index for the preceding calendar year exceeds such index for the second preceding calendar year. The nursing home cost index is to be established before January 1, 1994, by the Secretary of the Treasury after consultation with the Secretary of Health and Human Services. In the case of a calendar year beginning before 1996, the consumer price index is to be substituted for the nursing home cost index in determining the dollar limitation for such calendar year.

[12] The provision of a general security interest in the property of a policyholder is not to be considered an assignment or pledge for this purpose.

[13] In addition to the requirements contained in section 12 of the NAIC long-term care insurance model regulations, the issuer must also report at least annually the number of claims denied during the reporting period for each class of business.

[14] In addition to the requirements contained in section 19 of the NAIC long-term care insurance model regulations, a person may not misrepresent a material fact in selling or offering for sale a long-term care insurance policy.

[15] In addition to the requirements contained in section 6F of the NAIC long-term care insurance model Act, the requirements of such section are to apply to denials of coverage and any refund of premiums is to be made within 30 days of the return or denial.

Definition of a Life Insurance Contract

In order to qualify as a life insurance contract for Federal income tax purposes, a contract must be a life insurance contract under the applicable State or foreign law and must satisfy either of two alternative tests: (1) a cash value accumulation test; or (2) a test consisting of a guideline premium requirement and a cash value corridor requirement. A contract satisfies the cash value accumulation test if the cash surrender value of the contract may not at any time exceed the net single premium that would have to be paid at such time to find future benefits under the contract. A contract satisfies the guideline premium/cash value corridor test if the premiums paid under the contract do not at any time exceed the greatest of the guideline single premium or the sum of the guideline level premiums, and the death benefit under the contract is not less than varying statutory percentage of the cash surrender value of the contract.

The net single premium for purposes of the cash value accumulation test and the guideline single premium or guideline level premiums for purposes of the guideline premium/cash value corridor test are the amounts necessary to fund the future benefits under the contract. For this purpose, the term "future benefits" means death benefits and endowment benefits. In addition, the charge stated in a contract for any qualified additional benefit is treated as a future benefit, thereby increasing the applicable limitation by the discounted value of the charge. The term "qualified additional benefit" means guaranteed insurability, accidental death or disability, family term coverage, disability waiver, and any other benefit prescribed under Treasury regulations.

Explanation of provisions

In general

The bill provides an exclusion from gross income for amounts paid or advanced to an individual under a life insurance contract if (1) the insured under the contract is terminally ill, and (2) the spousal consent requirement described below is satisfied. For this purpose, an individual is considered terminally ill if the individual has been certified by a licensed physician as having an illness or physical condition that can reasonably be expected to result in death in 12 months or less.

Spousal Consent Requirement

The spousal consent requirement applies to an amount that is paid or advanced under a life insurance contract if, at any time during the one-year period that ends on the date that the amount is paid or advanced, the spouse of the insured is a beneficiary under the life insurance contract. The spousal consent requirement is satisfied with respect to an amount that is paid or advanced under a life insurance contract if (1) during the 90-day period that ends on the date that the amount is paid or advanced, the spouse of the insured consents to the payment or advance of such amount, or (2) it is established that the consent of the spouse to the payment or advance may not be obtained because the spouse may not be located, or because of such other circumstances as the Secretary of the Treasury may prescribe in regulations.

Treatment of Life Insurance Companies

The bill provides that for purposes of the income tax treatment of life insurance companies, any reference to a life insurance contract is to be treated as a reference to a qualified accelerated death benefit rider on such contract. For this purpose, the term "qualified accelerated death benefit rider" is defined as any rider or addendum on, or other provision of, a life insurance contract that provides for payments to an individual upon the insured becoming a terminally ill individual (as defined above), but only if the rider or other provision of the contract contains the spousal consent requirement described above.

Definition of a Life Insurance Contract

The bill provides that in determining whether a contract qualifies as a life insurance contract for Federal income tax purposes, a qualified accelerated death benefit rider (as defined above) is to constitute a qualified additional benefit. Consequently, the applicable limitations for purposes of the definition of a life insurance contract are to be increased by the discounted value of the charge for the qualified accelerated death benefit rider.

Addition of Accelerated Death Benefit Rider to Existing Life Insurance Contracts

The bill also provides that the addition to a life insurance contract of a rider that permits the acceleration of the death benefit upon the insured becoming a terminally ill individual (as defined above) is not to be treated as a modification of, or a material change to, the contract for purposes of determining whether the contract is subject to section 7702 or 7702A of the Code. If the contract is subject to section 7702 or 7702A, however, the addition of the rider is to be taken into account in determining whether the contract satisfies the requirements of section 7702 or 7702A.

Eligibility for Certain Public Assistance Benefits.

Finally, the bill provides that the right to receive an accelerated death benefit is not to be taken into account in determining eligibility for benefits under certain public assistance programs, such as Medicaid. For this purpose, an accelerated death benefit is defined as any payment made under a life insurance contract while the insured is alive as a result of a recalculation of the life expectancy of the insured.

Effective dates

The provision of the bill that provides an exclusion from gross income for certain amounts paid or advanced to an individual under a life insurance contract applies to taxable years beginning after December 31, 1989, except that the spousal consent requirement is not to apply before January 1, 1992. the other income tax provisions of the bill relating to accelerated death benefits apply to taxable years beginning before, on, or after December 31, 1989, except that the spousal consent requirement is not to apply before January 1, 1992. The provision of the bill that relates to eligibility for public assistance benefits is effective on January 1, 1990.

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
Washington, DC, August 2, 1991.
Hon. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As you may know, earlier this year I introduced S. 846, the Long-Term Care Consumer Protection Act of 1991. While remaining committed to the enactment of this legislation, I am pleased to join you today in introducing the Private Long-Term Care Insurance Act of 1991. There is no question that your bill, and your leadership in this area, make a major contribution to the long-term care debate.

During the Pepper Commission's struggle to find solutions to meet the long-term care needs of Americans of all ages, we attempted to determine whether there was an appropriate role for private long-term care insurance. Recognizing that, for the foreseeable future, the public sector will not be able to comprehensively meet everyone's long-term care needs, the Commission concluded that private insurance would be called on to play a role. One of the Pepper Commission's recommendations, which I believe I have incorporated into S. 846, is the adequate regulation of products and marketing practices. To further ensure consumer confidence in the market, the Commission also recommended clarifying the confusing tax treatment of private long-term care insurance.

The legislation we are introducing represents an important first step towards assuring consumer protection and answering taxpayer's questions surrounding the purchase of these policies. As with any legislation being introduced, this bill is but the initial step in the process. Questions about the adequacy and enforcement of consumer protections, as well as the revenue implications of this bill, have yet to be answered in full. I agree with you, Mr. Chairman, that these questions will not be satisfactorily answered until a bill is introduced and distributed among all interested parties.

Mr. Chairman, I look forward to working with you, Senator Packwood, Senator Dole, and all our colleagues to effectively address the many issues surrounding the private long-term care insurance market. Likewise, you can be assured that I will continue to work with consumers and their advocates, the National Association of Insurance Commissioners, the insurance industry and the insurance agents to further strengthen legislation that makes progress toward our ultimate goal of protecting the chronically ill of all generations from the catastrophic costs of long-term care.

I look forward to returning in the near future to work with you and Senator Packwood on this and other important legislation pending before the Finance Committee.

Sincerely,

DAVID PRYOR,
Chairman.•

• Mr. PACKWOOD. Mr. President, I am pleased to be joining my distinguished colleagues, Senators BENTSEN, DOLE, and PRYOR, in introducing the Private Long-Term Care Insurance Act of 1991. This bill is the tax part of a more comprehensive plan—called Secure Choice—that Senator DOLE and I have been working on to address the long-term care needs of seniors.

This bill is intended to remove tax barriers to the development of a private market for long-term care insurance and to encourage employers to offer long-term care benefits to their employees. This will pave the way for Americans to protect themselves against the devastating financial impact of long-term medically related problems.

Americans are rapidly aging. The elderly population has doubled over the past 30 years. The elderly population will double again over the next 40 years, swelling to more than 66 million Americans over age 65. Most of our seniors will eventually enter a nursing home or need help to continue living at home.

I believe the private sector can play an important role in providing seniors with access to affordable care. Insurance companies want to offer a wide array of coverage that can be tailored to the needs of individual seniors. Employers want to offer long-term care benefits to their employees and retirees. But these efforts are being hindered by ambiguities in the Tax Code regarding the taxation of long-term care.

The bill we are introducing today clarifies that long-term care expenses and qualified long-term care insurance are treated the same as medical expenses and medical insurance under the tax law. Thus:

Out-of-pocket long-term care expenses and the cost of qualified long-term care insurance will be tax deductible above 7.5 percent of adjusted gross income;

Payments for long-term care services under qualified long-term care insurance policies will not be taxable; and

Employer-paid long-term care services and qualified long-term care insurance will be a tax-free employee fringe benefit.

The bill also clarifies that reserves set aside by insurance companies to pay benefits under qualified long-term care insurance policies are tax deductible.

Lastly, the bill incorporates a proposal of Senator BRADLEY's, which I have cosponsored, to allow life insurance companies to pay death benefits to terminally ill individuals on a tax-free basis. This will help the terminally ill afford quality care when they need it the most.

I believe this bill is an excellent step toward addressing the long-term care needs of our seniors. I hope many of my colleagues will join us and cosponsor the bill.•

By Mr. LAUTENBERG:

S.J. Res. 188. Joint resolution to designate November 1991, as "National Red Ribbon Month"; to the Committee on the Judiciary.

NATIONAL RED RIBBON MONTH

• Mr. LAUTENBERG. Mr. President, I rise today to introduce a joint resolution designating the month of November as "National Red Ribbon Month." As the traditional holiday season approaches, more and more intoxicated individuals will try to decide whether they are capable of driving safely. In November, Mothers Against Drunk Driving [MADD] will be launching a national campaign to significantly reduce the number of drunk drivers on our Nation's highways. I am proud to join MADD in this effort.

MADD is observing its 10-year anniversary as a grass roots advocacy organization. MADD's first 10 years have been marked by hard work and success. Part of MADD's success is a new awareness on the part of the general public of the tragic consequences of drinking and driving. MADD pioneered the phrase "tie one on for safety," urging all of us to tie a red ribbon on our vehicles as a reminder not to drink and drive.

Over the years, Congress has passed legislation to fight the battle against drunk driving. In 1984, I teamed up with MADD to pass the national uniform minimum drinking age law. In 1988, we joined forces again and the Drunk Driving Prevention Act was passed which authorizes incentive grants to States to adopt laws to provide for administrative revocation of licenses of drunk drivers.

Despite our efforts, drunk driving is the most frequently committed crime in America. Over 45,000 people are killed in traffic crashes each year and nearly half of those fatalities were alcohol related. This November, MADD will distribute more than 90 million red ribbons nationwide. These red ribbons will serve as a reminder to all of us that each year more than 345,000 injuries result from drunk driving.

This is a problem that we can do something about. There is evidence that Federal, State, local, and private efforts to reduce drunk driving are having an impact. In fact, it is estimated that over 10,000 lives have been saved from alcohol related accidents since 1982. "National Red Ribbon Month" will heighten awareness of this deadly problem and its tragedies.

Mr. President, I am pleased to join in the fight against drunk driving on our Nation's highways and urge my colleagues to cosponsor this resolution to declare November "National Red Ribbon Month." I ask unanimous consent that the test of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 188

Whereas the most frequently committed crime in America is drunk driving; and

Whereas each year on our Nation's highways more than 45,000 people lose their lives due to auto crashes, approximately half of these involving alcohol; and

Whereas more than 345,000 people are injured in alcohol-related crashes each year; and

Whereas Mothers Against Drunk Driving (MADD) is an organization of nearly 3 million members and supporters across the nation which has had a major impact on reducing death on our highways; and

Whereas in November 1991, MADD will launch a major holiday public awarness campaign by asking America to "Tie One on for Safety" this holiday season; and

Whereas beginning in November MADD and other concerned groups will distribute more than 90 million red ribbons nationwide to create awareness about the dangers of drinking and driving: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 1991, is designated as "National Red Ribbon Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate activities devoted to reducing death and injury on our Nation's highways due to drinking and driving.•

By Mr. GORE (for himself and Mr. SASSER):

S.J. Res. 189. Joint resolution to establish the month of October 1991, as "Country Music Month"; to the Committee on the Judiciary.

COUNTRY MUSIC MONTH

• Mr. GORE. Mr. President, I am pleased to introduce, along with my distinguished colleague, Senator SASSER, a resolution to designate October 1991 as "Country Music Month." This resolution will highlight the contributions which country music, as an authentic American art form, has made to American culture.

From 1923, when Fiddlin' John Carson made the first successful country music recording, until today's biggest country stars like George Strait and Clint Black, country music has become one of the most popular forms of music in our Nation.

As a child growing up in Smith County, TN, I listened to the "Grand Ole Opry" and followed the legendary careers of so many country music legends. I realized at a very young age that country music was in step with our everyday lives and that the simplest song could touch the lives of country music lovers throughout the Nation.

Although Nashville, TN, is heralded as "Music City, U.S.A., Country Music Capital of the World," country music is indeed enjoyed by people throughout the United States. In fact, the Grand Ole Opry's audience is made up of people who have traveled an average of 450 miles one way to be there.

Whether we live on a farm or in a city, country music is in tune with our varied lifestyles. The music expresses human emotions we all share: love of family; faith in God; pride in country; reverence for nature.

The roots of country music can be traced to early American folk songs and spirituals which were sung on front porches and around campfires and reflected the striving of a young, ambitious nation. Today country music and its distinctively American harmonies are enjoyed by people worldwide.

The Country Music Association first officially celebrated Country Music Month in November 1964. The first Presidential proclamation recognizing October as County Music Month was issued in 1970. Presidential proclamations have been issued every year since. I urge my colleagues to support this resolution to commemorate this 27th Country Music Month.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 189

Whereas country music derives its roots from the folk songs of our Nation's workers, captures the spirit of our religious humans, reflects the sorrow and joy of our traditional ballads, and echoes the drive and soulfulness of rhythm and blues;

Whereas country music has played an integral part in our Nation's history, accompanying the growth of the Nation and reflecting the ethnic and cultural diversity of our people;

Whereas country music embodies a spirit of America and the deep and genuine feelings individuals experience throughout their lives;

Whereas the distinctively American refrains of country music have been performed for audiences throughout the world, striking a chord deep within the hearts and souls of its fans; and

Whereas October, 1991, marks the 27th annual observance of Country Music Month: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October, 1991, is designated as "Country Music Month". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.●

● Mr. SASSER. Mr. President, today, along with my colleague ALBERT GORE, JR., I am pleased to introduce a resolution to designate October 1991 as Country Music Month. As you know, country music is uniquely American and reflects our Nation's history, growth, and culture.

I am very proud to represent the Great State of Tennessee, whose capital city, Nashville, is "Music City U.S.A.," the home of country music. To mark the 27th anniversary of Country Music Month, Mr. GORE and I ask your support in commemorating country music as a vital thread in the fabric of our Nation.●

By Mr. MOYNIHAN:

S.J. Res. 190. Joint resolution to designate January 1, 1992, as "National Ellis Island Day"; to the Committee on the Judiciary.

NATIONAL ELLIS ISLAND DAY

● Mr. MOYNIHAN. Mr. President, I rise today to introduce a joint resolution to designate January 1, 1992, as "National Ellis Island Day," which will mark the 100th anniversary of this historic gateway to America. An identical resolution was passed by the House on July 10.

Approximately 100 million of us can trace our American ancestry to someone who entered through Ellis Island, much of which was built of landfill from the New York City subway system. The registration hall, which was designed to manage 5,000 immigrants a day or 8,000 in an emergency, processed 700 people in its first day. On April 17, 1907, 11,747 entered through the Ellis Island station, marking the apex of immigration in our history. Twelve million entered between its opening in 1892 and 1924. The renovation and rebuilding of Ellis Island, together with the Statue of Liberty, constitutes the single largest historic preservation project in U.S. history and provides a vital link to our past. Immigration, it may be fair to say, is the most significant determinant in foreign policy—what we do often depends upon who we are and where we came from. And it is impossible to understand our history and politics without taking account of our diverse immigrant populations. Ellis Island stands alone in our ethnic history.

It would do us well to reexamine that history, not least to shed the myths that surround it. Contrary to the famous words of the poet Emma Lazarus, those who arrived on our shores through Ellis Island were not starving, huddled masses. They could afford their own tickets, the equivalent of coach class on a transatlantic steamer, and more often than not came looking for a better job than the one they left behind. The proportion of prospective immigrants turned away before boarding the steamer was more than twice the proportion rejected at Ellis Island.

The 100th anniversary of Ellis Island provides a useful reminder that we are a nation of immigrants. I urge my colleagues to cosponsor this resolution, and ask unanimous consent that its text be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 190

Whereas the immigrant station at Ellis Island, New York, opened on January 1, 1892, admitting 700 immigrants to the United States on its 1st day of operation;

Whereas approximately 17,000 immigrants were admitted through Ellis Island between 1892 and 1954;

Whereas Ellis Island was reopened in the fall of 1990 as a historic site of interest;

Whereas January 1, 1992, will mark the centennial of the opening of Ellis Island;

Whereas approximately 40 percent of all the people of the United States can trace their heritage to an immigrant ancestor who was admitted through Ellis Island;

Whereas Ellis Island serves as a reminder of the hope for freedom and prosperity that the United States offered to the poor, tired, hungry, and downtrodden of the world;

Whereas the people of the United States should recognize the time, commitment, and great efforts of the many dedicated citizens who made the refurbishing of Ellis Island the largest historic renovation project in the history of the United States; and

Whereas the people of the United States have a responsibility to maintain awareness of, and respect for, Ellis Island: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That January 1, 1992, is designated as "National Ellis Island Day". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 12

At the request of Mr. DANFORTH, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 12, a bill to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes.

S. 167

At the request of Mr. RIEGLE, the names of the Senator from Oklahoma [Mr. NICKLES] and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 167, a bill to amend the Internal Revenue Code of 1986 to permanently extend qualified mortgage bonds.

S. 447

At the request of Mr. THURMOND, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 447, a bill to recognize the organization known as The Retired Enlisted Association, Incorporated.

S. 448

At the request of Mr. SYMMS, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 448, a bill to amend the Internal Revenue Code of 1986 to allow tax-exempt organizations to establish cash and deferred pension arrangements for their employees.

S. 499

At the request of Mr. ROTH, his name was added as a cosponsor of S. 499, a bill to amend the National School Lunch Act to remove the requirement that schools participating in the school lunch program offer students specific types of fluid milk, and for other purposes.

S. 559

At the request of Mr. SYMMS, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Georgia [Mr. NUNN], the Senator from Wyoming [Mr. WALLOP], the Senator from North Dakota [Mr. BURDICK], the Senator from Utah [Mr. HATCH], the Senator from New Hampshire [Mr. SMITH], the Senator from New Mexico [Mr. BINGAMAN], the Senator from North Dakota [Mr. CONRAD], the Senator from Washington [Mr. GORTON], the Senator from Vermont [Mr. JEFFORDS], the Senator from Missouri [Mr. BOND], the Senator from Maryland [Ms. MIKULSKI], the Senator from Kansas [Mr. DOLE], the Senator from Iowa [Mr. GRASSLEY], the Senator from South Dakota [Mr. PRESSLER], the Senator from Louisiana [Mr. BREAUX], and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 559, a bill to require the Secretary of the Treasury to mint coins in commemoration of Operation Desert Shield/Desert Storm.

S. 581

At the request of Mr. BOREN, the names of the Senator from Alabama [Mr. SHELBY], the Senator from New York [Mr. D'AMATO], and the Senator from Montana [Mr. BURNS] were added as cosponsors of S. 581, a bill to amend the Internal Revenue Code of 1986 to provide for a permanent extension of the targeted jobs credit, and for other purposes.

S. 596

At the request of Mr. MITCHELL, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 596, a bill to provide that Federal facilities meet Federal and State environmental laws and requirements and to clarify that such facilities must comply with such environmental laws and requirements.

S. 614

At the request of Mr. DASCHLE, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 614, a bill to amend title XVIII of the Social Security Act to provide coverage under such title for certain chiropractic services authorized to be performed under State law, and for other purposes.

S. 640

At the request of Mr. KASTEN, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of S. 640, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 649

At the request of Mr. BREAUX, the names of the Senator from Maine [Mr. COHEN], and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of S. 649, a bill to amend the Internal Revenue Code of 1986 to repeal the luxury tax on boats.

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 649, supra.

S. 656

At the request of Mr. KASTEN, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 656, a bill to amend the Internal Revenue Code of 1986 to provide for a maximum long-term capital gains rate of 15 percent and indexing of certain capital gains, and for other purposes.

S. 843

At the request of Mr. BREAUX, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 843, a bill to amend title 46, United States Code, to repeal the requirement that the Secretary of Transportation collect a fee or charge for recreational vessels.

S. 882

At the request of Mr. SARBANES, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 882, a bill to amend subpart 4 of part A of title IV of the Higher Education Act of 1965 to mandate a 4-year grant cycle and to require adequate notice of the success or failure of grant applications.

S. 997

At the request of Mr. KASTEN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 997, a bill to impose duties on golf carts imported from South Korea equal to the duties and taxes imposed by South Korea on golf carts manufactured in the United States.

S. 1010

At the request of Mr. INOUYE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 1010, a bill to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants.

S. 1087

At the request of Mr. HARKIN, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 1087, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 100th anniversary of the Pledge of Allegiance to the Flag.

S. 1130

At the request of Mr. KASTEN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1130, a bill to amend the Internal Revenue Code of 1986 to provide for rollover of gain from sale of farm assets into an individual retirement acount.

S. 1226

At the request of Mr. JEFFORDS, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 1226, a bill to direct the Administrator of the Environmental Protection Agency to establish a small community environmental compliance planning program.

S. 1257

At the request of Mr. SYMMS, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1358

At the request of Mr. GRAHAM, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 1358, a bill to amend chapter 17 of title 38, United States Code, to require the Secretary of Veterans Affairs to conduct a hospice care pilot program and to provide certain hospice care services to terminally ill veterans.

S. 1365

At the request of Mr. HELMS, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 1365, a bill to amend the Tariff Act of 1930 to require the Secretary of the Treasury to impose civil penalties for the importation or transportation of goods made in a foreign country with the use of forced labor, and for other purposes.

S. 1453

At the request of Mr. WIRTH, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1453, a bill to prohibit the awarding of United States Government contracts to foreign persons that comply with the Arab boycott of Israel.

S. 1482

At the request of Mr. DIXON, the names of the Senator from Alabama [Mr. SHELBY], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of S. 1482, a bill to amend the Social Security Act to improve the notice of Medicaid payment of Medicare cost-sharing, and for other purposes.

S. 1503

At the request of Mr. NUNN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1503, a bill to amend the Higher Education Act of 1965 to provide more stringent requirements for the Robert T. Stafford Student Loan Program, and for other purposes.

S. 1504

At the request of Mr. INOUYE, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 1504, a bill to authorize appropriations for public broadcasting, and for other purposes.

S. 1530

At the request of Mr. SIMON, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Arizona [Mr. MCCAIN], and the Senator from Washington [Mr. GORTON] were added as cosponsors of S. 1530, a bill to authorize the integration of employment, training and related services provided by Indian tribes.

S. 1553

At the request of Mr. CRANSTON, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 1553, a bill to establish a program of marriage and family counseling for certain veterans of the Persian Gulf war and the spouses and families of such veterans.

S. 1554

At the request of Mr. BENTSEN, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 1554, a bill to provide emergency unemployment compensation, and for other purposes.

S. 1574

At the request of Mr. RIEGLE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1574, a bill to ensure proper and full implementation by the Department of Health and Human Services of medicaid coverage for certain low-income Medicare beneficiaries.

S. 1576

At the request of Mr. WIRTH, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from Minnesota [Mr. WELLSTONE], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 1576, a bill to help stop the spread of nuclear weapons by controlling the production of nuclear weapons material.

S. 1623

At the request of Mr. DECONCINI, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1623, a bill to amend title 17, United States Code, to implement a royalty payment system and a serial copy management system for digital audio recording, to prohibit certain copyright infringement actions, and for other purposes.

SENATE JOINT RESOLUTION 39

At the request of Mr. THURMOND, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from California [Mr. SEYMOUR], the Senator from Georgia [Mr. FOWLER], the Senator from West Virginia [Mr. BYRD], the Senator from Illinois [Mr. SIMON], the Senator from Texas [Mr. BENTSEN], the Senator from New Jersey [Mr. BRADLEY], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Senate Joint Resolution 39, a joint resolution to designate the month of September 1991, as "National Awareness Month for Children with Cancer."

SENATE JOINT RESOLUTION 139

At the request of Mr. THURMOND, the names of the Senator from Washington [Mr. ADAMS], the Senator from New York [Mr. D'AMATO], the Senator from Illinois [Mr. DIXON], the Senator from Arizona [Mr. DECONCINI], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 139, a joint resolution to designate October 1991, as "National Lock-In-Safety Month."

SENATE JOINT RESOLUTION 140

At the request of Mr. WARNER, the names of the Senator from Wisconsin [Mr. KOHL], the Senator from Maine [Mr. COHEN], the Senator from Illinois [Mr. DIXON], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of Senate Joint Resolution 140, a joint resolution to designate the week of July 27 through August 2, 1991, as "National Invent America! Week."

SENATE JOINT RESOLUTION 164

At the request of Mr. GORE, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from Pennsylvania [Mr. SPECTER], the Senator from California [Mr. CRANSTON], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Joint Resolution 164, a joint resolution designating the weeks of October 27, 1991, through November 2, 1991, and October 11, 1992, through October 17, 1992, each separately as "National Job Skills Week."

SENATE JOINT RESOLUTION 179

At the request of Mr. WALLOP, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of Senate Joint Resolution 179, a bill to designate the week beginning August 25, 1991, as "National Parks Week."

SENATE JOINT RESOLUTION 180

At the request of Mr. BRADLEY, the names of the Senator from Delaware [Mr. BIDEN], the Senator from North Dakota [Mr. BURDICK], the Senator from New York [Mr. D'AMATO], the Senator from Illinois [Mr. DIXON], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Rhode Island [Mr. PELL], the Senator from Maryland [Mr. SARBANES], the Senator from Michigan [Mr. LEVIN], and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 180, a joint resolution designating December 1 through 7, 1991, as "Geography Awareness Week."

SENATE JOINT RESOLUTION 181

At the request of Mr. GORE, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from California [Mr. CRANSTON], the Senator from Vermont [Mr. LEAHY], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of Senate Joint Resolution 181, a joint resolution calling on the President of the United States to take a leadership role in the international negotiations toward a World Forest Convention and a Framework Convention on Climate Change, and for other purposes.

SENATE JOINT RESOLUTION 183

At the request of Mr. BIDEN, the names of the Senator from Oregon [Mr. PACKWOOD] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Joint Resolution 183, a joint resolution to designate the week beginning September 1, 1991, as "National Campus Crime and Security Awareness Week."

SENATE JOINT RESOLUTION 185

At the request of Mr. KASTEN, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Joint Resolution 185, a joint resolution recognizing the 10th anniversary of the enactment of the Economic Recovery Tax Act of 1981.

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. DODD, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from New York [Mr. D'AMATO], the Senator from Utah [Mr. HATCH], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of Senate Concurrent Resolution 43, a concurrent resolution concerning the emancipation of the Baha'i community of Iran.

SENATE RESOLUTION 82

At the request of Mr. KOHL, his name was added as a cosponsor of Senate Resolution 82, a resolution to establish a Select Committee on POW/MIA Affairs.

SENATE RESOLUTION 109

At the request of Mr. RIEGLE, the names of the Senator from Pennsylvania [Mr. WOFFORD], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Ohio [Mr. METZENBAUM], the Senator from Connecticut [Mr. DODD], the Senator from Iowa [Mr. HARKIN], the Senator from Michigan [Mr. LEVIN], the Senator from Washington [Mr. ADAMS], the Senator from North Carolina [Mr. SANFORD], the Senator from Alabama [Mr. HEFLIN], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of Senate Resolution 109, a resolution exercising the right of the Senate to change the rules of the Senate with respect to the "fast track" procedures for trade implementation bills.

AMENDMENT NO. 752

At the request of Mr. JOHNSTON, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of amendment No. 752 intended to be proposed to S. 1220, a bill to reduce the Nation's dependence on imported oil, to provide for the energy security of the Nation, and for other purposes.

SENATE CONCURRENT RESOLUTION 59—PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE CONGRESS

Mr. MITCHELL submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 59

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns on Friday, August 2, 1991, Saturday, August 3, 1991, or Sunday, August 4, 1991, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand recessed or adjourned until 9:30 o'clock a.m. on Tuesday, September 10, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first, and that when the House of Representatives adjourns on Friday, August 2, 1991, or Saturday, August 3, 1991, Sunday, August 4, 1991, or Monday, August 5, 1991, pursuant to a motion made by the Majority Leader, or his designee, in accordance with this resolution, it stand adjourned until noon on Wednesday, September 11, 1991, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the Majority Leader of the Senate, acting jointly after consultation with the Minority Leader of the House and the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

SENATE CONCURRENT RESOLUTION 60—RELATING TO BETTER CONTROL OF FEDERAL OVERHEAD EXPENDITURES

Mr. SEYMOUR submitted the following concurrent resolution; which was referred to the Committee on Governmental Affairs.

S. CON. RES. 60

Whereas an estimated $20 of every $100 the Federal Government spends goes to overhead—travel, facilities, equipment, services, and supplies—and totals nearly $300,000,000,000 of the projected 1992 Federal budget of $1,400,000,000,000;

Whereas the Grace Commission and the General Accounting Office have separately identified numerous examples of waste and abuse in Federal overhead spending totaling in the billions of dollars;

Whereas neither the executive nor the legislative branches have financial management systems in place to routinely and systematically identify, analyze, and control the Federal Government's overhead expenditures;

Whereas both nonprofit and for-profit private sector organizations act continually and effectively to control their overhead costs, producing billions of dollars of savings annually;

Whereas the 1990 budget agreement places caps on discretionary spending making it imperative that the Congress act to control how taxpayer dollars are being spent to maximize the dollars available to directly benefit citizens; and

Whereas the American taxpayer increasingly and actively supports congressional efforts to better control the manner in which their tax dollars are spent: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that both the legislative and executive branches should undertake efforts to better identify, analyze, and control Federal overhead expenditures and that it should be the policy of the United States Government to reduce its fiscal year 1992 overhead expenditures by 10 percent.

Mr. SEYMOUR. Mr. President, I rise today to introduce a Senate concurrent resolution to provide a sense of the Congress that the legislative and executive branches should better control Federal overhead expenditures and that is the policy of the United States to reduce its fiscal year 1992 overhead expenditures by 10 percent.

The Federal budget for fiscal year 1991 is $1.3 trillion. The deficit will approach $280 billion this year, an alltime record. It has been over 20 years since Congress had its last surplus in 1969. The approximate interest payment on our cumulative debt is $196.9 billion a year. This capital could be going to productive use as investment in education and infrastructure, rather then debt payment. The writing is on the wall. Unless Congress takes steps to curtail this runway debt, we will be doomed to a second rate existence.

This resolution today, and subsequent legislative proposals, will attempt to reduce this mountain of debt by curtailing the Federal Government's huge overhead costs. These expenses account for more that one-fifth of our annual budget, or $270 billion. A mere 10 percent decrease in overhead costs would amount to savings of $27 billion dollars, no small amount. This figure also represents a 10 percent reduction in our Federal debt.

Is this too much to ask Mr. President, I don't believe so. Every family in this country can relate to tightening its belt and reducing its expenses during tight economic times. Even our favorite uncle—Uncle Sam—has to tighten his belt. That is why I am introducing a resolution today to express the sense of Congress that better controls should be instituted on overhead expenses. I hope that my colleagues will join in support of this resolution.

SENATE CONCURRENT RESOLUTION 61—RELATIVE TO DEVELOPMENT OF THE CENTRAL MONUMENT CORE OF THE NATION'S CAPITAL

Mr. SASSER submitted the following concurrent resolution; which was referred to the Committee on Governmental Affairs:

S. CON. RES. 61

Whereas over the past two centuries, the monumental core of the Nation's Capital has become one of the world's finest examples of civic art under the guidance of the original L'Enfant Plan and the McMillan Commisson Plan of 1901. It is a precious area, framed generally by the Capitol, White House, Lincoln Memorial, Arlington Cemetery, and the Pentagon. History, monuments, and outstanding public buildings abound, along with the symbolic architecture that has established itself in the affections of the Nation. However, the vigor and vitality of a growing society have generated demands that outpace the guidance provided in these historic plans;

Whereas it is time to take a bold and fresh look into the future. As the bicentennial of the original plan for the Federal City approaches, the aspirations for the monumental core put forth in turn-of-the-century plans have been largely fulfilled. A new vision for this central monumental area is needed to guide its develpment into the 21st century. The beauty and dignity of this historic area must not be put at risk by ad hoc development taking place in the absence of a well-considered new plan that preserves and respects this national treasure;

Whereas the challenge of technical change is upon the Nation as the capital adjusts to an expanding international leadership role in the emerging global information age. Facilities designed for new kinds of Federal Government operations and requirements must be accommodated. If history is a guide, new cabinet level departments and operations will evolve in the coming generations that might expect to be housed at the seat of government. The Federal Judiciary is also expanding rapidly, and should similarly be accommodated in a manner that respects its stature as the third branch of government;

Whereas pressure for space in the monumental core is intense. Proposals for several new museums are under discussion. Congress has recently authorized several new memorials and additional proposals are pending. Several executive branch agencies are seeking prominent new headquarter locations. Meanwhile, visitation will continue to increase as the area faces both complex traffic problems and the challenge of providing sufficient parking to meet current and future needs. The 18–20 million Americans who currently visit their Nation's Capital each year must be accommodated. These issues, while frequently discussed, remain unsolved. Clearly, the demand to reflect national achievements, culture, and history in the heart of the National Capital will not cease merely because of the near completion of the McMillan Commission Plan;

Whereas a forward looking and inspirational plan that preserves this legacy for future generations, yet accommodates growth, is needed. That plan must have beauty, nobility, and power—the power to proclaim vividly Washington's stature as the heart of a great democracy and as a world capital; and

Whereas the National Capital Planning Commission is developing this plan in a collaborative and cooperative manner, its efforts merit the participation of the Federal Government and the governments within the National Capital Region toward ensuring the grandeur and an appropriate, functional, and symbolic setting for our Capital: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress supports the National Capital Planning Commission in undertaking the creation of such a visionary plan in its unique role as the central Federal Planning Agency in the National Capital.

• Mr. SASSER. Mr. President, it is my pleasure to submit today Senate Concurrent Resolution 61, expressing the sense of the Congress that it supports the initiative of the National Capital Planning Commission [NCPC] to develop a plan to guide the design of the monumental core of the Nation's Capital into the next century.

As chairman of the Subcommittee on General Services, Federalism, and the District of Columbia, I join the distinguished Representative from California, RONALD V. DELLUMS, chairman of the House Committee on the District of Columbia, in introducing identical resolutions in the House and Senate today. The monumental core is comprised generally of the Capitol and its grounds, The Mall, Federal Triangle, the White House and its precincts, major Presidential memorials, Potomac Park, Arlington National Cemetery, and the Pentagon. Its literally monumental nature and status were a key element in the L'Enfant plan of 1791 and call for care and vigilance to preserve the monumental core's symbolic and aesthetic qualities into our country's future.

In 1901, Senator McMillan of Michigan chaired a commission that undertook a thorough review of the monumental core's status. The vision displayed by the McMillan plan has guided the development of the core throughout the 20th century and has made it the object of admiration all over the world. The McMillan plan has given us the grand Mall, with its magnificent vistas; the Federal Triangle, with its dignified neoclassical overtones; the many beautiful and fascinating museums of our Smithsonian Institution; and the memorials to two of our greatest Chief Executives, Thomas Jefferson and Abraham Lincoln.

However, while the McMillan plan has been essentially fulfilled, ours is a dynamic Nation. It is time to do as Senator McMillan did and try to look to the future to ensure that the needs of the people and their great capital are accommodated in the monumental core in a way that enhances it while preserving its unique qualities of spaciousness, dignity, and serenity. We must anticipate that the demands will continue for additional memorials, new museums, and new executive branch department headquarters, not to mention all of the transportation facilities and other infrastructural support required to meet the needs of tourist and Federal worker alike.

That is why the NCPC has already begun preparations for an updated plan for The Mall and the rest of the monumental core. The NCPC is especially qualified to perform this service to the Nation. Established by Congress in 1926, it is the central planning agency for the Federal Government in and around the Nation's Capital, with the dual mission of planning for the future while safeguarding the past. The NCPC is comprised of three Presidentially appointed members, at least one of whom must be a resident of Maryland and another of Virginia; the heads of the major departments and agencies with the most direct interest in planning for the Nation's Capital, the Departments of the Interior and Defense and the General Services Administration; and the chairmen of the House Committee on the District of Columbia and the Senate Committee on Governmental Affairs, of which my subcommmittee is a part. There are also two citizen members appointed by the Mayor of the District of Columbia. The President appoints the Chairman of the NCPC.

In carrying out its duty to implement and enlarge on the McMillan plan, the NCPC was authorized by Congress, in 1952, to participate in preparing a comprehensive plan for all aspects of development and use of the Nation's Capital. To aid in developing the monumental core area plan, as an integral part of the published comprehensive plan, the NCPC proposes to establish a seven- to nine-member panel of distinguished members, enjoying national and international stature, drawn from a variety of relevant disciplines to advise and assist the NCPC. Indeed, it was just so distinguished and varied a membership that characterized the McMillan Commission itself.

By the resolution we are introducing today in the House and Senate, Congressman DELLUMS and I wish to engage our colleagues in expressing support for the NCPC's monumental core initiative. It is our intention that this concurrent resolution should symbolize, and be recognized, as a congressional endorsement of cooperation among the three branches of the Federal Government in aiding the NCPC in this endeavor. We want executive branch personnel, distinguished judges and their assistants, and our colleagues and their staffs to be aware that the monumental core planning process has the keen interest and support of Congress.

I feel I should also point out the symbolic significance of the introduction of this resolution in the year 1991, the bicentennial of that most renowned of urban plans, the L'Enfant plan. In that spirit, I hope we will be able to pass this resolution before adjourning for the year.●

SENATE RESOLUTION 167—AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. WIRTH (for Mr. MITCHELL, for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 167

Whereas, in the case of Alcee L. Hastings v. United States of America, No. 91–1173C, pending in the United States Claims Court, the plaintiff, former Judge Alcee L. Hastings, has asserted a claim that the Compensation Clause, article III, section 1 of the Constitution, requires the United States to reimburse him for the costs of his legal defense during his impeachment trial;

Whereas, in the case of Alcee L. Hastings v. United States of America, et al., No. 91–1713, pending in the United States District Court for the District of Columbia, the plaintiff, former Judge Alcee L. Hastings, has named the United States Senate as a defendant and has placed in issue the constitutionality of his impeachment trial, conviction, and removal from office;

Whereas, pursuant to section 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a)(1), the Senate may direct its counsel to defend Senate parties in civil actions relating to their official responsibilities;

Whereas, pursuant to sections 703(c), 706(a), and 713(a) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(c), 288e(a), and 288l(a), the Senate may direct its Counsel to appear as amicus curiae in the name of the Senate in any legal action in which the powers and responsibilities of Congress under the Constitution are placed in issue: Now, therefore, be it

Resolved, That the Senate Legal Counsel is authorized to represent the Senate and any other Senate parties in Alcee L. Hastings v. United States of America, et al., filed in the United States District Court for the District of Columbia, or in any similar lawsuit filed by former Judge Alcee L. Hastings to challenge his impeachment trial, conviction, or removal from office.

SEC. 2. That the Senate Legal Counsel is authorized to appear as amicus curiae in the name of the Senate in Alcee L. Hastings v. United States of America, filed in the United States Claims Court, and in Alcee L. Hastings v. United States of America, et al., filed in the United States District Court for the District of Columbia, or in any similar lawsuit filed by former Judge Alcee L. Hastings, in order to defend the Senate's sole constitutional power to try impeachments and to defend, to the extent necessary, the decisions and procedures of the Senate in the course of his impeachment.

SENATE RESOLUTION 168—AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. WIRTH (for Mr. MITCHELL, for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 168

Whereas, in the case of Perkins v. United States Senate, No. 90–5330, pending in the United States Court of Appeals for the District of Columbia Circuit, the appellant is seeking reversal of a district court order dismissing as frivolous his complaint against the United States Senate;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. 288b(a) and 288c(a)(1), the Senate may direct its counsel to defend the Senate in civil actions relating to its official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent the Senate in the case of Perkins v. United States Senate.

SENATE RESOLUTION 169—FORMALIZING MEMBERSHIP ON THE SELECT COMMITTEE ON ETHICS

Mr. WIRTH (for Mr. MITCHELL, for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 169

Resolved,

SECTION 1. For purpose of matters relating to the preliminary inquiries into the conduct of Senators Cranston, DeConcini, Glenn, McCain and Riegle, including the investigation into the conduct of Senator Cranston, the membership of the Select Committee on Ethics shall be Senator Heflin (Chairman); Senator Rudman (Vice Chairman); Senator Sanford; Senator Helms; Senator Lott; and a Senator to be named in accordance with section 1 of Senate Resolution 338 (88th Congress, 2d Sess., 1964).

SEC. 2. For all other purposes, the membership of the Select Committee on Ethics shall be Senator Sanford (Chairman); Senator Rudman (Vice Chairman; and Senator Bingaman; Senator Bryan; Senator Lott; and Senator Gorton.

SENATE RESOLUTION 170—TO REFER THE BILL S. 1652 TO THE COURT OF CLAIMS

Mr. FORD submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 170

Resolved, That the bill (S. 1652) entitled "A bill for the relief of land grantors in Henderson, Union, and Webster Counties, Kentucky, and their heirs," now pending in the Senate, together with all accompanying papers, is referred to the Chief Judge of the United States Court of Claims. The Chief Judge shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report back to the Senate, at the earliest practicable date, giving such findings of fact and conclusions that are sufficient to inform Congress of the amount, if any, legally or equitably due from the United States to the claimants individually.

SENATE RESOLUTION 171—TO REFER THE BILL S. 1657 TO THE COURT OF CLAIMS

Mr. KOHL submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 171

Resolved, That S. 1657 entitled "A bill for the relief of the Menominee Indian Tribe of Wisconsin" now pending in the Senate, together with all the accompanying papers, is referred to the chief judge of the United States Claims Court. The chief judge shall proceed according to the provisions of sections 1492 and 2509 of title 28, United States Code, and report back to the Senate, at the earliest practicable date, providing such findings of fact and conclusions that are sufficient to inform the Congress of the nature, extent, and character of the damages referred to in such bill as a legal or equitable claim against the United States or a gratuity, and the amount, if any, legally or equitably due from the United States to the Menominee Indian Tribe of Wisconsin by reason of such damages.

SENATE RESOLUTION 172—RELATING TO THE ANTITRUST EXEMPTION NOW ACCORDED BASEBALL, FOOTBALL, AND HOCKEY

Mr. SPECTER submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 172

Whereas baseball has enjoyed an antitrust exemption since 1922 when the Supreme Court of the United States held that baseball was a sport and not a business;

Whereas baseball today is admittedly a business;

Whereas baseball's recent moves to pay cable television and baseball's recent announcement that only two new franchises would be created by the National League shows disregard for the public's interests compared with the owners' financial interests;

Whereas recent moves by football, basketball and hockey to pay cable and/or pay-per-view demonstrates disregard for the public's interests compared with the owners' financial interests;

Whereas football, basketball and hockey enjoy a special limited exemption from the antitrust laws as provided in the Sports Broadcasting Act (15 U.S.C. 1291–95);

Whereas only 58.6 percent of United States households have purchased cable service and only 77.4 percent of United States households have access to cable service;

Whereas big league sports franchises may function as businesses extracting whatever profit the market will bear, existing antitrust exemptions should be limited or rescinded unless big league sports franchise owners demonstrate reasonable concern for the public's interest: Therefore be it

Resolved, That Congress should limit or rescind the antitrust exemptions now accorded football, baseball, basketball and hockey.

Mr. SPECTER. Mr. President, baseball's decision to limit expansion to only two cities and the numerous shifts of sporting events from free TV to pay cable are the most recent of many decisions by franchise owners to elevate their profit interests over the public's interests. The NFL has announced plans for pay-per-view on cable television by 1992, and it is likely that eventually there will be pay-per-view for the super bowl. Basketball has moved from free TV for away games to pay television on cable.

The Philadelphia Phillies, who used to be available on away games on free TV, now require viewers to pay for two separate cable channels to see away games. The traditional Phillies Sunday afternoon game is now available on occasion only on a premium pay cable channel. Former Baseball Commissioner Ueberroth reportedly asked cable operators if they would be interested in exclusive rights to the league championship series.

The sports franchise owners argue it is their business what they charge for the privilege of watching their teams. However, those entrepreneurs enjoy a special privilege in being exempt from the antitrust laws. Baseball won that exemption in 1922 because it was then regarded as a sport and not a business. Although no one today doubts that big league sporting events are a business—and big business at that—the Congress and the courts continue to allow the sports entrepreneurs special exemptions from the antitrust laws which govern all other businesses in America.

Simply stated, if the sports entrepreneurs want to run their businesses without the special privilege of antitrust exemption, then let them do so. If, on the other hand, they want to enjoy the benefits of antitrust exemption, then, in my opinion, they should show more concern for the public interest without extracting every last dollar through pay TV and limitation of franchises.

Baseball's indifference to its fans was demonstrated in 1958 when the Dodgers deserted Brooklyn and the Giants abandoned New York for California's megabucks. When professional football teams like the Dallas Cowboys sell for $140 million and expansion baseball teams cost $175 million, which includes the expansion fee of $95 million plus estimated startup costs of $80 million, the focus of the future becomes clearer: More pay television is coming closer and closer into view.

In addition to special consideration which franchise owners owe fans arising from the antitrust exemption, in my judgment sports teams are affected with a public interest. There is something unique about teams for hometown fans which has created America's love affair with sports. My own views have been molded by being an enthusiastic sports fan as well as my appreciation, as a lawyer, for the property rights of sports entrepreneurs.

My personal perspective developed from living in Kansas as a youngster where the sports ticker tape each half inning and the morning box scores relieved the solitude of rural life. As a city resident, I now regularly attend sporting events and have been a season ticket holder since the mid-1950's. Anyone who sees the frenzy of 60,000 fans in an NFL stadium or the passion of spectators for baseball, basketball, or hockey games knows that the fan deeply feels a keen emotional interest—arguably as important as a proprietary interest—even though not equally assertable in courts.

My populist views on Congress' role in protecting America's sports fans did not arise as a volunteer. In the summer of 1982, Mr. Dan Rooney of the Pittsburgh Steelers and then-Commissioner Pete Rozelle asked for assistance in arranging hearings by the Senate Judiciary Committee on the prospective move of the Oakland Raiders to Los Angeles. Senator STROM THURMOND, chairman of the Judiciary Committee, promptly honored my request and those hearings were held within a few days.

Legislation was introduced to grant the NFL authority to limit franchise moves without violating the antitrust laws. The NFL ultimately solved the problem without the necessity for such legislation but those hearings opened a broader inquiry by the Judiciary Committee into professional sports. When the Philadelphia Eagles contemplated a move to Phoenix in 1984, Judiciary Committee hearings contributed to abandonment of that proposal. Later Judiciary Committee hearings extracted a commitment from then-Commissioner Rozelle and the NFL's current Commissioner Tagliabue not to have pay-per-view for the Super Bowl until at least the year 2000.

Evidence is mounting, however, that the NFL is moving toward telecasts on a pay-per-view basis. First there was the NFL's decision in 1987 to take some 13 games off ABC–TV and move them to ESPN on cable, although it did require ESPN to sell broadcast rights to the game in the markets of the teams involved in each game. Now there are press reports, in particular a February 24, 1991 article in the New York Times entitled "NFL Planning to Add Pay TV to Its Package" in which NFL Commissioner Paul Tagliabue was quoted as saying that the NFL was considering putting some games on pay-per-view because "it's a fact of life now."

These reports are disturbing because the NFL has publicly guaranteed no move to pay-per-view for the Super Bowl until at least the year 2000, if ever, At a May 9, 1989, hearing before the Judiciary Committee, then-Commissioner Pete Rozelle confirmed that "the National Football League will not embrace pay television before 2000, if then." (Tr. at 73). Commissioner Tagliabue confirmed this commitment at a November 14, 1989, hearing before the Subcommittee on Antitrust, Monopolies, and Business Rights (S. Hrg. 101-1209 at p. 93).

According to media expert Jay Blumer, the $100 million pay-per-view business is projected to be a $6 billion business by the end of the 1990's. The NFL obviously wants a piece of this action. While the recent actions by the NFL are not an explicit breach of its public promises, they indicate the direction the league is moving and are contrary to the spirit of their prior assurances.

Sports franchises are money-making businesses and much of their value is derived from the monopoly position of the leagues, as evidenced by major league baseball's expansion, franchise price of $95 million. The June 19 issue of Financial World pegged the value of the New York Yankees at $225 million, the Miami Dolphins at $205 million, and the Green Bay Packers, L.A. Dodgers, L.A. Lakers all at $200 million. Financial World reported also that professional sports franchises averaged 15 to 20 percent in annual appreciation in recent years, grossing a total of receipts topping $3.7 billion each year, $1.7 billion of which comes from broadcasting fees.

Only 2 years ago, the Baltimore Orioles team was sold for $70 million and today Financial World estimates the Orioles' value at $200 million. Other recent sales show that limiting team expansions can up the price of existing franchises: The Montreal Expos agreed to a sale in November 1990 for a reported figure of $86 million; the San Diego Padres were sold last year for $75 million; the Seattle Mariners were sold in 1989 for $76 million, the Dallas Cowboys sold for an estimated $140 million in 1989; the Denver Nuggets for $55 million in 1988; the Denver Broncos for $75 million in 1984; the New Orleans Saints for $70.2 million in 1985; and the New England Patriots for $85 million in 1988.

What is clear in all this is the harm that the public will suffer if professional football games are available on cable only. Apart from the extra cost of pay-per-view on cable, there is the simple matter of access to cable. According to Broadcast magazine and the Televison and Cable Factbook (1989-90 ed.), only 77.4 percent of households with televisons nationwide can obtain cable if they want it. Only 58.6 percent have chosen to purchase cable service. In Pennsylvania, 81.5 percent of households with televisions could get cable if they want it, but again only 63.5 percent have chosen to sign up for it. In other words, even if all those who could get cable purchased it, over 20 million households with TV's nationwide and some 1 million in Pennsylvania would still be locked out of viewing sports if this trend toward cable continues. And then there is the very real fact that, for many people, cable and in particular, pay-per-view is simply too expensive.

Most recently, professional basketball has joined the march toward pay-per-view. The Philadelphia 76'ers have concluded a contract to have almost all of their games broadcast by a premium cable network, Prism. Prism had been broadcasting 76'ers home games, while channel 17 had been broadcasting away games. Thus, except for a relatively few games, the 76'ers will be available only on premium cable service. Only 16 percent of the homes in the Philadelphia market subscribe at additional cost to Prism. Moreover, it is estimated that one-third of the homes in the Philadelphia television market will be unable to see any 76'ers games on TV, even if they could pay for them.

On the issue of baseball, population statistics decisively show the Americans in 1901, when the American League was first formed, had greater access to watching a baseball game in the stands than they do today. In 1901, the population of our country was approximately 76,212,168 and there were 16 major league baseball teams. In the National League in 1901, there were franchises in Pittsburgh, Philadelphia, Brooklyn, St Louis, Boston, Chicago, New York, and Cincinnati. In the American League, there were franchises in Chicago, Milwaukee, Cleveland, Detroit, Washington, Boston, Baltimore, Philadelphia. In all, in 1901, there were 16 teams for a per capita of 4,763,298 people for every team. If that per capita were projected against the population today, the United States, with a 1990 population of 248,709,873, should have approximately 52 teams, nearly twice the 28 baseball teams that the latest expansion would allow. Put another way, today there are 8,882,495 people for every team, in sharp contrast with the figures of 1901.

Similarly, we can compare the population of a city with an American League franchise in 1901 with cities today. The population of Milwuakee in 1901 was 285,315. As the U.S. population has increased approximately 3.3 times since 1901, a comparable city today would be one with a population of 941,539. By that test, every city that was turned down for an expansion team would have gotten a team in 1901: Washington, DC, with a metropolitan area population of 3,923,574; Tampa/St. Petersburg with a metropolitan area population of 2,067,959; Buffalo with a metropolitan area population of 968,532; and Orlando with 1,072,748 people in its metropolitan area. Included also would be such metropolitan areas as Phoenix, Portland, Vancouver, Norfolk, Sacramento, New Orleans, Indianapolis, Buffalo, Providence, Charlotte, Hartford, and Salt Lake City.

Some suggest that having many more teams would diminish competition because it would bring in less qualified players. I think people overestimate the effect that new teams would have on the quality of players just as some overestimate the effect higher salaries would have on the quality players baseball could attract. Back in the "good old days," when salaries were not in the multi-million-dollar range, you had some of the all-time greats: Cy Young pitching 7,377 innings and winning 511 games; Walter Johnson pitching 5,924 innings and winning 416 games and Christy Mathewson pitching 4,789 innings and winning 373 games. The skyrocketing increase in salaries has not attracted any greater talent these days: Pitchers are still trying to break those old records. An increase in the number of teams should not have a negative effect on the quality of baseball any more than salaries have had a positive effect. Quality is in the individual player—it does not matter how much he is paid or how many there are. Indeed, a contrary argument can be made that the addition of new teams would allow new talented ballplayers to come up who would not otherwise have a chance at the big leagues.

For many years, we on the Judiciary Committee concerned about this issue have been assured that professional sports will act responsibly, that it will not go the way of pay TV and that it will respond responsibly on the issue of expansion of sports franchises. But the evidence of the last decade, and in particular the actions of this year, have convinced me that professional sports is bent on elevating their financial interests at the expense of the public's interests. If that is their attitude, and professional sports wants to be a business, then it should be treated like any other business and bear the full force of the antitrust laws.

There is obviously no way that Congress could or should regulate professional sports. However, a display of congressional interest and the possibility of our action to limit or rescind antitrust exemption is likely to produce restraint by franchise owners in moving to pay TV or otherwise abusing the public interest. Last year, a few congressional inquiries led to settlement of a dispute between the Major Leagues and minor league owners. Hearing by the Senate Judiciary Committee on the resolution to limit or rescind antitrust exemptions will provide guidance on the proper congressional course on this important subject. It is recognized that in addressing this issue, there are many, many other matters of overriding national and international concern, but the American people have a love affair with sports and the American people have contributed greatly to the success of sports franchises. At the moment, there is a relatively limited public reaction to the moves to pay TV, but that will expand exponentially if, as and when the World Series or the Super Bowl move to pay-per-view. In my judgment, we have come to a point where it is worth the time of the Congress to consider the implications of pay television and the limitations on new franchises in professional sports like baseball.

SENATE RESOLUTION 173—ESTABLISHING AN ALBERT EINSTEIN CONGRESSIONAL FELLOWSHIP PROGRAM

Mr. SMITH (for Mr. Hatfield) submitted the following resolution; which was considered and agreed to:

S. Res. 173

Whereas a need exists to facilitate understanding, communication, and cooperation between Congress and the science education community;

Whereas the science education community includes a cadre of nationally recognized outstanding secondary school science and mathematics teachers; and

Whereas secondary school science and mathematics teachers can provide insight into education programs that work effectively: Now, therefore, be it

Resolved,

SECTION 1. FELLOWSHIP PROGRAM.

(a) In General.—The President pro tempore of the Senate is authorized to enter into an agreement with the Triangle Coalition for Science and Technology Education to establish an Albert Einstein Congressional Fellowship Program (referred to in this concurrent resolution as the "fellowship program"), which provides for each fiscal year, beginning with fiscal year 1991, three fellowships within the Senate (referred to in this concurrent resolution as the "Senate fellowships").

(b) Responsibilities.—The President pro tempore of the Senate may enter into the agreement described in subsection (a), and fund fellowships as specified in section 4(a), only if the Triangle Coalition for Science and Technology Education—

(1) undertakes the application responsibilities referred to in section 2(a);

(2) participates in the evaluation referred to in section 3; and

(3) provides the funding for administration and evaluation costs referred to in section 4(b).

SEC. 2. SELECTION PROCESS.

(a) Application.—The Triangle Coalition for Science and Technology Education shall—

(1) publicize the fellowship program;

(2) develop and administer an application process; and

(3) conduct an initial screening of applicants for the fellowship program.

(b) Selection.—

The President pro tempore and the Majority Leader and the Minority Leader of the Senate, in consultation with the chairmen and ranking minority party members of the Committee on Labor and Human Resources of the Senate and the Committee on Commerce, Science, and Transportation of the Senate, shall each select one of the recipients of the Senate fellowships.

(c) Placement of Fellowships.—

The President pro tempore of the Senate, in consultation with the Members referred to in subsection (b), may place one fellowship recipient on the staff of the Committee on Labor and Human Resources, and one recipient on the staff of the Committee on Commerce, Science, and Transportation, and one recipient may serve on the personal staff of a member of the Senate.

(d) Eligible Recipients.—Recipients shall be selected from a pool of nationally recognized outstanding secondary school science and mathematics teachers. The pool shall include teachers who have received Presidential Awards for Excellence in Science and Mathematics Teaching, as established by section 117(a) of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1881b), or other similar recognition of skills, experience, and ability as science or mathematics teachers.

(e) Compensation.—

The President pro tempore of the Senate shall fix the compensation of each recipient of a Senate fellowship.

(f) Length of Term.—Each fellowship recipient shall serve for a period of up to 1 year.

SEC. 3. EVALUATION.

The Chairmen of each committee and member of the Senate referred to in section 20(b) and the Executive Director of the Triangle Coalition for Science and Technology Education shall submit to the President pro tempore of the Senate an annual report evaluating the fellowship program, and shall make recommendations concerning the continuation of the program.

SEC. 4. FUNDING.

(a) Fellowships.—

For fiscal years 1991 and 1992, the funds necessary to provide any Senate fellowships shall be paid from the contingent fund of the Senate, but not to exceed a total of $40,000 in fiscal year 1991 and $42,500 in fiscal year 1992 for the Senate fellowships.

(b) Administration and Evaluation.—The Triangle Coalition for Science and Technology Education shall provide the funds necessary for the administration of the fellowship program and for the evaluation referred to in section 3.

AMENDMENTS SUBMITTED

NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEARS 1992 AND 1993

EXON (AND OTHERS) AMENDMENT NO. 1037

Mr. EXON (for himself, Mr. Levin, Mr. Roth, Mr. Wellstone, Mr. Wirth, Mr. DeConcini, Mr. Robb, Mr. Glenn, Mr. Kerrey, and Mr. Bryan) proposed an amendment to the bill (S. 1507) to authorize appropriations for fiscal years 1992 and 1993 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal years for the Armed Forces, and for other purposes; as follows:

On page 56, between lines 15 and 16, insert the following:

SEC. 231. SHORT RANGE ATTACK MISSILE TACTICAL (SRAM T).

(a) Prohibition.—No funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 or fiscal year 1993 may be expended for the short range attack missile tactical (SRAM T) program.

(b) Reduced Authorizations of Appropriations.—(1) Notwithstanding section 201(3)(A), the amount authorized to be appropriated for the Air Force for fiscal year 1992 for research, development, test, and evaluation is $14,638,908,000.

(2) Nowwithstanding section 201(3)(B), the amount authorized to be appropriated for the Air Force for fiscal year 1993 for research, development, test, and evaluation is $10,387,865,000.

(3) Notwithstanding section 3101(1), the amount authorized to be appropriated for the Department of Energy for fiscal year 1992 for operating expenses for weapons activities is $3,944,450,000 of which—

(A) the amount authorized to be allocated for research and development is $1,093,600,000;

(B) the amount authorized to be allocated for weapons testing is $463,500,000; and

(C) the amount authorized to be allocated for production and surveillance is $2,220,050,000.

(4) Nowwithstanding section 3102(1), no funds are authorized to be appropriated for plant and capital equipment for weapons activities for project 91–D–122, short range attack missile tactical (SRAM T) production facilites.

(c) Elimination of General Reduction in Authorizations.—Section 3105 of this Act shall not take effect.

WIRTH (AND OTHERS) AMENDMENT NO. 1038

Mr. WIRTH (for himself, Mr. Glenn, Mr. Packwood, Mr. Adams, Mr. Akaka, Mr. Cranston, Mr. Gore, Mr. Simon, Mr. Rockefeller, Mr. Burdick, Mr. Bingaman, Mr. Bradley, Mr. Metzenbaum, Mr. Lautenberg, and Mr. Riegle) proposed an amendment to the bill S. 1507, supra; as follows:

On page 177, between lines 2 and 3, insert the following new section:

SEC. 713. REPRODUCTIVE HEALTH SERVICES IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES OUTSIDE THE UNITED STATES.

(A) In General.—(1) Chaper 55 of title 10, United States Code (as amended by section 712(a) of this Act), is further amended by inserting after section 1074c the following new section:

"§ 1074d. Reproductive health services in medical facilities of the uniformed services outside the United States

"(a) Provision of Services.—A member of the uniformed services who is on duty at a station outside the United States (and any dependent of the member who is accompanying the member) is entitled to the provision of any reproductive health service in a medical facility of the uniformed services outside the United States serving that duty station in the same manner as any other type of medical care.

"(b) PAYMENT FOR SERVICES.—(1) In the case of any reproductive health service for which appropriated funds may not be used, the administering Secretary shall require the member of the uniformed service (or dependent of the member) receiving the service to pay the full cost (including indirect costs) of providing the service.

"(2) If payment is made under paragraph (1), appropriated funds shall not be considered to have been used to provide a reproductive health service under subsection (a). The amount of such payment shall be credited to the accounts of the facility at which the service was provided.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter (as amended by section 712(b) of this Act) is further amended by inserting after the item relating to section 1074c the following new item:

"1074d. Reproductive health services in medical facilities of the uniformed services outside the United States.".

SPECTER AMENDMENT NO. 1039

(Ordered to lie on the table.)

Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 1507, supra, as follows:

On page 19, strike lines 8 through 22.

DOLE (AND OTHERS) AMENDMENT NO. 1040

Mr. DOLE (for himself, Mr. LIEBERMAN, Mr. NICKLES, Mr. CRANSTON, Mr. CRAIG, Mr. SYMMS, Mr. D'AMATO, Mr. MCCAIN, Mr. MACK, Mr. PRESSLER, Mr. WARNER, Mr. WALLOP, Mr. LUGAR, Mr. STEVENS, Mr. COCHRAN, Mr. KASTEN, Mr. SMITH, Mr. SIMPSON, Mr. GRAHAM, Mr. INOUYE, Mr. REID, Mr. BRYAN, Mr. RUDMAN, Mr. HELMS, Mr. MCCONNELL, Mr. GORE, Mr. LOTT, Mr. SEYMOUR, Mr. BROWN, Mr. BURNS, Mr. CHAFEE, Mr. COATS, Mr. GARN, Mr. ROTH, Mr. THURMOND, Mr. COHEN, Mrs. KASSEBAUM, Mr. GLENN, Mr. DECONCINI, Mr. PELL, and Mr. SPECTER) proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place in the bill, insert the following:

The Congress finds:

American and Coalition armed forces achieved great success in the Persian Gulf War in accomplishing the goals set forth by the United Nations Security Council.

Subsequent to the cessation of hostilities in the Persian Gulf, the United Nations Security Council adopted Resolution 687, which has now been in effect for more than 100 days, and which required that Iraq submit within 15 days of its adoption a declaration of "the locations, amounts and types" of its weapons of mass destruction.

Resolution 687 further required that Iraq "shall unconditionally accept the destruction, removal, or rendering harmless, under international supervision," of all of its "chemical and biological weapons," and shall place all of its nuclear weapons-usable material under the "exclusive control, for custody and removal, of the International Atomic Energy Agency."

Iraq has failed to meet any of these requirements of Resolution 687, and further:

(a) Refused to acknowledge the existence of its biological weapons program.

(b) Obstructed, including through the use of armed force, the efforts of the United Nations Special Commission established by the Resolution to inspect Iraq's nuclear facilities to carry out its mandate.

In a report issued on July 30, the Commission concluded that Iraq has undertaken a systematic effort to conceal its nuclear weapons development program, and has four times as many chemical weapons as previously estimated.

President Bush has stated his determination to accomplish the goals of Resolution 687.

It is the sense of Congress that:

1. Iraq's failure to meet the requirements of Resolution 687 constitutes a continuing and grave threat to vital American national security interests and to the peace, security and stability of the Persian Gulf region.

2. The Congress supports the use of all necessary means to achieve the goals of Resolution 687.

3. The President is urged to continue consulting closely with our partners in the Desert Storm Coalition, and with the United Nations Security Council, on efforts to achieve the goals of Resolution 687.

4. Should the use of force prove necessary, the President is urged to take all reasonable precautions to ensure that innocent civilian casualties are avoided or minimized.

PELL (AND OTHERS) AMENDMENT NO. 1041

Mr. PELL (for himself, Mr. HELMS, Mr. DOLE, Mr. GORE, Mr. D'AMATO, Mr. LIEBERMAN, Mr. WOFFORD, Mr. EXON, and Mr. WARNER) proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place in the bill, add the following new section:

SEC. . PROTECTION OF THE KURDS.

(a) The Congress finds that—

(1) the continuation of Saddam Hussein's Ba'ath party regime poses an enduring and serious threat to the fundamental human rights and physical survival of many of the Iraqi people including Iraq's long-oppressed Kurdish minority and its Shi'a majority;

(2) United States military intervention in northern Iraq helped spare a part of the Kurdish people from Iraqi military attack and from disease and hunger; and

(3) the presence of United States and coalition forces in southern Turkey with a clear mandate to protect Iraq's Kurdish minority, through military intervention if necessary, is essential to the survival of Iraq's Kurdish minority.

(b) The Congress supports the use of all necessary means to protect Iraq's Kurdish minority, consistent with the relevant United Nations resolutions and the authorities contained in Public Law 102-1.

METZENBAUM AMENDMENT NO. 1042

Mr. METZENBAUM proposed an amendment to the bill S. 1507, supra, as follows:

On page 13, between lines 6 and 7, insert the following:

SEC. 5. GENERAL REDUCTION OF AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—Notwithstanding any other provision of division A or B of this Act, the total amount authorized to be appropriated by the provisions of such divisions is hereby reduced by $350,000,000.

(b) DISTRIBUTION OF REDUCTION.—Subsection (a) does not apply to sums provided for any intelligence program in any authorization of appropriations contained in division A or B of this Act.

NATIONAL CAMPUS CRIME AND SECURITY AWARENESS WEEK

MITCHELL (AND DOLE) AMENDMENT NO. 1043

Mr. MITCHELL (for himself and Mr. DOLE) proposed an amendment to the joint resolution (H.J. Res. 142) to designate the week beginning September 1, 1991, as "National Campus Crime and Security Awareness Week", as follows:

At the appropriate place, insert the following new section:

SEC. . DESIGNATION OF ADDITIONAL MEMBERS TO THE CIVIL WAR SITES ADVISORY COMMISSION.

In addition to those members appointed to the Civil War Sites Advisory Commission (hereinafter in this section referred to as the "Commission") pursuant to section 1205(a) of the Civil War Sites Study Act of 1990 (Public Law 101-628, 104 Stat. 4504), the following two additional members shall be appointed to the Commission as follows—

(1) one individual to be appointed by the United States House of Representatives, in the same manner as provided for in section 1205(a)(4) of Public Law 101-628; and

(2) one individual to be appointed by the United States Senate in the same manner as provided for in section 1205(a)(5) of Public Law 101-628.

COLORADO WILDERNESS ACT

WIRTH (AND BROWN) AMENDMENT NO. 1044

Mr. WIRTH (for himself and Mr. BROWN) proposed an amendment to the bill (S. 1029) to designate certain lands in the State of Colorado as components of the National Wilderness Preservation System, and for other purposes, as follows:

1. Section 2(a)(10) is amended by striking "Piedra Wilderness;" and inserting in lieu thereof, "Piedra Wilderness: *Provided*, That no motorized travel shall be permitted on Forest Service trail number 534, except for snowmobile travel during periods of adequate snow cover;".

MCCAIN AMENDMENT NO. 1045

Mr. MCCAIN proposed an amendment to the bill (S. 1507), supra, as follows:

On page 17, below line 22, insert the following:

SEC. 109. TERMINATION OF THE SEAWOLF CLASS SUBMARINE PROGRAM.

(a) TERMINATION OF PROGRAM.—Funds appropriated for the Department of Defense may not be obligated or expended for construction of any Seawolf (SSN-21) class submarine.

(b) REALLOCATION OF AUTHORIZED APPROPRIATIONS.—(1) Of the amount authorized to be appropriated by section 102(a)(3)(A), $1,803,200,000 shall be available for the following purposes:

(A) Payment of termination costs of the Seawolf (SSN-21) class submarine program.

(B) Construction of a new SSN-688 class submarine.

(C) Research, development, test, and evaluation for an advanced follow-on submarine.

(D) Improvement in sealift capability.

(2) Of the amount authorized to be appropriated by section 102(a)(3)(B), $2,061,100,000 shall be available for the purposes set out in paragraph (1).

(3) The Secretary of Defense may allocate the amounts specified in paragraphs (1) and (2) for the purposes set out in paragraph (1) as the Secretary considers appropriate in the national security interests of the United States.

BINGAMAN (AND OTHERS) AMENDMENT NO. 1046

Mr. BINGAMAN (for himself, Mr. BOREN, and Mr. BRADLEY) proposed an amendment to the bill S. 1507, supra, as follows:

On page 297, between lines 18 and 19, insert the following new section:

SEC. 1125. SALE OF TOBACCO PRODUCTS IN COMMISSARIES, EXCHANGES, AND SHIP'S STORES.

(a) IN GENERAL.—(1) Chapter 147 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§2491. Sale of tobacco products in commissaries, exchanges, and ships' stores; use of proceeds

"(a) Tobacco products may be sold in commissary stores, military exchanges, or ships' stores subject to the requirements prescribed in subsections (b) and (c).

"(b)(1) In the case of a commissary store, military exchange, or ship's store located in the United States, the price charged for any tobacco product shall be the prevailing price charged by private commercial businesses for the retail sale of such tobacco product in the retail market area in which the commissary store, military exchange, or ship's store is located.

"(2) In the case of a commissary store, military exchange, or ship's store located outside the United States, the price charged for any tobacco product shall be the average amount charged by private commercial businesses for the retail sale of such product in the United States.

"(3)(A) In determining the prevailing price charged or the average price charged by commerical businesses, applicable State and local taxes shall be included.

"(B) The prevailing price or the average price may be determined under an appropriate sampling procedure.

"(c)(1) The Secretary of a military department may use the profits from the sale of tobacco products by commissary stores under the Secretary's jurisdiction to promote the health and fitness of members of the armed forces and their dependents.

"(2) Amounts made available under paragraph (1) shall remain available for obligation without fiscal year limitation.

"(d) The Secretary of Defense shall prescribe regulations to carry out this section.

"(e) In this section:

"(1) The term 'profits' means the amount which represents the difference between the price charged by commissary stores for the sale of tobacco products and the cost incurred by such commissary stores for the purchase and sale of such products (including appropriate amounts for overhead).

"(2) The term 'tobacco product' includes cigarettes, cigars, tobacco processed for cigarette or pipe smoking, and tobacco processed for oral use.

"(3) The term 'United States' includes the Commonwealth of Puerto Rico and the territories and possessions of the United States.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new section:

"2491. Sale of tobacco products in commissaries, exchanges, and ships' stores; use of proceeds.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on January 1, 1992.

In section 2(b), amend the table of contents by inserting after the item relating to section 1124 the following new item:

Sec. 1125. Sale of tobacco products in commissaries, exchanges, and ships' stores.

METZENBAUM (AND OTHERS) AMENDMENT NO. 1047

Mr. METZENBAUM (for himself, Mr. CONRAD, Mr. DASCHLE, and Mr. WOFFORD) proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place in the bill add the following new section:

SEC. . SENSE OF CONGRESS REGARDING UNITED STATES TROOPS IN EUROPE.

It is the sense of Congress that—

(1) On July 2, 1991, the Soviet Union, Poland, Hungary, Czechoslovakia, Bulgaria, and Romania agreed to formally dissolve the Warsaw Pact military and political alliance.

(2) The Soviet army has withdrawn nearly 500,000 troops from throughout eastern Europe, including all of its troops in Hungary and Czechoslovakia.

(3) The threat of a Soviet attack on Western Europe is drastically reduced.

(4) The United States has a continuing interest in maintaining and strengthening the North Atlantic Treaty Organization.

(5) Our NATO allies must take steps now to begin paying and carrying a greater share of the common NATO defense burden.

(6) Barring unforeseen developments which result in a substantial increase in the threat to our national security, the United States should plan for an end strength level of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO by the end of fiscal year 1995 that should not exceed approximately 100,000.

EXON (AND OTHERS) AMENDMENT NO. 1048

Mr. EXON (for himself, Mr. LEVIN, Mr. KERREY, Mr. BRYAN, Mr. WELLSTONE, Mr. ROBB, Mr. GLENN, and Mr. DECONCINI) proposed an amendment to the bill S. 1507, supra, as follows:

On page 50, below line 22, insert the following:

(e) LIMITATION ON RGMX PROGRAM.—(1) Notwithstanding subsection (a), of the amounts appropriated pursuant to section 201 for the Department of Defense for fiscal year 1992, not more than $575,909,000 shall be available for the intercontinental ballistic missile (ICBM) modernization program, of which—

(A) not more than $548,838,000 shall be available for the small ICBM (SICBM) program; and

(B) not more than $20,000,000 shall be available for the rail garrison MX (RGMX) program.

(2) Funds made available pursuant to this subsection for the rail garrison MX (RGMX) program may be used only for the completion of critical design reviews and may specifically not be used for the procurement of trains, locomotives, or railcars.

(b) REDUCED AUTHORIZATIONS OF APPROPRIATIONS.—(1) Notwithstanding section 201(3)(A), the amount authorized to be appropriated for the Air Force for fiscal year 1992 for research, development, test, and evaluation is $14,448,254,000.

(2) Notwithstanding section 201(3)(B), the amount authorized to be appropriated for the Air Force for fiscal year 1993 for research, development, test, and evaluation is $10,394,385,000.

REID AMENDMENT NO. 1049

Mr. REID (for himself, Mr. KERREY, Mr. HATCH, Mr. HOLLINGS, Mr. BRYAN, Mr. DOMENICI, Mr. SHELBY, Mr. BURDICK, Mr. MCCAIN, Mr. JOHNSTON, Mr. SMITH, Mr. SASSER, Mr. DECONCINI, Mr. STEVENS, and Mr. BIDEN) proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place insert the following:

SEC. . REQUIREMENT TO DISPLAY POW/MIA FLAG ON FEDERAL BUILDINGS AND VIETNAM MEMORIAL.

The POW/MIA flag shall be displayed on or in the immediate vicinity of all Federal buildings referred to in the subsequent section and at the National Vietnam Veterans Memorial until such time as the fullest possible accounting has been made of all members of the Armed Forces of the United States and civilians who are known to have become prisoners of war or who are missing in action in Southeast Asia.

SEC. . DETERMINATIONS BY ADMINISTRATION OF GENERAL SERVICES.

The Administrator of General Services shall in consultation with the heads of other Executive departments and agencies, determine the Federal buildings at which the POW/MIA flag will be displayed and the manner in which such flag shall be displayed.

SEC. . DEFINITIONS.

(1) As used in this amendment, the term "Executive departments and agencies" means all departments and agencies of the Federal Government, including independent agencies and instrumentalities of the United States.

(2) The term "POW/MIA flag" means the flag designated as the National League of Families POW/MIA flag pursuant to section 2 of the Joint Resolution designating September 21, 1990, as "National POW/MIA Recognition Day", and recognizing the National League of Families POW/MIA flag (Public Law 101-355; 104 Stat. 416).

DOMENICI (AND BINGAMAN) AMENDMENT NO. 1050

Mr. DOMENICI (for himself and Mr. BINGAMAN) proposed an amendment to the bill S. 1507, supra, as follows:

Strike out section 828 and insert in lieu thereof the following:

SEC. 828. IMPROVED PAYMENT BOND PROTECTIONS FOR SUBCONTRACTORS AND SUPPLIERS ON CONSTRUCTION CONTRACTS.

(a) REGULATIONS REQUIRED.—Subject to subsection (d), the Secretary of Defense shall prescribe regulations governing the matters described in subsection (b). The regulations shall be issued as a modification to the Department of Defense Supplement to the Federal Acquisition Regulation and shall apply to contracts awarded by the Department of Defense.

(b) MATTERS COVERED.—The regulations shall—

(1) require a contractor who has furnished a payment bond in connection with a contract pursuant to the Miller Act to attach a copy of such bond to each subcontract, purchase order, or other agreement proposed to be entered into by such contractor for the purpose of obtaining labor or materials for the performance of such contract;

(2) require a contracting officer, upon written request, to promptly furnish a copy of each payment bond (furnished by a contractor pursuant to such Act) to any supplier of labor or material protected by that bond; and

(3) provide for the payment by the United States of a claim for a loss to any supplier of labor or materials under a contract if—

(A) the loss results from the default of a contractor in the payment of the supplier for such labor or materials; and

(B) because of a failure of the contracting officer to exercise due diligence in discharging his duties, the contractor has failed to furnish or maintain a valid and complete payment bond applicable to that supplier in accordance with such Act (and its implementing regulations).

(c) SPECIFIC REQUIREMENTS FOR CLAIMS REGULATIONS.—The regulations prescribed pursuant to subsection (b)(3) shall—

(1) provide for the filing and disposition of claims in the same manner as apply to contract claims of contractors under the Contract Disputes Act (41 U.S.C. 601 et seq.); and

(2) limit the amount that may be paid a supplier referred to in subsection (b)(3) in connection with a contractor's failure to furnish or maintain a valid and complete payment bond to the amount that the supplier could have claimed under such a payment bond.

(d) PUBLICATION OF REGULATIONS.—(1) The proposed regulations required by subsection (a) shall be published not later than 180 days after the date of the enactment of this Act.

(2) The final regulations required by subsection (a) shall be published not later than 270 days after that date.

(e) EFFECTIVE DATES OF REGULATIONS.—

(1) The regulations prescribed pursuant to subsection (a) that pertain to the matters described in subsection (b)(1) shall take effect with respect to any contract that is in effect on or after the date 60 days after the publication of the final regulations.

(2) The regulations prescribed pursuant to subsection (a) that pertain to claims authorized pursuant to subsection (b)(2) shall take effect as of the date of the enactment of this Act and shall apply with respect to—

(A) payment bonds furnished on or after that date;

(B) any claim filed within one year after that date in the case of a contract for the repair or alteration of real property that was awarded by the Air Force on or after September 1, 1989, and was terminated for default of the contractor before June 1, 1991, if—

(i) the payment bonds furnished by the contractor for the purpose of meeting the requirements of the Miller Act and accepted by the contracting officer provided not more than 50 percent of the payment protection required by that Act; and

(ii) a surety on any such payment bond defaults on such bond before June 2, 1992 or is determined by the Secretary of the Air Force to lack sufficient financial resources to fulfill its payment obligation under the bond before that date; and

(f) DEFINITION.—In this section, the term "Miller Act" means the Act entitled "An Act requiring contracts for the construction, alteration, and repair of any public building or public work of the United States to be accompanied by a performance bond protecting the United States and by an additional bond for the protection of persons furnishing material and labor for the construction, alteration, or repair of said public buildings or public work", approved August 24, 1935 (49 Stat. 793; 40 U.S.C. 270a–270d), commonly referred to as the "Miller Act".

In section 2(b), amend the table of contents by striking out the item relating to section 828 and inserting in lieu thereof the following new item:

"Sec. 828. Improved payment bond protections for subcontractors and suppliers on construction contracts.".

BYRD AMENDMENT NO. 1051

Mr. BYRD proposed an amendment to the bill S. 1507, supra, as follows:

On page 88, beginning on line 10, strike out all that follows through the matter before line 11 on page 89.

In section 2(b), amend the table of contents by striking out the item relating to section 508.

SPECTER (AND LAUTENBERG) AMENDMENT NO. 1052

Mr. WARNER (for Mr. SPECTER, for himself and Mr. LAUTENBERG) proposed an amendment to the bill S. 1507, supra, as follows:

Insert at the appropriate point in title XXVIII, part A:

SEC. . REPORT ON EMPLOYMENT ASSISTANCE SERVICES.

Not later than 90 days after the date of enactment of this Act, the Secretary of Defense, in coordination with the Secretary of Labor, shall submit to Congress a report setting forth the availability of employment assistance services for civilian employees of the Department of Defense who may be affected by reductions in defense employment associated with the 1988 or 1991 base closure Commission. The report shall include the following:

(1) a detailed description of plans to reduce the work force, including specific time tables at defense facilities designated for closure or realignment by the 1988 or 1991 Base Closure Commission;

(2) descriptions of the availability of all current federal, state, and local programs and efforts to provide training and reemployment assistance to involuntarily separated personnel in each community affected by base closure;

(3) descriptions of any plans by the Department of Labor and the Department of Defense to expand existing existing job training programs for Defense civilian personnel affected by base closure and realignments and the estimated cost of such program expansions; and

(4) a description of any specific Army, Navy, or Air Force programs which provide job training and reemployment assistance to civilian workers affected by the 1988 or 1991 base closure and realignment actions, the current cost of these programs, and any plans to expand these existing programs to meet future job training and reemployment requirements.

SPECTER AMENDMENT NO. 1053

Mr. WARNER (for Mr. SPECTER) proposed an amendment to the bill S. 1507, supra, as follows:

At the end of Part A of Title V, insert the following:

SEC. . ACCESS TO PARENTS AND CERTAIN OTHERS TO THE MILITARY RECORDS OF DECEASED SERVICEMEMBERS.

(a) Chapter 53 of title 10, United States Code, is amended by inserting the following new section at the end thereof;

"1057. Access of parents and certain others to the military records of deceased servicemembers

"(a) The Secretary of Defense shall respond promptly and comprehensively to requests by the parents, spouse, children who are at least eighteen years of age, or legal representative of a member of the armed forces who died while serving on active duty or on inactive-duty training.

"(b) The Secretary shall make available to a person described in subsection (a) a copy of any military record of the member (including any autopsy report or report of investigation concerning the member's death) that would have been available to the member if the member were alive, upon written request for such record.

"(c) The Secretary may impose a nominal charge for the administrative and reproduction requests of responding to a request under subsection (b).

"(d) As used in this section, the term 'parent' includes an adoptive parent and a stepparent.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1057. Access of parents and certain others to the military records of deceased servicemembers".

SEYMOUR (AND) CRANSTON AMENDMENT NO. 1054

Mr. WARNER (for Mr. SEYMOUR, for himself and Mr. CRANSTON) proposed an amendment to the bill S. 1057, supra, as follows:

On page 402, between lines 5 and 6, insert the following new section:

SEC. 2847. LAND CONVEYANCE, LOMPOC, CALIFORNIA.

(a) IN GENERAL.—Subject to subsections (b) through (e), the Secretary of Army may convey to the City of Lompoc, California (hereafter in this section referred to as the "City"), without consideration, all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 41 acres located at the United States Disciplinary Barracks, Lompoc, California, together with any improvements on such land.

(b) CONDITION.—The conveyance authorized by subsection (a) shall be subject to the condition that the City use the real property conveyed for—

(1) educational purposes; or

(2) the purposes provided for in section 834 of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1526).

(c) Reversion.—If the Secretary determines at any time that the City is not complying with the condition specified in subsection (b), all right, title, and interest in and to the property conveyed pursuant to subsection (a), including improvements on the property, shall revert to the United States and the United States shall have the right of immediate entry on that property.

(d) Description of Property.—The exact acreage and legal description of the parcel of property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) Additional Terms and Conditions.—The Secretary may require any additional terms and conditions in connection with the conveyance under this section that the Secretary determines appropriate to protect the interests of the United States.

In section 2(b), amend the table of contents by inserting after the item relating to section 2846 the following new item:

Sec. 2847. Land conveyance, Lompoc, California.

GRAHAM (AND OTHERS) AMENDMENT NO. 1055

Mr. DIXON (for Mr. Graham, for himself and Mr. Mack) proposed an amendment to the bill S. 1507, supra, as follows:

On page 15, line 2, strike out "$10,374,839,000" and insert in lieu thereof "$10,358,639,000".

On page 31, line 25, strike out "$10,653,478,000" and insert in lieu thereof "$10,669,678,000".

LEVIN AMENDMENT NO. 1056

Mr. LEVIN proposed an amendment to the bill S. 1507, supra, as follows:

On page 23, line 11, strike out "and" and all that follows through line 14, and insert in lieu thereof the following:

(6) the B–2 test program has demonstrated sufficiently the following critical performance characteristics from flight testing to provide a high degree of confidence in mission accomplishment: detection and survivability, air vehicle performance, strength and durability of the structure, offensive and defensive avionics, and weapon separation testing currently planned (as of August 1, 1991) to take place during fiscal year 1992, provided that 45 days shall elapse after the date of such certification before any funds in this act can be obligated for procurement of new production B–2 bomber aircraft; and

(7) such funds will be used to initiate the procurement of not more than four new production B–2 bomber aircraft in fiscal year 1992.

CONRAD AMENDMENT NO. 1057

Mr. DIXON (for Mr. Conrad) proposed an amendment to the bill S. 1507, supra, as follows:

On page 297, between lines 18 and 19, insert the following:

SEC. 1125. LIMITATIONS RELATING TO REDEPLOYMENT OF MINUTEMAN III ICBMS.

(a) Prohibition Regarding Operationally Deployed Missiles.—Funds appropriated for fiscal year 1992 or any fiscal year preceding fiscal year 1992 pursuant to an authorization contained in this or any other Act may not be obligated or expended for the redeployment or transfer of operationally deployed Minuteman III intercontinental ballistic missiles from one Air Force ICBM base to another Air Force ICBM base.

(b) Limitation Regarding Stored Missiles.—No Minuteman III missile in storage may be transferred to a Minuteman II silo until the Secretary of Defense submits to Congress a plan for the restructuring of the United States strategic forces consistent with the strategic arms reduction (START) treaty signed by the United States and the Soviet Union, including—

(1) a discussion of the force structure options that were considered in developing the plan;

(2) for each option, the locations for the Minuteman III ICBMs and Small ICBMs and the number of each such type of missile for each location;

(3) the cost of each such option; and

(4) the reasons for selecting the force structure provided for in the plan.

WIRTH (AND OTHERS) AMENDMENT NO. 1058

Mr. DIXON (for Mr. Wirth, Mr. Mack, Mr. McCain, Mr. Coats, Mr. Smith, and Mr. Lautenberg) proposed an amendment to the bill S. 1507, supra, as follows:

On page 297, between lines 18 and 19, insert the following:

SEC. 1125. POLICY REGARDING CONTRACTING WITH FOREIGN FIRMS THAT PARTICIPATE IN THE SECONDARY ARAB BOYCOTT.

(a) Restatement of Policy Regarding Trade Boycotts.—As stated in section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

(b) Policy Regarding Contracting With Participants in Trade Boycotts.—Consistent with the policy referred to in subsection (a), it is the sense of Congress that—

(1) no Department of Defense prime contrct should be awarded to a foreign person unless that person certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel; and

(2) the Secretary of Defense should consider developing a procurement policy to implement the policy expressed in paragraph (1).

SIMON (AND OTHERS) AMENDMENT NO. 1059

Mr. DIXON (for Mr. Simon, for himself, Mr. Kennedy, Mr. Jeffords, and Mr. Pell) proposed an amendment to the bill S. 1507, supra; as follows:

At the appropriate place in the bill, add the following new section:

"SEC. . SENSE OF CONGRESS REGARDING NUCLEAR WEAPONS TESTING LIMITATION TALKS.

(a) Congressional Findings.—The Congress finds that —

(1) the commitment made prior to the Reykjavik Summit by President Ronald Reagan, in a letter to Senator Barry Goldwater, then Chairman of the Senate Armed Services Committee, on October 10, 1986, to "engage in negotiations on ways to implement a step-by-step parallel program—in association with a program to reduce and ultimately eliminate all nuclear weapons—of limiting and ultimately ending nuclear testing" was an important step toward the achievement of further controls on nuclear testing;

(2) the Threshold Test Ban and Peaceful Nuclear Explosions Treaties entered into force on December 11, 1990;

(b) Policy.—It is the sense of the Congress that the United States and the Soviet Union share a special responsibility to resume the Nuclear Testing Talks to continue negotiations toward additional limitations on nuclear weapons testing.

(c) Report.—The President shall, within 60 days of enactment of this Act, submit to the Congress of the United States a report containing a proposed schedule for resumption of the Nuclear Testing Talks and identifying the goals to be pursued in such talks.

KASSEBAUM AND DOLE AMENDMENT NO. 1060

Mr. WARNER (for Ms. Kassebaum and Mr. Dole) proposed an amendment to the bill S. 1507, supra, as follows:

On Page 309, between lines 2 and 3, insert the following:

SEC. 2110. AIRPORT FEASIBILITY STUDY, MANHATTAN, KANSAS.

Of the amount authorized to be appropriated by section 2106(a), not more than $250,000 shall be available for the Secretary of the Army to study the need for and feasibility of developing a joint Armed Forces and civilian airport at Manhattan, Kansas, in order to accelerate the future deployment of the 1st Infantry Division (Mechanized).

BUMPERS AMENDMENT NO. 1061

Mr. DIXON (for Mr. Bumpers) proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place in the bill, insert the following:

SEC. . U.S. troops in Korea.

(A) Congress finds that:

(1) The Department of Defense plans to reduce the United States troop presence in the Republic of Korea to 36,500 personnel by the end of 1992.

(2) The Department has announced no specific plans for further personnel reductions below that level.

(3) The National Unification Board of South Korea estimates the GNP of North Korea to have been $21 billion in 1989, while the Bank of Korea estimates the economy of the Republic of Korea's economy to have been $210 billion in 1989, a factor of ten larger. At its current growth rate, as estimated by its Economic Planning Board, just the annual expansion of the economy of the Republic of Korea is nearly equivalent in size to the entire North Korean economy.

(4) The Republic of Korea faces a substantial military threat from North Korea that requires a vigorous response on both military and diplomatic levels.

(5) The Republic of Korea has decided to increase its level of host nation support, although such support still falls short of the actual cost involved, and short of the relative level provided by the government of Japan.

(6) While recognizing that the Republic of Korea has consistently increased its defense budget in real terms by an average of about

6 percent annually for the past five years, at 4.2 percent of GNP, the Republic of Korea devotes a smaller share of its economy to defense than does the United States, at 4.9 percent.

(b) It is the sense of the Senate that:

(1) The Republic of Korea remains an important ally of the United States, with the two countries sharing important political, economic, and security interests.

(2) Commensurate with the security situation on the Korean peninsula and the size and vitality of the economy of the Republic of Korea:

(A) the Department of Defense should seriously consider future reductions of United States military personnel from the Republic of Korea beyond those now planned to be completed by the end of 1992.

(B) the Republic of Korea should undertake greater efforts to meet its security requirements, particularly in the area of force modernization.

(3) the Government of the Republic of Korea should increase the level of host nation support it provides to United States forces in the area so that its relative level more closely approximates that of Japan.

(c) The President shall report to Congress, either separately or as part of another relevant report, on or before June 30, 1992, in both classified and unclassified form, on the overall security situation on the Korean peninsula, the implications of relevant political and economic developments in the area for the security situation there, and United States policy for the area. Issues covered in the report should include, but not be limited to, a qualitative and quantitative assessment of the military balance on the Korean peninsula, the material requirements of the Republic of Korea, United States military personnel requirements, the state of United States-Republic of Korea, China-Republic of Korea, and Soviet-Republic of Korea relations, and prospects for change within North Korea.

CRAIG AMENDMENT NO. 1062

Mr. WARNER (for Mr. CRAIG) proposed an amendment to the bill S. 1057, supra, as follows:

On page 465, after line 16, add the following new section:

SEC. 3505. POLICY ON MILITARY BASE RIGHTS IN PANAMA.

(a) FINDINGS.—The Congress finds that—

(1) the Panama Canal is a vital strategic asset to the United States and its allies;

(2) the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal and the Panama Canal Treaty, both signed on September 7, 1977, mandates that (A) no United States troops are to remain in Panama after December 31, 1999; (B) the Canal Zone is to be incorporated into Panama; (C) United States Panama-based communications facilities are to be phased out; (D) all United States training in Panama of Latin American soldiers is to be halted; and (E) management and operational control of the Canal is to be turned over to Panamanian authorities;

(3) the government of President Guillermo Endara has demonstrated its determination to restore democracy to Panama by quickly moving to implement changes in the nation's political, economic, and judicial systems;

(4) friendly cooperative relations currently exist between the United States and the Republic of Panama;

(5) the region has a history of unstable governments which pose a threat to the future operation of the Panama Canal, and the United States must have the discretion and the means to defend the Canal and ensure its continuous operation and availability to the military and commercial shipping of the United States and its allies in times of crisis;

(6) the Panama Canal is vulnerable to disruption and closure by unforeseen events in Panama, by terrorist attack, and by air strikes or other attack by foreign powers;

(7) the United States fleet depends upon the Panama Canal for rapid transit ocean to ocean in times of emergency, as demonstrated during World War II, the Korean War, the Vietnam war, the Cuban missile crisis, and the Persian Gulf war, thereby saving 13,000 miles and three weeks steaming effort around Cape Horn;

(8) the Republic of Panama has dissolved its defense forces and has no standing army, or other defense forces, capable of defending the Panama Canal from aggressors and, therefore, remains vulnerable to attack from both inside and outside of Panama and this may impair or interrupt the operation and accessibility of the Panama Canal;

(9) the presence of the United States Armed Forces offers the best defense against sabotage or other threat to the Panama Canal; and

(10) the 10,000 United States military personnel now based in the Canal Zone, including the headquarters of the United States Southern Command, cannot remain there beyond December 31, 1999, without a new agreement with Panama.

(b) POLICY.—(1) It is the sense of the Congress that the President should—

(A) begin negotiations with the Government of Panama to consider whether the two Governments should negotiate a new base rights agreement to allow the permanent stationing of United States military forces in Panama beyond December 31, 1999; and

(B) consult with the Congress throughout the negotiations described in subparagraph (A).

WIRTH (AND KENNEDY) AMENDMENT NO. 1063

Mr. DIXON (for Mr. WIRTH, for himself and Mr. KENNEDY) proposed an amendment to the bill S. 1507, supra, as follows:

In the appropriate section of the bill insert the following:

SEC. . REPORT ON WARHEAD DISMANTLEMENT.

(a) REPORT REQUIREMENT.—Section 3151 of the National Defense Authorization Act for fiscal year 1991 requires the President to establish a Technical Advisory Committee on Verification of Fissile Material and Nuclear Warhead Controls. A report was required of the committee for delivery to Congress no later than April 30, 1991. This report has not been submitted to Congress.

(b) The committee continues to have a strong interest in this subject, and therefore directs the President to submit this report not later 60 days after the enactment of this act.

LEVIN AMENDMENT NO. 1064

Mr. DIXON (for Mr. LEVIN) proposed an amendment to the bill S. 1507, supra, as follows:

On page 443, strike out line 15 and all that follows through page 446, the matter above line 14 and insert in lieu thereof the following:

SEC. 3134. REVISION OF WAIVER OF POST-EMPLOYMENT RESTRICTIONS APPLICABLE TO EMPLOYEES OF CERTAIN NATIONAL LABORATORIES.

(a) REVISION.—Subparagraph (B) of section 207(k)(1) of title 18, United States Code, is amended—

(1) by inserting "(i)" after "(B)"; and

(2) by adding at the end the following new clause:

"(ii) Notwithstanding clause (i), a waiver granted under this paragraph to any person who was an officer or employee of Lawrence Livermore National Laboratory, Los Alamos National Laboratory, of Sandia National Laboratory immediately before the person's Federal Government employment began shall apply to that person's employment by any such national laboratory after the person's employment by the Federal Government is terminated.".

(b) EFFECTIVE DATE.—The amendments made by sub-section (a) shall take effect on the date of the enactment of this Act and shall apply to persons granted waivers under section 207(k)(1) of title 18, United States Code, on or after that date.

In section 2(b), amend the table of contents by striking out the item relating to section 3134 and inserting in lieu thereof the following new item:

Sec. 3134. Revision of waiver of post-employment restrictions applicable to employees of certain national laboratories.

BUMPERS (AND OTHERS) AMENDMENT NO. 1065

Mr. DIXON (for Mr. BUMPERS, for himself, Mr. NUNN, Mr. BOND, Mr. LEVIN, and Mr. DIXON) proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place in title VIII of the bill insert the following:

SEC. 8 . SMALL BUSINESS ADMINISTRATION CERTIFICATE OF COMPETENCY PROGRAM IMPROVEMENTS

Section 8(b)(7) of the Small Business Act (15 U.S.C. 637(b)(7)) is amended—

(1) in subparagraph (A)—

(A) by striking "To certify" at the beginning of the first sentence and inserting "(i) To certify";

(B) by striking "A Government procurement officer" at the beginning of the second sentence and inserting the following:

"(ii) Except as provided in clause (iv), a Government procurement officer";

(C) by striking the period at the end of the second sentence and inserting ", pursuant to clause (iii)."; and

(D) by adding at the end of the paragraph the following:

"(iii) Any certification issued by the Administration for any contract with an anticipated award value in excess of $10,000,000 shall be supported by detailed findings addressing—

"(I) the determination by the contracting officer that the small business concern was deficient with respect to one or more of the elements of responsibility; and

"(II) any submission relating to such nonresponsibility determination subsequently submitted to the Administration by the procuring agency.

"(iv) A contracting officer is not required to refer a determination of nonresponsibility with respect to the procurement of supplies or services the award value of which is not expected to exceed the small purchase threshold prescribed pursuant to section

4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) to the Administration if—

"(I) the small business concern does not request a determination of its responsibility and the issuance of a certificate by the Administration, and

"(II) the solicitation of offers for such contract included a notice of the right of a small business concern to request the Administration to make a determination of its responsibility and specified the manner (including the time) in which such request may be made."; and

(2) in subparagraph (C)—

(A) by striking "In any case" at the beginning of the first sentence and inserting "(i) Except as provided in clause (ii), in any case"; and

(B) by striking the second sentence and inserting the following:

"(ii)(I) Notwithstanding the issuance of a certificate by the Administration on behalf of a small business concern other than the firm awarded a contract described in subclause (II), the secretary of a department or the head of an agency, on a non-delegable basis, (except that such determination may be delegated to the senior acquisition executive of a Military Service or of a Defense agency within the Department of Defense) may determine to continue performance of the contract.

"(II) A contract is described in this subclause if the contract has been awarded, the award value is $25,000,000 or more, substantial performance has been undertaken by the contractor, and the secretary of the department or head of the agency, on a non-delegable basis, (except that such determination may be delegated to the senior acquisition executive of a Military Service or of a Defense agency within the Department of Defense) has determined that termination of the contract would likely have a substantial adverse impact on the performance of critical mission or program activities of such department of agency.

"(iii) Nothing in this paragraph requires the processing of an application for certification if the small business concern declines to have its application processed.".

KOHL (AND OTHERS) AMENDMENT NO. 1066

Mr. DIXON (for Mr. KOHL, for himself, Mr. CRANSTON, and Mr. DASCHLE) proposed an amendment to the bill S. 1507, supra, as follows:

On page 177, between lines 2 and 3, insert the following new section:

SEC. 713. REGISTRY OF MEMBERS OF THE ARMED FORCES EXPOSED TO FUMES OF BURNING OIL IN CONNECTION WITH OPERATION DESERT STORM.

(a) ESTABLISHMENT OF REGISTRY.—The Secretary of Defense shall (with the advice of an independent scientific organization) establish and maintain a special record relating to members of the Armed Forces who, as determined by the Secretary, were exposed to the fumes of burning oil in the Operation Desert Storm theater of operations during the Persian Gulf conflict (hereafter in this section referred to as the "Registry").

(b) CONTENTS OF REGISTRY.—The Registry shall include—

(1) a list containing the name of each member of the Armed Forces referred to in subsection (a); and

(2) a description of the circumstances (including the length) of each exposure of that member to the fumes of burning oil as described in subsection (a).

(c) REPORTING REQUIREMENT RELATING TO EXPOSURE STUDIES.—The Secretary shall annually submit to Congress with the budget submitted under section 1105 of title 31, United States Code, a report on the on-going studies on the members of the Armed Forces referred to in subsection (a) to determine the health consequences (including any short- or long-term consequences) of the exposure of such members to the fumes of burning oil (as described in subsection (a)), and on any need for additional studies relating to the exposure of such members to such fumes.

(d) MEDICAL EXAMINATION.—Upon the request of any member listed in the Registry, the Secretary of the military department concerned shall, if medically appropriate, furnish a pulmonary function examination and chest x-ray to such person.

(e) EFFECTIVE DATE.—The Secretary shall establish the Registry not later than 180 days after the date of the enactment of this Act.

(f) DEFINITIONS.—In this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf conflict" has the meaning given such term in section 3(3) of such Act.

In section 2(b), amend the table of contents by inserting after the item relating to section 712 the following new item:

Sec. 713. Registry of members of the Armed Forces exposed to fumes of burning oil in connection with Operation Desert Storm.

DOLE AMENDMENT NO. 1067

Mr. DOLE proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place insert the following:

SEC. . REQUIREMENT TO CONDUCT BASING STUDIES FOR THE B-2 BOMBER.

The Secretary of the Air Force shall conduct studies of existing Air Force and other service bases, including bases such as Forbes Air Force Base, to determine the feasibility and suitability of such bases as main operating bases of the Strategic Air Command for the B-2 bomber. Such studies will include desirability of location, strategic considerations, military construction requirements, costs, flying conditions, adequacy of safety zones, and other site requirements as deemed necessary by the Secretary of the Air Force. These studies shall be completed and provided to the Committees on the Armed Services of the Senate and the House of Representatives prior to final site selection of any main operating bases for the B-2 bomber not previously selected and currently under construction and shall be part of the studies mandated in section 2310.

SHELBY AND HEFLIN AMENDMENT NO. 1068

Mr. DIXON (for Mr. SHELBY and Mr. HEFLIN) proposed an amendment to the bill S. 1507, supra, as follows:

On page 297, between lines 18 and 19, insert the following new section:

SEC. 1125. SENSE OF CONGRESS RELATING TO THE CHEMICAL DECONTAMINATION TRAINING FACILITY, FORT McCLELLAN, ALABAMA.

(a) FINDINGS.—Congress finds the following:

(1) The possible use of chemical weapons by Iraqi forces was the most significant military threat confronted by members of the Armed Forces of the United States who served in the Persian Gulf region in connection with Operation Desert Storm.

(2) There continues to be extreme concern with respect to the ever more rapid proliferation of chemical weapons and agents, especially among nations in the Middle East.

(3) This proliferation makes it increasingly necessary that members of the Armed Forces have the capability of self-defense against chemical weapons and agents.

(4) Combat training with live chemical agents directly promotes this capability by reducing the life-threatening fear and self doubt that some soldiers experience on a battlefield contaminated by chemical weapons or agents.

(5) Such training further promotes this capability by enhancing the professional credibility of the members of the Armed Forces who train others with respect to chemical weapons and agents.

(6) The Chemical Decontamination Training Facility (CDTF) located at Fort McClellan, Alabama, is the only facility for conducting combat training with live chemical agents located in the Western Hemisphere.

(7) The operations of the CDTF depend upon the support activities of the Army Chemical School which is also located at Fort McClellan, Alabama.

(8) The Defense Base Closure and Realignment Commission has reported that the closure or diminished operation of the CDTF could have an adverse impact on the capability of the Armed Forces to defend against the use of chemical weapons agents and thus on the national security of the United States.

(9) The capability of members of the Armed Forces to defend against chemical weapons and agents depends upon maintaining a fully operating facility for conducting combat training with live chemical agents located in the Western Hemisphere including maintaining associated support activities.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the necessity for the Armed Forces to have an effective live chemical agent training facility requires that the Chemical Decontamination Training Facility and the Army Chemical School be continued in operation at Fort McClellan, Alabama, unless a new facility for conducting combat training with live chemical agents is constructed.

In section 2(b), amend the table of contents by inserting after the item relating to section 1124 the following new item:

Sec. 1125. Sense of Congress relating to the Chemical Decontamination Training Facility, Fort McClellan, Alabama.

McCONNELL AMENDMENT NO. 1069

Mr. SMITH (for Mr. McCONNELL) proposed an amendment to the bill S. 1507, supra, as follows:

On page 297, between lines 18 and 19, insert the following new section:

SEC. 1125. REPORT ON THE FEASIBILITY AND DESIRABILITY OF ESTABLISHING AN ARMOR COMBAT TANK BADGE.

(a) REPORT REQUIRED.—Not later than six months after the date of enactment of this Act, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the feasibility and desirability of establishing an Armor Combat Tank Badge.

(b) CONTENTS OF REPORT.—The report shall include the following information:

(1) A description of all costs involved in the creation and awarding of an Armor Combat Tank Badge.

(2) A description of conditions for the award of an Armor Combat Tank Badge.

(3) A description of Army personnel eligible for the award of an Armor Combat Tank Badge.

(4) A description of the Department of the Army's * * * desirability of the establishment of an Armor Combat Tank Badge.

DOLE (AND WARNER) AMENDMENT NO. 1070

Mr. SMITH (for Mr. DOLE, for himself and Mr. WARNER) proposed an amendment to the bill S. 1507, supra, as follows:

On page 297, between lines 18 and 19, insert the following new section:

SEC. 1125. ESTABLISHMENT OF SUPPORT CENTER OF FAMILIES OF PRISONERS OF WAR AND PERSONS MISSING IN ACTION.

(a) REQUEST FOR ESTABLISHMENT.—The President is authorized and requested to establish in the Executive Office of the White House a family support center to provide information and assistance to families of prisoners of war and of persons missing in action in Southeast Asia.

(b) DUTIES.—The center referred to in subsection (a) should be organized and provided with such personnel as are necessary to permit the center—

(1) to assist families of prisoners of war and persons missing in action in Southeast Asia in contacting the departments and agencies of the Federal Government having jurisdiction over matters relating to such prisoners and persons; and

(2) to act as a central clearing-house of any information, documents, and other relevant materials under the jurisdiction of such departments and agencies that may be made available to the public under Federal law.

In section 2(b), amend the table of contents by inserting after the item relating to section 1124 the following new item:

Sec. 1125. Establishment of support center of families of prisoners of war and persons missing in action.

MCCAIN AMENDMENT NO. 1071

Mr. SMITH (for Mr. MCCAIN) proposed an amendment to the bill S. 1507, supra, as follows:

On page 163, line 12, strike out "in the same locality." and insert in lieu thereof of a period.

GARN AMENDMENT NO. 1072

Mr. SMITH (for Mr. GARN) proposed an amendment to the bill S. 1507, supra, as follows:

On page 17, between lines 9 and 10, insert the following:

(d) FUNDING FOR ARMY CRYOFRACTURE PROGRAM.—(1) In addition to the amount authorized to be appropriated by paragraph (1) of subsection (a), there is authorized to be appropriated for the purpose set out in such subsection for fiscal year 1992, $33,900,000 of which—

(A) $13,900,000 is available for research, development, test, and evaluation of the cryofracture method of chemical weapons demilitarization; and

(B) $20,000,000 is available for the procurement of long lead items for a cryofracture demonstration plant on and after the date on which the Secretary of the Army certifies in writing to the congressional defense committees that the Army will construct a cryofracture demonstration plant.

(2) The amount authorized to be appropriated by section 103(1)(A) is reduced by $33,900,000.

GRAMM AMENDMENT NO. 1073

Mr. SMITH (for Mr. GRAMM) proposed an amendment to the bill S. 1507, supra, as follows:

On page 55, line 8 strike "20" and insert in lieu therefor "30."

NUNN AND LAUTENBERG AMENDMENT NO. 1074

Mr. DIXON (for Mr. NUNN and Mr. LAUTENBERG) proposed an amendment to the bill S. 1507, supra, as follows:

On page 19, line 12, strike out "shall transfer," and insert in lieu thereof "may, to the extent provided in appropriations Acts, transfer,".

DOMENICI AND BINGAMAN AMENDMENT NO. 1075

Mr. WARNER (for Mr. DOMENICI and Mr. BINGAMAN) proposed an amendment to the bill S. 1507, supra, as follows:

At the appropriate place in the bill, insert the following:

TITLE —NATIONAL ATOMIC MUSEUM ACT

SECTION . SHORT TITLE.

This title may be cited as the "National Atomic Museum Act of 1991".

SEC. . FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there is a need to ensure the preservation of the National Atomic Museum, which contains and should continue to acquire items, materials, and memorabilia of singular value and great historical significance relating to nuclear science, atomic energy, and atomic weapons marking major events and milestones of American and world history.

(2) the facility comprising the museum needs to be improved and authorities and resources provided to enable proper operation and maintenance of the facility for the indefinite future so that the museum can continue to function—

(A) as a repository of information, materials, and artifacts which serves as a major attraction for large and growing numbers of visitors from all over the world;

(B) as an educational resource for the public, students, and scholars in the field of nuclear science; and

(C) in a manner and setting appropriate to the importance and historical significance of its collection;

(3)(A) there is a need to clarify and supplement the authority of the Secretary of Energy under section 652 of the Department of Energy Organization Act (42 U.S.C. 7262) regarding gifts so that there is no doubt that gifts and donations of funds earmarked for the museum (and otherwise acceptable) may be used by the nuseum;

(B) under section 652 of that Act the Secretary of Energy is empowered to ". . . accept, hold, administer, and utilize gifts, bequests, and devises of real and personal property for the purpose of facilitating or aiding the work of the Department" and ". . . (the gifts, etc.) shall be used as nearly as possible in accordance with the terms of the gift, bequest or devise.";

(C) the language quoted in subparagraph (B) leaves doubt concerning whether the museum can be considered the "work of the Department" and thus may properly receive and use gifts given to the Secretary even though donors intended that such gifts be used by the museum;

(D) consequently, there is need for clear statutory authority to enable gifts and donations intended for the museum to be sent to and retained and used by the museum; and

(E) the treatment of such gifts should be made as simple as possible so as to encourage donation of gifts or funds directly from individuals or via institutions and foundations; and

(4) there is a need to provide a statutory basis to authorize and encourage the use of volunteer personal services in support of the museum, it being apparent that such activities also have the potential to enhance public interest and support for the museum.

(b) PURPOSES.—The purposes of this title are to—

(1) recognize the National Atomic Museum as this Nation's atomic museum and ensure its preservation;

(2) provide for capital improvements to the National Atomic Museum and ensure adequate resources for the operation and maintenance of the museum; and

(3) provide for such other authorities and powers as are appropriate to the management and operation of the museum including the selling of appropriate mementos and other materials to members of the public to help support the museum.

SEC. 3. RECOGNITION AND STATUS.

The museum known as the National Atomic Museum operated under the aegis of the Department of Energy and currently located at Building 20358 on Wyoming Avenue South near the corner of M Street within the confines of the Kirtland Air Force Base (East), Albuquerque, New Mexico (referred to as the "museum"), is recognized as the official atomic museum of the United States with the sole right throughout the United States and its possessions to have and use the name "National Atomic Museum".

SEC. . MISSION.

The mission of the National Atomic Museum has been and shall continue to be to provide for the benefit and education of the public a freely available central repository of information and items reflecting the Atomic Age throughout the collection, preservation, exhibition, interpretation, display, and making available to the public of unclassified or declassified data, materials, artifacts, models, replicas, and other items pertaining to nuclear science, with special emphasis on the history of nuclear weapons and other areas of research, development, and production conducted by laboratories and facilities of the Department of Energy and its predecessor agencies.

SEC. . AUTHORITIES AND RESPONSIBILITIES.

(a) IN GENERAL.—The museum shall continue to be located at its present site at the Kirtland Air Force Base, Albuquerque, New Mexico, and shall continue to be managed, operated, and supported by the Department of Energy through the Manager, Albuquerque Operations Office.

(b) VOLUNTEERS.—The following provisions govern the use of volunteers:

(1) The Department of Energy may recruit, train, and accept the services of individuals

without compensation as volunteers for or in aid of interpretive functions of other services or activities of and related to the museum.

(2) The Department of Energy may provide for volunteers incidental expenses such as nominal awards, uniforms, and transportation.

(3) Except as otherwise provided in this subsection, a volunteer who is not otherwise employed by the Federal Government is not subject to laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, because of service as a volunteer under this subsection.

(4) For the purpose of chapter 171 of title 28 of the United States Code relating to tort claims, a volunteer under this subsection is considered a Federal employee.

(5) For the purpose of subchapter I of chapter 81 of title 5 of the United States Code, relating to compensation for work-related injuries, a volunteer under this subsection is considered an employee of the United States.

(c) ACTIVITIES.—Subject to such approval or guidelines as are required by the Secretary of Energy, the museum may—

(1) accept and use donations of money or gifts on behalf of the Secretary of Energy pursuant to section 652 of the Department of Energy Organization Act (42 U.S.C. 7262) where such gifts or money are designated in a written document signed by the donor as intended for the museum and such donations or gifts are deemed by the museum to be suitable and beneficial for use by the museum.

(2) operate a retail outlet on the premises of the museum for the purpose of selling or distributing mementos, replicas of memorabilia, literature, materials, and other items of an informative, educational, and tasteful nature relevant to the contents of the museum, all of the net proceeds of which shall be applied to authorized activities of the museum:

(3) exhibit, perform, display, and publish information and materials concerning museum mementos, items, memorabilia, and replicas thereof in any media or place anywhere in the world, at reasonable fees or charges where feasible and appropriate, to substantially cover costs, all net proceeds of which shall be applied to authorized activities of the museum;

(4) establish in association with the museum 1 or more standing or ad hoc boards or committees of knowledgeable citizens of the United States to provide studies, consultation, advice, and assistance for the museum and the Department of Energy regarding—

(A) facility improvement, operation, and maintenance;

(B) possible changes in the location, size, mission, nature, or site of the museum;

(C) assistance and coordination regarding obtaining of donations and volunteer services; and

(D) other activities of concern to the museum; and

(5) conduct any other activity reasonably pertinent to the normal and customary activities of museums, including—

(A) operation of a library;

(B) acquisition at reasonable cost of materials, memorabilia, and other items relevant to the nature of the museum;

(C) storage and preservation of musuem materials and items in appropriate facilities; and

(D) preparation and distribution of literature advertising or providing information about the museum.

DOMENICI AND BINGAMAN AMENDMENT NO. 1076

Mr. WARNER (for Mr. DOMENICI and Mr. BINGAMAN) proposed an amendment to the bill S. 1507, supra; as follows:

On page 241, in line 21, insert the following after the period.

"The regulations shall also require a contractor who has furnished a payment bond in connection with a contract pursuant to the Miller Act to attach a copy of such bond to each subcontract, purchase order, or other agreement proposed to be entered into by such contractor for the purpose of obtaining labor or materials for the performance of such contract".

GLENN AMENDMENT NO. 1077

Mr. DIXON (for Mr. GLENN) proposed an amendent to the bill S. 1507, supra; as follows:

On page 31, line 22, strike out "$14,673,254,000" and insert in lieu thereof "$14,676,254,000".

On page 56, between lines 15 and 16, insert the following:

SEC. 231. ENGINE MODEL DERIVATIVE PROGRAM.

Of the amount authorized to be appropriated pursuant to section 201(3)(A) for the Air Force for fiscal year 1992, $3,000,000 shall be available for completion of the military qualification of a thousand-pound-thrust class engine for use in unmanned air vehicles. Qualification testing of that class of engine shall be carried out at the Arnold Engineering Development Center of the Air Force.

In section 2(b), amend the table of contents by inserting after the item relating to section 230 the following new item:

Sec. 231. Extensions on certain licenses. Engine model derivate program.

DANFORTH AMENDMENT NO. 1078

Mr. SMITH (for Mr. DANFORTH) proposed an amendment to the bill (S. 1283) to authorize extensions of time limitations in certain FERC-issued licenses, as follows:

On page 1, line 6, strike "and 3034" and insert ", 3034, and 3246".

On page 2, line 9, strike "and".

On page 2, line 14, strike the period and insert "; and".

On page 2, between lines 14 and 15, insert the following new paragraph:

(3) until October 15, 1995, the time required for the licensee to acquire the required real property and commence the construction of Project No. 3246, and until October 15, 1999, the time required for completion of construction of the project.

AMENDMENTS TO FOLLOW THROUGH AND HEAD START TRANSITION PROJECT ACT

KENNEDY AMENDMENT NO. 1079

Mr. MITCHELL (for Mr. KENNEDY) proposed an amendment to the bill (H.R. 2312) to make certain technical and conforming amendments to the Follow Through Act and the Head Start Transition Project Act, as follows:

At the end of the bill, insert the following:

SEC. 3. THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.

Subsection (a) of section 1006 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2712(a)) is amended by adding at the end thereof the following new paragraph:

"(7)(A) Notwithstanding the provisions of subparagraph (A) of paragraph (1), if a county has the largest number of children counted under section 1005(c) compared to other counties in the State in which such county is located and is not otherwise eligible to receive a grant under this section, then such county shall be eligible to receive a grant under this section.

"(B) Notwithstanding the provisions of paragraph (2) and (3), the amount of a grant that a county receives in any fiscal year solely as a result of the application of subparagraph (A) shall be determined on the basis of the number of children in the county that are counted under section 1005(c) for the preceding fiscal year.

"(C) Notwithstanding the provisions of paragraph (5), the State educational agency serving a county eligible for a grant as a result of the application of subparagraph (A) shall allocate such grant funds to the local educational agency within such county that has the largest number of children counted under section 1005(c).".

SEC. 4. ADJUSTMENTS FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES.

Pagagraph (2) of section 3(h) of the Act of September 30, 1950 (Public Law 81–874) (thereafter in this section and sections 5 and 6 referred to as the "Act") (20 U.S.C. 238(h)(2)) is amended—

(1) in the first sentence, by striking "second preceding year" and inserting "third preceding year";

(2) in the third sentence, by inserting "and the last sentence" after "sentences";

(3) in the fourth sentence, by striking "50 per centum" and inserting "125 percent of half"; and

(4) by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to any local educational agency that does not directly operate and maintain facilities for providing free public education.".

SEC. 5. USE OF DATA FROM PRECEDING YEAR.

(a) CHILDREN OF PERSONS WHO RESIDE AND WORK ON FEDERAL PROPERTY.—

(1) IN GENERAL.—Section 3(a) of the Act (20 U.S.C. 238(a)) is amended—

(A) in the first sentence, by striking "during such fiscal year" and inserting "during the preceding fiscal year"; and

(B) in the second sentence, by striking "during such year" and inserting "during the preceding fiscal year".

(2) EFFECTIVE DATE.—(A) Except as provided in subparagraph (B), the amendments made by paragraph (1) shall take effect on the date of enactment of this Act.

(B) The amendments made by paragraph (1) shall not apply until October 1, 1993 with respect to any local educational agency that—

(i) has an increase of 5 percent or more, from school year 1990–1991 to school year 1991–1992, in the number of children described in section 3(a) of this Act, as a direct result of activities of the United States; and

(ii) submits a written request to the Secretary for the delayed application of such amendments.

(b) CHILDREN OF PERSONS WHO RESIDE OR WORK ON FEDERAL PROPERTY.—Section 3(b) of the Act (20 U.S.C. 238(b)) is amended—

(1) in the matter preceding paragraph (1), by striking "during such fiscal year" and in-

serting "during the preceding fiscal year"; and

(2) in the second sentence, by striking "during such fiscal year" and inserting "during the preceding fiscal year".

(c) CONFORMING AMENDMENTS.—

(1) ELIGIBILITY FOR PAYMENTS.—Section 3(c) of the Act (20 U.S.C. 238(c)) is amended—

(A) in paragraph (1)(B), by striking "during such year" and inserting "during the preceding fiscal year"; and

(B) in paragraph (2)(B), by striking "during such fiscal year" and inserting "during the preceding fiscal year".

(2) AMOUNT OF PAYMENTS.—Section 3(d)(2)(B) of the Act (20 U.S.C. 238(d)(2)(B)) is amended—

(A) in clause (i)—

(i) by inserting "for the year in which the determination is made" after "the amount of payment";

(ii) by striking "for any fiscal year" and inserting "for the preceding fiscal year";

(iii) by striking "the preceding fiscal year" each place such term appears and inserting "the second preceding fiscal year"; and

(iv) by striking "from the second preceding fiscal year to the prior fiscal year" and inserting "from the third preceding fiscal year to the second preceding fiscal year";

(B) in clause (iii)—

(i) by striking "during such fiscal year" and inserting "during the preceding fiscal year"; and

(ii) by striking "were, during such fiscal year," and inserting "were, during such preceding fiscal year,";

(C) in the third sentence—

(i) by striking "in the year" and inserting "in the year preceding the year"; and

(ii) by striking "such fiscal year" and inserting "such preceding fiscal year";

(D) in the fifth sentence, by inserting "for the preceding year" after "State average tax rate,"; and

(E) in the sixth sentence—

(i) in subclause (I), by striking "such fiscal year" and inserting "the preceding fiscal year";

(ii) in subclause (II), by striking "for such year" and inserting "for such preceding year"; and

(iii) in the matter following subclause (II)—

(I) by striking "to be available" and inserting "was available"; and

(II) by striking "for the fiscal year" and inserting "for the fiscal year preceding the fiscal year".

(3) LOCAL CONTRIBUTION RATE.—Section 3(d)(3)(A) of the Act (20 U.S.C. 238(d)(3)(A)) is amended—

(A) in clause (i), by striking "second" and inserting "third"; and

(B) in clause (ii), by striking "second" and inserting "third".

(4) MINIMUM LOCAL CONTRIBUTION RATE.—Section 3(d)(3)(B)(ii) of the Act (20 U.S.C. 238(d)(3)(B)(ii)) is amended by inserting a comma and "in the preceding fiscal year," after "necessitated".

(5) DEFINITION.—Section 3(d)(3)(D)(ii) of the Act (20 U.S.C. 238(d)(3)(D)(ii)) is amended by striking "second" each place it appears and inserting "third".

SEC. 6. SPECIAL RULE REGARDING ORIGINAL ASSESSED VALUE OF REAL PROPERTY.

Section 2 of the Act (20 U.S.C. 237) is amended by adding at the end thereof the following new subsection:

"(g) SPECIAL RULE REGARDING ORIGINAL ASSESSED VALUE OF REAL PROPERTY.—Any school district that received a payment under section 5(b)(2) of the Act for fiscal year 1986, but which the Department of Education has determined to be ineligible for assistance under this section due to a review of the original assessed value of the real property involved at the time of the acquisition of the Federal property, shall be deemed eligible for payments under this section.".

SEC. 7. COMPREHENSIVE CHILD DEVELOPMENT CENTERS ACT OF 1988.

Section 670N of the Comprehensive Child Development Centers Act of 1988 (42 U.S.C. 9881) is amended—

(1) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively;

(2) by inserting after subsection (c) the following new subsection:

"(d) The Secretary may, directly or through grants, contracts, or cooperative agreements, provide technical assistance in infant and toddler development, to eligible agencies and entities receiving funding under this subchapter in order to assist such eligible agencies and entities in achieving the purposes of this subchapter."; and

(3) in subsection (g) (as redesignated in paragraph (1)), by striking "(e)(1)" and inserting "(f)(1)".

SEC. 8. THE FOLLOW-THROUGH ACT.

If the amount of funds appropriated to carry out the Follow-Through Act for fiscal year 1992 exceeds the amount of funds appropriated to carry out such Act in fiscal year 1991, then such amount as exceeds the amount appropriated for fiscal year 1991 shall become available for obligation on October 1, 1991 for applicants for grants under such Act whom the Secretary of Education determined were qualified to receive such grants in fiscal year 1991 and who did not receive such grants.

SEC. 9. CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.

(a) ALLOTMENT.—Subsection (d) of section 101 of the Carl D. Perkins Vocational and Applied Technology Education Act (hereafter in this section referred to as the "Act") (20 U.S.C. 2311) is amended by inserting ", except that, for the purpose of allotting funds under parts A, B and E of title III of this Act, such term also includes Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Republic of Palau (until such time as the Compact of Free Association is ratified)" before the period at the end thereof.

(b) THE TERRITORIES.—Section 101A of the Act (20 U.S.C. 2311a) is amended by adding at the end the following new subsection:

"(d) SPECIAL RULE.—Funds received under this section shall not be used to carry out parts A, B and E of title III of this Act.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 1991.

SEC. 10. MATCHING FUNDS.

Section 516 of the Carl D. Perkins Vocational and Applied Technology Education Act is amended by adding at the end thereof the following new subsection:

"(e) MATCHING FUNDS.—No State receiving funds under this Act shall require an eligible recipient to match in-cash or in-kind payments received under this Act in order for such recipient to receive funds under this Act.".

SEC. 11. ASSETS FROZEN BY BANK FAILURES.

(a) PURPOSE.—It is the purpose of this section to ensure that individuals who are barred from exercising discretion and control over funds in checking and savings accounts because of the actions of any State in declaring a bank emergency due to the insolvency of credit unions, banks, and loan and investment companies that are not covered by Federal deposit insurance—

(1) receive appropriate adjustments from financial aid administrators in the calculations of expected family contribution and need; and

(2) are adequately informed about the availability and use of such adjustment procedures.

(b) THE HIGHER EDUCATION ACT OF 1965.—Section 479A of the Higher Education Act of 1965 (20 U.S.C. 1087tt) is amended by adding at the end thereof the following new subsection:

"(d) ASSETS FROZEN BY BANK FAILURES.—

"(1) IN GENERAL.—A student financial aid administrator shall be considered to be making a necessary adjustment in accordance with subsection (a) if the administrator adjusts expected family contribution to reflect the family's or student's lack of discretion and control over assets in checking and savings accounts due to a declaration in a State of a bank emergency.

"(2) METHODS.—The Secretary shall use appropriate methods to identify and inform students from States in which such bank emergencies occur of the opportunity for review of the circumstances described in paragraph (1). Such methods may include notification of financial aid administrators, high school guidance counselors, and grant recipients under subpart 4 of part A of this title and publication of such opportunity at secondary schools and postsecondary institutions within the State.".

LAW ENFORCEMENT UNIT RECORDS

SEC. 12. (a) Section 438(a)(4)(B)(ii) of the General Education Provisions Act (20 U.S.C. 1232g(a)(4)(B)(ii)) is amended to read as follows:

"(ii) records maintained by a law enforcement unit of the educational agency or institution that were created by that law enforcement unit for the purpose of law enforcement.".

EFFECTIVE DATE

(b) This section shall take effect upon enactment.

EDUCATIONAL BENEFITS FOR MEMBERS OF THE SELECTED RESERVE

CRANSTON AMENDMENT NO. 1080

Mr. MITCHELL (for Mr. CRANSTON) proposed an amendment to the bill (S. 868) to amend title 10, United States Code, and title 38, United States Code, to improve educational assistance benefits for members of the Selected Reserve of the Armed Forces who served on active duty during the Persian Gulf war, and for other purposes, as follows:

On page 19, below line 12, add the following new section:

SEC. 6. IMPROVEMENT IN PAYMENT OF EDUCATIONAL ASSISTANCE FOR RESERVISTS CALLED TO ACTIVE DUTY.

(a) IN GENERAL.—Clause (3) of section 1780(a) of title 38, United States Code, is amended to read as follows—

"(3) to any eligible veteran or person for a course for which the grade assigned is not used in computing the requirements for graduation including a course from which the student withdraws unless—

"(A) the eligible veteran or person withdraws because he or she is ordered to active duty; or

"(B) the Secretary finds there are mitigating circumstances, except that, in the first instance of withdrawal (without regard to withdrawals described in subclause (A) of this clause) by the eligible veteran or person from a course or courses with respect to which the veteran or person has been paid assistance under this title, mitigating circumstances shall be considered to exist with respect to courses totaling not more than six semester hours or the equivalent thereof; or".

"(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as of August 1, 1990.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION REORGANIZATION ACT

KENNEDY (AND HATCH) AMENDMENT NO. 1081

Mr. MITCHELL (for Mr. KENNEDY, for himself, and Mr. HATCH) proposed an amendment to the bill (S. 1306) to amend title V of the Public Health Service Act to revise and extend certain programs to restructure the Alcohol, Drug Abuse, and Mental Health Administration, and for other purposes, as follows:

On page 125, line 14, insert before the semicolon the following: ", and to develop appropriate mental health services for individuals with such disease".

On page 126, line 14, strike out "423" and insert in lieu thereof "412".

On page 127, line 8, insert "financing, organization and" before "provision".

On page 130, line 18, strike out "high risk youth" and insert in lieu thereof "youth at high risk of substance abuse".

On page 132, line 1, strike out "high risk youth" and insert in lieu thereof "youth at high risk of substance abuse".

On page 132, line 2, strike out "high risk youth" and insert in lieu thereof "youth at high risk of substance abuse".

On page 132, between lines 18 and 19, insert the following new subsection:

"(e) LIMITATION.—Programs which receive assistance under this section shall not promote or encourage homosexual or heterosexual sexual activity. Programs receiving assistance under this section are intended to reduce substance abuse among all youth at risk of substance abuse; however, no youth shall be deemed at risk of substance abuse solely on the basis of the youth's sexual behavior."

On page 132, line 19, strike out "(e)" and insert in lieu thereof "(f)".

On page 134, line 6, strike out "identify" and insert in lieu thereof "encourage".

On page 134, lines 7 and 8, strike out "and to encourage such women".

On page 134, lines 19 and 20, strike out ", including, as appropriate, visits to the home of such women".

On page 142, between lines 18 and 19, insert the following new subsection:

"(n) DEFINITION.—For purposes of this section, the term 'post-partum' means the 12-month period following the delivery of a child.

On page 151, beginning on line 20, strike out "and in" and all that follows through "Administration" on line 22.

On page 152, line 3, insert before "the Directors" the following: "the Administrator of the Health Resources and Services Administration and with".

On page 152, between lines 12 and 13, insert the following new subsection:

"(e) LIMITATION.—None of the funds expended under this section shall be used for carrying out any program for the distribution of sterile needles for the hypodermic injection of any illegal drug.

On page 153, strike out lines 14 and 15, and insert in lieu thereof the following: "public and nonprofit private entities for—".

On page 153, line 17, insert ", implementation, evaluation" after "coordination".

On page 154, line 2, insert before the semicolon the following: ", except that such projects shall not promote, condone, justify, or advocate suicide or provide instruction in methods of suicide".

On page 154, line 20, insert "and evaluations" before "concerning".

On page 176, between lines 3 and 4, insert the following new subsection:

"(d) REPORTS.—The Director shall, every 3 years, prepare and submit to Congress a report containing—

"(1) current information concerning the health consequences of using alcoholic beverages;

"(2) a description of current research findings made with respect to alcohol abuse and alcoholism; and

"(3) such recommendations for legislation and administrative action as the Director considers appropriate.

On page 176, line 4, strike out "(d)" and insert in lieu thereof "(e)".

On page 178, line 23, insert "shall include support for biomedical and behavioral neuroscience and" before "shall".

On page 199, line 3, insert before the period the following: ", including the need to avert a substantial risk of death or serious bodily harm".

On page 225, between lines 11 and 12, insert the following new sections:

SEC. 145. MENTAL HEALTH SERVICES.

Section 2441(j) (42 U.S.C. 300dd-41(j)) is amended by striking out "1991" and inserting in lieu thereof "1994".

SEC. 146. GRANTS FOR CERTAIN TRAUMA CENTERS.

(a) SHORT TITLE.—This section may be cited as the "Trauma Center Revitalization Act".

(b) ESTABLISHMENT OF GRANT PROGRAM.—Title XII (42 U.S.C. 300d et seq.), as added by section 3 of Public Law 101-590 (104 Stat. 2915), is amended by adding at the end thereof the following new part:

"PART D—TRAUMA CENTERS OPERATING IN AREAS SEVERELY AFFECTED BY DRUG-RELATED VIOLENCE

"SEC. 1241. GRANTS FOR CERTAIN TRAUMA CENTERS.

"(a) IN GENERAL.—The Secretary may make grants for the purpose of providing financial assistance for the payment of operating expenses by hospital trauma centers that have incurred substantial uncompensated costs in providing trauma care. Grants under this subsection may be made only to such hospitals specifically for the operation of their trauma centers.

"(b) MINIMUM QUALIFICATIONS OF CENTERS.—

"(1) SIGNIFICANT INCIDENCE OF UNCOMPENSATED CARE.—The Secretary may not make a grant under subsection (a) to a hospital trauma center unless the trauma center demonstrates a significant incidence of uncompensated care debt as a result of treating patients with trauma wounds during the 2-year period preceding the fiscal year for which the hospital trauma center involved is applying to receive a grant under subsection (a).

"(2) PARTICIPATION IN TRAUMA CARE SYSTEM OPERATING UNDER CERTAIN PROFESSIONAL GUIDELINES.—The Secretary may not make a grant under subsection (a) unless the hospital trauma center involved is a participant in a system that—

"(A) provides comprehensive medical care to victims of trauma in the geographic area in which the hospital trauma center involved is located;

"(B) is established by the State or political subdivision in which such center is located; and

"(C) has adopted guidelines for the designation of hospital trauma centers, and for triage, transfer, and transportation policies, equivalent to (or more protective than) the applicable guidelines developed by the American College of Surgeons or utilized in the model plan established under section 1213(c).

"SEC. 1242. PRIORITIES IN MAKING GRANTS.

"(a) IN GENERAL.—In making grants under section 1241(a), the Secretary shall give priority to any application—

"(1) made by a hospital trauma center that, for the purpose specified in such section, will receive financial assistance from the State or political subdivision involved for each fiscal year during which payments are made to the hospital from the grant, which financial assistance is exclusive of any assistance provided by the State or political subdivision as a non-Federal contribution under any Federal program requiring such a contribution; or

"(2) made by a hospital trauma center that, with respect to the system described in section 1241(b)(2) in which the center is a participant—

"(A) is providing trauma care in a geographic area in which the availability of trauma care has significantly decreased as a result of a trauma center in the area permanently ceasing participation in such system as of a date during the previous 5-year period; or

"(B) will, in providing trauma care during the 1-year period beginning on the date on which the application for the grant is submitted, incur uncompensated costs in an amount rendering the center unable to continue participation in such system, resulting in a significant decrease in the availability of trauma care in the geographic area.

"(b) ADDITIONAL PRIORITY.—In considering the grant applications of hospital trauma centers under subsection (a)(2), the Secretary shall give additional priority to those hospitals that submit plans that indicate that such hospital trauma centers are developing long term strategies, financial, medical and otherwise, to survive the impact of providing uncompensated trauma care. The goal of such strategies shall be to continue as a hospital trauma center after the period required in section 1243(1).

"SEC. 1243. COMMITMENT REGARDING CONTINUED PARTICIPATION IN TRAUMA CARE SYSTEM.

"The Secretary may not make a grant under subsection (a) of section 1241 unless the hospital trauma center involved agrees that—

"(1) the hospital will continue to participate in the system described in subsection (b) of such section throughout the 2 fiscal years immediately succeeding the fiscal year for which a grant is received;

"(2) during the year in which the grant is received the hospital will maintain its trauma care efforts, financial and otherwise, from those of the preceding year;

"(3) if the agreement made pursuant to paragraph (1) is violated by the hospital, the hospital will be liable to the United States for an amount equal to the sum of—

"(A) the amount of assistance provided to the center under subsection (a) of such section; and

"(B) an amount representing interest on the amount specified in subparagraph (A); and

"(4) the hospital will establish a trauma registry not later than 6 months from the date on which the grant is received that shall include the number of trauma cases and the extent to which the care for such cases is uncompensated.

"SEC. 1244. GENERAL PROVISIONS.

"(a) APPLICATION.—The Secretary may not make a grant under section 1241(a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

"(b) LIMITATION ON DURATION OF SUPPORT.—The period during which a hospital trauma center receives payments under section 1241(a) may not exceed 3 fiscal years, except that the Secretary may waive such requirement for the center and authorize the center to receive such payments for 1 additional fiscal year.

"(c) LIMITATION ON AMOUNT OF GRANT.—The Secretary may not make a grant to any single hospital trauma center in an amount that exceeds $5,000,000 in any fiscal year.

"(d) CONSULTATION.—Grants shall be awarded under section 1241(a) only after the Secretary has consulted with the appropriate State agency.

"(e) JOINT EFFORTS.—Notwithstanding any other provision of law, trauma centers may cooperate, collaborate or coordinate their activities with other trauma centers for the purpose of improving the provision of services to victims of trauma.

"SEC. 1245. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $50,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

(c) CONFORMING AMENDMENTS.—Title XII (42 U.S.C. 300d et seq.), as added by section 3 of Public Law 101-590 (104 Stat. 2915), is amended—

(1) in the heading for part C, by inserting "REGARDING PARTS A AND B" after "PROVISIONS";

(2) in section 1231, in the matter preceding paragraph (1), by striking "this title" and inserting "this part and parts A and B"; and

(3) in section 1232(a), by striking "this title" and inserting "parts A and B".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect October 1, 1991, or upon the date of the enactment of this Act, whichever occurs later.

SEC. 147. DRUG SALVAGER COMPENSATION PROGRAM.

Chapter VII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 371 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 710. DRUG SALVAGER COMPENSATION PROGRAM.

"(a) PURPOSE.—It is the purpose of this section to establish a program to decrease the availability of drugs that are acquired through salvage of shipments of pharmaceuticals and controlled substances through the provision of assistance to salvagers of such products to enable such salvagers to return such product to the manufacturer or to destroy such product.

"(b) ESTABLISHMENT.—The Commissioner, in consultation with the Administrator of the Drug Enforcement Administration, shall establish a drug salvager compensation program (hereinafter referred to in this section as the 'program') to carry out the purpose described in subsection (a).

"(c) CONTRACTS.—

"(1) IN GENERAL.—To carry out the program the Commissioner, in consultation with the Administrator of the Drug Enforcement Administration, shall enter into contracts with private nonprofit or profit making entities that acquire pharmaceuticals and controlled substances through the salvage of shipments of such products.

"(2) REQUIREMENT.—A contract entered into under paragraph (1) shall require the entity that is subject to the contract to return any pharmaceuticals and controlled substances acquired by such entity through salvage to the manufacturer or to destroy such products if the manufacturer cannot be determined.

"(3) COMPENSATION.—In exchange for entering into a contract under paragraph (1), the Commissioner shall reimburse such entity for any costs incurred by such entity in complying with the requirement of paragraph (2).

"(d) DEA NUMBERS.—Entities that are subject to a contract under subsection (c) shall be assigned a Drug Enforcement Administration number and shall be considered as an appropriate recipient of any controlled substances salvaged and disposed of under this section.

"(e) REPORTS.—

"(1) ENTITIES.—Entities that are subject to a contract under subsection (c) shall prepare and submit, to the Commissioner and the Administrator of the Drug Enforcement Administration, quarterly reports concerning their activities under this section.

"(2) CONGRESSIONAL.—Not later than 90 days after the end of each fiscal year, the Secretary, in consultation with the Attorney General, shall prepare and submit, to the Committee on Energy and Commerce and Judiciary of the House of Representatives and the Committee on Labor and Human Resources and Judiciary of the Senate, a report concerning the amount of drugs that has been obtained through salvage and disposed of under this section.".

SEC. 148. SENSE OF THE SENATE CONCERNING CERTAIN REPORTING REQUIREMENTS.

It is the sense of the Senate that the Secretary of Health and Human Services should review the reporting requirements that are imposed on the States by the Office of Treatment Improvement under title V of the Public Health Service Act to ensure that reports required pursuant to such requirements are not redundant, unnecessary, or overly burdensome on the States.

On page 228, lines 24 and 25, strike out "in fiscal year 1992 or 1993" and insert in lieu thereof "for a fiscal year after fiscal year 1991".

On page 229, strike out lines 12 through 16, and insert in lieu thereof the following new paragraph:

"(3) Notwithstanding any other provision of law, in fiscal year 1993 and in fiscal years thereafter, in order to ensure that each State receives an allotment under this section for each fiscal year in accordance with paragraph (1), the Secretary shall constrain the maximum percentage increase in the amount of the allotment to which any State is entitled, if any, under this section in each fiscal year, as compared to the amount of the allotment that such State received in the previous fiscal year, to the value necessary to meet the requirements of paragraph (1).";

On page 231, line 2, insert before the period the following: ", and shall update population data as frequently as possible".

On page 234, line 23, strike out "State and local correctional" and insert in lieu thereof "local jails and detention".

Beginning on page 234, strike out line 24 and all that follows through line 10 on page 235.

On page 235, line 11, strike out "(d)" and insert in lieu thereof "(c)".

On page 235, line 22, strike out "(e)" and insert in lieu thereof "(d)".

On page 236, line 12, strike out "(f)" and insert in lieu thereof "(e)".

On page 237, line 3, strike out "(g)" and insert in lieu thereof "(f)".

On page 237, line 9, strike out "(h)" and insert in lieu thereof "(g)".

On page 237, line 20, strike out "(i)" and insert in lieu thereof "(h)".

On page 246, line 7, strike out "that one or more" and all that follows through line 9, and insert in lieu thereof the following: "that—

"(1) one or more of the requirements of this section is inapplicable to a State; or

"(2) it is not reasonably practical for a State to comply with one or more of the requirements of this section.".

SEC. 208. REPEALS.

Sections 1922 and 1923 (42 U.S.C. 300x-9a and 300x-9b) are repealed.

On page 246, line 10, strike out "208" and insert in lieu thereof "209".

On page 259, line 4, strike out "and". Between lines 7 and 8, insert the following "(5) equitably distributed between urban and rural States and among all geographic regions of the country."

On page 277, line 3, insert "and information concerning" before "early".

On page 277, line 10, insert "related" after "health and".

On page 277, strike out lines 12 through 15.

On page 277, line 16, strike out "(v)" and insert in lieu thereof "(iv)".

On page 277, strike out line 19.

On page 277, line 20, strike out "(vii)" and insert in lieu thereof "(v)".

On page 278, line 1, strike out "(viii)" and insert in lieu thereof "(vi)".

On page 278, line 16, strike out "parenting skills,".

On page 278, line 17, insert "development and" before "utilization".

On page 279, strike out lines 1 through 4.

On page 279, line 5, strike out "(F)" and insert in lieu thereof "(E)".

On page 279, line 19, add "and" after the semicolon.

On page 279, strike out lines 20 through 22.

On page 279, line 23, strike out "(H) initial family assessments, and" and insert in lieu thereof "(F)".

On page 279, line 24, insert "as provided for in section 398F(d)(4)" before the period.

On page 280, line 10, insert ", and to provide information on the availability of" before "early".

On page 280, line 19, insert "related" after "health and".

On page 280, line 22, strike out "identify, where possible," and insert in lieu thereof "assist, when requested,".

On page 281, line 1, strike out ", and to assist them".

On page 281, line 2, add "and" after the semicolon.

On page 281, line 4, strike out "; and" and insert in lieu thereof a period.

On page 281, strike out lines 5 through 7.

On page 282, line 17, insert "related" before "social".

On page 283, line 15, strike out "or appropriate social worker" and insert in lieu thereof ", licensed social worker, or other licensed health care professional with experience and expertise in providing health and related social services in the home,".

On page 284, lines 18 and 19, strike out ", education, and" and insert in lieu thereof "and related".

On page 284, line 24, strike out "and".

On page 285, line 2, strike out the period and insert in lieu thereof "; and".

On page 285, between lines 2 and 3, insert the following new subparagraph:

"(E) the continuing voluntary participation of the client in the plan.

On page 289, line 2, insert "related" before "social".

On page 289, line 3, insert "health and related social" before "services".

On page 289, line 15, strike out "other" and insert in lieu thereof "related".

On page 291, line 2, strike out "social and other" and insert in lieu thereof "health and related social".

On page 292, line 4, strike out "recommendations" and all that follows through "able" on line 6, and insert in lieu thereof "further recommendations necessary or desirable".

On page 292, between lines 8 and 9, insert the following new subsections:

"(i) CONFIDENTIALITY.—In accordance with applicable State law, an entity receiving a grant under this section shall maintain confidentiality with respect to services provided to clients under this section.

"(j) LIMITATION.—Nothing in this section shall be construed to permit an entity receiving a grant under this section to provide services without the consent of the client.

On page 292, line 9, strike out "(i)" and insert in lieu thereof "(k)".

On page 299, line 11, strike out "8" and insert in lieu thereof "10".

SELECT COMMITTEE ON POW/MIA AFFAIRS

FORD AMENDMENT NO. 1082

Mr. MITCHELL (for Mr. FORD) proposed an amendment to the resolution (S. Res. 82) to establish a Select Committee on POW/MIA Affairs, as follows:

On page 5, line 25, strike "11" and insert "12".

On page 6, line 3, strike "5" and insert "6".

On page 6 between lines 7 and 8 insert the following:

(c) The minority leader shall select the Vice Chairman of the Select Committee.

On page 6, line 8, strike "c" and insert "d".

On page 6, line 12, strike "(d)" and insert "(e)".

On page 6, line 19, strike "(e)" and insert "(f)".

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony on the status of the Department of Energy's research and development on the atomic vapor laser isotope separation technology and the outlook for transfer of that technology to the private sector for commercial deployment.

The hearing will take place on September 24, 1991, beginning at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC. 20510, Attn: Sam Fowler

For further information, please contact Sam Fowler or Mary Louise Wagner at (202) 224-7569.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS, AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that two field hearings have been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The purpose of the hearings will be to receive testimony on S. 684, a bill to amend the National Historic Preservation Act and the National Historic Preservation Act Amendments of 1980 to strengthen the preservation of our historic heritage and resources, and for other purposes.

The first hearing will take place on Thursday, September 5, 1991, beginning at 1 p.m. The hearing will be held in the Atlanta Gas Light Co. Building, 400 Poplar Street, Macon, GA.

The second hearing will be held on Friday, September 6, 1991, beginning at 2 p.m. The hearing will be held in the Old Medical College Building, 598 Telfare Street, Augusta, GA.

Because of the limited time available for the hearings, witnesses may testify by invitation only. It will be necessary to place witnesses in panels and place time limits on the oral testimony. Witnesses testifying at the hearings are requested to bring 10 copies of their testimony with them on the day of the hearing. Please do not submit testimony in advance.

Written statements may be submitted for the hearing record. It is necessary only to provide one copy of any material to be submitted for the record. If you would like to submit a statement for the record, please send one copy of the statement to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, Room 364 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearings, please contact David Brooks of the subcommittee staff at (202) 224-9863.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. WIRTH. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Friday, August 2, 1991, at 9 a.m. to conduct a markup of S. 534, the Comprehensive Deposit Insurance Reform and Taxpayer Protection Act of 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. WIRTH. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on August 2, 1991, beginning at 10:30 a.m., in 485 Russell Senate Office Building, to consider for report to the Senate, S. 1530, a bill to authorize the integration of employment, training and related services by Indian tribal governments.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. WIRTH. Mr. President, I ask unanimous consent that the Government Affairs Committee be authorized to meet on Friday, August 2, at 10 a.m., for a hearing on the subject: trucking company takeovers: the impact of failures on employees and the trucking industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WIRTH. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Friday, August 2, 1991, at 10 a.m., to markup Senate Resolution 82, to establish a Select Committee on POW/MIA Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL TRADE

Mr. WIRTH. Mr. President, I ask unanimous consent that the Subcommittee on International Trade of the Committee on Finance be authorized to meet during the session of the Senate on August 2, 1991, at 10 a.m. to hold a hearing on the structural impediments initiative [SII], the Semiconductor and Construction Agreements with Japan, and Multilateral talks on shipbuilding subsidies.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. WIRTH. Mr. President, I ask unanimous consent that the Special Committee on Aging, be authorized to meet during the session of the Senate on Friday, August 2, 1991, at 9:30 a.m.

to hold a hearing entitled "Older Women and Employment: Facts and Myths."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND INTERNATIONAL OPERATIONS

Mr. WIRTH. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, August 2, at 10 a.m. to conduct a hearing on narcotics and foreign policy implications of the BCCI affair.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

SIMA PRODUCTS CORP., SKOKIE, IL

• Mr. DIXON. Mr. President, I would like to take this opportunity to congratulate the Sima Products Corp., of Skokie, IL, on the 20th anniversary of its first product—Filmshield.

For those of you not familiar with Filmshield, it is the lead-lined pouch which protects film from cumulative x-ray damage from airport x-ray security machine screening. It has been used for two decades by millions of people worldwide and has probably protected the photographic memories of many of the Senators in office today.

The Sima Corp. was founded in 1973 to develop and market Filmshield. Since 1973 Sima has thrived by responding to consumer needs with over 60 video and photographic accessory products available to meet virtually every requirement of the video maker and photographer.

Sima has been a creator of photographic and video accessories with a comprehensive assortment of video editors, camcorder batteries, video lighting equipment, audio enhancers, soundmixers, tripods, monopods, and camera brackets.

In 1983 Sima was awarded the President's "E" Certificate for Exports, for an outstanding contribution to the Export Expansion Program of the United States of America by the U.S. Secretary of Commerce. Sima was the smallest company ever to receive that prestigious award at that time. Sima has continued to grow and now exports to over 50 countries, with Japan one of its largest and most successful export markets.

I congratulate Sima on the 20th anniversary of Filmshield and its many other achievements. Sima is a clear example of the potential for competitiveness of American business and I look forward to its future success in Illinois, our Nation, and throughout the world.•

HIDEO HASHIMOTO, PEACE ACTIVIST

• Mr. HATFIELD. Mr. President, on August 6, the anniversary of the bombing of Hiroshima, the city of Portland, OR, will honor one of its most distinguished advocates for peace. Hideo Hashimoto will be presented with Multnomah County's first Peace Award.

Dr. Hideo Hashimoto is professor emeritus of religious studies at Lewis and Clark College. He taught at the department of religious studies at Lewis and Clark from 1949 until his retirement in 1976.

The contributions Dr. Hashimoto has made to his community have been tremendous. His interest in world peace and social justice issues led him to become active with the Fellowship of Reconciliation, the Oregon Interreligious Committee for Peace in the Middle East, the American Friends Service Committee, and the Oregon-Idaho Conference Board of Church and Society.

As one of the founders of the Oregon Peace Institute, I want to recognize the contributions Hideo Hashimoto has made to that institution. One of the Peace Institute's board of directors, he has lent his tremendous insight and skill to the many efforts of the institute, helping it to become a resource for the entire State.

Dr. Hashimoto's lifelong dedication to peace is a distinctive example of the impact one person can make on the world. I ask the Senate to join me in sending my warmest wishes to Hideo Hashimoto as he is honored with the Multnomah County Peace Award.•

RÉSUMÉ VERSUS REAL LIFE

• Mr. SIMON. Mr. President, recently, my brother sent me a letter that appeared in the Eugene Register-Guard from Eugene, OR.

It was a letter written by Lester Pohll. The Pohll family were neighbors when my brother and I grew up in Eugene, and they were fine neighbors.

We knew that Lester had some kind of disability, but it did not seem to impair his playing with us or being a good neighbor.

So it was with more than usual interest that I read the letter to the editor that was written by Lester D. Pohll about those who face special difficulties.

It is easy in our society to be insensitive to these needs. I trust that having this in the CONGRESSIONAL RECORD will give greater circulation to this important cause.

I ask to insert it in the RECORD at this point.

The letter follows:

APPLICATIONS A BARRIER

I am a man 54 years old. I was illiterate for 51 years. Thanks to Lane Community College and the Special Adult Learning class that I have been attending for three years, I can now read at the seventh-grade level.

I did not hear well for the first 15 years of my life. Now, thanks to hearing aids, I can hear everything.

I was self-employed most of my life; therefore, I do not have a list of employers. Those I did work for are no longer in business.

Applications for employment first ask for your entire education and second for a list of every place you have been employed, how long, reason for leaving, etc. As I was self-employed, I do not have a list.

I have excellent references as to character and my ability to work, but no one bothers to call any of them. Then the application goes to the wastebasket. Why not grant a personal interview? Judge from that instead of what an application says. Besides, doesn't the employee have the right to know his or her employer?

I am not alone with this problem. Many others are the same as I am. If one could just get past the application and meet face to face, a big problem for the less fortunate could partly be solved.

LESTER D. POHLL.•

SMALL POST OFFICE RETENTION ACT OF 1991

• Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of S. 1600, the Small Post Office Retention Act of 1991. This legislation allows hundreds of small communities across New York State the opportunity to have a say in whether or not the Postal Service should shut down what can be their only source of retail postal service.

In the administration of 39 U.S.C. 404(b), there is a right to a hearing, written decision, and right of appeal before the Postal Rate Commission in the case of closing or consolidation of a post office. However, the Postal Service has stated that it does not include contract post offices as being subject to this rule. Contract offices are often mom and pop grocery stores, taverns, or other business establishments that enter into agreements with the Postal Service to act as post offices for their communities.

Under present law then, the Postal Service can decide unilaterally to not renew its agreement and close a community's post office without acknowledging the wishes of that community. This legislation corrects that injustice.

Clearly, the law intended that people in small towns ought to have the same rights as those in big cities. This legislation properly balances the needs of citizens against the Postal Service's legitimate needs to locate facilities efficiently within the community it serves.

I am confident that when my colleagues have had a chance to examine this legislation they will see its inherent fairness and work for its swift passage.•

STRENGTHENING U.S. TRADE LAW—S. 650

• Mr. BREAUX. Mr. President, I recently cosponsored Senator TOM DASCHLE'S bill, S. 650, to strengthen the U.S. trade law by giving U.S. businesses an additional tool to fight unfair trade policies. Specifically, the bill would amend section 301 of U.S. trade law to cover unfair acts, policies, or practices by a foreign government that threaten to burden or restrict U.S. commerce.

The need for this legislation was again brought home to me after a recent conversation with one of my constituents. Vista Chemical Co. in Lake Charles, LA, produces linear alkylbenzene [LAB], a product used as a surface-active cleaning agent in household and industrial laundry and dishwashing detergents.

The United States has long recognized that LAB is a highly import sensitive product, as can be seen by the efforts of the USTR to protect the LAB tariff in the Uruguay round and the recent decision by the President to deny GSP treatment for LAB.

Now it seems, a 100-percent-owned Quebec crown corporation, SGF, is joining up with a Spanish company, Petresa, to form a LAB plant in Quebec, with a planned capacity of 75,000 million tons per year. The crown corporation, SGF, will hold 30 percent of the LAB company's shares. This venture poses serious concerns for United States LAB manufacturers such as Vista, in light of the eventual tariff elimination for LAB pursuant to the United States-Canada Free Trade Agreement. In fact, the competitive issues raised by the joint venture threaten to undermine the letter and spirit of the United States-Canada Free Trade Agreement.

After all, how can U.S. LAB manufacturers compete against a producer who is subsidized both directly and indirectly by a provincial government? There are numerous benefits accruing to the joint venture because of its relationship with the Quebec crown corporation, and its affiliation with SGF's other subsidiaries in the petrochemical industry. These benefits include: substantial capital availability, subsidized financing, access to capital markets; the expertise and resources of a large, government-owned and financed enterprise; ability to receive subsidies on projects that lose money—as SGF has done with some of its other subsidiaries—and the benefits derived from relationships with SGF's other affiliates, which may assure the availability and affordability of feedstocks and other materials necessary for LAB production.

These are not just speculative fears. In February, the Quebec government announced they will grant the new LAB project an interest-free loan of $7 million, to be repaid in the year 2012. And this loan was announced even though the project has not yet received the necessary environmental clearances.

U.S. producers should not be expected to compete with the duty-free imports of foreign manufacturers. I plan to bring this situation in Quebec to the attention of the U.S. Trade Representative, particularly since they will soon begin talks on a North American Free Trade Agreement.

Examples such as this are also a reason I have cosponsored S. 650. It will provide the needed flexibility in section 301 of our trade law so that these kinds of unfair trade acts can be dealt with ahead of time—before a U.S. industry has been seriously injured.•

KANSAS CITY, MO, LIFE UNDERWRITERS POINT OF LIGHT AWARD

• Mr. BOND. Mr. President, today, I would like to take a few moments to recognize the Kansas City, MO, Life Underwriters for their dedication and service to the community for more than 100 years.

Due to their dedication to helping others and exemplified quality of voluntarism, they have been honored as a "Daily Point of Light." The Kansas City Life Underwriters public service program, Insurance Olympics, has raised over $200,000 in the last 5 years for Leukemia Society. They have been actively raising money and collecting food for the Salvation Army. The good deeds do not stop there. The Kansas City Life Underwriters are participants in local blood drives and have been a strong supporter of the bone marrow registry.

In 1988 and 1989, they helped raise over $5,000 in contributions for the Jerry Lewis Muscular Distrophy Telethon. It is important that we remember to help those less fortunate than ourselves. The Kansas City Life Underwriters are a true inspiration to others.

Mr. President, I would like to extend my sincere congratulations to the Kansas City, MO, Life Underwriters for being recognized as a "Daily Point of Light." Various organizations and the State of Missouri have benefited from their hard work, and we look forward to their continued dedication to the service of others.•

COLON, MI: MAGIC CAPITAL OF THE WORLD

• Mr. LEVIN. Mr. President, Colon, MI, the hometown and proud sponsor of Abbott's Magic Get-Together will celebrate the annual magic spectacular this August 7 through August 10. Colon was first coined the Magic Capital of the World by Lester Lake, known in his magical incarnation as Marvelo, at the first annual Abbott Get-Together of 1935.

The popularity of the annual get-together grew rapidly, and after the 1936 get-together it received attention from the local newspaper. The public was invited to the 1937 get-together, for which 500 magicians were registered. The popularity of this event has spread around the world, and today thousands are entertained by magicians performing fascinating tricks.

Harry Blackstone, the prominent stage magician of the 1920's and 1930's, and resident of Colon, is credited for bringing Percy Abbott to Colon, MI, in 1927. Abbott came to Colon that summer intending to relax with Blackstone, but he spent much of the remainder of his life there. Percy Abbott opened Abbott's Magic Novelty Co. in Colon in 1934.

In 1959, Abbott sold his half of the business to his partner, Recil Bordner. Bordner embarked on a major campaign to enhance the business, and to reestablish the get-together in Colon. Not only the magic business in Colon, but the get-together once again thrived. Since 1961, the Magic Get-Together has taken place annually in Colon, MI. Blackstone returned to perform in 1961, ensuring success. The tradition is carried on by his son, Harry Blackstone, Jr., and many others.

Many professional magicians moved to Colon to live in the magical atmosphere. The work of these magicians and the magic of the Abbott's Magic Get-Together have made Colon, MI, a very special place. Even though there is magic in the air, it is no mystery why Colon, MI, is the Magic Capital of the World.•

TRIBUTE TO GEORGE RAYMOND CRAFTON

• Mr. McCONNELL. Mr. President, on Wednesday, July 24, 1991, Kentucky lost one of its most valuable residents. Mr. George Raymond Crafton was one of the Commonwealth's most active and indispensible advocates of agricultural conservation.

George was a friend and most respected leader. As a member and former chairman of the Kentucky Association of Conservation Districts [KACD], you could find him wandering the halls from Frankfort to Washington on behalf of conservation interests. He was tenacious and always knew how to get what Kentucky needed. When George Crafton came to see you, you knew what he wanted and that he didn't take no for an answer.

George Crafton had farmed in Henderson County, KY, since 1942. He was most active in the local and State Farm Bureau while also attending to his many duties in the Henderson County soil conservation district and the KACD. In 1981, he won the Farm Bureau's distinguished award for service to agriculture. From 1976 to 1978, George served as the president of the

Kentucky Association of Conservation Districts. Most recently, George was named the State Conservation Person of the Year by the KACD.

George's unwaivering support of conservation and environmental quality in the farming industry never went unnoticed. He served on the agriculture councils under Governors Ned Breathitt, WENDELL FORD, and Julian Carroll. In 1980, he received the Governor's award for distinguished service in these areas following 4 years as a member of the State board of agriculture.

As everyone can see, George Crafton was a valuable ally of the farming community. I send my condolences to his wife, Mary Ruth, and his daughter, Paula. George will be missed but never forgotten.•

ECONOMIC REFORMS IN INDIA

• Mr. FORD. Mr. President, India has taken extraordinary steps in the past few days to put its economic house in order.

Under its new industrial policy, foreign firms will be allowed majority stakes in Indian companies in 34 broad areas such as transportation, metallurgy, electrical equipment, food processing, and tourism industry. The new policy allows for automatic Government approval for technology transfer agreements. This means that United States companies can now negotiate with their Indian counterparts without Government interference for transfer of American know-how in areas such as clean coal, energy efficiency, and renewable energy technologies. American companies will be able to send their technology and personnel to India much more easily. Sweeping changes have also been ordered to simplify licensing procedures for the private industry in India.

Mr. President, these are revolutionary changes for India and we should applaud them for it. Since India became independent in 1947, policy there was to encourage the public sector and put strict controls on private industry. The result has been a lack of foreign investment, ballooning budget deficits, and a steep decline in the standard of living. The new policy of reduction in military budget as well as shifting emphasis from public to private sector will reverse this trend.

I welcome the changes announced by the Government of India. I urge them to stay with the new policy so that the country can make strong and rapid economic progress.

At this critical juncture in India's history and in United States-India relations, we must do everything we can to send encouraging and positive signals to India. India faces tremendous domestic turmoil today. It recently suffered the terrible tragedy of the assassination of its former Prime Minmister, Mr. Rajiv Gandhi. India still went ahead with its democratic tradition and held free elections.

I believe that the relationship between the two largest democracies in the world will greatly improve if we stand by India in its hour of crisis and need. The responsible thing for us to do would be to extend our hand in friendship and help to India.

Mr. President, I would like to take this opportunity to extend my greetings and best wishes to the people of India and its new Prime Minister, Mr. P.V. Narasimha Rao. I wish them great success in their bold new venture.•

THE JOHN H. PERRY MARINE SCIENCE AWARD

• Mr. GRAHAM. Mr. President, I would like to take this opportunity to recognize an exceptional American who has contributed time, spirit, and financial support to advance our knowledge of the oceans.

On Saturday, August 3, Mr. John H. Perry, Jr., of Jupiter, FL. will be honored for this service by the establishment of a new award named in his honor, the John H. Perry, Jr., Marine Science Award. This award acknowledges exceptional achievement and meritorious service to the marine sciences. Appropriately, Mr. Perry will be the first recipient of the award.

Mr. President, let me mention just a few of Mr. Perry's accomplishments:

As owner and publisher of over 30 newspapers throughout Florida, he was the first to modernize the newspaper industry by replacing the old lead type method with computerized type set. He fondly refers to this as "getting the lead out of the newspaper industry."

Following his newspaper career, John Perry built the largest civilian submersible and diving equipment company in the world during the heyday of offshore oil exploration in the 1970's. He designed, built, and supported the Hydro-Lab undersea habitat system which provided the opportunity for over 600 scientists to live and work on the bottom of the ocean. This later became a NOAA-supported system.

Presently, Mr. Perry supports the Caribbean Marine Research Center through his donations of funds and facilities, including the exclusive use of Lee Stocking Island in the Bahamas. With the island's housing, laboratories, power system, docks, boats, and airstrip, the Caribbean Marine Research Center has become one of the largest and most productive marine research facilities in the Caribbean region.

Mr. Perry stands as a model of a caring and far-thinking man who understands the importance of the oceans to our future. The world owes him a debt of gratitude.•

SIGURD OLSON: A GREAT CONSERVATIONIST

• Mr. WELLSTONE. Mr. President, I rise to bring to the attention of the Senate an individual who will be remembered as one of our Nation's great conservationists. On Saturday, August 10, the late Sigurd F. Olson will join the company of 23 conservation leaders, including Theodore Roosevelt, Henry David Thoreau, Rachel Carson, and Aldo Leopold, with his posthumous induction into the Conservation Hall of Fame of the National Wildlife Federation.

Sigurd Olson, a resident of my home State of Minnesota, was a passionate writer, poet, educator, naturalist, professional guide, and conservationist. A consultant to the Federal Government on wilderness preservation and ecological issues and president of the Wilderness Association and the National Parks Association, he earned numerous honors and awards for both his preservationist work and his writing. In 1982, he passed away at the age of 82 from a heart attack while snowshoeing near his home, having just completed his last book, "*Of Time and Place.*" Elizabeth, his widow, still makes her home in Ely, MN.

Olson's life was surrounded by the world he loved. He learned the ways of the northern woodsmen as a child. In his twenties he moved to Ely, on the pristine Quetico-Superior border country, where he remained for the rest of his life. There he taught biology and geology, not only in the classroom and the lab but also in the bog, the icy lake, and the thick forest. Between semesters, he worked as a guide, living with the land.

Writing was an expression of his love for the land. It was "a medium of expression beyond teaching * * * that would give life and substance to thoughts and memories, a way of recapturing and sharing again experiences that were mine." His expeditions to the Churchill River, Great Bear Lake, the Yukon, and Alaska became material for many of his books.

But the land he wrote about was also vulnerable. And for over 50 years Olson was a leader in the battle to protect the Quetico-Superior Wilderness Area. This work was highlighted by the establishment of the Boundary Waters Canoe Area as a federally protected wilderness region. Today this stretch of pristine land stands as eloquent tribute to Sigurd's untiring pursuit for the preservation of nature.

Olson fought hard in his struggle to preserve wide stretches of wilderness. And through the clarity of his words, still greater tracts will be forever remembered. Today, millions of people escape the city to explore the boundary waters and other wilderness lands. Yet, many others are inspired by his stories.

Upon his return from one such expedition to the Churchill River Sigurd reflects, in "*The Lonely Land*,"

> I also knew there were some things that would never be dimmed by distance or time, compounded of values that would not be forgotten: the joy and challenge of the wilderness, the sense of being part of the country and of an era that was gone, the freedom we had known, silence, timelessness, beauty, companionship and loyalty, and the feeling of fullness and completeness that was ours at the end.

Through his words and his work Sigurd Olson has given us all values that should not be forgotten. His challenge to us all—to preserve nature for future generations—is one from which we should never be deterred.

The honor which the National Wildlife Federation bestows upon Sigurd Olson is one which he truly deserves. With his induction into the Conservation Hall of Fame, we thank Sigurd Olson for the words he gave us, the lands he saved for us, and the world he left us.•

JUDGE CLARENCE THOMAS

• Mr. DANFORTH. Mr. President, my office and Senator SIMPSON's office have assembled a number of news articles concerning Judge Clarence Thomas, the President's nominee to the Supreme Court. I ask unanimous consent that these articles be placed in the CONGRESSIONAL RECORD.

The articles follow:

JUDGE CLARENCE THOMAS

Judge Thomas was born on June 23, 1948 in Pinpoint, Georgia, a rural community outside Savannah, to Leola and M.C. Thomas. He was reared by his grandparents, Myers and Christine Anderson. After graduating from high school in 1967, he attended Immaculata Conception Seminary in Conception Junction, Missouri. He subsequently entered Holy Cross College in Worcester, Massachusetts, from which he was graduated with honors in 1971. In that same year, he enrolled at Yale Law School and was graduated in 1974.

Following graduation, and until 1977, Judge Thomas served as an assistant attorney general in the office of Missouri Attorney General John C. Danforth, where he represented the State of Missouri before trial and appellate courts, including the Supreme Court of Missouri. From 1977 until 1979, Judge Thomas worked as an attorney in the Legal Department of the Monsanto Company. In 1979, he joined the staff of Senator Danforth as a legislative assistant.

In 1981, Judge Thomas was appointed by President Reagan to be Assistant Secretary for Civil Rights at the Department of Education. A year later, he was appointed Chairman of the Equal Opportunity Commission. He was reappointed Chairman of the EEOC in 1986.

In October 1989, Judge Thomas was nominated by President Bush to the United States Court of Appeals for the District of Columbia Circuit.

Judge Thomas was confirmed by the United States Senate on March 6, 1990, and has served on the Court of Appeals since March 12, 1990. He, his wife Virginia, and his son Jamal live in Northern Virginia.

Editorial Support for Supreme Court Nominee Judge Clarence Thomas

"Judge Thomas is precisely the kind of jurist President Bush assured voters he would select. He would take the Constitution seriously and apply the laws equally. We eagerly await the beginning of many years of service by Justice Clarence Thomas." (Wall Street Journal, July 2, 1991).

"* * * even those who have disagreed with him on policy grounds will concede that his life, which began in extreme poverty, has been one of accomplishment. If confirmed, he would bring to the court a range of experience not shared by any other sitting justice." (The Washington Post, July 2, 1991).

"It is said that the finest steel is tempered in the hottest fires. If true, Judge Clarence Thomas, President Bush's nominee for the U.S. Supreme Court, is a man of fine steel. A child of poverty reared by grandparents in a tenement lacking indoor plumbing, Judge Thomas, through strength of character and with the devoted help of his grandparents, has constructed for himself an exemplary life, a life that raises a standard to which future generations of Americans may repair. * * * President Bush has clearly found a nominee whose character, integrity and intellect equal those of Justice Marshall." (Dallas Morning News, July 2, 1991).

"When Clarence Thomas paused yesterday to look back over an improbable life that has taken him from poverty in the segregated South to the threshold of the Supreme Court of the United States, he was suddenly so overcome with emotion that he couldn't speak. It was a moment with deep emotional significance for the nation as well. * * * Bush could have found many nominees who could have counted on easier approval by the Senate. Thomas will probably require a harder fight, but there is reason to think he's worth it." (Chicago Tribune, July 2, 1991).

"In tapping Clarence Thomas to fill the Supreme Court seat of Thurgood Marshall, President Bush has chosen one of the most promising jurists in the nation. Despite his relatively youthful 43 years, Mr. Thomas already has shown that he possesses a brilliant legal mind and a commitment to public service in the best sense of that term. * * * President Bush has picked the right person. The Senate should move quickly to confirm Clarence Thomas." (The Washington Times, July 3, 1991).

"President Bush has made a superb choice in selecting Federal Appellate Judge Clarence Thomas. * * * In Thomas, the President has chosen a highly capable jurist who has led an extraordinary and exemplary life. * * * [But] liberals don't believe blacks have the same rights to adhere to whatever views they happen to espouse as do white Americans. Democrats see blacks like Thomas as an affront to their firm faith that they—even if white—'know what's best for blacks.' * * * The Clarence Thomases of America are believed to owe the nation an explanation as to why they oppose liberal orthodoxies. * * * Thomas owes no one anything simply because he's black." (New York Post, July 3, 1991).

"His nomination acknowledges the political diversity, often overlooked, among black Americans. * * * With the exception of the hearings over the nomination of Bork, the Judiciary Committee has taken too much refuge in the pieties of Presidential privilege of nomaination and of protection of judicial 'independence,' avoiding issues of personal philosophy. * * * The Senate has the constitutional charge to examine his fitness. And notwithstanding his commendable life experience, the Senate should examine him with great thoroughness." (Miami Herald, July 3, 1991).

"Thomas' legal training and political experience appear to qualify him for a seat on the nation's highest tribunal. * * * Senator Metzenbaum is surely correct in hoping to pin Thomas down on this sensitive area [right to privacy] of interpreting the Constitution. Nonetheless, senators will labor under the same limitation as they did during the Souter hearings: It would be wrong for senators to ask point-blank questions about how Thomas would vote on a Roe v. Wade appeal. * * * Senators should stick to asking Thomas about his constitutional reasoning, not his desired result." (Cleveland Plain Dealer, July 3, 1991).

"Instead of viewing Judge Thomas' conservative philosophy in wonderment, we should wonder why traditional civil rights leaders have abandoned it. * * * Since when are blacks Uncle Toms for espousing the bedrock values of their grandparents? * * * Attempting to deny blacks the diversity of political thought that whites take for granted is itself racist. Clarence Thomas brings oldtime, African American values of survival and determination to the highest court in the land." (Atlanta Journal, July 3, 1991).

"This week, the former Savannahian [Clarence Thomas] got the prized nomination to fill the vacancy created by Justice Thurgood Marshall's retirement. The president couldn't have made a finer choice.

"Judge Thomas has a long list of professional credentials in several branches of government that would serve him well on the high court. He worked as an assistant attorney general in Missouri for three years. He served as chairman of the Equal Employment Opportunity Commission during the Reagan and Bush administrations. He has served on the U.S. Circuit Court of Appeals in the District of Columbia since March of 1990, winning the respect of his colleagues."

"But the written resume of Clarence Thomas only tells half of the story. The other half, as many people in Savannah already know and the rest of the country is finding out, is just as impressive, if not more so.

"'Only in America could this have been possible.' Judge Thomas said shortly after his nomination. It was a fitting remark for someone who was born in a house without plumbing in the Pinpoint community 43 years ago and knew what it was like to sit in the back of the bus and not be able to find a job at any Atlanta law firm after getting out of Yale Law School. Yet he had the courage, conviction and support not to let poverty or racism stand in the way of his dreams.

"Thus, those who question where Judge Thomas stands on civil rights actually come close to insulting him. He doesn't have to be told how important it is that every man be judged by the content of his character, not the color of his skin. He's lived it.

"President Bush is predicting that his nominee will win Senate confirmation. All things being equal, he should." (Savannah Morning News, July 5, 1991).

"The Constitution is vague about the Senate's role in dealing with presidential nominations to the Supreme Court. . . ."

"They [U.S. Senators] can and should examine his public record, including his judicial opinions and other writings."

"As they do so most will be pleased—but some undoubtedly will be disappointed—to find a jurist who loves America.

"I have felt the pain of racism, as much as anyone else,' he said a few years ago. 'Yet I am wild about the Constitution and the Declaration [of Independence]. . . . I believe in the American proposition, the American dream, because I've seen it in my own life.'

"Such a man can't be insensitive or indifferent or recklessly ideological. Such a man could be a distinguished justice. (The Cincinnati Enquirer, July 7, 1991 ").

"There is every reason for American blacks to welcome the new diversity that the appearance of a black conservative intelligentsia represents. Not only does it afford a choice between political parties and the policies they endorse, but it opens a new horizon for opportunity. . . . If [black conservatism] starts spreading and blacks increasingly discover that the answer for poor people is not welfare, public housing, quotas and special treatment, the people who peddle, vote for and administer these programs will find themselves in very serious trouble. (Washington Times, July 10, 1991).

Comments in Support of Supreme Court Nominee Judge Thomas

"Thomas is a champion of what made America great and, if confirmed, he will seek to restore the source of that greatness he outlined in a 1987 speech: 'My household was strong, stable and conservative. . . . The most compassionate thing [our grandparents] did for us was to teach us to fend for ourselves and do that in an openly hostile environment." It will be amusing to watch the civil rights establishment try to oppose him on such a clearly all-American agenda. (Cal Thomas, St. Louis Post-Dispatch, July 5, 1991.)

"'We have a sense he is somebody we can be very comfortable with,' said William Rapfogel, director of the Institute for Public Affairs of the Union of Orthodox Jewish Congregations of America.

"Rapfogel said that Thomas displayed an 'incredible sensitivity to the Jewish people' while at the EEOC [Equal Employment Opportunity Commission]. In 1986, the organization presented him with its Humanitarian Award."

"Thomas has 'a very strong streak of independence, which has been honed by being very much an outsider within the black leadership group," said Murray Friedman of Philadelphia, Middle Atlantic states director of the AJ Committee.

"Friedman, who served as vice chairman of the U.S. Civil Rights Commission from 1986 to 1989, said he has enormous respect for Thomas.

"'I have never seen a more towering intelligence,' he said.

"Friedman said that while Marshall ably represented the black community in its fight for civil rights, the struggle today is for 'empowerment,' which calls for different kinds of strategies. He believes Thomas will be more suited for today's agenda." (Article by David Friedman, Jewish Exponent, July 5, 1991).

"Bush has accomplished something quite other than bringing to the Supreme Court someone who appears to be a promising jurist. He has done more in one day to remind the nation and above all to remind black Americans that it is incorrect to think of the black population as a monolith. Blacks tend to vote the way they do because the Democratic Party has prefected instruments of seduction that tend to attract, dealing as they do in victimology. . . . It is quite wrong to suppose that the situation is frozen, that blacks are immovable on the subject." (William F. Buckley, Jr., Boston Herald, July 6, 1991).

"How many other senators will want to be in the awkward position of opposing a man for not saying how he would rule on [abortion] or any other issue? How many will want to vote against a black nominee when they know the next nominee will be as conservative and as likely to oppose Roe versus Wade, but will not be black? * * * For the hapless national Democratic Party, Thomas' nomination represents more than a threat to civil rights, privacy rights—or abortion rights. . . . If Thomas is confirmed, he could be a magnet for the best and brightest blacks to consider turning Republican." (Thomas J. Brazaitis, Cleveland Plain Dealer, July 7, 1991).

"Mr. Bush has chosen well. Judge Thomas' record seems to promise that he will not seek to expand the discredited policies of dependence that serve only the civil rights leaders and congressional liberals. At the same time, his entire life refutes any suggestion that he is in any way insensitive to the condition of minorities. * * * The important consideration, for Congress and for the country, is the quality of the man, not his feelings on a single issue. And in Judge Thomas, Mr. Bush has obviously selected a man * * * qualified and prepared by a life of struggle to be a passionate defender of justice." (Durwood McAlister, Atlanta Constitution, July 7, 1991).

"The appointment of a black conservative * * * helps the American public understand that there is just as much diversity of political opinion within the black community as there is within the white community. If Judge Thomas makes it onto the court, he immediately becomes one of the most influential voices on fundamental issues facing our society. The mainstream press will have a hard time ignoring [his] views. His appointment and (hoped for) confirmation . . . could be a hopeful sign that we can begin pulling this society together again." (Tom Pauken, Dallas Times Herald, July 7, 1991).

"When Thomas stepped onto the national stage last Monday . . . cheers erupted at the EEOC (Equal Employment Opportunity Commission). * * * That longtime employees of the often beleaguered commission cheered Thomas' nomination * * * is a story in itself. * * * Clarence does not uncritically accept orthodoxy of any stripe. He questions cliches like 'color-blind society,' knows full well that color and race are facts of life, factors in life. * * * Thomas' confirmation hearings present a historic opportunity to reassure people of this country that the American dream lives." (R. Gaull Silberman, Los Angeles Times, July 7, 1991).

"Will Judge Thomas make a good Supreme Court justice? No one knows the future . . . but Thomas has done a good job every place he has been, and there is no reason to think that he will do less than his best on the Supreme Court. * * * If minority individuals can defy the minority establishment viewpoint, as Thomas has done, and still advance, this will be a crucial sign that blacks, for example, do not have to 'come by' [NAACP President] Ben Hooks and get his seal of approval." (Thomas Sowell, Detroit News, July 8, 1991).

"Those who are suggesting that there is a king of stereotypical black view of black interests to be met by a Supreme Court justice are, as usual, out of date and missing the point. The white world has been slow to grasp the scorn felt by able blacks like Thomas for hackneyed affirmative action formulas that assume special black disabilities, but which are as much based on demeaning stereotypes of black character and capacity as Jim Crow at its worst. * * * Thomas is entitled to be judged, of course, not on his race or views or experience but on the basis of his character, his temperament and his ability." (Edwin Yoder, St. Louis Post-Dispatch, July 8, 1991).

"For too long, debate in the United States has been dominated by self-appointed group spokesmen. Thomas' presence on the high court would open debate by focusing new attention on individuals who don't think like their group 'leaders' say they should, and then emboldening them to become part of the political process.

"The liberals should be apprehensive; with more issues returned to the American people to be decided through democratic means, and the political process opened up to debate from new and different voices, many liberals will find themselves without 'groups' to speak for." (Betsy Hart, The Evening Sun, July 12, 1991).

"Just as Justice Marshall was the man for his time, leading the essential charge for civil rights for black Americans in a nation where racial discrimination was official policy, so now Judge Thomas is the right man for this time, when official policies of racial preference—promoted in part by Justice Marshall—threaten the essential fabric of racial integration and harmony."

"Judge Thomas stands as living proof that in a colorblind society that the Rev. Dr. Martin Luther King preached, even the poorest black Americans can rise by the sheer quality and character of his life, out of a Savannah, Ga., sharecropper neighborhood to the highest court in the land. He has also vindicated Thurgood Marshall's original struggle for equality before the law. His appointment has breathtaking symbolic as well as substantial value. Just as Thurgood Marshall was a man for his time, Clarence Thomas appears to be heaven-sent for this one." (Warren Brooks, The Washington Times, July 12, 1991).

"The Clarence Thomas I know is a self-made man who has worked enormously hard to get where he is today. He will serve the Supreme Court well. * * * through his own strength of character, perseverance and strong belief in the American dream. I should know—I have known him for almost 20 years."

"While some in the civil rights movement contend that they are not convinced that Mr. Thomas is the right choice, I say he is. I think the main issues should be his ability to interpret the law fairly, follow it through and judge with compassion. There is no doubt that Clarence Thomas will be a fair and equitable Supreme Court justice.

"President Bush could not have made a more sound decision than to nominate Clarence Thomas for the next Supreme Court justice." (Alphonso Jackson, The Dallas Morning News, July 14, 1991).

"Praise of the praiseworthy can be problematic when the person praised is a Supreme Court nominee. Come September, Clarence Thomas should be confirmed.

"If Bush was right to nominate Thomas, it is right to defend the nomination forthrightly on the ground that Thomas believes this: Courts have been cavalierly rendering result-oriented decisions, basing conclusions on personal moral preferences rather than legal reasoning, short-circuiting democratic processes in order to achieve by judicial fiat ends that are essentially political and properly achieved only by processes of persuasion." (George F. Will, Newsweek, July 15, 1991).

"The more one learns about Clarence Thomas, the more compelling he becomes as a nominee to the Supreme Court—and as a fresh hope in breaking America's paralyzing deadlock over race. * * * Thomas believes that under natural law (and America's Declaration of Independence), all men and women are created equal, and that the U.S. Constitution provides legal guarantees. Government's role is to protect the rights of the individual but not to advance the interests of any group, black or white; it is up to the individual to make it on his own." (David Gergen, U.S. News & World Report, July 15, 1991).

"The Clarence Thomas I know is a caring, decent, honest, bright, good-humored, modest and thoughtful father, husband and public servant who has already come farther in 43 years than most of us will in a lifetime."

"People throughout the agency [Equal Employment Opportunity Commission] sing Thomas's praises—his dedication, his professional standards, his extraordinary sensitivity to and support of the 'little people,' and his inspiration to employees at all levels." (Allen Moore, The Washington Post, July 16, 1991).

"At a Holy Cross alumni gathering on June 8, the college's basketball coach, George Blaney, was chatting with a prominent alumnus, Connecticut Supreme Court Justice Angelo Santaniello, when U.S. Court of Appeals Judge Clarence Thomas walked into the room."

"We've known each other since he entered Yale Law School in 1971,' Santaniello said. 'At the time, Father John Brooks, the president of Holy Cross, asked me to look Clarence up and say hello. I did, and we've been friends ever since. At his [Thomas's] request, I swore him in as chairman of the Equal Employment Opportunity Commission in 1982.'

"'How would I describe him? He's a very warm person. Humble, personable, intense, straightforward with no airs. Clarence Thomas is a real fair guy. He shoudn't be stereotyped, because he won't walk a stereotyped line. Clarence calls it as he sees it, not as someone wants him to see it.'"

"Coach Blaney of Holy Cross commented the other day, 'Clarence is a very solid person, no fanfare, always up-front, always ready to help. We have a lot of Holy Cross friends in common. Clarence has all kinds of friends.'" (Bill Reel, Newsday, July 17, 1991).

JUDGE CLARENCE THOMAS: "THE REAL STORY"

(Remarks by Congressman Gary A. Franks (R–CT)

Initiatives of Judge Clarence Thomas at the U.S. Equal Employment Opportunity Commission (Tenure: May 1982 to March 1990):

"Overall, it seems clear that he left the [EEOC] in better condition than he found it." (*U.S. News and World Report*, July 15, 1991).

Enforcement:

CHARGE PROCESSING BEFORE THOMAS

In April 1981, the General Accounting Office found, "The rapid charge process has over-emphasized obtaining settlement agreements with the result that EEOC has obtained negotiated settlements for some charges on which GAO believes there was no reasonable cause to believe that the charges were true. The settlement agreements for these charges have little substance * * * and they distort the results of the rapid charge process by inflating the number of settlements."

The GAO report found that these negotiated settlements "undermine EEOC's credibility because . . . charging parties and employers said they were pressured into settlements they disagreed with [and] charging parties were led to believe that, since the charges were resolved with settlement agreements, their charges had merit but EEOC handled them ineffecively." (GAO, *Further Improvements Needed in EEOC Enforcement Activities, (April 9, 1981)*.

THOMAS INITIATIVE

Under Judge Thomas' leadership in 1983, the Commission unanimously adopted a resolution to shift its presumption in favor of rapid charge processing to one of case-by-case decisions on appropriate methods for resolving administrative charges, so that adequate evidence could be obtained to ensure strong cases for conciliation and litigation. This resulted in more full investigations and ultimately, in more cases being considered by the Commission for litigation. (EEOC)

The Thomas Commission adopted a remedies policy which calls for a full remedy to be sought in every case where discrimination is found, including elimination of the discriminatory practices. (EEOC, *Policy Statement on Remedies and Relief for Individual Cases of Unlawful Discrimination*, Feb. 5, 1985).

LITIGATION BEFORE THOMAS

Cases were selectively litigated. (EEOC).

THOMAS INITIATIVE

An enforcement policy was adopted which called for every case of discrimination which fails conciliation to be presented to the Commission for litigation consideration. (EEOC, *Statement of Enforcement Policy*, Sept. 11, 1984. This resulted in a dramatic increase in the number of lawsuits filed by EEOC. (EEOC Statistics).

SYSTEMIC CASES BEFORE THOMAS

Before Clarence Thomas arrived at EEOC, the agency had no viable systemic program. Many systemic charges were never investigated or resolved. (EEOC). In 1981, the Commission had only a handful of active pattern and practice cases. (EEOC Annual Report, 1981).

THOMAS INITIATIVE

In 1985, Judge Thomas reorganized the systemic function so that investigations and litigation of systemic cases were placed respectively into the two offices best equipped to conduct these specialized functions. (EEOC). In 1988, 103 systemic cases were investigated and 16 were in active litigation. Of the $131 million in relief obtained in FY 1988, over $48 million was awarded in large class action/pattern and practices cases. (Vice Chairman R. Gaull Silberman, EEOC).

LAWSUITS BEFORE THOMAS

In 1981, EEOC filed 444 lawsuits on behalf of discrimination victims. (EEOC Enforcement Statistics).

THOMAS INITIATIVE

By 1986, the agency was routinely filing more than 500 lawsuits each year. Altogether during Thomas tenure, EEOC filed more than 3,300 lawsuits and obtained nearly $1 billion in monetary benefits for victims of discrimination. (EEOC Enforcement Statistics).

Federal Sector Enforcement:

FEDERAL EEO APPEALS BEFORE THOMAS

EEOC's Office of Review and Appeals, which reviews federal agency decisions on employee EEO compliants, in 1982 was understaffed and ineffectively managed. Unassigned cases were placed in cardboard boxes stacked in a room from floor to ceiling; most were 2 or 3 years old before being assigned to an attorney, some were 6 to 8 years old before being completed. ORA decisions were not indexed or recorded for attorneys; GAO in 1982 reported that ORA decisions were inconsistent, even on separate appeals filed in the same case. (EEOC).

THOMAS INITIATIVE

EEOC under Clarence Thomas established a viable case filing system for federal appeals, assigned more attorneys to ORA, computerized case indices and a tracking system, a library was established for the staff and the average case processing was reduced to 130 days by 1989. (EEOC). In 1982, ORA completed 3,488 cases. In 1988, it completed 6,380. (EEOC, *EEOC: 1982 to the Present*, Dec. 1988).

FEDERAL EEO BEFORE THOMAS

When Clarence Thomas arrived at EEOC, no "management directives" to federal agencies had been issued on the employment of minorities and women, no information or statistics existed on the status of minorities, women and disabled individuals employed by the federal government, mail was backlogged and paperwork was in boxes. (EEOC).

THOMAS RESPONSE

Under Thomas, Management Directives 707 and 707A, for minorities and women, were issued for 1982–1987; Management Directive 714 for minorities and women and 713 for persons with disabilities were issued for 1988–1992. Reports on the employment of minorities, women and disabled individuals were issued on an annual basis since 1982 and the agency became a model employer of persons with disabilities. By the end of Chairman Thomas' tenure, all mail was answered within 30 days and all filed were organized and computerized.

FINANCIAL MANAGEMENT BEFORE THOMAS

In May 1982, GAO reported to Congress that EEOC has not maintained accurate and up-to-date financial records, has not implemented adequate audit controls, had engaged in a questionable "loan" program to finance private Title VII discrimination suits and that the financial disarray of EEOC forced senior staff to make unsupported and improper manual adjustments to the year-end reports for fiscal years 1980–81. (GAO, *Continuing Financial Management Problems at the Equal Employment Opportunity Commission*, May 17, 1982). More than $1 million in outstanding employee travel debts remained uncollected and in fiscal year 1981, the agency underwent a reduction in force, which according to a former budget official was directly related to the agency having returned to the Department of Treasury unspent more than $10 million of its $140 million appropriation due to poor financial management. (EEOC Fact Sheet).

THOMAS INITIATIVE

As Chairman, Judge Thomas improved the agency's financial management. By the time he left EEOC, the agency was regularly obligating more than 99 percent of its appropriation and is able to monitor all funds in its various offices. In 1984, for the first time, EEOC's financial accounting systems met GAO standards. (EEOC Fact Sheet).

PERSONNEL BEFORE THOMAS

In 1982, the Office of Personnel Management described the EEOC work environment as "beset by acrimony," improper employee conduct, poor performance and favoritism." (*The Washington Times*, July 5, 1991). In 1982, 60 jobs at EEOC were audited—53 were subsequently downgraded (of those, 42% were found to be overgraded by three or more grades); there was no accurate count of agency employees; employee pay records frequently contained errors. (EEOC Fact Sheet).

THOMAS INITIATIVE

Chairman Thomas implemented employee training and recruitment programs to upgrade and train the existing work force and to recruit and attract high quality employees. For the first time in 1987, virtually all investigators received comprehensive investigative training. Equal Opportunity Specialist positions were converted to Investigators in 1988, reflecting EEOC's commitment to more full investigations. Federal sector Hearing Examiner positions were upgraded to Administrative Judges and given more authority. Incentive programs were implemented. (EEOC Fact Sheets).

Without additional resources, the personnel system was centralized and linked to the payroll system; by the end of Clarence Thomas' tenure the error rate was .01 percent. By the time Thomas left the agency, EEOC's personnel organization was routinely commended and consulted by other small agencies and the Office of Personnel Management for its excellent personnel practices.

In 1988, EEOC received the Office of Management and Budget's Productivity Improvement Award for quality, effectiveness and efficiency. (EEOC News Release, July 1, 1988).

After a July 1991 visit to EEOC, Senator John C. Danforth said, "While at the headquarters, I had the opportunity to speak with a wide variety of individuals. * * * The clear message of those I visited was that Clarence Thomas had transformed the EEOC from the dregs of the federal bureaucracy to an efficiently operating agency which was effectively performing the duties Congress had assigned to it." (Sen. John C. Danforth, July 16, 1991, Floor Statement).

COMPUTERIZATION BEFORE THOMAS

When Clarence Thomas arrived at EEOC, the only automated equipment for case management was two outdated mainframe computers with keypunch equipment. There were outmoded and incompatible word processors; the agency did not own even one personal computer. (EECO Fact Sheet).

THOMAS INITIATIVE

Under Judge Thomas' guidance, EEOC began to automate by purchasing its first personal computer in 1983. The agency was computerized without any additional funding from Congress. As a result of Thomas' initiatives, an integrated charge data system was installed in all 5 field office which connected to a national database containing nationwide enforcement data on more than a million cases by the end of Thomas' tenure, more than 1,000 compatible personal computers were installed throughout EEOC and virtually every program at EEOC was computerized, including financial management, personnel, and federal sector appeals, in addition to enforcement. (EEOC Fact Sheets).

[From the Washington Post, July 24, 1986]

EEOC TO RESUME HIRING-GOAL EFFORTS

(By Howard Kurtz)

The chairman of the Equal Employment Opportunity Commission said yesterday that because of this month's Supreme Court rulings upholding minority hiring goals for private employers who discriminate, the commission will resume efforts to impose such remedies.

The commission abandoned the use of hiring goals and timetables last fall at the behest of Chairman Clarence Thomas and two of the other five commissioners, who endorsed the Reagan administration's view that such targets amount to illegal quotas. But Thomas disarmed critics yesterday by announcing the policy shift at a Senate Labor and Human Resources Committee hearing on whether to reconfirm him for a second four-year term as chairman.

"The Supreme Court has ruled, and as far as I'm concerned that's that," Thomas said. "Whatever reservations I have are purely personal . . . That's the law of the land, whether I like it or not."

Thomas said the commission's enforcement attorneys will be told "that they are now to seek goals and timetables, and race- and sex-comscious remedies, permissible under the ruling of the Supreme Court." Pressed by Sen. Howard M. Metzenbaum (D-Ohio), Thomas said that "the EEOC will make a clear statement to our people that goals and timetables are one form of relief" available under employment discrimination laws.

The Washington Post reported in February that the EEOC had abandoned the use of goals and timetables without any vote or public announcement. Thomas said then that as a practical matter the commission was no longer approving litigation settlements involving hiring goals, and that he believed that such goals "denigrate an entire class of people."

The Supreme Court, in two rulings July 2, endorsed the use of affirnative action to remedy past employment discrimination and rejected the Reagan administration's argument that only specific victims of discrimination are entitled to such relief. One of the cases, involving a New York sheet-metal workers union that a federal judge had ordered to meet minority hiring targets, originally had been brought by the EEOC.

The commission later switched sides and joined the Justice Department in urging the Supreme Court to strike down the hiring goals.

The EEOC had made broad use of hiring goals since the early 1970s, and such targets became a standard practice during the Carter administration.

Thomas' remarks yesterday differed in tone from those made earlier by Justice Department officials, who interpreted the Supreme Court rulings narrowly and said the court had prescribed hiring goals as a possible remedy in only the most egregious cases of discrimination. The impact of the new EEOC policy will depend on how frequently the commission decides to seek such relief in its lawsuits against employers.

Thomas said it was important to monitor discrimination settlements and that he did not want to "just give someone goals and timetables that they can shove in a drawer. . . . Just to have goals and timetables every time there's discrimination, not even the Supreme Court said you could do that."

Thomas, a Yale Law School graduate and former aide to Sen. John C. Danforth (R.Mo.) who became EEOC chairman in 1982, calmly rebutted Democratic criticism yesterday and is likely to win reconfirmation. Thomas has said that his profile is so low that he is often confused with Clarence M. Pendleton Jr. the combative chairman of the U.S. Civil Rights Commission.

Thomas said he had "a thankless job" and has been subjected to "brutal criticism" for changing the direction of the EEOC. The Senate committee in May rejected the nomination of Thomas' chief of staff, Jeffrey I. Zucherman, to be the agency's general counsel.

Committee Chairman Orrin G. Hatch (R-Utah) said the agency had been a financial and administrative "disaster" before Thomas improved its management and increased its litigation caseload. "He has served without applause and without self-indulgent fanfare," Hatch said.

Ranking Democrat Edward M. Kennedy (Mass.) repeatedly pressed Thomas on his plans to change the commission's guidelines for dealing with conduct that has an "adverse impact" on minorities, Court rulings have held such conduct illegal regardless of whether an employer intended to discriminate.

Kennedy noted that Thomas told the Office of Management and Budget in June 1985 that he would propose new guidelines that "will recognize that statistical disparities are not tantamount to discrimination." Thomas said he has not descided on the proposed changes.

"You mean after we confirm you, then you'll go ahead and do it." Kennedy asked. "This is something extremely important. . . . Why can't you tell."

Thomas said he believes that statistics are only one way of measuring adverse impact on minorities.

[From the Washington Post April 20, 1984]

EQUAL WORTH

Ohio Rep. Mary Rose Oakar, in her April 7 response to William Raspberry's March 26 op-ed column "Who Decides 'Equal Worth?' number of points to which I feel compelled to respond.

Rep. Oakar states that the Equal Employment Opportunities Commission has a "tremendous backlog of sex discrimination charges that have just been sitting in its files for months."

This simply is not accurate. The commission receives approximately 10,000 wage discrimination charges annually. The backlog alluded to by Rep. Oakar consists of 266 charges, involving approximately 26 employers. These are being thoroughly reviewed, even though many involve public sector employers, an area where the EEOC has no litigation authority. A preliminary review indicates that the others include the issue of comparable worth—an issue over which the Commission's jurisdictional authority is far from clear.

The EEOC is well aware of the wage gap that exists between men and women in the labor force. The commission finds this reality as troublesome as Rep. Oakar does, and have vigorously challenged discriminatory practices that lead to inequitable compensation and perpetuate occupational segregtion. Allegations that the commission has abandoned or compromised its enforcement activities on behalf of female workers in the area of wage discrimination are ill founded.

Rep. Oakar's proposed legislation, H.R. 5092, would require the commission to spend enormous resources on, among other things, reporting on the 10,000 routine wage discrimination charges filed annually under Title VII and the Equal Pay Act, even though her legislation appears to address only the far fewer number of claims that are based on comparable worth. Ironically, the legislation would hinder, rather than facilitate, enforcement efforts by requiring members of the commission's compliance and litigation staff to be diverted from combating discrimination to compiling data. Clearly, the collection of unrelated data does little to achieve the goal we all seek: elimination of discriminatory pay differentials between men and women.

Perhaps Rep. Oakar's concerns might be better served by defining the issue she intends to address and proposing substantive solutions. To date, the guidance provided by Congress and the courts as to the parameters of wage discrimination claims recognizable under existing legislation has been minimal and inconclusive. Until such guidance is developed, the commission will continue to enforce the law as it is written and to seek vehicles for clarifying the scope of the law.

THE EEOC IS THRIVING

Civil rights advocates have apparently given up on the Civil Rights Commission and disagree only on how little should be appropriated for the agency. Some groups have even suggested that the Treasury save the money and abolish the CRC altogether. This is probably due to the sharp philosophical disagreement between traditional civil rights lobbyists and those now leading the panel, most of whom have been appointed by President Reagan. Or it may simply reflect the fact that the commission, whose work was so vitally needed and so widely supported in the late '50s and early '60s, no longer seems to be fulfilling a function.

Another important executive agency charged with civil rights enforcement—the Office of Civil Rights in the Department of Education—has been hamstrung since 1984, when the Supreme Court sharply limited the scope of the law prohibiting discrimination by recipients of federal funds. Because Congress has not yet acted to overturn that ruling by legislation, OCR—even if its leaders were willing to act aggressively—has been unable to move against many kinds of discrimination that had been its responsibility before.

But things are markedly different at the Equal Employment Opportunity Commission, the federal agency created in Title VII of the Civil Rights Act of 1964 and charged with rooting out employment discrimination. Here, the caseload is expanding and budget requests are increasing. Under the quiet but persistent leadership of Chairman Clarence Thomas, the number of cases processed has gone from 50,935 in fiscal 1982 to 66,305 last year. In the same time period, legal actions filed went from 241 to 526. To handle this much larger caseload and higher litigation level, this year's budget request was a record $193,457,000. That's one-third more than was spent at the beginning of this administration and $28,457,000 over last year.

Domestic budget requests, even for meritorious programs such as this, are being cut with a vengeance, and the request for the EEOC is no exception. The House did vote a $13 million boost, and the commission has asked the Senate to restore the full amount requested. Whether that is possible, given other budget constraints, is uncertain, But legislators who care about civil rights enforcements have a special obligation to sustain an agency doing this work and enjoying, to an unusual degree in these times, the support and encouragement of the administration.

[From the Wall Street Journal, Oct. 12, 1987]

THE BLACK EXPERIENCE: RAGE AND REALITY

(By Clarence Thomas)

Through a series of 10 metaphorical tales or "chronicles," Harvard law professor Derrick Bell explores the theme of the subtitle of his book "And We Are Not Saved: The Elusive Quest for Racial Justice" (Basic, 288 pages, $19.95). The dialogue form—exchanges between character Bell and his fictitious heroine, Geneva Crenshaw, a black civil rights attorney and law professor—enables author Bell (who is black) to be provocative without appearing dogmatic.

We eavesdrop on conversations between committed black scholars who confidently and credibly express their qualms and quarrels about a future strategy for black Americans. In the fictional chronicles we behold a series of spectacles and mysteries: Ms. Crenshaw appears at the Constitutional Convention; the children of wealthy whites have their color and character transformed; a disease materializes that strikes only at single professional black women; pebbles are found to cure black criminality. These tales revolve around a variety of themes, including voting rights and proportional representation, the benefits and harms of school desegration, the limits of legal remedies, and "the social affliction of racism." Each conversation discusses or refers to underlying scholarship.

We are propelled by consuming rage, lifted up by transcendent hope and shattered by the return to the reality of the black condition today. At every turn, in Bell and Crenshaw's conversations, white racial and economic interests crush the hopes of blacks. Academic quotas become ceilings. Whites suppress black self-help. When black criminality is cured by pebbles, whites no longer fear blacks but they quickly find other excuses to restrict black opportunity.

Through his characters, Mr. Bell succeeds in giving a grand tour of the most sophisticated left-wing black thinking on the law and race relations. More than that, he forces his readers, especially those who are not black, to become intimate with diverse strains of black thinking. Nonetheless, one leaves the book dissatisfied.

Much of the current thinking on civil rights has been crippled by the confusion between a "colorblind society" and a "colorblind Constitution." The Constitution, by protecting the rights of individuals, is colorblind. But a society cannot be colorblind, any more than men and women can escape their bodies. It would destroy limited government and liberal democracy to confuse the private, societal realm (including the body and skin color) and the public, political realm (including rights and laws). Obscuring the difference between public and private would allow private passions (including racial ones) to be given full vent in public life and overwhelm reason. When Founding Father James Madison spoke of the need for "the reason alone, of the public . . . to control and regulate the government," and for government to control and regulate the passions, he wanted exactly what Justice John Harlan was pointing to when he endorsed a colorblind Constitution.

Thus the "quest for racial justice," as opposed to justice per se, is doomed, because American justices by definition cannot be race- or group-oriented. Yet Mr. Bell's dialogues do bring home the struggle incumbent upon all races to use public reason to suppress racial passion. Keeping race out of public life in no way implies it will disappear from private or social life. But justice must focus on the rational defense of individual freedoms, including the property rights Mr. Bell is so contemptuous of. It is difficult to see how his characters ultimate faith that the Constitution can offer "salvation for all" could be otherwise affirmed.

To be more explicit, black Americans must not fear to express their diversity as individual citizens and as members of society. The tragedy of the civil rights movement is that as blacks achieved the full exercise of their rights as citizens, government expanded, and blacks became an interest group in a coalition supporting expanded government.

Instead of reflecting the diversity of the black community, blacks political views have become more homogeneous. Yet, black ambitions need not be so closely weeded to ever-expanding government. Mr. Bell's laudable goal of "decolonizing black minds" would require an emancipation from reliance on government and overemphasis on race and class. In my mind, uniting black Americans means giving them the security to be diverse.

This book's greatest beneficiaries would be white conservatives, who could learn much from Mr. Bell's interlocutors about the effects of their negative civil rights rhetoric on the hopes and fears of blacks. Having heard blacks perceptions of America's contradiction, conservatives could then make an even more persuasive case for the protection of individual rights through a colorblind Constitution. With their rights so secured, black Americans could then confidently exercise their freedom to go their various paths.

[From the Chicago Tribune, Jan. 30, 1988]

WITHOUT DOUBT, A THOMAS OF MERIT

A special award honoring government officials who say the right thing in plain English should be created in the name of Clarence Thomas, chairman of the Equal Employment Opportunity Commission.

Describing his shock and consternation at having learned that commission underlings in several cities blew a deadline and allowed the statute of limitations to expire on 900 age discrimination cases, Mr. Thomas told a House committee:

"We are assessing the damage in each case. We will present a full report. No responsible person would miss the statute. We deserve harsh criticism for this occurrence. It will not happen again. We have warned people."

That was it: no cop-out. No excuses, no bellyaching about the other guy, no flabby claim that it's difficult—or impossible, as bureaucrats and elected officials increasingly bleat in sticky situations—to assess blame.

Everybody makes mistakes. Too few people in public life own up to them, much less pledge uncompromisingly that they will be corrected. Bless you, Mr. Thomas, for straight talk in an age of waffling.

THE CLARENCE THOMAS STORY: THE GOOD, THE BAD AND THE JUDGES

[President George Bush will soon send to the Senate Judiciary Committee his nomination of Clarence Thomas (presently chairman of the Equal Employment Opportunity Commission), to the U.S. Court of Appeals for the District of Columbia. Formal nomination has been delayed by slowness on the part of the American Bar Association's judicial rating process. If confirmed, Thomas would fill the seat vacated in 1988 by the resignation of Judge Robert H. Bork. The Thomas nomination has attracted initial opposition from some elements of the Civil Rights Establishment, including the Alliance for Justice (see FLD report, 9/89).]

Clarence Thomas was born on June 23, 1948, in a small wood frame house outside of Savannah, Georgia. The house in which he was born, as well as the bed, was owned by Annie Crawford, his young mother's aunt. He was brought into this world by a midwife. His birth certificate reads simply that he was born in Pinpoint, Rural. His mother's name was Leola Thomas and is currently Leola Williams. His father's name is M.C. Thomas. The initials do not represent additional names. Clarence's father left while he was still a toddler, and has lived in Philadelphia most of Clarence's life. Clarence would see him only once during his childhood, at the age of nine.

For the first six and a half years of his life he lived in Pinpoint with his mother, her aunt and uncle, together with his older sister and younger brother, Myers. They lived in the same wood frame house in which Clarence was born. The community of Pinpoint is one of many Black communities outside Savannah, Georgia. Although development threatens its existence today, in the late 40s and early 50s it was indeed rural. In Drums and Shadows—survival studies among the Georgia Negroes, Pinpoint is described as follows:

> Pinpoint, a Negro community about nine miles southeast of Savannah is scattered over some twenty or thirty acres on a peninsula overlooking Shipyard Creek. Many of the small wooden cabins are neatly whitewashed and are half hidden by shrubbery and spreading oaks. Flowers and vegetables are planted in the most advantageous sunny spots near the houses and most yards are enclosed by picket fences, giving a cozy and pleasant privacy. The lawns, little more than wagon tracks, twist in and across the settlement. The informal and haphazard scattering of the houses, with high shrubbery bordering the lawns, gives an effect that is pleasing and unusual.
>
> Pinpoint has a church, a pavilion on the tidewater creek, and a crab cannery. The men and women who do not work as domestic servants at the nearby country places find employment in the crab cannery or fish and crab and shrimp for themselves. The life is quite, soothed by the smell of salt marsh.
>
> The people are, almost without exception, black or dark skinned, proud, upstanding and loyal, suspicious of strangers but generous and trusting friends. (cites omitted)

The house in which Clarence and his family lived was simple, but always neat and pleasant. For lighting, they used kerosene lamps, and there were also several electric ceiling lights. They had no indoor plumbing, and shared an outhouse with several neighbors. They carried water from a common pump usually in water buckets. As alluded to in Drums and Shadows . . . , everyone worked. Women did "day" work, cleaning houses for the whites who lived nearby. They also shucked oysters and picked crabs. Kids would often scrub crab barks to earn spending money. The men were usually day laborers and/or they raked oysters, fished or crabbed. They also steamed crabs, which the women then picked. Clarence's mother was among the best crab pickers. His sister, until recently, also picked crabs on a regular basis. As children, they played under the houses, or in the woods and marsh. They chased and caught fiddler crabs, and minnows, climbed trees, and played with makeshift toys.

Clarence started the first grade in September, 1954 at Haven Home School, which was segregated. Coincidentally, Brown v. Board of Education was decided that same year. About midway through the school year, Clarence's brother and their cousin, Little Richard, accidentally burned their house down. As a result, Clarence and his brother moved to Savannah to live with their mother. They lived in one room of a tenement. There was a common kitchen. The kitchen floor consisted of old linoleum on the ground. There was an old gas stove that rarely worked and the old ice box in the upstairs hall rarely had ice in it. There was also a common toilet outside. The wooden structure had rotted, the toilet itself was always filthy and leaked sewage into the backyard. There was a small kerosene stove in the room for heat. Clarence usually slept on a loveseat while his brother slept in the bed with their mother. Their mother worked long hours as a maid, for $20.00 every two weeks. She left early in the morning and returned at the end of the day. Clarence completed the first grade at Florance Street School. He attended afternoon classes. He had poor attendance and often wandered the streets of Savannah.

In the summer of 1955, Clarence and his brother went to live with their maternal grandparents, Myers and Christine Anderson. Their grandparents had an ice delivery and fuel oil business. Their grandmother had a sixth grade education and their grandfather had gone to the third grade, although he made it very clear that in those three years he learned nothing since he was only allowed to attend school for a small fraction of the school year. He learned how to read and write a little after he became an adult.

Clarence's grandfather was a proud, disciplined man who believed that everyone who could work should work. He never knew his father, and his mother died when he was nine years old. He lived with his grandmother, who according to him was freed from slavery as a young girl. His grandmother died when he was twelve years old. He then went to live with his uncle, who was a hard man, with a family of about 16 children. Clarence's grandfather often told stories of how they had to hunt, fish, farm, and do "piece" work for nearby whites in order to survive. Myers Anderson's very hard life, without mother or father, no education, and in an era of segregation and Jim Crow laws, was a dominant influence on the way he raised his grandsons. They had to learn to work and to survive, no matter what happened in the world.

The world of Clarence's youth was the world of segregated Georgia. All of life was segregated, schools, libraries, movies, and lunch counters. There were separate water fountains and public restrooms for those who were "colored." Clarence recalls an incident when they were traveling from Savannah to the farm in Liberty County. As was customary, they stopped for gasoline. His grandfather asked whether his wife could use the restroom. The attendant said there was no "colored" restroom. Clarence's grandfather loudly and forcefully told the attendant that if his wife couldn't use their restroom, he couldn't use their gas. And, they sped off and stopped at a gas station with a "colored" restroom. This was the reality in which Myers and Christine Anderson were determined to raise two boys who could do for themselves.

Clarence and his brother worked with their grandfather on the oil truck or at whatever he was doing when there was no need to deliver oil. During the school months, they were required to be dressed and ready for work by 3 p.m. School ended at 2:30 p.m. There was always work to be done: in the yard, on old houses that their grandparents owned, maintaining the trucks and car, painting, roofing, plumbing, etc. On Saturdays, if there was no oil to be delivered, the car had to be washed; the lawn, cut; the hedges, trimmed; the yard, cleaned; shoes, polished and so forth. To Clarence and his brother, there seemed to be no rest for the weary.

Clarence's grandfather believed that he could do just about anything. And when Clarence and his brother would say they couldn't do something, he would chastise them not to use the word "can't" Old man can't is dead. I helped bury him," he would often say. For example, in the winter of 1957, he decided to build a house on the family farm land that had lain fallow for quite some time. When he said he would build something, he meant exactly that. He had previously build the house in which they lived in Savannah and several of the houses which he owned in the neighborhood. Clarence and his brother were required to work closely with him to build the house carrying cinder blocks, mixing cement, etc. In the spring of 1958, with the house completed, they began to farm. Each year they cleared more and more land to plant and cultivate. They also raised chickens, pigs, and cows. They built garages, barns and a wire fence around a hundred acres or so. Initially, their grandfather plowed with a horse and mule, with Clarence and Myers following him. Later he bought an old Ford tractor. Then Clarence and Myers began to do quite a bit of plowing at the age of 13 or 14. They also used the tractor to haul logs and to cut and rake hay. Aside from plowing with a tractor, the rest of the farm work was done manually. They worked from "sun-up to sundown" with an hour to an hour and a half for lunch. The extended lunch breaks were necessitated by their grandfather's nap after lunch. Myers Anderson believed, to his grandsons' chagrin, that the sun should not catch anyone still in bed. Everyone should start work as soon as there were enough daylight to see.

Myers Anderson believed strongly in the maxim: early to bed, early to rise. He usually went to bed between 8 and 9 p.m. and rose between 2 and 4 a.m. If his grandsons occasionally were fortunate enough to sleep surreptitiously until 7 or 8 a.m., he would observe that they must have thought that they were rich. And, he would lecture them that a poor man could not afford to sleep that late.

Clarence's grandparents were honest, hardworking, and deeply religious people. They believed that hard work and decency were indispensable. For example, at no time could the grandsons refuse to do an errand for any neighbor. Adults were to be addressed in a respectful manner: yes ma'am, yes sir, Miss Gladys, Cousin Bee. At no time was a child permitted to debate an adult.

Hard, honest work was the constant lesson. Sometimes it seemed harsh. Clarence's grandfather repeatedly warned his grandsons that if they didn't work they didn't eat. And, on almost a daily basis he would remind them that his goal was to "raise them right", and teach them "to do for yourselves." To his grandparents' way of thinking, their grandsons had to be self-sufficient, especially in an environment in which the odds all seemed to be against them. The objective often seemed to be learning how to live, without coming into contact with or relying on a hostile, segregated world.

Myers Anderson was fiercely independent, and believed that his freedom depended on his ability to survive, without reliance on a hostile government and in an environment in which it seemed that Blacks only had privileges—not rights.

Christine Anderson was a quiet, saintly woman. She would often intercede with her husband, on behalf of their two grandsons. Her most constant instruction to her grandsons was "say your prayers." And, each morning she greeted them with their lunch, hot breakfast; and gospel music from the radio station. She, too, worked constantly.

Clarence's grandparents enrolled him and his brother in St. Benedict's Grammar School, a segregated Catholic school. Although the physical plant was old, the education was rigorous.

Franciscan nuns taught them. Education was the number one priority. No excuses. Myers and his brother were informed and reminded, as required, that in any disagreement with teachers, they were always wrong and the teachers were always right. Clarence and his brother missed one-half day from school during the entire time they lived with their grandparents. Education was seen as the key to a better way of life. Clarence's grandfather felt that Catholic schools were better because there was corporal punishment, discipline, and uniforms. He didn't see how a child could be taught without these.

Clarence, his brother and their grandfather were members of St. Benedict's Catholic Church, where the two boys were altar boys. (Their grandmother attended a Baptist Church.) At St. Benedict's Grammar School, the nuns stressed the inherent equality of all people, and pushed the students to excel. At home, at school, and at Church, Clarence was constantly pushed and encouraged to perform and achieve—no matter what the odds were.

From 1962–64, Clarence attended St. Pius X High School for the 9th and 10th grades. St. Pius X was also segregated and also taught by the Franciscan nuns. In 1964, Clarence transferred to St. John Vianney Minor Seminary near Savannah. He repeated the 10th grade in order to take three years of Latin. He finished his high school education there in 1967. At St. John's, he was the only black student in his class. There was one other black student in the freshman class during Clarence's first year, however, he did not return for his sophomore year. Attending St. John's was Clarence's first regular contact with whites, other than nuns. At St. John's, Clarence redoubled his efforts to achieve. And, he did very well. One indication of what his classmates thought of his efforts can be gleaned from a statement which they placed under his yearbook picture: "Blew that exam, only got a 98."

From 1967–68, his freshman year in college, Clarence attended Immaculate Conception Seminary in Conception Junction, Missouri. He transferred to Holy Cross College in Worcester, Massachusetts for his sophomore year and graduated with honors in 1971. There, he helped found the Black Students Union, where he served as an officer for three years. He worked in the Free Breakfast Program and tutored in the Worcester community. Clarence was an excellent student who was considered by many to be a "grind". His college education was financed by a combination of scholarships, loans and work study. However, there always seemed to be well-intentioned persons who helped when times were most difficult. One such person was an anonymous donor of $300 to finance a speed reading course for Clarence.

From 1971–74, Clarence attended Yale Law School with the intent of returning to Savannah. He worked for New Haven Legal Assistance during law school and summers of 1971 and 1972. He worked for a small integrated firm in Savannah in the summer of 1973, financed, in part, by a grant from the Law Students Civil Rights Research Council.

During his third year in law school, Clarence decided not to return to Savannah as he had originally planned. Since he was married, had a child, and student loans, he reluctantly interviewed with law firms. In the process, he once again confronted an old nemesis, racial discrimination. Though he had done well in law school, he was interrogated about his performance in college, high school and even grammar school. The interview process tended to be insulting and condescending. The obvious assumption was that Clarence was not as good as his white classmates, even if his law school grades were higher.

Ultimately, John C. Danforth, then Attorney General of Missouri, offered Clarence a job in his office. Clarence was first impressed by Danforth's sincerity and honesty. He first admitted to Clarence that he did not know how it was to be Black and poor since he was neither. Then he promised Clarence that he would treat him the same as everyone in the office.

Clarence sat for the Missouri bar in the summer of 1974. That summer would be most memorable not for the bar examination but for his two-month stay at the house of Margaret Bush-Wilson, who would later become Chairman of the Board of the NAACP. She allowed Clarence to live at her house, since he had no money and knew no one in Missouri. Her generosity, advice and counsel have influenced and remained with Clarence over the years.

In August of 1974, Clarence and his family moved to Jefferson City, Missouri. The job in the Attorney General's office turned out to be everything that it had been billed to be. The work was endless, the staff was small, and there was no bureaucracy in the office. It was perfect for a young attorney. Three days after being sworn in as a member of the Missouri bar, Clarence argued his first case before the Supreme Court of Missouri. Over the next 2½ years, he would represent the state in many cases before the trial courts, appellate courts, and Supreme Court of Missouri, in matters ranging from criminal law to taxation.

In 1977, Clarence left the Attorney General's Office and went to work in the law department of Monsanto Company, where he worked on general corporate legal matters such as antitrust, contracts and governmental regulations.

He rejoined now Senator Danforth in August of 1979 as a legislative assistant. During his 1½ years on Capitol Hill, Clarence was responsible for issues involving energy, environment, federal lands and public works.

He was nominated in the spring of 1981 by President Reagan as the Assistant Secretary for Civil Rights in the U.S. Department of Education. In the spring of 1982, he was nominated by President Reagan to become Chairman of the Equal Employment Opportunity Commission. He was sworn in on May 17, 1982. He was renominated and reconfirmed in 1986. Having been Chairman of EEOC for more than seven years, he has served longer in that position than any of his seven predecessors.

Clarence's first marriage ended in divorce. He has one son, Jamal, by that marriage, and has had custody of Jamal since 1983. For most of his tenure at EEOC he has been a single parent. Jamal is now 16 years old and a junior in high school.

Clarence remarried in May of 1987. His bride is the former Virginia Bess Lamp. Mrs. Thomas is a Senior Legislative Officer at the U.S. Department of Labor. Clarence, Virginia, and Jamal reside in northern Virginia.

[From the New York Times, July 2, 1991]

FROM POVERTY TO U.S. BENCH—CLARENCE THOMAS

(By Neil A. Lewis)

WASHINGTON.—Judge Clarence Thomas, President Bush's choice to succeed Thurgood Marshall on the Supreme Court, has always been quick to tell his friends and colleagues about the grinding poverty into which he was born in coastal Georgia.

His father abandoned the family to go north when Judge Thomas was 7 years old, and his harried mother sent him to live with his grandparents in Savannah, the first time he lived in a house with a toilet. His success, he has told friends, was due to his grandfather's insistence that he go to school and work hard.

It was the sense that he had earned everything, and that nothing was given him because of his race, that has made him an impassioned opponent of affirmative action. "I was raised to survive under the totalitarianism of segregation, not only without the active assistance of government but with its active opposition," he once said in a speech entitled, "Why Black Americans Should Look to Conservative Policies."

He has attacked with relish quotas, timetables and nearly all varieties of racial preference as having the insidious effect of enforcing a notion that blacks cannot compete with whites on an equal footing. Although his personal outlook on that issue probably extends into his judicial philosophy he has not yet had the chance to express it as a judge.

DIFFERENT VIEW OF THE MEANS

"He made it strictly on the merits, and he resents the notion that he's ever gotten anywhere because he's black," said Lovida H. Coleman Jr., a Washington lawyer and friend of Judge Thomas's from the days when they both attended Yale Law School. She said his views of the goals of civil rights are the same as most black Americans. "It's just that he has a different view of the means to those ends," she said.

It was his opposition to preference programs for members of minority groups, friends say, that first brought him into the orbit of a small group of black conservatives who delighted in questioning the views of the traditional civil rights groups. Eventually he came to the attention of the Reagan Administration.

Principally because of his solid legal background and his views as a black opponent of affirmative action he has long been regarded as a hot prospect for the Republican Party, which he joined shortly after Ronald Reagan was elected President.

Clarence Thomas, 43 years old, was born in Savannah, then moved to the small segregated town of Pinpoint, Ga., where, he has recalled, everyone lived in rickety shacks.

DISCRIMINATION AT SEMINARIES

His grandfather, Myers Anderson, could not read but saw to it that Clarence went to a Catholic school that a group of white nuns had established for poor black children. His grandfather made him stand up at meetings of the local chapter of the National Association for the Advancement of Colored People and read his grades aloud.

He enrolled at the all-white St. John Vianney Minor Seminary in Savannah. He once told an interviewer that the bigotry among some of the seminary students dismayed him but the was shocked that everyone tolerated it. Still, he thought about becoming a priest and enrolled for a time at another seminary, Immaculate Conception, in Conception, Mo., but decided against a religious career after encountering more discrimination.

Judge Thomas expressed frustration at such discrimination later in life when he told Juan Williams in an interview for The Atlantic magazine: "There is nothing you can do to get past black skin. I don't care how educated you are, how good you are at what you do. You'll never have the same contacts or opportunities."

He graduated from Holy Cross College and Yale Law School. About that time his first marriage, from which he has one son, began to come apart. He has since married Virginia Lamp, who works on legislation for the United States Labor Department, and lives in Alexandria, Va.

PROTÉGÉ OF DANFORTH

One of Mr. Thomas's first jobs was as an assistant attorney general to John Danforth, then the Missouri Attorney General and now the state's senior Senator. Like many successful people, Clarence Thomas flourished as a protégé.

He has often said he was deeply grateful to Mr. Danforth because he felt he paid no attention to his race.

In his assignments as an assistant attorney general, he assiduously avoided working on anything to do with race. He worked on tax and environment cases. He left government briefly, and with a recommendation from Mr. Danforth, he went to work for the Monsanto Chemical Corporation as an in-house counsel. Friends say it was typical of him that he wanted to take a peek at the corporate world.

When Mr. Danforth went to Washington, Mr. Thomas came as a legislative assistant, working again on non-civil-rights issues.

CRITICAL OF CIVIL RIGHTS LEADERS

The Reagan Administration then tapped him to be the assistant secretary for civil rights at the recently formed Department of Education. In May 1982 he became the chairman of the Equal Employment Opportunity Commission, the agency charged with enforcing Federal laws against discrimination based on race, gender, color, national origin and, eventually, age.

During this period, he became an ever more forceful spokesman against the traditional civil rights approach. Friends said that he often feuded privately with senior officials in the Justice Department over race issues. Yet in a 1984 interview with The Washington Post, he complained that all the nation's traditional civil rights leaders do is, "bitch, bitch, bitch, moan and whine."

In an article for the Howard Law Journal and in speeches and interviews he also criticized some aspects of the Supreme Court's landmark 1954 ruling ordering school desegregation, Brown v. Board of Education. He said the ruling was based too much on sentiment and that it suggested that black schools were automatically inferior to white schools. The ruling, revered by many blacks, came in a case brought by Thurgood Marshall, the man whose seat Judge Thomas would replace.

When Mr. Thomas was named to the Court of Appeals for the District of Columbia, which is widely viewed as the nation's second-most influential court, opponents and supporters saw him as a likely Supreme Court appointment if Justice Marshall retired. His nomination caused muted anxiety among traditional civil rights groups and leaders who, in the end, lent a quiet but unenthusiastic support.

FEW CONTROVERSIAL CASES

In his 15 months on the appellate court, he has not had a chance to rule on any affirmative action cases, nor on most of the other issues that are at the center of the nation's social agenda like abortion, obscenity and the proper dividing line between church and state.

Most of the cases in the capital circuit involves direct appeals from Federal regulator agencies, and Judge Thomas's opinions on the bench include many administrative law rulings that generally upheld the agency.

In criminal rulings, Judge Thomas has joined with conservatives and liberals.

A regular cigar smoker, Judge Thomas reads briefs in a small smoking room off his main office. He has recently adopted an exercise regimen in the court's basement gym.

When the Senate Judiciary Committee held hearings on his nomination to the appeals court in 1990, it was his tenure at the employment commission that produced the most criticism.

Senator Howard M. Metzenbaum, an Ohio Democrat, voted against confirmation, saying that Mr. Thomas refused to enforce a recent law against age discrimination. He said that Mr. Thomas allowed 1,700 complaints filed with state anti-discrimination agencies to lapse without investigation, a charge Mr. Thomas denied.

CHANGING FOCUS OF COMMISSION

But it was Mr. Thomas's general stewardship of the agency that was behind much of the complaints by his opponents. Instead of the large-scale class-action suits the agency had brought in the past, he scaled down its mission, focusing on individual complaints.

It was during those hearings, under friendly questioning from Republican committee members, that Mr. Thomas spoke of how he felt about being outside the mainstream of blacks in public life.

"I have taken positions which are at odds with what I have perceived in the past as expected orthodoxy and you can say orthodoxy or stereotype for black Americans," he said at one point. "I have problems with that."

He said that his grandfather, in his last conversation with him before his death in 1988, told him to choose between principle and popularity. That's what he felt he was doing, Mr. Thomas said.

CLARENCE THOMAS

Born: June 23, 1948.

Hometown: Savannah, Ga.

Education: A.B., Holy Cross College, J.D., Yale Law School.

Career Highlights: Assistant Attorney General of Missouri, 1974–77; lawyer, Monsanto Co., 1977–79; legislative assistant to Sen. John C. Danforth of Missouri, 1979–81; Assistant Secretary for Civil Rights, Department of Education, 1981–82; Chairman, Equal Employment Opportunity Commission, 1982–1989; judge, United States Court of Appeals for the District of Columbia Circuit, 1989 to present.

Hobbies: Lifting weights; reading; watching basketball.

[From the Washington Post, July 2, 1991]

I EMPHASIZE BLACK SELF-HELP: THOMAS' THOUGHTS ON QUOTAS, THE WORK ETHIC AND CONSERVATISM

Wall Street Journal, 1987: "I firmly insist that the Constitution be interpreted in a colorblind fashion. It is futile to talk of a colorblind society unless this constitutional principle is first established. Hence, I emphasize black self-help, as opposed to racial quotas and other race-conscious legal devices that only further and deepen the original problem."

The Washington Post, 1983: "You can't replicate my grandfather. A sociologist at the University of Alabama, when he studied blacks who were successful, found that there was a strong father figure, a strong person someplace in that individual's life, that broke him out of the circle of poverty—a coach, a minister, grandparent, mother, father. Somebody who said, 'Boy, you are going to school today. You gon' be somebody. You gon' do better'n I'm doin'.' That was my grandaddy's whole philosophy. 'I'm doin' this for y'all, so y'all don't have to work for the white man, so y'all don't have to take what I had to take.' My granddaddy used to say this world is tough, always tough on a poor man. My granddaddy told me, when I went off to college, 'Just remember that no matter how many degrees you get and how high you go, the lowest white man in the gutter can call you a nigger.' The attitude that kept me going came from him. He used to always say that there was no problem that elbow grease can't solve. Then he'd say things like, 'Old man Can't is dead. I helped bury him.'"

From a speech to the Heritage Foundation, 1987: "My household . . . was strong, stable and conservative. In fact, it was far more conservative than many who fashion themselves conservative today. God was central. School, discipline, hard work and 'right-from-wrong' were of the highest priority. Crime, welfare, slothfulness and alcohol were enemies. . . . The most compassionate thing they (our grandparents) did for us was to teach us to fend for ourselves and do that in an openly hostile environment. . . . Those who attempt to capture the daily counseling, oversight, common sense, and vision of my grandparents in a governmental program are engaging in sheer folly. Government cannot develop individual responsibility, but it certainly can refrain from preventing or hindering the development of this responsibility.

". . . I joined the [Reagan] administration [in 1981] as an assistant secretary in the Department of Education. I had, initially, resisted and declined taking the position of assistant secretary for civil rights simply because my career was not in civil rights and I had no intention of moving into this area. In fact, I was insulted by the initial contact about this position as well as my current position. . . . I always found it curious that even though my background was in energy, taxation and general corporate regulatory matters, that I was not seriously sought after to move into one of those areas.

". . . I am of the view that black Americans will move inexorably and naturally toward conservatism when we stop discouraging them; when they are treated as a diverse group with differing interests; and when conservatives stand up for what they believe in rather than stand against blacks. This is not a prescription for success, but rather an assertion that black Americans know what they want, and it is not timidity and condescension.

". . . I failed to realize just how deep-seated, the animosity of blacks toward black conservatives was. The dual labels of black Republicans and black conservatives drew rave reviews. Unfortunately, the raving was at us, not for us. The reaction was negative, to be euphemistic, and generally hostile. Interestingly enough, however, our ideas themselves received very positive reactions, especially among the average working class and middle-class black American who had no vested or proprietary interest in the social policies which have dominated the political scene over the past 20 years.

". . . Inherent equality is the basis for aggressive enforcement of civil rights laws and equal employment opportunity laws designed to protect individual rights. Indeed, defending the individual under these laws should be the hallmark of conservatism rather than its Achilles' heel. And, in no way, should this be the issue of those who are antagonistic to individual rights and the proponents of a bigger, more intrusive government. Indeed, conservatives should be as adament about freedom here at home as we are about freedom abroad. We should be at least as incensed about the totalitarianism of drug traffickers and criminals in poor neighborhoods as we are about totalitarianism in Eastern Bloc countries. The primacy of individual rights demands that conservatives be the first to protect them."

Atlantic Magazine, 1987: "There is nothing you can do to get past black skin. I don't care how educated you are, how good you are at what you do—you'll never have the same contacts or opportunities, you'll never be seen as equal to whites.

". . . Those who insist on arguing that the principle of equal opportunity, the cornerstone of civil rights, means preferences fer certain groups, have relinquished their roles as moral and ethical leaders in this area. I bristle at the thought, for example, that it is morally proper to protest against minority racial preferences in South Africa while arguing for such preferences here."

[From the Wall Street Journal, July 2, 1991]

JUSTICE THOMAS

"Judge Thomas' life is a model for all Americans," President Bush said yesterday as he honored both the highest ideals of civil rights and the great principles of the emerging conservative jurisprudence. Clarence Thomas's record of achievement and his well-developed judicial philosophy make him more than qualified to join the Supreme Court. The combination of who he is and what he believes could make his nomination President Bush's most important domestic-policy accomplishment.

Judge Thomas' remarkable career began when he overcame the hurdles of a life that started in the poverty of segregated rural Georgia. His independence was clear when he graduated from Yale Law School intending to become a tax attorney, but refused to join the prestigious law firms that viewed him primarily as a black, not as a gifted legal mind. (As Dinesh D'Souza writes nearby, he instead went to work in government for John Danforth. One irony is that Judge Thomas's refusal to become a law-firm token means the American Bar Association may mark him down for failing to practice law long enough.)

Ralph Neas and People for the American Way claim to doubt Judge Thomas' commitment to racial equality. None of this will surprise Judge Thomas. He also endured sniping from the pro-quota lobbyists during his eight years as head of the Equal Employment Opportunity Commission. His years in the hothouse of political Washington will serve him well during the nomination process and later in adjudicating the political issues that inevitably come to the Supreme Court.

We would like to put everyone on notice that those who say Judge Thomas was nominated to fill a racial quota run the risk of being labeled racists. Oppositon to quotas does not mean that race is a wholly irrelevant consideration. As Mr. Thomas wrote in the Journal in 1987, "The Constitution, by protecting the rights of individuals, is color blind. But a society cannot be colorblind, any more than men and women can escape their bodies." We would strongly oppose a law that mandates that one of the nine Supreme Court seats must be held by a black, but it is also desirable that a President nominate a black who is so clearly qualified for the job.

This is especially true here and now. Just as Thurgood Marshall symbolized the generation that overcame Jim Crow, Justice Thomas would serve as a beacon for a troubled generation of minorities who deserve reminders of the importance of strong families and education. "In my view, only in America could this have been possible," Judge Thomas said yesterday in accepting the nomination to the post where he said he hoped to "be an example to those who are where I was, and to show them that indeed, there is hope."

Judge Thomas is another role model as well. Many talented minorities and women have experienced the double-edged sword of affirmative action. Judge Thomas signaled at yesterday's press conference that he can be stoic in the face of taunts by those who refuse to believe that his accomplishments are his own.

Unlike David Souter, this nominee has a long and distinguished paper trail. From his writings and actions, we have no doubt that Justice Thomas would join Antonin Scalia on the scholarly and sometimes libertarian wing of the conservative court. We would not be surprised if he gives the court a greater understanding of economic liberties as one of the Founding Fathers' more important civil rights.

Judge Thomas has made very clear that he is of the judicial-restraint school that abhors legislating from the bench. He has written serveral important decisions, but we are especially impressed with his May 10 opinion in *Cross-Sound Ferry Services v. Interstate Commerce Commission.*

In it, he addressed the key question of standing—that is, when does a case raise the kind of controversy that courts are supposed to decide. "When federal jurisdiction does not exist, federal judges have no authority to exercise it, even if everyone—judges, parties, members of the public—wants the dispute resolved," Judge Thomas wrote. "The truistic constraint on the federal judicial power, then, is this: A federal court may not decide cases when it cannot decide cases, and must determine whether it can, before it may." Judicial restraint has rarely been so pithily expressed.

Judge Thomas is precisely the kind of jurist President Bush assured voters he would select. He would take the Constitution seriously and apply the laws equally. We eagerly await the beginning of many years of service by Justice Clarence Thomas.

[From the New York Times, July 2, 1991]

CLARENCE THOMAS IN HIS OWN WORDS

ON AFFIRMATIVE ACTION

I firmly insist that the Constitution be interpreted in a colorblind fashion. It is futile to talk of a colorblind society unless this constitutional principle is first established. Hence, I emphasize black self-help, as opposed to racial quotas and other race-conscious legal devices that only further and deepen the original problem. (From a Letter to the Editor of The Wall Street Journal, Feb. 20, 1987.)

SURVIVING RACISM

Of course, I thought my grandparents were too rigid and their expectations were too high. I also thought they were mean at times. But one of their often-stated goals was to raise us so that we could "do for ourselves," so that we could stand on our "own two feet." This was not their societal policy, it was their family policy—for their family, not those nameless families that politicians love to whine about.

The most compassionate thing they did for us was to teach us to fend for ourselves and to do that in an openly hostile environment. In fact, the hostility made learning the lesson that much more urgent. It made the difference between freedom and incarceration: life and death: alcoholism and sobriety. The evidence of those who failed abounded, and casualties lay everywhere. But there were also many examples of success—all of whom, according to my grandfather, followed the straight and narrow path.

I was raised to survive under the totalitarianism of segregation, not only without the active assistance of government but with its active opposition. We were raised to survive in spite of the dark oppressive cloud of governmentally sanctioned bigotry. Self-sufficiency and spiritual and emotional security were our tools to carve out and secure freedom. Those who attempt to capture the daily counseling, oversight, common sense, and vision of my grandparents in a governmental program are engaging in sheer folly. (From "Why Black Americans Should Look to Conservative Policies," The Heritage Lectures, No. 119.)

ON AFRICAN-AMERICANS

Blacks are no less pluralistic than the rest of society. Just as no one really speaks for white America, no one really speaks for black America. . . . The argument that the views of the black leadership are consonant with those of black Americans misses the point, since most blacks are not represented by black politicians. Nor are most blacks members of organizations that claim to represent them. . . . The real issue here, however, is not who represents black America. . . . Rather, the real issue is why, unlike other individuals in this country, black individuals are not entitled to have and express points of view that differ from the collective hodgepodge of ideas that we supposedly share because we are members of the same race.

There seems to be an obsession with painting blacks as an unthinking group of automatons, with a common set of views, opinions and ideas. Anyone who dares suggest that this may not be the case or has a viewpoint that disagrees with the "black viewpoint" is immediately cast as attacking the black leadership or as some kind of anti-black renegade. . . . Many of us accept the ostracism and public mockery in order to have our own ideas, which are not intended to coincide with anyone else's, although they may well do just that. The popularity of our views is unimportant, hence, polls and referendums are not needed to sustain or ratify them. . . . We certainly cannot claim to have progressed much in this country as long as it is insisted that our intellects are controlled entirely by our pigmentation, with its countless variations, even though our individual experiences are entirely different. (From an Op-Ed piece in The Los Angeles Times, Nov. 15, 1985.)

[From the Washington Times, July 2, 1991]

"HE LOVED HIS BOOKS," JURIST'S FAMILY SAYS

SAVANNAH, GA.—Clarence Thomas was a studious youth who worked hard for the honor he achieved yesterday when President Bush nominated him to the U.S. Supreme Court, his joyous family and friends said.

"Any time you wanted to find him, you would have to go to the library," said his mother, Leola Williams of Savannah. "If you wanted him to do something, you'd just go to the Carnegie Library, and there he was. He loved his books."

Mrs. Williams was 18 when Clarence, her second child, was born in a house without plumbing in Pinpoint, Ga., a tiny community south of Savannah.

"Where we came from, we didn't have nothing. When he was born, I didn't have anything. We just lived day by day. I picked crabs for a living to take care of him, and then my father and my mother stepped in to help us. I just wish they were here today," she said.

Judge Thomas' sister, Emma Mae Martin, 44, said she had expected her brother to be chosen for the high court.

"I think he earned it. He worked very hard for it. And he believes in the Lord," she said in a telephone interview.

State Sen. Roy Allen, who practices law in Savannah and Atlanta, said he and Mr. Thomas were schoolmates at an all-black Catholic grade school, St. Benedict's, and served as altar boys together.

"I can't tell you how happy I am for him. . . . Anything good that comes to Clarance, he deserves it all," said Mr. Allen. "He'll do an excellent job. He is consistent, determined and he's just a good guy."

Mr. Allen, a Democrat, said he isn't bothered by Judge Thomas' conservative Republican background.

"You have to understand Clarence's upbringing," he said. "His family were strong, devout Catholics. I would guess you may want to call it conservative. But to me, he represents the dream that African-Americans want to achieve. I don't know if you can dissect that into labels—conservative, liberal or whatever. He's a guy who has principles."

[From the Washington Post, July 2, 1991]

JUDGE THOMAS' NOMINATION

Judge Clarence Thomas, who was nominated yesterday by President Bush to fill a vacancy on the Superme Court, has been a well-known and sometimes controversial figure in the government for more than a decade. But even those who have disagreed with him on policy grounds will concede that his life, which began in extreme poverty, has been one of accomplishment. If confirmed, he would bring to the court a range of experience not shared by any other sitting justice.

Conservative black Republicans are a rare breed, and Judge Thomas's performance in high-visibility civil rights jobs in the Reagan and Bush administrations was watched carefully. His actions in these positions will surely be the focus of the Senate Judiciary Committee's inquiry, which will begin soon.

The terrain is not unfamiliar, however. Only 18 months ago he went before the same panel to be confirmed in his present position on the U.S. Court of Appeals for the D.C. Circuit. Sen. Howard Metzenbaum initiated a thorough investigation, listened to every group and individual with a grievance, sifted through thousands of documents and was nevertheless able to persuade only one other Senator to vote with him against the nomination. This time the stakes are higher and the questioning will go beyond his record in the government to his broader judicial philosophy. Groups that chose to sit out the last confirmation battle will surely be involved this time.

Judge Thomas is the first person nominated to the Supreme Court who was born after World War II. He is only the second black named to that position. But it is his personal background that would bring the most important element of diversity to the court. Justice Thurgood Marshall, the only black to have served on the Supreme Court, certainly knew discrimination and adversity, but he was the product of a stable, working-class family living in Baltimore. Judge Thomas was raised in rigidly segregated Georgia by grandparents who he says were functionally illiterate. Nevertheless, they managed to provide him an education, a disciplined and loving home and the encouragement necessary to convince him that he could succeed.

He said yesterday that he wanted to be "an example to those who are where I was." On the court, he could be more. He could add, if he chose to, a welcome and much needed sensitivity on issues of race and poverty.

[From the Dallas Morning News, July 2, 1991]

STRONG CHOICE: JUDGE THOMAS IS A MAN OF INTEGRITY, ABILITY

It is said that the finest steel is tempered in the hottest fires. If true Judge Clarence Thomas, President Bush's nominee for the U.S. Supreme Court, is a man of fine steel. A child of poverty reared by grandparents, in a tenement lacking indoor plumbing, Judge Thomas through strength of character and with the devoted help of his grandparents has constructed for himself an exemplary life, a life that raises a standard to which future generations of Americans may repair.

Like the man he has been chosen to succeed, Justice Thurgood Marshall, Judge Thomas is black. Like Justice Marshall, he rose through great personal effort and in the face of obstacles that would have thwarted lesser men. Unlike Justice Marshall, Judge Thomas has developed a view of life and law that places greater emphasis on individual effort, individual responsibility and the sanctity of law above race. These beliefs have led him to oppose quotas and other affirmative action tools that grew out of the civil rights movement of the 1960s.

There will be an attempt by liberals who believe that individuals are victims of society's failings and that special legal redress is essential to overcome discrimination to cast him as an "Uncle Tom" who has adopted his conservative views from expediency, not conviction. No less an authority than Alphonso Jackson, director of the Dallas Housing Authority, asserts any such allegations would be pure bunk.

Capable, competent and compassionate are the words, Mr. Jackson, a man who chooses his words with care, uses to describe his friend of 20 years, Judge Thomas. "Judge Thomas is a man who believes at the deepest level justice must be colorblind," asserts Mr. Jackson. "He believes African-Americans should use their economic power to do for themselves rather than ask for something they feel they are owed."

While some might take issue with that philosophy any detractors will find it difficult to take issue with Judge Thomas' legal abilities, his mental strength, his character or his judicial temperament.

It will be hard indeed for even those senators who most vigorously disagree with Judge Thomas' voluminous written record to fault a man who could climb from such abject poverty through a then all-white seminary school through Holy Cross (on scholarships) and finally through Yale Law School. It will be hard for a Senate Judiciary Committee that voted 21 to 1 to confirm Judge Thomas for the 1st U.S. Circuit Court of Appeals to now find issues with which to reject him for the high court.

Although many justices have gone through a metamorphosis from one philosophy to another, Judge Thomas would begin his tenure on the high court as an acknowledged conservative. Many will find the stark contrast with Justice Marshall offensive. The goals of these two men however are not so different. They both believe deeply in justice. However different the roads they would take to attain that justice, President Bush has clearly found a nominee whose character, integrity and intellect equal those of Justice Marshall.

[From the Chicago Tribune, July 2, 1991]

A NOMINEE WITH A MIND OF HIS OWN

When Clarence Thomas paused yesterday to look back over an improbable life that has taken him from poverty in the segregated South to the threshold of the Supreme Court of the United States, he was suddenly so overcome with emotion that he couldn't speak. It was a moment with deep emotional significance for the nation as well.

It reminded us all that at its best, this country still stands for the belief that every person should be allowed to rise as high as his abilities will take him. This ideal has not been realized in full in American society, but Thomas' nomination symbolizes our continued commitment to make it a reality, despite serious and sincere disagreements about how to reach that goal.

Critics question whether the quota-basking president has embraced his own quota for the Supreme Court, replacing a black with a black. They miss a crucial point about the Supreme Court which is that it serves as guardian of our belief in "equal justice under law."

When Lyndon Johnson named the first black justice, Thurgood Marshall, in 1967, he provided something badly needed: visible proof that the court, and the law, are of, by, and for the people—all the people. Today, sad to say, that fact still needs affirmation.

It was rumored that Bush would pick a Hispanic for the job instead—a choice that had obvious political attractions, since Republicans are far more likely to attract Hispanic votes than black ones. The Hispanic judges who were mentioned as possibilities most likely would have stirred little of the controversy that the independent-minded Thomas certainly will. It took courage for Bush to set these considerations aside.

There is much to be learned about the nominee in his Senate confirmation hearings, but he appears fully qualified for the job, bringing a wealth of experience in government unusual for someone of 43 years. A Yale Law School graduate, Thomas worked in the office of the Missouri attorney general and on Capitol Hill before joining the Reagan Education Department as assistant secretary for civil rights. In 1982 he became chairman of the Equal Employment Opportunity Commission, and since last year he has served on the U.S. Court of Appeals for the District of Columbia.

The coming controversy stems not from his credentials or his ability but his ideology. Thomas has been an unyielding opponent of racial preferences and of federal policies that he feels foster quotas. As head of the EEOC, he rejected the old policy of treating racial disparities as proof of discrimination, while scorning racial adjustments in aptitude tests as assuming "some inherent inferiority of blacks, Hispanics and other minorities."

For these and other stands, he was attacked by liberal lawmakers and organizations. But his views, whether one agrees with them or not were not formed without a full and deeply personal understanding of the plight of African-Americans. Senators and interest groups have every right to argue that Thomas is wrong on many racial issues;

they would be unfair and ill-advised to suggest that he is indifferent to racial justice.

Bush could have found many nominees who could have counted on easier approval by the Senate. Thomas will probably require a harder fight, but there is reason to think he's worth it.

JUSTICE IN THE NEW BALANCE

(By William Murchinson)

Neither Judge Clarence Thomas' race (black) nor his professional attainments (impressive) nor his personal dignity (immense) is likely to spare him a good old-fashioned media mauling. Not to mention what the Senate will do to him.

With any luck, nonetheless, the 43-year-old Judge Thomas is bound for the U.S. Supreme Court. He could occupy his chair for 40 years. That's until the year 2031—a time when American schoolboys won't remember whether George Bush or Cher was president way back in the '90s.

Judge Thomas' nomination to the court vindicates the Rev. Dr. Martin Luther King's belief—a conviction at least as widespread among whites as blacks—that race is no proper barrier to personal achievement. Fancy 35 years ago the idea of a black Georgian sitting on our highest court! Why, it just wasn't going to happen, such were the rigors of racial segregation.

It's very likely to happen now.

Not that Judge Thomas' race was the irrelevancy the president tried to make it out (any more than it was the obsessive factor the media, in questioning President Bush, sought to depict it as being).

Clarence Thomas is a host of things in addition to black: a federal appeals judge, a former chairman of the Equal Employment Opportunity Commission, a sound thinker, a patriot.

Now obviously it doesn't hurt that he has been nominated to succeed the court's only black member, Justice Thurgood Marshall. Reporters eager to trap the anti-quota president in what they regard as a philosophical inconsistency won't enjoy the reminder that Justice Marshall's primary qualification for the court, apart from a sharp legal mind, was his race. It shouldn't be forgotten that President Johnson, nominating Justice Marshall in a moment of enormous racial tension, spoke proudly of how the time had come for just this appointment. Such is politics, the art of which Johnson was past master.

The Supreme Court, technically an above-it-all judicial body, has never been more political than today. In picking Supreme Court appointees, a president thinks politically. It is folly to think otherwise.

The court is political in the sense that it has for 35 years presumed to order and reorder our most tense, most divisive political issues rather than refer them to the judgment of political bodies. To be sure, this disposition is changing fast. The court, with growing speed, as conservative members take their chairs, is changing fronts. In the court term just ended, the states gained, or rather regained, important tools for the prosecution of criminals and the safeguarding of society.

George Bush wants Clarence Thomas to participate in the court's overdue journey back toward judicial sanity and restraint. One gathers that this is Judge Thomas' own inclination—to walk wide of the activist, Type A judging so harmful to American jurisprudence since the time of Earl Warren; to defer, where possible, to the considered deliberations of elected lawmakers.

For just this reason, various media commentators and social prophets probably will try to flay Judge Thomas alive. Benjamin Hooks of the National Association for the Advancement of Colored People, as the media promptly pointed out to Mr. Bush (who feigned incredulity), is already after Judge Thomas' hide. Various senators—all the while expressing their commitment to Equal Rights for All and sniff-sniffing at the necessity of opposing a black man—will oppose him anyway.

Judge Thomas' wholly negative record on affirmative action, acquired during his long tenure on the Equal Employment Opportunity Commission, renders him more vulnerable yet.

Ongoing debate on the civil rights bill—at whose center is the controversy over racial quotas—helps to guarantee Judge Thomas a hot seat at hearings of the Senate Judiciary Committee.

Nonetheless, Judge Thomas' position on quotas is as traditional as it is popular. And Mr. Bush has important assets: power, prestige, high ratings in the polls; not least, in Clarence Thomas, an honorable and highly qualified candidate for our top court. The going will be rough and relentless, but if Judge Thomas is the man he's said to be, he should come through—in one piece and ready to roll.

[From the Wall Street Journal, July 3, 1991]

THE VIEWS OF JUSTICE THOMAS, ACCORDING TO JUDGE THOMAS

(By L. Gordon Crovitz)

The opinions on public policy he held before he joined the bench are getting a lot of attention, but the best way to predict how Justice Clarence Thomas would rule is to review how Judge Clarence Thomas has ruled. In his year on the federal appeals court in Washington, Judge Thomas wrote 19 opinions. His political enemies won't find much grist in these rulings, which are textbook examples of judicial restraint.

The cases deal with issues as diverse as an airport for Toledo, searches of crack dealers and a spat over dog-food claims. What is most important is the approach Judge Thomas took. In interpreting statutes and precedents, he used close reasoning and shunned any search for shadows, penumbra or emanations.

The case challenging the expansion of the Toledo airport asked whether the Federal Aviation Authority complied with all the environmental regulations before approving the new plans. The plaintiffs invoked the broadly worked National Environmental Policy Act. In upholding most of the FAA's action, Judge Thomas showed a keen wit. He wrote, "Just as NEPA is not a green Magna Carta, federal judges are not the barons at Runnymede." He said that judges enforce the law "by ensuring that agencies comply with NEPA's procedures, and not by trying to coax agency decision makers to reach certain results." *(Citizens Against Burlington v. Busey)*

His most important constitutional ruling was on the doctrine of standing, which is a key limit to judicial activism. The Constitution requires a case or controversy before judges can issue an opinion; there must be real parties with real legal issues. Judicial activists often wave non-cases into court by giving special-interest groups—and occasionally even dolphins and trees—standing to sue. Judge Thomas took the more traditional approach in a partial dissent when a ferry company challenged an exemption from a regulation that the Interstate Commerce Commission granted to one of its competitors.

Judge Thomas wrote in a partial dissent that the ferry company had no business in court because it wasn't the "aggrieved" party, as required by the statute regulating litigation involving the ICC. The company wanted the judges to force the ICC to prepare an environmental impact statement before granting new routes to its competitor. "I agree that as a matter of policy, it probably should," Judge Thomas wrote. "As a matter of law, however, the Commission has no power to regulate ferries for environmental reasons."

This meant the ferry company had no standing to sue, so judges had no right to hear the case. "When federal jurisdiction does not exist, federal judges have no authority to exercise it, even if everyone—judges, parties, members of the public—wants the dispute resolved," he wrote. "A federal court may not decide cases when it cannot decide cases, and must determine whether it can before it may." This is an important statement of separation of powers—not the view of a justice who would take social questions away from the political branches of government. *(Cross-Sound Ferry Services v. ICC)*

Judge Thomas also showed his judicial restraint in a case of ineptitude by the Federal Energy Regulatory Commission. Judges have repeatedly ruled that regulators used arbitrary calculations to determine the proper rate of return for a Tennessee gas pipeline. Judge Thomas warned FERC that he was tempted to grant the pipeline company's request for a certain rate. But, he wrote, "legitimate concerns about judicial overreaching always militate in favor of affording the agency just one more chance to explain its decision." (*Tennessee Gas Pipeline v. FERC*)

One case at first glance seems to raise constitutional questions, but turns out to be more limited. Federal workers asked for a preliminary injunction against a recent law that bars them from accepting payment for articles or speeches. This raises free speech and property rights questions, but Judge Thomas's opinion was limited to whether the trial court was right to deny a preliminary injunction. He agreed that the plaintiffs did not risk irreparable harm by waiting for the trial court to rule on the case's merits. (*NTEU v. U.S.*)

A pair of business cases discloses a sophisticated approach. He ruled against a Justice Department claim that a merger in the market for underground drilling rigs would violate the antitrust laws. The merger between a Finnish company and a French subsidiary of a Texas firm would give the company a large U.S. market share, but Judge Thomas applied the Chicago School jurisprudence that now guides the Supreme Court. Contrary to the Justice Department's big-is-bad approach, he ruled that a large market share does not by itself signal barriers to entry for new competitors. (*U.S. v. Baker Hughes*)

Another case arose when two pet-food companies exchanged nasty accusations of misleading advertising—one dog food claimed it prevented hip disease, the other claimed it was preferred by more veterinarians. Judge Thomas reversed part of a damage award because there was no "finding of willingness or bad faith," as required by the false-advertising statute. This emphasis on bad intent, often overlooked in securities and environmental cases, is an important limit on liability. *(ALPO v. Ralston Purina)*

Seven of Judge Thomas's opinions were appeals from drug cases; as a justice, he will have some notion of what it is the police are up against. Most of these cases were requests by defense lawyers for a judge to find some technical problem with a search, seizure or confession, which Judge Thomas refused. In one case, the defendants tried to throw a gym bag containing crack into a sewer when the police approached. Other seizures included beepers, a favorite tool of the drug trade. Judge Thomas referred to one neighborhood as "an open-air drug bazaar."

His close reading of a statute led him to reverse part of a criminal conviction of a dealer named Keith Long. The police used a search warrant to find cocaine, butane torches for processing the drug and large amounts of cash. They also discovered a revolver between the cushions of a sofa. A jury convicted the defendant on the drug charges, but also under a law against using or carrying a weapon in drug trafficking.

Judge Thomas reversed the firearm conviction. He said the prosecution reasoning went too far: "Long was connected to the drugs; the distribution of the drugs was facilitated by the gun; since Long thus derived benefit from the gun, he 'used' it." He rejected this view, saying it would mean "that the word 'use' has no discerning boundaries."

Judge Thomas is a conservative judge, if this means that he views his job as interpreting the law and not making it up or ruling for or against parties based on who they are. A 30-year period of judicial activism from the Supreme Court is now destined to end. Even liberals should be able to resolve themselves to a Justice Thomas, who would know his job is the law and not politics.

[From the Washington Times, July 3, 1991]

UNQUALIFIEDLY QUALIFIED

In tapping Clarence Thomas to fill the Supreme Court seat of Thurgood Marshall, President Bush has chosen one of the most promising jurists in the nation. Despite his relatively youthful 43 years, Mr. Thomas already has shown that he possesses a brilliant legal mind and a commitment to public service in the best sense of that term.

Mr. Thomas' origins are humble. His family worked hard to enable him to go to college, and he worked hard as well. In his statement to the press after Mr. Bush announced his nomination, he choked with emotion as he thanked his grandparents, his parents and the nuns from his Catholic school days, "all of whom were adamant that I grow up to make something of myself."

That he did. He graduated from Holy Cross and went to the Yale Law School, and when finished he went to work for the Missouri attorney general, now Sen. John Danforth. He made a lasting impression. "I know him to be an absolutely first-rate lawyer, and beyond that, I know him to be a first-rate human being," Mr. Danforth has said. In 1977, Mr. Thomas left government to practice law in the private sector, for Monsanto Corp., before rejoining Mr. Danforth as a legislative assistant in Washington in 1979.

In 1981, the Reagan administration named Mr. Thomas to head the civil rights division of the Education Department. In 1982, he went on to head the Equal Employment Opportunity Commission, when in the course of eight years he compiled a distinguished record of aggressive enforcement of anti-discrimination laws in the workplace. In those years, he also developed a reputation as a forceful proponent of equality of opportunity. He championed the idea of a colorblind Constitution and opposed racial quotas and other devices that gave legal status to groups rather than individuals. He also forcefully opposed the intellectually fashionable 1980s doctrine of equal pay for "comparable worth," a notion that, had it prevailed, would have had judges setting pay scales for private and public enterprises throughout the United States.

In 1990, President Bush named Mr. Thomas to the Court of Appeals of the District of Columbia. He was widely seen at the time as a rising star and a likely contender for a Supreme Court seat. That, combined with his commitment to a colorblind society, meant he was subjected to an unusually high degree of scrutiny by political opponents. The American Bar Association twice undertook full background investigations and pronounced him "qualified." Senate Judiciary Committee Chairman Joseph Biden issued a demand for him to produce thousands of pages of documents from his EEOC years. If any of the senators were hoping to find something to derail his confirmation, they failed to do so.

Meanwhile, Democratic Sens. Sam Nunn and Charles Robb, convinced of his abilities, introduced him to the Judiciary Committee and endorsed his nomination. Mr. Thomas forcefully defended his record at the hearing, and the only Judiciary Committee member who opposed him was Sen. Howard Metzenbaum.

In his year and a half as an appeals court judge, Mr. Thomas has further distinguished himself. He has written firm opinions on criminal justice matters and is obviously sensitive to the proper role of the federal courts.

President Bush has picked the right person. The Senate should move quickly to confirm Clarence Thomas.

[From the Manchester (NH) Union-Leader, July 3, 1991]

NH CLASSMATE: NOMINEE A VOICE OF MODERATION

(By John Distaso)

A Manchester attorney who was a college classmate of U.S. Supreme Court nominee Clarence Thomas remembered him yesterday as intelligent and quiet student who was a voice of moderation during campus anti-discrimination rallies.

Bruce F. Dalpra, who was graduated from the College of the Holy Cross in Worcester, Mass., in 1971—the same year as President Bush's newest Supreme Court nominee—said the judge was a member of the Black Student's Union, but said he espoused working within the system, not tearing it down, to end inequities and discrimination.

"Clarence wasn't a big man on campus, even as far as the Black Students Union went," Dalpra told The Union Leader. "He was more of a voice of moderation."

Dalpra said he personally enjoyed attending rallies and meetings of all ideologies—"from the Young Republicans to the SDS (the radical left Students for Democratic Society)"—and recalled hearing classmate Thomas speak five or six times.

He also was in a class—either history or philosophy, he said—with Thomas during their freshmen or sophomore year. The thing that stands out the most about the judge's classroom presence was, "He was very, very intelligent," Dalpra said.

Dalpra recalled that there were comparatively very few minority students at Holy Cross, but he also recalled that the Black Students Union was vocal.

Thomas "was probably one of the more moderate spokesmen for the organization. He would advocate working in the system, a quiet type of protest. He wouldn't advocate burning down buildings."

"He was very reserved and very well-spoken," Dalpra said. "But my guess is that Clarence will not be as conservative on the bench as some people think."

Bush's nomination of Thomas came three weeks short of a year after New Hampshire's David Souter was named to succeed Justice William Brennan on the high court.

Souter was championed through the confirmation process by his long-time friend, Sen. Warren B. Rudman, R-N.H.

In Washington, there was speculation yesterday that Missouri Republican Sen. John Danforth, who formerly employed Thomas as an aide, would usher Thomas through the process much as Rudman did for Souter.

Although Danforth's office could not confirm the speculation, Rudman spokesman Paul Jacobson said that Rudman's office already had been in touch with Danforth's.

Jacobson, noting that Rudman and Danforth are friends and "close, ideologically," said Rudman legal aid Thomas Polgar called the Danforth camp yesterday to ask if they needed any advice.

"I had a reporter from USA Today tell me that Sen. Rudman set the model for how to shepherd a U.S. Supreme Court nominee through the process," Jacobson said.

But Jacobson said, "There are no plans in our office to play any active role in the Thomas nomination."

Rudman, he said, has not even made up his mind yet on whether he will support Thomas.

"Sen. Rudman won't play a heavy role in this, other than having already sort of set the model on this," said Jacobson.

Another member of Souter's "confirmation team," former N.H. Attorney General Thomas Rath of Concord, said Judge Thomas will receive help from experts in the Bush administration, but he said it will be even more helpful if Danforth does for Thomas what Rudman did for Souter.

Rath, who, like Rudman, is a close personal friend of Souter, said he doubts Thomas realizes what kind of scrutiny he is about to undergo.

"He'll have to endure an incredible public microscope," Rath said.

Rath said he supposed that the fact that Thomas is black, was divorced and is now married to a white woman also will be raised as an issue, just as the national media tried to suggest that Souter is homosexual because, at age 50, he is unmarried.

"Neither one is an issue," Rath said. "But that is the nature of the public microscope. It's the People magazine syndrome.

[From the Washington Post, July 3, 1991]

WHAT MANNER OF MAN, CLARENCE THOMAS?

(By William Raspberry)

You'll be hearing a lot about Clarence Thomas over the next few weeks, as President Bush's newest nominee for the Supreme Court is put through his paces.

Some of what you will hear will be merely factual: Thomas is a man of limited judicial experience and not a lot of courtroom experience for that matter.

But you'll also be hearing a lot of talk about his suspect politics, the fact that he is a Republican and, worse, a conservative Republican—and worse still, a black conservative Republican. What manner of man could he be, as a white friend put it to me the day of the nomination, "to work against his own people"?

Her reference was to Thomas' tenure as chairman of the Equal Employment Opportunity Commission, but it started me thinking about the man whose path has occasionally crossed mine over the last decade.

What manner of man is he? Conservative? Yes. At odds with the civil rights establishment? Frequently. The best person to succeed Thurgood Marshall on the Supreme Court? Assuredly not. But an idiot, insensitive black man who is "against his own people"? Not for a minute.

You can't understand Thomas without knowing something of the two principal influences in his life: the illiterate grandfather who raised him and the nuns who taught him.

"I have to look at my own life and say, what is it that made me different from my sister?" he told me in an interview eight years ago. "We come from the same place, the same genes, the same mother and father, the same circumstances. But we were raised by different relatives. She was raised by my mother's aunt; my brother and I were raised by my grandfather. My brother and I graduated from college, and my grandfather was functionally illiterate. He could barely read and write—read enough to read the Bible. But he was a tough old man."

That grandfather, Myers Anderson, never taught young Clarence and his brother to ignore discrimination. How could he, when the boys watched the old man being humiliated by whites in their hometown of Savannah? But he taught them that the way to defeat discrimination was through hard work and education. He put an end to their hooky-playing and made them study. He made them get up early in the morning to work with him on his fuel-oil delivery service. And he scrounged the $30 a year to send Clarence to Catholic school.

"'I'm doin' this for y'all,' he'd say, so y'all don't have to work for the white man, so y'all don't have to take what I had to take.' Then he'd say things like there's no problem elbow grease can't solve, or 'Old Man Can't is dead. I helped bury him.' That sort of upbringing clearly affects your sense of justice, technique—everything—not only intellectually but emotionally.

"My sister? AFDC. Four kids. She's a good person, a super person. But she's uneducated, on welfare. She works in the crab factory, picking crabs just like my mother did."

The nuns who taught him reinforced Myer Anderson's lessons of hard work and self reliance.

The sisters at his school taught him, he said that "it is better to be respected than liked Popularity is unpredictable and vacillating. Respect is a constant and may lead to popularity, but is not dependent upon it. There is no way I could have survived if it had not been for the nuns—our nuns—who made me pray when I didn't want to and didn't know why I should, who made me work when I saw no reason to, who made me believe in the equality of races when our country paid lip service to equality and our church tolerated inequality, who made me accept responsibility for my own life when I looked for excuses."

Well, fine, his critics say. But isn't Thomas saying, with his rejection of the preferred civil rights remedies, that the society—the government—has no role in correcting for the evils of racism?

Not quite. He believes strongly that the proven perpetrators of discrimination must be punished and their specific victims compensated. Where he parts company with the civil rights establishment is on the question of group remedies. Some wrongs, he insists, simply cannot be set right. Again he illustrates his point with a childhood recollection.

He and some of his buddies were playing penny blackjack on the back porch when it became obvious that one kid was winning all the money. According to Juan Williams's account in the Atlantic monthly:

"Thomas finally saw how: The cards were marked. The game stopped. There were angry words. Cards were thrown. From all sides fast fists snatched back lost money. There could be no equitable redistribution of the pot. The strongest, fastest hands, including those of the boy who had been cheating, got most of the pile of pennies. Some of the boys didn't get their money back. The cheater was threatened. The boys who snatched pennies that they had not lost were also threatened. But no one really wanted to fight—they wanted to keep playing cards. So a different deck was brought out and shuffled, and the game resumed with a simple promise of no more cheating."

[From the Savannah Morning News, July 5, 1991]

THE THOMAS NOMINATION

It was rumored that Judge Clarence Thomas was being groomed for the U.S. Supreme Court when President Bush chose him to fill a high-profile vacancy on the federal appellate court in Washington, D.C., last year.

This week, the former Savannahian got the prized nomination to fill the vacancy created by Justice Thurgood Marshall's retirement. The president couldn't have made a finer choice.

Judge Thomas has a long list of professional credentials in several branches of government that would serve him well on the high court. He worked as an assistant attorney general in Missouri for three years. He served as chairman of the Equal Employment Opportunity Commission during the Reagan and Bush administrations. He has served on the U.S. Circuit Court of Appeals in the District of Columbia since March of 1990, winning the respect of his colleagues.

In fact, those liberal critics who are sniping at Judge Thomas because of his past conservative leanings should listen to what Chief Judge Aubrey E. Robinson Jr. of the appeals court had to say about the nominee. He called him "a very hard-working person . . . He'll be very conscientious." And Judge Robinson is no right-winger. He's liberal. And like Judge Thomas, he's black.

But the written resume of Clarence Thomas only tells half of the story. The other half, as many people in Savannah already know and the rest of the country is finding out, is just as impressive, if not more so.

"Only in America could this have been possible," Judge Thomas said shortly after his nomination. It was a fitting remark for someone who was born in a house without plumbing in the Pinpoint community 43 years ago and knew what it was like to sit in the back of the bus and not be able to find a job at any Atlanta law firm after getting out of Yale Law School. Yet he had the courage, conviction and support not to let poverty or racism stand in the way of his dreams.

Thus, those who question where Judge Thomas stands on civil rights actually come close to insulting him. He doesn't have to be told how important it is that every man be judged by the content of his character, not the color of his skin. He's lived it.

President Bush is predicting that his nominee will win Senate confirmation. All things being equal, he should. But given the politicization of the process, as well as the reluctance of some liberals to see the court become more mainstream, things could get a little rocky. Some Senators plan to grill him on some hot-button issues, like abortion, in hopes of getting a response that would kill his chances and politically embarrass the president.

But the upper chamber of Congress should be reminded to judge him on his merits as a jurist. He shouldn't be evaluated by a litmus test that some politician concocts.

In any case, it's a honor just to be considered for a Supreme Court post, let alone be nominated. Judge Thomas, because of his professional and personal achievements and his demonstrated ability to grow in the positions he has held, deserves a fair hearing.

And if he gets one, Savannah will soon proudly boast that one of its own, a home boy from Pinpoint, is one of nine distinguished members of the highest court in the land.

[From the Cincinnati Enquirer, July 7, 1991]

JUDGE THOMAS—SENATORS WILL HURT THEMSELVES IF THEY IGNORE PROPRIETY

The Constitution is vague about the Senate's role in dealing with presidential nominations to the Supreme Court. It simply requires that the Senate confirm appointments to the federal judiciary. As the Senate and its Judiciary Committee prepare to pass on President Bush's nomination of Judge Clarence Thomas to fill the seat vacated by the retirement of Justice Thurgood Marshall, it's clear that some senators have an extraordinary view of their function. If the senators go beyond propriety in their forthcoming inquiry into Judge Thomas' qualifications, they risk injuring themselves more than they injure Judge Thomas.

Ohio's Sen. Howard Metzenbaum, for one, is determined to learn how Judge Thomas might rule on an abortion case.

Sen. Patrick Leahy, D–Vt., is determined to ask Judge Thomas, "What do you think of settled law?"

Other members of the Judiciary Committee seem appalled by the up-coming inquisition. Said Sen. Arlen Specter, R–Pa., "I do not think it is appropriate to ask a nominee the ultimate question as to how he is going to decide a specific case."

Adds Sen. Orrin Hatch, R–Utah, "Literally nobody nominated for the Supreme Court should give his or her views with regard to cases that might come up in the future."

Wise heads, such as Senators Specter and Hatch, however, are unlikely to prevail. And Judge Thomas is probably going to find himself in the shoes of a candidate for the Hamilton County Municipal Court who is asked during the campaign what he's going to do about drunk drivers. The prudent respond that they will uphold law; the grandstanders promise to throw the book at them.

The Senate and the nation needn't buy a pig in a poke. They can and should ask Judge Thomas about his judicial philosophy. They should examine his public record, including his judicial opinions and his other writings.

As they do so most will be pleased—but some undoubtedly will be disappointed—to find a jurist who loves America.

"I have felt the pain of racism, as much as anyone else," he said a few years ago. "Yet I am wild about the Constitution and the Declaration [of Independence] . . . I believe in the American proposition, the American dream, because I've seen it in my own life."

Such a man can't be insensitive or indifferent or recklessly ideological. Such a man could be a distinguished justice.

KMOX RADIO EDITORIAL

Subject: The Clarence Thomas Nomination

Broadcast: Tuesday, July 9, 1991, 8:20 AM; 12:30 PM.

Hard work, religious faith, family, individual responsibility. These all-American values underline our nation's history. Pioneers who opened the West believed in them. So did the immigrants who built our cities. So does Judge Clarence Thomas. That's why his nomination to the United States Supreme Court is significant. A graduate of Holy Cross College and Yale Law School, he has twice served on the staff of John Danforth, first as Assistant Attorney General in Missouri, and then as a legislative assistant, when Mr. Danforth was elected to the Senate. Clarence Thomas was on the legal staff of Monsanto Company, Assistant Secretary of Civil Rights in the U.S. Department of Education and Chairman of the U.S. Equal Employment Opportunity Commission. He currently serves as Judge of the U.S. Circuit Court of Appeals in Washington, D.C.

Oh, yes, Clarence Thomas is black. He is living proof that members of his race or any ethnic minority can make it to the top in this nation. Judge Thomas has risen through the ranks because of a solid family background and his own ability and hard work.

There are some who criticize him for his emphasis on self-help, rather than government programs for minorities. This is misguided. Judge Thomas is already an outstanding role model for minorities and all Americans striving to better themselves. His background would have even greater impact if he became a Justice of the United States Supreme Court.

[From the Washington Post, July 10, 1991]

THOMAS AND THE BLACK MAINSTREAM

(By William Raspberry)

The speaker, having recounted his own humble, race-restricted origins, urged his NAACP audience to take "pride in endeavor and accomplishment, discipline of mind and body . . ., not succumbing to those who talk about taking shortcuts." The young people in the audience, he counseled, shouldn't be afraid to accept menial jobs or to say "yes, sir" and "yes, ma'am," if that is what it takes to get where they want to go. "If you know you have to be doubly prepared, be doubly prepared, and then get on with doing the job."

He cautioned against race-specific approaches to solving the problems that confront black people. "Only when America understands that they are not black problems but American problems will we be able to solve them." Three things about that speech, delivered five years ago and greeted with near-unanimous enthusiasm:

First, the speaker was a lawyer working for the government, not a nominee for the Supreme Court. Second, it wasn't Clarence Thomas; it was Doug Wilder, then lieutenant governor of Virginia. And third, the remarks were well within the mainstream of black thought. A full decade earlier, Jesse Jackson was warning against the rhetoric that leads black youngsters to see themselves as society's victims rather than as human beings capable of controlling their own destinies. "Nobody can save us from us—but us," he used to say.

Why is it that when a Wilder or a Jackson says these things they are taken as necessary, if uncomfortable, truth, but when a Thomas says them they are taken as evidence of personal smugness, of his lack of interest in the plight of his own people?

The reaction, it seems to me, is less to what is said than to who says it. We know who Jackson and Wilder are—both for their battles waged on behalf of blacks and for their allegiance to liberal Democratic politics, which has become the black political orthodoxy.

But we don't know black conservatives—we doubt that it is legitimate even to be a black conservative. What Thomas is speaks so loudly to us that we cannot hear what he says.

None of this, I should note, speaks to Thomas's fitness for the Supreme Court. He wouldn't have been my choice. But then no one likely to be appointed by a conservative Republican president would be my choice. I believe the court is too conservative already—too devoted to the privileges of authority and too uncaring about the rights of ordinary people, too wrapped up in governmental theory and too innocent of experience as outsiders in a society dominated by white men.

Given an unfettered choice, I'd opt for a liberal whose bona fides include a history of concern for the underdog.

But the choice isn't unfettered. We're playing "Let's Make a Deal" with a host who offers us a choice between a serviceable Chevrolet and a goat, and we're holding out for a curtain that conceals (we hope) a Mercedes Benz with an interior designed by Thurgood Marshall. Well, there's no Benz behind any of the curtains. If we're not prepared to deal with the goat, we'd better take the Chevy.

Granted it's a strange Chevy. We don't know many black Americans in high places who will dismiss affirmative action out of hand, or who will argue against government catch-up programs for blacks or who will align themselves with conservative politicians. We've seen conservatism and racism wearing the same garb so often that we've come to believe you can't have one without the other.

Well, I'm not convinced. At least some of Thomas's conservatism finds echoes in black America, including the black establishment. Note the remarks of Jackson and Wilder. And the rest of it, no matter how much I might reject it, is inevitably tempered by his experience as a black man whose own opportunities have been blunted by racism.

As a friend of mine puts it, "Given a choice between two conservatives, I'll take the one who's been called 'nigger.' "

I believe with this friend that Thomas is sufficiently acquainted with racism to recognize it when it comes before him on the Supreme Court, that he is independent enough not to see the critical issues in the light of his own experience and that he is smart enough to find in the Constitution protection against the presumptions of white privilege.

Maybe he really does believe that there's nothing the government can or should do about entrenched racism, but I doubt it. I hear him the same way I hear Wilder and Jackson and scores of other plain-spoken blacks. I hear him saying with Wilder that blacks are foolish to wait for whites to deliver us, that we must return to the old values that worked for us in harsher times than these, that we must "redig the wells our fathers dug."

And I hear him saying with Jackson that whatever succor may exist in bigger budgets and greater concessions from the larger society, there will remain work that only we can do, that "nobody can save us for us—but us."

[From the Washington Post, July 10, 1991]

THOMAS PRAISES TARGETS OF HIS BARBS: NOMINEE ACKNOWLEDGES DEBT TO MARSHALL, CIVIL RIGHTS MOVEMENT

(By Helen Dewar and Ruth Marcus)

Supreme Court nominee Clarence Thomas, under fire from some civil rights leaders, yesterday went out of his way to praise the movement and leaders such as retiring Justice Thurgood Marshall for contributing to Thomas' rise out of poverty and segregation.

"I have been extremely fortunate," Thomas told reporters as he met with Sen. Strom Thurmond (S.C.), ranking Republican on the Judiciary Committee, in his second day of personal calls on senators who will vote on his nomination this fall.

"I've benefited greatly from the civil rights movement, from the justice whom I'm nominated to succeed [Marshall, from organizations such as the Urban League and the NAACP" as well as "mentors" such as Sen. John C. Danforth (R-Mo.), said Thomas, who sits on the U.S. Court of Appeals.

Since his nomination, Thomas has faced criticism for being the beneficiary of a movement that he has often attacked. Yesterday's comments appeared aimed at deflecting charges from some black leaders that Thomas has spurned the civil rights movement in his opposition to affirmative action and school busing and his outspoken criticism of the civil rights establishment.

Thomas volunteered the comments after Thurmond praised him for having "brought yourself up by your own bootstraps." In a floor statement shortly afterward, Thurmond took note of Thomas's nod to the civil rights movement and said he did "not believe Judge Thomas will undermine the progress that has been made in this area."

The NAACP delayed a decision Monday on whether to endorse Thomas, saying it wanted to meet with the conservative black jurist before taking action. The group's executive director, Benjamin Hooks, told NBC-TV's "Today" show yesterday that "his record, as it is known now, is very, very, unfavorable."

Thomas has declined to comment on whether he would accept the NAACP invitation, but senatorial supporters have indicated he is unlikely to do so.

Asked whether the administration has suggested that Thomas seek to modify civil rights groups, White House spokeswoman Judy Smith said, "Judge Thomas is an independent man who expresses his own views."

To almost every question put to him by reporters yesterday, Thomas has said he was "under wraps." When asked who put him under wraps, he pointed to Frederick D. McClure, the White House lobbyist on Capitol Hill.

Meeting later in the day with Thomas, Senate Judiciary Committee Chairman Joseph R. Biden Jr. (D-Del.) said he has told President Bush that hearings on Thomas probably will begin shortly before or after the Senate returns Sept. 10 from its August recess. This would mean that Thomas, if confirmed, could join the court in time for the opening of its fall term in early October, Biden said.

Responding to controversy over how extensively Senators should question Thomas about his views on abortion and other issues, Biden said: "The judge [Thomas] can answer any questions he wants and Senators can ask any questions they want. It's totally up to them."

Later, Senate Minority Leader Robert J. Dole (R-Kan.) condemned what he called "litmus testers" who plan to quiz Thomas about specific cases, saying "this litmus test approach has been rejected by anyone who is serious about maintaining the independence of the federal judiciary."

Also yesterday, former attorney general Griffin Bell, who served in the Carter administration, told reporters after a breakfast at the White House that he supported Thomas. "I doubt very much he's against affirmative action, giving people a chance," Bell said. Thomas has specifically criticized two major affirmative action cases in which the Carter

Justice Department supported minority preferences at the Supreme Court.

Yesterday's comments were not the first time Thomas has given credit to the role of the civil rights movement in general and the NAACP in particular.

But in the past, he has also not hesitated to take on the civil rights establishment. In a 1984 interview with The Washington Post, he lambasted black leaders who just "bitch, bitch, bitch, moan, and moan, whine and whine" about the Reagan administration.

In an interview three years later with Reason magazine, a conservative, free market-oriented journal, Thomas said he could think of no areas in which the civil rights establishment was then doing good work.

"I can't think of any," he said, adding, "I'm the wrong person to ask, because of the malice with which they have treated me."

Thomas criticized Hooks by name in a 1987 letter to the Chicago Defender, responding to Hooks' allegation that the Reagan administration was seeking to eliminate the Equal Employment Opportunity Commission (EEOC), which Thomas headed before becoming a federal appellate judge last year.

He called Hooks's comments "absurd salvos" and "ridiculous assertions," and said "those who consistently use EEOC as a whipping boy" were unwilling "to let the [administration's] acts get in the way of good rhetoric."

Thomas also criticized Marshall, saying he found "exasperating and incomprehensible" the justice's criticisms of the Constitution as a document that was "defective from the start."

[From the South DeKalb (GA) News-Sun, July 10, 1991]

SUPREME COURT NOMINEE IS MENTOR TO DEKALB YOUTH

(By Kirk Martin)

Twelve-year-old Mark Davis of Scottdale has a dream, and a DeKalb School System official and a U.S. Supreme Court nominee want him to achieve it.

His single-parent home and low income background prompted his teachers at Avondale Elementary School to label Davis as a "high risk" student, a candidate for the system's Teacher-Student Mentor Program.

Frank Winstead, director of educational resources for the schools, was only vaguely aware of the program as he visited Avondale one day in 1990. Margie Henderson, library media specialist there, introducted him to the program by way of introducing him to Mark Davis.

"The thing that struck me was his eyes. They were so expressive," Winstead said.

A mentor was born. Winstead volunteered to spend time with Davis during the school day as a mentor, but the two soon ventured out for after-school outings. A turning point, Winstead remembers, was a February 1990 fishing trip the two took together.

Winstead said the two had stopped for breakfast at a restaurant on the way to the lake when Davis said out of the blue, "I want to be a lawyer. I want to be a doctor."

Thinking fast, Winstead remembered seeing a news article the night before about the appointment of Georgia-born lawyer Clarence Thomas to the U.S. Court of Appeals.

"Fortunately, I had read that letter," Winstead said.

He let Thomas know about the youth's comment in a letter that included photos of the two with the fish they caught that day. Thomas responded in an April 8 letter.

"Mark, you can be a doctor if you really want to. But it is not going to be easy. In fact, it is going to be very, very hard. It is up to you to make up your mind now if being a doctor is important to you. The decision you will have to make is whether being a doctor is so important that you will work harder in school and at home than anyone has ever worked." Thomas wrote, encouraging Davis to write to him again.

Winstead and Davis began an occasional correspondence with Thomas as he settled into his new offices in the Washington, D.C. Court of Appeals. Thomas also exchanged letters with Davis' mother, Brenda Davis. At one point, Thomas even sent to the 12-year-old a set of encyclopedias that had once belonged to his own children. That was fresh in the minds of Mark Davis and his friends when they heard recently that Thomas had been nominated by President George Bush to the U.S. Supreme Court.

Since they first established their mentor student relationship and their friendship, Winstead and Davis have been on several other outings, including concerts, a University of Georgia football game and more fishing trips.

Both Davis and Winstead believe the fishing trip and their conversation about Thomas was a breakthrough for them.

"I was reading a book in the library, and this guy came in to talk with Ms. Henderson," Davis remembers of their first meeting. He admits having been a bit apprehensive when he first encountered Winstead.

Davis has resolved to study harder, especially in science and mathematics, so he can reach his dream of being a doctor. "I like learning about the human body," he said.

Winstead believes he is already seeing a change in Davis' academic successes. "He made the honor role. He's never done that before."

[From the Washington Post, July 11, 1991]

LAST GASPS OF LIBERALISM

(By George F. Will)

Liberalism's moral ostentation, which is proportional to and related to liberalism's recent impotence, was on display the other day when Derrick Bell, a fervidly liberal professor of law at Harvard, said he hoped that when Clarence Thomas is on the Supreme Court he will come to realize "that this is not the 19th century."

Bell's limp insult reeks of condescension and demonstrates the banality of contemporary liberalism even in its invective. But there is a 19th-century aspect of Thomas. He could have stepped from the pages of those novels 19th-century readers loved, novels of astonishing upward mobility by strivers who succeed by pluck and luck.

That is why contemporary liberalism is doubly distressed by Thomas. He will make the Supreme Court still less hospitable to liberals trying to use it as a surrogate legislature. And his national prominence will vivify an alternative to the liberal model of black experience and politics.

If Thomas becomes a paradigm of the proper black stance toward the challenges of American life, the intellectual and political foundations of contemporary liberalism will be threatened.

Liberalism's intellectual core is now victimology, the doctrine that minority groups, victimized by America's refusal to recognize various "rights," comprise an American majority. Liberalism's agenda is the multiplication of "rights," by legislation if convenient, by litigation if necessary or expeditious. This liberalism represents a third and degenerate stage in the defining of freedom in America.

At the time of America's founding, freedom was understood as freedom from government. The Civil War gave birth to a more complex conception of freedom, one suited to the exigencies of an industrial society: Freedom can sometimes be enhanced by exercises of government power. But today's liberalism defines freedom as the result of aggrieved, irritable, elbow-throwing groups getting government to create for them group rights—enforceable entitlements for social space and claims against the community.

Politically, this doctrine makes the liberal party, the Democrats, the dispenser of group entitlements to clients of government. In presidential politics. Democrats are now particularly dependent on the loyalty of two large blocs, blacks and government workers. (At the 1976 convention that nominated Carter, approximately one-quarter of all delegates and alternates were employed in public education. Guess which president created the Education Department?)

Democrats are understandably alarmed by the prospect that two related expansions—of the black middle class and of conservatism in the black community—might drive the Democratic share of the black vote down to, say, 70 percent. Even that would make the Democrats' path to power significantly steeper. Hence the fury directed against blacks who stray, ideologically, from the liberal plantation.

The Thomas nomination elicits fake hysteria from liberals who are happiest when unhappy—when pretending that tyranny is descending. Kate Michelman, a pro-abortion campaigner, says that if Thomas helps overturn *Roe v. Wade*, he will "set this country back 150, 200 years," Or 18.

Actually, not even that. Even before the 1973 abortion ruling, 16 states with 41 percent of the nation's population had liberalized abortion laws. Laws follow culture. Abortion is now one of the most common surgical procedures. Pro-abortion forces might consider trusting the persuasive processes of democracy.

A significant portion of the nation's political and media elites, who have seen enough evidence to know better, nevertheless believe there is a leftward-moving ratchet in history: History moves only to the left, never back.

But it does move rightward. Here is how it happens in the judiciary.

The day Justice Marshall resigned, the court ruled, 6 to 3 (with Marshall dissenting), that "victim impact evidence" can be presented to juries at the sentencing stage of capital cases. That is, the Constitution cannot be properly read to forbid telling juries about the character of the murder victim and the suffering of the victim's family.

In 1987 the court ruled 5 to 4 to read the Constitution the way the court in 1991 considers improper. But 11 days after that 1987 decision, Justice Powell resigned. The day after that, in Tennessee, a murder occurred that in four years became the case that the court, with a two-ninths different composition, used in June 1991 to reverse the 1987 decision.

Since 1987, Powell and Brennan have been replaced by Kennedy and Souter. Thus, a 5-to-4 ruling in one direction became a 6-to-3 ruling in the opposite direction.

Since 1968, when Nixon won while promising a more conservative judiciary, judicial nominations have been presidential campaign issues. Since 1980, two candidates promising conservative nominations have won three presidential elections and have selected three-quarters of today's federal judiciary.

That grinding, cracking sound that has been coming from courts is the sound of a ratchet breaking.

[From the Wall Street Journal, July 11, 1991]

HURRAH FOR JUDGE THOMAS' CONSERVATIVE ACTIVISM

(By Stephen Macedo)

The Wall Street Journal and other conservative voices are right to express initial support for the nomination of appellate Judge Clarence Thomas to the Supreme Court. But they are right for the wrong reasons. Conservatives see Mr. Thomas as an advocate of judicial restraint and the jurisprudence of Original Intent. Mr. Thomas is not, however, cast in the Bork mold, and it would not be good news if he were. The real reason to celebrate the Thomas nomination is the seed of judicial activism in his writings—morally principled activism on behalf of economic and other personal rights.

In four published writings, penned near the close of his tenure as chairman of the U.S. Equal Employment Opportunity Commission. Mr. Thomas distanced himself from the Reagan administration's cramped reading of constitutional rights. These articles appeared in 1987 issues of the Howard Law Journal and of the Yale Law and Policy Review, in a 1988 book published by the Cato Institute, "Assessing the Reagan Years," and in a 1989 issue of the Harvard Journal of Law and Public Policy. Each of the articles is concerned with an aspect of civil rights, but all explore broader questions of constitutional interpretation. The articles fit snugly with what is known of Mr. Thomas's Catholic background, defend his actual performance at the EEOC and offer some tantalizing clues about what kind of justice he might be.

Mr. Thomas's writings are a catalog of Originalist anathemas. He repeatedly invokes "higher law," and denies that constitutional rights exist only because of some political act. He calls for a jurisprudence based on broad moral principles of freedom and equality. Far from being transfixed by the specter of judicial activism, he understands the pre-eminent democratic dangers of tyrannical majorities and elected officials run amok. He speaks eloquently of the need to recognize the place of economic liberties in the Constitution's scheme of values.

The Thomas constitutional vision is first and foremost Lincolnian: The Constitution should be read, as Lincoln read it, in light of the moral aspirations toward liberty and equality announced in the Declaration of Independence. These principles specify goals to strive for, and so their meaning cannot be exhausted by the specific understandings or practices of the founding generation.

Again like Lincoln. Mr. Thomas also insists that constitutional principles are politically educative Lincoln strove to hold the wrongness of slavery before the public mind in order to keep that horrid practice on the path of ultimate extinction. For similar reasons. Mr. Thomas insists on getting the principle of equality right. The correct principle, as he sees it, is equal opportunity for individuals, not special entitlements for groups. Mr. Thomas condemns racial set-asides and other group preference policies on the ground that these teach dependence on government largesse and undermine individual self-reliance.

Mr. Thomas's opponents will undoubtedly point to his frequent invocations of "higher law" or "natural law." Mr. Thomas calls these "the best defense of liberty and limited government. . . . [and] of judicial review." Is "higher law" a stand-in for religion or merely personal opinions about morality? Does "natural law" mean a return to untrammeled laissez-faire?

There's nothing spokey about "higher" or "natural law" law. It stands for the idea that some things are wrong, not simply as a matter of social convention or political fiat, but on more general or abstract grounds. So even where slavery, for example, is legally protected and accepted by local conventions, it is still an unjust infringement on human dignity and equality. Nearly everyone would accept that. Most of us believe in something like "natural" or "higher" morality. The question is whether moral judgments have any role to play when judges interpret the Constitution. Mr. Thomas appears to think so, and for good reason.

Many parts of the Constitution can be interpreted without reference to morality—that a president must be 35 years old for example. But in some places the Constitution itself uses moral terms: The Preamble speaks of "establishing justice," the Eighth Amendment bans "excessive" bail and "cruel" punishments, the Ninth speaks of unenumerated "rights" "retained by the people." And as Mr. Thomas reminds us, the Constitution presupposes and refers back to the natural-rights language of the Declaration of Independence. The Constitution itself makes morality relevant.

Morality always plays a role in constitutional interpretation, whether or not that role is acknowledged. Pro-government conservatives rely on a morality of majority power, which requires a narrow reading of individual rights. Liberal activists deploy a morality at odds with the Constitution's explicit and repeated protections for property rights and economic liberty. Judge Thomas's admittedly sketchy writings are compatible with a broad understanding of rights, an understanding well-grounded in constitutional text and tradition.

There are many sources of constitutional meaning: the text and structure of the document, the tradition of its interpretation. No theory—including one that invokes higher moral principles—provides all the answers. Morally principled activists argue only that moral judgment has a role to play.

If Mr. Thomas means it when he says that "freedom is the main source of all that is good politically," then he should be prepared to recognize a right to privacy. Privacy is not explicitly mentioned in the Constitution, but is well-supported by principles clearly present in the founding document. And if he means it when he says that economic liberties are "a vital part of the rights protected by constitutional government," then he can press for meaningful review of laws infringing on economic liberties. The point is not to charge back to wild-eyed activism, left or right. The point is to acknowledge that an active and principled Supreme Court is a necessary counterbalance to the ever more powerful majoritarian branches of government.

The Thomas nomination provides conservatives with a timely opportunity to reassess their attitude toward the Supreme Court. It's time to stop fighting the last war: Warren Court activism. It's time to embrace the unique contribution that the court can make to the core values of the American political tradition: individual freedom, equal opportunity and limited government.

The promise of Clarence Thomas is that of a principled judicial activism that honors the whole range of constitutional values. This promise cannot be realized unless conservatives get over their wornout fetishes of judicial deference and majoritarianism. The court remains what the Founders hoped it would be: one great bulwark of limited government and individual freedom. The conservative voice should help define and defend those freedoms.

[From the Washington Post, July 12, 1991]

CLARENCE THOMAS AND THE LIBERAL ORTHODOXY

(By Charles Krauthammer)

In retrospect, it is clear that the Bork Supreme Court nomination was the opening battle of the modern PC ("political correctness") wars. Remember: The charge against Bork by those who eventually voted him down was never "I don't agree with his political views." That, of course, was the essence of the opposition to Bork, but even his opponents maintained publicly that it is improper grounds on which to disqualify a Supreme Court nominee. (Whether or not it ought to be is another question.)

Instead, the charge against Bork was that he was not qualified to sit on the highest court. Not that he was intellectually unqualified—on that basis, he was then and remains now probably the most highly qualified jurist in the country—but "temperamentally" unfit. A new charge was minted that became the basis for his rejection by the Senate: he was "out of the mainstream," i.e., a political extremist unfit to hold high office.

The attack on Bork was the first live-fire exercise of that essential, now familiar PC weapon: stigmatizing as illegitimate those views (particularly views on race, gender and sexuality) that do not conform to current liberal orthodoxy. Dissenters are not just considered conservative, but out of the mainstream. Forty years ago, the word was un-American.

On a world scale, the tyranny to which such dissenters are subjected is fairly mild. You don't get put into the gulag. No one prevents you from going on the lecture circuit. You are a welcome guest on the chat shows. But you may not hold high office.

Even not so high office. Critic Carol Iannone was nominated last September to the advisory council of the National Endowment for the Humanities. For months now she has been the subject of intense attack by the politically correct literary establishment (the Modern Language Association, PEN, American Council of Learned Societies etc.). Here again, those trying to block her nomination don't say they object because she is politically conservative and writes articles with which they disagree in places like Commentary. They say she is unqualified.

The basis of her unqualification? The charge that she does not have the requisite academic credentials is a phony. She holds a PhD in literature and has taught it for 20 years. She is a full-time faculty member at New York University. Her real offense is having written that several books authored by blacks have been honored with awards not on merit but has a form of literary reparation.

The issue at stake in the Iannone nomination is whether it will be impermissible in this country to say such a thing. Rejection would mean that the public discussion of racial bias will be regulated by the liberal establishment. The public discussion of discrimination against minorities is highly encouraged. The discussion of discrimination in favor of minorities is highly dangerous: It may be deemed such an act of deviance as to render the discussant unfit for public office.

Now, however, yet another fight in the PC wars is looming, and if the Bork nomination was Fort Sumter this one looks to be Gettysburg. The nomination of Clarence Thomas to the Supreme Court may turn out to be a decisive battle over whether certain conservative views will continue to be delegitimized as outside the American mainstream.

That is why one sense a certain agitation and uneasiness among the forces now mobilizing against Thomas. Defeating the Bork nomination whetted their appetite and gave them a sense of their own strength. But the growing popular backlash against PC has made them doubt whether they can hold on to their gains. The Thomas nomination will be the rest. The real issue in the Thomas nomination is whether a black who is conservative can be part of the American mainstream.

Thomas opposes racial preferences for groups (Though as Juan Williams pointed out in an insightful 1987 profile in The Atlantic, he strongly favors remedial action for individual cases of discrimination.) He is therefore said to be agsinst civil rights. But it is a travesty to call someone like Thomas, who believes in colorblindness (which is what Hubert Humphrey, Martin Luther King, Jr. and most Americans believe in), an opponent of civil rights.

The other line of attack on Thomas will be abortion. Thomas has been less outspoken on the issue, but the suspicion is that he would overturn *Roe v. Wade*. The country is deeply divided on abortion, and even some supporters of legalization (like me) think *Roe* was gross judicial usurpation. Yet Thomas's adversaries will try to paint his views on abortion as out of the mainstream.

Roe has far more popular support in the country than racial preferences. That is why Thomas's opponents would prefer to wage their campaign by focusing on abortion and other "privacy rights." They would prefer to duck a fight on racial preferences because it could turn politically disastrous for Democrats. They are terrified on the "quota party" label.

Yet in the end it will be so important to liberals to bring down Thomas that I suspect we will see even this kind of Pickett's charge in favor of racial preferences. Thomas is a living threat. His confirmation would repeal the current official recognition of the civil rights establishment as the sole legitimate representative of black people in America. It would symbolically affirm that black conservatism is a respected and respectable current of the American mainstream. Most important, it would mean that, black or white, rich or poor, even the politically incorrect can aspire to serve on the highest court in the land.

[From the Legal Times, July 15, 1991]

A PORTRAIT OF THOMAS AT YALE: PERCEPTIONS OF SUPREME COURT NOMINEE ALWAYS AFFECTED BY RACIAL ASSUMPTIONS

(By Carole Bass)

He was a black nationalist. No, he was part of the liberal mainstream.

He went to class in overalls, combat boots, and a wool hat. No, it was a floppy-brimmed denim rain hat.

Well, at any rate, his attire was a political statement. No, a fashion statement. No, a way of saving money on clothes.

He hung a Confederate flag on the wall in his New Haven apartment. Alongside it hung a Pan-African flag. The juxtaposition represented a political statement. No, an absurdist joke. No, an effort to spark debate.

Meet Clarence Thomas, Yale Law School, Class of 1974. Or at least meet some of the perceptions of him.

In the wake of the federal appellate judge's nomination to the U.S. Supreme Court, pundits and political interest groups sift through the entrails of his formative experiences, searching for clues to his character and beliefs. As Thomas' classmates and professors dredge their memories, exaggerated significance attaches itself to tiny details to dismiss the details as overinterpreted elements of a myth in the making. But the little things do matter—not so much in themselves as for what they reveal about people's perceptions of Thomas.

The 43-year-old D.C. Circuit has said that people's assumptions about him as a black man, and his own reaction to those assumptions, helped shape his controversial views on racism and its remedies. His belief that blacks should help themselves rather than relying on government programs, for example, springs only partly from Thomas' personal experience rising from poverty. It's also a response to the stereotypes that assume that African-Americans are either victims of white society, if they're poor, or natural allies of white liberalism, if they're upwardly mobile.

Thomas's life journey—from severe poverty and segregation, through the Ivy League, to top appointments by Presidents Ronald Reagan and George Bush—has already taken on a fabled quality, making him a lightning rod in the raging storm over race, opportunity, and personal responsibility.

Twenty years ago, Thomas was a left-liberal black student at an overwhelmingly white law school, putting in time at the New Haven Legal Assistance Association, pegged by his race and dress as having certain opinions and interests. By the time he graduated, he was beginning to question some of the civil-rights orthodoxy. Now, he's an aggressively conservative judge, adored by the right as a genuine black conservative and reviled by liberals for his apostasy.

All along the way, Thomas has remained acutely aware of the racial filters through which he's perceived: not as a law student but as a black law student, not as a judge but as a conservative black judge. He has constantly rejected those assumptions, struggling to carve out his own definition of Clarence Thomas.

Yet at least until his confirmation hearings in the fall, the man who has spent his life trying to forge his own image must leave the business of defining Clarence Thomas to others.

THE CLOTHES LINE

Some of those doing the defining are relying on 20-year-old Yale Law School memories, which can be confused and contradictory. A case in point is the way Thomas customarily dressed: bib overalls, black combat boots, and a hat.

"He dressed like a poor Southerner, not the way poor people in New Haven dressed," says retired Yale Professor Quintin Johnstone, who taught Thomas in three classes. Although he doesn't recall Thomas' overalls, Johnstone emphatically remembers him wearing a wool hat in class, which Johnstone interpreted as a "symbolic identification" with Thomas' roots in rural Georgia: 'Here's a fellow who comes from a poor rural source, and by God, he was going to let people know it."

Harry Singleton, a classmate and close friend of Thomas', snorts derisively when told of Johnstone's interpretation. "First of all, Clarence never wore a wool hat. I wore a wool hat sometimes, but his trademark was a denim rain hat," says Singleton, now a solo practitioner in Washington, D.C Thomas' wardrobe had more to do with style than politics. Singleton insists. "The preference for that style was that it was non-traditional—it was independent. That's what Clarence Thomas was all about: He's very independent."

When pressed, Singleton admits that his and Thomas' prediliction for overalls was meant to express "solidarity with the little man out there."

"We weren't elitist," Singleton says.

That's not so far from Johnstone's exegesis, perhaps—but a world of nuance separates Singleton's perception from that of the professor who couldn't remember which student wore the wool hat.

Another law-school friend offers a third explanation.

"I've read these interpretations of his overalls as being a statement. I think they were indicative of a meager pocketbook," says Lovida Coleman Jr.

"I think Clarence even said something to that effect—that they were inexpensive clothing," adds Coleman, who is now a partner in the D.C. office of Philadelphia's Dilworth, Paxson, Kalish & Kauffman.

Thomas' flag collection causes similar confusion. Recent newspaper articles have mentioned the Confederate flag he hung behind his desk in the Missouri attorney general's office, where he sought cases other than those involving civil rights. The articles suggest that the flag's purpose was to put coworkers on notice that Thomas, who was then turning to the right politically, was not the stereotypically liberal black man they might expect.

But Thomas displayed the same flag as a generally liberal law student, his friends say. Next to it hung a Pan-African flag. What did people make of that combination then?

"Nothing," responds Singleton. "I saw it as a shocker, a means of engaging people in debate: 'Why do you have that on your wall?' 'Why not?'"

Rufus Cormier, Class of '73, gave the flags even less thought than that. "Behavior that might be questioned today wasn't then," says Cormier, now a partner in Houston's Baker & Botts. "I find it hard to believe he intended it to be taken seriously."

While they may differ on the meaning of external symbols, the perceptions of Thomas' classmates and professors converage when it comes to his personality. As a law student, he was articulate, gregarious, exuberant, athletic.

After snagging a touchdown pass from Thomas, "I felt as though the football was permanently embedded in my stomach," says Lovida Coleman. "I give him credit for throwing it to a woman. Most men wouldn't have." Nor did he ease up on the pass: "Clarence only has one speed."

An avid informal debater, he always argued his positions forcefully, although he was open to changing his mind. He liked to act as a catalyst, often launching a debate by doing or saying something unexpected. Hence Rufus Cormier's explanation of the Confederate and Pan-African flags: "Clarence just has a sense of the outrageous."

And a sense of irony, something that surely came in handy for a poor African-American student in a bastion of WASP elitism. Thomas, according to his friends, was keenly aware of being different from virtually all his peers. By all accounts, his being different didn't make him uncomfortable with people from more traditional Yale backgrounds. But it did draw him closer to Singleton, whose father was a janitor, and to Frank

Washington, who was the first in his extended family to go to college, let alone law school.

"Unlike most people at Yale Law School"—including the other black students—"we knew what it was like to have to climb out of a hole," Washington remarks.

Even as his race and poverty molded his identity, however, Thomas refused to be pigeonholed as a "black lawyer" or a "poor people's lawyer." Singleton remembers plenty of discussions about how to avoid being "shunted into areas that were considered 'black' law."

"The notion of trying to label Clarence is wildly amusing to me," says Washington, a former Carter administration official who's now a cable-TV executive in Sacramento, Calif. "He's somebody who took a great deal of pride in defining himself."

In that process of self-definition, Yale Law School was apparently not a crucible of dramatic political or intellectual transformation. Rather, it marked a time of transition for Thomas—from campus activism to intense legal study, from the Black Panthers to black-letter law courses. He started a family, played a lot of football, and worked very, very hard.

As an undergraduate at Holy Cross College in Massachusetts, Thomas helped establish the school's Black Student Union and took part in demonstrations. "That's where I started to get political and radical," he told writer Dinesh D'Souza in an interview published on the opinion page of the Wall Street Journal. "I read Malcolm X. I became interested in the Black Panthers."

Yet when he came to New Haven in the fall of 1971—little more than a year after the city and Yale were convulsed by protests surrounding the murder trial of Bobby Seale and eight other Panthers—that radical activism seemed to dissipate. "A lot of that had blown over," Frank Washington recalls. "Everybody was taking a breath, focusing on learning to be lawyers."

"When you got to law school, it was serious business, trying to get ready to go out into the world," adds Harry Singleton. The students were so focused on their course work that Singleton, himself a former undergraduate activist, remembers little about the activities of the black law student association, even though he chaired the group.

On top of that general quiescence at the law school came the birth of Thomas' son, Jamal, further concentrating his attention on studies and family obligations.

Not that he lost interest in political or racial issues. Then, as now, afffirmative action was a hot topic, and several of those who knew Thomas remember his participating in the black law student association's efforts to get Yale to recruit qualified black students and professors.

Overall, Thomas' political views were pretty much in the law school's liberal mainstream, according to those who knew him then.

"I just don't recall Clarence standing out very much other than in terms of style," says Rufus Cormier. "He stood out because he was much more outspoken."

But generally liberal didn't mean singularly liberal. Thomas' friends say. He fervently believed in self-reliance and individual responsibility, a legacy of his strict upbringing by old-fashioned grandparents and Catholic nuns. Especially on questions of poverty, he parted company with traditional liberal thinking. By Singleton's account, the two shared the view that while some people needed welfare, too many were "ripping off the government" and should take care of themselves. "There's no mythical man forcing you to put drugs in your veins," Singleton says, describing their common opinion at the time. "There's nobody making you have babies that you can't take care of."

That's the kind of talk that, coming from Thomas' mouth in recent years, has earned him the hatred of liberals. But Singleton was the first to plunge into conservatism's uncharted waters, under the tutelage of Yale Law Professor Ralph Winter Jr. (now a judge on the U.S. Court of Appeals for the 2nd Circuit). Singleton began to talk to Thomas about his new, conservative ideas; Thomas "agreed with some and disagreed with others," Singleton says. By their third year in law school, Thomas started to take his friend's ideas more seriously, Singleton says. "But it was after he went to Missouri that he really spent a lot of time thinking about these things."

INTO THE LION'S DEN

The two continued their political dialogue while Thomas worked for Republican John Danforth, first in the Missouri attorney general's office and later in the U.S. Senate. Then Thomas—having caught the eye of the Reagan administration as an outspoken black conservative—finally abandoned his resistance to doing race-related legal work. He became assistant secretary for civil rights at the U.S. Department of Education—in an administration extraordinarily hostile to civil rights. When he left in 1982 to become chairman of the federal Equal Employment Opportunity Commission, he persuaded Singleton to take over the Education Department job.

"Doing civil-rights work in the Reagan administration was no cakewalk," Singleton recalls. "We were constantly being vilified. People don't understand that it's a chain of command. You follow orders or you're fired. So you try to moderate" the policies of higher-ups.

In other words, Singleton maintains, the perception of Thomas as an anti-civil rights villain is merely that: perception. When it comes to civil rights, Singleton and others who knew Thomas in law school insist that the Supreme Court nominee may surprise some people. He came to his conservative views through his own experience, not because they fit a preconceived ideology, they say.

"This fellow is someone who's changed, adapted as he's moved through society, and we may find that he continues to grow and change mroe than other judges," observes retired Professor Quintin Johnstone. "For one thing, he's younger. And he's come a long, long way. He's had to adapt."

Thomas gained plenty of notoriety as a conservative black civil-rights official. As a more or less liberal law student, he escaped such attention. Many of the law-school classmates and professors contacted for this article remember Thomas vaguely or not at all.

He made even less of a splash at the New Haven Legal Assistance Association (LAA), where he worked in 1971 and 1972. Of 10 attorneys contacted who were at LAA at the time, only one remembers Thomas.

"He was a quick learner," recalls Frank Cochran, who was managing attorney at the samll, neighborhood office where Thomas was a work-study student. "He was very well-organized and the kind of person that you were able to trust to do the work well."

Cochran, now a name partner with New Haven's Cooper, Whitney, Cochran & Francois, doesn't recall anything about Thomas' political views. But he does offer some insight into his own political thinking at the time, as shaped by his work in a neighborhood legal-service office.

"You see that poor people aren't a mass, and they're not principally definable in terms of their race," Cochran notes. While he hasn't turned conservative, Cochran says, "One of things you can come out of this with is a realization of just how individualized these cases are—and a mistrust of people who speak in generalizations."

While Thomas was certainly exposed to the reality of poverty before working at LAA, Cochran speculates that the legal services experience may have modified the student's ideas about the law as a political instrument. "I found a real decline in my feeling that the practice of law was going to cause social change," Cochran says. "It was becoming apparent that it wasn't—I was simply serving the legal needs of individuals."

Not all of Cochran's ex-LAA compatriots are as sympathetic to the change in Thomas' political views. They may not remember Thomas, but that doesn't stop them from offering unsolicited comments about the nominee.

"I'm sorry I can't give you any damning facts," says New Haven lawyer and former Rep. Bruce Morrison (D-Conn.), who recently lost a gubernatorial bid. "Politically, I'd like to drop a bomb on the guy."

Adds Penn Rhodeen, another New Haven practitioner and an LAA alumnus: "Thomas' nomination is a sadistic insult—to [Thurgood] Marshall, to blackness, to the idea of black judges."

Morrison and Rhodeen, like many other white liberals, are reacting to their perception of Clarence Thomas—as an affront to the ideals they've worked so hard to uphold. Morrison, for instance, devoted more than a decade of his life to LAA. He worked there 80 hours a week as a Yale Law School students, then joined the staff in 1973, eventually heading the agency and leaving only to make a successful run for Congress in 1982.

It's no surprise that such a hard-working crusader would take exception to Thomas' opposition to affirmative-action quotas and timetables, to his contemptuous dismissal of pay equity for women as a "Loony Tunes idea," and to his possible opposition to abortion.

But Thomas' public record alone can't explain the outrage with which many liberals, especially whites, have greeted the judge's nomination. Declarations like Rhodeen's, in which he purports to define the acceptable limits of "blackness" and black judges, have less to do with policy than with white people's perceptions of the proper role of African-Americans.

Black conservatives and radicals alike often complain that white liberals act as if they have a moral claim on the minds, if not the souls, of black folks. That's precisely the kind of racial assumption that Clarence Thomas—undergraduate radical, law-school liberal, or circuit court conservative—says he can't abide.

[From the Wall Street Journal, July 17, 1991]

BORKING BEGINS, BUT MUDBALLS BOUNCE OFF JUDGE THOMAS

(By L. Gordon Crovitz)

"Among the inadvertent benefits which followed from the timing of the Bork nomination was the coincidence of the regularly scheduled July annual meetings of mass membership organizations, including Planned Parenthood, the NAACP, the National Education Association, the National Organization for Women and the National

Abortion Rights Action League. These were followed by the August conventions of the Southern Christian Leadership Conference and the national board meetings of Common Cause, the AFL–CIO and the ACLU."

This reminiscence is from "The People Rising," a book celebrating how special interest groups defeated Robert Bork's nomination. This past July 1, four years to the day after the Bork nomination, many of the same groups went into high gear when President Bush nominated another conservative. Will Clarence Thomas also die the death of a thousand interest groups?

"We're going to Bork him," Florence Kennedy said of NOW's game plan. "We're going to kill him politically. . . . This little creep, where did he come from?" The script calls for throwing up endless smears; if there's enough smoke, there's an excuse. Recall how Alabama Sen. Howell Heflin explained that he voted against Mr. Bork because "He had a strange lifestyle." Senators representing the liberal plantation must see a conservative black as the very definition of a strange lifestyle. The attempted smears so far:

He's Catholic. Judge Thomas's Catholic upbringing is code for the assumption that he finds no constitutional right to abortion. The abortion issue has already returned to the state legislatures following the Webster decision but, fresh from his grudge match with Chuck Robb, Virginia Gov. Douglas Wilder asked, "How much allegiance does [Judge Thomas] have to the pope?" The John Kennedy precedent aside, the Constitution says "no religious test shall ever be required as a qualification to any office." This non-issue may be moot. Judge Thomas attends the Truro Episcopal Church in Virginia.

He's Not Black. Derrick Bell, a Harvard law professor, declared that Judge Thomas "doesn't think like a black." Columnist Carl Rowan said, "If you gave Clarence Thomas a little flour on his face, you'd think you had David Duke talking." Ugly, but nothing new. "Here's a strange black," Judge Thomas says about how people see black conservatives. "Let's go see if he has two heads and a tail."

He Is Black. When Sen. George Mitchell declared that Judge Thomas was nominated only because of his race, President Bush wondered if he "Accused Lyndon Johnson of a quota" for nominating Thurgood Marshall. On what grounds is Judge Thomas unqualified? He has written more law review articles than David Souter, has more law-enforcement experience than Justice Marshall and his years at Monsanto would make him the only justice with experience working as a corporation lawyer. Admittedly, there is a single most-qualified nominee; maybe President Bush should send up Robert Bork's name if Judge Thomas is defeated.

He's an Affirmative Action Ingrate. Judge Thomas represents a generation of minorities who have felt both sides of the affirmative-action sword. At Yale Law School, he sat in the back of classrooms in the hope that professors would not notice his race and assume he was less qualified. One of his happiest experiences at Yale was when he went to pick up his blindly graded final exam in tax law. The secretary handed him a copy of the best exam while she looked for his. He was thrilled to see that the model exam was his.

He ran into a double standard when law firms recruited him. Instead of discussing his favorite legal subjects—tax and corporate law—lawyers would only tell him about their minority hiring and public-interest work. This is why Judge Thomas instead became assistant attorney general in Missouri under John Danforth, who agreed to treat him like anyone else.

Only Liberals Can Cite Natural Rights. The hypocrisy award goes to Harvard's Laurence Tribe. After a career of urging liberal judges to look beyond the Constitution, he criticized Judge Thomas for writing about natural rights, which he hasn't invoked as a judge. He had a narrow purpose for thinking about natural rights when he ran the Equal Employment Opportunity Commission. This is what he thought Brown v. Board of Education did not go far enough because it relied on sociological evidence more than legal priniciple to overrule the separate-but-equal doctrine.

Judge Thomas wrote that a more enduring opinion would have reflected the original intent of the post-Civil War amendments, which fulfilled the promise of equal rights in the Declaration of Independence. *Brown*, he said, was a "missed opportunity . . . to turn policy toward reason rather than sentiment, toward justice rather than sensitivity, toward freedom rather than dependence—in other words, toward the spirit of the Founding." A close understanding of the Founders' background in natural-rights theory is important in interpreting the original intent of the document they left behind.

He's an Anti-Semite. Critics dug out a 1983 speech where he praised Louis Farrahkan's message of self-help for blacks. Once Mr. Farrahkan's anti-semitism became widely known, Judge Thomas gave speeches criticizing him—more than Rep. Gus Savage and others in the Black Caucus can say. Mr. Thomas internationalized the EEOC by demanding rights for Soviet Jews. He was also the 1986 winner of the Humanitarian Award from the Union of Orthodox Jewish Congregations of America, recognized for his "commitment to the right of all Americans to live free from discrimination based on race, religion or national origin and your support for the rights of Sabbath observers."

He Has a Weird Personal Life. There was a leak about Judge Thomas using marijuana in college, which he disclosed when he was appointed to the appeals court. Then there were reports that Mr. Thomas and his first wife had a bitter divorce. His former father-in-law said the two "were congenial and have remained so," telling the Boston Herald that "I'm very proud of Clarence, my whole family is." It's been reported that Judge Thomas hung a Confederate flag in his Missouri office, but the flag was the Georgia State flag, which Judge Thomas displayed in mischievous patriotism for his home state. Perhaps trying to repeat the infamous scoop of the videotapes Mr. Bork had rented, reporters perused the books Judge Thomas stores in his garage. They found such lascivious material as books by Ayn Rand, Alexander Solzhenitsyn and Alexander Pope.

These mudballs have not stuck, but the interest groups know they have until the September hearings. Judge Thomas and the country deserve a debate on the Constitution, original-intent jurisprudence and judicial restraint. Instead, we will get endless smears that liberals hope will postpone their greatest fear—a conservative black justice who will help legitimize a competing social and legal view.

[From the Washington Post, July 17, 1991]

NUNN SUPPORTS THOMAS FOR HIGH COURT

(By Ronald A. Taylor)

The Supreme Court nomination of Judge Clarence Thomas was boosted yesterday by the endorsement of a powerful senator from the Deep South.

The qualified endorsement by Sen. Sam Nunn, Georgia Democrat, makes the effort to revive the Senate coalition that defeated Robert Bork's high-court nomination in 1987 even more difficult for opponents of Judge Thomas, according to congressional sources.

Meanwhile, supporters and detractors of the black judge continued their efforts to influence public sentiment about the nominee as confirmation hearings approach.

A group of black Republicans raised images of a century-old debate within their community over self-help as it announced plans for a national campaign to orchestrate black support for Judge Thomas, a member of the U.S. Court of Appeals for the District of Columbia.

Among his critics, however, three House Democrats questioned the nominee's judicial qualifications and anti-discrimination commitment.

Mr. Nunn said he will join Sen. John C. Danforth, Missouri Republican, in introducing Judge Thomas, a fellow Georgian, at the confirmation hearings before the Senate Judiciary Committee later this summer. Mr. Nunn said "my strong inclination will be to support him."

"We did not go into everything that they will go into in the hearings, but my intention right now is to support him," Mr. Nunn said after a get-acquainted chat on Capitol Hill with President Bush's choice to replace retiring Justice Thurgood Marshall.

In their discussion, Mr. Nunn said, Judge Thomas drew the distinction "between affirmative action, which he supports, and the affirmative action quota type that he doesn't support. I think that is an interesting philosophical question."

Mr. Nunn added, "My own feeling is that Clarence comes from a background of a segregated society, and I think over a period of his time, if he is on the court, he will be very sensitive to discrimination."

Mr. Nunn, a lawyer and powerful chairman of the Senate Armed Services Committee, said Judge Thomas' "overall approach is very similar to the one I have, and that is the fact that someone in a racial group does not per se deserve special consideration because he's a member of a race."

Mr. Nunn said he was satisfied that Judge Thomas' professed admiration for Nation of Islam leader Louis Farrakhan was limited to the controversial black nationalist's assertions for black self-help as a vehicle for economic development and parity and did not extend to Mr. Farrakhan's criticism of Jews and Judaism.

"I talked to him about that and it is clear that at the time he made those statements . . . [he] didn't even know him, never met him, doesn't have any relationship with him," Mr. Nunn said.

The three House Democrats who announced their opposition include an announced candidate for one of California's Senate seats, the chairman of a House committee on aging and a black member of the Georgia delegation who is a battle-scarred veteran of one of the civil rights movement's most dramatic periods.

Reps. Edward R. Roybal and Barbara Boxer, both of California, and John Lewis of Georgia "stand before you symbolic of many of the people whom President Bush's nominee to the Supreme Court has hurt in his career," Ms. Boxer said.

Mr. Roybal, chairman of the Select Committee on Aging, singled out Judge Thomas' record on age discrimination when he served as chairman of the Equal Employment Opportunity Commission.

He said that up to 13,873 age discrimination charges were dismissed by the EEOC between April 1988 and June 1990. He labeled that an example of the Thomas-directed EEOC's "disregard for laws protecting the rights of those who are among this society's most disadvantaged and vulnerable citizens."

Such statistics "should disqualify Judge Thomas to sit on this nation's highest court," he said.

Mrs. Boxer pointed out that Judge Thomas "hurt women by refusing to act on 60 [EEOC] complaints involving fetal protection policies that discriminate against women and, more important, by forcing women to accept a tougher, unrealistic standard of gender-based wage discrimination than the previous standard."

"I find Clarence Thomas to be a hard-working, articulate and likeable individual," said Mr. Lewis, who still bears the scars of police beatings from civil rights marches in the 1960s.

"You don't need long, drawn-out studies. We know this man's record. I met the man. I'm from Georgia. He's from Georgia. I know him," Mr. Lewis said, adding that the judge's record has been insensitive to the disadvantaged.

"I am opposing his nomination because he has demonstrated his willingness to deny others the means and tools to which he has had access," he said.

But Judge Thomas drew unqualified praise from the Council of 100, a group of black Republicans who said yesterday that they will launch a nationwide campaign to win black support for the man they urged Mr. Bush to nominate for the high court.

"We want first of all to get the truth and the facts to all African-American organizations about Clarence Thomas," said Milton Binns, council chairman.

He noted that the full story on Judge Thomas includes his little-known role as EEOC chief to engineer a plan to raise money for historically black colleges and universities from corporations.

The black Republicans said they want to counter the efforts of liberal Democrats to discredit Judge Thomas.

Harry Singleton, a Yale classmate of Judge Thomas', said the anti-Thomas campaign of white liberals is a "blatant political move."

"How could they come and beat up on a black without securing support in the black community first?" he asked.

[From the Washington Post, July 17, 1991]

TALKING WITH THOMAS FOR 10 YEARS

(Constance Berry Newman)

In nominating Judge Clarence Thomas to serve as associate justice of the U.S. Supreme Court, President Bush has chosen an individual who has both the intellect and the intellectual honesty for the job. He nominated a person who will be fair and sensitive to the struggles of all Americans—black, brown, white, red and yellow.

Judge Thomas would not let people's religion or station in life affect the way they thought about their rights. He has a special understanding of those poor striving for political and economic empowerment.

And he is willing to listen to others with whom he is not supposed to agree. I know. I am one of those people. For almost a decade Judge Thomas and I have discussed many issues, but most often our discussions were about inequities in this nation and approaches to ensuring equal opportunity for all. We agreed, we disagreed, and we have both changed our minds some.

The discussion and the debate about Judge Thomas' qualifications are confusing, and not all who have participated have been fair. What disturbs me is that much of the discussion is not even relevant. In order to be fair and relevant we must ask, What does the Constitution require? Article II, Section 2, provides that the president by and with the advice and consent of the Senate shall appoint judges of the Supreme Court. The Constitution does not set specific requirements such as an examination or even citizenship. It is up to the advise-and-consent process to determine the qualifications.

Through the years the questions asked the nominees have changed because the issues have changed. What has not changed significantly are the basic value judgments made about the nominees. I will set out what I believe to be the most important of those values.

It is important that a justice of the U.S. Supreme Court be competent. Even though the Constitution does not require that they be lawyers, all 105 justices have had legal training, with more than half having served on the bench. The American Bar Association has had uneven influence in the process through various administrations, looking at such factors as judicial temperament, character, intelligence and trial experience.

I will not second-guess the ABA. However with regard to Judge Thomas's competence, fairness requires recognition of the following points: Judge Thomas graduated from Holy Cross College with honors and from Yale Law School. He was assistant attorney general of Missouri from 1974 to 1977. He was counsel to Monsanto Co. and legislative assistant to Sen. John Danforth. He has been confirmed by the Senate on four separate occasions. The most relevant confirmation was in 1989 as a U.S. Court of Appeals Judge for the District of Columbia. Since confirmation he has participated in more than 140 decisions.

A justice of the court must have an open, inquiring mind—a willingness to listen and be sensitive to the struggles evidenced by the issues before the court. At the time of confirmation, the Senate cannot know of the issues the justice will face. What is important is that the nominees have no preconceived notions of how they will decide specific cases. They must be prepared to review complicated briefs with an open mind and to listen to the arguments, inquiring and then deciding.

When Earl Warren was nominated to be chief justice in 1953, there should not have been and was not a way for the Senate to know how he would decide the landmark case *Brown* v. *Board of Education* in 1954. It was important to the Senate that Warren be competent and fair, inquiring about the struggles evidenced by the issues in the case. And he was just that. We would have that in Judge Thomas, an independent thinker who is fair and who will listen. Judge Thomas has read and quoted many people of varying points of view. That type of inquiring mind is needed on the court.

A justice of the court must have integrity, particularly intellectual honesty. We entrust a great deal to the nine on the Supreme Court. They must honestly call the cases as they see them. An independent thinker, Judge Thomas will have no problem adapting to the culture of the Supreme Court.

I trust the president's judgment in nominating Judge Thomas, but I can go further. After almost 10 years of discussion with him, I am comfortable with the idea that he will be one of the nine people deciding the issues that come before the Supreme Court during my lifetime and afterward.

[From the St. Louis Post-Dispatch, July 17, 1991]

CLARENCE THOMAS DIDN'T BLAME SOCIETY

(By Richard B. McKenzie)

Supreme Court nominee Clarence Thomas has had a remarkable impact on Washington policy discussion. His background and personal philosophy of life have directed attention to a source for policy guidance rarely considered in the nation's capital: commonsense rules for personal conduct.

Washington's policy-makers and pundits are in the business of producing government policies that will "get the country moving again" or "make American industry competitive" or "lift disadvantaged groups by their economic bootstraps." And they produce a lot of policy recommendations, mostly to no avail and for good reason.

The recommended policies tend to be grand schemes that involve spending tens of billions of dollars over long periods of time, redirecting monetary or fiscal policies and creating a labyrinth of national education policies or industrial policies. The recommended policies are typically complex, expensive and highly contentious, frequently founded on arcane theories of social and economic behavior. Nonetheless, when adopted, the policy changes typically have precious little positive impact on the future course of the econony.

However, most Americans, even some of the least educated and least worldly, don't have to be told what is needed to get the country moving again or to make it competitive or to lift people by their bootstraps. They know that Clarence Thomas showed great wisdom when he bluntly acknowledged, "As a people, we need to find solutions to problems through independence, perseverance and integrity," a simple perspective he attributed not to people in high places in Washington but to the people back home in Georgia, his grandparents, mother and the nuns who taught him in school.

The economic changes the country needs go by the rubric of common sense and are applicable to Americans individually, not to the whole country. To accomplish the good things that the policymakers and pundits want, all people have to do is follow a few basic rules:

Study hard in school, which requires that the first goal is to learn the material and the second is to get good grades.

Be responsible, which means meeting deadlines as well as accepting the costs for wrong choices.

Work diligently; offer more than a day's labor for a day's pay.

Be considerate to others.

Deny temptations to splurge and save for the expected rainy days and the bad things that will happen to everyone.

Give of oneself, especially to one's own children who are most in need of direction, reminding them of the commonsense rules of success.

Make the family and a few close friends the building blocks of all else that happens in life.

Just make the effort, take a few risks and when things don't work out, go back and try again, but learn from the experience.

Our political leaders rarely ever cite such rules as a source for economic prosperity and growth. They, and the news media, prefer to cite relentlessly people's social circumstances or the Japanese or the rich as the causes of the country's economic failures.

Society, we are told repeatedly, is the villain and responsible for practically everything wrong with individuals or the country. Hence, the advice given is that society must rectify the problem, not realizing that to blame society is to blame everyone, which is tantamount to diffusing responsibility so thinly that no one is effectively blamed.

Who among the readers doubts that the nation's economic difficulties can be attributed largely to the breakdown in people's allegiance to these common sense rules known by practically everyone? Who questions that their community and country would make a dramatic economic leap forward if people followed with greater dedication just half of the rules? Who doubts that much poverty would be relieved if many of the poor themselves studied harder, worked harder, saved more, took greater responsibility for their own lives and stopped trying to shift the blame to others?

In posing these questions in such stark terms, I can sense why politicians are uneasy with Thomas' life perspective or with anyone else who espouses common-sense rules for individual conduct as a source of a country's economic progress. Such rules leave little for politicians to do, and many voters may be made to feel uneasy, if not mad, when told that they themselves have a direct role and burden in contributing to their own economic welfare and to the economic health of the country.

It is so much easier for policymakers to call others to task for the country's economic failings and to pretend that calls for individual action and responsibility are meaningless.

In the end, the future of the American economy will, for the most part, be built not on venturesome government programs but rather on the resourcefulness and industriousness of its people, all doing, one by one, what they know they should be doing. It will depend also on more people who share Thomas' perspective being appointed or elected to high government offices.

[From the St. Louis Post-Dispatch, July 17, 1991]

Nunn Lends Support to Thomas

(By Charlotte Grimes)

WASHINGTON.—Clarence Thomas won support for his nomination to the Supreme Court on Tuesday from an influential fellow Georgian, Sen. Sam Nunn.

After meeting with Thomas, Nunn said he would join Sen. John C. Danforth, R-Mo., in introducing Thomas, a U.S. appeals court judge, to the Senate Judiciary Committee when it opens confirmation hearings late this summer. Nunn said that "in all likelihood" he would vote to confirm Thomas.

In the rituals of the Senate, the introduction—or lack of it—by a senator with a connection to a nominee carries political weight as well as courtesy. Senators withhold it rarely—as a sign of extreme displeasure with a nominee. But extending the courtesy does not necessarily pledge a senator's vote.

An introduction by Nunn would have special meaning because of his status as a well-respected moderate Democrat and a power player in Senate politics as chairman of the Armed Services Committee.

Danforth, who is escorting Thomas on the courtesy calls to senators, went on the offensive Tuesday about Thomas' record as chairman of the Equal Employment Opportunity Commission between 1982 and 1990. In a Senate speech, Danforth said he had recently "walked the corridors" of the EEOC to ask employees about Thomas' tenure.

He cited comments from employees, ranging from the new EEOC chairman to a "maintenance man in green overalls," who universally praised Thomas for improving the agency's efficiency, for bringing it into the computer age and for dealing warmly with people. "The clear message from those I visited was that Clarence Thomas had transformed the EEOC from the dregs of the federal bureaucracy to an efficiently operating agency, which was effectively performing the duties Congress had assigned to it," Danforth said.

While being generally credited with making the agency more efficient, Thomas has come under fire for lapses in pursuing age discrimination complaints within a two-year limit.

Thomas originally told a congressional committee that only 70 cases had lapsed, but the number eventually was discovered to be more than 13,000.

That issue has irked advocacy groups for older Americans, and potential opposition from them hangs over Thomas' nomination.

Danforth said he had specifically inquired about age discrimination cases and been told that they "amounted to about 0.2 or 0.3 of 1 percent of the case load, that they never would have been discovered but for the computer program installed by Chairman Thomas, and that when Mr. Thomas heard that age discrimination cases had lapsed, he 'saw red.'"

Besides Nunn's gesture of support, Thomas picked up on Tuesday an endorsement from the Council of 100, an organization of black Republicans who want to counter the opposition to Thomas of the Congressional Black Caucus. The caucus, made up of 25 House Democrats and one Republican, voted last week to oppose Thomas' nomination.

"The Congressional Black Caucus does not speak for all African-Americans," said Milton Bins, chairman of the Council of 100.

From the St. Louis Post-Dispatch, July 18, 1991]

Thomas' Opinions Show Keen Mind

(By James Kilpatrick)

WASHINGTON.—Ever since his Supreme Court nomination, Clarence Thomas has been the talk of the town. Most of the talk has been political talk. The talk is of Thomas as a black. For a refreshing change, suppose we talk of Thomas as a judge.

The complaint is heard that Thomas is inexperienced—that he has served little more than a year as an appellate judge. By my count, 25 of the 48 justices who have come to the court since 1900 have arrived with little or no judicial experience. Some are well remembered, Louis Brandeis, Abe Fortas and Lewis Powell had no judicial experience at all. Hugo Black had none to speak of. Felix Frankfurter was a high-ranking bureaucrat. William O. Douglas was chairman of the Securities and Exchange Commission. Earl Warren had been governor of California. All of them left their mark.

There is good reason to believe that Thomas would leave his mark also. I venture that judgment after reading everything Thomas has written for the U.S. Court of Appeals for the District of Columbia. The corpus consists of 17 opinions for the court, one concurring opinion and one dissenting opinion. His writings addressed a nice variety of civil and criminal issues. They show considerable promise.

A Supreme Court nominee should show judicial restraint. We want judges who will seek to determine what the law is, and not what it ought to be. In one opinion after another, he sounds a theme of judicial restraint. In June of last year, Thomas wrote for the court in a case about a defendant convicted of possessing cocaine and of "using or carrying" a firearm. There is no evidence that the man carried a gun. The unloaded weapon was tucked into cushions of a sofa. Thomas was urged to give a liberal construction to the verb "use." He declined. "Use" he said, means use.

Perhaps the clearest exposition of his judicial philosophy came in a case appealed from the Interstate Commerce Commission. The case involved ferry service in Long Island Sound. A key question was whether the ICC's mandate to promote "efficient" transportation embraces a power to consider environmental impact. Two of Thomas' colleagues said yes. Thomas, dissenting, said no.

Should the ICC ponder the effects of its actions on the "increasingly fragile" waters of the Sound? Said Thomas. "I agree that as a matter of policy, it probably should. As a matter of law, however, the Commission has no power to regulate ferries for environmental reasons."

Turning to another aspect of the case, Thomas observed for the record that "federal courts are courts of limited jurisdiction." If jurisdiction does not exist, federal judges have no authority to exercise it, even if everyone wants the dispute resolved.

"The truistic constraint on the federal judicial power, then, is this. A federal court may not decide cases when it cannot decide cases, and must determine whether it can, before it may."

That sentence was packed as tightly as the inside of a walnut. It is a beautiful summation of a topic on which volumes have been written.

You will infer correctly that I like what I am learning about the gentleman. He is my kind of thinker and my kind of writer. He has an orderly and a reasoning mind.

[From the St. Louis Post-Dispatch, July 19, 1991]

Quota Debate Shows We're All Two-Faced

(By William Raspberry)

WASHINGTON.—It was with the air of a "gotcha" that Senate Majority Leader George Mitchell reacted to the Supreme Court nomination of Clarence Thomas. It is plain as day, said the Maine Democrat, that Thomas was nominated, at least in part, because he is black. And since the nomination came from a president who is a sworn enemy of quotas it exposes George Bush as two-faced on the subject.

Welcome to the club, Mr. President. When it comes to the legitimacy of race as a consideration in matters that ostensibly have nothing to do with race, maybe all of us are two-faced. I certainly am. Should race be a consideration for the Supreme Court? The answer strikes me as so obvious that I find it hard to take seriously those who don't see it my way. Of course it should be a factor. Not the only factor, not the overriding factor, but a factor.

The Supreme Court is not merely a collection of eminent legal historians charged, like Talmudists, with interpreting the Constitution in the light of their knowledge of the language (and the political and social history) of the times to arrive at the "original intent" of its framers. The court is also charged with adjudicating issues that the framers could not have had in mind.

Given that view of the court, it makes absolute sense that its membership reflect, at least in very general terms, the society in which it exists. I think Bush believes that, but I also think that he imagines it somehow illegitimate to believe it—which is why he found it necessary to talk about Thomas as the "best" person for the seat being vacated by the retiring Thurgood Marshall.

It's hard for me to imagine a board or commission that wouldn't be strengthened by diversity in its membership. Zoning boards, transit authorities, health commissions, school boards, parole boards, fine arts commissions, beauty pageant panels, Pulitzer Prize boards—all have more legitimacy and strength if their memberships are not limited to privileged white men.

The misgivings enter when diversity is confounded with legitimate competition. Many of us believe, for instance, that universities have a defensible interest in faculty and student body inclusiveness, and that they ought to revamp their recruiting strategies to make certain that the inclusiveness occurs. But we have trouble with the notion of bonus points based on race or ethnicity.

The more closely the selection criteria resemble a contest with explict rules and qualifications, the more troublesome the race- or gender-specific bonuses. Nor do you have to be a conservative to find the concept troubling. Mitchell, for instance, might agree as to the desirability of having all our major institutions—not just the Supreme Court—reflect the makeup of the population. He would, I imagine, welcome a trend that brought more minorities and women to the Senate. But he would not, I am certain, argue that a well-qualified black who comes close but fails to outpoll him in his next reelection bid should nevertheless be given the seat.

Does it follow that Mitchell is, as he said of Bush, "against quotas . . . for everyone except himself?"

Of course Bush is two-faced about quotas. At some level, we all are.

[From the Kansas City Call, July 19-25, 1991]

HOW CAN HE NOT BE SENSITIVE TO BLACK NEEDS?

Editor, The Call:

I agree with Carol Coe in my support of Clarence Thomas as nominee of President George Bush to the Supreme Court. First of all, we as black people must realize that George Bush would not have nominated a person preceived as being "liberal" regardless of their race, color or sex. My fellow African-Americans, that's a reality! Now that we have established that the nominee would likely be a person of moderate to conservative persuasion, why not Clarence Thomas?

We must understand that no white person, or as far as that's concerned, no person period of any other color understands the struggles of black people as well as another black person who has experienced those struggles. Considering Clarence Thomas' background, how can he not be sensitive to black needs and concerns?

My background is somewhat similar to that of Clarence Thomas in that I grew up down South and was subjected to racial discrimination and prejudice, attended a segregated school, whites only water fountains, restrooms and the like. I am also a black moderate to conservative Republican state elected official that serves a constituency that is 98% white in Eastern Jackson County, Mo. Am I sensitive to black concerns? You Bet—State Rep. Carson Ross, Blue Springs, Mo.

WHO HAS WORKED HARDER?

Editor, The Call:

A black man, Clarence Thomas, descendant of persons brought to America and held in brutal slavery for two centuries, has been nominated to the Supreme Court by George Bush.

His views on civil rights, women's rights and rights of human beings are a disgrace to us as a people. Moreover, it is a betrayal of the legacy of struggle and righteousness left us by our descendants and ancestors.

Thomas did virtually nothing for minorities when he was head of the Equal Employment Opportunity Commission.

If hard work was the key, most, if not all African-Americans, would indeed be wealthy in the U.S.A. today.

If our ancestors did not work hard when first brought over to America, and still working hard, then I would like to know who has worked harder?

So, it is not about working hard. It is playing America's white supremacist game.

Clearly, Clarence Thomas has demonstrated no identification with African-Americans who are oppressed people. If it were not for luck and riding on the coattails of those that came before him, he would still be on the farm—Gloria Turley, Kansas City, Mo.

[From the Atlanta Journal, July 19, 1991]

FOOLS OPPOSE AFFIRMATIVE ACTION; THOMAS IS NO FOOL

(By Jeff Dickerson)

Here's the rap among blacks against Clarence Thomas: He forgot where he came from. He's an uppity Negro who rose on affirmative action and now saws rungs off the same ladder.

One irate caller even said there's no way Thomas could have backed Louis Farrakhan's self-help because—get this—Thomas's wife is white. And columnist Carl Rowan said that with a little flour, Clarence Thomas could be David Duke.

So, once more, let's debunk some Clarence Thomas myths:

Thomas opposes affirmative action. Only a fool opposes affirmative action. Thomas proved he was no fool when he insisted that the New Orleans Police Department hire a black for every white until blacks were 50 percent of every rank. Thomas proved he was no fool when he compelled General Motors Corp. to set goals for hiring and promoting blacks, women and Hispanics.

Thomas was a good little Negro for the Reagan administration. Bull. Thomas publicly opposed Reagan for trying to give tax exemption to Bob Jones University. He told Edwin Meese and William Bradford Reynolds that they appeared to have "a negative rather than a positive agenda on civil rights." While employed by Reagan he told blacks: "There's nothing you can do to get past black skin. I don't care how educated you are, how good you are at what you do. You'll never have the same opportunities as whites." (Carl Rowan, have you heard David Duke say that?)

Thomas forgot where he came from. "There is a tendency among young, upwardly mobile, intelligent minorities to forget," Thomas wrote in an '85 speech. "We forget the sweat of our forefathers. We forget the blood of the marchers, the prayers and hope of our race." Clarence Thomas has not forgotten where he came from, though many of the silver-spoon blacks criticizing don't have a clue where he came from.

He has a white wife. So does Julian Bond.

One more time: Clarence Thomas doesn't oppose affirmative action. He opposes complete and total reliance on white beneficence. So should we all.

Blacks should shed the mindset that if we are not begging for white aid, jobs and "affirmative action," then we're stooges for "conservatives." Thomas simply doesn't expect a group of people who historically haven't helped us to magically turn around and start doing so.

Thomas knows that our successes have come by our own initiative: Rosa Parks did not beg for a seat on the bus; she took it. Alonzo Herndon did not beg for wealth; he seized it. But here stands our civil rights establishment, hat in hand, waiting for white folks to teach us, hire us, be nice to us.

We'll be waiting forever, says Clarence Thomas, and he does not want to wait.

[From the St. Louis Post-Dispatch, July 21, 1991]

LIBERALS TURN COMIC IN OPPOSING THOMAS

(By Charles Krauthammer)

WASHINGTON.—The life of a columnist is a feast of ironies, but rarely is one served a meal quite as sumptuous as the one just cooked up by Laurence Tribe, Harvard Law School professor and leading liberal constitutional scholar. Tribe has taken to the New York Times to share with us his anxieties about Supreme Court nominee Clarence Thomas.

Thomas, it seems, is not a traditional conservative meaning a judicially restrained one who believes that a judge's job is to interpret the law, not make it. It seems that Thomas is a more radical kind of conservative. Instead of just sticking to the Constitution. Thomas believes in natural law as another source of rights beyond the Constitution. And, as a guide to understanding natural law, Thomas invokes the Declaration of Independence, which for example, speaks of life, liberty and the pursuit of happiness as inalienable rights.

Under such a natural rights theory, Tribe warns, a judge could ban everything from abortion counseling to anal sex to minimum wage laws. Nothing less than the "fate of self-government in the U.S." is threatened by Thomas judicial activism.

The first oddity of this critique is that today a traditional conservative seems to be a good conservative. Of course, the last time a principled judicial restraint conservative, Robert Bork, was nominated for the court, Tribe led the pack that savaged him. But never mind.

The greater curiosity is the charge of judicial activism. From Tribe, this is hilarious. Tribe is one of the great defenders of reading the Constitution, shall we say, expansively. When the liberal court of the '60s and '70s—that Edison of the rights industry—minted new rights, year in, year out, with Menlo Park efficiency, he applauded. When, for example, *Roe vs. Wade* purported to find the right to abortion in the Constitution—or, to be more precise, in the penumbral emanations of the Constitution—that was good law because it fit nicely with Tribe's view.

Now that liberals have lost control of the court, they are shocked—shocked—that judges might go beyond the letter of the Constitution and apply concepts like natural law through which *they* might legislate.

It gets funnier. Tribe's concern is that Thomas "might seek to replace *Roe* not with a system that strengthens states' rights," but one that denies the states' right to permit a legal abortion. Where was Tribe's concern for states' rights under *Roe*, which effectively deprived the 50 states of any say in the matter of abortion? For liberals now to champion the power of state legislatures—after having spent 40 years championing the right of the unelected judiciary to force states to raise taxes, reform prisons, bus children, hire by race and permit abortion—is world-class chutzpah.

And what exactly is Thomas' offense? Every justice brings a certain intellectual structure and understanding of rights to his interpretation of the Constitution. Thomas is simply more ingenuous than most. He spells out what it is he appeals to—the classical tradition of natural law and the explicit words of the Declaration of Independence. The nation is far safer entrusting its future to such a justice than to the kind that pulls new rights out of a hat and declares them penumbral emanations.

[From The Wall Street Journal, July 22, 1991]

ASIDES

JUDGE THOMAS' RESTRAINT

More evidence is in that Justice Clarence Thomas would serve the Founding Fathers' intent that the judiciary serve as the last dangerous branch of government. A soldier, "John Doe," sued when the Pentagon innoculated the troops of Desert Storm with vaccines to fight possible Iraqi nerve gas attacks. This (naturally) first required a new Food and Drug Administration regulation because the medicines were not yet approved. The soldier sued aganst the FDA rule.

The federal appeals court in Washington last week upheld the FDA and the emergency vaccinations, but Judge Thomas wrote in a dissent that the court should simply have dismissed the lawsuit without further ado. "The war has ended and the troops are home, but to the majority this case lives on," Judge Thomas wrote. With no immediate possibility of administering the drugs, the issue is moot and judges should not rule.

Mootness, along with the doctrines of standing and ripeness, is a key to judicial restraint. Courts should adjudicate real legal disputes, not write essays on pretend issues or policy matters. Whatever else, it seems, a Justice Thomas would not look for social issues to take out of the hands of the people.

[From Jet Magazine, July 22, 1991]

CLARENCE THOMAS RISES FROM POVERTY TO SUPREME COURT NOMINEE

For Clarence Thomas, it took 43 years to journey from the painful poverty in Pinpoint, GA., to the affluent home of President George Bush in Kennebunkport, Maine, in order to stand near the pinnacle of progress in the legal profession—a nomination to the U.S Supreme Court.

And when he stood alongside President Bush, who nominated him to succeed retiring Justice Thurgood Marshall on the nation's highest court, Thomas, who could become the second Black Supreme Court Justice in history if the nomination is confirmed by the U.S. Senate, was so overcome by the commingling of surprise and success that he could hardly maintain his composure.

"As a child, I could not dare dream that I would ever see the Supreme Court, not to mention be nominated to it," said Thomas, a U.S. Appeals Court judge for the District of Columbia Circuit, when he stepped up to the microphone after Bush introduced him at a press conference. "In my view, only in America could this have been possible," he declared as he stood there with a written statement held tightly in his hands.

Recalling his roots in segregated Savannah, GA., where he was reared by his maternal grandparents, Mr. and Mrs. Myers Anderson, the Supreme Court nominee became choked with emotion and struggled to read a brief statement. And in recounting a boyhood memory, he touched indirectly upon a link with Marshall, whose retirement from the court at age 83 created the vacancy that Thomas could fill.

"My most vivid childhood memory of the Supreme Court was the 'Impeach Earl Warren' signs which lined Highway 17 near Savannah. I didn't quite understand who this Earl Warren fellow was, but I knew he was in some kind of trouble," said Thomas.

Warren, a former governor of California who was appointed Chief Justice by then President Dwight David Eisenhower, had been under attack in the segregated South ever since he wrote the 1954 landmark opinion in the Brown v. Board of Education case that declared racial segregation in public school unconstitutional. Warren had been so thoroughly convinced by the effective arguments before the high court by then Howard University-trained civil rights lawyer Thurgood Marshall that Warren personally persuaded the other justices to make his majority opinion unanimous.

"I thank all of those who helped me along the way, and who have helped me to this point and this moment in my life, especially my grandparents, my mother and the nuns, all of whom were adamant that I grow up to make something of myself," Thomas added. He said he hoped to be "example to those who are where I was and to show them that, indeed, there is hope."

While Thomas grew up poor, Black and a Democrat, he later became a Republican whose controversial views often revolved around his emphasis on Black self-help and opposition to "other raceconscious legal devices" that he says "further deepen the original problem."

In a speech titled, "Why Black Americans Should Look to Conservative Policies," Thomas said: "I was raised to survive under the totalitarianism of segregation, not only without the active assistance of government but with its active opposition."

The hope that he now offers all those who struggle to make something of themselves is his impressive story of the hope that enabled him to rise from poverty to Supreme Court nominee.

When Thomas was born in the segregated Southern port city, his mother, Mrs. Leola Williams, recalled what it was like.

"Where we came from, we didn't have nothing," she told USA Today. "We just lived day by day. I picked crabs for a living to take care of him, and then my father and my mother stepped in to help us." His father deserted the family when Thomas was a toddler, leaving him and two other siblings to live with their mother and other family members in a wood-framed house with no running water and an outdoor toilet which his family shared with several neighbors on the same block. Food was not easy to get and he wore shoes only to school.

Now a nurse's assistant in Savannah (population: 145,000), Mrs. Williams says her son's nomination is vindication of hard work. "Nothing good comes easy Clarence knows that. He's lived it," she told the newspaper.

Thomas remembers vividly what it was like growing up with his grandparents who owned an ice delivery and fuel oil business. It was in this environment that Thomas recalls with a special pride. "My grandfather has been the greatest single influence on my life," he told Atlantic magazine in 1987. He said that his grandfather worked him six hours a day at the ice house and fuel station, in addition to school. Thomas, in a Wall Street Journal interview, said the other chores included raising the chickens, pigs and cows; cleaning the house and the yard; painting, roofing, plumbing and fixing; maintaining the oil trucks and making deliveries.

These lessons of hard work and self-reliance were reinforced throughout high school and college. His grandfather, who could not read, sent him to a Catholic school run by a group of White nuns that was established for poor Black children and he later became one of the first Blacks at a previously all-white Catholic high school. Thomas was a high academic achiever and a good athlete. He also attended two different seminaries looking to enter the priesthood, but left after hearing a fellow seminarian react to the shooting of Dr. Martin Luther King, Jr. by saying, "Good, I hope the SOB dies."

That kind of racism stung him deeply and he later said in the Atlantic magazine in 1988, "There is nothing you can do to get past Black skin. I don't care how educated you are, how good you are at what you do. You'll never have the same contacts or opportunities."

While enrolled at Holy Cross College, Thomas, the first in his family to attend college, became an activist. "That's where I started to get political and radical," he told the Wall Street Journal. "I read Malcolm X. I became interested in the Black Panthers." He founded the Black Student Union at Holy Cross in 1971. At Yale University Law School, he said his political consciousness continued. It continued after graduating from Yale and becoming an assistant Attorney General for the state of Missouri under John Danforth.

When Danforth became a Missouri senator, Thomas joined the lawmaker as a legislative assistant in Washington. He rose quickly in the Reagan administration, working with the Office of Civil rights at the Department of Education and then serving as chairman of the Equal Employment Opportunity Commission (EEOC).

While at the EEOC, Thomas gave speeches accusing the Republcian Party of "blatant indifference" toward Black voters and chastised President Reagan, in particular, for letting Bob Jones University get away with racial discrimination, and for "foot dragging" on the Voting Rights Act extension, the Wall Street Journal reported in an article (July 2, 1991) titled "Clarence Thomas On Law, Rights and Morality."

Two years ago, Thomas was appointed to the D.C. Court of Appeals, considered the second highest federal court, despite staunch opposition from traditional civil rights group. But a hush-hush death bed parley was a key factor in helping him overcome the opposition and could be the key factor in whether he gains civil rights backing.

When he faced stiff opposition for the federal judgeship, NAACP Washington Bureau director Althea T.L. Simmons agreed to meet with Thomas on the eve of the confirmation hearing. He traveled to the hospital to talk to one of the few persons in the entire Civil Rights Movement who would listen to his story. After a one-hour-and-a-half bedside meeting, he managed to impress Ms. Simmons, who urged her NAACP superiors to withdraw opposition against him for the post—but on the other hand, not support him. "He had not forgotten his roots or Black folk," Ms. Simmons later told Jet. "I gained a new meaning of Clarence Thomas and feel that he will help us. He's a very dedicated man." She died two months after he was confirmed and mounted the U.S. Court of Appeals bench. Ironically, the late Ms. Simmons and her bedside assessment of

Thomas may wind up a key character witness. It was her judgment that opened the gate for Judge Thomas to reach the high court nomination.

When the Senate confirmation hearings begin in September, among his allies will be two of his staunchest supporters in Washington: his second wife, Virginia Lamp Thomas, who is deputy assistant secretary of labor in the Labor Department's congressional-relations office, and his 18-year-old son, Jamal Adeen Thomas, from an earlier marriage.

Now on the threshold of achieving a post that not even he could dream about, Thomas says the nomination is just confirmation of the American Dream that his grandfather instilled in him before he died in 1988.

"I have felt the pain of racism as much as anyone else," Judge Thomas said recently in a speech. "Yet, I am wild about the Constitution and about the Declaration. Abraham Lincoln once said that the American founders declared the right of equality whose enforcement would follow as soon as circumstances permitted. The more I learn about the ideas of those men, the more enthusiastic I get . . . I believe in the American proposition, the American dream, because I've seen it in my own life."

BUSH TELLS WHY HE PICKED THOMAS FOR SUPREME COURT

During a press conference at his home in Kennebunkport, Maine, President George Bush said he nominated Judge Clarence Thomas to the U.S. Supreme Court because he was "the best man" for the position. The President said, in part:

"The main consideration, in addition to excellence and qualification, is this concept, of interpreting the Constitution and not legislating from the federal bench . . . I told him, if I am not divulging a privacy, that he ought to do like the umpire—call them as you see them . . .

"I've kept my word to the American people and the Senate by picking the best man for the job on the merits. And the fact he's a minority, so much the better. But that is not the factor, and I would strongly resent any charge that might be forthcoming on quotas when it relates to appointing the best man to the court.

"I don't feel that I had to nominate a Black American at this time for the court. I expressed my respect for the ground that Mr. Justice Marshall plowed, but I don't feel there should be a Black seat on the court or other ethnic seat on the court."

CLARENCE THOMAS

JULY 23, 1991.

(By Mike Glover)

DES MOINES, IA.—U.S. Supreme Court nominee Clarence Thomas is not completely without some good points" and there are deep divisions among civil rights leaders eager for a black on the high court, NAACP head Benjamin Hooks said Tuesday.

Most black people recognize immediately: If not Clarence Thomas, who?' and the who' is a white person," Hooks said. I don't think President Bush will appoint another black nominee."

Hooks, executive director of the National Association for the Advancement of Colored People, predicted a good, vigorous argument" later this month when his group decides if it will support Thomas. He said the outcome of the argument is not clear.

The ambivalence comes out of fear who the next nominee would be and out of Thomas' record on civil rights questions.

We're also ambivalent because he's made some speeches that had good points in them," Hooks said. He's made speeches that indicated he was aware of the problem.

Bush appointed Thomas to fill a vacancy on the court created by the retirement of Justice Thurgood Marshall.

When it comes to individual discrimination, his record is pretty clear," Hooks said. If a black or woman has been individually discriminated against or mistreated he'll go to the ends of the earth to correct it."

Should the NAACP endorse Thomas, opposition among liberals would likely fade.

Our position will play a very important role," Hooks said. That's what creates the great ambivalence and concern."

At a news conference, Hooks said the glimmers of hope in Thomas' record are better than whoever might be nominated next.

Not only would a second nominee not be black, that person would likely be an unimpeachable conservative, far-right Genghis Khan."

We know what's coming down the pike," Hooks said. We know we are going to oppose them vigorously. We also know the Senate eventually is going to confirm somebody.

We feel very deeply there ought to be a black on the Supreme Court. Clarence Thomas represented a victory and a defeat all wrapped up in one."

Some have said divisions among civil rights groups and liberals mean Thomas will win confirmation. Hooks rejected that argument.

It depends on how these come out, the deep ambivalence and concern that black groups have," he said. When it's manifested, if it's all in opposition. I think Judge Thomas will have a difficult time."

[From the St. Louis Post-Dispatch, July 22, 1991]

LIBERALS AND THOMAS AGREE ON NATURAL LAW

(By Stephen Chapman)

CHICAGO.—Opponents of Clarence Thomas have discovered that on occasion he has invoked something known as natural law. From their reaction, you would think they had found him at the airport in a Hare Krishna robe. Harvard law Professor Laurence Tribe depicts him as a scary medieval relic, "the first Supreme Court nominee in 50 years" to draw on natural law. Thomas, he suggests, may return us to the time when the Supreme Court said women could be prohibited from becoming attorneys because the law of nature consigned them to the job of wife and mother.

He was seconded by Robert Alley, an adviser to Americans United for Separation of Church and State: "If he develops an agenda of declaring 'unnatural' things as immoral, I'm frightened."

The logic is that since natural law has been used to defend oppressive practices, it can be used only to defend oppressive practices. This is like saying that since (a) the Nazis had moral principles, and (b) the Nazis were bad, (c) moral principles are bad. Tribe doesn't mention one modern proponent of natural law, Martin Luther King Jr., who wrote that "an unjust law is a human law that is not rooted in eternal law and natural law."

Natural law is essentially the broad idea, which traces back to St. Thomas Aquinas, that human nature defines how people should live, and that some actions are wrong regardless of law or custom. The term is also sometimes used to refer to the belief that people have inherent rights that others have a duty to respect. Sometimes these are viewed as God-given, but not always: Novelist and philosopher Ayn Rand, a vociferous atheist, fervently believed in natural rights.

Far from being eccentric, this general belief is widely accepted. Thomas is also in harmony with one Joseph Biden, chairman of the Judiciary Committee, who during Robert Bork's confirmation hearings said: "What has been protected are important and fundamental liberties that predate the Constitution. I have them because I exist."

In fact, liberal interpreters take a similar approach to the Constitution, arguing that certain transcendent values, like human dignity and equal respect for all, deserve protection even though they aren't mentioned in the text.

Tribe himself thinks it should be read imaginatively to guarantee the right to "a decent level of affirmative governmental protection in meeting the basic human needs of physical survival and security, health and housing, work and schooling."

Yes, that's hypocrisy you smell. "There is not a fundamental difference between using natural law and using moral principles to interpret the Constitution," says University of Minnesota law professor and self-described liberal Suzanna Sherry.

Thomas agrees with the Framers that rights don't exist because the Constitution protects them; the Constitution protects them because they exist. He shares the view of most Americans that liberties are not something created by government which can be repealed by government, but the undeniable birthright of every individual.

If Thomas' critics want to turn his confirmation hearings into a debate over those propositions, it isn't Thomas who will end up looking scary.

[From the Columbia Daily Tribune, July 23, 1991]

THOMAS' CRITICS MISS POINT OF APPOINTMENT

(By O.U. Ukoha)

A few weeks ago, the nation was shaken by the sudden retirement of the most adored liberal Supreme Court justice, Thurgood Marshall. Subsequently, President George Bush was faced with another choice and chance of making his second nomination to the Supreme Court.

A conservative nominee seemed to be the obvious choice, as most liberals have long feared. Thus, a conservative appellate court judge, Clarence Thomas, was chosen by the president to replace Marshall—If he is approved by the Senate Judicial Committee.

No sooner had Thomas been named than most liberal senators and a number of interest groups jumped into what has become a treacherous witch-hunt. These groups and other critics are afraid of two things; the Supreme Court becoming all-conservative, and Thomas' alleged poor performance heading the Equal Opportunity Commission.

The fear of the Supreme Court becoming all-conservative has been anticipated since the Democrats failed to win the presidency in 1988. Marshall, who had vowed to stay in the bench until the Democrats come up with a likely winner, might have seen the writing on the wall when the gulf war was fought and won by allied soldiers. His dream of being replaced by another liberal was shattered, and his resignation made the liberal nightmare come true.

Besides the fear of having a homogeneous court, the main opposition to Thomas is not mainly because of his ideology, but his past performance at the EOC. Critics, including the Congressional Black Caucus, the NAACP, Latino groups and some women's groups, all have one thing to say about Thomas: He failed to achieve anything worthwhile in the interest of the minority after eight years as the director of that commission. They perceive this poor performance, in a position where he had the means to help people of his kind, to be a sign of negligence, a bite to the fingers that bred and fed him. In short, they see him as a common traitor to his race and to other people he could otherwise have helped. So to pay him back, these groups have withdrawn support for his confirmation to the highest legal office in the world.

All these allegations seem to be sticking in the ears of the people who care to read and listen to the daily news bulletins. I think there is more to these allegations and witch-hunting of these groups. And I strongly believe that these groups are not looking in the right direction. They all seem to have one thing in mind; that Thomas is not a good African-American—he betrayed us, so damned if we'll let him join the conservative conspiracy. Furthermore, it hurts a great deal to see Thomas being dogged by the people same people who are supposed to support him.

What I think these people should be looking at more than anything is, first, the job description of the director of Equal Opportunity Commission; second, whether the job is one of policy making or policy recommendation; and third, whether the director of EOC has the ultimate power to pursue policy goals without legislative and executive oversight.

More examination of the above three points will clearly show that the director of the EOC, like any director of a similar agency, can only recommend policy to the chief executive who appointed him. It is left to that executive to choose which direction to go for implementation. If the chief executive, who happens to be the president of the United States, chooses not to do anything about the policies recommended, that will be the end, even if the heavens are coming down.

I believe that Thomas was a good director by abiding by the will of his superiors. That explains why he lasted so long in that agency, unlike the self-righteous big-mouths we see come and go every 18 months in so many appointed posts. The direction I am pointing to requires people to see the circumstances that surrounded any Reagan appointee such as Thomas and the lengthening legal docket of the '80s before making any judgment of whether Thomas was a traitor or not.

It is quite disturbing to see the NAACP and Congressional Black Caucus claim over and over that they represent the interests of all African-Americans and minorities at large without giving everybody the chance to get to know what a person like Thomas is all about. At least everybody agrees that Thomas is qualified for the job, and his impeccable resume shows it.

It is also heartbreaking to see NAACP disown or criticize anybody that does not march and chant civil right songs in the tradition of Martin Luther King Jr. They always overlook the obvious: that there is more than one way to skin a cat. Thomas has this chance to say for himself who he is, what he is and what he is going to do for minorities and, most of all, for America.

Finally, my advice to informed Americans and to critics of Clarence Thomas is to relax and respect the presidential choice and not to underestimate the power of the Senate Judicial Committee by bringing up all these cock and bull stories about Thomas' performance at EOC.

[From the Wall Street Journal, July 24, 1991]

BLACK AMERICA AND THE THOMAS NOMINATION

(By Elizabeth Wright)

Although a USA Today poll early this month suggested that 54% of American blacks approve of the appointment of Clarence to the Supreme Court, blacks around the country are demonstrating more ambivalence then conviction. It's often suggested that young, educated and affluent blacks are fed up with social deterioration, and are therefore ready to ditch the drive for preferential treatment in favor of more independent approaches to resolving social ills. In fact, it is black professionals, and those who aspire to join their ranks, who are among the strongest supporters of the mainline civil-rights organizations.

College senior Jason Hill is bemused by reports to the contrary. An undergraduate at Georgia State University, Mr. Hill has written for national newspapers about the fervent support of his black peers for affirmative action and quotas: "They reject Thomas because they think he's against affirmative action and quotas, and they want to keep both of these policies in place." Just days before the Thomas nomination, Mr. Hill asked a friend whether he would care if the justice nominated to succeed Thurgood Marshall were not black. The response was that, yes, he cared very much. The day after Mr. Bush's announcement, however, Mr. Hill's friend was clearly displeased. "So, I asked if he would prefer a white liberal instead. He didn't want that either. He was really torn."

MOST AT STAKE

College-educated blacks have the most at stake in the racial preference programs that have been extracted by the protest and advocacy of civil-rights groups. They regard affirmative action as essential to crashing the corporate "glass ceiling," which supposedly keeps them from the top executive positions.

Similiarly, a great many black businessmen see racial set-aside contracts as crucial to their success. Their cause is championed by the growing numbers of black networking associations and business-oriented newsletters and magazines. For instance, Earl Graves, publisher of Black Enterprise magazine, recently added a department to the magazine called "Affirmative Action Watch."

Walter Bowie, a clergyman in Jackson, Miss., is a supporter of Mr. Thomas who finds that it is the professionals in his congregation who are most likely to oppose the nomination. He considers typical the attitude of a pre-law student who attends his church. This student, claims Mr. Bowie, is "completely in the sway of the teachings of civil-rights organizations. He doesn't think beyond whatever they project."

Mr. Bowie, however, is campaigning to introduce his parishioners to alternative ideas. He regularly distributes reading material to the group and other blacks he meets in his work, in an effort to broaden their knowledge, especially on matters of public policy. "There needs to be a way to break through the mindset, which is frightening to me," Mr. Bowie says.

Mr. Bowie describes the indignation he felt when he read Robert Bork's account (in "The Tempting of America") of Sen. Edward Kennedy's call in the middle of the night to Rev. Joseph Lowery, head of the Southern Christian Leadership Conference, to urge Mr. Lowery to organize blacks against Judge Bork. The next day at the SCLC convention meeting in New Orleans, Mr. Lowery not only galvanized those in attendance to oppose the Bork nomination, but set in motion a campaign that reached hundreds of black ministers and their churches across the country. Mr. Bowie says, "It alarmed me greatly that a politician like Kennedy could get all of us upset and disturbed about something we really had not investigated for ourselves." Mr. Bowie fears a repetition of that precedent in the case of Clarence Thomas.

George Subira, the author of several well-received business books directed to blacks, is known for his frankness in discussing the black leadership's failure to encourage greater entreprenurial activity among blacks. In the introduction to his book "Getting Black Folks to Sell," he calls on blacks to recognize that they now have "more possibilities for their lives than any generation of blacks." On the Thomas nomination Mr. Subira reflects, "We have had the plans and actions and strategies of blacks who have taken the traditional approach for many years. It would be interesting at this point just to see and even risk what a black conservative point of view could net as benefits to our people."

Paul Battle heads Washington Innercity Self-Help, a grassroots housing advocacy group. He observes skepticism and even apprehension among his membership toward the Thomas nomination. His concern, which he claims reflects that of most in WISH, is the degree to which Mr. Thomas believes in a limited role for government. Mr. Battle asks, "If the government is going to stay out of our lives in terms of assisting us, how about in areas of regulation, where we need them?" In his daily work, he finds a certain resignation among blacks regarding Mr. Thomas. "The attitude seems to be that if we err, let's err on the side of our self-interest, and they think it's in our self-interest to have a person of color."

There are some prominent blacks, however, who are more enthusiastic about the nomination of Clarence Thomas, notably television journalist Tony Brown. Mr. Brown writes a column carried in many black newspapers, and is one of the most sought after speakers on the talk circuit. He has always managed to remain fraternally linked to the traditional civil-rights organizations, even though he has frequently blasted their leadership with scathing criticism. A pioneer in promoting black enterprise, Mr. Brown has worked hard to make blacks more conscious of the connection between neighborhood business development and social progress.

In an hourlong radio broadcast last week on a Baltimore station, Mr. Brown denounced the Congressional Black Caucus for "unfurling their partisan colors" in their rejection of Mr. Thomas. He then hurled this challenge at the caucus: "I don't believe the caucus has the clout to organize black America. I don't think you can do it. You're not even powerful enough in the Senate, where you have a Democratic majority, to get the members of your own party to put out Clarence Thomas. Where do you get the power to organize 30 million black folks, when only 27% of them agree with you? I dare you to come out here and do it."

Mr. Brown confounded his opponents and admirers when he announced in a column earlier this year his intention to join the Republican Party. In a Friday interview, Mr. Brown complained of the peculiar ambivalence which enables an individual black openly to identify himself as a "conservative," while advocating special privilege. Mr. Brown found this contradiction especially prevalent among the black leadership. "You have John Jacob of the National Urban

League talking about 'self-help' in one breath, and then the next day espousing the need for a so-called Marshall Plan for black communities."

Mr. Brown noted Jesse Jackson's judicious references to "self-help" at the National Association for the Advancement of Colored People's annual conference in Houston earlier this month and complained that leaders like Mr. Jackson "indict Clarence Thomas and then take his philosophy." He accuses prominent blacks of a "crude intellectual fascism when a black strays from the liberal plantation." "It's time for us to challenge these people and force them out into the open."

Mr. Brown believes the polls to be accurate that show large numbers of blacks ignoring the civil-rights leadership to support the Thomas nomination. He claims that the leadership failed to take the negative posture it would have preferred on the Thomas nomination because they knew "they couldn't get it past the membership." In this he sees great hope.

RUBBER STAMP

The ambivalence and contradictions blacks feel toward Clarence Thomas might be seen merely as a response to his achievements. However, the unwillingness of both the National Urban League and NAACP to take a stand against Mr. Thomas indicates that the USA Today poll caught something meaningful in the mood of blacks. Fewer of them are satisfied to play the role of rubber stamp to black leaders' dictates.

Conservative blacks ought to be cautious in their hopes. Nevertheless, Tony Brown's hopes are shared by conservative blacks who have battled for years to be heard, and who are now praying that the polls are indeed an accurate reflection of impending change among blacks. To the pollsters, black conservatives are intoning, "From your samplings to God's ears."

TOWARD JUSTICE THOMAS

No one should count any chickens just yet, but the prospects that Clarence Thomas will get a new job in the fall are looking up. In particular, when the Black Caucus opposed the nominee, it seems, they spoke as Beltway politicians rather than as representatives of the black community.

The far-left groups will continue their Borking strategy of throwing up enough mud balls in the hope that some will stick to Judge Thomas. Norman Lear's People for the American Way issued a report slandering Mr. Thomas's tenure at the Equal Employment Opportunity Commission. The Association of the Bar of the City of New York, which nearly lost its charity-tax status for its lobbying against Robert Bork, is calling federal judges looking for dirt on Judge Thomas; one judge we know asked the caller from the group why the New York bar felt itself more important than the bar in Lubbock, Texas. The American Bar Association, which also ought to be cut out of any special place in the process, has yet to be heard from.

It appears, though, that if white television moguls and elitist lawyers want to do in Judge Thomas, they will have to do it without much help from black civil-rights groups. While the Urban League and NAACP would prefer a black of a different persuasion, they are holding their fire. Indeed, while it's gone largely unreported, the NAACP's Benjamin Hooks pretty much endorsed the nominee in a news conference in Des Moines Tuesday.

Judge Thomas is, Mr. Hooks said, "not completely without some good points." He elaborated, "When it comes to individual discrimination, his record is pretty clear." Indeed, "if a black or woman has been individually discriminated against or mistreated he'll go to the ends of the earth to correct it."

Mr. Hooks went on to say that his group believes strongly that "there ought to be a black on the Supreme Court." If Judge Thomas is not confirmed, he said, the next nominee probably would not be black and would also be what Mr. Hooks called "unimpeachably conservative, far-right Genghis Khan." We're not sure if a Justice Khan would have practiced judicial restraint, but Mr. Hooks's bottom line sure sounds to us like a vote to confirm.

As we've said, Judge Thomas is an excellent nominee quite aside from his race, and the court's deliberations do benefit from a diversity of backgrounds. At 43, he would also be the first representative on the court of the new generation of intellectual conservative legal scholars. Some interest groups might not like it, but it looks to us as if President Bush summed up the matter pretty well with a photo-op quote yesterday, "There was a kind of flurry of outrage and predictable smearing of the man. But as people get to see him, they get to know his record, they get to know his background. I have a feeling this country is strongly behind him."

[From USA Today, July 26, 1991]

GROWING UP WITH CLARENCE THOMAS

(By Judy Keen)

PIN POINT, GA.—The lives of Clarence Thomas and his sister are as different now as the marble halls of the Supreme Court and the neighborhood where they swam in the Moon River as kids.

Since childhood, the lives of Thomas and Emma Mae Martin have taken divergent tracks: She was once on welfare; his conservatism has earned him the scorn of some black leaders.

And although she says they are close, Martin never told Thomas she'd had a legal abortion ordered by her doctor.

The Supreme Court nominee may soon cast a crucial vote in cases that seek to limit legal abortion. She has no idea how he'd vote, even though those cases wouldn't affect an abortion such as she had: "We don't talk politics."

Yet both are products of this simple collection of homes south of Savannah. They suffered the segregated buses, schools and theaters of the racist South and survived with pride intact. And they share the conservative values that are the bedrock of Savannah, a moss-draped, ethnically diverse city of 145,000.

"You could be crushed" by racist Savannah "and walk away saying, 'Screw the world, I'm not going to make it,'" says Roy Allen, Thomas' classmate, now a Savannah lawyer and Democratic state senator.

"Or you could be lucky enough to be in the hands of a nun who said, 'You can rise above it.' Fortunately, Clarence and I were in a milieu that said, 'You won't be crushed by it—you can jump over it.'"

Sister Virgilius, the nun who was Thomas' inspiration at St. Benedict elementary school, says she tried to teach "that there was a better life to be had than what they knew."

With discipline, idealism and high expectations, the nuns fired Thomas with ambition—and a deep sense of what was wrong with segregated Savannah. When the Pledge of Allegiance was recited, "He wondered why we should say 'with liberty and justice for all,'" says Sister Virgilius. "They weren't free and there wasn't justice for all. Because of that, I think he'll be a very fair man."

Martin, 44, is the oldest of Leola and M.C. Thomas' children. Thomas was born June 23, 1948; their brother, Myers, now a Connecticut accountant, was born 17 months later. But by then, M.C. had left.

Leola, alone in Pin Point, picked crabmeat for 5¢ a pound. The family moved around until Leola found a job in town. Strapped for money and child care, she sent her sons to live with their grandparents, Myers and Christine Anderson. Martin stayed with her mother.

Thomas' grandfather, who died eight years ago, set him on the course that led to a Yale law degree, a spot on the federal appeals bench and a Supreme Court nomination.

"What is it that made me different from my sister?" Thomas asked in an interview in 1983. "We come from the same place, the same genes . . . same circumstances but raised by different relatives."

Anderson, who delivered ice, wood and fuel oil, enrolled the boys in Catholic schools. He made them work and drummed into them the value of education.

"Myers taught Clarence how to be independent," says Thad Harris, 74, who'll lived here all his life and, like everyone in Pin Point, knows everyone else. "If Clarence had stayed here, he never would have made it."

Martin went to Catholic schools for a few years, too, but she stayed in Pin Point. She shares her unkempt yellow house with three of her four children and a son's fiance.

She says she chose not to go to college—somebody had to care for an aunt and uncle when they became ill, and she wanted to do it. She works as a cook at the same hospital where her mother is a nurse's assistant.

As a child, Martin says, Thomas "was quiet and he liked to read any book he could get his hands on." They went to the Carnegie Library three times a week—but had to sign up for books to be sent over from the Savannah Public Library, where blacks were banned.

Thomas seemed "determined to learn." When they'd go crabbing, he quizzed adults about everything: how the crabs lived, their anatomy, how to fish for them.

Though Thomas' childhood has been described as one of dire poverty, Martin says, "We weren't hungry. We weren't rich, but we lived together and learned how to share."

Martin's house is shabby, but there's a new Cadillac parked at the spacious brick ranch house next door, and a couple of neighbors down the dirt road have Mercedes.

Their grandfather and a great-uncle provided ample male support. "The only father we knew was my grandfather," she says. They had chores to do, called their mother "ma'am"—and still do—and were spanked when they misbehaved.

The children didn't fantasize great futures for themselves, but when Thomas was still a child, Martin says, "My grandfather told him when he got older he was going to be a preacher or a lawyer."

When he graduated from all-white St. John Vianney Minor Seminary, the caption next to his senior yearbook photo said, "Likes to argue."

Martin, between jobs and raising her children without a husband in the 1980s, was on welfare for a time. In speeches, Thomas has castigated her for it. She says it was "a rough ordeal," but he never criticized her face-to-face for the decision.

"We talked about it a lot, and he used to ask a lot of questions about why people got on it," she says of the little brother she still calls "boy."

"I needed it," she says. "I had two kids and one on the way in a couple months and I had no choice. He understood what it was for and how I was situated."

Martin doesn't think her brother knows about her abortion, which she had on her doctor's orders about 16 years ago when she began bleeding early in her pregnancy.

"It was a choice that I didn't want to make," she says. "I had a choice to live or die. My doctor put it to me that I didn't have any choice."

Her view now on abortion: "It's another life to me. . . . I don't approve of the idea unless it's somebody's life at stake. Then, yes."

In his hometown, Thomas' conservatism makes sense because of his belief that he's earned everything he's achieved.

"Somewhere in this national press is this feeling that if you're black, you should be liberal," says Allen. "I'm saying no, Clarence is not some miniscule minority voice."

Polls do show blacks are not more liberal than whites: There's no statistical difference on issues ranging from gun laws to abortion to school sex education; on topics like women in politics, gay rights and religion, blacks are more conservative.

Longtime Pin Point resident Harris has another theory: "They were raised that way—to do for yourself. Most all of us have had to make our own way in this world. When you can, you should be admired for it."

[From the New York Times, July 28, 1991]

What Clarence Thomas Knows

(By Guido Calabresi)

New Haven.—I am a Democrat. Since the President and others have started to throw mud on liberals, I have proudly asserted that I am a liberal. I despise the current Supreme Court and find its aggressive, willful, statist behavior disgusting—the very opposite of what a judicious moderate, or even conservative, judicial body should do.

I think it strange that these strict destructionists should be allowed to get away with the claim that they are following the Constitution when, instead, they persistently reach well beyond the issues before them to impose their misguided values on the Great Charter and on all of us.

Yet I support the nomination of Clarence Thomas to that Court. Why?

First, because I know him and know he is a decent human being who cares profoundly for his fellows. He is not the caricature that some of his opponents have put forth. It is true that he has come to believe that some things we liberals have espoused to help African-Americans (and many other people, too) are counterproductive. I think that on the whole he is wrong.

But his conclusion is not so important as the fact that he does not deny that such measures helped him or that the people whom these remedies seek to help are deserving and often desperately need help. He has not turned his back on those in need, and especially not on African-Americans. If he had, he would be unworthy to sit on the Supreme Court. What he has done is to conclude, with many others and probably wrongly, that certain measures have done more harm than good. I wish I could convince him otherwise. Maybe some day someone will.

What matters most, though, is that unlike many on the Court, he does know the deep need of the poor and especially of poor blacks, and wants to help. That will keep him open to argument as a Justice should be.

The second reason I support him derives from this direct knowledge of what it is like to be in need. This Court is outrageously homogeneous. It is overwhelmingly made up of gray Republican political hangers-on of virtually identical backgrounds. They all bring to the Court the same life experience and lack thereof.

How can they know what discrimination really means? How can they understand what fear of police, prosecutorial or state abuse and brutality is? When they babble that coerced confessions need not make trials unfair; that discrimination must be proved in individual cases and not through statistics, or that a single appeal is adequate even if a defendant is served by a lousy lawyer, they sound like what they are: people who neither through personal experience nor academic thought could ever imagine themselves erroneously crushed by the power of the state.

Clarence Thomas, at least, knows better, and someday, in some case, that knowledge will make itself felt.

Of course, there are others as able as Clarence Thomas who also know this. And if I were President I would name someone like that who also shared my views. But it is a gross illusion to think that this Administration will do any thing like that any more than the Reagan White House did when Robert Bork was cruelly caricatured and defeated. What we got then, what we would get now, is someone less able, with less life experience, a gray follower of all that is worst in the Court today.

And now, as then, The New York Times and eminent scholars who defeated the nominee will join the bandwagon of support for the nonentity. For in such a person the "offending" views will not stand out against the grayness of his background.

No, I would much rather have someone who does stand out, who holds his or her own views, with which I deeply disagree but who has somewhere, some time, experienced life and has been willing to stand up against the pack. Better such a one than someone who will readily blend in and be another anonymous vote for the activist and virulent views now so dominant on the Court.

For there is just a chance that such a one may stand up to the pack again, and remind us all of what it is like to be poor and friendless and to be facing a hostile state.

[From the St. Louis Post-Dispatch, July 28, 1991]

The Clarence Thomas I Know: His Life Is the Embodiment of the Values Our Nation Prizes

(By Alex V. Netchvolodoff)

Clarence Thomas is a black man from rural Pinpoint, Ga. He was born to an impoverished family with an absentee father, an overworked mother, a home without plumbing and a very bleak future. Yet Clarence Thomas has just been nominated by President Bush to serve as associate justice of the U.S. Supreme Court.

At an early age, Clarence was sent to live with his maternal grandparents. For him, it was a turning point. He became the object of his grandfather's unrelenting attention and expectations, "work hard . . . and then work even harder", be self-reliant, get a decent education; be faithful to your vision of personal achievement and, by example, to your own people's struggle." Clarence has been living up to his grandfather's expectations ever since.

Thomas' growing up was stark. He had more than a full-time job on his grandfather's truck, but nevertheless, he excelled at his all-black parochial school. There was little time and money for diversion. Even so, Clarence disdained Savannah's segregated movie theaters and restaurants. Instead, he satisfied his appetite for books at an all-black library.

Clarence left Savannah for Holy Cross College with his wits and a few dollars in the sole of his shoe. He founded the Black Students' Union and began to consider how blacks could succeed in a white society. He graduated with honors and went on to Yale Law School, where he served as a student volunteer at the New Haven Office of Legal Assistance.

I first met Clarence Thomas in 1974 when I flew him to Jefferson City as part of an effort to recruit him as an assistant attorney general. He had to know how every gauge and every control worked on that plane. His exuberant curiosity and penetrating mind were striking. By the time we arrived, he was practically flying the plane, and he was great company in the process.

At his job interview, Clarence interviewed us! He wanted to be assigned the toughest litigation, and a heavy workload. He got his wish—and he delivered. As Thomas was leaving state government for the climes of a corporate law practice at Monsanto, Robert Dowd, presiding judge of the Missouri Court of Appeals, noted that Clarence was one of the best prepared and most effective lawyers to appear in his court.

Thomas was also a person of great self confidence and integrity. He once told the attorney general (who had suggested that Clarence show a bit more political sensitivity) that if the attorney general wanted a political opinion instead of a legal opinion, then he should go find a politician rather than a lawyer to write it. The opinion was issued as Thomas had drafted it.

Clarence was a great conversationalist. Because he had literally grown up with discrimination, I was particularly interested in his views on civil rights. He had absorbed the thinking of America's black leaders through the prism of his grandfather's values. Clarence applauded Booker T. Washington's emphasis on black education. From W.F.B. DuBois, he borrowed an aggressive and unbending contempt for discrimination and social injustice. From Martin Luther King, he advocated nonviolence and social reconciliation. From Malcolm X, he embraced the imperatives of black independence, pride and self-help. And from Thomas Sowell, he accepted free markets and hard work as the best path to economic justice. While arguing that the full force of the law and the moral authority of society should be marshaled against racial discrimination, he rejected as counterproductive numerical goals and quotas in schools and the work place.

As chairman of the Equal Employment Opportunity Commission, Clarence had a chance to put these values into action. He had inherited a demoralized, directionless agency. Several years later, Clarence proudly showed me around. Despite congressional budget cuts, he had reorganized EEOC's finances, personnel and docket. The staff was upbeat and proud of its accomplishments. New enforcement records had been set. Upon Thomas' departure to the U.S. Court of Appeals, the new EEOC headquarters was named after him.

Clarence Thomas is an authentic American hero. His life is the embodiment of the values that our nation prizes. He has developed, with singleness of purpose, an inquiring and penetrating mind. He has pursued, with equal tenacity, his vision of self-improvement. He has served loyally as a role model for his own people. He has refused to bend to bigotry and discrimination. He has turned the other cheek. He has advocated a vision for social and economic justice that is focused on education and self-reliance, rather than on condescension and reprisal.

He is open-minded, but he calls things as he sees them. He is forever linked by history and by personal memory to those in our society who are weak, fragile or different. Who better to represent us in the Supreme Court of the United States of America than Clarence Thomas?

I, for one, am proud to tell his story, and I look forward to his service on the court—for the challenge to us and the surprises for us that I know it will bring.

[From the Wall Street Journal, July 31, 1991]

ON BROWN VERSUS BOARD OF EDUCATION, CALL HIM THURGOOD THOMAS

(By L. Gordon Crovitz)

The NAACP board is scheduled to decide today whether to join the interest groups that oppose a black Supreme Court nominee. Benjamin Hooks has said his group would have preferred another Thurgood Marshall. The NAACP should know that when it comes to the Supreme Court's most important civil rights case, Clarence Thomas is another Thurgood Marshall.

With all the smoke cooked up by Judge Thomas's critics, no one seems to have noticed that he takes precisely the same broad view of the constitional promise of equality that Mr. Marshall as the lawyer arguing *Brown v. Board of Education* tried—unsuccessfully—to persuade the Supreme Court to adopt.

The 1951 case was a great victory for the civil rights movement and especially for the NAACP where Mr. Marshall worked. The justices finally declared that separate but equal facilities were unconstitutional. A filibuster in the Senate perpetuated Jim Crow Segregation, so it was appropriate that the court struck down these racist laws.

The problem is that *Brown* is a classic example of a correct result reached by lousy reasoning. The option by Chief Justice Earl Warren was based almost entirely on dubious sociological data on how much better black students supposedly learn when they study in the same class rooms as whites. A famous footnote cites behavior studies in publications such as the International Journal of Opinion and Attitude Research. It's now clear that this case was the beginning of an era of judicial activism that substituted shadows, penumbras and judicial social engineering for adherence to constitutional text and original intent.

There are nearly identical arguments about what the *Brown* opinion should have said in Mr. Marshall's legal briefs in the case and Judge Thomas's recent speeches and law review articles. They agreed that the court should have based its decision on legal and constitutional sources, not sociologists. They both referred to the Declaration of Independence's self-evident truth that "all men are created equal," which finally applied to blacks after the Civil War through the Fourteenth Amendment.

Mr. Marshall's brief and Judge Thomas's writings both cited Justice Harkin's dissent from the 1896 case that established the doctrine of separate but equal, *Plessy C. Ferguson* (see excerpts nearly). Justice Harkin would instead have given the Fourteenth Amendment its common-sense reading, which is that it was intended to replace slavery with equality by forbidding the government from treating people differently by race. The amendment promised blacks all the privileges and * * * of citizenship and equal protection of the laws.

Judge Thomas wrote that if the opinion in *Brown* had adopted this broader view of the Fourteenth Amendment, separate but equal could have been invalidated without citing "Kenneth Clark's controversial doll studies, which could just as easily have been used in support of segregation as against it."

The court missed the forest for the trees. "The *Brown* focus on environment overlooks the real problem with segregation, its origin in slavery, which was at fundamental odds with the founding principles. Had *Brown* done so, it would have been forced to talk about slavery, which it never mentions," Judge Thomas wrote. He said that a better understanding of the "first principles of equality and liberty" would "lead us above petty squabbling over 'quotas,' 'affirmative action' and race conscious remedies of social ills."

Once on the Supreme Court, Mr. Marshall supported quotas, but he made some of the same points about a colorblind Constitution in his brief in *Brown*. "The roots of our American egalitarian ideal extend deep into the history of the Western world," the brief said. "Philosophers of the seventeenth and eighteenth centuries produced an intellectual climate in which the equality of man was a central concept. Their beliefs rested upon the basic proposition that all men are endowed with certain natural rights."

Mr. Marshall's reference to natural rights is important because Judge Thomas's critics accuse him of weirdness for using similar terms. For different reasons, it's important reassurance for both liberals and conservatives to understand why Judge Thomas wrote about natural rights. The reason was his search as head of the Equal Employment Opportunity Commission for a more enduring guarantee of equality than the fleeting legal standards in Brown.

Liberals should know that Judge Thomas is not on a goose chase for penumbras or emanations from the Constitution into which he can insert his conservative policy preferences—as Justice Marshall too often did to enact his liberal views. Conservatives should know that he involves natural rights in the service of original in tent jurisprudence. His law review article, "Toward a 'Plain Reading' of the Constitution—The Declaration of Independence in Constitutional Interpretation," stressed that terms must be read according to their original meaning. Individual liberty is constitutionally protected, but group rights are not; discrimination must be punished but not by mandating quotas.

The NAACP's Mr. Hooks recently noted this distinction. Judge Thomas is "not without some good points," he said, adding that "if a black or a woman has been individually discriminated against or mistreated he'll go to the ends of the earth to correct it."

Now it turns out there's not much difference between Justice Marshall and Judge Thomas on the broadest issues of civil rights. It will be fascinating to see if the NAACP has the courage to abandon its usual liberal allies who hope to do to Judge Thomas what they did to Robert Bork.

NO DISAGREEMENT HERE

Thurgood Marshall—(As the NAACP lawyer on Brown v. Board of Education in 1954 arguing for a broad constitutional rejection of the separate-but-equal doctrine).

While the majority opinion sought to rationalize its holding on the basis of the state's judgment that separation of races was conducive to public peace and order. Justice Harlan knew too well that the seeds for continuing racial animosities had been planted "Our Constitution," said Justice Harlan "is colorblind, and neither knows nor tolerates classes among citizens." It is the dissenting opinion of Justice Harlan, rather than the majority opinion in Plessy v. Ferguson that is in keeping with the scope and meaning of the Fourteenth Amendment.

Clarence Thomas—(Writing in the Harvard Law Journal in 1987):

The great flaw of Brown is that it did not rely on Justice Harlan's dissent in Plessy, which understood well that the fundamental issue of guidance by the Founders' constitutional principles lay at the heart of the segregation issue * * * Justice Harlan's Plessy opinion is a good example of thinking in the spirit of the Founding His arguments can be fully appreciated only in light of the Founders' intentions. Largely as a result of the dubious reasoning of the post-Plessy Court, and a national indifference to the rights of all Americans. Justice Harlan's argument that the Constitution is "colorblind" did not rally supporters.

HOW EEOC THRIVED DURING THOMAS'S TENURE AS CHAIRMAN

(By Pamela Talkin)

The nomination of Clarence Thomas to the Supreme Court has evoked a great deal of productive and enlightened discussion. Unfortunately, it has also resulted in the repetition, however innocent, of unfounded criticisms of his record as chairman of the Equal Employment Opportunity Commission.

Clarence Thomas virgously and effectively enforced the laws against employment discrimination. I marvel at the willingness with which generally intelligent and skeptical individuals have accepted bare assertions to the contrary. The record establishes that the EEOC came of age under the leadership of Judge Thomas. As his chief of staff, I witnessed it.

Why would the Republican chairman of the EEOC ask me, Democrat and a career federal employee, to be his chief of staff? And why would a "politically correct" civil servant accept the position? Because we shared a commitment to equal employment opportunity and the full protection and vindication of the rights of women, minorities, older Americans, and workers with disabilities.

We were dedicated to the goal of making te EEOC a credible and aggressive law enforcement agency. Thomas concentrated on my law enforcement experience, ignored my party affiliation, and did not question me as to my philosophical views; my strict and single mandate from him was to help make the EEOC effective.

During his tenure as chairman, the EEOC went to court on behalf of workers 60 percent more often than in previous years and collected more than $1 billion on behalf of American workers, more than during any other comparable period.

For the first time, policies were adopted requiring thorough investigation of all charges of discrimination and full redress for its victims. Workers unlawfully deprived of a livelihood were to receive a job and full backpay. Those who discriminated had to take such additional affirmative steps as discharging offending supervisors and posting notices to employees to assure them that their rights would not again be violated.

In the past, field offices made unreviewable determinations to litigate only a few of the many cases found to have merit. Under Thomas, all meritorious cases were submitted to the Commission for litigation.

Some have mistakenly assumed that the increased efforts on behalf of individual workers constituted a shift away from concern about the existence of broad-based discrimination stemming from employment patterns and practices.

To the contrary. In 1981 the EEOC had only one broad systemic pattern and practice cases in litigation; in 1988 the Commission had 16 such cases in active litigation. Moreover, the EEOC, on its own initiative, actively prosecuted as broad, pattern and practice actions hundreds of cases that had been filed as individual claims.

In accordance with precedent, Thomas voted to approve settlements involving the use of goals and timetables, despite his now well-publicized personal views on the efficacy of such measures.

Reasonable people can and do differ with his views on this matter. However, the potential use of goals and timetables was involved in less than one-half of one percent of the more than 60,000 cases filed annually. A difference of opinion over the utility of this one form of affirmative action cannot serve as a legitimate basis for cavalier assertions that Thomas did not enforce the laws ensuring equal opportunity and prohibiting discrimination.

Judge Thomas was committed to identifying and eliminating all arbitrary obstacles to equal opportunity. Employers were required to recruit actively minorities and women and to set aside millions for the training of minority and women employees and the establishment of scholarship funds for minority students.

Federal agencies were required to submit affirmative action plans identifying barriers to the full employment of all employees and detailing the steps to be taken to remove those obstacles.

When he became chairman in 1982, Thomas found an EEOC in disarray. Clarence Thomas not only built the infrastructure, but he also succeeded in transforming the EEOC into a respected and highly professional agency.

No one was more dismayed than Clarence Thomas when the evolving EEOC did not, on occasion, live up to its own enhanced expectations. As he often stated, we built our wagon while we were riding in it and, with 50 offices and 3,000 employees, mistakes occurred. Thomas took full responsibility for any shortcomings and redoubled his efforts to make the EEOC a formidable opponent of those who would violate the laws prohibiting discrimination.

Today's EEOC is a fitting and lasting tribute to Clarence Thomas's vision and his unwavering commitment to upholding the laws protecting American workers.

DREW T. BROWN III

• Mr. PRYOR. Mr. President, I would like to bring to the attention of my colleagues a person whom I believe deserves special recognition.

Drew T. Brown III has traveled all across our Nation spreading his message: Education plus hard work minus drugs equals the American dream. Drew's hard work and success in his own life gives him more than adequate credentials to speak of the American dream.

Drew was born in New York, NY, and grew up in Harlem and Brighton Beach, Brooklyn. He then attended Southern University in New Orleans and received a degree in business administration and economics in 1977. Joining the Navy in 1981, Drew gained his commission after attending the Aviation Officer Candidate School. Drew earned his "Wings of Gold'' and was sent to the Naval Air Station in Oceana, VA, where he was on the team of the Black Panthers.

Flying for the Navy in the A-6 Intruder, Drew traveled extensively around the world. He is now an active member of the Naval Reserves and has just been selected for promotion to lieutenant commander. He began flying as a pilot for the Federal Express Corp. in June 1988.

Drew's determination and commitment as a pilot is carried into his American dream mission. He feels that he can be a role model for others who wish to attain the success that he has.

Traveling and appearing on numerous television and talk shows, Drew applies his determination to get his word out. A man with such a high degree of caring and commitment to the youth of America can certainly be classified an American hero.

Awards seem to find Drew for, in addition to his flying awards, he has been awarded the Meritorious Service Medal by the President of the United States and the U.S. Chamber of Commerce Special Salute for his outstanding leadership and deep concern for this country's youth.

He has also written an autobiography entitled "You Gotta' Believe'', which sold out the first printing in 3 weeks.

Mr. President, I am honored to bring to the attention of my colleagues such a man as Drew T. Brown III. •

CONGRATULATIONS TO GWEN McFARLAND

• Mr. SASSER. Mr. President, I want to take this opportunity to congratulate my good friend, Gwen McFarland of Nashville, TN, who has recently been elected president of the National Federation of Democratic Women.

Gwen was born in the small middle Tennessee town of Lawrenceburg, where she received her early education. She attended George Peabody College in Nashville, receiving B.A., M.A., and Ph.D. degrees. After a successful career in education, she decided to retire and become a lawyer. Gwen received her J.D. degree from the Nashville School of Law.

Gwen and her husband, George, are the parents of two children who have already distinguished themselves. Their son, Tony McFarland, is a prominent attorney with the firm of Bass, Berry & Simm. Their daughter, Joni Baker, is a former member of my staff and now is a distinguished member of our Nation's Foreign Service, currently serving in Africa. Gwen and George are also the proud grandparents of Matthew, Patrick, and Thomas McFarland.

Gwen is a modern American woman. She has combined the duties of wife and mother with those of educator, lawyer, and political leader.

I have had the honor of working with Gwen since my service as chairman of the Tennessee Democratic Party and my election to the U.S. Senate in 1976. Gwen has always been a leader in my State of Tennessee and she will prove to be an outstading president of the National Federation of Democratic Women.•

THE ATTACK ON LITHUANIAN BORDER POSTS BY SOVIET TROOPS, AND S. 1599, RELATING TO TRADE STATUS FOR THE BALTIC STATES

• Mr. DIXON. Mr. President, last night, six Lithuanian border guards were shot and killed by Soviet Interior Ministry Black Beret troops at a border post on the Lithuanian-Byelorussian border. The murder of the Lithuanian border guards was the bloodiest attack on a border post to date.

Over the past 6 months, this border post has been attacked four times, and burnt to the ground. Last night's attack underscores the impunity with which the Interior Ministry troops act against the Lithuanians. Our President should condemn the acts in the strongest possible terms.

The attack also underscores a further deterioration of central authority in the Soviet Union. On the one hand, the administration in this country is tripping over itself to grant most-favored-nation status to the Soviet Union, yet this same Soviet Government continues to deny, through brutal force, the legitimate aspirations of the Lithuanian, Lativian, and Estonian people.

We will soon have to deal with the issue of most-favored-nation statuts for the Soviet Union, all the while trying to maintain, at least publicly, our nonrecognition policy toward the forcible incorporation of the Baltics by the Soviet Union.

The administration, however, refuses to grant MFN to the Baltic States directly. It will instead propose to extend most-favored-nation status to the Soviet Union, and extend it to the products of Lithuania, Latvia, and Estonia. While this piggyback approch may mollify some, at its core, this approach crosses the line of our nonrecognition policy. If the United States truly does not recognize the forcible incorporation of the Baltics, then it should extend MFN, in a separate agreement, to Latvia, Lithuania, and Estonia, at the same time as this is done for the Soviet Union. That would be the equitable thing to do, and still it would be consistent with our nonrecognition policy.

My distinguished colleague, Sentor BRADLEY, has introduced legislation to do just that. I am proud to be an original cosponsor. Under the administration's proposal, there is an implicit recognition of Soviet control over the Baltics; hence, the extension of FMN to the products of the Baltics States is contained in the agreement on the Soviet Union.

The administration proposal, despite the expressions of adherence to our nonrecognition policy, in fact casts our longstanding policy on its ear. It is not enough to simply insert into United States-Soviet agreements statements about our nonrecognition policy. There must be actions which support our policy. Senator BRADLEY's timely legislation support the Lithuanians, Lativians, and Estonians at this critical time in their struggle for independence.

We must take the long view on this issue, Mr. President. The administration is about to pen a trade agreement with a precarious central government, yet refuse to pursue such an agreement with democratically elected governments in republics whose struggle for independence has been a mainstay of our foreign policy for decades. The Baltic States deserve MFN, no doubt about it. Whether the Soviets deserve such treatment remains to be seen.

I urge my colleagues to support the legislation introduced by the Senator from New Jersey.•

IN HONOR OF SIGURD OLSON: THE GREAT NATURALIST

• Mr. DURENBERGER. Mr. President, I rise today in tribute to the career of one of our Nation's foremost environmentalists, the late Sigurd F. Olson. Although Mr. Olson, a resident of my State, died in January 1982, his memory will soon become enshrined forever. On this coming August 10, the National Wildlife Federation will honor his life and work by placing his portrait in their Conservation Hall of Fame.

Sigurd Olson's picture, one of a select group of 22 in the hall, will join the ranks of such great naturalists as Theodore Roosevelt, Henry David Thoreau, Rachel Carson, and Aldo Leopold.

Olson spent his life working to preserve wilderness areas from exploitation and development. While in his 20's, Olson moved to Ely, MN, in the Quetico-Superior wilderness region on the Minnesotan-Canadian border, where he was to remain for the rest of his life. His passion for the outdoors was formed during his early years when he worked there as a wilderness guide in the Boundary Waters country of northern Minnesota. Decades later, he was instrumental in getting Congress to designate that same area as a federally protected wilderness.

Already an accomplished naturalist and professional guide, Olson worked to share his knowledge through teaching biology and geology, and sharing his concerns with those around him. In his words,

> We must be eternally vigilant. For as our population and industrial complex increases, there will be constant pressures for the exploitation and development of the natural resources wilderness contains. We must not sit back with complacency and say the job is done * * * wilderness, like the concept of freedom, must be fought for by every generation.

However, Sigurd was not the type of individual who only sat in quiet reflection. Between the time he spent teaching, Olson continued to work as a professional guide, living with, not just on, the land. Although he did not originally intend to be a writer, his expeditions to such places as Great Bear Lake, the Yukon, Churchill River, and Alaska moved him to such an extent that he felt driven to give material form to his thoughts and memories. His excellent storytelling ability transmitted into a writing career that spanned four decades. His last book was just barely finished before his unfortunate death in 1982, during a showshoeing exepedition. He was 82 years old.

Sigurd is survived by his wife, Elizabeth, who still makes her home in Ely, MN. The Boundary Waters Canoe Area now stands as a federally protected reminder of the peace, freedom, and contentment he found in the wilderness. His writings continue to inspire others to explore themselves through the wilderness. For as Sigurd Olson put it, "When there are no longer any beckoning mirages ahead, a man dies. With an open horizon constantly before him, life can be an eternal challenge."•

CUBA IS NOT A HUMAN RIGHTS MODEL

• Mr. DECONCINI. Mr. President, last weekend, two very different role models met in Havana and exchanged compliments. Fidel Castro, known for his export of revolution and terror, played host to Nelson Mandela, the living symbol of opposition to South Africa's racist system of apartheid.

Castro, referring to Mandela, stated that, "We are in the presence of one who is truly a marvel of work and intelligence." Mandela responded that, "from its earliest days, the Cuban revolution has itself been a source of inspiration to all freedom loving people."

That statement troubles me. On its face, it appears that Mandela adheres to the Arab belief that "the enemy of my enemy is my friend." It is true that Castro's Cuba has opposed apartheid. So did the United States. But it is also true that Castro's Cuba supported the Soviet-backed Government in Angola and helped to perpetuate a 16-year civil war in that African country. Because South Africa—Mandela's oppressor—supported the rebel forces fighting for elections and a democratic choice for the people of Angola, Mandela spoke out in favor of Cuba's intervention in an ill-advised foreign adventure. Cuba gained nothing from its actions, except the loss of thousands of young men in a foreign land.

It is not up to this Senator to tell Mr. Mandela with whom he should associate. A democratic society allows for the airing of different voices and alternate points of view. This is something which Mr. Castro has yet to learn. However, I must say that I am deeply troubled when the Albania of the Americas—a phrase which denigrates the tremendous changes in that formerly closed country—is held up as a human rights role model by someone who is a legitimate and eloquent spokesman for human rights.

This weekend I am traveling to South Africa. I hope to meet with Nelson Mandela—a man I admire—and other members of the African National Congress. When I do, I will express to him my concerns about his statements. And, I will request that he heed the concerns of those who are disturbed by his statements and his continued association with the South Africa Communist Party, the PLO, Libya's Qadhafi, and Fidel Castro. These meetings only undermine his moral legitimacy around the world. They also divert attention from the real and difficult work awaiting him and his organization in South Africa. Moving South Africa into the community of fully democratic and representative nations will take considerable effort and concentrated focus. I hope he will dedicate himself to that work and spend less time with the likes of Fidel Castro.•

LABOR DAY: A TIME FOR ACTION

• Mr. DODD. Mr. President, as Labor Day nears, we find ourselves reflecting upon the status of American workers. Labor Day is a time to honor the people who have built this country. As a nation and in our communities, we recognize the contribution of the working men and women who have given their time and effort to keep this country growing and to make it a better place to live.

Regrettably, Mr. President, many working people across the country are frustrated with the economic environment and with what they perceive as the Federal Government's lack of support. This is understandable. In my own State of Connecticut, the long-term effects of the recession have been devastating. Working people need to be reassured that the Government is in fact responsive to their situation and their needs.

We have more than ample opportunities to act. Just last night the Senate passed an expansion of unemployment insurance which will help many families who are in dire straits. A number of other pending proposals would also make a tremendous difference. Like increased assistance for the unemployed, the Family and Medical Leave Act and striker protection legislation represent an investment in the people of the United States. They embody those values in which we as Americans take great pride. A strong healthy and competent work force enhances families, strengthens communities, and bolsters our international competitiveness.

Mr. President, I want to bring to the attention of my colleagues an eloquent statement on Labor Day from the U.S. Catholic Conference. The Most Reverend James Malone, Bishop of Youngstown, OH, and chairman of the Domestic Policy Committee of the National Conference of Catholic Bishops and a long-time advocate of workers' rights and family needs, is asking the President and Congress to make a strong commitment to American workers.

In January, we had the opportunity to receive testimony from Bishop Malone at a hearing of the Subcommittee on Children, Family, Drugs, and Alcoholism on S. 5, the Family and Medical Leave Act. There he contended that enactment of the Family and Medical Leave Act would be "a sign of our Nation's commitment to family life, our recognition that at key moments such as birth or illness, our society stands behind its families." As we celebrate Labor Day, he and the national Conference of Catholic Bishops again strongly urge Congress to consider the situation of working Americans and to take action on family and medical leave, the right to strike, and help for the unemployed.

I request that Bishop James Malone's statement be printed in the Record.

The statement follows:

A Time for Action

(By Most Rev. James Malone)

"The obligation to earn one's bread by the sweat of one's brow also presumes the right to do so. A society in which this right is systematically denied, in which economic policies do not allow workers to reach satisfactory levels of employment, cannot be justified from an ethical point of view, nor can that society attain social peace." John Paul II, Centesimus Annus.)

The U.S. Catholic bishops continually urge the President and the Congress to enact legislation to protect human life and dignity and fundamental human rights. On this Labor Day, I want to reflect on three issues to illustrate the Church's commitment to a just society in which individual rights are respected within an overall context of protecting the common good.

The three issues of special interest as we celebrate our labor tradition are family and medical leave, the right to strike, and help for the unemployed.

What the three issues have in common is the Church's understanding of work as both human right and human responsibility and the role of society and government in safeguarding their exercise. In our Catholic teaching all of us, acting through our social institutions and government, are obliged to protect these rights. Moreover, we must ensure that the exercise of one human right or responsibility does not have to be paid for by the sacrifice of another. As the Pope explains in the new encyclical, a market economy brings significant strengths, but it needs to operate within "a judicial framework" of laws and regulation to guard and preserve human rights and the common good, which cannot be assured by market forces alone.

Human rights and dignity here in the U.S. as elsewhere in the world, cannot be secured in the absence of such a legal framework. The Church has pointed this out clearly in its efforts to give unborn children the protection of the law and to ensure that high quality prenatal care is available to their mothers. Just as we are working to protect the lives and health of babies both before and after birth, we are working also to secure the fundamental human rights of working people.

FAMILY AND MEDICAL LEAVE

For seven years the bishops have supported legislation to protect working men and women who need time off to handle family crises or to recover from a serious illness. The Family and Medical Leave Act, now pending again in Congress after suffering a Presidential veto last year, would guard most Americans against losing their jobs when they are needed at home to welcome a new baby, to comfort a dying parent, or to nurse a recuperating spouse. They'd also rest easier knowing that their jobs would be waiting for them when they recovered from a heart attack or surgery. While many employers do the right thing, even without legal requirements, many others do not. All Americans have a stake in creating a society where family values are more than just political rhetoric.

STRIKER REPLACEMENT

The bishops endorse legislation to protect workers who exercise their legal right to strike over wages and benefits. For a hundred years it has been a basic tenet of Catholic teaching that working people have a right to organize, join labor unions, and bargain collectively. Our teaching also recognizes that the right to strike without fear of reprisal is fundamental to the right to collective bargaining. That principle has been firmly entrenched in U.S. labor law which forbids the firing of strikers. Unfortunately, some employers have unfairly taken advantage of a loophole in the law that allows them to hire "permanent replacements" for their striking workers. It's hard to see the difference between being fired and being "permanently replaced." Communities are often the big losers, as the two sets of workers are pitted against each other in an atmosphere of tension and betrayal.

Outlawing the permanent replacement of striking workers is a matter of basic human rights, and all of us have a stake in this issue. It's clear around the world that, without a strong, independent union movement, no workers—union or non-union—can expect their rights to be respected. That is as true today in the U.S., as it was a century ago in Western Europe when Pope Leo XIII proclaimed the rights of workers in Rerum Novarum, and as it was a decade ago in Poland when Solidarity led the way to the overthrow of the communist regime.

HELP FOR THE UNEMPLOYED

We bishops also call on the President and the Congress to reform the unemployment insurance system to help Americans who are still looking for work after losing their jobs in the recession.

Young workers, with relatively little work experience, are finding it very hard to get rehired. Many are just starting to raise families, and few have a financial nest-egg to survive prolonged unemployment. To see these young families forced to accept charity and welfare when their unemployment insurance runs out is heartrending. Knowing that neither is enough to protect children from serious deprivation should make us all ashamed.

The other group shouldering a heavy burden is older workers, many of whom spent years getting back on their feet after the recessions of the 80's, and who now too young to retire but are "overqualified" for available jobs. When their unemployment benefits expire they are often ineligible for any other help and may have to exhaust their savings and sell their homes just to survive.

Why should these families lose everything while waiting for the recession to end? Shouldn't government policy keep them afloat until they and the economy are back on an even keel? In looking at the recession, perhaps policymakers have focused too much attention on the official unemployment statistics and other economic indicators and not enough on real people who are all too clearly suffering. Obviously, new jobs are the best answer, but, in the meantime, we owe these people some measure of compassison and justice.

On this Labor Day I ask you to reflect on the Pope's words that "the social message of the Gospel must not be considered a theory, but above all else a basis and motivation for action." He urges us to "make the necessary corrections" in our economic system and to recognize that love for others and, especially for the poor, in whom the Church sees Christ himself, is made concrete in the promotion of justice. In a more just society people would not have to sacrifice their jobs to exercise fundamental rights and responsibilities—such as caring for the young, the old and the sick—or find themselves out of luck when illness or the business cycle leaves them out of work. Working to pass these vital reforms is an excellent way to mark the 100th anniversary of Rerum Novarum, the encyclical that helped build bridges between the Church and working people that endure today. This Labor Day let us commit ourselves to acting on the Church's teaching on work and workers.●

SAFERCO FERTILIZER PLANT

● Mr. BAUCUS. Mr. President, yesterday I transmitted to U.S. Trade Representative Carla Hills an important letter signed by myself and 21 of my Senate colleagues.

As the letter explains in detail, the Province of Saskatchewan is building a nitrogen fertilizer plant called Saferco. The plant is being built with massive financial assistance from the Saskatchewan government.

American firms cannot be fairly expected to compete against a subsidized foreign product. Our letter urges vigorous action from USTR before it is too late—before a completed Saferco plant begins shipping a heavily subsidized product into the American market.

I ask that this letter be printed in the Record.

The letter follows:

COMMITTEE ON FINANCE,
Washington, DC, August 1, 1991.

Hon. CARLA HILLS,
U.S. Trade Representative,
Washington, DC.

DEAR AMBASSADOR HILLS: We are writing to express our continuing concerns about the construction of the "Saferco" fertilizer plant in Saskatchewan. We have raised these concerns with you periodically over the past two years, and are frustrated by the Canadian Government's lack of responsiveness.

The Saferco plant would not be built but for heavy government subsidies. Of the C$435 million necessary to build the plant, the provincial government of Saskatchewan is providing C$64 million in equity financing and C$305 million in loan guarantees.

Unfortunately, the Saferco plant is not simply a matter of internal Canadian affairs. Saskatchewan's intervention in the fertilizer market will harm private sector producers in the United States. American fertilizer producers do not have the benefit of government support. They cannot fairly compete against a subsidized foreign product.

In previous communications, your office has pointed American fertilizer producers to U.S. countervailing duty laws. However, these laws require an injury showing that cannot be demonstrated until after the fact—after the Saferco plant is already in production. Another approach is necessary.

We urge you to raise forcefully U.S. concerns about the Saferco plant in the context of the North American Free Trade Agreement talks. Canada could make an important show of good faith by halting construction of the Saferco facility. We respectfully request that you instruct the U.S. negotiating team to determine how best to raise and resolve these issues.

The United States, Canada and Mexico are at a critical juncture in their trade relations. The negotiation of a NAFTA will set the tone of trilateral relations for years to come. The NAFTA talks will not be meaningful unless the U.S. forcefully addresses the issue of government intervention in the market. The construction of the Saferco plant is in many ways symbolic of U.S. concerns in this area.

Sincerely,

Max Baucus, Tom Daschle, Trent Lott, Conrad Burns, Chuck Grassley, Alan J. Dixon, Bob Kerrey, John Breaux, Thad Cochran, Dick Lugar, Dan Coats, David Pryor, J. Bennett Johnston, Larry E. Craig, Quentin Burdick, Steve Symms, Dale Bumpers, Frank H. Murkowski, David L. Boren, Jesse Helms, Kent Conrad, and Ted Stevens.•

A TRIBUTE TO HENRY CAUDILL

• Mr. ROCKEFELLER. Mr. President, I rise today to commemorate Henry Caudill, one of Appalachia's most accomplished and well-known writers, who died at home amongst his beloved hills, in November 1990. Caudill was not merely an author; his writings were both exposition and crusade. He wrote to document the society he loved, and to inform the rest of the world about Appalachia. He extolled the beauty of the mountains, the kindness of the Appalachian people, and the amusing anecdotes of the region. And he battled the destruction of the land, and the enslavement of the inhabitants to what he called King Coal.

Henry Caudill was a native son of Appalachia. He was born in Whitesburg, KY, in 1922, and could trace his ancestry in eastern Kentucky to his grandfather's grandfather in 1792. The son of a coal miner, Caudill saw the cruel side of life in the region. His father lost an arm to the mines, and a brother was permanently disabled in another mine accident.

Caudill rose above all this, beginning his illustrious career in 1948, when he was admitted to the bar of the State of Kentucky. He practiced law from 1948 to 1976. During that time, he gained fame as an orator, and spent many hours arguing cases in his mountain drawl in the courthouses of eastern Kentucky.

It was also during this period that Caudill accumulated his many amusing and informative stories about the Appalachians and their mining communities. Caudill further served his fellow Kentuckians as a member of the Kentucky State Legislature from 1954–60. After retiring from the legal profession in 1976, he went on to become a college professor at the University of Kentucky, where he shared his knowledge with the region's future leaders and contributors.

Caudill's crusade to inform the Nation of the pain and joy of the Appalachian region was inspired in 1960. In the spring of that year he was asked to serve as the commencement speaker at an eighth-grade graduation in a coal camp school. The school, which had sheltered two generations of the forebearers of the graduates, was in a terrible state of disrepair. Rain poured from the ceiling, windows rattled, and the wind blow freely between the wall boards. The people in attendance seemed as tattered and torn as the schoolhouse. One graduate had been orphaned by a mining accident, the father of another wheezed from silicosis, and three other fathers were jobless. The ceremony opened with the singing of "America the Beautiful." The irony of such inspiring and patriotic words, as Caudill wrote, "sung so lustily in such a setting, inspired the writing of this book." This book was "Night Comes to the Cumberlands," the first of many that would call nationwide attention to the problems that befell the miners and their communities. Caudill's book also helped inspire John F. Kennedy's war on poverty in the Appalachian region and the subsequent appointment of a commission to investigate conditions there.

Poverty in the region prevailed, however, despite crusaders such as Lyndon Johnson and programs like VISTA that sent manpower and money into the region to help the people.

The slow process of improvement, and Caudill's commitment to exposing the truth about Appalachia, led him to write nine more books, including "The Senator From Slaughter County," "The Mountain, the Miner, and the Lord, and Other Tales From a County Law Office," and "Theirs Be the Power: The Moguls of Eastern Kentucky." He would also write many magazine articles about Kentucky, Appalachia, and the mining industry. All of these books and articles helped to expose and expound the problems of the region.

Henry Caudill was not only known for his writing, but he was also revered for his first-hand knowledge of the Appalachian region. Congressional committees often called on him to testify on the "conditions" in Appalachia. He shared his knowledge with all those who asked, but he did not stop at that. He challenged lawmakers in Washington to witness for themselves the devastation wrought upon the region for nearly a century. "Come look for yourselves" was his famous message. Caudill didn't try to appeal to the bureaucracy and the politicians through touching stories or empirical data. He knew the poverty, he knew the devastation, and he understood the depression of a people who were often overlooked, and he knew that these conditions must be seen to be appreciated. His was not an invitation given as a courtesy, his invitation was genuine and he hoped that all would accept. He wanted the Nation to see the miners' suffering. As he wrote, "These broken men are part of the price America has paid for her industrial preeminence," and that, "Their pain and poverty are a hidden part of the highly touted 'American standard of living.'"

Henry Caudill acted as the noble spokesman for the underprivileged, exploited, and undereducated. His works not only brought light to the problems of Kentucky, but also to those of my State of West Virginia. He drew the country's attention to a region of both joy and hardship. He showed the spirit of Appalachia—a land where life is rough, but the people hold onto their solid values, pride, and dignity.

Harry Caudill wrote his first book so that when Americans in Appalachia sang "America the Beautiful" that "perhaps it [would] help a little to bring the sad reality and the splendid dream a little closer together, for [his] friends, [his] kinsmen, and [his] fellow mountaineers." We must not forget this man.•

VIRTUES OF PHARMACEUTICALS NO. 1

• Mr. McCAIN. I speak today as a Senator from a State blessed with the presence of a large number of older Americans. More than 13 percent of Arizonans are 65 and older. Many have migrated to our beautiful State to spend their retirement years.

Tragically, many Americans are robbed of the joys of these golden years by a cruel horseman—one of the Four Horsemen of the Apocalypse—disease.

Let me cite just a few examples of how disease deprives older people of their health, their hard-won financial independence, and indeed their lives.

Cancer. For every 100 persons 65 and older, nearly 2 will be diagnosed with cancer and 1 will die from cancer this year. The incidence of prostate cancer, particularly, increases sharply with age. Almost 8 out of 10 cases occur in men 65 and older.

More than 15 million Americans suffer the debilitating effects of arthritis, and a person with rheumatoid arthritis faces three times the medical expenses of those in the same age group who do not have this disease.

Nine out of ten women 75 and older have osteoporosis, which can lead to crippling hip fractures. From 12 to 20 percent of the people who suffer hip fractures due to osteoporosis die. Of the survivors, 20 percent enter nursing homes—many for the rest of their lives.

About 10 percent of Americans over 65 are afflicted with Alzheimer's disease, which robs them not only of their health and independence, but of their memories. The percentage rises to 47.2 percent in people over 85, and this dreaded disease kills more than 100,000 people each year.

It is not my intention, this morning, to recite a catalog of woes. Rather, I want to speak of our best hope for overtaking these diseases: Biomedical research and the development of new medicines.

Often, we have listened to impassioned criticism of the pharmaceutical industry. But I, for one, am glad that we have a pharmaceutical industry that spends $9.2 billion a year—or almost 17 percent of its revenues—on research and development. This is more than we spend at the National Institutes of Health for biomedical research. In fact, the older I get the happier I am about the fact that the pharmaceutical industry devotes so much of its revenue to research and development.

I would like to call to your attention a report by the Pharmaceutical Manufacturers Association entitled "New Medicines in Development for Older Americans." According to this report, U.S. pharmaceutical companies are currently testing 329 new medicines for 45 diseases that afflict older people—including 126 for cancer, 93 for cardiovascular and cerebrovascular diseases, 13 for Alzheimers disease, 21 for osteoporosis, 16 for depression, and 8 for diabetes.

This report should serve as a source of hope for all of us.

Pharmaceutical research has already made impressive inroads against disease. In 1920, the average life expectancy was only 54 years. Today, it's 75 years. There are, of course, many complex reasons for this gain, but breakthrough medicines deserve a large share of the credit. According to a 1990 study by the Battelle Medical Technology and Policy Research Center, medicines have helped avoid as many as 90,000 deaths from tuberculosis in the United States alone. And new medicines have saved more than 600,000 lives that would otherwise have been lost to heart disease. The Battelle study also claims that pharmaceuticals have helped prevent almost 500,000 stroke deaths, and as many as 6 million nonfatal strokes.

But even some who acknowledge the efficacy of modern medicines complain that they are too expensive, and that society cannot afford them.

It is, to be sure, troubling, to realize that a single treatment with the clot-busting drug TPA, for example, can cost as much as $3,000. Yes, drug prices are high. But, consider the cost of the alternative that exists to the use of this drug—having one's chest cracked. As one looks at the issue of cost, it is critical to also look at the cost of discovering, developing, and testing a new medicine—as high as $231 million, according to one recent study. Another study found that only 3 out of every 10 drugs introduced between 1970 and 1979 recovered their R&D costs. The 23 new drugs approved by the Food and Drug Administration in 1989, for example, required an average of 12 years of research, testing, and regulatory review. And, for every successful drug that makes it to market, 4,000 are abandoned during the research process—at great expense. It's a fact of life that, in a high risk industry, the prices of the successful products have to cover the costs of the "dry holes."

Yet, I don't believe the American people want the industry to cease its drive toward discovering, developing, and testing new drugs. Every time a new drug comes on line we benefit.

When considered in perspective, drugs are a bargain. Total spending for prescription drugs has remained under 1 percent of GNP since 1965, while the total percentage spent on health care generally has nearly doubled. Less than 5 cents out of every health care dollar in 1989 went to pay for drugs—compared to 16 cents in 1960. And prescription drugs are taking a progressively smaller bite out of the average American's paycheck. In 1988, a typical factory worker spent 3 percent of his or her weekly wages for prescription medicines. In 1967, the precentage was 3.4 percent. The average American has to work only 1 hour and 11 minutes to pay for prescription—less than half of the time it takes a French worker to pay for a similar prescription drug.

Moreover, pharmaceuticals are extremely cost effective—providing remarkable good value for the money. In many cases, they replace more expensive treatments—such as surgery or hospitalization. For example, ulcer surgery costs between $7,000 and $15,000. But ulcers can often be treated with drugs—for between $200 and $500 a year. The average cost of a coronary bypass operation is more than $30,000. But drug therapy, which is just as effective for many patients, can cost as little as $1,000 a year.

Mr. President, we are all thankful that one of our own, Senator DAVID PRYOR, has benefited from these new drugs as he struggled through a coronary recently. Another one of our own, Senator ALAN CRANSTON, has benefited from the new and innovative treatment for prostate cancer. They are tangible examples of the value of these new drug therapies.

Therefore, my answer to those who say that pharmaceuticals are too expensive is that we cannot afford not to develop them. This is particularly true of pharmaceuticals to treat the diseases of aging.

Every day, 6,000 more Americans turn 65. The number of Americans over age 85 is growing six times faster than the general population. This year, approximately $250 billion will be spent on health care for the older Americans. Most of this money goes for hospitals or nursing home care. As the population ages, this figure will increase exponentially.

But by encouraging the development of new medicines, we may be able to avoid some of this staggering cost.

Let me give just two examples of what pharmaceutical breakthroughs could mean.

Osteoporosis cost the Nation about $10 billion a year—a cost that's expected to triple over the next 30 years, according to the Alliance for Aging Research. If one of the 21 medicines now in clinical trials eventually succeeds in delaying the onset of this disease by 6 years, it would save more than $3.5 billion a year. Not to mention the suffering and disability that would be avoided.

Alzheimers disease is a leading reason for admissions to nursing homes, and costs the Nation an estimated $88 billion a year. By the year 2050, the number of Alzheimers patients could reach 14 million. If one of the 13 drugs now in development for this disease can eventually keep just 10 percent of these patients out of nursing homes for even 1 year, it would save almost $9 billion. Not to mention the savings in anguish and in companionship that would otherwise be lost.

Added together, cancer, cardiovascular diseases, Alzheimers disease, arthritis, depression, diabetes, and osteoporosis—diseases that disproportionately affect older Americans—cost our society $379 billion a year—plus incalculable suffering. If just one cure, one effective treatment, is found, we will save untold grief and pain, as well as dollars.

But, progress is not preordained. Innovation flourishes in a climate in which investment and risk are rewarded. It languishes in an environment that sets limits on achievement.

I hope that this great body, the Senate of the United States, will come down squarely on the side of progress, on the side of encouraging innovation in medicine.

Tremendous strides have already been made. We have practically eradicated many scourges whose names once made people cringe in fear—polio, typhoid, smallpox, tuberculosis. Antibiotics now control most infectious diseases—once the No. 1 killer of Americans. In 1953, almost 20,000 Americans died of tuberculosis. By 1984, that number had declined a dramatic 91 percent, to fewer than 2,000. And vaccines have largely made the iron lungs of polio victims, the killing fevers of typhoid, the cruel disfigurement of smallpox, relics of the past.

Mr. President, we will never completely overtake disease, but we are gaining on this dreaded horseman. How far we will advance depends, in large measure, on the signals we give to innovators. For the sake of older Americans, for the sake of all of us, I hope we will give them a green light.•

MAX NEWMAN: A LEGACY OF SERVICE TO ALABAMA

• Mr. SHELBY. Mr. President, this week Alabama lost one of its most courageous and forward thinking citizens with the untimely death of State Representative Max Newman.

One word could easily define Max's life: service. Max Newman was elected to public service after spending 31 years as an Alabama principal and school administrator. For nearly two decades, he was the principal of Millport High School. Before that, he was the school's basketball coach. Max also served his country as a member of the Alabama National Guard.

Max believed in the endless possibilities that accompanied a good education. As a principal and school administrator, he was constantly striving to provide the right balance of leadership and familiarity to create an environment conducive to learning. Max knew that the future of our State was integrally tied to the education of our children. His efforts to ensure that students in his school received the best education possible were limitless.

Max took his leadership skills and commitment to Alabama's future with him when he won a seat in the legislature representing district 16. As a member of the Ways and Means, State Administration and Oil and Gas Committees in the State legislature, Max Newman was considered by his colleagues to be a team player, who could be counted on to do whatever was best for Alabama and his district. Max Newman never forgot who he was in the legislature to represent. Among other projects, he was instrumental in securing funding for a new school, South Lamar High School.

As one close friend of Max's noted, you can't say enough nice things about this man. Max earned the respect of his colleagues in the legislature, the thanks of the constituents in district 16, and the unending gratitude of the countless people whose lives he touched.

My thoughts and prayers are with Max's family today, especially his wife, Bebe Hydrick Newman; his two sons, David and Jeff; and his two daughters, Anna Rector and Michelle Newman. I thank them for their graciousness in sharing Max for so many years with the people of our State. We looked to him for leadership and for guidance. We will miss him.•

WILLIAM P. JACKSON, JR.: LEADER OF THE ATP

• Mr. SHELBY. Mr. President, I rise today to recognize the Association of Transportation Practitioners and the contributions it has made in the field of transportation law since its founding in 1929 as the bar association of the Interstate Commerce Commission. In those days, it was known as the Association of Interstate Commerce Commission Practitioners. At its first annual meeting in 1930, it was addressed by both Chief Justice Charles Evans Hughes and the famous aviatrix Amelia Earhart. Its importance has long been recognized by Washington.

A practitioners even today is generally one who has been admitted to practice before the Interstate Commerce Commission, although, like the American Bar Association, ATP welcomes those not admitted to practice who have an interest in transportation law. If one is not a lawyer, the status of practitioner is gained after taking and passing a specialized bar examination. Lawyers who are admitted to practice before the highest court of any State or the District of Columbia may practice before the ICC upon the filing of a declaration the first time they represent a client before the agency. Practitioners—both of the lawyer and nonlawyer variety—are recognized for their competence on transportation law issues.

Members of the ATP come from many different areas of transportation. They are in private practice; they work for railroads and trucking companies; barge lines and steamship companies use their talents; shippers using our transportation system employ them in their logistics functions. If they did not exist, they would have to be invented.

During the last decade, as our transportation system has evolved after the advent of deregulation, practitioners have been invaluable in keeping their clients and employers abreast of the fast-pace developments in transportation law. Practitioners have been a key element in development of the short line railroads, which have preserved rail service over track that large carriers could not profitably operate. Others have been centrally involved in litigation over freight undercharge claims and in the resultant attempts to change the law by political action.

With regulation diminished, the ingenuity of these practitioners in drawing contracts and giving advice has been called upon in unprecedented fashion. To stay up with the latest developments in tansportation law, ATP's annual meeting historically devotes 2 of its 3 days to educational programs covering a broad range of legal subjects; additionally, ATP cosponsors the Transportation Law Institute, held each year in Washington or San Francisco.

Many practitioners are active in State and local politics; and substantial number have served in State legislative bodies, including at least one speaker of the House of Representatives in my home State of Alabama. They have served as a stabilizing influence, due to their knowledge of the mechanics of our transportation system, and have been instrumental in driving the direction of statutory development.

Although some of them are also lobbyists, many fall more into the category of citizen-soldier lobbyists, rather than full-time ones. They, like Horatio of ancient Rome, join in the fray only when needed and called; thus, a good bit of time may pass between their visits with us and Members of the House of Representatives.

Membership in the Association of Transportation Practitioners is available only to those with proper credentials. Thus, most reputable transportation law experts who are engaged in surface transportation matters in the United States and many in Canada take pride in belonging to this distinguished organization. It is a worthy organization with a long history of public service.

It is with some pride that I also note that one of my longtime friends and law school classmates, William P. Jackson, Jr., took office as president of the association at its last meeting in Long Beach, CA, on June 26, 1991. Bill, who graduated from the University of Alabama School of Law in 1963, became president-elect in June of last year at the association's Toronto meeting, having been elected to that post without opposition. He is currently senior partner of the law firm of Jackson & Jessup, P.C., in Arlington, VA, having founded that firm in 1970 before it moved from Washington, DC.

Bill began his distinguished legal career in Alabama as law clerk for the late Judge Aubrey Cates, a former Rhodes scholar who served on the Alabama Court of Appeals for many years. Bill practiced law in Birmingham for 3 years with the late Maurice Bishop and John Carlton before joining an old and prestigious Washington, DC, transportation law firm in 1968.

He and his wife, the former Barbara Seignious, a Massachusetts native who moved to Birmingham shortly before they met, are now outnumbered in their family by three native Virginians—daughters Jennifer and Susan, and son William P. III, known as Jay. Bill's father still lives in Tuscaloosa, and his family has a history of prominence in legal affairs in Alabama. Over 20 of his cousins are lawyers, six of his family members graduated from the University of Alabama School of Law. An endowed scholarship was established at the University of Alabama School of Law a number of years ago in memory of his great grandfather, John Evans Jackson of Lamar County.

Even while he was in law school, Bill made an impressive record. He was leading articles editor and comments editor of the Alabama Law Review; one of his case notes was favorably referred to including author's name in an Alabama Supreme Court decision while he was still in school. His leadership was recognized by his fellow students, who elected him chancellor of Sigma Delta Kappa Law Fraternity, president of Bench & Bar Legal Honor Society, and vice president of our senior law class.

Even then, Bill was intensely patriotic. After being commissioned a second lieutenant in the U.S. Army Signal Corps, he was given a 3-year deferment to go to law school. During that time he drove to Birmingham to meet with an Army Reserve unit without pay for a year until an opening developed in a Tuscaloosa unit, where he served for 2 more years, also without pay.

Following law school, he entered active duty as a Signal Corps first lieutenant, was the honor graduate of his Signal Corps officer class at Ft. Gordon, GA, and served as division signal maintenance officer for the 1st Cavalry Division in Korea in 1963-64. But as has often been said, "The law is a jealous mistress," and practicing in Birmingham with Maurice Bishop, whose hard-working habits are still legendary, left no time for continuing Reserve activities, so Bill accepted an honorable discharge as a captain.

As he embarks on his year as president of the Association of Transportation Practitioners, it is fitting to note that Bill is the first native Alabamian to hold that position since the founding of the organization. I want to wish him well as he undertakes this great responsibility.

Mr. President, it has been my privilege to share some of Bill's immense accomplishments with my colleagues in the U.S. Senate.•

STATES TO RECOVER COSTS FOR ENVIRONMENTAL PERMITTING

• Mr. GARN. Mr. President, last night the Senate accepted an amendment I introduced at the request of Utah's Governor, Norman Bangerter, to amend the Chemical Demilitarization Program in the Department of Defense authorization bill. The current language in S. 1507 will allow the Army to develop cooperative agreements with the eight States of Kentucky, Alabama, Maryland, Oregon, Colorado, Indiana, Arkansas, and Utah that will be affected by the destruction of the Nation's chemical weapons stockpiles. The State of Utah is home to the vast majority of the stockpile stored at the Tooele Army Depot.

The Utah Department of Environmental Quality has worked closely with the Department of the Army to ensure that permits written for the Chemical Agent Munitions Disposal System [CAMDS] and the Tooele Office Chemical Demilitarization Plant [TOCDF] are issued in a timely manner. The State has already given five permits to these facilities. The Army has indicated that they anticipate over 40 modifications to these five permits. The Army expects major design and process modifications as a result of the operational verification testing at the Johnston Atoll. The Utah Department of Environmental Quality issued the TOCDF permit with the knowledge that design changes would likely occur, in order to allow the Army to begin construction of the facility in order to meet both congressional and treaty deadlines.

The State of Utah has dedicated an average of 2,000 man-hours over the past year to review and write the actual permits for the Chemical Demilitarization Program. This does not include the amount of time required to provide oversight of these permits, which would, if added to that number, total 7,00 hours, or an increase of four staff positions.

Once a permit is written, the Utah Department of Environmental Quality must then review and approve any modifications to those permits. In addition to reviewing the Federal permit applications the department receives, the department is also responsible for permitting an oversight of all other hazardous storage, waste treatment, and disposal facilities in the State, including four major commercial facilities which are host to much of the hazardous waste capacity for the Western United States.

This means that the workload for the chemical program may be three to five times the workload the department deals with for commercial facilities. The increase of this workload has created an undue burden on the State. I understand that some of the other States involved in chemical demilitarization are experiencing similar work-load problems.

Utahns recognize the need to destroy these old chemical munitions. However, the State must be provided with adequate resources in order to review these applications expeditiously and to ensure safe disposal of the munitions.

Mr. President, while the language of section 107 would allow the Army to develop cooperative agreements with the States for support of actual permitting and licensing, it does not include oversight and modifications of such permits. My amendment would give the Army authority to include in those cooperative agreements oversight and modification activities.

It is critical that the State of Utah, and the other affected States, have the capability to assure its citizens that the Army is carrying out all the requirements of its permits for the chemical demilitarization facilities. I am confident, Mr. President, that the Army will act in good faith to ensure such agreements are written. I can say with confidence that the State of Utah will continue to work cooperatively with the Army to be certain this work goes forward safely and expeditiously.

I thank Senators NUNN and WARNER for their assistance in getting this amendment adopted.•

PRESIDENT'S VISIT TO UKRAINE

• Mr. DECONCINI. I would like to take this opportunity to make a few comments on President Bush's historic visit to the Ukrainian Capital of Kiev yesterday. This was an extremely significant visit, in that it recognizes the rapidly growing importance of the republics, and especially, the crucial Ukrainian Republic. The President's visit to the site of the brutal Nazi massacre at Babi Yar near Kiev was especially meaningful and moving.

Nevertheless, Mr. President, I was stunned by some of the comments made by the President in his remarks to the democratically elected members of the Ukrainian Parliament. During his remarks, the President asserted that he wants to maintain relations with both the center and the republics. He also stated, correctly, in my view, that the United States would not pick sides between the center and the republics, but would support "those in the center and the republics who pursue freedom, democracy and economic liberty." However, no sooner had he said this than he proceeded to endorse Mr. Gorbachev's program, and in particular, the Draft Union Treaty. This is the same union treat, Mr. President, that the Ukrainian Parliament has rejected until that has a chance to ensure that this proposed treaty is in the interest of the people of Ukraine. Is this not the prerogative of the Ukrainian people? Furthermore, the President's veiled attempts to equate the relationship between the center and republics with American Federalism ignores both the brutal history and the involuntary nature of this union.

Most egregious was the President's implication that the people of Ukraine aspire to "replace a far-off tyranny with a local despotism." These remarks are inexplicable. How can the President intimate that a nation that lost millions as a direct result of Moscow's policies would promote "a suicidal nationalism based upon ethnic hatred"? The fact of the matter is the RUKH and other Democratic forces are committed to Democratic principles and respect for the rights of all the peoples of Ukraine. Indeed, Mr. President, it is ironic that President Bush embraces Mr. Gorbachev—a leader who has never been elected by the people—while at the same time refusing to meet with democratically—elected parliamentarians from RUKH.

President Bush quotes the great Ukrainian poet Taras Shevchenko: "Only in your own house can you have the truth, your strength and freedom." The people of Ukraine seek nothing more than this—to rule their own house.•

NEED FOR DIALOG ON HEALTH REFORM WITH AMERICAN PEOPLE

• Mr. McCAIN. Mr. President, all of us remember the firestorm that developed among our Nation's elderly as they learned about the Medicare Catastrophic Coverage Act. There has been much focus of late on the need for the reform of our Nation's health care system. I come to the floor today to express my heartfelt concern that if we act in haste, and without a full understanding of what the American public would like in the way of health care reform, we very definitely risk the same response that we found with the Medicare Catastrophic Coverage Act.

Mr. President, the state of our health care delivery system is increasingly on the minds of the American people, with good reason.

Over 31 million Americans lack health insurance.

Business and Government health expenditures continue to escalate rapidly, with no end in sight.

There is unequal access to medical services.

A number of policy physicians have proposed treatments for these symptoms. Many of their proposals, I believe, demonstrate a lack of understanding of the problem and a complete disregard for the views of the American people. Mr. President, I shudder at this thought, because that's exactly what happened with the Medicare Catastrophic Coverage Act—and look where that got us.

Mr. President, America's health care system is suffering from financial hypertension: explosive cost pressure which is pushing every part of the system to the breaking point. Health care costs are the fastest rising component in our entire economy. From 1981 to 1989, health care costs grew some 93.5 percent—while general inflation for the same period rose only 44.8 percent. This is certainly reason for concern.

This year we will spend $750 million on our health care system, 13 percent of our GNP. By the year 2000, we are projected to spend $1.9 trillion, or 15 percent of our GNP.

Mr. President, our health care system is able to deliver high quality services to all Americans who need care in an equitable manner. It just does not do it.

It should also reward innovation and efficient delivery of services. Instead, it encourages defensive medicine; shifts uncompensated care costs to private payors; and forces hospitals and clinics to compete in an unending medical arms race.

As a society, we have allowed enormous layers of bureaucracy to be placed on the physician-patient relationship, resulting in tens of billions of health care dollars spent on nonpatient-care activities.

Worst of all, by minimizing the financial exposure of patients through fully paid insurance coverage, we have discouraged personal responsibility for health and for the appropriate use of health services.

Mr. President, so difficult is this burden for our people and businesses to bear that this year we are experiencing an unprecedented movement aimed at nationalizing at least some part of the health care system. Daily, we hear and read of the Canadian system, of mandated health benefit plans, and of big business support for some form of national health insurance.

The pressure to adopt such a system is growing to a fever pitch. I wonder, however, if the American people aren't being sold a bill of goods. Just wait till they figure this out. I just pray it is not after Congress has blindly stabbed in the dark—enacting some well-intended but poorly conceived legislation, as was the case with the Medicare Catastrophic Coverage Act.

To their credit, our neighbors to the north have a health care system that provides universal access to primary care and preventive services for all Canadians. Providers are paid on a fee-for-service basis and there is little cost sharing for the patient. The taxpayers, however, certainly share the cost.

There are some serious problems with the Canadian-style system that must be recognized: the Government controls costs by rationing services, and there is virtually no innovation. It is not a great system if you have serious health problems that could be well served by sophisticated technology or innovative treatment methods. In addition, most Canadians lack access to necessary diagnostic services—including the critical diagnostic procedures for detecting breast cancer, brain tumors, and spinal problems.

Another point we often fail to acknowledge is that in addition to different levels of expectation regarding health care, the sociodemographic composition of Canada is different from the United States. For the most part, Canada just doesn't have to deal with the type and magnitude of problems that we find, for example, in Washington, DC, as a result of the crime rate and the illicit drug trade.

Mr. President, it has been my experience that the majority of those indicating support for a Canadian-style system are focusing on the availability of primary care and the lower cost at the doctors' office. They are often unaware of the lack of access to high-tech diagnostic and treatment services that we have come to expect as commonplace, the higher taxes or the rationing that comes with a Canadian-style system. And, when they learn of these facts about the Canadian system, most quickly run the other way. This ought to be instructive to us, Mr. President.

There is another option for reform that some have been turning toward that is halfway to Canada. In fact, it's within our borders—the so-called Massachusetts miracle. What a miracle. It required that businesses either provide a specific set of health benefits to their employees or render a tax to Caesar. It was a mandate, pure and simple. And, it failed to acknowledge the reason why some small businesses did not provide insurance to their employees was because they couldn't afford the premiums. Massachusetts turned a deaf ear to that issue. Mr. President, if any size business has an interest in seeing their employees covered for health care expenses it is small business. After all, they don't have the size of work force that would permit them to move employees around within the organization when an employee gets sick.

Many hailed it as the Massachusetts miracle. It is now known as the Massachusetts debacle. Yet, some still want to repeat it.

Mr. President, there are serious negative side effects to such an approach:

First, only the largest of companies—those that can self insure—will play, the rest will be left to pay. In essence, we will end up with the current system for large businesses, and Canada for everybody else.

Second, many small businesses cannot pay or play. The result will be mandated bankruptcies, unemployment, loss of coverage and increased cost to the public treasury.

So before we dash, as a nation, headlong into the financial black hole that nationalization of health insurance would certainly create—or repeat the now repealed Massachusetts miracle, Mr. President, I believe we ought to learn the lessons of the now repealed Medicare Catastrophic Coverage Act, and enter into a dialog with the American people about what's good about our current system, how the good aspects of the system can be protected, and the trade-offs inherent in the various alternatives that exist for reforming the system, and how much more taxes the American people are willing to pay for an expanded public sector role in health care.

This dialog should not be used as a delay tactic—it should be taken very seriously. But, nonetheless, it must occur. Rather than telling the American people, as Congress did with the enactment of the Medicare Catastrophic Coverage Act, that we know what's best for them—perhaps it's time we step back a couple of paces and try and learn from the American people what they want. We must educate each other.

Mr. President, most Americans enjoy state of the art health care. Nowhere in the world is the art and science of medicine so advanced, or advancing so quickly as in the United States. But that advancement comes at a price. Our challenge as policymakers and leaders is to identify and contain those costs which do not contribute to quality of care, or advance of medicine, and to find ways to provide care to more Americans.

Unlike food, clothing and shelter, many Americans consider health care unaffordable unless they carry insurance. We are deluding ourselves. We buy coverage for services we plan to use rather than insure ourselves against those occurrences we could not afford if they came to pass.

Mr. President, one issue about which many people are being misled in the effort to manufacture a justification for national health reform is the issue of the uninsured.

Today, between 31 and 37 million Americans are without health insurance. Many of these people go without routine primary care and preventive services, because without insurance, they believe they can't afford it. And, most of us presume that a lack of insurance translates into a lack of ability to pay for care. This is not always true. But, for those for whom this is true, the result is often delayed and more costly treatment. And, there is an unnecessarily large drain on Federal, State and provider resources when a resulting catastrophic illness or accident requires care and the individual doesn't have catastrophic coverage.

An often glossed over point, however, is that virtually all get care when they are truly in need. Someone ends up paying, even though it often results in a shift of the cost to those who can afford to pay for their care.

We need to be about the task of expanding access to health insurance.

Some, Mr. President, believe the answer to expanding coverage lies with mandated health benefits coverage or national health insurance. In my view, such thinking evidences a failure to understand who is uninsured. In fact, such proposals may actually exacerbate rather than solve the problem.

Contrary to what we are being led to believe, most uninsured Americans are not unemployed. Rather, between 70 and 80 percent are employed or are dependents of employed individuals, the vast majority of whom work for small businesses. These people are without insurance not because small business owners are unwilling to provide coverage, but because the businesses are unable to pay the high cost of the health coverage mandated by most States.

To make real progress in addressing this aspect of the health care crisis requires that policymakers confront four main issues. In short, we must craft a package that will provide employees with the coverage they need, give small firms affordable options with which to provide that coverage, help insurers to better cope with rising health care costs, and reduce—through private sector solutions—the health cost drain on our Government resources.

My good friend from Minnesota, DAVE DURENBERGER, and I have introduced a package of four bills—S. 88, S. 89, S. 700, and S. 1229—that can be an important first step in coming to grips with America's health care needs. Rather than mandating coverage or creating expensive new programs, this package of bills addresses the problem of affordability and accessibility head on by creating new and effective coverage options both for the uninsured and insurers.

I am firmly convinced that this package of bills represents a real, working solution for millions of uninsured Americans, and is a far better approach than either mandating health benefits or national health insurance.

In addition, Mr. President, I believe we should focus on the issue of medical liability reform, increased access to long-term care coverage and increased access to health coverage for the low income—as all of these issues, too, are priorities of the American public.

Mr. President, as I have stated, I am very concerned about the push by some in Congress toward national health insurance. I could not agree more that our health care delivery system needs some serious attention, as the polls clearly indicate. But, it is a big leap from dissatisfaction to argue that a Canadian-style system or the so-called Massachusetts miracle is what the American public has in mind.

Mark my words, Mr. President, if this is the direction we go we will have a firestorm on our hands that will far surpass that caused by enactment of the Medicare Catastrophic Coverage Act.

What we need is action in the areas where there is consensus, and dialog in the other areas to fully understand what the American people want in the way of health care reform. This includes what, if any, benefits they are willing to give up, and what and how they are willing to pay for the changes.

Mr. President, indeed—we have a crisis on our hands. There is no disputing that.

As is often the case, however, it seems that more time and energy is spent proposing solutions that we think will be popular than taking the time to identify the root of problems and proposing solutions that build on the strengths of the system and resolve its weaknesses. Mr. President, we all thought we were taking the popular approach with the Medical Catastrophic Coverage Act, but how wrong we were. I fear that we risk making the same mistake with the issue of health reform.

Mr. President, we cannot afford to play politics with this issue, as some of my colleagues from the other side of the aisle are currently doing. It is unfair to the Americna people, and it will only result in greater mistrust of the Federal Government by the American people.

Mr. President, the solution is not simple—as some of my Democratic colleagues have been telling the American people. It is very complex, as the issues involved are very complex. Ultimately, the issue of reform must involve an understanding of what the American people want from their health care delivery system, how much of it they think ought to be brought under the control of the Federal Government, and how much the American people are willing to pay in additional taxes. I would submit that these issues are being glossed over by many who are introducing health reform proposals.

I dare say that, when the American people begin to understand what's going on here, the firestorm that will ensue will make catastrophic look like child's play.

Mr. President, I think it is time we took a deep breath as a country and stepped back to take a look at what the most critical issues to be decided are, what the trade-offs for various alternatives are, what our priorities are and begin to develop a jointly held agenda for reform.•

ON THE CIVIL RIGHTS BILL

• Mr. GORE. Mr. President, over the past months, I have been following the efforts of members of the civil rights community, the business community, and elected officials trying to work with the administration to craft a civil rights bill which the President has repeatedly claimed he wants. I watched with great disappointment, as the President's Chief of Staff, John Sununu, derailed promising talks between the Business Roundtable and the civil rights community.

The administration has repeatedly said that employers should not be required to show that their employees were hired based on their ability to do the job. The administration believes that if employers can demonstrate that their hiring practices serve other legitimate employment goals of the company that's alright—even if those goals have nothing to do with job performance; even if those goals are as vague as corporate image, customer preference, or company morale—excuses that have been used repeatedly to keep qualified minorities and women out of the work force. And, the administration insists that this standard, which would be codified if their bill passes, has been the legal standard for years.

This week a study has been released which resoundingly disproves this claim. The New York law firm of Fried, Frank, Harris, Shriver & Jacobson analyzed all of the relevant cases between 1971, the year the Supreme Court decided Griggs versus Duke Power Co. and 1989, the year the Court decided Wards Cove Packing Co. versus Atonio. And do you know what they found? They found that in 96 percent of the cases during those years, courts applied the job performance standard. In only 8 out of 225 cases did the courts apply a standard other than job performance. Yet the administration says that this standard is unreasonable and that it is an enormous departure from recent legal precedent.

Today, we read that the President has rejected this provision of the proposed compromise on civil rights legislation. And what is his excuse now? President Bush says that the job performance standard would undermine education in this country. This President, the education President who has done nothing to significantly improve education, now uses this vital issue as an excuse for rejecting a civil rights bill which is desperately needed to protect minorities and women from discrimination in the workplace.

I have said before that I believe that the administration preferred to have a divisive issue and dangerous division in the United States to distract the attention of the American people from the real issues. I think that the White House prefers to have division, prefers no solution on civil rights and prefers to have demagoguery on this issue rather than reach a compromise and start to heal the division in this country.

The President should be trying to unite Americans, not divide them by playing politics with civil rights. I fear that the President would prefer to have a divided issue rather than a solution or at least steps toward progress for one of this Nation's most persistent problems. I believe that most Americans want to be united as a people rather than divided. I will continue to commit my efforts to that goal, and I urge my colleagues to pass a strong civil rights bill.•

DAN ECKSTROM

• Mr. DECONCINI. Mr. President, Dan Eckstrom is being honored for his 20 years of outstanding public service. He has been a model public servant and richly deserves this recognition.

Through his 20 years of outstanding service, Dan Eckstrom has made a tremendous impact on the lives of numerous Arizonans. From his lifelong residency in Barrio Libre in South Tucson as well as his experiences as the youngest of six children born to Arthur and Lupe Eckstrom, Dan learned the rudiments of several important lessons he would later use in his years as a public servant. He began his interest in government as a student at Mission View School, and after graduating from Pueblo High School in 1965, he had developed a profound interest in the study of government. While a student, Dan was vice president of his high school class and he served as a member of the student council. In addition, during his senior year, he was elected by other local students to the Tucson City Council in the first joint student-city governmental exercise and as a delegate to the Model United Nations. His own Pueblo High School classmates honored him for his many extra curricular activities, designating Dan as the "Busiest in the Senior Class." He was also selected for membership in the National Honor Society and Quill and Scroll.

From his achievements in school and in the community, Dan received a general resident scholarship and an El Club de Los Guerrero Scholarship to the University of Arizona in 1969. He earned a bachelor of arts degree in government at the University of Arizona, and he then joined the U.S. Army Reserves, serving with the 220th Judge Advocate General [JAG] Detachment. He graduated with distinction from the U.S. Naval Justice School and received an honorable discharge in 1975.

In 1971, Dan launched his career as a successful politician and an outstanding member of his community. He began this career at age 23, distinguishing himself as one of the youngest elected officials in the State when he became a member of the South Tucson City Council. He was reelected in 1973 and then his colleagues selected him as mayor in October of that same year. He served as mayor of South Tucson for four full terms in 1975, 1977, 1981, and 1985. In May 1988, he was appointed to his current position on the Pima County Board of Supervisors where he replaced his good friend, Sam Lena. The voters of District 2 elected Dan to a 4-year term of office in November 1988.

From his dedication to various progressive community causes, Dan has benefited many citizens and businesses of Pima County. His many achievements include: accomplishments in the area of economic development, infrastructure improvements, improvements in parks and recreational facilities and community development. In his 18 years of service as a member of the Pima Association of Governments [PAG] Regional Council, four terms of which he served as chairman, Dan distinguished himself with the longest period of continuous service of any area elected official. Furthermore, he is a member of the National Association of Latino Elected and Appointed Officials [NALEO] and has the special distinction of having the longest tenure among local Hispanic elected officials in Pima County. He is currently serving as vice Chair of the Greater Tucson Economic Development Council, Chair of the Regional Air Quality Executive Committee, member of the Regional Comprehensive Planning Executive Committee and the Community Hospital Advisory Council.

Even though Dan's distinguished career in government was extraordinarily time-consuming, his work ethic enabled him to make many significant contributions to the community as a successful businessperson. His early professional career in the area of retail sales and banking gave Dan the experience he needed as he would later serve as the assistant director for the Citizens Economic Development Opportunity Corporation and for more than 5 years as a marketing analyst and assistant vice president for the National Economic Development Association. In these capacities, he provided management, financial, and marketing services to many small- and minority-owned businesses in southern Arizona. In recognition of Dan's knowledge of and contribution to the small business community, he was the only southern Arizona delegate elected to the White House Conference on Small Business in 1980. The second White House Conference on Small Business also included Dan, as he was appointed by Congressman MORRIS K. UDALL. In 1984, he achieved the State of Arizona Minority Business Advocate of the Year Award for outstanding achievement in fostering the growth and development of small- and minority-owned businesses. Dan served for more that 8 years as chief administrative officer and executive vice president of Ruiz Engineering/Maya Construction Co. During these 8 years, the company was the recipient of numerous national awards for its performance; in addition, it was recognized as one of the fastest growing Hispanic-owned businesses in the United States. His contribution to the business community was augmented in 1987, when Dan started a management consulting firm which currently provides marketing, financial, and management services to several businesses. In 1988, he earned the Minority Advocate of the Year Award by the Tucson Minority Business Development Center.

For years of public service, Dan has been recognized with numerous awards for his accomplishments. Among these awards are a 10- and 15-year service awards from the Arizona League of Cities and Towns and a 10-year service award from the National Association of Regional Councils. In addition, in 1985, he received a community service award by the Labor Council for Latin American Advancement for his service to labor and the Hispanic community, and, in 1988, the city of South Tucson honored him by naming its new city hall facility the "Daniel W. Eckstrom Municipal Complex." In 1990, Dan was selected to be listed in Who's Who Among Hispanic Americans, and, in 1991, Dan learned that he was to receive the "Distinguished Citizen Award" at the University of Arizona homecoming.

Dan and his family currently reside in South Tucson. He has been married for 19 years to the former Alice Rosales. They are the proud parents of Jennifer, age 14, a sophomore at Salpointe Catholic High School and Billy, age 11, a sixth grader at St. Ambrose School.●

LTJG ERNEST HAQUETTE GREPPIN III, USN

● Mr. ROTH. Mr. President, it has come to my attention that a tragic accident has claimed the life of LTJG Ernest Haquette Greppin III, USN.

Ernie came to Delaware in 1982 when he entered his fourth form or sophomore year at St. Andrews. There he became a part of the school and a part of his classmates.

After graduation while the rest of his class was preparing to attend schools like Princeton, Harvard, and Columbia, Ernie was preparing to enter the U.S. Naval Academy.

As a midshipman, Ernie Greppin studied and trained for what was to be his role as an officer in the U.S. Navy. Not satisfied with merely being an officer, Ernie entered and completed the Navy SEAL training program, the most difficult of the special forces programs.

His desire to serve his country was made clear when he was asked by classmates concerned for his safety, what his role would be during the war with Iraq. Ernie's reply spoke volumes on his devotion to his country and the stature of his character. "I won't be going over to Iraq," he said, "but I wish I were."

Ernie Greppin achieved a great deal that few could have imagined possible. His friends, however, came to know that for Ernie nothing was impossible. News of his death has brought much sadness to his family and friends around the country; especially those in Delaware. The sadness felt in the hearts of his friends is surpassed only by their regret. A regret that they never had the chance to tell Ernie how proud there were.●

TRANSFER OF EXCESS MEDICAL EQUIPMENT AND SUPPLIES TO EMERGING DEMOCRACIES

● Mr. DECONCINI. Mr. President, I was planning to introduce an amendment to the DOD authorization bill concerning humanitarian assistance for certain emerging democracies. However, in the interest of expediting this bill in the Senate, I am instead including this statement of support for a specific type of humanitarian aid program that the Department of Defense already has the authority to pursue—the transfer of excess military medical equipment and supplies, for civilian purposes only, to emerging democracies in East Europe, Africa, and other needy parts of the world. This aid would assist these needy and struggling countries in a manner that does not burden the American people, and seems so sensible and relatively painless.

The list of emerging democracies in need is long—Albania, Angola, the Baltic States, Bulgaria, Ethiopia, Romania, and other emerging African, East European, and Central American democracies. Mr. President, these countries have for too long faced turmoil, upheaval, and uncertainty. They yearn for democracy, for freedom from civil war and hunger, and a better and healthier life for all their citizens. But their people are dying of disease, and these nations simply do not have the health care resources available to address those needs.

The United States is, by comparison, a healthy, privileged nation with an excess of health care equipment and supplies. The Defense Department is planning to return, or partially return, 235 overseas sites to host governments or assign them to standby status. With this drawdown of American forces overseas, it simply makes sense to transfer medical supplies, which have been declared to be excess, to Third World countries in the regions where the supplies are located rather than bring that material back to the United States to be stored, sold, or tragically destroyed because it has exceeded expiration dates. And bringing the material back at a greater expense than donating it to those in need does not make economic sense.

We have already set a precedence for sensible humanitarian disposition of pharmaceuticals stockpiled during the recent Persian Gulf war. We correctly provided for the worst case scenario in the gulf—maximum injuries and trauma—and stocked enough drugs to respond to any situation one could envision. Thankfully, our men and women deployed to the Middle East did not have to suffer the extent of trauma that could so easily have occurred. What resulted was an excess supply of pharmaceuticals with finite expiration dates. Under current law and Department of Defense regulations, the Secretary of Defense was able to declare the drugs excess and make them available to the Kuwaiti people whose health care infrastructure was devastated during the Iraqi occupation. Without this authority, the drugs would have been thrown away because they exceeded their expiration date. And we would have missed an opportunity to render badly needed humanitarian aid to the Kuwaiti citizens.

The Department of Defense this month is delivering 150,000 pounds of medical supplies and blankets to Romania. This effort complements the DOD Excess Property Humanitarian Assistance Program, which has served over 40 nations worldwide. DOD airlifted over 7,000 pounds of DOD excess medical supplies and 130,000 pounds of Ringer lactate, which is used to combat cholera, to Chad to fight the latest epidemic there. Economically destitute Mongolia, reeling from hardship after hardship during its movement away from its Stalinist system, benefited from DOD's excess medical supplies when a C-141B Starlifter landed with bandages, blankets, saline, ointment, splints, and braces stockpiled for disaster in the Persian Gulf. In the aftermath of the devastating earthquake in the Philippines, DOD aircraft landed with much-needed medical supplies and equipment to assist our Filipino friends. The list of those in need, unfortunately, goes on and on.

Mr. President, we consistently give foreign governments, often undeserving ones, money, grants, and food from the coffers of the American taxpayer. No wonder most Americans oppose foreign aid. But this military medical excess, in most cases, does not constitute additional taxpayer expenditures. These medicines and medical supplies are oftentimes already in those parts of the world needing assistance. In many cases, it would cost more to ship back the supplies than the total value of the supplies themselves. Donating it to the deserving and needy of the world is the sensible thing to do.

Mr. President, we also have legal entitlement to provide our excess medical supplies to these destitute people. Section 2547 of title 10, United States Code, expressly states that the Secretary of Defense may make available for humanitarian relief purposes any nonlethal excess supplies of the Department of Defense which will be distributed through the Secretary of State.

I offer my continued support to this important humanitarian effort. I urge my colleagues to add their voices to continuing this desperately needed assistance to those less fortunate than ourselves.•

ENERGY AND ENVIRONMENT STUDY INSTITUTE TASK FORCE RECOMMENDATIONS ON SUSTAINABLE DEVELOPMENT

• Mr. JEFFORDS. Mr. President, I join my colleagues in drawing the attention of the Senate to the very valuable document produced by the EESI Task Force on International Cooperation and Environmental Security. I congratulate Senator PELL and Senator KASTEN for their roles in the task force, which has done Congress a service in preparing its report, "Partnership for Sustainable Development."

The set of recommendations contained in the report is impressively broad in its sweep while remaining concrete and realistic in what it calls upon the United States to do to advance the cause of environmentally sustainable development. This is a package of initiatives that can help the United States chart its course for international cooperation on the interlinked problems of environment and development for the next few years.

Mr. President, there is no more serious long-term challenge to the well-being of the American people or to that of the world's people than achieving global economic development without degrading the environment and natural resources. I have just joined the Senate Foreign Relations Committee, and I am convinced that the issue of sustainable development highlighted in this report will continue to rise on the committee's agenda in the years to come.

Even now, preparations are in full swing for the U.N. Conference on Environment and Development in Rio next June. It represents a historical opportunity for the world community to decide on an agenda for action to address the sustainable development challenge. The world looks to the United States for leadership in the preparatory meetings, and the initiatives proposed by the EESI Task Force represent just the kind of thinking we need to make the conference a success.

The EESI Task Force recommendations urge action on such critical problems as the loss of tropical forests, the negative impact of developing country debt on natural resource management, the need for more family planning services and information, the status of women in developing countries, and the sustainable use of energy. I join with my colleagues on the committee in urging the White House and the agencies preparing U.S. positions for the 1992 U.N. conference to draw on this task force report as a resource in deciding positions to take in the next meeting of the preparatory committee in just a few weeks.

Mr. President, one of the problems on which there must be broad and comprehensive agreement at the U.N. conference next year is how to assist developing countries in using energy more efficiently. This is an enormous problem which will require a number of different approaches to modernize the technological base of industry in developing countries. The EESI Task Force does not provide all the answers, but it does have a suggestion that should be part of the solution. It recommends a multilateral program to establish centers for training and research on energy efficiency and renewable energy in each developing country region.

These centers, which would help to train the private sector as well as government officials from countries within that region in the theory and practice of demand-side management as a way of reducing energy use, would represent perhaps the most important kind of technology transfer—the transfer of knowledge of how to plan and carry out energy efficiency policies and programs. If such a proposal were to be adopted by the U.N. conference, it might well be one of its most significant accomplishments.

An important factor in energy consumption is population. In fact, projected population growth, if unchecked, could outstrip even the most aggressive efforts to conserve and reuse energy. If allowed to continue at current trends, the world's population, estimated to be 5.4 billion, could easily triple before rates of growth level off. Overpopulation threatens not only the environment and precious resources, it also threatens the very foundations of development.

Recognizing that strident efforts must be made to stabilize population growth, the task force urges increased funding for family planning services. The U.N. Fund for Population Activities estimates that it will cost between $9 billion and $11 billion annually to get family planning services to the 75 percent of reproductive-age couples in the developing world who want these services. An effort of this magnitude will be necessary if population growth is to be substantially slowed, and the United States must be a major contributor to this effort.

Mr. President, I welcome the agenda for U.S. actions in support of sustainable development released by the Environment and Energy Study Institute's Task Force, and I will support appropriate Senate actions to implement its recommendations.•

DISCRIMINATORY JOB QUALIFICATIONS AND THE ADMINISTRATION'S POSITION ON CIVIL RIGHTS

• Mr. SIMON. Mr. President, last year during the conference on the civil rights bill, we went out of our way to unequivocally state that quotas were not a part of affirmative action in this Nation. Yet the President used this issue as an excuse for vetoing the Civil Rights Act of 1990.

This year, the administration has once again raised the specter of quotas to justify its continued opposition to civil rights for all Americans.

Mr. President, this past week the NAACP legal defense and education fund released a study of job discrimination cases decided prior to the 1989 Supreme Court decision in Wards Cove versus Atonio. Wards Cove made it easier for employers to defend hiring practices that result in the exclusion of women and minorities. The NAACP legal defense fund study reveals that in 96 percent of job discrimination cases decided between 1971 and the Wards Cove decision, the Federal courts used job performance as the test to determine the legitimacy of an employment practice.

Last year during the conference on the civil rights bill, the administration agreed that Wards Cove should be modified. This year, the administration has advanced the spurious claim that unless employers have free reign to establish job qualification standards, they will resort to quotas to avoid being sued. The administration has even gone so far as to claim that courts have never required that job qualifications be related to job performance.

Mr. President, the NAACP legal defense fund study flatly refutes this claim and provides further, troubling support for the proposition that the President may be more interested in an issue than a bill. I urge my colleagues to closely review the findings of this study.

I ask that a New York times article on this subject and a summary of the study be included in the RECORD immediately following my remarks.

The material follows:

[From the New York Times, July 28, 1991]

STUDY SAYS BUSH'S STAND ON CIVIL RIGHTS BILL CONTRADICTS THE COURTS

(By Adam Clymer)

WASHINGTON, July 27.—A leading civil rights organization made public a study of 18 years of job discrimination cases today, saying it showed that the Bush Administration's approach to this year's civil rights bill "is a radical departure from established legal precedent."

The study was prepared by the New York City law firm Fried, Frank, Harris, Shriver & Jacobson for the NAACP Legal Defense and Educational Fund, Inc. Contradicting Administration arguments about the bill, it found that the Federal courts had ruled almost without exception that employers could not impose employment standards that discriminated against minority members unless the standards related to job performance.

The study also found that "employers have prevailed in a substantial number of these cases" when their standards, like those regarding height, strength or education, were legitimately tied to job performance. It found that standards that had been challenged were upheld in 28 percent of the cases when the courts found the requirements proper.

SPECTER OF QUOTAS

The Administration has contended that if employers are not permitted wider latitude in the standards they use, they will resort to employment quotas to avoid being sued.

The study is being released two days after Senator John C. Danforth, the Missouri Republican who has become the Senate's most visible advocate of the stalled civil rights bill, met with President Bush on the issue.

Mr. Danforth said Thursday that he urged Mr. Bush to argue for a bill in which employers would be barred from adopting standards with discriminatory results if they were not related to job performance. He said that the President took notes and that Mr. Bush said he would consider the argument.

Attorney General Dick Thornburgh argued in a letter to Senator Danforth on June 21 that the Supreme Court had never insisted on a narrow reading that would bar all practices with discriminatory effects if the practices were not related to job performance. He argued for broader language that would hold practices legitimate so long as they had a "manifest relationship to the employment in question."

But the Fried, Frank study insisted that from the 1971 decision in Griggs v. Duke Power Company until the 1989 ruling in Wards Cove v. Atonio, even when the courts used language like that cited by Mr. Thornburgh, they used it to mean either "job performance" or "job relatedness."

Until Wards Cove, the study said, in only 8 of 225 cases did the Federal courts apply a test other than job performance in deciding whether an employment practice was legitimate.

TOWARD A BETTER WORK FORCE

"Using a variety of formulations, courts have rejected employer's justifications such as customer preference, employee morale and administrative convenience when an employer did not demonstrate that satisfaction of those concerns provided a better worker or work force," it said.

The study looked at a variety of practices that had been thrown out by the courts. For example, in a 1986 case, a requirement that applicants for an apprenticeship program for railroad engineers had to have experience in and around rail cars was thrown out because it was found to discriminate against women. The railroad did not show that experience with trains made better engineers, and because no women had held jobs around trains and had been confined largely to clerical positions, the requirement was found to be discriminatory by the 4th Circuit Court of Appeals.

In a 1983 case a challenge was brought against the Cook County, Ill., practice of dividing social workers into mainly white "case workers" and mainly black "case aides" and paying the "case workers" $200 to $300 more per month. The county said it did so because the case workers had degrees from four-year colleges and had passed an examination, but the 7th Circuit Court of Appeals threw out the pay differential because the lower-paid workers successfully performed the same work as the higher-paid workers, showing that the higher qualifications were irrelevant.

But the report also emphasized that the job performance standard was not insurmountable. "Courts readily uphold an employment practice if the employer can show that the practice actually enables the employer to screen out unqualified or less-qualified candidates," it said.

It cited, among other cases, a 1977 ruling by the 8th Circuit Court of Appeals allowing Ozark Airlines to impose a minimum height requirement for pilots, even though the rule barred more women than men from being hired. The study said the court found the requirement necessary because of the way instruments and windows are built in a cockpit.

The report noted that speed and strength were upheld as requirements for jobs as firefighters in New York City in 1985 despite the fact that only two women scored well enough to win places on an eligibility list of 6,400.

And it cited decisions upholding educational requirements for prison guards and schoolteachers even though the result in each case was to limit minority hiring or pay.

The study's authors were Leon Silverman, Arthur Lazarus Jr., John Sullivan and Natalie Chetlin.

[From NAACP Legal Defense and Educational Fund, Inc., Washington. DC]

SUMMARY OF FRIED, FRANK STUDY

A major New York law firm has completed a comprehensive study on the most important issue holding up the Civil Rights Act of 1991: What should a company have to prove to justify the use of employment practices that have a proven discriminatory impact on minorities or women?

This issue was decided in 1971 by the Supreme Court in Griggs v. Duke Power Co. and courts applied the Griggs standard until 1989 when a new Supreme Court decision made it significantly easier for companies to defend these cases. The Bush Administration has said it is willing to restore the Griggs standard but it opposes the principle (which the civil rights bill incorporates) that job qualifications which screen out minorities or women must be related to a person's ability to perform the job.

The White House claims that Griggs and the cases that followed it never established this kind of job performance standard, and that such a requirement would be so difficult to meet that firms would simply resort to quotas. Supporters of the bill have said that job performance was the standard under Griggs and that without this protection minorities and women will fact arbitrary barriers unrelated to their ability to do the job.

The study done by the law firm of Fried, Frank, Harris, Shriver & Jacobson analyzed all of the relevant cases between 1971 and 1988 and concluded:

In nearly all the cases (96%), courts applied the job performance standard.

In only 8 out of 225 cases did the court apply a standard other than job performance.

In Griggs alone, the Supreme Court referred to job performance more than 10 times and held that a practice which operates to exclude blacks is prohibited if "it cannot be shown to be related to job performance."

Under the job performance standard, employers won 28% of the time even where the challenged practice resulted in a significant discriminatory impact on women or minorities.

In numerous other cases the employer won because the plantiffs were unable to make the required showing of discriminatory impact.•

INDIAN TRIBAL WASTE MANAGEMENT ACT OF 1991

• Mr. DOMENICI. Mr. President, earlier this week the Senate Select Committee on Indian Affairs held a symposium on the solid waste management problems on our Nation's Indian reservations. I was very disturbed by the fact that of the 108 known Indian solid waste sites, only 2 currently meet Federal standards.

There is no doubt that we must address this problem at the earliest possible moment. To that end, I commend Senator JOHN MCCAIN of Arizona for his fine work in outlining the key elements of this problem and drafting a bill that begins to address our concerns. Today I am cosponsoring this measure.

I know we are entering some unknown territory regarding the scope of the problem and the potential Federal costs involved in bringing Indian solid waste sites up to standard. We have no choice but to go forward in our exploration of this problem and its solutions.

The McCain bill essentially states our ultimate goal of protecting the public health and safety. We are optimistic in setting a time period of 5 years for meeting applicable standards, but this is the right direction to be taking.

While the Federal Government clearly holds the trust responsibility for Indian tribes, I am not yet sure how much money the Federal Government can be committing to waste management in Indian country. My experience, however, with the Zuni Land Conservation Act tells me that Federal liability for wrongful decisions can come back to haunt us.

The area of technical assistance to Indian tribes interests me greatly as does the job potential aspect as more tribes work to improve their own waste disposal methods. Tribal capacity building is essential for the full understanding and application of such Federal laws as the Clean Water Act, the Safe Drinking Water Act, the Clean Air Act, and the Resource Conservation and Recovery Act. Many cities and counties in this country have similar needs for proper implementation of these federal mandates.

As drafted, this discussion bill has a mechanism for allowing Indian tribes to import waste generated outside the State. In a manner similar to the Indian Gaming Regulatory Act, the original proposal by Senator MCCAIN links the legality of this approach to State law. In other words, a tribe may do no more than a State permits with regard to out-of-State waste.

These are complicated issues that need resolution. The Federal trust responsibility and the government-to-government relationship between Indian tribes and the Federal Government add a special aspect to any proposed resolution. The courts are still interpreting the relationships we established between States and Indian tribes in the Gaming Act. Similar complications will face us in the waste management field.

Mr. President, I am grateful to my friend, Senator McCAIN, for bringing forth a comprehensive framework to begin addressing these vital matters that will affect generations to come. I look forward to the deliberations on this bill with input from Indian leaders and State governments to find the best mix of authority and responsibility for waste management in the decades to come.•

SALUTING OUR SENIOR CITIZENS

• Mr. RIEGLE. Mr. President, the Congress has passed a resolution to make the third Sunday in August National Senior Citizens Day. This is a fitting tribute to the lifetime contributions our senior citizens have made in building our great Nation.

Older Americans are a valuable resource for the country. Many who have retired from long and distinguished careers in a variety of fields, continue to give us the benefit of their wide and varied experience in many ways. They volunteer in our public schools and libraries. Some work with local police agencies, helping them with the daily administrative tasks that don't require law enforcement skills, thereby freeing officers for the duties that do require those skills. Others become volunteer grandparents providing support and guidance for young people in their communities.

Our senior citizens have given a great deal to this country and they continue to give of themselves. We owe it to them to support those policies and programs that help them live independently, in their own homes for as long as they can. The Older Americans Act, which is up for reauthorization this year, is a fundamental program which helps seniors maintain their independence. It has helped remove individual and social barriers to economic independence for many senior citizens by supporting the only federally sponsored job creation program for low-income, older workers. It also created a network of area agencies for the aging that work with State agencies and service providers to supply a number of services to seniors such as the National Nutrition Program for the Elderly and an in-home program to provide services to frail older persons.

Unfortunately, many of the Nation's seniors do not take advantage of the programs aimed at their needs. For example, according to the American Association of Retired Persons, 40 to 50 percent of potential supplemental security income beneficiaries do not participate in the program. Similar problems occur in Medicare. One of the reasons why so many people miss out on receiving the benefits they are entitled to is the amount of overlap and the lack of coordination between programs. Many times an older person who contacts one agency to apply for a particular benefit may not be informed of other programs for which he or she might be eligible from other agencies. Our senior citizens deserve better information about the programs available to them. I have been working to improve this coordination in a number of areas and will continue to work to make sure our seniors get the help they need.

By making the third Sunday in August National Senior Citizens Day the Congress has shown that the Nation supports its senior citizens. In addition to this kind of support, let us also show how America values these people through our public policy.

Mr. President, this resolution has been adopted by both the Senate and the House of Representatives. The President has until August 7, 1991, to sign this legislation. I encourage him to sign this into law so that the Nation may celebrate the first National Senior Citizens Day this year on August 18.•

CONGRATULATIONS TO THE "WIZO"

•Mr. COATS. Mr. President, today I rise to congratulate the captain and crew of the *Wizo*. The *Wizo* ran in the 1991 Chicago-to-Mackinac invitational yacht race and crossed the finish line ahead of steep competition. This year was the 84th running of the Mac. The *Wizo's* captain, Dr. Willard Harman, marked his 24th year of entering the race.

Since 1906, the Mac has been the longest freshwater yacht race in the world. The course covers some 333 statute miles from Chicago to Michigan's Mackinac Island. Considered to be the top event in amateur class sailboating, this years race had 210 entrants in *Wizo*'s class. *Wizo*, however, was first put in the water in 1972 and it was not as technically advanced as some of its competition.

Dr. Harman resides in Huntington, IN, and is a member of the Michigan City Yacht Club. Huntington is some 100 miles from Lake Michigan and his yacht club, yet he and his crew know the race and they know the challenges of Lake Michigan. Extensive training and preparation made this year a superior effort for the crew of the *Wizo*. It is a great accomplishment for Indiana to have a winning combination such as this. Though landlocked, Hoosiers have found that sailing can be mastered.

The crew worked four-man shifts, changing sails 17 times on the 49-hour race. The captain and crew deserve praise for piloting a boat that is two decades old, passed newer and swifter crafts designed for various weather that would be encountered. The *Wizo* crew interchanged its seven sails to match the weather with more physical effort and less modern convenience than the other entrants. Willard Harman and his son, Eric, combined, have 48 years experience between them in the Mac and this year it paid off.

Dr. Harman and crew will now have their names inscribed on the Mackinac Cup along with all the other crews that have triumphed the waters of Lake Michigan. This crew had to work together flawlessly to capture a win on this scale and they deserve to be called the best.•

SEVEN LITHUANIANS

• Mr. DECONCINI. Mr. President, though I have spoken on behalf of the Baltic States only recently on this floor, I feel I must do so again today in light of the killings of seven Lithuanians at a Lithuanian border post earlier this week. As usual, President Gorbachev simply cannot seem to determine who was responsible, although reports indicate that, as in the past, Soviet special police forces were involved. President Gorbachev responded to questions about the incident by calling for an investigation, but that investigation will probably be carried out by the Soviet Internal Affairs Ministry—those most likely responsible for this atrocity.

Mr. President, when is this violence going to stop? All three of the Baltic States have been waiting patiently for Moscow to begin a genuine dialog. But instead of negotiations, we have witnessed a sustained, low-intensity conflict waged against the Baltic States, which involves killings, beatings, and persecution. This aggression began violently last January when over 20 innocent people were killed in Lithuania and Latvia. And now seven more Lithuanians are dead.

Is this Gorbachev's idea of good-faith negotiation? Will he once again whitewash the special forces, as he did by sanctioning the outrageous report on the violence in January issued this June by the Soviet procurator? The authors of that report expected the world to believe that the Lithuanians killed were run over by automobiles or dead of heart attacks.

Furthermore, I was stunned by President Bush's reaction. The strongest words the President could say were that he "regrets the violence." Was he so concerned about not confronting his genial host that he could find no stronger words to condemn the deaths of seven innocent people? The President termed the killings "cross border violence." How can this be "cross border violence" when only one side—Moscow is behind the bloodshed?

In spite of this relentless violence and harassment, President Bush wants to grant MFN status to Gorbachev's government. Let the record state that this is one Senator who is going to have a great deal of difficulty approving any agreement with a government that murders people whose only crime is to struggle for their own freedom.●

SECURE CHOICE

● Mr. DOLE. Mr. President, I ask unanimous consent to have bill S. 1668, introduced today, and a brief summary of the bill printed in the CONGRESSIONAL RECORD.

The material follows:

S. 1668

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "Secure Choice".

TITLE I—LONG-TERM CARE PROVISIONS

SEC. 101. LONG-TERM CARE ASSISTANCE PROGRAM ESTABLISHED.

(a) IN GENERAL.—The Social Security Act (42 U.S.C. 301 et seq.) is amended by adding at the end thereof the following new title:

"TITLE XXI—LONG-TERM CARE ASSISTANCE PROGRAMS FOR THE ELDERLY

"TABLE OF CONTENTS OF TITLE

"PART A—GRANTS TO STATES FOR LONG-TERM CARE ASSISTANCE PROGRAMS

"Sec. 2101. Appropriation.
"Sec. 2102. State plans for long-term care assistance.
"Sec. 2103. Payment to States.
"Sec. 2104. Operation of State plans.
"Sec. 2105. Definitions.
"Sec. 2106. Observance of religious beliefs.
"Sec. 2107. Certification and approval of skilled nursing facilities.
"Sec. 2108. Indian health service facilities.
"Sec. 2109. Assignment of rights of payment.
"Sec. 2110. Hospital providers of nursing facility services.
"Sec. 2111. Withholding of Federal share of payments for certain medicare providers.
"Sec. 2112. Provisions respecting inapplicability and waiver of certain requirements of this title.
"Sec. 2113. Use of enrollment fees, premiums, deductions, cost sharing, and similar charges.
"Sec. 2114. Liens, adjustments and recoveries, and transfer of assets.
"Sec. 2115. Application of provisions of title II relating to subpoenas.
"Sec. 2116. Requirements for nursing facilities.
"Sec. 2117. Treatment of income and resources for certain institutionalized spouses.

"PART B—SECURE CHOICE INSURANCE OPTION

"Sec. 2131. Purpose.
"Sec. 2132. Definitions.
"Sec. 2133. Establishment of program.
"Sec. 2134. General requirements.
"Sec. 2135. State plan.
"Sec. 2136. Qualified participants.
"Sec. 2137. Qualified policies.
"Sec. 2138. Benefit subsidy.
"Sec. 2139. Premiums.
"Sec. 2140. Benefits and reimbursements.
"Sec. 2141. Qualified participants who change State of residence.
"Sec. 2142. Federal contributions and State administration.
"Sec. 2143. Standards and performance organizations.
"Sec. 2144. Qualified insurers.
"Sec. 2145. Qualified providers.
"Sec. 2146. Case management services.
"Sec. 2147. Educational program.

"PART C—LONG-TERM CARE INSURANCE STANDARDS

"Sec. 2151. Long-term care insurance standards.

"PART A—GRANTS TO STATES FOR LONG-TERM CARE ASSISTANCE PROGRAMS

"APPROPRIATION

"SEC. 2101. For the purpose of enabling each State, as far as practicable under the conditions in such State, to furnish long-term care assistance to functionally impaired elderly individuals whose income and resources are insufficient to meet the costs of necessary long-term care services in order to help such individuals attain or retain capability for independence or self-care, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this title. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary, State plans for long-term care assistance.

"STATE PLANS FOR LONG-TERM CARE ASSISTANCE

"SEC. 2102. (a) STATE PLAN REQUIREMENTS.—A State plan for long-term care assistance must—

"(1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them;

"(2) provide for financial participation by the State equal to not less than 40 percent of the non-Federal share of the expenditures under the plan with respect to which payments under section 2103 are authorized by this title; and provide for financial participation by the State equal to all of such non-Federal share or provide for distribution of funds from Federal or State sources, for carrying out the State plan, on an equalization or other basis which will assure that the lack of adequate funds from local sources will not result in lowering the amount, duration, scope, or quality of care and services available under the plan;

"(3) provide for granting an opportunity for a fair hearing before the State agency to any individual whose claim for long-term care assistance under the plan is denied or is not acted upon with reasonable promptness;

"(4) provide (A) such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods, and including provision for utilization of professional personnel in the administration and, where administered locally, supervision of administration of the plan) as are found by the Secretary to be necessary for the proper and efficient operation of the plan; (B) for the training and effective use of paid subprofessional staff, with particular emphasis on the full-time or part-time employment of recipients and other persons of low income, as community service aides, in the administration of the plan and for the use of nonpaid or partially paid volunteers in a social service volunteer program in providing services to applicants and recipients and in assisting any advisory committees established by the State agency, and (C) that each State or local officer or employee who is responsible for the expenditure of substantial amounts of funds under the State plan, each individual who formerly was such an officer or employee and each partner of such an officer or employee shall be prohibited from committing any act, in relation to any activity under the plan, the commission of which, in connection with any activity concerning the United States Government, by an officer or employee of the United States Government, an individual who was such an officer or employee, or a partner of such an officer or employee is prohibited by section 207 or 208 of title 18, United States Code;

"(5) provide for the establishment or designation of a single State agency to administer or to supervise the administration of the plan, except that the determination of eligibility for long-term care assistance under the plan shall be made by the State or local agency administering the State plan approved under title I or XVI (insofar as it relates to the aged) if the State is eligible to participate in the State plan program established under title XVI, or by the agency or agencies administering the supplemental security income program established under title XVI;

"(6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

"(7) provide safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with the administration of the plan;

"(8) provide that all individuals wishing to make application for long-term care assistance under the plan shall have opportunity to do so, and that such assistance shall be furnished with reasonable promptness to all eligible individuals;

"(9) provide that the State health agency, or other appropriate State agency (whichever is utilized by the Secretary for the purpose specified in the first sentence of section 1864(a)), shall be responsible for establishing and maintaining standards for private or public entities from which recipients of long-term care assistance under the plan may receive care or services;

"(10) provide—

"(A) for making long-term care assistance available, including at least the care and services described in section 2105(a) (2) and (3) (and with respect to severely functionally impaired individuals as described in section 2105(c)(2) at least the care and services described in section 2105(a) (1), (2), and (3)) to—

"(i) all individuals who are functionally or severely functionally impaired as described in section 2105(c) and whose income and resources do not exceed the minimum income and resource levels the State is required to establish under subsection (j); and

"(ii) at the option of the State, to individuals who would otherwise be eligible for long-term care assistance but for income;

"(B) that the long-term care assistance made available to any individual described in subparagraph (A) shall not be less in amount, duration, or scope than the long-term care assistance made available to any other such individual; and

"(C) that if long-term care assistance is included for any individual who is not described in subparagraph (A)(i) then the plan must include a description of the single standard to be employed in determining the income and resource eligibility for all such individuals, and the methodology to be employed in determining such eligibility, which shall be no more restrictive than the methodology which would be employed under the supplemental security income program;

"(11) provide—

"(A) for payment (except where the State agency is subject to an order under section 2111) for nursing facility services provided under the plan through the use of rates (determined in accordance with methods and standards developed by the State) which take into account the costs (including the costs of services required to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident eligible for benefits under this title) of complying with subsections (b) (other than paragraph (3)(F) thereof), (c), and (d) of section 1919 and provide (in the case of a nursing facility with a waiver under section 1919(b)(4)(C)(ii)) for an appropriate reduction to take into account the lower costs (if any) of the facility for nursing care and which the State finds, and makes assurances satisfactory to the Secretary, are reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities in order to provide care and services in conformity with applicable State and Federal laws, regulations, and quality and safety standards and to assure that individuals eligible for long-term care assistance have reasonable access (taking into account geographic location and reasonable travel time) to nursing facility services of adequate quality; and such State makes further assurances, satisfactory to the Secretary, for the filing of uniform cost reports by each nursing facility and periodic audits by the State of such reports;

"(B) that the State shall provide assurances satisfactory to the Secretary that the valuation of capital assets, for purposes of determining payment rates for nursing facilities will not be increased (as measured from the date of acquisition by the seller to the date of the change of ownership), solely as a result of a change of ownership, by more than the lesser of—

"(i) one-half of the percentage increase (as measured over the same period of time, or, if necessary, as extrapolated retrospectively by the Secretary) in the Dodge Construction Systems Costs for Nursing Homes, applied in the aggregate with respect to those facilities which have undergone a change of ownership during the fiscal year, or

"(ii) one-half of the percentage increase (as measured over the same period of time) in the Consumer Price Index for All Urban Consumers (United States city average); and

"(C) for payment for home and community-based care through rates established by the State in conformance with applicable State and Federal laws, regulations, and quality and safety standards;

"(12) provide for inclusion, to the extent required by regulations prescribed by the Secretary, of provisions (conforming to such regulations) with respect to the furnishing of long-term care assistance under the plan to individuals who are residents of the State but are absent therefrom;

"(13) provide for reasonable standards which shall be comparable for all individuals for determining eligibility for and the extent of long-term care assistance under the plan which (A) are consistent with the objectives of this title, (B) provide for taking into account only such income and resources as are, as determined in accordance with standards prescribed by the Secretary, available to the applicant or recipient and as would not be disregarded (or set aside for future needs) in determining his eligibility for such aid, assistance, or benefits, (C) provide for reasonable evaluation of any such income or resources, (D) do not take into account the financial responsibility of any individual for any applicant or recipient of assistance under the plan unless such applicant or recipient is such individual's spouse or such individual's child who is under age 21, and (E) at the option of the State provide for flexibility in the application of such standards with respect to income by taking into account, except to the extent prescribed by the Secretary, the costs incurred for long-term care under this title or for any other type of remedial care recognized under State law;

"(14) comply with the provisions of section 2114 with respect to liens, adjustments, and recoveries of long-term care assistance correctly paid, and transfers of assets;

"(15) provide such safeguards as may be necessary to assure that eligibility for care and services under the plan will be determined, and such care and services will be provided, in a manner consistent with simplicity of administration and the best interests of the recipients;

"(16) include descriptions of (A) the kinds and numbers of professional personnel and supporting staff that will be used in the administration of the plan and of the responsibilities they will have, (B) the standards, for private or public entities from which recipients of long-term care assistance under the plan may receive care or services, that will be utilized by the State authority or authorities responsible for establishing and maintaining such standards, (C) the cooperative arrangements with State health agencies entered into with a view to appropriate utilization of and maximum coordination of the provision of long-term care assistance with the services administered or supervised by such agencies, and (D) other standards and methods that the State will use to assure that care and services provided to recipients of long-term care assistance are of high quality;

"(17) except as provided in section 2112 and except in the case of Puerto Rico, the Virgin Islands, and Guam, provide that any individual eligible for long-term care assistance may obtain such assistance from any institution, agency, or person, qualified to perform the services or services required, who undertakes to provide him such services;

"(18) provide for consultative services by health agencies and other appropriate agencies of the State to nursing facilities, home health agencies, and such other long-term care providers as the Secretary may specify in order to assist them (A) to qualify for payments under this Act, (B) to establish and maintain such fiscal records as may be necessary for the proper and efficient administration of this Act, and (C) to provide information needed to determine payments due under this Act on account of care and services furnished to individuals;

"(19) provide—

"(A) that the State or local agency administering such plan will take all reasonable measures to ascertain the legal liability of third parties (including entities providing for health or long-term care insurance) to pay for care and services available under the plan, including—

"(i) the collection of sufficient information (as specified by the Secretary in regulations) to enable the State to pursue claims against such third parties, with such information being collected at the time of any determination or redetermination of eligibility for long-term care assistance, and

"(ii) the submission to the Secretary of a plan (subject to approval by the Secretary) for pursuing claims against such third parties, which plan shall—

"(I) be integrated with, and be monitored as a part of the Secretary's review of, the State's mechanized claims processing and information retrieval system under section 2103(j), and

"(II) be subject to the provisions of section 2103(j)(4) relating to reductions in Federal payments for failure to meet conditions of approval;

"(B) that in any case where such a legal liability is found to exist after long-term care assistance has been made available on behalf of the individual and where the amount of reimbursement the State can reasonably expect to recover exceeds the costs of such recovery, the State or local agency will seek reimbursement for such assistance to the extent of such legal liability;

"(C) that in the case of an individual who is entitled to long-term care assistance under the State plan with respect to a service for which a third party is liable for payment, the person furnishing the service may not seek to collect from the individual (or any financially responsible relative or representative of that individual) payment of an amount for that service (i) if the total of the amount of the liabilities of third parties for that service is at least equal to the amount payable for that service under the plan (disregarding section 2113), or (ii) in an amount which exceeds the lesser or (I) the amount which may be collected under section 2113, or (II) the amount by which the amount payable for that service under the plan (disregarding section 2113) exceeds the total of the amount of the liabilities of third parties for that service; and

"(D) that a person who furnishes services and is participating under the plan may not refuse to furnish services to an individual (who is entitled to have payment made under the plan for the services the person furnishes) because of a third party's potential liability for payment for the service;

"(20) provide for agreements with every person or institution providing services under the State plan under which such person or institution agrees (A) to keep such records as are necessary fully to disclose the extent of the services provided to individuals receiving assistance under the State plan, and (B) to furnish the State agency or the Secretary with such information, regarding any payments claimed by such person or institution for providing services under the State plan, as the State agency or the Secretary may from time to time request;

"(21) provide—

"(A) that any nursing facility receiving payments under such plan must satisfy all the requirements of subsections (b) through (d) of section 1919 as they apply to such facilities;

"(B) for including in 'nursing facility services' at least the items and services specified (or deemed to be specified) by the Secretary under section 1919(f)(7) and making available upon request a description of the items and services so included;

"(C) for procedures to make available to the public the data and methodology used in establishing payment rates for nursing facilities under this title; and

"(D) for compliance (by the date specified in the respective sections) with the requirements of—

"(i) section 1919(e);

"(ii) section 1919(g) (relating to responsibility for survey and certification of nursing facilities); and

"(iii) sections 1919(h)(2)(B) and 1919(h)(2)(D) (relating to establishment and application of remedies);

"(22) provide such methods and procedures relating to the utilization of, and the payment for, care and services available under the plan as may be necessary to safeguard against unnecessary utilization of such care and services and to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area;

"(23) provide—

"(A) that the State health agency, or other appropriate State agency, shall be responsible for establishing a plan, consistent with regulations prescribed by the Secretary, for the review by appropriate professional personnel of the appropriateness and quality of care and services furnished to recipients of long-term care assistance under the plan in order to provide guidance with respect thereto in the administration of the plan to the State agency established or designated pursuant to paragraph (5) and, where applicable, to the State agency described in the second sentence of this subsection; and

"(B) that, except as provided in section 1919(g), the State or local agency utilized by the Secretary for the purpose specified in the first sentence of section 1864(a), or, if such agency is not the State agency which is responsible for licensing institutions, the State agency responsible for such licensing, will perform for the State agency administering or supervising the administration of the plan approved under this title the function of determining whether institutions and other long-term care providers meet the requirements for participation in the program under such plan, except that, if the Secretary has cause to question the adequacy of such determinations, the Secretary is authorized to validate State determinations and, on that basis, make independent and binding determinations concerning the extent to which individual institutions and agencies meet the requirements for participation;

"(24) provide that in the case of any individual who has been determined to be eligible for long-term care assistance under the plan, such assistance will be made available to him for care and services included under the plan and furnished in or after the third month before the month in which he made application (or application was made on his behalf in the case of a deceased individual) for such assistance if such individual was (or upon application would have been) eligible for such assistance at the time such care and services were furnished;

"(25) provide that any disclosing entity (as defined in section 1124(a)(2)) receiving payments under such plan complies with the requirements of section 1124;

"(26) provide that within 90 days following the completion of each survey of any facility, agency, organization, or other providers of long-term care services by the appropriate State agency described in paragraph (9), such agency shall (in accordance with regulations of the Secretary) make public in readily available form and place the pertinent findings of each such survey relating to the compliance of each such facility, clinic, agency, or organization with (A) the statutory conditions of participation imposed under this title, and (B) the major additional conditions which the Secretary finds necessary in the interest of health and safety of individuals who are furnished care or services by any such facility, clinic, agency, or organization;

"(27) provide for claims payment procedures which (A) ensure that 90 percent of claims for payment (for which no further written information or substantiation is required in order to make payment) made for services covered under the plan are paid within 30 days of the date of receipt of such claims and that 99 percent of such claims are paid within 60 days of the date of receipt of such claims, and (B) provide for procedures of prepayment and postpayment claims review, including review of appropriate data with respect to the recipient and provider of a service and the nature of the service for which payment is claimed, to ensure the proper and efficient payment of claims and management of the program;

"(28) require that an entity (other than an individual practitioner or a group of practitioners) that furnishes, or arranges for the furnishings of, items or services under the plan, shall supply (within such period as may be specified in regulations by the Secretary or by the single State agency which administers or supervises the administration of the plan) upon request specifically addressed to such entity by the Secretary or such State agency, the information described in section 1128(b)(9);

"(29) provide that the State agency shall exclude any specified individual or entity from participation in the program under the State plan for the period specified by the Secretary, when required by him to do so pursuant to section 1128 or section 1128A, and provide that no payment may be made under the plan with respect to any item or service furnished by such individual or entity during such period;

"(30) require each facility, organization, or other provider of long-term care services which receives payments under the plan and of a type for which a uniform reporting system has been established under section 1121(a) to make reports to the Secretary of information described in such section in accordance with the uniform reporting system (established under such section) for that type of facility or organization;

"(31) provide that whenever a provider of services or any other person is terminated, suspended, or otherwise sanctioned or prohibited from participating under the State plan, the State agency shall promptly notify the Secretary of such action;

"(32) provide that the records of any entity participating in the plan and providing services reimbursable on a cost-related basis will be audited as the Secretary determines to be necessary to insure that proper payments are made under the plan;

"(33) in each case for which payment for services is made under the State plan—

"(A) a qualified community care case manager in collaboration with an individual's primary medical care provider certifies at the time of admission, or, if later, the time the individual applies for long-term care assistance under the State plan, that such services are or were required to be given because the individual needs or needed such services, and

"(B) such services were furnished under a written plan of care established and periodically reviewed and evaluated by a qualified community care case manager;

"(34) provide for mandatory assignment of rights of payment for long-term care owed to recipients, in accordance with section 2109;

"(35) provide that information is requested and exchanged for purposes of income and eligibility verification in accordance with a State system which meets the requirements of section 1137 of this Act;

"(36) provide a method of making information evidencing eligibility for long-term care assistance available to an eligible individual who does not reside in a permanent dwelling or does not have a fixed home or mailing address;

"(37) provide that the State will provide information and access to certain information respecting sanctions taken against practitioners and providers by State licensing authorities in accordance with section 1921;

"(38) provide, in accordance with subsection (g), for a monthly personal needs allowance for certain institutionalized individuals and couples;

"(39)(A) meet the requirements of section 2117 (relating to protection of community spouses), and (B) meet the requirements of section 2114 (relating to liens, adjustments, recoveries, and transfers of assets);

"(40) provide that each nursing facility or provider of home and community based services, receiving funds under the plan shall comply with the requirements of subsection (i);

"(41) provide that the State, acting through a State agency, association, or other private nonprofit entity, develop a written description of the law of the State (whether statutory or as recognized by the courts of the State) concerning advance directives that would be distributed by providers or organizations under the requirements of subsection (i); and

"(42) include a State program which meets the requirements set forth in section 1908, for the licensing of administrators of nursing facilities.

The requirement of subparagraph (A) of paragraph (27) with respect to a State plan may be waived by the Secretary if he finds that the State has exercised good faith in trying to meet such requirement. Notwithstanding paragraph (10)(B) or any other provision of this subsection, a State plan shall provide long-term care assistance with respect to an alien who is not lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law only in accordance with section 2103(m).

"(b) CONDITIONS OF APPROVAL OF PLAN.—The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that the Secretary shall not approve any plan which imposes, as a condition of eligibility for long-term care assistance under the plan—

"(1) an age requirement of more than 55 years; or

"(2) any residence requirement which excludes any individual who resides in the State, regardless of whether or not the residence is maintained permanently or at a fixed address; or

"(3) any citizenship requirement which excludes any citizen of the United States.

"(c) SANCTION FOR OVERPAYMENT.—In addition to any other sanction available to a State, a State may provide for a reduction of any payment amount otherwise due with respect to a person who furnishes services under the plan in an amount equal to up to three times the amount of any payment sought to be collected by that person in violation of subsection (a)(19)(C).

"(d) LIMITED WAIVER OF REQUIREMENTS.—Notwithstanding any other requirement of this title, the Secretary may waive or modify any requirement of this title with respect to the long-term care assistance program in American Samoa and the Northern Mariana Islands, other than a waiver of the Federal medical assistance percentage, the limitation in section 1108(c), or the requirement that payment may be made for long-term care assistance only with respect to amounts expended by American Samoa or the Northern Mariana Islands for care and services described in paragraphs (1) through (6) of section 2105(a).

"(e) DISREGARD OF SSI PAYMENTS.—Notwithstanding any provision of subsection (a) to the contrary, a State plan under this title shall provide that any supplemental security income benefits paid by reason of subparagraph (E) or (G) of section 1611(e)(1) to an individual who—

"(1) is eligible for long-term care assistance under the plan, and

"(2) is in a nursing facility at the time such benefits are paid,

will be disregarded for purposes of determining the amount of any post-eligibility contribution by the individual to the cost of the care and services provided by the nursing facility.

"(f) EXCLUSION OF INDIVIDUALS OR ENTITIES FROM PROGRAM.—(1) In addition to any other authority, a State may exclude any individual or entity for purposes of participating under the State plan under this title for any reason for which the Secretary could exclude the individual or entity from participation in a program under title XVIII under section 1128, 1128A, or 1866(b)(2).

"(2) As used in this subsection, the term 'exclude' includes the refusal to enter into or renew a participation agreement or the termination of such an agreement.

"(g) NEEDS ALLOWANCE FOR CERTAIN INSTITUTIONALIZED INDIVIDUALS.—(1)(A) In order to meet the requirement of subsection (a)(38), the State plan must provide that, in the case of an institutionalized individual or couple described in subparagraph (B), in determining the amount of the individual's or couple's income to be applied monthly to payment for the cost of care in an institution, there will be deducted from the monthly income (in addition to other allowances otherwise provided under the State plan) a monthly personal needs allowance—

"(i) which is reasonable in amount for clothing and other personal needs of the individual (or couple) while in an institution, and

"(ii) which is not less (and may be greater) than the minimum monthly personal needs allowance described in paragraph (2).

"(B) As used in this subsection, the term 'institutionalized individual or couple' means an individual or married couple—

"(i) who is an inpatient (or who are inpatients) in a nursing facility for which payments are made under this title throughout a month, and

"(ii) who is or are determined to be eligible for long-term care assistance under the State plan.

"(2) The minimum monthly personal needs allowance described in this paragraph is $35 for an institutionalized individual and $70 for an institutionalized couple (and their incomes are considered available to each other in determining eligibility).

"(h) DISREGARD OF CERTAIN PAYMENTS.—For purposes of subsection (a)(13) and section 2117(d)(1)(D) and for purposes of a waiver under section 2112, with respect to the post-eligibility treatment of income of individuals who are receiving services under this title there shall be disregarded reparation payments made by the Federal Republic of Germany and, there shall be taken into account amounts for incurred expenses for long-term care that are not subject to payment by a third party, including necessary long-term care recognized under State law but not covered under the State plan under this title, subject to reasonable limits the State may establish on the amount of these expenses.

"(i) MAINTENANCE OF WRITTEN POLICIES AND PROCEDURES.—(1) For purposes of subsection (a)(40), the requirement of this subsection is that a provider or organization (as the case may be) maintain written policies and procedures with respect to all adult individuals receiving long-term care by or through the provider or organization—

"(A) to provide written information to each such individual concerning—

"(i) an individual's rights under State law (whether statutory or as recognized by the courts of the State) to make decisions concerning such long-term care, including the right to accept or refuse medical or surgical treatment and the right to formulate advance directives (as defined in paragraph (4)), and

"(ii) the provider's or organization's written policies respecting the implementation of such rights;

"(B) to document in the individual's medical record whether or not the individual has executed an advance directive;

"(C) not to condition the provision of care or otherwise discriminate against an individual based on whether or not the individual has executed an advance directive;

"(D) to ensure compliance with requirements of State law (whether statutory or as recognized by the courts of the State) respecting advance directives; and

"(E) to provide (individually or with others) for education for staff and the community on issues concerning advance directives.

Subparagraph (C) shall not be construed as requiring the provision of care which conflicts with an advance directive.

"(2) The written information described in paragraph (1)(A) shall be provided to an adult individual—

"(A) in the case of a nursing facility, at the time of the individual's admission as a resident, and

"(B) in the case of a provider of home and community based services, in advance of the individual coming under the care of the provider,

"(3) Nothing in this section shall be construed to prohibit the application of a State law which allows for an objection on the basis of conscience for any health care provider or any agent of such provider which as a matter of conscience cannot implement an advance directive.

"(4) In this subsection, the term 'advance directive' means a written instruction, such as a living will or durable power of attorney for health care, recognized under State law (whether statutory or as recognized by the courts of the State) and relating to the provision of such care when the individual is incapacitated.

"(j) MINIMUM INCOME LEVEL ESTABLISHED.—(1) With respect to individuals described in subsection (a)(10)(A)(i), the State shall establish a minimum income level which is a percentage not less than—

"(A) effective July 1, 1992, 80 percent;

"(B) effective July 1, 1993, 85 percent;

"(C) effective July 1, 1994, 90 percent;

"(D) effective July 1, 1995, 95 percent; and

"(E) effective July 1, 1996, 100 percent;

of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981).

"(2) With respect to individuals described in subsection (a)(10)(A) (i) or (ii), the State shall apply a minimum resource requirement—

"(A) of $2,000 for individuals receiving long-term care assistance in a nursing facility; and

"(B) of $5,000 for individuals receiving long-term care assistance in a home or community-based setting.

"(3) For purposes of this title, the term 'income' has the meaning given such term in section 1612 and the term 'resources' has the meaning given such term in section 1613.

"PAYMENT TO STATES

"SEC. 2103. (a) IN GENERAL.—From the sums appropriated therefor, the Secretary (except as otherwise provided in this section) shall pay to each State which has a plan approved under this title, for each quarter—

"(1) an amount equal to the Federal long-term care assistance percentage (as defined in section 2105(b) of the total amount expended during such quarter as long-term care assistance under the State plan; plus

"(2)(A) an amount equal to 75 percent of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to compensation or training of skilled professional personnel, and staff directly supporting such personnel, of the State agency or any other public agency; plus

"(B) notwithstanding paragraph (1) or subparagraph (A), with respect to amounts expended for nursing aide training and competency evaluation programs described in section 1919(e)(1) (including the costs for nurse aides to complete such competency evaluation programs), regardless of whether the programs are provided in or outside nursing facilities or of the skill of the personnel involved in such programs, an amount equal to 50 percent of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to such programs; plus

"(C) an amount equal to 75 percent of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to preadmission screening and resident review activities conducted by the State under section 1919(e)(7); plus

"(D) for each calendar quarter during—

"(i) fiscal year 1991, an amount equal to 90 percent;

"(ii) fiscal year 1992, an amount equal to 85 percent;

"(iii) fiscal year 1993, an amount equal to 80 percent, and

"(iv) fiscal year 1994 and thereafter, an amount equal to 75 percent,

of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to State activities under section 1919(g); plus

"(3) an amount equal to—

"(A) 90 percent of so much of the sums expended during such quarter as are attributable to the design, development, or installation of such mechanized claims processing and information retrieval systems as the Secretary determines are likely to provide more efficient, economical and effective administration of the plan and to be compatible with the claims processing and information retrieval systems utilized in the administration of title XVIII, including the State's share of the cost of installing such a system to be used jointly in the administration of such State's plan and the plan of any other State approved under this title, and

"(B) 75 percent of so much of the sums expended during such quarter as are attributable to the operation of systems (whether such systems are operated directly by the State or by another person under a contract with the State) of the type described in subparagraph (A) (whether or not designed, developed, or installed with assistance under such subparagraph) which are approved by the Secretary and which include provision for prompt written notice to each individual who is furnished services covered by the plan, or to each individual in a sample group of individuals who are furnished such services, of the specific services (other than confidential services) so covered, the name of the person or persons furnishing the services, the date or dates on which the services were furnished, and the amount of the payment or payments made under the plan on account of the services; and

"(C) 75 percent of the sums expended with respect to costs incurred during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to the performance of utilization review or quality review; plus

"(4) an amount equal to 100 percent of the sums expended during the quarter which are attributable to the costs of the implementation and operation of the immigration status verification system described in section 1137(d); plus

"(5) subject to subsection (b) an amount equal to—

"(A) 90 percent of the sums expended during such a quarter within the 12 quarter period beginning with the first quarter in which a payment is made to the State pursuant to this paragraph, and

"(B) 75 percent of the sums expended during each succeeding calendar quarter,

plus with respect to costs incurred during such quarter (as found necessary by the Secretary for the elimination of fraud in the provision and administration of long-term care assistance provided under the State plan) which are attributable to the establishment and operation of (including the training of personnel employed by) a State long-term care fraud control unit (described in subsection (i)); plus

"(6) subject to section 1919(g)(3)(B), an amount equal to 50 percent of the remainder of the amounts expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

"(b) Limit on the Amount of Payment.—The amount of funds which the Secretary is otherwise obligated to pay a State during a quarter under subsection (a)(5) may not exceed the higher of—

"(1) $125,000, or

"(2) one-quarter of 1 percent of the sums expended by the Federal, State, and local governments during the previous quarter in carrying out the State's plan under this title.

"(c) Estimate of Quarterly Payment to State.—(1) Prior to the beginning of each quarter, the Secretary shall estimate the amount to which a State will be entitled under subsections (a) and (b) for such quarter, such estimates to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsections, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State's proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, and (B) such other investigation as the Secretary may find necessary.

"(2)(A) The Secretary shall then pay to the State, in such installments as he may determine, the amount so estimated, reduced or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to such State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

"(B) Expenditures for which payments were made to the State under subsection (a) shall be treated as an overpayment to the extent that the State or local agency administering such plan has been reimbursed for such expenditures by a third party pursuant to the provisions of its plan in compliance with section 2102(a)(19).

"(C) For purposes of this subsection, when an overpayment by a State to a person or other entity is discovered, the State shall have a period of 60 days in which to recover or attempt to recover such overpayment before adjustment is made in the Federal payment to such State on account of such overpayment. Except as otherwise provided in subparagraph (D), the adjustment in the Federal payment shall be made at the end of the 60 days, whether or not recovery was made.

"(D) In any case where the State is unable to recover a debt which represents an overpayment (or any portion thereof) made to a person or other entity on account of such debt having been discharged in bankruptcy or otherwise being uncollectible, no adjustment shall be made in the Federal payment to such State on account of such overpayment (or portion thereof).

"(3) The pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered during any quarter by the State or any political subdivision thereof with respect to long-term care assistance furnished under the State plan shall be considered an overpayment to be adjusted under this subsection.

"(4) Upon the making of any estimate by the Secretary under this subsection, any appropriations available for payments under this section shall be deemed obligated.

"(5) In any case in which the Secretary estimates that there has been an overpayment under this section to a State on the basis of a claim by such State that has been disallowed by the Secretary under section 1116(d), and such State disputes such disallowance, the amount of the Federal payment in controversy shall, at the option of the State, be retained by such State or recovered by the Secretary pending a final determination with respect to such payment amount. If such final determination is to the effect that any amount was properly disallowed, and the State chose to retain payment of the amount in controversy, the Secretary shall offset, from any subsequent payments made to such State under this title, an amount equal to the proper amount of the disallowance plus interest on such amount disallowed for the period beginning on the dates such amount was disallowed and ending on the date of such final determination at the rate (determined by the Secretary) based on the average of the bond equivalent of the weekly 90-day Treasury bill auction rates during such period.

"(d) Income Limitation Established.—(1)(A) Payment under the preceding provisions of this section shall not be made with respect to any amount expended as long-term care assistance in a calendar quarter in any State, for any individual whose annual income exceeds the applicable income limitation described in this paragraph.

"(B) The applicable income limitation described in this paragraph with respect to any individual is a percentage not greater than 240 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981).

"(2) The total amount of any applicable income limitation determined under paragraph (1) shall, if it is not a multiple of $100 or such other amount as the Secretary may prescribe, be rounded to the next higher multiple of $100 or such other amount, as the case may be.

"(e) Prohibitions on Payment.—Payment under the preceding provisions of this section shall not be made—

"(1) with respect to any amount expended for long-term care assistance (A) for nursing facility services to reimburse (or otherwise compensate) a nursing facility for payment of a civil money penalty imposed under section 1919(h), or (B) for home- and community-based care to reimburse (or otherwise compensate) a provider of such care for payment of a civil money penalty imposed under this title or title XI or for legal expenses in defense of an exclusion or civil money penalty under this title or title XI if there is no reasonable legal ground for the provider's case; or

"(2) with respect to any amount expended to reimburse (or otherwise compensate) a nursing facility for payment of legal expenses associated with any action initiated by the facility that is dismissed on the basis that no reasonable legal ground existed for the institution of such action; and

"(3) with respect to any amount expended for long-term care assistance for care or services furnished by a provider to reimburse the provider for the costs attributable to taxes imposed by the State solely with respect to such provider.

"(f) Adjustment of Payments.—Notwithstanding the preceding provisions of this section, the amount determined under subsection (a)(1) for any State for any quarter shall be adjusted in accordance with section 2111.

"(g) Prohibition on Payment in Cases of Exclusion Contracts.—Notwithstanding the preceding provisions of this section, no payment shall be made to a State under the preceding provisions of this section for expenditures for long-term care assistance provided for an individual under its State plan approved under this title to the extent that a private insurer (as defined by the Secretary by regulation) would have been obligated to provide such assistance but for a provision of its insurance contract which has the effect of limiting or excluding such obligation because the individual is eligible for or is provided long-term care assistance under the plan.

"(h) PAYMENT FOR COLLECTION OF SUPPORT OR PAYMENT UNDER COOPERATIVE ARRANGEMENT.—(1) When a political subdivision of a State makes, for the State of which it is a political subdivision, or one State makes, for another State, the enforcement and collection of rights of support or payment assigned under section 2109, pursuant to a cooperative arrangement under such section (either within or outside of such State), there shall be paid to such political subdivision or such other State from amounts which would otherwise represent the Federal share of payments for long-term care assistance provided to the eligible individuals on whose behalf such enforcement and collection was made, an amount equal to 15 percent of any amount collected which is attributable to such rights of support or payment.

"(2) Where more than one jurisdiction is involved in such enforcement or collection, the amount of the incentive payment determined under paragraph (1) shall be allocated among the jurisdictions in a manner to be prescribed by the Secretary.

"(i) STATE LONG-TERM CARE FRAUD CONTROL UNIT DEFINED.—For the purposes of this section, the term 'State long-term care fraud control unit' means an identifiable entity of the State government which the Secretary certifies (and annually recertifies) as meeting the requirements described in section 1903(q), and such entity may be the same entity as the medicaid fraud unit described in such section.

"(j) MECHANIZED CLAIMS PROCESSING AND RETRIEVAL SYSTEMS.—(1)(A) In order to receive payments under paragraphs (2)(A) and (6) of subsection (a) without being subject to percent reductions set forth in paragraph (4)(B) of this subsection, a State must provide that mechanized claims processing and information retrieval systems of the type described in subsection (a)(3)(A) and detailed in an advance planning document approved by the Secretary are operational on or before the deadline established under subparagraph (B).

"(B) The deadline for operation of such systems for a State is September 30, 1995.

"(2)(A) In order to receive payments under paragraphs (2)(A) and (6) of subsection (a) without being subject to the percent reductions set forth in paragraph (4)(B) of this subsection, a State must have its mechanized claims processing and information retrieval systems, of the type required to be operational under paragraph (1), initially approved by the Secretary in accordance with paragraph (5)(A).

"(B) The deadline for approval of such systems for a State is the last day of the fourth quarter that begins after the date on which the Secretary determines that such systems became operational as required under paragraph (1).

"(C) Any State's systems which are approved by the Secretary for purposes of subsection (a)(3)(A) on or before the date of the enactment of this subsection shall be deemed to be initially approved for purposes of this subsection.

"(3) When a State's systems are approved, the 75 percent Federal matching provided in subsection (a)(3)(A) shall become effective with respect to such systems, retroactive to the first quarter beginning after the date on which such systems became operational as required under paragraph (1).

"(4)(A) The Secretary shall review all approved systems not less often than once every three years, and shall reapprove or disapprove any such systems. Systems which fail to meet the current performance standards, system requirements, and any other conditions for approval developed by the Secretary under paragraph (6) shall be disapproved. Any State having systems which are so disapproved shall be subject to a percent reduction under subparagraph (B). The Secretary shall make the determination of reapproval or disapproval and so notify the States not later than the end of the first quarter following the review period. Reviews may, at the Secretary's discretion, constitute reviews of the entire system of only those standards, systems requirements, and other conditions which have demonstrated weakness in previous reviews.

"(B) If the Secretary disapproves a State's systems under subparagraph (A), the Secretary shall, with respect to such State for quarters beginning after the determination of disapproval and before the first quarter beginning after such systems are reapproved, reduce the percent specified in subsection (a)(3)(B) to a percent of not less than 50 percent and not more than 70 percent as the Secretary determines to be appropriate and commensurate with the nature of noncompliance by such State; except that such percent may not be reduced by more than 10 percentage points in any 4-quarter period by reason of this subparagraph. No State shall be subject to a percent reduction under this paragraph before the fifth quarter beginning after such State's systems were initially approved.

"(C) The Secretary may retroactively waive a percent reduction imposed under subparagraph (B), if the Secretary determines that the State's systems meet all current performance standards and other requirements for reapproval and that such action would improve the administration of the State's plan under this title, except that no such waiver may extend beyond the four quarters immediately prior to the quarter in which the State's systems are reapproved.

"(5)(A) In order to be initially approved by the Secretary, mechanized claims processing and information retrieval systems must be of the type described in subsection (a)(3)(A) and must meet the following requirements:

"(i) The systems must be capable of developing provider and patient profiles which are sufficient to provide specific information as to the use of covered types of services and items.

"(ii) The State must provide that information on probable fraud or abuse which is obtained from, or developed by, the systems, is made available to the State's long-term care fraud control unit (if any) certified under subsection (i) of this section.

"(iii) The systems must meet all performance standards and other requirements for initial approval developed by the Secretary under paragraph (6).

"(B) In order to be reapproved by the Secretary, mechanized claims processing and information retrieval systems must meet the requirements of subparagraphs (A)(i) and (A)(ii) and performance standards and other requirements for reapproval developed by the Secretary under paragraph (6).

"(6) The Secretary, with respect to State systems, shall—

"(A) develop performance standards, system requirements, and other conditions for approval for use in initially approving such State systems, and shall further develop written approval procedures for conducting reviews for initial approval, including specific criteria for assessing systems in operation to ensure that all such performance standards and other requirements are met;

"(B) develop an initial set of performance standards, system requirements, and other conditions for reapproval for use in reapproving or disapproving State systems, and shall further develop written reapproval procedures for conducting reviews for reapproval, including specific criteria for reassessing systems operations over a period of at least six months during each fiscal year to insure that all such performance standards and other requirements are met on a continuous basis;

"(C) provide that reviews for reapproval shall be for the purpose of developing a systems performance data base and assisting States to improve their systems, and that no percent reduction shall be made under paragraph (4) on the basis of such a review;

"(D) insure that review procedures, performance standards, and other requirements developed under subparagraph (B) are sufficiently flexible to allow for differing administrative needs among the States, and that such procedures, standards, and requirements are of a nature which will permit their use by the States for self-evaluation;

"(E) notify all States of proposed procedures, standards, and other requirements at least one quarter prior to the fiscal year in which such procedures, standards, and other requirements will be used for conducting reviews for reapproval;

"(F) periodically update the systems performance standards, system requirements, review criteria, objectives, regulations, and guides as the Secretary shall from time to time deem appropriate;

"(G) provide technical assistance to States in the development and improvement of the systems so as to continually improve the capacity of such systems to effectively detect cases of fraud or abuse;

"(H) for the purpose of insuring compatibility between the State systems and the systems utilized in the administration of title XVIII and title XIX—

"(i) develop a uniform identification coding system (to the extent feasible) for providers, other persons receiving payments under the State plans (approved under this title) or under title XVIII or title XIX, and beneficiaries of medical services under such plans or title;

"(ii) provide liaison between States and carriers and intermediaries having agreements under title XVIII to facilitate timely exchange of appropriate data; and

"(iii) improve the exchange of data between the States and the Secretary with respect to providers and other persons who have been terminated, suspended, or otherwise sanctioned under a State plan (approved under this title) or under titles XVIII or XIX;

"(I) develop and disseminate clear definitions of those types of reasonable costs relating to State systems which are reimbursable under the provisions of subsection (a)(3) of this section; and

"(J) develop and disseminate performance standards for assessing the State's third party collection efforts in accordance with section 2102(a)(19)(A)(ii).

"(k) PAYMENT PROHIBITED FOR ERRONEOUS EXCESS PAYMENTS BEYOND A CERTAIN LEVEL.—(1)(A) Notwithstanding subsection (a)(1), if the ratio of a State's erroneous excess payments for long-term care assistance (as defined in subparagraph (D)) to its total expenditures for long-term care assistance under the State plan approved under this title exceeds 0.03 for any full fiscal year after fiscal year 1992, then the Secretary shall make no payment for such fiscal year with respect to so much of such erroneous excess payments as exceeds such allowable error rate of 0.03.

"(B) The Secretary may waive, in certain limited cases, all or part of the reduction required under subparagraph (A) with respect to any State if such State is unable to reach the allowable error rate for a period or fiscal year despite a good faith effort by such State.

"(C) In estimating the amount to be paid to a State under subsection (d), the Secretary shall take into consideration the limitation on Federal financial participation imposed by subparagraph (A) and shall reduce the estimate the Secretary makes under subsection (d)(1), for purposes of payment to the State under subsection (d)(3), in light of any expected erroneous excess payments for long-term care assistance (estimated in accordance with such criteria, including sampling procedures, as the Secretary may prescribe and subject to subsequent adjustment, if necessary, under subsection (d)(2)).

"(D)(i) For purposes of this subsection, the term 'erroneous excess payments for long-term care assistance' means the total of—

"(I) payments under the State plan with respect to ineligible individuals and families, and

"(II) overpayments on behalf of eligible individuals and families by reason of error in determining the amount of expenditures for long-term care required of an individual or a family as a condition of eligibility.

"(ii) In determining the amount of erroneous excess payments for long-term care assistance to an ineligible individual or family under clause (i)(I), if such ineligibility is the result of an error in determining the amount of the resources of such individual or family, the amount of the erroneous excess payment shall be the smaller of (I) the amount of the payment with respect to such individual or family, or (II) the difference between the actual amount of such resources and the allowance resource level established under the State plan.

"(iii) In determining the amount of erroneous excess payments for long-term care assistance to an individual or family under clause (i)(II), the amount of the erroneous excess payment shall be the smaller of (I) the amount of the payment on behalf of the individual or family, or (II) the difference between the actual amount incurred for long-term care by the individual or family and the amount which should have been incurred in order to establish eligibility for long-term care assistance.

"(iv) In determining the amount of erroneous excess payments, there shall not be included any error resulting from a failure of an individual to cooperate or give correct information with respect to third-party liability as required under section 2109(a)(1)(B) or 402(a)(26)(C).

"(E) For purposes of subparagraph (D), there shall be excluded, in determining both erroneous excess payments made for long-term care assistance and total expenditures for long-term care assistance—

"(i) payments with respect to any individual whose eligibility therefor was determined exclusively by the Secretary under an agreement pursuant to section 1634 and such other classes of individuals as the Secretary may by regulation prescribe whose eligibility was determined in part under such an agreement; and

"(ii) payments made as the result of a technical error.

"(2) The State agency administering the plan approved under this title shall, at such times and in such form as the Secretary may specify, provide information on the rates of erroneous excess payments made (or expected, with respect to future periods specified by the Secretary) in connection with its administration of such plan, together with any other data he requests that are reasonably necessary for him to carry out the provisions of this subsection.

"(3)(A) If a State fails to cooperate with the Secretary in providing information necessary to carry out this subsection, the Secretary, directly or through contractual or such other arrangements as the Secretary may find appropriate, shall establish the error rates for that State on the basis of the best data reasonably available to the Secretary and in accordance with such techniques for sampling and estimating as the Secretary finds appropriate.

"(B) In any case in which it is necessary for the Secretary to exercise the Secretary's authority under subparagraph (A) to determine a State's error rates for a fiscal year, the amount that would otherwise be payable to such State under this title for quarters in such year shall be reduced by the costs incurred by the Secretary in making (directly or otherwise) such determination.

"(4) This subsection shall not apply with respect to Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, or American Samoa.

"(l) LIMIT ON PAYMENT FOR HOME AND COMMUNITY-BASED CARE OR SERVICES.—Payments may not be made under this section to a State for home and community-based care or services provided under this section in a quarter to the extent that the long-term care assistance for such care in any quarter exceeds 60 percent of the product of—

"(1) the number of individuals in the quarter receiving such care under this title;

"(2) the amount that is equal to the 80th percentile nursing facility resident per diem rate which the State has determined (and was approved by the Secretary) will be payable under the plan for nursing facility services; and

"(3) the number of days in such quarter.

"(m) PAYMENT PROHIBITED FOR ASSISTANCE TO NONRESIDENT ALIENS.—Notwithstanding the preceding provisions of this section, no payment may be made to a State under this section for long-term care assistance furnished to an alien who is not lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law.

"OPERATION OF STATE PLANS

"SEC. 2104. If the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this title, finds—

"(1) that the plan has been so changed that it no longer complies with the provisions of section 2102; or

"(2) that in the administration of the plan there is a failure to comply substantially with any such provision,

the Secretary shall notify such State agency that further payments will not be made to the State (or, in the Secretary's discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure), until the Secretary is satisfied that there will no longer be any such failure to comply. Until the Secretary is so satisfied the Secretary shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).

"DEFINITIONS

"SEC. 2105. (a) LONG-TERM CARE ASSISTANCE.—For purposes of this title, the term 'long-term care assistance' means payment of part or all of the cost of the following care and services (if provided in or after the third month before the month in which the recipient makes application for assistance) for individuals, and, at the option of the State, to individuals described in section 2102(a)(10)(A)(ii)—

"(1) nursing facility services (other than services in an institution for mental diseases);

"(2) home and community-based services (required to meet the individual's ADL-related needs in the individual's place of residence) including the following:

"(A) homemaker/home health aide services;

"(B) personal care services—

"(i) provided by an individual who is qualified to provide such services and who is not a member of the individual's family, and

"(ii) furnished in a home or other location, but not including such services furnished to an inpatient or resident of a nursing facility;

"(C) home health care;

"(D) adult day health care;

"(E) nursing services provided by or under the supervision of a registered nurse;

"(F) physical therapy and related services; and

"(G) respite care;

"(3) case management services provided by a qualified community-care case manager;

"(4) respiratory care services for any individual who—

"(A) is medically dependent on a ventilator for life support at least six hours per day;

"(B) has been so dependent for at least 30 consecutive days (or the maximum number of days authorized under the State plan, whichever is less) as an inpatient;

"(C) but for the availability of respiratory care services, would require respiratory care as an inpatient in a nursing facility and would be eligible to have payment made for such inpatient care under the State plan;

"(D) has adequate social support services to be cared for at home; and

"(E) wishes to be cared for at home;

"(5) drugs prescribed by a physician when supplied in conjunction with any of the other care or services authorized under this title where the absence of such drugs would seriously impair a resident's ability to achieve a plan of care pertaining to that service and where the resident is not eligible to receive prescription drugs through any other title of this Act; and

"(6) any other long-term care and any other type of remedial care (other than room and board) recognized under State law as specified by the Secretary, except that such term does not include any such payments with respect to care or services for any individual who is an inmate of a public institution (except as a patient in a medical institution).

The requirements of paragraph (4)(B) may be satisfied by a continuous stay in one or more nursing facilities. For purposes of paragraph (4), respiratory care services means services provided on a part-time basis in the home of the individual by a respiratory therapist or other health care professional trained in respiratory therapy (as determined by the State), payment for which is not otherwise included within other items and services furnished to such individual as long-term care assistance under the plan.

"(b) FEDERAL LONG-TERM CARE ASSISTANCE PERCENTAGE.—The term 'Federal long-term care assistance percentage' for any State shall be 100 percent less the State percentage, and the State percentage shall be that percentage which bears the same ratio to 45 percent as the square of the per capita income of such State bears to the square of the per capita income of the continental United States (including Alaska and Hawaii); except that (1) the Federal long-term care assistance percentage shall in no case be less than 50 percent or more than 83 percent, and (2) the Federal long-term care assistance percentage for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa shall be 50 percent. The Federal long-term care assistance percentage for any State shall be determined and promulgated in accordance with the provisions of section 1101(a)(8)(B). Notwithstanding the first sentence of this subsection, the Federal long-term care assistance percentage shall be 100 percent with respect to amounts expended as long-term care assistance for services which are received through an Indian Health Service facility whether operated by the Indian Health Service or by an Indian tribe or tribal organization (as defined in section 4 of the Indian Health Care Improvement Act).

"(c) FUNCTIONALLY IMPAIRED INDIVIDUAL.—(1) For purposes of this title, the term 'functionally impaired' means an individual age 55 or older who—

"(A) cannot perform (without substantial human assistance) at least 2 of the activities of daily living described in subparagraphs (A) through (E) of paragraph (2); or

"(B) has a primary or secondary diagnosis of Alzheimer's disease (or similar dementia) and (i) is unable to perform without substantial human assistance (including verbal reminding or physical cueing) or supervision at least 2 of the activities of daily living described in subparagraphs (A) through (E) of paragraph (2) or (ii) requires substantial supervision from another individual because he or she engages in inappropriate behaviors that pose serious health or safety hazards to himself or herself or others;

and is likely to be eligible to receive the care and services covered under this title for at least 45 consecutive days.

"(2) The activities of daily living are—

"(A) toileting;

"(B) eating;

"(C) transferring;

"(D) bathing/dressing; and

"(E) mobility.

"(3) For purposes of this title, the term 'severely functionally impaired' means an individual age 55 or over who—

"(A) cannot perform (without human assistance) at least 3 of the activities of daily living described in subparagraphs (A) through (E) of paragraph (2); or

"(B) has a primary or secondary diagnosis of Alzheimer's disease (or similar dementia) and (i) is unable to perform without substantial human assistance (including verbal reminding or physical cueing) or supervision at least 3 of the activities of daily living described in subparagraphs (A) through (E) of paragraph (2), or (ii) requires substantial supervision from another individual because he or she engages in inappropriate behaviors that pose serious health or safety hazards to himself or herself or others;

and is likely to be eligible to receive the care and services covered under this title for at least 45 consecutive days.

"(d) CASE MANAGEMENT SERVICES.—(1) Individuals eligible under the State plan shall be provided with case management services in accordance with this section in order to—

"(A) maximize the independent functioning of such individuals in the least restrictive environment possible;

"(B) coordinate the most appropriate mixture of long-term care services for such individuals; and

"(C) contain costs through the appropriate organization of the available resources and sequencing of services to respond to the functional and long-term care needs of such individuals.

"(2) The State shall enter into contracts with—

"(A) nonprofit or public agencies or organizations; or

"(B) nonpublic organizations,

to carry out the case management activities described in this subsection in accordance with the standards under this part. The State shall provide that any entity with which the State enters into a contract under this subsection shall not provide long-term care assistance to individuals whose care such entity manages under this part.

"(3) As used in this part, the term 'qualified community care case manager' means an entity described in paragraph (2) which—

"(A) has experience in assessing individuals' functional or cognitive impairment;

"(B) has experience or has been trained in establishing, and in periodically reviewing and revising, ICCPs (as defined in paragraph (8)) and in the provision of case management services to the elderly;

"(C) has procedures for assuring the quality of case management services;

"(D) completes the ICCP in a timely manner and reviews and discusses new and revised ICCPs with the individual or such individual's primary caregiver or both; and

"(E) meets such other standards established by the Secretary or the State, as to assure that—

"(i) such a case manager is competent to perform case management functions;

"(ii) individuals whose home and community-based care they manage are not at risk of financial exploitation due to such a manager; and

"(iii) meets such other standards as the Secretary may establish.

"(4)(A) Prior to providing payment for long-term care assistance under this title, the State shall provide for a comprehensive functional assessment of the individual by a qualified community care case manager which—

"(i) is used to determine whether or not the individual is functionally or severely functionally impaired;

"(ii) is used in establishing, reviewing, and revising the individual's ICCP; and

"(iii) uses an instrument which has been specified by the State and approved by the Secretary.

"(B) No fee shall be charged to the individual for such an assessment. In making such assessment, the qualified community care case manager shall conduct an interview with the individual to determine the individual's—

"(i) ability or inability to perform the activities of daily living described in subsection (c);

"(ii) health status;

"(iii) mental status;

"(iv) current living arrangements; and

"(v) use of formal and informal long-term care support systems.

"(C) If the health or mental status of the individual is determined to be likely to change, the qualified community care case manager shall reassess such individual not later than 90 days after such initial assessment, as appropriate.

"(D) Each individual who qualifies as a functionally impaired or severely functionally impaired individual shall have the individual's assessment periodically reviewed and such individual's ICCP revised no less often than once every 6 months.

"(E) Each State must have in effect an appeals process for individuals adversely affected by determinations under this paragraph.

"(5) After the qualified community care case manager conducts an assessment of the individual, the qualified community care case manager shall develop an ICCP that is in accordance with the long-term care and service needs of the individual and the availability of the appropriate care and services. The ICCP shall identify—

"(A) the long-term care problems and needs of the individual;

"(B) the mix of formal and informal services and support systems that are available to meet the long-term care and service needs of the individual;

"(C) the goals for the individual; and

"(D) the appropriate services necessary to meet such needs.

"(6) The qualified community care case manager, in consultation with the individual's primary medical care provider, shall arrange for the provision of appropriate care and services. The qualified community care case manager shall assist in making the necessary service arrangements for the implementation of the ICCP to the extent that the participant consents.

"(7) The qualified community care case manager shall monitor the delivery of services to the individual, the quality of care provided, and the status of the individual. Periodic reassessments of the status and needs of the individual, and revisions of the ICCP shall be made by the qualified community care case manager as appropriate. Such reassessments shall be conducted not less than every 6 months.

"(8)(A) As used in this section, the terms 'individual community care plan' and 'ICCP' mean a written plan which—

"(i) is established, and is periodically reviewed and revised, by a qualified community care case manager in consultation with the individual's primary medical care provider, after a face-to-face interview with the individual or primary caregiver and based upon the most recent comprehensive functional assessment of such individual;

"(ii) specifies, within any amount, duration, and scope, limitations imposed on care and services provided under the State plan, and indicates the individual's preferences for the types and providers of services; and

"(iii) may specify other services required by such individual.

"(B) Nothing in this section shall be construed as authorizing an ICCP to restrict the specific persons or individuals (who are competent and authorized by the State to provide home and community-based care under the State plan) who will provide the home and community-based care described, except as otherwise described in this title.

"(C) Each State must have in effect an appeals process for individuals who disagree with the ICCP established.

"(e) NURSING FACILITY SERVICES.—For purposes of this title, the term 'nursing facility services' means services which are or were required to be given an individual who needs or needed on a daily basis nursing care (provided directly by or requiring the supervision of nursing personnel) or other rehabilitation services which as a practical matter can only be provided in a nursing facility on an inpatient basis.

"OBSERVANCE OF RELIGIOUS BELIEFS

"SEC. 2106. Nothing in this title shall be construed to require any State which has a plan approved under this title to compel any person to undergo any medical screening, examination, diagnosis, or treatment or to accept any other health care services provided under such plan for any purpose (other than for the purpose of discovering and preventing the spread of infection or contagious disease or for the purpose of protecting environmental health), if such person objects thereto on religious grounds.

"CERTIFICATION AND APPROVAL OF SKILLED NURSING FACILITIES

"SEC. 2107. (a) IN GENERAL.—Whenever the Secretary certifies an institution in a State to be qualified as a skilled nursing facility under title XVIII, such institution shall be deemed to meet the standards for certification as a nursing facility for purposes of section 2102(a)(21).

"(b) NOTIFICATION OF APPROVAL OR DISAPPROVAL.—The Secretary shall notify the State agency administering the long-term care assistance plan of approval or disapproval of any institution which has applied for certification by him as a qualified skilled nursing facility under title XVIII.

"INDIAN HEALTH SERVICE FACILITIES

"SEC. 2108. (a) ELIGIBILITY FOR PAYMENT UNDER THIS TITLE.—A facility of the Indian Health Service (including a nursing facility, or any other provider of services of a type otherwise covered under the State plan), whether operated by such Service or by an Indian tribe or tribal organization (as those terms are defined in section 4 of the Indian Health Care Improvement Act), shall be eligible for reimbursement for long-term care assistance provided under a State plan if and for so long as it meets all of the conditions and requirements which are applicable generally to such facilities under this title.

"(b) SUBMISSION OF PLAN FOR ELIGIBILITY.—Notwithstanding subsection (a), a facility of the Indian Health Service (including a nursing facility, or any other type of facility which provides services of a type otherwise covered under the State plan) which does not meet all of the conditions and requirements of this title which are applicable generally to such facility, but which submits to the Secretary within six months after the date of the enactment of this section an acceptable plan for achieving compliance with such conditions and requirements, shall be deemed to meet such conditions and requirements (and to be eligible for reimbursement under this title), without regard to the extent of its actual compliance with such conditions and requirements, during the first twelve months after the month in which such plan is submitted.

"ASSIGNMENT OF RIGHTS OF PAYMENT

"SEC. 2109. (a) IN GENERAL.—For the purpose of assisting in the collection of long-term care support payments and other payments for long-term care care owed to recipients of long-term care assistance under the State plan approved under this title, a State plan for long-term care assistance shall—

"(1) provide that, as a condition of eligibility for long-term care assistance under the State plan to an individual who has the legal capacity to execute an assignment for himself, the individual is required—

"(A) to assign the State any rights, of the individual or of any other person who is eligible for long-term care assistance under this title and on whose behalf the individual has the legal authority to execute an assignment of such rights, to support (specified as support for the purpose of long-term care care by a court or administrative order) and to payment for long-term care care from any third party; and

"(B) to cooperate with the State in identifying, and providing information to assist the State in pursuing, any third party who may be liable to pay for care and services available under the plan, unless such individual has good cause for refusing to cooperate as determined by the State agency in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the individuals involved; and

"(2) provide for entering into cooperative arrangements (including financial arrangements), with any appropriate agency of any State (including, with respect to the enforcement and collection of rights of payment for long-term care care by or through a parent, with a State's agency established or designated under section 454(3)) and with appropriate courts and law enforcement officials, to assist the agency or agencies administering the State plan with respect to (A) the enforcement and collection of rights to support or payment assigned under this section and (B) any other matters of common concern.

"(b) DISTRIBUTION OF AMOUNTS COLLECTED.—Such part of any amount collected by the State under an assignment made under the provisions of this section shall be retained by the State as is necessary to reimburse it for long-term care assistance payments made on behalf of an individual with respect to whom such assignment was executed (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing of such long-term care assistance), and the remainder of such amount collected shall be paid to such individual.

"HOSPITAL PROVIDERS OF NURSING FACILITY SERVICES

"SEC. 2110. (a) IN GENERAL.—Notwithstanding any other provision of this title, payment may be made, in accordance with this section, under a State plan approved under this title for nursing facility services furnished by a hospital which has in effect an agreement under section 1883 and which, with respect to the provision of such services, meets the requirements of subsections (b) through (d) of section 1919.

"(b) PAYMENT FOR SERVICES.—(1) Except as provided in paragraph (3), payment to any such hospital for any nursing facility services furnished pursuant to subsection (a) shall be at a rate equal to the average rate per patient-day paid for routine services during the previous calendar year under the State plan to nursing facilities, respectively, located in the State in which the hospital is located. The reasonable cost of ancillary services shall be determined in the same manner as the reasonable cost of ancillary services provided for inpatient hospital services.

"(2) With respect to any period for which a hospital has an agreement under section 1883, in order to allocate routine costs between hospital and long-term care services, the total reimbursement for routine services due from all classes of long-term care services, the total reimbursement for routine services due from all classes of long-term care patients (including title XVIII, title XIX, and private pay patients) shall be subtracted from the hospital total routine costs before calculations are made to determine reimbursement for routine hospital services under the State plan.

"(3) Payment to any hospitals for any nursing facility services furnished pursuant to subsection (a) may be made at a payment rate established by the State in accordance with the requirements of section 2102(a)(11)(A).

"WITHHOLDING OF FEDERAL SHARE OF PAYMENTS FOR CERTAIN MEDICARE PROVIDERS

"SEC. 2111. (a) IN GENERAL.—The Secretary may adjust, in accordance with this section, the Federal matching payment to a State with respect to expenditures for long-term care assistance for care or services furnished in any quarter by—

"(1) an institution (A) which has or previously had in effect an agreement with the Secretary under section 1866; and (B)(i) from which the Secretary has been unable to recover overpayments made under title XVIII, or (ii) from which the Secretary has been unable to collect the information necessary to enable him to determine the amount (if any) of the overpayments made to such institution under title XVIII; and

"(2) any person (A) who (i) has previously accepted payment on the basis of an assignment under section 1842(b)(3)(B)(ii), and (iii) during the annual period immediately preceding such quarter submitted no claims for payment under title XVIII which aggregated less than the amount of overpayments made to such person, and (B)(i) from whom the Secretary has been unable to recover overpayments received in violation of the terms of such assignment, or (ii) from whom the Secretary has been unable to collect the information necessary to enable such person to determine the amount (if any) of the overpayments made to such person under title XVIII.

"(b) REDUCTION OF PAYMENT TO STATES.—The Secretary may (subject to the remaining provisions of this section) reduce payment to a State under this title for any quarter by an amount equal to the lesser of the Federal matching share of payments to any institution or person specified in subsection (a), or the total overpayments to such institution or person under title XVIII, and may require the State to reduce its payment to such institution or person by such amount.

"(c) NOTICE OF REDUCTION.—The Secretary shall not make any adjustment in the payment to a State, nor require any adjustment in the payment to an institution or person, pursuant to subsection (b) until after he has provided adequate notice (which shall be not less than 60 days) to the State agency and the institution or person.

"(d) REGULATORY PROCEDURES.—The Secretary shall by regulation provide procedures for implementation of this section, which procedures shall determine the amount of the Federal payment to which the institution or person would otherwise be entitled under this section which shall be treated as a setoff against amounts withheld under this section which are ultimately determined to be in excess of overpayments under title XVIII and to which the institution or person would otherwise be entitled under this title.

"(e) AMOUNTS RECOVERED RESTORED TO TRUST FUNDS.—The Secretary shall restore to the trust funds established under sections 1817 and 1841, as appropriate, amounts recovered under this section as setoffs against overpayments under title XVIII.

"(f) CERTAIN AMOUNTS NOT RECOVERABLE.—Notwithstanding any other provision of this title, an institution or person shall not be entitled to recover from any State any amount in payment for long-term care and services under this title which is withheld by the State agency pursuant to an order by the Secretary under subsection (b).

"PROVISIONS RESPECTING INAPPLICABILITY AND WAIVER OF CERTAIN REQUIREMENTS OF THIS TITLE

"SEC. 2112. (a) IN GENERAL.—A State shall not be deemed to be out of compliance with the requirements of paragraphs (1), (10), or (17) of section 2102(a) solely by reason of the fact that the State (or any political subdivision thereof)—

"(1) has entered into a contract with an organization which has agreed to provide care and services in addition to those offered under the State plan to individuals eligible for long-term care assistance who reside in the geographic area served by such organization; or

"(2) restricts for a reasonable period of time the provider or providers from which an individual (eligible for long-term care assistance for items or services under the State plan) can receive such items or services, if—

"(A) the State has found, after notice and opportunity for a hearing (in accordance with procedures established by the State), and the individual has utilized such items or services at a frequency or amount not necessary (as determined in accordance with utilization guidelines established by the State), and

"(B) under such restriction, individuals eligible for long-term care assistance for such services have reasonable access (taking into account geographic location and reasonable travel time) to such services of adequate quality.

"(b) GRANTING OF WAIVER.—(1) Subject to paragraph (2), the Secretary shall grant a waiver to provide that a State plan approved under this title shall include as 'long-term care assistance' under such plan payment for part or all of the cost of home- or community-based services (other than room and board) which are provided pursuant to a written plan of care to individuals 55 years of age or older with respect to whom there has been a determination that but for the provision of such services the individuals would be likely to require the level of care provided in a nursing facility the cost of which could be reimbursed under the State plan. For purposes of this subsection, the term 'room and board' shall not include an amount established under a method determined by the State to reflect the portion of costs of rent and food attributable to an unrelated personal caregiver who is residing in the same household with an individual who, but for the assistance of such caregiver, would require admission to a nursing facility.

"(2) A waiver shall not be granted under this subsection unless the State provides assurances satisfactory to the Secretary that—

"(A) necessary safeguards (including adequate standards for provider participation) have been taken to protect the health and welfare of individuals provided services under the waiver and to assure financial accountability for funds expended with respect to such services;

"(B) with respect to individuals 55 years of age or older who—

"(i) are entitled to long-term care assistance for nursing facility services under the State plan,

"(ii) require such services, and

"(iii) are eligible for such home and community-based services under such waiver,

The State will provide for an evaluation of the need for such nursing facility services; and

"(C) such individuals who are determined to require the level of care provided in a nursing facility are informed of the feasible alternatives to the provision of nursing facility services, which such individuals may choose if available under the waiver.

"(3) A waiver granted under this subsection may include a waiver of the requirements of section 2102(a)(1) (relating to statewideness), section 2102(a)(10)(B) (relating to comparability), and section 2102(a)(10)(C) (relating to income and resources rules). The State may limit the case managers available with respect to case management services for eligible individuals in order to ensure that the case managers for such individuals are capable of ensuring that such individuals receive needed services. Subject to a termination by the State (with notice to the Secretary) at any time, a waiver under this subsection shall be for an initial term of 3 years and, upon the request of a State, shall be extended for additional 5-year periods unless the Secretary determines that for the previous waiver period the assurances provided under paragraph (2) have not been met. A waiver may provide, with respect to post-eligibility treatment of income of all individuals receiving services under the waiver, that the maximum amount of the individual's income which may be disregarded for any month is equal to the amount that may be allowed for that purpose under a waiver under section 1915(c).

"(4) A waiver under this subsection may, consistent with paragraph (2), provide long-term care assistance to individuals for case management services, homemaker/home health aide services and personal care services, adult day health services, respite care, and other social services that can contribute to the health and well-being of individuals and their ability to reside in a community-based care setting.

"(5)(A) In the case of a State having a waiver approved under this subsection, notwithstanding any other provision of section 2103 to the contrary, the total amount expended by the State for long-term care assistance with respect to nursing facility services, and home and community-based services under the State plan for individuals 55 years of age or older during a waiver year under this subsection may not exceed the projected amount determined under subparagraph (B).

"(B) For purposes of subparagraph (A), the projected amount under this subparagraph is the sum of the following:

"(i) The aggregate amount of the State's long-term care assistance under this title for nursing facility services furnished to individuals who have attained the age of 55 for the base year increased by a percentage which is equal to the lesser of 7 percent times the number of years (rounded to the nearest quarter of a year) beginning after the base year and ending at the end of the waiver year involved or the sum of—

"(I) the percentage increase (based on an appropriate market-basket index representing the costs of elements of such services) between the beginning of the base year and the beginning of the waiver year involved, plus

"(II) the percentage increase between the beginning of the waiver year involved in the number of residents in the State who have attained the age of 55, plus

"(III) 2 percent for each year (rounded to the nearest quarter of a year) beginning after the base year and ending at the end of the waiver year.

"(ii) The aggregate amount of the State's long-term care assistance under this title for home and community-based services for individuals who have attained the age of 55 for the base year increased by a percentage which is equal to the lesser of 7 percent times the number of years (rounded to the nearest quarter of a year) beginning after the base year and ending at the end of the waiver year involved or the sum of—

"(I) the percentage increase (based on an appropriate market-basket index representing the costs of elements of such services) between the beginning of the base year and the beginning of the waiver year involved, plus

"(II) the percentage increase between the beginning of the base year and the beginning of the waiver year involved in the number of residents in the State who have attained the age of 55, plus

"(III) 2 percent for each year (rounded to the nearest quarter of a year) beginning after the base year and ending at the end of the waiver year.

"(iii) The Secretary shall develop and promulgate by regulation—

"(I) a method, based on an index of appropriately weighted indicators of changes in the wages and prices of the mix of goods and services which comprise nursing facility services (regardless of the source of payment for such services), for projecting the percentage increase for purposes of clause (i)(I);

"(II) a method, based on an index of appropriately weighted indicators of changes in the wages and prices of the mix of goods and services which comprise home- and community-based services (regardless of the source of payment for such services), for projecting the percentage increase for purposes of clause (ii)(I); and

"(III) a method for projecting, on a State specific basis, the percentage increase in the number of residents in each State who are over 55 years of age for any period.

The Secretary shall develop a method for projecting, on a State-specific basis, the percentage increase in the number of residents in each State who are over 75 years of age for any period. Effective on and after the date the Secretary promulgates the regulation under clause (III), any reference in this subparagraph to the 'lesser of 7 percent' shall be deemed to be a reference to the 'greater of 7 percent'.

"(iv) If there is enacted an Act which amends this title and which results in an increase in the aggregate amount of long-term care assistance under this title for nursing facility services and home and community-based services for individuals who have attained the age of 55 years, the Secretary, at the request of a State with a waiver under this subsection for a waiver year or years and in close consultation with the State, shall adjust the projected amount computed under this subparagraph for the waiver year or years to take into account such increase.

"(C) As used in this paragraph:

"(i) The term 'home- and community-based services' includes services described in sections 2105(a)(2) and 2105(a)(6), and services described in paragraph (4).

"(ii)(I) Subject to subclause (II), the term 'base year' means the most recent year (ending before the date of the enactment of this subsection) for which actual final expenditures under this title have been reported to, and accepted by, the Secretary.

"(II) For purposes of subparagraph (C), in the case of a State that does not report expenditures on the basis of the age categories described in such subparagraph for a year ending before the date of the enactment of this subsection, the term 'base year' means fiscal year 1989.

"(6)(A) A determination by the Secretary to deny a request for a waiver (or extension of waiver) under this subsection shall be subject to review to the extent provided under section 1116(b).

"(B) Notwithstanding any other provision of this Act, if the Secretary denies a request of the State for an extension of a waiver under this subsection, any waiver under this subsection in effect on the date such request is made shall remain in effect for a period of not less than 90 days after the date on which the Secretary denies such request (or, if the State seeks review of such determination in accordance with subparagraph (A), the date on which a final determination is made with respect to such review).

"(c) TERMINATION OF WAIVERS.—(1) The Secretary shall monitor the implementation of waivers granted under this section to assure that the requirements for such waiver are being met and shall, after notice and opportunity for a hearing, terminate any such waiver where he finds noncompliance has occurred.

"(2) A request to the Secretary from a State for approval of a proposed State plan or plan amendment or a waiver of a requirement of this title submitted by the State pursuant to a provision of this title shall be deemed granted unless the Secretary, within 90 days after the date of its submission to the Secretary, either denies such request in writing or informs the State agency in writing with respect to any additional information which is needed in order to make a final determination with respect to the request. After the date the Secretary receives such additional information, the request shall be deemed granted unless the Secretary, within 90 days of such date, denies such request.

"(d) CASE MANAGEMENT SERVICES EXEMPTED FROM CERTAIN REQUIREMENTS.—(1) A State may provide, as long-term care assistance, case management services under the plan without regard to the requirements of section 2102(a)(1) and section 2102(a)(10)(B). The provision of case management services under this subsection shall not restrict the choice of the individual to receive long-term care assistance in violation of section 2102(a)(17). The State may limit the case managers available with respect to case management services for eligible individuals in order to ensure that the case managers for such individuals are capable of ensuring that such individuals receive needed services.

"(2) For purposes of this subsection, the term 'case management services' means services which will assist individuals eligible under the plan in gaining access to needed medical, social, educational, and other long-term care services.

"USE OF ENROLLMENT FEES, PREMIUMS, DEDUCTIBLE, COST SHARING, AND SIMILAR CHARGES

"SEC. 2113. (a) IN GENERAL.—The State plan shall provide that in the case of individuals described in subparagraph (A)(i) of section 2102(a)(10) who are eligible under the plan—

"(1) no enrollment fee, premium, or similar charge will be imposed under the plan with respect to services furnished to any individual who is severely functionally impaired as defined in section 2105(c)(2), if such individual is required, as a condition of receiving services under the State plan, to spend for costs of long-term care all but a minimal amount of his income required for personal needs; and

"(2) any deductible, cost sharing, or similar charge imposed under the plan with respect to other such individuals or other care and services will be nominal in amount (as determined by the Secretary in regulations).

"(b) NONDENIAL OF ELIGIBILITY DUE TO LACK OF COST SHARING.—The State plan shall require that no provider participating under the State plan may deny care or services to an individual eligible for such care or services under the plan on account of such individual's inability to pay a deduction, cost sharing, or similar charge. The requirements of this subsection shall not extinguish the liability of the individual to whom the care or services were furnished for payment of the deductible, cost sharing, or similar charge.

"(c) PROHIBITION OF COST SHARING UNDER WAIVER.—No deductible, cost sharing, or similar charge may be imposed under any waiver authority of the Secretary, except as provided in subsection (a)(2), unless such waiver is for a demonstration project which the Secretary finds after public notice and opportunity for comment—

"(1) will test unique and previously untested use of copayments,

"(2) is limited to a period of not more than two years,

"(3) will provide benefits to recipients of long-term care assistance which can reasonably be expected equivalent to the risks to the recipients,

"(4) is based on a reasonable hypothesis which the demonstration is designed to test in a methodologically sound manner, including the use of control groups of similar recipients of long-term care assistance in the area, and

"(5) is voluntary, or makes provision for assumption of liability for preventable damage to the health of recipients of long-term care assistance resulting from involuntary participation.

"LIENS, ADJUSTMENTS AND RECOVERIES, AND TRANSFERS OF ASSETS

"SEC. 2114. (a)(1) No lien may be imposed against the property of any individual prior to his death on account of long-term care assistance paid or to be paid on his behalf under the State plan, except—

"(A) pursuant to the judgment of a court on account of benefits incorrectly paid on behalf of such individual, or

"(B) in the case of the real property of an individual—

"(i) who is an inpatient in a nursing facility or other institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of long-term care all but a minimal amount of his income required for personal needs, and

"(ii) with respect to whom the State determines, after notice and opportunity for a hearing (in accordance with procedures established by the State), that he cannot reasonably be expected to be discharged from the nursing facility and to return home, except as provided in paragraph (2).

"(2) No lien may be imposed under paragraph (1)(B) on such individual's home if—

"(A) the spouse of such individual,

"(B) such individual's child who is under age 21, or (with respect to States eligible to participate in the State program established under title XVI) is blind or permanently and totally disabled, or (with respect to States which are not eligible to participate in such program) is blind or disabled as defined in section 1614, or

"(C) a sibling of such individual (who has an equity interest in such home and who was residing in such individual's home for a period of at least one year immediately before the date of the individual's admission to the medical institution),

is lawfully residing in such home.

"(3) Any lien imposed with respect to an individual pursuant to paragraph (1)(B) shall dissolve upon that individual's discharge from the nursing facility and return home.

"(b)(1) No adjustment or recovery of any long-term care assistance correctly paid on behalf of an individual under the State plan may be made, except—

"(A) in the case of an individual described in subsection (a)(1)(B), from his estate or upon sale of the property subject to a lien imposed on account of long-term care assistance paid on behalf of such individual, and

"(B) in the case of any other individual who was [55] years of age or older when he received such assistance, from his estate.

"(2) Any adjustment or recovery under paragraph (1) may be made only after the death of the individual's surviving spouse, if any, and only at a time—

"(A) when he has no surviving child who is under age 21, or (with respect to States eligible to participate in the State program established under title XVI) is blind or permanently and totally disabled, or (with respect to States which are not eligible to participate in such program) is blind or disabled as defined in section 1614; and

"(B) in the case of a lien on an individual's home under subsection (a)(1)(B), when—

"(i) no sibling of the individual (who was residing in the individual's home for a period of at least one year immediately before the date of the individual's admission to the nursing facility), and

"(ii) no son or daughter of the individual (who was residing in the individual's home for a period of at least two years immediately before the date of the individual's admission to the nursing facility, and who establishes to the satisfaction of the State that he or she provided care to such individual which permitted such individual to reside at home rather than in an institution),

is lawfully residing in such home who has lawfully resided in such home on a continuous basis since the date of the individual's admission to the nursing facility.

"(c)(1) In order to meet the requirements of this subsection (for purposes of section 2102(a)(39)(B)), the State plan must provide for a period of ineligibility for nursing facility services and for services under section 2112(b) or (d) in the case of an institutionalized individual (as defined in paragraph (3)) who, or whose spouse, at any time during or after the 30-month period immediately before the date the individual becomes an institutionalized individual (if the individual is entitled to long-term care assistance under the State plan on such date) or, if the individual is not so entitled, the date the individual applies for such assistance while an institutionalized individual, disposed of resources for less than fair market value. The period of ineligibility shall begin with the month in which such resources were transferred and the number of months in such period shall be equal to the lesser of—

"(A) 30 months, or

"(B)(i) the total uncompensated value of the resources so transferred, divided by

"(ii) the average cost, to a private patient at the time of the application, of nursing facility services in the State or, at State option, in the community in which the individual is institutionalized.

"(2) An individual shall not be ineligible for long-term care assistance by reason of paragraph (1) to the extent that—

"(A) the resources transferred were a home and title to the home was transferred to—

"(i) the spouse of such individual;

"(ii) a child of such individual who (I) is under age 21, or (II) (with respect to States eligible to participate in the State program established under title XVI) is blind or permanently and totally disabled, or (with respect to States which are not eligible to participate in such program) is blind or disabled as defined in section 1614;

"(iii) a sibling of such individual who has an equity interest in such home and who was residing in such individual's home for a period of at least one year immediately before the date the individual becomes an institutionalized individual, or

"(iv) a son or daughter of such individual (other than a child described in clause (ii)) who was residing in such individual's home for a period of at least two years immediately before the date the individual becomes an institutionalized individual, and who (as determined by the State) provided care to such individual which permitted such individual to reside at home rather than in such an institution or facility;

"(B) the resources were transferred (i) to or from (or to another for the sole benefit of) the individual's spouse, as defined in section 2117(h)(2), or (ii) to the individual's child described in subparagraph (A)(ii)(II);

"(C) a satisfactory showing is made to the State (in accordance with any regulations promulgated by the Secretary) that—

"(i) the individual intended to dispose of the resources either at fair market value, or for other valuable consideration; or

"(ii) the resources were transferred exclusively for a purpose other than to qualify for long-term care; or

"(D) the State determines that denial of eligibility would work an undue hardship.

"(3) In this subsection, the term 'institutionalized individual' means an individual who is an inpatient in a nursing facility and with respect to whom payment is made based on a level of care provided in a nursing facility.

"(4) A State may not provide for any period of ineligibility for an individual due to transfer of resources for less than fair market value except in accordance with this subsection.

"(5) In this subsection, the term 'resources' has the meaning given such term in section 1613, without regard to the exclusion described in subsection (a)(1) thereof.

"APPLICATION OF PROVISIONS OF TITLE II RELATING TO SUBPOENAS

"SEC. 2115. The provisions of subsections (d) and (e) of section 205 of this Act shall apply with respect to this title to the same extent as they are applicable with respect to title II.

"REQUIREMENTS FOR NURSING FACILITIES

"SEC. 2116. In this title, the term 'nursing facility' has the meaning given such term under section 1919 and which meets the requirements for such a facility described in such section.

"TREATMENT OF INCOME AND RESOURCES FOR IMPAIRED SPOUSES

"SEC. 2117. (a) SPECIAL TREATMENT FOR IMPAIRED SPOUSES.—

"(1) SUPERSEDES OTHER PROVISIONS.—In determining the eligibility for long-term care assistance of an impaired spouse (as defined in subsection (h)(1)), the provisions of this section supersede any other provision of this title which is inconsistent with them.

"(2) NO COMPARABLE TREATMENT REQUIRED.—Any different treatment provided under this section for impaired spouses shall not require such treatment for other individuals.

"(3) DOES NOT AFFECT CERTAIN DETERMINATIONS.—Except as this section specifically provides, this section does not apply to—

"(A) the determination of what constitutes income or resources, or

"(B) the methodology and standards for determining and evaluating income and resources.

"(4) APPLICATION IN CERTAIN STATES AND TERRITORIES.—

"(A) APPLICATION IN STATES OPERATING UNDER DEMONSTRATION PROJECTS.—In the case of any State which is providing long-term care assistance to its residents under waiver granted under section 1115, the Secretary shall require the State to meet the requirements of this section in the same manner as the State would be required to meet such requirement if the State had in effect a plan approved under this title.

"(B) NO APPLICATION IN COMMONWEALTHS AND TERRITORIES.—This section shall only apply to a State that is one of the 50 States or the District of Columbia.

"(5) APPLICATION TO INDIVIDUALS RECEIVING SERVICES FROM ORGANIZATIONS RECEIVING CERTAIN WAIVERS.—This section applies to individuals receiving institutional or noninstitutional services from any organization receiving a frail elderly demonstration project waiver under section 9412(b) of the Omnibus Budget Reconciliation Act of 1986.

"(b) RULES FOR TREATMENT OF INCOME.—

"(1) SEPARATE TREATMENT OF INCOME.—During any month in which an impaired spouse is in the institution, except as provided in paragraph (2) no income of the community spouse shall be deemed available to the impaired spouse.

"(2) ATTRIBUTION OF INCOME.—In determining the income of an impaired spouse or community spouse, for purposes of the posteligibility income determination described in subsection (d), except as otherwise provided in this section and regardless of any State laws relating to community property or the division of marital property, the following rules apply:

"(A) NONTRUST PROPERTY.—Subject to subparagraphs (C) and (D), in the case of income not from a trust, unless the instrument providing the income otherwise specifically provides—

"(i) if payment of income is made solely in the name of the impaired spouse or the community spouse, the income shall be considered available only to that respective spouse;

"(ii) if payment of income is made in the names of the impaired spouse and the community spouse, one-half of the income shall be considered available to each of them; and

"(iii) if payment of income is made in the names of the impaired spouse or the community spouse, or both, and to another person or persons, the income shall be considered available to each spouse in proportion to the spouse's interest (or, if payment is made with respect to both spouses and no such interest is specified, one-half of the joint interest shall be considered available to each spouse).

"(B) TRUST PROPERTY.—In the case of a trust—

"(i) except as provided in clause (ii), income shall be attributed in accordance with the provisions of this title, and

"(ii) income shall be considered available to each spouse as provided in the trust, or, in the absence of a specific provision in the trust—

"(I) if payment of income is made solely to the impaired spouse or the community spouse, the income shall be considered available only to that respective spouse;

"(II) if payment of income is made to both the impaired spouse and the community spouse, one-half of the income shall be considered available to each of them; and

"(III) if payment of income is made to the impaired spouse or the community spouse, or both, and to another person or persons, the income shall be considered available to each spouse in proportion to the spouse's interest (or, if payment is made with respect to both spouses and no such interest is specified, one-half of the joint interest shall be considered available to each spouse).

"(C) PROPERTY WITH NO INSTRUMENT.—In the case of income not from a trust in which there is no instrument establishing ownership, subject to subparagraph (D), one-half of the income shall be considered to be available to the impaired spouse and one-half to the community spouse.

"(D) REBUTTING OWNERSHIP.—The rules of subparagraphs (A) and (C) are superseded to the extent that an impaired spouse can establish, by a preponderance of the evidence, that the ownership interests in income are other than as provided under such subparagraphs.

"(c) RULES FOR TREATMENT OF RESOURCES.—

"(1) COMPUTATION OF SPOUSAL SHARE AT TIME OF INSTITUTIONALIZATION.—

"(A) TOTAL JOINT RESOURCES.—There shall be computed (as of the beginning of the first period of eligibility of the impaired spouse)—

"(i) the total value of resources to the extent either the impaired spouse or the community spouse has an ownership interest, and

"(ii) a spousal share which is equal to ½ of such total value.

"(B) ASSESSMENT.—At the request of an impaired spouse or community spouse, as of the beginning of the first period of eligibility of the impaired spouse and upon the receipt of relevant documentation of resources, the State shall promptly assess and document the total value described in subparagraph (A)(i) and shall provide a copy of such assessment and documentation to each spouse and shall retain a copy of the assessment for use under this section. If the request is not part of an application for long-term care assistance under this title, the State may, at its option as a condition of providing the assessment, require payment of a fee not exceeding the reasonable expenses of providing and documenting the assessment. At the time of providing the copy of the assessment, the State shall include a notice indicating that the spouse will have a right to a fair hearing under subsection (d)(2).

"(2) ATTRIBUTION OF RESOURCES AT TIME OF INITIAL ELIGIBILITY DETERMINATION.—In determining the resources of an impaired spouse at the time of application for benefits under this title, regardless of any State laws relating to community property or the division of marital property—

"(A) except as provided in subparagraph (B), all the resources held by either the impaired spouse, community spouse, or both, shall be considered to be available to the impaired spouse, and

"(B) resources shall be considered to be available to an impaired spouse, but only to the extent that the amount of such resources exceeds the amount computed under subsection (f)(2)(A) (as of the time of application for benefits).

"(3) ASSIGNMENT OF SUPPORT RIGHTS.—The impaired spouse shall not be ineligible by reason of resources determined under paragraph (2) to be available for the cost of care where—

"(A) the impaired spouse has assigned to the State any rights to support from the community spouse;

"(B) the impaired spouse lacks the ability to execute an assignment due to physical or mental impairment but the State has the right to bring a support proceeding against a community spouse without such assignment; or

"(C) the State determines that denial of eligibility would work an undue hardship.

"(4) SEPARATE TREATMENT OF RESOURCES AFTER ELIGIBILITY FOR BENEFITS ESTABLISHED.—During the continuous period in which an impaired spouse is in an institution and after the month in which an impaired spouse is determined to be eligible for benefits under this title, no resources of the community spouse shall be deemed available to the impaired spouse.

"(5) RESOURCES DEFINED.—In this section, the term 'resources' does not include—

"(A) resources excluded under subsection (a) or (d) of section 1613, and

"(B) resources that would be excluded under section 1613(a)(2)(A) but for the limitation on total value described in such section.

"(d) PROTECTING INCOME FOR COMMUNITY SPOUSE.—

"(1) ALLOWANCES TO BE OFFSET FROM INCOME OF IMPAIRED SPOUSE.—After an impaired spouse is determined or redetermined to be eligible for long-term care assistance, in determining the amount of the spouse's income that is to be applied monthly to payment for the costs of care in the institution, there shall be deducted from the spouse's monthly income the following amounts in the following order:

"(A) A personal needs allowance (described in section 2102(g)(1)), in an amount not less than the amount specified in section 2102(g)(2).

"(B) A community spouse monthly income allowance (as defined in paragraph (2)), but only to the extent income of the impaired spouse is made available to (or for the benefit of) the community spouse.

"(C) A family allowance, for each family member, equal to at least ⅓ of the amount by which the amount described in paragraph (3)(A)(i) exceeds the amount of the monthly income of that family member.

"(D) Amounts for incurred expenses for long-term care assistance for the impaired spouse (as provided under section 2102(h)).

In subparagraph (C), the term 'family member' only includes minor or dependent children, dependent parents, or dependent siblings of the institutionalized or community spouse who are residing with the community spouse.

"(2) COMMUNITY SPOUSE MONTHLY INCOME ALLOWANCE DEFINED.—In this section (except as provided in paragraph (5)), the 'community spouse monthly income allowance' for a community spouse is an amount by which—

"(A) except as provided in subsection (d), the minimum monthly maintenance needs allowance (established under and in accordance with paragraph (3)) for the spouse, exceeds

"(B) the amount of monthly income otherwise available to the community spouse (determined without regard to such an allowance).

"(3) ESTABLISHMENT OF MINIMUM MONTHLY MAINTENANCE NEEDS ALLOWANCE.—

"(A) IN GENERAL.—Each State shall establish a minimum monthly maintenance needs allowance for each community spouse which, subject to subparagraph (C), is equal to or exceeds—

"(i) the applicable percent (described in subparagraph (B) of 1/12 of the income official poverty line (defined by the Office of Management and Budget and revised annually in accordance with sections 652 and 673(2) of the Omnibus Budget Reconciliation Act of 1981) for a family unit of 2 members; plus

"(ii) an excess shelter allowance (as defined in paragraph (4)).

A revision of the official poverty line referred to in clause (i) shall apply to medical assistance furnished during and after the second calendar quarter that begins after the date of publication of the revision.

"(B) APPLICABLE PERCENT.—For purposes of subparagraph (A)(i), the 'applicable percent' described in this paragraph, effective as of July 1, 1992, is 150 percent.

"(C) CAP ON MINIMUM MONTHLY MAINTENANCE NEEDS ALLOWANCE.—The minimum monthly maintenance needs allowance established under subparagraph (A) may not exceed $1,500 (subject to adjustment under subsections (e) and (g)).

"(4) EXCESS SHELTER ALLOWANCE DEFINED.—In paragraph (3)(A)(ii), the term 'excess shelter allowance' means, for a community spouse, the amount by which the sum of—

"(A) the spouse's expenses for rent or mortgage payment (including principal and interest), taxes and insurance and, in the case of a condominium or cooperative, required maintenance charge, for the community spouse's principal residence, and

"(B) the standard utility allowance used by the State under section 9(e) of the Food Stamp Act of 1977 or, if the State does not use such an allowance, the spouse's actual utility expenses,

exceeds 30 percent of the amount described in paragraph (3)(A)(i), except that, in the case of a condominium or cooperative, for which a maintenance charge is included under subparagraph (A), any allowance under subparagraph (B) shall be reduced to the extent the maintenance charge includes utility expenses.

"(5) COURT ORDERED SUPPORT.—If a court has entered an order against an impaired spouse for monthly income for the support of the community spouse, the community spouse monthly income allowance for the spouse shall be not less than the amount of the monthly income so ordered.

"(e) NOTICE AND FAIR HEARING.—

"(1) NOTICE.—Upon—

"(A) a determination of eligibility for long-term care assistance of an impaired spouse, or

"(B) a request by either the impaired spouse, or the community spouse, or a representative acting on behalf of either spouse,

each State shall notify both spouses (in the case described in subparagraph (A)) or the spouse making the request (in the case described in subparagraph (B)) of the amount of the community spouse monthly income allowance (described in subsection (d)(1)(B), of the amount of any family allowances (described in subsection (d)(1)(C)), of the method for computing the amount of the community spouse resources allowance permitted under subsection (f), and of the spouse's right to a fair hearing under this subsection respecting ownership or availability of income or resources, and the determination of the community spouse monthly income or resource allowance.

"(2) FAIR HEARING.—

"(A) IN GENERAL.—If either the impaired spouse or the community spouse is dissatisfied with a determination of—

"(i) the community spouse monthly income allowance;

"(ii) the amount of monthly income otherwise available to the community spouse (as applied under subsection (d)(2)(B));

"(iii) the computation of the spousal share of resources under subsection (c)(1);

"(iv) the attribution of resources under subsection (c)(2); or

"(v) the determination of the community spouse resource allowance (as defined in subsection (f)(2));

such spouse is entitled to a fair hearing described in section 2102(a)(3) with respect to such determination if an application for benefits under this title has been made on behalf of the impaired spouse. Any such hearing respecting the determination of the community spouse resource allowance shall be held within 30 days of the date of the request for the hearing.

"(B) REVISION OF MINIMUM MONTHLY MAINTENANCE NEEDS ALLOWANCE.—If either such spouse establishes that the community spouse needs income, above the level otherwise provided by the minimum monthly maintenance needs allowance, due to exceptional circumstances resulting in significant financial duress, there shall be substituted, for the minimum monthly maintenance needs allowance in subsection (d)(2)(A), an amount adequate to provide such additional income as is necessary.

"(C) REVISION OF COMMUNITY SPOUSE RESOURCE ALLOWANCE.—If either such spouse establishes that the community spouse resource allowance (in relation to the amount of income generated by such an allowance) is inadequate to raise the community spouse's income to the minimum monthly maintenance needs allowance, there shall be substituted, for the community spouse resource allowance under subsection (f)(2), an amount adequate to provide such a minimum monthly maintenance needs allowance.

"(f) PERMITTING TRANSFER OF RESOURCES TO COMMUNITY SPOUSE.—

"(1) IN GENERAL.—An impaired spouse may, without regard to section 2114(a)(1), transfer an amount equal to the community spouse resource allowance (as defined in paragraph (2)), but only to the extent the resources of the impaired spouse are transferred to (or for the sole benefit of) the community spouse. The transfer under the preceding sentence shall be made as soon as practicable after the date of the initial determination of eligibility, taking into account such time as may be necessary to obtain a court order under paragraph (3).

"(2) COMMUNITY SPOUSE RESOURCE ALLOWANCE DEFINED.—In paragraph (1), the 'community spouse resource allowance' for a community spouse is an amount (if any) by which—

"(A) the greatest of—

"(i) $12,000 (subject to adjustment under subsection (g)), or, if greater (but not to exceed the amount specified in clause (ii)(II)) an amount specified under the State plan,

"(ii) the lesser of (I) the spousal share computed under subsection (c)(1), or (II) $60,000 (subject to adjustment under subsection (g)),

"(iii) the amount established under subsection (d)(2); or

"(iv) the amount transferred under a court order under paragraph (3);

exceeds—

"(B) the amount of the resources otherwise available to the community spouse (determined without regard to such an allowance).

"(3) TRANSFERS UNDER COURT ORDERS.—If a court has entered an order against an impaired spouse for the support of the community spouse, section 2114 shall not apply to amounts of resources transferred pursuant to such order for the support of the spouse or a family member (as defined in subsection (d)(1)).

"(g) INDEXING DOLLAR AMOUNTS.—For services furnished during a calendar year after

1989, the dollar amounts specified in subsections (d)(3)(C), (f)(2)(A)(i), and (f)(2)(A)(ii)(II) shall be increased by the same percentage as the percentage increase in the consumer price index for all urban consumers (all items; U.S. city average) between September 1988 and the September before the calendar year involved.

"(h) DEFINITIONS.—In this section:

"(1) IMPAIRED SPOUSE.—The term 'impaired spouse' means an individual who—

"(A) is receiving services under this title, and

"(B) is married to a spouse who is not functionally impaired as described in this title;

but does not include any such individual who does not meet the requirements of subparagraph (A) for at least 30 days.

"(2) COMMUNITY SPOUSE.—The term 'community spouse' means the spouse of an impaired spouse.

"PART B—SECURE CHOICE INSURANCE OPTION

"PURPOSE

"SEC. 2131. It is the purpose of this part to establish a program under which a State may choose to participate in a public-private partnership to provide long-term care assistance, through the expanded availability of long-term care insurance policies subsidized under Federal and State funding requirements under this part, to individuals who meet the requirements of this part.

"DEFINITIONS

"SEC. 2132. As used in this part:

"(1) BENEFIT SUBSIDY.—The term 'benefit subsidy' means the percentage amount of the benefits under a qualified long-term care insurance policy that the Federal and State governments will pay once a qualified participant requires, and is eligible for, long-term care services under the policy.

"(2) ELIMINATION PERIOD.—The term 'elimination period' means the period of time, which shall not exceed 30 cumulative days, during which no benefits under a qualified long-term care insurance policy issued under this part will be paid. Such period begins on the date on which the individual qualifies for benefits under such a policy as determined under a benefits assessment.

"(3) GUARANTEED RENEWABLE.—The term 'guaranteed renewable' means that a qualified insurer must renew a qualified long-term care insurance policy issued under this part regardless of the age or health status of the insured, or number of claims submitted by the insured if the insured continues to comply with the requirements of such policy.

"(4) LIFETIME MAXIMUM BENEFIT.—The term 'lifetime maximum benefit' means the maximum benefit payable on behalf of an insured (as determined under section 2140(a)(2)), in total during the lifetime of the insured, under a qualified long-term care insurance policy issued under this part.

"(5) INCOME OFFICIAL POVERTY LINE.—The term 'income official poverty line' means that poverty line as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981).

"(6) QUALIFIED CASE MANAGER.—The term 'qualified case manager' means an individual qualified to perform case management services as provided for in section 2146.

"(7) QUALIFIED INSURERS.—The term 'qualified insurers' means those entities that are certified by the Standard and Performance Organization of the State to have met the requirements of section 2144.

"(8) QUALIFIED LONG-TERM CARE INSURANCE POLICY.—The term 'qualified long-term care insurance policy' means an insurance policy that meets the requirements of section 2137.

"(9) QUALIFIED PARTICIPANT.—The term 'qualified participant' means an individual who meets the requirements described in section 2136.

"(10) QUALIFIED PROVIDER.—The term 'qualified provider' means an individual or entity that provides long-term care services for which reimbursement is available under a qualified long-term care insurance policy as provided for in section 2145. Such individual or entity shall comply with licensure and certification standards established by the State under part A.

"ESTABLISHMENT OF PROGRAM

"SEC. 2133. There is established a program (to be known as the 'Secure Choice Insurance Option') under which a State, if it elects to participate in such program, shall—

"(1) meet the requirements of section 2134; and

"(2) ensure that insurance providers offering qualified long-term care insurance policies within the State meet minimum criteria under this part and make such policies available to qualified participants, at premiums that are based on the incomes of such individuals and the benefit subsidy applicable to such individual, as determined under section 2138;

and the Federal government shall contribute a portion of the funds, in accordance with section 2142, necessary to reimburse the State for the costs of providing such services within the State.

"GENERAL REQUIREMENTS

"SEC. 2134. A State that elects to participate in the program established under section 2133 shall—

"(1) provide long-term care services to eligible individuals in accordance with section 2135(1);

"(2) ensure that qualified participants have access to qualified long-term care insurance policies in accordance with section 2135(2);

"(3) provide benefit subsidies in accordance with section 2138;

"(4) establish a Standards and Performance Organization in accordance with section 2143; and

"(5) otherwise comply with the requirements of this part and part A.

"STATE PLAN

"SEC. 2135. In addition to meeting the requirements for State plans under section 2102, a State that elects to participate in the program established under this part shall, as part of the State plan required under such section—

"(1) provide long-term care services (of the type described in paragraphs (2) and (3) of section 2105(a) in the case of functionally impaired individuals and of the type described in paragraphs (1), (2), and (3) in the case of severely functionally impaired individuals) under part A to those functionally or severely functionally impaired individuals with incomes below 240 percent of the income official poverty line, and resources (as determined under part A) that, except as provided in section 2137(e), do not exceed $2,000 in the case of individuals receiving nursing facility care, and $5,000 in the case of individuals receiving home- and community-based care;

"(2)(A) ensure that if qualified long-term care insurance policies are offered by qualified insurers within the State, that such insurers shall offer qualified long-term care policies to individuals with incomes that are not more than 400 percent of the income official poverty line in accordance with section 2138, at premium rates that meet the requirements of section 2139; and

"(B) pay the benefit subsidy for the costs of services provided under such policies as provided for in section 2138;

"(3) ensure that no benefit subsidies will be paid by the State under qualified long-term care insurance policies for qualified participants with incomes in excess of 400 percent of the income official poverty line;

"(4) establish or designate a Standards and Performance Organization in accordance with section 2143;

"(5) ensure that—

"(A) the care and services provided under the plan comply with the requirements of this part; and

"(B) providers of services under this part must meet licensure, certification, and other appropriate standards established by the State under part A;

"(6) acting through the Standards and Performance Organization of the State, prepare and submit to the Secretary such reports as the Secretary may require under this part, in such form, containing such information, and complying with such provisions as the Secretary determines necessary to assure the soundness, correctness, nonduplicative nature, and verification of such reports; and

"(7) provide such other information as the Secretary may require.

"QUALIFIED PARTICIPANTS

"SEC. 2136. To be eligible to purchase a qualified long-term care insurance policy under the program established under this part, an individual must, at the time such individual elects to purchase such policy—

"(1) be a resident of the State; and

"(2) meet the standard underwriting requirements of the qualified insurer.

An individual meeting the requirements of this section who purchases such a policy shall be considered to be a qualified participant.

"QUALIFIED POLICIES

"SEC. 2137. (a) IN GENERAL.—A qualified long-term care insurance policy under this section shall, at a minimum—

"(1) offer at least the minimum benefits described in subsection (b);

"(2) meet the minimum standards for long-term care insurance policies established—

"(A) under section 2151; and

"(B) by the National Association of Insurance Commissioners;

"(3) be approved for sale in the State by the State insurance commissioner;

"(4) provide reimbursement for services, as described in section 2140(b);

"(5) be guaranteed renewable;

"(6) offer premiums that are determined on a level premium basis, with an annual compounded adjustment of 5 percent in the maximum daily benefit and lifetime maximum benefit, over the life of the policy;

"(7) have no more than a 30 cumulative day elimination period during which no benefits under a qualified long-term care insurance policy issued under this part will be paid;

"(8) provide a portability feature that—

"(A) includes a continuation or conversion option to permit participants, who are no longer part of the group to which the policy applies, to continue coverage under such policy in accordance with section 2137(g);

"(B) meets the requirements of section 2141, for participants who change their State of residence; and

"(C) includes a requirement that, except as provided in section 2139, premium rates will not be changed unless such change is approved by the State insurance commission of the State;

"(9) provide an option for a qualified participant to purchase a reduced paid-up benefit for a qualified participant who stops making premium payments after paying such premiums for at least 5 consecutive years, in an amount that is equal to 10 percent of the value of the benefits under the policy for the first 5-year period during which the policy is in effect, increased by 5 percent for each year succeeding such 5-year period, up to a maximum of 80 percent of such value;

"(10) provide that, except as provided in subsection (c), if a scheduled premium for such policy is not paid prior to the expiration of a 60-day period beginning on the date on which such premium is due, the policy will lapse for failure to pay premiums (such policy will remain in force during such 60-day period); and

"(11) provide that, after the expiration of a 60-consecutive day period during which nursing facility or home or community-based care benefits are paid under the policy, the insured shall no longer be required to pay the monthly premium due under such policy if the insured remains continuously eligible for and receives benefits and the qualified insurer continues to pay such benefits under the policy.

"(b) MINIMUM BENEFITS.—

"(1) IN GENERAL.—Qualified long-term care insurance policies shall provide at least—

"(A) with respect to qualified participants who are severely functionally impaired services of the type described in paragraphs (1), (2) and (3) of section 2105(a); and

"(B) with respect to qualified participants who are functionally impaired services of the type described in paragraphs (2) and (3) of section 2105(a).

"(2) LIMITATIONS.—Qualified long-term care insurance policies shall pay only for services described in paragraph (1)—

"(A) that are appropriate to meet the needs of the qualified participant related to the specific limitations in performing the activities of daily living of the participant as determined by the case manager under a written plan of care in accordance with section 2146; and

"(B) that are provided by qualified providers.

"(c) REINSTATEMENT.—A qualified insurer may elect to reinstate a qualified long-term care insurance policy that has lapsed. The acceptance of a premium payment by a qualified insurer, after the expiration of the period referred to in subsection (a)(10), shall constitute a reinstatement of the qualified long-term care insurance policy to which such premium is applied and no application for such reinstatement shall be required. No underwriting or new age-related premiums will be permitted in the case of such reinstatements.

"(d) RESOURCE RULES.—

"(1) IN GENERAL.—The minimum resource requirement under part A that shall apply to a qualified participant who has purchased a qualified long-term care insurance policy shall be increased in an amount not to exceed $1,000 for each year during which such policy is in effect, up to $20,000 above such minimum resource requirement.

"(2) ELIGIBILITY UNDER PART A.—A qualified participant shall not be eligible for services under part A until such participant—

"(A) has exhausted the lifetime maximum benefit under a qualified long-term care insurance policy purchased under this part;

"(B) except as provided in paragraph (1), complied with the income and resource requirements under section 2102(f); and

"(C) otherwise meets the eligibility requirements under part A.

"(3) PORTABILITY.—The amount of additional resources that may be protected pursuant to this subsection shall be maintained regardless of whether the qualified participant moves the place of residence of such participant to another State.

"(4) REQUIREMENT OF POLICY.—The additional resources permitted to be protected under this subsection shall continue to accumulate only during the time in which the qualified long-term care insurance policy under which such protection was accumulated is maintained.

"(e) COMPREHENSIVE POLICIES.—Qualified insurers may offer qualified long-term care policies that are more comprehensive in nature than those required under subsection (b) if such policies are approved by the State insurance commission. The amount of the cost of services provided under such comprehensive policies that is in excess of the minimum benefits required under subsection (b) shall not be eligible for the benefit subsidy under section 2140(b).

"(f) GROUP POLICIES.—In the case of a qualified long-term care insurance policy that is offered in the form of a group insurance policy, the qualified insurer providing such long-term care policy shall ensure that the policy includes a continuation and conversion of coverage provision that permits an individual who is no longer part of the overall group to make direct premium payments to the insurer, as provided for in this part, to keep such policy from lapsing. The premium amount required for individuals leaving the group shall not change for a period of not to exceed 18 months.

"BENEFIT SUBSIDY

"SEC. 2138. (a) IN GENERAL.—A qualified participant with an income that is not more than 400 percent of the income official poverty line shall be eligible for a benefit subsidy under a qualified long-term care insurance policy if—

"(1) such participant is provided with care and services under such policy; and

"(2) such participant has attained the age of 55.

"(b) AMOUNT.—The amount of the benefit subsidy, as provided for in subsection (a), that a State shall be required to pay under a long-term care insurance policy shall be based on a sliding scale, established by the Standards and Performance Organization, with the maximum benefit subsidy equaling 75 percent of the costs of the services provided under such policy, in the case of a qualified participant with an income at or below 240 percent of the income official poverty line, and the benefit subsidy equaling 0 percent of the costs of such services, in the case of a qualified participant with an income of 400 percent or more of the income official poverty line, subject to the limitations described in section 2140.

"(c) CALCULATION.—The amount for which the State shall be liable under the sliding scale developed under subsection (b) shall be an amount equal to the total amount of the cost of the services provided under the qualified long-term care insurance policy less the amount to be paid by the qualified insurer. The amount to be paid by the qualified insurer shall be based on a weighted average determined by the qualified insurer to account for the actual premiums paid by the participant and the accumulated value of such premiums. The amount of such liability shall be determined at the time the participant qualifies for benefits under the policy.

"(d) UNDERAGED INDIVIDUALS.—An individual that is less than 55 years of age may purchase a qualified long-term care insurance policy under this section if such individuals meets the other requirements of such subsection, but such individual shall not be eligible for a benefit subsidy under such policy until such individual has turned 55 years of age and meets the requirements for eligibility for a benefit subsidy.

"PREMIUMS

"SEC. 2139. (a) AMOUNT.—

"(1) IN GENERAL.—The amount of the premium to be charged by a qualified insurer for a qualified long-term care insurance policy shall be determined by each qualified insurer, subject to State insurance regulations. Such premiums must be based on the minimum benefits that must be provided under the policy.

"(2) PREMIUM RATE STRUCTURE.—The State insurance commission shall ensure that the premium rate structure applicable to a qualified long-term care insurance policy remains level throughout the life of the policy taking into consideration the income and other characteristics of the qualified participant.

"(b) REVIEW OF RATES.—

"(1) REVIEW OF PREMIUM RATES.—

"(A) IN GENERAL.—The State insurance commission, at least once during each consecutive 3-year period, shall review the premium rate structure applicable to qualified long-term care insurance policies, in conjunction with the review conducted under paragraph (2), for the purpose of determining whether to permit adjustments to be made by qualified insurers in such premium rates.

"(B) APPROVAL REQUIRED.—A qualified insurer may not adjust the premium rates charged for qualified long-term care insurance policies unless such change is approved by the State insurance commission.

"(2) REVIEW OF PART A RATES.—For purposes of determining whether an adjustment in premium rates should be approved under paragraph (1), the State insurance commission, at least once during each consecutive 3-year period, shall review the rates applicable to services provided under part A and ensure that rates for services that are covered under a qualified long-term care insurance policy are consistent with those applicable to services provided under part A.

"(c) GROUP POLICY RATE ADJUSTMENTS.—Premium rate adjustments for group qualified long-term care insurance policies shall be permitted under this section only—

"(1) on a class basis;

"(2) if such adjustment is applied to all individuals in the particular enrollment class; and

"(3) if such adjustment meets all appropriate State requirements for rate adjustments if required under State law.

"REIMBURSEMENTS

"SEC. 2140. (a) MAXIMUM DAILY AND LIFETIME BENEFITS.—

"(1) DAILY BENEFIT.—

"(A) MAXIMUM DAILY BENEFIT FOR NURSING FACILITY SERVICES.—The maximum daily benefit payable for nursing facility services under a qualified long-term care insurance policy shall be an amount that is equal to that amount that is the 80th percentile nursing facility resident per diem rate paid under part A in that State on the date on which the policy is purchased. Such maximum daily benefit payable shall be increased at a compounded rate of 5 percent per year.

"(B) REVIEW OF RATE.—The insurance commissioner of the State shall at least once during every 3-year period review and assess the nursing facility resident per diem rate under part A and adjust the maximum daily benefit payment that may be paid under this paragraph in a manner that makes such maximum payment consistent with the rates of payment for services under part A.

"(C) MAXIMUM DAILY BENEFIT FOR HOME- AND COMMUNITY-BASED CARE.—The maximum daily benefit payable for home and community-based care provided under a long-term care insurance policy purchased under this part shall be an amount equal to 60 percent of the maximum daily benefit for nursing facility services under the policy as described in subparagraph (A).

"(2) MAXIMUM LIFETIME BENEFIT.—

"(A) IN GENERAL.—Subject to subsection (c), qualified long-term care insurance policies purchased under this part shall offer a lifetime maximum benefit that shall equal $80 per day for fiscal year 1991 increased by 5 percent for each succeeding fiscal year, adjusted by the area wage index established by the Secretary under section 1886(d)(3)(E) for the area involved, multiplied by 730 days. The lifetime maximum benefit shall be increased at a compounded rate of 5 percent per year.

"(B) USE.—The lifetime maximum benefit under subparagraph (A) may be used for any combination of nursing facility and home and community-based care or services.

"(C) TERM OF POLICY.—Coverage under a qualified long-term care insurance policy purchased under this section shall continue for the life of the insured or until the lifetime maximum benefit has been depleted. If an insured is in need of services in amounts exceeding the lifetime maximum benefits payable by the qualified insurer under this paragraph, the insurer shall not be obligated to pay for such services.

"(b) REIMBURSEMENT.—

"(1) PAYMENT.—The qualified insurer shall pay the provider of services for the costs of providing those services covered under a qualified long-term care insurance policy in an amount that shall not exceed the limitations described in paragraphs (1) and (2) of subsection (c)

"(2) CLAIM BY QUALIFIED INSURER.—

"(A) IN GENERAL.—After paying a claim for services provided to a qualified participant, the qualified insurer shall submit a claim to the State for the benefit subsidy amount for which the State is liable under the qualified long-term care insurance policy involved, as determined in accordance with subparagraph (B).

"(B) DETERMINATION OF AMOUNT.—Subject to paragraphs (1) and (2) of subsection (c), the amount of the benefit subsidy referred to in subparagraph (A) for which the State is liable, shall be an amount that is equal to—

"(i) that percentage of the costs of the services provided under the qualified long-term care policy involved for which the qualified insurer is not liable, as provided for in subsection (c)(3); multiplied by

"(ii) the lesser of the actual cost or the maximum daily benefit of such qualified long-term care insurance policy under subsection (a)(1)(A), or in the case of home- and community-based care, the maximum daily benefit under subsection (a)(1)(D); multiplied by

"(iii) the number of days for which such services were provided.

"(C) PROMPT PAYMENT.—A State shall make payment under a claim submitted by a qualified insurer under subparagraph (A) not later than 30 days after the State receives such claim.

"(c) LIMITATIONS.—

"(1) MAXIMUM LIFETIME BENEFIT.—The qualified insurer shall not be liable for the amount of any costs incurred in the provision of long-term care services to a qualified participant in excess of the maximum lifetime benefit of the qualified long-term care insurance policy.

"(2) LIABILITY OF QUALIFIED INSURER.—That portion of the daily maximum benefit and the lifetime maximum benefit of a qualified long-term care insurance policy made available under this part for which the qualified insurer is liable shall be an amount that is based on the premiums paid by the qualified participant under the policy, as determined based on the premiums paid by such participant and the weighted average described in section 2138(c), multiplied by—

"(A) in the case of the maximum daily benefit, the amount determined under subsection (a)(1)(A), or in the case of home- and community-based care the amount determined under subsection (a)(1)(C); and

"(B) in the case of the maximum lifetime benefit, the amount determined under subsection (a)(2)(A).

"(d) RECEIPT OF BENEFITS BY CERTAIN INDIVIDUALS.—In no case shall a relative who resides in the home of a qualified participant receive Federal or State financial assistance under this part to care for the participant unless such relative is a qualified provider.

"QUALIFIED PARTICIPANTS WHO CHANGE STATE OF RESIDENCE

"SEC. 2141. (a) PARTICIPATING STATES.—

"(1) IN GENERAL.—If a qualified participant residing in a State participating in the program established under this part has purchased a qualified long-term care insurance policy under this part and such participant at a later date changes his or her residence to another State that is also participating in the program established under this part, such participant shall convert to a qualified long-term care insurance policy offered by a qualified insurer in the State of new residence as provided in this part.

"(2) RESPONSIBILITIES OF STATE OF NEW RESIDENCE.—In the case of a qualified participant who converts the original policy under paragraph (1), the State of new residence shall—

"(A) upon the application of the participant to participate in the Secure Choice Insurance Option of such State, accept such participant into the Secure Choice program of the State and permit adjustments to be made in the premium rates to reflect the service costs in such State; or

"(B) in the case of a participant who is receiving services under the policy at the time of the change in residence, reimburse the qualified insurer for the cost of the services provided to such participant for which such State is liable under it's Secure Choice Insurance Option.

"(b) NONPARTICIPATING STATE.—

"(1) IN GENERAL.—If a qualified participant residing in a State participating in the program established under this part has purchased a qualified long-term care insurance policy under this part and such participant at a later date elects to change his or her residence to another State that is not participating in the program established under this part, such participant may elect to continue to make premium payments on such policy in the issuing State to prevent such policy from lapsing.

"(2) RESPONSIBILITIES OF STATE OF NEW RESIDENCE.—In the case of a qualified participant who elects to retain an original policy under paragraph (1), the State of new residence shall not be liable for any costs incurred in the provision of services under such policy. The qualified insurer of such an original policy shall notify the Federal Government when services are provided under such policy and the Federal Government shall continue to be liable for it's portion of the benefit subsidy.

"(3) RESPONSIBILITIES OF INSURER.—In the case of a qualified participant described in paragraph (1), the qualified insurer issuing the qualified long-term care policy to such participant shall continue to be liable for it's percentage of the costs of services provided under such policy.

"(4) PAYMENT BY PARTICIPANT.—In the case of a qualified participant described in paragraph (1), the State of new residence not being liable for a benefit subsidy under the policy of such participant, such participant shall be liable for such amount.

"(c) RESOURCE PROTECTION.—In the case of a qualified participant described in subsection (a) or (b), such participant shall retain the resource protection accumulated by such participant under the qualified long-term care policy purchased by such participant under this part, and the State of new residence shall not require such participant to spend down such resources to qualify for services under part A in such State of new residence.

"FEDERAL CONTRIBUTIONS AND STATE ADMINISTRATION

"SEC. 2142. (a) FEDERAL CONTRIBUTION.—The Secretary shall pay to each State that has an approved State plan for each quarter beginning with the quarter commencing on January 1, 1992, an amount of the costs incurred by such State in carrying out the program established under this part that is equal to the Federal matching assistance percentage for the State under part A increased by an additional 5 percent.

"(b) STATE ADMINISTRATION.—In administering the program established under this part the single State agency under the State plan under section 2102 shall determine eligibility on an annual basis.

"STANDARDS AND PERFORMANCE ORGANIZATIONS

"SEC. 2143. (a) REQUIREMENT.—To be eligible to participate in the program established under this part a State shall establish a Standards and Performance Organization in accordance with this section.

"(b) ESTABLISHMENT.—

"(1) CONSULTATION.—In establishing the Standards and Performance Organization under subsection (a), the chief executive officer of the State shall consult with representatives of appropriate State agencies, as identified by the chief executive officer.

"(2) EXISTING ENTITY.—The chief executive officer of the State may create a new entity to operate as the Standards and Performance Organization within the State or may designate an existing State entity as such Organization.

"(3) APPOINTMENTS.—After the consultation required under paragraph (1), the chief executive officer shall appoint representatives of appropriate State agencies to serve as the board of directors of the Standards and Performance Organization.

"(c) FUNCTIONS.—The Standards and Performance Organization shall—

"(1) ensure that the qualified long-term care insurance policies made available under this part cover the care and services described in section 2137(b);

"(2) determine that insurers desiring to become qualified insurers comply with the standards established by the State under section 2144 to become qualified insurers;

"(3) ensure that information concerning the program established under this part is made available to qualified participants within the State in accordance with section 2147;

"(4) assess the quality and appropriateness of the case management services provided to qualified participants under this part;

"(5) determine whether qualified insurers are using appropriate managed care techniques in the provision of services under this part;

"(6) determine whether long-term care is being provided under this part in settings that meet standards established by the State;

"(7) establish standards applicable to qualified insurers regarding rejection rates for underwriting, and provide for consumer protection;

"(8) determine and verify on an annual basis the income of the qualified participants and the compliance of such participants with the income and resource requirements under this part;

"(9) notify qualified insurers of any changes in the income and resources of participants;

"(10) carry out the educational program implemented under section 2147 in the State;

"(11) establish appropriate appeals procedures; and

"(12) carry out such other functions as the Secretary, in consultation with the chief executive officer of the State, may require.

"(d) APPEALS OF CERTAIN DENIALS.—A qualified participant may appeal the decision of a qualified insurer to deny such participant coverage, to refuse to pay a claim or to refuse to provide the participant with access to benefits, to the Standards and Performance Organization.

"QUALIFIED INSURERS

"SEC. 2144. To be eligible to provide qualified long-term care insurance policies under the State plan an insurer shall be a public or private entity that—

"(1) is licensed or certified under applicable State law to sell insurance in the participating State;

"(2) complies with State laws and meets or exceeds insurance standards developed by the National Association of Insurance Commissioners;

"(3) has a minimum of 3 years of experience in the provision of long-term care insurance;

"(4) agrees to offer insurance to all eligible qualified participants;

"(5) uses case management services to monitor the needs of qualified participants;

"(6) guarantees a loss ratio of not less than 60 percent for individual and group long-term care policies;

"(7) provides the Standards and Performance Organization with the underwriting criteria used by the insurer for denying a qualified participant coverage under the State plan; and

"(8) meets any other requirements established by the Standards and Performance Organization within the State.

"QUALIFIED PROVIDERS

"SEC. 2145. To be eligible as a qualified provider under this section an entity must agree to accept the payment rate under part A and this part as payment in full for services provided under this part to qualified participants.

"CASE MANAGEMENT SERVICES

"SEC. 2146. (a) IN GENERAL.—Qualified participants under the State plan shall be provided with case management services in accordance with this section in order to—

"(1) maximize the independent functioning of such participants in the least restrictive environment possible;

"(2) coordinate the most appropriate mixture of long-term care services for such participants; and

"(3) contain costs through the appropriate organization of the available resources and sequencing of services to respond to the functional and long-term care needs of such participants.

"(b) REQUIREMENTS.—

"(1) PROVISION OF SERVICES.—A State participating in the program established under this part shall, on an annual basis, enter into contracts with private insurance entities or other public or nonprofit entities to carry out the case management activities described in paragraph (4) in accordance with the standards established by the State under part A. Organizations providing case management services shall not provide long-term care services to individuals whose care they manage under this part.

"(2) PROVISION OF SERVICES BY STATE.—On a determination by the Standards and Performance Organization that case management services are not being provided by the insurer as required under this section, the State shall assume the responsibility for providing such services.

"(3) CASE MANAGERS.—As used in this section, the term 'case manager' means an entity which—

"(A) has experience in assessing individuals to determine their functional and cognitive impairment;

"(B) has experience or has been trained in establishing, and in periodically reviewing and revising, individual care plans and in the provision of case management services to the elderly;

"(C) has procedures for assuring the quality of case management services;

"(D) completes the care plan in a timely manner and reviews and discusses new and revised care plans with the individual or such individual's primary caregiver or both; and

"(E) meets such other standards established by the Secretary or the State.

"(4) CASE MANAGEMENT ACTIVITIES.—

"(A) ASSIGNMENT.—Immediately on a determination that a qualified participant is in need of long-term care services under a qualified long-term care insurance policy purchased under this part, the qualified insurer shall ensure that a case manager is assigned to provide case management services for such participant.

"(B) ACTIVITIES.—Case management activities or functions shall include, at a minimum, the following:

"(i) BENEFITS ASSESSMENT.—An assessment shall be made by a case manager to determine whether the qualified participant is in need of services under the qualified long-term care policy. In making such assessment, the case manager shall conduct an interview with the qualified participant to determine the functional level (in terms of performance of activities of daily living) and cognitive impairment status of the participant. Such benefits assessment shall include an assessment of the participant's—

"(I) ability or inability to perform any activities of daily living;

"(II) health status;

"(III) mental status;

"(IV) current living arrangements; and

"(V) use of formal and informal long-term care support systems.

If the health or mental condition of the qualified participant is determined to be likely to change, the case manager shall reassess such participant not later than 90 days after such initial assessment, as determined appropriate by the case manager in consultation with the appropriate qualified insurer.

"(ii) CARE PLAN DEVELOPMENT.—After the case manager conducts the benefits assessment of the qualified participant, the case manager shall develop a written care plan that is in accordance with the long-term care and service needs of the participant and the availability of the appropriate care and services. The care plan shall identify—

"(I) the long-term care problems and needs of the participant;

"(II) the mix of formal and informal services and support systems that are available to meet the long-term care and service needs of the participant;

"(III) the goals for the participant; and

"(IV) the appropriate services necessary to meet such needs.

"(iii) CARE PLAN IMPLEMENTATION.—The case manager, in consultation with the individual's primary medical care provider, shall interact with the qualified participant and the family of the participant to arrange for the provision of appropriate care and services. The case manager shall assist in making the necessary service arrangements for the implementation of the care plan to the extent that the participant consents.

"(iv) CARE PLAN MONITORING.—The case manager shall monitor the delivery of services to the qualified participant, the quality of care provided, and the status of the participant. Periodic reassessments of the status and needs of the participant, and revisions of the care plan shall be made by the case manager as appropriate. Such reassessments shall be conducted not less than every 6 months. If the participant is no longer eligible for benefits as a result of improved health conditions, death, or depletion of the lifetime maximum benefit, the case manager, in consultation with the individual's primary medical care provider, shall discharge the case.

"EDUCATIONAL PROGRAM

"SEC. 2147. (a) IN GENERAL.—The Standards and Performance Organization of the State that elects to participate in Secure Choice Insurance Option shall implement a comprehensive public information and education program that shall be directed to individuals age 55 and above but which shall attempt to educate the general public as a whole concerning the need for long-term care insurance.

"(b) REQUIREMENTS.—The public information and education program implemented in a State under subsection (a) shall include—

"(1) the development and distribution of brochures and other written materials that describe—

"(A) the eligibility requirements for participation in the program implemented under this part and part A;

"(B) the basic minimum benefit package, limitations, and qualifications for participation under the State plan;

"(C) the need for long-term care insurance;

"(D) the current methods of financing long-term care; and

"(E) the growing elderly population of the United States and the State, and its anticipated impact on financial resources and available long-term care services;

"(2) the convening of educational forums dealing with the program implemented under the State plan throughout the State;

"(3) mass media advertisements;

"(4) programs to assist large and small employers in providing information to their employees concerning the program established in the State under this part; and

"(5) other public information and education strategies that are determined appropriate by the Standards and Performance Organization.

"PART C—LONG-TERM CARE INSURANCE STANDARDS

"LONG-TERM CARE INSURANCE STANDARDS

"SEC. 2151. (a) REQUIREMENTS.—

"(1) IN GENERAL.—A State participating in the programs established under this title shall ensure that, with respect to any long-term care insurance policy offered within such State—

"(A) the requirements of the model regulation and model Act described in paragraph (2) are met;

"(B) the disclosure requirements of paragraph (3) are met, and

"(C) the requirements of any provisions adopted under paragraph (4) (relating to nonforfeitability) are met.

"(2) REQUIREMENTS OF MODEL REGULATION AND ACT.—For purposes of paragraph (1)—

"(A) MODEL REGULATION.—The following requirements of the model regulation must be met:

"(i) Section 6A (relating to guaranteed renewal or noncancellability), and the requirements of section 6B of the model Act relating to such section 6A.

"(ii) Section 6B (relating to prohibitions on limitations and exclusions).

"(iii) Section 6C (relating to waiver of premium).

"(iv) Section 6D (relating to continuation or conversion of coverage).

"(v) Section 6F (relating to discontinuance and replacement of policies).

"(vi) Section 7 (relating to disclosure), other than section 7F thereof.

"(vii) Section 8 (relating to prohibitions against post-claims underwriting), except that section 8C(3) shall be applied by substituting age 75 for age 80.

"(viii) Section 9 (relating to minimum standards), except that in addition to any such requirements—

"(I) a qualified long-term care insurance policy may not condition or limit eligibility for benefits furnished by licensed providers (aa) on compliance with conditions which are in addition to those required for licensure under State law, or (bb) for custodial care (if covered under the policy) only to care provided in facilities which provide a higher level of care than custodial care or to care provided in facilities which provide for 24-hour or other nursing care not required in order to be licensed by the State;

"(II) if a qualified long-term care insurance policy provides benefits for home health care services, the policy must provide benefits for personal care services (including home health aide and homemaker services), home health services, and respite care in an individual's home; and

"(III) if a qualified long-term care insurance policy provides benefits for nursing facility services, the policy must provide such benefits with respect to all nursing facilities that are licensed in the State.

"(ix) Section 10 (relating to requirement to offer inflation protection), except that such requirements shall not be treated as met unless such protection is offered at least annually.

"(x) Section 21 (relating to prohibition against preexisting conditions and probationary periods in replacement policies or certificates).

"(B) MODEL ACT.—The following requirements of the model Act must be met:

"(i) Section 6C (relating to preexisting conditions).

"(ii) Section 6D (relating to prior hospitalization).

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) MODEL PROVISIONS.—The terms 'model regulation' and 'model Act' mean the long-term care insurance model regulation, and the long-term care insurance model Act, respectively, promulgated by the National Association of Insurance Commissioners (as adopted in December of 1990).

"(ii) COORDINATION.—Any provision of the model regulation or model Act listed under subparagraph (A) or (B) shall be treated as including any other provision of such regulation or Act necessary to implement the provision.

"(3) TAX DISCLOSURE REQUIREMENT.—A long-term care insurance policy meets the requirements of this paragraph only if such policy—

"(A) clearly states that the policy is a long-term care insurance policy which meets the requirements of this section; and

"(B) sets forth the tax consequences of the policy.

"(4) NONFORFEITURE REQUIREMENTS.—

"(A) IN GENERAL.—The requirements of this paragraph are met if the long-term care insurance policy meets such requirements as to nonforfeitability as take effect under this paragraph.

"(B) NAIC STANDARDS.—The National Association of Insurance Commissioners shall promulgate and certify to the Secretary before January 1, 1993, requirements relating to nonforfeitability. Such requirements shall at least include a requirement that the issuer of the long-term care insurance policy offers the insured an opportunity to obtain a type of nonforfeitability benefit.

"(C) DEFAULT.—If no requirements are timely certified to the Secretary under subparagraph (B), the Secretary shall not later than January 1, 1994, prescribe requirements as to nonforfeitability for purposes of this paragraph.

"(D) TRANSITION RULE.—Any requirements under this paragraph shall not apply to long-term care insurance policies issued before the date which is 1 year after the certification under subparagraph (B) or the date of the publication of the requirements under subparagraph (C).

"(b) REGULATION OF SALES PRACTICES.—A State participating in the programs established under this title shall ensure that, with respect to any individual or entity selling or offering for sale in the State a long-term care insurance policy, such individual or entity comply with the following requirements of this subsection:

"(1) COMPLETION OF MEDICAL HISTORIES PROHIBITED.—A person who is selling or offering for sale a long-term care insurance policy may not complete the medical history portion of an application.

"(2) PROHIBITION OF SALE OR ISSUANCE TO TITLE XXI BENEFICIARIES.—A person may not knowingly sell or issue a long-term care insurance policy to an individual who is eligible for long-term care assistance under this title.

"(c) ADDITIONAL RESPONSIBILITIES.—In addition to meeting the requirements of subsections (a) and (b), a State participating in the programs established under this title shall ensure that, with respect to any individual or entity selling or offering for sale in the State a long-term care insurance policy, such individual or entity comply with the following requirements of this subsection:

"(1) REQUIREMENTS OF MODEL PROVISIONS.—

"(A) MODEL REGULATION.—The following requirements of the model regulation must be met:

"(i) Section 11 (relating to application forms and replacement coverage).

"(ii) Section 12 (relating to reporting requirements), except that the issuer shall also report at least annually the number of claims denied during the reporting period for each class of business (expended as a percentage of claims denied).

"(iii) Section 18 (relating to filing requirements for marketing).

"(iv) Section 19 (relating to standards for marketing), except that in addition to such requirements, no person selling or offering to sell a long-term care insurance policy shall misrepresent a material fact.

"(v) Section 20 (relating to appropriateness of recommended purchase).

"(vi) Section 22 (relating to standard format outline of coverage), except that such outline shall include the disclosure required under subsection (e).

"(vii) Section 23 (relating to requirement to deliver shopper's guide).

"(B) MODEL ACT.—The following requirements of the model Act must be met:

"(i) Section 6F (relating to right to return), except that such section shall also apply to denials of applications and any refund shall be made within 30 days of the return or denial.

"(ii) Section 6G (relating to outline of coverage), except that such outline shall include the disclosure required under subsection (e).

"(iii) Section 6H (relating to requirements for certificates under group plans).

"(iv) Section 6I (relating to policy summary).

"(v) Section 6J (relating to monthly reports on accelerated death benefits).

"(C) DEFINITIONS.—For purposes of this paragraph, the terms 'model regulation' and 'model Act' have the meanings given such terms by subsection (a)(2)(C).

"(2) MAILING OF POLICY.—If an application for a long-term care insurance policy (or for a certificate under a group long-term care insurance policy) is approved, the issuer shall transmit to the applicant the policy (or certificate) of insurance not later than 30 days after the date of the approval.

"(3) INFORMATION ON DENIALS OF CLAIMS.—If a claim under a long-term care insurance policy is denied, the issuer shall, within 60 days of the date of a written request by the policyholder or certificate-holder (or representative)—

"(A) provide a written explanation of the reasons for the denial, and

"(B) make available all information directly relating to such denial.

"(d) DISCLOSURE.—The requirements of this section are met if either of the following statements, whichever is applicable, is prominently displayed on the front page of any long-term care insurance policy and in the outline of coverage required under subsection (c)(1)(B)(ii):

"(1) A statement that: 'This policy is intended to be a qualified long-term care insurance policy under title XXI of the Social Security Act.'.

"(2) A statement that: 'This policy is not intended to be a qualified long-term care insurance policy under title XXI of the Social Security Act.'.

"(e) COORDINATION WITH STATE REQUIREMENTS.—Nothing in this section shall be construed as preventing a State from applying standards that provide greater protection of policyholders of long-term care insurance policies.

"(f) UNIFORM LANGUAGE AND DEFINITIONS.—

"(1) IN GENERAL.—The National Association of Insurance Commissioners shall not later than January 1, 1993, promulgate standards for the use of uniform language and definitions in long-term care insurance policies.

"(2) VARIATIONS.—Standards under paragraph (1) may permit the use of nonuniform language to the extent required to take into account differences among States in the licensing of nursing facilities and other providers of long-term care.

"(g) LONG-TERM CARE INSURANCE POLICY DEFINED.—For purposes of this section, the term 'long-term care insurance policy' means any product that is advertised, marketed, or offered as long-term care insurance.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective with respect to payments made for long-term care assistance beginning on or after January 1, 1992.

SEC. 102. CONTINUING ELIGIBILITY OF INDIVIDUALS ELIGIBLE FOR LONG-TERM CARE BENEFITS UNDER TITLE XIX UNDER NEW TITLE XXI.

The Secretary of Health and Human Services shall provide that individuals eligible for services provided under title XIX of the Social Security Act which effective upon the date of enactment of this Act are provided under title XXI of the Social Security Act shall continue to be eligible to receive such services in the same amount, duration and scope as such individuals would have been eligible to receive but for the provisions of this Act.

SEC. 103. REPEAL OF LONG-TERM CARE PROVISIONS IN TITLE XIX OF THE SOCIAL SECURITY ACT.

(a) IN GENERAL.—Title XIX of the Social Security Act (42 U.S.C. 1901 et seq.), as amended by the Omnibus Budget Reconciliation Act of 1990, is amended—

(1) in section 1902 by repealing subsection (a)(13)(F);

(2) in section 1915 by repealing subsection (d); and

(3) by repealing section 1929.

(b) EFFECTIVE DATE.—The repeal of provisions made by this section shall become effective on January 1, 1992.

SEC. 104. STUDY OF FORMULA FOR PAYMENT OF LONG-TERM CARE SERVICES.

The Comptroller General shall study and report to Congress on such study no later than 1 year after the date of enactment of this Act, on the appropriateness and adequacy of using the Federal medical assistance percentage utilized under title XIX of the Social Security Act for payment of services provided under title XXI of the Social Security Act. Such study shall consider the following factors in determining a payment formula:

(1) The average income of the elderly in the State compared to the average income of the elderly in the Nation.

(2) The percent of elderly in the State under the income official poverty line (as determined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) compared to the percent of elderly under such income line in the Nation.

(3) The percentage of elderly in the State with income above the income official poverty line (as described in paragraph (2)) but below 240 percent of such income line (and various intervals in between) compared to national statistics.

(4) The percent of elderly over 75 years of age in the State compared to the percent of elderly over 75 in the Nation.

(5) Other appropriate issues, including measures of State fiscal capacity.

SEC. 105. FEASIBILITY STUDY CONCERNING MENTALLY RETARDED OR DEVELOPMENTALLY DISABLED INDIVIDUALS.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study to develop appropriate criteria for determining eligibility for long-term care services under a program similar in nature to the Secure Choice program for mentally retarded or developmentally disabled individuals.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate a report containing the results of the study conducted under subsection (a).

SEC. 106. FEASIBILITY STUDY CONCERNING LONG-TERM CARE DATA COLLECTION SYSTEM.

(a) IN GENERAL.—The Secretary of Health and Human Services, in collaboration with the National Association of Insurance Commissioners, shall conduct a study to determine the feasibility of establishing a data collection system for public and private long-term care services to be utilized—

(1) to assess the costs of long-term care services and predict the future costs of such services;

(2) to determine the types of long-term care services provided and predict the future need for such services;

(3) to determine how long-term care relates to the medical problems experienced by the elderly; and

(4) in other manners determined appropriated by such Secretary.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report concerning the study conducted under subsection (a), that shall include—

(1) recommendations concerning the feasibility of establishing a data collection system of the type described in subsection (a);

(2) recommendations concerning the types of data to be collected using such system and the uses that should be made of such data;

(3) a description of the sources of the data to be collected for such system;

(4) a description of the manner in which the data described in paragraph (3) should be collected; and

(5) any other information determined appropriate by such Secretary.

SEC. 107. CREATION OF NEW ADMINISTRATIVE UNIT FOR LONG-TERM CARE PROGRAM.

The Secretary of Health and Human Services shall, acting through the administrator of the Health Care Financing Administration, establish a new organizational unit within the Health Care Financing Administration to administer the new long-term care assistance program established by this Act.

SEC. 108. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS.

The Secretary of Health and Human Services shall, within 90 days of the date of enactment of this Act, submit to the appropriate committees of the Congress, a legislative proposal providing for such technical and conforming amendments in the law as are required by the provisions of this Act.

TITLE II—LONG-TERM CARE TAX PROVISIONS

Subtitle A—Tax Treatment of Long-Term Care

PART I—SHORT TITLE; AMENDMENT OF 1986 CODE

SEC. 201. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Private Long-Term Care Insurance Act of 1991".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

PART II—GENERAL PROVISIONS

SEC. 211. QUALIFIED LONG-TERM CARE SERVICES TREATED AS MEDICAL CARE.

(a) GENERAL RULE.—Paragraph (1) of section 213(d) (defining medical care) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) for qualified long-term care services (as defined in subsection (g)), or".

(b) QUALIFIED LONG-TERM CARE SERVICES DEFINED.—Section 213 (relating to deduction for medical, dental, etc. expenses) is amended by adding at the end thereof the following new subsection:

"(g) QUALIFIED LONG-TERM CARE SERVICES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified long-term care services' means necessary diagnostic, preventive, therapeutic, and rehabilitative services, and maintenance and personal care services—

"(A) which are required by an individual during any period during which such individual is a chronically ill individual,

"(B) which have as their primary purpose the provision of needed assistance with 1 or more activities of daily living which a chronically ill individual is certified as being unable to perform under paragraph (2)(A), and

"(C) which are provided pursuant to a continuing plan of care prescribed by a licensed health care practitioner.

"(2) CHRONICALLY ILL INDIVIDUAL.—

"(A) IN GENERAL.—The term 'chronically ill individual' means any individual who is certified by a physician or registered professional nurse as being unable to perform, without substantial assistance from another individual (including assistance involving cueing or substantial supervision), at least 3 activities of daily living described in paragraph (3).

"(B) SPECIAL RULE FOR HOME HEALTH CARE SERVICES.—In the case of services which are provided during any period during which an individual is residing within the individual's home (whether or not the services are provided within the home), subparagraph (A) shall be applied by substituting '2' for '3'. For purposes of this subparagraph, a nursing home or similar facility shall not be treated as a home.

"(3) ACTIVITIES OF DAILY LIVING.—Each of the following is an activity of daily living:

"(A) Eating.

"(B) Toileting.

"(C) Transferring.

"(D) Bathing and dressing.

"(E) Mobility.

"(4) LICENSED HEALTH CARE PRACTITIONER.—The term 'licensed health care practitioner' means—

"(A) a physician or registered professional nurse, or

"(B) any other individual who meets such requirements as may be prescribed by the Secretary after consultation with the Secretary of Health and Human Services.

"(5) CERTAIN SERVICES PROVIDED BY RELATIVES NOT INCLUDED.—The term 'qualified long-term care services' shall not include any services provided to an individual by a relative unless the relative is a licensed health care practitioner with respect to such services. For purposes of this paragraph, the term 'relative' means an individual bearing a relationship to another individual which is described in paragraphs (1) through (8) of section 152(a)."

(c) TECHNICAL AMENDMENTS.—

(1) Subparagraph (D) of section 213(d)(1) (as redesignated by subsection (a)) is amended to read as follows:

"(D) for insurance (including amounts paid as premiums under part B of title XVIII of the Social Security Act, relating to supplementary medical insurance for the aged)—

"(i) covering medical care referred to in subparagraphs (A) and (B), or

"(ii) covering medical care referred to in subparagraph (C), but only if such insurance is provided under a qualified long-term care insurance contract (as defined in section 7702B(b))."

(2) Paragraph (6) of section 213(d) is amended—

(A) by striking "subparagraphs (A) and (B)" and inserting "subparagraphs (A), (B), and (C)", and

(B) by striking "paragraph (1)(C)" in subparagraph (A) and inserting "paragraph (1)(D)".

SEC. 212. TREATMENT OF LONG-TERM CARE INSURANCE OR PLANS.

(a) GENERAL RULE.—Chapter 79 (relating to definitions) is amended by inserting after section 7702A the following new section:

"SEC. 7702B. TREATMENT OF LONG-TERM CARE INSURANCE OR PLANS.

"(a) GENERAL RULE.—For purposes of this title—

"(1) a qualified long-term care insurance contract shall be treated as an accident or health insurance contract,

"(2) any plan of an employer providing coverage of qualified long-term care services shall be treated as an accident or health plan with respect to such services,

"(3) amounts received under such a contract or plan with respect to qualified long-term care services shall be treated as amounts received for personal injuries or sickness, and

"(4) payments described in subsection (b)(5) shall be treated as payments made with respect to qualified long-term care services.

"(b) QUALIFIED LONG-TERM CARE INSURANCE CONTRACT.—

"(1) IN GENERAL.—For purposes of this title, the term 'qualified long-term care insurance contract' means any insurance contract if—

"(A) the only insurance protection provided under such contract is coverage of qualified long-term care services, and

"(B) such contract meets the requirements of paragraphs (2), (3), and (4).

"(2) PREMIUM REQUIREMENTS.—

"(A) IN GENERAL.—The requirements of this paragraph are met with respect to a contract if such contract provides that—

"(i) premium payments may not be made earlier than the date such payments would have been made if the contract provided for level annual payments over the life of the contract (or, if shorter, 20 years), and

"(ii) all refunds of premiums, and all policyholder dividends or similar amounts, under such contract are to be applied as a reduction in future premiums or to increase future benefits.

A contract shall not be treated as failing to meet the requirements of clause (i) solely by reason of a provision providing for a waiver of premiums if the insured becomes a chronically ill individual.

"(B) REFUNDS UPON DEATH OR COMPLETE SURRENDER OR CANCELLATION.—Subparagraph (A)(ii) shall not apply to any refund on the death of the insured, or on any complete surrender or cancellation of the contract, if, under the contract, the amount refunded may not exceed the amount of the premiums paid under the contract. For purposes of this title, any refund described in the preceding sentence shall be includible in gross income to the extent that any deduction or exclusion was allowed with respect to the refund.

"(3) BORROWING, PLEDGING, OR ASSIGNING PROHIBITED.—The requirements of this paragraph are met with respect to a contract if such contract provides that no money may be borrowed under such contract and that such contract (or any portion thereof) may not be assigned or pledged as collateral for a loan.

"(4) COORDINATION WITH MEDICARE.—The requirements of this paragraph are met with respect to a contract if such contract does not cover expenses incurred to the extent that such expenses are reimbursable under title XVIII of the Social Security Act.

"(5) PER DIEM AND OTHER PERIODIC PAYMENTS PERMITTED.—

"(A) IN GENERAL.—For purposes of subsection (a)(4), and except as provided in subparagraph (B), payments are described in this paragraph for any calendar year if, under the contract, such payments are made to (or on behalf of) a chronically ill individual on a per diem or other periodic basis without regard to the expenses incurred during the period to which the payments relate.

"(B) EXCEPTION WHERE AGGREGATE PAYMENTS EXCEED LIMIT.—If the aggregate payments under the contract for any period (whether on a periodic basis or otherwise) exceed the dollar amount in effect for such period—

"(i) subparagraph (A) shall not apply for such period, and

"(ii) the requirements of paragraph (1)(A) shall be met only if such payments are made with respect to qualified long-term care services provided during such period.

"(C) DOLLAR AMOUNT.—The dollar amount in effect under this paragraph shall be $100 per day (or the equivalent amount in the case of payments on another periodic basis).

"(D) ADJUSTMENTS FOR INCREASED COSTS.—

"(i) IN GENERAL.—In the case of any calendar year after 1992, the dollar amount in effect under subparagraph (C) for any period occurring during such calendar year shall be equal to the sum of—

"(I) the amount in effect under subparagraph (C) for the preceding calendar year (after application of this subparagraph), plus

"(II) the applicable percentage of the amount under subclause (I).

"(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the term 'applicable percentage' means, with respect to any calendar year, the greater of—

"(I) 5 percent, or

"(II) the cost-of-living adjustment for such calendar year.

"(iii) COST-OF-LIVING ADJUSTMENT.—For purposes of clause (ii), the cost-of-living adjustment for any calendar year is the percentage (if any) by which the cost index under clause (iv) for the preceding calendar year exceeds such index for the second preceding calendar year. In the case of any calendar year beginning before 1995, this clause shall be applied by substituting the Consumer Price Index (as defined in section 1(f)(5)) for the cost index under clause (iv).

"(iv) COST INDEX.—The Secretary, in consultation with the Secretary of Health and Human Services, shall before January 1, 1994, establish a cost index to measure increases in costs of nursing home and similar facilities. The Secretary may from time to time revise such index to the extent necessary to accurately measure increases or decreases in such costs.

"(E) AGGREGATION RULE.—For purposes of this paragraph, all contracts issued with respect to the same insured by the same company shall be treated as 1 contract.

"(c) SPECIAL RULES FOR TAX TREATMENT OF POLICYHOLDERS.—For purposes of this title, solely with respect to the policyholder under any qualified long-term care insurance contract—

"(1) AGGREGATE PAYMENTS IN EXCESS OF LIMITS.—If the aggregate payments under all qualified long-term care insurance contracts with respect to an insured for any period (whether on a periodic basis or otherwise) exceed the dollar amount in effect for such period under subsection (b)(5)—

"(A) subsection (b)(5) shall not apply for such period, and

"(B) such payments shall be treated as made for qualified long-term care services only if made with respect to such services provided during such period.

"(2) ASSIGNMENT OR PLEDGE.—Such contract shall not be treated as a qualified long-term care insurance contract during any period on or after the date on which the contract (or any portion thereof) is assigned or pledged as collateral for a loan.

"(d) TREATMENT OF COVERAGE AS PART OF A LIFE INSURANCE CONTRACT.—Except as provided in regulations, in the case of coverage of qualified long-term care services provided as part of a life insurance contract, the requirements of this section shall apply as if the portion of the contract providing such coverage was a separate contract.

"(e) QUALIFIED LONG-TERM CARE SERVICES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified long-term care services' has the meaning given such term by section 213(g).

"(2) RECERTIFICATION.—If an individual has been certified as a chronically ill individual under section 213(g)(2)(A), services shall not be treated as qualified long-term care services with respect to the individual unless such individual is recertified no less frequently than annually as a chronically ill individual in the same manner as under such section, except that such recertification may be made by any licensed health care practitioner (as defined in section 213(g)(4)).

"(f) CONTINUATION COVERAGE EXCISE TAX NOT TO APPLY.—Section 4980B shall not apply to—

"(1) qualified long-term care insurance contracts, or

"(2) plans described in subsection (a)(2).

"(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the requirements of this section, including regulations to prevent the avoidance of this section by providing qualified long-term care services under a life insurance contract."

(b) CLERICAL AMENDMENT.—The table of sections for chapter 79 is amended by inserting after the item relating to section 7702A the following new item:

"Sec. 7702B. Treatment of long-term care insurance or plans."

SEC. 213. EFFECTIVE DATES.

(a) Section 211.—The amendments made by section 211 shall apply to taxable years beginning after the date of the enactment of this Act.

(b) Section 212.—The amendments made by section 212 shall apply to contracts issued after the date of the enactment of this Act.

(c) Transition Rule.—If, after the date of the enactment of this Act and before January 1, 1994, a contract providing coverage for services which are similar to qualified long-term care services (as defined in section 213(g) of the Internal Revenue Code of 1986) and issued on or before January 1, 1992, is exchanged for a qualified long-term care insurance contract (as defined in section 7702B(b) of such Code), such exchange shall be treated as an exchange to which section 1035 of such Code applies.

PART III—CONSUMER PROTECTION PROVISIONS

SEC. 221. POLICY REQUIREMENTS.

(a) In General.—Section 7702B (as added by section 102) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Consumer Protection Provisions.—

"(1) In general.—The requirements of this subsection are met with respect to any contract if, under the contract—

"(A) the requirements of the model regulation and model Act described in paragraph (2) are met,

"(B) the disclosure requirements of paragraph (3) are met, and

"(C) the requirements of any provisions adopted under paragraph (4) (relating to nonforfeitability) are met.

"(2) Requirements of model regulation and act.—For purposes of paragraph (1)—

"(A) Model regulation.—The following requirements of the model regulation must be met:

"(i) Section 6A (relating to guaranteed renewal or noncancellability), and the requirements of section 6B of the model Act relating to such section 6A.

"(ii) Section 6B (relating to prohibitions on limitations and exclusions).

"(iii) Section 6C (relating to waiver of premium).

"(iv) Section 6D (relating to continuation or conversion of coverage).

"(v) Section 6F (relating to discontinuance and replacement of policies).

"(vi) Section 7 (relating to disclosure), other than section 7F thereof.

"(vii) Section 8 (relating to prohibitions against post-claims underwriting), except that section 8C(3) shall be applied by substituting age 75 for age 80.

"(viii) Section 9 (relating to minimum standards), except that in addition to any such requirements—

"(I) a qualified long-term care insurance contract may not condition or limit eligibility for benefits furnished by licensed providers (aa) on compliance with conditions which are in addition to those required for licensure under State law, or (bb) for custodial care (if covered under the contract) only to care provided in facilities which provide a higher level of care than custodial care or to care provided in facilities which provide for 24-hour or other nursing care not required in order to be licensed by the State,

"(II) if a qualified long-term care insurance contract provides benefits for home health care services, the contract must provide benefits for personal care services (including home health aide and homemaker services), home health services, and respite care in an individual's home, and

"(III) if a qualified long-term care insurance contract provides benefits for nursing facility services, the contract must provide such benefits with respect to all nursing facilities that are licensed in the State.

"(ix) Section 10 (relating to requirement to offer inflation protection), except that such requirements shall not be treated as met unless such protection is offered at least annually.

"(x) Section 21 (relating to prohibition against preexisting conditions and probationary periods in replacement policies or certificates).

"(B) Model act.—The following requirements of the model Act must be met:

"(i) Section 6C (relating to preexisting conditions).

"(ii) Section 6D (relating to prior hospitalization).

"(C) Definitions.—For purposes of this paragraph—

"(i) Model provisions.—The terms 'model regulation' and 'model Act' mean the long-term care insurance model regulation, and the long-term care insurance model Act, respectively, promulgated by the National Association of Insurance Commissioners (as adopted in December of 1990).

"(ii) Coordination.—Any provision of the model regulation or model Act listed under subparagraph (A) or (B) shall be treated as including any other provision of such regulation or Act necessary to implement the provision.

"(3) Tax disclosure requirement.—A contract meets the requirements of this paragraph only if such contract meets the requirements of section 4980C(e)(1).

"(4) Nonforfeiture requirements.—

"(A) In general.—The requirements of this paragraph are met if the contract meets such requirements as to nonforfeitability as take effect under this paragraph.

"(B) NAIC standards.—The National Association of Insurance Commissioners shall promulgate and certify to the Secretary before January 1, 1993, requirements relating to nonforfeitability. Such requirements shall at least include a requirement that the issuer of the contract offers the insured an opportunity to obtain a type of nonforfeitability benefit.

"(C) Default.—If no requirements are timely certified to the Secretary under subparagraph (B), the Secretary shall no later than January 1, 1994, prescribe requirements as to nonforfeitability for purposes of this paragraph.

"(D) Transition rule.—Any requirements under this paragraph shall not apply to contracts issued before the date which is 1 year after the certification under subparagraph (B) or the date of the publication of the requirements under subparagraph (C)."

(b) Conforming Amendment.—Section 7702B(b)(1)(B) (as added by section 212) is amended by inserting "and of subsection (g)" after "and (4)".

SEC. 222. ADDITIONAL REQUIREMENTS FOR ISSUERS OF LONG-TERM CARE INSURANCE POLICIES.

(a) In General.—Chapter 43 is amended by adding at the end thereof the following new section:

"SEC. 4980C. FAILURE TO MEET REQUIREMENTS FOR LONG-TERM CARE INSURANCE POLICIES.

"(a) General Rule.—There is hereby imposed on any person failing to meet the requirements of subsection (c), (d), or (e) a tax in the amount determined under subsection (b).

"(b) Amount of Tax.—

"(1) In general.—The amount of the tax imposed by subsection (a) on each failure shall be equal to $5,000.

"(2) Waiver.—In the case of a failure which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the tax imposed by subsection (a) to the extent that payment of the tax would be excessive relative to the failure involved.

"(c) Regulation of Sales Practices.—The requirements of this subsection are as follows:

"(1) Completion of medical histories prohibited.—A person who is selling or offering for sale a long-term care insurance policy may not complete the medical history portion of an application.

"(2) Prohibition of sale or issuance to medicaid beneficiaries.—A person may not knowingly sell or issue a long-term care insurance policy to an individual who is eligible for medical assistance under title XIX of the Social Security Act.

"(d) Additional Responsibilities.—The requirements of this subsection are as follows:

"(1) Requirements of model provisions.—

"(A) Model regulation.—The following requirements of the model regulation must be met:

"(i) Section 11 (relating to application forms and replacement coverage).

"(ii) Section 12 (relating to reporting requirements), except that the issuer shall also report at least annually the number of claims denied during the reporting period for each class of business (expended as a percentage of claims denied).

"(iii) Section 18 (relating to filing requirements for marketing).

"(iv) Section 19 (relating to standards for marketing), except that in addition to such requirements, no person shall, in selling or offering to sell a long-term care insurance policy, misrepresent a material fact.

"(v) Section 20 (relating to appropriateness of recommended purchase).

"(vi) Section 22 (relating to standard format outline of coverage), except that such outline shall include the disclosure required under subsection (e).

"(vii) Section 23 (relating to requirement to deliver shopper's guide).

"(B) Model act.—The following requirements of the model Act must be met:

"(i) Section 6F (relating to right to return), except that such section shall also apply to denials of applications and any refund shall be made within 30 days of the return or denial.

"(ii) Section 6G (relating to outline of coverage), except that such outline shall include the disclosure required under subsection (e).

"(iii) Section 6H (relating to requirements for certificates under group plans).

"(iv) Section 6I (relating to policy summary).

"(v) Section 6J (relating to monthly reports on accelerated death benefits).

"(C) Definitions.—For purposes of this paragraph, the terms 'model regulation' and 'model Act' have the meanings given such terms by section 7702B(g)(2)(C).

"(2) Mailing of policy.—If an application for a long-term care insurance policy (or for a certificate under a group long-term care insurance policy) is approved, the issuer shall transmit to the applicant the policy (or certificate) of insurance not later than 30 days after the date of the approval.

"(3) Information on denials of claims.—If a claim under a long-term care insurance policy is denied, the issuer shall, within 60 days of the date of a written request by the policyholder or certificate-holder (or representative)—

"(A) provide a written explanation of the reasons for the denial, and

"(B) make available all information directly relating to such denial.

"(e) DISCLOSURE.—The requirements of this section are met if either of the following statements, whichever is applicable, is prominently displayed on the front page of any long-term care insurance policy and in the outline of coverage required under subsection (d)(1)(B)(ii):

"(1) A statement that: 'This policy is intended to be a qualified long-term care insurance contract under section 7702B(b) of the Internal Revenue Code of 1986.'.

"(2) A statement that: 'This policy is not intended to be a qualified long-term care insurance contract under section 7702B(b) of the Internal Revenue Code of 1986.'.

"(f) LONG-TERM CARE INSURANCE POLICY DEFINED.—For purposes of this section, the term 'long-term care insurance policy' means any product which is advertised, marketed, or offered as long-term care insurance."

(b) CONFORMING AMENDMENT.—The table of sections for chapter 43 is amended by adding at the end thereof the following new item:

"Sec. 4980C. Failure to meet requirements for long-term care insurance policies."

SEC. 223. COORDINATION WITH STATE REQUIREMENTS.

Nothing in this Act shall be construed as preventing a State from applying standards that provide greater protection of policyholders of long-term care insurance policies (as defined in section 4980C(f) of the Internal Revenue Code of 1986).

SEC. 224. UNIFORM LANGUAGE AND DEFINITIONS.

(a) IN GENERAL.—The National Association of Insurance Commissioners shall not later than January 1, 1993, promulgate standards for the use of uniform language and definitions in long-term care insurance policies (as defined in section 4980C(f) of the Internal Revenue Code 1986).

(b) VARIATIONS.—Standards under subsection (a) may permit the use of nonuniform language to the extent required to take into account differences among States in the licensing of nursing facilities and other providers of long-term care.

SEC. 225. EFFECTIVE DATES.

(a) SECTION 221.—The amendments made by section 221 shall apply to contracts issued after the date of the enactment of this Act, except that the provisions of section 213(c) of this Act shall apply to such contracts.

(b) SECTION 222.—The amendments made by section 222 shall apply to actions taken after December 31, 1992.

Subtitle B—Treatment of Accelerated Death Benefits

SEC. 231. TAX TREATMENT OF ACCELERATED DEATH BENEFITS UNDER LIFE INSURANCE CONTRACTS.

Section 101 (relating to certain death benefits) is amended by adding at the end thereof the following new subsection:

"(g) TREATMENT OF CERTAIN ACCELERATED DEATH BENEFITS.—

"(1) IN GENERAL.—For purposes of this section, any amount paid or advanced to an individual under a life insurance contract on the life of an insured who is a terminally ill individual shall be treated as an amount paid by reason of the death of such insured.

"(2) SPOUSAL CONSENT.—

"(A) IN GENERAL.—Paragraph (1) shall not apply to any payment or advance unless—

"(i) the spouse of the insured who is a qualified beneficiary consents to such payment or advance, or

"(ii) it is established that the consent required under clause (i) may not be obtained because such spouse may not be located, or because of such other circumstances as the Secretary may by regulations prescribe.

"(B) TIME FOR CONSENT.—Any consent under subparagraph (A) shall occur during the 90-day period ending on the date of the payment (or in the case of a series of periodic payments, the date of the first of such payments).

"(C) QUALIFIED BENEFICIARY.—For purposes of this paragraph, the term 'qualified beneficiary' means an individual who—

"(i) is the spouse of the individual on the last day of the period described in subparagraph (B), and

"(ii) at any time during the 1-year period ending on such last day, was a beneficiary under the life insurance contract.

"(3) TERMINALLY ILL INDIVIDUAL.—For purposes of this subsection, the term 'terminally ill individual' means an individual who has been certified by a physician as having an illness or physical condition which can reasonably be expected to result in death in 12 months or less.

"(4) PHYSICIAN.—For purposes of this subsection, the term 'physician' has the meaning given to such term by section 213(d)(4)."

SEC. 232. TAX TREATMENT OF COMPANIES ISSUING QUALIFIED ACCELERATED DEATH BENEFIT RIDERS.

(a) QUALIFIED ACCELERATED DEATH BENEFIT RIDERS TREATED AS LIFE INSURANCE.—Section 818 (relating to other definitions and special rules) is amended by adding at the end thereof the following new subsection:

"(g) QUALIFIED ACCELERATED DEATH BENEFIT RIDERS TREATED AS LIFE INSURANCE.—For purposes of this part—

"(1) IN GENERAL.—Any reference to a life insurance contract shall be treated as including a reference to a qualified accelerated death benefit rider on such contract.

"(2) QUALIFIED ACCELERATED DEATH BENEFIT RIDERS.—For purposes of this subsection, the term 'qualified accelerated death benefit rider' means any rider or addendum on, or other provision of, a life insurance contract which provides for payments to an individual upon the insured becoming a terminally ill individual (as defined in section 101(g)(2)).

"(3) SPOUSAL CONSENT.—

"(A) IN GENERAL.—A rider or addendum on, or other provision of, a life insurance contract shall not be treated as a qualified accelerated death benefit rider unless such contract provides that—

"(i) the spouse of the insured who is a qualified beneficiary must consent to the accelerated payments, or

"(ii) it is established that the consent required under clause (i) may not be obtained because such spouse may not be located, or because of such other circumstances as the Secretary may by regulations prescribe.

"(B) TIME FOR CONSENT.—Any consent under subparagraph (A) shall occur during the 90-day period ending on the date of the payment (or in the case of a series of periodic payments, the date of the first of such payments).

"(C) QUALIFIED BENEFICIARY.—For purposes of this paragraph, the term 'qualified beneficiary' means an individual who—

"(i) is the spouse of the individual on the last day of the period described in subparagraph (B), and

"(ii) at any time during the 1-year period ending on such last day, was a beneficiary under the life insurance contract."

(b) DEFINITIONS OF LIFE INSURANCE AND MODIFIED ENDOWMENT CONTRACTS.—

(1) RIDER TREATED AS QUALIFIED ADDITIONAL BENEFIT.—Paragraph (5)(A) of section 7702(f) is amended by striking "or" at the end of clause (iv), by redesignating clause (v) as clause (vi), and by inserting after clause (iv) the following new clause:

"(v) any qualified accelerated death benefit rider (as defined in section 818(g)(2)), or".

(2) TRANSITIONAL RULE.—For purposes of determining whether section 7702 or 7702A of the Internal Revenue Code of 1986 applies to any contract, the issuance of a rider or addendum on, or other provision of, a life insurance contract permitting the acceleration of death benefits (as described in section 101(g) of such Code) shall not be treated as a modification or material change of such contract.

SEC. 233. APPLICANTS OR RECIPIENTS UNDER PUBLIC ASSISTANCE PROGRAMS NOT TO BE REQUIRED TO MAKE ELECTION RESPECTING ACCELERATED DEATH BENEFITS UNDER LIFE INSURANCE POLICIES.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding at the end thereof the following new section:

"TREATMENT OF ACCELERATED DEATH BENEFITS

"SEC. 1143. (a) IN GENERAL.—Notwithstanding any other provision of law, no individual who is an applicant for or recipient of aid or assistance under a State plan approved under title IV, X, XIV, XVI, or XIX, of assistance funded by payments under title V or XX, or of benefits under the Supplemental Security Income program established by title XVI shall—

"(1) be required, as a condition of eligibility for (or of continuing to receive) such aid, assistance, or benefits, to make an election to receive an accelerated death benefit under a policy of life insurance, or

"(2) by reason of failure to make such an election, be denied (or suffer a reduction in the amount of) such aid, assistance, or benefits.

"(b) ACCELERATED DEATH BENEFIT.—For purposes of this section, the term 'accelerated death benefit' means any payment made under the terms of a life insurance policy, while the insured individual is alive, as a result of a recalculation of the insured individual's life expectancy."

SEC. 234. EFFECTIVE DATES.

(a) SECTIONS 231 AND 232.—The amendments made by—

(1) section 231 shall apply to taxable years beginning after December 31, 1989, and

(2) section 232 shall apply to contracts issued before, on, or after December 31, 1989,

except that any spousal consent requirement shall not apply before January 1, 1992.

(b) SECTION 233.—The amendment made by section 233 shall take effect on January 1, 1990.

SUMMARY OF PACKWOOD-DOLE "SECURE CHOICE" LONG-TERM CARE LEGISLATION

The legislation establishes an integrated, three-part approach to make long-term care services for the elderly more available and more affordable. Each of the three parts of the legislation is structured around the elderly's need for services and financial capacity.

DESCRIPTION OF SECURE CHOICE

A. Federal/State Program

Establishes a new Federal program to provide long-term care services to low-income elderly under a new Title (XXI) of the Social Security Act. Long-term care services now provided through Medicaid would be moved to Title XXI.

The current Medicaid link to cash welfare assistance would be severed. Eligibility would be broadened and simplified—based only on age, income, assets, and impairment. The impairment must be evidenced by limitations in performing Activities of Daily Living (ADLs) or by the presence of Alzheimer's disease or a similar dementia.

States would be required to cover eligible individuals with income up to 100% of the Federal poverty level (FPL), and could cover individuals up to 240 percent of the FPL at their option.

Covered services would include nursing home care and a mix of home and community-based care.

States can provide home and community-based services without the need for a waiver program.

Medicaid will retain its current structure, absent provisions related to long-term care services for functionally impaired elderly. Nursing facility services, home health services, and other services would remain covered under Medicaid; however, states would limit these services to 45 days for the functionally and cognitively impaired elderly. A stay of longer than 45 days would indicate a chronic condition requiring long-term care services covered under Title XXI.

B. SECURE CHOICE INSURANCE OPTION

Permits states, at their option, to participate in a public-private partnership to subsidize long-term care insurance for individuals over the age of 55 with income between 240 percent of the FPL.

Individuals would be encouraged to purchase a qualified long-term insurance policy.

Individuals who purchase qualified policies would be eligible to have part of their coverage subsidized by the state and Federal governments if they: are age 55 or older; have income between 240 and 400 percent of the FPL; and, need services (functionally/cognitively impaired).

Individuals who purchase qualified policies would accumulate up to $20,000 in additional asset protection that would apply toward their eligibility for Title XXI.

States choosing to participate in the Secure Choice insurance option must expand their Title XXI programs to cover functionally and cognitively impaired elderly individuals with income up to 240 percent of the FPL. This will ensure that there are no gaps in coverage between Title XXI and the insurance option.

C. TAX CLARIFICATION

Clears up the uncertainty about the tax treatment of LTC benefits. Because of this uncertainty, very few employers offer LTC to their employees. The insurance industry believes the tax uncertainty is hindering the development of a private market for LTC insurance.

The bill clarifies that all LTC benefits (medical care and personal care) are treated as medical expenses under the tax law. Thus: Out-of-pocket LTC expenses and insurance will be tax deductible (above 7.5 percent of adjusted gross income); Payments for LTC services under insurance policies will not be taxable; and Employer-paid LTC services and insurance will be a tax-free employee fringe benefit.

The bill also clarifies that reserves set aside by insurance companies to pay benefits under LTC insurance policies are tax deductible.

OTHER PROVISIONS

Requires states to implement a comprehensive public information and education program to educate consumers on issues of long-term care services and financing.●

MILITARY PERSONNEL AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The text of S. 1510, Military Personnel Authorization Act for Fiscal Years 1992 and 1993, as passed by the Senate on August 2, 1991, is as follows:

S. 1510

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military Personnel Authorization Act for Fiscal Years 1992 and 1993".

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) FISCAL YEAR 1992.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1992, as follows:

(1) The Army, 660,200, of whom not more than 96,781 shall be commissioned officers.

(2) The Navy, 551,400, of whom not more than 69,468 shall be commissioned officers.

(3) The Marine Corps, 188,000, of whom not more than 19,180 shall be commissioned officers.

(4) The Air Force, 486,800, of whom not more than 92,020 shall be commissioned officers.

(b) FISCAL YEAR 1993.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1993, as follows:

(1) The Army, 618,200, of whom not more than 90,768 shall be commissioned officers.

(2) The Navy, 536,000, of whom not more than 67,557 shall be commissioned officers.

(3) The Marine Corps, 182,200, of whom not more than 18,591 shall be commissioned officers.

(4) The Air Force, 458,100, of whom not more than 86,594 shall be commissioned officers.

(c) LIMITATION ON INVOLUNTARY SEPARATION OF CAREER PERSONNEL INELIGIBLE TO RETIRE.—(1) The Secretary of Defense may not require the involuntary separation in fiscal year 1992 of any member of the Armed Forces on active duty who has completed the initial period of obligated active duty service applicable to such member and is ineligible to retire with entitlement to retired or retainer pay.

(2) Paragraph (1) does not apply to the following involuntary separations of active duty personnel:

(A) A separation of an officer under chapter 36 of title 10, United States Code, for reasons other than meeting an end strength limitation applicable to officers.

(B) A separation for physical disability, age, or cause.

(C) A separation that is made without regard to the limitations on active duty end strengths in subsection (a), as determined under regulations prescribed by the Secretary of Defense.

(d) WAIVER AUTHORITY FOR END STRENGTHS.—The Secretary of Defense may waive an end strength prescribed in subsection (a) for any of the Armed Forces to the extent that the Secretary considers the waiver necessary to prevent the administration of subsection (c) from causing personnel imbalances that would impair the long-term combat readiness of that armed force.

SEC. 402. REDUCTION IN AUTHORIZED END STRENGTH FOR THE NUMBER OF MILITARY PERSONNEL IN EUROPE.

(a) REDUCTION.—Section 1002(c)(1) of the Department of Defense Authorization Act, 1985 (22 U.S.C. 1928 note), is amended in the first sentence by striking out "261,855" and inserting in lieu thereof "235,700".

(b) WAIVER OF AUTHORITY.—Such section is amended in the third sentence—

(1) by striking out "261,855" and inserting in lieu thereof "235,700"; and

(2) by striking out "311,855" and inserting in lieu thereof "261,855".

SEC. 403. REDUCTION IN NUMBER OF ACTIVE DUTY AIR FORCE COLONELS.

The table in section 523(a)(1) of title 10, United States Code, is amended by striking out the figures under the heading "Colonel" relating to the Air Force and inserting in lieu thereof the following:

"3,392
"3,573
"3,754
"3,935
"4,115
"4,296
"4,477
"4,658
"4,838
"5,019
"5,200
"5,381".

PART B—RESERVE FORCES

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) FISCAL YEAR 1992.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1992, as follows:

(1) The Army National Guard of the United States, 443,380.

(2) The Army Reserve, 307,900.

(3) The Naval Reserve, 145,880.

(4) The Marine Corps Reserve, 43,100.

(5) The Air National Guard of the United States, 118,100.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(b) FISCAL YEAR 1993.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1993, as follows:

(1) The Army National Guard of the United States, 425,450.

(2) The Army Reserve, 296,230.

(3) The Naval Reserve, 141,545.

(4) The Marine Corps Reserve, 42,230.

(5) The Air National Guard of the United States, 119,400.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(c) WAIVER AUTHORITY.—The Secretary of Defense may vary an end strength authorized by subsection (a) by not more than 2 percent.

(d) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component for any fiscal year shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of

the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) FISCAL YEAR 1992.—Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1992, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 25,270.

(2) The Army Reserve, 12,815.

(3) The Naval Reserve, 22,520.

(4) The Marine Corps Reserve, 2,345.

(5) The Air National Guard of the United States, 9,081.

(6) The Air Force Reserve, 643.

(b) FISCAL YEAR 1993.—Within the end strengths prescribed in section 411(b), the reserve components of the Armed Forces are authorized, as of September 30, 1993, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,889.

(2) The Army Reserve, 12,673.

(3) The Naval Reserve, 22,045.

(4) The Marine Corps Reserve, 2,310.

(5) The Air National Guard of the United States, 9,072.

(6) The Air Force Reserve, 618.

(c) ARMY RESERVE COMPONENT STRENGTHS FOR FISCAL YEARS 1994–1998.—The table in section 412(b)(2) of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1547; 10 U.S.C. 261 note) is amended to read as follows:

"Fiscal Year	Army Reserve	Army National Guard
1994	12,006	23,579
1995	11,339	22,269
1996	10,672	20,959
1997	10,005	19,649
1998	9,341	18,340".

SEC. 413. INCREASED NUMBER OF ACTIVE DUTY OFFICERS ASSIGNED TO FULL-TIME SUPPORT AND TRAINING OF ARMY NATIONAL GUARD COMBAT UNITS.

Within the end strength for the number of officers of the Army on active duty as of the end of fiscal year 1992 that is prescribed by section 401(a)(1), the Secretary of the Army shall assign 1,300 of the officers on active duty within that number to full-time duty in connection with organizing, administering, recruiting, instructing, or training combat units of the Army National Guard.

SEC. 414. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) SENIOR ENLISTED MEMBERS.—Effective on October 1, 1991, the table in section 517(b) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	569	202	279	14
E–8	2,585	429	800	74".

(b) OFFICERS.—Effective on October 1, 1991, the table in section 524(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	575	110
Lieutenant Colonel or Commander	1,524	520	595	75
Colonel or Navy Captain	372	188	227	25".

PART C—MILITARY TRAINING STUDENT LOADS

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) FISCAL YEAR 1992.—For fiscal year 1992, the components of the Armed Forces are authorized average military training loads as follows:

(1) The Army, 66,525.

(2) The Navy, 59,675.

(3) The Marine Corps, 20,880.

(4) The Air Force, 26,880.

(5) The Army National Guard of the United States, 16,611.

(6) The Army Reserve, 15,337.

(7) The Naval Reserve, 3,112.

(8) The Marine Corps Reserve, 3,520.

(9) The Air National Guard of the United States, 2,765.

(10) The Air Force Reserve, 1,628.

(b) FISCAL YEAR 1993.—For fiscal year 1993, the components of the Armed Forces are authorized average military training loads as follows:

(1) The Army, 65,430.

(2) The Navy, 58,720.

(3) The Marine Corps, 20,545.

(4) The Air Force, 26,450.

(5) The Army National Guard of the United States, 16,345.

(6) The Army Reserve, 15,090.

(7) The Naval Reserve, 3,060.

(8) The Marine Corps Reserve, 3,465.

(9) The Air National Guard of the United States, 2,720.

(10) The Air Force Reserve, 1,600.

(c) ADJUSTMENTS.—The average military student loads authorized in subsections (a) and (b) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

TITLE V—MILITARY PERSONNEL POLICY

PART A—GENERAL MATTERS

SEC. 501. INITIAL APPOINTMENT OF COMMISSIONED OFFICER TO BE IN A RESERVE GRADE.

Section 532 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) No person may receive an original appointment as a commissioned officer in the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps until the member has completed one year of service on active duty as a commissioned officer of a reserve component.".

SEC. 502. TRANSITION PERIOD FOR CERTAIN GENERAL AND FLAG OFFICERS AWAITING RETIREMENT.

(a) REDUCTION IN PERIOD.—Section 601(b)(4) of title 10, United States Code, is amended by striking out "90 days" and inserting in lieu thereof "30 days".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins more than 60 days after the date of the enactment of this Act.

SEC. 503. SELECTIVE EARLY RETIREMENT FLEXIBILITY.

(a) EXCLUSION OF OFFICERS OTHERWISE APPROVED FOR RETIREMENT.—Section 638(e) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(e)";

(2) by designating the second sentence as paragraph (2) and realigning such paragraph, as so designated, flush to the left margin;

(3) in paragraph (2), as so designated—

(A) by striking out "Such regulations" and inserting in lieu thereof "The regulations";

(B) by striking out "under this section, such list" and inserting in lieu thereof "under this section, such list—";

(C) in the matter beginning with "shall include"—

(i) by striking out "shall include" and inserting in lieu thereof "(A) except as provided in subparagraph (B), shall include";

(ii) by realigning such matter two ems from the left margin; and

(iii) by striking out the period at the end and inserting in lieu thereof "; and"; and

(D) by adding at the end the following:

"(B) may not include any officer in that grade and competitive category who has been approved for retirement during the fiscal year in which the selection board is convened or, if different, for retirement in the fiscal year in which any officer selected for retirement by the selection board is required to retire, as determined as of the convening date of the selection board."; and

(4) by adding at the end the following new paragraph:

"(3) An officer not considered by a selection board convened under section 611(b) by reason of paragraph (2)(B) shall be retired on the date approved for the retirement of such officer as of the convening date of such selection board unless the Secretary concerned approves a modification of such date in order to prevent a personal hardship for the officer or for other humanitarian reasons.".

(b) TEMPORARY EARLY RETIREMENT SELECTION AUTHORITY.—Section 638a(b)(2) of such title is amended—

(1) by striking out "through (C)" and inserting in lieu thereof "through (D)"; and

(2) by adding at the end the following new subparagraph:

"(D) Officers holding a regular grade below the grade of lieutenant colonel or, in the case of the Navy, commander who will become eligible for retirement under section 3911, 6323, or 8911 of this title before being retired pursuant to selection by the selection board and whose names are not on a list of officers recommended for promotion.".

SEC. 504. WAIVER OF PROHIBITION ON CERTAIN RESERVE SERVICE WITH THE R.O.T.C. PROGRAM.

The Secretary of the military department concerned may waive the prohibition in section 690 of title 10, United States Code, in the case of a member of a reserve component of the Armed Forces referred to in that section who is serving in an assignment to duty with a unit of the Reserve Officer Training Corps program on September 30, 1991, if the Secretary determines that the removal of the member from that assignment will cause a financial hardship for that member.

SEC. 505. RETIREMENT OF CHIEF OF NAVAL OPERATIONS AND COMMANDANT OF THE MARINE CORPS IN HIGHEST GRADE.

(a) CHIEF OF NAVAL OPERATIONS.—Section 5034 of title 10, United States Code, is amended by inserting "and by and with the advice and consent of the Senate" after "President".

(b) COMMANDANT OF THE MARINE CORPS.—Section 5043(c) of such title is amended by inserting "and by and with the advice and consent of the Senate" after "President".

SEC. 506. ELIMINATION OF MINIMUM ENLISTED SERVICE REQUIREMENT FOR NOMINATION TO THE NAVAL ACADEMY.

Section 6958(c) of title 10, United States Code, is amended—

(1) by striking out clause (2); and

(2) by redesignating clauses (3) and (4) as clauses (2) and (3), respectively.

SEC. 507. ADMINISTRATION OF ATHLETICS PROGRAMS AT THE SERVICE ACADEMIES.

(a) INDEPENDENT REVIEW BOARD.—The Secretary of Defense shall appoint a board to review the administration of the athletics programs of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

(b) COMPOSITION OF BOARD.—The Secretary shall appoint the members of the board from among distinguished administrators of institutions of higher education, members of Congress, members of the Boards of Visitors of the academies, and other experts in collegiate athletics programs. The Superintendents of the three academies shall be members of the board. The Secretary shall designate one member of the board, other than a Superintendent of an academy, as Chairman.

(c) DUTIES.—The board shall, on an annual basis—

(1) review all aspects of the athletics programs of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy, including—

(A) the policies relating to the administration of such programs;

(B) the appropriateness of the balance between the emphasis placed by each academy on athletics and the emphasis placed by such academy on academic pursuits; and

(C) the extent to which all athletes in all sports are treated equitably under the athletics program of each academy; and

(2) determine ways in which the administration of the athletics programs at the academies can serve as models for the administration of athletics programs at civilian institutions of higher education.

(d) ADMINISTRATIVE PROVISIONS.—(1) Each member of the board who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the board. Members of the board who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) The members of the board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the board.

SEC. 508. AUTHORITY TO WAIVE MAXIMUM AGE LIMITATION ON ADMISSION TO THE SERVICE ACADEMIES FOR CERTAIN MEMBERS WHO SERVED DURING THE PERSIAN GULF WAR.

(a) WAIVER AUTHORITY.—The Secretary of the military department concerned may waive the maximum age limitation in section 4346(a), 6958(a)(1), or 9346(a) of title 10, United States Code, in the case of any enlisted member of the Armed Forces who—

(1) becomes 22 years of age while serving on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm during the Persian Gulf War; or

(2) was a candidate for admission to the service academy under the jurisdiction of such Secretary in 1990, was prevented from being admitted to the academy during that year by reason of the service of such person on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, and became 22 years of age after July 1, 1990, and before the end of such service in that area of operations.

(b) DEFINITIONS.—In this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf War" has the meaning given such term in section 101(33) of title 38, United States Code.

SEC. 509. EXTENSIONS OF CERTAIN MILITARY PERSONNEL MANAGEMENT AUTHORITIES.

(a) COMPUTATION OF YEARS OF SERVICE FOR MANDATORY TRANSFER TO RETIRED RESERVE.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (Public Law 98–94; 10 U.S.C. 3360 note) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(b) GRADE DETERMINATION FOR CERTAIN MEDICAL CORPS RESERVE OFFICERS.—Sections 3359(b) and 8359(b) of title 10, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(c) PROMOTION OF CERTAIN RESERVE OFFICERS SERVING ON ACTIVE DUTY.—Sections 3380(d) and 8380(d) of title 10, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(d) EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS IN THE SELECTED RESERVE.—Section 2172(d) of title 10, United States Code, is amended by striking out "October 1, 1992" and inserting in lieu thereof "October 1, 1995".

SEC. 510. TEMPORARY AUTHORITY FOR PROMOTION OF NAVY LIEUTENANTS MADE PERMANENT.

Section 5721(f) of title 10, United States Code, is repealed.

SEC. 511. INTEGRITY OF THE PROMOTION SELECTION BOARD PROCESS.

(a) COMMUNICATIONS WITH BOARDS.—Section 615 of title 10, United States Code, is amended—

(1) by redesignating subsections (a) through (d) as subsections (b) through (e); and

(2) by inserting before subsection (b), as so redesignated, the following new subsection (a):

"(a)(1) The Secretary of Defense shall prescribe uniform regulations governing information furnished to selection boards convened under section 611(a) of this title. The Secretaries of the military departments may not supplement such regulations without the advance written approval of the Secretary of Defense.

"(2) Each communication to a selection board shall be furnished to all board members and made a part of the selection board's record. Each communication shall be in a written form or in the form of an audio or video recording. If a communication is in the form of such a recording, a written transcription of the recording shall also be made a part of the selection board's record.

"(3) No information concerning a particular eligible officer may be communicated to a selection board except for the following information:

"(A) Information in an eligible officer's official military personnel records provided to the selection board in accordance with the uniform regulations prescribed by the Secretary of Defense pursuant to paragraph (1).

"(B) Other information that has been reviewed by the Secretary of the military department concerned in accordance with standards and procedures prescribed in the uniform regulations and that has been determined by that Secretary to be substantiated, relevant information that could reasonably and materially affect the deliberations of the selection board.

"(C) Subject to such limitations as may be prescribed in the uniform regulations, information communicated to the board by an eligible officer in accordance with this section, section 614(b) of this title (including any comments on information referred to in subparagraph (A) regarding that officer), or other applicable law.

"(D) A factual summary of the information described in subparagraphs (A), (B), and (C) that, in accordance with the uniform regulations, has been prepared by administrative personnel for the purpose of facilitating the work of the selection board.

"(4) Paragraphs (2) and (3) do not apply to the communication of appropriate administrative processing information to the selection board by administrative staff designated to assist the board, but only to the extent that oral communications are necessary to facilitate the work of the board.

"(5)(A) The Secretary of the military department concerned shall ensure that, before information described in paragraph (3)(B) regarding an eligible officer is provided to a selection board, that officer—

"(i) is notified that such information will be presented to the selection board; and

"(ii) is afforded a reasonable opportunity to submit comments on that information to the selection board.

"(B) If an eligible officer cannot be given access to the information referred to in subparagraph (A) because of its classification status, the officer shall, to the maximum extent practicable, be provided with an appropriate summary of the information.".

(b) TECHNICAL AMENDMENTS.—(1) The heading for section 614 of such title is amended by striking out "**; communications with boards**".

(2) The item relating to such section in the table of sections for subchapter I of chapter 36 of such title, is amended by striking out "; communications with boards".

(c) DISCLOSURE OF BOARD RECOMMENDATIONS.—Section 616 of such title is amended by adding at the end the following new subsections:

"(e)(1) The recommendations of a selection board may be disclosed only in accordance with regulations prescribed by the Secretary of Defense. In no event may the recommendations be disclosed to any person not a member of the board until the written report of the recommendations, required by section 617 of this title, has been signed by each member of the board.

"(f) No Secretary convening a selection board under section 611(a) of this title, and no officer or other official exercising authority over any member of a selection board, may—

"(1) censure, reprimand, or admonish the selection board or any member of the board with respect to the recommendations of the board or the exercise of any function within the discretion of the board; or

"(2) attempt to coerce or, by any unauthorized means, influence any action of a selection board or any member of a selection board in the formulation of the board's recommendations.".

(d) Recommendations for Removal of Selected Officers From Report.—Section 618 of such title is amended by inserting the following at the end thereof:

"(g) If the Secretary of a military department or the Secretary of Defense makes a recommendation under this section that the name of an officer be removed from a report of a selection board and the recommendation includes information that was not presented to that selection board, the information shall be made available to that officer. The officer shall then be afforded a reasonable opportunity to submit comments on that information to the officials making the recommendation and the officials reviewing the recommendation. If an eligible officer cannot be given access to such information because of its classification status, the officer shall, to the maximum extent practicable, be provided with an appropriate summary of the information.".

(e) Screening of Officers for Consideration by Selection Boards.—Section 619(c)(2) of such title is amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) may, in accordance with standards and procedures prescribed by the Secretary of Defense in uniform regulations, limit the officers to be considered by a selection board from below the promotion zone to those officers who are determined to be exceptionally well qualified for promotion;";

(2) by striking out subparagraph (B);

(3) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(4) by inserting at the end the following new paragraph:

"(3)(A) The Secretary of Defense may authorize the Secretaries of the military departments to preclude from consideration by selection boards for promotion to the grade of brigadier general or rear admiral (lower half) officers in the grade of colonel or, in the case of the Navy, captain who—

"(i) have been considered and not selected for promotion to the grade of brigadier general or rear admiral (lower half) by at least two selection boards; and

"(ii) are determined, in accordance with standards and procedures prescribed pursuant to subparagraph (B), as not being exceptionally well qualified for promotion.

"(B) If the Secretary of Defense grants the authority described in subparagraph (A) to the Secretaries of the military departments he shall prescribe uniform regulations containing the standards and procedures for the exercise of such authority. The regulations shall include the following provisions:

"(i) That the Secretary of a military department may exercise such authority in the case of a particular selection board only if the Secretary of Defense has approved the exercise of that authority for that board.

"(ii) That no officer may be precluded from consideration by a selection board except upon the recommendation of a preselection board of officers convened by the Secretary of the military department concerned and composed of at least three officers all of whom are serving in a grade higher than the grade of such officer.

"(iii) That a preselection board may not recommend that an officer be precluded from such consideration unless the Secretary concerned has given the officer advance written notice of the convening of such board and of the military records that will be considered by the board and has given the officer a reasonable period before the convening of the board in which to submit comments to the board.

"(iv) That the Secretary convening a preselection board shall provide general guidance to the board in accordance with standards and procedures prescribed by the Secretary of Defense in the uniform regulations.

"(v) That the preselection board may recommend that an officer be precluded from consideration by a selection board only on the basis of the general guidance provided by the Secretary of the military department concerned, information in the officer's official military personnel records that have been described in the notice provided the officer as required pursuant to clause (iii), and any communication to the board received by the Secretary from that officer before the board convenes.".

(f) Effective Date.—The amendments made by this section shall apply to selection boards convened under section 611(a) of title 10, United States Code, on or after the date 60 days after the date of enactment of this Act.

SEC. 512. REPORT ON THE SUPERVISION, MANAGEMENT, AND ADMINISTRATION OF THE RESERVE COMPONENTS.

(a) Report Required.—Not later than December 31, 1992, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the supervision, management, and administration of the reserve components of the Armed Forces.

(b) Contents of Report.—The report shall include the following information:

(1) A description of the organization and supervision of the performance of the command, management, and administration functions for such components by the Secretary of Defense.

(2) A description of the organization and supervision of the performance of the command, management, and administration functions for such components by the Secretary of each military department.

(3) A description of the manner in which the organization and supervision referred to in paragraphs (1) and (2) facilitates the readiness of the reserve components to carry out the purpose of such components set out in section 262 of title 10, United States Code.

(4) Any recommended legislation that the Secretary considers necessary for the improvement of the organization and supervision of the performance of such functions and the readiness of the reserve components to carry out such purpose.

(5) Any additional actions that the Secretary plans to take in order to improve the organization and supervision of the performance of such functions and the readiness of the reserve components to carry out such purpose.

SEC. 513. REVIEW OF PORT CHICAGO COURT MARTIAL CASES.

The Secretary of the Navy shall initiate without delay a thorough review of the cases of all 258 individuals convicted in the courts-martial arising from the explosion at the Port Chicago (California) Naval Magazine on July 17, 1944. The purpose of the review shall be to determine the validity of the original findings and sentences and the extent, if any, to which racial prejudice or other improper factors now known may have tainted the original investigations and trials. If the Secretary determines that the conviction of an individual in any such case was in error or an injustice, then, notwithstanding any other provision of law, he may correct that individual's military records (including the record of the court-martial in such case) as necessary to rectify the error or injustice.

SEC. 514. ACCESS OF PARENTS AND CERTAIN OTHERS TO THE MILITARY RECORDS OF DECEASED SERVICEMEMBERS.

(a) Chapter 53 of title 10, United States Code, is amended by inserting the following new section at the end thereof:

"§ 1057. Access of parents and cetain others to the military records of deceased servicemembers

"(a) The Secretary of Defense shall respond promptly and comprehensively to requests by the parents, spouse, children who are at least eighteen years of age, or legal representative of a member of the armed forces who died while serving on active duty or on inactive-duty training.

"(b) The Secretary shall make available to a person described in subsection (a) a copy of any military record of the member (including any autopsy report or report of investigation concerning the member's death) that would have been available to the member if the member were alive, upon written request for such record.

"(c) The Secretary may impose a nominal charge for the administrative and reproduction requests of responding to a request under subsection (b).

"(d) As used in this section, the term 'parent' includes an adoptive parent and a stepparent.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1057. Access of parents and certain others to the military records of deceased servicemembers.".

PART B—COMMISSION ON THE ASSIGNMENT OF WOMEN IN THE ARMED FORCES

SEC. 521. ESTABLISHMENT OF THE COMMISSION.

(a) Establishment.—There is established a commission to be known as the Commission on the Assignment of Women in the Armed Forces (hereafter in this part referred to as the "Commission").

(b) Composition.—(1) The Commission shall be composed of 15 members appointed by the President. The President shall designate one of the members as Chairman of the Commission.

(2) The President shall appoint the members of the Commission from among persons who have distinguished themselves in the public sector, the private sector, or higher education and who have had significant experience (as determined by the President) with one or more of the following matters:

(A) Scholarly inquiry into social and cultural matters affecting the workplace.

(B) Constitutional law and other law.

(C) The effects of medical and physiological factors on job performance.

(D) Service in the Armed Forces in a land combat environment.

(E) Service in the Armed Forces in an air combat environment.

(F) Service in the Armed Forces in a sea combat environment.

(G) Military personnel management.

(3) In making appointments to the Commission, the President shall consult with the chairman and ranking minority member of the Committees on Armed Services of the Senate and the House of Representatives.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL ORGANIZATIONAL REQUIREMENTS.—(1) The President shall make all appointments under subsection (b) within 60 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting within 15 days after the first date on which all members of the Commission have been appointed. At that meeting the Commission shall develop a study agenda and schedule for carrying out its responsibilities under this part.

SEC. 522. DUTIES.

The Commission shall conduct a thorough study of all matters relating to the assignments of women in the Armed Forces and make findings on such matters, including the following matters:

(1) The implications for the combat readiness of the Armed Forces of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions, including the implications with respect to the following matters:

(A) The physical readiness of the force, including the full implications of establishing different minimum physical standards on the basis of sex.

(B) The effects of pregnancy and of child care needs.

(C) The effects on unit morale and cohesion.

(2) The social and cultural implications of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions.

(3) The advisability of permitting only voluntary assignments of women to combat positions and of permitting involuntary assignments of women to combat positions.

(4) The advisability of requiring women to register for conscription under the Military Selective Service Act and to be conscripted under that Act—

(A) on the same basis as men if women were provided the same opportunity as men for assignment to any position in the Armed Forces; or

(B) on a different basis if women were not provided that same opportunity.

(5) The legal and policy implications of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions, including—

(A) the implications of excluding women from coverage by the registration and service requirements of the Military Selective Service Act if the Secretary of each military department were permitted, but not required, to restrict the opportunities of women for assignments to combat positions;

(B) the implications of excluding women from coverage by such requirements if the authority for the assignment of women to combat positions were limited to voluntary assignments;

(C) the implications of excluding women from coverage by such requirements if the authority for the assignment of women to combat positions were not limited to voluntary assignments; and

(D) the implications for any policy that authorizes involuntary assignments of personnel to combat positions only in the case of men.

(6) The extent of the need to modify facilities and vessels, aircraft, vehicles, and other equipment of the Armed Forces to accommodate the assignment of women to combat positions or to provide combat skills training to women, including any need to modify quarters, weapons, and training facilities and equipment.

(7) The costs of meeting the need identified pursuant to paragraph (6) and the practicability of meeting such need during an era of decreasing national security budgets.

(8) The effects of existing laws relating to the recruitment, retention, assignment, and promotion of women in the Armed Forces on—

(A) the combat readiness of the Armed Forces;

(B) the opportunities for women in the Armed Forces; and

(C) the quality of the personnel in the Armed Forces.

SEC. 523. REPORT.

(a) IN GENERAL.—(1) Not later than November 15, 1992, the Commission shall transmit to the President a final report on the results of the study conducted by the Commission.

(2) The Commission may transmit to the President and to Congress such interim reports as the Commission considers appropriate.

(b) CONTENT OF FINAL REPORT.—(1) The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with any recommendations for such legislation and administrative actions as the Commission considers appropriate.

(2) The report shall include recommendations on the following matters:

(A) Whether existing law and policies governing the assignment of women in the Armed Forces to combat positions should be retained, modified, or repealed.

(B) Whether existing law and policies relating to other aspects of the assignment of women to positions in the Armed Forces should be retained, modified, or repealed.

(C) What roles women should have in the Armed Forces, including what, if any, roles women should have in combat.

(D) What transition process is appropriate if women are to be given the opportunity to be assigned to combat positions in the Armed Forces.

(E) Whether special conditions and different standards should apply to women than apply to men performing similar roles in the Armed Forces.

(c) SUBMITTAL OF FINAL REPORT TO CONGRESS.—Not later than December 15, 1992, the President shall transmit to the Committees on Armed Services of the Senate and the House of Representatives the report of the Commission, together with the President's comments and recommendations regarding such report.

SEC. 524. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this part, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense and any other Federal department or agency any information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this part. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

SEC. 525. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission present at a properly called meeting.

(c) PANELS.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this part.

SEC. 526. PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay established for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The Chairman of the Commission may, without regard to civil service laws, appoint and terminate a staff director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of a staff director shall be subject to confirmation by the Commission.

(2) The Chairman of the Commission may fix the compensation of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the staff director and other personnel may not exceed the rate established

for GS-18 of the General Schedule under section 5332 of such title.

(d) Detail of Government Employees.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) Procurement of Temporary and Intermittent Services.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay established for GS-18 of the General Schedule under section 5332 of such title.

(f) Applicability of Other Federal Laws.—Service of an individual as a member of the Commission or employment of an individual by the Commission on a part-time or full-time basis and with or without compensation shall not be considered as service or employment bringing such individual within the provisions of any Federal law relating to conflicts of interest or otherwise imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with claims, proceedings, or matters involving the United States. Service as a member of the Commission or as an employee of the Commission, shall not be considered service in an appointive or elective position in the Government for purposes of section 8344 or 8468 of title 5, United States Code, or any comparable provision of Federal law.

SEC. 527. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) Postal and Printing Services.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) Miscellaneous Administrative and Support Services.—The Administrator of General Services shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

(c) Gifts.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(d) Procurement Authority.—The Commission may procure supplies, services, and property and make contracts, in any fiscal year, in order to carry out its duties, but (except in the case of temporary or intermittent services procured under section 526(e)) only to such extent or in such amounts as are provided in appropriation Acts or are donated pursuant to subsection (c). Contracts and other procurement arrangements may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any similar provision of Federal law.

(e) Applicability of Federal Advisory Committee Act.—The provisions of the Federal Advisory Committee Act shall not apply to the Commission.

(f) Travel.—To the maximum extent possible, the members and employees of the Commission shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a responsibility of the Commission, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

SEC. 528. PAYMENT OF COMMISSION EXPENSES.

The compensation, travel expenses, and per diem allowances of members and employees of the Commission shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department of Defense. The other expenses of the Commission shall be paid out of funds available to the Department of Defense for the payment of similar expenses incurred by that Department.

SEC. 529. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which Commission submits its final report under section 523(a)(1).

SEC. 530. AUTHORIZATION FOR THE ASSIGNMENT OF FEMALE MEMBERS OF THE ARMED FORCES TO DUTY IN COMBAT AIRCRAFT.

(a) Army.—(1) Chapter 343 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3549. Duties: female members; combat duty

"The Secretary of the Army may prescribe the conditions under which female members of the Army may be assigned to duty in aircraft that are engaged in combat missions.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3548 the following new item:

"3549. Duties: female members; combat duty.".

(b) Navy and Marine Corps.—Section 6015 of title 10, United States Code, is amended in the third sentence—

(1) by inserting "(a)" before the first sentence;

(2) by striking out "or in aircraft";

(3) by inserting "(other than as aviation officers as part of an air wing or other air element assigned to such a vessel)" after "combat missions";

(4) by inserting "other" after "temporary duty on"; and

(5) by adding at the end the following new subsection:

"(b) The Secretary of the Navy may prescribe the conditions under which female members of the Navy and Marine Corps may be assigned to duty in aircraft that are engaged in combat missions.".

(c) Air Force.—(1) Section 8549 of title 10, United States Code, is amended to read as follows:

"§ 8549. Duties: female members; combat duty

"The Secretary of the Air Force may prescribe the conditions under which female members of the Air Force may be assigned to duty in aircraft that are engaged in combat missions.".

(2) The item relating to section 8549 in table of sections at the beginning of chapter 843 of such title is amended to read as follows:

"8549. Duties: female members; combat duty.".

(d) Rule of Construction.—This section shall be construed only as an expression of an intent of Congress to permit the assignment of female personnel of the Armed Forces of the United States to duty in aircraft that are engaged in combat missions.

(e) Effective Date.—This section and the amendments made by this section shall take effect on October 1, 1991.

SEC. 530A. AUTHORITY TO WAIVE COMBAT EXCLUSION LAWS.

(a) Comprehensive Research and Analysis Required.—The Commission on the Assignment of Women in the Armed Forces, established under section 521, shall conduct comprehensive research and analyses regarding the potential for women in the Armed Forces to serve in combat positions.

(b) Information Needs To Be Defined.—The Commission, as a priority matter, shall determine the types of information necessary for its research and analysis that can best be obtained through the assignment of women to combat positions on a test basis.

(c) Notification of Secretary of Defense Regarding Information Needs.—The Commission shall promptly advise the Secretary of Defense of its needs for information determined pursuant to subsection (b). The Commission may request that the Secretary of Defense require the assignment of women to combat positions on a test basis in order to develop that information.

(d) Waiver Authority.—The Secretary of Defense, in consultation with the Commission, may conduct test assignments of women to combat positions and may waive sections 6015 and 8549 of title 10, United States Code, and any other restriction that applies under Department of Defense regulations or policies to the assignment of women to combat positions in order to conduct such test assignments.

PART C—MATTERS RELATED TO CONTINGENCY OPERATIONS

SEC. 531. GRADE OF RETIRED OFFICERS ORDERED TO ACTIVE DUTY.

(a) Grade Upon Order to Active Duty.—Section 688(d)(1) of title 10, United States Code, is amended to read as follows:

"(1) Except as provided in paragraph (2), a member ordered to active duty under this section shall be ordered to active duty in one of the following grades, as designated by the Secretary concerned:

"(A) The member's retired grade.

"(B) Any higher grade in which the member previously served on active duty satisfactorily, as determined by the Secretary.".

(b) Retired Grade Upon Release.—Section 688(b) of such title is amended to read as follows:

"(b) A member ordered to active duty under this section is entitled, upon release from that tour of active duty, to placement on the retired list in the highest of the following grades:

"(1) The member's retired grade when ordered to active duty.

"(2) The highest grade in which the member served satisfactorily, as determined by the Secretary concerned, for at least 180 days during that tour of duty.

"(3) The highest grade in which the member served on active duty satisfactorily, as so determined, for a total of at least three years (including that tour of duty).".

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to orders to active duty on or after that date.

SEC. 532. WAIVER OF FOREIGN LANGUAGE PROFICIENCY CERTIFICATION REQUIREMENT.

(a) Certification Interrupted by Contingency Operation.—Chapter 5 of title 37, United States Code, is amended by inserting after section 316 the following new section:

"§ 316a. Waiver of certification requirement

"(a) Certification Interrupted by Contingency Operation.—(1) A member of the armed forces described in subsection (b) shall be paid special pay under section 316 of this title for the active duty performed by that member during the period described in paragraph (2) if—

"(A) the member was assigned to duty in connection with a contingency operation;

"(B) the Secretary concerned (under regulations prescribed by the Secretary of Defense) determines that the member was unable to schedule or complete the certification required for eligibility for the special pay under that section because of that duty;

"(C) except for not meeting the certification requirement in that section, the member was otherwise eligible for that special pay for that active duty; and

"(D) the member completes the certification requirement specified in that section before the end of the period established for the member in subsection (c).

"(2) The period for which a member may be paid special pay for active duty pursuant to paragraph (1) is the period beginning on the date on which the member was assigned to the duty referred to in subparagraph (A) of that paragraph and ending on the date of the member's certification referred to in subparagraph (D) of that paragraph.

"(b) ELIGIBLE MEMBER DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who meets the requirement referred to in paragraph (3) of section 316(a) of this title.

"(c) PERIOD FOR CERTIFICATION.—The period referred to in subparagraph (D) of subsection (a)(1) with respect to a member of the armed forces is the 180-day period beginning on the date on which the member was released from the duty referred to in that subsection. The Secretary concerned may extend that period for a member in accordance with regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 316 the following new item:

"316a. Waiver of certification requirement.".

SEC. 533. WAIVER OF BOARD CERTIFICATION REQUIREMENTS.

(a) IN GENERAL.—Chapter 5 of title 37, United States Code, is amended by inserting after section 303a the following new section 303b:

"§ 303b. Waiver of board certification requirements.

"(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—(1) A member of the armed forces described in subsection (b) shall be paid special pay under section 302(a)(5), 302b(a)(5), 302c(c)(3), or 302c(d)(4) of this title for the active duty performed by that member during the period described in paragraph (2) if—

"(A) the member was assigned to duty in connection with a contingency operation;

"(B) the Secretary concerned (under regulations prescribed by the Secretary of Defense) determines that the member was unable to schedule or complete the certification or recertification required for eligibility for the special pay under that section because of that duty;

"(C) except for not meeting the certification or recertification requirement in such section, the member was otherwise eligible for such special pay for such active duty; and

"(D) the member completes the board certification or recertification requirements specified in that section before the end of the period established for the member in subsection (c).

"(2) The period for which a member may be paid special pay for active duty pursuant to paragraph (1) is the period beginning on the date on which the member was assigned to the duty referred to in subparagraph (A) of that paragraph and ending on the date of the member's certification or recertification (as the case may be) referred to in subparagraph (D) of that paragraph.

"(b) ELIGIBLE MEMBERS DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who—

"(1) is a medical or dental officer or a nonphysician health care provider; and

"(2) has completed any required residency training.

"(c) PERIOD FOR CERTIFICATION.—The period referred to in subparagraph (D) of subsection (a)(1) with respect to a member of the armed forces is the 180-day period beginning on the date on which the member was released from the duty referred to in that subsection. The Secretary concerned may extend that period for a member in accordance with regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 303a the following new item:

"303b. Waiver of board certification requirements.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1992.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1992 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective on January 1, 1992, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 4.2 percent.

SEC. 602. LIMITATION ON THE AMOUNT OF BASIC ALLOWANCE FOR QUARTERS FOR MEMBERS RECEIVING SUCH ALLOWANCE BY REASON OF THEIR PAYMENT OF CHILD SUPPORT.

(a) LIMITATION.—Section 403 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(m)(1) Except as provided in paragraph (2), in the case of a member of a uniformed service assigned to quarters of the United States or a housing facility under the jurisdiction of a uniformed service who is authorized a basic allowance for quarters solely by reason of the member's payment of child support pursuant to a court order, the amount of the basic allowance for quarters to which the member is entitled shall be equal to the difference between the basic allowance for quarters applicable to the member's grade, rank, or rating at the with-dependent rate and the applicable basic allowance for quarters at the without-dependent rate.

"(2) A member of a uniformed service shall not be entitled to a basic allowance for quarters solely by reason of the payment of child support pursuant to a court order if the monthly rate of that child support is less than the amount of the basic allowance for quarters computed for the member under paragraph (1).

"(3) The application of this subsection to a member of a uniformed service shall not affect the entitlement of that member to a basic allowance for quarters at a partial rate under section 1009(c) of this title.".

(b) EFFECTIVE DATE.—Subsection (m) of section 403 of title 37, United States Code (as amended by subsection (a)), shall take effect on October 1, 1991, and shall apply with respect to members of the uniformed services who are not entitled to receive the basic allowance for quarters under such section on the day before that date.

SEC. 603. ADMINISTRATION OF BASIC ALLOWANCE FOR QUARTERS AND VARIABLE HOUSING ALLOWANCE.

(a) BASIC ALLOWANCE FOR QUARTERS.—(1) Section 403 of title 37, United States Code, as amended by section 602, is further amended by adding at the end the following new subsection:

"(n) Each member of a uniformed service who has dependents shall annually certify for the Secretary concerned the dependency status of each dependent of the member for the purposes of this section.".

(2) Subsection (j)(1) of such section is amended by striking out "President" and inserting in lieu thereof "Secretary of Defense".

(b) VARIABLE HOUSING ALLOWANCE.—(1) Section 403a of title 37, United States Code, is amended by adding at the end the following new subsection:

"(g) Each member of a uniformed service claiming entitlement to a variable housing allowance under this section shall annually certify for the Secretary concerned the member's housing costs for the purposes of this section.".

(2) Subsection (e) of such section is amended—

(A) in paragraph (1), by striking out "President" and inserting in lieu thereof "Secretary of Defense";

(B) by striking out "a survey area" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "an area";

(C) in paragraph (2)(A), by striking out "the survey area" and inserting in lieu thereof "that area"; and

(D) in paragraph (2)(B), by striking out "reported on the variable housing allowance survey" and inserting in lieu thereof "determined on the basis of the annual certifications of housing costs of members of the uniformed services receiving a variable housing allowance for that area".

PART B—MISCELLANEOUS PAY AND BENEFITS MATTERS

SEC. 611. REVISION IN RATE OF PAY OF AVIATION CADETS.

Subsection (c) of section 201 of title 37, United States Code, is amended to read as follows:

"(c) Unless entitled to the basic pay of a higher pay grade, an aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard is entitled to monthly basic pay at the lowest rate prescribed for pay grade E-4.".

SEC. 612. PAY OF SENIOR NONCOMMISSIONED OFFICERS WHILE ON TERMINAL LEAVE.

(a) BASIC PAY DURING TERMINAL LEAVE.—(1) Chapter 3 of title 37, United States Code, is amended by adding at the end the following new section:

"§ 210. Pay of the senior noncommissioned officer of an armed force during terminal leave

"(a) A noncommissioned officer of an armed force who, immediately following the completion of service as the senior enlisted member of that armed force, is placed on terminal leave pending retirement shall be entitled, for not more than 90 days while in such status, to the rate of basic pay authorized for the senior enlisted member of that armed force.

"(b) In this section, the term 'senior enlisted member' means the following:

"(1) The Sergeant Major of the Army.

"(2) The Master Chief Petty Officer of the Navy.

"(3) The Chief Master Sergeant of the Air Force.

"(4) The Sergeant Major of the Marine Corps.

"(5) The Master Chief Petty Officer of the Coast Guard.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"210. Pay of the senior noncommissioned officer of an armed force during terminal leave.".

(b) Effective Date.—The amendment made by subsection (a)(1) shall take effect with respect to months beginning on or after the date of the enactment of this Act.

SEC. 613. IMPROVEMENT OF ENTITLEMENT IN LIEU OF TRANSPORTATION OF DEPENDENTS OF MEMBERS ASSIGNED TO VESSELS UNDER CONSTRUCTION.

Section 406c(b)(1) of title 37, United States Code, is amended by striking out "location that was the home port of the ship before commencement of construction" and inserting in lieu thereof "designated home port of the ship or the residence of the member's dependents".

SEC. 614. TRAVEL AND TRANSPORTATION ALLOWANCES FOR CERTAIN EMERGENCY DUTY WITHIN LIMITS OF DUTY STATION.

Section 408 of title 37, United States Code, is amended—

(1) by inserting "(a)" before "A member of a uniformed service"; and

(2) by adding at the end the following new subsection:

"(b)(1) Under regulations prescribed by the Secretary concerned, a member of a uniformed service referred to in paragraph (2) is entitled to travel and transportation allowances under section 404 of this title for duty performed by such member as described in such paragraph.

"(2) A member entitled to the allowances under paragraph (1) is a member who—

"(A) performs duty under emergency circumstances that threaten injury to property of the Federal Government or human life;

"(B) performs such duty at a location within the limits of the member's station (other than at the residence or normal duty location of the member);

"(C) performs such duty pursuant to the direction of competent authority; and

"(D) uses overnight accommodations by reason of such duty.".

SEC. 615. DEPENDENT DEFINED.

The text of section 401 of title 37, United States Code, is amended to read as follows:

"(a) In this chapter, the term "dependent", with respect to a member of a uniformed service, means the following:

"(1) The member's spouse.

"(2) The member's unmarried child who—

"(A) is under 21 years of age;

"(B) is incapable of self-support because of mental or physical incapacity and is in fact dependent on the member for more than one-half of his or her support; or

"(C) is under 23 years of age, is enrolled in a course of study in an institution of higher education recognized by the Secretary concerned as an institution of higher education for the purposes of this subparagraph, and is in fact dependent on the member for more than one-half of his or her support.

"(3) The member's parent or parent-in-law if—

"(A) the parent or parent-in-law is in fact dependent on the member for more than one-half of his or her support;

"(B) the dependency of such a parent or parent-in-law on such member has been determined on the basis of (i) an affidavit submitted by the parent or parent-in-law, and (ii) any other evidence required under regulations prescribed by the Secretary concerned; and

"(C) either—

"(i) the member has provided more than one-half of the support for the parent or parent-in-law for a period prescribed by the Secretary concerned; or

"(ii) due to a change of circumstances arising after the member enters on active duty, the parent or parent-in-law becomes in fact dependent on the member for more than one-half of his or her support.

"(4) An unmarried person, as defined in regulations prescribed by the Secretary concerned, for whom the member has been granted physical custody pursuant to the order of a court of competent jurisdiction and who—

"(A) is under 21 years of age and is in fact dependent on the member for more than one-half of his or her support;

"(B) is incapable of self-support because of a mental or physical incapacity and is in fact dependent on the member for more than one-half of his or her support; or

"(C) is under 23 years of age, is enrolled in a full-time course of study in an institution of higher education recognized by the Secretary concerned as an institution of higher education for the purposes of this subparagraph, and is in fact dependent on the member for more than one-half of his or her support.

"(b) In subsection (a):

"(1) The term 'child', with respect to a member—

"(A) includes the member's—

"(i) stepchild (except as provided in subparagraph (B));

"(ii) adopted child, including a child placed in the home of the member by a placement agency for the purpose of adoption; and

"(iii) child born out of wedlock if the parentage of such child has been established in accordance with criteria prescribed in regulations by the Secretary concerned; but

"(B) does not include a stepchild after the relationship between the member and the stepchild is terminated by the member's divorce from the stepchild's parent by blood.

"(2) The terms 'parent', and except as provided in paragraph (3), 'parent-in-law' with respect to a member, includes—

"(A) a stepparent;

"(B) a parent by adoption; and

"(C) any person, including the member's former stepparent, who has stood in loco parentis to the member at any time for a continuous period of at least five years before the member became 21 years of age.

"(3) The term 'parent-in-law', with respect to a member, does not include a former parent-in-law after the parent-in-law relationship between the member and the former parent-in-law is terminated by the member's divorce from the child of that parent-in-law.".

SEC. 616. CLARIFICATION OF PARACHUTE JUMPING FOR PURPOSES OF HAZARDOUS DUTY PAY.

Section 301(c)(1) of title 37, United States Code, is amended by striking out "at a high altitude with a low opening" and inserting in lieu thereof "in military free fall operations involving parachute deployment by the jumper without the use of a static line".

SEC. 617. EXTENSIONS OF AUTHORITIES RELATING TO PAYMENT OF CERTAIN BONUSES AND OTHER SPECIAL PAY.

(a) Aviator Retention Bonus.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1993".

(b) Special Pay for Enlisted Members of the Selected Reserve Assigned to High Priority Units.—Section 308d(c) of such title is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1993".

(c) Accession Bonuses for Nurse Officer Candidates.—(1) Section 302d(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1994".

(2) Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1994".

(d) Special Pay for Nurse Anesthetists.—Section 302e(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(e) Reenlistment Bonus for Regular Component Personnel.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1997".

(f) Enlistment Bonus for Extended Active Duty.—Section 308a(c) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1997".

(g) Enlistment and Reenlistment Bonuses for Reservists.—Sections 308b(f), 308c(e), 308g(h), 308h(g), and 308i(i) of title 37, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(h) Bonus for Affiliation With the Selected Reserve.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

SEC. 618. PERMANENT EXTENSION OF PROGRAM TO REIMBURSE MEMBERS OF THE ARMED FORCES FOR ADOPTION EXPENSES.

(a) Codification of Program for Department of Defense Purposes.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1051 following new section:

"§ 1052. Reimbursement for adoption expenses

"(a) Authorization To Reimburse.—The Secretary of Defense shall carry out a program under which a member of the armed forces may be reimbursed, as provided in this section, for qualifying adoption expenses incurred by the member in the adoption of a child under 18 years of age.

"(b) Adoptions Covered.—An adoption for which expenses may be reimbursed under this section includes an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)).

"(c) Benefits Paid After Adoption Is Final.—Benefits paid under this section in the case of an adoption may be paid only after the adoption is final.

"(d) Treatment of Other Benefits.—A benefit may not be paid under this section for any expense paid to or for a member of the armed forces under any other adoption benefits program administered by the Federal Government or under any such program administered by a State or local government.

"(e) LIMITATIONS.—(1) Not more than $2,000 may be paid under this section to a member of the armed forces, or to two such members who are spouses of each other, for expenses incurred in the adoption of a child.

"(2) Not more than $5,000 may be paid under this section to a member of the armed forces, or to two such members who are spouses of each other, for adoptions by such member (or members) in any calendar year.

"(f) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section.

"(g) DEFINITIONS.—In this section:

"(1) The term 'qualifying adoption expenses' means reasonable and necessary expenses (other than expenses described in paragraph (2)) that are directly related to the legal adoption of a child under 18 years of age, but only if such adoption is arranged—

"(A) by a State or local government agency which has responsibility under State or local law for child placement through adoption;

"(B) by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption; or

"(C) through a private placement.

"(2) The term 'qualifying adoption expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent or parents, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member or members of the armed forces are stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law.

"(3) The term 'reasonable and necessary expenses' includes—

"(A) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(B) placement fees, including fees charged adoptive parents for counseling;

"(C) legal fees, including court costs;

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished to the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2)(A), transportation expenses relating to the adoption.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1051 the following new item:

"1052. Reimbursement for adoption expenses.".

(b) CODIFICATION OF PROGRAM FOR COAST GUARD PURPOSES.—(1) Chapter 13 of title 14, United States Code, is amended by adding at the end the following new section:

"§514. Reimbursement for adoption expenses

"(a) AUTHORIZATION TO REIMBURSE.—The Secretary shall carry out a program under which a member of the Coast Guard may be reimbursed, as provided in this section, for qualifying adoption expenses incurred by the member in the adoption of a child under 18 years of age.

"(b) ADOPTIONS COVERED.—An adoption for which expenses may be reimbursed under this section includes an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)).

"(c) BENEFITS PAID AFTER ADOPTION IS FINAL.—Benefits paid under this section in the case of an adoption may be paid only after the adoption is final.

"(d) TREATMENT OF OTHER BENEFITS.—A benefit may not be paid under this section for any expense paid to or for a member of the Coast Guard under any other adoption benefits program administered by the Federal Government or under any such program administered by a State or local government.

"(e) LIMITATIONS.—(1) Not more than $2,000 may be paid under this section to a member of the Coast Guard, or to two such members who are spouses of each other, for expenses incurred in the adoption of a child.

"(2) Not more than $5,000 may be paid under this section to a member of the Coast Guard, or to two such members who are spouses of each other, for adoptions by such member (or members) in any calendar year.

"(f) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.

"(g) DEFINITIONS.—In this section:

"(1) The term 'qualifying adoption expenses' means reasonable and necessary expenses (other than expenses described in paragraph (2)) that are directly related to the legal adoption of a child under 18 years of age, but only if such adoption is arranged—

"(A) by a State or local government agency which has responsibility under State or local law for child placement through adoption;

"(B) by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption; or

"(C) through a private placement.

"(2) The term 'qualifying adoption expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent or parents, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member or members of the Coast Guard are stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law.

"(3) The term 'reasonable and necessary expenses' includes—

"(A) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(B) placement fees, including fees charged adoptive parents for counseling;

"(C) legal fees, including court costs;

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished to the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2)(A), transportation expenses relating to the adoption.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"514. Reimbursement for adoption expenses.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall apply to adoptions completed on or after that date.

SEC. 619. TRANSPORTATION OF THE REMAINS OF CERTAIN DECEASED DEPENDENTS OF RETIRED MEMBERS OF THE ARMED FORCES.

(a) TRANSPORTATION OF REMAINS.—Section 1490 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting ", or a dependent of such a member," after "equivalent pay"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) In this section:

"(1) The term 'United States' includes the Commonwealth of Puerto Rico and the territories and possessions of the United States.

"(2) The term 'dependent' has the meaning given such term in section 1072(2) of this title.".

(b) CONFORMING AMENDMENTS.—(1) The heading of section 1490 of title 10, United States Code, is amended to read as follows:

"§1490. Transportation of remains: certain retired members and dependents who die in military medical facilities".

(2) The table of sections at the beginning of chapter 75 of such title is amended by striking out the item relating to section 1490 and inserting in lieu thereof the following:

"1490. Transportation of remains: certain retired members and dependents who die in military medical facilities.".

SEC. 620. AUTHORIZATION OF USE OF APPROPRIATED FUNDS FOR EXPENSES RELATING TO CERTAIN VOLUNTARY SERVICES.

Section 1588(c) of title 10, United States Code, is amended by striking out "may only be made from nonappropriated funds" in the third sentence and inserting in lieu thereof "may be made from appropriated or nonappropriated funds".

SEC. 621. AUTHORITY OF MEMBERS TO DEFER AUTHORIZED TRAVEL IN CONNECTION WITH CONSECUTIVE OVERSEAS TOURS.

Section 411b(a)(2) of title 37, United States Code, is amended to read as follows:

"(2) Under the regulations referred to in paragraph (1), the travel for which a member may be paid travel and transportation allowances under such paragraph may be deferred, at the election of the member, for up to one year after the date on which the member begins a consecutive tour of duty at the same duty station or reports to another duty station referred to in such paragraph, as the case may be.".

SEC. 622. SEPARATE MAINTENANCE ALLOWANCE FOR FEDERAL EMPLOYEES LOCATED AT JOHNSTON ISLAND.

(a) Authority.—(1) Chapter 59 of title 5, United States Code, is amended in subchapter IV by inserting after the matter relating to section 5942 the following new section:

"§ 5942a. Separate maintenance allowance for duty at Johnston Island

"(a) Notwithstanding section 5536 of this title, and under regulations prescribed by the President, an employee assigned to a post of duty at Johnston Island, a possession of the United States in the Pacific Ocean, is entitled to receive a separate maintenance allowance during the period of the assignment to that post if the head of the executive department or independent agency responsible for the assignment of the employee to that post—

"(1) designates Johnston Island as a remote duty site in accordance with the standard provided in section 5942 of this title; and

"(2) finds that it is necessary for the employee to maintain the employee's spouse or dependents at a location other than Johnston Island—

"(A) by reason of dangerous or adverse living conditions at Johnston Island; or

"(B) for the convenience of the Federal Government.

"(b) The amount of the separate maintenance allowance payable under subsection (a) shall be equal to the amount of the separate maintenance allowance payable under section 5924(3) of this title.".

(2) The table of sections at the beginning of chapter 59 of such title is amended in the matter relating to subchapter IV by inserting after the item relating to section 5942 the following new item:

"5942a. Separate maintenance allowance for duty at Johnston Island.".

(b) Effective Date.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply with respect to months beginning on or after such date.

SEC. 623. AUTHORITY TO ELECT AMOUNT OF STANDARD ANNUITY UNDER SUPPLEMENTAL SURVIVOR BENEFIT PLAN.

(a) Authority To Elect Amount.—Section 1457(b) of title 10, United States Code, is amended by striking out "20 percent of the base amount under the Survivor Benefit Plan of the person providing the annuity" and inserting in lieu thereof "5, 10, 15, or 20 percent of the base amount under the Survivor Benefit Plan of the person providing the annuity, as specified by that person when electing to provide such annuity".

(b) Reduction in Retired Pay.—Section 1460(b)(2) of such title is amended by inserting before the period the following: "and, in the case of a person providing a supplemental spouse annuity computed under section 1457(b) of this title, a constant percentage of such person's base amount for each 5 percent increment specified in accordance with such section".

SEC. 624. WAIVER OF REDUCTION OF RETIRED PAY UNDER SPECIFIED CONDITIONS.

(a) Waiver Authority.—(1) Chapter 71 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1413. Waiver of reduction of retired pay for certain Federal civilian service

"(a) The applicability of section 5532 of title 5 may be waived in accordance with subsection (b) for employees in positions in the legislative branch for which there is exceptional difficulty in recruiting and retaining qualified employees.

"(b) The waiver authority under subsection (a) may be exercised—

"(1) in the case of a position in the House of Representatives, under procedures established by the Committee on House Administration of the House of Representatives; and

"(2) in the case of a position in the Senate, under procedures established by the Committee on Rules of the Senate.".

(2) The table of sections for such chapter is amended by adding at the end the following new item:

"1413. Waiver of reduction of retired pay for certain Federal civilian service.".

(b) Effective Date.—This section shall be effective with respect to months that begin on or after the date of the enactment of this Act.

SEC. 625. PAYMENT OF SURVIVOR ANNUITY TO A REPRESENTATIVE OF A LEGALLY INCOMPETENT PERSON.

(a) Family Protection Plan Annuity.—(1) Subchapter I of chapter 73 of title 10, United States Code, is amended by inserting after section 1444 the following new section:

"§ 1444a. Regulations regarding payment of annuity to a representative payee

"(a) The regulations prescribed pursuant to section 1444(a) of this title shall provide procedures for the payment of an annuity under this subchapter in the case of—

"(1) a person for whom a guardian or other fiduciary has been appointed under the law of the State in which the person resides; and

"(2) a minor, mentally incompetent, or otherwise legally disabled person for whom a guardian or other fiduciary has not been appointed.

"(b) The regulations may include provisions for the following:

"(1) In the case of an annuitant referred to in subsection (a)(1), payment of the annuity to the appointed guardian or other fiduciary.

"(2) In the case of an annuitant referred to in subsection (a)(2), payment of the annuity to any person who, in the judgment of the Secretary concerned, is responsible for the care of the annuitant.

"(3) Subject to paragraphs (4) and (5), a requirement for the payee of an annuity to spend or invest the amounts paid on behalf of the annuitant solely for benefit of the annuitant.

"(4) Authority for the Secretary concerned to permit the payee to withhold from the annuity payment such amount, not in excess of 4 percent of the annuity, as the Secretary concerned considers a reasonable fee for the fiduciary services of the payee when a court appointment order provides for payment of such a fee to the payee for such services or the Secretary concerned determines that payment of a fee to such payee is necessary in order to obtain the fiduciary services of the payee.

"(5) Authority for the Secretary concerned to require the payee to provide a surety bond in an amount sufficient to protect the interests of the annuitant and to pay for such bond out of the annuity.

"(6) A requirement for the payee of an annuity to maintain and, upon request, to provide to the Secretary concerned an accounting of expenditures and investments of amounts paid to the payee.

"(7) In the case of an annuitant referred to in subsection (a)(2)—

"(A) procedures for determining incompetency and for selecting a payee to represent the annuitant for the purposes of this section, including provisions for notifying the annuitant of the actions being taken to make such a determination and to select a representative payee, an opportunity for the annuitant to review the evidence being considered, and an opportunity for the annuitant to submit additional evidence before the determination is made; and

"(B) standards for determining incompetency, including standards for determining the sufficiency of medical evidence and other evidence.

"(8) Provisions for any other matters that the President considers appropriate in connection with the payment of an annuity in the case of a person referred to in subsection (a).

"(c) An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to subsection (a) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

(2) The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 1444 the following:

"1444a. Regulations regarding payment of annuity to a representative payee.".

(b) Survivor Benefit Plan Annuity.—Section 1455 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "The President"; and

(2) by adding at the end the following new subsection:

"(b)(1) The regulations prescribed pursuant to subsection (a) shall provide procedures for the payment of an annuity under this subchapter in the case of persons referred to in section 1444a(a) of this title.

"(2) The regulations may include the provisions set out in section 1444a(b) of this title.

"(3) An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to paragraph (1) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

SEC. 626. INCREASED AUTHORITY FOR WAIVER OF CLAIMS FOR RECOUPMENT OF OVERPAYMENTS OF PAY, ALLOWANCES, AND EXPENSES.

(a) Amendment to Title 5.—Section 5584(a)(2)(A) of title 5, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$2,500".

(b) Amendment to Title 10.—Section 2774(a)(2)(A) of title 10, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$2,500".

(c) Amendment to Title 32.—Section 716(a)(2)(A) of title 32, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$2,500".

SEC. 627. EXTENSION OF FOREIGN POST DIFFERENTIALS TO CERTAIN FEDERAL EMPLOYEES WHO SERVED IN CONNECTION WITH OPERATION DESERT STORM.

(a) Authorization of Payment of Foreign Post Differentials.—Civilian employees of the Department of Defense and the Department of State who served on temporary duty in connection with Operation Desert Storm during the Persian Gulf conflict for a period of more than 41 days in that area designated by the President in Executive Order 12744 as a combat zone are authorized payment of the foreign post differential established under section 5925(a) of title 5, United States Code. This section shall apply only with regard to service performed before the date of the enactment of this Act.

(b) DEFINITIONS.—For the purpose of this section the terms "Operation Desert Storm" and "Persian Gulf conflict" shall have the same meaning as such terms are defined under section 3 (1) and (3) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (10 U.S.C. 101 note), respectively.

PART C—MATTERS RELATED TO CONTINGENCY OPERATIONS

SEC. 641. CONTINGENCY OPERATION DEFINED.

(a) TITLE 10.—Section 101 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(47) The term 'contingency operation' means a military operation that—

"(A) is designated by the Secretary of Defense as an operation in which members of the armed forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or

"(B) results in the call or order to, or retention on, active duty of members of the armed forces under section 672(a), 673, 673b, 673c, 688, 3500, or 8500 of this title, chapter 15 of this title, or any other provision of law during a war declared by Congress or during a national emergency declared by the President or Congress.".

(b) TITLE 37.—Section 101 of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(26) The term 'contingency operation' has the meaning given that term in section 101(47) of title 10.".

SEC. 642. TREATMENT OF ACCRUED LEAVE.

(a) MEMBERS WHO DIE WHILE ON ACTIVE DUTY.—Section 501(d) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking out "However," in the third sentence and inserting in lieu thereof "Except as provided in paragraph (2),"; and

(3) by adding at the end the following new paragraph:

"(2) In the case of a member of the uniformed services who dies as a result of an injury or illness incurred while serving on active duty in support of a contingency operation, the limitations in the second sentence of subsection (b)(3), subsection (f), and the second sentence of subsection (g) shall not apply with respect to a payment made under this subsection for leave accrued during the contingency operation.".

(b) OTHER MEMBERS.—Section 501(b) of such title is amended by adding at the end the following new paragraph:

"(5) The limitation in the second sentence of paragraph (3) and in subsection (f) shall not apply with respect to leave accrued by any of the following members of the armed forces while serving on active duty in support of a contingency operation:

"(A) A member of a reserve component, including a member of the Retired Reserve.

"(B) A retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps.

"(C) A member of the Fleet Reserve or Fleet Marine Corps Reserve.".

SEC. 643. AUTHORIZATION TO EXCEED CEILING ON ACCUMULATION OF LEAVE.

Section 701(f) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(f)";

(2) by striking "Leave" in the last sentence and inserting in lieu thereof "Except as provided in paragraph (2), leave"; and

(3) by adding at the end the following new paragraphs:

"(2) Under the uniform regulations referred to in paragraph (1), a member of an armed force who serves on active duty in a duty assignment in support of a contingency operation during a fiscal year and who, except for this paragraph—

"(A) would otherwise lose any accumulated leave in excess of 60 days at the end of that fiscal year, shall be permitted to retain such leave (not to exceed 90 days) until the end of the succeeding fiscal year; or

"(B) would otherwise lose any accumulated leave in excess of 60 days at the end of the succeeding fiscal year (other than by reason of subparagraph (A)), shall be permitted to retain such leave (not to exceed 90 days) until the end of the next succeeding fiscal year.".

SEC. 644. SAVINGS PROGRAM FOR MEMBERS IN A MISSING STATUS AND OVERSEAS MEMBERS.

(a) MISSING MEMBERS.—Subsection (b) of section 1035 of title 10, United States Code, is amended—

(1) by striking out "the Vietnam conflict or during the Persian Gulf conflict" in the second sentence and inserting in lieu thereof "the period of the Vietnam conflict, the period of the Persian Gulf conflict, or the period of a contingency operation"; and

(2) by striking out the last sentence.

(b) OTHER MEMBERS.—Such section is further amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) The Secretary of Defense may authorize a member of the armed forces who is on a temporary duty assignment outside of the United States or its possessions in support of a contingency operation to make deposits of unallotted current pay and allowances during that duty as provided in subsection (a). The Secretary shall prescribe regulations establishing standards and procedures for the administration of this subsection.".

(c) DEFINITIONS.—Subsection (g) of such section (as redesignated by subsection (b)(1)) is amended to read as follows:

"(g) In this section:

"(1) The term 'missing status' has the meaning given that term in section 551(2) of title 37.

"(2) The term 'period of the Vietnam conflict' means the period beginning on February 28, 1961, and ending on May 7, 1975.

"(3) The term 'period of the Persian Gulf conflict' means the period beginning on January 16, 1991, and ending on the date thereafter prescribed by Presidential proclamation or by law.".

SEC. 645. BASIC ALLOWANCE FOR QUARTERS FOR CERTAIN RESERVES WITHOUT DEPENDENTS.

(a) PAYMENT REQUIRED.—Section 403(d) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end the following new paragraph:

"(2) A member of a reserve component without dependents who is called or ordered to active duty in support of a contingency operation (other than a member who is authorized transportation of household goods under section 406 of this title as part of that call or order) may not be denied a basic allowance for quarters if, because of that call or order, the member is unable to continue to occupy a residence—

"(A) which is maintained as the primary residence of the member at the time of the call or order; and

"(B) which is owned by the member or for which the member is responsible for rental payments.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to calls or orders of members of the reserve components of the Armed Forces to active duty on or after that date.

SEC. 646. DETERMINATION OF VARIABLE HOUSING ALLOWANCE FOR RESERVES AND RETIREES RECALLED TO ACTIVE DUTY.

Section 403a(a) of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) In the case of a member described in subparagraph (B) who is assigned to duty away from the member's principal place of residence (determined as prescribed by the Secretary of Defense), the member shall be considered to be assigned to duty at that residence for the purpose of determining the entitlement of the member to a variable housing allowance under this section.

"(B) A member referred to in subparagraph (A) is a member of a uniformed service who—

"(i) is a member of a reserve component called or ordered to active duty (other than for training) or is a retired member ordered to active duty under section 688(a) of title 10; and

"(ii) is not authorized transportation of household goods under section 406 of this title from the member's principal place of residence to the place of that duty assignment.".

SEC. 647. MEDICAL, DENTAL, AND NONPHYSICIAN SPECIAL PAYS FOR RESERVE, RECALLED, OR RETAINED HEALTH CARE OFFICERS.

(a) ELIGIBILITY FOR SPECIAL PAY.—Chapter 5 of title 37, United States Code, is amended by inserting after section 302e the following new section:

"§ 302f. Special pays for reserve, recalled, or retained health care officers

"(a) ELIGIBLE FOR SPECIAL PAY.—A health care officer described in subsection (b) shall be eligible for special pay under section 302, 302a, 302b, 302e, or 303 of this title (whichever applies) notwithstanding any requirement in those sections that—

"(1) the call or order of the officer to active duty be for a period of not less than one year; or

"(2) the officer execute a written agreement to remain on active duty for a period of not less than one year.

"(b) HEALTH CARE OFFICERS DESCRIBED.—A health care officer referred to in subsection (a) is an officer of the armed forces who, except for not meeting a requirement referred to in that subsection, is otherwise eligible for special pay under section 302, 302a, 302b, 302e, or 303 of this title and who—

"(1) is a reserve officer on active duty (other than for training) under a call or order to active duty for a period of more than 30 days but less than one year;

"(2) is involuntarily retained on active duty under section 673c of title 10, or is recalled to active duty under section 688 of title 10, for a period of more than 30 days; or

"(3) voluntarily agrees to remain on active duty for a period of less than one year at a time when—

"(A) officers are involuntarily retained on active duty under section 673c of title 10; or

"(B) the Secretary of Defense determines (pursuant to regulations prescribed by the

Secretary) that special circumstances justify the payment of special pay pursuant to this section.

"(c) MONTHLY PAYMENTS.—Payment of special pay pursuant to this section may be made on a monthly basis. The officer shall refund any amount received pursuant to this section in excess of the amount that corresponds to the actual period of active duty served by the officer.

"(d) SPECIAL RULE FOR RESERVE MEDICAL OFFICER.—While a reserve medical officer receives a special pay under section 302 of this title by reason of subsection (a), the officer shall not be entitled to special pay under subsection (h) of that section.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302e the following new item:

"302f. Special pays for reserve, recalled, or retained health care officers.".

SEC. 648. INCREASE IN IMMINENT DANGER PAY.

Section 310(a) of title 37, United States Code, is amended by striking out "lowest rate for hazardous duty incentive pay specified in section 301(c)(1) of this title" and inserting in lieu thereof "rate for hazardous duty incentive pay specified for pay grade E-5 in section 301(b) of this title".

SEC. 649. VARIABLE HOUSING ALLOWANCE.

Section 403a(b)(3) of title 37, United States Code, is amended by striking out "140 days" and inserting in lieu thereof "140 days, unless the call or order to active duty is in support of a contingency operation".

SEC. 650. INCREASE IN FAMILY SEPARATION ALLOWANCE.

(a) INCREASE IN ALLOWANCE.—Section 427 of title 37, United States Code, is amended in subsection (b)(1) by striking out "$60" and inserting in lieu thereof "$75".

(b) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "ALLOWANCE BASED ON BASIC ALLOWANCE OF QUARTERS.—" after "(a)"; and

(2) in subsection (b), by inserting "ADDITIONAL SEPARATION ALLOWANCE.—" after "(b)".

SEC. 651. INCREASE IN AMOUNT OF DEATH GRATUITY.

(a) INCREASE.—Section 1478(a) of title 10, United States Code, is amended by striking out "equal to six months' pay" and all that follows through the period in the first sentence and inserting in lieu thereof "$6,000.".

(b) CLERICAL AMENDMENT.—Such section is further amended by striking out "1475–1477" and inserting in lieu thereof "1475 through 1477".

SEC. 652. EXPANDED ELIGIBILITY OF CERTAIN HEALTH CARE OFFICERS FOR CERTAIN SPECIAL PAYS FOR SERVICE IN CONNECTION WITH OPERATION DESERT STORM.

Section 304(e) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 81; 37 U.S.C. 302 note) is amended by striking out "November 5, 1990" and inserting in lieu thereof "August 1, 1990".

TITLE VII—HEALTH CARE SERVICES

SEC. 701. AUTHORITY TO ESTABLISH SUPPLEMENTAL DENTAL BENEFITS PLANS FOR DEPENDENTS.

(a) AUTHORITY.—Subsection (a)(1) of section 1076a of title 10, United States Code, is amended by inserting "described in paragraphs (1) and (2) of subsection (d)" after "dental benefits plans".

(b) BENEFITS UNDER SUPPLEMENTAL DENTAL PLANS.—Subsection (d) of such section is amended to read as follows:

"(d)(1) The Secretary of Defense may establish a basic dental benefits plan that provides only the following benefits:

"(A) Diagnostic, oral examination, and preventative services and palliative emergency care.

"(B) Basic restorative services of amalgam and composite restorations and stainless steel crowns for primary teeth, and dental appliance repairs.

"(2) The Secretary of Defense may establish one or more supplemental dental benefits plans for members enrolled in basic dental benefits plans referred to in paragraph (1). A supplemental dental benefit plan may provide such dental care benefits, in addition to benefits under a basic dental benefits plan, as the Secretary, after consultation with the other administering Secretaries, considers appropriate.".

(c) PREMIUM FOR SUPPLEMENTAL PLANS.—Subsection (b) of such section is amended—

(1) in paragraph (2), by striking out "plan under this section" and inserting in lieu thereof "basic dental benefits plan referred to in subsection (d)(1)"; and

(2) by adding at the end the following new paragraph (3):

"(3)(A) A member enrolled in a supplemental dental benefits plan under subsection (d)(2) shall pay a supplemental monthly premium for the member and the family of the member. The supplemental premium shall be in addition to the premium payable under paragraph (1) for the basic dental benefits plan in which the member is enrolled.

"(B) The premiums for a supplemental benefits plan shall be prescribed by the Secretary of Defense, after consultation with the other administering Secretaries, at such rate or rates as are necessary to ensure that the premiums pay the total cost of the benefits provided all covered members and dependents under the plan.".

(d) COPAYMENTS.—Subsection (e) of such section is amended to read as follows:

"(e)(1) A basic dental benefits plan under this section shall require that a member whose spouse or child receives care pursuant to the plan—

"(A) pay no charge for any care described in subsection (d)(1)(A); and

"(B) pay 20 percent of the charges for care described in subsection (d)(1)(B) or for care referred to in subsection (d)(2).

"(2) A supplemental dental benefits plan under this section may require a member enrolled in that plan to pay not more than 50 percent of the charges for orthodontic services, crowns, gold fillings, bridges, or complete or partial dentures that are received by the spouse or a child of the member, are covered by that plan, and are not covered by the basic dental benefits plan in which such member is enrolled.".

SEC. 702. HOSPICE CARE.

(a) HOSPICE CARE FOR DEPENDENTS IN FACILITIES OF THE UNIFORMED SERVICES.—Section 1077 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) Notwithstanding subsection (b)(1), palliative care and support services in connection with hospice care may be provided under section 1076 of this title to a terminally ill patient who chooses (pursuant to regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries) to receive hospice care rather than continuing hospitalization or other health care services for treatment of the patient's terminal illness.

"(2) In this section, the term 'hospice care' has the meaning given such term in section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)), except that the palliative care and support services authorized to be provided under paragraph (1) shall be provided in facilities of the uniformed services.".

(b) HOSPICE CARE FOR DEPENDENTS UNDER CONTRACTS FOR MEDICAL CARE.—(1) Subsection (a) of section 1079 of title 10, United States Code, is amended—

(A) in paragraph (13), by striking out "clause (4)" and inserting in lieu thereof "paragraph (4)";

(B) by striking out "and" at the end of paragraph (14);

(C) by striking out the period and inserting in lieu thereof "; and" at the end of paragraph (15)(D); and

(D) by adding at the end the following new paragraph:

"(16) palliative care and support services may be provided in connection with hospice care (as such term is defined in section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)).".

(2) Subsection (j)(2)(B) of such section is amended by inserting "hospice program (as defined in section 1861(dd)(2) of the Social Security Act (42 U.S.C. 1395x(dd)(2))," after "home health agency,".

(3) Such section is amended by adding at the end the following new subsection:

"(n) The amount paid to a hospice program for care and services authorized in subsection (a)(16) shall be determined as provided in section 1814(i) of the Social Security Act (42 U.S.C. 1395f(i)).".

SEC. 703. IMPROVEMENT OF AVAILABILITY OF MENTAL HEALTH SERVICES UNDER CHAMPUS.

(a) LIMITATION ON REDUCTION IN AUTHORIZED INPATIENT CARE.—Section 1079(i)(1) of title 10, United States Code, is amended—

(1) by inserting "or" at the end of subparagraph (A);

(2) by striking out subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

(b) IMPROVEMENT OF INPATIENT SERVICES.—Section 1079 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(o)(1) Contracts providing for inpatient mental health services under this section shall include provisions for partial hospitalization services.

"(2) Partial hospitalization services may be provided to a patient pursuant to a contract entered into under this section if—

"(A) full hospitalization for inpatient psychiatric care would be necessary for the patient if such services were not available;

"(B) a written plan of individualized treatment has been established for the patient; and

"(C) such services are furnished while the individual is under the care of a physician.

"(3) The daily rate of reimbursement payable to a provider of partial hospitalization services for the provision of such services (other than for physician services) shall be equal to 50 percent of the rate payable for full hospitalization services.

"(4) For the purpose of subsection (a)(6), one day of partial hospitalization services shall be considered ½ day of inpatient mental health services.

"(5)(A) In this subsection, the term 'partial hospitalization services' means items and services described in subparagraph (B) that are—

"(i) prescribed for a patient by a physician and provided to the patient by a physician (or under the direction of a physician) under a hospital-based program and pursuant to a written plan of individualized treatment;

"(ii) reasonable and necessary for the diagnosis of the patient's condition, the active treatment of the condition, or the prevention of a relapse or hospitalization of the patient; and

"(iii) are not provided on an overnight hospitalization basis.

"(B) The items and services referred to in subparagraph (A) are the following items and services:

"(i) Individual or group therapy with a physician or psychologist (or other mental health professional to the extent that such professional is permitted under applicable State law to provide the therapy).

"(ii) Occupational therapy requiring the skills of a qualified occupational therapist.

"(iii) Services of social workers, trained psychiatric nurses, and other staff trained to work with psychiatric patients.

"(iv) Therapeutic drugs that cannot (as determined in accordance with regulations prescribed by the administering Secretaries) be self-administered by the patient.

"(v) Individualized activity therapies that are not primarily recreational or diversionary.

"(vi) Family counseling directed primarily toward treatment of the patient's condition.

"(vii) Patient training and education directly related to the care and treatment of the patient.

"(viii) Diagnostic services.

"(ix) Such other items and services as the Secretary considers appropriate (but in no event to include meals and transportation).

"(C) In this subsection, the term 'written plan of individualized treatment' means a written plan for a patient that—

"(i) sets forth a physician's diagnosis of the patient's condition;

"(ii) sets forth the type, amount, frequency, and duration of partial hospitalization services recommended by the physician for the patient;

"(iii) establishes treatment goals for the patient; and

"(iv) provides for the periodic review of the plan by the physician (in consultation, as appropriate, with other health care professionals participating in the course of treatment of the patient).".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect immediately after the amendment made to section 1079(i) of title 10, United States Code, by section 703(b) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1581) as amended by section 316(a) of the Persian Gulf Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25; 105 Stat. 87).

SEC. 704. BLOOD-LEAD LEVEL SCREENINGS OF DEPENDENT INFANTS OF MEMBERS OF THE UNIFORMED SERVICES.

Section 1077(a)(8) of title 10, United States Code, is amended by inserting before the period the following: ", including well-baby care that includes one screening of an infant for the level of lead in the blood of the infant".

SEC. 705. INELIGIBILITY OF FLAG OFFICERS FOR MULTIYEAR RETENTION BONUS FOR MEDICAL OFFICERS.

(a) REPEAL.—Section 201 of Public Law 102-27 (105 Stat. 139) is repealed.

(b) SAVINGS PROVISION.—(1) A medical officer of the Armed Forces who has received any payment of a bonus under section 301d of title 37, United States Code, by reason of the enactment of section 201 of Public Law 102-27 may not be required to reimburse the United States for such payment.

(2)(A) Subject to subparagraph (B), a written agreement referred to in section 301d(a)(1) of title 37, United States Code, that was entered into on or after April 10, 1991, and before the date of the enactment of this Act by a medical officer of the Armed Forces referred to in section 201 of Public Law 102-27 in exchange for a payment (or a promise of payment) of a bonus under section 301d of such title shall be terminated as of the end of the month following the month in which this Act is enacted.

(B) A written agreement referred to in subparagraph (A) that was entered into by an officer referred to in paragraph (1) shall terminate at the end of the later of—

(i) the month of termination determined under such subparagraph; or

(ii) the period covered by the bonus payment or payments received by that officer as described in such paragraph.

SEC. 706. EXPANSION OF CHAMPUS COVERAGE TO INCLUDE CERTAIN MEDICARE PARTICIPANTS.

(a) ELIGIBILITY OF DISABLED PERSONS.—Section 1086 of title 10, United States Code, is amended by striking out subsection (d) and inserting in lieu thereof the following new subsection:

"(d)(1) A person who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) or supplementary medical insurance benefits under part B of such title (42 U.S.C. 1395j et seq.) is not eligible for health benefits under this section.

"(2) The prohibition contained in paragraph (1) shall not apply in the case of a person referred to in subsection (c)(1) who—

"(A) is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2)); or

"(B) would be entitled to those benefits pursuant to such subparagraph except for the age of such person being 65 years or older.".

(b) CONFORMING AMENDMENTS TO SECTION 1086.—Section 1086 of such title is further amended—

(1) in subsection (c)—

(A) by striking out "The following" and inserting in lieu thereof "Except as provided in subsection (d)(1), the following"; and

(B) by striking out the sentence following paragraph (3); and

(2) in subsection (g), by striking out "Notwithstanding subsection (d) or any other provision of this chapter," and inserting in lieu thereof "Section 1079(j) of this title shall apply to a plan contracted for under this section, except that".

(c) CHAMPUS TO BE SECOND PAYER.—Paragraph (1) of section 1079(j) of title 10, United States Code, is amended to read as follows:

"(1) A benefit may not be paid under a plan covered by this section in the case of any person to the extent that such person is entitled to the same benefit under—

"(A) an insurance, medical service, or health plan in which such person is enrolled, other than a plan administered under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); or

"(B) part A or B of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).".

(d) OTHER CONFORMING AMENDMENTS.—Section 613(d) of title 38, United States Code, is amended—

(1) by striking out "the second sentence of section 1086(c)" and inserting in lieu thereof "section 1086(d)(1)"; and

(2) by inserting "or supplementary medical insurance benefits under part B of such title" after "(42 U.S.C. 1395c et seq.)".

(e) APPLICATION OF AMENDMENTS AND TRANSITIONAL PROVISIONS.—(1) Subsection (d) of section 1086 of title 10, United States Code, as amended by subsection (a), shall apply with respect to health care benefits or services received by a person described in subsection (d) of such section—

(A) on or after the date of enactment of this Act; and

(B) in the case of a person described in paragraph (2) of such subsection, before that date to the extent that those benefits or services were paid for by that person and would have been covered under a plan contracted for under such section if received on that date.

(2) The Secretary of Defense shall by regulation prescribe the manner in which persons described in section 1086(d)(2) of such title may submit and receive payment for claims based on benefits or services before the date of the enactment of this Act.

(3) To be considered for payment under paragraph (2), each claim that is based on benefits received before the date of the enactment of this Act shall be submitted to the Secretary of Defense not later than two years after the date on which the Secretary first prescribes regulations under such paragraph.

SEC. 707. NONAVAILABILITY OF HEALTH CARE STATEMENTS.

(a) CONSIDERATION OF AVAILABILITY OF CONTRACT CARE.—Chapter 55 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1105. Issuance of nonavailability of health care statements

"In determining whether to issue a nonavailability of health care statement for any person entitled to health care in facilities of the uniformed services under this chapter, the commanding officer of such a facility may consider the availability of health care services for such person pursuant to any contract or agreement entered into under this chapter for the provision of health care services within the area served by that facility.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1105. Issuance of nonavailability of health care statements.".

SEC. 708. SUBMITTAL OF CLAIMS FOR PAYMENT FOR SERVICES UNDER CHAMPUS.

(a) SUBMITTAL OF CLAIMS UNDER CHAMPUS.—(1) Chapter 55 of title 10, United States Code, as amended by section 707, is further amended by adding at the end the following new section:

"§ 1106. Submittal of claims under CHAMPUS

"Each provider of services under the Civilian Health and Medical Program of the Uniformed Services shall submit claims for payment for such services directly to the claims processing office designated pursuant to joint regulations prescribed by the administering Secretaries. A claim for payment for services shall be submitted in a standard form (as prescribed in the joint regulations) not later than one year after the services are provided.".

(2) The table of sections at the beginning of such chapter, as amended by section 707, is further amended by adding at the end the following new item:

"1106. Submittal of claims under CHAMPUS.".

(b) Regulations.—The joint regulations required by section 1106 of title 10, United States Code (as added by subsection (a)), shall take effect not later than 120 days after the date of the enactment of this Act.

SEC. 709. EXTENSION OF DEADLINE FOR REGULATIONS RELATING TO THE USE OF DIAGNOSIS-RELATED GROUPS FOR ALLOCATION OF RESOURCES TO HEALTH CARE FACILITIES OF THE UNIFORMED SERVICES.

Section 724 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (103 Stat. 1478; 10 U.S.C. 1101 note) is amended by striking out "October 1, 1991" and inserting in lieu thereof "October 1, 1993".

SEC. 710. AUTHORITY TO USE THE COMPOSITE HEALTH CARE SYSTEM AT A MILITARY MEDICAL FACILITY WHEN COST EFFECTIVE.

Subsection (h)(1) of section 704 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3900), as added by section 717(c)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1586) is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Secretary may authorize the use of the Composite Health Care System to provide information systems support in a military medical treatment facility that is not involved in the operational test and evaluation phase referred to in subsection (b) on November 5, 1990, if the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that the use of the Composite Health Care System in that facility is the most cost-effective method for providing automated operations at the facility.".

SEC. 711. ADMINISTRATION OF THE MANAGED-CARE MODEL OF UNIFORMED SERVICES TREATMENT FACILITIES.

(a) Designation of Facilities of the Uniformed Services Treatment Facilities.—(1) The Secretary of Defense may designate a facility referred to in paragraph (2) as a facility of the uniformed services for the purposes of chapter 55 of title 10, United States Code.

(2) Paragraph (1) applies with respect to any facility owned, operated, or staffed by Uniformed Services Treatment Facilities that is authorized, pursuant to an agreement entered into with the Secretary of Defense, to provide medical and dental care for persons eligible to receive such care in facilities of the uniformed services under the provisions of chapter 55 of title 10, United States Code.

(b) Reimbursement for Care.—A facility designated pursuant to subsection (a) may be reimbursed for medical and dental care provided by such facility pursuant to the agreement referred to in subsection (a)(2) in accordance with—

(1) the reimbursement procedure established for approved facilities under section 911(c) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(c)); or

(2) an alternative payment mechanism provided for in section 1252(b) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(b)).

(c) Authority To Terminate Designation.—The designation of a facility under subsection (a)(1) may be terminated in accordance with the procedure provided under section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)).

SEC. 712. TRANSITIONAL HEALTH CARE.

(a) Health Care Provided.—Chapter 55 of title 10, United States Code, is amended—

(1) by redesignating section 1074b as section 1074c; and

(2) by inserting after section 1074a the following new section:

"§ 1074b. Transitional medical and dental care: members released from active duty performed in support of a contingency operation

"(a) Health Care Provided.—A member of the armed forces described in subsection (b), and the dependents of that member, shall be entitled to receive health care described in subsection (c) upon the release of the member from active duty served in support of a contingency operation. The entitlement to such care under this section shall terminate on the earlier of—

"(1) the date 30 days after the date of the release of the member from active duty; or

"(2) the date on which the member and the dependents of the member become covered by a health care plan sponsored by an employer.

"(b) Eligible Member Described.—A member of the armed forces referred to in subsection (a) is a member who—

"(1) is a member of a reserve component called or ordered to active duty in support of a contingency operation;

"(2) is involuntarily retained on active duty under section 673c of this title in support of a contingency operation; or

"(3) voluntarily agrees to remain on active duty for a period of less than one year in support of a contingency operation.

"(c) Health Care Described.—A person entitled to health care under subsection (a) is entitled to—

"(1) medical and dental care under section 1076 of this title in the same manner as a dependent described in subsection (a)(2) of that section; and

"(2) health benefits contracted under the authority of section 1079(a) of this title, subject to the same rates and conditions as apply to persons covered by that section.

"(d) Exclusions.—This section does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary concerned).".

(b) Table of Sections.—The table of sections at the beginning of such chapter is amended by striking out the item relating to section 1074b and inserting in lieu thereof the following new items:

"1074b. Transitional medical and dental care: members released from active duty performed in support of a contingency operation.

"1074c. Medical care: authority to provide a wig.".

(c) Applicability.—Section 1074b of title 10, United States Code, as added by subsection (a)(2), shall apply with respect to releases from active duty referred to in that section on or after the date of the enactment of this Act.

SEC. 713. COMPREHENSIVE STUDY OF THE MILITARY HEALTH-CARE SYSTEM.

(a) Requirement for Study and Report.—The Secretary of Defense shall conduct a comprehensive study of the military medical care system and shall, not later than December 15, 1992, submit to the congressional defense committees a report on the study.

(b) Conduct of Study.—The Secretary shall include as part of the study the following:

(1) A survey of members of the Armed Forces (including retired members), retired former members of the Armed Forces, and their dependents in order to—

(A) determine their attitudes regarding—

(i) the quality and availability of health and dental care under the military medical care system; and

(ii) the premiums, fees, copayments, and other charges imposed under that system; and

(B) identify other major areas of concern to such persons regarding the military medical care system.

(2) A comprehensive review of the existing methods of providing health and dental care through civilian health and dental care programs that are available as alternatives to the methods for providing such care through the existing military medical care system, including the results of experimental use of such alternative methods by the Department and the level of satisfaction of the persons who have received health or dental care pursuant to the experimental use of such alternative methods.

(c) Content of Report.—The report required by subsection (a) shall include the following:

(1) With respect to the military medical care system, the following:

(A) The costs of the system during fiscal year 1992 and the projected costs of such system during each of the five fiscal years following such fiscal year.

(B) The Department's policies regarding the imposition of premiums, fees, copayments, and other charges under the system.

(C) Any plans of the Department to increase or reduce such premiums, fees, copayments, or other charges, stated by the category of the services for which the charge is imposed and by the status as a current member of the Armed Forces, dependent of a member, retired member or former member of the Armed Forces, or dependent of a retired member or former member.

(D) An evaluation (organized by armed force and by State and foreign country) of the availability of health and dental care to the members of the Armed Forces (including retired members), retired former members of the Armed Forces, and their dependents, including any deficiency in the availability of such care.

(E) A comparison (stated by armed force and by State and foreign country) of the availability of health and dental care in facilities of the uniformed services to dependents of members of the Armed Forces with the availability of such care to such dependents pursuant to contract plans, including the average delay in gaining access to such care.

(F) A comparison of the costs of providing such care in facilities of the uniformed services with the costs of providing such care pursuant to regional indemnity contract plans and health maintenance organization contract plans, stated in terms of cost per member of the Armed Forces and cost per family of such members.

(G) An evaluation of the quality and availability of preventive health and dental care.

(H) An evaluation of the adequacy of existing regulations to ensure that the existing and future availability of appropriate health care for disabled active and reserve members of the Armed Forces is adequate.

(I) An assessment of the quality and availability of mental health services for members of the Armed Forces and their dependents.

(J) An assessment of the qualifications of the personnel involved in the Department of Defense review of the utilization of mental health benefits provided under the Civilian

Health and Medical Program of the Uniformed Services (CHAMPUS).

(K) An evaluation of the efficacy of the actions taken by the Department to ensure that individuals carrying out medical or financial evaluations under the system make such disclosures of personal financial matters as are necessary to ensure that financial considerations do not improperly affect such evaluations.

(L) An evaluation of the adequacy of the existing appeals process and of existing procedures to ensure the protection of patient rights.

(M) Any other information that the Secretary determines appropriate.

(2) The results of the survey conducted pursuant to subsection (b)(1).

(3) With respect to the review conducted pursuant to subsection (b)(2), the following matters:

(A) The results of the review.

(B) A discussion of the existing methods available for providing health and dental care to retired members and former members of the Armed Forces and their dependents, including through Medicare risk contractors, as alternatives to the existing methods of providing health and dental care to such persons under the military medical care system.

(C) A description of any plans of the Department to use any alternative methods referred to in subparagraph (B) to ensure that suitable health and dental care is available to dependents of members of the Armed Forces (including dependents of retired members) and to retired former members of the Armed Forces and their dependents.

(D) A proposal for purchasing health care for persons referred to in subparagraph (C) through private sector managed care programs, together with a discussion of the cost-effectiveness and practicality of doing so within the military medical care system.

(E) Any other information that the Secretary determines appropriate.

(d) DEFINITION.—In this section, the term "military medical care system" means the program of medical and dental care provided for under chapter 55 of title 10, United States Code.

SEC. 714. AUTHORITY TO EXTEND CHAMPUS REFORM INITIATIVE.

(a) AUTHORITY.—Upon the termination (for any reason) of the contract of the Department of Defense in effect on the date of the enactment of this Act under the CHAMPUS reform initiative established under section 702 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 1073 note), the Secretary of Defense may enter into a replacement or successor contract, with the same or a different contractor, and for such amount, as may be determined in accordance with applicable procurement laws and regulations and without regard to any limitation (enacted before, on, or after the date of the enactment of this Act) on the availability of funds for that purpose.

(b) TREATMENT OF LIMITATION ON FUNDS FOR PROGRAM.—No provision of law stated as a limitation on the availability of funds may be treated as constituting the extension of, or as requiring the extension of, any contract under the CHAMPUS reform initiative that would otherwise expire in accordance with its terms.

SEC. 715. REGISTRY OF MEMBERS OF THE ARMED FORCES EXPOSED TO FUMES OF BURNING OIL IN CONNECTION WITH OPERATION DESERT STORM.

(a) ESTABLISHMENT OF REGISTRY.—The Secretary of Defense shall (with the advice of an independent scientific organization) establish and maintain a special record relating to members of the Armed Forces who, as determined by the Secretary, were exposed to the fumes of burning oil in the Operation Desert Storm theater of operations during the Persian Gulf conflict (hereafter in this section referred to as the "Registry").

(b) CONTENTS OF REGISTRY.—The Registry shall include—

(1) a list containing the name of each member of the Armed Forces referred to in subsection (a); and

(2) a description of the circumstances (including the length) of each exposure of that member to the fumes of burning oil as described in subsection (a).

(c) REPORTING REQUIREMENT RELATING TO EXPOSURE STUDIES.—The Secretary shall annually submit to Congress with the budget submitted under section 1105 of title 31, United States Code, a report on the on-going studies on the members of the Armed Forces referred to in subsection (a) to determine the health consequences (including any short- or long-term consequences) of the exposure of such members to the fumes of burning oil (as described in subsection (a)), and on any need for additional studies relating to the exposure of such members to such fumes.

(d) MEDICAL EXAMINATION.—Upon the request of any member listed in the Registry, the Secretary of the military department concerned shall, if medically appropriate, furnish a pulmonary function examination and chest x-ray to such person.

(e) EFFECTIVE DATE.—The Secretary shall establish the Registry not later than 180 days after the date of the enactment of this Act.

(f) DEFINITIONS.—In this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf conflict" has the meaning given such term in section 3(3) of such Act.

NATIONAL DEFENSE DESERT STORM SUPPLEMENTAL AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The text of S. 1511, National Defense Desert Storm Supplemental Authorization Act for Fiscal Years 1992 and 1993, as passed by the Senate on August 2, 1991, is as follows:

S. 1511

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Desert Storm Supplemental Authorization Act for Fiscal Years 1992 and 1993".

TITLE X—SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR OPERATION DESERT STORM

SEC. 1001. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS NECESSITATED BY OPERATION DESERT STORM.

(a) APPLICABILITY OF PUBLIC LAW 102–25 AUTHORIZATIONS TO FISCAL YEAR 1992.—Sections 101 and 102 of Public Law 102–25 (105 Stat. 78) are each amended by striking out "fiscal year 1991" each place it appears and inserting in lieu thereof "fiscal years 1991 and 1992".

(b) LIMITATION ON APPLICABILITY.—The provisions of title I of Public Law 102–25 (105 Stat. 78), as amended by subsection (a), shall apply only to appropriations provided in Public Law 102–28 (105 Stat. 161).

(c) TECHNICAL AMENDMENT.—Sections 101(b)(2), 102, 105(b)(4), and 203(b) of Public Law 102–25 (105 Stat. 75) are amended by striking out "working capital funds" and "Persian Gulf Conflict Working Capital Fund" each place such terms appear and inserting in lieu thereof "Persian Gulf Regional Defense Fund".

SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—During fiscal years 1991 and 1992, there are authorized to be appropriated to the Department of Defense in accordance with this section current and future balances in the Defense Cooperation Account and the Persian Gulf Regional Defense Fund.

(2) RELATIONSHIP TO OTHER AUTHORIZATIONS.—The authorizations of appropriations in this section are in addition to the amounts otherwise authorized to be appropriated by this Act or any other Act enacted before the date of the enactment of this Act.

(3) AVAILABILITY BY TRANSFER.—Amounts appropriated pursuant to paragraph (1) shall be available only in accordance with subsections (b) and (c) for—

(A) transfer by the Secretary of Defense to fiscal year 1991 and fiscal year 1992 appropriations accounts of the Department of Defense for incremental costs associated with Operation Desert Storm; and

(B) replenishment of the Persian Gulf Regional Defense Fund by transfer from the Defense Cooperation Account.

(4) MAXIMUM AMOUNTS.—

(A) TRANSFERS TO DEPARTMENT OF DEFENSE ACCOUNTS.—The total amount transferred as provided in paragraph (3)(A) may not exceed $4,392,855,000.

(B) REPLENISHMENT TRANSFERS.—The total amount transferred as provided in paragraph (3)(B) may not exceed the amount transferred from the Persian Gulf Regional Defense Fund pursuant to appropriations authorized by this section.

(b) FISCAL YEAR 1991.—

(1) PROCUREMENT.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for procurement, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for procurement as follows:

(A) ARMY.—For the Army:

(i) For aircraft, $110,400,000.

(ii) For missiles, $21,800,000.

(iii) For other procurement, $80,500,000.

(B) NAVY.—For the Navy:

(i) For aircraft, $508,000,000.

(ii) For weapons, $8,100,000.

(iii) For other procurement, $112,700,000.

(C) MARINE CORPS.—For the Marine Corps, $4,300,000.

(D) AIR FORCE.—For the Air Force:

(i) For aircraft, $76,900,000.

(ii) For other procurement, $460,000,000.

(2) RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—In addition to amounts otherwise authorized to be appropriated for fiscal year 1991 for research, development, test, and evaluation, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for research, development, test, and evaluation as follows:

(A) ARMY.—For the Army, $47,800,000.

(B) NAVY.—For the Navy, $6,100,000.

(C) AIR FORCE.—For the Air Force, $26,500,000.

(D) DEFENSE AGENCIES.—For the Defense Agencies, $28,100,000.

(3) OPERATION AND MAINTENANCE.—In addition to the amounts otherwise authorized to

be appropriated for fiscal year 1991 for operation and maintenance, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for operation and maintenance as follows:

(A) ARMY RESERVE.—For the Army Reserve, $23,200,000.

(B) NAVAL RESERVE.—For the Naval Reserve, $28,300,000.

(C) NATIONAL GUARD.—For the Army National Guard and the Air National Guard, $41,900,000.

(D) AIR NATIONAL GUARD.—For the Air National Guard, $55,000,000.

(E) DEFENSE AGENCIES.—For the Defense Agencies, $50,000,000.

(4) WORKING CAPITAL FUNDS.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for providing capital for working-capital funds, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for providing capital for such funds as follows:

(A) ARMY STOCK FUND.—For the Army Stock Fund, $60,000,000.

(B) NAVY STOCK FUND.—For the Navy Stock Fund, $300,000,000.

(C) AIR FORCE STOCK FUND.—For the Air Force Stock Fund, $60,000,000.

(5) MILITARY PERSONNEL, ARMY NATIONAL GUARD.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for military personnel, Army National Guard, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for military personnel, Army National Guard, $40,196,000.

(c) FISCAL YEAR 1992.—

(1) PROCUREMENT.—In addition to the amounts authorized to be appropriated by title I of this Act for fiscal year 1992 for procurement, there are authorized to be appropriated for fiscal year 1992 in accordance with subsection (a) for procurement as follows:

(A) ARMY.—For the Army:

(i) For missiles, $200,000,000.

(ii) For weapons and tracked combat vehicles, $10,300,000.

(iii) For other procurement, $207,859,000.

(B) AIR FORCE.—For the Air Force:

(i) For aircraft, $777,600,000.

(ii) For other procurement, $100,000,000.

(2) OPERATION AND MAINTENANCE.—In addition to the amounts authorized to be appropriated by title III of this Act for fiscal year 1992 for operation and maintenance, there are authorized to be appropriated for the Army for fiscal year 1992 for operation and maintenance in accordance with subsection (a), $227,300,000.

(3) WORKING CAPITAL FUNDS.—In addition to the amounts authorized to be appropriated by title III of this Act for fiscal year 1992 for providing capital for working capital funds, there are authorized to be appropriated for fiscal year 1992 in accordance with subsection (a) for providing capital for such funds as follows:

(A) ARMY STOCK FUND.—For the Army stock fund, $350,000,000.

(B) NAVY STOCK FUND.—For the Navy stock fund, $150,000,000.

(C) AIR FORCE STOCK FUND.—For the Air Force stock fund, $220,000,000.

(d) ADDITIONAL TRANSFER AUTHORITY.—The amount of the transfer authority provided in section 1401 of Public Law 101–510 for fiscal year 1991 and the amount of the transfer authority provided in section 1101 of this Act for fiscal year 1992 are increased by the amounts of the transfers made by the Secretary of Defense for fiscal years 1991 and 1992, respectively, pursuant to this title or any other law other than Public Law 101–511.

(e) ADMINISTRATION OF TRANSFERS.—A transfer made under the authority of this title increases by the amount of the transfer the amount authorized for the account to which the transfer is made.

(f) REPLENISHMENT OF FUND.—Amounts transferred from the Persian Gulf Regional Defense Fund pursuant to an authorization contained in this section shall be replenished from funds available in the Defense Cooperation Account to the extent that funds are available in the Defense Cooperation Account. Whenever the balance in the Persian Gulf Regional Defense Fund is less than $14,680,000, the Secretary of Defense, in order to replenish that Fund, shall transfer funds that become available to the Defense Cooperation Account from such account to that Fund before making any transfer of such funds under subsection (a)(3)(A).

(g) MONTHLY REPORTS ON TRANSFERS.—Not later than seven days after the end of each month in fiscal years 1991 and 1992, the Secretary of Defense shall submit to the congressional defense committees and the Comptroller General of the United States a detailed report on the cumulative total amount of the transfers made under the authority of this title through the end of that month.

SEC. 1003. DEFINITIONS.

(a) INCLUSION OF OPERATION PROVIDE COMFORT.—Section 3(1) of Public Law 102–25 (105 Stat. 77) is amended by striking out "Operation Desert Shield and Operation Desert Storm" and inserting in lieu thereof "Operation Desert Shield, Operation Desert Storm, and Operation Provide Comfort".

(b) INCREMENTAL EXPENSES ASSOCIATED WITH OPERATION DESERT STORM.—In this title, the term "incremental expenses associated with Operation Desert Storm" has the meaning given such term in section 3(2) of Public Law 102–25 (105 Stat. 77).

DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1992 AND 1993

The text of S. 1512, Department of Defense Authorization Act for Fiscal Years 1992 and 1993, as passed by the Senate on August 2, 1991, is as follows:

S. 1512

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Defense Authorization Act for Fiscal Years 1992 and 1993".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For the purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

SEC. 3. EXPIRATION OF AUTHORIZATIONS FOR FISCAL YEARS AFTER 1992.

Authorizations of appropriations, and of personnel strength levels, in this Act for any fiscal year after fiscal year 1992 are effective only with respect to appropriations made during the first session of the One Hundred Second Congress.

DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for procurement for the Army as follows:

(1) For aircraft:
(A) For fiscal year 1992, $1,666,200,000.
(B) For fiscal year 1993, $1,299,900,000.
(2) For missiles:
(A) For fiscal year 1992, $1,042,335,000.
(B) For fiscal year 1993, $1,327,400,000.
(3) For weapons and tracked combat vehicles:
(A) For fiscal year 1992, $1,022,300,000.
(B) For fiscal year 1993, $1,290,100,000.
(4) For ammunition:
(A) For fiscal year 1992, $1,529,200,000.
(B) For fiscal year 1993, $1,195,400,000.
(5) For other procurement:
(A) For fiscal year 1992, $3,014,643,000.
(B) For fiscal year 1993, $3,274,700,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for procurement for the Navy as follows:

(1) For aircraft:
(A) For fiscal year 1992, $7,080,800,000.
(B) For fiscal year 1993, $7,207,500,000.
(2) For weapons:
(A) For fiscal year 1992, $4,834,700,000.
(B) For fiscal year 1993, $4,872,100,000.
(3) For shipbuilding and conversion:
(A) For fiscal year 1992, $7,726,400,000.
(B) For fiscal year 1993, $8,540,800,000.
(4) For other procurement:
(A) For fiscal year 1992, $6,373,400,000.
(B) For fiscal year 1993, $6,416,100,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for procurement for the Marine Corps as follows:

(1) For fiscal year 1992, $1,738,737,000.
(2) For fiscal year 1993, $777,761,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for procurement for the Air Force as follows:

(1) For aircraft:
(A) For fiscal year 1992, $10,358,639,000.
(B) For fiscal year 1993, $6,833,272,000.
(2) For missiles:
(A) For fiscal year 1992, $5,362,110,000.
(B) For fiscal year 1993, $4,105,665,000.
(3) For other procurement:
(A) For fiscal year 1992, $7,939,282,000.
(B) For fiscal year 1993, $3,044,166,000.

SEC. 104. DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for procurement for the Defense Agencies as follows:

(1) For fiscal year 1992, $2,127,708,000.
(2) For fiscal year 1993, $1,150,314,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1992 for procurement for the Inspector General of the Department of Defense in the amount of $800,000.

SEC. 106. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For fiscal year 1992:
(A) For the Army National Guard, $156,400,000.
(B) For the Air National Guard, $359,800,000.
(C) For the Army Reserve, $22,500,000.
(D) For the Naval Reserve, $129,000,000.

(2) For fiscal year 1993, for the Naval Reserve, $134,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

(a) Funding.—Funds are hereby authorized to be appropriated for the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), as follows:

(1) For fiscal year 1992, $474,800,000.

(2) For fiscal year 1993, $617,400,000.

(b) Change in Stockpile Elimination Deadline.—Section 1412(b)(5) of such Act is amended by striking out "April 30, 1997" and inserting in lieu thereof "July 31, 1999".

(c) Financial Assistance for Review of Applications for Certain Permits.—Section 1412(c) of such Act is amended by adding at the end the following new paragraph:

"(4) The Secretary may provide funds to State and local governments through cooperative agreements with such governments in order to assist such governments in reviewing applications for permits or licenses required by such governments for the construction and operation of facilities to carry out this section, reviewing applications for modifications of such permits and licenses, and carrying out oversight activities in relation to such permits and licenses. The Secretary shall ensure that funds provided through a cooperative agreement under this paragraph are used solely for the purpose for which funds are provided.".

(d) Funding for Army Cryofracture Program.—(1) In addition to the amount authorized to be appropriated by paragraph (1) of subsection (a), there is authorized to be appropriated for the purpose set out in such subsection for fiscal year 1992, $33,900,000 of which—

(A) $13,900,000 is available for research, development, test, and evaluation of the cryofracture method of chemical weapons demilitarization; and

(B) $20,000,000 is available for the procurement of long lead items for a cryofracture demonstration plant on and after the date on which the Secretary of the Army certifies in writing to the congressional defense committees that the Army will construct a cryofracture demonstration plant.

(2) The amount authorized to be appropriated by section 103(1)(A) is reduced by $33,900,000.

SEC. 108. MULTIYEAR AUTHORIZATIONS.

(a) Army.—The Secretary of the Army may use funds appropriated for fiscal year 1992 to enter into multiyear procurement contracts in accordance with section 2306(h) of title 10, United States Code, for the Army Tactical Missile System (ATACMS).

(b) Navy.—The Secretary of the Navy may use funds appropriated for fiscal year 1992 to enter into multiyear procurement contracts in accordance with section 2306(h) of title 10, United States Code, for the following programs:

(1) The MK-48 ADCAP torpedo program.

(2) The enhanced modular signal processor program.

PART B—OTHER MATTERS

SEC. 111. M-1 ABRAMS TANK PROGRAM.

(a) Fiscal Year 1991 Funds.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of the Army shall obligate $150,000,000 in advance procurement funds appropriated for the Army for fiscal year 1991 for the M1A2 tank program.

(2) Section 142 of Public Law 101-510 (104 Stat. 1503) is repealed.

(b) Fiscal Year 1992 Funds.—Of the amount authorized to be appropriated pursuant to section 101(3)(A)—

(1) $90,000,000 shall be available for the procurement of 60 new M1A2 tanks; and

(2) $225,000,000 shall be available for the remanufacture of M1 tanks to the M1A2 configuration.

SEC. 112. TRANSFER OF CERTAIN FUNDS FOR PROCUREMENT OF NAVY AIRCRAFT.

(a) Authority.—To the extent provided in appropriations Acts, the Secretary of the Navy may transfer, out of the unobligated balance of the appropriations for the Navy for fiscal year 1991 for research, development, test, and evaluation that remain available for obligation, $851,600,000 to the appropriations for the Navy for fiscal year 1991 for procurement of aircraft.

(b) Availability of Funds.—Amounts transferred pursuant to subsection (a) shall remain available until September 30, 1992.

(c) Relationship to Other Transfer Authority.—The transfer authority in subsection (a) is in addition to any other transfer authority provided in this or any other Act.

SEC. 113. AIRCRAFT CARRIER SERVICE LIFE EXTENSION PROGRAM.

(a) Transfer of Unobligated Fiscal Year 1991 Funds.—Notwithstanding any other provision of law, the Secretary of the Navy may, to the extent provided in appropriations Acts, transfer out of any unobligated funds appropriated for the Navy for fiscal year 1991 for shipbuilding and conversion that remain available for obligation, $405,000,000 for shipbuilding and conversion in connection with the sealift program established pursuant to section 1424 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1683; 10 U.S.C. 7291 note). Funds transferred pursuant to this subsection shall remain available until September 30, 1995.

(b) Repeal of Related Provision.—Section 203 of Public Law 102–27 (105 Stat. 139) is repealed.

SEC. 114. AIR CUSHION LANDING CRAFT.

(a) Amount Available.—Of the amount authorized to be appropriated in section 102(a)(3)(A) for the Navy for fiscal year 1992 for shipbuilding and conversion, $265,900,000 shall be available for the air cushion landing craft (LCAC) program.

(b) Limitation.—Funds appropriated for the Navy for fiscal year 1992 for shipbuilding and conversion may not be obligated for any air cushion landing craft (LCAC) until 30 days after the Secretary of Defense submits to the congressional defense committees a report containing the following information:

(1) A goal for amphibious shipping that is consistent with the multiyear defense program and meets the needs of the commanders of the unified and specified combatant commands.

(2) A procurement objective for air cushion landing craft (LCAC) that supports such amphibious shipping goal.

(3) A discussion of how the planned procurement of air cushion landing craft (LCAC) will affect the inventory levels for such craft.

SEC. 115. INAPPLICABILITY TO INFLATABLE BOATS OF RESTRICTION ON CONSTRUCTION IN FOREIGN SHIPYARDS.

Section 7309 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) An inflatable boat or a rigid inflatable boat, as defined by the Secretary of the Navy, is not a vessel for the purpose of the restriction in subsection (a).".

SEC. 116. MK-92 FIRE CONTROL SYSTEM UPGRADES.

None of the funds appropriated or otherwise made available for the Navy for fiscal year 1992 or fiscal year 1993 may be obligated for the production or installation of upgrades in the MK–92 Mod 6 fire control system until the Commander of the Operational Test and Evaluation Force of the Navy has certified to the Secretary of the Navy that the MK–92 Mod 6 fire control system has successfully completed operational testing.

SEC. 117. TRANSFER OF FUNDS FOR TRIDENT MISSILES.

(a) Authority.—To the extent provided in appropriations Acts, the Secretary of the Navy may transfer, out of the unobligated balance of the appropriations for the Navy for fiscal year 1991 for other procurement that remain available for obligation, $56,700,000 to the appropriations for the Navy for fiscal year 1992 for procurement of weapons for the procurement of Trident missiles. Funds transferred pursuant to this subsection shall remain available until September 30, 1993.

(b) Relationship to Other Transfer Authority.—The transfer authority in subsection (a) is in addition to any other transfer authority provided in this or any other Act.

SEC. 118. B-2 BOMBER AIRCRAFT PROGRAM REQUIREMENTS AND LIMITATIONS.

(a) Amount for Program.—Of the amount appropriated pursuant to section 103(1)(A) for the Air Force for fiscal year 1992 for procurement of aircraft, not more than $3,200,362,000 may be obligated for procurement for the B–2 bomber aircraft program.

(b) Limitation.—Funds appropriated for the Air Force for fiscal year 1992 for procurement of aircraft may not be obligated for the procurement of new production B–2 bomber aircraft until the Secretary of Defense satisfies the requirements of subsections (c) and (d).

(c) Certification of Performance and Procurement Limit.—The Secretary of Defense shall certify to the congressional defense committees that—

(1) the performance milestones (including initial flight testing) for the B–2 bomber aircraft for fiscal year 1991 (as contained in the B–2 full performance matrix program established under section 121 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180) and section 232 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456)) have been met and that any proposed waiver or modification to the B–2 performance matrix will be provided in writing in advance to such committees;

(2) no major aerodynamic or flightworthiness problems have been identified during the B–2 bomber aircraft testing conducted before October 1, 1991;

(3) the capability to update the navigation system using the Coherent Map Mode of the B–2 radar has been successfully demonstrated;

(4) the basic capabilities of X-band and KU-band transponders have been successfully demonstrated;

(5) the baseline analysis of the radar cross-section signature data for Air Vehicle 1 (AV–1) has been completed;

(6) the B–2 test program has demonstrated sufficiently the following critical performance characteristics from flight testing to provide a high degree of confidence in mission accomplishment: detection and survivability, air vehicle performance, strength and durability of the structure, offensive and defensive avionics, and weapon separation testing currently planned (as of August 1, 1991) to take place during fiscal year 1992: *Provided*, That 45 days shall elapse after the

date of such certification before any funds in this Act can be obligated for procurement of new production B–2 bomber aircraft; and

(7) such funds will be used to initiate the procurement of not more than four new production B–2 bomber aircraft in fiscal year 1992.

(d) CERTIFICATION OF COMPLIANCE WITH B–2 BOMBER AIRCRAFT CORRECTION-OF-DEFICIENCY REQUIREMENTS IN PUBLIC LAW 101–189.—The Secretary of Defense shall—

(1) certify to the congressional defense committees that the Secretary of the Air Force has entered into a contract for the procurement of B–2 aircraft authorized for fiscal years 1989 and 1990 that meets the requirements of section 117(d) of Public Law 101–189 relating to correction-of-deficiencies clauses in B–2 aircraft procurement contracts; and

(2) submit forthwith to the congressional defense committees the reports (relating to correction-of-deficiencies clauses in B–2 aircraft procurement contracts) required by section 117 of Public Law 101–189.

SEC. 119. B–1 BOMBER AIRCRAFT PROGRAM.

(a) OPERATIONAL TEST AND EVALUATION CERTIFICATION.—(1) Upon the completion of testing of the B–1B bomber aircraft under the test program required by section 121 of Public Law 101–189 and the completion of the planned flight testing of software changes to the controls and displays system for the B–1B bomber aircraft, the Director of Operational Test and Evaluation shall review all B–1B bomber aircraft flight test data related to the electronic countermeasures (ECM) system for such aircraft and submit to the congressional defense committees a report on the results of the review.

(2) The report shall include the following matters:

(A) An assessment of the realism of the threat environment against which the CORE program was tested.

(B) An assessment of the maturity of the CORE program.

(C) A recommendation as to whether the CORE program testing is adequate to support a procurement decision in the case of the B–1B bomber aircraft.

(b) INDEPENDENT ANALYSIS BY OUTSIDE PANEL.—Following the completion of the analysis and report required by section 121(e) of Public Law 101–189 by the panel established pursuant to that section, the panel shall conduct an analysis of the penetration capability of a mixed bomber force consisting of 15 B–2 bomber aircraft and 97 B–1B bomber aircraft. The panel shall base that analysis on the same threats and assumptions on which the analysis required by such section 121(e) was based. The Secretary of Defense shall submit the panel's analysis to the congressional defense committees not later than January 15, 1992.

(c) REVIEW, EVALUATION, AND REPORT BY THE COMPTROLLER GENERAL.—(1) The Comptroller General of the United States shall review the report required by subsection (a) and the analysis required by subsection (b).

(2)(A) The Comptroller General shall conduct an independent evaluation of the costs and effectiveness of taking various actions to maintain or enhance the penetration capabilities of the B–1B bomber aircraft, including—

(i) undertaking the CORE modification for the B–1B bomber aircraft;

(ii) adding and integrating radar warning receivers for situational awareness into the B–1B bomber aircraft; and

(iii) undertaking the augmentations of the B–1B bomber aircraft recommended in the reports prepared by the panel referred to in subsection (b).

(B) The evaluation shall include the cost-effectiveness of the actions in relation to—

(i) the resulting enhancement of the penetration capability of the B–1B bomber aircraft in the short term; and

(ii) the length of the additional period for which such actions contribute to the continuation of an acceptable probability for the aircraft to penetrate improving Soviet air defenses.

(3) The Comptroller General shall submit a report on the results of his review and evaluation to the congressional defense committees not later than April 15, 1992.

(d) B–1B MODIFICATION PLAN AND CERTIFICATION OF NECESSITY.—(1) With the submission of the amended defense budget request for fiscal year 1993, the Secretary of Defense shall submit to Congress a detailed plan for making each modification of B–1B bomber aircraft proposed for fiscal years 1993 through 1999, including the schedule for the modification, the cost of the modification for each such fiscal year, and the total expected cost of each modification for which the procurement is planned not to be completed before fiscal year 2000.

(2) The Secretary shall certify in the plan that each proposed modification—

(A) is necessary in order to extend the period during which the B–1B bomber aircraft can effectively perform nuclear and conventional bombing missions involving the penetration of hostile air defenses; and

(B) is cost effective.

(e) FISCAL YEAR 1992 FUNDING FOR B–1B MODIFICATIONS.—(1) Of the funds authorized to be appropriated for the Air Force for fiscal year 1992 by this Act, $20,000,000 shall be available for carrying out the provisions of this section.

(2) None of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 may be expended for the procurement or implementation of the CORE configuration modification for the B–1B bomber aircraft or for the procurement or implementation of any other modification of the B–1B bomber aircraft for the purpose of improving the penetration capability of the aircraft unless that modification is specifically authorized by law.

(f) REPEAL OF FUNDING FOR B–1B AVIONICS MODIFICATIONS.—Subsection (f) of section 121 of Public Law 101–189 (103 Stat. 1380) is repealed.

SEC. 120. C–17 AIRCRAFT PROGRAM.

(a) LIMITATION FOR FISCAL YEAR 1992.—None of the funds appropriated for the Department of Defense for fiscal year 1992 that are made available for the C–17 aircraft program (other than funds for advance procurement) may be obligated for the procurement of C–17 aircraft until the Secretary of Defense submits a report to the congressional defense committees—

(1) certifying that the first flight of the first development aircraft (T–1) under such program and the first flight of the first production aircraft (P–2) under that program have been completed;

(2) detailing all reductions made in performance specifications for the C–17 aircraft since the signing of the original development contract under the program; and

(3) containing a certification of the Vice Chairman of the Joint Chiefs of Staff, made after consultation with the commanders of the unified and specified combatant commands, that—

(A) the performance reductions referred to in paragraph (2) do not reduce the military utility of the C–17 aircraft below the levels needed by such commanders; and

(B) the C–17 aircraft continues to be the most cost-effective means to meet current and projected airlift requirements.

(b) LIMITATION FOR FISCAL YEAR 1993.—None of the funds appropriated for the Department of Defense for fiscal year 1993 that are made available for the C–17 aircraft program (other than funds for advance procurement) may be obligated for the procurement of C–17 aircraft before—

(1) the Air Force has accepted delivery of the fifth production aircraft under that program; and

(2) the Director of Operational Test and Evaluation of the Department of Defense—

(A) has evaluated the performance of the C–17 aircraft with respect to critical operational issues after the first 50 flight hours of operational flight testing conducted during initial operational testing and evaluation of the aircraft; and

(B) has provided the Secretary of Defense and the congressional defense committees with an early operational assessment of the aircraft regarding the aircraft's overall suitability and deficiencies relative to the initial requirements and specifications for the aircraft and to the current requirements and specifications for the aircraft.

SEC. 121. AVAILABILITY OF F–15 SALES PROCEEDS FOR REPLACEMENT AIRCRAFT.

Of the funds received by the United States from the sale of F–15 aircraft to Saudi Arabia as described in the certification transmitted to the Congress pursuant to section 36(b)(1) of the Arms Export Control Act on August 26, 1990 (transmittal number 90–36)—

(1) $250,000,000 may be used for the procurement of F–15E aircraft in order to replace the F–15 aircraft sold to Saudi Arabia; and

(2) $364,000,000 may be used for the procurement of support equipment for the F–15 aircraft fleet.

SEC. 122. AMRAAM MISSILE PROGRAM.

Subsection (a) of section 163 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1389) is amended—

(1) in paragraph (1), by striking out "; and" and inserting in lieu thereof ", and";

(2) in paragraph (2), by striking out the period at the end and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following:

"the Director reports to such committees pursuant to section 2399(b)(2) of title 10, United States Code, that the AMRAAM missile system is effective and suitable for combat.".

SEC. 123. REPEAL OF UNNECESSARY BUDGET FORMAT PROVISION.

(a) IN GENERAL.—Section 2217 of title 10, United States Code, is repealed.

(b) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 131 of such title is amended by striking out the item relating to section 2217.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for the use of the Armed Forces for research, development, test, and evaluation as follows:

(1) For the Army:

(A) For fiscal year 1992, $6,522,068,000.

(B) For fiscal year 1993, $5,987,268,000.

(2) For the Navy:

(A) For fiscal year 1992, $8,417,708,000.

(B) For fiscal year 1993, $8,747,410,000.

(3) For the Air Force:

(A) For fiscal year 1992, $14,676,254,000.

(B) For fiscal year 1993, $10,494,385,000.

(4) For the Defense Agencies:

(A) For fiscal year 1992, $10,669,678,000, of which—

(i) $271,300,000 is authorized for the activities of the Deputy Director, Defense Research and Engineering (Test and Evaluation); and

(ii) $14,200,000 is authorized for the Director of Operational Test and Evaluation.

(B) For fiscal year 1993, $4,850,123,000, of which—

(i) $289,000,000 is authorized for the activities of the Deputy Director, Defense Research and Engineering (Test and Evaluation); and

(ii) $14,700,000 is authorized for the Director of Operational Test and Evaluation.

Part B—Strategic Defense Initiative

SEC. 211. MISSILE DEFENSE ACT OF 1991.

(a) Goal.—It is a goal of the United States to—

(1) deploy an anti-ballistic missile system, including one or an adequate additional number of anti-ballistic missile sites and space-based sensors, capable of providing a highly effective defense of the United States against limited attacks of ballistic missiles;

(2) maintain strategic stability; and

(3) provide highly effective theater missile defenses (TMD) to United States forward-deployed and expeditionary armed forces and to our friends and allies.

(b) Implementation.—

(1) In general.—To implement this goal, Congress directs the Secretary of Defense to take the actions described in paragraph (2) and urges the President to take the actions described in paragraph (3).

(2) Actions of the Secretary of Defense.—

(A) TMD options.—The Congress directs the Secretary of Defense to aggressively pursue the development of a range of advanced TMD options, with the objective of downselecting and deploying such systems by the mid-1990s.

(B) Initial deployment.—The Congress further directs the Secretary to develop for deployment by fiscal year 1996 a cost-effective and operationally-effective and ABM Treaty-compliant anti-ballistic missile system at a single site as the initial step toward deployment of the anti-ballistic missile system described in subsection (a) designed to protect the United States against limited ballistic missile threats, including accidental or unauthorized launches or Third World attacks. The Treaty-compliant system to be developed under this subparagraph would include—

(i) 100 ground-based interceptors, the design of which is to be determined by competition and downselection for the most capable interceptor deployable by fiscal year 1996;

(ii) fixed, ground-based anti-ballistic missile battle management radar; and

(iii) optimum utilization of space-based sensors, including sensors capable of cueing ground-based anti-ballistic missile interceptors and providing initial targeting vectors, and other sensor systems that also are not prohibited by the ABM Treaty.

(C) Deployment plan.—Within 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a plan for the deployment of TMDs and an anti-ballistic missile system which meet the guidelines established in subparagraphs (A) and (B).

(3) Presidential actions.—

(A) Negotiations regarding ABM Treaty.—Congress urges the President to pursue immediately negotiations to amend the ABM Treaty to permit completion of the anti-ballistic missile defense system described in subsection (a).

(B) Negotiating strategy.—The Congress further urges the President to adopt a new negotiating strategy to reach agreements with the Soviet Union necessary to permit the following:

(i) Additional anti-ballistic missile sites and additional ground-based anti-ballistic missile interceptors.

(ii) Increased utilization of space-based sensors for direct battle management.

(iii) Clarification of what constitutes permissible development and testing of space-based missile defenses.

(iv) Increased flexibility for technology development of advanced ballistic missile defenses.

(v) Clarification of the distinctions between TMDs and anti-ballistic missile defenses, including interceptors and radars.

(c) Follow-on Technology Research.—

(1) Follow-on anti-ballistic missile technologies.—To effectively develop technologies relevant to achieving the goal in subsection (a) and to provide future options for protecting the security of the United States and our allies and friends, robust research and development funding for promising follow-on anti-ballistic missile technologies, including Brilliant Pebbles, is required.

(2) Exclusion from initial plan.—Deployment of Brilliant Pebbles is not included in the initial plan for the limited defense system architecture described in subsection (a).

(3) Report and limitation.—The Secretary of Defense shall submit to the congressional defense committees a report on conceptual and burdensharing issues associated with the option of deploying space-based interceptors, including Brilliant Pebbles, for the purpose of providing global defenses against ballistic missile attacks. Not more than 50 percent of the funds authorized in subsection (f)(2)(C) for the Space-Based Interceptors program element in fiscal year 1992 may be obligated for the Brilliant Pebbles program until 45 days after the submission of the report.

(d) Program Elements.—

(1) Exclusive elements.—The following program elements shall be the exclusive program elements for the Strategic Defense Initiative:

(A) Limited Defense System.

(B) Theater Missile Defenses.

(C) Space-Based Interceptors.

(D) Other Follow-On Systems.

(E) Research and Support Activities.

(2) Applicability to budgets for fiscal years after fiscal year 1992.—The program elements in paragraph (1) shall be the only program elements used in the program and budget provided concerning the Strategic Defense Initiative submitted to Congress by the Secretary of Defense in support of the budget submitted to Congress by the President under section 1105 of title 31, United States Code, for any fiscal year after fiscal year 1992.

(e) Research, Development, Test, and Evaluation Objectives.—

(1) Limited defense system.—The Limited Defense System program element shall include programs, projects, and activities and supporting programs, projects, and activities which have as a primary objective the development of systems, components, and architectures for a deployable anti-ballistic missile system as described in subsection (a) capable of providing a highly effective defense of the United States against limited ballistic missile threats, including accidental or unauthorized launches or Third World attacks, but below a threshold that would bring into question strategic stability. Such activities shall also include those necessary to develop and test systems, components, and architectures capable of deployment by fiscal year 1996 as part of an ABM Treaty-compliant initial site defensive system. For purposes of planning, evaluation, design, and effectiveness studies, such programs, projects, and activities may take into consideration both the current limitations of the 1972 ABM Treaty and modest changes to its numerical limitations and its limitations on the utilization of space-based sensors.

(2) Theater missile defenses.—The Theater Missile Defenses program element shall include programs, projects, and activities, including those previously associated with the Tactical Missile Defense Initiative, which have as primary objectives the following:

(A) The development of deployable and rapidly relocatable advanced theater missile defenses capable of defending forward-deployed and expeditionary United States armed forces. Such a program shall have the objective of downselecting and deploying more capable TMD systems by the mid-1990s.

(B) Cooperation with friendly and allied nations in the development of theater defenses against tactical or theater ballistic missiles.

(3) Space-based interceptors.—The Space-Based Interceptors program element shall include programs, projects, and activities and supporting programs, projects, and activities which have as a primary objective conducting research on space-based kinetic-kill interceptors and associated sensors that could provide an overlay to ground-based anti-ballistic missile interceptors.

(4) Other follow-on systems.—The Other Follow-On Systems program element shall include programs, projects, and activities which have as a primary objective the development of technologies capable of supporting systems, components, and architectures that could produce highly effective defenses for the future.

(5) Research and support activities.—The Research and Support Activities program element shall include programs, projects, and activities which have as primary objectives the following:

(A) The provision of basic research and technical, engineering, and managerial support to the programs, projects, and activities within the program elements referred to in paragraphs (1) through (4).

(B) Innovative science and technology projects.

(C) The provision of test and evaluation services.

(D) Program management.

(f) Funding.—

(1) Total amount.—Of the amounts appropriated pursuant to section 201 for fiscal year 1992 or otherwise made available to the Department of Defense for research, development, test, and evaluation for fiscal year 1992, not more than $4,600,000,000 may be obligated for the Strategic Defense Initiative.

(2) Specific amounts for the program elements.—Of the amount described in paragraph (1)—

(A) not more than $1,550,530,000 shall be available for programs, projects, and activities within the Limited Defense System program element;

(B) not more than $857,460,000 shall be available for programs, projects, and activities within the Theater Missile Defenses program element;

(C) not more than $625,383,000 shall be available for programs, projects, and activities within the Space-Based Interceptors program element;

(D) not more than $744,609,000 shall be available for programs, projects, and activities within the Other Follow-On Systems program element; and

(E) not more than $822,018,000 shall be available for programs, projects, and activities within the Research and Support Activities program element.

(3) ENVIRONMENTAL IMPACT STATEMENT.—Of the amount described in paragraph (2)(A)—

(A) up to $5,000,000 may be obligated and expended to carry out an expeditious site-specific Environmental Impact Statement in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(B) up to $40,000,000 may be obligated and expended to conduct refurbishment studies, site surveys, and technical assessments and analyses related to removing the Grand Forks anti-ballistic missile site from its deactivated status.

The Congress expressly waives any and all requirements to evaluate alternative sites to the site at Grand Forks.

(4) REPORTING REQUIREMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the allocation of funds appropriated for the Strategic Defense Initiative for fiscal year 1992. The report shall specify the amount of such funds allocated for each program, project, and activity of the Strategic Defense Initiative and shall list each program, project, and activity under the appropriate program element.

(5) TRANSFER AUTHORITY.—

(A) IN GENERAL.—Before the submission of the report required under paragraph (4) and notwithstanding the limitations set forth in paragraph (2), the Secretary of Defense may transfer funds among the program elements described in paragraph (2).

(B) LIMITATION.—The total amount that may be transferred to or from any program element described in paragraph (2)—

(i) may not exceed 10 percent of the amount provided in such paragraph for the program element from which the transfer is made; and

(ii) may not exceed the amount that results in an increase of more than 10 percent of the amount provided in such paragraph for the program element to which the transfer is made.

(C) MERGER AND AVAILABILITY.—Amounts transferred pursuant to subparagraph (A) shall be merged with and be available for the same purposes as the amounts to which transferred.

(g) REVIEW OF FOLLOW-ON DEPLOYMENT OPTIONS.—As deployment at the anti-ballistic missile site described in subsection (b)(2)(B) draws near to the deployment date of fiscal year 1996, the President and the Congress shall assess the progress in the ABM Treaty amendments negotiation. If U.S. negotiating objectives described in subsection (b)(3) have not been achieved, the President and the Congress should at that time consider the options available to the United States as now exist under the ABM Treaty. To assist in this review process, the President shall submit to the Congress not later than May 1, 1994, an interim report on the progress of the negotiations.

(h) DEFINITION.—In this section, the term "ABM Treaty" means the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missiles, signed in Moscow on May 26, 1972.

(i) INTERPRETATION.—Nothing in this Act may be construed to imply congressional authorization for development, testing, or deployment of anti-ballistic missile systems in violation of the ABM Treaty, including any protocols or amendments thereto.

SEC. 212. DEVELOPMENT AND TESTING OF ANTI-BALLISTIC MISSILE SYSTEMS OR COMPONENTS.

(a) USE OF FUNDS.—

(1) LIMITATION.—Funds appropriated to the Department of Defense for fiscal year 1992, or otherwise made available to the Department of Defense from any funds appropriated for fiscal year 1992 or for any fiscal year before 1992, may not be obligated or expended—

(A) for any development or testing of anti-ballistic missile systems or components except for development and testing consistent with the development and testing described in the May 1991 SDIO Report; or

(B) for the acquisition of any material or equipment (including any long lead materials, components, piece parts, test equipment, or any modified space launch vehicle) required or to be used for the development or testing of anti-ballistic missile systems or components, except for material or equipment required for development or testing consistent with the development and testing described in the May 1991 SDIO Report.

(2) EXCEPTION.—The limitation under paragraph (1) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1992 if the transfer is made in accordance with section 1101 of this Act.

(b) DEFINITION.—In this section, the term "May 1991 SDIO Report" means the report entitled, "1991 Report to Congress on the Strategic Defense Initiative," dated May 16, 1991, prepared by the Strategic Defense Initiative Organization and submitted to certain committees of the Senate and House of Representatives by the Secretary of Defense pursuant to section 224 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1398; 10 U.S.C. 2431).

PART C—OTHER MATTERS

SEC. 221. V-22 OSPREY AIRCRAFT PROGRAM.

(a) TRANSFER OF UNOBLIGATED FISCAL YEAR 1991 FUNDS.—To the extent provided in appropriations Acts, the Secretary of the Navy shall transfer, out of any funds appropriated to the Navy for fiscal year 1991 for procurement of aircraft that remain available for obligation, $165,000,000 for research, development, test, and evaluation in connection with the V–22 Osprey aircraft program. Funds so transferred shall be available for obligation until September 30, 1993.

(b) LIMITATIONS ON THE USE OF FUNDS.—(1) Funds appropriated for fiscal year 1992 for the Navy pursuant to section 201(2)(A) may not be obligated or expended for the V–22 Osprey aircraft program.

(2) No funds appropriated or otherwise made available to the Navy for fiscal year 1992 or for any fiscal year before that fiscal year may be obligated after January 1, 1992, for development and testing under the V–22 Osprey aircraft program until the Director of Operational Test and Evaluation has evaluated the performance of the V–22 aircraft during Operational Test IIA and has provided an early operational assessment regarding that aircraft to the Secretary of Defense.

(3) No funds appropriated or otherwise made available to the Navy for fiscal year 1993 or for any fiscal year before that fiscal year may be obligated after January 1, 1993, for development and testing under the V–22 Osprey aircraft program until the Director of Operational Test and Evaluation has evaluated the performance of the V–22 aircraft during Operational Test IIB and has provided an early operational assessment regarding that aircraft to the Secretary of Defense.

(c) AVAILABILITY OF FUNDS FOR THE SPECIAL OPERATIONS VARIANT.—Of the amounts authorized to be appropriated pursuant to section 201(4) for the Defense Agencies, $15,000,000 shall be available for research, development, test, and evaluation in connection with the special operations variant of the V–22 Osprey aircraft.

SEC. 222. MANAGEMENT OF NAVY MINE COUNTERMEASURES PROGRAMS.

No funds appropriated or otherwise made available to the Navy for fiscal years 1992 and 1993 may be obligated on or after January 1, 1992, for developing and testing mine countermeasures systems unless primary responsibility for developing and testing such systems within the Navy for such years is transferred to the Research, Development, and Acquisition Command of the Marine Corps.

SEC. 223. NON-ACOUSTIC ANTI-SUBMARINE WARFARE PROGRAM.

No funds appropriated or otherwise made available to the Navy for fiscal years 1992 and 1993 may be obligated on or after January 1, 1992, for research and development in non-acoustic anti-submarine warfare unless the Secretary of Defense has first certified to the congressional defense committees that (1) the Department of Defense is conducting two viable, independent non-acoustic anti-submarine warfare programs within the Department, and (2) at least one such program is not managed within the Department of the Navy.

SEC. 224. ANTI-SUBMARINE WARFARE STAND-OFF WEAPON.

No funds appropriated for fiscal year 1992 for the Navy for research and development, and no funds otherwise available for the Navy for such fiscal year for that purpose, may be obligated for any anti-submarine stand-off weapon system until 45 days after the Secretary of the Navy submits to the congressional defense committees a report containing the following information:

(1) A validated operational requirement for such weapon system.

(2) The costs and benefits of the alternatives for meeting such requirement.

(3) The reasons for selecting that particular weapon system from among the alternatives considered by the Secretary.

SEC. 225. SHIP-TO-SHORE FIRE SUPPORT.

(a) AVAILABILITY OF FUNDS.—Of the amounts appropriated pursuant to section 201, not more than $25,000,000 may be obligated for the Submarine Tactical Warfare System Program until the Secretary of the Navy submits to the congressional defense committees a report on the Navy's requirements for ship-to-shore fire support.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) An evaluation of the use of gun and multiple launch rocket systems for ship-to-shore fire support.

(2) The Secretary's certification that the Navy has initiated a program for a proof-of-principle demonstration of the use of Army

multiple launch rocket systems for ship-to-shore fire support.

SEC. 226. ICBM MODERNIZATION PROGRAM.

(a) FUNDING.—Of the amounts appropriated pursuant to section 201 for the Department of Defense for fiscal year 1992, not more than $800,909,000 shall be available for the intercontinental ballistic missile (ICBM) modernization program, of which—

(1) not more than $548,838,000 shall be available for the small ICBM (SICBM) program; and

(2) not more than $245,082,000 shall be available for the rail garrison MX (RGMX) program.

(b) TRANSFER OF UNOBLIGATED FISCAL YEAR 1991 FUNDS.—(1) Of the unobligated balance of the amount appropriated for the Air Force for fiscal year 1991 for research, development, test, and evaluation for ICBM modernization that remains available for obligation, $95,500,000 may, to the extent provided in appropriations Acts, be transferred for obligation in fiscal year 1992 for the procurement of MX missiles.

(2) Funds transferred pursuant to this subsection shall remain available until September 30, 1992.

(3) The transfer authority in this subsection is in addition to any other transfer authority provided in this or any other Act.

(c) LIMITATIONS.—(1) Funds appropriated or otherwise made available to the Department of Defense for any fiscal year before fiscal year 1993 may not be obligated to conduct any flight test of an MX missile from an operational model RGMX train.

(2) Of the amount made available pursuant to subsection (a)(2), not more than $20,000,000 may be obligated or expended until the Secretary of Defense certifies to the congressional defense committees that no funds will be obligated or expended to procure, integrate, test, or certify an operational model RGMX train in a manner that could result in the MX ICBM being considered a mobile ICBM system for the purposes of the Strategic Arms Reduction Talks (START), without regard to the basing mode designation given the MX ICBM by the United States for such purposes.

(d) SENSE OF CONGRESS.—It is the sense of Congress that the United States should rescind its previous designation, made for the purposes of the START negotiations, of the MX ICBM as a mobile ICBM system.

SEC. 227. MEDICAL COUNTERMEASURES AGAINST BIOWARFARE THREATS.

(a) FUNDING.—Of the amounts appropriated pursuant to section 201 for the Department of Defense for fiscal year 1992, not more than $53,800,000 shall be available for the medical component of the Biological Defense Research Program (BDRP) of the Department of Defense.

(b) LIMITATIONS.—(1) No funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 may be obligated or expended for product development, or for research, development, testing, or evaluation, of medical countermeasures against a biowarfare threat except for medical countermeasures against a validated biowarfare threat agent or a potential (far-term) biowarfare threat agent.

(2) Of the funds made available pursuant to subsection (a), not more than $10,000,000 may be obligated or expended for research, development, testing, and evaluation of medical countermeasures against potential (far-term) biowarfare threats.

(c) DEFINITIONS.—In this section:

(1) The term "biowarfare threat agent" means a biological agent that—

(A) is named in the biological warfare threat list published jointly by the Defense Intelligence Agency (DIA) and the Armed Forces Medical Intelligence Center (AFMIC); or

(B) is identified as a biowarfare agent by the Deputy Chief of Staff of the Army for Intelligence in accordance with Army regulations applicable to intelligence support for the medical component of the Biological Defense Research Program (BDRP).

(2) The term "validated biowarfare threat agent" means a biowarfare threat agent that is being or has been developed or produced for weaponization within 10 years, as assessed and determined by the DIA and the AFMIC.

(3) The term "potential (far-term) biowarfare threat agent" means a biowarfare threat agent that is an emerging or future biowarfare threat, is the object of research by a foreign threat country, and will be ready for weaponization in more than 10 years and less than 20 years, as assessed and determined by the DIA and the AFMIC.

(4) The term "weaponization" means incorporation into usable ordnance or other militarily useful means of delivery.

SEC. 228. UNIVERSITY RESEARCH INITIATIVE.

(a) AVAILABILITY OF FUNDS.—Of the amounts authorized to be appropriated for fiscal year 1992 pursuant to section 201, $107,373,000 shall be available for research and development under the University Research Initiative program of the Department of Defense.

(b) SPECIFIC ACTIVITIES.—Of the amount made available pursuant to subsection (a)—

(1) $20,000,000 shall be available for research in advanced manufacturing technologies and industrial processes; and

(2) $18,225,000 shall be available for research and development activities of institutions of higher education that were awarded less than $4,000,000 in Department of Defense contracts and grants for research and development during fiscal year 1990.

SEC. 229. CONTINUED COOPERATION WITH JAPAN ON TECHNOLOGY RESEARCH AND DEVELOPMENT.

Of the funds authorized to be appropriated pursuant to section 201 for research, development, test, and evaluation for fiscal year 1992, and made available for basic research, exploratory development, and advanced technology, $10,000,000 shall be available for such fiscal year for research and development projects conducted jointly by the United States and Japan in accordance with section 1454(d) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1695).

SEC. 230. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) FUNDING LEVELS TO BE SPECIFIED IN BUDGET DOCUMENTS.—Section 2367 of title 10, United States Code, is amended by inserting at the end the following:

"(d) FUNDING SPECIFICATIONS IN BUDGET DOCUMENTS.—In the documents provided to Congress by the Secretary of Defense in support of the budget submitted by the President under section 1105 of title 31, the Secretary shall set forth the proposed amount of the funding by the Department of Defense for each federally funded research and development center for the fiscal year covered by that budget.".

(b) MAN-YEAR LIMITATIONS.—Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992 may not be obligated at any of the following federally funded research and development centers in order to obtain work in excess of the number of man-years specified for that center as follows:

(1) Center for Naval Analysis, 270.

(2) Institute for Defense Analysis:

(A) For studies and analysis, 320.

(B) For systems and engineering in connection with operational test and evaluation, 75.

(C) For research and development in connection with command, control, communications, and intelligence, 150.

(3) Rand Project Air Force, 150.

(4) National Defense Research Institute, 160.

(5) Arroyo Center, 150.

(6) Logistics Management Institute, 140.

(7) Aerospace Corporation, 2450.

(8) MIT Lincoln Laboratory, 1150.

(9) Software Engineering Institute, 160.

(10) Institute for Advanced Technology, 30.

(c) FUNDING LIMITATION.—Of the funds appropriated or otherwise made available for the Department of Defense for fiscal year 1992, not more than $446,000,000 may be obligated for the federally funded research and development center of MITRE.

(d) AUTHORITY TO WAIVE LIMITATIONS.—The Secretary of Defense may waive a limitation in subsection (b) or (c) in the case of any federally funded research and development center if—

(1) the Secretary has notified the congressional defense committees of the proposed waiver and the reasons for the waiver, and the 60-day period that begins on the date of the notification has elapsed; or

(2) the Secretary determines that it is essential to the national security that funds be obligated for work in excess of that limitation within 60 days and notifies the congressional defense committees of that determination and the reasons for the determination.

(e) REPORT ON ALLOCATIONS FOR CENTERS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report containing the following information:

(1) The proposed funding level and the estimated manning level for fiscal year 1992 for each federally funded research and development center.

(2) The funding source for that funding level, by program element, and the amount transferred or to be transferred from that source to each federally funded research and development center for which a program element has not been specified before fiscal year 1992.

SEC. 231. ENGINE MODEL DERIVATIVE PROGRAM.

Of the amount authorized to be appropriated pursuant to section 201(3)(A) for the Air Force for fiscal year 1992, $3,000,000 shall be available for completion of the military qualification of a thousand-pound-thrust class engine for use in unmanned air vehicles. Qualification testing of that class of engine shall be carried out at the Arnold Engineering Development Center of the Air Force.

TITLE III—OPERATION AND MAINTENANCE

PART A—AUTHORIZATION OF APPROPRIATIONS

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.—Funds are hereby authorized to be appropriated for fiscal year 1992 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

(1) For the Army, $21,263,100,000.

(2) For the Navy, $23,148,350,000.

(3) For the Marine Corps, $2,170,300,000.

(4) For the Air Force, $19,963,380,000.

(5) For the Defense Agencies, $8,635,800,000.

(6) For the Army Reserve, $963,100,000.

(7) For the Naval Reserve, $841,500,000.

(8) For the Marine Corps Reserve, $81,900,000.

(9) For the Air Force Reserve, $1,080,900,000.

(10) For the Army National Guard, $2,128,900,000.

(11) For the Air National Guard, $2,280,400,000.

(12) For the National Board for the Promotion of Rifle Practice, $5,000,000.

(13) For the Inspector General of the Department of Defense, $120,100,000.

(14) For Drug Interdiction and Counterdrug Activities, Defense, $1,158,600,000.

(15) For the Court of Military Appeals, $5,500,000.

(16) For Environmental Restoration, Defense, $1,183,900.

(17) For Humanitarian Assistance, $13,000,000.

(b) Authorization of Appropriations for Fiscal Year 1993.—Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

(1) For the Army, $20,039,200,000.

(2) For the Navy, $23,781,100,000.

(3) For the Marine Corps, $2,190,200,000.

(4) For the Air Force, $21,047,600,000.

(5) For the Defense Agencies, $9,119,800,000.

(6) For the Army Reserve, $993,500,000.

(7) For the Naval Reserve, $816,950,000.

(8) For the Marine Corps Reserve, $77,650,000.

(9) For the Air Force Reserve, $1,263,900,000.

(10) For the Army National Guard, $2,116,300,000.

(11) For the Air National Guard, $2,723,600,000.

(12) For the National Board for the Promotion of Rifle Practice, $5,000,000.

(13) For the Inspector General of the Department of Defense, $116,700,000.

(14) For Drug Interdiction and Counterdrug Activities, Defense, $1,249,400,000.

(15) For the Court of Military Appeals, $5,900,000.

(16) For Environmental Restoration, Defense, $1,450,200,000.

(17) For Humanitarian Assistance, $13,000,000.

(c) Special Authorization for Contingencies.—There is authorized to be appropriated for each of fiscal years 1992 and 1993, in addition to the amounts authorized to be appropriated in subsections (a) and (b), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs; and

(2) for unbudgeted increases as the result of inflation in the cost of activities authorized by such subsections.

SEC. 302. WORKING CAPITAL FUNDS.

(a) Authorization of Appropriations for Fiscal Year 1992.—Funds are hereby authorized to be appropriated for fiscal year 1992 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for the Defense Business Operations Fund, $3,400,200,000.

(b) Authorization of Appropriations for Fiscal Year 1993.—Funds are hereby authorized to be appropriated for fiscal year 1993 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for the Defense Business Operations Fund, $1,145,300,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is authorized to be appropriated for fiscal year 1992 from the Armed Forces Retirement Home Trust Fund the sum of $57,651,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. HUMANITARIAN ASSISTANCE.

(a) Purpose.—(1) Funds appropriated pursuant to the authorization in section 301(a)(17) for humanitarian assistance shall be used for the purpose of providing transportation for humanitarian relief for persons displaced, or who are refugees, because of the invasion of Afghanistan by the Soviet Union.

(2) Of the funds authorized to be appropriated for fiscal year 1992 pursuant to such section for such purpose, not more than $3,000,000 shall be available for the distribution of humanitarian relief supplies to displaced persons or refugees who are noncombatants, including those affiliated with the Cambodian non-Communist resistance, at or near the border between Thailand and Cambodia.

(b) Authority To Transfer Funds.—The Secretary of Defense may transfer to the Secretary of State not more than $3,000,000 of the funds appropriated pursuant to such section for fiscal year 1992 for humanitarian assistance, other than the funds described in subsection (a)(2), to provide for—

(1) the payment of administrative costs incurred in providing the transportation described in subsection (a); and

(2) the purchase or other acquisition of transportation assets for the distribution of humanitarian relief supplies in the country of destination.

(c) Transportation Under Direction of the Secretary of State.—Transportation for humanitarian relief provided with funds appropriated pursuant to such section for humanitarian assistance shall be provided under the direction of the Secretary of State.

(d) Means of Transportation To Be Used.—Transportation for humanitarian relief provided with funds appropriated pursuant to such section for humanitarian assistance shall be provided by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to provide transportation other than by the most economical means available. The means used to provide such transportation may include the use of aircraft and personnel of the reserve components of the Armed Forces.

(e) Availability of Funds.—Funds appropriated pursuant to such section for humanitarian assistance shall remain available until expended, to the extent provided in appropriations Acts.

(f) Reports to Congress.—(1) The Secretary of Defense shall submit (at the times specified in paragraph (2)) to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives a report on the provision of humanitarian assistance under the humanitarian relief laws specified in paragraph (4).

(2) A report required by paragraph (1) shall be submitted—

(A) not later than 60 days after the date of the enactment of this Act;

(B) not later than June 1, 1992; and

(C) not later than June 1 of each year thereafter until all funds available for humanitarian assistance under the humanitarian relief laws specified in paragraph (4) have been obligated.

(3) A report required by paragraph (1) shall contain (as of the date on which the report is submitted) the following information:

(A) The total amount of funds obligated for humanitarian relief under the humanitarian relief laws specified in paragraph (4).

(B) The number of scheduled and completed flights for the purposes of providing humanitarian relief under the humanitarian relief laws specified in paragraph (4).

(C) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of title 10, United States Code.

(4) The humanitarian relief laws referred to in paragraphs (1), (2), and (3) are the following:

(A) This section.

(B) Section 303 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1525).

(C) Section 304 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1409).

(D) Section 303 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 1948).

(E) Section 331 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1078).

(F) Section 305 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 617).

(5) Section 303 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1525) is amended by striking out subsection (f).

SEC. 305. SUPPORT FOR THE 1993 WORLD UNIVERSITY GAMES.

(a) Authority To Provide Support.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1993 World University Games to be held in the State of New York.

(b) Pay and Nontravel-Related Allowances.—The costs for pay and nontravel-related allowances of members of the Armed Forces for the support and services referred to in subsection (a) may not be charged to appropriations authorized in subsection (c).

(c) Authorization of Appropriations.—There is authorized to be appropriated for the Department of Defense for fiscal year 1992, $1,000,000 to carry out subsection (a).

SEC. 306. SUPPORT FOR THE 1996 SUMMER OLYMPICS.

(a) Authority To Provide Support.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1996 games of the XXVI Olympiad to be held in Atlanta, Georgia.

(b) Pay and Nontravel-Related Allowances.—The costs for pay and nontravel-related allowances of members of the Armed Forces may not be charged to appropriations authorized in subsection (c).

(c) Authorization of Appropriations.—There is authorized to be appropriated for the Department of Defense for fiscal year 1992, $2,000,000 to carry out subsection (a).

PART B—OTHER MATTERS

SEC. 311. LIMITATION ON OBLIGATIONS AGAINST STOCK FUNDS.

(a) Limitation.—(1) The Secretary of Defense may not incur obligations against the stock funds of the Department of Defense during fiscal year 1992 in an amount in excess of 80 percent of the sales from such stock funds during that fiscal year.

(2) For the purposes of determining the amount of obligations incurred against, and sales from, the stock funds during fiscal year 1992, the Secretary shall exclude obligations and sales for fuel, subsistence and commissary items, retail operations, repair of equipment, and the cost of operations.

(b) EXCEPTION.—The Secretary of Defense may waive the limitation contained in subsection (a) if the Secretary determines that such waiver is critical to the national security of the United States. The Secretary shall immediately notify Congress of any such waiver and the reasons for such waiver.

SEC. 312. CONTRACTS FOR EQUIPMENT MAINTENANCE AND OPERATION.

Section 2410a of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting ", equipment," after "tools"; and

(2) by adding at the end the following new paragraph:

"(4) The operation of equipment.".

SEC. 313. DEPOT MAINTENANCE WORKLOAD COMPETITION.

(a) EXTENSION OF PILOT PROGRAM.—Paragraph (1) of section 922(a) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1627) is amended to read as follows:

"(1) The Secretary of Defense shall conduct a depot maintenance workload competition pilot program during fiscal years 1991 and 1992.".

(b) REPEAL OF PROHIBITION.—(1) Section 2466 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 146 of such title is amended by striking out the item relating to section 2466.

SEC. 314. REPEAL OF AUTHORITY OF BASE COMMANDERS OVER CONTRACTING FOR COMMERCIAL ACTIVITIES.

(a) IN GENERAL.—Section 2468 of title 10, United States Code, is repealed.

(b) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 146 of such title is amended by striking out the item relating to section 2468.

SEC. 315. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1684) is amended—

(1) in subsection (a), by striking out "During fiscal year 1991, naval" and inserting in lieu thereof "Naval";

(2) by adding at the end the following new subsection:

"(e) EXPIRATION OF AUTHORITY.—The authority provided by this section expires on September 30, 1992."; and

(3) by striking out "**DURING FISCAL YEAR 1991**" in the section heading.

SEC. 316. PROHIBITION ON THE PURCHASE OF SURETY BONDS AND OTHER GUARANTIES FOR THE DEPARTMENT OF DEFENSE.

No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1992 or fiscal year 1993 may be obligated or expended for the purchase of surety bonds or other guaranties of financial responsibility in order to guarantee the performance of any direct function of the Department of Defense.

SEC. 317. IMPACT ASSISTANCE FOR NYE COUNTY, NEVADA.

During fiscal year 1992, the Secretary of Defense may provide direct grant assistance of not more than $1,000,000 to Nye County, Nevada, for impact assistance. The impact assistance relates to the capital improvements made by such county that accommodate the dependents of members of the Armed Forces, Department of Defense civilian employees, Department of Defense contractor personnel, and Department of Energy employees supporting the mission of the Tonapah Research Center.

SEC. 318. PREVENTION OF THE TRANSPORTATION OF BROWN TREE SNAKES ON AIRCRAFT AND VESSELS OF THE DEPARTMENT OF DEFENSE.

The Secretary of Defense shall take such action as may be necessary to prevent the inadvertent introduction of brown tree snakes from Guam to Hawaii in aircraft and vessels transporting personnel or cargo for the Department of Defense. In carrying out this section, the Secretary shall consider the use of sniffer or tracking dogs, snake traps, and other preventive processes or devices at aircraft and vessel loading facilities on Guam, Hawaii, or intermediate transit points for such personnel or cargo.

SEC. 319. DONATION OF CERTAIN SCRAP METAL TO THE MEMORIAL FUND FOR DISASTER RELIEF.

(a) DONATION AUTHORIZED.—Notwithstanding any provision of the Federal Property and Administrative Services Act of 1941 (40 U.S.C. 471 et seq.) or any other provision of law, the Secretary of Defense may donate not more than 15 tons of cruise missile scrap generated by the INF Treaty destruction requirements and managed by the Defense Logistics Agency at the Davis-Monthan Air Force Base, Tuscon, Arizona, to the Memorial Fund for Disaster Relief, a corporation incorporated under the laws of the State of Delaware.

(b) DEFINITION.—For purposes of this section, the term "INF Treaty" means the Treaty Between the United States and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, signed in Washington, D.C., on December 8, 1987.

SEC. 320. SURETY BONDS FOR DEFENSE ENVIRONMENTAL RESTORATION PROGRAM CONTRACTS.

(a) IN GENERAL.—Section 2701 of title 10, United States Code, is amended by adding at the end the following:

"(h) SURETY-CONTRACTOR RELATIONSHIP.—Any surety which provides a bid, performance, or payment bond in connection with any direct Federal procurement contract for a response action under the Defense Environmental Restoration Program and begins activities to meet its obligations under such bond, shall, in connection with such activities or obligations, be entitled to any indemnification and standard of liability to which its principal was entitled under the contract or under any applicable law or regulation.

"(i) SURETY BONDS.—

"(1) APPLICABILITY OF MILLER ACT.—If under the Act of August 24, 1935 (40 U.S.C. 270a–270d), commonly referred to as the 'Miller Act', surety bonds are required for any direct Federal procurement of a contract for a response action under the Defense Environmental Restoration Program and are not waived pursuant to the Act of April 29, 1941 (40 U.S.C. 270e–270f), the surety bonds shall be issued in accordance with such Act of August 24, 1935.

"(2) LIMITATION OF ACCRUAL OF RIGHTS OF ACTION UNDER BONDS.—If, under applicable Federal law, surety bonds are required for any direct Federal procurement of any contract for a response action under the Defense Environmental Restoration Program, no right of action shall accrue on the performance bond issued on such contract to or for the use of any person other than an obligee named in the bond.

"(3) LIABILITY OF SURETIES UNDER BONDS.—If, under applicable Federal law, surety bonds are required for any direct Federal procurement of any contract for a response action under the Defense Environmental Restoration Program, unless otherwise provided for by the Secretary in the bond, in the event of a default, the surety's liability on a performance bond shall be only for the cost of completion of the contract work in accordance with the plans and specifications of the contract less the balance of funds remaining to be paid under the contract, up to the sum of the bond. The surety shall in no event be liable on bonds to indemnify or compensate the obligee for loss or liability arising from personal injury or property damage whether or not caused by a breach of the bonded contract.

"(4) NONPREEMPTION.—Nothing in this section shall be construed as preempting, limiting, superseding, affecting, applying to, or modifying any State laws, regulations, requirements, rules, practices, or procedures. Nothing in this section shall be construed as affecting, applying to, modifying, limiting, superseding, or preempting any rights, authorities, liabilities, demands, actions, causes of action, losses, judgment, claims, statutes of limitation, or obligations under Federal or State law, which do not arise on or under the bond.

"(j) APPLICABILITY.—Subsections (h) and (i) shall not apply to bonds executed before October 1, 1991, or after December 31, 1992.".

SEC. 321. REPEAL OF REQUIREMENT FOR AUTHORIZATION OF CIVILIAN PERSONNEL BY END STRENGTH.

Section 115 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out paragraph (4); and

(2) in subsection (b)—

(A) by inserting "or" at the end of paragraph (2);

(B) by striking out "; or" at the end of paragraph (3) and inserting in lieu thereof a period; and

(C) by striking out paragraph (4).

SEC. 322. INAUGURATION ASSISTANCE.

(a) FURNISHING OF MATERIALS, SUPPLIES, AND SERVICES.—During fiscal years 1992 and 1993, the Secretary of Defense may, as the Secretary determines to be appropriate and under such conditions as the Secretary may prescribe, lend materials or supplies and provide materials, supplies, or services of personnel to the Inaugural Committee established under the first section of the Presidential Inaugural Ceremonies Act (36 U.S.C. 721 et seq.) or to the joint committee described in section 9 of that Act.

(b) ADDITIONAL AUTHORITY.—The authority provided by subsection (a) is in addition to the authority provided by section 2543 of title 10, United States Code.

SEC. 323. ACQUISITION OF INVENTORY.

(a) The Secretary of Defense may not incur any obligations against the stock funds of the Department of Defense for the acquisition of any items of supply if such acquisition is likely to result in an on-hand inventory (excluding war reserves) of such items of supply in excess of two years of operating stocks.

(b) Notwithstanding subsection (a), the head of a procuring activity may authorize the acquisition of an item of supply if such head of a procuring activity determines in writing that such acquisition is necessary for industrial base purposes or for other national security reasons.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

(a) FISCAL YEAR 1992.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1992, as follows:

(1) The Army, 660,200, of whom not more than 96,781 shall be commissioned officers.

(2) The Navy, 551,400, of whom not more than 69,468 shall be commissioned officers.

(3) The Marine Corps, 188,000, of whom not more than 19,180 shall be commissioned officers.

(4) The Air Force, 486,800, of whom not more than 92,020 shall be commissioned officers.

(b) FISCAL YEAR 1993.—The Armed Forces are authorized strengths for active duty personnel as of September 30, 1993, as follows:

(1) The Army, 618,200, of whom not more than 90,768 shall be commissioned officers.

(2) The Navy, 536,000, of whom not more than 67,557 shall be commissioned officers.

(3) The Marine Corps, 182,200, of whom not more than 18,591 shall be commissioned officers.

(4) The Air Force, 458,100, of whom not more than 86,594 shall be commissioned officers.

(c) LIMITATION ON INVOLUNTARY SEPARATION OF CAREER PERSONNEL INELIGIBLE TO RETIRE.—(1) The Secretary of Defense may not require the involuntary separation in fiscal year 1992 of any member of the Armed Forces on active duty who has completed the initial period of obligated active duty service applicable to such member and is ineligible to retire with entitlement to retired or retainer pay.

(2) Paragraph (1) does not apply to the following involuntary separations of active duty personnel:

(A) A separation of an officer under chapter 36 of title 10, United States Code, for reasons other than meeting an end strength limitation applicable to officers.

(B) A separation for physical disability, age, or cause.

(C) A separation that is made without regard to the limitations on active duty end strengths in subsection (a), as determined under regulations prescribed by the Secretary of Defense.

(d) WAIVER AUTHORITY FOR END STRENGTHS.—The Secretary of Defense may waive an end strength prescribed in subsection (a) for any of the Armed Forces to the extent that the Secretary considers the waiver necessary to prevent the administration of subsection (c) from causing personnel imbalances that would impair the long-term combat readiness of that armed force.

SEC. 402. REDUCTION IN AUTHORIZED END STRENGTH FOR THE NUMBER OF MILITARY PERSONNEL IN EUROPE.

(a) REDUCTION.—Section 1002(c)(1) of the Department of Defense Authorization Act, 1985 (22 U.S.C. 1928 note), is amended in the first sentence by striking out "261,855" and inserting in lieu thereof "235,700".

(b) WAIVER OF AUTHORITY.—Such section is amended in the third sentence—

(1) by striking out "261,855" and inserting in lieu thereof "235,700"; and

(2) by striking out "311,855" and inserting in lieu thereof "261,855".

SEC. 403. REDUCTION IN NUMBER OF ACTIVE DUTY AIR FORCE COLONELS.

The table in section 523(a)(1) of title 10, United States Code, is amended by striking out the figures under the heading "Colonel" relating to the Air Force and inserting in lieu thereof the following:

"3,392
"3,573
"3,754
"3,935
"4,115
"4,296
"4,477
"4,658
"4,838
"5,019
"5,200
"5,381".

PART B—RESERVE FORCES

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) FISCAL YEAR 1992.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1992, as follows:

(1) The Army National Guard of the United States, 443,380.

(2) The Army Reserve, 307,900.

(3) The Naval Reserve, 145,880.

(4) The Marine Corps Reserve, 43,100.

(5) The Air National Guard of the United States, 118,100.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(b) FISCAL YEAR 1993.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1993, as follows:

(1) The Army National Guard of the United States, 425,450.

(2) The Army Reserve, 296,230.

(3) The Naval Reserve, 141,545.

(4) The Marine Corps Reserve, 42,230.

(5) The Air National Guard of the United States, 119,400.

(6) The Air Force Reserve, 82,400.

(7) The Coast Guard Reserve, 15,150.

(c) WAIVER AUTHORITY.—The Secretary of Defense may vary an end strength authorized by subsection (a) by not more than 2 percent.

(d) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component for any fiscal year shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) FISCAL YEAR 1992.—Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1992, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 25,270.

(2) The Army Reserve, 12,815.

(3) The Naval Reserve, 22,520.

(4) The Marine Corps Reserve, 2,345.

(5) The Air National Guard of the United States, 9,081.

(6) The Air Force Reserve, 643.

(b) FISCAL YEAR 1993.—Within the end strengths prescribed in section 411(b), the reserve components of the Armed Forces are authorized, as of September 30, 1993, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 24,889.

(2) The Army Reserve, 12,673.

(3) The Naval Reserve, 22,045.

(4) The Marine Corps Reserve, 2,310.

(5) The Air National Guard of the United States, 9,072.

(6) The Air Force Reserve, 618.

(c) ARMY RESERVE COMPONENT STRENGTHS FOR FISCAL YEARS 1994–1998.—The table in section 412(b)(2) of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1547; 10 U.S.C. 261 note) is amended to read as follows:

"Fiscal Year	Army Reserve	Army National Guard
1994	12,006	23,579
1995	11,339	22,269
1996	10,672	20,959
1997	10,005	19,649
1998	9,341	18,340".

SEC. 413. INCREASED NUMBER OF ACTIVE DUTY OFFICERS ASSIGNED TO FULL-TIME SUPPORT AND TRAINING OF ARMY NATIONAL GUARD COMBAT UNITS.

Within the end strength for the number of officers of the Army on active duty as of the end of fiscal year 1992 that is prescribed by section 401(a)(1), the Secretary of the Army shall assign 1,300 of the officers on active duty within that number to full-time duty in connection with organizing, administering, recruiting, instructing, or training combat units of the Army National Guard.

SEC. 414. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) SENIOR ENLISTED MEMBERS.—Effective on October 1, 1991, the table in section 517(b) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	569	202	279	14
E–8	2,585	429	800	74".

(b) OFFICERS.—Effective on October 1, 1991, the table in section 524(a) of such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	575	110
Lieutenant Colonel or Commander	1,524	520	595	75
Colonel or Navy Captain	372	188	227	25".

Part C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) Fiscal Year 1992.—For fiscal year 1992, the components of the Armed Forces are authorized average military training loads as follows:

(1) The Army, 66,525.

(2) The Navy, 59,675.

(3) The Marine Corps, 20,880.

(4) The Air Force, 26,880.

(5) The Army National Guard of the United States, 16,611.

(6) The Army Reserve, 15,337.

(7) The Naval Reserve, 3,112.

(8) The Marine Corps Reserve, 3,520.

(9) The Air National Guard of the United States, 2,765.

(10) The Air Force Reserve, 1,628.

(b) Fiscal Year 1993.—For fiscal year 1993, the components of the Armed Forces are authorized average military training loads as follows:

(1) The Army, 65,430.

(2) The Navy, 58,720.

(3) The Marine Corps, 20,545.

(4) The Air Force, 26,450.

(5) The Army National Guard of the United States, 16,345.

(6) The Army Reserve, 15,090.

(7) The Naval Reserve, 3,060.

(8) The Marine Corps Reserve, 3,465.

(9) The Air National Guard of the United States, 2,720.

(10) The Air Force Reserve, 1,600.

(c) Adjustments.—The average military student loads authorized in subsections (a) and (b) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

TITLE V—MILITARY PERSONNEL POLICY

Part A—General Matters

SEC. 501. INITIAL APPOINTMENT OF COMMISSIONED OFFICER TO BE IN A RESERVE GRADE.

Section 532 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) No person may receive an original appointment as a commissioned officer in the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps until the member has completed one year of service on active duty as a commissioned officer of a reserve component.".

SEC. 502. TRANSITION PERIOD FOR CERTAIN GENERAL AND FLAG OFFICERS AWAITING RETIREMENT.

(a) Reduction in Period.—Section 601(b)(4) of title 10, United States Code, is amended by striking out "90 days" and inserting in lieu thereof "30 days".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins more than 60 days after the date of the enactment of this Act.

SEC. 503. SELECTIVE EARLY RETIREMENT FLEXIBILITY.

(a) Exclusion of Officers Otherwise Approved for Retirement.—Section 638(e) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(e)";

(2) by designating the second sentence as paragraph (2) and realigning such paragraph, as so designated, flush to the left margin;

(3) in paragraph (2), as so designated—

(A) by striking out "Such regulations" and inserting in lieu thereof "The regulations";

(B) by striking out "under this section, such list" and inserting in lieu thereof "under this section, such list—";

(C) in the matter beginning with "shall include"—

(i) by striking out "shall include" and inserting in lieu thereof "(A) except as provided in subparagraph (B), shall include";

(ii) by realigning such matter two ems from the left margin; and

(iii) by striking out the period at the end and inserting in lieu thereof "; and"; and

(D) by adding at the end the following:

"(B) may not include any officer in that grade and competitive category who has been approved for retirement during the fiscal year in which the selection board is convened or, if different, for retirement in the fiscal year in which any officer selected for retirement by the selection board is required to retire, as determined as of the convening date of the selection board."; and

(4) by adding at the end the following new paragraph:

"(3) An officer not considered by a selection board convened under section 611(b) by reason of paragraph (2)(B) shall be retired on the date approved for the retirement of such officer as of the convening date of such selection board unless the Secretary concerned approves a modification of such date in order to prevent a personal hardship for the officer or for other humanitarian reasons.".

(b) Temporary Early Retirement Selection Authority.—Section 638a(b)(2) of such title is amended—

(1) by striking out "through (C)" and inserting in lieu thereof "through (D)"; and

(2) by adding at the end the following new subparagraph:

"(D) Officers holding a regular grade below the grade of lieutenant colonel or, in the case of the Navy, commander who will become eligible for retirement under section 3911, 6323, or 8911 of this title before being retired pursuant to selection by the selection board and whose names are not on a list of officers recommended for promotion.".

SEC. 504. WAIVER OF PROHIBITION ON CERTAIN RESERVE SERVICE WITH THE R.O.T.C. PROGRAM.

The Secretary of the military department concerned may waive the prohibition in section 690 of title 10, United States Code, in the case of a member of a reserve component of the Armed Forces referred to in that section who is serving in an assignment to duty with a unit of the Reserve Officer Training Corps program on September 30, 1991, if the Secretary determines that the removal of the member from that assignment will cause a financial hardship for that member.

SEC. 505. RETIREMENT OF CHIEF OF NAVAL OPERATIONS AND COMMANDANT OF THE MARINE CORPS IN HIGHEST GRADE.

(a) Chief of Naval Operations.—Section 5034 of title 10, United States Code, is amended by inserting "and by and with the advice and consent of the Senate" after "President".

(b) Commandant of the Marine Corps.—Section 5043(c) of such title is amended by inserting "and by and with the advice and consent of the Senate" after "President".

SEC. 506. ELIMINATION OF MINIMUM ENLISTED SERVICE REQUIREMENT FOR NOMINATION TO THE NAVAL ACADEMY.

Section 6958(c) of title 10, United States Code, is amended—

(1) by striking out clause (2); and

(2) by redesignating clauses (3) and (4) as clauses (2) and (3), respectively.

SEC. 507. ADMINISTRATION OF ATHLETICS PROGRAMS AT THE SERVICE ACADEMIES.

(a) Independent Review Board.—The Secretary of Defense shall appoint a board to review the administration of the athletics programs of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy.

(b) Composition of Board.—The Secretary shall appoint the members of the board from among distinguished administrators of institutions of higher education, members of Congress, members of the Boards of Visitors of the academies, and other experts in collegiate athletics programs. The Superintendents of the three academies shall be members of the board. The Secretary shall designate one member of the board, other than a Superintendent of an academy, as Chairman.

(c) Duties.—The board shall, on an annual basis—

(1) review all aspects of the athletics programs of the United States Military Academy, the United States Naval Academy, and the United States Air Force Academy, including—

(A) the policies relating to the administration of such programs;

(B) the appropriateness of the balance between the emphasis placed by each academy on athletics and the emphasis placed by such academy on academic pursuits; and

(C) the extent to which all athletes in all sports are treated equitably under the athletics program of each academy; and

(2) determine ways in which the administration of the athletics programs at the academies can serve as models for the administration of athletics programs at civilian institutions of higher education.

(d) Administrative Provisions.—(1) Each member of the board who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the board. Members of the board who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) The members of the board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the board.

SEC. 508. AUTHORITY TO WAIVE MAXIMUM AGE LIMITATION ON ADMISSION TO THE SERVICE ACADEMIES FOR CERTAIN MEMBERS WHO SERVED DURING THE PERSIAN GULF WAR.

(a) Waiver Authority.—The Secretary of the military department concerned may waive the maximum age limitation in section 4346(a), 6958(a)(1), or 9346(a) of title 10, United States Code, in the case of any enlisted member of the Armed Forces who—

(1) becomes 22 years of age while serving on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm during the Persian Gulf War; or

(2) was a candidate for admission to the service academy under the jurisdiction of such Secretary in 1990, was prevented from being admitted to the academy during that year by reason of the service of such person on active duty in the Persian Gulf area of operations in connection with Operation Desert Storm, and became 22 years of age after July 1, 1990, and before the end of such service in that area of operations.

(b) Definitions.—In this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf War" has the meaning given such term in section 101(33) of title 38, United States Code.

SEC. 509. EXTENSIONS OF CERTAIN MILITARY PERSONNEL MANAGEMENT AUTHORITIES.

(a) Computation of Years of Service for Mandatory Transfer to Retired Reserve.—Section 1016(d) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 10 U.S.C. 3360 note) is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(b) Grade Determination for Certain Medical Corps Reserve Officers.—Sections 3359(b) and 8359(b) of title 10, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(c) Promotion of Certain Reserve Officers Serving on Active Duty.—Sections 3380(d) and 8380(d) of title 10, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(d) Education Loans for Certain Health Professionals in the Selected Reserve.—Section 2172(d) of title 10, United States Code, is amended by striking out "October 1, 1992" and inserting in lieu thereof "October 1, 1995".

SEC. 510. TEMPORARY AUTHORITY FOR PROMOTION OF NAVY LIEUTENANTS MADE PERMANENT.

Section 5721(f) of title 10, United States Code, is repealed.

SEC. 511. INTEGRITY OF THE PROMOTION SELECTION BOARD PROCESS.

(a) Communications With Boards.—Section 615 of title 10, United States Code, is amended—

(1) by redesignating subsections (a) through (d) as subsections (b) through (e); and

(2) by inserting before subsection (b), as so redesignated, the following new subsection (a):

"(a)(1) The Secretary of Defense shall prescribe uniform regulations governing information furnished to selection boards convened under section 611(a) of this title. The Secretaries of the military departments may not supplement such regulations without the advance written approval of the Secretary of Defense.

"(2) Each communication to a selection board shall be furnished to all board members and made a part of the selection board's record. Each communication shall be in a written form or in the form of an audio or video recording. If a communication is in the form of such a recording, a written transcription of the recording shall also be made a part of the selection board's record.

"(3) No information concerning a particular eligible officer may be communicated to a selection board except for the following information:

"(A) Information in an eligible officer's official military personnel records provided to the selection board in accordance with the uniform regulations prescribed by the Secretary of Defense pursuant to paragraph (1).

"(B) Other information that has been reviewed by the Secretary of the military department concerned in accordance with standards and procedures prescribed in the uniform regulations and that has been determined by that Secretary to be substantiated, relevant information that could reasonably and materially affect the deliberations of the selection board.

"(C) Subject to such limitations as may be prescribed in the uniform regulations, information communicated to the board by an eligible officer in accordance with this section, section 614(b) of this title (including any comments on information referred to in subparagraph (A) regarding that officer), or other applicable law.

"(D) A factual summary of the information described in subparagraphs (A), (B), and (C) that, in accordance with the uniform regulations, has been prepared by administrative personnel for the purpose of facilitating the work of the selection board.

"(4) Paragraphs (2) and (3) do not apply to the communication of appropriate administrative processing information to the selection board by administrative staff designated to assist the board, but only to the extent that oral communications are necessary to facilitate the work of the board.

"(5)(A) The Secretary of the military department concerned shall ensure that, before information described in paragraph (3)(B) regarding an eligible officer is provided to a selection board, that officer—

"(i) is notified that such information will be presented to the selection board; and

"(ii) is afforded a reasonable opportunity to submit comments on that information to the selection board.

"(B) If an eligible officer cannot be given access to the information referred to in subparagraph (A) because of its classification status, the officer shall, to the maximum extent practicable, be provided with an appropriate summary of the information.".

(b) Technical Amendments.—(1) The heading for section 614 of such title is amended by striking out "**; communications with boards**".

(2) The item relating to such section in the table of sections for subchapter I of chapter 36 of such title, is amended by striking out "; communications with boards".

(c) Disclosure of Board Recommendations.—Section 616 of such title is amended by adding at the end the following new subsections:

"(e)(1) The recommendations of a selection board may be disclosed only in accordance with regulations prescribed by the Secretary of Defense. In no event may the recommendations be disclosed to any person not a member of the board until the written report of the recommendations, required by section 617 of this title, has been signed by each member of the board.

"(f) No Secretary convening a selection board under section 611(a) of this title, and no officer or other official exercising authority over any member of a selection board, may—

"(1) censure, reprimand, or admonish the selection board or any member of the board with respect to the recommendations of the board or the exercise of any function within the discretion of the board; or

"(2) attempt to coerce or, by any unauthorized means, influence any action of a selection board or any member of a selection board in the formulation of the board's recommendations.".

(d) Recommendations for Removal of Selected Officers From Report.—Section 618 of such title is amended by inserting the following at the end thereof:

"(g) If the Secretary of a military department or the Secretary of Defense makes a recommendation under this section that the name of an officer be removed from a report of a selection board and the recommendation includes information that was not presented to that selection board, the information shall be made available to that officer. The officer shall then be afforded a reasonable opportunity to submit comments on that information to the officials making the recommendation and the officials reviewing the recommendation. If an eligible officer cannot be given access to such information because of its classification status, the officer shall, to the maximum extent practicable, be provided with an appropriate summary of the information.".

(e) Screening of Officers for Consideration by Selection Boards.—Section 619(c)(2) of such title is amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A) may, in accordance with standards and procedures prescribed by the Secretary of Defense in uniform regulations, limit the officers to be considered by a selection board from below the promotion zone to those officers who are determined to be exceptionally well qualified for promotion;";

(2) by striking out subparagraph (B);

(3) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(4) by inserting at the end the following new paragraph:

"(3)(A) The Secretary of Defense may authorize the Secretaries of the military departments to preclude from consideration by selection boards for promotion to the grade of brigadier general or rear admiral (lower half) officers in the grade of colonel or, in the case of the Navy, captain who—

"(i) have been considered and not selected for promotion to the grade of brigadier general or rear admiral (lower half) by at least two selection boards; and

"(ii) are determined, in accordance with standards and procedures prescribed pursuant to subparagraph (B), as not being exceptionally well qualified for promotion.

"(B) If the Secretary of Defense grants the authority described in subparagraph (A) to the Secretaries of the military departments he shall prescribe uniform regulations containing the standards and procedures for the exercise of such authority. The regulations shall include the following provisions:

"(i) That the Secretary of a military department may exercise such authority in the case of a particular selection board only if the Secretary of Defense has approved the exercise of that authority for that board.

"(ii) That no officer may be precluded from consideration by a selection board except upon the recommendation of a preselection board of officers convened by the Secretary of the military department concerned and composed of at least three officers all of whom are serving in a grade higher than the grade of such officer.

"(iii) That a preselection board may not recommend that an officer be precluded from such consideration unless the Secretary concerned has given the officer advance written notice of the convening of such board and of the military records that will be considered by the board and has given the officer a reasonable period before the convening of the board in which to submit comments to the board.

"(iv) That the Secretary convening a preselection board shall provide general guidance to the board in accordance with standards and procedures prescribed by the Secretary of Defense in the uniform regulations.

"(v) That the preselection board may recommend that an officer be precluded from consideration by a selection board only on the basis of the general guidance provided by the Secretary of the military department concerned, information in the officer's official military personnel records that have been described in the notice provided the officer as required pursuant to clause (iii), and any communication to the board received by the Secretary from that officer before the board convenes.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to selection boards convened under section 611(a) of title 10, United States Code, on or after the date 60 days after the date of enactment of this Act.

SEC. 512. REPORT ON THE SUPERVISION, MANAGEMENT, AND ADMINISTRATION OF THE RESERVE COMPONENTS.

(a) REPORT REQUIRED.—Not later than December 31, 1992, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the supervision, management, and administration of the reserve components of the Armed Forces.

(b) CONTENTS OF REPORT.—The report shall include the following information:

(1) A description of the organization and supervision of the performance of the command, management, and administration functions for such components by the Secretary of Defense.

(2) A description of the organization and supervision of the performance of the command, management, and administration functions for such components by the Secretary of each military department.

(3) A description of the manner in which the organization and supervision referred to in paragraphs (1) and (2) facilitates the readiness of the reserve components to carry out the purpose of such components set out in section 262 of title 10, United States Code.

(4) Any recommended legislation that the Secretary considers necessary for the improvement of the organization and supervision of the performance of such functions and the readiness of the reserve components to carry out such purpose.

(5) Any additional actions that the Secretary plans to take in order to improve the organization and supervision of the performance of such functions and the readiness of the reserve components to carry out such purpose.

SEC. 513. REVIEW OF PORT CHICAGO COURT MARTIAL CASES.

The Secretary of the Navy shall initiate without delay a thorough review of the cases of all 258 individuals convicted in the courts-martial arising from the explosion at the Port Chicago (California) Naval Magazine on July 17, 1944. The purpose of the review shall be to determine the validity of the original findings and sentences and the extent, if any, to which racial prejudice or other improper factors now known may have tainted the original investigations and trials. If the Secretary determines that the conviction of an individual in any such case was in error or an injustice, then, notwithstanding any other provision of law, he may correct that individual's military records (including the record of the court-martial in such case) as necessary to rectify the error or injustice.

SEC. 514. ACCESS OF PARENTS AND CERTAIN OTHERS TO THE MILITARY RECORDS OF DECEASED SERVICEMEMBERS.

(a) Chapter 53 of title 10, United States Code, is amended by inserting the following new section at the end thereof:

"§ 1057. Access of parents and certain others to the military records of deceased servicemembers

"(a) The Secretary of Defense shall respond promptly and comprehensively to requests by the parents, spouse, children who are at least eighteen years of age, or legal representative of a member of the armed forces who died while serving on active duty or on inactive-duty training.

"(b) The Secretary shall make available to a person described in subsection (a) a copy of any military record of the member (including any autopsy report or report of investigation concerning the member's death) that would have been available to the member if the member were alive, upon written request for such record.

"(c) The Secretary may impose a nominal charge for the administrative and reproduction requests of responding to a request under subsection (b).

"(d) As used in this section, the term 'parent' includes an adoptive parent and a step-parent.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1057. Access of parents and certain others to the military records of deceased servicemembers.".

PART B—COMMISSION ON THE ASSIGNMENT OF WOMEN IN THE ARMED FORCES

SEC. 521. ESTABLISHMENT OF THE COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission on the Assignment of Women in the Armed Forces (hereafter in this part referred to as the "Commission").

(b) COMPOSITION.—(1) The Commission shall be composed of 15 members appointed by the President. The President shall designate one of the members as Chairman of the Commission.

(2) The President shall appoint the members of the Commission from among persons who have distinguished themselves in the public sector, the private sector, or higher education and who have had significant experience (as determined by the President) with one or more of the following matters:

(A) Scholarly inquiry into social and cultural matters affecting the workplace.

(B) Constitutional law and other law.

(C) The effects of medical and physiological factors on job performance.

(D) Service in the Armed Forces in a land combat environment.

(E) Service in the Armed Forces in an air combat environment.

(F) Service in the Armed Forces in a sea combat environment.

(G) Military personnel management.

(3) In making appointments to the Commission, the President shall consult with the chairman and ranking minority member of the Committees on Armed Services of the Senate and the House of Representatives.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL ORGANIZATIONAL REQUIREMENTS.—(1) The President shall make all appointments under subsection (b) within 60 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting within 15 days after the first date on which all members of the Commission have been appointed. At that meeting the Commission shall develop a study agenda and schedule for carrying out its responsibilities under this part.

SEC. 522. DUTIES.

The Commission shall conduct a thorough study of all matters relating to the assignments of women in the Armed Forces and make findings on such matters, including the following matters:

(1) The implications for the combat readiness of the Armed Forces of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions, including the implications with respect to the following matters:

(A) The physical readiness of the force, including the full implications of establishing different minimum physical standards on the basis of sex.

(B) The effects of pregnancy and of child care needs.

(C) The effects on unit morale and cohesion.

(2) The social and cultural implications of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions.

(3) The advisability of permitting only voluntary assignments of women to combat positions and of permitting involuntary assignments of women to combat positions.

(4) The advisability of requiring women to register for conscription under the Military Selective Service Act and to be conscripted under that Act—

(A) on the same basis as men if women were provided the same opportunity as men for assignment to any position in the Armed Forces; or

(B) on a different basis if women were not provided that same opportunity.

(5) The legal and policy implications of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions, including—

(A) the implications of excluding women from coverage by the registration and service requirements of the Military Selective Service Act if the Secretary of each military department were permitted, but not required, to restrict the opportunities of women for assignments to combat positions;

(B) the implications of excluding women from coverage by such requirements if the authority for the assignment of women to combat positions were limited to voluntary assignments;

(C) the implications of excluding women from coverage by such requirements if the authority for the assignment of women to combat positions were not limited to voluntary assignments; and

(D) the implications for any policy that authorizes involuntary assignments of personnel to combat positions only in the case of men.

(6) The extent of the need to modify facilities and vessels, aircraft, vehicles, and other equipment of the Armed Forces to accommodate the assignment of women to combat positions or to provide combat skills training to women, including any need to modify quarters, weapons, and training facilities and equipment.

(7) The costs of meeting the need identified pursuant to paragraph (6) and the practicability of meeting such need during an era of decreasing national security budgets.

(8) The effects of existing laws relating to the recruitment, retention, assignment, and

promotion of women in the Armed Forces on—

(A) the combat readiness of the Armed Forces;

(B) the opportunities for women in the Armed Forces; and

(C) the quality of the personnel in the Armed Forces.

SEC. 523. REPORT.

(a) IN GENERAL.—(1) Not later than November 15, 1992, the Commission shall transmit to the President a final report on the results of the study conducted by the Commission.

(2) The Commission may transmit to the President and to Congress such interim reports as the Commission considers appropriate.

(b) CONTENT OF FINAL REPORT.—(1) The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with any recommendations for such legislation and administrative actions as the Commission considers appropriate.

(2) The report shall include recommendations on the following matters:

(A) Whether existing law and policies governing the assignment of women in the Armed Forces to combat positions should be retained, modified, or repealed.

(B) Whether existing law and policies relating to other aspects of the assignment of women to positions in the Armed Forces should be retained, modified, or repealed.

(C) What roles women should have in the Armed Forces, including what, if any, roles women should have in combat.

(D) What transition process is appropriate if women are to be given the opportunity to be assigned to combat positions in the Armed Forces.

(E) Whether special conditions and different standards should apply to women than apply to men performing similar roles in the Armed Forces.

(c) SUBMITTAL OF FINAL REPORT TO CONGRESS.—Not later than December 15, 1992, the President shall transmit to the Committees on Armed Services of the Senate and the House of Representatives the report of the Commission, together with the President's comments and recommendations regarding such report.

SEC. 524. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this part, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense and any other Federal department or agency any information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this part. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

SEC. 525. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission present at a properly called meeting.

(c) PANELS.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this part.

SEC. 526. PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay established for grade GS–18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The Chairman of the Commission may, without regard to civil service laws, appoint and terminate a staff director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of a staff director shall be subject to confirmation by the Commission.

(2) The Chairman of the Commission may fix the compensation of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the staff director and other personnel may not exceed the rate established for GS–18 of the General Schedule under section 5332 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay established for GS–18 of the General Schedule under section 5332 of such title.

(f) APPLICABILITY OF OTHER FEDERAL LAWS.—Service of an individual as a member of the Commission or employment of an individual by the Commission on a part-time or full-time basis and with or without compensation shall not be considered as service or employment bringing such individual within the provisions of any Federal law relating to conflicts of interest or otherwise imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with claims, proceedings, or matters involving the United States. Service as a member of the Commission or as an employee of the Commission, shall not be considered service in an appointive or elective position in the Government for purposes of section 8344 or 8468 of title 5, United States Code, or any comparable provision of Federal law.

SEC. 527. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Administrator of General Services shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

(c) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(d) PROCUREMENT AUTHORITY.—The Commission may procure supplies, services, and property and make contracts, in any fiscal year, in order to carry out its duties, but (except in the case of temporary or intermittent services procured under section 526(e)) only to such extent or in such amounts as are provided in appropriation Acts or are donated pursuant to subsection (c). Contracts and other procurement arrangements may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any similar provision of Federal law.

(e) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act shall not apply to the Commission.

(f) TRAVEL.—To the maximum extent possible, the members and employees of the Commission shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a responsibility of the Commission, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

SEC. 528. PAYMENT OF COMMISSION EXPENSES.

The compensation, travel expenses, and per diem allowances of members and employees of the Commission shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department of Defense. The other expenses of the Commission shall be paid out of funds available to the Department of Defense for the payment of similar expenses incurred by that Department.

SEC. 529. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which Commission submits its final report under section 523(a)(1).

SEC. 530. AUTHORIZATION FOR THE ASSIGNMENT OF FEMALE MEMBERS OF THE ARMED FORCES TO DUTY IN COMBAT AIRCRAFT.

(a) ARMY.—(1) Chapter 343 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3549. Duties: female members; combat duty

"The Secretary of the Army may prescribe the conditions under which female members of the Army may be assigned to duty in aircraft that are engaged in combat missions.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3548 the following new item:

"3549. Duties: female members; combat duty.".

(b) NAVY AND MARINE CORPS.—Section 6015 of title 10, United States Code, is amended in the third sentence—

(1) by inserting "(a)" before the first sentence;

(2) by striking out "or in aircraft";

(3) by inserting "(other than as aviation officers as part of an air wing or other air element assigned to such a vessel)" after "combat missions";

(4) by inserting "other" after "temporary duty on"; and

(5) by adding at the end the following new subsection:

"(b) The Secretary of the Navy may prescribe the conditions under which female members of the Navy and Marine Corps may be assigned to duty in aircraft that are engaged in combat missions.".

(c) AIR FORCE.—(1) Section 8549 of title 10, United States Code, is amended to read as follows:

"§ 8549. Duties: female members; combat duty

"The Secretary of the Air Force may prescribe the conditions under which female members of the Air Force may be assigned to duty in aircraft that are engaged in combat missions.".

(2) The item relating to section 8549 in table of sections at the beginning of chapter 843 of such title is amended to read as follows:

"8549. Duties: female members; combat duty.".

(d) RULE OF CONSTRUCTION.—This section shall be construed only as an expression of an intent of Congress to permit the assignment of female personnel of the Armed Forces of the United States to duty in aircraft that are engaged in combat missions.

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 1991.

SEC. 530A. AUTHORITY TO WAIVE COMBAT EXCLUSION LAWS.

(a) COMPREHENSIVE RESEARCH AND ANALYSIS REQUIRED.—The Commission on the Assignment of Women in the Armed Forces, established under section 521, shall conduct comprehensive research and analyses regarding the potential for women in the Armed Forces to serve in combat positions.

(b) INFORMATION NEEDS TO BE DEFINED.—The Commission, as a priority matter, shall determine the types of information necessary for its research and analysis that can best be obtained through the assignment of women to combat positions on a test basis.

(c) NOTIFICATION OF SECRETARY OF DEFENSE REGARDING INFORMATION NEEDS.—The Commission shall promptly advise the Secretary of Defense of its needs for information determined pursuant to subsection (b). The Commission may request that the Secretary of Defense require the assignment of women to combat positions on a test basis in order to develop that information.

(d) WAIVER AUTHORITY.—The Secretary of Defense, in consultation with the Commission, may conduct test assignments of women to combat positions and may waive sections 6015 and 8549 of title 10, United States Code, and any other restriction that applies under Department of Defense regulations or policies to the assignment of women to combat positions in order to conduct such test assignments.

PART C—MATTERS RELATED TO CONTINGENCY OPERATIONS

SEC. 531. GRADE OF RETIRED OFFICERS ORDERED TO ACTIVE DUTY.

(a) GRADE UPON ORDER TO ACTIVE DUTY.—Section 688(d)(1) of title 10, United States Code, is amended to read as follows:

"(1) Except as provided in paragraph (2), a member ordered to active duty under this section shall be ordered to active duty in one of the following grades, as designated by the Secretary concerned:

"(A) The member's retired grade.

"(B) Any higher grade in which the member previously served on active duty satisfactorily, as determined by the Secretary.".

(b) RETIRED GRADE UPON RELEASE.—Section 688(b) of such title is amended to read as follows:

"(b) A member ordered to active duty under this section is entitled, upon release from that tour of active duty, to placement on the retired list in the highest of the following grades:

"(1) The member's retired grade when ordered to active duty.

"(2) The highest grade in which the member served satisfactorily, as determined by the Secretary concerned, for at least 180 days during that tour of duty.

"(3) The highest grade in which the member served on active duty satisfactorily, as so determined, for a total of at least three years (including that tour of duty).".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to orders to active duty on or after that date.

SEC. 532. WAIVER OF FOREIGN LANGUAGE PROFICIENCY CERTIFICATION REQUIREMENT.

(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—Chapter 5 of title 37, United States Code, is amended by inserting after section 316 the following new section:

"§ 316a. Waiver of certification requirement

"(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—(1) A member of the armed forces described in subsection (b) shall be paid special pay under section 316 of this title for the active duty performed by that member during the period described in paragraph (2) if—

"(A) the member was assigned to duty in connection with a contingency operation;

"(B) the Secretary concerned (under regulations prescribed by the Secretary of Defense) determines that the member was unable to schedule or complete the certification required for eligibility for the special pay under that section because of that duty;

"(C) except for not meeting the certification requirement in that section, the member was otherwise eligible for that special pay for that active duty; and

"(D) the member completes the certification requirement specified in that section before the end of the period established for the member in subsection (c).

"(2) The period for which a member may be paid special pay for active duty pursuant to paragraph (1) is the period beginning on the date on which the member was assigned to the duty referred to in subparagraph (A) of that paragraph and ending on the date of the member's certification referred to in subparagraph (D) of that paragraph.

"(b) ELIGIBLE MEMBER DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who meets the requirement referred to in paragraph (3) of section 316(a) of this title.

"(c) PERIOD FOR CERTIFICATION.—The period referred to in subparagraph (D) of subsection (a)(1) with respect to a member of the armed forces is the 180-day period beginning on the date on which the member was released from the duty referred to in that subsection. The Secretary concerned may extend that period for a member in accordance with regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 316 the following new item:

"316a. Waiver of certification requirement.".

SEC. 533. WAIVER OF BOARD CERTIFICATION REQUIREMENTS.

(a) IN GENERAL.—Chapter 5 of title 37, United States Code, is amended by inserting after section 303a the following new section 303b:

"§ 303b. Waiver of board certification requirements.

"(a) CERTIFICATION INTERRUPTED BY CONTINGENCY OPERATION.—(1) A member of the armed forces described in subsection (b) shall be paid special pay under section 302(a)(5), 302b(a)(5), 302c(c)(3), or 302c(d)(4) of this title for the active duty performed by that member during the period described in paragraph (2) if—

"(A) the member was assigned to duty in connection with a contingency operation;

"(B) the Secretary concerned (under regulations prescribed by the Secretary of Defense) determines that the member was unable to schedule or complete the certification or recertification required for eligibility for the special pay under that section because of that duty;

"(C) except for not meeting the certification or recertification requirement in such section, the member was otherwise eligible for such special pay for such active duty; and

"(D) the member completes the board certification or recertification requirements specified in that section before the end of the period established for the member in subsection (c).

"(2) The period for which a member may be paid special pay for active duty pursuant to paragraph (1) is the period beginning on the date on which the member was assigned to the duty referred to in subparagraph (A) of that paragraph and ending on the date of the member's certification or recertification (as the case may be) referred to in subparagraph (D) of that paragraph.

"(b) ELIGIBLE MEMBERS DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who—

"(1) is a medical or dental officer or a nonphysician health care provider; and

"(2) has completed any required residency training.

"(c) PERIOD FOR CERTIFICATION.—The period referred to in subparagraph (D) of subsection (a)(1) with respect to a member of the armed forces is the 180-day period beginning on the date on which the member was released from the duty referred to in that subsection. The Secretary concerned may extend that period for a member in accordance with regulations prescribed by the Secretary of Defense.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 303a the following new item:

"303b. Waiver of board certification requirements.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1992.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1992 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective on January 1, 1992, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 4.2 percent.

SEC. 602. LIMITATION ON THE AMOUNT OF BASIC ALLOWANCE FOR QUARTERS FOR MEMBERS RECEIVING SUCH ALLOWANCE BY REASON OF THEIR PAYMENT OF CHILD SUPPORT.

(a) LIMITATION.—Section 403 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(m)(1) Except as provided in paragraph (2), in the case of a member of a uniformed service assigned to quarters of the United States or a housing facility under the jurisdiction of a uniformed service who is authorized a basic allowance for quarters solely by reason of the member's payment of child support pursuant to a court order, the amount of the basic allowance for quarters to which the member is entitled shall be equal to the difference between the basic allowance for quarters applicable to the member's grade, rank, or rating at the with-dependent rate and the applicable basic allowance for quarters at the without-dependent rate.

"(2) A member of a uniformed service shall not be entitled to a basic allowance for quarters solely by reason of the payment of child support pursuant to a court order if the monthly rate of that child support is less than the amount of the basic allowance for quarters computed for the member under paragraph (1).

"(3) The application of this subsection to a member of a uniformed service shall not affect the entitlement of that member to a basic allowance for quarters at a partial rate under section 1009(c) of this title.".

(b) EFFECTIVE DATE.—Subsection (m) of section 403 of title 37, United States Code (as amended by subsection (a)), shall take effect on October 1, 1991, and shall apply with respect to members of the uniformed services who are not entitled to receive the basic allowance for quarters under such section on the day before that date.

SEC. 603. ADMINISTRATION OF BASIC ALLOWANCE FOR QUARTERS AND VARIABLE HOUSING ALLOWANCE.

(a) BASIC ALLOWANCE FOR QUARTERS.—(1) Section 403 of title 37, United States Code, as amended by section 602, is further amended by adding at the end the following new subsection:

"(n) Each member of a uniformed service who has dependents shall annually certify for the Secretary concerned the dependency status of each dependent of the member for the purposes of this section.".

(2) Subsection (j)(1) of such section is amended by striking out "President" and inserting in lieu thereof "Secretary of Defense".

(b) VARIABLE HOUSING ALLOWANCE.—(1) Section 403a of title 37, United States Code, is amended by adding at the end the following new subsection:

"(g) Each member of a uniformed service claiming entitlement to a variable housing allowance under this section shall annually certify for the Secretary concerned the member's housing costs for the purposes of this section.".

(2) Subsection (e) of such section is amended—

(A) in paragraph (1), by striking out "President" and inserting in lieu thereof "Secretary of Defense";

(B) by striking out "a survey area" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "an area";

(C) in paragraph (2)(A), by striking out "the survey area" and inserting in lieu thereof "that area"; and

(D) in paragraph (2)(B), by striking out "reported on the variable housing allowance survey" and inserting in lieu thereof "determined on the basis of the annual certifications of housing costs of members of the uniformed services receiving a variable housing allowance for that area".

PART B—MISCELLANEOUS PAY AND BENEFITS MATTERS

SEC. 611. REVISION IN RATE OF PAY OF AVIATION CADETS.

Subsection (c) of section 201 of title 37, United States Code, is amended to read as follows:

"(c) Unless entitled to the basic pay of a higher pay grade, an aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard is entitled to monthly basic pay at the lowest rate prescribed for pay grade E-4.".

SEC. 612. PAY OF SENIOR NONCOMMISSIONED OFFICERS WHILE ON TERMINAL LEAVE.

(a) BASIC PAY DURING TERMINAL LEAVE.—(1) Chapter 3 of title 37, United States Code, is amended by adding at the end the following new section:

"§ 210. Pay of the senior noncommissioned officer of an armed force during terminal leave

"(a) A noncommissioned officer of an armed force who, immediately following the completion of service as the senior enlisted member of that armed force, is placed on terminal leave pending retirement shall be entitled, for not more than 90 days while in such status, to the rate of basic pay authorized for the senior enlisted member of that armed force.

"(b) In this section, the term 'senior enlisted member' means the following:

"(1) The Sergeant Major of the Army.

"(2) The Master Chief Petty Officer of the Navy.

"(3) The Chief Master Sergeant of the Air Force.

"(4) The Sergeant Major of the Marine Corps.

"(5) The Master Chief Petty Officer of the Coast Guard.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"210. Pay of the senior noncommissioned officer of an armed force during terminal leave.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a)(1) shall take effect with respect to months beginning on or after the date of the enactment of this Act.

SEC. 613. IMPROVEMENT OF ENTITLEMENT IN LIEU OF TRANSPORTATION OF DEPENDENTS OF MEMBERS ASSIGNED TO VESSELS UNDER CONSTRUCTION.

Section 406c(b)(1) of title 37, United States Code, is amended by striking out "location that was the home port of the ship before commencement of construction" and inserting in lieu thereof "designated home port of the ship or the residence of the member's dependents".

SEC. 614. TRAVEL AND TRANSPORTATION ALLOWANCES FOR CERTAIN EMERGENCY DUTY WITHIN LIMITS OF DUTY STATION.

Section 408 of title 37, United States Code, is amended—

(1) by inserting "(a)" before "A member of a uniformed service"; and

(2) by adding at the end the following new subsection:

"(b)(1) Under regulations prescribed by the Secretary concerned, a member of a uniformed service referred to in paragraph (2) is entitled to travel and transportation allowances under section 404 of this title for duty performed by such member as described in such paragraph.

"(2) A member entitled to the allowances under paragraph (1) is a member who—

"(A) performs duty under emergency circumstances that threaten injury to property of the Federal Government or human life;

"(B) performs such duty at a location within the limits of the member's station (other than at the residence or normal duty location of the member);

"(C) performs such duty pursuant to the direction of competent authority; and

"(D) uses overnight accommodations by reason of such duty.".

SEC. 615. DEPENDENT DEFINED.

The text of section 401 of title 37, United States Code, is amended to read as follows:

"(a) In this chapter, the term "dependent", with respect to a member of a uniformed service, means the following:

"(1) The member's spouse.

"(2) The member's unmarried child who—

"(A) is under 21 years of age;

"(B) is incapable of self-support because of mental or physical incapacity and is in fact dependent on the member for more than one-half of his or her support; or

"(C) is under 23 years of age, is enrolled in a course of study in an institution of higher education recognized by the Secretary concerned as an institution of higher education for the purposes of this subparagraph, and is in fact dependent on the member for more than one-half of his or her support.

"(3) The member's parent or parent-in-law if—

"(A) the parent or parent-in-law is in fact dependent on the member for more than one-half of his or her support;

"(B) the dependency of such a parent or parent-in-law on such member has been determined on the basis of (i) an affidavit submitted by the parent or parent-in-law, and (ii) any other evidence required under regulations prescribed by the Secretary concerned; and

"(C) either—

"(i) the member has provided more than one-half of the support for the parent or parent-in-law for a period prescribed by the Secretary concerned; or

"(ii) due to a change of circumstances arising after the member enters on active duty, the parent or parent-in-law becomes in fact dependent on the member for more than one-half of his or her support.

"(4) An unmarried person, as defined in regulations prescribed by the Secretary concerned, for whom the member has been granted physical custody pursuant to the order of a court of competent jurisdiction and who—

"(A) is under 21 years of age and is in fact dependent on the member for more than one-half of his or her support;

"(B) is incapable of self-support because of a mental or physical incapacity and is in fact dependent on the member for more than one-half of his or her support; or

"(C) is under 23 years of age, is enrolled in a full-time course of study in an institution of higher education recognized by the Secretary concerned as an institution of higher education for the purposes of this subparagraph, and is in fact dependent on the member for more than one-half of his or her support.

"(b) In subsection (a):

"(1) The term 'child', with respect to a member—

"(A) includes the member's—

"(i) stepchild (except as provided in subparagraph (B));

"(ii) adopted child, including a child placed in the home of the member by a placement agency for the purpose of adoption; and

"(iii) child born out of wedlock if the parentage of such child has been established in accordance with criteria prescribed in regulations by the Secretary concerned; but

"(B) does not include a stepchild after the relationship between the member and the stepchild is terminated by the member's divorce from the stepchild's parent by blood.

"(2) The terms 'parent', and except as provided in paragraph (3), 'parent-in-law' with respect to a member, includes—

"(A) a stepparent;

"(B) a parent by adoption; and

"(C) any person, including the member's former stepparent, who has stood in loco parentis to the member at any time for a continuous period of at least five years before the member became 21 years of age.

"(3) The term 'parent-in-law', with respect to a member, does not include a former parent-in-law after the parent-in-law relationship between the member and the former parent-in-law is terminated by the member's divorce from the child of that parent-in-law.".

SEC. 616. CLARIFICATION OF PARACHUTE JUMPING FOR PURPOSES OF HAZARDOUS DUTY PAY.

Section 301(c)(1) of title 37, United States Code, is amended by striking out "at a high altitude with a low opening" and inserting in lieu thereof "in military free fall operations involving parachute deployment by the jumper without the use of a static line".

SEC. 617. EXTENSIONS OF AUTHORITIES RELATING TO PAYMENT OF CERTAIN BONUSES AND OTHER SPECIAL PAY.

(a) Aviator Retention Bonus.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1993".

(b) Special Pay for Enlisted Members of the Selected Reserve Assigned to High Priority Units.—Section 308d(c) of such title is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1993".

(c) Accession Bonuses for Nurse Officer Candidates.—(1) Section 302d(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1994".

(2) Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1991" and inserting in lieu thereof "September 30, 1994".

(d) Special Pay for Nurse Anesthetists.—Section 302e(a) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1993".

(e) Reenlistment Bonus for Regular Component Personnel.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1997".

(f) Enlistment Bonus for Extended Active Duty.—Section 308a(c) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1997".

(g) Enlistment and Reenlistment Bonuses for Reservists.—Sections 308b(f), 308c(e), 308g(h), 308h(g), and 308i(i) of title 37, United States Code, are each amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

(h) Bonus for Affiliation With the Selected Reserve.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1995".

SEC. 618. PERMANENT EXTENSION OF PROGRAM TO REIMBURSE MEMBERS OF THE ARMED FORCES FOR ADOPTION EXPENSES.

(a) Codification of Program for Department of Defense Purposes.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1051 following new section:

"§ 1052. Reimbursement for adoption expenses

"(a) Authorization To Reimburse.—The Secretary of Defense shall carry out a program under which a member of the armed forces may be reimbursed, as provided in this section, for qualifying adoption expenses incurred by the member in the adoption of a child under 18 years of age.

"(b) Adoptions Covered.—An adoption for which expenses may be reimbursed under this section includes an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)).

"(c) Benefits Paid After Adoption Is Final.—Benefits paid under this section in the case of an adoption may be paid only after the adoption is final.

"(d) Treatment of Other Benefits.—A benefit may not be paid under this section for any expense paid to or for a member of the armed forces under any other adoption benefits program administered by the Federal Government or under any such program administered by a State or local government.

"(e) Limitations.—(1) Not more than $2,000 may be paid under this section to a member of the armed forces, or to two such members who are spouses of each other, for expenses incurred in the adoption of a child.

"(2) Not more than $5,000 may be paid under this section to a member of the armed forces, or to two such members who are spouses of each other, for adoptions by such member (or members) in any calendar year.

"(f) Regulations.—The Secretary of Defense shall prescribe regulations to carry out this section.

"(g) Definitions.—In this section:

"(1) The term 'qualifying adoption expenses' means reasonable and necessary expenses (other than expenses described in paragraph (2)) that are directly related to the legal adoption of a child under 18 years of age, but only if such adoption is arranged—

"(A) by a State or local government agency which has responsibility under State or local law for child placement through adoption;

"(B) by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption; or

"(C) through a private placement.

"(2) The term 'qualifying adoption expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent or parents, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member or members of the armed forces are stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law.

"(3) The term 'reasonable and necessary expenses' includes—

"(A) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(B) placement fees, including fees charged adoptive parents for counseling;

"(C) legal fees, including court costs;

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished to the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2)(A), transportation expenses relating to the adoption.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1051 the following new item:

"1052. Reimbursement for adoption expenses.".

(b) Codification of Program for Coast Guard Purposes.—(1) Chapter 13 of title 14, United States Code, is amended by adding at the end the following new section:

"§ 514. Reimbursement for adoption expenses

"(a) Authorization To Reimburse.—The Secretary shall carry out a program under which a member of the Coast Guard may be reimbursed, as provided in this section, for qualifying adoption expenses incurred by the member in the adoption of a child under 18 years of age.

"(b) Adoptions Covered.—An adoption for which expenses may be reimbursed under this section includes an adoption by a single person, an infant adoption, an intercountry adoption, and an adoption of a child with special needs (as defined in section 473(c) of the Social Security Act (42 U.S.C. 673(c)).

"(c) Benefits Paid After Adoption Is Final.—Benefits paid under this section in the case of an adoption may be paid only after the adoption is final.

"(d) Treatment of Other Benefits.—A benefit may not be paid under this section for any expense paid to or for a member of the Coast Guard under any other adoption benefits program administered by the Federal Government or under any such program administered by a State or local government.

"(e) LIMITATIONS.—(1) Not more than $2,000 may be paid under this section to a member of the Coast Guard, or to two such members who are spouses of each other, for expenses incurred in the adoption of a child.

"(2) Not more than $5,000 may be paid under this section to a member of the Coast Guard, or to two such members who are spouses of each other, for adoptions by such member (or members) in any calendar year.

"(f) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.

"(g) DEFINITIONS.—In this section:

"(1) The term 'qualifying adoption expenses' means reasonable and necessary expenses (other than expenses described in paragraph (2)) that are directly related to the legal adoption of a child under 18 years of age, but only if such adoption is arranged—

"(A) by a State or local government agency which has responsibility under State or local law for child placement through adoption;

"(B) by a nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption; or

"(C) through a private placement.

"(2) The term 'qualifying adoption expenses' does not include any expense incurred—

"(A) for any travel performed outside the United States by an adopting parent or parents, unless such travel—

"(i) is required by law as a condition of a legal adoption in the country of the child's origin, or is otherwise necessary for the purpose of qualifying for the adoption of a child;

"(ii) is necessary for the purpose of assessing the health and status of the child to be adopted; or

"(iii) is necessary for the purpose of escorting the child to be adopted to the United States or the place where the adopting member or members of the Coast Guard are stationed; or

"(B) in connection with an adoption arranged in violation of Federal, State, or local law.

"(3) The term 'reasonable and necessary expenses' includes—

"(A) public and private agency fees, including adoption fees charged by an agency in a foreign country;

"(B) placement fees, including fees charged adoptive parents for counseling;

"(C) legal fees, including court costs;

"(D) medical expenses, including hospital expenses of a newborn infant, for medical care furnished to the adopted child before the adoption, and for physical examinations for the adopting parents;

"(E) expenses relating to pregnancy and childbirth for the biological mother, including counseling, transportation, and maternity home costs;

"(F) temporary foster care charges when payment of such charges is required to be made immediately before the child's placement; and

"(G) except as provided in paragraph (2)(A), transportation expenses relating to the adoption.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"514. Reimbursement for adoption expenses.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act and shall apply to adoptions completed on or after that date.

SEC. 619. TRANSPORTATION OF THE REMAINS OF CERTAIN DECEASED DEPENDENTS OF RETIRED MEMBERS OF THE ARMED FORCES.

(a) TRANSPORTATION OF REMAINS.—Section 1490 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting ", or a dependent of such a member," after "equivalent pay"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) In this section:

"(1) The term 'United States' includes the Commonwealth of Puerto Rico and the territories and possessions of the United States.

"(2) The term 'dependent' has the meaning given such term in section 1072(2) of this title.".

(b) CONFORMING AMENDMENTS.—(1) The heading of section 1490 of title 10, United States Code, is amended to read as follows:

"§ 1490. Transportation of remains: certain retired members and dependents who die in military medical facilities".

(2) The table of sections at the beginning of chapter 75 of such title is amended by striking out the item relating to section 1490 and inserting in lieu thereof the following:

"1490. Transportation of remains: certain retired members and dependents who die in military medical facilities.".

SEC. 620. AUTHORIZATION OF USE OF APPROPRIATED FUNDS FOR EXPENSES RELATING TO CERTAIN VOLUNTARY SERVICES.

Section 1588(c) of title 10, United States Code, is amended by striking out "may only be made from nonappropriated funds" in the third sentence and inserting in lieu thereof "may be made from appropriated or nonappropriated funds".

SEC. 621. AUTHORITY OF MEMBERS TO DEFER AUTHORIZED TRAVEL IN CONNECTION WITH CONSECUTIVE OVERSEAS TOURS.

Section 411b(a)(2) of title 37, United States Code, is amended to read as follows:

"(2) Under the regulations referred to in paragraph (1), the travel for which a member may be paid travel and transportation allowances under such paragraph may be deferred, at the election of the member, for up to one year after the date on which the member begins a consecutive tour of duty at the same duty station or reports to another duty station referred to in such paragraph, as the case may be.".

SEC. 622. SEPARATE MAINTENANCE ALLOWANCE FOR FEDERAL EMPLOYEES LOCATED AT JOHNSTON ISLAND.

(a) AUTHORITY.—(1) Chapter 59 of title 5, United States Code, is amended in subchapter IV by inserting after the matter relating to section 5942 the following new section:

"§ 5942a. Separate maintenance allowance for duty at Johnston Island

"(a) Notwithstanding section 5536 of this title, and under regulations prescribed by the President, an employee assigned to a post of duty at Johnston Island, a possession of the United States in the Pacific Ocean, is entitled to receive a separate maintenance allowance during the period of the assignment to that post if the head of the executive department or independent agency responsible for the assignment of the employee to that post—

"(1) designates Johnston Island as a remote duty site in accordance with the standard provided in section 5942 of this title; and

"(2) finds that it is necessary for the employee to maintain the employee's spouse or dependents at a location other than Johnston Island—

"(A) by reason of dangerous or adverse living conditions at Johnston Island; or

"(B) for the convenience of the Federal Government.

"(b) The amount of the separate maintenance allowance payable under subsection (a) shall be equal to the amount of the separate maintenance allowance payable under section 5924(3) of this title.".

(2) The table of sections at the beginning of chapter 59 of such title is amended in the matter relating to subchapter IV by inserting after the item relating to section 5942 the following new item:

"5942a. Separate maintenance allowance for duty at Johnston Island.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply with respect to months beginning on or after such date.

SEC. 623. AUTHORITY TO ELECT AMOUNT OF STANDARD ANNUITY UNDER SUPPLEMENTAL SURVIVOR BENEFIT PLAN.

(a) AUTHORITY TO ELECT AMOUNT.—Section 1457(b) of title 10, United States Code, is amended by striking out "20 percent of the base amount under the Survivor Benefit Plan of the person providing the annuity" and inserting in lieu thereof "5, 10, 15, or 20 percent of the base amount under the Survivor Benefit Plan of the person providing the annuity, as specified by that person when electing to provide such annuity".

(b) REDUCTION IN RETIRED PAY.—Section 1460(b)(2) of such title is amended by inserting before the period the following: "and, in the case of a person providing a supplemental spouse annuity computed under section 1457(b) of this title, a constant percentage of such person's base amount for each 5 percent increment specified in accordance with such section".

SEC. 624. WAIVER OF REDUCTION OF RETIRED PAY UNDER SPECIFIED CONDITIONS.

(a) WAIVER AUTHORITY.—(1) Chapter 71 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1413. Waiver of reduction of retired pay for certain Federal civilian service

"(a) The applicability of section 5532 of title 5 may be waived in accordance with subsection (b) for employees in positions in the legislative branch for which there is exceptional difficulty in recruiting and retaining qualified employees.

"(b) The waiver authority under subsection (a) may be exercised—

"(1) in the case of a position in the House of Representatives, under procedures established by the Committee on House Administration of the House of Representatives; and

"(2) in the case of a position in the Senate, under procedures established by the Committee on Rules of the Senate.".

(2) The table of sections for such chapter is amended by adding at the end the following new item:

"1413. Waiver of reduction of retired pay for certain Federal civilian service.".

(b) EFFECTIVE DATE.—This section shall be effective with respect to months that begin on or after the date of the enactment of this Act.

SEC. 625. PAYMENT OF SURVIVOR ANNUITY TO A REPRESENTATIVE OF A LEGALLY INCOMPETENT PERSON.

(a) FAMILY PROTECTION PLAN ANNUITY.—(1) Subchapter I of chapter 73 of title 10, United States Code, is amended by inserting after section 1444 the following new section:

"§ 1444a. Regulations regarding payment of annuity to a representative payee

"(a) The regulations prescribed pursuant to section 1444(a) of this title shall provide procedures for the payment of an annuity under this subchapter in the case of—

"(1) a person for whom a guardian or other fiduciary has been appointed under the law of the State in which the person resides; and

"(2) a minor, mentally incompetent, or otherwise legally disabled person for whom a guardian or other fiduciary has not been appointed.

"(b) The regulations may include provisions for the following:

"(1) In the case of an annuitant referred to in subsection (a)(1), payment of the annuity to the appointed guardian or other fiduciary.

"(2) In the case of an annuitant referred to in subsection (a)(2), payment of the annuity to any person who, in the judgment of the Secretary concerned, is responsible for the care of the annuitant.

"(3) Subject to paragraphs (4) and (5), a requirement for the payee of an annuity to spend or invest the amounts paid on behalf of the annuitant solely for benefit of the annuitant.

"(4) Authority for the Secretary concerned to permit the payee to withhold from the annuity payment such amount, not in excess of 4 percent of the annuity, as the Secretary concerned considers a reasonable fee for the fiduciary services of the payee when a court appointment order provides for payment of such a fee to the payee for such services or the Secretary concerned determines that payment of a fee to such payee is necessary in order to obtain the fiduciary services of the payee.

"(5) Authority for the Secretary concerned to require the payee to provide a surety bond in an amount sufficient to protect the interests of the annuitant and to pay for such bond out of the annuity.

"(6) A requirement for the payee of an annuity to maintain and, upon request, to provide to the Secretary concerned an accounting of expenditures and investments of amounts paid to the payee.

"(7) In the case of an annuitant referred to in subsection (a)(2)—

"(A) procedures for determining incompetency and for selecting a payee to represent the annuitant for the purposes of this section, including provisions for notifying the annuitant of the actions being taken to make such a determination and to select a representative payee, an opportunity for the annuitant to review the evidence being considered, and an opportunity for the annuitant to submit additional evidence before the determination is made; and

"(B) standards for determining incompetency, including standards for determining the sufficiency of medical evidence and other evidence.

"(8) Provisions for any other matters that the President considers appropriate in connection with the payment of an annuity in the case of a person referred to in subsection (a).

"(c) An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to subsection (a) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

(2) The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 1444 the following:

"1444a. Regulations regarding payment of annuity to a representative payee.".

(b) SURVIVOR BENEFIT PLAN ANNUITY.—Section 1455 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "The President"; and

(2) by adding at the end the following new subsection:

"(b)(1) The regulations prescribed pursuant to subsection (a) shall provide procedures for the payment of an annuity under this subchapter in the case of persons referred to in section 1444a(a) of this title.

"(2) The regulations may include the provisions set out in section 1444a(b) of this title.

"(3) An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to paragraph (1) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

SEC. 626. INCREASED AUTHORITY FOR WAIVER OF CLAIMS FOR RECOUPMENT OF OVERPAYMENTS OF PAY, ALLOWANCES, AND EXPENSES.

(a) AMENDMENT TO TITLE 5.—Section 5584(a)(2)(A) of title 5, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$2,500".

(b) AMENDMENT TO TITLE 10.—Section 2774(a)(2)(A) of title 10, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$2,500".

(c) AMENDMENT TO TITLE 32.—Section 716(a)(2)(A) of title 32, United States Code, is amended by striking out "$500" and inserting in lieu thereof "$2,500".

SEC. 627. EXTENSION OF FOREIGN POST DIFFERENTIALS TO CERTAIN FEDERAL EMPLOYEES WHO SERVED IN CONNECTION WITH OPERATION DESERT STORM.

(a) AUTHORIZATION OF PAYMENT OF FOREIGN POST DIFFERENTIALS.—Civilian employees of the Department of Defense and the Department of State who served on temporary duty in connection with Operation Desert Storm during the Persian Gulf conflict for a period of more than 41 days in that area designated by the President in Executive Order 12744 as a combat zone are authorized payment of the foreign post differential established under section 5925(a) of title 5, United States Code. This section shall apply only with regard to service performed before the date of the enactment of this Act.

(b) DEFINITIONS.—For the purpose of this section the terms "Operation Desert Storm" and "Persian Gulf conflict" shall have the same meaning as such terms are defined under section 3 (1) and (3) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (10 U.S.C. 101 note), respectively.

PART C—MATTERS RELATED TO CONTINGENCY OPERATIONS

SEC. 641. CONTINGENCY OPERATION DEFINED.

(a) TITLE 10.—Section 101 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(47) The term 'contingency operation' means a military operation that—

"(A) is designated by the Secretary of Defense as an operation in which members of the armed forces are or may become involved in military actions, operations, or hostilities against an enemy of the United States or against an opposing military force; or

"(B) results in the call or order to, or retention on, active duty of members of the armed forces under section 672(a), 673, 673b, 673c, 688, 3500, or 8500 of this title, chapter 15 of this title, or any other provision of law during a war declared by Congress or during a national emergency declared by the President or Congress.".

(b) TITLE 37.—Section 101 of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(26) The term 'contingency operation' has the meaning given that term in section 101(47) of title 10.".

SEC. 642. TREATMENT OF ACCRUED LEAVE.

(a) MEMBERS WHO DIE WHILE ON ACTIVE DUTY.—Section 501(d) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(d)";

(2) by striking out "However," in the third sentence and inserting in lieu thereof "Except as provided in paragraph (2),"; and

(3) by adding at the end the following new paragraph:

"(2) In the case of a member of the uniformed services who dies as a result of an injury or illness incurred while serving on active duty in support of a contingency operation, the limitations in the second sentence of subsection (b)(3), subsection (f), and the second sentence of subsection (g) shall not apply with respect to a payment made under this subsection for leave accrued during the contingency operation.".

(b) OTHER MEMBERS.—Section 501(b) of such title is amended by adding at the end the following new paragraph:

"(5) The limitation in the second sentence of paragraph (3) and in subsection (f) shall not apply with respect to leave accrued by any of the following members of the armed forces while serving on active duty in support of a contingency operation:

"(A) A member of a reserve component, including a member of the Retired Reserve.

"(B) A retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps.

"(C) A member of the Fleet Reserve or Fleet Marine Corps Reserve.".

SEC. 643. AUTHORIZATION TO EXCEED CEILING ON ACCUMULATION OF LEAVE.

Section 701(f) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(f)";

(2) by striking "Leave" in the last sentence and inserting in lieu thereof "Except as provided in paragraph (2), leave"; and

(3) by adding at the end the following new paragraphs:

"(2) Under the uniform regulations referred to in paragraph (1), a member of an armed force who serves on active duty in a duty assignment in support of a contingency operation during a fiscal year and who, except for this paragraph—

"(A) would otherwise lose any accumulated leave in excess of 60 days at the end of that fiscal year, shall be permitted to retain such leave (not to exceed 90 days) until the end of the succeeding fiscal year; or

"(B) would otherwise lose any accumulated leave in excess of 60 days at the end of the succeeding fiscal year (other than by reason of subparagraph (A)), shall be permitted to retain such leave (not to exceed 90 days) until the end of the next succeeding fiscal year.".

SEC. 644. SAVINGS PROGRAM FOR MEMBERS IN A MISSING STATUS AND OVERSEAS MEMBERS.

(a) Missing Members.—Subsection (b) of section 1035 of title 10, United States Code, is amended—

(1) by striking out "the Vietnam conflict or during the Persian Gulf conflict" in the second sentence and inserting in lieu thereof "the period of the Vietnam conflict, the period of the Persian Gulf conflict, or the period of a contingency operation"; and

(2) by striking out the last sentence.

(b) Other Members.—Such section is further amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) The Secretary of Defense may authorize a member of the armed forces who is on a temporary duty assignment outside of the United States or its possessions in support of a contingency operation to make deposits of unallotted current pay and allowances during that duty as provided in subsection (a). The Secretary shall prescribe regulations establishing standards and procedures for the administration of this subsection.".

(c) Definitions.—Subsection (g) of such section (as redesignated by subsection (b)(1)) is amended to read as follows:

"(g) In this section:

"(1) The term 'missing status' has the meaning given that term in section 551(2) of title 37.

"(2) The term 'period of the Vietnam conflict' means the period beginning on February 28, 1961, and ending on May 7, 1975.

"(3) The term 'period of the Persian Gulf conflict' means the period beginning on January 16, 1991, and ending on the date thereafter prescribed by Presidential proclamation or by law.".

SEC. 645. BASIC ALLOWANCE FOR QUARTERS FOR CERTAIN RESERVES WITHOUT DEPENDENTS.

(a) Payment Required.—Section 403(d) of title 37, United States Code, is amended—

(1) by inserting "(1)" after "(d)"; and

(2) by adding at the end the following new paragraph:

"(2) A member of a reserve component without dependents who is called or ordered to active duty in support of a contingency operation (other than a member who is authorized transportation of household goods under section 406 of this title as part of that call or order) may not be denied a basic allowance for quarters if, because of that call or order, the member is unable to continue to occupy a residence—

"(A) which is maintained as the primary residence of the member at the time of the call or order; and

"(B) which is owned by the member or for which the member is responsible for rental payments.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to calls or orders of members of the reserve components of the Armed Forces to active duty on or after that date.

SEC. 646. DETERMINATION OF VARIABLE HOUSING ALLOWANCE FOR RESERVES AND RETIREES RECALLED TO ACTIVE DUTY.

Section 403a(a) of title 37, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) In the case of a member described in subparagraph (B) who is assigned to duty away from the member's principal place of residence (determined as prescribed by the Secretary of Defense), the member shall be considered to be assigned to duty at that residence for the purpose of determining the entitlement of the member to a variable housing allowance under this section.

"(B) A member referred to in subparagraph (A) is a member of a uniformed service who—

"(i) is a member of a reserve component called or ordered to active duty (other than for training) or is a retired member ordered to active duty under section 688(a) of title 10; and

"(ii) is not authorized transportation of household goods under section 406 of this title from the member's principal place of residence to the place of that duty assignment.".

SEC. 647. MEDICAL, DENTAL, AND NONPHYSICIAN SPECIAL PAYS FOR RESERVE, RECALLED, OR RETAINED HEALTH CARE OFFICERS.

(a) Eligibility for Special Pay.—Chapter 5 of title 37, United States Code, is amended by inserting after section 302e the following new section:

"§ 302f. Special pays for reserve, recalled, or retained health care officers

"(a) Eligible for Special Pay.—A health care officer described in subsection (b) shall be eligible for special pay under section 302, 302a, 302b, 302e, or 303 of this title (whichever applies) notwithstanding any requirement in those sections that—

"(1) the call or order of the officer to active duty be for a period of not less than one year; or

"(2) the officer execute a written agreement to remain on active duty for a period of not less than one year.

"(b) Health Care Officers Described.—A health care officer referred to in subsection (a) is an officer of the armed forces who, except for not meeting a requirement referred to in that subsection, is otherwise eligible for special pay under section 302, 302a, 302b, 302e, or 303 of this title and who—

"(1) is a reserve officer on active duty (other than for training) under a call or order to active duty for a period of more than 30 days but less than one year;

"(2) is involuntarily retained on active duty under section 673c of title 10, or is recalled to active duty under section 688 of title 10, for a period of more than 30 days; or

"(3) voluntarily agrees to remain on active duty for a period of less than one year at a time when—

"(A) officers are involuntarily retained on active duty under section 673c of title 10; or

"(B) the Secretary of Defense determines (pursuant to regulations prescribed by the Secretary) that special circumstances justify the payment of special pay pursuant to this section.

"(c) Monthly Payments.—Payment of special pay pursuant to this section may be made on a monthly basis. The officer shall refund any amount received pursuant to this section in excess of the amount that corresponds to the actual period of active duty served by the officer.

"(d) Special Rule for Reserve Medical Officer.—While a reserve medical officer receives a special pay under section 302 of this title by reason of subsection (a), the officer shall not be entitled to special pay under subsection (h) of that section.".

(b) Table of Sections.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302e the following new item:

"302f. Special pays for reserve, recalled, or retained health care officers.".

SEC. 648. INCREASE IN IMMINENT DANGER PAY.

Section 310(a) of title 37, United States Code, is amended by striking out "lowest rate for hazardous duty incentive pay specified in section 301(c)(1) of this title" and inserting in lieu thereof "rate for hazardous duty incentive pay specified for pay grade E-5 in section 301(b) of this title".

SEC. 649. VARIABLE HOUSING ALLOWANCE.

Section 403a(b)(3) of title 37, United States Code, is amended by striking out "140 days" and inserting in lieu thereof "140 days, unless the call or order to active duty is in support of a contingency operation".

SEC. 650. INCREASE IN FAMILY SEPARATION ALLOWANCE.

(a) Increase in Allowance.—Section 427 of title 37, United States Code, is amended in subsection (b)(1) by striking out "$60" and inserting in lieu thereof "$75".

(b) Clerical Amendments.—Such section is further amended—

(1) in subsection (a), by inserting "Allowance Based on Basic Allowance of Quarters.—" after "(a)"; and

(2) in subsection (b), by inserting "Additional Separation Allowance.—" after "(b)".

SEC. 651. INCREASE IN AMOUNT OF DEATH GRATUITY.

(a) Increase.—Section 1478(a) of title 10, United States Code, is amended by striking out "equal to six months' pay" and all that follows through the period in the first sentence and inserting in lieu thereof "$6,000.".

(b) Clerical Amendment.—Such section is further amended by striking out "1475–1477" and inserting in lieu thereof "1475 through 1477".

SEC. 652. EXPANDED ELIGIBILITY OF CERTAIN HEALTH CARE OFFICERS FOR CERTAIN SPECIAL PAYS FOR SERVICE IN CONNECTION WITH OPERATION DESERT STORM.

Section 304(e) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 81; 37 U.S.C. 302 note) is amended by striking out "November 5, 1990" and inserting in lieu thereof "August 1, 1990".

TITLE VII—HEALTH CARE SERVICES

SEC. 701. AUTHORITY TO ESTABLISH SUPPLEMENTAL DENTAL BENEFITS PLANS FOR DEPENDENTS.

(a) Authority.—Subsection (a)(1) of section 1076a of title 10, United States Code, is amended by inserting "described in paragraphs (1) and (2) of subsection (d)" after "dental benefits plans".

(b) Benefits Under Supplemental Dental Plans.—Subsection (d) of such section is amended to read as follows:

"(d)(1) The Secretary of Defense may establish a basic dental benefits plan that provides only the following benefits:

"(A) Diagnostic, oral examination, and preventative services and palliative emergency care.

"(B) Basic restorative services of amalgam and composite restorations and stainless steel crowns for primary teeth, and dental appliance repairs.

"(2) The Secretary of Defense may establish one or more supplemental dental benefits plans for members enrolled in basic dental benefits plans referred to in paragraph (1). A supplemental dental benefit plan may provide such dental care benefits, in addition to benefits under a basic dental benefits plan, as the Secretary, after consultation with the other administering Secretaries, considers appropriate.".

(c) Premium for Supplemental Plans.—Subsection (b) of such section is amended—

(1) in paragraph (2), by striking out "plan under this section" and inserting in lieu thereof "basic dental benefits plan referred to in subsection (d)(1)"; and

(2) by adding at the end the following new paragraph (3):

"(3)(A) A member enrolled in a supplemental dental benefits plan under subsection (d)(2) shall pay a supplemental monthly premium for the member and the family of the member. The supplemental premium shall be in addition to the premium payable under paragraph (1) for the basic dental benefits plan in which the member is enrolled.

"(B) The premiums for a supplemental benefits plan shall be prescribed by the Secretary of Defense, after consultation with the other administering Secretaries, at such rate or rates as are necessary to ensure that the premiums pay the total cost of the benefits provided all covered members and dependents under the plan.".

(d) Copayments.—Subsection (e) of such section is amended to read as follows:

"(e)(1) A basic dental benefits plan under this section shall require that a member whose spouse or child receives care pursuant to the plan—

"(A) pay no charge for any care described in subsection (d)(1)(A); and

"(B) pay 20 percent of the charges for care described in subsection (d)(1)(B) or for care referred to in subsection (d)(2).

"(2) A supplemental dental benefits plan under this section may require a member enrolled in that plan to pay not more than 50 percent of the charges for orthodontic services, crowns, gold fillings, bridges, or complete or partial dentures that are received by the spouse or a child of the member, are covered by that plan, and are not covered by the basic dental benefits plan in which such member is enrolled.".

SEC. 702. HOSPICE CARE.

(a) Hospice Care for Dependents in Facilities of the Uniformed Services.—Section 1077 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) Notwithstanding subsection (b)(1), palliative care and support services in connection with hospice care may be provided under section 1076 of this title to a terminally ill patient who chooses (pursuant to regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries) to receive hospice care rather than continuing hospitalization or other health care services for treatment of the patient's terminal illness.

"(2) In this section, the term 'hospice care' has the meaning given such term in section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)), except that the palliative care and support services authorized to be provided under paragraph (1) shall be provided in facilities of the uniformed services.".

(b) Hospice Care for Dependents Under Contracts for Medical Care.—(1) Subsection (a) of section 1079 of title 10, United States Code, is amended—

(A) in paragraph (13), by striking out "clause (4)" and inserting in lieu thereof "paragraph (4)";

(B) by striking out "and" at the end of paragraph (14);

(C) by striking out the period and inserting in lieu thereof "; and" at the end of paragraph (15)(D); and

(D) by adding at the end the following new paragraph:

"(16) palliative care and support services may be provided in connection with hospice care (as such term is defined in section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)).".

(2) Subsection (j)(2)(B) of such section is amended by inserting "hospice program (as defined in section 1861(dd)(2) of the Social Security Act (42 U.S.C. 1395x(dd)(2))," after "home health agency,".

(3) Such section is amended by adding at the end the following new subsection:

"(n) The amount paid to a hospice program for care and services authorized in subsection (a)(16) shall be determined as provided in section 1814(i) of the Social Security Act (42 U.S.C. 1395f(i)).".

SEC. 703. IMPROVEMENT OF AVAILABILITY OF MENTAL HEALTH SERVICES UNDER CHAMPUS.

(a) Limitation on Reduction in Authorized Inpatient Care.—Section 1079(i)(1) of title 10, United States Code, is amended—

(1) by inserting "or" at the end of subparagraph (A);

(2) by striking out subparagraph (B); and

(3) by redesignating subparagraph (C) as subparagraph (B).

(b) Improvement of Inpatient Services.—Section 1079 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(o)(1) Contracts providing for inpatient mental health services under this section shall include provisions for partial hospitalization services.

"(2) Partial hospitalization services may be provided to a patient pursuant to a contract entered into under this section if—

"(A) full hospitalization for inpatient psychiatric care would be necessary for the patient if such services were not available;

"(B) a written plan of individualized treatment has been established for the patient; and

"(C) such services are furnished while the individual is under the care of a physician.

"(3) The daily rate of reimbursement payable to a provider of partial hospitalization services for the provision of such services (other than for physician services) shall be equal to 50 percent of the rate payable for full hospitalization services.

"(4) For the purpose of subsection (a)(6), one day of partial hospitalization services shall be considered ½ day of inpatient mental health services.

"(5)(A) In this subsection, the term 'partial hospitalization services' means items and services described in subparagraph (B) that are—

"(i) prescribed for a patient by a physician and provided to the patient by a physician (or under the direction of a physician) under a hospital-based program and pursuant to a written plan of individualized treatment;

"(ii) reasonable and necessary for the diagnosis of the patient's condition, the active treatment of the condition, or the prevention of a relapse or hospitalization of the patient; and

"(iii) are not provided on an overnight hospitalization basis.

"(B) The items and services referred to in subparagraph (A) are the following items and services:

"(i) Individual or group therapy with a physician or psychologist (or other mental health professional to the extent that such professional is permitted under applicable State law to provide the therapy).

"(ii) Occupational therapy requiring the skills of a qualified occupational therapist.

"(iii) Services of social workers, trained psychiatric nurses, and other staff trained to work with psychiatric patients.

"(iv) Therapeutic drugs that cannot (as determined in accordance with regulations prescribed by the administering Secretaries) be self-administered by the patient.

"(v) Individualized activity therapies that are not primarily recreational or diversionary.

"(vi) Family counseling directed primarily toward treatment of the patient's condition.

"(vii) Patient training and education directly related to the care and treatment of the patient.

"(viii) Diagnostic services.

"(ix) Such other items and services as the Secretary considers appropriate (but in no event to include meals and transportation).

"(C) In this subsection, the term 'written plan of individualized treatment' means a written plan for a patient that—

"(i) sets forth a physician's diagnosis of the patient's condition;

"(ii) sets forth the type, amount, frequency, and duration of partial hospitalization services recommended by the physician for the patient;

"(iii) establishes treatment goals for the patient; and

"(iv) provides for the periodic review of the plan by the physician (in consultation, as appropriate, with other health care professionals participating in the course of treatment of the patient).".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall take effect immediately after the amendment made to section 1079(i) of title 10, United States Code, by section 703(b) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1581) as amended by section 316(a) of the Persian Gulf Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 87).

SEC. 704. BLOOD-LEAD LEVEL SCREENINGS OF DEPENDENT INFANTS OF MEMBERS OF THE UNIFORMED SERVICES.

Section 1077(a)(8) of title 10, United States Code, is amended by inserting before the period the following: ", including well-baby care that includes one screening of an infant for the level of lead in the blood of the infant".

SEC. 705. INELIGIBILITY OF FLAG OFFICERS FOR MULTIYEAR RETENTION BONUS FOR MEDICAL OFFICERS.

(a) Repeal.—Section 201 of Public Law 102–27 (105 Stat. 139) is repealed.

(b) Savings Provision.—(1) A medical officer of the Armed Forces who has received any payment of a bonus under section 301d of title 37, United States Code, by reason of the enactment of section 201 of Public Law 102–27 may not be required to reimburse the United States for such payment.

(2)(A) Subject to subparagraph (B), a written agreement referred to in section 301d(a)(1) of title 37, United States Code, that was entered into on or after April 10, 1991, and before the date of the enactment of this Act by a medical officer of the Armed Forces referred to in section 201 of Public Law 102–27 in exchange for a payment (or a promise of payment) of a bonus under section 301d of such title shall be terminated as of the end of the month following the month in which this Act is enacted.

(B) A written agreement referred to in subparagraph (A) that was entered into by an officer referred to in paragraph (1) shall terminate at the end of the later of—

(i) the month of termination determined under such subparagraph; or

(ii) the period covered by the bonus payment or payments received by that officer as described in such paragraph.

SEC. 706. EXPANSION OF CHAMPUS COVERAGE TO INCLUDE CERTAIN MEDICARE PARTICIPANTS.

(a) Eligibility of Disabled Persons.—Section 1086 of title 10, United States Code, is amended by striking out subsection (d) and inserting in lieu thereof the following new subsection:

"(d)(1) A person who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) or supplementary medical insurance benefits under part B of such title (42 U.S.C. 1395j et seq.) is not eligible for health benefits under this section.

"(2) The prohibition contained in paragraph (1) shall not apply in the case of a person referred to in subsection (c)(1) who—

"(A) is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2)); or

"(B) would be entitled to those benefits pursuant to such subparagraph except for the age of such person being 65 years or older.".

(b) Conforming Amendments to Section 1086.—Section 1086 of such title is further amended—

(1) in subsection (c)—

(A) by striking out "The following" and inserting in lieu thereof "Except as provided in subsection (d)(1), the following"; and

(B) by striking out the sentence following paragraph (3); and

(2) in subsection (g), by striking out "Notwithstanding subsection (d) or any other provision of this chapter," and inserting in lieu thereof "Section 1079(j) of this title shall apply to a plan contracted for under this section, except that".

(c) CHAMPUS To Be Second Payer.—Paragraph (1) of section 1079(j) of title 10, United States Code, is amended to read as follows:

"(1) A benefit may not be paid under a plan covered by this section in the case of any person to the extent that such person is entitled to the same benefit under—

"(A) an insurance, medical service, or health plan in which such person is enrolled, other than a plan administered under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); or

"(B) part A or B of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).".

(d) Other Conforming Amendments.—Section 613(d) of title 38, United States Code, is amended—

(1) by striking out "the second sentence of section 1086(c)" and inserting in lieu thereof "section 1086(d)(1)"; and

(2) by inserting "or supplementary medical insurance benefits under part B of such title" after "(42 U.S.C. 1395c et seq.)".

(e) Application of Amendments and Transitional Provisions.—(1) Subsection (d) of section 1086 of title 10, United States Code, as amended by subsection (a), shall apply with respect to health care benefits or services received by a person described in subsection (d) of such section—

(A) on or after the date of enactment of this Act; and

(B) in the case of a person described in paragraph (2) of such subsection, before that date to the extent that those benefits or services were paid for by that person and would have been covered under a plan contracted for under such section if received on that date.

(2) The Secretary of Defense shall by regulation prescribe the manner in which persons described in section 1086(d)(2) of such title may submit and receive payment for claims based on benefits or services before the date of the enactment of this Act.

(3) To be considered for payment under paragraph (2), each claim that is based on benefits received before the date of the enactment of this Act shall be submitted to the Secretary of Defense not later than two years after the date on which the Secretary first prescribes regulations under such paragraph.

SEC. 707. NONAVAILABILITY OF HEALTH CARE STATEMENTS.

(a) Consideration of Availability of Contract Care.—Chapter 55 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1105. Issuance of nonavailability of health care statements

"In determining whether to issue a nonavailability of health care statement for any person entitled to health care in facilities of the uniformed services under this chapter, the commanding officer of such a facility may consider the availability of health care services for such person pursuant to any contract or agreement entered into under this chapter for the provision of health care services within the area served by that facility.".

(b) Table of Sections.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1105. Issuance of nonavailability of health care statements.".

SEC. 708. SUBMITTAL OF CLAIMS FOR PAYMENT FOR SERVICES UNDER CHAMPUS.

(a) Submittal of Claims Under CHAMPUS.—(1) Chapter 55 of title 10, United States Code, as amended by section 707, is further amended by adding at the end the following new section:

"§ 1106. Submittal of claims under CHAMPUS

"Each provider of services under the Civilian Health and Medical Program of the Uniformed Services shall submit claims for payment for such services directly to the claims processing office designated pursuant to joint regulations prescribed by the administering Secretaries. A claim for payment for services shall be submitted in a standard form (as prescribed in the joint regulations) not later than one year after the services are provided.".

(2) The table of sections at the beginning of such chapter, as amended by section 707, is further amended by adding at the end the following new item:

"1106. Submittal of claims under CHAMPUS.".

(b) Regulations.—The joint regulations required by section 1106 of title 10, United States Code (as added by subsection (a)), shall take effect not later than 120 days after the date of the enactment of this Act.

SEC. 709. EXTENSION OF DEADLINE FOR REGULATIONS RELATING TO THE USE OF DIAGNOSIS-RELATED GROUPS FOR ALLOCATION OF RESOURCES TO HEALTH CARE FACILITIES OF THE UNIFORMED SERVICES.

Section 724 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (103 Stat. 1478; 10 U.S.C. 1101 note) is amended by striking out "October 1, 1991" and inserting in lieu thereof "October 1, 1993".

SEC. 710. AUTHORITY TO USE THE COMPOSITE HEALTH CARE SYSTEM AT A MILITARY MEDICAL FACILITY WHEN COST EFFECTIVE.

Subsection (h)(1) of section 704 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3900), as added by section 717(c)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1586) is amended by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Secretary may authorize the use of the Composite Health Care System to provide information systems support in a military medical treatment facility that is not involved in the operational test and evaluation phase referred to in subsection (b) on November 5, 1990, if the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that the use of the Composite Health Care System in that facility is the most cost-effective method for providing automated operations at the facility.".

SEC. 711. ADMINISTRATION OF THE MANAGED-CARE MODEL OF UNIFORMED SERVICES TREATMENT FACILITIES.

(a) Designation of Facilities of the Uniformed Services Treatment Facilities.—(1) The Secretary of Defense may designate a facility referred to in paragraph (2) as a facility of the uniformed services for the purposes of chapter 55 of title 10, United States Code.

(2) Paragraph (1) applies with respect to any facility owned, operated, or staffed by Uniformed Services Treatment Facilities that is authorized, pursuant to an agreement entered into with the Secretary of Defense, to provide medical and dental care for persons eligible to receive such care in facilities of the uniformed services under the provisions of chapter 55 of title 10, United States Code.

(b) Reimbursement for Care.—A facility designated pursuant to subsection (a) may be reimbursed for medical and dental care provided by such facility pursuant to the agreement referred to in subsection (a)(2) in accordance with—

(1) the reimbursement procedure established for approved facilities under section 911(c) of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c(c)); or

(2) an alternative payment mechanism provided for in section 1252(b) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(b)).

(c) Authority To Terminate Designation.—The designation of a facility under subsection (a)(1) may be terminated in accordance with the procedure provided under section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)).

SEC. 712. TRANSITIONAL HEALTH CARE.

(a) Health Care Provided.—Chapter 55 of title 10, United States Code, is amended—

(1) by redesignating section 1074b as section 1074c; and

(2) by inserting after section 1074a the following new section:

"§ 1074b. Transitional medical and dental care: members released from active duty performed in support of a contingency operation

"(a) Health Care Provided.—A member of the armed forces described in subsection (b), and the dependents of that member, shall be entitled to receive health care described in subsection (c) upon the release of the member from active duty served in support of a contingency operation. The entitlement to such care under this section shall terminate on the earlier of—

"(1) the date 30 days after the date of the release of the member from active duty; or

"(2) the date on which the member and the dependents of the member become covered by a health care plan sponsored by an employer.

"(b) ELIGIBLE MEMBER DESCRIBED.—A member of the armed forces referred to in subsection (a) is a member who—

"(1) is a member of a reserve component called or ordered to active duty in support of a contingency operation;

"(2) is involuntarily retained on active duty under section 673c of this title in support of a contingency operation; or

"(3) voluntarily agrees to remain on active duty for a period of less than one year in support of a contingency operation.

"(c) HEALTH CARE DESCRIBED.—A person entitled to health care under subsection (a) is entitled to—

"(1) medical and dental care under section 1076 of this title in the same manner as a dependent described in subsection (a)(2) of that section; and

"(2) health benefits contracted under the authority of section 1079(a) of this title, subject to the same rates and conditions as apply to persons covered by that section.

"(d) EXCLUSIONS.—This section does not apply in the case of a dismissal, dishonorable discharge, or bad conduct discharge adjudged by a court-martial or a discharge under other than honorable conditions (as defined in regulations prescribed by the Secretary concerned).".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter is amended by striking out the item relating to section 1074b and inserting in lieu thereof the following new items:

"1074b. Transitional medical and dental care:
members released from active
duty performed in support of a
contingency operation.
"1074c. Medical care: authority to provide a
wig.".

(c) APPLICABILITY.—Section 1074b of title 10, United States Code, as added by subsection (a)(2), shall apply with respect to releases from active duty referred to in that section on or after the date of the enactment of this Act.

SEC. 713. COMPREHENSIVE STUDY OF THE MILITARY HEALTH-CARE SYSTEM.

(a) REQUIREMENT FOR STUDY AND REPORT.—The Secretary of Defense shall conduct a comprehensive study of the military medical care system and shall, not later than December 15, 1992, submit to the congressional defense committees a report on the study.

(b) CONDUCT OF STUDY.—The Secretary shall include as part of the study the following:

(1) A survey of members of the Armed Forces (including retired members), retired former members of the Armed Forces, and their dependents in order to—

(A) determine their attitudes regarding—

(i) the quality and availability of health and dental care under the military medical care system; and

(ii) the premiums, fees, copayments, and other charges imposed under that system; and

(B) identify other major areas of concern to such persons regarding the military medical care system.

(2) A comprehensive review of the existing methods of providing health and dental care through civilian health and dental care programs that are available as alternatives to the methods for providing such care through the existing military medical care system, including the results of experimental use of such alternative methods by the Department and the level of satisfaction of the persons who have received health or dental care pursuant to the experimental use of such alternative methods.

(c) CONTENT OF REPORT.—The report required by subsection (a) shall include the following:

(1) With respect to the military medical care system, the following:

(A) The costs of the system during fiscal year 1992 and the projected costs of such system during each of the five fiscal years following such fiscal year.

(B) The Department's policies regarding the imposition of premiums, fees, copayments, and other charges under the system.

(C) Any plans of the Department to increase or reduce such premiums, fees, copayments, or other charges, stated by the category of the services for which the charge is imposed and by the status as a current member of the Armed Forces, dependent of a member, retired member or former member of the Armed Forces, or dependent of a retired member or former member.

(D) An evaluation (organized by armed force and by State and foreign country) of the availability of health and dental care to the members of the Armed Forces (including retired members), retired former members of the Armed Forces, and their dependents, including any deficiency in the availability of such care.

(E) A comparison (stated by armed force and by State and foreign country) of the availability of health and dental care in facilities of the uniformed services to dependents of members of the Armed Forces with the availability of such care to such dependents pursuant to contract plans, including the average delay in gaining access to such care.

(F) A comparison of the costs of providing such care in facilities of the uniformed services with the costs of providing such care pursuant to regional indemnity contract plans and health maintenance organization contract plans, stated in terms of cost per member of the Armed Forces and cost per family of such members.

(G) An evaluation of the quality and availability of preventive health and dental care.

(H) An evaluation of the adequacy of existing regulations to ensure that the existing and future availability of appropriate health care for disabled active and reserve members of the Armed Forces is adequate.

(I) An assessment of the quality and availability of mental health services for members of the Armed Forces and their dependents.

(J) An assessment of the qualifications of the personnel involved in the Department of Defense review of the utilization of mental health benefits provided under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS).

(K) An evaluation of the efficacy of the actions taken by the Department to ensure that individuals carrying out medical or financial evaluations under the system make such disclosures of personal financial matters as are necessary to ensure that financial considerations do not improperly affect such evaluations.

(L) An evaluation of the adequacy of the existing appeals process and of existing procedures to ensure the protection of patient rights.

(M) Any other information that the Secretary determines appropriate.

(2) The results of the survey conducted pursuant to subsection (b)(1).

(3) With respect to the review conducted pursuant to subsection (b)(2), the following matters:

(A) The results of the review.

(B) A discussion of the existing methods available for providing health and dental care to retired members and former members of the Armed Forces and their dependents, including through Medicare risk contractors, as alternatives to the existing methods of providing health and dental care to such persons under the military medical care system.

(C) A description of any plans of the Department to use any alternative methods referred to in subparagraph (B) to ensure that suitable health and dental care is available to dependents of members of the Armed Forces (including dependents of retired members) and to retired former members of the Armed Forces and their dependents.

(D) A proposal for purchasing health care for persons referred to in subparagraph (C) through private sector managed care programs, together with a discussion of the cost-effectiveness and practicality of doing so within the military medical care system.

(E) Any other information that the Secretary determines appropriate.

(d) DEFINITION.—In this section, the term "military medical care system" means the program of medical and dental care provided for under chapter 55 of title 10, United States Code.

SEC. 714. AUTHORITY TO EXTEND CHAMPUS REFORM INITIATIVE.

(a) AUTHORITY.—Upon the termination (for any reason) of the contract of the Department of Defense in effect on the date of the enactment of this Act under the CHAMPUS reform initiative established under section 702 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 1073 note), the Secretary of Defense may enter into a replacement or successor contract, with the same or a different contractor, and for such amount, as may be determined in accordance with applicable procurement laws and regulations and without regard to any limitation (enacted before, on, or after the date of the enactment of this Act) on the availability of funds for that purpose.

(b) TREATMENT OF LIMITATION ON FUNDS FOR PROGRAM.—No provision of law stated as a limitation on the availability of funds may be treated as constituting the extension of, or as requiring the extension of, any contract under the CHAMPUS reform initiative that would otherwise expire in accordance with its terms.

SEC. 715. REGISTRY OF MEMBERS OF THE ARMED FORCES EXPOSED TO FUMES OF BURNING OIL IN CONNECTION WITH OPERATION DESERT STORM.

(a) ESTABLISHMENT OF REGISTRY.—The Secretary of Defense shall (with the advice of an independent scientific organization) establish and maintain a special record relating to members of the Armed Forces who, as determined by the Secretary, were exposed to the fumes of burning oil in the Operation Desert Storm theater of operations during the Persian Gulf conflict (hereafter in this section referred to as the "Registry").

(b) CONTENTS OF REGISTRY.—The Registry shall include—

(1) a list containing the name of each member of the Armed Forces referred to in subsection (a); and

(2) a description of the circumstances (including the length) of each exposure of that member to the fumes of burning oil as described in subsection (a).

(c) REPORTING REQUIREMENT RELATING TO EXPOSURE STUDIES.—The Secretary shall annually submit to Congress with the budget submitted under section 1105 of title 31, United States Code, a report on the on-going studies on the members of the Armed Forces referred to in subsection (a) to determine the health consequences (including any short- or long-term consequences) of the exposure of such members to the fumes of burning oil (as described in subsection (a)), and on any need for additional studies relating to the exposure of such members to such fumes.

(d) MEDICAL EXAMINATION.—Upon the request of any member listed in the Registry, the Secretary of the military department concerned shall, if medically appropriate, furnish a pulmonary function examination and chest x-ray to such person.

(e) EFFECTIVE DATE.—The Secretary shall establish the Registry not later than 180 days after the date of the enactment of this Act.

(f) DEFINITIONS.—In this section:

(1) The term "Operation Desert Storm" has the meaning given such term in section 3(1) of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 77; 10 U.S.C. 101 note).

(2) The term "Persian Gulf conflict" has the meaning given such term in section 3(3) of such Act.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

PART A—INDUSTRIAL AND TECHNOLOGY BASE INITIATIVES

SEC. 801. DEVELOPMENT OF CRITICAL TECHNOLOGIES.

(a) ESTABLISHMENT OF NEW TITLE 10 CHAPTER FOR CRITICAL TECHNOLOGY PROVISIONS.—Title 10, United States Code, is amended by inserting after chapter 149 the following new chapter 150:

"CHAPTER 150—DEVELOPMENT OF CRITICAL TECHNOLOGIES

"Sec.
"2521. Definitions.
"2522. Annual defense critical technologies plan.
"2523. Defense dual-use critical technology partnerships.
"2524. Critical technology application centers assistance program.
"2525. Clearinghouse for foreign defense critical technology monitoring and assessment.
"2526. Overseas foreign critical technology monitoring and assessment grant program.

"§ 2521. Definitions

"In this chapter:

"(1) The terms 'Federal laboratory' and 'laboratory' have the meaning given the term 'laboratory' in section 12(d)(2) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(2)).

"(2) The term 'critical technology' means—

"(A) a national critical technology;

"(B) an emerging technology; and

"(C) a defense critical technology.

"(3) The term 'national critical technology' means a technology that—

"(A) appears on the list of national critical technologies contained in a biennial report on national critical technologies submitted to Congress by the President pursuant to section 603(d) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683(d)); and

"(B) has not been expressly deleted from such list by such a report subsequently submitted to Congress by the President.

"(4) The term 'emerging technology' means a technology that—

"(A) appears on an emerging technologies list submitted to Congress by the Secretary of Commerce; and

"(B) has not been expressly deleted from such list by an emerging technologies list subsequently submitted to Congress by the Secretary.

"(5) The term 'defense critical technology' means a technology that—

"(A) appears on the list of critical technologies contained in an annual defense critical technologies plan submitted to Congress by the Secretary of Defense pursuant to section 2522 of this title; and

"(B) has not been expressly deleted from such list by such a plan subsequently submitted to Congress by the Secretary.

"(6) The term 'dual-use critical technology' means a critical technology that has military applications and nonmilitary commercial applications.

"(7) The term 'eligible firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(B) is a company or other business entity the majority ownership or control of which is in United States citizens or is a company or other business that is owned by a parent company that is incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States, and

includes a consortium of such companies or other business entities, as determined by the Secretary of Commerce.

"(8) The term 'Pacific Rim country' means a foreign country located on or near the periphery of the Pacific Ocean.".

(b) TRANSFER OF SECTION.—(1) Section 2508 of title 10, United States Code, is redesignated as section 2522 and, as redesignated, is transferred to the end of chapter 150 of such title (as added by subsection (a)).

(2) The table of sections of chapter 148 is amended by striking out the item relating to section 2508.

(c) SUPPORT FOR DEVELOPMENT OF CRITICAL TECHNOLOGIES.—Chapter 150 of title 10, United States Code, as added by subsection (a), is amended by inserting after section 2522 of such title (as transferred to such chapter by subsection (b)) the following new sections:

"§ 2523. Defense dual-use critical technology partnerships

"(a) ESTABLISHMENT OF PARTNERSHIPS.—The Secretary of Defense shall conduct a program providing for the establishment of cooperative arrangements (hereafter in this section referred to as a 'partnerships') between the Department of Defense and entities referred to in subsection (b) in order to encourage and provide for research and development of dual-use critical technologies. The Secretary may enter into cooperative agreements pursuant to section 2371 of this title to establish the partnerships.

"(b) PARTNERSHIP PARTICIPANTS.—Each partnership shall be composed of participants from two or more eligible firms and may include one or more Federal laboratories, institutions of higher education, agencies of State governments, and any other participants that the Secretary considers appropriate.

"(c) LEAD INSTITUTION.—The participants in each partnership shall designate a lead institution for the partnership. The lead institution shall direct the activities of the partnership.

"(d) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—The non-Federal Government participants in a partnership shall contribute at least 50 percent of the total cost of the partnership activities. Each proposal for the establishment of a partnership shall demonstrate the commitment of such participants to meeting the financial requirement of this subsection.

"(e) PROTECTION OF INFORMATION.—(1) Subject to paragraph (2), a participant in a partnership may disclose information on the research and development activities of the partnership to the same extent that a Federal laboratory may disclose information under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) and all other applicable provisions of law.

"(2) No officer or employee of the Federal Government may disclose any trade secret or commercial or financial information that is privileged or confidential within the meaning of section 552(b)(4) of title 5 and is obtained from a non-Federal Government participant in a partnership as a result of the activities of the partnership, regardless of whether such activities are subject to the Stevenson-Wydler Technology Innovation Act of 1980. The prohibition in the preceding sentence does not apply to a disclosure made with the consent of such participant.

"(f) ASSISTANCE AUTHORIZED.—The Secretary of Defense may provide a partnership with technical and other assistance to facilitate the achievement of the purposes of this section.

"(g) SELECTION PROCESS.—(1) Proposals for partnerships shall be evaluated on the basis of merit pursuant to a competitive selection process prescribed by the Secretary of Defense.

"(2) The Secretary shall consult with the Secretary of Commerce and the Director of the Office of Science and Technology Policy in prescribing the competitive selection process and in making selections for the establishment of partnerships pursuant to such process.

"(h) SELECTION CRITERIA.—The criteria for the selection of proposed partnerships for establishment under this section shall include the following:

"(1) A likelihood that there will not be timely private sector investment in activities to achieve the goals and objectives of the proposed partnership other than through the partnership.

"(2) Significant potential for the research and development conducted by such partnership to enhance the national security or economic prosperity of the United States.

"(3) The potential effectiveness of the programs proposed by the partnership for the transfer of technology among partnership participants and by other means.

"(4) The sufficiency of the breadth of the participation of eligible firms in the partnership to ensure that there will be competition in the application of the results of partnership activities to the production of marketable products and the development of marketable processes.

"(5) The extent of the financial commitment of eligible firms to the proposed partnership.

"(6) Such other criteria that the Secretary prescribes.

"§ 2524. Critical technology application centers assistance program

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense, in consultation and coordination with the Secretary of Commerce, shall conduct a program to provide assistance for the activities of eligible regional critical technology application centers in the United States.

"(b) ELIGIBLE CENTERS.—A regional critical technology application center is eligible for assistance under the program if—

"(1) the purpose of the center is to facilitate the use of one or more national critical technologies for commercial purposes by an industry in the region served by that center in order to enhance the development and economic sustainability of the capability of that industry to compete effectively on an international scale and thereby to maintain within the United States industrial capabilities that are vital to the national security of the United States; and

"(2) the center meets the other requirements of this section.

"(c) PROGRAM PARTICIPANTS.—(1) The participants in a critical technology application center—

"(A) shall include—

"(i) eligible firms that conduct business in the region of the United States served or to be served by the center; and

"(ii) a sponsoring agency in such region; and

"(B) may include other organizations considered appropriate by the Secretary of Defense.

"(2)(A) A sponsoring agency of a center may be any agency described in subparagraph (B) that, as determined by the Secretary, provides adequate assurances that it will—

"(i) meet the financial requirement in subsection (d); and

"(ii) provide assistance in the management of the center.

"(B) An agency referred to in subparagraph (A) is—

"(i) any agency of a State or local government;

"(ii) any organization established pursuant to an agreement entered into by two or more States or local governments;

"(iii) any organization performing functions pursuant to such an agreement; or

"(iv) any membership organization in which a State or local government is a member.

"(d) ASSISTANCE AUTHORIZED.—(1) Under the program, the Secretary may provide—

"(A) financial assistance for the activities of a critical technology application center (including, in the case of a proposed center, the establishment of such center) in any amount not in excess of 30 percent of the cost of conducting such activities (including the cost of establishing a proposed center) during the period covered by the financial assistance; and

"(B) technical assistance for the activities (and, in the case of a proposed center, the establishment) of a center awarded financial assistance authorized by subparagraph (A).

"(2) The Secretary may not provide financial assistance for construction of facilities.

"(3) The Secretary may furnish assistance to a critical technology application center under the program for not more than six years.

"(e) FINANCIAL CONTRIBUTIONS OF CENTER PARTICIPANTS.—(1) The sponsoring agency of a critical technology application center shall pay at least 30 percent of the total cost incurred each year for the activities of the center. Funds contributed for the activities of the center by institutions of higher education or private, nonprofit organizations participating in the center shall be considered as funds contributed by the sponsoring agency.

"(2) The eligible firms participating in a center shall pay at least 40 percent of the total cost incurred each year for the activities of the center.

"(3) If the right to use or license the results of any research and development activity of a center is limited by participants in the center to one or more, but less than all, of the eligible firms participating in the center, the non-Federal Government participants in the center shall pay the total cost incurred for such activity. The cost incurred in a year for all such activities may not exceed 15 percent of the total cost incurred in such year for all activities of the center.

"(f) MANAGEMENT PLAN.—A critical technology application center shall operate under a management plan that includes provisions for the eligible firms participating in the center to have the primary responsibility for directing the activities of the center and to exercise that responsibility through, among any other means, majority voting membership of such firms on the board of directors of the center.

"(g) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(h) SELECTION CRITERIA.—The criteria for selection of a center to receive financial assistance under this section shall include the following:

"(1) The potential for the activities of the center to result in—

"(A) increased international competitiveness and productivity of eligible firms; and

"(B) the emergence in such region of highly productive new firms that are capable of competing on an international scale.

"(2) The expected level of actual and potential involvement of eligible firms in the center.

"(3) The potential for the center to be able to apply critical technology research and development supported or conducted by Federal laboratories and institutions of higher education.

"(4) The potential for the center to sustain itself through support from industry and other non-Federal Government sources after termination of the Federal assistance provided pursuant to this section.

"(5) The level of involvement of appropriate State and local agencies, institutions of higher education, and private, nonprofit entities in the center.

"(6) Such other criteria as the Secretary prescribes.

"§2525. Clearinghouse for foreign defense critical technology monitoring and assessment

"(a) IN GENERAL.—There is, within the Office of the Director of Defense Research and Engineering, an office known as the 'Clearinghouse of Foreign Defense Technology Monitoring and Assessment'.

"(b) RELATIONSHIP TO DEPARTMENT OF COMMERCE.—The head of the clearinghouse shall consult closely with appropriate officials of the Department of Commerce in order—

"(1) to minimize the duplication of any effort of the Department of Commerce by the Department of Defense regarding defense critical technologies having potential commercial uses; and

"(2) to ensure that the clearinghouse is effectively utilized to disseminate information to users of such information within the Federal Government.

"(c) RESPONSIBILITIES.—The clearinghouse shall have the following responsibilities:

"(1) To maintain within the Department of Defense a central library for the compilation and appropriate dissemination of unclassified and classified information and assessments regarding significant foreign activities in research, development, and applications of defense critical technologies.

"(2) To establish and maintain—

"(A) a widely accessible unclassified data base of information and assessments regarding foreign science and technology activities that involve defense critical technologies, including, especially, activities in Europe and in Pacific Rim countries; and

"(B) a classified data base of information and assessments regarding such activities.

"(3) To perform liaison activities among the military departments, Defense Agencies, other appropriate offices within the Department of Defense, and appropriate agencies and offices within the Department of Commerce, the Department of State, and other departments and agencies of the Federal Government in order to ensure that significant activities in research, development, and applications of defense critical technologies are identified, monitored, and assessed by an appropriate department or agency of the Federal Government.

"(4) To ensure the maximum practicable public availability of information and assessments contained in the unclassified and classified data bases established pursuant to paragraph (2) by—

"(A) limiting, to the maximum practicable extent, restrictive classification of such information and assessments; and

"(B) disseminating to the Department of Commerce information and assessments regarding defense critical technologies having potential commercial uses.

"(5) To cooperate with the Department of Commerce in the dissemination of unclassified information and assessments regarding defense critical technologies having potential commercial uses so that such information and assessments may be further disseminated within the Federal Government and to the private sector.

"§2526. Overseas foreign critical technology monitoring and assessment grant program

"(a) ESTABLISHMENT AND PURPOSE OF PROGRAM.—The Secretary of Defense shall establish a foreign critical technology monitoring and assessment grant program. Under the program, the Secretary shall award grants to one or more organizations referred to in subsection (b) in order to provide grantees with financial assistance for the establishment of foreign critical technology monitoring and assessment offices in Europe, Pacific Rim countries, and such other countries as the Secretary considers appropriate.

"(b) ELIGIBLE GRANTEES.—Any not-for-profit industrial or professional organization that has economic and scientific interests in research, development, and applications of commercial critical technologies is eligible for a grant under the program.

"(c) REQUIRED GRANTEE ACTIVITIES.—Each privately operated, foreign critical technology monitoring and assessment office supported in part with the proceeds of a grant or grants awarded under this section to an organization referred to in subsection (b) shall collect, evaluate, and disseminate within the organization and to the Department of Defense and the Department of Commerce assessments of significant activities in research, development, and applications of critical technologies that are conducted in the geographic area in which the office is located.

"(d) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (d) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(e) LIMITATION.—Grant assistance may be provided to a foreign critical technology monitoring and assessment office under this section for not more than six years.".

(d) REPEAL.—(1) Section 2368 of title 10, United States Code, is repealed.

(2) The table of sections of chapter 139 is amended by striking out the item relating to section 2368.

(e) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 201, there shall be available for the following purposes the amounts specified for such purposes, as follows:

(1) For each of fiscal years 1992 and 1993, to carry out section 2523 of title 10, United States Code (as added by subsection (c)), relating to dual-use critical technology partnerships, as follows:

(A) For the Defense Advanced Research Projects Agency, $100,000,000.

(B) For the Army, $10,000,000.

(C) For the Navy, $20,000,000.

(D) For the Department of the Air Force, $40,000,000.

(2) For the critical technologies application centers program established pursuant to section 2524 of title 10, United States Code (as added by subsection (c)), as follows:

(A) For fiscal year 1992, $50,000,000.

(B) For fiscal year 1993, $75,000,000.

(3) For each of fiscal years 1992 and 1993, for the Clearinghouse for Foreign Defense Technology Monitoring and Assessment established pursuant to section 2525 of title 10, United States Code (as added by subsection (c)), $10,000,000.

(4) For the overseas foreign critical technology monitoring and assessment grant program established pursuant to section 2526 of title 10, United States Code (as added by subsection (c)), as follows:

(A) For fiscal year 1992, $7,500,000.

(B) For fiscal year 1993, $10,000,000.

(f) TECHNICAL AMENDMENTS NECESSITATED BY THE ENACTMENT OF THE NEW CHAPTER 150.—(1) Part IV of subtitle A of title 10, United States Code, is amended as follows:

(A) Strike out the heading of chapter 151 and insert in lieu thereof the following:

"SUBCHAPTER II—ISSUE OF SERVICEABLE MATERIAL OTHER THAN TO THE ARMED FORCES".

(B) Strike out the heading of the chapter 150 in effect on the day before the date of the enactment of this Act (relating to issue to Armed Forces) and the table of sections of such chapter and insert in lieu thereof the following:

"CHAPTER 152—ISSUE OF SUPPLIES, SERVICES, AND FACILITIES

"SUBCHAPTER	Sec.
"I. Issue to the Armed Forces	2540
"II. Issue of Serviceable Material Other Than to the Armed Forces	2541

"SUBCHAPTER I—ISSUE TO THE ARMED FORCES

"Sec.

"2540. Reserve components: supplies, services, and facilities.".

(C) Redesignate the section 2521 in effect on the day before the date of the enactment of this Act (relating to reserve components: supplies, services, and facilities) as section 2540.

(2) The tables of chapters at the beginning of subtitle A of title 10, United States Code, and of part IV of such subtitle are each amended by striking out the items relating to chapters 150 and 151 and inserting in lieu thereof the following:

"150. Development of Critical Technologies 2521

"152. Issue of Supplies, Services, and Facilities .... 2540".

SEC. 802. NATIONAL CRITICAL TECHNOLOGY STRATEGIC ROAD MAPS.

(a) REQUIREMENT FOR STRATEGIC ROAD MAPS.—(1) The President, acting through the Federal Coordinating Council for Science, Engineering, and Technology, shall submit to Congress, at least once every two years, a multiyear strategic road map for each national critical technology (hereafter in this section referred to as a "national critical technology strategic road map" or "strategic road map").

(2) Each strategic road map shall cover at least the four fiscal years following the fiscal year in which the strategic road map is submitted to Congress and may cover more than one national critical technology.

(3) In developing a strategic road map, the Council shall consult with appropriate representatives of United States industry interested in the national critical technology or technologies covered by the strategic road map and with an appropriate national critical technologies advisory committee established pursuant to subsection (c).

(b) CONTENT OF STRATEGIC ROAD MAP.—(1) Each national critical technology strategic road map shall—

(A) provide an assessment of the current strengths and weaknesses in the national capability of the United States to develop and apply the technology or technologies covered by the strategic road map and the sources of such strengths and weaknesses, including an assessment of the current activities of United States industry, institutions of higher education in the United States, the Federal Government, and State and local governments which enhance or hinder the development and application of such technology or technologies;

(B) in light of such assessment, provide guidance for the conduct and coordination of the activities of the Federal Government that are directed toward enhancing the development or application of the national critical technology or technologies covered by the strategic road map;

(C) specify the goals and priorities of such activities;

(D) provide guidance for the appropriate roles of each department and agency of the Federal Government, United States industry, and institutions of higher education in the United States in implementing the strategic road map; and

(E) provide guidance for increasing access to foreign sources of the technology or technologies covered by the strategic road map through international cooperation.

(2) Each national critical technology strategic road map shall identify the joint actions that are feasible and desirable for departments and agencies of the Federal Government to take—

(A) to ensure that the results of federally funded and federally conducted research and development of the national critical technology or technologies covered by the strategic road map are appropriately disseminated to United States industry;

(B) to encourage and enhance the use of such results by United States industry; and

(C) to provide for the education and training of personnel engaged in research and development of such national critical technology or technologies.

(3) Each national critical technology strategic road map for a national critical technology or technologies (other than the first strategic road map covering such technology or technologies) shall include a discussion of the achievements of the activities conducted pursuant to the preceding strategic road map for such technology or technologies issued pursuant to subsection (a). The discussion shall include—

(A) an analysis of the progress made toward achieving the goals and objectives of the strategic road map;

(B) a summary of the budgets of the departments and agencies of the Federal Government for research and development of such national critical technology or technologies for the first two fiscal years covered by such preceding strategic road map; and

(C) any additional actions or recommendations for legislation necessary to carry out the provisions of this section and the provisions of such strategic road map.

(c) NATIONAL CRITICAL TECHNOLOGIES ADVISORY COMMITTEES.—(1) The Director of the Office of Science and Technology Policy shall establish one or more national critical technologies advisory committees to ensure that expert advice on each national critical technology is available to the Federal Coordinating Council for Science, Engineering, and Technology for the purposes of carrying out the responsibilities of the Council under this section.

(2) Each such advisory committee shall consist of members appointed by the Director from among representatives of United States industry, members of industry associations, representatives of labor organizations in the United States, members of professional and technical societies in the United States, and other persons who are qualified to provide the Council with advice and assistance in the development of one or more national critical technology strategic road maps.

(3) The Director shall designate a member of each advisory committee to serve as the chairman of the advisory committee.

(4) Each advisory committee shall, for each national critical technology within the purview of such committee, provide the Council with its independent assessment of—

(A) the goals and priorities for the development and applications of that national critical technology, including an assessment of the extent to which the achievement of such goals and priorities will ensure continued United States leadership in that technology;

(B) the specific programs and activities that the Federal Government must conduct as complements to the activities of United States industry in order to accomplish such goals and priorities;

(C) the progress made in implementing the national critical technology strategic road map for that technology;

(D) any need to revise such strategic road map;

(E) the balance between the components of the strategic road map; and

(F) any other issues identified by the Director.

(5) A national critical technologies advisory committee shall assist in the development of, and shall review, the first national

critical technology strategic road map for each national critical technology within the purview of such advisory committee before that strategic road map is submitted to Congress. With regard to that strategic road map, the advisory committee shall provide the Council with its independent assessment of the matters described in subparagraphs (A), (B), (D), (E), and (F) of paragraph (4).

(d) RESPONSIBILITIES OF THE COUNCIL.—The Federal Coordinating Council for Science, Engineering, and Technology shall—

(1) serve as the lead organization within the Federal Government responsible for—

(A) the development of each national critical technology strategic road map; and

(B) the interagency coordination of the Federal Government activities conducted pursuant to such road map;

(2) report to the President on a biennial basis on any recommended changes in departmental or agency responsibilities that are necessary for better implementation of the strategic road map;

(3) each year before the submission of the budget to Congress pursuant to section 1105 of title 31, United States Code, review the budget concerning the consistency of the budget with each national critical technology strategic road map and make the results of that review available to appropriate officials within the Executive Office of the President; and

(4) in carrying out its responsibilities under this section—

(A) obtain analyses and assessments from the Critical Technologies Institute established by section 822 of the National Defense Authorization Act for Fiscal Year 1991 (42 U.S.C. 6686), as appropriate; and

(B) consider any reports of and studies conducted by (i) departments and agencies within the executive branch, (ii) Congress, (iii) the National Research Council, (iv) industry associations, or (v) other persons and organizations.

(e) SUBMISSION OF INITIAL ROAD MAPS.—(1) The President shall establish a schedule for the submission of the initial national critical technology strategic road maps to Congress at regular intervals between the date of the enactment of this Act and October 1, 1996. The schedule shall provide for the submission of at least three such strategic road maps not later than a date within one year after the date of the enactment of this Act.

(2) The President shall submit each initial national critical technology strategic road map to Congress not later than the earlier of the submission date specified for such strategic road map in the schedule established pursuant to paragraph (1) or the date on which the strategic road map is completed.

(f) DEFINITION.—In this section, the term "national critical technology" has the meaning given such term in section 2521 of title 10, United States Code, as added by section 801.

SEC. 803. ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.

(a) AUTHORITY TO ESTABLISH PARTNERSHIPS.—Chapter 149 of title 10, United States Code, is amended by adding at the end the following new section:

"§2518. Defense Advanced Manufacturing Technology Partnerships

"(a) ESTABLISHMENT OF PARTNERSHIPS.—(1) The Secretary of Defense may enter into cooperative arrangements (hereafter referred to in this section as "partnerships") with entities referred to in paragraph (2) of this title in order to encourage and provide for research and development of advanced manufacturing technologies with the potential for having a broad range of applications.

"(2) Each partnership shall be composed of participants from two or more eligible firms and may include one or more Federal laboratories, institutions of higher education in the United States, State entities, and any other participants that the Secretary of Defense considers appropriate.

"(b) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(c) SELECTION CRITERIA.—The criteria for the selection of proposed Partnerships for establishment under this section shall include the following criteria:

"(1) The provisions for minimizing the potential health, safety, and environmental hazards of the advanced manufacturing activities proposed for development by the Partnership.

"(2) The criteria specified in section 2523(h) of this title.

"(d) DEFINITIONS.—In this section the terms 'eligible firm' and 'Federal laboratory' have the meanings given such terms in section 2521 of this title.".

(b) ESTABLISHMENT OF INITIAL PARTNERSHIPS.—Not later than one year after the date of enactment of this Act, the Secretary of Defense shall establish three or more advanced manufacturing technology partnerships pursuant to section 2518 of title 10, United States Code, as added by subsection (a).

(c) FUNDING.—(1) Of the amounts authorized to be appropriated pursuant to section 201, $50,000,000 shall be available for each of fiscal years 1992 and 1993 to carry out section 2518 of title 10, United States Code, as added by subsection (a).

(2) Of the amounts authorized to be appropriated pursuant to section 201, $5,000,000 shall be available for each of fiscal years 1992 and 1993 for activities relating to advanced manufacturing technology that are carried out by United States industry, institutions of higher education in the United States, or Federal laboratories under the authority of bilateral or multilateral technology agreements entered into by the United States and other nations. The amount of such funds allocated for each such activity may not exceed one-third of the total estimated cost of carrying out that activity for the period for which the funds are to be provided.

SEC. 804. MANUFACTURING EXTENSION PROGRAMS.

(a) REVISION OF AUTHORITY.—Section 2517 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "The Secretary of Defense,";

(2) in the first sentence—

(A) by striking out "the defense subtier industry" and inserting in lieu thereof "defense foundation firms"; and

(B) by striking out "and other existing organizations" and all that follows through "manufactured parts"; and

(3) by adding at the end the following new subsection:

"(b)(1) The Secretary of Defense shall establish a program—

"(A) to support manufacturing extension programs of States, local governments, and private, nonprofit organizations;

"(B) to promote the development of a broad range of such programs, including programs that provide for in-factory assistance, teaching factories, computer-integrated manufacturing centers, advanced manufacturing technology testbeds, flexible manufacturing networks, group services, service centers, industry association technology activities, and other productivity and quality improvement activities; and

"(C) to increase the involvement of appropriate segments of the private sector, especially key customers of foundation firms, vendors of advanced manufacturing equipment, and industry and professional organizations, in activities that improve the manufacturing quality, productivity, and performance of foundation firms.

"(2)(A) There is a Council on Manufacturing Extension.

"(B) The Council is composed of ten members as follows:

"(i) Three members designated by the Secretary of Defense from among personnel in the Department of Defense.

"(ii) Three members designated by the Secretary of Commerce from among officers and employees of the Department of Commerce.

"(iii) One member designated by the Secretary of Energy from among officers and employees of the Department of Energy.

"(iv) One member designated by the Secretary of Labor from among officers and employees of the Department of Labor.

"(v) One member designated by the Administrator of the National Aeronautics and Space Administration from among officers and employees of the National Aeronautics and Space Administration.

"(vi) One member designated by the Director of the National Science Foundation from among officers and employees of the National Science Foundation.

"(C) The Secretary of Defense shall designate a member of the Council to serve as chairman for each even numbered year. The Secretary of Commerce shall designate a member of the Council to serve as chairman for each odd numbered year.

"(D) The Council shall have the following responsibilities:

"(i) To prescribe policies and procedures for the implementation of the program established under this subsection.

"(ii) To serve as a means for coordinating such program with related programs conducted by the Department of Energy, the Department of Labor, the National Aeronautics and Space Administration, the National Science Foundation, and other departments and agencies of the Federal Government.

"(iii) To develop a long-range strategic plan for the manufacturing extension activities of the Federal Government.

"(3) Any State government, any local government, any private, nonprofit institution, any group of State governments, local governments, or private, nonprofit institutions, and any consortium of private, nonprofit institutions may submit to the Council an application for financial assistance under this subsection in accordance with the procedures prescribed by the Council. The Council shall encourage multi-State applications when cooperation among States in the direction and delivery of program services serves the purposes of the program.

"(4) The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this subsection as apply under subsections (c) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(5) In awarding financial assistance under the program, the Council shall select manufacturing extension programs that demonstrate in the applications for assistance the following:

"(A) Evidence that the program—

"(i) will be carried out by a staff that includes personnel who have significant experience in industrial manufacturing;

"(ii) is capable of providing in-factory assistance to foundation firms, as appropriate; and

"(iii) proposes an approach that integrates technology, training, management, and other appropriate factors.

"(B) Significant involvement by and support from private industry (especially key customers of the foundation firms to be served by the program, vendors of advanced manufacturing equipment, and appropriate industry and professional organizations) in the planning, directing, delivery, and financing of assistance to foundation firms.

"(C) The potential for assisting a significant number of foundation firms with a limited expenditure of federal funds.

"(6)(A) The amount of financial assistance furnished to a manufacturing extension program under this subsection may not exceed 50 percent of the estimated cost of carrying out the program for the period for which the assistance is to be provided. Financial assistance shall be provided to a recipient program for a period of at least five years unless such financial assistance is earlier terminated for good cause determined by the Secretary. The amount to be furnished shall be determined on the basis of the availability of funds for furnishing such assistance, and other factors that the Secretary considers appropriate.

"(B) Subparagraph (A) does not prohibit a recipient program from reapplying for financial assistance under this subsection upon expiration or termination of the furnishing of financial assistance. The application for additional financial assistance shall be subject to the requirements and procedures set out in this subsection in the same manner and to the same extent as initial applications for financial assistance under this subsection.".

(b) DEFINITIONS.—Section 2511 of title 10, United States Code, is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following new paragraphs:

"(1) The term 'manufacturing technology' means processes, equipment, techniques, practices, capabilities (including organizational and management practices and capabilities), and skills (including worker skills) that are applied in ways intended—

"(A) to improve the efficiency by which a product similar in character to existing products is designed, developed, tested, and manufactured;

"(B) to reduce the cost of designing or producing a product;

"(C) to improve the quality of a product, including the reliability, functionality, and maintainability of the product; or

"(D) to expand the technical capability to design, develop, test, and manufacture a product that is fundamentally different in character from existing products.

"(2) The term 'manufacturing extension program' means a public or private, nonprofit program for the improvement of the quality, productivity, and performance of small and medium-sized manufacturing firms in the United States.

"(3) The term 'foundation firm' means a company or other business entity that, as determined by the Secretary of Commerce—

"(A) engages in manufacturing;

"(B) has less than 500 employees;

"(C) conducts a significant level of its research, development, engineering, and manufacturing activities in the United States; and

"(D) is a company or other business entity the majority ownership or control of which is in United States citizens or is a company or other business entity of a parent company that is incorporated in a country the government of which—

"(i) encourages the participation of firms so owned or controlled in research and development consortia to which the government of that country provides funding directly or provides funding indirectly through international organizations; and

"(ii) affords adequate and effective protection for the intellectual property rights of companies incorporated in the United States.".

(c) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 201, the following amounts shall be available to carry out section 2517(b) of title 10, United States Code (as added by subsection (a)(3)), as follows:

(1) For fiscal year 1992, $50,000,000.

(2) For fiscal year 1993, $65,000,000.

SEC. 805. DEFENSE MANUFACTURING EDUCATION.

(a) DEFINITIONS.—Section 2196 of title 10, United States Code, is amended to read as follows:

"§ 2199. Definitions

"In this chapter:

"(1) The term 'defense laboratory' means a laboratory operated by the Department of Defense or owned by the Department of Defense and operated by a contractor or a facility of a Defense Agency at which research and development activities are conducted.

"(2) The term 'institution of higher education' has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

"(3) The term 'regional center for the transfer of manufacturing technology' means a regional center for the transfer of manufacturing technology referred to in section 25(a) of the National Institute of Standards and Technology Act (15 U.S.C. 278k).".

(b) ESTABLISHMENT OF PROGRAMS.—(1) Chapter 111 of title 10, United States Code, is amended further by inserting after section 2195 the following new sections 2196 and 2197:

"§ 2196. Manufacturing engineering education grants

"(a) ESTABLISHMENT OF GRANT PROGRAM.—The Secretary of Defense, in consultation with the Director of the National Science Foundation and the Director of the Office of Science and Technology Policy, shall establish a program for the Secretary to make grants to institutions of higher education for the following purposes:

"(1) To support the enhancement of existing programs in manufacturing engineering education that are conducted by grantee institutions and that meet the requirements of subsection (f).

"(2) To support the establishment at grantee institutions of new programs in manufacturing engineering education that meet such requirements.

"(b) NEW PROGRAMS IN MANUFACTURING ENGINEERING EDUCATION.—For the purpose of subsection (a)(2), a program in manufacturing engineering education to be established at an institution of higher education may be considered new regardless of whether the program is to be conducted—

"(1) within an existing department in a school of engineering of the grantee institution of higher education;

"(2) within a manufacturing engineering department to be established separately from the existing departments within such school of engineering; or

"(3) within a manufacturing engineering school or center to be established separately from an existing school of engineering of such institution.

"(c) MINIMUM NUMBER OF GRANTS FOR NEW PROGRAMS.—Of the total number of grants awarded pursuant to this section, at least one-third shall be awarded for the purpose stated in subsection (a)(2).

"(d) GEOGRAPHICAL DISTRIBUTION OF GRANTS.—In awarding grants under this subsection, the Secretary shall, to the maximum extent practicable, avoid geographical concentration of grant awards.

"(e) COORDINATION OF GRANT PROGRAM WITH THE NATIONAL SCIENCE FOUNDATION.—The Secretary of Defense and the Director of the National Science Foundation shall enter into an agreement for carrying out the grant program established pursuant to this section. The agreement shall include procedures to ensure that the grant program is fully coordinated with similar existing education programs of the National Science Foundation.

"(f) COVERED PROGRAMS.—(1) A program of engineering education supported with a grant awarded pursuant to this section shall meet the requirements of this subsection.

"(2) The program of education shall be conducted at the undergraduate level, the graduate level, or both the undergraduate and graduate levels.

"(3) The program of education shall be a consolidated and integrated multidisciplinary program of education having each of the following components:

"(A) Multidisciplinary instruction that encompasses the total manufacturing engineering enterprise and that may include—

"(i) manufacturing engineering education and training through classroom activities, laboratory activities, thesis projects, individual or team projects, and visits to industrial facilities, consortia, or centers of excellence in the United States and foreign countries;

"(ii) faculty development programs;

"(iii) recruitment of educators highly qualified in manufacturing engineering;

"(iv) presentation of seminars, workshops, and training for the development of specific research or education skills; and

"(v) activities involving interaction between the institution of higher education conducting the program and industry, including programs for visiting scholars or industry executives.

"(B) Opportunities for students to obtain work experience in manufacturing through such activities as internships, summer job placements, or cooperative work-study programs.

"(C) Faculty and student research that is directly related to, and supportive of, the education of undergraduate or graduate students in advanced manufacturing science and technology because of—

"(i) the increased understanding of advanced manufacturing science and technology that is derived from such research; and

"(ii) the enhanced quality and effectiveness of the instruction that result from that increased understanding.

"(g) GRANT PROPOSALS.—The Secretary of Defense, in coordination with the Director of the National Science Foundation, shall solicit from institutions of higher education in the United States proposals for grants to be made pursuant to this section for the support of programs of manufacturing engineering education that are consistent with the purposes of this section.

"(h) Merit Competition.—Applications for grants shall be evaluated on the basis of merit pursuant to competitive procedures prescribed by the Secretary of Defense in consultation with the Director of the National Science Foundation.

"(i) Selection Criteria.—The Secretary may select a proposal for the award of a grant pursuant to this title if the proposal, at a minimum—

"(1) contains innovative approaches for improving engineering education in manufacturing technology;

"(2) demonstrates a strong commitment by the proponents to apply the resources necessary to achieve the objectives for which the grant is to be made;

"(3) provides for the conduct of research that supports the instruction to be provided in the proposed program and is likely to improve manufacturing engineering and technology;

"(4) demonstrates a significant level of involvement of United States industry in the proposed instructional and research activities;

"(5) is likely to attract superior students;

"(6) proposes to involve fully qualified faculty personnel who are experienced in research and education in areas associated with manufacturing engineering and technology;

"(7) proposes a program that, within three years after the grant is made, is likely to attract from sources other than the Federal Government the financial and other support necessary to sustain such program; and

"(8) proposes to achieve a significant level of participation by women, members of minority groups, and disabled persons through active recruitment of students from among such persons.

"(j) Federal Support.—The amount of financial assistance furnished to an institution under this section may not exceed 50 percent of the estimated cost of carrying out the activities proposed to be supported in part with such financial assistance for the period for which the assistance is to be provided.

"§ 2197. Manufacturing managers in the classroom

"(a) Establishment of Program.—The Secretary of Defense, in consultation with the Secretary of Commerce, shall conduct a program to support the following activities of one or more manufacturing managers and experts at such institution:

"(1) Identifying the education and training requirements of United States manufacturing firms located in the same geographic region as such institution.

"(2) Assisting in the development of teaching curricula for classroom and in-factory education and training classes.

"(3) Teaching such classes and overseeing the teaching of such classes by others.

"(4) Improving the knowledge and expertise of permanent faculty and staff of the institution.

"(5) Marketing the programs and facilities of the institution to firms referred to in paragraph (1).

"(6) Coordinating the activities described in the other provisions of this subsection with other programs conducted by the Federal Government, any State, any local government, or any private, nonprofit organization to modernize United States manufacturing firms, especially the regional centers for the transfer of manufacturing technology and programs receiving financial assistance under section 2196(b) of this title.

"(b) Administration of Program.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (g) of section 2523 of this title in the case of the dual-use critical technologies partnerships program provided for in that section.

"(c) Selection Criteria.—The Secretary shall select applications for the award of financial assistance under this section that—

"(1) demonstrate that the proposed activities are of an appropriate scale and a sufficient quality to ensure long term improvement in the applicant's capability to serve the education and training needs of United States manufacturing firms in the same region as the applicant;

"(2) demonstrate a significant level of industry involvement and support;

"(3) demonstrate attention to the needs of any United States industries that supply manufactured products to the Department of Defense or to a contractor of the Department of Defense; and

"(4) meet such other criteria as the Secretary may prescribe.

"(d) Federal Support.—The amount of financial assistance furnished to an institution under this section may not exceed 50 percent of the estimated cost of carrying out the activities proposed to be supported in part with such financial assistance for the period for which the assistance is to be provided. In no event may the amount of the financial assistance provided to an institution exceed $250,000 per year. The period for which financial assistance is provided an institution under this section shall be at least two years unless such assistance is earlier terminated for good cause determined by the Secretary.".

(2) The table of sections at the beginning of such chapter is amended by striking out the item relating to 2196 and inserting in lieu thereof the following:

"2196. Manufacturing engineering education grants.
"2197. Manufacturing managers in the classroom.
"2199. Definitions.".

(c) Initial Implementation.—Within one year after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Director of the National Science Foundation, shall award grants under section 2196 of title 10, United States Code (as added by subsection (b)), to at least 10 institutions of higher education across the United States.

(d) Funding.—Of the amounts authorized to be appropriated pursuant to section 201, there shall be available for—

(1) the manufacturing engineering education grant program established pursuant to section 2196 of title 10, United States Code (as added by subsection (b)), $25,000,000 for each of fiscal years 1992 and 1993; and

(2) the manufacturing managers in the classroom Program established pursuant to section 2197 of such title (as added by subsection (b))—

(A) for fiscal year 1992, $5,000,000; and

(B) for fiscal year 1993, $10,000,000.

SEC. 806. COOPERATIVE AGREEMENTS AND OTHER TRANSACTIONS RELATING TO ADVANCED RESEARCH PROJECTS.

(a) Broadening of Authority.—Section 2371 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting "or a military department" after "Defense Advanced Research Projects Agency"; and

(B) by inserting before the period at the end the following: "and may authorize the Secretary of the military department concerned to enter into such agreements and other transactions";

(2) in subsection (b)—

(A) in paragraph (1), by striking out "by the Secretary"; and

(B) in paragraph (2), by striking out "account" each place it appears and inserting in lieu thereof "accounts"; and

(3) in subsection (e)—

(A) by striking out "an account" and inserting in lieu thereof "separate accounts for each of the military departments and the Defense Advanced Research Projects Agency"; and

(B) by striking out "such account" and inserting in lieu thereof "such accounts".

(b) Authority Made Permanent.—Subsection (g) of section 2371 of such title is repealed.

SEC. 807. DEFENSE INDUSTRIAL BASE.

(a) Evaluation of Use of Foreign Components by Defense Industrial Base.—(1) Not later than March 15, 1992, the Secretary of Defense shall submit to the congressional defense committees a plan for collecting and assessing information on the extent to which the defense industrial base of the United States—

(A) procures weapon systems, subsystems of weapon systems, components of weapon systems, and components of subsystems of weapon systems from foreign sources; and

(B) is dependent upon such foreign sources for the procurement of such weapon systems and such subsystems and components.

(2) The Secretary shall ensure that the plan provides for the collection and assessment of information relating procurements at the prime contactor level and the lower-level tiers of the defense industrial base of the United States.

(b) Identification of Barriers to Integration of Commercial and Defense Industrial Base.—(1) Not later than September 30, 1992, the Secretary of Defense shall submit to the congressional defense committees a plan for the removal of barriers to the effective integration of the commercial and defense sectors of the industrial base of the United States.

(2) The plan shall contain—

(A) the Secretary's recommendations for any legislation necessary to remove such barriers;

(B) a discussion of the actions to be taken by the Secretary to remove such barriers; and

(C) a summary of the information relied on in the development of the plan.

(3) The Secretary shall designate an official within the Office of the Secretary of Defense to develop the plan. In developing the plan, that official shall, in consultation with appropriate representatives of other departments and agencies of the Federal Government, State and local governments, and the private sector, identify and evaluate—

(A) the areas of industrial production in which a greater integration of commercial and defense activities would be beneficial for national defense purposes;

(B) any Federal, State, and local statutes, regulations, and policies that are barriers to the integration of such activities; and

(C) the actions necessary to remove the barriers to the integration of such activities.

SEC. 808. ANNUAL NATIONAL DEFENSE MANUFACTURING TECHNOLOGY PLAN.

(a) SUBMISSION OF ANNUAL PLAN TO CONGRESS.—Section 2513 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "a National" and inserting in lieu thereof "an annual National"; and

(2) by adding at the end the following new subsection:

"(e) The Secretary shall submit the annual Plan to Congress not later than March 15 of each year. The Plan may be submitted in classified and unclassified versions.".

(b) LIMITATION.—No funds appropriated for fiscal year 1992 or 1993 may be obligated for a manufacturing technology-related research and development activity unless that particular activity (1) is specifically included in the National Defense Manufacturing Technology Plan submitted to Congress during the preceding fiscal year pursuant to section 2513(a) of title 10, United States Code, (2) is required by law, or (3) is specifically approved by the Secretary of Defense.

SEC. 809. FLEXIBLE COMPUTER INTEGRATED MANUFACTURING PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall conduct a program for the development and use of advanced flexible computer integrated manufacturing capabilities in the Army, Navy, Air Force, and Marine Corps and the defense industrial base of the United States.

(b) RAPID ACQUISITION OF MANUFACTURED PARTS PROGRAM.—As part of the program, the Secretary of the Navy shall—

(1) continue to develop Rapid Acquisition of Manufactured Parts (RAMP) technologies and applications;

(2) attempt to establish full RAMP capabilities in all naval aviation and ship maintenance facilities and depots by January 1, 2000; and

(3) establish a center—

(A) to evaluate the potential for using Rapid Acquisition of Manufactured Parts-Flexible Computer Integrated Manufacturing (RAMP–FCIM) technology for previously unidentified applications at Department of Defense depot level maintenance facilities;

(B) to provide the means for rapid transfer of RAMP–FCIM technology within the Department of Defense; and

(C) to provide Department of Defense maintenance facilities with technical guidance and support for (i) initial training in the use of such technology, and (ii) the initial operation of RAMP–FCIM technology at such facilities.

(c) FUNDING.—(1) Of the amounts authorized to be appropriated pursuant to section 201 for fiscal years 1992 and 1993, $21,500,000 shall be available for each such fiscal year for the program conducted pursuant to subsection (a).

(2) Of the amount available under paragraph (1) for each such fiscal year—

(A) $11,500,000 shall be available to carry out subsection (b); and

(B) $4,000,000 shall be available for a grant to the Institute for Advanced Flexible Manufacturing Systems.

(d) PROHIBITION.—Funds appropriated or otherwise made available to the Department of the Army or the Department of the Air Force may not be obligated or expended to develop flexible computer integrated manufacturing capabilities that (1) would substantially duplicate the existing flexible computer integrated manufacturing capabilities of the Navy, or (2) cannot be achieved using the Navy's design for a rapid acquisition of manufactured parts (RAMP) system existing as of the date of the enactment of this Act.

SEC. 810. UNITED STATES-JAPAN MANAGEMENT TRAINING PROGRAMS.

(a) ESTABLISHMENT.—Chapter 111 of title 10, United States Code, as amended by section 805, is further amended by inserting after section 2197 the following new section 2198:

"§ 2198. Management training program in Japanese language and culture

"(a) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish a program to award grants on a competitive basis to United States institutions of higher education and other United States not-for-profit organizations for the conduct of programs for scientists, engineers, and managers to learn Japanese language and culture.

"(b) The Secretary of Defense shall prescribe in regulations the criteria for awarding a grant under the program for activities of an institution or organization referred to in subsection (a), including the following:

"(1) Whether scientists, engineers, and managers of defense laboratories and Department of Energy laboratories are permitted a level of participation in such activities that is beneficial to the development and application of defense critical technologies by such laboratories.

"(2) Whether such activities include the placement of United States scientists, engineers, and managers in Japanese government and industry laboratories—

"(A) to improve the knowledge of such scientists, engineers, and managers in (i) Japanese language and culture, and (ii) the research and development and management practices of such laboratories; and

"(B) to provide opportunities for the encouragement of technology transfer from Japan to the United States.

"(3) Whether an appropriate share of the costs of such activities will be paid out of funds derived from non-Federal Government sources.

"(c) In this section, the term 'defense critical technology' means a technology identified in an annual defense critical technologies plan submitted to the Congress under section 2522 of this title.".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of such chapter, as amended by section 805, is further amended by inserting after the item relating to section 2197 the following:

"2198. Management training program in Japanese language and culture.".

SEC. 811. SCIENCE, MATHEMATICS, AND ENGINEERING EDUCATION.

(a) SCIENCE, MATHEMATICS, AND ENGINEERING EDUCATION MASTER PLAN.—(1) At the same time that the President submits to Congress the budget for each of fiscal years 1993 through 1997 pursuant to section 1105 of title 31, United States Code, the Secretary of Defense shall submit to Congress a plan for providing Department of Defense support for science, mathematics, and engineering education at all levels of education in the United States for such fiscal year. Subject to the authority, direction, and control of the Secretary of Defense, the Director of Defense Research and Engineering shall perform the duties of the Secretary under this section.

(2) The plan shall support the national education goals stated in the Report of the Committee on Education and Human Resources of the Federal Coordinating Council for Science, Engineering, and Technology that was submitted to Congress with the submission of the budget for fiscal year 1992 pursuant to section 1105 of title 31, United States Code.

(3) The plan for a fiscal year shall include the following matters:

(A) A description of each action for the improvement of scientific, mathematics, and engineering education identified by the Secretary of Defense under section 2192 of title 10, United States Code, for such fiscal year and the funds that are provided in the budget for such fiscal year for such action.

(B) The long-range goals and priorities of the Department of Defense for improving the Department's support for science, mathematics, and engineering education programs, including—

(i) programs within the Department of Defense;

(ii) programs in other departments and agencies of the Federal Government; and

(iii) programs at elementary, secondary, and postsecondary educational institutions.

(4) The plan shall provide the basis for the Secretaries of the military departments and the heads of the Defense Agencies of the Department of Defense (A) to define the programs of such departments and agencies to support the achievement of the goals referred to in paragraph (2), and (B) to allocate resources for such programs.

(b) GRANT ASSISTANCE FOR PRIMARY AND SECONDARY LEVEL SCIENCE AND MATHEMATICS EDUCATION.—(1) The Secretary of Defense shall award grants to programs that are conducted on a national basis for the improvement of science and mathematics education in primary and secondary schools in the United States. Such grants may be awarded for the enhancement of existing programs and the establishment of new programs.

(2) Grants shall be awarded on the basis of merit pursuant to competitive procedures prescribed by the Secretary of Defense.

(3) A grant may be made to a program referred to in paragraph (1) only if the program derives at least 50 percent of the program's funds and other resources from non-Federal Government sources. In the determination of the amounts provided by the various sources, there shall be included the fair market value of equipment, services, materials, and other assets directly related to the costs associated with activities of the program that are provided by such sources, as determined by the Secretary of Defense.

(4) Not later than March 15, 1992, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the actions taken to carry out this section.

(5) Of the amounts authorized to be appropriated pursuant to section 201 for fiscal years 1992 and 1993, $10,000,000 shall be available for each such fiscal year to carry out this section.

PART B—OTHER ACQUISITION POLICY MATTERS

SEC. 821. IMPLEMENTATION OF GOALS FOR SMALL DISADVANTAGED BUSINESSES AND HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

(a) MENTOR-PROTEGE PROGRAM.—Of the amounts authorized to be appropriated for each of fiscal years 1992 and 1993 pursuant to title I of this Act, $15,000,000 shall be available for each such fiscal year for the program established by section 831 of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1607; 10 U.S.C. 2301 note).

(b) DEFENSE RESEARCH BY HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND MINORITY INSTITUTIONS.—Of the amounts authorized to be appropriated for each of fiscal years 1992 and 1993 pursuant to title II of this Act, $15,000,000 shall be available for each such fiscal year for infrastructure assistance to historically Black colleges and universities and minority institutions under section 1207(c)(3) of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note).

SEC. 822. STATUS OF THE DIRECTOR OF DEFENSE PROCUREMENT.

For the purposes of the amendment made by section 807 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1593) to section 25(b)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(b)(2)), the Director of Defense Procurement of the Department of Defense shall be considered to be an official at an organizational level of an Assistant Secretary of Defense within the Office of the Under Secretary of Defense for Acquisition.

SEC. 823. REVISION OF LIMITATIONS ON RESEARCH AND DEVELOPMENT CONTRACTS.

Section 2352 of title 10, United States Code, is amended by designating the text as subsection (a) and inserting at the end the following new subsection:

"(b) A contract that has been extended under subsection (a) may be extended for additional periods not to exceed one year each. Not later than 30 days before extending any such contract pursuant to this subsection, the Secretary of Defense shall submit to Congress a notice of the proposed extension, together with the reasons for the extension.".

SEC. 824. DEFENSE ACQUISITION WORKFORCE IMPROVEMENTS.

(a) AMENDMENTS TO TITLE 10.—Chapter 87 of title 10, United States Code, is amended as follows:

(1) Strike out "Under Secretary of Defense for Acquisition" each time it appears and insert in lieu thereof "Assistant Secretary of Defense with responsibility for manpower".

(2) Strike out "Under Secretary" each time it appears and insert in lieu thereof "Assistant Secretary".

(3) Strike out "the service acquisition executive" each time it appears and insert in lieu thereof "the Assistant Secretary with responsibility for manpower".

(4) Strike out "the Assistant Secretary with responsibility for manpower" each time it appears and insert in lieu thereof "the service acquisition executive".

(5) Strike out **"Service acquisition executives"** in the heading of section 1704 and insert in lieu thereof **"Service assistant secretaries"**.

(6) Strike out "Service acquisition executives" in the item relating to section 1704 in the table of sections at the beginning of subchapter I and insert in lieu thereof "Service assistant secretaries".

(7) In section 1705, strike out "the executive" and insert in lieu thereof "the Assistant Secretary".

(8) In section 1722(e)—

(A) Strike out "1991" and insert in lieu thereof "1993"; and

(B) Strike out "substantial" and insert in lieu thereof "measurable".

(9) In section 1724(a), strike out paragraph (3) and insert in lieu thereof the following:

"(3) meet appropriate educational requirements established by the Secretary of Defense; and".

(10) In section 1732(b)(2), strike out "Such requirements," and all that follows through the end of the paragraph.

(11) In section 1732(c)(1), strike out "subsections (b)(2)(A) and (b)(2)(B)" and insert in lieu thereof "subsection (b)(2)".

(12) In section 1732(c)(2)—

(A) strike out "subsections (b)(2)(A) and (b)(2)(B)" and insert in lieu thereof "(b)(2)"; and

(B) strike out "who has completed" and all that follows through the end of the paragraph and insert in lieu thereof "who has met the educational requirements established under subsection (b)(2).".

(13) In section 1732(d)—

(A) strike out "(1) Except as provided in paragraph (2), the" in paragraph (1) and insert in lieu thereof "The"; and

(B) strike out paragraph (2).

(b) AUTHORITY TO POSTPONE EFFECTIVENESS OF CERTAIN STATUTORY REQUIREMENTS.—(1) The Secretary of Defense may postpone the effectiveness of any requirement established in or pursuant to a provision of law listed in paragraph (2) until a date within one year after the effective date otherwise applicable to that requirement if the Secretary—

(A) determines that the postponement is necessary in order to effectuate the amendments made by subsection (a); and

(B) notifies the congressional defense committees of the postponement and the reasons for the postponement not later than 45 days before such effective date.

(2) The provisions of law referred to in paragraph (1) are the following:

(A) Sections 1723, 1724, 1732, and 1734 of title 10, United States Code.

(B) Sections 1209 and 1210 of the Defense Acquisition Workforce Improvement Act (title XII of the National Defense Authorization Act for Fiscal Year 1991; Public Law 101–510; 104 Stat. 1666).

SEC. 825. PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(a) AVAILABILITY OF AUTHORIZED APPROPRIATIONS.—Of the funds authorized to be appropriated pursuant to section 301 for Defense Agencies for fiscal years 1992 and 1993 for operation and maintenance, $9,000,000 shall be available for each such fiscal year for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts provided for in subsection (a), $600,000 shall be available for each of the fiscal years 1992 and 1993 for the purpose of carrying out programs sponsored by eligible entities named in subparagraph (D) of section 2411(1) of title 10, United States Code, that provide procurement technical assistance in distressed areas referred to in subparagraph (B) of section 2411(2) of such title. If there is an insufficient number of satisfactory proposals for cooperative agreements in such distressed areas to allow for effective use of the funds authorized under this subsection in such areas, the funds shall be allocated among the Defense Contract Administration Services regions in accordance with section 2415 of such title.

SEC. 826. EQUAL APPLICATION OF POST-EMPLOYMENT RESTRICTIONS.

(a) PROCUREMENT ETHICS SIMPLIFICATION.—Section 27 of the Office of Procurement Policy Act (41 U.S.C. 423) is amended—

(1) in subsection (c)—

(A) in paragraph (1) by inserting "only" after "subsection (b)(1)";

(B) in paragraph (1)(A) by inserting "(including the modification or extension of a contract)" after "any procurement";

(C) by striking out paragraphs (2) and (3) and inserting in lieu thereof:

"(2) Whenever the head of a procuring activity approves a recusal under paragraph (1), a copy of the recusal request and the approval of the request shall be retained by such official for a period of time (not less than five years) specified in regulations prescribed in accordance with subsection (o).

"(3)(A) Except as provided in subparagraph (B), all recusal requests and approvals of recusal requests pursuant to this subsection shall be made available to the public on request.

"(B) Any part of a recusal request or an approval of a recusal request that is exempt from the disclosure requirements of section 552(b)(1)(A) of title 5, United States Code, under subsection (b)(1) of such section may be withheld from disclosure to the public under subparagraph (A)."; and

(D) in paragraph (4), by striking out "competing contractor" and inserting in lieu thereof "person";

(2) in subsection (e)(7) by adding at the end thereof the following new subparagraph:

"(C) A contractor in a contract of less than $500,000 is exempt from the requirement of paragraph (1)(B) with respect to such contract.";

(3) in subsection (f)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) No individual who, in the year prior to separation from service as an officer or employee of the Government or an officer of the uniformed services in a covered position, participated personally and substantially in acquisition functions related to a contract, subcontract, or claim of $500,000 or more and—

"(A) engaged in repeated direct contact with the contractor or subcontractor on matters relating to such contract, subcontract, or claim; or

"(B) exercised significant ongoing decisionmaking responsibility with respect to the contractor or subcontractor on matters relating to such contract, subcontract, or claim,

shall knowingly accept or continue employment with such contractor or subcontractor for a period of 1 year following the individual's separation from service, except that such individual may accept or continue employment with any division or affiliate of such contractor or subcontractor that does not produce the same or similar products as the entity involved in the negotiation or performance of the contract or subcontract or the adjustment of the claim.

"(2) No contractor or subcontractor, or any officer, employee, agent, or consultant of such contractor or subcontractor shall knowingly offer, provide, or continue any employment to another person, if such contractor, subcontractor, officer, employee, agent, or consultant knows or should know that the acceptance of such employment is or would be in violation of paragraph (1).

"(3) The head of each Federal agency shall designate in writing as a 'covered position' under this section each of the following positions in that agency:

"(A) Each source selection authority, each member of a source selection evaluation board, the chief of each financial or technical evaluation team, and any other position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the evaluation of proposals or the selection of a source for a contract in excess of $500,000.

"(B) Each procuring contracting officer and any other position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the negotiation of a contract in excess of $500,000 or the negotiation or settlement of a claim in excess of $500,000.

"(C) Each program executive officer, program manager, deputy program manager, and any other position in which the incumbent is likely personally to exercise similar substantial responsibility for ongoing discretionary functions in the management or administration of a contract in excess of $500,000.

"(D) Each administrative contracting officer, each official assigned on a permanent basis to a Government Plant Representative's Office, and any other position (including auditor and quality assurance positions) in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in the on-site oversight of a contractor's operations with respect to a contract in excess of $500,000.

"(E) Each position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in operational or developmental testing activities involving repeated direct contact with a contractor regarding a contract in excess of $500,000.";

(4) in subsection (l)—

(A) by inserting "who are likely to be involved in contracts, modifications, or extensions in excess of the small purchase threshold" after "its procurement officials"; and

(B) by striking out "(e)" each place it appears and inserting in each such place "(f)";

(5) by amending subsection (n) to read as follows:

"(n) Rules of Construction.—Nothing in this section shall be construed to—

"(1) authorize the withholding of any information from the Congress, any committee or subcommittee thereof, a Federal agency, any board of contract appeals of a Federal agency, the Comptroller General, or an inspector general of a Federal agency;

"(2) restrict the disclosure of information to or its receipt by any person or class or persons authorized, in accordance with applicable agency regulations or procedures, to receive that information;

"(3) restrict a contractor from disclosing its own proprietary information or the recipient of information so disclosed by a contractor from receiving such information; or

"(4) restrict the disclosure or receipt of information relating to a Federal agency procurement that has been canceled by the agency, and that the contracting officer determines in writing is not likely to be resumed.";

(6) in subsection (o)(2)(A)—

(A) by inserting "money, gratuity, or other" before "thing of value"; and

(B) by inserting before the semicolon "and such other exceptions as may be adopted on a Governmentwide basis under section 7353 of title 5, United States Code"; and

(7) in subsection (p)—

(A) in paragraph (1) by striking out "clauses (i)-(viii)" and inserting in lieu thereof "clauses (i) through (vii)";

(B) in paragraph (3)—

(i) in subparagraph (A)—

(I) by striking out clause (i);

(II) by redesignating clauses (ii) through (viii) as clauses (i) through (vii), respectively; and

(III) in clause (i) (as redesignated by subclause (II) of this clause) by striking out "review and approval of a specification" and inserting in lieu thereof "approval or issuance of a specification, acquisition plan, procurement request, or requisition"; and

(ii) in subparagraph (B) by inserting "any individual, including an officer or employee of" after "includes";

(C) in paragraph (6)(A) by inserting "nonpublic" before "information"; and

(D) in paragraph (8)—

(i) by striking out "as the term 'designated agency official' in section 209(10)" and inserting in lieu thereof "provided under section 109(3)"; and

(ii) by striking out "(92 Stat. 1850; 5 U.S.C. App.)" and inserting in lieu thereof "(5 U.S.C. App. 6)".

(b) Criminal Liability.—Section 208(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Except as permitted"; and

(2) by adding at the end thereof the following new paragraph:

"(2) Whoever knowingly aids, abets, counsels, commands, induces or procures conduct prohibited by this section shall be subject to the penalties set forth in section 216 of this title.".

(c) Repeals.—The following provisions of law are repealed:

(1) Sections 2397, 2397a, 2397b, and 2397c of title 10, United States Code.

(2) Section 281 of title 18, United States Code.

(3) Section 801 of title 37, United States Code.

(4) Part A of title VI of the Department of Energy Organization Act (42 U.S.C. 7211 through 7218).

(d) Technical and Conforming Amendments.—(1) The table of sections for chapter 141 of title 10, United States Code, is amended by striking out the items relating to sections 2397, 2397a, 2397b, and 2397c.

(2) The table of sections for chapter 15 of title 18, United States Code, is amended by striking out the item relating to section 281.

(3) The table of sections for chapter 15 of title 37, United States Code, is amended by striking out the item relating to section 801.

(4) The table of contents for the Department of Energy Organization Act is amended by striking out the matter relating to part A of title VI.

(e) Implementation.—(1) No later than 180 days after the date of enactment of this Act, regulations implementing the amendments made by this Act to section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423), including definitions of the terms used in subsection (f) of such section shall be issued in accordance with sections 6 and 25 of such Act (41 U.S.C. 405 and 521), after coordination with the Director of the Office of Government Ethics.

(2)(A) No officer, employee, agent, representative, or consultant of a contractor who has signed a certification under section 27(e)(1)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(e)(1)(B)) before the effective date of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(B) No procurement official of a Federal agency who has signed a certification under section 27(l) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(l)) before the date of enactment of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(3) Not later than May 31 of each of the years 1992 through 1996, the Inspector General of each Federal agency (or, in the case of a Federal agency that does not have an Inspector General, the head of such agency) shall submit to Congress a report on the compliance by the agency during the preceding year with the requirement for the head of the agency to identify certain procurement positions under section 27(f)(3) of the Office of Federal Procurement Policy Act (as added by subsection (a)).

(f) Effective Date.—(1) The amendments made by subsections (c) and (d) of this Act shall be effective on and after the date of enactment of this Act.

(2) The amendments made by subsections (a) and (b) of this Act shall be effective on and after 180 days after the date of enactment of this Act.

(3) Subsection (f) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423(f)) shall have no force or effect during the period beginning on May 31, 1991, and ending 180 days after the date of enactment of this Act.

SEC. 827. REAUTHORIZATION OF BOND WAIVER TEST PROGRAM.

(a) Extension of Test Program.—Section 833 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (103 Stat. 1509; 15 U.S.C. 636 note) is amended—

(1) by striking out "fiscal years 1990 and 1991" in the first sentence and inserting in lieu thereof "fiscal years 1990 through 1993"; and

(2) by striking out "during each such fiscal year to award not less than 30 contracts" in the second sentence and inserting in lieu thereof "to award in each of fiscal years 1990 and 1991 not less than 30, and in each of fiscal years 1992 and 1993 not less than 45,".

(b) Air Force Construction Projects.—In the awarding of Air Force construction contracts to participants in the Minority Small Business and Capital Ownership Development Program of the Small Business Administration in each of fiscal years 1992 and 1993, the Secretary of the Air Force may exercise the authority provided under section 7(j)(13)(D) of the Small Business Act (15 U.S.C. 636(j)(13)(D)) and, after exercising such authority in the case of any contract, may award the contract directly and without the approval of the Administrator of the Small Business Administration. The Secretary shall prescribe procedures for exercising the authority provided in this subsection.

SEC. 828. IMPROVED ACCESS TO PAYMENT BONDS BY POTENTIAL SUBCONTRACTORS AND SUPPLIERS ON CONSTRUCTION CONTRACTS.

(a) Availability of Bond.—Under regulations prescribed by the Secretary of Defense, a copy of any payment bond furnished by a contractor in connection with a Department of Defense contract as required by the Act of August 24, 1935 (40 U.S.C. 270a–270d), commonly referred to as the "Miller Act", shall be made available by the Department of Defense, upon request, to any potential subcontractor or supplier of the contractor under that contract. The regulations may impose fees to cover the cost of processing the request and preparing copies. The regulations shall also require a contractor who has furnished a payment bond in connection with a contract pursuant to the Miller Act to attach a copy of such bond to each subcontract, purchase order, or other agreement proposed to be entered into by such contractor for the purpose of obtaining labor or materials for the performance of such contract.

(b) Deadline for Regulations.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations to carry out subsection (a).

(c) Applicability.—Subsection (a) shall apply with respect to any Department of Defense contract covered by the Act referred to in subsection (a) that is in effect on the promulgation date of the regulations or is awarded after such date.

SEC. 829. CERTIFIED COST AND PRICING DATA THRESHOLD CLARIFICATION.

Section 803(a) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2306a note) is amended—

(1) in paragraph (2)—

(A) by redesignating subparagraph (C) as subparagraph (D);

(B) by striking out "and" at the end of subparagraph (B); and

(C) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) subcontracts described in paragraph (3); and"; and

(2) by adding at the end the following new paragraph:

"(3) A subcontract referred to in paragraph (2)(C) is a subcontract entered into after December 5, 1991, under a contract entered into on or before December 5, 1990. Each such prime contract shall be modified to apply the revised threshold to each such subcontract.".

SEC. 830. SEVERANCE PAY FOR FOREIGN NATIONALS.

(a) WAIVER AUTHORITY.—Section 2324(e) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2)(A) The Secretary may waive the applicability of paragraphs (1)(M) and (1)(N) with respect to a covered contract if the Secretary determines that—

"(i) the applicability of such provisions would jeopardize the continuation of a program, project, or activity that provides an important support function to members of the armed forces stationed or deployed outside the United States;

"(ii) the contractor has taken, or has established plans to take, appropriate actions within the contractor's control to minimize the amount and incidents of the payments of severance pay to foreign nationals; and

"(iii) the payment of severance pay is necessary to comply with laws in effect on the date of the contract award that are generally applicable to a significant number of businesses in the country in which the foreign nationals receiving the payment performed the contract.

"(B) Subparagraph (A) does not apply with respect to a contractor that is owned or controlled directly or indirectly by citizens of nationals of a foreign country, as determined by the head of an agency who awarded the contract. The head of an agency shall make such determination in accordance with the criteria set out in paragraph (1) of section 4(g) of title III of the Act of March 3, 1933 (41 U.S.C. 10b-1) (commonly referred to as the 'Buy American Act'), and the policy guidance referred to in paragraph (2)(A) of such section.".

(b) PROSPECTIVE APPLICABILITY.—The amendments made by paragraph (1) do not apply with respect to any severance of employment before the date of the enactment of this Act.

SEC. 831. PERMANENT AUTHORITY TO CONDUCT PERSONNEL DEMONSTRATION PROJECT.

(a) AUTHORITY MADE PERMANENT.—The Secretary of the Navy may continue to conduct the personnel demonstration project referred to in subsection (b) at the Naval Weapons Center, China Lake, California, and at the Naval Ocean Systems Center, San Diego, California.

(b) APPLICABILITY.—Subsection (a) applies—

(1) to the project that was authorized to be continued temporarily in the provision of law repealed by subsection (c); and

(2) in the event of a reorganization of the organization involved in the conduct of such project at either of the installations referred to in subsection (a), with respect to the successor organization to that organization.

(c) REPEAL OF SUPERSEDED PROVISION.—Section 6 of Public Law 98-224 (98 Stat. 49) is repealed.

SEC. 832. REPEAL OF MANPOWER ESTIMATES REPORTING REQUIREMENT.

Subsection (a) of section 2434 of title 10, United States Code, is amended by striking out "unless—" and all that follows and inserting in lieu thereof the following: "an independent estimate of the cost of the program, including a manpower estimate, is considered by the Secretary.".

SEC. 833. REVISION OF RESTRICTION ON PROCUREMENT OF CARBONYL IRON POWDERS.

Section 2507(e) of title 10, United States Code, is amended—

(1) in paragraph (3), by striking out "1994" and inserting in lieu thereof "1992"; and

(2) in paragraph (4)(A), by striking out "by an entity" and all that follows and inserting in lieu thereof a period.

SEC. 834. ADVISORY COMMITTEE ON RIGHTS IN TECHNICAL DATA.

(a) REGULATIONS.—(1) Not later than June 1, 1992, the Secretary of Defense shall prescribe final regulations required by subsection (a) of section 2320 of title 10, United States Code, that supersede the interim regulations prescribed before the date of the enactment of this Act for the purposes of that section.

(2) In prescribing such regulations, the Secretary shall give thorough consideration to the recommendations of the advisory committee appointed pursuant to subsection (b).

(3) Not less than 30 days before implementing such regulations, the Secretary shall—

(A) transmit to the Committees on Armed Services of the Senate and House of Representatives a report containing such regulations, the recommendations of the advisory committee, and any matters required by subsection (b)(4); and

(B) publish such regulations for comment in the Federal Register.

(4) The regulations shall apply to contracts entered into on or after July 1, 1992, or, if provided in the regulations, an earlier date. The regulations may be applied to any other contract upon the agreement of the parties to the contract.

(b) ADVISORY COMMITTEE.—(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall appoint an advisory committee to make recommendations on the regulations to be prescribed pursuant to subsection (a).

(2) The membership of the advisory committee shall include, at a minimum, representatives of the following:

(A) The Under Secretary of Defense for Acquisition.

(B) The acquisition executives of the military departments.

(C) Prime contractors under major defense acquisition programs.

(D) Subcontractors and suppliers under major defense acquisition programs.

(E) Contractors under contracts other than contracts under major defense acquisition programs.

(F) Subcontractors and suppliers under contracts other than contracts under major defense acquisition programs.

(G) Small businesses.

(H) Contractors and subcontractors primarily involved in the sale of commercial products to the Department of Defense.

(I) Contractors and subcontractors primarily involved in the sale of spare and repair parts to the Department of Defense.

(J) Institutions of higher education.

(3) Not later than May 1, 1992, the advisory committee shall submit to the Secretary a report containing the following matters:

(A) Proposals for the regulations to be prescribed by the Secretary pursuant to subsection (a).

(B) Proposed legislation that the advisory committee considers necessary to achieve the purposes of section 2320 of title 10, United States Code.

(C) Any other recommendations that the advisory committee considers appropriate.

(4) If the Secretary omits from the regulations published pursuant to subsection (a)(3)(B) any regulation proposed by the advisory committee, any regulation proposed by a minority of the advisory committee in any minority report accompanying the advisory committee's report, or any part of such a proposed regulation, the Secretary shall set forth his reasons for each such omission in the report submitted to Congress pursuant to subsection (a)(3)(A).

(c) DEFINITION.—In this section, the term "major defense acquisition program" has the meaning given such term in section 2430 of title 10, United States Code.

SEC. 835. RECOMMENDATIONS OF COMPTROLLER GENERAL IN BID PROTESTS OF GOVERNMENT CONTRACTS.

(a) BID PROTESTS.—Section 3554 of title 31, United States Code is amended—

(1) in subsection (c)—

(A) by striking out "may declare an appropriate interested party to be entitled to the costs of—" in paragraph (1) and inserting in lieu thereof "may recommend to the Federal agency issuing the solicitation, proposing the contract award, or awarding the contract, as the case may be, that such agency pay to the appropriate interested party reimbursement of the costs of—"; and

(B) by striking out "Monetary awards to which a party is declared to be entitled under paragraph (1) of this subsection shall be paid promptly" in paragraph (2) and inserting in lieu thereof "A payment of costs recommended by the Comptroller General under paragraph (1) of this subsection may be paid"; and

(2) in subsection (e)(1) by striking out "those recommendations within 60 days of the receipt of the Comptroller General's recommendations under subsection (b) of this section." and inserting in lieu thereof "the recommendations of the Comptroller General under subsection (b) or (c) of this section within 60 days after the head of such procuring activity receives those recommendations.".

(b) APPLICABILITY.—The amendments made by subsection (a) shall not be applicable to any declarations made by the Comptroller General under section 3554(c) of title 31, United States Code, before the date of the enactment of this Act. All such declarations are valid and all monetary awards to which a party has been declared to be entitled by such declarations shall be paid promptly by the Federal agency concerned out of funds available to or for the use of the Federal agency for the procurement of property and services.

SEC. 836. PROCUREMENT FLEXIBILITY FOR SMALL PURCHASES DURING CONTINGENCY OPERATIONS.

Section 2302(7) of title 10, United States Code, is amended by inserting before the period the following: ", except that in the case of any contract to be awarded and performed, or purchase to be made, outside the United States in support of a contingency operation the term means $100,000".

SEC. 837. TECHNICAL CORRECTION RELATING TO PARTNERSHIP INTERMEDIARIES.

Section 21(a) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3715) is amended by inserting after "federally funded research and development center", the following: "that is not a laboratory (as defined in section 12(d)(2))".

SEC. 838. CORRECTION AND CLARIFICATION RELATING TO PILOT MENTOR-PROTEGE PROGRAM.

(a) CORRECTION TO SECTION HEADING.—The section heading of section 831 of the National Defense Authorization Act for Fiscal Year 1991 (104 Stat. 1607; 10 U.S.C. 2301 note) is amended to read as follows:

"SEC. 831. PILOT MENTOR-PROTEGE PROGRAM".

(b) REGULATIONS.—Section 831(k) of such Act (104 Stat. 1611) is amended—

(1) in the first sentence, by inserting before the period the following: "and the Department of Defense policy regarding such program (dated July 30, 1991, or any successor policy) in the Department of Defense Supplement to the Federal Acquisition Regulation"; and

(2) by inserting "and policy" after "regulations" each place it appears in the second, third, and fourth sentences.

SEC. 839. REQUIREMENT FOR PURCHASE OF GASOHOL IN FEDERAL FUEL PROCUREMENTS WHEN PRICE IS COMPARABLE.

(a) REQUIREMENT.—Section 2398 of title 10, United States Code, is amended—

(1) by inserting "(a) DOD MOTOR VEHICLES.—" before "To the maximum extent"; and

(2) by adding at the end the following two new subsections:

"(b) OTHER FEDERAL FUEL PROCUREMENTS.—Consistent with the vehicle management practices prescribed by the heads of affected departments and agencies of the government and consistent with their obligation under Executive Order Number 12261 to use gasohol to the maximum extent possible, whenever the Secretary of Defense enters into a contract for the procurement of unleaded gasoline that is subject to tax under section 4081 of title 26, United States Code, for motor vehicles of a department or agency of the Federal Government other than the Department of Defense, the Secretary shall buy alcohol-gasoline blends containing at least 10 percent domestically produced alcohol in any case in which the price of such fuel is the same as, or lower than, the price of unleaded gasoline.

"(c) SOLICITATIONS.—Whenever the Secretary solicits bids to procure unleaded gasoline under subsection (b), the Secretary shall expressly include in such solicitation a request for bids on alcohol-gasoline blends containing at least 10 percent domestically produced alcohol.".

(b) EFFECTIVE DATE.—Section 2398(b) of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts awarded pursuant to solicitations issued after the expiration of the 180-day period beginning on the date of the enactment of this Act.

(c) REPORT ON EXEMPTIONS.—The Secretary of Defense shall review all exemptions granted with respect to the Department of Defense, and the Administrator of the General Services Administration shall review all exemptions granted to Federal agencies and departments, to the requirements of section 2398 of title 10, United States Code, and section 271 of the Energy Security Act (Public Law 96-294; 42 U.S.C. 8871). The Secretary and the Administrator shall terminate any exemptions granted under these laws that the Secretary and the Administrator determines are no longer appropriate. Not later than 90 days after the date of the enactment of this Act, the Secretary and the Administrator shall submit to Congress a report on the results of the review, with a justification for the exemptions that remain in effect under those provisions of law.

(d) SENSE OF CONGRESS.—It is the sense of Congress that whenever any motor vehicle capable of operating on gasoline or alcohol-gasoline blends that is owned or operated by the Department of Defense or any other department or agency of the Federal Government is refueled, it shall be refueled with an alcohol-gasoline blend containing at least 10 percent domestically produced alcohol if available along the normal travel route of the vehicle at the same or lower price than unleaded gasoline.

SEC. 840. IMPROVEMENT OF INVENTORY MANAGEMENT POLICY AND PROCEDURE.

(a) IMPROVEMENT IN INVENTORY MANAGEMENT POLICY.—Section 2458(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(3) set forth a uniform system for the valuation of inventory items by the military departments and Defense Agencies.".

(b) ANNUAL REPORT ON INVENTORY.—Section 2721 of title 10, United States Code, is amended—

(1) by inserting "(a)" before "Under"; and

(2) by adding at the end the following new subsection:

"(b) The regulations prescribed pursuant to subsection (a) shall include a requirement that the records maintained under such subsection—

"(1) to the extent practicable, provide up-to-date information on all items in the inventory of the Department of Defense;

"(2) indicate whether the inventory of each item is sufficient or excessive in relation to the needs of the Department for that item; and

"(3) permit the Secretary of Defense to include in the budget submitted to Congress under section 1105 of title 31 for each fiscal year, information relating to—

"(A) the amounts proposed for each appropriation account in such budget for inventory purchases of the Department of Defense; and

"(B) the amounts obligated for such inventory purchases out of the corresponding appropriations account for the preceding fiscal year.".

(c) IMPLEMENTATION.—The Secretary of Defense shall establish the uniform system of valuation described in section 2458(a)(3) of title 10, United States Code (as added by subsection (a)), and prescribe the regulations required by section 2721(b) of such title (as added by subsection (b)), not later than 180 days after the date of the enactment of this Act.

SEC. 841. PROMPT PAYMENT FOR PURCHASE OF FISH.

Section 3903(2) of title 31, United States Code, is amended by striking "provide" and inserting "or of fresh or frozen fish (as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), provide".

SEC. 842. SMALL BUSINESS ADMINISTRATION CERTIFICATE OF COMPETENCY PROGRAM IMPROVEMENTS.

Section 8(b)(7) of the Small Business Act (15 U.S.C. 637(b)(7)) is amended—

(1) in subparagraph (A)—

(A) by striking "To certify" at the beginning of the first sentence and inserting "(i) To certify";

(B) by striking "A Government procurement officer" at the beginning of the second sentence and inserting the following:

"(ii) Except as provided in clause (iv), a Government procurement officer";

(C) by striking the period at the end of the second sentence and inserting ", pursuant to clause (iii)."; and

(D) by adding at the end of the paragraph the following:

"(iii) Any certification issued by the Administration for any contract with an anticipated award value in excess of $10,000,000 shall be supported by detailed findings addressing—

"(I) the determination by the contracting officer that the small business concern was deficient with respect to one or more of the elements of responsibility; and

"(II) any submission relating to such nonresponsibility determination subsequently submitted to the Administration by the procuring agency.

"(iv) A contracting officer is not required to refer a determination of nonresponsibility with respect to the procurement of supplies or services the award value of which is not expected to exceed the small purchase threshold prescribed pursuant to section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) to the Administration if—

"(I) the small business concern does not request a determination of its responsibility and the issuance of a certificate by the Administration, and

"(II) the solicitation of offers for such contract included a notice of the right of a small business concern to request the Administration to make a determination of its responsibility and specified the manner (including the time) in which such request may be made."; and

(2) in subparagraph (C)—

(A) by striking "In any case" at the beginning of the first sentence and inserting "(i) Except as provided in clause (ii), in any case"; and

(B) by striking the second sentence and inserting the following:

"(ii)(I) Notwithstanding the issuance of a certificate by the Administration on behalf of a small business concern other than the firm awarded a contract described in subclause (II), the secretary of a department or the head of an agency, on a non-delegable basis (except that such determination may be delegated to the senior acquisition executive of a Military Service or of a Defense agency within the Department of Defense), may determine to continue performance of the contract.

"(II) A contract is described in this subclause if the contract has been awarded, the award value is $25,000,000 or more, substantial performance has been undertaken by the contractor, and the secretary of the department or head of the agency, on a non-delegable basis (except that such determination may be delegated to the senior acquisition executive of a Military Service or of a Defense agency within the Department of Defense), has determined that termination of the contract would likely have a substantial adverse impact on the performance of critical mission or program activities of such department or agency.

"(iii) Nothing in this paragraph requires the processing of an application for certification if the small business concern declines to have its application processed.".

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

PART A—GENERAL MATTERS

SEC. 901. VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

(a) DESIGNATION AS A MEMBER OF THE JOINT CHIEFS OF STAFF.—Subsection (a) of section 151 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively; and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2) The Vice Chairman.".

(b) CONFORMING AMENDMENTS.—(1) Section 154 of title 10, United States Code, is amended—

(A) in subsection (c) by striking out "such" and inserting in lieu thereof "the duties prescribed for him as a member of the Joint Chiefs of Staff and such other";

(B) by striking out subsection (f); and

(C) by redesignating subsection (g) as subsection (f).

(2) Section 155(a)(1) of such title is amended by striking out "and the Vice Chairman".

SEC. 902. POSITION OF DEPUTY UNDER SECRETARY OF DEFENSE FOR POLICY.

(a) ESTABLISHMENT.—(1) Chapter 4 of title 10, United States Code, is amended by inserting after the matter relating to section 134 the following new section:

"§ 134a. Deputy Under Secretary of Defense for Policy

"(a) There is a Deputy Under Secretary of Defense for Policy appointed from civilian life by the President, by and with the advice and consent of the Senate.

"(b) The Deputy Under Secretary of Defense for Policy shall assist the Under Secretary of Defense for Policy in the performance of his duties. The Deputy Under Secretary of Defense for Policy shall act for, and exercise the powers of, the Under Secretary when the Under Secretary is absent or disabled.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 134 the following:

"134a. Deputy Under Secretary of Defense for Policy.".

(b) EXECUTIVE SCHEDULE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Deputy Under Secretary of Defense for Policy.".

SEC. 903. JOINT DUTY CREDIT FOR EQUIVALENT DUTY IN OPERATIONS DESERT SHIELD AND DESERT STORM.

(a) IN GENERAL.—(1) The Secretary of Defense, upon a recommendation made in accordance with paragraph (3), shall credit an officer of the Armed Forces of the United States who has completed service described in paragraph (2) as having completed a full tour of duty in a joint duty assignment for the purposes of chapter 38 of title 10, United States Code.

(2) Paragraph (1) applies to any officer who, after August 1, 1990, and before October 1, 1991, performed service in an assignment in the Persian Gulf combat zone that—

(A) provided significant experience in joint matters; or

(B) involved frequent professional interaction of that officer with (i) units and members of any of the armed forces other than the officer's armed force, or (ii) an allied armed force.

(3) The Secretary shall take action under paragraph (1) in the case of any officer if that action is recommended, with the concurrence of the Chairman of the Joint Chiefs of Staff, by the Chief of Staff of the Army (for an officer in the Army), the Chief of Naval Operations (for an officer in the Navy), the Chief of Staff of the Air Force (for an officer in the Air Force), or the Commandant of the Marine Corps (for an officer in the Marine Corps).

(b) INAPPLICABILITY OF CERTAIN REPORTING AND POLICY REQUIREMENTS.—Officers for whom joint duty credit has been granted pursuant to subsection (a) shall not be counted for the purposes of paragraphs (7), (8), (9), (11), or (12) of section 667 of title 10, United States Code, and subsections (a)(3) and (b) of section 662 of such title.

(c) INFORMATION ON EXERCISE OF AUTHORITY TO BE INCLUDED IN FISCAL YEAR 1992 ANNUAL REPORT.—The annual report submitted to Congress by the Secretary of Defense for fiscal year 1992 under section 113(c) of title 10, United States Code, shall include the following information:

(1) The total number of officers granted joint duty credit pursuant to subsection (a).

(2) The total number of such officers for each armed force.

(3) The total number of officers in each grade and each occupational specialty who have been granted joint duty credit pursuant to subsection (a).

(4) For each armed force, the total number of such officers in each grade and each occupational specialty who have been granted such credit.

(d) DEFINITIONS.—In this section:

(1) The term "joint matters" has the meaning given such term in section 668(a) of title 10, United States Code.

(2) The term "Persian Gulf combat zone" means the area designated by the President as the combat zone for Operation Desert Shield, Operation Desert Storm, and related operations for purposes of section 112 of the Internal Revenue Code of 1986.

SEC. 904. CINC INITIATIVE FUND.

(a) CONTINUATION OF FUND.—The separate budget account in the Department of Defense known as the "CINC Initiative Fund" is hereby continued for fiscal years 1992 and 1993. During fiscal years 1992 and 1993, the Chairman of the Joint Chiefs of Staff may use the account to provide funds, upon request, to the commanders of the unified and specified combatant commands and the Commander, United States Element, North American Aerospace Defense Command. Such funds may be provided, as specified by the Chairman, for any of the activities named in subsection (b).

(b) AUTHORIZED ACTIVITIES.—Activities for which funds may be provided under subsection (a) are the following:

(1) Force training.

(2) Contingencies.

(3) Selected operations.

(4) Command and control.

(5) Joint exercises (including activities of participating foreign countries).

(6) Humanitarian and civic assistance.

(7) Military education and training to military and related civilian personnel of foreign countries.

(8) Personnel expenses of defense personnel for bilateral or regional cooperation programs.

(9) Support for counter-drug activities.

(c) PRIORITY.—The Chairman of the Joint Chiefs of Staff, in considering requests for funds under this section, should give priority consideration to requests for funds to be used for activities that would enhance the warfighting capability, readiness, and sustainability of the forces assigned to the commander requesting the funds.

(d) AMOUNT AND SOURCE OF FUNDS.—(1) Of the amounts authorized to be appropriated pursuant to section 301 for the Defense Agencies for fiscal years 1992 and 1993, $25,000,000 shall be made available by the Secretary of Defense for each such fiscal year for the CINC Initiative Fund.

(2) Any amount provided by the Chairman out of that fund for an activity referred to in subsection (b) shall be in addition to amounts otherwise available for that activity for fiscal years 1992 and 1993.

(e) LIMITATIONS.—(1) Not more than $7,000,000 of the amount provided from the CINC Initiative Fund from funds made available pursuant to subsection (d) for a fiscal year may be used to purchase items with a unit cost in excess of $15,000.

(2) Funds may not be provided under this section for any activity that has been denied authorization by Congress.

SEC. 905. ADDITIONAL DEPARTMENT OF DEFENSE SUPPORT FOR COUNTER-DRUG ACTIVITIES.

(a) SUPPORT TO OTHER AGENCIES.—Section 1004(a) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1629) is amended by striking out "During fiscal year 1991," and inserting in lieu thereof "During fiscal years 1991, 1992, and 1993,".

(b) AERIAL AND MARITIME SUPPORT FOR COUNTER-DRUG ACTIVITIES OF LAW ENFORCEMENT AGENCIES.—Subsection (a) of section 124 of title 10, United States Code, is amended—

(1) by inserting "(1)" before "The Department"; and

(2) by adding at the end the following new paragraph:

"(2) The responsibility conferred by paragraph (1) shall be carried out in support of the counter-drug activities of Federal, State, local, and foreign law enforcement agencies.".

SEC. 906. SPECIAL ACCESS PROGRAM OVERSIGHT AND MANAGEMENT IMPROVEMENTS.

(a) MANAGEMENT OF SPECIAL ACCESS PROGRAMS.—(1) Section 132 of title 10, United States Code, is amended by inserting at the end the following:

"(d)(1) The Deputy Secretary of Defense is the principal civilian adviser to the Secretary of Defense on special access programs and, after the Secretary of Defense, is the principal special access programs official within the senior management of the Department of Defense.

"(2) Subject to the authority, direction, and control of the Secretary of Defense, the Deputy Secretary of Defense shall carry out the responsibilities of the Secretary of Defense relating to special access programs for all such programs, including acquisition special access programs, intelligence special access programs, and operations and support special access programs. The Deputy Secretary shall perform such duties and exercise such powers relating to special access programs as the Secretary may prescribe. Such duties shall include the following:

"(A) Supervising the management of special access programs.

"(B) Prescribing in regulations the policies, standards, and procedures for all special access programs of the military departments and the Defense Agencies.

"(C) Approving the establishment of a special access program or any significant change (as defined in the regulations prescribed pursuant to subparagraph (B)) in the conduct or mission of a special access program.

"(3) The regulations prescribed pursuant to paragraph (2)(B) shall include the following:

"(A) Standards and procedures for the designation of programs as special access programs.

"(B) A requirement for the manager of each special access program to submit to the Secretary of Defense a reclassification schedule when the total cost of such program is expected to exceed $50,000,000.

"(C) Standards and procedures for an annual review of the classification status of each special access program by the Deputy Secretary of Defense.

"(D) Standards and procedures for appropriate exchange of information among technologically related programs.

"(E) Standards and procedures to ensure timely oversight by officials with expertise in (i) cost, schedule, and performance reviews, and (ii) applicable intelligence or operational matters.

"(4)(A) There is for the Deputy Secretary of Defense a Principal Assistant for Special Access Programs.

"(B) The Principal Assistant is appointed by the President, by and with the advice and consent of the Senate, from among the officers of the regular components of the armed forces and serves at the pleasure of the President for a term of two years. The Principal Assistant may be reappointed in the same manner for two additional terms. However, in time of war there is no limit on the number of reappointments.

"(C) The Principal Assistant performs such duties related to special access programs as may be prescribed by the Secretary of Defense.

"(D) The Principal Assistant, while so serving—

"(i) holds the grade, as designated by the President at the time of appointment, of general or lieutenant general or, in the case of an officer of the Navy, as admiral or vice admiral; and

"(ii) is in addition to the number of officers that would otherwise be permitted for that officer's armed force under section 525 of this title.

"(5) The Deputy Secretary of Defense may delegate the performance of the Deputy Secretary's duties under this subsection only to the Principal Assistant for Special Access Programs.

"(e) The terms 'special access program', 'acquisition special access program', 'intelligence special access program', and 'operations and support special access program' have the meanings given those terms in Department of Defense Directive O-5205.7, dated January 4, 1989.".

(2) The Deputy Secretary of Defense shall prescribe the regulations as required by section 132(d)(2)(B) of title 10, United States Code (as added by this subsection), not later than January 15, 1992.

(b) OVERSIGHT OF SPECIAL ACCESS PROGRAMS.—Section 119 of title 10, United States Code, is amended—

(1) in subsection (e), by striking out "or (c)" and inserting in lieu thereof "(c), or (f)";

(2) in subsection (f)(1), by striking out "are notified of the program; and" and inserting in lieu thereof "receive a notification of the program, including—

"(A) notice of the designation of the program as a special access program;

"(B) the justification for such designation;

"(C) the current estimate of the total program cost for the program; and

"(D) an identification of the existing programs or technologies that are similar to the technology, or that have a mission similar to the mission, of the program that is the subject of the notice; and";

(3) by redesignating subsection (g) as subsection (i);

(4) by inserting after subsection (f) the following new subsections:

"(g) Funds appropriated or otherwise made available to the Department of Defense may not be obligated for any special access program unless the applicable report on such program has been submitted in accordance with subsection (a), (b), (c), (e), or (f).

"(h)(1) The Secretary of Defense shall ensure that access to information relating to special access programs is granted, as provided in paragraphs (2) and (3), upon the request of the chairman or ranking minority member of a defense committee.

"(2)(A) The chairman or ranking minority member of a defense committee may designate one or more members of Congress or one or more congressional employees of such committee to be given access to information referred to in paragraph (1).

"(B) An employee may not be designated under subparagraph (A) unless the employee has a 'top secret, special compartmented information access' security clearance.

"(C) Each designation under this paragraph shall be in writing and shall specify the special access program to which the designation applies. A separate written designation is required for each special access program.

"(3)(A) If the chairman or ranking minority member of a defense committee submits to the Secretary of Defense a request for access to information relating to a special access program for which a Member or employee referred to in paragraph (2)(A) has been designated and the requested access is not granted, then funds may not be obligated for such special access program after the tenth day following the date on which the Secretary receives the request until the date on which the requested access is granted.

"(B) Subparagraph (A) shall not apply in the case of a particular request for access for a congressional employee if the President submits to the chairman of the defense committee concerned a report in writing containing (i) a certification that the provision of the information requested with respect to a particular special access program to that congressional employee would adversely affect the national security, and (ii) a detailed justification for the certification.

"(4) In this section, the term 'congressional employee' has the meaning given such term in section 2107 of title 5."; and

(5) in subsection (i), as redesignated by paragraph (3)—

(A) by striking out "section," and inserting in lieu thereof "section:";

(B) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(C) by designating the text beginning with "the term" as paragraph (1) and by capitalizing the initial letter in such paragraph;

(D) by realigning paragraph (1), as so designated, two ems from the left margin and realigning subparagraphs (A) and (B), as redesignated by subparagraph (B), four ems from the left margin; and

(E) by adding at the end the following new paragraph:

"(2) The term 'special access program' shall have the meaning referred to for that term in section 132(e) of this title.".

SEC. 907. REVISION IN MEMBERSHIP OF STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM COUNCIL.

Section 2902(b) of title 10, United States Code, is amended—

(1) by striking out "nine" and inserting in lieu thereof "thirteen";

(2) by redesignating paragraph (9) as paragraph (10); and

(3) by inserting after paragraph (8) the following new paragraph:

"(9) One representative from each of the Army, Navy, Air Force, and Coast Guard, who shall be non-voting members.".

PART B—INTELLIGENCE MATTERS

SEC. 911. DEFENSE INTELLIGENCE AGENCY REORGANIZATION.

(a) IN GENERAL.—(1) Subchapter II of chapter 8 of title 10, United States Code, is amended—

(A) by redesignating section 201 as section 202; and

(B) by inserting after the table of sections for such subchapter the following new section 201:

"§ 201. Defense Intelligence Agency; Director

"(a) There is a Defense Intelligence Agency within the Department of Defense. The Director of the Defense Intelligence Agency is the head of the agency.

"(b) The Director shall be the senior military intelligence adviser to the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and the Director of Central Intelligence. The Director shall report directly to those officials on all matters concerning military intelligence.

"(c) The duties of the Director include the following:

"(1) To manage the activities of the Defense Intelligence Agency, including the production of general military intelligence, scientific and technical intelligence, and the performance of other analysis, liaison, and intelligence missions as assigned by an official referred to in subsection (b).

"(2) To manage the General Defense Intelligence Program (GDIP), including the preparation, execution, and review of budgets and program matters.

"(d) In carrying out his duties, the Director shall adhere to the policies prescribed by—

"(1) the Director of Central Intelligence for national foreign intelligence programs;

"(2) the Secretary of Defense for Department of Defense organizations and personnel; and

"(3) the Chairman of the Joint Chiefs of Staff for joint staff operations and command support.

"(e) Subject to subsection (d), the Assistant Secretary of Defense referred to in section 136(b)(3) of this title having responsibility for intelligence matters shall—

"(1) issue policy guidelines for the Defense Intelligence Agency;

"(2) conduct audits of the Defense Intelligence Agency and the General Defense Intelligence Program; and

"(3) review the General Defense Intelligence Program budget to ensure its integration with the Tactical Intelligence and Related Activities budget.".

(2) The table of sections at the beginning of such subchapter is amended to read as follows:

"201. Defense Intelligence Agency; Director.
"202. Unauthorized use of Defense Intelligence Agency name, initials, or seal.".

(3)(A) The heading of such chapter is amended to read as follows:

"SUBCHAPTER II—DEFENSE INTELLIGENCE AGENCY".

(B) The chapter analysis at the beginning of chapter 8 of title 10, United States Code, is amended by striking out the item relating to subchapter II and inserting in lieu thereof the following:

"I. Defense Intelligence Agency .... 201".

(b) ROLES OF FUNCTIONAL MANAGERS.—The Director shall strengthen the roles and authorities of the functional managers of the Defense Intelligence Agency, shall ensure that such managers have the responsibility for preparing, executing, and reviewing budgets and programs within the General Defense Intelligence Program, and shall ensure that each functional manager maintains direct communications with all entities of the General Defense Intelligence Program carrying out the functions within the responsibility of such manager.

SEC. 912. JOINT INTELLIGENCE CENTER.

(a) REQUIREMENT FOR CENTER.—The Secretary of Defense shall maintain within the District of Columbia or its vicinity a single and joint intelligence center for the Armed Forces.

(b) FUNCTIONS.—The center shall be responsible for current intelligence assessments, including indications and warning, for the Department of Defense and, as appropriate, for the support of military operations, provide for and manage the collection and analysis of intelligence.

(c) MANAGEMENT.—The center shall be managed by the Defense Intelligence Agency in its capacity as the intelligence staff activity of the Chairman of the Joint Chiefs of Staff.

(d) RESPONSIVENESS TO COMMAND AUTHORITIES.—The Secretary shall ensure that the center is fully responsive to the intelligence needs of the Secretary, the Chairman of the Joint Chiefs of Staff, and the commanders of the combatant commands.

SEC. 913. DEPARTMENT OF DEFENSE USE OF NATIONAL INTELLIGENCE COLLECTION SYSTEMS.

(a) PROCEDURES FOR USE.—Under procedures that the Secretary of Defense and the Director of Central Intelligence shall jointly prescribe, the Secretary and, through the Secretary, the Chairman of the Joint Chiefs of Staff and the commanders of the combatant commands shall regularly and periodically exercise the use of the national intelligence collection systems defined in the classified annex.

(b) REPORT.—Not later than May 1, 1992, the Secretary of Defense and the Director of Central Intelligence shall submit to the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a joint report describing the joint procedures prescribed pursuant to subsection (a).

SEC. 914. ESTABLISHMENT OF SINGLE IMAGERY MANAGER IN THE DEFENSE INTELLIGENCE AGENCY.

(a) ASSIGNMENT OF DUTIES.—(1) Subchapter II of chapter 8 of title 10, United States Code, as amended by section 911, is further amended by adding at the end the following new section:

"§ 203. Imagery intelligence management

"(a) The Secretary of Defense shall assign to the Director of the Defense Intelligence Agency responsibility for managing all imagery intelligence processing, exploitation, and dissemination activities within the Department of Defense in order to ensure that there is adequate imagery intelligence support for the Secretary, the Chairman of the Joint Chiefs of Staff, and the commanders of the combatant commands. The Director may delegate the performance of routine imagery intelligence management functions to a functional manager for imagery within the agency.

"(b) In accordance with guidelines prescribed by the Secretary of Defense, the manager for imagery shall, for each Department of Defense activity or organization engaged in imagery processing, exploitation, or dissemination—

"(1) develop personnel and training policies;

"(2) assign responsibilities;

"(3) approve budgets;

"(4) provide oversight of program execution;

"(5) conduct program reviews;

"(6) ensure interoperability between and among imagery data bases and dissemination systems;

"(7) develop and enforce standards for imagery exploitation, analysis, and dissemination; and

"(8) perform such other functions as the Secretary may assign.".

(2) The table of sections at the beginning of such subchapter, as amended by section 911, is further amended by adding at the end the following new item:

"203. Imagery intelligence management.".

(b) JOINT IMAGERY PLANNING AND PROCUREMENT COMMITTEE.—The Secretary of Defense and the Director of Central Intelligence shall—

(1) consider establishing a joint imagery planning and procurement committee, and

(2) not later than May 1, 1992, submit to the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a joint report containing the decisions made concerning the establishment of such a committee.

TITLE X—SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR OPERATION DESERT STORM

SEC. 1001. SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS NECESSITATED BY OPERATION DESERT STORM.

(a) APPLICABILITY OF PUBLIC LAW 102-25 AUTHORIZATIONS TO FISCAL YEAR 1992.—Sections 101 and 102 of Public Law 102-25 (105 Stat. 78) are each amended by striking out "fiscal year 1991" each place it appears and inserting in lieu thereof "fiscal years 1991 and 1992".

(b) LIMITATION ON APPLICABILITY.—The provisions of title I of Public Law 102-25 (105 Stat. 78), as amended by subsection (a), shall apply only to appropriations provided in Public Law 102-28 (105 Stat. 161).

(c) TECHNICAL AMENDMENT.—Sections 101(b)(2), 102, 105(b)(4), and 203(b) of Public Law 102-25 (105 Stat. 75) are amended by striking out "working capital funds" and "Persian Gulf Conflict Working Capital Fund" each place such terms appear and inserting in lieu thereof "Persian Gulf Regional Defense Fund".

SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—During fiscal years 1991 and 1992, there are authorized to be appropriated to the Department of Defense in accordance with this section current and future balances in the Defense Cooperation Account and the Persian Gulf Regional Defense Fund.

(2) RELATIONSHIP TO OTHER AUTHORIZATIONS.—The authorizations of appropriations in this section are in addition to the amounts otherwise authorized to be appropriated by this Act or any other Act enacted before the date of the enactment of this Act.

(3) AVAILABILITY BY TRANSFER.—Amounts appropriated pursuant to paragraph (1) shall be available only in accordance with subsections (b) and (c) for—

(A) transfer by the Secretary of Defense to fiscal year 1991 and fiscal year 1992 appropriations accounts of the Department of Defense for incremental costs associated with Operation Desert Storm; and

(B) replenishment of the Persian Gulf Regional Defense Fund by transfer from the Defense Cooperation Account.

(4) MAXIMUM AMOUNTS.—

(A) TRANSFERS TO DEPARTMENT OF DEFENSE ACCOUNTS.—The total amount transferred as provided in paragraph (3)(A) may not exceed $4,392,855,000.

(B) REPLENISHMENT TRANSFERS.—The total amount transferred as provided in paragraph (3)(B) may not exceed the amount transferred from the Persian Gulf Regional Defense Fund pursuant to appropriations authorized by this section.

(b) FISCAL YEAR 1991.—

(1) PROCUREMENT.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for procurement, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for procurement as follows:

(A) ARMY.—For the Army:

(i) For aircraft, $110,400,000.

(ii) For missiles, $21,800,000.

(iii) For other procurement, $80,500,000.

(B) NAVY.—For the Navy:

(i) For aircraft, $508,000,000.

(ii) For weapons, $8,100,000.

(iii) For other procurement, $112,700,000.

(C) MARINE CORPS.—For the Marine Corps, $4,300,000.

(D) AIR FORCE.—For the Air Force:

(i) For aircraft, $76,900,000.

(ii) For other procurement, $460,000,000.

(2) RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.—In addition to amounts otherwise authorized to be appropriated for fiscal year 1991 for research, development, test, and evaluation, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for research, development, test, and evaluation as follows:

(A) ARMY.—For the Army, $47,800,000.

(B) NAVY.—For the Navy, $6,100,000.

(C) AIR FORCE.—For the Air Force, $26,500,000.

(D) DEFENSE AGENCIES.—For the Defense Agencies, $28,100,000.

(3) OPERATION AND MAINTENANCE.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for operation and maintenance, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for operation and maintenance as follows:

(A) ARMY RESERVE.—For the Army Reserve, $23,200,000.

(B) NAVAL RESERVE.—For the Naval Reserve, $28,300,000.

(C) NATIONAL GUARD.—For the Army National Guard and the Air National Guard, $41,900,000.

(D) AIR NATIONAL GUARD.—For the Air National Guard, $55,000,000.

(E) DEFENSE AGENCIES.—For the Defense Agencies, $50,000,000.

(4) WORKING CAPITAL FUNDS.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for providing capital for working-capital funds, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for providing capital for such funds as follows:

(A) ARMY STOCK FUND.—For the Army Stock Fund, $60,000,000.

(B) NAVY STOCK FUND.—For the Navy Stock Fund, $300,000,000.

(C) AIR FORCE STOCK FUND.—For the Air Force Stock Fund, $60,000,000.

(5) MILITARY PERSONNEL, ARMY NATIONAL GUARD.—In addition to the amounts otherwise authorized to be appropriated for fiscal year 1991 for military personnel, Army National Guard, there are authorized to be appropriated for fiscal year 1991 in accordance with subsection (a) for military personnel, Army National Guard, $40,196,000.

(c) FISCAL YEAR 1992.—

(1) PROCUREMENT.—In addition to the amounts authorized to be appropriated by title I of this Act for fiscal year 1992 for procurement, there are authorized to be appropriated for fiscal year 1992 in accordance with subsection (a) for procurement as follows:

(A) ARMY.—For the Army:

(i) For missiles, $200,000,000.

(ii) For weapons and tracked combat vehicles, $10,300,000.

(iii) For other procurement, $207,859,000.

(B) AIR FORCE.—For the Air Force:

(i) For aircraft, $777,600,000.

(ii) For other procurement, $100,000,000.

(2) OPERATION AND MAINTENANCE.—In addition to the amounts authorized to be appropriated by title III of this Act for fiscal year 1992 for operation and maintenance, there are authorized to be appropriated for the Army for fiscal year 1992 for operation and maintenance in accordance with subsection (a), $227,300,000.

(3) WORKING CAPITAL FUNDS.—In addition to the amounts authorized to be appropriated by title III of this Act for fiscal year 1992 for providing capital for working capital funds, there are authorized to be appropriated for fiscal year 1992 in accordance with subsection (a) for providing capital for such funds as follows:

(A) ARMY STOCK FUND.—For the Army stock fund, $350,000,000.

(B) NAVY STOCK FUND.—For the Navy stock fund, $150,000,000.

(C) AIR FORCE STOCK FUND.—For the Air Force stock fund, $220,000,000.

(d) ADDITIONAL TRANSFER AUTHORITY.—The amount of the transfer authority provided in section 1401 of Public Law 101–510 for fiscal year 1991 and the amount of the transfer authority provided in section 1101 of this Act for fiscal year 1992 are increased by the amounts of the transfers made by the Secretary of Defense for fiscal years 1991 and 1992, respectively, pursuant to this title or any other law other than Public Law 101–511.

(e) ADMINISTRATION OF TRANSFERS.—A transfer made under the authority of this title increases by the amount of the transfer the amount authorized for the account to which the transfer is made.

(f) REPLENISHMENT OF FUND.—Amounts transferred from the Persian Gulf Regional Defense Fund pursuant to an authorization contained in this section shall be replenished from funds available in the Defense Cooperation Account to the extent that funds are available in the Defense Cooperation Account. Whenever the balance in the Persian Gulf Regional Defense Fund is less than $14,680,000, the Secretary of Defense, in order to replenish that Fund, shall transfer funds that become available to the Defense Cooperation Account from such account to that Fund before making any transfer of such funds under subsection (a)(3)(A).

(g) MONTHLY REPORTS ON TRANSFERS.—Not later than seven days after the end of each month in fiscal years 1991 and 1992, the Secretary of Defense shall submit to the congressional defense committees and the Comptroller General of the United States a detailed report on the cumulative total amount of the transfers made under the authority of this title through the end of that month.

SEC. 1003. DEFINITIONS.

(a) INCLUSION OF OPERATION PROVIDE COMFORT.—Section 3(1) of Public Law 102–25 (105 Stat. 77) is amended by striking out "Operation Desert Shield and Operation Desert Storm" and inserting in lieu thereof "Operation Desert Shield, Operation Desert Storm, and Operation Provide Comfort".

(b) INCREMENTAL EXPENSES ASSOCIATED WITH OPERATION DESERT STORM.—In this title, the term "incremental expenses associated with Operation Desert Storm" has the meaning given such term in section 3(2) of Public Law 102–25 (105 Stat. 77).

TITLE XI—GENERAL PROVISIONS

PART A—FINANCIAL AND BUDGET MATTERS

SEC. 1101. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon a determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for any fiscal year between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations for any fiscal year that the Secretary of Defense may transfer under the authority of this section may not exceed $3,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1102. DATE FOR TRANSMITTAL OF JOINT OMB/CBO ANNUAL OUTLAY REPORT.

(a) CHANGE IN DATE.—Subsection (a)(1) of section 5 of Public Law 101–189 (103 Stat. 1364; 10 U.S.C. 114a note) is amended by striking out "Not later than December 15, 1989, and not later than December 15 of each year thereafter," and inserting in lieu thereof "Not later than the day on which the budget for any fiscal year is submitted to Congress pursuant to section 1105 of title 31, United States Code,".

(b) CONFORMING AMENDMENT.—Such subsection is further amended by striking out "for the budget" in subparagraph (A) and all that follows through "is submitted" and inserting in lieu thereof "for that budget".

(c) CROSS-REFERENCE CORRECTION.—Subsection (b) of such section is amended by striking out "subsection (i)(1)" and inserting in lieu thereof "subsection (a)(1)".

SEC. 1103. REVISION OF REPORTING REQUIREMENT REGARDING THE EFFECT OF CERTAIN PAYMENTS AND ADJUSTMENTS ON THE FEDERAL DEFICIT.

(a) TEMPORARY REQUIREMENT FOR OMB REPORT.—For each of fiscal years 1991, 1992, 1993, 1994, 1995, and 1996, the Director of the Office of Management and Budget shall submit to Congress the Director's estimate of the effect on the Federal deficit of payments and adjustments made with respect to sections 1552 and 1553 of title 31, United States Code. Such estimate shall be made separately for the accounts of each agency.

(b) ELIMINATION OF PERMANENT REQUIREMENT FOR CBO REPORT.—Section 1554 of title 31, United States Code, is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

PART B—MISCELLANEOUS

SEC. 1111. TRANSFER OF OBSOLETE AIRCRAFT CARRIER ORISKANY.

(a) AUTHORITY.—Notwithstanding subsections (a) and (c) of section 7308 of title 10, United States Code, but subject to subsection (b) of that section, the Secretary of the Navy may transfer the obsolete aircraft carrier Oriskany (CV 34) to the Zaidan Hojin Kokusai Joho Shizen Kyokai (in English, "International Information Friendship Foundation" or "IIFF") for cultural and educational purposes.

(b) LIMITATION.—The transfer authorized by subsection (a) may be made only if the Secretary of the Navy determines that the vessel is of no further use to the United States for national security purposes.

(c) RESTRICTIONS ON TRANSFER.—The transfer authorized by subsection (a) may not be made until—

(1) the United States has received from or on behalf of the IIFF an amount not less than the estimated scrap value of the vessel (as determined by the Secretary of the Navy) that would otherwise be received by the United States if the vessel were not transferred pursuant to this section; and

(2) the IIFF has agreed in writing that all work necessary to restore the Oriskany will be performed in United States shipyards.

(d) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

SEC. 1112. TRANSFER OF OBSOLETE RESEARCH VESSEL GYRE.

(a) AUTHORITY TO TRANSFER VESSEL.—Notwithstanding subsections (a) and (c) of section 7308 of title 10, United States Code, but subject to subsection (b) of that section, the Secretary of the Navy may transfer the obsolete research vessel Gyre to the Texas Agricultural and Mechanical University for education and research purposes.

(b) LIMITATION.—The transfer authorized by subsection (a) may be made only if the Secretary determines that the vessel Gyre is of no further use to the United States for national security purposes.

(c) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

SEC. 1113. REPORT ON THE PROLIFERATION OF MISSILES AND ESSENTIAL COMPONENTS OF NUCLEAR, BIOLOGICAL, AND CHEMICAL WEAPONS.

(a) CONTENTS OF REPORT.—(1) Not later than 90 days after the date of the enactment of this Act, and every year thereafter, the President shall submit to the Congress a report on developments in the transfer of weapons, technology, and materials that can be used to deliver, manufacture, or weaponize nuclear, biological, or chemical weapons (hereafter in this section referred to as "NBC weapons") to any country that is not an MTCR adherent and is seeking to acquire such equipment, technology, or any other missile system that the Secretary of Defense has reason to believe may be used to deliver NBC weapons, other than those countries excluded in subsection (b).

(2) Such report shall cover—

(A) the transfer of all aircraft, cruise missiles, artillery weapons, unguided rockets and multiple rocket systems, and related bombs, shells, warheads and other weaponization technology and materials which the Secretary has reason to believe may be intended for the delivery of NBC weapons;

(B) international transfers of MTCR equipment or technology to any country that is not an MTCR adherent and is seeking to acquire such equipment or any other missile system that the Secretary has reason to believe may be used to deliver NBC weapons; and

(C) the transfer of technology, test equipment, radioactive materials, feedstocks and cultures, and all other specialized materials that the Secretary has reason to believe will be used to manufacture NBC weapons.

(3) Each such report shall include—

(A) the status of missile, aircraft, and other weapons delivery and weaponization programs in any such country, including efforts by such country to acquire MTCR equipment, NBC-capable aircraft, or any other weapon or major weapon component which is dedicated to the delivery of NBC weapons, whose primary use is the delivery of NBC weapons, or which the Secretary has reason to believe may be used to deliver NBC weapons;

(B) the status of NBC weapons development, manufacture, and deployment programs in any such country, including efforts to acquire essential test equipment, manufacturing equipment and technology, weaponization equipment and technology, and radioactive material, feedstocks or components of feedstocks, and biological cultures and toxins;

(C) a description of assistance provided by any person or government, after the date of the enactment of this Act, to any such country in the development of—

(i) missile systems, as defined in the MTCR or which the Secretary has reason to believe may be used to deliver NBC weapons;

(ii) aircraft and other delivery systems and weapons which the Secretary has reason to believe may be used to deliver NBC weapons; and

(iii) NBC weapons;

(D) a listing of those persons and countries which continue to provide such equipment or technology described in subparagraph (C) to any country as of the date of submission of the report;

(E) a description of the diplomatic measures that the United States, and that other adherents to the MTCR and other agreements affecting the acquisition and delivery of NBC weapons, have made with respect to activities and private persons and governments suspected of violating the MTCR and such other agreements;

(F) an analysis of the effectiveness of the regulatory and enforcement regimes of the United States and other countries that adhere to the MTCR and other agreements affecting the acquisition and delivery of NBC weapons in controlling the export of MTCR and other NBC weapons and delivery system equipment or technology;

(G) a summary of advisory opinions issued under section 11B(b)(4) of the Export Administration Act of 1979 and under section 73(d) of the Arms Export Control Act; and

(H) an explanation of United States policy regarding the transfer of MTCR equipment or technology to foreign missile programs, including programs involving launches of space vehicles.

(b) EXCLUSIONS.—The countries excluded under subsection (a) are Australia, Belgium, Canada, Denmark, the Federal Republic of Germany, France, Greece, Iceland, Israel, Italy, Japan, Luxembourg, Netherlands, Norway, Portugal, Spain, Turkey, and the United Kingdom.

(c) CLASSIFICATION.—The President shall make every effort to submit all of the information required by subsection (a) in unclassified form. Whenever the President submits any such information in classified form, he shall submit such classified information in an addendum and shall also submit simultaneously a detailed summary, in unclassified form, of such classified information.

(d) DEFINITIONS.—For purposes of this section—

(1) the terms "missile", "MTCR", "MTCR equipment or technology", and "MTCR adherent" have the meanings given those terms in section 74 of the Arms Export Control Act;

(2) the term "Secretary" means the Secretary of Defense; and

(3) the term "weaponize" or "weaponization" means to incorporate into, or the incorporation into, usable ordnance or other militarily useful means of delivery.

(e) REPEAL OF SUPERSEDED LAW.—Section 1704 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1749; 22 U.S.C. 2797) is repealed.

SEC. 1114. PROHIBITION RELATING TO DEACTIVATION OF NAVAL RESERVE HELICOPTER MINE COUNTERMEASURES SQUADRONS.

Funds appropriated or otherwise made available for the Department of Defense for fiscal years before fiscal year 1994 may not be used to deactivate Naval helicopter mine countermeasures squadrons HM-18 and HM-19 as units in the Naval Reserve.

SEC. 1115. REPEAL OF REQUIREMENT FOR TRANSFER OF CERTAIN AIRCRAFT TO AIR FORCE RESERVE COMPONENTS.

Section 1436 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1688) is repealed.

SEC. 1116. TERMINATION OF REQUIREMENT TO REPLACE MARINE CORPS OV-10 AIRCRAFT WITH AIR FORCE A-10 AIRCRAFT.

(a) TERMINATION OF OV-10 REPLACEMENT REQUIREMENTS.—The requirements in subsection (b)(2) of section 1439 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1689) that relate to the retirement of OV-10 aircraft in the inventory of the Marine Corps and to the transfer of A-10 aircraft to the Department of the Navy are terminated.

(b) REPEAL OF RELATED LIMITATION.—Subsection (a)(2) of such section is repealed.

SEC. 1117. TREATMENT AND AVAILABILITY OF CONTRIBUTIONS OF FRIENDLY FOREIGN COUNTRIES AND NATO FOR COOPERATIVE DEFENSE PROJECTS.

(a) IN GENERAL.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2350i. Foreign contributions for cooperative projects

"(a) Whenever the United States participates in a cooperative project with a friendly foreign country or the North Atlantic Treaty Organization (NATO) on a cost-sharing basis, any contribution received by the United States from that foreign country or NATO to meet its share of the project costs may be credited to appropriations available to an appropriate military department or another appropriate organization within the Department of Defense, as determined by the Secretary of Defense.

"(b) The amount of a contribution credited to an appropriation account in connection with a cooperative project referred to in subsection (a) pursuant to such subsection shall be available only for payment of the share of the project expenses allocated to the foreign country or NATO making the contribution. Payments for which such amount is available include the following:

"(1) Payments to contractors and other suppliers (including the Department of Defense and other participants acting as suppliers) for necessary articles and services.

"(2) Payments for any damages and costs resulting from the performance or cancellation of any contract or other obligation.

"(3) Payments or reimbursements of other program expenses, including program office overhead and administrative costs.

"(4) Refunds to other participants.

"(c) In this section:

"(1) The term 'cooperative project' means a jointly managed arrangement, described in a written cooperative agreement entered into by the participants, that—

"(A) is undertaken by the participants in order to improve the conventional defense capabilities of the participants; and

"(B) provides for—

"(i) one or more participants (other than the United States) to share with the United States the cost of research and development, testing, evaluation, or joint production (including follow-on support) of defense articles;

"(ii) the United States and another participant concurrently to produce in the United States and the country of such other participant a defense article jointly developed in a cooperative project described in clause (i); or

"(iii) the United States to procure a defense article or a defense service from another participant in the cooperative project.

"(2) The term 'defense article' has the meaning given such term in section 47(3) of the Arms Export Control Act (22 U.S.C. 2794(3)).

"(3) The term 'defense service' has the meaning given such term in section 47(4) of the Arms Export Control Act (22 U.S.C. 2794(4)).".

(b) TABLE OF SECTIONS.—The table of sections at the beginning of subchapter II of such chapter is amended by adding at the end the following new item:

"2350i. Foreign contributions for cooperative projects.".

SEC. 1118. BURDENSHARING CONTRIBUTIONS BY KOREA.

(a) AUTHORITY TO ACCEPT CONTRIBUTIONS.—During fiscal years 1992 and 1993, the Secretary of Defense may accept cash contributions from the Republic of Korea for the purposes specified in subsection (c).

(b) CREDIT TO APPROPRIATIONS.—Amounts accepted in a fiscal year pursuant to the authority provided in subsection (a) shall be credited to Department of Defense appropriations that are available for that fiscal year for the purposes (specified in subsection (c)) for which the amounts are contributed. The amounts so credited shall be available for the same period as the appropriations to which credited.

(c) AVAILABILITY OF CONTRIBUTIONS.—Amounts credited to appropriations pursuant to subsection (b) shall be available only for the payment of the following costs:

(1) The costs of compensation for local national employees of the Department of Defense in the Republic of Korea.

(2) The costs of military construction projects of the Department of Defense in the Republic of Korea.

(d) REPORTS.—Not later than the first day of each of fiscal years 1993 and 1994, the Secretary of Defense shall submit to the congressional defense committees a report on the contributions accepted by the Secretary during the preceding fiscal year under the authority provided in subsection (a).

SEC. 1119. EXPANSION OF AUTHORITY FOR THE NAVY TO PROVIDE SUPPLIES AND SERVICES TO FOREIGN COUNTRIES.

(a) REIMBURSABLE PROVISION OF SUPPLIES AND SERVICES.—Subsection (a) of section 7227 of title 10, United States Code, is amended by striking out "friendly" each place it appears.

(b) PROVISION OF PORT AND AIRPORT SERVICES WITHOUT REIMBURSEMENT.—Subsection (b)(2) of such section is amended—

(1) in subparagraph (A)—

(A) by striking out "(A)";

(B) by striking out "port services" each place it appears and inserting in lieu thereof "port or airport services";

(C) by inserting "or aircraft" after "naval vessels" each place such term appears; and

(D) in the first sentence, by striking out "an allied" and inserting in lieu thereof "a foreign"; and

(2) by striking out subparagraph (B).

SEC. 1120. EXTENSION OF AUTHORITY FOR TRANSFER OF EXCESS DEFENSE EQUIPMENT TO CERTAIN NATIONS.

Section 516(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(a)) is amended in the first sentence by striking out "during the fiscal years 1987 through 1991,".

SEC. 1121. AUTHORITY OF SECRETARY OF DEFENSE IN CONNECTION WITH COOPERATIVE AGREEMENTS ON AIR DEFENSE IN ITALY.

(a) AUTHORITY TO CARRY OUT AGREEMENTS.—The Secretary of Defense is authorized to carry out the Italian air defense agreements. In carrying out those agreements, the Secretary—

(1) may provide without monetary charge to the Republic of Italy articles and services as specified in the agreements; and

(2) may accept from the Republic of Italy (in return for the articles and services provided under paragraph (1)) articles and services as specified in the agreements.

(b) ADMINISTRATION OF AGREEMENTS.—In connection with the administration of the Italian air defense agreements, the Secretary of Defense may—

(1) waive any surcharge for administrative services otherwise chargeable under section 21(e)(1)(A) of the Arms Export Control Act (22 U.S.C. 2761(e)(1)(A));

(2) waive any charge not otherwise waived for services associated with contract administration for the sale under the Arms Export Control Act of Patriot air defense missile fire units or components thereof to the Republic of Italy contemplated in the agreements; and

(3) use, to the extent contemplated in the agreements, the North Atlantic Treaty Organization (NATO) Maintenance and Supply Agency—

(A) for the supply of logistic support in Europe for the Patriot missile system; and

(B) for the acquisition of such logistic support, to the extent that the Secretary determines that the procedures of that agency governing such supply and acquisition are appropriate.

(c) AUTHORITY SUBJECT TO AVAILABILITY OF APPROPRIATIONS.—The authority of the Secretary of Defense to enter into contracts under the Italian air defense agreements is available only to the extent that appropriated funds are otherwise available for that purpose.

(d) DEFINITION.—For the purposes of this section, the term "Italian air defense agreements" means—

(1) the agreement entitled "Memorandum of Understanding Between the Secretary of Defense of the United States of America and the Minister of Defense of the Italian Republic on Cooperative Measures for Enhancing Air Defense in Italy", signed on March 24, 1988; and

(2) the agreement entitled "Implementing Agreement to the Memorandum of Understanding Between the Secretary of Defense of the United States of America and the Minister of Defense of the Italian Republic on Cooperative Measures for Enhancing Air Defense in Italy", signed on April 20, 1990.

SEC. 1122. TRAINING OF SPECIAL OPERATIONS FORCES WITH FRIENDLY FOREIGN FORCES.

(a) PAYMENT FOR TRAINING.—(1) Chapter 101 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2011. Special operations forces training with friendly foreign forces

"(a) Under regulations prescribed pursuant to subsection (c), the commander of the special operations command established pursuant to section 167 of this title and the commander of any other unified or specified combatant command may pay, or authorize payment for, any of the following expenses:

"(1) Expenses of training special operations forces assigned to that command in conjunction with training, and training with, armed forces and other security forces of a friendly foreign country.

"(2) Expenses of deploying such special operations forces for that training.

"(3) In the case of training in conjunction with a friendly developing country, the incremental expenses incurred by that country as the direct result of such training.

"(b) The primary purpose of the training for which payment may be made under subsection (a) shall be to train the special operations forces of the combatant command.

"(c) The Secretary of Defense shall prescribe regulations for the administration of this section. The regulations shall establish accounting procedures to ensure that the expenditures pursuant to this section are appropriate.

"(d) In this section:

"(1) The term 'special operations forces' includes civil affairs forces and psychological operations forces.

"(2) The term 'incremental expenses', with respect to a developing country, means the reasonable and proper cost of rations, fuel, training ammunition, transportation, and other goods and services consumed by such country. The term does not include pay, allowances, and other normal costs of such country's personnel.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2011. Special operations forces training with friendly foreign forces.".

(b) BUDGETING FOR TRAINING.—Section 166 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) SOF TRAINING WITH FOREIGN FORCES.—A funding proposal for force training under subsection (b)(2) may include amounts for training expense payments authorized in section 2011 of this title.".

SEC. 1123. TECHNICAL DATA PACKAGES FOR LARGE-CALIBER CANNON.

(a) EXCEPTION FOR FRIENDLY FOREIGN COUNTRIES.—Section 4542(b)(1) of title 10, United States Code, is amended by striking out "member nation" and all that follows through "major non-NATO ally" and inserting in lieu thereof "friendly foreign country".

(b) TECHNICAL CORRECTIONS.—Section 4542 of such title is amended—

(1) in subsection (c)(3), by striking out "subsection (d)" and inserting in lieu thereof "subsection (f)"; and

(2) in subsection (f), by striking out "subsection (b)(3)" and inserting in lieu thereof "subsection (c)(3)".

SEC. 1124. FOREIGN COMPARATIVE TESTING.

Section 2350a of title 10, United States Code, is amended in subsections (g)(1)(A), (g)(4)(A), and (h) by inserting "and other friendly foreign countries" after "major allies of the United States".

SEC. 1125. SENSE OF CONGRESS RELATING TO THE CONTRIBUTIONS TO OPERATION DESERT STORM MADE BY THE DEFENSE-RELATED INDUSTRIES OF THE UNITED STATES.

(a) FINDINGS.—Congress finds the following:

(1) The success of the Armed Forces of the United States in the prosecution of Operation Desert Storm is without parallel in the history of warfare.

(2) This success was due in great measure to the ready availability of weapons and weapon systems exhibiting remarkable accuracy through advanced technological design.

(3) These weapons and weapon systems were designed and produced by the defense-related industries of the United States.

(4) The Commander in Chief, United States Central Command, formulated a battle plan for Operation Desert Storm that relied on the availability and performance of these weapons and weapon systems.

(5) The successful use of these weapons and weapon systems in accordance with this plan resulted in astonishingly small numbers of killed and wounded among the Armed Forces of the United States and of the allied coalition.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the defense-related industries of the United States, and the men and women who work for such industries, deserve the gratitude and appreciation of the Congress and of the United States for the design and production of the technologically-advanced weapons and weapon systems that ensured victory by the United States and its international coalition allies in Operation Desert Storm;

(2) future decisions relating to the national security of the United States must take into account the need to maintain strong defense-related industries in the United States; and

(3) it is vitally important to the United States that the defense-related industries of

the United States be capable of responding to the national security requirements of the United States.

SEC. 1126. SENSE OF CONGRESS RELATING TO COOPERATION BETWEEN THE MILITARY DEPARTMENTS AND BIG BROTHERS AND BIG SISTERS ORGANIZATIONS.

(a) FINDINGS.—Congress finds the following:

(1) The Big Brothers and Big Sisters consist of 499 independent organizations located across the United States that assist at-risk children and the families of such children by establishing mentor programs that foster one-to-one relationships between such children and concerned adult mentors.

(2) The Big Brothers and Big Sisters organizations annually assist approximately 110,000 such children.

(3) As a result of cooperation between the Department of Defense and Big Brothers and Big Sisters organizations, successful mentor programs have been established at several military installations located in the United States and overseas.

(4) There are an estimated 80,000 single-parent families, containing at least 80,000 at-risk youth, that are headed by members of the Armed Forces.

(5) Appropriately trained members of the Armed Forces are exceptionally qualified to serve as concerned adult mentors of at-risk youths in Big Brothers and Big Sisters mentor programs.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) additional cooperation between the military departments and the Big Brothers and Big Sisters organizations located in communities near military installations under the jurisdiction of such departments will assist members of the Armed Forces who serve at such installations and such communities in responding to the family support needs of such members and communities; and

(2) the military departments should take all practicable steps necessary to encourage such cooperation at military installations located in the United States and to promote the establishment of additional Big Brothers and Big Sisters organizations at such installations located overseas.

SEC. 1127. STRATEGIC FRAMEWORK AND DISTRIBUTION OF RESPONSIBILITIES FOR THE SECURITY OF ASIA AND THE PACIFIC.

(a) FINDINGS.—Congress makes the following findings:

(1) The alliance between the United States and its allies in East Asia contributes greatly to the security of that region.

(2) It is in the national interest of the United States to maintain a forward military and naval presence in East Asia.

(3) The pace of economic, political, and social advances in many of the East Asian countries, particularly Japan and South Korea, continues to accelerate.

(4) As a result of such advances the capacity of those countries to contribute to the responsibilities for their own defense has increased dramatically.

(5) While the level of defense burdensharing by Japan and South Korea has increased, continued acceleration of the rate of transfer of that burden is desirable.

(6) The United States remains committed to the security of its friends and allies in Asia and the Pacific Rim region.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the United States should regularly review the missions, force structure, and locations of its military forces in Asia and the Pacific, including Hawaii;

(2) the United States should also regularly review its basing structure in the Pacific and Asia, with special attention to developments in the Philippines, Japan, and South Korea, and determine basing, forward deployments, maritime and land base prepositioning, amphibious forces, and strategic lift to meet evolving strategic needs;

(3) the United States should regularly review the threats and potential threats to regional peace, the United States, and its friends and allies;

(4) the United States should continue to assess the feasibility and desirability of the ongoing partial, gradual reduction of military forces in Asia and the Pacific;

(5) in view of the advances referred to in subsection (a)(3), Japan and South Korea should continue to assume increased responsibility for their own security and the security of the region;

(6) Japan and South Korea should continue to offset the direct costs incurred by the United States in deploying military forces for the defense of those countries including costs related to the presence of United States military forces in those countries; and

(7) Japan should continue to contribute to improvements to global stability by contributing to countries in regions of importance to world stability through the Official Development Assistance Program of Japan.

(c) REPORT REQUIRED.—(1) Not later than April 1, 1992, the President shall submit to the congressional defense committees, the Committee on Foreign Relations of the Senate, and the Committee on Foreign Affairs of the House of Representatives a report on the strategic posture and military force structure of the United States in Asia and the Pacific, including the forces in Hawaii. The President shall include in such report a strategic plan relating to the continued United States presence in that region.

(2) The report shall specifically include the following matters:

(A) An assessment of the trends in the regional military balance involving potential threats to the United States and its allies and friends in Asia and the Pacific, with special attention to (i) the implications of recent developments in the Soviet Union and the People's Republic of China for United States and allied security planning in Asia and the Pacific, and (ii) such regional conflicts as the struggle in Cambodia.

(B) An assessment of the trends in acquiring and deploying nuclear, biological, and chemical weapons and long range missiles and other delivery systems and other destabilizing transfers of arms and technology.

(C) An assessment of the extent to which a requirement continues to exist for a regional security role for the United States in East Asia.

(D) Identification of (i) any changes in the missions, force structure, and locations of United States military forces in Asia and the Pacific that could strengthen the capabilities of such forces and lower the costs of maintaining such forces, and (ii) changes in contingency and reserve armed forces in the United States and other areas.

(E) A review of the United States basing structure in the Pacific and Asia with special attention to developments in the Philippines, Japan, and South Korea, including a review of the implications for basing, forward deployments, maritime, and land base prepositioning, amphibious forces, and strategic lift to meet evolving strategic needs.

(F) A discussion of the strategic implications of the departure of United States forces from Clark Air Force Base and of the remaining facilities in the Philippines.

(G) A discussion of the need for expanding the United States access to facilities in Singapore and other states in East Asia that are friendly to the United States.

(H) A discussion of the recent trends in the contributions to burdensharing and the common defense being made by the friends and allies of the United States in Asia and the ways in which increased defense responsibilities and costs presently borne by the United States can be transferred to the friends and allies of the United States in Asia and the Pacific.

(I) An assessment of the feasibility of relocating United States military personnel and facilities in Japan and South Korea to reduce friction between such personnel and the people of those countries.

(J) Changes in bilateral command arrangements that would facilitate a transfer of military missions and command to allies of the United States in East Asia.

(K) A discussion of the changes in (i) the flow of arms and military technology between the United States and its friends and allies, (ii) the balance of trade in arms and technology, and (iii) the dependence and interdependence between the United States and its friends and allies in military technology.

SEC. 1128. PROTECTION OF KEYS AND KEYWAYS USED IN SECURITY APPLICATIONS BY THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—Chapter 67 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 1386. Keys and keyways used in security applications by the Department of Defense

"(a)(1) Whoever steals, purloins, embezzles, or obtains by false pretense any lock or key to any lock, knowing that such lock or key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment shall be punished as provided in subsection (b).

"(2) Whoever—

"(A) knowingly and unlawfully makes, forges, or counterfeits any key, knowing that such key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment; or

"(B) knowing that any lock or key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment, possesses any such lock or key with the intent to unlawfully or improperly use, sell, or otherwise dispose of such lock or key or cause the same to be unlawfully or improperly used, sold, or otherwise disposed of,

shall be punished as provided in subsection (b).

"(3) Whoever, being engaged as a contractor or otherwise in the manufacture of any lock or key knowing that such lock or key has been adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment, delivers any such finished or unfinished lock or any such key to any person not duly authorized by the Secretary of Defense or his designated representative to receive the same, unless the person receiving it is the contractor for furnishing the same or engaged in the manufacture thereof in the manner authorized by the contract, or the agent of such manufacturer, shall be punished as provided in subsection (b).

"(b) Whoever commits an offense under subsection (a) shall be fined under this title or imprisoned not more than 10 years, or both.

"(c) As used in this section, the term 'key' means any key, keyblank, or keyway adopted by any part of the Department of Defense, including all Department of Defense agencies, military departments, and agencies thereof, for use in protecting conventional arms, ammunition or explosives, special weapons, and classified information or classified equipment.".

(b) AMENDMENT TO THE CHAPTER ANALYSIS.—The chapter analysis for chapter 67 of title 18, United States Code, is amended by adding after the item referring to section 1385 the following:

"1386. Keys and keyways used in security applications by the Department of Defense.".

SEC. 1129. DEFENSE COST-SHARING AGREEMENTS, ACCOUNTING, AND REPORTING.

(a) DEFENSE COST-SHARING AGREEMENTS.—The President shall consult with foreign nations to seek to achieve, within 12 months after the date of the enactment of this Act, an agreement on appropriate defense cost-sharing with each foreign nation in which the United States has permanently stationed United States combat units. Each such defense cost-sharing agreement should provide that such nation agrees to share equitably with the United States, through cash compensation or in-kind contributions, or a combination thereof, the costs to the United States of maintaining military personnel or equipment in that nation.

(b) EXCEPTION.—The provisions of subsection (a) shall not apply to those countries which are eligible for Foreign Military Financing (FMF) assistance or Economic Support Fund (ESF) assistance.

(c) CONSULTATIONS.—In the consultations conducted under subsection (a), the President should make maximum feasible use of the Department of Defense and of the post of Ambassador-at-Large created by section 8125(c) of the Department of Defense Appropriations Act, 1989 (10 U.S.C. 113 note).

(d) ALLIES MUTUAL DEFENSE PAYMENTS ACCOUNTING.—The Secretary of Defense shall maintain an accounting for defense cost-sharing under each agreement entered into with a foreign nation pursuant to subsection (a). Such accounting shall show for such nation—

(1) the amount and nature of cost-sharing contributions agreed to;

(2) the amount of cost-sharing contributions delivered to date;

(3) the amount of additional contributions of such nation to any commonly funded multilateral programs providing for United States participation in the common defense;

(4) the amount of contributions made by the United States to any such commonly funded multilateral programs;

(5) the amount of the contributions of all other nations to any such commonly funded multilateral programs; and

(6) the cost to the United States of maintaining military personnel or equipment in that nation.

(e) REPORTING REQUIREMENTS.—(1) The annual Report on Allied Contributions to the Common Defense (required by section 1003, Public Law 98-525, Department of Defense Authorization Act, 1985) shall include information on efforts and progress in carrying out the provisions of subsections (a) and (c).

(2) The report shall also contain the accounting of defense cost-sharing contributions maintained pursuant to subsection (d).

SEC. 1130. DISCLOSURE OF INFORMATION CONCERNING UNITED STATES PERSONNEL CLASSIFIED AS PRISONER OF WAR OR MISSING IN ACTION.

(a) IN GENERAL.—(1) Except as provided in subsection (c), the head of each department or agency of the Federal Government holding or receiving any information referred to in paragraph (2) relating to any United States personnel currently classified as prisoners of war or missing in action shall make such information available to the public.

(2) Paragraph (1) applies to any record, live-sighting report, or other information relating to the location, treatment, or condition of any person referred to in such paragraph on or after the date on which such person passed from control of the Armed Forces of the United States into a status ultimately classified as prisoner of war or missing in action, as the case may be.

(b) DEPARTMENT OF DEFENSE INFORMATION.—At the same time that the Secretary of Defense makes available to the public the records and other information that is subject to the deadline established by subsection (d)(1), the Secretary shall also make available to the public a complete list of United States personnel classified as prisoners of war, missing in action, or killed in action (body not returned) after 1940, including during a period of war. The list shall include—

(1) the current classification of each listed person for Department of Defense purposes; and

(2) each change that has occurred in the listed person's classification (for Department of Defense purposes) since the original classification.

(c) EXCEPTIONS TO DISCLOSURE REQUIREMENT.—(1) A record or other information, including any fatality report, may not be made available to the public pursuant to subsection (a) if—

(A) such record or other information is exempt from the disclosure requirements of section 552 of title 5, United States Code, by reason of subsection (b) of such section;

(B) the record or other information is in a system of records exempt from the requirements of subsection (d) of section 552a of such title pursuant to subsection (j) or (k) of such section; or

(C) the record or other information specifically mentions a person by name unless such person or, in the case of a dead or incapacitated person or a person whose whereabouts is unknown, the closest living relative of such person (as determined by the official custodian of such record or information) expressly consents in writing to the disclosure of such record or other information.

(2) The prohibition contained in paragraph (1)(C) does not apply to the access of a member of the family of a person to any record or information to the extent that the record or other information relates to such person.

(3) The authority of a person to consent to disclosure of a record or other information for the purposes of paragraph (1)(C) may be delegated to another person or an organization only by means of an express legal power of attorney granted by the person authorized by such paragraph to consent to the disclosure.

(d) DEADLINES.—(1) In the case of records or other information that are required by subsection (a) to be made available to the public and are held by a department or agency of the Federal Government on the date of the enactment of this Act, the head of such department or agency shall make such records and other information available to the public pursuant to this section not later than 1 year after such date.

(2) Whenever after the date of the enactment of this Act a department or agency of the Federal Government receives any record or other information referred to in subsection (a) that is required by this section to be made available to the public, the head of such department or agency shall make such record or other information available to the public pursuant to this section not later than 1 year after it is received by that department or agency.

(3) If the head of a department or agency determines that his disclosure of any record or other information referred to in subsection (a) by the date required by paragraph (1) or (2) will compromise the safety of United States personnel known or thought to be held as prisoners of war, then the head of such department or agency may withhold such record or other information from the disclosure otherwise required by this section and shall immediately notify the President and the congressional intelligence committees of that determination.

(e) DEFINITIONS.—In this section:

(1) The term "period of war" has the meaning given such term in section 101(11) of title 38, United States Code.

(2) The term "congressional intelligence committees" means the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 1131. REPORT ON SHIPBUILDING EXPORT LICENSE.

Not later than four months after enactment of this Act, the Secretary of the Navy shall report to the Committees on Armed Services of the Senate and the House of Representatives on the criteria to be used in evaluating requests by corporations in the United States for a license to import components of submarines designed and manufactured abroad for further assembly and re-export.

SEC. 1132. COMMENDATION OF THE MILITARY COLLEGES FOR THEIR CONTRIBUTIONS TO TRAINING THE CITIZEN-SOLDIERS.

(a) FINDINGS.—Congress makes the following findings:

(1) The number of essential military colleges—institutions that the Department of Defense has recognized as constituting a special aspect of American higher education—has decreased from 11 institutions in 1914 to only 4 today: Norwich University, founded in 1819; Virginia Military Institute, established in 1839; The Citadel, The Military College of South Carolina, chartered in 1842; and North Georgia College, which opened in 1873;

(2) The hallmark of these institutions has been their dedication to the principle of the citizen-soldier, and in this regard are joined in spirit and devotion by the Cadet Corps at Texas A & M University, and Virginia Polytechnic Institute and State University;

(3) Citizen-soldiers are educated, trained, and inspired to become productive members

of society in any calling, but are also prepared to serve their country in a military role during times of war or national peril; and

(4) These citizen-soldiers have accepted as their duty an obligation to serve their country in every instance of war since the Mexican War, and have without fail or hesitation answered the call to arms—most recently with service in Southwest Asia as part of Operation Desert Storm: Now, therefore, be it

(b) RECOGNITION AND COMMENDATION.—In light of the findings in subsection (a), the Congress recognizes and commends military colleges for the unique contributions they have made and continue to make, and urges citizens of the United States to support the concept of the citizen-soldier to which these colleges are dedicated.

SEC. 1133. IRAQ, REQUIREMENTS OF RESOLUTION 687.

(a) The Congress finds—

(1) American and Coalition armed forces achieved great success in the Persian Gulf War in accomplishing the goals set forth by the United Nations Security Council.

(2) Subsequent to the cessation of hostilities in the Persian Gulf, the United Nations Security Council adopted Resolution 687, which has now been in effect for more than 100 days, and which required that Iraq submit within 15 days of its adoption a declaration of "the locations, amounts and types" of its weapons of mass destruction.

(3) Resolution 687 further required that Iraq "shall unconditionally accept the destruction, removal, or rendering harmless, under international supervision," of all of its "chemical and biological weapons," and shall place all of its nuclear weapons-usable material under the "exclusive control, for custody and removal, of the International Atomic Energy Agency".

(4) Iraq has failed to meet any of these requirements of Resolution 687, and further:

(A) Refused to acknowledge the existence of its biological weapons program.

(B) Obstructed, including through the use of armed force, the efforts of the United Nations Special Commission established by the Resolution to inspect Iraq's nuclear facilities to carry out its mandate.

(5) In a report issued on July 30, the Commission concluded that Iraq has undertaken a systematic effort to conceal its nuclear weapons development program, and has four times as many chemical weapons as previously estimated.

(6) President Bush has stated his determination to accomplish the goals of Resolution 687.

(b) It is the sense of Congress that:

(1) Iraq's failure to meet the requirements of Resolution 687 constitutes a continuing and grave threat to vital American national security interests and to the peace, security and stability of the Persian Gulf region.

(2) The Congress supports the use of all necessary means to achieve the goals of Resolution 687.

(3) The President is urged to continue consulting closely with our partners in the Desert Storm Coalition, and with the United Nations Security Council, on efforts to achieve the goals of Resolution 687.

(4) Should the use of force prove necessary, the President is urged to take all reasonable precautions to ensure that innocent civilian casualties are avoided or minimized.

SEC. 1134. PROTECTION OF THE KURDS.

(a) The Congress finds that—

(1) the continuation of Saddam Hussein's Ba'ath party regime poses an enduring and serious threat to the fundamental human rights and physical survival of many of the Iraqi people including Iraq's long-oppressed Kurdish minority and its Shi'a majority;

(2) United States military intervention in northern Iraq helped spare a part of the Kurdish people from Iraqi military attack and from disease and hunger; and

(3) the presence of United States and coalition forces in southern Turkey with a clear mandate to protect Iraq's Kurdish minority, through military intervention if necessary, is essential to the survival of Iraq's Kurdish minority.

(b) The Congress supports the use of all necessary means to protect Iraq's Kurdish minority, consistent with the relevant United Nations Resolutions and the authorities contained in Public Law 102–1.

SEC. 1135. SENSE OF CONGRESS REGARDING UNITED STATES TROOPS IN EUROPE.

It is the sense of Congress that—

(1) On July 2, 1991, the Soviet Union, Poland, Hungary, Czechoslovakia, Bulgaria and Rumania agreed to formally dissolve the Warsaw Pact military and political alliance.

(2) The Soviet army has withdrawn nearly 500,000 troops from throughout eastern Europe, including all of its troops in Hungary and Czechoslovakia.

(3) The threat of a Soviet attack on western Europe is drastically reduced.

(4) The United States has a continuing interest in maintaining and strengthening the North Atlantic Treaty Organization.

(5) Our NATO allies must take steps now to begin paying and carrying a greater share of the common NATO defense burden.

(6) Barring unforeseen developments which result in a substantial increase in the threat to our national security, the United States should plan for an end strength level of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO by the end of fiscal year 1995 that should not exceed approximately 100,000.

SEC. 1136. ESTABLISHMENT OF SUPPORT CENTER OF FAMILIES OF PRISONERS OF WAR AND PERSONS MISSING IN ACTION.

(a) REQUEST FOR ESTABLISHMENT.—The President is authorized and requested to establish in the Executive Office of the White House a family support center to provide information and assistance to families of prisoners of war and of persons missing in action in Southeast Asia.

(b) DUTIES.—The center referred to in subsection (a) should be organized and provided with such personnel as are necessary to permit the center—

(1) to assist families of prisoners of war and persons missing in action in Southeast Asia in contacting the departments and agencies of the Federal Government having jurisdiction over matters relating to such prisoners and persons; and

(2) to act as a central clearing house of any information, documents, and other relevant materials under the jurisdiction of such departments and agencies that may be made available to the public under Federal law.

SEC. 1137. SENSE OF CONGRESS RELATING TO THE CHEMICAL DECONTAMINATION TRAINING FACILITY, FORT MCCLELLAN, ALABAMA.

(a) FINDINGS.—Congress finds the following:

(1) The possible use of chemical weapons by Iraqi forces was the most significant military threat confronted by members of the Armed Forces of the United States who served in the Persian Gulf region in connection with Operation Desert Storm.

(2) There continues to be extreme concern with respect to the ever more rapid proliferation of chemical weapons and agents, especially among nations in the Middle East.

(3) This proliferation makes it increasingly necessary that members of the Armed Forces have the capability of self-defense against chemical weapons and agents.

(4) Combat training with live chemical agents directly promotes this capability by reducing the life-threatening fear and self doubt that some soldiers experience on a battlefield contaminated by chemical weapons or agents.

(5) Such training further promotes this capability by enhancing the professional credibility of the members of the Armed Forces who train others with respect to chemical weapons and agents.

(6) The Chemical Decontamination Training Facility (CDTF) located at Fort McClellan, Alabama, is the only facility for conducting combat training with live chemical agents located in the Western Hemisphere.

(7) The operations of the CDTF depend upon the support activities of the Army Chemical School which is also located at Fort McClellan, Alabama.

(8) The Defense Base Closure and Realignment Commission has reported that the closure or diminished operation of the CDTF could have an adverse impact on the capability of the Armed Forces to defend against the use of chemical weapons agents and thus on the national security of the United States.

(9) The capability of members of the Armed Forces to defend against chemical weapons and agents depends upon maintaining a fully operating facility for conducting combat training with live chemical agents located in the Western Hemisphere including maintaining associated support activities.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the necessity for the Armed Forces to have an effective live chemical agent training facility requires that the Chemical Decontamination Training Facility and the Army Chemical School be continued in operation at Fort McClellan, Alabama, unless a new facility for conducting combat training with live chemical agents is constructed.

SEC. 1138. POLICY REGARDING CONTRACTING WITH FOREIGN FIRMS THAT PARTICIPATE IN THE SECONDARY ARAB BOYCOTT.

(a) RESTATEMENT OF POLICY REGARDING TRADE BOYCOTTS.—As stated in section 3(5)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2402(5)(A)), it is the policy of the United States to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any other United States person.

(b) POLICY REGARDING CONTRACTING WITH PARTICIPANTS IN TRADE BOYCOTTS.—Consistent with the policy referred to in subsection (a), it is the sense of Congress that—

(1) no Department of Defense prime contract should be awarded to a foreign person unless that person certifies to the Secretary of Defense that it does not comply with the secondary Arab boycott of Israel; and

(2) the Secretary of Defense should consider developing a procurement policy to implement the policy expressed in paragraph (1).

SEC. 1139. LIMITATIONS RELATING TO REDEPLOYMENT OF MINUTEMAN III ICBMS.

(a) PROHIBITION REGARDING OPERATIONALLY DEPLOYED MISSILES.—Funds appropriated for fiscal year 1992 or any fiscal year preceding fiscal year 1992 pursuant to an authorization contained in this or any other Act may not be obligated or expended for the redeployment or transfer of operationally deployed Minuteman III intercontinental ballistic missiles from one Air Force ICBM base to another Air Force ICBM base.

(b) LIMITATION REGARDING STORED MISSILES.—No Minuteman III missile in storage may be transferred to a Minuteman II silo until the Secretary of Defense submits to Congress a plan for the restructuring of the United States strategic forces consistent with the strategic arms reduction (START) treaty signed by the United States and the Soviet Union, including—

(1) a discussion of the force structure options that were considered in developing the plan;

(2) for each option, the locations for the Minuteman III ICBMs and Small ICBMs and the number of each such type of missile for each location;

(3) the cost of each such option; and

(4) the reasons for selecting the force structure provided for in the plan.

SEC. 1140. REQUIREMENT TO DISPLAY POW/MIA FLAG ON FEDERAL BUILDINGS AND VIETNAM MEMORIAL.

The POW/MIA flag shall be displayed on or in the immediate vicinity of all Federal buildings referred to in the subsequent section and at the National Vietnam Veterans Memorial until such time as the fullest possible accounting has been made of all members of the Armed Forces of the United States and civilians who are known to have become prisoners of war or who are missing in action in Southeast Asia.

SEC. 1141. DETERMINATIONS BY ADMINISTRATOR OF GENERAL SERVICES.

The Administrator of General Services shall in consultation with the heads of other Executive departments and agencies, determine the Federal buildings at which the POW/MIA flag will be displayed and the manner in which such flag shall be displayed.

SEC. 1142. DEFINITIONS.

(1) As used in sections 1140, 1141, and 1142, the term "Executive departments and agencies" means all departments and agencies of the Federal Government, including independent agencies and instrumentalities of the United States.

(2) The term "POW/MIA flag" means the flag designated as the National League of Families POW/MIA flag pursuant to section 2 of the Joint Resolution designating September 21, 1990, as "National POW/MIA Recognition Day", and recognizing the National League of Families POW/MIA flag (Public Law 101-355; 104 Stat. 416).

SEC. 1143. SENSE OF CONGRESS REGARDING NUCLEAR WEAPONS TESTING LIMITATION TALKS.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) The commitment made prior to the Reykjavik Summit by President Ronald Reagan, in a letter to Senator Barry Goldwater, then Chairman of the Senate Armed Services Committee, on October 10, 1986, to "engage in negotiations on ways to implement a step-by-step parallel program—in association with a program to reduce and ultimately eliminate all nuclear weapons—of limiting and ultimately ending nuclear testing" was an important step toward the achievement of further controls on nuclear testing;

(2) the Threshold Test Ban and Peaceful Nuclear Explosions Treaties entered into force on December 11, 1990.

(b) POLICY.—It is the Sense of the Congress that the United States and the Soviet Union share a special responsibility to resume the Nuclear Testing Talks to continue negotiations toward additional limitations on nuclear weapons testing.

(c) REPORT.—The President shall, within 60 days of enactment of this Act, submit to the Congress of the United States a report containing a proposed schedule for resumption of the Nuclear Testing Talks and identifying the goals to be pursued in such talks.

SEC. 1144. UNITED STATES TROOPS IN KOREA.

(a) Congress finds that:

(1) The Department of Defense plans to reduce the United States troop presence in the Republic of Korea to 36,500 personnel by the end of 1992.

(2) The Department has announced no specific plans for further personnel reductions below that level.

(3) The National Unification Board of South Korea estimates the GNP of North Korea to have been $21,000,000,000 in 1989, while the Bank of Korea estimates the economy of the Republic of Korea's economy to have been $210,000,000,000 in 1989, a factor of ten larger. At its current growth rate, as estimated by its Economic Planning Board, just the annual expansion of the economy of the Republic of Korea is nearly equivalent in size to the entire North Korean economy.

(4) The Republic of Korea faces a substantial military threat from North Korea that requires a vigorous response on both military and deplomatic levels.

(5) The Republic of Korea has decided to increase its level of host nation support, although such support still falls short of the actual cost involved, and short of the relative level provided by the government of Japan.

(6) while recognizing that the Republic of Korea has consistently increased its defense budget in real terms by an average of about 6 percent annually for the past five years, at 4.2 percent of GNP, the Republic of Korea devotes a smaller share of its economy to defense than does the United States, at 4.9 percent.

(b) It is the sense of the Senate that:

(1) The Republic of Korea remains an important ally of the United States, with the two countries sharing important political, economic, and security interests.

(2) Commemsurate with the security situation on the Korean peninsula and the size and vitality of the economy of the Republic of Korea:

(A) the Department of Defense should seriously consider future reductions of United States military personnel from the Republic of Korea beyond those now planned to be completed by the end of 1992.

(B) The Republic of Korea should undertake greater efforts to meet its security requirements, particularly in the area of force modernization.

(3) The government of the Republic of Korea should increase the level of host nation support it provides to United States forces in the area so that its relative level more closely approximates that of Japan.

(c) The President shall report to Congress, either separately or as part of another relevant report, on or before June 30, 1992, in both classified and unclassified form, on the overall security situation on the Korean peninsula, the implications of relevant political and economic developments in the area for the security situation there, and United States policy for the area. Issues covered in the report should include, but not be limited to, qualitative and quantitative assessment of the military balance on the Korean peninsula, the material requirements of the Republic of Korea, United States military personnel requirements, the state of United States-Republic of Korea, China-Republic of Korea, and Soviet-Republic of Korea relations, and prospects for change with North Korea.

SEC. 1145. REQUIREMENT TO CONDUCT BASING STUDIES FOR THE B-2 BOMBER.

The Secretary of the Air Force shall conduct studies of existing Air Force and other service bases, including bases such as Forbes Air Force base to determine the feasibility and suitability of such bases as main operating bases of the Strategic Air Command for the B-2 bomber. Such studies will include desirability of location, strategic considerations, military construction requirements, costs, flying conditions, adequacy of safety zones, and other site requirements as deemed necessary by the Secretary of the Air Force. These studies shall be completed and provided to the Committees on the Armed Services of the Senate and the House of Representatives prior to final site selection of any main operating bases for the B-2 bomber not previously selected and currently under construction and shall be part of the studies mandated in section 2310.

SEC. 1146. REPORT ON THE FEASIBILITY AND DESIRABILITY OF ESTABLISHING AN ARMOR COMBAT TANK BADGE.

(a) REPORT REQUIRED.—Not later than six months after the date of enactment of this Act, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the feasibility and desirability of establishing an Armor Combat Tank Badge.

(b) CONTENTS OF REPORT.—The report shall include the following information:

(1) A description of all costs involved in the creation and awarding of an Armor Combat Tank Badge.

(2) A description of conditions for the award of an Armor Combat Tank Badge.

(3) A description of Army personnel eligible for the award of an Armor Combat Tank Badge.

(4) A description of the Department of the Army's views on the desirability of the establishment of an Armor Combat Tank Badge.

SEC. 1147. REPORT ON WARHEAD DISMANTLEMENT.

(a) REPORT REQUIREMENT.—Section 3151 of the National Defense Authorization Act for fiscal year 1991 requires the President to establish a Technical Advisory Committee on Verification of Missile Material and Nuclear Warhead controls. A report was required of the Committee for delivery to Congress no later than April 30, 1991. This report has not been submitted to Congress.

(b) The Committee continues to have a strong interest in this subject, and therefore directs the President to submit this report not later than 60 days after the enactment of this Act.

MILITARY CONSTRUCTION ACT FOR FISCAL YEAR 1992 AND 1993

The text of S. 1513, Military Construction Act for Fiscal Years 1992 and 1993, as passed by the Senate on August 2, 1991, is as follows:

S. 1513

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military Construction Act for Fiscal Years 1992 and 1993".

SEC. 2. EXPIRATION OF AUTHORIZATIONS FOR FISCAL YEARS AFTER 1992.

Authorizations of appropriations, and of personnel strength levels, in this Act for any fiscal year after fiscal year 1992 are effective only with respect to appropriations made during the first session of the One Hundred Second Congress.

MILITARY CONSTRUCTION AUTHORIZATIONS

TITLE XXI—ARMY

PART A—FISCAL YEAR 1992

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Anniston Army Depot, $105,800,000.
Fort Rucker, $17,700,000.
Redstone Arsenal, $74,700,000.

ALASKA

Fort Greely, $7,600,000.
Fort Richardson, $7,000,000.
Fort Wainwright, $7,950,000.

ARIZONA

Fort Huachuca, $18,000,000.

CALIFORNIA

Fort Hunter Liggett, $4,700,000.
Fort Irwin, $10,320,000.
Sierra Army Depot, $1,950,000.

COLORADO

Fort Carson, $10,500,000.
Pueblo Army Depot, $6,300,000.

GEORGIA

Fort Benning, $2,150,000.
Fort Gordon, $1,200,000.
Fort Stewart, $950,000.

HAWAII

Fort Shafter, $3,500,000.
Schofield Barracks, $5,800,000.

KANSAS

Fort Riley, $2,600,000.

KENTUCKY

Fort Campbell, $17,050,000.
Fort Knox, $23,450,000.

LOUISIANA

Fort Polk, $22,730,000.

MARYLAND

Aberdeen Proving Ground, $11,150,000.
Fort Ritchie, $3,900,000.

MASSACHUSETTS

Natick Research Center, $4,250,000.

MISSOURI

Fort Leonard Wood, $12,200,000.

NEW HAMPSHIRE

Cold Regions Laboratory, $3,700,000.

NEW JERSEY

Fort Dix, $20,000,000.

NEW MEXICO

White Sands Missile Range, $4,250,000.

NEW YORK

Seneca Army Depot, $1,150,000.
United States Military Academy, West Point, $15,800,000.

NORTH CAROLINA

Fort Bragg, $13,400,000.

OKLAHOMA

Fort Sill, $3,350,000.

OREGON

Umatilla Army Depot, $11,100,000.

PENNSYLVANIA

Letterkenny Army Depot, $3,150,000.
Tobyhanna Army Depot, $8,200,000.

TEXAS

Corpus Christi Army Depot, $3,400,000.
Fort Hood, $31,500,000.
Fort Sam Houston, $4,350,000.
Red River Army Depot, $2,020,000.

UTAH

Dugway Proving Ground, $4,000,000.
Tooele Army Depot, $14,700,000.

VIRGINIA

Fort A.P. Hill, $6,100,000.
Fort Belvoir, $19,950,000.
Fort Eustis, $8,500,000.
Fort Lee, $6,700,000.
Fort Myer, $5,550,000.
Fort Pickett, $2,800,000.
Fort Story, $900,000.
Vint Hill Farms Station, $3,550,000.

WASHINGTON

Fort Lewis, $42,100,000.

WISCONSIN

Fort McCoy, $18,500,000.

CONUS CLASSIFIED

Classified Location, $3,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

GERMANY

Feucht, $590,000.
Hohenfels Training Area, $960,000.

KOREA

Camp Carroll, $5,600,000.
Camp Hovey, $9,100,000.
Camp Walker, $2,250,000.

KWAJALEIN ATOLL

Kwajalein, $77,400,000.

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Army may construct or acquire family housing units (including land), using amounts appropriated pursuant to section 2106(a)(6)(A), at the following installations, for the purpose shown, and in the amount shown, for each installation:

(1) Fort Hunter Liggett, California, one hundred and fifty-four units, $22,000,000.

(2) Fort Irwin, California, one hundred and seventy-two units, $18,000,000.

(3) Fort Carson, Colorado, one unit, $150,000.

(4) Camp Merrill, Georgia, forty units, $4,550,000.

(5) Fort Stewart, Georgia, one unit, $190,000.

(6) Hawaii, Oahu Various, one hundred and forty units, $16,500,000.

(7) Fort Leonard Wood, Missouri, two units, $360,000.

(b) PLANNING AND DESIGN.—The Secretary of the Army may, using amounts appropriated pursuant to section 2106(a)(6)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $5,220,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Army may, using amounts appropriated pursuant to section 2106(a)(6)(A), improve existing military family housing in an amount not to exceed $74,980,000.

SEC. 2104. SECTION 2809 FACILITIES CONTRACT PROJECTS.

The Secretary of the Army may enter into long-term contracts for construction, management, and operation of facilities pursuant to section 2809 of title 10, United States Code, at the following installations for the purpose shown, and at the estimated capital investment cost shown, for each installation:

(1) Redstone Arsenal, Alabama, child development center, $1,900,000.

(2) Redstone Arsenal, Alabama, transient quarters, $6,000,000.

(3) Fort Irwin, California, consolidated maintenance and supply complex, $30,000,000.

(4) Fort McPherson, Georgia, child development center, $2,300,000.

(5) Price Support Center, Illinois, transient quarters, $6,000,000.

(6) Detroit Arsenal, Detroit, Michigan, child development center, $1,100,000.

(7) Fort Sill, Oklahoma, sewage treatment facility, $20,000,000.

(8) Fort Jackson, South Carolina, laundry, $7,800,000.

(9) Fort Belvoir, Virginia, child development center, $6,500,000.

SEC. 2105. MILITARY HOUSING RENTAL GUARANTY PROJECTS.

The Secretary of the Army may enter into rental guaranty agreements for military housing pursuant to section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note) at the following installations and locations for the purpose shown for each installation and location:

(1) Oahu, Hawaii, five hundred units.

(2) Fort Belvoir, Virginia, three hundred units.

SEC. 2106. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,488,475,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $604,670,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $95,900,000.

(3) For unspecified minor construction projects authorized under section 2805 of title 10, United States Code, $11,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $146,730,000, of which $25,000,000 shall be for Host Nation Infrastructure Support construction projects.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $7,200,000.

(6) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $141,950,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $1,397,025,000, of which not more than $360,783,000 may be obligated or expended for the leasing of military family housing worldwide.

(7) For the Homeowners Assistance Program, as authorized by section 2832 of title 10, United States Code, $84,000,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2107. AUTHORIZATION OF FAMILY HOUSING PROJECT FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

Section 2102(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1760), is amended by striking out "Kansas, Fort Riley, two hundred and four units, $12,500,000." and inserting in lieu thereof "Kansas, Fort Riley, two hundred and fifty units, $16,500,000.".

SEC. 2108. EXTENSION OF CERTAIN PRIOR YEAR AUTHORIZATIONS.

(a) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1989 PROJECTS.—Notwithstanding section 2701 of the Military Construction Authorization Act, 1989 (division B of Public Law 100-456; 102 Stat. 2115), authorizations for the following projects authorized in sections 2101 and 2102 of that Act, as extended by section 2106(c) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1762), shall remain in effect until October 1, 1992, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1993 (other than this Act), whichever is later:

(1) Battalion headquarters in the amount of $2,300,000 at Fort Wainwright, Alaska.

(2) Family housing, new construction, one hundred eight units, in the amount of $9,100,000 at Fort Bliss, Texas.

(3) Operations facility in the amount of $5,300,000 at Location 276 (Turkey).

(b) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1990 PROJECTS.—Notwithstanding section 2701(b)(1) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1645), authorizations for the following projects authorized in sections 2101 and 2102 of that Act shall remain in effect until October 1, 1992, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1993 (other than this Act), whichever is later:

(1) Family housing, new construction, two units, in the amount of $400,000 at Fort Rucker, Alabama.

(2) Alter dormitory in the amount of $3,750,000 at Melvin Price Support Center, Illinois.

(3) Armament technology laboratory in the amount of $11,800,000 at Picatinny Arsenal, New Jersey.

(4) Vehicle maintenance facility in the amount of $1,400,000 at Dugway Proving Ground, Utah.

(5) Enlisted petroleum training facility in the amount of $8,300,000 at Fort Lee, Virginia.

(6) War reserve storage in the amount of $6,100,000 at classified overseas locations.

SEC. 2109. ELEMENTARY SCHOOL FOR DEPENDENTS OF DEPARTMENT OF DEFENSE PERSONNEL AT FORT WAINWRIGHT, ALASKA.

(a) GRANT AUTHORITY.—The Secretary of the Army may make a direct grant to the Fairbanks North Star Borough School District, Fairbanks, Alaska, for support of the construction of a public elementary school facility sufficient to accommodate the dependents of members of the Armed Forces assigned to Fort Wainwright, Alaska, and dependents of Department of Defense employees employed at Fort Wainwright.

(b) MAXIMUM AUTHORIZED GRANT.—The total amount made available by grant from the Secretary to the Fairbanks North Star Borough School District under subsection (a) may not exceed $8,300,000.

(c) SOURCE OF FUNDS.—To the extent provided in appropriations Acts, funds authorized in title XXI of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1759) to be appropriated for construction of a school at Fort Wainwright, Alaska, shall be available to carry out this section.

(d) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the grant authorized by this section as the Secretary considers appropriate.

SEC. 2110. AIRPORT FEASIBILITY STUDY, MANHATTAN, KANSAS.

Of the amount authorized to be appropriated by section 2106(a), not more than $250,000 shall be available for the Secretary of the Army to study the need for and feasibility of developing a joint Armed Forces and civilian airport at Manhattan, Kansas, including conducting engineering and design studies, in order to accelerate the future deployment of the 1st Infantry Division (Mechanized).

PART B—FISCAL YEAR 1993

SEC. 2121. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ARKANSAS

Pine Bluff Arsenal, $80,600,000.

CALIFORNIA

Sierra Army Depot, $2,300,000.

HAWAII

Schofield Barracks, $4,700,000.

LOUISIANA

Fort Polk, $17,500,000.

OREGON

Umatilla Army Depot, $117,200,000.

PENNSYLVANIA

Letterkenny Army Depot, $5,400,000.

TEXAS

Red River Army Depot, $3,100,000.

UTAH

Tooele Army Depot, $9,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

GERMANY

Grafenwoehr, $12,200,000.

KWAJALEIN ATOLL

Kwajalein, $45,500,000.

TURKEY

Location 276, $3,000,000.

SEC. 2122. FAMILY HOUSING.

The Secretary of the Army may, using amounts appropriated pursuant to section 2124(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $11,060,000.

SEC. 2123. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Army may, using amounts appropriated pursuant to section 2124(a)(5)(A), improve existing military family housing in an amount not to exceed $58,240,000.

SEC. 2124. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $1,956,400,000 as follows:

(1) For military construction projects inside the United States authorized by section 2121(a), $239,800,000.

(2) For military construction projects outside the United States authorized by section 2121(b), $60,700,000.

(3) For unspecified minor military construction projects authorized under section 2805 of title 10, United States Code, $11,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $83,100,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $69,300,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,407,500,000, of which not more than $379,881,000 may be obligated or expended for the leasing of military family housing worldwide.

(6) For the Homeowners Assistance Program, as authorized by section 2832 of title 10, United States Code, $85,000,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2121 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXII—NAVY

PART A—FISCAL YEAR 1992

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALASKA

Adak, Naval Security Group Activity, $12,700,000.

Amchitka, Fleet Surveillance Support Command, $7,200,000.

Anchorage, Naval Security Group Support Detachment, $2,600,000.

Shemya, Naval Security Group Support Detachment, $3,140,000.

CALIFORNIA

Camp Pendleton, Amphibious Task Force, $17,750,000.

Camp Pendleton, Marine Corps Air Station, $2,010,000.

Camp Pendleton, Marine Corps Base, $1,460,000.

China Lake, Naval Weapons Center, $16,600,000.

Concord, Naval Weapons Station, $1,250,000.

Coronado, Naval Amphibious Base, $1,600,000.

Fallbrook, Naval Weapons Station Annex, $9,700,000.

Miramar, Naval Air Station, $3,250,000.

Monterey, Naval Postgraduate School, $2,900,000.

Port Hueneme, Naval Construction Battalion Center, $17,250,000.

San Diego, Fleet Combat Training Center, Pacific, $640,000.

San Diego, Naval Station, $3,110,000.

San Diego, Naval Submarine Base, $14,130,000.

San Diego, Naval Supply Center, $1,750,000.

San Diego, Navy Public Works Center, $16,800,000.

Seal Beach, Naval Weapons Station, $3,780,000.

Twenty-nine Palms, Marine Corps Air-Ground Combat Center, $680,000.

Vallejo, Mare Island, Naval Shipyard, $3,570,000.

CONNECTICUT

New London, Naval Submarine Base, $5,680,000.

New London, Submarine Support Facility, $5,800,000.

DISTRICT OF COLUMBIA

District of Columbia, Commandant Naval District Washington, $5,750,000.

FLORIDA

Jacksonville, Naval Aviation Depot, $3,300,000.

Mayport, Naval Station, $3,140,000.

Orlando, Naval Training Center, $21,430,000.

Panama City, Naval Coastal Systems Center, $11,150,000.

Pensacola, Naval Air Station, $4,000,000.

Pensacola, Naval Supply Center, $5,700,000.

GEORGIA

Kings Bay, Naval Submarine Base, $9,780,000.

McIntosh County, Townsend Range, $2,881,000.

HAWAII

Barbers Point, Naval Air Station, $3,300,000.

Honolulu, Naval Communication Area Master Station, Eastern Pacific, $1,500,000.

Lualualei, Naval Magazine, $8,700,000.

Pearl Harbor, Naval Inactive Ship Maintenance Facility, $3,200,000.

Pearl Harbor, Naval Shipyard, $800,000.

Pearl Harbor, Naval Submarine Base, $62,000,000.

Pearl Harbor, Naval Public Works Center, $13,440,000.

ILLINOIS

Great Lakes, Naval Training Center, $7,000,000.

INDIANA

Crane, Naval Weapons Support Center, $9,450,000.

MARYLAND

Annapolis, David Taylor Naval Ship Research Development Center, $3,450,000.

Annapolis, Naval Radio Transmitting Facility, $5,220,000.

Bethesda, National Naval Medical Center, $4,470,000.

Indian Head, Naval Ordinance Station, $6,600,000.

Patuxent River, Naval Air Test Center, $5,800,000.

St. Inigoes, Naval Electronic Systems Engineering Activity, $8,450,000.

MISSISSIPPI

Gulfport, Construction Battalion Center, $7,000,000.

NEVADA

Fallon, Naval Air Station, $8,200,000.

NEW JERSEY

Earle, Naval Weapons Station, $4,900,000.

NORTH CAROLINA

Camp Lejeune, Marine Corps Base, $2,500,000.

Cherry Point, Marine Corps Air Station, $18,450,000.

Cherry Point, Naval Aviation Depot, $7,700,000.

New River, Marine Corps Air Station, $7,100,000.

OKLAHOMA

Tinker Air Force Base, Naval Air Detachment, $4,700,000.

PENNSYLVANIA

Philadelphia, Naval Inactive Ship Maintenance Activity, $4,000,000.

SOUTH CAROLINA

Beaufort, Marine Corps Air Station, $2,250,000.

Charleston, Fleet and Mine Warfare Training Center, $14,620,000.

Charleston, Naval Weapons Station, $3,250,000.

Parris Island, Marine Corps Recruit Depot, $5,100,000.

TEXAS

Kingsville, Naval Air Station, $1,500,000.

VIRGINIA

Chesapeake, Naval Security Group Activity, Northwest, $13,800,000.

Dahlgren, Naval Surface Warfare Center, $18,280,000.

Little Creek, Naval Amphibious Base, $12,730,000.

Norfolk, Naval Air Station, $9,370,000.

Norfolk, Naval Communication Area Master Station, Atlantic, $6,550,000.

Norfolk, Naval Station, $340,000.

Norfolk, Naval Supply Center, $1,250,000.

Norfolk, Navy Public Works Center, $7,300,000.

Norfolk, Oceanographic System Atlantic, $3,250,000.

Oceana, Naval Air Station, $7,270,000.

Portsmouth, Naval Hospital, $6,600,000.

Portsmouth, Shore Intermediate Maintenance Activity, $14,000,000.

Yorktown, Naval Weapons Station, $4,650,000.

WASHINGTON

Bangor, Commander, Submarine Group 9, $2,050,000.

Bangor, Trident Refit Facility, $2,170,000.

Bremerton, Puget Sound Naval Shipyard, $39,700,000.

Bremerton, Puget Sound Naval Supply Center, $12,550,000.

Everett, Naval Station, $21,790,000.

Whidbey Island, Naval Air Station, $6,800,000.

WEST VIRGINIA

Green Bank, Naval Observatory, $5,400,000.

VARIOUS LOCATIONS

Land Acquisition, $45,900,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

BAHRAIN ISLAND

Bahrain Island, Administration Support Unit, $1,300,000.

GUAM

Naval Communication Area Master Station, Western Pacific, $2,000,000.

Navy Public Works Center, $670,000.

ICELAND

Keflavik, Naval Air Station, $9,300,000.

Keflavik, Naval Communication Station, $10,600,000.

ITALY

Naples, Naval Support Activity, $11,270,000.

Sicily, Naval Communication Station, $2,750,000.

Sigonella, Naval Air Station, $12,150,000.

PUERTO RICO

Roosevelt Roads, Naval Station, $7,660,000.

SCOTLAND

Edzell, Naval Security Group Activity, $1,400,000.

VARIOUS LOCATIONS

Host Nation Infrastructure Support, $2,000,000.

Satellite Terminals, $1,800,000.

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Navy may construct or acquire family housing units (including land), using amounts appropriated pursuant to section 2207(a)(7)(A), at the following installations for the purpose shown, and in the amount shown, for each installation:

(1) Camp Pendleton, Marine Corps Base, California, one hundred and fifty units, $16,172,000.

(2) Lemoore, Naval Air Station, California, community center, $1,070,000.

(3) Point Mugu, Port Hueneme Complex, California, one hundred units, $11,160,000.

(4) San Diego, Navy Public Works Center, California, two hundred sixty units, $29,800,000.

(5) Washington Naval District, District of Columbia, demolition, $9,910,000.

(6) Mayport, Naval Station, Florida, community center, $710,000.

(7) Glenview, Naval Air Station, Illinois, two hundred units, $16,000,000.

(8) Lakehurst, Naval Air Engineering Center, New Jersey, housing office, $340,000.

(9) Guantanamo Bay, Naval Station, Cuba, two hundred seventy-eight units, $38,400,000.

(b) PLANNING AND DESIGN.—The Secretary of the Navy may, using amounts appropriated pursuant to section 2207(a)(7)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,200,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may, using amounts appropriated pursuant to section 2207(a)(7)(A), improve existing military family housing units in the amount of $55,438,000.

SEC. 2204. SECTION 2809 FACILITIES CONTRACT PROJECTS.

The Secretary of the Navy may enter into long-term contracts for construction, management, and operation of facilities pursuant to section 2809 of title 10, United States Code, at the following installations for the purpose shown, and at an estimated capital cost shown, for each installation:

(1) Marine Corps Air Station, El Toro, California, bachelor officers quarters, $8,300,000.

(2) Naval Research Laboratory, Washington, District of Columbia, child development center, $1,400,000.

(3) Naval Air Station, Jacksonville, Florida, child development center, $1,000,000.

(4) Naval Air Station, Pensacola, Florida, child development center, $1,100,000.

(5) Naval Avionics Center, Indianapolis, Indiana, child development center, $2,000,000.

(6) Naval Undersea Warfare Engineering Station, Keyport, Washington, child development center, $1,300,000.

SEC. 2205. FAMILY HOUSING LEASE PROJECTS.

The Secretary of the Navy may enter into contracts for the lease of family housing units pursuant to section 2828(g) of title 10, United States Code, at the following installations and locations for the purpose shown, and at the net present values shown, for each installation and location:

(1) Bangor, Washington, three hundred units, $21,250,000.

(2) Kings Bay, Georgia, four hundred units, $28,070,000.

(3) Naval Air Station Whidbey Island, Washington, three hundred units, $21,110,000, a project previously approved by the Navy.

(4) Dahlgren, Naval Surface Warfare Center, Dahlgren, Virginia, one hundred fifty units, $11,000,000.

SEC. 2206. MILITARY HOUSING RENTAL GUARANTY PROJECTS.

The Secretary of the Navy may enter into rental guaranty agreements for military housing pursuant to section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note), at the following installations and locations for the purposes shown for each installation and location:

(1) Oahu, Hawaii, three hundred sixty-eight units.

(2) Great Lakes Naval Training Center, Illinois, one hundred fifty units.

(3) Camp Pendleton, California, six hundred units.

(4) Cheltenham, Maryland, two hundred eighty-four units.

SEC. 2207. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,764,681,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $667,381,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $62,900,000.

(3) For military construction projects, Earle, Naval Weapons Station, New Jersey, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1765), $36,500,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $12,400,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $88,600,000.

(6) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $1,000,000.

(7) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $185,200,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $710,700,000, of which not more than $72,900,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2208. TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN PROJECTS.

(a) SILVERDALE STRATEGIC WEAPONS FACILITY PACIFIC.—Section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1763) is amended under the heading "WASHINGTON" by striking out "Silverdale, Strategic Weapons Facility Pacific, $56,480,000." and inserting in lieu thereof "Silverdale, Strategic Weapons Facility Pacific, $11,060,000.".

(b) CONFORMING AMENDMENTS.—Section 2205(a) of such Act (division B of Public Law 101-510; 104 Stat. 1767) is amended—

(1) by striking out "$2,014,223,000" and inserting in lieu thereof "$1,968,803,000"; and

(2) in paragraph (1), by striking out "$959,802,000" and inserting in lieu thereof "$914,382,000".

SEC. 2209. SPECIFICATION OF THE MILITARY CONSTRUCTION PROJECT PREVIOUSLY AUTHORIZED FOR THE MARINE CORPS SUPPORT ACTIVITY, KANSAS CITY, MISSOURI.

The authority provided in section 2201(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1621) for a military construction project for the Marine Corps Reserve Support Activity, Kansas City, Missouri, shall apply only to a military construction project for a Marine Corps Reserve Center to house the Marine Corps Reserve Support Center.

PART B—FISCAL YEAR 1993

SEC. 2221. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

CALIFORNIA

Camp Pendleton, Marine Corps Base, $23,100,000.

Twentynine Palms, Marine Corps Air-Ground Combat Center, $4,600,000.

GEORGIA

Albany, Marine Corps Logistics Base, $7,000,000.

RHODE ISLAND

Newport, Naval Education and Training Center, $2,000,000.

SOUTH CAROLINA

Charleston, Naval Weapons Station, $600,000.

TENNESSEE

Memphis, Naval Air Station, $9,060,000.

TEXAS

Kingsville, Naval Air Station, $8,500,000.

VIRGINIA

Norfolk, Naval Station, $500,000.

Norfolk, Naval Supply Center, $12,400,000.

Oceana, Naval Air Station, $3,600,000.

Yorktown, Naval Weapons Station, $1,100,000.

WASHINGTON

Bremerton, Puget Sound Naval Shipyard, $1,400,000.

Silverdale, Strategic Weapons Facility Pacific, $25,940,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ICELAND

Keflavik, Naval Air Station, $2,000,000.

VARIOUS LOCATIONS

Host Nation Infrastructure Support, $3,000,000.

SEC. 2222. FAMILY HOUSING.

The Secretary of the Navy may, using amounts appropriated pursuant to section 2224(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,200,000.

SEC. 2223. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may, using amounts appropriated pursuant to section 2224(a)(5)(A) improve existing military family housing units in the amount of $2,000,000.

SEC. 2224. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $990,000,000, as follows:

(1) For military construction projects inside the United States authorized by section 2221(a), $99,800,000.

(2) For military construction projects outside the United States authorized by section 2221(b), $5,000,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $12,400,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $79,900,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $8,200,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $784,700,000, of which not more than $108,800,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2221 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXIII—AIR FORCE

PART A—FISCAL YEAR 1992

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amount shown for each of the following installations and locations inside the United States:

ALABAMA

Gunter Air Force Base, $9,200,000.

ALASKA

Eielson Air Force Base, $30,900,000.

Elmendorf Air Force Base, $1,400,000.

Shemya Air Force Base, $38,400,000.

ARIZONA

Davis-Monthan Air Force Base, $4,100,000.

Luke Air Force Base, $8,800,000.

CALIFORNIA

Beale Air Force Base, $3,050,000.

Edwards Air Force Base, $14,300,000.

March Air Force Base, $7,910,000.

Sierra Army Depot, $2,700,000.

Travis Air Force Base, $8,280,000.

COLORADO

Buckley Air National Guard Base, $42,050,000.

Cheyenne Mountain Air Force Base, $610,000.

Falcon Air Force Station, $1,400,000.

Peterson Air Force Base, $26,300,000.

United States Air Force Academy, $15,000,000.

DELAWARE

Dover Air Force Base, $10,150,000.

DISTRICT OF COLUMBIA

Bolling Air Force Base, $5,400,000.

FLORIDA

Cape Canaveral Air Force Station, $24,000,000.

Eglin Air Force Base, $2,830,000.

Homestead Air Force Base, $4,900,000.

Tyndall Air Force Base, $850,000.

GEORGIA

Robins Air Force Base, $30,400,000.

HAWAII

Camp H.M. Smith, $2,600,000.

Hickam Air Force Base, $7,100,000.

ILLINOIS

Scott Air Force Base, $13,290,000.

KANSAS

McConnell Air Force Base, $7,650,000.

LOUISIANA

Barksdale Air Force Base, $11,200,000.

MARYLAND

Andrews Air Force Base, $5,400,000.

MASSACHUSETTS

Hanscom Air Force Base, $11,200,000.

MICHIGAN

K.I. Sawyer Air Force Base, $1,700,000.

MISSISSIPPI

Columbus Air Force Base, $600,000.

Keesler Air Force Base, $3,400,000.

MONTANA

Conrad Strategic Training Range Site, $700,000.

Havre Strategic Training Range Site, $700,000.

NEBRASKA

Offutt Air Force Base, $13,850,000.

NEVADA

Nellis Air Force Base, $8,400,000.

NEW HAMPSHIRE

New Boston Satellite Tracking Station, $4,210,000.

NEW JERSEY

McGuire Air Force Base, $22,500,000.

NEW MEXICO

Cannon Air Force Base, $1,300,000.

Holloman Air Force Base, $33,600,000.

Kirtland Air Force Base, $5,600,000.

NEW YORK

Griffiss Air Force Base, $2,700,000.

Plattsburgh Air Force Base, $960,000.

NORTH CAROLINA

Pope Air Force Base, $8,200,000.

Seymour Johnson Air Force Base, $11,200,000.

NORTH DAKOTA

Dickinson Strategic Training Range Site, $640,000.

Grand Forks Air Force Base, $4,400,000.

Minot Air Force Base, $3,950,000.

OHIO

Wright-Patterson Air Force Base, $39,300,000.

OKLAHOMA

Altus Air Force Base, $61,340,000.

Tinker Air Force Base, $3,700,000.

Vance Air Force Base, $4,750,000.

SOUTH CAROLINA

Charleston Air Force Base, $21,850,000.

SOUTH DAKOTA

Belle Fourche Strategic Training Range Site, $640,000.

Ellsworth Air Force Base, $2,710,000.

TENNESSEE

Arnold Engineering Development Center, $2,400,000.

TEXAS

Dyess Air Force Base, $620,000.

Kelly Air Force Base, $13,900,000.

Lackland Air Force Base, $5,700,000.

Lackland Air Force Base Training Annex, $1,170,000.

Laughlin Air Force Base, $4,250,000.

Randolph Air Force Base, $410,000.

Reese Air Force Base, $2,000,000.

Sheppard Air Force Base, $16,670,000.

UTAH

Hill Air Force Base, $9,200,000.

VIRGINIA

Langley Air Force Base, $5,800,000.

WASHINGTON

Fairchild Air Force Base, $2,500,000.

WYOMING

F.E. Warren Air Force Base, $5,300,000.

Powell Strategic Training Range Site, $700,000.

VARIOUS LOCATIONS

Various Locations, $5,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ASCENSION

Ascension Island Auxiliary Airfield, $11,000,000.

CANADA

Various Locations, $20,700,000.

GERMANY

Ramstein Air Base, $3,500,000.

GREENLAND

Thule Air Base, $12,700,000.

GUAM

Andersen Air Force Base, $2,600,000.

ICELAND

Keflavik Air Base, $10,500,000.

PORTUGAL

Lajes Field, $5,000,000.

UNITED KINGDOM

RAF Lakenheath, $3,600,000.

RAF Molesworth, $15,600,000.

VARIOUS LOCATIONS

Classified Location, $5,500,000.

Classified Location, $3,500,000.

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Air Force may construct or acquire family housing units (including land), using amounts appropriated pursuant to section 2307(a)(8)(A), at the following installations for the purpose shown, and in the amount shown, for each installation:

(1) March Air Force Base, California, eighty-five units, $10,517,000.

(2) Edwards Air Force Base, California, housing office, $453,000.

(3) Tyndall Air Force Base, Florida, housing maintenance facility, $410,000.

(4) Scott Air Force Base, Illinois, housing office, $550,000.

(5) Andrews Air Force Base, Maryland, housing office, $571,000.

(6) Seymour Johnson Air Force Base, North Carolina, housing office, $365,000.

(7) Tinker Air Force Base, Oklahoma, housing office, $370,000.

(8) Hill Air Force Base, Utah, one hundred thirty units, $11,628,000.

(b) PLANNING AND DESIGN.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2307(a)(8)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,000,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may, using amounts appropriated pursuant to section 2307(a)(8)(A), improve existing military family housing units in an amount not to exceed $141,236,000.

SEC. 2304. SECTION 2809 FACILITIES CONTRACT PROJECTS.

The Secretary of the Air Force may enter into long-term contracts for construction, management, and operation of facilities pursuant to section 2809 of title 10, United States Code, at the following installations for the purpose shown, and at an estimated capital investment cost shown, for each installation:

(1) Eielson Air Force Base, Alaska, child development center, $3,600,000.

(2) McGuire Air Force Base, New Jersey, child development center, $3,900,000.

(3) Cannon Air Force Base, New Mexico, child development center, $1,200,000.

(4) McChord Air Force Base, Washington, child development center, $4,700,000.

SEC. 2305. FAMILY HOUSING LEASE PROJECTS.

The Secretary of the Air Force may enter into contracts for the lease of family housing units pursuant to section 2828(g) of title 10, United States Code, at the following installations and locations for the purpose shown, and at the net present value shown, for each installation and location:

(1) March Air Force Base, California, five hundred eighty-two units, $55,360,000.

(2) Cannon Air Force Base, New Mexico, three hundred fifty units, $24,400,000.

SEC. 2306. MILITARY HOUSING RENTAL GUARANTY PROJECTS.

The Secretary of the Air Force may enter into rental guaranty agreements for military housing pursuant to section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note) at the following installations for the purpose shown for each installation:

(1) Patrick Air Force Base, Florida, five hundred eighty-five units.

(2) Offutt Air Force Base, Nebraska, four hundred units.

SEC. 2307. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,033,790,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $639,890,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $94,200,000.

(3) For the construction of the Large Rocket Test Facility, Arnold Engineering Development Center, Tennessee, as authorized by section 2301(a) of the Military Construction Authorization Act, 1989 (division B of Public Law 100-456; 102 Stat. 2104), and as amended by section 2307 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1638), $44,000,000.

(4) For the construction of facilities for the 37th Tactical Fighter Wing at Holloman Air Force Base, New Mexico, as authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1771), $39,000,000.

(5) For unspecified minor construction projects under section 2805 of title 10, United States Code, $11,500,000.

(6) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $117,700,000.

(7) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $6,000,000.

(8) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $172,100,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $909,400,000, of which not more than $140,900,000 may be obligated or expended for leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2308. EXTENSION OF CERTAIN PRIOR YEAR AUTHORIZATIONS.

(a) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1989 PROJECTS.—Notwithstanding section 2701(a) of the Military Construction Authorization Act, 1989 (division B of Public Law 100-456; 102 Stat. 2115), authorizations for the following projects authorized in section 2301 of that Act, as extended by section 2309 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of the Public Law 101-510; 104 Stat. 1775), shall remain in effect until October 1, 1992, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1993 (other than this Act), whichever is later:

(1) Alter combat intelligence operations center in the amount of $1,000,000 at Ramstein Air Base, Germany (authorized as part of classified locations in the amount of $16,473,000).

(2) Post office in the amount of $550,000 at Incirlik Air Base, Turkey.

(3) F-16 aircraft maintenance unit facility in the amount of $2,800,000 at Osan Air Base, Korea.

(b) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1990 PROJECTS.—Notwithstanding section 2701(b)(1) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1645), authorization for the following projects authorized in section 2301 of that Act shall remain in effect until October 1, 1992, or the date of the enactment of an Act authorizing funds for fiscal year 1993 (other than this Act), whichever is later:

(1) Add to and alter child development center in the amount of $630,000 at McClellan Air Force Base, California.

(2) Child development center in the amount of $1,200,000 at McClellan Air Force Base, California.

(3) Upgrade electrical distribution in the amount of $9,500,000 at McClellan Air Force Base, California.

(4) Add to and alter child development center in the amount of $1,100,000 at Robins Air Force Base, Georgia.

(5) C-141 Depot maintenance hangar in the amount of $13,700,000 at Robins Air Force Base, Georgia.

(6) Child development center in the amount of $680,000 at Newark Air Force Base, Ohio.

(7) Child development center in the amount of $1,950,000 at Wright-Patterson Air Force Base, Ohio.

(8) Child development center in the amount of $1,550,000 at Tinker Air Force Base, Oklahoma.

(9) Add to and alter child development center in the amount of $730,000 at Kelly Air Force Base, Texas.

(10) Child development center in the amount of $1,300,000 at Hill Air Force Base, Utah.

(11) Procurement facility consolidation in the amount of $3,700,000 at Hill Air Force Base, Utah.

SEC. 2309. TERMINATION OF AUTHORITY TO CARRY OUT CERTAIN PROJECTS.

(a) VARIOUS LOCATIONS, ALASKA.—Section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 104 Stat. 1769) is amended by striking out "Various Locations, $11,000,000." under the heading "ALASKA".

(b) CONFORMING AMENDMENTS.—Section 2304(a) of such Act (division B of Public Law 101-510; 104 Stat. 1773) is amended—

(1) by striking out "$1,954,059,000" and inserting in lieu thereof "$1,943,059,000"; and

(2) in paragraph (1), by striking out "$777,081,000" and inserting in lieu thereof "$766,081,000".

SEC. 2310. RESTRICTION RELATING TO B-2 BOMBER AIRCRAFT BED DOWN FACILITIES.

(a) RESTRICTION.—The Secretary of the Air Force may not enter into a contract for the construction of any facility related to the permanent basing of B-2 bomber aircraft, or for architectural and design services for the construction of such a facility, until 180 days after the Secretary of Defense submits to Congress a report containing the following matters:

(1) All basing options for the B-2 bomber aircraft.

(2) The selected sites for permanently basing B-2 bomber aircraft.

(3) A comparison of the cost of providing for the basing of B-2 bomber aircraft at Whiteman Air Force Base, Missouri, and at each follow-on base for Whiteman Air Force Base (if any), with the cost of providing for the basing of B-2 bomber aircraft at each existing base of the Strategic Air Command of the Air Force (SAC), including those SAC bases scheduled for closure.

(b) GAO REPORT.—Not later than 180 days after the Secretary of Defense submits the report required by subsection (a), the Comptroller General of the United States shall submit to Congress a report containing the Comptroller General's comments on the cost comparison contained in that report of the Secretary of Defense.

PART B—FISCAL YEAR 1993

SEC. 2321. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ARIZONA

Davis-Monthan Air Force Base, $2,750,000.

FLORIDA

Cape Canaveral Air Force Station, $34,000,000.

NEBRASKA

Offutt Air Force Base, $1,350,000.

NORTH DAKOTA

Grand Forks Air Force Base, $5,100,000.
Minot Air Force Base, $1,400,000.

OHIO

Wright-Patterson Air Force Base, $5,600,000.

OKLAHOMA

Altus Air Force Base, $3,000,000.
Tinker Air Force Base, $900,000.

SOUTH CAROLINA

Charleston Air Force Base, $29,500,000.

TEXAS

Dyess Air Force Base, $7,500,000.
Kelly Air Force Base, $12,250,000.

VARIOUS LOCATIONS

Various Locations, $10,300,000.
Various Locations, $4,350,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

CANADA

Various Locations, $20,200,000.

GREENLAND

Thule Air Base, $9,200,000.

SEC. 2322. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Air Force may construct or acquire family housing units (including land), using amounts appropriated pursuant to section 2324(a)(5)(A), at the following installations for the purpose shown, and in the amount shown, for each installation:

(1) Beale Air Force Base, California, housing office, $306,000.

(2) Moody Air Force Base, Georgia, housing maintenance facility, $290,000.

(3) Barksdale Air Force Base, Louisiana, housing maintenance and storage facility, $443,000.

(4) Minot Air Force Base, North Dakota, housing maintenance and storage facility, $237,000.

(5) Cannon Air Force Base, New Mexico, housing office, $480,000.

(6) Shaw Air Force Base, South Carolina, housing office, $351,000.

(7) Lajes Field, Portugal, water wells, $865,000.

(8) Hill Air Force Base, Utah, eighty-two units, $6,553,000.

(b) PLANNING AND DESIGN.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2324(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $9,957,000.

SEC. 2323. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may, using amounts appropriated pursuant to section 2324(a)(5)(A), improve existing military family housing units in an amount not to exceed $168,518,000.

SEC. 2324. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,380,100,000 as follows:

(1) For military construction projects inside the United States authorized by section 2321(a), $118,000,000.

(2) For military construction projects outside the United States authorized by section 2321(b), $29,400,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $11,500,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $54,200,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $188,000,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $979,000,000, of which not more than $169,200,000 may be obligated or expended for leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2321 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

TITLE XXIV—DEFENSE AGENCIES

PART A—FISCAL YEAR 1992

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

DEFENSE COMMUNICATIONS AGENCY

Classified Location, $4,500,000.

Reston, Virginia, $600,000.

DEFENSE LOGISTICS AGENCY

Tracy Defense Depot, California, $2,000,000.

Jacksonville Defense Fuel Support Point, Florida, $2,200,000.

Pensacola Defense Fuel Support Point, Florida, $16,000,000.

Columbus Defense Construction Supply Center, Ohio, $89,000,000.

Dayton Defense Electronics Supply Station, Ohio, $2,000,000.

Craney Island Defense Fuel Support Point, Norfolk, Virginia, $19,800,000.

Fort Belvoir, Virginia, $27,000,000.

DEFENSE MAPPING AGENCY

Hydrographic/Topographic Center, Brookmont, Maryland, $1,000,000.

St. Louis Aerospace Center, Missouri, $1,000,000.

DEFENSE MEDICAL FACILITIES OFFICE

Little Rock Air Force Base, Arkansas, $690,000.

San Diego Naval Training Center, California, $17,500,000.

Stockton Naval Communications Station, California, $22,000,000.

Travis Air Force Base, California, $2,000,000.

Tyndall Air Force Base, Florida, $800,000.

Hickam Air Force Base, Hawaii, $13,800,000.

Tripler Army Medical Center, Hawaii, $3,500,000.

Fallon Naval Air Station, Nevada, $6,000,000.

Nellis Air Force Base, Nevada, $1,000,000.

Camp Lejeune, North Carolina, $4,600,000.

Cherry Point Marine Corps Air Station, North Carolina, $34,000,000.

Fort Bragg, North Carolina, $5,000,000.

Fort Sill, Oklahoma, $2,700,000.

Tinker Air Force Base, Oklahoma, $4,100,000.

Carlisle Barracks, Pennsylvania, $510,000.

Dallas Naval Air Station, Texas, $3,500,000.

Langley Air Force Base, Virginia, $1,150,000.

DEFENSE NUCLEAR AGENCY

White Sands Missile Range, New Mexico, $20,000,000.

Arnold Engineering Development Center, Tennessee, $7,000,000.

NATIONAL SECURITY AGENCY

Camp Smith, Hickam Air Force Base, Hawaii, $488,000.

Fort George G. Meade, Maryland, $14,722,000.

OFFICE OF THE SECRETARY OF DEFENSE

Defense Language Institute, Monterey, California, $6,000,000.

Uniformed Services University of the Health Sciences, Bethesda, Maryland, $600,000.

Classified Locations, $35,600,000.

SECTION 6 SCHOOLS

Fort Stewart, Georgia, $6,951,000.

Beaufort Marine Corps Air Station, South Carolina, $989,000.

SPECIAL OPERATIONS COMMAND

Kodiak Coast Guard Support Center, Alaska, $2,050,000.

Camp Pendleton Marine Corps Base, California, $4,900,000.

Coronado Naval Amphibious Base, California, $2,100,000.

Eglin Air Force Base, Auxiliary Field No. 3, Florida, $2,400,000.

Eglin Air Force Base, Auxiliary Field No. 9, Florida, $12,050,000.

Fort Benning, Georgia, $3,900,000.

Fort Campbell, Kentucky, $5,800,000.

Kirtland Air Force Base, New Mexico, $2,050,000.

Fort Bragg, North Carolina, $6,000,000.

Fort A.P. Hill, Virginia, $2,300,000.

Oceana Naval Air Station, Virginia, $2,350,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

DEFENSE LOGISTICS AGENCY

Diego Garcia Defense Fuel Support Point, $16,100,000.

DEFENSE MEDICAL FACILITIES OFFICE

Camp Essayons, Korea, $1,050,000.

Camp Humphreys, Korea, $2,350,000.

K-16 Army Airfield, Korea, $1,450,000.

Classified Location, $10,400,000.

DEFENSE NUCLEAR AGENCY

Johnston Island, $5,100,000.

NATIONAL SECURITY AGENCY

Classified Location, $4,490,000.

OFFICE OF THE SECRETARY OF DEFENSE

Classified Location, $2,100,000.

(c) VARIOUS LOCATIONS.—The Secretary of Defense may acquire or construct portal facilities at various locations in support of the On-Site Inspection Agency in an amount not to exceed $2,000,000.

(d) RED RIVER ARMY DEPOT.—The authorization of appropriations for the Army for the Red River Army Depot, Texas, in section 2104(a)(3) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1619) is hereby transferred to the Secretary of Defense for modernization activities, construction activities, or modernization and construction activities in support of the supply distribution mission at the Red River Army Depot. The Secretary shall carry out such activities through the head of the Defense Logistics Agency.

SEC. 2402. FAMILY HOUSING.

The Secretary of Defense may construct or acquire one family housing unit (including land), using amounts appropriated pursuant to section 2404(a)(13)(A), at a classified location in the total amount not to exceed $160,000.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of Defense may, using amounts appropriated pursuant to section 2404(a)(13)(A), improve existing military family housing units in an amount not to exceed $40,000.

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $1,656,240,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $372,200,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $43,040,000.

(3) For military construction projects at various locations authorized by section 2401(c), $2,000,000.

(4) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4035), $37,000,000.

(5) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1640), $40,000,000.

(6) For unspecified minor construction projects under section 2805 of title 10, United States Code, $14,000,000.

(7) For contingency construction projects of the Secretary of Defense under section

2804 of title 10, United States Code, $15,000,000.

(8) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $98,200,000.

(9) For base closure and realignment activities pursuant to the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), $674,600,000.

(10) For base closure and realignment activities pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $297,000,000.

(11) For an energy conservation program under section 2865 of title 10, United States Code, $30,000,000.

(12) For conforming storage facilities authorized by section 2404 of the Military Construction Authorization Act, 1987 (division B of Public Law 99–661; 100 Stat. 4037), $7,000,000.

(13) For military family housing functions:

(A) For construction and acquisition of military family housing facilities, $200,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $26,000,000, of which not more than $21,664,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) AUTHORIZATION OF UNOBLIGATED FUNDS.—Funds appropriated to the Department of Defense for fiscal years before fiscal year 1992 for military construction functions of the Defense Agencies that remain available for obligation are hereby authorized to be made available, to the extent provided in appropriation Acts, for military construction projects authorized in section 2401(a) in the amount of $17,000,000.

(c) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 may not exceed—

(1) the total amount authorized to be appropriated under subsections (a)(1), (a)(2), and (b); and

(2) $10,000,000 (the balance of the amount authorized for the construction of the defense logistics headquarters at Fort Belvoir, Virginia).

SEC. 2405. DEFENSE LOGISTICS AGENCY, HEADQUARTERS BUILDING, FORT BELVOIR, VIRGINIA.

The Secretary of Defense, may, in advance of appropriations for the project, enter into one or more contracts for the design and construction of the military construction project authorized by section 2401(a) to be constructed at Fort Belvoir, Virginia. Each such contract shall limit the payments the United States is obligated to make under the contract to the amount of appropriations available, at the time the contract is entered into, for obligation under such contract.

SEC. 2406. AUTHORIZATION FOR UNAUTHORIZED FISCAL YEAR 1991 APPROPRIATIONS FOR SPECIAL OPERATIONS COMMAND PROJECTS.

(a) AUTHORIZATION.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amount shown for each of the following installations and locations inside the United States:

SPECIAL OPERATIONS COMMAND

Fort Bragg, North Carolina, $8,100,000.
Additional Classified Locations, $2,000,000.

(b) CONSTRUCTION WITH FY91 MILITARY CONSTRUCTION AUTHORIZATION.—The authorization provided in subsection (a) for the projects specified in such subsection shall take effect as of November 5, 1990, as if included in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1776).

SEC. 2407. SPECIAL OPERATIONS BATTALION HEADQUARTERS, FORT BRAGG, NORTH CAROLINA.

(a) AVAILABILITY OF FUNDS.—Of the funds authorized to be appropriated pursuant to section 2401(a) for fiscal year 1992, $6,000,000 shall be available only for the construction of a headquarters facility for a special operations battalion at Fort Bragg, North Carolina.

(b) RESTRICTION ON USE.—A facility constructed pursuant to subsection (a) may be used only as a headquarters for a special operations battalion.

PART B—FISCAL YEAR 1993

SEC. 2421. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may acquire real property and may carry out military construction projects in the amount shown for the following installation inside the United States:

DEFENSE NUCLEAR AGENCY

Eglin Air Force Base, $64,000,000.

SEC. 2422. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $745,700,000 as follows:

(1) For military construction projects inside the United States authorized by section 2421, $32,000,000.

(2) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99–661; 100 Stat. 4035), $27,000,000.

(3) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1640), $50,000,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $7,500,000.

(5) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.

(6) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $51,700,000.

(7) For base closure and realignment activities pursuant to the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), $440,700,000.

(8) For base closure and realignment activities pursuant to the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $100,000,000.

(9) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $26,800,000, of which not more than $22,559,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2421 may not exceed—

(1) the total amount authorized to be appropriated under that section; and

(2) $32,000,000 (the balance of the amount authorized for the construction of the Climatic Test Chamber at Eglin Air Force Base, Florida).

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

PART A—FISCAL YEAR 1992

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1991, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure Program as authorized by section 2501, in the amount of $314,417,000.

SEC. 2503. TRANSFER AUTHORITY.

If the Secretary of Defense determines that funds authorized to be appropriated for contributions to the North Atlantic Treaty Organization Infrastructure Program under section 2806 of title 10, United States Code, are in excess of the contributions required for that program, the Secretary may use the excess amount to carry out Defense Agency military construction projects authorized by this division or any other Act.

PART B—FISCAL YEAR 1993

SEC. 2521. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2522 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2522. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1992, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure Program as authorized by section 2521, in the amount of $226,200,000.

SEC. 2523. TRANSFER AUTHORITY.

If the Secretary of Defense determines that funds authorized to be appropriated for contributions to the North Atlantic Treaty Organization Infrastructure program under section 2806 of title 10, United States Code, are in excess of the contributions required for the program, the Secretary may use the excess amount to carry out Defense Agency military construction projects authorized by this division or any other Act.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

PART A—FISCAL YEAR 1992

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1991, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code, including the cost of acquisition of land for those facilities, the following amounts:

(1) For the Department of the Army:

(A) For the Army National Guard of the United States, $122,874,000.

(B) For the Army Reserve, $66,241,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $56,900,000.

(3) For the Department of the Air Force:

(A) For the Air National Guard of the United States, $184,300,000.

(B) For the Air Force Reserve, $20,800,000.

PART B—FISCAL YEAR 1993

SEC. 2621. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1992, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code, including the cost of acquisition of land for those facilities, the following amounts:

(1) For the Department of the Army:

(A) For the Army National Guard of the United States, $37,527,000.

(B) For the Army Reserve, $7,000,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $3,900,000.

(3) For the Department of the Air Force:

(A) For the Air National Guard of the United States, $41,580,000.

(B) For the Air Force Reserve, $4,700,000.

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) IN GENERAL.—Authorizations of military construction projects, land acquisition, family housing projects and facilities, contributions to the North Atlantic Treaty Organization Infrastructure program, and Guard and Reserve projects in titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of this Act (and authorizations of appropriations therefor) shall be effective only to the extent that appropriations are made for such projects, acquisition, facilities, and contributions during the first session of the One Hundred Second Congress.

(b) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS IN CERTAIN CASES.—(1) Except as provided in subsections (a), (c)(1), and (d), all authorizations contained in part A of each of titles XXI, XXII, XXIII, XXIV, XXV, and XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on October 1, 1994, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1995, whichever is later.

(2) Except as provided in subsections (a), (c)(2), and (d), all authorizations contained in part B of each of titles XXI, XXII, XXIII, XXIV, XXV, and XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1996, whichever is later.

(c) EXCEPTIONS.—(1) The provisions of subsection (b)(1) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) for which appropriated funds have been obligated before October 1, 1994, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1995, whichever is later.

(2) The provisions of subsection (b)(2) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) for which appropriated funds have been obligated before October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1996, whichever is later.

(d) TERMINATION OF AUTHORIZATIONS FOR PROJECTS AT CERTAIN INSTALLATIONS.—In the case of any authorization made by this division for any military construction project, including any military family housing project, which is located at any installation to be closed or realigned pursuant to section 2904 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) and which the Secretary of the military department concerned determines, within the three-day period beginning on the date of adjournment of the 1st session of the 102d Congress sine die, is not necessary because of such closure or realignment, the project approval for such project under this division is terminated as of the date of such determination.

TITLE XXVIII—GENERAL PROVISIONS

PART A—DEFENSE BASE CLOSURE AND REALIGNMENT

SEC. 2801. DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION.

(a) APPOINTMENT OF COMMISSION.—Paragraph (1) of section 2902(c) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended by adding at the end the following new subparagraph:

"(C) If the President does not transmit to Congress the nominations for appointment to the Commission on or before the date specified for 1993 in clause (ii) of subparagraph (B) or for 1995 in clause (iii) of such subparagraph, the process by which military installations may be selected for closure or realignment under this part with respect to that year shall be terminated.".

(b) EMPLOYMENT OF STAFF.—Section 2902(i) of such Act is amended—

(1) in paragraph (3)—

(A) by inserting "(A)" after "(3)"; and

(B) by adding at the end the following new subparagraphs:

"(B)(1) Not more than one-fifth of the professional analysts of the Commission staff may be persons detailed from the Department of Defense to the Commission.

"(2) No person detailed from the Department of Defense to the Commission may be assigned as the lead professional analyst with respect to a military department or defense agency.

"(C) A person may not be detailed from the Department of Defense to the Commission if, within 12 months before the detail is to begin, that person participated personally and substantially in any matter within the Department of Defense concerning the preparation of recommendations for closures or realignments of military installations.

"(D) No member of the Armed Forces, and no officer or employee of the Department of Defense, may (i) prepare any report concerning the effectiveness, fitness, or efficiency of the performance on the staff of the Commission of any person detailed from the Department of Defense to that staff, (ii) review the preparation of such a report, or (iii) approve or disapprove such a report."; and

(2) by inserting at the end the following new paragraph:

"(6) During 1992 and 1994—

"(A) there may not be more than 15 persons on the staff at any one time;

"(B) the staff may perform only such functions as are necessary to prepare for the transition to new membership on the Commission in the following year; and

"(C) no member of the Armed Forces and no employee of the Department of Defense may serve on the staff.".

(c) SELECTION CRITERIA.—Section 2903(b)(2)(B) of such Act is amended—

(1) by striking out "February 15" in the first sentence and inserting in lieu thereof "January 15"; and

(2) by striking out "March 15" in the second sentence and inserting in lieu thereof "February 15".

(d) DOD RECOMMENDATIONS.—Section 2903(c) of such Act is amended—

(1) in paragraph (1), by striking out "April 15, 1993, and April 15, 1995" and inserting in lieu thereof "March 15, 1993, and March 15, 1995";

(2) in paragraph (4), by inserting at the end the following: "The Secretary shall also make such information available, upon request, to Congress (including any committee or member of Congress)."; and

(3) by inserting at the end the following new paragraph:

"(5)(A) Each person referred to in subparagraph (B), when submitting information to the Secretary of Defense or the Commission concerning the closure or realignment of a military installation, shall certify that such information is accurate and complete to the best of that person's knowledge and belief.

"(B) Subparagraph (A) applies to the following persons:

"(i) The Secretaries of the military departments.

"(ii) The heads of the Defense Agencies.

"(iii) Each person who is in a position the duties of which include personal and substantial involvement in the preparation and submission of information and recommendations concerning the closure or realignment of military installations, as designated in regulations which the Secretary of Defense shall prescribe, regulations which the Secretary of each military department shall prescribe for personnel within that military department, or regulations which the head of each Defense Agency shall prescribe for personnel within that Defense Agency.

"(6) The Secretary of Defense shall prescribe regulations to ensure that any information provided to the Commission by a person described in paragraph (5)(B) shall, within 24 hours of the submission of such information to the Commission, be submitted to the Senate and the House of Representatives, and shall be made available to the Members of each such House in accordance with the rules of each such House.".

(e) COMMISSION RECOMMENDATIONS.—Section 2903(d) of such Act is amended—

(1) in paragraph (2)(B), by striking out "In making" and inserting in lieu thereof "Subject to subparagraph (C), in making"; and

(2) by adding at the end of paragraph (2) the following new subparagraphs:

"(C) The Commission may make a change in the Secretary's recommendations as described in subparagraph (D) only if—

"(i) the Commission makes the determination referred to in subparagraph (B);

"(ii) the Commission determines that the change is consistent with the force-structure plan and final criteria referred to in subsection (c)(1);

"(iii) the Commission publishes a notice of the proposed change in the Federal Register not less than 30 days before transmitting its recommendations to the President pursuant to paragraph (2); and

"(iv) the Commission conducts public hearings on the proposed change.

"(D) Subparagraph (C) applies to a change of the Secretary's recommendations that—

"(i) adds a military installation to the list of military installations recommended by the Secretary for closure;

"(ii) adds a military installation to the list of military installations recommended by the Secretary for realignment; or

"(iii) increases the extent of a realignment of a particular military installation recommended by the Secretary.".

(f) ENVIRONMENTAL RESTORATION AND MITIGATION.—Section 2905(a)(1)(C) of such Act is amended by striking out "or funds" and all that follows through "mitigation".

(g) MILITARY INSTALLATION DEFINED.—(1) Section 2910(4) of such Act is amended by inserting at the end the following: "Such term does not include any facility used primarily for civil works, rivers and harbors projects, flood control, or other projects not under the primary jurisdiction or control of the Department of Defense.".

(2) The amendment made by paragraph (1) shall take effect as of November 5, 1990, and shall apply as if it had been included in section 2910(4) of Public Law 101-510 on that date.

(h) PROHIBITION AGAINST RESTRICTING COMMUNICATIONS WITH THE COMMISSION.—The Defense Base Closure and Realignment Act is further amended by adding at the end the following new section:

"SEC. 2912. COMMUNICATIONS WITH THE COMMISSION

"Section 1034 of title 10, United States Code, applies with respect to communications with the Defense Base Closure and Realignment Commission.".

(i) NO AUTHORITY TO WITHHOLD INFORMATION.—Nothing in this section or in the Defense Base Closure and Realignment Act of 1990 shall be construed to authorize the withholding of information from Congress, any committee or subcommittee of Congress, or the Comptroller General of the United States.

SEC. 2802. CONSISTENCY IN BUDGET DATA.

(a) MILITARY CONSTRUCTION FUNDING REQUESTS.—In the case of each military installation considered for closure or realignment or for comparative purposes by the Defense Base Closure and Realignment Commission, the Secretary of Defense shall ensure, subject to subsection (b), that the amount of the authorization requested by the Department of Defense for each military construction project in each of fiscal years 1992 through 1999 for the following fiscal year does not exceed the estimate of the cost of such project (adjusted as appropriate for inflation) that was provided to the Commission by the Department of Defense.

(b) EXPLANATION FOR INCONSISTENCIES.—If, in any fiscal year referred to in subsection (a), the Secretary determines that it is necessary to submit to Congress a request for the authorization of a military construction project referred to in that subsection in an amount that exceeds the estimated cost referred to for that project in that subsection, the Secretary may submit the request for that amount, but shall also submit with that request a complete explanation of the reasons for the difference between the requested amount and that estimated cost.

(c) DOD INSPECTOR GENERAL'S INVESTIGATION.—(1) The Inspector General of the Department of Defense shall investigate each military construction project for which (A) the Secretary is required to submit an explanation to Congress under subsection (b), and (B) the difference required to be explained is significant, as determined under standards prescribed by the Inspector General.

(2) The Inspector General shall determine, with respect to each investigated project, the following matters:

(A) Why the amount requested to be authorized in the case of that project exceeds the estimated cost of such project that was submitted to the Commission by the Department of Defense.

(B) Whether the relevant information submitted to the Commission with respect to that project was inaccurate, incomplete, or misleading in any material respect.

(3) The Inspector General shall report his findings to the Secretary. The Secretary shall forward a copy of the report to the congressional defense committees.

SEC. 2803. ELIGIBILITY OF DEPARTMENT OF DEFENSE EMPLOYEES AND MEMBERS OF THE ARMED FORCES FOR HOMEOWNERS ASSISTANCE IN CONNECTION WITH BASE CLOSURES.

(a) EXPANDED ELIGIBILITY.—Subsection (b) of section 1013 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374) is amended by striking out the matter above the first proviso and inserting in lieu thereof the following:

"(b)(1) In order for a civilian employee to be eligible for the benefits of this section, the employee—

"(A) must be assigned to or employed at or in connection with the installation or activity at the time of public announcement of the closure action, or employed by a nonappropriated fund instrumentality operated in connection with such base or installation;

"(B) must have been transferred from such installation or activity, or terminated as an employee as a result of a reduction in force, within six months prior to public announcement of the closure action; or

"(C) must have been transferred from the installation or activity on an overseas tour within three years prior to public announcement of the closure action.

"(2) In order for a member of the Armed Forces to be eligible for the benefits of this section, the member—

"(A) must be assigned to the installation or activity at the time of public announcement of the closure action; or

"(B) must have been transferred from such installation or activity before public announcement of the closure action.

"(3) The eligibility of a civilian employee under paragraph (1) and a member of the Armed Forces under paragraph (2) for benefits under this section in connection with the closure of an installation or activity is subject to the additional conditions set out in paragraphs (4) and (5), except that paragraph (5) does not apply to a member of the Armed Forces transferred from such installation or activity before public announcement of the closure action.".

(b) CONFORMING AMENDMENTS.—(1) Subsection (a) of such section is amended—

(A) in paragraph (1), by striking out "servicemen" and inserting in lieu thereof "member of the Armed Forces of the United States"; and

(B) in paragraph (2), by inserting before the semicolon the following: "or, in the case of a member of the Armed Forces not assigned to that base or installation at the time of public announcement of such closing, will prevent any reassignment of such member to the base or installation".

(2) The first proviso of subsection (b) of such section is amended—

(A) by striking out "*Provided*, That, at" and inserting in lieu thereof the following: "(4) At";

(B) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(C) by striking out the colon at the end and inserting in lieu thereof a period.

(3) The second proviso of subsection (b) of such section is amended—

(A) by striking out "*Provided further*, That as" and inserting in lieu thereof the following: "(5) As"; and

(B) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively.

(4) Subsection (l) of such section is amended by striking out "the second proviso of subsection (b)" and inserting in lieu thereof "subsection (b)(5)".

SEC. 2804. ENVIRONMENTAL PLAN FOR JEFFERSON PROVING GROUND, INDIANA.

(a) PLAN REQUIRED.—The Secretary of Defense shall prepare a plan for the environmental restoration and cleanup of the entire 55,000 acres of the Jefferson Proving Ground, Indiana (including all areas north and south of the firing line).

(b) CONTENT OF PLAN.—The plan shall include the following matters:

(1) An identification of the categories of potential alternative uses, including unrestricted use, for the entire installation following closure.

(2) For each of the potential use categories identified pursuant to paragraph (1), the following:

(A) An identification and detailed description of the activities necessary for environmental restoration and cleanup of the installation to a condition suitable for the uses in such category.

(B) A schedule (including milestones) for completing such environmental restoration and cleanup activities.

(C) The total estimated cost of completing such activities and the estimated cost of such activities for each fiscal year through fiscal year 1998.

(D) A description of any impediments to achieving successful environmental restoration and cleanup.

(c) PROPOSED PLAN.—Within 180 days after the date of the enactment of this Act, the Secretary shall—

(1) prepare a proposed plan;

(2) publish simultaneously in the Federal Register and in at least 2 newspapers of general circulation in Madison, Indiana, and the surrounding area a notice of the availability of the proposed plan, including the Secretary's request for comments on the proposed plan from the public; and

(3) provide copies of the proposed plan to appropriate State and local agencies authorized to develop and enforce environmental standards.

(d) Opportunities for Public Comment.—(1) There shall be a period of at least 60 days for public comment on the proposed plan.

(2) The Secretary shall hold at least 1 public meeting on the proposed plan in the area of the Jefferson Proving Ground no sooner than 45 days after the date of the publication of the notice in the Federal Register required by subsection (c). The public may submit comments on the proposed plan at the meeting. The comments may be in either oral or written form.

(e) Availability of Public Comments.—The Secretary shall make available to the public all comments received by the Secretary on the proposed plan.

(f) Final Plan.—(1) At the same time that the President submits the budget to Congress for fiscal year 1994 pursuant to section 1105 of title 31, United States Code, the Secretary shall submit to the congressional defense committees the final plan required by subsection (a).

(2) The final plan shall include the Secretary's recommendations for uses of the Jefferson Proving Ground, the environmental restoration and cleanup actions necessary for such uses, and the Secretary's specific responses to each comment received on the proposed plan pursuant to subsection (d).

SEC. 2805. DISPOSITION OF CREDIT UNION FACILITIES ON MILITARY INSTALLATIONS TO BE CLOSED.

(a) General Authority.—Subject to subsection (b) and notwithstanding any other provision of law, on the date of the closure of a military installation pursuant to a base closure law the Secretary of the military department having jurisdiction over the installation—

(1) may convey to any credit union which conducts business in a facility located on such installation and constructed using funds of the credit union all right, title, and interest of the United States in and to that facility; and

(2) in the event of such conveyance, shall permit the credit union to purchase (for an amount determined by that Secretary) the land upon which that facility was constructed before offering such land for sale or other disposition to any other entity.

(b) Limitation.—The Secretary may not convey a facility to a credit union under subsection (a)(1) if the Secretary determines that the operation of a credit union business at such facility is inconsistent with the plan for the reuse of the installation developed in coordination with the community in which the facility is located.

(c) Definition.—In this section, the term "base closure law" means the following:

(1) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 104 Stat. 1808; 10 U.S.C. 2687 note).

(2) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(3) Section 2687 of title 10, United States Code.

(4) Any other similar law enacted after the date of the enactment of this Act.

SEC. 2806. CONVEYANCE OF CLOSED BASES TO NEIGHBORING COMMUNITIES.

(a) Findings and Purposes.—

(1) The Congress finds that—

(A) The Department of Defense has been directed to reduce the size and cost of the military and this can only be accomplished by closing military installations;

(B) A military installation is a part of the infrastructure of the community in which it is located and there is a long standing symbiotic relationship between a military installation and the community;

(C) The people in an impacted community have made substantial, long term investments of time, training, and wealth to support the military installations;

(D) The loss to an impacted community when a military installation is closed may be substantial and in such cases the Congress wishes to mitigate the damage to the impacted community;

(E) An impacted community knows best the needs of the community and the best way to use available resources to meet these needs consistent with existing national priorities; and

(F) Unfettered ownership of the real property associated with a closed military installation at the earliest possible time can partially offset the loss to a community which results when a military installation is closed.

(2) Purpose of the section—

(A) To benefit communities impacted significantly when a military installation located in such communities is closed by authorizing the real and excess related personal property, on which the military installations are located to be conveyed to the impacted community as soon as possible after a decision to close the military installation is made but no later than 180 days after closure; and

(B) To provide significantly impacted communities a resource which will aid in mitigating the loss incurred by the community following a decision to close a military installation and which may be used by the impacted community, as the community deems appropriate, for industrial, commercial, residential, recreational, or public uses.

(b) In General.—(1) Notwithstanding any other provision of law, the Secretary of Defense shall convey to an eligible political subdivision or subdivisions or State all right, title, and interest of the United States in the military installation closed pursuant to a base closure law in accordance with this section and the Comprehensive Environmental Response, Compensation, and Liability Act and the Solid Waste Disposal Act as determined by the Administrator of the Environmental Protection Agency.

(2) Even if the conditions set forth in paragraph (1) have been satisfied, the Secretary shall not convey such installation if the Secretary determines that the community or communities in the area of the real property to be conveyed are not experiencing or will not experience a significant adverse economic impact as a result of the closure of that military installation.

(c) Determinations.—(1) The Secretary must make the determination referred to in subsection (b) in the case of a military installation as soon as practicable after the installation has been identified for closure, but in any event not later than the date on which the installation is closed.

(2) In determining whether a community is experiencing or will experience a significant adverse economic impact as a result of the closure of a military installation, the Secretary shall consider such objective evidence as the following:

(A) Declining real estate values.

(B) Increasing unemployment.

(C) Loss of revenue to the State and the community.

(D) Increasing rate of business failures.

(E) Significant decreases in total personal income.

(d) Advance Notice to Eligible States and Political Subdivisions.—As soon as practicable after a military installation has been identified for closure, but in any event not later than the date on which the installation is closed, the Secretary shall transmit to the appropriate political subdivision, communities, counties and State to which property at such installation may be conveyed pursuant to this section advance notification of the Secretary's intention to make a conveyance of that property.

(e) Eligible States and Political Subdivisions.—Property at a military installation that is to be conveyed pursuant to the requirement in subsection (b) shall be conveyed to a political subdivision or subdivisions or State in the following order of priority:

(1) To a political subdivision of a State that is designated in State law to receive the conveyance of such property and accepts the conveyance.

(2) If there is no political subdivision that satisfies the criteria in paragraph (1), then to the State in which the property is located if the law of that State designates the State to receive the conveyance of such property and the State accepts the conveyance.

(3) In the case of any real property for which neither a State nor a political subdivision of a State satisfies the criteria in paragraph (1) or (2), then to one or more political subdivisions of a State which the Secretary determines, after consultation with appropriate local officials, would best serve the interests of the residents of such subdivision or subdivisions and of the State in which the property is located, providing such subdivision or subdivisions accept such conveyance.

(4) In the case of any real property for which no subdivision or subdivisions or State accept such conveyance, then the Secretary shall offer the property to other departments and agencies of the Federal Government.

(f) Property To Be Conveyed.—In addition to the conveyance of real property to a community or State pursuant to this section, the Secretary shall convey any related personal property that the Secretary determines is appropriate for use by the recipient in connection with the recipient's use of the real property.

(g) Conveyance Deadline.—Except as provided in subsection (h), all property to be conveyed pursuant to this section in connection with the closure of a military installation shall be conveyed within 180 days after the date on which the installation is closed.

(h) Property Not Suitable for Conveyance.—The Secretary shall sever from the real property of a closed military installation to be conveyed pursuant to subsection (b) that real property which is not suitable for conveyance and make such transfers over a period longer than that which would otherwise be permitted under subsection (g). Property is not suitable for conveyance under the following conditions:

(1) When the political subdivision or State will not accept conveyance of a part of the real property of a closed military installation; or

(2) If the Administrator of the Environmental Protection Agency determines that

such conveyance does not comply with the requirements of either the Comprehensive Environmental Response Compensation and Liability Act of 1980 or the Solid Waste Disposal Act; or

(3) When necessary to ensure completion of environmental restoration and mitigation projects.

(i) Consideration Not To Be Required.—No consideration may be required for a conveyance of property pursuant to this section.

(j) Waiver Authority.—(1) Subject to paragraph (2), the President may waive in whole or in part the requirement to convey property at a military installation under subsection (b) if the President—

(A) determines that the continuation of the United States interest in such property—

(i) is vital to national security interests; or

(ii) the value of the base is so high that a conveyance to the political subdivision or State would constitute an undue windfall to the community and would not be necessary for the economic recovery of the region: *Provided*, That the number of waivers exercised under this Act do not exceed a cumulative total of five military installations for each package of closures approved by a commission under the Base Closure Law: *Provided further*, That a waiver in part shall not count against this limit if the value of the property reserved does not exceed 25 percent of the total value of such installation or if the appropriate political subdivision or State agrees with the reservation; and

(B) transmits to the Committees on Armed Services of the Senate and the House of Representatives a certification of such determinations together with the reasons for such determinations.

(2) A determination and certification in the case of the closure of any military installation shall be effective only if made before the earlier of—

(A) the date on which the installation is closed; or

(B) December 31 of the year following the later of the year in which the closure of that installation is approved by the President.

(3) The President may extend the deadline for making a determination and certification under paragraph (2) for not more than two successive periods of 90 days by transmitting to the congressional defense committees a notification of the extension before the end of the deadline or extended deadline, as the case may be.

(4) The President may withdraw a waiver under paragraph (1) in the case of any military installation. Not later than 180 days after the withdrawal of the waiver, the Secretary of Defense shall make the conveyance required by subsection (a) in accordance with this section.

(k) Continuing Responsibility of the Department of Defense.—Prior to and after any conveyance of real property of a closed military installation pursuant to this section, the Secretary of Defense in consultation with the political subdivision or State shall be responsible for the following matters:

(1) To provide economic adjustment and community planning assistance including assistance in conducting public hearings to decide the appropriate use of a closed military installation to communities near the closed military installation until such time as the economic stability of such communities is achieved, as determined by the Secretary.

(2) To comply with the Comprehensive Environmental Restoration Compensation Liability Act of 1980 and the Solid Waste Disposal Act in consultation with the Administrator of the Environmental Protection Agency.

(3) To continue to carry out environmental restoration and mitigation activities relating to uses made of such installation before closure.

(l) Sources of Funding.—The Secretary may expend any funds in the Base Closure Account to carry out the responsibilities referred to in subsection (k) and the Secretary shall notify the congressional defense committees in advance of the obligation of funds for such purpose.

(m) Improvement of Property Pending Conveyance.—(1) Notwithstanding any other provision of law, the Secretary of Defense and the head of any other department or agency of the Federal Government may continue, on and after the applicable date referred to in paragraph (2), to obligate funds (to the extent available) for making improvements to the property that has not been conveyed that will facilitate the conveyance of the property and are consistent with the use to be made of the property by the recipient of the conveyance.

(2) Paragraph (1) applies in the case of property at a military installation on and after the later of the date on which the closure of that installation is approved by the President.

(n) Definitions.—In this section:

(1) The term "military installation" has the meaning given such term in section 2687(e)(1) of title 10, United States Code.

(2) The term "base closure law" means the following:

(A) The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102-510; 104 Stat. 1808; 10 U.S.C. 2687 note).

(B) Title II of the Defense Authorization Amendments and Base Closure and Relignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(C) Section 2687 of title 10, United States Code.

(3) The term "base closure account" means the following:

(A) The Department of Defense Base Closure Account established by section 207(a) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(B) The Department of Defense Base Closure Account 1990 established by section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 102-510; 104 Stat. 1815; 10 U.S.C. 2687 note).

SEC. 2807. REPORT ON EMPLOYMENT ASSISTANCE SERVICES.

Not later than 90 days after the date of enactment of this Act, the Secretary of Defense, in coordination with the Secretary of Labor, shall submit to Congress a report setting forth the availability of employment assistance services for civilian employees of the Department of Defense who may be affected by reductions in defense employment associated with the 1988 or 1991 Base Closure Commission. The report shall include the following: (1) a detailed description of plans to reduce the work force, including specific time tables, at defense facilities designated for closure or realignment by the 1988 or 1991 Base Closure Commission; (2) descriptions of the availability of all current Federal, State, and local programs and efforts to provide training and reemployment assistance to involuntarily separated personnel in each community affected by base closure; (3) descriptions of any plans by the Department of Labor and the Department of Defense to expand existing job training programs for Defense civilian personnel affected by base closure and realignments and the estimated cost of such program expansions; and (4) a description of any specific Army, Navy, or Air Force programs which provide job training and reemployment assistance to civilian workers affected by the 1988 or 1991 base closure and realignment actions, the current cost of these programs, and any plans to expand these existing programs to meet future job training and reemployment requirements.

PART B—MILITARY CONSTRUCTION PROGRAM CHANGES

SEC. 2821. CONTRIBUTIONS TO STATES FOR ACQUISITION AND CONSTRUCTION OF JOINT-USE RESERVE COMPONENT FACILITIES.

Section 2233(a)(2) of title 10, United States Code, is amended by inserting "or to acquire or construct facilities" after "United States".

SEC. 2822. INCREASED AUTHORITY FOR USE OF OPERATION AND MAINTENANCE FUNDS FOR ACQUISITION AND CONSTRUCTION OF RESERVE COMPONENT FACILITIES.

Section 2233a(b) of title 10, United States Code, is amended by striking out "$200,000" and inserting in lieu thereof "$300,000".

SEC. 2823. MODIFICATION AND EXTENSION OF FACILITIES CONTRACT AUTHORITY.

(a) Repeal of Limitation.—Subsection (b) of section 2809 of title 10, United States Code, is repealed.

(b) Submission and Authorization of Proposed Projects.—Subsection (a)(1)(A) of such section is amended to read as follows:

"(a)(1)(A) The Secretary concerned may enter into a contract for the procurement of services in connection with the construction, management, and operation of a facility on or near a military installation for the provision of an activity or service named in subparagraph (B) if—

"(i) the Secretary concerned has identified the proposed project for such facility in the budget material submitted to Congress by the Secretary of Defense in connection with the budget submitted pursuant to section 1105 of title 31 for the fiscal year in which the contract is proposed to be awarded;

"(ii) the Secretary concerned has determined that the services to be provided at that facility can be more economically provided through the use of a long-term contract than through the use of conventional means; and

"(iii) the project has been authorized by law.".

(c) Solicitation for Contract.—Subsection (a)(2) of such section is amended by adding at the end the following: "In accordance with such procedures, the Secretary concerned shall solicit bids or proposals for a contract for each project that has been authorized by law.".

(d) Obligation and Contingent Commitment To Obligate Funds.—(1) Section 2809 of such title is amended by inserting after subsection (a) the following new subsection (b):

"(b) A contract entered into for a project pursuant to subsection (a) shall include the following provisions:

"(1) A statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

"(2) A commitment to obligate the necessary amount for each fiscal year covered by the contract when and to the extent that funds are appropriated for such project for such fiscal year.

"(3) A statement that such a commitment given under the authority of this section does not constitute an obligation of the United States.".

(2) Subsection (a)(3) of such section is amended by striking out the second sentence.

(e) EXTENSION OF AUTHORITY.—Subsection (c) of such section is amended by striking out "1991" and inserting in lieu thereof "1993".

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1991.

SEC. 2824. MODIFICATION AND EXTENSION OF MILITARY HOUSING LEASE AUTHORITY.

(a) SUBMISSION, AUTHORIZATION, AND SOLICITATION OF PROPOSED PROJECTS.—Section 2828(g) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "and subject to paragraph (7)," after "Notwithstanding any other provision of law,";

(2) in paragraph (2), by inserting after the first sentence the following: "In accordance with such procedures, the Secretary of a military department, or the Secretary of Transportation, as the case may be, shall solicit bids or proposals for a contract for the lease of military housing authorized in accordance with paragraph (7).";

(3) by striking out paragraph (7);

(4) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively; and

(5) by inserting after paragraph (6) the following new paragraph (7):

"(7)(A) The Secretary of a military department, or the Secretary of Transportation with respect to the Coast Guard, may enter into a lease contract pursuant to paragraph (1) for such military housing as is authorized by law for the purposes of this section.

"(B) The budget material submitted to Congress by the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard, in connection with the budget submitted pursuant to section 1105 of title 31 for each fiscal year shall include materials that identify the military housing projects for which lease contracts are proposed to be entered into under paragraph (1) in such fiscal year.".

(b) OBLIGATION AND CONTINGENT COMMITMENT TO OBLIGATE FUNDS FOR GUARANTY.—(1) Section 2828(g) of such title, as amended by subsection (a), is further amended by inserting after paragraph (7) the following new paragraph (8):

"(8) A lease contract entered into for a military housing project pursuant to paragraph (1) shall include the following provisions:

"(A) A statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

"(B) A commitment to obligate the necessary amount for each fiscal year covered by the contract when and to the extent that funds are appropriated for such project for such fiscal year.

"(C) A statement that such a commitment entered into under the authority of this section does not constitute an obligation of the United States.".

(2) Paragraph (1) of such section is amended by striking out the third sentence.

(c) LOCATIONS OF PROJECTS.—Section 2828(g)(1) of such title is amended in the first sentence by striking out "on or near a military installation within the United States under the Secretary's jurisdiction at which there is a validated deficit in" and inserting in lieu thereof "near a military installation within the United States under the Secretary's jurisdiction at which there is a shortage of".

(d) EXTENSION OF AUTHORITY.—Section 2828(g)(9) of such title (as redesignated by subsection (a)(4)) is amended by striking out "1991" and inserting in lieu thereof "1993".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1991.

SEC. 2825. PERMANENT AND INCREASED AUTHORITY TO USE TURN-KEY SELECTION PROCEDURES.

Section 2862 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "(1)"; and

(B) by striking out "(2)" and inserting in lieu thereof "(b)"; and

(2) by striking out subsections (b) and (c).

SEC. 2826. INCREASED COST LIMITATIONS FOR UNSPECIFIED MINOR CONSTRUCTION PROJECTS.

a) DEFINITION OF MINOR CONSTRUCTION.—Subsection (a)(1) of section 2805 of title 10, United States Code, is amended by striking out "$1,000,000" and inserting in lieu thereof "$1,500,000".

(b) O&M-FUNDED PROJECTS.—Subsection (c)(1) of such section is amended by striking out "$200,000" and inserting in lieu thereof "$300,000".

SEC. 2827. INCREASED LIMITATION ON MILITARY FAMILY HOUSING SPACE LOCATED IN HARSH CLIMATES.

Section 2826 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) The applicable maximum net floor area prescribed by subsection (a) may be increased by 300 square feet for a family housing unit in a location where harsh climatological conditions severely restrict outdoor activity for a significant part of each year, as determined by the Secretary concerned pursuant to regulations which the Secretary of Defense shall prescribe. The regulations shall apply uniformly to the armed forces.".

SEC. 2828. PERMANENT AUTHORITY TO OBLIGATE CERTAIN FUNDS UNDER THE HOMEOWNERS ASSISTANCE PROGRAM.

Section 2832(b)(1)(B) of title 10, United States Code, is amended by striking out ", except that such funds may not be obligated after September 30, 1991".

SEC. 2829. EMERGENCY CONSTRUCTION FOR HEALTH, SAFETY, AND ENVIRONMENTAL QUALITY.

Section 2803(a) of title 10, United States Code, is amended—

(1) in clause (1), by striking out ", and" and inserting in lieu thereof "or that the project is vital to protection of health, safety, or the quality of the environment, and"; and

(2) in clause (2), by inserting before the period the following: "or would be inconsistent with protection of health, safety, or environmental quality, as the case may be".

SEC. 2830. MODIFICATION OF AUTHORITY TO ACQUIRE OPTIONS ON REAL PROPERTY.

(a) OPTIONS FOR LEASE OF REAL PROPERTY.—Section 2677(a) of title 10, United States Code, is amended—

(1) by inserting "or lease" after "acquisition"; and

(2) by striking out "a military project of his department" and inserting in lieu thereof "military purposes by the military department".

(b) CONSIDERATION FOR OPTIONS.—Section 2677(b) of such title is amended to read as follows:

"(b)(1) As consideration for an option acquired under subsection (a), the Secretary of a military department may pay—

"(A) in the case of an option to acquire real property, an amount that is not more than 12 percent of the appraised fair market value of the property to be acquired; and

"(B) in the case of an option to lease real property, an amount that is not more than 12 percent of the appraised fair market rental value of the property to be leased.

"(2) The Secretary shall make any payments under paragraph (1) from funds available to the military department for real property activities.".

(c) REVIEW OF RTC ASSETS BEFORE ACQUISITION OF OPTIONS.—Section 2677 of such title is amended by adding at the end the following new subsection:

"(c)(1) Before acquiring an option to acquire or lease real property under subsection (a), the Secretary of a military department shall review the most recent inventory of real property assets published by the Resolution Trust Corporation under section 21A(b)(12)(F) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(12)(F)) and determine whether any real property listed in the inventory is suitable for use for the purposes for which the real property is to be acquired or leased, as the case may be.

"(2) The requirement for the review referred to in paragraph (1) shall terminate at the end of September 30, 1996.".

(d) CLERICAL AMENDMENTS.—(1) The heading of section 2677 of such title is amended to read as follows:

"§ 2677. Options: acquisition or lease of real property for military purposes".

(2) The table of sections at the beginning of chapter 159 of such title is amended by striking out the item relating to section 2677 and inserting in lieu thereof the following:

"2677. Options: acquisition or lease of real property for military purposes.".

SEC. 2831. MODIFICATION AND EXTENSION OF MILITARY HOUSING RENTAL GUARANTEE PROGRAM.

(a) SUBMISSION, AUTHORIZATION, AND SOLICITATION OF PROPOSED PROJECTS.—Section 802 of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note) is amended—

(1) in subsection (a), by striking out "The Secretary" and inserting in lieu thereof "Subject to subsection (f), the Secretary";

(2) in subsection (c), by adding at the end the following: "In accordance with such procedures, the Secretary of a military department, or the Secretary of Transportation, as the case may be, shall solicit bids or proposals for a guaranty agreement for each military housing rental guaranty project authorized in accordance with subsection (f).".

(3) by striking out subsections (f), (g), and (i); and

(4) by inserting after subsection (e) the following new subsection (f):

"(f)(1) The Secretary of a military department, or the Secretary of Transportation with respect to the Coast Guard, may enter into agreements pursuant to subsection (a) for such military housing rental guaranty projects as are authorized by law.

"(2) The budget material submitted to Congress by the Secretary of Defense, and the

Secretary of Transportation with respect to the Coast Guard, in connection with the budget submitted pursuant to section 1105 of title 31, United States Code, for each fiscal year shall include materials that identify the military housing rental guaranty projects for which agreements are proposed to be entered into under subsection (a) in such fiscal year.".

(b) OBLIGATION AND CONTINGENT COMMITMENT TO OBLIGATE FUNDS FOR GUARANTY.—(1) Section 802 of such Act, as amended by subsection (a), is further amended by inserting after subsection (f) the following new subsection (g):

"(g) An agreement entered into for a project pursuant to subsection (a) shall include the following provisions:

"(1) A statement that the obligation of the United States to make payments under the agreement in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that project.

"(2) A commitment to obligate the necessary amount for each fiscal year covered by the agreement when and to the extent that funds are appropriated for such project for such fiscal year.

"(3) A statement that such a commitment entered into under the authority of this section does not constitute an obligation of the United States.".

(2) Subsection (a) of such section is amended by striking out the second sentence.

(c) EXTENSION OF RENTAL GUARANTEE PROGRAM.—Section 802(h) of such Act is amended by striking out "1991" and inserting in lieu thereof "1993".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1991.

SEC. 2832. MODIFICATION OF AUTHORITY FOR INDEMNIFICATION OF LANDLORDS OF ARMED FORCES PERSONNEL AND RELATED COLLECTION AUTHORITY.

Section 1055 of title 10, United States Code, is amended—

(1) in subsection (b)(1), by striking out ", to the extent funds are provided in advance in appropriations Acts,"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection (c):

"(c) The Secretary of a military department who compensates a landlord under subsection (b) for a breach of lease or for damage described in subsection (b)(1)(C) may withhold from the pay of the member (in accordance with section 1007 of title 37) an amount equal to the amount paid by the Secretary to the landlord as compensation for the breach or damage.".

SEC. 2833. CLARIFICATION OF THE AUTHORITY OF THE SECRETARIES OF THE MILITARY DEPARTMENTS TO LEASE NONEXCESS PROPERTY.

Section 2667(b) of title 10, United States Code, is amended—

(1) in paragraph (3)—

(A) by striking out "must" and inserting in lieu thereof "shall"; and

(B) by striking out "and" at the end of that paragraph;

(2) by redesignating paragraph (4) as paragraph (5);

(3) by inserting after paragraph (3) the following new paragraph:

"(4) shall provide for the payment (in cash or in kind) by the lessee of consideration in an amount the Secretary considers to be appropriate; and"; and

(4) in paragraph (5) (as redesignated by paragraph (2))—

(A) by inserting "improvement," before "maintenance"; and

(B) by inserting "the payment of" before "part or all".

SEC. 2834. LEASES OF REAL PROPERTY FOR ACTIVITIES RELATED TO SPECIAL FORCES OPERATIONS.

(a) AUTHORITY TO LEASE.—(1) Chapter 159 of title 10, United States Code, is amended by inserting after section 2679 the following new section:

"§ 2680. Leases: land for special operations activities

"(a) Notwithstanding any other provision of this title, except as provided in subsection (b), the Secretary of Defense may acquire any leasehold interest in real property that the Secretary determines is necessary in the interests of national security to facilitate special operations activities of forces of the special operations command established pursuant to section 167 of this title.

"(b) The Secretary may not acquire a leasehold interest in real property under this section if the estimated annual rental cost of the real property exceeds $500,000.

"(c) The Secretary may provide in a lease entered into under this section for the construction or modification of any facility on the leased property in order to facilitate the activities referred to in subsection (a). The total cost of the construction or modification of such facility may not exceed $750,000 in any fiscal year.

"(d) The authority to enter into contracts under this section shall expire at the end of September 30, 1992. The expiration of that authority shall not affect the validity of any contract entered into under such authority on or before that date.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2679 the following new item:

"2680. Leases: land for special operations activities.".

(b) REPORTING REQUIREMENT.—Not later than March 1, 1993, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report that—

(1) identifies each leasehold interest acquired by the Secretary pursuant to section 2680 of title 10, United States Code (as added by subsection (a)), in the previous fiscal year; and

(2) contains a discussion of each project for the construction or modification of facilities carried out pursuant to subsection (c) in such fiscal year.

SEC. 2835. LAW ENFORCEMENT AUTHORITY ON THE PENTAGON RESERVATION.

Section 2674(b)(2) of title 10, United States Code, is amended to read as follows:

"(2) shall have the same powers (other than the service of civil process) as sheriffs and constables upon the property referred to in the first sentence to enforce the laws enacted for the protection of persons and property, to prevent breaches of the peace and suppress affrays or unlawful assemblies, and to enforce any rules or regulations with respect to such property prescribed by duly authorized officials.".

SEC. 2836. STUDY OF CONSTRUCTION OF TORNADO SHELTERS AT INSTALLATIONS LOCATED IN AREAS THAT ARE PRONE TO TORNADOES.

Not later than April 15, 1992, the Secretary of Defense shall study the advisability of constructing tornado shelters at military installations that are located in areas prone to tornadoes and submit to the congressional defense committees a report on the results of the study. If the Secretary determines that such construction is advisable, the report shall contain the Secretary's proposed schedule for the construction of such shelters.

PART C—LAND TRANSACTIONS

SEC. 2841. LAND CONVEYANCE, SANTA FE, NEW MEXICO.

(a) IN GENERAL.—Subject to subsections (b) through (g), the Secretary of the Army may convey to the New Mexico State Armory Board (hereafter in this section referred to as the "Board") all right, title, and interest of the United States in and to the parcel of real property consisting of approximately 5 acres, including improvements thereon, located at 2500 Cerrillos Road, Santa Fe, New Mexico, the location of a United States Army Reserve Center.

(b) CONSIDERATION.—In consideration for the conveyance authorized in subsection (a), the Board shall be required to convey to the United States all right, title, and interest of the State of New Mexico in and to a parcel of real property consisting of approximately 13 acres located in Santa Fe County, New Mexico.

(c) CONDITIONS OF CONVEYANCE.—The conveyance authorized by subsection (a) shall be subject to the following conditions:

(1) That the Board design and construct on the property conveyed pursuant to subsection (b) (on terms satisfactory to, and subject to the approval of, the Secretary) a facility suitable for use as a replacement for the United States Army Reserve Center referred to in subsection (a).

(2) That the Board permit (on terms satisfactory to the Secretary and the Board) units of the United States Army Reserve located in New Mexico to use, at no cost to the United States, Board facilities at the headquarters complex of the New Mexico National Guard, Santa Fe, New Mexico, that are also being used by units of the New Mexico National Guard.

(d) REVERSION.—If the Secretary determines at any time that the Board is not complying with the conditions specified in subsection (c), all right, title, and interest in and to the property conveyed pursuant to subsection (a), including improvements thereon, shall revert to the United States and the United States shall have the right of immediate entry thereon.

(e) DESCRIPTION OF PROPERTY.—The exact acreages and legal descriptions of the parcels of real property to be conveyed under subsections (a) and (b) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the Board.

(f) USE OF APPROPRIATED FUNDS.—The cost of designing and constructing the United States Army Reserve Center required under subsection (c)(1) shall be paid out of funds appropriated for the construction of such center in Public Law 101-148 (103 Stat. 920) or out of other funds appropriated for the Department of Defense for military construction and made available for such construction project.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require any additional terms and conditions in connection with the conveyances under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2842. LAND EXCHANGE, SCOTT AIR FORCE BASE, ILLINOIS.

(a) IN GENERAL.—Subject to subsections (b) through (e), the Secretary of the Air Force may convey to the County of Saint Clair, Illinois, all right, title, and interest of the United States in and to a parcel of real property known as the Cardinal Creek Housing

Complex, Scott Air Force Base, Illinois, consisting of approximately 150 acres, together with the improvements thereon.

(b) Consideration.—In consideration for the conveyance authorized by subsection (a), the County shall be required to convey to the United States a parcel of real property located in the vicinity of Scott Air Force Base, Illinois. The fair market value of the real property conveyed to the United States shall be at least equal to the fair market value of the real property (including the improvements thereon) conveyed to the County pursuant to the authority in subsection (a).

(c) Determinations of Fair Market Value.—The determinations of the Secretary regarding the fair market values of the parcels of real property to be conveyed pursuant to subsections (a) and (b) shall be final.

(d) Description of Property.—The exact acreages and legal descriptions of the parcels of real property to be conveyed pursuant to subsections (a) and (b) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the County.

(e) Additional Terms and Conditions.—The Secretary may require any additional terms and conditions in connection with the conveyances under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2843. REVISION OF LAND CONVEYANCE AUTHORITY, NAVAL RESERVE CENTER, BURLINGTON, VERMONT.

Section 2837(c)(1)(A) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1800) is amended by striking out "$1,500,000" and inserting in lieu thereof "$800,000".

SEC. 2844. RELEASE OF REVERSIONARY INTEREST, BERRIEN COUNTY, MICHIGAN.

(a) In General.—Subject to subsections (b) through (d), the Secretary of the Navy shall release to the State of Michigan the reversionary interest of the United States in approximately 1.7 acres of real property conveyed by the quitclaim deed described in subsection (b).

(b) Deed Description.—The deed referred to in subsection (a) is a quitclaim deed executed by the Secretary of the Navy, dated February 25, 1936, which conveyed to the State of Michigan approximately 1.7 acres of land in Berrien County, Michigan, situated in section 23, township 4 south, range 19 west.

(c) Property Description.—The exact acreage and legal description of the property subject to the reversionary interest to be released under this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of the survey shall be borne by the State of Michigan.

(d) Additional Terms and Conditions.—The Secretary of the Navy may require any additional terms and conditions in connection with the release under this section that the Secretary determines appropriate to protect the interests of the United States.

(e) Instrument of Release.—The Secretary of the Navy shall execute and file in the appropriate office a deed of release, amended deed, or other appropriate instrument effecting the release of the reversionary interest under this section.

SEC. 2845. ACQUISITION OF LAND, BALDWIN COUNTY, ALABAMA.

(a) Acquisition of Land.—Subject to subsections (b) and (c), the Secretary of the Navy may acquire the fee simple interest in a parcel of real property consisting of approximately 60 acres within the runway clear zones located at Outlying Landing Field Barin, Baldwin County, Alabama.

(b) Description of Property.—The exact acreage and legal description of the parcel of real property to be acquired under subsection (a) shall be determined by a survey that is satisfactory to the Secretary.

(c) Terms and Conditions.—The Secretary may require any terms or conditions in connection with the acquisition under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2846. LAND CONVEYANCE, NEW BEDFORD, MASSACHUSETTS.

(a) Conveyance.—Subject to subsections (b) through (d) and (f), the Secretary of the Army may convey to the City of New Bedford, Massachusetts (the "City"), all right, title, and interest of the United States in and to the following parcels of real property:

(1) A parcel consisting of approximately twelve acres, with improvements thereon, located at Clark's Point, New Bedford, Massachusetts, and comprising the New Bedford Army Reserve Center.

(2) A parcel consisting of approximately two thousand five hundred square feet, with improvements thereon and including a utility easement and right-of-way appurtenant, located on Clark's Point, New Bedford, Massachusetts.

(b) Consideration.—In consideration for the conveyance authorized in subsection (a), the City shall—

(1) accept the parcels to be conveyed under this section in their existing condition;

(2) conduct any remedial actions with respect to the parcels that are necessary (as determined by the Secretary) to prevent the release or threat of release of any oil or hazardous material identified in and described as being located on the parcels in the "Phase One Limited Site Investigation United States Army Reserve Center Fort Rodman Parcel 5 New Bedford, Massachusetts", dated May 1991, and prepared by Tibbetts Engineering Corporation;

(3) agree to indemnify the United States for all claims with respect to the parcels arising from—

(A) the failure of the City to conduct any remedial action required under clause (2); and

(B) the remedial actions conducted by the City under that clause; and

(4) pay to the United States the amount, if any, by which the fair market value of the parcels on the date of the conveyance (as determined by the Secretary) exceeds the cost of the remedial actions referred to in clause (2) (as estimated by the Secretary as of such date).

(c) Description of Property.—The exact acreage and legal description of the parcels of real property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(d) Disposition of Proceeds.—The Secretary shall deposit any amount received by the Secretary pursuant to subsection (b)(4) into the special account referred to in section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(e) Entry Onto Property.—Not later than October 1, 1991, the Secretary shall permit authorized representatives of the City to enter upon the parcels of real property referred to in subsection (a) for the purpose of preparing the parcels for the construction of a waste water treatment plant.

(f) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2847. LAND CONVEYANCE, LOMPOC, CALIFORNIA.

(a) In General.—Subject to subsections (b) through (e), the Secretary of Army may convey to the City of Lompoc, California (hereafter in this section referred to as the "City"), without consideration, all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 41 acres located at the United States Disciplinary Barracks, Lompoc, California, together with any improvements on such land.

(b) Condition.—The conveyance authorized by subsection (a) shall be subject to the condition that the City use the real property conveyed for—

(1) educational purposes; or

(2) the purposes provided for in section 834 of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1526).

(c) Reversion.—If the Secretary determines at any time that the City is not complying with the condition specified in subsection (b), all right, title, and interest in and to the property conveyed pursuant to subsection (a), including improvements on the property, shall revert to the United States and the United States shall have the right of immediate entry on that property.

(d) Description of Property.—The exact acreage and legal description of the parcel of property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) Additional Terms and Conditions.—The Secretary may require any additional terms and conditions in connection with the conveyance under this section that the Secretary determines appropriate to protect the interests of the United States.

DEPARTMENT OF ENERGY NATIONAL SECURITY ACT FOR FISCAL YEARS 1992 AND 1993

The text of S. 1514, Department of Energy National Security Act for Fiscal Years 1992 and 1993, as passed by the Senate on August 2, 1991, is as follows:

S. 1514

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Energy National Security Act for Fiscal Years 1992 and 1993".

SEC. 2. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For the purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

SEC. 3. EXPIRATION OF AUTHORIZATIONS FOR FISCAL YEARS AFTER 1992.

Authorizations of appropriations, and of personnel strength levels, in this Act for any fiscal year after fiscal year 1992 are effective only with respect to appropriations made during the first session of the One Hundred Second Congress.

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 3101. OPERATING EXPENSES.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1992 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $4,049,450,000, to be allocated as follows:

(A) For research and development, $1,198,600,000.

(B) For weapons testing, $465,500,000.

(C) For production and surveillance, $2,223,600,000.

(D) For program direction, $161,750,000.

(2) For defense nuclear materials production, $1,464,312,000, to be allocated as follows:

(A) For production reactor operations, $584,418,000.

(B) For processing of defense nuclear materials, including naval reactors fuel, $531,217,000.

(C) For supporting services, $305,433,000.

(D) For program direction, $43,244,000.

(3) For verification and control technology, $214,900,000.

(4) For nuclear materials safeguards and security technology development program, $88,731,000.

(5) For security investigations, $62,600,000.

(6) For Office of Security evaluations, $15,000,000.

(7) For new production reactors, $152,335,000.

(8) For naval reactors, $726,400,000, to be allocated as follows:

(A) For plant development, $99,000,000.

(B) For reactor development, $272,997,000.

(C) For reactor operation and evaluation, $214,600,000.

(D) For program direction, $16,963,000.

(E) For enriched material, operating, $122,840,000.

SEC. 3102. PLANT AND CAPITAL EQUIPMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1992 for plant and capital equipment (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project GPD–101, general plant projects, various locations, $28,800,000.

Project GPD–121, general plant projects, various locations, $34,700,000.

Project 92–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase IV, various locations, $6,600,000.

Project 92–D–122, health physics/environmental projects, Rocky Flats Plant, Golden, Colorado, $7,200,000.

Project 92–D–123, plant fire/security alarm systems replacement, Rocky Flats Plant, Golden, Colorado, $5,200,000.

Project 92–D–125, master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, Golden, Colorado, $3,500,000.

Project 92–D–126, replace emergency notification systems, various locations, $4,200,000.

Project 91–D–122, short range attack missile tactical (SRAM T) production facilities, various locations, $23,372,000.

Project 91–D–126, health physics calibration facility, Mound Plant, Miamisburg, Ohio, $4,000,000.

Project 90–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $34,100,000.

Project 90–D–124, high explosives (HE) synthesis facility, Pantex Plant, Amarillo, Texas, $12,927,000.

Project 90–D–126, environment, safety, and health improvements, various locations, $1,428,000.

Project 88–D–104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,515,000.

Project 88–D–106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $53,608,000.

Project 88–D–122, facilities capability assurance program, various locations, $47,473,000.

Project 88–D–123, security enhancements, Pantex Plant, Amarillo, Texas, $30,000,000.

Project 87–D–104, safeguards and security enhancement II, Lawrence Livermore National Laboratory, Livermore, California, $4,650,000.

Project 85–D–105, combined device assembly facility, Nevada Test Site, Nevada, $12,027,000.

Project 85–D–121, air and water pollution control facilities, Y–12 Plant, Oak Ridge, Tennessee, $3,000,000.

(2) For materials production:

Project GPD–146, general plant projects, various locations, $40,000,000.

Project 92–D–140, F and H canyon exhaust upgrades, Savannah River, South Carolina, $12,000,000.

Project 92–D–141, reactor seismic improvement, Savannah River, South Carolina, $14,200,000.

Project 92–D–142, nuclear material processing training center, Savannah River, South Carolina, $2,500,000.

Project 92–D–143, health protection instrument calibration facility, Savannah River, South Carolina, $2,000,000.

Project 92–D–150, operations support facilities, Savannah River, South Carolina, $3,000,000.

Project 92–D–151, plant maintenance and improvements, Phase I, Savannah River, South Carolina, $4,060,000.

Project 92–D–153, engineering support facility, Savannah River, South Carolina, $8,017,000.

Project 91–D–143, increase 751–A electrical substation capacity, Phase I, Savannah River, South Carolina, $2,614,000.

Project 90–D–141, Idaho chemical processing plant fire protection, Idaho National Engineering Laboratory, Idaho, $12,000,000.

Project 90–D–149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $39,000,000.

Project 90–D–150, reactor safety assurance, Phases I, II, and III, Savannah River, South Carolina, $14,530,000.

Project 90–D–151, engineering center, Savannah River, South Carolina, $105,000.

Project 89–D–140, additional separations safeguards, Savannah River, South Carolina, $28,150,000.

Project 89–D–148, improved reactor confinement system, Savannah River, South Carolina, $12,121,000.

Project 88–D–153, additional reactor safeguards, Savannah River, South Carolina, $6,528,000.

Project 86–D–149, productivity retention program, Phases I, II, III, IV, V, and VI, various locations, $36,865,000.

Project 85–D–139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $82,700,000.

(3) For verification and control technology:

Project 90–D–186, center for national security and arms control, Sandia National Laboratories, Albuquerque, New Mexico, $10,000,000.

(4) For nuclear materials safeguards and security:

Project GPD–186, general plant projects, Central Training Academy, Albuquerque, New Mexico, $2,000,000.

(5) For new production reactors:

Project 92–D–300, new production reactor capacity, various locations, $386,465,000.

Project 92–D–301, new production reactor (NPR) safety center, Los Alamos National Laboratory, New Mexico, $2,000,000.

(6) For naval reactors development:

Project GPN–101, general plant projects, various locations, $8,500,000.

Project 92–D–200, laboratories facilities upgrades, various locations, $4,900,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $15,000,000.

Project 90–N–103, advanced test reactor offgas treatment system, Idaho National Engineering Laboratory, Idaho, $2,800,000.

Project 90–N–104, facilities renovation, Knolls Atomic Power Laboratory, Niskayuna, New York, $5,000,000.

(7) For capital equipment not related to construction:

(A) For weapons activities, $263,250,000.

(B) For materials production, $92,198,000.

(C) For verification and control technology, $10,100,000.

(D) For nuclear safeguards and security, $5,269,000.

(E) For new production reactors, $11,200,000.

(F) For naval reactors development, $58,400,000.

SEC. 3103. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1992 for carrying out the environmental restoration and waste management programs necessary for national security programs as follows:

(1) For operating expenses, $3,196,142,000, to be allocated as follows:

(A) For corrective activities—environment, $27,689,000.

(B) For corrective activities—defense programs, $33,518,000.

(C) For environmental restoration, $1,082,392,000.

(D) For waste management, $1,723,796,000.

(E) For technology development, $285,778,000.

(F) For transportation management, $18,220,000.

(G) For program direction, $24,749,000.

(2) For plant projects:

Project GPD–171, general plant projects, various locations, $88,027,000.

Project 92–D–171, mixed waste receiving and storage, Los Alamos National Laboratory, Los Alamos, New Mexico, $6,640,000.

Project 92–D–172, hazardous waste treatment and processing facility, Pantex Plant, Amarillo, Texas, $2,400,000.

Project 92–D–173, NOx abatement facility, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $7,000,000.

Project 92-D-174, sanitary landfill, Idaho National Engineering Laboratory, Idaho, $10,000,000.

Project 92-D-176, B plant safety class ventilation upgrades, Richland, Washington, $4,400,000.

Project 92-D-177, tank 101-AZ waste retrieval system, Richland, Washington, $5,800,000.

Project 92-D-180, inter-area line upgrade, Savannah River, South Carolina, $2,100,000.

Project 92-D-181, fire and life safety improvements, Idaho National Engineering Laboratory, Idaho, $3,000,000.

Project 92-D-182, sewer system upgrade, Idaho National Engineering Laboratory, Idaho, $2,100,000.

Project 92-D-183, transportation complex, Idaho National Engineering Laboratory, Idaho, $895,000.

Project 92-D-184, Hanford infrastructure underground storage tanks, Richland, Washington, $300,000.

Project 92-D-185, road, ground, and lighting safety improvements, 300/1100 areas, Richland, Washington, $800,000.

Project 92-D-186, steam system rehabilitation, Phase II, Richland, Washington, $400,000.

Project 92-D-187, 300 area electrical distribution conversion and safety improvements, Phase II, Richland, Washington, $1,100,000.

Project 92-D-402, sanitary sewer system rehabilitation, Lawrence Livermore National Laboratory, California, $3,000,000.

Project 92-D-403, tank upgrades project, Lawrence Livermore National Laboratory, California, $3,500,000.

Project 91-D-171, waste receiving and processing facility module 1, Richland, Washington, $7,400,000.

Project 91-D-172, high-level waste tank farm replacement, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $30,000,000.

Project 91-D-173, hazardous low-level waste processing tanks, Savannah River, South Carolina, $10,100,000.

Project 91-D-175, 300 area electrical distribution, conversion and safety improvements, Phase I, Richland, Washington, $4,419,000.

Project 91-E-100, environmental and molecular sciences laboratory, Richland, Washington, $4,000,000.

Project 90-D-125, steam ash disposal facility, Y-12 Plant, Oak Ridge, Tennessee, $8,122,000.

Project 90-D-126, environment, safety, and health improvements, various locations, $7,419,000.

Project 90-D-171, laboratory ventilation and electrical system upgrade, Richland, Washington, $1,116,000.

Project 90-D-172, aging waste transfer lines, Richland, Washington, $6,000,000.

Project 90-D-173, B plant canyon crane replacement, Richland, Washington, $5,800,000.

Project 90-D-174, decontamination laundry facility, Richland, Washington, $3,700,000.

Project 90-D-175, landlord program safety compliance-I, Richland, Washington, $8,840,000.

Project 90-D-176, transuranic (TRU) waste facility, Savannah River, South Carolina, $5,500,000.

Project 90-D-177, RWMC transuranic (TRU) waste treatment and storage facility, Idaho National Engineering Laboratory, Idaho, $25,000,000.

Project 90-D-178, T&A retrieval containment building, Idaho National Engineering Laboratory, Idaho, $4,490,000.

Project 89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee, $9,238,000.

Project 89-D-126, environment, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio, $41,000.

Project 89-D-141, M-area waste disposal, Savannah River, South Carolina, $4,170,000.

Project 89-D-172, Hanford environmental compliance, Richland, Washington, $27,700,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $4,231,000.

Project 89-D-174, replacement high-level waste evaporator, Savannah River, South Carolina, $14,145,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $4,330,000.

Project 88-D-102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,546,000.

Project 88-D-173, Hanford waste vitrification plant, Richland, Washington, $79,200,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $4,697,000.

Project 86-D-103, decontamination and waste technology, Lawrence Livermore National Laboratory, California, $5,060,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $9,100,000.

(3) For capital equipment, $121,832,000, to be allocated as follows:

(A) For corrective activities—environment, $1,249,000.

(B) For corrective activities—defense programs, $6,520,000.

(C) For waste management, $95,913,000.

(D) For technology development, $17,500,000.

(E) For transportation management, $650,000.

SEC. 3104. FUNDING LIMITATIONS.

(a) Defense Inertial Confinement Fusion Program.—Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1992 for operating expenses pursuant to section 3101 and for plant and capital equipment pursuant to section 3102, not less than $197,000,000 shall be available for the defense inertial confinement fusion program.

(b) Reimbursement of Costs Relating to Certain Water Management Program Activities.—(1) In fiscal years 1992 and 1993, the Secretary of Energy shall make available out of the funds appropriated to the Department of Energy for such fiscal years the amount specified in paragraph (2) to reimburse the cities of Westminster, Broomfield, Thornton, and Northglen, Colorado, for the costs incurred by such cities in implementing the March 22, 1991, grant program known as the "Water Management Program for Area Communities". Reimbursement under this subsection shall not be considered a major Federal action for the purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2)(A) The amount referred to in paragraph (1) for fiscal year 1992 is $70,137,000 plus the amount determined by multiplying $70,137,000 by the percentage equal to the percentage increase in the Consumer Price Index during fiscal year 1991.

(B) The amount referred to in paragraph (1) for fiscal year 1993 is the amount determined by multiplying the amount computed for fiscal year 1992 pursuant to subparagraph (A) by the percentage equal to the percentage increase in the Consumer Price Index during fiscal year 1992.

(C) For the purposes of this paragraph, the term "percentage increase in the Consumer Price Index", with respect to a fiscal year, means the percentage by which the Consumer Price Index (all items, United States city average) published by the Bureau of Labor Statistics for September of that fiscal year exceeds the Consumer Price Index (all items, United States city average) published by the Bureau of Labor Statistics for September of the preceding fiscal year.

(c) Funding for Hanford Health Information Network.—Of the funds authorized to be appropriated for the Department of Energy under this title, the Secretary of Energy shall make available to the States of Washington, Oregon, and Idaho for the purpose of implementing and operating the Hanford Health Information Network in fiscal years 1992 through 1994 as follows:

(1) Fiscal year 1992, $1,554,000.

(2) Fiscal year 1993, $1,750,000.

(3) Fiscal year 1994, $1,750,000.

(d) W-79 Projectile Modification.—None of the funds appropriated or otherwise made available for the Department of Energy for fiscal year 1992 may be obligated for the modification of the W-79 atomic fired artillery projectile.

SEC. 3105. GENERAL REDUCTION IN AUTHORIZATIONS.

The total amount authorized to be appropriated by this part is reduced by $76,300,000.

Part B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) Notice to Congress.—(1) Except as otherwise provided in this title—

(A) no amount appropriated pursuant to this title may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this title; or

(ii) $10,000,000 more than the amount authorized for that program by this title; and

(B) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress.

(2) An action described in paragraph (1) may not be taken until—

(A) the Secretary of Energy has submitted to the congressional defense committees a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period, there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain.

(b) Limitation on Amount Obligated.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) In General.—The Secretary of Energy may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated cost of the construction project does not exceed $2,000,000.

(b) Report to Congress.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3102 or 3103 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such actions necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period, there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) IN GENERAL.—Funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

(b) NUCLEAR DIRECTED ENERGY WEAPONS CONCEPTS.—The Secretary of Defense may transfer to the Secretary of Energy not more than $100,000,000 of the funds appropriated for fiscal year 1992 to the Department of Defense for research, development, test, and evaluation for the Defense Agencies for the performance of work on the Strategic Defense Initiative. Funds so transferred—

(1) may be used only for research and testing for nuclear directed energy weapons concepts, including plant and capital equipment related thereto; and

(2) shall be merged with the funds appropriated to the Department of Energy.

(c) INERTIAL CONFINEMENT FUSION PROGRAM.—The Secretary of Defense may transfer to the Secretary of Energy not more than $12,000,000 of the funds appropriated to the Department of Defense for the inertial confinement fusion program. Funds so transferred shall be merged with funds appropriated to the Department of Energy national security programs for research and development.

SEC. 3125. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary of Energy may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the congressional defense committees in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such planning and design shall be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY CONSTRUCTION, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—In addition to the funds authorized to be appropriated for advance planning and construction design under sections 3102 and 3103, the Secretary of Energy may use any other funds available to the Department of Energy in order to perform planning, design, and construction activities for any Department of Energy defense activity construction project that, as determined by the Secretary, must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

(b) LIMITATION.—(1) The Secretary may not exercise the authority under subsection (a) in the case of any construction project until—

(A) the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out with funds under such authority and the circumstances making such activities necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(2) In the computation of the 30-day period, there shall be excluded each day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects shall be available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operating expenses or for plant and capital equipment may remain available until expended.

PART C—MISCELLANEOUS

SEC. 3131. SCHOLARSHIP AND FELLOWSHIP PROGRAM FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) ESTABLISHMENT.—The Secretary of Energy, acting through the Office of Environmental Restoration and Waste Management established by section 3132(b), shall conduct a scholarship and fellowship program for the purpose of enabling individuals to qualify for employment in environmental restoration and waste management positions in the Department of Energy.

(b) AWARD OF SCHOLARSHIPS AND FELLOWSHIPS.—(1) Subject to paragraph (2), the Secretary shall award at least 20 scholarships (for undergraduate students) and 20 fellowships (for graduate students) during fiscal year 1992.

(2) The requirement to award 20 scholarships and 20 fellowships under paragraph (1) applies only to the extent there is a sufficient number of applicants qualified for such awards.

(c) ELIGIBILITY.—To be eligible to participate in the scholarship and fellowship program, an individual must—

(1) be accepted for enrollment or be currently enrolled as a full-time student at an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(2) be pursuing a program of education that leads to an appropriate higher education degree in a qualifying field of study, as determined by the Secretary of Energy;

(3) sign an agreement described in subsection (d); and

(4) meet such other requirements as the Secretary prescribes.

(d) AGREEMENT.—An agreement between the Secretary of Energy and a participant in the scholarship and fellowship program established under this section shall be in writing, shall be signed by the participant, and shall include the following provisions:

(1) The Secretary's agreement to provide the participant with educational assistance for a specified number of school years during which the participant is pursuing a program of education in a qualifying field of study. The assistance may include payment of tuition, fees, books, laboratory expenses, and a stipend.

(2) The participant's agreement (A) to accept such educational assistance, (B) to maintain enrollment and attendance in the program of education until completed, (C) while enrolled in such program, to maintain an acceptable level of academic achievement (as prescribed by the Secretary), and (D) after completion of the program of education, to serve as a full-time employee in an environmental restoration or waste management position in the Department of Energy for a period of 12 months for each school year or part thereof for which the participant is provided a scholarship or fellowship under the program established under this section.

(e) REPAYMENT.—(1) Any person participating in a scholarship or fellowship program established under this section shall be required to pay to the United States the amount determined under paragraph (2) if the person—

(A) does not complete the program of education as agreed to pursuant to subsection (d), or completes the course of education but declines to serve in a position in the Department of Energy as agreed to pursuant to such subsection; or

(B) is voluntarily separated, or involuntarily separated for cause, from the Department of Energy before the end of the period for which the person has agreed to be employed in the Department.

(2)(A) A person referred to in paragraph (1) shall pay to the United States the amount equal to an amount determined as follows:

(i) Add (I) the amounts of educational allowance paid to the person under the scholarship and fellowship program, and (II) the interest on the total of such amounts computed from the date determined by the Secretary under subparagraph (B) at the rate equal to the average yield on all contractual obligations of the United States (as determined by the Secretary of the Treasury).

(ii) Multiply the amount determined under clause (i) by 3.

(iii) Subtract from the number of months of the person's obligated period of employment (established by the agreement pursuant to subsection (d)(2)(D)) the number of months of the person's actual employment pursuant to that agreement (rounding each fraction of one month to the nearest whole number of months).

(iv) Divide the amount determined under clause (iii) by the number of months of the person's obligated period of employment (established by the agreement pursuant to subsection (d)(2)(D)).

(v) Multiply the amount determined under clause (ii) by the number determined under clause (iv).

(B) A person required to pay the United States the amount determined under subparagraph (A) shall make such payment not less than one year after the date (as determined by the Secretary) on which such person, as the case may be—

(i) terminates pursuit of the program of education described in the agreement of the person under subsection (d);

(ii) declines to serve in a position in the Department of Energy as specified in that agreement; or

(iii) is voluntarily separated, or involuntarily separated for cause, from a position in the Department before the end of the period referred to in paragraph (1)(B).

(3) If a person referred to in paragraph (1) fails to pay the United States the amount determined under paragraph (2)(A) within the time referred to in paragraph (2)(B), the Federal Government may recover that amount from the person (or the estate of the person) by any method that is provided by law for the recovery of amounts owing to the Federal Government.

(4) The Secretary may waive in whole or in part a required repayment under this subsection if the Secretary determines the recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

(5) A discharge in bankruptcy under title 11, United States Code, that is entered less than five years after the date applicable in the case of such person under paragraph (2)(B) does not discharge the person from a debt arising under this subsection. This paragraph applies to any case commenced after the date of the enactment of this Act.

(f) PREFERENCE FOR COOPERATIVE EDUCATION STUDENTS.—In evaluating applicants for award of scholarships and fellowships under the program, the Secretary of Energy may give a preference to an individual who is entitled to or accepted for enrollment in an educational institution that has a cooperative education program with the Department of Energy.

(g) REPORT TO CONGRESS.—Not later than January 1, 1993, the Secretary of Energy shall submit to Congress a report on activities undertaken under the program and recommendations for future activities under the program.

(h) COORDINATION OF BENEFITS.—A scholarship or fellowship awarded under this section shall be taken into account in determining the eligibility of the student for Federal student financial assistance provided under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

(i) FUNDING.—Of the funds appropriated for environmental restoration and waste management pursuant to the authorization in section 3103, $1,000,000 may be used for carrying out this section.

SEC. 3132. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT PROGRAM.

(a) DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT PROGRAM.—The Secretary of Energy shall carry out a program to be known as the "Defense Environmental Restoration and Waste Management Program" (hereafter in this section referred to as the "Program"). Under the Program, the Secretary shall carry out environmental restoration activities and waste management activities (including technology research and development and technology demonstration activities) at Department of Energy defense nuclear facilities. The Secretary shall carry out the Program in accordance with this section.

(b) OFFICE OF ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.—There is established in the Department of Energy an office to be known as the "Office of Environmental Restoration and Waste Management" (hereafter in this section referred to as the "Office"). The Secretary shall carry out the Program through the Office.

(c) ANNUAL 5-YEAR PLAN FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.—(1) Not later than June 1 of each year, the Secretary of Energy shall issue a five-year plan for the environmental restoration and waste management activities to be conducted at the Department of Energy defense nuclear facilities under the Program.

(2) The annual five-year plan shall cover the five-year period beginning on October 1 of the year of issuance.

(3) The Secretary shall submit the annual five-year plan to the President and Congress, publish a notice of the issuance of the plan in the Federal Register, and make the plan available to the public.

(4) The annual five-year plan shall contain the following matters:

(A) A description of the actions necessary to maintain or achieve compliance with Federal, State, and local environmental laws.

(B) A proposed order of priority for taking such actions.

(C) The estimated costs of taking such actions.

(D) A description of the corrective actions, environmental restoration activities, and waste management activities and technologies that are necessary in order to continue to operate the Department of Energy defense nuclear facilities or to decontaminate and decommission the facilities, as the case may be.

(E) A proposed program of research and development activities for the expeditious and efficient environmental restoration of such facilities.

(F) A description of the actions to be taken at each Department of Energy defense nuclear facility in order to implement the environmental restoration activities, waste management activities, and additional corrective actions planned for all such facilities.

(G) A description of the respects in which the plan differs from the preliminary form of that plan issued pursuant to paragraph (5), together with the reasons for any differences.

(H) A discussion of the implementation of the preceding annual five-year plan.

(5) The Secretary shall prepare each annual five-year plan in a preliminary form not later than three months before the date on which that plan is required to be issued under paragraph (1). The preliminary plan shall include the matters referred to in paragraph (4). The Secretary shall provide the preliminary plan to affected States and affected Indian tribes for coordination, review, and comment.

(6) The Secretary shall consult with the Administrator of the Environmental Protection Agency and appropriate representatives of affected States and of affected Indian tribes in the preparation of the plans pursuant to paragraphs (1) and (5).

(7) The Secretary shall include in the annual five-year plan issued in 1992 a discussion of the feasibility and need, if any, for the establishment of a contingency fund in the Department of Energy to provide funds necessary to meet new requirements in environmental laws, and to undertake additional environmental restoration activities at Department of Energy defense nuclear facilities, that are not provided for in the budgets for fiscal years in which it is necessary to meet such requirements or undertake such activities.

(8) The first annual five-year plan shall be issued in 1992.

(d) TREATMENT OF PLANS UNDER NEPA.—The development and adoption of any part of any final plan (including any preliminary form of any such plan) under subsection (c) shall not be considered a major Federal action for the purposes of subparagraphs (C), (E), or (F) of section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

(e) ESTABLISHMENT OF DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT ACCOUNT.—(1) There is hereby established in the Treasury of the United States for the Department of Energy an account to be known as the "Defense Environmental Restoration and Waste Management Account" (hereafter in this subsection referred to as the "Account").

(2) All sums appropriated for the Department of Energy and available to carry out the Program shall be credited to the Account. Appropriations for the Program shall be authorized annually by law. To the extent provided in appropriations Acts, amounts in the Account shall remain available until expended.

(g) BUDGET REPORTS.—With each budget submitted to Congress pursuant to section 1105 of title 31, United States Code, the President shall submit a report containing the following matters:

(1) The amounts proposed in the budget for activities under the Program for such fiscal year.

(2) A summary of the proposed activities of the Department of Energy under the Program for such fiscal year.

(3) A description of the manner, if any, in which such activities differ from the activities of the Department of Energy identified in the annual five-year plan issued pursuant to subsection (c)(1) during the year before the year in which the budget is submitted to Congress, together with the reasons for such differences.

(4) A description of the funding and personnel levels necessary for the Department to carry out fully the activities referred to in paragraph (2) for all Department of Energy defense nuclear facilities and for each such facility.

(5) A discussion of the extent, if any, to which such funding and personnel levels differ from the funding and personnel levels identified in the annual five-year plan referred to in paragraph (3), together with the reasons for such differences.

(g) GRANTS TO AFFECTED STATES AND AFFECTED INDIAN TRIBES.—The Secretary may make grants to, and enter into cooperative agreements with, affected States and affected Indian tribes to assist the participation of such States and tribes in the development of the annual five-year plan (including the preliminary form of such plan) under subsection (c).

(h) DEFINITIONS.—For the purposes of this section:

(1) The term "Department of Energy defense nuclear facility" has the meaning

given such term in section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g).

(2) The term "affected State" means—

(A) a State in which a Department of Energy defense nuclear facility is located; and

(B) a State that is contiguous with a State referred to in subparagraph (A).

(3) The term "affected Indian tribe" means an Indian tribe, as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)), that is located in an affected State.

SEC. 3133. PRIVATE SECTOR PARTICIPATION IN WASTE CLEANUP AND MODERNIZATION ACTIVITIES.

(a) CONTRACT AUTHORITY.—(1) Notwithstanding any other provision of law, the Secretary of Energy may enter into a long-term contract for the procurement of products and services described in paragraph (2) from a facility referred to in paragraph (3).

(2) The products and services referred to in paragraph (1) are products and services that are determined by the Secretary to be necessary to support waste cleanup and modernization activities at Department of Energy facilities. Such products and services include the following services and related products:

(A) Waste treatment, storage, and disposal.

(B) Technical services.

(C) Energy production.

(D) Utility services.

(E) Effluent treatment.

(F) General storage.

(G) Fabrication and maintenance.

(H) Research and testing.

(3) A facility referred to in paragraph (1) is a facility that—

(A) is designed, constructed, and operated, at no expense to the Federal Government, by the contractor from which the Secretary procures the products and services referred to in paragraph (2);

(B) is owned by the contractor; and

(C) is located at or near a Department of Energy atomic energy facility, or Department of Energy nuclear or hazardous waste facility, that uses such products and services.

(b) CONTRACT PROVISIONS.—(1) The Secretary of Energy may enter into a contract under subsection (a)(1) for a period of not more than 30 years. The contract may include options for two 10-year extensions of the contract.

(2) A contract for the procurement of products and services referred to in subsection (a) shall—

(A) provide that, upon the termination of the contract at the end of a contract period, the Department of Energy may (at the discretion of the Secretary)—

(i) assume ownership of the facility; or

(ii) if the facility is located on Federal Government land, require the owner of the facility to decommission the facility;

(B) require that the contractor comply with all laws that would apply to the Department of Energy if the Department carried out the activities carried out by the contractor under the contract, including laws relating to the environment and to public health and safety;

(C) include, when applicable, an agreement of indemnification pursuant to—

(i) section 170(d) of the Atomic Energy Act of 1954 (42 U.S.C. 2210);

(ii) section 119(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9619(c)); or

(iii) any similar Federal law that applies to the contract, as determined by the Secretary;

(D) require that, in carrying out activities under the contract, the contractor comply with any labor agreements applicable in the case of the contractor's workforce at the facility;

(E) permit the contractor (in accordance with Federal law) to use for commercial purposes any technology developed by the contractor in the performance of the contract;

(F) include a clear statement of any requirement of the Department of Energy that applies (as determined by the Secretary) to the contract, including any requirement related to the environment, public health or safety, and the provision and quality of services;

(G) provide that the Secretary of Energy may terminate the contract and take title to the contractor's facility if the contractor (as determined by the Secretary)—

(i) engages in unsafe or unsound practices at the facility;

(ii) consistently violates any term of the contract; or

(iii) becomes bankrupt;

(H) include a provision stating that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that procurement in advance of the obligation of funds for that fiscal year for that procurement; and

(I) include such other terms and conditions as the Secretary of Energy determines necessary or desirable to protect the interests of the United States.

(3) In awarding contracts under subsection (a), the Secretary of Energy, to the extent appropriate and practicable, shall—

(A) use competitive procedures;

(B) encourage the development of new and innovative technologies; and

(C) enter into contracts with diverse contractors.

(4)(A) Upon the termination of any contract entered into under this section, the Secretary of Energy may pay the unamortized balance of the cost of any special facility acquired or constructed by the contractor in connection with that contract if such acquisition or construction constitutes a significant portion of the investment by the contractor under the contract. The Secretary may pay such balance and any other costs assumed by the Secretary as a result of the termination out of any appropriations that are available to the Department of Energy for operating expenses for the fiscal year of the termination or for any fiscal year after such fiscal year.

(B) For the purposes of subparagraph (A), the term "special facility" means land or depreciable buildings, structures, utilities, machinery, equipment, or materials that are not made available to the contractor by the Department of Energy.

(5)(A) Notwithstanding any other provision of law, the Secretary of Energy may lease Federal Government land at a Department of Energy facility to a contractor in order to provide for or to facilitate the construction of a facility in connection with a contract under subsection (a).

(B) The period of a lease under this paragraph shall be for the lesser of—

(i) the expected useful life of the contractor's facility, as determined by the Secretary; or

(ii) the period of the contract.

(C) A lease under this paragraph shall provide for the contractor to pay rent in amounts determined by the Secretary to be in the best interests of the United States and shall include such additional terms and conditions as the Secretary considers appropriate in the interests of the United States.

(c) JUSTIFICATIONS AND ANALYSES OF CONTRACTS.—The Secretary of Energy may not enter into a contract under subsection (a) until—

(1) the Secretary submits to Congress—

(A) a justification of the need of the Department of Energy for the products or services to be procured under the contract; and

(B) an analysis (including a life-cycle costs analysis) that demonstrates that the procurement of the products and services under a contract entered into in accordance with this section is more beneficial to the United States than the procurement of such products and services under procedures that the Secretary of Energy would otherwise be required to use for the procurement of such products and services; and

(2) the expiration of the 21-day period beginning with the date on which the justification and analysis are received by Congress.

(d) DURATION OF AUTHORITY.—The authority to enter into a contract under subsection (a) shall terminate on September 30, 1996.

(e) REPORT.—Not later than January 1, 1996, the Secretary of Energy shall submit to Congress a report analyzing the benefits of any contracts entered into under subsection (a) and making any recommendation for an extension of the authority to enter into such contracts after September 30, 1996, that the Secretary considers appropriate.

(f) LIMITATION.—Funds appropriated pursuant to this or any other Act enacted after the date of enactment of this Act may be obligated for a contract under this section only—

(1) to the extent or in such amounts as are provided for such contracts in advance in an appropriation Act, and

(2) if such contract contains the following provisions:

(A) a statement that the obligation of the United States to make payments under the contract in any fiscal year is subject to appropriations being provided specifically for that fiscal year and specifically for that contract;

(B) a commitment to obligate the necessary amount for each fiscal year covered by the contract when and to the extent that funds are appropriated for such contract for such fiscal year; and

(C) a statement that such a commitment given under the authority of this section does not constitute an obligation of the United States.

SEC. 3134. REVISION OF WAIVER OF POST-EMPLOYMENT RESTRICTIONS APPLICABLE TO EMPLOYEES OF CERTAIN NATIONAL LABORATORIES.

(a) REVISION.—Subparagraph (B) of section 207(k)(1) of title 18, United States Code, is amended—

(1) by inserting "(i)" after "(B)"; and

(2) by adding at the end the following new clause:

"(ii) Notwithstanding clause (i), a waiver granted under this paragraph to any person who was an officer or employee of Lawrence Livermore National Laboratory, Los Alamos National Laboratory, or Sandia National Laboratory immediately before the person's Federal Government employment began shall apply to that person's employment by any such national laboratory after the person's employment by the Federal Government is terminated.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to persons granted waivers under section 207(k)(1) of title 18, United States Code, on or after that date.

SEC. 3135. RESUMPTION OF PLUTONIUM OPERATIONS AT ROCKY FLATS NUCLEAR WEAPONS PLANT.

(a) RESUMPTION OF PLUTONIUM OPERATIONS.—The Secretary of Energy may not resume plutonium operations at the Rocky Flats Nuclear Weapons Plant, Golden, Colorado, until the Defense Nuclear Facilities Safety Board determines, to the satisfaction of the Board, that the Secretary has responded to the Board's recommendations numbered 90-2, 90-5, and 91-1 relating to the Rocky Flats plant.

(b) RESUMPTION OF WARHEAD PRODUCTION OPERATIONS.—(1) The production of warheads of any particular type may not be resumed at any plutonium operations building, other than building 559, at the Rocky Flats Nuclear Weapons Plant until—

(A) the expiration of the 30-day period beginning on the date of the submission of the report on the production of warheads of that type required by paragraph (2); and

(B) the Secretary of Defense and the Secretary of Energy submit the certification regarding such warhead required by paragraph (3).

(2)(A) The Defense Science Board and the Nuclear Weapons Council shall submit to the Committees on Armed Services of the Senate and House of Representatives a joint report on each type of warhead proposed to be produced at the Rocky Flats plant. The report shall contain the following information:

(i) Whether the reuse of existing plutonium pits in the production of that type of warhead is feasible.

(ii) If such reuse is feasible, the approximate date on which it is feasible to begin the production of warheads of that type using such pits.

(iii) What modifications (if any) to the warhead, the weapon system for the warhead, or production facilities are necessary to permit the reuse of plutonium pits for the production of warheads of that type, and where (in the case of the warhead or the weapon system) such modifications would be made.

(iv) Whether the performance of the warheads would be diminished by reason of the reuse of such pits for the production of those warheads.

(B) The Defense Science Board and the Nuclear Weapons Council shall submit a joint report under this subsection with respect to warhead type W-88 not later than January 1, 1992.

(3) For each type of warhead to which the limitation in paragraph (1) applies, the Secretary of Defense and the Secretary of Energy shall certify to the committees of Congress referred to in paragraph (2) that the production of that type of warhead is necessary in the interest of the national security of the United States.

(4) Each report submitted pursuant to paragraph (1) shall be submitted in an unclassified form. Classified information may be submitted in a classified appendix.

SEC. 3136. WORKER PROTECTION AT NUCLEAR WEAPONS FACILITIES.

(a) TRAINING GRANT PROGRAM.—(1) The Secretary of Energy may award grants to organizations referred to in paragraph (2) in order for such organizations—

(A) to provide training and education to persons who are or may be engaged in hazardous substance response or emergency response at Department of Energy nuclear weapons facilities; and

(B) to develop curricula for such training and education.

(2)(A) Subject to subparagraph (B), the Secretary may award grants under paragraph (1) to non-profit organizations that have demonstrated (as determined by the Secretary) significant capabilities in—

(i) implementing and conducting training and education programs relating to the general health and safety of workers;

(ii) identifying groups of workers whose duties include hazardous substance response or emergency response; and

(iii) conducting effective training programs for such workers.

(B) The Secretary shall give preference in the award of grants to employee training organizations and joint labor-management training programs that are grant recipients under section 126(g) of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. 9660a).

(3) An organization shall carry out training, education, or curricula development in accordance with paragraph (1) pursuant to Department of Energy orders relating to employee safety training, including orders numbered 5480.4 and 5480.11.

(b) ENFORCEMENT OF EMPLOYEE SAFETY STANDARDS.—(1) Subject to paragraph (2), the Secretary may assess civil penalties against any contractor of the Department of Energy who (as determined by the Secretary)—

(A) employs individuals who are engaged in hazardous substance response or emergency response at Department of Energy nuclear weapons facilities; and

(B) fails (i) to provide for the training of such individuals to carry out such hazardous substance response, or (ii) to certify to the Department of Energy that such employees are adequately trained for such response pursuant to orders issued by the Department of Energy relating to employee safety training (including orders numbered 5480.4 and 5480.11).

(2) Civil penalties assessed under this subsection may not exceed $5,000 for each day in which a failure referred to in paragraph (1)(B) occurs.

(c) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section.

(d) DEFINITIONS.—For the purposes of this section:

(1) The term "hazardous substance" includes radioactive waste and mixed radioactive and hazardous waste.

(2) The term "Department of Energy nuclear weapons facility" means a facility referred to in section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g).

(e) FUNDING.—Of the funds authorized to be appropriated pursuant to section 3103 for fiscal year 1992, $10,000,000 shall be available for the purpose of carrying out this section.

SEC. 3137. DEPARTMENT OF ENERGY CRITICAL TECHNOLOGY PARTNERSHIPS.

(a) ESTABLISHMENT OF PARTNERSHIPS.—(1) The Secretary of Energy shall enter into cooperative arrangements with entities referred to in subsection (b) in order to encourage and provide for the conduct of research and development of dual-use critical technologies selected by the Secretary. Each such arrangement shall be known as a "Department of Energy Critical Technology Partnership".

(2) The Secretary shall enter into as many Partnerships as the Secretary determines necessary in order to ensure the conduct of a significant level of research and development on the critical technologies referred to in paragraph (1).

(b) PARTNERSHIP PARTICIPANTS.—Each Partnership shall be composed of participants from two or more eligible firms and one or more laboratories of the Department of Energy, and may include institutions of higher education in the United States, other departments and agencies of the Federal Government, agencies of State governments, and any other participants that the Secretary considers appropriate.

(c) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (h) of section 2523 of title 10, United States Code (as added by section 801 of this Act), in the case of the dual-use critical technologies partnerships program provided for in that section.

(d) DEFINITION.—In this section, the term "dual-use critical technology" has the meaning given such term in section 2521 of title 10, United States Code (as added by section 801 of this Act).

SEC. 3138. DEPARTMENT OF ENERGY ADVANCED MANUFACTURING TECHNOLOGY PARTNERSHIPS.

(a) ESTABLISHMENT OF PARTNERSHIPS.—The Secretary of Energy may enter into cooperative arrangements with entities referred to in subsection (b) in order to encourage and provide for the research, development, and utilization of advanced manufacturing technologies potentially having a broad range of applications. Each such arrangement shall be known as a "Department of Energy Advanced Manufacturing Technology Partnership".

(b) PARTNERSHIP PARTICIPANTS.—Each Partnership shall be composed of participants from two or more eligible firms and one or more laboratories of the Department of Energy, and may include other Federal laboratories, institutions of higher education in the United States, State entities, and any other participants that the Secretary of Energy considers appropriate.

(c) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (g) of section 2523 of title 10, United States Code (as added by section 801 of this Act), in the case of the dual-use critical technologies partnerships program provided for in that section, and under subsection (c) of section 2518 of such title (as added by section 803 of this Act) in the case of the establishment of advanced manufacturing partnerships under that section.

SEC. 3139. DEPARTMENT OF ENERGY ADVANCED MATERIALS PROCESSING, SYNTHESIS, AND COMMERCIALIZATION PARTNERSHIPS.

(a) REQUIREMENT TO ESTABLISH PARTNERSHIPS.—Not later than one year after the date of the enactment of this Act, the Secretary of Energy shall establish two or more Advanced Materials Processing, Synthesis, and Commercialization Partnerships in order to facilitate the development and commercialization of advanced materials processing, synthesis, and technology in the United States.

(b) PARTNERSHIP PARTICIPANTS.—Each Partnership shall be comprised of one or more Department of Energy laboratories and participants from among United States firms and institutions of higher education in the United States, and may include other Federal laboratories, State entities, and other appropriate organizations in the United States.

(c) ADMINISTRATION OF PROGRAM.—The Secretary shall prescribe regulations that, to the extent practicable, apply the same requirements and authorities in the administration of this section as apply under subsections (c) through (h) of section 2523 of title 10, United States Code (as added by section 801 of this Act), in the case of the dual-use critical technologies partnerships program provided for in that section.

PART D—NATIONAL ATOMIC MUSEUM ACT

SEC. 3141. SHORT TITLE.

This part may be cited as the "National Atomic Museum Act of 1991".

SEC. 3142. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there is a need to ensure the preservation of the National Atomic Museum, which contains and should continue to acquire items, materials, and memorabilia of singular value and great historical significance relating to nuclear science, atomic energy, and atomic weapons marking major events and milestones of American and world history;

(2) the facility comprising the museum needs to be improved and authorities and resources provided to enable proper operation and maintenance of the facility for the indefinite future so that the museum can continue to function—

(A) as a repository of information, materials, and artifacts which serves as a major attraction for large and growing numbers of visitors from all over the world;

(B) as an educational resource for the public, students, and scholars in the field of nuclear science; and

(C) in a manner and setting appropriate to the importance and historical significance of its collection;

(3)(A) there is a need to clarify and supplement the authority of the Secretary of Energy under section 652 of the Department of Energy Organization Act (42 U.S.C. 7262) regarding gifts so that there is no doubt that gifts and donations of funds earmarked for the museum (and otherwise acceptable) may be used by the museum;

(B) under section 652 of that Act the Secretary of Energy is empowered to ". . . accept, hold, administer, and utilize gifts, bequests, and devises of real and personal property for the purpose of facilitating or aiding the work of the Department" and ". . . (the gifts, etc.) shall be used as nearly as possible in accordance with the terms of the gift, bequest or devise.";

(C) the language quoted in subparagraph (B) leaves doubt concerning whether the museum can be considered the "work of the Department" and thus may properly receive and use gifts given to the Secretary even though donors intended that such gifts be used by the museum;

(D) consequently, there is need for clear statutory authority to enable gifts and donations intended for the museum to be sent to and retained and used by the museum; and

(E) the treatment of such gifts should be made as simple as possible so as to encourage donation of gifts or funds directly from individuals or via institutions and foundations; and

(4) there is a need to provide a statutory basis to authorize and encourage the use of volunteer personal services in support of the museum, it being apparent that such activities also have the potential to enhance public interest and support for the museum.

(b) PURPOSES.—The purposes of this part are to—

(1) recognize the National Atomic Museum as this Nation's atomic museum and ensure its preservation;

(2) provide for capital improvements to the National Atomic Museum and ensure adequate resources for the operation and maintenance of the museum; and

(3) provide for such other authorities and powers as are appropriate to the management and operation of the museum including the selling of appropriate mementos and other materials to members of the public to help support the museum.

SEC. 3143. RECOGNITION AND STATUS.

The museum known as the National Atomic Museum operated under the aegis of the Department of Energy and currently located at Building 20358 on Wyoming Avenue South near the corner of M Street within the confines of the Kirtland Air Force Base (East), Albuquerque, New Mexico (referred to as the "museum"), is recognized as the official atomic museum of the United States with the sole right throughout the United States and its possessions to have and use the name "National Atomic Museum".

SEC. 3144. MISSION.

The mission of the National Atomic Museum has been and shall continue to be to provide for the benefit and education of the public a freely available central repository of information and items reflecting the Atomic Age throughout the collection, preservation, exhibition, interpretation, display, and making available to the public of unclassified or declassified data, materials, artifacts, models, replicas, and other items pertaining to nuclear science, with special emphasis on the history of nuclear weapons and other areas of research, development, and production conducted by laboratories and facilities of the Department of Energy and its predecessor agencies.

SEC. 3145. AUTHORITIES AND RESPONSIBILITIES.

(a) IN GENERAL.—The museum shall continue to be located at its present site at the Kirtland Air Force Base, Albuquerque, New Mexico, and shall continue to be managed, operated, and supported by the Department of Energy through the Manager, Albuquerque Operations Office.

(b) VOLUNTEERS.—The following provisions govern the use of volunteers:

(1) The Department of Energy may recruit, train, and accept the services of individuals without compensation as volunteers for or in aid of interpretive functions of other services or activities of and related to the museum.

(2) The Department of Energy may provide for volunteers incidental expenses such as nominal awards, uniforms, and transportation.

(3) Except as otherwise provided in this subsection, a volunteer who is not otherwise employed by the Federal Government is not subject to laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, because of service as a volunteer under this subsection.

(4) For the purposes of chapter 171 of title 28 of the United States Code relating to tort claims, a volunteer under this subsection is considered a Federal employee.

(5) For the purposes of subchapter I of chapter 81 of title 5 of the United States Code, relating to compensation for work-related injuries, a volunteer under this subsection is considered an employee of the United States.

(c) ACTIVITIES.—Subject to such approvals or guidelines as are required by the Secretary of Energy, the museum may—

(1) accept and use donations of money or gifts on behalf of the Secretary of Energy pursuant to section 652 of the Department of Energy Organization Act (42 U.S.C. 7262) where such gifts or money are designated in a written document signed by the donor as intended for the museum and such donations or gifts are deemed by the museum to be suitable and beneficial for use by the museum;

(2) operate a retail outlet on the premises of the museum for the purpose of selling or distributing mementos, replicas of memorabilia, literature, materials, and other items of an informative, educational, and tasteful nature relevant to the contents of the museum, all of the net proceeds of which shall be applied to authorized activities of the museum;

(3) exhibit, perform, display, and publish information and materials concerning museum mementos, items, memorabilia, and replicas thereof in any media or place anywhere in the world, at reasonable fees or charges where feasible and appropriate, to substantially cover costs, all net proceeds of which shall be applied to authorized activities of the museum;

(4) establish in association with the museum 1 or more standing or ad hoc boards or committees of knowledgeable citizens of the United States to provide studies, consultation, advice, and assistance for the museum and the Department of Energy regarding—

(A) facility improvement, operation, and maintenance;

(B) possible changes in the location, size, mission, nature, or site of the museum;

(C) assistance and coordination regarding obtaining of donations and volunteer services; and

(D) other activities of concern to the museum; and

(5) conduct any other activity reasonably pertinent to the normal and customary activities of museums, including—

(A) operation of a library;

(B) acquisition at reasonable cost of materials, memorabilia, and other items relevant to the nature of the museum;

(C) storage and preservation of museum materials and items in appropriate facilities; and

(D) preparation and distribution of literature advertising or providing information about the museum.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

SEC. 3201. AUTHORIZATION.

Funds are authorized to be appropriated for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.) as follows:

(1) For fiscal year 1992, $12,000,000.

(2) For fiscal year 1993, $14,000,000.

SEC. 3202. POWERS AND FUNCTIONS OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD.

(a) POWERS.—(1) Subsection (b)(1)(A) of section 313 of the Atomic Energy Act of 1954 (42 U.S.C. 2286b) is amended by striking out "100" and inserting in lieu thereof "150".

(2) Subsection (g) of such section is amended by striking out "The Board" and inserting in lieu thereof "Notwithstanding any other provision of law relating to the use of competitive procedures, the Board".

(b) EXPANSION AND CLARIFICATION OF AUTHORITY RELATING TO ATOMIC WEAPONS.—(1) Section 318(1)(B) of such Act (42 U.S.C. 2286g(1)(B)) is amended by striking out "with the assembly or testing of nuclear explosives or with".

(2) Section 312 of such Act (42 U.S.C. 2286a) is amended—

(A) by inserting "(a) IN GENERAL.—" before "The Board shall perform"; and

(B) by adding at the end the following new subsection:

"(b) EXCLUDED FUNCTIONS.—The functions of the Board under this chapter do not include functions relating to the safety of atomic weapons. However, the Board shall have access to any information on atomic weapons that is within the Department of Energy and, as determined by the Board, is necessary to carry out the functions of the Board.".

COMMISSION ON THE ASSIGNMENT OF WOMEN IN THE ARMED FORCES ACT OF 1991

The text of S. 1515, Commission on the Assignment of Women in the Armed Forces Act of 1991, as passed by the Senate on August 2, 1991, is as follows:

S. 1515

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Commission on the Assignment of Women in the Armed Forces Act of 1991.".

SEC. 2. ESTABLISHMENT OF THE COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission on the Assignment of Women in the Armed Forces (hereafter in this part referred to as the "Commission").

(b) COMPOSITION.—(1) The Commission shall be composed of 15 members appointed by the President. The President shall designate one of the members as Chairman of the Commission.

(2) The President shall appoint the members of the Commission from among persons who have distinguished themselves in the public sector, the private sector, or higher education and who have had significant experience (as determined by the President) with one or more of the following matters:

(A) Scholarly inquiry into social and cultural matters affecting the workplace.

(B) Constitutional law and other law.

(C) The effects of medical and physiological factors on job performance.

(D) Service in the Armed Forces in a land combat environment.

(E) Service in the Armed Forces in an air combat environment.

(F) Service in the Armed Forces in a sea combat environment.

(G) Military personnel management.

(3) In making appointments to the Commission, the President shall consult with the chairman and ranking minority member of the Committees on Armed Services of the Senate and the House of Representatives.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL ORGANIZATIONAL REQUIREMENTS.—(1) The President shall make all appointments under subsection (b) within 60 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting within 15 days after the first date on which all members of the Commission have been appointed. At that meeting the Commission shall develop a study agenda and schedule for carrying out its responsibilities under this part.

SEC. 3. DUTIES.

The Commission shall conduct a thorough study of all matters relating to the assignments of women in the Armed Forces and make findings on such matters, including the following matters:

(1) The implications for the combat readiness of the Armed Forces of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions, including the implications with respect to the following matters:

(A) The physical readiness of the force, including the full implications of establishing different minimum physical standards on the basis of sex.

(B) The effects of pregnancy and of child care needs.

(C) The effects on unit morale and cohesion.

(2) The social and cultural implications of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions.

(3) The advisability of permitting only voluntary assignments of women to combat positions and of permitting involuntary assignments of women to combat positions.

(4) The advisability of requiring women to register for conscription under the Military Selective Service Act and to be conscripted under that Act—

(A) on the same basis as men if women were provided the same opportunity as men for assignment to any position in the Armed Forces; or

(B) on a different basis if women were not provided that same opportunity.

(5) The legal and policy implications of permitting women to qualify for assignment to positions in some or all categories of combat positions and to be assigned to such positions, including—

(A) the implications of excluding women from coverage by the registration and service requirements of the Military Selective Service Act if the Secretary of each military department were permitted, but not required, to restrict the opportunities of women for assignments to combat positions;

(B) the implications of excluding women from coverage by such requirements if the authority for the assignment of women to combat positions were limited to voluntary assignments;

(C) the implications of excluding women from coverage by such requirements if the authority for the assignment of women to combat positions were not limited to voluntary assignments; and

(D) the implications for any policy that authorizes involuntary assignments of personnel to combat positions only in the case of men.

(6) The extent of the need to modify facilities and vessels, aircraft, vehicles, and other equipment of the Armed Forces to accommodate the assignment of women to combat positions or to provide combat skills training to women, including any need to modify quarters, weapons, and training facilities and equipment.

(7) The costs of meeting the need identified pursuant to paragraph (6) and the practicability of meeting such need during an era of decreasing national security budgets.

(8) The effects of existing laws relating to the recruitment, retention, assignment, and promotion of women in the Armed Forces on—

(A) the combat readiness of the Armed Forces;

(B) the opportunities for women in the Armed Forces; and

(C) the quality of the personnel in the Armed Forces.

SEC. 4. REPORT.

(a) IN GENERAL.—(1) Not later than November 15, 1992, the Commission shall transmit to the President a final report on the results of the study conducted by the Commission.

(2) The Commission may transmit to the President and to Congress such interim reports as the Commission considers appropriate.

(b) CONTENT OF FINAL REPORT.—(1) The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with any recommendations for such legislation and administrative actions as the Commission considers appropriate.

(2) The report shall include recommendations on the following matters:

(A) Whether existing law and policies governing the assignment of women in the Armed Forces to combat positions should be retained, modified, or repealed.

(B) Whether existing law and policies relating to other aspects of the assignment of women to positions in the Armed Forces should be retained, modified, or repealed.

(C) What roles women should have in the Armed Forces, including what, if any, roles women should have in combat.

(D) What transition process is appropriate if women are to be given the opportunity to be assigned to combat positions in the Armed Forces.

(E) Whether special conditions and different standards should apply to women than apply to men performing similar roles in the Armed Forces.

(c) SUBMITTAL OF FINAL REPORT TO CONGRESS.—Not later than December 15, 1992, the President shall transmit to the Committees on Armed Services of the Senate and the House of Representatives the report of the Commission, together with the President's comments and recommendations regarding such report.

SEC. 5. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this part, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense and any other Federal department or agency any information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this part. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

SEC. 6. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission present at a properly called meeting.

(c) PANELS.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this part.

SEC. 7. PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay established for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The Chairman of the Commission may, without regard to civil service laws, appoint and terminate a staff director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of a staff director shall be subject to confirmation by the Commission.

(2) The Chairman of the Commission may fix the compensation of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the staff director and other personnel may not exceed the rate established for GS-18 of the General Schedule under section 5332 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay established for GS-18 of the General Schedule under section 5332 of such title.

(f) APPLICABILITY OF OTHER FEDERAL LAWS.—Service of an individual as a member of the Commission or employment of an individual by the Commission on a part-time or full-time basis and with or without compensation shall not be considered as service or employment bringing such individual within the provisions of any Federal law relating to conflicts of interest or otherwise imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with claims, proceedings, or matters involving the United States. Service as a member of the Commission or as an employee of the Commission, shall not be considered service in an appointive or elective position in the Government for purposes of section 8344 or 8468 of title 5, United States Code, or any comparable provision of Federal law.

SEC. 8. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Administrator of General Services shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

(c) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(d) PROCUREMENT AUTHORITY.—The Commission may procure supplies, services, and property and make contracts, in any fiscal year, in order to carry out its duties, but (except in the case of temporary or intermittent services procured under section 7(e)) only to such extent or in such amounts as are provided in appropriation Acts or are donated pursuant to subsection (c). Contracts and other procurement arrangements may be entered into without regard to section 3709 of the Revised Statutes (41 U.S.C. 5) or any similar provision of Federal law.

(e) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The provisions of the Federal Advisory Committee Act shall not apply to the Commission.

(f) TRAVEL.—To the maximum extent possible, the members and employees of the Commission shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a responsibility of the Commission, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

SEC. 9. PAYMENT OF COMMISSION EXPENSES.

The compensation, travel expenses, and per diem allowances of members and employees of the Commission shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department of Defense. The other expenses of the Commission shall be paid out of funds available to the Department of Defense for the payment of similar expenses incurred by that Department.

SEC. 10. TERMINATION OF THE COMMISSION.

The Commission shall terminate 90 days after the date on which Commission submits its final report under section 4(a)(1).

SEC. 11. AUTHORIZATION FOR THE ASSIGNMENT OF FEMALE MEMBERS OF THE ARMED FORCES TO DUTY IN COMBAT AIRCRAFT.

(a) ARMY.—(1) Chapter 343 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3549. Duties: female members; combat duty

"The Secretary of the Army may prescribe the conditions under which female members of the Army may be assigned to duty in aircraft that are engaged in combat missions.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3548 the following new item:

"3549. Duties: female members; combat duty.".

(b) NAVY AND MARINE CORPS.—Section 6015 of title 10, United States Code, is amended in the third sentence—

(1) by inserting "(a)" before the first sentence;

(2) by striking out "or in aircraft";

(3) by inserting "(other than as aviation officers as part of an air wing or other air element assigned to such a vessel)" after "combat missions";

(4) by inserting "other" after "temporary duty on"; and

(5) by adding at the end the following new subsection:

"(b) The Secretary of the Navy may prescribe the conditions under which female members of the Navy and Marine Corps may be assigned to duty in aircraft that are engaged in combat missions.".

(c) AIR FORCE.—(1) Section 8549 of title 10, United States Code, is amended to read as follows:

"§ 8549. Duties: female members; combat duty

"The Secretary of the Air Force may prescribe the conditions under which female members of the Air Force may be assigned to duty in aircraft that are engaged in combat missions.".

(2) The item relating to section 8549 in table of sections at the beginning of chapter 843 of such title is amended to read as follows:

"8549. Duties: female members; combat duty.".

(d) RULE OF CONSTRUCTION.—This section shall be construed only as an expression of an intent of Congress to permit the assignment of female personnel of the Armed Forces of the United States to duty in aircraft that are engaged in combat missions.

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 1991.

SEC. 12. AUTHORITY TO WAIVE COMBAT EXCLUSION LAWS.

(a) COMPREHENSIVE RESEARCH AND ANALYSIS REQUIRED.—The Commission on the Assignment of Women in the Armed Forces, established under section 2, shall conduct comprehensive research and analyses regarding the potential for women in the Armed Forces to serve in combat positions.

(b) INFORMATION NEEDS TO BE DEFINED.—The Commission, as a priority matter, shall determine the types of information necessary for its research and analysis that can best be obtained through the assignment of women to combat positions on a test basis.

(c) NOTIFICATION OF SECRETARY OF DEFENSE REGARDING INFORMATION NEEDS.—The Commission shall promptly advise the Secretary of Defense of its needs for information determined pursuant to subsection (b). The Commission may request that the Secretary of Defense require the assignment of women to combat positions on a test basis in order to develop that information.

(d) WAIVER AUTHORITY.—The Secretary of Defense, in consultation with the Commission, may conduct test assignments of women to combat positions and may waive sections 6015 and 8549 of title 10, United States Code, and any other restriction that applies under Department of Defense regulations or policies to the assignment of women to combat positions in order to conduct such test assignments.

TARGETED JOBS TAX CREDIT

• Mr. D'AMATO. Mr. President, I am pleased to join many of my colleagues in cosponsoring S. 581, the permanent extension of the targeted jobs tax credit [TJTC].

Unless Congress acts, this tax credit will expire at the end of this year. Such a development would be unfortunate. Over the last 10 years, we have seen the powerful success of unleashing the private sector to further economic progress. This includes the creation of an unprecedented number of new jobs. This approach is far superior to the failed policies of the past of make-work Government jobs programs.

The targeted jobs tax credit furthers this approach. The credit provides a private sector incentive for hiring and training of structurally unemployed who would otherwise have few or no job opportunities. As a result, millions of Americans have used this opportunity to gain job skills and an employment history, leading to employment on a more permanent basis. Happily, this benefits not only these workers and the economy, but also the Federal Government's fiscal condition. But putting workers on a payroll, we convert them from a life of public assistance to that of being taxpaying citizens.

The administration recognizes the importance of the TJTC, including a 1-year extension in the President's fiscal 1992 budget. However, I also believe it is time we extended this tax credit on a permanent basis. Both employers and employees would benefit from ending the uncertainty over the credit being available from 1 year to the next.

Finally, I would like to point out that S. 581 creates a new category of eligibility, for economically disadvantaged Persian Gulf veterans. We are justifiably proud of the dedication and success of our service men and women who served in the Persian Gulf war. We owe them no less than the maximum opportunity to reenter civilian life as productive, working individuals.

Mr. President I rise in support of S. 581, and urge that the Senate work toward its enactment.•

RELEASE OF EESI TASK FORCE REPORT ON SUSTAINABLE DEVELOPMENT

• Mr. PELL. Mr. President, I would like to take this opportunity to draw my colleagues' attention to a report recently published by the Environmental and Energy Study Institute entitled "Partnership for Sustainable Development: A New U.S. Agenda for International Development and Environmental Security."

The report could not have come at a more opportune time. The U.N. Conference on Environment and Development—commonly referred to as UNCED—is just under 1 year away. As the United States and other nations prepare for the conference, they would do well to examine the task force's recommendations. These recommendations go to the core of the UNCED agenda, namely to "elaborate strategies and measures to halt and reverse the effects of environmental degradation in the context of strengthened national and international efforts to promote sustainable and environmentally sound development in all countries."

Take for example, the task force's recommendation for a global partnership to save tropical forests. The report calls for the development of national forest stabilization plans. These plans would specify actions a country would take in the forest as well as the nonforest sectors to halt forest loss. I want to underscore the importance of the broad, multisectoral approach advocated in the report.

In the past, efforts to develop national plans for forestry—and here I am thinking of the well-intentioned but ill-fated tropical forestry action plan—met with failure, in part because they concentrated on forest sector policies to the exclusion of many other factors that contribute to deforestation. These plans did not adequately recognize that in many regions of the world, it is not logging that is driving deforestation, but activities such as road building, perverse economic incentives, and fuel wood shortages. Thus it is simply not sufficient to look only at a nation's forest policies when addressing deforestation.

But just as we cannot expect a plan focusing solely on the forest sector to halt deforestation, neither can we expect tropical forest countries to accept a proposal that does not address the economic imperatives that drive deforestation. Therefore, the task force's report calls for the negotiation of a financial and technical support package to accompany a country's internal policy reforms. Together these proposals provide an integrated response to the problem of deforestation that addresses both the developmental and environmental aspects of deforestation.

Mr. President, the report contains 11 other recommendations, all of which are worth my colleagues' review. At this point, I would like to raise one issue which was not addressed in the report's recommendations, but which was nonetheless recognized in the report as a crucial issue, that is the role of the U.N. Environment Programme in promoting environmental protection. UNEP's leadership on a number of issues, including the development of the Montreal protocol on substances that deplete the ozone layer and the UNEP regional seas programme demonstrates the vital role UNEP can play.

Given its mandate and its potential, UNEP is stunningly underfunded. I believe the United States should vastly increase its contributions to the organization. In testimony before the Foreign Relations Committee last week, Mr. Michael McCloskey called for a three to fourfold increase in funding for UNEP. I urge my colleagues to bear this in mind as they consider funding for UNEP in the coming months.

To conclude, I want to express the pleasure at having served on the task force. It was made up of 21 members including my distinguished colleague from Wisconsin, Senator KASTEN. The task force members brought a variety of perspectives to their task, and I believe the report greatly benefited from this diversity of views. I would like to express my particular thanks to Gus Speth, Gareth Porter, and Janet Edmond who performed yeoman labor for the task force.

I urge my colleagues to examine the task force report carefully. As we approach the 1992 conference, I believe it is essential reading.•

RELEASE OF ENVIRONMENT AND ENERGY TASK FORCE REPORT ON PARTNERSHIPS FOR SUSTAINABLE DEVELOPMENT

• Mr. KASTEN. The Environmental and Energy Study Institute recently released a task force report making recommendations for environmental protection as a key component of our Nation's Foreign Assistance Program. As one of two Senators who served on this task force I am especially pleased with this work.

The report, "Partnership for Sustainable Development: A New U.S. Agenda for International Development and Environmental Security," calls for extensive additional international cooperation on environmental protection as well as significant revisions in the U.S. bilateral assistance programs.

Among the 12 classes of recommendations contained in the report is an outline for critical actions to promote sustainable development.

In particular, I want to call attention to four areas of the report. First, support for creation of "sustainable development facilities" within the Multilateral Development Banks to increase the attention of these institutions to natural resource conservation and management projects is an initiative that should be initiated right away. Second, the task forces call for creation of a multilateral authority to link debt reduction with sustainable development is in its infancy now, but must be fully implemented as called for in the report. Third, we need a major new effort to promote energy conservation and efficiency as a part of domestic and multilateral policies. Finally, the task force's recommendation that environment be viewed as a national and international security issue is an idea whose time has come. I look forward to pursuing these as well as several of the other recommendations contained in the report.

Energy conservation and sustainable development are critical to the future of developing nations, as well as our own future. The task force has undertaken a very broad assessment of our development assistance policy and has developed a series of important options and suggestions for improving that policy. I am particularly pleased that this review has provided specific recommendations and will build support for reform.

I expect the report will play a key role in shaping the agenda for specific actions in this year's foreign aid package as well as help shape the U.S. agenda for the upcoming 1992 International Environmental Conference in Brazil.

The provisions of this report can help dramatically reshape our foreign aid policy. As the cold war has been defused, it is clear that we need to reform our foreign policy.

It is now clear that environmental protection is one of the main objectives our foreign policy must have. It is also clear that these environmental problems are not limited to individual nations, but problems that impact all of us. Clearly it is in the mutual interest of our Nation and developing nations to place a new priority on the protection of the environment and wise use of natural resources.

The task force report has given us a good starting perspective. We have an important new partnership to establish. Our work is cut out for us.•

TASK FORCE ON INTERNATIONAL DEVELOPMENT AND ENVIRONMENTAL SECURITY

• Mr. WIRTH. Mr. President, I rise today to comment on the recent publication by the Environmental and Energy Study Institute [EESI] of the final report of its task force on international development and environmental security. The report recommends a number of innovative new environmental and development initiatives that should be considered as part of U.S. policy. These recommendations could help the United States take the lead in forging a real partnership for sustainable development between the industrialized countries and the developing world.

The 12 initiatives in the EESI report reach beyond the agenda of the industrialized countries and recognizes the essential role for developing countries in preserving the global environment, at the same time as they seek necessary economic development objectives. This report introduces new perspectives on the linkages between the global environment and economic development. Among these are: the debt burden and its impact on resource management; the multiplicity of forces that press on the world's tropical forests; the need to make the world trade system more sustainable; and the low status of women in developing countries as a contributing factor in high population growth rates.

The task force report presents reasoned responses to these vexing issues. This package of policy initiatives does not call on the United States to bear an unfair burden in addressing these global challenges. In most cases, it calls for the United States to support multilateral actions that would require both developed and developing countries to make important contributions to the solutions.

For example, it calls on the United States to take the lead in working with tropical nations to develop management plans to halt the destruction of forests. In return, the report calls on the industrialized nations to provide the resources necessary to implement sound forest management plans. And this will have to be done if we are to save what remains of the world's forests and to save the biologic diversity so critical to the future of tropical nations and the world.

In addition, the report calls for the following important initiatives:

The formation of a multilateral debt authority to buy up some of the debt of developing countries and reduce it in return for policy reforms that preserve the global environmental and natural resources;

An increase in U.S. funding for global family planning services from the present $330 million annually to more than $500 million, increasing to about $1.2 billion by the turn of the century;

A worldwide, coordinated effort to raise the status of women in developing countries over the next decade; and

New actions by the members of the General Agreement on Tariffs and Trade to study and address the impacts that trade policies have on the environment and the impact of differences in environmental standards on trade.

These initiatives are all well within our means as a nation, and, if implemented, would enhance the stature of the United States in the world arena. I am especially pleased that the document has highlighted the need for the United States to establish its credibility in international forums like the U.N. Conference on Enviroment and Development by adopting energy policy reforms that commit our Nation to a vigorous program of energy efficiency.

Mr. President, I commend this report to all of my colleagues and I look forward to working with all Senators to enact many of its recommendations.•

THE ENVIRONMENTAL AND ENERGY STUDY INSTITUTE TASK FORCE REPORT ON SUSTAINABLE DEVELOPMENT

• Mr. ROBB. I want to join my colleagues in drawing to the attention of the Senate an important new publication put out by the Environmental and Energy Study Institute [EESI], "Partnership for Sustainable Development: a New U.S. Agenda for International Development and Environmental Security." I have the pleasure of serving on the board of EESI and I applaud this latest effort to inform the Congress about ways that the United States might encourage economic development in the Third World in an environmentally sound manner.

The report makes 12 important recommendations for sustainable growth and I wish to highlight one that I believe is particularly timely: Recommendation No. 9 that the Congress "[a]dopt strong economic incentives to increase U.S. energy efficiency and reduce atmospheric pollution."

As the report points out, the United States consumes 25 percent of the world's energy even though we account for only 5 percent of the world's population. Part of this is because we produce more; but much of it is our inefficiency. According to the report, we use more energy per dollar of GNP than all other OECD countries except Canada.

If we are going to be serious about encouraging developing countries to conserve and to promote environmentally sound growth, we must first shore up our credibility by taking important steps at home. In the coming months, the Senate will have a chance to debate energy policy: everything from CAFE to ANWR, from nuclear to solar. But as the EESI report points out, the most effective way to conserve energy and reduce greenhouse gases is to raise the gasoline tax. According to the report, the U.S. tax on gasoline ranges from one-half to one-twelfth that of most other OECD countries.

An increase in the gasoline tax would serve as an important incentive to encourage conservation in the transportation sector, which accounts for two-thirds of U.S. oil consumption. It would encourage the formation of markets in alternative fuels and more accurately reflect the external social costs to our environment. An increase in the gasoline tax would serve as an incentive not only to buy more fuel efficient cars but to drive fewer miles and to use mass transportation. As the report suggests, the regressive nature of a gasoline tax could be mitigated by rebating revenues through a cut in the Social Security payroll tax.

Again, I commend the Environmental and Energy Study Institute Task Force for its thoughtful recommendations. I think that their report will serve as a valuable tool for all those concerned about encouraging sustainable growth.•

TRIBUTE TO MOUNT ST. DOMINIC ACADEMY

• Mr. LAUTENBERG. Mr. President, I rise to congratulate Mount St. Dominic Academy which is celebrating its 100th anniversary during the 1991–92 academic year. Located in Caldwell, NJ, Mount St. Dominic is a well-regarded private high school. It has educated and graduated over 4,500 young women. Its proud legacy has been the contributions of these women to their families, communities, and country.

In 1892, ground was broken for Mount St. Dominic Academy and Convent and the academy was legally established as a secondary school under the New Jersey State Board of Public Instruction. The academy became affiliated with Catholic University of America in Washington, DC, in 1915 which regulated the academic standards and assured a quality education to the academy's students.

Mount St. Dominic Academy is a college preparatory high school. It encourages its students to continue their education by providing them with a challenging academic curriculum which encourages students to realize their greatest potential. An impressive 99 percent of its students go on to 4-year colleges.

In June 1992, the academy will graduate its 96th senior class. I commend Mount St. Dominic Academy in reaching this significant milestone. I wish the academy many, many more years of graduating classes and hope its teachers, students, and graduates enjoy joyful, healthy lives for years to come.•

TRIBUTE TO THOMAS STRAUBE

• Mr. LAUTENBERG. Mr. President, I rise today to pay tribute to a Paterson resident and firefighter, Thomas Straube. On August 3, Mr. Straube courageously saved two children from a burning building in Paterson.

While walking home, off duty, Mr. Straube came upon a building on Straight Street with smoke pouring from it. When time was of the essence, Mr. Straube did not hesitate. He acted, at great personal risk. Mr. Straube rushed into the building pushing himself up the stairs through the heavy smoke. The children were found on the top floor trapped inside the flames. Also at the top of the building were three adults who were apparently paralyzed with fear and were unable to save their own lives. Straube carried the children and led the adults downstairs until he was met by firefighters. All of them exited safely from the building.

I commend Mr. Straube for his bravery, his speed and his skill. The city of Paterson, NJ, is fortunate to have Thomas Straube as a member of their firefighting force. I extend to Thomas Straube, his wife Carrol and his four children my best wishes for continued health and happiness.

Mr. President, I ask unanimous consent that an article about Mr. Straube be printed in the RECORD at the conclusion of my remarks.

The material follows:

[From the Sunday Star-Ledger, Aug. 11, 1991]

PATERSON "HERO" FIREFIGHTER STRESSES SPEED, SKILL

(By Charles Q. Finley)

Acting quickly is as vital as professional knowhow for Paterson firefighter Thomas Straube, who rescued two children from a burning building earlier this month.

"It's not enough to know what needs to be done at a fire scene, because seconds count in doing it," asserted the 39-year old Paterson resident, who rescued the small children from the blazing fourth floor of a tenement.

"It really takes a certain type person to be an efficient firefighter or police officer. Training can give an individual the ability to size up an emergency situation, but being able to swing into instant action, no matter what needs to be done, isn't an acquired trait."

It was shortly before 2 a.m. Aug. 3, while off duty and on his way home, that Straube saw smoke pouring from a tenement on Straight Street in the city. The residents were fleeing in panic from the building, which was filling with black smoke as flames became clearly visible on the top floor.

"There are little children in there on the top floor!" someone shouted. Obviously, if a rescue were to succeed, it would have to be instantaneous.

"I forced my way up the stairs through heavy smoke as other residents were fleeing frantically in the opposite direction. When I reached the fourth floor, I could hear the children crying, and I saw that the room next to the one where they were trapped was in flames," Straube recalled.

"I was startled when I saw two men and a woman standing on a nearby balcony. Apparently, they were so traumatized they couldn't act to save the kids or flee themselves.

"I found both children on the floor, picked them up and went back into the hallway. Only then did I realize the three adults actually were paralyzed by fear.

"I said to them, very calmly, 'What do you say we all go downstairs now?'" and they followed me. I met some firefighters on the way down and handed over the children. We all got out safely.

"I didn't know whether they were boys or girls even when I was carrying them out. But I did know they were little kids, and that nobody else was about to go in there to save them.

"Later, I started thinking about my own four children, about my wife, and about what could have happened to me.

"The thinking should come after the action is over. My point is when I arrived on the scene, there wasn't time to think about anything, just act in the crisis at hand. Somebody had to go in after those kids instantly, or all hope to save them would be lost," Straube said.

"Of course, professional knowledge is necessary to know if you're facing an impossible rescue situation. But when that possibility does exist, there's no time whatsoever to hesitate, or it will be gone beyond recall.

"Do you see how important time can be under these conditions? By the time our firefighters arrived, even though only a couple of minutes were involved, it might well have been impossible for anyone to get in there to save the children, or possibly even the terrified adults across the hall."

Police reported the youngsters—6-month-old Alvoneasha Brown and 4-year-old Mike Nolan—were treated for smoke inhalation but apparently were not injured seriously.

Straube and his wife, Carrol, are the parents of Brian, Kelly Ann, Thomas and Michael. Brian, 14, is the eldest.

Straube comes from a family of seven children—six boys and a girl. His brother James is a police officer in Paterson and his father, Henry, still lives in that city.

"Thomas Straube epitomizes what the firefighting profession is all about," said Battalion Chief William Flynn.

"It is a matter of the right man with the right knowledge, in the right place at the right time, that avoided a real tragedy in a burning tenement. It was a very dramatic rescue, and I would expect he'll be recommended for a departmental commendation for his heroic action.

"Deputy Fire Chief Joe Pellegrino also hailed Straube as a hero.

"He had to crawl through very thick smoke to get into the bedroom where he found those children," Pellegrino said.

Born and raised in Paterson, Straube said even as a child he considered being a firefighter or a police officer a "great career."

"I'm an on-the-go type individual, so I never could tolerate a slow-paced job. I'm not a very complicated person, enjoying the simpler things in life, like bowling and fishing.

"Paterson is a nice town, and I'm happy here. I don't feel any need to travel to faraway places," he said.

"I'm also extremely curious and very orderly. Whenever a new piece of equipment comes into the department, I'm the first to want to know just what it does and how it's operated.

"And I like to see everything in its place. When I need something, I want to know where to find it.

"Straube believes the average person on the street has no realistic conception of how devastating fire can be.

"You really need to experience it, be close to it, only once, and you'll never forget its fury. It's a terrible threat in the poorer, older neighborhoods where the structures are deteriorating and where often the residents aren't very well versed in fire prevention measures."•

DISTURBING DEVELOPMENTS IN SOUTH AFRICA

• Mr. WELLSTONE. Mr. President, I am deeply troubled by recent developments in South Africa. I opposed the Bush administration's recent decision to suspend sanctions there. And I was shocked to hear in recent days of the covert funding by the De Klerk government of the Inkatha Party and others, in direct contradiction of its stated policy.

Two days ago, President De Klerk gave a national television address in which he attempted to restore confidence in his government, making a plea for continuation of peace talks designed to develop a framework for a new constitution. He demoted two cabinet ministers in charge of security, Defense Minister Magnus Malan and Law and Order Minister Adrian Vlok. While I welcome these changes long sought by opposition forces there, Mr. De Klerk's claim accompanying the demotions, that he knew nothing of the covert funding, strains credulity. In any event, I hope this cabinet shake-up will help put an end to the continuing alleged complicity of the South African security forces in fomenting violence.

Mr. De Klerk spoke of establishing "a level political playing field" and promised to halt covert funding to political parties. He claimed his government had nothing to hide. But if the South African Government really wants a level playing field and believes covert funding is unacceptable, why did they spend $15 million to train and support a youth organization called the Eagles, the nonmilitant black alliance named FIDA, and the Inkatha Party in the first place?

These revelations follow directly upon the Bush administration's recent decision to suspend sanctions against the Government of South Africa. This new information underscores the concerns many in the antiapartheid movement have expressed regarding the credibility of the De Klerk government's commitment to reform and the unnecessary, unwise and premature lifting of sanctions. In light of this new information, I hope President Bush will reconsider his decision. Even without these revelations, the evidence clearly shows that the conditions in United States law regarding sanctions have not yet been met by the South African Government.

In 1986 Congress enacted into law the Comprehensive Anti-Apartheid Act. The act outlined five conditions designed to persuade the Government of South Africa to begin a process of reform that would be irreversible, and that would eventually end apartheid. Lifting sanctions was unjustified, unwise and premature because South Africa has given us the rhetoric we want to hear, but relatively little in results we want to see. With these recent developments it is easy to understand why.

The overall issue, Mr. President, is not whether sanctions have or have not worked. I have not heard any individual, any group, or any government say that sanctions have not played an extremely important part in bringing needed change to South Africa. The issue is adherence to the conditions contained in section 311 of the Comprehensive Anti-Apartheid Act [CAAA]. President Bush has said that the conditions in the law are clear and not subject to interpretation. Of course, all laws are written and interpreted in a context. In this case, that context is politically very volatile. The language, structure, and legislative history of the CAAA clearly require that these conditions be met. I would like briefly to explain why I believe at least three significant conditions remain unmet.

The first condition under section 311 calls for the release of all political prisoners or those detained without charges or trial. Nelson Mandela and others have been released from prison but a wide array of human rights groups, including TransAfrica, Africa Watch, and the indigenous South Africa Human Rights Commission point out that there are still hundreds of political prisoners in South Africa: at least 850 as of July 10, the day the administration announced its decision to lift sanctions; 850 people who can meet a prima facie standard that they are political prisoners. Even if you use the South African Government's own figures, approaching 400, the point remains the same. This condition requires the release of all political prisoners; it remains unmet.

The third condition requires the free exercise of political rights by South Africans of all races, including forming parties, expressing political opinions, and otherwise participating in the political process. President De Klerk has unbanned 33 political parties. However, the most basic, fundamental, and meaningful way to express political opinions is by casting a vote. The simple fact is that black South Africans are not considered full-fledged citizens, and still do not have the fundamental right to vote. Nor do they enjoy free exercise of their other basic political rights. This third condition has not been met.

The fourth condition requires the repeal of the Group Areas Act and the Population Registration Act, and prohibits enactment of other measures with the same purposes. Mr. President, these laws were meant to label individuals by color, and to keep residential areas segregated by color. In June of this year the South African Parliament passed the Abolition of Racially-Based Land Measures Act. The title of the law sounds impressive, but certain of its provisions will allow towns and communities to apply current discriminatory housing and registration practices. And though the Population Registration Act has been repealed, racial classification will continue to be required for those who lived in the country before repeal of this legislation. The repeal only applies to those who have yet to move into the country and for those born after its enactment. The fourth condition remains unmet.

With three of the five conditions clearly unmet, sanctions should not have been lifted, especially when considered within the larger international scene. What kind of message does lifting sanctions send to the world? Is it one of consistency? Is it one of fairness?

The United States has told the Soviet Union that in order to get substantial funding and other support for a free market economy, it still has some conditions to meet. We tell President Gorbachev that he must have a clear plan for stronger implementation of political and economic reforms. We tell Saddam Hussein that we will not lift sanctions against Iraq until he complies fully with conditions in U.N. resolutions.

If we adopt this position on Iraq, if we refuse to grant concessional economic aid and trade benefits to the Soviets because they "still have some things to prove," should the United States lift sanctions against a government which continues to maintain a brutal and racist system of apartheid? Does not the Government of South Africa still have some things to prove? The message we send to the world by lifting sanctions is one of political and economic expediency.

And now we learn that the South African Government has been giving hundreds of thousands of dollars to Mangosuthu Buthelezi's Inkatha movement to enhance its standing, enabling it to more vigorously advocate the lifting of sanctions. The South African Government must have known the damage that would be done to its relationship to the ANC by funding its political opponent. This decision may very well prove a major obstacle to further talks regarding a new constitution.

So, Mr. President, the South African Government has continued its stubborn refusal to end apartheid and has failed to meet the conditions of United States law on sanctions. It has covertly provided approximately $15 million to political organizations which have vied with the ANC for political power during the last year. The administration's decision to lift sanctions prematurely is inconsistent with U.S. policies elsewhere. Lifting sanctions at this time was unjustified, unwise, and premature.

The people of South Africa turn their eyes to us, appealing to the United States to maintain pressure for social and political changes that are serious and irreversible. Congress can and should continue to play an important oversight role in maintaining that pressure. I will continue to work with my colleagues in the Congress to work for such a vigorous oversight role. In addition, I urge the Foreign Relations Committee to develop a mechanism to require the administration to report quarterly on progress regarding negotiations toward a free, democratic, and nonracial government there.

I urge President Bush to reassess his policy toward South Africa, especially in light of these revelations. I only hope that recent events do not stall the process of change currently underway, and generate further violence born of popular frustration with the continued disenfranchisement and abuse of millions of black South Africans.•

TRIBUTE TO ROBERT E. WALLACE

• Mr. LAUTENBERG. Mr. President, I rise today to congratulate and honor Mr. Robert E. Wallace of Milton, NJ, who was recently elected to serve the more than 2 million members of the Veterans of Foreign Wars as their national commander in chief during 1991–92. Just 10 years ago Bob was elected by New Jersey's VFW members to serve as their State commander. He was the first Vietnam veteran and the youngest veteran to become commander of the Veterans of Foreign Wars, Department of New Jersey.

As a lifelong resident of New Jersey, Bob has served his country, State, and fellow veterans with remarkable courage and determination. He served with the 1st Battalion, 1st Marines, 1st Marine Division in Vietnam from November 1967 through June 1968. Wounded twice during the Battle of Hue, he recuperated and returned to the battlefields of Vietnam. In 1969, after suffering a third wound in the vicinity of Khe Sanh, he was honorably discharged from the U.S. Marine Corps.

With Vietnam and his wartime combat experiences behind him, Bob's strong and tenacious character continued to propel him through life.

In 1972, Bob was appointed to the New Jersey Jobs for Veterans Task Force. By 1978, while holding down a full-time job, he earned a bachelor of science degree in management from Rutgers University and a master's degree in business management from Fairleigh Dickinson University. In 1979, he received the VFW's Young Veteran of the Year Award on the State and National level.

Bob continued to forge ahead and by 1981 was serving his first term as a member of the New Jersey State Veterans' Service Council and also in that same year he was appointed to the New Jersey Jobs Training Coordinating Council.

Throughout the 1970's and 1980's as he worked diligently to become a leader within the veterans' community, Bob also managed to establish a career in banking and rose to become vice president of a major international institution.

In 1988, then Gov. Tom Kean appointed Bob Wallace as the State's first deputy commissioner of Veterans' Affairs under the newly formed Department of Military and Veterans' Affairs. He left this position in 1990 to serve full time as the newly elected senior vice commander of the National VFW.

So it is with great pride, Mr. President, that I salute Mr. Robert E. Wallace, a native New Jerseyite, on his election to the office of national commander in chief of the Veterans of Foreign Wars of the United States. His election is a tribute to his abilities, and the high esteem in which he is held by his fellow veterans.•

ORDERS FOR TUESDAY, SEPTEMBER 10, 1991

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate convenes at 9:30 a.m. on Tuesday, September 10, following the prayer, the Journal of proceedings be deemed to have been approved to date; that the Calendar be waived, and no motions or resolutions come over under the rule; and that the morning hour be deemed to have been expired.

I further ask unanimous consent that, following the time for the two leaders, there be a period for morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each; I further ask unanimous consent that on Tuesday, September 10, at 10 a.m., there be 30 minutes for debate equally divided and controlled in the usual form on the motion to invoke cloture on the motion to proceed to Calendar No. 153, H.R. 2707, the Labor-HHS appropriations bill for fiscal year 1992; and that, at 10:30 a.m. on that day, the Senate proceed to vote on the motion to invoke cloture on the motion to proceed with the mandatory live quorum being waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TUESDAY, SEPTEMBER 10, 1991, AT 9:30 A.M.

Mr. MITCHELL. Mr. President, if there be no further business to come before the Senate today, and I see no other Senator seeking recognition, and the distinguished Republican leader does not seek recognition, I now ask unanimous consent that the Senate stand adjourned as under the provisions of Senate Concurrent Resolution 59.

There being no objection, the Senate, at 10:44 p.m., adjourned until Tuesday, September 10, 1991, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate August 2, 1991:

DEPARTMENT OF VETERANS AFFAIRS

JO ANN KRUKAR WEBB, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (POLICY AND PLANNING), VICE ALLEN B. CLARK, JR., RESIGNED.

FEDERAL TRADE COMMISSION

MARY L. AZCUENAGA, OF THE DISTRICT OF COLUMBIA, TO BE A FEDERAL TRADE COMMISSIONER FOR THE TERM OF 7 YEARS FROM SEPTEMBER 26, 1991. (REAPPOINTMENT)

CONFIRMATIONS

Executive Nominations Confirmed by the Senate August 2, 1991:

DEPARTMENT OF THE INTERIOR

JOHN SCHROTE, OF OHIO, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR.

DEPARTMENT OF ENERGY

WILLIAM HAPPER, OF NEW JERSEY, TO BE DIRECTOR OF THE OFFICE OF ENERGY RESEARCH.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. RICHARD E. HAWLEY, [redacted] U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. ROBERT M. ALEXANDER, [redacted] U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. GARY H. MEARS, [redacted] U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 9335, FOR APPOINTMENT AS DEAN OF FACULTY, UNITED STATES AIR FORCE ACADEMY, AND FOR APPOINTMENT TO THE GRADE OF BRIGADIER GENERAL WHILE SERVING IN THAT POSITION:

To be dean of faculty, U.S. Air Force Academy

To be brigadier general

COL. RUBEN A. CUBERO, [redacted] U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. EUGENE H. FISCHER, [redacted] U.S. AIR FORCE.

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE OF BRIGADIER GENERAL UNDER THE PROVISIONS OF SECTION 624, TITLE 10 OF THE UNITED STATES CODE:

To be brigadier general

COL. PETER C. BELLISARIO [redacted] REGULAR AIR FORCE.
COL. PAUL K. CARLTON, JR. [redacted] REGULAR AIR FORCE.
COL. ROGER G. DEKOK, [redacted] REGULAR AIR FORCE.
COL. ROBERT S. DICKMAN, [redacted] REGULAR AIR FORCE.
COL. PATRICK K. GAMBLE, [redacted] REGULAR AIR FORCE.
COL. JOHN H. GARRISON, [redacted] REGULAR AIR FORCE.
COL. THOMAS D. GENSLER, [redacted] REGULAR AIR FORCE.
COL. FRANCIS C. GIDEON, JR. [redacted] REGULAR AIR FORCE.
COL. ORIN L. GODSEY, [redacted] REGULAR AIR FORCE.
COL. JOHN A. GORDON, [redacted] REGULAR AIR FORCE.
COL. EDWARD F. GRILLO, JR. [redacted] REGULAR AIR FORCE.
COL. JOHN B. HALL, JR. [redacted] REGULAR AIR FORCE.
COL. JOHN W. HANDY, [redacted] REGULAR AIR FORCE.
COL. CHARLES R. HEFLEBOWER, [redacted] REGULAR AIR FORCE.
COL. JAMES L. HIGHAM, [redacted] REGULAR AIR FORCE.
COL. DWIGHT M. KEALOHA, [redacted] REGULAR AIR FORCE.
COL. THOMAS E. KUENNING, JR. [redacted] REGULAR AIR FORCE.
COL. NORMAND G. LEZY, [redacted] REGULAR AIR FORCE.
COL. DONALD E. LORANGER, JR. [redacted] REGULAR AIR FORCE.
COL. JAMES I. MATHERS [redacted] REGULAR AIR FORCE.
COL. JOHN M. MCBROOM, [redacted] REGULAR AIR FORCE.
COL. GEORGE K. MUELLNER, [redacted] REGULAR AIR FORCE.
COL. LLOYD W. NEWTON, [redacted] REGULAR AIR FORCE.
COL. TAD J. OELSTROM [redacted] REGULAR AIR FORCE.
COL. THOMAS D. PILSCH, [redacted] REGULAR AIR FORCE.
COL. ROBERT F. RAGGIO, [redacted] REGULAR AIR FORCE.
COL. JAMES M. RICHARDS, III [redacted] REGULAR AIR FORCE.
COL. JOHN B. SAMS, JR. [redacted] REGULAR AIR FORCE.
COL. MONROE S. SAMS, JR. [redacted] REGULAR AIR FORCE.

COL. MICHAEL C. SHORT, [redacted] REGULAR AIR FORCE.
COL. RAYMOND A. SHULSTAD, [redacted] REGULAR AIR FORCE.
COL. RONDAL H. SMITH, [redacted] REGULAR AIR FORCE.
COL. EUGENE L. TATTINI [redacted] REGULAR AIR FORCE.
COL. ANTHONY J. TOLIN [redacted] REGULAR AIR FORCE.
COL. SUE E. TURNER [redacted] REGULAR AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624:

To be permanent major general

BRIG. GEN. SIDNEY SCHACHNOW [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

LT. GEN. LEON E. SALOMON [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. WILSON A. SHOFFNER [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

LT. GEN. JOHN M. SHALIKASHVILI [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

LT. GEN. ALONZO E. SHORT, JR. [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be general

LT. GEN. FREDERICK M. FRANKS, JR [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

LT. GEN. MICHAEL F. SPIGELMIRE [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. WAYNE A. DOWNING [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. PETER A. KIND [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. PAUL G. CERJAN [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. GLYNN C. MALLORY, JR. [redacted] U.S. ARMY.

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, FOR ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY AS FOLLOWS:

To be lieutenant general

LT. GEN. WALTER E. BOOMER [redacted] USMC.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST UNDER THE PROVISIONS OF TITLE 10, UNITED STATE CODE, SECTION 1370:

To be lieutenant general

LT. GEN. ROBERT F. MILLIGAN [redacted] USMC.

IN THE NAVY

THE FOLLOWING-NAMED REAR ADMIRAL (LOWER HALF) IN THE STAFF CORPS OF THE U.S. NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

DENTAL CORPS

To be rear admiral

REAR ADM. (1H) RONALD P. MORSE [redacted] U.S. NAVY.

THE FOLLOWING-NAMED REAR ADMIRALS (LOWER HALF) IN THE LINE OF THE U.S. NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICER

To be rear admiral

REAR ADM. (1H) PHILIP S. ANSELMO [redacted] U.S. NAVY.
REAR ADM. (1H) JON M. BARR [redacted] U.S. NAVY.
REAR ADM. (1H) BRUCE B. BREMNER [redacted] U.S. NAVY.
REAR ADM. (1H) JAMES R. FITZGERALD [redacted] U.S. NAVY.
REAR ADM. (1H) WILLIAM J. FLANAGAN, JR [redacted] U.S. NAVY.
REAR ADM. (1H) DAVID E. FROST [redacted] U.S. NAVY.
REAR ADM. (1H) THOMAS F. HALL [redacted] U.S. NAVY.
REAR ADM. (1H) JOHN T. HOOD [redacted] U.S. NAVY.
REAR ADM. (1H) WILLIAM P. HOULEY [redacted] U.S. NAVY.
REAR ADM. (1H) JOHN B. LAPLANTE [redacted] U.S. NAVY.
REAR ADM. (1H) CONRAD C. LAUTENBACHER, JR, [redacted] U.S. NAVY.
REAR ADM. (1H) PHILLIP R. OLSON [redacted] U.S. NAVY.
REAR ADM. (1H) PAUL W. PARCELLS [redacted] U.S. NAVY.
REAR ADM. (1H) PHILIP M. QUAST [redacted] U.S. NAVY.
REAR ADM. (1H) JOHN S. REDD [redacted] U.S. NAVY.
REAR ADM. (1H) THOMAS D. RYAN [redacted] U.S. NAVY.
REAR ADM. (1H) LUTHER F. SCHRIEFER [redacted] U.S. NAVY.
REAR ADM. (1H) RALPH L. TINDAL [redacted] U.S. NAVY.
REAR ADM. (1H) TIMOTHY W. WRIGHT [redacted] U.S. NAVY.
REAR ADM. (1H) RONALD J. ZLATOPER [redacted] U.S. NAVY.

ENGINEERING DUTY OFFICER

To be rear admiral

REAR ADM. (1H) MILLARD S. FIREBAUGH [redacted] U.S. NAVY.

SPECIAL DUTY OFFICER (CRYPTOLOGY)

To be rear admiral

REAR ADM. (1H) ISAIAH C. COLE [redacted] U.S. NAVY.

THE FOLLOWING NAMED REAR ADMIRALS (LOWER HALF) OF THE RESERVE OF THE U.S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF REAR ADMIRAL IN THE LINE AND STAFF CORPS, AS INDICATED, PURSUANT TO THE PROVISION OF TITLE 10, UNITED STATES CODE, SECTION 5912:

UNRESTRICTED LINE OFFICER

To be rear admiral

REAR ADM. (1H) JIMMIE WAYNE SEELEY [redacted] U.S. NAVAL RESERVE.
REAR ADM. (1H) ALEXANDER SCOTT LOGAN, [redacted] U.S. NAVAL RESERVE.
REAR ADM. (1H) ROBERT SMITH, III, [redacted] U.S. NAVAL RESERVE.

UNRESTRICTED LINE (TAR) OFFICER

To be rear admiral

REAR ADM. (1H) MAURICE JOSEPH BRESNAHAN, JR., [redacted] U.S. NAVAL RESERVE.

SPECIAL DUTY OFFICER (CRYPTOLOGY)

To be rear admiral

REAR ADM. THOMAS EDWARD COURNEYA, [redacted] U.S. NAVAL RESERVE.

DENTAL CORPS OFFICER

To be rear admiral

REAR ADM. (1H) JOHN ROWLEY HUBBARD, [redacted] U.S. NAVAL RESERVE.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING RICHARD N. BOSWELL, AND ENDING JAMES H. WALTERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON APRIL 9, 1991.

AIR FORCE NOMINATIONS BEGINNING RANDY C. SMITH, AND ENDING SCOTT BOETTCHER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON MAY 15, 1991.

AIR FORCE NOMINATIONS BEGINNING BETTY J. ANDREWS, AND ENDING DAVID S. WOLPERT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 27, 1991.

THE FOLLOWING NAMED ASTRONAUT OF THE AIR FORCE FOR PERMANENT APPOINTMENT TO THE GRADE OF COLONEL UNDER ARTICLE II, SECTION 2, CLAUSE 2 OF THE CONSTITUTION.

LT. COL. LLOYD B. HAMMOND, JR. [redacted]

AIR FORCE NOMINATIONS BEGINNING MAJOR LEO L. ACCURSI, [redacted] AND ENDING MAJOR ROBERT M. CRAIG, JR., [redacted] WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

AIR FORCE NOMINATIONS BEGINNING ERIC F. HOLT, AND ENDING MARK E. ROSE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

AIR FORCE NOMINATIONS BEGINNING JAMES R. FISHER, AND ENDING JEFFREY R. STUTZ, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

AIR FORCE NOMINATIONS BEGINNING CHRISTOPHER P. AZZANO, AND ENDING DAVID A. WIESNER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

AIR FORCE NOMINATIONS BEGINNING ROGER L. BACON, AND ENDING BRIAN L. WOOLRIDGE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

IN THE ARMY

ARMY NOMINATIONS BEGINNING LOUIS A. CABRERA, AND ENDING LEO F. ROGERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

ARMY NOMINATIONS BEGINNING ROBERT M. READE, AND ENDING * MARY E. GALVIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

ARMY NOMINATIONS BEGINNING RODERICK M. ADAMS, AND ENDING JAMES M. * ZAENGLEIN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

ARMY NOMINATIONS BEGINNING DENIS ROSNICK, AND ENDING ROBERT D. WATKINS, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 31, 1991.

ARMY NOMINATIONS BEGINNING JAMES V. BEDARD, AND ENDING RAYMOND F. ROOT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 31, 1991.

ARMY NOMINATIONS BEGINNING MELVIN L. BREWER, AND ENDING NORMAN E. BUSSELL, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 31, 1991.

IN THE MARINE CORPS

MARINE CORPS NOMINATIONS BEGINNING STEVEN ALLEN, AND ENDING ANDREW D. ZINN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 8, 1991.

THE FOLLOWING NAMED ASTRONAUT OF THE MARINE CORPS FOR PERMANENT APPOINTMENT TO THE GRADE OF COLONEL UNDER ARTICLE II, SECTION 2, CLAUSE 2 OF THE CONSTITUTION.

LT. COL. KENNETH D. CAMERON [redacted]

MARINE CORPS NOMINATIONS BEGINNING JAMES H. ADAMS, III, AND ENDING MICHAEL W. VICKERY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

IN THE NAVY

NAVY NOMINATIONS BEGINNING ROBERT FREDRICK AARSTAD, AND ENDING MARLIN U. THOMAS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 8, 1991.

NAVY NOMINATIONS BEGINNING LAWRENCE ELLIOTT ADLER, AND ENDING CHARLES THOMAS THOMPSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 8, 1991.

NAVY NOMINATIONS BEGINNING EUGENE MICHAEL ABLER, AND ENDING RICHARD ALLEN WILSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 10, 1991.

NAVY NOMINATIONS BEGINNING JAY R. FROHNE, AND ENDING KEVIN J. RAYMOND, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 16, 1991.

NAVY NOMINATIONS BEGINNING THOMAS A. FRANTZEN, AND ENDING ADORADO B. YABUT, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 31, 1991.

NAVY NOMINATIONS BEGINNING JOHN SINDOS ADAMS, AND ENDING JEFFERY B. SKANK, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 31, 1991.

EXTENSIONS OF REMARKS

A SALUTE TO SOME OF OUR NATION'S OUTSTANDING STUDENTS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. GILMAN. Mr. Speaker, it is my pleasure to recognize some of our Nation's outstanding students. The sixth annual National High School Essay Contest, sponsored by the U.N. Association, the U.N. Development Programme, and the Daily Family Foundation, recently selected its essay winners in a national competition. The top three winners were: First prize, Brian Becknell from Columbus Academy in Columbus, OH; second prize, Robert Sussland from Moon Valley High School in Phoenix, AZ; and third prize, Ken Wang from Eleanor Roosevelt High School in Greenbelt, MD.

Over 1,000 students nationwide participated in this contest. Their mission was to assume the role of the U.N. Secretary General and write a report on the role of the United Nations in combating illegal drug trafficking and drug abuse. This assignment was very challenging and thought provoking. It was an outstanding exercise which challenged our future leaders with one of the more preplexing problems confronting our world.

It is a real pleasure to observe youngsters and future leaders tackling worldwide problems such as drug trafficking and drug abuse. I would also like to take this opportunity to commend Edward C. Luck, president of the U.N. association and his staff for developing this outstanding program.

Mr. Speaker, at this time I would like to insert in the RECORD statements by my distinguished colleagues who represent these fine young Americans as they submit the winning essays into the RECORD.

UNITED NATIONS ESSAY CONTEST

HON. JOHN R. KASICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KASICH. Mr. Speaker, a constituent of mine, Brian Becknell of Gahanna, OH, recently won a national essay contest sponsored by the U.N. Association of the U.S.A. on the U.N. role in combating global drug abuse. His winning essay speaks well for Brian, his family, and his teachers at Columbus Academy.

I congratulate Brian for his outstanding work and am happy to bring his essay to the attention of my colleagues.

U.N. SECRETARY-GENERAL'S REPORT ON THE U.N. ROLE IN COMBATING ILLICIT DRUG TRAFFICKING AND DRUG ABUSE

(First place winner's report: Brian Becknell, Columbus Academy, Columbus, OH)

Ladies and gentlemen of the General Assembly: You have requested that I, as U.N. Secretary-General, make a special report on the perilous abuse and the illicit trafficking of drugs. Our legitimate concerns were identified decades ago as major global issues. However, it is only in the past several years that a genuinely international effort has been made to alleviate these problems. As business continues to boom for drug lords, as the number of addicts multiplies, as narcoterrorism slays and harasses thousands of innocents, I can only hope that we are not too late. A world enslaved by drug-induced euphoria is a world that worships total anarchy. I appeal to you, ambassadors of mankind, to collaborate and defeat this menace which threatens to destroy us all.

Picture a pyramid. At its zenith are the drug lords—hardly changing in number, always increasing in power. As we progress down the pyramid, we pass the wholesalers, who import and purchase directly from the drug lords; then the large-scale dealers, who purchase drugs wholesale and sell lesser quantities to the dealer on the streets of our cities and villages. Now we have arrived at the base of this baleful pyramid, a base that is always growing: addicts increase in number and fuel their lust for drugs with money earned from dealing them; thus, there are more addicts, and the pyramid grows to be vast and, finally, all-encompassing.

The justice and prison systems of our respective countries lack the capacity to prosecute and incarcerate offenders. Though popular antidrug resentment grows, the threat of narcoterrorism is frequently enough to silence the most vociferous denizen. Witness the 1989 airport and DAS headquarters bombings, both in Medellin, Colombia; both sponsored by the Medellin drug cartel. Innocent people are killed; governments are intimidated; drug lords continue to thrive. We have proof of collaboration between international terrorist groups and drug cartels—a mutual relationship in which bombs and money are exchanged. If they can so satisfy their desires for bellicosity, how can we, my fellow ambassadors, fulfill our desire for a serenity that lacks the presence of illicit drugs?

Recently, a convention and a special session of the General Assembly have been instrumental in defining United Nations antidrug policy. The U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances took place in Vienna in December 1988. Though the expansion of U.N. roles and program activities was ignored, signatory nations agreed to the following: that it is a crime to cultivate, possess, and manufacture drugs; that those engaging in the practice of laundering (disguising profits from drug-dealing) ought to be investigated and prosecuted by signatory nations beyond their particular borders; finally, that a country accused of shielding a trafficker ought to either prosecute him or extradite him to the country that has indicted him.

The special session of the General Assembly occured in February 1990. It was the alternative proposed by developing countries, in response to a 1989 British proposal to place eradication of drug trafficking under the jurisdiction of the Security Council. During the special session, the Assembly declared that the years from 1991 to 2000 are to be the U.N. Decade Against Drug Abuse. Its adoption of the Global Plan of Action was much more significant. Among other things, the plan called for "prompt identification, eradication and substitution of illicit cultivation of narcotic plants". Since narcotic plants are far more lucrative than licit crops, the plan endeavored to counter-balance the loss of profit by providing for the establishment of "complementary programmes in the fields of employment, health, housing and education". The Global Plan of Action emphasized the elimination of drug-demand by giving first priority to the "prevention and reduction of drug abuse."

The infrastructure of the U.N. drug policy mechanism is needlessly complicated by the number of participating agencies. The International Narcotics Control Board continues to monitor legal production of drugs, while tracing their movements from source to consumer to discover illegal diversions. The Commission on Narcotic Drugs is the policy-making body, and has several regional bodies, which meet regularly to evaluate needs and plot enforcement strategies. The World Health Organization is responsible for drug safety and the public health aspects of drug treatment. The Food and Agriculture Organization assists in the substitution of legal crops for drug crops. The International Labor Organization combats drug use in the workplace and rehabilitates recovering drug abusers. The U.N. Educational, Scientific, and Cultural Organization (UNESCO) works with education ministries of member countries to incorporate drug education programs into the curricula. The unnecessary complications perpetrated by these participating agencies and the lack of a centralized command agency (with authority over lesser agencies) retards the formation and enforcement of U.N. drug policy.

The U.N. Fund for Drug Abuse Control (UNFDAC), because it is privately funded by member nations, has avoided institutional limitations and made considerable progress in recent years. It has provided financial assistance to governments in combatting both the supply of and the demand for drugs. In many Third World countries, the UNFDAC provides money for rural development in exchange for halting the production of illicit drugs. The UNFDAC is subject to manipulation by funding countries; however, the Fund has repeatedly supported demand-reduction projects in developing countries that have experienced large growths in drug use. The Fund endeavored to lessen demand for heroin in South Asia in the late 1970s and for cocaine in Latin America in the 1980s. Recently, the UNFDAC has assisted transit countries on three continents with unrestricted beneficence. The UNFDAC plans to apportion 34 percent of its total expenditures to demand reduction during 1991 and 1992.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Additionally, the success of UNESCO and its antidrug education in Third World countries has led the UNFDAC to include such projects in its endeavors.

Actions taken by the United Nations in the past decade against drug abuse and trafficking have been aimed at reducing demand for illicit drugs; the politically volatile nature of the 1980s merited such a pacific antidrug strategy. The Global Program of Action put demand reduction under the auspices of UNESCO. Unfortunately, UNESCO's tight budget cannot handle such an undertaking. The Program similarly invited the World Health Organization, the International Labor Organization, and the U.N. Children's Fund (UNICEF) to participate as they saw fit. They were similarly limited financially. UNFDAC remains the sole organization that can appropriate significant sums of money for demand-reduction. Needless to say, the Fund has become increasingly important and necessary in the past decade; let us hope nations will continue to contribute their resources to the UNFDAC.

Although the Vienna Conference defined U.N. policies, it proposed no means of direct intervention. In 1989, Prime Minister Manley of Jamaica requested the creation of a U.N. drug enforcement assistance force to help small countries militarily prosecute narcoterrorism and its drug-lord financers. Latin Americans objected to the proposal, because they feared U.S. intervention and manipulation. (This was justifiably so, after the U.S. Army assisted Bolivia's troops in a war versus drug traffickers in 1986.) However, certain instances merit direct intervention. A favourable solution for all involved would be the deployment of a U.N. force to the area. The psychological factor would be tremendous: the notion that the world is arrayed against you is very intimidating. The force would simply be deployed as an advancement of present U.N. efforts to ameliorate enforcement of local law under the Economic and Social Council. A multinational force would erase the need for forces from individual nations: thus nations that normally appropriate funds for their particular forces could contribute instead to the U.N. deployment. The presence of an international force would reduce animosity towards any one country. Therefore the U.S. need not be feared by Latin American governments: rather, let the U.N. international force be feared by Latin American drug cartels.

Eradication of drug crops and substitution of lucrative, yet licit, crops is the key to reducing the drug supply. Strong enforcement is necessary to eliminate illicit crops, and a negative incentive (the risk of destruction of the entire illegal crop) must be omnipresent. However, no legitimate crop offers the commercial advantages of the poppy or coca plant. Simple crop substitution will simply not work; a positive incentive must be created as well. This necessity can be met by embarking on "integrated rural developments" within the country. Upgrading living standards, bettering and extending roads, and providing modern farm equipment all add positive incentive. Further incentive can be provided in South America with an offer by Western nations to relieve debts owed in exchange for adoption of domestic antidrug programs. Further incentive can be provided in the poverty-stricken countries of Laos and Afghanistan by improving the 10 percent literacy rate and by assisting each government in developing the valuable mineral resources of the country, thus providing thousands of jobs and an extremely lucrative mining industry. Unfortunately, direct intervention by the already-described U.N. forces may be the only remedy in such countries as Peru, where entire regions have been overrun by the Sendero Luminoso, or Shining Path—an ultra-Maoist guerrilla movement.

In addition to the aforesaid solutions to the supply problem, I will now take the opportunity to call for a U.N. conference on the regulation of chemical commerce to take place within the next six months. Precursor chemicals are mixed with opium to form heroin and with coca leaves to form cocaine. Large shipments of such chemicals must be accounted for by national governments.

In 1989, the government of Trinidad-Tobago proposed the creation of an international narcotics tribunal to arbitrate between countries locked in extradition controversies. Although this proposal contrasts ideologically with the existing system for international law, it has immense practical value which cannot be ignored; namely, such an international court would provide an irrevocable and unbiased verdict on the accused trafficker. If convicted, the trafficker will return to his country and serve a strictly monitored sentence; he will pay court fees. If found innocent, the accusing country will pay reparations to that individual and his country, as well as court fees. Though a merciless system, it is quite pleasant when compared to the inane extradition controversies of the past decade.

Reducing the demand for drugs is far more difficult for the U.N. than reducing drug supplies. In all actuality, demand-reduction is best carried out on a local level, where specific needs and variables can be accounted for. However, certain measures may be taken by the U.N. with highly positive results. Continued UNFDAC-funded antidrug education in Third World countries will result in an extremely high level of awareness about narcotics and their effects. The results of an international survey will be reported this year: a questionnaire was sent annually to all governments, regional international organizations and nongovernmental organizations. It requested details on national and regional drug demand-reduction actions. The verdict of the 1991 meeting rests on the results of the survey. Until then, we must ponder whether or not it is necessary and feasible to create an international demand-reduction system.

Finally, some basic corrections in the infrastructure of the U.N. drug policy mechanism are necessitated by these policy changes. First, narcotics should most certainly be on the Security Council's agenda. Illicit drug trafficking and drug abuse, compounded by the increasing number of incidents of narcoterrorism, certainly pose a serious threat towards international peace and harmony. The Security Council will function in an advisory capacity and will not dictate U.N. drug policy. Results of a 1990 effectiveness-assessment survey led by Jorge Montano suggest that several of the U.N. units for illicit drug policy be integrated into one program and that the Commission on Narcotic Drugs become the directing body for all U.N. drug policy decisions. I agree with this conclusion; increasing the Commission's authority will no doubt boost its effectiveness. In addition, no restrictions will be made on the length of annual meetings (presently of three days' duration). The number of member states on the Commission (presently forty) will be gradually decreased to fifteen. Seats on the Commission will rotate every five years, and developing countries will occupy at least a majority of the seats at all times. Lessening of seats will assuredly increase celerity, resulting in progress.

Ladies and gentlemen. I have endeavored all my life to be practically optimistic. It is my fervent hope that this pragmatic system of antidrug policy may deliver mankind from its drug-induced stupor. With international funding, with dedication, and with reduction of drug-supply and drug-demand, we shall overcome the temporary, drug-induced euphoria, and re-discover the euphoria of life, of progress, and of international fraternity.

ROBERT SUSSLAND TOP FINALIST IN UNITED NATIONS ESSAY CONTEST

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. STUMP. Mr. Speaker, today, I have the pleasure of bringing to the attention of my colleagues an insightful essay written by Robert Sussland, a student at Moon Valley High School in Phoenix, AZ. Robert's fine essay on the role of the United Nations in combating illicit drug trafficking and drug abuse received a second place award from a distinguished panel of judges and captured a $750 prize. More than 1,000 students participated in the contest, in which students assumed the role of the United Nations Secretary General and prepared a report on the United Nations role in taking a stand against substance abuse.

The essays were judged on the accuracy of facts and details about the global problems of illicit narcotics trafficking and drug abuse, and the creative, realistic proposals and initiatives for United Nations action in solving these problems.

I am pleased to submit Robert's essay into the RECORD, and commend it to the attention of my colleagues.

U.N. SECRETARY GENERAL'S REPORT ON THE U.N. ROLE IN COMBATING ILLICIT DRUG TRAFFICKING AND DRUG ABUSE

(Second place winner's report: Robert Sussland, Moon Valley High School, Phoenix, AZ)

Drug abuse is a menace which poses a truly global threat to society. During the last thirty years, the world traffic in illicit drugs has become a $500 billion dollar a year industry, second only to armaments in gross revenue. Complex syndicates are engaged in buying illegal crops, operating underground laboratories, bribing officials, buying arms, and sponsoring terrorism. This situation results in interrelated issues which have many social, economic, and political repercussions. The United Nations is the only truly global and comprehensive organization which can effectively address these problems in the international arena—and at the same time coordinate the local programs of Member States. In outlining the future United Nations role in combatting drug abuse and narcotics trafficking, the General Assembly has asked for an analysis of the current global situation, a summary of the U.N. actions taken to fight illicit drug abuse and transport, an assessment of those actions, and proposals for progress in the war on drugs.

The current global condition in narcotics abuse and trafficking is one which has been steadily deteriorating. The amount of opium poppy, cannabis, and heroin harvested continue to increase, as do the number of addicts. Drugs are finding new inroads among the world's poor through the introduction of cheap, highly addictive substances such as coca paste ("crack") in the Americas and methamphetamines ("hiroppon" or "ice") in Asia. In the west, designer drugs gain in popularity as does the deadly practice of combining different narcotics with alcohol.

To satisfy the world's addicted millions, international cartels pay peasants to grow coca in source countries such as Bolivia and Peru; from there raw crops are directed to transit nations like Colombia or Mexico, where it is processed and sent on to the U.S., Canada, or Europe. Heroin cartels, operating out of the plentiful opium poppy fields in the "Golden Triangle" (Burma, Laos and Thailand) in south-east Asia or the "Golden Crescent" (Turkey, Iran, Afghanistan) in southwest Asia use the same methodology, while their product goes mainly to Europe and the Middle-east. The cheap and abundant quantities of drugs available in source and transit nations result in high addict populations: 300,000 heroin addicts live in Burma; Colombia has a higher rate of cocaine addiction than the U.S. The fact that most of these nations have struggling, developing economies, coupled with the presence of powerful drug syndicates makes adequate law enforcement and medical care beyond the means of local governments. The cartels exploit this weakness and armed militia financed by drug money often battle with the authorities. Colombia's crackdown on the Medellin syndicate resulted in a deluge of terror as government offices were blown up and hundreds of officials were assassinated, including fifty-seven judges and two cabinet officers. Parts of northern Burma are controlled by roving bands of heavily armed heroin-smugglers. In the 1980's, drug terror destabilized entire nations in South America. Bribery and corruption are major problems in many countries, where judges and policemen are given the choice of "plom o plata" ('lead or silver").

The drug industry's weakest link lies with the hundreds of billions of dollars which they must somehow put into the international financial system. Profits are legitimized through false businesses set up for drug revenues, or banks in nations which do not have laws prohibiting money laundering.

To counter these threats, many nations have signed bilateral treaties calling for the extradition of international criminals, adopted more stringent banking laws and harsher punishments for drug users, and established regional organizations such as the Drug Advisory Program to the Colombo Plan in Oceana, the Pompidou Group in Europe, or the South American Agreement on Narcotic Drugs and Psychotropic Substances. Despite all of these efforts, drug abuse has continued to increase.

It is against a backdrop of mixed signals and failed programs that the United Nations has played its greatest role: mustering world opinion against illegal drug abuse and trafficking. Latin America led the way in 1984 by adopting the U.N. sponsored Quito Declaration Against Traffic in Narcotic Drugs, which declared drug traffic a "crime against humanity, with all the legal consequences implicit therein". The Declaration also called for a regional fund to assist developing countries in combatting the drug threat. The New York Declaration followed, which called for "a United Nations conference to adopt an international plan of action against drug trafficking, a call which would be echoed by the Secretary-General in 1985 and the General Assembly (A/Res/39/143), and which would manifest itself in 1987 when 138 nations took part in the International Conference on Drug Abuse and Illicit Trafficking (ICDAIT). Among other things, the conference recognized the inadequacy of current anti-drug efforts and banking laws, and called for increased international funding and coordination—cries which were also echoed. To realize the goals set by ICDAIT, the U.N. convened a plenipotentiary conference in 1988, which adopted the U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. The Convention contains the measures called for in ICDAIT, and when ratified by twenty states, will become part of international law. The world was now aware of the problem as it had never been before, and international legal measures were in place to deal with the drug abuse threat. To set priorities and practical goals in fulfilling the ideals of ICDAIT and the 1988 Convention, the U.N. convened its 17th Special Session in 1990 and adopted a Global Program of Action (GPA) which lists one hundred specific goals in a "blueprint for worldwide action". Some of the GPA's measures call for confiscation of property from criminals, higher priorities to U.N. drug control activities, and control of precursor chemicals used in illicit drug production. The GPA calls for giving equal attention to trafficking, supply, and demand—an important priority which was missing from previous agreements. In the Cartagena summit, the U.S. pledged to "support alternative development, designed to replace the coca economy in Peru and Bolivia". The most significant recent summit by far took place April 9–11, 1990 in London, where 124 nations unanimously adopted the GPA, agreed to review the existing U.N. anti-drug structures, pledged more financial support for the United Nations Fund for Drug Abuse Control, and vowed to work to decrease world demand for illegal drugs.

Achieving the objectives set by these international conferences has been the task of the U.N. agencies set up to deal with the drug issues. The forty member U.N. Commission on Narcotic Drugs is the main U.N. policy-making body on international drug control. The U.N. Division on Narcotic Drugs deals with research, assists Member States in complying with drug treaties, and performs the tasks assigned to the Secretary-General in those treaties. The United Nations Fund for Drug Abuse Control (U.N.F.D.A.C.), created in 1971, is the main source of funding for the U.N.'s drug programs. The voluntary contributions by Members States to the fund, supported 152 projects in forty-nine nations in 1989. The thirteen member International Narcotics Control Board was created to ensure that the amount of drugs produced does not exceed the world demand for legitimate uses. The Board publishes annual reports on the global drug situation. The U.N.F.D.A.C., in conjunction with the Development Program, works on crop eradication/replacement programs in Latin America, Pakistan and south-east Asia. The U.N.F.D.A.C. has also funded some World Health Organization studies on drug abuse, including the link between drug abuse and spread of the H.I.V. virus. In this way, the Division of Narcotics sets the policy in accordance with the International agreements, then the U.N.F.D.A.C. funds and coordinates programs with Members States and other U.N. agencies. The weaknesses of the system include the voluntary and often sporadic nature of funding—although recently, western nations have made greater commitments—and a lack of communication and coordination with other governments and agencies. A joint U.S.-U.N. program in Bolivia to replace coca crops was jeopardized by conflicting policies of the two bureaucracies. Officials admitted not knowing too much about the general aims of the other side, and U.S. agents admitted it was not their policy to share strategic information with the U.N.F.D.A.C. South America is also an example of internal conflicts, for as the I.M.F. applies shock-treatment reforms to debt-ridden economies in Peru, Bolivia and Brazil, the resulting increases in inflation and unemployment drive many peasants to the cocaine agri-business. I.M.F. officials admit not taking the drug issues into consideration when creating fiscal policies.[15] Ultimately, the U.N.'s effectiveness is a measure of the willingness and resolve of Member States to make financial sacrifices and to institute reforms.

Improvement can be made in both the structure and approach of existing agencies. The U.N.F.D.A.C., The Division of Narcotics, and the Division on Narcotic Drugs should be combined into a single Division of Narcotics, headed by a U.N. Drug Czar who will command at least a partly regular budget paid biannually by Member States. Voluntary contributions should be taken for extra-budgetary projects. The Control Board could also serve as an independent watchdog of the Division, publishing annual assessments and suggestions. The establishment of an international Drug computer network by the U.N. would allow instant access to studies, files on suspected criminals or banking operations, and would also serve as a major communication and coordination link between other agencies and governments. In the field of regulation, special attention must be paid to precursor chemicals used in the illegal drug production process, and their production and transport should be strictly regulated by the Control Board. As far as overall strategy, a massive education campaign aimed at reducing demand must be the top priority, with U.N. agencies working with existing local institutions in sending out the anti-drug message. W.H.O. can assist needy states in creation of treatment programs for addicts. Only after some success has been achieved in reducing demand should the U.N.F.D.A.C. and U.N.D.P. work towards creating development programs for supply nations. The drug problem is also one of development, since crops subsidized by the U.N.D.P. can replace coca, opium, and cannabis only if the economy is growing and diversified. Reforms on this level must be in conjunction with the existing regional organizations of the area, which best understand local problems and opportunities. These measures will increase the efficiency and effectiveness of U.N. agencies, but in the final analysis, the drug war will be won by a more developed ecocomy, where legitimate options exist to growing drug crops, and by a more intelligent society, where the community realizes that drug abuse is not a legitimate option.

HONORING KEN S. WANG, UNITED NATION'S ESSAY FINALIST

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. HOYER. Mr. Speaker, I rise today to honor Mr. Ken S. Wang, as one of the 1991 top 10 finalists of the United Nations Association National High School Essay Contest. Mr. Wang, who placed third in the competition, is a sophomore at Eleanor Roosevelt High School in Greenbelt, MD. Ken has always had an avid interest in the United Nations and found particular interest in this year's essay topic of the United Nations' role in combating illicit drug trafficking and drug abuse. After researching the topic extensively, Ken found that not only has the United Nations found success in its programs to combat this vast problem, but that possible solutions are available for our global strategy.

Mr. Wang's response to a global issue can only help the United Nations move forward in their quest toward ending the international dilemma of illegal narcotics trafficking and drug abuse.

Mr. Speaker, I commend Ken for his insightful and thought-provoking essay. He has shown that through the cooperation of organizations such as the United Nations Association and our local school systems, our youth of today will have the opportunity to develop solutions for the problems of today and tomorrow.

The Fifth Congressional District is proud to have Ken representing them in this pretigious honor. Our county and our country is truly a better place thanks to students such as Ken who are interested in working toward making our world a better place to live, learn, and work.

U.N. SECRETARY-GENERAL'S REPORT ON THE U.N. ROLE IN COMBATING ILLICIT DRUG TRAFFICKING AND DRUG ABUSE

(Third place winner's report: Ken Wang, Eleanor Roosevelt High School, Greenbelt, MD)

INTRODUCTION

Drug abuse and the illicit trafficking of narcotics have made drugs one of the greatest problems the world faces today. The drug problem stretches across five continents and has become a key element of global lawlessness. The world-wide drug business, with an estimated value of $500 billion a year is quickly infiltrating politics, economics, and financial markets. There are some 40 million illegal drug users throughout the world. The dark world of terrorism has also been linked to the drug trade. The incredible powers of the drug organizations are currently threatening to topple governments in some countries. With the cooperation of many countries, the United Nations has continuously combatted the global drug problem for the last several years. Much more must be done before the scourge of drugs is completely eliminated. This report covers the current global situation with drugs and reviews the recent efforts of the United Nations. Suggestions are also offered to improve future U.N. actions.

GLOBAL PROBLEMS OF ILLICIT NARCOTICS TRAFFICKING AND DRUG ABUSE

Illicit narcotics trafficking and drug abuse have caused enormous social and political problems throughout the world and resulted in horrifying violence. Insurgent guerrilla groups all over the world use narcotics trafficking to finance their political campaigns and arms purchases. Drug trafficking has also spawned corruption in many governments. In fact, there is evidence of involvement in trafficking by high-level officials in at least 33 countries.

The drug trade has severely crippled Colombia. The Medellin cartel is one of the most powerful and important trafficking organizations in Colombia, as well as the world. The cartels provide 80% of the world's cocaine and cocaine derivative crack, with estimated profits of at least $3 billion a year. It is suspected that approximately one million Colombians are directly involved in the drug business. In 1984, cartel gunmen assassinated justice minister Rodrigo Lara Bonilla, who was the leader of the government's antinarcotics program. Today the Colombian *narcotraficantes* have created an organized system of corruption extending to many Latin American and Caribbean countries including Panama, Honduras, Haiti, the Bahamas, Mexico, and Cuba to use as transshipment sites.

There are also four main Colombian insurgent guerrilla groups which have been connected to narcotics production and smuggling. The FARC (Revolutionary Armed Forces of Colombia) is the oldest Marxist guerilla organization, and solicits payments from coca growers in return for protection. The M–19 (19th of April Movement) guerillas are involved in the guns-for-drugs trade. The ELN (National Liberation Army) and EPL (Popular Liberation Army) enforce the taxation of drug growers and traffickers.

World cocaine production is estimated to be as high as 700 tons a year. Most of the coca from which cocaine is made is grown in Peru and Bolivia, where 300,000 people in each country are directly involved in coca production. Peasant farmers earn ten times more from growing coca than any other crop, making coca irresistibly attractive.

In the United States, retail drug deals make up the $100-billion-a-year market. Mexico is a major transshipment point for cocaine from Colombia. Over 45% of the cocaine consumed by the United States comes through Mexico.

The Golden Triangle of Burma, Thailand, and Laos is the world's major source of opium poppies, from which heroin is derived. The heroin is usually smuggled through Thailand, China, Hong Kong, or India. Asia's Golden Crescent, which stretches from Turkey across Iran and Afghanistan into Pakistan and India, also cultivates opium. In India, heroin is legal for medicinal purposes. Middle East politics are deeply involved with narco-terrorism. For example, in Lebanon, a multi-billion dollar hashish trade supports terrorism, causing civil anarchy. In Bulgaria, a trading organization known as KINTEX is involved in narco-terrorism and actively trades guns for drugs.

Drug money has to be laundered to disguise its origin and ownership. Paraguay is a significant money-laundering location in Latin and South America because of its relaxed government controls. Large amounts of cash are also easily laundered through Peru's banking system. Asian drug money is usually laundered through a maze of financial transactions in such places as gold shops, trading firms, and foreign exchange firms. Hong Kong is the major financial center for Asia's drug traffickers, because of its strict bank-secrecy laws and absence of restrictions on the import and export of foreign currency.

Drug abuse is increasing rapidly in many regions of the world according to the World Health Organization (WHO). Violence has increased as a result of the drug abuse. For example, in Washington, D.C., which had the highest murder rate in North America, officials estimate that 80% of the city's murders were drug related. Drug abusers are vulnerable to the deadly AIDS virus which can be transmitted through the use of needles. WHO estimates that five million drug abusers use needles. Drug abuse has a great cost to society in terms of lost productivity, increased medical treatment, and higher crime.

ACTION TAKEN BY THE UNITED NATIONS IN COMBATTING GLOBAL DRUG PROBLEMS

The United Nations has sponsored many programs to combat the world-wide drug problem. World conferences involving ministerial-level officials from drug-affected countries have been held since 1987 to discuss cooperation on controlling International narcotics production, trafficking, and abuse. In 1985, the U.N. started a series of operations called "Condor," which were somewhat successful in destroying airstrips, processing laboratories, and confiscating drugs. Operation Blast Furnace in Bolivia supported raids against suspected cocaine laboratories. In Bolivia and Peru, Operation Snowcap was an international assault combining antidrug forces from 30 nations. "Project A-1" was aimed at reducing the amount of illicit opiate raw materials as part of the International Drug Abuse Control Strategy. The International Narcotics Control Board has had campaigns to reduce coca cultivation in Bolivia and other countries. The Economic and Social Council has asked countries to strictly regulate the supply and import of precursors to illicit drugs, exchange information regarding suspected shipments, and reduce trafficking via commercial carriers.

The U.N. has launched programs in the Caribbean and Central America to improve the use of radar in surveillance and interdiction. The U.N. Fund for Drug Abuse Control (UNFDAC) has been a key element in advances in narcotics control. It has developed projects to extend programs in coca control and rural development assistance in Peru and Bolivia and other parts of South America. In the Northwest province of Pakistan, the UNFDAC and United States government started a Special Development and Enforcement Plan to control opium cultivation. The UNFDAC has also established a $5.8 million rural integrated pilot program for opium control in the northern Vientiane province of Laos. In 1988, the U.N. convention against Illict Traffic in Narcotics Drugs and Psychotropic Substances was adopted to strengthen international efforts to halt the drug trade. The Commission on Narcotic Drugs is the main policy maker on international drug control matters for the U.N. It has adapted 24 resolutions in an antidrug treaty to coordinate efforts against the global drug problem.

Recently, the U.N. General Assembly proclaimed a U.N. Decade against Drug abuse (1991–2000) to intensify efforts in the fight against drugs. The General Assembly also unanimously adopted a Political Programme of Action, emphasizing the prevention of diverting precursor chemicals to manufacture illicit drugs and aiding developing countries to control trafficking. The U.N. is also acting as an advisory center on demand reduction.

AN ASSESSMENT OF THE EFFECTIVENESS OF THE U.N. ACTION ON GLOBAL DRUG PROBLEMS

The U.N. has had much success with their combat against illicit drugs in recent years. In Mexico, the total market value of drugs that have been destroyed exceeds $50 billion. The Mexican government was successful in reducing heroin production with aerial eradication from 6.5 metric tons in 1975 to 1.4 metric tons in 1983. With the assistance from the U.N., opium production has been reduced by 36.5 percent in Pakistan. Colombia has been successful in using the herbicide glyphosate to control marijuana growth. During 1985, 85 percent of the marijuana cultivated along the north coast of Colombia was destroyed by aerial eradication. The Bureau of International Narcotics Matters (INM) successfully eradicated a potential 10 metric tons of cocaine in Peru. The number of countries dedicated to eradicating illicit narcotic crops in their territories has dramatically increased. In 1981, only 2 countries were eradicating crops, but by 1987, 20 countries had eradication programs. A successful U.N. project has taken place in Turkey. A crop control program implemented there with support from the Turkish government and international community led to the complete suppression of narcotics cultivation.

PROPOSALS AND INITIATIVES FOR U.N. ACTION TO SOLVE THE GLOBAL DRUG PROBLEMS

Proposals and initiatives for future U.N. action must comprehensively address all parts of the global drug problem from the supply to demand in order to be effective. Legalization of narcotics is definitely not the answer, since it would only lead to more drug use and signify victory for the drug traffickers. In controlling the source of narcotics, more funds should be collected from all nations to support the UNFDAC. The UNFDAC could then increase its efforts in aerial eradiction and development projects that would help steer coca growers to licit crops. Stronger countries should give aid to drug-producing countries such as Colombia and Bolivia in providing equipment and herbicides necessary for aerial eradication. A multinational task force should be formed to lend more power to the struggling governments of unstable countries in the fight against violent traffickers. Urban countries such as the United States and Soviet Union should provide more opportunities for export of licit crops in developing countries to encourage the cultivation of other crops besides narcotics. The U.N. should also encourage foreign investments in drug-ravaged countries so that people would not have to rely on narcotics money.

The UNDP could provide incentives for research in developing the most effective herbicide to combat narcotics crops. Biotechnology should also be investigated. Coca-eating insects such as the malunya could be bred in mass numbers and released in coca cultivation areas such as Bolivia and Peru. Narcotic plants could also be genetically altered to prevent the production of the enzymes which yield the drugs. Drug-producing countries should also be given more advanced technologies such as heat-seeking equipment to detect laboratories or spectral detectors to detect specific chemical wavelengths of narcotics in processing centers. Radars or sensors could be used to monitor drug activity. A high-technology sniffing or X-ray scanning detector would also be effective in stopping the flow of drugs.

Demand-reduction for illicit drugs is essential to defeating the global drug problem. The U.N. should encourage the governments of all consumer nations to provide extensive funding for effective treatment and rehabilitation programs. A U.N. agency could be created specifically to assist countries in setting up and overseeing these treatment programs. Those programs should be free of charge since most addicts have squandered their money on drugs. In addition, the U.N. should provide funds for vigorous and creative drug education programs in consumer countries. Children's television programs about drugs could be developed by the U.N. to increase awareness and facilitate education. Successful education programs will reduce drug demand and, in turn, can reduce illicit trafficking of narcotics.

The grower-to-user narcotics chain must be broken through a comprehensive program of international control. Pressure should be applied at all points in the chain. More severe penalties should be used against convicted drug traffickers.

CONCLUSIONS

All nations must work together for a united effort against the global drug problem. Instead of placing the blame and responsibility on a few countries, all nations should cooperate and do their part for the common good. Since the drug trafficking networks extend across many countries, a comprehensive multinational strategy within geographical areas is essential. The U.N. should continue to sponsor international conferences on illicit drugs, and place pressure on uncooperative countries. With an international effort on narcotics supply eradication and demand reduction programs, illicit trafficking and drug abuse will be conquered.

PROTECT ETHNIC ALBANIANS IN KOSOVA

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. BONIOR. Mr. Speaker, in recent weeks, world attention has been focused on the violence in Yugoslavia. Slovenia has successfully resisted attempts to forcefully prevent their bid for independence. However, the situation in Croatia remains extremely tense with increased fears of a military crackdown there.

Throughout these events, ethnic Albanians in Kosova have continued to suffer from the repression of Communist leader Slobodan Milosevic.

The 1990 State Department Country Reports on Human Rights Practices contains a litany of human rights abuses being perpetrated against ethnic Albanians in Kosova. These charges are echoed in Amnesty International and Human Rights Watch reports.

This year, Milosevic has intensified his violent campaign of repression against ethnic Albanians. Scores of Albanians have been killed, tens of thousands have been fired on the basis of ethnicity and the Albanian-language newspaper, Rilindja, remains closed. A state of emergency is still imposed in Kosova, and thousands of political prisoners have been imprisoned.

Recently, the Washington Post reported that freshman enrollment at the University of Kosova will be cut by more than two-thirds. Furthermore, half of those places will be reserved for non-Albanian speakers despite the fact that 90 percent of Kosova's population is ethnic Albanian and speaks Albanian.

Milosevic has taken direct control of the university, and fired a number of Albanian professors. This is just another example in a long series of repressive measures aimed against ethnic Albanians.

I have cosponsored a resolution introduced by my colleague, TOM LANTOS, condemning the use of force to resolve differences in Yugoslavia. Self-determination must be respected in Slovenia and Croatia without violence and intimidation.

In addition, this resolution urges the President to suspend all direct assistance to Yugoslavia in response to the imposition of martial law in Kosova and the army's violent crackdown in Slovenia and Croatia. I urge my colleagues to support this important resolution.

Last Friday, Albanian, Croatian and Slovenian Americans gathered for a rally on the west lawn of the Capitol to protest this repression. Members of the Albanian-American National Council from Michigan and Croatian Americans from Warren were there. I welcomed all of them, as well as, Gjok Martini from my own district who I work with closely on these issues. Their voices will be heard.

IN HONOR OF CHIEF M. SGT. FRANK J. OLSZEWSKI, JR., ON THE OCCASION OF HIS RETIREMENT FROM THE U.S. AIR FORCE

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DICKINSON. Mr. Speaker, today I would like to pay tribute to Chief M. Sgt. Frank Olszewski, who is retiring from the U.S. Air Force after 26 years of service.

Chief Olszewski's career with the Air Force included duty in Vietnam from 1968 to 1970, and two tours with the Office of Legislative Affairs in the Office of the Secretary of Defense. He has received a number of awards during his 26-year tenure, including the Defense Meritorious Service Medal, the Joint Service Commendation Medal, and the Air Force Commendation Medal.

Chief Olszewski spent a total of over 12 years in the Secretary of Defense's Legislative Affairs Office, which he jokes should have earned him hazardous duty pay. Frank's understanding of the Congress is considerable. This, paired with his experience and knowledge of the Department of Defense, has made him an invaluable asset to the Legislative Affairs organization, the Secretary of Defense and the Congress.

Coworkers will remember Chief Olszewski for his can-do attitude, professionalism, superior judgment, dedication, and leadership. He is the embodiment of today's military spirit—to get the job done, and get it done right. Upon his retirement from the Air Force, Frank takes with him heartfelt good wishes and the high esteem of coworkers throughout the Department of Defense as well as the appreciation of the U.S. Congress.

THE "GREEN LINE"

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. REED. Mr. Speaker, this summer, we mark the 17th year of Cyprus' existence as a state divided.

The "Green Line", a fortification resembling the DMZ in Korea, now divides Cyprus into

Greek and Turkish zones. The demarcation is so severe that the halves of the island seem divided by an ocean rather than a manmade wall. Even Nicosia, Cyprus' capital, has been divided. Cypriots cannot go from one side of the city to the other for any reason, even to visit their families.

In 1974, when the Turkish Army invaded Cyprus, a mass exodus occurred. All Cypriots of Turkish decent were required to move to the northern part of the island, while all Cypriots of Greek decent moved to the island's southern region. In an attempt to justify its ethnic claim to the island, the Turkish Government persuaded thousands of its citizens to colonize northern Cyprus.

In the wake of the invasion, families were uprooted, property was lost and destroyed, and a barrier was erected which remains in place today. The existence of the Green Line is a reminder of the continued need for the United States to play a positive role in tearing such barriers down.

The Turkish invasion and subsequent occupation of Cyprus violates a number of United Nations' resolutions—stressing what most of us realize—the need for immediate and meaningful negotiations.

The Turkish Government has failed to negotiate in good faith. U.N. Secretary General de Cuellar has repeatedly sought to foster meaningful negotiations, yet Ankara continues to ignore his efforts. I know many in this Chamber share my hope that President Bush will continue his recent activities regarding the need for negotiations to resolve the division of Cyprus. The continued occupation of Cyprus by 30,000 Turkish troops is intolerable. Negotiations must be kept going to serve as a form for future progress.

We have all been moved by the recent reunion of Ethiopian Jews with family members in Israel. If the Turkish Cypriot Government can be brought to the table, perhaps we will hear similar tales of reunion.

I urge all of my colleagues to take an active role in ending this terrible situation. We must make every effort to restore Cyprus' sovereignty. To do less would not only condemn the people of Cyprus to continued persecution, but indecision would also betray the spirit of independence which all Americans so dearly hold.

THE INTRODUCTION OF THE MEDICARE OCCUPATIONAL THERAPY AMENDMENTS OF 1991

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. STARK. Mr. Speaker, today, together with my colleagues Mr. COYNE of Pennsylvania and Mr. LEVIN of Michigan, I am introducing H.R. 3220, the Medicare Occupational Therapy Amendments of 1991.

H.R. 3220 establishes occupational therapy services as a qualifying service for Medicare's home health benefit.

In order to qualify for Medicare's home health benefit under current law, an individual must be homebound and must be in need of either skilled nursing care, or physical or speech therapy. Once an individual has established eligibility for home health services, he or she is then able to receive any medically necessary home health service, including occupational therapy [OT]. However, simply being homebound and needing occupational therapy does not make an individual eligible for home health services.

Medicare beneficiaries and the occupational therapists who serve them are frustrated by a policy that allows people to receive medically necessary occupational therapy only if they are in need of some other service. Requiring a multitude of services when a person needs only one is neither logical nor cost effective.

H.R. 3220 would eliminate this unnecessary barrier and allow homebound beneficiaries to qualify for home health services based on their need for occupational therapy alone.

Occupational therapy is an important part of Medicare's home health benefit, particularly for victims of strokes, heart attacks, arthritis, and other disabling conditions. It can play a critical role in ensuring full recovery. When appropriate, occupational therapy can also teach compensatory techniques that assist a patient to overcome a permanent disability and function independently in their homes.

Based on preliminary estimates, this expansion of Medicare's home health benefit would cost only $22 million in fiscal year 1992, increasing to $42 million in fiscal year 1996.

The bill has been drafted without the financing necessary to cover its costs. I fully anticipate that these benefits, if adopted by the Committee on Ways and Means would be fully financed on the required pay-as-you-go basis.

I urge all of my colleagues to join me in cosponsoring this bill. These services will help keep our elderly living independently.

FATHER ROGAN CELEBRATES GOLDEN JUBILEE OF PRIESTHOOD

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MURTHA. Mr. Speaker, I would like to take a moment to congratulate Father Richard Rogan of the St. Therese church in Johnstown, PA, on the upcoming celebration of his 50th year in the priesthood.

The year 1991, is a year in which we are remembering many historical events which took place 50 years ago. As we think back 50 years, to the time our Nation became embroiled in a World War, and then realize the changes the United States has experienced since that time, it is with a sense of admiration that we celebrate the labor of an individual who is working to help people and give them spiritual guidance today, just as he was 50 years ago when these events were taking place.

And these past 50 years certainly have been eventful in Johnstown. We've seen a devastating flood, the ups and downs of a unstable economy, and the departure of many long-time residents. And we've seen many good times, as a new generation of hard-working people have made Johnstown a better place. Our area is known for the loyalty and dedication of its people, and I can't think of anyone who exemplifies this more than Father Rogan, who has devoted the last 50 years of his life to helping people.

The parishioners of St. Therese Church are extremely fortunate to have had Father Rogan serve their parish. I join them in celebrating Father Rogan's golden jubilee of his priesthood, and I wish him all the best as he continues his work for the people of our area.

INCREASING FAIRNESS TO ACCESS IN HIGHER EDUCATION

HON. TIMOTHY J. ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. ROEMER. Mr. Speaker, today I am pleased to introduce legislation which increases the maximum Pell grant award from $3,100 to $4,500 and increases the child-care expense allowance for Pell grant recipients from $1,000 to $3,600.

The current Pell grant program, which is authorized under the Higher Education Act of 1965, assists undergraduate students from low-income families in helping defray the costs of attendance at postsecondary educational institutions. While the number of Pell grant recipients has increased over the years, the purchasing power of the Pell grant has declined greatly in relation to soaring college costs. The current maximum Pell grant award of $2,400 does not begin to cover the same percentage of education costs as it did a decade, or even a few years ago. Moreover, the average award of $1,500 is far less than the authorized level and the actual maximum award. Neither Federal student aid funding, nor family incomes have kept pace with the rising costs of a college education.

Last year, of the 6.9 million applicants for the Pell grant, only 3.4 million students actually participated in the program. Students from families with incomes beyond $30,000 have been virtually eliminated from the program. Raising the maximum award to $4,500 will result in increasing Pell grants for the poorest, and therefore neediest students, as well as for those deserving students who come from working families with moderate incomes.

As we look toward the challenges our Nation faces into the 21st century, we must increase access to postsecondary education in order to enable all of our citizens to participate fully in our society. For many of our traditional and nontraditional students, access to postsecondary education is only made possible through student-aid programs. We must look at ways to improve the balance between grants and loans and restore the purchasing power of the Pell grant program so that it remains the true foundation program for Federal student aid.

Mr. Speaker, another critical impediment to access to higher education is the lack of child-care assistance. For many women, the lack of adequate child-care is the major obstacle which prevents them from pursuing or obtaining a college degree. The current child-care allowance under the Pell grant program is capped at $1,000, while studies reveal that the costs associated with year round child care are closer to $3,600. Today, women over the age of 25 account for one-quarter of the college population. In many instances, these women are single heads of households who are self-supporting and struggling to finance their educations. For these women and their families, a college education will improve their lives as well as the lives of their children. I believe that we need to improve and insure higher education opportunities for low-income parents by raising the allowance for child-care costs to $3,600.

One of the great challenges that we face as a Nation into the next century is the skills and training of our future work force at all levels. Equal access to higher education for Americans from all walks of life and the easing of the financial burdens on our middle-class families should be two of our highest priorities. This legislation directly addresses these priorities, Mr. Speaker, and I look forward to working with my colleagues on the Education and Labor Committee and in the House to make the dream of equal access to education a reality for every American.

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PELL GRANT AMOUNTS.

Section 411(b)(2) of the Higher Education Act of 1965 is amended by striking clauses (i) through (v) and inserting the following:

"(i) $4,500 for academic year 1992–1993, and

"(ii) for any subsequent academic year, an amount equal to $4,500 plus a percentage of that amount equal to the percentage change in the Consumer Price Index between June 1992 and the June preceding the beginning of such academic year.".

SEC. 2. CHILD CARE EXPENSES ALLOWANCE FOR PELL GRANT RECIPIENTS.

Section 411F(5)(B)(iv) of the Higher Education Act of 1965 is amended by striking "$1,000" and inserting "$3,600".

IT'S TIME OUR FEDERAL FLEET BURNS CLEAN, RENEWABLE FUEL

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DORGAN of North Dakota. Mr. Speaker, Congressman RICHARD DURBIN and I have introduced H.R. 3131, a bill to get our Federal fleet of 400,000 cars and trucks back on the track toward clean, renewable fuel.

In the early 1980's, Congress passed two laws requiring Federal fleets to be fueled with ethanol-blended gasoline, or gasohol, wherever gasohol prices are competitive. Today gasohol sells for 3 to 4 cents less than gasoline at most outlets where it is available, but very few Federal cars or trucks burn gasohol. Federal agencies threw a logjam of exemptions in front of the 1980–81 requirements to use gasohol, and the 1980's passed without compliance.

While the Federal Government has evaded the move to ethanol blends, Congress has moved to require vehicle fleets in many air-polluted cities to burn oxygenated fuel. Implementation of the Clean Air Act of 1990, for example, will soon require all fuel dealers in such cities to sell oxygenated fuels such as gasohol in the winter months. Manufacturers have moved ahead, too, approving gasohol as safe for their vehicles.

It's time we brought the Federal fleet into the clean air arena. That Federal fleet is 400,000 vehicles that could be leading the Nation to cleaner fuels and better energy security at no cost to the Federal budget. Conversion to gasohol also means less dependence on oil in favor of renewable fuel made from the grain U.S. farmers grow every year.

With rare exceptions, our Federal agencies have proven they will not buy clean fuels without an ironclad mandate from Congress. Most of the Federal employees who carry Federal fuel credit cards to retail pumps across the Nation, and those who buy fuel for Federal agencies, avoid gasohol even though they can buy gasohol for less than they can buy gasoline.

Consider this. The Department of Defense, which buys fuel for all Federal agencies, bought 160 million gallons wholesale for gasoline-type vehicles last year. Only 62,000 gallons, or 0.04 percent, were gasohol, and that was entirely for the Department of Interior, No other department ordered a drop of gasohol. In fact, Federal fleet managers are going in the wrong direction: The total was 770,000 gallons of gasohol in 1987.

In fact, U.S. Navy specifications to fuel suppliers who bid for Navy fuel contracts specifically prohibit a supplier from even offering gasohol. A fuel wholesaler who bids for fuel contracts for Air Force bases recently complained that the Air Force allowed him to bid gasohol as an alternative to gasoline, but then rejected his bid even though it was lower than bids for gasoline.

In May, we set out to tighten the 1980–81 laws. The House accepted our provisions in the Defense authorization bill that require DOD to supply gasohol to Federal agencies whenever the price is competitive.

Now we must finish that job, if we are to actually get the Federal fleet burning clean fuels. Our bill; first, requires Federal agencies to solicit price quotes for gasohol whenever buying fuel for spark-ignition vehicles, and to buy gasohol whenever the price is competitive; second, requires all Federal employees using Federal credit cards to fuel their vehicles to buy gasohol for spark-ignition vehicles whenever the retail price of gasohol is competitive; and third, requires all retail fuel distributors who have Federal fuel credit accounts to provide only gasohol when accepting a Federal credit card.

It costs the Treasury nothing, reduces air pollution, and helps get our Nation moving to cleaner fuels. We hope our colleagues will join us in this effort.

PARENTS' RIGHTS IN ABORTION

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SOLOMON. Mr. Speaker, in December of last year New York City newspapers reported an award of $1.2 million in damages to the parents of a 13-year-old Queens girl.

She had died from what some of my colleagues insist upon calling a safe and legal abortion.

Dawn Ravenell's parents first learned of the abortion when they were called by St. Luke's Roosevelt Hospital and told their daughter was in a coma and was not expected to survive.

When the Labor/HHS appropriations bill was considered by this body, the Ravenell's rights and interests, and the rights and interests of millions of other parents, were tossed aside on a point of order. Abortion advocates appear to have no interest in parents' rights. But when more of our citizens' daughters are harmed or killed by clinics promoted through the title X family planning program, what will their defense be? I ask my colleagues, what right does any program have to deny parents their rights?

WORKPLACE FAIRNESS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DYMALLY. Mr. Speaker, on July 17, this distinguished body passed H.R. 5, the Workplace Fairness Act, by an overwhelming majority. As we await a Presidential veto, I urge my colleagues to rally on the side of the working men and women of America and override the Presidential veto. Intimidating employees with the notion that they will lose their job if they choose to strike undermines the foundation of collective bargaining, because it removes any incentive on the part of management to negotiate, in good faith, an end to labor-management disputes.

Permanently replacing striking workers is a cynical method of destroying labor unions, firing employees who earned higher wages because of their seniority and instead hiring unorganized, cheaper labor.

During my visit to the 31st District of California, I joined 200 Latino, African-American, Asian and Anglo members, of the United Electrical, Radio and Machine Workers of America, UE Local 1015, who have been on strike against Carol Cable Co.—a subsidiary of the multi-billion dollar conglomerate Penn Central Corp. The main issues of the strike are: retention of quality health care insurance, and a decent wage increase. What is at stake here is survival. Antony Acosta, a shipping clerk and forklift driver for 20 years with Carol Cable, who along with his coworkers was willing to forgo reasonable wage increases in favor of retaining quality health care insurance. Antony and his 9-year-old daughter Susie suffer from serious heart problems which require comprehensive and regular medical care.

Accepting the inferior medical plan offered by Carol Cable means not only financial destruction, but also health disaster for him and his daughter.

Mr. Speaker, as leaders of the Free World, we hope that the President's "New Order" means sharing our principles of freedom, justice, and equality, with the rest of the world. This can not be done by applying on the

American people what is worst in other lands, such as the repression of working people.

We cannot allow the profit motive to plunge us back into the days of early exploitation, and erode the protections gained by the labor movement through hard struggle. Vote to override the Presidential veto on H.R. 5. Mr. Speaker a vote against the President's veto is a vote against plunging back to the days of David Copperfield.

VETERANS OF FOREIGN WARS ANNUAL VOICE OF DEMOCRACY SCRIPTWRITING CONTEST

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DORGAN of North Dakota. Mr. Speaker, Justin John Brooke was recently named the North Dakota State winner in the Veterans of Foreign Wars of the United States' Annual Voice of Democracy Scriptwriting Contest.

The Veterans of Foreign Wars of the United States and its Ladies Auxiliary sponsor the Voice of Democracy Scriptwriting Program. The program, which is in its 44th year, requires high school entrants to write and record a 3 to 5 minute script on an announced patriotic theme. This year's theme was "Democracy—The Vanguard of Freedom." Over 138,000 students participated in the program nationwide.

Justin John Brooke's excellent entry described what American citizenship, freedom, and democracy mean to him. I am inserting the text of his script immediately following my remarks here.

DEMOCRACY—THE VANGUARD OF FREEDOM

(By Justin J. Brooke, North Dakota Winner, 1990/91 VFW Voice of Democracy Scholarship Program)

Freedom. To Americans, she is a way of life. She is laughter, joy, tears, and sorrow; blood and sweat; honesty and integrity. She is diverse as the people she represents and vast as time itself. She is heard in the speeches of politicians and can be seen in the sweeping grandeur of the Statue of Liberty.

She was there when the first explorers arrived in the New World, America. She watched as Britain taxed and abused the American colonists, and she listened when Patrick Henry heatedly cried, "Give me liberty, or give me death!" She cheered when the Revolutionary War began, and she stirred the hearts of the colonists in their fight for freedom.

Freedom. She is deeply ingrained in every aspect of America, and as beautiful and compelling as raindrops on a spider's web. But along with this beauty, freedom is innately delicate. Just as the web can be torn down by a stray summer breeze, freedom must be protected if she is to endure.

And so it was with this in mind that America was founded. The colonists realized that the freedom they had won from Britain would only last if they defended it. After much deliberation, led by great American heroes like George Washington, Thomas Jefferson, and James Madison, it was decided that America, the "land of the free," would be a democracy—a democracy founded on the principles of "life, liberty, and the pursuit of happiness."

The framers of the Constitution took a bold step forward when they established America as a democracy. They were taking a monumental risk, a gamble that had never worked in modern times. The plain truth was, no nation founded on the principle of freedom had ever lasted. But the American colonists resolved to make it work—their new-found freedoms were too precious to do otherwise. No other system of government would suffice.

Democracy. It is firmly established as the cornerstone upon which America hinges. It is a staunch defender and rock-solid bulwark that molds, shapes, and supports the American dream of freedom. It transforms freedom from a mere dream into actuality.

By definition, democracy is government in which the supreme law is lodged in the hands of the people collectively. It is government of the people, by the people, for the people. This is what makes democracy so acclaimed—its flexibility and its adaptability. As situations and circumstances change, the government responds to those changes in a way that best protects the freedoms of the American public.

One of the amazing aspects of democracy is its ability to stand for so many freedoms. Freedom is an abstract idea that can take as many forms as there are colors in the rainbow, but they are all protected under democracy. That's the beauty of democracy. It can be anything and do anything. Nothing is off limits, nothing is held back.

So what is democracy? It is the guarantee of freedom, and just as democracy defends freedom, freedom is the heart of democracy. Democracy is truly the vanguard of freedom.

JIM DEVAN: A GOOD CITIZEN AND FRIEND TO MANY

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. GINGRICH. Mr. Speaker, recently an outstanding citizen and resident of McDonough, GA, Jim DeVan, died tragically while working on the tower of the radio station he owned. It was a great loss to the entire Henry County community, and he will be sorely missed.

Jim and I worked together for many years. I always enjoyed his friendship and appreciated the important work he did. In my opinion it's people like Jim who help make our country the best in the world. Because he cared a great deal about making his hometown and State a great place to live, he worked hard and helped many people. Those people will always remember.

While lots of us will miss him, no one will as much as his wife, Karen, and his young children, Allison and Ben. But Jim was a fine person, and his legacy of good will toward the community will last for years to come.

I would like to share with my colleagues in the House two newspaper articles from the Henry Herald which give some idea of Jim's unique, irreplaceable contribution to Henry County and to Georgia.

[From the Henry Herald, July 12, 1991]

JIM DEVAN WAS A REAL SOUTHERN GENTLEMEN

(By Joe Hiett)

For the second time in the last few weeks. I was stunned, speechless, my mind saying, "Oh, no, that cannot be true. Not him of all people?"

When we started getting reports that Jim DeVan had been injured at his radio station's transmission tower on Campground Road, all of us who knew Jim were dumbfounded. We hoped against hope our information was wrong, but then it was confirmed shortly after noon by Angie Strickland at Henry General: James Wesley (Jim) DeVan, 43, was no longer with us.

Tears came to my eyes, and I don't cry easily. "Not again," I thought. Only a few weeks ago another of my good friends, Clayton News/Daily executive Bill Wadkins, had been killed in a tragic auto accident in Jonesboro.

I first met Jim DeVan in 1986 when I came to The Henry Herald as editor and publisher. McDonough Postmaster E.G. Willis invited me to go to Rotary with him and there I was introduced to Jim. "Well, there's my competition. What a voice, of course he's in radio," I thought at the time.

Jim DeVan made a very favorable first impression. He had a way of looking at you and you knew he was really listening, not just pretending to listen. Jim was president of the Rotary Club that year, but the next year went back to being program chairman.

Being program chairman is probably the toughest, most thankless task a person can have in a civic club. Each week you have to somehow come up with a program, and it had better be interesting. Nothing makes a club lose members faster than a steady diet of boring programs.

Jim DeVan was a master at it, somehow attracting the famous and not-so-famous, the attractive and ordinary, all with one thing in common: They had a good story to tell.

It didn't surprise me to soon to learn that Jim was a very good song leader. He pioneered the monthly Rotary Hymn Sing at Starcrest Nursing Home and always was there even when the rest of us didn't go. And he was loved there too, just like everywhere he went.

As I made my rounds in McDonough and the rest of Henry County in 1986, I soon figured out that Jim had been there first. Somebody was always saying, "Well, Jim DeVan said . . ."

Most radio stations and newspapers are foes, often bitterly so. They figure they're in competition for the same advertising dollar. I guess that may be true here in a way, but somehow Jim and I never looked at it that way.

We found we respected each other's commitment to fairness, and soon began to sit together at news events. We even, horror, gave each other news tips on occasions.

I was gone from Henry County most of the time from September 1989 to March 1991, but Jim still kept in touch. He was an impartial critic, kindly but firmly. When we blew a news story, he'd tell us but in a way where we could save as much grace as possible.

Unlike many small-town radio stations, WZAL tried its best to cover local news, and did a darn good job with limited resources. The station also covered high school sports, and even allowed me to be interviewed on occasion at halftime. Again, there was no competitive rancor, just an appreciation for the game and each other's talents.

Rotary Club will not be the same without Jim DeVan. Covering county commission meetings won't be the same either. Or the parades, or shows like Music On The Square, or . . . Yes, the passing of Jim DeVan has left a gigantic void in Henry County.

To Karen and the kids, we all say, "We love you. We're incredibly sorry Jim had to be snatched from you. Remember the husband, father, and community giant he was."

We were all made a little bit better by having known Jim DeVan. And it still hurts that he is gone.

[From the Henry Herald, July 12, 1991]

COUNTY MOURNING LOSS OF WZAL'S JIM DEVAN

(By Joe Hiett)

"It has left a big void in Henry County," commented Henry Chamber of Commerce President David Shedd upon learning of the tragic death Wednesday of WZAL General Manager Jim DeVan. Other well known leaders, both in Henry County and in the Georgia Association of Broadcasters, were also saddened by the news, and shared their thoughts with The Herald.

McDonough Mayor Billy Copeland said, "I was just taken aback. I had been in Rome all day, and I was just devastated. I still cannot believe it. He was a dear friend.

"Although he was not in elective office, he was the greatest public servant Henry County has ever known. He believed in us. We're lowering the flag in McDonough through Monday in his memory.

"I've been so sad. It's been a terrible day for all of us. I think about the pageant, Music In The Park, all the things he was involved in," Mayor Copeland added. "Certainly the entire Henry County community has suffered a tremendous loss."

"The entire community is really shaken up. I don't know of a finer more community-minded person anywhere, and he was a fine Christian gentleman," said Tom Wise, Vice President of C & S Bank of McDonough. "I first met him in 1984 and two months later he and I with some others were very involved in bringing a Rotary Club to Henry County. It's just hard to believe. Jim was a selfless person, always genuinely caring."

"He epitomized the ideal corporate citizen, and really the ideal citizen," Shedd added. "He was committed and devoted to Henry County, a real cheerleader for everything that is good here. In so many ways for so many different reasons he'll be missed."

Earlier this year, DeVan was selected as the first recipient of the Small Businessperson of the Year award bestowed by the Henry Chamber of Commerce. "He was nominated by one of his employees (Tom Linde), which says a lot. The decision by the committee to award the honor to Jim was unanimous," Shedd said.

Dick Melious is 1991-92 president of the Rotary Club of Henry and was a close friend of DeVan. Melious said, "Jim was a tremendous guy, really hardworking. He was well educated, well read, and had a great sense of humor. He was interested in the arts, and knew jazz and classical music. He and I used to swap records. Everybody is certainly going to miss him."

Dr. Jim Bradshaw, pastor of The First Baptist Church of McDonough, was shaken up by the news. He said, "It's certainly a loss of a great personal friend, and one of the finest Christians I've ever met. He was so gracious and kind, and reminded me of the thought that 'uou'd rather see a sermon lived than hear one.' Jim was the best in everything he did. We've lost not only a friend, but one of the strongest contributors to making the world a better place."

Shedd, Melious, Wise and Bradshaw all were in the Rotary Club with DeVan. They all talked of his hard work there, serving one term as club president and the other years as program chairman, a hard task he did very well.

County Commissioner Dave Crawford said, "I think Jim was Mr. Henry County. He volunteered his time at all the functions—gave so much to this community. He was a really dedicated person, really involved. I'm really shaken up. If you were around Henry County much, you know he gave so much to the community. I just really hate it, I'll really miss him."

"In his news reporting from the county commission, he was really fair. I thought he did a super job. The entire community will miss him greatly," Crawford added. "I feel for his super wife and two children."

Bill Sanders, executive director of the Georgia Association of Broadcasters, said Thursday morning he had known DeVan for almost 20 years. "I think Jim's death is a blow to the broadcasting industry. He is a former pres of GAB, and devoted a tremendous amount of time and energy to the association for more than a decade.

"For me it's a personal loss as well. I have held Jim up for many years as the model of what a small time aggressive broadcaster should be. I was receiving calls as late as midnight from broadcasters throughout Georgia, expressing their sorrow. I've been in this business over 30 years and this is one of the most devastating blows this industry has suffered."

INTRODUCTION OF LEGISLATION REPEALING THE CAP ON PHYSICAL THERAPY SERVICES

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. RICHARDSON. Mr. Speaker, today I am introducing legislation to repeal section 1833(g) of the Social Security Act which limits Medicare reimbursement to $750 in any calendar year for physical therapy or occupational therapy provided by therapists in independent practice.

The $750 cap on Medicare reimbursement is arbitrary, and is a redundant and ineffective means of utilization control and cost containment. More importantly, the cap negatively impacts beneficiary quality of care because of interruptions in the course of treatment as the cap is neared or breached.

Medicare coverage guidelines already ensure the medical necessity of treatment by requiring that all physical and occupational therapy services provided to beneficiaries pass a three-point test. First, all therapy services must be prescribed by a physician. Second, a written plan of treatment relating the type, amount, frequency, and duration of the therapy services including the anticipated goals of the treatment must be provided by the attending physician. Any changes in the plan of treatment must be approved by the physician. Finally, the beneficiary's physician must review the plan of treatment and recertify the patient's continuing need for therapy services as least every 30 days.

Additionally, the Health Care Financing Administration under the mandate of the Omnibus Budget Reconciliation Act of 1989 (Public Law 101-239) has placed the services of physical and occupational therapists in independent practice under the new Medicare physician fee schedule and volume performance standards. Medicare reimbursements for therapy services furnished by independent practitioners will be further controlled by the fee schedule. More importantly, overall therapy service volumes will be subject to the new volume performance standards. Medical necessity and cost containment are ensured by these provisions, not an arbitrary limit of $750.

The cap also unfairly targets only those services provided by therapists in independent practice and disrupts prescribed therapy services for Medicare beneficiaries. Physical and occupational therapy care for most illnesses and injuries require a series of treatments over a period of several weeks or even months, rather than a single treatment. While most therapy patients are able to receive a full course of treatment within the financial constraints of the $750 limit, those who cannot merely circumvent the limit by continuing care in more expensive alternative settings such as physician's offices or hospital-based settings.

As is to be expected, data indicates that the Government is paying a higher price for this alternative therapy. A study of 1988 Medicare reimbursement data for physical therapy services indicates that on average, Medicare paid $1.62 more for the same services when they were delivered by physician providers than when they were provided by physical therapists in independent practice. This number becomes significant when one considers that one billion physical therapy procedures were billed to Medicare in 1988.

This inequity is of particular concern in rural areas. An October 1990 Department of Health and Human Service report to Congress on health personnel shortages found a majority of States, including my State of New Mexico, reporting a severe shortage of physical therapists. The report states that "shortages were especially severe in rural areas, where many rural counties have no access to physical therapy services whatsoever." The $750 limit is especially burdensome on the elderly in rural areas where access to other providers of therapy services is severely limited if available at all.

My legislation would eliminate this arbitrary limit and allow beneficiaries to receive therapy which is certified as medically necessary and reimbursed pursuant to a fee schedule. Patients most in need of treatment would no longer face the choice of discounting treatment on their own, or receiving therapy services in another, perhaps more costly, setting. I urge my colleagues to support this important legislation.

HONORING FRANK PASQUERILLA

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MURTHA. Mr. Speaker, I would like to take a moment to recognize an outstanding community leader and a close personal friend, Mr. Frank Pasquerilla, on the occasion of his 65th birthday.

A native of Johnstown, Frank has been a cornerstone of the community for many years.

He joined a small construction company in Johnstown in 1951 as a payroll clerk and junior engineer. Forty years later, Frank is the chairman and chief executive officer of the Crown American Corp., the small construction company that has now developed more than 30 shopping malls, as well as hotels and office buildings. Crown American also operates Hess' Department Stores, the 26th largest retail firm in the country.

Frank is a shining example of how hard work and dedication can result in success. And best of all, Frank has shared this success. His contributions to Georgetown University, the Pittsburgh Opera, the University of Pittsburgh at Johnstown, St. Francis College, and Notre Dame University, as well as many other worthy causes, show how much Frank cares about his fellow man. But most important is the concern Frank shows for individuals, especially for families. So many people tell me of the things he has done, quietly, for people in need. I know this concern comes from how much Frank's own family, his wife Sylvia and his children, Mark and Leah, mean to him.

There are many success stories in our Nation, stories of people who have risen from modest means to become outstanding leaders in their field. Few of them can match the Frank Pasquerilla story. I'm proud to call Frank a friend, and I'd like to wish him a happy 65th birthday, with the knowledge that 65 doesn't mark an ending point in his career, it simply opens a new phase in Frank's contributions to the people of Johnstown and the United States.

VOTING RECORD OF THE HONORABLE DON J. PEASE

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PEASE. Mr. Speaker, it has become my practice to insert periodically in the CONGRESSIONAL RECORD a list of key votes that I have cast in the U.S. House of Representatives.

The list is arranged in this manner: Each item begins with the rollcall vote number of the bill or resolution that the House was considering, followed by the bill number and a summary of the issue. This is followed by my own vote on the issue and the vote outcome.

This list of votes covers the period of January 12, 1991, through June 26, 1991.

KEY VOTES OF CONGRESSMAN DON J. PEASE

(7) H. Con. Res. 32. Authorization of Action Against Iraq. Expressing Congress' sense that, according to the U.S. Constitution, the president must receive congressional approval before taking offensive action against Iraq. Yes. Passed 302–131.

(8) H. Con. Res. 33. Sanctions Against Iraq. Expressing Congress' sense that continued sanctions and diplomatic efforts should be given more time to pressure Iraq to withdraw from Kuwait. Yes. Failed 183–250.

(9) H.J. Res. 77. Force Against Iraq. Authorizing military force against Iraq if it has not withdrawn from Kuwait and complied with U.N. Security Council resolutions by January 15. No. Passed 250–183.

(10) S. Con. Res. 2. U.S. Forces in the Gulf. Commending and supporting the president's efforts in the Persian Gulf and supporting unequivocally members of the armed forces in the Gulf. Yes. Passed 399–6.

(11) H. Con. Res. 41. Iraqi Attacks on Israel. Condemning Iraq for its attacks on Israel, commending Israel for showing restraint, recognizing Israel's right to self-defense, and reaffirming America's commitment to helping Israel preserve its freedom and security. Yes. Passed 416–0.

(16) H.R. 556. Agent Orange Act. Providing permanent disability benefits to veterans suffering conditions from exposure to Agent Orange. Yes. Passed 412–0.

(17) H.R. 555. Soldiers' and Sailors' Civil Relief Amendments. Reinstating automatic health insurance for people in the armed services called for active duty, suspending evictions, civil actions and professional liability insurance for them. Yes. Passed 414–0.

(27) H.R. 707. CFTC Reauthorization. Reauthorizing the Commodity Futures Trading Commission, providing $48.5 million in FY 1992 and $53 million in FY 1993 and instituting a number of measures to establish closer regulation of the futures markets. No. Passed 395–27.

(28) H. Res. 95. Desert Storm Commendation. Acclaiming the president for his leadership in the Persian Gulf, expressing the highest commendation for U.S. and coalition troops in Operation Desert Storm, conveying condolences to families and friends of war casualties, and supporting continued peace promotion efforts in the Persian Gulf region. Yes. Passed 410–8.

(29) H.R. 991. Defense Production Act. Authorizing $50 million to ensure that domestic industry can provide goods necessary for national defense and permitting the president to block the takeover of U.S. businesses by foreign investors. Yes. Passed 416–0.

(56) S. 419. RTC Financing. Conference report providing $30 billion to the Resolution Trust Corporation to pay for FY 1991's costs of failed thrifts. Yes. Passed 225–188.

(58) S. 275. FY 1991 Defense Supplemental Authorization. Authorizing Defense Department to draw on foreign contributions to pay for Operation Desert Shield/Storm and $15 billion in U.S. funds if foreign funds are insufficient; authorizing an increase in troop levels; authorizing $400 million for family, health, and other benefits for military personnel and $255 million for education programs for veterans in FY 1992–1993. Yes. Passed 396–4.

(61) H.R. 1281. FY 1991 Supplemental Appropriations. Providing $5,441,058,100 in FY 1991 for various government agencies and programs, including $655 million in increased military and veterans benefits. Yes. Passed 340–48.

(62) H.R. 1282. Desert Storm Supplemental Appropriations. Providing $42 billion for costs of the Gulf War, up to $15 billion from U.S. funds if foreign contributions are insufficient. Yes. Passed 379–11.

(65) H.R. 1047. Veterans' Benefits Improvement Act. Authorizing $5 million annually for the next five years to improve veterans' compensation, pension, and life insurance programs, including protecting veterans against reductions in disability benefits if a veteran's condition has not improved. Yes. Passed 399–3.

(69) H. Con. Res. 121. FY 1992 Budget Resolution. Amendment cutting entitlement programs by $48.6 billion over five years, including $27.2 billion in Medicare cuts over five years. No. Failed 114–303.

(72) H.J. Res. 222. Railroad Dispute. Mandating mediation to end a nationwide railroad strike. Yes. Passed 400–5.

(76) H.R. 1988. FY 1992–1994 NASA Authorization $14.9 billion in FY 1992, $10.8 billion in FY 1993, and $11 billion in FY 1994 for the National Aeronautics and Space Administration. Yes. Passed 361–36.

(83) H.R. 7. Handgun Waiting Period. Requires seven-day waiting period for handgun purchases to allow authorities to conduct a criminal records check on the purchaser. Yes. Passed 239–186.

(97) H.R. 2100. FY 1992 Defense Authorization. Amendment terminating the Strategic Defense Initiative Organization and permitting only basic SDI research program. No. Failed 118–266.

(109) H.R. 2100. FY 1992 Defense Authorization. Amendment providing reproductive health services, including privately paid abortions, at military hospitals, for servicemen and dependents overseas. Yes. Passed 220–208.

(110) H.R. 2100. FY 1992 Defense Authorization. Authorizing appropriations of $291 billion for Defense Department and related programs for FY 1992, terminating production of the B–2 "Stealth" bomber, cutting funding for some SDI research, and allowing the use of women as combat pilots in the Navy and Air Force. Yes. Passed 268–161.

(112) H. Con. Res. 121. FY 1992 Budget Resolution. Setting budget levels for FY 1992 at $1.59 trillion budget authority, with a $278.8 billion deficit. Yes. Passed 239–181.

(113) H.R. 2251. Iraqi Refugee Supplemental Appropriations. Appropriating $235.5 million in FY 1991 for humanitarian aid to Iraqi refugees, including the Kurds, and peacekeeping operations, $320.5 million for the Defense Department's humanitarian relief operations, and $16 million for financial aid to families of U.S. servicemen. Yes. Passed 387–33.

(115) H. Res. 101. Disapproval of Fast-Track Procedures. Disapproving the president's request for a two-year extension of fast-track negotiating procedures for trade agreements such as a U.S.-Mexico Free Trade Agreement. Yes. Failed 192–231.

(119) H.R. 2427. FY 1992 Energy and Water Appropriations. Appropriating $21 billion in FY 1992 for energy, water, and nuclear energy programs, including $500,000 to shore up the Lorain Lighthouse. Yes. Passed 392–24.

(121) H.R. 2426. FY 1992 Military Construction Appropriations. Appropriating $8,483,006,000 for military construction and family housing, including $759 million for the cost of shutting down U.S. military bases. Yes. Passed 392–18.

(131) H.R. 1. Civil Rights Act of 1991. Reversing and modifying six Supreme Court decisions that weakened job discrimination laws and authorizing monetary damages for victims of discrimination based on religion, sex, or disability. Yes. Passed 273–158.

(137) H.R. 2506. FY 1992 Legislative Branch Appropriations. Appropriating $1.8 billion for congressional and legislative agencies' operations in FY 1992. Yes. Passed 308–110.

(143) H.R. 2519. FY 1992 VA and HUD Appropriations. Appropriating $81 billion in FY 1992 for the Department of Veterans' Affairs, the Department of Housing and Urban Development, the Environmental Protection Agency, the National Aeronautics and Space Administration, the National Science Foundation, and other agencies. No. Passed 363–39.

(145) H.R. 2521. FY 1992 Defense Appropriations. Appropriating $270 billion for the Department of Defense for personnel, operations and maintenance, procurement, and research and development in FY 1992. No. Passed 273–105.

(154) H.R. 2608. FY 1992 Commerce, Justice, State, and Judiciary Appropriations. Appro-

priating $20.9 billion for the Department of Commerce, Justice, State, and for the Judiciary and related agencies. Yes. Passed 338–80.

(164) H.R. 2622. FY 1992 Treasury/Postal Appropriations. Appropriating $19.7 billion for the Treasury, the United States Postal Service, the Executive Office of the President, and independent agencies. Yes. Passed 349–48.

(173) H.R. 2508. FY 1992–1993 Foreign Aid Authorization. Amendment withholding $82.5 million from Israel in FY 1992 unless the Israel government demonstrates that it is not investing in new settlements in the West Bank and Gaza Strip. Yes. Failed 44–378.

(176) H.R. 2508. FY 1992–1993 Foreign Aid Authorization. Amendment prohibiting aid to the USSR unless the president certifies that the USSR has improved human rights, entered negotiations with the Baltic States, decreased military expenditures, taken steps toward a free market economy, or unless it is in the national interest to provide aid. Yes. Passed 374–41.

(181) H.R. 2621. FY 1992 Foreign Operations Appropriations. Appropriating $15 billion for foreign military and economic assistance and export financing in FY 1992. No. Passed 301–102.

(185) H.R. 2508. FY 1992–1993 foreign Aid Authorization. Authorizing $12.4 billion in FY 1992 and FY 1993 for foreign economic and military assistance. No. Passed 274–138.

(187) H.R. 429. Reclamation Projects Authorization. Authorizing funds for various water projects, providing for fish and wildlife restoration, and other purposes. Yes. Passed 360–24.

(192) H.R. 2686. FY 1992 Interior Appropriations. Amendment eliminating all funding for the National Endowment for the Arts. No. Failed 66–361.

(194) H.R. 2686. FY 1992 Interior Appropriations. Amendment increasing the domestic livestock grazing fee on public lands administered by the Bureau of Land Management. Yes. Passed 232–192.

(196) H.R. 2686. FY 1992 Interior Appropriations. Appropriating $12.7 billion for the Department of Interior and related agencies in FY 1992. Yes. Passed 345–76.

(200) H.R. 2707. FY 1992 Labor, HHS, and Education Appropriations. Appropriating $204 billion for the Departments of Labor, Health and Human Services, and Education and for related agencies. Prohibiting the use of funds to keep federally funded family planning projects from giving information on abortions. Yes. Passed 353–74.

(201) H.R. 2698. FY 1992 Agricultural Appropriations. Appropriating $52 billion in FY 1992 for the Department of Agriculture, the Rural Development Administration, the Food and Drug Administration, and related agencies. No. Passed 368–48.

THE FOOD QUALITY PROTECTION ACT OF 1991

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. BRUCE. Mr. Speaker, as many of America's farmers suffer through another drought, the effects of lost production on regional economies, food costs, individual farmers, and consumers are becoming painfully clear.

This drought, and the floods which harmed many other areas of the country, cannot be controlled by man. The devastation which they bring can only be avoided through the most extravagant of measures. If Congress is not careful, we could add to this devastation through passage of food safety legislation which adds neither to food safety, nor the overall quality of the American diet. Fortunately, an effective and responsible alternative now exists.

Today, I am joined by my good friends, Mr. BLILEY, Mr. STENHOLM, Mr. ROBERTS and many others in introducing the Food Quality Protection Act of 1991. This legislation addresses the legitimate need to remove pesticides deemed to be harmful to human health from the food supply. It also establishes a responsible negligible risk standard which protects human health while giving the Environmental Protection Agency the ability to adjust standards as science evolves.

When former Surgeon General C. Everett Koop submitted testimony to the House Health and Environment Subcommittee earlier this summer, he summed up the extent of current health problems resulting from the quality of food produced in the United States. Koop said:

> While approximately 9,000 people die from bacteria-caused food poisoning each year, there is no scientific evidence showing that residues from the lawful application of pesticides to food have ever caused illness or death.

Some well-meaning efforts to improve the safety of the Nation's food could actually cause health problems, particularly for low-income Americans. Nearly 30 million Americans spend 40 percent or more of their income on food. While wealthy Americans may be able to afford 10- to 15-percent increases in the costs of grain-based foods, and up to 35-percent increases in fruits and vegetables, these low-income Americans will be forced to do with less. Less fiber. Fewer vitamins and minerals. But more malnutrition. Passing legislation which ignores the human health benefits of an affordable and abundant food supply would be irresponsible.

There are other fundamental considerations which must be taken into account in pursuing food safety legislation in this Congress. When crop yields suffer, whom will we tell they must do without food? Will it be the peoples of the Sudan, India, and the Soviet Union? Or will we be telling this to the peoples of Appalachia, the impoverished in my congressional district, low-income urban residents, or the poor elderly?

We must know that even if America decides it can feed its own citizens, the lost production will result in lost markets overseas. In place of United States grain, will the Brazilians accelerate their rain forest destruction to provide more food crops to the global markets? Will other countries expand their production? How will other countries regulate pesticide use on this increased production? Better than the United States? I doubt it. Should we be involved in passing legislation which provides no health benefits to Americans, destroys the livelihood of thousands of U.S. families, and leads to additional pesticide ingestion in the world's most impoverished countries? The answer is no.

The Food Quality Protection Act also answers these questions with a resounding "No" by recognizing the careful balancing which must occur between providing for sound nutrition and the desire to remove pesticides from our food supply. No one wants pesticide residues on their food. But the simple fact is that herbicides, insecticides, and fungicides are an integral part of the growing process. They are needed to protect the quality and affordability of our food.

This legislation takes several critical steps to improving food safety which less-comprehensive proposals ignore. The Food Quality Protection Act would streamline the lengthy and cumbersome pesticide cancellation process under the Federal Insecticide, Fungicide and Rodenticide Act [FIFRA]. These changes will significantly reduce the timeframe for removing pesticides from the market after EPA determines them to be hazardous.

In addition, the legislation requires the Administrator of the EPA and the Secretary of Agriculture to research, develop, and disseminate information on integrated pest management techniques and other pest control methods. These efforts would enable producers to reduce or eliminate applications of pesticides which pose greater than negligible dietary risk to humans. This provision requires that the program focus first on crops critical to a balanced, healthy diet.

Tremendous problems already exist in lost production resulting from pesticides no longer accessible to minor-use crops. Already, the concerns of lost pesticide use derived from the intensive and expensive EPA review process is being felt by consumers, and farmers.

Additions to this legislation will be needed to address this substantial problem. While the sponsors of this bill have yet to produce a section which we believe would satisfy these very legitimate concerns, it is our intention to continue working on this problem with many interested Members of the Congress, including Mr. LEHMAN of California and Mr. ROWLAND of Georgia.

The Food Quality Protection Act of 1991 is responsible, effective, and carefully crafted to protect consumers, farmers, and the quality of the Nation's diet. I urge my colleagues to join us in pursuing a rational response to the crisis of confidence in our Nation's food supply.

THE STEP BILL

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. JOHNSON of South Dakota. Mr. Speaker, today I have introduced the Small Town Environmental Planning Act [STEP]. Its overall goal is to relieve small towns from compliance with specific environmental deadlines and to let them achieve compliance with all relevant Federal environmental laws as fast as they can, given financial constraints. This is the companion to Senator JEFFORD'S bill. S. 1226.

The bill creates a voluntary environmental planning process. Small towns and communities that choose to participate prepare a plan to achieve full compliance. As long as States implement their plan, they cannot be sued by EPA or citizens. In preparing the plan, the communities can include economic and technical considerations in setting their compliance priorities.

EPA must prepare a list of regulations with which small communities must comply in an easy-to-read format. EPA must issue the regulations required to implement this program in a form that is easy to understand. The regulations must be such that the resulting plan need not be more than 20 pages long. Last, States can choose to prepare the plans for small towns.

The STEP bill will assist small towns in South Dakota and across the Nation that are unable to comply with existing mandates. Under current conditions, EPA and States undertake compliance actions against towns held in violation of current law. The towns will then spend money on lawyers rather than on compliance. Ultimately, EPA and the town will come up with a compliance schedule. This bill accomplishes the same result with less hardship and litigation. EPA's resources are also not misdirected at a large number of small towns.

Mr. Speaker, if passed, the STEP bill will enhance the environment and public health because it will encourage compliance with existing law, while also allowing rural America to attack serious environmental problems.

THE 100TH ANNIVERSARY OF THE COUNTY LONGFORD ASSOCIATION

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MANTON. Mr. Speaker, I wish to bring to my colleagues' attention an important landmark which was reached this past February by a valuable New York City civic organization. This year the County Longford Association of Greater New York celebrates its 100th anniversary of service to the ethnic and cultural growth of New York City.

On February 12, 1891, a group of six Irish pioneers bonded together and founded the County Longford Association to dedicate themselves to serve those in need and enhance the quality of life in New York City. These pioneers adhered to the last words of Padric Pearse, "We have kept faith with the past and have handed a tradition to the future." Their goals were to extend love, friendship, and Christian charity to their members and friends. The County Longford Association has successfully met its goals of helping others and will undoubtedly continue to do so in the years ahead. They take pride in their Irish heritage and that for which it stands.

Mr. Speaker, as we mark the Centennial of the County Longford Association of Greater New York, we must remember the Longford pioneers' 100 years of dedication and commitment to the New York community. I commend the Longford Association for their invaluable services to society.

TAX CODE AMENDMENT

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MOODY. Mr. Speaker, last week in testimony before the Ways and Means Committee, the American Bar Association joined a chorus of voices criticizing an obscure provision of the 1990 Budget Reconciliation Act which has had an extremely negative effect on efforts of corporations to avoid bankruptcy. Today, I am introducing an amendment to the Tax Code to respond to the appeal of a growing number of tax experts who believe that the 1990 amendment should be repealed.

Section 11325(a) of the Revenue Reconciliation Act of 1990 amended title 26 of the Internal Revenue Code of 1986 [IRC] by adding section 108(e)(11) and repealing section 1275(a)(4). These amendments significantly affected the treatment of exchange of outstanding debt instruments for new debt instruments of the issuer—debt-for-debt exchanges. In addition to the American Bar Association, a number of tax and financial experts, including the New York State Bar Association's tax section, have carefully examined the action taken by the Congress last year and concluded that it was a mistake. My bill, set out below, is intended to remedy that mistake and restore the preexisting law.

In the course of restructuring debt, corporations sometimes enter into agreements with debt holders to exchange old bonds with a high interest rate for new bonds with the same face value but with a lower interest rate. For example, if a company cannot afford to pay 10 percent interest on a $100-million debt, bond holders may agree to exchange the existing 10 percent bonds for new bonds worth $100 million at an interest rate of 7 percent, with the same maturity date as the original bond. The advantage of such a restructuring is that it enables the company to remain a going concern with continued capability to meet its obligations not only to debt holders, but also to continue to provide jobs for its workers, dividends to its stockholders and Federal treasuries. The alternative would often be bankruptcy. Last year corporate bond defaults increased 109 percent over those in 1989—from $11.7 billion to $24.6 billion—according to the Bond Investors Association.

Prior to amendment of the code by the 1990 Revenue Reconciliation Act, the exchange of new bonds at a lower interest rate for old, higher rate bonds did not create a taxable event as long as the face value of the bonds remained the same. The basis for this treatment was that the bond holder remained liable for the full repayment of the amount of principle on the face value of the bond and, therefore, there was no gain in capital to the borrower.

However, as noted above, the 1990 Revenue Reconciliation Act eliminated those provisions in the code which exempted these kinds of debt-for-debt exchanges from taxation. Under the 1990 amendment, the new bonds are not valued at their face amount but are discounted to the amount of their trading value on a securities exchange. Thus, if a $1,000 bond, carrying a 15-percent interest rate with an 8-year maturity, were exchanged 2 years after it was issued for a $1,000 bond maturing in 6 years but carrying a 10-percent interest rate, the bond might trade publicly for only $400. The $600 difference between the face value of the bond and the discounted value would be considered taxable to the issuer of the bonds. The result is that a company and its creditors, who are trying to work out ways of keeping the business going, will be saddled with a 34% tax on their efforts. Harvard Professor Michael Jensen believes that companies restructuring after the repeal of 1275(a)(4) no longer opt for debt swaps but file for bankruptcy in order to avoid possible tax liability. This obviously discourages informal restructuring efforts.

With an opportunity to more carefully examine the practical consequences of the repeal, it might be noted that rather than engage in the kind of informal restructuring encouraged by 1275(a)(4) companies will now simply chose formal bankruptcy proceedings. Under the code as it now stands after the repeal, non-taxable debt-for-debt exchange is still permitted if the debtor is insolvent. This encourages companies to choose bankruptcy over an informal negotiated restructuring with their creditors outside of the bankruptcy courts. A recent example is Astex, Inc., a Long Island electronics distributor, which on May 30 of this year issued a press release stating that it was declaring bankruptcy because last year's tax law changes made any other form of restructuring impossible. Encouraging companies into bankruptcy is never good public policy. As was noted in a recent article by Gary Wilcox and David Bierman published in the "Virginia Tax Review" (Vol. 10, No. 3, Winter 1991 at 665) concerning the change made in the 1990 Act:

> Although it may be early to assess the economic impact of the legislation on corporate debt restructurings, certain adverse consequences are virtually certain to follow. Troubled taxpayers that need to restructure their debt outside of bankruptcy, but have neither sufficient insolvency nor NOL carryforwards to offset the cancellation of indebtedness income, may be forced to elect bankruptcy as the only means of avoiding a substantial tax liability.

Moreover, it should be noted that the practical impact of the repeal and its drastic reduction or elimination of the informal restructuring option will have a significant impact on the revenue projections accompanying this change in the law. Obviously, the assumption was that by making the debt-for-debt exchange in the informal restructuring a taxable event, revenue would be raised. However, as several experts in the field have noted, the repeal has made the informal option far less appealing and such restructuring arrangements may simply not take place as Astrex, Inc.'s, decision demonstrates.

Mr. Speaker, I believe the hasty step undertaken in the 1990 Reconciliation Act must be reviewed and its unfortunate consequences reconsidered. We must carefully consider the views of a growing number of experts in this field, such as the 1990 Nobel economic laureate Morton Miller, who in his acceptance speech in Stockholm, characterized this change in the code as unfortunate. I hope my amendment to reverse this unfortunate mistake would be given early and favorable consideration.

WISCONSIN FOURTH DISTRICT GIRL SCOUTS RECEIVE GOLD AWARDS

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KLECZKA. Mr. Speaker, last month, four Girl Scouts from the Fourth Congressional District of Wisconsin, which I am privileged to represent, were given Gold Awards, the organization's highest honor.

These young women are an asset to the community, and I would like to take this opportunity to give deserved recognition to their work and dedication.

Gold Awards can only be earned by Senior Girl Scouts between the ages of 14 and 17. They are required to complete four special interest projects which include 30 hours of leadership in at least two activities, an intensive career investigation, and a special service project.

The young women who received the Gold Award and their special projects are: Therese Galecke of Greendale who developed a 5-year land management plan for a Girl Scout memorial sanctuary; Melissa Kosinski of Greenfield who planned and implemented an Easter basket food drive; Christine Stailey of West Allis who planned and implemented a blood donation drive; and Wendy Zens of Oak Creek who also coordinated and implemented an Easter basket food drive.

Again, I congratulate these young women and thank them for their service to the community.

A TRIBUTE TO THE INTERNATIONAL JEWISH COMMITTEE FOR SEPHARAD '92

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SOLARZ. Mr. Speaker, I rise today to pay tribute to the International Jewish Committee for Sepharad '92. This committee was established to commemorate the 500th anniversary of the expulsion of the Jews from Spain. It is critically important to remember this tragic moment of anti-Semitism and intolerance because it teaches us valuable lessons about the horrors of prejudice which are just as relevant today.

Mr. Andre G. Sassoon, the co-president of the Committee, has written an eloquent article in the New York Jewish Week which articulates the lessons of the expulsion and the goals of this commemoration. I proudly commend Mr. Sassoon's commentary to my colleagues.

[From the Jewish Week, Inc., May 31–June 6, 1991]

THE MEANING OF SEPHARAD '92

(By Andre G. Sassoon)

As we approach 1992, questions have been raised concerning the campaign for the quincentenary of the expulsion of Jews from Spain.

What or why are we celebrating? Has Spain been exonerated? Why not only recognize Turkey's assistance?

Unfortunately, some of the questioners already have provided their own misinformed answers.

Let me try to put some issues to rest.

The International Jewish Committee for Sepharad '92 was formed to commemorate the 500th anniversary of the expulsion of the Jews from Spain. That event was a tragic occurrence and must remain etched in the historic memory of the Jewish people.

Spanish Jews were forced to choose. Some chose conversion and the loss of their collective identity. About half responded with their feet and undertook a long, painful march to new lands rather than surrender the traditions of their ancestors.

Families were torn apart. Thousands died en route. Those deaths must continue to be mourned, for the tragic loss to individual families and to the Jewish world was immense.

However, Sepharad '92 was created not only to commemorate a tragedy but also to celebrate the Sephardic heritage and its contributions to Jewish and world history. With the forthcoming quincentenary, we have been given a unique opportunity. Any educator or publicist would agree that the Jewish contributions to Spanish culture could not be celebrated in any other year as fittingly as it will be in 1992, when public awareness will be at its height.

We are utilizing this unique opportunity to create an awareness of Jewish history and its impact on the Iberian Peninsula and throughout Europe, the Mediterranean basin and the Western Hemisphere.

Through a major traveling exhibition in cooperation with the Smithsonian Institution, as well as through special events and educational projects, the committee is capitalizing on the public attention that will be given to this landmark year. In general, our programs hope to sensitize the world to varied and highly creative accomplishments of Sephardic Jewry, especially during the period known as the "Golden Age."

Under the Moslem caliphate Jewish creativity exploded in such areas as science, religious thought, poetry and music—the poetry of Yehuda Ha Levi, the scientific and philosophic innovations of Maimonides, and, later, the profound contributions to astronomy by Abraham Zacuto.

Certainly, the trauma of the expulsion and the subsequent welcome and resettlement of Jews in other countries, especially in the Ottoman Turkish Empire and in Morocco, are part of the Jewish experience that must be appropriately recognized.

But that trauma must also teach us something for our time. We therefore are promoting the lessons to be learned from the destructive impact of intolerance and prejudice. This is a propitious moment, for the uncertainty of economic and political changes has unleashed racism, anti-Semitism and xenophobia in much of the world.

Our program is also targeted at bringing together Jews, Christians and Moslems, recalling a time when these three faith communities dwelt in harmony in Spain and gave birth to great scientific, literary and religious works. Is it not possible that applied to the Middle East, such an effort at reconciliation would be a step toward peace between Israel and its Moslem neighbors?

Many Spaniards now accept the negative impact the expulsion had on their own nation. Spain rejected a uniquely talented minority that had contributed enormously to the development of its daily life. The result was an irreparable loss to its culture, commerce and scientific development.

We can also legitimately recognize that changes are taking place and encourage additional changes. Long identified by its Catholic majority, Spain has recently made Judaism and Protestantism equal to Catholicism before the law. It now has normal diplomatic relations with Israel.

Reacting to the concept that the quincentenary should provide the world with greater insight into the devastating effects of prejudice and discrimination, the king agreed that on March 31, 1992, he will move to officially lift the Edict of Expulsion. More recently the crown prince awarded to Sephardim the prestigious Prince of Asturias Concorde Prize, which is the Spanish equivalent of the Nobel Prize.

Do we conclude that because there have been changes in the relations between Spain and the Jewish world, Jews should now be silenced? On the contrary. Not for one instant are we going to paper over the enormous tragedy of the expulsion. But there is also a history of which we can be immensely proud, and I want my children and grandchildren to be proud of their Jewish heritage.

We will reaffirm the resiliency of the Jewish people and its ability to survive and flourish despite heavy odds. We will continue to emphasize the centrality of the state of Israel and its importance to the creativity and well-being of the Jewish people. We will illustrate the contributions Jews have made to the many nations and cultures in which they lived. Are these not worthy of celebration?

Sepharad '92 is an issue in which the entire Jewish world should get involved. And it doesn't stop in 1992.

The message will continue: "Here is your heritage and your history. Carry them with great pride, for you have earned it."

"CATCH THE VISION" OF SMYRNA, GA

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DARDEN. Mr. Speaker, over the past several decades, the escalating popularity of shopping malls, suburbs, and the like has slowly suffocated downtown life as we once knew it. In order to meet the growing needs of the more desirable outlaying areas, most businesses took their business elsewhere. Those which did stay behind usually suffered greatly due to the demise of patron traffic. Many downtown communities were transformed into veritable ghost towns.

Just more than a year ago, the city of Smyrna, GA decided to bring its downtown community back to life. Under the leadership of Smyrna Mayor Max Bacon and the Smyrna city council, the city launched its greatest project in city history titled "Building a Dream." The plan includes a $15 million for a 55,000-

square-foot community center and a 28,000-square-foot library. The Community center will feature two gymnasiums, an indoor track, weight room, an arts-and-crafts work station, a community room with table seating for 60, three racket-ball courts, a television room, and a child-care area. The new library, which opened this past week, has been deemed a success with more than 1,000 books being checked out its first day of operation. The library houses a meeting room, conference room, theater, children's library reading lounge, and 53,000 books with a capacity to hold 106,000 books. A new city hall, police station, and fire station also are planned.

On Saturday the city of Smyrna is inviting everyone to "Catch the Vision" in its theme for a dedication ceremony and grandopening party for the two new completed facilities.

Mr. Speaker, Smyrna should serve as a model to other cities in danger of losing their historic downtown communities. These restoration and improvement efforts will ensure that Smyrna maintains a viable and lively downtown community. There will be plenty of room to grow for many years to come. This project has been an exceptional one in concept, design, and planning. I would like to commend the following on a job well done: Mayor Bacon; the members of the Smyrna city council, Jack Shinall, Bob Davis, Wade Lnenicka, Bill Scoggins, Jim Hawkins, Kathy Jordan, and Pete Wood, and former councilman John Steely; City Adminstrator John Patterson; and Atlanta businessman John Williams. Together, they have created and accomplished a lasting contribution to the city of Smyrna and State of Georgia.

HONORING JOHN O. CROSBY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. RICHARDSON. Mr. Speaker, it gives me tremendous pride and joy to share with you the news that one of my constituents is one of our Nation's National Medal of Arts recipients. The founder and current president of the Santa Fe Opera, John Crosby, is the well deserved winner of this year's prestigious arts competition.

I have known John for many years and can assure my colleagues that there is no one more deserving of this medal than he. Through John's extraordinary vision, he has created an internationally known opera that has drawn attendees from numerous countries, has helped train countless numbers of American artists, and has proudly presented new and unknown works.

I urge my colleagues to join me in congratulating this distinguished American, John Crosby, for his outstanding contributions in the arts community. A short article about John and the other National Medal of Arts winners which appeared in the Washington Post follows:

J. Carter Brown, director of the National Gallery of Art for the past 22 years, yesterday was named one of this year's 12 recipients of the National Medal of Arts. During Brown's tenure, attendance at the gallery has increased from 1 million to nearly 7 million a year, and the museum's collection of 20th-century art has expanded greatly, in large part through the opening of the I.M. Pei-designed East Wing. He will receive his medal from President Bush and his wife, Barbara, in a Rose Garden ceremony today.

Violinist Isaac Stern, country singer Roy Acuff and Actress Kitty Carlisle Hart are among the other winners of the medal, given annually since 1985 to artists, art administrators and patrons for their contributions to the cultural life of the United States. The remaining recipients are Maurice Abravanel, the retired conductor of the Utah Symphony; Pietro Belluschi, an architect from Portland, Ore.; tap dancer Charles "Honi" Coles of East Elmhurst, N.Y.; John O. Crosby, founder and general director of the Santa Fe (N.M.) Opera; abstract expressionist painter Richard Diebenkorn of Healdsburg, Calif.; R. Philip Hanes Jr., chairman of the board of the Hanes Cos. and longtime arts patron from Winston-Salem, N.C.; and dancer, choreographer and anthropologist Pearl Primus of New Rochelle, N.Y. The Texaco oil company will also receive a medal for its 50 years of sponsoring live weekly radio broadcasts of the Metropolitan Opera of New York.

INTRODUCTION OF LEGISLATION TO AMEND THE INTERNATIONAL ORGANIZATION IMMUNITIES ACT

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Ms. NORTON. Mr. Speaker, I am pleased to introduce legislation to amend the International Organization Immunities Act (22 USC 288 et seq.). My purpose is to resolve a confusing contradiction in international law that adversely affects the financial health of the District of Columbia, as well as several other large American cities.

According to the Foreign Sovereign Immunities Act of 1976, real property owned in the United States by foreign governments is not protected from taxation by local jurisdictions if the property is used for commercial activity. The taxation of the real property of foreign governments is also addressed in the Vienna Convention on Diplomatic Relations. There, foreign mission property is also said to be exempt from local taxation unless it is used for commercial purposes. Contrasting with these clear declarations, is the International Organization Immunities Act which grants such organizations an exemption from property taxes without regard to the use made of the subject property. I cannot believe that understanding this distinction, Congress would wish it to remain.

Here in the District, the massive headquarters building of the International Telecommunications Satellite Organization [INTELSAT], located at the intersection of Connecticut and Van Ness Avenues, N.W., presents a striking example of this problem. Commercial space in this building has been leased to WJLA TV, Riggs Bank, and a travel agency. Clearly, none of these firms is engaged in international affairs. INTELSAT is, as the result of the current exemption, making a tax-free profit from this business activity. This gives it a competitive advantage over other commercial landlords who have to factor property taxes into their rents. It also deprives the district of much-needed tax revenue, which it desperately needs to continue providing essential services such as police and fire protection to INTELSAT and to other businesses and residents of this community. A hefty 55 percent of the District's real property is exempt from taxation largely because of ownership by the Federal Government, foreign governments, or international organizations. The Federal Government at least partially makes up its tax exemption through the Federal payment; and foreign governments engaged in commercial activity are not exempt from paying property taxes. Only international organizations are now tax free.

This unconditional exemption has effects well beyond the District. Other large cities such as Los Angeles, New York, San Francisco, Miami, and Chicago, where international organizations maintain facilities, are also losing tax revenues as a result. Mr. Speaker, it is time to put an end to this unintended contradiction and make the law uniform. I urge my colleagues to give their strong support to this bill.

HAPPY BIRTHDAY WABF

HON. SONNY CALLAHAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. CALLAHAN. Mr. Speaker, as a general rule, the older we get, the more most of us try to forget about our birthdays. However, I have a radio station in my district that celebrates getting older, because as it gets older, it is also getting better.

On August 12, 1991, WABF Radio in Fairhope, AL, will celebrate its 30th birthday. WABF first signed on at 5:15 a.m. on August 12, 1961, becoming the first radio station to serve the Eastern Shore of Mobile Bay. Over the years, the Eastern Shore has experienced enormous growth and change, but WABF has continued to offer the same high-quality broadcasts on which it has always prided itself.

Today, under the ownership of my good friend Bob Clark, this station puts forth a daily format of big band, ballad, and jazz music from the 40's, 50's, and 60's, as well as a liberal amount of local, national, and world news, sports, and weather. WABF also has an impressive track record for community involvement and is the station in the Mobile market for the "Swap Shop" and "So What's New" telephone call-in programs.

Mr. Speaker, I would invite you to join me today in congratulating WABF Radio for 30 years of outstanding service to the Eastern Shore of Baldwin County.

Happy Birthday, WABF.

HEALTH CARE: TIME FOR A BIG CHANGE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MINETA. Mr. Speaker, our Nation's health care system is in shambles. We can no longer ignore this problem as it undermines the well-being of this country. It is time for Congress to act decisively and significantly. It is time for us to have the political courage to move beyond minor repairs and seek substantive, systemic change.

Our health care costs are rising astronomically compared to other countries, exceeding $600 billion just last year. The average price for a hospital stay nearly doubled in the last decade.

Over 37 million Americans have no health insurance whatsoever and over 50 million more are underinsured. According to a 1990 Census Bureau study, 28 percent of the population, is uninsured at least 1 month of each year. The fact is that health care is becoming a privilege available to the few. Mr. Speaker, quality health care should be the right of every American.

For years we have been content with minor repairs. And for years, the problem has intensified. Opponents of Government reform cry: "Let the free market forces work!" Well, these forces have worked, and they have worked to magnify the problem. Of all the options available to us now, Mr. Speaker, the status quo is the worst possible choice to make.

Of course, we can sit and watch Adam Smith's invisible hand work its compassionless will. And in so doing, we can sit and watch the entire health care system deteriorate. But I believe we can and must do more.

Mr. Speaker, health is one of the most fundamental components of individual well-being and integrity. In a country supposedly dedicated to the principles of individual welfare, we are amazingly lax in our oversight of the health care of our citizens. The problem affects both the rich and the poor, both the healthy and the sick, both Republicans and Democrats.

Rising health care costs are hurting all sectors of our society. Health expenditures are slowly crowding out other domestic spending. At the same time, the crisis in health care is undermining business and U.S. competitiveness overseas.

Lee Iococca, the chairman of Chrysler, is often quoted for the following statistic: In the United States, businesses spend $700 per car for health insurance costs. This is atrocious given that German companies spend only $337 per car, and the Japanese only $246 per car. And the irony is, Mr. Speaker, the Germans and the Japanese are more satisfied with their health care.

The simple fact is that fundamental change is needed, and is needed now. Health is too important to ignore. We must act while we are still well enough to do so, and not wait until it is too late.

HONORING HIGHLAND, IL

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. COSTELLO. Mr. Speaker, today I rise with pride in honor of a city in my congressional district with a very special heritage. The city of Highland, IL, was founded in 1831 by Swiss immigrants led by Dr. Casper Koepfli of Sursee, Switzerland. These immigrants chose to settle in this area of eastern Madison County for its rich, fertile farm land and close location to the Mississippi River.

I draw my colleagues' attention to this community today for some of its ancestors' participation in the American Civil War. An exhibit is on display at the Madison Building of the Library of Congress called "The Sister Republics: Switzerland and the United States." In this display hangs a Swiss-American flag made by two Swiss women from Highland, Andrea Nehrt and Claire Drake, during the war. The flag incorporates symbols from both national flags with its white cross and 34 stars for each State in the Union at the time of the war.

The flag was carried by the Swiss Regiment in the Civil War, the 15th Missouri Regiment. Nearly 6,000 Swiss-born soldiers served during the U.S. Civil War in this and other regiments. These Swiss felt a great desire to fight for their beloved freedoms they had acquired since arriving in this country.

Today, Highland is a thriving community in southwestern Illinois. With a growing business sector and a strong, small-town spirit, the legacy left by the town's pioneers lives on even today, and I thank my colleagues for joining me in recognizing this contribution.

THE PRACTICE OF OVERPAYMENTS IS UNACCEPTABLE

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PICKLE. Mr. Speaker, I rise today to call the attention of the Members of the House to a report that has recently been completed by the U.S. General Accounting Office in response to a request that the Honorable William M. Thomas and I made in January 1989. The report, entitled "Debt Management: More Aggressive Actions Needed To Reduce Billions in Overpayments," examines the problems associated with overpayments at the Office of Personnel Management, the Railroad Retirement Board, the Department of Veterans Affairs, and, last but certainly not least, the Social Security Administration.

In this report the GAO found that as of September 30, 1989, these four agencies collectively reported debts totalling $2.9 billion due from overpaid individuals. What is of most concern to me is the fact that $2.4 billion is due to Social Security overpayments. In this regard, GAO goes on to report that: "During the past 4 years, SSA's overpayment collections have remained a constant 28 percent of outstanding debt. SSA has written off almost a billion dollars of debt as uncollectible, making little progress in increasing the percentage of debt collected because it: lacks an organizational focus for debt management, has insufficient information to control and account for the more than $2 billion in overpayments; does not adhere to debt collection policies; and has been legally restricted from using certain collection methods that have been successfully used by other agencies."

This condition is simply unacceptable. Other agencies have successfully collected in excess of 50 percent of their overpayments and have more successfully limited the overpayments they made. I know this situation is of serious concern to my colleagues on the Social Security Subcommittee, and I have joined with Chairman Andy Jacobs in asking GAO to report to us on the causes of SSA overpayments, the sizes of these overpayments, and the kinds of beneficiaries who receive these overpayments. The best answer to this loss of billions of dollars is for the SSA to stop making overpayments in the first place. But, when they are made it is incumbent upon the agency to actively seek their repayment.

IT'S TIME TO HONOR MO UDALL

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. OBEY. Mr. Speaker, today, along with my colleague, JOHN RHODES of Arizona, I am introducing legislation to establish the Morris K. Udall Scholarship and Excellence in Environmental Policy Foundation. Mo Udall served in this body for 30 years with great personal distinction. I think it is fitting that we honor Mo by assuring that his legacy and achievements will be carried on by those who have been and will be inspired by his example and leadership.

Mo Udall is someone very special. As a unique public servant he appealed to the decent side of our nature. He was a passionate advocate not only for the field of environmental protection, but also for peace not war, basic social justice, and economic fairness and opportunity for working people.

Throughout his public career, Mo conveyed to the entire political system the importance of character. He has a lot of legislative achievements, but I think his most important contribution was simply putting a decent face on politics and showing that whether you are serving in the House or whether you are running for President you can take positions in the public interest and do it with grace and wit and even humor.

In terms of legislation, Mo's greatest achievement was adding millions and millions of acres to the public domain and preserving them from degradation and destruction. He really understood what it meant to be a steward of the land.

It is in recognition of the stewardship that I am pleased to join with my Senate colleague DENNIS DECONCINI to introduce legislation which will establish a National Foundation to: increase the awareness of the importance and promote the benefit and enjoyment of our Nation's natural resources; foster a greater recognition and understanding of the role of the environment, public lands and resources in the development of the United States; identify critical environmental issues; develop resources to properly train professionals in the environment and related fields; and provide educational outreach regarding environmental policy. To accomplish these goals, the legislation establishes a 10-member Board of Directors which will be comprised of 2 members of the House of Representatives, 2 members of the Senate, 2 individuals selected by the President, the Secretaries of Interior and Education, and 2 members from Mo's alma mater, the University of Arizona. The Board will award scholarships, fellowships, internships, and grants to deserving individuals to pursue studies related to the environment.

The Foundation will also support the activities of the Udall Center on the campus of the University of Arizona. The Udall Center was established in 1987 to sponsor research and forums on a variety of critical public policy issues. Among the activities of the Udall Center that will be supported by the Foundation are the establishment of an environmental conflict resolution center, the creation of a repository for the Udall papers, and assembling an annual panel of experts to discuss contemporary environmental issues.

The legislation authorizes a one-time appropriation of a $40 million endowment, the proceeds of which will enable the Foundation to carry out the provisions of this legislation.

Mr. Speaker, Mo Udall is in a class by himself. He is a special person and he deserves special recognition.

IN RECOGNITION OF THE RESIGNATION OF FATHER GEORGE CLEMENTS

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. HAYES of Illinois. Mr. Speaker, on the occasion of his resignation, I would like to take the opportunity to recognize one of my constituents and one of Chicago's most celebrated and well-known Roman Catholic priests, Father George Clements. Father Clements, a long-time civil rights activist and former religious adviser to the Black Panthers, brought an energy to his ministry that is sometimes lacking in the orthodox Catholic Church.

In the early 1980's, Father Clements, defying church tradition, adopted three sons, and encouraged members of his congregation to do the same. "One Church, One Child," a program Father Clements started, took root nationwide and at present has placed 15,000 African-American children in adoptive homes. This is but one example of Father Clements' undying commitment to the pressing social issues of the day.

After burying an 18-year-old, who had died of a drug overdose, Father Clements decided it was time for him to do something about the drug epidemic. It's carnivorous nature was eating young men at a ravenous pace; Father Clements decided it had to end. He marched to a convenience store a few blocks from the rectory in which he lived and demanded that the proprietor remove the drug paraphernalia. The owner refused, and Father Clements proceeded to stand outside his store, warning prospective clients that the owner was selling drug paraphernalia to their kids.

After 45 minutes, Father Clements had successfully deterred every potential customer from patronizing the store; finally the owner gave up and removed the paraphernalia. Clements did not stop with that one store, he organized boycotts of other stores and eventually went after the area wholesaler that supplied the paraphernalia to the local stores.

His protests eventually led to the passage of a bill by the Illinois State Legislature making it illegal for stores to carry drug paraphernalia. Father Clements, however, did not achieve this without being put in extreme danger. At one point body guards were assigned him in the fear that someone would attempt to take his life.

His fight against drugs won him acclaim in Washington, DC, from President Bush and Drug Czar William Bennett, who cited him for his hard work in the war on drugs.

Father Clements also supported major curriculum improvements and tighter discipline in the South Side Chicago parish school system. The reforms were so popular that students began enrolling from all over the South Side of Chicago and now the school operates year-round and has a waiting list for admission.

Before retiring from his career, Father Clements would like to be a missionary in Nigeria, where he holds the distinction of being the first African-American to hold the honorary title of chief of the Yoruba Tribe. However, he first has to get a ban lifted on his traveling visa incurred when he went to South Africa to celebrate Nelson Mandela's release from prison. For now, Clements will take a much-earned sabbatical and then serve the Diocese of Nassau in the Bahamas.

Father Clements has, in his years at the Holy Angels Church, served as a shining example of the level of commitment to community every American should strive for. His work in this country on behalf of those who traditionally have not had a voice—the young, the poor, and the uneducated—have earned him the recognition I am proud to bestow upon him today. I ask that my colleagues join me today in recognizing my constituent, a person for whom I have great respect, Father George Clements.

NEW REPORT ON MICROENTERPRISE

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. HALL of Ohio. Mr. Speaker, I would like to share with you and my colleagues a Progressive Policy Institute report released recently which discusses the importance of microenterprises in helping low-income persons escape the poverty and despair embedded in so many of our inner cities. The report is called "Microenterprise: Human Reconstruction in America's Inner Cities" and was written by Lewis D. Solomon, professor of law at George Washington University.

Mr. Speaker, there is no such thing as a disadvantaged person. Everyone has an advantage. It's a matter of turning that advantage into economic opportunity. And in America, it is through the tools of capitalism that we provide such opportunities.

Traditional welfare programs prohibit things like initiative, capitalist creativity, the spirit of American entrepreneurial investment. Microenterprise depends on them. It is prowork, profamily, and procapitalist.

I've seen microenterprise programs end poverty in the developing world. They work. We ought to use them to help Americans who are stuck in poverty.

The Freedom From Want Act, legislation I recently introduced, develops microenterprise programs for low-income persons. I urge my colleagues to read this important new report and to support my legislation.

CLEVELAND'S UNEMPLOYMENT CRISIS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. STOKES. Mr. Speaker, I rise today to present to my colleagues another installment from a series of articles published by The Cleveland Plain Dealer discussing the unemployment crisis in Cleveland.

The series looks at different aspects of the unemployment situation, from its causes to its impact. The series of articles I present today examine the pitfalls faced by the unemployed and different ways in which assistance is being extended to the unemployed, such as youth summer job programs and the Ohio Bureau of Employment Services.

Mr. Speaker, I hope my colleagues will take the time to read these informative articles. The Cleveland Plain Dealer and the reporters working on these articles, Michael Sanigiacomo, Norman Parish, Rodney Ferguson, Frances Robles, Jonathan Walters, Paul Shepard, and Laura Yee are to be commended for their work.

PROGRAM OFFERS YOUTHS JOBS FOR THE SUMMER

When the city grapples with the problem of massive unemployment for adults, there is a temporary solution that will provide summer jobs for about 3,400 of the city's youths.

Students in Cleveland's public schools have until Friday to apply for a job in the Summer Youth Employment and Training Program, which provides a job and training for a possible future career.

Parochial school students can apply through June 7, when their schools will be visited by recruiters.

The funding for the program comes from a $2.9 million federal grant provided under the Job Training Partnership Act and is organized by the city, the schools and the United Labor Agency.

Available will be jobs in 425 government agencies, schools, colleges, museums, research facilities and hospitals. Pay ranges from $4.25 to $4.50 an hour.

Participating in the program are the Alta House, a community center of Mayfield Rd.; the Metroparks Zoo; Camp Cleveland; NASA Lewis Research Center; the Cleveland Clinic; Burke Lakefront Airport and the U.S. Coast Guard.

The program is for Cleveland residents ages 14 to 21, who are enrolled in a school or college and meet federal low-income guidelines.

Applications are available at city schools or through the Cleveland Public Schools Youth Service Office.

PITFALLS SURROUND PATH OF UNEMPLOYED

(By Norman Paris)

They are caught in the web of unemployment.

For some, the biggest fear is the despair that comes with surrendering to a cold, uncaring bureaucracy. Others fight the lure of easy money from selling drugs and other crimes. And experts talk about a distinct correlation between high rates of black unemployment and death.

For Lula Blocker, the biggest enemy is a depression born of futility in trying to find work. And despite the 51-year-old Cleveland woman's desperate efforts, she sees no way out.

Blocker joined the unemployed in March when her position as a Cleveland Department of Health clerk was eliminated along with many other city jobs.

The cuts followed the city's budget crunch and deficit. The city's coffers are in trouble, partly because of lost jobs that help fuel the city's economy, some experts said.

But the unemployment web doesn't stop at City Hall. It contributes to overburdened social ills such as crime and poverty and pulls people like Blocker into a state of depression, experts said.

"I have gone to different places and tried to put in resumes," Blocker said. "I even went to one high school and they seemed cold. They wouldn't even let me put in a resume. A lot of other places are laying off. I'm getting tired of looking."

The black unemployment rate in Cleveland—20.7%—was the highest among the nation's big cities last year. The city's overall unemployment rate—13.8%—ranks as the second-worst and the white unemployment rate—9%—ranks as the third-worst in a national study by the U.S. Department of Labor.

"The longer the duration of unemployment, the longer the family gets into debt," said Sar Levitan, director of the Center for Social Poverty at George Washington University in Washington, D.C. "That in itself affects the mind. That could lead to more people seeking mental health counseling."

Edward Dutton, a Cleveland psychiatrist, agrees.

"You lose your self-confidence," Dutton said. "If you lose your self-confidence, your motivation to seek jobs is lost."

Dutton said the number of people, mostly blacks, who come to him for counseling related to joblessness has increased from 1% to 10% during the eight years he has practiced in the city.

"When there are high rates of black unemployment, you see increases in the number of black deaths," Dutton said. "There are increases in the number of deaths related to heart disease, suicide, homicide, and even increases in the number of cases of cirrhosis of the liver, often related to chronic alcoholism, and an increase in state psychiatric admissions."

Dutton said a study for a subcommittee to the President's Committee on Mental Health in 1978 showed that for every percentage increase in black unemployment, there is a 2% increase in black mortality, heart attacks and strokes; a 5% increase in imprisonment and infant mortality; and a 6% increase in homicides.

"So you can see the devastating effect that unemployment has on blacks—particularly black males," Dutton said. "When faced with this, there needs to be a greater awareness of the problems associated with unemployment. There should be a greater emphasis on helping blacks get appropriate psychiatric counseling."

Lt. John James, head of the Cleveland Police Department's homicide unit, is sure Cleveland's unemployment rate has influenced the homicide rate.

"If you are a young person in the streets, rather than working minimum-wage jobs—and those aren't too prevalent—then you start selling crack cocaine," he said.

Some people talk about the big enemy of the unemployed, "the lure," which could mean several things.

"Drugs are out there destroying lives," said Gregory Johnson, an unemployed Cleveland resident. "You have to stay focused or you can stray very easily. People in my neighborhood just give up. They fall victim to a guy that says, 'You can't work, why not do this (sell drugs)?' It's not just blacks either. The devil's work knows no color."

When crack was introduced on Cleveland streets in 1987, city crime also increased, James said. One crime category that increased was homicides, according to Police Department statistics.

There were 139 homicides in 1986 and 156 in 1987, he said. The number rose to 180 in 1990.

The lure could mean giving in to the system.

"They just sit back and collect welfare," said one man. "Why bother even trying to work?"

"Some guys fall into a hole," said another unemployed resident, Roy Holt. "They say the hell with it, get a bottle of wine and sit around all day with their buddies. They don't get a lot of encouragement to work, that's why it's got to come from within. A lot of us do it to ourselves."

As unemployment rates remain high, so do teen births, said Nina McLellan, director of the Council on Children, Youth and Families for the Federation For Community Planning, a non-profit citizens organization in Cleveland.

"If there is unemployment among men, then there is less formation of marriage," McLellan said.

There was a steady rise in out-of-wedlock black teen births during the 1980s, when Cleveland's black unemployment rate was often around 20%. In 1985, there were 1,645 such births; in 1986, 1,699; 1987, 1,837; and in 1988, 1,853, Federation of Community Planning statistics show.

Experts said welfare requests also increased during high levels of unemployment.

Linda Miller, a spokeswoman for the Cuyahoga County Department of Human Services, said the number of people applying for Aid to Families with Dependent Children benefits had increased.

Just this past January, the county had a record number of requests for welfare benefits—4,555 applicants. The old record of 3,816 was set in January 1990. But as temperatures increased, the number of requests decreased. Monthly applications now are about 3,500, Miller said.

"They have to get through their benefits and they have to get through their savings before they get to us," Miller said. "We are a last resort or should be a last resort."

An increasingly poor, unemployed population eventually tears at the economic fabric of a community.

Cleveland, where blacks are nearly half the city's population, ranked as the fifth-worst metropolitan area for blacks economically, according to a 1986 study by American Demographic Magazine, based in New York City.

The study, which examined 48 metropolitan areas with black populations of at least 100,000 blacks, was based on nine economic factors involving income and home ownership. The study found the Nassau-Suffolk area on Long Island near New York City was the best place for black families to live, while Buffalo was the worst. The second-worst place was Newark, N.J., with Milwaukee third worst and Chicago, fourth worst.

While Cleveland ranked poorly, several other Ohio cities received high marks. Columbus ranked as the sixth-best city, Dayton, the eighth best, and Cincinnati, 28th best.

Experts cite such problems as the loss of manufacturing jobs as a major reason for the differences.

One safety net affected by the problems is the unemployment-insurance system, said Isaac Shapiro, senior research analyst at the Center on Budget and Policy Priorities, a research group based in Washington, D.C.

"The unemployment-insurance system is at its lowest point since World War II," Shapiro said. "It is due to the cutbacks in unemployment-insurance benefits. It will be hard for people to make it."

Fewer than four in 10 jobless workers nationwide—37%—received unemployment benefits in an average month in 1990, Shapiro found in a recent report.

In Ohio, only one in three jobless workers received unemployment benefits last year. That was below the national average, the report said.

Insurance benefits are just one of many problems for people like Blocker. She continues to draw unemployment checks, but joblessness has rocked her life.

After going to the same job for 21 years and eight months, she now simply wants something to fill the empty moments in her life while she holds on to the self-respect her job once provided.

"I'm still drawing unemployment and I'm still looking," Blocker said. "At 8 o'clock in the morning I was always at work—never late. In fact, I was there early. At 8 o'clock now, I try to do some painting or some other chore to keep myself from stressing out too much. When I sit down and think about this, it just makes me angry."

ALTERNATIVES TO JOBLESSNESS A CALL AWAY—GED OPENS CAREER DOORS

(By Michael Sangiacomo and Paul Shepard)

Lawrence J. Simpson doesn't believe everyone in Cleveland can get a job, but he says anyone in the city who wants help can get it.

Simpson, the executive director of the Center for Training and Economic Development at Cuyahoga Community College, said there is a great pool of help out there just waiting to be tapped.

"There are recourses to being unemployed," he said. "There is help available. There is no one that is beyond help."

Despite the high unemployment figures for Cleveland in general and blacks in particular, experts say that anyone who truly wants a job has alternatives just a phone call away.

"The problem now is that we are experiencing a damned depression, but the opportunities are out there," said Michael Murphy, executive director of the United Labor Agency. "It isn't as easy to place people as it was just three years ago. It's hard but the programs are out there."

Look at the bottom of the unemployment barrel in Cleveland and you'll find an illiterate high school dropout with no skills. Simpson said that person can get ahead.

"First, he can come to us or many other places in the city and learn to read," Simpson said. "He has to do it if he wants to get a job. There are programs to pay for his schooling, and we have very adult-oriented literacy classes that allow a person to proceed at his own pace. They are not insulting classes.

"Once he learns to read, then he takes classes, either here or elsewhere for his GED," Simpson said. "We will train him until he is ready, and won't let him take the test until he is ready. It's funny that some people think GED tests are easier to pass than getting a diploma.

"Considering how some schools will allow students to slide by and graduate, the GED is harder," he said. "You have to know math, reading and other areas and prove it."

When a person can read and has a General Educational Development certificate, many career fields open.

That's where people like Murphy and David Roth, director of Cleveland Works Inc. job training program enter the equation to provide training and employment opportunities.

"Regardless of a person's drug history or criminal history, if that person can read and write and has the desire to turn their life around, they will be a success here," said Roth, a former substance abuse counselor at the Free Clinic of Greater Cleveland.

If applicants have a substance abuse problem, Cleveland Works will enroll them in a counseling program to help them kick their habit. Roth said the lure of a good job at a good wage is often enough to help people beat chemical dependencies.

"I've found that the most successful drug treatment is a job," Roth said. "Many people say the only reason they get messed up on drugs in the first place is that they have nothing to do and the four walls at home start closing in on them.

"I think the drug abuse question is overexaggerated and misunderstood by people," Roth said. "Most people are willing to stop if you can show them the road to a better life."

He added that clients are informed that most of the 350 employers on the Cleveland Works books test prospective employees for drugs.

Roth likened the Cleveland Works process to boot camp training. After an orientation test, from the first day of class, trainees must attend daily classes in clothes they would wear to work.

"We don't ask anything of them that an employer wouldn't ask," Roth said. "If someone is willing to meet us halfway, we will get them off of welfare."

Each job must be full time and provide health benefits for workers and their immediate families, Roth said.

At Cuyahoga Community College, training programs are offered through the Jobs Training Partnership Act and are available at no charge through the city or the county to people eligible for welfare.

The college has two programs under the JTPA. The first is Training in Office Procedure, a nine-month program that trains people for clerical or secretarial positions.

"Our problem is not getting jobs for our graduates—that's easy," Simpson said. "Our problem is getting them to stay for the whole nine months. They are frequently lured away by businesses who want to hire them even before they complete the training. The program has a good reputation in the business community."

So far, 80 people, mostly women, have completed the program. The second program, which has graduated 15 people so far, trains people to work with young children in preschools. It also trains people to be teachers aids and to work with the disabled.

Another training and employment service is offered by the Cuyahoga County Department of Human Services as part of a State-mandated system for people on public assistance and Aid to Dependent Children.

"Since last January, these people are required to participate in education, job training and job searching," said Maureen Wiegand. "Last year we found full-time jobs, with benefits, for 1,500 people. This year we expect to do the same for 3,000. We're already on track with about 750 jobs by the end of the first quarter."

Like the community college program, the county program arranges to have unemployed people educated to the high school level by contracting with city and suburban schools. They also send people to the community college program.

To make it easier, the county will pay for child-care, transportation and incidental expenses during the education and training.

"We have a large variety of training programs," Wiegand said. "We contract under the (county) Jobs Training Partnership Act to train people in plumbing, heating and air conditioning, secretarial, clerical, janitorial and many other professions."

She said once the training is over, the work begins.

"We have something called the Job Club," she said. "It's a trainer and 15 people who meet every day and work on getting jobs. We prepare resumes, go over interviewing techniques, then start calling companies and trying to get people in for interviews."

She said even during the current recession, they have been successful.

"The recession has slowed down the process, but it still works," she said. "There are a lot of entry-level positions out there, companies are crying for people. Middle-management positions, which pay more, are harder to find. Most of the people we placed last year averaged about $6.83 an hour."

In the United Labor Agency program, applicants can enter a skilled pre-apprenticeship program where they can learn skills such as roofing, carpentry and computer programming, and earn $5 per hour. After about 12 weeks, the applicant can move into a three- or four-year apprenticeship for $8 per hour.

Both Murphy and Roth say the high black unemployment problem can be traced directly to the job the Cleveland public schools have done to prepare young blacks for the work world.

"Black males get screwed in the school system, and they can't compete for jobs," Murphy said. "They just keep falling behind because there are no programs to deal with young black males."

Roth said the schools "aren't equipping or enabling young blacks to get a piece of the pie."

"They aren't coming out with the skills they need," Roth said.

OSHA REFORM

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. GAYDOS. Mr. Speaker, for the past 20 years, we have been waiting for the Occupational Safety and Health Administration [OSHA] to make a more positive impact on worker safety and health, but it just has not been able to do it.

With roughly 110 million Americans at work in about 5½ million workplaces, it is virtually impossible for OSHA's 1,100 inspectors—about half for safety and half for health—to make an impact on conditions that lead to at least 7,500 occupational deaths and more than 1 million work-related injuries each year.

That is why it is so important that we proceed with this bill, the Comprehensive Occupational Safety and Health Reform Act.

This bill, which we are introducing today, recognizes that OSHA can't do the job all by itself. It recognizes that employees and employers, working together, will have to assume a greater role in ensuring safe and healthful places of work.

The two most critical elements of this legislation are written safety and health programs for workplaces that provide a structure for identifying and addressing safety and health hazards and the establishment of joint employer-employee safety and health committees to examine and inspect worksites and make recommendations for eliminating specific hazards.

Additionally, the legislation imposes a structure which OSHA must follow in its rulemaking process, specifying times by which aspects of the regulatory activity are to be completed or requiring public and published statements as to why the deadlines are being missed. Perhaps the embarrassment factor of having to make a public statement about the agency's failure to meet its deadlines will create enough pressure so that new regulations are promulgated in a more expeditious manner.

There are just two other elements of this proposal that deserve immediate mention. One enables employees to pay a greater role in the settlement process and the other requires abatement of cited hazards that pose an imminent danger to workers even if the employer plans to challenge the citation.

At the present time, employees and their representatives can only question the amount of time the employer is being given to correct a hazard already cited by OSHA. As we all know, OSHA, while often proposing gigantic fines for violators of its rules and regulations at the initial stages, seems far too willing to reduce the amount of fines and to water down the actual form of abatement in what it calls the settlement process.

A study of settlement records shows that OSHA, in fact, reduces proposed fines to about 30 cents on the dollar, a far cry from the initial amount proposed and one that seems to have little impact on the violator.

Under the present Occupational Safety and Health Act of 1970, an employer who contests an OSHA citation, whether on its merits or because of the dollar amount of the fine, does not have to abate the hazard until after the case is finally determined, either by an administrative law judge, the Occupational Safety and Health Review Commission, or the Federal courts.

Often, the hazard is a serious one, posing an imminent danger to the health and safety of workers who are exposed to it. This bill would require that hazards posing an imminent danger would have to be abated even if the employer is challenging the citation.

For all of the years I have sat on the Subcommittee on Health and Safety and for the 14 years I have been chairman, I have never heard an Assistant Secretary of Labor for OSHA come and tell me that there are insufficient funds available to do what has to be done. They always say they can meet the statutory and regulatory requirements with the staff and funds available.

Well, we all know that it isn't true. A staff of 1,100 inspectors just isn't going to make a big enough impact, especially when their work is undercut by slaps on the wrists for serious violators.

A budget of $300 million isn't sufficient to fund OSHA's regulatory program that is already bogged down, to operate an enforcement system that will make a difference, and to support State OSHA programs as they ought to be supported.

OSHA keeps telling us that they can achieve many of these goals through administrative actions. Frankly, that just will never happen.

And, if by chance, a current OSHA administrator takes some steps to change the system, the next one can very easily reverse the change. Remember, over the 20 years of OSHA, there have been 15 assistant secretaries or acting assistant secretaries in charge of the agency, an average of only 16 months per administrator. With that kind of record, it's not surprising that OSHA can't or won't do what it should.

This reform bill is overdue, but I believe the climate is right. It is time for employees and employers to make the workplace safer and healthier and it is time for us to force OSHA to be more aggressive in assisting that effort.

CHILD WELFARE: A SPLINTERED SYSTEM

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. ANDREWS of Texas. Mr. Speaker, our child welfare system is like Texas before the revolution. The territory was segmented. Conflicts arose from differences of language and culture. But with the courage, leadership, and vision of Sam Houston, Texans forged a common goal and defeated an overwhelming military force.

The battle to protect the welfare of children has the same challenges. We have too many programs and too little coordination. The many funding sources and mandates from Washington undermine local efforts to concentrate resources where we need them the most.

It is the children who suffer the consequences of this disorganization. Reports of child abuse in Texas have more than doubled over 10 years. Yet half of these children did not receive any child welfare services when they needed them.

The Family Preservation Act of 1991, H.R. 2571, sets out to end this tragedy. It will permit States to combine the resources now available for foster care and family preservation. States like Texas will be able to prevent child abuse while preserving the family. For example, the homebuilders program in Michigan has had a 75-percent success rate of keeping families together with no cases of continuing child abuse.

In Texas, we face the problem of not removing children fast enough from life-threatening situations. Our foster care placement rate is one-fifth the national average. One reason is that Texas receives less Federal foster care funding than other States because foster care payments are tied to welfare benefits, which are set very low in Texas.

This bill ends the Federal mandate that Federal foster care payments go only to poorest of children. Child abuse is not confined to the poor; Federal law should protect all children regardless of income.

The bill also includes a new initiative, which I have proposed, for the United States-Mexico border region. Universities serving the border region would work in conjunction with the departments of human services to train bilingual child-welfare workers who are culturally sensitive so they are better able to deliver services along the border.

Congress will have to consider carefully the cost of the Family Preservation Act. But the cost of not acting is even greater. Two-thirds of all felons have been abused as children. We must cut into this cycle of violence.

We know what programs work, and we know what we need to do. This bill won't solve all the problems, but it does move child-welfare policy forward as we enter the next century.

WE MOURN THE LOSS OF FRED HARTMAN OF BAYTOWN, TX

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. FIELDS. Mr. Speaker, the men and women of Harris County suffered a tremendous loss this past Saturday with the death of Fred Hartman of Baytown, TX. For 60 years, Fred Hartman played a pivotal role in serving his adopted hometown of Baytown, Harris County, and the entire State of Texas. Those of us who live in eastern Harris County are the better for his efforts on our behalf.

Fred was a friend of mine. I liked his company and I valued his advice. I will miss him, as will men and women throughout Harris County, and throughout Texas, whose lives he touched.

By the time he died Saturday at age 83, Fred Hartman had done more in his life than most of us could ever hope to do if we lived to be much, much older. Recognized in 1985 as Baytown's "Man of the Last Half Century" by the Baytown Chamber of Commerce, Fred served as editor and publisher of the Baytown Sun for 24 years before being named chairman of the board of Southern Newspapers, Inc., an organization that owns and operates newspapers in a number of States. He eventually founded his own newspaper group, which has since evolved into the Texas Newspaper Group, owned by his son, Bill Hartman.

Throughout his long and distinguished journalism career, Fred used his position to improve the communities he served. He always believed that a newspaper should be an integral part of its community, a partner in progress rather than a standoffish overseer, and he often used the pages of his beloved Baytown Sun to promote and sell the many virtues of Baytown and eastern Harris County. More often than no, his voice was heard loud and clear.

But Fred found time to serve his community, his county, and his State in other ways as well. Fred was an extremely generous man. In 1972, Fred donated $50,000 to his alma mater, Baylor University, to help with the construction of a journalism-communications center. He also was instrumental in arranging a $400,000 gift to the Baylor Journalism Scholarship Fund. But Fred was also generous with something more precious than his money; he gave of his time and talents in order to help others.

Indeed, public service seemed to come naturally to Fred. His work with the Baytown Chamber of Commerce and the Baytown Rotary Club improved the lives of thousands of men and women. Over the years, he served as chairman of the Harris County Appraisal District, the board of directors of San Jacinto Methodist Hospital in Baytown, the Texas Air Control Board, and the Governor's Task force on Hazardous Waste Management. Fred also served on Lamar University's board of regents, the San Jacinto Battleground Park Commission, the Texas State Library Board, the board of the Methodist Hospital, and the board of San Jacinto Methodist Hospital. He served as president of the Texas Newspaper Association in 1965.

Fred, a devoted baseball fan, helped found, and for many years was an officer of, the Houston chapter of the Baseball Writers Association of America.

Mr. Speaker, next year a new $92 million bridge over the Houston Ship Channel will be completed and will link the cities of Baytown and LaPorte. The new bridge will replace the current antiquated tunnel, and upon the recommendation of the Harris County Commissioners Court, it will be named for Fred Hartman. That bridge seems a fitting tribute to this wonderful man who brought people and communities together to work for the common good. I regret only that Fred won't be able to inaugurate the bridge that will bear his name.

I want to express my condolences to Fred's family, especially his wife, Elizabeth; his son, Bill; and his daughter, Mary. I hope that in their time of loss, they recognize how many of us cared about Fred, and that we share in their sadness. But I sincerely hope that when they pick up a newspaper, when they meet an aspiring young journalist, when they visit a hospital on whose board Fred served, or when they drive over the Fred Hartman Bridge that they will remember just how many lives were made better by the good deeds of Fred Hartman.

WHO'S OPPOSING JUDGE THOMAS?

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. COLEMAN of Missouri. Mr. Speaker, since Judge Robert H. Bork was rejected as Ronald Reagan's nominee to the U.S. Supreme Court in 1987, the American public has taken an increasingly active role in the confirmation process.

Once reserved for the scholarly and subdued deliberations of the U.S. Senate and its Judiciary Committee, debate over the suitability of nominees to serve on our Highest Court has, in recent years, become a political donnybrook and a public spectacle. No longer are judicial experience, impeccable qualifications, and superior personal character sufficient for confirmation. Instead, announcement by the President of a nominee can be expected to generate a plethora of publicly postured statements from a broad spectrum of special interest groups. Each is carefully crafted and released to maximize the polarizing power of media, and each suggests that only nominees who think correctly—by their definitions—be confirmed.

Grassroots participation in any political process in our democracy is desirable. But does the political activity which blocked the Bork nomination and now attempts to do the same to Judge Clarence Thomas represent the public participation or inappropriate manipulation of the judicial process by special interest groups? Did the public think Robert Bork was unfit to serve, or was he the victim of special interests which insist that only "politically correct" thinking individuals are qualified to serve?

Under present law, we'll never know. Unlike those who support and finance our elected public officials, there is no requirement that those financing elaborate campaigns to block the nomination of Supreme Court Justices disclose their identity. While blatant political lobbying for or against a nominee is not prohibited, it has never been an accepted part of the confirmation process, and it has degraded the Court's independent statute.

The American people and the Senators who cast the deciding votes have the right to know who is sponsoring powerful campaigns to support or defeat a nominee to the Nation's Highest Court. If we correctly insist the public should know who finances political campaigns for the Presidency, Congress, and our school boards, then we also should be allowed to know who finances political activity relating to Supreme Court nominees.

Individuals or groups are spending millions of dollars to influence the outcome of a Supreme Court nomination. Minimally, we should know who they are. That is why I am today reintroducing legislation—first offered in 1987—requiring individuals and organizations lobbying for or against Supreme Court nominees to file Federal financial disclosure forms similar to those required of those involved in election campaigns. Failure to disclose, under the bill, would carry severe penalties.

Some 200 groups campaigned for or against the Bork nomination. Judge Thomas' nomination has generated less passion but similar levels of activity. Campaign-like activities surrounding the Bork and Thomas nominations have set a dangerous precedent that goes to the heart of our constitutional government by threatening the independence of the judiciary. Under the terms of this bill, the public and the Senate will know precisely who these groups are and where they get their money to wage million-dollar public relations efforts.

Mr. Speaker, the confirmation process was never intended to include the campaign-style activity we see today. We must contain and control it. Public disclosure of financial supporters is the essential first step.

JUDGE VICTOR S. PFAU

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. JACOBS. Mr. Speaker, the following articles from the Indianapolis Star and the Indianapolis News will give a person an idea about the splendid life and career of Judge Victor S. Pfau.

I doubt very seriously that any words could adequately describe his talent, his scintillating personality and his unstinting fairness. The judiciary is much the better for his contributions. And Indianapolis weeps because of his death.

[From the Indianapolis News, July 8, 1991]

PROBATE JUDGE VICTOR PFAU DIES

Marion County Probate Court Judge Victor S. Pfau, 64, died Sunday in Indiana University Hospital.

Pfau, a Democrat, was a judge from 1964-1968 and 1975 until the present.

Friends and associates remembered Pfau as a compassionate man and a judge with integrity, honesty, and a keen understanding of the law.

"He was a great one to see behind the pretense—whether of a legal nature or human nature," said Judge Pro Tem Charles J. Deiter, who was a commissioner in Pfau's court. "What is important is that he decided to use his mind, talent and heart in the service of the public. He always wanted to do the right thing."

Pfau's secretary and former court reporter, Rita Haggerty, said the judge fought his colon cancer for nearly five years. She said few were surprised to hear of his death.

"We actually thought it was overdue," she said: "He was such a fighter. He just wouldn't let go because he wanted to live so much."

Attorney Francis J. Feeney Jr., who knew Pfau for 30 years, said the judge earned a reputation for fairness and honesty among lawyers who practiced in his court.

"He always worried about not being affected by personal friendships with lawyers. I was always so impressed with his honesty," Feeney said.

Attorney Gordon D. Wishard said Pfau worked hard to keep the probate court running smoothly and expected the same dedication from his staff and the lawyers who appeared before him.

"He cared a great deal about his court and this community, and he knew that sooner or later almost everybody would end up in his court—for a guardianship, an adoption or to settle an estate," Wishard said.

"He went out of his way to make sure citizens understood what was taking place. He was a great man."

Pfau had been a Marion County deputy prosecuor and a deputy attorney general in the inheritance tax division.

He had been chairman of the Judiciary and Ethics Committees of the Indianapolis Bar Association and was director of the Domestic Relations Counseling Services Inc. (1968-1972) and the Indiana Judges Association (1975-1983).

Pfau was a general practitioner from 1967 to 1974 with Auberry & Treacy law firm and was a member of the Governor's Committee for the Study of Mental Health from 1977 to 1979.

A longtime Democrat, Pfau was chairman of the Second Ward from 1962-64 and was treasurer of the Marion County Democratic Central Committee from 1972-74.

In addition to the IBA, he was a member of the Indiana State Bar Association, National College of Probate Judges, Holy Spirit Catholic Church and Knights of Columbus, Fatima Council.

He was a graduate of Butler University in 1950 and Indiana University School of Law in 1956. He was an Army veteran of World War II.

Memorial contributions may be made to St. Vincent DePaul Society or Little Sisters of the Poor.

Survivors—sons Victor Steven, John Andrew, Michael Bernard, Kenneth Joseph Pfau; sisters Annette Mueller, Theresa Horstman, Marjorie Klemm; brothers Ralph A., Francis J., Donald S. Pfau.

[From the Indianapolis News, July 10, 1991]

JUDGE VICTOR S. PFAU

Victor S. Pfau served his community well, both as county probate judge for many years and in various kinds of civic service.

Judge Pfau died earlier this week at the age of 64.

As a judge, he took extra steps to make sure people understood the courtroom process, which can seem complicated and incomprehensible to non-lawyers at times.

As a citizen, he was willing to pitch in and help improve the community in many ways.

"He cared a great deal about his court and this community," said attorney Gordon D. Wishard. "And he knew that sooner or later almost everybody would end up in his court—for a guardianship, an adoption or to settle an estate. He went out of his way to make sure citizens understood what was taking place."

He will be missed, both on and off the judicial bench. But his community service will be remembered with gratitude.

[From the Indianapolis Star, July 9, 1991]

JUDGE VICTOR PFAU, 64, DIES

Friends of longtime Probate Judge Victor S. Pfau remembered the jurist Monday as a man with a keen sense of fairness and an ample ability to laugh at himself.

Pfau, 64, who had presided in the Probate Division of Marion Superior Court since 1975, died Sunday in Methodist Hospital, ending a lengthy battle with cancer.

Services will be at 12:30 p.m. Wednesday in Feeney-Hornak Shadeland Mortuary and at 1 p.m. in Holy Spirit Church.

Calling will be from 1 p.m. to 8 p.m. today in the funeral home.

Local attorneys and judges recalled Judge Pfau, a Democrat, as someone who never forgot that his role was to serve the public.

"One of the things he did was to care about the treatment of people and see that they were treated properly," said Evan D. Goodman, presiding judge of Municipal Court.

"He wouldn't let banks or lawyers, just because of their powerful positions, cheat people or take advantage of them."

Marion Superior Court Judge John F. Hanley described Judge Pfau as "dean" of the county's superior court jurists because of his long tenure.

Longtime friends who practiced in front of Judge Pfau also noted that everybody was treated farily in his courtroom.

"He is not going to do down in history like a United States Supreme Court justice, but he had their integrity and honesty. I think if you talk to any attorney in this city you will find that no on got special treatment," said attorney Francis J. "Sandy" Feeney of Indianapolis.

Feeney also praised Judge Pfau's ability to keep his court operating smoothly.

"He didn't tolerate lawyers who didn't get their work done and the estates closed. That was one big service that he did," Feeney said.

James L. Tuohy, an Indianapolis attorney who attended law school with Judge Pfau, said that even as the judge battled the cancer that eventually took his life, he retained his sharp sense of humor.

"He had a great, good wit and kept it through a couple of years of agony," Tuohy said.

Gov. Matthew E. Welsh appointed Judge Pfau as a probate court judge in 1964 to serve the unexpired term of Floyd R. Mannon, who died. Judge Pfau served until 1966.

After working two years as a deputy attorney general and several more years in private practice with the law firm of Auberry & Treacy, he returned to the bench after winning election in 1974.

Judge Pfau's term runs until the end of 1996. Gov. Evan Bayh will appoint a successor.

Considered an expert in probate law, he was the author of the inheritance tax section of Estate Planning and Administration in Indiana and the disclaimer section of Estate and Business Planning after 1981 Tax Revision Act.

A graduate of Butler University and the Indiana University School of Law, Judge Pfau was a Marion County deputy prosecutor from 1959 to 1961.

In addition, he served on the Governor's Committee for the Study of Mental Health from 1977 to 1979.

He also had been chairman of the Judiciary and Ethics committees of the Indianapolis Bar Association.

An active member of the local Democratic Party, Judge Pfau was treasurer of the Marion County Democratic Central Committee from 1972 to 1974.

He was an Army veteran of World War II.

Survivors: sons, Victor Steven, John Andrew, Michael Bernard and Kenneth Joseph Pfau; sisters, Annette Mueller, Teresa Hostman and Marjorie Klemm; brothers, Ralph A., Francis J. and Donald S. Pfau.

Memorial contributions may be made to St. Vincent DePaul Society or Little Sisters of the Poor.

BILL MELTON NAMED 1991 "MOST VALUABLE PUBLIC OFFICIAL" FOR COUNTY GOVERNMENT IN THE UNITED STATES

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. JOHNSON of Texas. Mr. Speaker, Dallas County Treasurer Bill Melton has been named by City and State Magazine as the 1991 "Most Valuable Public Official" for County Government in the United States. The award will be presented on September 12, 1991, in Washington, DC, during the 7th annual Most Valuable Official Awards Dinner.

City and State Publisher Dan Miller stated, "We were particularly impressed by several aspects of Bill Melton's career: the leadership shown at the national and local level on financial as well as general public-policy issues; professionalism introduced and maintained in the office; (and) a superb record on cash management and investments, which would put to shame many Wall Street firms."

Melton has served as Dallas County Treasurer since 1977 and in that 14 year period has earned more money for the taxpayers than all previous county treasurers combined, in the 131 year history of Dallas County, TX.

Mr. Speaker, I congratulate Bill on the "Most Valuable Public Official" award. Bill Melton reminds all of us that there are dedicated and able public officials who manage the public's money with an eye toward security and fiscal responsibility.

COMMITTEE ROTATION

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SHAW. Mr. Speaker, during the past decade several resolutions have been introduced to limit congressional terms. Such proposals attempt to solve perceived problems, but I believe they create new ones. Prohibiting the American people from re-electing their representatives after a limited number of years in Congress would adulterate the Democratic spirit and squeeze out much of the talent experience now in Congress. Additionally, term limitation would enhance the power and influence of unelected Government bureaucrats and congressional staff.

I have a better solution.

Today I am introducing a bill that would amend House rules and require all Members to rotate to a different committee after serving 12 years on any one committee. If passed, the count would begin at the beginning of the 103d Congress.

Committee rotation would broaden a Member's knowledge and influence over a wide range of issues, rather than locking him or her into the walls of one committee room. It would also facilitate the introduction of fresh ideas at the committee level, where new Members could inject a different perspective and new solutions to old problems.

I urge my fellow colleagues to cosponsor this legislation. It will improve congressional effectiveness without destroying the democratic rights of the American people.

TRIBUTE TO JENNIE GRIMES

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Ms. WATERS. Mr. Speaker, thank you for the opportunity to pay tribute to someone who has become a true inspiration in our community.

The South-Central Los Angeles community of Watts has a jewel in its possession. The jewel is Jennie Grimes, a 96-year-old resident of the community. Grimes, who has lived there since 1924, has loved and served her community for more than 67 years.

Jennie Grimes, along with her husband Green Grimes moved to Los Angeles some 67 years ago from Webster County, Georgia. The couple raised 4 children and gently yet firmly guided each one through South-Central Los Angeles' Jordan High School. Ms. Grimes prides herself on having made all her children's clothing.

Grimes is also an amateur horticulturist, whose house is considered to be the "Showplace of Watts." She started cultivating flowers when she moved to L.A. where she saw "geraniums growing like weeds." Grimes did not limit herself to just flowers, she eventually raised chickens, rabbits, and pigeons. Her other hobbies include antiquing, quilting, and fishing.

Jennie Grimes believes in supporting her community. Though Watts has its fair share of problems, she says that she would not live anywhere else.

She has been an active member of Tabernacle of Faith Baptist Church from its very beginnings. Her life attests to her beliefs in self-sufficiency. She feels that independence and equality for African-Americans can only be reached by entrepreneurship and using your money wisely. She brags about having "every dollar her husband ever earned," as well as having savings bonds dating back to 1942.

Jennie Grimes has a positive outlook on life, and does not mourn about the fact that she has outlived her husband and 4 children. She says they all had long and productive lives, and for that she is thankful. Mrs. Grimes is a mentor, community historian, but most of all, she is the pride of Watts.

A POINT OF LIGHT AND A HALF

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mrs. ROUKEMA. Mr. Speaker, it gives me great pleasure to rise today to honor one of New Jersey's most dedicated spiritual and civic leaders, one who should rightfully be characterized as a "Point of Light and a Half"—Monsignor William J. Linder, pastor of St. Rose of Lima Church in Newark, NJ.

My colleagues in the House will recall the horrible destruction that occurred in the city of Newark during the riots of 1967. In the dawn after the nightmare of the violence, emerged Monsignor Linder, who has dedicated his life and resources to create the nonprofit New Community Corporation. Like the legendary Phoenix, the New Community Corporation has risen, a shining city, from the ashes of the rubble-strewn streets of Newark's central ward.

The New Community Corporation is proof that the public and private sectors can come together to solve a community's problems. It is the very ideal on which the HOME Program that the Congress authorized in 1990 is built. The basic premise of HOME is that government cannot alone solve all of society's ills. The private sector and dedicated people like Monsignor Linder must step in to fill the gaps.

In 20 years, the New Community Corporation has built 2,400 low-income housing units, a transitional housing facility for homeless a 180-bed nursing home, a shelter for battered women, five day-care centers including one for children with AIDS, medical offices, and a shopping center that the Monsignor deftly used to attract the city's first new supermarket in years. The project has resurrected 22 city blocks and provided Newark with 1,150 new jobs.

I had the distinct pleasure of touring the New Community Corporation in late 1989. What struck me most as we drove through the more depressed areas of Newark was this oasis of a community that arose before us. The Monsignor and I walked through the day care centers, the community center, the recreation areas, and the housing units. I talked with the residents, who shared with me their desire for a new start for their families. With each of these, it was clear that Monsignor Linder has brought not only safe, affordable housing to the city but also opportunity and hope to people who would otherwise live in continued deprivation—people who had no "bootstraps" of their own.

Monsignor Linder helps the otherwise helpless to help themselves. He did this by establishing a complete network of social services in order to offer the people of Newark the help that is needed to make full lives for themselves and become productive members of society. He is providing the boost that many require to begin their climb up the ladder of society.

In recognition of his outstanding and selfless accomplishment, in 1989 former Governor Tom Kean of New Jersey awarded Monsignor Linder the Governor's Gold Medal, the most prestigious award bestowed by the State of New Jersey.

In June of this year, Monsignor Linder was recognized with a fellowship from the John D. and Catherine T. MacArthur Foundation of Chicago, the Genius Award, as it is known. The foundation will provide the New Community Corporation with $330,000 over the next 5 years. At that time, his efforts also earned him recognition as ABC Network News "Person of the Week".

Today, I ask my colleagues in the House to join me in commending New Jersey's "genius," our own "Person of the Week, Month and Year," Monsignor William J. Linder and his New Community Corporation for their accomplishments. Together they have brought hope, home, and self-respect to the people of New Community and a model for the Nation.

COMMISSION ON NEW WORLD ORDER ECONOMICS AND GOVERNMENTAL AFFAIRS

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. BENNETT. Mr. Speaker, today I am introducing a bill to create a Presidential Commission on New World Order Economics and Governmental Affairs. This Commission will have the responsibility of rendering assistance to the governments of the Eastern European nations and the Soviet Union on matters related to the restructuring of their economies and the strengthening of their democratic institutions. The goal will be to hasten the transition of the nations to democracy and a market economy.

Because of the collapse of the communist stranglehold on the nations of Eastern Europe and the desire of many in the Soviet Union to move toward a democratic form of government, President Bush has stated that we should embark on a foreign policy for the new world order. This post-cold war policy includes improving our relations with the Soviet Union and the former Warsaw Pact nations.

However, these nations are facing great difficulties in their struggle to strip themselves of decades of centralized economic policy and closed political practice. To date there has been more chaos than clear progress. Yet, we have no specific American group whose primary responsibility is to help these nations make the transition to democracy and a free market economy. The Commission I am proposing today would have this responsibility.

The Commission would be a presidentially appointed group that would consist of experienced people in industry, academics, politics, and the military. The members would be primarily Americans, but could be expanded to include foreign nationals. The President would appoint these foreign members after consultation with foreign leaders.

The members would not be paid for their service but would be reimbursed for their expenses. Funds would be provided for a small staff to assist the Commission. Offices would be provided to the staff and the Commission's head.

I believe that there are outstanding American citizens who have made great achievements in free enterprise and in government who would gladly serve without pay in this important quest for prompt and workable answers to the challenges of free enterprise and democracy in the Eastern European nations and the Soviet Union.

A primary goal of the Commission will be to assist in converting the Soviet military-industrial complex to the production of consumer products. There can be no doubt that continued heavy military expenditures are a serious drag on the Soviet economy. The Soviet defense industry is probably the only sector with the capacity, skilled labor, and management experience necessary to meet quickly the civilian consumer needs. We should be able to help the Soviets better match their civilian needs with their existing industrial resources.

The Commission can also make recommendations on how these governments can make better use of their natural resources, including land. The Russian government owns great natural resources such as oil, manganese, and rich farm land.

One example of how the Commission could help the Soviet Government is in the area of affordable housing. The unavailability of affordable housing and consumer products is a great unmet Russian need. The Soviet Government owns millions of acres of land. Free enterprise could provide decent affordable housing to the millions who need it. The government could convert some military plants to produce affordable prestructured housing and build homes on government land. The titles to the new homes could be held in a lease-purchase contract with the government being allowed to collect rents, and when the contractual obligations are fully met, the title could pass to the tenant. Lease-purchase is the way thousands of poor and lower middle income populations in America's South were given title to homes in years gone by. This type of action would help alleviate the severe housing shortage in the Soviet Union.

If we are to help mold the new world order of the future we need leadership and vision. It may be that the American taxpayer, who already pays very high taxes, would not be inclined to provide massive financial assistance to the governments of Eastern Europe and the Soviet Union, as in the Marshall Plan, but it is clear that prompt assistance of advice, consultation and free enterprise cooperation can and should be given. This is the time to help. We can't choose any other time. This is it!

I am convinced that there are able people in our great country who would accept the challenge offered by the creation of this commission. I hope that it will soon be a working institution. Perhaps one of our former Presidents, or some public-minded and outstanding business leader would be persuaded to be its first chairman.

TRIBUTE TO COLONEL EDWARD J. SHANNON

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. ORTIZ. Mr. Speaker, I rise today to ask my colleagues to join me in paying tribute to the career of Col. Edward J. Shannon, the outgoing commander of Corpus Christi Army Depot—commonly known as CCAD in our community. The Corpus Christi Army Depot is the largest industrial employer in Corpus Christi.

I have worked closely with Ed Shannon for 2 years, during his tenure as CCAD commander. Colonel Shannon has been a great asset to the Corpus Christi Army Depot demonstrating leadership, foresight, and dedication. His maintenance of a good rapport with CCAD employees, government officials, and the community has contributed immeasurably to the success and stability of the depot.

Colonel Shannon has served his country well since his enlistment in the Army in 1963. Upon receiving his commission as a second lieutenant in 1966 he continued his military career through two tours in Vietnam and a later tour at Fort Lewis. His great military achievements have merited a number of awards and decorations for Colonel Shannon. He has attained the Bronze Star award twice, the Meritorious Service Medal three times, and numerous other commendations for outstanding service to his country.

He led men in Vietnam—and he earned their respect. He has run the Corpus Christi Army Depot, and earned the respect of the employees and the community. He has been a positive influence on CCAD—and what is good for CCAD is good for Corpus Christi.

I salute you, Colonel Shannon, as a fine citizen, as an outstanding commander, and as a friend. You indeed leave large shoes to fill. Best of luck to you, my friend, in all your future endeavors.

H.R. 3180, THE LONG-TERM HOME CARE ACT OF 1991

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. ROYBAL. Mr. Speaker, yesterday I introduced legislation that would establish a new long-term home care benefit under part A of Medicare for chronically ill elderly, disabled, and children. As you may recall, I first cosponsored this legislation with my colleague, the late Claude Pepper. I am joined in this effort by my Senate colleague, the Honorable BROCK ADAMS, chairman of the Senate Committee on Labor and Human Resources' Subcommittee on Aging. This plan would provide a compassionate and cost-effective form of care for persons with long-term disease, many of whom otherwise would be forced into costly and less appropriate nursing home or hospital care.

Chronically ill seniors, with Alzheimer's, Parkinson's, and other debilitating illnesses, could receive care in their homes. Young parents would no longer face the hopeless situation of going bankrupt while caring for their chronically ill children.

Long-term care is the primary health-related cause of financial ruin among the elderly and the young because current public and private insurance does not provide adequate protection against these costs. Today, the only option for many of these Americans is to exhaust all of their resources to become eligible for welfare assistance in a costly nursing home.

Examples of individuals who should benefit from long-term home care are elderly persons with advanced Alzheimer's disease or Parkinson's disease, children born with chronic lung impairments, elderly stroke victims, working-age Americans left paralyzed or otherwise disabled by accident, injury or disease, and children and elderly with long-term cancer.

This proposal is progressively funded and completely self-financing. It would be paid for from revenues resulting from the elimination of the caps on individual income on which the Medicare payroll tax of 1.45 percent and the disability payroll tax of 0.6 percent are levied. The current caps are $125,000 for the Medicare payroll tax and $53,400 for the disability payroll tax. Since 95 percent of working Americans earn below the $53,400 level, such a change would affect only 5 percent of American workers.

The Congressional Budget Office estimates that this change would raise about $10.9 billion in 1992 and $11.8 billion in 1993; the projected cost of the new long-term home care coverage is $7.7 billion in 1992 and $8.9 billion in 1993. Thus, this proposal will generate a surplus of $6.1 billion over the next 2 years.

In addition, to absolutely ensure that this legislation will be self-financing into the future, the bill contains language that strictly prohibits the use of any general revenue funds or other Medicare trust fund moneys to pay for the new long-term home care program.

The Pepper Commission, after 2 years of study and deliberation, has recommended Federal coverage of long-term home care. A poll conducted by Louis Harris and Associates found overwhelming support among Americans of all ages, incomes, regions, and political allegiances for this kind of program.

In the Harris poll over 8 of 10 Americans supported such a Federal plan; over 7 of 10 Americans favored removing the cap on income subject to the Medicare payroll tax to pay for it, including 73 percent of Americans with incomes above the cap and 78 percent of business executives. Because this long-term home care coverage will benefit the disabled as well as the elderly, we can expect that the American public would equally support lifting the cap on income subject to the disability payroll tax.

Mr. Speaker, this legislation is long overdue. Each day we postpone its enactment, young and old across America will continue to struggle and suffer the indignities of forced destitution in the face of debilitating and uninsurable diseases. This should not persist in America. I would like to recall the words of Claude Pepper on that day in 1988 when the question of this bill was first brought before this distinguished body. He said:

> My dear friends, this is an opportunity that will be rare for us in our legislative experience. By a tax that will not hurt anybody * * * we can help millions of people to meet crises in their homes that are heartrending in their character. * * *
>
> I ask you, my dear friends, think about it, think about the people who are affected, think about what it will mean to the people of this country less fortunate than we * * *
>
> I ask you, my colleagues, when you go home tonight and you close your eyes and you sleep and you ask, "What have I done today to lighten the burden upon those who suffer," at least you could say, "I helped a little bit today; I voted to help those who needed help."
>
> It may not answer all the problems, and it does not, but it will give comfort. It will cool the brow of many who suffer. It will give hope to many who almost are despaired.
>
> I ask you, my dear colleagues, do not be fooled by technicalities or little things that are not important. Think about the human values involved in this matter and vote to help those people who need help without hurting anybody while you are doing it.

I urge my colleagues to join me in supporting this timely and greatly needed legislation to provide comprehensive home care to those who need it most.

INTRODUCTION OF THE INTER-AMERICAN SCIENTIFIC COOPERATION ACT OF 1991

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. BROWN. Mr. Speaker, today I am introducing legislation aimed at increasing our scientific and technological ties with the nations of Latin America. The importance of our relationship with Latin American nations has recently been highlighted by the debates in this Chamber over extending fast-track status for United States-Mexico free trade negotiations, as well as proposals for a Western Hemisphere Free Trade Zone, and the gradual implementation of the President's admirable Enterprise for the Americas Initiative. It is my hope that these developments foreshadow a new era of better understanding between the United States and our neighbors to the South.

For many years I have been concerned about the unwillingness of the United States to forge relations with Latin American nations that are rooted in a spirit of equal partnership and hemisphere unity. In March of 1979, for example, I spoke in this Chamber about our relationship with Mexico. At that time I said:

> We must begin the long-overdue process of elevating our relations with Mexico to the level that European countries enjoy with the United States and we must expand this increasing maturity to our relations with all of the nonaligned countries. A U.S. foreign policy based on need is seen in the Third World as a foreign policy based on greed. Do we wait until Honduras discovers gold or Upper Volta discovers uranium deposits until we begin to show an attitude of respect and sensitivity toward those countries.

The context for my remarks in 1979 was Mexico's discovery of huge new old reserves, and the increased attention that the United States was focusing on Mexico as a result. That was a time of extreme instability in oil prices, and we had a very strong motivation for focusing on Mexico: We wanted preferential access to their oil. When the price of oil dropped in the early eighties, so did our interest in Mexico—that is, until the decline in oil prices precipitated a severe economic crisis in Mexico, which threatened the solvency of some United States banks that had made huge loans to the Mexican Government.

Our relationship with Mexico has been emblematic of our dealings with most other Latin American nations. Our policy has been reactionary, and often of a military nature. This is in sharp contrast to the long-term continuity, stability, and tolerance that we have worked hard to perpetuate with our allies, and even with some of our adversaries, in Europe over the past 50 years.

Several developments over the past 5 years are creating a new motivation for the United States to approach its relations with Latin America in a more serious and egalitarian manner. First, and perhaps most spectacularly, the end of the cold war has forced us to expand the horizons of our foreign policy objectives beyond ideological and military confrontation with Communist nations.

Second, the progressive decline in U.S. economic competitiveness has demonstrated the need for new international markets for U.S. goods and services, This has forced us to understand that the economic development woes suffered by many of our neighbors to the South robs us of a huge reservoir of potential buyers for our exports.

Third, the growing recognition of the consequences of environmental degradation and resource consumption—and especially the recognition of the potential consequences of global climate change—has pointed to the end for concerted, international action. This provides a positive, mutually beneficial contest for unprecedented cooperation between the development and developing world.

The cumulative effect of these and related changes has helped us to realize that we must deepen and strengthen our relations with the other nations of the Western Hemisphere. Most importantly, we must act to encourage and promote long-term, sustainable economic development. Such development is a requirement not only for those Latin American nations that are striving to increase the quality of life of their citizens in an economically and environmentally sound manner, but also for the United States in its efforts to compete effectively with the our friends in the European Community and the Pacific rim.

There are many elements required for sustainable economic development in the context of a global marketplace. President Bush's Enterprise for the Americas Initiative [AEI] has focused on three of the most important: trade, investment, and debt.

What EAI does not consider, however, is the critical role that science and technology [S&T] play in economic growth. In fact, neither our foreign policy in general, nor the specific debate over free trade with Mexico, have included S&T as a crucial part of the development formula. This is somewhat ironic, because the Bush administration is highly sensitive to the importance of scientific research and development [R&D] on the domestic front. For example, the administration's fiscal year 1991 budget proposal to Congress justified our $70 billion Federal investment in R&D by explicitly linking it to economic vitality:

> Research and development yields new knowledge, products and processes that, over the long term, result in economic growth and improved quality of life for all Americans.

If this is true for the United States, isn't it also true for the countries of Latin America? In fact, a 1988 study commissioned by the National Science Foundation [NSF], entitled "New Directions for U.S.-Latin American Cooperation in Science and Technology," concludes that S&T is:

> * * * an integral part of the region's efforts to solve its international debt problems, to achieve economic growth and a place in the global economy, and to deal with environmental concerns and the conservation of natural resources.

It is also important to point out that scientific research has a not insubstantial role to play in the democratic process. The scientific community at universities and other centers of research in several Latin American nations were subjected to severe ideological purges at the hands of repressive governments in the 1970's and 1980's. Now, as much of Latin America emerges from those troubled times, a reinvigorated scientific community in recently democratized nations can help to restore traditions of free inquiry, free thought, free association, and free speech.

I hasten to emphasize that there are many potential direct benefits to the United States from increased scientific and technological cooperation with Latin America. First of all, to the extent that we can assist in promoting economic growth in the hemisphere, we can create new markets for our own goods and services. Equally importantly, there are a wide range of problems that we share with Latin America that can more successfully be solved by cooperative effort than by acting alone. These include, but are certainly not limited to, challenges in the fields of human health, air and water pollution abatement and control, biotechnology, natural hazard mitigation, aridlands agriculture, sustainable energy, urban transportation, and maintenance of species diversity.

In fact, as discussed in the 1988 NSF report that I cited previously, there are many areas in which U.S. scientists and engineers can greatly benefit by increased contact with their colleagues in Latin America. Furthermore, if the United States doesn't work to increase S&T cooperation with Latin America, other nations will. As stated in the NSF report:

> Given the important role that S&T are perceived to have in economic development, Latin American countries may become increasingly involved in cooperation with Europe and Japan in the absence of U.S.-sponsored opportunities, continuing the decline in [scientific] ties between the United States and Latin America.

Indeed, this is already taking place. Japan and the European Community have launched a number of aggressive S&T exchange programs with various Latin American nations.

Because of the critical importance of science and technology to economic development, and because of the conspicuous lack of S&T provisions in other U.S. initiatives aimed at increasing our ties with Latin America, I am today introducing the Inter-American Scientific Cooperation Act. I am joined in introducing this bill by the following cosponsors: Representatives TORRICELLI, BOUCHER, DE LA GARZA, SENSENBRENNER, KOLBE, MORRISON, SCHIFF, BARTON, GILCHREST, OLVER, CRAMER, TRAFICANT, SCHEUER, NAGLE, HORN, and PORTER. I also want to acknowledge the important contribution of my colleague, Mr. ROE, the former chairman of the Science, Space, and Technology Committee, who was the author of an earlier version of this legislation.

This Inter-American Scientific Cooperation Act has three major components:

First, establishment of an Inter-American Scientific Cooperation Program at the National Science Foundation, which would coordinate and provide the U.S. share of funding for joint research, education exchanges, and information transfer;

Second, authorization for NSF to provide funds for debt-for-science exchanges, which would allow Latin American nations with severe external debt burdens to act as full partners in supporting joint scientific research programs; and

Third, creation of a United States-Mexico Binational Science Endowment, in special recognition of the many scientific and environmental problems that we share with our neighbor to the South, and in light of the need to ensure a stable mechanism for active technical cooperation that would parallel our increasingly open trade relations.

I insert, for the RECORD, a section-by-section description of the bill:

INTER-AMERICAN SCIENTIFIC COOPERATION ACT

SECTION-BY-SECTION SUMMARY

Section 1. Short title.

Section 2. Findings and definitions.

Section 3. Establishment of the program: Establishes an Inter-American Scientific Cooperation Program ("The Program") at the National Science Foundation, aimed at increasing the level and consistency of science and technology cooperation between the U.S. and Latin America. Funding sources in addition to NSF will be identified for cost-sharing, including other government agencies, nongovernmental sources, and Latin American sources.

The Program will include the following elements:

First, support of cooperative research projects between U.S. and Latin American scientists and engineers;

Second, establishment of a U.S.-Latin America educational exchange program for graduate students and postdoctoral fellows;

Third, establishment of joint data bases, computer linkages, and other mechanisms of information and technology transfer.

Section 4. United States-Latin American debt-for-science exchange: Authorizes the NSF to provide funds for the purchase of discounted commercial bank debt owed by Latin American nations, in exchange for a contribution of funds by the debtor nation for support of joint scientific research and/or education projects. Support by the debtor nation for the projects should be no less than 75 percent of the full face value of the purchased discounted debt, or at least 20 percent greater than the purchase price of the discounted debt. NSF grants for purchase of discounted debt must be equally matched by non-Federal contributions.

Section 5. United States-Mexico binational science endowment: Authorizes the Director of the NSF, in consultation with the Director of the Office of Science and Technology Policy, to work with representatives of the Mexican Government in establishing a board of governors for a United States-Mexico science endowment. The endowment will be a nongovernmental organization that supports research and educational activities of interest and benefit to both the United States and Mexico. Support for the endowment will be derived from debt-for-science exchanges, as well as direct contributions from governmental and nongovernmental sources.

Section 6. Report: The Director of the NSF shall submit an annual report to Congress documenting activities of the program. Every 2 years, this report will include a description of all Federal research and development activities carried out in, or in cooperation with, Latin American nations.

Section 7. Authorization of appropriations: Authorizes the appropriation of up to $10 million of NSF funds for fiscal year 1992 and fiscal year 1993 to support the program. Authorizes the appropriation of $5 million from the Agency for International Development for a debt-swap to support the United States-Mexico binational science endowment.

INTRODUCTION OF LEGISLATION TO ESTABLISH A MEMORIAL TO AFRICAN-AMERICANS WHO SERVED IN THE UNION ARMY DURING THE CIVIL WAR

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Ms. NORTON. Mr. Speaker, I am very proud to stand before this body today to introduce legislation to establish a memorial to African-Americans who died while serving as Union soldiers during the Civil War.

The issuance of the Emancipation Proclamation by President Lincoln not only freed the slaves but provided that African-Americans would be "received into the armed services of the United States." Those African-Americans who served with the Union Army did so as volunteers. At first they were barred from combat and made to contribute only as members of service and labor battalions. Ultimately, however, their determination, courage, and love for their country and for the cause of freedom, enabled them to transcend this barrier.

Just two years ago, the release of the film "Glory" brought national attention to the role played by African-American soldiers during the Civil War. This movie told the story of the 54th Massachusetts Regiment which distinguished itself at the historic battle of Fort Wagner in July 1863. This unit was not the first African-American regiment organized or the first to be tested in combat. Four other units fought valiantly during the Vicksburg campaign earlier that same summer. Eventually, a total of 166 African-American regiments were organized.

Recently, the Council of the District of Columbia approved a ceremonial resolution authored by Councilmember Frank Smith, Jr. to honor and recognize African-Americans who served in the Civil War and calling for the establishment of a memorial. I am pleased to have this opportunity to respond to this call by introducing this important bill. I urge my colleagues to give the measure your full support.

HOUSE CONCURRENT RESOLUTION 96, A RESOLUTION TO SUPPORT THE PREPARATION OF A NEW MONUMENTAL CORE AREA PLAN BY THE NATIONAL CAPITAL PLANNING COMMISSION

HON. RONALD V. DELLUMS

OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DELLUMS. Mr. Speaker, today I introduced House Concurrent Resolution 196, a sense of the Congress resolution to support the National Capital Planning Commission's [NCPC] initiative to prepare a new Monumental Core Area Plan.

The beauty of the National Capital Mall area, which is generally praised worldwide, is the result of the serious planning task undertaken by the 1901 Senate McMillan Commission. It is now time to revisit this plan and expand upon this grand vision in order to accommodate present and future needs. The NCPC has initiated the preparation of an updated plan for the Mall and the central monumental core area of the Nation's Capital. This plan is being prepared in response to the multitude of pressures for use of the limited space available and to preserve the historic features of the area while accommodating necessary growth. Over the next 10 years, there will be proposals for several new museums, memorials, new executive branch department headquarters buildings, as well as the traffic, transportation, and parking accommodations for increased tourism. The historic 1901 McMillan Mall Plan has been fulfilled. There is growing need for a new expanded vision that will guide development into the 21st Century.

This congressional resolution is intended to give support and to encourage broad cooperation within the federal family, that is, the executive, legislative, and judicial branches of government, as well as the public nationwide.

The NCPC, created by Congress in 1926, has the mission of planning for the future while preserving important historical and natural features in the National Capital area. It is the central planning agency for the federal government in the National Capital Region. The NCPC is composed of the Secretary of Interior, the Secretary of Defense, the Administrator of the General Services Administration, the Mayor, the Chairman of the District of Columbia Council, the Chairman of the Committee on the District of Columbia of the House of Representatives, and the Chairman of the Senate Committee on Governmental Affairs, or such alternates as they may designate. In addition, five citizens with experience in city or regional planning, three of whom are appointed by the President and two of who are appointed by the Mayor. Of the citizen members appointed by the President, at least one is a bona fide resident of Virginia and at least one is a bona fide resident of Maryland. The President designates the Chairman of the Commission.

The NCPC has enjoyed widespread recognition for its success in area planning. Its efforts in carrying out and enlarging upon the McMillan Mall Plan are well documented. In 1952, Congress further charged NCPC with the duty of preparing and adopting a comprehensive, consistent, and coordinated plan for the recently updated and published comprehensive plan for the Nation's Capital.

The NCPC, with its 65-year history and role in federal planning, is uniquely qualified to undertake this momentous planning task. The Commission intends to establish a seven to nine member Blue Ribbon Panel of distinguished nationally and internationally recognized leaders from a wide variety of disciplines to provide advice in the preparation of the plan. The Panel will contribute interdisciplinary professional views from a broad spectrum of opinion, interest, and expertise.

H. CON. RES. 196

Whereas, over the past two centuries, the monumental core of the Nation's Capital has become one of the world's finest examples of civic art under the guidance of the original L'Enfant Plan and the McMillan Commission Plan of 1901. It is a precious area, framed generally by the Capitol, White House, Lincoln Memorial, Arlington Cemetery, and the Pentagon. History, monuments, and outstanding public buildings abound, along with the symbolic architecture that has established itself in the affections of the Nation. However, the vigor and vitality of a growing society have generated demands that outpace the guidance provided in these historic plans;

Whereas, it is time to take a bold and fresh look into the future. As the bicentennial of the original plan for the Federal City approaches, the aspirations for the monumental core put forth in turn-of-the-century plans have been largely fulfilled. A new vision for this central monumental area is needed to guide its development into the 21st Century. The beauty and dignity of this historic area must not be put at risk by ad hoc development taking place in the absence of a well-considered new plan that preserves and respects this national treasure;

Whereas, the challenge of technological change is upon the Nation as the capital adjusts to an expanding international leadership role in the emerging global information age. Facilities designed for new kinds of Federal Government operations and requirements must be accommodated. If history is a guide, new cabinet level departments and operations will evolve in the coming generations that might expect to be housed at the seat of government. The Federal Judiciary is also expanding rapidly, and should similarly be accommodated in a manner that respects its stature as the third branch of government;

Whereas, pressure for space in the monumental core is intense. Proposals for several new museums are under discussion. Congress has recently authorized several new memorials and additional proposals are pending. Several executive branch agencies are seeking prominent new headquarter locations. Meanwhile, visitation will continue to increase as the area faces both complex traffic problems and the challenge of providing sufficient parking to meet current and future needs. The 18–20 million Americans who currently visit their Nation's Capital each year must be accommodated. These issues, while frequently discussed, remain unsolved. Clearly, the demand to reflect national achievements, culture, and history in the heart of the National Capital will not cease merely because of the near completion of the McMillan Commission Plan;

Whereas, a forward looking and inspirational plan that preserves this legacy for future generations, yet accommodates future growth, is needed. That plan must have beauty, nobility, and power—the power to proclaim vividly Washington's stature as the heart of a great democracy and as a world Capital; and

Whereas, the National Capital Planning Commission is developing this plan in a collaborative and cooperative manner, its efforts merit the participation of the Federal Government and the governments within the National Capital Region towards ensuring the grandeur and an appropriate, functional, and symbolic setting for our Capital: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), that Congress supports the National Capital Planning Commission in undertaking the creation of such a visionary plan in its unique role as the central

Federal Planning Agency in the National Capital.

HONORING THE "LOOK GOOD * * * FEEL BETTER PROGRAM"

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mrs. MORELLA. Mr. Speaker, I rise today to commend the "Look Good * * * Feel Better" [LGFB] cancer patient program. This free national public service program provides women cancer patients with instruction in the use of cosmetics, wigs, and other accessories to diminish traumatic appearance-related side effects of chemotherapy and radiation treatment and help enhance their self-image. All of the cosmetics used by the patients in this program are donated by the cosmetics industry.

"Look Good * * * Feel Better" was developed in 1989 and is sponsored by the Cosmetic, Toiletry, and Fragrance Association Foundation in partnership with the American Cancer Society and the National Cosmetology Association. The program is currently available in 45 States and Washington, DC, and will serve more than 20,000 patients nationwide this year.

Last week, I visited Washington Adventist Hospital in Takoma Park, MD, to observe a demonstration of a LGFB Program. Here, five patients undergoing cancer treatment learned the skills they can use on a daily basis to take control and cope with the distressing side effects. These effects can include loss of hair, eyebrows, eyelashes, and extreme effects on skin tone and texture. I was moved by the resolve of these brave women in the face of their current battle and I was impressed by how "Look Good * * * Feel Better" strengthened their determination to prevail. Keeping one's self-esteem and self-confidence during this trying time are important elements for a complete recovery. I salute LGFB and its sponsors for their efforts on behalf of women cancer patients.

Mr. Speaker, I ask all my colleagues to join me in supporting the "Look Good * * * Feel Better" Program and its dedication to reaching out to the one of every three women in the United States who will develop cancer this year.

NEGOTIATING FROM STRENGTH

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. GALLO. Mr. Speaker, President Bush deserves the thanks and gratitude of the American people—and of freedom-loving people around the world—for his outstanding leadership in bringing to a conclusion the Strategic Arms Reduction Treaty signed earlier this week in Moscow.

The President has again demonstrated his commitment to peace with the signing of this treaty. By significantly reducing the number of nuclear weapons on both sides, this agreement will make the world a much safer, secure, and peaceful place.

Once again President Bush's farsighted foreign policy has resulted in a victory for peace and stability.

By continuing the tradition of Republican leadership, the President has secured a world marked by superpower cooperation rather than confrontation.

This agreement did not come easily. For 9 years, during some very difficult times in our relations with the Soviets—and with this Congress—Presidents Reagan and Bush pursued a policy of a strong defense as the way to peace.

It was this firm and resolute policy that brought the Soviets to the bargaining table and kept them there.

I am proud to have strongly supported both Presidents in their quest for peace.

This is truly a victory for peace and stability.

Mr. Speaker, the President deserves our continued support in his pursuit of a new world order. We should remember the success of this experience, and the reasons for it.

Together with the President, let us continue to promote policies that will allow us to negotiate from a position of strength.

OVERPAYMENT BY GOVERNMENT AGENCIES

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. THOMAS of California. Mr. Speaker, I want to join our colleague, Congressman PICKLE, in announcing that we have received a second report from the General Accounting Office concerning overpayments by Government agencies. When we began investigating this problem several years ago, we had hoped we would find Government payments were made efficiently. Unfortunately, GAO's studies show a serious problem that needs to be addressed.

As of September 1989, GAO had found evidence of nearly $2.9 billion in uncollected debts after investigating Social Security, Veterans Administration, Railroad Retirement Board, and Office of Personnel Management accounts. Social Security, which collects only about 28 percent of its overpayments, had the largest share: $2.4 billion. Social Security has even written off debts as uncollectible. Other agencies are collecting far more but they too can improve their performance.

The latest report includes some ideas Congress must explore. For example, it recommends having Social Security create a central administrative office with specific responsibility for collecting debts. In other agencies, it may be possible to improve collections by making better use of existing agency resources for debt collection.

It is clear we need to do more to stop overpayments from being made in the first place. I am pleased that Congressman PICKLE and the chairman of the Subcommittee on Social Security have asked for a further report from GAO that will give us information on just why the Social Security overpayments are being made. The report we already have, however, shows that today's debt collection practices must be changed. Letting overpayments go uncollected means families have to pay taxes twice for the same level of Government service, and that is totally unacceptable.

TRIBUTE TO BRAVE CYPRIOTS ON 17TH ANNIVERSARY OF INVASION AND OCCUPATION OF THE REPUBLIC OF GREEK CYPRUS BY TURKEY

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. THOMAS of California. Mr. Speaker, today I rise to join my many colleagues in tribute to the brave people of the Republic of Greek Cyprus on this, the 17th anniversary of the occupation and division of that island country. Seventeen years ago, on July 20, 1974, Turkey illegally invaded a sovereign nation and member of the United Nations, a shameful occupation which has continued to this day despite repeated protests from the Greek Cypriots and the community of nations.

The people of Cyprus deserve better than to languish for 17 years under Turkish occupation. Turkey's invasion and occupation of this country is a continuing violation of both the U.N. and North Atlantic Treaty Organization Charters, and its seizure of over 35,000 Greek Cypriot homes and prolonged detention of over 1,000 Greek Cypriots ignores the basic standards of human rights set forth by the Geneva Convention.

This United States has just emerged from a war against a brutal aggressor, a war conducted with the help of 28 U.N. allies, including Turkey, and waged to protect the rights of sovereign nations to peacefully coexist with their neighbors. The parallels between Kuwait's grievance with Iraq and Cyprus' continuing struggle against Turkey should be obvious to all concerned. The parallel need for a settlement of Cyprus' legitimate complaints should be equally apparent.

In his recent visit to Greece, President Bush declared that a peaceful settlement of the plight of Cyprus should immediately be undertaken by Greece and Turkey, two NATO partners who both played important roles in the war against Iraq. In the aftermath of that war, the President has spoken much on the need for a new world order between nations based upon law and democratic institutions, put in place with the consent of the governed, but for the past 17 years, this right has been denied Cyprus.

I believe the ability to craft a peaceful settlement of the Cyprus question between the governments of Turkey and Greece is the first test of the new world order which we all seek. In order to create this new order, however, the rule of international law must be applied evenly to fiend and foe alike. I urge Turkish President Turgut Ozal to cooperate fully with U.N. efforts to break this 17-year-old impasse. Mr. Speaker, I believe it is high time to restore freedom to the island of Cyprus.

FREE TRADE AGREEMENT WITH CHILE

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KOLBE. Mr. Speaker, yesterday I was pleased to join Representative BILL RICHARDSON in introducing legislation calling on the President to begin consultations with the Government of Chile with the goal of negotiating a free-trade agreement with that country. I would urge my colleagues to cosponsor this bill, H.R. 3193.

Free trade has been a controversial buzzword in the Congress lately. The intense debate on this issue was brought to a head by the vote of Congress in May to extend Fast Trade trade negotiating authority until June 1, 1993. As a result of that vote, we are currently involved in historic negotiations with the Governments of Mexico and Canada to form a North American free-trade zone. This zone will form the largest open economic market in the world.

But even with this development, our work is not done. The United States Trade Representative, Ambassador Carla Hills, is also bargaining for more open markets at the Uruguay Round of the GATT talks. Clearly, it is the policy of this Government that free and open trade is a benefit to all who accept it.

I concur with a recent statement by Commerce Secretary Robert A. Mosbacher:

> Countries that seize the opportunities created by economic cooperation will deliver rising standards of living to their citizens. Countries that do not are in danger of being left behind.

Most other nations of the world now agree with this view. And in our own hemisphere, the view that open markets do indeed create a tide of economic prosperity that lifts all boats is nearly unanimous. With the exception of Cuba, every Central and South American nation has signed a framework agreement with the United States to explore options for trade liberalization.

These framework agreements are the first vital step in President Bush's Enterprise for the Americas Initiative [EAI] that will eventually spawn open markets from Alaska to Tierra Del Fuego. The EAI is built on the three pillars of trade liberalization, lessening of investment restrictions, and the reduction of outstanding debts. However, the EAI goes well beyond simple trade liberalization. As President Bush has said, "The EAI can link our nations with their diverse cultures, work forces and creative forces."

Chile in particular has taken all the right steps to be the first nation to be integrated under the EAI. Free trade with that nation will be the natural result. Representative RICHARDSON and I agree that the Congress must begin an examination of this issue. It is our hope that we will gain significant support for our legislation from both sides of the aisle, and both sides of the Congress.

Chile has taken painful—but necessary—steps to liberalize its economy. Even more remarkable, it has taken these economic steps while transforming its government from the totalitarian Pinochet regime to the openly democratic regime of President Patricio Aylwin, who was elected in March, 1990.

In welcoming President Bush to Chile in December 1990, President Alywin said:

> Beyond circumstances and obstacles, Chile has kept its constant love of liberty and has engaged in battles to defend it. This allows us to welcome you in democracy today after having recovered a tradition characteristic in your own country.

Democracy in Chile has resulted in both a return of traditional political establishments, including an opposition party, and in a renewal of what has been described as democratic rules and traditions. Just as in the United States Congress, the political leaders of Chile have found it impossible to move forward on broad policy issues without varying degrees of consensus, cooperation, and coalition building. It was only through these efforts that Chile was able to implement tax reforms, condemnation of terrorist activities, and the approval of the Rettig Commission report on human rights and abuses under the military regime.

On the issue of human rights, the Presidency of Patricio Alywin has made great progress in a short time considering the legacy that was left by President of General Augusto Pinochet. The Amnesty International report for 1991 acknowledged that "the scope of the government's human rights initiatives was limited by factors inherited by the previous government."

In light of the record left by Augusto Pinochet, it is worth noting that one of President Alwyin's first official acts was to establish the National Commission for Truth and Reconciliation charged with investigating disappearances, torture allegations, and illegal executions carried out by the previous regime. Amnesty International has welcomed these measures, but recognizes that more investigation needs to be undertaken. As a result, the National Commission for Truth and Reconciliation has invited Amnesty International to submit a series of recommendations for preventing further human rights abuses.

The Chilean economy has made impressive strides over the past decade. During the mid-1980's Chile began implementing a plan to reduce import tariffs and to strengthen exports. State enterprises were sold, and significant tax reforms was enacted. Public spending policies were changed to accommodate increased savings and investment. The result has been an annual average growth rate of 5.6 percent between 1984 and 1990. GDP projections for 1991 range from 4 to 6 percent. Private savings has grown from 2.2 percent of the Chilean GDP to more than 9.6 percent.

Like most Latin American nations, Chile has had to contend with high inflation and higher interest rates. However, Chile has taken necessary steps to keep inflation below 30 percent. The projections for 1991 indicate an inflation rate of closer to 20 percent. Unemployment is slightly lower than 6 percent.

The most significant recent development for the Chilean economy was the first EAI bilateral debt reduction agreement signed between the United States and Chile on June 27 of this year. Such an agreement was only possible after Chile undertook broad macroeconomic and structural reforms, liberalized their investment regimes, and reached agreement on their commercial bank debt. The agreement resulted in a 40-percent reduction of Chile's food assistance debt to the United States from approximately $39 million to $23 million. This agreement will lead to another agreement whereby Chile will be able to apply its interest payments on its debt to a Chilean environmental fund established.

A press release by the White House after the signing said:

> Chile's sound macroeconomic policies, stable and receptive foreign investment regime, and good relations with commercial creditors have helped lead the way for reform in Latin America and the Caribbean.

A free-trade agreement with Chile will expand and enhance Chile's economy and pave the way for a new and robust market for American goods. Like the United States, exports have paved the way for Chilean economic reforms and subsequent growth.

Chile's exports amounted to more than $8.3 billion and accounted for 30 percent of that nation's GDP during 1990. Trade between the United States and Chile amounted to more than $2.8 billion, making the United States both the largest importer and exporter for Chile. Trade between our two nations is enhanced by Chile's flat tariff rate of 15 percent for all imports, and the average tariff of approximately 5 percent for the United States. In addition, more than 40 percent of all foreign investment in Chile over the past decade has been from the United States.

An FTA with Chile makes sound economic sense. I recognize that the timing of such an agreement is difficult today. As I mentioned, Ambassador Hills is currently involved in complex and intense negotiations with Canada and Mexico and at the Uruguay round. However, these agreements, especially the successful conclusion of the NAFTA talks, will pave the way for what I hope will be a quick free-trade agreement with Chile. Indeed, each of the negotiating groups involved with the NAFTA is considering the prospect of docking other nations onto the agreement in future years.

I recently visited with the Chilean Ambassador to the United States, Patricio Silva Echenique, who accepted that NAFTA must come first, but that Chile should be a close second. He also indicated that Chile would be willing to sign onto the parameters established under the NAFTA agreement.

It is interesting to note that free trade between the United States, Canada, Mexico, and Chile is not as far-fetched as some may believe. As mentioned previously, the United States is Chile's largest importer and exporter. In addition, Mexico has signed a free-trade agreement with Chile, and last year, Canada was the largest foreign investor in Chile. The interest among all parties is clearly growing rapidly.

During an address to the National Congress of Chile last December, President Bush said:

> Chile has moved farther, faster than any other nation in South America toward real free market reform and the payoff is evident to all, seven straight years of economic growth; in exports alone a 15 to 20 percent increase in value in each of the past five years.

This explosive growth has secured for Chile a growing impact on the world economy.

I have submitted the full text of this speech for the Record.

I would urge my colleagues to carefully consider the advances that have been made in Chile, and in Chilean/United States relations, and I would again urge my colleagues to support H.R. 3193 introduced by myself and my colleague, Bill Richardson.

President George Bush's Address to the Joint Session of the National Congress of Chile

First, may I salute the President of Senate, President Valdes. And far be it from me to lecture to his colleagues in these distinguished bodies. And I first knew him years ago when he served the United Nations with such distinction. And I would simply say to everybody here, I think we can all understand why, with that service behind him, he has what I would say is a very forward-looking global view. And I respect his views. And thank you very much, Mr. President, not only for your remarks, but for your welcome.

I want to salute the President of the Chamber of Deputies, Jośe Antonion Viera-Gallo, members of the national Congress, and all the people of Chile. And really it is for me, having come out of our Congress in the United States, a great privilege to address you today and to bring you on behalf of the American people our heartfelt congratulations on Chile's return to democratic rule. Here amid the hills of Valparaíso, here in the halls of this beautiful assembly stands proof that Chile has returned to the democratic past, proof that in Chile once more the people shall govern.

It is my hope that this visit will renew and strengthen the ties between our two nations that trace back to the first days of Chilean independence, to your first Congress, convened on the fourth of July, 1811, to the guiding principles we share, the community of ideas that linked your new nation to our nation nearly 180 years ago.

THE DEMOCRATIC IDEAL

At the center of that community of ideas stand the shining principles that unite us today: individual liberty and democracy. In the past year, the world has focused on the dramatic events that brought freedom and democracy to Eastern Europe and an end to an era of cold war and conflict that your president just talked about, but the principles at the root of those revolutions across the Atlantic are the very same that give life to our own democratic destiny. And in spite of the remarkable events unfolding in Europe, we should not lose sight of the fact that the triumph of the democratic ideal promises to make the Americas the first fully free hemisphere in all of history.

Chileans can take great pride in the role they have played in Latin America's democratic renaissance. Since the plebiscite of October 1988, Chile has undergone a political transformation every bit as far-reaching as the revolutions that changed the face of Eastern Europe. When others, frustrated by the long years under autocratic rule, might have engaged in recrimination, you, Chile, chose reconciliation. When others might have consumed themselves with settling scores, Chile chose to draw a positive lesson from the agony, the pain of the past. Every year under autocratic rule served only to deepen your devotion to freedom and tolerance and respect for human rights, to strengthen Chile's collective resolve to make this return to democracy permanent, and to make it irreversible.

Chile's peaceful return to the way of democracy owes much to the leadership of a man of vision, a man of great moral courage, President Patricio Aylwin. But as President Aylwin understands, as everyone in this chamber knows, democracy's ultimate success rests not on the shoulders of one man alone, but on the collective commitment of every Chilean, every citizen in every region, from every station in society, to put allegiance to democracy above any differences that divide you.

Chile has also been a part of a greater collective commitment through your steadfast participation in the international coalition now facing down aggression in the Persian Gulf. Chile, at considerable expense to your own economy, is upholding the sanctions against Iraq, despite the costs, because of the far greater cost to world stability should brutal aggression go unchecked. You understand through hard experience the fundamental importance of the rule of law.

As a friend of Chile, as the representative of a fellow democracy, I have deep respect for all that this nation has done to move forward in peace to this new day of freedom. What is happening here in Chile is part, you see, of a larger movement that is sweeping this continent. Centuries ago, the Americas represented to the explorers of Europe the New World, an uncharted territory of promise and possibility. In the dawn of Chile's own independence Bernardo O'Higgins, Chilean patriot and patron of liberty for all of Latin America, spoke of America's shared destiny when he wrote, "The day of liberty has arrived for the Americas from the Mississippi to Cape Horn, an area comprising almost half the world, we now proclaim the independence of the new world." At long last the new world O'Higgins wrote about is dawning across the Americas, a new dawn of democracy in which all men and women are free to live, work, and to worship as they please.

My travels these past few days have made me more certain than ever that the Americas share a common democratic destiny and that Latin America's future lies with free government and free markets. Chile now returned to the democratic path, has long recognized the merits of a free market economy. From the day Diego Almagro first set foot on what is now Chilean soil, your lifeblood has been trade. What has been true for Chile throughout its long history is today increasingly true for all nations.

CHILE'S SUCCESS

Chile has moved farther, faster than any other nation in South America toward real free market reform and the payoff is evident to all, seven straight years of economic growth; in exports alone a 15 to 20 percent increase in value in each of the past five years. This explosive growth has secured for Chile a growing impact on the world economy.

Today the farmer in San Fernando labors not just to feed his family or even his village, but to deliver products to the dinner tables of Japan, Europe and the United States. From the miner in Calama, the world obtains the raw materials it puts to use in everything from new homes to skyscrapers, to space shuttles. Chile's success, your succes, is the product of wise policy, a comprehensive plan to transform this nation's economy into an engine for growth. Chile has worked to create an open and inviting investment climate for foreign capital. Since 1985, US$2.5 billion in new investment has flowed into Chile. Capital flight, which has sapped the economic strength of so many Latin nations, has now reversed itself, turned around, with returning funds spurring new investment here at home.

And Chile has pioneered some of the world's most creative debt reduction programs, these debt for equity swaps, exchanges that have transformed debt from a dead weight on development into new opportunities for growth.

Chile is a the land of tremendous natural resources. Near limitless potential; the mineral wealth of the arid Atacama, the black earth of the central valley, the safe haven here at Valparaiso, for centuries Chile's main port of entry and access point to the world beyond.

But all of these abundant resources pale in comparison to this nation's most significant asset, the vast human potential of the people of Chile. Give to the people of Chile the opportunity to better themselves, to provide for their families, their children, and Chile will build its future and let the people reap the rewards of their own hard work, and incentive will spur enterprise.

The future of Chile is the sum total of every individual's hopes and dreams. Unleash these energies, and uncover a reservior of riches. Tap this source, and transform a nation. What has worked here in Chile can work all across the continent.

THE ENTERPRISE FOR THE AMERICAS INITIATIVE

Last June, as your President mentioned, I introduced an initiative that I call Enterprise for the Americas, a comprehensive plan to reduce the crippling burden of debt and increase trade and investment. Across the Americas, for North or South, for Central, the Enterprise for the Americas Initiative challenges all countries in Latin America, and the Caribbean area, too, to commit themselves to the free market policies that will help them attract the new capital central to achieving strong economic growth.

To this end, Enterprise for the Americas seeks to promote open investment policies, through a new lending program too, in the Inter-American Development Bank, as well as the creation of a multilateral fund to support investment reform.

We recognize that the burden of external debt weighs heavily on efforts to breathe new life into Latin America and the Caribbean economies. For that reason, the United States will help countries committed to free market reform shake loose this burden of debt.

Chile's strong economic performance makes it a prime candidate for the debt reduction measures proposed as part of the Enterprise for the Americas Initiative.

And finally, our initiative recognized the critical importance of our environment and the need to design debt reduction measures that encourage environmental protection and conservation.

Enterprise for the Americas has generated great hope in the future of free markets across the continent. Already, during President Aylwin's recent visit to Washington, our two countries have signed a bilateral trade and investment framework agreement under this initiative, and I look to Chile to continue to lead the way, to remain at the forefront of the free market movement that's now beginning to take hole all across Latin America, to work together the ultimate aim of the Enterprise for the Americas, which is the creation of a hemispheric trade zone that is free, a free trade zone from the Arctic regions in the North down to the southernmost tip of Cape Horn.

A NEW PARTNERSHIP

I want to see our two nations work together to bring down barriers to free and fair trade, not just here in the Americas but around the world. The great economic lesson of the past half-century is that protectionism stifles progress, and that free markets breed prosperity. And that's why the successful completion of these current Uruguay Round negotiations remains my highest trade priority.

In the Uruguay talks, both our nations have sought a deep reduction and ultimately the complete elimination of counterproductive agricultural subsidies. And together with Chile and other neighbors in the hemisphere, we here in the Americas constitute a potent force for free trade.

So let me say to all of you today, the United States stands ready to forge this new partnership in prosperity. Some scholars say that the word "Chile" means the ends of the earth. Today, what Chile means to the world is far different. Your nation is at the very center of the democratic revival transforming our entire continent, bringing us closer each passing day to the new world we seek, because what matters in this new world is not the vast differences that separate us, but the vital ideals that bring us together.

So let today mark the beginning of a new partnership between our people, and let us—let us all—across the Americas, work together toward a new world, toward that new dawn of democracy in which every nation is the home of liberty, democracy, and progress.

Once again, thank you from a very grateful heart for this welcome here in Chile, and may God bless the people of your great country.

Thank you all very, very much.

JOB FAIRNESS AND TRADE EQUITY ACT OF 1991

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KILDEE. Mr. Speaker, I rise today to introduce the Trade Equity Act of 1991. This legislation will restore consistency to the U.S. tariff regulations for minivans and sports utility vehicles by stating that any motor vehicle that is classified as a light-duty truck for emissions standards or a light truck for fuel economy standards, shall be classified as a truck for the purpose of U.S. tariff. This legislation is bipartisan, as Senator ALFONSE D'AMATO has introduced a companion bill in the Senate.

The lack of a classification for these hybrid vehicles has allowed foreign importers to manipulate the U.S. import duty fees to suit their own needs. I simply cannot understand how a vehicle can be classified as a truck for safety, fuel economy, and emissions standards, but be classified as a car for tariff purposes and pay the 2.5-percent duty assessed on cars, instead of the higher 25-percent import fee for trucks.

The idea to institute such a classification is now new. On January 4, 1989, the U.S. Customs Service, attempting to eliminate the confusion associated with the importation of minivans and sports utility vehicles, also known as multipurpose vehicles [MPV's], issued a ruling classifying these vehicles. However, acting at the request of three foreign auto importers, U.S. Treasury Secretary Nicholas Brady overruled the Customs Service. This ill-conceived decision has allowed foreign importers to continue using the loopholes in the existing import regulation to switch the classifications of a vehicle for a truck to a car. Moreover, this manipulation of our tariff regulations has been estimated to be costing the U.S. Treasury as much as $500 million per year in import duty fees.

Soon after the Treasury Department revised the tariff classification, I asked Secretary Brady in a House Budget Committee hearing why he decided to overrule the Customs Service. In response to my question, Secretary Brady stated that the decision was made after some Treasury personnel went "to Baltimore and looked at the cars as they came off the ships from overseas manufacturing plants" and to Detroit to look at the designs for next years models. Treasury determined that the classification of a truck will be based on how may doors are on the MPV's and whether minivans have side windows and rear seats. As a result, the same make and model of MPVs and minivans are being imported as both cars and trucks.

While Customs spent well over a year soliciting public and industry comments before making its ruling, the Treasury Department decide to revise the Customs ruling after only 6 weeks of deliberations. Moreover, although Treasury decision allows minivans and MPVs to come into the United States at the lower 2.5-percent car tariff, these same vehicles are not required to meet the stringent fuel economy and auto emissions requirements we have for cars. Congress, through the emission, safety, and fuel economy standards, has defined what is a car and what is a truck.

In fact, MPVs and minivans are classified by the Environmental Protection Agencies [EPA] and the Department of Transportation [DOT] as a truck. For example, the Range Rover, which is made in Britain, is classified as a light truck by the DOT for safety and fuel economy standards and by the EPA for emissions requirement. However, the U.S Customs Service classifies it as a car for the import duty fee because it has four doors. To add to the confusion, although the Range Rover is over $30,000 and hence subject to the luxury tax, the IRS classifies it as a truck and therefore the Range Rover is exempt from the lucury tax. How can two agencies, both under the Treasury Department, have two different definitions of a truck?

Another example is the Nissan Pathfinder, which is imported as both a car and a truck. Customs classifies the two-door version of the Pathfinder as a truck and imposes the 25-percent duty on trucks. However, the four-door version is classified as a car and only pays the 2.5-percent duty assessed on cars. Neither the DOT nor the EPA finds any significant difference between the two versions and both agencies classify the two-door and four-door model as a truck. Why is our Treasury Department, with our huge trade deficit, helping foreign importers evade our tariff laws?

The Trade Equity Act will restore consistency to our trade laws and put us on an even playing field with our trading partners. While some people may argue that such a tariff would be unfair to foreign manufacturers, Japan does not seem to have a problem making American manufacturers pay exorbitant fees that make our vehicles uncompetitive. In a recent speech by Lee Iococca, CEO for Chrysler, he stated that in order to sell the Jeep Cherokee in Japan, Chrysler must pay over $12,000 for customs fees, distribution costs, and to meet certain unique Japanese vehicle regulations. "So the Cherokee arrives in Japan with a huge price disadvantage."

Unfortunately, the Treasury decision in 1989 does not seem to be an isolated incident. Recent reports have surfaced accusing the Treasury Department of forcing the Customs Service to retreat from a decision to collect $20 million in duties from Honda Motor Co. for exaggerating the North American content of cars shipped to the United States from Canada. Although the Customs audit is still under review, the intention by Treasury to intervene alarms me. Congress must get tough with our trading partner because I have lost my faith in the Treasury Department to defend our U.S. trade laws.

By using the EPA and DOT definitions of a truck, the Trade Equity Act will establish a consistent classification of MPVs and minivans that will eliminate the ambiguity in our tariff regulation. If the vehicle is a truck for emissions or for fuel economy standards, then that vehicle should also be a truck for the purpose of the import tariff. For too long we have let our international trading partners exploit our market and our laws, it is time to stop the abuse of our import duty fees.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trade Equity Act of 1991".

SEC. 2. CLASSIFICATION OF MOTOR VEHICLES FOR THE TRANSPORT OF GOODS.

The Additional United States Notes to chapter 87 of the Harmonized Tariff Schedule of the United States are amended by adding at the end thereof the following new note: "3. Any motor vehicle that is—

"(a) a light truck within the meaning of section 523.5 of title 49 of the Code of Federal Regulations (as in effect on October 1, 1990); or

"(b) a light-duty truck within the meaning of such term as defined in section 86.082–2 of title 40 of the Code of Federal Regulations (as in effect July 1, 1990); shall be classified under heading 8704.".

SEC. 3. EFFECTIVE DATE.

The amendment made by section 2 applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

TRIBUTE TO DIONICIO MORALES AND THE MEXICAN-AMERICAN OPPORTUNITY FOUNDATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. TORRES. Mr. Speaker, I rise today to recognize the remarkable achievements of the Mexican-American Opportunity Foundation

[MAOF] and its founder and president, Mr. Dionicio Morales.

Motivated by the vital needs of the Hispanic community, Mr. Morales founded the Mexican-American Opportunity Foundation nearly three decades ago in order to provide employment, education, linguistic, and health services to Americans of Mexican descent. Born in Arizona and raised in Moorpark, CA, Mr. Morales was the son of migrant farmworker parents. Morales was educated at California State Teacher's College in Santa Barbara and went on to study at the University of Southern California. He now resides with his wife and the youngest of his four children in Pico Rivera, CA.

In the past, Morales has dutifully served 4 years as a State apprenticeship commissioner where he headed the State committee in charge of insuring minority involvement in building and construction apprenticeships. He has also served on the Los Angeles County Manpower Council [LACMPC], on the National Advisory Committee for the U.S. Department of Labor, and as advisor to the California Employment Development Department.

The exponential growth of the Mexican-American population in the Los Angeles area over the past decades has provided Mr. Morales and the Mexican-American Opportunity Foundation with enormous challenges. The organization has faced these challenges with its exemplary commitment and dedication. Under Morales' leadership, the foundation has established numerous programs to meet the needs of the Hispanic community. These important services include skills training programs, childcare centers, a handy-man program to repair low-income homes, a senior aides program to provide part-time employment to the elderly, a nutrition program for the elderly, and a professional recruitment program in computer science and management, an employment services program, and an information and referral service to facilitate the placement of children in public and private child-care agencies.

As a branch of the United Way organization, the Mexican-American Opportunity Foundation provides assistance to Los Angeles County residents under the Federal Jobs Training Partnership Act. The MAOF's two major job training programs have been extremely successful in assisting low-income Hispanics in acquiring the skills necessary for employment. The MAOF teaches participants how to write résumés and prepare for interviews, and then introduces them to word processing, data base management, and other clerical skills, all free of charge.

Due to the foundation's outstanding fundraising accomplishments, the MAOF has been able to provide an on-the-job training program that reimburses private companies for a percentage of wages paid to in-training employees. Indeed, over the past 30 years, the foundation has raised over $100 million from private and public sources.

Mr. Speaker, I would like to take this opportunity to praise both Mr. Morales and the Mexican-American Opportunity Foundation for their devotion to the advancement of the Hispanic-American community. The successes of the foundation clearly demonstrate that achievement and growth is a reality for many low-income Hispanic-Americans. I ask my colleagues to join me in honoring the Mexican-American Opportunity Foundation and its outstanding leader, Mr. Dionicio Morales, and I wish them continued success in working for the Hispanic-American community.

GENDER DISPARITY IN WOMEN'S HEALTH CARE

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mrs. LLOYD. Mr. Speaker, last Thursday's edition of the New England Journal of Medicine contained two studies demonstrating again that women are treated as second-class citizens in our health care system. Although heart disease is the leading killer of women over age 50 and overall takes the lives of more women than men, the studies show strong evidence that women do not have the same access to aggressive diagnostic and treatment services as their male counterparts.

Mr. Speaker, what will it take for women's health needs to be taken seriously in this country? In a recent hearing I chaired, I heard from a number of witnesses who presented a rather grim picture of the treatment women are receiving from our health care system. A representative of the American Medical Association testified to a number of studies demonstrating that a person's sex directly affects the treatment and services they receive. This includes access to lifesaving treatment and diagnostic services such as kidney dialysis and transplantation, catheterization for coronary bypass surgery, and testing for lung cancer, the most common cause of cancer in women.

Perhaps even more disturbing is evidence that women are not taken seriously in their doctors' offices. Women who seek health care for cardiac concerns are more likely to have these concerns be attributed to emotional factors, resulting in seriously compromised care.

Another witness testified of her experience with women who have gone to the same physician for years but who have never had a breast exam or been referred for mammography. An isolated case, you may wonder? Absolutely not. Only a little over 25 percent of all women over age 50 get mammograms according to the recommended guidelines established by the American Cancer Society and the National Cancer Institute. Minority women have even worse records. It is estimated that a full 30 percent of breast cancer deaths could be alleviated if women participated in regular screening. Yet a recent study on older women demonstrated that the top two reasons for not getting a mammogram were that their doctors never told them they needed to and that they themselves did not know they needed to.

Mr. Speaker, perhaps you can understand why I get incensed by Secretary Sullivan, the head of this Nation's Department of Health and Human Services, and his opposition to increasing women's health research under the NIH Revitalization Amendments Act passed by this body last week. As a doctor at the Subcommittee hearing so aptly stated, "Research feeds medical education and medical education is reflected in clinical practice." Both women and physicians are adversely affected by the past lack of emphasis in women's health research at our renowned National Institutes of Health.

I would like to conclude by quoting the words of Dr. Healy, the Director of the National Institutes of Health in response to a question asked of her at our hearing:

> "Many women have written to me and to the staff of the NIH Office of Research on Women's Health, expressing their very deep and serious concerns about their treatment by the health care system. They do feel alienated, intimidated, and sometimes powerless. Unfortunately, gender disparities exist in the ways patients are treated and in the ways physicians make clinical decisions regarding their patients.
>
> Research alone cannot correct the disparities, inequities or insensitivities of the health care system, but it does have a critical contribution to make to alleviate these inequities. Because much of our current knowledge is based on research on men, the particular challenge for the NIH is to establish the science base that will permit reliable diagnoses, and effective treatment and prevention strategies, to provide appropriate care for women."

Mr. Speaker, I urge those members who voted against the NIH Revitalization Amendments bill last week to think again when they refer to the increased funding for women's research as unnecessary. Your vote extends way beyond the research lab and reaches into our medical school classrooms and ultimately, into the homes of American families.

INTRODUCTION OF LEGISLATION TO EXPAND COBRA HEALTH INSURANCE CONTINUATION COVERAGE REQUIREMENTS

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DONNELLY. Mr. Speaker, I am introducing legislation today to expand the so-called COBRA health insurance continuation coverage requirements. Present law contains a major loophole for failed banks and savings and loans, and my legislation would plug that loophole.

Mr. Speaker, Congress enacted the COBRA continuation provisions in 1985, and I strongly supported their enactment. The provisions require employers to continue providing health insurance companies to employees who have been laid off, to families of employees who have passed away, and certain other specified events. Generally, coverage continues for either 18 months or 36 months.

The COBRA provisions are enforced by a $100 per-day, per-incident excise tax on a failure to comply with the requirements. The excise tax is generally imposed on the employer. Unfortunately, it appears that when a bank or S&L fails and is taken over by the Federal Government, the COBRA requirement can be avoided. This is inexcusable, and this loophole was never intended by Congress.

My legislation corrects it, and it is absolutely imperative that we enact this legislation as soon as possible. With all of the failures of banks and S&L's that we read about in the paper daily, and the large number of individuals who lose employment because of financial institution failures, there is a pressing need for action. Many—if not all—of the terminated employees lose all health insurance coverage.

Mr. Speaker, as a member of the Committee on Ways and Means, I plan to push for enactment of this measure at the first opportunity our committee has to consider any tax legislation—possibly in the context of tax simplification legislation. I urge members to support the bill.

I ask that a technical description of my legislation be included in the RECORD at this point.

Extension of COBRA Health Continuation Provisions For Employees of Failed Financial Institutions

PRESENT LAW

Section 4980B of the Internal Revenue Code of 1986 imposes an excise tax on employers who fail to provide continuation of health care benefits to certain individuals. The tax is generally equal to $100 per day on which a failure occurs per qualified beneficiary. These provisions are sometimes referred to as the "COBRA continuation" provisions after their enactment as part of the Consolidated Omnibus Budget Reconciliation Act of 1985.

In general, the COBRA continuation provisions require employers to offer to employees continued coverage in the employer's health insurance plan for up to 36 months in the case of a "qualifying event". A qualifying event includes (1) the death of the covered employee; (2) termination or reduction of hours in the covered employee's employment;[1] (3) the divorce or legal separation of the covered employee; (4) the covered employee becoming entitled to Medicare; or (5) the bankruptcy of the employer. Employers may require qualified individuals to pay a premium of 102% with respect to their continued coverage.

The COBRA continuation provisions do not apply to businesses employing less than 20 employees, any governmental plan, or any church plan.

If a bank or a savings and loan association fails and is taken over or sold by the Federal Deposit Insurance Corporation or the Resolution Trust Corporation, present law is unclear as to whether COBRA continuation provisions apply. This is because the FDIC, the RTC, any bridge bank, or any successor corporation may not be the "employer" for purposes of the COBRA excise tax.

For example, if the ABC bank fails and is taken over by the FDIC, the FDIC may terminate employment of 10 tellers of the ABC Bank. Those 10 tellers may not qualify for COBRA continuation coverage, because the FDIC may not consider itself the "employer" of the 10 tellers. If ABC bank is operated by a "bridge bank" or is acquired by another bank, the same rationale may apply.

EXPLANATION OF PROPOSAL

Under the bill, the Federal Deposit Insurance Corporation, the Resolution Trust Corporation, a bridge bank, or any entity that acquires substantially all of the assets or liabilities of an insured bank or savings and loan is treated as an employer for purposes of the COBRA excise tax.

EFFECTIVE DATE

The legislation is effective for plan years beginning on or after the date of the enactment of the Act, regardless of whether the qualifying event occurred before, on, or after that date.

CENTENNIAL CEREMONY

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Ms. MOLINARI. Mr. Speaker, I rise today in order to recognize a very special anniversary. On August 24, 1991, there will be a Centennial Ceremony for Ladder Company 109 to celebrate 100 years of service to the Bay Ridge community of Brooklyn since its formation in 1891.

Ladder 109 has had the good fortune throughout the years to have dedicated members. These people have generously committed their lives to serve Ladder 109 and the Bay Ridge community. I would like to honor past members, and make mention of the members of Ladder Company 109 today. The officers and firefighters are:

Capt. Christopher Plunkett, Lt. James R. Young, Lt. William Gillespie, Lt. Thomas Campanelli, FF. Terrence Cleary, FF. Michael Moog, FF. Kevin Kilkenny, FF. Richard Lloret, FF. Joseph Flynn, FF. Herman Emighilz, FF. Michael Burns, FF. Joseph Mondello, FF. Peter Patinella, FF. Michael Mullaly, FF. John Picarello, FF. Andrew Hornbuckle, FF. Gerard Callahan, FF. Raymond Tremer, FF. Paul Fischer, FF. James Ruland, FF. James Lane, FF. William Nikosey, FF. Bryant Phillips, FF. William O'Connor, FF. John Costello, FF. Patrick Whalen, FF. Richard Obermayer, FF. Daniel Earle.

Mr. Speaker, it is with great respect and admiration that I congratulate Ladder Company 109 upon its 100th anniversary. I extend my personal thanks and gratitude on behalf of the Bay Ridge community to the "Third Avenue Express." May they continue to provide the community with their services for another 100 years.

TRIBUTE TO THE EXPLORER CADETS OF THE IMPERIAL COUNTY SHERIFF'S DEPARTMENT

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. HUNTER. Mr. Speaker, I want to take a moment to talk about some very exceptional young people in my congressional district located in Imperial County, CA. Unfortunately, these are not the kind of youth who are featured on the evening news or in the daily newspapers.

The Imperial County Sheriff's Department Explorer Cadets are taught basic law enforcement skills by veteran law enforcement officers to instill in these youngsters a sense of community pride and self-worth. Their newfound leadership skills prepare them for community service and instill in them a deep respect for the fundamental rights of the citizen.

The Imperial County Sheriff's Explorer Post No. 500 is composed of boys and girls between the ages of 14 and 21 years of age, and is recognized as one of the exemplary Law Enforcement Explorer Posts in the United States.

The cadets have performed outstanding community service by supporting and participating in charitable and civic functions and have received over 150 awards and civic commendations.

The Explorers Post encourages young people to be law abiding individuals and helps prevent crime and delinquency through its many activities and programs. In fact, many former cadets have gone on to distinguished careers in California law enforcement.

Mr. Speaker, too often we hear only about the troubled youth in our country. I am extremely proud of these young men and women and the constructive and positive impact they are having on their communities. The Imperial County Sheriff's Explorer Post No. 500 rightly deserves the praise of this Congress.

WILL THE U.S. TRADE AMBASSADOR JOIN OUR TEAM?

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DORGAN of North Dakota. Mr. Speaker, in my hand I have an editorial from The Forum, a daily newspaper of Fargo, North Dakota. I bring it to your attention because our durum wheat growers have been left by our trade ambassador to twist in a void in our 1989 free-trade agreement with Canada.

Specifically, our farmers are trying to grow durum profitably for a 75-million-bushel domestic market. Durum is the wheat we use to make pasta.

At the same time, Canada produces a great surplus of durum for export. In recent years the Canadian Wheat Board, Canada's sole export grain marketer, has flooded our market, setting new records each year in exports to the United States. Canada sent nearly 13 million bushels to the United States in the past year, and sent it to the United States on a huge rail subsidy. The imported durum replaces our own farm production and depresses U.S. durum prices. Our farmers have to sell their durum for far less than it costs them to produce the grain.

Such inroads into the U.S. market are not accidental, but require a marketing strategy. For more than 2 years we have called upon the administration to help us determine the prices at which Canada exports durum into the United States, and to identify how the rail subsidy affects the export prices. The United States-Canada FTA lacked a specific requirement for reporting export prices, on price "transparency," and such transparency is necessary to determine if the partners in the agreement are complying with restrictions against dumping grain in one another's market. The FTA requires that neither nation sell across the border at less than its own market price.

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[1] The maximum required period in this instance is 18 months, unless the employee is entitled to Social Security disability benefits (in which case the period is 29 months).

Secretary of Agriculture Edward Madigan says he is very concerned about this abrupt rise in Canadian imports and the effects it has on United States durum growers, and he has agreed to work on the problem.

Meanwhile, our U.S. Trade Representative is supposed to represent American trade interests. However, after years of appeals by durum farmers to our administration for relief from the flood of Canadian durum, our assistant trade representative for agriculture testified at a House hearing that she is not yet concerned about this problem. She also said there has not been, to her knowledge, one written communication to the Canadians demanding price reporting so that the durum sales can be properly monitored.

Mr. Speaker, when are we going to get our trade ambassador to stand up for American interests?

[From The Forum]

CANADIAN DURUM SITUATION IS INTOLERABLE

As Congressman Byron Dorgan, D-N.D., is fond of saying: The real issue is fair trade, not free trade.

In the context of Canadian exports of durum wheat into the United States, the congressman is right. The Canadian-U.S. free trade agreement is stacked against U.S. durum growers. That's bad news for North Dakota, where most of the nation's durum is raised.

A hearing Monday in Washington, D.C., was frustrating for durum growers. A U.S. trade ambassador told a subcommittee of the House Ways and Means Committee there is no evidence Canada is dumping durum into the United States in violation of the free trade pact. Suzanne Early told Dorgan the United States has no proof of durum dumping and therefore cannot make allegations against Canada.

That's precisely the problem.

The United States has no evidence against Canada because the data to build a case is unavailable. A study that found no difference in the price of Canadian and U.S. durum is flawed because it was based on information from U.S. imports and millers. The real price of Canadian durum—the price that stimulates dumping from Canada—is not disclosed by the Canadian Wheat Board. The board sets the price and often undercuts U.S. or world prices in order to sell Canadian durum. Some analysts call that dumping.

Part of the wheat board's pricing strategy is a transportation subsidy (allowed in the free-trade agreement) that American farmers say undercuts domestic durum markets.

The astonishing increase in the volume of Canadian durum flowing south suggests the free-trade provisions are not fair. In 1987, 2.3 million bushels of Canadian durum came into the United States; this year the figure is 12.8 million bushels—20 percent of U.S. consumption.

Bill Ongstad, a durum farmer from Manfred, N.D., and past president of the U.S. Durum Growers Association, expressed the anger and frustration North Dakota farmers feel. He said the farm program and free-trade agreement are causing him and his neighbors to produce less wheat while the Canadian government subsidizes excess wheat production in Canada to sell to his former customers in the United States. Is it any wonder American durum farmers say the trade relationship between the two nations is unfair?

U.S. trade officials seem to be hiding behind their lack of information about Canadian durum pricing practices. "No proof," they whine. It's up to them to get the information. They should be pushing our neighbors to the north for price disclosure.

It is not possible for free trade to be fair when one of the trading partners is manipulating markets by dumping durum at what appear to be artificially low prices.

GENERAL EXPLANATION OF THE UNIFORM BUSINESS TAX ACT OF 1991

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SCHULZE. Mr. Speaker, the Uniform Business Tax Act of 1991 is intended to provide a framework for progress; the initial step toward redesigning the U.S. tax system in accordance with a national strategy to serve the long-term best interest of America in the emerging global economy of the 1990's.

The present business net income and employer-paid payroll taxes would be replaced by a 9-percent Uniform Business Tax [UBT] on the annual net business receipts of each taxable business that produces and/or sells goods or services in the United States. The amount of a business' net business receipts is determined by adding up its receipts from sales of goods and services and subtracting the cost of goods and services purchased from other businesses.

This simple, low-rate business tax is border-adjustable. Therefore, it does not apply to export sales; thereby helping to make American-made goods less expensive and more competitive in international markets. Conversely, the UBT does apply to imports; thereby assuring that foreign-made goods will no longer be able to compete in U.S. markets on a virtually tax-free basis.

In addition, the UBT allows U.S. manufacturers of American-made goods to expense their purchases of productive capital equipment; thereby reducing the presently high cost of capital in the United States and further helping to make American-made goods more competitive both here and abroad. Nevertheless, the UBT is revenue neutral with respect to present U.S business taxes. It will raise the same amount of revenue as the existing business taxes it replaces.

Additional revenue of approximately $60 billion per year will be derived primarily from broadening the tax base to include foreign-owned companies that presently receive about $600 billion per year from the sale of foreign-made goods in the United States. This border-tax element of the UBT is consistent with international practice as applied by our trading partners around the world. It will extract from foreign companies a fair share of tax revenue commensurate with the benefits they receive from participating in the U.S. economy.

The additional $60 billion in annual revenue from the import tax will be used primarily to pay for additional fundamental tax reforms to stimulate economic growth—perhaps including an outright, across-the-board tax cut for all Americans. A portion of the added revenues may also be used to reduce the deficit more rapidly than is provided for under present law. The added revenues would not permit the overall and by-category caps on discretionary spending under the new budget law to be exceeded. To further assure that the intended tax cuts and deficit reduction are not derailed by more Federal spending, additional enforcement procedures will be drafted to provide that the added revenue cannot be used to justify increases in entitlement spending.

REASSURING THE INTEGRITY OF THE SOCIAL SECURITY TRUST FUND

Because the UBT would, for example, replace the existing employer-paid portion of the FICA payroll tax, as well as the existing corporate and other business income taxes, strict statutory rules are provided to reassure the integrity of the Social Security Trust Fund. The minimum amount of UBT payable by a business cannot be less than the amount its FICA payroll tax liability would be had that tax not been replaced. A similar rule is provided with respect to the railroad retirement tax. That minimum amount of UBT would be paid into the fund to the same extent and on the same rapid schedule as under present law. There would be absolutely no change in the financial capacity of the fund or in any OASDI or other benefits. The employee-paid portion of the FICA tax would continue as under present law.

ANALOGOUS TO COMBINATION OF AN EMPLOYER PAYROLL TAX AND A FUNDAMENTALLY REFORMED BUSINESS TAX

The remainder of a business's annual UBT liability would be paid into general revenues quarter-annually, on an estimated basis, subject to a final annual reconciliation and return, in generally the same manner as the present corporate and other business income taxes.

Thus, when viewed as a whole, the UBT resembles a combination of the present employer-paid payroll tax and a fundamentally reformed and simplified business tax system. The UBT will eliminate the self-defeating, anti-growth biases against U.S. jobs and competitiveness that are needlessly imposed by the present corporate income tax.

DISTINGUISHING FEATURES OF THE UBT

The UBT is designed with positive purposes in mind—to enhance instead of impede economic growth; to help instead of hurt U.S. businesses; to make American-made goods more instead of less competitive both here and around the world; to rebuild the declining industrial base of America and provide more better-paying jobs at home; to broaden the tax base to include foreign companies that now participate in our economy on a virtually tax-free basis; and, ultimately, to reduce taxes for all Americans instead of continuing to compound and concentrate the tax burden on ourselves.

A COMPETITIVE TAX SYSTEM FOR A COMPETITIVE GLOBAL ECONOMY

Before American-made goods can again become truly competitive, we must first have a competitive tax system. Other countries with which we compete in world trade have adopted tax systems of the modern variety that work to their advantage. They exempt from tax the foreign-made goods they sell into our economy and impose tax on the American-made goods we sell into their economies. Indeed, with the recent additions of Canada and Japan, border-adjustable taxes have become the international norm among countries that understandably seek to serve their own best interests.

In contrast, we in the United States do just the opposite. As a general rule, we tax the income that our own companies receive from manufacturing goods in the United States that they sell abroad. On the other hand, as a practical matter, we do not tax foreign companies on the amount they receive from manufacturing goods abroad that are sold in the U.S. markets. Recent data from the Commissioner of Internal Revenue show that foreign-owned subsidiaries—operating in the United States right along-side our own companies—each year receive about $600 billion from sales in U.S. markets of goods manufactured abroad by their foreign-parent corporations. Yet, as a group, they pay no U.S. income tax. By and large, that tax-free status is not because they are evading taxes. Rather, it is because the present U.S. business tax system does not require payment of tax on the amount foreigners receive from manufacturing goods abroad even though sold here.

By conforming the U.S. tax system to the international norm of border-adjustable taxes, the UBT will eliminate these present tax biases that work against American-made goods and U.S. jobs in favor of foreign manufacturers and their employees. Under the UBT, exports of American-made goods will be exempt and imports of foreign-made goods will be taxed.

POSITIVE ADVANTAGES FROM SUBSTITUTING UBT FOR EXISTING TAXES

Major positive advantages for U.S. companies and their employees, as well as for U.S. consumers, will be obtained because the UBT is a substitute tax instead of an additional tax. Any additional tax such as an increase in the corporate income tax—would bear heavily on U.S. businesses and their employees as well as on consumers—either in the form of higher product prices or reduced output. In all cases, the increased tax cost—whether measured by net income in the case of the present corporate income tax or by net receipts in the case of the UBT—would tend to make American-made goods more expensive and less competitive with foreign-made goods.

Even if made border-adjustable, an additional tax would not provide the same positive advantage for American-made goods and U.S. jobs as will be achieved by substituting the UBT for existing U.S. business taxes. For example, if an additional tax increased the tax cost of producing an American-made product by $1, an export rebate of the additional tax would serve only to prevent that product from being made more expensive and less competitive in world trade. Although preferable to an additional tax without an export rebate, American-made goods still would not gain any net advantage in foreign markets compared to present law. Also, if an additional tax increased the tax cost of producing an American-made product for sale at home, the import tax would serve only to similarly increase the tax costs of foreign-owned companies that manufacture goods abroad for sale in U.S. markets. American-made goods would only have been kept even. The artificial advantage that foreign-made goods presently enjoy would not have been removed.

When, however, as in the case of the UBT, a border-adjustable net business receipts tax is substituted for the corporate income tax and other existing business taxes, major positive advantages result. For example, if $1 of the present corporate income tax is imbedded in the cost of producing an American-made product, and if the UBT is substituted for that corporate income tax and then rebated on an export sale, the American-made product will be $1 less expensive and $1 more competitive in world trade.

Also because the UBT is a substitute tax instead of an additional tax, there will be no net tax increase on present U.S. taxpayers. Because U.S. businesses will have had no net tax increase, there will be no greater amount of tax imbedded in the cost of American-made goods produced for sale at home. Therefore, price competition from U.S. companies will tend to prevent the import tax on foreign-made goods from being passed on in the form of higher prices to U.S. purchasers. When a foreign-owned subsidiary imports goods manufactured abroad by its parent corporation, it will directly pay the import tax and generally absorb it as an expense. When a U.S. importer goes abroad to purchase foreign-made goods, the foreign manufacturer will generally have to adjust the selling price to offset the import tax that will have to be paid when the goods are brought into the United States for resale in the U.S. economy. The burden of the import tax will be primarily borne by foreign companies, not by Americans.

In some cases where imports are required regardless of price, such as with imported oil, the import tax will increase the cost to U.S. purchasers. That effect will, however, be small compared to the $60 billion per year in additional revenue from all imports which is available to pay for tax cuts for Americans and for deficit reduction. Certainly the effect on the cost of imported oil will be more than offset by other provisions of the UBT which enhance economic growth and provide more better paying U.S. jobs.

THE UBT ALLOWS EXPENSING OF CAPITAL EQUIPMENT

In order to rebuild the industrial base of America and provide more and better jobs at home, we must put more and better tools in the hands of American workers. The cost of capital for productive machinery and equipment is inordinately high in the United States, and higher than in many other countries; in significant part because the present U.S. tax system allows businesses to recover their capital equipment costs only in increments through depreciation over long periods of time.

Many of the most respected academic economists and others concerned about economic growth in the United States have long called for enactment of a cashflow tax that would allow businesses to currently deduct the cost of capital equipment the same way they do with inventory, supplies, and other expenses.

Because the UBT is a type of business cashflow tax, the cost of productive new machinery and equipment would be subtracted from business receipts in arriving at net business receipts; thereby greatly reducing the cost of capital in the United States and further making American-made products less expensive and more competitive around the world.

THE UBT IS A TERRITORIAL TAX

Although it would tax the net business receipts of all businesses—whether foreign-owned or U.S.-owned—from their operations in this country, the UBT would not tax operations of U.S.-owned business carried on solely in the area of foreign competition outside the United States.

This territorial rule, which is an important corollary to the fact that the UBT would not be imposed on U.S. exports, is in marked contrast to the present corporate income tax. Presently, foreign-owned companies operating in the United States are, as a practical matter, largely free of any U.S. income tax. Conversely, U.S.-owned companies competing in international markets—where they pay large amounts of income and other taxes to other countries—must in addition pay U.S. income tax on their strictly foreign operations as well as on their U.S. operations. In theory, this extra-territorial U.S. tax is supposed to be offset by a credit for the taxes U.S. companies pay to other countries. In practice, however, because of a series of tortuously complex limitations and income recalculation rules imposed over the years, U.S. companies operating abroad typically are subject to multiple layers of taxation.

THE UBT IS A LOW RATE, SIMPLE TAX

Two universally endorsed goals of fundamental tax reform have long been to reduce the marginal rates of tax and to greatly simplify the system—in both cases, in order to avoid the major economic distortions that impede growth.

The rate of tax under the UBT will be no more than 8 to 10 percent and is the lowest business tax rate in modern times in the United States. Although the marginal tax rates under the present income tax have been reduced from their historic highs around the time of World War II, the corporate tax rate is still 34 percent and the top rate on unincorporated businesses is 31 percent.

The UBT is a simple tax involving little more than household account rudimentary bookkeeping; in absolute contrast to the present business income tax system which occupies hundreds of pages of the Internal Revenue Code and contains thousands of special rules and exceptions.

NO TAX INCREASE FOR AMERICANS

Perhaps the most significant aspect of the UBT is that all these fundamental tax reforms to enhance economic growth can be achieved without either increasing the Federal budget deficit or enacting law taxes on Americans to pay for them.

In fact, the additional revenues from the import tax largely paid by foreigners will permit both deficit reduction and tax cuts for Americans.

FURTHER REFINEMENT AND IMPROVEMENT

Although the UBT contains the basic framework for an efficient, correctly functioning border-adjustable tax and is intended to set the standard for constructive change, further refinements may still need to be made.

Technical comments and substantive suggestions for improvement will be welcomed. A full debate is in order—directed toward achieving the goal of a well-designed tax system that will best serve the long-term interests of the United States.

OPERATION DESERT SHARE

HON. JILL L. LONG

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Ms. LONG. Mr. Speaker, many Members were recently informed of a new interagency task force being coordinated by the General Services Administration, called Operation Desert Share. This task force is coordinating a program, a humanitarian effort to distribute surplus food left over from Operation Desert Storm, designed to feed needy individuals throughout the United States, particularly the homeless.

The program brings together the Department of Defense [DOD], the Interagency Council on the Homeless, and State Agencies for Surplus Property, in an attempt to distribute an estimated $300 million in excess food over the next 3 months. The Interagency Council on the Homeless will handle the first phase of distribution, consisting of $2.6 million of perishable and semipershable foods at the Norfolk Naval Base in Virginia and $1 million of nonperishable foods at Port Elizabeth, NJ. The food will be transferred to the Second Harvest Food Bank Network for distribution to member banks, which will distribute the food to 42,000 soup kitchens, church pantries, senior and daycare centers, drug and alcohol treatment centers, homeless shelters, and other nonprofit food programs.

Next month, the Department of Defense will finish inventorying the food at four DOD depots to determine how much and what food will be declared excess, thus freeing it for distribution to Federal and State agencies.

The third phase of Operation Desert Share will reroute foodstuffs currently located in Saudi Arabia and on ships in transit to the United States. After inventory, these items will be made available to various Federal agencies. Each State agency will identify organizations in need of the surplus food.

To ensure prompt and efficient distribution of the food items, an interagency task force headed by General Services Administration Deputy Administrator John Hiler, a former Member of the House, will coordinate policies for allocation of excess food.

Mr. Speaker, Operation Desert Share is a good program. It represents a cooperative humanitarian effort to help alleviate hunger in the United States.

IN HONOR OF SCOTT LAGO

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Ms. PELOSI. Mr. Speaker, I rise today to commemorate the contributions of Scott Lago, who died of AIDS on July 30, 1990, at the age of 31. Scott was one of the founding members of the NAMES Project Foundation. In June 1987, Scott joined six other people in an empty San Francisco storefront. Each came with the hope of creating something that would serve as a lasting symbol of love and remembrance to those who had died. Starting out with sewing needles, thread, and a few scraps of fabric, their memorial took the shape of a quilt made up of individual 3 by 6 foot panels, each memorializing an individual who had died.

On October 11, 1987, Scott Lago and the NAMES Project displayed the AIDS Memorial Quilt for the first time on the Capitol Mall in Washington, DC. The quilt, made up 1,920 panels covered a space just larger than two football fields. Half a million people visited the quilt that day.

Beginning in March 1988, traveling with six others and 3,488 panels, Scott managed a national tour of the AIDS Memorial Quilt to 19 American cities. Over 4 months, his passionate work and his vivid eloquence helped open the hearts and minds of half a million people who saw the quilt and raised over $400,000 in donations to local direct service AIDS organizations. When the quilt returned to Washington, DC, in October it had grown to 8,288 panels. Scott coordinated a display of the quilt at the United Nations on World AIDS Day. His work with the NAMES Project gained international recognition when the quilt was nominated for a Nobel Peace Prize.

Scott's dedication and continued work with the NAMES Project Foundation made the quilt available to the growing numbers of those who needed a way in which to respond to the epidemic. He developed programs to allow for even more displays of the AIDS Memorial Quilt in schools, churches and temples, museums, airports, and shopping malls across the country and the world. His contributions have evolved into lasting traditions that visitors to the quilt can see today as the NAMES Project Memorial Quilt, now containing over 14,000 panels, continues to be displayed.

Mr. Speaker, Scott Lago gave voice to the sufferers, friends, and family of the AIDS epidemic. Through the good works of Scott, the NAMES Project and the quilt, millions of people throughout the world have a better understanding of the human dimension of AIDS. Scott Lago's death is a loss to all of us.

SEE THE USA ALL THE WAY

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. ROTH. Mr. Speaker, I have recently introduced House Resolution 209 in support of establishing a Rural Tourism Development Foundation. This resolution is designed to generate support for recent Senate action approving the establishment of a vital new Rural Tourism Development Foundation.

The foundation amendment is included in S. 1204, the Surface Transportation Efficiency Act of 1991, but is highly unlikely to be included in the House version of this legislation.

Therefore, cosponsors are needed for H. Res. 209 to help persuade the House Members of any future conference on this legislation to accept the Senate language concerning the Rural Tourism Development Foundation.

Rural tourism in America and Wisconsin has the potential to be one of the country's major "exports" in future years if a new tourism policy is adopted and a rural tourism foundation is established by Congress.

I recently read a revealing report prepared for the United States Travel and Tourism Administration. The report, a National Policy Study on Rural Tourism and Small Business Development, concludes what I have long known. There is no coherent national policy on rural tourism development and little systematic coordination between Federal agencies whose programs and actions affect tourism enterprises in rural areas.

Furthermore, the report states:

> Until a recognized national policy is established, effective federal coordination is achieved, the tourism industry cannot make its fullest contribution to the diversification and revitalization of rural America.

The conclusions and legislative recommendations called for by the report are addressed by my bill, H.R. 418. Now H. Res. 209 is designed to raise the collective congressional consciousness about the good we can do for the U.S. economy and to continue to build a trade surplus in the travel and tourism industry even larger than the $5.2 billion surplus we have now. To me, that $5.2 billion surplus is only the beginning.

Let me tell you about some of the tools that currently exist that could potentially attract international visitors and allow our trade surplus to grow.

Two years ago in my district, the Lac du Flambeau Indians built the Chippewa Museum and Cultural Center in Lac du Flambeau, WI. They built it on the banks of the Flambeau Lake. The museum features full-size exhibits of the Lac du Flambeau history and culture, as well as hands-on workshops including finger weaving, threading decorative beads on a moccasin, and carving a fishing lure. People can even join in a traditional powwow and play ceremonial drums.

The foundation described in my resolution could be the conduit for coordinating ways to publicize the efforts of these and other native American groups to educate and attract international and domestic travelers to discover first hand native American culture and heritage.

Other underutilized and underpublicized programs currently in existence are the Rustic Road system in Wisconsin and the Great Lakes Circle tours. These and other scenic byways provide some of the most beautiful and relaxing driving in the world. But again, people need to know about them.

The Rural Tourism Development Foundation would be a nonprofit, non-Government-managed, privately funded entity that would finance planning, development, and implementation of programs having the potential to increase travel and tourism export revenues by attracting foreign visitors to rural America.

Financing would be available for Federal land management agencies, private enterprises, State and local governments, and other entities that work abroad to promote U.S. rural tourism destinations.

And finally, the foundation would act as an umbrella group for all areas of rural tourism.

In this way, we can eliminate some of the duplication and waste in the Federal Government. Let me give you an example.

If foreign visitors want to travel to federally owned land East of the Mississippi they could get maps from the National Forest Service, the Federal Bureau of Land Management, and the National Park Service, but they could not get one map with all the Federal land shown on it for a particular location. There is no one central source.

This duplication is ridiculous, wasteful, and needs to be addressed with better coordination as the aforementioned report recommends and which the tourism foundation would provide.

Those of us in Congress who are acquainted with tourism are dedicated to do all we can to make tourists welcome to the United States. We also are committed to providing jobs and economic improvement to all who serve our invited guests.

H. RES. 209

Whereas in 1990, the travel and tourism industry injected $327,000,000,000 into the United States economy, comprising nearly 7 percent of the gross national product in that year;

Whereas international travel services were the United States' largest export in 1989;

Whereas in 1990, the United States had a $5,200,000,000 trade surplus with respect to the travel and tourism industry;

Whereas travel and tourism is the second largest retail sales industry in the United States;

Whereas foreign visitors spend 7 times as much while in the United States as do United States residents traveling within the United States;

Whereas 56 percent of foreign visitors spend more than 8 nights in the United States, while United States residents average only a 3-night stay while travelling within the United States;

Whereas 82 percent of foreign visitors go shopping while travelling within the United States, generating tax revenue and creating thousands of jobs for workers in the United States;

Whereas the market share of the United States with respect to international arrivals grew by only ½ of 1 percent from 1989 to 1990;

Whereas the market share of the United States with respect to international tourism receipts grew only by 1.2 percent from 1990 to 1991;

Whereas the President has proposed initiatives on rural economic development, including the establishment of a Rural Development Program consisting of a coordinated series of regional rural development demonstration projects;

Whereas tourism receipts contribute significantly to the economic development process and could be an important factor in revitalizing rural America;

Whereas in 1989, foreign visitors to the United States consumed nearly 37,000,000 gallons of milk, 32,900,000 pounds of cheese, and 37,100,000 gallons of ice cream, and drank nearly 10,300,000 cases of beer;

Whereas in 1988, foreign visitors to the United States consumed enough link sausages to stretch halfway around the world (a distance equal to the distance between Washington, D.C., and Singapore) and as many chickens as were raised in all of California and Iowa in that year;

Whereas in 1989, foreign visitors to the United States consumed enough steaks to make a stack nearly 400 miles high and enough potatoes to fill more than 6,334 boxcars;

Whereas on an average day in 1989, foreign visitors to the United States consumed more than 809,000,000 eggs, nearly 400,000,000 slices of bacon, and 192,000 pounds of hamburger;

Whereas each year, foreign visitors to the United States use nearly 78,000,000 hotel rooms;

Whereas in 1989, the travel and tourism industry generated $42,900,000,000 in tax revenues for Federal, State, and local governments;

Whereas 12 cents of every dollar spent on travel and tourism goes for taxes;

Whereas the Federal Government receives $2,382 in tax revenues each minute as a result of foreign visitors spending money in the United States;

Whereas S. 1204, as passed by the Senate during the 102nd Congress by a 91-7 vote, provides for the establishment of the rural Tourism Development Foundation (as does H.R. 418, as introduced during that Congress); and

Whereas every State and nearly every congressional district would benefit from the establishment of the foundation: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that now is the time to act and show support for the establishment of the Rural Tourism Development Foundation, as provided for in S. 1204, as passed by the Senate during the 102nd Congress.

ESTABLISH PREFRESHMAN SUMMER PROGRAMS FOR DISADVANTAGED STUDENTS

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Ms. MOLINARI. Mr. Speaker, today, I have introduced a bill to establish a prefreshman summer program to supplement existing Federal and State efforts to help disadvantaged students successfully complete college level study programs.

Years of experience in New York State's opportunity programs demonstrate that prefreshman summer programs are highly correlated with academic success for economically and educationally disadvantaged students. Of the nearly 7,000 students entering the State's opportunity programs each year, approximately 4,500 receive services from prefreshman programs. These summer programs contribute to remarkable successes reflected in these students grade point averages, credit accumulation rates, graduation rates, and post-graduation activities. Based on a 1988 audit of State funded opportunity programs at the City University of New York [CUNY], the State's Legislative Commission on Expenditure Review concluded that prefreshman summers were so highly associated with successful outcomes that they should be required of all CUNY students enrolled in opportunity programs.

A national prefreshmen summer program would provide grants to States to support institutions of higher education that were already giving academic year supportive services to disadvantaged students. Students participating in prefreshman summer programs would be assured of a tuition-free prefreshman summer filled with a wide range of supportive services and financial aid living expenses.

Mr. Speaker, the value and importance of a national prefreshman summer program are already documented with academic success and post-graduate achievement. I believe the proposed legislative measure will help ensure academic success for disadvantaged students.

DECENNIAL CENSUS IMPROVEMENT ACT OF 1991

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. CLAY. Mr. Speaker, as chairman of the Committee on Post Office and Civil Service, I am pleased to inform my colleagues of the introduction of the Decennial Census Improvement Act of 1991. This legislation, which is sponsored by Congressman TOM SAWYER, the chairman of the Subcommittee on Census and Population, provides for a comprehensive study, to be conducted by the National Academy of Sciences, on means of improving the decennial census. Specifically, this legislation authorizes a study of means by which the Government can achieve the most accurate population count possible. In addition, the decennial census Improvement Act of 1991 provides for a thorough review of the kinds of information collected in the census, including a review of the need for that information and consideration of alternative methods of obtaining that information.

The 1990 census failed its purposes in many respects. Most fundamentally, the 1990 census failed to accurately count the population of the United States. By the Census Bureau's own estimates, the 1990 census understates the population of the United States by 5 million people. Fifteen million Americans were miscounted, 10 million of whom were never counted at all. In my view, what is even more disturbing is the fact that minorities were more likely not to have been counted than others and are disproportionately underrepresented to a greater extent than in the 1980 census. As a result, the 1990 census will directly result in the underrepresentation of minorities in State and local political bodies and the loss of millions of dollars of Federal and State funds for their communities.

As chairman of the committee responsible for oversight of the census, I am committed to ensuring that the failures of 1990 are not repeated in the year 2000. Enactment of the legislation that Congressman SAWYER has introduced today is an important first step in this process. Let me also caution my colleagues that while the National Academy of Sciences study will prove an invaluable aid in planning the next census, it will not of itself be sufficient to correct the problems. I urge my colleagues to support adequate funding for the planning that is vital if the census is to be improved. It is my intention, as a result of this and other action on the part of the Congress, to make certain that the next census counts all Americans accurately and efficiently. I urge my colleagues to join in this effort.

THE RADON AWARENESS AND DISCLOSURE ACT OF 1991

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MARKEY. Mr. Speaker, I rise to offer the Radon Awareness and Disclosure Act of 1991. My colleague from New Jersey, Mr. RINALDO, joins me in offering this legislation to increase the accuracy of radon testing, to increase public awareness of the health threat of radon gas, and to test all schools for the presence of high levels of radon by 1998. I will soon be introducing companion legislation to require that a radon test be conducted and its results made available to consumers before they purchase a home.

Radon is the silent killer. The U.S. Environmental Protection Agency has determined that odorless, colorless, radioactive radon gas is second only to smoking as the leading cause of lung cancer in this country. Radon claims an estimated 16,000 lives prematurely each year. Radon has nearly as many victims every year as does homicide. Radon kills more people than do airplane crashes, drownings, fires, and accidental poisonings—added together.

One in ten households in this country is exposed to a radon level of 4.0 picocuries per liter or higher. In my State of Massachusetts it's even worse: more than 2 in 10 homes are exposed to this level.

What does a level of 4.0 pCi/l mean to the families in these homes? EPA estimates that a 4.0 level produces the same lung cancer risk as smoking half a pack of cigarettes a day. It's the same lung cancer risk as receiving 400 chest x rays a year. For smokers, the risks are even greater.

Exposure to radon is a public health disaster. And sadly enough, even though the average cost of testing a home is as little as $30, only a few percent of the Nation's homes have been tested so far. For those homes that test high, it usually costs only a few hundred dollars to remove radon's risk. Testing and mitigating exposure to radon is one of our most cost-effective safety moves—at an estimated $250,000 per saved life, it's comparable to fire detectors and seat belts.

I am reintroducing legislation that I first introduced last year to tackle radon head on. My legislation shares much in common with legislation introduced by Senators MITCHELL, LAUTENBERG, and CHAFEE; Congressmen GORDON and KENNEDY; and other Members of Congress. First, it protects consumers from fraudulent or inaccurate radon testing by requiring the testing and certification of radon testers. Second, because radon is especially hazardous to children, it calls for the testing of all schools by 1998. Third, it extends the grant program that assists State governments in dealing with this problem for an additional 3 years. Fourth, it establishes a President's Commission on Radon Awareness.

PERFORMANCE PROGRAM FOR RADON TESTING

The Government Accounting Office reported in August of last year that the voluntary nature of the proficiency program was allowing companies producing faulty or inaccurate testing devices or services to continue offering their product to the public. The result was a loss of consumer confidence in the industry, less testing, and a waste of consumer resources. In this bill we require that the proficiency program be mandatory and direct the administrator to implement the quality control assurances recommended by the GAO.

RADON IN SCHOOLS

Radon is especially hazardous to children, and the bill's provisions for the testing of all schools by 1998 will protect the most vulnerable members of our society. It establishes a fund to provide grants and loans to local educational agencies, and requires that those schools in areas with a greater than average health risk of radon exposure be tested by 1994, and all schools by 1998. Again, many schools will test below the EPA action level, but for the very low cost of the test, it is certainly worth testing all schools to determine which ones have dangerous levels of radon exposure. This is particularly true given that the EPA has found some areas of the country where 50 percent, 60 percent, or even 70 percent of homes have elevated levels of radon.

EXTENSION OF THE STATE GRANT PROGRAM

The bill will extend the Federal grant program which helps States to establish radon testing and mitigation programs for an additional 3 years.

PRESIDENT'S COMMISSION ON RADON AWARENESS

Efforts to raise public awareness of the health threats of radon have had disppointing results to date. The Presidential Commission created in this bill will draw the best available talent to develop innovative ways of raising public awareness, and encourage people to take the individual action necessary to protect their families.

This legislation does not require mitigation of radon, although mitigation is relatively inexpensive. The bill leaves the decision to take action against radon in the hands of the individual, and focuses on promoting testing, disclosure, and public awareness. The bill provides that information be made more readily available and more dependable so that consumers can make informed decisions about radon. Armed with accurate information about radon levels in homes, schools, and work places, people will be able to make more rational and cost-effective decisions to protect their own health and that of their family.

IN HONOR OF REAR ADM. PHILIP ANSELMO

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LOWERY of California. Mr. Speaker, I ask that you and my colleagues join me today in honoring a distinguished San Diegan and noble serviceman, Rear Adm. Philip Anselmo of the U.S. Navy. Admiral Anselmo is commander of the Fighter Airborne Early Wing Pacific, headquartered at Naval Air Station Miramar in San Diego.

Admiral Anselmo is a dedicated, professional naval officer and air warfare tactician. He has held leadership positions aboard the U.S.S. *Constellation, Kansas City,* and *Little Rock,* ever a rock-solid leader and model for all public servants. He served with valor during the Vietnam war, the Suez Canal, and Lebanon operations. Admiral Anselmo further exemplifies the ideal U.S. Naval Officer in his aviation skills. He is a distinguished graduate of both the Topgun Fighter Weapons School and the Navy Test Pilot School.

In addition, Admiral Anselmo is an outstanding member of the San Diego community. He is a loving husband, caring father, and aspiring Italian cook. He has proven that the best leaders must be both professional and compassionate in their demeanor.

Rear Adm. Philip Anselmo is a role model for men and women in and out of the armed services of this great Nation. His consistent excellence, good nature, and devotion to duty have earned him numerous decorations, civic awards, and praise. As he departs from my congressional district for new duties in the Navy, please join me I express my gratitude and congratulations to Admiral Anselmo for another job well done.

SAUL E. ASHKENAZI HONORED

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PALLONE. Mr. Speaker, on Thursday, June 27, 1991, Mr. Saul E. Ashkenazi, honorary chairman of the Hillel Yeshiva in Ocean Township, NJ, was honored at a testimonial dinner at the Ocean Place Hilton, Long Branch, NJ.

Saul Ashkenazi has been a true success story as a businessman in his capacity as a founder of Soundesign Corp., a multinational company. He has further distinguished himself as a community leader and philanthropist who has given of his time and energy to make a difference in the life of his community. Mr. Ashkenazi has devoted his efforts to assisting the Jewish Communal Fund, the United Jewish Appeal, and Israel Bonds, among other organizations and institutions.

Mr. Ashkenazi's chairmanship of the Hillel Yeshiva Building Fund has resulted in the creation of an unsurpassed educational complex enrolling some 800 youngsters. The complex includes the Geri and Abe M. Cohen Elementary School, the Charles Mamiye Junior High School, and the Shaul and Miriam Tawil High School. Mr. Ashkenazi's next project is the construction of a pre-school building. Completion of this facility will realize his vision of creating a campus serving 1,200 young people from the age of 3 to 17, providing them with a sound education firmly grounded in the principles of morality, decency, and community.

Mr. Speaker, Saul E. Ashkenazi is one of those rare members of the community who possess the combination of devotion to the community and the ability to translate visions of concern into concrete results. His many friends and admirers have worked hard to prepare a suitable tribute to this fine individual. It gives me great pleasure to share his accomplishments with my colleagues in the House of Representatives.

THE GULF WAR COMPENSATION ACT OF 1991

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LEVINE of California. Mr. Speaker, I would like today to bring to my colleagues attention an important piece of legislation that I, and a bipartisan group of 16 colleagues, are introducing, the Gulf War Compensation Act of 1991.

I am also pleased to be joined in support by the Disabled Veterans of America, the American Legion, Veterans of Foreign Wars, American Veterans, and the Paralyzed Veterans of America.

When I voted to support the use of force against Saddam Hussein, I hoped that my vote would be a deterrent to war, not its prelude. Unfortunately, Saddam Hussein had no intention of resolving the crisis peacefully. Even today he continues to terrorize his own people.

Justice demands that reparations benefit those who suffered and stood up for freedom—American veterans and their families, Kurdish refugees, and our Mideast allies like Israel and Turkey.

Rather than turning frozen Iraqi Government assets in the United States over to Saddam Hussein—a giveway that at best could be read as implicit support of his ongoing repression, and at worst would further prop-up his inhumane regime—we should use them to compensate those who have paid a personal price to defeat Iraqi aggression.

In particular, the legislation provides $700 million in recognition of the men and women who did the dirty work of freedom in the gulf. They are the heroes of our time. Yet today, many of America's veterans programs are dangerously underfunded.

We must also make sure that the children and spouses of the brave Americans who died or were disabled in the gulf, and other American conflicts, are offered the educational opportunities they deserve. This is not a luxury; it is a national obligation.

In addition, the legislation sets-up a $100 million disaster relief loan fund to assist small businesses who have suffered economic injury due to the deployments of Desert Storm and Desert Shield.

Sadly, many small businesses have already paid a dear economic price as whole communities were uprooted overseas to defeat Saddam; this fund will help them and also be available for future deployments.

At the same time simple justice demands that some of Iraq's assets be used to benefit the victims of the war and Saddam's brutal policies.

To this end, $40 million would be granted directly to international aid organizations to assist Kurdish refugees, whose tragic plight both before and after this war has been well-documented.

Finally, Iraq must be held accountable for the enormous physical damage it has inflicted on the region, in particular to the noncombatant countries who sustained direct physical damage from Iraqi attacks during the Persian Gulf conflict.

The bill would provide $150 million to help those countries rebuild their war-torn infrastructures.

My legislation would put Saddam's money invested in this country to the best possible use—to relieve the suffering of the victims of his aggression. If the United States does not take this action, it is possible that he could use any unfrozen money to rebuild his military capabilities for his own personal enrichment.

My bill is a modest step in putting the war behind us and dealing with the inevitable hardships which are a consequence of armed conflict. I urge my colleagues to join me, and the other 16 original cosponsors, in supporting this bill.

ALLIED SERVICES HONORED DURING NATIONAL REHABILITATION WEEK

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KANJORSKI. Mr. Speaker, more than 43 million Americans wake each morning faced with the challenge of a disability. Millions of these Americans, through advances in rehabilitation technology have confronted these challenges and are achieving independence. Modern rehabilitation is enabling our Nation to utilize the skills and talents of disabled individuals. The week of September 15, 1991, is National Rehabilitation Week, and it is these advances and the many people who give of themselves to assist others with disabilities, that we praise and recognize.

Recently, Allied Services of Wilkes-Barre, PA, demonstrated to me and my Pennsylvania colleagues the remarkable advances in rehabilitation technology. A patient of Allied Services, Patti Davis of Danville, is paralyzed from the waist down due to injuries sustained in an automobile accident. Patti, through the use of a computer and sheer determination and will power, is now able to stand and walk. Without this rehabilitation, Patti would most likely be bedridden or confined to a wheelchair. Patti is an excellent example of the millions of Americans who overcoming their disabilities.

National Rehabilitation Week not only draws attention to past success stories, but also offers communities the opportunity to recognize the determination of disabled Americans and the endless opportunities that are now available to them. Many disabled Americans are not aware of the quality and capabilities of rehabilitative services throughout the country. This week of observance, serves as a catalyst for the growing awareness and rising expectations.

In addition, National Rehabilitation Week provides a chance for caregivers to exchange ideas and focus on new forms of care. Since 1978, Rehabilitation Week has enable physicians to interact with other specialists, exchange ideas, and draw attention to new studies, research or technologies that may meet their patients individuals needs.

Mr. Speaker, I wish you could have seen the look on Patti Davis' face when she stood up and strode across that room. She seemed to glow with a sense of pride and accomplishment. Rehabilitation instills this kind of pride. Our disabled and their caregivers are truly inspirations of which we can all be proud.

THE 20TH ANNIVERSARY OF ST. GERMAIN MANOR

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MACHTLEY. Mr. Speaker, I rise today to join with the residents of St. Germain Manor in celebrating their 20th anniversary. St. Germain Manor is a high-rise for the elderly that provides for sound and safe housing. St. Germain Manor is the most invaluable homestead to the elderly because it allows them to feel invulnerable and protected in their own surroundings.

St. Germain Manor is noted by its residents as specifically for its family-like atmosphere where everyone looks out for the other and acts as protective and caring neighbors. Elevators provide the senior citizens with easily accessible ways of getting around.

Another aspect of its family-like atmosphere are the planned events for the tenants. There are holiday festivities during Christmas, Easter, and Thanksgiving, in addition to anniversary banquet celebrations. I have attended these festivities and can attest that they are full of fun and excitement. Other planned events include bingo, where proceeds provide free meals for the senior citizens, and many more. At these events, the seniors dispense with jubilation and have the opportunity to socialize other tenants.

I would like once again to recognize St. Germain Manor for its devoted energies toward elderly housing and for its contributions to make a safe and sound place for people to live. I extend my best wishes to Bea St. Germain, the president of St. Germain Manor, and all its residents, for success in future endeavors.

CONGRATULATE THE NATIONAL PARK SERVICE ON THEIR 75TH ANNIVERSARY

HON. HENRY A. WAXMAN

OF CALIFORNIA

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. WAXMAN. Mr. Speaker, it is with great pleasure and appreciation that we congratulate the National Park Service on its 75th anniversary. On August 25, 1991, the Santa Monica Mountains National Recreation Area will be hosting a celebration in honor of the anniversary.

The Santa Monica National Recreation Area, created in 1978 and a unit of the National Park Service, provides our families, friends, and constituents with a serene and peaceful environment, just minutes away from the hustle and bustle of Los Angeles.

The Santa Monica Mountains National Recreation Area is the result of years of hard work by those persons concerned with the environmental, recreational, cultural, and natural value this area has to offer. Besides being an important resource for the public the Santa Monica Mountains National Recreation Area is also helping preserve a fragile and threatened ecosystem.

Congress created the Land and Water Conservation Fund, which authorized the purchase of the park lands on November 10, 1978. We want to urge the Department of the Interior to continue to make land acquisition funds available for its rapid completion.

We are proud to have been instrumental in the creation of this park and ask our colleagues to join us in congratulating the Santa Monica Mountains National Recreation Area and the National Park Service on this momentous occasion.

LOW-INCOME MEDICARE BENEFICIARY NOTIFICATION ACT

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KOSTMAYER. Mr. Speaker, in 1988, Congress passed a very important program to assist low-income senior citizens, and then we kept it a secret. I am referring to the Qualified Medicare Beneficiaries [QMB-quimby] Program which permits low-income seniors to have Medicaid pay for their Medicare premiums, deductibles, and copayments.

Less than half of the estimated 4.2 million individuals who are eligible for this program are receiving benefits. Most of these individuals probably have never heard of this program. They are senior Americans who earn less than $7,000 a year as an individual or less than $9,000 as a couple. Either they are spending up to one-sixth of their income on Medicare or they are foregoing health insurance.

I have proposed a simple solution: Let's tell them about the program. Even better, let's make it easy to apply. Currently, this program is only available through local assistance offices. But most of those eligible have never received any form of public assistance and have no other way of hearing about or applying for this program.

Each year the Department of Health and Human Services sends out an annual notice to all Medicare beneficiaries informing them of their benefits, their premiums for the next year, and any changes in the program. It would cost little not only to inform Medicare beneficiaries of this program in this notice, but to also provide an application so that individuals can apply for the program through the mail.

QMB is a good benefit. It is an important benefit. It should not be a secret benefit.

A SPECIAL SALUTE TO DR. HERBERT O. REID, SR.

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. STOKES. Mr. Speaker, I rise today to pay tribute to an outstanding individual and a real giant in the field of law. On June 14, 1991, we mourned the death of Dr. Herbert O. Reid, Sr. Dr. Reid was a highly respected attorney, a popular professor, and a great champion of civil rights. Just prior to his passing, Dr. Reid served as the Corporation Counsel for the District of Columbia, general council for the National Association for Equal Opportunity in Higher Education, and the Charles Hamilton Hughes Professor of Law Emeritus at Howard University.

During a career which spanned 45 years, Dr. Reid distinguished himself as a legal scholar, public servant, and leader. He was the first African-American to clerk for the Supreme Court of Massachusetts, he advised and counseled President John F. Kennedy, Dr. Martin Luther King, Jr., and other political leaders, and he participated in nearly all of the major civil rights cases to go before the Supreme Court since 1947.

Mr. Speaker, I and many others benefited from Dr. Reid's friendship and counsel over the years. He was a renowned scholar of constitutional law, a teacher, and a brilliant individual whom I greatly admired. Dr. Reid's spirit will live on in the memories of his family, friends, and students.

Prior to his passing, Black Enterprise Magazine published an article on Dr. Herbert Reid. In the article the author noted that, "Herbert Reid is a man who has used his formidable talents for the service of his fellow man, a man who had dedicated his life to the ideal of justice for all people, and a man who serves as a model of scholarship and excellence for all of us to emulate."

Mr. Speaker, I am pleased to share the article from Black Enterprise magazine with my colleagues. I also take this opportunity to extend my condolences to Dr. Reid's family and many friends. He was a giant of a man who will be greatly missed.

Herbert O. Reid, Sr. currently serves as the Corporation Counsel for the District of Columbia, General Counsel for the National Association for Equal Opportunity in Higher Education, and is the Charles Hamilton Houston Distinguished Professor of Law Emeritus at Howard University School of Law. His forty-five year legal career has included many roles—legal scholar, leader, public servant—but always one vision: "A life of public service is its own reward."

Inspired by the words of Charles Hamiltion Houston, Dr. Reid decided early on that he would become a lawyer. The youngest of five children, Reid came from parents who emphasized education and public service. He knew that he wanted to contribute in a significant way to social change for African Americans. He was convinced that the law would be his tool. He left Wilson, North Carolina to pursue higher education.

His civil rights career began in his first years of college in Charlotte, North Carolina. While a student there he led a boycott of businesses which would not serve African Americans, and worked in political campaigns to elect an African American to the Charlotte City Council. His political activity led to the suggestion that he transfer to some other college to complete his work. He chose Howard University because of its history of political action.

He graduated from Howard University in 1938. After serving in the military, he pursued his law degree at Harvard, the alma mater of Charles H. Houston. After graduating in 1945, he became the first African American to clerk for the Supreme Court of Massachusetts. While clerking, he served as general counsel to Boston's NAACP.

Since both of Reid's parents were educators it is not surprising that he chose teaching as his primary career. Howard University was then a laboratory for Houstonian jurisprudence and Reid wanted to be a part of that.

In 1947, Dr. Reid began his teaching career at Howard University. For over forty years Reid inspired and challenged his students to view the law as "a tool for social engineering." Through his teaching, Dr. Reid has touched the lives of more students than any other professor in the history of Howard's law school—students who have gone on to become judges, practicing attorneys, government lawyers, and political leaders. J. Clay Smith, Jr., Professor of Law, Howard University Law School remembers.

One of the legacies that Herbert Reid established for his students is how to interpret the Constitution as it relates to protecting and expanding on the rights of African-Americans. He also impressed upon us the need for a serious study of the law. He taught us that law was more than rules; it was also methodology.

Herbert Reid introduced us to Charles Hamilton Houston who was the architect of modern Civil Rights litigation strategies and whom Herbert Reid, himself, emulated.

Finally, he taught us that the more politically outspoken sectors of society would need lawyers to protect their freedom of speech.

When asked about his years as a student at Howard under Dr. Reid, Judge Dameon Keith of Detroit said:

The thing that impressed me about him was his total commitment to the black struggle, the law school, and the role that law graduates should play in making equal justice under the law for all Americans.

He was a man who did not tolerate mediocrity; he pushed you as far as you could go—and then further. Reid would always find time to discuss with students any problems they might have had concerning legal cases. When you were around him, you knew you were in the presence of a great intellect. His was the clearest mind, a mind of greatness, a mind which radiated a sense of mission and purpose.

Whatever success I've had is in large measure due to Herbert Reid. He did not tolerate anything but the very best.

As a result of my being at Howard University under his tutelage, we developed a very close friendship. I know him as a person and man. And I respect him as one who recognizes the obstacles WE as Black people still face in America.

Dr. Reid was never content to confine his activities to the classroom. He participated in nearly all of the major civil rights cases to go before the Supreme Court since 1947. He extended to some of his best and brightest students the opportunity to participate in those cases with him. Through his participation in cases such as Powell v. McCormack, Brown v. Board of Education, Bolling v. Sharpe, Adams v. Richardson, Bakke v. Regents of the University of California, United Steel Workers of America, AFL–CIO, Kaiser Aluminum & Chemical Corp. v. United States, Equal Employment Opportunity Commission v. Weber, Ruiz v. Delgado, and Dixon v. Alabama, he changed the lives of all African Americans, indeed, all Americans.

As a renowned scholar of constitutional law, Dr. Reid has appeared as an expert witness before both houses of Congress. He is always generous with his time and talent, whether assisting Congress with its deliberations on full voting rights for the District of Columbia or devising legal strategy to prevent the executive branch from stripping away the protection of the speech and debate clause. His service to Congress has been recognized on several occasions in the CONGRESSIONAL RECORD.

He has advised and counselled President John F. Kennedy, Senator Edward Kennedy, the Honorable Adam C. Powell, the Honorable John Conyers, former Governor G. Mennen Williams, Reverend Martin Luther King, Jr., Reverend Jesse Jackson, Mayor Marion S. Barry, and other.

He has contributed to several law reviews and other publications, including a book entitled "Search and Destroy." He identified his favorite article as *Assault on Affirmative Action: The Delusion of a Color-Blind America*, 23 How. L.J. 381 (1980).

Because of his contributions to the law, Dr. Reid has received numerous honorary degrees, citations and awards from universities, civil rights groups, and professional organizations. Those awards include the Charles Hamilton Houston Medallion of Merit (1979), William Robert Ming Advocacy Award (1984), and Special Legal Issues Scholar Award (1985). One of the honorary degrees was awarded by Lincoln University, who cited him for his *amicus curiae* brief in the *Adams* litigation, crediting his efforts in preserving historically black colleges from a legal assault.

He raised two children, Carlene and Herbert, Jr. He instilled in them a keen sense of justice. Carlene recalls him teaching her by example that all people, regardless of their station in life, were entitled to the same respect. Herbert, Jr. pursued a career in the law and is a member of the District of Columbia bar.

Herbert Reid is a man who has used his formidable talents for the service of his fellow man, a man who has dedicated his life to the ideal of justice for all people, and a man who serves as a model of scholarship and excellence for all of us to emulate.

A TRIBUTE TO JOHN HOPE FRANKLIN

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LEWIS OF Georgia. Mr. Speaker, I rise today to pay tribute to Dr. John Hope Franklin, a distinguished American.

Dr. John Hope Franklin was born and raised in Oklahoma. He received a bachelor's degree from Fisk University, and master's and doctorate degrees from Harvard University. He has been honored with 89 honorary degrees.

Dr. Franklin is currently serving as an emeritus professor of history at Duke University.

Dr. Franklin is the author of 11 books and more than 100 scholarly articles. He is probably best known for the superb and outstanding book, "From Slavery To Freedom: A History of Negro Americans," which was first published in 1947.

Dr. Franklin is a noted historian. He has taught history and lectured at several colleges and universities throughout the United States.

The July 28, 1991 edition of the Atlanta Journal-Constitution featured a wonderful article entitled "The History of John Hope Franklin" by Tom Chaffin. I am submitting the article for the RECORD.

Mr. Speaker, I salute this great and outstanding historian, who has made a difference for this generation of Americans and for generations yet unborn.

[From the Atlanta Journal-Constitution, July 28, 1991]

A QUIET SCHOLAR CHANGED THE WAY AMERICAN SEES ITS BITTER RACIAL PAST

(By Tom Chaffin)

DURHAM, NC—When Robert Bork was nominated for the U.S. Supreme Court in 1987, John Hope Franklin didn't hesitate to damn him before a Senate committee. In fact, the Duke University historian testified, blacks might still be riding in the back of the bus if it had been up to the Borks of the world.

Four years later, Dr. Franklin again squarely opposes a conservative high court nominee, Clarence Thomas. So he'll again testify when Senate hearings start soon—right?

Dr. Franklin isn't sure.

Oh. Why?

The historian suddenly seems less decisive: A combination of factors, he answers vaguely.

Could it be that Dr. Franklin is reluctant to torpedo a man who would be only the second African-American to sit on the nation's highest court?

The historian laughs. "My pride doesn't extend that far," he says. "If President Bush was colorblind, I certainly have to be."

As it turns out, Dr. Franklin's indecision hinges more on matters of scheduling and whether his testimony is needed. But it's a measure of his stature that he enjoys the luxury of deciding whether to be heard by the senators.

Reminders of that stature have been fairly constant in recent years.

With 89 honorary degrees, John Hope Franklin, 76, may be the nation's most honored academician. His magnum opus, the recently revised "From Slavery to Freedom: A History of Negro Americans," first published in 1947, has sold more than 2 million copies and has been translated into four languages. It remains the definitive narrative of the black Americans experience.

All of which led Arthur Ashe, the tennis great, to lament recently that more Americans know Bo Jackson's name than John Hope Franklin's.

Although often called America's leading "black historian," Dr. Franklin rejects the term as narrowly parochial—more a reference to his skin color than his work.

Whatever term is used, few would disagree that he has played a pioneering role over the past 50 years in shaping the study of Southern and African-American history. He fashioned new lenses by which black Americans could be glimpsed, undistorted by the racism of older white historians. More broadly, like C. Vann Woodward and David M. Potter, Dr. Franklin's name belongs with the revisionists who recognized the South's biracial character and liberated Southern historiography from Lost Cause sentimentality.

Dr. Franklin also has helped make history through quiet advocacy as a scholar and writer. He provided research assistance to then-NAACP attorney Thurgood Marshall in the landmark 1954 school desegregation case, Brown v. Board of Education. And he has befriended activists from W.E.B. DuBois to the Rev. Jesse Jackson, who often stays in the Franklin home. Three presidents—Kennedy, Johnson and Carter—offered him ambassadorships, and he declined them all.

"I HAVE ORCHID BREAKS"

At the moment, though, things historical and political are far from Dr. Franklin's mind. As he guides a visitor through his backyard greenhouse, teeming with orchids on a sunny summer afternoon, just the idea of any kind of colorblindness seems beside the point.

"Oh," he exclaims, noticing a certain specimen: "John Hope Franklin!"

That would be the John Hope Franklin orchid, a variety developed in his honor a few years ago by a Chicago friend.

Dr. Franklin collects orchids the way others take pictures. He began 30 years ago when he was a guest professor at the University of Hawaii and admired the flowers everyone seemed to grow on porches. Now he carries a special card from the Agriculture Department to get orchids through customs.

Raising his voice over the whir of the humidifier that keeps the humidity a sweltering 65 percent, he gestures expansively over the rows and rows of plants—900 species from six continents. "It represents an enormous spread of orchidacia," he says. "Some people have tea or coffee breaks. I have orchid breaks. I come out here several times a day."

Dr. Franklin, 6 feet tall and thin, has close-cropped gray hair, a slight mustache and gold-framed bifocals. Whether he's digressing on flowers or the Freedmen's Bureau, the professor's manner charms with a courtliness honed in an age when male students still wore white shirts and then neckties to class. Even in today's outfit—a gray cotton "leisure suit" he picked up in Senegal—he looks and sounds every inch the distinguished professor.

That courteous manner is what students and colleagues remember best.

At the convention of the American Historical Association in April, a dozen of them gathered in a Louisville, Ky., restaurant to toast Dr. Franklin. The banquet itself was a surprise. But the real surprise was the presentation of a leather-bound collection of essays in his honor, most by former students.

The testimonials weren't so much of grand scholarly enterprises as of small kindnesses. Former student Paul Finkelman, now a professor at Brooklyn Law School, recalled how Dr. Franklin volunteered to drive him to a conference to deliver his first academic paper. During the drive, the freshly minted Ph.D. realized he hadn't planned for lunch, and now there wasn't time. Dr. Franklin produced a sandwich he had made that morning for his student.

JIM CROW ARCHIVES

Amid the toasts and reminiscences that warmed the evening, a central irony hovered: When Dr. Franklin knocked on the profession's door, it was only grudgingly opened.

Born and reared in segregated Oklahoma—his father was a lawyer, his mother a schoolteacher—Dr. Franklin earned his undergraduate degree at Nashville's Fisk University. Although his parents had been sufficiently scholastic to name their only son after John Hope, an admired professor from their college years, the young man didn't leave home with professorial aspirations. He wanted to follow his father into a legal career.

At Fisk, Dr. Franklin met the soft-spoken woman who a few years later became his wife. Aurelia, now 76, worked as a high school librarian during the early years of their marriage. They have one son, John W. Franklin, 38, a program coordinator at the Smithsonian Institution.

Also at Fisk, Dr. Franklin met Ted Currier, a young professor whose influence soon led the student to select history as his major. Even today, Dr. Franklin recalls him with something akin to reverence.

"He was the most exciting teacher anywhere, at any time, at any level," he recalls softly. "I was 17, and he was all of 29. But he was my teacher, counselor, mentor, peer. To have someone like that . . . treat you like a human being at a time when you didn't get many white people who thought you were a human being . . . can give you such a confidence and sense of well-being."

When it came time for graduate school, Dr. Currier encouraged his student to apply to Harvard University. After he was accepted and his parents could provide only a small amount of money for living expenses, Dr. Currier went to the bank and borrowed $500 for his protege.

Arriving at Harvard in 1935, young Franklin soon chafed at what he still calls the school's "pretentiousness." He was eager to leave after completing his course work and exams.

Back in the South, he quickly discovered that even enrollment at a prestigious university couldn't guarantee some things. Never mind separate but equal; at the North Carolina archives in Raleigh, neither Jim Crow nor the building's architect had contemplated the possibility of a black person doing research. Lacking a "colored" section to steer him toward, archivists accommodated the young historian by clearing out a separate room, away from white patrons.

The Harvard doctorate was awarded in 1941, but it hardly curbed the racial slights.

SCHOLARSHIP FREE OF RANCOR

Dr. Franklin began his teaching career with stints at two small black schools in North Carolina—St. Augustine's College and North Carolina College (now North Carolina Central). In 1955, amid fanfare that ranked Page One coverage in The New York Times, he was appointed to chair Brooklyn College's history department—becoming the first African-American to head an academic department at a major, predominantly white university.

He soon discovered, however, that real estate agents were in no hurry to sell him and his wife a house in the mostly white neighborhoods near the school. More than 30 agents and private sellers refused to show the couple properties. After they finally found a house, the two discovered that Brooklyn banks were loath to provide financing. Only their personal attorney's intervention with his father, who had connections at the bank, secured a loan.

The situation was little different within the walls of academe. During the late '50s, he chaired a panel planning a program for the Southern Historical Association's convention, already booked at a segregated Memphis hotel. "I promised I would work hard to make the program so attractive that everyone would come except me," he recalls. "I wouldn't go because I couldn't sleep in the Peabody Hotel."

Later, during the early '70s, Dr. Franklin served as president of the organization.

Despite hardships, colleagues say, Dr. Franklin has produced a body of scholarship remarkably free of rancor. Compassion for the downtrodden is there. But so is a hard-edged objectivity devoid of ideological axgrinding—a remarkable balance given the racial hurdles he has had to clear. Indeed, colleagues say, the historian is the sum of such balances—equipoises between pride and modesty, pain and hurt, rage and compassion, scholarship and activism.

KEEPING A SENSE OF RAGE

"He has never bowed to the pressure of fashions and the propaganda of black nationalism," says Yale University historian C. Vann Woodward.

"He didn't lose his dignity. He also didn't lose his anger, and he's channeled that anger in a way that's informed his whole life," adds Emory University historian Dan T. Carter.

Probably only Frank Sinatra has had more "retirements" than John Hope Franklin.

He nominally left regular professiorial duties in 1980 when he ended 16 years of teaching at the University of Chicago, his favorite post. After a two-year fellowship at the National Humanities Center in North Carolina's Research Triangle Park, he accepted a professorship in Duke's history department. In 1985, the same year he retired from that department, he began his current professorship in Duke's law school, where he teaches part of a constitutional history course.

The limited teaching schedule affords more time for research and writing: Dr. Franklin has written 11 books and edited eight others. Ironically, his best-known work, "From Slavery to Freedom," began as something of a fluke. He agreed to write it only after persistent persuasion from an editor at Alfred A. Knopf.

These days, in addition to a work-in-progress on runaway slaves, he is editing his father's autobiography, a bittersweet memoir of practicing law in Oklahoma. A low point came in 1921 when the elder Franklin was trying to move the family to Tulsa. The building he was buying for an office was burned during a race riot, and he had to work out of a tent for months.

NO FAN OF NATIONALISM

Such a background might have led another to either submit to the established order or become stridently militant. Dr. Franklin did neither. Indeed, friends and colleagues say, his life has straddled too many racial and national borders to nourish any sort of parochialism.

His dismissal of black nationalism, for instance, is both practical ("Nationalism involves things that it would be difficult for blacks in the U.S. to have—like a distinct language, land") and idealistic ("I do not regard nationalism, whether American or black nationalism, as particularly commendable, because it carries with it a certain amount of emotionalism").

Though he has traveled extensively in Africa, Dr. Franklin declines to describe the sojourns as any sort of personal epiphany: "It is my fatherland, and I'm proud of it. But, I mean, I didn't kiss the ground and all the rest of it."

Still, age has hardly made him an apologist for the status quo. He disagrees sharply with President Bush's Persian Gulf policy and recent attacks on affirmative action. Dr. Franklin sees political motivations at work behind the latter: "he's trying to create a Willie Horton for himself for 1992."

Perhaps ironically, however, since much of his work chronicles the horrors of Dixie's historical racism, the professor can sound downright boosterish when discussing the South he returned to in 1980.

Strolling back from lunch at a nearby cafe, he gestures over the green lawns of the leafy Durham suburb that he considers "the best place I've ever lived." There was a day when this neighborhood and most local restaurants would have been closed to him. But that's hardly something to dwell on, he says.

"You come back to an area where you had bitter memories, and you find that the area has changed significantly, it's all the more sweet, it seems to me. The bitterest memories I have of living anywhere are from New York City.

"I hope I never lose a sense of rage, but I'm not going to let that paralyze me," he says. "The historian has to not only see change but appreciate change."

KIDS VOTING

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SMITH of Florida. Mr. Speaker, political apathy has a strong hold on our Nation's children.

There has been a precipitous decline in voter registration and electoral participation over the last 30 years. The United States, the first democracy, now ranks last in citizen participation, behind every other democratic country.

Every public official and every concerned American must do what they can to reenergize and excite our potential electorate. We need to get all those eligible to vote registered. We need to educate voters so they can better understand our political process, and that education should start with our children both in the home and in the classroom. If we can do this, we would begin to get back on the track of political awareness, electoral participation, and citizen activism; leaving the age of apathy and cynicism in our wake.

How can we get children and young adults excited about voting? How can we get them excited enough to get their parents involved, too? We need a mechanism to inspire children and their parents to participate in the process. We need to entice them to learn more about the importance and responsibilities of living in a democracy, not just on election day but 364 other days of the year.

One such program already exists, and it is called "Kids Voting." It is a bipartisan nonprofit project which, in cooperation with local school systems, has developed a K–12 curriculum that seeks to educate and motivate students in the electoral process. I believe this program, run at no cost to the taxpayers, will help turn around the current trend of political apathy and peak the interest of our youth in the process. It is presently being conducted in 15 communities around the country and also has drawn international interest, including the U.S.S.R. I am committed to seeing its success become nationwide here.

Cofounders Bob Evans, Max Jennings, and Chuck Wahlheim were originally introduced to "Kids Voting" in Costa Rica and brought the concept to Arizona in 1988. In that year nearly 700,000 of Arizona's students were involved in this program, learning about the responsibilities of democracy, increasing their political awareness, voting, and best of all bringing their parents along for the ride. Voter turnout in 1990 increased by 2½ percent as a direct result of "Kids Voting."

It is anticipated "Kids Voting" will soon be conducted in 15 school systems in 7 States including my own Dade County, FL; Baltimore, MD; Knoxville, TN; Dayton, OH; Denver, CO; Austin, TX, and the entire Arizona State school system.

I urge you to join me in raising national awareness of and support for "Kids Voting," and a greater participation of our citizens in the electoral process.

I am submitting an article on this program by Tom Fiedler of the Miami Herald.

[From the Miami Herald, July 21, 1991]

KIDS VOTING: CULTIVATING CITIZENSHIP

(By Tom Fiedler)

I met Ann Kravitz barely six weeks ago, although she had phoned me a month or so before to tell me about an idea she had picked up in her travels.

"Kids Voting," she said, pressing her business card into my hands. "I'll send you material on it."

She was, as anyone who has met her can attest, more than true to her word. As a Holocaust survivor who came to America from Vienna at the age of 4 "just a step ahead of the storm troopers," as her husband puts it, Ann was a fervent apostle of citizenship.

A packet soon arrived, solid with information. I opened it expecting little more than an outline of curriculum materials culminating in a mock election at school, the sort of program that, while worthwhile, rarely produces results beyond that semester.

What I found was a plan that far exceeded my imaginings, one that provides more hope than anything I have seen for inculcating the values of citizenship in America's youth long before they are old enough to enjoy the right to vote.

As a small gesture of gratitude to Ann, I offer this column to her. I hope it will do some good. I only wish I had written it sooner.

Ann would be the first to admit that the concept for Kids Voting is not original with her. She picked it up last summer while traveling with her professor-husband, Sanford Kravitz, through Arizona.

Its Arizona founders, in turn, credited a program in Costa Rica—Central America's most stable democracy where the typical election turnout is 90 percent—with being the model.

The concept of Kids Voting is simple; the execution is considerably more complex. Beginning in elementary school and continuing through the senior year of high school, the program incorporates important state and national elections into the curriculum.

While learning about such abstracts as democracy, civics and constitutional principles, students also gain the hands-on experience of a political campaign.

Each may be assigned to follow a specific candidate, to gather campaign brochures, clip newspaper articles, tape television debates and ads, attend speeches. They must research issues and share their findings.

They are required, also, to bring their work home with them to discuss with family members, ideally their parents. And they must register to vote on a special roll kept by the county, just as eligible voters do.

ELECTION DAY CLIMAX

The climax occurs on Election Day when they go to their local polling place—not a mock booth set up at their school—and cast their ballot along with their parents. Although their vote won't, of course, be tallied in the same way, it will be processed within 24 hours with those of other Kids Voting participants and the results announced.

Ann was convinced that this program's emphasis on full family participation, its realistic approach to citizen action and the fact that the tally would be reported on the day after the election alongside the "real" results gave it a unique dimension.

Moreover, the experience of repeating the process—over time, the typical high school graduate could cast three presidential Kids Voting ballots before marking a real one—would imbue the habit as nothing else had.

To me, therein rested its genuine value.

Of the many problems facing our nation, few may be more insidious, more alarming, than the growing disconnection between Americans and their government.

The notion of citizenship seems increasingly confined to nationality. Fewer and fewer recognize that citizenship also implies a balanced set of rights and responsibilities, one of which is casting an informed ballot.

FRIGHTENING TRENDS

The trends should frighten us all. Barely half of all eligible Americans—and just 44 percent of all eligible Floridians—cast ballots in the 1988 presidential election. That contrasts with nearly 65 percent in 1960, when John F. Kennedy defeated Richard Nixon by a margin of one vote per precinct nationwide.

And among young voters, those between the ages of 18 and 21, the drop has been even more precipitous. In the most recent presidential election, just 33 percent of these young people turned out. This is the very group that was shipped out to the Persian Gulf, that is affected most directly by abortion rights decisions, and that should insist upon shaping the long-term policies affecting the world they will inhabit.

The lamentations over this generation's impact have echoed widely. American Demographics magazine reports this month that America's high school Class of 1986 seeks "money, not meaning" and places "play before work."

In an article based upon exhaustive surveys conducted by the University of Michigan, the magazine disputed analysts who say that today's youth, like the children of the '60s, are turning toward nonmaterialistic goals.

"In fact," the authors wrote, "young adults seem to be turning away from intellectual and philosophical concerns."

TURNOUT DROPPED

A citizen action group, People for the American Way, sounded a similar alarm in June during a press conference called to mark the 20th anniversary of the 26th Amendment to the Constitution giving 18-year-olds the right to vote. Since that amendment took effect in the 1972 election, turnout has steadily dropped.

In a survey the group conducted of 15- to 24-year-olds on the meaning of citizenship, just one in eight linked voting to being a good citizen.

More distressing, when the youths were asked to rank their life goals, 72 percent placed highest emphasis on "career success" and 57 percent cited the importance of "enjoying life and having a good time."

"Ranking dead last was 'being involved in helping the community to be a better place,'" said the study, called, chillingly, Democracy's Next Generation.

To reverse the erosion of citizenship values, People for the American Way and a score of other organizations are also pushing voter education and registration programs nationwide. Notably the centerpiece of this effort, called First Vote, is modeled after one that has been in place in Dade schools for a decade.

We can be proud that in Dade County public schools, 100 percent of the eligible 18-year-olds were registered to vote during classroom ceremonies last year, a national record. But registration is just part of the battle, as Ann Kravitz would say.

The hidden agenda of Kids Voting is that, in addition to drawing youths directly into the political maelstrom, it captures many of their parents. Home discussion with parents is central, as is accompanying a parent to the polls.

In Arizona, voter turnout in precincts where Kids Voting was in effect averaged 3 percent above the state average. That translated to about 32,000 votes in a recent governor's race decided by a single percentage point. (Ironically, the "kids" voted heavily for the losing candidate, a Democrat. They also voted overwhelmingly to make Martin Luther King Jr.'s birthday a State holiday, another measure defeated by their parents at the cost of a Super Bowl.)

Ann's program in Dade County, though only five months old, is well on its way to bearing fruit. The county school district and the elections division are planning a pilot program for the November 1992 presidential race.

Meanwhile, both Secretary of State Jim Smith and Florida Education Commissioner Betty Castor have expressed interest in the project with the thought of bringing it to every county by 1994.

Unfortunately Ann won't see it. After undergoing chemotherapy for cancer, she died on July 2, two days before her favorite holiday.

PROVIDING EQUAL ACCESS TO THE FEDERAL COURTS FOR THE PEOPLE OF PINELLAS COUNTY, FL

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. YOUNG of Florida. Mr. Speaker, all Americans have a constitutional right to full and fair access to the Federal court system without being impeded by cost or geographical barriers. However, this right has long been denied the people I represent in Pinellas County, Florida's third most populous county.

For more than 30 years, Federal court has been authorized to sit in St. Petersburg, the largest city in the county, but the judiciary has never recommended the construction of facilities there. This despite the fact that St. Petersburg and Pinellas County, FL, with 851,659 residents, has the largest population of any county within the middle district of Florida, and a population larger than Tampa and Hillsborough County, where all Pinellas County litigants, jurors, and attorneys must travel to Federal court. Of Florida's five most populated States, Pinellas is the only one without a Federal court facility.

Even though there is no Federal court presence in St. Petersburg, more than one-third of the criminal, civil, and bankruptcy caseload filed in the Tampa Division of the Middle District of Florida is generated in Pinellas County.

There is no denying that there is ample need for additional court facilities in the middle district of Florida, and particuarly in the Tampa division where criminal case filings have more than doubled since 1980 and where the caseload has become so heavy that the division has had to suspend hearing civil cases. The U.S. Bankruptcy Court in Tampa has experienced a 350-percent increase in its caseload over the past 5 years.

Legislation I am introducing today would authorize the construction of a Federal court facility in St. Petersburg to fulfill the statutory authority conferred by this Congress in 1960 to allow court to sit there.

Although St. Petersburg and Tampa are located just 20 miles apart, they are separated by Tampa Bay and are only connected by three bridges, each in excess of seven miles long. This unique geographical situation has created a major barrier between these two cities and often has proven to be disruptive to the courts. Dense traffic, delays on the bridges, and a lack of alternative routes frequently cause litigants, jurors, and attorneys to be late for scheduled proceedings.

All these factors have an impact on the frame of mind of jurors, one of the greatest concerns of Federal judges. Every Member of Congress who must cross he Potomac River by bridge each day to reach the U.S. Capitol certainly is aware of the impact the stress and strain of traffic can have on your schedule and your frame of mind when you reach work.

St. Petersburg affords those people from Pinellas County seeking access to the Federal courts the opportunity to avoid these time consuming and costly delays and would bring a Federal facility into the middle district's largest population center not currently served by a Federal court. Make no mistake about it, the time and cost involved in traveling between St. Petersburg and Tampa are so high, that a growing number of Pinellas County attorneys recommend that prospective clients seek counsel in Tampa to minimize the expense of paying for an attorney's time to travel between these cities.

Mr. Speaker, following my remarks, I would like to include for the benefit of my colleagues, the results of a survey of Pinellas County attorneys conducted by the St. Petersburg Bar Association, which documents the impact the lack of a Federal courthouse has had on their ability to represent clients having business beore the Federal court. These testimonials from attorneys clearly show that in many cases, access to Federal court was denied the people of Pinellas County, that often times Pinellas County attorney's refused to take cases to save their clients money, and that the distance and travel time between cities has resulted in lost opportunities to resolve pressing matters before the court.

The need for a court facility in St. Petersburg is such a high priority to the people I represent that last month, the St. Petersburg City Council, by a unanimous vote, approved the donation of 4.6 acres of prime, downtown real estate, valued at $9 million, to the Federal Government for the construction of a Federal courthouse. This historic site on Martin Luther King Street is centrally located, is within one block of an interstate highway ramp, is located along a major mass transit route, and would have available abundant public parking. It also is already properly zoned, has been approved for a project of this magnitude, and can accommodate a facility large enough to meet the court's projected needs.

In addition to providing court rooms for Federal judges to hear criminal and civil cases, a St. Petersburg court facility also would provide much needed space for the large number of visiting and senior status judges who travel to Florida, especially in the winter months, to help relieve the tremendous backlog of civil and criminal cases. Many of these judges reside in Pinellas County during their stay in Florida. It also would provide significant space for the current and the anticipated increased number of bankruptcy judges. Federal bankruptcy filings have more than doubled in the past 4 years and, as stated earlier, the number of these cases is projected to sharply increase. The number of Pinellas bankruptcy filings is fast approaching the number filed from Hillsborough County and over this same 4-year period, the number of Pinellas filings were 10 percent higher than those in Hillsborough. A St. Petersburg court facility would especially provide ease of access to the Federal bankruptcy process for Pinellas County residents and with the availability of large amounts of public parking would ease the flow of the large number of litigants, attorneys, and creditors involved in the process.

Finally, a Federal court facility in St. Petersburg would enable the U.S. attorney and the office of the Federal public defender to establish, for the first time, an office in Pinellas County. The current lack of their presence compromises criminal investigations and limits the availability of public representation for low-income residents of my district.

There is ample precedent in the Federal court system to locate facilities within close proximity to each other. Within the middle district of Florida, Federal Court facilities in Ocala and Gainesville, two cities whose populations do not even begin to approach that of St. Petersburg and Tampa, are within just 35 miles of each other, and in the southern district, facilities in Miami and Fort Lauderdale are located just 25 miles apart.

Mr. Speaker, In making decisions about where to locate Federal court facilities, the Congress is obligated to do what is right not for the convenience of the judges or the political benefit of elected officials, but for the food of the American people who deserve fair and equal access to Federal courts of law. For more than 30 years, that right has been denied to the people of Pinellas County. Swift enactment of the legislation I introduce today will enable us to move forward with a project that meets the judiciary's critical need for additional space in the middle district of Florida while at the same time bringing the judges closer to the people they are appointed to serve.

ST. PETERSBURG BAR ASSOCIATION SURVEY ON THE NEED FOR A COURTHOUSE IN ST. PETERSBURG, FL

An informal poll was conducted over a period of approximately three hours one Friday afternoon and fifteen minutes the following Saturday morning among a random sample of many St. Petersburg attorneys regarding the need for a federal courthouse in St. Petersburg. The sample consisted of approximatly twenty attorneys and included attorneys from large, medium and small firms, as well as sole practitioners. Every person polled agreed that a St. Petersburg federal courthouse was needed in order to provide the citizens of this county better access to the federal judicial system. Below are just a few real life incidents pulled from these few in this short amount of time which highlight the critical need for a federal courthouse facility in St. Petersburg.

INCIDENT I

One St. Petersburg attorney has as a client, a leasing company, with offices in several states. The company carries insurance on approximately 15,000 employees. At 3:00 P.M., on June 3, the company received a letter from its insurance carrier that the policy would be cancelled on June 4 if more than $1,000,000.00 in disputed premiums/claims was not paid by the company by midnight June 4. The lawyer had only two hours to file an action, get a case number and judge assignment and set a hearing for a temporary restraining order (TRO). The hearing was set for the next day at 3:00 P.M. The lawyer knew that federal jurisdiction existed due to diversity of citizenship. However, he had to file in state court in St. Petersburg due to the travel, traffic and parking problems attendant to filing in Tampa. There was simply insufficient time to file the action in federal court. Shortly before the hearing the next day the insurance carrier removed the state court action to federal court because there was diversity of citizenship. The hearing time for the TRO in state court was lost because the state judge no longer had jurisdiction, and there was insufficient time to obtain a case number, judge assignment and hearing time in federal court. As a result, the company was compelled to pay over $1,000,000.00 to the carrier to prevent the lapse of insurance coverage. Without a doubt, this loss would have been prevented if there had been a federal courthouse located in St. Petersburg.

INCIDENT II

This lawyer handles pro bono consumer law cases. He agreed to accept a pro bono case for an elderly client who lived in St. Petersburg and had cancer. For such a person, a Tampa attorney is not feasible and may not be possible (unless the Tampa attorney is willing to make the drive over the bridge to service the client). She purchased a car from a Pinellas County dealer in order to transport herself to her cancer treatments. The car showed 15,000 miles on the odometer but actually had about 150,000 miles on it. The car continually broke down, making it difficult for this senior citizen to get to her cancer therapy. A federal action was brought. The case proceeded slowly due to the incredible case load of the federal judges. No sitting judge had the time to handle the case. Finally, a visiting judge from Michigan was assigned to try it. Tragically, the client died before the case got to trial (because she could not get to her cancer therapy?). Her survivors settled for a fraction of the value of the claim, knowing that even the visiting judge may not have reached the case for months.

INCIDENT III

A third lawyer recited that he represented a local client who had a case with exclusive federal jurisdiction valued at about

$20,000.00—not a large but certainly not an insignificant amount. The client was informed that the only federal courthouse was in Tampa. As a result, his travel time would be greater and his attorney's fees would be greater (due to more travel time for the attorney as well). Further, he was informed that due to the caseload of the federal judges, it would be two to four years before he ever got to trial. The client chose not to bring this action at all due to the increased attorney's fees and the delay in reaching a resolution. A St. Petersburg courthouse would have made it possible for this citizen to pursue his claim.

INCIDENT IV

A fourth lawyer's firm handles bankruptcy cases. He had a long standing client who had fallen into economic hardship and faced the inevitability of bankruptcy. The client was informed that the only bankruptcy court is in Tampa, which of course would mean more travel time and therefore more attorney's fees. Already being in serious financial condition, the client could not afford the additional fees and was forced to choose a Tampa attorney to handle the case. Denial of the attorney of your choice is tantamount to denial of equal access to court.

INCIDENT V

This fifth St. Petersburg lawyer routinely handles "1983" civil rights federal cases. His clients are municipalities who, in these lean times, can not easily afford the delay and additional cost of a federal action. This lawyer must leave his office one and half hours prior to the scheduled time for any court proceeding in order to allow for travel time and the additional time necessary to locate a parking space. Using a little math, at a typical billing rate of $150 an hour, each proceeding requiring the attorney's presence in Tampa adds about $375.00 to the amount billed to that client. If each case has only ten appearances (which may be a modest number of appearances), that municipality must pay $3,750.00 more per case just because the only federal courthouse is in Tampa.

CONCLUSION

Every lawyer expressed the opinion that a federal courthouse in St. Petersburg would make it easier, less expensive, less time-consuming, and in many cases simply possible, for his or her clients to pursue their federal claims. Further, many lawyers have reported that the lack of a St. Petersburg courthouse has meant that many pro bono cases which involve exclusive federal issues are not filed because the lawyer cannot afford the additional time and expense. Those indigent and working-poor citizens go without relief or remedy.

FALSE AIM AGAINST AIDS

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. STUDDS. Mr. Speaker, all Americans share a common interest in attacking the human immunodeficiency virus which causes AIDS in the most effective way possible. Generally it is our public health professionals, not our politicians, who have developed the most scientifiic responses.

A classic illustration is the administration's confused and politically driven policy placing travel and immigration restrictions on HIV positive individuals. Uniformly, public health professionals have opposed the restrictions.

Dr. Louis Sullivan, Secretary of Health and Human Services, recommended removing the restrictions in January. The Immigration and Naturalization Service, however, has argued that HIV infection should exclude entry.

Today's Washington Post reports that the administration will likely announce within a few days a continuation of this illogical ban on travel and immigration. That would be a purely political decision with tragic public health consequences. It is a path I would strongly counsel against.

One of the most articulate and reasoned voices to participate in this debate belongs to Harvey V. Fineberg, Dean of the School of Public Health at Harvard University. In the July 31, 1991, issue of The New York Times, he has presented a cogent, scientific rationale for an appropriate policy in this area. I strongly commend this editorial to the attention of my colleagues.

[From the New York Times, July 31, 1991]

FALSE AIM AGAINST AIDS

(By Harvey V. Fineberg)

CAMBRIDGE, MA.—Foreigners who wish to enter the U.S. are required to declare whether they are infected with human immunodeficiency virus, the cause of AIDS. Those with the virus generally are not permitted into the country.

Despite protests by the Department of Health and Human Services and many scientists, the Justice Department, which administers the Department of Immigration and Naturalization wants to continue this restriction.

The result would be the continuing, needless humiliation of travelers, a blow to international cooperation in the struggle against AIDS, a distraction from the real sources of infection at home and not one itoa of added protection of the public.

No responsible health official considers this policy sound. After hearing expert testimony, the Centers for Disease Control concluded that only active tuberculosis, which can be spread through casual contact, should qualify as an excludable medical condition.

This finding was endorsed in January by the Secretary of Health and Human Services, Louis Sullivan, who recommended that travelers and immigrants no longer be kept out solely because they are carrying HIV or have diseases like syphilis and gonorrhea.

Then science and sound public policy were overtaken by misunderstanding and prejudice. More than 40,000 Americans wrote letters to the Government supporting the restrictions. Bolstered by this pressure and the encouragement of ultra-conservative politicians, like-minded officials in the Justice Department overturned Dr. Sullivan's recommendations, which were to have gone into effect on June 1.

In response, Dr. Sullivan was able to institute a two-month comment period during which the HIV restrictions remain in place while final rules are being discussed. This period ends Saturday, when the controls could become permanent.

The principal arguments expressed in favor of keeping those with HIV out of the U.S. are that the spread of the disease remains a mystery and that HIV infection is expensive to treat. Public fears notwithstanding, the evidence against spread by casual contact is overwhelming.

AIDS treatment is indeed expensive, yet other medical conditions, such as chronic kidney failure, are equally if not more costly. Since existing immigration laws already provide for excluding anyone who may become a public charge, why single out HIV infection?

The real reasons behind the exclusionary policy are unstated—irrational fear, misunderstanding and prejudice, salted by political opportunism and cowardice. Foreigners are an easy target, especially those with a dread disease associated with a life style that some despise. Excluding those with HIV infection is a surrogate for keeping out social undesirables.

The HIV epidemic is a global catastrophe. Limiting international travel by people with AIDS denies basic human rights and dignity, with no legitimate public benefit. Secretary Sullivan must be allowed to correct the existing immigration rules.

More significant, let's take action that could truly prevent the spread of HIV: promote sex education and the use of condoms, provide drug treatment on demand, and put more money into AIDS research.

IN HONOR OF MAJ. GEN. JOHN S. GRINALDS

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LOWERY of California. Mr. Speaker, I rise today to recognize and commend Maj. Gen. John S. Grinalds and 33 years of meritorious service to this country. His life has been conscientiously devoted to the defense and safekeeping of the United States of America.

General Grinalds was the first West Point cadet since 1814 to receive a commission as a second lieutenant in the Marine Corps immediately upon graduation from the U.S. Military Academy. His dedication to the Marine Corps and our country is particularly worthy of praise, both for its longevity and its strength.

While recent events in the Persian Gulf have once again focused this country's attention on the fortitude and professionalism of all members of our armed services, General Grinalds' career is especially distinguished. He served his country in Vietnam, where he performed impeccably as senior adviser to the 4th Battalion. He also served as aide-de-camp to the commanding general, FMF, Pacific, and was promoted to major in November 1967, for his brilliant service.

Besides being an exemplary Marine, General Grinalds is, you might say, a gentleman and a scholar. Major General Grinalds received a B.A. in geography from Oxford University in 1963, an M.A. in geography from Oxford University in 1967, and an M.B.A. from Harvard University in 1974. Major General Grinalds, who assumed his rank in 1988, exemplifies the spirit and dedication of the U.S. Marine Corps.

Mr. Speaker, I ask that you and my colleagues join me in honoring Maj. Gen. John S. Grinalds, U.S. Marine, for his patriotic service and commitment. As he retires, let us acknowledge the great contributions he has made to the strength of our country. He has brought honor upon himself and his country through unwavering and heroic service.

BILLING FOR LONG-DISTANCE TELEPHONE SERVICE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. RICHARDSON. Mr. Speaker, I am introducing legislation to require long-distance telephone companies to provide all customers, whether they be business or residential, with the same billing options. It is a House companion bill to legislation that has been introduced in the U.S. Senate.

At the present time, residential customers are billed for their long-distance calls on a per minute basis while business customers are afforded the use of more modern billing techniques that measure a telephone call to the nearest 6-second increment. This arrangement is simply unfair to residential customers. Why should only business users benefit from incremental billing while residential customers have their telephone calls rounded up to the nearest full minute?

If I were to call to Sante Fe, NM, from a business office in Washington, DC, for 6 minutes and 4 seconds, the long-distance telephone company would charge me for the exact time of the call or at worst, 6 minutes and 6 seconds. If I were to make the same telephone call to Sante Fe from my Washington, DC residence, instead of a business, the call is rounded up to the nearest full minute, and I get billed for 7 minutes.

Mr. Speaker, I don't think it's fair for long-distance telephone companies to charge a customer a different price for the same call, simply on the basis of where the call was placed.

It may seem like residential customers are only being overcharged for a couple of seconds here and there, but it adds up to a considerable amount of money. The practice of rounding up residential telephone calls accounts for about $1.6 billion in additional revenue for the long-distance telephone industry. That's money residential users shouldn't be paying.

I think it's time for long-distance telephone companies to offer their residential customers a more equitable billing arrangement. When business customers demanded incremental billing, they got it. I think residential customers should be afforded the right to make that same choice.

Mr. Speaker, I urge my colleagues to join me in supporting this bill. It has the support of the Consumer Federation of America, and I hope Congress will take the necessary steps to remedy this inequity in the way residential customers are billed by long-distance telephone companies.

H.R. 3276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREMENT TIME BILLING.

Effective 180 days following the date of the enactment of this Act, each provider of long distance telephone service shall make available to all customers, including business and residential, the same increment time billing for such long distance telephone service.

SEC. 2. FEDERAL COMMUNICATIONS COMMISSION.

The Federal Communications Commission, within 60 days following the date of the enactment of this Act, shall issue such regulations as may be necessary to implement the purposes of this Act.

SEC. 3. DEFINITION.

For purposes of this Act, the term "increment time billing" means the method used by a provider of long distance telephone services in calculating, for purposes of billing, the time utilized in connection with a long distance telephone call.

SMALL TELECOMMUNICATIONS COMPANIES SUPPORT H.R. 1527

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SLATTERY. Mr. Speaker, during the 102d Congress, debate on the modification of final judgment [MFJ] has resulted in a Senate bill, S. 173, being passed and hearings at the subcommittee level in the Energy and Commerce and Judiciary Committees on legislation, H.R. 1527, my colleague from Louisiana, Mr. TAUZIN, and I introduced in March. This bill would repeal the manufacturing restriction on the regional Bell Co. contained in the MFJ.

To date, 78 small telecommunication companies, including many equipment manufacturers, have come out in strong support of H.R. 1527. In the aggregate, these companies employ 20,000 U.S. workers and produce annual revenues that total $3 billion.

At this point, I'd like to include the list of these small companies in the RECORD:

AD-HOC COALITION OF SMALL TELECOMMUNICATIONS COMPANIES PUBLICLY ENDORSING H.R. 1527

(By City and State)

ALABAMA

Adtran:
Corporate Headquarters, Huntsville, AL.
Manufacturing Location, Huntsville, AL.

CALIFORNIA

Able Telecommunications, Inc.:
Corporate Headquarters, Milpitas, CA.
Manufacturing Location, Milpitas, CA.
Applied Digital Access:
Corporate Headquarters, San Diego, CA.
Manufacturing Location, San Diego, CA.
Centigram Communications Corporation:
Corporate Headquarters, San Jose, CA.
Manufacturing Location, San Jose, CA.
Multipoint Networks, Inc.:
Corporate Headquarters, San Carlos, CA.
Manufacturing Location, San Carlos, CA.
Pairgain Technologies, Inc.:
Corporate Headquarters, Torrance, CA.
Manufacturing Location, Torrance, CA.
Protocol Engines, Inc.:
Corporate Headquarters, Santa Barbara, CA.
Manufacturing Location, Santa Barbara, CA.
Silicon General, Inc.:
Corporate Headquarters, San Jose, CA.
Manufacturing Location, San Jose, CA.
Superior Teletec:
Manufacturing Location, Chino, CA.
Telesciences, Inc.:
Corporate Headquarters, San Francisco, CA.
Manufacturing Location, Fremont, CA.
Verilink Corporation:
Corporate Headquarters, San Jose, CA.
Manufacturing Location, San Jose, CA.
Lumisys:
Corporate Headquarters, San Jose, CA.
Vicorp Interactive Systems, Inc.:
Manufacturing Location, San Francisco, CA.
TeleSensory Systems, Inc.:
Corporate Headquarters, Mountain View, CA.

COLORADO

BI, Inc.:
Corporate Headquarters, Boulder, CO.
XEL Communications, Inc.:
Corporate Headquarters, Aurora, CO.

CONNECTICUT

Cobotyx:
Corporate Headquarters, Danbury, CT.
Manufacturing Location, Danbury, CT.
Trident Technologies Corp.:
Corporate Headquarters, Stamford, CT.

FLORIDA

Restor Industries, Inc.:
Corporate Headquarters, Ocoee, Fl.
Manufacturing Location, Ocoee, FL.
Manufacturing Location, Orlando, FL.
AmPro Corporation:
Corporate Headquarters, Titusville, FL.
Manufacturing Location, Titusville, FL.
Elcotel Inc.:
Corporate Headquarters, Sarasota, FL.
Aptek Technologies, Inc.:
Corporate Headquarters, Deerfield Beach, FL.

GEORGIA

Solid State Systems, Inc.:
Corporate Headquarters, Kennesaw, GA.
Manufacturing Location, Kennesaw, GA.
Superior Teletec:
Corporate Headquarters, Atlanta, GA.
Manufacturing Location, Marietta, GA.

ILLINOIS

HealthTech:
Corporate Headquarters, Northbrook, IL.
Keptel, Inc.:

Manufacturing Location, Addison, IL.
Telesciences, Inc.:

Manufacturing Location, Bloomingdale, IL.
Teltrend:
Corporate Headquarters, St. Charles, IL.
Trimm, Inc.:
Corporate Headquarters, Libertyville, IL.
Manufacturing Location, Libertyville, IL.
Teradyne, Inc.:

Manufacturing Location, Deerfield, IL.

INDIANA

EMAR, Inc.:
Corporate Headquarters, Muncie, IN.
Manufacturing Location, Muncie, IN.
Indiana Electronic Manufacturers Assoc.:
Headquarters, Indianapolis, IN.

MAINE

Oval Window Audio:
Corporate Headquarters, Yarmouth, ME.
Manufacturing Location, Gardiner, ME.

MASSACHUSETTS

Kurzwell Applied Intelligence, Inc.:
Corporate Headquarters, Wartham, MA.
Data Con, Inc.:
Corporate Headquarters, Burlington, MA.
Vicorp Interactive Systems, Inc.:
Corporate Headquarters, Boston, MA.
Manufacturing Location, Boston, MA.
LHS, Inc.:

Corporate Headquarters, Woburn, MA.
Teradyne, Inc.:
Corporate Headquarters, Boston, MA.

MICHIGAN

Advance Concrete Products Co.:
Corporate Headquarters, Highland, MI.
Manufacturing Location, Highland, MI.
Silent Call Corp.:
Corporate Headquarters, Clarkston, MI.

MINNESOTA

Nicollet Technologies, Inc.:
Corporate Headquarters, Bloomfield, MN.
Manufacturing Location, Bloomfield, MN.

MISSISSIPPI

Corinth Telecommunications, Inc.:
Corporate Headquarters, Corinth, MS.
Manufacturing Location, Corinth, MS.
International Teleservices, Inc.:
Manufacturing Location, Corinth, MS.
Solid State Systems, Inc.:
Manufacturing Location, Corinth, MS.

NEVADA

Restor Industries, Inc.:
Manufacturing Location, Las Vegas, NV.

NEW HAMPSHIRE

Summa Four, Inc.:
Corporate Headquarters, Manchester, NH.
Manufacturing Location, Manchester, NH.

NEW JERSEY

Keptel, Inc.:
Corporate Headquarters, Tinton Falls, NJ.
Manufacturing Location, Tinton Falls, NJ.
Integrated Network Corporation:
Corporate Headquarters, Bridgewater, NJ.
Phone—TTY:
Corporate Headquarters, Hackensack, NJ.
Telesciences, Inc.:
Manufacturing Location, Moorestown, NJ.
X-10 (USA), Inc.:
Corporate Headquarters, Northvale, NJ.

NEW YORK

American Pipe and Plastics:
Corporate Headquarters, Binghamton, NY.
Manufacturing Location, Kirkwood, NY.
Cobotyx:
Manufacturing Location, Binghamton, NY.
Manufacturing Location, Poughkeepsie, NY.
Eagle Telephonics, Inc.:
Corporate Headquarters, Hauppauge, NY.
Frontier Communications Corporation:
Corporate Headquarters, New York, NY.
Manufacturing Location, New York, NY.
Vicorp Interactive Systems, Inc.:
Manufacturing Location, New York, NY.
Computer Consoles, Inc.:
Corporate Headquarters, Rochester, NY.

NORTH CAROLINA

Broadband Technologies, Inc.:
Corporate Headquarters, Research Triangle Park, NC.
Manufacturing Location, Research Triangle Park, NC.

OHIO

Applied Innovations, Inc.:
Corporate Headquarters, Columbus, OH.
Manufacturing Location, Columbus, OH.
Restor Industries, Inc.:
Manufacturing Location, Cincinnati, OH.
L.M. Berry Co.:
Corporate Headquarters, Cincinnati, OH.

OKLAHOMA

Seiscor Technologies, Inc.:
Corporate Headquarters, Tulsa, OK.

OREGON

Bejed, Inc.:
Corporate Headquarters, Portland, OR.
Accurate Electronics Inc.:
Corporate Headquarters, Beaverton, OR.
Restor Industries, Inc.:
Manufacturing Location, Portland, OR.

PENNSYLVANIA

Biddle Instruments:
Corporate Headquarters, Blue Bell, PA.
Manufacturing Location, Blue Bell, PA.
Communications Test Design:
Corporate Headquarters, West Chester, PA.
Manufacturing Location, West Chester, PA.
Eagle Telephonics, Inc.:
Manufacturing Location,——, PA.
International Mobile Machines Corporation:
Corporate Headquarters, King of Prussia, PA.
Manufacturing Location, King of Prussia, PA.
International Teleservices, Inc.:
Corporate Headquarters, Lansdale, PA.
URIX Corporation:
Corporate Headquarters, Horsham, PA.
Manufacturing Location, Horsham, PA.

SOUTH CAROLINA

American Pipe and Plastics:
Manufacturing Location, Fountain Inn, SC.
The Triangle Tool Group, Inc.:
Corporate Headquarters, Orangeburg, SC.

TEXAS

Biddle Instruments:
Manufacturing Location, Dallas, TX.
International Teleservices, Inc.:
Manufacturing Location, Garland, TX.
Microwave Networks Incorporated:
Corporate Headquarters, Houston, TX.
XY Resources, Inc.:
Corporate Headquarters, Ardmore, TX.
Manufacturing Location, Ardmore, TX.
Voice Control Systems:
Corporate Headquarters, Dallas, TX.
Manufacturing Location, Dallas, TX.
SLT Communications, Inc.:
Corporate Headquarters, Sugarland, TX.
Ambox, Inc.:
Corporate Headquarters, Houston, TX.
Manufacturing Location, Houston, TX.
Restor Industries, Inc.:
Manufacturing Location, Dallas, TX.
The Tigon Corp.:
Corporate Headquarters, Dallas, TX.
Axes Technologies Inc.:
Corporate Headquarters, Carrollton, TX.
Electronic Modules, Inc.:
Corporate Headquarters, Dallas, TX.

VIRGINIA

International Teleservices, Inc.:
Manufacturing Location, Orange, VA.
LC Technologies, Inc.;
Corporate Headquarters, Fairfax, VA.
Manufacturing Location, Fairfax, VA.

WASHINGTON

Advanced Electronics Applications, Inc.:
Corporate Headquarters, Lynnwood, WA.
Manufacturing Location, Redmond, WA.
Applied Voice Technology, Inc.:
Corporate Headquarters, Kirkland, WA.
Manufacturing Location, Kirkland, WA.
Crest industries:
Corporate Headquarters, Pacific, WA.
Manufacturing Location, Pacific, WA.
Eldec Corporation:
Corporate Headquarters, Lynnwood, WA.
Manufacturing Location, Lynnwood, WA.
Everett Sound Machine Works, Inc.:
Corporate Headquarters, Everett, WA.
Manufacturing Location, Everett, WA.
ICOM America:
Corporate Headquarters, Belevue, WA.
Meteor Communications Corp.:
Corporate Headquarters, Kent, WA.
Manufacturing Location, Kent, WA.
Telect:
Corporate Headquarters, Liberty Lake, WA.
Racon, Inc.:
Corporate Headquarters, Seattle, WA.
Manufacturing Location, Seattle, WA.
Utilx Corporation:
Corporate Headquarters, Kent, WA.
Manufacturing Location, Kent, WA.

VIOLATIONS OF BASIC HUMAN RIGHTS IN EL SALVADOR

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mrs. BOXER. Mr. Speaker, 2 weeks ago 50 of my colleagues joined me in a letter to President Cristiani expressing our deep concern about recent attacks against the leaders and members of the Salvadoran Communal Movement [MCS], an organization of 159 member communities working to provide decent housing and basic services to the poorest slum dwellers of El Salvador. In one case, a husband was brutally murdered and his wife seriously injured when the offices of the MCS were searched and ransacked.

These incidents are not only violations of basic human rights, but are also detrimental to efforts to achieve a democratic society and an end to war in El Salvador. They may also be part of a larger pattern of human rights abuses by the Salvadoran Armed Forces.

The following article by Marc Siegel, a research associate with the Washington-based Council on Hemispheric Affairs, details the plight of the poor and landless in El Salvador. I urge my colleagues to give it their utmost attention during upcoming debate on the issue of aid to El Salvador.

SALVADORAN GOVERNMENT CRACKS DOWN ON SQUATTERS

(By Marc Siegel, COHA Research Associate)

Tensions have escalated between the ARENA government and the country's hundreds of thousands of landless over the occupation of vacant properties, as the authorities ordered the military to forcibly evict illegal dwellers from settlements that they had established. Last March, security forces harshly handled residents of Soledad Viuda de Alas I, II, and III, and in late June, in two of the largest operations of their kind in recent years, they evicted fifty families from both the Cooperative Gusamutut and Colonia San Luis. Even more reminiscent of the past, in separate death-squad style killings, military operatives slaughtered Gustavo Rosa Ramirez Aguilar, an activist member of the leftist Democratic Convergence party, as well as Martin Ayala Ramirez, a security guard for the Committee of Marginal Communities, an advocacy group for slum dwellers that has orchestrated land occupations in greater San Salvador.

In a stepped-up effort in response to the demands of landowners—a powerful constituency within the ruling ARENA party—the military is using scare tactics to perhaps influence the FMLN guerrilla leadership to back down from its demand for authentic land reform before a cease-fire is reached and a newly-formed United Nations commission to monitor human rights arrives. Despite its atrocious human rights record, the military has no reason to fear Washington's wrath after the White House, over Congressional opposition, recently obligated $21 million in military aid.

In early July, the government and the Democratic Peasant Alliance agreed to allow a number of illegal squatters to remain where they were if other unoccupied properties are not taken over. Unfortunately, the agreement will affect only about 5,000 of an estimated 600,000 landless campesinos. Efforts are also underway to resolve the broader issue of land seizures through mediation. San Salvador officials insist that, even though the land is essentially useless, it still belongs either the state or to private owners and therefore squatters have no legal claim to it. Bishop Rosa Chavez counters by saying that "hunger and ethical and moral factors make it impossible to see this only from a legal point of view." Forcible evictions are not likely to resolve this age-old problem bedeviling the tiny land-starved nation, whose territory sustains one of the highest per-capita populations in the world. Without assistance in relocating the peasants to non-controversial parcels, they inevitably will move to other unoccupied property, with the scenario constantly being repeated.

While squatter communities have existed for many years, the ongoing decade-old civil war and the earthquake of 1986, which displaced at least 300,000 people have increased the frequency with which they arise. With little or no governmental assistance and with almost none of the $186 million in international earthquake aid ever having reached the needy, thousands of the victims have flocked to San Salvador and set up shanties in the least desirable areas near garbage dumps, highways and ravines. As families claimed their individual lots, communities began to develop a distinct subculture. Because of the squalor in which they are forced to live and a dearth of potable water, residents continue to suffer from severe health problems, the most prevalent being intestinal diseases such as parasites and dysentery. In some urban communities, members subsist by selling the scrap materials that they find in the very dumps upon which they live.

In the countryside, peasants live and work on farm cooperatives, many of which had been nationalized by the Washington-backed Christian Democratic government of Jose Napoleon Duarte from original owners who fled the country's violence. The co-ops resent the privatization initiatives now being sponsored by the government and the U.S. Agency for International Development because individual campesinos tend to lack the resources to survive on their own. Without the efforts of numerous domestic and international support groups, Salvadoran squatters likely would be abandoned to suffer from a grievous lack of water, health care, and political representation. In mid-July, 20 agricultural cooperatives united with 33 community groups to form a new organization, the Peasant Democratic Association. Far from being the exception, the land settlers represent the plight of most of the poor in a nation where the government itself estimates that 85 percent of the population is living at or below the poverty level.

SALUTE TO WINCHESTER-FREDERICK COUNTY AS A WINNER OF THE 1991 ALL-AMERICAN CITY AWARD

HON. D. FRENCH SLAUGHTER, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SLAUGHTER of Virginia. Mr. Speaker, this afternoon I want to take a moment to congratulate the communities of Winchester-Frederick County for being selected as one of 10 winners of the prestigious All-American City Award. The award is sponsored by the National Civic League.

On June 8, 1991, in the city of San Antonio [TX] representatives from the chamber of commerce won recognition as an All-American City. Thirty finalists made presentations to judges who eventually chose 10 winners. The competition was rigorous as nearly 100 cities and city/county communities sought the recognition All-American City status confers.

All participants in the project in both the city of Winchester and the county of Frederick deserve praise for a job well done. All of the more than 60,000 residents that make up the community at large deserve recognition for their extraordinary commitment to volunteer activity that does so much to improve the quality of life for others who are less fortunate.

Next week, on August 6, 1991, President Bush will be honoring all 10 winners in a Rose Garden ceremony. Congratulations Winchester-Frederick County and congratulations to the other winners: Baltimore [MD], Gadsden [AL], Greencastle [IN], Gothenburg [NE], Newark [NJ], Albany [NY], Greensboro [NC], Dayton [OH], and Austin [TX].

Finally, I wish to enter into the RECORD an editorial that appeared in the Wednesday, June 12, 1991 edition of the Winchester Star. The editorial best expresses the sense of pride and genuine excitement in the community.

ALL-AMERICAN—WINCHESTER AND FREDERICK COUNTY

Bill Shendow, executive director of the Winchester-Frederick County Chamber of Commerce said he was "just tickled pink." Winchester Mayor Elizabeth Helm said, "It speaks so well for this area." Kenneth Stiles, chairman of the Frederick County Board of Supervisors, thinks "it's fantastic."

Mr. Stiles, Mayor Helm, and Mr. Shendow are all so happy because Winchester and Frederick Community have been officially recognized as an All-American community—one of 10 communities so honored this year.

"I think all along we knew we were an All-American community, but now the rest of the world knows it," Mr. Stiles said.

The designation, from the National Civic League, is the result of the hard work of a seven-member city-county group that traveled to San Antonio this past weekend to present a 10-minute video and answer 10 minutes of questions about Winchester and Frederick County.

The Winchester-Frederick County team, by the way, was the only city-county entry in this year's competition, which goes to show how much a little cooperation can accomplish.

The All-American designation is, in Mr. Shendow's words, "big stuff."

It means a mention on the Today Show, a visit to the White House by representatives from the community, and—for two of the 10 winners—a visit by Charles Kuralt.

Mr. Shendow said, "As far as a marketing tool—certainly it's a selling point . . . It's very definitely a source of pride for the community."

An All-American community, Mr. Shendow pointed out, is not an idyllic community without problems. Communities who earn the All-American designation are communities in which, he said, "the citizens really care enough to get involved."

The Winchester-Frederick County presentation was different from that of most of the competing communities, Mr. Shendow said. Most entries focused on how the communities are dealing with economic adversity. And many focused on how local government addressed community problems.

The Winchester-Frederick County entry concentrated on local people's efforts to deal with local problems, highlighting programs such as Rhythms Teen Center, the Free Medical Center, and City Light.

"Ours was less government," Mr. Shendow said. The team that presented Winchester and Frederick County's claim to All-American status focused on "the volunteer spirit in our community that steps forward to address problems."

The award, Mr. Shendow said, is "really a reflection . . . on the caring people, on the volunteerism. That's the strongest point in the whole community, I think, the volunteerism."

Being chosen an All-American community is "big stuff." It is a good selling point and a source of pride. So, if you live or work in Winchester or Frederick County, congratulations. You are a part of an All-American community.

IN HONOR OF REAR ADM. GRADY L. JACKSON

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LOWERY of California. Mr. Speaker, I rise today in order to recognize and commend the outstanding achievements of U.S. Navy Rear Adm. Grady L. Jackson. His career has been a model of dedication and service to the United States of America.

Admiral Jackson has served our country for the past 30 years in a variety of capacities. Recent events in the Persian Gulf have once again directed this Nation's attention to our armed services and the important role played by those who have dedicated their lives and efforts to our national defense. We must marvel that Rear Admiral Jackson's contributions span a generation.

Admiral Jackson began his naval service in 1961, receiving his commission as an ensign after graduating from Newberry College. After completion of preflight training, Jackson completed two cruises to the western Pacific, flying the AD–5Q Skyraider jamming aircraft. He went on to risk his life in 179 combat missions in Vietnam. There, he served valiantly as a bombardier and navigator in an A–6A Intruder all-weather attack aircraft.

Admiral Jackson has also been a magnificent leader. He served as commanding officer of VAQ–129 Vikings, the EA–6B Fleet Readiness Squadron, and of the U.S. Navy Support Facility at Diego Garcia. Pursuing a career of excellence and technical expertise, Admiral Jackson became Director of the Electronic Warfare Division, Office of the Chief of Naval Operations, in 1985. Then, in 1988, Rear Admiral Jackson assumed his present position as commander of the naval base at San Diego.

Admiral Jackson's numerous decorations and awards attest to the bravery and leadership he has displayed in his 30 years of service. As he retires, the importance of his commitment to this country becomes overwhelmingly apparent.

Mr. Speaker, I hope you and all of our colleagues will join me in commending the three decades which Rear Adm. Grady L. Jackson has given to the United States of America. We wish him well in his retirement. He will be missed.

THE 20TH ANNIVERSARY OF GUARDRAIL

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PALLONE. Mr. Speaker, the Department of the Army is planning a 20-year anniversary celebration of the Guardrail Airborne Signals Intelligence Program at Fort Monmouth, NJ, with a series of celebrations on August 28, and 29.

Mr. Speaker, this program has successfully produced and fielded seven generations of Guardrail intercept and direction finding systems. Prior to development of this program, airborne surveillance capabilities were limited by the number of personnel who could be on the aircraft to operate signal collection equipment, and by the need to transport the data to a ground facility for processing after it was collected.

Then, in 1971, ESL, Inc., a subsidiary of TRW Corp., developed a much better way to perform this vital national security function. The control and collection equipment would be remotely controlled, while the personnel would be placed in a safer and more productive environment on the ground. In addition, the data would be transmitted directly from the aircraft to the ground facility, thus eliminating lag time.

In a mere 5 months' time, under heavy Government deadline pressure, that idea was translated into the first generation of the Guardrail system. It is no exaggeration to say that this system has completely changed tactical reconnaissance. Although the system has, of course, been modified and improved over the past 20 years, the basic system concept has been unchanged. The story of the Guardrail is an ongoing one. But, this year's anniversary gives us an opportunity to look back at how a major conceptual insight, combined with talented personnel and a first-class organizational structure, can produce brilliant technological breakthroughs. It is also an example of our private sector working with the Defense Department to keep America's defense technology the finest in the world.

A TRIBUTE TO LUCILE M. SCOTT

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LEWIS of Georgia. Mr. Speaker, I rise today to pay tribute to Lucile M. Scott, a distinguished journalist. Celebrating her 90th birthday, Mrs. Scott has been one of Atlanta's most prominent voices during this century. Her contributions as a writer and columnist at the Atlanta Daily World has touched the lives of countless individuals.

Born in Jackson, MS, Mrs. Scott is a graduate of Tennessee State University. She began her career at the Birmingham World and went to the Atlanta Daily World in 1934. During her long career at the Daily World, Mrs. Scott worked as a feature writer, columnist, bookkeeper, national circulation manager and payroll clerk.

Active in her sorority for many years, Mrs. Scott served as editor-in-chief of the Ivy Leaf, a publication of the Alpha Kappa Alpha sorority.

Mrs. Scott has achieved a long list of accomplishments in community service. Honored by numerous organizations for her community service, Mrs. Scott was recognized as one of Atlanta's Black Women Pioneers by the Atlanta Black Women's Coalition. Mrs. Scott has also been a life member of the National Council of Negro Women.

Mr. Speaker, I salute this great and outstanding woman. She has made a difference for generations of Atlantans and for generations yet unborn.

SAVING THE RIVERS OF SOUTH JERSEY

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KOSTMAYER. Mr. Speaker, this past Saturday, I traveled from my home in Bucks County, PA to Cumberland County, NJ for a visit to three rivers which are currently being studied for wild and scenic designation.

I had read about the Maurice River for many years, because it is a pristine waterway in the Nation's most densely populated State.

The Manumuskin River and Menantico Creek feed into the Maurice River, which runs into the Delaware Bay.

Jane Galetto, the president of Citizens United to Protect the Maurice River, a citizens group dedicated to bringing wild and scenic designation to the Maurice and its two tributaries, was our hostess for the day.

Fortunately, the heavy rain, which was falling all morning, stopped after lunch and we were able to board a small boat with Leslie and Tony Ficcaglia to travel up the Manumuskin River.

Leslie and Tony are both psychologists who work in the public schools of Cumberland County. They own a lovely home on the banks of the Manumuskin.

We boarded the Ficcaglia's 15-foot motorized skiff and took off up the river. We could hardly believe we were in one of America's most congested States. Except for an occasional house on the river, we saw nothing for miles but the beautiful wild flowers, trees and wildlife, including some of the 15 endangered species that call this area home.

After making our way several miles up the Manumsuskin, we turned around and headed back downriver, past Tony and Leslie's lovely home and into the Maurice. There we headed south toward the Delaware Bay passing the tiny New Jersey villages of Port Elizabeth, Port Norris, Bivalve and other tiny villages on the banks of the Maurice.

Along the way, we stopped and visited with several folks working to restore an old oyster schooner docked in the Maurice. Sometimes, Mr. Speaker, there are as many as 30 people volunteering their time to restore the old schooner which has already been designated as New Jersey's representative in the July 4, 1992 Tall Ships Spectacle in New York Harbor.

Jane Galetto and her husband Peter live on the Maurice River. They have worked for a very long time, as have Leslie and Tony, to preserve the Maurice, the Manumuskin and the Menantico. They have found a champion in our colleague, BILL HUGHES. It is impossible to be in south Jersey and not find admirers of Congressman HUGHES, both in the environmental community and the business community as well.

People like the Galetto's and the Ficcaglia's who have devoted countless hours to preserving the natural features of their communities are American heroes. They are the people who do the work; the people who write the letters, lick and stamp the envelopes, and raise the money to preserve the American landscape. They do not do it to enhance their own wealth, they do it because they feel strongly that we should be doing more to preserve what little we have left in the metropolitan regions of the Middle Atlantic States.

Mr. Speaker, to find rivers like this in a State as developed as New Jersey so near to big cities like New York, Philadelphia, Baltimore, and Wilmington is nothing short of extraordinary. The water of the Manumuskin is defined as pristine, one can safely drink directly from the river. If these rivers aren't given the strongest protection by the Federal Government, they will go the way of so many other tributaries on the eastern seaboard.

The Department of Interior is scheduled to make a recommendation on these rivers in the coming months. The question that will then be before the Congress is whether we want to preserve the rare environment which boasts a pristine river and is home to 15 endangered species, including American bald eagles.

Of course, Mr. Speaker, I will be guided by the judgment of Mr. HUGHES, but I am hopeful that the Maurice, the Menantico, and the Manumuskin, which were designated as study rivers by the Congress through the efforts of BILL HUGHES and Senators BILL BRADLEY, and FRANK LAUTENBERG, will be designated as wild and scenic rivers so there will be a few waterways in the Garden State which may be enjoyed by future New Jerseyans and by future visitors from around the country.

Late on Saturday afternoon as Tony guided us up the Maurice River, we looked for bald eagles. We weren't lucky enough to see any, but we did see several endangered ospreys and great blue herons. These magnificent creatures live in the peace and tranquility of an isolated and rural region of one of America's most populous States. Without the protection of the Federal Government it will not remain that way for long. The pace of growth and development will spread out from Philadelphia, Wilmington, New York, and Baltimore until there are no more places like Port Elizabeth and Leesburg, Bivalve, and Shellpile. It's simply not enough to leave it up to the local governments. They just don't have the resources to do it alone, without the aid of Congress.

We must act, or these areas will be destroyed. Future generations who grow up in the region in which I was born and raised and which I proudly serve, will condemn us for not saving what is still in our power to save.

AN EMERGENCY IN AMERICA

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. ANDERSON. Mr. Speaker, the American worker has been hit hard by the recession. Our country now faces its highest unemployment rate in the last 5 years, with an additional 2 million workers unemployed since last year. These workers, unemployed through no fault of their own, have turned to unemployment insurance to provide security for themselves and their families. It is time for Congress to extend these unemployment benefits to help the American workers get back on their feet again.

While it is true that the country is showing definite signs of recovering from the recession, the recovery has been a slow one. As an example, California's unemployment rate has climbed to just over 8 percent. Passing this legislation would aid these workers and their families with 20 additional weeks of unemployment benefits. Extending these benefits will ensure that the American worker has the security to be a part of our economic recovery.

I am reluctant to authorize funds that we clearly do not have. But we face a true domestic emergency. We cannot afford to stand idle while so many Americans remain unemployed. In all but one recession since the 1950's, Congress has enacted extra weeks of benefits for the unemployed. Such bold action is needed today to help our workers, and our country, recover from this recession.

OF MICE AND WOMEN: BASIC SCIENCE IN THE SERVICE OF WOMEN'S HEALTH

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. GEKAS. Mr. Speaker, I would like to share with you some remarks by Dr. Mary-Clair King. Dr. King received her Ph.D. in genetics from the University of California at Berkeley in 1973 and was named by the American Association of University Women as Outstanding Young Woman Scientist. I am sure we will agree with that honor. She is presently a practicing geneticist and Professor of Epidemiology at the School of Public Health, University of California. Dr. King will discuss her work on the role of genetics in early-onset breast cancer in the following text:

OF MICE AND WOMEN: BASIC SCIENCE IN THE SERVICE OF WOMEN'S HEALTH

(Remarks of Dr. Mary-Clair King)

It's a great pleasure and honor to be asked to talk with you today about some critical issues in women's health and about the basic biology that lies behind their solution. The Congressional Biomedical Research Caucus has made it possible for us to communicate directly with Congress and we are grateful to the caucus for the opportunity. I am a geneticist working both in the School of Public Health and the Department of Molecular and Cell Biology at the University of California at Berkeley. I am a geneticist because I was able to attend graduate school at Berkeley on an NSF Fellowship; I work in cancer biology because I was able to do NIH-sponsored postdoctoral work in cancer biology at the University of California at San Francisco. My postdocs and graduate students are all supported by NSF or NIH Fellowships or NIH training grants; all of the work in my lab is supported by R01 grants from NIH. Virtually everything we use in our work is made in the USA, not simply because we prefer it that way, but because these are the best biomedical research products to be had. Of course, since we live in the San Francisco area, much of what we buy is made right down the street. So, first, thank you all for your help, and most importantly, for your consistent help in supporting our work and our young investigators.

I hope to make the point today that health concerns of women can be addressed best and most quickly by developing a wide diversity of areas in basic science and simultaneously putting that basic science to the service of solving applied questions.

To convince you that progress is basic science and progress in women's health are inextricably connected, I'd like to tell you the stories of Betty and Catherine. I first met Betty when she was about 50. She was (and is) well and productive, despite having been diagnosed with breast cancer at the age of 29. She contacted me twenty years after the diagnosis because her daughter had just been diagnosed with breast cancer at age 25. Betty and I talked about the rest of her family. Betty's sister had also developed breast cancer in her 20's. Neither their mother nor their father had any cancer at all; they were doing very well in their 70's. But, Betty's father had five sisters, and of those five sisters, three had developed breast cancer, all in their 30's and 40's. Two of Betty's cousins had breast cancer as well; in all, 8 women in her extended family. "This horrow is entering my daughter's generation," Betty said, "there must be something to be done about it."

The story of Catherine is similar. I met Catherine just last year, when she was diagnosed with breast cancer. She was 30 years old. Catherine's mother and aunt are strong and vital women who had developed breast cancer in their 30's, been treated successfully, then developed ovarian cancer in their 40's. These three women had endured five cancers before any of them were 45 years old. Another of Catherine's aunts had no symptoms of cancer at all, and none of her grandparents had any cancer. I met Catherine's maternal grandparents, lively winegrowers in their 70's. "You know," said her grandfather, "my sisters died 30 years ago in Italy, only a few years after we moved to California. We should check into that." As it turned out, both of his sisters and his mother had died of ovarian cancer, all in their 40's. "This is four generations," said Catherine, "I don't want my daughter to go through this as well."

I will tell you what we have learned about Betty's and Catherine's families, but first I want to tell you why their stories matter to all the women in this room and to all the women whom the men in this room care about. Of course, the families of Betty and Catherine are extraordinary. Few of us come from families with such a heavy burden of breast cancer. However, Betty and Catherine's families may reveal the key to breast cancer for the rest of us.

A girl born in America today is at 10% risk of developing breast cancer sometime in her life. This is the same as the risk of lung cancer for a heavy smoker, but unlike the smoker, our hypothetical newborn girl will do nothing to increase her risk of cancer other than live as a modern woman in our society. As such, she will, we hope, be well-nourished. This will probably mean that she will begin to menstruate about age 12. She will, we hope, be well-educated and professionally successful. This may well mean that she will decide to postpone having children until her 30's. These simple, perfectly reasonable ways of life increase her breast cancer risk about three-fold over that of a woman of a century ago who began menstruating at perhaps 16 and began bearing children in her early 20's. We think the reason is that the breasts of our modern young women are exposed for perhaps twenty years to hormones needed to make milk. This means that her breast cells have a rich environment in which to grow, including, of course, any breast cells that have been hit by a cancer-causing mutation in a critical gene.

So what can be done? Nowadays, we quite properly encourage women, all of us, to have mammograms annually once we reach our 40's in order to detect breast tumors at the earliest possible stage. But what is the early detection as we understand it now? Good mammograms can detect breast tumors at about the size of a pea, or the tip of my little finger. That little tumor would be made up of about a million cells—all the same and all malignant. That little tumor has undergone about 30 cell divisions since the first cancer-causing mutation occurred to start it off. Thirty divisions so far—what will happen with ten more cell divisions: How big will this tumor be? The size of a walnut? Of my fist? After ten more divisions, this tumor will weigh two pounds. Think of two pounds of hamburger and you see. Our young woman would be long-since dead. What this means is that the tiny tumor has already been through more than 75% of its life as a tumor, more than enough time for malignant cells to break off and invade other tissues. By the time it is pea-sized, this malignant tumor has lived in our young woman's breast for eight years. It was, of course, too small to see or feel.

So, a very, very important way to prevent malignant breast tumors from killing us is to detect them 5 or 6 or 7 years earlier than we can now, when there are only a few abnormal cells, before they have had a chance to grow like topsy or to invade other parts of our bodies. But how can we detect cancer cells almost as soon as they appear? By knowing what has changed; that is, by knowing what genes have gone awry in the normal cell. If we know these earliest changes, we could find abnormal cells as soon as they appear and remove them with no major surgery and no long-term consequences.

That brings me back to Betty and Catherine. In their families, breast cancer is inherited. Girls in their families are born with risks of breast cancer much higher than the 10 percent most of us confront. Breast cancer in their families is an inherited, genetic disease, like cystic fibrosis or sickle cell anemia or Huntington's disease or Marfan's syndrome in other families. This means that we can use molecular genetics to find the gene that has been inherited in an altered, abnormal form in Betty and Catherine's families. This is what we are doing now, and we have had some recent successes. We know now where the gene is that causes the early breast cancer inherited in these families. That is, we know the chromosomal region where the critical gene and its normal counterpart are found. Nothing except time and an enormous amount of work prevents us from closing in on this gene until we find out exactly where it is, figure out its sequence of DNA bases and determine what bases in the version of the gene inherited in Betty and Catherine's families are different from the gene in the rest of us.

Why does identifying the critical gene for Catherine and Betty help with very early detection of breast cancer for women generally? To explain this, let me take a moment to point out the difference between things in life that are genetic and things that are inherited. Some conditions are genetic and inherited, like sickle cell anemia, or blue eyes, or breast cancer in Catherine's and Betty's families. Some things in life are inherited, but not genetic, like money: it's inherited, but it's not genetic. And some things are genetic, in that they involve changes in our genes, but these changes are not inherited from our parents. For the vast majority of patients, cancer is in this category: cancer is caused by changes in the DNA of cells in a particular part of the body, but these changes were not inherited in the family. Of all women who develop breast cancer, probably 95 percent have not inherited tendency to the disease. For these 95 percent of patients, breast cancer develops because of genetic changes that happen only in breast cells. These changes are not inherited from our parents; they originate in breast cells exposed to environmental mutagens, or they occur by chance in breast cells and instead of dying off are nourished by the pleasant hormonal milieu of the breast that I described earlier.

The critical point is that these sporadic, coincidental genetic changes are likely to be the same genetic changes that are inherited in Catherine's and Betty's families: the vulnerable genes are the same, only the reason they have gone wrong differs. Therefore, if we can identify the genes responsible for breast cancer in families in which it is both inherited and genetic, we will have identified genes that may cause genetic, but not inherited, breast cancer in the rest of us. We already know this model is true for a rare eye cancer called retinoblastoma, and there is increasing evidence that it is true for colon cancer.

So, by identifying the critical genes for Catherine and Betty, we hope to identify critical genes that will make possible the development of truly early detection of breast cancer for women generally. My hope for breast cancer research is to see in my professional lifetime the development of diagnosis techniques that are so early that no woman need die of breast cancer, that invasive breast cancer becomes a disease of the past.

For some women, though, the development of very early detection will have come too late. It's even more scientifically romantic to dream about using genetic information to guide treatment for invasive breast cancer, but it's probably a realistic dream. Once we know what genes have gone wrong in a breast tumor, or in malignant breast cells that have invaded other parts of the body, it should be possible to target exactly the abnormal cells and selectively destroy them. The tragedy of current cancer therapy is that all cells have to be attacked by radiation and chemotherapy in order to destroy the cancer cells. Suppose we could pick out and destroy only the abnormal cells. Smart bombs against cancer.

Now, my major job today is to explain how this very applied research on human breast cancer is totally dependent on basic science for its success. So I must tell you a little about what we do in my lab. Mostly, we manipulate genes. Obviously, we are not manipulating Catherine and Betty and their families. What we have done is take a small blood sample from each person in their families, and other families like them, and created immortal cultures from their cells. We can do this because of work done with viruses that originally had nothing to do with human cells. We can grow these cells and make as much DNA as we need from the small amount we originally took from Catherine and Betty and their very patient relatives. Then what we do is put these human genes into bacteria and viruses, study them, and cut them out again with great ease. Believe me, we did not figure out how to do this ourselves. All these tricks were developed by molecular biologists over the past 20 years or so, in the course of projects with bacteria, viruses, and yeast that had no apparent relevance whatever to medicine. As it happens, we now exploit virtually every successful trick of DNA manipulation developed in those simple organisms to study human genes.

One useful tool for manipulating genes is the YAC. YACs are not the large furry animals popularized by Dr. Seuss to illustrate the letter Y. Rather, YACs are yeast artificial chromosomes. YACs allow us to put a piece of human DNA with an interesting human gene inside a yeast, move it around, and describe it. We use YACs to figure out whether breast cancer in our families is caused by any of a series of important human genes found on the same piece of human chromosome that is always inherited with breast cancer in Catherine's and Betty's families. How do we know what these important genes are?

In order to identify these breast cancer genes, we need clues. I already described one important clue: the gene locale at a specific address on one of the human chromosomes. The next clues come by asking the question: what genes with known functions are in the same neighborhood? Any of those genes might be the culprit responsible for breast cancer. Nowadays, by exploiting work from the human genome project, we can immediately identify a whole series of suspect genes on the basis of their addresses. There are 6 candidate genes, or suspects, on this particular bit of human chromosome. None of these genes were originally described in humans. So how do we know they are suspects? One candidate is a gene that causes cancer in mice if it is disrupted. A second candidate is a gene first described in fruit flies that makes a sticky molecule to hold cells together properly; this gene exists in all multi-celled organisms and causes mammary cancer in mice if it's broken. The third candidate gene was first described as an oncovirus; its human equivalent makes more and more copies of itself as breast cancers develop. A fourth candidate gene was first described by biochemists studying vitamin A. The fifth gene was first found in fruit flies; its human equivalent appears to be expressed in human breast tumors that do well, but not in those that metastatize. The sixth gene is involved in making the active form of estrogen in breast tissue; it was first identified by biochemists studying hormones in experimental systems. And on and on * * *

The lesson of these genes is that we are going to learn the causes of breast cancer in women by exploiting our relatedness to all living things. Because our human genes share their evolutionary history with genes of mice, fruit flies, and yeasts, we can and do exploit what can be learned much more quickly in those species to enlighten us about ourselves.

In closing, then, I hope I have conveyed to you our commitment to solving human breast cancer, how our results so far could only be obtained because smarter biologists working with simpler organisms had worked out all the hard bits; and how our eventual success is inevitable, because our genes are related to those of all living things and because genetic information from all species can be brought to bear in a practical way from our project. This is an example of basic science applied to women's health, and it works.

INTERFACE—FREE SURGERY AND CARE FOR NEEDY CHILDREN

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LOWERY of California. Mr. Speaker, I stand today in order to recognize and commend the invaluable charitable work done by INTERFACE, at the University of California, San Diego, in my congressional district. This volunteer organization immeasurably benefits those children in desperate need of medical care.

A team of plastic surgeons, anesthesiologists, nurses, dentists, and other medical personnel donate their time and medical expertise to helping children in need of surgery or other medical attention. This allows children with cogenital and acquired physical deformities the chance to receive the medical treatment they so desperately need.

When the Perlman Ambulatory Care Center opens soon at the University of California, San Diego, it will allow these physicians the chance to treat the children in their own facility. In addition to this generous service, INTERFACE will continue to sponsor educational exchanges, allowing health professionals from other countries the opportunity to enhance their medical training in the United States.

INTERFACE, U.C.S.D. will be this year's recipient of the Nice Guy of the Year award.

This award is given by Nice Guys, Inc. of San Diego, a volunteer organization which, since 1979, has raised and donated more than $1 million to needy individuals and charities. The award is given to that person or organization whose generosity and contributions to the San Diego community are most noteworthy.

Mr. Speaker, I hope that you and all our colleagues will join me in commending INTERFACE, U.C.S.D. for its generous charitable work. The efforts of a few persons are truly enhancing the lives of many.

DR. GEORGE HUDOCK HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KANJORSKI. Mr. Speaker, today I rise to pay tribute to Dr. George E. Hudock, Jr., Luzerne County coroner, and a celebrity to all those who work with him at Mercy Hospital.

On August 16, 1991, Dr. Hudock's colleagues will honor him for his work as director of the Pathology Department for nearly 20 years.

Dr. Hudock's career began as a result of his interest in mystery and Sherlock Holmes. A member of the Sherlock Holmes Society of Luzerne County, George Hudock began his undergraduate studies at Wilkes College in 1950. He did his graduate work in bacteriology at Bucknell University and received his medical degree in 1958 from Jefferson Medical College in Philadelphia.

After extensive training in pathology, Dr. Hudock returned to Luzerne County to run successfully for county coroner in 1969, where he has won reelection ever since. He has been director of Mercy Hospital's Pathology Department since 1972 and has taken an active role in the hospital and in the medical community.

He was appointed by Gov. Robert Casey as a charter member of the Coroner's Education Board of Pennsylvania, a board which is designed to assure that proper medical investigation is done by certified doctors. He is active in the Luzerne County Medical Society, the American Medical Association, and the National Association of Medical Examiners, to name just a few. He also has testified as an expert witness in many courtrooms throughout the Commonwealth of Pennsylvania.

Dr. Hudock is just as active in many local community groups and has strong ties to the area.

He has been married to the former Helen Mesavitz for 40 years and his daughter, Jude, is following in his footsteps at the Jefferson Medical College where she is a senior pathology resident.

It is easy to see why Mercy Hospital has chosen Dr. George Hudock as their celebrity this year. His good works and commitment to his community are an example to us all.

A SALUTE TO CHARLES W. HALES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. STOKES. Mr. Speaker, I rise today to pay tribute to Charles W. Hales, a resident of my congressional district. Mr. Hales recently stepped down after serving 23 years as convention director for the Ancient Egyptian Arabic Order of the Nobles of the Mystic Shrine. In this capacity, Charlie Hales has been one of the most sought-after hotel guests in America. His decision on the location of the black Shriners' convention where attendance often exceeds 40,000, translates to millions of dollars in convention business for hotels and cities. There is an ironic twist to the story, however.

In a recent commentary which appeared in the Cleveland Plain Dealer newspaper, Charlie Hales noted that some 40 years ago, he could not register at hotels because blacks were not welcome. He recalled that prior to the enactment of Federal housing laws, delegates stayed in private homes of friends and held meetings in high school auditoriums. Hales also remembers the 1956 convention when, for the first time, Shriners stayed in the Sheraton Hotel in Washington, DC.

Mr. Speaker, the civil rights movement opened many doors for African-Americans. Over the years, however, it has been individuals such as Charlie Hales who have ensured that the doors remain open. Mr. Hales has not only brought credibility and recognition to African-American Shriners, but he has successfully demonstrated their economic empowerment to the American business community.

The Plain Dealer article focuses on Charlie Hales and his many achievements, both as a businessman and Shriner. I want to take this opportunity to share this article with my colleagues. I also want to commend Charlie Hales for his dedication and the leadership he has provided our organization. He is an outstanding individual and I wish him much continued success.

[From the Cleveland Plain Dealer, July 17, 1991]

TIMES CHANGE; NOW HE ENJOYS THE SUITE LIFE

(By William F. Miller)

Mild-mannered Charles W. Hales is one of the most sought-after hotel guests in America, but some 40 years ago he could not even register at a hotel because black people were not welcome.

Times and economics have changed, and Hales, 69, is now enjoying the benefits.

For 23 years, Hales, of Warrensville Heights, has recommended which convention city some 30,000 to 40,000 black Shriners would visit for a week.

His decision, never overruled, is worth millions of dollars in convention business for the lucky city, so major convention bureaus and city officials court Hales in hopes of winning the Shriners' annual convention.

Hales is viewed as a VIP wherever he travels, and he is treated accordingly. He often is given the finest complimentary hotel rooms, meals and drinks.

"It sure is a change from the old days, when you were thrown out of a hotel if you tried to check in," said Hales, who has served as Imperial Convention Director for the Ancient Egyptian Arabic Order of the Nobles of the Mystic Shrine. Membership exceeds 80,000.

Hales recently stepped down as convention director to run for auditor of the organization at the convention next month in Los Angeles. But he has lots of memories.

"I'll never forget it was the 1956 convention that for the first time we could stay in the Sheraton Hotel in Washington," he said.

He also recalled that before federal open housing laws of the 1950s opened hotel doors, black Shriners "had to put our delegates up in private homes of black friends and hold our meetings in high school auditoriums."

Now, the Shriners book some 7,000 hotel rooms.

This year's convention, which will take up 16 hotels, will be based at the Bonaventure Hotel in downtown Los Angeles.

Last year in Detroit, because of a hotel goof, the Shriners were 150 rooms short. "My phone rang all night, but we found places for everyone," Hales said. "An airline helped by vacating rooms for us and moving its crews to far suburban motels."

The Shriners are famous for their precision marching units decked out in colorful costumes that depict the Orient, ancient Egypt and the Arabian Nights.

The strutters delight all who watch their typically four-hour-long convention parade. Clevelanders were treated to this grand spectacle when the Shriners met here in 1967 and 1980.

Hales learned about the Masons during World War II from other soldiers who were members. He joined a lodge in Pittsburgh in 1946 and has been active ever since. In 1978, he became a 33rd degree, the highest degree in the order, and he has held most offices in various lodges, including the top one of potentate of Cleveland's El Hasa Temple. He was past master of Ecclesiastes Lodge 120.

"Being a Mason and a Shriner has opened up new friendships and new worlds to me over the years," said Hales, who is from the small coal-mining town of Kiskimere, some 30 miles northeast of Pittsburgh.

"It was a great place to live because I came from a close family, and I went to the integrated Leechburg schools and got a good education," he said. "I never missed a day of school in 12 years."

He also hasn't missed many football games. Hales first came to Cleveland in 1947 for a weekend to watch the Browns. He liked the city so much he stayed.

Hales, who started as a coal miner and then a bricklayer, went to night school for years to learn to be an accountant. He was senior auditor at the Regional Transit Authority for 10 years until 1987. Before that he was director of finance for the federally funded AIM Jobs program.

While working and raising his family, he earned his bachelor's degree at Cleveland State University and a master's of business administration at Baldwin-Wallace College. He has been married to his wife, Jane, for 42 years. They have a son and grandson.

Hales, like so many of his generation, demonstrated in the face of adversity that hard work, education, will and economic power not only could move mountains, but even open up hotel rooms.

TRIBUTE TO BEA ST. GERMAIN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to rise today and recognize Bea St. Germain, of Woonsocket, RI. She is in her sixth year as president of St. Germain Manor, in Woonsocket, RI.

For many years Bea St. Germain has been a leader in the community and an advocate for senior citizens. Residents at St. Germain Manor as well as residents of the other community senior centers look to Bea St. Germain for their voice in the community. She is responsible for coordinating many of the seniors' activities. Most notably Bea St. Germain organizes regular bingo games at St. Germain Manor. People come from all over Woonsocket to attend these bingo games. Proceeds from bingo go to provide free meals for the senior citizens.

Bea St. Germain is a respected leader in her community. Her devotion to the residents of the Manor are admired by her colleagues, and she is greatly revered by everyone. Bea St. Germain's intelligent and exciting ideas are always improving the ambiance of the Manor to make it even more delightful for the residents.

Not only is Bea St. Germain socially active in the community, but also is extremely dedicated to the cause of senior citizens. She is a tireless advocate for senior citizens and I commend her for her truly magnificent contributions to the city of Woonsocket, RI. It is with great pleasure that I extend my best wishes to Bea St. Germain for success in all her future endeavors.

TAXPAYER RIGHTS AMENDMENTS OF 1991

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. HEFLEY. Mr. Speaker, in 1988, Congress passed the Omnibus Taxpayer Bill of Rights as part of that year's Technical and Miscellaneous Revenue Act. That legislation was a watershed, ending 10 years of work to address IRS excesses and provide taxpayers with a means to defend themselves from unwarranted action, including:

Granting taxpayers the right to sue for damages if an IRS agent recklessly or intentionally disregards provisions of the Internal Revenue Code;

Codifying existing IRS regulations regarding taxpayer rights; and

Awarding litigation and administrative costs to taxpayers who prevail against an unjustified IRS action.

The addition of these changes to the tax code was widely praised and represented a giant step toward taxpayer fairness. With a growing Federal deficit, however, provisions included in the Taxpayer Bill of Rights have been sharply tested. In last year's budget agreement, for example, Congress called on the IRS to collect an additional $9.4 billion by increasing their audit and collection efforts. These efforts, in turn, have incrasaed the number of complaints regarding IRS actions.

For this reason, today I am introducing the Taxpayer Rights Amendments of 1991. This legislation would contribute to the progress made in the original Taxpayer Bill of Rights by:

Expanding a taxpayer's right to sue the IRS;

Enabling additional taxpayers to recover legal expenses from the IRS; and

Equalizing the interest rate the IRS pays to taxpayers with the rate it charges.

Under the current Taxpayer Bill of Rights, a taxpayer may sue the IRS if, during the collection of a tax, an IRS employee recklessly or intentionally disregards a provision of the Internal Revenue Code.

My bill will make two additions. First, it will allow taxpayers to sue for actions taken during the determination, in addition to collection, of tax. Second, it will allow taxpayers to sue if an IRS employee carelessly, in addition to recklessly and intentionally, disregards provisions under the Internal Revenue Code.

These two changes will give taxpayers recourse in areas not addressed by the original Taxpayer Bill of Rights. Consider the testimony of Lawrence Roush, president of Lincoln Moving and Storage, before the Small Business Committee:

> In 1975, the IRS completed an employment tax audit on Lincoln. As a result of that audit, Lincoln was advised to issue 1099s to its contract truckmen but if the same individuals were occasionally used on a local hourly basis to also issue those individuals W2 forms. Subsequent to the audit, Lincoln was sold. The new owners have always been aware of the audit and continued to rely on the audit.
>
> In September of 1987, Lincoln was again contacted by the IRS. At the initial meeting on September 30th the auditor told the officers of Lincoln that because of the budget deficit, the auditor was seeking revenue and that Lincoln was a good place to start. The auditor alleged a tax liability of $50,000. The auditor asserted that if the alleged liability was not paid, a full audit would be completed.
>
> At that time, I informed the auditor of our previous audit and claimed 530 safe harbor protection. The IRS argued that we were not eligible for 530 protection. Over the years the IRS has asserted various reasons for this but has never given us written verification of the reasoning for denying 530 protection.
>
> On July 22, 1988 the IRS informed Lincoln of an alleged tax liability of $281,066.10 in a document marked "for discussion purposes only".

Mr. Speaker, Lincoln is still fighting the IRS today, and the amount being discussed now is over $450,000. Apparently, IRS agents are using the knowledge that they can't be sued for actions taken during the determination process to intimidate and harass taxpayers into paying excess taxes. Hence the "for discussion purposes only" mark on the original determination. Until the IRS actually presents an official tax bill, they are immune from recourse.

This legislation will change that by including the tax determination period under Section 7433(a) of the Internal Revenue Code. As Mr. Roush's example demonstrates, harassment and mistreatment by IRS agents can occur during the determination process as well as the collection process.

This legislation will also allow taxpayers to sue for damages if the IRS carelessly disregards provisions of the Internal Revenue Code. By now, I'm sure everyone is familiar with the tragic story of Mrs. Kay Council, whose husband committed suicide to provide her with the funds necessary to fight the IRS. As Mrs. Council concludes, she eventually won her 10-year battle with the IRS, but at a very high price:

> I was cheated of my rights as a citizen. I was cheated of growing old with the man I love. I lost my best friend. Now I have to start a new life and a new career at the age where I should be able to enjoy my children and grandchildren. I have worked for 20 years as a professional, but I have not been in the job market since 1982. Our children have no father, only the emotional devastation left in their life to try and deal with. Our grandchildren have no "pop," that's the name they use for the grandfather they love dearly. Our granddaughter thinks her pop got sick and died. How do you explain the IRS and suicide to a five-year-old? It seems to me that somebody has to be held accountable for the destruction to me and my family.
>
> Yet I am told I cannot sue the IRS for damages, economical or personal. How do you put a price tag on a life? I can't sue them for the illegal tax lien they put on us. I had no rights. The IRS had them all.

Mrs. Council can't sue the IRS because they didn't recklessly or intentionally disregard the law. Instead, they merely acted carelessly, in a slow, impersonal and bureaucratic fashion that eventually destroyed her family. This legislation would provide Mrs. Council, and all the other taxpayers who have suffered similar experiences, a means of obtaining compensation.

As a third provision, my bill addresses what happens after the taxpayer has prevailed in court against the IRS. Under current law, the taxpayer can receive reasonable administrative and litigation costs from the IRS, but only if they can prove the IRS was not substantially justified in its actions.

In other words, a taxpayer has to prove in court that they paid their full share of taxes. Then, unless they want to pony up the court costs after winning their case, they have to prove that the IRS was not substantially justified in taking them to court. The entire burden of proof is placed on the taxpayer, even when they prevail.

My bill will eliminate this burden by removing the standard of "substantially justified." Under this legislation, if the IRS loses its case against a taxpayer, it pays the taxpayers court costs.

Finally, this bill will even out the interest rates the IRS charges and pays taxpayers. Under current practice, the IRS charges taxpayers with overdue taxes a higher interest rate than it pays taxpayers with overpaid taxes. While this may be a convenient way to raise revenue, it does not engender confidence in the minds of taxpayers who notice the difference. My bill will eliminate this shell game and require IRS to pay the same interest rate it charges.

In conclusion, this legislation builds on the foundation of the original Taxpayer Bill of Rights. It represents a continuation of the effort to balance the need to collect taxes with the inherent rights of taxpayers. I believe it is an important step toward restoring confidence in our present tax collection system, and I hope my colleagues will support it.

TO AMEND THE NATIONAL SECURITY ACT OF 1947

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LEVINE of California. Mr. Speaker, I rise today to introduce a bill to amend the National Security Act of 1947, to urge my colleagues to join myself, and the other original cosponsors, in supporting this timely and important legislation.

Almost 50 years ago, we created the National Security Council to encourage and facilitate cooperation among agencies to advise the President on short- and long-term national security issues. Today, the Secretaries of Defense and State, and the Vice President are the key players in the NSC. As we saw in the gulf war, it's influence and impact are crucial to our President's decisionmaking process.

However, at a time when national security increasingly involves questions of economic security—trade, investment flows, sanctions, market access, defense industrial base readiness, and technology transfer—we have left our major economic players on the sidelines: the Secretaries of Commerce and Treasury, and the U.S. Trade Representative, none of whom are represented on the NSC. It's time to create seats on the NSC for these agencies, whose combined mandates cover a wide range of trade and commercial interests that affect our long-term national security.

I also want to bring to your attention the fact that this legislation has the strong support of the U.S. Chamber of Commerce, which understands the importance of broadening the perspective of the NSC.

In the post-cold-war era, national strength has come to mean far more than military might; this bill would simply ensure that these changes are reflected in our country's top advisory panel to the President. I hope my colleagues will join me in support of this urgently needed legislation.

IMPROVED PENSION PROTECTION FOR RETIREES

HON. WILLIAM J. HUGHES

OF NEW JERSEY

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. HUGHES. Mr. Speaker, today we are introducing legislation to address the recent failures of the Executive Life and Mutual Benefit Life Insurance Cos. The collapse of these large annuity providers has jeopardized the retirement benefits of hundreds of thousands of policyholders and magnified gaps in State and Federal protection for pensioners' annuities.

Our Subcommittee on Retirement Income and Employment has held hearings to examine the adequacy of the Employee Retirement Income Security Act [ERISA] to insure these plans. We discovered that annuities purchased with funds from terminated pension plans are at risk.

Specifically, we found that no agency is reviewing the purchase of annuity contracts following terminations of defined benefit pension plans. Currently, the Pension Benefit Guaranty Corporation [PBGC] routinely approves the purchase of annuity contracts as long as an insurance company is licensed to do business in a State.

In addition, we learned that there are major differences in the level of protection afforded to individuals depending upon the State in which they live. Finally, virtually all plan participants are never informed about the ramifications that transferring responsibility for benefit payments can have on their retirement security.

We have developed legislation to enhance the retirement security of workers and retirees who are covered by pension annuities which were purchased from insurance companies. Our proposal contains three key elements:

Require that the PBGC review proposed terminations of pension plans and block the purchase of annuity contracts from financially vulnerable insurance companies;

Ensure that prior to a pension plan's termination, the States in which plan participants reside certify that a guaranty fund with sufficient reserves will cover all insurance annuity commitments; and

Ensure that beneficiaries and the PBGC be notified of the insurance company's ability to cover potential risks in easily understood language.

We heard compelling testimony from retirees of Revlon, Inc., who suffered a substantial loss in their pension benefits when the Executive Life Insurance Co. failed. Revlon employees were unaware that when their pension plan changed hands they lost all Federal retirement benefit protection. We believe that the best interest of participants and beneficiaries would be served by this critical legislation and encourage our colleagues to support our proposal.

BLESSED BY 50 YEARS OF MARRIAGE

HON. MIKE KOPETSKI

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KOPETSKI. Mr. Speaker, on August 10, 1941, Harriette Swartz and Louis Zuckerman were married. I know this because they are the parents of my wife, Linda Zuckerman. They are my friends as well.

Many would say that, given the times, it is quite an accomplishment for any couple to remain together for 50 years. Lou and Harriette's marriage is one that grows stronger each day. Their love and friendship for each other knows no limits.

I believe they have the formula for success, not just in marriage but in life as well. Each has their own interests, activities and talents and each pursues their own. They also have common interests and enjoy sharing them. They integrate their family, including their extended family, into their daily lives. And they have a circle of friends. Life can be simple yet full. Lou and Harriette's is simple. It is a life full of people, and very rewarding to them and to all who know them.

Lou and Harriette continue to share their lives and love with so many. We are all blessed by this 50-year-old partnership: their children—Kenny, Bob and Linda—for certain and a host of others as well. I am fortunate to be one of them.

Mr. Speaker, John Donne wrote of noble love—love such as Lou and Harriette's. I want to share John Donne's fitting words with my colleagues and ask that they be a part of the RECORD:

THE ANNIVERSARY

(By John Donne)

All kings, and all their favourites,
All glory of honours, beauties, wits,
The Sun itself, which makes times, as they pass,
Is elder by a year, now, than it was
When thou and I first one another saw:
All other things to their destruction draw,
Only our love hath no decay;
This, no tomorrow hath, nor yesterday,
Running it never runs from us away,
But truly keep his first, last, everlasting day.
Two graves must hide thine and my corse,
If one might, death were no divorce.
Alas, as well as other princes, we,
(Who prince enough in one another be,)
Must leave at last in death, these eyes, and ears,
Oft fed with true oaths, and with sweet salt tears;
But souls where nothing dwells but love
(All other thoughts being inmates) then shall prove
This, or a love increased there above,
When bodies to their graves, souls from their graves remove.
And then we shall be throughly blest,
But we no more, than all the rest;
Here upon earth, we're kings, and none but we
Can be such kings, nor of such subjects be.
Who is so safe as we? where none can do
Treason to us, except one of us two.
True and false fears let us refrain,
Let us love nobly, and live, and add again
Years and years unto years, till we attain
To write threescore: this is the second of our reign.

TRIBUTE TO DR. ALAN M. HOLLINGSWORTH

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. CARR. Mr. Speaker, I rise to pay tribute to my good friend who has recently passed away. Dr. Alan M. Hollingsworth, a distinguished scholar, beloved husband, admired father, and cherished friend will be dearly missed. My deepest condolences go to Alan's wife Jo and their family. Alan will be fondly remembered by all the people he befriended, educated, enlightened, and supported.

Dr. Hollingsworth's paramount accomplishments of scholarship and vast wisdom will always remain in my thoughts. My friend's successful career as an educator and administrator at Michigan State University contains many monumental accolades. In 1979 Professor Hollingsworth was appointed dean of the arts and letters college at MSU after serving as the English department chairman for 11 years. During his chairmanship, he brought praise and admiration to Michigan State University. Many of his educational programs were nationally recognized and adopted by the higher education community. Professor Hollingsworth's literary contributions will continue to inspire minds and educate future scholars. Works he authored include a coedited book on the Civil War, various internationally acknowledged essays on literary topics, and his legacy of English educational reforms. Alan's keen intellect and curiosity drove him to travel widely in China, learn the language, and personally experience Chinese culture. One of his most regarded essays has been published in Taiwan and another in the People's Republic of China. Scholars throughout China and in this country will continue to read and learn from Alan's works.

Mr. Speaker, thank you for granting me this opportunity to acknowledge Dr. Alan M. Hollingsworth. I am truly privileged and thankful to have been able to establish a friendship with Alan and his contributions to me and to numerous other lives will be cherished.

STATEMENT BY THE AFL–CIO EXECUTIVE COUNCIL ON UNEMPLOYMENT INSURANCE

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. WISE. Mr. Speaker, I rise today to ask that a statement by the AFL–CIO Executive Council on Unemployment Insurance be made a part of the RECORD. I feel that on the day we have passed such important legislation for American families, the words of the Executive Council should be included.

STATEMENT BY THE AFL–CIO EXECUTIVE COUNCIL ON UNEMPLOYMENT INSURANCE

It's time—after a full year of recession with the highest jobless rate in years—for Congress to overcome the Administration's opposition and act before the August recess to extend unemployment insurance benefits.

The recession is not over. The national unemployment rate has climbed to seven percent and each day continues to bring announcements of further layoffs. Even the Administration's own rosy economic recovery scenario does not see the jobless rate falling to a pre-recession level until 1996.

The AFL–CIO has long urged the extension of benefits and other improvements in the unemployment insurance program to get benefits into the hands of those who desperately need them. Meanwhile, long-term unemployment is growing at an alarming rate, as the number who can't find a job in 26 weeks has nearly doubled in the past year to 1.2 million. In the absence of legislative action, very few of these workers presently receive extended unemployment insurance benefits.

Clearly, the current plight of the unemployed is the type of crisis that was envisioned by those who wrote the emergency waiver provision of the 1990 budget agreement, a provision that was invoked earlier this year to evacuate embassy employees during the Iraq crisis, to increase security for the White House and to aid the Kurds.

UNEMPLOYMENT INSURANCE

Democrats in the Congress, led by Congressmen Rostenkowski and Downey and Senators Bentsen, Riegle and Sarbanes, are advancing legislation to extend the unemployment insurance benefit program, either by invoking the emergency waiver or by raising the taxable wage base for unemployment insurance. These measures would provide immediate relief to hundreds of thousands of suffering American families.

CONGRESSIONAL BIOMEDICAL RESEARCH CAUCUS ON WOMEN'S HEALTH

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. GEKAS. Mr. Speaker, today I would like to share with you some remarks I made on women's health issues at the fifth meeting of the Congressional Biomedical Research Caucus on women's health. Dr. Zena Stein, Professor of Public Health at Columbia University, will then remark on women and HIV infection. The texts are as follows:

I want to welcome everyone to the fifth briefing conducted by the caucus, "Research on Women's Health." We have had some excellent programs in the past, most recently on biotechnology and cloning of the cystic fibrosis gene. I think the caucus has performed an excellent service in informing Members and staff about the potentials of biomedical research. We currently have 60 Members of the House in the caucus and welcome new membership. On September 23, the caucus will present a program on heart disease, so please sign up today to reserve a place for that event and we will end the legislative year in October 1991 with a program on cancer causation. All of these caucus events have been documented with submissions of the scientists' presentations in the CONGRESSIONAL RECORD. I refer you to my staff, who can assist you in locating them.

I want to take the opportunity to recognize my colleagues who have had a long association with this issue. Chairman WILLIAM NATCHER has been the chief advocate for the National Institutes of Health in the Congress and we appreciate his years of service and dedication to improving programs at the NIH, including research on women's health. It is an honor to have him in attendance today. Representative PATRICIA SCHROEDER, is the cochair of the Caucus on Women's Issues and has been the leader in bringing the public's attention to this issue and we are pleased that she has joined us today. Also, participating today is Representative ED MARKEY, a member of the Biomedical Research Caucus.

There has been a great deal of interest in the Congress about including women as subjects in biomedical research and if studies conducted only on male subjects can be automatically applied to women regarding their findings. Today we have three outstanding scientists who will increase our awareness about the significance of conducting research on women's health and how that activity might be different from other clinical studies. President Bush was very farsighted to appoint the first woman Director of the NIH and well-known cardiologist, Dr. Bernadine Healy, who has exhibited leadership on this topic. Since assuming the directorship of NIH this spring, Dr. Healy has supported at the NIH the Office of Research on Women's Health and announced a new research grants program on women's health that she funded with the Director's discretionary funds. She has been very publicly involved on this issue to ensure that biomedical research at NIH includes women and that NIH is aware of the special health problems of women. Dr. Healy's professional credentials as a physician and researcher in the area of heart disease are well known to us here from her years on the faculty at Johns Hopkins University. I am looking forward to hearing about her efforts to increase research on women's health.

Also making a presentation today is Dr. Zena Stein, who has a medical degree from the University of Witwatersrand and is currently Professor of Public Health and Associate Dean of Research at the Columbia University School of Public Health. She is the codirector of the HIV Center for Clinical and Behavorial Studies at the New York State Psychiatric Institute. In that capacity she has appropriately focused on HIV infection in children and their mothers and the transmission of HIV infection from mother to child. She has been a leader in identifying methods that women can use to prevent the spread of HIV infection in high-risk communities. Dr. Stein will discuss her studies on women and HIV infection, as she did at the Seventh International Conference on AIDS, Florence, 1991, in the following text that I submit for the RECORD:

REMARKS OF DR. ZENA STEIN

Thank you all, and especially Congressman George Gekas and the Congressional Biomedical Research Caucus, for giving me this opportunity to describe some of the issues which my colleagues and I have been facing over the past few years, before this distinguished audience. It is an especial pleasure to recognize Congresswoman Pat Schroeder and NIH Director Bernadine Healy, whose leadership roles in women's health is giving new hope to researchers in currently neglected areas. My own perspective is that of an epidemiologist, working in the School of Public Health and the Department of Psychiatry at Columbia University. My special area has for long concerned human reproduction, and especially from the standpoint of the woman and the offspring. Thus we have conducted studies in the connections between a woman's work, her exposures, her genetic constitution, her age, her diet, to her chances of conceiving, of carrying and of delivering a healthy child. These studies have always required sensitive approaches to the women being studied, in various settings, and in collaboration with health care providers and with colleagues in the laboratory. One clear example is our work on miscarriage; here, a range of social and environmental experience could be connected to the chromosomal characteristics of the abortus.

In these areas of research (most of which has been funded by NIH or NIMH, as have the young research fellows working with us), we have needed to work closely with researchers in the social sciences (anthropology, sociology, social psychology), as well as those in the clinical fields (obstetrics, pediatrics), the numerical sciences (mathematics, statistics), and the biological basic sciences of genetics. It has been our experience in public health that a concerted approach is the most rewarding and effective in finding solutions to many problems and this is what I urge in my presentation today, which I shall focus on some major aspects of women's health: sexually transmitted diseases, including HIV, and their aftermath, which include infertility for some, AIDS for others. I shall be concerned here only with prevention of these sources of morbidity and mortality.

PAST SORROWS, LET US MODERATELY LAMENT THEM FOR THOSE TO COME, SEEK WIDELY TO PREVENT THEM. WEBSTER, THE DUCHESS OF MALFI

Thus I remind you, but briefly, regarding HIV, for instance, that AIDS in women is now a leading cause of death across the USA, and the first cause of death in particular age groups and some minorities, in some states. I also remind you that, among women diagnosed with AIDS over the past two years, at least 40 percent apparently contracted the HIV infection through heterosexual encounters. Therefore, nowadays in this country, we have to see AIDS in women as the result of a sexually transmitted disease, as has already been recognized for some years in Africa, the Caribbean, and elsewhere.

In what follows, I shall: present some of the issues which have concerned our team, as epidemiologists, social scientists, and public health activists, and our perspectives on the critical gaps in knowledge that could, and we think should, be attended to by our colleagues in the basic sciences. The continued existence of these gaps we attribute to the lack of an integrated approach to solving these commonly experienced problems affecting thousands of women. They have lain neglected for many years, but the advent of the HIV epidemic now forces our attention on them. Thus the other STD's, for which there are usually therapeutic remedies, were less likely to stress prevention. Also, family planning was previously a public health activity usually content to leave STD's to treatment clinics. The integrated approach called forth by the HIV epidemic has only recently begun to highlight the needs of women for protection.

The messages we give to women whether they be teenagers or mothers in their forties tends to be: if you want to avoid being infected, remain celibate, select a partner who is not in a risk category (drug user or gay), and/or use a condom. From our research and those of others, we know that none of these pieces of advice is easy to apply, and there are many women for whom none is feasible or possible. This is a well-documented fact, and it has been especially well documented among those women who have seemed to be at highest risk, because of their social situations and those of their partners. Interviews among individuals and in focus groups reveal over and over again, that few couples practice lifetime mutual monogamy; that few men will forthrightly disclose their past encounters or risks. Moreover, and just as clearly told, among women, who of course do not use condoms, few find themselves able to persuade, often even to suggest to men to use them.

So what's to do in providing protection for women? Wait for the vaccine? This is exactly what was advised in a current NIH publication.

We and others in this country are not prepared to leave it at that. Instead, we have been investigating methods women might use themselves by way of protection. Most promising are the procedures that have formed part of the armamentarium of the family planning profession, described by them as barrier methods. Typically, the woman applies a foaming agent or sponge known as a spermicide. These agents, and they vary in type, usually contain a chemical known as NO9, which, as the term "spermicide" implies, destroy the sperm, thus reducing the chance of a pregnancy. It happens that these same agents also, certainly in the laboratory, are able to kill most of the organisms which cause STD's, and including HIV. It would therefore seen reasonable to test the efficacy of these agents as preventive against HIV, for instance, in the field.

Unfortunately, it's not that easy to devise an appropriate testing situation. One problem is an ethical one, since as long as most of us believe that the condom does provide the best available protection, it would seen unacceptable to assign women to an alternative that is still untried. Nevertheless, there are designs that would work and preliminary trials have had modest success. But tests and trials would be more practicable if we had the answer to some key biologic questions.

Here is one that is particularly worrying yet elusive: in preventing, or protecting against heterosexual transmission of an infection, and especially of the HIV virus, must the sperm all the eliminated, or is it sufficient to disinfect, as it were, the other contents of the semen, the seminal fluid and the cells often found in it? This is a very serious question, because sperm are numerous and motile, and much more difficult to stop in their tracks than are the other contents of semen. We have asked many colleagues in biological fields if they think the sperm could "carry" the virus, could the sperm piggyback the virus into the female genital tract; you can appreciate how important this fact is, in devising a protective method for women. In fact, if it were established firmly that the sperm does not carry the virus, this would open the way for a far wider series of methods to be developed and applied to prevention, not only against HIV, but also against other STD's; and since STD's are a major cause of infertility in women, these methods would have wide application; it is also not far-fetched to imagine a method with which a woman could protect herself against STD's, and at the same time achieve a desired pregnancy. But we need integrated application to those problems, and an appreciation of their potential applications to women's health.

A second question for which we need help from the laboratory is: what are the site(s) on the urogenital tract which are most likely to provide a portal of entry for the HIV virus? If, for instance, entry takes place through the cervix—a not unlikely supposition because the cervix contains columnar coils, a tissue generally less well protected against outside invaders than the squamous epithelium of the vagina—then in that case one would recommend that women use an available device like the cervical cap, and that would be quite a simple solution. But we don't know know if the cervix is the only, even the main, portal of entry.

A third and crucially important area on which new research is at last emerging is relevant to the actual cellular processes through which sexual transmission takes place. Emphasis is being placed on the cells of Langerhans, which branch out just below the surface tissues. There is great interest in the possibilities of inducing immunological defenses and vaccines based on this new knowledge. Still in the short term, we could consider how to coat the mucosa in such a way as to confer short-term protection, while we await the vaccine.

Moreover, we need to know whether the lining of the genital mucosa provides greater or lesser levels of defense at different times in the menstrual cycle. Knowledge on this point again would be useful in counseling. Relevant to this issue is the fact that the evidence is conflicting as to whether the use of the oral contraceptive pill adds to the likelihood of transmission of STD's, including HIV. This possibility has been raised by some epidemiologists and contradicted by others. The same doubt must be assumed to exist for the implanted hormones, and we urgently need basic research to explore this.

Yet another theoretical issue has arisen to give concern; is it possible that NOS or other spermicides could be irritant to the mucosa, thus favoring abrasions and infections? Would some methods encourage colonization of the mucosa, hence indirectly reduce natural immune defense?

On these issues, it is surely possible to provide experimental settings, to make observations relevant to some of these question. Knowing more about the portal of entry and the processes by which the virus invades, then pharmacological studies would be better targeted. We know that the rapidity with which the virucidal agent must spread, and the time over which it must retain its potency, are critical to its efficacy. These facts can be elicited, measured in the laboratory, and adapted to the virus destruction.

However, we know very well from our own studies, and from decades of experience in the field of family planning that, while efficacy of an agent in the laboratory is a must, the most lethal and powerful virucidal agent is useless unless it is acceptable; so whatever is developed in the laboratory must be tested in the field; widely, among different groups of women, in different cultural settings, and with different training and educational techniques. There needs to be, in fact, an iterative and interactive process developed between laboratory and field work.

To achieve effective prevention for women, we need both proven efficiency and acceptability. Acceptability can be studied by colleagues in my field, and much work has already been accomplished. Thus we certainly know that relations between women and men are variable, not only across societies but within societies, and for particular women, depending on the partner. These patterns are also subtle and often not easily modified. Since barrier methods rely entirely on compliance, those that are recommended for trial in women must take what has been learnt into consideration. There is no doubt, for instance, that women prefer to use methods that do not interfere with the sexual encounter, in fact those that can be use at a time and a place removed from the encounter. This can be achieved for family planning: is it possible in preventing transmission of infections?

In conclusion, we see urgent and difficult problems facing public health and prevention in protecting the health of women, which call upon the combined forces of applied and theoretical research in the social sciences and the biological sciences. The illustration we have chosen here is purposely dramatic, but there are many others. Elsewhere too, we are concerned, as here, with genetics, immunology, virology, biochemistry, and a concerted approach which will take due cognizance of the woman's point of view. This is how we hope to forward understanding and prevention in the field of women's health.

THE NOMINATION OF CLARENCE THOMAS: UPON WHAT MERITS DO WE JUDGE PROSPECTIVE JUSTICES?

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. ANDERSON. Mr. Speaker, the President has presented the American people a most interesting, and controversial, nominee to the Supreme Court. Already, the endorsements and the rejections of this self-proclaimed conservative, African-American, nominee have filled the newspapers, press releases, and talk shows. Whether this discussion is solely limited to inside the Beltway is another matter. Yet to be determined are the qualifications of this man to fill the very large shoes of retiring Justice Thurgood Marshall. But one point is salient, the controversy before us is largely caused by the fact that though Judge Thomas may be the same skin color as Justice Marshall, it is highly unlikely that he harbors the same legal and social perspectives.

Clarence Thomas was immediately condemned by many of the leaders of the African-American community, often in very harsh and unequivocating terms. A prominent black professor at Harvard Law School proclaimed that Judge Thomas, "looks black, thinks white." He has been labeled, "a counterfeit hero," "a chicken-and-biscuit eating Uncle Tom," and "Hypocrisy Man" by others. One commentator stated that his elevation to the Supreme Court "would constitute a perversion and a fraud," while another noted that, "if he has 'made it' he has done so at the expense of betraying those from whom he has come." Of course, equal voices have rushed to his defense, while some have chosen to remain silent. No matter the accolades or the denunciations, the story debate raises the necessary question: How do we pass judgment on and evaluate a prospective justice?

The Constitution is almost totally silent on this question. In fact, there isn't even a requirement that a prospective justice be a lawyer, though the overwhelming majority have been members of the legal profession. The Senate rejection of Judge Robert Bork added a new chapter to the history of the confirmation process, for Mr. Bork was denied a Supreme Court seat not on the historical qualification of legal ability, but on the nature of his widely published and controversial scholarly views. The surprise nomination of little-known Justice Souter seemed a deliberate reaction to the Bork nomination, as indicated by his undetermined social and legal views which earned him the title of "Stealth nominee."

With the nomination of Clarence Thomas, we are confronted by the demand of some groups that he fit a certain ideological profile, especially with regard to affirmative action and abortion. The almost pendulum-like change in the ideological makeup of the Court, from liberal to conservative, and the resulting threat posed to many of the Warren Court decisions, has set the background for a better fight against each and every individual nominated by a Republican President. But to what extent should we demand of nominees that they tell us their individual societal and political views? To what extent should we demand that a nominee tell us how he or she might vote on particular issues? On the surface, it would seem only right that a prospective justice be forced to reveal his or her mind on certain issues, for we are a democratic society and wish to preserve the democratically elected Senate's control over any nominee appointed by the President. We also naturally wish to have some control over the nominee himself, especially in the era of activist courts, both liberal and conservative, when the fate of issues like abortion, school prayer, and affirmative action is most often determined in courts, not legislatures. In the back of our minds, we know that once a decision has been rendered on a nominee and he or she takes their seat on the highest court of the land, it is their job for life, without any further control imposed either by the Congress or the President. There is no outside authority to restrain the Supreme Court.

It is this lack of control that makes voters nervous over each and every nominee. We hope for some semblance of ideological balance on the Court. Intuitively we recognize that the opinions of the Supreme Court are not rendered based on a formulaic reading of the law, adherence to precedent, and a close reading of the Constitution. No justice is above human frailty, or the propensity to see the world through individual lenses; lenses that have been shaped by individual experience. Even beyond individual philosophies, biases, and beliefs, a Supreme Court justice is much more than some exalted referee in the game of life. For the law is neither clear cut or even static. Rules for every contingency simply do not exist. Vast, unchartered areas in society demand of the law that gray areas be made clear and lines be drawn. Each day, each year presents new legal ambiguities and questions that the Founding Fathers could not possibly have foreseen. So, while we press for consistency in the law, we must accept the need for new construction and law's evolutionary nature. Into this realization is thrown the present situation where we have an increasingly strident, conservative court bent on undoing much of the work of the liberal Warren Court. Some applaud this development, some do not. Today we see this tension manifested in Judge Clarence Thomas. The fate of affirmative action programs and the even more emotional subject of abortion seem to hang in the balance.

As a Democrat, I have supported both affirmative action and abortion rights. I do not want to see these undermined by a conservative court which is every bit as judicially active as the Court which handed down Roe versus Wade. But is it right to demand of this nominee that he fit a liberal ideological niche; that he fulfill the liberal visions of Thurgood Marshall? Should the Senate base its acceptance or rejection of this man on his commitment to these rights? Ideally, we would only sit in judgment of a nominee's judicial qualifications, based entirely on his legal distinctions. If he was found lacking he would not be confirmed. If qualified, he would be seated. But our desire for control, and the realization that each justice must have a socio-economic perspective and basic understanding of the society that he or she will make law unto, means that we reject this easy formulation. Some demand that he meet specific criteria of their own making, that he be committed to their agenda. And when their agenda is our agenda, and that agenda is widely popular, we are inclined to support their demands. But our concern must not be for our own individual agenda; it must be for preserving the integrity of the process.

As citizens, we intuitively recognize that the law must serve society and not vice-versa. The law must eventually serve the will of the people or it will not stand. The Supreme Court has no enforcement mechanism. We accede to the Court decisions only in the long-run interest of preservation of the common good. If the Court's decisions are seen only as the making of its own will, in the long-run the majority of the people of this Nation will rise up against its tyranny. This being so, we expect the Supreme Court to roughly reflect society's views and to consider legal questions and the Constitution in light of today's problems and realities. Yet this expectation does not mean we can rightly demand the Court's support of any particular program or activity.

Never can we allow legal shortcuts to achieve societal ends. The Court should not make decisions which are properly left in the realm of Congress. While the Warren court made tremendous strides in recognizing and protecting the rights of minorities and the powerless, the activist label placed by many on the Warren court may have some legal justification. For example, many noted constitutional scholars, who are also pro-choice, argue that Roe versus Wade is legally flawed and bypassed the necessary legislative process needed to preserve abortion rights. We cannot expect Justices to use their power to take us down a predetermined path toward their own, or our own, societal vision. The law, and the Constitution it rests on, should not be manipulated to either a liberal or conservative ideological end. Respect for the law requires impartiality of those who interpret the law. Accordingly, it is improper and detrimental to the process to quiz nominees on specific issues as a means of decision of his or her acceptability. To retain an uncommitted position, to judge each case presented before the Court on its legal merits alone, a nominee must not be affirmed or rejected because he or she might feel one way or the other on a particular issue. We threaten to undermine the process if we make each Senator vote, not on legal brilliance or background qualifications, but on the basis of a popularity contest stemming from the demands of certain interest groups. The nominating process of a prospective justice to the Supreme Court must not come to resemble a political campaign.

In the confirmation process, the Senate will walk a fine line between our need and desire for control and the need to keep an open mind on Judge Thomas. This is especially difficult in an era when a succession of conservative justices has now turned the Court on a path which would seem to lead to the complete reversal of many of the civil and personal rights constructed by the Warren Court. Our temptation is to fight each nominee appointed by a Republican, in the hope that can force the President to present a moderate nominee to the Senate. The Senate should not be so restrained in its questioning that we are left watching a high-level guessing game. Our hope is to seat a brilliant, open, and fair Justice who will decide on the facts of a case, not on some ideological underpinning. The Senate has every right to examine this nominee's judicial philosophy and record. What does Clarence Thomas mean when he praises "natural rights?" The Senate must make a thorough, exhaustive examination of Judge Thomas' tenure as head of the Equal Economic Opportunity Commission. Mr. Thomas should be able to speak on past cases, and his views on respect for precedent. Above all, the Senate should look into the nature of Clarence Thomas' societal lens. This man has a remarkable background. He benefited precisely from those affirmative action programs he now criticizes. His advocacy of individual self-help is very admirable, but is it narrow minded? Does his Catholic background immediately predispose him against abortion rights? Amidst all the condemnations and praise of this new nominee, we have lost sight of the fact that confirmation hearings have not yet begun. As such, I have no personal feelings on the qualifications of Clarence Thomas. My overriding hope is that we can maintain a fair process, that is free of politicking and open to placing a qualified individual on the highest court in our land.

HEALTH CARE IN RURAL NEW YORK

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. BOEHLERT. Mr. Speaker, most Americans envision the State of New York as a congested, urban jungle. Quite to the contrary, more than 3 million New Yorkers live in rural areas—about 17 percent of the State's population; 28 of 57 counties outside of New York City are designated as rural areas. Unfortunately, rural New Yorkers lack access to adequate, affordable health care services like millions of Americans nationwide.

Rural New York, like the rest of the country, suffers from a severe shortage of health care professionals. Rural New York lacks access to adequate gynecologic and obstetric services. According to New York State's Health Systems Agency, there are fewer than 45 OB-GYN's in my entire congressional district—an area about the size of the State of Connecticut.

Further, too many children in rural areas lack access to primary care physicians and pediatrician services. Virtually every county outside of metropolitan New York City needs primary care providers. There are fewer than 50 primary care providers in my district.

In addition, while we have made great strides in improving Medicare reimbursement policies for rural hospitals, hospitals in rural New York are still struggling to survive. Without financially secure hospitals, rural communities have an even tougher time recruiting health care providers.

While we have taken steps to improve long-term care services for the frail and elderly, clearly, we can do more. Rural areas have a particularly difficult time providing affordable, community- and home-based services. As we begin to consider the reauthorization of the Older Americans Act, we should emphasize the importance of title III supportive services.

The House Rural Health Care Coalition has once again assembled a legislative agenda that would improve our health care delivery network in rural America. Among the proposals that I strongly support are: Rural Access to Obstetrical Care Act; Rural Physicians' Incentives Act; Rural Clinical Laboratory Personnel Shortage Act; and the Rural Medical Emergencies Air Transport Act.

Our coalition package would provide vital incentives to encourage health care professionals to practice in rural areas.

One of the most important steps that this Congress has taken to improve access to health care in rural America was to establish an Office of Rural Health Policy in the Department of Health and Human Services. This effort has encouraged the States to follow suit and establish their own offices of rural health care. These offices play a key role in coordinating rural health activities and can provide us guidance to address the unique service delivery problems in rural America.

Unlike the vast majority of Americans living in rural areas, residents of rural New York lack a coordinating State office of rural health care. While the State house has approved of a measure to accomplish this long-overdue goal, there are no guarantees. Rural New Yorkers would clearly benefit from a State office of rural health care.

Residents of rural America face unique challenges every day. Ensuring access to quality, affordable health care is the top priority of our coalition, and I am committed to working to resolve many of the problems with the health care delivery system in rural America.

HOUSE CONCURRENT RESOLUTION 171, TO COMMEND ASSISTANCE TO ETHIOPIAN JEWS

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SMITH of Florida. Mr. Speaker, Operation Solomon required only 36 hours, but it was the miraculous final act in a drama that began 3,000 years ago.

During the reign of King Solomon, Jews accompanied the Queen of Sheba on her return to her kingdom near the Red Sea. In succeeding centuries, other Jews followed those first settlers to the mountains of Abyssinia. Some of them, it is now believed, were descendants of the tribe of Dan. In Ethiopia, they established a Jewish community that was true to the Mosaic religion of the Bible.

These Jews did not know about the rabbis, or the Talmud, or the events of the Hellenistic Age, or the destruction of the Temple. They had no familiarity with the post-Exilic Judaism that gradually became the norm for most Jews.

Before the advent of Islam, the Jews of Ethiopia maintained contact with the great Jewish kingdoms of Arabia. Yet as the centuries passed, the Beta Yisrael, as they had come to call themselves, grew more isolated from other Jewish communities, from Europe, and from the world at large. A thousand years ago, the Jews of Ethiopia, by then numbering in the hundreds of thousands, had concluded that they were the only surviving Jewish community in the world.

Yet the Beta Yisrael never abandoned their religion. And they never abandoned their dream of returning to the land of their ancestors: Israel.

When war and forcible conversion reduced their numbers a century ago, the Beta Yisrael, now concentrated in Gondar province, remained true to their ancient ways. They saw themselves as the last survivors of Judaism, as the torch bearers of a moral tradition whose defense was worth any price. The Beta Yisrael who persisted, who refused to vanish into the mainstream of the Ethiopian empire, were heroes. They were the ultimate authors of the miracle that came to pass as Operation Solomon.

Much has been said and written about Operation Solomon and rescue operations that preceded it, particularly, the troubled but valiant Operation Moses. These were courageous efforts, for evacuating Jews from war-torn Ethiopia demanded pluck and vision and patience.

There are many who deserve special praise:

President Bush, who as Vice President made the evacuation of Ethiopian Jews a personal commitment, and who as President refused to let the issue be pigeonholed and forgotten.

Former Senator Rudy Boschwitz, who traveled to Ethiopia and who proved instrumental in persuading a failing government to permit a small act of decency.

Ambassador Uri Lubrani, who demonstrated the verve and inventiveness that were so necessary to making Operation Solomon a success.

The American Association for Ethiopian Jews, which did so much of the field work in Ethiopia, and whose leaders conceived of the program to bring the refugees from Gondar to the capital of Addis Ababa, thus facilitating a speedy exodus.

And my colleagues in the Congress, who adopted this community, who refused to let the issue drop, who raised the issue time and again with the Ethiopian authorities, and who showed an unstinting devotion to a poor and battered people.

Ultimately, hundreds of Americans—including many from Florida—and Israelis, and Ethiopians contributed to one of the most amazing humanitarian acts in history: the airlift of an entire people from Ethiopia to Israel in scarcely a day and a half. On one flight alone more than 1,000 people were taken aboard a single 747. A score of planes flew round the clock to bring out this tired and ancient community, even as Ethiopia's ruling junta was collapsing, even as rebels stood at the gates of the capital.

Although the lost Jews of Ethiopia were once forgotten by the world, Israel did not forget them. Operation Solomon proved once again that Israel was established for a profoundly moral purpose: to be the Jewish national home. Operation Solomon proved once again that Israel is a sanctuary open to every Jew, no matter what his nationality, no matter what his race. Operation Solomon proved once again how fraudulent, how dishonest, is the calumny that Zionism is racism.

I am proud to hail Operation Solomon, and to commend the assistance rendered to Ethiopian Jews. I am proud that the Congress played a leading role in advocating freedom of emigration for Beta Yisrael, and that it has appropriated funds to speed the absorption of Ethiopian Jews as they begin their new lives in Israel.

This historic airlift will remain a thing of wonder for years to come. By its audacity, by its inherent decency, it will remain an inspiration, a standard for action, a veritable light unto the nations.

RAISIN WARS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LEVINE of California. Mr. Speaker, I rise today to express my concern about a U.S. Department of Agriculture regulation which has received a great deal of attention recently.

This regulation has the laudable goal of limiting the amount of sugar in cereals which qualify for the WIC—Women Infants and Children—Program. Unfortunately, it is having the ironic effect of keeping nutritious cereals which contain fruit, such as raisins, from being eligible for the program. This is ironic because another Federal agency, the USDA, is actively encouraging the consumption of fruit as an essential part of a nutritious diet. In fact, the USDA goes so far as to distribute literature through local WIC offices encouraging WIC participants to eat fruit; eat raisins as snacks, and to use fruit on cereal.

Mr. Speaker, preventing nutritious cereals such as raisin bran from being eligible for distribution in the WIC Program is inconsistent with the USDA's dietary recommendations and nutrition policies. While I strongly support tough regulations which ensure that the foods eligible for WIC are nutritious and healthful, it appears to me that these regulations should be carefully reviewed.

I hope that the Secretary of Agriculture will consider revising the current WIC regulations to conform to the USDA's dietary recommendations.

On Tuesday, July 30, the Washington Post editorialized on this subject. I include this editorial in the RECORD to the attention of my colleagues:

RAISIN WARS

The Federal government thinks that children should eat less sugar and more fruit, which is fine—except when it's contradictory. The fruit that the government likes can be a major source of the sugar that it doesn't. The contradiction arises with particular force inside a box of Kellogg's Raisin Bran. Can you believe that it may now arise within the U.S. Senate as well?

It seems that, were it not for the sugar from the raisins, this product of the Kellogg Co. would be eligible to be bought by needy families under the sugar standard of the government's WIC program, a stern 6 grams per serving and no more. Counting the raisins and the rest of the sugar in the box, however, it's not eligible. That's true even though the same Agriculture Department that maintains the WIC regulations can be found in other contexts urging Americans not merely to eat more fruit, but to put it on their cereal.

Kellogg cares, and not just for love of consistency in the Code of Federal Regulations. The WIC feeding program for needy pregnant women, infants and children is itself a pretty big bowl of breakfast. It helps to feed nearly 5 million people including a third of the nation's newborns at a cost of about $2.4 billion a year. Of that, an estimated $150 million goes for cereal, and about two-thirds of the cereal money, Kellogg says, is spent on Cheerios, which meet the WIC sugar and other nutrition standards and are made by Kellogg competitor General Mills. WIC really stands for women, infants and Cheerios, the Kellogg people like to joke, not sweetly.

Kellogg, based in Michigan, is urging that state's Sen. Carl Levin to offer an amendment to the agriculture appropriations bill somehow relaxing the sugar rule so that the raisins won't count. Other senators including minority leader Bob Dole have warned they will resist a step they call a threat to the program's "integrity." They cite a letter from the American Academy of Pediatrics and other protective groups urging that the question of what can and cannot be bought with the money not be politicized and noting that the department is already in the midst of a regular reexamination of the rules.

If the government is going to cross the threshold of setting nutritional standards at all—as perhaps it had to, at least in the particular kind of program WIC is—we suppose it was bound to come to this. You make the rules, and the next thing you know poor kids can't have Raisin Bran, which other kids are eating without ill effect, because to allow Raisin Bran is to open the floodgates to government subsidized Snickers bars for poor and nutritionally deprived families. It is government at its most famously elephantine. Of this much only we are certain: The Senate floor is the wrong place to write the rules. But the Agriculture Department, if it is to have a free hand, should at a minimum keep the free hand light. Surely it's possible to have rules that square with the WIC program's raisin d'etre and still let in a scoop of raisins.

UNITED STATES STANDS UP FOR RIGHTS OF SOUTH KOREAN WORKERS

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PEASE. Mr. Speaker, I want to applaud the recent decision by the Board of Directors of the Overseas Private Investment Corporation [OPIC] to cease its operations in South Korea because of systematic worker rights violations. The United Autoworkers and Asia Watch also deserve much praise for bringing well-documented petitions before OPIC officials that detail regression in worker rights practices in South Korea.

I worked closely with my colleagues, Congressman HOWARD BERMAN and Senator PAUL SARBANES, to secure the enactment, in 1985, of the provision that prohibits OPIC from operating in foreign countries that are not taking steps to adopt and implement internationally recognized worker rights.

OPIC officials have followed the spirit as well as the letter of the law in making this determination of South Korea despite considerable pressure from some State Department officials and the United States Ambassador to South Korea, Donald Gregg, who sought to thwart OPIC's finding and to undermine enforcement of the law. I ask that the full text of OPIC's factual determination along with accompanying correspondence be reprinted with this statement.

The onus now rests squarely upon the Government of South Korea, as it should, to take demonstrable action to uphold and protect in law and practice the fundamental rights of all South Korean workers.

The material follows:

OVERSEAS PRIVATE INVESTMENT CORPORATION,
Washington, DC, July 19, 1991.

Hon. SAM GEJDENSON,
Chairman, Subcommittee on International Economic Policy and Trade,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Under Section 231A of the Foregin Assistance Act of 1961, as amended, the Overseas Private Investment Corporation (OPIC) is prohibited from operating its programs in any country that is not "taking steps to adopt and to implement internationally recognized worker rights" as defined in section 503(a) of the Trade and Tariff Act of 1984 ("Trade Act"), as amended.

OPIC follows Presidential determinations made under section 503(b) of the Trade Act with respect to country eligibility for the Generalized System of Preferences (GSP) on worker rights grounds. For example, OPIC has accepted the determinations recently announced as a result of the GAP Annual Review and therefore will suspend new project development in the Sudan. In addition, OPIC programs remain suspended in China and will be resumed only in accordance with the terms of P.L. 101-246, and at that time OPIC will continue to monitor and make worker rights determinations regarding that country as required by OPIC's statute.

For other non-GSP countries, OPIC independently makes worker rights determinations, in consultation with the Departments of State and Labor, in response to formal petitions brought to OPIC at its annual public hearing.

Accordingly, the attached report reviews worker rights conditions in the Republic of Korea. Korea's worker rights practices were the subject of petitions for suspension of OPIC operations at OPIC's most recent public hearing on November 27, 1990. The report is based on oral and written testimony submitted at the public hearing, U.S. Government analysis of the allegations contained in the petitions, the State Department's "Country Reports on Human Rights Practices for 1990," independent research by OPIC staff, and consultations with the Departments of State and Labor.

OPIC last examined worker right conditions in Korea in 1989 when OPIC similarly was petitioned by labor and human rights organizations. At that time, important improvements to the country's labor laws were being proposed. On that basis, OPIC determined that Korea was taking steps to adopt and implement internationally recognized worker rights. Now, however, OPIC found that the labor laws proposed in 1989 had been passed but subsequently vetoed. Thus, while Korea has made progress in certain areas such as reducing the legal workweek and in fostering a dramatic increase in the number of unions and union members, there has not been progress with respect to the fundamental legal protections afforded workers, especially in the areas of collective bargaining and freedom of association. Therefore, OPIC is not able to conclude that the Republic of Korea is taking steps to adopt and implement internationally recognized worker rights. Under these circumstances, OPIC will refrain from doing new business in Korea until a contrary determination can be made.

OPIC recognizes the complexity of political and social conditions in Korea and looks forward to restoring its programs there when conditions permit. South Korea is an important part of OPIC's program to promote U.S. investment in the Asia/Pacific region, and we will support and respect positive change and improvement in worker rights conditions in Korea so that U.S. investors and OPIC once again can jointly contribute to economic growth and opportunity for workers and all the people of that country. This interruption of OPIC operations is consistent with both Section 231A of OPIC's statute and our intention to work with the Republic of Korea Government to create the conditions necessary to resume doing new business in that country. Of course, OPIC will honor and enforce all of its existing contracts and obligations in South Korea.

The Administration believes that worker rights issues constitute an appropriate condition for the type of trade and investment assistance to developing countries that OPIC provides. We will continue to inform the Congress of our worker rights determinations for countries whose eligibility for OPIC programs is challenged on worker rights determinations for countries whose eligibility for OPIC programs is challenged on worker rights grounds.

Sincerely,

FRED M. ZEDER,
President and Chief Executive Officer.

1991 OPIC WORKER RIGHTS REPORT—REPUBLIC OF KOREA

INTRODUCTION

The Overseas Private Investment Corporation (OPIC) is prohibited by section 231A of the Foreign Assistance Act, as amended, from operating its programs of political risk insurance and project finance in any country that is not "taking steps to adopt and to implement laws that extend internationally recognized worker rights." In complying with this statute OPIC employs the definition of internationally recognized worker rights contained in section 502(a)(4) of the Trade Act of 1974, as amended.

The U.S. Congress, in House Report 99-285, Senate Report 99-156, and Conference Report 99-428 accompanying the OPIC Amendments Act of 1985, identified criteria it intended OPIC to use in making a determination as to whether a country is "taking steps" to adopt and to implement internationally recognized worker rights. These criteria, which OPIC has adopted as part of its worker rights evaluation procedure, include the following:

A. The country is a member of the International Labor Organization (ILO) and is a signator of the ILO Constitution.

B. Its laws conform to one or more of the fundamental rights listed in Section 502(a)(4) of the Trade Act of 1974. These rights are:

(1) The right of association;

(2) The right to organize and bargain collectively;

(3) Prohibition of forced or compulsory labor;

(4) Minimum age for employment of children; and

(5) Acceptable conditions of work with respect to wages, hours of work and occupational health and safety.

C. It continues to make progress in implementing internationally recognized worker rights.

This review of worker rights in the Republic of Korea is submitted in accordance with OPIC's responsibilities with respect to the determinations required under section 231A of the Foreign Assistance Act.

INTERNATIONALLY RECOGNIZED WORKER RIGHTS IN THE REPUBLIC OF KOREA

OPIC has reviewed the available information[1] on the subject of worker rights in the Republic of Korea (ROK) and, in this connection, has consulted with the Departments of State and Labor. OPIC has determined that, notwithstanding steps taken by the ROK to adopt and implement internationally recognized worker rights, the recent and current status of worker rights affairs in that country requires that OPIC not accept new business until OPIC is able to make a positive worker rights determination for the ROK. OPIC intends to work closely with the Government of the ROK to promote continued improvement in worker rights practices so that OPIC can resume doing new business there.

OPIC last examined the status of internationally recognized worker rights in the ROK in April 1989. At that time, OPIC found that the ROK's record was mixed, as it is now. While the ROK had taken some significant steps in certain areas, such as prohibitions on compulsory labor, minimum age for employment and minimum wages, basic freedoms of association, organization and collective bargaining were still tightly restricted with respect to trade union independence, pluralism and forms of collective bargaining.

At that time, important legislation was pending in the National Assembly, which would have expanded significantly freedom of association, organization and collective bargaining. OPIC interpreted this legislative momentum as indicative that the country was continuing to make progress in adopting and implementing worker rights. However, following bipartisan passage of most of the pending legislation by the National Assembly in 1989, all of the progressive amendments were vetoed. Consequently, in spite of continuing increases in union membership and wages, there has been no significant progress since 1988 with respect to freedom of association, organization or collective bargaining.

Moreover, the government of the ROK issued a number of restrictive regulations in 1989 that reduced the scope previously accorded to freedom of association, organization and collective bargaining, placing new limitations on the right to strike, and restricted collective bargaining on Export Processing Zones. The government enforced existing and new restrictions by arresting and imprisoning leaders of independent labor unions and organizers of sympathy strikes on questionable legal grounds.

Section 231A of the Foreign Assistance Act instructs OPIC to evaluate a country's worker rights performance by determining whether it "continues to make progress" in adopting and implementing laws that extend internationally recognized worker rights. Notwithstanding previous and important steps taken by the ROK, developments in the ROK since early 1989 makes it difficult for OPIC to make a positive determination with respect to the ROK's adoption and implementation of internationally recognized worker rights at this time.

The ROK is actively applying to join the International Labor Organization. ILO membership implies certain obligations with respect to worker rights and subjects member countries to the scrutiny of the ILO with respect to their laws and practices. Therefore, it is reasonable to expect that the ROK will resume its previous course of progress in the adoption and implementation of internationally recognized worker rights.

A.W.A.R.E. OF OUR NATION'S DRUG PROBLEM

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MAZZOLI. Mr. Speaker, on July 19, I had the pleasure of meeting with the members of the Louisville and Jefferson County A.W.A.R.E., (Area Wide Alcohol/Drugs Rehabilitation Education Enforcement) Coalition in my district. Our meeting was prompted by a request from Governor Martinez, head of the Office of National Drug Control Policy, for suggestions and recommendations that could be incorporated into the 1992 National Drug Control Strategy he is charged by law to prepare.

The response at the meeting, I am proud to say, was overwhelming. The enthusiasm and the energy of A.W.A.R.E. members are a reflection of their serious commitment to achieve the coalition's mission—to plan, coordinate, and promote effective alcohol and other drug prevention, intervention, treatment, and volunteer programming.

We must all work together to fight drug use and abuse throughout this country or we will never prevail. Mr. Speaker, by implementing suggestions such as those developed by the A.W.A.R.E. Coalition, I believe, the Nation can and will make headway in combating the drug epidemic plaguing our country.

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[1] Sources consulted in this review of worker rights conditions in the ROK include testimony presented by labor and human rights organizations at OPIC's public hearing of November 27, 1990; the State Department's "Country Reports on Human Rights Practices for 1990"; unclassified reporting from the U.S. Embassy in the Republic of Korea; "Retreat from Reform": An Asia Watch Report (1990), and the U.S. Labor Department 1990 Report on Worker Rights in Export Processing Zones.

Mr. Speaker, I wish to submit for the RECORD, a summary of the recommendations of the Louisville and Jefferson County A.W.A.R.E. Coalition which I have shared with Governor Martinez.

A.W.A.R.E.,
Louisville, KY, July 19, 1991.

Hon. ROMANO MAZZOLI,
Rayburn Building, Washington, DC.

DEAR CONGRESSMAN MAZZOLI: On behalf of the entire A.W.A.R.E. Coalition, please allow me to take this opportunity to express my appreciation for your addressing our coalition regarding information relative to the House Select Committee on Narcotics Abuse and Control, and for your request for the Coalition to provide input toward the framework for the fourth National Drug Control Strategy.

In responding to issues related to community substance abuse problems, we have found that often the strategy is fragmented and non-comprehensive in its scope. We believe that a substantive and comprehensive "Drug Control Strategy" should not only delineate the problem but should provide a framework for actions that increase the likelihood for change and which creates a climate that give citizens the best chance for success on this issue within their own community.

We also believe that any wholistic strategy must also be sensitive to the cultural, ethnic, and geographical uniqueness of the targeted community. Finally, a comprehensive drug control strategy must be multi-faceted in its approach. That means it must target not only the agent or the targeted chemical(s) we wish to eradicate or to be used in healthier ways, but an exhaustive strategy must also find a way to work with the "environment," or the systems at work within the targeted community, i.e. Family, Church, Industry, Peer Groups, etc., and with those individuals who are affected or who are likely to be adversely affected by the chemicals. Any strategy that does not involve these three entities is not likely to be very effective.

Before I delineate the Coalition's suggestions for inclusion into the next Drug Control Strategy, allow me to take a few moments to highlight a little about our city and what we have done to tackle community imbedded substance abuse problems.

Louisville is a unique city in that it has two governing bodies. the City and the County. Both city and county agencies have responsibility for specific departments in their territories. Louisville is Kentucky's largest city with a population of 685,004. Located on the southern bank of the Ohio River at the Falls of the Ohio, Louisville lies in a large valley. The Louisville and Jefferson County community spills into the valley to east, west, and south, covering approximately 386 square miles. In the past, governmental agencies within the community have found working together in a collaborative effort, an important, yet difficult challenge.

In 1986, Jefferson County Government organized an agency we called TRIAD (Targeting Resources in Attacking Drugs), TRIADs initial mission was to review local efforts in combating substance abuse in our community. In 1990, Jefferson County Judge/Executive David L. Armstrong and City of Louisville Mayor Jerry E. Abramson recognized that the community as a whole was not receiving a uniform prevention message, and that there was no central point of access to education, rehabilitation, volunteerism, and law enforcement efforts. In May of that year, both the County Judge and the Mayor made a joint commitment to reorganize as a community-driven effort that incorporated the combined sponsorship of both governments. The new coalition was given the name A.W.A.R.E. (Area-Wide Alcohol/Drugs Rehabilitation, Education, and Enforcement) Coalition.

Our revised mission is to establish the A.W.A.R.E. Coalition as an effective organization relating to planning, coordinating, and promoting effective alcohol and other drugs prevention, intervention, treatment, and volunteer programming. An integral part to the coalition's approach includes a strong law enforcement component which through its efforts will seek for a reduction of both drug supply and demand in the Louisville and Jefferson County area. The coalition represents key community leaders, diverse organizations, members of government and other interested individuals/groups who are concerned about developing a centralized, coordinated infrastructure for alcohol and other drug programming within our community. The coalition facilitates this mandate through its Executive Director, Executive Board, and corresponding five subcommittees (Education, Rehabilitation, Enforcement, Volunteers, and Grants/funding Subcommittees).

DRUG STRATEGY SUGGESTIONS

Alcohol and other drug use among both adults and adolescents is widespread and ranks as one of the nation's most serious public health problems. Prevention and treatment specialists recognize that alcohol and other drug abuse problems are often rooted in unacceptable social behaviors and that steady progress will only occur when there is a coordinated strategy employed that addresses both the supply (trafficking) of illegal drugs and demand (use, abuse, and addiction). Creating awareness through appropriate and consistent prevention and education messages, developing alternative treatment programs for individuals using illegal drugs, and creating and enforcing harsher penalties for those who choose the illegal drug industry as a career, must be a part of that comprehensive strategy.

When Louisville-Jefferson County developed its "Drug Strategy," its purpose was to ensure that community-wide efforts to address the local drug problem include a balance of activities in the reduction of drug supply and demand. Through provision of a true continuum of services in treatment, prevention and education, and enforcement, Louisville and Jefferson County is working towards the realization of a drug-free community.

As the foundation for such a participatory approach, our drug strategy sought to enable Louisville and Jefferson County to continue to:

1. Focus resources and energies on prioritized problems.

2. Monitor trends and incorporate emerging problem areas into a flexible planning process.

3. Maximize utilization of resources by reducing duplication and developing a community-wide approach to illegal drug activity.

4. Facilitate and encourage joint ventures and partnerships in the local war against drugs.

5. Continue to improve the quality of data collection and analysis on local drug activity.

6. Utilize a research agenda in program evaluation to determine "what works." Even if the data reveals that programmatic outcomes are less than expected, that information is also valuable in providing direction and/or mid-term corrections for planning and programmatic initiatives.

7. Consolidate and standardize local efforts in drug abuse prevention and education.

8. Hold drug users accountable through increased drug enforcement and programs utilizing drug testing.

9. Improve the criminal justice system's response to drug-related cases through development of a coordinated system approach to drug control recognizing the inter-related nature of the criminal justice system and the impact of new programs on justice agencies.

10. Develop innovative approaches to expanding treatment resources for drug dependent individuals.

11. Reduce the level of illegal drug use in Louisville and Jefferson County.

To ensure successful implementation of our strategy, four elements were identified as being critical:

1. Sufficient and accurate data is needed to define the scope of the local drug problem for both program planning and evaluation purposes.

2. A city and county planning body is needed to serve an oversight role and provide a forum for interaction between treatment, education, and enforcement personnel. The new A.W.A.R.E. Coalition has assumed this role in our community and began laying a foundation for community-wide action.

3. A community-wide commitment to a comprehensive anti-drug initiative including both the public, private, and corporate sectors is critical. Through the activities of the A.W.A.R.E. Coalition, efforts are being made to involve every sector of the community in the fight against illegal drug use.

4. Finally, fiscal stability of prevention/education, treatment, and enforcement programs beyond local, state, and federal funding is imperative to longevity of programmatic initiatives. Some mechanism must be developed to involve community residents, organizations and the corporate structure in our strategy. When community residents, organizations and the corporate structure commit their monetary resources, no matter how small, they share in the ownership of the strategy. This ensures stability of our substance abuse prevention, treatment, and interdiction efforts.

GAPS IN EXISTING PROGRAMS AND SERVICES

Below you will find the areas that have been identified in the Louisville/Jefferson County community as being "Gaps In Existing Substance Abuse Programs and Services." Since Louisville and Jefferson County are fairly comparative to most mid-sized cities throughout our nation we believe our areas of concern will be reasonably consistent with national norms in this arena. In comparing the range of programs and services currently in place in Louisville and Jefferson County to the ideal continuum of services needed to effectively address the multifaceted problems resulting from illegal drug use and in consultation with service providers in the prevention, intervention/treatment field, and law enforcement, it became evident that if we are going to address this issue in a comprehensive fashion, the following gaps must be addressed. While resource limitations make it virtually impossible to fully address, we hope that as the Office of National Drug Control Policy develops its new strategy, that they will keep a programmatic and fiscal eye towards these identified gaps.

While not listed in priority status, the A.W.A.R.E. Coalition has reviewed existing programs and services in our community and have identified the need for:

REHABILITATION/TREATMENT CONCERNS

Additional Medicaid monies to support adolescent treatment. Medicaid's policy for adolescent substance abuse reimbursement varies from State to State. In Kentucky, Medicaid was reimbursing for inpatient alcohol and drug treatment for adolescents as long as there was an accompanying psychiatric diagnosis. The recent change in regulation enforcement means that many adolescents will not have access to the alcohol and drug treatment they need.

A continuum of services for juveniles with substance abuse problems that includes residential placement options. Since specialty alcohol and drug treatment facilities are generally less expensive than multi-purpose psychiatric facilities. Many communities across our nation will be forced to look to more expensive treatment alternatives for adolescents with substance abuse problems.

Additional inpatient and outpatient drug treatment slots for the indigent is badly needed. There needs to be projects which target homeless males with alcohol abuse problems and provided a range of support services, including case management and a sobering up station to promote transition to productive life styles.

Broader categories of third-party reimbursement for drug and alcohol treatment. Insurance companies are becoming more restrictive regarding payment of treatment. Since many of these patients are not able to pay for the care they need, the need for low cost options and indigent care continues to grow.

There needs to be more data collected on the impact of short lengths of stay due to limited insurance funding.

Additional halfway house facilities. Adult male and female halfway houses have waiting lists of 2-8 weeks. Many more adult male and more adult female halfway houses are needed.

A range of treatment services, both inpatient or outpatient for parolees or those inmates who are incarcerated.

LAW ENFORCEMENT CONCERNS

A study of national correctional needs in relation to the drug problem to identify treatment needs of incarcerees who are substance abusers.

An independent correctional assessment facility to evaluate probationers and parolees to determine the extent of their chemical problem. This evaluation would include the level of use abuse or dependency and recommend the requisite service.

Development of a broader range of sentencing options and programs which specifically target drug offenders. These sentencing options and programs must have the freedom and innovation to experiment with non-traditional treatment methods.

Information on the overall impact of drug-related crime on the criminal justice system. Many clients who appear before the criminal justice system on non-drug-related charges have engaged in criminal activities that are directly related to their chemical use issues.

A national pilot project of treatment for multiple DUI offenders while they are in jail.

Legislation to support law enforcement activity in attacking both the use of illegal drugs and the abuse of pharmaceuticals.

Drug enforcement efforts that extend beyond specialized units to the patrol level.

EDUCATION: PREVENTION/INTERVENTION CONCERNS

A coordinated and uniform prevention message. While many more prevention-related activities are being implemented there remains no national unified, appropriate, geographical, and culturally-specific message.

Expanded utilization of drug treating technology (drug testing, ignition interlocks, etc.) in holding drug users accountable, and breaking through the initial stages of "denial."

Expanded and standardized drug prevention curriculums in the schools.

Broadening of the breadth and scope of prevention programs targeting families.

Community-wide drug-free workplace policies. While many communities have a number of employee assistance programs in place, little work has been done to address the issue of alcohol and other drug abuse in the work-place, particularly in small businesses of 100 employees or less, where access to EAP-related services are not readily available.

Statistics reflect that a small percentage of referrals to prevention, intervention, or treatment services are generated by "Family Physicians." We believe that this is not due to a lack of concern on the part of family physicians, but rather the low level of physician referrals may be the lack of "physician specific" education and direction. A national effort needs to be employed to educate this often overlooked, but vital link in the education, intervention, and treatment process.

VOLUNTEER RELATED CONCERNS

We see the need for a national volunteer network that would allow community oriented substance prevention groups to have access to a wide range of information, materials, media messages that can be locally tagged, and volunteer-specific trainings. In this way the likelihood is increased that community groups would experience a greater sense of empowerment to deal with community substance abuse problems.

Volunteer training in the prevention of drug use and alcohol abuse. Many communities have a number of neighborhood organizations which offer an invaluable volunteer network. To date, however, there has been no systematic national comprehensive program to train these volunteers to disseminate a uniform national community drug prevention message.

National Community Ministries and Ministers Initiatives: A national effort to utilize an often overlooked resource should be initiated. These individuals represent a powerful voice in every community. To date, no national effort has been effectively employed to train this vital group in appropriate chemical prevention messages or how to use their influence to promote an intervention or treatment referral.

GRANTS/FUNDING RELATED CONCERNS

Promote continued legislative efforts to allow for federal anti-drug direct pass through monies.

Recommend that safeguards are instituted to ensure that federal anti-drug match remain at the current 75/25 split.

Recommend that there be more allocation of treatment money for criminal justice populations.

IMPROVING U.N. RESPONSE TO DISASTERS AND HUMANITARIAN EMERGENCIES

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. BEREUTER. Mr. Speaker, today I and other Members will introduce a resolution to press the United Nations for a speedier response to disasters and humanitarian emergencies. It asks the Secretary-General to develop a system that can begin operating on the ground within 24 hours of an emergency.

The need is great and growing—18 million refugees and even more displaced persons. But recent experience has shown that the United Nations is not well organized to respond quickly and coherently to complex emergencies such as the relief of the Kurds.

U.N. relief experts should be quickly assembled into a disaster team on site. Emergency response capability should be built into budgets and planning and agreements with member governments for standby assistance. Lending military airlift and logistics support might even be part of such standby arrangements.

The U.S. Government and other governments are encouraging the United Nations to reform its unwieldy organization chart. The highest priority should be a workable U.N. system for dealing with disasters and humanitarian relief.

I invite my colleagues to join as cosponsors of this resolution. Timely U.N. relief efforts do mean the difference between life and death.

H.R. 3207

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. TORRES. Mr. Speaker, Today, along with 17 of my colleagues, from California, I am introducing legislation H.R. 3207 to create a San Gabriel Basin Groundwater Clean Up Demonstration project as part of the Clean Water Act.

I believe that the problems in the San Gabriel Valley Groundwater Aquifer present a unique opportunity for the community to solve a seemingly insolvable problem, by working together with the Federal Government in a public-private partnership.

The San Gabriel Aquifer, the most heavily contaminated potable groundwater basin in the United States, is listed four separate times on the National Priority List [NPL] of Superfund. The contamination primarily comes from Volatile Organic Compounds [VOC's]. No one is sure, but the chemical pollutants were probably generated by hundreds of facilities scattered throughout the valley over more than 30 years.

The San Gabriel Acquifer represents a unique resource for southern California, both because it provides essential drinking water for 1 million people, and also because it offers the possibility as serving as a reservoir for water storage for the Metropolitan Water District in the future. For both of these reasons, it is essential that this resource not be lost.

Once contaminated, groundwater is very difficult to cleanup. Complicating the cleanup is the fact that 45 different water purveyors are legally entitled to take water from the basin. Except for annual quantity limits, pumping in the basin is currently unregulated by any government entity. According to EPA, the result of unregulated pumping has been the unpredictable plume movement of the contaminants in the groundwater. This plume movement is referred to as the "plume".

Because the groundwater flows under hundreds of different facilities, apportioning responsibility has been very complicated and could eventually be very litigious.

EPA has estimated that cleanup in the San Gabriel Valley will take 30 to 50 years at a cost of over $800 million. To date, over $30 million has been spent on the San Gabriel Valley on studies and investigations. No responsible parties have been identified and only one treatment facility, costing over $1.5 million has been built to provide water treatment for 200 people, representing approximately $75,000 per person.

The magnitude of the groundwater contamination in the San Gabriel Valley, the legal complications and the difficulty of cleaning up the basin will require new State and Federal legislative action. The current Superfund system, as it is interpreted by EPA, appears inadequate in both structure and resources to deal with the long-term cleanup needs of the San Gabriel Valley. The situation in the Valley will require new regulatory and financing structure to assure cleanup adequate to protect the health and safety needs of the water users.

The community in the San Gabriel Valley is convinced that EPA does not have the capability to resolve the aquifer contamination problem in a way which will protect drinking water supplies or ever identify responsible parties. The community is convinced that, working together, it can accomplish more, in a shorter time, and for less money, than EPA would ever be able to accomplish.

Most of the contamination in the San Gabriel Valley occurred many years ago; some of it legal, some of it illegal. It may be futile, excessively expensive and unfair to attempt to tie specific contamination to a specific facility. Members of the industrial community, however, say they are willing to pay for the cleanup in the San Gabriel Aquifer, but they are hesitant to fund extensive additional investigations.

The San Gabriel Basin demonstration project, using the basinwide technical plan already developed by EPA, would be used to conduct the cleanup activities in the basin. The industrial community would be invited to contribute to the cleanup, using a formula, based on their industrial code, their proximity to known contaminated wells and their gross revenue. The industrial facilities will be asked to sign a contract with EPA to pay their share of the groundwater remediation costs. If 95 percent of the eligible facilities agree to participate then the project will commence. If a facility contracts with EIA and fulfills its obligations under the contract, then Superfund liability will be suspended. The Federal and State governments will be obligated to each pay 10 percent of the costs. Cleanup decisions will be coordinated through an independent lead agency established by the State of California.

The time has come for some creative solutions to the groundwater crisis in the San Gabriel Valley. My proposal would create a cooperative climate that would get the job done, quickly, efficiently and without an inordinate amount of time-consuming and economically devastating litigation. This is a win-win proposal for all of California, and I urge my colleagues to support this effort.

PROTECTION ACT OF 1991

HON. THOMAS J. BLILEY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. BLILEY. Mr. Speaker, I am pleased to join with my distinguished colleagues, Mr. BRUCE, Mr. ROBERTS and other Members in introducing, the Food Quality Protection Act of 1991, legislation that is designed to modernize our food safety laws. The wholesomeness of our Nation's food supply is crucial. At the outset, I think it is important to say that the United States currently has the safest and the most abundant food supply in the world. Indeed, experts assure us that our food supply has never been safer. However, the time has come to update our food safety laws to reflect the state of modern science and our ability to detect risk.

This legislation attempts to strike a delicate balance. It recognizes the importance of preserving our ability to produce a safe and abundant food supply. It does not compromise on safety, but insists that the evaluation of risk be based upon real world circumstances. It will ensure prompt regulatory action to protect the public health, while at the same time ensuring that emotion does not win out over good science.

Outlined below are the main features of the Food Quality Protection Act of 1991.

1. The Food Quality Protection Act would streamline the lengthy and cumbersome pesticide cancellation process under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). These changes would significantly reduce the time-frame for removing pesticides from the market after EPA determines them to be hazardous.

2. The legislation requires the Administrator of the EPA and the Secretary of Agriculture to research, develop and disseminate information on integrated pest management techniques and other pest control methods. These efforts would enable producers to reduce or eliminate applications of pesticides which pose greater than negligible dietary risk to humans. This provision requires that the program focus first on crops critical to a balanced, healthy diet.

3. A negligible risk standard is established to replace the unworkable Delaney Clause. This implements the National Academy of Sciences recommendation for a uniform negligible risk standard for pesticide residues in food which gives EPA the ability to improve its regulation as science evolves.

4. Importantly, the bill allows for the consideration of human health benefits if EPA determines that a pesticide residue holds a greater than negligible risk. In determining whether to allow a pesticide's use, the EPA would be directed to take into account health, nutritional benefits, and consumer cost. No consideration would be given to impacts on pesticides producers or distributors. This provision is particularly important to low-income Americans, millions of whom spend 40 percent or more of their income on food.

5. The percent of raw agricultural commodities or processed food actually treated with a pesticide would be required to be considered in determining dietary exposure calculations. In addition, actual residue levels must also be used, where available, in making exposure calculations.

6. In establishing a tolerance, the Food Quality Protection Act would require EPA to consider CODEX recommended international residue limits and to explain any departure from the CODEX limits. Where adequate safety data is available, setting U.S. limits consistent with CODEX would foster harmonization of international pesticide standards. The bill does not, however, require EPA to adopt the CODEX standards. They would only be required to explain why they have chosen a different standard.

7. States and political subdivisions would be precluded from issuing different tolerance limits, warning requirements, or other restrictions for pesticides registered or re-registered after April 25, 1985. Consumer protection would be assured by limiting required uniformity to tolerances supported by full scientific testing and recent EPA approval. States would be permitted to petition EPA for approval of a different tolerance on the basis of compelling local conditions.

Finally, I would note my hope that this bill will provide the vehicle to address and resolve the minor crop issue for the benefit of all those affected, from the farmer to the consumer. Growers of fruits and vegetables and other specialty crops face a severe problem concerning the pending loss of registered chemicals needed to produce the variety, quality, and quantity of fresh fruits and vegetables demanded by the American consumer. Due to the requirements of the FIFRA legislation enacted in 1988, approximately 24,000 chemical product registrations have already been dropped. Many of these products were used on minor crops, as well as infrequent or low-volume uses on major crops. Other legislation currently pending in Congress could also seriously affect the availability of minor use pesticides. Minor crops account for approximately $35 billion in sales at the farm gate—one-fifth of the total value of sales by all U.S. farmers.

The bill as introduced today does not contain a title on minor use. However, this issue is being reviewed and discussed by Members of Congress, officials of EPA, USDA, and FDA, leaders of the food industry and other interested parties. I look forward to their recommendations to resolve this problem and will work to ensure their incorporation in this legislation.

I urge my colleagues to join me in cosponsoring the Food Quality Protection Act of 1991.

A DUMB IDEA FOR A SICK SYSTEM

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. STARK. Mr. Speaker, the recommendation being put forward by Secretary Sullivan's health panel, to add 10 million poor to the Medicaid roles will not work and shouldn't.

The working poor who would be the largest group of recipients don't want to be on welfare. They are struggling hard to rise out of a dependent situation and into self-sufficiency. Adding them to the welfare roles would be a slap in the face and the further undermining of the hard fought for ground they have gained. Yes, they want health care, and yes, they may need some form of subsidization, but they don't want to be required to prepare a dossier that demonstrates they are helpless when they are not.

Asset testing for the Medicaid programs is one of the largest barriers to access to health care for the present Medicaid eligible beneficiary. In my State, California, it requires a 25-page application and about 3 months to accomplish.

Twenty-five years ago, we enacted legislation to improve access to quality health care for the poor of our Nation. Under Medicare, an insurance program, access for those over 65 years of age and those permanently disabled has been obtained and their health care has improved. Under Medicaid, a welfare program, access is still often denied and the health of its recipients, mostly women and children, have shown no comparable improvement. Why assume that adding more people to the Medicaid roll will solve the health care problems of the uninsured?

Simply increasing physician payment, which the panel suggests, will not significantly improve access. There is considerable empirical evidence of that. California doubled its obstetrical fee and still experienced a decrease in the number of obstetricians willing to care for Medicaid beneficiaries. Our major metropolitan areas have seen an exodus of most private physicians from the inner city, often leaving only high volume providers frequently operating what are called "Medicaid Mills" plus community and public clinics to care for the poor. Doctors practicing in Medicaid Mills will profit most from increasing physician fees under Medicaid and the public will be poorly served.

Because of geographic barriers, cultural and language barriers, and transportation costs physicians in private practice are going to be no more willing or able to effectively serve this additional 10 million Medicaid recipients than there are eligible now. Developing a quality-controlled system of community and public health clinics and allowing these people access to managed care settings such as Kaiser under Medicare-like contracts are a better answer to the needs of the uninsured.

My Mediplan bill, H.R. 650, not only describes a way to provide insurance rather than welfare to 10 million people but also tells how to pay for it, something sadly lacking in the grandiose scheme suggested by the administration's health panel. Each adult worker's liability of $200 per year or about $4 per week is something I believe these people would prefer if given the choice between a welfare handout and an insurance payment affordable to them, which would maintain their independence and dignity.

Physicians claim the process for Medicaid reimbursement is too time consuming, cumbersome, frustrating and unpredictable. An additional 10 million people added to a sick system will not make it well. Administrative costs of Medicaid compared with Medicare are two to three times higher. That means valuable health care dollars spent inefficiently.

Medicare is beginning reimbursement to physicians January 1992 on a resource-based relative value scale. This eliminates much of the inequity among specialties and encourages primary care, so desperately needed by the uninsured. Medicaid has no such system resulting in a depletion of cost-effective primary care access points and a transfer of patients into costly emergency room and hospital clinic sites.

We should and we will pass legislation to help the poor people get health insurance but Medicaid is not an insurance program and let's keep that fact very clear.

ASEAN DISMISSES HUMAN RIGHTS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PORTER. Mr. Speaker, 25 years ago Brunei, Indonesia, Philippines, Singapore, and Thailand came together and formed the Association of Southeast Asian Nations [ASEAN].

Last week foreign ministers of these nations convened in Malaysia for their annual meeting. I wholeheartedly support regional cooperation such as this, both for developing economic relations and for focusing on social issues of mutual concern.

But I was outraged when I heard the association declare that individual countries should be allowed to set their own policies on human rights without having to submit to Western standards.

Mr. Speaker, this statement is unacceptable. The standards for human rights that we set in the United States are the same ones outlined in the Universal Declaration of Human Rights.

Human Rights are not a matter of internal affairs. Governments must be held accountable to their citizens and to the international community.

We did not sit by as the Chinese military ran over prodemocracy demonstrators. We did not sit by when Iraq invaded Kuwait. Likewise, we will not ignore the plight of any individual in this world whose human rights are not being wholly respected.

TRIBUTE TO SPORTS ENTHUSIASTS ENGAGED IN COMMUNITY SERVICE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DINGELL. Mr. Speaker, I am pleased to rise today to honor those sporting enthusiasts who have devoted themselves to serving their communities. Sportsmen Against Hunger is one such charitable group which has initiated a nationwide effort to help feed hungry Americans. In the fall of 1989, several hunting organizations joined together in the battle against hunger and donated their surplus game to the Salvation Army. The movement spread rapidly from coast to coast, and within its first 6 months, Sportsmen Against Hunger supplied more than 50 tons of game meat to Salvation Army outlets across the Nation.

I would like to draw special attention to the ambitious efforts of Michigan Sportsmen Against Hunger. The Michigan United Conservation Clubs, a statewide conservation group, has teamed up with the Safari Club International to create a very effective food donation program in Michigan. There are over 1 million people participating in the hunting sport each year in Michigan, and many of them have the opportunity to donate wild game as well as canned food to the Salvation Army. Last year, the Salvation Army served more than 1.3 million meals in its Michigan centers, and it welcomes the assistance of Michigan Sportsmen Against Hunger. A large majority of the Salvation Army's budget is spent on meat. The surplus game donated by the Michigan hunters will allow the Salvation Army to use a greater portion of its budget for resocialization programs such as job training and job placement, as well as to extend services to more people throughout the State.

By providing the needy with an abundant, renewable, and nutritious food source the hunters are able to share their success with those who are not as fortunate. The Sportsmen Against Hunger food donation program takes hunting a step beyond recreation, and it provides a valuable model for others to emulate. Member organizations of Michigan Sportsmen Against Hunger predict that many more organizations will follow their lead and make regular meat contributions to the Salvation Army.

It is a tragedy that in a country as advanced as ours thousands of people are starving. In this time of rapid social and economic change throughout the world it would be easy to overlook such a domestic problem. Fortunately, there are organizations such as Sportsmen Against Hunger that are actively engaged in assisting the less fortunate.

In addition to feeding the hungry, sporting enthusiasts have taken the initiative in other areas of community service. The Safari Club International sponsors a Sensory Safari for students with visual impairments. The Safari enables those with impaired vision to experience the size and texture of wild animals which would otherwise be difficult for them to comprehend.

These people deserve praise for their charitable efforts, especially at a time when hunting enthusiasts have come under fire for defending their rights to engage in sport hunting activities and to bear and use firearms.

Mr. Speaker, at this time I would like to ask my colleagues to join me in saluting these sporting enthusiasts for their contributions to their communities and their dedication to helping their fellow Americans.

TRIBUTE TO J. MAC BARBER

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DARDEN. Mr. Speaker, longtime Georgia public servant J. Mac Barber understands firsthand the importance of fundraising to one's political career, but he would rather give than receive any day.

For more than 40 years, Mr. Barber has given unselfishly of his talents for the betterment of the State of Georgia. He also has made substantial financial contributions to various institutions and charities throughout the State so that many others may benefit as well.

This year, Mr. Barber made a $500,000 contribution to the University of Georgia College of Family and Consumer Sciences in memory of his beloved partner in life, the late Janette McGarity Barber. As a dedicated leader, educator, scholar, civil servant and most outstanding personality, Mrs. Barber served the citizens of Georgia in a variety of positions and responsibilities. Her incredible abilities and energies made lasting contributions to the quality of life and cultural appreciation of thousands of Georgians.

Mrs. Barber received her education at the University of Georgia, earning bachelor of science, master of education, and master of arts degrees. In addition to being a member of several honor societies, she also was active in the college's home economics department, which has since been renamed the College of Family and Consumer Sciences.

Recently, and also in memory of his wife, Mr. Barber donated $15,000 to the Kappa Alpha Theta sorority at the University of Georgia for refurbishment of the chapter room at the sorority's historic campus home. Mrs. Barber was a founding member of the Georgia chapter and served as the first president. My wife, Lillian, and daughter, Christy, also are members of the sorority's Georgia chapter. Mrs. Darden remembers Mrs. Barber as a devoted and giving alumna who always maintained a strong interest in the chapter. The chapter room will be named in her honor at ceremonies later this year. Due to the generosity of Mr. Barber, my daughter and her classmates and their daughters will be able to look to Janette McGarity Barber as a role model for years to come.

Mr. Barber has been a prominent figure in Georgia for more than 40 years. In addition to having been a member and chairman of the Public Service Commission, Mr. Barber has served as member of the State legislature; mayor of the city of Commerce; president of the Georgia School Boards Association; member of the Georgia Science and Technology Commission; chairman of the Banks, Jackson, Commerce Hospital Authority; president of the Chamber of Commerce; and chairman of the Standing Committee on Education in the Georgia House of Representatives to name but a few

Mr. Barber's list of awards is as impressive as it is long. He has received honors from the Georgia Association of Educators; Emory University's Kappa Phi Kappa Literary Society; the Georgia Pre-School Association; the State YMCA Youth Assembly; the Phi Delta Kappa Literary Society; the Georgia Youth Council; the Georgia School Boards Association; the College of Home Economics, University of Georgia; the Georgia Science and Technology Commission and the Jackson County Education Association. The citizens of Jackson County honored Mr. Barber with a public dinner and awarded him an automobile. He also received a citizenship award by the Veterans of Foreign Wars, and was cited three times by the Georgia General Assembly for his consumer protection activities as a member of the Public Service Commission.

Mr. Barber resigned from his position as public service commissioner several years ago after the death of his wife. He ran for his seat again last year and was re-elected by an overwhelming margin. His campaign advertisement listed many of his achievements and prominently displayed what Mr. Barber considers to be his greatest honor—when Janette accepted his proposal of marriage. Undoubtedly, Georgians recognize and appreciate the exceptional character of Mr. Barber, personally and professionally.

Mr. Barber's selflessness is a rare quality, one for which each of us should strive to achieve. On behalf of all Georgians, I would like to thank Mr. Barber for making the State of Georgia a better place to live. His efforts, like his unique character, will not be forgotten.

MEDICARE REIMBURSEMENT FOR CHIROPRACTORS

HON. JIM MOODY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MOODY. Mr. Speaker, today I rise to introduce legislation to allow Medicare to reimburse chiropractors for x rays and physical exams when performed to determine if manual manipulation of the spine is an appropriate treatment for a spinal problem. This is companion legislation to S. 614 introduced by Senator DASCHLE.

Under current law, chiropractors are reimbursed by Medicare for performing manual manipulation of the spine to correct a subluxation of the spine. A diagnostic x ray is required by law before such manual manipulation can be performed; however, Medicare will not reimburse a chiropractor for the x ray. In addition, before performing manual manipulation of the spine, physical exams are routinely performed by chiropractors as part of their standards of care. Medicare will not reimburse for the physical exam either.

The Rand Corp. is currently conducting a study of the effectiveness of manual manipulation of the spine. A recent New York Times article highlights the study and states:

> But perhaps the most convincing sign that the therapy is moving center stage is that researchers at the Rand Corp., who have studied the medical utility of coronary bypass surgery and hysterectomies, have recently turned their attention to spinal manipulation. And to their surprise, early studies indicate that the technique holds up well.

Their study showed their patients with certain types of low back pain—

> had significant relief after manipualation and were able to return to work sooner than similar patients treated with conventional methods.

The results of current law is that Medicare beneficiaries who could best be treated by manual manipulation of the spine are seeing physicians and creating higher costs to Medicare through more costly treatment. In other cases, beneficiaries are seeing chiropractors and paying for the x rays and exams out of their own pockets—a cost many seniors cannot afford. Yet another scenario is that a beneficiary must see an approved provider for the x ray and physical exam and then transfer these documents to the chiropractor for treatment. This phenomena is often referred to as passing through a "gateway" controlled by other providers. Typically, x ray services performed by a radiologist are more expensive than those same x rays conducted by a chiropractor.

My legislation is very simple and is narrowly written. It will allow chiropractors to be reimbursed for manual manipulation of the spine and physical examinations and x rays furnished to an individual to determine if such treatment is appropriate. Medicare already requires an x ray, States have already licensed chiropractors to perform x rays as well as physical exams; this legislation will allow chiropractors to be reimbursed for these mandatory services.

Its time we move Medicare reimbursement laws up to the 1990's and provide reimbursement for activities already licensed by all the States. Chiropractors are already performing these services. It is in the patients best interest that Medicare provide reimbursement for them. I urge my colleagues to support this legislation.

THERAPY FOR A DYING PLANET

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LOWERY of California. Mr. Speaker, I wish to recognize a program which promotes environmental awareness, and sets an example for other environmental programs across the country. Therapy for a Dying Planet is a program which trains interested students to preserve the Earth's diminishing natural resources. Although it is a joint effort between the Zoological Society of San Diego and the San Diego State University, the program can be duplicated in any city which has a university and a zoo.

Therapy for a Dying Planet provides each student with a wide range of experience in the field of conservation. The program begins with classroom study, and moves on to the point where the students develop their own action plan for a specific conservation problem. The students then intern at the San Diego Zoo, and eventually travel to a foreign country to participate in a conservation field study.

Each phase exposes the students to behavior-modifying techniques which they can then use to initiate other programs like Therapy for a Dying Planet in other locations. This program does more than merely supply information, it provides a unique, hands-on experience that show how individuals can make a positive impact on the environment.

In addition, the students are required to make at least two presentations to American elementary school students. This insures that the next generation will be aware of the importance of environmental issues and lets the children know what they can do to promote conservation.

Mr. Speaker, we are all aware of the dire consequences of not acting to help our environment. Therapy for a Dying Planet provides an excellent example for other cities across the Nation to follow and I hope that you and all our colleagues will join me in commending the accomplishments of this innovative program.

IN HONOR OF THE 15TH ANNIVERSARY OF MILLER BREWING CO. IN FULTON, NY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. HORTON. Mr. Speaker, I rise to recognize the outstanding contributions that the Miller Brewing Co., one of the largest corporations in the 29th Congressional District of New York, which I represent, has made since it began operating in upstate New York 15 years ago. I have, in fact, worked closely with Miller officials since the company came to New York State. This working relationship expanded greatly after I began representing Fulton and Auburn in 1982.

Construction of the $250 million Fulton Brewery began in June of 1974. It was the first brewery built by Miller after Philip Morris acquired the company. Since then, Miller's operation in upstate New York has grown to include the Fulton Container Plant and the Central New York Bottle Co. as well as the Fulton Brewery. Combined, these three Miller facilities now employ more than 1,450 people.

These employees, many of them members of the International Association of Machinists, have been a major factor in increasing Miller's shipments by over 800 percent since 1972, which has resulted in Miller catapulting from seventh place in the industry to second.

Yet, Miller means much more than beer. In my years of working with Miller, I have found it to be a responsible, community-minded corporation. As one of the premier corporations in the industry, Miller has taken an aggressive lead in developing responsible drinking programs. Miller's "Think When You Drink" campaign is emphasized during all Miller-sponsored events and programs. The commitment does not stop here; Miller also offers grassroots education programs, which emphasize the need for responsible consumption—these include TIPS and AIM, respectively Training in Intervention Procedures by Servers of Alcohol and Alcohol Information from Miller. And Miller has also produced a guide to responsible event-planning for distributors and community groups. Miller's unsurpassed commitment to promoting safe and responsible product use is a benchmark for corporate America.

In its 15-year history in upstate New York, Miller has had a tremendous impact on Fulton and New York State. The economic impact of Fulton Brewery alone on New York State is estimated to be $3.75 billion. This does not include the millions of dollars that Miller has spent on special community events. These include the Miller Court at the New York State Fair, the Miller Hot Air Balloon Festival, Fulton Riverfest, Auburn Sports Weekend, and the Community Christmas Breakfast Program.

However, the real effect of Miller Brewing in New York State cannot be measured in dollars alone. Miller clearly has an enormous commitment to the community, as manifested by the fact that its employees volunteer thousand of hours to community service each year. Furthermore, Miller regularly supports more than 30 local cultural, educational, and philanthropic organizations such as Syracuse's "Our Time Has Come" Scholarship Program, the Burnet Park Zoo, Oswego Opera, and the Merry-Go-Round Playhouse in Auburn, to name a few.

On this, the 15th anniversary of Miller Brewing Co. in Fulton, NY, I want to congratulate Miller and its over 1,400 upstate New York employees for a job well done and for all of their contributions and achievements. They are to be commended for consistently producing a product of the highest quality, aggressively encouraging responsible product use, and demonstrating an unsurpassed commitment to the local community. I look forward to continuing to work with Miller officials as they work to maintain their status as an industry leader.

LITERACY

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SHAW. Mr. Speaker, on September 17, 1787, our Founding Fathers ratified a document that would serve as a framework for our Government for centuries to come. Unfortunately, today many cannot read that every document which serves to protect their individual rights, the Constitution of these United States of America.

I rise before you today to commend the efforts of individuals and organizations that combat illiteracy, and to encourage adults who are illiterate to seek help. Our Nation's First Lady, Mrs. Barbara Bush, has done an excellent job in making people aware of what she has deemed, "the ball and chain of modern existence." While her call for volunteers has been heard, the interest of illiterate adults needs to be sparked.

In my congressional district of Fort Lauderdale, FL, the social disease of adult illiteracy is being attacked from both the private and public sectors. Eleven years ago Margaret Perry founded Learn to Read Volunteers of Broward County, a nonprofit organization that fights illiteracy. They currently have 350 volunteers who tutor close to 500 students ranging from 18 years of age to 80. The dedication of this nonprofit organization serves as an inspiration to all of us who fight for literacy. Their efforts can be matched by the Adult Literacy Center which uses Florida lottery dollars to instruct over 28,000 illiterate adults.

The Broward County Library System has offered a literacy program for over 11 years. Its READ campaign primarily focuses on economically disadvantaged areas. The achievements of its literacy program were recognized when IBM distinguished it with 1 of 12 grants of PALS, a computerized literacy program. It has recently expended its program to include a successful work force literacy program with Waste Management, Inc. Its far-reaching program should serve as a model to literacy developments throughout the country.

Last summer a woman from my district was volunteering at a Head Start Program in Parsonfield, ME. While she was encouraging young mothers to read to their children, she found that many of the mothers themselves could not read. This small example is indicative of a problem that reinforces itself generation after generation. Congress has organized programs and allocated funds. We now need to encourage this sector of the population to become involved. If those in need of help do not come forward, we cannot reach the goal of the National Literacy Act, Public Law 102–73, to eliminate illiteracy by the year 2000.

I commend the organizations in Broward County that have fought hard against illiteracy and encourage those who are functionally illiterate to seek help.

COLLEGE OPPORTUNITY ACT OF 1991

HON. WILLIAM J. JEFFERSON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. JEFFERSON. Mr. Speaker, I rise today on behalf of myself and several of my colleagues on the Education and Labor Committee; Mr. OWENS of New York; Mr. HAYES of Illinois; Mr. WASHINGTON of Texas; Mr. PAYNE of New Jersey; Mr. CLAY of Missouri; Mr. KILDEE of Michigan; and Mrs. MINK of Hawaii, to introduce the College Opportunity Act of 1991. This legislation offers vital assistance to institutions of higher learning that have not only served as a shelter from the debilitating storm of legalized oppression and injustice, but have offered hope and opportunity—to those who thought there would be none—of a more productive future through education and self-help. The institutions of which I speak are this Nation's historically black colleges and universities.

With meager resources, but great dedication to and enthusiasm for teaching, and an unusual capacity to inspire learning, these institutions have gone about their business of educating often the most disadvantaged in our

Nation, while hampered by perceptions of inferiority and deficiency. Indeed, the historical record provides incontrovertible proof that without these institutions, the Nation would be far less enriched without the talents of African-Americans.

Congress, through its most recent enactments of the Higher Education Act, has already recognized that our Nation, in order to be its most competitive and productive in the future, must provide more opportunity for a college education to more African-American students. And, the Congress has already recognized the fundamental wisdom of strengthening the capacities of HBCU's to help meet this important national goal and to realize this important national interest.

The College Opportunity Act of 1991 addresses the obstacles presently facing our African American students and helps better meet the needs of the Nation's historically black colleges and universities. This legislation amends sections of the Higher Education Act of 1965 that are critical to the survival and growth of historically black institutions. Specifically, the College Opportunity Act of 1991 makes vital changes and additions to title III—institutional aid, title IV—student assistance, title V—education, recruitment, and retention, title VI—international education program, retention and development, and title IX—graduate programs.

Under this legislation, title III part B, strengthening historically black colleges and universities, is amended to enable historically black colleges and universities to use institutional grant aid under title III to establish or enhance a program of teacher education and teacher certification preparation designed to qualify students to teach in elementary or secondary education in public schools. The minimum Pell grant allotment for part B schools is increased from $350,000 to $500,000, and the pool of historically black graduate institutions eligible to receive grants under title III, section 326 is expanded to include the Thurgood Marshall School of Law or the College of Pharmacy and Health Sciences at Texas Southern University, North Carolina Central University School of Law, Southern University School of Law, Florida A&M College of Pharmacy and Pharmaceutical Sciences and Xavier University of Louisiana School of Pharmacy. The College Opportunity Act also amends title III's endowment challenge grant provision so that institutions may reapply for grants after 5 years rather than after 10 years and the legislation raises the maximum challenge grant from $50,000 to $500,000 when appropriations targets are met.

The College Opportunity Act of 1991 makes important changes to title IV student assistance. But perhaps the most significant change is an entitlement based allocation for the Pell grant. In addition to making the Pell grant an entitlement, the maximum grant award is raised to $4,000 for the 1992–93 academic year and is increased by $500 for the out years through 1997. Further, this legislation authorizes historically black colleges and universities to establish with the approval of the Secretary of Education an income contingent repayment option for student loans. This legislation also directs the Secretary of Education to provide simplified needs analysis for poor students entering college as well as for continuing students. The College Opportunity Act of 1991 also addresses the issue of fairness in the calculation of default rates by requiring the Secretary to include the total volume of dollars on default represented by the cohort default rate, and that such calculations be supported by the most accurate data available.

Title V, educator recruitment, retention and development, is amended to increase funds and program efforts and incentives in the form of teacher scholarships and fellowships to encourage academically talented youth to pursue the teaching field at the elementary, secondary, and college levels. This legislation authorizes the establishment of new teacher programs for the improvement of the education of minorities.

The College Opportunity Act amends title VI, international education, by authorizing the establishment of an Institute for Professional and Public Policy to significantly increase the numbers of African-Americans and other minorities in the foreign service of the United States. The legislation also extends the academic junior year abroad to eligible students from historically black colleges and universities.

Finally, the College Opportunity Act of 1991 amends title IX graduate education to enable nonprofit institutions in consortia with historically black colleges and universities to receive grants for the purpose of identifying talented undergraduate students and faculty who wish to enter or continue in the higher education professorate, and to provide such students and faculty with stipends and fellowships to assist them in obtaining a doctoral degree and to return to an institution of higher education to teach.

The time has now come to reauthorize the Higher Education Act. The question my esteemed colleagues and I have raised today is one to which we believe the College Opportunity Act of 1991 provides a substantial answer. That Mr. Speaker, is how Congress and our Nation in this Reauthorized Higher Education Act can better address the obstacles facing African-American college students and better meet the needs of historically black colleges and universities.

YORKTOWN'S ANNIVERSARY

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. BATEMAN. Mr. Speaker, I rise today to commemorate the 300th anniversary of Yorktown, VA. As for attention has focused recently on the fate of a multiyear, multibillion-dollar highway bill, Yorktown's tercenteniary reminds us that before the highway system developed in this century, and before railroads developed in the last century, America relied on its river system to connect its various parts, to connect it with the outside world, and to move its people and commerce.

Like many of our oldest cities, Yorktown began its long history as one of the ports on that river system. In fact, the town was authorized under the Virginia General Assembly's "Act of Ports and Towns" in 1691, and served as an important tobacco port in the 18th century.

On August 18, 1691, surveyor Col. Lawrence Smith completed his survey for the proposed town. I am sure that the surveyors making their final sightings in Virginia's steamy August wilderness 300 years ago had no idea that the town they were laying would provide the stage on which the final scene of the American Revolution would be played out 90 years later. It is, of course, that event that sets Yorktown aside as one of the most important historic sites in our country.

Today, Yorktown is a small community situated on a beautiful site on the York River. Clearly the 17th century surveyors did their job well. At this point I will insert for the RECORD a history of the town prepared by Edward Ayres, the historian for the Yorktown Victory Center. I wish the town well on its 300th anniversary.

THE TOWN OF YORK

(By Edward Ayres)

Yorktown is best knows as the site of the decisive and last battle of the American Revolution, but for many years, it was also a thriving colonial seaport. The Kiskiack Indians were living along the York River, which they called the Pamunkey, when the English first arrived. Although Captain John Smith explored the York River basin as early as 1607, English colonists did not begin to take up land on the south bank for nearly 20 years. By 1634 settlement had progressed so rapidly that a new "shire" called Charles River County (later renamed York) was set up to meet the needs of the area's residents. One of these early settlers was Nicholas Martiau, whose plantation included the 50 acres that would later be selected as the site of Yorktown. During the 1660's, most commercial activity in the county took place at a settlement near the mouth of Wormley Creek. After the 1680's however, economic development began to shift toward the present site of the town where there existed a wharf, ferry, store, and a well.

Yorktown was established as a result of an "Act for Ports and Towns" passed by the Virginia General Assembly in 1691. The act named 15 sites in the colony that were to be developed as ports and directed that 50 acres of land be purchased from Benjamin Read for a town in York County. Although Lawrence Smith, the county surveyor, quickly carried out the Assembly's instructions by laying out 85 half-acre lots and several streets, the new town grew slowly at first because of opposition from officials in Great Britain.

Development picked up in 1697 when a courthouse for the county and a new church for York Parish were built in the town. By 1710 most of the lots had been bought by craftsmen, merchants and tavern keepers and the town contained nearly 70 buildings, including homes, outbuildings, warehouses, stores and taverns. From the beginning Yorktown's success was closely tied to the tobacco trade, and its prosperity depended on shipping. Despite its uncertain beginning, the town soon became a thriving port with a permanent population of about 150 people which at times expanded to nearly 500 when the tobacco fleet was in the river.

During the period from 1710 to 1760 the town was one of the most important centers of trade and shipping in Virginia. Large quantities of tobacco and other commodities were exported and cargoes of slaves and European goods were imported from across the

Atlantic. Most of Yorktown's trade was with England and by the 1740's as many as 50 ships might be in the vicinity at any given time. The presence of these ships, attracted by the tobacco trade, was the lifeblood of the town.

By 1750, Yorktown consisted of over 250 buildings and 1,800 inhabitants. Located on or near Main Street, the town's chief artery, were important public structures such as the courthouse, church and custom house as well as impressive brick town houses built by the wealthy mercantile families—the Nelsons, Lightfoots, and Amblers.

Yorktown quickly outgrew the limits of the original 50-acre tract on the bluff overlooking the river. The first new area to be occupied was the waterfront, and by 1715, a different type of development was taking place "under the hill" along the shoreline. This narrow strip of land below the town was where the wharves, stores, warehouses, and taverns needed by the growing port were located. During the 18th century this was a busy, crowded, and probably rowdy section of town, but it was here that much of the vital work of Yorktown was done and where the profits were made that built the mansions on the bluffs above. This "Common Shore" was incorporated into the town in 1738.

By the 1730's Yorktown was also expanding in the opposite direction to the southwest. Beginning in 1737, Gwyn Read, who owned land adjoining the town, began to subdivide and sell small lots. By 1757, this "suburb" had become so extensively built up that it was formally annexed by the town.

After 1750, the center of tobacco production shifted west to the recently settled Piedmont Region, the changing patterns of trade began to affect the town's commerce. Shipping followed the tobacco trade and other ports and areas began to grow at a faster rate, while Yorktown's growth gradually slowed and then stopped. By the 1750's, the York River's share of commerce had dropped to third place among the colony's six naval districts, and by 1776, Yorktown had come full circle from Virginia's leading center of trade to one of its lesser ports.

When Lord Cornwallis decided to occupy and fortify the town in the summer of 1781, he started a series of events that eventually resulted in the Yorktown campaign later that year. At the end of the siege on October 19, 1781, the allied American and French army had won a great victory over the British, but more than half of the town had been destroyed during the fighting.

Although Yorktown survived the Revolution and siege, it never fully recovered. The devastated town gradually became a sleepy hamlet famous for the "best fish and oysters, the best taverns in Virginia and the hospitality and friendliness of its inhabitants."

MIDDLE EAST PRIVATE INVESTMENT CORPORATION

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. OWENS of Utah. Mr. Speaker, I rise to reintroduce in modified form a bill to establish a Middle East Private Investment Corporation. The need to address one of the principal causes of instability in the Middle East—poverty and economic hopelessness—was highlighted by Secretary Baker last fall in testimony before the Foreign Affairs Committee. This proposed institution is the product of countless hours of discussion with many of the leading business figures in the Middle East, and will promote regional integration and reconciliation hand in hand with the political peace process. Now, as Secretary Baker intensifies his efforts to convene a regional peace conference leading to direct negotiations, this idea is all the more timely.

Mr. Speaker, after more than four decades of conflict in the Middle East, the fiercest battles are no longer waged in the desert or the streets, but in the political arena between moderates and radicals; those willing to explore a cooperative future, and these trapped within an ideology of hate and intransigence. This is the fundamental struggle which underlies the political conflict. It knows no national identity, no religion, no single piece of land.

As a longtime observer of the Arab-Israeli conflict, I've come to realize that these battle lines will linger long after the peace treaties are signed. The true challenge in the peace process, then, lies in nurturing the moderate elements on all sides, creating a network of binding interdependencies and a mutual interest in peace. This means looking beyond a political settlement toward a future where Arabs and Israelis work hand in hand to develop the region to its fullest potential.

Even today, while governments in the region are mired in the political conflict, Arabs and Israelis in the commercial sector recognize the limitless possibilities for economic cooperation. Many envision combining the Arab world's abundant human and natural resources with Israel's formidable technology in agriculture, textiles, and chemical industries. Together with the gulf's capital resources, the result will be a thriving, integrated economic community, perhaps even a common market. Those countries which were dependent on foreign assistance will join together and become a potent force in the international marketplace. Those which were divided by ideology will be united by the conviction that everyone in the Middle East has a shared interest in stability and economic development.

None of this, of course, will happen overnight. Like a political settlement, it will require a gradual process of confidence building and the helping hand of the United States. Together with its efforts to forward political reconciliation, the United States Government should establish a financial institution which will foster joint-ventures between Arabs and Israelis and expedite regional economic integration.

Mr. Speaker, I rise to introduce a bill to establish a Middle East Private Investment Corporation. Based in part on the successful Overseas Private Investment Corporation in the United States, the envisioned bank will locate opportunities throughout the region, bring interested business parties together, and facilitate joint ventures by providing essential financing and investment banking services. Backed by the full faith and credit of the U.S. Government, the bank will offer loan guarantees to local financial institutions and make cooperative joint-venture projects the most attractive investments in the Middle East.

A treaty alone is not enough to ensure peace for future generations. Neither Arab nor Israeli can pound sword into ploughshare until there is firm foundation of personal ties and shared interests across political boundaries. The United States along with governments in the region must, therefore, be willing to make a leap of fatih over the political hurdles which today seem insurmountable and prepare for the future.

THE RETIREMENT OF MAJ. GEN. WILLIAM F. WARD

HON. DAVE McCURDY

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MCCURDY. Mr. Speaker, today marks the retirement of Maj. Gen. William F. Ward, the chief of the U.S. Army Reserve and the first commander of the U.S. Army Reserve Command. General Ward, who graduated from the U.S. Military Academy in 1950 is retiring after more than 41 years of commissioned service to this Nation. General Ward is the very embodiment of the citizen soldier. After successful service in Korea with the 1st Cavalry Division, General Ward returned to civilian life and earned a master of business administration degree at the Harvard Business School and later a bachelor of law degree from La Salle University. In civilian life General Ward served in executive positions with Grannet Dunlap, Inc., Dun & Bradstreet, and Dun-Donnelly Publishing, as well as serving as a director for Eastern Savings Bank, Apple Bank for Savings, and other private and public corporations and civic associations. When General Ward left the Active Army, he joined the Army Reserve, serving in numerous command and staff positions. Immediately prior to his selection as chief, Army Reserve, in 1986, General Ward served as the assistant deputy command general—Reserve Affairs—individual mobilization augmentee, U.S. Army Forces Command, Fort McPherson, GA, and before that as the commanding general, 77th Army Reserve Command, Fort Totten, NY. On October 1, 1990, while remaining chief, Army Reserve, General Ward was appointed the first commander of the U.S. Army Reserve Command.

Under General Ward's guidance and direction the Army Reserve has achieved unprecedented levels of management efficiency and mobilization readiness, culminating in its superb service in Operation Just Cause and most recently Operations Desert Shield and Desert Storm. It is no exaggeration to say that the victory that our forces have recently won in the Persian Gulf was due in large measure to the support that was provided by the citizen soldiers of the Army Reserve, both unit members and individual soldiers of the Ready Reserve. The readiness of these units and soldiers was the result of General Ward's inspirational leadership and guidance as well as his ability to work successfully with the Congress, articulating Army Reserve requirements and supporting total Army programs.

General Ward has served his Nation with great distinction for more than four decades as a citizen soldier. His vision, dedication, and remarkable professional achievement have left a mark upon his Army and his Nation that will be remembered for years to come. His proud history of service is an example for all who would follow him to emulate. This Chamber wishes to recognize his signal contributions and to wish him well in all that he may choose to do in the years to come.

A TRIBUTE TO MSGR. KENNETH HORAN

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. McDADE. Mr. Speaker, I rise today to honor the reverend Msgr. Kenneth T. Horan of Scranton, PA, who recently left his position as director of the Scranton Office of Catholic Social Services to become the pastor of St. John Neumann Parish in Lords Valley, PA. Our community will miss him very much.

In his time as director of Catholic Social Services, Monsignor Horan has distinguished himself by his exceptional work for our community. Last year, the National Association of Social Workers named him as Social Worker of the Year in Pennsylvania in recognition of his work for the homeless in our area.

On June 18 of this year, Monsignor Horan celebrated the 40th anniversary of his priestly vows. In a career filled with many honors, none was more important to Monsignor than his elevation to the Prelate of Honor to His Holiness.

As chaplain at the Clarks Summit State Hospital from 1959 to 1986, Monsignor Horan provided spiritual guidance and support for the patients and their families. His gracious counsel during his tenure was so highly valued that on his retirement from the State hospital, the chapel was named in his honor.

Monsignor Horan served our entire community tirelessly. He was the president of the Scranton-Lackawanna Human Development Agency Board of Directors, the treasurer of Goodwill Industries, and vice-president of the Mental Health Citizens Advisory Board. He has also been actively involved in adoption services, child care coordination, maternal health services, and drug and alcohol treatment programs.

Our prayers and best wishes go with Monsignor Horan as he assumes his new pastoral duties in Pike County, PA.

CLEVELAND'S UNEMPLOYMENT CRISIS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. STOKES. Mr. Speaker, for several weeks, I have been presenting a series of articles published by the Cleveland Plain Dealer. The series looks at the conditions of unemployment in Cleveland. I am presenting the final chapter in this sad story to you and my colleagues today.

This final set of articles examines how Cleveland is trying to help those who are without work, however that help is sometimes difficult to come by. Cleveland is a growing city, but its economy still is playing catchup.

Mr. Speaker, I hope my colleagues have been following these articles as I have presented them, and will continue to do so with this fourth and final installment. Hopefully, the fine work done by the Cleveland Plain Dealer and its reporters will instigate discussion about unemployment not only in Cleveland, but nationwide.

[From the Cleveland Plain Dealer, May 26, 1991]

CENTER HELPS JOBLESS HELP THEMSELVES OUT

(By Michael Sangiacomo)

Richard Hanscom has a "job" with very little security, but he doesn't mind.

In fact, he hopes his job will end soon. When that happens, as it did once last year, he and his co-workers celebrate with doughnuts and coffee.

Hanscom is the president of the Career Initiatives Center, a group that helps people without jobs find employment. The non-profit group, situated on the second floor of the Food Bank building at 1557 E. 27th St., was founded by unemployed people and is run by them.

The staff fluctuates as they find jobs for themselves and others, but it's a transition everyone likes.

"I was president earlier last year and stepped down because I took a temporary job in New Jersey," said Hanscom. "When the job ran out, I returned here and was made president again. I think there have been three or four people in the last few years."

Career Initiatives helps people land white-collar jobs in management, technical sales and other administrative positions.

"We work out of the center. No one gets paid for what they do here," said Hanscom. "While they help others, they also help themselves. The unemployed person is responsible for getting his own job. We help and provide facilities for him to work in.

"We have the office facilities, the word processors, telephones and information about professions and available positions," he said. "We have a self-marketing training program where we help people determine what they want to do and help them figure out a plan to reach their goal."

The center started in 1984 as a support group for unemployed members of Fairmount Presbyterian Church in Cleveland Heights.

"The group started in response to the growing number of unemployed people in the church," he said. "It began as a peer support group. Then it grew into something more. We got some grants from corporations . . . and opened the center here to help people get jobs or get new jobs."

One of the founders, Cary Straffon, remains a member of the board of trustees even though she is happily employed as a transition specialist with the Russell-Rogat Co., working with employees at Ameritrust Co.

"I was a homemaker, then I went back to school and got a master's degree in counseling," she said. "I started working with the people in the church and quickly realized we had to do more."

Straffon said the center had helped hundreds of people help themselves find jobs.

"We live by the Four P's: persistence, patience, people and prayer," Hanscom said. "That's what makes it work."

[From the Cleveland Plain Dealer]

JOB HELP IS HERE, BUT EXACTLY WHERE IS OFTEN UNKNOWN

(By Michael Sangiacomo)

Sometimes, getting a job is not a matter of whom you know, but knowing where to go.

In Cleveland, a city that has the distinction of having the highest black unemployment rate among the nation's major cities, unemployed residents said part of the problem was not knowing where to go for help.

Despite the best efforts of the Ohio Bureau of Employment Services, the city and Cuyahoga County, getting the word out to those most in need can be difficult.

"Losing a job is a tough time anyway, but it's difficult to get to the right sources because many agencies are not very well publicized," said Julius West, manager of the OBES employment division in Cleveland. "So the general public misses a lot. We direct people to other agencies when needed."

There are dozens of organizations in the Cleveland area that offer free or low-cost assistance to people looking for work. The services include evaluating people's work skills, preparing them to look for work, resume preparation, teaching them interviewing skills, and providing job training and actual job placement.

Some groups appeal to job seekers with specific needs or who fall into specific categories. Others are geared to the more general needs of the unemployed.

Are you a woman looking for a man's job? Call Hard Hatted Women. Are you an American Indian looking for training and job placement? Call the Cleveland American Indian Center. There are similar specialized services for the elderly, the blind, the disabled and other minorities.

One of the best clearinghouses for employment information is available at the 29 branches of the Cuyahoga County Library, through its InfoPLACE system.

Each library branch will assist people in hooking up with InfoPLACE counselors.

"If a person walks into any library in the county system and asks for help, even help in writing a resume, they will be directed to us," said Jeanne Patterson, manager. "We make appointments to meet with them and give them some personal counseling."

Besides a wealth of printed reference material on employers, job availability and computerized job information, InfoPLACE counselors will test people to determine their job skills and career preferences.

The next step is assisting people in preparing a strong resume, planning an effective job search strategy and preparing for job interviews. This includes researching the prospective company. InfoPLACE also offers information on continuing education and job training.

One of the most valuable pieces of information is a 48-page booklet called "The Survival Guide," which lists 61 agencies that offer help for the unemployed.

The popular guide is distributed at all Cuyahoga County Library branches and at the 61 agencies it lists.

The counselors teach classes at library branches in South Euclid, Beachwood, Chagrin Falls, Maple Heights, Bay Village, North Royalton, Fairview Park Regional Library, Brooklyn, Brook Park, Strongsville and the Parma Regional Library.

In 1990, the group held 2,400 individual counseling sessions, taught 1,600 people in workshops and answered about 40,000 questions. "This year, we'll go even higher," Patterson said.

One of the groups in the Info-PLACE book is Hard Hatted Women, 4209 Lorain Ave., an agency formed 10 years ago to help women who want to work in a man's world.

"We cater to women interested in blue-collar, non-traditional jobs like construction workers, welders, boiler operators and mechanics," said Kathy Augustine, director of the agency. "We started as a support group 10 years ago by a female steelworker and a truck driver who wanted to talk to other women in such jobs.

"From that, it grew into a place to where women called to find jobs," she said. "Now we have a job-placement service for women. Any construction company working on a federal contract is required to hire 6.9% women. None of them comply; they always say they can't find women. We can provide all the women they need."

She said the agency taught women how to build up their upper body strength and use leverage in order to compete with men on jobs that require hard physical labor. She said they got about 50 calls a week.

Despite the name, gentiles are also welcome at Jewish Vocational Service, 21403 Chagrin Blvd., Beachwood.

"About half of the people we serve are non-Jewish," said Ellen Harris, spokeswoman. "We are a United Way agency and we serve a whole range of people, but most of our thrust is career changers and unemployed white-collar workers."

Among the free services the agency offers are training and placement programs for people interested in becoming dietary aides in institutions and people interested in child care and workshops on job-seeking and interviewing.

Visually impaired people may get help in job hunting from the Bureau of Services for the Visually Impaired, 310 Lakeside West, second floor.

Rehabilitation supervisor Robert Breckenridge said the agency worked with people to determine their abilities and aptitudes, then helped them reach their goals.

"We assist them in attaining or retaining employment," he said. "One major service we provide is counseling. Visually impaired people can be trained for many, many jobs running the gamut of computer programmers, sales positions, travel agencies and other."

He said the agency worked with about 800 people from the area.

[From the Cleveland Plain Dealer, May 19, 1991]

A Time Bomb of Urban Inequality

Cleveland may style itself a "comeback city," but new federal data show that its economy has a long way to go before it can claim to be part of any urban renaissance.

The city has earned a lamentable national distinction, according to new data from the federal Bureau of Labor Statistics: Among 17 of America's largest cities, Cleveland suffers the second-worst unemployment rate among its working-age adults. Worse, there is a dangerous racial skew within the city's labor market: Cleveland endures big-city America's worst unemployment rate among black workers. In 1990, 20.7% of working-age blacks and 9% of working-age whites were unemployed. Among all employable workers, Cleveland's 13.8% rate of joblessness was topped only by the 16.1% rate in perennially depressed Detroit.

Moreover, the situation may be more severe than the most recent federal survey suggests. The Labor Department data fail to measure the underemployed (who involuntarily hold only part-time jobs) and the chronically jobless "discouraged workers" who have stopped looking for work. A labor analyst with the National Urban League estimates there may be "depression-level unemployment" in Cleveland's black community, with as much as 70% black teen-age and 35% black adult joblessness.

Clevelanders know the factors that intensify the city's woes: the abysmal school system, the deindustrialization of the economy, the growth that never spread from downtown to the neighborhoods, the plagues of crime, guns and drugs.

But Cleveland's plight is part of a national trend, seemingly inexorable and impervious to social-policy tinkering. America endures a patchwork prosperity, its society increasingly divided along rigid lines of race, education, job skills and geography. The social stratification suggests that America is headed for trouble.

Will it require more inner-city explosions before America awakens to the urban crisis? As the celebrated Kerner Commission reporting after the 1967 and 1968 waves of urban rioting, "Our nation is moving toward two societies, one black, one white—separate and unequal."

The changing economy steers society's destiny. A relatively narrow class of highly skilled wage-earners (most of them white, most of them in the suburbs) has enjoyed brisk increases in its inflation-adjusted wealth since 1980. A hard-pressed middle class has struggled to stay afloat. Working-class families have suffered declining standards of living, as good-paying jobs in manufacturing industries were replaced by lower-paying jobs in the service sector. Beneath the labor market is a hardening underclass, concentrated in the inner cities, that seems perpetually excluded from opportunity. Social resentment, linked to class and race, is a ticking time bomb within urban America.

The recent federal statistics, like reams of data before them, puncture the pretense that urban America flourished during a supposed economic boom in the 1980s. Presidents and governors may cheerlead all they want, but the nation's mayor—who went on an emergency mission to Washington this week to plead for more federal aid—must cope with the grim results of the socioeconomic shakeout.

"There is no magic wand to wave that will fix everything, and it's going to get worse before it gets better," said Mayor White when he learned of the gloomy new data about America's cities. He's right: None of the alternatives tried so far—big-spending liberalism, tax-cutting conservatism, benign neglect—has eased urban woes. Cleveland, like other stressed cities, requires creative federal help, lest the social time bomb keep ticking toward its eventual explosion.

THE DECENNIAL CENSUS IMPROVEMENT ACT OF 1991

HON. THOMAS C. SAWYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SAWYER. Mr. Speaker, today I am introducing the Decennial Census Improvement Act of 1991. This legislation authorizes the National Academy of Sciences to conduct a thorough review of methods for improving the decennial census in the year 2000.

The 1990 census missed at least 10 million people. Less than 1 month ago, however, the Secretary of Commerce decided not to use available statistical methods to include those people in the census. The result is that the 1990 census is the first that is less accurate than the one preceding it. Clearly, traditional counting methods are not reaching millions of Americans.

There is an opportunity, over the next few years, to study and adopt techniques to count the population more accurately in 2000. A broad-based, objective, independent review is critical to our Nation's ability to prepare for an improved census in a limited amount of time. I am confident that no organization is more well equipped to consider those matters than the National Academy of Sciences.

The time frame for this work is not long. Fundamental decisions about the design of the next census must be made by the middle of this decade. A great deal of research and review must be completed before that time. I am encouraged that the House saw fit to set aside funds for this study in the fiscal year 1992 Commerce appropriations bill.

I believe the concept of an independent forum for census planning enjoys widespread bipartisan support. I am pleased to have several of my colleagues from the Post Office and Civil Service Subcommittee on Census and Population as original cosponsors of the legislation. I also want to thank my distinguished full committee chairman, Congressman BILL CLAY, for his assistance in developing this legislation and his strong support of fundamental reform of the census process. I look forward to support from my other colleagues, as well.

INTRODUCTION OF THE NONTRADITIONAL STUDENT OPPORTUNITY ACT AND THE COMMISSION ON GRADUATE EDUCATION

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. GUNDERSON. Mr. Speaker, the year 1965 marked the birth of the Higher Education Act. The Higher Education Act was created to financially assist students seeking postsecondary education on a full-time basis. For this past academic year, 1990–91, $8 billion in student aid has been disbursed to nearly 6 million students at over 8,000 postsecondary institutions.

Since the inception of the Higher Education Act, the postsecondary world has dramatically changed. There has been a spectacular increase in the number of students attending vocational schools, the number of part-time students, and the number of independent students.

This past week, the House Education and Labor Subcommittee on Postsecondary Education heard testimony from the Coalition for Adult and Part-time Students. In their testimony, a reference was made to the 1965 Higher Education Committee report that said: "The committee has not set age limitations with respect to recipients, nor is a preference accorded to any specific academic discipline or year of study. It is the student's financial need which is the foremost consideration in the selection of recipients." This section of the 1965 report clearly demonstrates the foresight of the committee in seeing that the 4 year, 18–22-year-old, traditional college student would not be the only students to pursue higher education.

The House Education and Labor Subcommittee on Postsecondary Education recently conducted a hearing in Wisconsin. One of the witnesses at that hearing, Mahrie Hightower, a psychology major at Viterbo College in La Crosse, exemplified the importance of not limiting the Higher Education Act to the traditional 4-year, 18–22-year-old college student. Ms. Hightower is 30 years old, a single parent, and is on track to graduate with honors in May 1992. She supports herself and her daughter on less than $6,000 per year.

Mahrie Hightower has had to overcome many obstacles in pursuit of higher education. These include the lack of sufficient funding to cover child care costs and inconvenient scheduled times for required courses.

Today, I am introducing the Nontraditional Student Opportunity Act. This bill was designed so that more Mahrie Hightowers may obtain a postsecondary education while avoiding many of the hassles.

Some of the key provisions of my proposal include: (a) a nontraditional student is defined as one of the following; an individual attending a postsecondary institution less than full-time, age 24 or older, a single parent, or an independent student, (b) human resource department hours of operation at postsecondary institutions should be extended to accommodate nontraditional students, (c) the Department of Education is required to obtain and maintain a better data base on nontraditional students, (d) permit less than half-time students to obtain Pell grants, (e) eliminate home, farm, and small business equity from financial aid calculations, and (f) increase the child care allocation in the Pell grant formula to $2,000.

In addition to the Nontraditional Student Opportunity Act, I am also introducing a proposal that will establish a Commission on Graduate Education. Two primary functions of the commission will be to: (a) assess the adequacies and deficiencies of graduate student financial aid information resources and services, and (b) investigate the availability of fellowships, loans, and other financial assistance to qualified baccalaureate degreeholders with an emphasis on minorities, women, individuals with disabilities, nontraditional students, and the disadvantaged/low-income.

During a recent hearing on graduate education in the House Education and Labor Committee, several witnesses testified that this Nation is facing a shortage of highly trained scientists and engineers, a deterioration of an infrastructure that supports graduate research and training, and a loss of a highly trained professional work force in the humanities and social sciences arenas.

In order to maintain modest growth in research and development activities in all disciplines, it is essential that we produce an appropriate supply of Ph.D's to conduct those endeavors. The best way to accomplish this goal is to assess our current graduate education structure, find the gaps, and define the solutions.

The two bills that I am introducing today, the Nontraditional Student Opportunity Act and the Commission on Graduate Education, must be enacted if we are to meet the employment needs of the Nation. I look forward to working with my colleagues on the House Education and Labor Committee to see that these initiatives are included in the reauthorization of the Higher Education Act.

LEGISLATION TO WITHHOLD EPA CONTRACTS FROM BAD ACTORS

HON. BILL PAXON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PAXON. Mr. Speaker, Americans have suffered for far too long from toxic and hazardous waste that has been dumped along their highways, poured in their rivers, and buried in their neighborhoods.

People in western New York and the Finger Lakes region know this suffering all too well. We have had more than our share of environmental disasters in our small corner of the country, disasters that have led to death and disease in our own communities and families.

What is most appalling about these disasters is that the unscrupulous people who create them by polluting our soil, water, and air are the very people who very often are contracted by our Government to clean them up!

Mr. Speaker, I have introduced today a piece of legislation that I feel will empower the EPA with the authority it needs to identify and remove violators of environmental laws from the waste disposal business.

I am extremely pleased that my colleague from the State of Oklahoma, Mr. SYNAR, the distinguished chairman of the Subcommittee on Environment, Energy and Natural Resources, has joined me in sponsoring this important, bipartisan legislation.

Mr. SYNAR has conducted extensive investigations into the problem of bad actors—firms or individuals that have been convicted of environmental violations and then turn around, and under a new name, receive Government contracts to do additional EPA work. The subcommittee chaired by Mr. SYNAR reported that, despite the fact that investigators often knew of past violations, they were incapable of preventing these firms from getting new EPA contracts.

I became aware of this heinous problem when a company in western New York with close financial and managerial ties to other companies and individuals guilty of numerous environmental violations and other criminal activities, received a contract to do a cleanup project in my congressional district—one of the costliest Superfund cleanup projects ever in New York State.

Mr. Speaker, my legislation would require that all firms and individuals seeking contracts or other benefits from the EPA disclose extensive information about the owners, executives, managers, key employees and others involved in the company. This information will be used by the EPA to screen these firms and individuals in the waste disposal business.

Any found to have violated serious environmental laws would be banned from receiving EPA contracts or other benefits for a period of up to 10 years.

This legislation will give the Environmental Protection Agency the authority it needs to keep dangerous bad actors out of the toxic and hazardous waste disposal business.

Mr. Speaker, I wish to once again thank my colleague, Mr. SYNAR, and urge our other colleagues from both sides of the aisle to join us in this critical effort to help protect our families, communities and environment from bad actors.

TRIBUTE TO ARNOLD PRICE

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. WAXMAN. Mr. Speaker, on October 20, 1991, the Gateways Hospital Men's Club is holding their 26th anniversary Heal-A-Mind Ball at which time they will honor this year's "Man of the Year", Mr. Arnold Price.

A devoted humanitarian, philanthropist, and community activist, Mr. Price has been active in over 60 charitable and community organizations. Those organizations benefiting from his generosity include the American Kidney Foundation, Jewish Braille Institute, Amie-Karen Cancer Fund, Los Angeles Child Abuse, and the March of Dimes.

As chairman of the subcommittee on Health and the Environment, Mr. Price's contributions to the health and welfare of the community is especially appreciated. He has stated that "It is with a glad heart that I am in a position to assist those seeking and striving for good health. It is one's life duty and privilege." It is heartening to know that such benevolence exists in today's society.

Mr. Price has been a long time supporter of Gateways Hospital. Their dedication to mental health and rehabilitiation, has been an integral part of helping the mentally ill achieve an acceptable way of life. Individuals, families, and the homeless, who must face the tragedy of mental illness, may turn to Gateways Hospital Mental Health Center.

Mr. Price's achievements span a much larger scope as well, including his career as a highly successful insurance executive and an innovative financial-investment entrepreneur. His present firm, Price, Raffel & Associates, has grown to one of the largest pension and profit-sharing administrators in the United States.

I ask my colleagues to join with me in congratulating Arnold Price and his family on this momentous occasion and wish them continued success and fulfillment in their future endeavors.

THE POSTAL SERVICE HAS RESPONSIBILITIES THAT IT MUST LIVE UP TO

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. RAHALL. Mr. Speaker, I would like to commend the Bluefield Daily Telegraph, a newspaper in my district, for an editorial that ran recently about the U.S. Postal Service. The issue involved is the way in which the USPS goes about its decisionmaking process.

My friends, it is time for the Postal Service to bring the rank and file employees into the loop. In the Bluefield area of my district there have been rumors about facilities closing, machines taking the place of human workers, as well as studies and reports that are always in the works. Adding insult to injury, the automation of the Postal Service is to proceed with contracted employees. This makes it impossible for those individuals who have spent their lives in the Postal Service, to plan for the future. Promises that employee reductions will be made by attrition do not hold water when current workers are told that if their jobs are eliminated, and they still wish to work, they may be relocated to another area of the country.

Mr. Speaker, I am not opposed to the USPS moving into the future with further automation. I am opposed to the way by which they are doing so. Their attitude has been, paraphrasing Admiral Nelson, "damn the public, full speed ahead." Stamp prices have gone up and service has gone down. Post offices are being closed without regard to the community, while the Postal Board of Governors pays Price-Waterhouse, a private company, $23.4 million to find out how good a job they are doing. Committed civil servants are told that they are in the way of progress and that they will be replaced by machines. The Postal Service refused to negotiate in good faith with its unions while awarding its managers millions of dollars in bonuses.

It is time for the Postal Service to come out of the dark ages in labor and community relations. The employees in Bluefield and all over the country deserve to know about, and participate in, important decisions that affect their lives. Like no other Federal entity the Postal Service touches the lives of every American regularly. Postal employees are our friends and neighbors, post offices are community centers where people meet and socialize regularly. Postal officials have ignored these facts altogether in their management decisions. Just last week, the Postal Service padlocked the door of the Alpoca, WV, Post Office, which is in my district, closing it without any warning to its customers.

As the Daily Telegraph aptly points out, the Postal Service has been very eloquent in its justifications of higher postal rates and the outrageous bonuses for postal managers. It should be equally as thorough when contemplating changes in staffing or services. Postal employees and customers alike deserve due process before the implementation of destructive and demoralizing administrative decisions.

EXTEND THE TARGETED JOBS TAX CREDIT ELIGIBILITY

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. WILLIAMS. Mr. Speaker, I am pleased to introduce legislation today, which extends the targeted jobs tax credit eligibility to additional categories of employees and makes the credit permanent.

This bill would add the following categories of individuals as eligible target groups: First, a qualified older American; second, a qualified dislocated worker; third, an unemployment compensation exhaustee; fourth, a qualified JTPA trained individual; fifth, a displaced homemaker; or sixth, an eligible work-incentive or job-opportunities program employee.

My bill takes a crucial step toward eliminating the hidden poor of our society by expanding the eligible population that can participate in this program. We are using the TJTC Program to promote employment for individuals who have participated in other Federal efforts designed to improve their employability; and have established the necessary link to include employers in the training process by encouraging them to hire these individuals.

The Targeted Jobs Tax Credit Program was established in 1978 and is designed to lessen the problem of unemployment among individuals who have had a problem reentering the job market. This bill is an important step toward training those individuals who want to work. It will keep them off the welfare rolls and in productive jobs by encouraging employers to hire them.

NATIONAL ENERGY-EFFICIENT LIGHTING EDUCATION ACT

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PRICE. Mr. Speaker, today I join my distinguished colleague from North Carolina's second district, Congressman TIM VALENTINE, in introducing the National Energy-Efficient Lighting Education Act.

Over the past several months, Members in both bodies have been discussing the need for a national energy policy to reduce this Nation's dependence on foreign oil, and there has been much debate over the best means for achieving energy independence.

Our bill represents a small but important part of this energy plan by encouraging the use of energy-efficient lighting. Although energy-efficient lighting technology is available now, much of it is not being used. Amazingly, even many of our lighting professionals are not aware of this technology and its many applications.

The National Energy-Efficient Lighting Education Act would provide lighting professionals the information they need to fully utilize energy-efficient lighting. The bill would offer Federal matching grants to universities and nonprofit organizations to establish regional lighting centers. These centers would offer workshops to architects, electricians, commercial developers, and building managers to educate them on the availability and use of energy-efficient lighting technologies. The centers would also work with engineering schools and technical and community colleges to establish curriculums which focus on energy-efficient lighting.

Mr. Speaker, my colleague and I believe education about energy-efficient lighting is a significant need and could be a vital component of a national energy strategy. I invite Members to cosponsor this legislation which will truly bring good things to light.

SALUTING THE PEOPLE INVOLVED IN THE ROCCO MEDIATE 14TH QUARTERMASTER BENEFIT

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MURTHA. Mr. Speaker, the people of Greensburg, PA, are fortunate to have a talented native son playing on the professional golfers tour this year. Rocco Mediate is one of the rising stars of the PGA tour, and he has proved it this year by winning the Doral Open and ranking fourth on the PGA's earning list.

Rocco is not only a talented golfer, but an exceptional individual. Greensburg suffered a tragedy early this year, when the barracks in which members of the 14th Quartermaster Unit, based in Greensburg, were staying in Dharhan, Saudi Arabia, was hit by an Iraqi Scud missile. Rocco dedicated his win at Doral to the members of the unit, and came back to Greensburg on June 21 to hold a benefit for the families of the victims of the Scud attack.

Perhaps the most impressive thing about this fundraiser, beyond the $50,000 that was raised for the families of the victims of the Scud attack, was the effort of all the people at the Greensburg Country Club, which hosted this event. More than 100 people helped with this effort, and everyone should be saluted for dedicating their time for this worthy cause.

It's been said that nothing brings out the true spirit of a community like a tragedy affecting a part of that community. The loss of so many of our area's young men and women in the attack on the barracks in Dharhan affected us deeply. But the efforts of everyone involved in the Rocco Mediate 14th Quartermaster benefit shows that our community will never forget the sacrifice made by the brave men and women of the unit.

IN SALUTE OF OUR FILIPINO HEROES

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LOWERY of California. Mr. Speaker, I rise today to recognize the achievements of the many Filipino-Americans who have served in the U.S. armed services.

The recent events in the Persian Gulf have once again turned this Nation's attention to the tremendous sacrifices that American servicemen and women have made for their country. Four thousand of these courageous individuals are Filipino-Americans. The citizens of San Diego would like to recognize the sacrifices and achievements of the Filipino-Americans who serve in the U.S. armed services.

Hundreds of Filipino-Americans from the San Diego area served in the Persian Gulf and were instrumental in our decisive victory. These soldiers, airmen, and sailors displayed fortitude and determination in helping to preserve peace around the globe. This selfless display of courage and valor certainly deserves recognition.

In addition, I stand with my colleagues, DUNCAN HUNTER and RANDY CUNNINGHAM, in supporting legislation which will enable these heroes to apply for U.S. citizenship. These soldiers would have given their lives for this country. The least we can do is invite them to become permanent members of our society.

Mr. Speaker, I hope you and all our colleagues will join me in paying tribute to the Filipino-Americans who have served to protect the freedoms we hold so dear. Their contribution to America is greatly appreciated and should be rewarded.

DIAMOND ANNIVERSARY OF THE NATIONAL PARK SERVICE

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. VENTO. Mr. Speaker, on August 25, 1991, the National Park Service celebrates its diamond anniversary. For the past 75 years it has been the steward of the diverse and precious resources of our national parks as well as being instrumental in historic preservation and recreation throughout this country.

As part of the 75th anniversary celebration, the National Geographic's current issue includes an article on the national parks and their personnel by Paul Pritchard, president of the National Parks and Conservation Association, "The Best Idea America Ever Had." I want to commend Paul for his insightful article and to thank the National Geographic as well for helping to recognize the human resources as well as the natural and cultural resources associated with the National Park Service. We have an incomparable legacy in these resources, one whose preservation we must ensure.

Mr. Speaker, I ask that a part of this outstanding article be printed in the RECORD.

"THE BEST IDEA AMERICA EVER HAD"

(By Paul C. Pritchard)

"To conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same . . . unimpaired for the enjoyment of future generations." With a stroke of his pen, President Woodrow Wilson thus signed the National Park Service Act 75 years ago this month.

Thirty-six national parks were brought under a single federal agency by this law. Former British ambassador to the U.S. James Bryce called them "the best idea America ever had." In the words of J. Horace McFarland, one of the visionaries who helped establish our National Park Service in 1916. "It is the one thing we have that has not been imported." Other nations had preserved gardens and open spaces—but mainly for the privileged classes. Not so for the U.S. parks, which would be preserved for all.

The National Park System has grown to 357 sites covering 80 million acres, including national parks and monuments, wild and scenic rivers, seashores, historic sites, scenic trails, and battlefields. In addition to natural wonders, such as Yellowstone and Grand Canyon, the Park Service preserves pieces of our history and culture—British cannon surrendered at Yorktown, the derringer that killed Abraham Lincoln. Carl Sandburg's typewriter, even a type of short-legged Hereford cattle bred by President Lyndon B. Johnson.

The service is acutely aware that its lands are among the last natural refuges for America's plant and animal diversity. More and more, it is being called upon to provide scarce habitat for thousands of species and to use the parks as laboratories for research in a world of dwindling wild places. The service's 12,000 employees include those investigating why rare saguaro cactuses are dying in the Southwest, seeking how to protect a shrinking population of sea turtles in the U.S. Virgin Islands, exploring how to get clean water to Florida's Everglades in the right volume, and managing a bison herd in Yellowstone that wanders outside the park.

These concerns reflect a growing sensitivity and sophistication in our understanding of the natural world. In Yellowstone, for example, where bleachers were once erected at the garbage dumps so tourists could watch grizzly bears feeding, the dumps have been closed, the bleachers have been razed, and thousands of dollars have been spent to install bear-proof garbage cans. The bears have returned to their normal diet, and they are healthier.

As our understanding of nature has changed, so has the role of national parks. Most Americans probably still think of picture postcard vistas. But, in fact, most parks today focus on history or culture, and they often are within easy reach of cities and suburbs. And many of today's parks reflect our nation's evolving values and demographic mix.

In San Antonio, Texas, the Park Service is working with the Roman Catholic Church to preserve old missions, representing the heritage of Spanish colonial days. In California, Asian-Americans have asked for a national park at Manzanar recognizing the internment during World War II of American citizens of Japanese descent. In Massachusetts, restored 19th-century textile mills at the Lowell National Historical Park sit in a city of 103,000, the site of America's first planned industrial town.

Our park system has been called the "largest university in the world." The prime purpose of the system, says Yale University historian robin Winks, "is to educate people, with the 357 park units as branch campuses." But this great university faces a number of challenges stemming from overcrowding, understaffing, and budget constraints. In the 1970s our parklands were doubled with the creation of many urban parks and the addition of more than 40 million acres of Alaska lands. But there has been no comparable increase in staff—this during a time when more people than ever, more than 250 million a year, are visiting parks. The number of visitors is expected to grow, with estimates that the parks' popularity will push the annual visitation figure to half a billion by the year 2010.

Today there are parks, such as Great Smoky Mountains and Shenandoah, where millions of feet walk over the same ground during the course of a year. Visitors seeking solitude are often disappointed to find that some parks are beset by the same crowding and noise that afflict cities.

Even the chief of the Park Service is not immune. "On my first visit to Yosemite two years ago," recalls National Park Service Director James M. Ridenour, "it was so noisy outside I had trouble sleeping. It's quieter in my home not far from the nation's capital than it was in the park that night. We hope that we don't get to the point where we'll have to close parks down, but at Yosemite and some other parks we may have to put a chain across the road and say, "Sorry, nobody gets in until somebody comes out."

While the flood of visitors rises, the federal budget for parks has failed to keep pace, leading to the deterioration of many parks, which suffer under a backlog of maintenance, renovation, and repair that could cost more than two billion dollars. To neglect these projects threatens not only the preservation of our heritage but also public safety.

Not long ago a building at the Martin Luther King, Jr., National Historic Site in Atlanta collapsed. In Philadelphia the roof of Independence Hall leaked for a number of years. At Grand Canyon an abandoned uranium dig emits low-level radiation only a few steps from a visitors path.

Under this stress, park rangers could become an endangered species, victims of too little pay and too much work. Surveys within the park Service indicate that while many dedicated individuals continue to perform outstanding feats of public service, the general level of mor4eale is at an all-time low. It's understandable. Many rangers who joined the service to be close to nature must increasingly deal with the problems of drug enforcement, vandalism, and pollution. Rangers' average starting salary is only $15,000. Lacking adequate housing, some have been forced to sleep in their cars; others subsist on food stamps. "The rangers of the National Park Service can't live on sunsets," says Representative Bruce Vento of Minnesota, chairman of the House Subcommittee on National Parks and Public Lands. "We're eroding the professional nature of the job."

A ready source of income for the parks could come from concessionaires—private businesses licensed to sell food and hotel space in parks. They operate as monopolies and make more than 500 million dollars a year but return only a small portion of that profit to the federal government. The money disappears into a general fund for use in other programs. But even if Congress mandated that a larger portion of concessionaires' annual earnings be returned directly to the Park Service, this alone would barely reduce the financial strain.

Another approach for stretching federal park dollars has already begun, with state and local governments to create jointly operated parks, such as the Lyndon B. Johnson National Historical Park in Texas and the Lowell National Historical Park.

The federal government relies on partnerships with private land conservancies. In the old days the government might have acquired wild lands and unique habitats. These days private conservation groups buy lands and manage them as preserves or hold them in trust until they can be transferred to the Park Service. Concerned citizens have also established the National Park Trust, which is raising money to buy the two million acres of private lands within our national parks. The idea is to hold these lands safe from development. Businesses also contribute to the trust, gaining goodwill in the process.

Such partnerships will carry the Park Service into its next 75 years, according to James Ridenour. "Without the active involvement of state and local governments and the private sector, we could not begin to preserve—let alone manage—the land needed to meet the outdoor recreation and open-space needs of our population. The natural resources of the parks are under increased stress * * * the present and future health of the system depends, to a great extent, on the level of public support we can achieve."

This anniversary has rekindled concern for the well-being of the National Park Service. Americans care deeply about their natural and cultural heritage, and they admire the dedicated individuals who keep our parks open. Without such people, some of whom you will meet in these pages, there could be no national parks.

THE CULTURAL FESTIVAL OF INDIA; A MONTH-LONG CELEBRATION

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. WELDON. Mr. Speaker, I rise today to recognize the Cultural Festival of India, presently underway at Middlesex County College in Edison, N.J. This month-long festival spanning over 40 acres features a re-creation of a typical Bengali village, countless craftsmen practicing their native trades, daily parades, and real life, traditional Indian weddings.

The festival's two-part goal is education and entertainment. The latter is achieved through nonstop dancing, puppet shows, and other forms of live performance. Numerous outside speakers and specially prepared indoor exhibits highlight the religion, lifestyle, and philosophies of the subcontinent, this gigantic country that still remains a mystery to most Americans. The festival offers an indepth and entertaining look into the historic culture and bright future of this country, reveling in the mixed American-Indian culture of the United States.

In a similar event in England, more than 750,000 guests enjoyed the sights, sounds, and smells of India, and organizers plan on over 1 million guests at the American festival. I wish to recognize the efforts of the hundreds of volunteers who have helped to bring this festival together, from the dozens of organizers to the countless artists who have helped to make this festival a success. I wish the festival the best of luck, and I urge everyone to visit this showcase of exotic talent, art, and history.

CURRENT DEVELOPMENTS IN CROATIA

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. TRAFICANT. Mr. Speaker, I rise today to call your attention to the situation in Croatia. The Yugoslav Federal Army, which claims to be a peacekeeping buffer between opposing sides in the ethnic warfare between the Serbian minority and the Croatian majority in the independent Republic, has joined forces with the Serbian minority in murdering Croatian militia forces in cold blood and blasting away at and seizing Croatian towns throughout the Republic. News reports indicate that hundreds of Croatians have been murdered and executed since last Thursday.

Croatia declared independence last June and the Yugoslav Government responded to that action by declaring that it would not use force to keep Croatia in the federation. Yet the Yugoslav Federal Army in assisting and, in some cases, working side-by-side with Serbian guerrillas in the Republic to seize territory from the Republic. I can feel only disgust for the Federal army which portrays itself as a buffer between opposing sides when, in reality, it is using its position to crush the people of a largely defenseless republic.

This situation calls for the intervention of a buffering force that is truly neutral and that will not favor one side over the other. The European Community [EC] should be permitted to intercede in this matter as it did in the controversy between Slovenia and the Yugoslav Government that brought peace to northwest Yugoslavia. Yet, the Serbian guerrillas have threatened to wage war against foreign interventionists. I suppose that I would too if I had the present moderating force helping me annihilate my opponents.

Mr. Speaker, in closing I would like to say that this is a very contentious issue. It's an issue that is hard to take sides on because it involves fighting between ethnic groups. However, my position on this issue has nothing to do with favoring one ethnic group over another. It has more to do with supporting democracy and freedom. Croatia has declared itself independent and has expressed its desire to pursue free-market reforms, while the Yugoslav Central Government, controlled by Communists, is a staunch opponent of free-market reforms and will not permit the small Republic any leeway in pursuing its policies.

I ask my colleagues to take a moment out of their day to remember all the Croatians that have died since independence was declared in June because they chose to pursue a course of democracy and freedom.

CALL TO CONSCIENCE VIGIL

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. AuCOIN. Mr. Speaker, I rise today with the honor of participating in the Congressional Call to Conscience Vigil for Soviet Jews. I commend my colleagues, Representatives SIKORSKI and LARRY SMITH, for their leadership in keeping this issue at the forefront of the public eye.

A great number of Soviet Jews are currently seeking to emigrate with the hope of finding better economic and living conditions than are presently available to them in the Soviet Union. Since 1989, when the U.S.S.R. relaxed its emigration restrictions, over 1.5 million Soviet Jews have been granted permission to leave the Soviet Union.

The chance to live in a region free of state-imposed restrictions on the practice of their faith provides another incentive for these people to emigrate from the U.S.S.R. A 1988 State Department report asserted that there was a shortage of synagogues and Jewish cemeteries, only one Yeshiva school in the country, no Rabbinical seminaries, no Hebrew printing presses, and a ban on importing religious articles. The only Judaic Studies Center in the Soviet Union has also received numerous threats of eviction pending huge increases in rent payment.

Mr. Speaker, we are thankful for the progress that has been made so far for Jewish citizens seeking to emigrate from the Soviet Union. The U.S.S.R.'s growing cooperation with the West, which appears to be largely responsible for the liberalization of Soviet emigration policies, does not go unrecognized or unappreciated. However, we must do more to help the plight of Soviet Jews.

Take, for instance, the case of Mr. Lev Lazarevich Kunin. Born in 1920, Mr. Kunin became a professor after graduating from the university in 1946. He began working at the Vernadsky Institute of the Academy of Sciences of the U.S.S.R. in 1965 as the chief of the laboratory for identifying gases in metals. He has written 5 monographs and traveled abroad over 20 times, representing the institute.

Professor Kunin retired in 1989 after he experienced repeated heart attacks and a worsening condition of diabetes. His wife also suffers from a serious illness; she has a cancerous tumor. Both fear that they may not be physically capable of leaving the U.S.S.R. if the Academy of Arts and Sciences continues to forbid their emigration until 1995.

The academy alleges that Professor Kunin knows Soviet state secrets, despite the fact that he never dealt with secret problems. Neither Kunin nor his wife have any relatives in the U.S.S.R.; they do have a son in Israel.

The case of Professor Lev Kunin and his wife is, unfortunately, not uncommon. Please join with me today in urging the Soviet Government to grant permission for Professor Lev Kunin and his wife to emigrate. As members of the United States Congress, let us capitalize on the increasing spirit of cooperation enjoyed by our two nations by calling for increased freedoms for our Jewish neighbors in the U.S.S.R.

HONORING CHIEF RICHARD R. PETERSON UPON HIS RETIREMENT

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LAGOMARSINO. Mr. Speaker, I rise today to pay tribute to one of our Nation's finest fire chiefs, Rich Peterson.

As fire chief of the county of Santa Barbara since 1980, Rich has supervised one of the most critical fire areas in the country during one of its driest spells in history. He knows his job well, having been constantly promoted through the ranks nearly 20 years with this department.

Rich's leadership is evident in many crucial areas, from his affiliations with many associations and organizations to his management style in the department. He is a very well-liked man both in his department and the community and this is why he has been so effective in his duties. Perhaps his most important skills were impressed upon the entire community of Santa Barbara during the Painted Cave fire in 1990. Rich's department bravely and successfully fought a fire which burned hundreds of acres and would have taken more had it not been for this man's management efforts and courage during the crisis.

In closing, Rich Peterson will surely be missed by the county of Santa Barbara and his department. I am proud to have worked with such a capable man over the years and I wish him well upon retirement.

GUN-FREE PUBLIC HOUSING ZONES ACT OF 1991

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DURBIN. Mr. Speaker, today I am introducing legislation to help our public housing agencies reverse the proliferation of weapons that have wreaked havoc in our public housing projects.

The Gun-Free Public Housing Zones Act of 1991 would prohibit the possession of an illegal firearm or discharge of any firearm in a public housing zone, punishable by a fine of not more than $5,000 or 5 years imprisonment or both. As a Federal offense, subject to minimum sentencing guidelines, this bill will send an important message to would-be illegal firearm possessors on public housing property: If you get caught, you will do time.

We have witnessed the madness of a gun being shot two blocks from where Mayor David Dinkins of New York City was delivering a speech. Ironically, the mayor was calling for the reduction of the number of guns in his city's housing projects. Mayor Dinkins' actions and the courageous steps being taken by Vince Lane of the Chicago Housing Authority should be applauded and supported. This legislation is but another tool to assist them in their truly monumental task.

But many Americans are under the mistaken impression that firearm violence in public housing is a disease spreading solely in the Nation's largest cities. Nothing could be further from the truth.

The residents of Evergreen Terrace in my hometown of Springfield, IL, have been subjected to a reign of firearm terror. Tragically, mothers now fear for their very lives and those of their small children. Drive-by shootings, gang warfare, illegal drug-related retaliation—all of these symptoms of urban strife are now unfortunately part of small town America too.

Our response to this ever-growing nightmare must be comprehensive and decisive. I believe the Gun-Free Public Housing Zones Act of 1991 is a step in the right direction.

LEGISLATION FOR THE RELIEF OF THE PARINI FAMILY

HON. MIKE KOPETSKI

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KOPETSKI. Mr. Speaker, today I am pleased to introduce legislation granting U.S. citizenship to three worthy residents of the State of Oregon.

Felix Juan Parini, Sergio Manuel Parini, and Carmen Victoria Parini were born in Guatemala City, Guatemala, but mistakenly believed they were United States citizens by virtue of their father's citizenship. Their assumptions were backed up by the actions of the State Department, which in 1972 granted Felix Parini a passport based on a positive determination of his citizenship. However, Mr. Speaker, when Felix Parini applied for a passport renewal in 1987, after two previous successful renewals, he was told for the first time that he was not a citizen of the United States.

Mr. Speaker, it is one thing to have citizenship denied; it is quite another to have citizenship revoked after 15 years of lawful enjoyment of that privilege. Felix, Sergio, and Carmen Parini are contributing members of their communities; they are pursuing careers and educational opportunities. They had believed all their lives that they were U.S. citizens, and no evidence had ever suggested otherwise. Mr. Speaker, Felix Parini had been accepted into the military and was serving his country in the Oregon National Guard when his citizenship was called into question in 1987. For several months recently, he was on standby to be sent to the Persian Gulf, yet his citizenship was still in doubt. Our Nation has told Felix Parini that he was good enough to go to war on our behalf, but not good enough to be a citizen. Mr. Speaker, both the State Department and Immigration and Naturalization Service have concluded that the family was misled by regrettable agency error, and that now only Congress has the ability to grant relief. I believe it is our duty to do so.

As a member of the House Judiciary Committee's Subcommittee on International Law, Immigration, and Refugees, I am often called upon to review private legislation such as this. I believe that it is a rare case where positive action is clearly necessary. Mr. Speaker, this is one of those cases.

PRAISE FOR MRS. FRANCES SHUSHKO

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PALLONE. Mr. Speaker, I rise today to pay tribute to a remarkable woman and her seven remarkable sons, whose contribution to their country is unsurpassed.

Mrs. Frances Shushko of Long Branch, NJ, has raised seven sons who have served in the U.S. Marine Corps. Three of her young men took part in Operation Desert Storm—Maj. Joseph Shushko, a helicopter pilot; Lt. Kevin J. Shushko, motorized transport; and Sgt. Michael P. Shushko, an Arabic linguist. In addition, Sgt. Richard A. Shushko is still in the service, while Sgt. Brian T. Shushko, Cpl. Daniel S. Shushko, and Cpl. Robert C. Shushko are now out of the service.

Mr. Speaker, raising seven sons to be successful members of the community is an impressive accomplishment in its own right. Raising them to excel in the rigorous demands of discipline and bravery of the Marine Corps, in defense of their country, is an accomplishment deserving of the highest honors and tributes. It gives me great pride to praise Mrs. Shushko and her seven sons—as a fellow resident of the city of Long Branch, as their Representative in Congress, and as an American.

RECOGNIZE OCTOBER 1991 AS ENDING HUNGER MONTH

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SMITH of Florida. Mr. Speaker, thank you for allowing me to speak about my bill. Today I will be introducing, Ending Hunger Month. For the past 2 years, Congress has passed similar resolutions.

We must remember that hunger is not a choice. In March 1991, the results of an independent survey on hunger in the United States indicated that 5.5 million people under the age of 12 are hungry every day. Globally, hunger affects more than a billion people daily. Every 24 hours, 35,000 people die from acute and chronic malnutrition.

Hunger, however, is more than simply a physical condition. Its repercussions extend beyond superficial discomfort, reaching to debilitate children's ability to learn and concentrate, adult's job performance, and the family stability of those affected.

Numbers then are not the only issue; clearly, the statistics represent a tragedy. Through educational and public awareness programming, we can create an increased understanding of hunger and its implications in the national and global setting. This resolution seeks to promote such programming to heighten public awareness in an effort to heighten public awareness of hunger worldwide.

I ask my colleagues to support this resolution and help promote awareness of the problem of chronic hunger.

PORK BARREL SPENDING

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. CAMPBELL of California. Mr. Speaker, despite the fact that the Federal deficit will hit $370 billion this year, we in Congress continue to spend billions of dollars on projects whose necessity are, to say the least, dubious. Our mounting national debt threatens the health of our economy, yet we in Congress continue to wrack up the bills on frivolous projects. While these projects benefit concentrated special interests, and, of course, a few members of Congress, the vast majority of Americans pay for them through higher taxes and a weaker economy.

If we truly want to make progress reducing the deficit, shouldn't our first step be to eliminate wasteful spending? Today, I am introducing legislation to eliminate just a few of the most egregious examples of wasteful spending. For example, should Congress really have spent $4,500,000 to restore the Keith Albee Theatre in Huntington, WV? Or $11,000,000 for the rehabilitation of locomotive artifacts at Steamtown? Or $1,700,000 for Biscayne Boulevard renovation in Miami? Or $20,000,000 for the International Fund for Ireland? I think not, and my bill would rescind the spending for these items.

Mr. Speaker, the people who lost their jobs in the last recession would undoubtedly say that such projects are not worth trading for the health of our economy. It doesn't take a mathematics degree to tell you that these figures add up to considerable sums, and that eliminating wasteful spending would take a meaningful chunk out of the deficit. Since reducing the deficit is the single best thing that we can do to put our economic house in order, I am hopeful that Congress will make genuine deficit reduction a priority. Moreover, I urge my colleagues to end the practice of pork barrel spending.

TRIBUTE TO MR. RALPH BOLEN

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MCEWEN. Mr. Speaker, I rise today to pay special tribute to Mr. Ralph Bolen, the recently retired executive vice president of the Ohio Bankers Association. Ralph has provided 25 years of dedicated service under the OBA during a time period when the banking community was under constant change. He provided leadership and guidance for the Ohio banking industry during an era that saw a dramatic increase in statewide branching and interstate banking.

Ralph received his bachelor's degree in accounting from Franklin University. He holds a degree from the Stonier Graduate School of Banking, along with two certificates from the American Institute of Banking. Ralph began his career with the Ohio Banking Association 5 years ago, and began serving as executive vice president in 1973.

Bolen's current business and professional affiliations include: Former chairman, State association division, ABA; past chairman of the board of the Graduate School of Banking in Madison, WI; trustee of Ohio Banker's Insurance Fund; and director of the Ohio Bankers Association.

During his distinguished career Ralph has been instrumental in promoting successful change in the banking industry. He has increased the number of OBA seminars and workshops, bringing the number from 3 or 4 a year to some 60 a year. These meetings have provided valuable opportunities to exchange information, share ideas, and ensure we continue to have a sound relationship among banks throughout Ohio.

Throughout the years Ralph has been available to provide advice and counsel on a moment's notice to the entire Ohio delegation, and I can testify that he has made my job easier. He truly has his finger on the pulse of Ohio's banking community.

Mr. Speaker, thank you for the opportunity to honor Ralph Bolen and to thank him for his diligent service through the years. I wish Ralph the best in his future endeavors.

YUGOSLAVIA

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SWIFT. Mr. Speaker, as Serbians and Croatians continue to fight—and peace talks remain stalled—I am becoming increasingly concerned about the future of Yugoslavia. It appears that the people of Slovenia are well on their way to a peaceful conclusion to their hostilities, but Croatia continues to teeter on the edge of all-out war.

I commend the attempts by the European Community to broker a peaceful solution, and hope that they will soon succeed. In the coming weeks we should do all we can to assist those efforts. However, the administration must act decisively now to get the United Nations to intervene and end the bloodshed immediately.

It is important that none of the outside forces trying to bring peace to Yugoslavia attempt to dictate the form of that peace. To do so would only invite further conflict in the future. The people of Yugoslavia must devise their own solution, solutions that are culturally acceptable to them and will therefore stand the test of time. We can all see, however, that the people of Yugoslavia need an end to the fighting so that the politics can be worked out peacefully. We should be doing all we can to facilitate that peace.

A BILL TO INDEX THE TAX ON SOCIAL SECURITY BENEFITS

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. RINALDO. Mr. Speaker, today I am pleased to join with Mr. LENT, Mr. SHAYS, Mr. SAXTON, Mr. SMITH of New Jersey, Mr. DEFAZIO, and Mr. FROST to reintroduce my legislation to adjust the base amounts for the taxation of Social Security benefits for inflation.

Since 1984, the Federal Government has taxed Social Security benefits. Up to half of the Social Security benefit for an individual whose annual income is greater than $25,000 or a couple whose income exceeds $32,000 is taxable. But unlike almost every other aspect of our tax policy, these threshold income levels are not indexed for inflation. So while benefits have risen every year, the point at which benefits become subject to taxes has never changed.

Effectively, this means that with each cost-of-living adjustment [COLA] for Social Security beneficiaries, Congress passes another tax increase. So without a single vote on the matter, hundreds of thousands of older Americans find themselves indexed into a higher tax bracket every time their benefits go up.

As long as these thresholds are not adjusted for inflation, more and more people will be indexed into this tax bracket and find themselves relinquishing a portion of their Social Security benefits as taxable income. In fact, in the 7 years since the Federal Government began taxing Social Security benefits, the percentage of beneficiaries paying taxes on their benefits has grown to 21 percent. Nearly 1½ million senior citizens were added to the tax rolls between 1989 and 1990. And, with the last year's 5.4-percent COLA, many more older Americans will be taxed on their benefits this year.

The time has come to end this bracket creep, and I would like to invite my colleagues to work with me by cosponsoring this measure and pushing for its enactment into law.

TRIBUTE IN HONOR OF MR. DOUG BEATTIE

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DIXON. Mr. Speaker, I rise today to pay special tribute to an outstanding and dedicated educator, Mr. Doug Beattie, and to join his family, host of friends, and Westchester High School in a ceremony naming the Westchester High School football stadium in his honor.

Mr. Doug Beattie lived in my congressional district. Unfortunately, he died of cancer on November 11, 1990. Yet, his leadership in the Westchester community will not be forgotten by the students or the administration in the Los Angeles Unified School District. His legacy as a committed administrator will live on.

Doug Beattie's long tenure as an educator began in 1957 as an industrial education teacher at Westchester High School. Along with his commitment to education, he was actively involved in extracurricular activities. In 1974, Mr. Beattie was promoted to dean of students and a few years later he became assistant principal at Eagle Rock High School. In 1983, Mr. Beattie returned to Westchester High School and served for 7 distinguished years as assistant principal.

Mr. Speaker, I ask my colleagues to join me in recognizing the outstanding achievements of Doug Beattie, as his friends, family, students, and administration at Westchester High School honor him by naming the Westchester High School football stadium, the Douglas W. Beattie Memorial Stadium. September 20, 1991, the first football game of the season, will be a special occasion to honor this dedicated educator who contributed so much to Westchester High School and the community.

NATIONAL HISPANIC COMMISSION FOR BONE TRANSPLANT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to bring to the attention of the Congress the dedication and achievements of the National Hispanic Commission for Bone Transplant, which is located in my congressional district. This group works to increase the chances of Hispanics with life threatening blood diseases to receive bone marrow transplants.

According to the Hispanic Commission, only 2 to 5 percent of donors registered in the National Marrow Donor Program, which keeps a record of available tissue-typed marrow donors nationwide, are minorities. This percentage of donors is extremely low and this is where the Hispanic Commission for Bone Transplant steps in to make an impact.

The Hispanic Commission, which was created under the auspices of the Blood Banks of Dade and Broward Counties in 1986, was organized to convert more Hispanics into marrow donors. The Commission is equipped with a computerized system that matches Hispanic donors with possible marrow recipients. It seeks to give information about marrow transplantation and save lives by aiding the search for Hispanic donors.

Mr. Speaker, I commend the Hispanic Commission for their efforts to provide those suffering from blood diseases an opportunity to overcome their misfortunes. The Hispanic Commission seeks to increase the possibility of locating eligible donors for Hispanics with blood diseases, thus it is instrumental in saving the lives of people with such diseases as leukemia and aplastic anemia. I would like to thank those involved with the Hispanic Commission for Bone Marrow Transplant for their good work on behalf of their fellow Hispanics. Those who are members of the board of directors include Jose A. Vicente, president; Silvio Solorzano, vice president; Beatriz Ramirez, treasurer; Elba Pisano, secretary and executive director; Eugenia Sierra; honorary president for special events and Dr. Julio Garcia, medical director.

Those who are directors include Leonardo Roth, Uva Clavijo, Felicia Monteserin, Jorge Vazquez, Alicia Baro, Mercy Diaz Miranda, Aleida Leal, Oscar Suris, Blanca Galvez, Patricia Araujo-Wetstein, Magaly Abrahante, Lourdes Nieto, Antonieta Bernardino, Rev. Jose Borbon, Roxana Fernandez, and Carlos Caballero. In conclusion, I extend my sincere gratitude and admiration to all of those who are themselves donors, without you those in need of bone marrow transplants have little chance.

TRUE WETLANDS NEED PROTECTION

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. EMERSON. Mr. Speaker, a plot of dry land that is dry for 358 of the 365 days in a year can be declared a wetland under the Federal Government's current policy toward wetlands. It seems that any educated American citizen would regard such a definition of a wetland as absurd, but not the Environmental Protection Agency or the Army Corps of Engineers. They are frantically saving lands from the terrible plight of farming, development, or any other type of improvement.

And just what is the cost of this great service they are doing for the good of America? Productive lands are being kept out of use and individual landowner's property rights are being ignored.

It cannot be denied that the Nation's wetlands should be protected and pollution should be controlled. However, when regulators go so far as to preserve as a wetland, land that is dry for 358 days of the year, regulation has definitely gotten out of hand.

H.R. 1330 has been introduced to curtail the improper enforcement of wetland regulation. Among other things, this bill defines wetlands in a manner that protects true wetlands. The nonsense of current wetland policy has gone on for much too long. True wetland regulation is a serious matter that must be dealt with immediately.

THE INTERMODAL CARRIERS COMPETITIVENESS ACT OF 1991

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. CLEMENT. Mr. Speaker, with my distinguished colleague from the Committee on Public Works and Transportation, Representative FREDERICK UPTON, I rise today to introduce the Intermodal Carriers Competitiveness Act of 1991.

This legislation has been developed in response to the problem faced by multimodal express carriers of packages in outdated State economic regulations—regulations which cost the consumer an added $6 to $8 billion a year.

We have developed this proposal—with great assistance from the administration, from the air-ground carriers, from my colleagues on both sides of the aisle, and especially from the Committee on Public Works and the Subcommittee on Surface Transportation. And we have received strong support for our concept.

Mr. Speaker, State economic regulations of small package, express delivery service is far too expensive to the country, and far too wasteful to our economy to be allowed to continue. State economic regulation of the prices and services of these national carriers simply must stop.

Under current Federal law, any express package carrier may truck a package to its destination, and its rates, routes, and services are exempt from any State regulation, if the package is going from one State to another State.

However, if the express package carrier wants to truck a package from one location within a State to another location within that State, then the State may dictate the rates that may be charged, the route that must be taken, and the services which may be rendered.

To avoid regulation at the State level, the express package carrier service must fly the package, or drive the package out of that State, and then drive it back into the State.

Many express package carriers have refused to drive the package within the State and subject the rates, routes, and services of delivery to the State public utility commissions. They believe, as I do, that the marketplace should determine prices and conditions of service, not the 42 State regulatory authorities.

Because of State economic regulations, which prevent express carriers from operating local hubs for surface transport in high density city-pair markets, the total cost to our economy in inefficiencies is estimated to be $6 to $8 billion.

For example, Tennessee requires air express to move by air, even when it is not economically feasible to do so. Thus, an express carrier has to move Memphis-Nashville traffic via air, even though there is not enough volume to justify the cost.

According to a 1990 Department of Transportation study, the most serious problem for the package express industry is State regulation of entry into the intrastate trucking business, which prevents some express carriers from carrying packages by truck between cities in the same State. This forces carriers to fly packages out of State to a national sorting hub, and back again, at a cost estimated to be four times greater than carrying the package by truck.

The Intermodal Carriers Competitiveness Act of 1991 would only deregulate the rates, routes, and services of air-ground carriers.

Economic regulation of intrastate surface transportation has a substantially negatvie impact on the express industry, and thus on its customers which range from large multinational corporations to small domestic mail order firms. Currently, a single, consistent surface transportation network is being developed within Europe which will virtually eliminate disparate regulation by the various European countries. Comparable changes must be made within the United States if American businesses are to remain competitive in the world market.

TRIBUTE TO MABEL GIST

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. SKELTON. Mr. Speaker, I take this opportunity to say a special word of tribute concerning Mabel Gist of Roscoe, MO, who was elected recently to the board of directors of the National Association of Private Industry Councils.

Mrs. Gist is quite a remarkable person. In addition to being service area 4's Private Industry Council Chair, she is the owner and operator of a farming operation and the owner and operator of Gist Plumbing and Electric Co., in Roscoe.

Mrs. Gist, who has been a member of the Western Missouri Private Industry Council since it was founded in 1983, is serving as PIC Chair for the second year. She also serves as secretary-treasurer of the State association, Missouri Private Industry Council Chairs. In addition, she has also been active in many other organizations, including: Serving as an officer of the Missouri State Postmasters; National Committee of Postmasters; St. Clair County Welfare Commission; Roscoe Community Historical Society; West Central Missouri Community Action Agency; Missouri Private Industry Chairs; and, the National Association of Retired Federal Employees.

In the public sector, she has had experience as a teacher in the Missouri public school system and as a U.S. postmaster.

Mrs. Gist serves as a model to all citizens with her strong sense of duty exemplified by her willingness to give her time to so many different organizations. I take this opportunity to wish her well in her role on the NAPIC board.

THE POLLUTION PREVENTION, COMMUNITY RECYCLING, AND INCINERATOR CONTROL ACT

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KOSTMAYER. Mr. Speaker, today, joined by Mr. Richardson and a number of other Members, I am introducing critical legislation to deal with the Nation's growing solid waste disposal problem by promoting the growth of recycling in communities across the country.

American communities are struggling to dispose of more than 180 million tons of garbage annually—and to do so in an environmentally safe manner. However, despite the enormous progress of many communities in developing efficient, effective recycling programs, recycling remains a waste management stepchild—an interesting experiment, in the view of many local officials, which might be worth trying someday.

Mr. Speaker, we can no longer afford to postpone a national decision to make recycling America's principal waste management method.

We can no longer afford to rely on landfills, all of which, according to the EPA, will eventually threaten to contaminate surface or ground water, as our primary means of waste disposal.

Above all, we cannot afford to invest billions and billions of dollars in a comparatively new waste technology which presents environmental dangers far more serious even than those generally present with landfills.

Municipal solid waste incinerators have a comparatively short history in this country. There are 168 in operation today nationwide, burning approximately 13 percent of the Nation's solid waste stream. At costs as high as $600 million per incineration plant, they represent a massive new capital investment not only for the communities which may consider building them but for the Nation; perhaps as much as $7 billion will be spent to build incineration plants in the Northeast alone in the next decade.

But the evidence is accumulating rapidly that incineration presents very serious threats to the environment and to public health—threats of a magnitude that merit at least a temporary halt in the Nation's investment in further incinerator capacity.

Burning municipal solid waste converts many of the toxic heavy metals and organic chemicals found in the municipal waste stream into highly volatile compounds. Released into the environment—through air emissions or into surface or ground water through incinerator ash which must ultimately be landfilled—these compounds more easily make their way into the food chain or are more easily absorbed directly by humans than the original metals and chemicals found in raw waste.

Solid waste incinerators commonly emit 27 heavy metals into the atmosphere, including mercury, lead, and cadmium, along with toxic organic compounds including dioxins and PCB's. In fact, incinerators are now the fastest-growing source of mercury—which causes neurological damage, blindness, and has been linked to birth defects—in the Nation's environment.

Equally important, incineration leaves behind tons of toxic ash containing these chemicals and heavy metals in high concentrations. The incineration of 100 tons of garbage generates about 30 tons of ash, all of which must be transported to and disposed of in landfills. In reality, incineration does not relieve the Nation's dependence on landfills; instead, it is merely a means of stretching our landfill capacity at enormous cost—the cost of huge capital investment and serious environmental and public health hazards.

The legislation I am introducing today attempts, in a moderate, step-by-step approach, to address the most serious public health issues raised by existing incinerators and to set a policy which, while allowing future additions to the Nation's incinerator capacity, sets us firmly on a course toward recycling as our principal waste management method. The solid waste provisions of the legislation include:

1. For existing incinerators, a requirement that several sources of toxic emissions and the toxicity of ash—including batteries, hazardous household wastes, chlorinated plastics, consumer electronics, and yard wastes—be separated from the waste stream prior to incineration. Among other benefits, this measure will significantly reduce mercury emissions from existing incinerators, which are a major source of mercury contamination in the Great Lakes and elsewhere in the country.

2. Designation of incinerator ash as hazardous, requiring regulation under subtitle C of the Resource Conservation and Recovery Act. Tests of fly ash and combined ash—fly ash plus bottom ash—from incinerators consistently show levels of toxic chemicals and heavy metals designated as hazardous under RCRA. It is time to end the exemption of incinerator ash from regulation as a hazardous substance, which allows it to be disposed of in municipal landfills, seriously increasing environmental risks. Ash must be disposed of in landfills designed to handle hazardous materials, with additional liner, leachate collection system and cover requirements under RCRA. The bill also prohibits the use of ash for any purpose, including road paving.

3. An 8-year moratorium on new construction or expansion of incinerator capacity. This provision is designed to allow the development of recycling markets to proceed before communities invest heavily in new incinerator capacity. Incinerators and recycling compete directly for the same materials: The most recyclable materials—paper and plastics—are also the most burnable.

Commonly, when communities issue hundreds of millions of dollars worth of bonds to finance construction of an incinerator, they sign contracts guaranteeing the incinerator plant a fixed tonnage of burnable solid waste per month. If they fail to deliver that fixed amount of burnable garbage, communities are required to pay large financial penalties to the incinerator. Under these circumstances, few communities with incinerators are likely to begin or expand recycling programs during the 20-to-30 year life of an incinerator plant they have financed.

We cannot afford to indulge in a "rush to burn." The environmental costs, the public health costs, and the financial costs, are simply too great. This legislation provides for a badly needed pause in incinerator capacity growth while national recycling markets develop.

4. Public health and environmental protections for construction or expansion of new incinerators after 1999. The legislation permits the construction of new incinerators after the expiration of the moratorium, but imposes very necessary public health and environmental protection requirements on the issuance of necessary permits.

Among the requirements are: Achievement of reasonable levels of recycling of various commodities by waste haulers planning to deliver waste to a new facility; certification that the facility will not adversely affect the environment or public health; a demonstration that a new facility will not adversely affect the local economy; a public participation process including technical assistance grants to community groups to independently assess construction proposals; an environmental impact statement complying with the requirements of the National Environmental Policy Act; and disclosure by the operating company of its history of compliance with environmental, health, and antitrust laws.

The legislation also addresses the growing problem of hazardous waste incinerators, which also present serious health and environmental hazards. The conditions listed above, imposed on solid waste incinerators after the year 1999, must, under this bill, be met by those seeking to construct new hazardous waste incinerators immediately upon enactment.

Mr. Speaker, it is essential that Congress, in reauthorizing the Resource Conservation and Recovery Act this year and next, chart a clear course toward reducing our generation of wastes and recycling a large proportion of our remaining wastes and away from the environmental hazards of landfilling and incineration. I look forward to working with Mr. SWIFT and members of his subcommittee as they develop their RCRA proposals.

I include a section-by-section analysis and the text of the legislation at this point in the RECORD:

H.R. 3253, THE POLLUTION PREVENTION, COMMUNITY RECYCLING AND INCINERATOR CONTROL ACT OF 1991

SECTION-BY-SECTION ANALYSIS

Section 1. Short title.

Section 2. (a) Imposes a moratorium on construction or expansion of municipal solid waste incinerators until December 31, 1999.

(b) Establishes the following requirements for permitting of new or expanded solid waste incinerators effective January 1, 2000:

Waste Composition Analysis. All waste transporters planning to use the facility must conduct a waste composition analysis of the waste stream generated within their contract areas. Standard categories and measurements to be established by rule by the EPA Administrator (subsection c below).

Recycling Requirements. The permit applicant must demonstrate that each waste transporter planning to use the facility has achieved the following rates of recycling from its solid waste stream:

(A) Glass, 65%
(B) Newspapers, 65%
(C) Other paper, 65%
(D) Metals, 80%
(E) Plastics, 50%
(F) Yard waste, 90%
(G) Food waste, 10%.

The permit applicant must also demonstrate that:

Construction or expansion of the facility will not interfere with maintenance of the recycling rates above (or higher rates) achieved by waste transporters sending waste to the facility;

It is not feasible to manage the remaining solid waste through source reduction, reuse or recycling.

Public Health. The permit applicant must demonstrate that the facility will not significantly adversely affect human health as a consequence of

(A) exposure to air emissions or inhaled ash,

(B) ingestion through the food chain,

(C) contamination of ground or surface water,

(D) soil contamination by incinerator ash, or

(E) dermal contact with ash or its constituents.

Costs and Economic Impact. The permit applicant must demonstrate that the facility will not harm the local economy, including local property values and that it represents the least-cost alternative to other waste management methods;

Clean Air Act. No facility may be sited in a Clean Air Act non-attainment area.

Public Participation Process. A full public participation process, including public hearings, is required. Applicant is required to provide local community groups concerned with the project renewable technical assistance grants of up to $50,000 (similar to Superfund TAG grants). Grants are to commence upon filing of first application and continue with six-month renewals until final approvals have been obtained. Proposed construction or expansion must be approved by the unit of local government in whose boundaries it would be sited;

Compliance with Environmental and Other Statutes. The applicant, operating firm and the operating firm's corporate affiliates (parents and subsidiaries of all units) must show that:

Each entity is in compliance with federal and state environmental and public health statutes and regulations;

Each entity has paid all outstanding fines or penalties for violations; and

Each entity has made available at public libraries in the jurisdiction where the facility would be located a disclosure statement which includes (i) a list of convictions for fraud or other criminal offense within the past 10 years related to obtaining a permit or contract, (ii) convictions for anti-trust violations in the past 10 years (price-fixing, etc.), (iii) citations for permit violations under environmental laws during the past 5 years, and (iv) citations for failure to conduct proper clean-up, reclamation or closure of a site.

Environmental Impact Statement. An environmental impact statement meeting the requirements of NEPA must be conducted.

(c) The EPA Administrator is required to promulgate regulations establishing standards for the waste composition analyses required above. Establishes minimum standard categories of waste (listed above), requires standard measurements and procedures for certification and verification of the analyses. The Administrator is also empowered to require higher diversion rates by rule for any category listed above if he concludes such higher rate is feasible.

Section 3. Solid waste incinerator ash safety requirements.

(a) Designates municipal solid waste (MSW) incinerator ash as a hazardous waste to be regulated under RCRA Subtitle C. MSW incinerator ash is to be managed in either a monofill meeting the requirements for hazardous waste landfills or an above-ground storage facility used only for MSW incinerator ash;

(b) Existing MSW incinerators given three years from date of enactment to meet the hazardous waste landfill requirements;

(c) Use of incinerator ash for any purpose (such as road paving) is prohibited.

Section 4. Prohibition on incineration of certain materials.

Effective 18 months after date of enactment, the following materials may not be incinerated in MSW incinerators:

(A) Household hazardous wastes;
(B) Batteries;
(C) Chlorinated plastics;
(D) Consumer electronics;
(E) Yard waste.

Section 5. Requirements relating to hazardous waste incinerators.

Establishes the following requirements for construction or expansion of hazardous waste incinerators effective upon date of enactment:

Waste Composition Analysis. All generators are required to identify and quantify all waste expected to be incinerated at the facility, including hazardous or toxic substances.

Public Health. Applies same standards as for MSW incinerators.

Economic Impact. Applies same standards as for MSW incinerators.

Safety. Permit applicant must demonstrate that there is no safer disposal or treatment technology available for the wastes.

Public Participation Process. Same requirements as for MSW incinerators.

Compliance with Environmental and Other Statutes. Same requirements as for MSW incinerators.

Environmental Impact Statement consistent with NEPA required.

Toxics Use Reduction. Requires generators of waste expected to be incinerated at the facility to make publicly available, on an annual basis, the following information:

(A) A materials accounting for each toxic or hazardous substance used in a production unit and for the facility as a whole;

(B) Two- and five-year goals, by substance, for reducing the use of toxic substances in each production unit and in the facility as a whole and a schedule implementing these goals;

(C) Certification of the above information by a government agency or independent expert.

In addition, the state in which the facility is to be located and each state from which it will accept waste must have established and be implementing a toxics use reduction program meeting the following requirements:

(A) Program must be designed to achieve at least a 50 percent reduction in the amount of toxic substances entering the hazardous waste stream within five years after program is established;

(B) Program must require hazardous waste generators to develop a toxics use reduction plan; and

(C) Program must require generators of hazardous waste to report publicly on materials accounting for each production unit and the facility as a whole.

H.R. 3253

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pollution Prevention, Community Recycling, and Incinerator Control Act".

SEC. 2. MORATORIUM ON MUNICIPAL SOLID WASTE INCINERATORS.

(a) AMENDMENT TO SUBTITLE D.—Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.) is amended by adding at the end the following new section:

"SEC. 4011. MUNICIPAL SOLID WASTE INCINERATORS.

"(a) MORATORIUM.—No municipal solid waste incinerator may be issued a permit for construction or expansion until the year 2000.

"(b) REQUIREMENTS.—After December 31, 1999, no Federal agency, State or Local government, or other waste management jurisdiction may issue a permit (including a permit under section 129(e) of the Clean Air Act) or other prior approval for the construction or expansion of a municipal solid waste incinerator, unless the applicant for the permit or other approval demonstrates, and the State finds, that the following requirements are met:

"(1) The applicant shall conduct a waste composition analysis of the solid waste generated in a year within the area to be served by the facility and shall demonstrate that it will continue to conduct such a waste composition analysis annually. Each entity from which the facility plans to accept waste also shall conduct a waste composition analysis of the solid waste generated in a year by the persons from whom the entity collects waste and shall demonstrate that it will continue to conduct such a waste composition analysis annually. Any such waste compliance with the regulations promulgated under subsection (c).

"(2) Each entity from which the facility plans to accept waste shall demonstrate that it has diverted during at least one year, and will continue to divert for each subsequent year, to waste management methods other than incineration and landfilling the following percentages of the total amount of each of the following materials generated annually by the persons from whom the entity collects waste:

"(A) Glass, 65 percent.
"(B) Newspapers, 65 percent.
"(C) Other paper, 65 percent.
"(D) Metals, 80 percent.
"(E) Plastics, 50 percent.
"(F) Yard waste, 90 percent.
"(G) Food waste, 10 percent.

"(3) The applicant shall demonstrate that—

"(A) The facility will not interfere with maintaining the diversion rates set forth in paragraph (2) for each entity from which the facility plans to accept waste; and

"(B) in any case in which a diversion rate by an entity from which the facility plans to accept waste is higher than the rate set forth in paragraph (2), the facility will not interfere with maintaining the higher diversion rate.

"(4) The applicant shall demonstrate that it is not feasible to manage the remaining solid waste through source reduction, reuse, or recycling.

"(5) The applicant shall demonstrate that the facility will not adversely affect the environment or human health as a consequence of—

"(A) exposure to air emissions or incinerator ash through inhalation;

"(B) ingestion of food contaminated by air emissions or incinerator ash as a consequence of incorporation of such ash or emissions into the food chain;

"(C) ingestion of potable water or aquatic organisms contaminated by surface water discharges, surface runoff, leaching, or percolation of air emissions or incinerator ash into ground water or surface water;

"(D) ingestion or inhalation of soil particles contaminated with air emissions or incinerator ash; or

"(E) dermal contact with air emissions or incinerator ash.

"(6) The applicant shall demonstrate that the facility is not situated in a nonattainment area (as that term is used in part D of title I of the Clean Air Act (42 U.S.C. 7501 et seq.)).

"(7) The applicant shall demonstrate that the facility will not harm the local economy, including a demonstration that it will not negatively affect property values.

"(8) The applicant shall demonstrate that the full cost of the facility over its entire life, including capital costs, debt service, liability insurance, remediation, and long-term operation and maintenance expenses, will be less costly than reducing, recycling, or composting waste.

"(9) The Federal agency, State or local government, or other waste management jurisdiction shall conduct a full public participation process, including public hearings, to address the proposed facility. As part of the process, the applicant shall provide to local community groups concerned about the project a technical assistance grant of at least $50,000. The applicant shall renew the grant every six months after the initial grant is made until the date on which final action is completed by each Federal agency, State or local government, or other waste management jurisdiction on each permit for construction or expansion of the facility.

"(10) The proposed construction or expansion must be approved by the unit of local government in whose boundaries the facility would be sited.

"(11) The applicant shall demonstrate the following with respect to the applicant, any firm engaged to operate the facility, the parent firm of the applicant and any firm engaged to operate the facility, and any firms controlled by the parent firm or the operating firm or the applicant:

"(A) Each such entity is in compliance with Federal and State environmental and public health statutes and regulations.

"(B) Each such entity has paid all outstanding fines or penalties for violations of such statutes or regulations.

"(C) Each such entity has made available to the public at the site, and at local public libraries in the jurisdiction where the facility would be sited, a disclosure statement. The disclosure statement shall include the following information with respect to the entity:

"(i) A list of each conviction of fraud or any criminal offense during the previous 10 years in connection with obtaining or attempting to obtain a contract.

"(ii) A list of each conviction of a violation of a State or Federal anti-trust law during the previous 10 years, including convictions relating to unlawful price-fixing, allocation of customers among competitors, and bid-rigging.

"(iii) A list of each citation for a permit violation under a Federal, State, or local environmental statute during the previous 5 years.

"(iv) A list of each citation for failure to conduct proper cleanup, reclamation, or closure of a site or forfeiture of a bond for such a failure during the previous 5 years.

"(12) The applicant shall complete, after public notice and comment, an environmental impact statement. Such statement shall be conducted in the same manner and in conformance with the same standards required for environmental impact statements under the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and must be approved by the State.

"(c) WASTE COMPOSITION ANALYSIS REGULATIONS.—(1) Not later than January 1, 1995, the Administrator shall promulgate regulations containing standards for the conduct of waste composition analyses under subsection (b)(1). In the regulations, the Administrator shall define the term 'waste composition analysis' to mean—

"(A) an identification of all materials that fall within standard categories and subcategories of materials set forth by the Administrator, including, at a minimum, glass, newspapers, other paper, metals, plastics, yard waste, and food waste; and

"(B) a measurement of the quantities of those materials, using a method established by the Administrator.

"(2) The regulations also shall include procedures for—

"(A) certification of the accuracy of a waste composition analysis by the entity carrying out the analysis; and

"(B) verification by the Administrator of the accuracy of a waste composition analysis.

"(d) AUTHORITY TO IMPOSE HIGHER DIVERSION RATES.—The Administrator shall assess periodically, but not less often than at least once every 3 years, whether the achievement of higher diversion rates under subsection (b)(2) is feasible. If the Administrator concludes that a higher rate is feasible for one or more materials listed in subsection (b)(2), the Administrator may by rule require such higher rate for the material under such subsection.

"(e) DEFINITIONS.—For purposes of this section, the following definitions apply:

"(1) The term 'municipal solid waste incinerator' means a distinct operating unit of any facility which combusts any solid waste material from commercial or industrial establishments or the general public (including single and multiple residences, hotels, and motels). Such term does not include (i) incinerators or other units required to have a permit under section 3005; (ii) materials recovery facilities (including primary or secondary smelters) which combust waste for the primary purpose of recovering metals; (iii) qualifying small power production facilities, as defined in section 3(17)(C) of the Federal Power Act (16 U.S.C. 769(17)(C), which burn homogeneous waste (other than refuse-derived fuel) for the production of electric energy; (iv) air curtain incinerators provided that such incinerators only burn wood wastes, yard wastes, and clean lumber and that such air curtain incinerators comply with opacity limitations to be established by the Administrator by rule; or (v) incinerators or other units that burn only infectious medical waste.

"(2) The term 'waste management jurisdiction' means a governmental entity which issues permits for construction or expansion of municipal solid waste incinerators within its boundaries.

"(f) REGULATIONS.—The Administrator shall promulgate regulations to carry out this section.".

"(b) TECHNICAL AMENDMENT.—The table of contents for subtitle D of such Act (contained in section 1001 of such Act) is amended by adding at the end the following new item:

"Sec. 4011. Municipal solid waste incinerators.".

SEC. 3. MUNICIPAL SOLID WASTE INCINERATOR ASH MANAGEMENT.

Section 3001 of the Solid Waste Disposal Act (42 U.S.C. 6921) is amended by adding at the end the following new subsection:

"(j) ASH FROM MUNICIPAL SOLID WASTE INCINERATORS.—(1) Notwithstanding section 306 of the Clean Air Act Amendments of 1990 (P.L. 101-549; 104 Stat. 2584), ash from municipal solid waste incinerators shall be considered to be a hazardous waste and shall be subject to this subtitle.

"(2) Ash from municipal solid waste incinerators shall be managed in a monofill that contains only ash from such incinerators and that includes, at a minimum, the following design components:

"(A) A double liner system designed, operated, and constructed of materials to prevent the migration of any constituent into the liners during the period such facility remains in operation (including any postclosure monitoring period). The double liner system shall consist of one flexible membrane liner and once composite liner, with a leachate collection system above and between such liners. For purposes of this subsection, the term 'flexible membrane liner' means a liner that consists of high density polyethylene or equivalent material that is at least 60 mils thick and a layer of recompacted clay or other national materials at least 3 feet thick with hydraulic conductivity of no more than 1×10^{-7} centimeter per second.

"(B) Upon closure, a final composite cover system designed, operated, and constructed of materials to prevent the infiltration of precipitation into such cover during any closure of post-closure monitoring period. For purposes of this section, the term 'composite cover' means a cover which consists of high density polyethylene or equivalent material that is at least 40 mils thick and a layer of recompacted clay or other national materials at least 3 feet thick with hydraulic conductivity of no more than 1×10^{-7} centimeter per second.

"(3) Municipal solid waste incinerators in existence on the date of the enactment of the Pollution Prevention, Community Recycling, and Incinerator Control Act shall meet the requirements of paragraph (2) not later than 3 years after such date of enactment.

"(4) As of the date of the enactment of the Pollution Prevention, Community Recycling, and Incinerator Control Act, the utilization of municipal solid waste incinerator ash for any purpose is prohibited.

"(5) For purposes of this subsection, the following definitions apply:

"(A) The term 'ash from municipal solid waste incinerators' means the residues resulting from the combustion of municipal solid waste in a municipal solid waste incinerator.

"(B) The term 'municipal solid waste incinerator' means a distinct operating unit of any facility which combusts any solid waste material from commercial or industrial establishments or the general public (including single and multiple residences, hotels, and motels). Such term does not include (i) incinerators or other units required to have a permit under section 3005; (ii) materials recovery facilities (including primary or secondary smelters) which combust waste for the primary purpose of recovering metals; (iii) qualifying small power production facilities, as defined in section 3(17)(C) of the Federal Power Act (16 U.S.C. 769(17)(C), which burn homogeneous waste (other than refuse-derived fuel) for the production of electric energy; (iv) air curtain incinerators provided that such incinerators only burn wood wastes, yard wastes and clean lumber and that such air curtain incinerators comply with opacity limitations to be established by the Administrator by rule; or (v) incinerators or other units that burn only infectious medical waste.".

SEC. 4. PROHIBITION ON INCINERATION OF CERTAIN MATERIALS.

(a) PROHIBITION.—Section 3001 of the Solid Waste Disposal Act (42 U.S.C. 6921) is further amended by adding at the end the following new subsection:

"(k) PROHIBITION ON INCINERATION OF CERTAIN MATERIALS.—The following materials and products may not be incinerated in a municipal solid waste incinerator:

"(1) Household hazardous waste.

"(2) Batteries.

"(3) Chlorinated plastics.

"(4) Consumer electronics.

"(5) Yard waste.".

(b) EFFECTIVE DATE.—Subsection (k) of section 3001 of the Solid Waste Disposal Act (as added by subsection (a)) shall take effect 18 months after the date of the enactment of this Act.

SEC. 5. REQUIREMENTS RELATING TO HAZARDOUS WASTE INCINERATORS.

(a) AMENDMENT TO SUBTITLE C.—Subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6921 et seq.) is amended by adding at the end the following new section:

"SEC. 3021. HAZARDOUS WASTE INCINERATORS.

"(a) GENERAL REQUIREMENTS.—Effective on the date of the enactment of the Pollution Prevention, Community Recycling, and Incinerator Control Act, no Federal agency, State or local government, or any other waste management jurisdiction may issue a permit or other prior approval for the construction or expansion of a hazardous waste incinerator unless the following requirements are met:

"(1) The applicant for the permit or other prior approval, and all generators of waste expected to be incinerated at the facility, shall conduct waste composition analyses that identify and quantify all the waste expected to be incinerated at the facility, including all toxic or hazardous substances in the waste.

"(2) The applicant shall demonstrate that the toxics use reduction requirements of subsection (b) have been met.

"(3) The applicant shall demonstrate that the facility will not interfere with, divert resources from, or otherwise serve as a disincentive to, aggressive implementation of the toxics use reduction requirements of subsection (b).

"(4) The applicant shall demonstrate that the facility will not adversely affect the environment or human health as a consequence of—

"(A) exposure to air emissions or incinerator ash through inhalation;

"(B) ingestion of food contaminated by air emissions or incinerator ash as a consequence of incorporation of such ash or emissions into the food chain;

"(C) ingestion of potable water or aquatic organisms contaminated by surface water discharges, surface runoff, leaching, or percolation of air emissions or incinerator ash into ground water or surface water;

"(D) ingestion or inhalation of soil particles contaminated with air emissions or incinerator ash; or

"(E) dermal contact with air emissions or incinerator ash.

"(5) The applicant shall demonstrate that the facility will not harm the local economy, including a demonstration that it will not negatively affect property values.

"(6) The applicant shall demonstrate that there is no safer disposal or treatment technology available for any of the wastes.

"(7) The Federal agency, State or local government, or other waste management jurisdiction shall conduct a full public participation process, including public hearings, to address the proposed facility. As part of the process, the applicant shall provide to local community groups concerned about the project a technical assistance grant of at least $50,000. The applicant shall renew the grant every six months after the initial grant is made until the date final action is completed by each Federal agency, State or local government, or other waste management jurisdiction on each permit for construction or expansion of the facility.

"(8) The proposed construction or expansion must be approved by the unit of local government in whose boundaries the facility would be sited.

"(9) The applicant shall demonstrate the following with respect to the applicant, any firm engaged to operate the facility, the parent firm of the applicant and any firm engaged to operate the facility, and any firms controlled by the parent firm or the operating firm or the applicant:

"(A) Each such entity is in compliance with Federal and State environmental and public health statutes and regulations.

"(B) Each such entity has paid all outstanding fines or penalties for violations of such statutes or regulations.

"(C) Each such entity has made available to the public at the site, and at local public libraries in the jurisdiction where the facility would be sited, a disclosure statement. The disclosure statement shall include the following information with respect to the entity:

"(i) A list of each conviction of fraud or any criminal offense during the previous 10 years in connection with obtaining or attempting to obtain a contract.

"(ii) A list of each conviction of a violation of a State or Federal anti-trust law during the previous 10 years, including convictions relating to unlawful price-fixing, allocation of customers among competitors, and bid-rigging.

"(iii) A list of each citation for a permit violation under a Federal, State, or local environmental statute during the previous 5 years.

"(iv) A list of each citation for failure to conduct proper cleanup, reclamation, or closure of a site or forfeiture of a bond for such a failure during the previous 5 years.

"(10) The applicant shall complete, after public notice and comment, an environmental impact statement. Such statement shall be conducted in the same manner and in conformance with the same standards required for environmental impact statements under the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and must be approved by the State.

"(b) TOXICS USE REDUCTION REQUIREMENTS.—(1) For purposes of subsection (a)(2), an applicant for a permit, and each generator of waste expected to be incinerated at the facility, shall demonstrate that each such generator has completed and made available to the public, and intends to complete and make available each subsequent year, a report on the use of toxic or hazardous substances at the generator's facility and the reduction of the use of such substances during the preceding year at the generator's facility. The report shall include, at a minimum, the following:

"(A) A materials accounting for each toxic or hazardous substance used in each production unit of the generator's facility and for the facility as a whole.

"(B) An evaluation of options for reducing the use of toxic and hazardous substances in each production unit of the generator's facility.

"(C) Two- and five-year goals, by toxic and hazardous substance, for reducing the use of each substance in each production unit of the generator's facility and in the facility as a whole.

"(D) A schedule for implementing the goals referred to in subparagraph (C).

"(E) A statement signed by an independent expert certifying that, to the expert's best knowledge and belief, the report prepared by the generator is true, complete, accurate, and prepared under a proper data accounting and planning system.

"(2) for purposes of subsection (a)(2), an applicant for a permit shall demonstrate that the State in which the facility is located, and each State in which generators of waste expected to be incinerated at the facility are located, has established and is implementng a toxics use reduction program that includes, at a minimum, the following requirements:

"(A) The program must be designed to achieve, within 5 years after the date the program is established, at least a 50 percent reduction, from the base year, in the amount of toxic or hazardous substances entering the hazardous waste stream prior to treatment, recycling, handling, disposal, or release.

"(B) The program must require generators of hazardous waste to develop a plan for reducing their toxic or hazardous substance use.

"(C) The program must require each generator of hazardous waste to publicly report on materials accounting for each production unit of the generator's facility and the facility as a whole.

"(c) APPLICABILITY.—This section applies to any facility that burns hazardous waste, including cement kilns and other industrial furnaces and boilers.

"(d) DEFINITIONS.—For purposes of this section, the following definitions apply:

"(1) The term 'base year' means any calendar year, not earlier than 1989, for which a State has complete and adequate information on the generation of toxic or hazardous substances entering the hazardous waste stream, prior to treatment, recycling, handling, disposal, or release.

"(2) The term 'toxic or hazardous substance' means—

"(A) a substance on the list described in section 313(c) of the Emergency Planning and Community Right-To-Know Act of 1986 (42 U.S.C. 11023(c));

"(B) any chemical for which a Federal or State law requires reporting similar to section 313 of such Act but which is not otherwise covered under subparagraph (A);

"(C) any hazardous constituent of hazardous wastes identified under regulations promulgated under this subtitle and listed in sections 261.33(e), 261.33(f), and Appendix VIII of part 261 of title 40 of the Code of Federal Regulations; and

"(D) any priority pollutant listed under regulations relating to steam electric power point source pollutants under the Federal Water Pollution Control Act (33 U.S.C. 1311 et seq.) (as listed in Appendix A of section 423 of title 40 of the Code of Federal Regulations).

"(3)(A) The term 'toxics use reduction' means any change in a production process or activity, raw material, or product, that reduces or eliminates the use of any toxic or hazardous substance, or the amount of any toxic or hazardous substance entering any waste stream or otherwise released to the environment (including fugitive emissions and hazardous secondary materials), prior to recycling, treatment, disposal, handling, or release, without creating or increasing risks to the public health, workers, consumers, or the environment. The term includes production equipment or technology modifications, reformulation or redesign of products, substitution of raw materials, changes in production processes or procedures, and improvements in housekeeping, maintenance, training, or inventory control.

"(B) The term does not include (i) any waste management or pollution control activity, or any other practice which alters the physical, chemical, or biological characteristics, or the volume, of a toxic or hazardous substance through a process or activity which itself is not integral to and necessary for the production of a product or the providing of a service; (ii) recycling without the use of in-process, in-line, or close-loop recycling methods according to standard engineering practices and that is not integral to and necessary for the production of the product within the original production unit; or (iii) the use of a byproduct as hazardous secondary material, as a product, or as a constituent of a product.".

"(b) TECHNICAL AMENDMENT.—The table of contents for subtitle C of such Act (contained in section 1001 of such Act) is amended by adding at the end the following new item:

"Sec. 3021. Hazardous waste incinerators.".

INCREASING WELFARE

HON. JILL L. LONG

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Ms. LONG. Mr. Speaker, several days ago we learned about some disturbing figures reported by the American Public Welfare Association. These figures illustrate the need to address the tremendous increase in the number of Americans receiving welfare payments.

There recent statistics indicate that a record number of Americans were welfare recipients in April of this year. In that month, 4.4 million families received money under the Aid to Families with Dependent Children Program. This is the highest number of dependent families ever, the previous record being 3.9 million families in 1981. Also in April, 23.1 million Americans received food stamps. This figure also exceeds the previous record of 21.6 million people on food stamps in 1989.

The number of AFDC recipients has also grown at a constant rate during the past 2 years. That number has increased 18 percent since 1989 when 3.74 million people received AFDC assistance. There are numerous reasons for these sharp increases, including increased unemployment, Medicaid expansion, and the current recession that this country is experiencing.

If our Nation is to combat these sorts of troubling figures—and I remind my colleagues these figures represent actual people—we need to consider what we can do to get our economy moving again and increase employment.

ADIOS WISCONSIN

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. KLECZKA. Mr. Speaker, I want to call to the attention of my colleagues a recent series of articles on United States-Mexico trade which appeared in the Milwaukee Journal. The authors, Mr. John Fauber and Mr. Jack Norman, examine the relationship between Wisconsin industries and Mexican maquiladora plants. I think it illustrates the problems we face when United States jobs are exported to Mexico. The articles follow:

THOUSANDS OF JOBS EXPORTED TO MEXICO

(By John Fauber and Jack Norman)

Two of Milwaukee's biggest, oldest companies, Johnson Controls Inc. and A.O. Smith Corp., now employ more production workers in Mexico than here in their home state.

The two companies—each with more than 2,000 employees in Mexico—have joined hundreds of other American corporations in capitalizing on Mexico's low-wage work force by operating "maquiladoras"—foreign-owned factories whose goods move nearly tariff-free over the border.

This wave of investment in Mexico includes more and more Wisconsin companies. In the last few months alone, Stokely USA, based in Oconomowoc, opened a plant in Monterrey, Mexico, to cut and package broccoli, and Kohler Co., based in Kohler, opened a plant that makes ceramic plumbing fixtures near the same city.

All told, research by The Journal shows, at least 20 firms with Wisconsin headquarters now have factories in Mexico, employing more than 10,000 people.

And the attractiveness of Mexico to US corporations is expected to increase through the 1990s, as economic ties strengthen through a North American free trade agreement that is being negotiated among the United States, Mexico and Canada.

For US companies, the reason for investing in Mexico is straightforward: corporate profits. They've come to depend on the cheap labor there to help them stay competitive in a toughening global economy.

"It permits Badger Meter to stay in business," said James Forbes, president of Badger Meter Inc., the Milwaukee manufacturer of utility meters, about the company's 125-worker plant in Nogales, Mexico.

But thousands of Wisconsin workers are being swept aside in the corporate exodus, as their old jobs move south of the border and as their companies create more jobs there than in Wisconsin.

Many well-paying positions have left the state forever—manufacturing jobs that helped thousands of families attain a middle-class standard of living and maintain it for a generation or more.

This global production-sharing—as the process of moving lower-skilled work to poor nations is called—has helped depress Wisconsin's standard of living some experts contend. For example, even though manufacturing employment in Wisconsin rebounded in the second half of the 1980s from its plunge in the first half of the decade, wages and income did not recover. Per-capita income in the state dropped from 99.4 percent of the national average in 1980 to 94 percent in 1990, according to the state Department of Revenue.

Marlene Crawley personifies that decline. Crawley, who lives in West Allis, has lost two jobs to Mexico in the past six years, both times when Johnson Controls moved her work from Milwaukee to Ciudad Juarez, Mexico.

She's still unemployed after the most recent layoff last fall from a $12-an-hour position, and she does not expect to be called back to work this time. During her 10 years with the company, she has seen the work force at her plant dwindle as jobs moved to Mexico.

"They talk about the Mexicans being so poor," Crawley, 46, said during an emotional conversation in the house she shares with her mother. "Our country is going to be the same way. I just can't make ends meet."

A DIFFERENT PERSPECTIVE

Fifteen hundred miles away in Juarez, where Crawley's job moved, Jesus Martinez is the kind of worker who gains from her loss.

Martinez, his wife, Mayela, and their two daughters live in a one-room, dirt-floor shack hammered together from wood pallets scrounged from nearby US maquiladoras. Flatened carboard boxes—refuse from the factories—are nailed over the pallets to form an outside wall.

On the Martinez home, the cardboard boxes display the logo "PPC Milwaukee." The toilet is a hole in the ground that fills up every three months. The water faucet is a pipe sticking out of the ground 100 feet away. Children at play jump into a garbage pit.

Nevertheless, Martinez said life in Juarez was better for his family than life in the rural area a few hundred miles to the south from which the family moved a year ago.

"Here you can find work, and it pays more," he said.

Wages for factory workers in Juarez, included mandatory bonuses, range up to $13 for a nine-hour workday for a top-scale clerk of line chief. In metropolitan Milwaukee, the average manufacturing wage in May was $12.23 an hour.

MOVING TOWARD GLOBALIZATION

Crawley and Martinez are human cogs in the new global economy: Manufacturers from the richer nations of North America, Western Europe and East Asia are moving more and more lower-skilled work to the crowded poorer nations. Mexico, which has an unemployment rate estimated at 20%, is hustling for as much as it can get.

US firms now employ half a million Mexican factory workers.

A.O. Smith has six factories in Juarez (none of which has taken existing jobs from Wisconsin); Johnson Controls has two; and Briggs & Stratton, the largest employer in the Milwaukee area, one. Mercury Marine and Outboard Marine Corp., two large Milwaukee-area employers, have factories there. Allen-Bradley had one of the first US plants but sold it last year.

And it's not just the large, widely known firms that are making the Mexican connection. Many smaller, less familiar names in Wisconsin industry, companies like Curtis Industries of Milwaukee; Hamlin Inc. of Lake Mills; Ajay Leisure Products of Delavan; and Wells Manufacturing of Fond du Lac have been lured south of the border.

"Mexico needs to create 1 million jobs annually to keep pace with population growth," said Bob Cook, who recruits business to both sides of the border for the Industrial Development Council in El Paso, Texas. El Paso shares the border with Juarez, and Cook helped Briggs & Stratton find land for its Juarez factory.

"When you have an oversupply of anything, including labor, that's going to decrease the cost," Cook continued. "Companies are coming here because of the cost of labor, which allows them to be competitive on a world scale."

Wisconsin business leaders argue that this flow of work to Mexico and other Third World nations is essential for local companies to remain prosperous and competitive.

"The jobs are going to be lost anyway," said Waukesha businessman Joe Dindorf, president of Hein-Werner Corp., which makes battery chargers and welding equipment in Nogales, Mexico. "They're going to gravitate to a part of the world where costs are low."

Johnson Controls, the state's largest public company, employs more than 2,000 in Mexico and fewer than 600 production workers in Wisconsin. Many of the Mexican jobs are new or involve products not made in Wisconsin.

Bob Gariepy, Johnson's vice president of manufacturing, pointed out that Johnson's biggest competitors, such as Honeywell Inc. in Minneapolis, also are taking advantage of lower labor rates in Mexico. Johnson and Honeywell, for example, have factories in the same industrial park in Juarez.

Not going to Mexico would mean a loss of business for Johnson, he said.

Still, union officials here say several hundred jobs in Johnson's building-controls business have left the state for Mexico in the last decade.

Executives here also argue that expanded contact with Mexico is necessary in order to develop its economy, which in turn would reduce immigration in the US and offer more markets for Wisconsin exports.

Free-trade advocates contend that by tearing down trade barriers, Wisconsin firms will be in a better position to sell their goods in the Mexican market. By trading jobs for markets, they say, in the long run the state's economy will be better off.

TIES CAN CREATE JOBS HERE

Indeed, there are jobs to be gained in Wisconsin from the expansion of ties with Mexico.

Snap-on Tools in Kenosha benefits from the Wisconsin-Mexico connection even though it does not have a factory there. For nearly 40 years it has supplied Mexico's large industrial centers with Snap-on products, many of which are made in Kenosha.

Jon Tetting, manager of international product development estimated that a dozen Snap-on jobs in Kenosha can be attributed to the Mexican market.

"We see great potential," he said of Mexico. "Any countries that aren't aligned in some kind of trade agreement are going to be left out."

For Snider Mold in Mequon, Mexico is a fast-growing market that helps offset a loss of business in the US stemming from new Canadian competition. Snider's industrial molds are used in Mexican factories to make such things as plastic school chairs and auto radiator cowlings.

A 1988 study by Grupo Bermudez, Mexico's leading developer of industrial parks for US firms, said that 563 Wisconsin companies supplied products to US factories there. The firms have been helped by the fluctuating value of the dollar, whose lower value in recent years has favored US exports over imports.

Wisconsin exported $137 million worth of products to Mexico last year, but there is tremendous room for growth. Nationally, Mexico is the No. 3 export market, behind Canada and Japan, but only the No. 9 destination for Wisconsin exports.

State exports to Mexico grew only 1.2% last year, compared with a 13.6% jump in US shipments to Mexico. Wisconsin exports as much to Belgium and the Netherlands, small European nations, as it does to its large neighbor to the south.

The state had hoped to increase that percentage by opening a trade office in Mexico City. But the Legislature cut the $75,000 the Department of Development requested to study setting up an office there, said Robert Trunzo, secretary of the department. In the interim, the state will attempt to increase business for state firms through trade missions and shows in Mexico, he said.

"We are going to continue our efforts in Mexico," Trunzo said. "We view this as a temporary setback."

MAQUILADORAS: THE COMPETITIVE ADVANTAGE

Almost all US factories in Mexico are part of Mexico's maquiladora program.

Each factory is called a maquiladora (pronounced mah-kee-lah-dor-ah), or, interchangeably, a maquila.

The idea is simple: A US company uses its maquiladora to assemble products from materials shipped from the United States. The finished products come back to the US. (Other countries also are setting up maquiladoras, most notably Japan, which has made a rush into the area near California.)

The key is this: Mexico doesn't tax the incoming components. The US doesn't tax the product coming back after assembly, except for the value of the cheap labor used in Mexico.

The result: US companies get to use inexpensive foreign labor, without having to pay much in tariffs on the shipment of products in either direction.

Mexico came up with the idea in the late 1960s to try to solve an unemployment problem on its northern borders.

The problem was that the US had ended its bracero program, which let Mexicans cross the border temporarily to work as migrant farm workers. The program was killed because of farm mechanization, opposition from US unions, and antagonism toward bracero workers who stayed in the US illegally.

EXPLOSIVE GROWTH

The first maquilas were built in the late 1960s in Ciudad Juarez, across the border from El Paso, Texas. By 1975, there were more than 450 in the country. Today there are 2,000. Total employment is more than 500,000.

The maquila program is second only to oil in bringing foreign revenue into Mexico, ranking ahead of tourism.

Originally, nearly all maquila workers were young women. Factory managers said that women were better at the detail work involved in assembling clothes or electronic components, while critics said management was afraid that men would be harder to exploit.

Today, women remain in the majority but men are more common. One study found the percentage of male maquila workers climbing from 23% in 1980 to 34% in 1987.

Most maquiladoras are near the US border. Mexico now wants more in the interior, though the attractions of the border—cheaper transportation costs to the US and the ability of managers to live on the US side of the border—remain strong.

Where did the term "maquiladora" come from? "Maquila" refers to a portion of a farmer's corn that he must pay the miller who grinds it. A maquiladora factory is like the miller: It processes raw materials into something else, and receives a fee—wages for the workers—for the service—Jack Norman.

AS JUAREZ BOOMS, SO DO ITS SHANTYTOWNS

(By Jack Norman)

CIUDAD JUAREZ, MEXICO.—Wisconsin companies helped make Ciudad Juarez perhaps the most booming industrial city in North America.

US Companies have built more than 300 factories in this Mexican border city in the past 20 years. Big ones, averaging 450 employees each.

Wisconsin firms built six of them and bought five others in the last decade.

Juarez has more people working in US factories than any other city in Mexico, which makes it something of a window on the future, a way of predicting the impact of an expanding US presence in the Mexican economy.

The view from that window is alarming: US industry has made the city grow so fast that it's overwhelmed. There are crises in housing, water, transportation, sewage and industrial waste.

As many people live in Juarez as in metropolitan Milwaukee, but the sewage is left raw. Disposal of toxic wastes goes unchecked. Much of the housing—some within shouting distance of the United States—is abysmal. Only one-quarter of the city's streets are paved.

"Our infrastructure just was not ready," said Hedilberto Cobos Rodriguez, director of the city's Economic Development Board, the office that must approve every new US factory.

Much of the government money that was available went to providing services for the industrial parks that house US factories, rather than for the surrounding city.

The sudden industrial growth drew job seekers from Mexico's impoverished interior. The city's population has doubled since 1980, to more than 1.4 million, with the fastest growth occurring during the mid-1980s. City officials predict there will be 4 million residents before 2010.

"They came from the small villages and towns of northern Mexico," said Juarez labor attorney Gustavo de la Rosa. "But when they came to Juarez, nobody offered them anything. They live in cardboard houses in the wilderness."

That's an exaggeration. But not by much. Many factory workers do live in houses that are sturdy, comfortable and safe, though they are small and extremely modest by Milwaukee standards.

The Quinones family, which lives in the dirt-road Independencia No. 1 neighborhood, for example, has a six-room brick and plaster house that includes a tiled bathroom, a telephone, and a double kitchen sink.

The family can afford its standard of living with the income of four daughters who live at home and work at a nearby Johnson Controls factory, earning $13 a day at jobs that moved here from Milwaukee. In Milwaukee, where the Quinones family has relatives, those jobs were paying nearly $13 an hour.

And despite the flood of people, there are so many new or growing factories that anyone can find work. Unemployment, local officials said, is less than 1%.

A CLASH OF ECONOMIC WORLDS

But de la Rosa's "cardboard houses in the wilderness" are real.

The large, poor working-class neighborhoods aren't obvious to the visitor who travels to only one of the many industrial parks that employ more than 1 of 10 Juarez residents. The roads to these industrial parks are wide and crowded, lined with motels, restaurants and shopping malls little different than those in US cities.

In the modern, spacious industrial areas, factories and trucks bear familiar corporate names—Ford, Zenith, Delco, Johnson Controls, Briggs & Stratton.

But take a side road near the US factories, and you plunge into residential neighborhoods bearing all the signs of Third World poverty.

The rutted dirt streets are home to dogs, abandoned autos, stacks of tires. Through imaginative reuse, cardboard, plywood, sheet metal, tar paper and wood pallets have become shanty homes for the working poor.

In one neighborhood just north of the Juarez airport, Maria de Lourdes Medina lives in a 10-foot-by-10-foot wood-pallet and tar-paper house with a dirt floor that she and her husband built early this year. The materials, discards from US factories, cost $100.

She earns $40 a week in a US-owned car-seat factory; her husband, Benito Melchior, earns $50 a week as a construction worker. Their four children are waiting with her mother in Torreon, a city 400 miles to the south from which they moved.

Their furniture consists of a double bed, one wood kitchen chair held together with tape and a TV stand made from putting a piece of plywood on a stack of three tires.

Some clothes are hung on a hook, and some vegetables—potatoes, tomatoes, peppers, onions—are on a shelf. There's a plastic water jug, an electric hot plate and a bare light bulb overhead.

Electricity comes from a wire hooked up to a nearby line. That's what most of their neighbors—in similar houses crowded 10 feet apart—do as well.

The electricity is free. So is the water, which runs from a pipe faucet sticking out of the ground about 75 feet from Medina's house.

And so is the land. It was bare dirt before people moved in and built a neighborhood.

The toilet is a hole outside the house, surrounded by cardboard for privacy.

Melchior said that wages in his native Torreon were half those in Juarez.

"In Torreon, we paid rent and utilities. We were barely able to pay our bills. Now, there are no utilities and rent to pay. I feel good here."

The area is crowded with people who clamor around the visiting reporter and photographer. Many are children.

An elementary school, a few hundred yards away on the other side of a dirt field, is closed. Police arrived in the middle of the day two weeks earlier, residents say, and threw students out.

Since then, they say, police vans have kept a 24-hour vigil to keep people away from the unfinished, one-room school.

The school closing appears to have been the result of a dispute between two political parties, the Institutional Revolutionary Party, Mexico's ruling party, which also controls Juarez city government, and a coalition between the Committee for Popular Defense and the Workers Party, left-wing groups whose symbols and slogans are painted on many of the walls in the city's poorest neighborhoods.

SHORTAGE OF GOOD HOUSING

The housing problem is widely acknowledged in Juarez.

Silvino Rodriguez, for example, estimates a shortfall of 50,000 houses.

Rodriguez is far from a critic of US industry. As marketing manager for Grupo Bermudez, Mexico's largest developer of industrial parks for US firms, his job is to bring more US factories to Juarez.

Few houses are being built. Government housing programs were canceled because of an economic crisis, and private developers aren't interested because they can't make enough profit, Rodriguez explained.

"I don't think we'll ever catch up," he concluded.

The city's growth has slowed, though, partly because of the US recession and partly because US companies fear a labor shortage that would push wages up.

And it's true, as factory developers point out, that the kind of growth Juarez experienced would be too much for any city in any country in the world.

But the fiscal constraints on Mexican cities are especially onerous. The 1991 city budget for Juarez is $52 million. El Paso, Texas, directly across the Rio Grande, has a population 40% that of Juarez but a city budget of $237 million.

Inflation in Mexico was 114% in 1988 but has slowed to 18% to 26% since.

Other infrastructure problems in Juarez are significant, though not as visible as the housing shortage.

Adequate supplies of water are concerns on both sides of the border, as they are throughout the arid regions of both Mexico and the US.

Juarez has serious problems with waste disposal, including both residential sewage and industrial waste. City streets jammed with aging cars and trucks from the industrial parks belch pollutants into the air.

The international border crossings—all on bridges over the Rio Grande—are crowded. More than 42 million people crossed into the US at the three northbound bridges last year, making Juarez/El Paso the second busiest international border for the US.

A few years ago, it was so quick and easy to cross the border that El Paso residents could drive to Juarez for lunch. Now it can take an hour or more to drive into the US through the jammed border checkpoints, though traffic entering Mexico is scarcely delayed.

At the Cordova Bridge, the main crossing for trucks from US factories, the waiting line often stretches a mile. Even that's an improvement, Juarez veterans say, over the time when truck drivers would change shifts while waiting in line.

One development that has not occurred is the growth of a sizable industrial sector in Juarez, feeding off the big US presence.

Will the Juarez experience be repeated throughout Mexico, as the US influence spreads?

Juarez city official Cobos didn't hesitate at the question.

"Yes," he answered.

TO STATE FIRMS, MEXICO IS GOOD BUSINESS

(By John Fauber)

Ajay Leisure Products is perhaps the country's largest manufacturer of golf bags.

But to retain that distinction, the Delavan (Wis.) company must employ half of its labor force in a country where leisure and golf are as foreign to the local residents as coyotes and cactuses are to the countryside around the company's Walworth County headquarters.

Every week a truck leaves the Ajay plant in Delavan loaded with pieces of nylon and vinyl cut by $7-an-hour workers and makes the trek across the desert Southwest, delivering them 2,000 miles away to Ajay's small maquiladora in Mexicali, Mexico.

There, 75-cent-an-hour workers stitch the pieces into partially completed golf bags, which are returned to Delavan for final assembly and then sent off to sporting goods departments in stores around the country.

That may sound like a roundabout way to make golf bags, but the sharing of production between the two countries has become a way of life for the 180 workers in Delavan and their 150 counterparts in Mexicali, about 200 miles southeast of San Diego.

Ajay is one of at least 21 Wisconsin-based firms with plants in Mexico that have been identified by Milwaukee Journal research. Those plants, many of which are in border towns like Mexicali, employ more than 10,000 people.

In 1965, a new Mexican program—in conjunction with US tariff regulations—allowed US firms to set up shop in Mexico, ship in raw materials tariff-free and then send them back to the United States, only having to pay a duty on the "value added" in Mexico.

Ajay's plant, which opened in 1966, was the first maquiladora in Mexicali.

"The nice part is that as [the plant in] Mexico produces more and grows, we grow here," said Pete Kowal, Ajay's vice president of manufacturing.

It's not to say that Ajay and other Wisconsin firms haven't encountered troubles after setting up shop in Mexico. Many of the companies have had to learn to deal with problems such as language and cultural differences, a lack of supporting infrastructure, bureaucractic red tape and high employee turnover.

But generally, executives say their Mexican plants have allowed them to stay competitive in the increasingly global marketplace. They say Mexico allows them to stay in step with competitors who are taking advantage of cheaper labor markets in the Far East.

THE COMPETITIVE ADVANTAGE

Robert Aubey, a professor of international business at University of Wisconsin-Madison School of Business, said companies that opened maquiladoras generally improved their competitiveness.

He also said that studies—although inconclusive—suggested that while opening a maquiladora might result in initial job loss in the US, ultimately both the overall US work force and production levels increased.

"It's one of those unique programs where everybody is winning," Aubey said.

Peter Drucker, a well-known US management consultant, has said that maquiladoras have been a great benefit to the US. He said that many small and medium-sized US firms would have been driven out of business by foreign, low-wage competitors. But by having access to low-wage, unskilled workers in Mexico, companies have been able to preserve their skilled positions in the US, he said.

Badger Meter is a fitting example. The Milwaukee company, which specializes in design and manufacture of utility meters, operates a 125-employe maquiladora in Nogales, Mexico, which is 60 miles south of Tucson. The plant assembles components for water meters.

James Forbes, president of Badger Meter, said the work was divided between lower-skilled assembly in Nogales and higher-skilled manufacturing in Milwaukee.

"The maquiladora has been good for Badger, and it's been good for our employes, even here in Milwaukee, because it's given us lower costs and permitted us to be profitable and grow," he said. "We take what we do best here, the higher skills, and the lower-skill assembly is done down there."

Curtis Industries, a West Milwaukee firm that makes electrical components, opened a maquiladora in Nogales in 1987. The plant makes radio frequency interference filters, used primarily in computers. Before opening the plant, the company had been subcontracting the work to a Mexican firm.

Initially, the plant encountered problems, primarily because it was trying to manufacture too many low-profit, high-volume products, said James Springer, president of the company.

They have since scaled back the plant's work force from 130 employes to 48 employes, now concentrating on making only higher-tech, higher-profit products.

"We're shipping high-tech products to the Far East. Now, there's a switch," Springer said.

Looking for a more stable work force than could be found in many of the border towns, Milwaukee-based Sybron Corp. built its maquiladora deep in the Yucatan Peninsula city of Merida.

The 203-employe plant puts together orthodontic braces, which easily can be shipped by air freight back to the US, said Don Rackl, vice president of finance.

The plant's turnover rate is less than 5% a year, he said.

"We wanted to stay away from the border towns," Rackl said. "We've got fathers and sons working together."

However, opening a plant in Mexico is no guarantee of smooth sailing.

In 1986, Plastronics closed its downtown Milwaukee plant and moved the work to Tijuana, putting 285 people, who earned about $10 an hour, out of work.

James Manschot, the company's former vice president of marketing, said he believed the move was a mistake.

Plastronics sold a variety of disposable medical devices that were manufactured by teams of production workers. He said the work went smoothly as long as all of the workers on the team were working at similar rates.

However, when the company moved to Tijuana, directly south of San Diego, it encountered a high turnover rate among workers, which disrupted production, he said.

"Going from $10 an hour to 50 cents an hour doesn't necessarily save you $9.50 an hour," he said.

Employe turnover also was major problem for Waukesha-based Hein-Werner when it took over a maquiladora operation from Applied Power Inc. in 1987, said Joe Dindorf, Hein-Werner president.

In an effort to reduce the turnover at the Nogales plant, several low-cost measures designed to improve the work environment and morale were instituted.

The company built basketball and volleyball courts, barbecue and picnic facilities on the grounds, improved its restroom facilities and added showers for employes and their families.

It installed an employe lunchroom with a microwave oven. And when certain production goals were met, the company threw banquets for the employes.

In addition, the firm also hired a bilingual Mexican-American as plant manager.

The turnover rate has dropped dramatically and the quality of work has been excellent, he said.

WINDOW OF OPPORTUNITY

The increased business activity between Wisconsin and Mexico has created other opportunities for Wisconsin firms.

Tex-Mex Transportation, for example, is a trucking firm based in Franksville in Racine County that gains business when a Wisconsin factory sends equipment to Mexico or when a factory in Mexico sends finished products back here. Two Tex-Mex trucks from Wisconsin were parked at the loading docks of Briggs & Stratton's Juarez factory when a reporter drove by last month.

In April, the company opened two offices in Mexico and one on the border town of Laredo, Texas, to handle the increased business.

WISCONSIN FIRMS IN MEXICO

[At least 21 Wisconsin firms have plants in Mexico, employing more than 10,000 people there, according to interviews with company executives and information from Solunet, Inc., El Paso, TX]

Company and Wisconsin bases/ Mexican locations	Products	Mexican employment
Ajay Leisure products, Delavan/ Mexicali.	Golf bags	150
Allen-Bradley Co. (sold plant in 1990), Milwaukee/Juarez.	Resistors	285
A.O. Smith Corp. (5 plants), Milwaukee/Juarez.	Electric motors	1,500
A.O. Smith, Milwaukee/Juarez	Water heaters	365
A.O. Smith, Milwaukee/Ciudad Acuna.	Electric motors	450
Astronautics Corp. of America, Milwaukee/Matamoros.	Electrical components	390
Badger Meter Co., Milwaukee/ Nogales.	Water meter parts	125
Briggs & Stratton Corp., Wauwatosa/Juarez.	Auto locks	325
Curtis Industries Inc., Milwaukee/ Nogales.	Electrical filters	50
Falk Corp, Milwaukee/Mexico City (joint venture).	Transmission parts	240
Hamlin Inc., Lake Mills/Agua Prieta.	Electrical components	350
Hein-Werner Corp., Waukesha/ Nogales.	Battery chargers	85
Johnson Controls Inc., Glendale/ Reynosa.	Building controls	750
Johnson Controls (2 plants), Glendale/Juarez.	Controls	650
Johnson Controls, Glendale/ Toluca.	Automobile seats	620
Kohler Co., Kohler/Monterrey	Ceramic fixtures	[1]250
Kohler, Kohler/Mexico City	Gas engines	125
Manitowoc Co., Manitowoc/ Reynosa.	Cranes, boom trucks	150
Mercury Marine Corp., Fond du Lac/Juarez.	Motor harnesses	565
Modine Manufacturing Co., Racine/Nuevo Laredo.	Heat exchangers	400
Modine Manufacturing, Racine/ Mexico City (joint venture).	Radiators, brake linings	800
Rexnord, Inc., West Milwaukee/ Mexico City.	Engineered chains	200
S.C. Johnson & Son Inc., Racine/ Toluca.	Home, auto products	200
Stokely USA Inc., Oconomowoc/ Monterrey.	Broccoli	[1]500
Stokely USA, Oconomowoc/ Zacatecas (joint venture).	Broccoli	250
Sunbeam/Oster, Brown Deer/Ciudad Acuna.	Appliances	700
Sybron Corp., Milwaukee/Merida	Orthodontic supplies	200
Wells Manufacturing Co., Fond du Lac/Reynosa.	Auto ignitions	400
West Bend Co., West Bend/ Reynosa.	Appliance components	140

[1] Anticipated.

WORKERS FEEL THE DOWNSIDE OF MEXICO

(By John Fauber)

To the state's corporate executives and shareholders, Mexico means competitiveness. It's a country with the low-wage rates that allow companies to stay in business.

But the feelings of many Wisconsin workers are just as strong about Mexico. To them, it's a place that has become synonymous with layoffs as work has moved south of the border.

The topic has become so controversial that companies like Briggs & Stratton Corp., in Wauwatosa, and Mercry Marine, in Fond du Lac, which have shifted work out of Wisconsin and opened maquiladoras, would not discuss it.

To be sure, some Wisconsin workers are on the plus side of the maquiladora jobs ledger because their companies have been strengthened overall by their Mexican operations.

And, while Mexico has created a lot of interest among state firms, some have elected instead to invest more in their US operations, said Tom Clasen, an attorney with Foley & Lardner who has helped firms establish maquiladoras.

"I talk to a lot of companies about going to Mexico, "he said, "Most of these just don't go anywhere. A lot of companies here are run by individuals who are pretty committed to this state. They lose sleep over the decision to move jobs."

Nevertheless, plenty of manufacturers have picked up jobs here and set them down in Mexico. For instance:

Johnson Controls Inc., the state's largest public company, has slowly shifted work to Mexico, and until recently has avoided a great deal of publicity about its exporting of jobs.

In 1987, the International Association of Machinists had 339 members working at Johnson plants in Milwaukee, said Doug Curler, Local 66 shop chairman. Today, the number is down to 136, he said.

Those jobs pay an average wage of $12.87 an hour, he said.

"Johnson has been a good employer, except they are out to move our jobs away," Curler said.

Chrysler Corp. inflicted perhaps the biggest Mexico-inspired blow to the state's economy when it closed its auto assembly operation in Kenosha in 1988, eliminating

5,000 of the state's premier manufacturing jobs, and moved that work to its Jefferson Ave. assembly plant in Detroit.

The move was made possible by Chrysler shifting other auto-production work to Mexico, said Rudy Kuzel, president of Local 72 of the United Auto Workers.

"It wouldn't have happened if they had not shifted work to Mexico," Kuzel said.

However, a Chrysler spokesman noted that the amount of production sent to Mexico wasn't as large as the amount of work that had been shifted from Kenosha to Detroit.

And in 1989, 450 people in Coleman lost their jobs when Chrysler closed its wiring components plant there, a move resulting from the production being moved to Mexico, a Chrysler spokesman confirmed.

Plastronics Inc., Milwaukee, closed its doors here in 1986 and moved its medical products manufacturing operation to Tijuana, Mexico, eliminating, 285 $10-an-hour jobs.

Plastronics tried to help its employees find other jobs, said James Manschot, the company's former vice president of marketing. But he added, "it was a very sad, melancholy time."

Delco Electronics, a subsidiary of General Motors Corp., shifted some work from its Oak Creek plant to Mexico in the early 1980s, said Jim Blaine, shop committee chairman of United Auto Workers Local 438 in Oak Creek.

That work has since been replaced with other work, he said. However, GM now has 30 plants in Mexico, employing 43,000 workers, Blaine said.

Many of those plants are maquiladoras that use low-cost Mexican workers to assemble products that are shipped back to the US for sale.

"I don't think Wisconsin workers are going to fare very well with maquiladors," he said. "The economy is going to come back with industrial-based jobs. You can't come back by shipping jobs out of here."

At some other firms, like Kohler Co., which just opened a ceramic plumbing fixture plant in Monterrey, Mexico, union officials say they are not worried about the company's investment in Mexico.

"I don't believe it [the Monterrey plant] is going to hurt us here," said Robert Lettre, president of Kohler's union, Local 833 of the United Auto Workers. "We have to be realists. I don't think we can expect the company to put all its eggs in one basket."

The other side of the ledger is the jobs that maquiladoras help create in Wisconsin, both by directly supplying US plants and by lowering companies' costs and making them generally more competitive.

For instance, when West Bend Co. opened its Reynosa, Mexico, maquiladora in 1988, it meant the loss of about 50 jobs in West Bend. The plant makes heating controls for electrical appliances.

However, the move made the company more competitive—and thus more viable over the long term—because it has been buying the components from the Far East at a higher price, said Larry Grescoviak, vice president of human resources.

Advocates argue that the US job base also will be bolstered by a free trade agreement with Mexico, which would create more wealth in that country, allowing for more sales of American-made goods in Mexico.

Amount the potential beneficiaries:

Hein-Werner Corp., Waukesha, now sells about $1.5 million of products each year in Mexico, said Joseph Dindorf, president. But because of the difficulty Mexican distributors have in finding US dollars to pay for those products, only a fraction of the orders Hein-Werner receives actually turn into sales, he said. Eventually, with a free trade agreement, those sales could easily double or triple, he said.

"I think there is a lot more business to be had in Mexico," said Dindorf, whose company operates an 85-employe maquiladora in Nogales.

MAQUILADORA BRINGS FAMILY DECENT LIVING

(By Jack Norman)

CIUDAD JUAREZ, MEXICO.—The Quinones family has inherited some of the jobs that moved out of Johnson Controls factories in Milwaukee.

The neighborhood they live in borders one of this city's largest industrial parks, where the factories bear names of some of the biggest US corporations, including Milwaukee firms A.O. Smith, Johnson Controls and Briggs & Stratton.

The family—Eusebio and Lucina and the four daughters still living at home—have a six-room house that Eusebio built himself during a year of Sundays, his days off from the construction job he landed when the family first moved north to Juarez from the Durango apple fields more than a decade ago.

Lucina has a niece in Milwaukee, who, ironically, lost her job at Briggs & Stratton when the work was moved to a new factory in Juarez.

Four Quinones daughters—Teresa, Rosa, Alma and Maria—work at the Johnson Controls factory a short walk from home. They have climbed the short ladder of advancement from assembler to clerk or line chief, the highest jobs they can aspire to at the factory.

Each earns about $13—including bonuses—for a 9-hour work day, 5 days a week.

With the daughters working at Johnson Controls and some additional income from the one-room grocery the father operates in the front of the house, the Quinones family has the cash to be counted among the more fortunate of Mexico's working class.

Each of the seven daughters, for example, was able to finish high school before going to work in the US factories. And among the extended family, which includes three daughters living outside the home with families of their own, there are two cars.

The Quinones house includes such features as a tiled bathroom, a telephone, and a stainless steel double sink in the kitchen.

Still, it's modest; no room larger than 12 feet by 12 feet; linoleum floors; a single overhead bare bulb illuminating living room.

Margarita, a daughter who rents a two-room house nearby with her husband and daughter, says the biggest need in the neighborhood is for paved streets. "The city want to pave it, but it would be poor quality and they would charge us high prices," she said.

"We feel very lucky," says her sister Teresa.

"The majority of people we work with are from out of town. They don't have a place to stay. They're in bad situations. In comparative terms, yes, we're well off," Teresa says.

UNITED STATES BOOM SPARKS MEXICAN ACTIVISM

(By Jack Norman)

Last October, 16-year-old Jesus Cesar Macias was ground to death by a machine in a Ford Motor Co. windshield factory near Ciudad Juarez, Mexico. The youth, in his first week on the job, was sweeping in an underground tunnel when he was trapped on the conveyor feeding glass scraps to the grinder.

His death sparked an innovative international legal offensive against Ford, one example of the growing sophistication of the activists on both sides of the border who seek to improve conditions in the Mexican factories and in the border cities that are overwhelmed by the US-led industrial boom.

The movement has been slow to develop in Mexico because that country has little tradition of activism, said Gustavo de la Rosa, a Juarez labor attorney in the forefront of the new efforts.

"In Mexico, organizations have depended on the national government," De la Rosa explained. This includes the union movement and the churches, both of which have been mainstays of the US activist tradition.

"The Mexican government has not been able to negotiate responsible investment by US industry," he continued. Foreign firms "have taken advantage of the government's apathy in enforcing the laws."

Investment by foreign firms is expected to skyrocket in coming years, especially if Mexico, the United States and Canada succeed in negotiating a free trade agreement. Mexico wants the investment because of the jobs it brings, and US firms are attracted to that nation's low-cost labor.

Many of the new fight-back efforts are loosely coordinated through the Coalition for Justice in the Maquiladoras, a US-Mexican group of labor, church, environmental and other activists.

The Ford lawsuit is one example of the new techniques.

What's unusual about the action is that it will be filed in Texas courts, even though the accident happened in Mexico to a Mexican.

That's possible because of Texas law that allows state courts to be used by foreigners if it's established, for example, that relevant corporate decisions were made in Texas. A 1990 Texas Supreme Court decision upheld the interpretation of state law on which backers of the suit are relying, and the law this year survived two attempts at repeal in the Texas legislature.

El Paso attorney Robin Collins, who expects to file the suit later this month on behalf of the Macias family, said that US corporations had "shielded themselves from legal exposure" by creating separate Mexican corporations. This lets Ford claim, for example, that Macias wasn't really its employee.

The lawsuit tries "to strike down the paper barrier and show that Macias in fact worked for Ford," Collins said. "If we're going to have free trade, let's have responsible free trade."

Juarez attorney De la Rosa said the goal wasn't to fight the US presence. "The maquiladoras [US factories] are here and are not going to go away. But we have to regulate them so their investment becomes responsible."

STATE MUST BUILD ITS PLACE IN FUTURE TRADE ZONE

(By John Fauber and Jack Norman)

Wisconsin someday may be part of one of three huge trading zones on earth. Ours would extend from the Arctic Circle to Cape Horn.

Within this zone, the theory says, goods and capital would flow freely, unrestricted by duties or other protectionist measures.

Wisconsin cheese and Wisconsin machine tools would be as popular within this trading zone as the unrestricted market dictated. Wisconsin workers would be as prosperous as their skills and wages warranted.

Europe already has started forming its own unified economic bloc, which will go into effect at the end of 1992. Another bloc, led by Japan, may soon be taking shape in the Far East.

In 1989, Canada and the United States took what some thought was the first step toward a Western Hemisphere trading zone by signing their own free trade agreement. And recently, Congress gave the Bush administration "fast track" authority to negotiate an agreement with Mexico, which theoretically speeds up the process by not allowing congressional amendments to a treaty.

But before a hemisphere-wide zone—or even one involving just Mexico, the US and Canada—can be formed, all the pieces must fit, and a variety of interested parties on the continent will want to shape the accord.

State labor groups, which have seen thousands of Wisconsin jobs move to Mexico, already have voiced their opposition to a US-Mexico agreement.

They argue that state workers can't hope to compete against Mexican wages of $13 a day. If an agreement can be negotiated, labor groups likely will insist on a much higher minimum wage for Mexico. They also will push for a stronger organized labor movement in Mexico.

Still, those types of measures may only offer a small amount of protection.

As companies continue to shift production around the globe, regions like Wisconsin must compensate for the loss of lower-skilled work by excelling at higher-skilled jobs, according to economists and business executives.

Yet to the contrary, recent trends in the Milwaukee area and around the state have revealed a shift toward service jobs, many of them in the lower-skilled areas.

For example, Milwaukee Area Technical College, which offer a number of technical programs geared toward manufacturing, has had difficulty filling some of those programs even though employers frequently search the programs for potential job candidates.

In a recent survey of fast-growing Milwaukee area manufacturing firms by the Urban Research Center at the University of Wisconsin-Milwaukee, many executives said the skill of the work force was the most important issue facing their companies in 1990s.

But despite a number of examples to the contrary, Wisconsin manufacturers as a whole have not made a concerted effort to improve both their training programs and their manufacturing techniques in order to excel in the high-skill, high-wage area, according to a recent study of Wisconsin's metal-working industry by University of Wisconsin-Madison professors Joel Rogers and Wolfgang Streeck.

"'The general level of investment in training in Wisconsin metalworking is significantly below optimal levels," they wrote. "Over time, it will hurt that industry, and the Wisconsin economy."

SELLING SOUTH OF THE BORDER

To the extent they are correct, it means Wisconsin is not ready for the continued acceleration of economic ties with Mexico that the 1990s will bring.

One way to counter the job loss would be for Wisconsin firms to sell more Wisconsin-made products to Mexico as trade barriers tumble.

The state had hoped to increase Wisconsin exports to Mexico by opening a trade office there. However, the effort was dealt a blow recently when the Legislature removed a proposed $75,000 budget item that would have funded a study of setting up an office in Mexico.

Robert Trunzo, secretary of the state Department of Development, said Wisconsin made high-quality products with a skilled work force.

"On a level playing field, Wisconsin will compete very favorably," he said.

However, he said that in order to create that level playing field, a free trade agreement should address issues such as environmental standards and the minimum wage in Mexico.

With or without an office, the state will have its work cut out for it. In 1990, Wisconsin exported $137 million worth of goods to Mexico—a 1.2% increase over 1989, but only about the same amount it sent to much smaller and more distant Belgium last year.

To make the Wisconsin-Mexican connection closer to a two-way street, those exports will have to increase many times over.

Environmental concerns will be at the top of the list for many of the groups seeking to influence the talks between Mexico and the US and not just for health and safety reasons.

If Mexican businesses are allowed to operate under more lax environmental standards, they could have a competitive advantage over companies in Wisconsin and around the US.

A Mexican government report last week warned that a free trade agreement could worsen industrial pollution in Mexico because Mexican-based firms likely would take shortcuts as a means of competing with foreign rivals once trade barriers are removed.

The Wisconsin Environmental Decade also has registered a strong warning about a free trade agreement, saying that if one were passed state residents could expect to see more agricultural products to see more agricutural products loaded with pesticides and other chemicals.

Wisconsin might lose its authority to regulate the sale of foods with certain dangerous chemicals and be forced to submit to a lower set of international standards, said Phil Wiseley, vice president of Wisconsin Environmental Decade.

NOT WHEN, BUT HOW

In the US, the question of free trade with Mexico has taken on a sort of pro/con, yes/no format. Either you're in favor of the idea or you're against it.

In Mexico, the idea seems to be accepted. It's more a matter of how it will happen.

A recent poll of Mexican business leaders, published by El Financiero, a major Mexican business daily newspaper, gave a further clue to how the idea has been embraced in Mexico.

The following are their consensus responses to when they expected certain events to take place:

Mexican brand names recognized worldwide: 2000.

Mexico has a 40-hour work week: 2003.

Mexican university degrees are recognized by US employers: 2008.

Mexicans prefer their own products to foreign ones: 2010.

The borders between the US, Mexico and Canada disappear: 2010.

Mexico is fully technologically competitive in the world: 2020.

Mexico's foreign debt is fully paid: after 2020.

Even President Carlos Salinas de Gortari's chief political rival, Cuauhtemoc Cardenas, who narrowly lost in the 1988 presidential election, has abandoned his all-out opposition to free trade and now is more concerned with making sure that a treaty includes such things as US immigration reform, guarantees of investment in Mexican infrastructure and compensation for displaced US workers.

Those also are among the goals of many groups that are critical of US and Mexican business but who also realize that it's impossible to try to block the increasing momentum of economic globalization.

What they're interested in is having a place at the table, making sure that the terms of economic integration between the two countries aren't hammered out solely by business leaders and their political representatives.

On both sides of the border, labor leaders, environmentalists, and those in the political minority want a say in defining the conditions of marriage for the US and Mexican economies.

And now is their best chance to make an impact, they think, because the free trade negotiations have sparked public interest in both countries.

AIDS IN THE CARIBBEAN

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. RICHARDSON. Mr. Speaker, many people know that the virus which causes the deadly acquired immune deficiency syndrome [AIDS], identified over a decade ago, tragically continues to afflict an increasing number of people in this Nation of all ages, races, sexual orientations, and social strata, not merely intravenous drug abusers and men who have sex with men.

Less commonly recognized, however, is the fact that our neighbors in the Caribbean Basin area have one of the highest per capita HIV-infection rates in the world. Though the reality of the devastating situation in that region is rarely covered by the mass media, most Caribbean island nations, such as the Dominican Republic and the Bahamas, currently are experiencing massive outbreaks of AIDS as the HIV virus sweeps across these countries' poverty-stricken populations. Without addressing this unmistakably urgent crisis with the serious attention that it deserves, we in this country essentially will be extending carte blanche to the HIV virus to stake a deadly claim near our Nation's shores.

The following article, which first appeared in the Council on Hemispheric Affairs' [COHA] biweekly publication, the Washington Report on the Hemisphere authored by Bonnie K. Perrin, a contributing editor with the organization, addresses the shocking magnitude of this important issue raised by her article:

CARIBBEAN AIDS CRISIS BECOMES CRITICAL

(By Bonnie K. Perrin)

The deadly AIDS virus has gripped the Third World with a force that promises to neutralize much of the hard-won fruits of social and economic progress achieved in developing countries over the past few decades. Figures released by the Pan American Health Organization [PAHO] suggest that the Caribbean has one of the most concentrated populations of AIDS cases in the world. While Africa is home to nearly six million HIV-infected people, the case load of the Caribbean basin, with a fraction of its population, astonishingly comes in at about one-sixth of that figure. Malawi, Uganda and

Kenya average 37.1, 32.7, and 19.2 AIDS victims per 100,000 population respectively, and represent the African countries with the highest per capita infection rate; the Bahamas, Bermuda and French Guyana, in a chilling comparison, come in with readings of 68.6, 61.4, and 61.4 AIDS victims. A recent random sampling of 3,688 urban Haitian adults showed that as many as one out of every 20 of them may be HIV infected. With the virus thriving among poor and uneducated populations, regional health authorities are frantically scrambling to devise creative means to communicate to all levels of the social strata that everyone has the capacity to prevent infection from the deadly scourge.

A report submitted to Congress in May by the U.S. Agency for International Development (USAID) explains that extensive transmission of the HIV virus in the Caribbean area probably began in the early 1980s via homosexual and bisexual men. Since entering the region, a brushfire epidemic has spread through all sectors of its diverse societies, incapacitating men, women, as well as an increasing number of children.

In contrast to North American as well as other western hemispheric nations, where transmission of the HIV virus primarily is due to homosexual and bisexual contact, AIDS clearly has become a heterosexual disease in the Caribbean. For example, a report released by PAHO last year indicates that in 1986, 34 percent of cases involved those professing only heterosexual contacts; by 1989, the figure nearly had doubled, reaching 62 percent. In the Bahamas that year, some 81 percent of reported cases were documented as caused by such transmission. Moreover, whereas intraveneous drug abuse accounts for 20 percent of cases in the U.S., in the Caribbean it accounts for virtually none. Heterosexual distribution of the disease is not only growing, but leading specialists are also making the grim prophecy of a higher mortality rate among children in upcoming years due to the virus being passed on by infected mothers to developing fetuses.

USAID coordinates an international HIV-related prevention program which monitors the spread of the virus, assesses the impact of the epidemic on national socio-economic development, and channels financial and technical assistance geared toward research efforts and prevention in developing countries worldwide. The prevailing strategy is to encourage bilateral agreements with these nations in order to integrate AIDS control with ongoing health, education and family planning projects. The goals include monitoring the spread, as well as the present and future impact of the disease; supporting intervention-oriented research; designing and implementing intervention strategies; and increasing the understanding and awareness of AIDS among all sectors of society. USAID missions are assisted by such U.S.-based facilities as AIDSCOM, a public health communications and education program; AIDSTECH, a multi-disciplinary technical assistance program staffed with epidemiologists; and the Centers for Disease Control (CDC), which trains resident technical advisors.

In the Caribbean basin, these anti-AIDS warriors join forces with the Trinidad-based Caribbean Epidemiology Center (CAREC), which was established 15 years ago with a mandate to help its 19-member countries to improve public health in the region. Together, the USAID and CAREC programs cover all of the countries in the area, with the single exception of Cuba, as well as Belize Guyana, and Surinam.

Encouraging behavioral change and widespread marketing of condoms are some of the few weapons currently available to AIDS prevention professionals until a vaccine or cure is found. Prevention entails the difficult task of encouraging sexually-active individuals to change the patterns of their conduct. In a country such as the Dominican Republic, where dreary economic conditions force many young women into prostitution and where the practice of having multiple sex partners is widely accepted, convincing all involved to follow "safe sex" rules calls for an extraordinary public marketing program aimed at reaching high risk groups as well as the general public. Utilizing sophisticated market research, USAID has made substantial gains in doing just that, through launching aggressive video and print public awareness campaigns. For example, one widely-distributed advertisement featuring a baseball player up at the plate, reads "No matter what game I play, I make sure to keep my bat protected." Via a comic strip, female "sex workers" receive instructions on how to convince their partners of the utility of condoms, and have even been taught how to put them on their clients.

Non-governmental organizations have joined with USAID and CAREC as important collaborators in the fight against the spread of AIDS, simply by virtue of their having more programmatic flexibility to implement prevention efforts than do government ministries, which often prefer to remain at a distance from such highly sensitive issues as the sexual behavior of the citizenry. Cooperation is also sought from family planning centers so that information on sexually-transmitted diseases (STDs) can be integrated with instructions on AIDS prevention measures. Surveys conducted in the Caribbean show that the level of knowledge about how the AIDS virus spreads and the fact that presently there is no cure, is relatively high. The real challenge now lies in halting the spread of the virus by instilling the sense that preventing HIV infection remains in the realm of personal control.

THE UNBORN

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DORNAN of California. Mr. Speaker, I would like to bring to my colleagues' attention toa moving poem written by Tom Evans, a freshman student at Malvern Preparatory School in Pennsylvania, which should remind my colleagues that the true victim of abortion is the preborn child. This poem was brought to my attention by 15-year-old Thomas Bogle:

THE UNBORN

(By Tom Evans)

We are the unborn, our cries echo in silence,
We are killed in the womb, the ultimate violence.
Never to know life, to laugh or to cry,
Not knowing whether we will live or die.

We are the future, the world of tomorrow,
Learning of happiness, joy, love, and sorrow.
We want to live, to escape the womb,
And not have our mothers as our tomb.

Do as much as you can to prevent our fate,
And just think this over with your mate.
Please, let us gaze into the morning light,
Before our journey into God's loving sight.

WELCOMING OUR WORKING MEN AND WOMEN PARTICIPATING IN SOLIDARITY DAY 1991

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DINGELL. Mr. Speaker, it is my privilege to welcome thousands of working men and women who will travel from all over our Nation to Washington, DC, on August 31 to demonstrate their unity and strength during Solidarity Day 1991.

In the honored tradition of their predecessors in the labor movement, they are coming to rally support, during this Labor Day weekend, for issues of vital importance to all Americans. They are coming to advance the movement for national health insurance legislation to resolve our Nation's shameful health care crisis which leaves 60 million Americans lacking adequate health insurance. They are coming to demand protection against employers who seek to erode their right to demand fair working conditions and a decent standard of living by hiring permanent replacement workers. And they are coming to display their solidarity and support for the cause of working men and women throughout the world.

Long ago, I learned, personally, the value, importance, and price of collective organizing and labor rights. My father was a founder of a trade union. He was fired for union activity the day he was diagnosed as having tuberculosis, and sent west to die. After recuperating in Colorado, he returned to his Detroit roots and ran for Congress. For more than 20 years he served as one of the strongest and most consistent advocates of worker rights and equal justice in the U.S. House of Representatives. He never forgot his labor roots—and neither have I.

Collectively, the working men and women of America have made vast strides over the past century by insisting and tirelessly striving for fair working conditions and a decent standard of living for all Americans. The labor movement has succeeded in bringing about legislation to require minimum wages, maximum hours, child labor laws, increased safety in the workplace, unemployment compensation, and pension protection. Through the force of collective bargaining and political organization, labor unions have often functioned as our social conscience, and engineered positive changes. Events such as Solidarity Day provide our brothers and sisters in the labor movement with one voice to remind our Nation that there is much more to be done—in health care reform, in creating equal opportunities, and in creating a safer and healthier workplace environment.

Recognizing that the freedom of association has been the foundation upon which these tremendous accomplishments have been realized, the Solidarity Day '91 participants are coming to Washington to help forge the political consensus and focus the level of debate necessary to solve many of our most pressing social needs.

I salute the spirit, cooperation, and enthusiasm which will bring thousands of dedicated labor representatives to our Nation's Capital for Solidarity Day '91. I wish them all the very best of luck in their continuing efforts to improve the everyday lives of millions of working men and women.

THE WORKPLACE FAIRNESS ACT

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LAFALCE. Mr. Speaker, I commend to my colleague's attention a balanced article, written by Aaron Bernstein for Business Week magazine, that endorses H.R. 5, the Workplace Fairness Act. This piece repudiates the dubious distinction drawn by the Supreme Court in Mackay Radio, where employers cannot fire strikers but they can permanently replace them. The points made by this article, which appeared, not insignificantly, in a business magazine, further convince me that H.R. 5 does not pose a viable threat to American businesses; rather, it is a reasonable remedy that restores proper balance to labor relations.

Labor law, as embodied by the National Labor Relations Act of 1935, as amended, seeks to establish a balance between the often competing interests of labor and management. A fundamental element of this balance, written in section 157 of title 29, United States Code, is employees' "right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities," including strikes. Meanwhile, employers retain the right to hire temporary replacements during a strike, reduce production and work hours, or completely lock out employees. The balance sought is not easily found: unlike divorce law, where antagonistic parties permanently separate, labor law seeks to create an environment where workers and employers can peacefully coexist during and after their disputes.

Hiring permanent replacements for workers who invoke their right to strike does little to promote healthy labor relations. As Bernstein so aptly notes, "If you take away strikers' jobs for good, unions can't surrender. They can't simply give in, accept concessions, and go back to work. With no alternative * * * negotiation becomes an all-out, bet-the-farm war—precisely what the collective bargaining process is supposed to avoid."

In case after case, the overwhelming majority of striking employees who are permanently replaced do not get their jobs back. The permanently replaced worker understands there is no difference between being permanently replaced and being fired.

Opponents of H.R. 5 allege it would put U.S. companies at a disadvantage vis-a-vis other industrial nations. While I applaud this interest in competitiveness, this bill will not harm our ability to compete, it will merely bring our labor law into accord with other industrialized nations.

Legal specialists at the Congressional Research Service law library, who compared United States labor laws with those in other industrialized nations, found that Belgium, France, Germany, Greece, Italy, Japan, the Netherlands, and Sweden "reject the idea of dismissing striking workers. In these countries, the strike brings about only a temporary suspension of the labor contract. Thus, none of these countries empowers an employer to terminate the striking workers' employment and hire permanent replacement workers." Indeed, in the case of Japan, our biggest international competitor, "the employer practice of discharging striking members and replacing them with newly-hired workers is still unknown."

Furthermore, the report found that while Great Britain and Canada lack a national prohibition on the use of permanent replacement, both place stringent limitations on the ability of employers to hire permanent replacements. In Britain, if an employer wishes to "avoid the risk of complaints of unfair dismissal, he must dismiss all or none of the striking workers. And if the employer decides to rehire within 3 months of dismissal, all of the workers who have been engaged in a strike must be rehired." Furthermore, three substantial Canadian provinces, Quebec, Manitoba, and Ontario, which together comprise 17 million of Canada's 26 million residents or some 66 percent of the entire population, forbid or sharply limit the use of permanent replacements. "The Quebec Labor Code expressly prohibits employers from hiring replacement workers during a lawful strike. The province of Manitoba has adopted a law that prohibits the hiring of a permanent replacement. Ontario's Labour Law gives striking workers a guarantee of reinstatement for a period of 6 months from the commencement of a lawful strike."

Thus, H.R. 5 cannot be attacked for making us less competitive relative to our foremost competitors. Indeed, other industrialized nations prohibit employers from permanently replacing striking workers because of competitive concerns. If an employer permanently replaces striking workers with new workers who are invariably less familiar with his operations, he throws away the investment in human capital he made in the striking employees. Permanent replacements will not achieve equivalent levels of productivity for months or years.

Bernstein closes his Business Week article by noting that "most business executives are loath to give unions any ground. But an honest look at permanent replacements leads to one view: take away strikers' jobs, and you take away their right to strike." To remove such a right is to eliminate the distinction between the United States and "the puppets found until lately in the East bloc:"

YOU CAN'T BARGAIN WITH A STRIKER WHOSE JOB IS NO MORE

(By Aaron Bernstein)

Many companies know exactly what they think about the bill to ban permanent replacement workers in strikes, which the House of Representatives passed in mid-July. They see it as labor's attempt to use politics to regain the muscle it has lost at the bargaining table. True enough, unions are desperate to reverse their long slide. And the fear of losing their jobs has forced many union members to think hard before taking on management.

But the issue can't be so easily dismissed. At stake is a central tenet of the U.S. free-enterprise system. In 1935, the Wagner Act laid out rules on collective bargaining in order to govern conflict between labor and management. Key elements were the rights of workers to form unions and to strike—rights that mark the fundamental distinction between U.S. unions and the puppets found until lately in the East bloc.

The question labor raises is how taking away strikers' jobs differs from firing them, which everyone agrees is illegal. And in fact, the legal justification for permanent replacements is weak. Indeed, the U.S. Supreme Court has never directly addressed the question—much less answered it.

Current law stems from a 1938 Supreme Court case called *National Labor Relations Board vs. Mackay Radio & Telegraph Co.* The dispute didn't even involve permanent replacements per se. Instead, it was about Mackay's decision to move 11 nonstriking workers from its Los Angeles and Chicago offices to fill in for strikers in San Francisco. When 5 of the 11 wanted to stay after the walkout ended, Mackay fired five strikers.

DOUBLE-TALK?

The union charged that management illegally discriminated against the strikers because of their union activity. The court agreed, forcing Mackay to rehire the strikers. But the court added that in cases where management has committed no illegal practices, the company "is not bound to discharge those hired to fill the place of strikers, upon the election of the latter to resume their employment, in order to create places for them."

In short, you can't fire strikers, but you don't have to hire them back. That contradictory position, thrown out as an afterthought in a hypothetical statement, is the sole basis for the Supreme Court's stance on whether replacement workers conflict with the right to strike. The Court since has issued more than a dozen rulings on the subject, each time citing Mackay. "The Supreme Court has never addressed this question," says Charles B. Craver, a professor at George Washington University's law school. "I don't think it has ever done an adequate job of balancing the interests of employees and employers on this subject."

Nor can legal experts explain the difference. The best attempt seems to be the view that permanently replaced strikers haven't lost their rights completely. John S. Irving, a former general counsel of the NLRB who's now a management lawyer, points out that companies must give permanently replaced strikers first shot at new openings after the walkout ends. "And the vast majority of strikers are returned to their jobs by a preferential hiring list," he asserts.

Even if this were true, it doesn't explain why strikers should have to wait months or years to get their jobs back simply because they exercised a right. What's more, few strikers got their jobs back in the more prominent cases involving replacement workers (table).

Some managers argue that they're not penalizing employees for striking when they hire permanent fill-ins; they're just protecting the company's viability. But that boils down to an irrelevant question of intent. The striker has lost his or her job, no matter what reason managers give. "For most practical purposes, it's a distinction without a difference," says Paul C. Weiler, a professor at Harvard University Law School. "If a company discriminated against blacks or women and said: 'We didn't fire them, we just permanently replaced them,' it would get laughed out of court."

Opponents say that the proposed law would tilt the balance between labor and management toward the unions. But everyone agrees that management can hire replacements. The issue is whether it should offer them a permanent job. If you take away strikers' jobs for good, unions can't surrender. They can't simply give in, accept concessions, and go back to work. With no alternative, unions try to destroy the company, as they did at Eastern Air Lines Inc. Negotiation becomes an all-out, bet-the-farm war—precisely what the collective bargaining process is supposed to avoid.

Most executives are loath to give unions any ground. But an honest look at permanent replacements leads to one view: take away strikers' jobs, and you take away their right to strike.

WHERE STRIKES LOST JOBS

Company	Year of walkout	Srikers[1]	Back at work[2]
Phelps Dodge	1983	1,700	0
Chicago Tribune	1985	825	90
Hormel	1985	900	266
Intl. Paper	1987	2,200	511
Eastern	1989	16,900	1,613
Greyhound	1989	5,600	0

[1] Excluding those who crossed picket lines.

[2] Shut down January 1991.

LAWRENCE G. LAWLER, G-MAN

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. LEVINE of California. Mr. Speaker, it is with distinct pleasure that I rise today to pay tribute to one of our Nation's leading crimefighters. Long recognized for his tremendous leadership and devotion to work, Lawrence G. Lawler will soon be retiring from his position as Special Agent in Charge of the Federal Bureau of Investigation's Los Angeles division. His 26 years of service to the United States will be saluted in Marina Del Rey, California's Doubletree Hotel in a farewell celebration on August 29, 1991.

Since his graduation from San Francisco State University in 1964, Lawrence Lawler has repeatedly distinguished himself first with the Oakland Police Department and ultimately with the FBI. As a young agent serving in Texas and Washington State, Lawrence Lawler demonstrated almost immediately the intelligence and leadership skills which would serve the Bureau so effectively in the years to come. After 6 years at FBI headquarters in Washington, DC, as a supervisory special agent, Lawrence Lawler was promoted and assigned to the Bureau's San Francisco division as the Assistant Special Agent in Charge. While in San Francisco, Agent Lawler oversaw the investigation of the Patty Hearst case, the attempted assassination of President Ford and the Jonestown, Guyana, massacre among others.

Yet another promotion returned Agent Lawler to our Nation's Capital in 1979 and 1980 where he directed the National Crime Information Center, one of the FBI's national computer networks which provides vital information to every recognized law information agency in the country. As a result of his good work with the computer network, Lawrence Lawler was tapped as Special Agency in Charge of the Bureau's Jacksonville, FL division. Five successful years later he moved on to direct the FBI's Minneapolis division and then, in July 1988, Agent Lawrence Lawler was elevated to the position of Special Agent in Charge of the Nation's third largest FBI Field Division, the Los Angeles office.

Responsibility for seven counties of southern California which encompass some 45,000 square miles and have a population in excess of 15 million is no small task. As Special Agent in Charge of this enormous area, Lawrence Lawler has directed some of the Nation's most complex and significant investigations including massive savings and loan industry frauds, bank failures, serious acts of public corruption, record seizures of illicit drugs, the arrests of international fugitives and civil rights violations. Agent Lawler has also led the fight to protect our Nation from potential acts of terrorism.

As one of the Bureau's most respected agents, Lawrence Lawler was elected to serve as one of only five executives on the Director of the FBI's Special Agent in Charge Advisory Committee. This committee is responsible for assisting Director William Sessions to determine the mission objectives of the Bureau and to ensure that each area receives adequate resources.

Perhaps most importantly, Lawrence G. Lawler is credited with vastly improving the productivity and morale of the Los Angeles division by successfully achieving salary reforms for the division's employees and creating direct liaison avenues with local and State justice agencies, the business community, civic, and professional leaders. Now, having commandeered the Bureau's Los Angeles division into a period of unparalleled success, Agent Lawler is retiring from Government service effective August 31, 1991. Mr. Speaker, I strongly urge all of my colleagues in the House of Representatives to join with me in thanking Lawrence G. Lawler for 26 tremendous years of service to the American people. We wish Agent Lawler and his wife Joanne all the best for the future.

LESSONS FROM THE SAVINGS AND LOAN DEBACLE

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. PEASE. Mr. Speaker, during the past few years, I have been extremely concerned about the degree of risk placed on the taxpayers as a result of our current deposit insurance system. I am very disappointed that the House Banking Committee didn't address this situation during its consideration of the bank reform bill it passed in June. I hope that this error will be corrected on the House floor.

The following editorial by Matthew Miller explains why expanding banks powers, without limiting the risk borne by the taxpayers, is a fallacy.

[From the Washington Post, July 28, 1991]

RECIPE FOR A $3-TRILLION DISASTER

(By Matthew Miller)

If the bank reform bill recently approved by the House Banking Committee gives you an uneasy sense of deja vu, there's a reason: The bill does nothing to stop tottering banks from gambling with federally insured deposits. And that means we're rushing toward a replay of the S&L crisis—this time at triple the cost.

Why the worry? Recall that in our last episode of "Fiscal Quagmire," the $1-trillion S&L industry was destroyed when hundreds of bankrupt thrifts were allowed to hide their insolvency and let losses mount. Unlike normal businesses, which close down when they can't pay their bills, these thrifts—armed with Uncle Sam's deposit insurance—simply raised their interest rates higher than the next bank's to attract the cash they needed to stay afloat. As consumers, we didn't know or care that these banks were shaky, because the government promised to return our deposits if the banks couldn't.

If this sounds like a government-sponsored Ponzi scheme, it was. The result? In the banking equivalent of the "Hail Mary" pass, our money was gambled on long-shot investments like cattle farms and junk bonds, designed to dig the troubled S&Ls out of the hole if they paid off. When they didn't, the rest of us (via the FDIC) picked up the tab.

Now, $200 billion dollars later—and with commercial banks carrying $3 trillion in assets edging toward an abyss that could make the S&L bailout look like a pothole—you'd think the primary lesson would have hit home with our leaders: Whatever else bank reform may do, it must stop weak banks from using the insurance guarantee to systematically overbid for deposits that are gambled on high-risk investments.

Amazingly—or predictably, depending on how jaded you are—the House Banking Committee's new bill ignores this fundamental point, even while it makes several other smart changes that are overdue.

For example, banks at long last would be permitted to expand freely across state lines, ending the system of local banking cartels created by the McFadden Act in the wake of the Great Depression. Back then the idea was to protect banks from going under by making sure they faced as little competition as possible. As a result, the U.S. banking system today sports more than 12,000 relatively tiny banks, as opposed to the several dozen behemoths that characterize banking in Germany or Japan.

This "small-is-better" philosophy—which also suited America's old-time populist fear of having too much economic power concentrated in just a few big organizations—boomeranged in the '80s. A particular problem was the dependence of such banks on one or two local industries. Thus, when Texas oil and real estate crashed, Texas banks were wiped out with them.

The House bill's nationwide expansion provisions let banks diversify these loan risks. And because expansion will take place through mergers, it will also let banks slash an estimated $10 billion in duplicated back-office costs—increasing by half the $20 billion in profit earned last year by the ailing industry. Similar gains should come from proposals that let banks compete in the insurance and securities businesses, from which they've previously been barred.

But despite such beneficial features, the startling fact remains: By leaving marginal banks free to bid recklessly for our money thanks to their federal guarantee, the S&L fiasco will probably be repeated—and on a grander scale.

What's the remedy? A proposal from Brooklyn Democrat Charles Schumer could yet save the day. Dubbed "core banking," it assures that banks could not use taxpayer-insured funds to finance notoriously risky loans to, say, Third World monarchs, leveraged-buyout kings or hyperactive real estate developers.

Schumer would divide banks into insured and uninsured affiliates. The insured (or "core") bank could invest only in low-risk assets like government securities or small business loans. In exchange for the federal guarantee, however, the top interest rate the core bank offered depositors would be limited to that being paid on short-term Treasury bills—since by definition the risk associated with these deposits is virtually nill.

With one stroke this provision would make it impossible for buccaneer banks to bid for deposits by offering the kind of sky-high returns that only risky investments should earn. The uninsured bank, meanwhile, could make whatever loans it liked and pay depositors any interest rate it chose. It would enjoy no deposit insurance and would thrive or fail on the open market—just as financial institutions like Fidelity, American Express or General Electric Capital do every day.

Opponents of core banking say the interest rate cap goes against the free market—conveniently forgetting that deposit insurance itself stops the free market from functioning whenever bank losses occur. Seen this way, it's only common sense to limit the safety net to banks agreeing not to be daredevils.

Others argue that tougher bank supervision is the way to stop abuses, but history is not on the side of that argument: After all, the green-eyeshade crowd hardly did the job last time. Bankers, meanwhile, continue to fret that core banking will prompt many of us to flee to higher returns elsewhere. True enough. But they should also admit that they really want American taxpayers to keep taking the risks they were taking before the S&L crisis burnt us all.

There's still time for the Bush administration and the House and Senate to rally behind core banking. Let's hope they do before we're forced to confess to our debt-saddled children that we could be so expensively dumb so often.

UNITED STATES-HONDURAN RELATIONS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. RICHARDSON. Mr. Speaker, as political and civil strife wane in Central America, allowing at last for some recovery and development to take place, it is crucial that we consider the current plight of Honduras, a country which grievously has suffered not only from the cupidity of its civilian and military leaders, some of whom financially benefited from accommodating the civic strife which has taken place in neighboring El Salvador, Nicaragua, and Guatemala. With the end of the war in Nicaragua and peace talks tentatively underway in El Salvador and Guatemala, Honduras now has the opportunity to rebuild and reform. Because we, in part, are responsible for the perilous condition of the Honduran economy, we cannot now turn our backs on the country.

Some of the country's less admirable institutions have received part of over the $1 billion in United States aid sent to Honduras over the last decade. But annual grants will surely be shrinking at a time when they are perhaps more vital than ever to affect constructive change. President Leonardo Rafael Callejas has been dealing with such questions as the restructuring of the Honduran economy, his nation's role in the political equilibrium of Central America, and its ties with Europe and the United States. Amidst popular opposition to continued United States military presence, the Callejas administration is restructuring its vision of the role the country's armed forces, focusing on demilitarization, the combating of deforestation, addressing the human rights situation in the country, and investigating the increased use of Honduras as a transhipment point for illicit narcotics.

In order to provide some background on the current issues surrounding Honduras' attempt to restructure its economy and reform its unsavory military, I draw your attention to an article which appears in the July 24, 1991, issue of the Washington Report on the Hemisphere, a biweekly publication of the Washington-based Council on Hemispheric Affairs [COHA]. I encourage my colleagues to read this thought-provoking article by COHA Research Associate Joshua Levenberg:

SURROUNDED BY CIVIL CONFLICT, HONDURAS ATTEMPTS TO REFORM

(By Joshua Levenberg, COHA research associate)

Honduran President, Rafael Callejas, displaying unanticipated firmness, is standing behind his 18-month old austerity program and military reforms despite criticism from all sides. Callejas, who took office in January 1990, was elected on a platform promising an end to the contra occupation of Honduran territory, military reform and the initiation of a severe economic austerity program to reduce the country's $117 million deficit and high inflation. While Honduras was best known in the 1980s as a confrontation pad for U.S. policy towards the rest of Central America, the recent settlement of the Contra/Sandinista conflict has provided it with the freedom and necessity to begin to think about radical domestic changes. The bitter fruit of its Contra role will be harvested for years as the nation attempts to redefine its sovereignty and recover from the economic distortions caused by having had to invest in expensive infrastructure in order to accommodate massive amounts of U.S. aid, now in decline. Washington gave over $1 billion to Honduras in the 1980s, much of it in the form of bribes to politicians and the military. Assistance for 1990 totaled $137.8 million, but appropriations for 1991 slid to $123.8 million. As a result of the war, as many as 18,000 Honduran campensinos lost their land and crops to contra forces stationed at a series of bases in "Contraland." There are also nearly half a million regional refugees as a result of the conflict throughout Central America, including some families of contra fighters who were left behind when the rebels were forced to disband in April 1990.

As a result of being surrounded by warring neighbors, Honduras has faced formidable obstacles in caring for its own people as well as Salvadoran, Nicaraguan, and Guatemalan refugees. UNICEF's 1990 report, "Children of Honduras," claims that 71% of the the country's 4.6 million people live in extreme poverty, 32% of the population is illiterate, and only about 40% of those living in or near larger cities have adequate housing. Malnutrition also poses a significant problem with about 15% of the population suffering from improper caloric intake and approximately 25% of live births ending in death before age one. Many Hondurans attribute the hunger problem to U.S. policy which, during the 1980s, pressured their leaders to cut grain production for local consumption in favor of export crops, a move deemed necessary to increase Honduran foreign exchange holdings.

Although Callejas already had been dealing with a 30-40% unemployment rate, one of the first steps of his austerity program was to immediately cut 10,000 of the government's 60,000 employees. Another part of the plan included the devaluation of the Honduran tempira now down almost 165% since Callejas took office. His administration also raised the price of fuel and utilities by some 150%, freed bank interest rates, sold off many state-run operations, and increased most taxes. While the international banking community is lauding Callejas for having the resolve to carry out such programs, the country's poor are complaining that his measures only exacerbate already extremely difficult living conditions. For example, the price of basic foodstuffs such as corn, beans, and rice, has increased in the capital of Tegucigalpa by an average 71% during the first three months of 1991, when compared with the same period last year. Although the minimum wage was increased in 1990 for the first time in ten years (raising the annual per capita income to $480), it has not been able to keep pace with rising inflation, pricing basic consumer goods out of the reach of low income families.

It appears, though, that financial assistance may be on the way. The International Monetary Fund (IMF) recently recognized Honduras as eligible to receive new loans and disbursement of old ones, now that is has made good on long-standing arrears with the World Bank and the International Development Association (IDA). New funds stated for Honduras include a $700 million Inter-American Development Bank (IDB) loan through 1993, as well as World Bank and IDA credits to the agricultural and energy sectors totaling $100 million.

Attempts to reform the Honduran military have been praised by all but the armed forces themselves. The pace and magnitude of previous U.S. financial aid packages to Honduras, of which about half were allocated to the military, is now gradually contracting since the abatement of the contra conflict, with deep dips unavoidable in the future. Callejas' plan to reduce spending on the military—now nearly one quarter of his budget—and to fundamentally reform that institution, has been deemed by many as a necessary step towards ending its dominant position in the country. Protesters, who for years have complained of U.S. intervention in Honduran affairs, recently chanted during a visit to the country by U.S. Joint Chief of Staff Chairman Colin Powell, "Why should we want military maneuvers; the children cannot eat military maneuvers!" Last summer, Callejas was bold enough to reject an important accord proposed by Washington that would have provided for the establishment of permanent U.S. military installations on Honduran territory. While the Pentagon denies that the country is one of the potential sites for the relocation of its Southern Command (SOCOM) headquarters, slated soon to leave Panama, the president's objection will make it difficult for the Pentagon to try to relocate there despite the twenty or so U.S. bases already sited in the country.

Callejas is basing his efforts at military reform on giving Congress the authority to determine the armed forces' new mission in this conflict-ridden region. Whereas his existing authority over the military is only symbolic, since his orders must pass through the current commander in chief, General Luis Alonso Discua, a pending legislative amendment would designate the President of the Republic as its new commander.

The current degree of autonomy enjoyed by the military vis a vis the rest of society is most apparent regarding continuing human rights violations. Rights advocacy groups believe the separation of police and security forces from the armed services is an essential first step to reining in the military. While President Callejas is "proud to say that there have been no forced disappearances during [his] administration," the State Department's annual human rights report, along with those of private groups, still criticize him for failing to curb rights abuses such as illegal seizures and tortures.

Ramon Custodio, president of Honduras Rights Defense Committee (CODEH), claims that civil rights abuses have not changed since the secret military death squad, called 3–16, began operating in 1981. "Only the models vary," he said. "If before there were missing people, now there are executions and tortures." Callejas also has been charged with being unwilling or unable to prosecute members of the armed forces for their participation in many illicit activities such as the "disappearance" of between 150–200 people between 1981–1985.

ETHNIC ASSOCIATION REQUESTS WIDER RIGHTS FOR NATIONAL MINORITIES

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DORNAN of California. Mr. Speaker, the National Confederation of American Ethnic Groups, Inc., has been in the forefront for fighting against communism and for liberty and freedom in Europe and Asia since its foundation in 1956. Under the able leadership of Dr. Edward S. Yambrusic and my good friend, Dr. Z. Michael Szaz, they are now in the forefront of trying to solve the thorny national minorities questions in Eastern and Central Europe by requesting more rights for the often-suppressed national minorities.

The NCAEG drafted a detailed, international law-issues memorandum for the Geneva Conference of Experts of the CSCE which deserves our attention as some of its findings were mirrored in the final communique of the conference while others were not yet adopted. The memorandum was distributed by the executive secretary at Geneva to all 35 chief delegates—personally by Dr. Szaz to the United States and Hungarian chief delegates—and was sent by mail to 34 foreign ministers of the CSCE.

I insert an abbreviated version of the document into the CONGRESSIONAL RECORD and congratulate the NCAEG and its leaders, Dr. Yambrusic and Dr. Szaz, for a job well done:

MEMORANDUM

(Memorandum of the National Confederation of American Ethnic Groups, Inc., the Transylvanian World Federation, and the American Hungarian Federation to the Heads of Delegations to the Conference on National Minorities of the Conference on Security and Cooperation in Europe)

The above-referenced U.S. NGO organizations hereby request consideration of their ideas, views, and suggestions by the experts of the 34 delegations in regard to defining and codifying the rights of national minorities in Europe and North America.

PREAMBLE

As the economic integration of Europe proceeds, states will cling to a stronger, firmer, and more visible national sovereignty. Facing such development, minority rights must be viewed in a broader context of fundamental human rights. The rights of the people to self-determination (Helsinki Final Act, Basket I, Chapter VIII) and their right to political independence and national sovereignty must be recognized as the dynamic institutions of the new international order.

The central issue, therefore, is how to find equilibrium and accommodation to the seemingly conflicting majority and minority national interests and societal institutions. Therefore, the overriding issue of minority rights must be placed squarely upon the fundamental need of equality and human dignity. The latter must, therefore, be expressed in the inalienable right to equality. Equality is the core of all human as well as political rights, as well as sovereignty and self-determination.

The recent evolution of these rights from the mere philosophical principles to normative standards of international law is a reflection of the evolutionary "kinetic" process of men's inevitable and irreversible drive toward equality and freedom.

* * * * *

In the context of this new world order, *the right to self-determination* is a recognized norm of positive international law, a *jus cogens*. Accordingly, the act of using force will be regarded as an act of aggression if it were to frustrate the right to *self-determination*.

In addition, the obsolete principles of occupation and annexation in international law are no longer relevant in a matrix of the new world order.

* * * * *

SUBMERGED NATIONS

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Submerged nations, e.g., Croatia, Slovenia, Slovakia, the Baltic States, the Ukraine, Byelorussia, Armenia, and Georgia are the most conspicuous examples in the context of the present agenda of the conference. They are not ethnic or national minorities and their political aspirations and rights must be resolved within the matrix of the principle of self-determination. Having excluded the "submerged" nations from the consideration of the clarification, definition, and codification of ethnic and national minorities, we are left with the problem of defining who these minorities are and what their rights and roles should be in the common European house.

We must distinguish two kinds of national minorities. One concerns a group which settled on another nation's territory for centuries but has never been associated territorially or politically with the country of their origin. Such groups involve the Germans in Transylvania, the Serbs in Croatia, and the small minority groups (under 300,000) in most of the European states.

CONTIGUOUS NATIONAL MINORITIES

Another category involves large groups of members of one nation separated from the country of their origin by peace treaties and other international agreements of the twentieth century. They include the 2.5 million Hungarians of Transylvania, the 1.5 million Albanians of Kosovo, the Hungarians and Croats in the Voivodina province of Yugoslavia, and the two million Romanians in the Moldavian S.S.R. These groups are also not ethnic and national minorities *eo ipso;* they are a truncated part of their mother nation and yearn for their reunification. They are the new *terra irredenta* in Europe, despite Chapter VII of Basket One of the Helsinki Final Act assuring the inviolability of the European frontiers. Without resolution of their right to national self-determination and cultural and political autonomy, the many issues involved in the creation of an integrated Europe cannot be solved. It is our contention that "minority" groups of truncated nations of Hungary, Albania, and Romania should be permitted to rejoin their mother nations if they so desire, provided adequate economic and financial compensation is paid to the state to which they now belong. This could be done under the same chapter of the Final Act that provides for a peaceful change of frontiers. We already had the first such change by the reunification of Germany. We all hope that as European integration proceeds, frontiers will lose their separating significance, but it is still of overriding importance that the new European order be based on individual nations and peoples, not of the remnants of multi-national states eternally bickering with their large national minorities.

However, until the problem of submerged and truncated nations and peoples is solved, attention must be focused on the rights of ethnic and national minorities. Their rights must be recognized within the matrix of a series of rights—religious, linguistic, cultural, civic, and political. These will contribute to social and political stability of the sovereign state in which they live and also augment the basic solidarity, friendship, mutual respect, and cooperation among the sovereign states and the countries of origin of the ethnic or national minorities.

For the ethnic and national minorities also owe the responsibilities of citizenship, basic allegiance, to the state in which they reside. Always, however, they have the fundamental human right to maintain free and unfettered contact and communication with their brethren in the country of their origin.

COLLECTIVE RIGHTS OF NATIONAL MINORITIES

* * * * *

Because of its abuse by Hitler Germany in the late 1930s and the aversion felt against it both by the Soviet Union, Czechoslovakia and Poland, the collective rights of national minorities disappeared from international agreements between 1945–66. The Paris Peace Treaty of 1946 only obliges the vanquished German allies to refrain from any discrimination against their citizens, among others "on grounds of * * * national origin." Only in the 1966 U.S. Covenants, the Helsinki Final Act and its Addendum by the Madrid Conference do we have a clear reference to the rights of national minorities without mentioning their collective rights.

We contend that the undisputed findings of sociology the existence of the ethnic group should be considered *sui generis* part of the state structures with corresponding cultural, religious, linguistic and political rights. The Strasbourg Charter on National Minorities in Europe is considering the group, not just the individual, as a bearer of rights.

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CONCRETE RIGHTS OF NATIONAL MINORITIES

Already the Helsinki Final Act and the Madrid Conference Addendum refer to the cultural and linguistic rights of ethnic or national minorities in addition to discrimination against the individual citizen on the basis of national origin.

A masterful exposition of the rights of national minorities is contained in the above-mentioned May 31, 1991, Hungarian-Ukrainian Statement.

The Preamble recognizes the collective communist rights of national minorities by stating that "their point of departure is that national minorities live on the territory of both Parties who dispose over adequate rights, both individually and communitywise and collectively within their groups."

As to the concrete rights, they include:

1. *Absence of discrimination against individuals and the group as such and equality before the law.* In turn, the members of national minorities must respect the laws of the country in which they live. This right is generally granted by law to the national minorities in Europe, but its implementation is spotty to mention only Transylvania and Kosovo as the most glaring examples of systematic violation of the nondiscrimination principle. Codification of this right would be both appropriate and possible.

2. To generate the right of the individual members of the national minority *to decide freely about their belonging to any national minority* and assure that they may exercise the rights inherent in their decision without any unfavorable consequences on the part of the state. This is an important and often permitted right. Many countries, including Romania and the Serbian Republic of Yugoslavia, only register majority nation first names for newborns and then later claim that these individuals belong to the majority nation.* * *

3. The parties guarantee to take *all necessary political and administrative measures* to create favorable conditions for the preservation and development of the ethnic, cultural, linguistic, and religious identity of the national minorities.

* * * * *

4. This is an innovative provision. It reads as follows: The Parties will provide legal and other *protection to their national minorities against all activities, including propaganda activities which endanger their existence or identity* and stir and promote or evidence hatred or discrimination on the basis of belonging to a national minority.

We know that this is a touchy issue that includes infringement upon free speech. But the U.S. Supreme Court also recognizes limits on free speech if the community is endangered thereby. We believe that statements by the *Vatra Romanescea* and the *St. Sava Society* in the past or present both evidence national and/or racial hatred and should not be permissible on principle. While we realize that codification in this form might be impossible, some rein must be placed on pseudo-Fascist hatemongering if peace and stability are going to prevail in Europe.

5. The Statement guarantees a *Nationality Statute* ensuring the effective participation of the national minority in reaching and implementing decisions in regard to their identity and problems, both individually and as a group.

* * * * *

6. The Statement guarantees that the national minorities may maintain their own organizations and societies. While this is generally recognized, the Statement adds that these organizations *may establish relations with organizations and societies located in other countries which share their ethnic or national origin and cultural heritage or religion and that they may request financial and other assistance* or even support from the other state. The only limitation mentioned is that these activities must be in accordance with the legal provisions of the country in which they are working.

We realize that this again raises the question of foreign interference in the domestic affairs of a foreign country and even in the Statement, a Mixed Commission has been established to settle any dispute regarding the interpretation of this provision.

However, relations between ethnic organizations with those in the mother country are generally recognized and a more restrictive draft on accepting financial aid, qualifying it as to for what purpose, may render his provision codifiable.

7. The Statement also guarantees that the authorities engaged in dealing with the national minorities in both countries *will take into consideration the views of the organizations of the national minorities.*

This could be codified without too much opposition, although again this is implemented rarely by some member states.

8. This again is an innovative provision. The Parties will not undertake any *administrative, economic or other measures to assimilate the minorities or to change the population composition in the areas inhabited by the nationalities.*"

One of the great offenders against this rule was Gheorghiu-Dej's and Ceausescu's Romania, which settled more than 1.5 million Romanians from other provinces in Transylvania since 1945, changing the approximately 52/33 percent Romanian/Hungarian ratio to 70/25 by 1990. Similarly, attempts have been made in the past two decades to reduce the ratio of Albanian majority in the Kosovo province.

9. With regard to the right of the use of the mother tongue, it provides that they may use it in personal and societal activities, including their own family and first names without any translation into the majority language.

10. It codifies *the right to be educated in the mother tongue at all school levels.* It also ensures that they may *study in the educational institutions of the other Party.* Or do postgraduate work there. It also calls for exchange programs among experts. This should be codified. It should be mentioned that no university of college has yet been restored to the 2.5 million Hungarians in Transylvania.

11. Both parties guarantee *preservation and research into the cultural heritage of their respective national minorities* on both amateur and professional levels and the preservation of historical and cultural movements. This should be codified.

12. With regard to the religious rights of the national minorities (in many instances, especially in Eastern Europe, religion defines nationality), they not only call for general religious freedom but for writing and publishing religious material and preaching and holding divine services in their mother tongue.

This provision should be codified fairly easily.

13. Again, an innovative definition: "The Parties recognize the right of national minorities *to promote and exchange without suffering discrimination any information in their mother tongue* and will take concrete measures to support their mass media institutions."

* * * * *

CONCLUSIONS

The above-referenced three American NGO organizations, therefore, petition the conference of experts at the CSCE Conference at Geneva

1. to exclude the submerged nations, particularly the constituent republics of the U.S.S.R. which did not accept the Union Treaty, Croatia and Slovenia from its considerations as national minority areas and recognize their inherent right to nationhood;

2. to recognize the right of the major European ethnic groups, Albanians in the Kosovo province of Yugoslavia, Hungarians in the Romanian province of Transylvania, and Romanians in the Moldavian S.S.R. to self-determination;

3. to adopt the Fourteen Points of the May 31, 1991, statement between the governments of the Republic of Hungary and the Republic of the Ukrainian S.S.R. in its entirety or with some modifications as the basis of a Charter for National Minority Rights for the CSCE nations of Europe and North America.

H.R. 14, THE FLIGHT ATTENDANT DUTY TIME ACT

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. ROE. Mr. Speaker, I rise in strong support of H.R. 14, the Flight Attendant Duty Time Act. This legislation will greatly enhance the safety and security of air travel on U.S. carriers by ensuring that all flight attendants receive adequate rest to perform their critically important duties.

Before discussing the important issues involved, I would like to commend the gentleman from California, Mr. MINETA, for his untiring efforts in introducing and supporting H.R. 14, and the chairman and ranking Republican on the Aviation Subcommittee, Mr. OBERSTAR and Mr. CLINGER, for their outstanding work in developing this legislation.

I am convinced that passage of H.R. 14 is an absolute necessity. Although some airlines voluntarily provide their flight attendants with adequate rest, we learned at our hearing that this clearly is not the case with all U.S. carriers. We discovered incidents where flight attendants were subjected to 24 hours of continuous duty. These flight attendants were then allowed a mere 6 hours of respite from their responsibilities.

It is important to remember that 6 hours of time off does not translate into 6 hours of sleep. After a full day and night on duty, a dangerous situation in itself, it is inexcusable to allow safety professionals to return to their jobs with barely enough time to eat, shower, and travel to and from work, much less sleep. It is impossible to believe that they could be alert, responsive, or even polite on their next shift.

Another example of excessive flight attendant duty time came to light as a result of the National Transportation Safety Board investigation of a Galaxy Airlines flight that crashed in 1985. That investigation revealed that at the time of the accident, two flight attendants had been working continuously for over 18 hours and were scheduled to remain on duty for an additional 7 hours.

Even if these situations are the exception and not the rule, and I sincerely hope they are, it is essential that we address the problem. There is no excuse for scheduling safety and security sensitive employees for exhausting duty, especially when they must be ever ready to deal effectively with life threatening emergencies. As frequent travelers, our lives may some day depend on alert flight attendants. Would you voluntarily put your life, or the lives of your loved ones, in the hands of someone who had been without rest for more than 24 hours?

I feel strongly that H.R. 14 is necessary safety legislation. With the sole exception of flight attendants, all other categories of safety professionals in the commercial aviation industry are subject to duty time limitations. Pilots, flight engineers, flight navigators, air traffic controllers, mechanics, and dispatchers are all statutorily entitled to adequate rest. Why are flight attendants considered to be different?

Flight attendants' safety responsibilities cover a broad range, from routine preflight briefings to emergency evacuations. As an example of what the average flight attendant might face in the course of a month, the Aviation Subcommittee obtained an 1-month report from an airline which tabulated over 29 accidents and incidents that required flight attendant action. These included 16 medical emergencies, most of which required hospitalization at the end of the flight, 5 cases of passenger misconduct, including one passenger wielding a knife, and several equipment problems, some of which required a return to the originating airport.

These situations cannot be adequately handled by someone suffering from sleep deprivation. In those instances where the airlines do not voluntarily see that their flight attendants are well rested, we must step in to protect both the attendants and the traveling public.

A final indication of the importance of this legislation is that the FAA, as recently as July 1990, concluded that there is a need for limitations on flight attendant duty time. FAA prepared a notice of proposed rulemaking that recommended flight attendant duty time limitations and sent the document over to the Department of Transportation for approval. Unfortunately, DOT reversed FAA's safety determination and refused to allow the NPRM to be issued.

Since we cannot expect any help from DOT, Congress must act to remedy this flaw in the system. Those of us who have been fortunate enough to have experienced uneventful flights must not be lulled into a false sense of security. Flight attendants do not merely greet us as we board, serve us drinks and dinner, and bid us a fond farewell when we arrive at our destination. They are professionals who are trained to help ensure that the public enjoys safe and secure air travel. They should not be singled out as the only category of commercial aviation professionals who are asked to work unreasonable hours without adequate rest.

I strongly urge my colleagues to join me in passing H.R. 14.

TRIBUTE TO HARLEY STAGGERS, SR., ON HIS 84TH BIRTHDAY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. MAZZOLI. Mr. Speaker, I rise today to pay tribute to former Congressman Harley Staggers, Sr., the father of our esteemed colleague from West Virginia, and my personal friend, HARLEY STAGGERS, Jr.

The Staggers family has collectively compiled a distinguished career in public life. But for a brief interlude in the early 1980's, the family represented West Virginia's Second District for the past 53 years with honor and distinction.

The tradition started with the election of Harley Staggers, Sr., to the 81st Congress back in 1948. His career spanned the bulk of the post-World War II era, and his reelection for 16 consecutive terms testified to the fact that his constituents recognized his brand of dedicated and productive public service.

For the last 14 years of his congressional career, Harley Sr. chaired the Committee on Interstate and Foreign Commerce. He served in the best traditions of this House with an affable and pleasant demeanor. He was, in short, a genuine statesman. I was most fortunate to have been able to serve with him during the first decade of my tenure in this body.

Mr. Speaker, Harley Sr.'s life achievements are most impressive. He graduated in 1931 from Emory and Henry College, in Emory, VA, and began his career as nobly as he would finish it, as an educator. During the Second World War he was a lieutenant commander in the U.S. Naval Air Corps, serving as a navigator in the Atlantic and Pacific theaters until 1946. Soon after, he was elected to the 81st Congress.

Mr. Speaker, Harley Staggers was, even before the beginning of his career in public life, committed to his community and to his country. It is not surprising then that he would serve in this body with such distinction. It was in the cards all along.

Mr. Speaker, on this, the occasion of Harley Sr.'s 84th birthday, I salute him personally and his service, professionally. It has been my honor and privilege to have had the opportunity to work with him and his son. Happy birthday, Harley.

OCEAN BEACON TO A NEW WORLD ORDER

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. BENNETT. Mr. Speaker, Dr. Gilven M. Slonim spoke eloquently before the National Maritime Center at Norfolk last May; and I regret that the rules of the CONGRESSIONAL RECORD do not allow me to include his entire speech here. But I do include some of the challenging things he said and I hope his wisdom and his enthusiasm may spread out as widely as the oceans of our globe. He said in part:

> Again we see, Americans, capable of rising to any emergency, when they know the facts. Nonetheless, prior to that time the maritime deficiency in their understanding was beyond belief. I had teachers in my Oceanic Education classes with 20 years of teaching experience who asked, "What is the Merchant Marine?" Once they were inhibited with economic facts of life pertaining to global trade carrying, the light turned on; the maritime imperative motivated them.
>
> The cutting edge of 21st century oceanic technology reached the American peoples' consciousness for the first time in a century. This came through the Oceanic Studies commitment by George Bush, the "Education President" at the Washington Summit. Once this comprehensive sea-study, which included the Geo-Economics of the Ocean, and dynamic Global Oceanic Geography, was launched, as the century wound down, for the first time, the treasures of trade carrying for a maritime power motivated the public to act knowledgeably—with commitment toward regaining a competitive posture on the high seas.
>
> Finally, in the 21st Century, the prototype Heavy Missile Attack Ship with 80% "on-target" accuracy in Desert Storm, at long-ranges, became a key capital ship of the Fleet as the fourth leg of Strategic Power Projection. This futuristic ship, early on, gained its spurs, with its wide array of super-smart ultra-modern missiles, coupled with its sea keeping, to become "The Capital Ship of the 21st Century."
>
> The "national-interest-span" of the world super-power, endeavoring to negotiate the Oceanic Frontier of the Future, encompasses all regions of the globe. The viable pillars of national power, just as the cornerstone of combined posture, the New World Order dictates rest upon ever higher plateaus' of readiness, movement and prompt "on-the-spot" decisionmaking.
>
> In bringing about the inevitable Oceanic Renaissance—call it a "Blue Revolution," if you will—the factor to be grasped is the existing educational deficiency—the underlying maritime ignorance of, I must say, most American citizens. This knowledge-gap must be alleviated to gain the great goals foreseen; to regain the will to compete with traditional drive on a global sea of unprecedented promise. How obvious the responsibility than for those of us who are sowing the seeds for revolutionary change. Patience and persistence are counselled as our educative drives see George Bush's "New World Order" to fruition; to gain the vibrant drive of its inevitable Global Oceanic Alliance seeking a more stable, a more durable, a more fulfilling world for mankind.

OPPOSITION TO UNITED STATES-KOREA COPRODUCTION AGREEMENT

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DURBIN. Mr. Speaker, I rise today to express my concerns about the proposed F-16 aircraft coproduction agreement between the United States and South Korea. This proposed agreement raises serious concerns for both the aerospace industry and American workers, may be of disproportionate benefit to South Korea and will result in the transfer of advanced technology to South Korea's fledgling aerospace industry.

While the administration provided formal notice of this KFP proposal to Congress on July 8, few details were released. The coproduction agreement, with an estimated value of $3.7 billion, has three components: the outright purchase of 12 F–16 aircraft; the purchase of 36 disassembled kits for reassembly in South Korea; and the commercially licensed production of 72 F–16's in South Korea. While South Korea, undoubtedly, has legitimate military needs, the coproduction agreement appears driven more by South Korea aerospace industrial development goals.

The coproduction agreement transfers advanced technology to South Korea, strengthening their aerospace firms, who may eventually emerge as potential competitors for both American aerospace giants and their subcontractors. I am further troubled by the lack of information made available to Congress to evaluate the KFP proposal. It appears that General Dynamics may have failed to report necessary data and perform necessary analysis. With inadequate data, our ability to fully evaluate the proposal's terms is cast in doubt.

Additionally, the sale raises questions regarding the DOD's supervision of General Dynamics during negotiation of the coproduction terms, supervision which appears in many instances inadequate. The General Accounting Office has experienced difficulty in evaluating the proposal because of DOD's failure to release information or give adequate consideration to the potential consequences for the U.S. industrial base and the competitive position of firms at the prime and subtier levels. GAO notes that the Commerce Department may have been excluded from consideration, despite the statutory requirement that they evaluate the consequences of the sale for the U.S. industrial base. The inadequacy of the data hinders our ability to verify General Dynamics' claims regarding the value for American firms. I am encouraged by a measure adopted by the Senate, sponsored by Senator Dixon of Illinois, which would delay the trigger date for the congressional review period from the date of formal administrative notice to the date on which Congress receives full documentation, including any memoranda of understanding, relevant to the sale. Congress needs to be able to ascertain that the agreement represents the best deal achievable.

This agreement may also violate the terms of the 1991 Desert Storm supplemental, which denies the use of credits or guarantees under the Arms Export Control Act for any country which has not fully complied with its Desert Storm commitments. OMB acknowledges that South Korea has failed to honor $136 million of its pledged commitment. To permit South Korea to benefit from the coproduction agreement, without having settled all previous, outstanding commitments to the Government, is contradictory to overall national policy goals.

Mr. Speaker, Congress has had inadequate data and opportunity to fully evaluate the terms of this coproduction proposal, a proposal which may represent an unwarranted surrender of American technology to the fledgling Korean aerospace industry. I can only hope that the aerospace industry, a prime example of technological prowess, does not meet the same fate as previous American industrial and technological innovations, like television, transistors and lap top computer displays, innovations previously sold abroad only to return in later years as imported goods, contributing to a weakening of U.S. economic leadership.

FACTIONALISM IN NICARAGUA

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. RICHARDSON. Mr. Speaker, Nicaragua, which was the venue of the controversial intervention of this country throughout the 1980's, now is facing new tensions, perhaps as a delayed political aftershock to last year's election of President Violeta Chamorro and the defeat of the Sandinistas. Presently, a surge in rightist militancy is undermining the uneasy pragmatic compromise which Mrs. Chamorro's government had worked out with the former ruling party. Unable to please both her own right wing as well as the Sandinistas, Mrs. Chamorro is witnessing factional splits within the ruling coalition, and while the Sandinistas attempt to preserve the gains resulting from their revolution, groups of former Contras are once again taking up arms to achieve their own demands.

The following article by Greta Paa, a research associate with the Washington-based Council on Hemispheric Affairs [COHA], addresses some of the problems the Nicaraguan government now confronts and analyzes the various contending forces. Because Washington must not ignore current developments in Managua, I urge my colleagues to give some attention to this critical issue.

The article follows:

Nicaragua's Patchwork Politics Being Torn Apart

(By Greta Paa)

Heightened socio-economic tension due to the increasing militancy of President Violeta Chamorro's right wing, factional polarization, and a dubious economic outlook continues to strain Nicaragua's political fabric. The country's legislative body recently passed a measure which allows overseas investors to own up to 99 percent of domestic enterprises as well as lowering certain consumer taxes, making it perhaps a good place to do business, but hardly honoring the memory of the Sandinista revolution. With an import tariff of 35 percent, Nicaragua now has the lowest such barrier in the region. In their efforts to jump start the economy through unqualified pro-business policies, government economic planners are considering other actions including creating a free trade zone in which 100 percent of capital duties would be forgiven, and an export promotion law that exempts charges on imports. In a tone as well as placating Washington's ruffled feathers, the National Assembly passed legislation rescinding Law 96, thus abandoning the $17 billion award resulting from a World Court suit filed by Nicaragua in 1986 against the United States for damages caused by the U.S.-backed Contra war. In support of these actions, the pro-government daily, *La Prensa*, in July printed a letter from 50 conservative U.S. legislators, praising National Assembly president Alfredo Cesar, one of the most influential leaders of the conservative block.

With Washington's backing, Cesar almost literally brought down the house by proposing a controversial referendum to repeal land ownership Laws 85 and 86 which, in March 1990, just prior to the transition of power from the Sandinistas to the UNO government, had granted immediate ownership to anyone in possession of state land. Upset over the revocation of what was considered part of the revolutionary heritage, former Sandinista President Daniel Ortega Saavedra declared, "I am convinced . . . the government does not benefit from this crisis, which was provoked by the extremist sectors in order to weaken the government and its image." Under the Sandinistas, some 80,000 rural properties and 120,000 homes were distributed to over 200,000 beneficiaries ranging from penurious peasants to Sandinista party loyalists. While many current owners would be displaced by the abrogation of the two laws, the government asserts it is not its goal to cause hardship to Sandinista supporters, but rather to correct some existing abuses regarding property rights.

Although the struggle is now being waged within the Nicaraguan government over the nullification of the land ownership regulations, some criteria have been agreed upon for a possible compromise. For example, Nicaraguans possessing one home prior to Feb. 25, 1990 would retain their property. Also to be returned is property if it is one of several owned by the same person, or if the tenant had not lived in the house prior to Feb. 25, 1990.

The property issue is only one deep ideological question fueling factional tensions. With opposition Sandinista Liberation Front (FSLN) representatives still boycotting the National Assembly over the land tenure issue, rumors circulate within their ranks that the repeal of Laws 85 and 86 could be a precurser to the reversal of their almost sacred agrarian reform process. Defending the popular acquisition of land as legal and just, the FSLN has challenged any tampering with it as well as supporting the influential communal movement led by Father Miguel D'Escoto, former Minister of Foreign Affairs and head of the Front for Popular Struggle (FPL), under which over 25,000 property recipients have registered for land titles. In a joint effort to facilitate the land titling process, even part of the government has joined the communal movement to battle the ultra-right.

While a clamorous debate was taking place in the assembly, more than 400 recontras—former contras who again have picked up arms—emerged in the northern mountains, prompted not only by hunger, a lack of agricultural credit and landlessness, but also because security forces still remained under the control of the Sandinistas. In a resolution delivered over Managua's Radio Catolica on June 26, 1991, the Nicaraguan Resistance criticized the government for its, "huge, unnecessary budget [that] is being allocated to covert military expenditures, while the people continue to suffer from the disastrous condition in which the health and education sectors were left after a decade of Sandinista rule." Resorting to violence in July, the recontras murdered ex-contra commander "Renato", who was second only to now slain contra military commander Enrique Bermudez on their hit list. Presently, recontra raids continue to occur in the northern part of the country.

In collecting and destroying military weapons held by civilians, the government is attempting to achieve pacification through disarmament. Because reintegrating ex-contras into Nicaraguan life has been hindered by the rise of the recontras, the International Support and Verification Commission, set up under the agreements signed in Tela, Honduras in 1989, to help reconciliate the contras, will extend its stay until June 25, 1992, at the request of Mrs. Chamorro. In order to diffuse the tense situation, Nicaragua's Security Commission has recommended that all political parties carry out their activities in a peaceful and democratic manner, that a campaign to re-educate civilians in democracy be initiated, and that the media tone down its intemperate language.

Pleading to pacify growing unrest, the government cites stable prices and a seven percent dive in the June inflation rate as evidence of progress. Also, Presidential Minister Antonio Lacayo insists that the economy is reactivating as the tobacco, liquor and soft drink industries are now booming. While Lacayo claims that more money now is available to finance industry, the same is not true for the all-important agroexport producers, who received 40 percent less financial support this year than last, while crops grown for domestic consumption attracted 35 percent less aid in the same period. Meanwhile, critics accuse the government of manipulating statistics, noting that consumer buying power is down 30 percent since March.

TRIBUTE TO MR. AND MRS. HAWKINS

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. DIXON. Mr. Speaker, Mr. and Mrs. Harry Hawkins will be celebrating their 50th anniversary on August 11, 1991. It is with great pleasure and admiration that I rise today to congratulate Harry and Frankie Hawkins, constituents in my congressional district, on the occasion of their golden anniversary. I would also like to acknowledge their exceptional contributions and outstanding achievements in our community.

Harry Patterson Hawkins was born on June 7, 1919, in Springfield, IL, and he graduated from the Feitshans High School, class of 1937. Ms. Frankie Rose Hawkins was born in Fort Worth, TX, on February 3, 1920, and she graduated from Langston High School in Hot Springs, AR, class of 1939. Their paths were bound to cross. They were married in St. Louis, MO, on August 12, 1941. A year later, they moved to Los Angeles.

Over the years, the Hawkins have developed many long-lasting friendships and achieved respect and admiration in their neighborhood and community. Mr. Hawkins received the Guidance Church "Daniel L. Morgan" Service Award in recognition of his distinguished work as trustee of the Guidance board of directors, past president of the Guidance men's club and the Federal Credit Union and his membership in numerous community and civic organizations. Mrs. Hawkins' many activities included 10 years as president of the neighborhood block club and 10 years as a polling precinct inspector.

Frankie Hawkins, a respected educator in the Los Angeles City School District, served as a mentor to those teachers new in the education field. Although Harry Hawkins has retired from his position as vice president of operations of Pacific States Airline Services—an African-American-owned airlines services company—he continues his involvement with the firm. He now serves as director of its company.

Mr. and Mrs. Hawkins have worked hard to break the color bar and expand opportunities for African-Americans in the Los Angeles area. Ms. Hawkins was one of the first African-Americans to work at the May Co. department store in a position that had traditionally been reserved for white employees. They also made strides as small business owners. They were the first black owners of a Winchell's donut franchise and consistently fought for integration in the insurance and real estate fields.

Mr. Speaker, I am extremely honored to join the Hawkins' children—Beverly, Harry, and Nanthel, their family and friends in celebrating the 50th anniversary of Harry and Frankie Hawkins.

CONFERENCE REPORT TO ACCOMPANY H.R. 991

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in support of the conference report on H.R. 991 which is a reauthorization of the Defense Production Act until September 30, 1991.

Mr. Speaker, this bill is urgently needed. The Defense Production Act expired last October, and its authorities are needed to ensure that critical supplies and materials are available for defense needs. In addition, this bill extends on a permanent basis, section 721 of the act, the so-called Exon-Florio amendment. Under the Exon-Florio authority which was enacted in 1988 as part of the Trade Act, the President can block foreign takeovers of U.S. firms, if such takeovers might threaten the national security.

Since last October when Exon-Florio expired, the President has received notice of more than 100 cases of foreign takeovers of U.S. firms. One of these cases involved the proposed takeover of a U.S. firm that made grinding equipment used to produce parts for our country's nuclear warheads. Fortunately, the foreign firm in this case, the Japanese firm Fanuc, withdrew its offer to buy Moore Special Tool. But, had Fanuc not voluntarily withdrawn its offer, the President would have been powerless to stop this, or any other acquisition.

Mr. Speaker, we cannot afford to let laws like Exon-Florio expire. That's why I completely support the conference report we are adopting today. It will remove Exon-Florio from the automatic sunset termination provision of the Defense Production Act, and thereby ensure that the President's ability to block foreign takeovers that threaten national security never again is allowed to lapse.

While there are other changes that I would like made to clarify and strengthen Exon-Florio authority, the action we are taking today is essential. I want to thank the Senate for its acceptance of the House bill, and I look forward to working with my colleagues on the Banking Committee, the Foreign Affairs Committee as well as the Senate in making sure we have effective laws governing national security takeovers.

FREEDOM OF RELIGION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to draw the attention of my colleagues to a thoughtful, well written article by Arnold Forster, which appeared in the July 1991 Penthouse magazine, on the difficulties many of our American soldiers faced while serving in the Persian Gulf attempting to worship in accordance with their religious faiths.

As many of my colleagues already know, several of our military personnel experienced difficulties practicing their religious beliefs while serving in the Persian Gulf. Mr. Forster, who serves as the general counsel to the Anti-Defamation League, and served for many years prior to that position as the associate national director of the Anti-Defamation League, writes a thought provoking article questioning our priorities in yielding to pressure regarding our religious beliefs.

Mr. Speaker, in order to share these thoughts with my colleagues, I request that at this point in the CONGRESSIONAL RECORD the full text of Arnold Forster's article be inserted, and I invite my colleagues to read this insightful essay.

THIS PENTAGON DISGRACE IS NO CAUSE TO CELEBRATE

(By Arnold Forster)

Every schoolboy knows that the Bill of Rights' First Amendment guarantees all Americans the freedom to practice religion in accordance with their own faith and tradition. Except that is, if it involves members of our armed forces deployed to Saudi Arabia. In that kingdom, our soldiers were compelled to surrender their constitutional rights to the demands of its religious bigotry. And they had to do so while risking their lives defending the feudal monarchy from its neighboring enemies.

Such are the facts, based not upon the laws, but upon the craven actions of the American government in the short Persian Gulf War that was waged against Saddam Hussein.

The Saudis (and other Arabs in the Middle East) recognize only one faith: Islam. But the Saudi monarchy interprets and enforces its Muslim principles severely that American servicemen have been prevented from honoring their own most basic religious obligations while within its borders. In the now-ended Operation Desert Storm, soldiers of any faith except Muslim had a little-mentioned problem. Not only were they obliged to hide their crucifixes, Stars of David, or other religious symbols in public, but they also had to observe their faith in secrecy and pray in seclusion.

With the silent acquiescence of our president and Secretary of Defense Dick Cheney, Army authorities made one issue eminently clear to our Navy, ground troops, and Air Force. The military was to submit—without any discussion—to the religious restrictions put on it by the Saudi king's orders to his narrow-minded lackeys.

The same rules applied, then and now, to American civilians entering Saudi borders on quasi-governmental missions. Unsurprisingly, Jewish visitors have always been flatly denied entry into Saudi Arabia by official policy, except under extraordinary circumstances. In November 1973 Secretary of State Henry Kissinger made an imperative trip to Riyadh, the Saudi capital. King Faisal was compelled to close his eyes to his guest's religion. Of course, during the desert way, the present king graciously granted dispensation to Jewish soldiers to come in and get killed defending his kingdom. But when President Bush called off the war, and while the United Nations was working out armistice conditions for Iraq, the Saudis (and Kuwaitis) resumed their traditional barriers. Typically, New Jersey's senator, Frank Lautenberg, on a mission as a member of a Senate delegation after the fighting came to a halt, was denied entry because his passport bore a stamp from Israel's Ben-Gurion Airport.

Shamefully, until the late of 1970s, the Pentagon itself voluntarily screened out Jews from military contracts with the Saudis. But why complain? In those years even our American Army personnel were required to certify their non-Jewish faith. Need it be added that, at the insistence of the Saudis, the Pentagon also refrained from assigning blacks to duty in the gulf?

With the onset of battle against the tyrant Saddam, our Defense Department advised participating Army chaplains to avoid public displays of their religious insignia, although such symbols are part of their official uniform. A Pentagon memo actually instructed these military officers to remove such badges of office when appearing in public. Islam was the only opening permitted religion in Saudi Arabia. The New York Times quoted a candid Christian chaplain this way: "We've been told not to wear crosses when we're away from the troops."

That same month, Rabbi David Lapp, director of the Jewish Chaplains Council, remarked for publication that "it would be history in the making, the first such in an Arab nation, if Jewish chaplains were allowed entry."

It was then that the word spread from superiors to Jewish soldiers that they should delete the letter *J* from their dog tags, or at least have it changed to "nondenominational." The press discovered and reported this shameful advice, whereupon the Army's Senate Liaison Office, while confirming that such word had been passed to Jewish GIs, insisted that it was done only on a "unit-to-unit" basis, not under Pentagon orders.

Secretary Cheney confirmed the Liaison Office explanation while denying that Army policy dictated dog-tag alterations. He also mentioned the possibility that unit commanders had proposed concealment to Jewish soldiers for their own protection in case they were captured.

This was unrelated, of course, to orders handed to chaplains, Christian and Jewish, to conceal their religious insignia when in public inside the kingdom. In August Secretary Cheney also explained why he took no exception to the instruction. "They are a very traditional society," he said. "They have certain standards and norms . . . and I think we have to respect their culture as they respect ours." (Do they?)

The truth is that Washington preferred to remain blind to Saudi human-rights violations. A State Department travel advisory floating around at the time contained this, verbatim: "Public or private non-Muslim religious activities are not permitted and importation of non-Islamic religious materials, including Christmas cards or trees, is illegal. Persons wearing non-Islamic religious symbols in public may be arrested by the authorities in charge of propagation for virtue and prevention of vice." Asked to describe Defense Department policy on religious services for troops in Saudi Arabia, a key press-liaison officer pleaded the subject was "off-limits."

"We keep a low profile, yes, but we do minister to the religious needs of all faith groups," said Lieutenant Commander Barby Wilson, a Navy chaplain and Protestant minister. "Thirty worship services a week. We don't publicize those services. We are not supposed to put up printed announcements or prayer schedules."

To make matters worse, the Army forbade chaplains to use religious terms to describe worship services. "We don't hold mass or Holy Communion or even prayers," one chaplain reported to The Washington Post in December 1990. "We are not even chaplains. We are 'morale officers' who are permitted to hold 'fellowship meetings.'" In keeping with its expedient attitude, the Army enjoined chaplains from carrying sacramental wines across the border, instructing them to surrender the mild drink to Saudi Customs guards.

One booklet published by the Pentagon cravenly recited 24 "sensitive" subjects that soldiers should avoid, including showing pictures of a crucifix or a Star of David, discussing the U.S.-Israeli alliance, or commenting on women's rights and moral standards. (There goes another freedom!)

The Anti-Defamation League condemned the fear-stricken pamphlet as offensive to democratic principles and religion. "It should be recalled immediately," said the league, as violative of free speech and religious rights. It's "a dangerous attempt to placate the Arab world at the expense of Israel and Jews everywhere."

Apparently, there is neither limit nor logic to Saudi religious prejudice. A reader of the pamphlet, an American, says that a Saudi general once severely reprimanded him for using asterisks in his typed report—because they are six-pointed like the Star of David. A soldier accurately summed up the shocking situation in a typically colorful way. "We're risking our lives saving Saudis," he said, "and they won't even let us have a beer."

Saudi officials do indeed ignore troop violations—as long as they are kept very private. They even permit religious articles to be shipped into the country, so long as there are no markings on the outside of the package revealing its contents. But it is the U.S. Army that wrongfully warns soldiers not to carry a bible outside their compound, and to hide their cross or Star of David under their uniform.

In September 1990 The Jerusalem Post reported that Rabbi Ben Romer, assigned to the Saudi kingdom to conduct High Holiday services, became the first and only Jewish chaplain to be sent to the desert kingdom. No wonder U.S. Defense Department spokesman Major Douglas Hart said, "Worship services will be conducted within covered shelters or private settings, far from view of any Saudis."

Despite it all, Jewish servicemen celebrated the first night of Hanukkah in December 1990. But they were kept behind closed doors, shielded even from the news media, to avoid offending the Saudis. Ironically, Jews commemorate Hanukkah to remind themselves that despotism dies when people fight to protect their freedom.

The most furtive cases of organized prayer, as reported in The New York Times, told of a Jewish celebration known as "Morale Service 7" that was held in the eastern part of the Saudi kingdom. To get to it, the participants were compelled "to hitchhike to a chaplain's office at an air base, and then be escorted in a shaded car to a secret location with armed guards."

Major Hart revealed in November that the Pentagon had negotiated an approval for the Christmas holiday permitting American troops to receive Christmas cards. The consent, however, explicitly reminded members of the military that Christmas celebrations were to be low-key. In the same story, made public by The Washington Times, it was revealed that President Bush's No. 1 country singer, Lee Greenwood, had canceled his Persian Gulf tour because he could not sing his signature tune, "God Bless the U.S.A."

But why be surprised? According to Pentagon regulations, openly religious songs or sermons were, and still are, barred from armed forces radio and television. The madness goes beyond that. American reporters interviewing GIs who were busily preparing Christmas celebrations learned that the soldiers had been warned by their superiors to avoid holy hymns. They were to substitute secular carols such as "Rudolph, the Red-Nosed Reindeer" and "Jingle Bells." "Oh, Come All Ye Faithful" was a no-no.

Before the holiday Bob Hope had announced that he had agreed to present Christmas and New Year's programs for our troops deployed in the Persian Gulf. He aborted the plan, however, after learning of the restrictions that would be placed on the shows' content. Hope's usual routine, he was told, would irritate Saudi propriety. To bring in his show, the famous comedian had to leave out his female troupers (except for his wife Dolores) and kill jokes about their costumes. One wonders about Saudi common sense and our own leadership's integrity for letting this happen.

If Saudi attitudes are understandable to anyone, it is only because the kingdom also approves of its religious policemen swatting unveiled Saudi women with whipping sticks. Mary McGrory, the Washington columnist, angered by the holiday prohibitions, said it well. "If American soldiers want to celebrate Christmas," she wrote, "they must do it discreetly. We mustn't upset the Saudis, you see, while we are saving them." McGrory mused about the Saudi kingdom's hair-trigger sensitivities, thinking it strangely inconsistent for a land that "hangs, stones, and beheads lawbreakers."

The Iraqi dictator's regulations were no different in this regard from those of our Saudi coalition partner. An American chaplain in Saudi Arabia commented sarcastically that CNN, broadcasting from Baghdad about Sunday services, described chaplains as "morale counselors." "No viewer," he said, "could tell whether the TV correspondent in Iran was explicitly abiding by that nation's restrictions against mentioning non-Islamic religions or was censored by the religious authorities."

More distressing, considering that his position automatically makes him our nation's No. 1 role model, were the actions of President Bush in November 1990. U.S. News and World Report told its readers that Bush, anxious to make a morale-building call on our troops in the Middle East, changed his planned Christmas visit to Thanksgiving in order to avoid affronting Saudi sensibilities. Government insiders said that hosting the President at Christmastime would have caused the Saudis embarrassing attention to the holiday.

Worst of all, to further avoid upsetting Saudi feelings during his substitute Thanksgiving trip, the President flew off to a rendezvous in a secret location in the Persian Gulf for a 15-minute religious service aboard the U.S.S. *Nassau*.

The statement made by the President earlier in the gulf crisis makes his actions all the more surprising. At that time he was seeking national support to go in and chase Saddam Hussein out of Kuwait. The New York Daily News recorded his reasons for the proposed military venture. "We are there," he said, "to protect our Arab friends *and the American way of life* [italics mine]."

Undoubtedly, there was a sickening amount of Pentagon bending-at-the-knee to Saudi sensitivities, but precious little spine for American fundamental constitutional rights. American armed forces were fighting and dying for Saudi Arabian freedom while its feudal ruler was arrogantly suppressing theirs.

The sad truth is that a search among the national journals of America's three major faiths failed to turn up anything of substance critical of the unwillingness of our chief executive and his Defense Department to defend the religious freedom of our courageous minions. If the reason was reluctance to badger a leadership that was engaged in winning a war, something equally important was overlooked: preserving the integrity of both the Constitution and our way of life.

When it was all done—warnings, restrictions, denials—neither Washington nor Riyadh prevailed. Countless GI tents in the Saudi sands concealed small fabricated Christmas trees, made of plastic and decorated with battery-operated bulbs. According to The Washington Post, one imaginative devil dog in the First Battalion, Fifth Marines, fashioned a tree out of netting, toilet paper, and tinsel wrapping.

If our American defense establishment fails to correct this disgraceful situation before further pursuing military efforts in the Middle East, Congress should do it. Unhappily, the offending Pentagon guidelines established for our troops in the Persian Gulf stirred only small protest here at home. Fortunately, insightful segments of our press spoke out vehemently about it.

The American juggernaut was sufficiently powerful to win the war in startingly few days, with only minimal Arab and other allied assistance. Yet our Defense Department ordered our armed forces to submit to offensive religious restrictions. The department was too intellectually weak and unprincipled to resist Saudi Arabia on a fundamental issue of religious prejudice.

To deny American soldiers their guaranteed religious rights is unnecessary, demeaning, and loathsome. In an earlier decade in this century, the American Army dishonorably segregated its military units by race—regiments were black or white. African-American sailors were restricted to the Navy's lowest echelons. Black pilots were a rarity in the United States Air Force. But the American people rebelled in anger and brought an end to the obscene armed forces racist discrimination.

The incredible Saudi intrusions upon our military's religious freedom, compounded by the obsequious submission of our Defense and State departments, must be prohibited by new legislation—or the courts, if that's the only way.

One organization in Charlottesville, Virginia, the Rutherford Institute, a self-described "nonprofit civil liberties organization," warns that unless the situation is corrected, it will take the matter to federal court. It is to be hoped that such a step will succeed if Army authorities continue to mute or altogether suppress the right of U.S. soldiers to freely practice their faith in deference to Muslim bigotry.

In short, it now remains for our Defense Department to assure that it will never again submit its proud fighting men and women to the imposed fanaticism of foreign powers, laboring under sixteenth-century prejudices, that need our help to survive.

CAPE VERDEAN HISTORY

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. STUDDS. Mr. Speaker, I have the great privilege to represent in this body the Greater New Bedford area—home to the largest Cape Verdean-American community in the United States. Most Americans know lamentably little about the Cape Verde Islands and the contributions of the Cape Verdean people to the history and development of the United States. Mr. Marcel Gomes Balla, a Cape Verdean-American from El Paso, TX, has worked tirelessly to ensure that all Americans are aware of the rich history shared by the people of Cape Verde and the United States. I commend Mr. Balla on his efforts and take this opportunity to share with my colleagues just a few highlights of Cape Verdean history—as compiled by Mr. Balla. I am sure my colleagues will agree that we certainly owe Cape Verdeans proper recognition for their role in the development of these United States.

The Cape Verde Islands, known in Portuguese as Cabo Verde, are a chain of islands located off the coast of West Africa. I had the good fortune to visit Cabo Verde for all too brief a time while studying Portuguese and I can personally attest to the beauty of the islands and the graciousness and resourcefulness of the Cape Verdean people. Cape Verdeans have made countless contributions throughout history to the discovery and subsequent development of the Americas, for which they regrettably receive little credit in today's history books.

The Cape Verde Islands were uninhabited at the time of discovery in 1460 when the Portuguese initiated the practice of overseas colonization. New settlements were established on these islands and the settlers in Cabo Verde initially came from Italy, Portugal, and Spain. A few years later, African slaves arrived. Hence, the basis for the evolution and formation of the Cape Verde people. Today, a majority of Cape Verdeans are known as mesticos or crioulos and are a racially mixed group who maintain ties to Europe and Africa as well as Asia and Latin America.

During the 15th century, the Cape Verde Islands were the last known reference points on European maps and thus, a mandatory port of call for great navigators and explorers. Christopher Columbus, Fedinand Magellan, Vasco da Gama, and Pedro Alvarez Cabral all sought logistical support in Cabo Verde before venturing onward.

In 1832, the islands were the first stop of Charles Darwin on his voyage to study "The Origin of the Species," and many historians have reason to believe that Cabo Verde may be the remains of the legendary lost continent of Atlantis.

Cape Verdeans frequently challenged the perils of the seas and eventually sailed their own ships to America. One of the most famous of these Cape Verdean vessels is the *Ernestina* which traversed the Atlantic between Cabo Verde and Massachusetts 52 times under the watch of Capt. Henry Mendes. Because thousands of Cape Verdeans traveled aboard the *Ernestina* to America's shores of freedom and prosperity in the early 1990's, it is as important as the *Mayflower* to the Cape Verdean-American community. Today, the *Ernestina* sits proudly in New Bedford Harbor. It was recently designated a national landmark and is a valuable educational tool and tourist site for students and visitors to southeastern Massachusetts.

Beginning in the mid-1900's Cape Verdeans played critical roles in the development of a lasting economic foundation for southeastern Massachusetts. They were integral in the growth and expansion of textile mills and shoe factories, the cranberry industry, and road development projects.

Several writers deserve recognition for their efforts to preserve Cabo Verde's historic past. Antonio Carreira, of Portugal, has written many books on Cape Verdean folklore and many Cape Verdean writers have produced a wealth of literature which has yet to be translated from Portuguese to English.

CHILE AND THE ENTERPRISE FOR THE AMERICAS INITIATIVE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. RICHARDSON. Mr. Speaker, with the Group of Seven Economic Summit just having occurred in London, the primacy of economic relations as a basis of sound foreign policy formation in the post-cold-war period is being thrust into the spotlight. Announced over a year ago, President Bush's Enterprise for the Americas Initiative [EAI] could make a significant step toward a wiser foreign policy based on more equitable economic relations with our Latin American neighbors, if it turns out to be more a matter of substance than rhetoric.

The civilian government of Patricio Alywin in Chile has combined political pluralism with economic reform to cement democracy in what is one of the South America's fastest growing economies. Recent developments in which Chile has been involved under EAI include a $150 million loan from the Inter-American Development Bank and the Treasury Department reducing its debt in agricultural loans owed to the United States by 40 percent. Democratizing Latin American societies such as that of Chile deserve further consideration by both the Bush administration and the House under EAI.

I wish to insert in the RECORD an article which first appeared in the July 24 issue of the Washington Report on the Hemisphere, a biweekly publication of the Washington-based Council on Hemispheric Affairs [COHA]. I encourage my colleagues to read this timely article authored by COHA research associate, Maureen Widzgowski:

DESPITE INITIATIVES, FREE TRADE TALKS NOT IN THE BAG FOR CHILE

(By Maureen Widzgowski)

Contrary to U.S. press perceptions, Canada, Mexico, and the United States are not exclusive players in the movement towards greater Western Hemispheric economic cooperation. While Latin America's recent history chronicles such hobbled integration attempts as the Central American Common Market and the Andean Group, South America's Southern Cone has been experiencing unprecedented economic developments. Last March 26, with Chile notably absent Argentina, Brazil, Paraguay and Uruguay signed an agreement forming the Mercado Comun del Sur (MERCOSUR), aimed at economic integration and tariff elimination by January 1, 19 6.

At a June 27 Rose Garden ceremony in which President Bush participated the Inter-American Development Bank (IDB) issued a $150 million loan to Chile and Treasury Secretary Nicholas F. Brady announced a 40 percent reduction of the country's debt resulting from agricultural loans, a notable statistic considering Congress' plans to decrease debt renegotiation funds in its 1992 foreign aid bill. By this first debt reduction achieved under the aegis of the Enterprise for the Americas Initiative (EAI), the White House's actions suggest that Chile perhaps wisely chose to pass up an involvement in MERCOSUR.

The strength of Chile's economy based on its diversified experts, the political and economic stabilization policies associated with the Patricio Aylwin administration, as well as an improved international image, should place the nation high on the agenda for a future free trade agreement with the U.S. The reduction of the agricultural debt is both the first such accord reached under the EAI and the first restructuring agreement which will later funnel interest payments into a bilateral trust fund for environmental protection.

Debt renegotiation, measures to increase investment and trade agreements are the three avenues through which the EAI hopes to improve economic relations with Latin America. While the list of signatories to framework agreements with the U.S. now numbers 15 with the addition of Nicaragua and Panama. Chile remains the only nation receiving attention in all three sectors of EAI. Citing consistent economic expansion as exemplified in the expected 5 percent growth rate for 1991, accompanied by falling inflation, the Aylwin government indeed stands out from neighboring nations. Furthermore, the 21st Assembly in June of the OAS in Santiago provided the additional opportunity for Foreign Minister Enrique Silva Cimma to reach a trade agreement with Canada's Minister of External Affairs Barbara McDougall, expanding Chile's formal economic ties to include all three northern neighbors.

Although Chile's trade with the United States of $3 billion hardly compares to that of Mexico's $55 billion, Chilean exports to the U.S. have doubled since 1987. A further increase in trade is likely in light of Chilean Finance Minister Alejandro Foxley's announcement that import duties would be slashed from 15 percent to 11 percent effective June 17. In addition to a June meeting of Chilean and Soviet businessmen resulting in an estimated $200 million in trade deals, Chile formally joined 18 Pacific rim nations on May 20 in the Pacific Economic Cooperation Conference including both Chile's unquestionable attractiveness to the international community as well as what Minister of the Economy Carlos Ominami considers Chile's need to become involved with the worldwide economy."

Not withstanding these vigorous efforts at economic integration, the Mexican-U.S. free trade negotiations undoubtedly overshadow the Southern Cone economic developments. For example, despite the Four-On-One Agreement Brazil's President Collor achieved in Washington June 20 for the MERCOSUR nations, they are in no better a position to negotiate free trade pacts. Additionally recent events in Chile, like the hunger strike of political prisoners and the workers' strike at the world's largest copper mine, Chuquicamata detract from the country's new image as a stable Latin American democracy. Indeed, the U.S. Trade Representative's Office claims the Administration is "looking at all the factors" before moving beyond the preliminary framework agreement establishing a U.S. Chilean council on trade and investment.

LEAD AND YOUR KIDS

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1991

Mr. TORRES. Mr. Speaker, recently we have seen a lot of information regarding the negative impacts of lead. The July 15, 1991, cover story of Newsweek, titled "Lead and Your Kids" detailed the dangers of lead in the home. A special report on Prime Time Live on Thursday, July 25 warned us of high lead content of the soil in our backyards. And we have all seen the reports on the lead in congressional drinking water in Roll Call on July 25 and 29.

Lead exposure is the No. 1 environmental threat to our children. Lead contamination threatens everyone throughout the Nation. People can suffer from lead poisoning without eating chips of old lead paint and without living in dilapidated housing.

To illustrate, the article in Newsweek profiles a 2-year-old girl and her infant brother who have been poisoned by lead. Within months of moving into their home, the little girl began complaining of stomachaches and her baby brother cried incessantly. Although numerous medical checkups could find nothing wrong with either child, the ailments and irritable behavior continued. Finally, their mother, after finding an article on lead poisoning, noticed that the symptoms of lead poisoning matched her children's behavior.

Tests confirmed their mother's suspicions and fears—both children had lead poisoning. The astonishing fact about this report is that these middle-class children contracted lead poisoning not from eating lead paint chips, but from inhaling lead paint dust—stirred up in part from their father's renovations of their older two-story home in a Connecticut suburb.

According to the Newsweek article, it is too early to know the long-term neurological and intellectual effects that lead exposure will have on these children. Despite the initial prognostic uncertainty, Mr. Speaker, it is very likely that the two children will not be as intelligent as they would have been absent the exposure to lead.

The recent special report by ABC's "Prime Time Live" demonstrated that it takes remarkably little lead, and an amazingly short exposure period, to cause lead poisoning in children. The numbers are staggering—100 parts per million is detectable in children's blood, and 500 ppm is considered to be hazardous waste warranting EPA Superfund cleanup. Soil recently tested in an urban residential area just 3 miles from the EPA in Washington, DC, was found to contain over 7,000 ppm lead content. This is higher than levels found at some lead smelting facilities.

Recent reports in Roll Call also point to unsafe lead levels in Capitol Hill drinking water. In House Annex II, lead levels of 95 ppm were found, exceeding the EPA's safe level of 15 ppm by 80 ppm. Nearly 30 percent of all water tested had lead levels considered dangerous by most scientific and health agencies other than the EPA. And every House and Senate office had at least one sample which contained a lead level at or above 15 ppm.

Moreover, damage from regular exposure to lead, even at low levels, is usually irreversible. The seriousness of lead exposure is confirmed by medical experts who universally agree that lead is a more dangerous health hazard to children than originally thought.

Lead poisoning of our children is preventable, however. The Federal Government has adopted several measures to reduce the amount of lead that is released into the environment. Specifically, the Government banned the use of lead-based interior house paint in the late 1970's and phased out the use of lead in gasoline in the 1980's.

I applaud the recent efforts to control lead in drinking water by my friend, Mr. HENRY WAXMAN. And the lead-abatement trust fund proposed by Mr. BEN CARDIN will go a long way toward providing necessary funds for housing cleanup. But, while bans and phaseout of present and future uses of lead are both necessary and commendable, more preventive measures are needed. It is critically important to address the lead that is contained in existing products, whether it is old lead wall-paint in millions of American homes or lead in spent automotive batteries. These products, if not properly handled, can continue to threaten the well-being of our children.

Automotive or SLI [starting, lighting, and ignition] batteries account for 85 percent of the lead used in the United States. Roughly 70 million of these batteries burn out each year. Since each battery contains approximately 20 pounds of lead, 14 billion pounds of lead are available for reuse in an average year. The lead that is contained in these spent batteries is easily and completely recyclable. The recycled lead can be reused in new batteries or can be used interchangeably with mined lead in most products requiring lead.

Without recycling, many of the 70 million spent batteries are disposed of in landfills or municipal waste incinerators, or dumped by the roadside. This improper disposal of spent batteries has the potential to pollute our air, water, and soil. Time and weather can weaken these spent batteries causing their cases to crack and leak lead-contaminated sulfuric acid into the soil. Rain water can wash lead from exposed batteries into the ground water. To prevent the improper disposal of spend batteries and the resultant degradation of the environment, we must facilitate and, more importantly, maximize battery recycling.

Since we cannot eliminate our dependence on the lead-acid battery, recycling is the only solution to the threat of contained lead exposure from batteries. The solution needs our intervention, however. The rate of battery recycling fluctuates directly with world virgin lead prices, a relationship that can inhibit stable, constant, and maximum battery recycling. During periods of high world virgin lead prices, the recycling rate of spent batteries increases. Similarly, when world virgin lead prices decline, the battery recycling rate also falls—regardless of whether the supply of lead capable of being recycled is high. In other words, low virgin lead prices means little demand for battery recycling. We must create a market system that will increase the demand for used batteries irrespective of world virgin lead prices.

I, along with Senator TIM WIRTH and the late Senator John Heinz, developed the Lead Battery Recycling Initiatives Act to employ market forces to promote, rather than discourage battery recycling. H.R. 870 creates a system of economic incentives to encourage the reuse of the lead contained in spent batteries, thus forestalling the introduction of new lead into the environment.

The Lead Battery Recycling Incentives Act currently has more than 80 cosponsors in the House of Representatives. I trust that more of my colleagues will demonstrate their commitment to ending the tragedy of lead poisoning of our children and join me as cosponsors of H.R. 870. Similarly, I trust that the Subcommittee on Transportation and Hazardous Materials will include provisions of H.R. 870 in its legislation reauthorizing the Resource Conservation and Recovery Act [RCRA]. We must recycle the lead in these batteries if for no other reason than to lessen, if not eliminate, the damage that this lead can do to our children.